

CORPORATE GOVERNANCE REPORT

STOCK CODE : 1155
COMPANY NAME : MALAYAN BANKING BERHAD
FINANCIAL YEAR : December 31, 2019

OUTLINE:

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

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

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

SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

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

Intended Outcome

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

Practice 1.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>To ensure that the Board's obligation to its shareholders and other stakeholders (employees, customers, regulators, etc.) remains paramount, the following aspirations and core values are propagated throughout the Maybank Group:-</p> <p><u>Maybank Vision</u> Advancing Asia's Ambitions With You</p> <p><u>Maybank Mission</u> Humanising Financial Services</p> <p><u>Maybank Core Values</u> T - Teamwork I - Integrity G - Growth E - Excellence and Efficiency R - Relationship Building</p> <p>These core values form the basis of the right work ethics, conduct and behaviour which all employees must adopt in order for the Group to achieve its Vision and Mission.</p> <p>In pursuit of the above, the Board ensures that the collective strategies employed by each sector within the Group in meeting their respective annual targets and key performance indicators, remains on- course and does not stray from the Group's overarching goals and objectives as set out above.</p> <p>To emphasise the importance that the Board places on its responsibility in setting the Group's strategic aims, approvals related to the Group's strategies, business plans and budgets ("Group Business Plan and Strategy") are exclusively reserved for the Board's decision, as</p>

stipulated in Maybank's Board Charter. The Board demonstrates its leadership in setting the strategic aims of the Group by organising and placing sufficient importance in the areas as described below.

The Group Business Plan and Strategy which is developed annually in consultation with the senior management outlines the strategies, business plans and budget that would be implemented to achieve the Group's strategic aims for the year. Once the Group Business Plan and Strategy has been approved by the Board, the progress and execution of the same will be monitored and supervised by the Group Executive Committee ("Group EXCO") which is chaired by the Group President and Chief Executive Officer ("Group PCEO").

To ensure that the Group remains on-course to achieve its strategic aims for the year, the Board assumes the following roles and responsibilities:-

- 1) Monitors the progress and development of the Group Business Plan and Strategy through:-
 - Regular testing of the senior management's assumptions of their respective forecasts;
 - Understanding the challenges faced by senior management and the strategies or plans senior management intends to employ to address the challenges;
 - Reviewing the integrity of the risk posture adopted by the Group to ensure that the strategies senior management intends to employ are sound and within acceptable boundaries; and
 - Evaluating proposed capital and operational expenditure plans to ensure that senior management would have the necessary resources to execute their respective plans.
- 2) Ensures that each of its members is well versed with the Group's diversified and regional operations, to encourage robust debates in meetings relating to the development, progress and implementation of the Group Business Plan and Strategy;
- 3) Ensures that all its Directors attend training and workshops to continuously build upon their industry and market knowledge, including training on the latest laws, rules and regulations impacting the Group and its operations; and
- 4) Delegates and entrusts its review functions to various Board Committees established by the Board to ensure a more holistic review and oversight of the Group Business Plan and Strategy.

The Board further ensures that each of its members is well versed on the Group's diversified and regional operations, to encourage robust debate in meetings relating to the development, progress and implementation of the Group Business Plan and Strategy. In

	<p>furtherance thereof, all newly appointed Directors are required to attend Maybank’s Board Induction Programme to familiarise themselves with the Group’s operations and to build a strong foundation of knowledge about the Group. Usually held over the course of two days, new Directors will engage in one-on-one briefings with members of the senior management team, so that they may gain a better understanding of the management and operations of key sectors within the Group.</p> <p>Board offsite meetings are also held annually, typically in locations where the Group has a presence, to gain a deeper understanding of the Group’s operations there. These offsite meetings also offer a good opportunity for the Board to meet with the Group’s senior management and employees located in those locations, to understand the challenges that they are encountering, and to offer support as appropriate.</p> <p>The Board also holds separate strategy sessions with the senior management to discuss the progress of the Group’s overall strategy and developments in the global economy (the “Board Strategy Session”). Conducted as a separate session outside of the ordinary board meeting format, these sessions enable Board members to debate and exchange their views in an informal setting.</p> <p>The Board delegates and entrusts its review function to the various Board Committees established by the Board, details of which are set out in Section B of this report. To ensure a more holistic review and oversight of the Group Business Plan and Strategy, the Chairman of each Board Committee provides monthly reports to the Board on issues and matters raised at their respective meetings that may impact the Group Business Plan and Strategy (with salient recommendations) for the Board’s further consideration. In turn, the Board may also issue relevant instructions or request to such committees to conduct reviews concerning such matters or on any other matters which concern them, in accordance with their respective terms of reference (“TOR”).</p> <p>In addition to the above, some members of the Board are also appointed as Chairman or as members of the board of Maybank’s major subsidiaries (“Subsidiary Boards”). This practice provides a bridge between the Board and Subsidiary Boards, from which the overall goals and objectives of the Group Business Plan and Strategy could be conveyed to the Subsidiary Boards, for better alignment and execution of the Group Business Plan and Strategy, bearing in mind the general principle that the board of these subsidiaries should also be able to discharge their own legal and governance responsibilities as a separate entity.</p>
<p>Explanation for departure</p>	<p>:</p>

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

Intended Outcome

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

Practice 1.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>Datuk Mohaiyani Shamsudin, a Non-Independent Non-Executive Director ("NINED") has been the Chairman of Maybank since 1 April 2017. Although the Chairman is a NINED, her influence on the Board is balanced by the majority of Independent Non-Executive Directors ("INED") on the Board.</p> <p>The Chairman:-</p> <ol style="list-style-type: none"> 1) Advocates integrity and honesty by ensuring that the Board's decisions are reached by consensus and reflect the will of the majority, and allows any concern or dissenting view expressed by any Director on any matter deliberated at meetings of the Board to be addressed and duly recorded in the relevant minutes of the meetings; 2) Builds confidence by demonstrating and adopting the highest standards of corporate governance practices and ensuring strict compliance to all relevant laws and regulations; 3) Promotes a healthy working relationship with the Group PCEO by providing the necessary support and advice and also plays a role in encouraging a close working relationship between the Board and senior management; 4) Communicates clearly and works well with the rest of the members of the Board to ensure that the Group's aspirations and objectives are aligned with the business activities carried out by senior management; and 5) Acts as the spokesperson for the Board and if necessary engages with the public or stakeholders. <p>The Chairman's profile can be found in Section B of this report.</p>
Explanation for departure	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 1.3

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

Application	:	Applied
Explanation on application of the practice	:	<p>The roles and responsibilities of the Chairman (as outlined in the explanation to Practice 1.2 in this report) and the Group PCEO are separated with a clear division of responsibilities and is defined, documented and approved by the Board, in line with best practices so as to ensure appropriate supervision of the senior management. This distinction allows for a better understanding and distribution of jurisdictional responsibilities and accountabilities. The clear hierarchical structure with its focused approach facilitates efficiency and expedites decision-making.</p> <p>Datuk Abdul Farid Alias has been the Group PCEO since 2 August 2013 and is the only Executive Director ("ED") on the Board. The Group PCEO, by virtue of his position as a Board member, functions as the intermediary between the Board and senior management. He has been delegated certain responsibilities by the Board in his capacity as the Group PCEO and is primarily accountable for overseeing the day-to-day operations to ensure the smooth and effective running of the Group's business.</p> <p>The Group PCEO as Chairman of the Group EXCO carries out the following roles and responsibilities:-</p> <ol style="list-style-type: none">1) Maps the Group's medium to long term plans for the Board's approval and is accountable for implementing the policies and decisions of the Board;2) Coordinates the development and implementation of business and corporate strategies by making sure that they are carried through to achieve the desired outcomes, especially in the institution of remedial measures to address identified shortcomings;3) Develops and translates the Group's strategies into a set of manageable goals and priorities and setting the overall strategic policy and direction of the business operations, investment and other activities based on effective risk management controls;4) Ensures that financial management practice is performed at the highest level of integrity and transparency for the benefit of the shareholders and that the business and affairs of the Group are carried out in an ethical manner and in full compliance with the relevant laws and regulations;

	<p>5) Develops and maintains strong communication programmes and dialogues with the shareholders, investors, analysts as well as employees, and providing effective leadership to the organisation; and</p> <p>6) Ensures high management competency as well as the emplacement of an effective management succession plan to sustain continuity of operations.</p> <p>The Group PCEO's profile can be found in Section B of this report.</p>
<p>Explanation for departure :</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure :</p>	
<p>Timeframe :</p>	

Intended Outcome

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

Practice 1.4

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

Application	:	Applied
Explanation on application of the practice	:	<p>En. Wan Marzimin bin Wan Muhammad has been the Group Company Secretary of Maybank since 1 September 2015 and also serves as the Group General Counsel. He holds a LLB (Honours) from the University of Kent at Canterbury, UK and was called to the Bar of England & Wales (Barrister of Gray's Inn) and the Malaysian Bar.</p> <p>He is assisted by En. Fariz bin Abdul Aziz who has been the Joint Company Secretary of Maybank since 29 September 2017. He holds a LLB (Honours) from Manchester Metropolitan University, a Certificate in Legal Practice issued by the Legal Profession Qualifying Board, Malaysia and was called to the Malaysian Bar.</p> <p>Both are licensed by SSM to act as the Company Secretaries of Maybank.</p> <p>The Company Secretaries' responsibilities include:-</p> <p><u>Corporate Governance Advisory</u></p> <ol style="list-style-type: none">1) Provide support to the Board in discharging their fiduciary obligations as directors and advise them on issues relating to the relevant laws, rules, policies, and regulations, as well as corporate governance best practices;2) Keep abreast of all requirements and changes with respect to corporate governance practices affecting Maybank and advise the Board on corporate governance obligations;3) Advise the Board on corporate disclosures to ensure compliance with the Bursa Malaysia Main Market Listing Requirements and other relevant laws and regulations;4) Organise Maybank Board Induction Programme for new Directors and ensure that it is undertaken in a structured manner. The Company Secretaries participate in the said programme and provide briefing on Maybank's corporate governance framework to new Directors; and5) Address the training needs of Directors during the year, by procuring relevant training programs relating to certain areas identified by the Board pursuant to the annual Board Effectiveness

	<p>Evaluation (“BEE”) or any other relevant training programmes that a Director may be interested to attend.</p> <p><u>Information flows and meetings</u></p> <ol style="list-style-type: none"> 6) Manage the logistics of all Board and Board Committee meetings, including Board offsite and strategy sessions; 7) Attend all meetings and ensure all discussions/deliberations during meetings are accurately recorded and properly maintained; 8) Facilitate proper communications and ensure the effective flow of information between the Board, Board Committees and the senior management by ensuring that action items identified and highlighted during meetings are acted upon by the senior management in a timely manner; and 9) Ensure that outstanding action items are properly tracked and monitored until such items are finally addressed by the senior management and reported to the Board accordingly. <p><u>Stakeholder communication</u></p> <ol style="list-style-type: none"> 10) Serve as a focal point for communication and engagement on corporate governance issues with regulators, the Board, senior management and stakeholders; and 11) Ensure that regulators’ requests and instructions are conveyed to the Board and the senior management in a timely manner, with appropriate advice. <p>The appointment and changes in the Company Secretaries are matters which are subject to the Board’s approval. This is to ensure that only qualified and suitable individuals are appointed as the Company Secretary. The Board assesses the performance of the Company Secretaries via the Board Satisfaction Index. Based on the evaluation conducted for FY2019, the Board was satisfied with the performance and support given by the Company Secretaries.</p>
<p>Explanation for departure :</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure :</p>	
<p>Timeframe :</p>	

Intended Outcome

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

Practice 1.5

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Chairman of the Board takes responsibility for ensuring that the members of the Board receive relevant, accurate, and clear information on a timely basis in respect of the Group's financial and operational performance to enable the Board to make sound decisions and provide necessary advice. In this respect, the Company Secretary will assist the Chairman of the Board to ensure that the process of disseminating such information is effective and reliable. Furthermore, in order to provide adequate and thorough discussion of the respective matters within a reasonable and sufficient time, the Chairman decides on the agenda and accordingly structure and prioritise the respective matters based on their relevancy and importance.</p> <p>Prior to each Board meeting, each Director will be provided with the draft minutes of the previous meeting and the agenda together with the respective reports/papers and other board meeting reference materials for each item to be discussed in order for them to be apprised of the topics and to be prepared accordingly.</p> <p>The meeting materials are circulated to the Board members within a week from the meeting date and are disseminated in a paperless manner via the 'BoardPAC', an iPad-based solution which stores meeting documents digitally in a secured manner.</p> <p>A standard format of meeting papers has been prescribed which includes the following:-</p> <ol style="list-style-type: none">1) Objective of the paper and action required from the Board – whether to approve, to provide input or merely to note;2) The background, summary or rationale – the reason or the need for the paper to be submitted to the Board;3) The proposal and way forward – includes key milestones and targeted completion date, where applicable;4) Conclusion and recommendation for the Board's consideration; and5) Name of the parties who prepared and reviewed the report/paper.

	<p>The Corporate Secretarial team will provide the necessary support and advice to the Management with respect to the standard format required for the meeting papers.</p> <p>The Chairman with the assistance of the Company Secretary ensures that clear and accurate minutes of Board meetings which include the key deliberations, rationale for each decision made, and any significant concerns or dissenting views are maintained. The Company Secretary ensures that the minutes of meetings as reviewed by the Chairman are circulated to the Board members in a timely manner. The Company Secretary also ensures that these minutes of meetings are disseminated to the senior management in a timely manner so that necessary actions can be taken.</p>	
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 2.1

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

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

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

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

Intended Outcome

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

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

Practice 3.1

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The management and employees of Maybank Group adhere to the Group's Code of Ethics and Conduct (the "Code of Ethics"). The Code of Ethics sets out sound principles and standards of good practice in the financial services industry. The Code of Ethics is reviewed on a periodic basis and covers a wide area, including the following:-</p> <ol style="list-style-type: none">1) Conflict of Interest;2) Misuse of position;3) Misuse of information and insider trading;4) Fair and equitable treatment; and5) Money Laundering and Terrorism Financing. <p>Pursuant to the Code of Ethics, Maybank Group's management and employees are required to uphold the highest standard of integrity in discharging their duties and in dealing with all stakeholders. This is in line with the Group's Core Values which give emphasis on behavioural ethics. A copy of Maybank Group's Code of Ethics and conduct is published on Maybank Group's corporate website (www.maybank.com).</p> <p>The Board also reinforces its commitment in promoting sound principles and standards of good practice in the financial industry by establishing the Policy on Directors Conflict of Interest (the "CI Policy"). The CI Policy, which incorporates the salient rules and regulations issued by Bank Negara Malaysia ("BNM") and Bursa Malaysia, regulates and manages issues of conflict (both direct and indirect) which a Director may encounter during his tenure as a Director, and set out the processes to address such issues. The CI Policy ensures that each member of the Board uphold the highest integrity in discharging their duties.</p>

	<p>The Board is assisted by the Compliance Committee of the Board (“CCB”) in navigating the complexity of current rules and regulations. Generally, the CCB monitors and addresses with the management, issues of non-compliance as highlighted by the Group Compliance team. The scope of the CCB includes reviewing, recommending, and overseeing the implementation of policies on compliance for the Group, including the relevant policies for the prevention of money laundering, terrorism financing, bribery and corruption.</p> <p>The Group adopts a zero-tolerance approach towards any form of bribery or corrupt practices. In 2011, Maybank became the first financial institution in Malaysia to sign the Corporate Integrity Pledge (“CIP”). The CIP reaffirms Maybank’s commitment to be free from any corrupt practice. To enhance and better instil the integrity value within Maybank Group, all management and employees are required to make an individual commitment to adhere to and comply with the Maybank Group Anti-Bribery & Corruption Policy (“AB&C Policy”) which sets out the key guiding principles and procedures to address Bribery and Corruption risks within and outside of the Group. The AB&C Policy was formalised and adopted across the Group in February 2018. The AB&C Policy has recently been updated taking into consideration the new corporate liability provision under Section 17(A) of the Malaysian Anti-Corruption Commission Act 2009 which will come into effect on 1 June 2020.</p> <p>In addition, the Group has also adopted a whistleblowing policy, providing an avenue for employees and external parties to report actual or suspected malpractice, misconduct or violations of the Group’s policies and regulations in a safe and confidential manner.</p>	
Explanation for departure		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure		
Timeframe		

Intended Outcome

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

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

Practice 3.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>Maybank Group Whistleblowing Policy (the “Whistleblowing Policy”) encapsulates the governance and standards required to promote an ethical, responsible and secure whistleblowing practice in Maybank. This is in line with the requirements of BNM’s Corporate Governance Policy and the principles as prescribed in the Whistleblower Protection Act 2010. The Whistleblowing Policy provides a proper and secured avenue for employees and members of the public to report any knowledge of improper conduct without fearing any adverse consequences.</p> <p>Access to whistleblowing information is governed with the strictest confidentiality under the oversight of an INED.</p> <p>Details of Maybank Group’s Integrity Hotline are as follows:-</p> <ol style="list-style-type: none">1) Toll-Free Message Recording Line at 1-800-38-8833 or for Overseas at 603-202681122) Protected Email Address at integrity@maybank.com.my3) Secured P.O. Box Mail Address at P.O. Box 11635, 50752 Kuala Lumpur, Malaysia <p>A total of 50 whistleblowing complaints were received through the Integrity Hotline from January to December 2019. 46 cases have been closed while investigations are still on-going for the remaining 4 cases.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.1

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

Application	: Applied												
Explanation on application of the practice	<p>As of 31 December 2019, the Board consisted of 12 members, out of which 75% of them were Independent Non-Executive Directors ("INED"). The Board composition was as follows:-</p> <table border="1"><thead><tr><th>Designation</th><th>Number of Directors</th><th>Percentage (%)</th></tr></thead><tbody><tr><td>Executive Director ("ED")</td><td>1</td><td>8%</td></tr><tr><td>Non-Independent Non-Executive Director ("NINED")</td><td>2</td><td>17%</td></tr><tr><td>Independent Non-Executive Director</td><td>9</td><td>75%</td></tr></tbody></table> <p>To ensure that INEDs are always able to exercise independent judgement in the best interest of the Company and are free from any conflict of interest situations, each INED is required to do the following:-</p> <ol style="list-style-type: none">1) Satisfy an annual independence assessment based on the independence criteria prescribed under the Bursa Malaysia Main Market Listing Requirements;2) Provide an annual independence self- declaration for the Group's Nomination and Remuneration Committee ("NRC")'s assessment; and3) Undertake the annual BEE. <p>Based on the latest results of the assessments/evaluation undertaken, the Board is satisfied that all INEDs have met the independence criteria and are able to act in an independent and objective manner.</p> <p>Besides having a majority of INEDs as members, the Board adopts a holistic approach in determining its size, composition, and level of independence. In this regard, the following principles will be taken into account in determining the Board composition and ideal size:-</p> <ol style="list-style-type: none">1) To have only one (1) ED as a member of the Board;2) To ensure that the role of the Chairman of the Board is separate from the Group PCEO;3) To ensure that the Chairman does not chair any of the Board Committees;	Designation	Number of Directors	Percentage (%)	Executive Director ("ED")	1	8%	Non-Independent Non-Executive Director ("NINED")	2	17%	Independent Non-Executive Director	9	75%
Designation	Number of Directors	Percentage (%)											
Executive Director ("ED")	1	8%											
Non-Independent Non-Executive Director ("NINED")	2	17%											
Independent Non-Executive Director	9	75%											

	<p>4) To ensure that the Board Committees comprise a majority of INEDs and only an INED is appointed as a Board Committee Chairman;</p> <p>5) To appoint a Senior Independent Director from among the INEDs; and</p> <p>6) To rotate the directors across the Board Committees.</p> <p>Based on the principles mentioned above, the Board has determined that its ideal size should be between 10 to 12 members. Besides complying with existing rules and regulations on the Board's composition (including independence), the Board also believes that such a size would promote effective deliberation, encourage the active participation of all its Directors and allows the work of its various Board Committees to be discharged without giving rise to an over-extension of time and commitment of each Director who may be required to serve on multiple Board Committees.</p>
<p>Explanation for departure</p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure</p>	<p>:</p>
<p>Timeframe</p>	<p>:</p>

Intended Outcome

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

Practice 4.2

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

If the board intends to retain an independent director beyond nine years, it should justify and seek annual shareholders’ approval. If the board continues to retain the independent director after the twelfth year, the board should seek annual shareholders’ approval through a two-tier voting process.

Application	:	Not applicable - Step Up 4.3 adopted	
Explanation on application of the practice	:		
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.3 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years.

Application	:	Adopted								
Explanation on adoption of the practice	:	<p>The Group's Policy on Tenure of Directorships adopts the step-up practice as set out in the Code. The said policy stipulates that any INED of Maybank who has reached the maximum tenure of nine (9) years, may, subject to the approval of the Board (taking into account of the recommendation of the NRC) and BNM, continue to remain as a member of the Board provided that the INED be re-designated as a NINED instead.</p> <p>The Board has taken this into consideration in its succession planning and will continue to monitor the Board composition to ensure that no INEDs exceed the nine (9) years tenure.</p> <p>The tenure of INEDs are as follows:-</p> <table border="1"><thead><tr><th>Years of Service</th><th>Number of INEDs</th></tr></thead><tbody><tr><td>Less than 3 years</td><td>5</td></tr><tr><td>3 years to 6 years</td><td>4</td></tr><tr><td>6 years to 9 years</td><td>0</td></tr></tbody></table> <p>As at 31 December 2019, none of the INEDs had exceeded the nine (9) years tenure.</p>	Years of Service	Number of INEDs	Less than 3 years	5	3 years to 6 years	4	6 years to 9 years	0
Years of Service	Number of INEDs									
Less than 3 years	5									
3 years to 6 years	4									
6 years to 9 years	0									

Intended Outcome

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

Practice 4.4

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

Application	: Applied																																																										
Explanation on application of the practice	<p>The Board acknowledges diversity as a critical factor in its composition and deliberations and embraces the proposition that having a diverse Board would have a positive and value-relevant impact on the Group. Diversity promotes healthy and stimulating debates by looking at the same matter but in differing views ultimately leading to a better decision making process. The BEE is the primary tool used to assess the Board's diversity with respect to skills and experience. The table below shows the results of the evaluation conducted during the year based on knowledge and experience in the areas set out below:-</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>No.</th> <th>Skills and Experience</th> <th>Number of Directors</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Banking</td> <td>10</td> <td>83%</td> </tr> <tr> <td>2.</td> <td>Insurance/Takaful</td> <td>2</td> <td>17%</td> </tr> <tr> <td>3.</td> <td>Asset Management</td> <td>4</td> <td>33%</td> </tr> <tr> <td>4.</td> <td>Strategic Planning & Business Strategy</td> <td>9</td> <td>75%</td> </tr> <tr> <td>5.</td> <td>Risk Management</td> <td>8</td> <td>67%</td> </tr> <tr> <td>6.</td> <td>Regional Experience</td> <td>6</td> <td>50%</td> </tr> <tr> <td>7.</td> <td>Corporate Governance</td> <td>12</td> <td>100%</td> </tr> <tr> <td>8.</td> <td>Legal and Compliance</td> <td>5</td> <td>42%</td> </tr> <tr> <td>9.</td> <td>Public Policy & Regulatory</td> <td>7</td> <td>58%</td> </tr> </tbody> </table> <p>The demographics of the Board as at 31 December 2019 in terms of race/ethnicity, nationality, age and gender were as follows:-</p> <p>A. Nationality</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Nationality</th> <th>Number of Directors</th> </tr> </thead> <tbody> <tr> <td>Malaysian</td> <td>10</td> </tr> <tr> <td>Indonesian</td> <td>1</td> </tr> <tr> <td>American</td> <td>1</td> </tr> </tbody> </table> <p>B. Age</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Age</th> <th>Number of Directors</th> </tr> </thead> <tbody> <tr> <td>50 years to 55 years</td> <td>3</td> </tr> <tr> <td>56 years to 60 years</td> <td>3</td> </tr> <tr> <td>61 years to 65 years</td> <td>3</td> </tr> <tr> <td>Above 65 years</td> <td>3</td> </tr> </tbody> </table>	No.	Skills and Experience	Number of Directors	Percentage	1.	Banking	10	83%	2.	Insurance/Takaful	2	17%	3.	Asset Management	4	33%	4.	Strategic Planning & Business Strategy	9	75%	5.	Risk Management	8	67%	6.	Regional Experience	6	50%	7.	Corporate Governance	12	100%	8.	Legal and Compliance	5	42%	9.	Public Policy & Regulatory	7	58%	Nationality	Number of Directors	Malaysian	10	Indonesian	1	American	1	Age	Number of Directors	50 years to 55 years	3	56 years to 60 years	3	61 years to 65 years	3	Above 65 years	3
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Intended Outcome

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

Practice 4.5

The board discloses in its annual report the company's policies on gender diversity, its targets and measures to meet those targets. For Large Companies, the board must have at least 30% women directors.

Application	:	Applied	
Explanation on application of the practice	:	<p>The Board has established a Policy on Gender Diversity and has embraced the recommendations of the Code of having at least 30% women representation on the Board. As at 31 December 2019, the Board consisted of 33.3% women Directors.</p> <p>Notwithstanding the above, the Board maintains its belief that appointments on the Board must always be based on merit, with due regard to the candidate's background, skill set and experience, and whether such appointment would further complement or enhance the existing mix of skill and experience of the Board.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 4.6

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board delegates to the NRC the responsibility to establish a formal and transparent procedure for the nomination and appointment of new Directors to the Board. Such responsibilities include screening, conducting initial selection of internal and external candidates, performing requisite evaluation and assessment on the candidates' ability to discharge their duties effectively and efficiently. The NRC also ensures candidates possess the appropriate skills, core competencies, experience and integrity to effectively discharge their role as directors and are able to meet the demands of the ever changing landscape of the financial industry.</p> <p>The following internal policies have been established to assist the NRC in carrying out these functions:-</p> <ol style="list-style-type: none">1) "Fit and Proper" Criteria for an Appointment/Re-Appointment of Key Responsible Persons of Licensed Institutions in Maybank Group;2) Policy on Director Independence;3) Policy on Appointment of Maybank Senior Executives as Directors of Maybank Group of Companies;4) Policy on Board Gender Diversity;5) Policy on Tenure of Directorship; and6) Policy on Nomination Process for Appointment of Chairman, Director and Chief Executive Officer of Licensed Institutions in Maybank Group. <p>Furthermore, the Board continues to build a database of potential candidates collated from various independent sources, including the Financial Institution Directors for Education (FIDE) Forum, talent resourcing and other recruitment consultants (the "Talent Pool"). From the Talent Pool, the Board will go through a selection process to identify suitably qualified candidates. The development of the Talent Pool is tied to the Board's succession plan which is reviewed by the NRC and the Board periodically. This is to ensure that the membership of the Board is refreshed from time to time with new appointees whilst still ensuring continuity in meeting the Group's long term goals and objectives.</p>

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

Intended Outcome

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

Practice 4.7

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

Application	:	Applied
Explanation on application of the practice	:	<p>Datuk R. Karunakaran, an INED, is the Chairman of the Group's NRC. As the Chairman, he leads the succession planning and appointment of Board members for the Group. His responsibilities include the following:-</p> <ol style="list-style-type: none">1) Leads the succession planning for the Board and its key subsidiaries, taking into account the tenure of existing members, the mix of skills and experience required, and the pool of talent available;2) Consults the Chairman of the Board on the prospects of new candidates being appointed on the Board; and3) Leads interviews with potential candidates that may be appointed on the Board and its key subsidiaries (together with other members of the NRC and the Chairman of the Board) in accordance with Maybank's Policy on the Nomination Process for Appointment of Chairman, Director and Chief Executive Officer of Licensed Institutions in Maybank. <p>Datuk R. Karunakaran is also Maybank's Senior Independent Director ("SID"). His role as the SID of the Board includes the following:-</p> <ol style="list-style-type: none">1) Addressing concerns of shareholders and other relevant stakeholders;2) Presiding at all meetings of the Board at which the Chairman is not present;3) Serving as a liaison between the Chairman and the Independent Directors; and4) Having the authority to call meetings of the Independent Directors. <p>Datuk R. Karunakaran's profile can be found in Section B of this report.</p>
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		

Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 5.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out and its outcome.

For Large Companies, the board engages independent experts periodically to facilitate objective and candid board evaluations.

Application	:	Applied
Explanation on application of the practice	:	<p>In 2017, the Board agreed to appoint independent experts periodically to conduct the BEE. For FY2019, the BEE was conducted internally with the assistance of the Group Corporate Secretarial team based on the framework that was originally designed by the independent experts to ensure continuity/consistency of the evaluation parameters. The Board may upon NRC's advice, decide whether the assistance of external experts would be required to undertake this exercise in the future.</p> <p>The scope of the assessment comprised the following:-</p> <p>1) BEE covering the following aspects:-</p> <ul style="list-style-type: none">(i) Board Responsibilities (including how the board deliberates on strategy, succession, risk review and other key responsibilities);(ii) For Board Committees, effectiveness of the Board Committees in discharging their responsibilities;(iii) Board composition and remuneration; and(iv) Board interaction and communication with the management and stakeholders. <p>and</p> <p>2) Individual Director Evaluation which covers the following areas:-</p> <ul style="list-style-type: none">(i) The strengths and contributions of each individual Director; and(ii) The specific areas in which each director may further enhance his/her performance and contribution. <p>Overall, the results of the BEE conducted for FY2019 were positive and satisfactory, reflecting strong and improved performance by Board and Board Committees.</p>

	<p>The results of the evaluation were tabled to the Board and the NRC and the individual results/feedback were provided to each Director for their information and records.</p> <p>In addition, the response and feedback made by individual members of the Board during the conduct of the said exercise on areas which the Board could improve on moving forward were also taken into account and deliberated by the Board.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

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

Practice 6.1

The board has in place policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The policies and procedures are periodically reviewed and made available on the company's website.

Application	:	Applied																				
Explanation on application of the practice	:	<p>The Board via the NRC is in charge of developing and implementing formal and transparent procedures for the development of Maybank's remuneration policy for its Directors and senior management. The NRC has demonstrated its commitment to set a fair and comprehensive remuneration package that:-</p> <ol style="list-style-type: none"> 1) Commensurate with the expertise, skills, and responsibilities associated with being a Director and/or senior management of a financial institution; and 2) Is benchmarked against the Group's peers both locally and regionally, taking into account the revenue/size of the Group against its regional peers. <p>The NRC has established a remuneration framework for the NED (the "NED Remuneration Framework") which is subject to periodic review. The NED Remuneration Framework for FY2019 is as per below:-</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th></th> <th colspan="4">NED Remuneration per annum (RM)</th> </tr> <tr> <th>Fee Component</th> <th>Chairman</th> <th>Vice Chairman</th> <th>Member</th> <th>Shareholders Approval</th> </tr> </thead> <tbody> <tr> <td>Board Fee</td> <td>610,000</td> <td>440,000</td> <td>295,000</td> <td>Obtained at the 55th Annual General Meeting ("AGM") held on 7 April 2015</td> </tr> <tr> <td>Board Committee Fee</td> <td>75,000</td> <td>-</td> <td>45,000</td> <td>Obtained at the 58th AGM held on 12 April 2018</td> </tr> </tbody> </table> <p>Based on the framework set out above, details of the total remuneration of the Directors in aggregate with categorisation into</p>		NED Remuneration per annum (RM)				Fee Component	Chairman	Vice Chairman	Member	Shareholders Approval	Board Fee	610,000	440,000	295,000	Obtained at the 55 th Annual General Meeting ("AGM") held on 7 April 2015	Board Committee Fee	75,000	-	45,000	Obtained at the 58 th AGM held on 12 April 2018
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	<p>appropriate components for FY2019 can be found in the explanation on the application of Practice 7.1 in this report.</p> <p>Maybank's remuneration framework for its senior management has also been reviewed by the NRC and the Board, particulars of which are elaborated in Section B of this report.</p>	
<p>Explanation for departure</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p>Measure</p>		
<p>Timeframe</p>		

Intended Outcome

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

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

Practice 6.2

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

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has established a combined Nomination and Remuneration Committee, with the delegated authority to develop and implement formal and transparent procedures for:-</p> <ol style="list-style-type: none">1) The appointment of Directors and senior management as well as assessment of effectiveness of individual Directors, the Board as a whole and the performance of the senior management; and2) The development of Maybank's remuneration policy for Directors, the Group CEO and senior management of Maybank and to ensure that compensation is competitive and consistent with the Group's culture, objectives and strategy. <p>The majority of the NRC members are INEDs.</p> <p>The composition of the NRC, the profile of each member and details of meetings attended can be found in Section B of this report. The roles and responsibilities of the NRC are set out in its TOR which is available on Maybank Group's corporate website (www.maybank.com).</p> <p>Among the key activities of the NRC during FY2019 in relation to remuneration review, were as follows:-</p> <ol style="list-style-type: none">(a) Reviewed the Directors' fees and benefits for NEDs of Maybank and its subsidiaries;(b) Reviewed and recommended the total rewards (variable bonus and salary increment) for the Group; and(c) Reviewed the payout of the Long-Term Cash Award for the Group
Explanation for departure	:	

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

Intended Outcome

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

Practice 7.1

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

Application	: Applied					
Explanation on application of the practice	: The details of the remuneration received by the Directors from Maybank (which includes fees, salary, bonus, benefits in-kind and other emoluments) in FY2019 are set out as follows:-					
	Salary (RM)	Bonus (RM)	Directors' Fees (RM)	Other Emoluments (RM)	Benefits-In-Kind (RM)	Total (RM)
Executive Director						
Datuk Abdul Farid Alias	2,760,000	2,587,500	-	2,143,160*	74,986	7,565,646
Non-Executive Directors						
Datuk Mohaiyani Shamsudin	-	-	610,000	610,000	66,817 [#]	1,286,817
Datuk R. Karunakaran	-	-	490,000	152,000	44,466 [#]	686,466
Mr. Cheng Kee Check	-	-	505,000	244,000	2,163 [#]	751,163
Mr. Edwin Gerungan	-	-	460,000	218,000	43,057 [#]	721,057
Dr Hasnita Dato' Hashim	-	-	396,250	144,000	10,050 [#]	550,300

Mr Anthony Brent Elam	-	-	460,000	264,000	7,255 [#]	731,255
Ms. Che Zakiah Che Din	-	-	460,000	212,000	1,113 [#]	673,113
Puan Fauziah Hisham	-	-	475,000	208,000	6,727 [#]	689,727
Encik Shariffuddin Khalid	-	-	431,583	196,000	13,325 [#]	640,908
Dato' Idris Kechot ¹	-	-	248,246	116,000	802 [#]	365,048
Dato' Zulkiflee Abbas Abdul Hamid ²	-	-	153,746	84,000	1,504 [#]	239,250
Encik Nor Hizam Hashim ³	-	-	186,750	72,000	38,733 [#]	297,483
TOTAL (for Non-Executive Directors)	-	-	4,876,575	2,520,000	236,012	7,632,587
GRAND TOTAL	2,760,000	2,587,500	4,876,575	4,663,160	310,998	15,198,233

* Executive Director's other emoluments include pension costs, allowances, long term cash award and reimbursements.

Benefits in-kind for Non-Executive Directors include golf club membership, annual gift and farewell gift. In addition to this, benefits in-kind for the Chairman also include driver, car and fuel allowance.

Notes:

¹ Appointed as an Independent Non-Executive Director of Maybank on 15 May 2019

² Appointed as an Independent Non-Executive Director of Maybank on 15 August 2019

³ Retired as an Independent Non-Executive Director of Maybank on 12 June 2019

The remuneration received by the Directors in FY2019 at Group level can be found in Note 45 on page 139 of the Financial Book of Maybank's Annual Report 2019.

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

Intended Outcome

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

Practice 7.2

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Board is of the opinion that such disclosure would be disadvantageous to the Group's business interests, given the highly competitive conditions in the banking industry where poaching of executives is common.</p> <p>As an alternative to the recommended practice, the Board has opted to disclose a qualitative and quantitative disclosure of Maybank's remuneration framework for senior management and other employees of the Group as disclosed in Section B of this report.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	The Board will closely monitor developments in the market in respect of such disclosure for future consideration.
Timeframe	:	Others

Intended Outcome

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

Practice 7.3 - Step Up

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

Application	:	Not Adopted
Explanation on adoption of the practice	:	

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 8.1

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

Application	:	Applied	
Explanation on application of the practice	:	The Audit Committee of the Board ("ACB") comprises four (4) members who are all INEDs. Encik Shariffuddin bin Khalid has been appointed the Chairman of the ACB since 12 June 2019. He is not the Chairman of the Board. The composition of the ACB, the profile of each ACB members and the roles and responsibilities of the ACB can be found in Section B of this report.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 8.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>The TOR of the ACB stipulates that should a former key audit partner be considered for appointment as a member of the ACB, the said candidate is required to observe a cooling-off period of at least two (2) years from the date he ceases to be a partner of the firm which has been the external auditor of the Group, before being appointed as a member of the ACB.</p> <p>With regard to the TOR of the ACB as set out above, none of the current members of the Board or the ACB had been associated with nor have they held any senior leadership position with the Group's appointed external auditors in the past two (2) years.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 8.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor.

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has delegated the responsibility to assess the suitability, objectivity and independence of the Group's appointed external auditors to the ACB. This responsibility is enshrined in the ACB's TOR which is available on Maybank Group's corporate website (www.maybank.com), while the procedures and processes for the conduct of such assessment is guided by the Group's Framework on Appointment of External Statutory Auditors for Provision of Statutory Audit and Non-Audit Services (the "Framework").</p> <p>Guided by the Framework, the ACB from time to time reviews and assesses the objectivity and independence of external auditors in the following areas:-</p> <ol style="list-style-type: none">1) The audit fee and the appointment, termination and resignation of external statutory auditors, and thereafter make the appropriate recommendations to the Board, as the ACB deems fit;2) The scope of external audit and the audit plan covering both local and overseas operations;3) The performance of external statutory auditors and its qualification, expertise and effectiveness;4) The evaluation of the adequacy and effectiveness of internal controls system;5) The Memorandum of Recommendations i.e. major audit findings raised by external statutory auditors and the management's responses, including the status of previous audit recommendations;6) The assistance given by the management to the external statutory auditors and any difficulties encountered in the course of the audit work, including any restrictions on the scope of activities or access to required information; and7) The approval of non-audit services provided by the external statutory auditors.

As a financial institution, Maybank is also bound by banking regulations to ensure that external auditors appointed by the Group meets the quantitative and qualitative criteria set out in BNM's guidelines and shall continue to meet the criteria throughout the audit engagement, which among others require the Board and the ACB to obtain, review and independently verify through reasonable means all relevant information necessary to support its assessment of the external statutory auditor's compliance with the said criteria.

Annually, Maybank will conduct an evaluation of the external statutory auditors covering the following areas:

- a) The professional conduct of the auditor, by ensuring the key members of audit engagement have the necessary qualification and do not have any record of disciplinary actions and not convicted of any offence;
- b) Performance of the auditor, by ensuring the key members of audit engagement have the necessary skills, knowledge and appropriate experience to perform the audit;
- c) Independence and conflict of interest, by ensuring that the key members of audit engagement do not have relationship with, or interests in Maybank and its subsidiaries (including shareholding interest); and
- d) Objectivity.

Maybank had in June 2019, also initiated a tender exercise for the appointment of external statutory auditor to carry out audit works for the Group for the financial year ending 31 December 2020 ("FY2020"). This is in line with the Framework which requires Maybank to initiate a rotation exercise when the duration of audit engagement with the incumbent audit firm (i.e. Ernst & Young PLT ("EY")) has reached ten (10) years.

In this regard, four (4) internationally recognised and capable audit firms had participated in the tender exercise. All invitees submitted and presented their proposals to panel evaluators and presented the summary of the proposals to the ACB at its meeting in August 2019. The proposals were assessed and evaluated based on amongst others, company profile, audit approach and effectiveness of audit plan, knowledge and expertise of engagement team, independence, familiarity concerns and conflict of interest and policy on provision of non-audit services.

After taking all factors into consideration, the Board has upon ACB's recommendation, resolved to retain the services of EY as external statutory auditors of Maybank Group for FY2020. In their recommendation to the Board, the ACB was comforted by the fact that EY is able to assemble the best resources and expertise to deliver a high-quality audit service to the Maybank Group.

	<p>Having considered the outcome of the said tender exercise and pursuant to BNM’s approval, the Board will be seeking the approval of the shareholders to re-appoint EY as the Auditors of Maybank at the forthcoming 60th AGM.</p> <p>For the audit of the financial year ended 31 December 2019, the ACB had reviewed and endorsed the written assurance provided by the external auditors confirming their independence throughout the financial year under review.</p> <p>During FY2019, the ACB held two (2) meetings with the external auditors on 29 January 2019 and 29 July 2019 without the presence of the Management team to discuss relevant issues and obtain feedback for improvements.</p>	
Explanation for departure :		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
Measure :		
Timeframe :		

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 8.4 - Step Up

The Audit Committee should comprise solely of Independent Directors.

Application	:	Adopted															
Explanation on adoption of the practice	:	<p>On 1 September 2019, the only NINED member of the ACB, Mr Cheng Kee Check had stepped-down in accordance with the best practices of the Code. Since then, the ACB comprises wholly of INEDS.</p> <p>The composition of the ACB as at 31 December 2019 was as follows:-</p> <table border="1"><thead><tr><th></th><th>Members</th><th>Designation</th></tr></thead><tbody><tr><td>1.</td><td>Encik Shariffuddin Khalid</td><td>Independent Non-Executive Director/ Chairman</td></tr><tr><td>2.</td><td>Ms Che Zakiah Che Din</td><td>Independent Non-Executive Director/ Member</td></tr><tr><td>3.</td><td>Dato' Idris Kechot</td><td>Independent Non-Executive Director/ Member</td></tr><tr><td>4.</td><td>Dato' Zulkiflee Abbas Abdul Hamid</td><td>Independent Non-Executive Director/ Member</td></tr></tbody></table>		Members	Designation	1.	Encik Shariffuddin Khalid	Independent Non-Executive Director/ Chairman	2.	Ms Che Zakiah Che Din	Independent Non-Executive Director/ Member	3.	Dato' Idris Kechot	Independent Non-Executive Director/ Member	4.	Dato' Zulkiflee Abbas Abdul Hamid	Independent Non-Executive Director/ Member
	Members	Designation															
1.	Encik Shariffuddin Khalid	Independent Non-Executive Director/ Chairman															
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4.	Dato' Zulkiflee Abbas Abdul Hamid	Independent Non-Executive Director/ Member															

Intended Outcome

There is an effective and independent Audit Committee.

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

Practice 8.5

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

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

Application	:	Applied				
Explanation on application of the practice	:	<p>The ACB is chaired by Encik Shariffuddin Khalid, a Fellow Member of the Chartered Institute of Management Accountants ("CIMA"), United Kingdom. He has over thirty (30) years of experience in the banking and corporate sector.</p> <p>The ACB members have vast working experience with the requisite knowledge and skills from various industries. Not only are they able to understand matters under the purview of ACB, they are also able to provide sound advice in areas of financial reporting, internal and external audit reports and the state of the Group's risk and internal control environment.</p> <p>All members of the ACB are aware of the need to continuously develop and increase their knowledge in the area of accounting and auditing standards, given the changes and development in this area from time to time.</p> <p>During FY2019, members of the ACB had attended the following trainings:-</p> <table border="1"><thead><tr><th>Member</th><th>Seminars/Training/ Programs Attended</th></tr></thead><tbody><tr><td>Encik Shariffuddin Khalid</td><td><ul style="list-style-type: none">• Audit Committee Conference 2019;• Maybank 2019 Annual Risk Workshop;• Executive Talk on Integrity & Governance: The Corporate Liability Provision, the "Adequate Procedures" & The Implementation of the National Anti-Corruption Plan;• The Securities Commission Malaysia's Audit Oversight Board Conversation with Audit Committees; and</td></tr></tbody></table>	Member	Seminars/Training/ Programs Attended	Encik Shariffuddin Khalid	<ul style="list-style-type: none">• Audit Committee Conference 2019;• Maybank 2019 Annual Risk Workshop;• Executive Talk on Integrity & Governance: The Corporate Liability Provision, the "Adequate Procedures" & The Implementation of the National Anti-Corruption Plan;• The Securities Commission Malaysia's Audit Oversight Board Conversation with Audit Committees; and
Member	Seminars/Training/ Programs Attended					
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		<ul style="list-style-type: none"> The Ethical Consideration for Exercising Professional Judgements in Financial Reporting - The 'should' and 'should not'.
	Ms Che Zakiah Che Din	<ul style="list-style-type: none"> Audit Committee Conference 2019; Maybank 2019 Annual Risk Workshop; and Raising Defences: Section 17A, MACC Act.
	Dato' Idris Kechot	<ul style="list-style-type: none"> Maybank 2019 Annual Risk Workshop; Permodalan Nasional Berhad Leadership Forum 2019 "From Governance to Performance"
	Dato' Zulkiflee Abbas Abdul Hamid	<ul style="list-style-type: none"> Mandatory Accreditation Programme Islamic Finance for Board of Directors Programme; and Raising Defences: Section 17A, MACC Act.
Explanation for departure	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	

Intended Outcome

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

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

Practice 9.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledges its overall responsibility in establishing a sound system of risk management and internal control as well as reviewing its adequacy and effectiveness in identifying, assessing and responding to risks to achieve the Group's objectives. The Board plays a pivotal role in providing risk oversight and determining the aggregate level and types of risk that the Group is willing to take in achieving its strategic objectives (risk appetite). The Board actively participates in the setting of the Group's objectives and strategies, and ensures the corresponding risks are adequately mitigated within its approved risk appetite. In view of the inherent limitations in any risk management and internal control system, such system can therefore only provide reasonable, rather than absolute assurance to realise the Group's objectives and against material financial misstatements, losses or fraud.</p> <p>Risk management oversight at enterprise-level is achieved through establishment of various risk strategies, guiding principles and practices. As an increasingly crucial strategic driver, risk management is reinforced by fundamental principles in propelling resilient risk culture and values.</p> <p>As part of the strategic risk initiatives, new Risk Centres of Excellence (COEs) are established where specialists support in strategic business decision-making from the risk standpoint. The COEs outline the standard principles in risk management, specialising in specific risk areas within the Group.</p> <p>The Board has established a strong risk management and internal control governance structure that is crucial in setting the tone and culture towards effective risk management and internal control. To effectively carry out its risk and control oversight responsibilities, the Board is assisted by the Risk Management Committee ("RMC"), CCB and ACB to oversee all matters regarding risk, compliance and controls. The Board receives reports periodically from these Board Committees to keep the Board informed of the Board Committee's work, key deliberations and decisions on delegated matters.</p>

	<p>The Board Committees are responsible to assist the Board in the execution of its governance and oversight responsibility and the roles include:-</p> <table border="1" data-bbox="560 331 1406 1272"> <thead> <tr> <th data-bbox="560 331 663 376">No.</th> <th data-bbox="663 331 927 376">Board Committee</th> <th data-bbox="927 331 1406 376">Responsibility</th> </tr> </thead> <tbody> <tr> <td data-bbox="560 376 663 696">1.</td> <td data-bbox="663 376 927 696">ACB</td> <td data-bbox="927 376 1406 696">The ACB is responsible for the assessment of the adequacy and effectiveness of the Group's governance, risk management and internal control system through the Internal Audit ("IA") function. The ACB has active oversight over IA's independence, scope of work and resources.</td> </tr> <tr> <td data-bbox="560 696 663 1055">2.</td> <td data-bbox="663 696 927 1055">RMC</td> <td data-bbox="927 696 1406 1055">The RMC is responsible for formulating policies and frameworks to identify, measure, monitor, manage and control the material risk components impacting the businesses including IT-related risk. The effectiveness of the risk management system is monitored and evaluated by the Group Risk function, on an ongoing basis.</td> </tr> <tr> <td data-bbox="560 1055 663 1272">3.</td> <td data-bbox="663 1055 927 1272">CCB</td> <td data-bbox="927 1055 1406 1272">The CCB is responsible to ensure regulatory compliance risk is effectively managed to support the Group's business growth in line with the Group's aspiration and risk appetite.</td> </tr> </tbody> </table> <p>Further details on the Group's risk and internal controls during FY2019 can be found in the Statement on Risk Management and Internal Controls in Maybank's Annual Report 2019.</p>	No.	Board Committee	Responsibility	1.	ACB	The ACB is responsible for the assessment of the adequacy and effectiveness of the Group's governance, risk management and internal control system through the Internal Audit ("IA") function. The ACB has active oversight over IA's independence, scope of work and resources.	2.	RMC	The RMC is responsible for formulating policies and frameworks to identify, measure, monitor, manage and control the material risk components impacting the businesses including IT-related risk. The effectiveness of the risk management system is monitored and evaluated by the Group Risk function, on an ongoing basis.	3.	CCB	The CCB is responsible to ensure regulatory compliance risk is effectively managed to support the Group's business growth in line with the Group's aspiration and risk appetite.
No.	Board Committee	Responsibility											
1.	ACB	The ACB is responsible for the assessment of the adequacy and effectiveness of the Group's governance, risk management and internal control system through the Internal Audit ("IA") function. The ACB has active oversight over IA's independence, scope of work and resources.											
2.	RMC	The RMC is responsible for formulating policies and frameworks to identify, measure, monitor, manage and control the material risk components impacting the businesses including IT-related risk. The effectiveness of the risk management system is monitored and evaluated by the Group Risk function, on an ongoing basis.											
3.	CCB	The CCB is responsible to ensure regulatory compliance risk is effectively managed to support the Group's business growth in line with the Group's aspiration and risk appetite.											
Explanation for departure :													
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>													
Measure :													
Timeframe :													

Intended Outcome

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

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

Practice 9.2

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

Application	:	Applied
Explanation on application of the practice	:	<p>The risk management framework is underpinned by the following set of key principles which serves as the foundation in driving strong risk management culture, practices and processes:-</p> <ol style="list-style-type: none"> 1) Establish risk appetite and strategy; 2) Assign adequate capital; 3) Ensure proper governance and oversight function; 4) Promote strong risk culture; 5) Implement sound risk frameworks, policies and procedures; 6) Execute strong risk management practices and processes; and 7) Ensure sufficient resources and system infrastructure. <p>The key features of the Group's risk management framework include:-</p> <ol style="list-style-type: none"> 1) Risk Appetite One of the imperative constituents of the Group's risk management framework is risk appetite. The tone is set from the top and driven bottom-up at all levels. It provides the Board and senior management with the visibility and understanding of the risk level acceptance in various business scenarios. Risk appetite is dynamic, responsive towards shifting factors and assimilated to the strategic planning process; 2) Risk Governance and Oversight The Group's governance model sets the accountability, ownership and segregation of duties for the three (3) lines of defence. It also provides an effective governance structure fostering active involvement from all Group levels; 3) Risk and Compliance Structure The risk and compliance culture is extensively emphasised, communicated and cultivated at all levels across the Group through the risk and compliance policies. The reinforcement of expected risk behaviour and values are by way of emplacing rules and regulations whilst programmes are conducted via various platforms to instil the risk culture in all employees; and

	<p>4) Risk Management Practices and Processes The core activities of the risk management practices and processes comprise the identification, measurement, control, monitoring and reporting of risk exposures across the Group.</p> <p>The key elements of the internal control system for effective governance and oversight includes amongst others the following:-</p> <ol style="list-style-type: none"> 1) Annual Business Plan and Budget <ul style="list-style-type: none"> - Performance achievements are reviewed against the targeted results on a monthly basis allowing timely responses and corrective actions to be taken to mitigate the risks; 2) Oversight by Risk Management Committee <ul style="list-style-type: none"> - Formulation of policies and frameworks to identify, measure, monitor, manage and control the material risk components impacting the businesses; 3) Oversight by CCB <ul style="list-style-type: none"> - Compliance risk management with respect to effective management of regulatory compliance risk to support business growth; and 4) Executive Level Management Committees <ul style="list-style-type: none"> - To assist and support the various Board Committees to oversee the core areas of business operations. <p>The Board has disclosed the key features of its risk management and internal control system in the Statement on Risk Management and Internal Control in Maybank's Annual Report 2019.</p>
<p>Explanation for departure :</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure :</p>	
<p>Timeframe :</p>	

Intended Outcome

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

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

Practice 9.3 - Step Up

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

Application	:	Applied
Explanation on adoption of the practice	:	<p>The RMC comprises wholly of INEDs and is chaired by Mr Edwin Gerungan. The RMC assists the Board in ensuring that the risk exposures and outcomes affecting the Group is effectively managed and addressed by the Board. More specifically, the RMC is responsible for formulating policies and frameworks to identify, monitor, manage and control material risks impacting the Group.</p> <p>The composition of the RMC, the profile of each member, its roles and responsibilities and details of meeting attendance can be found in Section B of this report.</p>

Intended Outcome

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

Practice 10.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Internal Audit (“IA”) function is established by the Board to undertake independent review and assessment on the adequacy, efficiency and effectiveness of risk management, control and governance processes implemented by management. The IA function of Maybank Group is organised in-house and is independent of the activities or operations of other operating units in the Group. To maintain its impartiality, proficiency and due professional care as outlined in the Audit Charter (as approved by the ACB and noted by the Board), the IA function reports functionally to the ACB and administratively to the Group PCEO.</p> <p>The principal responsibility of IA is to evaluate the effectiveness of the governance, risk management and internal control framework and to assess whether the risks which may hinder the Group from achieving its objectives, are adequately evaluated, managed and controlled. It provides risk-based and objective assurance, advice and insight to stakeholders with the aim of enhancing and protecting organisational values and supporting the Group to achieve its goals.</p> <p>To ensure effective management and independence of the Group’s IA function, the ACB is empowered by its TOR to:-</p> <ol style="list-style-type: none">1) Appraise and approve the appointment and termination of the Group Chief Audit Executive;2) Review and assess the performance of senior internal audit staff, including their remuneration and annual increment;3) Take cognisance of the resignation of internal audit staff and the reasons for their resignation; and4) Review and approve the scope of internal audit and the audit plan of the internal audit, covering both local and overseas operations, the adequacy of the scope, functions, and resources of the internal audit functions and whether it has the necessary authority to carry out its work. <p>For further information, please refer to the Audit Committee Report in Maybank’s Annual Report 2019.</p>

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

Intended Outcome

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

Practice 10.2

The board should disclose–

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board has through the ACB disclosed with sufficient explanation and detail in the Audit Committee Report in Maybank’s Annual Report 2019, the following information:-</p> <p>1) Independence of Internal Audit (“IA”) Personnel</p> <p>The IA function of Maybank Group is organised in-house and is independent of the activities and operations of other operating units in the Group. To maintain its impartiality and objectivity outlined in the Audit Charter (as approved by the ACB), the IA function reports functionally to the ACB and administratively to the Group PCEO.</p> <p>All the IA personnel confirmed via the annual declaration that they are free from any relationships or conflicts of interest, which could impair their objectivity and independence in carrying out their duties as internal auditors of the Maybank Group.</p> <p>2) Internal Audit Resources</p> <p>As of 31 December 2019, Group Audit (“GA”) has a staff strength of 311 individuals (Malaysia and Regional) from diverse backgrounds and qualifications. 95.6% of GA staff have minimum tertiary qualifications and/or professional certifications such as Certification for Bank Auditors (“CBA”), Certified Internal Auditors (“CIA”), Certified Information Systems Auditor (“CISA”), Certified Public Accountants (“CPA”) and the Association of Chartered Certified Accountants (“ACCA”).</p> <p>3) Group Chief Audit Executive</p> <p>The IA function is currently headed by Puan Nazlee Abdul Hamid, the Group Chief Audit Executive. She has over 30 years audit experience in the financial industry as well as with BNM. She has</p>

	<p>a Master of Business Administration in Management and Organisational Leadership and a Diploma in Accountancy. She is an active member of the Chief Internal Auditors Networking Group (“CIANG”) and also a member of the Information Systems Audit and Control Association (“ISACA”), an independent, non-profit, global association that engages in the development, adoption and use of globally accepted, industry-leading knowledge and practices for information systems.</p> <p>4) Internal Audit Framework</p> <p>The IA processes and activities are governed by the relevant regulatory guidelines as well as the Group’s Code of Ethics and The Institute of Internal Auditor’s (“IIA”) mandatory guidance established under the International Professional Practices Framework (“IPPF”).</p> <p>The IA scope of work for the year (as defined in the Annual Audit Plan) is identified using the Maybank Risk Based Audit (“MRBA”) approach whilst the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”) and Control Objectives for Information and Related Technologies (“COBIT”) (for IT) frameworks are used to assess the adequacy and effectiveness of internal controls.</p>
<p>Explanation for departure</p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p>Measure</p>	<p>:</p>
<p>Timeframe</p>	<p>:</p>

Intended Outcome

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

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

Practice 11.1

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

Application	:	Applied
Explanation on application of the practice	:	<p>The Board acknowledges the importance of regular communications not only with its shareholders but also with other stakeholders (investors, employees, regulators, customers, suppliers, the Government and its agencies, etc.) that in one way or another are impacted by the decisions taken and who have helped shape what Maybank is now today. Communications (that are not only confined to issues on maximization of shareholders value) that are regular, timely, accurate and transparent with quality disclosures through appropriate communication platforms ensures stakeholders understand the present state of affairs of Maybank to facilitate informed decisions. The proper management of stakeholders' expectations and welfare is paramount to the development of a sustainable business for Maybank.</p> <p>Taking cognizance on the importance of regular communications and the recommendation as per the Bursa Malaysia Corporate Disclosure Guide, the Board has adopted the Group Corporate Disclosure Policies and Procedures which can be found on Maybank Group's corporate website (www.maybank.com).</p> <p>The Group adopts the following communication platforms amongst others:-</p> <p><u>Annual Report</u></p> <p>The Annual Report is a powerful engagement tool applicable to all stakeholders as it is a one-stop information centre on the Group with respect to financial achievements (historical), its Board and senior management, the Group's strategies, operations, policies adopted and its environment and social responsibilities.</p> <p><u>Group Corporate Website</u></p> <p>The Group corporate website (www.maybank.com) provides easy access to comprehensive information (historical and current) on the Group. Apart from also providing the Annual Reports, the corporate website has additional information as follows with an aim to provide a better understanding of Maybank's business to its stakeholders:-</p>

1. Maybank's current share price;
2. Constitution;
3. Board Charter;
4. Terms of Reference of Board Committees;
5. Group wide policies;
6. Corporate Governance structure and framework;
7. The Group's global operations and subsidiaries;
8. Latest corporate news including media releases, face to face interviews, media conferences and engagements with analysts;
9. Bursa Malaysia announcements on corporate transactions and quarterly results; and
10. Notices of general meetings and minutes of meetings.

Investor Relations

Maybank's Investor Relations ("IR"), an essential part of Maybank's Corporate Governance framework, ensures the domestic and international investment community receive relevant, timely and comprehensive information about the Group by practicing an effective and transparent two-way communication. Stakeholders can channel any concerns or feedback with the key IR spokesperson of Maybank as follows:-

Dato' Amirul Feisal Wan Zahir
 Group Chief Financial Officer
 Contact : (6)03 2074 7416
 Email : feisal.zahir@maybank.com

Jeeva Arulampalam
 Head, Group Performance Reporting and Investor Relations
 Contact : (6)03 2074 8017
 Email : jeeva.a@maybank.com

General Meetings

The AGM and Extraordinary General Meetings ("EGM") are the primary open platforms for shareholders to raise questions on the agendas proposed for approval by the Board. As active participation from the shareholders are greatly encouraged, the Board and senior management place much emphasis to answer as many questions as possible posed with concise answers. Questions from the Minority Shareholders Watch Group ("MSWG") on Maybank's business or other pertinent governance issues raised prior to the meeting as well as Maybank's response to the same are shared with all shareholders during the meeting. Minutes of the AGM/EGM including significant matters discussed at the meetings are also disclosed on Maybank Group's corporate website (www.maybank.com).

Electronic/Social Media Platforms

Leveraging on technology, Maybank also uses established and trusted social media platforms with strict monitoring in place to engage with its stakeholders.

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

Intended Outcome

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

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

Practice 11.2

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

Application	:	Applied	
Explanation on application of the practice	:	The FY2019 Annual Report - Corporate Book will mark the Company’s third year that it has made reference to the Integrated Reporting <IR> framework. The Company will continue to identify and attempt to narrow gaps in the annual report against the <IR> framework in stages. The Board is committed on the <IR> journey in tandem with the expectations of stakeholders for quality disclosures.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 12.1

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

Application	:	Applied	
Explanation on application of the practice	:	In line with the recommendations of the Code, the Notice of the 59 th AGM of the Company dated 13 March 2019 was issued to the shareholders 28 days prior to the AGM which was held on 11 April 2019.	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 12.2

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

Application	:	Applied	
Explanation on application of the practice	:	<p>As the dates of General Meetings are scheduled and approved in advance, the Directors are able to commit to attending the meetings, save for unforeseeable circumstances that are beyond their control. All Directors attended the 59th AGM held on 11 April 2019.</p> <p>The Chairman and Chair of all Board Committees are involved in the preparations of AGM and are regularly updated by the management on potential issues which may be raised during the AGM. Frequently Asked Questions ("FAQ") and proposed answers will be prepared by the senior management for deliberation with the Board well ahead of the AGM in anticipation of any questions that may be raised by the shareholders. The Chair of the respective Board Committees are also aware of their scope of responsibilities and come prepared to address any issues that the shareholders may raise within their scope.</p>	
Explanation for departure	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
Measure	:		
Timeframe	:		

Intended Outcome

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

Practice 12.3

Listed companies with a large number of shareholders or which have meetings in remote locations should leverage technology to facilitate–

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

Application	:	Departure
Explanation on application of the practice	:	
Explanation for departure	:	<p>The Board did not apply Practice 12.3 last year, deciding instead to adopt a prudent stance of monitoring developments in the market in respect of remote meeting technology, bearing in mind the need to effectively communicate with the Company's large shareholder base. Shareholders who were not able to physically attend the AGM last year had voted via their appointed proxies.</p> <p>However, in view of the Covid-19 pandemic and the ensuing Movement Control Order issued by the Government of Malaysia (the "MCO"), which prohibits movement and mass assemblies nationwide, the Board has decided to apply remote meeting technology during the 60th AGM to be held later this year (on a date to be determined), after taking into account health and safety concerns of our shareholders, which may not necessarily dissipate even after the MCO has been uplifted. The technology will enable shareholders to attend, participate and vote at the said meeting remotely, without having to physically attend the same.</p>
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
Measure	:	
Timeframe	:	To be applied for the 60th AGM

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

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

BOARD OF DIRECTORS

Profile of Directors

DATUK MOHAIYANI BINTI SHAMSUDIN

Non-Independent Non-Executive Director (Chairman)

71 years of age

Malaysian

APPOINTMENT

22 August 2011 (Appointed as Chairman on 1 April 2017)

QUALIFICATION

- Master of Business Administration (Finance), Cornell University, Ithaca, New York, USA
- Bachelor of Arts in Economics, Knox College, Galesburg, Illinois, USA

WORKING EXPERIENCE AND DIRECTORSHIPS

Present:

Within Maybank Group

- Chairman of Maybank
- Chairman of Maybank Investment Bank Berhad
- Chairman of Maybank Kim Eng Holdings Ltd
- Chairman of Maybank Foundation

Other Companies/Bodies

- Director of Capital Market Development Fund, Securities Commission Malaysia
- Member / Trustee of Perdana Leadership Foundation
- Member / Trustee of IJN Foundation
- Member / Trustee of National Council of Women's Organisations Malaysia

Past:

- Chairman of Maybank Asset Management Group Berhad and Maybank Asset Management Sdn Bhd from August 2012 to December 2016
- Member of several high level national working groups such as National Economic Action Council, National Economic Consultative Council II, National Information Technology Council, Ministry of Finance High Level Finance Committee for Corporate Governance, National Advisory Council for Women, Ministry of Women, Family and Community Development
- Chairman of Association of Stockbroking Companies Malaysia
- Deputy Chairman of Kuala Lumpur Stock Exchange (now known as Bursa Malaysia Berhad) from 1999 to 2004
- Owner and Managing Director of Mohaiyani Securities Sdn Bhd from 1985 to 2004
- Dealer at Seagroatt & Campbell Securities Sdn Bhd from 1982 to 1984
- Deputy Chief Executive Officer, Amanah Chase Merchant Bank Berhad from 1976 to 1981

Shareholdings in Maybank*

Nil

* As At 31 March 2020

DATUK ABDUL FARID BIN ALIAS_{FCB}

Non-Independent Executive Director
(Group President & Chief Executive Officer)
52 years of age
Malaysian

APPOINTMENT

2 August 2013

QUALIFICATION

- Masters in Business Administration (Finance), University of Denver, USA
- Bachelor of Science in Accounting, Pennsylvania State University, University Park, USA
- Advanced Management Program, Harvard Business School
- Chartered Banker, Asian Institute of Chartered Bankers

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

- Executive Director / Group President & Chief Executive Officer of Maybank
- President Commissioner of PT Bank Maybank Indonesia Tbk
- Director of Maybank Singapore Limited

Other Companies/Bodies

- Director of Cagamas Holdings Berhad
- Director of Payments Network Malaysia Sdn Bhd
- Director of STF Resources Sdn Bhd
- Director of Financial Industry Collective Outreach
- Director of Asian Banking School Sdn Bhd
- Chairman of The Association of Banks in Malaysia
- Chairman of ASEAN Bankers Association
- Vice Chairman of Asian Institute of Chartered Bankers
- Member of the ASEAN Banking Council
- Member of the Asian Bankers Association Policy Advocacy Committee
- Member of Visa Asia Pacific Senior Client Council
- Member of the Emerging Markets Advisory Council of The Institute of International Finance, Washington DC
- Member of Board of Visitors of Pennsylvania State University Smeal College of Business
- Panel of Kumpulan Wang Amanah Negara

Past:

- Director of Etiqa International Holdings Sdn Bhd from April 2015 to August 2018
- Investment Panel of Kumpulan Wang Persaraan (Diperbadankan) from October 2013 to May 2019
- Chairman of Malaysian Electronic Payment System Sdn Bhd from November 2013 to August 2017
- Director of Maybank Ageas Holdings Berhad from November 2013 to September 2017
- Director of Maybank Investment Bank Berhad from June 2011 to August 2017
- Deputy President & Head, Global Banking of Maybank from July 2010 to August 2013
- Head, International of Maybank from 2009 to 2010
- Khazanah Nasional Berhad from 2005 to 2008
- J.P. Morgan from 1997 to 2005
- Malaysian International Merchant Bankers Berhad from 1996 to 1997
- Schroders from 1994 to 1995
- Aseambankers Malaysia Berhad from 1992 to 1994

Membership of Board Committees in Maybank:

- Credit Review Committee (Member)

Shareholdings in Maybank*

646,865 ordinary shares

* As At 31 March 2020

DATUK R. KARUNAKARAN

Senior Independent Non-Executive Director

69 years of age

Malaysian

APPOINTMENT

16 July 2014

QUALIFICATION

- Postgraduate Course on Industrial Project Planning, University of Bradford, UK
- Bachelor of Economics (Accounting) (Hons), University of Malaya, Malaysia

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

- Director of Maybank
- Chairman of Maybank Singapore Limited
- Chairman of Maybank Ageas Holdings Berhad
- Chairman of Etiqa International Holdings Sdn Bhd

Other Companies/Bodies

- Chairman of Integrated Logistics Berhad
- Director of Bursa Malaysia Berhad
- Director of IOI Corporation Berhad
- Director of KR Advisory Sdn Bhd

Past:

- Chairman of Etiqa Life Insurance Berhad from 1 January 2018 to 31 December 2018
- Director of Etiqa General Insurance Berhad from November 2010 and re-designated as Chairman from March 2016 to December 2018
- Chairman of Etiqa Family Takaful Berhad from March 2016 to December 2017
- Director of Sime Darby Motors Sdn Bhd from December 2010 to November 2017
- Director of Maybank (Cambodia) Plc from October 2012 to October 2017
- Chairman / Director of Maybank Private Equity Sdn Bhd from May 2013 to December 2016
- Director of Maybank Asset Management Group Berhad from August 2012 to December 2016
- Director of Maybank Asset Management Sdn Bhd from November 2010 to January 2017
- Director of Chemical Company of Malaysia from January 2011 to December 2014
- Director of Maybank Investment Bank Berhad from February 2009 to November 2014
- Director of Maybank Agro Fund Sdn Bhd from May 2012 to March 2016
- Member of the Cabinet Committee on Investment for High Impact Projects and PEMUDAH

Membership of Board Committees in Maybank:

- Nomination and Remuneration Committee (Chairman)
- Employees' Share Grant Plan Committee (Chairman)
- Risk Management Committee (Member)

Shareholdings in Maybank*

Nil

* As At 31 March 2020

CHENG KEE CHECK

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

APPOINTMENT

19 November 2014

QUALIFICATION

LL.B. (Hons), National University of Singapore, Singapore

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

- Director of Maybank
- Chairman of Maybank Trustees Berhad

Other Companies/Bodies

- Corporate lawyer and partner at Messrs Skrine

Past:

- Director of PNB Development Sdn. Berhad from March 2009 to August 2017
- Director of Seriemas Development Sdn. Berhad from July 2009 to August 2017
- Member of the Investment Committee of Amanah Saham Wawasan 2020 from 15 October 2012 to 1 January 2018

Membership of Board Committees in Maybank:

- Nomination and Remuneration Committee (Member)
- Credit Review Committee (Member)
- Compliance Committee (Member)
- Employees' Share Grant Plan Committee (Member)

Shareholdings in Maybank*

Nil

* As At 31 March 2020

EDWIN GERUNGAN

Independent Non-Executive Director

71 years of age

Indonesian

APPOINTMENT

24 August 2015

QUALIFICATION

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

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

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

Past:

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

Membership of Board Committees in Maybank:

- Risk Management Committee (Chairman)
- Nomination and Remuneration Committee (Member)
- Employees' Share Grant Plan Committee (Member)

Shareholdings in Maybank*

Nil

* As At 31 March 2020

DR HASNITA BINTI DATO' HASHIM

Independent Non-Executive Director

58 years of age

Malaysian

APPOINTMENT

1 July 2016

QUALIFICATION

- PhD in Nuclear Physics, Oxford University, UK
- Bachelor of Science in Physics, Surrey University, UK
- Associate of the Institute of Actuaries, Staple Inn, London, UK
- Investment Advisors License from the Securities Commission Malaysia

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

- Director of Maybank
- Chairman of Maybank Asset Management Group Berhad
- Chairman of Maybank Asset Management Sdn Bhd
- Chairman of Maybank Asset Management Singapore Pte Ltd

Other Companies/Bodies

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

Past:

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

Membership of Board Committees in Maybank:

- Risk Management Committee (Member)
- Compliance Committee (Member)

Shareholdings in Maybank*

8,000 ordinary shares

* As At 31 March 2020

ANTHONY BRENT ELAM

Independent Non-Executive Director

61 years of age

American

APPOINTMENT

15 November 2016

QUALIFICATION

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

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

- Director of Maybank
- Chairman of Maybank (Cambodia) Plc
- Director of Maybank Singapore Limited

Other Companies/Bodies

- President Commissioner of PT Lombok Saka

Past:

- Independent Director of PT Sarana Menara Nusantara Tbk from May 2018 to December 2019
- Chief Risk Officer / Director of PT Bank Central Asia Tbk from May 2002 to April 2016
- Advisor at PT Bahana Pembinaan Usaha Indonesia from November 1996 to December 2001
- Vice President at Dieng Djaya from February 1994 to November 1996
- Vice President at Citibank from 1986 to 1994

Membership of Board Committees in Maybank:

- Credit Review Committee (Chairman)
- Risk Management Committee (Member)
- Compliance Committee (Member)

Shareholdings in Maybank*

Nil

** As At 31 March 2020*

CHE ZAKIAH BINTI CHE DIN

Independent Non-Executive Director

60 years of age

Malaysian

APPOINTMENT

1 March 2018

QUALIFICATION

Bachelor of Economics (Hons), University of Malaya, Malaysia

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

- Director of Maybank
- Director of Maybank Investment Bank Berhad
- Director of Maybank Kim Eng Holdings Ltd.
- Chairman of the Board of Members of Maybank Kim Eng Securities Limited (Vietnam)

Other Companies/Bodies

- Member of Investment Panel, Lembaga Tabung Angkatan Tentera ("LTAT")
- Public Interest Director of Federation of Investment Managers Malaysia ("FIMM")

Past:

- Director, Financial Conglomerates Supervision Department, Bank Negara Malaysia from 2004 to 2017
- Director, Development Financial Institutions Regulations Department, Bank Negara Malaysia from 2002 to 2004
- Deputy Director, Bank Regulations Department, Bank Negara Malaysia from 1998 to 2002
- Bank Supervision Departments, Bank Negara Malaysia from 1984 to 1998
- Economics Department, Bank Negara Malaysia from 1982 to 1984

Membership of Board Committees in Maybank:

- Compliance Committee (Chairman)
- Audit Committee (Member)
- Credit Review Committee (Member)

Shareholdings in Maybank*

Nil

* As At 31 March 2020

FAUZIAH BINTI HISHAM

Independent Non-Executive Director

64 years of age

Malaysian

APPOINTMENT

15 May 2018

QUALIFICATION

Associate Member of The Chartered Governance Institute (formerly known as The Institute of Chartered Secretaries & Administrators), UK

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

- Director of Maybank
- Chairman of Maybank Philippines Inc.
- Director of Maybank Trustees Berhad

Other Companies/Bodies

- Director of Hengyuan Refining Company Berhad
- Director of Agensi Kaunseling dan Pengurusan Kredit
- Director of HBOC Technologies (M) Sdn Bhd
- Member of Small Debt Resolution Committee, Bank Negara Malaysia

Past:

- Independent Non-Executive Chairman, J.P. Morgan Chase Bank Berhad from January 2015 to March 2018
- Independent Non-Executive Director, J.P. Morgan Chase Bank Berhad from October 2014 to March 2018
- Executive Director and Country Representative, Australia & New Zealand Banking Group Ltd, Malaysia Office from May 2008 to July 2014
- Managing Director, Strategic Client Coverage Group, Standard Chartered Bank Malaysia Berhad from March 2006 to April 2008
- Chief Executive Officer, J.P. Morgan Chase Bank Berhad from February 2002 to February 2006

Membership of Board Committees in Maybank:

- Risk Management Committee (Member)
- Nomination and Remuneration Committee (Member)
- Credit Review Committee (Member)
- Employees' Share Grant Plan Committee (Member)

Shareholdings in Maybank*

14,790 ordinary shares

* As At 31 March 2020

SHARIFUDDIN BIN KHALID

Independent Non-Executive Director

54 years of age

Malaysian

APPOINTMENT

14 June 2018

QUALIFICATION

Fellow Member of The Chartered Institute of Management Accountants, UK

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

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

Other Companies/Bodies

- Director of MCB Bank Ltd
- Director of Marine & General Berhad
- Director of M&G Marine Logistics Holdings Sdn. Bhd.
- Director of M&G Tankers Sdn. Bhd.
- Director of Jasa Merin (Labuan) Plc
- Director of M&G Ship Management (L) Pte Ltd

Past:

- Director, Malaysia International Islamic Finance Centre, Bank Negara Malaysia from 2008 to 2017
- Director, Strategic Communications, Bank Negara Malaysia from 2008 to 2017
- General Manager, Communications and Human Resource, Pengurusan Danaharta Nasional Berhad from 1998 to 2005
- Deputy General Manager, Business Development, Amanah Merchant Bank Berhad from 1994 to 1998

Membership of Board Committees in Maybank:

- Audit Committee (Chairman)
- Compliance Committee (Member)

Shareholdings in Maybank*

Nil

* As At 31 March 2020

DATO' IDRIS BIN KECHOT

Independent Non-Executive Director

65 years of age

Malaysian

APPOINTMENT

15 May 2019

QUALIFICATION

- Master of Business Administration (Finance), University of Stirling, UK
- Bachelor of Science in Agribusiness, Universiti Putra Malaysia

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

- Director of Maybank
- Director of Maybank Asset Management Group Berhad
- Chairman of Maybank Islamic Asset Management Sdn. Bhd.

Other Companies/Bodies

- Chairman of Chemical Company of Malaysia Berhad
- Chairman of Kumpulan Fima Berhad
- Director of Perusahaan Otomobil Kedua Sdn. Bhd.
- Director of Perodua Sales Sdn. Bhd.

Past:

- Deputy President and Group Chief Operating Officer, Asset Management, Permodalan Nasional Berhad ("PNB") from 2014 to 2018
- Executive Vice President, Unit Trust, PNB and Amanah Saham Nasional Berhad from 2004 to 2014
- Senior Vice President, Investment Division, PNB from 1988 to 2004

Membership of Board Committees in Maybank:

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

Shareholdings in Maybank*

Nil

* As At 31 March 2020

DATO' ZULKIFLEE ABBAS BIN ABDUL HAMID

Independent Non-Executive Director

62 years of age

Malaysian

APPOINTMENT

15 August 2019

QUALIFICATION

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

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

- Director of Maybank
- Director of Maybank Islamic Berhad

Other Companies/Bodies

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

Past:

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

Membership of Board Committees in Maybank:

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

Shareholdings in Maybank*

Nil

* As At 31 March 2020

Changes of Board of Directors during the Financial Year

- (i) Dato' Idris Kechot was appointed as an Independent Non-Executive Director of Maybank on 15 May 2019.
- (ii) Encik Nor Hizam Hashim retired as an Independent Non-Executive Director of Maybank on 12 June 2019.
- (iii) Dato' Zulkiflee Abbas Abdul Hamid was appointed as an Independent Non-Executive Director of Maybank on 15 August 2019.

Roles and Responsibilities of the Board

The Board has the responsibility to approve and periodically review the overall business strategies and significant policies of the Group, premised on sustainability and promoting ethical conduct in business dealings, understanding the major risks faced by the Group, setting acceptable levels of risk taking and ensuring that the senior management takes the necessary steps to identify, measure, monitor and control these risks. The Board also approves the organisational structure and ensures that senior management is monitoring the effectiveness of the internal control system. Among the primary obligations of the Board are as follows:-

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

BOARD COMMITTEES

Audit Committee of the Board ("ACB")

Members:-

- (i) Encik Shariffuddin Khalid (Chairman) - Independent Non-Executive Director
- (ii) Ms Che Zakiah Che Din - Independent Non-Executive Director
- (iii) Dato' Idris Kechot - Independent Non-Executive Director
- (iv) Dato' Zulkiflee Abbas Abdul Hamid - Independent Non-Executive Director

The ACB was established by the Board to assist in the execution of its governance and oversight responsibilities. The responsibilities include the assessment of the adequacy of the Group's internal control system through the internal audit function.

The responsibilities of the ACB are set out in the Terms of Reference of the ACB which is published on Maybank Group's corporate website (www.maybank.com).

Nomination and Remuneration Committee (“NRC”)

Members:-

- (i) Datuk R. Karunakaran (Chairman) - Senior Independent Non- Executive Director
- (ii) Mr Cheng Kee Check - Non-Independent Non-Executive Director
- (iii) Mr Edwin Gerungan - Independent Non-Executive Director
- (iv) Puan Fauziah Hisham - Independent Non-Executive Director
- (v) Dato’ Idris Kechot - Independent Non-Executive Director
- (vi) Dato’ Zulkiflee Abbas Abdul Hamid - Independent Non-Executive Director

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

The responsibilities of the NRC are set out in the Terms of Reference of the NRC which is published on Maybank Group's corporate website (www.maybank.com).

Risk Management Committee (“RMC”)

Members:-

- (i) Mr Edwin Gerungan (Chairman) - Independent Non-Executive Director
- (ii) Datuk R. Karunakaran - Senior Independent Non-Executive Director
- (iii) Dr. Hasnita Dato’ Hashim - Independent Non-Executive Director
- (iv) Mr Anthony Brent Elam - Independent Non-Executive Director
- (v) Puan Fauziah Hisham - Independent Non-Executive Director
- (vi) Dato’ Zulkiflee Abbas Abdul Hamid - Independent Non-Executive Director

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

The responsibilities of the RMC include, amongst others, the following:

- (i) To ensure that the risk exposures and risk outcomes of the overall remuneration system for Maybank are adequately considered;
- (ii) To review and approve risk management strategies, risk frameworks, risk policies, risk tolerance and risk appetite limits;
- (iii) To review and assess adequacy of risk management policies and frameworks in identifying, measuring, monitoring and controlling risks and the extent to which they operate effectively;
- (iv) To ensure infrastructure, resources and systems are in place for risk management, i.e. ensuring that the staff responsible for implementing risk management systems perform those duties independently of Maybank's risk taking activities; and
- (v) To review management's periodic reports on risk exposure, risk portfolio composition and risk management activities.

Credit Review Committee (“CRC”)

Members:-

- (i) Mr Anthony Brent Elam (Chairman) - Independent Non-Executive Director
- (ii) Datuk Abdul Farid Alias - Non-Independent Executive Director and Group President and Chief Executive Officer
- (iii) Mr Cheng Kee Check - Non-Independent Non-Executive Director
- (iv) Ms Che Zakiah Che Din - Independent Non-Executive Director
- (v) Puan Fauziah Hisham - Independent Non-Executive Director
- (vi) Dato’ Idris Kechot - Independent Non-Executive Director
- (vii) Dato’ Zulkiflee Abbas Abdul Hamid - Independent Non-Executive Director

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

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

The responsibilities of the CRC include, amongst others, the following:-

- (i) To review/veto loans exceeding the discretionary power of GMCC and GWMCC;
- (ii) To review/veto, with power to object or support, all proposals recommended by the GMCC and GWMCC to the Board for approval/affirmation;
- (iii) To review/veto, with power to object or support, all global limits (and any increase thereto), recommended by the GMCC to the Board for approval. To also affirm annually existing global limits approved by the Board and recommended by the GMCC for renewal; and
- (iv) To provide oversight of the entire credit management function covering but not limited to portfolio, end-to-end process, infrastructure, resources and governance.

Compliance Committee of the Board (“CCB”)

Members:-

- (i) Ms Che Zakiah Che Din (Chairman) - Independent Non-Executive Director
- (ii) Mr Cheng Kee Check - Non-Independent Non-Executive Director
- (iii) Dr. Hasnita Dato’ Hashim - Independent Non-Executive Director
- (iv) Mr Anthony Brent Elam - Independent Non-Executive Director
- (v) Encik Shariffuddin Khalid - Independent Non-Executive Director

The main objective of the establishment of the CCB is to ensure the Group’s compliance risk management is given the needed attention at the highest level and to ensure regulatory compliance risk is effectively managed to support the Group’s business growth in line with the Group’s aspiration and risk appetite.

The responsibilities of the CCB include, amongst others, the following:

- (i) Formulate policies and framework to identify, assess, monitor and manage regulatory compliance risk for the Maybank Group;
- (ii) Review, recommend and oversee the implementation of policies on compliance for the Group including but not limited to the relevant policies for the prevention of money laundering, terrorism financing, bribery and corruption;
- (iii) Review and assess the adequacy of infrastructure, resources and systems to manage compliance risk and recommend improvement to ensure effectiveness;
- (iv) At least annually, evaluate the effectiveness of the group’s overall management of compliance risk, having regard to the assessments of senior management and internal audit, as well as the Group Compliance team and recommend improvement needed to the Board;
- (v) Review, assess and recommend to the Board corrective measures to address compliance risk concerns as highlighted by the Group Compliance team and various home-host regulatory authorities, where relevant;
- (vi) Review the Compliance Report prior to submission to the Board; and
- (vii) Review and assess the performance of the Group Chief Compliance Officer and the senior team of Group Compliance including their remuneration and annual increment and recommend to the Board.

Employees’ Share Grant Plan Committee (“ESGP Committee”)

Members:-

- (i) Datuk R. Karunakaran (Chairman) - Senior Independent Non-Executive Director
- (ii) Mr Cheng Kee Check - Non-Independent Non-Executive Director
- (iii) Mr Edwin Gerungan - Independent Non-Executive Director
- (iv) Puan Fauziah Hisham - Independent Non-Executive Director

The ESGP Committee was established by the Board to administer the employees’ share grant plan for the award of shares to eligible Executive Director(s) and employees of the Group who fulfil the criteria for eligibility as stipulated in the by-laws.

The responsibilities of the ESGP Committee as outlined in its Terms of Reference include to administer the ESGP and to recommend the financial and performance targets/criteria to the Board for approval prior to implementation and such other conditions as it may deem fit.

BOARD AND BOARD COMMITTEE MEETINGS AND DIRECTORS ATTENDANCE FOR FINANCIAL YEAR 2019

Name of Directors	Board Number of Meetings			CRC Number of Meetings			ACB Number of Meetings		
	Held	Attended	%	Held	Attended	%	Held	Attended	%
Datuk Mohaiyani Shamsudin	14	14	100	-	-	-	-	-	-
Datuk Abdul Farid Alias	14	14	100	13	11	85	-	-	-
Datuk R. Karunakaran	14	14	100	-	-	-	-	-	-
Mr Cheng Kee Check ¹	14	14	100	13	13	100	10	10	100
Mr Edwin Gerungan	14	14	100	-	-	-	-	-	-
Dr Hasnita Dato' Hashim ²	14	13	93	3	3	100	-	-	-
Mr Anthony Brent Elam	14	14	100	13	13	100	-	-	-
Ms Che Zakiah Che Din	14	14	100	13	13	100	14	14	100
Puan Fauziah Hisham	14	14	100	13	13	100	-	-	-
Encik Shariffuddin Khalid ³	14	14	100	9	9	100	14	14	100
Dato' Idris Kechot ⁴	9	9	100	7	6	86	7	7	100
Dato' Zulkiflee Abbas Abdul Hamid ⁵	6	6	100	4	4	100	4	4	100
Encik Nor Hizam Hashim ⁶	6	6	100	6	5	83	7	7	100

Name of Directors	RMC Number of Meetings			NRC Number of Meetings			CCB Number of Meetings		
	Held	Attended	%	Held	Attended	%	Held	Attended	%
Datuk R. Karunakaran	11	11	100	11	11	100	-	-	-
Mr Cheng Kee Check ¹	-	-	-	11	11	100	11	11	100
Mr Edwin Gerungan	11	11	100	11	11	100	-	-	-
Dr Hasnita Dato' Hashim ²	11	10	91	-	-	-	11	9	82
Mr Anthony Brent Elam	11	11	100	-	-	-	11	11	100
Ms Che Zakiah Che Din	-	-	-	-	-	-	11	11	100
Puan Fauziah Hisham	11	11	100	11	11	100	-	-	-
Encik Shariffuddin Khalid ³	-	-	-	-	-	-	11	11	100

Dato' Idris Kechot ⁴	-	-	-	6	6	100	-	-	-
Dato' Zulkiflee Abbas Abdul Hamid ⁵	3	3	100	3	3	100	-	-	-
Encik Nor Hizam Hashim ⁶	-	-	-	-	-	-	-	-	-

Name of Directors	ESGP Committee Number of Meetings		
	Held	Attended	%
Datuk R. Karunakaran	1	1	100
Mr Edwin Gerungan	1	1	100
Mr Cheng Kee Check ¹	1	1	100
Puan Fauziah Hisham	1	1	100

Notes:-

- ¹ Resigned as a member of the Audit Committee of the Board ("ACB") on 1 September 2019.
- ² Resigned as a member of the Credit Review Committee of the Board ("CRC") on 31 March 2019.
- ³ Resigned as a member of CRC on 1 September 2019.
- ⁴ Appointed as a member of the CRC with effect from 26 June 2019, Nomination and Remuneration Committee ("NRC") and ACB with effect from 18 July 2019 and 29 July 2019 respectively.
- ⁵ Appointed as a member of the CRC with effect from 24 September 2019, NRC and ACB with effect from 24 October 2019 and 19 September 2019 respectively. He was subsequently appointed as a member of the Risk Management Committee of the Board on 23 October 2019.
- ⁶ Retired as an Independent Non-Executive Director of Maybank on 12 June 2019.

TRAINING AND EDUCATION ATTENDED BY THE BOARD DURING FINANCIAL YEAR 2019

Director(s)	Trainings attended by Directors
Datuk Mohaiyani Shamsudin	<ol style="list-style-type: none"> 1. Invest Malaysia Kuala Lumpur 2019 2. BNM Annual Report 2018/Financial Stability & Payments Systems Report 2018 3. Maybank 2019 Annual Risk Workshop 4. Board Strategy Session: "Future of Banking – Key Trends and Outlook" 5. Khazanah Megatrends 2019 6. Malaysia: Post Budget 2020 Forum 7. Permodalan Nasional Berhad ("PNB") Corporate Summit 2019 – Rebooting Corporate Malaysia 8. YTI Memorial Lecture: "The Diverse Facets of Leadership"
Datuk Abdul Farid Alias	<ol style="list-style-type: none"> 1. Maybank Private Market Outlook 2019 2. Central Bank Governors & CEOs Conference 3. PNB Leadership Forum 2019 4. Invest Malaysia 2019: Ambition, Purpose, Clarity 5. Invest Asia Singapore 2019: Sustainable Development in a Divided World

	<ol style="list-style-type: none"> 6. BNM Financial Industry Conference 2019 7. Majlis Pelancaran Strategi Literasi Kewangan Kebangsaan 8. Maybank 2019 Annual Risk Workshop 9. Majlis Pelancaran Khidmat Nasihat Pembayaran 10. Singapore Summit 2019 11. Board Strategy Session: "Future of Banking – Key Trends and Outlook" 12. 2019 IIF Annual Membership Meeting & EMAC Advisory Council Meeting 13. National Entrepreneur and SME Development Council (NESDEC) 14. FSTEP – Prominent Leader Talk Session 15. Singapore Fintech Festival 2019
Datuk R. Karunakaran	<ol style="list-style-type: none"> 1. PNB Leadership Forum 2019 2. Bursa: "Ring the bell for Gender Equality" 3. Invest Malaysia Kuala Lumpur 2019 4. Etiqa Insurance & Takaful Board Risk Workshop 5. Maybank 2019 Annual Risk Workshop 6. Board Risk Awareness Programs <ol style="list-style-type: none"> (a) Cyber Security and Resilience (b) Fighting Corruption: A New Era of Corporate Governance (c) Implications and Compliance Requirements of S17A of the MACC Amendment Act 2018 7. Board Effective Assessment 8. The Malaysia Code of Corporate Governance 2017 9. Ageas Partnership Presentation <ol style="list-style-type: none"> (a) Thinking Globally, Acting Differently, the Key to Competitiveness (b) The Partnership with BNP Paribas Fortis (c) Open Banking at BNP Paribas Fortis (d) Why Business Experimentation is Essential for Competitive Advantage (e) Responsible Technology 10. Board Strategy Session: "Future of Banking – Key Trends and Outlook" 11. Malaysia Economic and Market Outlook 12. Including Low Latency Non-directional Traders, Market Makers and Liquidity Providers in an Exchange Ecosystem 13. Market Opportunities for Digital Assets in Asia 14. Presentation by NASDAQ, Modernisation of Post Trade Infrastructure 15. YTI Memorial Lecture: "The Diverse Facets of Leadership" 16. MSCI Seminar on Investing Trends and Opportunities
Mr. Cheng Kee Check	<ol style="list-style-type: none"> 1. PNB Leadership Forum 2019 2. Invest Malaysia 2019 – Ambition Purpose Clarity 3. Audit Committee Conference 2019 4. CG Watch: "How Does Malaysia Rank?" 5. Invest Asia 2019 – From Globalisation To Regionalisation; Sustainable Development In A Divided World 6. PNB Leadership Forum 2019 – Positive Autocracy: A Leadership Model for Industry 4.0 7. Maybank 2019 Annual Risk Workshop 8. Board Strategy Session: "Future of Banking – Key Trends and Outlook" 9. Malaysia: Post Budget 2020 Forum 10. Raising Defences: Section 17A, MACC Act 11. PNB Corporate Summit 2019 - Rebooting Corporate Malaysia 12. YTI Memorial Lecture 2019 : "The Diverse Facets of Leadership"

Mr. Edwin Gerungan	<ol style="list-style-type: none"> 1. Cyber Security: Cyber Threats in Banking & Finance Industry 2. Maybank 2019 Annual Risk Workshop 3. Board Strategy Session: "Future of Banking – Key Trends and Outlook" 	
Dr. Hasnita Dato' Hashim	<ol style="list-style-type: none"> 1. PNB Leadership Forum 2019 2. Accelerate Workshop Series – Be the Change 3. Maybank 2019 Annual Risk Workshop 4. Board Strategy Session: "Future of Banking – Key Trends and Outlook" 5. Malaysia: Post Budget 2020 Forum 	
Mr Anthony Brent Elam	<ol style="list-style-type: none"> 1. Memahami Potensi Permasalahan pada Kredit Perbankan dan Bagaimana Melakukan Mitigasi Risikonya #Studi kasus PT. Sun Nusantara Pembiayaan (SNP Finance) 2. Maybank 2019 Annual Risk Workshop 3. Board Strategy Session: "Future of Banking – Key Trends and Outlook" 	
Ms Che Zakiah Che Din	<ol style="list-style-type: none"> 1. 1st Distinguished Board Leadership Series: "Reading the Signs: The next financial crisis and its potential impact on Asia" 2. PNB Leadership Forum 2019 3. Institute of Corporate Directors Malaysia (ICDM) Power Talk Series - Revisiting the Misconception of Board Remuneration 4. Invest Malaysia Kuala Lumpur 2019 5. Audit Committee Conference 2019 6. Invest Asia 2019 7. Maybank 2019 Annual Risk Workshop 8. Board Strategy Session: "Future of Banking – Key Trends and Outlook" 9. International Directors Summit 2019 10. PNB Corporate Summit 2019 - Rebooting Corporate Malaysia 11. Raising Defences: Section 17A, MACC Act 	
Puan Fauziah Hisham	<ol style="list-style-type: none"> 1. "Let's Get Real" on Anti-Bribery 2. 1st Distinguished Board Leadership Series: "Reading the Signs: The next financial crisis and its potential impact on Asia" 3. BNM-FIDE FORUM Dialogue with the Deputy Governor on the draft Risk Management in Technology Policy 4. Understanding Liquidity Risk Management in Banking 5. CG Watch: "How Does Malaysia Rank?" 6. Cyber Security in the Boardroom 7. Institute of Enterprise Risk Practitioners ("IERP") Global Conference 8. Maybank 2019 Annual Risk Workshop 9. Assessment of the Board, Board Committees & Individual Directors 10. Qualified Risk Director Program:- <ol style="list-style-type: none"> (a) Series 7 – Establishing and Empowered Board Risk Committee (b) Series 9 - Directors Guide to BCM and ISO 22301 (c) Series 14 - Audit Committee's guide to COSO 2013 and Internal Controls (d) Series 15 - Directors guide to Governance, Risk and Compliance (GRC) 11. Board Strategy Session : "Future of Banking – Key Trends and Outlook" 12. International Directors Summit 2019 	

	<p>13. Emerging Risks, the Future Board and Return on Compliance</p> <p>14. PNB Corporate Summit 2019 - Rebooting Corporate Malaysia</p>
Encik Shariffuddin Khalid	<ol style="list-style-type: none"> 1. PNB Leadership Forum 2019 2. Audit Committee Conference 2019 3. Future Business Ideas 2019 Conference – Business Innovation Re-Imaged 4. CG Watch: “How Does Malaysia Rank?” 5. Demystifying the Diversity Conundrum: The Road to Business Excellence 6. Maybank 2019 Annual Risk Workshop 7. Board Strategy Session : “Future of Banking – Key Trends and Outlook” 8. 4th Distinguished Board Leadership Series: Digital To The Core 9. Khazanah Megatrends Forum 2019 10. Case Study Workshop for Independent Directors 11. Executive Talk on Integrity & Governance: The Corporate Liability Provision, the “Adequate Procedures” & The Implementation of the National Anti-Corruption Plan 12. Audit Oversight Board Malaysia 13. The Ethical Consideration for Exercising Professional Judgements in Financial Reporting -The 'should' and 'should not'
Dato' Idris Kechot	<ol style="list-style-type: none"> 1. PNB Leadership Forum 2019 - “From Governance to Performance” 2. Section 17A of the Malaysian Anti-Corruption Commissioner Act (MACC Act): Corporate Liability – The Act, the Defence and the Reality 3. PNB Leadership Forum II – Positive Autocracy: A Leadership Model for Industry 4.0 4. Corporate Governance Advocacy Program on Cyber Security in the Boardroom 5. Maybank Induction Programme 6. Maybank 2019 Annual Risk Workshop 7. Talent Management 8. Board Strategy Session: “Future of Banking – Key Trends and Outlook” 9. Khazanah Megatrends Forum 2020 – “From The Past To The Future Building Our Collective Brain” 10. International Directors Summit 2019 11. Leadership In A Disruptive World 12. PNB Corporate Summit 2019 – Rebooting Corporate Malaysia 13. YTI Memorial Lecture 2019 “The Diverse Facets of Leadership”
Dato' Zulkiflee Abbas Abdul Hamid	<ol style="list-style-type: none"> 1. Maybank Induction Programme 2. Mandatory Accreditation Programme 3. Board Strategy Session: “Future of Banking – Key Trends and Outlook” 4. Islamic Finance for Board of Directors Programme 5. Malaysia: Post Budget 2020 Forum 6. Raising Defences: Section 17A, MACC Act
Encik Nor Hizam Hashim (Retired on 12 June 2019)	<ol style="list-style-type: none"> 1. Audit Committee Conference 2019

INTERNAL CONTROL FRAMEWORK

The Internal Control Framework is set out in the Statement on Risk Management and Internal Control in Maybank's Annual Report 2019.

REMUNERATION FOR DIRECTORS, SENIOR MANAGEMENT AND OTHER MATERIAL RISK TAKERS**Directors****Board Remuneration Framework**

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

Fee Component	Chairman	Vice Chairman	Member	Shareholders Approval
Board Fee (per annum)	RM610,000	RM440,000	RM295,000	Obtained at the 55 th Annual General Meeting ("AGM") held on 7 April 2015
Board Committee Fee (per annum)	RM75,000	-	RM45,000	Obtained at the 58 th AGM held on 12 April 2018

Details of the remuneration received by the Directors from Maybank in the financial year ended 31 December 2019 ("FY2019") are as follows:-

	Salary (RM)	Bonus (RM)	Directors' Fees (RM)	Other Emoluments (RM)	Benefits-In-Kind (RM)	Total (RM)
Executive Director						
Datuk Abdul Farid Alias	2,760,000	2,587,500	-	2,143,160*	74,986	7,565,646
Non-Executive Directors						
Datuk Mohaiyani Shamsudin	-	-	610,000	610,000	66,817#	1,286,817
Datuk R. Karunakaran	-	-	490,000	152,000	44,466#	686,466
Mr. Cheng Kee Check	-	-	505,000	244,000	2,163#	751,163
Mr. Edwin Gerungan	-	-	460,000	218,000	43,057#	721,057
Dr Hasnita Dato' Hashim	-	-	396,250	144,000	10,050#	550,300
Mr Anthony Brent Elam	-	-	460,000	264,000	7,255#	731,255

Ms Che Zakiah Che Din	-	-	460,000	212,000	1,113 [#]	673,113
Puan Fauziah Hisham	-	-	475,000	208,000	6,727 [#]	689,727
Encik Shariffuddin Khalid	-	-	431,583	196,000	13,325 [#]	640,908
Dato' Idris Kechot ¹	-	-	248,246	116,000	802 [#]	365,048
Dato' Zulkiflee Abbas Abdul Hamid ²	-	-	153,746	84,000	1,504 [#]	239,250
Encik Nor Hizam Hashim ³	-	-	186,750	72,000	38,733 [#]	297,483
TOTAL (for Non-Executive Directors)	-	-	4,876,575	2,520,000	236,012	7,632,587
GRAND TOTAL	2,760,000	2,587,500	4,876,575	4,663,160	310,998	15,198,233

* Executive Director's other emoluments include pension costs, allowances, long term cash award and reimbursements.

Benefits-in-kind for Non-Executive Directors include golf club membership, annual gift and farewell gift. In addition to this, benefits-in-kind for the Chairman also include driver, car and fuel allowance.

Notes:-

¹ Appointed as an Independent Non-Executive Director of Maybank on 15 May 2019

² Appointed as an Independent Non-Executive Director of Maybank on 15 August 2019

³ Retired as an Independent Non-Executive Director of Maybank on 12 June 2019

The remuneration received by the Directors in FY2019 at Group level can be found in Note 45 on page 139 of the Financial Book of Maybank's Annual Report 2019.

Senior Management and Other Material Risk Takers

Maybank Group's remuneration and rewards philosophy anchored on its values as well as its strategic direction and purpose underpins its commitment to deliver excellent performance and long-term sustainable returns for its stakeholders. Maybank embraces a Total Rewards system, a well-rounded approach with the right reward elements to drive positive outcomes and business performance. It is an integrated rewards strategy that focuses on the right remuneration, benefits, well-being preservation, skills and capabilities development to support its employees in achieving their personal and professional aspirations. The Total Rewards' key elements that enable the Maybank Group's strategy, Maybank Group Human Capital's strategy and business plan are all critical to sustain employee engagement levels, productivity and business growth.

Maybank Group's remuneration policies and practices are governed by sound principles which comply with regulatory requirements. It is monitored and reviewed periodically to align with regulatory requirements as well as to reinforce a high performance culture that attracts, motivates and retains talents through market competitiveness and responsible values.

Components of Remuneration

Maybank Group rewards' principles are delivered holistically via the Group's Total Rewards Framework which includes components of Total Compensation, benefits, well-being and development.

i) Total Compensation:

A mixture of Fixed Pay and Variable Pay (i.e. Variable Bonus and Long-term Incentive Plan) with targeted Pay Mix levels is designed to align with the long-term performance goals and objectives of the organisation. The compensation framework provides a balanced approach between fixed and variable components that change according to individual performance, business/corporate function performance, group performance outcome as well as an individual's level and accountability.

Fixed Pay	Variable Pay	
	Variable Bonus	Long Term Incentive Award
<ul style="list-style-type: none"> • Attract and retain talent by providing competitive and equitable level of pay. • Reviewed annually through benchmarking externally against relevant peers and locations and internally aligned with consideration of market dynamics, differences in individual responsibilities, performance, achievements, skillset, as well as competency level. 	<ul style="list-style-type: none"> • Reinforce a pay-for-performance culture and adherence to the Maybank Group's T.I.G.E.R. Core Values. • Variable cash award design that is aligned with the long-term performance goals of the Group through its deferral and clawback policies. • Based on overall Group Performance, Business/Corporate Function and individual performance. • Performance is measured via the Balanced Scorecard approach. • Any Variable Bonus Awards in excess of certain thresholds will be deferred over a period of time. Deferred Variable Bonus will lapse immediately upon termination of employment (including resignation) except in the event of ill health, disability, redundancy, retirement or death. 	<ul style="list-style-type: none"> • Offered within the suite of Total Rewards for eligible talents and senior management who have a direct line of sight in driving, leading and executing Maybank Group's business strategies and objectives.
	<p>Clawback Provision:</p> <ul style="list-style-type: none"> • The Maybank Board, based on risk management issues, financial misstatement, fraud and gross negligence or wilful misconduct, has the discretion to make adjustment or clawback the Variable Bonus and Long-term Incentive Awards where appropriate. 	

ii) Benefits & Well-Being Preservation

Provides a range of benefits that are valued by employees which include financial protection, health care, paid time off, staff loans at preferential rates, programmes to support work-life integration, etc for its diverse workforce. The benefits programmes, which blend all elements including cost optimisation and employee/job needs, are reviewed regularly with proactive actions taken to remain competitive in the increasingly dynamic business landscape. This has continuously enriched Maybank Group's employees, which is part of its total rewards strategy.

iii) Development & Career Opportunities

Continue to invest in the current skills and capabilities necessary as well as the personal and professional growth of Maybank Group's employees. Opportunities are provided to employees to chart their careers across different businesses and geographies.

Long-Term Incentive Award

Employees' Share Grant Plan

In December 2018, Maybank rolled out a new scheme under its Long-Term Incentive Award i.e. Employees' Share Grant Plan ("ESGP") which replaces the previous scheme that expired in June 2018. The ESGP has a validity period of seven (7) years and it serves as a long-term incentive award for eligible talents and senior management.

Vesting eligibility of the ESGP is subject to fulfilment of the ESGP vesting conditions as well as upon meeting the performance criteria at the Maybank Group level and at an individual level. The first ESGP Award that was granted in December 2018 will vest by 2021 while the second ESGP Award that was granted in September 2019 will vest by 2022.

Governance & Controls – Remuneration Practices

Maybank ensures its remuneration policies and structure are in line with the requirements of governance regulations. From a risk management perspective, the remuneration policy is supported by strong governance and is sensitive to risk outcomes.

Maybank also ensures compliance to regulatory governance for risk control of remuneration practices. Maybank has strong internal governance on the performance and remuneration of control functions which are measured and assessed independently from the business units to avoid conflict of interests. The remuneration of staff in control functions are predominantly fixed to reflect the nature of their responsibilities. Annual reviews of their compensation are benchmarked against the market rate and internally to ensure that it is at an appropriate level.

Performance Management principles ensure Key Performance Indicators ("KPIs") continue to focus on outcomes delivered that are aligned to the business plans. Each of the Senior Officers and Other Material Risk Takers ("OMRT") carry Risk, Governance & Compliance goals in their individual scorecard and are cascaded accordingly. As a responsible organisation, the right KPI setting continues to shape the organisational culture, actively drive risk and compliance agendas effectively where inputs from control functions and Board Committees are incorporated into the sector and individual performance results.

Remuneration of Senior Officers and Other Material Risk Takers

Remuneration of Senior Officers and OMRTs are reviewed on an annual basis and submitted to the Nomination and Remuneration Committee for recommendation to the Board for approval.

Summary of FY2019 compensation outcome for those identified as Senior Officers and OMRTs of Maybank Group:

Total value of remuneration awards for the financial year	RM'000			
	Senior Officers^		OMRT	
	Unrestricted	Deferred	Unrestricted	Deferred
Fixed remuneration				
- Cash-based	29,198 (16 headcount)	-	62,682 (101 headcount)	-
- Shares and share-linked instruments	-	-	-	-
- Other	-	-	-	-
Variable remuneration				
- Cash-based	24,786 (16 headcount)	-	49,253 (94 headcount)	8,866 (4 headcount)
- Shares and share-linked instruments*	-	-	-	-
- Other	-	-	-	-

Definition	Senior Officers of the Group are defined as Members of the Group Executive Committee ("EXCO"); Group Chief Financial Officer; Group Chief Risk Officer; Group Chief Compliance Officer; Group Chief Audit Executive and Group General Counsel and Company Secretary.	OMRTs are defined as employees who can materially commit or control significant amounts of the financial institution's resources or whose actions are likely to have a significant impact on its risk profile or those among the most highly remunerated officers.
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Notes:

**In FY2019, a total of 1,458,100 and 2,112,100 units of Maybank shares (for On Target performance levels) under Maybank Group Employees' Share Grant Plan ("ESGP")/Cash-settled Employees' Share Grant Plan ("CESGP") were awarded to 15 Senior Officers and 85 OMRTs respectively. The number of ESGP/CESGP units to be vested/paid by 2022 would be conditional upon the said employees fulfilling the vesting/payment criteria.*

^The FY2019 compensation outcome for Senior Officers does not include the compensation of the Group President & CEO as it is disclosed in this report.