

Maybank Annual Report 2013 – Corporate

Leading Asia



ANNUAL REPORT 2013

Bridging
Worlds in Asia



15.1%
Return on Equity

Regionalisation
Higher loans growth and PBT growth in overseas markets

Shareholder Returns
Dividend per share 53.5 sen
Earnings per share 75.8 sen

A stylized world map in white and grey tones. Two yellow circles are drawn around the locations of New York and London, with orange dots marking each city. The text 'NEW YORK' and 'LONDON' is placed next to their respective dots.

NEW YORK

LONDON

BRIDGING WORLDS IN ASIA

**CAPTURING
THE FLOW OF BUSINESS
AROUND THE WORLD
INTO ASIA THROUGH
OUR NETWORK**



Reach



Opportunity



Market



Community



People

CONTENTS



This annual report is available on the web at www.maybank.com/ar2013



To contact us, please refer to page 181 for Corporate Information and page 182 for Group Directory.



The financial statements are available in the Financial Statements book of the Annual Report 2013



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CHAIRMAN'S STATEMENT

"Your Company has performed strongly once again with record Profit After Tax and Minority Interest (PATAMI), growing at double digits, reaching RM6.55 billion at end of 2013."



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GROUP PRESIDENT & CEO'S STATEMENT

"A strategic imperative in managing the Maybank Group is ensuring the strength of our balance sheet. Our clients who have chosen our institution to place their funds, have to be assured that their savings are secure, not just for today but for generations to come."

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54th ANNUAL GENERAL MEETING OF MALAYAN BANKING BERHAD

Sime Darby Convention Centre, Grand Ballroom, Level 1, 1A Jalan Bukit Kiara 1, 60000 Kuala Lumpur, Malaysia

Monday, 7 April 2014 at 10.00 a.m.

Refer to pages 184 to 187 for Annual General Meeting Information and Financial Calendar.



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CORPORATE PROFILE & GLOBAL NETWORK

“Maybank is among Asia’s leading financial services groups, and the fourth largest bank in Southeast Asia by assets.”



Page 28

OUR STRATEGY

“The ambitions set for Maybank in 2015 have guided our strategic transformation to-date. As the defining moment approaches, the transformation continues in full-force and we are accelerating our efforts further to realise our strategic objectives and pave the path for greater achievements ahead.”



Page 74

COMMUNITY FINANCIAL SERVICES

“Fuelled by the belief and passion to grow responsibly, we have reinforced our alignment in strategic intent as part of our mission to humanise financial services across Asia.”



Page 122

CORPORATE RESPONSIBILITY

“Maybank has a long history of being at the heart of the community. Right from the start, we aimed to be a bank for all Malaysians. In line with our humanising mission, we are now extending this community-based approach across the region.”

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 - Form of Proxy

HIGHLIGHTS OF 2013

PATAMI RM6.55 billion

Record earnings with Profit After Tax and Minority Interest (PATAMI) up 14.0% to RM6.55 billion on the back of higher net income, supported by improved cost efficiency.

(Refer to page 66 for Group Financial Review)

Dividend per share 53.5 sen

Net dividend per share of 53.5 sen (FY2012: 52.5 sen) with total FY2013 net dividend at RM4.71 billion.

(Refer to page 66 for Group Financial Review)

Cost to Income Ratio 47.8%

Cost to income ratio improved to 47.8% from 48.6% in FY2012, owing to slower overhead expense growth of 8.4% against net income growth of 10.5%.

(Refer to page 66 for Group Financial Review)

Management Appointments

- **Maybank Group**
- **Bank Internasional Indonesia**
- **Insurance & Takaful**
- **Investment Banking**

Appointment of Datuk Abdul Farid Alias as Group PCEO and Management for three entities, along with a refreshed organisation structure to support regional growth.

(Refer to page 8 for Group President & CEO Statement)

Talent Development

- **A winner of Malaysia's Top 100 Leading Graduate Employer Awards 2013**

Maybank emerged as Winner of the Banking and Financial Services category for the third year in a row in Malaysia's Top 100 Leading Graduate Employer Awards 2013.

(Refer to page 110 for Group Human Capital Review)

Corporate Responsibility

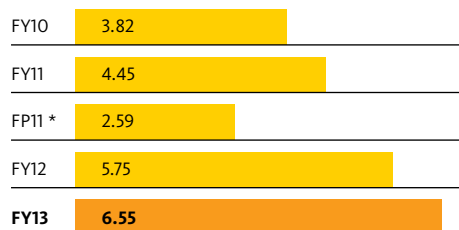
- **Over 119,000 hours for voluntary community programmes**

More than 23,000 Maybankers donated over 119,000 hours for voluntary community programmes. Through our annual flagship Cahaya Kasih (Ray of Love) programme, we structure, monitor and evaluate the impact of all employee volunteerism.

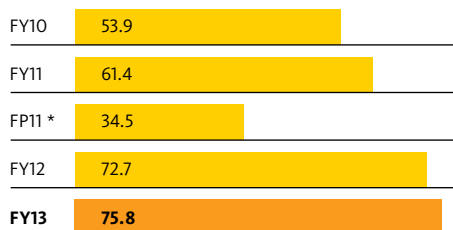
(Refer to page 122 for Corporate Responsibility Review)

Financial Highlights

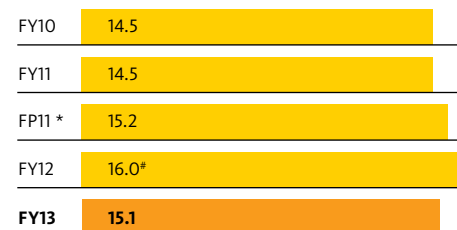
Profit Attributable to Equity Holders of the Bank **RM6.55 billion**



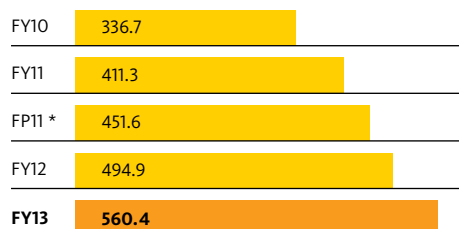
Earnings Per Share **75.8 sen**



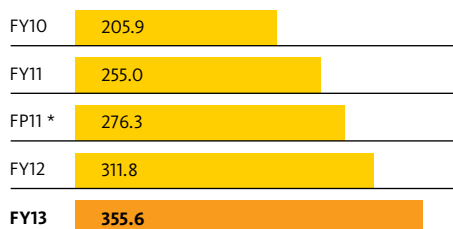
Return on Equity **15.1 %**



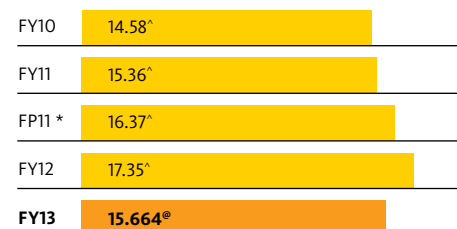
Total Assets **RM560.4 billion**



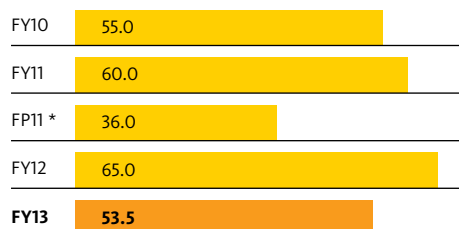
Loans, Advances and Financing **RM355.6 billion**



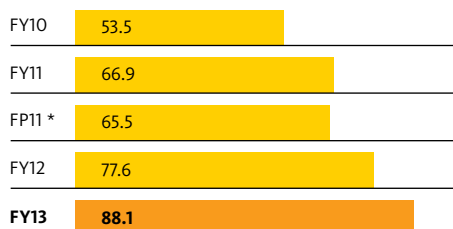
Capital Adequacy Ratio **Total Capital Ratio: 15.664%[@]**



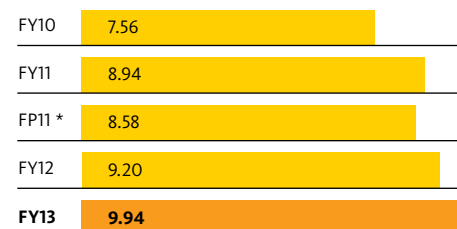
Gross Dividend Per Share **53.5 sen**



Market Capitalisation **RM88.1 billion**



Share Price **RM9.94**



* Six-month financial period (FP) ended 31 December 2011 due to the change of financial year (FY) end from 30 June to 31 December.

Computed based on weighted reallocation of additional RM3.66 billion capital raised in October 2012.

^ RWCR and assuming full reinvestment of DRP.

@ Total Capital Ratio (TCR) is computed in accordance with Capital Adequacy Framework (Capital Components) issued by Bank Negara Malaysia on 28 November 2012.


Non-Financial Highlights

HUMAN CAPITAL
Over 47,000
Maybankers worldwide

GLOBAL NETWORK
Over 2,200 offices
20 countries

CUSTOMERS
22 million
worldwide

CHAIRMAN'S STATEMENT



“Your Company has performed strongly once again with record Profit After Tax and Minority Interest (PATAMI), growing at double digits, reaching RM6.55 billion at end of FY2013.”

“We are especially pleased that our shareholders have kept faith in our growth story, allowing us to maintain our position as Malaysia's most valuable company in terms of market capitalisation by some margin - thank you.”

DEAR SHAREHOLDERS,

As another year passes, I am pleased to report that your Company has performed strongly once again, with record Profit After Tax and Minority Interest (PATAMI) growing at double digits, reaching RM6.55 billion at end of FY2013. It has indeed been heartening that we continued to have strong profit growth in Indonesia, as well as Investment Banking and Islamic Banking, our priority areas. Our capital base per the standards of Basel III remained strong with Common Equity Tier I Capital ratio at 11.25% - essential as we navigate the continuing economic turbulence affecting our region of choice, Southeast Asia and Greater China.

The building blocks to ensure that Maybank is indeed a regional bank have been steadily placed since the beginning of our transformation journey five years ago. Our talents have played important roles in delivering the results, and we have earned notable recognition in our people practices and as a preferred employer in Malaysia's banking and financial services industry. With staff engagement levels remaining very high comparable to world best-in-class, we will stay focused on raising personnel productivity, which will be supported by the implementation of our new region-wide IT systems.

Indeed, it has been encouraging that productivities in the Malaysian operations have been growing. This is not only due to our wide reach across the country, enabling us to pursue our policy for inclusiveness of all our communities, but also allowed us to bring our creativity and innovativeness to a large customer base to good effect.

Meanwhile, our emphasis on reaching out to communities continues to be demonstrated across the region. Our initiatives include empowering low-income families via financial inclusion and educational programmes, awarding scholarships to deserving students and providing micro-financing schemes to local communities, especially in Indonesia. In the Philippines, we resettled families affected by the 2011 Typhoon Sendong. Our corporate responsibility (CR) programmes aim to deliver long-term sustainable benefits, and the awards won during the year bear testimony to the difference we are making to communities across the region. More on our CR programmes can be found in our 2013 Sustainability Report.

We are especially pleased that our shareholders have kept faith in our growth story, allowing us to maintain our position as Malaysia's most valuable company in terms of market capitalisation by some margin - thank you. As final dividend for the year, we are proposing 31 sen per share net, or a payout of RM2.75 billion. This would mean a full year net dividend of RM4.71 billion which translates to 53.5 sen per share. Our dividend reinvestment programme continues, thereby strengthening our financial foundations even further and rewarding those who re-invested in the Company.

A change we did not anticipate was the departure of our former President and CEO, Dato' Sri Abdul Wahid Omar. He left mid-year to join the Malaysian Government as a Minister in the Prime Minister's Department. Dato' Sri Wahid did a remarkable job over his five years leading the Group and driving Maybank. My sincere thanks and best wishes to him.

The Board of Directors moved quickly to have him succeeded by Datuk Abdul Farid Alias, formerly our Head of Global Banking, to ensure continuity and accelerate our regional strategy. I am confident that Datuk Farid's leadership and his experience in executing the Group's strategic initiatives in his previous roles, will enable us to strengthen our position as a leading banking group in Southeast Asia.

I also extend my deepest thanks to Alister Maitland, who retired as a director of the Company in March 2013, after having served on the Maybank Board since August 2009.

I envisage we can expect better opportunities in 2014 as the conditions in advanced economies improve. We aim to remain agile to the situation, confident that we are well placed to capture new value creation opportunities should they arise, given our solid financial base, clear differentiated strengths in Islamic financial services and a varied regional customer base.

The support of our stakeholders as we move forward is much appreciated, and once again, on behalf of the Board, thank you to all.



**TAN SRI DATO' MEGAT ZAHARUDDIN
MEGAT MOHD NOR**
Chairman

GROUP PRESIDENT & CEO'S STATEMENT

“The record earnings we achieved in FY2013, means that earnings per share for our shareholders was at 75.8 sen, a 4.3% increase from FY2012. The Group has proposed a final dividend of 31 sen, making a total net dividend of RM4.71 billion for the year.”



“A strategic imperative in managing the Maybank Group is ensuring the strength of our balance sheet. Our clients who have chosen our institution to place their funds, have to be assured that their savings are secure, not just for today but for generations to come.”

DEAR SHAREHOLDERS,

This is my first letter to you as the Group President & CEO (GPCEO) of Maybank. I would first like to thank the Board for giving me the opportunity to carry this immense responsibility. At the same time, I am also very excited at the opportunity to demonstrate the growth possibilities that Maybank Group can achieve. In this letter, I would like to share with you my thoughts on how we have performed in 2013, our expectations for 2014 and our initiatives this year.

REVIEW OF 2013 PERFORMANCE

For the financial year ended 31 December 2013 (FY2013), your Company recorded a Profit After Tax and Minority Interest (PATAMI) of RM6.55 billion - the highest profit ever in the 52-year history of Maybank. It is 14% higher than our achievement for FY2012, contributed by higher pre-tax profit in Malaysia and in the region.

The Group's revenue base also saw an increase of 10.5% during the financial year contributed by all business segments. Net-fund based income grew 8.4% on the strength of a 14% increase in Group gross loans, while net fee-based income grew by 14.6%.

I am particularly pleased to share that our loan growth for the Group of 14% came in ahead of the 12% target, despite the slower first half period in 2013. Similarly on deposits, we grew 14% over the preceding year and ahead of our target of 12%.

As we continued our focus on regionalisation, we saw higher Profit Before Tax (PBT) in Malaysia and in the region. PBT for our Malaysian operations increased 12.1%, while PBT for our overseas operations increased 12.7%. Within the region, our Singapore operations recorded a PBT increase of 9.8% while PBT growth for our Indonesian operations came in at 18.8%.

Contributing to our performance in FY2013 was the improvement on our cost to income ratio to 47.8%. Our focus to continue strengthening the quality of our portfolio has also translated into an improved net impaired loans ratio from 1.09% in FY2012 to 0.95% in FY2013. At the same time, our loan loss coverage ratio improved to 107.5% at end December 2013.

For detailed business reviews, please refer to:

Community Financial Services	Pg 74
Global Banking	Pg 79
Maybank Singapore	Pg 97
Insurance and Takaful	Pg 100
Maybank Islamic	Pg 105

The record earnings we achieved in FY2013, means that earnings per share for our shareholders was at 75.8 sen, a 4.3% increase from FY2012. The Group has proposed a final dividend of 31 sen, making a total net dividend of RM4.71 billion for the year. This translates to a dividend payout ratio of 71.9%.

As a Group we aim to generate higher return on capital from our regional business. The performance we recorded for FY2013, translates to a return on equity (ROE) of 15.1%. This is a very respectable return for a financial institution operating in the ASEAN region – a collection of economies with different risk-return profiles. Our role is to maximise the return while assuming a safe and steady “risk posture”, that is typical of the Maybank Group.

In today's landscape, management of a financial institution requires more capital and better risk management infrastructure and practices to ensure that we remain strong. This is not just a leading practice but also a regulatory requirement set by central banks in the countries we are present in, and especially the regulator of our home market, Bank Negara Malaysia. Given the minimum regulatory

requirements, we have always aimed to have additional capital headroom to ensure we can stand strong as a financial group. With a 15.66% total capital ratio, we believe we have sufficient capital to meet Basel III requirements as well as our business requirements for 2014.

LOOKING AHEAD

Let me now share further our plans for 2014. When the Group Executive Committee (EXCO) members and I initiated our plan for the Group in 2014, we focused on running the Maybank Group along these criteria:

- Capital requirements to manage our business sustainably
- Minimum ROE that we strive to achieve for you
- Risk posture that we can and should assume, taking into account the above

Capital requirements to manage our business sustainably

A strategic imperative in managing the Maybank Group is ensuring the strength of our balance sheet. Our clients who have chosen our institution to place their funds, have to be assured that their savings are secure, not just for today but for generations to come. To ensure that we never undermine the expectations of our depositors, it means we have to take a measured approach of how much capital we need. The risk of being overcapitalised in my view, is more likely to drive undesired aggression in lending which may put our capital holders and customers at risk. At the Maybank Group, I find comfort in affirming to our shareholders that our capital level is comfortable to manage our business sustainably.

GROUP PRESIDENT & CEO'S STATEMENT

“The primary focus of our regionalisation agenda in 2014 is to enhance the performance of our presence in ASEAN, including Singapore, Indonesia, Philippines and Indochina as well as beyond ASEAN, namely Hong Kong and Greater China.”

Target ROE & Risk Posture for 2014

For FY2014, we have set a ROE target of 15.0%. The ROE target that we strive to achieve for you and the risk posture that we take are inter-related. And here is where business considerations take place.

We are a financial institution with a diverse portfolio, both from business and geographical perspectives. Diversification is both a risk strategy and growth strategy. A good portfolio mix for example, allows us not to be overly exposed to any one area of exposure. From a growth perspective, our expansion into other markets also allows us to seek new opportunities for our future. In addition, the aspirations of the ASEAN Economic Community drives us to make ASEAN our home, hence our regionalisation agenda.

REGIONALISATION & STRATEGIC PRIORITIES FOR 2014

Regionalisation is not a new agenda in the Maybank Group. When we were incorporated in 1960, branches were immediately set up in Malaysia, Singapore and Brunei. Over the years, we added branches and build a presence in all 10 countries in ASEAN, the three global financial centres of Hong Kong, London and New York, the two biggest emerging markets of China and India, the Middle East in Bahrain and Saudi Arabia, and three other opportunistic markets of Papua New Guinea, Pakistan and Uzbekistan.

The primary focus of our regionalisation agenda in 2014 is to enhance the performance of our presence in ASEAN, including Singapore, Indonesia, Philippines and Indochina as well as beyond ASEAN, namely Hong Kong and Greater China. The intention here is to get better performance from all of those countries to reach the level of what we have achieved in Malaysia. This requires us to focus on some specific priorities namely (1) ramping up regionalisation (2) continuous improvement in productivity, and (3) change in culture to ensure high performance.

Strategic Priority 1: Ramping up Regionalisation

At the beginning of 2014, we revamped our Group structure with this strategic priority in mind. The regional structure will allow better collaboration across countries and help us deploy more of our best resources across the region. For instance, we appointed Pollie Sim who has been very successful in building our business in Maybank Singapore to replicate that success in the Philippines, Greater China and Indochina. And similarly, Datuk Lim Hong Tat who has been extremely successful in turning around our Community Financial Services in Malaysia, will now take on the responsibility of managing the Community Financial Services business globally, as well as concurrently take on the role as CEO of Maybank Singapore.

As we think about some of our competitive differentiators, our Islamic Banking capabilities stands out. In FY2013, PBT for Maybank Islamic increased by 17% to RM1.39 billion. Muzaffar Hisham, our Group Head for Islamic Banking and CEO for

Maybank Islamic Berhad has been instrumental in making Maybank Islamic the third largest Islamic bank globally. We are very excited with what we can achieve in the Islamic banking space in the region this year.

As a financial services leader in Malaysia, our Insurance and Takaful business under the Etiqa brand has been an important contributor. Kamaludin Ahmad, CEO of Maybank Ageas Holdings Berhad helped ensure Etiqa retained its ranking as the second largest insurance company in the life and family insurance business, and number one ranking in the general insurance and takaful market. Kamaludin Ahmad was subsequently appointed Group Head, Insurance & Takaful, and he will similarly take on the responsibilities for expanding our Insurance & Takaful business in the region.

Strategic Priority 2: Continuous Improvement in Productivity

While we have already seen progress on certain productivity indicators, there is still more progress to be made. We are making several significant but relevant investments in systems Group wide that will support productivity improvements. This is a strategic move that needs to be well executed, and we have appointed Geoff Stecyk as Group Chief Technology Officer to lead this. To date, we have already rolled out our Global Treasury Risk Management System, Regional Cash Management System, Regional Trade Finance System and Regional Branch Solution. There have been some teething issues as some of our customers have pointed out, but I promise that we will do better. This is done with the ultimate interest to offer a better experience to our customers.

“I would like to share with you that our mission of humanising financial services across Asia is a very important driving force in what we do. As we progress ahead, we intend to make sure that this is not just a statement, but a promise for us to deliver to the best of our abilities.”

To lead the Group's operations, Jerome Hon was appointed Group Chief Operations Officer to head this function. We believe that there are many avenues we can work on to improve efficiency and productivity by adopting some of the best practices that we have achieved in the Group as well as leading benchmarks in the market.

Strategic Priority 3: Change in Culture for High Performance

Central to all these initiatives is the continuing transformation that the Group EXCO has been working on to improve the culture within the organisation. Designed and led by Nora Abd Manaf our Group Chief Human Capital Officer, we will continue to improve our internal environment to promote continuous learning and further transformation around high performance and productivity, which is co-led by Michael Foong. Michael Foong, who is also our Group Chief Strategy Officer, initiates strategic discussions across the Group and leads the refinement and execution of our strategies.

Mohamed Rafique Merican and Dr John Lee, our Group Chief Financial Officer and Group Chief Risk Officer respectively have been responsible for improving our ability to manage our assets and liabilities, enterprise risk culture, and better information system and risk culture that have directly contributed to the improvement of our asset quality.

OUR OUTLOOK FOR 2014 & HEADLINE KPIS

The global economic outlook for 2014 is expected to be heavily influenced by the performance of the major economies. Overall global economic growth is anticipated to rise by 3.5% this year, from 3.1% in 2013. However, ASEAN's growth trends will likely be mixed. On one side there is an anticipated uplift from a rebound in external demand, but transitory effects of domestic macroeconomic turbulence and political uncertainties in the region are also expected to have an impact in some ASEAN economies.

As we move from a good showing in 2013, our focus is on the strategic priorities that I have shared earlier, and on fine-tuning and executing the Group's strategies. On the back of these, our targets for 2014 are:

Return on Equity	15%
Group Loans Growth	13%
Malaysia Loans Growth	12%
Singapore Loans Growth	13%
Indonesia Loans Growth	17%-20%
Group Deposits Growth	13%

APPRECIATION

Our ambition of growing value sustainably would not have been possible without the support of many. I would like to extend my sincere appreciation to our customers, employees and shareholders for their feedback, and their continued loyalty and support.

On behalf of the management team, I would also like to express our appreciation to the Maybank Board members and those of the other entities within the Group, as well as the regulatory bodies in all the countries we operate in, for their continued guidance.

Finally, I would like to record our appreciation to Dato' Sri Abdul Wahid Omar, the Group's former PCEO who stepped down in June 2013 upon being appointed as Minister in the Prime Minister's Department Malaysia. I, like all 47,000 Maybankers worldwide, am deeply proud of his appointment as it is a testament to his accomplishments, especially the leadership that he has given in transforming the Maybank Group to date.

Before I end, I would like to share with you that our mission of humanising financial services across Asia is a very important driving force in what we do. This resonates deeply with what we have expressed in our recent branding campaign entitled "Bridging Worlds in Asia", which we are using as the theme for our Annual Report 2013. It is indeed about building on Maybank's strength of humanising financial services, having the right service solutions and providing convenience to customers through technology.

As we progress ahead, we intend to make sure that this is not just a statement, but a promise for us to deliver to the best of our abilities. At the end of the day, this we believe will make all the difference in our effort to make a positive impact to our society.

Thank you.



Datuk Abdul Farid Alias
Group PCEO

**WITH MORE THAN
2,200 OFFICES IN
20 COUNTRIES,
WE CONNECT YOU
ACROSS ASIA.**



REACH

**20 COUNTRIES
2,200 OFFICES**





VISION, MISSION & CORE VALUES

Vision

To Be A Regional Financial Services Leader

Mission

Humanising Financial Services Across Asia

Core Values



teamwork

TEAMWORK

We work together as a team based on mutual respect and dignity



integrity

INTEGRITY

We are honest, professional and ethical in all our dealings



growth

GROWTH

We are passionate about constant improvement and innovation



excellence & efficiency

EXCELLENCE & EFFICIENCY

We are committed to delivering outstanding performance and superior service



relationship building

RELATIONSHIP BUILDING

We continuously build long-term and mutually beneficial partnerships

CODE OF ETHICS & CONDUCT

Maybank, as a custodian of public funds, has a responsibility to safeguard its integrity and credibility. It is with this understanding that the organisation sets out clearly the code of ethics and conduct for its staff. The code stipulates the sound principles that will guide all Maybank staff in discharging their duties. It sets out the standards of good banking practice.

THE PURPOSE OF THE CODE IS TO:

1. Uphold the good name of the Maybank Group and to maintain public confidence in the Maybank Group.
2. Maintain public confidence in the security and integrity of the banking system.
3. Maintain an impartial and unbiased relationship between the Maybank Group and its customers.
4. Uphold the high standards of personal integrity and professionalism of Maybank Group staff.

THE CODE STIPULATES THAT STAFF SHOULD NOT:

1. Engage directly or indirectly in any business activity that competes or is in conflict with the Bank's interest.
2. Misuse or abuse their positions in the Bank for their personal benefit or for the benefit of other persons.
3. Misuse information. Staff should not copy, remove or make use of any information obtained in the course of business for the direct or indirect benefit of themselves or of any other persons.

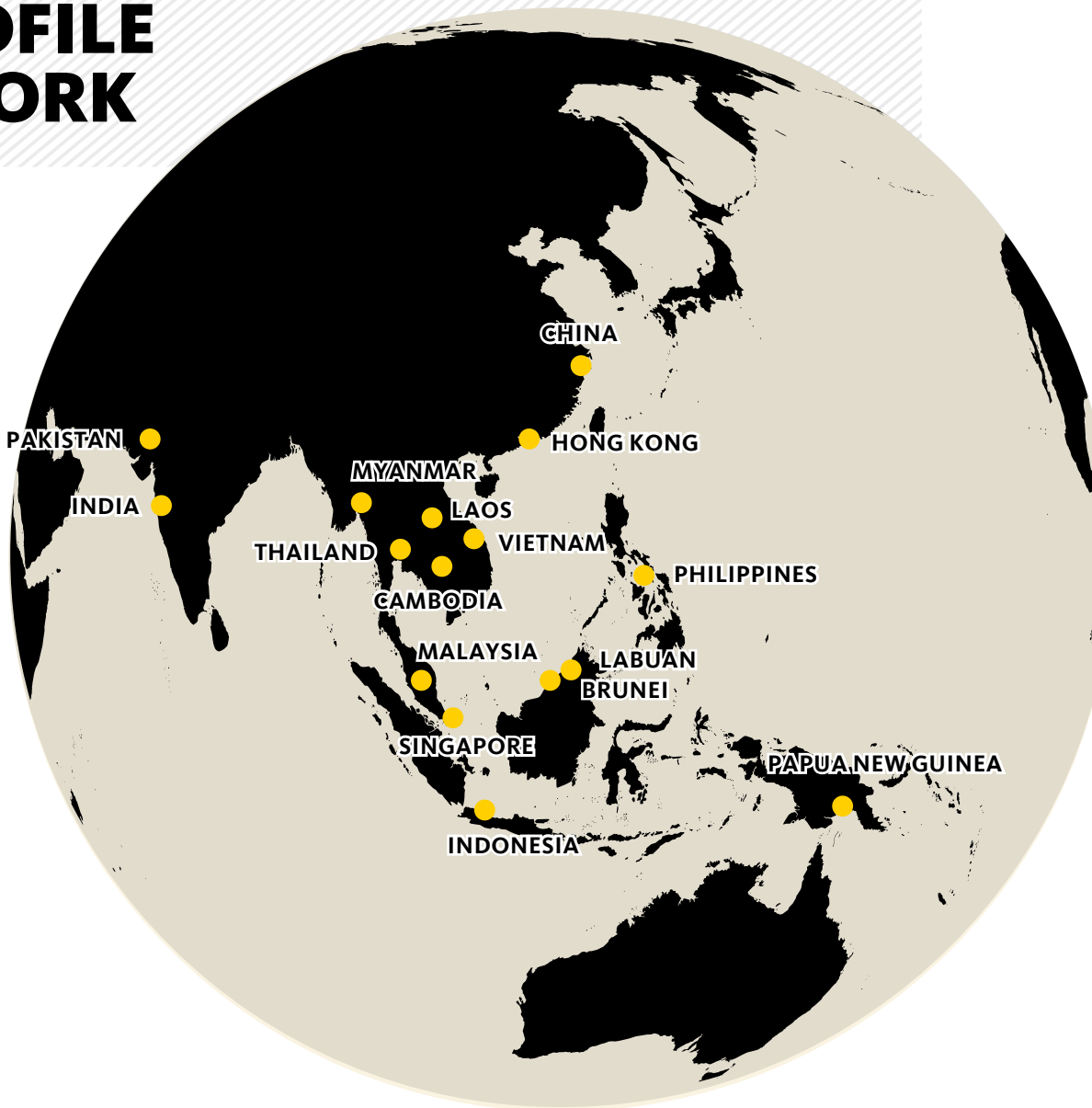
IN ADDITION TO THESE, STAFF SHOULD:

1. Ensure the integrity and accuracy of records and/or transactions.
2. Ensure fair and equitable treatment in all business dealings on behalf of the Bank.
3. Maintain the highest standard of service in their relationship with customers.
4. Maintain confidentiality of all relations and dealings between the Bank and its customers. However, confidential information concerning a customer may be given or made available to third parties only with prior written consent of the customer or when disclosure is authorised under the Financial Services Act 2013.
5. Manage their financial matters well and not subject themselves to pecuniary embarrassment.
6. Observe and comply with laws and regulations relating to the operations of the Bank.

CORPORATE PROFILE & GLOBAL NETWORK

Maybank is among **Asia's leading financial services groups**, and the **fourth largest bank in Southeast Asia** by assets.

It was established in Kuala Lumpur in 1960 and is listed and headquartered in Malaysia. It is also Malaysia's No.1 financial services group and the largest company by market capitalisation in the country.



The Maybank Group offers a comprehensive range of financial services ranging from corporate and consumer banking, investment banking, insurance & takaful, asset management, Islamic banking, offshore banking, stock broking, venture capital financing and internet banking.

It operates an extensive global network of over 2,200 offices in 20 countries including in all 10 ASEAN countries. From its key home markets of Malaysia, Singapore and Indonesia, the Group's presence extends to the Philippines, Brunei

Darussalam, Cambodia, Vietnam, Laos, Thailand, Myanmar, China, Hong Kong, Papua New Guinea, Pakistan, India, Uzbekistan, Saudi Arabia, Bahrain, United Kingdom and United States of America. The Maybank Group has leveraged its vast network and extensive experience of over 53 years to bridge customers across the world through unique financial solutions and advisory services that are tailored for their specific needs. Its vast array of products and capabilities makes the Group an ideal business partner, particularly in markets where it has a presence.

With a strong focus on innovation and excellence, Maybank has been consistently recognised for its leadership and ability to deliver value to all its stakeholders. It has received numerous region and international awards, and acknowledged for its leadership among peers. Maybank is ranked among the top 20 Strongest Banks in the World by Bloomberg Markets magazine, and is the leading Malaysian bank and among the top 100 Global Banks listed by The Banker magazine. It has also been ranked Malaysia's Most Valuable Brand for a number of years. The Group's Islamic Banking arm, Maybank Islamic Berhad, is the top Islamic

Over 2,200 OFFICES

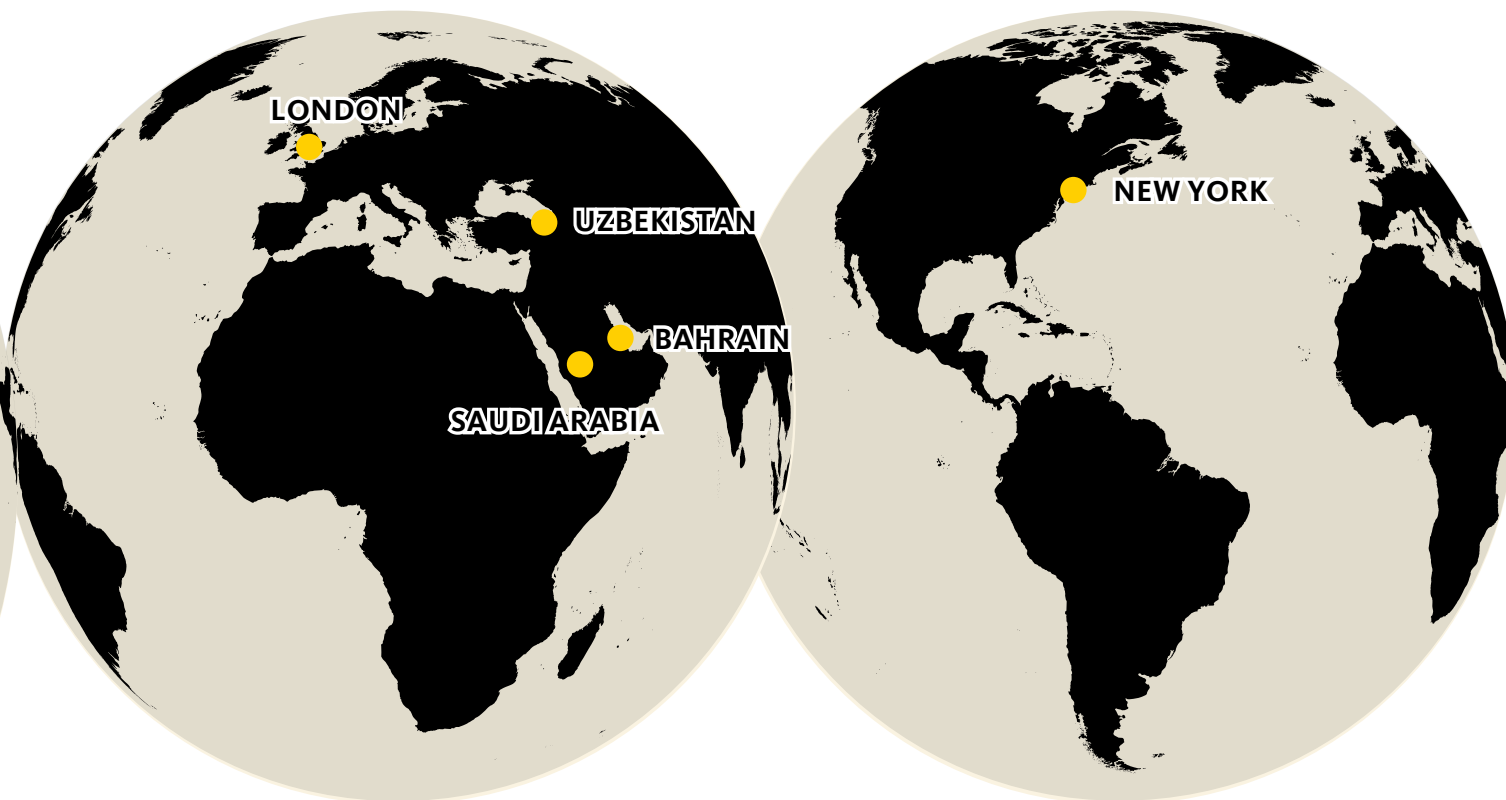
Over 2,200 offices in 20 countries

22 mil CUSTOMERS

Over 47,000 employees serving over 22 million customers

RM88.1 bil MARKET CAPITALISATION

The largest listed company on Bursa Malaysia



Home Markets - Malaysia, Singapore and Indonesia

Our three home markets of Malaysia, Singapore and Indonesia accounted for 91.2% of total Group PBT in FY2013. Malaysia is the largest contributor, with 62.1% of Group gross loans originating from this market and contributing 69.7% to Group PBT. The next biggest contributor to the Group's bottom line is Singapore with 14.1% PBT contribution led by a strong commercial and consumer banking franchise. Our third home market, Indonesia, makes up 7.4% of Group PBT, with its portfolio made up of consumer, SME and global banking. For 2014, Maybank Group will look to fortify its dominance in profitable segments domestically, grow returns from our businesses in Indonesia and strengthen our Singapore operations.

commercial bank by assets in the Asia Pacific and 3rd in the world.

Maybank Group was built on the commitment that it would serve as a catalyst for economic and social development wherever it operates. True to this philosophy, the Group has continuously worked to support economic and social development in countries where it operates. Today, this is reinforced by its mission to humanise financial services across Asia. Through this mission, Maybank is focused on providing people with access to

financial services at fair terms and pricing, advising them based on their needs and being at the heart of the community.

The Maybank Foundation remains an integral avenue for the Group to reinforce its commitment to the community. Through the Foundation's regional corporate responsibility initiatives as well as the active involvement of its employees, Maybank remains steadfast in helping foster a better and more sustainable future for all.

OVERSEAS MARKETS

- **Bahrain** 1 branch
- **Brunei** 3 branches
- **Cambodia** 16 branches
- **China** 2 branches
- **Hong Kong** 1 branch, 2 branches via Maybank Kim Eng
- **Indonesia** 422 branches via 78.95% owned Bank Internasional Indonesia (BII), 6 branches via Maybank Kim Eng, 1 branch via Maybank Syariah Indonesia
- **India** 1 branch via Maybank Kim Eng, 1 branch in Mumbai via BII
- **Labuan** 1 branch
- **Laos** 1 branch
- **London** 1 branch, 1 branch via Maybank Kim Eng
- **Malaysia** 399 branches, 6 branches via Maybank Investment Bank
- **Myanmar** 1 representative office
- **New York** 1 branch, 1 branch via Maybank Kim Eng
- **Pakistan** 1,208 branches via 20% owned MCB Bank, 4 branches via 32.5% owned Pak-Kuwait Takaful Company
- **Papua New Guinea** 2 branches
- **Philippines** 77 branches, 3 branches via Maybank Kim Eng
- **Saudi Arabia** 1 office via Anfaal Capital
- **Singapore** 22 branches, 4 branches via Maybank Kim Eng
- **Thailand** 51 branches via Maybank Kim Eng
- **Uzbekistan** 1 office via 35% owned Uzbek Leasing International
- **Vietnam** 2 branches, 8 branches via Maybank Kim Eng, 145 branches via 20% owned An Binh Bank

RM560 bil
TOTAL ASSETS

The largest bank in Malaysia

RM6.55 bil
NET EARNINGS

Record PATAMI of RM6.55 billion for FY2013

KEY BUSINESS ENTITIES



MALAYAN BANKING BERHAD IS THE HOLDING COMPANY AND LISTED ENTITY FOR THE MAYBANK GROUP WITH BRANCHES IN MALAYSIA, SINGAPORE AND OTHER INTERNATIONAL FINANCIAL CENTRES SUCH AS LONDON, NEW YORK, HONG KONG AND BAHRAIN.

Maybank's key overseas subsidiaries are PT Bank Internasional Indonesia Tbk, Maybank Philippines Incorporated, Maybank (Cambodia) Plc, Maybank (PNG) Ltd in Papua New Guinea and Maybank International (L) Ltd in the offshore centre of Labuan.

The major operating subsidiaries are Maybank Islamic Berhad, Maybank Investment Bank Berhad, Maybank Kim Eng Holdings Limited and Etiqa Insurance Berhad. Maybank has associate companies in Pakistan (through 20%-owned MCB Bank) and in Vietnam (through 20%-owned An Binh Bank).

The Maybank Group Corporate Structure is on page 23.

ISLAMIC BANKING



MAYBANK ISLAMIC BERHAD

Maybank Islamic Berhad is Maybank Group's wholly-owned, full-fledged licensed Islamic bank. It is the leading provider of Islamic financial products and services in ASEAN. Maybank Islamic leverages on the Group's infrastructure and network to offer end-to-end Shariah compliant financial solutions. It continues to be the leader in overall market share for financing and deposits in 2013.

INVESTMENT BANKING

The investment banking division of Maybank Group comprises Maybank Investment Bank Berhad and the Maybank Kim Eng Holdings Limited group of companies.



MAYBANK INVESTMENT BANK BERHAD

Maybank Investment Bank Berhad is a wholly-owned subsidiary of Maybank. Maybank IB is the Malaysian investment banking operation of Maybank Kim Eng. It offers a complete range of investment banking products and solutions including corporate finance and advisory, strategic advisory, equity markets, stock broking, debt markets, derivatives and research.



MAYBANK KIM ENG HOLDINGS LIMITED

Maybank Kim Eng Holdings Limited is a wholly-owned subsidiary of Maybank. Maybank Kim Eng comprises businesses stretching around the globe with offices in Singapore, Hong Kong, Thailand, Indonesia, the Philippines, India, Vietnam, Great Britain and the United States of America. It provides services in corporate finance, debt markets, equity capital markets, derivatives, retail and institutional securities broking and research.

INTERNATIONAL



PT BANK INTERNASIONAL INDONESIA TBK

PT Bank Internasional Indonesia Tbk (BII) is a subsidiary of Maybank. It is the ninth largest commercial bank by assets and is listed on the Indonesia Stock Exchange (Ticker: BNII). The Bank provides a full range of financial services for business, retail and global banking customers.

As of 31 December 2013, BII's network comprises 422 branches, including Syariah branches, two overseas branches in Mumbai and Mauritius and 1,524 ATMs including Cash Deposit Machines (CDMs). BII has total customer deposits of Rp107.2 trillion and Rp140.7 trillion in assets.



MAYBANK PHILIPPINES INCORPORATED

Maybank Philippines, Inc. (MPI) is a full-service commercial bank offering a wide array of financial solutions geared towards the upscale consumer market and selected segments of top-tier corporations. MPI is also involved in treasury operations, with an emphasis on money market operations and foreign exchange trading, as well as trust services. Today, MPI maintains a network of 77 branches strategically located in key cities nationwide.

INSURANCE



Insurance & Takaful

ETIQA

Etiqa is the brand for Maybank Group's insurance and takaful businesses, which offer all types and classes of Life and General conventional insurance policies as well as Family and General takaful plans via our multi distribution channels.

KEY ASSOCIATES



MCB BANK LTD

MCB Bank is a 20%-owned associate company of Maybank. As a leading bank in Pakistan with more than 60 years of experience, MCB has played a pivotal role in representing the country on global platforms with a presence in Sri Lanka, Dubai, Bahrain, Azerbaijan and Hong Kong. It serves through a network of 1,208 branches including 27 Islamic banking branches within Pakistan and nine branches outside the country. MCB has a large deposit base of Rs.632 billion and total assets of Rs.821 billion.



AN BINH BANK

An Binh Bank is a 20%-owned associate company of Maybank. Founded in May 1993, An Binh Bank has transformed over the years from a rural bank to an urban bank offering a full range of commercial banking products and services. With 20 years under its belt, An Binh Bank has gained a firm foothold in Vietnam's banking industry with a network of over 145 branches and sub-branch offices located across 29 provinces nationwide.

HISTORY, INNOVATION & LEADERSHIP

Maybank's key milestones since incorporation in 1960 demonstrate its commitment to innovation and excellence, making it a leader in Southeast Asia's banking industry.

1960

- Maybank is incorporated on May 31 and begins operations in Kuala Lumpur on September 12.
- Malayan Finance Corporation (later Mayban Finance) is established, the first wholly bank-owned finance company.
- Maybank's first overseas branch opens in Brunei Darussalam.
- Branches are opened in Singapore.

1962

- The Hong Kong branch opens on February 12, followed by a branch in London on September 12.
- On February 17, Maybank lists on the Kuala Lumpur Stock Exchange (later Bursa Malaysia).

1973

- In September, Maybank sets up its investment banking arm — Asian and Euro-American Merchant Bankers Bhd (Aseambankers). The bank is renamed Maybank Investment Bank in 2009.

1974

- First to introduce a rural credit scheme.

1976

- First to introduce mobile bus banking services.

1977

- In June, Mayban-Phoenix Assurance Bhd – with the Bank holding 70% equity – is incorporated offering underwriting general insurance risks. The remaining 30% is held by British Phoenix Assurance. On October 10, 1986, Mayban-Phoenix Assurance is renamed Mayban Assurance.

1978

- Pioneer in computerisation of banking operations in Malaysia.

1980

- Maybank launches its first credit card — the Maybank Visa Classic card.

1981

- First Malaysian bank to set up ATMs in Malaysia.

1983

- Prime Minister Dato' Seri Dr Mahathir Mohamad lays the foundation stone of Menara Maybank – Maybank's headquarters – in September.

1984

- Maybank's New York branch opens in September.

1986

- Maybank introduces the nation's first integrated and largest ATM network — Automated Banking Consortium or ABC linking Kwong Yik Bank, Mayban Finance and Maybank in Malaysia and Singapore, a total of 296 ATMs.

1988

- Balai Seni Maybank and the Maybank Numismatic Museum are officially opened by Tan Sri Dato' Jaffar Hussein, Governor of Bank Negara Malaysia. Official opening of Menara Maybank in June 1988 by the Prime Minister.
- First financial institution to introduce payment for new IPOs through ATMs.

1990

- Maybank sets up an offshore bank in Labuan International Offshore Financial Centre.

1992

- In January, Mayban Securities is formed.
- Maybank Autophone is launched, making it the first local bank to offer a computerised telephone service.

1993

- Mayban Ventures begins operations.
- Aseam Leasing and Credit Bhd is incorporated, offering leasing and hire purchase activities.

1994

- Maybank (PNG) Ltd opens for business in Port Moresby in October, with a second branch opened in Lae in 1997.
- Prime Minister Dato' Seri Dr Mahathir Mohamad officially launches joint venture with PT Bank Nusa Internasional of Indonesia.

1996

- In March, the Hanoi branch and a representative office in Ho Chi Minh City are officially opened. In October 2005 Ho Chi Minh City becomes an official branch making it the second branch in Vietnam.
- Pioneer in bancassurance in Southeast Asia.
- Maybank sells Kwong Yik Bank to Rashid Hussain Berhad in December.

1997

- First to offer the convenience of ticket-less travel for domestic flights on MAS through MAS Electronic Ticketing (MASET).
- Maybank acquires a 60% stake in PNB-Republic Bank of the Philippines, and renames it Maybank Philippines Inc.

2000

- First to introduce View & Pay service in Malaysia using credit card and direct debit via Internet with Mesiniaga Bhd.
- First in Malaysia and Southeast Asia to offer common ATM and over-the-counter services in Malaysia, Singapore, Brunei and the Philippines.
- First Malaysian bank to open a branch in Shanghai, People's Republic of China.
- Maybank launches Maybank2u.com in June, making it the first bank in Malaysia to introduce Internet banking services.
- Maybank acquires Pacific Bank Bhd and Phileo Allied Bank Bhd. In 2001, they were merged into Maybank's operations.

2001

- Maybank and Fortis International NV, one of the largest providers of integrated financial services in Europe, collaborate to set up Mayban Fortis Holdings Bhd in a 70:30 partnership.
- Maybank Tower, the new headquarters of Maybank Singapore, is officially opened.
- Deputy Prime Minister Dato' Seri Abdullah Ahmad Badawi launches Dataran Maybank in Kuala Lumpur.

2002

- Mayban Takaful commences operations, making it the first Takaful company owned by a conventional bank in Malaysia.

2003

- First to launch an Internet banking kiosk, in Malaysia, called Maybank2u.com Internet Kiosk.
- Maybank officially launches its Bahrain branch, the first Malaysian bank to operate there.

2004

- First local bank to introduce e-Dividend via Maybank2e, a comprehensive dividend payment system through the Bank's enterprise cash management system, Maybank2e.net.
- The entire operations and business of Mayban Finance Bhd is vested into Maybank.

2005

- Acquisition of Malaysia National Insurance Bhd, Malaysia's largest national insurer and its subsidiary, Takaful Nasional Sdn Bhd, Malaysia's premier Takaful provider.

2006

- First to offer online mobile banking via SMS followed by M2U Mobile Services using GPRS/3G phones in 2006.
- Maybank becomes the sole issuer and manager of the American Express charge card and merchant acquiring businesses in Malaysia.
- First Malaysian bank to provide over-the-counter cash withdrawal services in its offices in Malaysia, Singapore, Brunei Darussalam and the Philippines, called Region Link.
- Maybank began title sponsorship of the Maybank Malaysian Golf Open for a five year period. This sponsorship was later renewed for another five years beginning 2011.

2007

- First to introduce the structured commodity financing solution for business customers.
- First to launch complete mobile money service in Malaysia with Maxis.
- Maybank Group launches Etiqa, the new brand name for its conventional and takaful businesses under Mayban Fortis Holdings.

2008

- First to launch Malaysia's dual purpose Bankcard in partnership with Visa International in 2008.
- Malaysia's Most Valuable Brand in 2007 & 2008.
- Maybank establishes its Islamic banking subsidiary, Maybank Islamic Berhad.
- Maybank acquires stakes in PT Bank Internasional Indonesia, An Binh Bank of Vietnam and MCB Bank Ltd of Pakistan.

2009

- First to launch online facility for making additional investments in ASB units with PNB.
- Maybank launches the country's first wireless (mobile) payment terminal facility to accept credit or debit payment at the point of delivery with Pizza Hut.
- Partnered with Maxis, Nokia, Touch n Go and Visa, to launch the world's first, contactless mobile payments using near field communications (NFC) via Nokia phones.
- Maybank and Permodalan Nasional Berhad jointly launch Malaysia's first-ever service for making additional investments in ASB units via Internet banking.
- Maybank successfully completes a RM6 billion rights issue – the largest in Malaysian corporate history.

2010

- First public listed company on Bursa Malaysia to announce a dividend reinvestment plan.
- First Malaysian bank to achieve more than USD100 billion in total asset size and USD1 billion in profit after tax.
- First to launch disabled friendly banking branches for wheelchair bound users nationwide.
- Maybank celebrates its 50th anniversary.
- Launches TradeConnex, first local bank in Malaysia to offer a comprehensive suite of conventional trade finance products online.
- Maybank Islamic launches Waqf, the first structured community giving programme for customers by a financial institution in Malaysia.
- Maybank Singapore launches the first Islamic financing package for SMEs in Singapore.
- Launches Pantai American Express Credit Card, Malaysia and Asia's first co-brand credit card with a healthcare service provider.
- PT Bank Maybank Indocorp is converted to a full-fledged Islamic bank and renamed Maybank Syariah Indonesia.
- Maybank Foundation is established with an initial RM50 million allocation, to spearhead the Group's Corporate Responsibility initiatives in the region.

HISTORY, INNOVATION & LEADERSHIP

2011

- First Malaysian bank to launch an “Overseas Mortgage Loan Scheme”, offering Malaysians a Ringgit mortgage loan facility for property in London.
- Acquisition of Kim Eng Holdings Ltd, a Singapore-listed investment banking group with a strong regional platform.
- Launches a strategic partnership via Shared Banking Services with Pos Malaysia Berhad, providing selected Maybank services at more than 400 Pos Malaysia outlets nationwide.
- First in Malaysia to launch “Maybank 2 Cards” which provides two credit cards together to a card member with only one sign-up.
- The first Qualifying Full Bank in Singapore to launch a Platinum Debit Card with the NETS FlashPay feature.
- First Malaysian bank to launch eCustody, an electronic, front-end, internet-based platform offering institutional clients the flexibility of online management of their custody accounts with the Group.
- Unveils a refreshed corporate identity which is driven by its mission to “Humanise Financial Services Across Asia.”

2012

- Maybank becomes the first local bank to simultaneously sign agreements with four banks from Myanmar to introduce Maybank Money Express (MME) remittance service to the country.
- Maybank reaffirms its long term commitment to Cambodia with the local incorporation of its operations there.
- Maybank Foundation expands its local scholarship programme to include, for the first time, scholarships from pre-university level. The Foundation awarded full scholarships to 19 deserving students at top public and private local universities.
- Maybank expands its network in China with a new branch in Beijing to boost its Greater China operations.
- The Prime Minister of Malaysia officially opens Maybank’s first branch in Laos, which completes the Group’s footprint in all 10 ASEAN nations.
- Maybank Singapore executes the first Islamic Profit Rate Swap on the back of a syndicated Islamic loan, establishing its capability in Islamic hedging solutions.
- Malaysia’s Most Valuable Brand.
- Maybank announces the successful completion of a bookbuilding exercise in relation to its private placement, raising approximately RM3.66 billion (US\$1.2 billion) at a narrow discount to the market price. The private placement, ranked as the largest in Malaysia’s corporate history, is well received by both domestic and foreign institutional investors.
- Maybank Philippines Inc. launches the Maybank Credit Card in the Philippines.
- Maybank Philippines Inc. announces the move of its offices to the new Maybank Corporate Centre in Bonifacio Global City in Taguig.
- The first bank in Singapore to introduce the Maybank Smart TV App, leveraging on the full capabilities of the Samsung Smart TV to create a truly innovative online service and engagement channel for customers and non-customers.
- Maybank launches its enhanced Regional Cash Management platform, delivered through its state-of-the-art web-based Maybank2E platform in Singapore to tap into Asia’s fast growing cash management market.
- Maybank launches its internet banking service, Maybank2u, in Cambodia, making this award-winning service available to customers in the country.
- Maybank expands its network in Cambodia with the opening of its 12th branch in the country, located at the Phnom Penh Special Economic Zone.

2013

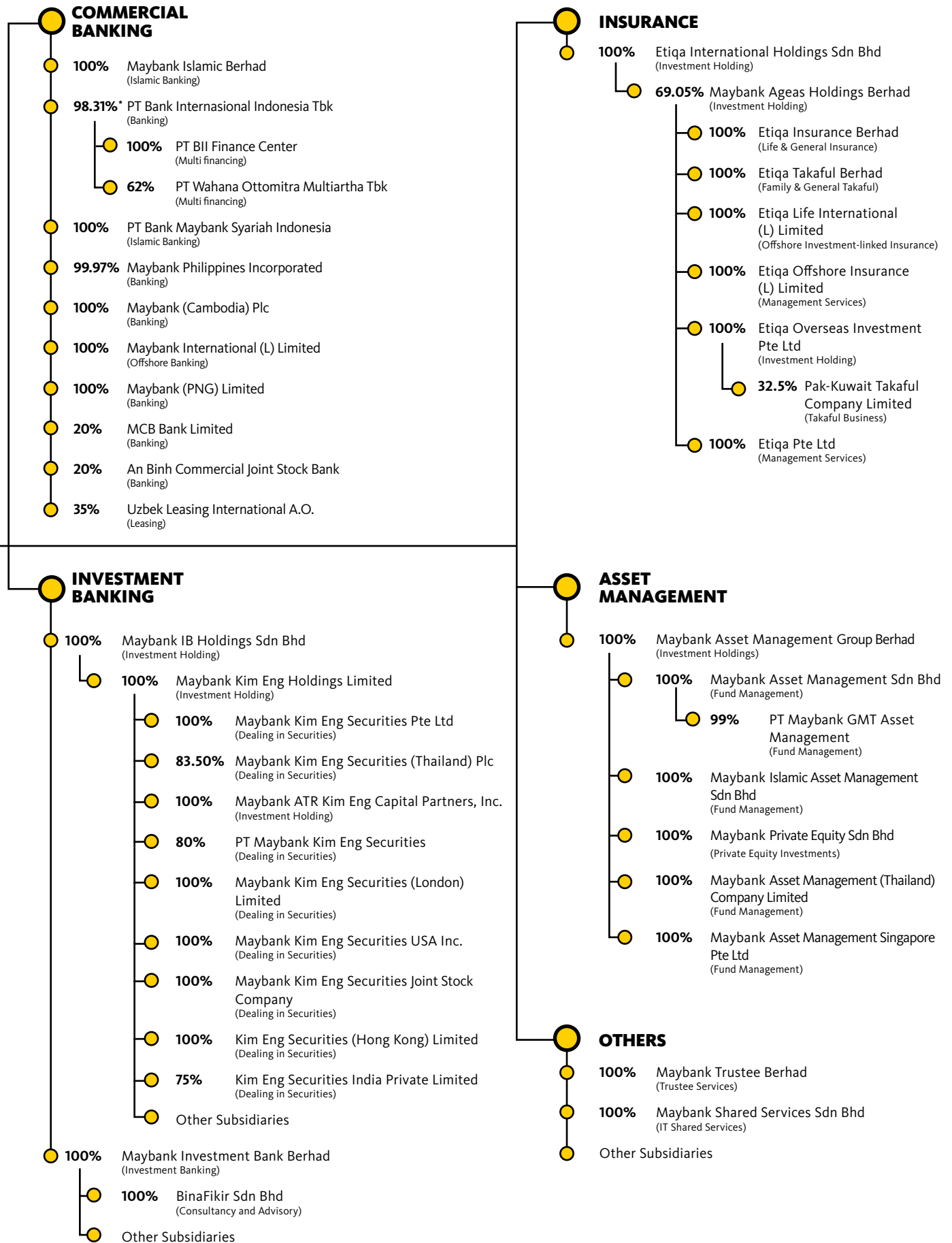
- Maybank is the first ASEAN bank to adopt Microsoft’s Windows 8 platform for its corporate mobile banking application, Maybank2E-Regional Cash.
- Maybank launches its first investment-linked plan, Luxury Edition, a single premium closed-ended investment-linked insurance plan in Malaysia to offer a combination of insurance protection and investment for luxury goods market.
- Maybank launches Maybank2u Pay, another first by a bank in Malaysia. Maybank2u Pay is a payment gateway to facilitate purchases at blog shops, offering not only fast and safe transactions, but also a convenient and reliable online shopping experience.
- Maybank expands its successful co-brand partnership with Manchester United (MU), bringing to the market the “Maybankard Visa Infinite Manchester United” card, the first ever co-brand Manchester United card in the world targeted at the niche high net worth segment.
- Maybank expands its Overseas Mortgage Loan Scheme (OMLS) to include purchases of residential properties in three new markets – namely Sydney, Perth and Singapore. Malaysian investors can now enjoy the convenience of financing their property purchases there in Ringgit. Maybank is the first Bank in Malaysia to introduce the OMLS.
- The Prime Minister of Malaysia, Dato’ Sri Mohd Najib bin Tun Haji Abdul Razak, officiates the launch of Maybank Islamic Asset Management at the World Islamic Economic Forum in London.

GROUP CORPORATE STRUCTURE

as at 31 January 2014



MALAYAN BANKING BERHAD



Notes:

1. Where investment holding companies are omitted, shareholdings are shown as effective interest.
 2. Companies that are not shown include those dormant, under member's voluntary liquidation, have ceased operations or provide nominee services.
 3. Refer to Note 58 : Details of Subsidiaries and Associates in the Financial Statements book of the Annual Report 2013 for the complete list of Maybank subsidiaries and associate companies.
- * Effective interest. Refer to Note 58, footnote 16, page 207 of the Financial Statements book of the Annual Report 2013.

GROUP ORGANISATION STRUCTURE



Datuk Abdul Farid Alias
Group President @
Chief Executive Officer

BUSINESS



Datuk Lim Hong Tat
Group Head,
Community
Financial Services
(CFS)

Responsible for driving the strategy, growth and performance of the CFS businesses which covers consumer, business banking and SME segments, as well as the shared sales and distribution network for the key markets globally. By working with respective country teams, the core function of his regional team is to drive better cross-border synergies of the CFS businesses in the areas of wealth management, high net-worth and affluent banking, card businesses, business banking, and SMEs as well as via other cross-border initiatives such as sharing of best practices, talent deployment as well as leveraging on common investments.



Datuk Abdul Farid Alias (Acting)
Group Head,
Global Banking (GB)

Responsible for the overall strategy, growth and performance of the Global Banking (GB) businesses comprising investment banking, corporate banking, global markets, transaction banking, asset management and the client coverage teams who play the role of a single point of contact for our corporate and institutional clients. Also accountable for successful execution of GB strategic initiatives and business driving the GB business across the region through dedicated local in-country GB Head in key markets together with local in-country client coverage and product heads. GB also comprises the finance, strategy, legal, risk management and IT functions supporting the client coverage and the respective line of businesses.



Muzaffar Hisham
Group Head,
Islamic Banking
Chief Executive Officer
(CEO), Maybank
Islamic Berhad

Responsible for managing and setting the key strategies for the Group's Islamic banking business, overseeing product management, Islamic Global Markets, business development, Shariah management, strategic management as well as risk management. Core responsibilities also include formulating business strategies, monitoring financial and business performance as well as implementing policies and frameworks and ensuring the execution of the Islamic banking business across the Group is Shariah compliant. Muzaffar Hisham is also responsible for driving the "Islamic First" strategy across the Group and building the Islamic brand as top of mind in the region.



Kamaludin Ahmad
Group Head,
Insurance @ Takaful
Chief Executive Officer
(CEO), Maybank Ageas
Holdings Bhd (MAHB)

Responsible for driving and managing the overall strategy, profitability and growth of the Group's Insurance and Takaful business. Aside from managing the life/family and general businesses, his teams also oversee the investment, commercial, corporate planning, risk management and IT decisions pertaining to the Insurance & Takaful operations. The core responsibilities of his teams are aligned towards achieving the Etiqa aspirations. These include strengthening distribution footprint, growing PBT via organic growth and regional expansion, strengthening Takaful leadership position and making Etiqa as a preferred brand among all Malaysians.

FUNCTION



Michael Foong Seong Yew
Group Chief Strategy
Officer
Office of the Group
President @ CEO

Responsible for managing the Group's transformation programme across the region and developing the Group's long-term strategies. He leads the Office of the Group President and CEO, in which the teams oversee the development and propagation of the Group's strategic objectives. They also drive productivity and cost management improvement programmes while overseeing multiple projects to deliver new capabilities and expansions into new geographies. In addition, elevating the Maybank brand as well as positioning the Group with external stakeholders are focus areas. Finally, the Corporate Development and Innovation team oversees the Group Innovation agenda to propel Maybank to become known as a leading innovative bank.



Mohamed Rafique Merican bin Mohd Wahiduddin Merican
Group Chief Financial
Officer

Responsible for managing and executing the strategy for the finance function across the Group. His teams are positioned as regional business partners, overseeing seven functional pillars, namely Financial Control, Corporate Treasury, Tax, Performance Reporting & Investor Relations, Strategic Procurement, Finance Strategy and Finance Operations. Also provides direct support to business segments in the Maybank Group through business finance and country-level finance teams. Group Finance also provides subject-matter expertise in capital management, corporate finance, corporate remedial management, tax and MIS (Management Information Systems).



Nora Abd Manaf
Group Chief Human
Capital Officer

Responsible for the development and implementation of all people aspects in the Maybank Group. She is responsible for the Human Capital Centre of Expertise, which develops and implements policies that are applicable Group wide, across the various businesses and countries, as well as ensuring that strategic Human Capital Management is effective across the Group. Her key focus and objectives for FY2014 and beyond include further entrenching Maybank's reputation as a leading employer and an Employer of Choice, driving a high performance culture, improving Maybank Group's Staff Productivity, driving the Group's Regional Transformation through the people and structure aspects, and building a sustainable talent & succession pipeline.



COUNTRY



Dr John Lee Hin Hock
Group Chief Risk Officer

Responsible for the Group's credit and risk management. His teams provide value to the Group through independent and integrated assessments of compliance, credit management, market, operational, liquidity, credit and enterprise risk management. Group Risk remained committed in FY2013 to enhancing and integrating risk into the business to strengthen risk management effectively across the Group. Based on this overarching strategy, the teams focused on enhancing the overall risk frameworks, systems and processes, improving the risk-reward dynamics across the Group and optimising capital and liquidity management across the Group.



Geoff Stecyk
Group Chief Technology Officer

Responsible for directing and driving the Group's technology initiatives to support Maybank Group's long-term strategic objectives. His teams oversee the technology applications and infrastructure adopted across all business units and countries in which Maybank Group operates. The core responsibilities of his teams include end-to-end project delivery such as project management, solution architecting and system design, code development and testing, as well as operational support services. Other responsibilities include the definition of technology standards and frameworks, governing the Group's architecture principles and ensuring compliance of the Group's technology solutions with national and international security standards.



Jerome Hon
Group Chief Operations Officer

Responsible for overseeing the Group's overall internal operations infrastructure to ensure service integration and effectiveness. His teams consist of Payments & Self Service Terminals, Trade Operation Centre, Transformation & Project Management Office, Group Collateral Management System, Credit Administration, Treasury Operations and Property, Security & Valuations. The core responsibilities of his teams include developing and enhancing processes to support all banking transactions, and ensuring the smooth daily operations of these functions.



Datuk Abdul Farid Alias
Chief Executive Officer (CEO), Malaysia

Responsible to develop and drive the overall country business strategy, aligned to the overall Maybank Group strategy. This would encompass the different businesses and group functions within Malaysia. The CEO of Malaysia also collaborates closely with his counterparts in the different countries to firmly establish Maybank Group's presence across the region.



Datuk Lim Hong Tat
Chief Executive Officer (CEO), Maybank Singapore

Responsible for driving the overall profitability and growth of Maybank Group's operations in Singapore. By working closely with the other Maybank Group entities in Singapore – Maybank Kim Eng and Etiqa Insurance, the core responsibilities of his team include strengthening the Group's franchise in Singapore by optimising synergies, leveraging on business opportunities, and developing new market segments to drive growth strategy which is in line with the Country vision to be the leading financial solution provider, providing a holistic suite of financial services to our customers in a seamless manner.



Taswin Zakaria
President Director Designate Bank Internasional Indonesia*

Responsible for the overall business performance and growth of BII. His teams oversee the running of BII's operation, which not only include the banking services such as retail, business and global banking but all other aspects including risk management, finance, human capital, operations & IT, legal and compliance. He is also responsible for leveraging on the strengths of Maybank Group to capture a larger slice of the market share and at the same time strengthening the Group's operation in Indonesia.

* Subject to regulatory approval



Pollie Sim
Chief Executive Officer (CEO), International

Responsible for strategising, leading and transforming the Group's overseas operations covering 16 countries excluding Singapore and Indonesia. The key responsibilities of her team are to build greater synergy and accelerate profitability of the Maybank franchise across the international landscape for long term growth, as well as to establish the Bank as a regional financial services leader.

AS ONE OF THE LARGEST
FINANCIAL INSTITUTIONS
IN ASEAN, WE CREATE
OPPORTUNITIES FOR YOU
TO REACH YOUR GOALS.



OPPORTUNITY

TOTAL ASSETS

RM560

BILLION 





Everyday, we are humanising financial services across Asia

Serving Asia at the heart of 2,200

Supporting Asia with assets of over USD 171 billion

Sharing the future of Asia with 22 million partners

 **Maybank**

Humanising Financial Services Across Asia

Everyday, Asia resonates to the beat of 47,000 hearts

07

OUR STRATEGY & ACHIEVEMENTS



“The ambitions set for Maybank in 2015 have guided our strategic transformation to-date. As the defining moment approaches, the transformation continues in full-force and we are accelerating our efforts further to realise our strategic objectives and pave the path for greater achievements ahead.”

MICHAEL FOONG
Group Chief Strategy Officer
Office of the Group President & CEO

GROUP STRATEGY

Our focus on positioning Maybank as a leading financial services group whilst humanising financial services across Asia has been defined by growth in terms of scale and capabilities. The priority now is to maximise our potential by:

- Fortifying our dominance in strategic segments domestically whilst securing returns from our expanded regional footprint
- Reinforcing our high performance culture and entrenching process improvements in all areas, including cost and productivity
- Leveraging on our revised structure to sharpen our focus across a matrix of both regional and business line control
- Fulfilling the needs and expectations of our customers not only in terms of ramping up our portfolio of products but also rewarding them with the service quality and “heart” they deserve
- Deepening our relationships with the communities we serve, to flourish and grow in sustainable, meaningful ways together

REVISED MAYBANK GROUP STRUCTURE

The Group embarked on a transformation journey since 2008 with the launch of the LEAP30 Transformation Programme. As part of the programme, the House of Maybank was introduced in July 2010 to ensure convergence of the many sectors into main business pillars supported by the foundation and the roof to realise our Vision and Mission. The structure has been instrumental in delivering greater efficiencies, higher productivity and savings, synergies and strong business results year-on-year.

With a solid foundation, the Group has reorganised to further accelerate to the next level of regional business performance and operational excellence that will take us to and beyond 2015. This means elevating the Group’s regionalisation efforts to further raise efficiency and productivity, reap value from synergies, realise potentials, strengthen leadership positions in businesses across the Group and institutionalise a sustained high performance culture. To catalyse the above, a revised Group Structure has been operationalised since 1 January 2014.

The revised Group Structure is expected to uplift the effectiveness in driving our strategic priorities regionally, thereby boosting the Group’s performance levels.

Refer to Page 24 for the new Group Organisational Structure.

STRATEGIC OBJECTIVES

ACHIEVEMENTS

Undisputed No.1 Retail Financial Services provider in Malaysia by 2015	▶	<ul style="list-style-type: none"> • “Best Retail Bank, Malaysia” by Asian Banker (2013) • 2nd most profitable retail/commercial bank • Widest physical network with a market share of 20%
Leading ASEAN wholesale bank, eventually expanding to Middle East, China & India	▶	<ul style="list-style-type: none"> • Market shares in Malaysia: No.1 in corporate lending and non-retail deposits, No.1 in Trade Finance, No.1 in Equity, No.1 in Syndication and No.2 in M&A value • Present in 10 out of 10 ASEAN countries
Undisputed Insurance & Takaful leader in Malaysia & emerging regional player	▶	<ul style="list-style-type: none"> • No.1 market share in General business and Family Takaful business in Malaysia¹ • Strong capital position with international rating of A for both Etiqa Insurance Berhad and Etiqa Takaful Berhad
Truly regional organisation with ~40% of pre-tax profit derived from international operations by 2015	▶	<ul style="list-style-type: none"> • International PBT contribution at 30.3% • Footprint in all 10 ASEAN countries and in Asia
Global leader in Islamic Finance	▶	<ul style="list-style-type: none"> • Largest Islamic bank in ASEAN and top 5 globally by asset size (RM91.4 billion)² • “Best Islamic Financial Institutions Awards 2013 for Asia, Malaysia and Singapore” by Global Finance

Notes :

1. Market share is based on the rolling 12 months LIAM and ISM data from Oct 2012 to Sept 2013.
2. Source: EY World Islamic Banking Competitiveness Report 2013-14 (Excludes Iran).

MAYBANK'S TRANSFORMATION

Maybank's transformation journey began in 2009, designed to secure our leading position in the Malaysian financial services industry and to expand our regional presence, in line with our vision of becoming a leading regional financial services provider by 2015. The programme drove strategic initiatives to stimulate sales, strengthen client relationship management, improve our processes and systems, enhance our talent pool and raise customer service standards.

The transformation benefitted the bank through challenging economic environments of 2011 and 2012. By 2013, we had increased our market share in retail and global banking both domestically and regionally, and innovated new touch points in the marketplace. Today, Maybankers are more conscious of staying ahead of competitors and exceeding the needs of every customer. Recognition for our successes has come in steadily from the public, the industry and international bodies.

To ensure Maybank retains its clear leadership position, and to be differentiated regionally, transformation efforts in 2013 focused on achieving bottom-line impact from our three business pillars – Community Financial Services (CFS), Global Banking (GB) and Etiqa – with an emphasis on reaching our five strategic objectives. Strengthening our performance, we managed expenses prudently, ensured that we had the right risk balance, and continued improving our processes and service quality for our customers.

STRONG FINANCIAL OUTCOMES THAT CONTRIBUTED TO PROFITS

Benefits and value capture continue to stream in from previous years' transformation initiatives. Coupled with the current year's programme, the total value capture for transformation doubled its expected target, contributing 16% of total Group PATAMI.

The 2013 Transformation Masterplan oversaw a total of 34 initiatives across business pillars and support units with direct links to the bank's profits. All business pillars surpassed stretched transformation targets. Community Financial Services exceeded its target at 158%, followed by Global Banking at 152% and Insurance and Takaful (General Business only) at 167%. The year also saw greater progress in our strategic cost management programme, changing the cost structure of our distribution network and kick-starting cost restructuring at BII, this initiative exceeded its target at 215%.

The benefit of a clear strategy with a focus on customers and sustainable financial performance has driven growth and created new capabilities across all sectors.

OUR STRATEGY & ACHIEVEMENTS

TRANSFORMING THE BANKING BUSINESS

Our business pillars CFS and GB have successfully repositioned Maybank as the go-to bank. Riding on a transformed business model which shifted from product to customer centricity, we are now harvesting returns from investments in the SME, Mass and Corporate Banking segments.

In 2013, we continued to build domestic and regional capabilities; strengthening our product offerings as well as fine tuning our regional platforms to better service our customers.

The year saw our High Net Worth and Affluent segment outpacing industry growth estimates. We focused on deposits and investments and grew our market share of wealth from 10.5% to 12.6%.

We also kick-started two catalytic retail initiatives making an entry to the ASEAN region: Regional Cards and Regional Wealth Management, each with its own centres of excellence. Both have achieved good traction against strategic goals and recorded initial financial outcomes.

Moving quickly to support our clients' cross-border trade, our web-based platforms, Regional Trade Finance and Regional Cash Management System, saw the on-boarding of close to 1,500 new clients in 2013. Enabling our clients to make regional transactions in all 10 ASEAN countries as well as Greater China, this has strengthened our capabilities in the regional marketplace.

Underlying all this has been a relentless focus on improving our services: Operations, Technology and Service Quality have all helped facilitate the growth of our business. Reengineering and centralising areas of operations saw improvements in turnaround time, productivity, error rates and operational costs. We continue to benchmark against industry's best to fortify our operational strength.

GROWING OUR INSURANCE AND TAKAFUL BUSINESS

We continue to be the undisputed leader in Takaful. Strengthening its No.1 position in General Business, Etiqa has also improved its bancassurance and agency businesses through innovative products and agency development.

The year saw an extended bancassurance reach through Maybank's network distribution, capturing the high net worth and mass affluent segments. With the launch of Smart Retirement Xtra, the penetration rate has increased to more than 40% from a mere 9% in 2012.

In transforming its agency force, the sector continued to recruit quality agents with higher productivity. We anticipate greater growth in 2014 as we continue to develop a high performance culture within the agency force.

Pressing forward, we are reviewing our strategy for Etiqa transformation. Much can be done to drive the business for breakthrough-performance.

MANAGING COSTS AND WORKING PRODUCTIVELY

Entering its second year, the Strategic Cost Management Programme drove higher cost efficiencies across all sectors. The Group's overheads are well managed against net income growth - we have an improved cost to income ratio and positive JAWs.

In 2013, the programme extended its reach to our Indonesian operations, Bank Internasional Indonesia (BII). Continuous communications began a cost conscious culture and total savings for 2013 exceeded IDR70 bio.

Transforming the cost structure in different areas of the bank through streamlining and rationalising areas of the business has resulted in better efficiency and productivity. As an expanded scope, an intensified focus on productivity is expected to accelerate cost benefits for the Group.

GLOBAL HIGH PERFORMANCE COMPANY: AN APPETITE FOR CHANGE

People are at the forefront of our change. Our cultural climate has transitioned positively over the last five years of transformation. Constant communications within the organisation, coaching, leadership thinking development and functional skills training across all areas enabled Maybankers to drive optimal results towards our strategic goals.

"Soft" benefits from our transformation such as trust, new organisational capabilities and emotional commitment amongst employees created a continuous readiness for delivering change.

2014: STEERING A WIDER SCOPE IN TRANSFORMATION

This year, the Transformation Office took a critical review of the Group's transformation programme, assessing the progress of all sectors to ensure that they are on track to meet their commitments to achieve our long term strategic objectives. All initiatives were measured through value capture or improvements in service metrics to reflect financial performance or operational efficiency. Revisions of plans were made to areas which needed improvement.

Our transformation will move into 2014 with a larger portfolio. It will oversee 83 initiatives and includes several new areas such as Finance and Operations and Productivity as well as cover countries like Malaysia, Indonesia, Singapore, Greater China and Philippines. Strategic cost management will be adopted at Etiqa. The intensity with which we focus on execution, resolve critical issues, and drive up productivity and efficiency will increase. Over the years, we have built a unique ability as an organisation to continuously initiate change in ways that create advantage, capture opportunities, minimise risk and sustain performance. We are confident that we will meet our strategic objectives and continue to evolve as our business grows.

The above are highlights of Maybank's transformation for 2013. As transformation has been embedded in each sector, you will find more details as you peruse different sections of this report.

SERVICE QUALITY

Passionately Creating Consistent Customer Delight

Service Quality was previously under ETS in the former Maybank House and is currently converged into the Group PCEO Office to strategically support the Group's regional aspiration. This positioning gives us the required support to ensure that all Maybank touch points and products are equated with best in class service for enhanced customer loyalty.

In 2014, the Group Service Quality Management (GSQM) team will continue to leverage on the respective strengths of our home markets to further cement our regional positioning. GSQM will collaborate with other units within Maybank worldwide to consistently deliver best-in-class customer service moments by streamlining customer service strategies and enhancing operational excellence.

For 2013, SQ continued to focus and expand on key transformation initiatives, projects and campaigns from the previous year to further drive consistent and sustainable customer excellence.

Web-Based Queue Management System

Customer satisfaction continued to be the crux of all that we do. Our queue management system has been enhanced to further hone the internal measurements of customers' branch banking experience. A 26% improvement in the 2-minute Average Waiting Time (AWT) is indicative of the success of the newly enhanced system.

Complaints Handling

2013 saw more business units on board Project GIFT (Get Involved and Follow Through) to reinforce efficiency and consistency in managing customer feedback. This project aims to improve end-to-end problem resolution by centralising complaints handling with the Customer Feedback and Resolution Management (CFRM) team acting as a single point of contact in problem resolution.

Strengthening Service Delivery Via Continuous Learning

Complementing our complaints resolution framework and queue management system for heightened customer experience is our ongoing product knowledge project. This project was initiated two years ago to deepen our frontliners' operational and core product knowledge. It is now extended to our Maybank Group Contact Centre and middle-office support centres to further strengthen our service value chain.



Region Sarawak took home the Product Knowledge Challenge Trophy for the second consecutive year.

External Customer Engagement Survey

Our annual External Customer Engagement Survey (ECES) was conducted to gauge the extent to which we are aligned and engaged with our customers on service delivery. A ranking of 8th placing among 14 local competitor banks has provided us with valuable insights on how we can enhance our service delivery to match the progressive rate of our organisation. The overall satisfaction score with our centralised problem resolution also recorded a 20% improvement from 2013 with staff's product knowledge, attitude and services being the most favoured elements of our service recovery.

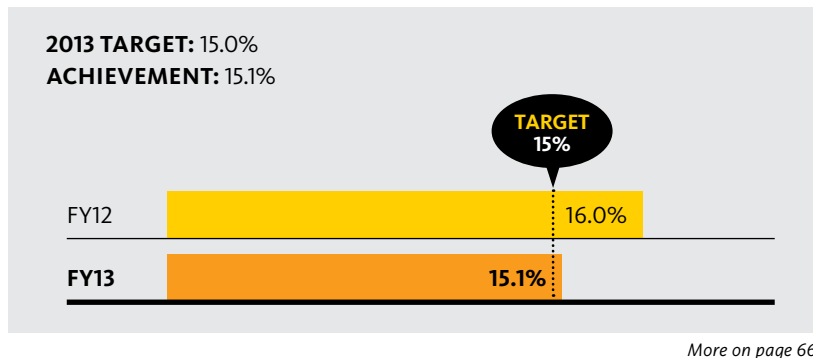
KEY PERFORMANCE INDICATORS

We track our performance against 10 key financial and operational metrics, to assess our progress in achieving our strategic objectives and creation of shareholder value.

Key Indicators

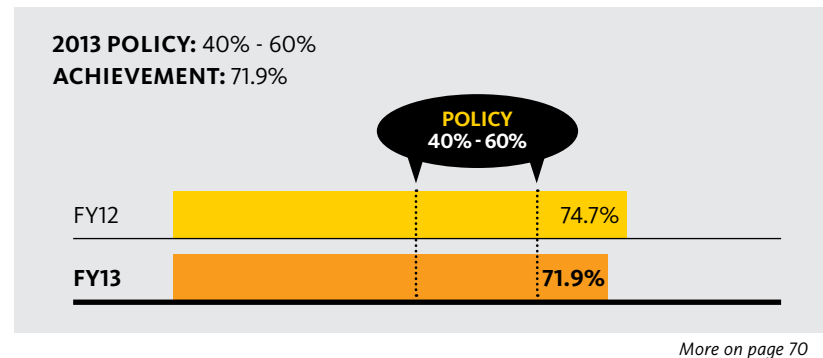
RETURN ON EQUITY (ROE)

Met ROE target on the back of higher net income, slower cost growth and improving asset quality. ROE is defined as profit attributable to shareholders over the average shareholders' equity (comprising share capital, retained earnings and other reserves) for the financial year.



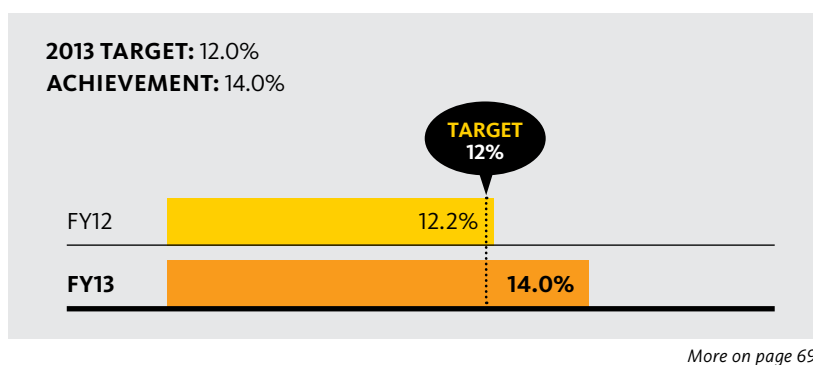
DIVIDEND PAYOUT RATIO

Dividend payout ratio of 71.9% surpassed the 40-60% policy rate. Dividend Reinvestment Plan (DRP) continues to strengthen the Group's capital base and achieves more than 80% take-up rate (based on last seven plans).



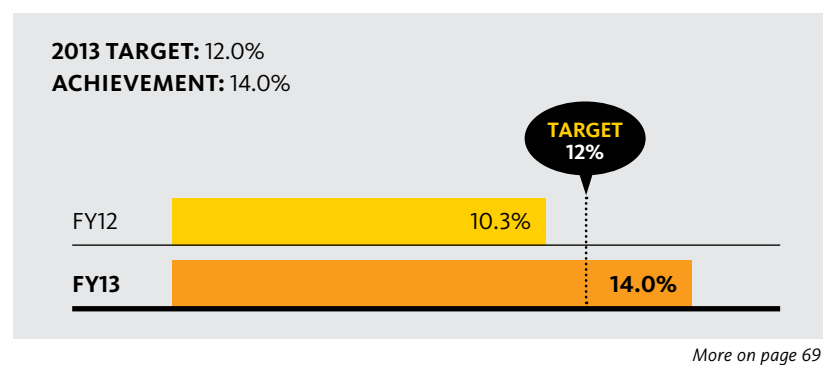
GROUP LOANS GROWTH

Group loans exceeded 12.0% target, driven by 17.6% international loans growth, and 11.9% growth in domestic loans.



GROUP DEPOSITS GROWTH

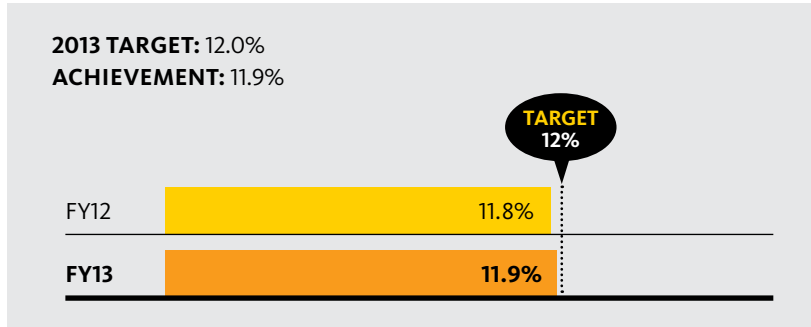
Group deposits growth surpassed the target set, driven by equally strong international deposit growth of 14.4% and domestic deposit growth of 14.0%.





MALAYSIA LOANS GROWTH

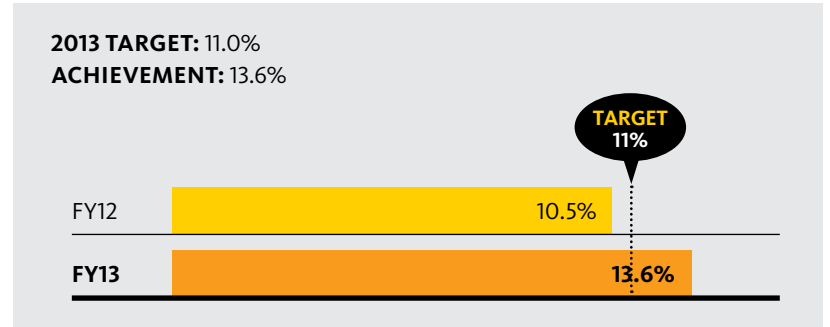
Domestic loans grew slightly below target but exceeded industry growth of 10.6%.



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SINGAPORE LOANS GROWTH

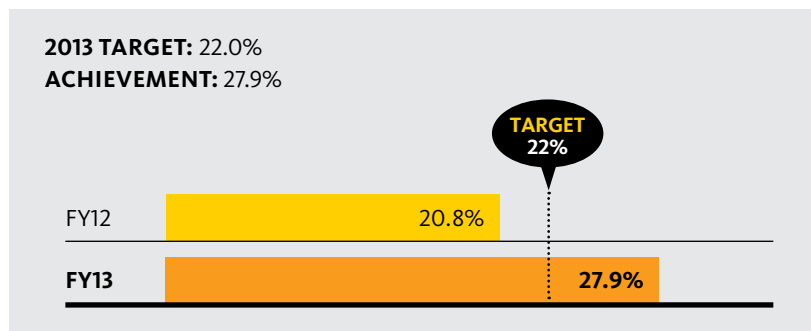
Singapore loans growth surpassed the target set coming in at 13.6%, fuelled by 15.8% growth in commercial loans and 10.3% growth in consumer loans.



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INDONESIA LOANS GROWTH

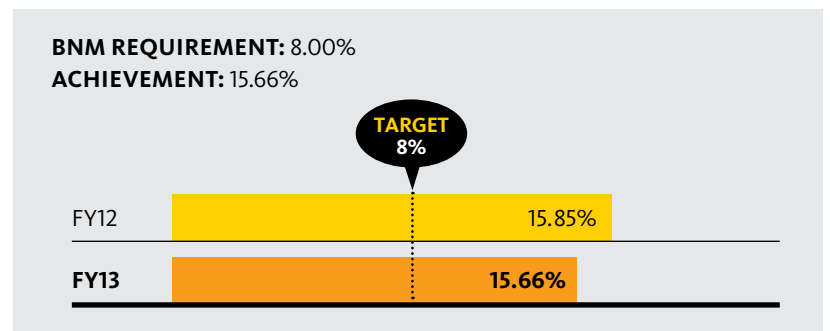
Loans growth exceeded target set with positive contributions from consumer and business loans, supported by a resilient domestic economy.



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TOTAL CAPITAL RATIO

Total capital ratio exceeded the minimum regulatory requirement of 8% set by Bank Negara Malaysia (BNM).

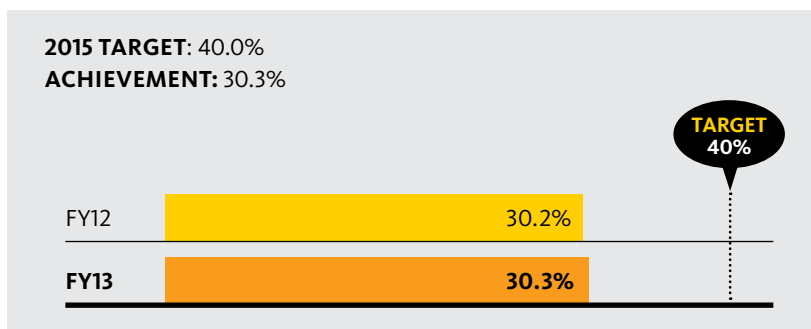


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2015 Targets

INTERNATIONAL CONTRIBUTION TO GROUP PROFIT BEFORE TAX (PBT)

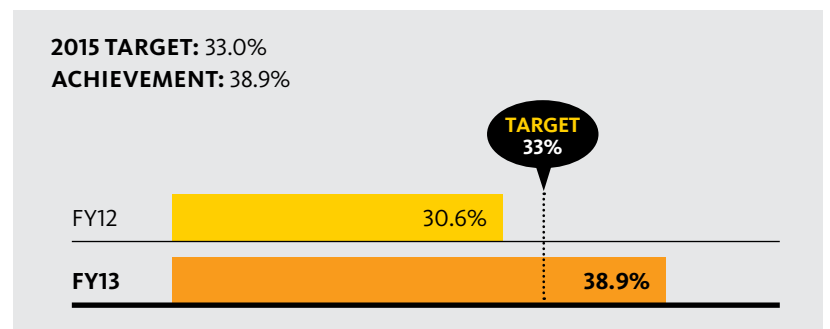
PBT contribution from international operations increased with Singapore and Indonesia being the major contributors at 14.1% and 7.4% respectively.



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ISLAMIC FINANCING TO MAYBANK DOMESTIC LOANS

Islamic finance formed 38.9% of Maybank's domestic group loans and advances, exceeding our target of 33.0%.



More on page 66

FIVE - YEAR GROUP FINANCIAL SUMMARY

	GROUP				
	FY 30 JUNE 2010	2011	FP 31 DEC 2011 ¹	2012	FY 31 DEC 2013
OPERATING RESULT (RM' million)²					
Operating revenue	18,560	21,040	12,892	31,227	33,251
Operating profit	5,249	6,135	3,497	7,744	8,730
Profit before taxation and zakat	5,370	6,270	3,571	7,896	8,870
Profit attributable to equity holders of the Bank	3,818	4,450	2,587	5,746	6,552
KEY STATEMENTS OF FINANCIAL POSITION DATA (RM' million)²					
Total assets	336,700	411,254	451,632	494,911	560,443
Financial investments portfolio ³	68,885	76,871	84,669	92,820	107,672
Loans, advances and financing	205,894	255,018	276,253	311,825	355,618
Total liabilities	308,035	377,522	415,747	451,096	512,701
Deposits from customers	236,910	282,797	314,692	347,156	395,611
Commitments and contingencies	232,273	292,109	369,792	379,695	433,829
Paid-up capital	7,078	7,478	7,639	8,440	8,862
Shareholders' equity	27,877	32,395	34,337	42,095	45,997
SHARE INFORMATION²					
Per share (sen)					
Basic earnings	53.9	61.4	34.5	72.7	75.8
Diluted earnings	53.9	61.4	34.5	72.7	75.7
Gross dividend	55.0	60.0	36.0	65.0	53.5
Net assets (sen)	393.9	433.2	449.5	498.8	519.0
Share price as at 31 Dec/30 June (RM)	7.56	8.94	8.58	9.20	9.94
Market capitalisation (RM' million)	53,510	66,855	65,546	77,648	88,088
FINANCIAL RATIOS (%)²					
Profitability Ratios/Market Share					
Net interest margin on average interest-earning assets	2.9	2.6	2.5 ⁶	2.6	2.5
Net interest on average risk-weighted assets	3.5	3.6	4.0 ⁶	4.2	4.2
Net return on average shareholders' funds	14.5	14.5	15.2 ⁶	16.0	15.1
Net return on average assets	1.2	1.2	1.2 ⁶	1.2	1.2
Net return on average risk-weighted assets	1.6	1.8	2.0 ⁶	2.1	2.2
Cost to income ratio ⁴	46.5	49.2	49.7	48.6	47.8
Domestic market share in :					
Loans, advances and financing	17.6	18.1	17.9	18.2	18.4
Deposits from customers - Savings Account	27.7	27.9	27.6	27.7	27.7
Deposits from customers - Current Account	20.5	20.7	19.5	20.2	20.4
CAPITAL ADEQUACY RATIOS (%)					
CET 1 Capital Ratio	-	-	-	-	11.253
Tier 1 Capital Ratio	-	-	-	-	13.059
Total Capital Ratio	-	-	-	-	15.664
Core Capital Ratio ⁵ (after deducting proposed final dividend)	10.1 - 11.0	11.2 - 11.8	11.0 - 11.7	12.8 - 13.5	-
Risk-Weighted Capital Ratio ⁵ (after deducting proposed final dividend)	13.7 - 14.6	14.7 - 15.4	15.7 - 16.4	16.6 - 17.4	-
ASSET QUALITY RATIOS²					
Net impaired loans/non-performing loans ratio (%)	1.22	2.25	1.86	1.09	0.95
Loan loss coverage (%)	124.5	82.3	86.9	105.6	107.5
Net loans to deposit ratio (%)	86.8	90.2	87.8	89.8	89.9
Deposits to shareholders' fund (times)	8.5	8.7	9.2	8.2	8.6
VALUATIONS ON SHARE²					
Gross dividend yield (%)	7.3	6.7	4.2	7.1	5.4
Dividend payout ratio (%)	76.5	74.9	79.9	74.7	71.9
Price to earnings multiple (times)	14.0	14.6	24.9	12.7	13.1
Price to book multiple (times)	1.9	2.1	1.9	1.8	1.9

1 The results consist of six months financial period ended 31 December 2011 due to the change of financial year end from 30 June to 31 December.

2 FY2012 figures were restated due to the changes in accounting policies.

3 Financial investments portfolio consists of financial assets at fair value through profit or loss, financial investments available-for-sale and financial investments held-to-maturity.

4 Cost to income ratio is computed using total cost over the net income. The total cost of the Group is the total overhead expenses, excluding amortisation of intangible assets for PT Bank Internasional Indonesia Tbk and Maybank Kim Eng Holdings Limited.

5 The capital adequacy ratios for Dec 2012, Dec 2011, June 2011 and June 2010 present the two range of extreme possibilities, i.e.

(i) where the full electable portion is not reinvested; and

(ii) where the full electable portion is reinvested into new ordinary shares in accordance with the Dividend Reinvestment Plan.

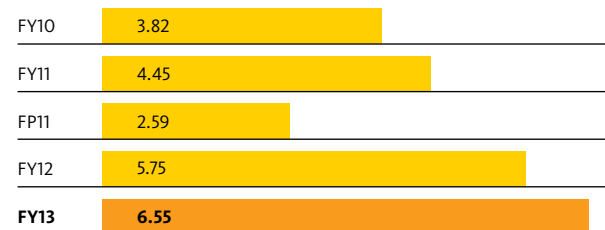
6 Annualised.

BANK	
FY 31 DEC	
2012	2013
17,079	18,723
5,498	6,127
5,498	6,127
4,306	4,886
342,557	397,779
60,643	75,433
214,852	237,971
305,661	357,279
237,402	273,670
338,799	399,786
8,440	8,862
36,895	40,500
54.5	56.5
54.5	56.5
65.0	53.5
437.1	457.0
-	-
-	-
2.1	2.0
3.1	3.1
13.8	12.9
1.3	1.3
2.2	2.3
43.3	40.5
18.2	18.4
27.7	27.7
20.2	20.4
-	15.925
-	15.925
-	15.925
16.3 - 17.3	-
16.3 - 17.3	-
1.12	0.94
106.8	116.2
90.5	87.0
6.4	6.8
-	-
-	-
-	-

**Profit Before Taxation and Zakat
RM8.87 billion**



**Profit Attributable to Equity Holders of the Bank
RM6.55 billion**



**Total Assets
RM560.4 billion**



**Total Liabilities
RM512.7 billion**



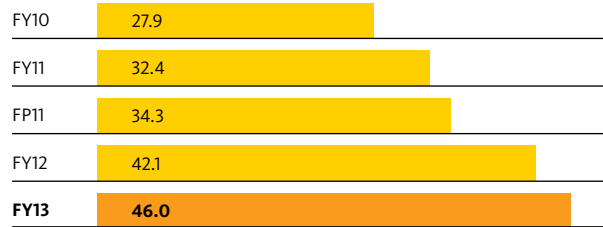
**Loans, Advances and Financing
RM355.6 billion**



**Deposits from Customers
RM395.6 billion**



**Shareholders' Equity
RM46.0 billion**



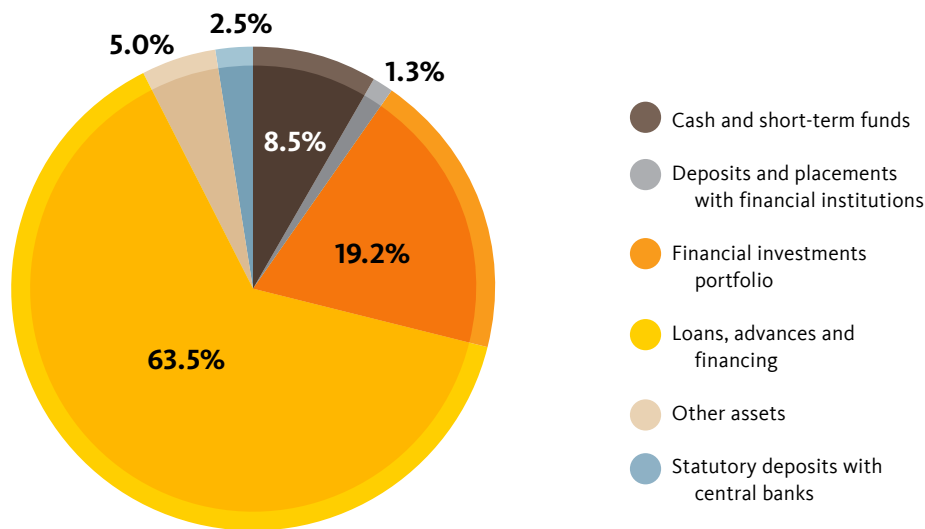
**Paid-up Capital
RM8.9 billion**



SIMPLIFIED GROUP STATEMENTS OF FINANCIAL POSITION

ASSETS

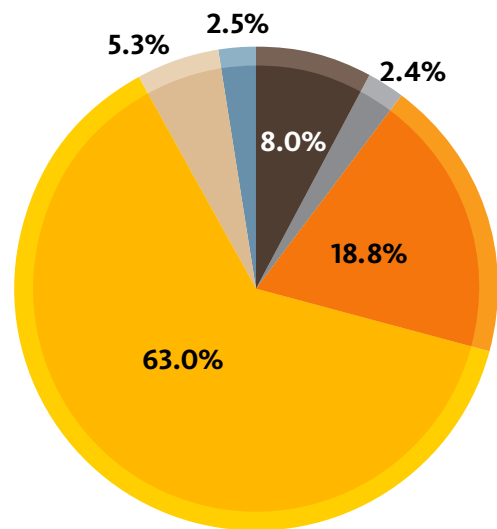
RM560.4 BILLION



As at 31 December 2013

ASSETS

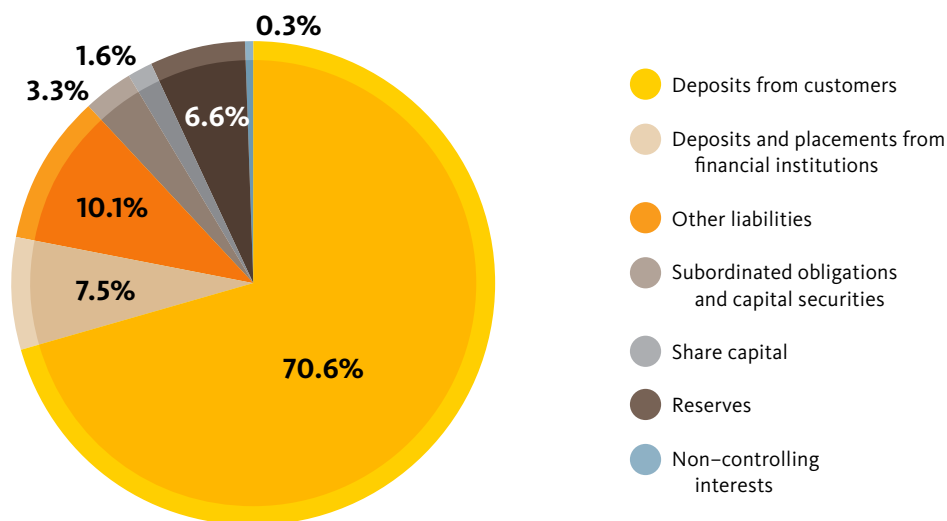
RM494.9 BILLION



As at 31 December 2012¹

LIABILITIES & SHAREHOLDERS' EQUITY

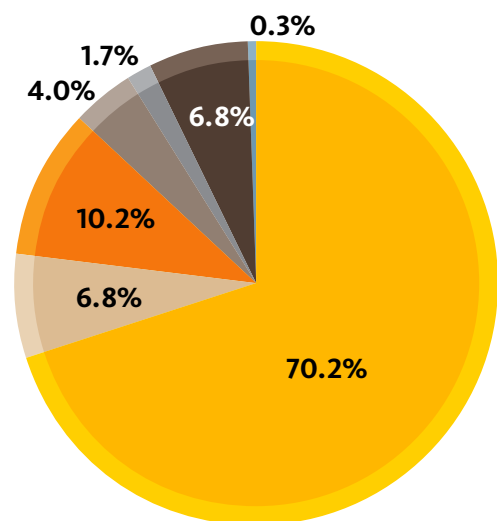
RM560.4 BILLION



As at 31 December 2013

LIABILITIES & SHAREHOLDERS' EQUITY

RM494.9 BILLION



As at 31 December 2012¹

¹ FY2012 figures were restated due to the changes in accounting policies.

GROUP QUARTERLY FINANCIAL PERFORMANCE

RM' million	FY 31 Dec 2013				
	Q1	Q2	Q3	Q4	YEAR
Operating revenue	8,117	8,589	8,276	8,269	33,251
Net interest income (including income from Islamic banking business)	3,047	3,048	3,127	3,173	12,395
Net (loss)/income from insurance/takaful business	(78)	(55)	209	185	261
Operating profit	2,091	2,047	2,308	2,284	8,730
Profit before taxation and zakat	2,127	2,089	2,352	2,302	8,870
Profit attributable to equity holders of the Bank	1,506	1,568	1,746	1,732	6,552
Earnings per share (sen)	17.89	18.25	20.07	19.58	75.79
Dividend per share (sen)	-	22.50	-	31.00	53.50

RM' million	FY 31 Dec 2012 ¹				
	Q1	Q2	Q3	Q4	YEAR
Operating revenue	7,782	7,846	7,796	7,803	31,227
Net interest income (including income from Islamic banking business)	2,759	2,874	2,931	2,929	11,493
Net (loss)/income from insurance/takaful business	(253)	21	(8)	192	(48)
Operating profit	1,860	1,979	1,989	1,916	7,744
Profit before taxation and zakat	1,895	2,026	2,025	1,950	7,896
Profit attributable to equity holders of the Bank	1,347	1,438	1,501	1,460	5,746
Earnings per share (sen)	17.62	18.64	19.13	17.30	72.69
Dividend per share (sen)	-	32.00	-	33.00	65.00

¹ The results were restated due to the changes in accounting policies.

KEY INTEREST BEARING ASSETS AND LIABILITIES

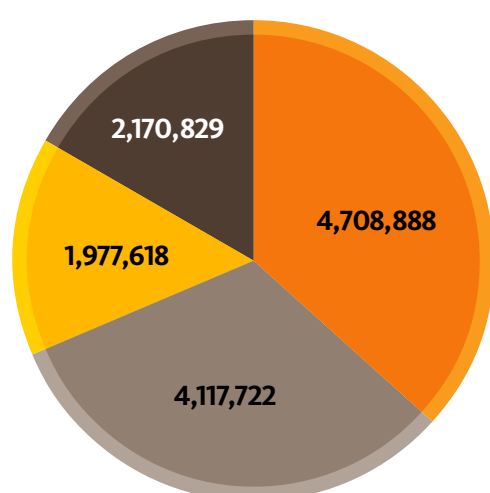
	FY 31 Dec 2012 ¹			FY 31 Dec 2013		
	As at 31 December RM' million	Effective Interest Rate %	Interest Income / Expense RM' million	As at 31 December RM' million	Effective Interest Rate %	Interest Income / Expense RM' million
Interest earning assets						
Loans, advances and financing	311,825	6.38	15,199	355,618	5.09	16,556
Cash and short-term funds & deposits and placements with financial institutions	51,968	1.79	824	55,224	2.18	961
Financial assets at fair value through profit or loss	29,157	3.89	688	19,167	3.95	681
Financial investments available-for-sale	60,792	3.38	1,804	82,837	3.76	2,306
Financial investments held-to-maturity	2,871	3.56	327	5,668	5.23	141
Interest bearing liabilities						
Deposits from customers	347,156	1.78	5,946	395,611	1.96	6,909
Deposits and placements from financial institutions	33,887	2.03	861	42,139	1.60	900
Borrowings	10,714	3.29	389	13,322	3.24	432
Subordinated obligations	13,510	4.46	562	12,645	5.36	561
Capital securities	6,150	6.54	401	5,921	6.54	385

¹ FY2012 figures were restated due to the changes in accounting policies.

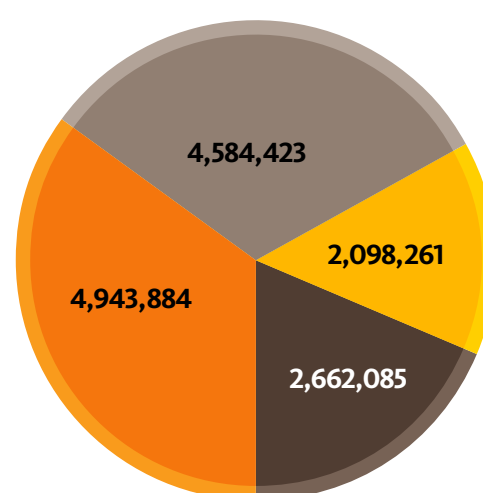
STATEMENT OF VALUE ADDED

VALUE ADDED	FY 31 Dec 2012 ¹ RM'000	FY 31 Dec 2013 RM'000
Net interest income	9,296,685	9,585,280
Income from Islamic Banking Scheme operations	2,196,259	2,810,182
Net income/(loss) from insurance/takaful business	(48,336)	260,836
Non-interest income	5,328,710	5,882,062
Overhead expenses excluding personnel expenses, depreciation and amortisation	(3,153,664)	(3,508,866)
Allowances for impairment losses on loans, advances and financing, net	(679,247)	(729,586)
Allowances for impairment losses on financial investments, net	(117,826)	(150,522)
Share of profits in associates and joint ventures	152,476	139,267
Value added available for distribution	12,975,057	14,288,653

DISTRIBUTION OF VALUE ADDED	FY 31 Dec 2012 ¹ RM'000	FY 31 Dec 2013 RM'000
To employees:		
Personnel expenses	4,708,888	4,943,884
To the Government:		
Taxation	1,977,618	2,098,261
To providers of capital:		
Dividends paid to shareholders	3,944,958	4,365,481
Non-controlling interests	172,764	218,942
To reinvest to the Group:		
Depreciation and amortisation	369,867	475,175
Retained profits	1,800,962	2,186,910
Value added available for distribution	12,975,057	14,288,653

FY 31 Dec 2012¹

- **To employees**
Personnel expenses
- **To the Government**
Taxation
- **To providers of capital**
Dividends paid to shareholders
Non-controlling interests
- **To reinvest to the Group**
Depreciation and amortisation
Retained profits



FY 31 Dec 2013

¹ The results were restated due to the changes in accounting policies.

SEGMENTAL INFORMATION

ANALYSIS BY GEOGRAPHICAL LOCATION

	FY 31 Dec 2012 ¹		FY 31 Dec 2013	
	RM'000	Composition	RM'000	Composition
NET INCOME				
1 Malaysia	10,868,696	64.8%	12,162,821	65.6%
2 Singapore	2,463,826	14.7%	2,732,243	14.7%
3 Indonesia	2,526,750	15.1%	2,511,268	13.5%
4 Other Locations	914,046	5.4%	1,132,028	6.2%
	16,773,318	100.0%	18,538,360	100.0%
PROFIT BEFORE TAXATION AND ZAKAT				
1 Malaysia	5,510,254	69.8%	6,179,546	69.7%
2 Singapore	1,139,771	14.4%	1,251,904	14.1%
3 Indonesia	554,199	7.0%	658,575	7.4%
4 Other Locations	692,078	8.8%	779,569	8.8%
	7,896,302	100.0%	8,869,594	100.0%

ANALYSIS BY ACTIVITY

	FY 31 Dec 2012 ¹	FY 31 Dec 2013
	RM'000	RM'000
NET INCOME		
1 Community Financial Services	6,870,524	7,318,023
2 Global Banking	5,291,516	5,502,215
3 International Banking	5,137,066	5,330,225
4 Insurance, Takaful and Asset Management	1,402,501	1,551,759
5 Head Office and Others	(1,928,289)	(1,163,862)
	16,773,318	18,538,360
PROFIT BEFORE TAXATION AND ZAKAT		
1 Community Financial Services	3,024,238	3,224,468
2 Global Banking	3,809,147	3,472,527
3 International Banking	2,293,605	2,536,707
4 Insurance, Takaful and Asset Management	697,601	799,754
5 Head Office and Others	(1,928,289)	(1,163,862)
	7,896,302	8,869,594

¹ The results were restated due to the changes in accounting policies.

MAYBANK SHARE

NET DIVIDEND PER SHARE

FY2013	53.5 sen
FY2012	52.5 sen
Y-o-Y	+1.9%

SHARE PRICE

31 Dec 13	RM9.94
31 Dec 12	RM9.20
Y-o-Y	+8.0%

MARKET CAPITALISATION

31 Dec 13	RM88.1 bil
31 Dec 12	RM77.6 bil
Y-o-Y	+13.5%

EARNINGS PER SHARE

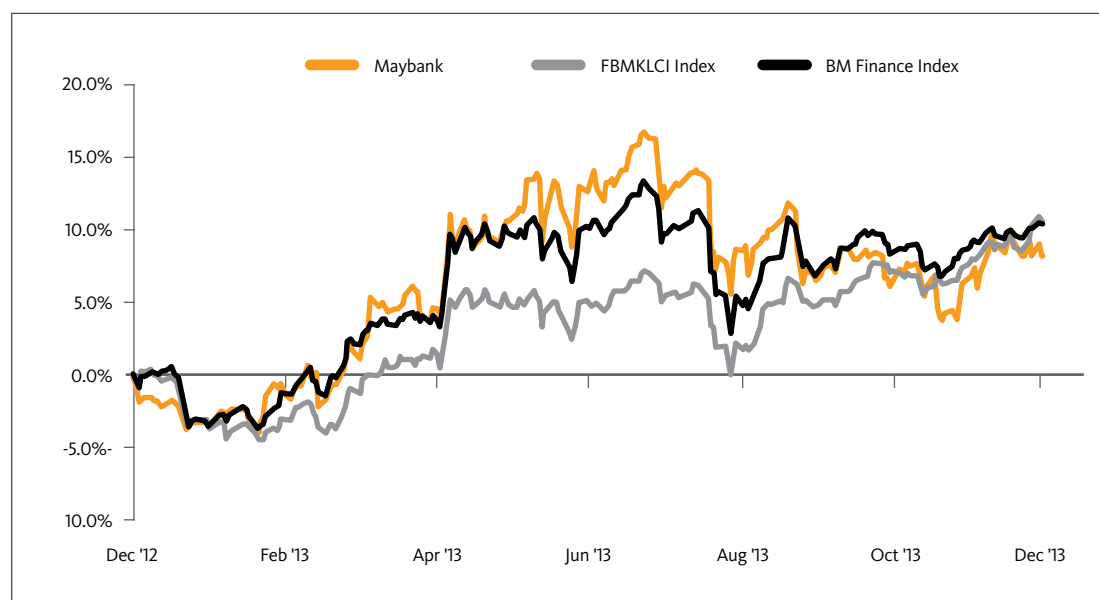
FY2013	75.8 sen
FY2012	72.7 sen
Y-o-Y	+4.3%

TOTAL SHAREHOLDER RETURN

FY2013	14.30%
FY2012	15.60%
Y-o-Y	-1.30%

- In 2013, Maybank's share price movement largely moved in tandem with the FBMKLCI Index. Maybank's share price hit a high of RM10.74 on 24 July 2013, driven by sustained buying interests in the second quarter of 2013. Meanwhile, the Malaysian stock market ended 2013 on a positive note, with the FBMKLCI Index reaching its high of 1872.52 points on 30 December 2013.
- Maybank's share price rose 10.1% from RM9.03 on 2 January 2013 to RM9.94 on 31 December 2013. This was in line with the full-year increase seen in both the FBMKLCI Index (11.5%) and KL Finance Index (11.2%).
- The local bourse's performance was lacklustre for the first quarter of 2013, as investors took a cautious stance and pared down their stock holdings while buyers stayed on the sidelines in anticipation of the 13th Malaysian General Election (GE). The FBMKLCI Index hit a low of 1613.33 points on 20 February 2013, a day after Maybank slipped to its lowest price of RM8.84 for 2013.
- Although market conditions remained challenging for the region moving into the second half of 2013, local market sentiment improved as investment spending and corporate activity picked up on the back of greater visibility post GE.

MAYBANK SHARE PRICE VS BENCHMARK

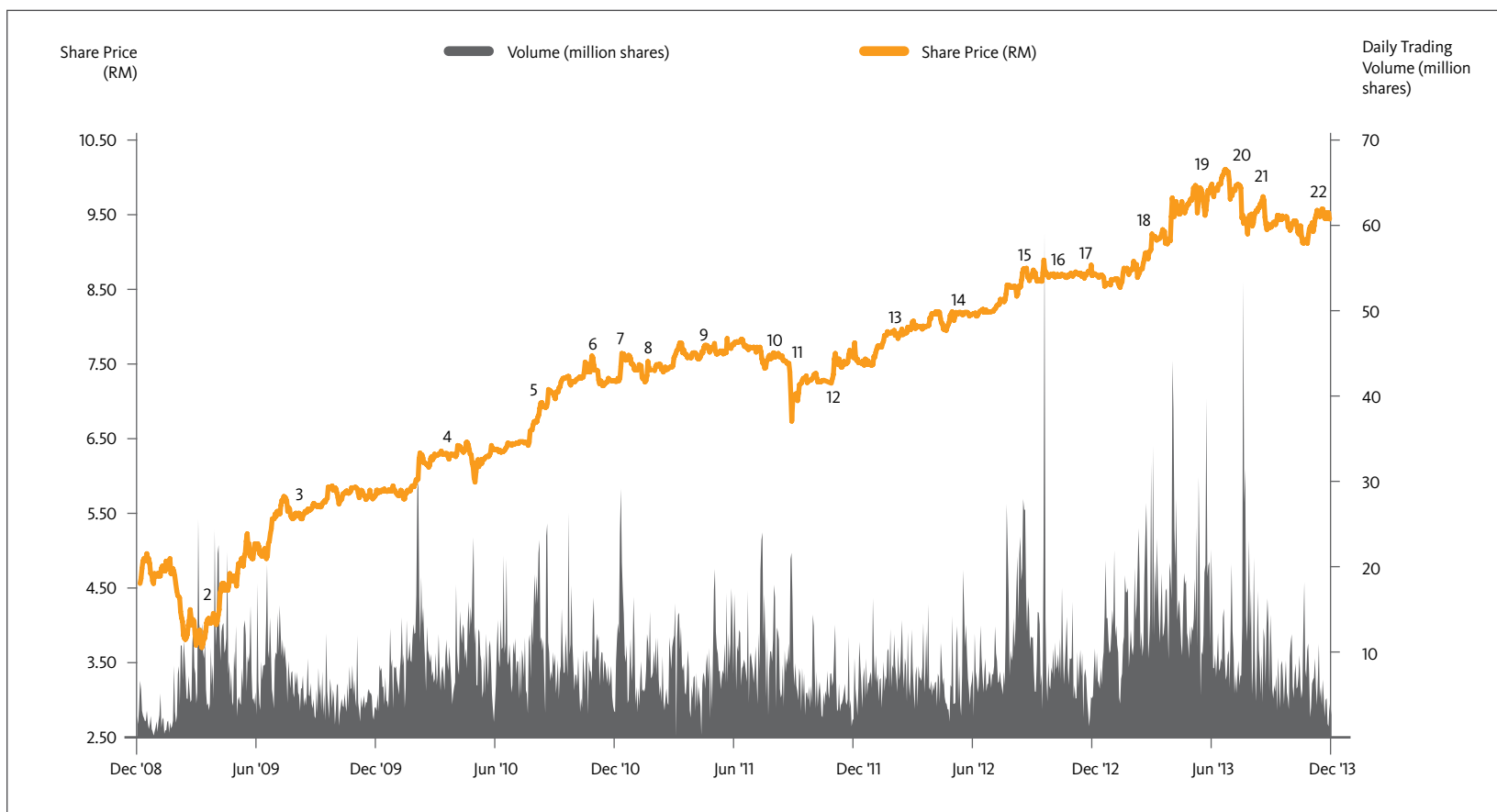


TOTAL SHAREHOLDER RETURN (TSR)

TSR is the measure of our enhancement of shareholder value that measures total return arising from capital gains (share price increase) and dividends.

	FY07	FY08	FY09	FY10	FY11	CY11	FY12	FY13
Maybank	19.30%	-21.43%	-3.88%	31.69%	28.13%	8.37%	15.60%	14.30%
FBM KLCI Index	54.30%	-8.20%	-5.26%	26.09%	24.83%	4.45%	14.27%	14.11%
Bursa Malaysia Finance Index	53.23%	-19.79%	1.70%	43.81%	32.86%	4.58%	16.99%	15.09%

MAYBANK SHARE PRICE AND VOLUME PERFORMANCE



1	30 Sep 08	Completes acquisition of BII
2	29 Apr 09	Maybank completes rights issue of RM6 billion
3	25 Aug 09	Announces FY09 results
4	21 Apr 10	BII completes rights issue of Rp1.4 trillion
5	20 Aug 10	Announces FY10 results
6	12 Nov 10	Announces 1QFY11 results
7	6 Jan 11	Kim Eng acquisition announced
8	21 Feb 11	Announces 2QFY11 results
9	12 May 11	Announces 3QFY11 results
10	4 Aug 11	Completes acquisition of Kim Eng
11	22 Aug 11	Announces FY11 results
12	14 Nov 11	Announces 1QFP11 results

13	23 Feb 12	Announces FP11 results
14	24 May 12	Announces 1QFY12 results
15	16 Aug 12	Announces 2QFY12 results
16	8 Oct 12	Equity private placement of RM3.66 billion
17	9 Nov 12	Announces 3QFY12 results
18	21 Feb 13	Announces 4QFY12 results
19	23 May 13	Announces 1QFY13 results
20	23 July 13	BII completes rights issue of Rp1.5 trillion
21	21 Aug 13	Announces 2QFY13 results
22	21 Nov 13	Announces 3QFY13 results
23	27 Feb 14	Announces 4QFY13 results

MAYBANK SHARE

DIVIDEND POLICY

The Group adopts a dividend policy with a Dividend Payout Ratio of between 40% to 60% of full year earnings attributable to shareholders.

DIVIDEND AND DIVIDEND REINVESTMENT PLAN

For 2013, the Board of Directors proposes a net dividend of 53.5 sen, which translates to a dividend payout ratio of 71.9%.

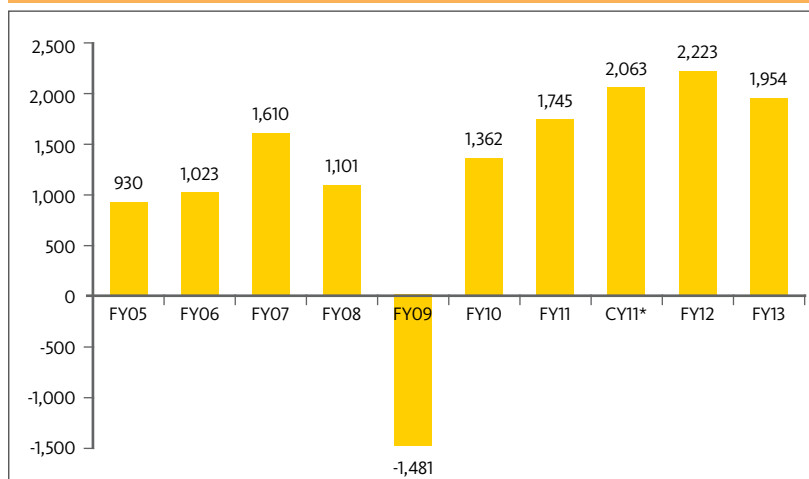
The Group will strive to reward shareholders while being prudent in preserving capital through the Dividend Reinvestment Plan (DRP). The DRP exercises have achieved high reinvestment rates of between 85.7% and 91.1% in the seven DRPs so far, reflecting shareholders' confidence in Maybank.

The DRP will continue to be an integral part of Maybank's strategy to preserve equity capital whilst providing healthy dividend income to shareholders.

ECONOMIC PROFIT

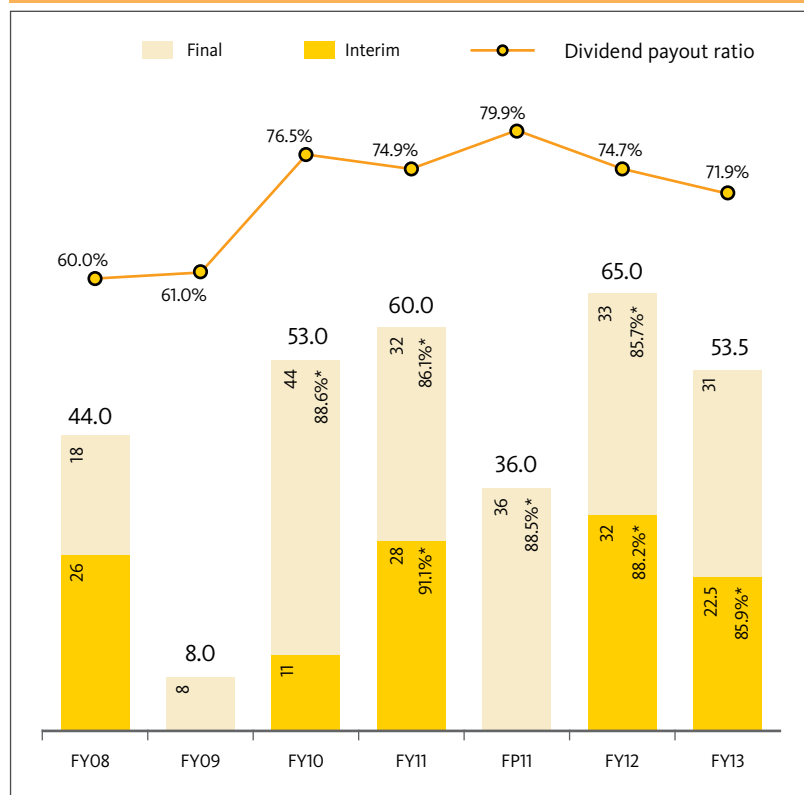
- The Putrajaya Committee on GLC High Performance (PCG) spearheads the GLC Transformation Programme to develop high-performing entities for the future prosperity of Malaysia.
- Economic Profit is a key measurement of shareholder value creation, proposed by the PCG Secretariat to show a company's return over and above its cost of capital. Maybank has tracked its Economic Profit performance since 2005.
- For 2013, Maybank's Economic Profit was down 12.2% to RM1.95 billion from RM2.22 billion in the previous fiscal year due to higher cost of equity in 2013.

Economic Profit (RM' million)



*Unaudited

Gross Dividend (sen) and Payout Ratio (%)

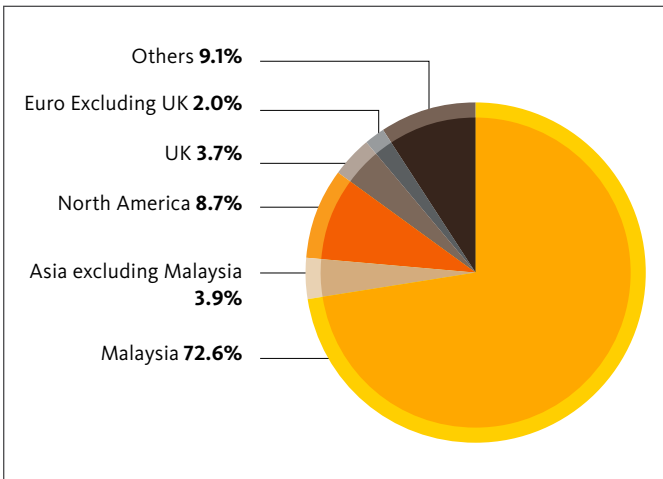


*Reinvestment rate

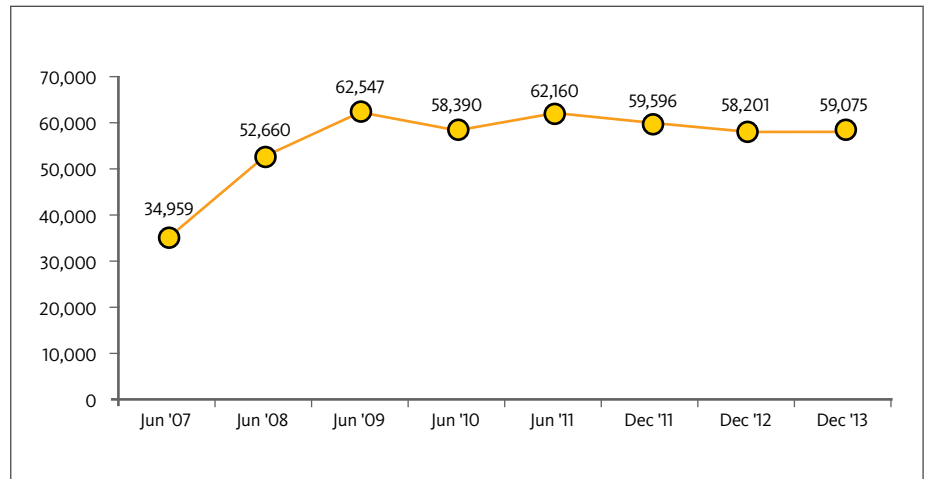
SHAREHOLDER ANALYSIS

- Maybank has a diversified shareholder base with 59,075 shareholders worldwide as at 31 December 2013.
- Analysis of the institutional shareholder structure (excluding substantial shareholders) shows that 18.4% of the shareholding comes from Asia, followed by 8.7% from North America, 3.7% from the UK, 2.0% from Europe (excluding the UK), and 9.1% from other geographical locations.
- Institutional investors mostly held Maybank shares at 90.8%, followed by private investors at 2.3% while the remaining shares were owned by others.
- Analysis of shareholders by style shows that 67.6% are core/style neutral funds, 5.1% are index funds, 4.3% are value funds, 3.7% are multi style funds, 2.0% are quant funds, 1.4% are growth oriented and 15.9% are made up of other investment styles.
- Foreign shareholding was at 21.7% as at end December 2013 from 19.5% a year before.

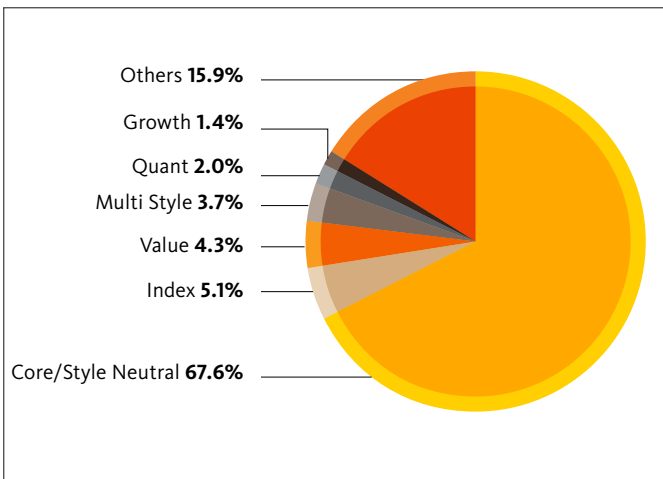
Shareholding by Region



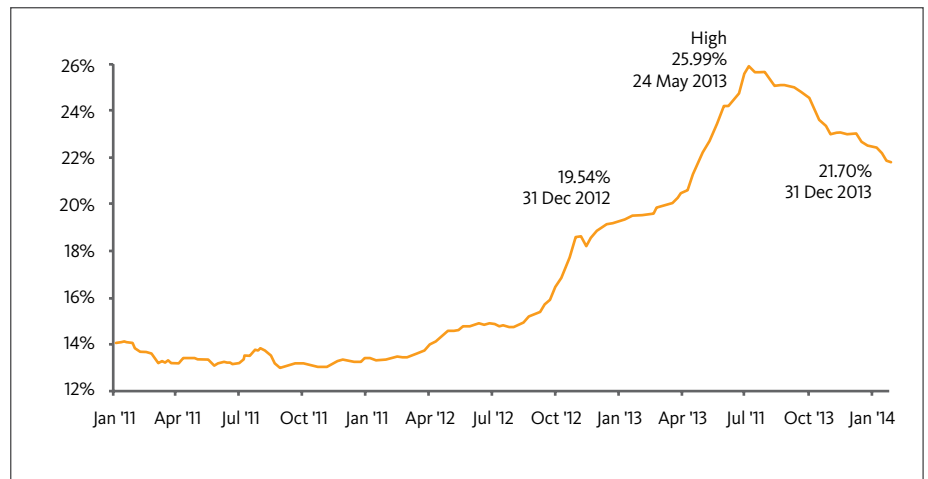
Total Shareholders



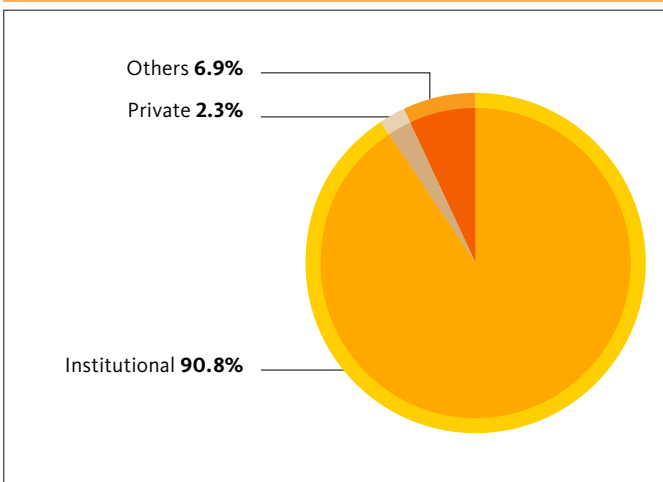
Shareholding by Style



Foreign Shareholding



Shareholding by Type



AMERICAN DEPOSITORY RECEIPTS (ADRs)

Maybank has been traded in the US since 2005 through a NYSE-listed sponsored ADR facility with The Bank of New York Mellon as the depository in an effort to diversify and increase US ownership as well as improve Maybank's profile in the US market. The ADRs are traded on the New York Stock Exchange under the ticker MLYBY US on Bloomberg and MLYBY.PK on Reuters.

CREDIT RATING

- Maybank continued to retain its credit ratings on par with Malaysia's sovereign rating during the financial period with strong fundamentals.
- The outlook for the long-term credit ratings for Maybank was upgraded to Positive by Moody's Investors Service, maintained as Stable by three rating agencies and reduced to Negative by Fitch Ratings, in line with the rating agency's downgrade of Malaysia's credit rating outlook in July 2013.
- Maybank is regularly in contact with its credit rating agencies as well as regulators to ensure continued adoption of prudent capital management practices, and remains committed to maintaining its investment grade credit ratings.

MAYBANK SHARE

Rating Agency	Rating Classification	Rating Received
Moody's Investors Service	Outlook	Positive
	Foreign Currency Bank Deposit	A3/P-2
	Local Currency Bank Deposit	A1/P-1
	Bank Financial Strength Ratings/Outlook	C/Positive
	Baseline Credit Assessment	(a3)
	Adjusted Baseline Credit Assessment	(a3)
Standard & Poor's	Jr Subordinate	Baa2 (hyb)
	Counterparty Credit Ratings	A-/stable/ A2
	ASEAN Rating Scale	axAA/--/axA-
	Preferred Stock	BBB-
	Senior Unsecured (Greater China Regional Scale)	cnAA
	Senior Unsecured Subordinated	A- / A-2 BBB+
Fitch Ratings	Foreign Long-term Issuer Default Ratings	A-/Negative
	Local Currency Long-term Issuer Default Ratings	A-/Negative
	Viability Rating	a-
	Support Rating	2
	Support Rating Floor	BBB
	Long-term deposits	A
	Senior unsecured notes	A-
	Subordinated Tier 2 notes (USD and SGD)	BBB+
RAM Ratings	Hybrid Tier 1 notes (SGD Tier 1 Capital Securities)	BB+
	<u>National Scale Financial Institution Ratings</u>	
	Long-term Financial Institution Ratings	AAA
	Short-term Financial Institution Ratings	P1
	Outlook (Long Term)	Stable
	<u>Issue Ratings</u>	
	Subordinated Bonds	AA1
	Innovative Tier-1 Capital Securities	AA2
	Non-Innovative Tier-1 Capital Securities	AA2
	Tier-2 Capital Subordinated Note Programme	AA1
	<u>ASEAN Scale Financial Institution Ratings</u>	
	Long Term Financial Institution Ratings	^{sea} AAA
Short Term Financial Institution Ratings	^{sea} P1	
Outlook (Long Term)	Stable	
Malaysian Rating Corporation Bhd (MARC)	Long-term Financial Institution Ratings	AAA
	Short-term Financial Institution Ratings	MARC-1
	Outlook	Stable

SHARE RELATED KEY FIGURES

	FY2007	FY2008	FY2009	FY2010	FY2011	FP2011	FY2012	FY2013
Market Capitalisation (RM' billion)	46.7	34.4	41.8	53.5	66.9	65.5	77.6	88.1
Total Shareholder Return, TSR (%)	19.3	-21.4	-3.9	31.7	28.1	-0.16	15.6	14.3
Gross dividend per share (sen)	57.5	44.0	8.0	55.0	60.0	36.0	65.0	53.5
Dividend yield (%)	6.7	7.4	1.4	7.3	6.7	4.3	6.2	5.5
Closing Price, 31 Dec (RM)	8.62	6.33	5.9	7.56	8.94	8.58	9.20	9.94
Average share price (RM)	8.46	8.00	5.25	6.94	8.60	8.45	8.50	9.80
Highest closing share price (RM)	9.84	9.20	7.14	7.72	9.29	8.99	9.20	10.74
Lowest closing share price (RM)	7.47	6.33	3.57	5.60	7.53	7.51	7.59	8.84
Basic EPS (sen)	58.5	53.3	12.0	53.9	61.4	32.4	72.7	75.8

Note: Adjusted for 1:4 Bonus Issue in February 2008 and 9:20 Rights Issue at RM2.74 in March 2009

DIVIDEND HISTORY

		Dividend per share (sen)	DRP* Electable portion + Cash (sen)	Declaration	Ex-Date	Record	Payment Date
FY2009	9:20 Rights			1 Mar 2009	31 Mar 2009	2 Apr 2009	-
	Final	8.0	-	25 Aug 2009	13 Oct 2009	15 Oct 2009	27 Oct 2009
	Total	8.0	-				
FY2010	Interim	11.0	-	9 Feb 2010	2 Mar 2010	4 Mar 2010	16 Mar 2010
	Final	44.0	40+4	20 Aug 2010	18 Nov 2010	22 Nov 2010	20 Dec 2010
	Total	55.0					
FY2011	Interim	28.0	24+4	21 Feb 2011	12 Apr 2011	14 Apr 2011	12 May 2011
	Final	32.0	28+4	22 Aug 2011	25 Nov 2011	30 Nov 2011	28 Dec 2011
	Total	60.0					
FP2011	Final	36.0	32+4	23 Feb 2012	27 Apr 2012	2 May 2012	4 Jun 2012
	Total	36.0					
FY2012	Interim	32.0	28+4	16 Aug 2012	20 Sep 2012	24 Sep 2012	25 Oct 2012
	Final	33.0	29+4	21 Feb 2013	25 April 2013	29 April 2013	29 May 2013
	Total	65.0					
FY2013	Interim	22.5	16+6.5	21 Aug 2013	24 Sep 2013	26 Sep 2013	25 Oct 2013
	Final	31.0	27+4	27 Feb 2014	-	-	-
	Total	53.5					

* Dividend Reinvestment Plan

OTHER INFORMATION

Financial Year End

31 December

American Depository Receipts (ADR)

Bloomberg

MLYBY US

Reuters

MLYBY.PK

Foreign Shareholding

31 December 2013

21.70%

31 December 2012

19.54%

Share Registrar

Tricor Investor Services Sdn Bhd

(formerly known as Tenaga Koperat Sdn Bhd)

Level 17, The Gardens North Tower

Mid Valley City, Lingkaran Syed Putra

59200 Kuala Lumpur

Malaysia

Ticker Code

Bursa Malaysia

MYX:1155

Bloomberg

MAY MK EQUITY

Reuters

MBBM.KL

MAYBANK IN THE NEWS



January



MAYBANK COMMITS TO JUNIOR GOLF

Maybank recently hosted the 2013 Malaysia Open Super Series, a golf tournament for juniors aged 12 to 18. The event was held at the Kuala Lumpur Golf & Country Club (KLCCC) and was the first of its kind in Malaysia. Maybank is committed to supporting the growth of junior golf in the country.

Maybank optimistic about its overseas investments

Chairman says RAZZ is investment in MCI and RMB in BR is 'just good business'

By Afiq Adnan



MALAYSIA Banking CEO Mohd Zaharudin, the country's largest bank by assets, is optimistic about the future of its overseas investments. He says that the bank's investments in RAZZ (Rakyat Air Zamrud) and RMB (Rakyat Bank Mandiri) are "just good business" and that the bank is confident about the future of these investments.

Maybank announces key appointments

MALAYSIA Banking CEO Mohd Zaharudin has announced several key appointments to the board and management of the bank. The appointments include the promotion of several senior executives to new roles.

Maybank to build on Asean financial linkages

Maybank is committed to building strong financial linkages across the ASEAN region. The bank is exploring various opportunities to expand its services and reach in the region.

Maybank injects US\$100mil into Philippine operation

Maybank has injected US\$100 million into its Philippine operation to support its growth and expansion in the market. The injection is part of the bank's long-term strategy for the Philippines.

February

Maybank Malaysian Open Super Series 2013

Thousands of spectators thronged the Putra Stadium, Selangor, to witness the 2013 Malaysia Open Super Series. The event was a major golf tournament for juniors and was held at the Kuala Lumpur Golf & Country Club (KLCCC).

Maybank unit's profit hits 1.2tril rupiah

Maybank's unit in Indonesia reported a profit of 1.2 trillion rupiah for the period. This is a significant increase from the previous period, reflecting the bank's strong performance in the market.

SWOT ANALYSIS FOR MALAYSIAN BANKING BHD

STRENGTHS

- Strong regional presence, facilitates future growth
- Leader in Islamic banking, serves as a leader in global Islamic banking

WEAKNESSES

- Net interest margin compression
- Not meaningful contribution from associate companies in Vietnam and Pakistan

OPPORTUNITIES

- Potential growth in fast growing markets like Indonesia
- Growth opportunities in Islamic banking

THREATS

- Potential sliding down of stake in Indonesia's BR resulting in losses
- Stiffer competition domestically resulting in net interest margin compression

Maybank Malaysian Open

Three more big guns join the Maybank Malaysian Open 2013. The tournament is a major event in the Malaysian golf calendar and is held at the Kuala Lumpur Golf & Country Club (KLCCC).

Maybank Malaysian Open 2013

The trophy ceremony for the Maybank Malaysian Open 2013 was held at the Kuala Lumpur Golf & Country Club (KLCCC). The winner of the tournament was presented with the trophy by the bank's officials.

March

Star Experience for Charity

Yayasan Maybank kutip derma sempena penganjuran MMO 2013. The bank is committed to supporting charitable causes and is organizing a charity event during the Malaysian Open 2013.

MAYBANK MALAYSIAN OPEN KUALA LUMPUR GOLF & COUNTRY CLUB

March 27-31, 2013

The trophy ceremony for the Maybank Malaysian Open 2013 was held at the Kuala Lumpur Golf & Country Club (KLCCC). The winner of the tournament was presented with the trophy by the bank's officials.

马银行落实东盟梦

Maybank is committed to building strong financial linkages across the ASEAN region. The bank is exploring various opportunities to expand its services and reach in the region.

April

AT A GLANCE

MESSAGE TO SHAREHOLDERS

ABOUT US

GROUP STRATEGY & ACHIEVEMENTS

BUSINESS REVIEW

OUR RESPONSIBILITY

OUR LEADERSHIP

CORPORATE GOVERNANCE

OTHER INFORMATION

AGM INFORMATION



MEMBERS OF MAYBANK'S EXECUTIVE BOARD... (Caption text describing the press conference attendees)

Maybank eyes high net worth users for new Visa Infinite

MAYBANK Banking Ltd (Maybank) aims to attract high net worth users for its newly launched Visa Infinite... (Main article text)

續進行股息再投資申請 馬銀行高息催化股價

《吉隆坡4月23日專電》馬銀行... (Financial news article in Chinese)

Kukuh operasi di ASEAN, teroka negara baharu Maybank sasar No.1

Maybank sasar No.1... (Article about Maybank's expansion in ASEAN)



MEMBERS OF MAYBANK'S EXECUTIVE BOARD... (Caption text)

Maybank signs up for IBMM courses

THE association of international banking... (Article about IBMM courses)

May

FAKTA NOMBOR

RM10,109

jumlah

hasil sumbangan orang ramai ketika Maybank mengadakan Kejohanan Golf Terbuka Maybank Malaysia

Make-A-Wish with Maybank

Yayasan Maybank derma RM210,000 hargai wira

Maybank net profit swells to RM1.51b

STELLAR PERFORMANCE: 11.8pc rise in Q1 earnings due to net fund-based income, Islamic banking ops

Deposits in local ops grew 8.9pc



Maybank in Action! (Caption text)

June

Maybank taps aspirations

Latest Aspire service seeks to grow affluent customer base by another 60,000

Maybank gives aid to 51 students

THE Maybank Foundation yesterday awarded full scholarships to 51 students to pursue their dreams locally or abroad at top public and private universities for 2013.

Over 300 Malaysians register for Bill Maybank Bali Marathon 2013

A total of 308 Malaysians will be participating in the Bill Maybank Bali Marathon 2013... (Article about the marathon)

Maybank gives aid to 51 students

THE Maybank Foundation yesterday awarded full scholarships to 51 students to pursue their dreams locally or abroad at top public and private universities for 2013.

MAYBANK IN THE NEWS

July

Yayasan Maybank rai anak yatim Kampung Kerdas

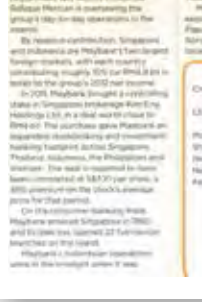
KUALA LUMPUR 19 July - Yayasan Maybank akan mengadakan sambutan tahunan dengan tema 'Berkhidmat kepada masyarakat'...



Yayasan Maybank mengadakan sambutan tahunan dengan tema 'Berkhidmat kepada masyarakat'...

Maybank looms large

MALAYSIA'S largest bank - with 100,000 employees - will have a major role to play in the country's economic recovery...



Maybank looms large as a key player in the Asian asset management industry by 2017.

Maybank looms large

MALAYSIA'S largest bank - with 100,000 employees - will have a major role to play in the country's economic recovery...



Maybank looms large as a key player in the Asian asset management industry by 2017.

Bali Marathon a super hit

ATHLETICS Bali Marathon a super hit - The Bali Marathon, which took place on Sunday, was a great success...



Bali Marathon a super hit - The Bali Marathon, which took place on Sunday, was a great success...

WELL SUPPORTED: Bi Maybank plans to make annual event bigger

WELL SUPPORTED: Bi Maybank plans to make annual event bigger - The Bali Marathon is a well-supported event...



WELL SUPPORTED: Bi Maybank plans to make annual event bigger - The Bali Marathon is a well-supported event...

August

Maybank acquires Indonesian asset management company

by Lin Ben Shiao Maybank acquires Indonesian asset management company - Maybank AM has acquired PT GMT Asset Management...



Maybank acquires Indonesian asset management company - Maybank AM has acquired PT GMT Asset Management...

Maybank believes in developing talent

KUALA LUMPUR: Maybank Group Chief Executive Officer Farid Ismail says the bank is committed to developing talent...

Maybank believes in developing talent - Farid Ismail, CEO of Maybank, speaking at a conference.

Farid is new Maybank chief

READY TO SERVE: He pledges to continue bank's strategic plan to become financial services leader in region by 2015



Farid is new Maybank chief - Farid Ismail, CEO of Maybank, speaking at a conference.

Maybank Kim Eng successfully prices S\$150m sukuk at 6.5%

Maybank Kim Eng successfully prices S\$150m sukuk at 6.5% - The bank has successfully raised funds through sukuk...

Maybank Kim Eng successfully prices S\$150m sukuk at 6.5%

September

Maybank taps UK property financing

WITH the establishment of its Islamic finance subsidiary, Maybank Islamic, the bank is set to tap into the UK property market...

Maybank, VW in tie-up with auto event

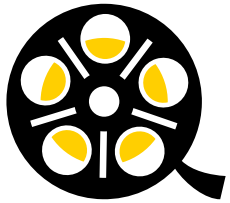
MOTOR SHOW Maybank, VW in tie-up with auto event - The two companies are collaborating on an automotive event...

MAYBANK HOLDS RAYA OPEN HOUSE

MAYBANK HOLDS RAYA OPEN HOUSE - The bank is celebrating the Chinese New Year with an open house event...

**MAYBANK
IN THE NEWS**

TELEVISION



RADIO BFM

14 MARCH 2013

Maybank expects its debit card billings to rise by at least 34% in 2013 to RM6 billion. The increase will be spurred by new products such as the Maybank Superman Visa Debit Card and increasing promotions and customer awareness.

TV3

10 APRIL 2013



Maybank targets RM275 million in sales from its closed-ended investment-linked insurance product, Maybank Luxury Edition, by the time the fund closes on 7 May 2013.

TV3

2 MAY 2013



Maybank was ranked as the 13th strongest bank in the world by Bloomberg Markets.

TV1

21 AUGUST 2013



Maybank records Profit Before Tax of RM4.22 billion for the first half of its financial year 2013. The Group's profit increased by 7.5% compared to RM3.92 billion in the previous corresponding period.

RADIO BFM

26 AUGUST 2013

Maybank Investment Bank, which turns 40 this year, plans to expand operations into Laos and Cambodia after successfully completing its integration with Kim Eng Holdings.

ASTRO AWANI

22 OCTOBER 2013



Maybank opens its first branch in Mumbai, India.

ASTRO AWANI

6 NOVEMBER 2013



Maybank New York shifts to a new office in Park Avenue, New York. Its new office is within close proximity of other prominent financial institutions such as JPMorgan Chase, UBS and Citigroup.

TV2

21 NOVEMBER 2013



Maybank's pre-tax profit for its third quarter ended 30 September 2013 rose to RM2.35 billion from RM2.03 billion in the same quarter last year.

SOCIAL MEDIA



Maybank embarked on the digital and social media marketing scene 3 years ago in 2011 and has quickly made its mark as a leader in the digital field. Among other awards, Maybank was awarded the most Socially Devoted Brand Overall in Malaysia and Number 1 Globally for a Financial Institution by Social Bakers in 2013.

10 APRIL 2013

Prize giving ceremony of Maybank-Pos Malaysia Agent Banking YouTube Video Competition



16 APRIL 2013

Launch of Maybank2u Pay



8 OCTOBER 2013

Maybank Facebook Page achieves 1 million Likes



17 JUNE 2013

Scenes from the BII Maybank Bali Marathon



27 JUNE 2013

Maybank Scholarship Award Ceremony



3 JULY 2013

Maybank Go Ahead Challenge Heats Up!



11 AUGUST 2013

Maybank PCEO at the Regional Hari Raya Celebration



15 MAY 2013

Our customers at Manchester United



2 MAY 2013

Donation to Tabung Wira Lahad Datu



5 JUNE 2013

Day at the Zoo Camp with Maybank Foundation



2 AUGUST 2013

Maybank announces its new President & CEO



26 AUGUST 2013

Maybank Investment Bank opens new branch



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EVENT HIGHLIGHTS

JANUARY

12 JANUARY 2013



Maybank Philippines (MPI) co-hosted the local leg of the Maybank Malaysia Open 2013 Corporate Challenge, where a total of 87 MPI customers took part in the exclusive tournament. The top three winners flew to Malaysia in March to play in the Maybank Corporate Golf Day in conjunction with the Maybank Malaysian Open 2013.

15 JANUARY 2013

Maybank and the Badminton Association of Malaysia (BAM) hosted a welcome reception for the Maybank Malaysia Open Team 2013. The event, graced by Datin Paduka Seri Rosmah Mansor, Patron of BAM and wife of the Malaysian Prime Minister, included a charity auction organised by Maybank to benefit the Liver Transplant Centre of Hospital Selayang, which raised RM207,000.

23 JANUARY 2013

Maybank Investment Bank established a USD1.5 billion Multi-Currency Sukuk Programme for Sime Darby Global Bhd, which had the lowest ever coupon by any corporate globally in the USD sukuk market.

25 JANUARY 2013



Maybank Philippines marked the formal inauguration of the Maybank Corporate Centre with the unveiling of the building marker, with National Treasurer Rosalia De Leon as guest of honour.

30 JANUARY 2013

Bank Internasional Indonesia (BII) held 'Gerobak Seru SME', a food festival participated by potential micro partners. At the event, BII also officially launched its 'Micro Agent' programme - a mentoring programme by employees to help and support micro partners in developing their business.

FEBRUARY

2 FEBRUARY 2013

Maybank Investment Bank launched global trading for the Kim Eng White Label platform for both Powerbroking and Maybank2u Online stocks, in line with Maybank Kim Eng's strategy to have a Regional Integrated Online Trading Platform.

16 FEBRUARY 2013

Following up on its previous partnership in online ticket payment in 2011, BII continued its strategic partnership with AirAsia by providing cash management solutions services through BII CoOLPay, a web based real time online banking service, for AirAsia and its travel agent partners.

19 FEBRUARY 2013



Maybank ushered in the Lunar Chinese New Year with the underprivileged from Ti-Ratana and the House of Joy. This celebration was part of Maybank's annual calendar of events to promote greater understanding and appreciation of Malaysia's diverse cultures.

20 FEBRUARY 2013

CashvilleKidz, an exciting animated series that teaches children about important money management habits, premiered on pay-tv provider Astro. The series was jointly developed by Maybank Foundation, Maybank's corporate responsibility arm, and MoneyTree Malaysia, Southeast Asia's largest financial literacy training provider.

21 FEBRUARY 2013

Maybank reported a record Profit After Tax and Minority Interest of RM5.74 billion for the year ended 31 December 2012. This was a 17.6% increase from RM4.88 billion recorded for the corresponding period in 2011. Profit Before Tax for the Group also touched a new high of RM7.89 billion from RM6.88 billion a year earlier.

21 FEBRUARY 2013

Maybank Kim Eng Singapore launched its share margin financing in US dollar (USD) and Hong Kong dollar (HKD). The new multi-currency share margin financing facility offers clients the flexibility to finance their foreign currency denominated securities in USD or HKD to better manage their foreign exchange exposure.

27 FEBRUARY 2013

BII held its BII Maybank Economic Briefing 2013 to provide macro economy and market condition updates for corporate customers.

27 FEBRUARY 2013



Four professional golfers namely Sasidaran Muthiah, Kemarol Baharin, Mohd Hanafiah Mohd Jamil and P.Gunasegaran claimed the coveted slots in the Maybank Malaysian Open 2013 at the national qualifier round.

28 FEBRUARY 2013



Maybank Philippines launched Project Blood Bank, an internal blood donation campaign promoting employee wellness as well as employee volunteerism by donating blood to boost blood bank reserves. The campaign was held in partnership with the Philippine National Red Cross.

MARCH

1 MARCH 2013



Maybank Cambodia made a contribution of USD5,000 to the Kantha Bopha Hospital Siem Reap to support its work in saving the lives of thousands of children every month.

2 MARCH 2013



Maybank Singapore CEO, Pollie Sim, presented transport grants to 407 secondary school students to help them cope with rising transport costs. The event was graced by Senior Minister of State, Ministry of Law and Education, Ms Indraneel Rajah, and Mayor of Central Singapore District, Mr Sam Tan. A pilot Maybank Mentorship Programme was also launched in which 30 Maybank staff volunteered to mentor 35 students, who were also transport grant recipients, to help build their self-confidence and leadership.

6 MARCH 2013



More than 80 corporate associates, clients and business partners of Etiqa took part in the annual Etiqa & Friends Golf Tournament for the fourth time at its home club in Kelab Golf Seri Selangor.

7 MARCH 2013

Maybank commemorated International Women's Day by hosting a forum entitled "Using your strengths to build a powerful workforce", aimed to examine issues pertaining to competition at the workplace and empowering women to use their strengths in supporting the organisation's growth. The forum saw three leading speakers, Ms Lola Chetti, a people development consultant, executive coach and volunteer for the UNHCR at a refugee centre, Dato' Noorizah Hj Abd Hamid, MD/CEO of PLUS Malaysia Bhd as well as Nora Manaf, Group Chief Human Capital Officer, Maybank share their thoughts on a wide range of issues to empower women to be future leaders.

14 MARCH 2013



Maybank Philippines hosted the 2nd Maybank Economic Briefing in Manila, with the theme 'Strengthening Global Recovery amid Ample Liquidity'. Maybank customers were briefed on local and regional equities, foreign exchange, fixed income and the global economic landscape.

18 MARCH 2013

BII launched a strategic partnership with Koperasi Simpan Pinjam Jasa to provide cash management services through BII CoOLBanking.

19 MARCH 2013



Eight of Maybank's corporate clients together with world renowned golfers Luke Donald, Padraig Harrington, Matteo Manassero and Charl Schwartzel participated in the 'Star Experience for Charity' golf game as part of a charity initiative for the Maybank Malaysian Open 2013. Each amateur golfer pledged RM5,000 to Make-A-Wish Malaysia, a foundation which helps to make dreams come true for children with life-threatening medical conditions. Maybank Foundation matched the amount raised with another RM40,000, raising a total of RM80,000.

24 MARCH 2013



Thai golfer Kiradech Aphibarnrat sealed his masterful performance at the Maybank Malaysian Open 2013, finishing one stroke ahead of the competition to win the Seagram Cup with a score of 13 under par at the Maybank Malaysian Open 2013 held from 21st to 24th March 2013.

27 MARCH 2013

Maybank Kim Eng Hong Kong launched an internet trading platform for mainland Chinese investors to trade Hong Kong stocks.

APRIL

3 APRIL 2013



Maybank signed a Memorandum of Understanding with the Institute of Bankers Malaysia (IBBM) to enable its Group employees to enrol into world class certified professional courses offered by the Institute. Under the MoU, Maybank will collaborate with IBBM to undertake initiatives in areas of professional growth, specifically in learning and development programmes in banking and finance, including the Chartered Banker Programme.

3 APRIL 2013

BII introduced BII Mobile Banking application on an Android platform.

EVENT HIGHLIGHTS

3-6 APRIL 2013



Maybank Islamic launched its SME Islamic Financial Solutions, at an event graced by Dato' Sri Mustapha Mohamed, the Minister of International Trade and Industry.

4 APRIL 2013

BII launched a strategic partnership with Hekikai Shinkin Bank (HSB), in which it would be the servicing bank for HSB customers in Indonesia, providing banking services such as accounts, remittances, trade finance, foreign exchange and other treasury products.

4 APRIL 2013

Maybank Singapore Islamic Banking launched two new financing products for Malaysian residential and commercial properties.

16 APRIL 2013



Maybank launched Maybank2u Pay, the first of its kind payment gateway to facilitate purchases at blog shops, offering not only fast and safe transactions, but also a convenient and reliable online shopping experience.

22 APRIL 2013

BII held its annual general meeting and extraordinary general meeting of shareholders (EGM). The EGM approved the appointment of Lani Darmawan as Retail Banking Director to replace Stephen Liestyo and the appointment of Achjar Iljas as the new Independent Commissioner to replace Putu Antara.

23 APRIL 2013



Former Maybank President & CEO, Dato' Sri Abdul Wahid Omar, was named the winner of The Asian Banker Leadership Achievement Award 2013 for Malaysia at The Asian Banker Summit 2013 in Jakarta. Under his leadership, Maybank Group was also recognised as The Best Managed Bank in Malaysia.

25 APRIL 2013

BII announced a Profit After Tax and Minority Interest of Rp309 billion for the first quarter ended 31 March 2013, an increase of 16% from the same period a year earlier. The Bank's Profit Before Tax increased by 15% to Rp438 billion compared to Rp379 billion a year earlier.

25 APRIL 2013

Maybank Singapore was recognised for its support to Heartware Network as its principal founding benefactor at a fundraising gala dinner, graced by Mr Tharman Shanmugaratnam, Deputy Prime Minister and Minister for Finance. Maybank was honoured for its support for youth volunteerism with over SGD1 million in contributions over the last six years.

MAY

2 MAY 2013

The Tabung Wira Lahad Datu Media Prima received a boost when Maybank Foundation handed over a contribution of over RM210,000 to the Fund at a special presentation event held in Sri Pentas, Petaling Jaya. The sum comprised a RM200,000.00 contribution from Maybank Foundation and RM10,109.40, which was raised from the public during the Maybank Malaysian Golf Open held in March.

6 MAY 2013

BII presented scholarships to 50 underprivileged students of Universitas Gadjah Mada, Yogyakarta as part of its on-going scholarship programme introduced in 2008, which has benefitted 173 undergraduate students so far.

13 MAY 2013



More than 550 children of Maybank employees were awarded with the Maybank Group Staff's Children Academic Excellence Awards, with cash awards totalling over RM300,000. The cash rewards were given out to students who excelled in the PMR, SPM and STPM examination for 2012.

15 MAY 2013

Maybank President & CEO Dato' Sri Abdul Wahid Omar was appointed as Minister in the Prime Minister's Department by the Prime Minister of Malaysia.

18 MAY 2013

A model of Menara Maybank was unveiled at LEGOLAND® Malaysia, signifying the status of Maybank as the official retail bank for LEGOLAND® Malaysia as well as its reputation as one of the iconic buildings in Malaysia.

18 MAY 2013

Maybank Singapore was conferred the Excellence Award by the People's Association (PA) for the PA Community Spirit Awards 2013 – Partners of Community Development Council. This is the third consecutive year Maybank received this award, and it is the only bank to receive the award in this category.

18 MAY 2013



Maybank (Cambodia) Plc. participated in a 'Helmets for Kids' programme in collaboration with the Asian Injury Prevention Foundation, where it presented helmets to teachers and children from the Prey Sandek Primary School in Takeo province as part of a Road Safety Awareness programme.



22 MAY 2013



Maybank Singapore, Heartware Network and the Singapore Ministry of Education jointly launched the 'Heartware Character & Citizenship Education Leadership Programme' to equip less academically inclined students with leadership, innovative and entrepreneurial skill sets. Singapore's Minister for Education, Mr Heng Swee Keat, officiated the launch in which Maybank Singapore, presented a cheque for SGD300,000 to Heartware Network.

23 MAY 2013



Maybank reported that Profit After Tax and Minority Interest for the first quarter ended 31 March 2013 rose 11.8% to RM1.51 billion, compared with RM1.35 billion in the corresponding quarter last year. Group Profit Before Tax for the quarter was 12.3% higher at RM2.13 billion from RM1.89 billion a year ago.

30 MAY 2013



Etiqa Insurance and Takaful was once again the title sponsors for the 5th Edition of the Etiqa Selangor International Junior Masters, which was held at its home club in Kelab Golf Seri Selangor from 30th May to 1st June 2013. A total of 104 players from Asia, including Singapore and Korea took part in the tournament.

JUNE

5 JUNE 2013



Maybank (Cambodia) Plc. won the most outstanding social performance bank in the Cambodia Outstanding Banking & MFI Awards 2013. This was the 1st Cambodia Outstanding Banking & MFI Awards, organised by IDG ASEAN.

8 JUNE 2013



Maybank Singapore was invited to join other corporate sponsors in presenting a cheque for SGD1 million to SportCares, an initiative by Singapore Sports Council, which aims to use sports as a force for social good. The Bank previously raised about SGD146,000 for Special Olympics in support of their programmes for athletes with special needs. The funds raised were channelled through SportCares to attract dollar-for-dollar matching.

8 JUNE 2013

Maybank (Cambodia) Plc. was a sponsor in the first 'Mums & Dads Congress 2013', organised by DKSH Cambodia. This community development programme aimed to increase awareness of health and maternal knowledge among newly married couples and the young people of Cambodia.

10 JUNE 2013



BII introduced BII Mitra Amanah service to merchants at Pasar Baru Bekasi Timur, West Java. BII Mitra provides both funding and lending services for customers.

12 JUNE 2013



Maybank launched its latest service, Maybank ASPIRE, a new branded segment offering designed to cater to affluent customers through a comprehensive suite of financial solutions. ASPIRE comprises a bundle of six main areas of financial needs namely cards, deposits, financing, insurance, investment and will writing under the conventional or Islamic schemes.

13-14 JUNE 2013

Maybank Kim Eng was the co-organiser and co-sponsor of Invest Malaysia Kuala Lumpur 2013, held in Kuala Lumpur on 13-14 June 2013. Themed 'ASEAN's Multinational Marketplace', the event was officially launched by the Prime Minister of Malaysia. It was attended by 1022 fund managers and 59 corporates, comprising 52 Malaysian companies and 7 ASEAN companies.

16 JUNE 2013

Nearly 3,000 participants from 42 countries worldwide participated in the BII Maybank Bali Marathon 2013. As part of this event, BII granted scholarships to 486 talented students from 27 schools located along the marathon route.

24 JUNE 2013

Maybank Foundation awarded full scholarships to 51 deserving students to pursue their studies locally or abroad at top public and private universities for 2013.

EVENT HIGHLIGHTS

27 JUNE 2013

BII held an extraordinary general meeting of shareholders to approve the Bank's plan to undertake a rights issue of Rp1.5 trillion.

JULY

1 JULY 2013



The Maybank Security Guards Safety Association signed a new collective agreement with Maybank effective for a three year period until 2014.

5 JULY 2013

Etiqa Insurance Berhad issued its maiden Tier-2 Capital Subordinated Bonds of RM500,000,000, with a 10-year tenure from the date of issuance on a 10 non-callable 5 basis. The bond facility, lead arranged by Maybank Investment Bank Berhad, was rated AA1 by RAM Rating Services Bhd.

10 JULY 2013

BII commenced its Mumbai branch operations in India to tap significant business potential between India and the ASEAN region.

10 JULY 2013



A signing ceremony was held between Maybank Philippines and G4S Cash Solutions Philippines for the outsourcing of cash servicing, cash sorting and ATM first-line maintenance.

18 JULY 2013



Maybank Singapore was presented with the Asian Banking & Finance Retail Awards for Best Corporate Social Responsibility Program (Silver). Maybank received this accolade for the second time and is the only bank in Singapore to receive an award for this category.

18 JULY 2013



Maybank Foundation continued its charity initiatives by celebrating with children, single mothers and underprivileged families of Kampung Kerdas, Gombak, Kuala Lumpur. About 200 residents were treated to a breaking of fast (buka puasa) event which was hosted by Maybank Chairman, Tan Sri Dato' Megat Zaharuddin Megat Mohd Nor, members of Maybank Foundation Board of Trustees and senior management of Maybank. The guests also received duit raya and contribution of daily provisions such as rice, condensed milk, sugar and detergent.

18 JULY 2013

Maybank Kim Eng Thailand partnered with WeChat, a popular mobile chat application to expand their base of young investors by providing regular updates on Maybank Kim Eng's business and activities on the application.

25 JULY 2013



The Maybank Global Banking team treated 70 children from Pusat Jagaan Lambaian Kasih to a shopping trip at 1 Utama Shopping Centre in conjunction with the Hari Raya Puasa festivities. Each child was given a rare treat - RM250 worth of AEON Jusco vouchers for their shopping spree.

25 JULY 2013



Maybank Islamic announced its overall total zakat contribution of RM15.2 million for financial year 2012 at an event graced by the Minister in the Prime Minister's Department, Mejar Jeneral (B) Dato' Seri Haji Jamil Khir. Of this amount, RM11.4 million was distributed to various Pusat Zakat of states while the remaining RM3.8 million was distributed to other needy recipients.

25 JULY 2013

BII presented 33 scholarships to Indonesian students to continue their studies at selected foreign universities.

26 JULY 2013



Maybank Philippines (MPI) presented a donation of Php1,152,200.00 from Maybank Foundation to University of the Philippines Integrated School (UPIS). UPIS was the beneficiary of MPI's Adopt-A-School Program, and the funds will be utilised in building the Maybank Computer Laboratory.

29 JULY 2013

BII announced a Profit After Tax and Minority Interest of Rp681 billion for the first six months of 2013, an increase of 15% from the same period a year earlier. The Bank's Profit Before Tax increased by 17% to Rp966 billion compared to Rp824 billion for the corresponding period.

30 JULY 2013

Maybank Singapore sponsored a breaking of fast event for 150 children at the Darul Ma'wa Children's Home. The event was graced by Speaker of Parliament, Mdm Halimah Jacob.

AUGUST**2 AUGUST 2013**

Maybank Kim Eng was the sole lead arranger and global coordinator for Swiber's USD500 million Multi-Currency Islamic Trust Certificates Issuance Programme. As a joint lead manager, Maybank Kim Eng successfully concluded Swiber's inaugural SGD150 million, 5-year sukuk issue, which was the largest Singapore dollar sukuk issuance by any corporate entity to date.

2 AUGUST 2013

Datuk Abdul Farid bin Alias was appointed the Group President and Chief Executive Officer of Maybank, replacing Dato' Sri Abdul Wahid bin Omar, who was appointed a Minister in the Prime Minister's Department.

6 AUGUST 2013

Maybank Islamic's staff visited the National Heart Institute and distributed gifts to the patients and staff of the Paediatric Ward in conjunction with the Hari Raya celebrations.

14 AUGUST 2013

Maybank Kim Eng participated in Thai Beverage's acquisition of F&N, which was the largest M&A deal in Southeast Asia for 2013.

21 AUGUST 2013

Maybank reported a Profit After Tax and Minority Interest of RM3.07 billion for the six months ended 30 June 2013, 10.4% higher than the RM2.78 billion recorded a year earlier. Profit Before Tax for the Group rose 7.5% to RM4.22 billion compared with RM3.92 billion in June 2012.

22 AUGUST 2013

BII launched CoOLPay2 and BII Sinergi to support the business community with financial supply chain solutions.

26 AUGUST 2013

The grand finals of the Maybank GO Ahead Challenge began at Menara Maybank in Kuala Lumpur. 54 finalists from 10 countries across the world converged in Malaysia to battle it out for the prize money of US\$72,000 and the chance to join the sought-after Global Maybank Apprentice Programme.

26 AUGUST 2013

Maybank Investment Bank officially opened a new branch at Mutiara Damansara, Selangor, expanding its branch distribution network to a total of five across Malaysia. It also announced the release of its Powerbroking and M2U mobile apps for Android-based devices.

29 AUGUST 2013

Maybank Foundation joined hands with various corporate organisations to support the XtraMile Run 2013. The 100 km run, which took place across Klang Valley, took 17 hours to complete and raised over RM120,000. The objective of the XtraMile run was to raise awareness and interest amongst Malaysians to support the education initiatives of Dignity for Children Foundation.

SEPTEMBER**5 SEPTEMBER 2013**

Maybank Singapore signed a 5-year partnership with KidZania Singapore to be the sole bank within the unique edutainment theme park. Slated to open in early 2015 on Sentosa Island, KidZania will be Maybank's third theme park partnership after Universal Studios Singapore and Legoland Malaysia.

5 SEPTEMBER 2013

Maybank (Cambodia) Plc. concluded a memorandum of understanding with Mizuho Bank, Ltd. (MHBK) aimed at expanding MHBK's support framework for Japanese corporations entering the rapidly-growing Cambodian market through the various financial services of Maybank Cambodia, which has strengths in commercial banking and corporate finance.

6 SEPTEMBER 2013

BII launched a community empowerment programme with a revolving fund grant of Rp1 billion to support micro financing projects in the community.

12 SEPTEMBER 2013

Maybank Kim Eng Vietnam officially launched its new head office at Vincom Center in Ho Chi Minh City.

13 SEPTEMBER 2013

BII received the IT Banking Excellence Award 2013 from Warta Ekonomi magazine. BII was the winner for the commercial bank category with total Tier 1 Capital of Rp5-30 trillion.

EVENT HIGHLIGHTS

27 SEPTEMBER 2013



Maybank Singapore signed a SGD55 million contract with Dimension Data and NTT Communications to upgrade its IT infrastructure to improve service reliability, customer user experience and ensure that it was well-positioned to capitalise on future growth opportunities.

28 SEPTEMBER 2013

Over 21,000 Maybank employees participated in the Group's fourth annual Maybank Global CR Day initiative. Believed to be the biggest corporate responsibility (CR) initiative ever by a Malaysian company globally, and simultaneously in a day, the event involved Maybank employees and its offices abroad coming together to reaffirm their commitment to social and community development.

30 SEPTEMBER 2013

BII announced that Taswin Zakaria had been identified as its new President Director.

30 SEPTEMBER 2013

Maybank Singapore was the joint original mandated lead arranger, underwriter and bookrunner for Universal Group Holdings' SGD1.15 billion Syndicated Term Loan Facility. This transaction represented the largest tank farm deal done in Singapore.

OCTOBER

1 OCTOBER 2013

Maybank Singapore Islamic Banking launched a new Shariah-compliant banking product for vehicle financing, marking another industry first as it continued to develop the retail Islamic banking sector in Singapore.

8 OCTOBER 2013



Deputy Education Minister, Datuk Mary Yap Kain Ching launched the CashVille Kidz Season 2, an animated TV series, jointly produced by Maybank Foundation & MoneyTree (M) Sdn Bhd and approved as well as endorsed by the Ministry of Education.

12 OCTOBER 2013

Maybank (Cambodia) Plc. made contributions to assist with the Siem Reap Provincial Governor's office's emergency fund to save 3,000 families affected by flood in the Purk District.

17 OCTOBER 2013

Maybank Kim Eng Vietnam announced that it obtained the approval of the State Securities Commission of Vietnam to convert Maybank Kim Eng Vietnam into a single-member limited liability company, thereby making it the first securities company in Vietnam to be 100% foreign owned.

21 OCTOBER 2013



BII officially launched its first branch in Mumbai, extending the Group's regional commercial banking platform further into South Asia.

24 OCTOBER 2013

The Badminton Association of Malaysia and Maybank announced that Malaysia will be hosting the first ever prestigious "Maybank Malaysia Open Superseries Premier 2014" at Putra Indoor Stadium in Bukit Jalil, Kuala Lumpur to be held from 14-19 January 2014. The sporting event would see participation by world renowned players, notably the top 10 from the men singles, women singles, men doubles, women doubles and mixed doubles.

24 OCTOBER 2013

Maybank ATR Kim Eng led the USD621 million IPO for Robinsons Retail Holdings Inc in the Philippines.

25 OCTOBER 2013



In conjunction with Deepavali and Christmas, Maybank launched a social movement called Project H.E.A.R.T (Helping Every Asian Rise Together) which aims to improve the lives of fellow Asians by implementing sustainable projects. To kick off, solar powered light bulbs were distributed to Kampung Chuweh in Perak and Pensiangan in Sabah in Malaysia, Barrio Udlot and Barrio Bliss in Cebu, the Philippines which were badly affected by Typhoon Haiyan. By the end of the Project H.E.A.R.T, bulbs were given out to 200 families within the 4 communities.

28 OCTOBER 2013

BII announced a Profit After Tax and Minority Interest of Rp1.1 trillion for the nine months ended 30 September 2013, a 19% increase from the same period a year earlier. Profit Before Tax increased by 22% to Rp1.6 trillion compared to Rp1.3 trillion in the previous corresponding period.

28 OCTOBER 2013

Maybank (Cambodia) Plc. opened four new branches in Serey Sophorn, Chroy Changvar, Obek Kaorm and Kampuchea Krom, extending Maybank's reach further into Cambodia. The branches were officiated by Lok Chumteav Ouk Maly, Deputy Governor, National Bank of Cambodia at a ceremony held at Serey Sophorn in the Banteay Meanchey province.



29-30 OCTOBER 2013



Maybank Islamic was the strategic partner for the 9th World Islamic Economic Forum held in London. The Forum was themed “Changing World, New Relationships” to encapsulate the emergence of new economic linkages between nations across borders, religions and cultures in a fast changing world. Prime Minister of Malaysia, Dato’ Sri Mohd Najib bin Tun Haji Abdul Razak, also officiated the launch of Maybank Islamic Asset Management at the event.

NOVEMBER

1 NOVEMBER 2013



BII was one of nine banks partnering with the local government of Jakarta to provide payment facilities for land and buildings via its ATMs.

4-8 NOVEMBER 2013

Maybank Kim Eng, in collaboration with Bursa Malaysia, organised the Invest Malaysia USA 2013 Conference, covering New York City, Boston and San Francisco. The conference was attended by 110 fund managers. Twelve Malaysian corporates with a total market capitalisation of RM271 billion, or 16% of the Malaysian bourse market capitalisation, showcased their investment propositions during the conference.

5 NOVEMBER 2013

Maybank celebrated the 20th anniversary of its Cambodia operations, reiterating its commitment to support the community through its diverse range of corporate responsibility (CR) initiatives. More than 500 guests attended a dinner reception where Maybank reinforced its philosophy of ‘Growth with Responsibility’ within its communities with a donation of USD50,000 to the Cambodian Red Cross to aid victims of disasters and to support healthcare and humanitarian programmes in the country.

6 NOVEMBER 2013



Forty-four children from Sekolah Jenis Kebangsaan (Tamil) Pulau Carey Selatan and Sekolah Jenis Kebangsaan (Tamil) Pulau Carey Barat attended a Deepavali celebration at Menara Maybank, Kuala Lumpur. The children were also presented with Maybank school bags and cash gifts.

6 NOVEMBER 2013

Maybank Singapore was awarded the Singapore Quality Class (SQC) Star. SQC Star looked at an organisation holistically across seven dimensions of excellence, including Leadership, Planning, Information, People, Processes, Customers and Results.

8 NOVEMBER 2013



Maybank Private Wealth was officially launched in Singapore. This new regional platform is specially designed for clients with investible assets of USD1 million and above. In addition to a broad range of investment products and services, Maybank Private Wealth clients will also be able to tap into the Bank’s expertise in corporate lending, transaction banking, capital markets, investment banking as well as Islamic banking.

9 NOVEMBER 2013



Over 2,500 people participated in the Maybank Wild Tiger Run, organised by the Malaysian Conservation Alliance for Tigers (MYCAT) and supported by Maybank Foundation. The Run aimed to increase awareness on the plight of the Malayan tiger and raise funds for conservation efforts by MYCAT. It was flagged off by Youth and Sports Minister of Malaysia, Mr Khairy Jamaluddin.

11 NOVEMBER 2013



Maybank Singapore launched Maybank Mobile Money, Singapore’s first money transfer service that allows Mobile Banking customers to send money to a Singapore mobile phone number instead of a bank account. Maybank is among the first banks in the world to offer this mobile money transfer service that also promotes personal banking data privacy.

14 NOVEMBER 2013



Maybank Group contributed RM1,000,000 to the Philippine Red Cross in aid of relief efforts for the victims of Typhoon Haiyan. Maybank Philippines also announced that its employees would forego their annual Christmas party, and contribute the Php 1 million allocation to the typhoon victims.

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14 NOVEMBER 2013



Maybank Islamic hosted an official visit by the Crown Prince of Bahrain, H.H Shaikh Salman Al Khalifa, in hopes of strengthening relationships with Middle Eastern countries.

19 NOVEMBER 2013

Maybank ATR Kim Eng was awarded the Philippine Stock Exchange Bell Award for Outstanding Corporate Governance Practices.

19 NOVEMBER 2013

Maybank Investment Bank clinched 14 awards in the Asiamoney Brokers' Poll 2013, including Best for Events and/or Conferences, Best for Roadshows and Company Visits and Best Research Coverage for Banks in Malaysia.

21 NOVEMBER 2013

Maybank reported that Profit After Tax and Minority Interest for the nine months ended 30 September 2013 rose 12.5% from a year earlier to RM4.82 billion. Profit Before Tax for the Group rose 10.4% to RM6.57 billion compared with RM5.95 billion in September 2012.

22 NOVEMBER 2013

Maybank Kim Eng Singapore donated \$10,000 to the SGX Bull Charge, a corporate charity run which supports the Asian Women's Welfare Association, Autism Association, Fei Yue Community Services and Shared Services for Charities. In addition, 63 Maybank Kim Eng staff also participated in the run to show their support for the cause.

27 NOVEMBER 2013

Maybank announced the winners of the 'Maybank Photography Awards 2013' at the prize presentation ceremony in Kuala Lumpur. The photo competition, held from 1 July to 30 August 2013, garnered over 67,000 entries from across Asia. This was the second consecutive year of the competition and it was themed 'Inspiring Asia'. It offered USD35,000 worth of prizes.

28 NOVEMBER 2013



Etiqa Insurance & Takaful handed out panic bags to 13 village headmen in Kemaman as a pro-active measure in preparing for the impending flood. The waterproof panic bags were specially produced to help people protect their important documents such as birth certificates, passports and insurance policies during floods.

DECEMBER

1 DECEMBER 2013

Kamaludin Ahmad was officially appointed as Chief Executive Officer of Maybank Ageas Holdings Berhad, including Etiqa Insurance Berhad and Etiqa Takaful Berhad.

3 DECEMBER 2013

Maybank Singapore and Maybank Kim Eng were mandated by Hyflux as advisor, lead arranger and sole underwriter for a SGD720 million term loan facility to fund the Tuaspring desalination and power plants. This was a landmark transaction of national interest to Singapore, given that Tuaspring was its largest desalination plant. It also represented the first project financing of such a scale originated by Maybank Singapore.

5 DECEMBER 2013



Three Maybank cardmembers drove home luxury cars after being named grand prize winners in the Bank's 'Win Your Dream Car' campaign. The campaign which ran from 4 July to 3 November 2013, received overwhelming response amongst cardmembers.

5 DECEMBER 2013

Maybank was the first bank in Malaysia to announce a six-month moratorium on a case-to-case basis for monthly instalment payments of loans, as well as waiver of certain charges for customers affected by the floods in the various states in Malaysia. The Bank also contributed essential items worth over RM100,000 to assist flood victims.

5 DECEMBER 2013



Etiqa Takaful Berhad launched a new building built for the benefit of more than 100 students in Madrasah At-Tanwiriah in Muar, Johor.

9 DECEMBER 2013

BII announced a revolving fund of Rp1 billion for members of Asosiasi Pendamping Perempuan Usaha Kecil (Association for women with micro business) to be channelled through 29 cooperatives for women with micro businesses spread across five regions in Indonesia, namely Sumatra, Java, Kalimantan, Sulawesi and Nusa Tenggara.

12 DECEMBER 2013



A group of 24 disabled artists showcased their artistic talents in a special exhibition at Balai Seni Maybank in Kuala Lumpur. The exhibition, entitled 'Nukilan Jiwaku', featured 48 paintings and was a project aimed at providing opportunities for persons with disabilities to express their artistic creativity as well as empower them to become economically self-sufficient.

12 DECEMBER 2013

Maybank Kim Eng Singapore won the Investment Trends 2013 Singapore Broking Award for the Best Education Materials and Best Mobile Platform.

AWARDS & RECOGNITION



Former Maybank President and CEO Dato' Sri Abdul Wahid Omar (centre) receiving The Asian Banker Leadership Achievement Award 2013 for Malaysia and as well as The Best Managed Bank in Malaysia on behalf of Maybank from Mr Foo Boon Ping (right), Managing Editor of The Asian Banker at a ceremony held in conjunction with The Asian Banker Summit 2013 in Jakarta, on April 23rd 2013. On the left is William Isaac, Chairman of Fifth Third Bancorp who was a keynote speaker at the Summit.



Dr John Lee, Group Chief Risk Officer, receiving the 'Asia Risk Bank Risk Manager of the Year Award' from the Editor of Asia Risk, Mr Eric Woolner.



The Maybank team, led by Group Chief Financial Officer En Mohamed Rafique Merican (middle), bagged five NACRA 2013 Awards. Also present include Group Performance Reporting and Investor Relations Head Narita Naziree (third from left), former Finance and Treasury Operations Head Ronnie Royston Fernandez (fourth from left) and Group Corporate Affairs Head Eliza Mohamed (third from right).

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- Best Bank in Malaysia

THE ASIAN BANKER LEADERSHIP ACHIEVEMENT AWARDS 2013

- Best Managed Bank Awards in Malaysia
- Leadership Achievement Award for Malaysia

BLOOMBERG MARKETS MAGAZINE: THIRD ANNUAL RANKING OF THE WORLD'S STRONGEST BANKS IN MAY 2013

- Maybank recognised as 13th World's Strongest Bank

ASIA'S BEST COMPANIES 2013 AWARD

- Best Corporate Governance and Best Corporate Social Responsibility

NACRA 2013 AWARDS

- Gold Award for Overall Excellence Award
- Industry Excellence Award for Finance
- Platinum for Best Designed Annual Report Award
- Gold Award for Best Annual Report in Bahasa Malaysia
- Silver Award for Best Corporate Social Responsibility

ACCA MALAYSIA SUSTAINABILITY REPORTING AWARDS (MaSRA 2013)

- Overall winner for 'Best Sustainability Report' category
- Commendation for Reporting on Gender Diversity

MALAYSIA'S 100 LEADING GRADUATE EMPLOYER AWARDS 2013

- Winner for the Banking & Financial Services Category
- First runner-up for Graduate Employer of The Year

EFMA- ACCENTURE INNOVATION AWARDS 2013

- Joint winner for the category "Responsible Business" with BNP Paribas

COMMUNITY FINANCIAL SERVICES

EUROMONEY PRIVATE BANKING AND WEALTH MANAGEMENT SUVERY 2013

- Best Private Banking Services Overall
- Best Relationship Management
- Best Privacy and Security
- Best Range of Investment Products
- Best Net-worth Specific Services - Super Affluent (US\$500,000 - US\$ 1 mil)
- Best Net-worth Specific Services - High Net Worth I (US\$1mil - US\$ 10 mil)
- Best Net-worth Specific Services - High Net Worth II (US\$ 10mil - US\$ 30 mil)
- Best Net-worth Specific Services - Ultra High Net Worth (Greater than US\$ 30 mil)

BANKING & PAYMENTS ASIA TRAILBLAZER AWARDS 2013

- Process Excellence in Risk Management
- Channel Excellence in Internet - Overall
- Channel Excellence in Internet - Account Management
- Service Excellence in Service Innovation

THE ASIAN BANKER EXCELLENCE IN RETAIL FINANCIAL SERVICES INTERNATIONAL AWARDS 2013

- Best Retail Bank in Malaysia

EXCELLENCE IN RETAIL FINANCIAL SERVICES INTERNATIONAL AWARDS 2013

- The Best Retail Bank (Country Award)
- Best Automobile Lending Product (Product & Business International Award)
- Best Consumer Risk management Initiative

VISA MALAYSIA AWARDS

- Largest Visa Card Issuer-Maybank (Issuing Category)
- Largest Debit Payment Volume or Billings - Maybank (Issuing Category)
- Largest Payment Volume-MaybankPetronas (Visa Credit Co-Brand Category)
- Highest Payment Volume or Billings - Maybank Manchester United (Visa Debit Co - Brand Category)
- Largest Payment Volume - Maybank (Islamic Credit Card Category)
- Largest Acquirer-Maybank (Acquiring Category)
- Bank of the Year Award-Maybank (Overall)

AWARDS & RECOGNITION

READER'S DIGEST TRUSTED BRANDS

- Platinum Award for the Most Trusted Bank Award
- The Most Trusted Bank-Issuing Credit Cards Category

CGC TOP SME SUPPORTER AWARD 2012

- Best Financial Partner Award
- Top SME Supporter Award
- Top Bumiputera SME Supporter Award

ADVERTISING + MARKETING'S INAUGURAL MARKETING EXCELLENCE AWARDS 2013

- Excellence in Experiential/Event Marketing - Maybank Treatsfair 2012 (Gold)
- Excellence in CRM & Loyalty Marketing - Maybank Photography Awards (Gold)
- Excellence in Sponsorship Activation - Maybank Live at Old Trafford (Gold)
- Excellence in Integrated Marketing - Maybank Business Banking Awareness Campaign 2012 (Silver)
- Excellence in Sponsorship Activation - Maybank Photography Awards (Silver)
- Excellence in Consumer Insights/Market Research/Data Driven Marketing - Maybank One Solution (Silver)

VISA SECURITY SUMMIT 2013

- The leader Award for Issuer for Excellence in Issuer Fraud Risk Management & Supporting Visa's Efforts to maintain Trust & Security in the Payment Industry

ISLAMIC FINANCE NEWS' 2013 ISLAMIC INVESTOR POLL

- Best Fund Distributor (Private/Retail Bank)

THE BANKER GLOBAL BANKING AWARDS

- Best Private Bank, Islamic Services

GLOBAL BANKING: KEY REGIONAL AWARDS

ALPHA SOUTHEAST ASIA AWARDS

- Best Institutional Broker : Philippines, Thailand
- Best Retail Broker : Philippines, Thailand, Vietnam
- Best Islamic Finance Deal & Best Bond Deal for Retail Investors in South East Asia (DanaInfra Nasional) - RM300 million Exchange Traded Retail Sukuk MTN
- Best Foreign Currency Bond Deal in South East Asia (Sime Darby) - US\$800 million Multi Currency Sukuk
- Best IPO Deal & Best IPO Deal for Retail Investors in South East Asia (UMW Oil & Gas) -US\$820 million
- Best Local Bond Currency Deal in South East Asia (Swiber Capital) - S\$150 million Islamic Trust Certificate

- Best Equity-Linked Deal in South East Asia (Puncak Niaga) - RM165 million Sukuk Ijarah
- Best Trade Finance Bank : Malaysia
- Best Cash Management Bank : Malaysia
- Best Custody Solution in South East Asia

THE ASSET TRIPLE A AWARDS

- Best Islamic Project Finance (Malakoff Tanjung Bin Energy) - RM6.5 billion Loan and Sukuk Murabaha
- Best Islamic Equity (IHH Healthcare) - US\$2.2 billion IPO
- Highly Commended - Best Islamic Equity (Felda Global Ventures) - US\$3.3 billion IPO
- Best Local Currency Sukuk (DanaInfra Nasional) - RM2.4 billion Sukuk
- Best Brokerage House : Indonesia, Malaysia, Singapore, Thailand
- Best Regional Deal - Secondary Offering (Matahari Department Store) - US\$1.5 billion re-IPO
- Best Deal in Indonesia (Matahari Department Store) - US\$1.5 billion re-IPO
- Best Deal in Malaysia (Sime Darby) - US\$800 million Two-Tranche Sukuk
- Best Service Providers - Transaction Bank : Malaysia
- Best Service Providers - Cash Management : Malaysia
- Best Service Providers - Trade Finance : Malaysia
- Best Service Providers - Structured Trade Finance : Malaysia
- Best Cash Management Solution - Financial : Malaysia (Mercedes-Benz)
- Best Custodian by Country - Rising Star : Malaysia
- Best Islamic Trade Finance Bank : Malaysia

ASIAMONEY AWARDS

- Best Domestic Debt House : Malaysia

THE ASIAN BANKER AWARDS

- Best Trade Finance Bank : Malaysia
- The Leading Counterparty Bank : Malaysia

ASIAN BANKING & FINANCE AWARDS

- Trade Finance Bank of the Year : Malaysia

THE CORPORATE TREASURER AWARDS

- Best Cash Management Bank : Malaysia
- Best Trade Finance Bank : Malaysia

FINANCEASIA AWARDS

- Best Islamic Finance Deal (Sime Darby) - US\$800 million Dual - Tranche Sukuk
- Best Vietnam Deal (Vingroup) - US\$250 million Syndicated Loan

GLOBAL CUSTODIAN AWARDS

- Cross Border Non Affiliated Global Custodian Award : Top Rated in Emerging Markets
- Domestic Commended Global Custodian Award : Malaysia

GLOBAL FINANCE AWARDS

- World's Best Trade Finance Bank : Malaysia
- World's Best Foreign Exchange Bank : Malaysia
- World's Best Corporate/Institutional Internet Banks : Malaysia

GTR ASIA LEADERS IN TRADE READERS' POLL

- Best Trade Finance Bank : Malaysia

IFR ASIA AWARDS

- Best Equity House - Malaysia

ISLAMIC FINANCE NEWS AWARDS

- Malaysia Deal of the Year (DanaInfra Nasional) - RM300 million Exchange Traded Sukuk (first tranche)
- Most Innovative Deal (Telekom Malaysia) - RM200 million Sukuk Wakalah
- Corporate Finance Deal of the Year (Sime Darby Global) - US\$800 million Dual Tranche Sukuk
- Country Award - Malaysia
- Country Award - UK

INTERNATIONAL BANKING

CAMBODIA OUTSTANDING BANKING & MICROFINANCE AWARDS (IDG ASEAN)

- Most Outstanding Social Performance Bank : Maybank Cambodia Plc (MCP)

ASIAMONEY AWARDS

- No.1 in Overall Best for Interest Rates (Philippines) : MPI
- No.1 in Best for Interest Rates Research (Philippines) : MPI
- No.1 in Best for Interest Rates Products and Sales (Philippines) : MPI
- No.2 in Best for Interest Rate Derivatives (Philippines) : MPI

INSURANCE & TAKAFUL AWARDS

INTERNATIONAL TAKAFUL SUMMIT, CAIRO

- Best Bancatakaful (Asia)
- Best Marketing (Asia)

MALAYSIA TAKAFUL ASSOCIATION

- Top Agency Takaful Provider (Family)

THE ASSET TRIPLE-A ISLAMIC FINANCE AWARDS

- Best Takaful Institution

CUSTOMER RELATIONSHIP MANAGEMENT & CONTACT CENTRE (CCAM) INDUSTRY AWARDS

- Best Contact Centre Professional (under 100 seats) : 1st Place/Gold won by Halijah Rasdi
- Best Contact Centre Team Leader - Operations (Under 100 seats) : Bronze won by Nik Farhanim Nik Mohd Azmin
- Best Contact Centre Team Leader - Non Operations (under 100 seats) : Bronze won by Ain Suhara Noruzman

WORLD FINANCE INSURANCE AWARDS

- Best Non-Life Insurance Company in Malaysia

ISLAMIC FINANCE NEWS AWARDS BEST SERVICE PROVIDERS POLL

- Best Takaful Provider

7TH ANNUAL ALPHA SOUTHEAST ASIA DEAL & SOLUTION AWARDS

- Best Takaful Company in Southeast Asia

ISLAMIC BANKING**THE ASSET TRIPLE A AWARDS**

- Industry Leadership Award - Islamic Banker of the Year
- Best Islamic Retail Bank & Trade Finance, Malaysia
- Best Islamic Project Finance House

GLOBAL FINANCE MAGAZINE AWARDS

- World's Best Islamic Financial Institutions 2013 (Asia, Malaysia & Singapore)

ALPHA SOUTHEAST ASIA AWARD

- Best Islamic Finance Bank (Malaysia)

INTERNATIONAL FINANCE MAGAZINE

- Best Islamic Bank (Malaysia)

BANK INTERNASIONAL INDONESIA (BII)**INSTITUTE OF SERVICE MANAGEMENT STUDIES (ISMS) TRISAKTI**

- The Best Bank in Service Quality for four consecutive years

CARRE OF CENTRE FOR CUSTOMER SATISFACTION AND LOYALTY (CCSL) AND BISNIS INDONESIA

- Excellent Service Experience Award (ESEA)

MARKETING MAGAZINE AND CARRE CENTER FOR CUSTOMER SATISFACTION AND LOYALTY (CCSL)

- Contact Center Service Excellence Award 2013

MARKPLUS INSIGHT AND MARKETEERS

- Best Service to Care Award 2013
- Second best for "Service to Care"

KARIM BUSINESS CONSULTING

- Most Profitable Bank for category Unit Usaha Syariah with assets more than Rp500 billion

INFOBANK AND MRI

- Third Best Overall (Syariah Category) in Banking Service Excellence

INVESTOR MAGAZINE

- "Best Performance Sharia Banking Unit" for asset size between Rp1 trillion to Rp5 trillion

CITIBANK STP (STRAIGHT THROUGH PROCESSING) AWARD**JP MORGAN STP (STRAIGHT THROUGH PROCESSING) AWARD****PRIMA ATM NETWORK 5 YEARS LOYALTY AWARD****PERBANAS INSTITUTE AND BUSINESS REVIEW**

- Anugerah Perbankan Indonesia 2012

BANK INDONESIA: BEST COMPANY 2013 IN "LALU LINTAS DEvisa (LLD) DAN DEvisa HASIL EKSPOR".**BRAND FINANCE: Top 50 MOST VALUABLE INDONESIAN BRAND 2013****BII FINANCE CENTER AWARDS****ICCD: THE BEST FINANCIAL SECTOR GOOD CORPORATE GOVERNANCE FOR FINANCIAL SECTOR****INFOBANK AWARD 2013**

- The Best Multifinance with asset category IDR 2-5 T from Investor magazine
- Best Multifinance with category the best financial performances for year 2012 from Infobank magazine

INDONESIA MULTIFINANCE AWARD 2013

- The Best Multifinance with asset category of IDR 1-2T in from Business Review magazine
- The Best multifinance with category for best "Finance & Value Creation" from Business Review magazine
- The Best Multifinance with category for best "Merit Corporation" from Business Review magazine

GROUP TECHNOLOGY**SHARE GUIDE ASSOCIATION MALAYSIA (SGAM) ICT AWARDS**

- Regional Cash Management System for IT Innovative Initiatives

GROUP OPERATIONS**JP MORGAN CHASE: 2012 QUALITY RECOGNITION AWARDS**

- MT 103 Quality Recognition Award
- MT 202 Elite Quality Recognition Award

DEUTSCHE BANK 2012 USD STP EXCELLENCE AWARD STANDARD CHARTERED BANK

- Outstanding Performance in International Payments for 2012 Straight Through Rate

BANK OF AMERICA MERRILL LYNCH

- Leading Commercial Payment Partner Bank in Malaysia

RISK MANAGEMENT**ASIA RISK MAGAZINE 2013**

- Bank Risk Manager of the Year: Group Chief Risk Officer of Maybank

ASIAN BANKER RISK MANAGEMENT AWARD 2013

- The Operational Risk Infrastructure Project Award

THE ASIAN BANKER EXCELLENCE IN RETAIL FINANCIAL SERVICES INTERNATIONAL AWARDS 2013

- Best Consumer Risk Management Initiative, Asia Pacific: Community Financial Services

BANKING AND PAYMENTS ASIA TRAILBLAZER AWARDS 2013

- Process Excellence in Risk Management: Community Financial Services

DISASTER RECOVERY INSTITUTE (DRI) INTERNATIONAL

- Programme Leader of the Year Award for 2013 (for Private Sector) to Head, Group Business Continuity Management

**THROUGH OUR
EXTENSIVE NETWORK,
WE ARE PROVIDING
YOU GREATER ACCESS
TO NEW MARKETS.**



MARKET

**22 MILLION
CUSTOMERS**





GROUP FINANCIAL REVIEW



“Our double-digit growth in PATAMI to reach RM6.55 billion is reflective of the Group’s concerted focus on increasing top-line, managing efficiency, and improving asset quality. It is through these levers that we have delivered above target ROE at 15.1% on an enlarged capital base and continue to be one of the leading banks in terms of dividend yield.”

MOHAMED RAFIQUE MERICAN
Group Chief Financial Officer

FY2013 PERFORMANCE HIGHLIGHTS

- It was another record year for Maybank Group as we delivered a PATAMI of RM6.55 billion and continued to create shareholder value with our ROE of 15.1% exceeding the headline KPI of 15.0%.
- Our fourth year of double-digit earnings growth was attributed to robust revenue growth, operating efficiencies and improvement in asset quality.
- Gains seen in Group PATAMI and profit before taxation and zakat (PBT) were mainly due to revenue rising 10.5% y-o-y led by domestic operations growth of 12.1% and international growth of 12.7%.
- Overseas markets accounted for 30.3% of Group PBT, up from 30.2% a year earlier, with Singapore’s PBT charting y-o-y growth of 9.8% to RM1.25 billion and Indonesia’s PBT increasing 18.8% y-o-y to RM660 million.
- All lines of businesses saw revenue growth, with Community Financial Services (CFS) up 6.5%, Global Banking higher by 4.0%, Insurance & Takaful increased 10.6% and International Banking rose 3.8%.
- Maybank Islamic continued to lead the Islamic banking market, with its PBT growing 17.1% y-o-y to RM1.39 billion. Its total gross financing increased 40% to RM86.9 billion, accounting for 38.9% of Maybank’s total domestic financing.
- Net interest margin (NIM) for the Group contracted 5bps to 2.43% in FY2013 against 2.48% in FY2012, and well within the guidance of 10bps contraction.
- The Group’s statement of financial position strengthened with total assets of RM560.4 billion and total capital ratio of 15.66% [Based on Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework (Basel II - Risk Weighted Assets issued by BNM)].
- Asset quality continued to improve with net impaired loans ratio of 0.95% and loan loss coverage of 107.5%.
- We have proposed a final single-tier dividend of 31 sen per share, amounting to RM2.75 billion. This brings total FY2013 net dividend to RM4.71 billion, representing a net dividend payout ratio of 71.9%.

Key Ratios (%)	FY2013	FY2012 (Restated)
Return on Equity	15.1	16.0
Net Interest Margin	2.43	2.48
Fee to Income Ratio	35.7	34.4
Cost to Income#	47.8	48.6
Loan-to-deposit Ratio	89.9	89.8
Asset Quality		
Gross Impaired Loan Ratio	1.48	1.78
Net Impaired Loan Ratio	0.95	1.09
Loan Loss Coverage	107.5	105.6
Charge off rate (bps)	23	23
Capital Adequacy (Group)		
Common Equity Tier 1 Capital Ratio	11.25	10.97
Total Capital Ratio	15.66	16.60

Note:

Total cost excludes amortisation of intangibles assets for BII and Maybank Kim Eng

**Profit After Tax
& Minority Interest**

RM6.55 billion
FY2012: RM5.75 billion

Cost to Income Ratio

47.8%
FY2012: 48.6%
(post-MFRS 10)

Total Capital Ratio

15.66%
FY2012: 16.60%

International PBT contribution

30.3%
FY2012: 30.2%

Return on Equity

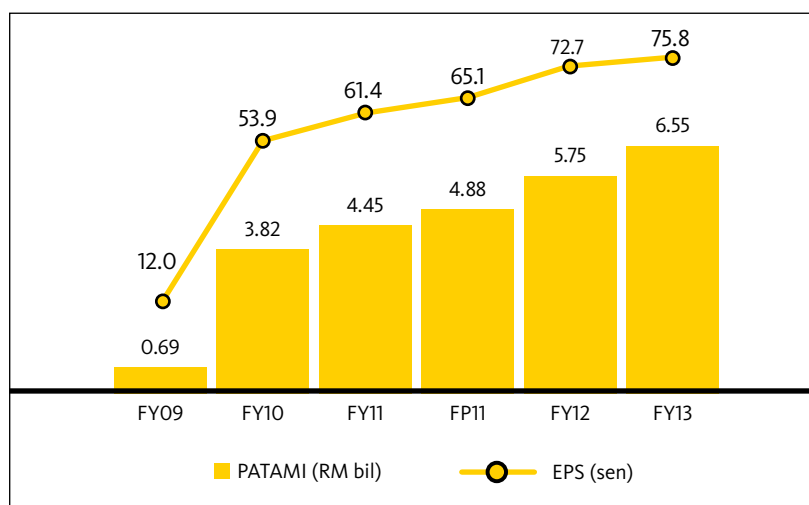
15.1%
FY2012: 16.0%

Gross Loans Growth

14.0%
FY2012: 12.2%

RESULTS SUMMARY FOR FY2013

PATAMI (RM' billion) & EPS (sen)



(RM' million)	FY2013	FY2012 (Restated)	Y-o-Y
Net interest income	9,585.3	9,296.7	3.1%
Net fund based income (Islamic Banking)	2,331.5	1,699.4	37.2%
Net fund based income	11,916.8	10,996.1	8.4%
Non-interest income	5,882.1	5,328.7	10.4%
Fee based income (Islamic Banking)	478.6	496.9	(3.7)%
Net income (loss) from insurance/ takaful business*	260.8	(48.3)	640.0%
Net fee based income	6,621.5	5,777.3	14.6%
Net income	18,538.3	16,773.4	10.5%
Overhead expenses	(8,927.9)	(8,232.4)	8.4%
Impairment losses	(880.1)	(797.0)	10.4%
Operating profit	8,730.3	7,744.0	12.7%
Profit before taxation and zakat	8,869.6	7,896.3	12.3%
Profit After Tax and Minority Interest (PATAMI)	6,552.4	5,745.9	14.0%
EPS – Basic (sen)	75.79	72.69	4.3%

* Net of insurance and takaful claims

- The Group continued to deliver strong financial performance in FY2013, with PBT and PATAMI increasing by 12.3% and 14.0% respectively while earnings per share was up by 4.3%. Growth in profit was contributed by higher net income which grew by 10.5% while growth in overhead expenses was contained at 8.4%, reflective of improved operating efficiencies across the Group.
- Net income growth was supported by a 14.6% growth in net fee-based income, of which non-interest income grew 10.4%, or RM553.4 million, owing to higher net foreign exchange gains, higher fee income and gains on disposal of financial investments. Meanwhile, net income from insurance and takaful business saw a stellar rise due to lower net benefits and claims, lower net fee and commission expenses and reduced expense liability incurred.

- Our net fund based income growth of 8.4% also contributed to the Group's net income growth, mainly attributable by strong growth from Islamic Banking's net fund based income growth of 37.2%. This is in tandem with the 14.0% y-o-y growth in Group gross loans (including Islamic finance).
- Overheads expenses grew 8.4% in tandem with the Group's business growth and its expansion plans. The increase was mainly attributed to increased establishment costs of 18%, higher marketing expenses of 13% and higher personnel cost of 5% or RM235 million. As expenses grew at a slower rate than income growth, the Group was able to improve the cost to income ratio from 48.6% in FY2012 to 47.8% in FY2013.
- Given our higher loan growth, impairment expenses rose 10.4% mainly due to higher collective allowances on a larger loan base, but this was mitigated by write backs on impairment allowances in the corporate segment. The Group's loan loss coverage also strengthened to 107.5% from 105.6% in FY2012.
- Asset quality continued to improve with net impaired loans ratio of 0.95% from 1.09% a year earlier.
- Earnings per share rose 4.3% to 75.8 sen compared to 72.7 sen in FY2012.
- The Board of Directors has proposed a final dividend of 31 sen single-tier dividend comprising a cash portion of 4 sen single-tier dividend and an electable portion of 27 sen.
- The total single-tier dividend for the year was 53.5 sen per share. Please refer to the Maybank Share pages in this annual report for more information on the dividend.

BUSINESS REVIEW

Revenue by business segment

(RM' million)	FY2013	FY2012 (Restated)	Y-o-Y
Community Financial Services	7,318	6,871	6.5%
Corporate Banking	2,270	2,301	-1.3%
Global Markets	1,696	1,711	-0.9%
Investment Banking	1,536	1,279	20.1%
International Banking	5,330	5,137	3.8%
Insurance, Takaful & Asset Management	1,552	1,403	10.6%

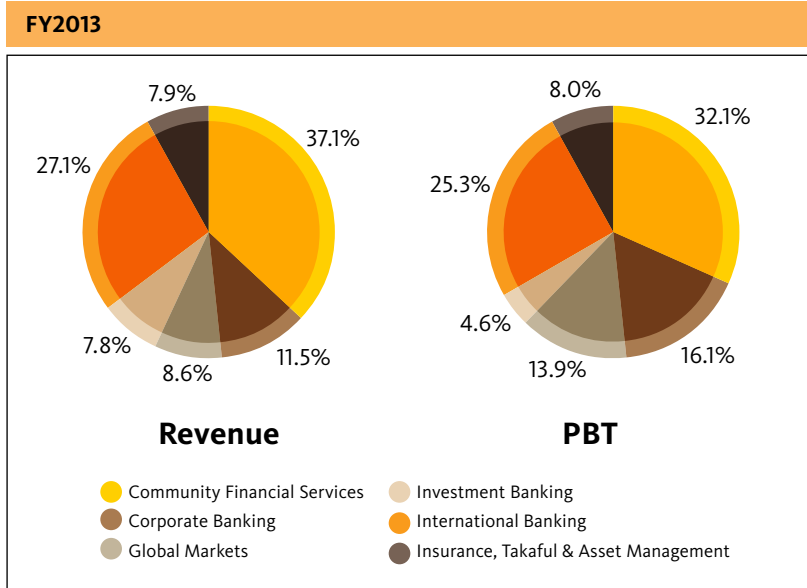
PBT by business segment

(RM' million)	FY2013	FY2012 (Restated)	Y-o-Y
Community Financial Services	3,224	3,024	6.6%
Corporate Banking	1,614	1,989	-18.9%
Global Markets	1,397	1,474	-5.2%
Investment Banking	462	346	33.4%
International Banking	2,537	2,294	10.6%
Insurance, Takaful & Asset Management	800	698	14.6%

GROUP FINANCIAL REVIEW

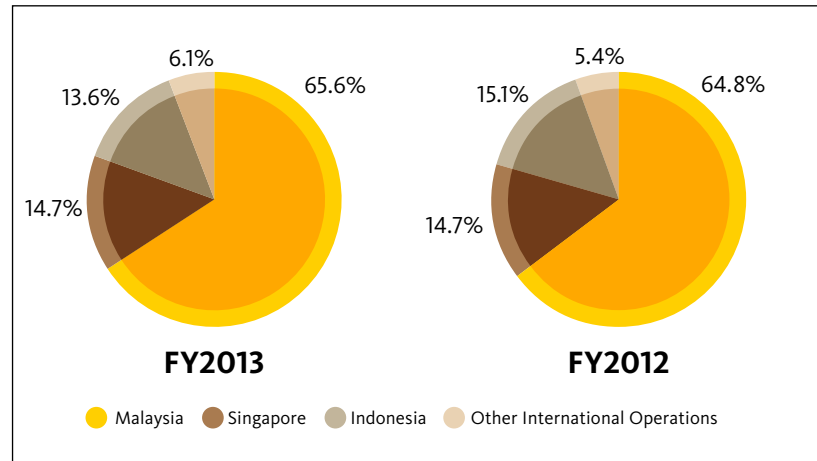
- In FY2013, all of the Group's business segments recorded positive growth in revenue while most business segments posted higher PBT.
- The Group's CFS sector saw its revenue and PBT grow at 6.5% and 6.6% respectively. The PBT increase was driven by higher net interest income and Islamic Banking income arising from strong loan growth in SME, unit trust and auto financing as well as higher non-interest income.
- Global Banking, which comprises three units - Corporate Banking, Global Markets and Investment Banking, saw a decline in its PBT mainly due to Corporate Banking, which recorded an increase in allowances for impairment on loans, advances and financing and lower non-interest income. Global Markets also saw a decline in PBT owing to lower non-interest income arising from gains on trading activities, higher impairment losses on financial investments and higher overhead expenses. However, the lower contributions from Corporate Banking and Global Markets were mitigated by the 33.5% gain in PBT by Investment Banking owing to higher brokerage and underwriting income.
- Meanwhile, our overseas' banking operations recorded an increase in revenue and PBT of 3.8% and 10.6% respectively. The increase in PBT was due to higher contributions from BII and higher net interest income from loan growth of 17.6% from Greater China (40.5%), Maybank International Labuan Limited (31.8%), Singapore (13.6%) and BII (27.9%).
- Insurance, Takaful & Asset Management registered growth of 10.6% and 14.6% in revenue and PBT mainly due to higher net income from the insurance business, which saw improved general business underwriting performance and favourable returns from equity investments.

Composition of Group revenue and PBT by business segment

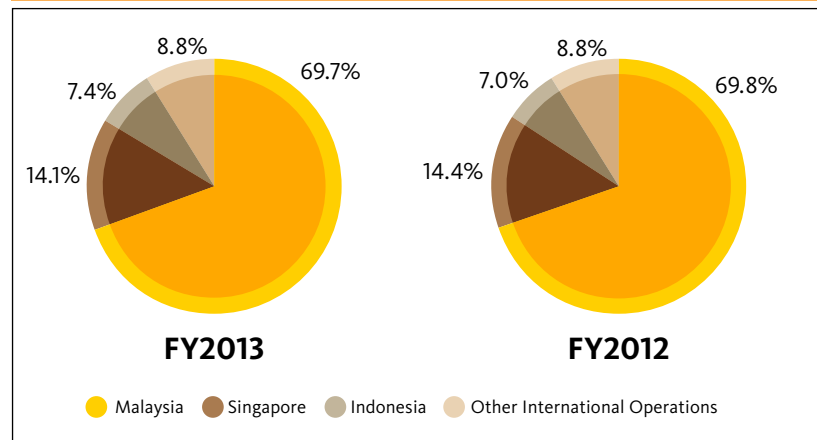


- The Group's revenue comprised 37.1% from Community Financial Services, 27.9% from Global Banking (made up of Corporate Banking, Global Markets and Investment Banking), 27.1% from International Banking and 7.9% from Insurance, Takaful and Asset Management.
- The Group's PBT comprised 32.1% from Community Financial Services, 34.6% from Global Banking (made up of Corporate Banking, Global Markets and Investment Banking), 25.3% from International Banking and 8.0% from Insurance, Takaful and Asset Management.

Group Revenue by Geography



Group PBT by Geography



- Domestic operations accounted for 65.6% of the Group's revenue and 69.7% of its PBT in FY2013. Overseas operations made up the rest of the Group's revenue and PBT at 34.4% and 30.3% respectively.

STATEMENT OF FINANCIAL POSITION

- The Group's total assets rose by RM65.5 billion or 13.2% to RM560.4 billion as at 31 December 2013 from RM494.9 billion as at 31 December 2012. The strong growth in assets was attributed to higher growth in loans, advances and financing, bank's securities and cash and short-term funds.
- Total Group gross loans grew RM44.5 billion or 14.0% y-o-y to RM361.8 billion from RM317.3 billion on the back of stronger loans growth in Malaysia, Indonesia, Singapore, Greater China, and Labuan Offshore among other international markets.
- Deposits from customers grew by RM48.4 billion or 14.0% to RM395.6 billion from RM347.2 billion in the corresponding year owing to strong growth from all three home markets.
- Given the similar growth experienced in loans and deposits respectively, the Group's loan-to-deposit ratio was only marginally up to 89.9% as at December 2013 from 89.8% the preceding year.
- Shareholders' funds before non-controlling interest posted a growth of RM 3.9 billion or 9.3% y-o-y to RM46.0 billion from RM42.1 billion. A contributor to the increase in shareholders' fund was attributable to the Bank's issuance of new ordinary shares during FY2013 through the issuance of ordinary shares pursuant to Maybank's Dividend Reinvestment Plan (DRP).

Robust loans growth across all business segments and key home markets

Group Gross Loans in RM' billion	FY2013	FY2012 (Restated)	Y-o-Y
Malaysia[^] (RM' billion)	223.6	199.8	11.9%
Community Financial Services	151.9	135.4	12.2%
Global Banking	71.7	64.5	11.2%
Singapore (SGD' billion)	31.0	27.3	13.6%
Consumer	10.6	9.6	10.0%
Commercial	20.4	17.6	15.6%
Indonesia (Rp' trillion)	103.7	81.1	27.9%
Consumer	36.6	27.9	31.5%
Non-consumer	67.1	53.3	25.9%
Other markets	26.3	20.6	27.7%
Group Gross Loans[^] (RM' billion)	361.8	317.3	14.0%

[^] Including Islamic financing sold to Cagamas and excluding unwinding of interest

- The Group's gross loans increase by RM44.5 billion or 14.0% to RM361.8 billion as at 31 December 2013, compared with RM317.3 billion posted in the preceding year. Loans from international operations grew at 17.6%, ahead of domestic loans growth of 11.9%. From the international portfolio, Indonesia recorded a 27.9% growth in loans while Maybank Singapore saw its loans grow 13.6%. International loans accounted for 37.9% of the Group's total gross loans as at the end of FY2013.

Domestic Loans in RM' billion	FY2013	FY2012 (Restated)	Y-o-Y
Community Financial Services	151.9	135.4	12.2%
Consumer	121.9	108.3	12.7%
Total Mortgage	53.8	48.5	11.0%
Auto Finance	35.0	31.2	12.0%
Credit Cards	5.6	5.4	3.6%
Unit Trust	26.3	21.9	20.5%
Other Retail Loans	1.3	1.3	-1.6%
Business Banking & SME	29.9	27.1	10.4%
SME	6.0	4.9	23.1%
Business Banking	23.9	22.2	7.6%
Global Banking (Corporate)	71.7	64.5	11.2%
Total Domestic	223.6	199.8	11.9%

- In Malaysia, our loans expanded at 11.9% driven by strong loans growth in our consumer, SME and business banking and global banking segments. Our domestic loans growth exceeded the industry growth of 10.6% for the full year of 2013.
- Mortgage loans, which made up 44.1% of our domestic consumer loans, increased 11.0% due to several initiatives implement by CFS, including intensifying promotion of trade up and renovation loans and campaigns targeted at the secondary market to accelerate loans growth.
- Although CFS was selective in its hire purchase growth, auto financing grew 12.0%, outpacing industry growth of 7.1%, as Maybank customers were offered integrated hire purchase product-bundling services. Our auto financing market share continued to strengthen to 21.5% as at December 2013 compared with 20.5% in December 2012.

- Business banking and SME segment loans grew 10.4%, owing to operational improvements and revitalisation of growth strategies. For instance, emphasis for the Business Banking segment in 2013 was on targeting the right market segments and sharpening industry focus. Also, CFS avoided high risk areas and enhanced its credit discipline with 93% of loans secured from very low to moderate risk categories. CFS led the business enterprise loan market with a 17.8% market share.

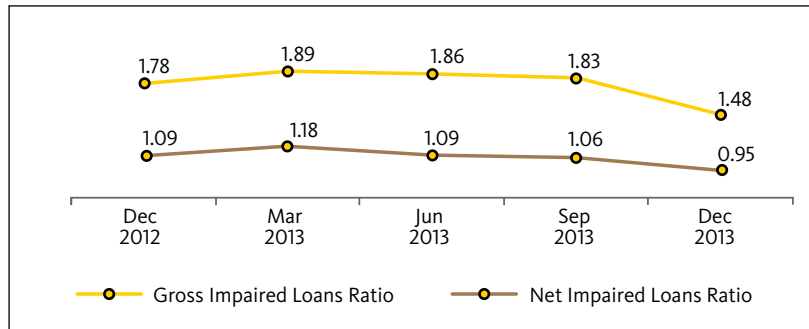
Group Gross Deposits in RM' billion	FY2013	FY2012 (Restated)	Y-o-Y
Malaysia (RM' billion)	259.1	227.3	14.0%
Savings Deposits	37.6	35.5	5.7%
Current Accounts	65.8	56.9	15.8%
Fixed Deposits	138.3	114.6	20.7%
Others	15.9	18.2	(12.7%)
Singapore (SGD' billion)	34.0	29.9	13.7%
Savings Deposits	4.1	3.3	26.1%
Current Accounts	4.7	2.9	58.4%
Fixed Deposits	24.7	23.1	7.1%
Others	0.5	0.6	(18.5%)
Indonesia (Rp' trillion)	107.5	86.1	24.8%
Savings Deposits	24.7	18.8	31.3%
Current Accounts	17.7	14.7	20.5%
Fixed Deposits	65.1	52.6	23.7%
Group Gross Deposits (RM' billion)	395.6	347.2	14.0%

- The Group's customer deposits rose 14.0% to RM395.6 billion as at the end of FY2013. Deposit growth for domestic operations increased 14.0% while Singapore and Indonesia operations registered a growth of 13.7% and 24.8% respectively.
- In Malaysia, domestic deposits growth was led by fixed deposits growth of 20.7%, as CFS introduced several fixed deposit tactical and CASA Thematic Campaigns based on segment needs. Another initiative that helped boost our domestic deposits base was the introduction of the Premier 1 Account under Maybank ASPIRE to target the Affluent segment.
- In Singapore, stronger growth came from CASA (Current Account Savings Account) while all deposit accounts in our Indonesian operations saw strong double digit growth with savings deposits, current accounts and fixed deposits rising 31.3%, 20.5% and 23.7% respectively.
- The loan-to-deposit ratio for the Group increased marginally by 10bps to 89.9% as at December 2013 from 89.8% the preceding year, but still well within the Group's threshold of 90%.
- The Group continued to prioritise its low cost funds through various strategies, which resulted in our CASA ratio improving 36.1% in December 2013 as compared to 35.1% in December 2012.

GROUP FINANCIAL REVIEW

Asset quality improves

Gross Impaired Loans & Net Impaired Loans Ratio

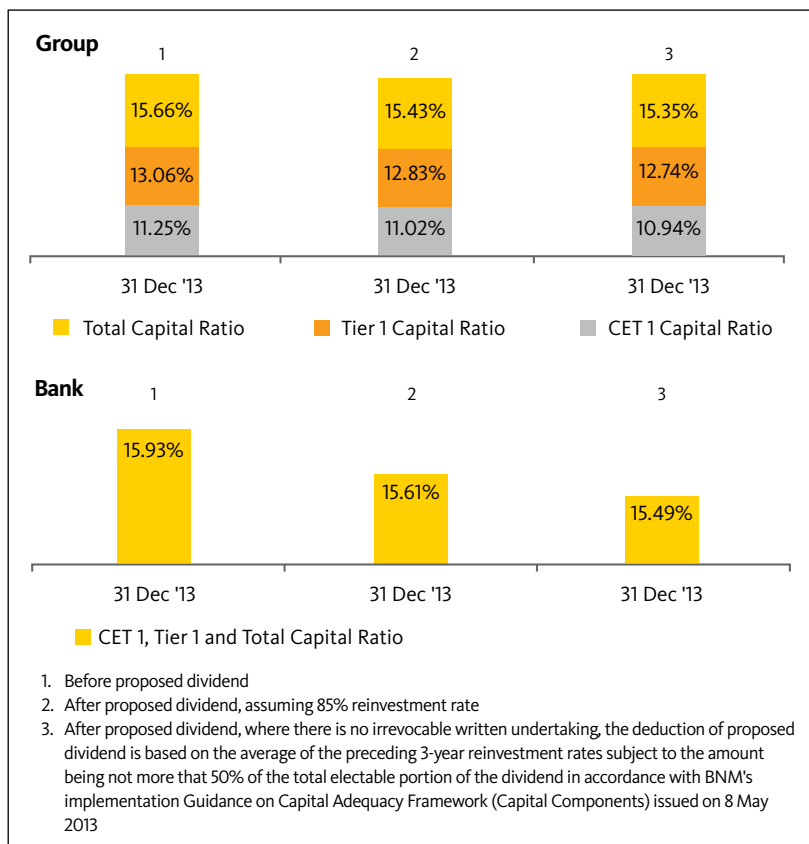


- Asset quality continued to improve with the Group's net impaired loans ratio declining further to 0.95% in December 2013 from 1.09% in December 2012, reflecting the Group's practice of prudent credit lending and active management of asset quality. The Group's net credit charge-off rate was 23bps for the full year.
- Loan loss coverage improved to 107.5% from 105.6% a year ago.

Capital adequacy remained strong

- The Group's capital adequacy ratios, comprising CET 1 Capital Ratio, Tier 1 Capital Ratio and Total Capital Ratio remained strong at 11.25%, 13.06% and 15.66% respectively. The capital adequacy ratios are computed in accordance with BNM's updated guidelines for Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework (Basel II - Risk Weighted Assets) issued on 28 November 2012.
- We continuously endeavour to maintain adequate levels of capital and an optimum mix of different capital components to ensure sufficient support for the underlying risks of the Group's business, to optimise growth and to withstand capital demands under various market conditions.

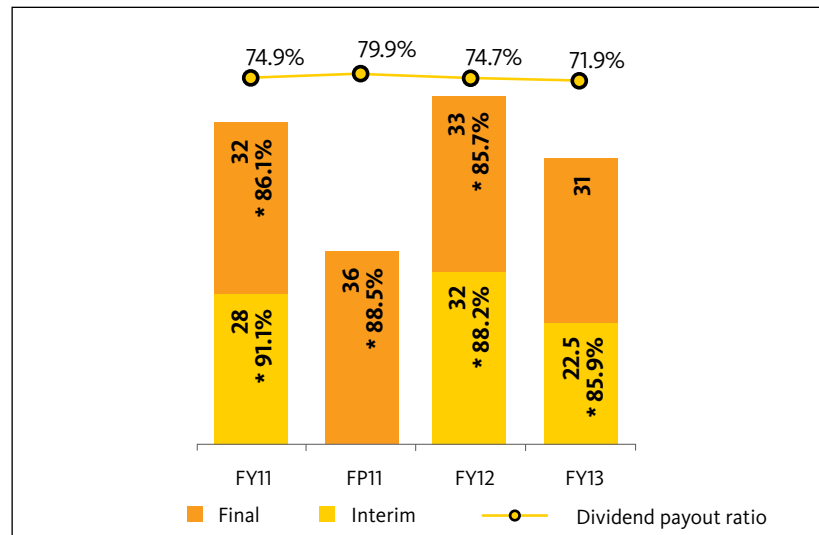
Capital Ratios



COMMITTED TO REWARDING SHAREHOLDERS

- A final single-tier dividend of 31 sen on 8,862,079,081 ordinary shares of RM1.00 each, amounting to a net dividend payable of RM2.75 billion has been proposed by the Board of Directors to be distributed to eligible shareholders. The proposed single-tier dividend consists of cash portion of 4 sen per ordinary share to be paid in cash amounting to RM354.48 million and an electable portion of 27 sen per ordinary share amounting to RM2.39 billion.
- If approved, the total net dividend for FY2013 of 53.5 sen per share is equivalent to a payout ratio of 71.9%, which remains well above the Group's dividend payout policy of 40-60%.

DIVIDEND PAYOUT RATIO & GROSS DIVIDENDS



* Reinvestment rate for the Dividend Reinvestment Plan

CONCLUSION

- The Group's regional growth strategy has allowed us to deliver another record profit-making year in FY2013 while ensuring that the Malaysian operations saw sustained growth.
- Maybank will continue to adopt a disciplined approach in its cost management practices and focus on improving efficiencies Group-wide, especially with the rollout of the regional-centric organisation structure effective FY2014.
- For FY2014, we will look to fortify our dominance in profitable segments domestically, generate better returns from our international operations. Our targets for FY2014 are:
 - Return on Equity 15%
 - Group Loans Growth 13%
 - Malaysia Loans Growth 12%
 - Singapore Loans Growth 13%
 - Indonesia Loans Growth 17% - 20%
 - Group Deposits Growth 13%
- We will also optimise capital in all sectors, focus on higher quality assets, and enforce risk-based pricing across key products and segments.

ECONOMIC & BANKING INDUSTRY REVIEW

2013 was a year of two contrasting halves for the global economy. The first half was weak amid the fiscally-induced deceleration in US growth, stagnant Eurozone and slowdown in China. The second half was better on pick up in US growth, easing recession in Eurozone, China's stabilising economy and stimulus-driven acceleration of the Japanese economy. Consequently, the world's real GDP growth was steady at 3.1% (2012: 3.2%). However, financial markets and currencies were volatile throughout 2013. Despite the fluid external environment and turbulent financial markets, the Group's home markets of Malaysia, Singapore and Indonesia sustained positive growth momentum.

Malaysia's economic growth moderated to 4.7% (2012: 5.6%) as resilient domestic demand was offset by weak exports and soft commodity prices, especially in the first half of 2013. Growth momentum in consumer spending, investment and government expenditure was sustained by the continued accommodative monetary policy, targeted fiscal stimulus and the rollout of major infrastructure and investment projects under the Economic Transformation Programme, Regional Development Corridors and Petronas' capital expenditure programme.

Singapore's economy picked up to 4.1% (2012: 1.9%) as real GDP growth accelerated after a weak first quarter in 2013, in tandem with improving global economic conditions as the year progressed. Exports improved, which benefited the economy as net external demand accounts for almost 30% of GDP. At the same time, sustained growth in consumer spending and the rebound in Government expenditure offset the decline in gross fixed capital investment, especially as the property market - thus construction activity - cooled.

Malaysia: GDP By Demand and Sectors	Growth (%)	
	2012	2013
Real GDP	5.6	4.7
By Demand		
Private Consumption Expenditure	7.7	7.6
Government Consumption Expenditure	5.1	6.3
Gross Fixed Capital Formation	19.9	8.2
Exports of Goods & Services	(0.1)	(0.3)
Imports of Goods & Services	4.7	1.9
By Sectors		
Agriculture, Forestry & Fishing	1.0	2.1
Mining & Quarrying	1.4	0.5
Manufacturing	4.8	3.4
Construction	18.1	10.9
Services	6.4	5.9

Source: Department of Statistics

Singapore: GDP By Demand and Sectors	Growth (%)	
	2012	2013
Real GDP	1.9	4.1
By Demand		
Private Consumption Expenditure	4.1	2.7
Government Consumption Expenditure	(1.9)	11.2
Gross Fixed Capital Formation	8.7	(2.6)
Exports of Goods & Services	1.4	3.6
Imports of Goods & Services	4.0	3.0
By Sectors		
Manufacturing	0.3	1.7
Construction	8.6	5.9
Services	2.0	5.3

Source: CEIC

ECONOMIC & BANKING INDUSTRY REVIEW

Indonesia's real GDP expansion eased to 5.8% (2012: 6.3%) as monetary and fiscal policies were tightened to address the "twin deficits", stabilise the currency that depreciated by almost 15% against the US Dollar, and restore confidence in the country's macroeconomic fundamentals and management. Tighter monetary and fiscal policies implemented include the cumulative 150bps hike in the benchmark interest rate and the 44% cut in fuel price subsidies.

Indonesia: GDP By Demand and Sectors	Growth (%)	
	2012	2013
Real GDP	6.3	5.8
By Demand		
Private Consumption Expenditure	5.3	5.3
Government Consumption Expenditure	1.3	4.9
Gross Fixed Capital Formation	9.7	4.7
Exports of Goods & Services	2.0	5.3
Imports of Goods & Services	6.7	1.2
By Sectors		
Agriculture, Livestock, Forestry & Fisheries	4.2	3.5
Mining & Quarrying	1.6	1.3
Manufacturing	5.7	5.6
Electricity, Gas and Water Supply	6.2	5.6
Construction	7.4	6.6
Services	5.2	5.5

Source: CEIC

OUTLOOK FOR 2014

In 2014, global economic growth is expected to accelerate to 3.5%. The growth will be on the back of the first simultaneous expansion in the US, Europe and Japan since 2011 and as China's economic growth stabilises after the earlier slowdowns, which will be positive for the export-oriented Asian economies.

The Malaysian economy is projected to expand by 5.0% in 2014 (2013: 4.7%) driven by recovery in external demand, helping to counter some moderation in domestic demand, especially consumer and Government spending in response to fiscal reform measures such as the subsidy rationalisation. However, investment will continue to be the fastest growing component of aggregate demand.

Singapore's real GDP growth is expected to rise to 3.7% in 2014 (2013: 4.1%) as the faster anticipated global economic growth firms up external demand, benefiting export-oriented sectors such as manufacturing and trade-related services. This will help negate the further projected softening in the property market and construction sector.

Indonesia's growth is expected to be sustained at 5.6% (2013: 5.8%) owing to stabilising monetary conditions driven by the expectations of steady benchmark interest rate and exchange rate, as well as the normalisation of inflation rate after the surge in 2013. Such conditions should be more favourable to consumer spending and investment. Indonesia's growth will also be spurred by a rise in government expenditure ahead of the Parliament and Presidential elections in the second quarter of 2014.

Global Real GDP			
% chg	2012	2013	2014 ^E
World	3.2	3.1	3.5
Advanced Economies			
US	2.8	1.9	2.5
Eurozone	(0.6)	(0.4)	1.0
Japan	1.5	1.6	1.6
UK	0.3	1.9	2.2
BRIC			
Brazil	1.0	2.4	2.5
Russia	3.6	1.9	2.6
India	5.1	4.9	5.0
China	7.7	7.7	7.5
Asian NIEs			
South Korea	2.1	2.8	3.6
Taiwan	1.5	2.1	3.5
Hong Kong	1.5	3.0	3.8
Singapore	1.9	4.1	3.7
ASEAN-5			
Indonesia	6.3	5.8	5.6
Thailand	6.8	2.9	3.3
Malaysia	5.6	4.7	5.0
Philippines	6.8	7.2	6.8
Vietnam	5.2	5.3	5.6
Asia ex-Japan	6.4	6.3	6.4
World Trade Volume	2.7	2.7	4.6

Sources: IMF, Consensus, Maybank-KE

BANKING SECTOR REVIEW 2013

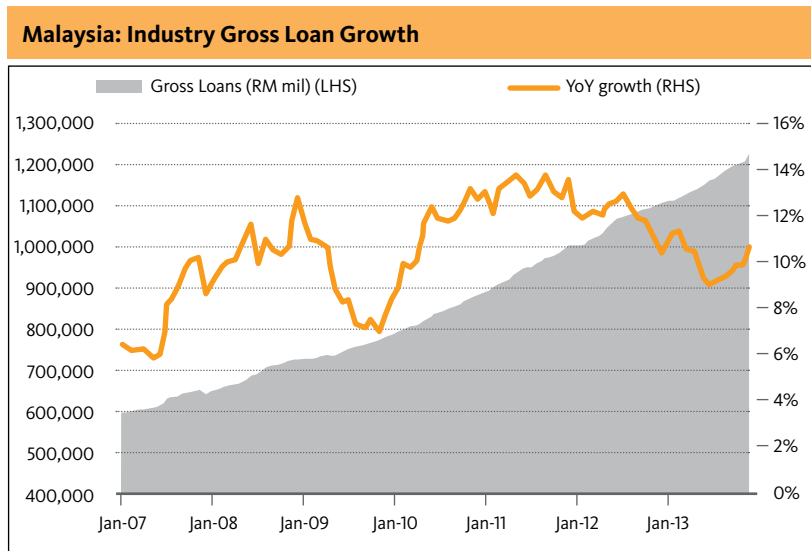
In 2013, banking system loans expanded at a rate of 10.6% year-on-year (y-o-y) keeping pace with the growth of 10.4% y-o-y in 2012. Household loan growth remained resilient at 12.0% y-o-y versus 11.4% y-o-y in 2012 and household loans accounted for 56% of total industry loans as at the end of 2013. Non-household loan growth waned from 9.1% y-o-y end-2012 to 5.8% y-o-y in June 2013, but slowly gathered momentum to end the year up 8.9% y-o-y, just moderately slower than a year ago.

In the consumer segment, residential property loan demand expanded at a robust pace of 13.5% y-o-y and made up 28% of total loans in 2013. Auto loans, which accounted for 12% of total system loans, saw growth moderate from a peak of 9% y-o-y in April 2013 to 6.6% in December 2013. Personal loans growth also tapered off, expanding just 4.6% y-o-y in 2013 versus 9.0% y-o-y in 2012 while credit card loan growth remained fairly subdued at 5.4% y-o-y in 2013 versus 1.8% y-o-y in 2012.

Private debt securities (PDS) issuances ended the year on a strong note, with RM20.7 billion worth of issuances in December 2013 alone, far surpassing the monthly average of RM6 billion over the past 11 months. With a cumulative total of RM84 billion, 2013 saw the second highest level of PDS issuance in over eight years, the highest being RM121 billion in 2012.

Liquidity tightened during the year but remained comfortable, with the industry's loan/deposit ratio rising from 82.1% end-December 2012 to 84.6% end-December 2013. Against total deposit growth of 8.5% y-o-y, Current Account and Savings Account (CASA) deposits rose at a faster pace of 10.7% y-o-y and accounted for 26.5% of total deposits as at the end of 2013.

Asset quality remained impeccable, with the industry's gross impaired loan ratio declining to just 1.85% end-December 2013, after having hovered at around 2% throughout the year. Loan loss coverage was a healthy 107.6%. Capital ratios remained strong, with the industry's Common Equity Tier-1 ratio at 12.0%, core capital ratio at 12.8% and risk-weighted capital ratio at 14.3%.



BANKING SECTOR OUTLOOK – MALAYSIA 2014

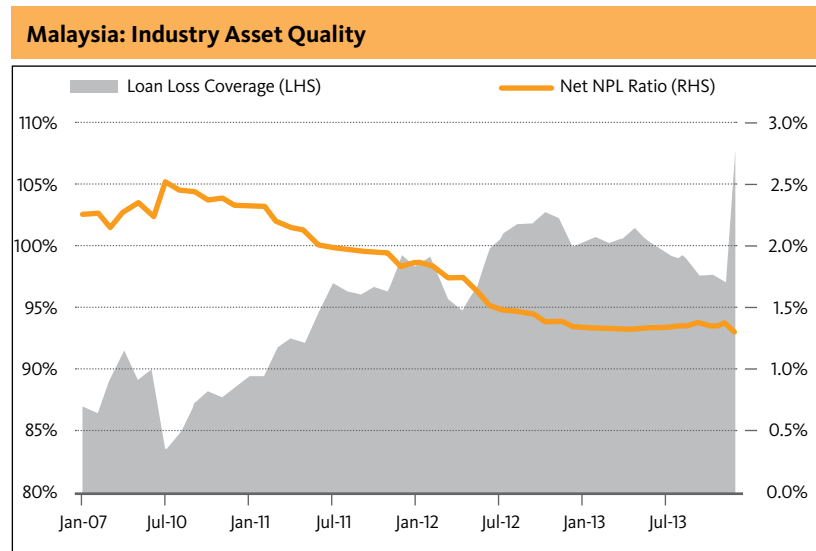
Economic momentum is expected to remain stable this year. The operating environment for the banking system nevertheless remains challenging amid expectations of a moderation in industry loan growth and on-going net interest margin compression.

Consumer demand is expected to soften in light of the property restrictions that came into effect early this year as well as amid higher inflationary pressures. Household loan growth as such, is expected to moderate in 2014.

What is positive, nevertheless, is that the Economic Transformation Programme (ETP) continues to offer much support to activity on the corporate front. Projects committed under the ETP total RM224 billion, of which only RM40 billion had been realised as at the end of September 2013. There is, as such, much more works in the pipeline to sustain the pace of business loan growth this year as well as activity in the capital markets. Business loan growth should, as such, gather pace to buffer the slowdown on the household front.

The other challenge will be in preserving margins this year, for asset and liability competition remains keen. Moreover, the on-going substitution of the mortgage book with newer, lower-yielding loans continues to shave yields, albeit at a slower pace than in 2013.

2013 saw some stress in asset quality on the corporate front but the cases were isolated in nature and not indicative of systemic risk within the banking system. Asset quality remains strong in the consumer segment though some vigilance will be required amid the rise in living costs. Credit costs, meanwhile, are likely to normalise, given that the pace of recoveries has tapered off.



COMMUNITY FINANCIAL SERVICES



“FY2013 has shown a steady progress in our transformation journey towards our 2015 aspiration. We sustained the momentum of our performance with remarkable double digit growth in our key business portfolios. Fuelled by the belief and passion to grow responsibly, we have reinforced our alignment in strategic intent as part of our mission to humanise financial services across Asia.”

DATUK LIM HONG TAT
Group Head, Community Financial Services (CFS)

2014 OUTLOOK

We are well positioned to harvest the opportunities arising from anticipated strong domestic economic growth of 5%. Despite tougher competition in the market against a backdrop of thinning net interest margins and rising overhead costs, our top priority in 2014 remains at strengthening our loans and deposits growth. With higher double-digit business and profit growth trajectories, our primary focus will be on improving profitability, productivity, cost and risk management. We remain confident and optimistic of our market position and we are clear about our strategic priorities and plans while tackling immediate challenges.

OUR PRIORITIES IN 2014

- Embed segmentation strategy in all products/channels.
- Intensify bottom line and revenue returns driven portfolio re-balancing.
- Institutionalise Strategic Cost Management Programme (SCMP) and embracing Operational Excellence in all business lines.
- Step up IT Transformation Programme (ITTP) initiatives to build longer-term competitiveness.
- Speed-up execution in the areas where we are going regional.

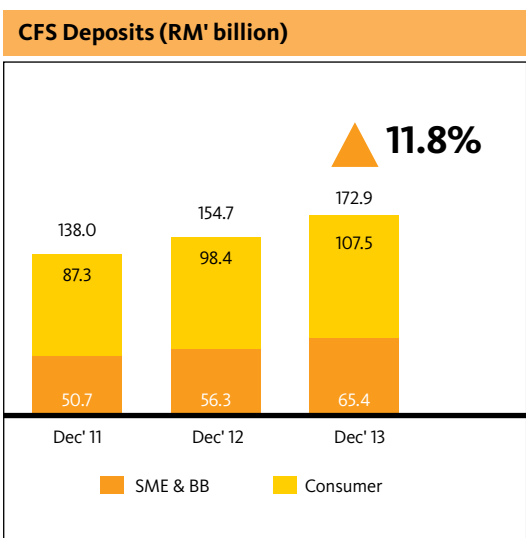
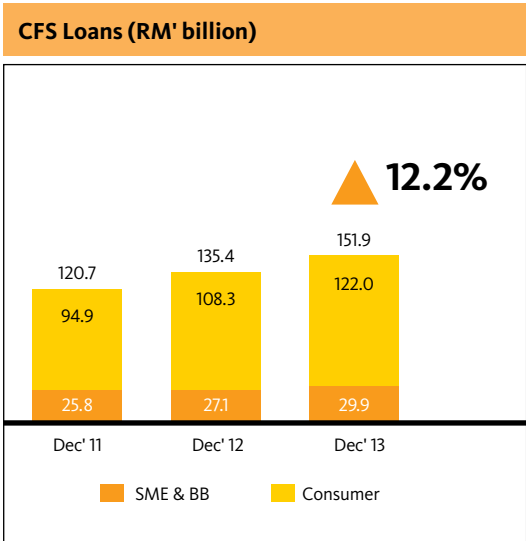
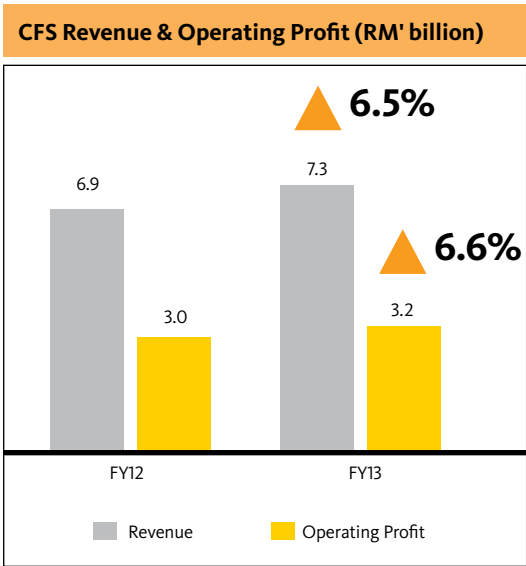
2013 PERFORMANCE HIGHLIGHTS

- Profit Before Tax (PBT) of RM 3.23 billion and revenue of RM 7.32 billion for FY2013.
- Double digit growth in loans and deposits of 12% respectively.
- SME delivered significant growth with 23.1% loan growth and 18.2% deposit growth.
- Sound asset quality with continued improvement in gross impaired loan (GIL) ratio declining from 2.4% in December 2012 to 1.9% in December 2013, whilst consumer GIL ratio improved from 0.7% in December 2012 to 0.5% in December 2013.

OVERVIEW

Community Financial Services (CFS) encompasses a wide range of products and services in Consumer, SME and Business Banking space. We are the leader in our market driven by our strong competitive position in key products. In line with our 2015 aspiration, we have set targets to address near-term challenges in a changing business environment. We also position ourselves to seize opportunities presented by longer-term megatrends to achieve our vision of becoming the undisputed No. 1 retail financial services provider in Malaysia, with greater trajectory expected for the years ahead vis-à-vis our aspirational goals and targets.

We are broadening our regionalisation efforts in high value cross border businesses such as cards, wealth management and virtual banking. These initiatives allow us to leverage on cross-border synergies and reap our full potential regionally. Our aim is to cement Maybank's positioning in the retail and commercial banking space via consistent branding, value proposition, and operating model in the markets we operate in. We also want to have greater sharing of best practices and collaborate on common initiatives for better economies of scale on our investment and create greater shareholder value.

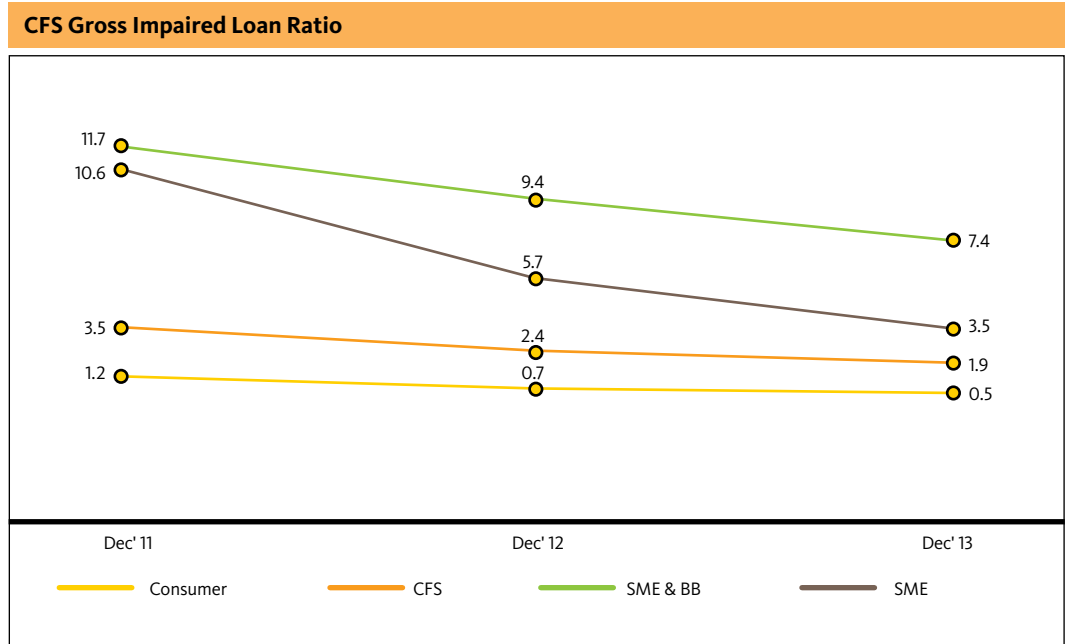


KEY MILESTONES IN 2013

We strengthened our segment-led model and coverage, which resulted in our High Net-Worth (HNW) and Affluent Banking segments achieving customer and total financial asset (TFA) growth of 15.6% and 11.1% respectively. We also launched Maybank ASPIRE as a new branded segment offering – the first comprehensive need base bundled solution for our affluent customer segment. As for our mass segment, our profit per customer increased 4% due to the implementation of our MaybankOne solution.

We have also gained traction in our regionalisation initiatives and established a regional framework to further leverage on our cross border synergies. In terms of ITTP initiatives, we expanded our development in key initiatives to support our multi-channel, ECRM and pricing and bundling strategies.

RM' billion	FY2012	FY2013	Y-o-Y
CFS Gross Loans	135.4	151.9	12.2%
- Mortgage	48.5	53.8	11.0%
- Auto	31.2	35.0	12.0%
- Retail Lending	23.2	27.6	19.2%
- Cards & Unsecured Lending	5.4	5.6	3.6%
- SME & Business Banking of which:	27.1	29.9	10.4%
SME	4.9	6.0	23.1%
BB	22.2	23.9	7.6%
CFS Deposits	154.7	172.9	11.8%
- Consumer	98.4	107.5	9.3%
- SME & Business Banking	56.3	65.4	16.3%
CFS Gross Impaired Loans Ratio	2.4%	1.9%	-0.5%
- Consumer	0.7%	0.5%	-0.2%
- SME & Business Banking	9.4%	7.4%	-2.0%



COMMUNITY FINANCIAL SERVICES

2013 PERFORMANCE REVIEW

2013 was a challenging year for CFS owing to fierce market competition coupled with Bank Negara Malaysia (BNM) regulations to encourage responsible lending. Notwithstanding that, we continued to sustain our growth momentum in line with our aspiration of becoming the Undisputed No. 1 Retail Financial Services Provider in Malaysia. Our revenue and profit continued to register stable growth, with PBT of RM3.2 billion and revenue of RM7.3 billion. We also remained the largest revenue contributor to Maybank Group.

We were able to defend our returns through portfolio rebalancing. Despite policy changes by BNM that involved a reduction in fee charges mainly for electronic payments, our fee-based income only declined marginally.

Our PBT growth of 6.6% was driven by our initiatives targeting more profitable segments, increasing cross-selling and product-bundling efforts termed 'share of wallet' as well as more vigilant application of risk-based pricing for sustained growth. Alongside these initiatives, stringent cost management strategies coupled with increased effort on accelerating productivity helped drive our PBT growth.

We continued to lead the financial services industry in most of the key areas with loans and deposits growing at 12.2% and 11.8% respectively, outpacing industry growth. Loans growth was mainly driven by automobile loans (12.0%), retail finance (19.2%), and SME (23.1%). On the deposit front, it was mainly fuelled by SME and BB deposits growing at 18.2% and 11.0% respectively as well as retail fixed deposits at 10.8%.

While pursuing growth, we have also consciously strengthened our asset quality with CFS' GIL ratio improving from 2.4% in 2012 to 1.9% in 2013. With the right risk culture embedded, the GIL ratio for consumer loans of 0.5% is the lowest in the industry while our SME and BB segment has registered a downward trend in its GIL ratio since the introduction of the 'House of Maybank' in 2012. The success in managing our GIL ratios are attributed to our efforts in reinforcing the credit asset quality framework, pursuing proactive prevention and recovery activities as well as ensuring quality loan origination.

At the same time, we remain focused on managing cost by serving our customers more efficiently without forgoing new business opportunities. This is evident with our cost to income ratio trending downwards to 50.6% as compared to 51.6% in the previous year.

HIGH NET-WORTH (HNW) AND AFFLUENT BANKING

- We achieved customer growth of 13.3% for HNW and 7.5% for affluent segments.
- Total financial assets (TFA) growth of 15.6% and 11.1% for the HNW and Affluent Banking segments respectively.
- Total assets under management (AUM) also grew in tandem, recording y-o-y growth of 25% to RM10.0 billion.

In 2013, we ramped up our focus on our segmentation strategy. The launch of Private Wealth in November 2013 aims to leverage on the Bank's growing presence and collective business capabilities to provide ultra-high net worth individuals a seamless banking experience across the region. Meanwhile, the launch of Premier Wealth in January 2014 for our HNW segment has united the premium banking services in Malaysia, Singapore and Indonesia under one franchise. HNW customers can now enjoy regional service recognition across these three countries. The journey towards greater customer centricity has also culminated in the Bank winning eight out of nine categories in Euromoney's Best Private Banking Awards, among other notable awards listed on page 61.

We also strengthened our segment value proposition for our affluent customers with the launch of Maybank ASPIRE in June 2013, which offers a suite of exclusive privileges to these customers. Maybank ASPIRE is a new branded segment offering and the first comprehensive need base bundled solution in Maybank. It is designed as a comprehensive financial solution for affluent customers and rewards customers based on their overall relationship with the Bank. It has seen strong take-up, with about 20,000 customers signing up within the first six months of its launch. These initiatives have successfully increased our customer's share of wallet through attractive pricing of products & services. On our end, these initiatives have encouraged robust migration and increased our customer base in the above segments.

MORTGAGE FINANCING

- Mortgage financing increased 11.0% to RM53.8 billion.
- Housing loan grew 11.6% to a balance outstanding of RM40.0 billion.
- Shop-house loan grew 16.7% to a balance outstanding of RM8.8 billion and outpaced industry growth, achieving a market share of 14.5%.
- Continued downtrend in GIL ratio to 0.7%.
- Turnaround time (TAT) improved to 2.15 days.

Mortgage financing registered a strong double-digit growth for the fourth consecutive year. This is a testament to our continued focus on rebalancing our portfolio strategy, intensifying promotion of trade up and renovation loans, and aggressive secondary market campaigns to accelerate loans growth. In addition, we have further strengthened our anti-attrition programmes to improve our customer retention. During the year, we have extended our overseas mortgage financing to Sydney, Perth and Singapore via our overseas mortgage loan.

Meanwhile, our mortgage GIL ratio has been trending downward to 0.7% as compared to 1.1% in the previous year due to our mortgage rebalancing portfolio strategy. The strategy was to target properties with price range at good asset quality and profitable segment and to concentrate on loan disbursements for secondary properties to enhance our asset quality.

In December 2012, we have successfully centralised our mortgage approval process via the Centralised Processing Centre – Originator Processor project. Moving forward in 2013, we implemented further improvements to the processes by adopting Operational Excellence. This has helped us achieve our TAT of within three days for mortgage approvals and marked a significant improvement of 84.6% in meeting our TAT against 70.9% last year.

AUTOMOBILE FINANCING

- Loans grew by 12.0% to RM35.0 billion.
- GIL remained at 0.4% since 2012, lowest in the industry.
- We remained No. 1 in Islamic auto finance. We are also the sole provider of Islamic floor stocking and block discounting.

Our Hire Purchase (HP) business continued to outpace industry growth with a steady growth in market share to 20.8%. We remained selective in our growth through our HP portfolio rebalancing strategy and offered integrated product bundling for end-customers based on the broad customer segments and lifestyles. We have also introduced a customer loyalty and reward programme to increase customer stickiness.

We further sustained the penetration in the HNW and affluent segments via our customer-centric programme. We developed segment relationship in our pricing model by offering a special interest rate subsidy plan and differentiated value added financing packages in collaboration with our distributors.

RETAIL FINANCING

- No.1 in Unit Trust Financing in Malaysia with a 56.1% market share.
- Unit trust loan financing grew 20.5%, with outstanding balance of RM26.3 billion.

In 2013, we have expanded our product diversifications and accelerated growth of high-yielding portfolios in a responsible and prudent manner. We remained competitive in our loans turnaround time via Straight-through Process (STP) for unit trust loan applications. With this initiative, we gained higher productivity and enhanced our customer service quality. Placing our Bank at the forefront of cultural change, we expanded the education loan to include selected professions and/or universities and enhanced collateralised financing targeted at HNW and affluent customers. We also customised our financing products to cater to this target market.

MICRO FINANCE

- First launched in Dec 2012, a total of RM1.18 million in micro financing has been disbursed to 396 customers as at December 2013.
- The product is an unsecured term loan with financing amount of RM1,000.00 to RM10,000.00. Currently, there are nine branches offering this product.

Micro financing enables us to provide a viable and sustainable assistance programme to the poor. This programme also serves as a clear manifestation of Maybank's aspiration to humanise financial services by catering to the basic needs of the "under banked" and "un-banked" segments of the society. While achieving loans growth, we are also simultaneously delivering customer satisfaction through such products and services. Moving forward in 2014, Maybank is planning to offer this product in 21 other branches.

CREDIT CARD

- No.1 in customer cards, with 1.5 million cardholders and a 17.9% market share.
- No.1 in billings, growing 12.8% y-o-y to RM30.7 billion, with a 27.3% market share.
- No.1 in merchant sales, growing 12.6% y-o-y to RM36.6 billion, with a 33.9% market share.
- Impaired loan ratio improved to 0.9% in December 2013 from 1.1% in December 2012.

Our merchant sales volume grew as we leveraged on our relationships with merchants to create greater benefits for our card members and enhanced our branding, communication and product positioning. In 2014, we aim to achieve our aspiration of being the top choice in card payment services, through our commitment of meeting and exceeding customers' expectation in the segments and countries we serve. This year, we continue to reinforce growth in receivables by intensifying our new customer acquisitions via cross selling collaborations and strengthening the customer's lifecycle strategy.

We strengthened our positioning in the super premium segment by enhancing our key products penetration, repositioning our value propositions and carrying out year-long tactical campaigns for targeted customer segments. We also rolled out Regional Cards initiatives in 2013 including the Regional Mid-Year Sale Campaign, Regional Partners Programme and Regional TREATS.

FUNDING AND DEPOSITS

- Deposits grew 11.8%, spearheaded by retail SME and BB growth of 18.2% and 11.0% respectively.
- Consumer deposits grew 9.3%, outpacing industry growth, with a market share of 18.7%.
- No.1 in total CASA (current account and savings account) standing, with a 22.7% market share.

CFS deposits registered a strong double digit growth, with steady growth coming from fixed deposits during the year. Our growth was done in a prudent manner by being more disciplined in applying customer-based pricing and interest tiered pricing.

During the year, we introduced several fixed deposit tactics and thematic CASA campaigns based on segments as well as rolled out our Premier 1 Account under Maybank ASPIRE targeting affluent customers. Not only did we focus on promoting a payroll solution to the SME and BB segment, we also extended direct marketing efforts by outsourcing and collaborating with external parties and targeting the supply chain of these customer segments. This helped us grow our mass segment and SME current accounts through the MaybankOne kiosks.

BANCASSURANCE

- No.1 in Banca Life Insurance, with a 27% market share for regular and normalised single premium policies.
- We outperformed the industry with a growth of 4.5% in Banca regular premium policies versus the industry's contraction of 12% (based on latest available Q3'13 results)

With the launch of our Smart Retirement Extra policy, we were able to cater to the needs of our affluent and HNW customers and the policy also provides tax-relief incentives, the first of its kind in the local bancassurance industry. We aspire to build long lasting relationships with our customers and ensure that the protection needs of our customers from different market segments are met with suitable products.

We have also developed a new sales model, which we will introduce in selected branches. Under this new model, sales personnel will be better equipped in serving our affluent and HNW customer's end-to-end needs. Looking ahead to serve 2015, we also have plans to grow our SME segment with the aspiration to be the best SME bancassurance provider in Malaysia.

RETAIL SME (RSME)

- Loans outstanding grew by 23.1%, rising to RM6.1 billion.
- GIL reduced from 5.7% in 2012 to 3.5% in 2013.
- Deposits grew by 18.2%, with an outstanding balance of RM49.3 billion.

In transforming our SME business portfolio, we have integrated the approval process at the RSME Credit Centre. We also rolled-out dedicated SME teams at strategic branches, streamlined policies and processes to improve TAT and business coverage. During the year, the centralisation of collection at the Early Care Centre has strengthened our core retail SME scalability and growth. This enables us to have a collective overview of each customer, enriching our asset quality controls and enabling a more structured loans collection strategy.

Moving forward, we will continue to ride our growth momentum and focus on asset acquisition, balancing both secured and unsecured portfolios to increase margins.

COMMUNITY FINANCIAL SERVICES

BUSINESS BANKING (BB)

- Loans outstanding stood at RM23.9 billion, with a growth of 7.6% in 2013.
- GIL reduced further to 8.4% in 2013 as compared to 10.2% in 2012.
- We led business enterprise loans disbursements, with a market share of 17.8%.
- Continued focus on high growth and high potential sectors.

In 2013, we revitalised our Business Banking growth strategy by targeting the right market segments and sharpening our industry focus. This has led to 95% of our business being sourced from the 'Focus and Growth' industry segment. At the same time, we avoided high risk areas and enhanced our credit discipline via rigorous adherence to the Borrower Risk Rating framework with 93% of loans sourced from very low risk to moderate risk categories. This led to better quality loans booked and as a result, we expect GIL ratio continue to reduce.

Moving forward, a structured customer experience framework will be implemented to deliver consistent customer experience for target segments across multi-channels to increase customer acquisition, migration and retention.

INTERNET AND MOBILE BANKING

- In 2013, we maintained our lead in internet banking with a 50% market share and over 2.1 million active users.
- We are the first bank to introduce comprehensive mobile banking services with a leading market share of 80%.

As the largest online banking provider and with our orientation of being a digital lifestyle banking site, we strengthened our position by capitalising on the online buying trend through the Maybank2u Pay launch. Maybank2u Pay is a payment facility designed for small or home businesses conducting online transactions and blog owners can manage sales transactions systematically and professionally through this service. We also achieved another milestone in digital banking with the introduction of Malaysia's first card-less cash withdrawal service. To sustain our leadership in mobile banking, we have enriched our mobile experience and increased utilisation by mapping relevant internet banking services on mobile applications. This has translated to an increase of mobile banking users to 1.68 million.

PAYMENTS

- Major contributor of fee based income at RM362.7 million
- Maybank Money Express (MME) extended to 14 countries with 8,758 touch points

We grew our fee-based income through the integration of a new income stream and innovation of new products, services, channels and segments. Our product penetration rate and cross-sell also increased while our service utilisation of M2U improved owing to our aggressive recruitment of new payees.

This year, we launched our Dynamic Currency Converter (DCC), Maybank Silver Investment Account (MSIA), and payment of PDRM summons via our ATMs. The first of its kind in Malaysia, DCC enables Mastercard cardholders to convert their cash withdrawal from Maybank ATMs into their home currency. Meanwhile, MSIA broadens customers' investment options by investing in silver with a passbook. With our continuous effort in providing our customers with value-added services, we offer real-time payment of PDRM summons. These are a few of our innovative services offered to better serve our customers.

CHANNEL MANAGEMENT

- Unmatched distribution footprints of more than 399 touch points and 2,777 ATMs representing market shares of 20% and 23% respectively.
- Enriching customer experience and satisfaction with 51 branches refurbished and 19 new branches opened
- Larger reach to mass customers via the 44 MaybankOne kiosks nationwide
- Strategic partnership with POS Malaysia involving 348 post offices nationwide



Trying out the new card-less service

(L-to-R): Mohd Suhail Amar Suresh Abdullah, Head of Virtual Banking @ Payments, Datuk Lim Hong Tat, Group Head, Community Financial Services and CEO, Maybank Singapore and Hamirullah Boorhan, Head, Community Financial Services, Malaysia

We continue to transform our branches, which resulted in higher customer engagement and satisfaction. To better reach our customers, we have relocated and opened new branches at strategic locations as well as set up mega branches at each region to provide 30 off-bank kiosks to our customers. Meanwhile, our strategic partnership with POS Malaysia has enabled us to reach out to a larger base of rural communities without the cost of setting up new offices.

MaybankOne has contributed significantly to our business growth as this model serves our mass market customers more effectively, offering them an integrated range of products and services. Total loans and deposits contribution from MaybankOne stood at RM723.45 million and RM118.20 million respectively, while our mass segment profitability per customer increased by 4%.

GLOBAL BANKING



“As we progress into 2014, Global Banking remains committed to our corporate and institutional clients by building on existing and new relationships to support their business growth. We will continue to focus on strengthening our regional capabilities and delivery of our regional plans to ensure sustainable growth and momentum to achieve our 2015 target to become the leading ASEAN wholesale bank.”

DATUK ABDUL FARID ALIAS

Group President & Chief Executive Officer
Chief Executive Officer (CEO), Malaysia
Group Head, Global Banking (Acting)

In 2013, Global Banking continued our positive momentum halfway through our 2015 transformation journey and made significant progress in pursuing our regional expansion. We continued to deliver our strategic initiatives and accelerated the rolling out of our regional platforms across key markets in ASEAN and Greater China to better serve our corporate and institutional clients especially those who require regional platform connectivity.

We also continued to strengthen our regional business models across all our lines of business in the various countries. The improved levels of collaboration resulted in the capturing of more landmark cross-border regional deals.

Global Banking is well on track to achieve our 2015 aspiration of being the leading ASEAN wholesale bank and primary banking partner to our corporate and institutional clients across the region.

2014 OUTLOOK

Overall, the global economic outlook looks brighter in 2014 as major advanced economies in US, Europe and Japan simultaneously expand for the first time since 2011. We are expecting mixed performance across Asia ex-Japan. China's economic slowdown has stabilised, and is expected to grow by 7.5%.

In this region, the economic prospects for Malaysia (GDP growth of 5%) and Singapore (GDP growth of 4%) remain favourable while a more cautious outlook has been adopted for countries such as Indonesia, Thailand and Philippines. Our robust business model will allow us to weather through any short-term uncertainties and realise our long-term potential.

OUR PRIORITIES IN 2014

- Further strengthen our coverage model to build strong client relationships across the region.
- Aggressively pursue regionalisation of our business models and platforms.
- Focus on building Islamic capabilities.
- Invest in regional centres of excellence across selective lines of business outside of Malaysia.

2013 PERFORMANCE HIGHLIGHTS

- Global Banking's revenue increased year-on-year (y-o-y) by 4.0% to RM5.5 billion.
- Profit Before Tax (PBT) was recorded at RM3.5 billion.
- Loans expanded by 11.2% y-o-y.
- Asset quality remained resilient with net impaired loans ratio maintained at 0.52% as in the previous year.

GLOBAL BANKING

OVERVIEW

We provide a wide range of financing and investment solutions to corporate and institutional clients in 20 markets through our six lines of business: Client Coverage, Investment Banking, Global Markets, Corporate Banking, Transaction Banking and Asset Management.

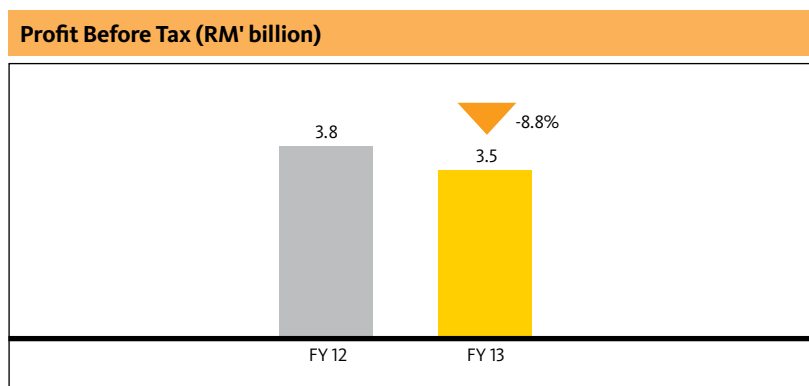
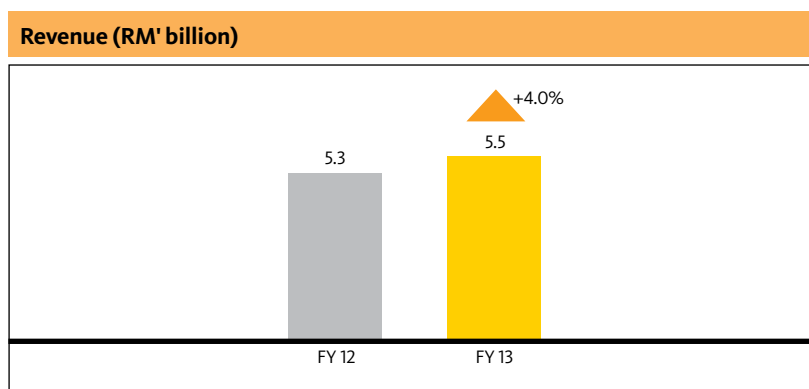
Overall, the Global Banking business model emphasises our client centric approach, where the Client Coverage team acts as single point of contact to all our domestic and regional clients, supported by global banking product specialists to deliver innovative, customised end-to-end financial solutions. Combining local in-country expertise with regional capabilities, we are able to provide consistent and integrated financial solutions to our clients across the region.

FINANCIAL PERFORMANCE

In 2013, Global Banking remained resilient against market challenges and was able to demonstrate consistency and strength through our business model. We continued to perform above industry for our loans and deposits, solidifying our domestic leadership position.

Global Banking's revenue rose by 4.0% to reach RM5.5 billion. We also recorded a PBT of RM3.5 billion in 2013 (2012: RM3.8 billion). Global Banking loans of RM71.7 billion expanded by 11.2% from the previous year.

Deposits also grew by 20% y-o-y to RM84.6 billion, boosted by our growth in current accounts of 23.0%. This is a testament to the effectiveness of our Regional Cash Management platform, which has also been launched across our key markets in ASEAN and Greater China.



AWARDS & ACCOLADES

We are especially proud to have our hard work recognised through 62 key awards for Global Banking, of which 30 of these awards are key regional awards, won from prominent regional and financial publications including Asia Money, Alpha South East Asia, The Asian Banker, Global Custodian and The Asset Triple A amongst others. Our full list of awards and accolades can be found on page 62.

STRATEGIC THRUST & INITIATIVES

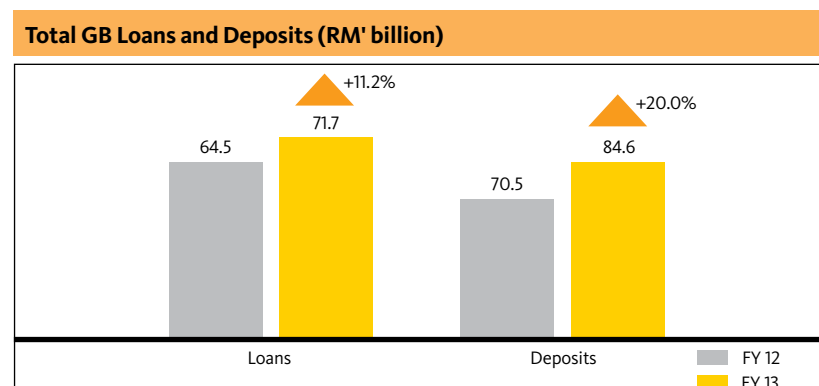
2013 marks the mid-way point of our five year transformation roadmap and we continued to deliver our strategic initiatives as planned.

Last year, Transaction Banking promised to focus on growing our capabilities regionally particularly on launching our regional electronic platforms in the remaining key home markets. We completed the deployment of these platforms across the region, which include Cash Management (Maybank2E – Regional Cash Management Platform in Indonesia, Philippines and Greater China on top of existing platforms in Malaysia and Singapore), Trade Finance (strengthen platforms already in existence in countries where Maybank has presence) and the establishment of Supply Chain Centre of Excellence (COE in Indonesia) and Securities Services (Maybank eCustody front end platform in Indonesia).

Global Markets are now able to better manage the Bank's global risk exposure after successfully deploying straight through processing of the Global Treasury Risk Management System across some key Treasury centres.

We also completed implementation of the regional organisation for all Maybank Kim Eng businesses across 10 countries, with significant business presence in Malaysia, Singapore, Thailand, Indonesia, Vietnam and the Philippines, while growing our businesses in Hong Kong and India. Our reach also extends globally, with dedicated sales offices in the United Kingdom and the United States of America. We also have presence in the Middle East via Anfaal Capital, our associate company in Saudi Arabia which specialises in Islamic investment banking and asset management services.

Asset Management continued to expand its regional footprint with the launch of PT Maybank GMT Asset Management in Indonesia (November 2013) and strengthen its capabilities with the launch of Maybank Islamic Asset Management at the World Islamic Economic Forum in London (October 2013).





CLIENT COVERAGE

The Client Coverage team is an integral part of Global Banking’s client centric business model and the cornerstone of every key deal that we structure.

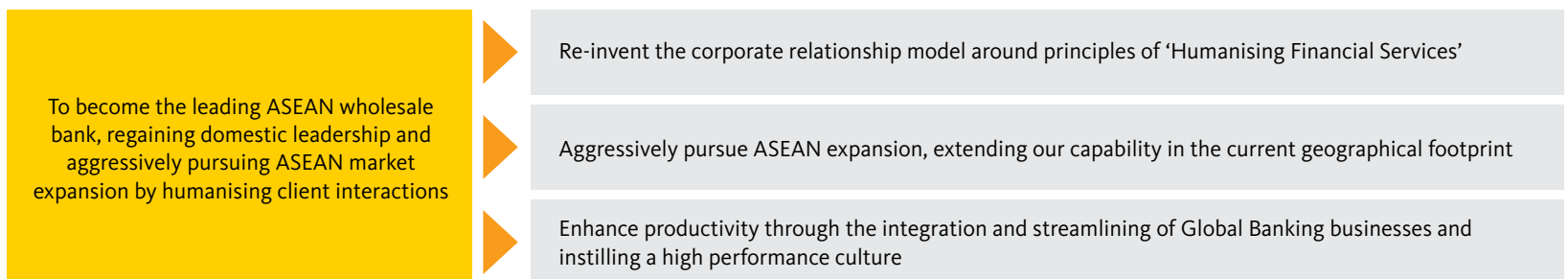
In 2013, our focus was to increase regional deals by enhancing our business model and the manner in which we manage regional and in-country accounts. The enhancements resulted in significant growth in deals originating from markets outside Malaysia, some of which we received awards and recognition from numerous financial publications across the region, including:

Singapore	• SGD1.15 billion Syndicated Term Loan for Universal Group Holdings (Pte) Ltd
	• SGD670 million Syndicated Term Loan for Pacific Light Energy Pte Ltd
	• SGD720 million project refinancing for Hyflux Group (Tuaspring Pte Ltd)
	• USD500 million Multi Currency Islamic Trust Certificate Issuance Programme for Swiber Holdings Ltd (won Best Local Bond Currency Deal in Southeast Asia, Alpha Southeast Asia)
Indonesia	• USD1.5 billion share placement for Matahari Department Store (won Best Regional Deal – Secondary Offering and Best Deal in Indonesia, The Asset Triple A)
	• USD1.27 billion Syndicated Term Loan for CT Corp group (PT Trans Retail, PT Trans Retail Indonesia and PT Trans Media Corpora)
	• USD730 million Syndicated Term Loan for Genting Group (PT Lestari Banten Energi)
Hong Kong & Greater China	• USD1.5 billion Syndicated Term Loan for Huawei Tech Investment Co Ltd
	• USD375 million Multi Currency Syndicated Term Loan for Far East Horizon Ltd
Philippines	• USD1.5 billion Syndicated Revolving Credit Loan for San Miguel Corporation
	• PHP18 billion IPO for Travellers International Hotel Group Inc
Vietnam	• USD250 million Syndicated Loan for Vingroup (won Best Vietnam Deal, FinanceAsia)



Global Banking management hosting corporate clients at various events during the year including Maybank Hari Raya Open House in 2013.

Going forward in 2014, we will be investing in a system to enable single client information views to improve our client relationship management. The system will allow us to track deals across the region and provide support to the client coverage teams. Our ultimate goal is to be the primary banker for our corporate and institutional clients.



Our three strategic thrusts to achieve the Global Banking 2015 Vision

GLOBAL BANKING

INVESTMENT BANKING

In 2013, we completed the integration and roll out of the regional organisation of Maybank Kim Eng.

We now offer our clients a comprehensive suite of investment banking and stockbroking products and services through our two business pillars, namely Investment Banking & Advisory (IB&A) and Equities, with services such as corporate finance, debt capital markets, equity capital markets, equity & commodity derivatives as well as retail and institutional securities broking (Equities).

The completion of the integration was especially timely as Maybank Investment Bank Berhad celebrated its 40th anniversary in 2013. We recognise that our continued success is very much due to the strength of our relationships with our clients, and we are proud to be their partner standing by them through bullish as well as challenging times over the years. We understand that the key standard goes beyond seamless execution and efficient delivery, it requires a shared commitment of success. This reputation is something that we value and will continue to guide us as we move forward into the region.

OUR PRIORITIES IN 2014

- Strengthen our regional coverage and distribution network to better serve our clients.
- Innovate and enhance our suite of product offerings and services across the region.
- Solidify our brand presence in ASEAN as the premier investment bank and stockbroker.

2013 PERFORMANCE HIGHLIGHTS

- In 2013, Maybank Kim Eng recorded revenue of RM1.54 billion.
- PBT increased by 33.4% y-o-y to RM462 million.
- Awarded more than 35 awards by various regional and financial publications for brokerage services and deal structures.



Chairman Tan Sri Dato' Megat Zaharuddin Megat Mohd Nor, Datuk Abdul Farid Alias, Group PCEO of Maybank and John Chong, CEO, Maybank Investment Bank and Maybank Kim Eng Group during the 40th anniversary celebration.

Investment Banking & Advisory

Maybank Kim Eng is fast becoming a regional leader in the investment banking and advisory space, and we are now ranked among the top players in the ASEAN region. Supported by Maybank's strong balance sheet and Global Banking's regional client coverage team coupled with our wide distribution network across the globe, our regional platform is equipped to provide investment banking services to our clients, be it equity and debt fund raising or advisory in mergers & acquisitions and project finance.

When advising on tailored financial solutions, our Advisory team must have an intimate understanding of both our clients' requirements and the corporate milieu. This includes knowledge and a wealth of experience stretching across various industry sectors such as resources, financial sponsors, general industries, oil & gas, financial institutions, real estate, transportation, consumer and healthcare. This division has been grouped into three areas: Mergers and Acquisitions, Transaction Execution Group and Strategic Advisory.

Our strong performance across products propelled us to the top of the investment banking Dealogic league tables for ASEAN in 2013.

One of the deals that we are particularly proud of is our advisory work for Thai Beverage Public Company Limited (ThaiBev), which was a concert party to TCC Assets in the USD11.2 billion acquisition of Singapore listed Fraser and Neave Limited. This was the largest M&A deal in Southeast Asia in 2013, illustrating the full usage of the Maybank Group's regional platform to provide advisory and financing support to ThaiBev throughout the transaction. Separately, we also advised the minority shareholders of CP All Public Company Limited on the USD6.6 billion acquisition of Siam Makro in Thailand.

In Greater China and Hong Kong, we acted as co-advisors to a private equity consortium led by Citic Capital on the USD890 million privatisation of Nasdaq listed Asiainfo-Linkage.

In Malaysia, we maintained our market leading position by advising SapuraKencana Petroleum on the USD2.9 billion acquisition of SeaDrill's tender rig business.

A unique advisory deal in project financing was Sime Darby Property Berhad's Pagoh education hub, a Public-Private Partnership (PPP) project involving the Malaysian Ministry of Higher Education and four separate higher educational institutions on a single 506 acre site, on a 23 year concession basis. The project was the first of its kind in Malaysia and Sime Darby Property's first PPP project amounting to RM895.4 million Syndicated Islamic Financing-i Facilities. We also played a role as Joint Mandated Lead Arranger.

2013 was another landmark year for our Equity Capital Market franchise despite challenging equity market conditions. We led some of the largest transactions in Malaysia including the USD750 million IPO for UMW Oil & Gas Corporation Bhd, USD628 million IPO for Westports Holdings Bhd, USD355 million IPO for AirAsia X, in addition to the placements for SapuraKencana Petroleum (USD515 million) and SP Setia (USD305 million).

We were also very active across the region, leading the two largest IPOs in the Philippines - the USD412 million IPO for Travellers International Hotel Group and the USD621 million IPO for Robinsons Retail Holdings Inc as well as the USD295 million IPO for Viva Industrial REIT in Singapore.

In Hong Kong, we successfully completed two IPOs, having received our underwriting license only in 2011. We led the USD78 million IPO for Beijing Tong Ren Tang Chinese Medicine Company Ltd, which was the best performing IPO on debut in Hong Kong in 2013 and the USD70 million IPO for China Saite Group Company Ltd.

Our Debt Markets team ranked second in Malaysia and we are among the top five banks in ASEAN in the DCM league tables for 2013.

We acted as lead arrangers for the USD1.9 billion debt financing to SapuraKencana (for the acquisition of SeaDrill's tender rig business), USD330 million debt financing for a private equity consortium led by Citic Capital (for the privatisation of Asiainfo-Linkage) and USD1 billion debt financing to Perspective Lane Bhd on its acquisition of Tradewinds (M) Bhd, Tradewinds Plantations Bhd and Padiberas Nasional.

On the regional front, we made inroads in Islamic financing to establish a USD500 million Multi-Currency Islamic Trust Certificates Issuance Programme for Swiber Holdings and USD1.5 billion Multi-Currency Sukuk Programme for Sime Darby Global Bhd, which achieved the lowest ever coupon by any corporate globally in the USD sukuk market.

We acted as Joint Mandated Lead Arranger for the group wide restructuring of CT Corp, one of the largest Indonesian conglomerates with total syndication of USD1.27 billion. In Vietnam, we acted as Joint Mandated Lead Arranger in leading real estate developer Vingroup's global syndication loan of USD150.0 million. We are proud to share the Best Vietnam Deal in the 2013 FinanceAsia Achievement Awards accolade with our client.

We acted as the Financial Advisor, Mandated Lead Arranger and Bookrunner for Tuaspring Pte Ltd's (a wholly-owned subsidiary of Hyflux Ltd) SGD720 million project financing facility and ancillary credit facilities for a project comprising Singapore's largest and second seawater reverse osmosis desalination plant and an onsite combined cycle power plant.

Equities

On the Equities side, we believe in staying ahead of market developments by maintaining a high quality of research ideas and corporate access in addition to having strong institutional equity distribution capabilities across key global financial centres. Ranked as one of the top brokerages in Southeast Asia, we are committed to growing our regional franchise and delivering the best value proposition for our clients. Our regional offices have also invested in building quality research teams that complement our experienced institutional sales teams to provide our clients with contrarian, exciting and value enhancing ideas and trading strategies.

Our growing strength and improved quality is demonstrated by our official rankings, which have improved dramatically post-merger and are underlined with awards bestowed by, amongst others, The Asset Triple A, Asiamoney and Alpha Southeast Asia.

We successfully organised Invest Malaysia for the 4th consecutive year in collaboration with Bursa Malaysia. It was a memorable session with Prime Minister Dato' Sri Mohd Najib bin Tun Haji Abdul Razak delivering the keynote address and Jim Rogers was invited to share investing insights together with institutional and retail investors. We were heartened by the tremendous response from both our clients and corporates who were showcased to the investment community through presentations, small group and one-on-one meetings. This year, we saw an increase in the number of overseas fund managers flying in for the meet. We take that as a recognition of the improvement of our regional franchise since our merger.

In an effort to highlight our regional franchise further, Maybank IB together with Bursa Malaysia jointly sponsored and organised the Invest Malaysia United States of America (IMUS) 2013. This event showcased 12 Malaysian corporates on a week-long roadshow through New York, Boston and San Francisco. Our clients in the US and other corporates provided highly positive feedback which secured some large investors for the meetings and presentations.

On the regional front, we are perceived as building on our positive domestic momentum to increase our presence and market share in the countries in which we are present. To fulfil the needs of our institutional clients, we have invested in recruiting strong institutional sales and dealing teams that are dedicated to providing our clients with the best investment ideas through both traditional and electronic strategies.

With the growing dominance of our Maybank Kim Eng franchise, our regional team has organised events and road shows across Asia, the US and Europe to meet the demands of our clients. Some of our key events hosted include the ASEAN Investment Conference in New York, Boston, San Francisco and Los Angeles and the China Baby Boom Corporate Days in Singapore and Malaysia. In addition, we have showcased numerous Asian companies in the US and Europe that has increased our recognition with both institutional clients and corporates alike.

We are also a fully-fledged retail brokerage house providing market access, financing and trading ideas across Southeast Asia. With a distribution network across the region of 2,000 sales people and 150 physical locations, 2013 was a year in which the Retail Equities team continued to build on its regional franchise. To capitalise on digital trends in mobile trading, we unveiled mobile trading platforms and research applications to enhance our clients' ease of trading across markets and we are honoured to have won awards as The Best Broker in all seven countries where we have a retail presence. Our Thailand operations hit a record 12th year consecutive ranking as the top market share player.

As part of Maybank Group's vision to humanise financial services, we launched a market-first campaign in Malaysia where we will be donating funds for charity when clients trade in Shariah-compliant shares via Islamic broking accounts. In 2014, we are exploring more ways to support wealth creation in society via micro-seeding and micro-financing funds.

GLOBAL BANKING

Our Equity and Commodity Derivatives business comprises two major markets: exchange traded and over-the-counter equity and commodity products. This is where financial engineering techniques are used to manufacture investment instruments. The team is also responsible for generating customised solutions, whether for hedging of equity and commodity risk or derivative funding structures, to assist our clients in managing their capital and operations.

In Malaysia, we are one of the leading structured warrant issuers in the market. In 2013, the team launched 76 structured warrants with MMCCORP-CP, UEMS-CT and MAS-CT. To cater to investor demand for additional trading and investment opportunities we launched our first put warrants and structured warrants on foreign shares. We also launched the Equity-Linked Investment Note (ELIN) for high-net worth clients. The ELIN programme has provided customers with another avenue to allocate their money into the equity asset class, in addition to the traditional cash equity market.

In Thailand this year, we are ranked top five among the 12 derivative warrant issuers in Thailand issuing 49 warrants, including both call and put warrants. The top three derivative warrants in terms of volume traded were CPF42CD (Charoen Pokphand Foods PCL.), BGH42CC (Bangkok Dusit Medical Services PCL.) and THAI42CD (Thai Airways International PCL.).

Our Futures and Options Services team, now present in Malaysia, Singapore, Thailand and Hong Kong provides opportunities in trading and hedging for retail, institutional and corporate clients using derivative products. We understand that it is crucial to help clients stay abreast of market movements. Hence, we offer comprehensive reports and commentaries on derivative markets which we believe will help clients in their investment strategies and risk management.

This year, aside from providing timely and proactive research materials and ideas to institutional and retail clients both locally and regionally, our Research teams have been organising thematic conferences and workshops, as well as working visits to enable institutional investors to gain a deeper understanding of the business profiles of publicly-listed companies.

Fundamental equity research is tailored for institutional clients, with bottom-up fundamental coverage of more than 350 companies across eight countries, comprising a mix of large and medium-sized market capitalised stocks. We also cover the small-sized market capitalised stocks, which are closely tracked by the specialised funds and retail clients.

Maybank Kim Eng Research has a network of astute research analysts working alongside our experienced sales and trading professionals to identify opportunities and provide the perspective to turn insights into trading ideas covering key countries in the region (including Malaysia, Singapore, Indonesia, Philippines and Thailand) and major economies such as the United States of America, Eurozone and China.

CORPORATE BANKING

Over the last year, our corporate loans book grew contributing substantially to Global Banking's y-o-y loans growth of 11.2%. This was a result of us growing responsibly coupled with strong emphasis over our asset quality. The loans growth was also largely contributed by our Malaysian corporates portfolios who are involved in the Government's Economic Transformation Programme initiatives. We also collaborated with our other product partners on several key prominent deals. In terms of deposits, we recorded a y-o-y growth of 20.0% to RM84.6 billion (2012: RM70.5 billion).

Corporate Banking contributed a revenue of RM2.3 billion (2012: RM2.3 billion) notwithstanding a challenging trend of contracting margins as well as stronger competition from other local banks.

As we move into 2014, our primary focus will be on regional asset growth. We will also continue to improve our product-suite and capabilities by enhancing our industry expertise across the region.

TRANSACTION BANKING

Transaction Banking consists of four main lines of business: Cash Management, Trade & Supply Chain Financing, Financial Institutions & Non-Bank Financial Institutions and Securities Services. Over the past few years, we have made it our priority to expand and integrate our regional platforms to enhance our product capabilities and seamless cross-border delivery. The year 2013 was no exception and we have successfully deployed a number of existing platforms across the region resulting in our regional portfolio contributing to almost half of our Transaction Banking revenue:

- Launched web-based Regional Cash Management platform (Maybank2E – Regional Cash) in Malaysia, Singapore, Indonesia, Philippines and Greater China.
- Launched web-based Regional Trade Finance front end platform (Maybank TradeConnex) across 11 markets in ASEAN, Greater China and Papua New Guinea.
- Launched web-based Custody front end platform (Maybank eCustody) in Malaysia and Indonesia.

On the domestic front, we maintained our strong leadership position in Trade Finance with a market share of 26.8% (as at November 2013), and Cash Management with market share in transaction volume and transaction value of 47% and 41% respectively (as at September 2013).

We also garnered 20 key awards for both the service we delivered and the deals we structured in Trade Finance, Cash Management and Custody solutions by numerous regional and financial publications namely Alpha SEA, The Asset, Asian Banking & Finance, Global Finance, Global Custodian, GTR Exporta, The Corporate Treasurer and The Asian Banker.

Moving forward in 2014, together with the Client Coverage team, we aim to extend our market lead by cementing our position as primary banker for top Corporate clients, both domestic and regional.



Datuk Abdul Farid Alias, Group PCEO of Maybank, John Wong, Managing Director and Group Head, Transaction Banking and Carlos Lacerda, Managing Director Microsoft Malaysia at the launch of Maybank2E - Regional Cash on Windows Phone 8 platform to compliment existing iOS and Android mobile platforms (March 2013).



GLOBAL MARKETS

Over the last three years, the regional Global Banking business model has enabled Global Markets to build a diversified revenue base strong enough to weather short-term market uncertainties and less than favourable trading environment.

In 2013, we started deploying straight through processing of our Global Treasury Risk Management System, across some of our key Treasury Centres. This has allowed us to better manage the Bank's global risk exposure and support cross-border portfolio growth. As a result, we are able to now support several new products across the region, allowing us to compete with other top financial solution providers. Such products include Rate Linked Structured Loans & Deposits, Second Generation FX and Interest Rate Options. The ability to manage complex financial products has allowed Maybank to increase its share in base markets and widen its coverage of corporate clientele across all sectors.

In 2013, our domestic Global Markets operation contributed RM1.7 billion and RM1.4 billion in revenue and PBT respectively. Across the region, we achieved RM2.4 billion revenue and RM2.0 billion PBT respectively.

For 2014, our focus will be to continuously improve our risk models and acquire/nurture talent for identified growth platforms in Singapore, Greater China and Indo China. This will be an opportune time for us as our expansion coincides with the push for growth in North Asia and Mekong Delta regions, where financial markets are relatively infant in terms of depth and breadth of understanding.

ASSET MANAGEMENT

Maybank Asset Management is the fund management arm of the Maybank Group, providing a diverse range of conventional and Islamic investment solutions to our retail, corporate and institutional clients. Our strength lies in our regional footprint and on-the-ground expertise in key ASEAN markets – Malaysia, Indonesia, Singapore and Thailand, supported by strong regional research capabilities.

In 2013, we are proud to have broadened our investment expertise (to cover the ASEAN region), enhanced product manufacturing capabilities and put in place a stringent compliance and risk management framework, in addition to expanding our regional footprint:

- Launched Maybank Islamic Asset Management at the World Islamic Economic Forum in London on 29 October 2013.
- Launched PT Maybank GMT Asset Management in Indonesia on 7 November 2013.
- Launched our first global unit trust fund - Maybank Global Bond Fund on 19 November 2013.
- Launched our first branch in Medan, Indonesia on 6 December 2013.

As we grow our Asset Management business in the region, we are encouraged by the initial results accomplished in 2013. We achieved a remarkable 33.0% growth in Asset Under Management, growing from RM9.4 billion as at 31 December 2012 to RM12.5 billion as at 31 December 2013.

With the foundation built, we believe that we are moving in the right direction to realise our aspiration to be a leading asset management company in ASEAN by 2017.



Nor' Azamin Salleh, CEO of Maybank Asset Management Group, Dato' Azian Mohd Noh, Chairman of Maybank Islamic Asset Management, Dato' Sri Mohd Najib bin Tun Haji Abdul Razak, Prime Minister of Malaysia and Dato' Mohaiyani Shamsudin, Chairman of Maybank Asset Management group at the launch of Maybank Islamic Asset Management in London (October 2013).

AT A GLANCE

MESSAGE TO SHAREHOLDERS

ABOUT US

GROUP STRATEGY & ACHIEVEMENTS

BUSINESS REVIEW

OUR RESPONSIBILITY

OUR LEADERSHIP



















CORPORATE GOVERNANCE

OTHER INFORMATION



















AGM INFORMATION

GLOBAL BANKING

KEY DEALS COMPLETED IN 2013



















<p>Indonesia</p>  <p>PT Trans Retail</p> <p>USD750 million</p> <p>Syndicated Term Loan</p> <p>Mandated Lead Arranger</p> <p>January 2013</p>	<p>Indonesia</p>  <p>PT Matahari Departmental Store Tbk</p> <p>IDR14.6 trillion</p> <p>Share Placement</p> <p>Co-Lead Manager</p> <p>March 2013</p>	<p>Indonesia</p>  <p>PT Lautan Luas</p> <p>IDR700 billion</p> <p>IDR Bond</p> <p>Principal Underwriter</p> <p>May 2013</p>	<p>Indonesia</p>  <p>PT. Lestari Banten Energi (A member of the Genting Group)</p> <p>USD730 million</p> <p>Syndicated Term Loan</p> <p>Joint Mandated Lead Arranger</p> <p>May 2013</p>	<p>Indonesia</p>  <p>PT Acset Indonusa</p> <p>IDR387 billion</p> <p>IPO</p> <p>Sole Lead Underwriter</p> <p>June 2013</p>	<p>Indonesia</p>  <p>PT Panorama Sentrawisata Tbk</p> <p>IDR100 billion</p> <p>IDR Bond</p> <p>Joint Lead Underwriter</p> <p>June 2013</p>
<p>Indonesia</p>  <p>PT Cipaganti Citra Graha</p> <p>IDR68 billion</p> <p>IPO</p> <p>Joint Lead Underwriter</p> <p>June 2013</p>	<p>Indonesia</p>  <p>PT Media Karya Sentosa</p> <p>USD155 million</p> <p>Syndicated Term Loan</p> <p>Mandated Lead Arranger</p> <p>June 2013</p>	<p>Indonesia</p>  <p>PT Duta Anggada Realty Tbk</p> <p>IDR1 trillion</p> <p>Bonds Programme</p> <p>Joint Lead Underwriter</p> <p>October 2013</p>	<p>Indonesia</p>  <p>PT ATPK Resources Tbk</p> <p>IDR1 trillion</p> <p>Rights Issue</p> <p>Financial Adviser</p> <p>November 2013</p>	<p>Indonesia</p>  <p>PT Charoen Pokphand Indonesia Tbk</p> <p>USD500 million</p> <p>Syndicated Term Loan</p> <p>Mandated Lead Arranger</p> <p>November 2013</p>	<p>Indonesia</p>  <p>PT Trans Retail PT Trans Retail Indonesia PT Trans Media Corpora</p> <p>USD1.27 billion</p> <p>Syndicated Term Loan</p> <p>Joint Mandated Lead Arranger</p> <p>December 2013</p>
<p>Indonesia</p>  <p>PT Astra Sedaya Finance</p> <p>IDR2 trillion</p> <p>IDR Bond</p> <p>Joint Lead Underwriter</p> <p>December 2013</p>	<p>Indonesia</p>  <p>PT Garuda Indonesia</p> <p>USD50 million</p> <p>Syndicated Term Loan</p> <p>Arranger</p> <p>December 2013</p>	<p>Hong Kong</p>  <p>Huawei Tech Investment Co Ltd.</p> <p>USD1.5 billion</p> <p>Syndicated Term Loan and Revolving Credit Facility</p> <p>Mandated Lead Arranger</p> <p>September 2013</p>	<p>Hong Kong</p>  <p>Far East Horizon Ltd</p> <p>USD375 million</p> <p>Multi Currency Syndicated Term Loan</p> <p>Mandated Lead Arranger & Bookrunner</p> <p>December 2013</p>	<p>Singapore</p>  <p>City Developments Limited</p> <p>SGD50 million</p> <p>Islamic Sukuk</p> <p>Manager</p> <p>January 2013</p>	<p>Singapore</p>  <p>Hao Yuan Development Pte Ltd</p> <p>SGD216.8 million</p> <p>Syndicated Term Loan</p> <p>Mandated Lead Arranger</p> <p>February 2013</p>

KEY DEALS COMPLETED IN 2013





Singapore 	Singapore 	Singapore 	Singapore 	Singapore 	Singapore 
Parkway Pantai Limited	Shangri-La Treasury Asia	AREIF (Singapore 1) Pte. Ltd	Oxley Gem Pte Ltd	Measat Satellite Systems Sdn Bhd	PacificLight Energy Pte Ltd
SGD750 million Club TL & RCF Mandated Lead Arranger	USD350 million Syndicated Term Loan Mandated Lead Arranger, Underwriter & Bookrunner	SGD680 million Syndicated Term Loan Original Mandated Lead Arranger & Bookrunner	SGD490 million Club Term Loan Mandated Lead Arranger	USD280 million Multi Currency Club Term Loan Original Lender (S\$ Tranche)	SGD670 million Syndicated Term Loan Mandated Lead Lender
February 2013	February 2013	March 2013	June 2013	June 2013	June 2013
Singapore 	Singapore 	Singapore 	Singapore 	Singapore 	Philippines 
Swiber Holdings Ltd	Universal Group Holdings (Pte) Ltd	W2005/Hines West Fifty-Third Realty LLC	Viva Industrial Trust	Tuaspring Pte Ltd	San Miguel Corporation
USD500 million Multicurrency Islamic Trust Certificate Issuance Programme Programme Sole Lead Arranger, Bookrunner, Global Coordinator	SGD1.15 billion Syndicated Term Loan Joint Original Mandated Lead Arranger, Underwriter & Bookrunner	USD860 million Senior Secured Loan Joint Mandated Lead Arranger	SGD463 million IPO Joint Bookrunner & Joint Underwriter	SGD720 million Term Loan & Ancillary Credit Facilities Financial Adviser, Sole Underwriter, Mandated Lead Arranger, Bookrunner & Original Hedging Bank	USD1.5 billion Syndicated Revolving Credit Loan Mandated Lead Arranger and Bookrunner
August 2013	October 2013	October 2013	November 2013	November 2013	April 2013
Philippines 	Vietnam 	Malaysia 	Malaysia 	Malaysia 	Malaysia 
Travellers International Hotel Group Inc	Vingroup	Sime Darby Global Berhad	Malakoff Power Bhd	Cerah Sama Sdn Bhd (A member of Taliworks Corporation Bhd)	Jati Cakerawala Sdn Bhd
PHP18 billion IPO Joint Global Coordinator, Joint Bookrunner & Joint Lead Manager	USD250 million Syndicated Loan Mandated Lead Arranger & Bookrunner	USD1.5 billion Multi-currency Sukuk Issuance Programme Joint Principal Adviser, Joint Lead Arranger, Joint Lead Manager, Dealer, Bursa Listing Agent & Joint Shariah Adviser	RM5.8 billion Sukuk Sole Principal Adviser, Lead Arranger, Lead Manager, Facility Agent, Shariah Adviser, Trustee & Security Agent	RM750 million Islamic Medium Term Notes Principal Adviser, Lead Arranger, Lead Manager, Facility Agent, Security Agent & Shariah Adviser	RM540 million Sukuk Murabahah Joint Principal Adviser, Joint Lead Arranger, Joint Lead Manager, Facility Agent & Joint Shariah Adviser
November 2013	October 2013	January 2013	January 2013	January 2013	January 2013

GLOBAL BANKING

KEY DEALS COMPLETED IN 2013

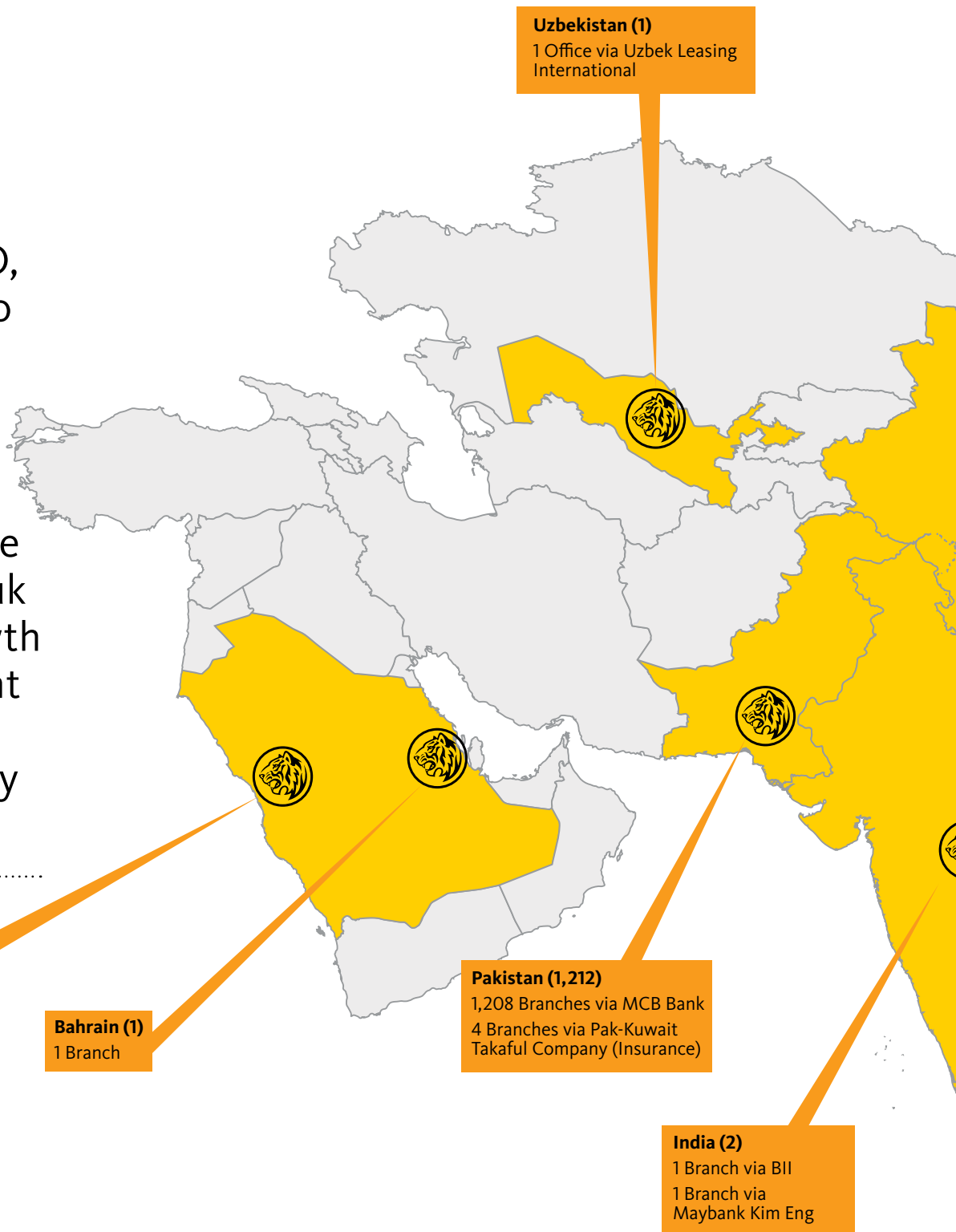
<p>Malaysia</p>  <p>Teknologi Tenaga Perlis Consortium Sdn Bhd</p> <p>RM835 million</p> <p>Sukuk Murabahah</p> <p>Joint Principal Adviser, Joint Lead Arranger, Joint Lead Manager & Joint Shariah Adviser</p> <p>January 2013</p>	<p>Malaysia</p>  <p>DanaInfra Nasional Berhad</p> <p>RM300 million</p> <p>Exchange Traded Sukuk</p> <p>Joint Lead Arranger</p> <p>February 2013</p>	<p>Malaysia</p>  <p>UMW Holdings Berhad</p> <p>RM2 billion</p> <p>Islamic Medium Term Notes</p> <p>Joint Principal Adviser, Joint Lead Arranger, Joint Lead Manager, Facility Agent & Shariah Adviser</p> <p>February 2013</p>	<p>Malaysia</p>  <p>Sunway Real Estate Investment Trust</p> <p>RM320 million</p> <p>Share Placement</p> <p>Joint Placement Agent</p> <p>February 2013</p>	<p>Malaysia</p>  <p>SP Setia Berhad</p> <p>RM942.9 million</p> <p>Primary Placement</p> <p>Sole Adviser & Sole Bookrunner</p> <p>February 2013</p>	<p>Malaysia</p>  <p>Boustead Naval Shipyard Sdn Bhd</p> <p>RM2.84 billion</p> <p>Syndicated Banking Facilities</p> <p>Joint Lead Arranger</p> <p>March 2013</p>
<p>Malaysia</p>  <p>Parkson Retail Group Limited</p> <p>USD500 million</p> <p>Senior Unsecured Notes</p> <p>Co-Manager</p> <p>April 2013</p>	<p>Malaysia</p>  <p>Cliq Energy</p> <p>RM363.6 million</p> <p>IPO</p> <p>Placement Agent and Underwriter</p> <p>April 2013</p>	<p>Malaysia</p>  <p>Sapura Kencana Petroleum Berhad</p> <p>USD1.85 billion</p> <p>Club Deal</p> <p>Joint Principal Adviser, Mandated Lead Arranger & Facility Agent</p> <p>April 2013</p>	<p>Malaysia</p>  <p>Sapura Kencana Petroleum Berhad</p> <p>RM1.64 billion</p> <p>Share Placement</p> <p>Joint Principal Adviser, & Joint Placement Agent</p> <p>April 2013</p>	<p>Malaysia</p>  <p>Al-'Aqar Capital Sdn Bhd</p> <p>RM1 billion</p> <p>Islamic Medium Term Notes</p> <p>Principal Adviser, Lead Arranger, Facility Agent, Trustee / Security Trustee & Shariah Adviser</p> <p>May 2013</p>	<p>Malaysia</p>  <p>Batu Kawan Berhad</p> <p>Up to RM500 million</p> <p>Islamic Medium Term Notes</p> <p>Joint Principal Adviser, Joint Lead Arranger & Joint Lead Manager / Joint Bookrunner</p> <p>June 2013</p>
<p>Malaysia</p>  <p>AirAsia X Berhad</p> <p>RM1.14 billion</p> <p>IPO</p> <p>Joint Global Coordinator, Joint Bookrunner, Joint Managing Underwriter and Joint Underwriter</p> <p>July 2013</p>	<p>Malaysia</p>  <p>Tanjung Bin O&M Berhad</p> <p>RM470 million</p> <p>Sukuk Wakalah</p> <p>Joint Principal Adviser, Joint Lead Arranger, Joint Lead Manager, Facility Agent & Security Agent</p> <p>July 2013</p>	<p>Malaysia</p>  <p>Sarawak Hidro Sdn Bhd</p> <p>RM1 billion</p> <p>Guaranteed Islamic Medium Term Notes Programme</p> <p>Joint Lead Arranger, Joint Lead Manager, Joint Bookrunner</p> <p>August 2013</p>	<p>Malaysia</p>  <p>Sapura Acergy Sdn Bhd</p> <p>RM116 million per month</p> <p>Universal Enterprise Resource Planning Hub Service</p> <p>Sole Solution Provider</p> <p>September 2013</p>	<p>Malaysia</p>  <p>Malaysia Airports Holdings Berhad</p> <p>RM2.5 billion</p> <p>Senior Sukuk & Perpetual Subordinated Sukuk Programme</p> <p>Joint Principal Adviser, Joint Lead Arranger & Joint Lead Manager</p> <p>September 2013</p>	<p>Malaysia</p>  <p>Lebuhraya Kajang Seremban Sdn Bhd</p> <p>RM400 million</p> <p>Syndicated Term Loan</p> <p>Joint Lead Arranger Lender</p> <p>October 2013</p>

KEY DEALS COMPLETED IN 2013

<p>Malaysia</p> 	<p>Malaysia</p> 	<p>Malaysia</p> 	<p>Malaysia</p> 	<p>Malaysia</p> 	<p>Malaysia</p> <p>Impian Ekspresi Sdn Bhd</p>
Westports Holdings Berhad	LTH Property Holdings Limited	Pelaburan Hartanah Berhad	Battersea Project Holding Co Ltd & Battersea Project Phase 1 Holding Co Ltd	Sime Darby Property Selatan Group	Impian Ekspresi Sdn Bhd
RM2.24 billion	GBP225 million	RM500 million	GBP790.2 million	RM895.4 million	RM1.305 billion
IPO Principal Adviser, Joint Global Coordinator, Joint Bookrunner, Managing Underwriter & Joint Underwriter	Syndicated Islamic Term Financing Joint Mandated Lead Arranger	Increase in Fund Size of AHB Fund Manager & Distributor	Syndicated TL/RC/BG Facilities Joint Mandated Lead Arranger & Lender	Syndicated Islamic Term Financing Financial Adviser, Joint Mandated Lead Arranger, Facility & Security Agent	Syndicated Financing Facilities Coordinating Bank, Sole Principal Adviser, Sole Lead Arranger, Sole Lead Manager, Joint Mandated Lead Arranger, Lender, Facility & Security Agent
October 2013	October 2013	October 2013	October 2013	November 2013	November 2013
<p>Malaysia</p> 	<p>Malaysia</p> 	<p>Malaysia</p> 	<p>Malaysia</p> 	<p>Malaysia</p> 	
UMW Oil & Gas Corporation Berhad	Malakoff Power Berhad	Yinson Production Limited	Telekom Malaysia Berhad	Imtiaz Sukuk II Berhad	
RM2.7 billion	RM5,380 million	USD112.7 million	RM3.0 billion	RM9.0 billion	
IPO Transaction Manager, Joint Principal Adviser, Joint Global Coordinator, Joint Bookrunner, Joint Managing Underwriter & Joint Underwriter	Sukuk Murabahah Joint Principal Adviser, Joint Lead Arranger & Facility Agent	Syndicated Term Loan Joint Mandated Lead Arranger & Lender	Sukuk Wakalah Programmes Joint Principal Adviser, Joint Lead Arranger, Joint Lead Manager, Facility Agent, Trustee & Joint Shariah Adviser	Islamic Commercial Papers & Islamic Medium Term Notes Programme Joint Lead Arranger & Joint Lead Manager	
November 2013	December 2013	December 2013	December 2013	December 2013	

MAYBANK'S OVERSEAS OPERATIONS

With the roll-out of the new regional organisation structure in 2014, Maybank's international operations (excluding Singapore and Indonesia) will see a new CEO, International - Pollie Sim, who will be driving the growth in Greater China, Philippines, Indochina and other markets to accelerate the tempo of regionalisation. Our Singapore operations will be led by Datuk Lim Hong Tat while BII's growth will be steered by its President Director, Taswin Zakaria. All three CEOs will report directly to Maybank's GPCEO.



Not in Map:

United States (3)

1 Branch, 2 Branches via Maybank Kim Eng

United Kingdom (2)

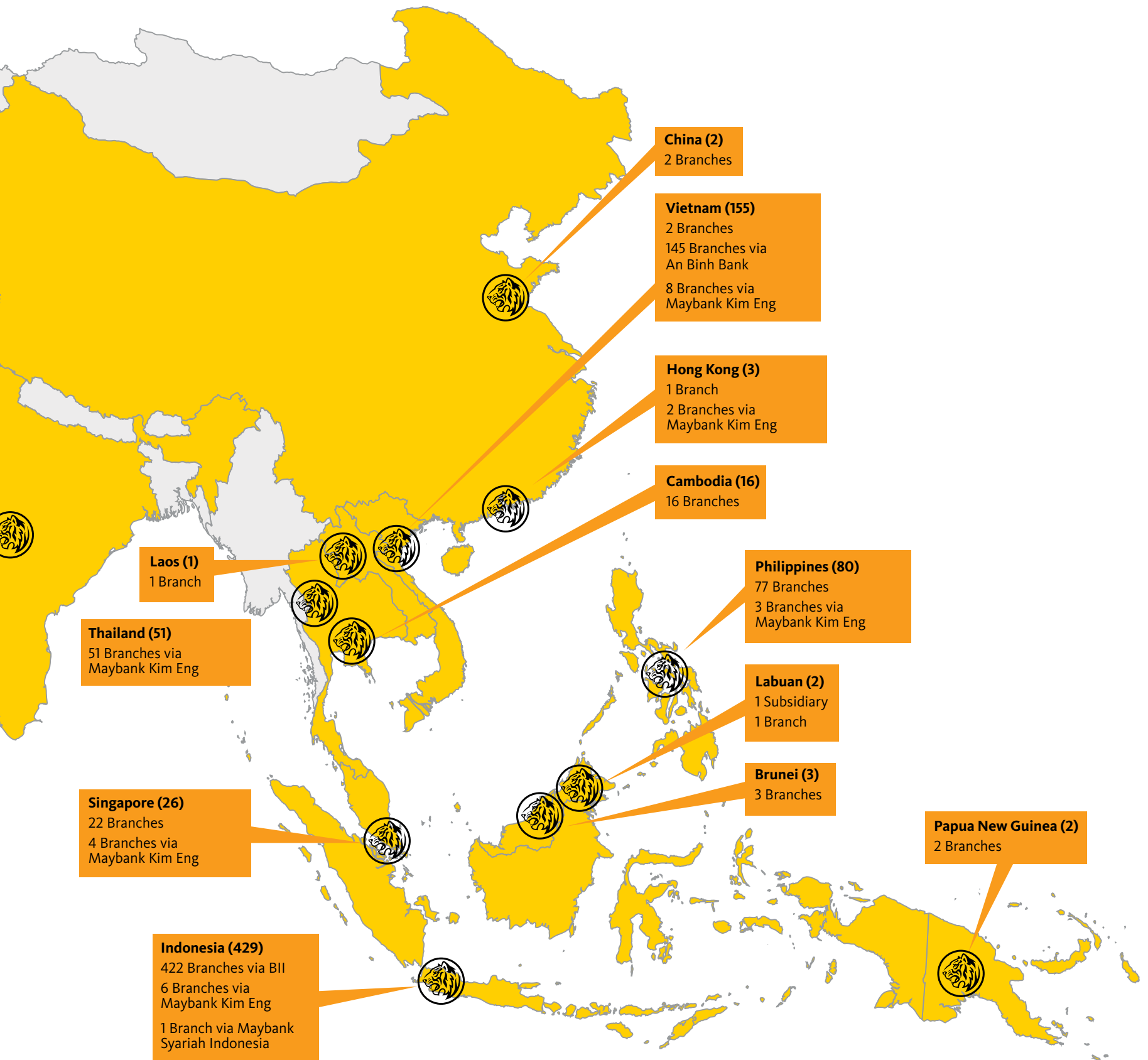
1 Branch, 1 Branch via Maybank Kim Eng

Myanmar (1)

1 Representative office

Mauritius (1)

1 Branch via BII



INTERNATIONAL



“Overall, 2013 was a significant year for International as we made steady progress in our transformation journey towards our 2015 aspiration. 2014 will be exciting as the Group embarks on the restructuring journey and the parts take shape in this year. Leveraging on the International business platform, we aim to build greater synergy and accelerate profitability of the Maybank franchise across the international landscape.”

POLLIE SIM
Chief Executive Officer (CEO), International

Since the start of our transformation journey to become a regional financial services leader five years ago, we have emerged as a formidable regional player with presence in all 10 ASEAN countries and other key financial markets including China, Hong Kong, Middle East, London, New York and Labuan, to offer clients our unique business proposition and investment opportunities.

Today, we are ready to accelerate to the next level of regional business performance and operational excellence that will take us to and beyond 2015.

The recent restructuring of Maybank International as a strategic business pillar will provide greater focus, geared towards aligning Maybank's various overseas markets to be unified as a common international platform for business collaboration, product synergy and customer centric service delivery. It will serve to place Maybank in a highly competitive position to deepen our regional leadership.

Under the new structure, the overseas markets covered by Maybank International are Greater China, Philippines, Indochina and Other Countries such as the US, UK, Labuan, Brunei, Bahrain and Papua New Guinea.

Looking ahead, we will continue expanding our international footprint, providing greater access and convenience to our clients.

2014 OUTLOOK

We are positive about the ASEAN outlook in particular Singapore, Malaysia, Indonesia and Philippines, as well as the growth in Greater China and Indochina, that will be supported by external demand.

OUR PRIORITIES IN 2014

- Maximise potential across the region by leveraging on our extensive market reach and wide product breadth to customise financial solutions in meeting clients' needs.
- Leverage strengths from across the entire bank to offer smart and holistic solutions to clients.

KEY ACHIEVEMENTS IN 2013

Improved financial performance

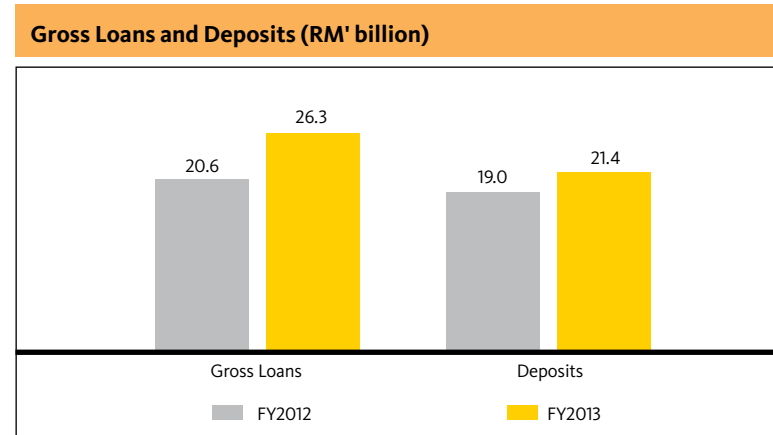
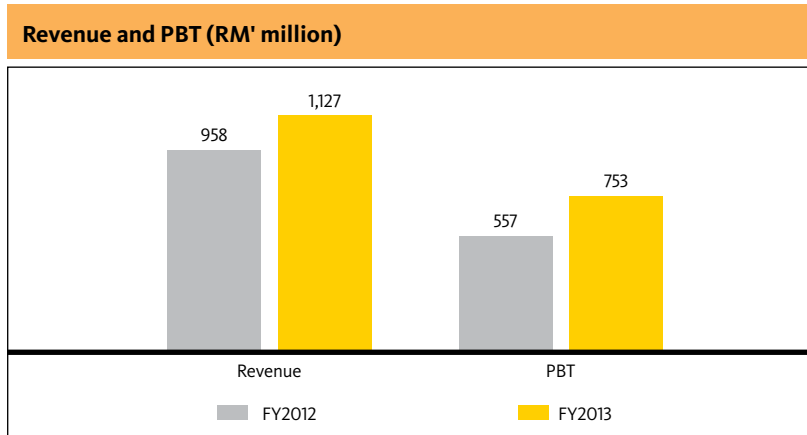
Our PBT grew 35.2% y-o-y, boosted by a surge in non-interest income which rose 23.0% y-o-y and higher net interest income by 15.4% y-o-y on the back of healthy growth in loans and advances. Gross loans and deposits rose by 27.4% and 12.4% respectively, with Greater China leading the growth in corporate term loans and deposits.

Expansion of distribution network

Our aggressive expansion continued in 2013. Maybank Philippines Incorporated (MPI) added 22 branches to achieve 77 branches, while Maybank Cambodia Plc (MCP) opened four branches, increasing its distribution network to 16 branches.

Extended the coverage of various regional platforms

Across the region, we have expanded the Regional Cash Management System (RCMS) to include Indonesia, Philippines, Hong Kong and China, to cater to regional clients. The coverage of our Regional Trade Finance platform (TradeConnex) was also extended to Philippines, Beijing, Hong Kong, Laos, Cambodia, Brunei and Papua New Guinea. We have also rolled out our global ATM network (Global ATM) to our branches in Ho Chi Minh, Laos and London during the year.



GREATER CHINA

OVERVIEW

Maybank Greater China, consisting three branches in Hong Kong, Shanghai and Beijing, provides mainly wholesale banking services to the commercial and corporate segments, with focus in cross-border services within the ASEAN-China context.

2014 OUTLOOK

China's GDP growth is projected at 8.1% (2013: 7.8%), reflecting a moderate improvement in external demand. Economic growth will be driven by the government's growth-support policies and improved exports.

OUR PRIORITIES IN 2014

- Enhance product strength and Renminbi (RMB) capabilities.
- Strengthen our regional link to capture ASEAN-China cross-border flow.

2013 PERFORMANCE HIGHLIGHTS

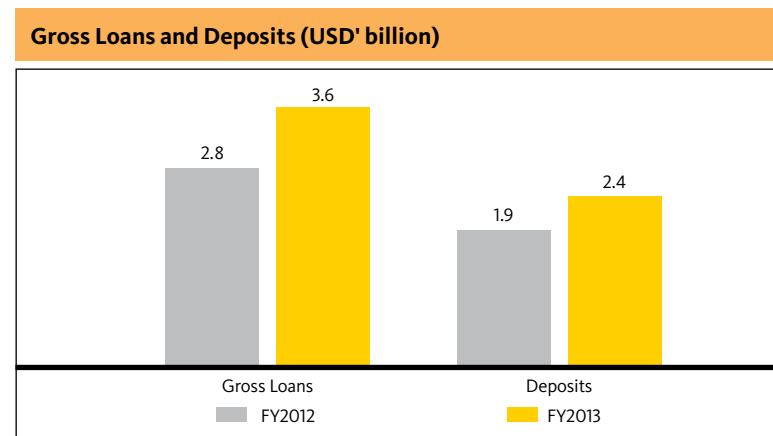
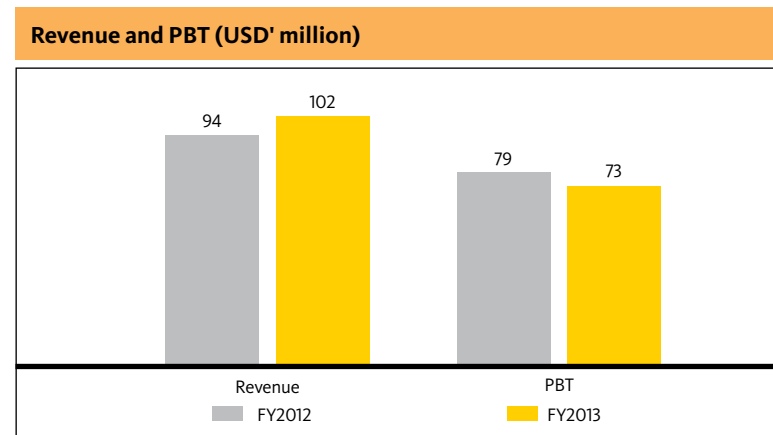
- Maybank Greater China's net interest income rose by 18.2% y-o-y to USD65.3 million attributed mainly to corporate lending activities in Hong Kong.
- Loans book grew 30.9% y-o-y to USD3.6 billion, on the back of an increase in corporate term loans. Customer deposits recorded an increase of 25.9% y-o-y to USD2.4 billion, led by strong growth from Maybank Shanghai.

2013 ACHIEVEMENTS

Closer collaboration between the Group and the Greater China client coverage team saw the expansion of our client base in China and cross-border clients. It also strengthened our ability in capturing regional cross-border deals. More than 65% of loans and trade financing transactions are cross-border transactions between ASEAN and China.

Our treasury capabilities and product range have been enhanced with the acquisition of a derivative licence by our Shanghai branch during the year.

In addition, we launched the RCMS to meet our regional clients' needs.



INTERNATIONAL

MAYBANK PHILIPPINES

OVERVIEW

Maybank Philippines Incorporated (MPI) is a full-service commercial bank providing retail and wholesale banking products and services, investment and asset management services, treasury solutions as well as trust and custodian services.

Today, MPI has established an extensive network of 77 branches strategically located in key cities nationwide.

2014 OUTLOOK

The Philippine economy is expected to remain strong with GDP growth ranging between 6.5% - 7.5% (2013: 7.2%). Aside from ongoing reconstruction and rebuilding of the typhoon-affected areas, economic activities will be driven by a vibrant agriculture and industrial sector, especially with the construction of major infrastructure projects.

OUR PRIORITIES IN 2014

- Grow our presence and market share, particularly in retail banking.
- Achieve operational excellence through process and technology improvements.
- Continue to enhance product capabilities.

2013 PERFORMANCE HIGHLIGHTS

- Net interest income rose by 25.9% y-o-y due to an increase in net interest margin and trade business volume.
- Non-interest income grew by 42.6% y-o-y, supported by higher trading gain, forex profit and fees earned from syndicated and bilateral loans.
- PBT fell by 22.6% y-o-y from RM831 million to RM678 million, mainly contributed by higher expenses and provision for diminution in value on securities.
- Loans growth remained strong, with an increase of 18.1% y-o-y, backed by retail banking. Deposits grew significantly by 49.9% y-o-y, led by growth in current accounts.

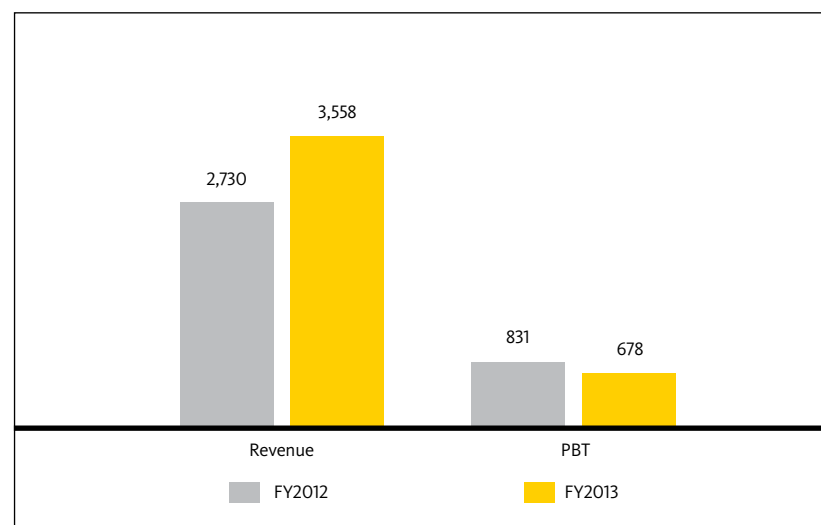
2013 ACHIEVEMENTS

We saw aggressive expansion of our branch network, with the opening of 22 branches during the year. Our retail banking segment had a strong growth, in particular the credit card and mortgage business divisions.

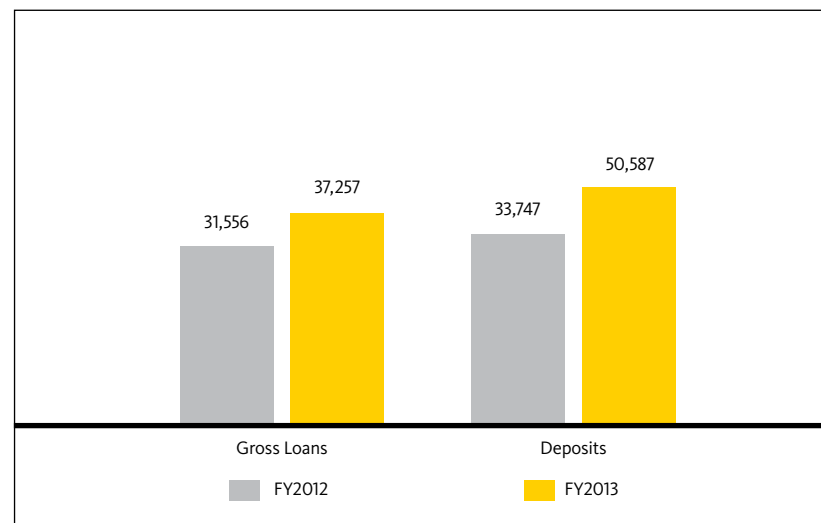
In wholesale banking, we clinched landmark corporate financing and transaction banking deals supported by the launch of regional platforms – RCMS for cash management and TradeConnex for trade finance.

We also secured accreditation to be a settlement bank for stockbroking clients and saw benefits from the synergy with Maybank ATR Kim Eng in this area. Our list of awards is on page 62.

Revenue and PBT (Peso' million)



Gross Loans and Deposit (Peso' million)



MAYBANK INDOCHINA

OVERVIEW

Within the Indochina region, we are present in Cambodia, Vietnam and Laos. In Cambodia, our locally-incorporated entity - Maybank Cambodia Plc (MCP) - provides both retail and commercial services across 16 branches nationwide. We have two full-fledged branches in Vietnam located in Ho Chi Minh and Hanoi, and a full-fledged branch in Vientiane, Laos. We also have a representative office in Myanmar.

2014 OUTLOOK

Cambodia is expected to see continued robust growth, driven by improved trade and as a result of the government's economic diversification efforts. Meanwhile, Vietnam's GDP growth is anticipated at 5.6% (2013: 5.4%), supported by an increase in trade activity and improving global conditions. Laos' economy is expected to maintain its resilience, supported by strong domestic demand and investment.

OUR PRIORITIES IN 2014

- Leverage on Maybank's regional presence to link Indochina to the rest of ASEAN whilst growing the consumer banking portfolio in Indochina.
- Strengthen Global Banking and Consumer Banking product capabilities.

2013 PERFORMANCE HIGHLIGHTS

- Maybank Indochina's PBT grew by 143.5% y-o-y to USD18.3 million, driven mainly by MCP's net interest income growth of 29.8% and non-interest income growth of 8.8%.
- Gross loans grew by 7.1%, spurred by 13.8% growth from MCP and more than 100% growth in Maybank Laos. Customer deposits rose by 9.5% from USD348 million to USD381 million, accounted by 47.4% growth from Maybank Laos and 19.4% growth in Maybank Vietnam.

2013 ACHIEVEMENTS

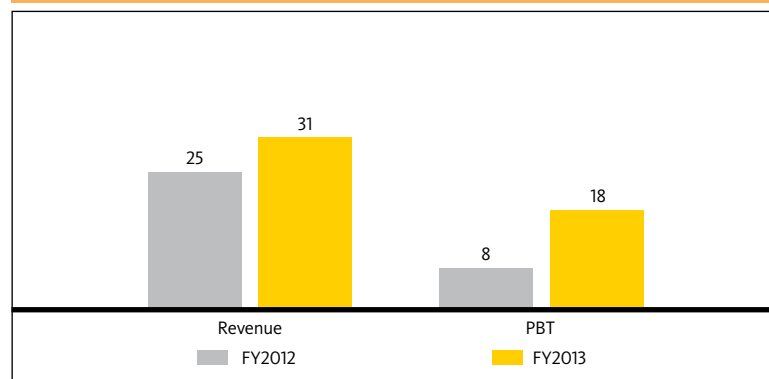
MCP celebrated its "20th Year of Service in Cambodia" with the hosting of a customer appreciation dinner in November 2013. Our long term commitment to serve Cambodia is reflected through the opening of four new branches and six offsite ATMs in 2013. We launched TradeConnex, a web-based trade finance platform, enabling clients to access our trade finance services and knowledge database. We have also successfully performed a Disaster Recovery Live exercise, modelled after the local disaster scenario.

Maybank Cambodia's award achievement is on page 62.

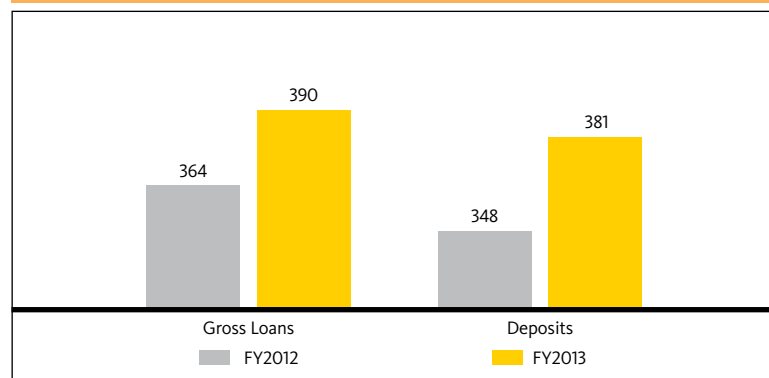
Maybank Vietnam rolled out Global ATM to its Ho Chi Minh branch in February 2013. We also tied up with An Binh Bank (ABBank) as a partner bank for cash management services, enabling us to leverage on ABBank's branch network as cash collection points.

Maybank Laos saw the implementation of TradeConnex during the year. In addition, we linked Laos to Global ATM in 2013.

Revenue and PBT (USD' million)



Gross Loans and Deposits (USD' million)



INTERNATIONAL

OTHER COUNTRIES

OVERVIEW

Maybank Group's presence in other markets include three branches in Brunei, two branches in Papua New Guinea (PNG) and one branch each in New York, London and Bahrain. We also have an Islamic banking arm in Jakarta. In 2013, we have set-up an offshore branch in Labuan - Maybank International Labuan Branch (MILB) - in addition to our existing subsidiary, Maybank International Labuan Ltd.

OUR PRIORITIES IN 2014

- Strengthen our platforms and product capabilities to be gateway banks in these overseas markets for our ASEAN clients.
- Maybank New York and Maybank London to focus on strengthening deposit collection.
- Maybank Brunei to grow trade and consumer portfolio.
- MILB to focus on driving revenue, in particular fee-based income, and to enhance product capabilities.

2013 PERFORMANCE HIGHLIGHTS

- Other Countries showed an increase in PBT by 80.7% y-o-y, with net interest income up by 4.7% contributed largely by interest on loans and advances and trust receipts. On the other hand, non-interest income soared by 39.7% driven mainly by forex income.
- Loans book recorded healthy growth of 19.0% y-o-y boosted mainly by corporate lending. Customer deposits on the other hand, declined by 11.2% y-o-y.

2013 ACHIEVEMENTS

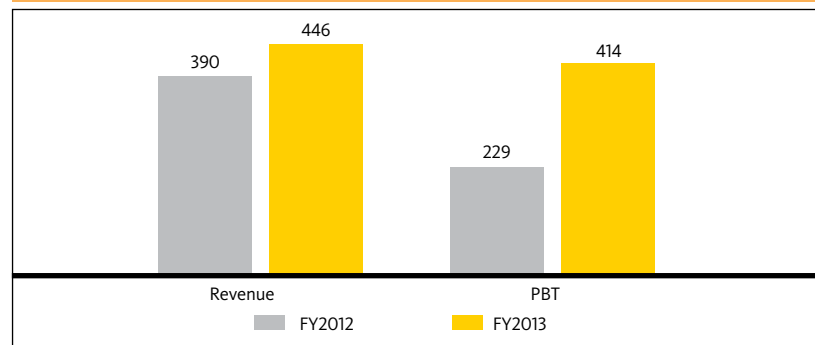
This year saw Maybank London launch its first ATM which links up to our global network, serving clients' transaction needs in the UK.

We have also relocated Maybank New York to a bigger office in November 2013, reflecting our long-term commitment and growing business potential in the US operations.

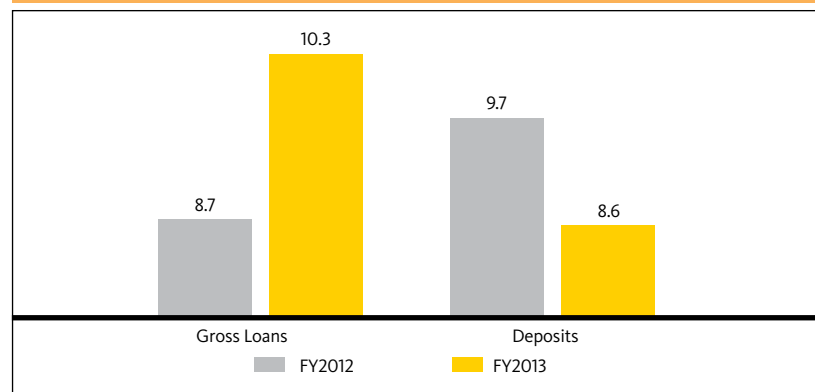
Maybank Brunei and Maybank PNG launched TradeConnex, a web-based trade platform offering ease of accessibility, mobility and convenience to our trade finance customers. We have also extended the coverage of our Regional Internet Banking platform to Maybank PNG in April 2013.

In June 2013, we established MILB to make Labuan a strong platform for driving business growth ahead.

Revenue and PBT (RM' million)



Gross Loans and Deposits (RM' billion)



ASSOCIATES

2013 PERFORMANCE HIGHLIGHTS

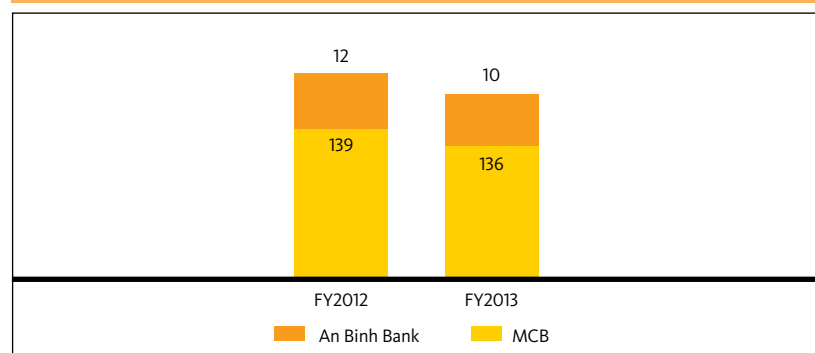
MCB Bank

- Despite Pakistan's challenging economic outlook and a dip in net interest margin, gross loans grew by 0.83% contributed by an increase in short term loans. Deposits grew by 14.2%, mostly contributed by CASA accounts.

An Binh Bank (ABB)

- The performance for ABB remains challenging as the State Bank of Vietnam (SBV) has reduced the discount rates in FY2013 to lower the cost of borrowing to stimulate the economy.
- Meanwhile, loans and deposits showed significant increase of 71.3% and 29.0%, respectively. Loans growth was driven by the low interest rates set by SBV and the growth in deposits was mainly attributed by the customer deposits mobilised from the retail segment.

Share of Associates' PBT (RM' million)



SINGAPORE



“We will harness the capabilities of all three entities including Maybank Singapore, Maybank Kim Eng and Etiqa, to maximise business potential for this market. Our country vision is to become a leading financial services provider in Singapore committed to meeting and exceeding customer expectations in targeted markets. For that, I am truly grateful to my predecessor, Ms Pollie Sim, for laying a solid foundation for us to build on.”

DATUK LIM HONG TAT
Chief Executive Officer (CEO), Maybank Singapore

In our regional agenda, one of the key priorities is for overseas operations to contribute 40% to Group profits.

On a broad perspective, we will leverage the collective strengths of Maybank Singapore, Maybank Kim Eng and Etiqa to help accelerate our goal achievement and realise the country's full potential.

Our operations in Singapore will derive major benefits from the fine-tuning of the Group's organisational structure to drive strategic directions.

The new structure for Singapore took effect on 1 January 2014, with the appointment of Group Head, CFS, Datuk Lim Hong Tat as the new CEO, Maybank Singapore.

2014 OUTLOOK

Singapore's economy is forecasted to expand by 2–4% in 2014. External-oriented industries such as manufacturing and transportation & storage are expected to benefit from an improvement in global demand. However, domestic-oriented sectors could see relatively slower growth as tight labour market conditions continue to persist. In particular, the construction industry could face headwinds from a drop in private demand for residential projects.

OUR PRIORITIES IN 2014

- Synergise the combined capabilities of Maybank Singapore, Maybank Kim Eng and Etiqa to provide a holistic suite of financial solutions to our customers in a seamless manner.
- Optimise the regional business opportunities and derive synergic benefits within the Group.
- Deepen our engagement across key customer segments and ramp-up cross-selling.
- Leverage on virtual channels and strategic alliances to widen our customer touch points.
- Build up stable deposit source with differentiated offerings of transactional and wealth management services.
- Expand Islamic offerings to provide alternate financing solutions for our customers.

OVERVIEW

As a Qualifying Full Bank (QFB), Maybank Singapore has established a significant presence in the retail and wholesale banking markets, with a net asset size of about S\$42 billion and over 1,600 staff.

Our network includes 27 service locations in Singapore, and we are also part of atm5 - Singapore's only shared ATM network among the six participating QFBs, with a combined reach of more than 130 touch points and 170 ATMs.

Our underlying strategic thrusts are to strengthen our domestic franchise and position ourselves strategically to leverage on Singapore's position as a financial centre to spearhead the Group's regional aspirations with several priorities in place.

2013 FINANCIAL PERFORMANCE

Full year PBT for the financial year ended 31 Dec 2013 was S\$414 million. This was 3.7% lower than a year ago due to the impact of new accounting treatment for effective interest, which offset the higher income growth.

Before the impact of accounting adjustment, net fund based income rose 12.6% and PBT was 10.8% higher y-o-y. This was underpinned by 13.6% loan growth with our loans portfolio hitting a record S\$31 billion at year end.

Fee based income of S\$285 million was 6.6% higher on the back of stronger contribution from treasury related activities, wealth management and credit card business.

Asset quality remained healthy as the gross impaired ratio was 0.30%, improving from 0.45% the year before.

INTERNATIONAL

INDONESIA



“We closed our 2013 financial year with satisfactory results amidst a challenging environment with PATAMI of Rp1.55 trillion and total assets exceeding Rp140 trillion, growing 22% from the previous year. Our continued transformation journey has indeed started to bear positive results that augur well for long-term growth. As we reinforce what we have started and sharpen our strategic direction, our transformation journey will focus on optimising economic opportunities end-to-end. In doing so, we will continue to prioritise high quality services, product innovation, process simplification and regional connectivity with the Group.”

TASWIN ZAKARIA
President Director Designate, BII

2014 OUTLOOK

Indonesia’s economy is expected to grow moderately at 5.6% y-o-y, as the tightening of monetary policies in 2013 would hamper the property sector. However, inflationary pressures are expected to be normalised between 5% and 6% as the impact from a fuel price hike in 2013 will diminish by July 2014. Moreover, Indonesia’s current account deficit (CAD) is also expected to improve between 2.8% and 3% of GDP as the Government and Central Bank have implemented several measures to suppress higher CAD.

Indonesia’s trade balance deficit and CAD have deteriorated as exports fell and imports increased. In the midst of a sluggish global economy, Indonesia’s exports have been falling significantly while imports have been increasing in line with robust economic growth. Moreover, the combined uncertainty surrounding the US’ tapering of Quantitative Easing and the widening CAD resulted in the weakening of the Indonesian rupiah against the US dollar.

Indonesia’s economy is expected to grow by 5.7% in 2013 from 6.23% in 2012, driven by slowing private consumption and moderation in investment. Inflation surged to 8.38% in 2013 from 4.30% in the previous year, compelled by a fuel price adjustment in June 2013.

OUR PRIORITIES IN 2014

- Domestic Regional Transformation –regional growth orientation to be aligned to regional economic potential, sharpen our regional coverage and productivity through better understanding of local business and associated risks, and regional and branches working to empower community development.
- Retail Banking and Business Banking will focus on serving communities while Global Banking will serve top tier 1 corporations and state owned enterprises.
- Reorientation of customer segmentation.
- Strengthen IT infrastructure.
- People development.
- Strategic cost management.

2013 PERFORMANCE HIGHLIGHTS

- Profit Before Tax (PBT) increased 29% to Rp2.2 trillion.
- Profit After Tax and Minority Interest (PATAMI) was up by 28% to a record of Rp1.55 trillion.
- Assets increased by 22% to Rp140.7 trillion.
- Net loans portfolio grew by 26% to Rp102.0 trillion.
- Customer deposits increased 25% to Rp107.2 trillion, contributed by a significant increase in savings deposits of 31%.

PT BANK INTERNASIONAL INDONESIA TBK

BII operates in all provinces in Indonesia, supported by 422 branches including Syariah branches and two overseas branches in Mauritius and Mumbai, India.

Operating 1,524 ATMs including Cash Deposit Machines (CDMs) nationwide, we are one of few banks that connects to all Indonesian banking networks, namely ATM PRIMA, ATM BERSAMA, ALTO and CIRRUS as well as Malaysia's MEPS network and Maybank's ATMs in Malaysia and Singapore.

We offer a full range of financial services for both individual and corporate clients through retail, business, and global banking, while our subsidiaries PT Wahana Ottomitra Multiartha Tbk (WOM Finance) and PT BII Finance (BII Finance) provide motorcycle and car financing respectively.

We aim to be the leading relationship bank in Indonesia by truly being in the community, serving through customised products and solutions and delivering high quality of services.

2013 FINANCIAL PERFORMANCE

Our PATAMI for 2013 increased by 28% to Rp1.55 trillion, which was achieved on the back of solid growth across the Bank's core businesses, strong deposit growth, significant profitability improvement of the Bank's subsidiaries, and ongoing overall operational improvements. The Bank's focus on cost management and improvement in productivity has also greatly contributed to our full year performance.

Despite the challenging market condition, our net loans grew by 26% to Rp102.0 trillion from Rp80.9 trillion in 2012. Customer deposits saw strong increase of 25% to Rp107.2 trillion compared to Rp85.9 trillion in the previous year, with savings deposits seeing the strongest growth at 31% and current accounts growing 20% while time deposits increased 24%.

The consolidated loan to deposit ratio (LDR) is stable at 93.24%. LDR at the Bank (excluding subsidiaries) remained at a healthy level of 87.04%, while the Bank's modified consolidated LDR which includes senior bonds, long-term borrowings and customer deposits stood at 82.06% as of 31 December 2013.

The Bank's net interest income improved by 9% from Rp5.3 trillion in December 2012 to Rp5.8 trillion in December 2013 arising from significant loan growth. This was achieved despite a marginal decline in net interest margin from 5.73% to 5.20% due to challenging market conditions coupled with strong competition in the industry.

The Bank's non-performing loans (NPL) level has been impacted by the rising of interest rate throughout 2013 as well as a decline in export activities owing to the current global and domestic economic conditions. As of 31 December 2013, the Bank's gross NPL stood at 2.11% and net NPL at 1.55%. The Bank is nevertheless stepping up the monitoring of customer accounts as well as credit quality to ensure that asset quality is well managed and maintained at a favourable level.

ACHIEVEMENTS

In 2013, we have started to enter the micro segment to support micro financing in Indonesia. In line with the focus on the micro financing sector, we also launched a CSR programme to empower women by providing Micro Financing in Makassar. Together with Maybank Group, we will provide a revolving fund in the amount of Rp1 billion for members of Asosiasi Pendamping Perempuan Usaha Kecil (Association for Women with Micro Business) through 29 Lembaga Keuangan Perempuan (Cooperative for Women with Micro Businesses) spread across five regions in Indonesia, namely Sumatra, Java, Kalimantan, Sulawesi and Nusa Tenggara.

We achieved sustainable growth in Business Banking, with loans growing 30% to Rp35.3 trillion and SME loans expanding by 35% to Rp13.8 trillion. Meanwhile, deposit growth was strong at 22% to Rp30.7 trillion. Our expansion to micro businesses through local community empowerment programmes has generated significant micro loans growth of 328% to Rp146 billion.

Retail Banking has seen a turnaround in its performance, marked by an increase. The performance of the Bank's subsidiaries -PT Wahana Ottomitra Multiartha Tbk (WOM) and BII Finance - under the Retail Banking management, have also significantly improved and contributed to the Bank's overall performance.

Global Banking loans grew by 21% to Rp31.0 trillion from Rp25.5 trillion. Transaction Banking also grew substantially as Cool Banking Customer increased by 113%, Trade Volume by 24%, Payroll Customer by 38% and Assets under Management by 47%.

BII Sharia Banking has shown encouraging results since the implementation of its revamped business model and will continue to be a products provider across businesses.

In line with BII's commitment to better serve the customer's needs for banking services, we have built an electronic banking platform to increase service payment and transactional banking for retail, business and global banking as it provides access to BII's complete product range.

In July 2013, we successfully executed a rights issue of Rp1.5 trillion, to strengthen our capital structure to support our future business growth.

In October 2013, we also re-opened the Mumbai branch to extend our service to customers regionally. Our presence in Mumbai is to build synergy and is in line with the Group's vision to be a regional financial services leader.

As part of our transformation process which includes investing in network and IT infrastructure, we have been recognised by the IT Banking Excellence Award 2013 from Warta Ekonomi magazine as the winner for the commercial bank category with total Tier 1 Capital of Rp 5 – 30 trillion. This award acknowledges that we have successfully implemented information technology for our banking operations. Furthermore, we received the Best Financial Sector for Good Corporate Governance Award in the 5th IICD Conference and Award 2013 from Indonesian Institute for Corporate Directorship (IICD), which reflects our transparency in implementing Good Corporate Governance principles.

Our full list of awards and recognition can be found on page 63.

INSURANCE & TAKAFUL



“We’ve achieved another record profit in 2013 and this was made possible through the hard work and dedication of our employees, strong collaboration within the Maybank Group and entrepreneurial spirit of our distributors. To ensure sustainable profit growth, we have put more focus on our regular premium and fire insurance/ takaful businesses. In line with our humanising tagline, we continue to be proactive in claims settlement by reaching out to customers who are affected by unfortunate events like flood.”

KAMALUDIN AHMAD

Group Head, Insurance & Takaful
Chief Executive Officer (CEO), Maybank Ageas Holdings Bhd (MAHB)

2014 OUTLOOK

The insurance and takaful industry growth for 2014 will remain stable owing to domestic demand, improved risk management and the introduction of new or enhanced innovative products. Insurance and takaful players are expected to utilise multiple distribution options and develop alternative channels whilst strengthening their agency force to establish a solid foothold in the industry.

Despite the positive outlook, the industry will face diverse changes due to the enactment of new regulations and the risk-based capital (RBC) regime for takaful. The implementation of the Financial Services Act 2013 (FSA) and Islamic Financial Services Act (IFSA) 2013 will see composite insurers and takaful operators relinquishing their composite licences, hence splitting the life/family and general businesses into different entities as they are given five years to comply with the requirements. The introduction of the RBC regime for the takaful sector and the requirement for composite insurers/ takaful operators to segregate their operations into separate licences for Life/Family business and General business could lead to another round of market consolidation. Composite insurers and takaful operators are likely to dispose parts of their insurance/takaful operations if the cost of additional capital becomes a burden as a result of these regulatory measures outweighing the return that can be generated.

Also, the ‘Life Insurance and Takaful Framework’ is expected to support long-term growth and development of the life insurance and family takaful industry as well as protect consumers’ interest.

OUR PRIORITIES IN 2014

- Increase focus on profitable classes –shifting from Single Premium to Regular Premium.
- Increase recruitment of life agents and increase productivity of family takaful agents.
- To launch new products focusing on investment-linked, retirement and endowment products.
- To embark on high potential opportunities within the on-line business by focusing on customer portal, mobile web and applications.

2013 PERFORMANCE HIGHLIGHTS

- For the financial year ended 31 December 2013 (FY2013), Etiqa’s gross written premium (GWP) slipped 11% to RM4.8 billion from RM5.4 billion in 2012.
- However, Etiqa registered a growth of 7% in Profit Before Tax (PBT), rising to RM733.3 million.
- Total assets grew 3% to RM28.3 billion from RM27.5 billion in 2012.
- Our Takaful business continued to dominate the industry, commanding market shares of 47.3% in General Takaful and 31.6% in Family Takaful new business.
- We have the largest agency force with more than 18,000 agents (both Life/Family and General).
- Our Bancassurance is currently No.1 with a market share of 27% for Regular Premium New Business.
- We are the only insurance company and takaful operator in Malaysia being assigned Insurer Financial Strength rating of ‘A’ for both Etiqa Insurance Berhad (EIB) and Etiqa Takaful Berhad (ETB) by Fitch Ratings.
- EIB’s subordinated bonds of RM500 million received long term rating of AA1 from RAM Ratings Berhad.

OVERVIEW

As one of the pillars of 'The House of Maybank', the Insurance and Takaful arm under the brand name of Etiqa, aspires to be the undisputed leader in Malaysia and an emerging regional insurance and takaful player. Etiqa is determined to grow and become a solid pillar for the Group through sizable revenue and higher profit contributions.

Etiqa offers a unique and personalised brand of services across all types and classes of life and general insurance, as well as family and general takaful plans through a multi-channel distribution network including Bancassurance, Brokers and Direct Distribution. Our wide range of life and family products include endowment, term, personal accident, education, investment-linked and medical insurance while the general conventional insurance and takaful range includes fire, motor, aviation, marine and engineering policies.

With customers' accessibility in mind, Etiqa features a strong agency force comprising over 18,000 agents and 31 branches throughout Malaysia, plus a wide Bancassurance and Bancatakaful distribution network with over 400 Maybank branches and other third party banks. To cater for the netizens, MotorTakaful and Maybank2u offer direct sales through the internet. Moreover, Etiqa's availability through cooperatives, brokers and institutions brings us closer to our customers and increases our reach in the Malaysian market.

We work hand-in-hand with our partners and customers to humanise insurance and takaful, which is in tandem with the Group's aspiration of humanising financial services across Asia. Etiqa's passion is backed by the Group's strength, expertise and rock solid foundation and driven by the professionalism, empathy, courage and integrity of Etiqa's staff.

In 2013, Etiqa made history when both EIB and ETB were assigned an Insurer Financial Strength rating of 'A' by Fitch Ratings.

EIB, the conventional insurance arm of Etiqa, is the only insurance company in Malaysia to be rated 'A' by Fitch Ratings since 2011. The rating reflects EIB's strong business profile in the domestic life and general insurance market, our extensive distribution capacity, consistent operating performance, sound quality and prudent investment approach. The rating also acknowledges EIB's solid capital position on a risk-adjusted basis and sound reserving practices.

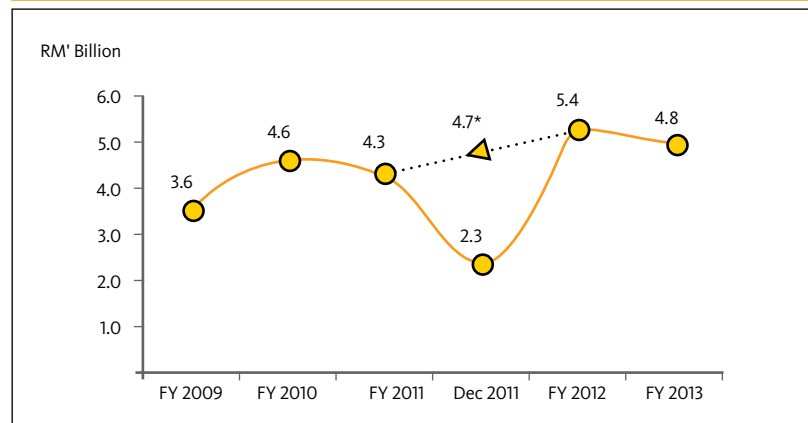
Meanwhile, ETB's rating of 'A', the highest rated takaful operator in Malaysia, reflects ETB's leading position in Malaysia's takaful market, our extensive distribution coverage, an operating history of 20 years, our sound liquidity and favourable operating margins. The rating also recognises ETB's position as a core operating subsidiary within the Group.

EIB also received a long-term rating of AA1 from RAM Ratings Berhad on EIB's subordinated bonds of up to RM500 million. Concurrently, EIB's respective long and short-term claims-paying ability ratings have been reaffirmed at AAA and P1. Both long-term ratings had a stable outlook.

FINANCIAL PERFORMANCE

Combined gross premium and contribution slipped 11% year-on-year (y-o-y) to RM4.8 billion, due to the challenging environment for Life Insurance/Family Takaful businesses.

Gross Premium/Contribution

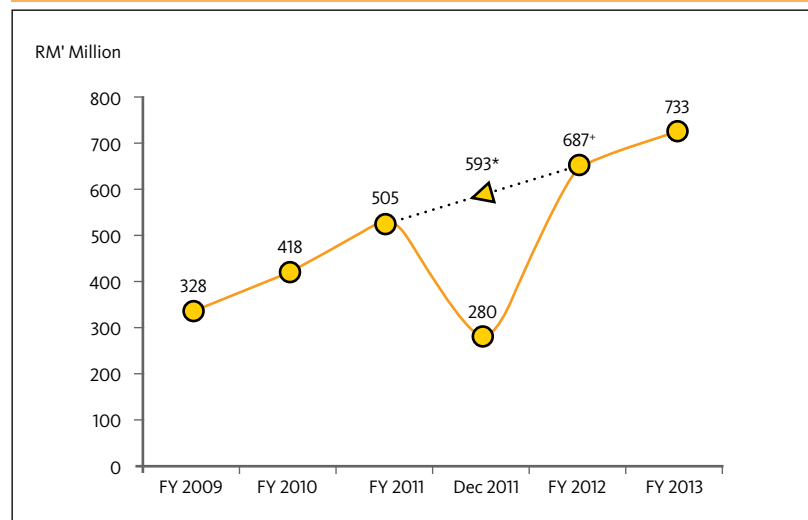


Note for *: Dec 2011 restated 12-month figure.

(Dec 2011 figure of RM2.3 billion is based on 6 months performance due to change in Financial Year from June to December).

However, Etiqa registered 7% growth y-o-y in Profit Before Tax (PBT) for FY2013, rising to RM733.3 million as a result of improved general business underwriting performance and favourable returns from equity investments. Total assets rose 3% to RM28.3 billion from RM27.5 billion in the previous year.

Profit Before Tax



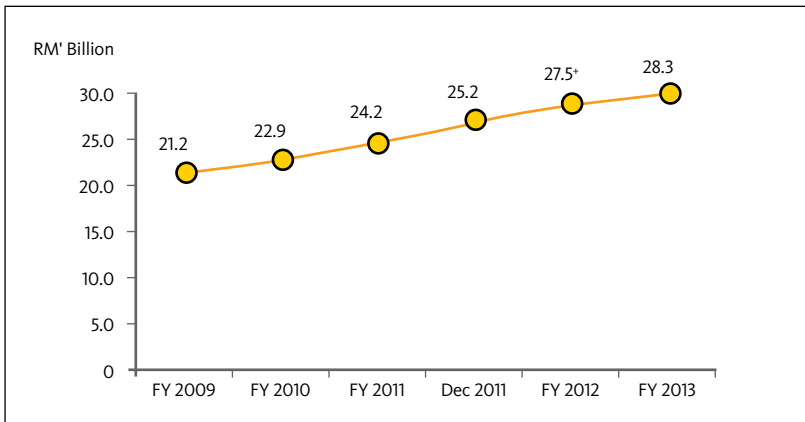
Note for *: Dec 2011 restated 12-month figure.

(Dec 2011 figure of RM280 million is based on 6 months performance due to change in Financial Year from June to December).

∴ restated figure due to prior year audit adjustment.

INSURANCE & TAKAFUL

Total Assets

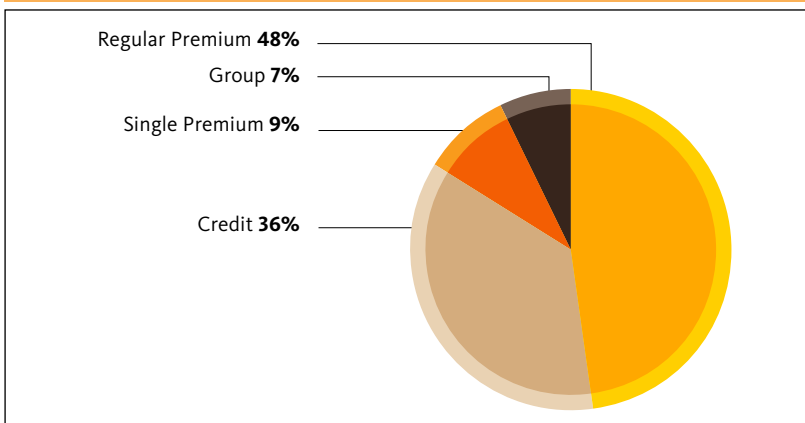


Note for *: restated figure due to prior year audit adjustment

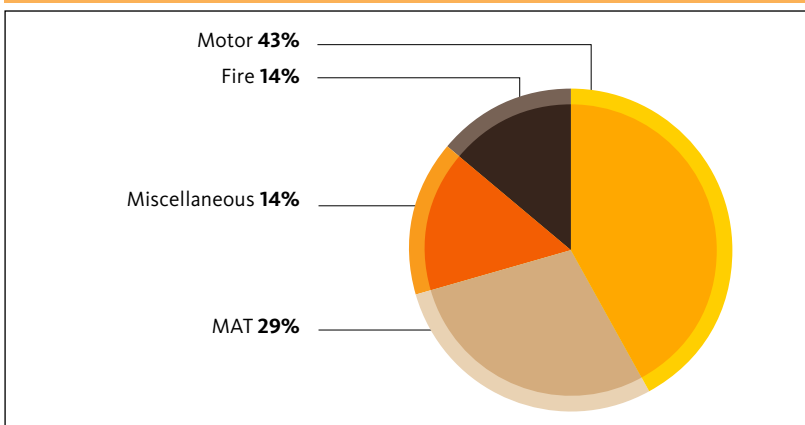
During the same period, Life/Family business declined 20% y-o-y owing to consumers' lower appetite for Single Premium products and stiffer competition in credit-related businesses from third party banks. For General Insurance/Takaful, the surge in all classes of businesses, except Marine Aviation and Transit (MAT), led to General business growth of 2% from the previous year.

The contribution of business from the various segments is depicted below:

Life/Family Business



General Business



Overall, takaful gross contribution shrank 10% y-o-y to RM2.3 billion, contributing 49% of Etiqa's total gross premium/contribution.

Notwithstanding the drop, the takaful business has continued to dominate the industry, commanding a market share of 47.3% in General Takaful and 31.6% market share in Family Takaful new business. (ISM Statistics 12 months ended 30 September 2013)

PRODUCT INNOVATION

In 2013, we delivered on our promise to be the product supplier of choice for our distribution partners in areas like retirement savings, education planning and wealth protection. We also launched a range of products to boost our business growth. The following are Etiqa's major new products launched in 2013:

Mabrur

Mabrur is a takaful saving and comprehensive protection plan that complements customers' preparation for Hajj and Umrah. Etiqa provides a One Stop Centre for customers to plan their Hajj and Umrah better. Etiqa also facilitates the process of opening a customer's account and registration for Hajj with Lembaga Tabung Haji when the first Cash Payment is payable. With this plan, opening an account is free of charge.

Takaful Alif Plus

This product is a regular contribution takaful basic plan that is specially designed as a savings tool for a child's future education that offers maturity benefits at the end of the plan's tenure. Participant may also opt for self-coverage to ensure that the participant's child and family's future are financially guarded in the event an unfortunate scenario involving the participant.

Smart Retirement Xtra

Smart Retirement Xtra is a retirement plan that pays customers for a fixed duration of 10 years after retirement. At the same time, policyholders enjoy the new tax relief of up to RM3,000 until assessment year of 2021.

Elite Investment Link

Elitelink is a Regular Premium Investment-linked plan which not only offers protection for death and total and permanent disability; it also offers an element of investment. Customers can also add on the optional riders for a more comprehensive protection.

Ultra Medic Rider

A hospital and surgical insurance premier medical plan that provides comprehensive medical coverage of up to RM1.5 million during a person's lifetime and a choice of five different plans to suit a person's budget and requirement.

WIDENING OUR FOOTPRINT

The Agency Transformation Plan that ran for two years has been successful in driving the recruitment and setting up of the infrastructure to build a competitive yet sustainable Agency Life and Family Channel. Numerous key achievements include introduction of new compensation plans meant to drive high performance culture as well as four new incubator offices to cultivate future Agency Leaders. Programmes to enhance agents' knowledge and increase their productivity are in-place to provide total wealth solutions to the customers.

The Bancassurance channel has seen growth in the key business classes such as Regular Premium New Business and Fire class given the strength and volume of Maybank customers. The Regular Premium New Business has seen a growth of 7%, and Fire recorded a growth of 6% compared to last year. The channel has also increased penetration into High Net Worth (HNW) and mass affluent segments, whereby with the launch of the tax deductible plan Smart Retirement Xtra, the penetration rate for these segments is more than 40% compared to 9% in the previous year.

In the Regular Premium New Business bancassurance segment, Etiqa dominates with a market share of 27% as at third quarter of 2013.

The MotorTakaful on-line business recorded tremendous performance in 2013 with a growth of 48% from last year. In terms of policy count, MotorTakaful users increased to 38,657 from 27,591 last year. The on-line business was also supported by a very successful on-line campaign "My Car's A Star", which encouraged participants to submit the pictures of their cars. This campaign has generated 12,150 leads and recorded 5,829 motor policies sold over the campaign period. The campaign won two awards – Gold Award for the Best Social Media and Silver Award for the Best Digital Marketing Campaign -from the renowned advertising awards 'Dragons of Asia 2013' by Promotion Marketing Award of Asia.

LIVING UP TO OUR PROMISES

Being the undisputed leader is more than just numbers, it is about being able to reach out to our clients and fulfil our promise to them. Etiqa develops proof points on a yearly basis, meant to find ways to live up to Etiqa's brand promise of 'Humanising Insurance and Takaful'. For 2013, Etiqa launched three new proof points to live up to the Etiqa brand. With the floods taking place during the monsoon season yearly, Etiqa made the necessary preparation to assist customers who were impacted by the floods. A special hotline was setup for quicker service; there were immediate visits by the adjusters at impacted areas and we also had a special Etiqa Flood assist truck to reach out to our customers.

A special awareness campaign was also conducted at flood prone areas to alert residents on what they need to do if and when a flood happens. Special water proof bags were distributed to residents to secure their valuable documents, should the need arise.

INTERNATIONAL PRESENCE

In addition to the existing branches in Singapore, Brunei and Pakistan, the Insurance and Takaful portfolio aspires to complement Maybank's growth internationally, with emphasis on countries where Maybank has strong distribution capacity. International expansion will also provide Etiqa with an attractive opportunity to acquire significant presence in high growth markets, leveraging on two main thrusts: Maybank's overseas operations and Etiqa's expertise in takaful and bancassurance.

Etiqa Insurance Berhad (EIB) Singapore

Etiqa's Singapore branch registered a decrease of 6% in PBT or S\$5.57 million in FY2013 compared to S\$5.94 million in the previous year. Revenue recorded an increase of 7% or S\$40.75 million against the previous year (S\$38.2 million). Through rigid and discipline underwriting, the motor premium contribution has been reduced from 30% to 25% of GWP. On the other hand, there was an increase in the Fire segment (from 21% to 25%) whilst Marine, Aviation and Transit as well as Miscellaneous segments remained at 4% and 45% respectively. Overall distribution channel mix has improved with the Agency as the main contributor with 51% of sales. Looking ahead, the branch is aiming to capture new market segments by enhancing product offerings to broaden the market base while retaining profitability.

Etiqa Insurance Berhad (EIB) Brunei

Etiqa's Brunei branch posted a marginal GWP growth from last year. Etiqa Brunei's general insurance business is dominated by the Agency channel as the main revenue contributor (88%), with concentration mostly on corporate and project risk. The branch aspires to strengthen its portfolio and carve the niches in the non-motor business besides riding on upside potential of the country.

Pak-Kuwait Takaful Company Limited (PKTCL) Pakistan

Through a 32.5% shareholding in PKTCL, Etiqa Oversea Insurance Private Limited (EOIPL) is the single largest investor in Pakistan's first takaful company. Despite many challenges faced in 2013, the company's GWP grew 8% compared to last year.

ENHANCING CUSTOMER EXPERIENCE

Etiqa is about people and as part of Etiqa's brand promise, Etiqa has adopted a "Service to Care" strategy to humanise all customer interactions. Acknowledging that the first encounter with our customers is crucial, we took a bold step to abolish the interactive voice response for the Etiqa Online Contact Centre.

During the year, Etiqa Online handled more than one million servicing calls and e-mails from Etiqa's policyholders and business partners. To provide higher accessibility to the customers, separate dedicated teams have been set up to manage policy holders, intermediaries and premier agents. The new set up has made it easier for our customers to reach out to Etiqa for any enquiries.

In support of Etiqa's goal to humanise all customer interaction, we leverage on our knowledge database system to ensure prompt and complete resolution of customer's queries or requests. With the implementation of a knowledge database system, we have registered a high contact resolution rate of 93% resulting from an improved level of team competencies in terms of technical and behavioural skills.

We received due recognition from the industry in the form of awards from the Customer Relationship Management and Contact Center Association of Malaysia (CCAM). We are the only insurance company and takaful operator to have won awards awarded by CCAM.

INSURANCE & TAKAFUL

CORPORATE ZAKAT / SOCIAL RESPONSIBILITY PROGRAMME

Corporate Zakat Responsibility

The Corporate Zakat Responsibility (CZR) Programme by Etiqa is part of our commitment to provide zakat contributions to religious institutions as well as underprivileged groups around Malaysia. For 2013, two CZR programmes were held in Kedah and Sarawak.

- June 22, 2013 - CZR Programme in Merbok, Kedah** - 80 Etiqa volunteers brought cheer and fun to more than 450 children by organising a one-day event at Madrasah Zubaidiyah, Merbok.
- Dec 7, 2013 - CZR Programme In Kuching, Sarawak** - Etiqa contributed RM121,700 to Madrasah Al-Khairat for the construction of a hostel and another RM229,210 to Urusetia Saudara Kita.

Corporate Social Responsibility

- “Hey Kids! Let’s Lead A Healthier Lifestyle” Picnic & Health Hunt**
Sept 28, 2013 - About 100 Etiqa volunteers played host to more than 150 kids from Projek Perumahan Rakyat Pantai Ria, Pantai Dalam in a day of fun and excitement as they learned about managing a healthy lifestyle.
- Etiqa Nurtures Camp in Pangsoon, Hulu Langat:**
Dec 13 -14, 2013 - About 40 kids of Etiqa staff and agents participated in this 2-day/1-night camp, where they strengthened their leadership ability and enhanced their survival skills through various classes and activities.
- Buka Puasa with Community at Masjid Al-Aman, Lembah Jaya**
July 26, 2013 - Etiqa Takaful Berhad sponsored a breaking of fast for 300 guests at Masjid Al-Aman, Lembah Jaya.
- Corporate Responsibility: Assistance for single mothers**
July 10 to August 6, 2013 - Etiqa provided stalls to single mothers from Persatuan Ibu-Ibu Tunggal Lembah Pantai (Association of Single Mothers Lembah Pantai) to sell food and craft items at Dataran Maybank throughout the Ramadhan month.

Our full list of awards and recognition can be found on page 62.

AWARD HIGHLIGHTS



Encik Kamaludin Ahmad, Group Head, Insurance & Takaful with the "Best Non-Life Insurance Company in Malaysia" award won at the World Finance Insurance Awards 2013.

AWARD HIGHLIGHTS



Encik Ahmad Rizlan Azman, CEO of Etiqa Takaful Berhad receiving the "Best Takaful Provider" award at the Islamic Finance News Awards 2013.

CZR HIGHLIGHTS



Encik Ahmad Rizlan Azman, CEO, Etiqa Takaful Berhad presenting a mock cheque to a representative from Madrasah Zubaidiyah, Merbok, Kedah.

CZR HIGHLIGHTS



More than 150 children from Projek Perumahan Rakyat (PPR) Pantai Ria, Pantai Dalam participated in Etiqa's CSR event: "Hey Kids! Let's Lead A Healthier Lifestyle" Picnic & Health Hunt.

ISLAMIC BANKING



“The ‘Islamic Inspired’ theme across the House of Maybank has proven effective, resulting in positive outcomes in terms of financials, services, environment and culture. It enables us to deliver our capabilities on how, when, where and what in response to our customers’ wants and needs. We will stay connected with them and will always strive to be their preferred financial partner in the region.”

MUZAFFAR HISHAM

Group Head, Islamic Banking
Chief Executive Officer (CEO), Maybank Islamic Berhad

OUTLOOK

The global growth of the Islamic finance industry is expected to continue on a strong momentum and Malaysia is well positioned to be at the forefront of the industry’s development. On the back of the industry’s growth, Maybank’s Group Islamic Banking is on track to enter a new growth phase through its regionalisation plans while solidifying its business in the home market. We are confident that this is achievable with continuous commitment and collaboration across the Group in line with our aspiration of becoming ‘the Global Leader in Islamic Finance by 2015’.

In 2014, we will focus on strengthening our regional footing to increase contributions from other entities within Group Islamic Banking whilst sustaining our leadership position domestically. With recent major deals on cross-border transactions, we are poised to be the leading provider of Shariah-compliant financial solutions and the preferred financial partner to bridge world economies to our region.

OUR PRIORITIES IN 2014

- Sustain No.1 market share in Malaysia and to continue to leverage on Maybank Group’s infrastructures.
- Strengthen regional presence in our key markets - to be the preferred Islamic bank in ASEAN that will bridge world economies to our region.
- Reinforce Group Islamic Banking’s Centre of Excellence - to be the established industry leader in Islamic banking and finance, and solidify sound risk management practices.

2013 PERFORMANCE HIGHLIGHTS

MAYBANK GROUP ISLAMIC BANKING

- For the financial year ended 31 December 2013, Group Islamic Banking business grew robustly by 28%, with total income increasing to RM2.8 billion against RM2.2 billion in the preceding year.
- Group Islamic Banking business in the home market strengthened whilst internationalisation initiatives progressed well particularly in the two key markets of Indonesia and Singapore.

MAYBANK ISLAMIC BERHAD

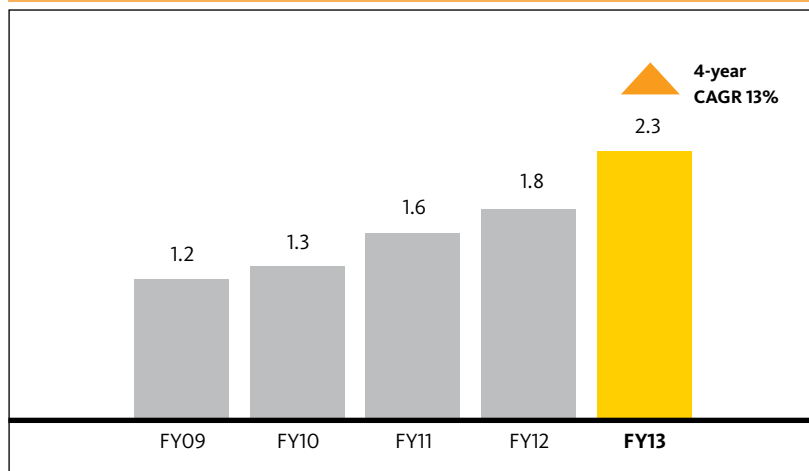
- Maybank Islamic sustained its leadership position with a record Profit Before Tax (PBT) of RM1.4 billion, reflecting a growth of 17% year-on-year (y-o-y). Total gross financing grew by 40% to RM86.9 billion, contributing 38.9% to Maybank Group’s total domestic financing.
- Maybank Islamic sustained its No.1 market share in Malaysia’s Islamic banking industry in total assets, financing and deposits with 28.8%, 30.6% and 23.8% respectively. (Source: BNM Monthly Statistical Bulletin December 2013)

ISLAMIC BANKING

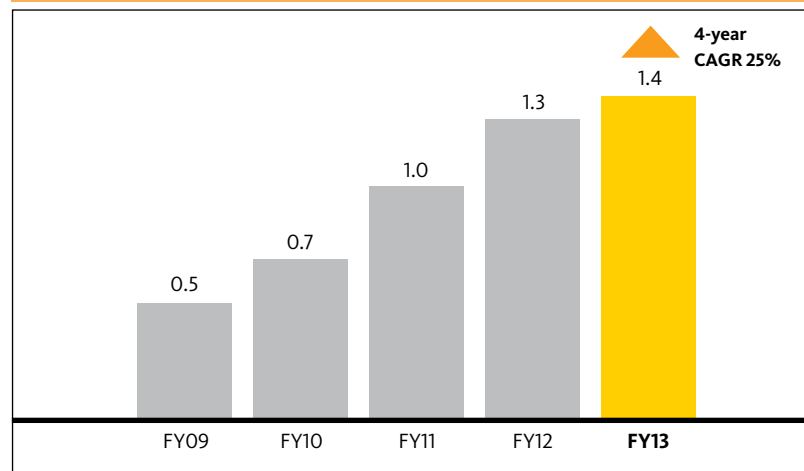
HOME MARKET

Business Performance

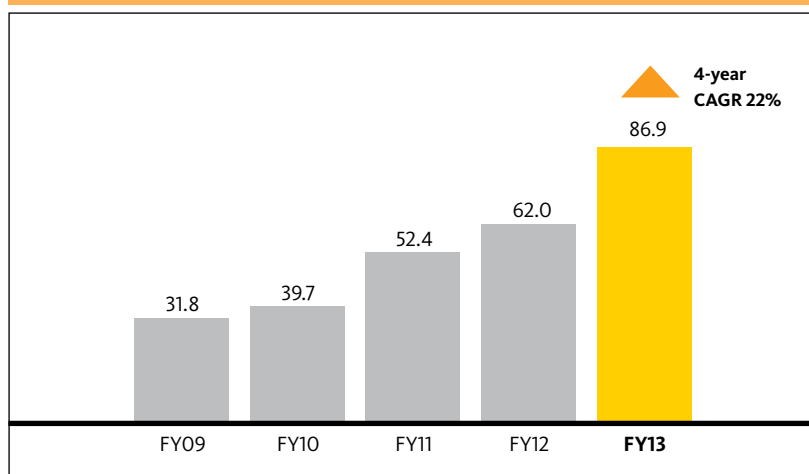
Maybank Islamic's Total Income (RM' billion)



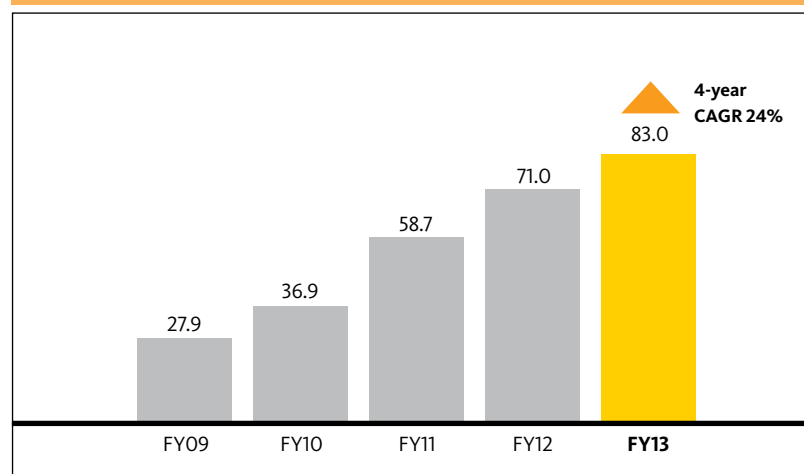
Maybank Islamic's Profit Before Tax (RM' billion)



Maybank Islamic's Financing (RM' billion)



Maybank Islamic's Deposits (RM' billion)



Business Segment Results

For FY2013, financing grew by 40% y-o-y amounting to an increase of RM24.9 billion, backed by a healthy capital position of RM6.7 billion. The financing growth was fuelled by the Group's Community Financial Services (CFS) and Global Banking divisions. Financing growth by CFS, comprising consumer, small medium enterprise and business banking segments, grew 39% y-o-y or RM18.4 billion while financing distributed by Global Banking (GB) rose 45% y-o-y or RM6.5 billion. Deposits from customers increased RM12.0 billion or 17% y-o-y as both the CFS and GB portfolios expanded at 28% and 7% totalling RM43.2 billion and RM39.9 billion respectively.

Innovative Financial Solutions

Penetration of Maybank Islamic's Shariah compliant products and services has expanded considerably over the years reflecting healthy acceptance amongst retail and wholesale customers, as our offerings meet their needs, provides additional value and match their financial goals and lifestyles.

Several consumer banking products were launched in 2013 that complement and leverage on two key strengths of Maybank Group i.e. in the online space via Maybank2u and electronic banking via ATMs, to further provide fast, easy and convenient banking to our customers. Maybank Islamic also introduced Maybank

One-i, an innovative financial kiosk with fast and hassle-free banking services. Together with the Maybank Group, Maybank ASPIRE was launched to offer affluent customers a differentiated banking experience and a comprehensive suite of financial products. In addition, a wide range of foreign currency solutions have been developed to better manage the international exposure and requirements of our private banking customers. In the SME and Business Banking space, we have further strengthened and expanded our financing products to better service our customers by reducing turnaround time and to meet customers' needs and demands with the introduction of Shariah Clean Financing-i and SME Property and Business Financing-i.

Maybank Islamic also continues to work alongside GB to deliver superior Islamic financial solutions to companies and institutional investors. We aim to be the primary financial services partner for corporate investors as we expand our leadership beyond borders by securing key deals in local and foreign currencies, further contributing to the growth of the economies that we operate in. On the sukuk front, Maybank Investment Banking continues to be one of the top three underwriters according to the Bloomberg Global Islamic Bonds League Table and is ranked second on the Bloomberg Malaysia Ringgit League Table with a market share of 7.8% and 19% respectively.

INTERNATIONAL MARKETS

On the international front, 2013 marked another milestone in Group Islamic Banking's expansion globally. Our cross-border deals saw commendable growth, highlighted by the launch of Maybank Islamic's first Islamic mortgage in pound sterling, in conjunction with the 9th World Islamic Economic Forum held in the UK. Group Islamic Banking also made a major breakthrough when it secured its first pound sterling financing deal with Lembaga Tabung Haji, the first deal of its kind by a Malaysian Islamic bank. This will elevate Maybank Islamic's capability to compete with global players in London, one of the world's leading financial centres.

In Singapore, our Islamic arm has introduced more industry "firsts" to the market, with the launch of home financing and commercial and industrial property financing for Malaysian properties and auto financing. Our Maybank Investment Banking team also acted as the sole lead arranger, global coordinator and the Shariah adviser of Singapore's Swiber Capital Pte Ltd's inaugural sukuk, the first wakala sukuk structure and the largest Singapore dollar sukuk issuance by a Singaporean corporate in the lion city. Total assets and deposits recorded a significant y-o-y growth of 89% and 28% respectively, due to significant expansion of customer base.

In Indonesia, Bank Internasional Indonesia's Unit Usaha Syariah (BII UUS) saw significant y-o-y growth in total assets and deposits of 91% and 402% respectively. By being customer-focused, BII UUS has launched its innovative mortgage solution based on the Shariah contract of musyarakah mutanaqisah, providing customers with the unique value proposition of lower down-payment requirement. In 2013, we also focused on expanding BII UUS's distribution by increasing our leverage on BII's delivery networks. This resulted in an increase to 269 registered Office Channelling (OC) branches from 105 registered OC branches in 2012.

Moving forward, we will continue to leverage on our position as the leading bank in ASEAN to further intensify cross-border linkages within the region (specifically between Malaysia, Indonesia, Singapore and Brunei) as well as between ASEAN, the Middle East and key financial centres across the world.

Centre of Excellence (COE) for Shariah and Risk Management

The continuous execution of initiatives by Maybank Islamic under the COE has once again made us the industry reference point on Islamic banking and finance matters. Among these initiatives include the launch of Shariah scholarship for undergraduates and post graduates, strategic collaborations with International Centre for Education in Islamic Finance (INCEIF) and International Islamic University Malaysia (IIUM), development of thought leadership in Islamic finance publications and the mainstream newspapers as well as market engagement via interactive Shariah risk management series.

On the risk management front, Maybank Islamic currently adopts the integrated risk management approach established by the Maybank Group. Our risks are systematically managed with proper risk governance, infrastructure and tools embedded throughout the Group Islamic banking businesses. This approach ensures effective management of enterprise-wide risks posed by the rapidly changing business environment. In accordance with Bank Negara Malaysia's regulatory requirements, Maybank Islamic has also put in place a comprehensive Shariah Governance Framework to ensure effective and efficient oversight by the Board of Directors, the Shariah Committee, the Management and Business Units on business activities and operations carried out by its business pillars.

Giving Back to the Community

Maybank Islamic always believes in being at the heart of the community, in line with the Group's mission of 'Humanising Financial Services across Asia'. In addition to creating opportunities and growth through our business, we aim to fulfil our social responsibility by fostering unique and sustainable values that have a positive impact on society. Our focus in 2013 centred around three key areas, namely improving communities' welfare through zakat contribution and qurban, talent development within the industry and promoting children's health. From our FY2012 profits, our major focus of improving the communities' welfare was through zakat contribution totalling RM15.2 million to States' Pusat Zakat and Asnaf community groups. As part of the zakat project, we collaborated with Islamic Relief Malaysia in providing food aid during Ramadhan to ease the burden of about 8,800 poor and needy families at 35 selected mosques nationwide. Maybank Islamic continued with Qurban Perdana Maybank this year as a tribute to communities that extended support to Maybank and the launch took place simultaneously in several locations across Malaysia as well as Singapore, Indonesia and Brunei. Maybank Islamic in partnership with the National Heart Institute (IJN) sponsored pediatric heart patients to undergo specialist medical treatment at IJN. In partnership with INCEIF and the International Shariah Research Academy for Islamic Finance (ISRA), Maybank Islamic took part in the initiative to focus on talent development within the industry offering sponsorship for students to undertake the Chartered Islamic Finance Professional (CIFP) programme. These initiatives embody our commitment to embark on a long term Corporate Responsibility programme in support of social welfare in Malaysia and across ASEAN.

Our full list of awards can be found on page 63.

SHARIAH COMMITTEE



Tan Sri Dato' Seri (Dr) Hj Harussani Hj Zakaria

(Chairman)
Mufti of Perak State Government

Tan Sri Dato' Seri (Dr) Hj Harussani is a member of the Meeting Council, Islamic Council and Malay Customs for the Government of Perak and the Chairman of the Perak State Shariah Committee. He also sits on the Board of Directors of Perak State Islamic Economic Development Corporation. He has served Takaful Nasional Berhad since 1993 as a Shariah Advisory Council member. He currently serves as a Shariah Committee member of Bank Pembangunan & Infrastruktur Malaysia Berhad and Amanah Raya Berhad. He was conferred a PhD (Darjah Kehormat Doktor Syariah) in 2001 from University of Malaya.

He is also a member of the National Fatwa Council, a member of the Council of University Islam Malaysia and a Board member of Kolej Islam Perak. Tan Sri was conferred a PhD in Islamic Studies from Universiti Pendidikan Sultan Idris (MPSI) in 2010.



Dr Ahcene Lahsasna

(Member)
Associate Professor at Graduate Studies Advisor, Shariah and Legal Studies Department, International Centre for Education in Islamic Finance (INCEIF)

Associate Professor Dr Ahcene Lahsasna (PhD, CIFP, ACIP, RFP, Shariah RFP, Shariah Advisor) is currently a lecturer at INCEIF. He is also the Graduate Studies academic advisor at the same institution. He received his bachelor's degrees in Islamic law and Islamic jurisprudence from Algeria, and his Master's and PhD degrees in Islamic law and Islamic jurisprudence from International Islamic University of Malaysia (IIUM). Currently, Dr Lahsasna is a registered Shariah advisor with Bank Negara Malaysia and the Securities Commission of Malaysia; serves as Shariah board member of Maybank Islamic Etiqa Takaful and the Shariah Advisory Council of MFPC. Dr Lahsasna has been appointed by the Finance Agency Accreditation as FAP (FAA Accreditation Panel).



Dr Mohamad Deen Mohd Napiah

(Member)
Assistant Professor, Ahmad Ibrahim Kulliyah of Laws, IIUM

Dr Mohammad Deen Mohd Napiah is currently an Assistant Professor at the Ahmad Ibrahim Kulliyah of Laws, IIUM. He had been appointed as Head, Islamic Law Department and subsequently promoted as Deputy Dean (Student Affairs) at the same faculty. He obtained his first degree in Shariah & Islamic Studies from the Kuwait University. He holds a Doctorate of Philosophy from Glasgow Caledonian University, Scotland. Prior to his appointment as a member of the Shariah Committee of Maybank in 2005, he was the Shariah Advisor for EON Bank Berhad from 1997 to 2003. He is currently a Shariah Advisor to Amanah Hartanah Bumiputera since 2010, an Academic Assessor for the Malaysian Quality Agency (MQA) since 2001 and also a member of the Working Committee for Halal Terminologies and Nomenclatures with SIRIM. Dr Mohammad Deen is a registered Shariah Advisor for the Islamic Unit Trust Schemes and Islamic Securities (Sukuk) with the Securities Commission. He was recently appointed as a member of the Disciplinary Committee Panel, Advocates & Solicitors Disciplinary Board of the Malaysian Bar Council.



Dr Ismail bin Mohd @ Abu Hassan

(Member)
Assistant Professor, Ahmad Ibrahim Kulliyah of Laws, IIUM

Dr Ismail bin Mohd @ Abu Hassan graduated with First Class honours in Shariah from the University of Malaya and subsequently obtained his LL.M in Comparative Laws from SOAS, London. He then obtained his PhD in Comparative Law of Evidence from the University of Manchester, United Kingdom. Dr Ismail has served as a lecturer at the Kulliyah of Laws, IIUM for more than 15 years. Dr Ismail sits as an advisor in various reputable institutions such as Amanahiba Malaysia, Uqud Baraka Malaysia Sdn Bhd and HTH Services Singapore. He is also the Shariah Committee member of the Waqf Management Committee, Majlis Ugama Islam Selangor, Infaq lil Waqf ANGKASA, Etiqa Takaful Berhad, Waqf Selangor Muamalat and Amanah Hartanah Berhad. In addition, he is also a board member of Perbadanan Waqf Selangor Darul Ehsan and Etiqa Takaful Berhad. He is a registered Shariah Advisor for the Islamic Unit Trust Schemes and Islamic Securities (Sukuk) with the Securities Commission and Amanah Hartanah Bumiputera.



Encik Sarip bin Adul

(Member)
Lecturer at University Malaysia Sabah

Encik Sarip is currently a lecturer at University Malaysia Sabah (UMS) specialising in Shariah, Muamalat Islam and Islamic Finance. He obtained his first degree in Shariah from University of Al-Azhar, Mesir and Master's in Fiqh and Usul Al-Fiqh from University of Jordan, Amman, Jordan. Encik Sarip is currently pursuing his PhD in Shariah at Universiti Kebangsaan Malaysia (UKM) and is also an advisor for UMS' graduate student programme.

Dr Marjan binti Muhammad

(Member)
Researcher at International Shariah Research Academy for Islamic Finance (ISRA)

Dr Marjan Muhamad is the Head of the Research Affairs Department at the International Shariah Research Academy for Islamic Finance (ISRA). Prior to joining ISRA, she was a tutor in the Faculty of Judiciary and Law at Islamic Science University of Malaysia. She obtained her first degree in Islamic Revealed Knowledge and Heritage (Fiqh and Usul al-Fiqh) from IIUM in 1998 and pursued her Master's and PhD at the same university, both in Islamic Revealed Knowledge and Heritage (Fiqh and Usul-Fiqh) field. Since her involvement at ISRA, she has been actively producing various research papers and articles internationally on Islamic Finance. Previously, she was a Shariah Committee member of RHB Islamic Bank from 2011 to 2013.

Dr Mohamed Fairouz bin Abdul Khir

(Member)
Researcher at ISRA

Dr Mohamed Fairouz is a researcher at ISRA and coordinator for its Islamic Banking Unit. Prior to joining ISRA, he served IIUM for eight years as a lecturer at the Department of Islamic Revealed Knowledge and Human Sciences. He is also a registered Shariah advisor with the Securities Commission, Shariah committee member of MNRB Re-Takaful, and chairman of the Shariah Committee of AGRO Bank. He obtained his PhD and Masters in Shariah from University of Malaya with specialisation in Fiqh, Usul al-Fiqh and Islamic Finance, and a Bachelor's Degree in the same field from IIUM. Previously, he served as a Shariah advisor to Malaysian Industrial Development Finance Berhad.

AT A GLANCE

MESSAGE TO SHAREHOLDERS

ABOUT US

GROUP STRATEGY & ACHIEVEMENTS

BUSINESS REVIEW

OUR RESPONSIBILITY

OUR LEADERSHIP

CORPORATE GOVERNANCE

OTHER INFORMATION

AGM INFORMATION

GROUP HUMAN CAPITAL



“Our ability to track and adapt to our business needs and challenges have contributed to enable regional performance and outcomes, such as improvements in people engagement, raising productivity levels and sustained superior financial performance that provide the impetus for the Group to create truly competitive differentiators from our peer group.”

NORA ABD MANAF
Group Chief Human Capital (HC) Officer

OUR PRIORITIES IN 2014

- Accelerating High Performance Culture.
- Optimising cost.
- Creating competitive differentiators and sustainability of transformation by deploying Group-wide interventions.

2013 PERFORMANCE HIGHLIGHTS

- Our people indicators are ahead of local benchmarks as well as competitive with global best practices. We have achieved positive traction for all our key talent metrics and our tracked indicators are trending in the right direction.
- We received recognition as the only Asian organisation to be recognised internationally for our superior financial performance and best People Practices by Towers Watson listed in the Towers Watson Global High Performing Company Norm list which serves as a benchmark for high performing companies.
- Maybank emerged as Winner of the Banking & Financial Services Category for the third year in a row in Malaysia's Top 100 Leading Graduate Employer Awards 2013, ahead of local and foreign financial institutions. Maybank also further improved in the overall ranking, moving up to No.2 in 2013 from No.3 in 2012 and No.5 in 2011.
- Our productivity has improved as we align with the key strategic objectives. Net income per employee rose to RM388,067 in 2013 from RM351,517 in 2012 while Profit Before Tax (PBT) per employee increased from RM167,142 in 2012 to RM185,669 in 2013. Overall revenue per staff cost is 3.8 times staff cost per staff.

SUSTAINING TALENT AND LEADERSHIP DEVELOPMENT

As the Group accelerates and deepens its regionalisation initiatives and focusses on reaping synergies from the vast footprint, our Group Talent Management (TM) system is adapted to stay a step ahead to deliver the right talent with the right skills to meet business needs. We have deployed global best practice processes in identifying our talent pool, comparable to or better than top performing organisations worldwide. Benchmarked against Saratoga's Institute LDA (Leadership Development Audit), we have been rated at Global best practice for five out of seven aspects and good practice for the remaining two.

A critical element of a successful robust talent management framework is sustaining a reliable and consistent internal source of talents to assume leadership roles as they become available. Our talent pipeline programmes target different pools of talents from junior to senior leaders.

Our key talent indicators and succession realisation are trending in the right direction and is at its highest levels since 2008. In 2013, we have higher visibility of our talents across the Group as we expanded our multi-talent reviews to Greater China and Indochina, as well as Maybank Kim Eng. We continue to achieve 100% completion of our multi-talent reviews across the group. This had led to increasing the successor pool for critical positions by over 130% in 2013 since 2008. At the same time, the readiness of our successors to assume critical positions or larger roles has also increased in 2013 to 37% since 2008.

Our target to grow our own talents by filling 8 out of every 10 vacancies with internal talents was achieved with more than 70% of vacancies filled internally in 2013. Over 100 talents have been deployed in cross border assignments and regional projects as compared to 54 in 2012 and 11 in 2011. There were 25 Long Term Assignments in 2013 compared to 17 in 2012, attesting to the success of our pipeline programmes to nurture our talents to be agile and geographically mobile. Our holistic GO Ahead EVP has significantly reduced our regrettable loss by 33% since 2008. Our multi-tier recruitment strategy to ensure a strong talent pool continues to garner interest amongst top talents in the region.

The 2nd Maybank Go Ahead Challenge (MGAC) involved participants from 10 countries with 13 nationalities for an international business case competition. It garnered over 5,000 applications, a fivefold increase from 2012 as we expanded to four new countries where Maybank has presence. We also introduced a new award offering the Top Winner with a two weeks internship at Maybank New York

and USD1,000. 85% of the 54 Grand Finalists has joined the Maybank Group. The MGAC sponsored and supported fresh graduates to develop and run the Challenge and is now a market standard. Fresh graduate direct recruitment costs reduced by 32% with the ability to tap on the Challenge participants' database. Finalists are given conditional offer of employment, primarily to join the Global Management Apprentice Programme (GMAP).

The Maybank Scholarship Awards for both local and overseas studies offered 50 awards with total disbursement under full scholarship scheme for 112 Maybank scholars pursuing various stages of study of close to RM8 million, since the scheme began in 1972. The programme for scholars had been strengthened since 2010 where scholars are involved in Maybank's learning and development initiatives through a mentoring programme, internship opportunities during vacation and training workshops to nurture their professionalism and personal development.

Apart from these junior development programmes, Maybank also has its own signature home-grown entry-level programmes as follows:

- Global Maybank Apprentice Programme (GMAP). A two year on-the-job programme for graduates to explore and experience structured job rotations, which includes a six-month international assignment. The GMAP encourages cross-border exposure and networking amongst young talents, and is rolled out in Malaysia, Hong Kong, China, Indonesia, Singapore, Cambodia and Vietnam.
- Branch Management Entry Level Programme (BMELP). Designed to groom aspiring branch/centre managers by providing targeted learning and skill sets through intensive training experience in branch management.
- Maybank/Ernst & Young Associate Programme. Associates undergo a three-year attachment at Ernst & Young as auditors while earning their professional accounting certification, fully sponsored by Maybank.
- Maybank Internship Programme. Provides an initial overview of the industry coupled with structured learning objectives as interns grow into working professionals.

Also last year, we developed the High Potential-Performer Integrated Programme (HIP) to nurture high potential juniors and performing talents to increase their readiness in assuming key positions within the Group. More than 700 talents have been enrolled with programmes conducted in Malaysia, Indonesia and Philippines.

For continued acceleration of our top talents, the Transitioning Leaders to CEOs (TLC) programme was introduced in 2010 to develop better visibility of junior to mid-level talents for succession pool. In 2013, 72% of TLC graduates from pioneer batches have taken on bigger roles, expanded their scope or moved to other roles within the Group, a clear demonstration of the programme achieving its objectives.

Our Chairman and Group EXCO are actively involved in leadership programmes to share their insights and serve as role models to inspire our future leaders within our Guru Principle. They conduct the Leaders Teaching Leaders' programme, where each Group EXCO engages with our leaders at our Maybank Great Leaders, High Impact Leadership and Performance-Driven Leadership programmes. Our Chairman and Group EXCO also engage with all level of staff in the conversations series.

Another key leadership pipeline programme is the Top Team Effectiveness Programme, a 24 month programme to strengthen personal and team effectiveness. In 2013, 160 leaders comprising Group EXCO and their leadership teams were involved in the programme.

Under the Maybank Great Managers and Maybank Great Leaders Programme, 510 managers benefitted in 2013 from both internal and external managerial and leadership programmes.

We also have a dedicated in-house team of three full time certified coaches which is part of our focus on Mentoring and Coaching. In 2013, they conducted over 150 coaching sessions for 51 leaders and 45 team engagement & leadership programmes to 850 leaders. In addition to this, we have over 560 who are either a mentor or a mentored staff through our diverse programmes and networks, including our Women Mentor Women Programme.

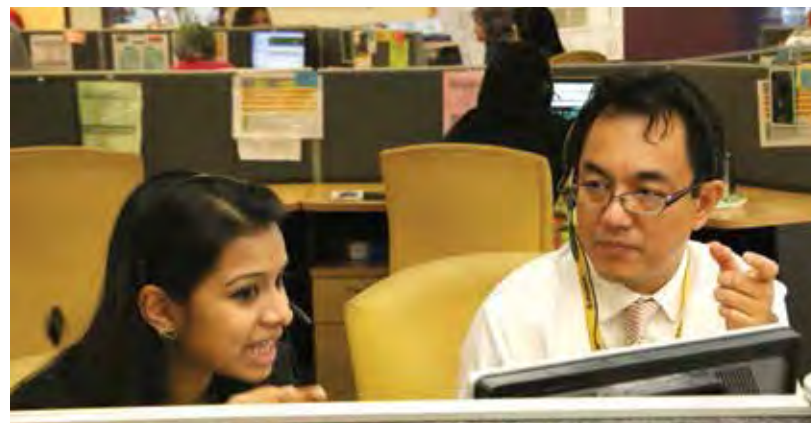
NURTURING CULTURE & ENGAGEMENT LEVELS

Our core values, T.I.G.E.R. (Teamwork, Integrity, Growth, Excellence & Efficiency, Relationship Building) are our essential guiding principles for all our actions and a key driver to engage Maybankers in delivering Maybank's humanising mission.

During the year, we continued to implement initiatives to align us as a diverse Group with a common high performance culture where staff can excel, deliver on our promises and achieve our desired outcomes.

The Group EXCO plays a key role in driving the Group's transformation, providing clarity of our vision as well as reinforcing the right organisation climate and culture. They use a variety of platforms, such as Townhalls and Conversation Series Sessions to encourage exchange of ideas as well as spearhead Honest, Open and Trusting (HOT) conversations with staff of all levels. The Ask Senior Management Forum is a key avenue for staff to communicate directly with Group EXCO. Each of the 150 enquires received in 2013 were responded and acted upon and even, formed the basis for many improvements.

Following Group EXCO announcement in October 2013 on accelerating the Group's transformation and regionalisation, the Group EXCO Regional Transformation Roadshow was held in Singapore, Hong Kong, the Philippines and Indonesia to amongst others, communicate and explain the revised Group organisation structure and transformation direction. The roadshows will continue at Sector and Country level townhall sessions in FY 2014, with Group EXCO facilitating the sessions to provide leadership guidance and alignment to the desired outcomes.



Datuk Abdul Farid Alias, Group President and CEO at a unique EXCO First-Hand Day job shadowing initiative.

GROUP HUMAN CAPITAL

The Group EXCO also undertook a unique EXCO First-Hand Day job shadowing experience at various customer facing touch points to identify the challenges and concerns of staff. Likewise, the We Are Here to Serve (WAHTS) initiative also gave more than 300 supervisors an experience as a Customer Service Assistant (CSA) at our branches. These initiatives contribute to improving engagement levels, promote a customer centric culture amongst all Maybankers and provide an avenue to discover new ideas for improvements in our service levels as feedback are acted upon.

To further internalise the core values and transformation agenda, the My T.I.G.E.R. Journey Video Photo Competition, a joint collaboration between GHC and Group Strategy & Transformation Office, invited Maybankers group-wide to share inspiring stories of their transformation journey with Maybank. A total of 249 entries were received, with Group EXCO participating to show how the values have impacted their lives. The competition was a success as it reaffirmed that Maybankers have embraced our T.I.G.E.R values and transformation.

We have a variety of group-wide channels supplemented by local communications to cater to the diverse needs of our staff, enabling us to effectively reach out to them in a timely manner. During the year, we launched the MyPortal2u in Malaysia, a refreshed communication portal that offers greater flexibility and empowerment to share information conveniently to the 27,000 staff in Malaysia. Maybank Philippines also launched its staff portal to facilitate knowledge and learning. Regional news is a mandatory key feature in all our communication channels including our Group Newsletter, Berita Kumpulan Maybank (BKM).

STRENGTHENING PERFORMANCE MANAGEMENT

Maybank has strengthened its Performance Management (PM) system at various stages of our transformation journey to ensure it is dynamic, tightly aligned, and is agile in anticipating challenges and opportunities. GHC conducts clinics on PM and closely monitors the quality and objectivity of Personal Development Plans (PDP), Key Performance Indicators (KPI) and performance conversations, to ensure the effectiveness of PM at all levels. In 2013, the clinics were completed at eight CFS Regions in Malaysia and selected key sectors. The online PM system also expanded to Maybank Kim Eng while the alignment of key PM components was completed with BII.

In October 2013, the system was revised to adapt to the next phase of transformation. The enhancements that factored in feedback from staff via various channels and forums will be implemented in FY2014. The revision simplifies the PM processes and procedures while ensuring more focused KPIs to increase strategy alignment. It gives even greater staff ownership of their success and deliverables, promotes stronger staff/line manager partnerships by mandating and formalising performance conversations between staff and their supervisors/line managers.

PERFORMANCE LINKED REWARDS STRATEGY

Our total rewards strategy has evolved as we transformed our business with greater focus on providing the right remuneration, benefits, career development and progression opportunities. We adopt a holistic approach in our compensation structure that recognises staff through monetary and non-monetary rewards such as fixed pay, short term variable bonus/incentives, long term incentive plan, i.e. Employee Share Scheme and development opportunities. We advocate a 'Pay for Performance' culture, where high performance is duly rewarded. The variable bonus paid based on Group's, business unit and individual performance reinforces

our meritocracy based rewards. Exemplary performance is also recognised via platforms such as best employee/team awards, staff academic excellence awards, and long service awards. In 2013, the Group offered two new business specific incentive plans bringing a total of 16 such plans to recognise exceptional performance. Maybank also paid an ex-gratia to the clerical and non-clerical staff, on top of their contractual bonus and offered its third Employee Share Scheme in April 2013.

Today, our rewards management implementation has shifted from being HR-led to Line Manager-led, empowering Line Managers in the total rewards management decision making. This is reflected in our PM system where meritocracy is applied to all performance management process and rewards are strongly linked to individual performance against goals aligned with the Sector and Group.

LEARNING & SKILL DEVELOPMENT

Maybank's long-term success hinges on providing its people with the right development tools and knowledge to excel as well as compete effectively in a multitude of environments.

We have a structured and integrated learning development framework of 70:20:10 (Experiential learning: Coaching, Mentoring & Networking: Formal learning) development intervention ratio principle with emphasis on experiential learning to help staff develop greater passion for self-driven learning. Introduced since 2010, involvement in regional and international projects for example, is a key learning and development intervention provided to staff.

Sector Learning Management Councils (LMCs) chaired by Sector Heads and facilitated by GHC ensures that business initiatives are supported by appropriate training to close skill gaps, enhance relevant knowledge and increase competencies. LMCs also govern the consistency and quality of learning interventions.



Pn Nora Abd Manaf, Group Chief Human Capital Officer receiving the prestigious Towers Watson Global High Performing Company 2012/2013 recognition.



Maybank has aggressively transformed how the Group manages training and development. Training days per employee Group-wide averaged at 4.5 days, above the American Society for Training & Development (ASTD) global benchmark. Considerable resources are invested in strengthening staff competencies in areas that support the Group's development plans. Our total Group learning budget utilisation for FY2013 was RM118.87 million, well above the statutory requirement. Staff training expenditure for the Bank against total gross salary in 2013 was 2.78%, exceeding Bank Negara Malaysia's minimum standard of 2.5%. This is also above the ASTD global benchmark of 2.65%. In 2013, 295 e-learning courses with 14 new syllabuses were offered with 139,077 enrolments.

Human Capital collaborates with business sectors to enhance service excellence and promote innovation amongst staff. In 2013, partnership with Service Quality delivered the We Are Here to Serve (WAHTS) Project, a service competency-based learning intervention that standardises the Bank's service training programmes. Project Harry Potter was another effort to improve product knowledge to raise sales. Current training materials are available via the MyCampus learning portal, with assessments conducted to gauge staff's knowledge levels.

Maybank also offers rewards programmes to upgrade the professional qualifications of staff. Under our Staff Education Assistance Scheme (SEAS) which covers staff from the clerical category upwards, a total of RM828,945 was disbursed in 2013 (an increase of 73% from 2012) to staff who are undertaking their Bachelor or Master degrees, ACCA, CIMA or other professional certifications on a part-time basis. In 2013, the Bank awarded a total of RM134,000 to 76 staff for their achievements under the Staff's Academic Awards.

In April, Maybank signed a Memorandum of Understanding (MoU) with the Institute of Bankers Malaysia (IBBM) to enhance collaboration to increase professional certification of staff. The MoU enables staff to enrol into world class certified professional courses offered by the Institute, including, the Chartered Banker Programme.

Through our signature Career Transition Programme (CTP), Maybank is one of the few organisations with a structured programme that redeploys staff who become redundant due to organisational changes and is testament of our humanising philosophy. Staff in the CTP are offered necessary re-skilling, training interventions, counselling and guidance to provide them the agility to take on new roles in the organisation confidently and quickly. In 2013, 275 staff were enrolled, with 134 successfully re-deployed.

EMBRACING EQUAL OPPORTUNITIES, DIVERSITY & INCLUSIVENESS

Maybank is committed to the positive promotion of equality, diversity and inclusion in the organisation. We show the same respect, guided by the principle of meritocracy and fairness, to anyone regardless of level, grade and age in providing equal opportunities for recruitment, promotion, transfer or learning development opportunities. In 2013, the new retirement age for staff at Maybank Group Malaysia was raised from 55 years to 60 years, in line with Malaysia's Minimum Retirement Age Bill 2012.

Our gender diversity practice exceeds global benchmark. Women have equal opportunities for professional and personal development as well as career advancement. 31% of women are in top management roles, 7% more than the global average of 24% in the 2013 Grant Thornton International Business Report. In the last three years, we have doubled representation of women below 30 years of age and less than 5 years service categories. Female representation in senior management positions has also grown by 23% since 2007.

The formalisation of a Flexible Work Arrangement policy, widening of women mentoring programmes and setting up of an emergency childcare centre were key women/family agenda initiatives implemented in 2013.

Workforce demographics at a glance - % at the different levels, average age & tenure.

Total Staff: 47,771	
Senior Management	2%
Middle Management	9%
Executive	55%
Non Executive	34%
Average age of workforce	36 years old
Average tenure	10 years

As at December 2013, male to female ratios in senior and middle management were as follows:

Job Level	Gender Representation: % Female	Gender Representation: % Female (excluding Maybank Kim Eng & BII Finance)
	Dec 2013	Dec 2012
Senior Management	31%	31%
Middle Management	42%	43%

Maybank received a joint commendation from ACCA-Talent Corp Malaysia for Reporting on Gender Diversity at the ACCA Malaysia Sustainability Reporting Awards (MaSRA) 2013.

GROUP HUMAN CAPITAL

IMPACTFUL EMPLOYEE VOLUNTEERISM

The sheer number of Maybankers involved in various Corporate Responsibility (CR) initiatives yearly shows how deeply volunteerism is entrenched throughout the Group. Maybankers spent over 119,000 volunteer hours, reinforcing our humanising mission to communities that Maybank engages with globally. The 4th Global CR Day held on 28 September 2013 saw over 19,000 Maybankers showcasing 105 sustainable CR initiatives which were initiated in 2012 under the Cahaya Kasih Challenge (CKC) programme. Maybank Cambodia received the Most Outstanding Social Performance Bank award, organised by IDG Asean for its Child Sponsorship – a Way Out of the Dump initiative that benefitted 400 underprivileged children who do not have access to proper education, basic healthcare and the right nutrition.

During the year, Maybank launched its Regional Festive Campaign during the Hari Raya Aidilfitri with a common greeting and a CR initiative that mobilised over 1,000 Maybankers visiting 50 hospitals in Malaysia and Indonesia, distributing goodies to over 14,000 healthcare providers working on the first day of Hari Raya. Maybank Group has always been in the forefront, responding quickly whether in monetary, non-monetary or volunteerism to affected victims of natural disasters either as a group or in partnership with the community. In November and December, Maybank assisted victims affected by the Typhoon Haiyan in the Philippines and the floods in several states in Malaysia. Maybankers Group-wide also rallied towards affected staff of the disasters by donating a total of RM267,465.50.

Maybankers are also active participants in many other events such as national day celebrations, fund raising charities and religious celebrations amongst others. Besides being brand ambassadors, they showcase their talents in event competitions such as cheerleading, march past or corporate booths, winning accolades and top places.



WORK-LIFE BALANCE AND FAMILY FRIENDLY ORGANISATION

Alongside our competitive total rewards package, we constantly strive to provide work-life balance to enhance productivity and improve staff retention. Creating a safe and conducive working culture has always been the Bank's top priority and this is manifested in the Occupational Safety & Health (OSH) Policy Statement as the Bank pledges to promote OSH awareness amongst staff and other stakeholders at work.

Various health and safety programmes were held nationwide such as Healthy Lifestyle Mini Campaigns, Safe Commuting Programme, Positive Parenting Workshops, Mind Therapy@Work Workshops and Ergonomics Workshops. To ensure best practices, the Bank ties up with professional organisations and specialist medical centres. The programmes are structured and interactive, ranging from participants undergoing activities monitored by trained professionals to dialogue sessions. These activities were enthusiastically attended by more than 3,400 staff nationwide in 2013.

Maybank also invests considerable resources to encourage staff to participate in sports. Our annual Maybank Sports Carnival and Indoor Games involve 22 sports and is an important platform to promote team spirit and a sense of belonging amongst staff across the globe. We also participated in the BII Bali Marathon and The Edge-Bursa Malaysia KL Rat Race 2013, with our runners emerging in top positions in the various categories. The Maybank's Hockey team improved its league standing as runners up, last achieving this rank in 1999, while the football team also improved its standing in KLFA League from 6th in 2012 to 4th placing in 2013.

Maybank has formed First Aid Standby Teams (FAST) at its Head and Region Offices. 173 staff are FAST members who provide services at the Bank's major functions and to customers on our premises in the event of an emergency.

In 2013, we formalised a Flexible Work Arrangement (FWA) policy to provide clear guidelines on flexibility at the workplace. The FWA empowers staff to manage and optimise their working hours without affecting their business and personal commitments.

Another major work-life balance initiative is the setting up of the Maybank Tiger Cubs Childcare Centre (MT3C) located at Menara Maybank. MT3C can accommodate 20 children at any one time, with 8 trained care providers managing the centre. MT3C aligns Maybank with the national agenda to encourage and promote women participation into the workforce.

In 2013, under the Maybank Financial Assistance to Staff's Children Entering Institutions of Higher Learning and Boarding Schools, Maybank disbursed RM147,000 to 189 children of staff earning a monthly income of RM4,000 and below. The 'Back-to-school' financial assistance scheme disbursed a total of RM306,000 to 1,530 school going children of staff who earn a monthly income of RM2,500 and below.

GROUP TECHNOLOGY

AT A GLANCE

MESSAGE TO
SHAREHOLDERS

ABOUT US

GROUP STRATEGY &
ACHIEVEMENTSBUSINESS
REVIEWOUR
RESPONSIBILITYOUR
LEADERSHIPCORPORATE
GOVERNANCEOTHER
INFORMATIONAGM
INFORMATION

“Our main focus is to support our businesses in achieving their regional growth aspirations with optimised use of technology, improved turnaround time of operations and service excellence in a cost efficient manner. We need to provide differentiated capabilities through innovative solutions with agility and speed to market.”

GEOFF STECYK
Group Chief Technology Officer

OUR PRIORITIES IN 2014

- Improving productivity and effectiveness by driving service excellence to meet our customers' expectations.
- Accelerate regional profitability by fast-tracking regional initiatives and harvesting investment returns through our IT Transformation Programme.
- Focusing on key projects that will create a “stress-free” banking experience for our customers and deliver value for our shareholders.

GROUP TECHNOLOGY'S ASPIRATIONS

- Maybank quality and productivity enabling – aligning and engaging the team in continuous improvement to deliver superior service at competitive cost levels.
- Industrialise and professionalise Maybank – optimise operating model by standardisation of processes and technology to achieve world-class IT engineering capabilities.
- Digital self-service bank – full self-service for our customers on multi-channel platform.

GROUP TECHNOLOGY

Enterprise Transformation Services has been restructured to align to the new Maybank Group structure with the IT arm being transformed into Group Technology, Operations as Group Operations and Service Quality placed under Group PCEO's office in the Group Strategic Marketing department. Group Technology and Group Operations, which function as two separate entities, serve three common pillars (business, support and country), whilst Service Quality is embedded within the support pillar of Group PCEO's office.

The reorganisation provides dedicated focus on each area – Technology, Operations and Service Quality. As such, Group Technology would be accountable to maximise capacity and capability for all IT investments and services across the Group including countries, to support our growing regional business in an effective and efficient manner.

GROUP TECHNOLOGY

MAYBANK SHARED SERVICES (MSS)

The formation of Maybank Shared Services in July 2013 reflected our main focus in 2013 to support our businesses, pushing Maybank Group to a higher level by building regional Information Technology (IT) capabilities and solutions.

MSS is a wholly-owned subsidiary of Maybank with MSC status. In line with the Government's Economic Transformation Programme to develop regional bank champions, MSS is the vehicle for Maybank to:

- Accelerate our technology maturity and capability to stay ahead of our competitors;
- Create value for our shareholders through tax benefits;
- Build internal capabilities to reduce reliance on external parties; and
- Provide business transparency in our technology investments.

Maybank Shared Services is a



As an IT shared services organisation, MSS has the ability to provide regional IT services, standardise regional systems and avoid unnecessary overheads, helping to accelerate the Bank's IT transformation regionally.

Aligned with the Bank's key strategic priorities, one of which is to Raise the Tempo for Regionalisation, MSS has been the driver in rolling out projects of various scales across the region including the IT Backsourcing initiative, Regional Branch Solution, Regional Cash Management System, Regional TradeConnex and Global ATMs.

IT Backsourcing Transition

The transition of various teams and services from our former third party infrastructure service provider to MSS under the IT backsourcing initiative was a smooth, seamless and successful exercise which began in July 2013 and was completed on 13 October 2013. It involved the integration of 300 new members into MSS. Maybank is the first bank in Malaysia to execute such an exercise and it has further strengthened our talent pool with relevant expertise.

The backsourcing exercise addressed the critical objectives below:

- Quality – standardised IT operational support and consistent IT processes
- Cost – overall development spend is used more effectively across the Group
- Speed – features and applications developed for one market can be rapidly rolled out to other markets
- Governance – manage solutions from a single location, optimising the support regionally

The backsourced IT infrastructure services that will enable the Bank to have end-to-end control of IT services are as follows:

- Enterprise Operation Centre
- Distributed Computing Services
- Network Services
- Help Desk

One immediate effect of the transition is that the IT services help desk for Maybank is now supported internally by MSS i.e. Maybankers serving Maybankers. Maybankers in Malaysia and Singapore now use a common Maybank help desk contact for all their IT needs. The focus is on delivering and improving customer service for our internal and external customers.

Regional Branch Solution (RBS)

RBS was the first IT transformation initiative to be kicked off under the transformation agenda. RBS's objective is not only to provide improved and more efficient customer service but to create a new and transformed branch experience for our customers.

To improve and be more efficient, RBS offers consistent customer service, enhances processing efficiency and effectiveness, builds a foundation for a regional standardised teller platform and enables branch of the future. Customers on the other hand will be delighted with the new and transformed branch experience through paperless transactions, no home branch restrictions, effective and efficient customer identification which reduces waiting time and counter processing time.

RBS is replacing the existing teller platforms in Singapore and Malaysia. RBS successfully went live for all branches in Singapore in early November 2013, whilst nationwide deployment in Malaysia reached 485 sites by December 2013.

Regional Cash Management System (RCMS)

Through the new RCMS, Maybank has distinguished itself from other banks by becoming the first bank in the world to have a corporate mobile banking platform running on Windows 8 Phone, which provides convenience and mobility to corporate clients. The system can also be accessed through multiple mobile devices such as iOS (for iPhone and iPad), Android (phone and tablet), Blackberry 10 and mobile web.

Maybank is also the first Malaysian bank to launch regional cash management systems in ASEAN and Greater China and has a standard brand across the region, providing consistent customer experience and differentiating Maybank from other local banks.

RCMS has allowed Maybank to transform its corporate customer service by providing a consistent and robust electronic channel across one region running on a single platform. Its seamless service delivery, which is easy to use, and comprehensive real-time platform offers customers better control of liquidity. RCMS is also a multi-lingual system which supports five different languages – English, Bahasa Malaysia, Bahasa Indonesia, Japanese and in both, simplified Chinese and traditional Chinese.

After the successful rollout in Singapore and Malaysia in 2012, RCMS was rolled out to the Philippines, Greater China and Indonesia in March, June and November 2013, respectively. This subsequent implementation adopts the Rapid Drop approach to reach businesses regionally, which takes a shorter duration as the standard capabilities are dropped to other countries with lessons learnt applied.

Regional TradeConnex

TradeConnex provides a single, standardised trade processing platform across the region and continues its regional deployment to other countries after its successful roll out to several countries including Singapore, the Philippines, Cambodia and Indonesia in 2012. In 2013, TradeConnex was launched in Beijing (in June), Laos (in July) and Papua New Guinea (in November). As a web-enabled solution, it offers accessibility, mobility and convenience for clients on the move. With an array of features such as market updates, e-applications and correspondences with our Trade Information Centre, we ensure our customers obtain first-hand information pertinent to their international trade.

Another milestone was achieved on 1 December 2013 with the completion of the integration between Regional TradeConnex and Maybank Singapore's Finance of International Trade Automated System (FITAS) trade finance back office system for straight through processing. This demonstrates the Group's capability to deliver regional solution. The successful collaboration opens up inroads for the Regional TradeConnex Head Office Project Team to undertake the Regional TradeConnex integration of the trade finance back office systems for other sites in 2014.

Global ATM

The Bank continues to expand its global ATM network with the opening of our ATMs in Vietnam (in February), Laos (in April) and London (in August), bringing the total to six global ATMs (in Cambodia, Papua New Guinea and Brunei). Our ATMs will provide our customers with convenient and secure access to their cash and better banking experiences when they travel overseas.

For more on our industry recognition, refer to page 63.

GROUP OPERATIONS



“The revised Group structure in 2014 and the establishment of Group Operations as a dedicated sector is a strategy to accelerate the Group’s transformation journey. Group Operations will focus on all operational activities and institute operational excellence across the Group.

The emphasis will be to streamline our operations across the region with an objective to improve our customers’ experience and the Group’s profitability.”

JEROME HON
Group Chief Operations Officer

OUR PRIORITIES IN 2014

- Centralisation, regionalisation and streamlining of processes and structure across all main banking operation activities.
- Adopting operational excellence and LEAN initiatives.
- Reinforcing the risk culture across Group Operations.

GROUP OPERATIONS’ STRATEGY

Transformation initiatives planned for 2014 include centralisation, regionalisation and streamlining of processes and structure to ensure that the ultimate outcome leads to greater productivity and cost efficiency. This will involve the main banking operation activities, which include the Payments & Self Service Terminals (Payment & SST), Trade Operation Centre (TOC), Credit Administration (CA) and Treasury Operations.

Operational excellence and LEAN initiatives will be adopted with a view to ensure that processes and outcomes are efficient and productive. In addition to enhancing productivity and supporting the Group’s strategic cost optimisation plans through these initiatives, we will also focus on reinforcing the risk culture across Group Operations.

2013 OPERATIONS REVIEW

Prior to 2014, Operations was housed under Enterprise Transformation Services (ETS) comprising five main units - CA, payment and SST, TOC, Management Support and Project Management Office (MS-PMO) and Group Collateral Management System (GCMS).

The capability of Credit Administration Centre (CAC) has been expanded for Operations by taking over some existing activities from branches. The major task, which was moved from branches to CACs, is the management and handling of physical security envelopes that allow branches to focus on customer sales and services. To-date, one million security envelopes have been migrated to the respective regional centres.

Maybank is the leading bank in developing an online communication system with legal firms. Real time status for documentation is available and we are able to track the performance of lawyers/solicitors while driving for early completion. Recently, we have also enhanced the system to begin communication with another major stakeholder, i.e. property developers. Developers will now have a view on the status of their documentation and dates and amount of disbursements made. Presently, there are about 9,000 users and over 350,000 documentation cases handled by the system since its implementation in 2004.

In 2013, Trade Operation Centre took a huge step towards becoming a Centre of Excellence which champions best practices and acts as the reference point for any trade related issues, by embarking on these two main initiatives:

1. Insource of Trade Processing Activities from Overseas Units at TOC

Centralising trade processing activities at TOC has created standardisation of processes currently performed at countries. This also has enabled best practices and knowledge sharing across the countries in making TOC regionalisation-ready to support Global Banking’s regional activities.

2. Centralisation of Export Documents Checking Activities at TOC

This activity was previously performed by our outsourcers due to the lack of expertise within the Bank. By bringing back Export Documents Checking activities to TOC, Trade Finance Centres (TFCs) now have a standardised process. This has also enhanced our customers’ experience by reducing the turn-around time at TFCs and providing customer prioritisation. As a major player in Trade Financing in the country, Maybank now has its own Certified Documents Checking team.

The various efforts made by the Operations team such as the expansion of its capability, enhancements of its customer experience, streamlining of its processes and centralisation of system to serve as a single source of truth paid off when several awards were received in 2013 from the Nostro agents.

Group Collateral Management System (GCMS) is a centralised collateral management system, which provides the framework for efficient management of collateral information and meets specific operational and monitoring requirements under Basel II towards optimising Risk Weighted Assets. It also serves as single source of collateral data for Management Information System, regulatory reporting, compliance and business analytics. GCMS facilitates revaluation of specific eligible collaterals for the use as credit risk mitigation.

Payment Support and ATM SST are now merged into one unit, enabling streamlined reporting and LEAN operations, thus, we are now able to support business growth. We have also consolidated the Inward Cheque Clearing unit with the Outward Cheque Clearing unit into a One-Stop Centre for handling cheque processing, in line with BNM's requirements to standardise practices. This has tremendously improved productivity and efficiency of the team.

We have also enabled seamless, real time monitoring on a centralised web platform across 4,520 self-service terminals in Malaysia and six countries by implementing the Global ATM – eSST Monitoring Solution. Capabilities and benefits derived from this project were:

System

- Web enabled and real time data of SST availability
- Scalable to support countries
- Accessibility extended to service providers and machine vendors
- Dashboard capability and snapshot of the overall SST performance

Process

- Straight-Through-Processing (STP) via automated escalation to service providers/machine vendor
- First time resolution for SST faults and errors are made available
- Reduced downtime with capability to remotely bring up the SST for selective faults

Business Intelligence

- Drill down error capability to identify where preventive measures are required
- Automated reporting and analytics are available
- Real time transaction volume capability to manage peak periods and manpower requirements

For our awards, please refer to page 63.

1 solution, 4,520 SSTs across Malaysia and 6 countries



**365-day
Global Monitoring**

**WITH THE
DEDICATION OF
OUR PEOPLE, WE
ARE EMPOWERING
COMMUNITIES
ACROSS ASIA.**



COMMUNITY

119,000

TOTAL VOLUNTEER HOURS

COMMUNITY



ENVIRONMENT



WORKPLACE



MARKETPLACE





CORPORATE RESPONSIBILITY

“... the New Economic Model must include a commitment to Sustainability, not only in our economic activities but in considering the impact of economic development on our environment and precious natural resources. There is little value in pursuing a future based entirely on wealth creation”

HIS EXCELLENCY DATO' SRI HAJI MOHAMMAD NAJIB BIN TUN HAJI ABDUL RAZAK,
Prime Minister of Malaysia



Tan Sri Dato' Megat Zaharuddin, Chairman of Maybank Foundation, engaging with a beneficiary of Bank Internasional Indonesia's (BII) microfinancing programme .

As the finance sector plays a major role in fuelling economic growth both nationally and regionally, there is an ever-increasing need to address the issue of sustainability. As our Prime Minister has emphasised, an integrated approach to sustainability, which considers the economic, environmental and social footprint of policies and practices, has become a matter of vital importance.

Sustainability has been fundamental to Maybank ever since our foundation – whether in our business performance, our products and services or our engagement with our stakeholders. Similarly, corporate responsibility (CR) is integral to the way we do business. For more than 50 years, we have practised ‘Putting People First’ – be they our customers, investors, staff, partners or communities.

From the outset, we have regarded good corporate citizenship as essential to our growth trajectory. Today – as a leading financial services group in Asia – we recognise that it is for us to assume a leadership role as a responsible corporate citizen.

This conviction has found its embodiment in our mission to humanise financial services across Asia.

Our Sustainability Report 2013

As we expand across ASEAN, our commitment to practising transparency and accountability increases. Our 2013 Sustainability Report reflects our promise to publicise – not just to our shareholders but to all our stakeholders – our pledge to be responsible and sustainable in our business. This year, our focus is on building regional linkages and aligning our Corporate Sustainability efforts toward Maybank’s humanising mission. This year’s report is also aligned to the new standards set by the Global Reporting Initiative (GRI), GRI4.



Maybank has a long history of being at the heart of the community. Right from the start, we aimed to be a bank for all Malaysians, and Maybank branches have become a nucleus of many small towns throughout the country. In line with our humanising mission, we are now extending this community-based approach across the region.

In 2013, we made significant 'impact investments' across Southeast Asia – initiatives aimed not just at boosting access to financial services for every level of society, but at promoting genuine and enduring transformation.

Coordinated mainly by the Maybank Foundation, our community work targets a diverse group of beneficiaries as we attempt to set a new standard for CR activities that goes beyond pure philanthropy to deliver meaningful programmes with lasting outcomes. Our social investments embrace education, community empowerment, sports, health, arts, culture and heritage; and it is a principle of the Foundation that many of our programmes should be driven by employee volunteerism.



Tan Sri Dato' Megat Zaharuddin and Puan Nora Abd Manaf, Group Chief Human Capital Officer congratulating recipients of the Maybank Scholarship Award 2013.

EDUCATION

Promoting Excellence

We are deeply committed to supporting social and economic development through education, especially for academically excellent students from lower income families. Our scholarship programmes are intended to attract the region's best talents and provide them the opportunities to reach their full, long-term potential. Our school adoption programme aims to enhance access to education, especially among rural communities. We also collaborate with selected partners on educational programmes that equip young children with important life skills such as financial literacy.

Maybank Foundation Scholarships

In 2013, the Maybank Foundation allocated RM30 million to fund scholarships that cover tuition fees, living allowances, laptops and training. We also run development programmes such as internship and mentorship to prepare scholars for a rewarding career with the Maybank Group.

Maybank BII Scholarships

In November 2012, Bank Internasional Indonesia (BII) launched a local and overseas scholarship award programme. In 2013, over 8,400 students from all over Indonesia applied for local scholarships, and 28 received awards. Meanwhile, 300 students applied for overseas scholarships, and five have now been granted awards to study in Malaysia and Singapore.

Promote Education Excellence in Rural Schools (PEERS)

We work closely with selected partners to deliver educational programmes to the 16 rural schools we have adopted under the PEERS programme. One key partner is the British Council, with which we have developed a three-year programme to help English teachers keep the curriculum fresh, exciting and relevant. To date, we have benefited more than 4,800 students and 360 teachers.

CORPORATE RESPONSIBILITY

CashVille Kidz

In 2013, we launched CashVille Kidz Season 2, an animated TV series, co-produced by the Maybank Foundation and MoneyTree (M) Sdn Bhd. The programme educates students about the importance of sound money management and focuses on financial lessons that range from the importance of saving money to developing positive spending habits and making smart investments. The pilot CashVille Kidz series reached over 1.5 million viewers – more than ten times its initial target. We also expanded the initiative to include a Financial Literacy Challenge that tests primary school students on their financial planning skills. Despite being fresh on the market, it has already received recognition as joint winner of the Efma-Accenture Innovation Awards 2013 under the category 'Responsible Business'. The award was participated by over 150 banks from 54 countries. Season 2 is set to begin in mid-2014.



Students posing with CashVille Kidz characters, Penny, Suzy, Sens and Barry.

Youth Empowerment Programmes

With Heartware Network and the Singapore Ministry of Education, in 2012 Maybank Singapore launched the Heartware Character & Citizenship Education (CCE) Leadership Programme and a Tuition Programme. Due to Singapore's competitive education system, students from low-income backgrounds face a disadvantage in terms of access to additional education support. The CCE Leadership and Tuition Programmes aim to address this disparity by offering free tutoring and peer mentoring. In 2013, almost 250 students and youth volunteers have benefited from these initiatives. We plan to continue supporting programmes that help communities grow in a sustained manner.

COMMUNITY EMPOWERMENT

Stimulating Development

Employee Volunteerism



Our humanising mission is something that our people have very much taken to heart. In 2013 alone, more than 23,000 Maybankers donated over 119,000 hours of their own time to take part in voluntary community programmes.

Through our annual flagship Cahaya Kasih (Ray of Love) programme, we structure, monitor and evaluate the impact of all employee volunteerism. Initiated in 2006, Cahaya Kasih challenges Maybankers all over the globe to come up with projects that will deliver long-term benefits for their chosen community. In 2013, we received over 100 project proposals. Each proposal was given an initial grant to kick-start the project. The Top 20 Projects that best demonstrated sustainability of effort and impact then received an additional RM20,000 to further benefit the beneficiaries.

Initiatives were implemented in 16 countries throughout the year, and at the end of the challenge, each project was judged on the sustainable impact it had made. The best implemented projects in each category were given extra funds to further develop the project. For a full list of all the projects, visit www.maybankfoundation.com.

Meanwhile, since 2010, we have been using our Global Corporate Responsibility (CR) Day to showcase our people's initiatives. The causes our people targeted in 2013 ranged from community empowerment, education and sports to environmental, health and medical initiatives. We estimate that last year more than 800,000 people benefited from our employee volunteerism programmes.

To encourage volunteerism, Maybank gives employees three days unrecorded leave each year.

Maybank Village Light of Hope

In 2013, a group of Maybankers launched a project to enhance the lives of the people of Carey Island, Selangor, Malaysia. The project addressed a formidable range of issues: poverty, low educational awareness, lack of basic hygiene and healthcare, drug and alcohol addiction, abandonment of the elderly, the high number of single parents, and the lack of resources and extracurricular youth activities.

Visiting around 100 families, Maybank volunteers first took time to engage with the community and gain acceptance and trust. They also partnered with various organisations that were keen to support the initiative. With these partners, they ran talks and classes on topics ranging from education and employment to basic hygiene, free medical check-ups and drug prevention.

The outcomes included an enhanced awareness of the importance of healthcare and increased interest in children's education – which was further encouraged by new resources such as a library and a computer area for youngsters.

In these ways, the initiative helped to empower the community to take responsibility for its own social and economic progress.



Datuk Abdul Farid Alias, President & CEO, helping a young boy prepare for the "Charity Walk for the Blind" Cahaya Kasih event.

Microfinancing

Through one of our Corporate Responsibility (CR) programmes 'BII Berbagi', our subsidiary Bank Internasional Indonesia (BII) operates microfinancing programmes dedicated to alleviating poverty by helping disadvantaged Indonesian women – especially in rural areas – to boost their living standards by their own entrepreneurship.

Back in 2012, BII collaborated with Koperasi Mitra Dhuafa (KOMIDA), an Indonesian microfinance institution (MFI) to provide Rp 1 billion (approximately RM300,000) revolving funds to underprivileged women at a low interest rate.

In 2013, BII expanded their efforts by launching two additional microfinancing programmes with Baitul Maal wat Tamwil (BMT) and Asosiasi Perempuan Usaha Kecil (ASPUK). Each programme has a revolving fund of Rp1 billion (approximately RM300,000). BMT focuses more on microenterprises while ASPUK specifically targets women microbusiness owners. Through BMT, BII has provided microfinancing to more than 200 microenterprises across six provinces. The collaboration with ASPUK was recently launched in December 2013. ASPUK operates through 29 cooperatives and reaches women in Sulawesi, Sumatra, Kalimantan, Nusa Tenggara Barat, Nusa Tenggara Timur and Jawa.

Since 2012, our 'BII Berbagi' microfinancing initiatives have impacted over 5,000 women.

Disaster Relief

In 2013, the Group and the Maybank Foundation contributed RM1 million to the Philippines National Red Cross to assist victims of Typhoon Haiyan, which ravaged the central part of the Philippines in November, leaving a trail of destruction in its wake. Last year also witnessed the completion of a Maybank Community Centre to Xavier Ecoville Resettlement Community – home to 573 families that fell victim to Typhoon Sendong (Washi) in 2011. Funded by Maybank Philippines, the Community Centre is used by the families for community activities. In addition, Maybank

Philippines has also initiated capacity-building programmes to help families within the community obtain better job opportunities and regain their livelihood.

In early December, Malaysia's east coast was hit by seasonal floods brought on by torrential rain. Tens of thousands of people were forced to evacuate their homes and power and water supplies were cut off in most areas. Maybank contributed RM110,000 to purchase food and relief supplies for over 1,000 affected families.

HEALTHY LIVING

Nurturing Wellness



Our longstanding support for access to healthcare and fitness is a fundamental aspect of our humanising mission.

Liver Transplant Centre, Hospital Selayang

In 2002, Maybank entered into partnership with Hospital Selayang to help establish and run its Liver Transplant Centre (LTC). The LTC provides affordable liver transplants for those unable to bear the charges levied by private hospitals. With our support, medical costs are subsidised for underprivileged patients, and to date LTC has conducted 60 transplants. Maybank has contributed RM6.2 million thus far, not only to support the centre's operations but also their medical endowment fund for patients-in-need. This amount is inclusive of funds raised through charity programmes held in conjunction with our annual Maybank Malaysia Open (MMO) sporting events.

Institut Jantung Negara

To promote access to healthcare, Maybank Islamic has made a five-year commitment via the Maybank Foundation to contribute RM1.7 million to Institut Jantung Negara's new Regional Paediatric Heart centre. This contribution not only provides support in terms of much-needed medical equipment but also assists in subsidising medical expenses for patients from low-income backgrounds. Since 2012, this collaboration has helped 30 children from around the region.

Sport

Sport promotes health, develops talent, and spurs competitiveness. We not only actively encourage employees to take part in sport, we also sponsor several major sporting events.

Together with the Badminton Association of Malaysia, we organise training and tournaments for young badminton players, enabling national players to inspire and share their expertise with the new generation.

Through the Maybank Malaysian Open Golf tournament, we help foster talented young golfers. In 2013, the tournament also raised RM10,000 in public donations for Tabung Wira Lahad Datu Media Prima, which was topped off by RM200,000 from the Maybank Foundation. This donation came about from the Lahad Datu standoff in February 2013, which led to the loss of military personnel who died defending Malaysian borders.

Meanwhile, the "Star Experience for Charity" golf game saw eight amateur golfers each pledge RM5,000 to Make-A-Wish Malaysia – a foundation that helps make dreams come true for children with life-threatening medical conditions. The game collected RM40,000 from the golfers, which was matched by another RM40,000 from the Maybank Foundation.

CORPORATE RESPONSIBILITY

ARTS, CULTURE & HERITAGE

Nukilan Jiwaku

Over the last ten years, we have helped more than 300 artists, photographers, writers and graphic designers by sponsoring events that celebrate Southeast Asia's diverse and vibrant cultures.

In 2013, one such event was the Nukilan Jiwa Art Exhibition held at Balai Seni Maybank, Kuala Lumpur, which showcased the artistic talents of 24 disabled artists. Nukilan Jiwaku gives people with disabilities the chance to express their creativity, as well as help them to become economically self-sufficient.

Maybank Photography Award

The Maybank Photography Awards (MPA) was established on the belief that images speak to us in a way that transcend language, socioeconomic and cultural barriers. In 2012, we received 20,000 submissions – a number which more than tripled to 67,000 in 2013. Themed “Inspiring Asia” the awards attracted participants from nine of the ten ASEAS nations. Submissions were assessed by renowned judges such as Ming Thein, Raghu Rai and Mike Yamashita, and the winners were from four different countries.

ENVIRONMENT

Going Green



In line with our mission to humanise financial services across Asia, Maybank constantly looks to provide financing for businesses whose environmental impact is positive and sustainable.

We also promote good and durable environmental practices across our own operational activities, seeking both to minimise our direct and indirect environmental impacts and to manage materials and waste responsibly.

Since 2011, we have been participating in the Carbon Disclosure Project, a global system for companies and cities to measure, disclose, manage and share vital environmental information. For our first submission, we scored 37 out of 100, in 2012 we scored 58, and by 2013 had increased our score to 67.

Meanwhile, in support of a greener earth, through the Maybank Foundation we run a range of awareness activities and biodiversity programmes. We also collaborate with wildlife and nature conservation organisations to find ways to protect our irreplaceable natural heritage.

Maybank has been involved in tiger conservation for more than three decades now. Since 2010, Maybank has contributed close to RM1.5 million to fund scientific research, social outreach programmes and enhancement of wildlife corridors at critical linkage area between Malaysia's two main tiger reserves – Taman Negara and the Main Range. The corridors are especially important, not just for tigers but other wildlife populations as well, as they enable migration between two ecosystems.



Maybankers planting mangrove trees as part of an ongoing environmental conservation programme under Region Penang/ Kedah/ Perlis (PKP).

In 2013, we further strengthened our support through a contribution to the Malaysian Zoological Society. Besides this, we organised a special Tiger Zoo Camp where over 100 students were invited to spend two days at the zoo, playing and learning about the importance of caring for animals and conserving the environment.

We also supported the first-ever Malaysian Wild Tiger Run. Organised by the Malaysian Conservation Association for Tigers (MYCAT), the run aimed to boost awareness of the plight of the Malayan tiger and to raise funds for conservation efforts. Over 2,000 people took part in the run, which raised RM55,000.

In addition, for the third year running, Maybank supported the Kuala Lumpur Eco Film Festival (KLEFF). This annual festival uses an ‘edutainment’ platform to spread the message of sustainable living through films, community workshops, forums, talks and activities. More than 6,400 people participated in the event.

In conjunction with Earth Day 2013, over 100 Maybankers and their family members joined the Aveda Walk for Water campaign held last April at Publika Mall, Kuala Lumpur. Aimed at raising awareness on water-related issues, the walk was held in support of local NGOs – EcoKnights and Blue Life's Project H2O (Help to Offer Safe Drinking Water to Mantanani). The 2.5 km walk symbolised the distance some people have to travel to reach safe water supplies. The proceeds of over RM25,000 were used to install a filtration system that will provide the Pulau Mantanani community with a long-term source of clean water.

WORKPLACE

Providing Opportunity



For information about Maybank's CR policies and initiatives for the workplace, refer to Group Human Capital section on page 110.



MARKETPLACE

Humanising Financial Services across Asia

Our commitment to humanising financial services across Asia is based on four key principles: providing people with access to funding; offering fair terms and pricing; advising customers based on their needs; and being at the heart of the community.

With 399 branches and 2,777 self-service terminals, we have the most extensive financial network in Malaysia. We now have 422 branches in Indonesia and 79 branches in the Philippines (all disabled-friendly). In increasing access to finance, we provide mobile banking in remote areas and in 2013, we continued our strategic partnership with POS Malaysia whose network of 348 post offices nationwide helps us to reach most rural communities. Meanwhile, with the launch of Malaysia's first card-less cash withdrawal service, we are also reaching out to the un-banked.

During the year, we continued to transform our branches. As well as opening new branches at strategic locations, in each region we set up mega branches that provide our customers with off-bank kiosks.

In 2013, we opened 44 MaybankOne kiosks nationwide. MaybankOne provides a wide range of financial products to various segments of the market, especially those on low incomes. It is also proving an effective tool in helping the lower paid to understand financial products. We also continued to roll out business lines to our overseas markets, including both Islamic Banking and Regional Wealth Management in Singapore; and Global Markets and Regional Cash Management in Singapore and Indonesia.

Meanwhile, our digital presence also continues to expand. We have by far the nation's largest internet banking presence, with a 50% market share and over 2.1 million active users. We are likewise the first bank to introduce comprehensive mobile banking services – our 1.68 million users equating to a market share of 80%. We have also been leveraging on the popularity of online buying with the launch Maybank2u Pay, which enables small businesses to make transactions online.

As we grow regionally, our digital presence will be key to providing access to financial services across the community. Across ASEAN, we are now enabling high-value cross-border business in such areas as virtual banking, wealth management and cards. We have set up a framework to capitalise on our regional synergies, and there is an increased sharing of best practices and collaboration on common initiatives.

In a world where constant connectivity becomes an increasingly integral part of our lives, geographical boundaries are increasingly losing its significance. It is easier than ever to get word out, and to get feedback. Maybank has a fast-growing Facebook fan-base of 1.07 million as of December 2013. In 2013, we were named the No. 1 Socially Devoted Facebook Brand in Malaysia across all industries, and one of the Top 5 amongst financial institutions worldwide – having not only the fastest response time but also highest response rate. We see the social media

platform as a powerful tool to engage with our growing communities, allowing us to continuously strengthen our regional ties.

Last year, we were one of ten global banks (and the only participating bank in Malaysia) to be listed on the Dow Jones Sustainability Index Emerging Market Index. For 2013, we received a DJSI score of 69, up nine points on our 2012 result. The DJSI is the longest-running global sustainability index and a key reference point in sustainability investing for investors and companies alike.

NEXT STEPS

Pushing the Agenda

In 2013, we started work on two key tools to propel our humanising mission and push the sustainability agenda: a Corporate Responsibility Roadmap and a five-year Sustainability Plan.

CR Roadmap

In 2013, we intensified our community engagement by embarking on a CR Roadmap that will help us to achieve sustainable value creation in all that we do. Specifically, the CR Roadmap will aim to deliver:

- Flagship programmes that are regionally significant yet locally relevant
- Increased community initiatives in key regional markets
- Progressive, sustainable and tangible outcomes

Sustainability Plan

By the end of 2014, we aim to have completed the design of a five-year Sustainability Plan. This will map out a clear approach to sustainability which will not only transform how we relate to our stakeholders but guide us in developing products and services that are economically, socially and environmentally viable.

The plan will specify key commitments and targets that will boost momentum and ensure that sustainability is relevant and impactful.

For more information on Maybank's corporate responsibility and corporate sustainability efforts, please refer to our Sustainability Report 2013.

INVESTOR RELATIONS

In seeking to maintain our credibility over our public reporting and investor relations activities, we continue to be consistent, transparent and regular in providing updates and reports on our operations and performance.

We remain committed to keeping the market informed of relevant Group information, enabling both existing and potential shareholders to evaluate our business, performance and prospects. In 2013, the Group's Investor Relations Programme engaged actively with the investment community and financial markets, as we took on more in-house meetings, roadshows and conferences. We also continued with the Maybank Investor Days, which provided opportunities for investors to obtain more information on business sectors and engage with key leaders. For 2013, the three investor days covered Maybank Islamic, Bank Internasional Indonesia and Community Financial Services. Our strong commitment to communicate with the investment community not only enhances investors' understanding of the Group, but we also aim to use our platform to obtain important feedback from investors and to ensure we keep abreast with shareholder expectations from the Maybank Group.

ANALYST RECOMMENDATIONS

We received 16 Buy calls compared to 15 in 2012 and Maybank's average target price was raised from RM9.62 to RM10.75, an increase of 11.7%.

Key Events	Date
Results Announcement Fourth Quarter FY2012	21 February 2013
First Quarter FY2013	23 May 2013
Second Quarter FY2013	21 August 2013
Third Quarter FY2013	21 November 2013
Other Events 53 rd Annual General Meeting for FY2012	28 March 2013

HIGHLIGHTS

- Participated in more roadshows and conferences and conducted Investor Days to enhance engagement with investors.
- Improved industry recognition with awards from Malaysian Investor Relations Association, Alpha Southeast Asia and NACRA.
- Maintained share register analysis to better understand our shareholders.
- Analysts' coverage reflected more positive recommendations and higher average target price.

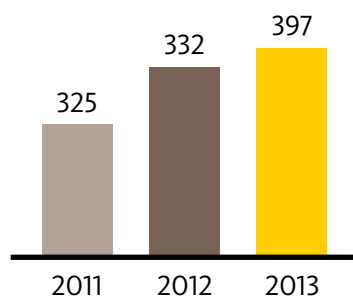
ANALYST BRIEFINGS

In keeping with the Group's standard practice, senior management conducted media and analyst briefings for the Group's half year and full year results, with conference call facilities available for foreign participants. Conference calls with investors were held in conjunction with the release of the Group's first and third quarters' results. The results announcements, presentations and other relevant documents were made available on the corporate website.

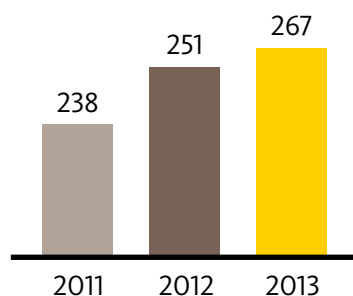
	2013	2012	2011
Results Announcement: Analyst briefing	2	2	2
Results Announcement: Teleconference	4	4	2
Number of companies met (in-house meetings and roadshows)	267	251	238
Number of analysts/ fund managers met (in-house meetings and roadshows)	397	332	325
Investor Day	3	3	-
Investor conferences & Non-deal roadshows	9	5	6

Note: Investor Day was an initiative only introduced in 2012

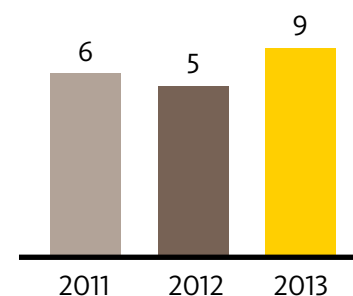
NUMBER OF ANALYSTS/ FUND MANAGERS MET (IN-HOUSE MEETINGS AND ROADSHOWS)



NUMBER OF COMPANIES MET (IN-HOUSE MEETINGS AND ROADSHOWS)



INVESTOR CONFERENCES & NON-DEAL ROADSHOWS



The Group met with 397 analysts and fund managers from 267 companies, up 19.6% and 6.4% respectively from the previous year owing to a significant rise in interest from the investment community.

ROADSHOWS, CONFERENCES AND INVESTOR DAYS

We actively participated in local and international conferences and roadshows to provide our investors and potential investors with greater insight into the Group's performance, developments, and strategy for 2013 as well as to shed insight into our direction for 2014. Some of the events in 2013 included:

Venue	Event	Date	Organiser
Kuala Lumpur	Investor Day: Maybank Islamic	19 March 2013	Maybank IR
Hong Kong	Maybank Hong Kong NDR	11-12 April 2013	Maybank Kim Eng
Kuala Lumpur	RHB Corp Day	25 April 2013	RHB
Indonesia	Investor Day: Bank Internasional Indonesia	3 June 2013	Maybank IR
Singapore	Citi ASEAN Conference	6-7 June 2013	Citi
Kuala Lumpur	Invest Malaysia Kuala Lumpur 2013	13-14 June 2013	Maybank Kim Eng/ Bursa Malaysia
Kuala Lumpur	Macquarie Asian Financials Tour	18 June 2013	Macquarie
USA	Maybank Kim Eng ASEAN Conference	8-12 July 2013	Maybank Kim Eng
Singapore	UBS ASEAN Conference	17-18 September 2013	UBS
Hong Kong	20 th CLSA Investor Forum 2013	23-27 September 2013	CLSA
USA	Invest Malaysia US 2013	4-8 November 2013	Maybank Kim Eng/ Bursa Malaysia
Kuala Lumpur	Investor Day: Community Financial Services	28 November 2013	Maybank IR

WEBSITE

The Maybank corporate website at www.maybank.com continued to draw interests and queries from both local and foreign visitors. The Investor Relations department ensured that the Investor Relations section of the corporate website was up-to-date with the latest Group disclosures.

AGM/EGM

Our 53rd Annual General Meeting was held on 28 March 2013.

SHARE REGISTER ANALYSIS

Two share register analysis were conducted in 2013 to allow for better understanding of the Group's shareholders and facilitate the planning of investor programmes. The share register analysis provided a breakdown of shareholders by profile, amount of shareholding, investment style and geographical location. For our shareholding analysis, refer to page 174.

ANALYST COVERAGE

As at December 2013, Maybank was covered by 25 research houses, reflecting strong interest by local and foreign sell-side equity research houses.

CREDIT RATING

To provide stakeholders and the public with an independent view of the Group in line with our policy, we continued to maintain credit ratings with five rating agencies: RAM Ratings, Malaysian Rating Corporate (MARC), Standard and Poor's (S&P), Fitch Ratings and Moody's Investors Services. For our full rating, refer to page 44 of Maybank Share.

No. Equity Research Coverage

1	Affin Securities
2	Alliance Research
3	AmResearch
4	BOA Merrill Lynch
5	CIMB
6	Citigroup
7	CLSA Asia Pacific
8	Credit Suisse
9	Goldman Sachs
10	Hong Leong Investment Bank
11	HSBC
12	HwangDBS Vickers
13	JP Morgan
14	KAF Seagroatt & Campbell
15	Kenanga Investment Bank
16	Macquarie
17	MIDF Research
18	Morgan Stanley
19	Nomura Securities
20	RHB Research Institute
21	Standard and Poor's
22	Standard Chartered
23	TA Securities
24	UBS Securities
25	UOB Kay Hian

**WITH TALENTED
INDIVIDUALS IN
MAYBANK, WE ARE
ABLE TO NURTURE
THE POTENTIAL THAT
EXISTS WITHIN YOU.**



PEOPLE

**47,000
MAYBANKERS**





BOARD OF DIRECTORS

from left to right:

Datuk Mohaiyani Shamsudin, Dato' Johan Ariffin, Zainal Abidin Jamal, Dato' Seri Ismail Shahudin, Dato' Mohd Salleh Hj Harun, Tan Sri Dato' Megat Zaharuddin Megat Mohd Nor





from left to right:
Datuk Abdul Farid Alias, Tan Sri Datuk Dr Hadenan A. Jalil, Dato' Dr Tan Tat Wai, Cheah Teik Seng, Erry Riyana Hardjapamekas, Mohd Nazlan Mohd Ghazali (Group General Counsel & Company Secretary)



BOARD OF DIRECTORS' PROFILE



TAN SRI DATO' MEGAT ZAHARUDDIN MEGAT MOHD NOR

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

(Chairman)

- 65 years of age – Malaysian
- B.Sc (Hons) in Mining Engineering, Imperial College of Science & Technology, University of London; Associate of the Royal School of Mines, UK

Tan Sri Dato' Megat Zaharuddin Megat Mohd Nor was appointed as a Director and Chairman of Maybank on 1 October 2009. He was an Independent Non-Executive Director of Maybank from July 2004 to February 2009.

He built an outstanding career in the oil and gas industry for 31 years with the Royal Dutch Shell Group of Companies and was a Regional Business Chief Executive Officer and Managing Director, Shell Exploration and Production B.V. prior to his retirement in early 2004. He was also the Chairman of Maxis Communications Berhad from January 2004 to November 2007, Etiqa Insurance & Takaful from January 2006 until February 2009, Malaysian Rubber Board from February 2009 to May 2010, Director of Capital Market Development Fund from January 2004 to January 2010 and Director of Woodside Petroleum Ltd, a company listed on the Australian Securities Exchange, from December 2007 to April 2011.

His current directorships in companies within the Maybank Group include as Chairman of Maybank Investment Bank Berhad and President Commissioner of PT Bank Internasional Indonesia Tbk. He is also a Director of the ICLIF Leadership and Governance Centre, Malaysia.

He attended 14 out of the 15 Board meetings held in the financial year ended 31 December 2013.

Tan Sri Dato' Megat Zaharuddin has no family relationship with any director and is a nominee of Permodalan Nasional Berhad, a major shareholder of Maybank. He has no conflict of interest with Maybank and has never been charged for any offence.



DATO' MOHD SALLEH HJ HARUN

INDEPENDENT NON-EXECUTIVE DIRECTOR

(Vice Chairman)

- 69 years of age – Malaysian
- Member of the Malaysian Institute of Certified Public Accountants; Fellow of the Institute of Bankers Malaysia

Dato' Mohd Salleh Hj Harun was appointed as a Director and Vice Chairman of Maybank on 18 November 2009. He serves as Chairman of the Nomination and Remuneration, and Employees' Share Scheme Committees of the Board.

He started his career as a Senior Accountant with the Treasury between 1971 and 1974 prior to joining the Maybank Group in 1974 as Investment Manager in Aseambankers Malaysia Berhad (now known as Maybank Investment Bank Berhad), before moving to Bank Rakyat for a short stint in 1978. Thereafter, Dato' Salleh returned to the Maybank Group where he served in various senior capacities culminating as Executive Director of Maybank from 1994 to 2000. He was then appointed as a Deputy Governor of Bank Negara Malaysia, a post he held up to 2004. Since then, he held directorships in the RHB Group including as Chairman of RHB Insurance Berhad until November 2009.

His current directorships in companies within the Maybank Group include as Chairman of Maybank Ageas Holdings Berhad, Etiqa Insurance Berhad, Etiqa Takaful Berhad and Maybank Philippines Inc. He is also a Director of Scicom (MSC) Berhad, Asia Capital Reinsurance Malaysia Sdn Bhd and FIDE Forum.

He attended all 15 Board meetings held in the financial year ended 31 December 2013.

Dato' Salleh has no family relationship with any director and/or major shareholder of Maybank. He has no conflict of interest with Maybank and has never been charged for any offence.



DATUK ABDUL FARID ALIAS

*NON-INDEPENDENT EXECUTIVE DIRECTOR
(Group President @ Chief Executive Officer)*

- 46 years of age – Malaysian
- Bachelor of Science in Accounting, Pennsylvania State University, University Park, USA and Masters in Business Administration, Finance, University of Denver, USA, Advanced Management Programme, Harvard Business School, Harvard University

Datuk Abdul Farid Alias was appointed as the Group President & CEO and Executive Director of Maybank on 2 August 2013. He serves as Chairman of the Group Executive Committee and as a member of the Credit Review Committee of the Board.

He was the Deputy President and Head, Global Banking from 1 July 2010 before his appointment as Group President & Chief Executive Officer. He joined the Maybank Group in 2008.

Prior to joining Maybank, he has over 20 years of experience in investment banking, corporate finance and capital markets with Aseambankers Malaysia Berhad (1992-1994), Schroders (1994-1995), Malaysian International Merchant Bankers Berhad (1996-1997), J.P. Morgan (1997-2005) and Khazanah Nasional Berhad (2005-2008).

His current directorships in companies within the Maybank Group include as Director of Maybank Investment Bank Berhad and Maybank Ageas Holdings Berhad. His directorships in other companies include as Chairman of Malaysia Electronic Payment System Sdn Bhd and Director of Cagamas Holdings Berhad.

Datuk Abdul Farid Alias is currently the Chairman of The Association of Banks in Malaysia. He is also the Vice Chairman of Institut Bank-Bank Malaysia and a member of the ASEAN Banking Council, the Asian Banker Association, Visa Senior Client Council Program and Investment Panel of Kumpulan Wang Persaraan (Diperbadankan) (KWAP).

He attended seven Board meetings held in the financial year ended 31 December 2013 since his appointment on 2 August 2013.

Datuk Abdul Farid Alias has no family relationship with any director and/or major shareholder of Maybank. He has no conflict of interest with Maybank and has never been charged for any offence.



TAN SRI DATUK DR HADENAN A. JALIL

INDEPENDENT NON-EXECUTIVE DIRECTOR

- 68 years of age – Malaysian
- PhD, Henley Management College, UK; Master of Business Management, Asian Institute Management, Philippines; Bachelor of Economics, University of Malaya

Tan Sri Datuk Dr Hadenan A. Jalil was appointed as a Director of Maybank on 15 July 2009. He serves as Chairman of the Audit Committee and as a member of the Nomination and Remuneration, and Employees' Share Scheme Committees of the Board.

Tan Sri Datuk Dr Hadenan A. Jalil was the Auditor General from 2000 to 2006. He served the Government for 36 years in various capacities in the Treasury, the Ministry of International Trade and Industry and the Ministry of Works prior to his appointment as Auditor General.

His current directorship in companies within the Maybank Group includes as Director of Maybank Islamic Berhad. He is a member of the Supervisory Board of An Binh Commercial Joint Stock Bank (Vietnam), and also Chairman of ICB Islamic Bank Ltd (Bangladesh), Protasco Berhad and its subsidiary, PNB Commercial Sdn Bhd and its subsidiaries, Pelangi Management Sdn Bhd, Roadcare Sdn Bhd, Infrastructure University Kuala Lumpur, Operation Evaluation Panel Malaysia Anti Corruption Commission and THP Sinar Sdn Bhd. In addition, he sits on the boards of Unilever (Malaysia) Holdings Sdn Bhd and University Tun Abdul Razak Sdn Bhd as well as being a member of the Audit Committee, Johor Corporation.

He attended all 15 Board meetings held in the financial year ended 31 December 2013.

Tan Sri Datuk Dr Hadenan has no family relationship with any director and/or major shareholder of Maybank. He has no conflict of interest with Maybank and has never been charged for any offence.

BOARD OF DIRECTORS' PROFILE



DATO' SERI ISMAIL SHAHUDIN

INDEPENDENT NON-EXECUTIVE DIRECTOR

- 63 years of age – Malaysian
- Bachelor of Economics, University of Malaya

Dato' Seri Ismail Shahudin was appointed as a Director of Maybank on 15 July 2009. He serves as Chairman of the Credit Review Committee and as a member of the Risk Management Committee of the Board.

He was Chairman of Bank Muamalat Malaysia Berhad from 2004 until his retirement in July 2008. He has held senior positions in Citibank, serving both in Malaysia and New York, United Asian Bank and Maybank where he was appointed Executive Director in 1997. He left Maybank in 2002 to assume the position of Group Chief Executive Officer of MMC Corporation Berhad.

His current directorships in companies within the Maybank Group are as Chairman of Maybank Islamic Berhad and as Director of MCB Bank Limited, Pakistan. He is also a director of several public listed companies which include Nadayu Properties Berhad (formerly known as Mutiara Goodyear Development Berhad), EP Manufacturing Berhad, Opus International Consultants Ltd, a company listed on New Zealand Stock Exchange and Aseana Properties Limited, a company listed on the London Stock Exchange.

He attended 14 out of the 15 Board meetings held in the financial year ended 31 December 2013.

Dato' Seri Ismail Shahudin has no family relationship with any director and/or major shareholder of Maybank. He has no conflict of interest with Maybank and has never been charged for any offence.



DATO' DR TAN TAT WAI

INDEPENDENT NON-EXECUTIVE DIRECTOR

- 67 years of age – Malaysian
- PhD in Economics, Harvard University, USA; Master of Economics, University of Wisconsin (Madison), USA; Bachelor of Science in Electrical Engineering & Economics, Massachusetts Institute of Technology, USA

Dato' Dr Tan Tat Wai was appointed as a Director of Maybank on 15 July 2009. He serves as Chairman of the Risk Management Committee and as a member of the Nomination and Remuneration, and Employees' Share Scheme Committees of the Board.

He started his career with Bank Negara Malaysia in 1978, undertaking research in economic policies. Subsequently, he assumed the role of a consultant to Bank Negara Malaysia, World Bank and the United Nations University for several years. He served as the Secretary and a member on the Council of Malaysian Invisible Trade, set up to formulate policies to reduce Malaysia's deficit in service trade. He was a member of the Government appointed Malaysian Business Council, the Corporate Malaysia Roundtable, the Penang Industrial Council, the Industrial Co-ordination Council (ICC) and the National Committee on Business Competitiveness (NCBC) set up by the Ministry of International Trade and Industry. He represented Malaysia as a member of the APEC Business Advisory Council (ABAC) and sat on the Council of Wawasan Open University.

Within the Maybank Group, he is a Director of Maybank Trustees Berhad. He has been the Executive Director of Southern Steel Berhad since January 2014, prior to which he had been its Group Managing Director for about 20 years. He also sits on the Boards of Shangri-La Hotels (M) Bhd, Lotte Chemical Titan Holding Sdn Bhd (formerly known as Titan Chemicals Corp Bhd), NSL Ltd, a public-listed company in Singapore and Starglow Investments Ltd, and several other private limited companies. He is also the President of the not-for-profit Lam Wah Ee Hospital.

He attended all 15 Board meetings held in the financial year ended 31 December 2013.

Dato' Dr Tan has no family relationship with any director and/or major shareholder of Maybank. He has no conflict of interest with Maybank and has never been charged for any offence.



ZAINAL ABIDIN JAMAL

NON-INDEPENDENT NON-EXECUTIVE DIRECTOR

- 60 years of age – Malaysian
- LL.B (Honours), University of Singapore

Zainal Abidin Jamal was appointed as a Director of Maybank on 22 July 2009. He serves as a member of the Credit Review, Nomination and Remuneration, and Employees' Share Scheme Committees of the Board.

He is a practising corporate and commercial lawyer and established his firm, Zainal Abidin & Co in 1987, where he is the Founder and Senior Partner. He was enrolled as an Advocate & Solicitor of the High Court of Malaya in 1986. Between 1983 and 1986, he served as the Company Secretary of Harrisons Malaysian Plantations Berhad. Prior to that, he had practised in Singapore where he was enrolled in 1980 as an Advocate and Solicitor of the Supreme Court of Singapore and he has also served as a First Class Magistrate in Brunei Darussalam.

His current directorships in companies within the Maybank Group include as Chairman of Maybank Trustees Berhad and as Director of Etiqa Insurance Berhad, Etiqa Takaful Berhad, and Maybank Islamic Berhad. He also serves on the Boards of SP Setia Berhad, Lam Soon (M) Berhad, Kesas Holdings Berhad, PNB Asset Management (Japan) Co Ltd, PNB International Limited and PNB-SBI ASEAN Gateway Investment Management Limited.

He attended all 15 Board meetings held in the financial year ended 31 December 2013.

Zainal Abidin Jamal has no family relationship with any director and is a nominee of Permodalan Nasional Berhad, a major shareholder of Maybank. He has no conflict of interest with Maybank and has never been charged for any offence.



CHEAH TEIK SENG

INDEPENDENT NON-EXECUTIVE DIRECTOR

- 60 years of age – Malaysian
- Bachelor of Science, University of Manchester, UK;
- Fellow of the Institute of Chartered Accountants in England and Wales

Cheah Teik Seng was appointed as a Director of Maybank on 26 August 2009. He serves as a member of the Audit and Risk Management Committees of the Board.

As a federal government Public Services Department scholarship holder, he served in the civil service in the early '80s. After leaving government service, he took on various roles in the banking and financial services industry both locally as well as in London, Hong Kong and Singapore. He held positions in Public Bank, Chase Manhattan Bank, Merrill Lynch, Goldman Sachs, UBS, and in BNP Paribas, holding the position of Managing Director for a tenure of nine years. He was appointed as CEO-designate of ECM Libra Avenue Group in 2006. He is currently a Director and partner of Aktis Capital Singapore Pte Ltd.

His current directorships in companies within the Maybank Group include as Chairman of Maybank (Cambodia) Plc., Maybank Kim Eng Holdings Ltd and Maybank Agro Fund Sdn Bhd as well as Director of Maybank Investment Bank Berhad.

Cheah Teik Seng sits on the boards of other listed companies such as Drillsearch Energy Limited in Australia and MJIC Investments Corp. in the Philippines. He also sits as director of various private equity companies in Hong Kong and China.

He attended 14 out of 15 Board meetings held in the financial year ended 31 December 2013.

Cheah Teik Seng has no family relationship with any director and/or major shareholder of Maybank. He has no conflict of interest with Maybank and has never been charged for any offence.

BOARD OF DIRECTORS' PROFILE



DATO' JOHAN ARIFFIN

INDEPENDENT NON-EXECUTIVE DIRECTOR

- 55 years of age – Malaysian
- B.A Economics, Indiana University, USA; MBA, University of Miami, USA

Dato' Johan Ariffin was appointed as a Director of Maybank on 26 August 2009. He serves as a member of the Audit and Credit Review Committees of the Board.

He started his career in the real estate division of Citibank. Thereafter, he held various senior positions in several subsidiaries of public listed companies while venturing into his own successful marketing and advertising consultancy and property development business. He then headed Danaharta's Property Division as Senior General Manager before moving on to head TTDI Development Sdn Bhd up to January 2009.

His current directorships in companies within the Maybank Group are as Chairman of Maybank International (L) Limited and Maybank International Trust (L) Ltd as well as Director of Maybank Ageas Holdings Berhad, Etiqa Insurance Berhad and Etiqa Takaful Berhad. He is currently also the Chairman of Mitraland Properties Sdn Bhd and Director of Sime Darby Property Berhad, and a National Council member of the Real Estate Housing Developers' Association Malaysia (REHDA).

He attended 14 out of the 15 Board meetings held in the financial year ended 31 December 2013.

Dato' Johan Ariffin has no family relationship with any director and/or major shareholder of Maybank. He has no conflict of interest with Maybank and has never been charged for any offence.



DATUK MOHAIYANI SHAMSUDIN

INDEPENDENT NON-EXECUTIVE DIRECTOR

- 65 years of age – Malaysian
- MBA (Finance) Cornell University, Ithaca, New York, USA; BA (Economics) Knox College, Galesburg, Illinois, USA

Datuk Mohaiyani was appointed as a Director of Maybank on 22 August 2011. She serves as a member of the Credit Review Committee of the Board.

She was with Amanah Chase Merchant Bank Berhad and Seagroatt & Campbell Sdn Bhd before starting her own stockbroking company, Mohaiyani Securities Sdn Bhd in 1985 and assumed the role of Managing Director. During her active involvement in the stockbroking industry, she was appointed as Deputy Chairman of Kuala Lumpur Stock Exchange (now known as Bursa Malaysia Bhd) and Chairman of Association of Stockbroking Companies Malaysia. She had also been appointed as a member of several high level national working groups such as National Economic Action Council (NEAC), National Economic Consultative Council II (MAPEN II), National Information Technology Council (NITC), Ministry of Finance High Level Finance Committee for Corporate Governance and National Advisory Council for Women, Ministry of Women, Family and Community Development.

Her current directorships in companies within the Maybank Group include as Chairman of Maybank Asset Management Group Berhad and Maybank Asset Management Sdn Bhd as well as Director of Maybank Investment Bank Berhad. At present she serves as a director of Capital Market Development Fund as well as being a member and trustee of National Heart Institute Foundation, NUR Foundation, Perdana Leadership Foundation and National Council of Women's Organisations Malaysia (NCWO).

She attended 14 out of the 15 Board meetings held in the financial year ended 31 December 2013.

Datuk Mohaiyani Shamsudin has no family relationship with any director and/or major shareholder of Maybank. She has no conflict of interest with Maybank and has never been charged for any offence.



ERRY RIYANA HARDJAPAMEKAS
INDEPENDENT NON-EXECUTIVE DIRECTOR

- 64 years of age – Indonesian
- Bachelor's Degree in Economics/Accounting, Padjadjaran University, Bandung, Indonesia; Financial Management Course, Harvard Business School, USA

Erry Riyana Hardjapamekas was appointed as a Director of Maybank on 25 June 2012. He also serves as a member of the Audit Committee of the Board.

He has altogether more than 30 years of working experience. His main expertise is in the field of general and financial management where he had spent a total of 12 years, including four years as the Finance Director of PT Timah Tbk before his appointment as the President Director of PT Timah Tbk in March 1994, a position he held for eight years. In the banking industry, he was the President Commissioner of PT Bank BNI Tbk from February 2008 to May 2009, and prior to that, his contribution to Indonesia's capital markets had led to his election as a member of the Board of Commissioners of the Jakarta Stock Exchange in 1996 and as President Commissioner from March 1998 to April 2001.

Erry Riyana had also been selected as a Commissioner and Vice Chairman of Corruption Eradication Commission of the Republic of Indonesia in 2003, a position he held until 2007. He was subsequently the Chairman of the National Team of Military Business Transfer from 2008 to 2009, followed by his appointment as a member of Selection Committee of Commissioners of Corruption Eradication Commission in 2010 and 2011. Additionally, since 2011, he has been the Chairman of Independent Team of National Bureaucracy Reform.

Erry Riyana is currently an Independent Commissioner of PT ABM Investama Tbk, PT Hero Supermarket Tbk, PT Tirta Investama/Danone Aqua, PT Weda Bay Nickel and Chief Commissioner of PT MRT Jakarta.

He attended all 15 Board meetings in the financial year ended 31 December 2013.

Erry Riyana has no family relationship with any director and/or major shareholder of Maybank. He has no conflict of interest with Maybank and has never been charged for any offence.



MOHD NAZLAN MOHD GHAZALI
GROUP GENERAL COUNSEL @ COMPANY SECRETARY

Mohd Nazlan Mohd Ghazali is the Group General Counsel & Company Secretary of Maybank, and is also its Group Head of Corporate & Legal Services. He graduated with a Bachelor of Arts in Jurisprudence as well as Master of Arts, both from the University of Oxford. He is also a Barrister at Law (Lincoln's Inn) and an Advocate & Solicitor of the High Court of Malaya.

He was a Partner and Head of Equity Capital Markets at Messrs Zaid Ibrahim & Co, specialising mainly in corporate, financial services and securities law matters, particularly in respect of corporate transactions such as capital raisings and M&As before joining Maybank in 2005. Prior to that, he was with the Securities Commission of Malaysia (SC) for about seven years until 2000 and his last position was the Head/General Manager of the Enforcement Division, with overall responsibility over the investigation, prosecution and complaints departments. He had also earlier served the Executive Chairman's Office and the Issues & Investment Division whilst at the SC. Mohd Nazlan started his working career in 1991 at Messrs Shook Lin & Bok, handling corporate, conveyancing and banking law matters.

GROUP EXECUTIVE COMMITTEE



DATUK ABDUL FARID ALIAS

*Group President & Chief Executive Officer
Chief Executive Officer (CEO), Malaysia
Group Head, Global Banking (Acting)*

Datuk Abdul Farid Alias was appointed as Group President & Chief Executive Officer of Maybank Group on 2 August 2013 and CEO, Malaysia effective 1 January 2014. Prior to this, Datuk Farid was the Deputy President and Head of Global Banking of Maybank Group.

Responsibility

Datuk Farid spearheads Maybank Group's business and growth strategy across all lines of businesses and countries that Maybank operates in, ensuring a good balance between driving operational excellence, strong governance and business growth. He is also responsible for developing and driving Maybank's customer value proposition, cutting across all lines of business and regional boundaries, and overall ensuring sustainable long-term value for shareholders.

Experience

Datuk Farid has over 20 years of experience in investment banking and capital markets, having served with various merchant and investment banks such as Aseambankers Malaysia Berhad from 1992 to 1994, Schroders from 1994 to 1995, Malaysia International Merchant Bankers Berhad from 1996 to 1997, and J.P. Morgan from 1997 to 2005. He was attached to Khazanah Nasional Berhad from 2005 to 2008 as Director of Investments. In Khazanah, he sat on the Board of Commissioners/Directors of several public-listed companies.

Qualification

Bachelor of Science in Accounting, Pennsylvania State University, University Park, USA; Masters in Business Administration, Finance, University of Denver, USA; Advanced Management Program, Harvard Business School, USA.

Committee Membership/Appointments

Member of the Boards of Directors of Maybank Investment Bank Berhad and Maybank Ageas Holdings Berhad; Chairman of ASEAN Inter-Regional Relations, ASEAN Banking Council (ABC); Chairman of The Association of Banks in Malaysia; Chairman of Malaysian Electronic Payment System Sdn Bhd; Director of Cagamas Holdings Berhad; Vice Chairman of Institut Bank-Bank Malaysia; Member of the Investment Panels of Kumpulan Wang Persaraan (Diperbadankan) (Retirement Fund (Incorporated)).



MOHAMED RAFIQUE MERICAN BIN MOHD WAHIDUDDIN MERICAN

Group Chief Financial Officer

Mohamed Rafique Merican has been the Group Chief Financial Officer of Maybank Group since 1 June 2012.

Responsibility

Rafique is responsible for the Group's financial, capital and funding management. He oversees Group Finance Controller, Group Corporate Treasurer, Group Tax, Group Performance Reporting & Investor Relations, Group Strategic Procurement, Group Finance Strategic Office and Group Finance Operations (Corporate Remedial Management and Enterprise Information Management).

Experience

He has more than 20 years of experience in the corporate sector, including five years as Chief Financial Officer of Tenaga Nasional Berhad (TNB) and Malakoff Berhad. Prior to joining TNB in 2009, he served at Radicare (M) Sdn Bhd, the facilities management concessionaire for hospitals in Klang Valley, Selangor, Kelantan, Terengganu and Pahang as its Chief Operating Officer initially and subsequently as its Chief Executive Officer. He also held corporate finance and advisory roles with Amanah Capital Group and Bumiputra Merchant Bankers Berhad in the early part of his career.

Qualification

Fellow of the Association of Chartered Certified Accountants (ACCA), United Kingdom; Chartered Accountant of the Malaysian Institute of Accountants (MIA).

Committee Membership/Appointments

Member of Malaysia Advisory Committee of Association of Chartered Certified Accountants (ACCA) Malaysia.

**DATUK LIM HONG TAT**

*Group Head, Community Financial Services
Chief Executive Officer (CEO), Maybank Singapore*

Datuk Lim Hong Tat was appointed as Group Head, Community Financial Services of Maybank Group and CEO, Maybank Singapore since 1 January 2014. Prior to this he was the Deputy President and Head of Community Financial Services.

Responsibility

As Group Head of Community Financial Services, he is responsible for driving and implementing the Bank's community banking strategy across all geographies. This covers branch banking, consumer lending, SME and Business Banking, sales and distribution, wealth management, payments, virtual banking, product innovation and customer segmentation.

He is also responsible for growing the business of all Maybank entities in Singapore. This spans the full suite of financial products and services – commercial banking, global banking, investment banking, and insurance.

Experience

Datuk Lim joined the bank upon graduation in 1981. He has 32 years of experience covering all aspects of banking, having managed branches, regional banking, credit cards and international banking operations including holding senior management positions as Director/President and CEO of Maybank Philippines Incorporated, Head of International Banking and Head of Consumer Banking in Maybank Group.

Qualification

Bachelor of Economics (Business Administration) (Hons), University of Malaya; Diploma in Marketing & Selling Bank Services, International Management Centre.

Committee Membership/Appointments

Director of Maybank Kim Eng Holdings Ltd; Member of the Visa Product Executive Council; Board Member of EFMA (European Financial Management Association); Director of Credit Bureau Malaysia Sdn Bhd; Chairman of MEPS Strategic Business Committee.

**NORA ABD MANAF**

Group Chief Human Capital Officer

Nora Abd Manaf was appointed as Group Chief Human Capital Officer of Maybank Group effective 1 January 2014. Prior to this, she was Senior Executive Vice President and Head, Group Human Capital, Maybank Group.

Responsibility

Nora formulates the Group's Strategy for Human Capital management and development. She had been leading the People transformation Programme since 2009. Nora is responsible for the Human Capital Centre of Expertise which develops and implements policies which are applicable Group-wide, across the various businesses and countries, as well as ensuring that strategic Human Capital Management is effective across the Group.

Experience

Prior to joining Maybank, she was with Standard Chartered Group for over 9 years, where her last held position was the Head of Human Resource, Scope International (a wholly owned subsidiary of Standard Chartered UK Plc). Other roles in the Group include Executive Vice President for Strategic Initiatives, PT Bank Permata, Indonesia, a leadership development role in London, an Integration role in Hong Kong post SCB acquisition of Chase Retail bank HK, Country Rewards Head, Malaysia, and Head Human Resources, Global Wholesale Banking Malaysia. Prior to Standard Chartered, she was with several multinationals and large local organisations across several sectors including telecommunications in Maxis and semiconductor in Intel.

Qualification

Chartered Accountant, registered with the Malaysian Institute of Accountants; Postgraduate certification in Human Resource Development, Cornell University; Certified Strengths Coach Level II (Gallup); ICAEW Qualified Trainer (Institute of Chartered Accountants in England and Wales QPRT).

Committee Membership/Appointments

President of the Malayan Commercial Banks' Association (MCBA); Chairman of the Human Resource Management and Development Group (HRMDG); Council Member of the Malaysian Employers Federation (MEF); Council Member of the Malaysia National Labour Advisory Council (NLAC); elected Chairman of the Malaysia GLC G20 HR Circle; and inducted into the Global HR50.

GROUP EXECUTIVE COMMITTEE



DR JOHN LEE HIN HOCK
Group Chief Risk Officer

Dr John Lee has been the Group Chief Risk Officer of Maybank Group since 17 January 2011.

Responsibility

Dr John Lee is responsible for risk management, including credit and compliance, across the Group.

Experience

Dr John Lee was previously with Amanah Merchant Bank and the Kuala Lumpur Options and Financial Futures Exchange (KLOFFE). Prior to his appointment in Maybank, he served in financial services consulting and advisory, where he was a partner with KPMG Business Advisory for 13 years, assisting numerous financial institutions across the Asia Pacific markets. He has in-depth financial industry and risk management expertise with specialisation in Islamic finance, business strategy, risk management and performance management.

He was awarded the Bank Risk Manager of the Year 2013 by Asia Risk in October for his contribution to the Group.

Qualification

Bachelor of Economics, Monash University, Australia. Doctorate of Philosophy in Economics, Monash University, Australia; Fellow Certified Practising Accountant of the Australian Society of CPAs; Member of the American Finance Association, Econometrics Society and Society of Financial Studies.

Committee Membership/Appointments

Member of the Liquidity Risk Management Working Group and the Risk Management Working Group of the Islamic Financial Services Board (IFSB); Member of Monash University (Malaysian Branch) School of Business Advisory Board.



MUZAFFAR HISHAM
Group Head, Islamic Banking
Chief Executive Officer (CEO), Maybank Islamic Berhad

Muzaffar Hisham has been the Group Head of Islamic Banking and Chief Executive Officer of Maybank Islamic Berhad since 30 March 2011.

Responsibility

As the Head of Islamic Banking Group and CEO of Maybank Islamic, Muzaffar plays the leading role for managing and overseeing the overall Islamic banking franchise of Malayan Banking Berhad and ensures that it operates on a parallel platform, leveraging on the Group's resources. At present, his responsibilities include determining business strategy for the Group's Islamic Banking business including Maybank Islamic's products development and delivery, marketing support as well as risk and shariah-compliance management, spearheading the expansion of Group Islamic Banking in ASEAN and globally.

Experience

Muzaffar has collectively 19 years of experience in the banking and financial services. He started his career with Asian International Merchant Bankers Berhad in the Corporate Banking Division. He later joined Amanah Merchant Bank Berhad and Amanah Short Deposits Berhad where he was involved extensively in Corporate Debt and Financing businesses from debt syndication to advising on private debt securities. Muzaffar was also involved in various debt and corporate restructuring exercises during the 1997/1998 financial crisis. During his tenure at CIMB Investment Bank and HSBC Amanah, Muzaffar oversaw the investment banking business. Prior to joining Maybank, Muzaffar was the Deputy Chief Executive Officer of CIMB Islamic Bank Berhad. He was previously a member of the Board of Directors of CIMB Insurance Brokers Sdn Bhd.

He received the Asset Triple A Awards 2013, Industry Leadership Award as Islamic Banker of the Year for his contribution to developing Islamic finance regionally and growing Maybank Group's Islamic banking business.

Qualification

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

Committee Membership/Appointments

Chairman of the Standards Committee, Association of Islamic Banking Institutions Malaysia (AIBIM); Member of H.M. Treasury U.K. Global Islamic Finance and Investment Group.

**GEOFF STECYK***Group Chief Technology Officer*

Geoff Stecyk was appointed as the Group Chief Technology Officer of Maybank Group effective 1 January 2014. Prior to this, he was the Head of Enterprise Transformation Services of Maybank Group.

Responsibility

Geoff strategises, directs, drives and builds a differentiated regional strategic capability for the Group to use technology as a competitive advantage for both provision of service and cost advantage on a Group basis. He is entrusted with the responsibility of creating a centre of excellence to serve the region where the Group IT functions are aligned to achieve the Bank's Vision and Mission. Being in charge of running the complete infrastructure of the Group, he is responsible for maximising capacity and capability of Regional IT and delivering efficient and consistent support services to the Group.

Experience

Geoff joined Maybank in November 2008 as Chief Transformation Officer leading the LEAP30 Performance Improvement Programme. Prior to joining Maybank, he was National Head of Bancassurance with American International Assurance (AIA) China from 2006 to 2008. He was attached to Southern Bank Berhad from 2001 to 2004 as the Executive Vice President, Business Integration. He was involved in the transformation of the bank which covered all major areas of the retail and SME banking with an emphasis on driving immediate earnings growth to fund the structural transformation over the medium term.

Qualification

Bachelor of Commerce (Marketing/Finance), University of Alberta, Canada.

Committee Membership/Appointments

Board member of Maybank (PNG) Ltd; Member of the Financial Institution Steering Committee, Bank Negara Malaysia.

**KAMALUDIN AHMAD***Group Head, Insurance & Takaful**Chief Executive Officer (CEO), Maybank Ageas Holdings Bhd (MAHB)*

Kamaludin Ahmad was appointed as Chief Executive Officer (CEO) of Maybank Ageas Holdings Bhd (MAHB) and Group Head of Insurance & Takaful, Maybank Group effective 1 December 2013.

Responsibility

He is responsible for the growth of Insurance & Takaful business of Maybank Group.

Experience

Kamaludin joined Maybank Group as CEO of Etiqa Insurance Berhad on 4 June 2012 to drive Etiqa's conventional insurance business. Prior to joining Etiqa, he was with UEM Group as Head of Corporate Strategy and Performance. He was with AIG for 15 years where he left as Regional VP, Asia Pacific. He had also served with Bank Negara Malaysia, Securities Commission Malaysia and AmInvestment Bank.

Qualification

Bachelor of Science (Hons) in Actuarial Science, University of Kent, England.

Committee Membership/Appointments

Vice President of Life Insurance Association of Malaysia; Member of Management Committee of Persatuan Insurans Am Malaysia; Member of Board of Insurance Services Malaysia Berhad.

GROUP EXECUTIVE COMMITTEE



MICHAEL FOONG SEONG YEW
Group Chief Strategy Officer
Office of the Group President & CEO

Michael Foong was appointed as Group Chief Strategy Officer of Maybank Group effective 1 January 2014. Prior to this, he was the Chief Strategy and Transformation Officer of Maybank Group.

Responsibility

Michael leads the Office of the Group President & CEO, which is responsible for driving the Group's agenda on regionalisation, business development, transformation and productivity programmes across the region, and developing the group's long-term strategic objectives. He also oversees the Group Corporate Development & Innovation unit, as well as Corporate Affairs, Strategic Marketing and Group Service Quality Management.

Experience

Prior to joining Maybank Group, Michael was Managing Director of Accenture's management consulting practice in Malaysia. He spent 17 years serving financial services clients throughout Asia, primarily banks but also including insurance companies and stock exchanges. His track record has included group-wide corporate planning, devising group and business sector strategies, operating models, business process reengineering, performance management frameworks, and ICT strategies. Between 2004 and 2011, he focused on architecting and implementing large-scale multi-year transformation programmes for banks in Malaysia and Singapore.

Michael has held various other management positions in Accenture. He co-managed Accenture's Asia-Pacific Technology Ventures unit from 2000 to 2002, and after that Accenture's Asia-Pacific Corporate Development office. Michael has worked throughout Asia Pacific and spent seven years seconded as a leader into Accenture's offices in Beijing, Shanghai, Hong Kong, Sydney, Singapore, Tokyo and Jakarta.

Qualification

Master of Arts in Economics and Management Studies, Cambridge University, United Kingdom; Advanced Business Management Program, Kellogg Graduate School of Management, Northwestern University, Chicago, USA.

Committee Membership/Appointments

Nil.



POLLIE SIM
Chief Executive Officer (CEO), International

Pollie Sim was appointed as CEO, International of Maybank Group with effect from 1 October 2013.

Responsibility

Pollie is responsible for strategising, leading and transforming the Group's overseas operations covering 16 countries excluding Singapore and Indonesia. The key responsibilities of her team are to build greater synergy and accelerate profitability of the Maybank franchise across the international landscape for long term growth, as well as to establish the Bank as a regional financial services leader.

Experience

Prior to her latest appointment as CEO, International of Maybank Group, Pollie took the helm of Maybank Singapore in July 2006. She has more than 30 years of experience in the banking and financial industry and has held many senior positions within Maybank Group. She has been instrumental in leading and developing Maybank's retail banking business in Singapore. Prior to Maybank Singapore, Pollie was Chief Executive Officer of Maybank Finance (S) Ltd.

In 2012, Pollie was accorded the Distinguished FICP (Financial Industry Certified Professional) by IBF (The Institute of Banking & Finance, Singapore) and also received the Pacific Rim Bankers Programme Distinguished Leadership Award.

Qualification

Master of Business Administration, Brunel University of West London, United Kingdom; Diploma in Management Studies, Singapore Institute of Management; Diploma in Marketing & Selling Bank Services, International Management Centre.

Committee Membership/Appointments

Non-executive Director for several companies, Singapore Unit Trusts Ltd, Sorak Financial Holdings Pte Ltd, Maybank Philippines Incorporated, Maybank Kim Eng Holdings Ltd and Maybank (Cambodia) Plc; Chairman of the Singapore Unit Trust Investment Committee.



JEROME HON KAH CHO
Group Chief Operations Officer

Jerome Hon was appointed as Group Chief Operations Officer of Maybank Group effective 1 December 2013.

Responsibility

Jerome is responsible to formulate and develop the operational strategy to support Maybank Group's Vision and Mission. He oversees the Group's overall operations and processes and ensures that the delivery of support service is efficient and effective.

Experience

Prior to this, Jerome was the Chief Audit Executive of Maybank for more than 7 years where he oversaw the Internal Audit functions of Maybank as well as its subsidiaries. Jerome has been with Maybank for 20 years and has since served in various positions within the Maybank Group including Accounting, Central Operations and key management positions of Maybank Group subsidiaries involved in trust and futures broking businesses. Prior to joining Maybank, he was articled with an accounting firm where he pursued his qualification as a Chartered Accountant and served the firm for 8 years. During the period with the firm, he was involved in various types of audits which include financial services, insurance, manufacturing and other services.

Qualification

Malaysian Institute of Certified Public Accountants (MICPA); Member of MICPA; Member of the Malaysia Institute of Accountants (MIA).

Committee Membership/Appointments

Nil.



TASWIN ZAKARIA
President Director Designate*
Bank Internasional Indonesia (BII)

Taswin, an Indonesian citizen, was appointed as President Director Designate since 11 November 2013.

Responsibility

Taswin is responsible for the overall business performance and growth of BII. He oversees BII's operations, which includes the banking services such as retail, business and global banking as well as risk management, finance, human capital, operations & IT, legal and compliance. He is also responsible in leveraging on the strengths of Maybank Group to capture a larger slice of market share and at the same time strengthening Maybank Group's operation in Indonesia.

Experience

Taswin, has served as an independent member of the Board of Commissioners of BII since 2003 until 11 November 2013. He was also an independent member of the Board of Commissioners of PT Jasa Angkasa Semesta Tbk (2005-2013), President Director of PT Indonesia Infrastructure Finance (2010-2011), Director of Barclays Bank Plc Indonesia and was Barclays' Head of Asia for Alternate Capital Market/Islamic Finance (2001-2003). He was Vice President of Deutsche Bank AG, Jakarta and was the Head of Debt Capital Market and Liability Risk Management (1997-2001). He started his banking career at Citibank NA, Jakarta, where he was Head of Corporate Restructuring Unit and Project Finance (1992-1997).

Qualification

Bachelor of Science in Business Administration degree in Accounting, Cum Laude (Honors), The Ohio State University, USA.

Committee Membership/Appointments

Nil.

**subject to regulatory approval*

STATEMENT ON CORPORATE GOVERNANCE

Introduction

The Maybank Board believes that good corporate governance should not be a mere statement of compliance, and is committed to achieving the highest standards of business integrity, ethics and professionalism across all of the Group's activities. With this commitment and in line with the Group's regional aspirations in humanising financial services, the Board aims to enhance business prosperity and foster a culture with ethical values, whilst continuously delivering and sustaining the Group's value propositions for the benefit of its stakeholders locally and internationally.

The Board's fundamental approach in this regard is to ensure that the right executive leadership, strategy and internal controls for risk management are well in place. The Board also continuously reviews its governance model to ensure its relevance, effectiveness and ability to meet the challenges of the future.

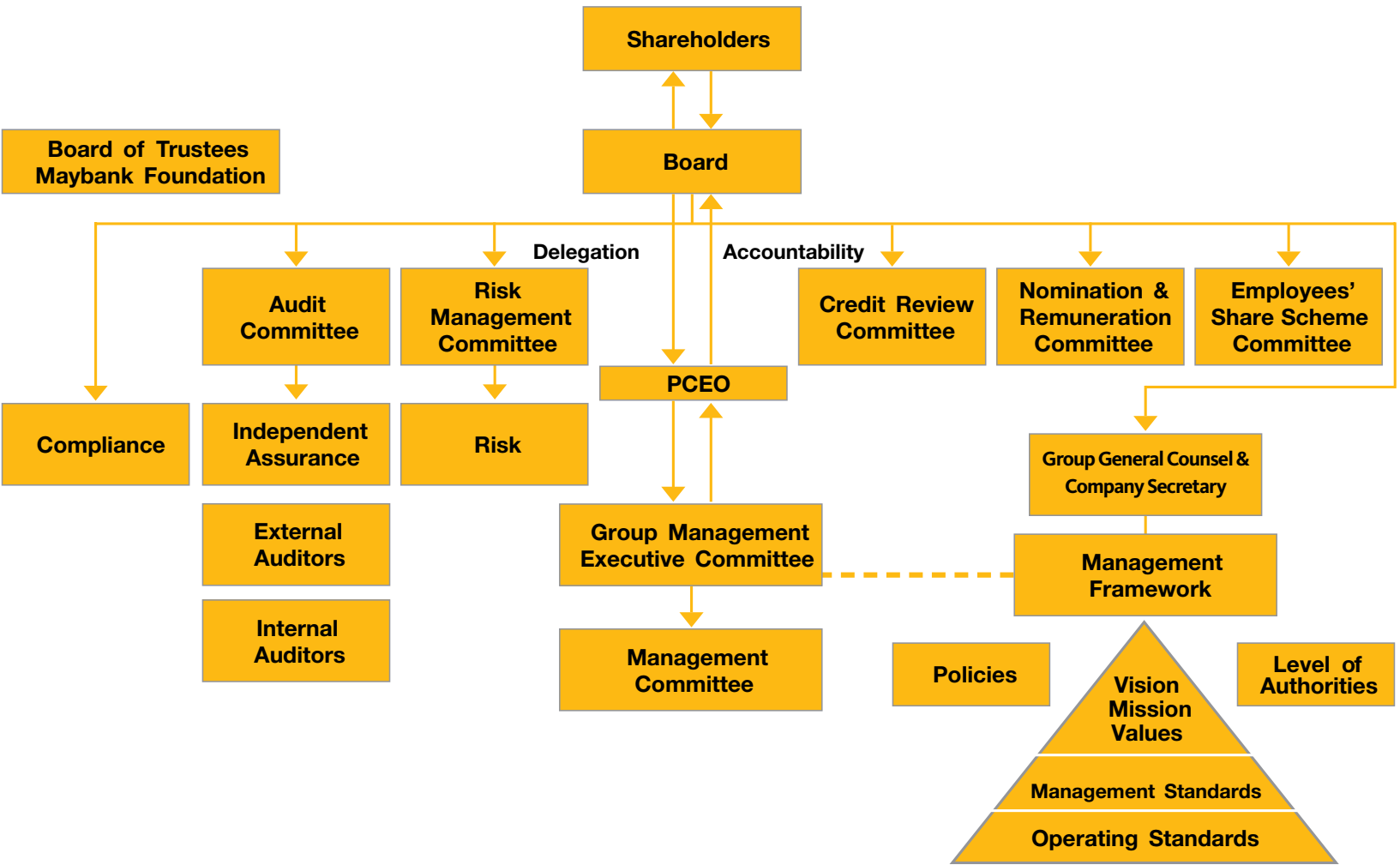
This Corporate Governance Statement seeks to provide vital insights into the corporate governance practices of the Group to the investors. The Maybank Group's corporate governance model adopts the following requirements and guidelines:-

1. Malaysian Code on Corporate Governance 2012 (referred to herein as the Code or MCCG 2012);
2. Bank Negara Malaysia (BNM)'s Revised Guidelines on Corporate Governance for Licensed Institutions (BNM/GP1);
3. Bursa Malaysia Securities Berhad (Bursa Malaysia)'s Main Market Listing Requirements (Listing Requirements);
4. Green Book on Enhancing Board Effectiveness (Green Book) by the Putrajaya Committee on Government Linked Companies (GLCs)' High Performance;
5. Corporate Governance Guide: Towards Boardroom Excellence 2nd Edition (CG Guide) by Bursa Malaysia; and
6. Minority Shareholders Watchdog Group (MSWG)'s Malaysia-ASEAN Corporate Governance Scorecard.

Maybank also monitors developments in corporate governance standards of leading and reputable organisations and institutions in the region and around the world to ensure that its own highest standards of corporate governance are upheld.

Testament to the Group's strong commitment in this respect, the Bank had received several accolades in 2013 for demonstrating high standards of corporate governance including the Gold Award for Most Outstanding Annual Report of the Year as well as the Industry Excellence Award in the Finance category for Main Market listed companies at the National Annual Corporate Reports Awards 2013. The Bank was also awarded the Best Corporate Governance in Malaysia by FinanceAsia Asia's Best Managed Companies Poll 2013.

On 1 October 2013, Maybank revised its Group Organisation Structure and leadership team in order to accelerate the Group's regional business performance and operational excellence to take Maybank to and beyond 2015. With this transformation, Maybank's regionalisation efforts will be hastened, efficiency and productivity Group-wide significantly raised, synergies reaped and potentials realised. At the same time, it is expected that leadership positions in businesses across the Maybank Group will be enhanced, high performance culture firmly institutionalised and group governance further strengthened.



The Board is pleased to inform the shareholders on the manner in which the Group has applied its corporate governance model, the eight principles and 26 recommendations of the Code as well as the extent of compliance with the Code throughout the financial year ended 31 December 2013, as set out hereunder.

In general, Maybank is in compliance with the Principles set out in MCCG 2012 and such application of the respective principles will be highlighted in various sections in this Corporate Governance Statement as well as this Annual Report.

THE BOARD OF DIRECTORS

Board Charter

In recognition that robust and well thought-out corporate governance practices are essential to safeguard the interests of the Group's stakeholders, the Maybank Board is guided by the Board Manual (Manual) in respect of the Board's role, powers, duties and functions. The Board Manual is reviewed periodically and has recently been revised to incorporate changes to the applicable legislations notably, the introduction of Financial Services Act 2013 and the latest amendments to the Listing Requirements (*Principle 1, Recommendations 1.1 and 1.7 of the MCCG 2012*).

The Manual not only reflects the current best practices and the applicable rules and regulations, it also outlines processes and procedures to ensure the Group's boards and their committees' effectiveness and efficiency. It is a dynamic document to be updated from time to time to reflect changes to the Bank's policies, procedures and processes as well as amended relevant rules and regulations, or to be reviewed at least once in two years, whichever is earlier.

The Group's subsidiaries and associates' boards, both locally and overseas, are encouraged to adopt similar manuals for their respective corporate entities.

The Manual comprises, amongst others, well defined terms of reference as well as authority limits for the Board and its committees, and the various relevant internal policies.

The chapters covered under the Manual are as follows:

1. Group's standard of business conduct (*Recommendation 1.3 of the MCCG 2012*);
2. Directors' duties and obligations;
3. Appointment and resignation of Directors;
4. Governance structure;
5. Board and board committee proceedings;
6. Remuneration and benefits for Directors;
7. Supply of information to the Board;
8. Training and induction programmes;
9. Annual Board assessment;
10. Conflict of interest and related party transactions; and
11. Other key policies of the Bank and the Group.



STATEMENT ON CORPORATE GOVERNANCE

Roles and Responsibilities of the Board *(Recommendation 1.2 of the MCCG 2012)*

The business and affairs of the Bank and the Group are managed under the direction and oversight of the Maybank Board, which also has the responsibility to periodically review and approve the overall strategies, business, organisation and significant policies of the Bank and the Group.

Further, the Board also sets the Group's core values, adopts proper standards to ensure that the Bank operates with integrity, and complies with the relevant rules and regulations.

The Board has a formal schedule of matters reserved for its decision which include, amongst others, the following:

- Reviewing and approving the strategies and business plans for the Bank and Group;
- Identifying and managing principal risks affecting the Group including establishing and approving the relevant policies for the prevention of money laundering, and anti-competitive practices;
- Reviewing the adequacy and integrity of the Group's internal control systems;
- Overseeing the conduct and the performance of the Group's businesses;
- Reviewing succession planning and talent management plans for the Group, and approving the appointment and compensation of senior management staff;
- Approving new policies pertaining to boardroom diversity, staff salary and benefits;
- Approving changes to the corporate organisation structure;
- Approving the appointment of Directors and Directors' emoluments and benefits in accordance with relevant statutes;
- Approving policies relating to corporate branding, public relations, investor relations and shareholder communication programmes; and
- Reviewing the Group's strategies on promotion of sustainability focusing on environmental, social and governance (ESG) aspects *(Recommendation 1.4 of the MCCG 2012)*.

Other than as specifically reserved to the Board in the Board's Terms of Reference, as documented in the Manual, responsibility for managing Maybank's business activities is delegated to the Group President & Chief Executive Officer (Group PCEO) of the Bank, who is accountable to the Board.

Board Composition and Balance

There are currently 11 Directors on the Maybank Board. Eight are Independent Non-Executive Directors, two are Non-Independent Non-Executive Directors (nominees of Permodalan Nasional Berhad (PNB)) and one is a Non-Independent Executive Director (the Group PCEO) *(Principle 3, Recommendation 3.5 of the MCCG 2012)*.

The present composition of the Board is in compliance with Chapter 15.02 of the Listing Requirements as more than half of its members are Independent Directors *(Principle 2, Recommendation 2.1 of the MCCG 2012)*.

The Directors provide a wealth of knowledge, experience and skills in the key areas of accountancy, law, securities, international business operations and development, finance and risk management, amongst others. A brief profile of each member of the Board is presented on pages 134 to 139 of this Annual Report.

Inclusiveness

The Board is committed to ensuring diversity and inclusiveness in its composition and deliberations and the Group embraces the proposition that having a diverse Board would have a positive, value-relevant impact on the Group. Appointments to the Board are based on merit.

Specifically, in accordance with Recommendation 2.2 of the Code, Maybank has established the Group's Board Gender Diversity Policy (Gender Diversity Policy) to demonstrate its commitment in having an increasing women representation on its Board. Under the Gender Diversity Policy, the Board adopts measurable objectives from time to time i.e. maintaining at least one (1) woman Director on the Board and having minimum 20% women representation by 2016. To achieve these objectives, the selection process for the appointments of Directors involves the short-listing of potential candidates which includes at least one (1) woman representation whenever reasonably possible and that priority is placed on the appointment of a woman Director to fill a directorship vacated by a retiring or resigning woman Director.

Moreover, the selection of Directors is guided by the criteria outlined in the Group's Policy on Fit and Proper Criteria for Appointment/Reappointment of Key Responsible Persons (KRPs) of Licensed Institutions in Maybank Group (Fit and Proper Policy) as duly assessed by the Nomination and Remuneration Committee (NRC).

Directors' independence and Independent Non-Executive Directors

The current Board composition, which comprises a high proportion of Independent Non-Executive Directors, helps the Board to ensure and provide strong and effective oversight over management. The composition also reflects the interest of the Bank's majority shareholder which is adequately represented by the appointment of its nominee directors, balancing the interest of the minority shareholders. Non-Executive Directors do not participate in the day-to-day management of the Bank and do not engage in any business dealing or other relationships with the Bank (other than in situations permitted by the applicable regulations) in order to ensure that they remain truly capable of exercising independent judgment and act in the best interests of the Group and its shareholders. Further, the Board is satisfied and assured that no individual or group of Directors has unfettered powers of decision that could create a potential conflict of interest. Additionally, in line with the requirements of BNM/GP1, none of the Bank's Independent Non-Executive Directors has more than a 5% equity interest in the licensed institution or in its related companies, and none of them is connected to a substantial shareholder of the licensed institution.

The Non-Executive Directors of Maybank continue to proactively engage with senior management and other relevant parties such as the external/internal auditors as well as the Bank's Compliance and Risk units, to ensure that the various concerns and issues relevant to the management and oversight of the business and operations of the Bank and the Group are properly addressed. The Board's commitment to ensure good governance in its deliberation on key issues is evident with the scheduling of "Board Time Without Management" (where the session involves only Non Executive Directors) as a permanent item in the monthly Board meeting agenda (at the end of each meeting).

The Board ensures that all Independent Non-Executive Directors possess the following qualities:

- Ability to challenge the assumptions, beliefs or viewpoints of others with intelligent questioning, constructive and rigorous debating, and dispassionate decision-making in the interest of the Bank;
- Willingness to stand up and defend their own views, beliefs and opinions for the ultimate good of the Bank; and
- A good understanding of the Bank's business activities in order to appropriately provide responses to the various strategic and technical issues confronted by the Board.

Directors' Independence Policy

The Group's Directors' Independence Policy summarises Maybank's approach in determining directors' independence. It provides a guideline for the Board and its related Licensed Subsidiaries in the assessment of independence of each Independent Director.

Consistent with the Group's Policy on Directors' Independence and Recommendation 3.1 of the MCCG 2012, the Board via the NRC assesses the independence of Independent Directors upon his/her appointment, re-appointment and in any event, annually.

The NRC undertakes the independence assessment via the Board and Peer Annual Assessment as well as Fit and Proper Assessment exercises taking into accounts the directors' skills, experience, contributions, background, economic and family relationships, tenure of directorship and the Independent Directors' self-declaration on their compliance with the independence criteria under the BNM/GPI, Listing Requirements as well as the Bank's Policy on Directors' Independence.

The NRC determines the ability of the Independent Director to continue bringing independent and objective judgment to the board deliberations as well as considers if there is any ground or reason that has come to the attention of the NRC that may affect the independence status of the Independent Directors of Maybank.

The Board considers that the eight Independent Non-Executive Directors (NEDs), namely Dato' Mohd Salleh Hj Harun, Tan Sri Datuk Dr Hadenan A. Jalil, Dato' Seri Ismail Shahudin, Dato' Dr Tan Tat Wai, Dato' Johan Ariffin, Mr Cheah Teik Seng, Datuk Mohaiyani Shamsudin, and Mr Erry Riyana Hardjapamekas meet the said independence criteria under the BNM/GPI, Listing Requirements as well as the Bank's Policy on Directors' Independence.

Senior Independent Non-Executive Director

In accordance with the best practices in corporate governance, Tan Sri Datuk Dr Hadenan A. Jalil continues to play his role as the Senior Independent Director (SID) of the Board to whom concerns of shareholders and stakeholders may be conveyed.

He is responsible for addressing concerns that may be raised by the shareholders. Tan Sri Datuk Dr Hadenan A. Jalil is also the Chairman of the Audit Committee of the Board and a member of the Nomination and Remuneration Committee.

He can be contacted at his email address: adenan.aj@maybank.com.my.

Board Appointment Process (Principle 2, Recommendation 2.2 of the MCCG 2012)

A formal and transparent procedure exists vis-à-vis the appointment of new Directors to the Board, the primary responsibility of which has been delegated to the Nomination and Remuneration Committee (NRC). 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, prior to making recommendations to the Board for its approval. The NRC also ensures candidates possess the appropriate skills, core competencies, experience, integrity and time to effectively discharge his or her role as a director.

This procedure is in line with the Group's Fit and Proper Policy which has been in force since August 2006 and recently revised and amended to incorporate the new provisions as required under the FSA, BNM Guidelines on Fit and Proper Criteria and BNM/GPI. In accordance with this procedure, the NRC recommends to the Board suitable candidates for directorships and the appointment of key senior management of Maybank and relevant subsidiaries.

The Fit and Proper Policy, which sets out the attributes and qualifications required of a candidate to determine his/her suitability, include amongst others, requirements in respect of his/her management and leadership experience, which has to be at the most senior level in a reputable local or international financial services group, public corporation or professional firm/body. In relation to the candidate's skills, expertise and background, the candidate should ideally and to the extent available, possess a diverse range of skills, including in particular, business, legal and financial expertise, professional knowledge and financial industry experience, as well as experience in regional and international markets.

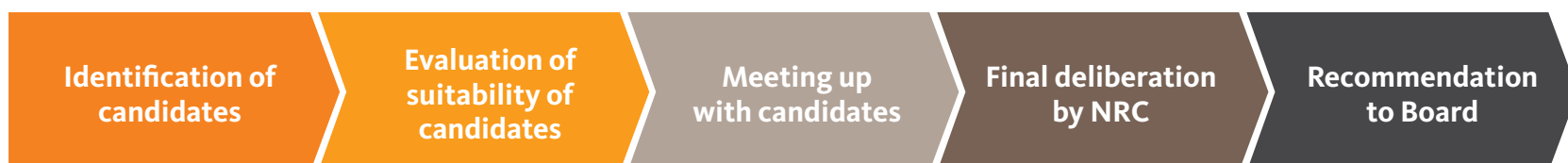
The following aspects would be considered by the Board in making the selection, with the assistance of the NRC:-

1. Probity, personal integrity and reputation – the person must have key qualities such as honesty, integrity, diligence, independence of mind and fairness.
2. Competence and capability – the person must have the necessary skills, ability and commitment to carry out the role.
3. Financial integrity – the person must manage his debts or financial affairs prudently.

The Fit and Proper Policy assists in identifying the gaps in skills in the composition of the Board. The Policy outlines the requirement for Non-Executive Directors of Maybank who have reached the age of 70 and above, and those who have served the Board for 12 years or more to submit their resignation letters annually to the NRC six months before the Annual General Meeting (AGM), for appropriate recommendations to be made to the Board.

Additionally, in line with the Recommendations 3.2 and 3.3 of the MCCG, the tenure of service for Independent Directors has been capped at the maximum of nine years and upon completion of the nine years tenure, the Independent Director may continue to serve on the Board subject to re-designation as Non-Independent Director. In exceptional circumstances, the shareholders may decide that an Independent Director can remain beyond the cumulative term of nine years, subject to the NRC's assessment, Board's recommendation as well as strong justification be provided to the shareholders at a general meeting. The Board noted that currently none of its independent members has reached the nine years cumulative term in Maybank.

The Policy on the Nomination Process for the Appointment of Chairman, Director and CEO of Licensed Institutions in the Group (Policy on Nomination Process) sets out a clear and transparent nomination process of the same, which involves the following five stages:-



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The application for the appointment of such candidates is thereafter submitted to BNM for the requisite approval under the Financial Services Act 2013 (FSA) or the Islamic Financial Services Act (IFSA) (whichever applicable), subject to the approval of the relevant boards in the Group.

The appointment process for Executive Directors is similarly robust, in order to ensure that the best person is picked for the top executive position in the interest of the Group. The process includes the identification of potential candidates (both internal as well as external) by a special committee of the Board, governed by the expectation of the roles and capabilities described and required by the Board. This process includes interviews, which are subsequently followed by a submission to the NRC for deliberation and thereafter the final recommendation to the Board for endorsement, and ultimately submission to BNM for approval. During the year, the Board approved the appointment of Datuk Abdul Farid Alias as a Non-Independent Executive Director/Group PCEO replacing Dato' Sri Abdul Wahid Omar who left to join the Government as a Minister.

The Bank also conducts annual assessments on the suitability of the Directors to continuously occupy their strategic leadership position subsequent to the appointment process, in accordance with the Group's Fit and Proper Policy and in line with BNM Guidelines on Fit and Proper Criteria and BNM/GP1. The fit and proper assessment involves self declaration by the Directors as well as independent checks on their business interests in compliance with section 59 of FSA, section 68 of IFSA (where applicable) and BNM/GP1 to ensure the suitability of the Directors to continue to serve as directors of the Bank.

Directors' Retirement and Re-election

All directors of the Bank, including the Group PCEO as an Executive Director, are subject to re-election by the shareholders at the first opportunity after their appointment, and are subject to retirement by rotation at least once every three years in accordance with the Listing Requirements and Articles 96 and 97 of the Bank's Articles of Association. The Board's support for a Director's re-election is not automatic and is subject to satisfactory assessment of performance.

The NRC will first assess the Directors who are due for re-election at the AGM and will then submit its recommendation to the Board for deliberation and approval. Upon obtaining the Board's endorsement, the relevant submission including the justifications for such re-appointment is thereafter made to BNM for approval if the relevant Director's BNM's term of appointment is expiring.

Dato' Dr Tan Tat Wai and Mr Cheah Teik Seng who are due for retirement and seeking re-election at the forthcoming AGM pursuant to Articles 96 and 97 of the Bank's Articles of Association, as evaluated by the NRC and approved by the Board, have met the Board's expectations and continued to perform in an exemplary manner as demonstrated by inter alia their contribution to the Board's deliberations. En Zainal Abidin bin Jamal who is also due for retirement pursuant to Article 96 has however expressed his intention not to seek re-election at the AGM.

Datuk Abdul Farid Alias was appointed as the Non-Independent Executive Director/Group PCEO effective 2 August 2013 and should retire at the AGM pursuant to Article 100 of the Bank's Articles of Association. Datuk Abdul Farid Alias is seeking re-election at the AGM.

Board and Individual Director's Effectiveness

Upon the completion of every financial year, the NRC undertakes a formal and transparent process to assess the effectiveness of individual Directors, the Board as a whole and its committees, as well as the performance of the Group PCEO (based on his Balanced Scorecard) in respect of their respective skills and experience, pursuant to the Board and Peer Annual Assessment exercise.

The Board and Peer Annual Assessment exercise is primarily based on answers to a detailed questionnaire prepared internally by Group Corporate & Legal Services of Maybank taking into account applicable best practices. The assessment

questionnaire is distributed to all the respective Board members and covers topics which include, amongst others, the responsibilities of the Board in relation to strategic planning, risk management, performance management, financial reporting, audit and internal process, human capital management, corporate social responsibility, communication, corporate governance, and shareholders' interest and value. Other areas being assessed include Board composition and size, the contribution of each and every member of the Board at meetings, the Board's decision-making and output, information and support rendered to the Board as well as meeting arrangements.

Actionable improvement programmes will be identified, upon review of the results of the Board and committee assessment by the NRC and the Board. Such programmes may include training needs of individual Directors, to be reviewed half-yearly thereafter. The Chairman of the Board and the Chairman of the NRC discuss with individual members on areas of performance improvement.

Having considered its composition, calibre and diversity, the Board must be satisfied that it will continue to ensure an efficient and effective conduct of deliberations pursuant to BNM/GP1. The current Board size enables the Board to discharge its function in a professional manner in consideration of the composition, breadth and complexity of the Group's business activities, domestically and internationally. Future changes to the Board may be made to enhance complementarity of skills and at the same time enable proper succession planning.

As ever, the Chairman tries to ensure that the Board's decisions are reached by consensus (and failing this, reflect the will of the majority), and any concern or dissenting view expressed by any Director on any matter deliberated at meetings of the Board, or any of its Committees, as well as the meetings' decisions, will accordingly be addressed and duly recorded in the relevant minutes of the meeting.

Role and Responsibilities of the Chairman and the Group President & Chief Executive Officer (Principle 1, Recommendation 1.1 and Principle 3, Recommendation 3.4 of the MCCG 2012)

The roles and responsibilities of the Chairman and the Group PCEO are separated with a clear division of responsibilities, defined, documented and approved by the Board, in line with best practices so as to ensure appropriate supervision of the Management. This distinction allows for a better understanding and distribution of jurisdictional responsibilities and accountabilities. The clear hierarchical structure with its focused approach and attendant authority limits also facilitates efficiency and expedites informed decision-making.

Chairman

Tan Sri Dato' Megat Zaharuddin Megat Mohd Nor is the Chairman of Maybank. Prior to his appointment as the Chairman of Maybank on 1 October 2009, he was an Independent Non-Executive Director of Maybank from July 2004 until February 2009. He has never assumed an executive position in Maybank.

Previously, he had also chaired two other public listed companies, namely Shell Refining Company Berhad and Maxis Communications Berhad.

The Chairman leads the Board and is also responsible for the effective performance of the Board. He continuously works together with the rest of the Board in setting the policy framework and strategies to align the business activities driven by the senior management with the Group's objectives and aspirations, and monitors its implementation, and also ensures orderly conduct and proceedings of the Board, where healthy debate on issues being deliberated is encouraged to reflect an appropriate level of scepticism and independence.

He takes the lead to ensure the appropriateness and effectiveness of the succession planning programme for the Board and senior management levels. He also promotes a healthy working relationship with the Group PCEO and provides

the necessary support and advice as appropriate. He continues to demonstrate the highest standards of corporate governance practices and ensures that these practices are regularly communicated to the stakeholders.

The Group President & CEO

Datuk Abdul Farid Alias has been the Group PCEO and Executive Director of Maybank since 2 August 2013 (prior to which, Dato' Sri Abdul Wahid Omar was the PCEO).

Datuk Farid has been delegated certain responsibilities by the Board in his capacity as Group PCEO and is primarily accountable for overseeing the day-to-day operations to ensure the smooth and effective running of the Group. Furthermore, he is responsible for mapping the medium to longer term plans for Board approval, and is accountable for implementing the policies and decisions of the Board, as well as coordinating the development and implementation of business and corporate strategies, specifically by making sure that they are carried through to their desired outcomes, especially in the institution of remedial measures to address identified shortcomings. He is also responsible for developing and translating the 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.

The Group PCEO ensures that the 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 Bank are carried out in an ethical manner and in full compliance with the relevant laws and regulations.

The Group PCEO is also tasked with ensuring that whilst the ultimate objective

is maximising total shareholder return, social and environmental factors are not neglected, and also developing and maintaining strong communication programmes and dialogues with the shareholders, investors, analysts as well as employees, and providing effective leadership to the Group organisation. He is also responsible for ensuring high management competency as well as the emplacement of an effective management succession plan to sustain continuity of operations. The Group PCEO, by virtue of his position as a Board member, also functions as the intermediary between the Board and senior management.

Board Meetings

The Board meets every month with additional meetings convened as and when urgent issues and/or important decisions are required to be addressed between the scheduled meetings. During the financial year ended 31 December 2013, the Board met 15 times to deliberate and consider a variety of significant matters that required its guidance and approval.

All Directors have complied with the requirement that Directors must attend at least 75% of Board meetings held in the financial year in accordance with BNM/GPI, and attended at least 50% of Board meetings held in the financial year ended 31 December 2013 pursuant to the Listing Requirements.

The current practice is to appoint Board members to sit on subsidiary boards, in particular those of the key overseas subsidiaries, to maintain oversight and ensure the operations of the respective subsidiaries are aligned with the Group's strategies and objectives. Moving forward, more of the key members of the Group Executive Committee shall also have requisite membership on subsidiary level boards to further ensure that the Group's governance remains linked with strategic and operational focus in line with Maybank's corporate aspirations and expanding regional footprint.

Details of attendance of each Director on the Board and respective Board Committees of the Bank during the financial year ended 31 December 2013 are as follows:

Name of Directors	Board Number of Meetings			CRC Number of Meetings			ACB Number of Meetings		
	Held	Attended	%	Held	Attended	%	Held	Attended	%
Tan Sri Dato' Megat Zaharuddin bin Megat Mohd Nor	15	14	93	-	-	-	-	-	-
Dato' Mohd Salleh bin Hj Harun	15	15	100	-	-	-	-	-	-
Datuk Abdul Farid bin Alias ¹	7	7	100	5	3	60	-	-	-
Dato' Sri Abdul Wahid bin Omar ²	6	6	100	18	16	89	-	-	-
Tan Sri Dr Hadenan bin A. Jalil	15	15	100	-	-	-	14	14	100
Dato' Seri Ismail bin Shahudin	15	14	93	25	19	76	-	-	-
Dato' Dr Tan Tat Wai	15	15	100	-	-	-	-	-	-
En Zainal Abidin bin Jamal	15	15	100	25	20	80	-	-	-
Mr Alister Maitland ³	4	4	100	-	-	-	-	-	-
Mr Cheah Teik Seng	15	14	93	-	-	-	14	14	100
Dato' Johan bin Ariffin	15	14	93	25	18	72	14	14	100
Datuk Mohaiyani binti Shamsudin	15	14	93	25	20	80	-	-	-
Bp Erry Riyana Hardjapamekas	15	15	100	-	-	-	14	13	93

Notes:

* All Board and Board Committee members had met the minimum percentage required for meeting attendance. For the CRC, the requirement is a minimum of 60% attendance during any financial year.

¹ Appointed as a member of the Board of Directors and the CRC with effect from 2 August 2013.

² Resigned from the Board of Directors (as well as the CRC) at the close of business on 4 June 2013.

³ Retired as a member of the Board of Directors (also resigned from the RMC, NRC and ESS) with effect from 28 March 2013.

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Name of Directors	RMC Number of Meetings			NRC Number of Meetings			ESS Committee Number of Meetings		
	Held	Attended	%	Held	Attended	%	Held	Attended	%
Dato' Mohd Salleh bin Hj Harun	-	-	-	12	12	100	5	5	100
Tan Sri Dr Hadenan bin A. Jalil	-	-	-	12	12	100	5	5	100
Dato' Seri Ismail bin Shahudin ⁴	-	-	-	-	-	-	-	-	-
Dato' Dr Tan Tat Wai	9	9	100	12	11	92	5	5	100
Encik Zainal Abidin bin Jamal	-	-	-	12	12	100	5	5	100
Mr Alister Maitland	1	1	100	3	3	100	1	1	100
Mr Cheah Teik Seng	9	9	100	-	-	-	-	-	-

Notes:

⁴ Appointed as a member of the RMC with effect from 31 October 2013.

Directors' Remuneration (Principle 2, Recommendation 2.3 of the MCCG 2012)

The Board believes that one area that the Board needs to focus on in order to remain effective in the discharge of its duties and responsibilities is the setting of a fair and comprehensive remuneration package that commensurates with the expertise, skills, responsibilities and the risks of being a director of a financial institution.

The determination of remuneration packages for Non-Executive Directors (NEDs) including the non-executive Chairman is a matter for the Board as a whole following the relevant recommendation made by the NRC after independent benchmarking with relevant external peers.

The component parts of remuneration of the Executive Director are structured so as to link short and long-term rewards to corporate and individual performance. A significant portion of the Executive Director's compensation package has been made variable in nature depending on the Group's performance during the year, which is determined based on the individual Key Performance Indicators and a scorecard aligned with the corporate objectives, and approved by the Board.

In line with good corporate governance, the Board has set out its intention to periodically review the NEDs remuneration for Maybank and its group of

companies at least once every three years. The existing remuneration framework was approved by the Board and the shareholders at the 50th AGM of Maybank held in 29 September 2010. Internal Initiatives, driven by Group Corporate and Legal Services are also undertaken to continuously validate the existing remuneration framework.

At the Extraordinary General Meeting of Maybank held on 13 June 2011 ("EGM"), its shareholders had approved the Employees' Share Scheme (ESS) which provides for the offer and grant of options to eligible employees. The EGM had also approved the allocation of options and/or grant of Maybank Shares to the former PCEO, to subscribe up to a maximum of 5,000,000 Maybank Shares. Consequential to the appointment of Datuk Abdul Farid Alias as the new Executive Director/Group PCEO on 2 August 2013, the resolution to seek the shareholders' approval on the offer and grant of options of Maybank Shares to him will also be tabled at the forthcoming AGM.

The number of shares to be offered to the Executive Director/Group PCEO, being an eligible employee, under the ESS will be based on both the Bank's and his own performance achievement at the end of the financial year, as specified in the Group/GPCEO Balanced Score Card.

The NEDs are not eligible to participate in the current ESS.

A summary of the total remuneration of the Directors, distinguishing between Executive and Non-Executive Directors, in aggregate with categorisation into appropriate components for the financial year ended 31 December 2013 is as follows:

	Salary (RM)	Bonus (RM)	Directors' Fees (RM)	Other Emoluments (RM)	Benefits in kind (RM)	ESS (RM)	Total (RM)
Executive Director							
Datuk Abdul Farid bin Alias ¹	645,806	812,055		323,798	3,148		1,784,807
Dato' Sri Abdul Wahid bin Omar ²	718,667	1,574,752		1,324,760	18,719	14,971	3,651,869
TOTAL	1,364,473	2,386,807		1,648,558	21,867	14,971	5,436,676
Non-Executive Directors							
Tan Sri Dato' Megat Zaharuddin bin Megat Mohd Nor			300,000	571,000	39,820		910,820
Dato' Mohd Salleh bin Hj Harun			375,000	41,500	34,047		450,547
Tan Sri Dr Hadenan bin A. Jalil			295,000	55,500	2,822		353,322
Dato' Seri Ismail bin Shahudin			240,083	41,000	375		281,458
Dato' Dr Tan Tat Wai			295,000	49,500	200		344,700
Encik Zainal Abidin bin Jamal			280,000	61,500	2,283		343,783
Mr Cheah Teik Seng			250,000	44,000	2,972		296,972
Dato' Johan bin Ariffin			250,000	54,000	3,524		307,524
Datuk Mohaiyani binti Shamsudin			220,000	42,000	50		262,050
Mr Erry Riyana Hardjapamekas			220,000	35,500	50		255,550
Mr Alister Maitland ³			70,000	12,000	175		82,175
TOTAL			2,795,083	1,007,500	86,318		3,888,901
GRAND TOTAL	1,364,473	2,386,807	2,795,083	2,656,058	108,185	14,971	9,325,577

Notes:-

1. Appointed as an Executive Director/Group PCEO with effect from 2 August 2013.

2. Resigned as an Executive Director/PCEO at the close of business on 4 June 2013.

3. Retired as a Non-Executive Director with effect from 28 March 2013.

Executive Director's Other Emoluments include pension costs, allowances, retirement gratuity and reimbursements. Benefits in kind ("BIK") for NEDs include golf club membership whilst the BIK for the Chairman and Vice Chairman include a driver, car and fuel allowance. No ESS has been offered to Datuk Abdul Farid Alias after his appointment as the Executive Director/Group PCEO of Maybank on 2 August 2013. However, there were ESS expenses incurred for the period from 2 August 2013 to 31 December 2013 relating to ESOS and RSU granted to Datuk Abdul Farid Alias prior to his appointment as the Executive Director/Group PCEO of Maybank.

Quality and Supply of information to the Board *(Recommendation 1.5 of the MCCG 2012)*

In the effective discharge of its duties, the Board has full and unrestricted access to all information pertaining to the Bank's businesses and affairs as well as to the advice and services of the senior management of the Group. In addition to formal Board meetings, the Chairman maintains regular contact with the Group PCEO to discuss specific matters, and the latter assisted by the Company Secretary ensures that frequent and timely communication between the senior management and the Board is maintained at all times as appropriate.

The Board is regularly kept up to date on and apprised of any regulations and guidelines, as well as any amendments thereto issued by Bank Negara Malaysia, Bursa Malaysia, Securities Commission, the Companies Commission of Malaysia and other relevant regulatory authorities including recommendations on corporate law reform in respect of Malaysia as well as relevant foreign jurisdictions, particularly the effects of such new or amended regulations and guidelines on directors specifically, and the Bank and the Group generally.

The Annual Board Outline Agenda serves as a mechanism to highlight to the Board and relevant Board Committees as well as the senior management subject matters other than 'routine' for the period to facilitate better planning and for greater time effectiveness for various parties. It also gives a greater sense of discipline on the part of senior management to commit to the said outline. Concurrently, such focus allows the Board to deliberate on and contribute towards achieving a higher level of value-added discussions on such identified issues and other relevant matters. In response to technological advancement in the digital space, Management has taken the initiatives to implement paperless board meeting where board papers are uploaded onto a secured platform, namely, BoardPAC and accessible via tablet devices.

An agenda together with appropriate papers for each agenda item to be discussed is forwarded to each Director at least five clear days before the scheduled meeting to enable the Directors to review the papers in preparation for the meeting, and to obtain further clarification or explanation, where necessary, in order to be adequately apprised before the meeting.

Additionally, the Bank's minutes of meetings of the Board and various Board Committees incorporate the discussions of the members at the meetings in arriving at decisions and are concise and accurate. The draft minutes of the meeting are circulated within one week of the meetings to the Board for early feedback and suggestions prior to tabling at the subsequent meetings for formal confirmation.

Senior management members are invited to attend Board meetings to report on matters relating to their areas of responsibility, and also to brief and present details to the Directors on recommendations submitted for the Board's consideration. Additional information or clarification may be required to be furnished, particularly in respect of complex and technical issues tabled to the Board. In order to ensure the quality of board papers are of the highest quality and prepared in accordance with best practice requirements and within the expectations of the Board, Directors are given an avenue to provide written feedback during each Board meeting to rate the quality of the papers and that of the session discussing the papers.

Company Secretary

The Group General Counsel and Company Secretary, in his function as the Company Secretary, is responsible for advising the Board on issues relating to corporate compliance with the relevant laws, rules, procedures and regulations affecting the Board and the Group, as well as best practices of governance. He is also responsible for advising the Directors of their obligations and duties to disclose their interest in securities, disclosure of any conflict of interest in a transaction involving the Bank, prohibition on dealing in securities and restrictions on disclosure of price-sensitive information *(Principle 1 and Recommendations 1.6 of the MCCG 2012)*. All Directors have access to the advice and services of the Company Secretary and the Board Satisfaction Index acts as an evaluation mechanism on the support and services provided by the Company Secretary to the Board during the financial year.

Board Satisfaction Index (BSI)

The BSI, conducted annually, demonstrates an important initiative to ensure continuing adequate support is provided by the Company Secretary to the Board, to assist Directors in discharging their duties effectively. The BSI exercise was conducted in December 2013 for the financial year ended 31 December 2013.

The areas of assessment cover transactional and operational efficiency, which includes the quality of the minutes of the Board and Board Committees, of papers and meeting arrangements, and of training and knowledge management, as well as advisory services on matters concerning Directors' duties, such as disclosure of interests and prohibition against trading. Based on feedback received from Board members, the Board was generally satisfied with the support provided for the year under review and several areas were identified for further improvement.

Independent Professional Advice

Independent professional advice can be obtained by any Individual Directors, at the Bank's expense where necessary, in the furtherance of their duties in accordance with the Bank's Policy and Procedure on Access to Independent Professional Advice, Senior Management and Company Secretary by Directors of Maybank Group. Copies of any reports, advice and recommendations provided by the independent professional adviser to the relevant Director would be forwarded by the said Director to the Company Secretary, who will, where appropriate, circulate them to other Directors to ensure that they are kept informed of pertinent issues, which may have an impact on the Group's interest, growth and performance *(Recommendation 1.5 of the MCCG 2012)*.

During the financial year ended 31 December 2013, an independent consultant was appointed to undertake a review of the Non-Executive Directors' Remuneration.

Directors' Training

The Board recognises the importance of continuing education for its Directors to ensure they are equipped with the necessary skill and knowledge to perform their functions and meet the challenges of the Board.

Through a Structured Training Programme for Directors (STPD), each Director shall attend at least one training programme, which is to be specifically developed by the organisation for its Directors during the financial year *(Recommendation 4.2 of the MCCG 2012)*.

For the year under review, all the Board members complied with the aforesaid internal policy by attending various training programmes and workshops on issues relevant to the Group, which were organised internally, as well as in collaboration with external training providers. The Board members have attended a key training programme for Directors of financial institutions, namely the Financial Institutions Directors' Education (FIDE) which had commenced in 2010. Additionally, Maybank Group is a registered corporate member of the FIDE Forum since 2012, which was established with the aim of allowing FIDE alumni members to become leading influencers of governance practices and thought leaders within financial institutions, and to benefit from, amongst others, the roundtree discussions, and industry update sessions and materials provided by subject matter specialists. For further details on the FIDE Forum, please refer to www.fide.org.my.

A comprehensive induction programme for new Directors is coordinated by Group Corporate & Legal Services to provide new Directors with the necessary information and overview to assist them in understanding the Group's operations and appreciating the challenges and issues the Group faces in achieving its objectives. The programme covers subject matters, amongst others, concerning the Group's business and strategy, work processes and Board Committees, and the duties and responsibilities of Directors of licensed institutions.

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The Board continues to assess the training needs of its Directors vide the Board Assessment and identify key areas of focus for training programmes.

Trainings programmes, conferences and forums attended by the Directors for the financial year ended 31 December 2013 were as follows:

FIDE/ICLIF

- FIDE Elective Program: Board IT Governance and Risk Management Program
- Bursa/ICLIF Board Chairman Series: The Role of the Board Chairman
- Leadership Energy Summit Asia
- FIDE Forum - Dialogue on FSA & IFSA

External Seminars/Conferences

- IFSB-INCEIF Executive Forum on Islamic Finance
- Islamic Financial Services Board (IFSB)'s 10th Annual Summit
- Mandatory Accreditation Programme
- 9th World Islamic Economic Forum (WIEF)
- Advanced Management Program – Harvard Business School
- Fundamentals of Asia Catastrophe Pool (ACP) and Asia Agriculture Pool (AAP)
- Financial Sector Talent Enrichment Programme (FSTEP) - Prominent Leaders Session
- PwC Board Agenda Series: Board & Strategy, Where Are We
- Dinner Talk: McKinsey & TalentCorp – Advancing Women to the Top of Organisation
- Khazanah Megatrends 2013
- World Capital Market Symposium: Financial Leaders on the Future of Finance
- 20 Conversations @ Harvard

Maybank Internal Training

- Maybank Group Directors' Training
- Annual Risk Workshop
- Shariah Governance Framework in Islamic Finance
- The Guru Series - Defining the New Normal Capitalism 2030: Leveraging on Islamic and Humanising Principles by Lord Hastings
- The Guru Series - The Doctor is in Our House A Learning Engagement with YAB Tun Dr Mahathir Mohamad

Group Corporate and Legal Services had successfully organised the inaugural Maybank Group Directors' training on 22 November 2013 at Grand Hyatt. The said programme was attended by 49 Directors representing Maybank as well as operating subsidiaries within the Group. The topics presented at the said programme were related to:

- Overview/Update on the Group's Business Plan and Budget 2014
- Risk Culture
- IT Transformation and Strategic IT Initiatives
- Talent Management and Succession Planning

As at the end of the financial year ended 31 December 2013, all Directors are in adherence to the Mandatory Accreditation Programme, in compliance with the Listing Requirements.

Apart from attending the various training programmes, a number of the Directors have also been invited to speak at conferences and seminars organised by regulatory bodies and professional associations.

BOARD PROFESSIONALISM

Directorships in Other Companies

In compliance with the Listing Requirements and consistent with the best practices recommendations of the Green Book, each member of the Maybank Board holds not more than five directorships in public listed companies to enable the Directors to discharge their duties effectively by ensuring that their commitment, resources and time are more focused.

Whilst the Board values the experience and perspective gained by the Non-Executive Directors from their memberships on the boards of other companies, organisations, and associations, the Board Manual provides since 2010 that the Non-Executive Directors must first consult the Chairman to ensure that their acceptance of such other appointments, such as directorships of other listed companies, would not unduly affect their time commitments and responsibilities to the Maybank Board and Group (*Recommendation 4.1 of the MCCG 2012*).

The NRC assesses the independence of the Independent Non-Executive Directors who hold directorships in licensed subsidiaries in the Maybank Group, pursuant to a declaration made that they are not taking instructions from any person including Maybank (*Recommendation 3.1 of the MCCG 2012*). In this respect, all the Independent Non-Executive Directors of Maybank complied with the relevant requirements of BNM/GPI. In addition, the respective key subsidiaries within the Group also appoint other Independent Non-Executive Directors who are not members of the Maybank Board to ensure an optimal balance between board members in terms of independent internal and external directors.

Conflict of Interest

It has been the practice of Maybank to require that members of the Board make a declaration at the Board meeting in the event that they have interests in proposals being considered by the Board, including where such interest arises through close family members, in line with various statutory requirements on the disclosure of Director's interest. In all situations where the Directors could be deemed as interested, they would excuse themselves from the discussion and leave the meeting room. The minutes of meeting would also reflect as such.

Insider Trading

Directors, key management personnel and principal officers of the Maybank Group are prohibited from trading in securities or any kind of property based on price sensitive information and knowledge, which has not been publicly announced, in accordance with the Listing Requirements and the relevant provisions of the Capital Markets & Services Act 2007. Notices on the closed period for trading in Maybank's securities are circulated to Directors, key management personnel and principal officers who are deemed to be privy to any price sensitive information and knowledge, in advance of whenever the closed period is applicable.

BOARD COMMITTEES

The Board delegates certain of its governance responsibilities to Board Committees, which operate within clearly defined terms of references, primarily to assist the Board in the execution of its duties and responsibilities. Although the Board has granted such discretionary authority to these Board Committees to deliberate and decide on certain key and operational matters, the ultimate responsibility for final decision on all matters lies with the entire Board. The Chairmen of the Board Committees will table and present a report on the activities of the respective Board Committees at the monthly Board meetings.

The Board Committees are as follows:-

1. Audit Committee
2. Credit Review Committee
3. Nomination and Remuneration Committee
4. Risk Management Committee
5. Employees' Share Scheme Committee

Audit Committee

The Audit Committee is authorised by the Board to investigate any activities within its Terms of Reference and has unrestricted access to both the internal and external auditors and members of the senior management of the Group. The activities carried out by the Audit Committee, which met 14 times during the year under review, are summarised in the Audit Committee Report and its Terms of Reference as stated on page 162 of this Annual Report. Members of the Audit Committee are as indicated on page 162 of this Annual Report.

Credit Review Committee

The responsibilities of the Credit Review Committee include, amongst others, the following:

1. To review/veto loans exceeding the Group Management Credit Committee (GMCC)'s discretionary power;
2. To review/veto, with power to object or support, all proposals recommended by the GMCC to the Board for approval/affirmation;
3. 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;
4. To carry out such other responsibilities as may be delegated to it by the Board from time to time; and
5. To provide oversight of the entire credit management function covering but not limited to portfolio, end-to-end process, infrastructure, resources and governance.

The Committee meets monthly since May 2013 and met 25 times during the financial year ended 31 December 2013. Members of the Credit Review Committee and details of meeting attendance by members are stated on page 151 of this Annual Report.

Nomination and Remuneration Committee (NRC)

The NRC comprises exclusively Non-Executive Directors, the majority of whom are independent and presently chaired by the Independent Vice Chairman of Maybank (*Principle 2, Recommendations 2.1 and 2.3 of the MCCG 2012*).

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

1. To recommend to the Maybank Board, the appointment, promotion and remuneration as well as compensation policies for executives in key management positions;
2. To recommend to the Maybank Board, a Leadership Development framework for the Group;
3. To oversee the selection of Directors and general composition of the Maybank Board (size, skill and balance between Executive Directors and Non-Executive Directors);
4. To recommend to the Maybank Board, a policy and framework for remuneration of Directors, covering fees, allowances and benefits-in-kind in respect of their work as Directors of all boards and committees and for the PCEO and key senior management officers;
5. To recommend to the Maybank Board a policy regarding the period of service for the Executive and Non-Executive Directors;
6. To assess the performance and effectiveness of individuals and collective members of the Boards and Board Committees of the Group and its subsidiaries, as well as the procedure for the assessment;
7. To recommend measures to upgrade the effectiveness of the Boards and Board Committees;
8. To recommend to the Maybank Board a performance management framework/model, including the setting of the appropriate performance target parameters and benchmark for the PCEO's Group Balanced Scorecard at the start of each financial year;
9. To oversee the succession planning, talent management and performance evaluation of executives in key management positions;
10. To consider and recommend solutions to issues of conflict of interest affecting Directors;
11. To assess annually that Directors, key responsible persons and Company Secretary are not disqualified under subsection 59(1) of Financial Services Act, 2013; and
12. To review the training requirements and programmes for the Directors.

Summary of the main activities in 2013 are amongst others as follows:

1. Re-election and retirement of Directors at Annual General Meetings;
2. Annual Board Assessment;
3. Fit and Proper Assessment of Directors and senior executives;
4. Establishment of Board of Directors and Committees for Maybank's subsidiaries;
5. Appointment and reappointment of Shariah Committee members;
6. Non-Executive Directors' Remuneration Review;
7. Review of Group Structure and EXCO re-organisation ;
8. Annual Performance and Compensation Review for senior executives;
9. Appointments of the Group's executives to key management positions within the Group;
10. Review of Talent Management initiatives;
11. Total Rewards Implementation Review;
12. Review of policies applicable to senior executives;
13. Women directors mini lab recommendations for GLC/GLIC; and
14. Credit competency programme.

The NRC held 12 meetings during the financial year ended 31 December 2013. Members of NRC and details of meeting attendance by members are stated on page 152 of this Annual Report.

Risk Management Committee (RMC)

The roles and responsibilities of the Risk Management Committee for risk oversight include the following:

1. To review and approve risk management strategies, risk frameworks, risk policies, risk tolerance and risk appetite limits;
2. To review and assess adequacy of risk management policies and framework in identifying, measuring, monitoring and controlling risks and the extent to which they operate effectively;
3. 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 the financial institution's risk – taking activities; and
4. To review management's periodic reports on risk exposure, risk portfolio composition and risk management activities.

The specific duties of the Risk Management Committee in managing risks cover the following:

1. To review the impact of risk on capital adequacy and profitability and asset quality under stress scenarios;
2. To review and assess the internal capital adequacy assessment process (ICAAP), levels of regulatory and internal capital for the Bank, vis-a-vis its risk profile;
3. To review and recommend strategic actions to be taken by the Bank arising from regulatory rules impacting risk management practices for Board's approval;
4. To review, recommend and approve corrective measures to address risk concerns as highlighted by various home-host regulatory authorities, where relevant;
5. To review and approve new products and services and ensure compliance with the prevailing guidelines issued by BNM or other relevant regulatory body.
6. To oversee the resolution of BNM Composite Risk Rating findings for Maybank Group;
7. To provide oversight of specific risk management concerns in the Business Sectors of the Group;
8. To delegate appropriate operational issues to Management for their further actions;
9. To carry out such other responsibilities as may be delegated to it by the Board from time to time; and
10. To review and approve Terms of References (TORs) of Executive Risk Committee and Risk Management Committee at subsidiary/overseas branches.

STATEMENT ON CORPORATE GOVERNANCE

The RMC usually meets nine times in every financial year with additional meetings convened to attend to urgent matters that require its deliberation. During the financial year ended 31 December 2013, nine meetings were held. The Chairman and a majority of the Committee's members are Independent Non-Executive Directors. Members of the RMC and details of attendance by members are stated on pages 152 of this Annual Report.

Employees' Share Scheme Committee (ESS Committee)

The Employees' Share Scheme (ESS) was established to serve as a long-term incentive plan as well as to align the interests of employees with the objectives of the Maybank Group to create sustainable value enhancement for the organisation and the shareholders. The first offer under the ESS was made on 23 June 2011 to all eligible employees.

The Board has delegated to the ESS Committee the responsibility for determining all questions of policy and expediency arising from the administration of the ESS and to generally undertake the necessary actions to promote the Bank's best interest.

The broad responsibilities of the ESS Committee as outlined in its Terms of Reference include to administer the ESS 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.

All members of the ESS Committee are Non-Executive Directors. Meetings are held as and when the ESS Committee is required to deliberate on urgent matters.

Six meetings of the ESS Committee were held during the financial year under review.

Members of the ESS Committee and details of meeting attendance by members are stated on page 152 of this Annual Report.

EXECUTIVE LEVEL MANAGEMENT COMMITTEES (ELC)

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

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

INVESTOR RELATIONS AND SHAREHOLDER COMMUNICATION

Investor Relations (IR) is a function of Maybank's corporate governance framework that ensures that shareholders, stakeholders, investors and the domestic and international investment community receive relevant, timely and comprehensive information about the Group. Maybank's dedicated IR unit is committed to providing effective and open two-way communication to improve disclosure and transparency.

The Maybank Investor Relations Policy is a framework of policies, procedures and processes that the Investor Relations programme is based upon and it also highlights communication flow by designated Maybank spokespersons. The Investor Relations programme is conducted throughout the year to ensure that a series of planned activities are implemented to communicate Maybank's strategy, operational performance, financial results and other material developments to the exchange (Bursa Malaysia), analysts, investors, shareholders, and other stakeholders in a timely, open and comprehensive manner (*Principle 7, Recommendation 7.1 of the MCCG 2012*).

Quarterly Results

Maybank's quarterly financial results are released during the midday trading break followed immediately with media and analyst briefings and/or conference calls. For the half-year and full-year financial results, media and analyst briefings are conducted with simultaneous conference calls while for the first quarter and third quarter financial results, conference calls are held with analysts. Financial statements, presentation slides and press releases are emailed and made public on the corporate website to provide the investment community with a better understanding of Maybank's performance. A quiet period of 14 calendar days before the targeted date of Maybank's results announcement date is adopted to prevent inadvertent disclosure of the latest financial performance.

Conferences and Roadshows

Stakeholder engagements are conducted through conferences and roadshows organised locally or abroad, whereby senior management will communicate the Group's strategy, and the progress of various initiatives and updates to allow stakeholders to better understand Maybank's operations (*Recommendation 8.3 of the MCCG 2012*).

Investor Meetings

The IR unit has frequent one-on-one and group meetings with analysts, investors and potential investors throughout the year to provide visibility and clarity on Maybank's operations while key investors and analysts are provided reasonable access to senior management. The IR unit also engages with its counterpart in Indonesia to coordinate IR activities for analysts and investors seeking meetings with the management of Maybank's subsidiary, Bank Internasional Indonesia.

Investor Days

Investor days are organised several times a year to provide a platform for selected business units, headed by their respective Executive Committee members, to engage with analysts and investors to explain their business strategy, operations and financial performance which will allow for greater transparency and detailed understanding of key business functions within the Maybank Group.

Group Corporate Website

Maybank's corporate website (www.maybank.com) provides easy access to information about the Group. Information available on the corporate website includes Maybank's corporate profile, individual profiles of senior management, share and dividend information including the dividend reinvestment plan, investor presentations, financial results, annual reports, corporate news and Maybank's global operations and subsidiaries. Additionally, information on the Group Governance Structure and framework is also published in the Group Corporate Website (*Recommendation 7.2 of the MCCG 2012*).

Visitors can also receive the latest Maybank updates via email or RSS feed through the corporate website. In addition, stakeholders can obtain regulatory announcements made by Maybank to Bursa Malaysia on the latter's website (www.bursamalaysia.com).

Annual Report

Maybank's annual report provides a comprehensive report on the Group's operations and financial performance for the year under review. It provides full disclosure and is in compliance with the relevant regulations to ensure greater transparency. The annual reports are also printed in summary form together with a digital version of the annual report in CD-ROM format. An online version of the Annual Report is also available on Maybank's corporate website.

Media coverage

Media coverage on Maybank or its senior management, either through print media or television coverage, is also initiated proactively at regular intervals to provide wider publicity and improve the general understanding of Maybank's business among investors and the public.

Credit Rating

Maybank's credit ratings are provided by five rating agencies, namely Standard and Poor's, Fitch Ratings, Moody's Investors Services, RAM Rating Services Berhad (RAM Ratings) and Malaysian Rating Corporation Berhad (MARC), as part of providing an independent flow of information to stakeholders as well as to the general public.

Contact Details of IR Spokespersons.

Mohamed Rafique Merican
Group Chief Financial Officer
Contact: (6)03 2074 7878
Email: rafique@maybank.com.my

Narita Naziree
Head, Group Performance Reporting & Investor Relations
Contact: (6)03 2074 8017
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For more information on the investor relations activities conducted during the year, please refer to the Investor Relations section on page 128.

GENERAL MEETINGS

The Group's EGMs and AGMs represent the primary platforms for direct two-way interaction between the shareholders, Board and management of the Group. In deference to shareholder democracy and the transparency policy adopted by the Group, shareholder approval is required on all material issues including, but not limited to, the election and appointment of Directors, major mergers, acquisitions and divestments exercises, as well as the appointment of auditors and final dividend payments.

The attendance of shareholders at the Group's general meetings has always been high as evidenced by the presence of 2,754 shareholders at the 53rd AGM for the financial year 2012. Active participation by the shareholders is encouraged during the AGM, in which an open platform is made available to the shareholders to raise questions relevant to the items in the AGM agenda and appropriate response and clarification are promptly provided by the Board members to the shareholders. The Bank continues the practice of encouraging shareholders to submit written questions in advance prior to the commencement of the meeting, in the forms provided during registration. This additional channel for the shareholders to raise their questions would allow the Bank to prepare the answers in advance, and to group together similar questions from different shareholders to answer comprehensively as one. This provides greater efficiency in meeting proceedings and enables the Bank to address even more questions from the floor and is not intended to curtail the shareholders' right to speak in the meeting as the shareholders can still raise questions or make observations after the written question and answer session has been completed.

Additionally, the queries by MSWG on Maybank's business or other pertinent governance issues raised prior to the meeting as well as Maybank's feedback are shared with all shareholders during the AGM. The results of voting of each resolution are also immediately announced to the shareholders in the AGM after the voting process.

In line with Recommendation 8.2 of MCGG 2012 on poll voting, Maybank has always made the necessary preparation for poll voting for all resolutions at its AGM. The Board also takes note of Recommendations 8.1 and 8.2 of MCGG 2012 on e-voting and shall consider employing electronic means for both show of hands and polling, to facilitate greater shareholder participation in view of its large shareholder base and related logistical complexity, taking into consideration its reliability, applicability, cost and efficiency.

In addition to the AGMs and EGMs, shareholders and market observers are also welcome to raise queries at any time through the Corporate Affairs and Group Investor Relations Divisions.

OWNERSHIP STRUCTURE

The shares of Maybank are widely held with institutional shareholders dominating the ownership structure of Maybank. As at 31 December 2013, the top three shareholders were Skim Amanah Saham Bumiputra (ASB) with 38.22%, Employees Provident Fund Board with 13.41% and Permodalan Nasional Berhad (PNB) with 5.70%, accounting in aggregate for a combined 57.33%.

Although the three top shareholders of Maybank accounted for more than half of the total paid up share capital of Maybank, Maybank is not subject to any biased influence from these shareholders and they do not hold management position within the organisation. This arrangement ensures a high level of corporate governance and permits the Group to focus on continuously building value for all its shareholders.

Maybank's shareholding structure is transparent and is disclosed on page 174 of this Annual Report. Any updates on the shareholding structure can be obtained on request from the designated management personnel on Investor Relations matters. The existing share structure consists entirely of Ordinary Shares and there are no different classes of Ordinary Shares. There is no foreign shareholding limit and the Bank's Memorandum and Articles of Association do not have any explicit provision(s) that may discourage any acquisition. However, the Bank is subject to FSA, which contains certain restrictions on share ownership.

As part of Maybank's effort to expand its liquidity and shareholder base, it has established a Sponsored Level 1 American Depository Receipt Programme (ADR) which has been traded over-the-counter in the United States of America since May 2005 on the basis of one ADR being equivalent to two Maybank shares. Maybank Custody Services holds the securities for Maybank and the total number of ADRs outstanding is 10,542,333 as at 31 December 2013. The percentage of the securities for which the ADRs are issued against Maybank's issued and paid-up share capital is 0.12%.

ACCOUNTABILITY AND AUDIT

Financial Reporting and Disclosure

Financial Reporting

The Board has a fiduciary responsibility to present to the shareholders and the public at large, a clear, balanced and meaningful evaluation of the Group's and the Bank's financial position, financial performance and prospects. The Board is assisted by the Audit Committee in overseeing the financial reporting process and the quality of the Group's and the Bank's financial statements.

Disclosures on Financial Highlights and Financial Indicators

The Group's and the Bank's financial highlights and indicators for the financial year ended 31 December 2013 are set out on pages 34 to 39 of this annual report.

Directors' Responsibility Statement

The Board also ensures that the Group's and the Bank's financial statements prepared for each financial year give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia.

The Statement of Directors' Responsibility in respect of the preparation of audited financial statements for the Group and the Bank is set out on page 11 of the Financial Statements book of the Annual Report 2013.

Internal Controls

The Board has overall responsibility for maintaining sound internal control systems that cover financial controls, operational and compliance controls, governance and risk management to ensure that shareholders' investments, customers' interests and the Group's assets are safeguarded.

STATEMENT ON CORPORATE GOVERNANCE

The effectiveness of risk management and internal controls is continuously reviewed to ensure that they are working. The Audit Committee regularly evaluates the effectiveness and adequacy of the Group's internal control systems by reviewing the actions taken on internal control issues identified in reports prepared by Group Audit during its scheduled meetings. The Audit Committee also reviews Audit's recommendations and management responses to these recommendations.

The Statement on Risk Management and Internal Control is furnished on page 160 of this Annual Report and this provides an overview of the state of internal controls within the Group.

Whistleblowing Policy

The Board is satisfied that an adequate framework on whistleblowing, known as the Integrity Hotline (formerly Fraud Reporting Hotline) is in place, having been implemented in 2004. All employees can raise their concerns regarding any misconduct or wrongdoing including but not limited to unethical incidences such as criminal activities or contravention of laws/regulations committed by another employee or any person who has dealings with the Group via the following channels without any fear of retribution:

- Toll-Free Message Recording Line at 1-800-38-8833 or for Overseas at 603-20268112
- Protected Email Address at integrity@maybank.com.my
- Secured P.O. Box Mail Address at P.O. Box 11635, 50752 Kuala Lumpur, Malaysia

These channels protect employees who contemplate "blowing the whistle" against any negative repercussions arising from genuine reporting, and provide an assurance of confidentiality to them. Confidentiality of all matters raised and the identity of the whistleblower are protected under the Policy. Concerns raised anonymously will also be considered provided they are clear and specific. Further details of the Policy are set out on page 172 of this Annual Report.

Relationship with the Auditors

Internal Auditors

The Group Audit reports functionally to the Audit Committee of the Bank and has unrestricted access to the Audit Committee. Its function is independent of the activities or operations of other operating units. The Group Audit regularly evaluates the effectiveness of the risk management process, review the operating effectiveness of the internal controls system and compliance control across the Bank and the Group. The Group Chief Audit Executive is invited to attend the Audit Committee meetings to facilitate the deliberation of audit reports. The minutes of the Audit Committee meetings are subsequently tabled to the Board for information and serve as useful references especially if there are pertinent issues that any Directors wishes to highlight or seek clarification on.

External Auditors

The Audit Committee and the Board place great emphasis on the objectivity and independence of the Bank's Auditors, namely Messrs. Ernst & Young, in providing relevant and transparent reports to the shareholders. To ensure full disclosure of matters, the Bank's Auditors are regularly invited to attend the Audit Committee meetings (as well as the Annual General Meetings), apart from the twice yearly discussions with the Audit Committee without the presence of the senior management.

A full report of the Audit Committee outlining its role in relation to the internal and external auditors is set out on pages 162 to 164 of this Annual Report.

Maybank Group's Code of Ethics and Conduct

In addition to the BNM/GPI and the Company Directors' Code of Ethics established by the Companies Commission of Malaysia, the Group also has a Code of Ethics and Conduct that sets out sound principles and standards of good practice in the financial services industry, which are observed by the Directors and the employees. Both Directors and employees are required to uphold the highest integrity in discharging their duties and in dealings with stakeholders, customers, fellow employees and regulators. This is in line with the Group's Core Values which emphasise behavioural ethics when dealing with third parties and fellow employees (*Recommendation 1.3 of the MCCG 2012*).

Corporate Integrity Pledge

The Maybank Group reinforces its commitment to a high level of accountability and transparency by being the first financial institution in Malaysia to sign to the Malaysian Corporate Integrity Pledge in August 2011.

The Pledge is as a result of collaboration among:

- Bursa Malaysia Berhad;
- Companies Commission of Malaysia;
- Malaysian Institute of Integrity;
- Malaysian Anti-Corruption Commission & NKRA Corruption Monitoring & Coordination Division;
- Securities Commission Malaysia; and
- Transparency International Malaysia and the Performance Management and Delivery Unit (PEMANDU), Prime Minister's Office.

This declaration signifies to the public that the Group supports and upholds Anti-Corruption Principles for Corporations in Malaysia as well as working towards creating a business environment that is free from corruption in the conduct of its business and in its interactions with its business partners and the Government.

Corporate Responsibility

The Board is satisfied that a good balance has been achieved between value creation and corporate responsibility. Details of the Group's corporate responsibility initiatives are set out on pages 122 to 127 of this Annual Report.

Competition Act 2010

The Act came into force on 1 January 2012, and to facilitate Group-wide adherence, the Joint Secretariat to the Maybank Group Antitrust Steering Committee (Joint Secretariat) consisting of key representatives from Group Corporate and Legal Services, as well as Group Compliance, developed a Guide to Competition Act 2010 (Guide) which has been disseminated to all staff at large via the Group's e-portal.

This Guide is intended to assist all staff in understanding the basic elements of the Act and competition law issues generally and to ensure that our business operations and conduct that are not anti-competitive continue as usual. It highlights two key prohibitions under the Act, namely anti-competitive agreements (horizontal and vertical) and abuse of dominant position.

Staff have been informed that any further queries, pertaining to this legislation can be directed either by e-mail to the Joint Secretariat or to antitrust@maybank.com.my.

Personal Data Protection Act 2010

The Personal Data Protection Act 2010 (PDPA) came into force on 15 November 2013.

The PDPA is a legislation that regulates the collection, storing, processing, disclosure and use of personal data which is any data or information that relates directly or indirectly to an individual ("data subject") and includes expression of opinion about the data subject.

The Bank has taken steps to comply with the requirements of the PDPA including the publication of the Bank's Privacy Notice on the Bank's website and notification to its customers through the message portal on the Bank's ATM machines and customers' statements of account that the Bank's Privacy Notice is available on its website.

ADDITIONAL COMPLIANCE INFORMATION AS AT 31 DECEMBER 2013

1. Utilisation of Proceeds

- (a) HKD1.55 billion Senior Notes under USD5.0 billion Multicurrency Medium Term Note Programme
 - Issued on 23 September 2013. The proceeds raised from the HKD Senior Notes are for the purpose of funding Maybank Hong Kong branch working capital, general banking and other corporate purposes.
- (b) USD200 million Senior Notes under USD5.0 billion Multicurrency Medium Term Note Programme
 - Issued on 15 May 2013. The proceeds raised from the USD Senior Notes are for the purpose of funding Maybank's working capital, general banking and other corporate purposes.
- (c) Dividend Reinvestment Plan (DRP) – Ongoing
 - The net proceeds from the DRP (after deducting estimated expenses of the DRP) are for the purpose of funding the continuing growth and expansion of the Maybank Group.

2. Share Buy-back

Maybank did not make any proposal for share buy-back during the financial year ended 31 December 2013.

3. Options, Warrants or Convertible Securities

Maybank did not issue any options, warrants or convertible securities during the financial year ended 31 December 2013, save and except for the options issued pursuant to the Employees' Share Scheme.

4. Imposition of Sanctions and/or Penalties

There were no material sanctions and/or penalties imposed on Maybank and its subsidiaries, directors or management by the relevant regulatory bodies, which were made public during the financial year ended 31 December 2013.

5. Non-audit fees

Non-audit fees payable to the external auditors, Ernst & Young, for the year amounted to RM5,324,000 for the Group and RM3,235,000 for the Bank.

6. Variation in Results

There was no profit forecast issued by Maybank and its subsidiaries during the financial year ended 31 December 2013.

7. Profit Guarantee

There was no profit guarantee issued by Maybank and its subsidiaries during the financial year ended 31 December 2013.

8. Material Contracts

There were no material contracts entered into by the Company and its subsidiaries involving Directors and substantial shareholders, either still subsisting at the end of the financial year ended 31 December 2013 or entered into since the end of the previous financial year.

9. Valuation Policy

The Company does not re-value its landed properties classified as Property and Equipment. The revaluation policy on landed properties classified as Investment Properties is disclosed in Note 2.3(xi) of the Financial Statements - Annual Report 2013.

10. Recurrent Related Party Transactions of a Revenue or Trading Nature (RRPT)

The Company did not enter into nor seek mandate from its shareholders on any RRPT for the financial year ended 31 December 2013.

This statement is made in accordance with a resolution of the Board dated 23 January 2014.



TAN SRI DATO' MEGAT ZAHARUDDIN MEGAT MOHD NOR
Chairman of the Board

STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROL

financial year ended 31 December 2013

Introduction

This Statement on Risk Management & Internal Control is made pursuant to Bursa Malaysia Securities Berhad Listing Requirements which requires the Board of Directors (Board) to include in its Company Annual Report a statement about the state of its internal control. The revised Malaysian Code on Corporate Governance requires all listed companies to establish a sound risk management framework and internal control system to manage risk and safeguard shareholders' investment and the company's assets.

Accordingly, the Board is pleased to provide the Statement on Risk Management & Internal Control that was prepared in accordance with the "Statement on Risk Management & Internal Control – Guidelines for Directors of Listed Issuers" endorsed by Bursa Malaysia Securities Berhad. This guideline outlines the processes to be adopted by the Board in reviewing the adequacy and effectiveness of the risk management and internal control system of the Group.

RESPONSIBILITY

The Board acknowledges its overall responsibility in establishing a sound risk management framework and internal control system as well as reviewing its adequacy and effectiveness. The Board is of the view that the risk management framework and internal control system are designed to manage the Group's risks within the acceptable risk appetite, rather than to eliminate the risk of failure to achieve the business goals and objectives. It can therefore only provide reasonable, rather than absolute assurance against material misstatement, fraud or loss.

The Board has established appropriate control structure and process for identifying, evaluating, monitoring, managing and responding to significant risks faced by the Group in its achievement of the business goals and objectives. The control structure and process which have been instituted throughout the Group are reviewed and updated from time to time in response to the changes in the business environment, and this on-going process has been in place for the whole financial year under review and up to the date of approval of the Statement on Risk Management & Internal Control for inclusion in the Annual Report.

The role of Management includes:

- Identifying and evaluating the risks faced, and the achievement of business objectives and strategies;
- Formulating relevant policies and procedures to manage these risks;
- Designing, implementing and monitoring the effective implementation of risk management framework and internal control system;
- Implementing the policies approved by the Board; and
- Reporting in a timely manner to the Board any changes to the risks and the corrective actions taken.

INTERNAL CONTROL STRUCTURE

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

Risk Management Framework

- The Board has established an organisation structure with clearly defined lines of responsibility, authority limits, and accountability aligned to business and operations requirements which support the maintenance of a strong control environment. It has extended the responsibilities of the Audit Committee of the Board (ACB) to include the assessment of internal controls through the Internal Audit function.
- The Board has also delegated the responsibility of reviewing the effectiveness of risk management to the Risk Management Committee (RMC). The effectiveness of the risk management system is monitored and evaluated by the Group Risk Management function, on an on-going basis. The RMC assists the Board to review and oversee the effectiveness of the risk management of the Bank, wherein the Group Risk Management function would facilitate the continuous monitoring and evaluating of the Group's risk management system. Any approved policy and framework formulated to identify measure and monitor various risk components would be reviewed and recommended by the RMC to the Board. Additionally, the RMC reviews and assesses the adequacy of these risk management policies and ensures infrastructure, resources and systems are emplaced for risk management.
- The risk governance structure is aligned across all the business units, overseas units, and subsidiaries of the Group. These are aligned through the streamlining of the risk frameworks, policies and organisational structures in order to embed and enhance our risk management and risk culture.
- Risk management principles, policies, procedures and practices are updated regularly to ensure relevance and compliance with current/applicable laws and regulations, and are made available to all employees. The Group also adopted a whistle blowing policy, providing an avenue for employees to report actual or suspected malpractice, misconduct or violations of the Group's policies and regulations in a safe and confidential manner.
- A written Management Control Policy (MCP) and Internal Control Policy (ICP) from Management are in place. The MCP outlines the specific responsibilities of the various parties i.e. the Management, the Internal Audit Committee (IAC) and the ACB pertaining to internal control. The ICP is to create awareness among all the employees with regards to the internal control components and the basic control policy.

- There is an Anti-Fraud Framework implemented. The Framework provides broad principles, strategy and policy for the Group to adopt in relation to fraud in order to promote high standards of integrity. The Framework establishes robust and comprehensive programmes and controls for the Group as well as highlights the roles and responsibilities at every level for preventing and responding to fraud.
- The Group established the three lines of defence concept: risk taking units, risk control units, and internal audit. The risk taking units manage the day-to-day management of risks inherent in their business activities, while the risk control units are responsible for setting the risk management framework and developing tools and methodologies. Complementing this is internal audit, which provides independent assurance of the effectiveness of the risk management approach.

Internal Audit Function

- The Internal Audit function undertakes regular reviews of the Group's operations and the systems of internal control. Regular reviews are performed on the business processes to examine and evaluate the adequacy and efficiency of financial and operating controls. Significant risks and non-compliance impacting the Group are highlighted and where applicable, recommendations are provided to improve on the effectiveness of risk management, internal control system and governance processes. Management follows through and reviews the status of actions on recommendations made by the internal auditors. Reviews by Internal Audit are carried out on units that are identified using risk-based approach taking into consideration input from Management, ACB and the Board.
- The IAC is a management committee chaired by the Group Chief Financial Officer comprising senior level representatives from different Lines of Business. The IAC meets regularly to deliberate on the findings of all signed audit and investigation reports and decide on the appropriate action required to resolve issues/concerns covering all aspects of the Bank's business and operations. Where required, representatives from the parties being audited are requested to attend the IAC meeting to enable more detailed deliberation and speedy resolution of the matter at hand. Minutes of the IAC meeting are then tabled to the ACB together with the audit reports. The IAC also follows through on the actions required by the ACB.
- The ACB meets on a scheduled basis to review issues identified in audit reports prepared by Internal Audit and further evaluates the effectiveness and adequacy of the Group's internal control system. The ACB has active oversight on Internal Audit's independence, scope of work and resources. It also reviews the Internal Audit function, the scope of the annual audit plan and frequency of the internal audit activities. Minutes of the ACB meeting are then tabled to the Board. The details of the activities undertaken by the ACB are highlighted in the Audit Committee Report.

Other Key Elements of Internal Control

The other key elements of the procedures established by the Board that provides effective internal control include:

- An annual business plan and budget are submitted to the Board for approval. Performance achievements are reviewed against the targeted results on a monthly basis allowing timely responses and corrective actions to be taken to mitigate risks. The Board reviews regular reports from the management on the key operating statistics, as well as legal and regulatory matters. The Board also approves any changes or amendments to the Group's policies.
- Other Board Committees are also established to assist the Board in performing its oversight function namely Credit Review Committee, Nomination and Remuneration Committee and Employee Share Scheme Committee. Specific responsibilities have been delegated to these Board Committees, all of which have formalised terms of reference. These

Committees have the authority to examine all matters within their scope and report to the Board with their recommendations. For more details on the various Board Committees, please refer to pages 154 to 156.

- Various Executive Level Management Committees (ELCs) are also established by Management to assist and support the various Board Committees to oversee the core areas of business operations. These ELCs include the Group Executive Committee, Group Management Credit Committee, Executive Risk Committee, Asset & Liability Management Committee, Group Procurement Committee, Group IT Steering Committee, Group Staff Committee, and Human Resource Disciplinary Committee.
- There are recruitment and promotion policies/guidelines established within the Group to ensure that the right and appropriate persons are selected to fill available positions. Formal training programmes either face-to-face or through e-learning, semi- and annual performance appraisals, and other relevant procedures are in place to ensure that staff are adequately trained and competent to enable them to discharge their duties and responsibilities effectively. Proper guidelines are also drawn up for termination of staff.
- A clearly defined framework with appropriate empowerment and authority limits has been approved by the Board for procurement activities, acquisition and disposal of assets, operational write-off, donations, as well as approving general and operational expenses.
- There are policies and procedures in place to ensure compliance with internal control and the prescribed laws and regulations. These policies and procedures are set out in the Group's Standard Practice Instruction and are updated from time to time in tandem with changes to the business environment or regulatory guidelines.

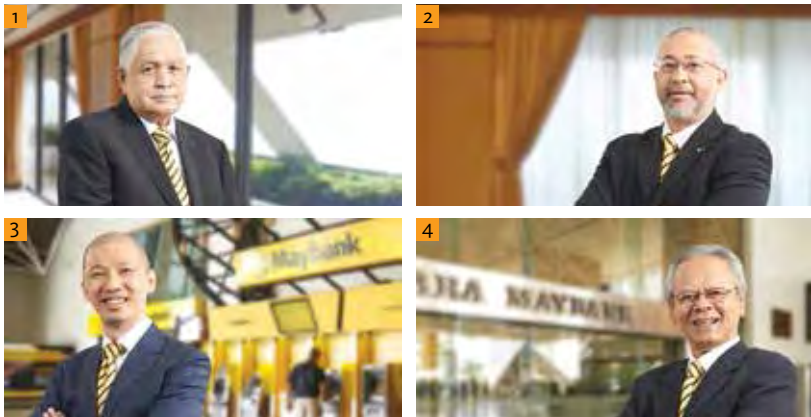
Assurance from Management

The Board has also received reasonable assurance from the Group President & Chief Executive Officer and the Group Chief Financial Officer that the Group's risk management framework and internal control system are operating adequately and effectively, in all material respects, based on the risk management model adopted by the Group.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed this Statement on Risk Management & Internal Control for inclusion in the Annual Report for the financial year ended 31 December 2013. The external auditors conducted the review in accordance with the Recommended Practice Guide 5 (Revised): Guidance for Auditors on Engagements to Report on the Statement on Risk Management & Internal Control included in the Annual Report (RPG 5) issued by the Malaysian Institute of Accountants. The review has been conducted to assess whether the Statement on Risk Management & Internal Control is both supported by the documentation prepared by or for the Board and appropriately reflects the processes the Directors had adopted in reviewing the adequacy and integrity of the system of internal controls of the Group. RPG 5 does not require the external auditors to consider whether the Directors' Statement on Risk Management & Internal Control covers all risks and controls, or to form an opinion on the effectiveness of the Group's risk and control procedures. RPG 5 also does not require the external auditors to consider whether the processes described to deal with material internal control aspects of any significant matters disclosed in the Annual Report will, in fact, mitigate the risks identified or remedy the potential problems. Based on their review, the external auditors have reported to the Board that nothing had come to their attention that causes them to believe that the Statement on Risk Management & Internal Control is inconsistent with their understanding of the processes the Board has adopted in the review of the adequacy and effectiveness of the risk management and internal control of the Group.

AUDIT COMMITTEE REPORT



The Audit Committee Members of Maybank :

1. Tan Sri Datuk Dr Hadenan A. Jalil (Chairman)
2. Dato' Johan Ariffin (Member)
3. Mr Cheah Teik Seng (Member)
4. Mr Erry Riyana Hardjapamekas (Member)

A. COMPOSITION AND TERMS OF REFERENCE

Composition

1. The Committee shall be appointed by the Board of Directors (Board) from amongst its non-executive directors and shall consist of at least (3) three members. The Chairman and the majority of the Audit Committee members must be independent directors and at least one (1) member of the committee must be:
 - a member of the Malaysian Institute of Accountants (MIA); or
 - if he is not a member of the MIA, he must have at least three (3) years working experience; and
 - i. he must have passed the examinations specified in Part I of the First Schedule of the Accountants Act, 1967; or
 - ii. he must be a member of one (1) of the associations of accountants specified in Part II of the First Schedule of the Accountants Act, 1967.
2. Where the Chairman is unable to attend the meeting, the members shall elect a person among themselves as Chairman.
3. Review of membership is undertaken once every three (3) years. This review pertains to the terms of office and performance of the members.

Meetings

1. Meetings shall be held at least once a month or at a frequency to be decided by the Committee and the Committee may invite any person to be in attendance to assist in its deliberations. At least once a year, the Committee shall meet with the external auditor without the presence of Management.
2. The Committee will regulate its own procedure particularly with regard to the calling of meetings, the notice to be given of such meetings, the voting and proceedings of such meetings, the keeping of minutes, the custody, production and inspection of such minutes.
3. Upon the request of the external auditor, a meeting is to be convened to consider any matter that the auditor believes should be brought to the attention of the directors and shareholders.

Quorum

The quorum shall be two (2), *both* of whom are to be independent directors.

Secretary

The General Counsel & Company Secretary, En. Mohd Nazlan bin Mohd Ghazali is the Secretary to the ACB.

Authority

The Committee is authorised by the Board to:

1. Investigate any activity or matter within its terms of reference.
2. Promptly report to Bursa Malaysia Securities Berhad (Bursa Securities) matters which have not been resolved satisfactorily, thus, resulting in a breach of the Bursa Securities Listing Requirements.
3. Obtain external independent professional advice, legal or otherwise deemed necessary.
4. Maintain direct communication channels with external auditors, person(s) carrying out the IA function or activity, and with senior management of the Bank and its subsidiaries.
5. Convene meetings with internal and external auditors, without the attendance of the management, whenever deemed necessary.

In discharging the above functions, the ACB has also been empowered by the Board to have:

- Necessary resources which are required to perform its duties
- Full and unrestricted access to any information and documents relevant to its activities.

B. DUTIES & RESPONSIBILITIES

The primary duties and responsibilities of the ACB with regards to the Maybank Group's Internal Audit (IA) function, external auditors, financial reporting, related party transactions, annual reporting and investigation are as follows:

1. Internal Audit

- Review the adequacy of the IA scope and plan, functions and resources, Audit Charter and that it has the necessary authority to carry out its work.
- Review the IA reports and to ensure that appropriate and prompt remedial action is taken by Management on lapses in controls or procedures that are identified by IA.
- Approve the appointment and termination of the Chief Audit Executive and Heads of Department of IA.
- Assess the performance of the IA staff; determine/approve the remuneration and annual increment of the IA staff.
- Take cognisance of resignation of IA staff and the reason for resigning.

2. External Audit

- Review the appointment and performance of external auditors, the audit fee and any question of resignation or dismissal and to make recommendations to the Board.
- Assess the qualification, expertise, resources and effectiveness of the external auditors.
- Monitor the effectiveness of the external auditors' performance, their independence and objectivity.
- Review the external auditors' audit scope and plan, including any changes to the planned scope of the audit plan.
- Review major audit findings raised by the external auditors and Management's responses, including the status of previous audit recommendations.
- Review the assistance given by the Group's officers to the external 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.
- Approve non audit services provided by the external auditors.

3. Financial Reporting

Review the quarterly and year-end financial statements focusing on:-

- Any changes in accounting policies and practices
- Significant and unusual events
- Compliance with applicable Financial Reporting Standards and other legal and regulatory requirements.

4. Related Party Transactions

Review any related party transactions and conflict of interest situations that may arise within the Bank or Maybank Group including transactions, procedures or courses of conducts that may raise questions of Management's integrity.

5. Annual Report

Report the Audit Committee's activities for the financial year.

6. Investigation

Instruct the conduct of investigation into any activity or matter within its terms of reference.

7. Other Matters

Act on other matters as the Committee considers appropriate or as authorised by the Board of Directors.

C. ACTIVITIES OF THE AUDIT COMMITTEE DURING THE YEAR

During the year under review, the Audit Committee in the discharge of its duties and functions carried out the following activities:

Attendance of meetings

A total of fourteen (14) meetings were held during the year ended 31 December 2013. The details of attendance of each of the member at the Committee meetings held during the year are as follows:

Composition and name of committee member	No. of meetings attended during the period under review
1. Tan Sri Datuk Dr Hadenan A. Jalil (Chairman) - Appointed on 15/7/2009 - Independent Non-Executive Director	14/14
2. Dato' Johan Ariffin (member) - Appointed on 26/8/2009 - Independent Non-Executive Director	14/14
3. Mr Cheah Teik Seng (member) - Appointed on 26/8/2009 - Independent Non-Executive Director	14/14
4. Mr Erry Riyana Hardjapamekas (member) - Appointed on 25/6/2012 - Independent Non-Executive Director	13/14

The Audit Committee consists of four (4) Independent Non-Executive Directors. One of the members (Mr Cheah Teik Seng) is a Fellow of the Institute of Chartered Accountants in England and Wales. This meets the requirement of the Bursa Securities Listing Requirements which requires at least one qualified accountant as a member of the Audit Committee.

The Audit Committee meets on a scheduled basis. The Group Chief Financial Officer (GCFO) and the Group Chief Audit Executive (GCAE) are invited to attend the meetings. The External Auditors are also invited to discuss their management letters, Audit Planning Memorandum and other matters deemed relevant.

In addition to the scheduled meetings, the members of the Audit Committee also had two (2) sessions with the External Auditors without the presence of the Management.

The Audit Committee also meets to discuss and review the quarterly unaudited financial results and the annual audited financial statements of the Bank and the Maybank Group. The Group President & Chief Executive Officer (GPCEO) and the GCFO are invited to attend these meetings, together with the External Auditors.

Internal Audit (IA)

1. Reviewed the annual audit plan for Financial Year 2013 to ensure adequate scope, coverage of the activities of the Bank and the Group and the resource requirements of IA to carry out its functions.
2. Reviewed the IA reports, audit recommendations and Management's responses to these recommendations.
3. Reviewed the status report on actions implemented by Management to rectify the outstanding audit issues to ensure control lapses are addressed.
4. Reviewed the monthly audit performance reports to ensure the adequacy, performance, progress, achievement, coverage of the IA functions and noted the reasons for the resignation of audit staff.
5. Reviewed the audit reports issued by regulatory authorities, Management's responses to the Regulators' recommendations and the remedial actions taken to rectify the weaknesses detected.
6. Reviewed the minutes of meetings of the subsidiary companies' ACB for an overview of the risk management and internal control systems of those subsidiary companies.
7. Provided independent evaluation on the performance and remuneration package of audit staff in accordance with the regulatory requirements.
8. Approved the key position appointment in Audit.
9. Instructed the conduct of investigation into activity or matter within its terms of reference.
10. Reviewed the Audit Committee Report and Statement on Risk Management and Internal Control.
11. Reviewed the minutes of meetings of the Internal Audit Committee for an overview of the deliberation and remedial actions taken by Management on the control lapses raised by internal auditors.

Financial Reporting

12. Reviewed the quarterly unaudited financial results and the annual audited financial statements of the Bank and the Maybank Group to ensure that the financial reporting and disclosure requirements are in compliance with accounting standards, with special focus placed on changes in accounting policy, as well as significant and unusual events/ transactions.

External Audit

13. Reviewed with the external auditors:-
 - The Audit Planning Memorandum and scope of work for the year.
 - The results of the audit, the relevant audit reports and Management Letters together with Management's responses/comments to the findings.
14. Approved the appointment of external statutory auditors for the provision of non-audit services. When considering the approvals for these services, the ACB took into consideration the process and requirements (including fees threshold) established under the policy for such appointments.
15. Evaluated the performance of the external auditors and made recommendations to the Board on their reappointment.

Employee Share Scheme (ESS)

16. Reviewed the allocation to ensure that it is consistent with the approved matrix.

Directors' Training

17. The training attended by the Committees is reported under the Statement on Corporate Governance in pages 146 to 159.

AUDIT COMMITTEE REPORT

D. INTERNAL AUDIT FUNCTION

The Group has a well-established in-house Internal Audit (IA) to assist the Board of Directors to oversee that Management has in place a sound risk management, internal control and governance system. The total costs incurred for maintaining the IA function in Malaysia for financial year ended 31 December 2013 was approximately RM37 million, comprising mainly salaries, travelling and accommodation expenses and subsistence allowances for audit assignments.

The IA function is guided by its Audit Charter and reports functionally to the ACB of the Bank and administratively to the GPCEO, and is independent of the activities or operations of other operating units. The principal responsibility of IA is to undertake regular and systematic reviews to evaluate the effectiveness of risk management frameworks and the internal control systems in order to provide reasonable assurance that such frameworks and systems continue to operate efficiently and effectively. In order for IA to perform its functions effectively, the auditors are continuously sent for training to equip themselves with requisite product knowledge and skills especially in the areas of Shariah, Treasury, Credit, Investment Banking, Information Technology and Insurance & Takaful. The scope of coverage of IA encompasses all units and operations of the Bank and Maybank Group. The selection of the units to be audited from the audit universe leading to the formulation of the annual audit plan is premised on a risk-based approach, and it is the responsibility of the IA to provide the ACB with an independent and objective report on the state of affairs of the risk management, internal control and governance processes.

The IA function for Maybank operations and its subsidiary companies in Malaysia and Papua New Guinea is organised on a Group basis within Maybank. When approving the Annual Audit Plan, the ACB reviews Maybank IA's human resource requirements to ensure that the function is adequately and appropriately resourced. The IA functions for the respective subsidiary companies in the Philippines, Indonesia, Singapore, Thailand and Cambodia are organised and supported by the respective resident IA teams with direct accountability to the respective Board Audit Committees of these subsidiary companies. Technical support and training in specialised audit areas such as credit, treasury, information technology, asset management and investment banking are provided by Group Audit, where required to ensure consistency in the application of auditing standards and processes.

The audit reports which provide the results of the audit conducted in terms of the risk management of the unit, operating effectiveness of internal controls, compliance with internal and regulatory requirements and overall management of the unit are submitted to the respective ACBs for their review. Key control issues, significant risks and recommendations are highlighted, along with Management's responses and action plans for improvement and/or rectification, where applicable. This enables the ACB to execute its oversight function by forming an opinion on the adequacy of measures undertaken by Management.

All auditing activities are conducted in line with the Bank's objectives and policies; in accordance with applicable laws and regulations; in compliance

with the relevant policies and guidelines issued by Bank Negara Malaysia and Securities Commission and as guided by the Code of Ethics and International Standards for the Professional Practice of Internal Auditing (Standards) promulgated by The Institute of Internal Auditors (IIA).

For FY2013, the activities undertaken by IA were as follows:

1. Developed an annual audit plan using a risk-based approach, taking into consideration the Group's business expansion plan as well as inputs from Senior Management and the ACB.
2. Provided independent assessment and objective assurance over the adequacy and effectiveness of risk management, internal control and governance processes via structured reviews of units and operations identified in the annual audit plan.
3. Conducted ad-hoc assignments and special reviews as instructed by the ACB.
4. Ascertained the level of compliance with established policies and procedures and statutory requirements.
5. Recommended improvements and enhancements to the existing system of internal controls and work procedures/processes.
6. Provided independent and objective reviews of the adequacy and relevance of internal controls enforced to mitigate the risk exposures in the introduction of new products and implementation of new IT systems.
7. Besides the risk assurance activities, IA also conducts audits on computer hardware, operating and application systems as well as the information communication technology (ICT) network of Maybank Group.
8. Conducted investigation into activities or matters as instructed by the ACB and Senior Management.
9. Witnessed the tender opening process for procurement of services or assets.
10. Preparation of Audit Committee Report and Statement on Risk Management and Internal Control for the Company's Annual Report for Financial Year ended 31 December 2013.
11. Conducted peer reviews of IA functions at the overseas subsidiaries to assess their conformance with IIA's Standards and to identify opportunities and provide recommendations for improvement, where necessary.

RISK MANAGEMENT



“We made excellent progress towards Group Risk's 2015 roadmap of high performance risk culture across the Group, as we have built robust and scalable foundations, enabling us to create value to support the Group's regional aspirations.”

Dr John Lee
Group Chief Risk Officer

OUR KEY ACHIEVEMENTS FOR 2013

- Embedded risk management into our business strategy and planning to ensure our risk-taking activities are aligned with our risk management more effectively.
- Defined, aligned and implemented our Risk Appetite framework across the Group to better define our risk-taking boundaries.
- Improved the Risk-Reward dynamics across the Group by enhancing our risk-informed pricing decisions and performance.
- Continued to reduce the cost structure of our balance sheet and optimise the capital across the Group.
- Continued to drive improvements across all risk frameworks, systems and processes to deliver value-added services to the business in a cost effective manner and enhance our stakeholder engagements.
- Established Centres of Excellence (COEs) to build deep specialisation of risk professionals to provide value-added risk insights to support business decision-making.
- Enhanced our Risk Talent Management blueprint to up-skill resources and set the platform to bridge competency gaps.
- Initiated various risk systems enhancements to ensure robust risk capabilities through technology.

RISK MANAGEMENT

OVERVIEW

Amidst the challenging global economic environment, Group Risk remained committed to its 2013 strategic priorities to enhance and integrate risk into the business to strengthen risk management effectively across the Group. Our robust risk management continues to play an integral part in driving value creation to support the Group's regional aspiration.

During the financial year, the Group's risk transformation efforts were driven by the following external and internal drivers:

External Drivers

- Challenging economic and cost environment;
- Regulatory pressures on business model and cost structure;
- Increase in data and IT infrastructure requirements; and
- Talent shortages across the region.

Internal Drivers

- Group's transformation initiatives gaining critical mass;
- Greater complexities in Group's Operating model;
- Products becoming increasingly sophisticated and technical; and
- The need to integrate strategic acquisitions.

With these external and internal factors, Group Risk's 2013 Strategic Priorities were:

MEDIUM TERM

Enhance and Integrate

Optimising and integrating risk into the business to drive value creation for the Group

Enhancing overall risk frameworks, systems and processes

- Continue to drive process improvements across all risk frameworks, systems and processes to deliver value-added services to the business in a cost effective manner and enhance our stakeholder engagements.

Improving the Risk-Reward dynamics across the Group

- Improve risk-informed pricing decisions and performance.
- Embed Risk Appetite across all Group entities.
- Create and embed the Right Risk Culture.

Optimising capital and liquidity management across the Group

- Reduce the cost structure of our balance sheet.
- Optimise the capital across the Group.

RISK GOVERNANCE

In accordance to the Group's structure and regionalisation aspirations, the Group continuously enhances its integrated risk management approach towards the effective management of enterprise-wide risks. The Group views the overall risk management process with a structured and disciplined approach to align strategies, policies, processes, people and technology with the specific purpose of evaluating all risk types in line with enhancing shareholder value.



Risk Governance Structure

Board of Directors

The Board of Directors is the Group's ultimate governing body, which has overall risk oversight responsibility. It approves the risk management framework, risk appetite, plans and performance targets for the Group and its principal operating subsidiaries, the appointment of senior officers, the delegation of authorities for credit and other risks, and the establishment of effective control procedures.

Board Level Committees

Risk Management Committee (RMC)

The RMC is a dedicated Board Committee responsible for the risk oversight function within the Group. It is principally responsible to review and approve key risk frameworks and policies for the various risks.

Credit Review Committee (CRC)

The CRC is tasked by the Board to review/concur/veto fresh or additional loan applications subject to pre-determined authority limits as recommended by the Group Management Credit Committee.

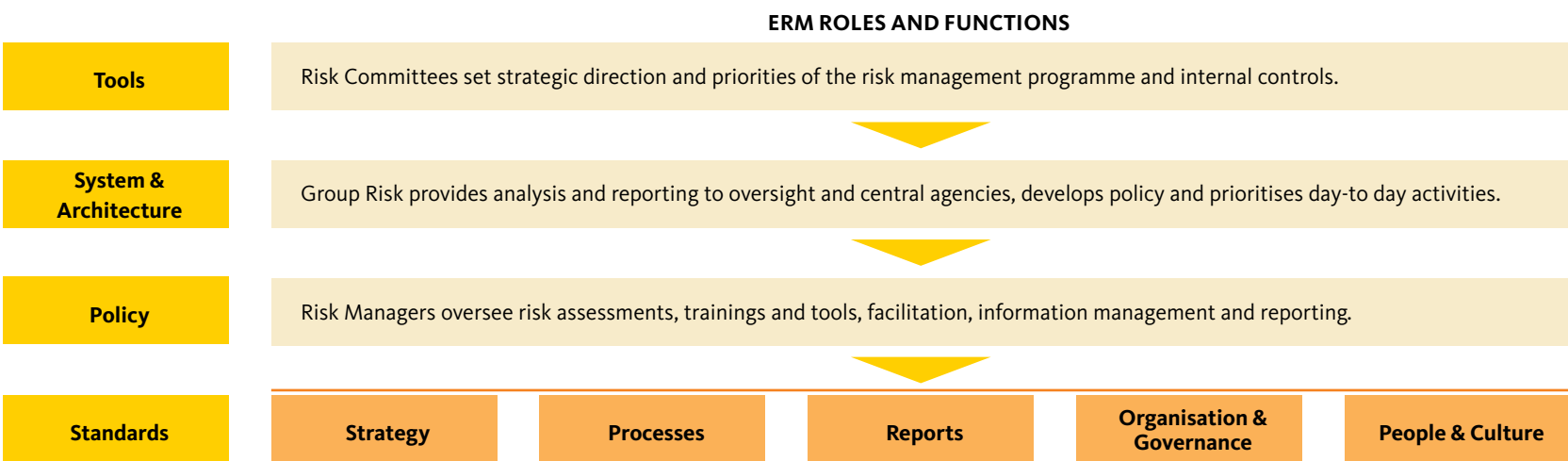
Executive Level Management Committees



The ERC, GORMC, ALCO and GMCC are Executive Level Management Committees responsible for the management of all material risks within the Group. The scope of ERC encompasses all risk types, whilst the GORMC caters specifically to operational risk matters. The ALCO is primarily responsible for the development and implementation of broad strategies and policies for managing the consolidated balance sheet and associated risks. The GMCC is empowered as the centralised loan approval committee for the Group.

Risk Management Framework

Key components of the Enterprise Risk Management (ERM) framework include:



In line with the ERM approach, the Group has adopted and consistently practices the Seven Broad Principles of Risk Management to ensure integration of purpose, policy, methodology and systems across its regional footprint.

RISK MANAGEMENT

Maybank Group's Seven Broad Principles of Risk Management

The Seven Broad Principles define the key principles on accountability, independence, structure and scope.

Principles

1. The risk management approach is premised on three lines of defence – risk-taking units, risk control units and internal audit.
2. The risk-taking units are responsible for the day-to-day management of risks inherent in their business activities, while the risk control units are responsible for setting up risk management frameworks and developing tools and methodologies for the identification, measurement, monitoring, control and pricing of risk. Complementing these is internal audit, which provides independent assurance of the effectiveness of the risk management approach.
3. Risk management provides risk oversight for the major risk categories including credit risk, market risk, liquidity risk, operational risk and other industry-specific risks.
4. Risk management ensures that the core risk policies of the Group are consistent, sets the risk tolerance levels and facilitates the implementation of an integrated risk-adjusted measurement framework.
5. Risk management is functionally and organisationally independent of the business sectors and other risk-taking units within the Group.
6. The Board, through the Board Risk Management Committee, maintains overall responsibility for risk oversight within the Group.
7. Risk management is responsible for the execution of various risk policies and related business decisions empowered by the Board.

The key strategic initiatives undertaken by the Group this year to accomplish the risk transformation that we have envisaged are highlighted below.

STRATEGY

• Enhance Risk Adjusted Performance Measurements (RAPM)

The Group continues to enhance the RAPM methodology and further embed RAPM measurement and risk-informed pricing into management/customer processes.

Driving Value from Risk-Informed Pricing

In demonstrating risk management as a key strategic differentiator for the Group, we have strengthened our RAPM process to drive improved risk-reward dynamics. We have operationalised our risk-informed pricing across the Group and instilled greater discipline in our pricing based on appropriate risk-reward thresholds.

Our initiative is in line with regulatory expectation as per the Risk-Informed Pricing guideline issued by Bank Negara Malaysia (BNM). We believe there is greater advocacy on the standards that define the responsibilities of financial service providers to adopt the risk-informed approach in the pricing of retail loan/financing products. This is to ensure that decisions on retail loan/financing pricing are consistent with the approved risk appetite. Presently, financial service providers should clearly define risk measurement and pricing mechanisms as well as control their costs in order to meet profit maximisation objectives. The guideline highlights prudential standards in the following areas:

- ▶ Expectations of the Board of Directors and internal policies for loan/financing pricing; and
- ▶ Minimum pricing components to be incorporated in the loan/financing pricing and supervisory expectations on the methodology used for the estimation of these components.

With the objective of remaining competitive and delivering adequate returns to the shareholders, financial service providers are required to scrutinise their operations to ensure that their earning assets are effectively deployed. In this context, proper pricing of loans/financing is now becoming crucial from business and regulatory perspectives.

Group Risk is committed to continuously embed and enhance the risk-informed pricing across the Group to improve our performance. The observed benefits derived from this initiative are as follows:

- ▶ Enables an institution to know early on the type of pricing/fees that will satisfy its risk/return preferences;
- ▶ Enhances shareholder value by ensuring that risks associated with the transaction are appropriately measured and priced; and
- ▶ Enhances the achievement of credit portfolio goals and objectives.

• Align Our Risk Appetite

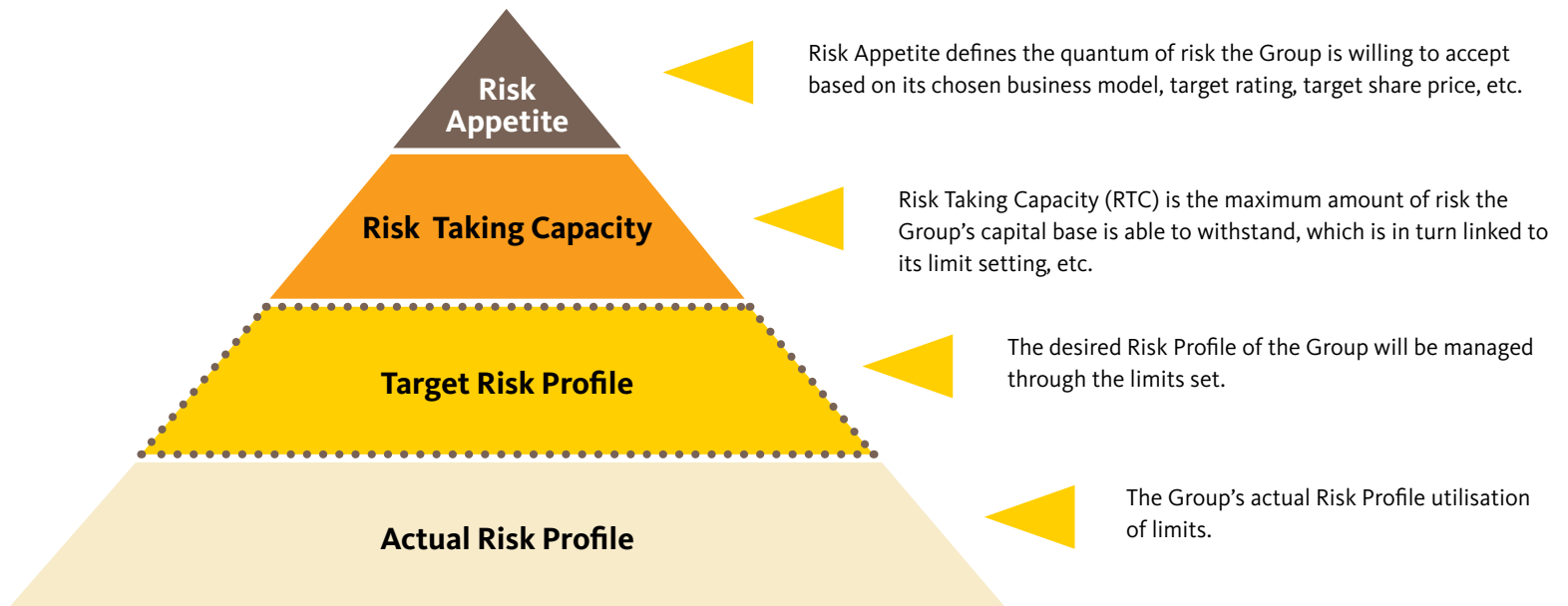
The Group has successfully embedded a Risk Appetite Framework across the Bank, our major subsidiaries and key branches. The Risk Appetite Framework defines our risk capacity, establishes and regularly confirms our risk appetite, translates risk appetite into risk limits and tolerances as guidance, and regularly measures and evaluates our risk profile.

A key element of the Risk Appetite Framework is a set of Board-approved Risk Appetite Statements (RAS) that define the boundaries and drivers that the Group has chosen to limit or otherwise influence the amount of risk it is willing to take. The Group's Risk Appetite Framework and RAS were first approved by the Board in 2011 and have since been reviewed and updated annually.

The goal of risk management is not to eliminate risk, but to manage it effectively to provide our stakeholders with long term returns that commensurate with the risk. Hence, The Group's RAS, is in essence, the Board and Senior Management's statement of intent and 'posture' on its risk-taking activities as well as the management of it.



Risk Appetite Building Blocks



Balancing Risk Strategy and Business Strategy

From an organisational perspective, the Risk Appetite links the Group's risk strategy to the business strategy through desired target ratings (solvency), earnings volatility and risk limits, among other factors. The process of developing the RAS has been integrated into the Group's annual budget and business planning cycle as we continue to ensure that our risks, returns and capital are managed on an integrated basis.

The Risk Appetite setting process has also put in place the concept of 'Risk Posture', which is a description of the business' willingness to take risk considering internal and external factors and is forward-looking. The 'Risk Posture' will be determined by the business strategy, which in turn will drive the Group's risk-taking capacity and finally the setting of the RAS.

- **Enhance Risk Culture**

Risk Culture is defined by the Institute of International Finance (IIF) as "the norms and traditions of behaviour of individuals and of groups within an organisation which determine the way in which they identify, understand, discuss and act on the risks the organisation confronts and assumes".

We view Risk Culture as the foundation upon which a strong enterprise wide risk management framework is built and it is an essential building block for effective risk governance. The 'Risk Culture Index' aimed at measuring our current state of risk culture across the Group was successfully launched in the fourth quarter of 2012. The survey results were cascaded to the Board, Group Executive Committee, Management Committees, Strategic Business Units and entities throughout the Group in 2013.

Arising from the survey results, specific action plans and initiatives have been developed and operationalised across the Group in 2013. At the industry level, strong advocacy on embracing the 'Right Risk Culture' is demonstrated by our active participation as a key member in the IIF's Effective Supervision Advisory Group on issuing the Financial Stability Board Guidance on Risk Culture. We endeavour to continuously embed the 'Right Risk Culture' across the Group in complementing our sustainable growth with a responsible and risk-aware manner.

PEOPLE

- **Institutionalise our Talent Management Blueprint**

The Group has developed a comprehensive risk talent management blueprint to clearly articulate core risk competencies required by our risk professionals. The blueprint has been successfully rolled-out to the key business units and subsidiaries in December 2013.

The Group has re-designated its Internal Assessment of the Core Credit Personnel Programme to Maybank Internal Credit Accreditation Programme (MICAP) to better reflect the credit role. The MICAP was fully implemented to the relevant sectors domestically during the year while Maybank Cambodia was the first overseas unit to implement this programme in July 2013. The programme will also be rolled-out to Maybank Hong Kong and Maybank Philippines Incorporated in the third quarter of 2014, with the rest of the Group by 2015. The programme is aimed to strengthen our credit origination and positively impact overall asset quality across the Group upon implementation.

In our continued effort to up-skill risk management resources, the Annual Risk Masterclass was held successfully for the third consecutive year. Various risk subject matter experts from across the Group were engaged to share their knowledge covering multiple risk management topics and current risk trends.

PROCESS

- **Establish Centres of Excellence (COEs)**

During the financial year, Group Risk functions were reorganised to create risk centres of excellence to drive efficiency. The COEs were established to build deep specialisation of risk professionals, to provide value-added risk insights to support business decision-making and increase economies of scale to drive down the cost of delivery.

The identified COEs have also set consistent standards in terms of enterprise risk reports, risk policy architecture and risk modelling implementation across the Group.

RISK MANAGEMENT

• Institutionalise Shariah Compliance

Shariah principles are the foundation for the practice of Islamic finance through the observance of the tenets, conditions and principles prescribed by Shariah as resolved by BNM's and Securities Commission's Shariah Advisory Council (SAC) and the Shariah Committee of Maybank Islamic Berhad. Comprehensive compliance with Shariah principles in the Islamic business activities and operations will lend confidence to stakeholders.

In accordance to BNM's regulatory requirements, the Group has implemented a comprehensive Shariah Governance Framework to ensure effective and efficient oversight by the Board of Directors, Board Committees and the Shariah Committee on the business activities and operations of Islamic products and services carried out by the Group's Islamic banking businesses.

• Enhance Key Risks Early Warning Systems

The Group has instituted a process to identify the emerging risks. The process includes:

- ▶ Conducting scenario planning exercises;
- ▶ Assessing the risks according to likelihood and impact for the next five years; and
- ▶ Utilising the results for our stress testing, capital management and limit setting.

On top of managing the emerging risks, the respective countries and business risk teams are developing key risk indicators that are forward-looking for effective identification of risk.

• Enhance Regulatory Management

Group Risk has formulated strategies to further improve our regulatory rating. Implementation of the strategic initiatives and areas for improvement are currently on-going.

The Group is diligent in its pursuit to adopt The Standardised Approach (TSA) for Operational Risk Capital Charge Calculation. The use of TSA is subject to BNM's approval. For this purpose, the Group has mapped its business activities into eight business lines as prescribed by Basel II and the BNM Risk-Weighted Capital Adequacy Framework.

The Group is in preparation to meet the Basel III regulatory requirements on capital and liquidity compliance.

• Enhance Capital & Liquidity Techniques

The Group's approach to capital management is driven by its strategic objectives and takes into account all the relevant regulatory, economic and commercial environments in which the Group operates. The Group regards having a strong capital position as essential to the Group's business strategy and competitive position. As such, implications on the Group's capital position are taken into account by the Board and senior management prior to implementing major business decisions in order to preserve the Group's overall capital strength.

The Group's key thrust of capital management and planning are to diversify its sources of capital; to allocate and deploy capital efficiently guided by the need to maintain a prudent relationship between available capital and the risks of its underlying businesses; and to meet the expectations of key stakeholders, including investors, regulators and rating agencies.

The Group's capital management is guided by the Group Capital Management Framework to ensure consistency and alignment of capital management policies and procedures across the Group. The Group Capital Management Framework, which is approved by the Board, applies across the Group and its entities.

Liquidity risk appetite is approved by the RMC while ERC and ALCO are responsible for the overall operational implementation and controls that are guided by the approved liquidity risk management framework and policy.

The Group runs liquidity stress scenarios to assess the areas of vulnerability and determines its funding capacity and adequacy for normal and stressed market situations. The Group also activates its Contingency Funding Plan (CFP) to avert any potential liquidity disasters affecting its liquidity soundness and financial solvency.

In line with leading practices, the Group is preparing to meet the Basel III Liquidity Coverage Ratio (LCR) compliance by 1 January 2015 while considering the requirements for the Net Stable Funding Ratio (NSFR), which comes into effect from 1 January 2018.

Risk-Weighted Assets (RWA) Optimisation

The RWA Optimisation Programme (ROP) was designed as a collaborative effort between Group Risk and the Business to implement various initiatives to optimise the Group's RWA, as part of our continuous capital management process.

The ROP continues to optimise the Group's RWA through the following key determinants:

- ▶ Business model – impact on risk profile such as loan origination and strategic business focus;
- ▶ Risk management – approaches to calculate credit, market and operational risk, regular review of risk models and methods;
- ▶ Processes – the direct and indirect impacts on RWA covering front and back office operations such as proactive management of 'stale ratings'; and
- ▶ Collateral management.

SYSTEMS

• Risk Technology Architecture

There is a growing need to derive a holistic view of the risk landscape both from a business and technology perspective. Moving forward, the Group will adopt the business driven risk architecture to improve management of key risks across the enterprise. The enterprise-wide solution to cater for the unique requirement of each business user would promote speed to market for business and regulatory changes as well as enable business process optimisation.

Strong strategic alignment between risk and business would enhance the Group's risk management through the provision of timely, accurate and informative approach for forward-looking analytics. Some key benefits from a robust IT architecture are:

- ▶ Business process efficiency;
- ▶ Single source of risk information;
- ▶ Flexible platform to carry out business impact analysis; and
- ▶ Lesser time to respond to regulatory requirements or business changes.

For our awards and recognition, refer to page 63.

STRATEGIC INITIATIVES FOR 2014

Against the backdrop of an improving global economy and further regulatory reforms, banks will be competing to benefit from the recovery of developed markets, adapt to new regulatory landscapes and also take advantage of the next wave of expansion in rapid-growth markets. Moving forward, there is an increased need for Group Risk to further enhance and fully integrate into our business to work more effectively to value-add across the Group.

Hence in 2014, Group Risk will be embarking on the following strategic themes to align with the Group in order to accelerate our value creation efforts.

Collaboration and Innovation	Risk Regionalisation	Optimisation and Efficiency
<ul style="list-style-type: none"> Strengthen Group Risk's role as a business partner across the Group. Enhance relationship management with stakeholders across the Group. 	<ul style="list-style-type: none"> Regionalise risk resources, systems, frameworks and processes. Ensure seamless provision of risk management across the Group. 	<ul style="list-style-type: none"> Optimise resources effectively and efficiently across the Group. Improve synergies within the business by utilising risk management as a competitive advantage to optimise returns. Ensure constant improvement of processes for better efficiency.

Based on the strategic themes above, we have identified the following key initiatives for 2014 with the ultimate objective to establish a regional platform for risk management to enable scalability and alignment of risk management practices across the Group. As we continue with our journey of regionalisation, we believe that the successful implementation of these initiatives will propel Group Risk further towards achieving the Group's regional aspirations.

1 Fortify Risk Management's Role in Strategic Decisions	<ul style="list-style-type: none"> Link the Risk Appetite statement setting process with budget and business planning. Ensure the Risk Appetite framework and process are embedded across the Group.
2 Enhance Group Risk's Research and Knowledge Base	<ul style="list-style-type: none"> Build up Group Risk's research and knowledge capabilities to provide better support across the Group. Continue to build deep specialisation of risk professionals to provide value-added risk insights to support the business across the Group.
3 Improve Regulatory Management	<ul style="list-style-type: none"> Enhance relationship with the regulatory authorities locally and across region, and to be more proactive in managing and participating in the regulations discussions.
4 Develop a Group Risk IT Architecture	<ul style="list-style-type: none"> Develop a Group-wide Risk IT architecture to support the Group's regional aspirations. Consolidate stand-alone systems to a regional risk operating platform.
5 Accelerate Regionalisation Initiatives	<ul style="list-style-type: none"> Accelerate and streamline risk management practices across the Group. Ensure clarity and consistency of risk practices to support regional business across the Group. Embed Centres of Excellence.
6 Entrench the Right Risk Culture Behaviour and Risk Awareness Across the Group	<ul style="list-style-type: none"> Continue to ensure that the Right Risk Culture is embedded across the Group. Continue to improve the Risk Culture Index scoring.
7 Enhance our Talent Management Blueprint Across the Group	<ul style="list-style-type: none"> Leverage on Group Risk's regional structure to optimise the risk resources across the Group and provide seamless risk management to the business. Develop a regional talent competency framework and reduce competency gaps.
8 Optimise Capital and Liquidity Practices	<ul style="list-style-type: none"> Optimise our cost structure through RWA optimisation and balance sheet management. Continue to enhance our liquidity management techniques and meet regulatory requirements.
9 Enhance the Group's Risk-Reward Analytics and Dynamics	<ul style="list-style-type: none"> Institutionalise risk-informed pricing across the Group. Improve key risks early warning systems as part of risk reporting. Enhance and automate key risk processes to facilitate better risk-reward analysis. Enhance our risk analytics to work better with the business to optimise returns to the Group.
10 Improve Risk Processes	<ul style="list-style-type: none"> Enhance our credit quality processes including key measures to enhance the monitoring and reporting of credit encompassing Process, People and Systems. Leverage on the new Group Risk structure to provide seamless risk management to the business across the Group.

Please refer to "Basel II Pillar 3 Disclosure" for detailed disclosures on Risk Management.

GROUP COMPLIANCE

CORPORATE INTEGRITY PLEDGE

Maybank, which was the first financial institution in Malaysia to sign the Malaysian Corporate Integrity Pledge in August 2011, continued with its commitment in supporting and upholding the Anti-Corruption Principles for Corporations in Malaysia.

The Pledge is as a result of a collaborative effort among:

- Bursa Malaysia Berhad;
- Companies Commission of Malaysia;
- Malaysian Institute of Integrity;
- Malaysian Anti-Corruption Commission and National Key Result Area (NKRA) Corruption Monitoring & Coordination Division;
- Securities Commission Malaysia; and
- Transparency International Malaysia and the Performance Management and Delivery Unit (PEMANDU), Prime Minister's Office.

The Integrity Hotline (previously known as Fraud Reporting Hotline), which has been implemented since 2004, allows employees to report actual or suspected misconduct through a secure and confidential channel.

All employees can raise their concerns regarding any misconduct or wrongdoing such as fraud, criminal activities, dishonesty and malpractice committed by another employee or any person who has dealings with the Group via the Toll-Free Message Recording Line, Protected Email Address and Secured P.O. Box Mail Address.

The above mechanism protects employees considering 'blowing the whistle' against victimisation and harassment. Confidentiality of all matters raised and the identity of the whistle-blower are protected. Concerns which are raised anonymously will also be considered provided they are clear and specific.

PERSONAL DATA PROTECTION ACT 2010 PROJECT

The Group has embarked on a project to implement the requirements specified under the Malaysia's Personal Data Protection Act 2010 (PDPA). This project, which started in May 2012, is jointly led by Group Compliance and Group Tax to ensure that the entire Group complies with the requirements.

PDPA was introduced to regulate the processing of personal data used during 'commercial transactions' by data users (i.e. Maybank Group) to safeguard the interests of data subjects (i.e. Maybank Group's customers). The Act defines 'commercial transactions' as any transaction of a commercial nature, whether contractual or not, which includes any matters relating to supply or exchange of goods and services, agency, investments, financing, banking and insurance. The Act was gazetted on 14 November 2013 and came into force on 15 November 2013.

The first step in complying with PDPA is to register with the Jabatan Perlindungan Data Peribadi Malaysia (JPDP), the governing body under the Ministry of Communications and Multimedia regulating PDPA in Malaysia. The Group takes pride in being the first entity in Malaysia to register with JPDP.

Customer privacy has been and will always remain our top priority. With the enforcement of PDPA, the Group will continue to enhance our internal processes, policies and systems to ensure that the personal data of our customers remain confidential and protected at all times.

Among the activities undertaken by the PDPA project team are as follows:

- Issued Privacy Notice to all customer touch points to spell out customer's rights and the Group's obligation under the Act.
- Incorporated Maybank Group PDPA Policy and other internal policies necessary to Maybank's internal processes and procedures to ensure that all staff adheres strictly to the requirements of PDPA.
- Strengthened the Group's internal systems to ensure that customer's consents are well managed. We respect our customer's request not to receive marketing communications from our Maybank Group of companies.
- Enhanced our internal systems to provide customers access to their personal data that resides in our systems. This exercise will comply with the Access Principle under PDPA.

The Group aspires to be fully compliant with the requirements of PDPA as per the timeline set by JPDP.

COMPLIANCE MANAGEMENT FRAMEWORK

The Maybank Board and its Senior Management continue to demonstrate their commitment towards effective compliance and Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT) programmes.

The Group continues to adhere to the requirements of relevant laws, rules, regulations and regulatory guidelines. The Group's commitment is clearly demonstrated through the establishment of strong compliance policies and guidelines, which includes AML/CFT practises, to ensure that the Group's non-compliance risks are effectively managed. Such measures help lower the cost of doing business arising from regulatory penalties, AML/CFT investigations and cases, as well as protecting the Group's integrity and reputation.

In demonstrating our commitment to combat money laundering and financing of terrorism activities, we have embedded Compliance Officers at all local, overseas and subsidiary units while Group Compliance is tasked of ensuring that the Group as a whole complies with applicable laws, rules, regulations and regulatory guidelines.

The Group will remain vigilant over the level of compliance, which includes AML/CFT rules and measures, at the business/support sectors. Compliance review and thematic examinations on the Group's operation will be carried out as usual to ensure compliance with applicable laws, rules, regulations, regulatory guidelines and standards. This approach complements the business/support sector in achieving a good rating from internal/external audits and regulators. It is Group Compliance's practise to take an advisory and consultative approach during these reviews with minimal disruption to the business operations.

Group Compliance will also reinforce its involvement in specific compliance and AML/CFT training and certification programmes to remain robust. We conduct learning initiatives and awareness programmes throughout the year to mitigate any compliance gaps and embed a compliance culture across the Group.

The respective Boards of all Group entities are provided with compliance status reports on a regular basis. Thus, the Board and Senior Management of the Group are aware and will continue to maintain adequate oversight of the compliance and AML/CFT measures undertaken by the Group.

During the financial year of 2013, Group Compliance achieved some milestones in meeting regulatory requirements, as listed below:

- Participated in dialogue and communication sessions with Bank Negara Malaysia (BNM) and Compliance Officers Networking Group pertaining to Financial Services Act 2013, Islamic Financial Services Act 2013 and Guidelines on AML/CFT for Banking & Deposit-Taking Institutions (Sector 1);
- Appointed a Member of the Group's Secretariat for Competition Act 2010;
- Revised the Group's AML/CFT Policy, incorporating refined requirements from BNM as well as incorporating the Financial Action Task Force current requirements;
- Led the industry in an attempt to comply with the Personal Data Protection Act 2010. The Group's serious commitment is evident as we were acknowledged as "The First Organisation in Malaysia to register as 'Data Users' with JPDPM"; and
- Led the Group towards complying with the Foreign Account Tax Compliance Act 2010.

ANALYSIS OF SHAREHOLDINGS

as at 10 February 2014

Authorised Share Capital	:	10,000,000,000
Paid-Up Share Capital	:	8,863,261,481
Class of Shares	:	Ordinary Share of RM1 each
Voting Right	:	1 vote per Ordinary Share

Size of Shareholdings	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Issued Capital
Less than 100	3,858	6.43	135,135	0.00
100 to 1,000 shares	12,308	20.54	7,811,485	0.09
1,001 to 10,000 shares	32,538	54.29	113,684,068	1.28
10,001 to 100,000 shares	9,510	15.87	253,850,496	2.86
100,001 to less than 5% of issued shares	1,714	2.86	3,334,073,522	37.62
5% and above of issued shares	3	0.01	5,153,706,775	58.15
TOTAL	59,931	100.00	8,863,261,481	100.00

SUBSTANTIAL SHAREHOLDERS AS PER THE REGISTER OF SUBSTANTIAL SHAREHOLDERS

No.	Name of Shareholders	No. of Shares Held	% of Shares
1.	AmanahRaya Trustees Berhad (B/O: Skim Amanah Saham Bumiputera)	3,429,987,458	38.70
2.	Citigroup Nominees (Tempatan) Sdn Bhd (B/O: Employees Provident Fund Board)	1,219,913,237	13.76
3.	Permodalan Nasional Berhad	503,806,080	5.68

TOP THIRTY SHAREHOLDERS AS PER THE RECORD OF DEPOSITORS

No.	Name of Shareholders	No. of Shares Held	% of Shares
1.	AmanahRaya Trustees Berhad (B/O: Skim Amanah Saham Bumiputera)	3,429,987,458	38.70
2.	Citigroup Nominees (Tempatan) Sdn Bhd (B/O: Employees Provident Fund Board)	1,219,913,237	13.76
3.	Permodalan Nasional Berhad	503,806,080	5.68
4.	Lembaga Kemajuan Tanah Persekutuan (FELDA)	186,179,241	2.10
5.	Kumpulan Wang Persaraan (Diperbadankan)	176,039,559	1.99
6.	AmanahRaya Trustees Berhad (B/O: Amanah Saham Wawasan 2020)	146,773,860	1.66
7.	Cartaban Nominees (Asing) Sdn Bhd (B/O: Exempt AN for State Street Bank & Trust Company (West Clt OD67))	138,245,275	1.56
8.	AmanahRaya Trustees Berhad (B/O: Amanah Saham Malaysia)	120,447,470	1.36
9.	HSBC Nominees (Asing) Sdn Bhd (B/O: Exempt AN for JPMorgan Chase Bank, National Association(U.S.A))	82,096,923	0.93
10.	HSBC Nominees (Asing) Sdn Bhd (B/O: BBH and Co Boston for Vanguard Emerging Markets Stock Index Fund)	79,459,588	0.90
11.	Cartaban Nominees (Tempatan) Sdn Bhd (B/O: Exempt AN for Eastspring Investments Berhad)	68,689,678	0.77

TOP THIRTY SHAREHOLDERS AS PER THE RECORD OF DEPOSITORS (CONT'D.)

No.	Name of Shareholders	No. of Shares Held	% of Shares
12.	Cartaban Nominees (Asing) Sdn Bhd (B/O: GIC Private Limited for Government of (Singapore (C)))	68,254,212	0.77
13.	Malaysia Nominees (Tempatan) Sendirian Berhad (B/O: Great Eastern Life Assurance (Malaysia) Berhad (Par 1))	63,282,289	0.71
14.	HSBC Nominees (Asing) Sdn Bhd (B/O: Exempt AN for the Bank of New York Mellon (Mellon Acct))	61,824,031	0.70
15.	AmanahRaya Trustees Berhad (B/O: AS 1Malaysia)	55,008,974	0.62
16.	Lembaga Tabung Angkatan Tentera	54,390,900	0.61
17.	HSBC Nominees (Asing) Sdn Bhd (B/O: Exempt AN for JPMorgan Chase Bank, National Association (Saudi Arabia))	48,397,078	0.55
18.	HSBC Nominees (Asing) Sdn Bhd (B/O: Exempt AN for JPMorgan Chase Bank, National Association (U.A.E.))	48,387,027	0.54
19.	HSBC Nominees (Asing) Sdn Bhd (B/O: HSBC BK Plc for Saudi Arabian Monetary Agency)	41,871,541	0.47
20.	Citigroup Nominees (Tempatan) Sdn Bhd (B/O: Exempt AN for AIA Bhd.)	41,265,023	0.47
21.	Valuecap Sdn Bhd	36,175,900	0.41
22.	HSBC Nominees (Asing) Sdn Bhd (B/O: Exempt AN for JPMorgan Chase Bank, National Association (Norges BK Lend))	35,088,067	0.40
23.	Citigroup Nominees (Tempatan) Sdn Bhd (B/O: Employees Provident Fund Board (NOMURA))	30,697,125	0.35
24.	Maybank Nominees (Tempatan) Sdn Bhd (B/O: MaybankTrustees Berhad for Public Regular Savings Fund (N14011940100))	27,736,307	0.31
25.	HSBC Nominees (Asing) Sdn Bhd (B/O: Exempt AN for JPMorgan Chase Bank, National Association (Netherlands))	25,300,904	0.29
26.	Cartaban Nominees (Asing) Sdn Bhd (B/O: RBC Investor Services Bank for Vontobel Fund - Emerging Markets Equity)	24,422,453	0.28
27.	Pertubuhan Keselamatan Sosial	24,217,093	0.27
28.	HSBC Nominees (Asing) Sdn Bhd (B/O: Exempt AN for JPMorgan Chase Bank, National Association (U.K.))	22,959,451	0.26
29.	Citigroup Nominees (Asing) Sdn Bhd (B/O: Legal & General Assurance (Pensions Management) Limited (A/C 1125250001))	22,415,056	0.25
30.	HSBC Nominees (Asing) Sdn Bhd (B/O: BNY Brussels for Wisdomtree Emerging Markets Equity Income Fund)	21,619,125	0.24
TOTAL		6,904,950,925	77.91

CLASSIFICATION OF SHAREHOLDERS

as at 10 February 2014

Category	No. of Shareholders		No. of Shareholdings		% of Total Shareholdings	
	Malaysian	Foreign	Malaysian	Foreign	Malaysian	Foreign
INDIVIDUAL						
a. Bumiputera	3,091		22,811,384		0.26	
b. Chinese	40,080		294,846,555		3.33	
c. Indian	1,592		10,020,627		0.11	
d. Others	243	2,050	1,730,355	46,819,382	0.02	0.53
BODY CORPORATE						
a. Banks/Finance	69	2	4,561,055,950	424,000	51.46	0.00
b. Investment/Trust	11		13,293,605		0.15	
c. Societies	15		446,779		0.01	
d. Industrial	693	50	80,066,991	18,589,142	0.90	0.21
GOVERNMENT AGENCIES/ INSTITUTION						
	14		246,524,002		2.78	
NOMINEES						
	8,750	3,270	1,743,266,537	1,823,287,802	19.67	20.57
OTHERS						
	1		78,370		0.00	
TOTAL	54,559	5,372	6,974,141,155	1,889,120,326	78.69	21.31

CHANGES IN SHARE CAPITAL

AUTHORISED SHARE CAPITAL

The present authorised share capital of the Bank is RM10,000,000,000 divided into 10,000,000,000 ordinary shares of RM1-00 each. Details of changes in its authorised share capital since its incorporation are as follows :-

Date	Increase in Authorised Share Capital	Total Authorised Share Capital
31-05-1960	20,000,000	20,000,000
06-09-1962	30,000,000	50,000,000
09-04-1977	150,000,000	200,000,000
17-01-1981	300,000,000	500,000,000
06-10-1990	500,000,000	1,000,000,000
09-10-1993	1,000,000,000	2,000,000,000
19-06-1998	2,000,000,000	4,000,000,000
11-08-2004	6,000,000,000	10,000,000,000

ISSUED AND PAID-UP SHARE CAPITAL

Details of changes in the Bank's issued and paid-up share capital since its incorporation are as follows:-

Date of Allotment	No. of Ordinary Shares Allotted	Par Value RM	Consideration	Resultant Total Issued and Paid-Up Capital RM'000
31-05-1960	1,500,000	5.00	Cash	7,500,000
18-05-1961	500,000	5.00	Cash	10,000,000
31-05-1962	1,000,000	5.00	Rights Issue (1:2) at RM7.00 per share	15,000,000
21-08-1968	1,500,000	5.00	Rights Issue (1:2) at RM7.00 per share	22,500,000
04-01-1971	22,500,000	1.00*	Rights Issue (1:1) at RM1.50 per share	45,000,000
06-05-1977	15,000,000	1.00	Capitalisation of Share Premium Account (Bonus Issue 1:3)	60,000,000
23-06-1977	30,000,000	1.00	Rights Issue (1:2) at RM3.00 per share	90,000,000
21-02-1981	30,000,000	1.00	Capitalisation of Share Premium Account (Bonus Issue 1:3)	120,000,000
10-04-1981	60,000,000	1.00	Rights Issue (1:2) at RM4.00 per share	180,000,000
14-11-1984	45,000,000	1.00	Capitalisation of Share Premium Account (Bonus Issue 1:4)	225,000,000
28-12-1984	45,000,000	1.00	Rights Issue (1:4) at RM6.00 per share	270,000,000
31-11-1985	68,249	1.00	Conversion of Unsecured Notes	270,068,249
15-11-1986	9,199,999	1.00	Issued in exchange for purchase of Kota Discount Berhad (Now known as Mayban Discount Berhad)	279,268,248
01-12-1986	10,550	1.00	Conversion of Unsecured Notes	279,278,798
29-07-1987 to 20-10-1987	90,000	1.00	Exercise of Employees' Share Option Scheme ("ESOS")	279,368,798
30-11-1987	11,916	1.00	Conversion of Unsecured Notes	279,380,714
08-06-1988	27,938,071	1.00	Capitalisation of Share Premium Account (Bonus Issue 1:10)	307,318,785
30-11-1988	10,725	1.00	Conversion of Unsecured Notes	307,329,510
16-03-1989 to 21-06-1989	9,198,206	1.00	Exchange for Kwong Yik Bank Berhad ("KYBB") shares	316,527,716
11-07-1989 to 23-11-1989	7,555,900	1.00	Exercise of Employees' Share Option Scheme ("ESOS")	324,083,616
30-11-1989	46,174,316	1.00	Conversion of Unsecured Notes	370,257,932
01-12-1989 to 24-10-1990	4,508,900	1.00	Exercise of Employees' Share Option Scheme ("ESOS")	374,766,832
16-11-1990	187,383,416	1.00	Capitalisation of Share Premium Account (Bonus Issue 1:2)	562,150,248
27-11-1990	11,550	1.00	Exercise of Employees' Share Option Scheme ("ESOS")	562,161,798
30-11-1990	280,497	1.00	Conversion of Unsecured Notes	562,442,295
03-01-1991	3,300	1.00	Exercise of Employees' Share Option Scheme ("ESOS")	562,445,595
03-01-1991	188,991,002	1.00	Rights Issue (1:2) at RM5.00 per share	751,436,597
04-01-1991	4,950	1.00	Rights Issue (1:2) upon ESOS at RM5.00 per share	751,441,547
25-01-1991 to 28-11-1991	726,000	1.00	Exercise of Employee's Share Option Scheme ("ESOS")	752,167,547
30-11-1991	35,197	1.00	Conversion of Unsecured Notes	752,202,744
11-12-1991 to 20-05-1992	5,566,000	1.00	Exercise of Employee's Share Option Scheme ("ESOS")	757,768,744
30-11-1992 to 30-11-1993	3,153,442	1.00	Conversion of Unsecured Notes	760,922,186
18-01-1994	380,461,093	1.00	Capitalisation of Share Premium Account (Bonus Issue 1:2)	1,141,383,279
29-12-1994	2,030,428	1.00	Conversion of Unsecured Notes	1,143,413,707
19-06-1998	1,143,413,707	1.00	Capitalisation of Share Premium and Retained Profit Account (Bonus Issue 1:1)	2,286,827,414

CHANGES IN SHARE CAPITAL

Date of Allotment	No. of Ordinary Shares Allotted	Par Value RM	Consideration	Resultant Total Issued and Paid-Up Capital RM'000
21-09-1998 to 09-10-2001	72,909,000	1.00	Exercise of Employees' Share Option Scheme ("ESOS")	2,359,736,414
23-10-2001	1,179,868,307	1.00	Capitalisation of Retained Profit Account (Bonus Issue 1:2)	3,539,604,721
25-10-2001 to 05-08-2003	60,567,200	1.00	Exercise of Employees' Share Option Scheme ("ESOS")	3,600,171,921
29-09-2004 to 14-02-2008	304,058,100	1.00	Exercise of Employees' Share Option Scheme ("ESOS")	3,904,230,021
20-02-2008	976,057,505	1.00	Capitalisation of Share Premium Account (Bonus Issue 1:4)	4,880,287,526
27-02-2008 to 30-10-2008	859,625	1.00	Exercise of Employees' Share Option Scheme ("ESOS")	4,881,147,151
27-04-2009	2,196,516,217	1.00	Rights Issue (9:20) at RM2.74 per share	7,077,663,368
29-07-2009 to 26-08-2009	319,400	1.00	Exercise of Employees' Share Option Scheme ("ESOS")	7,077,982,768
20-12-2010	244,257,623	1.00	Dividend Reinvestment Plan ("DRP") at RM7.70 per share	7,322,240,391
12-05-2011	155,965,676	1.00	Dividend Reinvestment Plan ("DRP") at RM7.70 per share	7,478,206,067
05-07-2011 to 09-12-2011	10,000	1.00	Exercise of Employees' Share Scheme ("ESS")	7,478,216,067
28-12-2011	161,221,416	1.00	Dividend Reinvestment Plan ("DRP") at RM7.30 per share	7,639,437,483
10-01-2012 to 26-01-2012	3,600	1.00	Exercise of Employees' Share Scheme ("ESS")	7,639,441,083
26-03-2012 to 09-05-2012	8,100	1.00	Exercise of Employees' Share Scheme ("ESS")	7,639,449,183
04-06-2012	202,854,119	1.00	Dividend Reinvestment Plan ("DRP") at RM8.00 per share	7,842,303,302
28-06-2012 to 08-10-2012	12,233,400	1.00	Exercise of Employees' Share Scheme ("ESS")	7,854,536,702
11-10-2012	412,000,000	1.00	Private Placement	8,266,536,702
16-10-2012 to 22-10-2012	52,400	1.00	Exercise of Employees' Share Scheme ("ESS")	8,266,589,102
25-10-2012	173,144,233	1.00	Dividend Reinvestment Plan ("DRP") at RM8.40 per share	8,439,733,335
30-10-2012 to 28-05-2013	38,147,500	1.00	Exercise of Employees' Share Scheme ("ESS")	8,477,880,835
29-05-2013	201,462,948	1.00	Dividend Reinvestment Plan ("DRP") at RM8.80 per share	8,679,343,783
29-05-2013 to 24-10-2013	47,955,100	1.00	Exercise of Employees' Share Scheme ("ESS")	8,727,298,883
25-10-2013	130,326,898	1.00	Dividend Reinvestment Plan ("DRP") at RM9.20 per share	8,857,625,781
25-10-2013 to 06-02-2014	5,635,700	1.00	Exercise of Employees' Share Scheme ("ESS")	8,863,261,481

* The par value of the Bank's shares was changed from RM5.00 to RM1.00 on 25 November 1968

PROPERTIES OWNED BY MAYBANK GROUP

as at 31 December 2013

Area	No. of Properties		Land Area (sq. m.)	Book Value as at 31.12.2013 RM'000
	Freehold	Leasehold		
Maybank				
Kuala Lumpur	11	13	48,546.58	192,942
Johor Darul Takzim	29	9	18,399.86	53,363
Kedah Darul Aman	11	5	6,111.83	9,168
Kelantan Darul Naim	1	4	1,691.00	2,541
Melaka	1	4	3,253.00	4,868
Negeri Sembilan Darul Khusus	11	5	23,469.20	7,746
Pahang Darul Makmur	9	14	16,053.74	11,122
Perak Darul Ridzuan	13	11	10,299.85	16,128
Perlis Indera Kayangan	1	3	1,475.00	1,524
Pulau Pinang	22	3	13,421.52	23,190
Sabah	-	17	14,276.92	24,067
Sarawak	9	13	6,625.57	18,756
Selangor Darul Ehsan	24	18	104,268.87	121,466
Terengganu Darul Iman	6	2	4,329.00	4,236
Hong Kong	-	2	193.00	HKD1,066
London	1	5	1,215.00	GBP4,269
Singapore	11	12	20,858.00	SGD98,992
Aurea Lakra Holdings Sdn Bhd (Formerly known as Mayban P.B. Holdings Sdn Bhd)				
Kuala Lumpur	-	1	294.00	755
Johor Darul Takzim	2	1	1,330.00	2,234
Pahang Darul Makmur	1	2	595.42	941
Perak Darul Ridzuan	1	1	857.74	2,398
Pulau Pinang	1	-	445.93	731
Sabah	-	1	257.62	1,059
Sarawak	-	1	314.00	872
Selangor Darul Ehsan	2	1	1,269.13	2,995
Maybank International (L) Ltd				
W.P. Labuan	-	3	1,089.81	USD182
Maybank Investment Bank Berhad				
Negeri Sembilan Darul Khusus	1	2	549.25	402
Pahang Darul Makmur	1	1	229.11	289
Pulau Pinang	1	-	84.04	138
Perak Darul Ridzuan	-	1	260.00	217
ETIQA				
Kuala Lumpur	2	4	24,258.47	617,636
Johor Darul Takzim	1	-	286.00	615
Kedah Darul Aman	2	1	1,127.97	1,184
Melaka	-	1	452.00	1,138
Negeri Sembilan Darul Khusus	3	1	1,659.64	2,675
Pahang Darul Makmur	1	2	18,334.57	2,921
Pulau Pinang	1	1	624.00	3,400
Sabah	1	1	222.22	2,105
Selangor Darul Ehsan	1	1	38,927.49	47,431
Maybank Kim Eng				
Singapore	-	3	5,172.50	SGD153,025
USA	-	1	167.22	USD1,300
Philippines	-	3	1,550.00	Peso52,385

LIST OF TOP 10 PROPERTIES OWNED BY MAYBANK GROUP

as at 31 December 2013

Location	Description	Current Use	Tenure	Remaining Lease Period (Expiry Date)	Age of Building	Land Area (sq.m.)	Year of Acquisition	Net Book Value RM'000
Etiqa Twins No.11 Jalan Pinang Kuala Lumpur	27-storey Twin Office Buildings	Office & Rented out	Freehold	-	18 years	6,612.00	1994	320,000
50 North Canal Road Singapore	Office Building	Office	Leasehold	93 years (expiring 2106)	2 years	1,283.30	2007	SGD89,199
Maybank Tower 2 Battery Road Singapore	32-storey Office Building	Office	Leasehold W999 years	812 years (expiring 2825)	11 years	1,135.70	1962	SGD65,721
Dataran Maybank No.1 Jalan Maarof Bangsar	2 Blocks of 20-storey and a block of 22-storey Office Buildings	Office & Rented out	Leasehold 99 years	72 years (expiring 3.12.2085)	12 years	9,918.00	2000	128,417
Menara Maybank 100 Jalan Tun Perak Kuala Lumpur	58-storey Office Building	Head office & Rented out	Freehold	-	25 years	35,494.00	1978	117,900
Suntec #12, 13 & 39, 9 Temasek Boulevard, #12-00 Suntec Tower Two, Singapore	3 office units on 12, 13 & 39 floor of a 45-storey Office Buildings	Office	Leasehold	75 years (expiring 2088)	17 years	3,563.00	1989	SGD43,256
Lot 153 Section 44 Jalan Ampang Kuala Lumpur	Commercial Land	Vacant	Freehold	-	-	3,829.00	2008	90,500
Akademi Etiqa 23, Jalan Melaka Kuala Lumpur	25-storey Office Building	Office & Rented out	Leasehold 99 years	52 years (expiring 2065)	17 years	1,960.47	1994	70,000
48 North Canal Road Singapore	Office Building	Office	Leasehold	98 years (expiring 2111)	1 year	326.20	2012	SGD20,569
1079, Section 13 Shah Alam	Commercial Land	Vacant	Leasehold 99 years	89 years (expiring 11.3.2102)	-	38,417.00	1994	46,000

CORPORATE INFORMATION

BOARD OF DIRECTORS

TAN SRI DATO' MEGAT ZAHARUDDIN MEGAT MOHD NOR

DPCM, PJN, PSM

Non-Independent Non-Executive Chairman

DATO' MOHD SALLEH HJ HARUN

DSDK

Independent Non-Executive Vice Chairman

DATUK ABDUL FARID ALIAS

DMSM

Non-Independent Executive Director

(Group President & Chief Executive Officer)

(Appointed with effect from 2 August 2013)

DATO' SRI ABDUL WAHID OMAR

SSAP, DSAP

Non-Independent Executive Director

(President & Chief Executive Officer)

(Resigned with effect from close of business on 4 June 2013)

TAN SRI DATUK DR HADENAN A. JALIL

PSM, PNBS, SIMP, DMSM, JMN, KMN, AMN

Independent Non-Executive Director

DATO' SERI ISMAIL SHAHUDIN

SPMP

Independent Non-Executive Director

DATO' DR TAN TAT WAI

PhD DMPN

Independent Non-Executive Director

ZAINAL ABIDIN JAMAL

Non-Independent Non-Executive Director

ALISTER MAITLAND

Independent Non-Executive Director

(Resigned with effect from 29 March 2013)

CHEAH TEIK SENG

Independent Non-Executive Director

DATO' JOHAN ARIFFIN

DPTJ

Independent Non-Executive Director

DATUK MOHAIYANI SHAMSUDIN

PJN

Independent Non-Executive Director

ERRY RIYANA HARDJAPAMEKAS

Independent Non-Executive Director

MOHD NAZLAN MOHD GHAZALI

(LS0008977)

Group General Counsel @ Company Secretary

REGISTERED OFFICE

14th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur, Malaysia

Tel : (6)03-2070 8833
: 1300-88-6688 (Local)
(6)03 - 7844 3696
(Overseas)
(Maybank Group Customer Care)
: (6)03-2074 8075
(Customer Feedback & Resolution Management)

Fax : (6)03-2032 4775
(Group Performance Reporting & Investor Relations)
: (6)03-2711 3421
(Customer Feedback & Resolution Management)
: (6)03-2031 0071
(Group Corporate Secretarial)
: 1300-88-8899 (Local)
(6)03-7845 9858 (Overseas)
(Maybank Group Customer Care)

SWIFT : MBBEMYKL

Website : <http://www.maybank.com>

E-Mail : publicaffairs@maybank.com.my
cfrm@maybank.com.my

SHARE REGISTRAR

Malayan Banking Berhad

14th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur, Malaysia
Tel : (6)03-2074 7822
Fax : (6)03-2072 0079

STOCK EXCHANGE LISTING

Main Market of Bursa Malaysia Securities Berhad

(Listed since 17 February 1962)

EXTERNAL AUDITORS

Ernst & Young (AF: 0039)

Chartered Accountants
Level 23A, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
50490 Kuala Lumpur, Malaysia
Tel : (6)03-7495 8000
Fax : (6)03-2095 9076/78

AGM Helpdesk

Tel : (6)03-2264 3883
(Tricor Investor Services Sdn Bhd)
: (6)03-2074 8256
(Group Corporate Secretarial, Maybank)

GROUP DIRECTORY

COMMERCIAL BANKING

Malayan Banking Berhad

14th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
Tel : (6)03- 2070 8833
Fax : (6)03- 2031 0071
Corporate website : www.maybank.com
Email : publicaffairs@maybank.com.my

Maybank Islamic Berhad

Level 10, Tower A
Dataran Maybank
No. 1, Jalan Maarof
59000 Kuala Lumpur
Tel : (6)03-2297 2001
Fax : (6)03-2297 2002
Website : www.maybankislamic.com.my
Email : MIB_stratcomms@maybank.com.my

P.T. Bank Internasional Indonesia Tbk

Gedung Sentral Senayan 3, 26th Floor
Jl. Asia Afrika No. 8
Senayan Gelora Bung Karno
Jakarta 10270
Indonesia
Tel : (62)-21-2922 8888
Fax : (62)-21-2922 8914
Website : www.bii.co.id
Email : cs@bii.co.id

P.T. Bank Maybank Syariah Indonesia

1st-3rd Floor, Sona Topas Tower
Jl. Jend. Sudirman Kav. 26
Jakarta 12920
Indonesia
Tel : (62)-21-250 6446
Fax : (62)-21-250 6445
Corporate website : www.maybanksyariah.co.id

Maybank Philippines Inc.

Maybank Corporate Center
7th Avenue Corner 28th Street
Bonifacio Global City 1634
Taguig City, Metro Manila
Philippines
Tel : (632)-588 3777
Fax : (632)-808 2669
Website : www.maybank2u.com.ph

Maybank (PNG) Ltd

Port Moresby Branch
Corner Waigani Road/Islander Drive
P.O. Box 882 Waigani, National Capital District
Port Moresby
Papua New Guinea
Tel : (675)-325 0101
Fax : (675)-325 6128
Corporate website : www.maybank.com
Email : maybankpom@datec.net.pg

Maybank International (L) Ltd

Level 16 (B), Main Office Tower
Financial Park Complex
Jalan Merdeka
87000 Wilayah Persekutuan Labuan
Tel : (6)087-414 406
Fax : (6)087-414 806
Corporate website : www.maybank.com
Email : millmit@streamyx.com

Maybank (Cambodia) Plc.

No. 4B Street 114 (Kramoun Sar),
Sangkat Phsar Thmey 1,
Khan Daun Penh, Phnom Penh
Kingdom of Cambodia
Tel : (855)-23-210 123
Fax : (855)-23-210 099
Website : www.maybank2u.com.kh

INVESTMENT BANKING

Maybank Investment Bank Berhad

32nd Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
Tel : (6)03-2059 1888
Fax : (6)03-2078 4217
Website : www.maybank-ib.com
Email : enquiries@maybank-ib.com

Maybank IB Holdings Sdn Bhd

32nd Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
Tel : (6)03-2059 1888
Fax : (6)03-2078 4217

Maybank Kim Eng Holdings Limited

Maybank Kim Eng Securities Pte. Ltd.
50, North Canal Road
#03-01, Singapore 059304
Tel : (65)- 6231 5000
Fax : (65)- 6339 6003
Website : www.maybank-ke.com.sg

Maybank Kim Eng Securities (Thailand) Public Company Limited

999/9 The Offices at Central World
20th-21st, 24th and 25th Floor Rama 1 Road
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Bangkok, 10330 Thailand
Tel : (+66)-2 658 6300
Fax : (+66)-2 658 6301
Website : www.maybank-ke.co.th
Email : IB@maybank-ke.co.th

Maybank ATR Kim Eng Capital Partners, Inc

8th, 9th, and 17th Floor, Tower One & Exchange
Plaza
Ayala Triangle, Ayala Avenue
Makati City, Philippines
Tel : (632)-849 8988 / 849 8888
Website : www.maybank-atrke.com

Maybank ATR Kim Eng Securities, Inc

9th, 16th and 17th Floor, Tower One & Exchange
Plaza
Ayala Triangle, Ayala Avenue
Makati City, Philippines
Tel : (632)- 849 8988 / 849 8888
Website : www.maybank-atrke.com

PT. Maybank Kim Eng Securities

Plaza Bapindo-Citibank Tower 17th Floor
Jl. Jenderal Sudirman Kav 54-55
Jakarta 12190 Indonesia
Tel : (62)-21-2557-1188
Fax : (62)-21-2557-1189
Website : www.kimeng.co.id
Email : cs@kimeng.co.id

Kim Eng Securities (Hong Kong) Limited

Level 30, Three Pacific Place
1, Queen's Road East
Hong Kong
Tel : 852-2268 0800
Fax : 852- 2845 3772
Website : www.kimeng.com.hk
Email : cs@kimeng.com.hk

Kim Eng Securities India Private Limited

2nd Floor, The International
16, Maharishi Karve Marg
Churchgate, Mumbai 400 020
India
Tel : 91-22 6623 2600
Fax : 91-22 6623 2604
Email : ajain@maybank-ke.co.in

Maybank Kim Eng Securities Limited

(formerly known as Maybank Kim Eng Securities Joint Stock Company)
4A Floor-15+16, Vincom Center Dong Khoi,
72 Le Thanh Ton Street, Ben Nghe Ward, District 1,
Ho Chi Minh City, Vietnam
Tel : +84 8 44 555 888
Fax : +84 8 3827 1030
Website : maybank-kimeng.com.vn
Email : info@maybank-kimeng.com.vn



Maybank Kim Eng Securities (London) Limited

6th Floor, 20 St. Dunstan's Hill
London EC3R 8HY
United Kingdom
Tel : 44-20 7626 2828
Fax : 44-20 7283 6674
Email : sales@maybank-ke.co.uk

Maybank Kim Eng Securities USA, Inc.

777 Third Avenue 21st Floor
New York NY 10017
USA
Tel : 212-688 8886
Fax : 212-688 3500
E-mail : sales@maybank-keusa.com

INSURANCE & TAKAFUL

Maybank Ageas Holdings Berhad

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Dataran Maybank
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Tel : (6)03-2297 3888
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Etiqua Insurance Berhad

Etiqua Takaful Berhad

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Fax : (6)03-2297 3800
Website : www.etiqa.com.my
Email : info@etiqa.com.my

Etiqua Life International (L) Ltd

Etiqua Offshore Insurance (L) Ltd

Level 11B, Block 4 Office Tower
Financial Park Labuan Complex
Jalan Merdeka
87000 Wilayah Persekutuan Labuan
Tel : (6)087-582 588
(6)087-417 672
Fax : (6)087-583 588
(6)087-452 333
Website : www.etiqa.com.my
Email : info@etiqa.com.my

ASSET MANAGEMENT

Maybank Asset Management Group Berhad

Level 5, Tower A
Dataran Maybank
No 1, Jalan Maarof
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Fax : (6)03-2297 7997
Corporate website : www.maybank-am.com

Maybank Asset Management Sdn Bhd

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59000 Kuala Lumpur
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Fax : (6)03-2297 7998
Corporate website : www.maybank-am.com

Maybank Islamic Asset Management Sdn Bhd

Level 12, Tower C
Dataran Maybank
No. 1, Jalan Maarof
59000 Kuala Lumpur
Tel : (6)03-2297 7816
Fax : (6)03-2711 8588

Maybank Private Equity Sdn Bhd

(formerly known as Maybank Ventures Sdn Bhd)

Level 5, Tower A
Dataran Maybank
No 1, Jalan Maarof
59000 Kuala Lumpur
Tel : (6)03-2297 7887
Fax : (6)03-2297 7878

Maybank Asset Management Singapore Pte Ltd

48 North Canal Road #04-01
Singapore 059305
Tel : (65)-6231 5926
Fax : (65)-6231 5932
Corporate website : www.maybank-am.com

Maybank Asset Management (Thailand) Co Ltd

The Offices of Central World
25th Floor, 999/9 Rama 1 Road
Pathumwan
Bangkok 10330
Thailand
Tel : +66(0)-2264 5111
Fax : +66(0)-2264 5132
Corporate website : www.maybank-am.co.th

PT Maybank GMT Asset Management

Setiabudi Atrium, 5th Floor - Suite 505
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12920 Indonesia
Tel : (62)-21 521 0672
Fax : (62)-21 521 0673
Corporate website : www.reksadanagmt.com

OTHERS

Maybank Trustees Berhad

8th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
Tel : (6)03-2078 8363
Fax : (6)03-2070 9387
Corporate website : www.maybank.com
Email : mtb@maybank.com.my

Maybank (Nominees) Sdn Bhd

Maybank Nominees (Tempatan) Sdn Bhd

Maybank Nominees (Asing) Sdn Bhd

14th Floor, Menara Maybank
100, Jalan Tun Perak
50050 Kuala Lumpur
Tel : (6)03-2070 8833/
(6)03-2070 1522
Fax : (6)03-2032 1505

Maybank Securities Nominees (Tempatan) Sdn. Bhd.

Maybank Securities Nominees (Asing) Sdn. Bhd.

Level 8, Tower C
Dataran Maybank
No.1, Jalan Maarof
59000 Kuala Lumpur
Tel : (6)03-2297 8888
Fax : (6)03-2282 5136

NOTICE OF THE 54TH ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 54th Annual General Meeting of Malayan Banking Berhad (Maybank/the Company) will be held at the Grand Ballroom, Level 1, Sime Darby Convention Centre, 1A Jalan Bukit Kiara 1, 60000 Kuala Lumpur on Monday, 7 April 2014 at 10.00 a.m. for the following businesses:-

AS ORDINARY BUSINESS:

1. To receive the Audited Financial Statements for the financial year ended 31 December 2013 together with the Reports of the Directors and Auditors thereon. **(Ordinary Resolution 1)**
2. To approve the payment of a Final Single-Tier Dividend in respect of the financial year ended 31 December 2013 of single-tier dividend of 31 sen per ordinary share as recommended by the Board. **(Ordinary Resolution 2)**
3. To re-elect the following Directors, each of whom retires by rotation in accordance with Articles 96 and 97 of the Company's Articles of Association:-
 - i) Dato' Dr Tan Tat Wai **(Ordinary Resolution 3)**
 - ii) Mr Cheah Teik Seng **(Ordinary Resolution 4)**
4. To re-elect Datuk Abdul Farid Alias who retires in accordance with Article 100 of the Company's Articles of Association. **(Ordinary Resolution 5)**
5. To re-appoint Messrs Ernst & Young as Auditors of the Company for the financial year ending 31 December 2014 and to authorise the Directors to fix their remuneration. **(Ordinary Resolution 6)**

AS SPECIAL BUSINESSES:

To consider, and if thought fit, to pass the following Ordinary Resolutions:-

6. AUTHORITY TO DIRECTORS TO ISSUE SHARES

"THAT subject always to the Companies Act, 1965, the Company's Articles of Association and approval of the relevant government/regulatory authorities, the Directors be and are hereby authorised pursuant to Section 132D of the Companies Act, 1965, to issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may, in their absolute discretion deem fit, provided that the aggregate number of shares to be issued does not exceed 10% of the issued share capital of the Company for the time being." **(Ordinary Resolution 7)**

7. ALLOTMENT AND ISSUANCE OF NEW ORDINARY SHARES OF RM1.00 EACH IN MAYBANK ("MAYBANK SHARES") IN RELATION TO THE RECURRENT AND OPTIONAL DIVIDEND REINVESTMENT PLAN THAT ALLOWS SHAREHOLDERS OF MAYBANK ("SHAREHOLDERS") TO REINVEST THEIR DIVIDEND TO WHICH THE DIVIDEND REINVESTMENT PLAN APPLIES, IN NEW ORDINARY SHARES OF RM1.00 EACH IN MAYBANK ("DIVIDEND REINVESTMENT PLAN")

"THAT pursuant to the Dividend Reinvestment Plan as approved by the Shareholders at the Extraordinary General Meeting held on 14 May 2010, approval be and is hereby given to the Company to allot and issue such number of new Maybank Shares for the Dividend Reinvestment Plan until the

conclusion of the next Annual General Meeting upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit and in the interest of the Company PROVIDED THAT the issue price of the said new Maybank Shares shall be fixed by the Directors at not more than ten percent (10%) discount to the adjusted five (5)-day volume weighted average market price ("VWAMP") of Maybank Shares immediately prior to the price-fixing date, of which the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price;

AND THAT the Directors and the Secretary of the Company be and are hereby authorised to do all such acts and enter into all such transactions, arrangements and documents as may be necessary or expedient in order to give full effect to the Dividend Reinvestment Plan with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments or at the discretion of the Directors in the best interest of the Company." **(Ordinary Resolution 8)**

8. PROPOSED ALLOCATION OF OPTIONS AND/OR GRANT OF MAYBANK SHARES TO DATUK ABDUL FARID ALIAS

"THAT the Directors be and are hereby authorised at any time, and from time to time, to offer and/or grant options to subscribe for new ordinary shares in Maybank ("Maybank Shares"), and grant Maybank Shares of up to a maximum of 3,342,000 Maybank Shares to Datuk Abdul Farid Alias, the Group President & Chief Executive Officer and Executive Director of Maybank under the Maybank Group Employees' Share Scheme as approved by the shareholders at the Extraordinary General Meeting of Maybank held on 13 June 2011 ("ESS") as they shall deem fit, subject always to such terms and conditions of the By-Laws of the Maybank Group Employees' Share Scheme ("the By-Laws") provided that:-

- i) not more than 50% of the Maybank Shares to be issued under the ESS are to be allocated in aggregate to Executive Directors and senior management of the Participating Maybank Group (as defined in the By-Laws); and
- ii) not more than 10% of the Maybank Shares to be issued under the ESS are to be allocated to any individual Eligible Employee (as defined in the By-Laws) who, either singly or collectively through persons connected with that Eligible Employee (as defined in the By-Laws), holds 20% or more in the issued and paid-up capital of the Company and the term "person connected with" shall have the same meaning as that assigned under Paragraph 1.01 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

AND THAT the Directors be and are hereby authorised to issue and allot new Maybank Shares pursuant to the ESS to Datuk Abdul Farid Alias from time to time pursuant to the exercise of such options." **(Ordinary Resolution 9)**

9. To transact any other business of the Company for which due notice shall have been received in accordance with the Companies Act, 1965.

BY ORDER OF THE BOARD

MOHD NAZLAN MOHD GHAZALI

LS0008977

Company Secretary

Kuala Lumpur

14 March 2014

NOTES:

- A member entitled to attend, speak and vote at the Annual General Meeting is entitled to appoint a proxy to attend, speak and on a show of hands or on a poll, to vote in his stead. A proxy may but need not be a member of the Company. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a corporation, under its common seal or in some other manner approved by its directors.
- A member shall not be entitled to appoint more than two (2) proxies to attend, speak and vote at the meeting.
 - Notwithstanding the above, an exempt authorised nominee may appoint multiple proxies in respect of each Omnibus Account held.
 - A member who is an authorised nominee as defined under the Securities Industry (Central Depository) Act 1991 may appoint at least one proxy but not more than two proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
 - Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportions of his holding to be represented by each proxy.
- Duly completed Form of Proxy must be deposited at the office of the appointed share registrar for this Annual General Meeting, Tricor Investor Services Sdn Bhd at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur no later than 5 April 2014 at 10.00 a.m.
- For a Form of Proxy executed outside Malaysia, the signature must be attested by a Solicitor, Notary Public, Consul or Magistrate.
- Only members registered in the Record of Depositors as at 1 April 2014 shall be eligible to attend the Annual General Meeting or appoint proxy to attend and vote on his/ her behalf.
- Explanatory notes on Ordinary Businesses :-

(i) Ordinary Resolution 2 – Payment of Final Single-Tier Dividend

The proposed Final Single-Tier Dividend as per Resolution 2 consists of cash portion of 4 sen single-tier dividend per ordinary share and an electable portion of 27 sen single-tier dividend per ordinary share. The electable portion can be elected to be reinvested into new ordinary shares in accordance with the Dividend Reinvestment Plan as disclosed in Note 31(b) of the financial statements.

Pursuant to Section 8.26 of the Main Market Listing Requirements, the Final Single-Tier Dividend, if approved, shall be paid not later than three (3) months from the date of the shareholders' approval. The Book Closure Date will be announced by the Company after the Annual General Meeting.

(ii) Ordinary Resolutions 3 and 4 - Assessment of Independence of Independent Directors

The independence of Dato' Dr Tan Tat Wai and Mr Cheah Teik Seng who have served as Independent Non-Executive Directors of the Company has been assessed by the Nomination & Remuneration Committee and affirmed by the Board.

7. Explanatory notes on Special Businesses :-

(i) Ordinary Resolution 7 - Authority to Directors to Issue Shares

The Company has not issued any new shares under the general mandate for issuance and allotment of shares up to 10% of the issued and paid-up capital of the Company, which was approved at the 53rd Annual General Meeting held on 28 March 2013 and which will lapse at the conclusion of the 54th Annual General Meeting to be held on 7 April 2014. A renewal of this mandate is sought at the 54th Annual General Meeting under Proposed Ordinary Resolution 7.

The Proposed Ordinary Resolution 7 is a renewal of the general mandate pursuant to Section 132D of the Companies Act, 1965 obtained from the shareholders of the Company at the previous Annual General Meeting and, if passed will give powers to the Directors to issue ordinary shares in the capital of the Company up to an aggregate amount not exceeding 10% of the issued and paid-up share capital of the Company for the time being without having to convene a general meeting. This general mandate, unless revoked or varied at a general meeting, will expire at the next Annual General Meeting.

The general mandate from shareholders is to provide the Company flexibility to undertake any share issuance during the financial year without having to convene a general meeting. The rationale for this proposed mandate is to allow for possible share issue and/or fund raising exercises including placement of shares for the purpose of funding current and/or future investment project, working capital and/or acquisitions as well as in the event of any strategic opportunities involving equity deals which may require the Company to allot and issue new shares on urgent basis and thereby reducing administrative time and costs associated with the convening of additional shareholders meeting(s). In any event, the exercise of the mandate is only to be undertaken if the Board considers it to be in the best interest of the Company.

(ii) Ordinary Resolution 8 – Dividend Reinvestment Plan

This Proposed Ordinary Resolution 8 will give authority to the Directors to allot and issue shares for the Dividend Reinvestment Plan in respect of dividends declared in this Annual General Meeting and subsequently until the next Annual General Meeting. A renewal of this authority will be sought at the next Annual General Meeting.

(iii) Ordinary Resolution 9 – Allocation of Options and/or Grant of Maybank Shares to Datuk Abdul Farid Alias

This proposed Ordinary Resolution 9 is made pursuant to the ESS which had been approved by the shareholders at the Extraordinary General Meeting held on 13 June 2011 ("EGM"). The ESS was implemented on 23 June 2011 and is in force for a maximum period of seven (7) years from the effective date. The shareholders at the EGM had also approved the allocation of options and/or grant of Maybank shares to the former President & Chief Executive Officer and Executive Director of Maybank to subscribe up to a maximum of 5,000,000 Maybank Shares. The proposed allocation to Datuk Abdul Farid Alias of the above options and/or grant of Maybank Shares is pursuant to his entitlement to participate in the ESS by virtue of his position as the Group President & Chief Executive Officer and Executive Director of Maybank.

The ESS consists of two (2) types of performance-based awards in the form of Employee Share Option Scheme and Restricted Share Unit. The ESS will expire on 23 June 2018.

The ESS shall be subject to the terms and conditions of the By-Laws and therefore any terms as defined in the By-Laws which are mentioned in the Ordinary Resolution 9 or this explanatory note shall have the same meaning herein.

The maximum number of ordinary shares of RM1.00 each in the Company available under the ESS should not exceed 10% of the total number of issued and paid-up capital of the Company at any point of time during the duration of the ESS. Other principal features of the ESS are disclosed in Note 31(c) of the financial statements.

Datuk Abdul Farid Alias has abstained and will continue to abstain from deliberating and voting on any subject matter pertaining to the ESS and his entitlement under the ESS at the Board meetings and will continue to abstain from voting in respect of his direct and/or indirect shareholdings in Maybank (if any), on the resolution pertaining to proposed allocation to him under the ESS to be tabled at the forthcoming Annual General Meeting. Datuk Abdul Farid Alias shall also ensure that persons connected to him will abstain from voting in respect of their direct and/or indirect shareholdings in Maybank (if any) on the resolution approving the proposed allocation to him under the ESS to be tabled at the forthcoming Annual General Meeting.

8. Statement Accompanying the Notice of Annual General Meeting

Additional information pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad is set out in Annexure A in Maybank's Annual Report 2013.

ANNEXURE A

STATEMENT ACCOMPANYING NOTICE OF THE 54TH ANNUAL GENERAL MEETING

(Pursuant to Paragraph 8.27(2) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad)

The profile of the Directors who are standing for re-election (as per Ordinary Resolutions 3 to 5 as stated above) at the 54th Annual General Meeting of Malayan Banking Berhad which will be held at Grand Ballroom, Level 1, Sime Darby Convention Centre, 1A Jalan Bukit Kiara 1, 60000 Kuala Lumpur on Monday, 7 April 2014 at 10.00 a.m. are stated on pages 135 to 137 of the Annual Report 2013.

The details of any interest in the securities of Maybank and its subsidiaries (if any) held by the said Directors are stated on page 18 of the Financial Statements book of the Annual Report 2013.

FINANCIAL CALENDAR

21 FEBRUARY 2013

Announcement of the audited results of Maybank and the Group and announcement of the final dividend for financial year ended 31 December 2012

6 MARCH 2013

Notice of the 53rd Annual General Meeting and issuance of annual report for the financial year ended 31 December 2012

28 MARCH 2013

53rd Annual General Meeting

29 APRIL 2013

Book closure for determining the entitlement of the dividends

23 MAY 2013

Announcement of the unaudited results of Maybank and the Group for the first quarter of the financial year ended 31 December 2013

29 MAY 2013

Date of payment of the final cash dividend of 33 sen per share, comprising a franked dividend of 18 sen and single-tier dividend of 15 sen per share, of which the Dividend Reinvestment Plan was applied to the final cash dividend in which, an electable portion of 29 sen per share comprising a franked dividend of 18 sen (13.5 sen net taxation) per share and single-tier of 11 sen per share can be elected to be reinvested into new shares and the remaining portion of the single-tier dividend of 4 sen per share be paid in cash respect of the financial period ended 31 December 2012

21 AUGUST 2013

Announcement of the unaudited results of Maybank and the Group for the second quarter of the financial year ended 31 December 2013

27 SEPTEMBER 2013

Book closure for determining the entitlement of the dividends

25 OCTOBER 2013

Date of payment of a single-tier interim cash dividend of 22.5 sen per share, of which the Dividend Reinvestment Plan was applied to the interim cash dividend, in which an electable portion of 16 sen per share can be elected to be reinvested into new shares and the remaining portion of 6.5 sen per share be paid in cash in respect of the financial year ended 31 December 2013

21 NOVEMBER 2013

Announcement of the unaudited results of Maybank and the Group for the third quarter of the financial year ended 31 December 2013

27 FEBRUARY 2014

Announcement of the audited results of Maybank and the Group and announcement of the final dividend for financial year ended 31 December 2013

14 MARCH 2014

Notice of the 54th Annual General Meeting and issuance of annual report for the financial year ended 31 December 2013

7 APRIL 2014

54th Annual General Meeting

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FORM OF PROXY

for the 54th Annual General Meeting

MALAYAN BANKING BERHAD
(Company No. 3813-K)
(Incorporated in Malaysia)

Number of shares held	CDS Account No. of the Authorised Nominee*												

Please refer to the notes below before completing this Form of Proxy.

I/We _____ NRIC/Passport/Co. No. _____
(full name in block letters)

of _____ Telephone No. _____
(full address)

a shareholder/shareholders of MALAYAN BANKING BERHAD, hereby appoint _____
(full name in block letters)

_____ NRIC/Passport/Co. No. _____

of _____
(full address)

or failing him/her _____ NRIC/Passport/Co. No. _____
(full name in block letters)

of _____
(full address)

or failing him/her, the Chairman of the meeting, as my/our proxy to vote for me/us on my/our behalf at the 54th Annual General Meeting of Malayan Banking Berhad to be held at Grand Ballroom, Level 1, Sime Darby Convention Centre, 1A Jalan Bukit Kiara 1, 60000 Kuala Lumpur on Monday, 7 April 2014 at 10.00 am and any adjournment thereof for the following resolutions as set out in the Notice of Annual General Meeting:-

No	Resolution	For	Against
Ordinary Resolutions :			
1.	Receipt of Audited Financial Statement and Reports.		
2.	Declaration of Final Single-Tier Dividend.		
Re-election of the following Directors in accordance with Articles 96 and 97 of the Company's Articles of Association :-			
3.	i. Dato' Dr Tan Tat Wai		
4.	ii. Mr Cheah Teik Seng		
Re-election of the following Director in accordance with Article 100 of the Company's Articles of Association :-			
5.	i. Datuk Abdul Farid Alias		
6.	Re-appointment of Messrs Ernst & Young as Auditors.		
7.	Authorisation for Directors to issue shares pursuant to Section 132D of Companies Act, 1965.		
8.	Allotment and issuance of new ordinary shares of RM 1.00 each in Maybank in relation to the recurrent and optional dividend reinvestment plan (Dividend Reinvestment Plan).		
9.	Allocation of Options and/or Grant of Maybank Shares to Datuk Abdul Farid Alias.		

My/Our proxy is to vote on the resolutions as indicated by an "X" in the appropriate space above. If no indication is given, my/our proxy shall vote or abstain as he/she thinks fit.

Dated this _____ day of _____ 2014

Signature(s) of shareholder(s)

Notes:

1. A member entitled to attend, speak and vote at the Annual General Meeting ("AGM") is entitled to appoint a proxy to attend, speak and on a show of hands or on a poll, to vote in his stead. A proxy may but need not be a member of the Company. The instrument appointing a proxy shall be in writing under the hand of the appointor or his attorney duly authorised in writing, or if the appointor is a corporation, under its common seal or in some other manner approved by its directors.
 2. (i) A member shall not be entitled to appoint more than two (2) proxies to attend, speak and vote at the meeting.
(ii) Notwithstanding the above, an exempt authorised nominee may appoint multiple proxies in respect of each Omnibus Account held.
(iii) A member who is an authorised nominee as defined under the Securities Industry (Central Depository) Act 1991, may appoint at least one proxy but not more than two proxies in respect of each Securities Account it holds with ordinary shares of the Company standing to the credit of the said Securities Account.
(iv) Where a member appoints more than one proxy, the appointments shall be invalid unless he specifies the proportions of his holding to be represented by each proxy.
 3. Duly completed Form of Proxy must be deposited at the office of the appointed share registrar for this AGM, Tricor Investor Services Sdn Bhd at Level 17, The Gardens North Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur no later than 5 April 2014 at 10.00 a.m.
 4. For a Form of Proxy executed outside Malaysia, the signature must be attested by a Solicitor, Notary Public, Consul or Magistrate.
 5. Only members registered in the Record of Depositors as at 1 April 2014 shall be eligible to attend the AGM or appoint proxy to attend and vote on his/ her behalf.
- * Applicable to shares held through a nominee account.

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AFFIX STAMP

Share Registrar for Maybank's 54th AGM
Tricor Investor Services Sdn Bhd
Level 17, The Gardens
North Tower, Mid Valley City
Lingkaran Syed Putra
59200 Kuala Lumpur
Malaysia

Fold here

Raising the bar across Southeast Asia.

Alpha Southeast Asia Awards 2013

- Best Trade Finance Bank : Malaysia
- Best Cash Management Bank : Malaysia
- Best Retail Broker : Philippines, Thailand, Vietnam
- Best Institutional Broker : Philippines, Thailand

Asian Banking & Finance Wholesale Banking Awards 2013

- Malaysia Domestic Trade Finance Bank Of The Year

Global Finance World's Best Internet Bank Awards 2013

- Best Corporate/Institutional Internet Banks : Malaysia

The Asset Triple A Awards 2013

- Best Custodian by Country – Rising Star
- Best Islamic Trade Finance Bank
- Best Islamic Project Finance (Malakoff Tanjung Bin Energy)
- Best Islamic Equity (IHH Healthcare)
- Highly Commended – Best Islamic Equity (Felda Global Ventures)
- Best Local Currency Sukuk

Bloomberg Markets 2013

- 13th World's Strongest Bank

Euromoney Awards for Excellence 2013

- Best Bank in Malaysia

Asian Banker Leadership Achievement Awards 2013

- Best Managed Bank : Malaysia
- Leadership Achievement : Malaysia

Asiamoney Awards 2013

- Best Domestic Bank : Malaysia
- Best Debt House : Malaysia

Continuously innovating new ways to strengthen the partnerships we've built is at the heart of everything we do. In 10 Southeast Asian markets, Greater China and across our global network of 2,200 offices worldwide, Maybank's reputation for world's best systems, cross-border connectivity, client knowledge and developing innovative financial solutions won us over 140 awards in 2013 alone. Each one, a testimony to the strength of the relationships we have built with our 22 million customers, partners and stakeholders worldwide.

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