BPMB
Malaysia Development Bank

Driving Impact, Delivering Progress

2024
ANNUAL INTEGRATED REPORT

ABOUT THIS REPORT

This report is prepared using the Integrated Reporting Framework to demonstrate how BPMB creates impact and sustains value over time.

The report illustrates the Bank's management of and the interaction between our financial and non-financial capitals, against stakeholder and external environment considerations.

The report adheres to Bank Negara Malaysia's policies for Development Financial Institutions (DFIs), including but not limited to, Financial Reporting for DFIs, Corporate Strategic Plan, Shariah Governance and Corporate Governance. The financial reporting is aligned with the Malaysian and international guidelines and recommendations.

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WHO WE ARE

Established in 1973, Bank Pembangunan Malaysia Berhad (BPMB) is a Government-owned Development Financial Institution (DFI) with a clear national purpose: to deliver impact capital for national development.

We channel financing towards projects that align with Malaysia's development priorities, enabling progress that is inclusive, sustainable and future-oriented. Through our support, we aim to accelerate national outcomes and improve the well-being of current and future generations.

Our Mandate

BPMB's mandate has evolved from supporting Malaysia's early development needs to creating meaningful and sustainable impact for the nation.

Our achievements over the past 50 years reflect our agility in aligning our mandate and financing activities with Malaysia's evolving economic and social development policies.

Today, we remain focused on meeting Malaysia's current development needs while delivering on the nation's future economic, social and environmental priorities.

Purpose

We Deliver Impact Capital for National Development

Vision

Malaysia's Leading Development Partner

Mission

Impactful Delivery with Strategic Outcomes

2024 IN REVIEW

JANUARY

11 JAN BPMB grants RM2.7 billion to Prolintas for Sustainable Infrastructure Investment

15 JAN BPMB finances RM374 million Cross-Border Trade for Perlis Inland Port

FEBRUARY

3 FEB BPMB partners with Pertubuhan Hati Suci for Asnaf students' school necessities

MARCH

6 MAR BPMB backs PiDC with RM253.5 million for the Tier III Data Centre contruction in Cyberjaya.

APRIL

30 APR BPMB wins 'IFN Structured Finance Deal of the Year' and 'IFN Malaysia Deal of the Year 2023' at the 18th Islamic Finance News

MAY

16 MAY BPMB recognised with Merit Award at the ADFIAP Awards 2024

JUNE

13 JUNE CSR Initiative: Cooking for a Cause and Food Basket Distribution in Klang Valley

JULY

18 JULY BPMB earns 'Bank of the Year (Development Bank): Community and Education Empowerment' Award at Sustainability and CSR Malaysia Awards 2024

AUGUST

4 AUG ALAM launches Rumah Baca in conjunction with Tiger Day Celebration

5 AUG Courtesy visit by PT Bank Mandiri, Indonesia

17 AUG ALAM Be-Leaf Mangrove Planting Series: Setiu, Terengganu

22 AUG BPMB hosts Indonesian Delegates from LPPI and Bank Kalsel

22 AUG BPMB receives 'Brand of the Year' Award in the Development Finance Institution Category at the 2024 BrandLaureate Awards

29 AUG BAGUS 2024 Ceremony: New milestone reached with 66 Awarded Scholars

SEPTEMBER

1 SEP BPMB, EXIM Bank and SME Bank strengthen camaraderie at the BESt24 Unity Run

4 - 5 SEP BPMB organises Integrity and Internal Control Excellence Day

27 SEP BPMB approves RM852 million in financing to Zecon Berhad for the development of UKM's Children Hospital

OCTOBER

3 OCT Lawatan dan Perasmian Pejabat Baharu BPMB oleh MKII YB Senator Datuk Seri Amir Hamzah Azizan

9 - 10 OCT BPMB Participates in the National Conference on Integrity and Governance

10 OCT Unit Kerjasama Awam Swasta (UKAS) visits BPMB

12 OCT ALAM Be-Leaf Mangrove Planting Series: Tanjung Piai, Johor

12 OCT CSR Initiative: Cooking for a Cause and Food Basket Distribution in Kampung Sungai Kuali, Kukup, Johor

NOVEMBER

21 NOV BPMB supports ACSB for the Penang General Hospital's expansion through RM75 million funding

DECEMBER

12 DEC BPMB brings clean water to 300 households in Kampung Luar, Kedah through "Kolam Tadahan Air" project with MCM

13 DEC BPMB and MACC jointly host Kem Amar to encourage students to become anti-corruption champions

2024 GALLERY

2024 GALLERY

1-2: Youth Participants of ALAM Be-Leaf 2024 work together in Planting Mangrove saplings at Setiu, Terengganu

3-4: BPMB commemorates new milestone with 66 scholars at the BAGUS 2024 Ceremony

5: BPMB wins 'Brand of the Year' at the 2024 BrandLaureate Awards

6-11: BPMB, EXIM Bank and SME Bank at the BESt Unity Run

12: BPMB partners with Funding Societies for SME Digital Partnership
13-15: Courtesy visit by PT Mandiri

16-17: Cooking for a Cause programme and Food Basket Distribution at Kampung Sungai Kuali, Kukup, Johor

18-20: Delegates from LPPI and Bank Kalsel visits BPMB
21-24: BPMB Family Day 2024

25-29: Ganbatte Hackaton 2024

30-31: AICB 7th Chartered Banker Conferment Ceremony 2024

32-33: "A Peek Into Paradise" - Educational and Environmental Activity with Nicol David Organisation's Little Legends

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57-58: Unit Kerjasama Awam Swasta (UKAS) visits BPMB

Our 3-Year Strategy – Agenda 2025: We Deliver Impact Capital for National Development

In 2022, BPMB embarked on an exciting journey of Agenda 2025, a three-year strategic roadmap to actively deliver impact capital for national development. This comprehensive plan outlines BPMB's purpose and aspirations, positioning the bank as a trusted partner to our stakeholders, fostering social and economic development and building a talent hub for dynamic nation builders.

BPMB Malaysia Development Bank
AGENDA 2025

Our Purpose
We Deliver Impact Capital for National Development

Our Aspirations

Trusted Partner to Stakeholders	Social and Economic Development	Talent Hub
To be financially responsible and sustainable with the expertise to meaningfully address national priorities	To deliver high quality developmental impact and play a leading role in creating a sustainable economy	To attract and nurture diverse 'beyond bankers' and dynamic nation builders

Where and How We Play

Our Values Culture and Mind X Areas of impact (Sustainability, New Growth, Rehabilitation, Inclusivity) X Core Sectors and Adjacent Sectors

Targeted Outcomes

Market Impact	National Agenda Participation	Responsible Portfolio and Capital	Return on Equity	People and Brand Impact
RM12 billion Direct and indirect funding enabled **100% Utilisation** Dedicated Schemes of RM4.8 bil by 2025	**12** Participation in state and federal initiatives and policies at formulation/ implementation/ funding	**8-11%** Gross impaired financing ratio **25-30%** Core capital ratio **>46** Improvement on FY 2022 MIND Development Impact Index score	**2-4%** Return on equity	**75%** Internal employee engagement score **Brand Strength** A strong people-centric identity and brand positioning to attract and grow talent

Agenda 2025 is Driven by a Purpose to Deliver Impact Capital for National Development

Purpose and Aspirations | Targeted Outcomes | Strategic Enablers | Strategic Projects

Organised by Programme Theme:

Revenue Engine | Institutional Capabilities | Risk DNA | Talent, Climate, Culture

Strategy

Strategic Enablers

Revenue Engine	Institutional Capabilities	Risk DNA	Talent, Climate, Culture
• **Origination expertise** bringing in debt and equity partners. • Evolving from passive, to co-origination, to lead origination • **Strategy and expertise** to serve the MSME market • **Ability to execute** and achieve speed to market to drive portfolio growth • **Treasury** as a revenue driver	• **Strategic cost rationalisation capabilities** to realise return on investment • **Credible knowledge-based hub** to be a thought partner to our stakeholders • **Digital capabilities based on emerging technologies** to deliver business intelligence and great customer/ employee experience • **Institutional knowledge** to leverage business intelligence and industry data	• **Pragmatic credit practices** to improve conversion of deals from origination to disbursement • **Sound risk assessment practices** to reduce ECL volatility • **Optimised risk-weighted assets** for efficient balance sheet	• Strong **people-centric identity** and **brand positioning** to attract talent and grow the business • **MIND ethos** imbued organisation-wide • A **distinctive culture** to give meaning and purpose to employees

Agenda 2025 reaffirms our commitment to:

- **Champion the development and growth of key sectors:**

  We continue to play a vital role in fostering the development of strategic sectors in line with the government's agenda for our nation's progress.

- **Deliver expert guidance through consultation and advisory services:**

  We are committed to offering our expertise and support through valuable consulting and advisory services.

- **Offer a diverse portfolio of specialised financial products:**

  We remain committed to providing a comprehensive range of tailored financial solutions to cater to specific needs.

- **Bridge the gap in financial services:**

  Our counter-cyclical role serves as a strategic bridge, complementing existing banking institutions and enhancing access to financial services for underserved segments, thereby fostering long-term economic development.

CHAIRMAN'S STATEMENT

Dear Valued Stakeholders,

2024 was a year of disciplined delivery and steady progress as we advanced our strategic plan, steadfastly aligning our institutional strengths with Malaysia's national development priorities. As we reflect on 2024, I am reminded that true transformation is not measured solely by numbers, but by the collective spirit with which we face challenges, seize opportunities and deliver on our promises to the nation. I am pleased to share with you the highlights of our journey, the challenges we navigated and our vision for the future.

DATO' SULAIMAN MOHD TAHIR
Chairman

Operating Environment: Navigating Opportunity with Discipline

The year unfolded against a backdrop of resilience in the Malaysian economy, which grew by 5.1%, buoyed by robust private investment, export recovery and a notable rebound in manufacturing activity. This positive momentum enabled BPMB to channel development capital into high-impact sectors, especially those prioritized under the MADANI Economy framework. Our financing initiatives in infrastructure, logistics, digitalization and tourism have directly supported national ambitions, while state-level development plans extending beyond 2030 have opened new avenues for investment in industrial parks, transit systems and digital infrastructure.

However, the environment was not without its headwinds. Intensified competition and deferment of some infrastructure projects moderated our pace, underscoring a critical insight: impactful development finance requires not only capital but also an ecosystem ready to absorb and execute projects. This reality reinforced our commitment to close collaboration with stakeholders, ensuring that ambitions are translated into tangible outcomes.

Strengthening Delivery, Advancing Purpose

Our strategic plan remained the cornerstone of our efforts, driving sharper delivery, faster execution and stronger stakeholder alignment. The Bank's profit before tax and zakat is a testament not only to our financial discipline but also to our purposeful performance in service of national development. BPMB approved RM6.66 billion in gross financing during the year, with RM2.4 billion going to Bumiputera enterprises, demonstrating our support for the government's Bumiputera empowerment agenda. Our institutional approach prioritizes execution, embraces reform and measures success by its contribution to national progress.

Through our Measuring Impact on National Development (MIND) framework, every ringgit deployed is rigorously assessed for its contribution to Malaysia's progress from affordable housing to green infrastructure, ensuring that we create lasting value for the nation.

The MIND framework has become integral to our decision-making, allowing us to evaluate projects not just by creditworthiness but by their social and environmental impact. This holistic approach ensures that our financing supports Malaysia's broader goals of economic growth, social equity and environmental stewardship.

We continuously refine the framework to address both positive and potential negative effects, aligning with evolving sustainability standards and regulatory requirements.

Progressing the DFI Merger for Greater Impact

A defining milestone in 2024 was BPMB's leadership in Phase 2 of the Development Financial Institution (DFI) merger, integrating SME Bank and EXIM Bank into a unified entity. This strategic consolidation marks a bold redesign of development finance in Malaysia, uniting complementary mandates to provide end-to-end solutions from empowering SMEs and Bumiputera entrepreneurs to financing large-scale infrastructure and facilitating cross-border trade.

The enlarged BPMB Group will benefit from greater capital resources, enhanced risk capacity and broader market reach. This positions us to support a larger pipeline of impactful projects and serve diverse sectors more effectively. While the merger is expected to optimize resources and create capital synergies, we remain vigilant in ensuring that the needs of all stakeholders, including SMEs and micro-enterprises, are not overlooked during this transformation.

Our focus is to preserve our core mandates, institutional strengths and the trust of our stakeholders throughout the process. We recognise that transformation brings questions and uncertainty. We are listening, we are learning and we are acting with empathy, transparency and unwavering resolve.

Governance and Sustainability: Building a Resilient Institution

Governance and sustainability remain foundational pillars of BPMB. In 2024, we further strengthened our governance frameworks to promote transparency, accountability and sound risk management, ensuring resilience amid a dynamic environment. Our Sustainability Framework, operationalized this year, integrates environmental, social and governance (ESG) principles into all aspects of our financing and operations. We have enhanced our climate risk management and disclosures in line with global standards and expanded our MIND framework to encompass a broader portfolio of projects.

Beyond policy, our people have embraced a culture of purpose-driven professionalism, actively contributing to community initiatives and reinforcing our long-term success. We know that our legacy will be defined not just by what we build, but by how we build it responsibly, sustainably and with integrity. These efforts reflect our ongoing dedication to sustainable development and responsible banking.

Looking Ahead to 2025: Seizing New Opportunities

As we look to 2025, both global and domestic outlooks present a blend of challenges and opportunities. While trade tensions persist and the central bank projects a slightly softer GDP growth of 4.1% for Malaysia, strategic sectors such as semiconductors and artificial intelligence offer promising prospects. Strong investment approvals and the expansion of digital infrastructure, particularly data centres, are expected to be key growth drivers, contingent on coordinated planning and enabling infrastructure.

BPMB is well-positioned to support these priorities with targeted financing and strategic partnerships. Under Budget 2025, BPMB is mandated to allocate up to RM6.4 billion towards high-impact development projects across seven strategic programmes, including sustainable development, renewable energy, Bumiputera economic development and digital infrastructure. This renewed commitment underscores our alignment with the government's vision for a more equitable, sustainable and prosperous Malaysia.

We are ready to play our part by providing targeted financing, forging strategic partnerships and, above all, by staying true to our purpose.

Appreciation and Commitment

As I reflect on the year under review, I extend my sincere gratitude to the Board of Directors for their steadfast stewardship, to our regulators, government partners, clients and stakeholders for their trust and collaboration and to the dedicated management and staff whose commitment defines BPMB's identity and impact.

We also bid farewell to two valued Board members — Norazilla Md Tahir and Rosnah Kamarul Zaman. On behalf of the Board and BPMB, I thank you both for your service and insights. At the same time, we warmly welcome Encik Imri Dolhadi Ab Wahab, whose appointment in May 2024 adds further strength to our collective experience.

Let us remain anchored in our shared purpose, focused on our responsibilities and united in our resolve. Let us embrace the journey ahead with courage, innovation and a spirit of service. Together, BPMB will continue to deliver impact capital where it matters most, shaping a stronger, more resilient Malaysia for generations to come.

Thank you.

DATO' SULAIMAN MOHD TAHIR
Chairman

GROUP CHIEF EXECUTIVE OFFICER'S STATEMENT

Dear Valued Stakeholders,

2024 marked a pivotal year for BPMB, a year of disciplined delivery, institutional strengthening and forward-looking clarity. As I step into the role of Group CEO, I do so with a deep sense of responsibility and firm commitment to build on the strong foundation that has been laid. My focus is clear: to lead BPMB into its next chapter as a resilient, impact-driven Developmental Financial Institution (DFI).

Our performance in 2024 was not defined by financial results alone, but by the tangible outcomes we enabled in support of national priorities. From advancing infrastructure development, promoting sustainability agenda and enabling affordable housing projects, to embedding stronger risk governance and human capital initiatives, BPMB remains anchored in its purpose.

DATO' MUZAFFAR HISHAM
Group Chief Executive Officer

Profit Before Tax and Zakat (PBTZ)	Cost-to-income ratio of	Loan growth stood at	Gross financing approval rose by
RM582 million	22.6%	7.6%	RM1.57 billion

Strategic Progress and Financial Performance

In 2024, BPMB completed all 40 transformation initiatives under Agenda 2025, a testament to the discipline and unwavering commitment embedded throughout the organisation in delivering impact capital for national development.

The Group's financial performance exceeded expectations. We recorded a profit before tax and zakat (PBTZ) of RM582 million, on the back of improved asset quality and stronger cost efficiency.

Loan growth stood at 7.6%, outpacing the industry's 5.4% growth in non-household loans. Gross financing rose by RM1.57 billion, driven by targeted origination in sectors aligned with national priorities and rigorous impact assessment through our MIND framework.

Cost-to-income ratio stood at 22.6%, below industry level, underpinned by prudent cost management and sustained process optimisation to achieve operational efficiency.

Embedding Risk Discipline Across the Organisation

A deeper internal risk culture was cultivated throughout the organisation, shaped by a stronger governance framework, enhanced automation and a culture of accountability. Building on prior-year enhancements, our focus in 2024 was on translating risk strategy into operational reality through tighter controls, real-time insights and proactive engagement across the Bank.

Credit risk management saw significant improvements. We tightened customer and risk acceptance criteria, implemented a risk-based pricing model and streamlined our credit assessment processes to improve both turnaround time and asset quality. Portfolio resilience was further reinforced through enhanced exposure monitoring. The establishment of an Early Warning System and Credit Monitoring Task Force improved our ability to detect and address emerging risks in a timely manner.

Operational and compliance risks were managed more systematically through the deployment of our Operational Risk and Compliance Management System, which enabled automated incident tracking, control testing and issue remediation. Business continuity planning was tested through regular disaster recovery and emergency preparedness exercises to ensure institutional resilience under stress scenarios.

Institutional integrity was also elevated in 2024. We introduced a Group-wide Conflict of Interest Framework, established a centralised Customer Due Diligence team and successfully recertified our ISO 37001:2016 Anti-Bribery Management System. Notably, BPMB was recognised with first place in the Corporate Governance category at the ADFIAP Awards 2024, affirming our leadership in compliance and ethical finance across the DFI ecosystem.

Sustainability and Climate Leadership

BPMB continues to play a catalytic role in Malaysia's low-carbon transition, while positioning itself to drive scalable, bankable climate solutions aligned with the country's net-zero ambitions.

In recognition of the significant investment required to meet national decarbonisation goals, we collaborated with Bank Negara Malaysia, Securities Commission Malaysia and the Joint Committee for Climate Change (JC3) to establish the Climate Finance Innovation Lab (CFIL), a national platform designed to bring together cross-sector collaboration involving public, private and philanthropic partners to co-develop and implement financial tools focused on energy transition and green innovation, sustainable agriculture, circular economy and sustainable cities and nature-based solutions and biodiversity.

We achieved a 19% reduction in Scope 1 and 2 emissions, driven by energy efficiency initiatives

Operationally, our sustainability commitments gained strong momentum. We achieved a 19% reduction in Scope 1 and 2 emissions, driven by energy efficiency initiatives. To institutionalise these gains, we established an Energy Management System, overseen by a senior-led committee and supported by Energy Accounting Centres, providing structured oversight and continuous improvement.

Beyond our operations, we began tracking Scope 3 emissions and laid the groundwork for more comprehensive climate disclosures. This included the development of methodologies to assess financed emissions, aligned with the Partnership for Carbon Accounting Financials (PCAF) and IFRS S2 standards.

As we refine our sustainability strategy, our focus remains clear: to create long-term value through responsible development financing, ensuring that climate action remains embedded in every facet of our mandate.

Outlook for 2025 and Beyond

The global economic outlook for 2025 is expected to be shaped by heightened trade tensions and geopolitical uncertainties, leading to a slowdown in global growth. BPMB will continue to play a counter-cyclical role as part of our developmental mandate, ensuring that vulnerable segments and critical sectors have uninterrupted access to financing especially during this challenging period. This responsibility is particularly crucial as Malaysia accelerates its journey toward becoming a high-income, industrialised economy.

In line with the 2024 Mid-Term Review of the Twelfth Malaysia Plan (12MP), which reaffirmed the Government's MADANI vision, BPMB will continue to support national revitalisation through our RM6.4 billion strategic financing programmes. We welcome the Government's decision to raise the 12MP development expenditure ceiling to RM415 billion, with at least RM90 billion in annual spending over the remaining years.

This commitment reflects a recognition of the scale of capital needed to transform Malaysia's economic trajectory; and it is a role BPMB is proud to support.

As we enter the final year of Agenda 2025, our focus will be on sustaining delivery while laying the groundwork for our next phase of growth. We remain focused in enhancing our credit practices to accelerate speed-to-market and delivering our mandate by enabling funding access to the unserved and underserved segments, in line with national development agenda.

We will continue to collaborate with ministries and agencies to support policy formulation and champion implementation of national policies. Simultaneously, we will widen sectoral outreach by growing our presence in priority unserved and underserved regions, supported by robust engagement models.

Acknowledgements

I joined BPMB at a time when the institution had already made significant strides on its transformation journey. It is a privilege to now help shape the next phase, building on a legacy defined by vision, commitment and purpose.

Following the successful acquisition of shares in EXIM Bank and SME Bank on 1 May 2025, I look forward to a deeper collaboration across the BPMB Group as we work together to unlock synergies and scale up our collective impact. Internally, we will continue strengthening our foundations to ensure we are ready for this next chapter; one that is focused on resilience, transformation and delivering impactful outcomes for the nation.

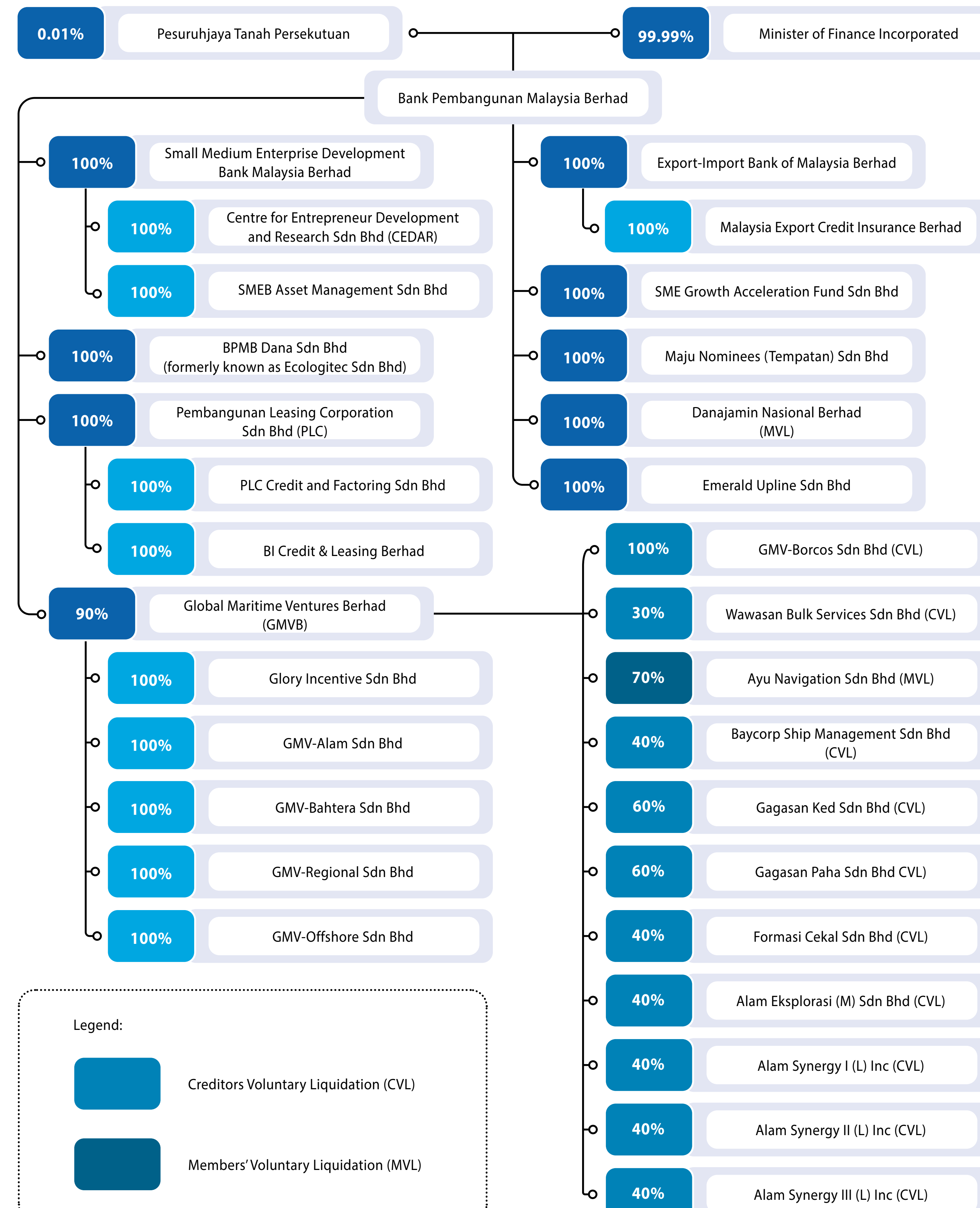
I would like to thank the Board of Directors for their trust and guidance as I take on this responsibility. My appreciation also goes to the Minister of Finance (Incorporated) for their continued confidence and facilitation in this strategic consolidation, as well as the regulators and other government agencies for their unwavering support.

I also extend my gratitude to Encik Roni Abdul Wahab for his leadership as Group CEO and to Encik Mohamed Nazri Omar for his dedication as Interim GCEO during the transition period. Their stewardship has laid a strong foundation for the road ahead.

To the Senior Leadership Team and everyone across our wider BPMB team; thank you for your continued commitment to the Bank's mission. I look forward to working with all of you as we enter 2025 with confidence, clarity and a shared determination to deliver impact capital that uplifts Malaysia's future in meaningful and lasting ways.

DATO' MUZAFFAR HISHAM
Group Chief Executive Officer

CORPORATE STRUCTURE



02

LEADERSHIP

BOARD OF DIRECTORS

DATO' SULAIMAN MOHD TAHIR
Chairman/
Independent Non-Executive Director

DATUK RASHIDAH MOHD SIES
Non-Independent
Non-Executive Director

TS. DR. OTHMAN ABDULLAH
Independent Non-Executive Director

TAN SRI RASHPAL SINGH RANDHAY
Independent Non-Executive Director

IMRI DOLHADI AB WAHAB
Non-Independent
Non-Executive Director

NOR DARINA MOHD YUSOF
Independent Non-Executive Director

Skills and Experience		DATO' SULAIMAN MOHD TAHIR	DATUK RASHIDAH MOHD SIES	TS. DR. OTHMAN ABDULLAH	TAN SRI RASHPAL SINGH RANDHAY	IMRI DOLHADI AB WAHAB	NOR DARINA MOHD YUSOF
B	Banking	●		●			●
A	Accounting	●			●	●	
F	Finance	●	●	●	●		
AD	Audit			●			●
T	Taxation				●		
FI	Fraud Investigation				●		
PA	Public Administration		●				
IT	Information Technology			●			
IF	Islamic Finance			●		●	
RM	Risk Management						●
E	Economics					●	
T/I	Takaful/Insurance	●					
SL	Strategic Leadership	●					
SF	Sustainable Finance						●
CF	Corporate Finance						●
DE	Digital Economy			●			
FT	Financial Technology			●			
IB	Islamic Banking	●		●			

Directors' Expertise and Industry Proficiency Assessment

Nationality

Malaysian	6
Non-Malaysian	0

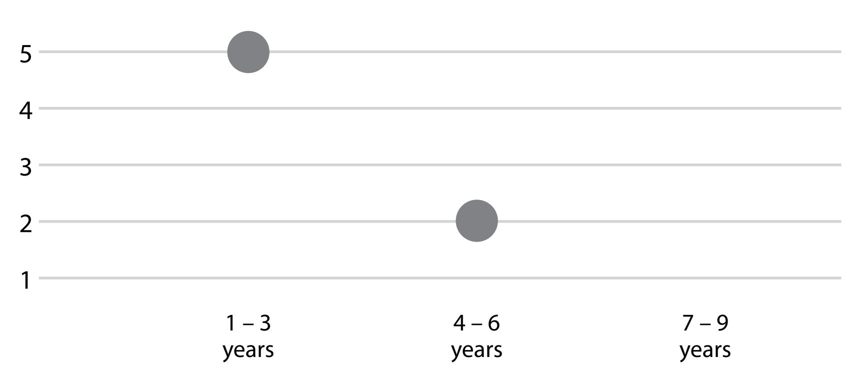
Gender Diversity

Male	4
Female	2

Designation

Independent Non-Executive Director	4
Non-Independent Non-Executive Director	2

Length of Service



Age Group

Below 50 years

50 – 55 years

56 – 60 years

61 – 65 years

Dato' Sulaiman Mohd Tahir

Chairman
Independent Non-Executive Director

Nationality Malaysian | **Gender** Male | **Age** 62

Date of Appointment : 20 March 2024

Qualifications
- Bachelor of Accounting, RMIT University, Australia
- Fellow Chartered Banker, Asian Institute of Chartered Bankers

Areas of Expertise
- Strategic Leadership, Accounting, Banking and Finance

Relevant Experience

Dato' Sulaiman Mohd Tahir ("Dato' Sulaiman") is a highly accomplished and respected figure in Malaysia's banking fraternity, having served the industry with distinction for over 35 years of distinguished leadership in Malaysia's financial sector. He started his banking career in 1987 at Bank of Commerce Berhad. There he took on several front line roles, including in branch banking, corporate banking and as an area business manager covering SMEs and Corporates.

From 2000 to 2005, he made substantial contributions to Bank Bumiputra Commerce Berhad, overseeing the bank's retail sales and distribution channels. In 2006, Dato' Sulaiman began a new chapter in his career when Bank Bumiputra Commerce Group merged with CIMB creating CIMB Group, one of the largest universal banking Group in ASEAN. With a proven track record, Dato' Sulaiman advanced through the ranks at the Group, holding a series of senior roles, including Regional Head of Consumer Sales and Distribution responsible for the Group's retail and business clients in the region. His journey with CIMB Group concluded with his appointment as the Chief Executive Officer ("CEO")/Executive Director of CIMB Bank. His strong business acumen and ability to drive organisational change have been pivotal to his success.

In 2015, Dato' Sulaiman joined AmBank Group as the Group CEO until his retirement in November 2023. During his tenure, he has been instrumental in driving growth and innovation at AmBank, leveraging a professional journey in the Malaysian banking industry. Under Dato' Sulaiman's strategic leadership, he has implemented strategic realignment initiatives that earned notable accolades. His contributions to the banking industry demonstrate excellence and are highly respected. Previously, Dato' Sulaiman sat on the boards of several other companies under AmBank Group. He is also a Board Member of Payments Network Malaysia Sdn Bhd (PayNet).

Directorships in Public Companies/Subsidiaries of Public Companies
- Bank Pembangunan Malaysia Berhad
- MNRB Holdings Berhad
- Malaysian Reinsurance Berhad
- Takaful Ikhlas General Berhad
- Takaful Ikhlas Family Berhad

Previous Directorships in Public Companies
- AmGeneral Holdings Berhad
- Liberty General Insurance Berhad
- AmMetLife Insurance Berhad
- AmMetLife Takaful Berhad

Shareholdings in BPMB Group
- Nil

Membership of Board Committees in BPMB
- Nil

Declaration

Dato' Sulaiman has
- No family relationship with any Director and/or major shareholder of BPMB.
- No conflict of interest with BPMB and has never been charged for any offence.
- Not been convicted for any offences within the past five (5) years, nor has he been imposed any public sanction or penalty by any relevant regulatory bodies.

Datuk Rashidah Mohd Sies

Non-Independent
Non-Executive Director

Nationality | **Gender** | **Age** 61

Date of Appointment : 27 September 2021

Qualifications
- Advance Management and Leadership Programme, University of Oxford
- Diploma in Public Administration, The National Institute of Public Administration (INTAN)
- Bachelor in Business Administration (Finance), Idaho State University, USA
- Masters in Business Administration, US International University California, USA

Areas of Expertise
- Public Administration and Finance

Relevant Experience
Datuk Rashidah Mohd Sies ("Datuk Rashidah") has served the Government of Malaysia for more than 30 years. She started her career in the Ministry of Finance ("MOF") in 1989 and served the Ministry ever since. Her first appointment was as an Assistant Secretary in the Finance Division (Investment), MOF. Rising through the ranks, she was promoted to the post of Principal Assistant Secretary and later became the Head of Section (Commercial), Government Investment Companies Division, MOF. She then assumed the post of Deputy Undersecretary of the same division before being appointed as the Undersecretary of Government Investment Companies Division. She was later appointed as the Deputy Secretary General to the Treasury (Management), a role she held until her retirement on 12 January 2024.

Datuk Rashidah also has broad experiences as a member of Board of Directors of Government companies and agencies. She was previously a Board Member of Tenaga Nasional Berhad, Agrobank, Johor Port, Securities Commission Malaysia and Dewan Bandaraya Kuala Lumpur, to name a few. She currently sits on the Board of Bank Pembangunan Malaysia Berhad, UDA Holdings Berhad, KUB Malaysia Berhad and Malaysian Resources Corporation Berhad.

Directorships in Public Companies/Subsidiaries of Public Companies
- Bank Pembangunan Malaysia Berhad and Group
- UDA Holdings Berhad
- KUB Malaysia Berhad
- Malaysian Resources Corporation Berhad

Previous Directorships in Public Companies
- Global Maritime Ventures Berhad
- Syarikat Jaminan Pembiayaan Perniagaan Berhad
- Syarikat Jaminan Kredit Perumahan Berhad
- Danainfra Nasional Berhad
- Tenaga Nasional Berhad

Shareholdings in BPMB Group
- Nil

Membership of Board Committees in BPMB
- Member of the Board Nomination and Remuneration Committee
- Member of the Board Credit Committee

Declaration
Datuk Rashidah has
- No family relationship with any director and/or major shareholder of BPMB.
- No conflict of interest with BPMB and its subsidiaries.
- Not been convicted for any offences within the past five (5) years, nor has she been imposed of any public sanction or penalty by any relevant regulatory bodies.

Ts. Dr. Othman Abdullah

Independent
Non-Executive Director

Nationality | **Gender** | **Age** 53

Date of Appointment : 22 October 2021

Qualifications
- PhD in Economics and Muamalat Administration, University Sains Islam Malaysia.
- Postgraduate Diploma and Master of Science in Islamic Banking and Finance, International Islamic University of Malaysia.
- Bachelor of Science in Computer Engineering, University of Michigan, Ann Arbor, USA.
- Certificate of Premier Business Management Programme, Harvard Business School.
- Certificate of Islamic Finance Leadership Programme, Cambridge IF Analytica.

Areas of Expertise
- Information Technology, Digital Economy, Financial Technology, Banking and Finance, Islamic Banking and Finance

Relevant Experience
Ts. Dr. Othman Abdullah ("Dr. Othman") has over 25 years of experience in the digital economy and financial technology sector with emphasis on IT solution implementation and transformation services and has engaged countless financial institutions in Asia, The Middle East and Africa. He is a recognised professional technologist by the Malaysia Board of Professional Technologist (MBOT). He is also a Chartered Professional in Islamic Finance (CPIF) registered with the Chartered Institute of Islamic Finance Professionals (CIIF).

He started his career with Silverlake in May 1997. In January 2007, Dr. Othman joined Bank Islam as Senior Manager, Head of Information Technology Application Development. In July 2007, he rejoined Silverlake as Executive Vice President. In 2010, he was promoted to the rank of Managing Director heading the Islamic Banking division. In July 2017, he was re-designated as the Chief Executive Officer in charge of Islamic Banking and Innovative Services.

Qualified in both IT and Islamic finance and equipped with more than two decades of hands-on experience servicing the financial services industry, he has positioned himself as a financial technology thought leader in the space of Islamic banking and finance. He writes regularly and contributes his articles and thoughts for various publications and television programs. He also speaks on the subject at conferences and seminars.

Directorships in Public Companies/Subsidiaries of Public Companies
- Bank Pembangunan Malaysia Berhad

Previous Directorships in Public Companies
- Nil

Shareholdings in BPMB Group
- Nil

Membership of Board Committees in BPMB
- Chairman of the Board Audit Committee
- Chairman of the Board Information Technology Committee
- Member of the Board Risk Management Committee
- Member of the Board Nomination and Remuneration Committee

Declaration
Dr. Othman has
- No family relationship with any director and/or major shareholder of BPMB.
- No conflict of interest with BPMB and its subsidiaries.
- Not been convicted for any offences within the past five (5) years, nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies.

Tan Sri Rashpal Singh Randhay

Independent Non-Executive Director

Nationality Malaysian flag icon **Gender** Male icon **Age** 64

Date of Appointment : 28 April 2022

Qualifications
- Masters in Corporate Finance, University of Liverpool, United Kingdom

Areas of Expertise
- Finance, Taxation, Accounting and Fraud Investigation.

Relevant Experience

Tan Sri Rashpal Singh Randhay ("Tan Sri Rashpal") has more than 30 years' experience – spanning investment companies, stock broking firms and stock and commodity exchanges. He began his career with Citivest International as a corporate trader before moving on to being the Corporate Head of Citivest International, in which he was responsible for operations in Australia, New Zealand and the United States of America. Upon returning to Malaysia, Tan Sri Rashpal served as the Chief Representative to South East Asia for Saitama International Investment Bank.

He assumed the role of Advisor to KPMG from 2003 to 2008 and was part of a United Nations initiative under which he was assigned the task of restructuring the Central Bank of Iraq in November 2003 with emphasis on the valuation of the new Iraqi Dinar. Tan Sri Rashpal was also a Special Advisor to Tenaga Nasional Berhad as well as a Member of the Main Advisory Board of the Malaysian Anti-Corruption Commission ("MACC") from 2009 to 2015.

From 2015 to 2021, he served as a Board member of the Inland Revenue, Malaysia ("LHDN"). Tan Sri Rashpal has also served on the Board of Danajamin Nasional Berhad. He is the founder of the Knight Group of Companies, which now operates in Kuala Lumpur, Penang, Sabah and Sarawak, with representative offices in India and the United Kingdom.

Directorships in Public Companies/Subsidiaries of Public Companies
- Bank Pembangunan Malaysia Berhad and Group

Previous Directorships in Public Companies
- Danajamin Nasional Berhad

Shareholdings in BPMB Group
- Nil

Membership of Board Committees in BPMB
- Chairman of the Board Nomination and Remuneration Committee
- Chairman of the Board Credit Committee
- Member of the Board Information Technology Committee

Declaration

Tan Sri Rashpal has
- No family relationship with any director and/or major shareholder of BPMB.
- No conflict of interest with BPMB and its subsidiaries.
- Not been convicted for any offences within the past five (5) years, nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies.

Imri Dolhadi Ab Wahab

Non-Independent Non-Executive Director

Nationality Malaysian flag icon **Gender** Male icon **Age** 48

Date of Appointment : 20 May 2024

Qualifications
- Masters in Islamic Finance, INCEIF University, Kuala Lumpur
- Bachelor of Arts in Accounting and Finance, Lancaster University, United Kingdom
- Diploma of International Baccalaureate, MARA College, Banting

Areas of Expertise
- Islamic Finance, Economics and Accounting

Relevant Experience

Encik Imri Dolhadi Ab Wahab ("Encik Imri") was appointed to the Board of Bank Pembangunan Malaysia Berhad on 20 May 2024, bringing a wealth of experience in fiscal and debt policies. With over two decades of service in the Ministry of Finance ("MOF"), he has honed his expertise in navigating economic complexities and coordinating strategies for fiscal sustainability and economic growth.

Currently serving as Deputy Undersecretary in the Fiscal and Economics Division of the MOF, which is mainly responsible in advising the formulation of fiscal policy, planning the debt strategy as well as monitoring the fiscal risk exposure. Previously, he served as the Director of the Economic Division of the Prime Minister's Office, where he advised on, planned and coordinated initiatives related to economic affairs.

He has previously served on the boards of Danajamin Nasional Berhad, the Public Sector Home Financing Board, GOVCO Holdings, Urusharta Jamaah Sdn Bhd and UJ Estates (Holdings) Sdn Bhd.

Directorships in Public Companies/Subsidiaries of Public Companies
- Bank Pembangunan Malaysia Berhad

Previous Directorships in Public Companies
- Danajamin Nasional Berhad
- Public Sector Home Financing Board

Shareholdings in BPMB Group
- Nil

Membership of Board Committees in BPMB
- Member of the Board Audit Committee
- Member of the Board Risk Management Committee

Declaration

Encik Imri has
- No family relationship with any director and/or major shareholder of BPMB.
- No conflict of interest with BPMB and its subsidiaries.
- Not been convicted for any offences within the past five (5) years, nor has he been imposed of any public sanction or penalty by any relevant regulatory bodies.

Nor Darina Mohd Yusof

Independent Non-Executive Director

Nationality Malaysian flag **Gender** Female **Age** 58

Date of Appointment : 1 October 2024

Qualifications
- Chartered Financial Analyst (CFA) Charter-holder
- BA (Hons) in Philosophy, Politics and Economics, Oxford University

Areas of Expertise
- Risk Management, Banking, Sustainable Finance and Corporate Finance

Relevant Experience
Nor Darina Mohd Yusof ("Puan Darina") has more than 30 years' banking experience ranging from Risk Management to Investment Banking to sustainable finance. She was the Country Chief Risk Officer for Standard Chartered Bank Malaysia Berhad (2019-2023) and was also on the Board of Directors for SCBMB Trustee Berhad during that period. Prior to that she had been the Country Chief Risk Officer for Standard Chartered Bank Indonesia (2015-2018). Currently, she serves as an Independent Non-Executive Director of Cradle Fund Sdn Bhd.

Directorships in Public Companies/Subsidiaries of Public Companies
- Bank Pembangunan Malaysia Berhad and Group

Previous Directorships in Public Companies
- Nil

Shareholdings in BPMB Group
- Nil

Membership of Board Committees in BPMB
- Chairman of the Board Risk Management Committee
- Member of the Board Credit Committee
- Member of the Board Audit Committee
- Member of the Board Information Technology Committee

Declaration
Puan Darina has
- No family relationship with any director and/or major shareholder of BPMB.
- No conflict of interest with BPMB and its subsidiaries.
- Not been convicted for any offences within the past five (5) years, nor has she been imposed of any public sanction or penalty by any relevant regulatory bodies.

SHARIAH COMMITTEE

PROFESSOR DATO' DR. AZNAN HASAN
Chairman

USTAZ MOHD FADHLY MD YUSOFF
Member

USTAZ LOKMANULHAKIM HUSSAIN
Member

PROFESSOR DR. SALINA KASSIM
Member

PROFESSOR DR. ZURINA SHAFII
Member

Professor Dato' Dr. Aznan Hasan

Chairman

Nationality **Gender** **Age** 54

Date of Appointment : 1 April 2017

Qualifications

- Bachelor Degree in Shariah, University of Al-Azhar, Egypt
- Master Degree in Shariah with Distinction (Mumtaz), Cairo University, Egypt
- PhD, University of Wales, Lampeter, United Kingdom

Areas of Expertise

- Shariah, Islamic Banking and Finance, Investment, Takaful, Zakat and Waqaf

Relevant Experience

Professor Dato' Dr. Aznan is a distinguished Professor at Institute of Islamic Banking and Finance (IIiBF) and International Islamic University of Malaysia (IIUM). He has a strong academic background in Shariah and Islamic finance, having earned both his bachelor's and master's degrees in Shariah, graduating with distinction (Mumtaz). His thesis was also recommended for publication. With his expertise in Shariah, Professor Dato' Dr. Aznan is widely recognized as a Shariah Advisor and consultant for numerous financial institutions and corporate bodies, both locally and internationally. In recognition of his contributions, he was honored in August 2024 with the prestigious Darjah Setia Pangkuan Negeri (D.S.P.N.) by the state of Penang, which confers the title of Dato'.

Memberships and Other Appointments

- Chairman, Shariah Advisory Council of the Securities Commission Malaysia
- Chairman, Board of Governance, Association of Shariah Advisors in Islamic Finance (ASAS)
- Deputy Chairman, Shariah Advisory Committee of the Employee Provident Fund
- Chairman, PHB Asset Management Berhad
- Deputy Chairman, Shariah Committee of Association of Islamic Banking and Financial Institutions Malaysia (AIBIM)
- Chairman, Shariah Supervision Committee of HSBC Bank Global
- Chairman, Shariah Committee of First National Bank (FNB), Africa
- Deputy Chairman, Shariah Supervisory Board of Bank Nizwa, Oman
- Member, Internal Shariah Supervision Committee of Global Standard Chartered Bank, Dubai
- Member, Shariah Board International Islamic Financial Market, Bahrain
- Member, Shariah Council, AAOIFI
- Member, Higher Shariah Authority, Abu Dhabi Central Bank, UAE
- Member, Shariah Committee of Yasaar Limited, United Kingdom
- Shariah Scholars, Khalij Group, United Kingdom

Shareholdings in BPMB Group

- Nil

Declaration

Professor Dato' Dr. Aznan has

- No family relationship with any director and/or major shareholder of BPMB
- No conflict of interest with BPMB and its subsidiaries
- Not been convicted of any offences within the past five (5) years, nor has he been subjected to any public sanction or penalty by any relevant regulatory bodies

Ustaz Mohd Fadhly Md Yusoff

Member

Nationality **Gender** **Age** 54

Date of Appointment : 1 April 2017

Qualifications

- Bachelor Degree in Shariah (First Class Honours), Universiti Malaya
- Postgraduate Diploma in Administration of Judiciary and Islamic, Universiti Kebangsaan Malaysia

Areas of Expertise

- Shariah, Islamic Capital Market, Investment and Takaful

Relevant Experience

Ustaz Mohd Fadhly is an independent Shariah Advisor and consultant with vast experience in serving financial institutions and is also actively involved in business. He previously spent 12 years with the Islamic Capital Market Department of the Securities Commission Malaysia, where he supervised and monitored Shariah compliance for securities, structured products and collective investments.

He is a registered Shariah Advisor for Sukuk and Unit Trust with the Securities Commission Malaysia, a registered Syarie lawyer and an accredited trainer for Islamic Finance Qualification (IFQ) by the Chartered Institute for Securities and Investment.

Memberships and Other Appointments

- Member, Shariah Committee of AmBank Islamic Berhad
- Member, Shariah Committee of Sun Life Malaysia Takaful Berhad
- Member, Shariah Committee of Opus Asset Management Sdn Bhd
- Member, Shariah Committee of Astute Fund Management Berhad
- Member, Shariah Committee of Great Eastern Takaful Berhad
- Member, Shariah Committee of PHB Asset Management Berhad

Shareholdings in BPMB Group

- Nil

Declaration

Ustaz Mohd Fadhly has

- No family relationship with any director and/or major shareholder of BPMB
- No conflict of interest with BPMB and its subsidiaries
- Not been convicted of any offences within the past five (5) years, nor has he been subjected to any public sanction or penalty by any relevant regulatory bodies

Ustaz Lokmanulhakim Hussain
Member

Nationality **Gender** **Age**
46

Date of Appointment : 20 July 2022

Qualifications
- Bachelor Degree in Shariah, Islamic University of Medina, Saudi Arabia
- Master Degree in Fiqh, Islamic University of Medina, Saudi Arabia

Areas of Expertise
- Shariah, Islamic Banking and Finance and Takaful

Relevant Experience
Ustaz Lokmanulhakim is an independent Shariah Advisor and consultant to various financial institutions and a former researcher at International Shariah Research Academy for Islamic Finance (ISRA). He has presented numerous research papers at both local and international conferences and has authored and co-authored several articles and research papers on Islamic finance. His expertise is further demonstrated by his previous role as a member of the Shariah Board of Al Rajhi Bank Malaysia, where he served from 2014 to 2022, showcasing his deep knowledge and proficiency in Shariah.

Memberships and Other Appointments
- Member, Shariah Committee of Affin Islamic Bank Berhad
- Member, Shariah Committee of BIMB Securities Sdn Bhd
- Member, Shariah Committee of Co-opbank Pertama Malaysia Berhad
- Member, Association of Islamic Banking and Financial Institutions Malaysia (AIBIM)
- Member, Shariah Committee of FWD Takaful Berhad

Shareholdings in BPMB Group
- Nil

Declaration
Ustaz Lokmanulhakim has
- No family relationship with any director and/or major shareholder of BPMB
- No conflict of interest with BPMB and its subsidiaries
- Not been convicted of any offences within the past five (5) years, nor has he been subjected to any public sanction or penalty by any relevant regulatory bodies

Professor Dr. Salina Kassim
Member

Nationality **Gender** **Age**
54

Date of Appointment : 20 July 2022

Qualifications
- Bachelor Degree in Economics, University of Arizona, United States
- Master Degree in Economics, University of Missouri-St Louis, United States
- PhD in Economics, International Islamic University of Malaysia (IIUM)
- Postgraduate Diploma in Islamic Studies, International Islamic University of Malaysia (IIUM)

Areas of Expertise
- Economics, Islamic Finance, Islamic Social Finance and Islamic Studies

Relevant Experience
Professor Dr. Salina is a Professor at the Institute of Islamic Banking and Finance (IIiBF) at International Islamic University Malaysia (IIUM), specialising in Islamic banking, finance, economics, sustainable finance and Islamic social finance. She is a trainer for the Association of Shariah Advisors in Islamic Finance (ASAS), a member of editorial boards for various academic journals and a national panel member for the Ministry of Higher Education's Fundamental Research Grant Scheme (FRGS).

With over 25 years in academia, Professor Dr. Salina has held leadership roles, including Dean and Deputy Dean at IIUM's Institute of Islamic Banking and Finance. She has supervised numerous graduate students and published over 150 academic articles, contributing significantly to the field of Islamic finance through her extensive publications in peer-reviewed journals. Additionally, she has been an invited speaker at numerous seminars and conferences and has authored books and journal articles.

Memberships and Other Appointments
- Member, Shariah Committee of AmBank Islamic Berhad

Shareholdings in BPMB Group
- Nil

Declaration
Professor Dr. Salina has
- No family relationship with any director and/or major shareholder of BPMB
- No conflict of interest with BPMB and its subsidiaries
- Not been convicted of any offences within the past five (5) years, nor has she been subjected to any public sanction or penalty by any relevant regulatory bodies

Professor Dr. Zurina Shafii

Member

Nationality	Gender	Age
Malaysian flag	Female	48

Date of Appointment : 1 April 2021

Qualifications

- Bachelor Degree in accounting, Universiti Teknologi Mara
- Master Degree in Islamic Finance, Durham University, UK
- PhD in Islamic Finance, Durham University, UK
- ACCA Professional Level Certificate
- Certified Islamic Financial Planner

Areas of Expertise

- Shariah Compliance Audit, Islamic Wealth Management, Islamic Accounting, Halal Management and Takaful

Relevant Experience

Professor Dr. Zurina Shafii is a Professor of Islamic finance at the Faculty of Economics and Muamalat at Universiti Sains Islam Malaysia (USIM) and a research fellow at USIM's Islamic Finance and Wealth Management Institute (IFWMI). She is one of the founders of Muamalat Interactive Game (MIG), a game that incorporates the concepts and operations for retail products offered by Islamic Banks. The board game is widely used in various trainings and has received several awards.

Her expertise has earned her the appointment as a subject matter expert for the Islamic Banking and Finance Institute Malaysia (IBFIM) on Shariah Audit. She led the project for the Professional Shariah Auditor Certification, which was launched in December 2019.

Memberships and Other Appointments

- President, Association of Islamic Financial and Wealth Management (AIFIWM)
- Member, Shariah Committee of Standard Chartered Saadiq Berhad
- Member, Shariah Committee Khadijah International Waqf Foundation Labuan
- Member, Shariah Committee of Zurich Takaful Malaysia Berhad and Zurich General Takaful Malaysia Berhad

Shareholdings in BPMB Group

- Nil

Declaration

Professor Dr. Zurina Shafii has

- No family relationship with any director and/or major shareholder of BPMB
- No conflict of interest with BPMB and its subsidiaries
- Not been convicted of any offences within the past five (5) years, nor has she been subjected to any public sanction or penalty by any relevant regulatory bodies

SENIOR LEADERSHIP TEAM

DATO' MUZAFFAR HISHAM
Group Chief Executive Officer

MOHAMED NAZRI OMAR
Managing Director, Group Corporate and Investment Banking

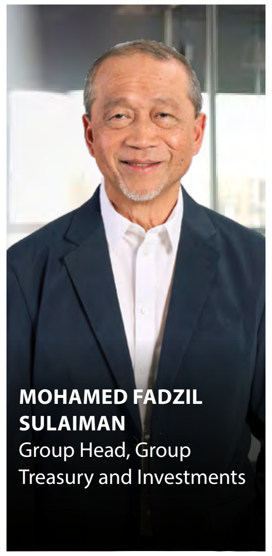
TAN MING YEW
Managing Director, Group Operations

MOHD FUAD AHMAD
Group Chief Corporate Development Officer

MOHAMAD HASNOL A HALIM
Chief Human Resource Officer

AIDIL HAZNUL ZULKIFLI
Group Chief Legal, Governance and Corporate Services/Group Company Secretary

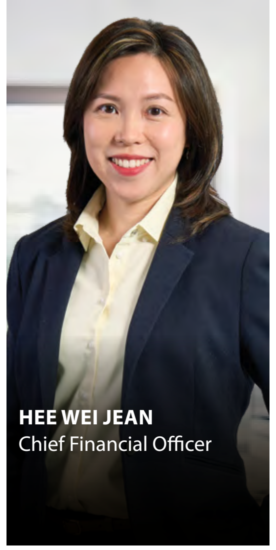
MUHAMMAD AZRAINI ABDUL HAMID
Group Head, Group Private Equity and Strategic Investments



MOHAMED FADZIL SULAIMAN
Group Head, Group Treasury and Investments

WEE YEE TAT
Group Head, Group Corporate Banking and Advisory

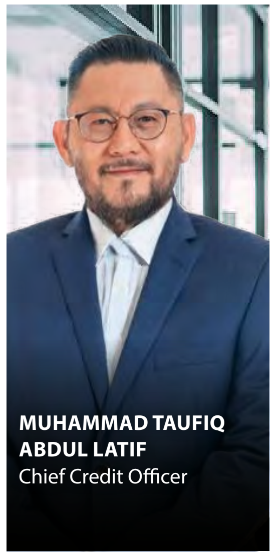
GERALD GOH YONG HWA
Group Head, Group Coverage



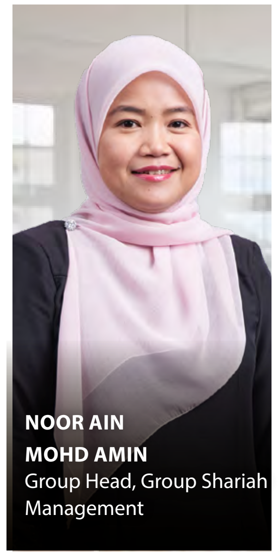
HEE WEI JEAN
Chief Financial Officer

JASON GOAY NGEE CHIEW
Chief Risk Officer

MUHAMED NOH KADERAN
Chief Internal Auditor



MUHAMMAD TAUFIQ ABDUL LATIF
Chief Credit Officer



NOOR AIN MOHD AMIN
Group Head, Group Shariah Management

Dato' Muzaffar Hisham

Group Chief Executive Officer

Appointed on 18 May 2025

Nationality	Gender	Age
Malaysian	Male	53

Education, Professional Membership and Certification

Bachelor of Science (Hons) in Economics and Accounting, University of Bristol, United Kingdom.

Relevant Experience

Dato' Muzaffar Hisham has over 25 years of regional banking experience in wholesale and retail banking. He has held leadership roles across key financial institutions, including HSBC Amanah, CIMB Investment Bank and CIMB Islamic Bank Berhad.

Prior to joining BPMB, he was the Group CEO of Islamic Banking and CEO of Maybank Islamic Berhad, overseeing the Group's Islamic banking portfolio. He also served as Group CEO of Global Banking at Maybank, having held various key roles across the Group since 2011.

Mohamed Nazri Omar

Managing Director, Group Corporate and Investment Banking

Appointed on 7 February 2022

Nationality	Gender	Age
Malaysian	Male	51

Education, Professional Membership and Certification

Bachelor's Degree in Economics and Government, Cornell University, USA.

Experience

Encik Nazri has more than 26 years' experience in banking industry predominantly in the investment banking, corporate finance and capital market area.

Prior to the merger between BPMB and Danajamin Nasional Berhad ("Danajamin"), he was the Chief Executive Officer of Danajamin. Before that, he was the Director, Investment Banking of Kuwait Finance House, Analyst with Macquarie Group and Citibank.

Tan Ming Yew

Managing Director, Group Finance and Operations

Appointed on 3 July 2023

Nationality	Gender	Age
Malaysian	Male	43

Education, Professional Membership and Certification

Master in Business Administration from University of Strathclyde, UK.

Post Graduate Diploma in Machine Learning and Artificial Intelligence (2022), International Institute of Information Technology Bangalore (IIITB).

- Chartered Financial Analyst ("CFA").
- Chartered Institute Tax of Malaysia.
- IASSC Lean Six Sigma Certified Black Belt.
- PMI Agile Certified Practitioner (PMI-ACP).
- FRM (Financial Risk Manager).
- Prince 2 Practitioner.
- Chartered Banker.
- Association of Chartered Certified Accountants ("ACCA").

Experience

Encik Ming Yew has more than 20 years' experience including 12 years in financial industry.

Encik Ming Yew was the Acting Chief Operating Officer of Payment Networks Malaysia ("Paynet"), Group Financial Controller + Project Director (Dual Role), AmBank Group and Planning and Reporting Manager, British American Tobacco Malaysia Berhad.

Mohd Fuad Ahmad

Group Chief Corporate Development Officer

Appointed on 15 June 2023

Nationality	Gender	Age
Malaysian	Male	53

Education, Professional Membership and Certification

Masters in Business Administration, Aston Business School, Aston University, UK.

Bachelor of Science in Marketing, Southern Illinois University, USA.

Experience

Encik Fuad possesses over 25 years' experience in government-linked investment companies and government-linked companies, government-related agencies as well as entrepreneur-based organisation at senior management level.

Previously the Group Chief Strategy Officer and Special Advisor, Jakel Group, Senior Vice President, Special Projects, Khazanah Nasional Berhad, General Manager, Suruhanjaya Pengangkutan Awam Darat and few other reputable organisations.

Mohamad Hasnol A Halim

Chief Human Resource Officer

Appointed on 21 July 2025

Nationality	Gender	Age
		63

Education, Professional Membership and Certification

Bachelor of Economics from the Agriculture University of Malaysia.

Diploma in Agriculture from Agriculture University of Malaysia.

Experience

Encik Hasnol began his career with Maybank in 1987 in Branch Operations before moving to Group Human Resource in 1991, where he held various senior roles, including Head of Human Capital at several Maybank subsidiaries. He later served as Director of Group HR at Bursa Malaysia and as Head of Group HR Shared Services at RHB Banking Group, overseeing Group Rewards and Performance Management.

From 2018 to 2022, he was Head of Organisational Performance & Rewards at Bank Pembangunan Malaysia Berhad. Prior to re-joining BPMB as CHRO, he was the Group Chief Human Resource Officer at Stealth Solutions, a telecommunications service provider.

Aidil Haznul Zulkifli

Group Chief Legal, Governance and Corporate Services/Group Company Secretary

Appointed on 16 January 2023

Nationality	Gender	Age
		51

Education, Professional Membership and Certification

Master in Business Administration from University of South Australia.

Advance Diploma in Law (LLB) from Universiti Teknologi MARA.

Bachelor in Law (LLB) from University of Northumbria at Newcastle.

Experience

Encik Aidil was a corporate lawyer for 6 years before joining Banking Industry in 2007 until today.

Encik Aidil practiced at Zaid Ibrahim and Co and subsequently became the Head, Legal, Secretarial and Compliance, at BIMB Holding Berhad and Head of Legal at Bank Islam Malaysia Berhad.

Encik Aidil is also a llicensed Company Secretary since 2008 (MACS 01638).

Muhammad Azraini Abdul Hamid

Group Head, Group Private Equity and Strategic Investments

Appointed on 7 February 2022

Nationality	Gender	Age
		49

Education, Professional Membership and Certification

Master of Business Administration from Manchester Business School, United Kingdom.

Bachelor of Science in Management, Magna Cum Laude.

Certificate in Computer Information System from Golden Gate University, San Francisco, USA.

Experience

Encik Azraini was the Chief Executive Officer of Global Maritime Ventures Berhad (GMVB), a subsidiary of BPMB until 31 December 2019 before being appointed as Group Head, Operations of BPMB effective 1 January 2020.

Started his career at MTDC Capital and Technology Research Sdn Bhd. He moved to CAV Private Equity Management as Associate Director before progressing to RHB Investment Bank Berhad as Deputy Director, Private Equity Department.

Mohamed Fadzil Sulaiman

Group Head, Group Treasury and Investments

Appointed on 1 June 2022

Nationality	Gender	Age
		67

Education, Professional Membership and Certification

Master In Finance and Management From Morehead State University, Kentucky, USA.

Bachelor's In Science, Finance, from Indiana State University, Indiana, USA.

Diploma in Banking, from UiTM (the Then Institut Teknologi MARA).

Certificate of Risk and Liquidity Management, from Asean Risk School of Excellence, Singapore.

Experience

Encik Fadzil started his banking career with Bank Bumiputra (BBMB) in 1987 with the Bank's Internal Audit Division before moving to the Treasury Division with over 35 years of experience in Treasury, Corporate Banking, Capital Markets and Investment Banking.

He was with BBMB/CIMB Group in various capacity with a total of 28 years being posted to BBMB's branch in London for 5 years, Singapore branch for 3 years and finally seconded to PT Bank CIMB Niaga, Indonesia for 10 years as part of the Bank's senior management capacity before returning to CIMB as the Deputy CEO CIMB Islamic Bank. Post his early retirement, he served 2 years at Bank Muamalat and 1.5 years at Affin Bank, before joining BPMB in June 2022 in Treasury and Capital Market.

Wee Yee Tat

Group Head, Group Corporate Banking and Advisory

Appointed on 7 February 2022

Nationality	Gender	Age
Malaysian	Male	49

Education, Professional Membership and Certification

Bachelor of Business Administration (Finance) from Multimedia University.

Experience

Encik Yee Tat possesses over 22 years of experience predominantly in financial services sector.

Encik Yee Tat has held various position including as Director, Eastreet Technologies, Director, Legion Capital (M) Ltd, Director, Bumiwerks Capital Management and Manager, RAM Rating Services Bhd.

Prior to the merger with BPMB, Encik Yee Tat was the Head of Credit Risk first, before assuming the role as Head of Client and Solutions in Danajamin Berhad.

Gerald Goh Yong Hwa

Group Head, Group Coverage

Appointed on 7 February 2022

Nationality	Gender	Age
Malaysian	Male	53

Education, Professional Membership and Certification

Bachelor of Business (Management), from Monash University Australia,1993.

Bachelor of Business (Banking and Finance), from Monash University Australia 1994 Professional Certification.

Experience

Encik Gerald possesses over 28 years of experience mainly in Banking and Financial industries.

Encik Gerald has held positions as Head, Wholesale Banking Coverage, AmBank and Group, Director and Head, Large Corporate, HSBC, heading Large Corp Team, Mid Corp Teams, heading Trade Sales and Branch Manager.

Prior to joining BPMB, Encik Gerald was the Head of Coverage in Danajamin Nasional Berhad.

Hee Wei Jean

Chief Financial Officer

Appointed on 26 June 2023

Nationality	Gender	Age
Malaysian	Female	44

Education, Professional Membership and Certification

Bachelor of Commerce from University of Western Australia, Perth and University of Technology Sydney, Taylor's Business School.

- Fellow CPA Australia.
- A Certified Practising Accountant ("CPA") Australia.
- Malaysia Institute of Accountants (MIA).
- Chartered Banker with Asian Institute of Chartered Banker (AICB).
- Associate Qualification in Islamic Finance (AQIF).

Experience

Puan Jean has over 20 years' experience in financial and accounting field including more than 12 years in Banking industry.

Puan Jean was the Deputy Chief Financial Officer, MBSB Bank Berhad, Vice President, Country Finance Officer, Bank of America, Finance Manager Malaysia and Singapore, Unilever and Senior Tax Consultant, Ernst & Young.

Jason Goay Ngee Chiew

Chief Risk Officer

Appointed on 7 Feb 2022

Nationality	Gender	Age
Malaysian	Male	55

Education, Professional Membership and Certification

Associate Member of Chartered Institute of Management Accountants (CIMA).

Experience

He has over 29 years' experience in Banking industry.

Encik Jason has held various positions including with HSBC, Perwira Affin Merchant Bank and Arab-Malaysian Merchant Bank.

Prior to the merger with BPMB, Jason was the Chief Risk Officer of Danajamin Nasional Bhd.

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SENIOR LEADERSHIP TEAM

Muhammad Taufiq Abdul Latif

Chief Credit Officer

Appointed on 7 February 2022

Nationality	Gender	Age
		55

Education, Professional Membership and Certification

Advanced Diploma in Business Studies, from UiTM (the then Institut Teknologi MARA).

Diploma in Microbiology from UiTM (the then Institut Teknologi MARA).

Experience

Encik Taufiq was formerly attached to Maybank Group since 1995 till 2012 where his last position was Head, Transformation Program Management.

He joined BPMB Group in May 2012 as an Assistant Vice President, PLC. Encik Taufiq was appointed as Chief Risk Officer in Ocober 2019 and subsequently appointed as Chief Credit Officer in February 2022.

Muhamed Noh Kaderan

Chief Internal Auditor

Appointed on 16 April 2018

Nationality	Gender	Age
		52

Education, Professional Membership and Certification

Post Graduate Certificate in Business Administration, from Edinburgh Business School, Heriot Watt University

- Bachelor of Accountancy (Hons) from University Utara Malaysia.
- Chartered Accountant (CA), Malaysian Institute of Accountants.
- Chartered Member of IIA Malaysia (CMIIA).
- Certification For Bank Auditor (CBA).
- ASEAN Chartered Professional Accountants (ACPA).
- Information Systems Audit and Control Association (ISACA).

Experience

Over 27 years' experience in Financial Services, Audit Firm, Regulatory and Professional Bodies and Capital Market industry predominantly in Internal Audit function.

Encik Noh was the Executive Director, The Institute of Internal Auditors ("IIA") Malaysia, Head, Internal Audit, Cagamas Bhd, Chief Internal Auditor, Bangkok Bank Bhd, Head, Internal Audit, Malaysian Institute of Accountants ("MIA") and a few others.

Noor Ain Mohd Amin

Group Head, Group Shariah Management

Appointed on 7 February 2022

Nationality	Gender	Age
		43

Education, Professional Membership and Certification

Bachelor of Law and Shariah Law from International Islamic University Malaysia.

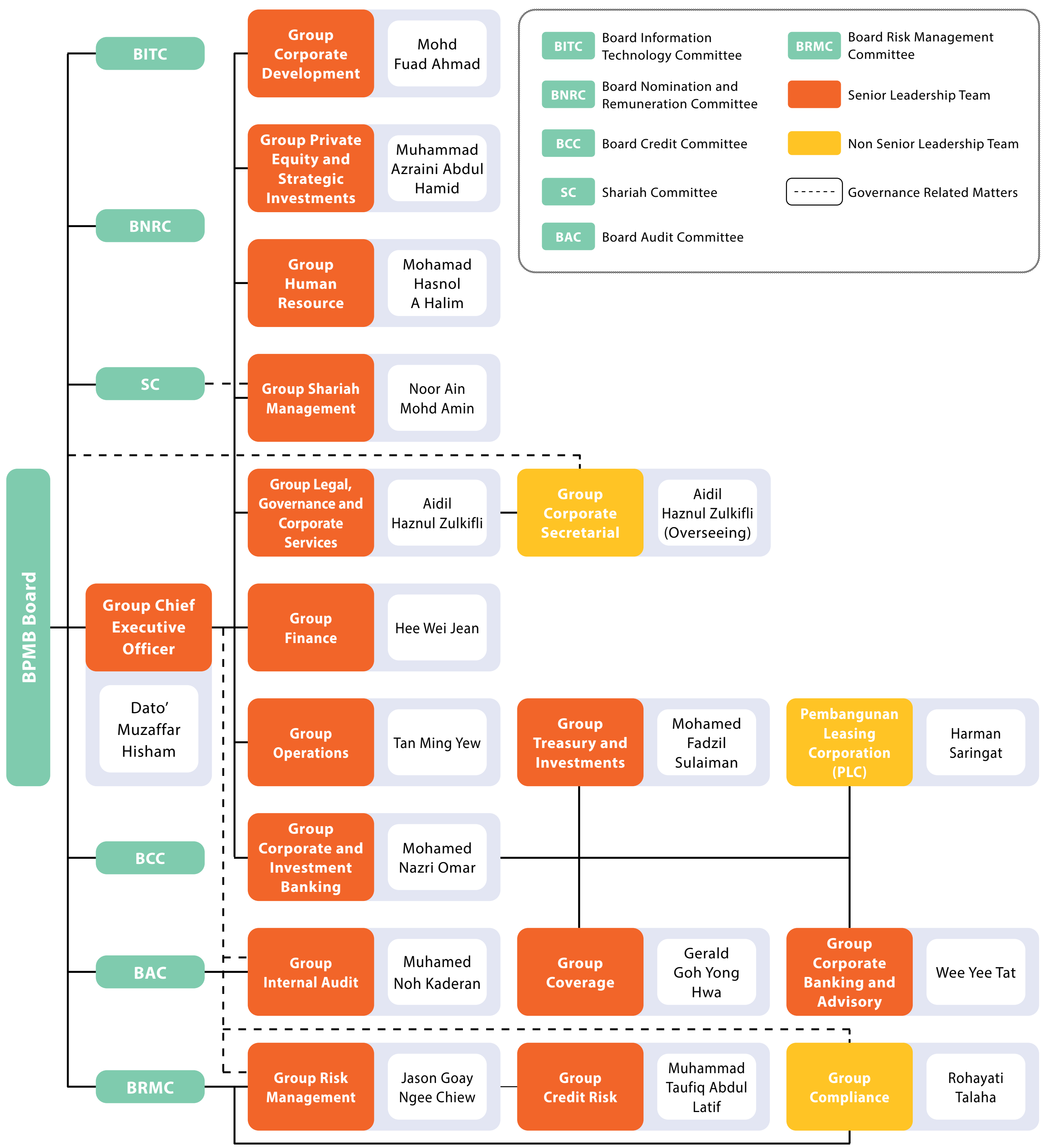
Experience

Prior to joining BPMB, Puan Ain was attached to CIMB Islamic Bank Berhad for more than 7 years with her last position as Assistant Vice President in Shariah and Governance Department; focusing on Islamic Capital Market and Treasury portfolios.

Prior to that, Puan Ain was attached to Kuwait Finance House (M) Berhad for 5 years as Management trainee as well as Relationship Manager for Commercial Banking Department.

GROUP ORGANISATION STRUCTURE

AS OF 31 JULY 2025



03

PERFORMANCE

OUR OPERATING ENVIRONMENT AND OUTLOOK

The economy rebounded in 2024 on the back of broad-based improved performance across all sectors, notably, the stronger private investment and the export-led rebound in the manufacturing sector. Most of the sectors that aligned with our funding schemes also recorded stronger growth during the year. We had remained steadfast in supporting those sectors that are at the forefront of MADANI Economy initiatives that also ensures sustainability and inclusivity agenda continued to be the social pillars.

For 2025, we expect the impact from the US President Donald Trump's new tariffs to slow global trade and in turn the global economic growth, with likely heightened volatility in the commodity and financial markets. That said, domestic demand, is expected to be relatively resilient with private investment into sectors aligned with the MADANI initiatives to be the growth drivers. Against this backdrop, Malaysia's economy is expected to moderate to 4.1% in 2025 (2024: 5.1%).

Economic

- The Malaysian economy recorded stronger growth of 5.1% in 2024 (2023: 3.6%) on the back of stronger domestic demand and turnaround in exports. Private consumption remained as the key driver of growth (5.1%, 4.7% in 2023).
- Meanwhile, the significant pick-up in private investment (12.3%, 4.6% in 2023) was the key additional boost to growth to other sectors, particularly the construction sector which finally surpassed its pre-pandemic level.
- Meanwhile, the turnaround in net exports had revived the manufacturing sector. The services sector in turn recorded faster growth fuelled by more brisk economic activities.
- Monetary policy remained accommodative with the overnight policy rate was left unchanged at 3.0% throughout 2024 following the series of hikes in 2023 by Bank Negara Malaysia (BNM) in its bid to restore normalcy during the post-pandemic recovery.
- Inflation remained subdued at 1.8% (2023: 2.5%) despite the diesel prices subsidy rationalisation in June that led to 56% hike in prices, given its small share of the CPI basket.
- Ringgit which was badly battered in 2023 and in the first half of 2024 on broad-based strength in the US Dollar recovered some lost ground with 2.5% appreciation to 4.47 vs the USD by the end of 2024. The turnaround in performance was mainly attributed to the US Federal Reserve monetary easing in September after having the policy tightened at the fastest pace since 1980s.
- The joint initiative by BNM and the government to encourage the government-linked companies (GLCs) and government-linked investment companies (GLICs) to repatriate their foreign earnings helped to prop up Ringgit further.

Impact

- Most of the GDP sectors related to our portfolio showed favourable performance in the final quarter of 2024, particularly transport and storage, ICT, construction and accommodation. These sectors are key enablers towards high income economy under the 12th Malaysia Plan (12MP) and the National Industrial Master Plan (NIMP).
- Those sectors were also covered under the BPMB Group financing schemes under Budget 2024 i.e. MADANI development scheme, Maritime, logistics and transportation scheme, Tourism infrastructure scheme and Industry Digitalisation Transformation scheme, of which most of them were already offered by BPMB Group long before MADANI economy initiatives were introduced.
- During the year, the economic development at the state level picked up, as these states worked towards their respective development plans which would continue to run until 2030 for most states that will come under 13MP – and longer, until 2035 - 2050 (Kedah, Selangor, Negeri Sembilan, Pahang, Kelantan and Sabah).

Opportunity

- For 2025, projecting the impact of all the new US trade policy is tricky especially when the list of tariffs is not yet final. We expect the outcome of the negotiations with the US for both Malaysia and China would be more favourable than the earlier imposition although slightly higher than that currently set during the 90-day pause. We expect the outcome of the negotiations with the US for both Malaysia and China would be more favourable than the earlier imposition although slightly higher than that currently set during the 90-day pause.
- We also expect that Malaysia would be able to strike a favourable deal on semiconductor tariffs and under the new US AI chips export control framework which will see only modest pullback in the data centre investments and developments in Malaysia.
- We had revised downwards our real GDP growth projection accordingly to 4.1% for this year (previously 4.6%), reflecting the slowdown in trade and private investment, reflecting the impact of the US tariffs on Malaysia and its trading partners.
- That said, we can expect a big upside to the growth momentum in private investment. Given the strong domestic and foreign direct investments approved in 2024 mostly into domestic services sub-sectors and the assumption based on historical trend of a 30% realisation rate annually, fixed investment growth may continue to be robust albeit slower than the double digit growth recorded in 2024.
- While the development of data centres across the country will be the key driver of more new investments and economic growth, the likely agglomeration around those locations requires the regional balanced development that are also covered under the respective states development plans.
- Based on the Ministry of Economy's planned strategy under 13MP that was shared at the ministry's 13MP Kick-off Conference last September, among key development tracks which need infrastructure funding are regional balanced development, public transport and food security. BPMB could play a role in supporting the federal and state governments in funding the development financing gaps.

Our Strategic Response

BPMB continued to be at the forefront among the DFIs in providing strategic financing under Budget 2025 amounting to RM6.4 billion via two types of financing. i.e., the subsidised loan and loan or equity financing. The strategic financing would support the government in bridging the funding gap to ensure it meets its development plans, particularly with 2025 marking the final year of the 12th Malaysia Plan.

Under subsidised loan, the schemes offered are as follows:

1. MADANI Development Scheme (MDS), for companies involved in activities contributing to the 12th Malaysia Plan, Ekonomi MADANI and are not within coverage of our existing programmes.
2. Logistics and Transportation Scheme, for companies involved in activities related to marine, oil and gas supply chain, aerospace, logistics and transportation.
3. Sustainable Development and Transition Scheme, for companies involved in activities related to climate adaptation and risk mitigation, sustainable development, circular economy as well as transition (excluding energy).
4. Renewable Energy and Energy Transition Programme, for companies involved in energy activities under National Energy Transition Roadmap (NETR).
5. Bumiputera Economic Development Programme, for Bumiputera companies involved in activities contributing to Bumiputera Economic Transformation Plan 2035 such as (but not limited to) halal ecosystem and supply chain.
6. Digital Infrastructure Programmes and High-Impact Sectors, for companies involved in activities related to Fourth Industrial Revolution (including Digital Economy) as well as projects contributing to New Industrial Master Plan 2030 (NIMP 2030)

For loan or equity financing, BPMB offers Capital Access Programme to help companies involved in activities related to new growth sectors as well as support development of Micro SMEs (MSME) who require capital.

Risk

- The risk to our baseline scenario for the economic trajectory in 2025 is mainly the external operating environment.

1. US Tariffs

- While our exposure has mostly been domestic businesses operating within the services sector which would be less likely to be impacted directly by the trade tariffs, the indirect impact i.e., the slower growth in trade and investment may affect the sectors which make up most of the targeted sectors under our financing schemes as announced under Budget 2025. These are namely, transport and logistics, construction and real estate.
- The tariffs in nature are inflationary and that already causing wariness at the US Federal Reserve officials now that there are increasing signs of the US economy facing stagflation risk.
- There is also a possibility of higher inflation elsewhere, as global retailers may spread tariff burden by raising prices outside the US, while absorbing the tariffs with smaller price increases in US.
- The tariffs and the ensuing trade war that spills over into specific industries mainly technology, are causing much volatility in the capital and financial markets, not only in the US but globally.
- There are increasing signs of investment funds flowing out of the US in a big way and into the other countries. These funds are mostly short-term in search of better returns and low risk. Nonetheless, these flows are volatile in nature as seen in the foreign net selling and buying trends in April – May 2025.

2. US pulled out from the United Nations Framework Convention on Climate Change (UNFCCC).

- Although this will only take effect after 1 year, i.e. 2026 it will affect all initiatives towards achieving the goals of UNFCC as these are all medium-term plans.
- The impact on Malaysia will be negative if global oil prices continue to trend lower than current range of US$75 -80 p.b. following the US likely to boost its supply, as the federal government budget for 2025 assumed oil prices at US$80 p.b.
- Other likely impact would be the slowdown in EV development, although this is rather limited given the aspiration by other nations in meeting their respective carbon emission do not depend on the US.

Digital Economy

- In 2024, the government had introduced various initiatives to accelerate the progress of digitalization of the economy. The focus was mainly to upscale and widen connectivity as well as the cybersecurity framework, empowering the Micro-SMEs (MSMEs) and to encourage startups to venture into digital economy; under various Budget 2024 measures. The key related Budget 2024 measures introduced are namely;
  - Implementation of MyDigital MADANI to continue digital connectivity across 3,700 schools and 47 industrial areas by 2025.
  - Development of 5G Cybersecurity Testing Framework and Local Expertise in 5G Technology to enhance preparedness against cyber threats.
  - Digitalisation grants of up to RM5,000 for MSMEs to upgrade sales, inventory and digital accounting systems.
  - GLCs and GLICs to allocate RM1.5 billion to encourage startups venturing into digital economy, space technology and Electronics and Electrical (E&E).
  - To develop MYStartup platform optimising RM200 million fund under various funding agencies and venture capital.
- At the start of 2024, the government had launched the Central Database Hub (PADU) as part of the effort towards "govtech" (government tech) via the provision of a safe, comprehensive and "near real-time" national main database, allowing the production of more accurate data analytics.

Impact

- In 2024, the sector related to digitalisation continued to record strong growth. According to the Malaysia Industrial Development Agency (MIDA), the digital economy is estimated to have reached US$31 billion (RM138.4 billion) in gross merchandise value in 2024, indicating a 16% rise from 2023. This is a remarkable performance for Malaysia Digital Economy Corporation (MDEC) that is leading the Malaysia Digital initiative.
- Approved digital investments reached RM66.22 billion, surpassing the total recorded in the financial year of 2023, which helped to create 25,498 high-skilled jobs and generated RM1.94 billion in export opportunities, representing a 43% increase from the previous year.
- As of June 2024, MDEC's partnerships and business matching programmes managed to secure export markets worth more than RM1.94 billion, involving 228 companies in 11 countries - an increase of 43% from a year earlier.

Opportunity

- The US International Trade Administration had recognised Malaysia's 5G network as one of the leading networks in ASEAN for its consistent upload and download speeds. Malaysia is also recognized for its high digitization rates, with internet penetration at over 97% and mobile phone penetration at nearly 130%. This has made Malaysia the top destination for global tech companies to invest, particularly in data centres driven by the rising demand for Artificial Intelligence (AI).
- The year 2024 also saw global technology companies including Amazon Web Services (AWS), Google and Microsoft committed or expanded investments amounting to a US$16.9 billion (RM74.80 billion), further cementing Malaysia's position as a prime destination for tech-driven growth.
- The government has approved a total of 21 data centre projects under the Digital Ecosystem Acceleration Scheme, with a significant total investment of RM 113.8 billion (US$ 24.4 billion) since 2021, helping to drive the growth of the digital economy.
- Under Budget 2025, the government planned to establish a National Artificial Intelligence Office (NAIO) to enhance AI adoption through collaboration between academia and industry. This is to support the Malaysia Artificial Intelligence Nexus 2024 (MY AI NEXUS) launched in mid-2024 as a programme that promotes opportunities for study and research and the creation of faculties in AI.
- Under the New Industrial Master Plan (NIMP) 2030, Malaysia aims to leverage digitalisation and AI to transform its industrial landscape, focusing on smart manufacturing, enhanced productivity and the creation of high-skilled jobs, aiming to become a regional leader in the digital economy by 2030.

Our Strategic Response

- Since 2020, BPMB Group had been supporting the national digitalisation initiative with the Industry Digitalization Transformation Fund Scheme (IDTFS).
- Acknowledging the fact that digitalization is much more than just industry automation or transition onto digital platforms, BPMB Group had widened the scheme focus to Digital Infrastructure Programmes and High-Impact Sectors as introduced under Budget 2025. This scheme covers companies that are involved in not just the digital economy but also activities related to the Fourth Industrial Revolution as well as projects contributing to the New Industrial Master Plan 2030 (NIMP 2030).

Risk

- While we expect that Malaysia would be able to strike a favourable deal on semiconductor tariffs and under the new US AI chips export control framework which will see only modest pullback in the data centre investments and developments in Malaysia, the risk remains that US may have it sweeping across all countries affected, at levels and conditions that will have a significantly adverse impact on Malaysia's tech sector and in turn, disrupt the progress of the nation's digital ecosystem acceleration plan.
- While the boom in data centers has helped lift Malaysia's economy, this development has also highlighted the importance to meet future demand for the energy and water needed to run the data centers. Any delay in reforming our water sector and transition towards renewable energy may hinder the progress.

OUR FINANCING ECOSYSTEM

In line with our developmental mandate, our financing ecosystem is designed towards providing access to capital to spur the development of strategic sectors/segments.

Our Ecosystem of Financial Resources

Over the years, through optimised capital management, we have established an ecosystem of sound financial resources needed to sustainably support our financing activities.

Deposits from Customers and FIs: RM 15.1 Billion	Shareholders' Funds: RM 9.4 Billion
Long-term Borrowing: RM 0.2 Billion	Redeemable Notes/Sukuk: RM 8.4 Billion

Dedicated Schemes We Create

In line with our developmental role, we have allocated our financial resources towards dedicated financing programmes that support strategic sectors/segments in alignment to national agenda. The financing costs of our strategic financing programmes are subsidised by the government (1.5%), with financing tenures ranging from 5 to 20 years.

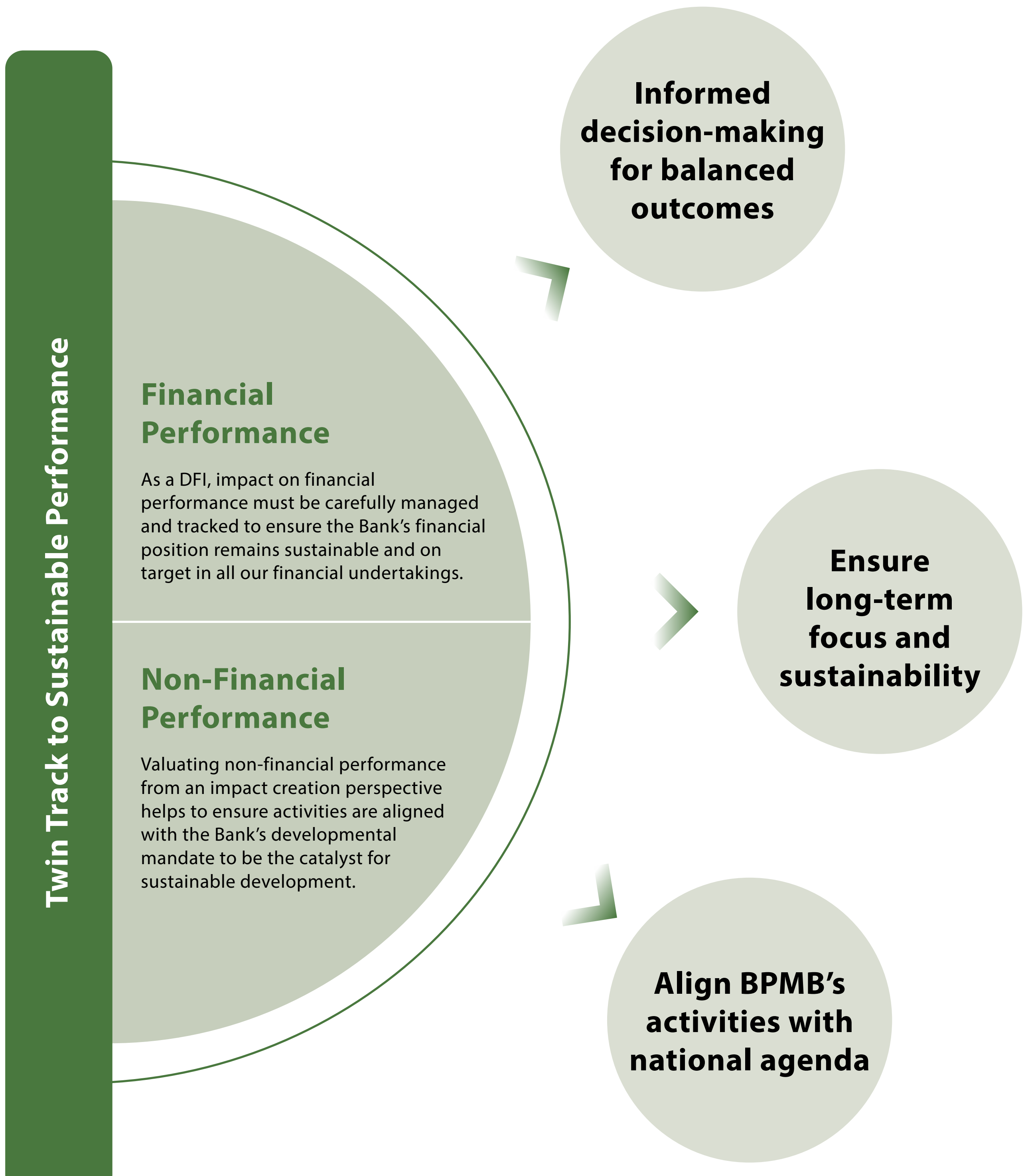
Type	Scheme	Allocation	Description
Funding	Industry Digitalisation Transformation Scheme	RM 1.0 Billion	*Accelerating Industry 4.0 adoption by funding the industrial digital transformation of high-tech manufacturing ecosystem.*
Funding	Sustainable Development Financing Scheme	RM 1.2 Billion	*Financing Ventures and projects that promotes and supports the UNDP Sustainable Development Goals agenda in climate risk mitigation, adaptation as well as energy transition.*
Funding	MADANI Development Scheme	RM 2.0 Billion	*Financing projects that support the MADANI economic framework and 12th Malaysia Plan (2021-2025) implementation to achieve economic, environmental and social empowerment.*
Funding	Maritime, Logistics and Transportation Scheme	RM 1.0 Billion	*Financing projects dealing with or involved in maritime, logistics and transportation related activities and services including oil & gas and aerospace.*
Funding	Tourism Infrastructure Scheme	RM 1.0 Billion	*Financing new or existing tourism projects, including the land acquisition cost or project cost.*
Funding	Working Capital Scheme	RM 500 Million	*Provide financing to bridge business operational requirements to support business continuity as part of government measure to boost economic activities post pandemic.*
Equity	Matching Funding Platform Via SME Digital Partnership Program	RM 100 Million	*Enable SMEs to grow and expand by providing accessible funding solutions.*
Equity	Rehabilitation and Support Through Equity (Reset)	RM 500 Million	*Support sustainable recovery and to nurture new growth sectors.*

*The financing costs of our Dedicated Schemes are subsidised by government (**1.5%**), with financing tenures ranging from **5 to 20 years.***

MEASUREMENT FRAMEWORK

It is important for BPMB to have a robust measurement framework to evaluate its pivotal role in supporting the sustainable development agenda of the nation.

As a Development Financial Institution (DFI), BPMB bridges financial gaps in areas underserved by the private sector that are marked by high risks and uncertainties. BPMB measures and manages our performance from the financial and non-financial perspectives to ensure a holistic performance appraisal.



FIVE-YEAR GROUP FINANCIAL SUMMARY

Profitability (RM Million)	2024	2023	2022	2021	2020
Profit before taxation and zakat	**583**	558	359	174	123
Net profit for the year	**429**	401	187	115	81
Key Statement of Financial Position Data (RM Million)					
Total Assets	**34,659**	29,256	27,330	26,394	23,449
Cash, deposits and placements	**2,070**	1,215	3,908	3,091	1,221
Financial investments - FVOCI	**12,682**	9,843	7,378	5,950	6,132
Financial investments - FVTPL	**10**	7	34	15	46
Financial investments - AC	**64**	61	-	-	-
Loans, financing and advances	**18,427**	16,677	14,741	16,090	15,549
Other assets	**1,406**	1,453	1,269	1,248	501
Total Liabilities	**25,267**	20,182	18,755	17,884	15,514
Deposits from customers and financial institutions	**15,116**	9,843	9,009	7,006	6,148
Redeemable notes	**8,376**	8,932	8,235	9,298	8,249
Borrowings	**153**	152	163	153	508
Deferred income	**612**	783	845	964	507
Other liabilities	**1,010**	472	503	463	102
Total Equity	**9,392**	9,074	8,575	8,510	7,935
Paid-up capital	**4,019**	4,019	4,019	4,019	3,079
Reserves	**5,360**	5,043	4,541	4,478	4,844
Non-controlling interest (NCI)	**13**	12	15	13	12
Commitments and contingencies	**6,772**	8,062	8,196	10,068	7,347
Share Information (Per Share *(Sen)*)					
Earnings per share	**12.40**	11.66	5.35	3.32	2.62
Gross dividends (sen)	**4.37**	3.56	2.46	2.17	2.44
Financial Ratios (%)					
Profitability Ratios (%)					
Return on equity	**4.65**	4.54	2.19	1.40	1.02
Return on assets	**1.34**	1.42	0.69	0.46	0.33
Cost to income ratio	**22.55**	14.37	15.86	20.59*	10.37*
Asset Quality Ratios (%)					
Gross impaired loans, financing and advances ratio	**10.15**	9.95	11.40	9.59	11.32
Net impaired loans, financing and advances ratio	**4.33**	4.74	5.29	3.00	4.45

**Note: Excluding one-off cost of borrowing redemption*

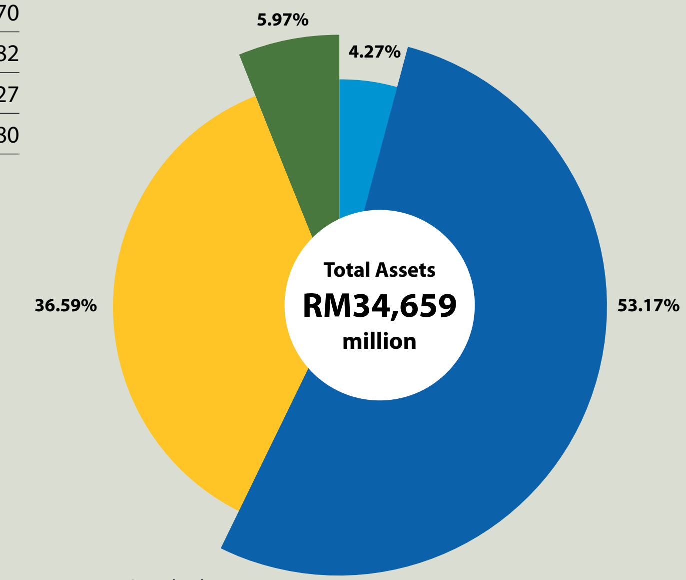
FINANCIAL HIGHLIGHTS

Profitability (RM Million)	Group 2024	Group 2023	Bank 2024	Bank 2023
Profit before taxation and zakat	**583**	558	**547**	526
Net profit for the year	**429**	401	**406**	384
Key Statements of Financial Position Data (RM Million)				
Total Assets	**34,659**	29,256	**36,454**	30,817
Cash, deposits and placements	**2,070**	1,215	**2,055**	907
Financial investments - FVOCI	**12,682**	9,843	**12,682**	9,843
Financial investments - FVTPL	**10**	7	**10**	7
Financial investments - AC	**64**	61	**59**	61
Investment in subsidiaries	**-**	-	**2,093**	2,096
Loans, financing and advances	**18,427**	16,677	**18,161**	16,449
Other assets	**1,406**	1,453	**1,394**	1,454
Total Liabilities	**25,267**	20,182	**27,309**	21,966
Deposits from customers and financial institutions	**15,116**	9,843	**15,390**	9,843
Redeemable notes	**8,376**	8,932	**8,376**	8,932
Borrowings	**153**	152	**153**	152
Deferred income	**612**	783	**612**	783
Other liabilities	**1,010**	472	**2,778**	2,256
Total Equity	**9,392**	9,074	**9,145**	8,851
Paid-up capital	**4,019**	4,019	**4,019**	4,019
Reserves	**5,360**	5,043	**5,126**	4,832
Non-controlling interest (NCI)	**13**	12	**-**	-
Commitments and contingencies	**6,772**	8,062	**6,582**	7,779
Share Information (Per Share *(Sen)*)				
Earnings per share - basic (sen)	**12.40**	11.66	**-**	-
Gross dividends (sen)	**4.37**	3.56	**4.37**	3.56
Financial Ratios (%)				
Profitability Ratios (%)				
Return on equity	**4.65**	4.54	**4.51**	4.46
Return on assets	**1.34**	1.42	**1.21**	1.34
Cost to income ratio	**22.55**	14.37	**22.46**	13.68
Capital Adequacy (%)				
Risk weighted capital ratio (RWCR)	**-**	-	**33.53**	35.22
Core capital ratio	**-**	-	**30.26**	29.91
Asset Quality Ratios (%)				
Gross impaired loans, financing and advances ratio	**10.15**	9.95	**10.18**	9.94
Net impaired loans, financing and advances ratio	**4.33**	4.74	**4.39**	4.80

GROUP STATEMENT OF FINANCIAL POSITION

2024 Composition of Assets
(RM Million)

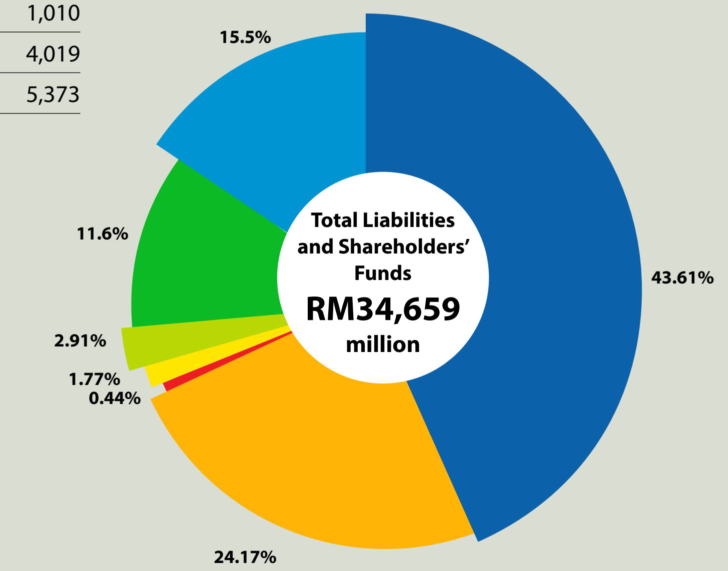
Cash, deposits and placements	2,070
Financial investments - FVOCI	12,682
Loans, financing and advances	18,427
Other assets*	1,480



Note: Other assets include financial investments - FVTPL, financial investments - AC and others.

2024 Composition of Liabilities and Shareholders' Funds
(RM Million)

Deposits from customers and financial institutions	15,116
Redeemable notes	8,376
Borrowings	153
Deferred income	612
Others liabilities	1,010
Share capital	4,019
Reserves and NCI	5,373

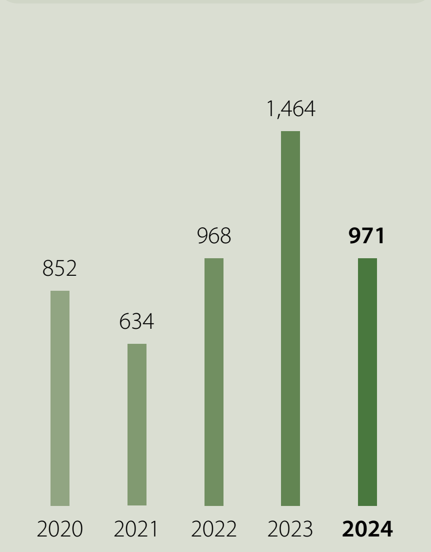


FIVE-YEAR GROUP GROWTH TRAJECTORY

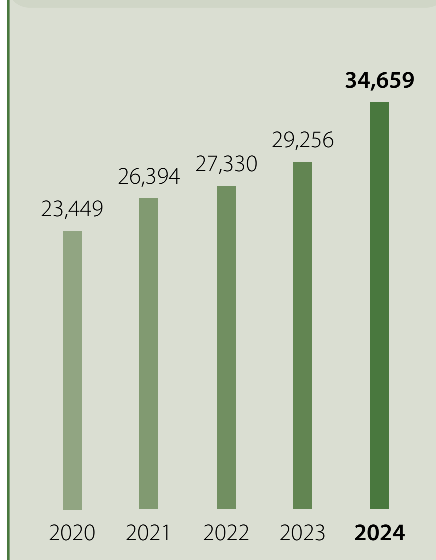
BPMB 2024 Financial Statements

Click or scan here to read more

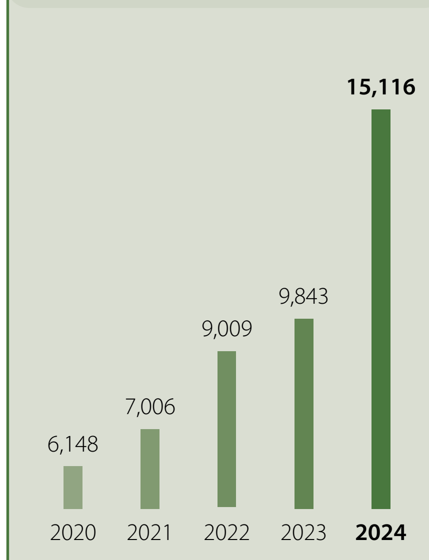
Net Income
(RM Million)



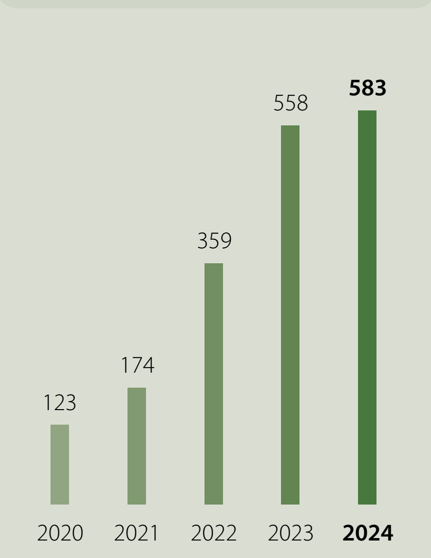
Total Assets
(RM Million)



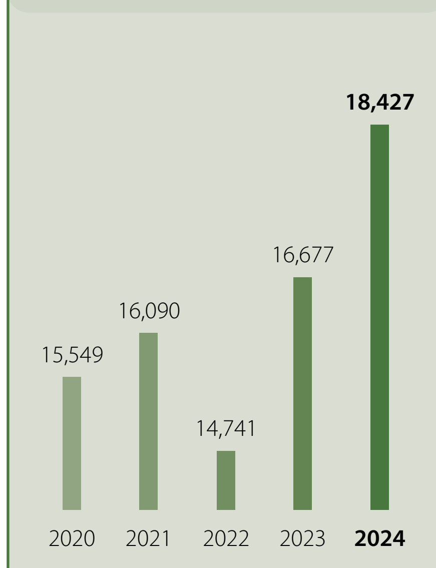
Deposits from Customers and Financial Institutions
(RM Million)



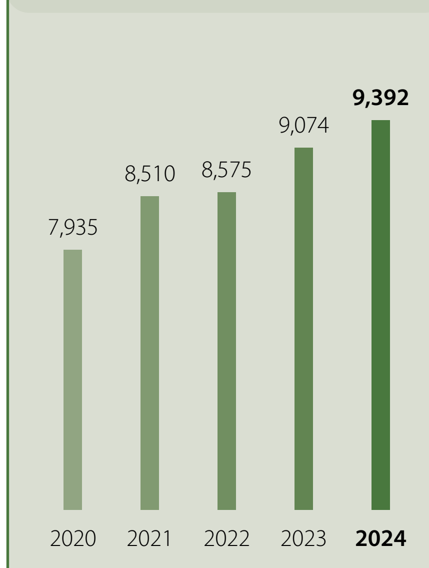
Profit Before Tax and Zakat
(RM Million)



Net Loans, Financing and Advances
(RM Million)



Total Equity
(RM Million)



NON-FINANCIAL PERFORMANCE

The Bank's Non-Financial Performance Framework is outcome-based, designed to capture the broader contributions of BPMB beyond the narrow focus of financing growth indicators. It integrates development key result indicators to measure the socio-economic impact of BPMB's operations on our key stakeholders. These non-financial indicators also act as leading indicators of future financial performance and will create strong incentives for strategic alignment to achieve greater development impact.

The framework adopted to measure BPMB's non-financial performance comprises two components:

A. Developmental Impact

Developmental Impact

There are four indicators on developmental impact, which are included in BPMB's Corporate Scorecard 2024.

Indicator	FY2024 Performance
1. Market Impact (Direct/Indirect Funding + Crowd-in) based on Gross Approvals • Direct exposure (financing, guarantees or equity) and crowded-in capital.	**RM6.66 billion** Among the key impactful deals that was approved during the year are as follows: • West Coast Expressway (RM1.2 billion) • Senai-Desaru Expressway (RM1.1 billion) • Zecon Medicare (RM602 million)
2. National Agenda Participation • Policy participation measures our involvement in the Government and BNM's policies e.g. National Budget, Malaysia Plan and New Industrial Master Plan. • Policy or Proposal proposed by BPMB accepted/adopted/announced by the Government and/or BNM.	**8 counts** Some of the key national initiatives where BPMB serves as a strategic implementation partner includes: • BPMB collaborated with EPU to help administer the National Energy Transition Facility (NETF) on behalf of EPU. • BPMB entered partnership with Intervest Korean-Malaysian Open Innovation Fund for the purpose of revitalising the semiconductor industry through connecting partnerships with Korean companies. • BPMB participated as delegates and speakers to promote MIND and explore collaboration opportunities in COP29. • ALAM has been appointed by the Kementerian Belia and Sukan (KBS) as the implementation partner for Program Rakan Muda 2024 (Rakan Bumi). • ALAM has been appointed by Minister of Education as the committee member and strategic partner for "Sustainable Development and Global Citizenship Committee".
3. Average Portfolio Development Impact Index (DII) • Measures the aggregated portfolio that received assistance from BPMB.	**60.0** The Average Portfolio DII is based on all 106 approved projects. The DII measures the anticipated impact resulting from project financing (minimum score of 42). It considers various factors, encompassing contributions to selected Sustainable Development Goals (SDGs), evaluations of social and environmental risks, indicators outlined by BNM and the number of beneficiaries involved.

4. Sharing Thought Leadership Content • In alignment with Agenda 2025 aspiration to become a 'Trusted Partner to Stakeholders'.	**16 activities** Among the knowledge sharing topics/events undertaken by BPMB are as follows: • Practitioners' perspective 2024: challenges, priorities and trends for risk and compliance and financial crime expert at the Future Risk and Fraud Forum 2024 Malaysia. • Panellist for the post-Budget 2025 debate. • Panellists at various platforms in sharing BPMB's MIND Framework. • Panellist during the Climate Change Forum – Path to COP29 Baku on Building Resilient Communities. • "Sustainable Development Goals Local Actions for an Inclusive, Sustainable and Resilient Malaysia" at Malaysia SDG Summit 2024. • Panellist for the Building Trust: Ensuring Integrity in Infrastructure at ADFIM National Conference on Integrity.

B. Social Cost and Benefit

Social Cost and Benefit
We have adopted the following metrics as part of our plan for 2023–2024 to measure our effectiveness in using public resources to deliver on our mandate:

Indicator	FY2024/FY2023 Performance	
Subsidy Dependence Index (SDI)		
Measures the DFI's level of self-sustainability in relation to Government assistance. A lower SDI indicates lower dependence on the Government's financial assistance.	2024: -24.3%	2023: -23.6%
Output Index (OI)		
Measures the DFI in fulfilling social objectives i.e. financing targeted sectors. An OI below 1 indicates that more funds have been channelled towards the targeted segments rather than non-targeted segments.	2024: 0.56	2023: 0.56
Net Subsidy Cost (NSC)		
Measures the effective weighted cost of the subsidy (Government assistance) to the society against the OI. NSC lower than net subsidy received is better, indicating effective social gain as the subsidy reaches more targeted sectors.	2024: -RM141.8 million	2023: -RM123.1 million

Analysis

In 2024, BPMB achieved a lower SDI of -24.3% compared to -23.6% in 2023, reflecting reduced reliance on government financial assistance. This improvement was driven by higher PBTZ of RM546.9 million (2023: RM526.3 million). The Bank also maintained an OI of below 1, consistent with its mandate to serve targeted sectors. Furthermore, the lower NSC in 2024 was supported by the increase in PBTZ, reaffirming BPMB's continued commitment to delivering impact through targeted sectoral support.

04

SUSTAINABILITY

STAKEHOLDER ENGAGEMENT

BPMB recognises that meaningful engagement with stakeholders is critical in shaping a sustainability strategy that is transparent, accountable and impactful. We take a structured approach to stakeholder identification, considering both direct and indirect stakeholders who influence or are impacted by our operations.

We Listen

Throughout the year, we engaged with individuals and organisations impacted by our activities, gathering insights on key sustainability concerns. Their feedback helped us understand emerging risks, opportunities and expectations related to responsible banking.

We Engage

We foster meaningful and long-term partnerships by working closely with stakeholders to co-create sustainable solutions. Our engagement efforts focus on areas such as sustainable financing, climate resilience, financial inclusion and governance, ensuring that we address material issues in a transparent and collaborative manner.

We Report

Stakeholder feedback is systematically analysed and integrated into our materiality assessment, shaping BPMB's sustainability strategy and reporting priorities.

Regulators

- Bank Negara Malaysia (BNM)

Engagement Platforms

- Meetings
- Forums
- Dialogue Sessions
- Programmes
- Reporting

2024

Purpose of Engagement

- Merger exercise
- Financial Sector Blueprint 2022-2026 Mid-Term Review
- BPMB's MIND Framework as an effective tool to assess customer to finance projects based on the national development impact
- How Budget 2025 will support the Ekonomi MADANI framework
- Green Industrial Parks (GIP), initiatives in JC3
- Knowledge sharing and building capacity on Governance and Disclosure
- Develop and accelerate innovative financial instrument and mechanism that can mobilise private investment for climate action in Malaysia

Engagement Outcome

- Participated as a Gold Partner at the Climate Finance Summit 2024, held at Sasana Kijang
- Participated in the Post-Budget Debate at Sasana Kijang, Bank Negara
- Regular engagement on the developmental agenda initiatives
- Appointed as Taskforce Committee member to develop the framework of GIP
- Co-lead sub-committee workshop on the topic "Selecting and Designing Climate related Metrics and Target"
- Established Climate Finance Innovation Lab (CFIL)

Related Key Ministries

- Ministry of Finance (MOF)
  - Government Investment Company (GIC)
  - Strategic Investment Division (SID)
- Ministry of Education (MOE)
- Ministry of Transport (MOT)
- Ministry of Works (MOW)
  - Malaysian Highway Authority
- Ministry of Higher Education (MOHE)
- Ministry of Economy (MOE)
- Ministry of Entrepreneurs and Cooperative Development (MECD)
- Ministry of Tourism, Art and Culture (MOTAC)
- Ministry of Natural Resources, Environment and Climate Change (NRECC)
- Ministry of Youth and Sports (MYS)
- Ministry of Human Resource and HRDCorp

Engagement Platforms

- Meetings
- Forums
- Dialogue Sessions
- Presentations
- Government Programmes

2024

Purpose of Engagement

- Shaping future education via MOE's 10-year Education Blueprint 2026-2035
- Navigating Malaysia's Future Maritime
- Infrastructure project under evaluation by MOW
- Hostels in public universities
- Understand Government's plan in RMK13
- Merger exercise
- Establish strong relationship with related ministries/agencies and maintain BPMB's position as the preferred adviser to the Government on areas related to national development
- Preparation of RMK13
- Eligible criterias for Tourism Infrastructure Scheme
- MOTAC's Sustainable Tourism Blueprint
- SDG Summit 2024
- Strategic partner for MOE's ESD Committee
- Climate Change Forum - Road to COP 29
- National Energy Transition Facility (NETF)
- Program Rakan Muda 2024
- To commence study on Maritime Industry
- National Training Week 2024

Engagement Outcome

- ALAM contributed in MOE's 10-year Education Blueprint 2026-2035 which infuse Sustainable Development Goals (SDGs) elements into secondary school geography curriculum
- Shared BPMB's maritime finance solutions i.e. Maritime, Logistic and Transportation Scheme
- Engaged with Privatisation Division of MOW
- Discussion with MOHE and UKAS on the financial model for public universities
- Frequent meeting to explore opportunities in RMK13 and discussed potential participation
- Invited for discussion in the Industry Working Group for Agriculture Sector
- Frequent engagement with relevant parties in MOF for smooth integration
- Engaged with Ministries and government agencies and provided inputs on matters relating to industry and concession restructuring as well as best practices in project financing
- Become part of the working group in food security sector in RMK13
- Participated in periodical engagement with tourism industry players hosted by MOTAC
- Attended discussion on tourism roadmap and policy arranged by MOTAC
- ALAM provided input for MOTAC Sustainable Tourism Blueprint
- ALAM supported MOE as sponsors, curator of content and speaker for SDG Summit 2024
- ALAM assisted MOE in crafting the framework for ESD and Global Citizenship Framework
- ALAM supported NRECC through Malaysia Green Technology and Climate Change Corporation (MGTC) as a sponsor in organising the Climate Change Forum
- Collaborated with EPU on BPMB's proposed seed capital/blended financing method NETF
- ALAM been appointed by MYS as a partner for the "Program Rakan Muda 2024"
- Information gathered will be used to propose new BPMB shipping scheme
- Partner for National Training Week 2024

State Government/ Government Agencies

- State of Penang
- State of Perak
- State of Negeri Sembilan
- State of Melaka
- Sabah State Government
- Sabah Development Bank (SDB)
- The Real Estate and Housing Developers' Association Malaysia (REHDA) Institute
- Unit Kerjasama Awam Swasta (UKAS)
- Malaysia Digital Economy Corporation (MDEC)
- Malaysian Economic Association (MEA)
- Unit Perumahan Penjawat Awam Malaysia (UPPAM)
- Melaka Corporation (MCorp)
- Straits of Melaka Waterfront Economic Zone Corporation (SM-WEZ)
- Perbadanan Kemajuan Negeri Perak (PKNP)
- Perbadanan Ekonomi Islam Perak Sdn Bhd (PSB)
- Perbadanan Asset Air Malaysia (PAAB)

Engagement Platforms

- Meetings
- Forums
- Dialogue Sessions
- Programmes
- Knowledge Sharing Sessions

2024

Purpose of Engagement

- Establish good relationships with State Government and agencies
- Understand State Government's business development plan
- Explore more potential business profiling
- Power shortage and reserve margin issues in Sabah
- Non-revenue water (NRW) issue and renewable energy opportunities in Kedah
- Insight value for affordable housing
- Encourage cooperation between the public and private sectors
- Challenges, opportunities and solutions faced by industry players
- Fund management
- Business opportunity to bridge funding gaps on water projects undertaken by PAAB

Engagement Outcome

- Discussed with Perak Economic Planning Unit on their development plan
- Explore potential collaboration with Invest Negeri Sembilan via its MVV
- Explore potential business opportunities in Melaka Economic Development Zone
- Development of the Perak Sejahtera 2030 Plan
- Development of the Malaysia Vision Valley (MVV) in the state of Negeri Sembilan
- Development of the Melaka Economic Development Zone
- Collaborated with SDB for financing of water, power and renewable energy projects
- Participated in workshops conducted by Sabah Electricity Sdn Bhd and Energy Commission of Sabah for two hydro power plant in Sipitang Sabah
- Discussions on fundraising requirements on NRW, waste management and renewable energy projects in Kedah
- Collaborated with REHDA and UUM to produce report on the Affordable Housing II – Closing the Gap: A Strategic Approach to Balancing Supply and Demand" and presented during REHDA's Regional Housing Conference 2024
- Assisted Government to boost Public-Private Partnerships (PPP) via its Pelan Induk Kerjasama Awam Swasta 2030 (PIKAS 2030)
- Outlined various funding schemes and ways to address the industry's capital needs during MDEC-PIKOM Local Data Centre Roundtable
- Operated as the "Dana Ehsan" Fund Administrator for the Perumahan Awam Rakyat Malaysia (PPAM) MADANI project
- Promoted BPMB's subsidised financing schemes (TIS, MDS, SDFS, IDTS and MLTS) to private investors
- Promoted BPMB's MIND Framework and demonstrated how BPMB measures the impact of projects

Strategic Partners

- WorldBank
- Intervest Koren-Malaysian Open Innovation Fund
- PWC
- Scottish Development International
- Malaysian Consortium of Mid-Tier Companies (MCMTC)
- Malaysian Debt Ventures (MDV)
- Job Street
- Petronas Dagangan Berhad
- Human Resource Development (HRD) Corp
- Nicol David Organisation (NDO)
- Persatuan Pelindung Harimau Malaysia (RIMAU)
- PETRONAS
- Malaysian OSV Owners Association (MOSVA)
- Taman Negeri Setiu Wetlands
- Lembaga Pengembangan Perbankan Indonesia
- Bank KANSEL
- National SDG Centre
- Malaysian Green Technology and Climate Change Corporation (MGTC)
- Malaysian Anti-Corruption Commission (MACC)
- Rating Agency Malaysia (RAM)
- Chevening Scholarship
- Star Media Group Berhad
- Yayasan Waqaf Malaysia
- Northen Corridor Implementation Authority (NCIA)
- Pertubuhan Tindakan Wanita Islam Malaysia (PERTIWI)
- PINTAR Foundation
- Women of Will
- Food Aid Foundation

Engagement Platforms

- Meetings
- Forums
- Courtesy Visit
- Programmes
- Knowledge Sharing Sessions

2024

Purpose of Engagement

- Explore practical solutions for advancing green finance
- Revitalise the semi-conductor industry through connecting partnership with Korean companies
- Insight on sustainability and energy evolution
- Leverage on Scottish innovation and advancement in space industry
- Provide assistances and source of fund for the mid-tier companies
- Raise awareness and promote sustainable practices
- The Art of Upcycling
- Impactful HR practices in the dynamic field of talent management
- Create a sustainable energy loop via promoting environmental responsibility and supporting biodiesel production
- Promote lifelong learning and self-development among Malaysians
- Empowers children with the values of positivity, confidence and respect through the power of sports and education
- Environmental awareness and sustainability
- Help to shape the future of the OSV industry
- Restoring the wetlands' delicate ecosystem and create awareness and responsibility among the younger generation
- Sharing Knowledges across border
- Shaping Malaysia Path to a Sustainable Future
- Maintaining corruption-free environment across BPMB
- Navigating Megatrends
- Pursue master's degrees at a leading UK university
- Creating liveable affordable, accessible and resilient
- Inclusivity and Sustainability
- To shape the future of digital banking
- Waqaf asset development
- NCIA development program and activities in Perak, Kedah, Penang and Perlis
- Provide food security to the urban and rural poor communities
- Provide financial literacy skills to the youth and B40 women entrepreneurs

Engagement Outcome

- Hosted a bilateral engagement with the World Bank
- Partnership with Intervest Korean-Malaysian Open Innovation Fund
- Collaborated with PWC to conduct Energy Transition session
- Participated in Technomart Malaysia-Scotland event for further collaborations
- Shared BPMB schemes/facilities during MCMTC conference
- Collaborated with MDV to raise awareness and promote sustainable practices among staffs during Earth Day celebration
- Collaborated with Sea Monkey Project showcasing how used plastic can be transformed into keychains and customised pouches
- Received Special Recognition Awards during "SEEK People and Purpose Awards 2024" organised by JobStreet
- Collaborated with SME and EXIM Bank organised Used Cooking Oil (UCO) collection day
- Collaborated with HRD Corp organised National Training Week
- Collaborated with NDO on an Educational Visit to the KL Bird Park with children from the organisation
- ALAM collaborated with RIMAU to address the need of conservation effort to protect Malaysia's tiger from going extinct
- Provide platform for discussion and offered valuable insights on OSV industry and laid the groundwork for future partnerships
- ALAM together with local community, NGOs planted 300 mangrove saplings at Taman Negeri Setiu Wetland
- Hosted representatives from Lembaga Pengembangan Perbankan Indonesia (LPPI) and Bank KALSEL to exchange insights on leveraging technology to advance development finance
- Participated in SDG Summit 2024
- Engagement session with MACC, PDRM and INCEIF to provide info on anti-corruption efforts, scams and professional development
- Shared insights into BPMB's role in supporting the growth of data centres
- Collaborated with the UK Government's Chevening Scholarship to offer prestigious scholarship
- Create public awareness and behavioural change to address climate challenges at the Future Cities Summit 2024
- Attended RAM Conference on Sustainability in Sarawak
- Become speaker at the Digital Banking Asia Summit Malaysia 2024
- Explored opportunities for Waqaf land development
- Exploring potential collaboration on the NCER Entrepreneur Sustainable Transformation Program
- Collaborated with PERTIWI to provide meals to the urban poor community at Pusat Khidmat Gelandangan Medan Tuanku
- Collaborated with PINTAR Foundation on financial literacy programmes for students from SMK Taman Maluri
- Collaborated with PINTAR Foundation on a Back-to-School Programme for 500 B40 students located in Kuala Lumpur and Selangor
- Collaborated with Women of Will on a financial literacy workshop for women entrepreneurs from PPR Seri Semarak in Kuala Lumpur
- Collaborated with Food Aid Foundation to provide hot meals for 1,000 beneficiaries in Klang and Kuala Lumpur

Associations/Membership

- Association of National Development Finance Institutions in Member Countries of the Islamic Financial Development Bank (ADFIMI)
- Association of Development Financial Institution of Malaysia (ADFIM)
- Association of Development Financing Institutions in Asia and the Pacific (ADFIAP)
- Kuala Lumpur Business Club (KLBC)

Engagement Platforms

- Forums
- Dialogue Sessions
- Programmes
- Knowledge Sharing Sessions

2024

Purpose of Engagement

- Strengthen relationship between members of association
- Environmental, Social and Governance (ESG) commitments
- Received recognition at the ADFIAP Awards 2024
- Participated in ADFIM's activities in Indonesia
- Embracing transparency, accountability and promoting sustainable practices

Engagement Outcome

- Hosted a visit by delegation from ADFIMI, Turkey
- ALAM together with ADFIM, BPMB, SME and EXIM Bank raised awareness of seagrass-related issues and emphasising its role in sustaining coastal communities and fisheries
- Secured top spot in the Corporate Governance category via its "Organisational Anti-Corruption Plan 2022-2026 (OACP)" at the ADFIAP Awards 2024
- Joined ADFIM's study visit to Lembaga Pengembangan Perbankan Indonesia
- Participated in the National Conference on Integrity and Governance held by ADFIM
- Contributed towards ADFIM's Majlis Hari Raya at Kampung Pos Pantos in Kuala Lipis, Pahang

Customers

Engagement Platforms

- Site Visit
- Networking
- Forums
- Advisory
- Engagements

2024

Purpose of Engagement

- Support long-term sustainable infrastructure
- Streamline Malaysia-Thailand cross border trade
- Fortify Malaysia's digital infrastructure
- Hari Raya celebration
- Receive recognition in delivering impact capital for national development
- Build networking for stronger relationship
- Improve healthcare of children across Malaysia
- Receive recognition by the industry in delivering innovative financial solutions and advancing sustainability
- Improve healthcare facilities to reduce overcrowding, improve access to specialist treatments and create jobs
- Knowledge sharing session
- Receive recognition in supporting Malaysia growth through impactful finance solutions

Engagement Outcome

- Comprehensive restructuring exercise involving four concessions - AKLEH, GCE, LKSA and SILK
- Extend the capacity of Padang Besar Container Terminal
- Support the construction of a Tier III Data Centre in Cyberjaya, Selangor
- Host Corporate Raya Open House event
- Secured two prestigious awards at the 18th Islamic Finance News (IFN) Awards for IFN Structured Finance Deal of the Year and IFN Malaysia Deal of the Year 2023 category for Silver Formula ABS's Tranche 1 Sukuk under RM100 million program
- Held durian feast at Bukit Kiara Equestrian Country and Resort
- Development of Hospital Pakar Kanak-Kanak (HPKK) Universiti Kebangsaan Malaysia
- Received Bank Sustainability Sukuk award and Best Islamic Securitisation award at the Asset Triple A Islamic Finance 2024 Awards
- Expansion of specialist clinic and ward block at Penang General Hospital
- Promoted BPMB's subsidised financing schemes (IDTS, SDFS, TIS, MDS and MLTS) to private investors
- Took home the 2024 BrandLaureate Award in the Development Finance Institution category

Employees

Engagement Platforms

- Sports Carnival
- Family Day
- Sports Club Activities
- Townhall
- Core Value Engagement
- Employee Engagement Survey

2024

Purpose of Engagement

- Festive Celebration
- Honouring staff who perform hajj
- Upskilling Programme
- Transformative journey of growth and improvement
- Fruit Fiesta
- Understand BPMB Shariah Governance Framework and Shariah-compliant operations
- Promote health and well-being amongst staff
- Empowering staff through knowledge and support
- Celebration of unity, shared values and a common purpose
- Gain insights into credit risk practices
- Celebration and Recognition

Engagement Outcome

- Conducted Hari Raya, Chinese New Year, Deepavali and Christmas celebration for staff
- Duyufurrahman ceremony for staff who were given privilege to perform hajj
- Enhanced skills of non-executive colleagues by enrolling them into UNITAR International University's program
- Celebration of the official move to Menara Bank Pembangunan, Plaza Conlay
- Conducted Durian Fiesta for staff
- Engagement session with Group Risk and Compliance and Group Shariah Management
- Conducted Staff Health Day at Menara BPMB
- Engaged representatives from EPF, Tabung Haji, PERKESO, MBSB Bank during Staff Day
- Organised BESt24 Unity Run, Unity on The Big Screen, Integration Committee Dinner and OHI Survey Giveaway for BPMB, SME and EXIM staff and families
- Organised knowledge sharing session on credit risk for staff from various department
- Birthday Bash for staff every quarter
- Ihya Ramadhan for staff
- Conducted 27 Core Values Awareness activities i.e. 4 Coffee Chat Session with GCEO, 14 sessions engagement with Senior Leadership Team, 7 sessions of SLT Get Together, 1 workshop and travelogue
- Conducted 35 Employee Relations activities throughout the year

Communities

Engagement Platforms

- Community Events
- Zakat/Donation
- Programmes
- Corporate Social Responsibilities

2024

Purpose of Engagement

- Supporting SDG #1 - No Poverty
- Supporting SDG #2 - Zero Hunger
- Supporting SDG #3 - Good Health and Well-Being
- Supporting SDG #4 - Quality Education
- Supporting SDG #5 - Gender Equality
- Supporting SDG #13 - Climate Action
- Supporting SDG #15 - Life on Land
- Supporting SDG #17 - Partnership for Goals
- Zakat Contribution
- Youth mobilisation on climate change

Engagement Outcome

- ALAM collaborated with YELL, UNICEF and UNDP, hosted a program to empower young advocates discovering ways to turn ideas into impactful action plans
- ALAM collaborated with Sunway Centre for Planetary Health to support the Post-COP28 Forum, organized by the Malaysian Youth Delegation (MYD)
- BPMB teamed up with Pertubuhan Hati Suci (HATI) to support 13 schools across selected states, distributed basic school necessities worth RM553,270 to 1,722 needy students through Program Back to School 2024
- ALAM together with RIMAU and Perak State Parks Corporation continued to empower local indigenous women through ALAM's Rumah Baca programme in Royal Belum
- BPMB conducted Youth Empowerment Financial Literacy Programme at SMK Taman Maluri, KL
- BPMB presented its business zakat to Duli Yg Maha Mulia Paduka Seri Sultan Perak to benefit eligible Asnaf in Perak
- ALAM in collaboration with IIUM, UNITAR and UiTM embark on a mission to clean up and plant mangrove trees, laying the groundwork for a lusher, more sustainable tomorrow
- BPMB staff alongside Food Aid Foundation representatives cook hot meals and distributed the food pack to deserving home across the region
- 66 scholarships were awarded to outstanding students in BPMB Award of Group's Undergraduate Scholarship (BAGUS) 2024
- Contributed RM525,200 in Business Zakat to Sarawak through Tabung Baitulmal Sarawak

Engagement Outcome (cont'd.)

- Received the Bronze Award in the Excellence in Talent Management category in the HR Excellence Awards 2024 Malaysia
- Contributed RM346,560 in Business Zakat to Majlis Agama Islam Negeri Sembilan (MAINS)
- Contributed RM946,060 in Business Zakat to the Majlis Agama Islam dan Adat Istiadat Melayu Kelantan (MAIK)
- Built water catchment pond with a filtration system and upgraded pipeline network worth RM274,603 in a rural village of Kampung Luar in Mukim Siong, Baling, Kedah
- Awarded Zakat Scholarship worth RM2,213,520 to 50 students from four (4) universities i.e. UMPSA, USM, UUM and UiTM
- Awarded scholarship to 3 students for FIA-ACCA Programme under Malaysia Professional Accountancy Centre (MyPAC) worth RM451,077
- Contributed operational cost of RM397,200 to Pertubuhan Kecemerlangan Pendidikan Ummah to conduct Learning Programme for 662 underprivileged students surrounding Sabah
- Contributed four (4) units of dental simulators worth RM413,300 to Faculty of Dentistry, UITM for teaching and learning of its students
- Provision of hot meals to 500 beneficiaries and distributed 160 food basket to 160 asnaf families in Tanjung Piai, Johor
- Contributed Post Flood Assistance amounting to RM20,000 for flood victims in Kelantan
- Organised Chinese New Year celebration for 60 residents of Beautiful Gate Foundation, Petaling Jaya
- Organised Raya celebration for 55 residents from two charity homes - Pusat Jagaan Pertubuhan Kebajikan Anak-anak Yatim dan Asnaf Baitun Nurrawdhah and Rumah Bakti Nur Ain
- Provision of hot meals to 1000 beneficiaries in Klang and Kuala Lumpur

Board

- Board of Directors (BOD), BPMB
- Shariah Committee (SC), BPMB
- Board of Trustee (BOT), ALAM

Engagement Platforms

- Community Events
- Zakat/Donation
- Programmes
- Corporate Social Responsibilities

2024

Purpose of Engagement

- Participation of the Board in a corruption-fighting event underscores the importance of integrity, anti-corruption measures and the promotion of ethical values within the community
- Engagement between the Board of BPMB, SME Bank and EXIM Bank following the corporate exercise
- Supporting BPMB's commitment to upholding integrity and fostering a culture of organizational excellence
- Fostering good collaboration, strengthening collaboration and promoting unity among three (3) development financial institutions involved in the merger
- Reflecting a commitment to environmental conservation, cultural preservation and community engagement
- Engagement between BOD, SC and SLT members
- Mandatory training for SC members
- Zakat contribution and visit prospect for distribution of business zakat of BPMB
- Continued support for value-based finance through Islamic finance leadership, focusing on Environmental, Social and Corporate Governance (ESG), Sustainable, Responsible and Impact Investing (SRI) and ethical finance
- Gain insight on the operationalisation of Musharakah where it was widely practised
- Exploring development of Waqf asset via blended financing
- The 2024 United Nations Climate Change Conference in Azerbaijan

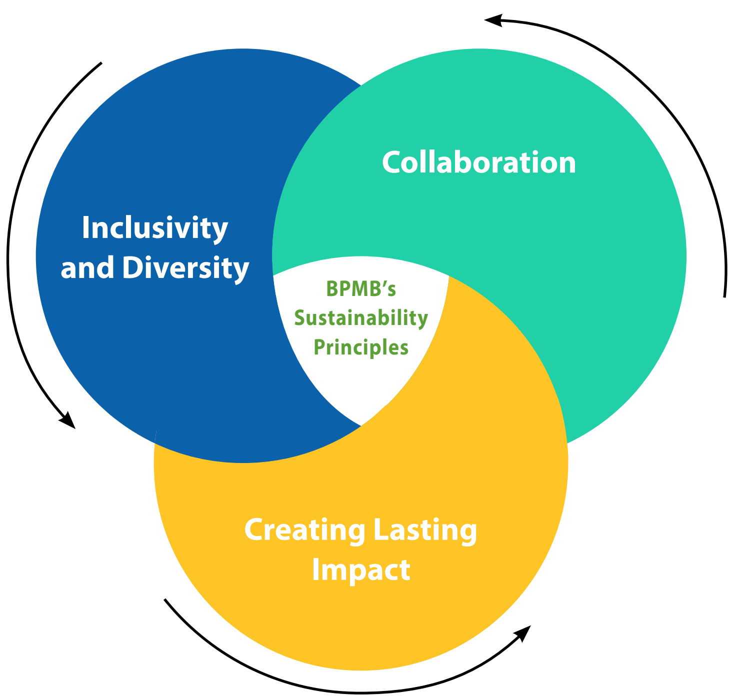
Engagement Outcome

- Board members participated in Kem Angkatan Mahasiswa Antirasuah (AMAR) event organised by BPMB together with MACC to fight corruption
- Board and SC members participated in BPMB's Integrity and Internal Control Excellence Day (IICED) 2024
- Board members participated in BEST Unity Run 2024 and BEST Unity Dinner 2024 which consist of BPMB, SME BANK and EXIM Bank participation
- Board and SC members participated in Corporate Raya Event by BPMB
- Board members participated in Royal Belum Celebration: 'Rumah Baca' Launch in conjunction with Global Tiger Day, World Ranger Day and International Day of the World's Indigenous People
- Board members participated in ALAM Be-Leaf Mangrove Planting and Cooking for a cause programme and Food Basket distribution
- Board and SC members participated in the courtesy visit by YB Datuk Seri Amir Hamzah Azizan, Menteri Kewangan II to BPMB
- Board and SC members participated in BPMB Community Outreach Program in Johor
- SC members participated in the Certified Shariah Advisory (CSA) or Certified Shariah Practitioner (CSP) program
- SC members participated in 19th Kuala Lumpur Islamic Finance Forum 2024 and "Muzakarah Penasihat Syariah Kewangan Islam Kali ke-17"
- SC members participated in Business Zakat presentation ceremonies
- Board and SC members participated in BPMB Award of Group's Undergraduate Scholarship ceremony
- SC members participated in "Persidangan Meja Bulat Wakaf dan Pasaran Modal Islam"
- SC members shared Musharakah Products with CIMB Niaga Syariah and Dewan Pengawas Syariah, Jakarta, Indonesia
- SC members visited Sinergi Foundation's Waqf Project by Badan Waqaf Indonesia Jabar as part of a Social Finance site visit
- SC members exploring national impact development on Blended Financing for Waqf through sharing session by Badan Wakaf Indonesia Headquarter
- ALAM's BOT participated in the COP29 panel sessions in Azerbaijan

SUSTAINABILITY AT BPMB

Sustainability is integral to our mandate as a DFI. We are committed to delivering impact that supports Malaysia's long-term growth, fosters inclusive progress and safeguards environmental integrity. In fulfilling this role, we mobilise capital, apply technical expertise and build strategic partnerships to advance projects that contribute meaningfully to national development.

Our approach is guided by the overarching MIND and Sustainability (M&S) Framework, which provides the foundation for embedding sustainability and climate-related considerations across governance, business strategy, risk management and operational practices. The M&S Framework is underpinned by three key principles that shape all sustainability initiatives pursued by the Bank:



Creating Lasting Impact

Prioritising initiatives that deliver positive, enduring and scalable outcomes.

Inclusivity and Diversity

Promoting social and economic inclusion, with zero tolerance for discrimination of any kind.

Collaboration

Engaging diverse stakeholders to share knowledge, foster innovation and drive collective progress.

As part of our Agenda 2025 strategy, we have developed a sustainability roadmap that addresses our 13 material matters through three key pillars:

PILLAR 1 **Support Impactful National Development**	PILLAR 2 **Develop an Inclusive and Diverse Talent Pool**	PILLAR 3 **Drive Responsible Business Practices**
We are committed to financing high-impact projects that drive economic growth and social progress. Our goal is to be the preferred development bank for the government, providing not only financial solutions but also value-added services that contribute to Malaysia's long-term sustainability agenda.	Recognising that people are our greatest asset, we prioritise talent development to cultivate a strong, diverse and productive workforce. Our focus is on being an employer of choice by fostering a dynamic work environment, nurturing future-ready talent and establishing strategic partnerships for capacity building.	Sustainability is embedded in our operations, governance and decision-making processes. We strive to be a leader in sustainability by effectively managing climate risks and opportunities, upholding the highest standards of governance and ethics and ensuring that our business practices align with long-term environmental and social sustainability.

SUSTAINABILITY STRATEGY

This structured approach reflects our evolution from being a provider of development capital to an enabler of sustainable outcomes. Anchored in our key principles and strategic pillars, our role extends beyond financing—we help nurture the broader ecosystem and human capital needed to sustain a pipeline of impactful solutions for national development. We also support the 2030 Agenda for Sustainable Development and align our efforts with the SDGs, focusing on areas where we can create the greatest impact, particularly in promoting inclusive economic development, strengthening climate resilience and advancing social progress in Malaysia.

For full insight into our sustainability governance, initiatives, impact and performance, refer to the BPMB Sustainability Report 2024 at **www.bpmb.com.my/reports**.

SUSTAINABILITY HIGHLIGHTS

PILLAR 1 Support Impactful National Development

Supporting National Agenda

- **100%** of BPMB's approved financing, totalling **RM4.3 billion** aligned with the strategic objectives of the 12MP
- Actively participated in the **COP29, Baku** as part of the Malaysian delegation

Poverty Alleviation Through Inclusive Economic Activities

- Financed projects are projected to create **5,755** new jobs, advancing socio-economic development across key sectors
- **2,132** affordable housing units were financed, supporting better living conditions for low-to middle-income households
- Supported the construction of **346 km** of road infrastructure, enhancing regional access and service delivery
- Our financing enabled healthcare providers to serve **24,366** patients, supporting improved access to essential medical services

Mitigating Our Portfolio's Climate Impact

- All approved financing underwent climate risk assessment

Renewable and Clean Energy

- **RM72.2 million** in transition-related projects financed, contributing to Malaysia's pathway toward a low-carbon economy
- **21,800 MW** of renewable energy to be generated through green project financing, contributing to cleaner energy production and reduced carbon emissions

PILLAR 2 Develop an Inclusive and Diverse Talent Pool

Talent Management

- **100%** of BPMB's **551** employees are local
- Employees received an average of **64.5** training hours each, with over **RM7.2 million** invested in learning and development initiatives
- Recorded a **69.0%** engagement score in the 2024 Employee Engagement Survey
- Achieved a **33.0%** hiring rate, supporting BPMB's capacity expansion

Diversity, Equity and Inclusivity

- **53.2%** of employees are women
- **41.3%** of management roles held by women

Employee Well-being

- **>20** health and wellness programmes conducted, promoting a supportive and resilient workplace

PILLAR 3 Drive Responsible Business Practices

Our Climate Action

- **19.0%** reduction in Scope 1 and 2 GHG emissions in 2024 compared to 2023, with total emissions amounting to **2,201.8 tCO$_2$e**
- Recorded **10,057.6 gigajoules** in total energy consumption
- Formed the **Energy Management Committee** to drive operational energy efficiency
- Conducted **29** training sessions on sustainability and climate topics, engaging **>400** employee Bank-wide

Sustainable and Responsible Sourcing

- **Strengthening our Procurement Policy** by including environment, social and governance criteria.

Data Security and Privacy

- Established a risk-based **Technology Risk Management Policy**

Business Ethics and Integrity

- Successfully implemented the **Organisational Anti-Corruption Plan** across the Bank
- **Zero-tolerance policy** on bribery, corruption, fraud and other malpractices
- **Zero** incident of confirmed corruption

Social Responsibility as a National Development Partner

- **>RM400,000** contributed to **22** CSR programmes, benefiting **2,717** beneficiaries
- Recorded **30,560** volunteering hours by BPMB employees across community investment and engagement activities
- **>RM4.0 million** invested to empower **66** scholars under the BAGUS Scholarship programme
- **>30** job opportunities were offered through the MySTEP programme

05 OUR GOVERNANCE

STATEMENT OF CORPORATE GOVERNANCE

Corporate Governance ("CG") at BPMB

BPMB's Board of Directors ("Board") is committed to observing high standards of corporate governance to deliver long-term value and sustainability for all its stakeholders. Despite navigating through a challenging year, the Board continues to embrace BPMB's robust corporate governance practices to support the Group's strategy to enhance our shareholders' and other stakeholder interests as well as effectively meet business objectives to deliver impact capital for national development.

This Statement of Corporate Governance summarises the key corporate governance practices, policies and guidelines of BPMB and its subsidiaries during the financial year ended 31 December 2024. It has been prepared in compliance with the principles and best practices of Bank Negara Malaysia ("BNM") Policy Document on Corporate Governance for Development Financial Institutions ("PD CG for DFI"), Garis Panduan Tadbir Urus dan Ahli Lembaga Pengarah Syarikat Menteri Kewangan (Diperbadankan) (MKD) 2024 ("MKD Guideline 2024") and guided by the principles of the Malaysian Code on Corporate Governance ("MCCG").

BPMB's Governance Framework

BPMB has a well-defined corporate governance framework in place as part of its commitment to fostering a culture of compliance that values personal and corporate integrity, accountability and continuous improvement.

The Board sets the direction of the corporate governance principles, upholds governance and seeks to build an ethical culture. The Board continuously strives to refine the Company's corporate governance practices and processes to maintain the Group's competitive edge.

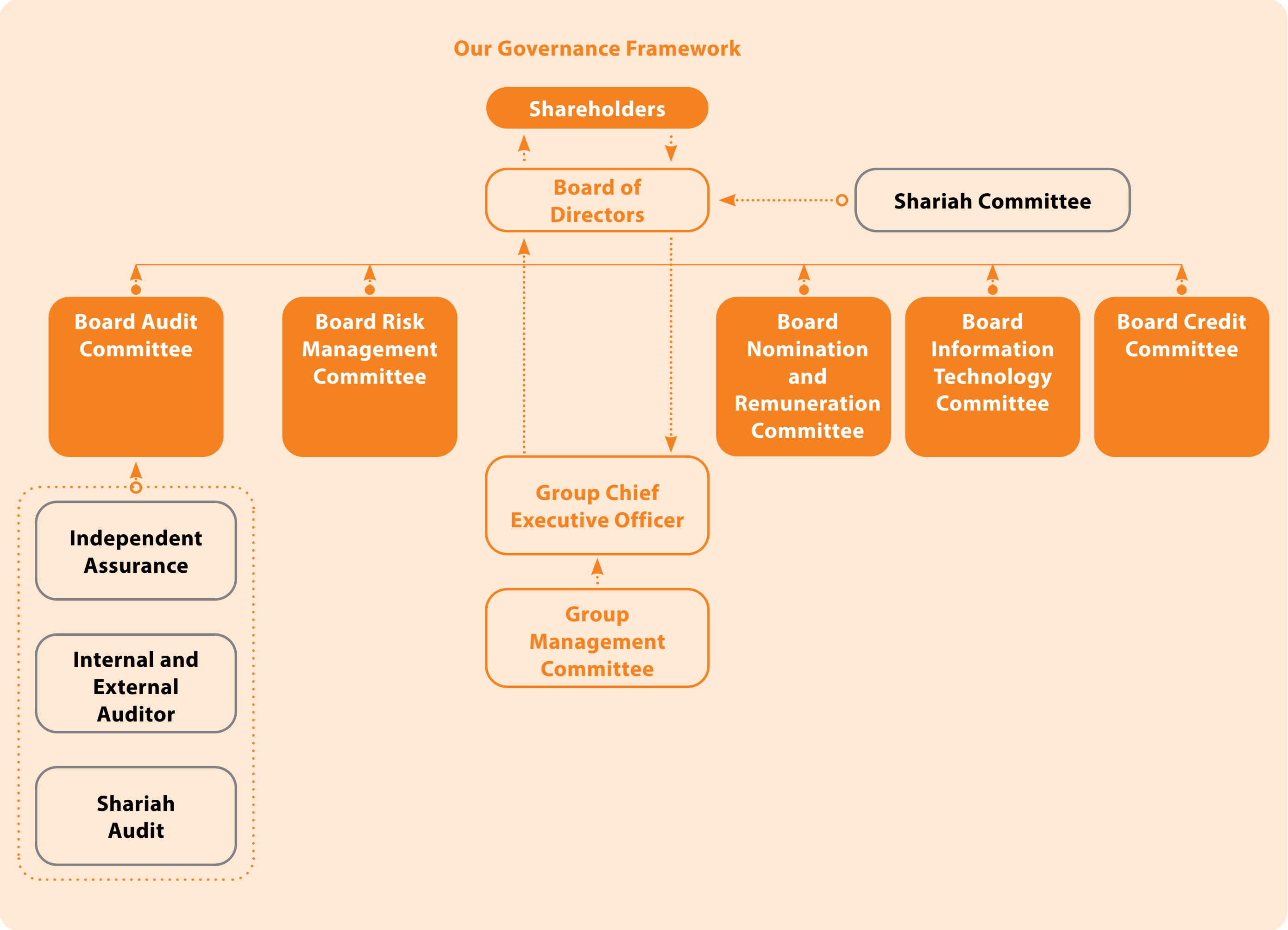
The Board is accountable to the shareholders for creating and delivering sustainable value through the oversight of the management of the Group's business, approving strategic plans, monitoring their implementation and providing the necessary support for their successful execution.

The Board discharges its responsibilities within a clearly defined governance framework and with robust mechanisms in place. Through this framework, the Board, while retaining its responsibilities, delegates governance duties to key Board Oversight Committees ("BOC") and other Management Oversight Committees ("MOC"). The effective operation of the Board depends on the clarity of its various roles and responsibilities. There is a clear division of responsibilities between the Board's leadership and BPMB's Senior Leadership Team ("SLT") leadership. The Board maintains ultimate accountability and responsibility for the performance and affairs of BPMB, ensuring that BPMB adheres to high standards of ethical behaviour.

In executing its governance responsibility, the Board has embraced the following best governance practices:

- Board Charter that sets out the roles of the Chairman, Group Chief Executive Officer ("GCEO") and Non-Executive Directors (NEDs).
- Board Charter that sets out the principles of the Code of Ethics, Conflicts of Interest, External Professional Commitment and Whistle-blowing Policy.
- The positions of the Chairman and the GCEO are held by two (2) different individuals.
- A formal and transparent process for the appointment of new Directors and the re-appointment of Directors.
- Annual Independent Directors' Review to appraise independence of Independent NEDs.
- The Chairman of the Board does not sit on any BOC.
- The Chairman of the Board and key BOC[1] is an Independent NED.
- The composition of the Board and key BOC[1] comprised majority independent NEDs.
- The number of directors with common directorship within the Group is kept at the minority.
- Ongoing training and development for directors to ensure they are equipped with the necessary skills and knowledge to discharge their duties and responsibilities.
- Regular review of the Board succession plan.

[1] *Refers to Board Audit Committee, Board Risk Management Committee and Board Nomination and Remuneration Committee*



BPMB's corporate governance framework is consistent and complies with the following:

(a) Garis Panduan Tadbir Urus dan Ahli Lembaga Pengarah Syarikat Menteri Kewangan (Diperbadankan) [MKD] 2024 ("MKD Guideline 2024");

(b) Development Financial Institution Act 2002 ("DFIA 2002");

(c) Bank Negara Malaysia's Policy Document on Corporate Governance for Development Financial Institution ("BNM PD CG for DFI");

(d) Malaysian Code of Corporate Governance 2021 ("MCCG 2021");

(e) the Malaysian Companies Act 2016

The application of the respective principles and best practices on corporate governance are highlighted in the various sections of this Statement of Corporate Governance.

BPMB's established corporate governance structures, processes and policies provide guidance to the Board's business decisions and overall responsibilities to the shareholders to ensure compliance with all laws and regulations. The Board strives to regularly review the Company's corporate governance practices to adapt to any changes in BPMB's business directions and meet expectations of shareholders.

The Board may delegate specific roles and functions of the Board to relevant BOC and Management based on their specialised skills. These include matters relating to financial information review, human capital management, internal controls and risk management as well as governance, procurement and investment. The roles and responsibilities of the Board, the BOC and Management are defined and supported by the Board Charter, Terms of Reference ("TOR"), Code of Conduct and Ethics, Approving Authority Matrix and Procurement Policy.

The table below provides an overview of the roles and functions of the shareholders, the Board and the Management through the governance framework:

Shareholders	Ultimate decision-making authority at the Annual General Meeting ("AGM") where the appointment, re-appointment of the Board and re-appointment of External Auditors are approved.
The Board	Accountable to the shareholders for the performance of the Company. It directs and monitors the business and affairs of the Company on behalf of the shareholders and is responsible for the Company's overall strategy objectives, direction, performance and corporate governance of the Company, with some oversight delegated to the BOC.
Shareholders and the Board jointly	Provide oversight of the control and management of BPMB.
Group Chief Executive Officer and the Management	Responsible for the sound and prudent day-to-day management of the Company in accordance with the direction of the Board. The Board delegates to the Group Chief Executive Officer, together with the Management, the authority for managing BPMB's business to achieve its corporate targets and plans.

BPMB Subsidiary Governance

BPMB operates through a range of subsidiaries. The governance framework ensures each subsidiary company operates as a separate and distinct legal entity accountable for their own practices in accordance with local laws and regulations.

Each major subsidiary maintains its own board of directors. However, the Board maintains control and performs oversight of the subsidiaries through the appointment and removal of the directors on the board of the subsidiaries. Members of the Board may be appointed as a director on each major subsidiary, thus ensuring a continuous flow of information and promoting alignment to the Group's strategic direction. While lines of reporting are maintained to the Group, the boards of each subsidiary remain the approving authority of that entity.

Leadership and Effectiveness

Board Roles and Responsibilities

The Board is primarily accountable to the shareholders for long-term success of the Company and ultimately responsible to have oversight and review of the administration and overall governance of the Company. In discharging its fiduciary duties for the best interest of the Company, the Board provides leadership support and works closely with the Management of the Company. The roles of the Board are regulated by the Board Charter.

While having the overall accountability, the Board has delegated the day-to-day management of the Company to the GCEO and his SLT. To promote accountability and facilitate division of responsibilities, the roles of the Chairman and the GCEO, which are clearly defined in the Board Charter, are separate and distinct. In order to effectively discharge its duties, some oversight responsibilities of the Board are delegated to BOC. The Chairman of the Board, Dato' Sulaiman Mohd Tahir, leads the Board to ensure effective operations of the Management and the GCEO of the Group, Dato' Muzaffar Hisham, ensures the effective implementation of the Board's overall strategies, meeting annual targets of the Group and management of external stakeholders. The Board is also assisted by the Group Company Secretary, which is currently held by Encik Aidil Haznul Zulkifli.

The following diagram provides an overview of the roles and key responsibilities of the Board:

BOARD

Responsible to govern and set strategic direction of the Company and exercise oversight on management for longterm success of the Company and the delivery of sustainable value to its stakeholders.

Chairman	Independent Non-Executive Director	Non-Independent Non-Executive Directors	Group Chief Executive Officer	Company Secretary
Leading and overseeing the Board in ensuring its responsibilities for the business and affairs of the Company.	Act as a sounding board for the Chairman, serve as the principal conduit between the Independent Directors and the Chairman and act as the point of contact for other shareholders and stakeholders. Play a key role to scrutinize the performance of the Management, challenge and develop the strategy and ensure systems of internal control and risk management are appropriate and effective.	Responsible to update Board on material issues of the subsidiaries and manage the conduct of nominee directors in exerting influence over the shareholders.	Responsible to develop the strategic direction of the Company, leading the SLT to effectively manage the day-to-day affairs of the Company as well as lead and support each of BPMB's businesses to ensure the success of the Group's governance and management functions.	Play an advisory role to the Board and the BOC to function effectively in accordance with their TOR and best practices and in compliance with the relevant regulatory requirements.

Board Charter

The details of the roles and responsibilities of the Board, BOC, the GCEO, the Company Secretary and SLT are defined in the Board Charter. The Board Charter is reviewed every two (2) years, or when there are material changes to the governance structure, processes or procedures to ensure relevance and function for the Board's needs. In addition to the Board Charter, in discharging its duties, the Board is also guided by its Terms of Reference ("TOR"), a document which specifies the Board's role, powers, duties and function. The Board Charter and TOR are available at BPMB's website **www.bpmb.com.my**

Matters Reserved for the Board

The following matters prescribed in the Board Charter and the TOR are specifically reserved for the Board's approval:

Board Reserve Matters	
Strategy	• Strategic policy matters which include business plan, budget and corporate structure • Any corporate exercise which include acquisition or divestment of strategic interest
Risk/Controls	• Risk appetite setting • Entry into any related party transaction • Review on the adequacy and integrity of the Company's internal control system

Board Reserve Matters (cont'd.)	
Finance	• Financial results and declaration of dividends • Any significant operating and credit policies • Capital management plan • Authority limits including discretionary authority • Declaration of dividends • Major acquisition or disposal of capital expenditure
Operations	• Any new outsourcing proposals • Oversight and evaluation of the conduct and performance of the Company
Board Matters	• Succession Planning • Appointment and remuneration of directors the Group Chief Executive Officer and key SLT

Board Activities in 2024

The Board has oversight over the management and proper conduct of the business and affairs of the Company, with responsibilities to review overall strategies, business, performance and policies of BPMB.

In FY2024, the Board reviewed and deliberated as well as approved several matters focused on the following key areas:-

Area of Focus	Strategic Matters Considered by the Board in 2024
Strategy, Financial and Business Performance	• Appointment of External Auditor for the Development Financial Institution (DFI) Merger • DFI Merger Update • Proposed liquidation of Danajamin Nasional Berhad • Ministry of Finance (MOF) and Management Scorecard Performance for 2023 • Statement of Corporate Intent ("SCI") and Annual Funding Requirement ("AFR") 2024 • Management Report • Report on Approved Procurement Awards • Corporate Social Responsibility Report • Amanah Lestari Alam ("ALAM") Operational Report • Material Litigation • Board expenditure and claim expenditures incurred by the Board and Senior Leadership Teams • Appointment of Integration Strategy Consultant for the DFI Merger • Audit Committee Report ("ACR") • Audited Financial Statement for the Financial Year Ended 31 December 2023 for BPMB and Group • Audited Financial Statement for the Financial Year Ended 31 December 2023 of Facilitation Fund • Reappointment of the External Auditor for BPMB Group for the financial year ending 31 December 2025 • Proposed Dividend of BPMB for Financial Year Ended 31 December 2024 • ALAM 2024 Business Plan and Budget 2024-2026 • Open a New Islamic Foreign Currency Account ("FCA") and Electronic Banking Platform with Standard Chartered Bank to Facilitate Foreign Exchange ("FX") Transactions • Outsourcing Plan for Financial Year 2024 • Enhancements to BPMB's Sustainability Goals and Roadmaps • Interim Unaudited Financial Statements • Phase 2 DFI Merger SPA Approval • Share Transfer Application to BNM and Target Operating Model • BPMB Memorandum of Recommendations for the financial year ended 31 December 2023 • Proposed Sukuk Programme Upsizing and Issuance for Funding Requirements until 2026 • Procurement Award Proposal on Finance One (GL) System Service Maintenance and Upgrade from On-Premise to Cloud-Based Platform • Corporate Plan and Budget 2025 – 2027 • 2025 Corporate Scorecard

Area of Focus (cont'd.)	Strategic Matters Considered by the Board in 2024 (cont'd.)
Risk Management and Compliance	• Revised Policy on Appointment of External Auditor • Periodic Reporting to the Malaysian Anti-Corruption Commission on the Operations of the Integrity and Governance Unit. • Issuance of new Regulatory Documents by Regulators • Bank Negara Malaysia's ("BNM") Approval to Operationalise BPMB's Private Equity Business • Notification on correspondences with BNM and a Letter from the Authorities • Review of Property Management and Services Policy • Group Credit Risk Approving Authority Matrix • Group Stress Test Result • Risk Limit Financial Institution and Foreign Exchange • BNM Composite Risk Rating ("CRR") Financial Year 2021 • BNM CRR Financial Year 2022 • 2024 Risk Appetite Statements & Tolerance Level ("RASTL") update for Technology & Cyber Risk • Update on BNM Thematic Review on AMLCFT for the year 2021 • Interest Rate Swap (IRS)/Islamic Profit Rate Swap (IPRS) • Market Risk Limit for IRS/IPRS • BPMB Group Policy on Management of Conflict of Interest • Procurement Policy and Approving Authority for Strategic Procurement Group • Sustainability Framework • Enhancement to Equity Investment Policy to Address Regulatory Requirements • MIND Framework for Group Private Equity and Strategic Investments • Capital Management Policy Review • Development of the Climate Finance Innovation Lab (CFIL) • Revision of Group Compliance Policy • Review of Guideline on Best Practices for Single Counterparty Exposure Limit (SCEL) and Single Customer Limit (SCL)
Governance and Integrity	• Whistleblowing report • Review of Group Governance and Risk Management Framework • Implementation Plan for BNM's Policy Document on Hajah and Darurah • Revision of BPMB Group Data Governance Framework • Revision of Board Oversight Committee Composition • Appointment of Directors in Subsidiaries • Monthly allowance for Non-Executive Non-Common Director of Wholly-owned subsidiaries of BPMB • Semi-Annual Reporting on Financing Facilities with Connected Parties • Board and Board Committee Evaluation Results 2023 • Establishment of Board Integration Committee and Management Integration Committee for Project Mercury • Investigation Report on Breach of BPMB Group Customer Information • Annual 'Fit & Proper' Assessment for the Shariah Committee Members • Annual 'Fit & Proper' Assessment for the Board of Directors and GCEO of BPMB • Notification on Garis Panduan Tadbir Urus dan Ahli Lembaga Pengarah Syarikat Menteri Kewangan Diperbadankan "MKD" 2024 • Notification of Tatakelola Syarikat Berkepentingan Kerajaan (SBK) dan Syarikat Berhad Menurut Jaminan (CLBG) • Annual Fit & Proper Assessment Exercise for the Key Responsible Persons (KRP) of BPMB Group 2024 • Adoption of Terms of Reference of the Board Information Technology Committee • Collaboration with the Malaysian Anti-Corruption Commission (MACC) as a Strategic Partner to Organise the Anti-Corruption Program Namely "Kem Angkatan Mahasiswa Anti-Rasuah (AMAR) for Higher Learning Institutions ("IPT") • Appointment of External Consultant for the Board Effectiveness Evaluation Exercise for the FYE 2024 • Proposed new Director of BPMB • Proposed Revision to the Remuneration Structure for Board of Directors of BPMB Group

Area of Focus (cont'd.)	Strategic Matters Considered by the Board in 2024 (cont'd.)
Human Capital	• Proposed Contract Renewal of SLT • Community Engagement • Increment and Bonus • SLT KPI Moderation • SLT participation in Overseas Training Programme • Hari Raya Celebration with Orphans • 2024 BPMB Oratory Competition • Collective Agreement between BPMB and National Union of Commercial Workers (NUCW) 2024 – 2027 • Back to School Programme
Information Technology	• Approval for IT and Digital Blueprints & Status of Proposed Initiatives Identified • IT and Digital Blueprint vs Merger Impact Assessment • Revision of Technology Risk Management Policy

Board Meetings

In carrying out its duties, the Board has a minimum of six (6) scheduled meetings in a year, the dates of which are scheduled in advance to enable the Directors to plan ahead. In addition to the scheduled meetings, special meetings may be convened as and when required to address specific issues.

Prior to any meetings, Directors receive meeting materials at least five (5) days in advance to allow sufficient time for Directors to review and analyse relevant information. The deliberations and decisions made during Board meetings are clearly minuted and action items for Management are communicated to the relevant parties within seven (7) days after each meeting. The draft minutes are then tabled at the following meeting for confirmation and thereafter signed by the Chairman and filed within ten (10) days.

During the financial year under review, the Board met sixteen (16) times to deliberate and consider significant matters that required its guidance and approval. All Directors attended more than 75% of Board meetings during the financial year 2024.

The GCEO, Chief Financial Officer and Company Secretary as well as other Management (if required) have also been invited to attend the Board meetings to support the Board with further information on the matters being deliberated.

Details of the Board and BOC meeting held during the financial year 2024 are disclosed on page 91 of this Integrated Annual Report.

Board Conduct

The Board recognises that upholding ethical standards of behaviour promotes the principles of sincerity, integrity and responsibility. The Board Code of Conduct and Ethics ("Code") details the responsibilities of the Directors in conducting themselves in a manner consistent with the Board Charter.

Directors have a duty to declare any conflict of interests including whether such interest arises through close family members pursuant to Section 17A of the Malaysian Anti-Corruption Commission (MACC) (Amendment) Act 2018 and other relevant regulator requirement and Board Charter. In the event of any conflict of interest, the Director shall abstain from participating in discussions and decisions on matters which directly involve him/her.

Each Director has devoted sufficient time to carry out his/her responsibilities, maintain a sound understanding of the Company's business and keep up-to-date with market and regulatory developments. The Board Charter states that a Director, upon acceptance of his/her appointment must declare to the Board details of all other significant businesses and interests, indicating broadly the time spent on such commitments. The maximum number of external professional commitments of each Director must not be more than five (5) unless with prior approval of the Board.

All Directors comply with the Board Charter and MKD Guideline 2024 of not holding more than five (5) directorships in listed issuers at any given time.

The Board is satisfied that the current number of directorships held by the Board members does not impair their ability or judgement in discharging their roles and responsibilities.

Board Diversity and Composition

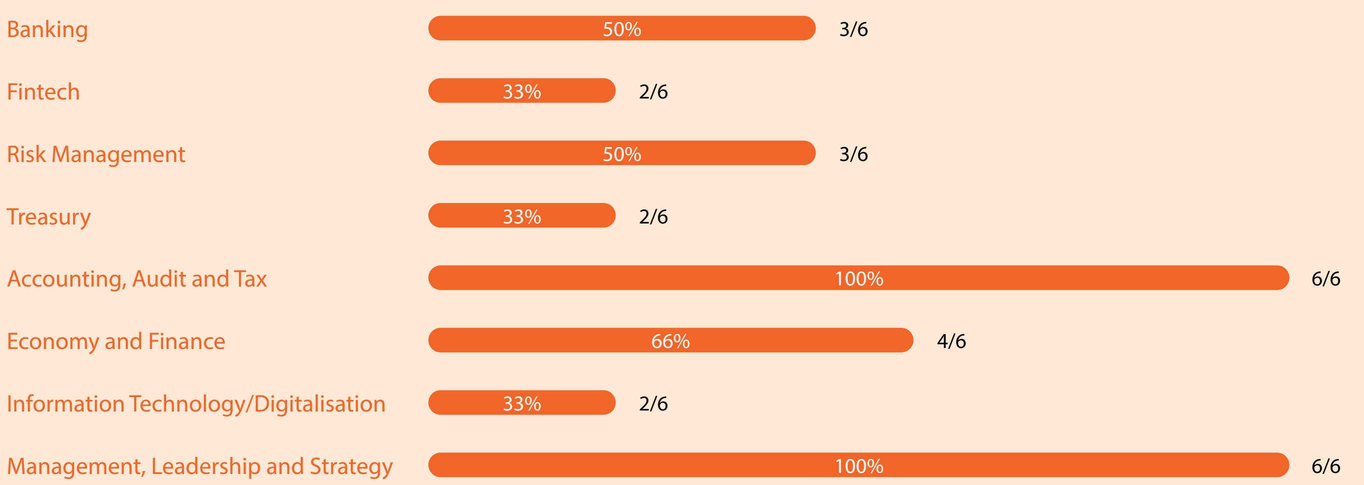
As at the date of reporting, the Board consists of six (6) Directors, comprising of one (1) Non-Independent Non-Executive Director ("NINED") representing the Minister of Finance Incorporated ("MOF Inc"), one (1) NINED, not representing any shareholder and four (4) Independent Non-Executive Directors ("INED").

The Board composition is balanced and currently complies with the requirements under the BNM PD CG for DFI and MKD Guideline 2024. Four (4) out of six (6) directors are INED, fulfilling the requirement for a majority of Independent Directors. Two (2) out of six (6) directors are women directors which also complies with 30% requirement for woman representation as per the MKD Guideline 2024. The current size of the Board commensurate with the present scope of the Group's business operations with a diverse wealth of knowledge, experience and skills in the areas of accountancy, banking, takaful, audit, corporate finance, risk management, Fintech, Digital and Information Technology and public administration.

The Board embraces diversity in the composition and recognises the added value of diverse perspectives and insights in its decision-making process. In this regard, the Board considers diversity from a number of different aspects, including gender, age, educational background, professional experience, skills, knowledge and length of service.

Detailed profile of each member of the Board is provided on pages 27 to 32 of this Integrated Annual Report.

Board Skills and Expertise



Board Oversight Committees ("BOC")

The Board has delegated authority to several BOC to enable the Board to discharge its duties and responsibilities properly and exercise oversight in specific areas. There are six (6) established committees (as listed below) focusing on audit, risk, information technology, integration, credit as well as board nomination and remuneration. The TOR of the respective Board Committees can be found at the Company's website: www.bpmb.com.my.

No.	Board Oversight Committee ("BOC")	Objectives
1.	Board Audit Committee ("BAC")	Responsible for providing oversight on reviewing the adequacy and integrity of the internal control systems and overseeing the work of the internal and external auditors within the Group. BAC meets regularly to, among others, review the quarterly results (if applicable), full year financial statements, audit reports, which include observations pertaining to risk management and internal controls.
2.	Board Nomination and Remuneration Committee ("BNRC")	Responsible for providing a formal and transparent procedure for the appointment of Directors, GCEO, Board Committees members, SC members, CEO of major subsidiaries, Senior Officers and the Company Secretary as well as developing a remuneration policy as to ensure that it is competitive and consistent with the Group's culture, objectives and strategies for recommendation to the Board. BNRC meets regularly to, among others, review, assess and recommend to the Board on the appointment/reappointment of Directors. GCEO, Board Committee members, SC members, CEO of major subsidiaries, Senior Officers and the Company Secretary including the conduct of annual evaluation of their performance/ skill sets, both individually and collectively and their remuneration package.
3.	Board Risk Management Committee ("BRMC")	Responsible for providing oversight on the Management's activities in managing the key risk areas and ensuring that the risk management process is adequately in place and functioning effectively. BRMC meets regularly to, among other, review and endorse the risk management strategies, framework, policies, risk tolerance and risk appetite ensuring a 'risk-awareness' culture is embedded within the Group.
4.	Board Credit Committee ("BCC")	Responsible for providing supervisory and oversight role of loan/financing/investment approval to the Group and to ensure adequate risk management processes are in place. BCC meets regularly to, among other, review or veto loans/ financing, other credit facilities and investment proposals for amount above the defined thresholds of the Group Credit Committee and approve all cases of write-off proposals from BPMB.
5.	Board Information Technology Committee ("BITC")	Responsible for overseeing the implementation of technology-related strategies and initiatives across the BPMB Group.
6.	Board Integration Committee ("BIC")	Responsible for overseeing, deliberating on, advising and approving matters for recommendation to the Board of BPMB, Small Medium Enterprise Development Bank Malaysia Berhad ("SME Bank") and Export-Import Bank of Malaysia Berhad ("EXIM Bank"), collectively known as 'Development Financial Institutions' ("DFIs") to ensure the smooth and successful integration of the DFIs. The Committee provides direction, advice and makes key strategic recommendations on matters related to integration plans.

In FY2024, the Board and the BOC spent a total of two hundred and thirteen (213) hours in discharging their oversight functions and responsibilities as follows:-

Board Meeting

Board of Directors		
Members	**Attendance**	
Dato' Sulaiman Mohd Tahir (Chairman) *Appointed on 20 March 2024*	12/12 (100%)	**Overall percentage of the Board meetings attended by the members: 95%** **Total number of meeting: 16** **Total meeting hours: 64**
Datuk Rashidah Mohd Sies *Appointed on 27 September 2021* *Reappointed on 13 October 2023*	16/16 (100%)	
Tan Sri Rashpal Singh Randhay *Appointed on 28 April 2022* *Reappointed on 28 April 2024*	15/16 (94%)	
Dr Othman Abdullah *Appointed on 22 October 2021* *Reappointed on 22 October 2023*	16/16 (100%)	
Imri Dolhadi Ab Wahab *Appointed on 20 May 2024*	06/06 (100%)	
Nor Darina Mohd Yusoff *Appointed on 1 October 2024*	03/03 (100%)	
Norazilla Md Tahir *Retired on 14 August 2024*	10/11 (91%)	
Rosnah Kamarul Zaman *Retired on 16 May 2024*	08/08 (100%)	

Board Oversight Committee Meeting

Board Audit Committee (BAC)		
Members	**Attendance**	
Dr Othman Abdullah (Chairman) *Appointed on 15 February 2024*	09/09 (100%)	**Overall percentage of the BAC meetings attended by the members: 92%** **Total number of meeting: 9** **Total meeting hours: 27**
Imri Dolhadi Ab Wahab *Appointed on 11 June 2024*	02/04 (50%)	
Nor Darina Mohd Yusof *Appointed on 1 October 2024*	02/02 (100%)	
Dato' Sulaiman Mohd Tahir *Appointed on 16 May 2024* *Resigned on 11 June 2024*	01/01 (100%)	
Datuk Rashidah Mohd Sies *Appointed on 16 May 2024* *Resigned on 11 June 2024*	00/01 (0%)	
Norazilla Md Tahir (Chairperson) *Retired on 14 August 2024*	07/07 (100%)	
Rosnah Kamarul Zaman *Retired on 16 May 2024*	04/04 (100%)	

Board Risk Management Committee ("BRMC")		
Members	**Attendance**	
Nor Darina Mohd Yusof (Chairperson) *Appointed on 1 October 2024*	03/03 (100%)	**Overall percentage of the BRMC meetings attended by the members: 98%** **Total number of meeting: 12** **Total meeting hours: 45**
Dr Othman Abdullah *Appointed on 15 February 2024*	12/12 (100%)	
Imri Dolhadi Ab Wahab *Appointed on 11 June 2024*	06/07 (86%)	
Tan Sri Rashpal Singh Randhay (Chairman) *Resigned on 11 June 2024*	04/04 (100%)	
Dato' Sulaiman Mohd Tahir *Appointed on 11 June 2024* *Resigned on 30 October 2024*	05/05 (100%)	
Norazilla Md Tahir *Appointed on 15 February 2024* *Retired on 14 August 2024*	07/07 (100%)	
Rosnah Kamarul Zaman *Retired on 16 May 2024*	04/04 (100%)	

Board Nomination and Remuneration Committee ("BNRC")		
Members	**Attendance**	
Tan Sri Rashpal Singh Randhay (Chairman) *Appointed on 11 June 2024*	03/03 (100%)	**Overall percentage of the BNRC meetings attended by the members: 100%** **Total number of meeting: 7** **Total meeting hours: 17**
Datuk Rashidah Mohd Sies *Appointed on 15 February 2024*	07/07 (100%)	
Dr Othman Abdullah *Appointed on 15 February 2024* *Resigned on 16 May 2024* *Reappointed on 27 January 2025*	04/04 (100%)	
Dato' Sulaiman Mohd Tahir *Appointed on 16 May 2024* *Resigned on 27 January 2025*	04/04 (100%)	
Norazilla Md Tahir *Retired on 14 August 2024*	05/05 (100%)	
Rosnah Kamarul Zaman *Retired on 16 May 2024*	03/03 (100%)	

Board Credit Committee ("BCC")		
Members	**Attendance**	
Tan Sri Rashpal Singh Randhay (Chairman) *Appointed as Chairman on 11 June 2024*	13/13 (100%)	**Overall percentage of the BCC meetings attended by the members: 100%** **Total number of meeting: 15** **Total meeting hours: 45**
Datuk Rashidah Mohd Sies *Appointed on 15 May 2024*	09/09 (100%)	
Nor Darina Mohd Yusof *Appointed on 1 October 2024*	03/03 (100%)	
Dato' Sulaiman Mohd Tahir *Appointed on 16 May 2024* *Resigned on 30 October 2024*	08/08 (100%)	
Norazilla Md Tahir *Appointed on 15 February 2024* *Retired on 14 August 2024*	09/09 (100%)	
Rosnah Kamarul Zaman (Chairperson) *Retired on 16 May 2024*	05/05 (100%)	

Board Information Technology Committee ("BITC")		
Members	**Attendance**	
Dr Othman Abdullah (Chairman) *Appointed as Chairman on 26 January 2022*	06/06 (100%)	**Overall percentage of the BITC meetings attended by the members: 100%** **Total number of meeting: 6** **Total meeting hours: 15**
Tan Sri Rashpal Singh Randhay *Appointed on 28 April 2022* *Resigned on 29 May 2024* *Reappointed on 11 June 2024*	05/05 (100%)	
Datuk Rashidah Mohd Sies *Appointed on 16 May 2024* *Resigned on 28 February 2025*	04/04 (100%)	
Dato' Sulaiman Mohd Tahir *Appointed on 16 May 2024* *Resigned on 11 June 2024*	02/02 (100%)	
Nor Darina Mohd Yusof *Appointed on 28 February 2025*	Nil	
Rosnah Kamarul Zaman *Retired on 16 May 2024*	02/02 (100%)	

Board and Board Oversight Committees Meeting Calendar					
Jan	**Feb**	**Mac**	**Apr**	**May**	**June**
BOD – 24th, 30th BRMC – 26th BCC – 24th BAC – 24th	BOD – 22nd, 28th BRMC – 23rd BCC – 14th BNRC – 15th BITC – 7th BAC – 22nd	BRMC – 22nd BCC – 20th BNRC – 15th BAC – 21st	BOD – 4th, 23rd, 25th BRMC – 24th BCC – 25th BNRC – 4th BITC – 18th BAC – 24th	BOD – 10th BRMC – 27th BCC – 13th, 29th BNRC – 31st	BOD – 11th BRMC – 24th BCC – 27th BITC – 5th BAC – 4th
July	**Aug**	**Sept**	**Oct**	**Nov**	**Dec**
BOD – 18th, 30th BRMC – 24th BCC – 17th, 23rd BNRC – 18th BAC – 26th	BOD – 28th BRMC – 28th BCC – 22nd BITC – 8th BAC – 5th	BOD – 30th BRMC – 25th BCC – 18th, 24th BNRC – 18th	BOD – 22nd, 30th BRMC – 22nd BCC – 24th BITC – 10th BAC – 23rd	BOD – 29th BRMC – 13th, 22nd BCC – 26th BNRC – 29th BITC – 27th BAC – 26th	BCC – 10th
Total number of Board and BOC meetings: 65 **Total hours of the Board and BOC meetings : 213**					

The BOC members are appointed by the Board on the recommendation of the BNRC. The BOC membership is structured to spread responsibility and make the best use of the range of skills across the Board. Membership of the various BOC is reviewed regularly and is structured to provide the appropriate overlap of membership to ensure cohesive information flow between the BOC. The BOC members are expected to attend each BOC meeting, unless there are exceptional circumstances that prevent them from doing so. Each BOC is entitled to seek information from any employees of the Company and to obtain professional advice as the BOC deems appropriate in its discretion.

During each Board of Directors' meeting, the Chairman of the respective BOC presents its recommendations to the Board for consideration and approval. This process ensures that the Board is kept fully informed and has the opportunity to provide comments or input on matters discussed at BOC level. All deliberations and recommendations must be minuted and approved by respective BOC and confirmed by the Chairman of each BOC at their respective BOC meetings.

Each BOC Chairman also reports to the Board on key matters addressed during the respective BOC meetings. In addition, the minutes of BOC meetings are tabled at Board meetings to facilitate further discussion and to seek direction where necessary.

Based on the Annual Evaluation of each standing BOC for the financial year under review, the Board unanimously resolved that each BOC had discharged its roles and responsibilities effectively as guided by its respective TOR.

<table>
<tr><th colspan="2">Board Nomination and Remuneration Committee Report ("BNRC")</th></tr>
<tr><td>
Chairman
Tan Sri Rashpal Singh Randhay
Independent Non-Executive Director

Members
Datuk Rashidah Mohd Sies
Non-Independent Non-Executive Director

Dr Othman Abdullah
Independent Non-Executive Director</td>
<td>Membership

The BNRC is chaired by Tan Sri Rashpal Singh Randhay, an Independent Non-Executive Director, following the retirement of Puan Rosnah Kamazul Zaman on 16 May 2024. The BNRC consists of a majority of Independent Non-Executive Directors. The current composition of the BNRC complies with the BNM PD CG for DFI, MCCG and the MKD Guideline 2024.

Details of the composition and the meetings attended by each member can be found under pages 88 to 91 of this report.

Roles and Responsibilities

BNRC's primary role is to support the Board in ensuring the Board's composition consists of individuals with the appropriate skills, experience and knowledge to maintain the effectiveness of the Board. The BNRC also reviews matters relating to the remuneration of the Directors.

The detailed roles and responsibilities of the BNRC are set out in its TOR, which was last reviewed on 8 July 2025 and is available on the Company's website at www.bpmb.com.my</td></tr>
</table>

BNRC Key Activities in 2024

The BNRC met seven (7) times during the financial year. The following summarises the activities of the Committee in FY2024:

Areas of Focus	Matters Considered
Nomination	• Appointment of Independent Non-Executive Directors of BPMB • Proposed Contract Renewal of the GCEO • Proposed Appointment of Nominee Director to subsidiaries • Proposed Contract Renewal of the SLT • Proposed appointment of Shariah Committee member • Proposed appointment of Non-Independent Non-Executive Director • Proposed reappointment of Shariah Committee member • Proposed appointment of new Chairman
Remuneration	• Proposed Revision of Remuneration Structure for Board of BPMB • Retention Plan for Key Leader • Proposed Monthly Allowance for Non-Executive Non Common Director of wholly-owned subsidiaries of BPMB • Proposed Annual Increment and Performance Bonus • Implementation of 2024 Frontliner Booster Program for targeted line of Business in BPMB Group • Implementation of "Agenda 2025 – Retention Plan" for BPMB Group

Areas of Focus	Matters Considered
Governance	• Proposed appointment of an External Consultant for BPMB Board Effectiveness Evaluation Exercise for the FYE 2024 • BPMB Macrostructure post legal day-1 Merger Exercise • Annual Fit & Proper Assessment Exercise for Key Responsible Person of BPMB Group • Annual Fit & Proper Assessment for Shariah Committee Members • Annual Fit & Proper for the Board of Directors and the GCEO • Notification of Garis Panduan Tadbir Urus dan Ahli Lembaga Pengarah Syarikat Menteri Kewangan Diperbadankan "MKD" 2024 • Notification of Tatakelola Syarikat Berkepentingan Kerajaan (SBK) dan Syarikat Berhad Menurut Jaminan (CLBG) • Board and BOC Evaluation Result 2023 • Proposed Revision of the BOCs' composition • Proposed Rationalisation of BPMB's existing Shariah Committee • Proposed Succession Planning for Shariah Committee
Training	• Proposed Participation of the SLT in McKinsey Asia SME Banking Leadership
Others	• Proposed New Collective Agreement between BPMB and National Union of Commercial Workers • Industrial Relations Assessment on Whistleblowing report • FY2024 Key Performance Indicators and Target Setting for SLT

Composition and Diversity

The BNRC plays a vital role in ensuring the balance in the composition and diversity of the Board is achieved. The BNRC reviewed the size, composition and diversity of the Board as well as the mix of experiences and competencies of each member of the Board. Following the assessment and recommendation by the BNRC, the Board views that the current size and composition of the Board are conducive for appropriate decision-making and incorporate a diversity of opinions, perspectives and skills to act in the best interest of the Company as a whole.

Appointment of Directors

The BNRC is delegated with the responsibility to establish a formal and transparent process for the nomination and appointment of new Directors. Such responsibilities include screening and identification of candidates, performing the Fit & Proper evaluation and assessment on the candidates' capability to discharge their duties effectively and efficiently prior to making recommendations to the Board for approval. The BNRC also ensures that the candidates possess the appropriate skills, experience and expertise relevant to the BPMB's business, core competencies, commitment and integrity to effectively discharge their role as a director. In sourcing and identifying candidates for the Board, the BNRC not only relies on recommendations from existing board members but would also consider external sources such as the Directors' Register by FIDE FORUM, MIA, CIDM and independent executive firms.

Independent Director

The BNM PD CG for DFI and the MKD Guideline 2024 mandates that a majority of directors of the Board must be independent. Independent Directors contribute to the Board's role in ensuring good corporate governance practices are applied to promote objectivity and independence in the Board's deliberations and decision-making process. The presence of a majority of Independent Directors on the Board also facilitates an effective and independent oversight over the Management and provides the necessary checks and balances in ensuring the Company operates in a safe and sound manner.

BPMB's criteria for independence is set out in the Board Charter. One of which is the requirement for all Independent Directors to declare their independence on a monthly basis. The Board evaluates and assesses the Directors on an annual basis through a board annual Fit & Proper assessment. Through this formal process, Independent Directors are also assessed on their ability to provide strong and valuable contributions to the Board's deliberations in the best interest of BPMB, without any interference.

For the year under review, the BNRC has considered the independence of each Independent Director in office and has concluded that each Independent Director has met the independence criteria as set out in the the BNM PD CG for DFI. The Board is generally satisfied that each Independent Director has remained independent in their character and judgement and is free from relationships or circumstances which could affect the Director's judgement.

Sucession Plan

The Board recognises succession planning as an essential role for the BNRC. The Board believes that the membership and composition of the Board should be continuously assessed to support the Group's long-term strategic direction and business continuity.

The Board assisted by the BNRC is responsible for the recruitment and selection process of potential candidates. This process includes reviewing the Group's talent pool in identifying the desirable competencies and skills to ensure that there is an appropriate dynamic of skill, experience, expertise and diversity on the Board to meet the fast-changing landscape of the financial industry. The Board assisted by the BNRC also oversees the appointment and the succession planning of the Key Senior Officers.

Induction Program

The Board has in place a comprehensive induction program to assist with the onboarding of new Directors. Upon appointment, all new Directors must attend the induction program to facilitate their immersion into their role and to assist them in understanding various aspects of BPMB and Group's business strategy and operations. The induction program is organised no later than three (3) months upon the appointment of the Director and may take up to at least two (2) days to complete. The programme includes a session with the GCEO and the Company Secretary covering BPMB's governance structure, risk, compliance and internal control, business, reporting procedures and access of information and a session with the SLT of the respective functions to provide better understanding of the Group's core business and its whole operation.

Directors are also provided with a director's handbook consisting of the Board Charter, the Company's Constitution, the Board and Board Committee's TOR, the latest BPMB's Annual Integrated Report and other relevant policies and guidelines.

Development and Training

As part of ongoing professional development for Directors, an Individual Development Plan was established for Directors to identify required training for Directors to keep abreast with the changes to new statutory or regulatory requirements and on latest developments and key challenges in the financial services industry. The Directors are mindful of the need to enhance their skills and knowledge to maximise their effectiveness as Directors of the Company during their tenure.

All Directors are required to complete the mandatory FIDE programme and Islamic Finance for Board programme. Directors are also encouraged to attend other training programs that are relevant to them. This is essential for Directors to improve their skills and keep abreast with the latest updates with the industry practices.

Topics covered at external trainings attended by the Directors during the financial year were on Islamic finance, regulatory development and governance, Fintech and cyber security, corruption risk and integrity, risk management, leadership and sustainability.

Details of the conference, seminar and training programmes attended by each Director in 2024 are as follows:-

Director	Programme/ Training	Date
Dato' Sulaiman Mohd Tahir	Technology and Cyber Security Awareness	13 May 2024
	BPMB Leadership Breakfast Grille Series 2024	27 May 2024
	IMO Bootcamp Session with the Board of Directors	8 August 2024
	Deloittee Halo Walkthrough Session	2 October 2024
	Carbon Markets: What Directors Need to Know	8 October 2024
	Deloittee Southeast Asia Partners Conference	10 October 2024
	Economic Outlook and Post Budget 2025 Forum	14 November 2024
Tan Sri Rashpal Singh Randhay	FIDE Forum	30 May 2024
	Economic Outlook and Post Budget 2025 Forum	14 November 2024
Datuk Rashidah Mohd Sies	Cyber Security Awareness for Board of Directors and Senior Management	3 October 2024
	Khazanah Megatrends Forum 2024 – Pursuit of Potatoes: Paving Paths from the Probable to the Possible	7 – 8 October 2024
	Understanding the Challenging Role of an Independent Director – KUB Malaysia Berhad	19 November 2024
Dr Othman Abdullah	Chartered Institute of Islamic Finance (CIIF) on the topic of "Is ChatGPT the right solution for decision making in Islamic Finance"	26 February 2024
	Islamic Finance Investment School (IFIS 2024 organised by CERT Events Sdn Bhd) on the topic of "Collaborative Digital Banking Concept"	6 March 2024
	Leadership Roundtable: Enchancing Trust, Advancing Transformation and Building Talent to Future Proof Bank and Financial Institutions at the 2024 ASEAN Banking and Fintech Summit	7 March 2024
	Current Technology Risk Landscape: • Technology Risk Management: Data, Cloud, Operational Resilience and Cybersecurity • Case Studies: recent cyber incidents, cloud risk management & third-party risk management • Technologies of tomorrow (e.g. AI, ML)	13 May 2024
	"Teknologi Kecerdasan Buatan (AI) dalam Kewangan dan Perbankan Islam: Persediaan Pelajar untuk Laluan Kerjaya" as part of the Forum CEO Industri Program	16 May 2024
	Moderated Fire Side Chat organized by FIDE Forum Digital Economy Special Interest Group on the topic of "Data Innovation to Drive Financial Inclusion: Pushing New Frontiers"	21 June 2024
	Panellist for Media Roundtable at 3rd Malaysian Banking Conference discussion on the topic of "Banking in the Era of Gen AI"	11 July 2024
	Moderated the Break-out session at 3rd Malaysian Banking Conference discussion on the topic of "AI Powered Alternative Credit Scoring of micro-small-and-medium sized enterprise: The Deployment of Machine Learning to access the Credit Worthiness of SME for Loan Applications"	11 July 2024
	BPMB's Integrity and Internal Control Excellence Day ("IICED") 2024	24 September 2024
	Global Islamic Finance Summit (GIFS 2024) in Maldives • Panel 1: Digital Transformation in Islamic Banking • Panel 2: Green Sukuk and Social Finance: Financing a sustainable future	17 September 2024
	Executive Briefing on Empowering Financial Inclusion Through Cloud Technologies by AWS Malaysia	10 October 2024

Director	Programme/ Training	Date
Dr Othman Abdullah (cont'd.)	Kuala Lumpur Islamic Finance Forum (KLIFF) 2024 and participated as a Panelist in a panel discussion on the topic of "Leveraging Digitalisation and AI for Advancing Sustainable Practices in Islamic Finance"	6 November 2024
	Panelist on a panel discussion on the topic of "Application of AI in Banking sector" at the 11th Islamic Banking, Accounting and Finance International Conference (iBAF 2024), Universiti Sains Islam Malaysia (USIM)	12 November 2024
Imri Dolhadi Ab Wahab	Perhimpunan Warga Kementerian Kewangan Bersama YAB Menteri Kewangan bulan Januari Tahun 2024	9 January 2024
	Sesi Perkongsian Ilmu oleh MARC	19 January 2024
	Kursus Profesionalisme Pegawai Keselamatan Jabatan (PKJ) dan Penolong Pegawai Keselamatan Jabatan (PPKJ)	6 February 2024
	World Bank Group Kuala Lumpur (WBG KL) Seminar on Behavioral Insights for Policy Impact	27 February 2024
	Perhimpunan Warga Kementerian Kewangan Bersama YAB Menteri Kewangan bulan Mac Tahun 2024	21 March 2024
	Perhimpunan Warga Kementerian Kewangan Bersama YAB Menteri Kewangan bulan April Tahun 2024	2 April 2024
	Perhimpunan Warga Kementerian Kewangan Bersama YAB Menteri Kewangan bulan Ogos Tahun 2024	6 August 2024
	Sesi Amanat YBhg Datuk KSP Bersama Ahli Lembaga Pengarah Mewakili Kementerian Kewangan	3 September 2024
	Taklimat Belanjawan 2025 kepada Warga Perbendaharaan	23 October 2024
	Portal Lauch and Investor Engagement	7 November 2024
Nor Darina Mohd Yusof	Bursa Malaysia Mandatory Accreditation Program	30 – 31 January 2024
	Transparency Matters: A Director's Approach to Handling Conflict of Interest	7 March 2024
	Future-Proofing Malaysia Businesses: Navigating Cyber-Threat in the Age of AI	11 March 2024
	Climate Governance 101 – A Board's Guide to Effective Oversight	21 March 2024
	Being Sued as an INED – a Personal Journey	10 May 2024
	How can Boards Make the Most of Blockchain and Digital Assets	20 September 2024
	Corporate Law and Sustainability: Best Practices for Directors	5 November 2024
	Economic Outlook and Post-Budget 2025 Forum	14 November 2024
	Strategic Data and Framework in Board Governance	2 December 2024

Board Evaluation

The Board conducts an annual assessment of its members through a Board Effective Evaluation ("BEE") to determine the effectiveness and performance of individual Directors, BOC and the Board as a whole. The BEE aim to improve the Board's effectiveness as well as draw the Board attention to key area that need to be address or improved. The BEE is based on a combination of self and peer assessment performed by a customised questionnaire. A summarised report will be tabled to the BNRC and the Board to enable them to identify areas for improvement and put in place appropriate measures.

As per standard 13.5 of BNM PD CG for DFI, the Board has appointed Pricewaterhouse Coopers ("PwC"), an external consultant to conduct an independent BEE. Based on the 2024 Board Evaluation results, the Board and BOC are satisfied with their existing composition and are of the view that, with the current mix of skills, knowledge, experience and strength of the existing Directors, the Board and the BOC are able to discharge their duties effectively.

The BNRC concluded that the Directors and respective BOC as a whole have remained effective and have consistently met high performance standards and all expectation plural. This indicates that the Directors have continuously fulfilled their responsibilities as Members of the Board and BOC.

Directors' Remuneration

BPMB has in place a remuneration structure for Directors that has been aligned with the remuneration structure provided by MOF Inc to attract, retain and remunerate Directors for their contributions. The BNRC is authorized to review the remuneration framework for Directors and SLT of BPMB to ensure that their compensation is competitive and consistent with industry standards and is in line with BPMB's culture, objectives and strategies.

The remuneration of the Directors is reviewed regularly to ensure the Directors are reasonably remunerated and reflects their role, responsibilities and efforts in discharging their fiduciary duties. The remuneration framework as approved by the shareholders at the 51st Annual General Meeting on 26 June 2025 are as follows:-

BNRC Remuneration Framework			
BPMB		Retainer Fees (per annum) RM	Meeting fees (per meeting) RM
Board	Chairman	15,000	5,000
	Member	5,000	3,000
BAC	Chairman	-	5,000
	Member	-	3,000
BRMC	Chairman	-	5,000
	Member	-	3,000
BNRC	Chairman	-	4,000
	Member	-	2,500
BIC	Chairman	-	4,000
	Member	-	2,500
BCC	Chairman	-	5,000
	Member	-	3,000
BITC	Chairman	-	4,000
	Member	-	2,500

BPMB		Other Emoluments Per Annum (RM)		
		Vehicle allowance	Medical	Leave Passage
Board	Chairman	30,000	20,000	N/A
	Member	N/A	20,000	N/A

The details on the aggregate remuneration of Directors of the Company (comprising remuneration received and/or receivable from the Company and its subsidiaries during 2024) are as follows:

Director	Total Directors' remuneration for financial year ended 31 December 2024 (RM)				
	Directors' Fees	Meeting Fees	Token of Appreciation	Benefits in-kind	Other Emoluments*
Dato' Sulaiman Mohd Tahir	**Total: 235,000.00**				
Independent Non-Executive Director/ Chairman (appointed on 20 March 2024)	123,000.00	75,600.00	-	-	36,400.00
Datuk Rashidah Mohd Sies	**Total: 117,200.00**				
Non-Independent Non-Executive Director	48,000.00	69,200.00	-	-	-
Tan Sri Rashpal Singh Randhay	**Total: 207,000.00**				
Independent Non-Executive Director	84,000.00	113,600.00	-	-	9,400.00
Dr Othman Abdullah	**Total: 203,000.00**				
Independent Executive Director	48,000.00	151,700.00	-	-	3,300.00
Encik Imri Dolhadi Ab Wahab	**Total: 58,000.00**				
Non-Independent Non-Executive Director (appointed on 20 May 2024)	29,000.00	29,000.00	-	-	-
Puan Nor Darina Mohd Yusof	**Total: 37,000.00**				
Independent Non-Executive Director (appointed on 1 October 2024)	12,000.00	25,000.00	-	-	-
Puan Norazilla Md Tahir	**Total: 146,000.00**				
Independent Non-Executive Director (retired on 13 August 2024)	30,000.00	113,00.00	-	-	3,000.00
Puan Rosnah Kamarul Zaman	**Total: 123,000.00**				
Independent Non-Executive Director (retired on 16 May 2024)	56,000.00	57,600.00	-	-	9,400.00

Key Senior Officer Remuneration

The remuneration package for the Key Senior Officer is structured to link rewards to corporate and individual performance. It comprises salary, allowances, bonuses and other customary benefits as accorded by comparable companies. A significant portion of the Key Senior Officer's compensation package is variable and is determined by performance during the year against individual KPIs in a scorecard aligned with corporate objectives. The BNRC recommends to the Board on the proposed remuneration to be paid to each of the Key Senior Officers upon an annual review of their performance.

Details of the Chief Executive Officer's remuneration can be found on Note 37 in the Financial Statements 2024.

Performance Review of the BNRC

Based on the Board evaluation 2024, the Board is satisfied with the performance of the BNRC and its members and that it has discharged its responsibilities in accordance with its mandate and TOR.

Effective Audit and Risk Management

BOARD AUDIT COMMITTEE REPORT

Chairman
Ts. Dr. Othman Abdullah
Independent Non-Executive Director

Members
Encik Imri Dolhadi Ab Wahab
Non-Independent Non-Executive Director

Puan Nor Darina Mohd Yusof
Independent Non-Executive Director

Membership

As at 31 December 2024, the BAC comprises of three (3) NED, of whom two (2) are INEDs and one (1) NINED. The Chairman of the BAC, namely, Ts. Dr. Othman Abdullah, is not the Chairman of the Board of Directors.

In 2024, Puan Rosnah Kamarul Zaman ceased to be a member of the BAC following her retirement on 16 May 2024. This was followed by the retirement of Puan Norazilla Md Tahir as Director of BPMB on 14 August 2024, upon which she also stepped down as Chairperson of the BAC. Encik Imri Dolhadi Ab Wahab, who joined the Board of BPMB on 20 May 2024, was appointed to be the member of BAC on 11 June 2024 followed by the appointment of Puan Nor Darina Mohd Yusof on 1 October 2024.

Roles and Responsibilities

The BAC provides oversight on the Group's financial reporting and internal control framework, guided by its TOR. The detailed roles and responsibilities of the BAC are set out in its TOR, which was last reviewed on 27 January 2025 and is available on the Company's website at **www.bpmb.com.my**

The BAC Authority

The BAC was established by the Board to ensure high standards of corporate governance practices and internal control are consistently maintained.

The Board has established a transparent relationship and communication channel between BAC and its external auditors, internal auditors, Management and key operating subsidiaries. The BAC has clear authority to investigate any matter within its TOR. It has full access to and cooperation from Management and full discretion to invite any BPMB's Nominee Director or Directors of the respective key operating subsidiaries to attend its meetings. The external auditors of the key operating subsidiaries may also be invited to the BAC meetings when necessary. The BAC has the necessary resources from the Group and access to the information needed to discharge its function effectively. The BAC is also able to obtain, at the Company's expense, any professional advice including the advice of independent professionals and to secure the attendance of the external advisers at its meeting if deemed necessary to fulfill its obligations.

Meetings

During the financial year under review, nine (9) BAC meetings were held. This satisfies the BAC TOR, which requires the BAC to meet at least six (6) times a year.

The GCEO, Chief Financial Officer and Company Secretary, who is also the Secretary to the BAC, attended BAC meetings. The Chief Internal Auditor, the External Auditor and other members of the SLT and Officers from the key operating subsidiaries were also invited to the meetings to deliberate on matters within their purview.

The Company Secretary circulated action items from the deliberations and decisions made during the BAC meetings to the Management and the respective stakeholders within five (5) days after the meetings.

After the meeting, the BAC Chairman updates the Board on the matters deliberated. Matters reserved for the Board's approval are tabled at the Board meetings.

The BAC Activities In 2024

The summary of the activities performed by the BAC for the financial year ended 31 December 2024 are as follows:

Areas of Focus	Matters Considered
Internal Audit	• Reviewed and approved the 2024 Internal Audit Plan for BPMB and its wholly-owned subsidiaries, namely Pembangunan Leasing Corporation Sdn Bhd group and Global Maritime Venture Berhad group on 24 November 2023. Ensured the internal audit plan includes the scope, procedures and frequency as well as adequacy and competency of internal audit resources. Reviewed the Internal Audit methodology in assessing the risk levels of various auditable areas based on the impact and likelihood of the inherent risk, the controls in place and the existence of effective risk transfer in minimizing potential losses from negligence or fraud. The approved Internal Audit Plan was established based on the staff strength of 26 auditors with an estimated requirement of 3,068 man-days. • Deliberated on the Internal Audit Report for BPMB and its wholly owned subsidiaries as issued by the Internal Auditor, which among others focused on the effectiveness and adequacy of governance, risk management and internal control, audit rating and recommendation. The Internal Audit Report also included the Information Technology Audit, Credit Audit, Shariah Audit, Operation & Regulatory Audit, and Stakeholder Management Services. • Ensured that appropriate corrective actions were taken by Management in a timely manner to address control weaknesses, policies and other areas identified by the Internal Auditors and other control functions. • Assessed the effectiveness of Internal Audit Function of BPMB Group focusing on seven (7) criterias of the Internal Audit function as follows: (i) Adoption of a recognized Internal Audit Framework; (ii) Independence and objectivity; (iii) Planning the audit; (iv) Effectiveness of Internal Audit Function; (v) Resources management; (vi) Communicating audit result; and (vii) Monitoring progress.
External Audit	• Deliberated and approved on behalf of the Board, the external auditor's 2024 audit plan encompassing the audit approach, roles and responsibilities, the nature and scope for the year's audit, audit fees, reporting schedule, potential key audit risk matters, risk assessment, Information Technology (IT) approach, transition plan, reliance with Internal Auditor and value-added services. The external auditor informed that focus for the Group will be on areas related to IT security and controls over key financial information systems that are used to record and process critical financial data. The objective of the IT audit review is to assist the external auditor to form an opinion on the financial statements. • Evaluated the independence and objectivity of the external auditor by reviewing the fees and the list of non-audit services provided by the external auditor to BPMB and the Group. • The BAC exercised its right as stipulated in its TOR, to hold meetings with the external auditor without the presence of the Management to enable open discussion with the BAC. • Assessed the performance of the external auditor by reviewing the timeliness of service deliverables. The external auditor was able to complete the audits for BPMB and the Group within the stipulated deadlines. • Reviewed and recommend to the Board the re-appointment of external auditor. The BAC will evaluate based on the performance, independence and suitability of the external auditors. In reviewing the performance, independence and suitability of the external auditors, the BAC reviewed the qualifications and the experiences of the audit team as well as conducted an assessment on the effectiveness and the performance of the external auditors and other areas such as the scope of the audit, their independence and objectivity, audit fees and audit experience.

Areas of Focus	Matters Considered
Financial Reporting	• The BAC endorsed and recommended to the Board the audited financial statements of BPMB Group for the financial year ended 31 December 2023 for approval. The review of the consolidated audited financial statements of BPMB Group were based on the following: (1) Assurance from the Management and the External Auditors that the financial statements disclosures were in compliance with relevant statutory requirements and the Malaysian Financial Reporting Standards; (2) Reasonableness of accounting policies and estimates applied; (3) Reporting on-going concerns; (4) Highlight on key accounting development including MFRS 16 and MFRS 17; and (5) Pertinent audit matters highlighted by the External Auditors. • Reviewed the unaudited quarterly financial result of BPMB Group before recommending to the Board for approval for submission to BNM. • Recommended the proposed final single tier dividend for the financial year ending 31 December 2023. The BAC reviewed and received assurance from the Management, based on the solvency test conducted, that the distribution of interim single tier dividend was in accordance with the provisions made under the CA, 2016.
Other Activities	• Deliberated on Whistleblowing Report.

Training and Development

All members of the BAC have the relevant accounting or related financial management experience. The BAC members are expected to devote sufficient time to update their knowledge and enhance their skills through appropriate continuous education programmes. During the year, the BAC members attended several seminars and training conferences to keep abreast with the latest developments.

Details of the seminars and training programmes attended by each Director in 2024 can be found in pages 95 to 96 of this Report.

Performance Review of the BAC

Based on the annual evaluation on the effectiveness of the Board, its BOC and the members of the Board, the Board is satisfied with the performance of the BAC and its members. The BAC has discharged its duties in accordance with its TOR and in line with the requirements of MCCG, BNM PD CG for DFI and MKD Guideline 2024.

Corporate Reporting and Shareholder Engagements

The Board recognises the importance of timely, complete, accurate and equal dissemination of information with regard to the Company and its Group's performance and other matters affecting Stakeholders' interest. The Company is committed to providing effective and open communication in order to improve disclosure and transparency.

Stakeholder's Communication

The Board shall ensure effective, transparent and regular communication with its stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Channels of dissemination of relevant and material information include:

- Quarterly and Full Year Financial Results
- Townhalls
- Meetings, conferences and roadshows
- Media Coverage
- Corporate Website
- Annual General Meeting and Extraordinary General Meeting

Stakeholders can engage with the BPMB Group via the enquiry form available on the "Contact Us" page of the Company's corporate website.

Conduct at General Meetings

In 2024, BPMB held its 50th AGM on 27 June 2024 with the Notice of the Agenda of the 50th AGM issued to the shareholders on 6 June 2024 (this being 21 clear days before the meeting).

Shareholders were encouraged to access the Annual Integrated Report online as part of the Company's commitment to the environment and to achieve cost efficiencies.

The 50th AGM was held hybrid with the Chairman of the Board resided at the meeting venue and the shareholders joined the meeting via Microsoft teams. The conduct of the AGM was as per the Guidance and FAQs on the Conduct of General Meetings (Guidance Note) issued by the Securities Commission Malaysia and the recommendation under Practice 12.3 of the MCCG.

The hybrid AGM allowed shareholders to be present during the meeting without having to be physically present at the venue. Only Directors, External Auditors, GCEO and the Company Secretary were present at the virtual AGM to answer the shareholders' questions.

As BPMB is a wholly owned government investment linked company of the Minister of Finance Incorporated (MOF Inc), the AGM was conducted by a show of hand. The outcomes of the voting on the proposed resolutions were recorded accordingly in the minutes of the AGM and then submitted to BNM within 14 days from the conclusion of the AGM.

STATEMENT OF SHARIAH GOVERNANCE

The conduct of BPMB's Islamic financial business is primarily regulated by the Development Financial Institutions Act (DFIA) 2002, along with applicable rules and regulations issued by Bank Negara Malaysia (BNM). In terms of Shariah governance requirements, BPMB adheres to the Shariah Governance Policy Document (SGPD) issued by BNM.

This document aims to strengthen the implementation of Shariah governance and integrate Shariah considerations more closely into BPMB's Islamic business and risk strategies. It establishes a framework comprising Shariah governance structure, processes and controls that BPMB must adhere to, ensuring compliance with Shariah principles in all its operations and business activities.

Shariah Committee

While the Board is ultimately responsible and accountable for the overall Shariah governance implementation and Shariah compliance of BPMB, the Board is advised and guided by the Shariah Committee on Shariah matters in relation to the Islamic financial business of BPMB. The Shariah Committee is regarded as a committee of the Board and, therefore, functionally reports to the Board. Among other matters, the Shariah Committee ensures that the Shariah rulings and decisions relating to the Islamic financial business of BPMB comply with the fundamental Shariah principles and resolutions of the relevant regulatory authorities on Shariah matters.

Composition and Background

The Shariah Committee is composed of six (6) members, including one (1) whose term ended in July 2024. The majority of them, that is, four (4) members are Shariah qualified, while two (2) members are non-Shariah qualified but possess the relevant skills, knowledge and experience to support the roles and responsibilities of the Shariah Committee.

Duties and Responsibilities

The Shariah Committee is expected to provide advice and decisions on Shariah matters pertaining to BPMB's Islamic financial business, ensuring adherence to Shariah principles. The functions and responsibilities of the Shariah Committee are, among others, as follows:

1. To perform an oversight role on Shariah matters related to the BPMB's business operations and activities, including oversight requirements. In fulfilling this duty, the Shariah Committee is to ensure any delegation of oversight to the Shariah Committee by the Board on Shariah matters is exercised in conformity with any prescribed regulations that may, from time to time, be imposed by the regulator.
2. To advise the Senior Management and the Board on Shariah matters in order to ensure that its Islamic financial business and operations comply with Shariah principles at all times.
3. To validate and endorse the following:
   a. The Islamic products and services of BPMB comply with Shariah, including:
      - The terms and conditions contained in the forms, contracts and agreements used in executing the transactions;
      - The guidelines, manuals and procedures in relation to the products and services, schemes and funds offered by BPMB; and
      - The product manual(s), disclosure sheets, sales illustrations and brochures used to describe the products.

   b. Shariah-related policies and procedures prepared by BPMB Group and the contents therein do not contain any elements not in line with Shariah.
4. To provide a decision or advice on the operations, business, affairs and activities of BPMB Group, which may trigger a Shariah non-compliance event.
5. To deliberate and affirm a Shariah non-compliance finding reported by Shariah review and Shariah audit.
6. To endorse a rectification measure to address a Shariah non-compliance event.
7. To provide disclosure in the BPMB Group annual report on the following information:
   a. Shariah Committee's roles, responsibilities and accountabilities relating to Shariah governance and compliance in BPMB Group; and
   b. Shariah Committee on BPMB Group's compliance with Shariah is based on Shariah non-compliance reports provided by Shariah's review and audit.

8. To endorse the disclosed information in the BPMB Group annual report that:

    a. All Islamic business transactions for the reporting year are Shariah compliant;

    b. The allocation of profit and charging of losses relating to investment accounts, if any, are Shariah compliant;

    c. All earning(s) declared as Shariah non-compliant are to be derecognised and channelled to charity; and

    d. The computation and distribution of zakat is in compliance with Shariah.

    e. Any other relevant information that may be required and necessary from time to time.

9. To uphold and observe corporate governance and compliance with the relevant legislation, rulings, regulations and guidelines issued by BNM and the Securities Commission.

10. To provide a decision or advice to BPMB Group on matters that require a reference to be made to the Shariah Advisory Council ("SAC"), which includes but is not limited to the following circumstances:

    a. where the SAC has not made any rulings on a particular matter; or

    b. where the Shariah Committee is not able to arrive at a decision or advice; or

    c. where BPMB Group submits a new product approval application.

11. To provide a decision or advice to BPMB Group on the application of any rulings of the SAC or standards on Shariah matters that are applicable to the operations, business, affairs and activities of BPMB Group.

12. To update the Board immediately on Shariah issues or matters that the Shariah Committee has reason to believe may affect the safety and soundness of BPMB Group and to recommend suitable measures to rectify such situation.

13. To constantly develop a reasonable understanding of the business and operations of BPMB Group as well as knowledge of finance in general and Islamic finance. In addition, the Shariah Committee needs to keep abreast with the relevant market and regulatory developments.

14. To disclose the nature and extent of his/her interest that constitutes or gives rise to a conflict or potential conflict of interest upon the appointment, reappointment or as soon as any changes in his/her circumstances that may affect his/her status. The Shariah Committee Member is required to disclose if he/she or any person linked to him/ her or immediate family member, where relevant, has any significant business or other contractual relationship, irrespective of the value with BPMB or any of its affiliates.

Meetings and Attendance

The Shariah Committee meetings are conducted on a monthly basis, in line with the requirement under BNM's SGPD. Throughout the year, the Shariah Committee convened a total of fifteen (15) meetings inclusive of three (3) special meetings. Prior to each meeting, the information that is required and relevant for the Shariah Committee shall be made accessible to all members by the Group Shariah Management, which is designated as the secretariat to serve the Shariah Committee.

Name of Shariah Committee	Meeting Attendance
Professor Dato' Dr. Aznan Hasan Chairman	15/15
Ustaz Mohd Fadhly Md Yusoff Member	15/15
Ustaz Lokmanulhakim Hussain Member	15/15
Professor Dr. Zurina Shafii Member	15/15
Professor Dr. Salina Kassim Member	14/15
Associate Professor Dr. Yasmin Hanani Mohd Safian Member *End of Tenure 19 July 2024*	8/15

Secretariat to Shariah Committee

a. Group Shariah Management is designated as the secretariat to serve the Shariah Committee and is responsible for providing operational support for the effective functioning of the Shariah Committee.

b. Group Shariah Management is structured to carry two (2) main roles and responsibilities:

Advisory and Zakat Management

1. Responsible for providing Shariah advisory services to relevant stakeholders and entities within BPMB Group.

2. Responsible for supporting stakeholders on the Shariah aspects of Islamic finance business, based on the rulings and resolutions issued by BNM's SAC and Securities Commission's SAC and advice, precedents and decisions of BPMB's Shariah Committee.

3. Responsible for providing advisory service on Shariah-related matters or products by conducting review process on relevant legal documentation and proposed transaction agreements and the proposed policies, guidelines and procedures from internal stakeholders to ensure compliance with the approved Shariah principles and decisions.

4. Responsible for the management, payment and distribution of business zakat in compliance with the established rulings to ensure efficiency and effectiveness of business zakat management and distribution.

Research and Secretariat

1. Responsible for performing in-depth Shariah research and studies on Shariah issues that may be identified from time to time while advising BPMB Group.

2. Responsible for coordinating communications and disseminating information among the Shariah Committee, the Board and Senior Management.

3. Responsible in ensuring proper dissemination of decisions or advice of the Shariah Committee to the relevant functions within BPMB Group.

4. Responsible in providing operational support for effective functioning of the Shariah Committee Meeting and undertaking related administrative matters and Shariah Committee's affairs:

    a. Appointment, re-appointment, cessation and disqualification;

    b. Succession planning; and

    c. Training development plan.

Internal Control Functions

Group Risk Management

Shariah Non-Compliance ("SNC") risk is a subset of operational risk in line with BNM's Policy Document on Operational Risk, hence forms part of the Group's Operational Risk Management Framework. The SRM function, as outlined by BNM's SGPD, is undertaken by Operational and Shariah Risk ("OSR") of Group Risk Management to enable a systematic approach in managing the SNC risks.

Guideline on Shariah Risk Management (SRM) has been established outlining the objectives, guiding principle, governance structure, methodology and approach adopted in managing SNC risk of BPMB Group. This is supported with established operational risk management tools to facilitate Operational Risk Liaison Officers ("ORLOs") in identification and assessment of the identified risk.

Continuous efforts to raise awareness about Shariah risk management were integrated into learning activities, including Shariah risk-related classroom training sessions, direct engagement with relevant functions and digital platforms such as infographic emails and BPMB's e-learning platform. These initiatives were periodically initiated to enhance understanding and awareness of SNC risks.

Group Compliance

In line with the fundamental responsibilities of compliance as outlined in BNM's Policy Documents on Shariah Governance and Compliance, a dedicated Compliance Review unit within Group Compliance was established with a mandate to perform an independent compliance review for BPMB Group, which encompasses management of compliance risk at critical business areas and implication of regulatory requirements, including Shariah requirements.

The unit comprises of certified compliance officers and qualified Shariah officers who aim to provide reasonable assurance to the Senior Management, Shariah Committee (SC) and Board Risk Management Committee (BRMC)/Board of Directors of BPMB Group on compliance status with appropriate legal and regulatory requirements.

The Shariah review is performed based on the Guidelines and Procedures on Compliance Review, encompassing Compliance Review reporting and governance and handling end-to-end Compliance Review process, covering the Compliance risk-based assessment, planning, execution, reporting and monitoring.

The Annual Compliance Review Plan, including the Shariah Review plan, is crafted annually, considering result from the Compliance risk-based assessment and overriding factors like regulatory priorities.

The Shariah review entails assessing BPMB Group's adherence to Shariah requirements across its operations, business endeavours and activities, evaluating compliance levels, proposing remedial actions for non-compliance and implementing control measures to prevent reoccurrences. Following the Shariah review, periodic reports on its outcomes are submitted to pertinent internal committees, including the Shariah Committee.

Group Internal Audit

The Group Internal Audit Function, through its Shariah Audit Section, plays a crucial role in ensuring that a robust and effective internal control system is in place for Shariah compliance within the Bank. This section conducts independent assessments and provides objective assurance regarding the adequacy and effectiveness of internal controls, risk management systems and governance processes. Additionally, it evaluates overall compliance with Shariah requirements in the Bank's operations, business dealings and activities, thereby reinforcing the integrity of Shariah compliance across the organization.

The Shariah Audit operates independently, delivering reports to both the Shariah Committee (SC) and the Board Audit Committee (BAC) to ensure the effectiveness of internal control systems and the policies governing the Islamic financial operations of the BPMB Group. Utilising a risk-based assessment methodology established by the Group Internal Audit, the evaluation encompasses Shariah governance, risk management, internal controls and compliance with Shariah rules and principles, in alignment with the standards set by the Institute of Internal Auditors (IIA) and relevant regulations from Bank Negara Malaysia (BNM). All Shariah Audit team members are qualified as Certified Bank Auditors (CBA) and Certified Professional Shariah Auditors (CPSA), ensuring a high level of expertise and professionalism in their assessments. Where applicable, the Shariah Audit provides recommendations for improvements and enhancements, with findings presented to the Audit Issue Resolution Committee (AIRC), the SC and the BAC, thereby promoting transparency and accountability in addressing identified issues.

All Shariah audit reports have been submitted to the SC for deliberation and endorsement. Group Internal Audit through Shariah Audit Section had conducted the following Shariah Audits as part of the approved Shariah Audit Plan for the year 2024:

1. Shariah Audit on Recovery Activities;
2. Shariah Audit on Credit Origination and Evaluation;
3. Shariah Audit on Group Shariah Management's Activities; and
4. Shariah Audit on Compliance Review Activities.

STATEMENT OF INTERNAL CONTROL

The Statement of Internal Control establishes the Board's commitment to uphold the highest standards for the Group's financial management and reporting and compliance with laws and regulations. Operational efficiency is upheld through delegating authority to specific management committees, who collectively report to the Board, ensuring tangible and intangible risks are effectively and proactively managed across the Group.

Responsibility

The Board affirms its commitment to overall responsibility and oversight of the BPMB Group's internal control system, ensuring its safeguards of stakeholders' interests and Group's assets. It remains informed about developments in risk and governance to maintain effectiveness. Recognising the need for adaptable controls, the Board updates internal control and risk management systems to align with evolving business environments and process improvements.

Appropriate control structures are in place for identifying, evaluating, monitoring and responding to significant risks, aligning with business objectives.

The Management is accountable to the Board and is responsible for implementing risk and control, with regular assessments ensuring the system's adequacy, effectiveness, efficiency, integrity, viability and robustness.

Key Internal Control Processes and Structures

The key processes that the Board has established in reviewing the adequacy and effectiveness of the internal control system include the following:

Establish the Management's role with regard to internal controls
The roles of the Management include, but are not limited to:

- Identifying and evaluating the risks faced towards the achievement of business objectives and strategies;
- Formulating relevant policies and procedures to manage these risks;
- Monitoring the effectiveness of the implementation of the internal control system;
- Implementing remedial actions to address compliance deficiencies; and
- Reporting to the Board on any changes to the risks and the corrective actions taken in a timely manner.

Internal Audit Function - Group Internal Audit (GIA)

GIA conducts periodic reviews of the Group's business and operations to provide independent assurance to the Board on the adequacy and effectiveness of risk management, internal control systems and governance processes as well as providing advisory services and insight to stakeholders for enhancing operational value and improvement. The processes and activities are guided by the Audit Charter, relevant regulatory guidelines, Group's Code of Ethics and the International Professional Practices Framework (IPPF) issued by the Institute of Internal Auditors (IIA).

The audit engagements are carried out based on the Annual Audit Plan (AAP) as approved by the Board Audit Committee (BAC), formulated using a risk-based approach that considers regulatory requirements, emerging risks (such as asset quality, sustainability and cybersecurity), previous audit ratings as well as feedback from Management, Shariah Committee (SC) and Board.

GIA assesses selected auditable functions and areas within the identified audit scope, focusing on risk exposure, compliance with approved policies, procedures, laws, regulations and benchmarking against best practices. The GIA also conducts investigations and special reviews on any alleged negligence, fraud and misconduct as reported or requested by the Board or its subcommittees.

In evaluating internal control measures, GIA adheres to the five (5) components of the Internal Control Integrated Framework by the Committee of Sponsoring Organisations of the Treadway Commission (COSO), namely control environment, risk assessment, control activities, information and communication and monitoring activities.

COSO Internal Control Framework

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information and Communication
5. Monitoring Activities

The audit results, including identified risks and recommendations, are regularly reported to the Board Audit Committee (BAC). Audit findings resolutions are monitored and discussed at both the Audit Issue Resolution Committee (AIRC) and BAC meetings. Shariah audit findings are presented to the SC, where potential Shariah non-compliance (SNC) issues are deliberated and confirmed.

GIA continually enhances its capabilities by improving internal audit processes, benchmarking against industry standards and upskilling internal auditors through various training programmes, professional memberships, certifications and co-engagement with reputable external consultants for specific audit engagements. Quality Assurance and Improvement Programme (QAIP) reviews are conducted yearly through self-assessment and at least once every five years by the qualified external independent reviewer to assess GIA's service quality and conformance with the International Professional Practices Framework (IPPF) standards by the Institute of Internal Auditors (IIA).

Independent Role

To uphold the independence and objectivity of the audit role, the Chief Internal Auditor (CIA) reports functionally to the BAC and administratively to the Group Chief Executive Officer (GCEO). The Group has established the AIRC, comprising senior management representatives, to ensure adequate deliberation of the highlighted issues and findings.

Other Internal Control Processes and Structures

The other key elements of the internal control system established by the Board that provides effective governance and oversight of internal controls include:

Board Committees

The Board is supported by various other Board committees (other than the BAC), which include the Board Credit Committee (BCC), Board Nomination and Remuneration Committee (BNRC), Board Risk Management Committee (BRMC), Board Information Technology Committee (BITC) and Shariah Committee (SC). As outlined in the Terms of Reference (TOR), these committees have the authority to examine all relevant matters within their respective scopes and report their recommendations to the Board.

Management Committees

The Management has established several Executive-level Committees to aid and bolster the oversight responsibilities of the various Board Committees across key areas of business operations. These Committees (other than the AIRC) comprise the Group Management Committee (GMC), Group Credit Committee (GCC), Management Risk Committee (MRC), Asset and Liability Committee (ALCO), Management Tender Committee (MTC), Management Information Technology Committee (MITC), Group Human Resource Committee (GHRC), Crisis Management Team (CMT) and Whistleblowing Committee (WBC).

Business Plan and Performance Review

The Board deliberates and approves the annual business plan as well as the budget for the financial year. Performance achievements are reviewed on a monthly basis against the targeted results, allowing time for the appropriate responses and required remedial actions to be taken. The Board consistently reviews reports from the Management on the key operating statistics as well as other pertinent matters, including legal and regulatory issues.

Audit Issue Resolution Committee (AIRC)

The AIRC facilitates the BAC in ensuring comprehensive deliberation of the findings and recommendations highlighted in the audit reports. The AIRC also oversees the implementation of action plans to resolve the audit issues. Minutes from AIRC meetings together with the relevant audit reports are subsequently tabled to the BAC.

Board Audit Committee (BAC)

Chaired by an Independent Non-Executive Director, the BAC serves as a Board committee dedicated to facilitating dependable and transparent financial reporting processes across the Group, while also supervising the effectiveness of the internal audit function. The BAC actively monitors GIA's independence, scope of work and resource allocation, approving the Annual Audit Plan and determining the frequency of internal audit activities. All decisions and recommendations made by the BAC are communicated to relevant stakeholders for corrective actions, ensuring follow-through until issues are resolved.

Policies, Standard Operating Procedures (SOPs) and Authority Limits

The Group's business and operational policies and Standard Operating Procedures (SOPs) are documented and accessible to all employees across the Group. These policies and SOPs undergo regular review and updates by the respective business and functional units through a structured review process to accommodate changes in laws and regulations, as well as the changes in the business and operational environment.

Delegation of authority, including authorised limits at various levels of Management in the Group, are documented and designed to ensure accountability and responsibility.

Code of Ethics and Conduct

The Code of Ethics and Conduct (the Code) outlines the standards of ethical banking practices to uphold confidence in the security and integrity of the Group's business operations. Applicable to all Bank employees, the Code complies with the Malaysian laws and internal Bank policies. All employees are expected to conduct business and represent the Group with the highest ethical, legal and professional standards.

Group Organisational Structure

Under the Board's supervision, Management has established a clear organisational structure with defined reporting lines that enable the delegation of authority and responsibility across the Group. Implementation of the three lines of defence model further enhances business and operational requirements, reinforcing the maintenance of a robust control environment.

RISK MANAGEMENT

BPMB's Risk Management is represented by Group Risk and Compliance (GRC) led by the Chief Risk and Compliance Officer (CRCO) and Group Credit Risk (GCR) led by the Chief Credit Officer (CCO). Together, these functions provide oversight and support of risk management on an enterprise-wide level, through the establishment of the Group's risk strategies, frameworks and policies, with independent assessment and monitoring of all risk challenges.

In 2024, Risk Management continued to support the Group in meeting its strategic and business objectives, as governed by the Board and Management oversight roles and responsibilities.

The economy rebounded in 2024 on the back of broad-based improved performance across all sectors, notably, the stronger private investment and the export-led rebound in the manufacturing sector. Most of the sectors that aligned with our funding schemes also recorded stronger growth during the year. We remain steadfast in supporting those sectors that are at the forefront of the MADANI Economy initiatives which also ensures that the sustainability and inclusivity agenda continue to be the social pillars.

The Malaysian economy recorded stronger growth of 5.1% in 2024 (2023: 3.6%) on the back of stronger domestic demand and turnaround in exports. Private consumption remained the key growth driver (5.1%, 2023: 4.7%). Malaysia's growth was also driven by a surge in private investments, a rebound in net exports and increased services activity. Monetary policy remained stable, inflation eased despite higher diesel prices and the Ringgit regained some value, supported by US monetary easing and government efforts to repatriate foreign earnings.

In Q4 2024, key GDP sectors linked to our portfolio—transport and storage, Information technology and communications (ICT), construction and accommodation—demonstrated strong performance, supporting Malaysia's high-income aspirations under the 12MP and NIMP. These sectors were also supported by BPMB Group's financing schemes, many of which were established prior to the MADANI economy initiatives. At the state level, economic development accelerated as states advanced their long-term plans, with most aligning with the 13MP through 2030 and some extending to 2035–2050.

During COP28, Malaysia made a strong commitment to combat climate change by pledging to reduce carbon emissions in line with international climate goals, positioning the country as a responsible and proactive participant. This commitment continued into COP29, where the outcomes are expected to have significant implications for financial institutions, including BPMB. Global commitments to accelerated decarbonization, enhanced climate disclosures and sustainable finance frameworks will shape risk management strategies, influencing how financial institutions address climate-related risks and opportunities.

For 2025, we expect the impact from the US President Donald Trump's new tariffs to slow global trade and in turn the global economic growth, with likely heightened volatility in the commodity and financial markets. That said, domestic demand, is expected to be relatively resilient with private investment into sectors aligned with the MADANI initiatives to be the growth drivers. Against this backdrop, Malaysia's economy is expected to moderate to 4.1% in 2025.

Downside Risks

As we navigate an increasingly complex global landscape, BPMB remains vigilant in identifying and managing key risks that could impact Malaysia's economic growth and financial stability. Our baseline outlook for 2025 anticipates a slower global economy, reflecting the lagged effects of tighter monetary policies in 2024. However, downside risks have intensified, particularly in the areas of global trade, financial market stability and climate policy shifts.

- Uncertainty in global trade and investment is increasing as the new US administration introduces policy shifts that could disrupt trade flows. Rising trade tensions have led some countries to impose retaliatory tariffs, escalating risks to global trade and economic growth, potentially triggering a global recession. This uncertainty heightens volatility in capital and financial markets, while the US dollar, despite its weakening trend, could strengthen due to its status as a safe-haven currency.

- Uncertainty in financial markets and currency movements remains a key concern, as the US Federal Reserve's rate policy could keep the US dollar strong, putting downward pressure on the Ringgit. This may lead to increased capital outflows, adding to market volatility and impacting economic stability.

- Shifts in energy and climate policies could have far-reaching implications, particularly if the US withdraws from the Paris Agreement. Such a move may disrupt global climate financing efforts, potentially slowing progress on sustainability initiatives and impacting long-term environmental commitments.

Other Risks

- In realizing Malaysia's COP29 commitments, BPMB must navigate potential risks, including uncertainties around funding allocation, market volatility in carbon markets and the need for additional resources to comply with enhanced transparency and reporting standards. Effectively addressing these risks is essential for the successful implementation of the country's climate goals.

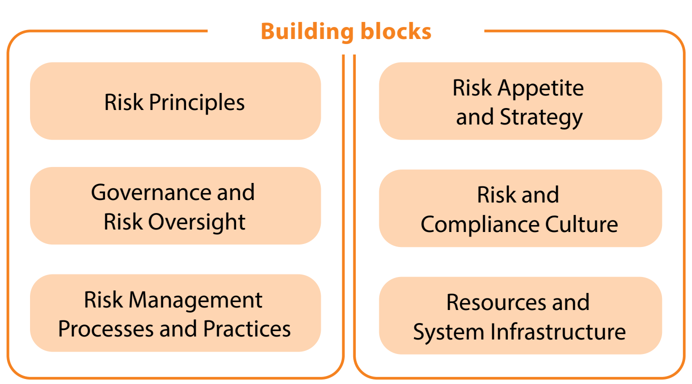
- BPMB recognizes that, beyond traditional risk categories, certain risks require focused attention. Third party risk arises from our reliance on external vendors, whose performance and security practices can directly affect our operational integrity. With our accelerated adoption of cloud-based solutions, cloud security risk has become a critical concern, as vulnerabilities in cloud infrastructure could expose sensitive data and disrupt service delivery. Additionally, emerging risks driven by rapid technological advances and evolving regulatory landscapes necessitate proactive monitoring and adaptive strategies.

- The delay in addressing gaps in inequality, access to resources and opportunities among different groups within the country may contribute to long-term social, economic and political tensions. This could impede national development, reduce investor confidence and heighten financial and investment risks, particularly in sectors or communities facing economic disadvantages, where access to financing and opportunities remains limited.

Risk Management ensures that the portfolios are aligned with the risk appetite and business strategies of the Bank, where risk management frameworks are constantly reviewed to be forward-looking in order to remain risk resilient.

1. Group Governance and Risk Management Framework (Group GRM Framework)

An effective risk management framework and process assists to reinforce a strong risk culture, which in turn is critical to ensuring sound risk management for the Group. The overall structure of the Risk Management Framework is shown below:



2. Risk Management Principles

Risk management is a management process that enhances the cost-effective accomplishment of an organisation's objectives with its purpose being the creation and protection of value. BPMB's risk management principles are guided by the following eight principles.

1. **Integrated**

   The organisation integrates risk management in all of its activities.

2. **Structured and Comprehensive**

   A structured and comprehensive approach to risk management contributes to consistent and comparable results.

3. **Customised**

   The risk management framework and process are customised and proportionate to the organisation's external and internal context related to its objectives.

4. **Inclusive**

   Appropriate and timely involvement of stakeholders enables their knowledge, views and perceptions to be considered. This results in improved awareness and informed risk management.

5. **Dynamic**

   Risks can emerge, change, or disappear as an organisation's external and internal context changes. Risk management anticipates, detects, acknowledges and responds to those changes and events in an appropriate and timely manner.

6. **Best Available Information**

   The inputs to risk management are based on historical and current information, as well as on future expectations. Risk management explicitly takes into account any limitations and uncertainties associated with such information.

7. **Human and Cultural Factors**

   Human behaviour and culture significantly influence all aspects of risk management at each level and stage.

8. **Continuous Improvement**

   Risk management is continually improved through learning and experience.

3. Risk Management Processes and Practices

Risk Management has put in place a structured and coherent approach in identifying, assessing and strategically managing the identified risks through its annual Risk Plan. These include:

i. Driving sustainable and quality asset growth - through effective risk management, managing asset growth and reducing impairments;

ii. Delivering client convenience and reliability - by intensifying client focus through engagement with the Board, Senior Management and business pillars and through internal customer service excellence, including the timely delivery of credit risk rating reports produced for new proposals and credit review proposals as well as credit portfolio and market risk assessments for Treasury/Finance initiatives;

iii. Ensuring effective and efficient risk governance as well as oversight - by promoting a risk awareness culture and strengthening the lines of defence through the Group GRM Framework along with group wide implementation of the risk governance process, monitoring and reporting;

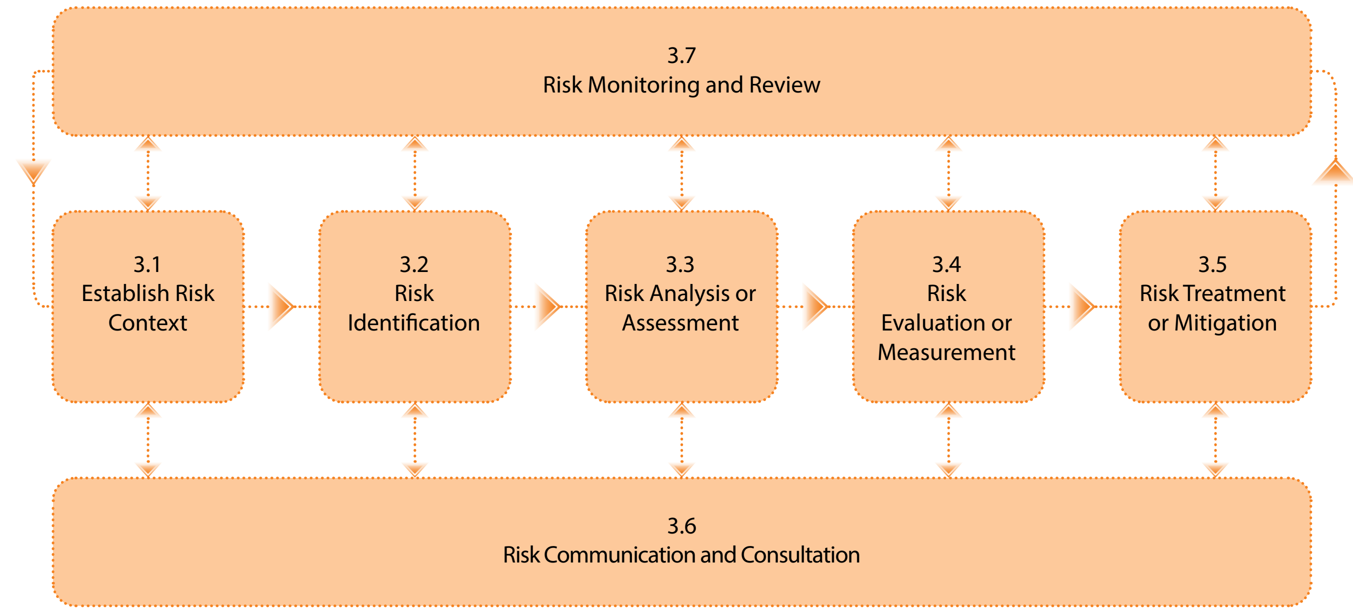
iv. Improving business and support processes - by having strong infrastructure in place to support operations;

v. Strengthening execution infrastructure - by either strengthening and/or streamlining capacity and capabilities of existing risk units; and

vi. Building organisational capabilities by:

- creating a group-wide performance culture;
- strengthening execution capabilities;
- establishing highly effective performance and talent management processes;
- assembling/building a leadership pool and pipeline to realise the Bank's aspirations;
- increasing external recruitment to increase the talent pool;
- training employees to increase risk awareness and understanding of risk management; and
- adopting a 'risk aware' and 'compliance culture' as part of the organisational work culture.

An overview of the Risk Management Process is depicted below:



3.1 Establish Risk Context

All Risk Management function heads (Heads) must first establish a clear and well- defined risk context by taking into consideration the following factors:

a. **External Context**

Define the relationship between their own functions and BPMB's business and operational environment, by identifying or determining the crucial elements that may support or impair their ability to manage their own risks, such as regulatory and market conditions; as well as economic, environmental and social elements.

b. **Internal Context**

Understand their functions, capacities and capabilities (i.e. the strengths/weaknesses/threats/opportunities of staff, processes and systems), as well as their own business objectives, risk strategies and risk culture.

c. **Risk Management Context**

Establish their risk management approach; i.e. define their own scope of risk assessment and evaluation criteria, define or set their own respective risk appetite and risk tolerance limits, including their risk acceptability, risk avoidance and risk mitigation.

3.2 Risk Identification

All Heads must put in place demonstrable processes and procedures to ensure that risks are promptly identified and to also incorporate Key Risk Indicators (KRIs) to trigger possible future risks (i.e. emerging risks) and/or to anticipate unpredictable risks, to ensure no significant risks are being overlooked.

3.3 Risk Analysis or Assessment

All Heads are to provide data to assist in the evaluation and treatment of their risks. This involves the identification of the sources of risk, the consequences (or impact) and the likelihood that these consequences may occur. Each Head is also to document the qualitative and/or quantitative measures of their likelihood and/or expected impact. Risk is analysed by combining estimates of consequences (impact) and likelihood of occurrence in the context of existing control measures in place.

3.4 Risk Evaluation or Measurement

a. The level of risk found during the analysis or assessment needs to be compared with the previously established risk criteria of the department or unit. This will result in a prioritised list of risks for further action by each Head.

b. Identified risks should be monitored and regularly reviewed, to ensure they remain adequately controlled or mitigated.

c. It is also advisable for each Head to document their own business continuity management plan(s) and embed the plan(s) within their teams to ensure any severe disruptions in their operating infrastructure, can be properly managed and addressed.

3.5 Risk Treatment or Mitigation

Each Head is to identify the appropriate options for treating or mitigating their risks and document these options within their own risk procedure.

Each option is to be assessed and properly documented. Each Head must ensure any residual risks are within their acceptable threshold.

3.6 Risk Communication and Consultation

Each Head is to clearly and continuously, communicate their risk management process to all who have roles and responsibilities within it to ensure staff understand why certain actions are required. This communication process must be clearly documented.

3.7 Risk Monitoring and Review

Each Head is to document the required proactive monitoring process, of their risk treatment or action plans, to ensure they remain relevant. Any resultant loss (actual or expected/near-miss or potential) is to be computed and documented accordingly. Each Head is to also ensure that their risk management process is reviewed on a regular basis (at least annually) to determine its effectiveness, including identification of new risks and/or opportunities, as they emerge.

4. Risk Appetite and Strategy

Risk appetite is a critical component that forms part of the robust Group GRM Framework and is driven by both top-down Board leadership and bottom-up involvement of management and staff at all levels. It enables the Board and Senior Management to communicate, understand and assess the types and levels of risk that the Group is willing to accept, in pursuit of its business goals. The risk appetite is integrated into the strategic planning process and remains dynamic and responsive to changing business and market conditions.

- to ensure enterprise-wide risks are within acceptable and manageable levels
- a best-practice approach to addressing these requirements

Risk Appetite Statement (RAS)

To address fundamental questions with respect to strategy, risk management and operations. Implemented through a risk appetite framework, which includes common language, policies, processes, systems and tools used to establish, communicate and monitor risk appetite.

A well-developed RAS has the following attributes:

1. A key element of the overall RM framework
2. Aligned with the business strategy and expressed using quantitative risk tolerances
3. Reinforces the organisation's desired risk culture
4. Produces better risk-adjusted business performance

Risk Appetite Statement and Tolerance Level (RASTL)

The Bank's RASTL can be defined as below:

i. The Bank's willingness and ability to take risks (Risk Capacity) to achieve its strategic objectives, while considering, a longer-term view on the Bank's continuing ability to meet its obligations towards stakeholders and shareholders; and

ii. The Bank's acceptable tolerance limits, around specific risks, in executing its business strategies, risk preferences for any significant activities of the Bank and is consistent with the available skills and resources in managing and monitoring the risks exposures within the Bank.

The extent of these exposures has taken into consideration the various quantitative financial metrics and non-financial parameters. Proper governance and reporting of these risks shall be adhered to and escalated to further support an informed decision-making process. It draws the line between acceptable and unacceptable risks within the Bank's capacity. Therefore, the Risk Appetite Statements is reflective of the Bank's operating environment, strategy, business plans and shareholder expectations. It should be dynamic and set within a specific timeframe.

The RASTL primary objectives are:

i. **Protecting and creating value for the business**

Assist Senior Management and Board of Directors (Board) in making informed decisions to maximise the risk-adjusted return for the shareholder and to provide guidance in the strategy development and business plans of the Bank (such as new funds development, pricing strategies, credit risk mitigation for selective strategic lending relationships, availability of relevant technology or support systems, relevant skills requirements and resource planning).

ii. Integrating into business strategies and risk culture

Assist Senior Management and Heads of Division/ Department with their respective risk monitoring/ tracking activities, implementing appropriate risk mitigation plans, facilitate timely action plans once the Management Action Triggers (MAT) is breached and, if needed, expedite further remedial actions once the Tolerance Limit is breached. All while adhering to appropriate escalation (or reporting) to the Board and Senior Management.

iii. Ensuring consistency between risk appetite statements and risk tolerance or limits

Assist Senior Management and the Board to properly align the risk appetite with the risk tolerance or limits for respective risk areas, within the Bank's business activities and operations.

The Risk Appetite Statement and Tolerance Level (RASTL) shall be reviewed regularly, at least annually, to ensure it continues to be relevant and responsive to changes in the Bank's business directions and activities, operating environment and overall risk profile.

The risk appetite serves as a foundation for the Group's risk culture and sets out the principles and policies to guide business activities and decision-making processes towards achieving an optimal balance between risk and return.

The articulation of the risk appetite is done through a set of risk appetite statements that includes a comprehensive view of all material risks to the Group as follows:

Risk Appetite Categories	Risk areas
Capital Adequacy	• Risk-Weighted Capital Ratio (RWCR)
Credit	• Loan/Financing Asset Quality - Weighted Average Probability of Default (WAPOD) • Loan/Financing Asset Quality - Economic Capital Allocation (ECA) • Loan/Financing Asset Quality - Threshold for the Supported portfolio • Gross Impaired Loan Ratio (GIL) • Interbank Placement - Counterparty Limit
Liquidity	• Bank Negara Malaysia (BNM) New Liquidity Framework (NLF) • BNM Liquidity Coverage Ratio (LCR) • BNM Net Stable Funding Ratio (NSFR)
Market Risk	• Earnings-at-Risk (EaR) • Economic Value of Equity (EVE) • Investment Securities Credit Ratings • Mark to Market (MTM)
Operational Risk	• Operational Loss • Critical Business Disruption • Shariah Non-Compliance (SNC) • Fraud
Strategic	• Debt Rating • Climate Change - (CCPT) • Portfolio MIND Score - *Client ESG score based on BPMB's rating*
Cyber Risk	• Cybersecurity Risk

5. Principal Risks

BPMB is exposed to, but not limited to, the following principal risks:

- Credit Risk
- Concentration Risk
- Operational Risk
- Market Risk
- Liquidity Risk
- Technology and Cyber Risks
- Environmental, Social and Gorvernance (ESG) Risk
- Climate Change Risk
- Reputational Risk
- Strategic Risk
- Regulatory Risk
- Disease Outbreak Risk

PRINCIPAL RISKS

- Shariah Non-Compliance Risk
- Subsidiary Risk
- Fraud Risk
- Taxation Risk
- Asset or Property Risk
- Human Resources Risk
- Business Continuity/ Going Concern Risk
- Legal Risk
- Compliance Risk
- Process Risk
- Outsourcing Provider Risk
- Project Risk

The respective principal risks are briefly described as follows:

Risk	Description
Credit Risk	Risks arising from the following: a. **Default Risk** - risk arising from the inability or unwillingness of a counterparty to discharge its repayment/payment contractual obligations; b. **Downgrade Risk** - risk that changes in the possibility of a future default by a counterparty following an internal/external rating downgrade; and c. **Counterparty Risk** - risk that a counterparty will default prior the expiration date of the contract or prior the settlement of the transaction.
Concentration Risk	Risks arising from the following: a. **Concentration on Assets Portfolios** - risk of losses associated with inadequate diversification of assets portfolios. b. **Concentration on Business Portfolio** - risk of financial loss due to having written large proportions of business in the same or similar risk profile (e.g. sector, customer groups, geographical area).
Operational Risk	Risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. It includes a wide spectrum of heterogeneous risks such as fraud, physical damage, business disruption, transaction failures, legal and regulatory breaches as well as employee health and safety hazards.

Risk	Description
Market Risk	Risk of losses in on and off-balance sheet positions arising from movements in market prices. The movements in market prices include foreign exchange rates, interest/profit rates, commodities and equity markets. Market Risk exposures: a. **Interest Rate Risk/Profit Rate Risk** - The risk of potential impact on the Bank's earnings and capital due to fluctuations in interest or profit rates, including changes in the composition of assets and liabilities. b. **Asset Liability Mismatching Risk** - The financial risk that occurs when the Bank's assets and liabilities differ in maturities, cash flow timing (tenor), or interest rate structures (fixed vs. floating rates). c. **Credit Spread Risk** - the sensitivity of the values of assets, liabilities and financial instruments to changes in the level or volatility of credit spreads over the risk-free interest rate/profit rate term structure. d. **Foreign Exchange (Forex) Risk** - the risk of loss of earnings arising from adverse changes in the exchange rates between currencies. e. **Funding Risk** - The risk that the Bank may not be able to meet its financial obligations due to factors such as deposit withdrawals, repayment or payment of maturing funds, extension of credit, or the need for working capital. f. **Equity Risk** - The risk of financial loss arising from fluctuations in the market prices of equity investments. g. **Commodity Risk** - risk of financial losses due to the fluctuation in prices of commodities e.g. gas, metal, grains etc.

Risk	Description
Market Risk (cont'd.)	h. **Settlement Risk** - risk that a counterparty fails to deliver a security or its value in cash at the expiration date or during the settlement of the transaction.
Liquidity Risk	Liquidity risk is defined as the potential for losses due to the inability to meet cash flow obligations promptly and cost-effectively. It manifests in two distinct forms as detailed below: a. **Funding Liquidity Risk**: The risk the Bank will not be able to efficiently handle both expected and unexpected cash needs now and in the future. This could impact the Bank's daily operations or financial health. b. **Market Liquidity Risk**: The Bank cannot easily offset or close a position without significantly impacting the market price due to insufficient market depth or market disruptions.
Technology and Cyber Risks	The risk of loss resulting from inadequate or failed internal processes, people, systems, or external events. This combined risk category encompasses: a. **Technology Risk**: Losses or disruptions resulting from failures or vulnerabilities within bank's IT systems, including hardware, software, network infrastructure, technology obsolescence and risks stemming from third-party IT service providers. b. **Cyber Risk**: Threats and potential losses arising from malicious cyber activities, such as cyber-attacks, data breaches, ransomware and other forms of unauthorized intrusions that compromise data confidentiality, integrity and availability.

Risk	Description
ESG Risk	Encompasses the potential dangers that businesses face in relation to environmental, social and governance factors that can affect a company's operations, reputation and financial performance. Failure to address them adequately can have severe consequences, including loss of investor trust, legal penalties and operational disruptions. This includes Climate Change Risk noted next.
Climate Change Risk	Climate change can be described as significant long- term change in the expected patterns of average weather of a region (or the entire planet) over a significant period of time. Climate Change Risk is generally categorised as: a. **Physical risk** - Arises from climate-related events that damage property, reduces productivity and disrupts trade. Physical risks directly impact the continuity of business operations and economic activities, which in turn increases credit risk to financial institutions when revenue generating capacity and creditworthiness of borrowers are materially impacted. Physical risk also impacts collateral value, where assets, pledged as collateral to the Bank, could be destroyed or significantly damaged by climate events, impacting the recovery value. These risks are rarely well accounted for by banks, resulting in under-pricing risks of such climate-related occurrences.

Risk	Description
Climate Change Risk (cont'd)	b. **Transition risk** - Arises from transitioning to a lower-carbon economy, which may entail extensive policy, legal, technology and market changes to address mitigation and adaptation requirements related to climate change. The changes in the legal/regulatory frameworks (e.g. disclosure requirement, implementation of carbon pricing), technological advancements (e.g. reducing cost of renewable energy) or consumer sentiments (e.g. certification scheme, fossil fuel divestment campaign) may translate into financial and/ or reputational risk to financial institutions. c. **Liability Risk** - Refers to a client seeking compensation for losses they may have suffered as a result of physical or transitional risks related to climate change. Liability risk is generally more applicable to Insurers and Takaful operators.
Reputational Risk	The potential loss to financial capital, social capital and/or market share resulting from damages to the BPMB Group's brand or reputation.
Strategic Risk	Risks arising from the following: a. **Governance Risk (Internal)** - risk pertaining to the Bank's internal business practices, processes and systems due to inadequate internal policies, controls, infrastructures and oversights, weak corporate governance and non-compliance with internal policies and regulatory requirements. b. **Project Risk (Internal)** - risk of uncertain events that may occur and cause a project or initiative to be delayed, altered in outcomes or failed.

Risk	Description
Strategic Risk (cont'd.)	c. **Change Risk (Internal/ External)** - risk arising due to changes or transformations introduced and implemented in the function such as automation, digital transformation, process enhancement, mergers and acquisitions and others. d. **Economic Risk (External)** - risk arising from the potential adverse changes in economic conditions that can negatively impact on the credit and investment portfolio.
Regulatory Risk	Risk that unanticipated new or change of acts and/or regulations, will require changing business practices that may lead to financial loss to BPMB Group.
Disease Outbreak Risk	Refers to the threat of epidemics of infectious diseases that have spread through the human population across a large region (or over several countries or continents), e.g. COVID-19, MERS-CoV, SARS, Influenza.
Shariah Non-Compliance Risk	Risk of legal or regulatory sanctions, financial loss or non-financial implications, including reputational damage, which BPMB may suffer arising from failure to comply with the rulings of the Shariah Advisory Council of Bank Negara Malaysia (SAC), standards on Shariah matters issued by BNM pursuant to Section 29(1) of the IFSA and Section 33E(1) of the DFIA, or decisions or advice of the Shariah Committee.
Subsidiary Risk	The risk assumed by BPMB Group's subsidiaries, which may have a direct or indirect, financial or non-financial impact to the BPMB Group. It may be peculiar/pertinent and exclusive to each subsidiary. The risks may include credit risk, operational risk, market risk, capital risk, investment risk, reputational risk etc. However, the list is non-exhaustive.

Risk	Description
Fraud Risk	Risk of financial crime and unlawful conduct, both internal and external fraud, impacting BPMB.
Taxation Risk	Risk of financial loss due to changes in tax legislation that could result in the actual tax on earnings being higher than expected.
Asset or Property Risk	Risk that the value of purchased assets or investment properties will fluctuate as a result of other than depreciation impact; i.e. changes in the economic drivers or environment.
Human Resources Risk	Risk that BPMB Group does not have access to appropriate skills and resources to complement its operation and effectively managing other associated operational risk.
Business Continuity/ Going Concern Risk	Risk that inadequate processes, people, financial controls and resources exist to continue business in the foreseeable future.
Legal Risk	Risk that BPMB Group's operations or its condition are disrupted or adversely affected by legal proceedings against it, adverse judgements from courts, contracts that turn out to be unenforceable or contractual obligations, which have not been provided for as well as failure to comply with relevant laws and regulations.
Compliance Risk	Risk of failure to comply with laws, regulations, rules, related self-regulatory organisation standards, Shariah and codes of conduct, investment management mandates, as well as the failure to uphold the BPMB Group's core values and code of ethics and conduct.
Process Risk	Risk of losses as a result of failed or inadequate internal processes.

Risk	Description
Project Risk	Risks that are inherent in any major projects undertaken by BPMB Group, including but not limited to the following; a. **Project Completion Risk** - risk arising from potential delay due to non-performance of contractors, insufficient fundings, changes in design and specification requirements.. b. **Project Scheduling/Planning Risk** - risk arising from poor planning of all activities required to complete the project in terms of its work breakdown structure, realistic duration assignment and relationship networking into a schedule. c. **Project Cost Risk** - risks arising from under or over provided to the Project Cost for contingencies and provisional sum, as well as variation orders due to change of designs, specifications and end-used requirements.
Outsourcing Provider Risk	Risk arising from the inability or unwillingness of an outsourced service provider to discharge its contractual obligations; or from concentration with individual outsourcing service provider (which exacerbates the former).

6. Immediate Risks

Identifying and monitoring top and immediate risks, are integral to the Group's approach to risk management. The identification and prioritisation of key risks, facing the Group, is critical in proactively planning for a holistic management of these risks. Some of the key concerns for the Group are:

a. **Regulatory Changes and Requirements**

An evolving landscape of regulatory requirements means that governments and regulators in numerous jurisdictions are expected to continue to develop and introduce regulations which may impose new requirements, including but not limited to, the areas of capital and liquidity management, corporate structures, conduct of business, corporate governance and operational risks.

b. **Concentration Risk and Connected Lending**

Concentration risk continues to be one of the Bank's major concerns due to our local market approach and the limitation in providing financing/credits towards our mandated role and the business sector. The Bank is monitoring concentration risk via Single Customer Limit/Single Counterparty Exposure Limit and Sector Limits, which encompasses both Mandated Sectors as well as BPMB Industrial Sectors.

In addition, the adoption of Connected Parties Limit is also carried out to ensure that connected parties, by virtue of their position that could potentially exert influence over the Bank, do not inappropriately benefit from such transactions to the detriment of the Bank.

c. **Risk with Cloud Adoption and Emerging Technology**

As part of the Agenda 2025 journey, the rapid transition from on-premises systems to a cloud-first strategy—and the simultaneous exploration of emerging AI technologies—introduces a new landscape of immediate risks for BPMB. This transformation not only expands the digital footprint but also exposes the Bank to complex challenges, including heightened data security vulnerabilities, regulatory and compliance hurdles, integration issues with legacy systems and increased dependency on third-party vendors. Additionally, the adoption of AI brings its own set of uncertainties, such as algorithmic biases, model robustness and ethical considerations. Together, these risks necessitate a robust and agile risk management approach to safeguard the operational resilience and maintain regulatory compliance during this pivotal shift. This transformation would require careful management of a range of possible immediate risks that include:

Data Security and Privacy - Migrating sensitive data to the cloud can expose to potential breaches, misconfigurations, or unauthorized access. Ensuring robust encryption, access controls and continuous monitoring is critical.

Regulatory and Compliance Challenges - Cloud environments can complicate adherence to banking regulations, data residency and privacy laws. To ensure the cloud provider's practices meet all regulatory requirements.

Third-Party and Vendor Risks - Dependence on cloud service providers introduces risks related to vendor reliability, contractual obligations and the provider's security posture. Comprehensive due diligence and continuous vendor monitoring are essential.

RISK MANAGEMENT

Integration and Interoperability Issues - Integrating legacy systems to new cloud-based platforms may bring compatibility challenges, potential data synchronization issues and unanticipated system disruptions during the transition.

Operational and Business Continuity Risks - Cloud outages/performance issues can disrupt critical banking operations. Implementing strong disaster recovery and business continuity plans tailored to the cloud environment is vital.

Cybersecurity Threats: The expanded attack surface in a multi-tenant cloud environment can attract new cyber threats. Enhanced security measures, such as advanced threat detection and incident response protocols, are necessary to address these risks.

Skill and Cultural Transition: Shifting to a cloud-first model requires new technical skills and a change in operational mindset. Investing in staff training and aligning internal processes with cloud best practices is crucial for a smooth transition.

d. **Movement in Interest/Profit Rates**

Any interest rate movement will have an impact on the margins of the Bank's asset and liability portfolio. However, the interest/profit rate risk is managed within the Bank's risk appetite with well-established controls.

e. **Liquidity Risk**

The Bank regards liquidity risk as a critical consideration. Liquidity risk arises when a bank cannot meet short-term obligations due to insufficient cash or liquid assets, often caused by a mismatch between short-term liabilities (e.g., deposits) and long-term assets (e.g., loans). Factors such as sudden withdrawals, reliance on short-term funding, or market disruptions can worsen this risk. If unmanaged, it can trigger bank runs, insolvency, reputational damage, or broader financial instability, as seen during the 2008 crisis. Regulatory authorities may also intervene, imposing penalties or restrictions if liquidity requirements are not met.

To address liquidity risk, the Bank monitors key metrics such as the Liquidity Coverage Ratio (LCR) and the Net Stable Funding Ratio (NSFR) and periodically conducts internal stress testing. To mitigate asset market liquidity risk, the Bank maintains adequate High-Quality Liquid Assets (HQLA) that can be easily liquidated. Additionally, a Contingency Funding Plan (CFP) is in place to ensure access to alternative funding sources, such as interbank borrowings and central bank facilities, during periods of financial stress. As part of the CFP, Early Warning Indicators (EWI) system is utilized to detect potential liquidity stress, allowing for proactive intervention and effective liquidity management.

Through these measures, the Bank strengthens its resilience against liquidity risks while ensuring compliance with regulatory requirements. Daily monitoring of liquidity positions is conducted, while funding concentrations and stress test results are periodically reviewed by senior management and risk committees. This structured approach supports informed decision-making, reinforces financial stability and upholds stakeholder confidence.

f. **Data**

Data risks refer to potential threats or vulnerabilities that could negatively impact the confidentiality, integrity and availability of data. These risks can arise from various sources, such as cyberattacks, human error, technical failures, or legal issues and can lead to the loss, corruption, or unauthorized access to data.

Modern techniques of risk management involve the estimation of probabilities of default and loss-given-default on customers' financing portfolio. The Bank will continuously ensure that, in line with this philosophy, accurate data is maintained for Probability of Default (PD), Exposure at Default (EAD) and Loss Given Default (LGD) estimation for a required period.

g. **Changes in Market Structure and Growing Competition**

Changes in the financial market structure such as privatisation, increased entry by commercial banks and financial innovations have significantly altered the competitive landscape faced by BPMB. This competition leads to an erosion in pricing power (i.e. less ability to lower deposit rates and raise financing rates) that reduces earnings and increases the incentives for risk-taking on the part of the banks with competitive pressures possibly leading to mispricing. That said, the competition can also enhance financial stability, by raising the acceptable risk management standards amongst banks. Improvements in measuring expected and unexpected losses, are also needed in order to increase the use of risk-based pricing.

h. **Shariah Non-Compliance**

Shariah non-compliance risk, as defined by BNM in its Policy Document of Shariah Governance (2019), is the risk of legal or regulatory sanctions, financial loss or non-financial implications, including reputational damage, which the Bank may suffer, arising from failure to comply with the rulings of the Shariah Advisory Council of BNM, standards on Shariah matters issued by BNM or decisions or advice by the Shariah Committee.

The Bank has established relevant policies for a sound Shariah governance framework to facilitate strict adherence to regulatory and Shariah requirements. More training and awareness sessions in Shariah risk-related matters, were organised for BPMB staff, to ensure staff were equipped with adequate knowledge to be applied in business operations.

i. **Reputation**

Upholding the Bank's good reputation is of paramount importance, particularly as we are undergoing a strategic transformation process. Embracing a strong awareness culture of risk and compliance is pertinent for all Bank employees as this will help to guide and encourage all staff to discharge their duties with integrity and, in doing so, help protect the Bank's reputation. The Bank ensures that awareness programmes for all staff are conducted periodically.

j. **ESG Risk**

BPMB recognises that the evolving environmental, social and geopolitical landscape presents material risks and opportunities to its strategy and operations. To manage these, BPMB has in place an overarching MIND & Sustainability Framework, that embeds sustainability across governance, operations, risk management and decision-making. This enables systematic identification, assessment and disclosure of sustainability and climate-related risks and opportunities.

For financing activities, BPMB applies the Measuring Impact on National Development (MIND) Assessment Framework to evaluate the development impact and ESG risks of each transaction. This ensures alignment with Malaysia's national development agenda and BPMB's sustainability objectives.

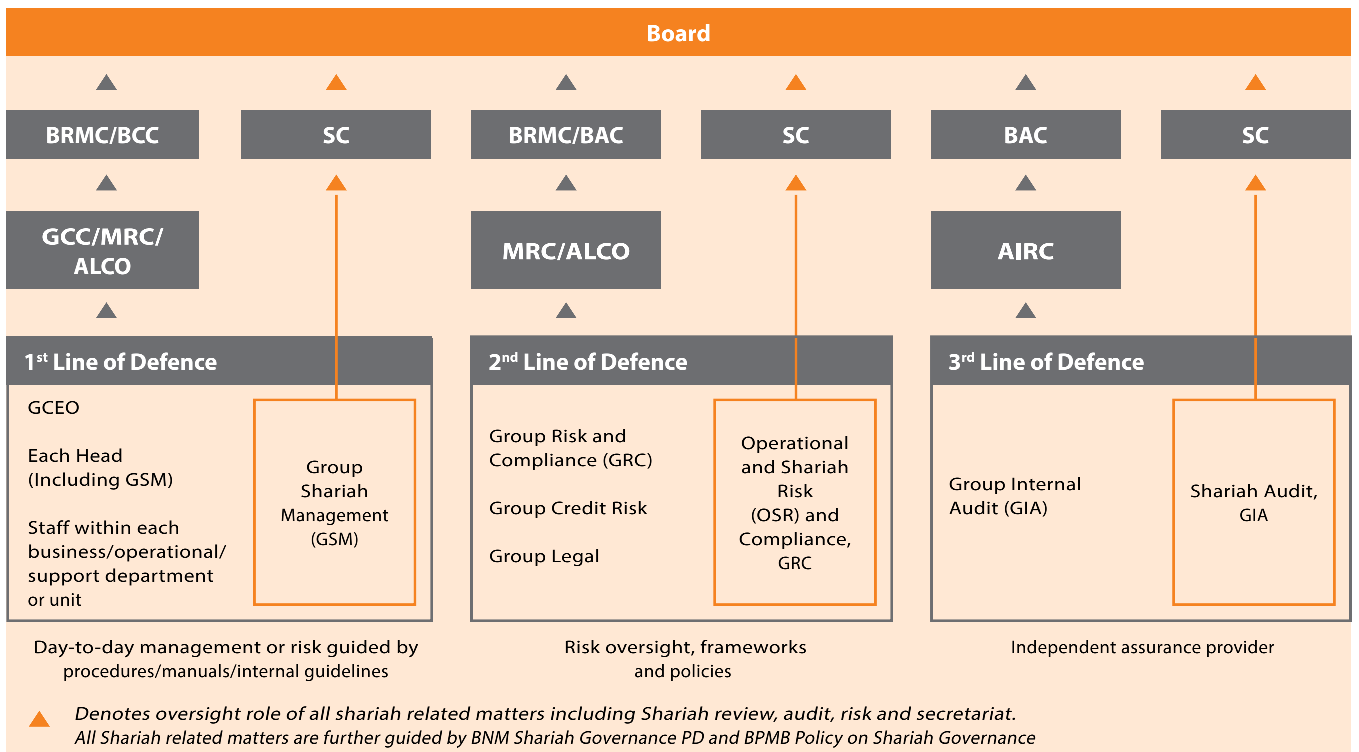
k. **Climate Change**

BPMB has established a Climate Change Risk Framework (CCRF) aligned with Bank Negara Malaysia's Climate Risk Management and Scenario Analysis (CRMSA) Policy Document. The Framework outlines BPMB's approach to identifying, measuring and managing climate-related risks and incorporates climate scenario analysis and stress testing to assess the potential impact of physical and transition risks on the Bank's financing portfolio.

At the transaction level, BPMB conducts Climate Change Risk Assessment (CCRA) as part of the MIND Assessment Framework, aligned with the Climate Change and Principle-Based Taxonomy (CCPT). This enables the Bank to evaluate climate-related risks and opportunities and classify each transaction based on its climate alignment. The classification provides a structured view of BPMB's portfolio exposure and supports regulatory compliance.

7. Governance and Risk Oversight

BPMB adopts the "Three Lines of Defence" model in managing risk, placing accountability and ownership of the business process across distinct functions and ensuring an appropriate level of independence and segregation of duties. The management of risk broadly takes place at different hierarchical levels and is emphasised through various levels of committees, business lines, control and reporting functions.



BPMB's Line of Defences

The governance structure and its roles/responsibilities follow the 'Three Lines of Defence Model' concept, which is structured to help explain the relationship of various functions in an organisation and how responsibilities differ.

1st Line of Defence (broadly referred to as 'risk owners/manager')	Management oversees risk management within BPMB Group. Functional stakeholders own and manage risks: • These functions are responsible for risk management processes including identifying, assessing, mitigating, treating and monitoring risks to ensure BPMB's corporate objectives are met. • As risk owners/managers, these functions are expected to assess and monitor the relevant risks involved in their daily operations (e.g. operational risk) possess and apply the relevant risk mitigation procedures.
2nd Line of Defence (broadly referred to as 'risk control functions')	Functions involved in overseeing compliance and risk management. Collectively, these functions share the following responsibilities: • Ensure the risk management and compliance framework is in place and adequately supported with tools for effectiveness. • Review enterprise risk policies, frameworks and, where applicable, tools while providing support to enable risk and compliance to be managed by the 1st line. • Provide independent challenge to risk management and compliance activities conducted by the 1st line as well as risk and compliance monitoring. • These functions, though independent from risk owners/operations, supports the 1st line and conducts oversight to ensure compliance to the relevant regulatory requirements, policies and procedures as well as ascertaining effectiveness of risk management by the 1st line. These functions have independent reporting lines from the 1st line.
3rd Line of Defence (broadly referred to as 'risk assurance')	Functions that provide independent assurance • This function is responsible to provide an independent review of the risk management framework and its operationalisation. • This function conducts activities to provide risk assurance as to the operating effectiveness between the 1st and 2nd lines of defence.

The following illustrates the Risk Management Governance structure adopted by the Bank, which is guided by BNM's Risk Governance Policy, Guidelines on Corporate Governance for Development Financial Institutions and the Shariah Governance Policy Document.

Board of Directors

The Board of Directors (the Board) has the ultimate responsibility for the sound and prudent management of the Group. This includes responsibility for risk oversight and ensuring appropriate risk management frameworks and policies are established and implemented accordingly for the various categories of risk exposures within the Group.

Board Level Committees

Board Risk Management Committee (BRMC)	The BRMC is responsible for overseeing the Group's risks. It is, primarily, responsible for the oversight of Senior Management's activities in managing the key risk areas of the Group and to ensure the appropriate risk management infrastructure, resources and processes are in place and functioning effectively. BRMC also supports the board in meeting the expectations on risk management as set out in the policy document on Risk Governance.
Board Credit Committee (BCC)	The BCC provides supervisory and oversight role on all loan, financing, credit related proposals and investments within the prescribed limits. It also ensures that adequate risk management processes related to credit are in place and functioning effectively.
Board Nomination and Remuneration Committee (BNRC)	The BNRC is appointed to oversee the establishment and implementation of remuneration policies and structures. This includes ensuring such policies and structures do not induce excessive risk-taking yet are able to reinforce prudent risk-taking.
Board Audit Committee (BAC)	The BAC provides independent oversight by reviewing the financial conditions of the Bank and its financial reporting processes as well as internal controls while ensuring checks and balances within BPMB Group are adequate. This includes reviewing performance and findings of the internal auditors and recommending appropriate remedial action, regularly.
Board Information Technology Committee (BITC)	The BITC has oversight function on the implementation of technology-related strategies and initiatives of the Bank and ensuring that the management of technology risk is embedded within the overall risk management framework.

Shariah Committee

The Shariah Committee (SC) is mandated by the Board of Directors to perform its oversight responsibilities in the implementation of Shariah governance within BPMB Group. This mandate holds the SC responsible for providing objective sound advice to BPMB Group ensuring its aims and operations, business, affairs and activities are in compliance with Shariah principles.

Management Level Committees

Management Risk Committee (MRC)	The MRC is to oversee and where applicable, recommend to the BRMC appropriate structures and systems for managing financial risks, non-financial risks and compliance activities that the Bank is exposed to and to ensure the activities are consistent with the risk strategy, including the risk appetite and policies approved by the Board.
Asset and Liability Committee (ALCO)	The primary objective of the ALCO is to perform primary oversight function and deliberate key issues related to asset and liability management, (including pricing), as well as market, liquidity and capital management. It provides recommendations to the BRMC, where applicable.
Group Credit Committee (GCC)	The GCC forms part of the risk governance for managing credit/investment risks within the Group. The committee is empowered to approve credit/investment related proposals which fall within their authority.
Group Management Committee (GMC)	The responsibilities of GMC include, but not limited to, approving, reviewing, advising, guiding and making recommendations (where applicable) to the Board of each company for consent, concurrence or approval on: a. Implementation and enforcement of business strategies, directives, action plans and budgeting in line with the mandated roles; b. General management issues related to operational policies, guidelines, procedures, controls and systems; c. Direct Corporate Investment in subsidiaries and associate companies; d. Other operational issues (including, but not limited to, IT, Human Resources, Public Relations, Marketing, Advertisements, etc.); e. Any other areas, as determined by the Group Chief Executive Officer, from time to time.

Audit Issue Resolution Committee (AIRC)	The objective of the AIRC shall be to facilitate the BAC to discuss the findings and recommendations of internal and, where necessary, external auditors. It also monitors the execution and implementation of all the necessary action plans including recommendations made by BAC, undertaken by Management.

To ensure that risk governance remains strong and relevant, Risk Management continues to embed robust risk governance and accountability within the Group. It also ensures adherence to dynamic global and local regulatory requirements as well as risk management practices across the Group.

8. Risk and Compliance Culture

The risk and compliance culture of the Group, permeates all levels of business and activities within the Bank, as it is driven from the top and complemented with the tone from the middle.

As an essential building block for effective risk and compliance governance, this culture is continuously promoted to ensure that it is embraced and exhibited in the behaviour of each individual within the organisation.

The Group sees good risk culture as consistently supporting appropriate risk awareness, behaviours and judgements about risk taking within a strong risk governance framework. It further bolsters effective risk management, promotes appropriate risk taking and ensures that emerging risks or risk-taking activities beyond risk appetite are recognised, assessed, escalated and addressed. In all, the Group believes good risk culture should emphasise the importance of ensuring that:

- An appropriate risk reward balance consistent with risk appetite is achieved when taking on risks;
- An effective system of controls, commensurate with the scale and complexity of the organisation, is in place;
- The quality of risk models, data accuracy, capability of available tools to measure risks and justifications for risk taking can be challenged;
- All limit breaches, deviations from established policies and operational incidents are investigated with proportionate consequence management when necessary.

The Group strives to instill a compliance culture where the Board, Senior Management and all employees of the Group are committed to adhere to relevant laws, rules, regulations and regulatory guidelines. The Group's commitment is clearly demonstrated through the establishment of strong compliance policies and guidelines (as further detailed in this section) to ensure that the Group's non-compliance risks are effectively managed. Part of these efforts include the implementation of an Anti-Bribery and Corruption (ABC) Policy, which encompasses procedures, risk assessments, due diligence on clients, customers, business associates and third parties, as well as an employee training programme. Such measures help lower potential costs arising from regulatory penalties, as well as protect the Group's integrity and reputation.

Compliance Policy Statement

The BPMB Group is committed to complying with all applicable laws, regulations and internal requirements, as well as professional and industry standards. The Compliance Policy provides key principles and guidelines for managing compliance risk within the BPMB Group. It serves as a guide for the Compliance function, the Board of Directors, Senior Management and all employees across all business lines and functions to understand and manage compliance risk. The Compliance Policy is adopted and implemented by operating entities throughout the BPMB Group. In general, it outlines:

- The overarching principles for managing compliance risk across the BPMB Group.
- The overall strategy for managing compliance risk to ensure consistency in practices across the BPMB Group in meeting regulatory and legal obligations.
- The minimum expected standards for compliance risk management.
- The roles and responsibilities of compliance risk management across the BPMB Group.

Anti-Bribery and Corruption Policy Statement

BPMB and its subsidiaries, collectively known as the BPMB Group, are committed to conducting our business dealings with integrity. The BPMB Group is dedicated to fight all forms of bribery and corruption by adopting zero tolerance policy against bribery and corruption. Furthermore, the BPMB Group complies with the Malaysian Anti-Corruption Commission Act 2009, as well as other relevant laws and regulations, to promote integrity, transparency and good governance.

Reporting and Whistleblowing Mechanism

- The Group's Whistleblowing Policy ensures that all reports are handled with the highest standards of confidentiality, integrity and fairness.
- To support BPMB's commitment to a speak-up culture and maintain the highest standards of integrity, transparency and accountability, BPMB offers various whistleblowing channels and levels of anonymity to encourage employees, BPMB's business partners, or any other person associated with BPMB Group to report in good faith and in confidence, without fear of reprisals.

"Anti-Money Laundering, Countering Financing of Terrorism, Countering Proliferation Financing and Targeted Financial Sanctions for Financial Institutions (AML/CFT/CPF and TFS for FIs) Policy Statement"

The BPMB Group is committed to economic sanction compliance and combating money laundering, financing of terrorism, proliferation financing as well as corruption, while ensuring compliance with applicable laws and regulations. AML/CFT/CPF and TFS risks are managed to protect the BPMB Group's integrity and reputation. The BPMB Group has established written policies and procedures, internal controls, independent testing and auditing, an ongoing training programme and reporting and record-keeping as part of its control measures to anticipate, prevent, detect and respond to money laundering, terrorism financing, proliferation financing, sanctions, as well as corruption risk.

9. Stress Test

The Group's Stress Test is conducted on a periodic basis, along with ad-hoc stress tests as needed, as an integral part of the risk management process. These proactive tools help to test the resilience of portfolio against future financial situations and evaluate potential risks arising from economic, political and environmental factors based on current portfolio and are tailored to reflect the nature, size and complexity of the Group's business operations and risk profile. The Group's stress test scope and coverage includes on-and-off-balance sheet exposures (i.e. commitments, guarantees and contingent liabilities) and covers a minimum of two-years period.

10. 2024 Achievements/Improvements

In 2024, Risk Management succeeded in completing the following initiatives:

Credit Risk

a. Implementation of customer selection criteria and risk acceptance criteria for non-investment grade commercial financing.

b. Consolidation and enhancement of Credit Risk Management Policy.

c. Enhancement of credit risk assessment process for origination and credit reviews.

d. Implementation of Risk-Based Pricing.

e. Establishment of additional risk controls on customer selection and risk acceptance criteria.

f. Enhancement of governance as embedded in Delegated Authority for credit administrative matters.

g. Implementation of additional credit risk control in new product development.

Market Risk

a. Implementation of daily monitoring and reporting for Market and Liquidity Risk Limits.

b. Implementation of Treasury Transaction Monitoring, including Trade Surveillance and Off-Market Rates.

c. Introduction of daily FX NOP limit monitoring for newly launched FX product.

d. Setting market risk limits for Interest Rate Swaps (IRS) and Islamic Profit Rate Swaps (IPRS) as part of requirement for new treasury product.

e. Provided risk management oversight in the deployment and setup of an Analytics module integrated into the Quantum Treasury Management System.

Operational and Shariah Risk

a. Operational risk losses remained satisfactory and within the risk appetite threshold.

b. Implemented Operational Risk and Compliance Management System (ORCMS) to automate operational risk management tools.

c. Coordinated continuity preparedness exercises comprising of functional and non-functional testing through Business Continuity Plan (BCP), Disaster Recovery Plan (DRP) and Emergency Response Plan (ERP).

d. Strengthened controls by reviewing frameworks, policies, guidelines and procedures via a sign-off review process including Key Control Testing (KCT) implementation.

e. Learning programmes through a series of infographic materials and e-learning modules to enhance knowledge and understanding of operational risks in business operations.

f. Continuous engagement with Operational Risk Liaison Officer (ORLO) to reinforce and strengthen the effectiveness of their roles and responsibilities as well as to improve the awareness of ORLOs as risk management agents.

g. Jointly hosted the integrated BPMB's Integrity and Internal Control Excellence Day in collaboration with Group Compliance and Group Internal Audit consist to provide knowledge sharing and interactive learning to bank staff.

Risk Strategy and Analytics

a. Monthly monitoring and reporting of Key Risk Indicators to management and BRMC.

b. Review of Risk Appetite Statement.

c. Review of Internal Capital Adequacy Assessment Process (ICAAP) Framework.

d. Continued ICAAP Enhancement Plan Improvements planned for 2024:

- Development of the Material Risk Assessment (MRA) tool to be used for the 2025 ICAAP process

e. Quarterly monitoring and reporting of the Sector Compass and Sector Limits to management and BRMC.

f. Projects began in 2024 to be completed in 2025:

- Revamp the Group Stress Test Framework
- Revamp the BPMB Approving Authority (AA) Matrix to be more comprehensive by better reflecting the respective Functional Units Internal Authority Documents (IAD) that would better serve functionality, oversight and governance.

Credit Policy and Portfolio Management

a. Review of the Financing Facilities with Connected Parties policy to complement governance requirements.

b. Review of the Guidelines on Best Practices for Single Counterparty Exposure Limit (SCEL) and Single Customer Limit (SCL).

c. Review of Guideline on Identifying Customer's Related Party Transactions as part of best practices to monitor potential risks and minimize any financial or operational conflicts.

d. Review of Concentration Risk Controls to strengthen credit portfolio management, ensuring more balanced and diversified exposures. This approach supports the achievement of sustainable, high quality asset growth by minimizing risks related to overconcentration in specific buckets ie sectors, customer profiles.

e. Establishment of an Aggregated Report for the credit portfolio to enable comprehensive risk management and facilitate informed credit decisions, portfolio optimizations and provide insights for enhancing overall portfolio performance and mitigating risks.

f. Enhancement of quarterly Group Stress Test with in-depth and focused analysis, incorporating stress scenarios based on economic events such as uncertainty from global headwinds, government shifts in subsidies and energy transitions commitments. This approach helps assess the portfolio's resilience to potential shocks, identifying vulnerabilities and guiding proactive risk strategies.

g. Conducted knowledge sharing sessions with other functions in the Bank covering the credit portfolio overview and important limits, as well as recent developments in new Treasury products and their credit related matters ie calculation of credit exposure methods.

h. Conducted dialogue sessions with business functions to address the ongoing concerns, knowledge gaps, concentration risk, connected parties transactions and impending issues related to credit.

Credit Risk Analytics and Strategy

a. Operationalisation of Early Warning System (EWS) Initiative which enhanced the early warning signal reporting process and deliberations related to credit risk at BPMB. The initiatives were as follows:

- Operationalisation of the automated early warning signal alert submission, circulation and databasing at bank-wide

- Operationalisation of Credit Monitoring Task Force (CMTF) to deliberate financing and investment portfolios, technical reports, credit reviews, watchlist accounts and early warning signals
- Establishment of Early Warning System User Guide and Early Warning System Procedure

b. Operationalisation of the Knowledge Management (KM) Initiative to disseminate and increase credit risk and credit-related awareness across the Bank, deepen risk ownership and enhance risk culture in the Bank. The initiatives were as follows:

- Updates and maintenance of GCR e-Portal via iAccess
- Establishment and operationalization of KM Repository/Platform in GCR e-Portal
- Establishments and operationalizations of KM Database, comprised of the following:
  - Project Cost Database
  - Lessons learnt from GCC's and BCC's deliberations
  - Lessons learnt from past projects
- Facilitated and conducted Knowledge Sharing Sessions (KSS) at bank-wide and Dialogue Program (DP) with business pillars
- Issuances and publications of bank-wide GCR e-Newsletters

c. Establishment of the following to improve business and support process by deepening risk ownership:

- "Monthly Credit Risk Outlook (MCRO)" to update and review economic indicators and news that may impact the Bank's sectors and credit portfolio; forms part of the KM Repository to improve business and support processes
- "Quarterly Progress Report of GCR Governance Document and Project/Initiative" to strengthen credit risk governance and oversights, improve business and support process and deepen risk ownership via GCR projects and initiatives
- Half-yearly "Post-Mortem of GCR Dialogue Program" to deliberate results and analysis of the program, lessons learnt and corrective measures for improvements

d. Establishments of governance documents to strengthen credit risk governance and oversights, improve business and support process and deepen risk ownership via strategic risk and governance.

Compliance

Key initiatives aimed at improving compliance culture, transparency and integrity in the bank include:

a. Organised an Integrity and Internal Control Excellence Day (IICED) 2024 in collaboration with other control functions i.e., Group Internal Audit and Group Risk. This initiative served as a platform to foster a culture of ethics, integrity and transparency among employees, while reinforcing the importance of sound internal control practices across the organization. As part of the event, BPMB Group also renewed its Corruption-Free Pledge (Ikrar Bebas Rasuah) in line with the Malaysian Anti-Corruption Commission (MACC)'s Guidelines on Adequate Procedures under Section 17A of the MACC Act 2009, reaffirming its commitment to upholding the highest standards of integrity and governance. The event featured our Group CEO taking the lead in the recitation of the Corruption-Free Pledge, a significant moment witnessed by the Deputy Commissioner of the Malaysian Anti-Corruption Commission (MACC).

b. Arranged a study visit to the Malaysian Anti-Corruption Commission (MACC) on 4 December 2024 aiming to enhance the staff understanding on ethical conduct and anti-corruption practices. The study visit was attended by the staff from the First Line of Defence, i.e., Group Corporate and Investment Banking and newly appointed Designated Compliance Officers (DCOs).

c. Conducted regular engagement sessions with DCOs to reinforce and improve the effectiveness of their roles and responsibilities, including but not limited to DCO Engagement Sessions on Refresher on Corruption Risk Assessment (CRA), ABMS Audit, Structuring Islamic Products and Legal Documentation as well as the DCO Retreat 2024 with the theme of "Ethical Excellence", which provided a platform for participants to reflect on their pivotal role in reinforcing the BPMB's compliance culture. The event focused on promoting collaboration, team building and a greater appreciation of ethical decision-making.

d. Initiated a periodic Compliance Broadcast (Bulletin) to educate and raise awareness among all staff regarding key compliance issues in BPMB, such as managing customer information, conflict of interest and other critical regulatory issues.

e. Recertification of ISO 37001:2016 (ABMS) by SIRIM as part of adequate procedure measures to curb potential bribery and corruption activities.

f. Monitoring of BPMB Group's Anti-Corruption Plan 2022 – 2026 in order to mitigate any potential bribery and corruption activities under the five-year approved plan.

g. Established a centralized Customer Due Diligence (CDD) team to enforce standardized processes and improve the execution of KYC procedures across the BPMB Group including enhancing the AML/CFT Customer Risk Profiling (CRP) framework to ensure more comprehensive assessment of customers, addressing all relevant AML/CFT risk factors in alignment with the Risk-Based Approach (RBA) and to enhance the consistency and effectiveness of KYC processes.

h. Established a Communication Surveillance System to detect potential misconduct through the review of electronic communications, reinforcing BPMB Group's proactive approach to compliance risk management.

i. Established a Management of Conflict of Interest (COI) Framework which sets out BPMB Group's policy on the identification, management and reporting of actual, potential, or perceived conflict of interest in the course of carrying out the business activities of BPMB Group. The framework covers the governance of conflict of interest, Chinese Walls and Personal Account Dealings (PAD).

j. Established Regulatory Compliance (RC) and Control Issue Management (CIM) Modules in the Operational Risk and Compliance Management System (ORCMS) in collaboration with Group Risk as a digital platform to facilitate gap analysis, track compliance review findings and ensure timely remediation of identified issues. The system enables a more structured and transparent approach to compliance monitoring and control testing.

Training and Awareness Programmes

The Group prioritises continuous capacity building through various training programmes, including:

a. Conflict of Interest Policy and Procedure Training to familiarise employees with the newly introduced framework;

b. Mandatory e-learning modules on Management of Customer Information and Permitted Disclosures (MCIPD) and Personal Data Protection Act (PDPA);

c. Corruption Risk Assessment, Anti-Bribery Management System (ABMS) and Integrity Awareness Training.

d. Regular AML/CFT training sessions across business units to enhance knowledge of financial crime risks;

e. Co-organised Training on Foreign Exchange Products to strengthen employees' understanding of product-specific compliance requirements.

Awards and External Engagement

a. **Corporate Governance Category – ADFIAP Awards 2024**

The Group clinched first place in the Corporate Governance Category at the ADFIAP Awards 2024 on 16 May 2024 in Cambodia, recognising its unwavering commitment to sound governance through the implementation of the Organisational Anti-Corruption Plan (OACP) 2022–2026.

b. **Kem AMAR Collaboration with MACC**

As the pioneering financial institution to lead this initiative, BPMB Group has partnered with Malaysian Anti-Corruption Commission (MACC) to organise Kem Angkatan Mahasiswa Antirasuah (AMAR) for Higher Learning Institutions (IPT) from 13 to 15 December 2024. The initiative aligns with the National Anti-Corruption Strategy (NACS) 2024–2028 and supported the achievement of the Sustainable Development Goals (SDGs), particularly SDG 16.5, which aims to significantly reduce corruption and bribery in all forms.

c. **ICA Certification Programme**

In collaboration with the International Compliance Association (ICA), the Group launched a certification programme offering specialised training for AML/CFT officers and front-line staff involved in customer onboarding and ongoing due diligence.

These initiatives reflect the Group's forward-looking approach to capital management and the development of rigorous risk management techniques.

The Group's state of implementation of these initiatives is reported to the MRC, BRMC and the Board on a regular basis, thus ensuring that Management and Board are kept informed to facilitate their continued oversight of the risks undertaken by the Group.

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CORPORATE INFORMATION

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Sulaiman Mohd Tahir
Chairman/
Independent Non-Executive Director

Tan Sri Rashpal Singh Randhay
Independent Non-Executive Director

Norazilla Md Tahir
Independent Non-Executive Director
(Retired w.e.f. 14 August 2024)

Datuk Rashidah Mohd Sies
Non-Independent Non-Executive Director

Imri Dolhadi Ab Wahab
Non-Independent Non-Executive Director

Ts. Dr. Othman Abdullah
Independent Non-Executive Director

Nor Darina Mohd Yusof
Independent Non-Executive Director

SHARIAH COMMITTEE

Professor Dato' Dr. Aznan Hasan
Chairman

Ustaz Lokmanulhakim Hussain
Member

Professor Dr. Salina Kassim
Member

Ustaz Mohd Fadhly Md Yusoff
Member

Professor Dr. Zurina Shafii
(Ceased as member w.e.f 31 March 2025)

Associate Professor Dr. Yasmin Hanani Mohd Safian
(Ceased as member w.e.f 19 July 2024)

GROUP CHIEF EXECUTIVE OFFICER

Dato' Muzaffar Hisham
(Appointed w.e.f 18 May 2025)

Roni L. Abdulwahab
(Retired w.e.f 7 April 2025)

COMPANY SECRETARY

Aidil Haznul Zulkifli
(MACS 01638)
SSM Practising Certificate
Registration No.: 202008002535

AUDITORS

Ernst & Young PLT (AF: 0039)

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