

Sustainability **REPORT**

2023

uab

Leading **Change** and
Humanising Banking

About This Report

SCOPE

The 2023 Sustainability Report covers uab bank’s sustainability strategy, initiatives, activities, contributions to the Sustainable Development Goals together with our financial and non-financial contributions in key markets. It also includes the empowerment of communities towards our goal of leading change and humanising banking in Myanmar.

This 2023 report is the third in a series of uab bank’s Sustainability Reports assessing our environmental, social and governance (ESG) performance throughout the years since 2018. The content of this report focuses primarily on activities carried out within the financial year ending 31 March 2023 (FY 2023). Where applicable, data from previous financial years are also included for comparison.

This Sustainability Report should be read together with uab bank Group’s 2023 Annual Report which is available for download at www.uab.com.mm/investors/

2023 Sustainability Report covers uab bank Limited and where applicable, uab securities Limited and uab Foundation. Unless otherwise stated, it excludes outsourced activities or joint ventures.

“...firmly committed to the principles of responsible banking, fully aware of the pivotal role that a sustainable business approach endorses in shaping the Bank’s long-term success and equally the success of its Stakeholders.”

Sustainability

driven by

Our Purpose

To lead the way towards a better Myanmar, humanising banking, connecting people, creating opportunities and changing lives.

molded into

Our Mission

- We lead changes in financial services. We are an institution of strength built on sound principles and good governance.
- We deliver banking with a heart: we care for our people and communities we are in.
- We connect people and build relationships to foster a stronger community spirit.
- We create opportunities and a better future for our staffs and our customers.
- We are the change that will empower the communities around us, and together enrich the lives of those we touch.

formed by

Our Values

A desire to
connect.

The passion to
create.

The courage to lead
change



OUR FOCUS AREAS



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Board Statement on Sustainability

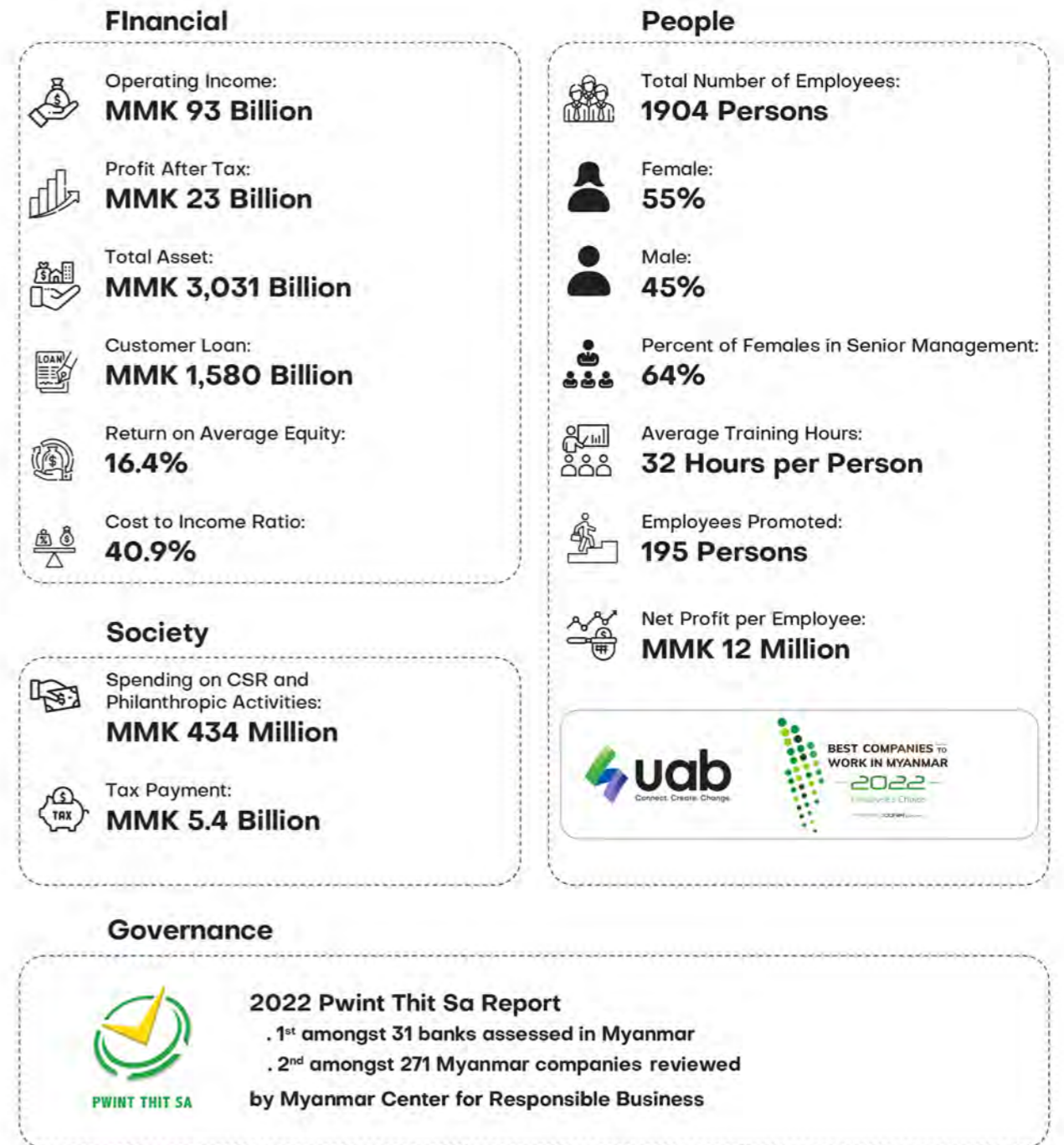
The Board is firmly committed to the principles of responsible banking, fully aware of the pivotal role that a sustainable business approach endorses in shaping the Bank's long-term success and equally the success of its Stakeholders.

We prioritise economic, environmental, and social considerations, including issues like climate change and human rights, in the diverse communities and markets where we operate. These fundamental principles strengthen our comprehensive approach, from risk assessment in business transactions to the development of innovative products and services, the management of our operations and supply chain, and our dedication to meet and exceed the expectations of our diverse group of stakeholders.

Our commitment further extends to our adherence to regional, national, and international environmental and social standards, all of which are distinctly applicable to our business operations and services. We are dedicated to upholding the principles in the UN Global Compact, the United Nations Guiding Principles on Business and Human Rights, the UNEP Statement of Commitment by Financial Institutions on Sustainable Development, the Equator Principles, and other applicable emerging standards. Furthermore, we aim to contribute actively to the realisation of the United Nations Sustainable Development Goals, reinforcing our commitment to a more sustainable and equitable environment for all.



Highlights and Key Achievements



Key Awards & Accolades



Best Bank in Myanmar
Global Finance



Best Bank in Myanmar 2022
Euromoney~Awards for Excellence

Financial Highlights

Financial performance of the Bank continued to be strong with an emphasis on building a robust balance sheet with the aim of preserving a sustainable and responsible future for stakeholders.

Below are highlights over a period of 5 years:

uab bank Limited	2019	2020	2021	2022*	2023
Key Income Statement Items (MMK'mil)					
Operating Income	48,739	54,696	72,451	92,384	93,493
Operating Expense	24,625	28,234	27,165	28,298	38,255
Operating Profit ^{N1}	24,115	26,461	45,286	64,086	55,238
Profit After Tax	14,630	15,589	9,112	20,426	22,778
Key Balance Sheet Items (MMK'mil)					
Customer Loan	746,133	820,522	920,857	1,046,399	1,579,352
Customer Deposit	1,008,372	1,118,886	1,191,507	1,445,279	2,104,379
Total Asset	1,198,126	1,466,457	1,650,503	1,901,872	3,031,907
Shareholders' Equity	92,121	107,834	116,173	127,129	149,904
Key Financial Indicators (%)					
Cost to Income Ratio (CIR)	50.5%	51.6%	37.5%	30.6%	40.9%
Gross Non-performing Loan Ratio (NPL)	4.9%	5.5%	8.6%	8.6%	6.6%
Nett Non-performing Loan Ratio (NPL)	2.9%	2.9%	2.6%	1.4%	0.0%
Loan Loss Coverage (LLC)	42.7%	47.4%	70.2%	83.3%	100.6%
Return on Average Equity (ROAE)	17.5%	15.6%	8.1%	16.8%	16.4%
Return on Average Assets (ROAA)	0.9%	0.8%	0.4%	0.8%	0.7%
Capital Adequacy Ratio (CAR)					
Tier 1 CAR	8.3%	9.2%	9.1%	10.4%	8.0%
Total CAR	9.6%	10.5%	10.3%	11.6%	9.3%
Liquidity Ratio	26.1%	31.4%	31.1%	37.8%	42.1%










Key Income Statement Items - annualised based on 6 months reporting period from Oct 2021 to to Mar 2022

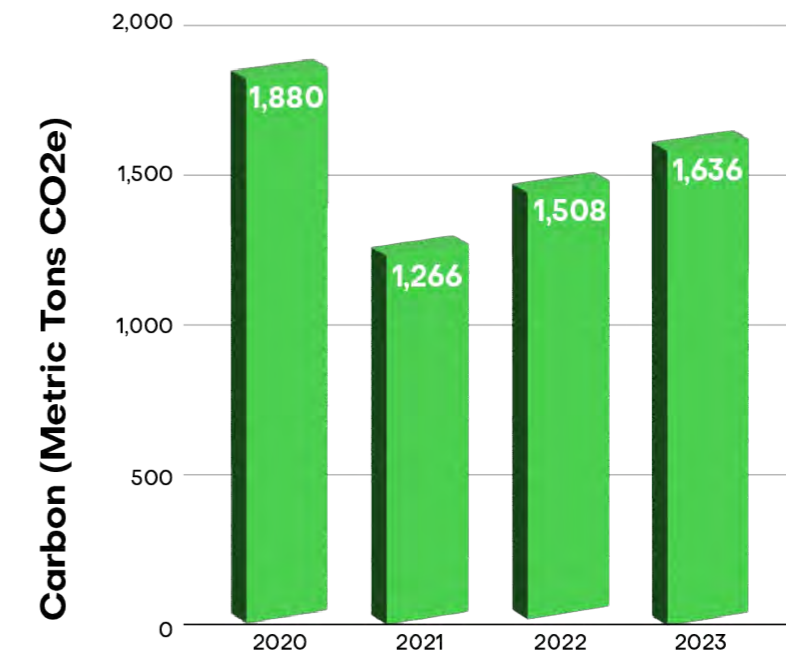
Key Financial Indicators - CIR, ROAE and ROAA, based on annualised 6 months reporting period from Oct 2021 to Mar 2022

^{N1} Operating Profit before LLP



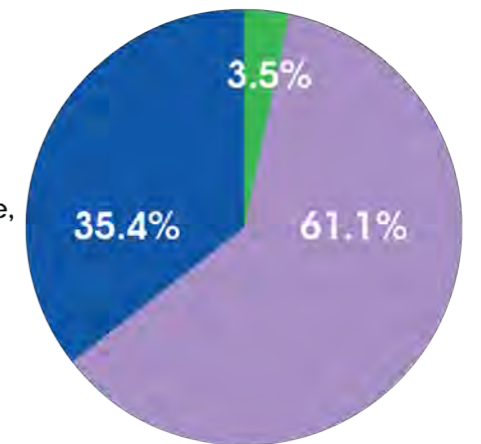
2023 SDG Target Achievements

Home Ownership	Digital Solutions	Trainee Schemes
 <p>Home finance portfolio made up 4.89% of the total loan portfolio, achieving 97.8% of its target (5% of the total loan portfolio by end-FY 2024).</p> <p>With loans offered up to 15 years, ordinary Myanmar citizens and families get an opportunity to owning a home.</p>	 <p>uabpay which was successfully launched in 2020 continued in path towards a Super app with Ver.2 upgrade in Jan 2022 and a number of 3rd party collaborations.</p> <p>New programs introduced in FY 2023 included uab Market Place and Gold Investment Platform.</p>	 <p>65 new Relationship Bankers were onboarded and trained for skills in sales and banking services over FY 2023.</p> <p>The trainee program was an on-the-job scheme and was conducted for young people who were without or with little formal qualifications.</p>
Financing SMEs	Developing Products for Cash Flow Management	Opening New Bank Branches
 <p>SME financing made up 8.76% of the total loan portfolio, with target of reaching 26% of total portfolio by end of FY 2024.</p> <p>SMEs are key drivers for employment in Myanmar.</p>	 <p>Supply Chain Financing, Cash Management solutions, Payable Finance Solution and Receivable Discounting Solution are developed and offered to both SME buyers and suppliers.</p>	 <p>5 new branches were opened across Myanmar, reaching a total of 84 bank branches.</p> <p>A total of 100 branches are targeted by end-FY 2024 expanding the Bank's retail reach to key township throughout Myanmar, and providing better access to financial services for our stakeholders.</p>
Training Employees and Development of Talents	Financial Literacy	Transparency
 <p>60,596 man-hours of training was conducted for uabians. In addition, 23 students were provided with work experience through internships.</p> <p>Moreover, a total of 4 student exposure sessions were conducted for 95 students from various universities in Myanmar over FY 2023.</p>	 <p>uab bank conducted a total of 54 Financial Literacy and Financial Inclusion seminars in Yangon and Mandalay, attended by 29,390 participants.</p> <p>Financial inclusion activities were conducted in 15 villages in Tatkon/Naypyidaw, 8 villages in Kyaukpadaung, and 6 villages in Pokkoku. The sessions were attended by 10 to 30 villagers in each village, reaching a total of approximately 625 people through the program.</p>	 <p>In the 2022 Pwint Thit Sa (Transparency in Myanmar Enterprises) Report, uab bank was ranked No.1 amongst Myanmar banks and No. 2 amongst 271 Myanmar companies that were reviewed.</p> <p>The Bank's Annual Reports and Sustainability Reports, together with Non-Financial KPIs and Non-Financial Activities are now publicly available on the Bank's website.</p>



Carbon Footprint (Metric Tons of CO2e)

- Scope 1** Emissions from petrol usage in transportation and generators
- Scope 2** Emissions from electricity usage at the Head Office, all branches, and other owned facilities
- Scope 3** Emissions from petrol usage in rented ferry buses for employees



who we are & what we do

NAME OF THE ORGANISATION

uab bank Limited

1.1 ACTIVITIES, BRANDS, PRODUCTS, AND SERVICES

Description general activities:

Since the beginning of its operations on 15th August 2010, uab bank has established a network of over 84 branches in 54 townships, providing a variety of financial services to customers across the country. uab bank has six major differentiated business segments: Retail & SME Banking, Corporate Banking, Treasury & Financial Institutions, Trade Finance, Securities Trading and Investment Banking.

OUR BRAND

uab bank Limited is a leading bank in Myanmar, recognised for its successful transformation and leadership in the Myanmar's banking sector. Since its establishment, uab bank has been recognised for the significant role it plays as a responsible corporate citizen and the positive long-term impact we can make towards building a sustainable future. uab bank is committed to meeting the regional, national and international environmental and social standards applicable to our business operations and services. At uab, we place a great priority on the well-being and prosperity of customers, employees and the communities we belong to. Creating a positive social impact is integral to everything uab bank does and is at the very heart of its responsible corporate citizenship approach.

PRODUCTS

Our product range stretch a variety of customer sectors meeting the needs of customers both through our branches and digital form:

Deposits

- Chequing Account
- Savings Accounts – ranging from children to payroll accounts
- Call Deposits – catering for businesses with high sales turnover with provision of daily interest
- Fixed Deposits – short term and longer-term investments with attractive interest yields
- Savings Plan – monthly savings set aside for a future need.

Loans

- Consumer financing – education, vehicle, home, white goods and other personal financing
- SME financing – short term and medium-term financing for small and growing businesses
- Enterprise financing – financing medium sized companies with loans & trade facilities
- Corporate Banking – providing large companies and large group of companies with specialised services

Cards

- Credit cards – Visa
- Prepaid cards – Visa
- Debit cards – UPI & Myanmar Payment Union
- Gift cards – Visa

Bancassurance

- uabpay – mobile banking & digital mobile wallet
- uabpay+– digital payment application for agents and merchants
- Bancassurance
- Life insurance through Manulife
- Education Life
- Credit Life

Trade & Foreign Exchange

- Import & Export financing & services
- Worker remittance– Western Union, RIA & Krung Thai Bank
- International Remittance – through SWIFT
- Foreign Currency service – under Dealer's License approved by Central Bank of Myanmar
- Investment Banking & Securities Trading
- Through uab securities Limited

LOCATION OF HEADQUARTER

- uab Tower @ Times City, Kyun Taw Road, Kamayut Township, Yangon 11041, Myanmar
- Phone: +95 14 70 7000
- Contact Center: +95 99 4000 5000
- info@uab.com.mm
- www.uab.com.mm

LOCATION OF OPERATIONS

uab bank has a nationwide presence in the Republic of the Union of Myanmar, providing banking services and financial solutions to customers throughout the country through its Head Office and 84 branches. Several ATMs are also deployed in key commercial and residential areas throughout Myanmar.

OWNERSHIP AND LEGAL FORM

uab bank Limited

- Head Office: uab Tower @ Times City, Kyun Taw Road, Kamaryut Township, 11041, Yangon.
- Registered Address: Bank Development Zone, No (3), Corner of Kyaing Tone Road and Malamyang Road, Oaktaya Thiri Township, Nay Pyi Taw.



Board of Directors:

- U Nay Aye (Non-Executive Chairman)
- U Tint Thwin (Non-Executive Director)
- U Win Htein Min (Non-Executive Director)
- U Thant Zin (Non- Executive Director)
- Mr. Christopher Loh (Managing Director & Chief Executive Officer)

Auditors: V. Advisory Limited

Senior Management:

- Mr. Christopher Loh (Managing Director & Chief Executive Officer)
- Daw Kyawt Kay Khaing (Deputy Chief Executive Officer)
- Mr. George Koshy (Head of Human Resources)
- Mr. Mahesh Bhandari (Head of Credit & Risk Management)
- U Shwe Mg Oo (Head of Technology)
- U Htay Kyaw Naing (Head of Operations)
- Daw Thandar Htike (Head of Corporate & Investment Banking)
- Ms. Leong Yang Yang (Head of Finance)
- Daw Yin Min Aye (Head of Fintech & Digital)

Internal Audit

U Nay Win Maung (Head of Internal Audit)

1.2 MARKETS SERVED

The Bank provides financial products and services to a diverse range of markets including individuals and businesses, SMEs, corporates, sectors such as trading, real estate, construction, energy, hospitality, and telecommunications in Myanmar. We are committed to perform and create value for all our stakeholders, including customers, shareholders, employees, business partners and suppliers, regulators, and the community at large, and strive to contribute to the sustainable development of Myanmar.

who we are & what we do

RESPONSIBLE BANKING ACTIVITIES

Lending Activities

The Lending portfolio forms a large part of the Bank's assets and to strengthen our commitment towards sustainability, we have implemented an EXCLUSION LIST, which lists down sectors that do not fit our beliefs and values. By excluding these sectors from our lending and financing activities, we aim to minimize the negative environmental impacts associated with them. The following are the list of sectors that have been listed in exclusion list:

- Production, trading and maintenance of weapons and munitions of any kind
- Trade in or unauthorized catching of wildlife or wildlife products
- Production or trade in any product or activity deemed illegal under Myanmar laws or regulations or international conventions and agreements, or subject to international bans, such as pharmaceuticals, pesticides/herbicides, ozone depleting substances.
- Hunting marine mammals and shark finning
- Using of dynamite and poison in fishery practices
- Activities involving harmful or exploitative forms of forced labour or harmful child labour
- Activities involving people smuggling of any kind

By delineating these sectors in our exclusion list, we ensure that our lending and financing activities are in line with our commitment to sustainability and responsible banking practices.

Product Responsibility

uab bank has formulated and implemented a Product Responsibility Statement. According to

this statement, we uphold the following principles when designing and launching our products:

- Product must relate to economy
- Product must be easy to understand
- Product must create benefits

The Management Product Committee is responsible for overseeing all aspects of product development and performance. The Bank offers a diverse range of products, including deposits, loans, remittances, payment apps, cards, and bancassurance. Detailed information about these products can be found on our website.

A list of key products is stated in 1.1 above.

Caring for People and the Environment

We remained true to our dedication and supported customers in need and their seamless and safe access to financial services and solutions. As we adapt to the economic realities in the last 3 years, we placed emphasis on preserving employee well-being and productivity in the face of the pandemic and its associated impact. We ensured everyone was connected, engaged, and aligned to keep the business moving forward. Caring for our people during uncertainty is important as we tide through the difficult time together.

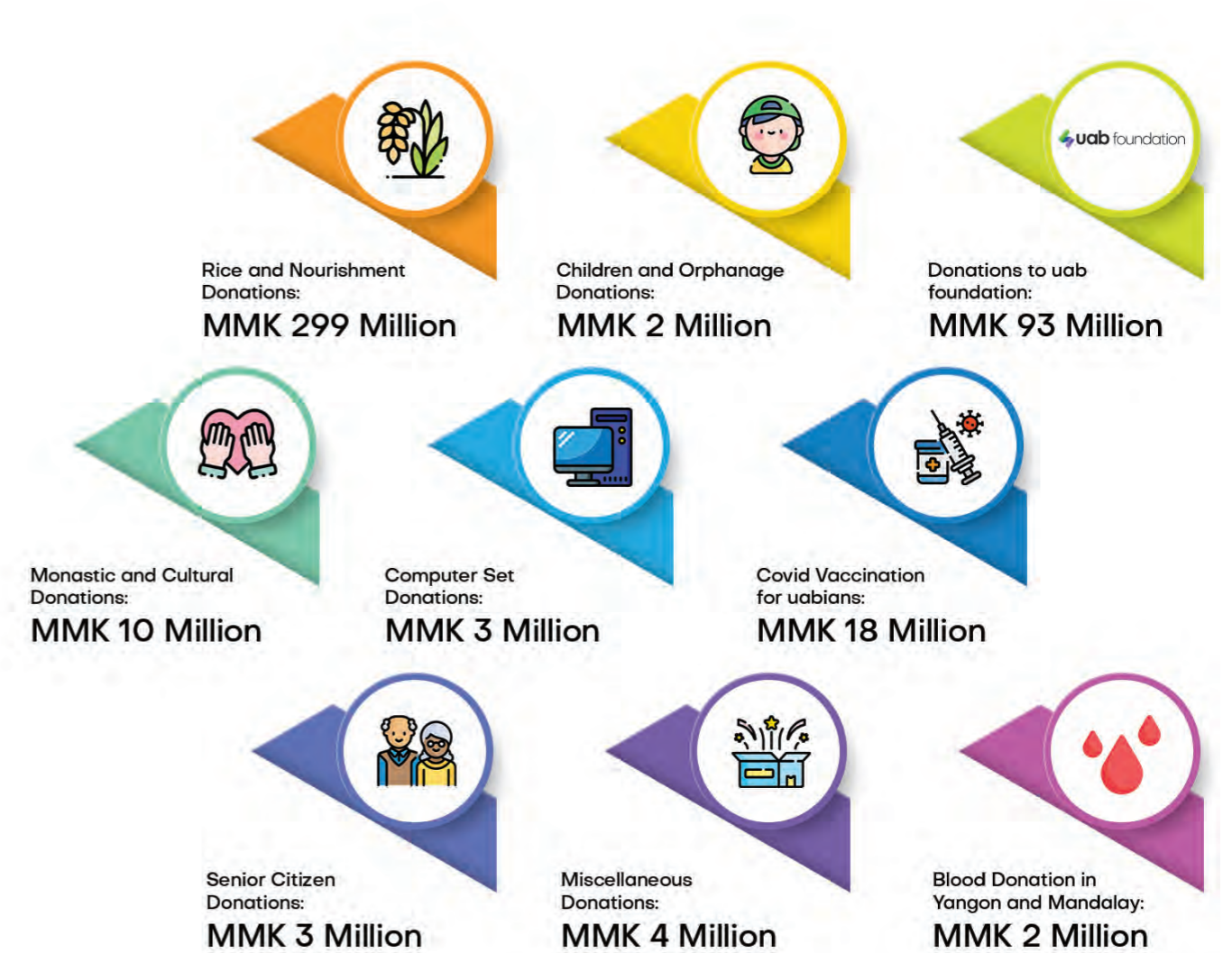
At uab, we believe in giving back to the community we serve and through **uab Foundation**, we are committed to providing financial assistance and support to underserved and impacted communities in times of need.

In our effort to protect and care for the environment, uab bank is committed to reduce

the use of energy, carbon emissions, paper consumption, water discharge et al. and is moving towards optimizing its digital platform to this end.

Additionally, in our lending and financing activities, we have established an exclusion list to avoid supporting sectors and activities that may have negative environmental impacts. We strive to make meaningful positive impacts on the environment and the people, and will continue to do so in the future.

Spending on CSR and Philanthropic Activities



who we are & what we do

1.3 CREATING JOBS AND ENCOURAGING LOCAL GROWTH

The total number of employees at the end of the reporting period was 1,904 with female employees in the workforce account for 55% of the total workforce, and male employees account for 45%.

Headcount	1,904
Number of female employees	1,046
Number of male employees	858
Female: Male ratio	55:45
Number of employees between 18-30	905
Number of employees between 31-40	683
Number of employees between 41-50	239
Number of employees above 51	77
Percentage of 18-30 years old in the total number of employees	47%
Percentage of 31-40 years old in the total number of employees	36%
Percentage of 41-50 years old in the total number of employees	13%
Percentage of 51 years old and above in the total number of employees	4%
Number of female employees in Senior Management positions	17
Number of male employees in Senior Management positions	12

We contributed to job creation and built an employable workforce with training and mentoring in 54 townships across Myanmar. As of 31st March 2023, the Bank directly employed 1,904 employees with a personal cost of MMK 19.5 billion up from MMK 8.4 billion the previous year. Further, through our financing endeavours and procurement activities, we have substantially contributed to the job creation process in Myanmar. In terms of young people, we have created the following opportunities.

Internship Opportunities:

Each year we provide internship opportunities to students who are in the final year of their

undergraduate program. During FY 2023, a total of 23 students enrolled in our internship program for periods of 1 to 3 months.

Youth Employment:

At uab bank, we believe that youth employment is pivotal for the growth of the company and development of the nation. At the end of the FY 2023, 47% of the total workforce was represented by employees, who are less than 30 years of age.

SME Support

SMEs are the key drivers of employment in Myanmar and in FY 2023, we provided financing

to SMEs financing worth MMK 138.9 billion, indirectly supporting employment in Myanmar.

1.4 SIGNIFICANT CHANGES TO THE ORGANISATION
VALUE CREATION FOR STAKEHOLDERS

The Bank has made significant changes in recent years, focusing on prioritising our customers, employees and the community.

In value creation, our Business Pillars are built around:

- Retail and SME Banking
- Wholesale banking (covering Corporate Banking, Treasury, Financial Institutions & Transaction Banking)
- Investment banking (uab securities)
- Bancassurance
- Fintech & Digital Banking

Over FY 2023, coming out from the ravages of COVID and political unrest, much of the effort has been in the form of rebuilding lives and livelihoods. We have also made efforts in understanding the diverse needs of our customers, and in providing seamless access to finance and financing solutions. These efforts have become even more important when we navigate the challenging economy, and have further solidified our belief in a strong and resilient growth.

Since 2021, with the COVID pandemic and

political unrest, the Bank provided Loan relief packages totalling MMK 87 billion to 1,490 borrowers and in FY 2023, we note the improving business environment as these borrowers begin to rebuild their businesses and service their loans. With SME Banking, coming out of a difficult business environment, financing products such as Supply Chain Financing and SME 2-Step Financing (with JICA) were provided to SMEs to assist in the rebuilding of their business.

With **Retail Banking**, 5 new branches were opened in FY 2023 to expand our physical branches and retail reach throughout Myanmar:

- Shwe Bo
- Myeik
- Kale
- Mawlamyine
- Thanlyin, Yangon


In the pursuit of expanding our **Fintech and Digital** banking presence, 3rd party collaborations were conducted for between uabpay and:

- Citizens Pay
- OK\$
- TrueMoney


Continuing the progress made since 2020, important milestones in FY 2023 included launch of:

- uabpay Version 2.0 in Jan 2022
- MAI Xtra pay app and co-branded card in Aug 2022
- uab Marketplace in Sept 2023
- Gold Investment Platform in March 2023





Loan Relief Package
MMK 87 Billion
1,490 Borrowers



5 New Branches
opened in 2023



Initiated
3 Fintech and Digital
Banking Collaboration



Bancassurance
Launched in 2021

who we are & what we do



Bancassurance launched in 2021 with the aim of providing financial protection to our customers and building an encompassing ecosystem made significant progress and by end FY 2023 has begun to provide a meaningful contribution as below:

	No. of insurance policies	Total coverage amount
Life Insurance	2,531 customers	MMK 44.9 billion
General insurance	3,566 customers	MMK 321 billion

1.5 SUPPLIER/CONTRACTOR SELECTION AND CRITERIA

uab bank’s Vendor Code of Conduct describes the uab banks’ expectations of how its vendors conduct the business. All the vendors (including subcontractors) who provide products and/or services are expected to act in accordance with the Code. uab bank assesses the prospective Vendors against their compliance with our Codes before they are selected to provision services/products to the Bank. uab bank has circulated the Vendor Code of Conduct to all the vendors.

The Bank’s “Basic Procurement Guidelines” sets the procedures for vendor selection when a purchase order is required to be issued and it provides the Bank’s Management the assurance that due care has been taken for each order made.

We lay emphasis on sourcing locally and encourage small and medium enterprises. Out of 112 vendors (as of 31st March 2022), who are currently associated with us, 90% of them are small or medium enterprises. Further, Anti-Bribery and Corruption Policy, Gift Guidelines have been formulated and rigorously implemented to ensure transparency during the vendor selection process.

Incidents of non-compliance to Codes and Policies involving vendors and suppliers are reported via the Operational Incident Reporting mechanism.



1.6 MEMBERSHIP OF ASSOCIATIONS

Membership in associations allow the Bank to participate in the activities in the community, enabling it to understand the concerns of stakeholders and adding its voice to leading change in critical market and social issues.

The following are associations in which the Bank is a member of:

ASSOCIATION	ACRONYM	WEBSITE
Myanmar Banks Association	MBA	www.myanmarbanksassociation.com
Union of Myanmar Federation of Chambers of Commerce and Industry	UMFCCI	www.umfcci.com.mm
American Chamber of Commerce in Myanmar	AMCHAM	www.amchammyanmar.com
British Chamber of Commerce Myanmar	BCCM	www.britishchambermyanmar.com
CCI France Myanmar	FMCCI	www.ccifrance-myanmar.org

1.7 PRECAUTIONARY PRINCIPLES AND APPROACH:

RISK AND GOVERNANCE

As a custodian of public funds, we prioritise strengthening our Governance Framework to ensure compliance with industry best practices in our daily operations. We have implemented a comprehensive Governance structure that includes a Code of Ethics for all employees, a Board and Committee structure, proper segregation of roles and responsibilities, and strong Anti-Money Laundering and Counter Financing of Terrorism (“AML/CFT”) practices. Additionally, we regularly provide training and information to our employees to prevent bad business conduct and weak internal controls through various programs, risk bulletins, and sharing sessions. This is done to ensure that these messages are effectively communicated through formal and informal channels to all employees.

EXTERNAL INITIATIVES

The bank is built upon the principles of meeting the regional, national, and international environmental and social standards that apply to our business operations and services. In order to align with the expectations and principles guided by the UN Global Compact, United Nations Guiding Principles on Business and Human Rights, the UNEP Statement of Commitment by Financial Institutions on Sustainable Development, the Equator Principles, and other applicable standards, we have implemented these principles in our value chains, products and services. This includes ensuring that our operations and services meet the relevant environmental and social standards, and actively contributing to the achievement of the UN Sustainable Development Goals. Responsible banking is a core value of our organisation, and we recognize that a responsible approach to business is critical to our long-term success.

Approach to Sustainability



2.1 OUR SUSTAINABILITY MANAGEMENT STRUCTURE AND STRATEGY

As a leading financial institution in Myanmar, our vision and purpose is;

“Leading the way towards a better Myanmar, humanising banking, connecting people, creating opportunities and changing lives”.

In our approach to sustainability, we target to balance economic, social, and environmental sustainability elements; enable good quality of life for all; and engage stakeholders in creating positive impacts in the ecosystem for sustainability. We also understand that the transition for our customers in a developing market like Myanmar can be in the short term inconvenient for them and we seek to guide customers through transitions with all available opportunities and possibilities.

We define the term “sustainability” as an economic development that meets the needs of the present without compromising the ability of the future generations to meet their own needs. We firmly believe that as an industry that plays an instrumental role in economic growth and global trade, banks could be a powerful force for change, not only in creating a huge positive

impact economically, but also socially and environmentally.

In FY 2023, we continued with our materiality assessment which we began in FY 2019 and identified the issues that are relevant to us as a financial service provider and to our stakeholders. Subsequently, we have also aligned ourselves with the material areas from the United Nations Sustainable Development Goals (SDGs).

Stakeholder engagement is the heart to building our business towards sustainability and we have engaged our stakeholders for feedback. The assessment reviewed our practices and processes against external benchmarks such as AA1000 Stakeholder Engagement Standards and the Global Reporting Initiative Framework (GRI Standards). The assessment is intended to help us channel our ESG efforts and improve our process. Continuous dialogue with all stakeholders help us understand expectations and perspectives and we value open dialogue with stakeholders even if expectations and interest of our stakeholders sometimes are in conflict. We try to resolve the differences fairly and win the acceptance of our actions.

In the management of sustainability matters at uab bank, the following structure is adopted:



The Sustainability Team coordinates all sustainability issues including the development of the ESG Policy at the Bank and reports to the Management Committee.

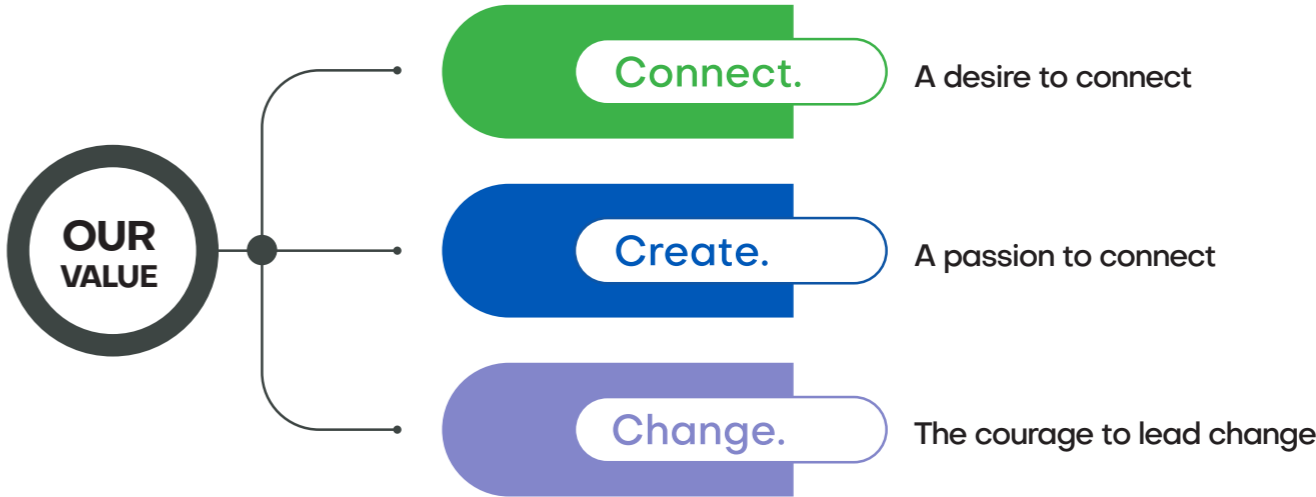
The Management Committee exercises executive-level responsibility for economic, environment and social topics.

Further, in providing oversight to ESG matters, the Board of Directors sets the tone with a Board Statement.

Role of the Board

The Board is committed to responsible banking and understands that a responsible approach to business is a decisive factor in determining the long-term success of the Bank.

The Board understands that economic, environmental and social issues matter in the communities we belong to and the markets where we do business and therefore in the Board’s oversight and decisions will integrate ESG considerations in order to understand and assess risks to ensure direction towards a sustainable future.



SUSTAINABILITY APPROACH

The Bank aligns its business objectives with its sustainability targets and to assist with this, the Bank aligns its strategy to the United Nations Sustainable Development Goals (SDGs) for which some of its aims are towards no poverty, zero hunger, good health and well-being of all people. The 17 SDGs are interrelated, and the Bank looks to contribute to the achievement of the goals.

Among the 17 SDGs, uab bank has chosen to focus on 4 SDGs in which we can meaningfully contribute and have the most impact. Accordingly, we have Board approved short term and mid-term targets for each of the focused SDG. We are committed to meet these goals and are devoting significant resources towards this objective.

MANAGEMENT APPROACH

Annually, a Business Plan is presented to the Board and reviewed. In the adoption of the Business Plan, a number of factors influence its adoption. These include the Vision of the Bank, Governance considerations, Compliance to regulations, Risk Management, Stakeholders feedback and longer-term stakeholders interest.

A pragmatic strategy is adopted influenced by above considerations and the Bank’s commitment towards ESG is taken into consideration in the formulation of the Business Plan in order to align the Bank’s strategy with its commitment to longer term sustainability objectives material to its stakeholder.

In our context as a financial institution, compliance to the regulations, good governance guidelines and directives of the Central Bank of

Our Strategic

Approach to Sustainability

Myanmar is critical to business sustainability and require that strong internal controls and governance practices are in place to ensure we remain compliant.

2.2 STAKEHOLDER ENGAGEMENT

The Bank values stakeholder engagement and has implemented relevant processes to strengthen productive interactions and collaborations. By conducting regular discussions, we strive to understand their needs, address concerns, and build win-win relationships and solutions for our stakeholders.

Our most significant stakeholder groups are:

- Customers
- Shareholders
- Employees
- Business Partners & Suppliers
- Regulators
- Community

IDENTIFYING AND SELECTING STAKEHOLDERS

Recognising that the Bank operates in an ecosystem of many stakeholders, the challenge is to create value for all stakeholders whilst meeting environmental, social and governance requirements. We identify our main stakeholders as shareholders, customers, employees, regulators, business partners, and the community.

Stakeholder engagement is the heart to building our business towards sustainability and we have engaged our stakeholders for feedback. The assessment reviewed our practices and processes against external benchmarks such as AA1000 Stakeholder Engagement Standards and the Global Reporting Initiative Framework (GRI Standards). The assessment is intended to help us channel our ESG efforts and improve our process. Continuous dialogue with all stakeholders help us understand expectations and perspectives and we value open dialogue with stakeholders even if expectations and interest of our stakeholders sometimes are in conflict. We try to resolve the differences fairly and win the acceptance of our actions.



APPROACH TO STAKEHOLDER ENGAGEMENT

The following is how we engage our stakeholders:

Customers			
Engagement topics: <ul style="list-style-type: none">• Customer service quality• Investment returns• Product features and benefits• Technology interface for banking experience	Engagement channels: <ul style="list-style-type: none">• One-on-one interactions• Surveys• Call centre• Social media• Website	Responsibility: <ul style="list-style-type: none">• Relationship managers, branch staff, head office staff	Engagement frequency: <ul style="list-style-type: none">• Quarterly and needs based
Shareholders			
Engagement topics: <ul style="list-style-type: none">• Financial results• Shareholder return and dividends• Bank strategy and longer-term outlook• Legal compliance• Governance	Engagement channels: <ul style="list-style-type: none">• Meeting• Emails• Letters• Media• Website	Responsibility: <ul style="list-style-type: none">• Legal and secretariat team	Engagement frequency: <ul style="list-style-type: none">• Quarterly and needs based
Employees			
Engagement topics: <ul style="list-style-type: none">• Company policies and procedures• Employee welfare issues• Performance ratings and rewards• Training and career development• Workplace health, safety and security• Community development and employee volunteering	Engagement channels: <ul style="list-style-type: none">• Town halls• Performance appraisals• Employee satisfaction surveys• Employee volunteering initiatives• Employee grievance redressal	Responsibility: <ul style="list-style-type: none">• Human resources team, Heads of department, Branch managers	Engagement frequency: <ul style="list-style-type: none">• Ongoing and needs based
Government and Regulators			
Engagement topics: <ul style="list-style-type: none">• Approvals and requests• Financial performance• Compliance to regulations• Supervisory concerns• Participation in government financial sector plans and programs	Engagement channels: <ul style="list-style-type: none">• Company regulatory filings• Compliance statements• Meetings• Letters• Emails	Responsibility: <ul style="list-style-type: none">• Compliance team, Finance team, Cross functional team	Engagement frequency: <ul style="list-style-type: none">• As per regulatory requirement and needs based

Approach to Sustainability



Vendors (Business Partners and Suppliers)			
Engagement topics: <ul style="list-style-type: none">Product/service quality and supportContract terms and conditionsCompliance to Vendor CodeVendor's statutory compliances	Engagement channels: <ul style="list-style-type: none">MeetingsEmailsLettersPerformance reviews	Responsibility: <ul style="list-style-type: none">Respective departments dealing with vendors, commercials and procurement	Engagement frequency: <ul style="list-style-type: none">Ongoing and need based
Community			
Engagement topics: <ul style="list-style-type: none">Community needs (Financial/ infrastructure/human)Organisational and funding support	Engagement channels: <ul style="list-style-type: none">Community development initiativesProposalsRequests for new initiatives/funding	Responsibility: <ul style="list-style-type: none">Corporate branding and communications	Engagement frequency: <ul style="list-style-type: none">Need based

The Bank presently does not have collective bargaining agreements but has setup a Workers Coordinating Committee in compliance to the Labour regulations.

KEY TOPICS AND CONCERNS RAISED

In the engagements and in the identification of material issues, the following six (6) factors were considered:

- Importance to key stakeholders
- Impact on business performance
- Impact on Bank's reputation
- CSR materiality
- Alignment to uab's Mission
- Legal risk

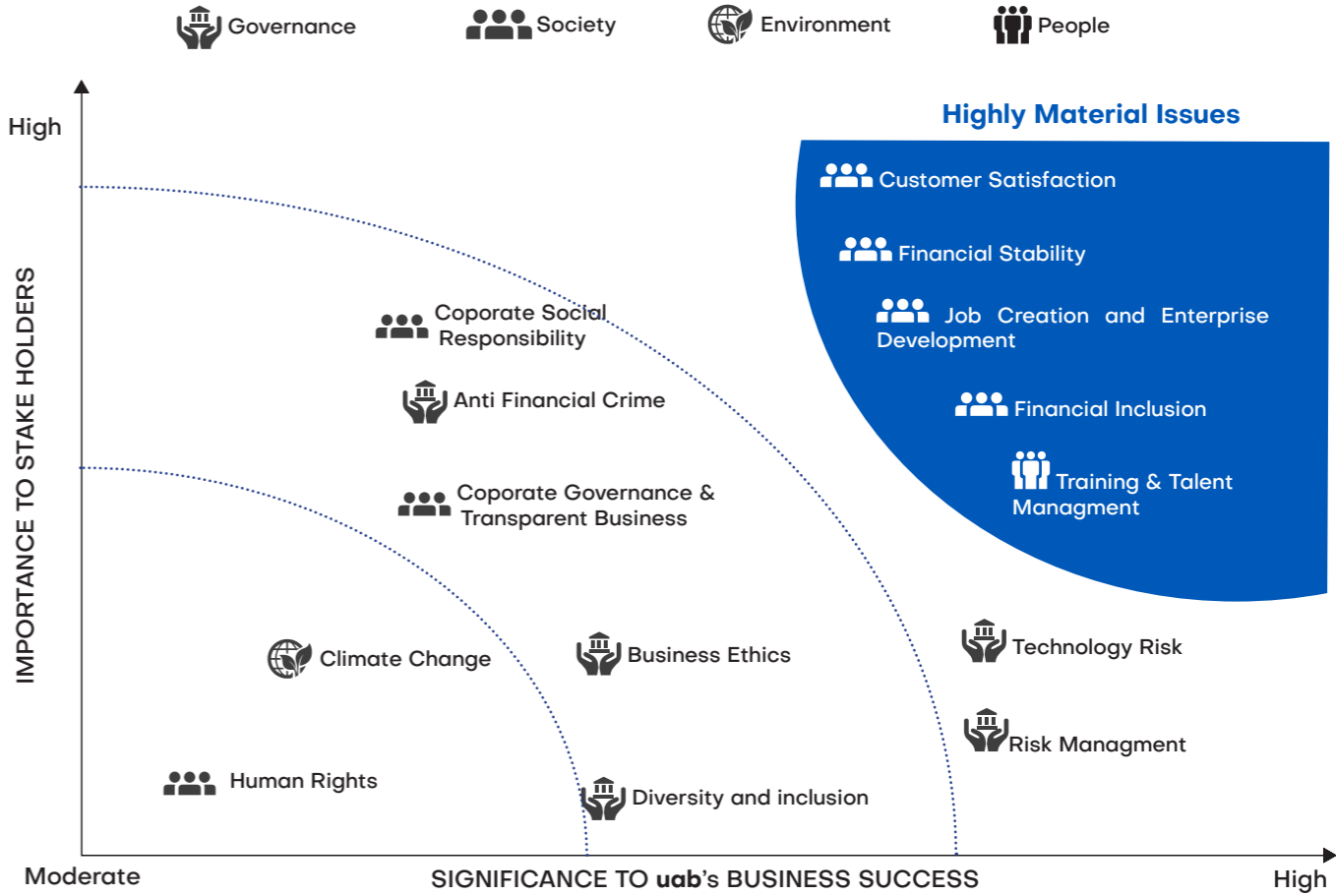
2.3 MATERIALITY ASSESSMENT

An issue is material to the uab bank if it meets two conditions. Firstly, if it impacts our business in terms of growth, cost, risk or trust; secondly if it is important to our stakeholders – such as the community, customers, shareholders, regulators, employees, NGOs and business partners. In determining if an issue is material, we also consider whether it is aligned with our vision, mission, brand portfolio, geographical footprint and the degree to which we can affect change.

Once, we identify issues that are material, we align these with the United Nations Sustainable Development Goals (SDGs) and material issues influence

2.4 MATERIALITY MATRIX

The issues identified were placed on a matrix (as seen below), their position relative to the degree of stakeholder interest and potential business impact. These results represent the material issues affecting our business; all issues on the matrix regardless of where they fall are relevant to the Bank. For clarity, we grouped the issues as



Approach to Sustainability



Governance

- Diversity & Inclusion: Includes efforts to improve diversity of Board, Management Committee and Employees
- Risk Management: This includes uab bank's overall approach to assessing and managing risk across the business and individual business units, products, services, and transactions.
- Technology Risk: This means keeping electronic information safe from external unwarranted intrusions.
- Anti- Financial Crime: This means bank's measures on anti-money laundering, counter financing of terrorism, anti-corruption, and other criminal activity.
- Corporate Governance and Transparency: Governance in accordance with global standards and the availability and openness of information to stakeholders
- Financial stability: The ability of the Bank to continue with sustainable profits and adequate internal controls.

Social

- Financial inclusion: The development and increased access to financial products and services, for unbanked and underbanked segments including financial literacy.
- Human rights: Approach of the Bank to human rights issues
- Customer Satisfaction: Apart from being satisfied with service and product, this includes the bank's approach towards customer grievances redressal.
- Corporate Social Responsibility: Contributions of charitable nature and well-being of communities
- SME Financing and Job Creation: This includes provisioning of financing to Small and Medium Enterprises and its consequent impact on job creation for the local economy.
- Training & Talent management: Employee training, the ability to attract top talent and the enabling of individuals to reach their full potential.

Environment

- Climate Change: This includes financing of clean and renewable energy products and the exclusion from financing activities that will be harmful to the environment and would lead to climate change.

People

- Employee Commitment and Talent Management: This includes the ability of the Bank to attract and retain top talent and increase employee satisfaction in doing so.
- Employee Training: This includes communication and training to employees on ESG issues.



IDENTIFYING AND MANAGING KEY ECONOMIC, ENVIRONMENTAL, AND SOCIAL IMPACTS

From our materiality assessment, we identified 5 material topics that were rated as highly material to both the stakeholders and the Bank:

- 1. Financial inclusion (contributing to SDG 8)
- 2. Financial stability (contributing to SDG 8)
- 3. Job creation & Enterprise development (contributing to SDG 9)
- 4. Training & Talent Management (contributing to SDG 4)
- 5. Customer satisfaction (contributing to SDG 3)

Subsequently, we have identified four (4) SDG goals from which the Bank could contribute and have significant impact:

Sustainability Development Goals	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	4 QUALITY EDUCATION	3 GOOD HEALTH AND WELL-BEING
Material issues identified	Financial stability Financial inclusion	Job creation and enterprise development	Training and talent management	Customer satisfaction
Specific targets	Providing digital solutions Development of housing through home loan financing Financial literacy Continued good financial performance of bank	Financing SMEs Developing products for cash flow management Opening new bank branches to improve access to financial services for industry, businesses, and retail customers	Regular training to employees Trainee schemes Scholarship and bursary support for children of employees Providing internship opportunities for students	Appropriate and suitable products Developing bancassurance Transparency ESG policy



Approach to Sustainability



Furthermore, after establishing general targets, the progress and impact of our targets are outlined below. It is important to mention that we initiated this pursuit of sustainability metrics in 2019, and the timeframe for achieving and developing these targets extends until 2024.

Item	Target	Time Target	Achievements as at Financial Year ending 31 st March 2023
Home ownership (SDG 8)	5% of total loan portfolio	30 September 2024	As of 31st March 2023, the home finance portfolio made up 4.89% of the total loan portfolio. A total of MMK 84.6 bil in home loans with 557 loan accounts were financed (compared to 292, in FY 2022).
Digital solutions (SDG 8)	Enabling customers to operate an account through handheld devices	A pay app was targeted to be developed by 30 September 2020 and this was achieved as targeted. Yearly incremental improvements are now being pursued to ensure that the status moves towards a “super app”.	uab bank’s digital app (uabpay) was successfully launched in 2020 and it is being developed into a Super app, enabling Customers to conduct their business without being at the Bank branch. The following features have been developed: <ul style="list-style-type: none">• opening a digital wallet• payments to merchants through QR code• access to all bank accounts• access to all credit and prepaid cards• wallet-to-wallet and account-to-account transfers• Interbank transfers• Bill payments• Mobile top-ups• Cardless deposits and withdrawals• Gold Investment platform Apart from the uabpay app, the uabpay+ was also launched specifically targeted to agents and merchants and this app enables them to receive and reconcile payments. Inter-wallet operability is an on-going process and fund transfers may be made to Citizens Pay, MPT Pay and Mandalay Smart Pay. International Money transfers can be received from RIA Money Transfers. Cash deposits and withdrawals through agents (apart from bank branches) through uabpay+ was successfully developed and launched in 2022. uab Marketplace can be accessed directly on the uabpay app allowing consumers to shop for consumer items online. Digital Gold Investment feature was developed and successfully launched in March 2023 with the aim of allowing small retail investors to make investments in gold easily through a few simple steps.

Financial literacy (SDG 8)	Conduct at least 12 financial literacy sessions or projects per annum to unbanked, underbanked and underserved individuals	30 September 2024	During the FY 2022–2023, financial literacy outreach was continued to educate people on savings and inward remittances. This was successfully undertaken in 15 villages in the Tatkon/ Naypyidaw area, 8 villages in Kyaukpadaung area and 6 villages in the Pokkoku area. At each village, between 10 to 30 villagers attended the sessions and about 625 people were reached through the program. From April 2022 to March 2023, uab bank collaborated with the Ministry of Labour to organize Financial Literacy and Financial Inclusion educational seminars, conducting a total of 16 sessions in Yangon and 38 sessions in Mandalay. These seminars were engaged by a significant total of 29,390 attendees, contributing to their financial empowerment and inclusion.
Financing SMEs (SDG 9)	26% of total loan portfolio	30 September 2024	As of 31st March 2023, SME financing accounted for 8.76% of the total loan portfolio. Within the SME financing category, 16.78% was facilitated through the JICA 2-step loan program, which offers preferential interest rates to lower borrowing costs for these SMEs. We provided financing to 1,286 SMEs in FY 2023 (compared to 1,180 in FY 2022) which not only enable enterprises to thrive but also create job opportunities.
Developing products for cash flow management (SDG 9)	Developing a Supply Chain Financing solution	30 September 2024	Supply Chain Financing product has been launched enabling customers to discount their invoices whilst waiting to receive payments from buyers. A Cash Management solution is presently being developed. Payable Finance Solution and Receivable Discounting Solution are the products offered to both Buyers and Suppliers with the opportunity to improve and protect their working capital.



Approach to Sustainability

Opening new bank branches to improve access to financial services (SDG 9)	Establish 120 branches covering multiple townships in Myanmar nationwide	30 September 2024	<p>As of 31st March 2023, the Bank expanded its activities by opening 5 new branches in the following regions:</p> <ul style="list-style-type: none"> • Shwe Bo • Myeik • Kale • Mawlamyine • Thanlyin <p>uab bank's branch network reached a total of 84 branches in FY 2023. This growth in the Bank's branch network highlights our diligence to provide accessible financial services across multiple locations nationwide in Myanmar.</p> <p>The bank plans to open 24 new branches in the upcoming financial year.</p>
Training employees and development of talents (SDG 4)	A minimum of 30,000 man-hours of training to be provided each year	30 September 2024	<p>For FY ending 31st March 2023, a total of 60,596 man-hours of training was conducted.</p> <p>Furthermore, throughout FY 2023, a total of 23 students were provided with valuable work experience through internships, and 17 were interned in FY 2022.</p>
Trainee schemes (SDG 4)	Acquire at least 50 Sales and Banking Service trainees each year	30 September 2024	During the FY 2022-2023, 65 new Relationship Bankers were onboarded and trained for skills in Sales and Banking services
ESG Policy (SDG 3)	To formulate and thereafter implement an ESG policy		Policy is presently on a work-in-progress basis.
Transparency (SDG 3)	Issue GRI Index and SASB Index	Formulation by March 2023. Full implementation by March 2024.	<p>The GRI and SASB Index has been successfully published by the Bank.</p> <p>The Bank's Annual Reports and Sustainability Reports are now publicly available on the Bank's website.</p> <p>The Bank also has voluntarily subscribed for Pwint Thit Sa (Transparency in Myanmar Enterprises) reviews conducted by the Myanmar Center for Responsible Business to ensure transparency. uab bank received 1st place ranking at the 2020 Pwint Thit Sa Report. Again in 2022, the bank was ranked No.1 amongst Myanmar banks and No. 2 amongst 271 Myanmar companies that were reviewed.</p>

Bancassurance (SDG 3)	Launch bancassurance by financial year 2021	To be completed by May 2021 and yearly reviews to be conducted.	<p>uab bank has partnered with Manulife to offer life insurance protection through the Bank's bancassurance product. This is with effect from January 2021. As a 2nd phase, the Bank is finalising the negotiation with a General Insurance provider to offer general insurance products through a bancassurance scheme.</p> <p>As at March 2023, bancassurance products offered by the partnership includes:</p> <ul style="list-style-type: none"> • Manulife Education Life • Manulife Protector • Manulife Credit Life Protector • Manulife Critical Illness Care
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TAX STRATEGY AND COMPLIANCE

THE MANAGEMENT APPROACH AND ITS COMPONENTS

We are committed to making economic contributions to our community through paying our fair share in taxes together with the compulsory deduction of taxes from our employees. We endorse the B Team Responsible Tax Principles which were developed through dialogue with a group of leading companies, along with involvement from civil society, investors and representatives from international institutions.

Our Tax Strategy is based on:

- Paying our fair share of tax
- Effective interaction with tax authorities
- Transparency with regard to our tax affairs

We contributed MMK 5.4 billion to the tax coffers of Myanmar as Income Tax for FY 2023, compared to MMK 3.2 billion in FY 2022.

EVALUATION OF THE MANAGEMENT APPROACH

Our Tax Principles

- Compliance - We always act in accordance with all applicable laws.
- Transparency - We put forward understandable, timely and transparent communications about tax payments.
- Structure - We do not use contrived or abnormal tax structures that are intended for tax avoidance.
- Tax Havens- We do not use secrecy jurisdictions or tax havens for tax avoidance.

Relationship with Government and Tax Authorities - We maintain cordial relationships with government and tax authorities.

STAKEHOLDER ENGAGEMENT AND MANAGEMENT OF CONCERNS RELATED TO TAX

The Bank takes a proactive approach to stakeholder engagement related to tax, seeking to understand and manage potential concerns. We regularly engage with stakeholders and government institutions to understand their perspectives and ensure our tax management practices align with their expectations.

Strengthening Corporate Governance

3.1 GOVERNANCE STRUCTURE

The Board of Directors view Corporate Governance as important to sound banking and the achievement of sustainable growth. In the overall oversight of the Bank, the Board of Directors is responsible for the overall governance, management and strategic direction of the Bank.

A full Corporate Governance Statement may be obtained from our latest Annual Report: <https://www.uab.com.mm/investors/annual-report-2023>

The corporate governance structure is illustrated below:

Board of Directors					
The Board of Directors provide overall risk oversight including defining risk appetite and governing structure					
Board Committees					
Board Audit Committee	Board Risk Committee	Board Credit Committee	Board Nomination & Remuneration Committee		
Senior Management					
Responsible for the implementation of policies and procedures to manage risks					
Management Committee					
Asset Liability Committee	Credit Committee	Disciplinary Committee	Product Committee	Management Risk Committee	Management Audit Committee
Lines of Defense					
1 st Line		2 nd Line		3 rd Line	
Risk takers and Owners Manage day-to-day risk inherent in the business		Risk Oversight & Control Ensure risk framework, policies and appetite are within established limits		Independent Audit Provide independent assurance on risk management and controls	

The Chairman of the Board who is elected by the members of the Board of Directors holds a non-executive position whereas the CEO is an executive officer. The running of the Board is the responsibility of the Chairman whilst the running of the Bank’s business is the executive responsibility of the Chief Executive Officer.

In implementing good corporate governance principles, the Board will have 5 sub-committees namely:

- Board Risk Committee
- Board Credit Committee
- Board Audit Committee
- Board Nomination and Remuneration Committee



Details on corporate governance and the Group structure can also be found here on our website: <https://www.uab.com.mm/governance>

To improve on our Corporate Governance standards and transparency, a gap analysis with the ASEAN Corporate Governance Scorecard had been undertaken in 2022 and this is provided in the link below: <https://bit.ly/uabCorporateGovernanceScorecard2022>

PRECAUTIONARY PRINCIPLES OR APPROACH:

RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK

At uab bank, the Board is cognisant of its overall responsibility and oversight of uab’s system of internal controls and is constantly keeping abreast with developments in areas of risk and governance. To this end, the Board continues to be involved in determining uab’s level of risk appetite and identifying, assessing and monitoring key risks to safeguard shareholders’ investments and uab’s assets, in a manner which enables uab to meet its strategic objectives.

For this purpose, the Board has established governance and processes for reviewing the effectiveness, adequacy and integrity of the Group system of internal controls and risk management. Whilst it is not possible to completely eliminate risks of failure in achieving uab’s objectives, the system of internal controls is designed to mitigate these risks by identifying, managing and controlling risks effectively. The framework provides the Board and Management

with tools to anticipate and manage both existing and potential risks, taking into consideration evolving risk profiles as dictated by changes in business strategies, the external environment and/or regulatory environment.

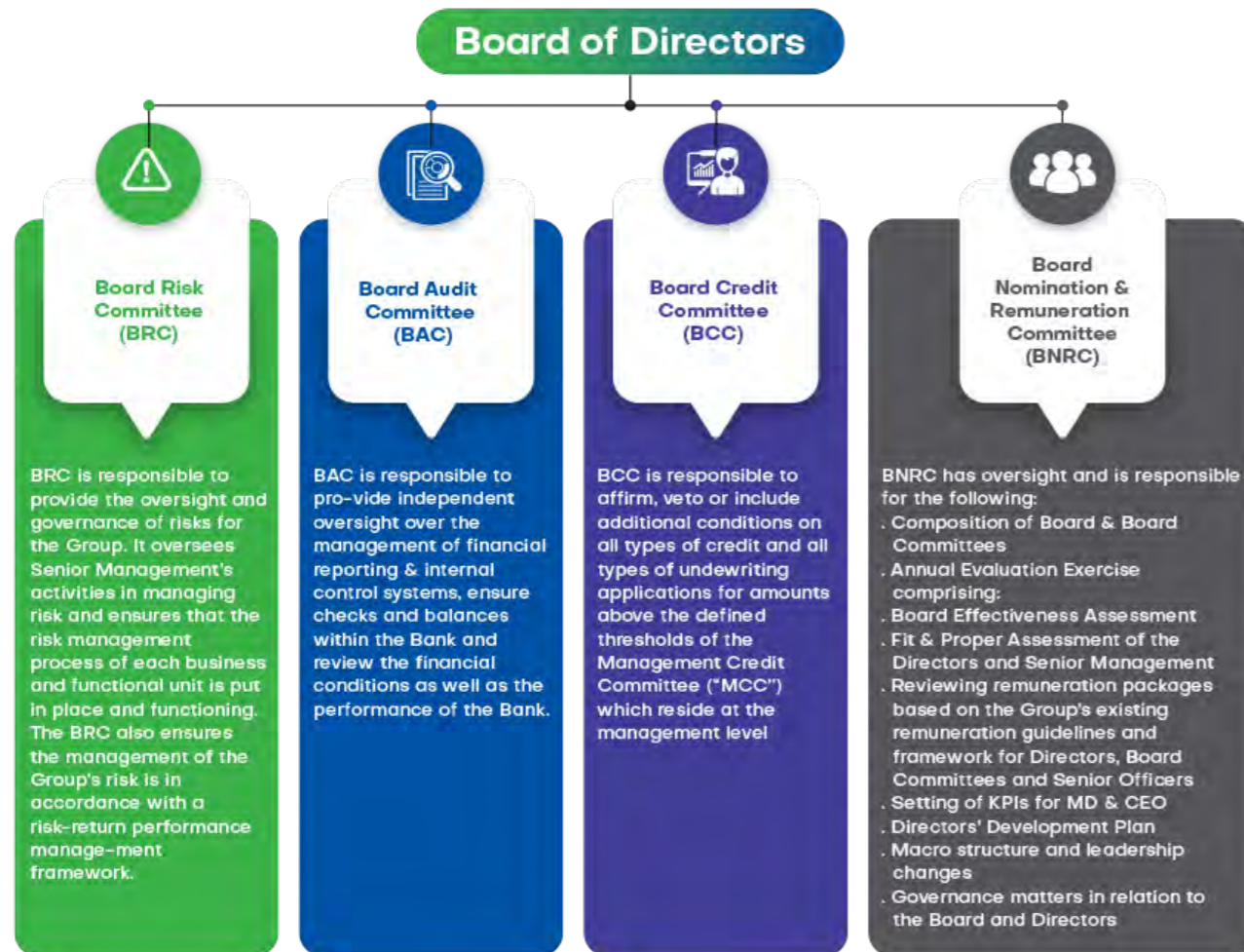
The **Board Risk Committee (BRC)** is responsible for formulating and reviewing the risk management policies and risk appetite of uab. The BRC also provides oversight and advice to the Board and Management in respect of the management of compliance risk. The BRC comprises four members, of whom three members (including the Chairperson) are Independent Directors.

The **Board Audit Committee (BAC)** is supported by Group Internal Audit (GIA) which reports independently to BAC and provides independent appraisal on the adequacy, efficiency and effectiveness of risk management, controls and governance processes implemented by Management. GIA adopts a comprehensive audit plan, which covers emerging risks including elevated risks arising from changes in managing work and business processes. The internal audit function is reviewed periodically by the BAC to ensure its adequacy in performing its role. GIA reports significant and material findings to the BAC with recommended corrective actions. Management is responsible to ensure that corrective actions on reported weaknesses are executed within an appropriate time frame. The deadlines committed by Management on corrective actions are closely monitored and undue delays have to be explained and justified to the BAC for approval.

Strengthening Corporate Governance

DELEGATING AUTHORITY

Each sub-committee will have its Terms of Reference and descriptions of each sub-committees is given as below:



Further, to support the governance structure and enhance internal control, the Bank deploys 3 (three) Lines of defence made up of the following:

- 1st line of Defence – Business units, departments and retail branches who own and manage risk as part of their day-to-day activity.
- 2nd line of Defence – Independent risk functions including Risk and Compliance Department, Finance Dept and other functions overseeing risks.
- 3rd line of Defence – Internal audit, external audit and other 3rd party specialists who provide independent assurance.

For our Statement on Risk Management & Internal Control, please see Annual Report 2023,

ACHIEVEMENT IN CORPORATE GOVERNANCE TRANSPARENCY

uab bank Limited was ranked 1st among Myanmar banks in the 2022 Pwint Thit Sa Report, which evaluated a total of 31 banks in Myanmar. The Report is also known as Transparency in Myanmar Enterprises (TiME) Report and was published on 20 February 2023. The Report also ranked uab bank 2nd among the 271 Myanmar companies that were assessed. The 2022 Report marks the 7th edition in the series of annual publications by the Myanmar Center for Responsible Business, which was

established in 2014 to promote responsible business practices across Myanmar. The Report's assessment criteria are aligned with the emerging corporate governance agenda in Myanmar, and specifically the ASEAN Corporate Governance Scorecard.

3.2 ETHICS AND INTEGRITY

VALUES, PRINCIPLES, STANDARDS, AND NORMS OF BEHAVIOR

The Bank has established a **Code of Conduct**, setting out the standards of behaviour that are expected of all employees of uab including the Board in terms of engagement with customers, business associates, regulators, colleagues and other stakeholders. Further, the Code of Conduct provides guidance in areas where employees may need to make personal and ethical decisions. In addition to providing guidance, the Code of Conduct makes references to specific Group Policies and Procedures relating to conflicts of interest, bribery, corruption, money laundering/counter- financing of terrorism, customer management, whistle blowing and fraud management.

The Bank has established a Disciplinary Committee made up of 5 senior management staff and during FY 2023, the Bank's Disciplinary Committee addressed 33 cases involving disciplinary actions resulting from complaints and violations of the Code of Ethics and other Bank policies.

For the uab bank's Code of Ethics, please visit: <https://www.uab.com.mm/governance/code-of-ethics>

Other key policies adopted by the Bank include:

- Code of Ethics
- Whistle Blowing Policy

- Conflict of Interest Policy
- Anti-Bribery and Corruption Policy
- Anti-Money Laundering Policy
- Human Resources Policy
- Corporate Governance Framework & Policy
- Gift Guidelines
- Anti-harassment Policy
- Equal Opportunity Policy
- Health & Safety Policy

Details on each of our governing policies can be found on our website:

<https://www.uab.com.mm/governance/governing-policies>

3.3 REPORTING PRACTICE

ANTI-CORRUPTION PROGRAMMES AND PROCEDURES

The Anti-Bribery and Corruption Policy has been devised and implemented by uab bank, encompassing all activities of the Bank, its subsidiaries, and third-party service providers. With our strong commitment to ZERO TOLERANCE for corruption, we have taken the following steps:

- Raised awareness about these issues in various forums, highlighting their potential impact on the reputation of uab bank.
- Circulated the Anti-Bribery and Corruption Policy and Gift Guidelines to all employees.
- Developed and implemented a Conflict of Interest Policy.
- Established a reporting mechanism, including the implementation of a Whistleblower reporting channel.

Training and awareness programs on the Anti-Bribery and Corruption Policy are conducted during orientation sessions and various training sessions organised by the Bank.

Strengthening Corporate Governance

COMMUNICATING CRITICAL CONCERNS

INCIDENT MANAGEMENT REPORTING

To complement the Group’s internal control monitoring, a comprehensive incident management reporting guideline has been implemented to ensure proper escalation and management of incidents according to the level of severity. The established incident management reporting process ensures that all incidents with material risk and losses are escalated promptly within the escalation timeline

to Senior Management and the Board with necessary steps taken to mitigate any potential risks that may arise.

The Risk Management Department regularly monitors and updates on the progress of the incidents until resolution and this enables the decision makers to undertake informed decision-making and be kept up to date on situations as well as manage risks effectively. Further, the Disciplinary Committee manages incidents which involve employees.

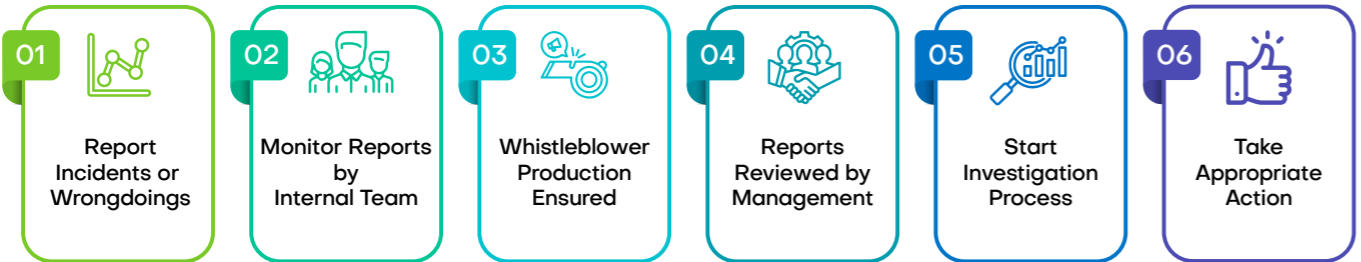
To learn more about our Incident Reporting Mechanism, please visit www.uab.com.mm/



GROUP WHISTLEBLOWING POLICY (GWBP)

The GWBP encapsulates the governance and standards to promote an ethical, responsible and secure whistleblowing practice in uab. The whistleblowing channels provide proper mechanisms and secured avenues for employees and members of the public to report any knowledge of improper conduct in good faith, without fearing any adverse consequences. Access to whistleblowing information is governed by the strictest confidentiality.

To learn more about our Whistleblower Protection Policy, please visit www.uab.com.mm/governance/governing-policies.



Better Environmental Future

4.1 ENERGY EFFICIENCY

EXPLANATION OF THE MATERIAL TOPIC AND ITS BOUNDARY

The Bank’s focus on reducing its consumption of electricity, carbon emissions, water, and waste is a key part of its efforts to minimise its impact on the environment. This focus on preserving the environment is considered material to the Bank, as it not only helps to reduce the Bank’s carbon footprint, but also contributes to the broader goal of addressing climate change.

The boundary of these environmental topics includes the Bank’s operations, as well as its direct and indirect impacts on the environment. The Bank’s efforts to reduce its use of resources and minimise its waste have been effective in reducing its environmental impact, and the Bank continues to evaluate and implement new strategies to further improve its performance.

THE MANAGEMENT APPROACH AND ITS COMPONENTS

uab bank’s management approach to environmental issues includes several key components, including risk assessments, monitoring and reporting on progress, engaging with stakeholders, the implementation of best practices and innovative technologies, and continuously improving its practices. We are also developing an Environmental, Social, and Governance (ESG) Policy for the Bank’s lending activities, which takes into consideration the

environmental impact of the projects it finances.

The purpose of the Bank’s management approach to environmental issues is to minimise its negative environmental impact. The Bank is committed to taking a proactive approach to minimise its environmental footprint. Through ongoing monitoring and evaluation, the Bank aims to continuously improve its environmental performance.

EVALUATION OF THE MANAGEMENT APPROACH

Our evaluation on the Bank’s management approach on the environmental impacts include

Internal assessments to ensure compliance with environmental policies and regulations

Measuring and reporting on key performance indicators, such as petrol and electricity energy, water consumption, paper waste and carbon emissions, to track progress over time

Implementing environmental risk management processes to identify, assess and mitigate the potential environmental impacts of the Bank’s operations

Conducting environmental impact assessments for major projects and investments

Engaging with regulators and other stakeholders to understand and respond to changing environmental regulations and policies



NON-FINANCIAL KPIs

Within our non-financial KPIs for the financial year 2023, the environmental impact were as below:

Environmental issues	
Waste	<p>One of the largest sources of waste in the Bank is paper and to discourage the use of paper, the Bank has undertaken a digital exercise with the following policy development:</p> <ul style="list-style-type: none">• Cloud based storage vs the conventional way of paper storage• All communications between staff are now done via email.• Electronic submission of credit proposals, expenditure approvals, leave request and formation of digital registers• Central printing and e-fax• Re-engineering to reduce paper applications and forms at branch counters <p>Printing paper expenditure:</p> <ul style="list-style-type: none">• FY ending 30th Sept 2020 = MMK 41,733,825• FY ending 30th Sept 2021 = MMK 23,013,837• FY ending 31st Mar 2022 = MMK 7,117,869 (6 months)• FY ending 31st Mar 2023 = MMK 35,844,403 <p>As at 28th Feb 2022, two major projects namely a Loan Origination System and Human Resource Management System had been launched and this is expected to further reduce the use of paper for loan and HR processes. These projects are expected to be completed by 30th March 2024.</p>
Energy	<p>Electricity expenditure</p> <ul style="list-style-type: none">• FY ending 30th Sept 2019 = MMK 258,858,101• FY ending 30th Sept 2020 = MMK 343,629,518• FY ending 30th Sept 2021 = MMK 290,597,476• FY ending 31st Mar 2022 = MMK 144,033,359 (6 months)• FY ending 31st Mar 2023 = MMK 323,491,258• New increased charges of electricity energy per unit starting from 1st July 2019 by the Ministry of Electricity and Energy saw the increase in cost of electricity• At uab Tower where our Head Office staff are centralised, Implemented Central air-conditioning system to reduce electrical consumption• Encourage good practice of switching off utilities when not in use• The usage of electricity at each of the Bank's 84 branches is being tracked and monitored to develop further strategy to reduce carbon footprint• The Management is piloting a project on solar panels at the Bank's branches <p>Petrol expenditure</p> <ul style="list-style-type: none">• FY ending 30th Sept 2019 = MMK 320,747,063• FY ending 30th Sept 2020 = MMK 183,769,514• FY ending 30th Sept 2021 = MMK 193,804,048• FY ending 31st Mar 2022 = MMK 257,688,493 (6 months)• FY ending 31st Mar 2023 = MMK 1,022,079,556• Significant petrol price increases were seen in FY 2023 which inflated the petrol expenditure.• Adopted a policy of replacing older vehicles with more energy efficient and environmentally friendly vehicles• Together with the above a more vigorous control of use of company cars was implemented.• COVID-19 had some impact with reduction of physical visits and use of internet and phone contact for FY 2020 and 2021.• The usage of petrol in the bank's value chain is being tracked and monitored to develop further strategy to reduce carbon footprint• Electrical powered vehicles are being considered by the Bank

Carbon	<p>Carbon</p> <ul style="list-style-type: none">• Estimated to have been produced from our electricity and petrol consumption:• FY ending 30th Sept 2020 = 1,880 metric tons• FY ending 30th Sept 2021 = 1,266 metric tons• FY ending 31st Mar 2022 = 754 metric tons (6 months)• FY ending 31st Mar 2023 = 1,636 metric tons <p>The consumption reduced in FY 2021 due to higher work-from-home schedules by employees as a result of the COVID-19 pandemic and political situation</p> <p>In FY 2023, the carbon footprint is categorised into three scopes. Scope 1 which includes direct emissions from petrol usage in transportation and generators, Scope 2 includes indirect emissions from the bank's total operations' electricity usage generated by local electricity supply corporations, and Scope 3 indirect emissions generated from energy consumption of other rented facilities such as ferry buses for employees.</p> <ul style="list-style-type: none">• Scope 1 = 1000.15 metric tons of CO₂e (61.1% of total carbon footprint)• Scope 2 = 578.59 metric tons of CO₂e (35.4% of total carbon footprint)• Scope 3 = 57.34 metric tons of CO₂e (3.5% of total carbon footprint) <p>Several steps are being taken with regard to Waste, Electricity and Petrol consumption (as stated above) to minimise the Bank's carbon footprint.</p>
Water	<p>Water</p> <ul style="list-style-type: none">• FY ending 30th Sept 2019 = MMK 3,294,350• FY ending 30th Sept 2020 = MMK 4,233,561• FY ending 30th Sept 2021 = MMK 1,994,207• FY ending 31st Mar 2022 = MMK 1,621,050 (6 Months)• FY ending 31st Mar 2023 = MMK 5,350,500• Controls are being implemented to moderate usage of water.• With drinking water, we have reduced the use of smaller plastic water bottles with water dispensers using larger reusable plastic bottles.• At the new Head Office, uab Tower @Times City and newly renovated branches, eco-friendly toilet flushes have been installed

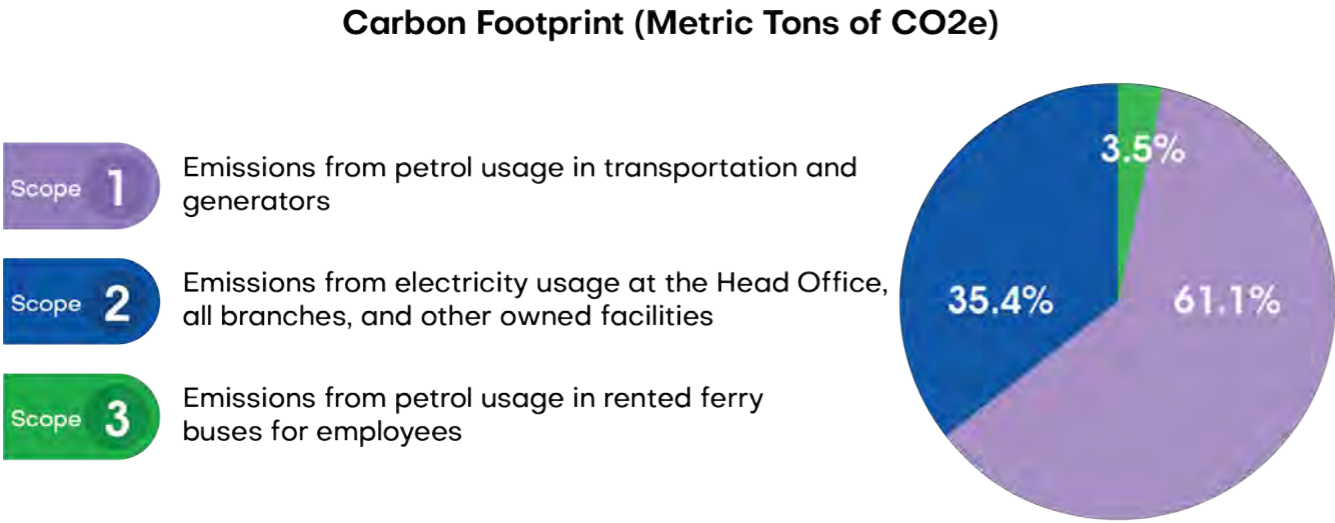


4.2 OUR EFFORTS ON PROTECTING THE ENVIRONMENT

EVALUATION OF THE MANAGEMENT APPROACH

In our efforts to reduce the impact of energy consumption, the bank regularly evaluates its management approach on the usage of electricity and petrol energy. This includes monitoring and reporting on our energy consumption and implementing strategies to reduce usage, such as implementing energy-efficient technologies and practices, and digital products and services. The results of these evaluations are used to refine and improve our approach, ensuring that we are taking an effective approach to reducing our energy consumption and mitigating its impact.

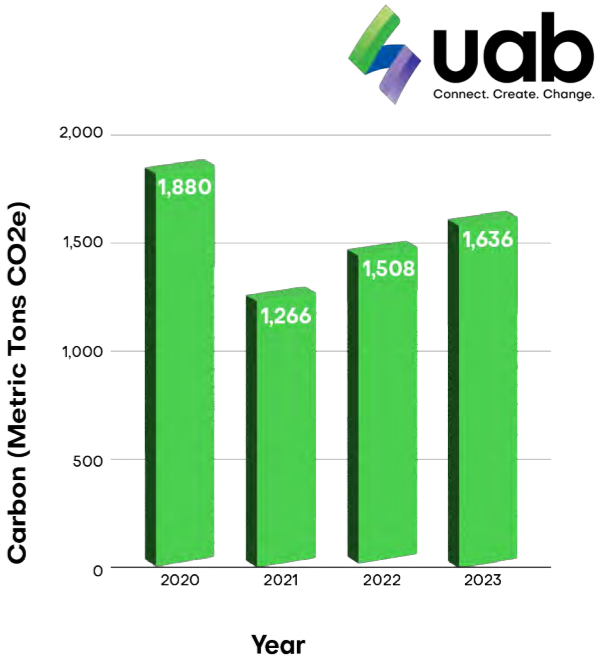
Within its non-financial KPIs, the Bank conducted a carbon footprint analysis. A summary of the carbon footprint report, which provides key measurements on our environmental impact, is as follows:



In FY 2023, the total carbon footprint of the Bank’s operations is 1,636 metric tons of CO2e. To gain a comprehensive understanding, the carbon footprint can be analyzed across different scopes and years.

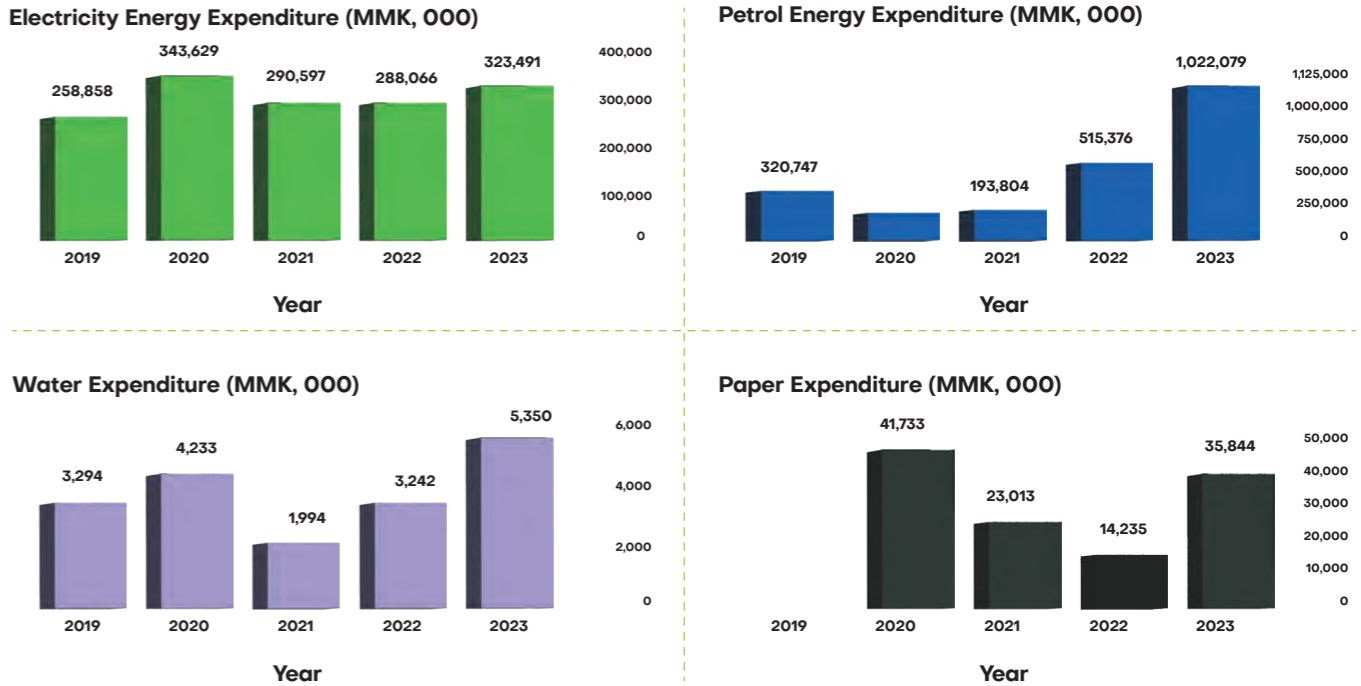
- Scope 1, direct emissions from petrol used for transportation and generators employed at the Head Office and all branches, accounted for 1,000.15 metric tons of CO2e (61.1% of the Bank’s total carbon footprint).
- Scope 2, indirect emissions from the bank’s entire operations’ electricity use, generated by local electricity supply corporations, resulted in 578.59 metric tons of CO2e (35.4% of the total carbon footprint).
- Scope 3, indirect emissions generated from energy consumption of other rented facilities such as ferry buses for employees, accounted for 57.34 metric tons of CO2e (3.5% of the total carbon footprint).

In FY 2022, the carbon footprint (annualised) was 1,508 metric tons of CO2e. In FY 2021, the total carbon footprint was 1,266, while in FY 2020, it was 1,880. The carbon footprint of the Bank remains relatively low over the continuum of years due to the nature of the banking industry and its emphasis on digital transformation in operations, when compared to other industries such as manufacturing, mining, or construction, which often generate higher carbon emissions within the region.



ENERGY CONSUMPTION WITHIN THE ORGANISATION

Our data on environmental data for the financial year ended as at 31st March 2023 is represented in the tables below:



* 2022 numbers were annualise to enable a better comparison over the 5 years
** Petrol expenditure in MMK terms spiked in FY 2023 due the drastic increase in prices at petrol pumps in Myanmar

ENERGY CONSUMPTION OUTSIDE OF THE ORGANISATION

The Bank does not have direct control over the energy usage of its customers and supply chain partners. Our focus is on implementing measures to increase energy efficiency in our own operations and encouraging similar practices among the stakeholders.

Caring Our

People and Communities

5.1 EMPOWERING EMPLOYMENT

THE MANAGEMENT APPROACH AND ITS COMPONENTS

The Bank places a high importance on its employees and their role in sustainability and development of the organisation. Our recruitment, appointment, performance management and rewards policies are in place to ensure that our employees possess the necessary skills, competencies and integrity to perform their job duties effectively. Our goal is to foster a positive work environment, promote career growth and retain talented employees. Our approach to employment is guided by the principles of responsibility, integrity, and sound judgement of our employees.

The Bank's rewards and remuneration scheme has two (2) main components i.e., Fixed Pay and Variable Pay. With fixed pay, the Bank's bonus scheme has since 2018 sought to compensate employees on their ratings and performance. For all categories of staff, we take a holistic view of several factors to determine and to ensure that

an employee's total compensation is fair. This is done with the objective to reward contributions, motivate and retain talents.

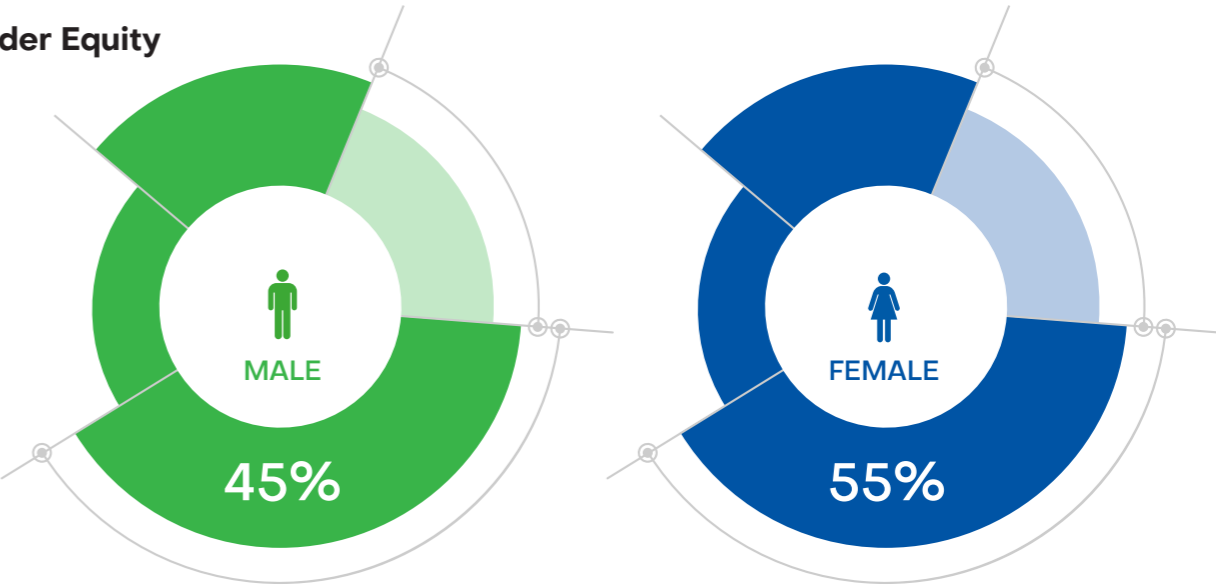
The Board of Directors and Senior Management conducts regular reviews of the remuneration policy to ensure that compensation practices and programs are consistent with regulatory requirements and are responsive to market developments. Remunerations, rewards, and compensation are viewed beyond short term financial measures and looks at the longer-term sustainability objectives. The Board ensures that there is no discrimination and gender inequality between salaries paid to male and female employees.

We provide all employees with equal opportunities for professional development and growth. This includes providing regular training and development programs that are accessible to everyone, regardless of age, gender, or ethnicity. We also have formal mentoring programs that pair employees with experienced seniors who can help them navigate their careers and provide guidance and support.

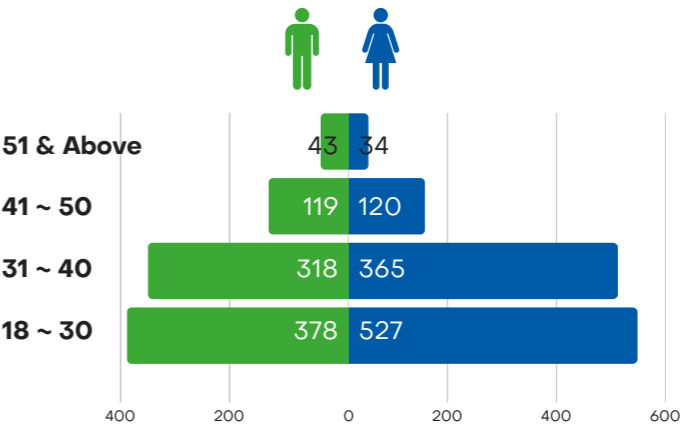


OUR PEOPLES PROFILE

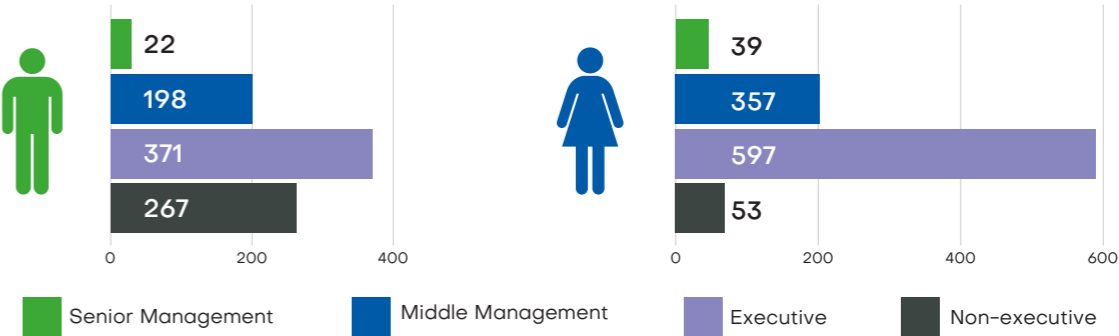
Gender Equity



Age Distribution By Gender



Gender Balance By Job Type



83% of the workforce were aged 40 years and below, indicating a relatively young workforce and this provides opportunities to the Bank to build its future workforce today.

Age distribution of employees					
Age	18 to 30	31 to 40	41 to 50	51 & above	Total
Number	905	683	239	77	1904
%	47	36	13	4	100
Male	378	318	119	43	858
Female	527	365	120	34	1046

Sustainability targets and impact are summarised below:

TOPIC AND SOCIAL ISSUES	FINANCIAL YEAR ENDING 31ST MARCH 2023 (FY 2023)	IMPACT
Equal Opportunity Employment (gender, age)	<p>Total employees: 1,904</p> <ul style="list-style-type: none"> Male: 858 Female: 1,046 <p>By age</p> <ul style="list-style-type: none"> 18–30 years: 905 31–40 years: 683 41–50 years: 239 above 51 years: 77 <p>Promotions awarded for FY 2023 totaled 195 staff out of which:</p> <ul style="list-style-type: none"> Male: 60 Female: 135 <p>Staff with job grades of Vice President and above:</p> <ul style="list-style-type: none"> Male: 12 Female: 17 	<p>The Bank ensures that there is equal opportunity in gender, age and promotional opportunities. Over FY 2023, there was generally a satisfactory balance in the provision of equal opportunity.</p> <p>The 2023 Annual Report includes a dedicated Human Capital Report that provides comprehensive insights</p>
Employee Engagement	<p>An Employee Satisfaction survey published on 6th September 2022 produced the following results:</p> <ul style="list-style-type: none"> Number of respondents: 1,048 (54.97% of white-collar work force) Score: 5.42 on a 7-point Likert Scale (77.43%) <p>In 2022, the Bank has once again been listed under “Best Companies to work in Myanmar – Employee’s Choice” https://www.jobnet.com.mm/bcim, following its previous listing in 2020.</p>	<p>The positive influence of employee satisfaction, as reflected by the good score, contributed to the Bank’s financial performance. In FY 2023, the Net Profit per Employee improved to MMK 12 million per employee compared to MMK 11.6 million (annualised), in FY 2022.</p> <p>A fresh employee satisfaction survey is due to be published in last quarter of 2023.</p>

Employee Turnover Rate (%)	Employee turnover amongst operating staff was 23.6% in FY 2023.	Employee turnover was higher in FY 2023 and it reflected the market as the economy improved and business sought skilled talent. A larger migration of skilled labour out of Myanmar was observed in FY 22 and FY 23 due political turbulence.
Absenteeism Rate (%)	Absenteeism Rate (%): 0.26% (Absenteeism is the unexcused leave measured against the working days in the period)	The absenteeism rate of 0.26% for FY2023 which was a slight decrease compared to 0.29% in the previous financial year, indicating a continued satisfactory employee engagement.
Fatality Rate (%)	0% fatality rate	<p>The fatality rate for FY 2022 was Nil with no deaths reported and within the Bank’s target of zero fatalities.</p> <p>Given that the Bank is in the Service industry and not in an industrial or manufacturing environment, the accident and fatality will be low.</p>
Frequency Rate for Accidents (number)	15 accidents occurred, mainly car accidents. The accidents were reported to be minor. There were no fatal injuries during FY2023.	The Lost Time Injury Frequency Rate (LTIFR) due to accidents FY 2023 was 4.15 (where lost time due to accidents is measured per one million hours worked). Compared to 3.71 in the previous year, both the numbers are low due to the nature of the jobs in the banking industry.
Training (number)	Total man hours of training provided: 60,596 hours. Number of staff who attended training sessions: 1,904	The training hours increased to 60,596 man-hours compared to 35,800 hours in the previous year.
Career Development/ Appraisal (number)	<p>In FY 2023, two (2) performance appraisals were conducted. All confirmed employees of the Bank were appraised.</p> <p>As part of career development and succession, 195 employees were promoted based on their performance over FY 2023.</p>	For the 7th consecutive year, the bank has consistently organised appraisal and career development sessions,

<div>Health & Safety</div>	<p>The Health & Safety Policy was reviewed and made available in our website: (https://www.uab.com.mm/governance/governing-policies/)</p> <p>Each year, the Bank’s Administration Department conducts a comprehensive survey of branch physical maintenance. Based on the survey findings, recommendations are presented to the Management regarding necessary physical improvements. The surveys for FY 2023 have been completed.</p> <p>Several health benefits are made available to employees including:</p> <ul style="list-style-type: none"> • Welfare grant of MMK 100,000 for major surgery • Paid leave of up to 6 months for prolonged illness • 30 days of paid medical leave • Work Life Balance • Maternity leave <p>Further, as a part of our initiative to support work life balance, we offer flexible working hours, sabbatical leaves, extended maternity leaves et al</p>	<p>The frequency and fatality rates for FY 2023 have been provided in the report above and they remain acceptable with no fatal injuries.</p>
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On matters of the Bank’s Directors, the Board Nomination & Remuneration Committee (BNRC) has oversight and is responsible for the following:

- Composition of Board & Board Committees
- Annual Evaluation exercise comprising:
 - Fit and Proper Assessment of the Directors and Senior Management.
 - Reviewing remuneration packages based on the Bank’s existing remuneration guidelines and framework for the Directors, Members of the Board Committees, Senior Officers (SOs)
- Governance matters in relation to the Board and Directors
- Setting of KPIs for MD/CEO
- Directors’ Development Plan

- Macro structure and leadership changes
- 5.2 BE THE CHANGE PROGRAM

Youth Financial Literacy

- Hysan Education student study tour – June 2022
- STI Myanmar University student study tour – December 2022
- FGL Institute student study tour – December 2022
- Gusto University student study tour - March 2023
- Internship for 23 students
- Relationship Banker Trainees

Philanthropic activities

Over the period between 1st April 2022 to 31st March 2023, the Bank made significant contributions with a total sum of **MMK**



434,485,628 for the donations and philanthropic activities through the uab Foundation and “Be the Change Myanmar” program. These programs, encompassing a wide range of charitable endeavours, contributed towards the following:

- Rice and Nourishment Donations **MMK 299,587,020**
- Monastic and Cultural Donations **MMK 10,324,850**
- Senior Citizen Donations **MMK 2,604,000**
- Children and Orphanage Donations **MMK 1,732,500**
- Computer Set Donations **MMK 2,980,000**
- Miscellaneous Donations **MMK 3,728,008**
- Donations to uab foundation **MMK 93,166,075**
- Covid Vaccination for uabians **MMK 17,865,750**
- Blood Donation in Yangon and Mandalay **MMK 2,497,425**



By delivering these philanthropic activities, we aim to make a positive difference in the lives of individuals and communities in need. Much of the effort over the last 3 financial years has been towards fighting the COVID-19 pandemic and the above was on top of the contributions of MMK 216,094,070 made in the previous financial year.

A latest Statement on Donations and Charitable Contributions can be found at: <https://www.uab.com.mm/governance/governing-policies>.

Awards



The Next 100 Global Awards 2023
Retail Banking
Global Banking & Finance Awards®



Best Bank in Myanmar
Global Finance



Best Bank in Myanmar 2022
Euromoney~Awards for Excellence



2022 Pwint Thit Sa 1st amongst
Myanmar banks
Pwint Thit Sa (TiME) Report
published by the Myanmar Centre for
Responsible Business



Best Bank For SMEs Myanmar
2022
Asiamoney Best Bank Awards



Best Domestic Bank Myanmar
2022
Asiamoney Best Bank Awards



Best Bank For ESG Myanmar
2022
Asiamoney BestBank Awards



Best Retail Bank Myanmar
2022
Retail Banker International 2022



Banking Brand of the Year Myanmar
2022
Global Banking and Finance Awards



Banking CEO of the Year Myanmar
2022
Global Banking and Finance Awards



Best Retail Bank Myanmar
2022
Global Banking and Finance Awards



Best Investment Bank Myanmar
2022
Global Banking and Finance Awards



Best Investment Banking CEO
Myanmar 2022
Global Banking and Finance Awards



Banking CFO of the Year Myanmar
2022
Global Banking and Finance Awards

Fact Book & Data Overview



Category	Area Covered	Unit	FY 2020 Data (30 th Sep 2020)	FY 2021 Data (30 th Sep 2021)	FY 2022 Data (31 st Mar 2022)	FY 2023 Data (31 st Mar 2023)
People	Headcount	Number	1,835	1,721	1,756	1,904
	Number of female employees	Number	964	889	921	1,046
	Number of male employees	Number	871	833	835	858
	Female:Male ratio	Ratio	53:47	52:48	52:48	55:45
	Number of employees between 18-30	Number	846	731	746	905
	Number of employees between 31-40	Number	657	670	698	683
	Number of employees between 41-50	Number	259	246	235	239
	Number of employees above 51	Number	73	74	77	77
	Percentage of 18-30 years old in the total number of employees	Percent- age	46%	42%	42%	47%
	Percentage of 31-40 years old in the total number of employees	Percent- age	36%	39%	40%	36%
	Percentage of 41-50 years old in the total number of employees	Percent- age	14%	14%	13%	13%
	Percentage of 51 years old and above in the total number of employees	Percent- age	4%	4%	4%	4%
	Number of female employees in Se- nior Mangagement positions	Number	17	15	14	17
	Number of male employees in Senior Mangagement positions	Number	15	11	11	12
	Number of employees trained	Number	1,800	1,722	1,756	1,904
	Number of training hours	Number	13,157	22,176	35,774	60,596
	Number of people promoted	Number	312	220	192	195
	Number of female employees pro- moted	Number	213	132	118	135
	Number of male employees promoted	Number	99	88	74	60
	Number of employees transferred for upskilling	Number	359	400	223	343
	Turnover rate (All Staff)	Percent- age	13%	17%	19.7%	23.6%
	Turnover rate of Operational staff (exclude Driver, Cleaner, Security)	Percent- age	10.9%	13.4%	15.8%	14.8%
	Absenteeism rate	Percent- age	0.23%	0.23%	0.29%	0.26%
	Number of people with disability	Number	1	1	1	0
	Number of accidents	Number	20	7	6	15
	Fatality rate	Percent- age	Nil	Nil	Nil	Nil
	LTI Frequency rate (LTIFR)	LTI per million manhours	2.68	2.27	3.71	4.15

Fact Book & Data Overview



Category	Area Covered	Unit	FY 2020 Data (30 th Sep 2020)	FY 2021 Data (30 th Sep 2021)	FY 2022 Data (31 st Mar 2022)	FY 2023 Data (31 st Mar 2023)
Society	Donations	MMK	170.3 million	124.2 million	91.9 million	434.4 million
	Tax	MMK	4.5 billion	4.9 billion	3.2 billion	5.4 billion
	Number of philanthropic causes supported	Number	7	5	4	9
	Number of cases of disciplinary actions taken from complaints and infringement of the Code of Ethics and other Bank Policies	Number	43	8	11	33
Environ- ment	Water	MMK	4.2 million	2 million	1.6 million	5 million
	Paper	MMK	42 million	23 million	7 million	36 million
	Electricity energy	MMK	343.6 milion	290.6 million	144 million	323 million
	Petrol energy	MMK	183.8 million	193.8 million	257.7 million	1,022 milion
	Carbon	metric tons	1,880	1,266	754	1,636

DATE OF MOST RECENT REPORT

This is our third Sustainability Report and covers the financial year 2023.

REPORTING CYCLE

The Bank will continue reporting on an annual basis.

CONTACT POINT FOR QUESTIONS REGARDING THE REPORT

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CLAIMS OF REPORTING IN ACCORDANCE WITH THE GRI STANDARDS

This report is assembled in accordance with the Global Reporting Initiatives (GRI) Standards. We adhere to the GRI principles in defining the report content as follows:

- Stakeholder inclusiveness
- Sustainability context
- Materiality
- Completeness

Our series of sustainability reports aligned with the Sustainability Accounting Standards Board (SASB) for commercial banks. Our report is prepared in accordance with the GRI, SASB and AA1000 due to the global acceptance of these standards, which allow for comparability against global and local peers, verifiability of the contents and the communicating of relevant information to stakeholders on the Bank's mid and long-term ESG directions and targets.

To ensure we prioritise the issues that have the most impact on the economy, society and the environment, and at the same time, that are in the most interest of all our stakeholders, we conducted the first formal materiality analysis in September 2019. The assessment reviewed our practices and processes against external benchmarks such as AA1000 Stakeholder Engagement Standards and the

Global Reporting Initiative (GRI) Framework. The assessment is intended to help us channel our ESG efforts and improve our process. We understand the importance of continuous dialogue with all stakeholders amplifies for any organisation aiming to be responsible and sustainable. We value open dialogue with stakeholders even if expectations and interest of

our stakeholders sometimes are in conflict. We try to resolve the differences fairly and win the acceptance of our actions. We engaged with stakeholders throughout 2019 for feedback.

EXTERNAL ASSURANCE

The Sustainability Report 2023 has not been externally assured.

GRI Content Index

GRI CONTENT INDEX 2023					
GRI Standards	Disclosure Title	Sustainability Report 2023 Page	Annual Report 2023 Page	Contribution to Relevant SDGs	Omission
GRI 1: Foundation 2021					
1-1	Reporting principles	1, 19, 34–35, 49–50	119	SDG 17	
1-8	Using the GRI standards for sustainability reporting	19, 21, 29, 49–50	119		
1-5	Making claims related to the use of the GRI standards	19, 21, 29, 49–50	119		
GRI 2: General Disclosures 2021					
The Organization and Reporting Practices					
2-1: Organization Details					
2-1-a	Legal name	11	123		
2-1-b	Nature of ownership and legal form	12	123–124		
2-1-c	Location of headquarters	12	123		
2-1-d	Countries of operation	12	123		
2-2: Entities Included in the Organization's Sustainability Reporting					
2-2-a	List of entities included in its sustainability reporting	1	101		
2-2-b	Specification of differences between the list of entities included in financial reporting and the list included in sustainability reporting	1, 7–11	10		
2-2-c	Approach used for consolidating the information	19–30	101–120		
2-3: Reporting Period, Frequency and Contact Point					
2-3-a	Reporting period and frequency for sustainability reporting	1, 49	–		
2-3-b	Reporting period for financial reporting	1	–		
2-3-c	Publication date of the report or reported information	1	–		
2-3-d	Contact point	49	–		
2-4: Restatements of Information					
2-4-a	Restatements of information	–	–		
2-5: External Assurance					
2-5-a	Policy and practice for external assurance	50	131–132		

GRI Content Index

2-5-b	External assurance	50	131-132		Sustainability Report 2023 has not been externally assured.
Activities and Workers					
2-6: Activities, Value Chain and Other Business Relationships					
2-6-a	Sectors	11-14	13-18	SDG 9	
2-6-b	Value Chain	11-14	18, 13-36		
2-6-c	Other relevant business relationships	11-14	29-30		
2-6-d	Significant changes compared to the previous reporting period	16-17	19-36		
2-7: Employees					
2-7-a	Total number of employees	15, 42-45, 48	94-95	SDG 8	
2-7-b	Total number of: Permanent employees, temporary employees, non-guaranteed hours employees, full-time employees, part-time employees	15, 42-45, 48	110, 119		
2-7-c	Methodologies and assumptions used to compile the data	15, 42-45, 48	93-97		
2-7-d	Contextual information for reported data	15, 41-45, 48	1		
2-7-e	Significant fluctuations in the number of employees during the reporting period and between reporting periods	15, 42-45, 48	110, 119		
2-8: Workers Who Are Not Employees					
2-8-a	Total number of workers who are not employees	15, 48	110, 119		
2-8-b	Methodologies and assumptions used to compile the data	15, 48	93-97		
2-8-c	Significant fluctuations in the numbers of workers who are not employees during the reporting period and between reporting periods	15, 48	110, 119		
Governance					
2-9	Governance structure and composition	5, 31-33	63-72	SDG 16	
2-10	Nomination and selection of the highest governance body	31-33	63-69		
2-11	Chair of the highest governance body	31-33	66		
2-12	Role of the highest governance body in overseeing the management of impacts	31-34	65-69		
2-13	Delegation of responsibility for managing impacts	31-34	65-72		
2-14	Role of the highest governance body in sustainability reporting	5, 19-20, 31-33	65-69		
2-15	Conflicts of interest	19, 34	70		
2-16	Communication of critical concerns	34-35	72, 83		
2-17	Collective knowledge of the highest governance body	31-33	63-72, 47-52		
2-18	Evaluation of the performance of the highest governance body	31-34, 45	63-69		
2-19	Remuneration policies	34, 44	96-97		
2-20	Process to determine remuneration	41	96-97		
2-21	Annual total compensation ratio	41	167-168, 177		

Strategy, Policies and Practices					
2-22	Statement on sustainable development strategy	5, 19	101	SDG 8, SDG 9	
2-23	Policy commitments	19-20, 34	102		
2-24	Embedding policy commitments	19-20, 34	105		
2-25	Processes to remediate negative impacts	34-35	103-104, 117		
2-26	Mechanisms for seeking advice and raising concerns	34-35	102-104		
2-27	Compliance with laws and regulations	19-20, 34	116-118,	SDG 16	
2-28	Membership associations	18	-	SDG 17	
Stakeholder Engagement					
2-29	Approach to stakeholder engagement	21-24	102-103	SDG 8	
2-30	Collective bargaining agreements	23	102-103		
GRI 3: Material Topics 2021					
Economic					
GRI 201: Economic Performance 2016					
3-3	Management of material topics	6, 23-25	39-44	SDG 8, SDG 11	
201-1	Direct economic value generated and distributed	7, 9, 27-30	12, 19-20		
201-2	Financial implications and other risks and opportunities due to climate change	5, 25, 36	112-114		
201-3	Defined benefit plan obligations and other retirement plans	41			
201-4	Financial assistance received from government	22			
GRI 203: Indirect Economic Impacts 2016					
3-3	Management of material topics	43-46	39-44	SDG 3, SDG 4	
203-1	Infrastructure investments and services supported	43-46	101-116		
203-2	Significant indirect economic impacts	14, 43-46	101-116		
GRI 207: Tax 2019					
3-3	Management of material topics	30	147-148	SDG 16	
207-1	Approach to tax	30	147-148, 179		
207-2	Tax governance, control, and risk management	30	147-148		
207-3	Stakeholder engagement and management of concerns related to tax	30	102-104		
207-4	Country-by-country reporting	30	-		

GRI Content Index

Environmental					
GRI 302: Energy 2016					
3-3	Management of material topics	36	104, 113	SDG 7, SDG 13, SDG 11	
302-1	Energy consumption within the organization	37, 39-40	109, 112-114		
302-2	Energy consumption outside of the organization	37, 39-40	109		
302-3	Energy intensity	37, 39-40	109		
302-4	Reduction of energy consumption	39-40	109, 116		
302-5	Reductions in energy requirements of products and services	37	109, 116		
Social					
GRI 401: Employment 2016					
3-3	Management of material topics	15, 41	93-97	SDG 8	
401-1	New employee hires and employee turnover	43-45	110, 119-120		
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	41, 43-45	93-97		
401-3	Parental leave	45	111		
GRI 404: Training and Education 2016					
3-3	Management of material topics	15	7, 41, 93-97	SDG 9	
404-1	Average hours of training per year per employee	6, 9, 15, 29, 34, 41, 44, 48	96, 107, 111, 120		
404-2	Programs for upgrading employee skills and transition assistance programs	9, 15, 29, 34, 41, 44, 48	93-97, 120		
404-3	Percentage of employees receiving regular performance and career development reviews	9, 15, 29, 34, 41, 44, 48	96-97		
GRI 405: Diversity and Equal Opportunity 2016					
3-3	Management of material topics	24-25, 34, 41-43	94, 97, 104	SDG 5, SDG 10, SDG 11	
405-1	Diversity of governance bodies and employees	31, 41-43	65-68		
405-2	Ratio of basic salary and remuneration of women to men	43	97		

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We have included the disclosures below related to Commercial Banks. All data enumerated in this index relates to the operations of Head Office and branches all around Myanmar between 1st April 2022 and 31st March 2023.

TOPIC	ACCOUNTING METRIC	CATEGORY	CODE	UNIT OF MEASURE	RESPONSE
Data Security	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected	Quantitative	FN-CB- 230a.1	Number, Percentage (%)	Direct Response: (1) None (2) Not Applicable (3) Not Applicable
	Description of approach to identifying and addressing data security risks	Discussion and Analysis	FN-CB-230a.2	n/a	Direct Response: Statement on Privacy
Financial Inclusion & Capacity Building	(1) Number and (2) amount of loans outstanding qualified to programs designed to promote small business and community development	Quantitative	FN-CB-240a.1	Number, Reporting currency	Direct Response: (1) 1,286 (2) As of 31st March 2023, the bank had MMK 139.86 billion outstanding in the SME category.
	(1) Number and (2) amount of past due and nonaccrual loans qualified to programs designed to promote small business and community development	Quantitative	FN-CB-240a.2	Number, Reporting currency	Direct Response: (1) 57 (2) As of 31st March 2023, MMK 7.541 billion is past due and nonaccrual in the SME category.
	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	Quantitative	FN-CB-240a.3	Number	Direct response: 72,000. The above-mentioned figures are for checking accounts only and do not include other categories of the accounts.
	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	Quantitative	FN-CB-240a.4	Number	Direct Response: In the Financial Year ending 31st March 2023, 30,015 individuals participated in financial literacy initiatives for unbanked, underbanked, or underserved customers.

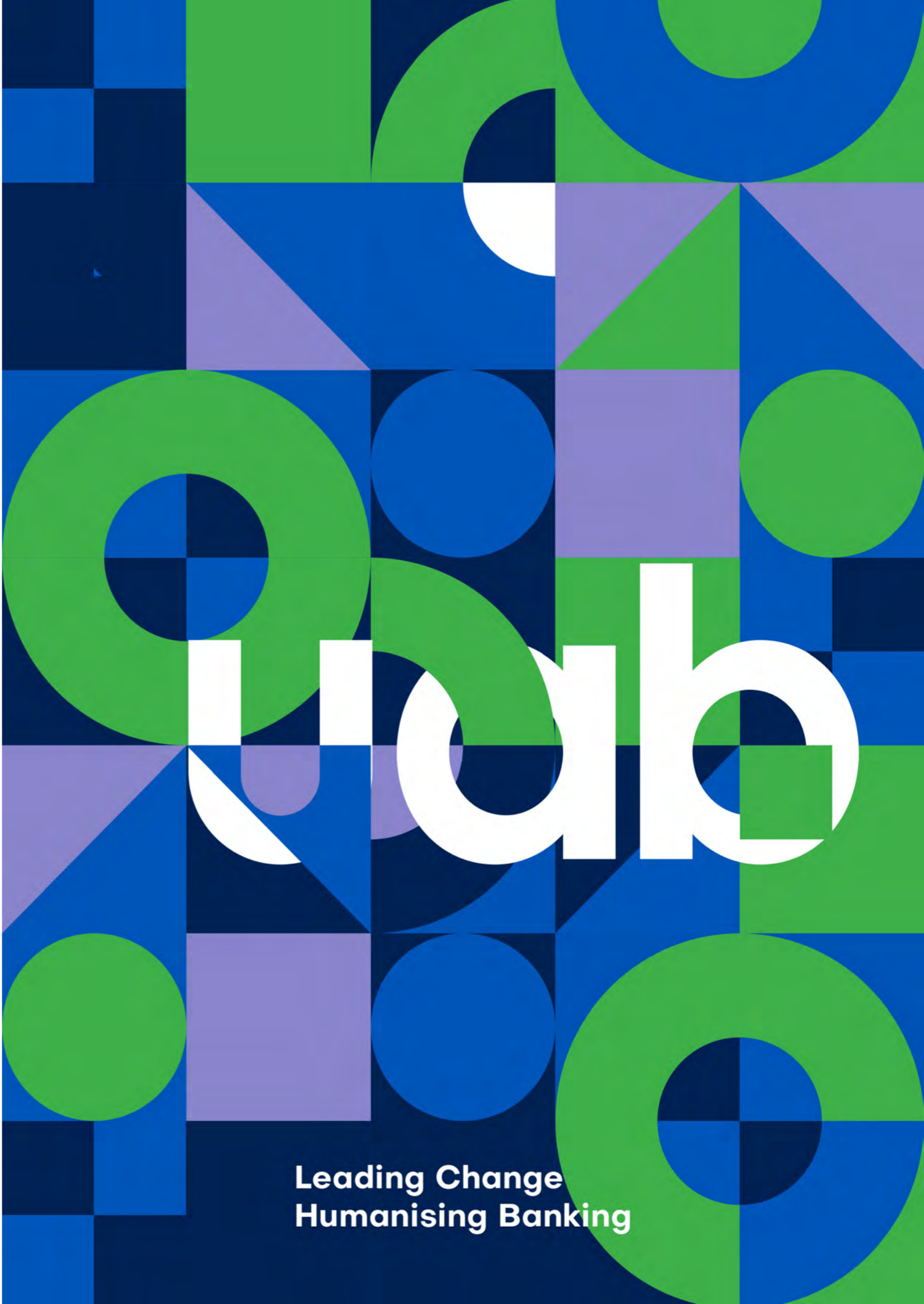
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Incorporation of Environmental, Social, and Governance Factors in Credit Analysis	Commercial and industrial credit exposure, by industry	Quantitative	FN-CB-410a.1	Reporting currency	Direct Response: Credit Exposure from Commercial Loans and Lending Commitments by Sector:	
					Sector	%
					Agricultural	0.2%
					Livestock	0.5%
					Manufacturing	11.8%
					Trading	43.9%
					Transportation	1.4%
					Construction	11.5%
					Service	16.9%
					Housing loan	4.9%
					Pledge	4.4%
					Hire purchase	0.3%
					Staff loan	0.1%
					General	3.9%
					Interbank	0.0%
					Credit cards	0.2%
					Total	100.0%
	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	Discussion and Analysis	FN-CB-410a.2	n/a	Direct Response: An exclusion list has been implemented bank-wide, which lists sectors that do not fit into the Bank's profile. List available on the website at: https://www.uab.com.mm/esg	

Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	Quantitative	FN-CB-510a.1	Reporting currency	Direct Response: The Bank encountered a total of 7 internal fraud incidents involving business ethics for the Financial Year ending 31st March 2023, and endured a total loss amount of MMK 190 million.
	Description of whistleblower policies and procedures	Discussion and Analysis	FN-CB-510a.2	n/a	Direct Response: Whistle-blower Protection Policy https://bit.ly/uabWhistleblowerProtectionPolicy
Systemic Risk Management	Global Systemically Important Bank (G-SIB) score, by category	Quantitative	FN-CB-550a.1	Basis points (bps)	Direct Response: The Bank has not calculated its GSIB score due to: i. Smaller size ii. Lack of interconnectedness, complexity, and cross jurisdictional activity among others
	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	Discussion and Analysis	FN-CB-550a.2	n/a	Direct Response: We carry internal voluntary stress tests and capital plans and other strategies/activities are designed to ensure that capital planning process and activities will permit continued operations during the times of economic and financial stress.

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ACTIVITY METRIC	CATEGORY	CODE	UNIT OF MEASURE	RESPONSE
(1) Number and (2) Value of checking and savings accounts by segment: a. Personal and b. Small business	Quantitative	FN-CB-000.A	Number, Reporting currency	Direct Response: (1) Number: • Personal: 705,185 • Small business: 22,260 (2) Value in MMK billion: • Personal: 580 • Small business: 219
(1) Number and (2) value of loans by segment: a. Personal, b. Small business, and c. Corporate	Quantitative	FN-CB-000.B	Number, Reporting currency	Direct Response: (1) Number: • Personal: 6,084 • Small business: 1,286 • Corporate: 612 (2) Value in MMK billion: • Personal: 108.3 • Small business: 139.86 • Corporate: 1,348.36



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