

ETIQA SUSTAINABILITY STATEMENTS AND FRAMEWORK

ELGAP will adopt the Etiqa regional Environmental, Social, and Governance (ESG) practices aligned with the Maybank Group's Sustainability Commitments. As you know, ESG has become an integral part of business sustainability and a key driver of long-term value creation.

In light of this, we have evaluated our current practices and identified opportunities to align them with the ESG standards followed in our region. By doing so, we believe we can better address the environmental and social challenges that affect our stakeholders and improve our governance practices.

Our ESG practices will cover various areas, such as:

- **Environment:** We will focus on reducing our carbon footprint, minimizing waste, and conserving natural resources. We will also prioritize using sustainable materials and environmentally friendly production methods.
- **Social:** We will prioritize the well-being and safety of our employees, customers, and communities. This will include initiatives to enhance diversity and inclusion, promote ethical behavior, and support local development.
- **Governance:** We will adopt best-in-class governance practices to ensure transparency, accountability, and responsible decision-making. This includes implementing effective risk management systems and promoting responsible business conduct.

We are committed to continuously reviewing and improving our ESG practices to ensure they remain relevant and effective. We believe that by doing so, we can create long-term value for all our stakeholders, including our shareholders, employees, customers, and communities.

Etiqua's Sustainability Focus Areas

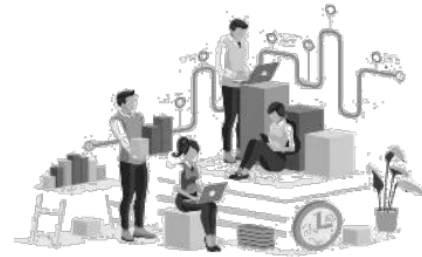
Our Sustainability **Focus Areas** are aligned to the four core dimensions that address Environment, Social & Governance (ESG) in the context of an insurer. We believe that these four core dimensions allow us to align our business to the key issues pertinent in sustainability which are related to climate, environment, community & financial resilience. In doing so, Etiqua is committed to contributing to the United Nations' Sustainable Development Goals (UN SDG).



Dimension 1:
Internal & Social (VBI)

We begin with building the foundations by educating & building a culture of sustainability.

The objective of Dimension 1 is to create sustainable value to the community & environment by both changing the mindset & culture of the company, staff & community and to be highly effective & improve our self governance to deliver Fast & Easy service & provide Best Advice to the customers.



Dimension 2: Supplier

We believe that we need to reach out to our suppliers as they are one of the operational pillars that ensure our business is run efficiently & smoothly.

The objective of Dimension 2 is to educate & advocate sustainable practices to our suppliers who are yet on the sustainability journey so that they as our business partners, can grow together with us.



Dimension 3: Investment

As we journey further, we believe that the way we conduct our investments are pivotal in supporting our Sustainability goals.

Our objective in Dimension 3 is guided by evaluating all our investable assets in an integrated qualitative & quantitative analysis that is tried & tested, thus giving a comprehensive ESG analysis when evaluating our investment activities.






Dimension 4: Underwriting / Clients

Underwriting is one of the most pertinent component within an insurance business. We believe that we need to address our Underwriting activities conscientiously.

Our objective for Dimension 4 will allow for a robust methodology that analyses our clients & portfolio for ESG/ climate risk & impacts. In doing so, we hope to expand our existing green clientele and provide more innovative green products & services.

Etiqua's Sustainability Ambitions

Our Sustainability Ambitions are aligned with the Maybank Group's Sustainability Commitments. Through a timeline between 2025 to 2030, we have set three Sustainability Ambitions. Our first two Ambitions are to meet Internal ESG requirements on our Investments and improve the lives of 400,000 households by 2025. Our third target in 2030 is to achieve Carbon Neutral status for Scope 1 & 2 emissions.

<p>1</p>  <p>All Etiqua's Equity Investments to meet internal ESG requirements by 2025</p>	<p>2</p>  <p>Improve the lives of 400,000 households by 2025</p> <p><i>Provide sustainable solutions for the social, health and education needs of the communities, targeting to improve the lives of 400,000 households by 2025</i></p>	<p>3</p>  <p>Achieve Carbon Neutral status for Scope 1 & 2 emissions by 2030</p> <p><i>Achieve Carbon Neutral status for Scope 1 and 2 by 2030 and go beyond this to implement zero single-use plastic for all Etiqua buildings, zeroise paper usage and all Etiqua vehicles as EV by 2030</i></p>
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Etiqua's Sustainability Ambitions

For Ambition 1, we want to be able to determine the ESG grade of a company and in so doing, ensure we invest in companies that deliver profits from work that benefits humanity

1



Meet the Internal ESG Requirements for Equity Investments by 2025

All Etiqua's Equity Investments to meet internal ESG requirements by 2025

Our internal Investment ESG seeks to align with Maybank or client's mandated ESG needs.

We evaluate our investment activities by having ongoing engagement with relevant parties, continuously integrating environmental, social and governance (ESG) factors in our financial decisions and determining an acceptable ESG grading that can deliver profit to Etiqua.

Ambition 2 will be achieved by expanding the offering of micro insurance and related products to the B40 (low income segments) communities in the region as well as via CSR and CZR activities.

2



Improve the lives of 400,000 households by 2025

Provide sustainable solutions for the social, health and education needs of the communities, targeting to improve the lives of 400,000 households by 2025

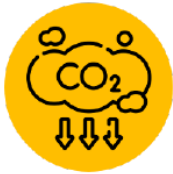
We believe that affordability and accessibility with good protection value is what our customers want.

This will address our aim to enable a wider protection coverage for the community and provide financial inclusion to the under-served & B40 (low-income segment) groups. Hence, we strive to make our offerings easy to understand, simple to purchase and trouble-free to make claims.

In addition, we will continue with our notable CSR and CZR activities which include the flagship programmes of Clean Water for Rural Villages, Free cleft palate surgery, Free Pneumonia Insurance and Free Speech Camp

For Ambition 3, we are aligned with Maybank's Sustainability Commitment of "Carbon Neutral position for Scope 1 and 2 emissions by 2030 and Net Zero Carbon Equivalent position by 2050".

3



**Achieve Carbon Neutral status
for Scope 1 & 2 emissions by
2030**

*Achieve Carbon Neutral status for Scope 1
and 2 by 2030 and go beyond this to
implement zero single-use plastic for all Etiqa
buildings, zerorise paper usage and all Etiqa
vehicles as EV by 2030*

In October 2021, Maybank had signed a letter of intent with Tenaga Nasional Bhd's wholly owned subsidiary TNBX Sdn Bhd to purchase Malaysia Renewable Energy Certificates (mRECs), equivalent to 70% of its Malaysian operations' Scope 2 carbon emissions including for Etiqa.

Our current activities via the Value Based Intermediation (VBI) initiatives continue to show positive results in the overall reduction of paper, water, electricity & plastic usage in all of our Etiqa premises.

Etiqua's Sustainability Governance

Our Sustainability Governance is an extension of the existing Value Based Intermediation (VBI) Structure to also include the Conventional Insurance entities. With the support from all the Senior Management, we believe that we are moving steadily in our Sustainability journey.

As we expand our reach in the Sustainability agenda throughout the Group, we have set a proper monitoring platform that covers both the Conventional and Takaful entities.

Our Board and Senior Management are fully committed to our Ambition and this ESG Journey. To affect the journey, our Senior Management meets on a regular basis to track our progress and map out the next steps for Etiqa. Regular updates are provided to our Board to seek their guidance."