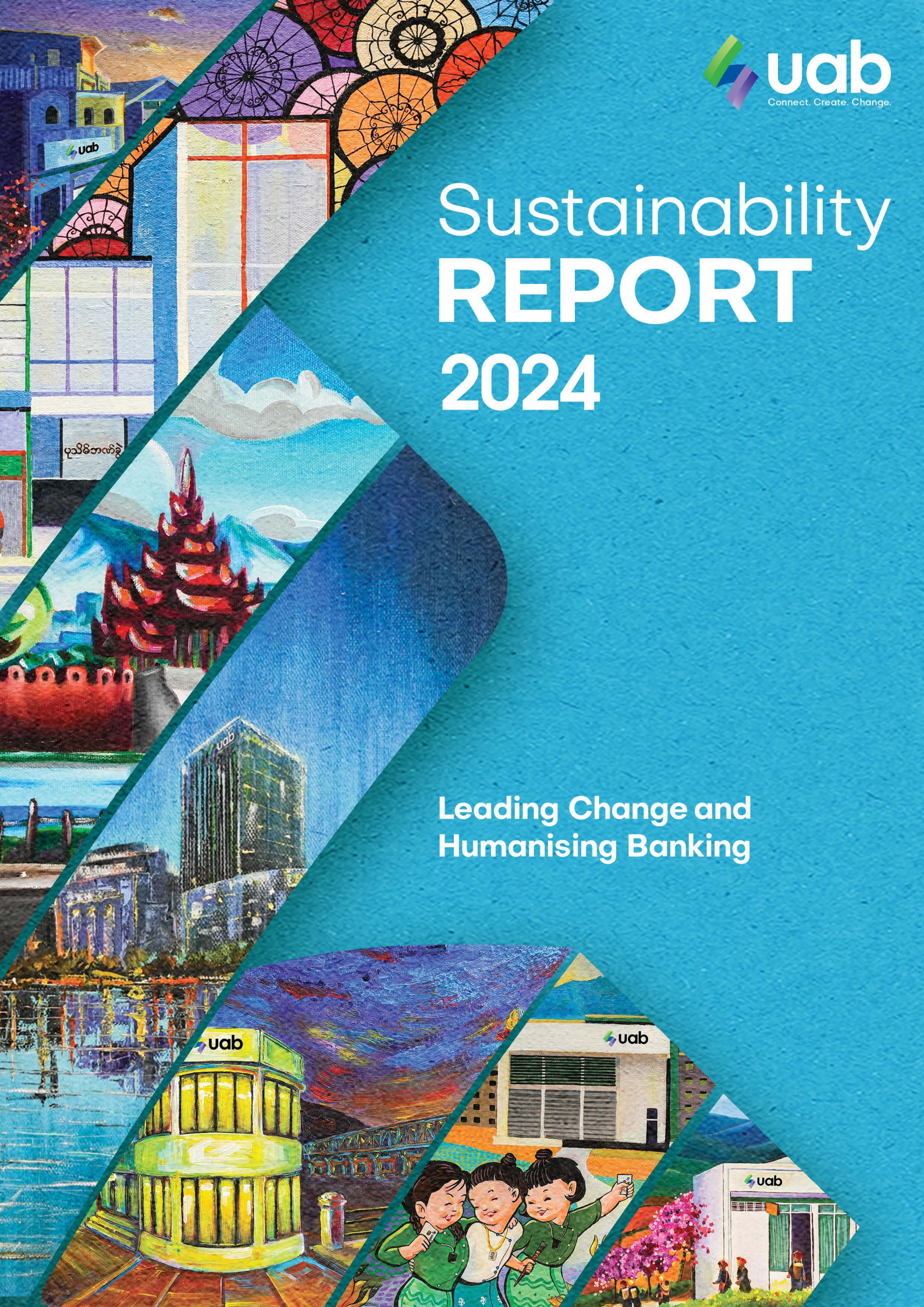


Sustainability **REPORT** 2024

Leading Change and
Humanising Banking



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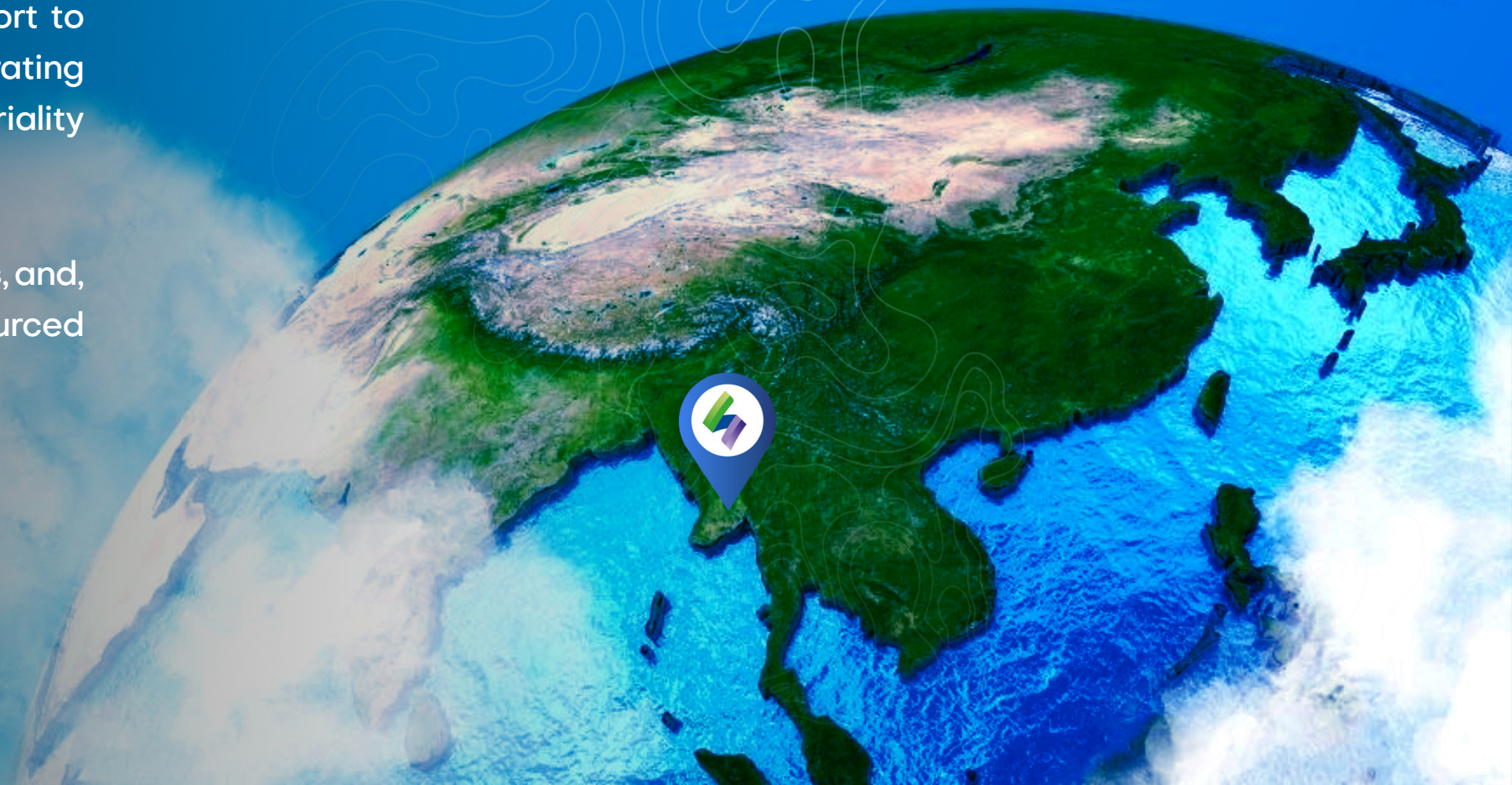


ABOUT THIS REPORT


The Sustainability Report 2024 presents a detailed account of the Bank's sustainability strategy, methodologies, initiatives, and performance outcomes for the year. Emphasising its commitment to sustainability leadership, this year, the Bank continued its Economic, Social, and Governance (ESG) efforts to specifically address environmental performance and climate-related issues. In alignment with best practices in sustainability reporting, Sustainability Report 2024 concentrates on the Bank's ESG impacts, while providing an in-depth analysis of environmental metrics, including climate change considerations.

Stakeholders are encouraged to review this Sustainability Report to gain a comprehensive understanding of our approach to integrating sustainability within its strategic and operational materiality assessment framework.

This report covers the activities of uab bank Limited, uab securities, and, uab Foundation. Unless otherwise specified, it excludes outsourced operations or joint ventures.




KEY HIGHLIGHTS OF THE REPORT




Support for Agriculture

15.3% of the loans portfolio was dedicated to the Agri and Agri-related sector.




UN Sustainability Goals

MMK 920.6 billion has been allocated to financing projects aligned with the United Nations Sustainable Development Goals (SDGs), including clean energy, home financing, and SME financing




Digital Transformation

Achieved 1,000,000 digital wallet users as part of the sustainable digital transformation initiative.




Financial Inclusion

Reached 18,000 individuals through financial inclusion programs.




Expansion of Financial Infrastructure

Opened 6 new branches across the nation.




Corporate Social Responsibility (CSR):

Contributed MMK 500 million towards CSR activities.




Training and Development:

- 60,914 man-hours invested in training over 2,000 employees
- Additional training provided to 105 trainees, 71 interns, and 278 college students.



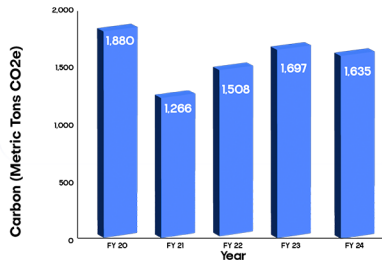
Gender Equality and Employment Opportunities

- Total of 2,074 employees, with 56% of the workforce being female.
- 65% of the management cadre composed of female staff.
- Promotions to 245 employees for career advancements and succession planning



Carbon footprint

CO2e per employee reduced to 0.817 Metric Tons in FY 2024 compared to previous year

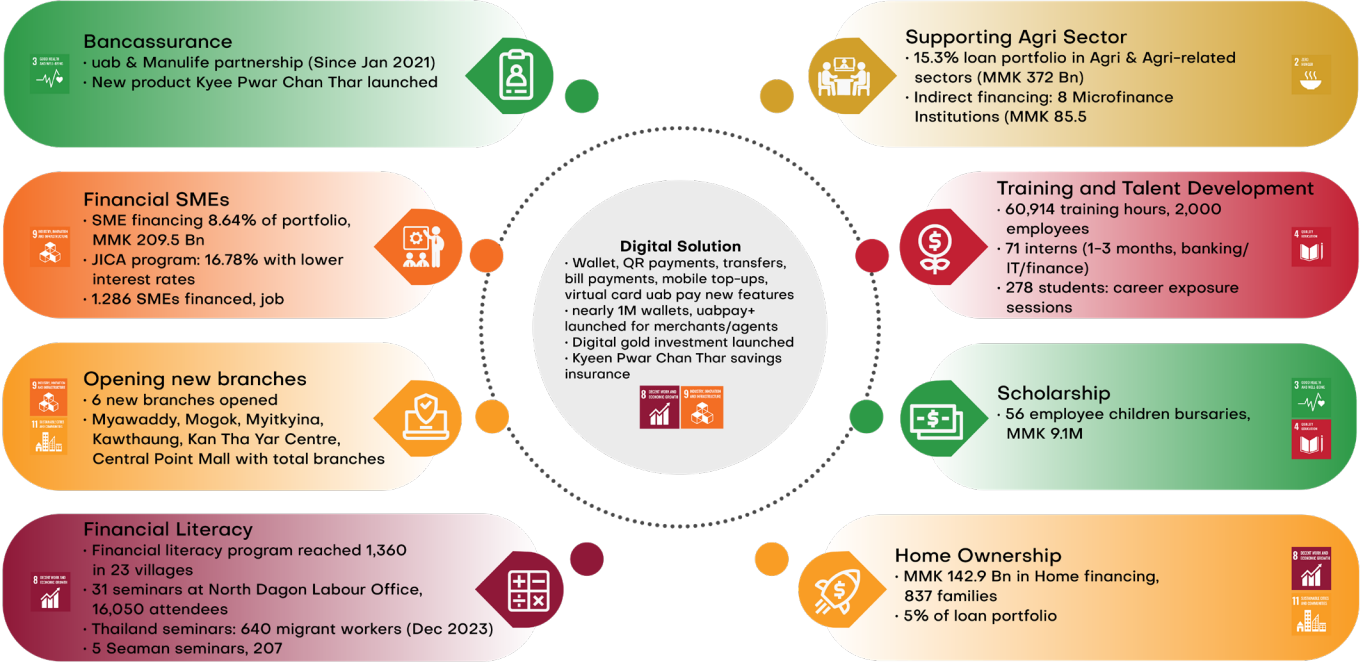


Year	Carbon (Metric Tons CO2e)
FY 20	1,880
FY 21	1,266
FY 22	1,508
FY 23	1,697
FY 24	1,635

AWARDS



SDGs Target Achievements



Category	Loan Amount (MMK)	SDG Contributions
Solar	19,876.2 million	SDG 7: Affordable and clean energy
Electric Vehicle	4,230.0 million	
Education	24,346.0 million	SDG 4: Quality education
Healthcare	38,716.5 million	SDG 3: Good health and well-being
Home Financing	137,464.8 million	SDG 11: Sustainable cities and communities
SME	209,586.6 million	SDG 8: Decent work and economic growth
Infrastructure	114,019.8 million	SDG 9: Industry, innovation and infrastructure
Agriculture	372,317.1 million	SDG 2: Zero Hunger
		SDG 3: Good health and well-being
Total Financing	920,557.2 million	

INTRODUCTION

ABOUT US

uab bank stands as a leading financial institution in Myanmar, celebrated for its innovative transformation and forward-thinking leadership in the country's dynamic banking landscape. Our commitment to excellence has earned us prestigious recognition, including being named Myanmar's Best Bank by Euromoney in 2019, 2020 and 2022. Global Finance has also honoured us as the Best Bank in Myanmar for 2021, 2023 and 2024. Adding to our accolades, we received the Excellence Award for Sustainable Finance at the ESGBusiness Awards in 2024.

Our achievements go beyond international acclaim. Domestically, uab bank has secured 1st and 2nd place rankings in the Pwint Thit Sa Report (2020 and 2022), published by the Myanmar Centre for Responsible Business. In 2023, we were named one of Myanmar's Best Companies to Work for, chosen by employees in JobNet's Employees' Choice Awards.



BOARD STATEMENT

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

ORGANISATION PROFILE

1.0 WHO WE ARE

1.1 PRODUCTS, BRANDS AND OPERATIONS

Since commencing operations on August 15, 2010 the Bank has developed an extensive network encompassing over 84 branches across 54 townships, delivering a broad range of financial services to clients nationwide. The Bank's operational model is structured around six distinct business segments: Retail and SME Banking, Corporate Banking, Treasury and Financial Institutions, Trade Finance, Securities Trading, and Investment Banking. Each of these segments plays a pivotal role in catering to the diverse financial needs of its customer base, while contributing to the Bank's overarching strategic objectives in the financial services industry.

Services are made available through the Bank's branches, agents, ATMs and digital services.

The Bank's digital services to its Customers are provided through the following platforms:

- uab pay – mobile banking & digital mobile wallet
- uab pay+ – digital payment application for agents and merchants



ORGANISATION PROFILE

1.1.1 PRODUCTS

Our product portfolio reaches a diverse range of customer segments, addressing the needs of clients through both physical branches and digital platforms. This comprehensive approach ensures that the Bank effectively meets the evolving demands of its customers, leveraging both traditional and innovative service delivery channels.

<p>Deposit Products</p> <ul style="list-style-type: none"> • 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 	<p>Loan Products</p> <ul style="list-style-type: none"> • 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
<p>Card Products</p> <ul style="list-style-type: none"> • Credit cards – Visa • Prepaid cards – Visa • Debit cards – UPI & Myanmar Payment Union • Gift cards – Visa 	<p>Bancassurance</p> <ul style="list-style-type: none"> • Life insurance • Education Life • Credit Life • General Insurance
<p>Trade & Foreign Exchange</p> <ul style="list-style-type: none"> • Import & Export financing & services • International Remittance – through SWIFT • Worker remittance- Western Union, RIA & Krung Thai Bank • Foreign Currency service – under Dealer’s Licence approved by Central Bank of Myanmar 	<p>Digital services</p> <ul style="list-style-type: none"> • uabpay • uabpay+ • uab online banking • uab gold investments • e-commerce
<p>Other services</p> <ul style="list-style-type: none"> • Investment Banking & Securities Trading – through uab securities Limited • Safe Deposit Box services • uab merchandise and personalised gift cards 	

Superapp
an app that meets all your needs



1.1.2 BRAND

uab bank Limited is a leading financial institution in Myanmar, recognised for its transformative role and leadership within the country's banking sector. Since its inception, the Bank has been acknowledged for its substantial contributions as a responsible corporate entity, with a focus on generating a long-term positive impact on sustainability. The Bank is committed to adhering to regional, national, and international environmental and social standards that govern its operations and services. The institution prioritises the welfare and prosperity of its customers, employees, and the broader communities it serves. Central to uab bank's corporate philosophy is the creation of positive social impact, which is deeply embedded in its approach to responsible corporate citizenship and aligns with its commitment to sustainable development.

A desire to
connect.

The passion to
create.

The courage to lead
change

Our Values

A desire to connect

We believe in the power of building strong and meaningful relationships, connecting with fellow uabians, our customers and the community we are in. We strive for success that is inclusive through teamwork and collaboration, valuing each other's contribution and opinions.

A passion to create

We value creativity that constantly seeks practical ways to bring improvements, solve problems and simplify banking. We look to innovate and redefine banking in Myanmar, generating new ideas and opportunities for the market and our customers.

The courage to lead change

We have the courage to lead change, recognising that change is disruptive yet necessary. We want people who will stand up to their ideas, look forward to the future and challenge the present. We believe in a performance driven culture, yet always having in mind the importance of integrity, stewardship and building a sustainable future for our people and our country.

1.1.3 OUR PURPOSE

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

- 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 staff and our customers.
- We are the change that will empower the communities around us, and together enrich the lives of those we touch.



1.1.4 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 84 branches, agents, ATMs and digital services which allow Customers a 24/7 reach.

Headquarter Location

uab Tower @ Times City, Kyun Taw Road, Kamayut Township, Yangon 11041, Myanmar.

Phone : +95 14 70 7000
Contact Center : +95 99 4000 5000
Email : info@uab.com.mm
Website : www.uab.com.mm

Registered Address

Bank Development Zone
No (3), Corner of Kyaing Tone Road and Mawlamyaing Road, Oaktaya Thiri Township, Nay Pyi Taw.

Ownership

uab bank Limited is a privately owned bank with ownership structure:

	Name of Shareholder	Ownership	Beneficial Owner
1	Capital Link Investment Company Limited	40 %	Daw Aye Aye Swe
2	Future Growth Investment Company Limited	60 %	U Myo Aung

- The Directors have neither any direct nor indirect shareholding in the Bank.
- There is no direct or indirect shareholding by members of Management of the Bank.

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)

Board Highlights
<ul style="list-style-type: none">• 3 out of its 5 members are independent• 4 out of its 5 members are non-executive• Separation of functions of Chairman and MD & CEO• Independent Chairman
Chairman
Our Non-executive and Independent Chairman provides visionary leadership, guiding the Board's composition and development while ensuring its focus remains on key strategic priorities. He plays a critical role in enhancing communication with shareholders, facilitating sound decision-making, and fostering a collaborative and cohesive Board culture. His independent oversight ensures that the Board is consistently aligned with the organisation's long-term goals, promoting governance excellence and driving sustainable growth.
Board of Directors
<ul style="list-style-type: none">• U Nay Aye (Independent Chairman)• U Thant Zin• U Tint Thwin• U Thant Zin• Mr. Christopher Loh (Managing Director & CEO)
In its role, the Board of uab provides strategic leadership, setting a clear direction that ensures long-term success and creates sustainable value for stakeholders. It oversees the Group's operations by carefully evaluating and approving key strategies and significant policies. In its governance role, the Board identifies major risks and ensures that robust internal controls and risk mitigation measures are in place.
The Board also oversees the development of critical frameworks, including Communications, Policy, Governance, and the Internal Control System, ensuring they remain effective and resilient as the Group grows in size, complexity, and scope. Additionally, the Board is responsible for leading the development and implementation of a comprehensive sustainability framework that aligns with the Group's strategic objectives and long-term goals.
Independent Non-Executive Directors
The Independent Non-executive Directors play a crucial advisory role to the Chairman, providing independent oversight and offering critical evaluations of management's performance. They exercise independent judgement in reviewing and deliberating on matters brought before the Board and its Committees, ensuring decisions are thoroughly scrutinised from diverse perspectives.
Our Chairman is fully independent, with no familial or other close ties to our CEO. Additionally, the majority of our Directors are independent. As a result, the Board has determined that a lead independent director is not required. However, if the need arises, our Nomination and Remuneration Committee Chairman is prepared to assume this role on a case-by-case basis.
Managing Director & CEO
The CEO, leads the management team in executing the Bank's overall strategy, fostering a highly collaborative and productive relationship with the Chairman and the Board of Directors. While holding ultimate accountability for decision-making, he manages day-to-day operations, identifies new business opportunities, and ensures that the Bank's internal controls and risk management systems remain relevant, robust, and effective.

Auditors

- U Hla Tun & Associates

Senior Management

- Mr. Christopher Loh (Managing Director & Chief Executive Officer)
- Daw Kyawt Kay Khaing (Deputy Chief Executive Officer)
- Mr. George Koshy (Head of Credit & Risk Management)
- Mr. Mahesh Bhandari (Head of Global Markets)
- 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)



1.1.5 FINANCIAL HIGHLIGHTS

The Bank maintained its strong financial performance, emphasising on Balance Sheet resilience to ensure long-term sustainability for its stakeholders.

uab Bank Group	2020	2021	2022*	2023	2024	CAGR
Key Income Statement Items (MMK'mil)						
Operating Income	54,696	72,451	92,384	93,485	121,854	22.2%
Operating Expense	28,234	27,165	28,298	38,247	52,207	16.6%
Operating Profit ^{N1}	26,461	45,286	64,086	55,238	69,647	27.4%
Profit After Tax	15,589	9,112	20,426	22,778	39,356	26.1%
Key Balance Sheet Items (MMK'mil)						
Customer Loan	820,522	920,857	1,046,399	1,579,353	2,387,990	30.6%
Customer Deposit	1,118,886	1,191,507	1,445,279	2,104,379	3,082,705	28.8%
Total Asset	1,466,457	1,650,503	1,901,872	3,031,002	4,429,942	31.8%
Shareholders' Equity	107,834	116,173	127,129	149,904	189,261	15.1%
Key Financial Indicators (%)						
Cost to Income Ratio (CIR)	51.6%	37.5%	30.6%	40.9%	42.8%	-4.6%
Gross Non-performing Loan Ratio (NPL)	5.5%	8.6%	8.6%	6.6%	4.1%	-7.0%
Nett Non-performing Loan Ratio (NPL)	2.9%	2.6%	1.4%	0.0%	0.0%	-100.0%
Loan Loss Coverage (LLC)	47.4%	70.2%	83.3%	100.6%	119.4%	26.0%
Return on Average Equity (ROAE)	15.6%	8.1%	16.8%	16.4%	23.2%	10.5%
Return on Average Assets (ROAA)	0.8%	0.4%	0.8%	0.7%	0.8%	-1.8%
Capital Adequacy Ratio (CAR)						
Tier 1 CAR	9.2%	9.1%	10.4%	8.0%	6.7%	-7.6%
Total CAR	10.5%	10.3%	11.6%	9.3%	8.3%	-5.7%
Liquidity Ratio	31.4%	31.1%	37.8%	42.1%	45.6%	9.8%

* 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

A full set of Audited Financial Statements and Annual Report is available at <https://www.uab.com.mm/mm/>.

2.0 WHAT WE DO

2.1 MARKETS SERVED

The Bank offers a comprehensive suite of financial products and services to a diverse range of markets, encompassing individuals, small and medium enterprises (SMEs), and corporate clients across various sectors, including trade, real estate, construction, energy, hospitality, and telecommunications within Myanmar. Committed to delivering value across all stakeholder groups—customers, shareholders, employees, business partners, suppliers, regulators, and the wider community—the Bank seeks to enhance its contributions toward the sustainable development of Myanmar. Through its operations, the Bank aligns its efforts with long-term socio-economic growth, ensuring a balanced approach to stakeholder engagement and value creation.

2.1.1 FAIR DEALS

The Bank's fair dealing approach forms the cornerstone of our business, establishing a foundation upon which customer trust is built. Our customers rely on us to prioritise their interests in every transaction and interaction. At uab, we have adopted a customer-centric approach to continuously refine the delivery of our products and services, guided by a steadfast commitment to integrity. This approach is fundamental to sustaining our customer's trust and confidence in our organisation.

To cultivate a culture of fair dealing within our workforce, we prioritise transparency and ethical standards in our customer relationships. This commitment is achieved through the following key practices:

- Integrating fair dealing principles within our client rights charter
- Consistently achieving fair dealing outcomes

- Empowering employees to provide a superior customer experience.

By embedding these principles, the Bank upholds a practice that not only supports transparent business practices but also strengthens our long-term commitment to ethical operations.

2.2 ORGANISATION STRATEGIC CHANGES AND DEVELOPMENTS

The Bank has implemented substantial strategic changes with a focus on prioritising our customers, employees, and the broader community. Our approach to value creation is structured around key Business Pillars, including:

- Retail and SME Banking
- Wholesale Banking
- Investment Banking
- Bancassurance
- Fintech and Digital Banking

2.2.1 RETAIL AND SME BANKING

In our Retail Banking, 6 (six) new branches were inaugurated in FY 2024 to extend our physical presence and enhance our retail reach across Myanmar. These branches are located in:

- Myawaddy (Kayin State)
- Mogok (Mandalay Division)
- Myitkyina (Kachin Division)
- Kawthaung (Tanintharyi Division)
- Kan Tha Yar Centre (Yangon)
- Central Point Mall (Mandalay)



WHAT WE DO



2.2.1 RETAIL AND SME BANKING

In pursuit of expanding our Fintech and Digital Banking services, we engaged in collaborations with third-party providers to broaden our digital ecosystem, particularly through partnerships involving **uabpay with Citizens Pay, OK\$, and TrueMoney.**

Since 2020, we have achieved several significant milestones, with key developments in FY 2024 including:

- The launch of **uabpay Version 2.5.4**
- The introduction of the **MAI Xtra pay app** and co-branded card in August 2022
- The rollout of the **uab Marketplace** in September 2023
- The establishment of a **Gold Investment Platform** in March 2023
- The launch of **Smart Teller Machines (STM)** in 2024
- The setting up of **“Pay Stores”** concept in townships

These advancements align with our commitment to digital innovation and serve to further solidify the Bank’s role in promoting financial inclusion and economic resilience in Myanmar.

Retail banking is the provision of banking services to the general public and consumers, whilst SME Banking focuses on small and medium sized businesses. Both Consumer and SME segments are clubbed together when we refer to Retail Banking since these are mass market segments covering several million consumers and businesses across the country. Much of the banking services to the Consumer and SME segment is provided through the Bank’s wide network of Branches and electronic facilities services to this segment include the following:

- **Financing facilities** – housing loans, auto

finance, education loan, personal financing, credit cards and JICA 2-Step Loan

- **Deposits** – current account, savings, call accounts and fixed deposits
- **Services** – ATMs, GIRO payment, payroll, mobile and internet banking

Since 2021, amidst the challenges of multiple instability, the Bank has provided loan relief packages to small borrowers. By fiscal year 2024, the business environment showed signs of improvement as many of these borrowers began to rebuild their businesses and resume loan servicing. To further support SMEs, we expanded our financing options to include products such as Supply Chain Financing and SME 2-Step Financing, the latter facilitated in partnership with the Japan International Cooperation Agency (JICA), assisting in the recovery and growth of SMEs.

SMEs serve as key drivers of employment in Myanmar’s economy. During the fiscal year 2024, the Bank provided SME financing amounting to MMK 209,586.6 Million, thereby indirectly supporting job creation and economic development throughout Myanmar. Through this support, we aim to strengthen the SME sector, which plays a pivotal role in fostering sustainable growth and employment opportunities.

2.2.2 INVESTMENT BANKING

Through our subsidiary, uab securities, we offer a complete range of investment banking products and advisory services to corporate and institutional customers:

With securities trading, uab securities introduced the new “uabsc Mobile Trading” application in FY 2024 to promote sustained innovation and reinforce investor security. This platform utilises in-house data storage infrastructure, ensuring

2.0 WHAT WE DO

a higher level of data security and reliability for investors engaging in mobile trading. This initiative represents a strategic effort to enhance accessibility to financial trading resources and empower users with up-to-date knowledge in securities and financial management. By leveraging digital platforms, uab securities aims to foster a more knowledgeable and skilled workforce within the financial sector, aligning with our commitment to innovative educational tools and professional development.

2.2.3 BANCASSURANCE

Bancassurance developed in financial year 2021 grew significantly to offer customer protection in life and general insurance as follows:

	Number of insurance policies	
	FY 2024	FY 2023
Life Insurance	3,321 customers	2,531 customers
General Insurance	4,177 customers	3,566 customers

2.2.4 DIGITAL BANKING

The Bank presently provides banking services through digital channels such as mobile apps, wallets, online platforms, cards, deposit machines and ATMs. This has allowed customers to perform transactions, make payments, check balances, and more without visiting a physical branch.

In FY 2024, the Bank made a pilot roll out of Smart Teller Machines (STM) which will enable the Customer to perform self-service transactions from opening accounts, getting an instant debit card and performing transaction seamlessly with assistance of biometrics.

Moreover, uabpay is designed to offer digital solutions for customers. With continuous development, it provides customers with extensive control over their accounts and access to various services on a single mobile device, enhancing convenience and efficiency. The following features have been developed in the uab pay app:

- 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
- Union Pay virtual card
- uab marketplace
- Gold Investment platform

By 30th March 2024, the number of pay wallets opened had reached almost 1 million.

2.3 CRITERIA OF SUPPLIERS AND CONTRACTORS

Vendor Code of Conduct outlines the Bank's expectations regarding the ethical and operational standards to which all vendors, including subcontractors, must adhere. This Code applies to all entities providing products and/or services to the Bank, and compliance is assessed during the vendor selection process. Prospective vendors are evaluated for their adherence to these standards before being approved to supply goods or services. The Bank has circulated this Code to all vendors, underscoring our commitment to ethical business practices.

Our **Basic Procurement Guidelines** establish clear procedures for the selection of vendors when issuing purchase orders, providing the Management with assurances that each procurement decision has been made with due diligence. These guidelines emphasise local sourcing, with a particular focus on supporting small and medium enterprises (SMEs). As of March 2024, 31 of the 101 vendors associated with the Bank, **22.76 %** are SMEs, reflecting our commitment to fostering local economic growth.

To further enhance transparency in vendor interactions, the Bank has implemented an Anti-Bribery and Corruption Policy, along with Gift Guidelines, both of which are strictly enforced throughout the vendor selection process. Any incidents of non-compliance with the Bank's Codes and Policies involving vendors or suppliers are reported via the Operational Incident

Reporting mechanism, ensuring that all issues are addressed promptly and thoroughly.

This approach underscores our commitment to maintaining ethical standards and integrity within our supply chain.

2.4 BANK'S MEMBERSHIP

Membership in various associations enables the Bank to actively engage in community activities, fostering a deeper understanding of stakeholder concerns and allowing the Bank to contribute meaningfully to discussions on critical market and social issues. Through these associations, the Bank is well-positioned to advocate for change and influence developments in areas of strategic importance.

The following is a list of associations in which the Bank holds membership:

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
Myanmar Institute of Directors	MIOD	www.myanmariod.com

2.5 BANK'S PRECAUTIONARY APPROACH

The Bank adopts a multifaceted approach to mitigate unforeseen incidents that may disrupt operations. Through proactive risk management strategies and comprehensive preventive measures, the Bank aims to minimise potential disruptions and ensure operational stability. The Bank also employs a framework encompassing four key categories—Risk Management, Governance, Due diligence and Stakeholder engagement—to address and mitigate the root causes of operational disruptions. Each category is structured to provide targeted preventive measures, ensuring a comprehensive approach to safeguarding operational continuity.

Risk Management	Governance
<p>The Bank takes proactive measures to identify, assess, mitigate and monitor risk. This involves implementing controls, safeguards, and contingency plans to mitigate potential harm. In the risk management process, there is continuous monitoring and evaluation to ensure their effective management.</p> <p>A strong risk culture is created starting from the top from the Board of Directors to the lowest level of the organisation. To uphold ethical business practices and maintain strong internal controls, the Bank regularly conducts training programs, distributes risk bulletins, and organises sharing sessions for employees. These initiatives are designed to prevent misconduct and reinforce the Bank's governance principles. The Bank ensures that these critical messages are effectively communicated to all staff through both formal and informal channels, promoting a culture of integrity and accountability throughout the organisation.</p> <p>ESG is integrated into the process of risk management with proactive steps to minimise potential environmental and social harm. Adopting precautionary principles in Risk Management also encourages diversifying investments to include more sustainable and low risk sectors.</p>	<p>The Bank places a strong emphasis on fortifying its Governance Framework to ensure rigorous adherence to industry best practices within daily operations as a responsible financial institution and public fund custodian . The Bank has instituted a comprehensive governance structure, incorporating a Code of Ethics applicable to all employees, a well-defined Board and Committee structure, clear segregation of roles and responsibilities, and robust Anti-Money Laundering and Countering the Financing of Terrorism (AML/CFT) measures.</p> <p>The ASEAN Corporate Governance Scorecard also helps to align our governance principles to established standards.</p> <p>Transparency is a strong component of our governance with information that is accessible and available to stakeholders through the Bank's website and social media platforms. Committees operate in the Bank with full and open information for sound decisions.</p>

Due Diligence	Stakeholder Engagement
<p>In its due diligence process, the Bank ensures that its lending and financial practices remain aligned with its broader commitment to sustainability and responsible banking, contributing to both environmental protection and sound banking and business conduct.</p> <p>The Bank conducts thorough due diligence on customers and projects, applying sustainability criteria to guide financing decisions and avoid contributing to activities that could harm its financial position, the environment or communities.</p> <p>In alignment with its commitment to sustainability, an Exclusion List has been established in its Credit Policy. This list delineates specific sectors that are inconsistent with the Bank's core values and ethical principles. By excluding these sectors from its lending and financing activities, the Bank aims to mitigate the potential negative environmental and social impacts associated with them. The following sectors are included in the Exclusion List:</p> <ul style="list-style-type: none">• The production, trading, and maintenance of weapons and munitions of any kind.• The trade or unauthorised capture of wildlife or wildlife products.• The production or trade of any product or activity deemed illegal under Myanmar laws, regulations, international conventions, or agreements, including pharmaceuticals, pesticides/herbicides, and ozone-depleting substances.• Hunting of marine mammals and shark finning.• The use of dynamite or poison in fishing practices.• Activities involving exploitative or harmful forms of forced labour or child labour.• Activities related to human trafficking or smuggling of any kind.	<p>Engaging with stakeholders, including Customers, Shareholder, Employees, Regulators, Business partners and communities allow the Bank to anticipate concerns, create transparency, and develop policies that address and prevent negative impacts.</p> <p>The foundation of our bank is anchored in a robust commitment to upholding regional, national, and international environmental and social standards, which are essential to the integrity of our operations and services. International standards such as the AA1000 Stakeholder Engagement Standards and the Global Reporting Initiative Framework (GRI Standards) together with focusing on material areas outlined in the United Nations Sustainable Development Goals (UN SDGs) assist us to address issues that matter to stakeholders.</p> <p>In the establishment of products, services and value chains into the financial ecosystem, we integrate the concerns and views of our stakeholders to ensure that needs are met.</p> <p>We also regularly publish reports on actions taken to mitigate risks, setting targets for reducing environmental impacts, and disclosing ESG performance in line with the above standards and framework. Reports also help us to communicate to our stakeholders on the progress of the Bank.</p>

2.5.1 CRISIS RESPONSES

Throughout FY 2024, whilst Myanmar emerged out of the COVID pandemic, the impact of political turbulence continued, and action was taken to mitigate for the resulting challenges:

Specific challenges and mitigation
<p>1. Strengthening Enhanced Due Diligence (EDD) and Anti-Money Laundering (AML) Actions</p> <ul style="list-style-type: none">• Challenges: Imposed sanctions on various entities and Myanmar’s adverse classification by the Financial Action Task Force (FATF) called for stricter scrutiny in money transfers, trade services, lending activity and account operations.• Mitigation:<ul style="list-style-type: none">• Enhanced procedural controls in money transfers, trade, and account operations.• Strengthened the 3-line model of defence (management, risk & compliance, internal audit) for better surveillance and management.• Training programs were conducted to ensure staff were equipped to handle the increased compliance workload and maintain quality in procedures.• Increased collaboration with Correspondent Banks and international partners through more robust trade surveillance mechanisms. <p>2. Outbreak of Armed Conflict in Myanmar</p> <ul style="list-style-type: none">• Challenges: The potential escalation of violence in certain regions around Myanmar threatened not only the safety of employees and customers but also posed operational risks.• Mitigation:<ul style="list-style-type: none">• Business continuity plans (BCP) were enhanced to safeguard employees and assets.• Identified alternative service points to ensure uninterrupted banking services for customers in conflict zones.• Implemented safety protocols and readiness plans in the event of escalated violence, ensuring operational resilience.

Specific challenges and mitigation
<p>3. Liquidity Management During Crisis</p> <ul style="list-style-type: none">• Challenges: Maintaining liquidity in uncertain economic and political environments required enhanced oversight to avoid liquidity shortfalls.• Mitigation:<ul style="list-style-type: none">• Established a Crisis Management Team (CMT) for continuous monitoring of liquidity risks.• Developed and implemented contingency liquidity measures to ensure the bank had fallback• CMT monitored the situation daily, ensuring the bank maintained prudent liquidity levels. <p>4. Ensuring no financing for harmful environmental and human right practices</p> <ul style="list-style-type: none">• Challenges: Ensuring that bank financing did not contribute to environmentally harmful or socially unethical activities became critical, particularly in light of international scrutiny• Mitigation:<ul style="list-style-type: none">• ESG criteria were strictly applied to the lending portfolio, ensuring no financing was extended to sectors or activities that harmed the environment or violated human rights.• Activities like the production and trading of weapons, exploitation through child labour, wildlife trafficking, and any illegal trade were explicitly excluded from financing.• Regular monitoring and auditing ensured compliance with both national and international laws, including those related to banned substances, wildlife preservation, and ethical business practices.

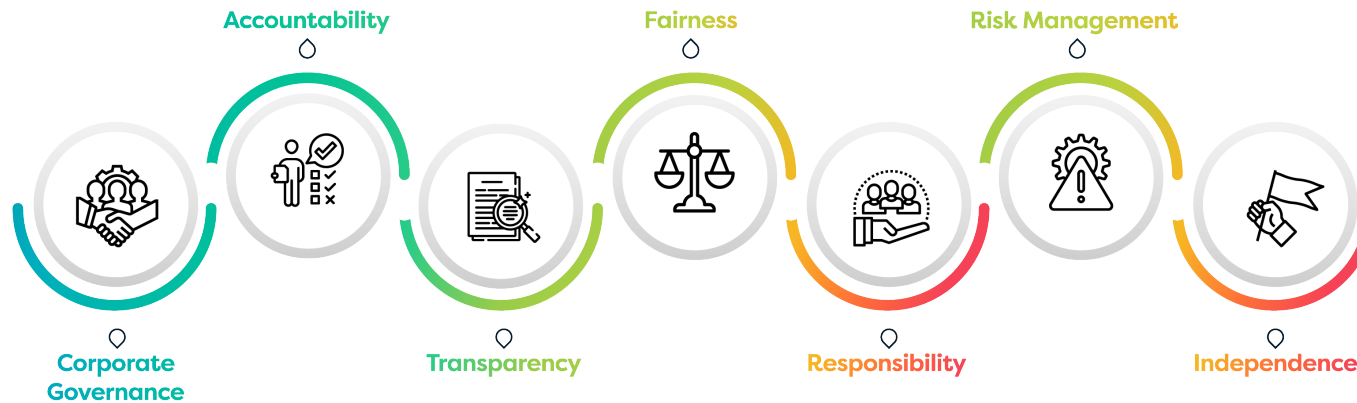
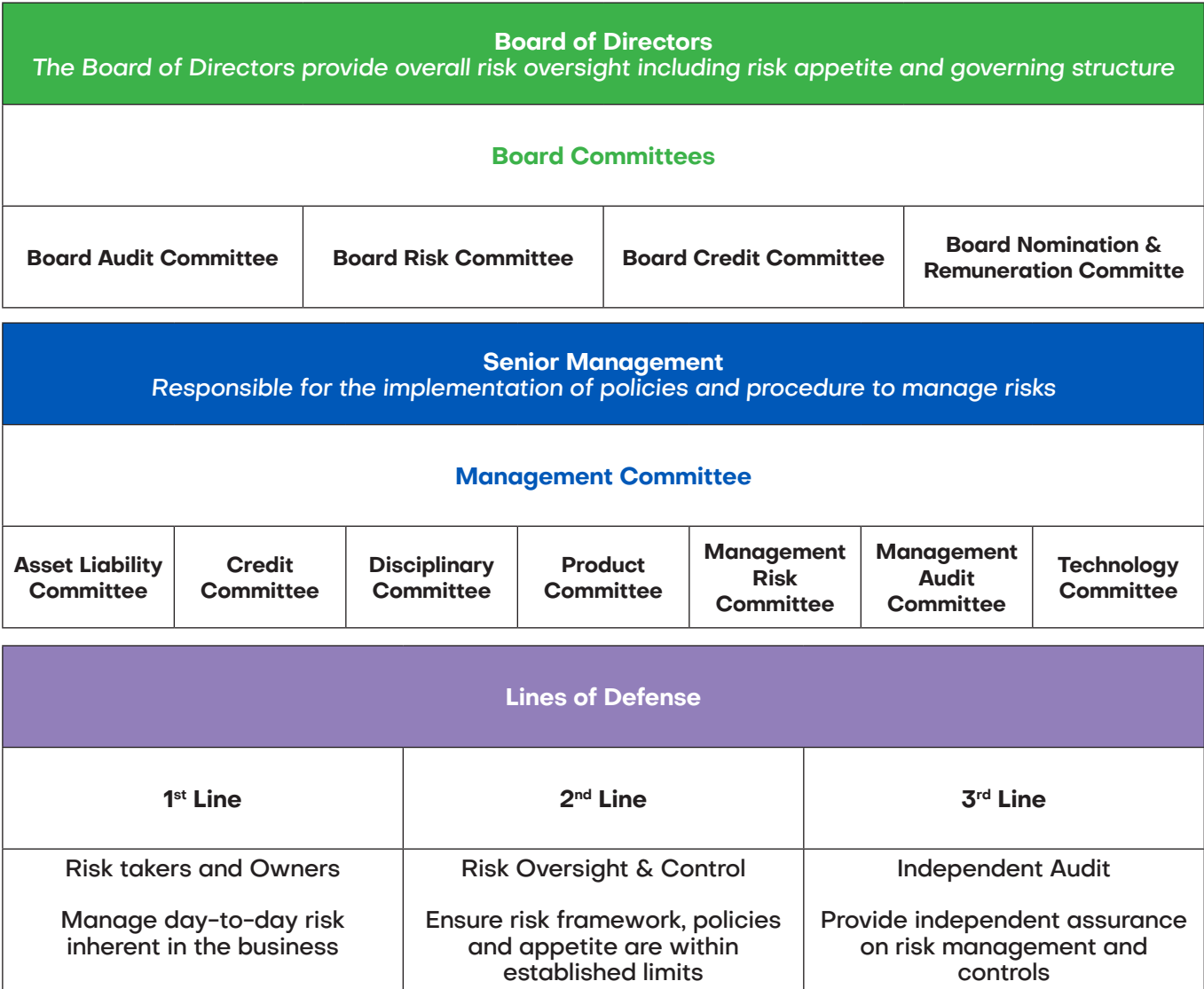
These strategic actions helped mitigate the risks posed by these challenges and ensured the Bank’s operations remained resilient and compliant with both domestic and international standards.

Further, as we navigated the political turbulence, we concentrated on initiatives aimed at rebuilding lives and livelihoods. Our efforts have centred on deepening our understanding of the diverse needs of our customers and enhancing their access to finance and comprehensive financial solutions. This focus is particularly critical in navigating the current economic challenges and has reinforced our commitment to resilient and sustainable growth. Together with this, CSR projects had been conducted to meet basic needs of the community.

3.0 CORPORATE GOVERNANCE

3.1 CORPORATE GOVERNANCE STRUCTURE

The Bank’ corporate governance structure is integral to sound banking practices and the pursuit of sustainable growth. In their supervisory role, the Board is charged with the comprehensive governance, management, and strategic direction of the Bank. This responsibility encompasses the formulation of policies, oversight of operational effectiveness, and ensuring the alignment of the Bank’s long-term objectives with sound governance principles.



The Chairman of the Board, elected by its members, holds a non-executive role, in contrast to the Chief Executive Officer (CEO), who serves in an executive capacity. While the Chairman is responsible for the governance and functioning of the Board, the CEO is tasked with the executive management of the Bank’s operations.

To uphold sound corporate governance practices, the Board has established four sub-committees, each with a distinct oversight function:

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

More information for corporate governance and group structure can be found on our website: <https://www.uab.com.mm/governance>

In an effort to enhance our corporate governance standards and promote greater transparency, a comprehensive gap analysis was conducted in 2024, aligned with the ASEAN Corporate Governance Scorecard. The findings of this analysis are available through the following link: https://www.uab.com.mm/wp-content/uploads/08/2024/uab_ASEAN_Corporate_Governance_Scorecard_Fiscal_Year_2024.pdf



3.2 BOARD OF DIRECTORS

3.2.1 BOARD RESPONSIBILITIES

The Board of Directors fully recognises its overarching responsibility for the oversight of the Bank’s internal control system and remains actively informed of developments in risk management and governance. The Board is engaged in defining the Bank’s risk appetite and plays a key role in identifying, assessing, and monitoring significant risks to safeguard shareholder investments and protect the Bank’s assets, ensuring alignment with its strategic objectives.

To this end, the Board has established comprehensive governance structures and processes to review the effectiveness, adequacy, and integrity of the Bank’s system of internal controls and risk management framework. Although it is not possible to completely eliminate the risk of failure in achieving the Bank’s objectives, the internal control system is designed to mitigate these risks by identifying, managing, and controlling them effectively.

This framework equips both the Board and Management with the necessary tools to anticipate and manage current and emerging risks, taking into account evolving risk profiles influenced by changes in business strategies, external factors, and regulatory requirements.

3.2.2 BOARD COMMITTEES

The board committees operate under its own defined Terms of Reference, outlining its specific roles and responsibilities. A description of the functions and mandates of each sub-committee are provided below.

Board of Directors			
Board Risk Committee (BRC)	Board Audit Committee (BAC)	Board Credit Committee (BCC)	Board Nomination & Remuneration Committee (BNRC)
<p>The Board Risk Committee (BRC) holds responsibility for the formulation and periodic review of the Bank’s risk management policies and its risk appetite framework.</p> <p>The committee evaluates the organisation’s risk management tools, rules, and risk culture. They also monitor compliance with risk tolerances and material risks.</p> <p>Additionally, the BRC provides strategic oversight and advisory support to both the Board and Management regarding the management of compliance risk.</p> <p>The Committee is composed of four members, three of whom, including the Chairperson, are Independent Directors, thereby ensuring objective and independent oversight.</p>	<p>The Board Audit Committee (BAC) is supported by the Group Internal Audit (GIA), which operates independently and reports directly to the BAC. The GIA provides an impartial evaluation of the adequacy, efficiency, and effectiveness of the risk management, control, and governance processes established by Management.</p> <p>GIA employs a comprehensive audit plan that addresses emerging risks, including heightened risks stemming from changes in business processes and work management practices.</p> <p>The BAC periodically reviews the internal audit function to ensure its adequacy in fulfilling its mandate to the BAC and reviews its findings.</p> <p>The BAC closely monitors deadlines for corrective measures, and any delays must be explained and justified to the Committee for approval.</p>	<p>The Board Credit Committee (BCC) is tasked with the authority to affirm, veto, or impose additional conditions on all credit and underwriting applications that exceed the approval threshold set by the Management Credit Committee (MCC), which operates at the management level.</p> <p>The BCC’s oversight ensures a higher level of scrutiny for credit decisions beyond the defined limits of the MCC.</p> <p>Quarterly reviews are made by BCC on the credit portfolio and risk appetite limits to ensure the soundness of the loan portfolio of the Bank.</p> <p>BCC also ensures the compliance to prudential and regulatory guidelines in credit.</p>	<p>The Board Nomination and Remuneration Committee (BNRC) is responsible for the oversight of several critical functions, including:</p> <ul style="list-style-type: none">• Determining the composition of the Board and its various Committees• Conducting the annual evaluation process, which encompasses the Board• Effectiveness Assessment Performing Fit and Proper Assessments for Directors and Senior Management• Reviewing and recommending remuneration packages for Directors, Board Committees, and Senior Officers in alignment with the Group’s established remuneration guidelines and framework• Developing and implementing the Directors’ Development Plan• Managing macro-level organisational structure and leadership changes• Addressing governance matters pertinent to the Board and its Directors

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.

BOARD OF DIRECTORS



U Nay Aye
Non Executive Chairman & Independent Director



U Tint Lwin
Independent Non-Executive Director



Win Htein Min
Independent Non-Executive Director



U Thant Zin
Non-Executive Director



Christopher Loh
Managing Director & Chief Executive Officer

3.3 GOVERNANCE POLICIES

3.3.1 ETHICS AND INTEGRITY

The Bank has implemented a comprehensive Code of Conduct that delineates the standards of behaviour expected of all employees, including members of the Board, in their interactions with customers, business associates, regulators, colleagues, and other stakeholders. This Code serves as a guiding framework for employees faced with personal and ethical decision-making dilemmas.

In addition to offering guidance, the Code of Conduct references specific Policies and Procedures pertaining to conflicts of interest, bribery, corruption, money laundering, counter-financing of terrorism, customer management, whistleblowing, and fraud management.

To ensure adherence to these standards, the Bank has established a Disciplinary Committee composed of five senior management personnel. During the fiscal year 2024, this committee addressed 23 cases involving disciplinary actions stemming from complaints and violations of the Code of Ethics and other Bank policies. This process underscores the Bank’s commitment to maintaining a culture of integrity and accountability within its operations.

Please visit our website for more information of Code of Ethics: <https://www.uab.com.mm/governance/code-ofethics>

- Additional key policies adopted by the Bank encompass the following:
- 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
- Client Rights Charter
- Donation and Philanthropy

Each governing policies can be found on our website in detail: <https://www.uab.com.mm/governance/governing-policies>

3.3.2 ANTI-CORRUPTION PROGRAMS AND PROTOCOLS

The Bank has formulated and implemented a comprehensive Anti-Bribery and Corruption Policy, which applies to all operations of the Bank, its subsidiaries, and third-party service providers. In line with our firm commitment to a policy of zero tolerance towards corruption, we have undertaken the following initiatives:

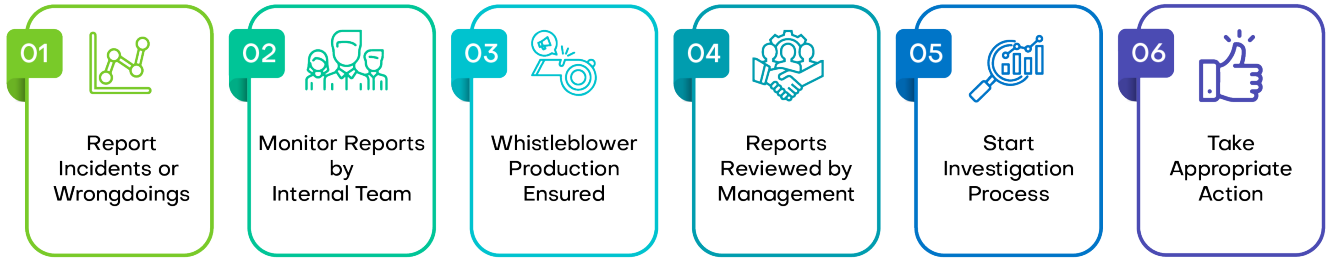
- Promoted awareness of bribery and corruption risks across various forums, emphasising the potential reputational impact on the Bank.
- Distributed the Anti-Bribery and Corruption Policy and Gift Guidelines to all employees.
- Developed and enforced a Conflict-of-Interest Policy.
- Established a reporting mechanism, including the introduction of a Whistleblower channel to facilitate reporting of unethical practices.

To further embed these principles within the organisation, training and awareness programs on the Anti-Bribery and Corruption Policy are conducted during orientation and throughout various internal training sessions. These measures reinforce the Bank’s commitment to ethical conduct and transparency across all levels of the organisation.

3.3.3 GROUP WHISTLEBLOWING POLICY (GWBP)

The Group Whistleblowing Policy (GWBP) establishes the governance framework and standards to promote ethical, responsible, and secure whistleblowing practises within the Bank. The whistleblowing channels offer structured and secure avenues for employees and the public to report any knowledge of improper conduct in good faith, free from the fear of reprisal. All whistleblowing information is managed under the strictest confidentiality, ensuring the protection of individuals who report misconduct.

For additional details regarding the Whistleblowing Policy, please refer to: www.uab.com.mm/governance/governing-policies.



3.3.4 TRANSPARENCY

uab bank Limited achieved a notable distinction by being ranked first among Myanmar banks in the 2022 Pwint Thit Sa Report, which evaluated a total of 31 banks operating in Myanmar. This report, also referred to as the Transparency in Myanmar Enterprises (TiME) Report, was published on February 20, 2023. Additionally, the report ranked uab Bank second among the 271 Myanmar companies assessed.

Pwint Thit Sa report represents the seventh publication in an annual series produced by the Myanmar Center for Responsible Business, an organisation established in 2014 to advocate for responsible business practices throughout Myanmar. The assessment criteria employed in the report are consistent with the evolving corporate governance.



RANK	2022	2020	Bank	Company Name	Type	Transparency Score	Score
1	2	1	uab bank	uab bank	FI	93%	93%
2	3	2	MYANMAR INVESTMENT (PCL)	MYANMAR INVESTMENT (PCL)	FI	88%	88%
3	4	3	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	85%	85%
4	5	4	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	84%	84%
5	6	5	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	83%	83%
6	7	6	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	82%	82%
7	8	7	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	81%	81%
8	9	8	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	80%	80%
9	10	9	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	79%	79%
10	11	10	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	78%	78%
11	12	11	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	77%	77%
12	13	12	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	76%	76%
13	14	13	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	75%	75%
14	15	14	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	74%	74%
15	16	15	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	73%	73%
16	17	16	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	72%	72%
17	18	17	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	71%	71%
18	19	18	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	70%	70%
19	20	19	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	69%	69%
20	21	20	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	68%	68%
21	22	21	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	67%	67%
22	23	22	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	66%	66%
23	24	23	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	65%	65%
24	25	24	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	64%	64%
25	26	25	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	63%	63%
26	27	26	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	62%	62%
27	28	27	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	61%	61%
28	29	28	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	60%	60%
29	30	29	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	59%	59%
30	31	30	MYANMAR BANK GROUP	MYANMAR BANK GROUP	FI	58%	58%

3.4 RISK MANAGEMENT

3.4.1 INCIDENT RESPONSE AND REPORTING PROCEDURES

To strengthen our internal control monitoring, a comprehensive Incident Management Reporting Guideline has been established. This framework ensures the timely escalation and management of incidents based on their severity. The incident management reporting process is designed to ensure that all incidents posing material risk or potential losses are promptly escalated within the designated timeline to Senior Management and the Board, allowing for immediate mitigation measures to be implemented.

The Risk Management Department is responsible for continuously monitoring and providing updates on the status of incidents until their resolution. This process ensures that decision-makers remain well-informed, enabling effective risk management and sound decision-making. Additionally, incidents involving employees are managed by the Disciplinary Committee, which oversees the appropriate handling of such cases.

For further information regarding our Incident Reporting Mechanism, please visit on our website: www.uab.com.mm/



3.5. TAX

3.5.1 TAX STRATEGY

We are dedicated to making substantial economic contributions to our community by ensuring the equitable payment of taxes, including the mandatory withholding of taxes on behalf of our employees. Our commitment aligns with the B Team Responsible Tax Principles, which were developed through dialogue among leading corporations and with input from civil society, investors, and representatives of international institutions.

Our Tax Strategy is founded on the following principles:

- Paying our fair share of tax: We are committed to fulfilling our tax obligations in a manner that reflects fairness and integrity.
- Effective interaction with tax authorities: We prioritise constructive and transparent engagement with tax authorities to facilitate compliance and foster mutual understanding.
- Transparency regarding our tax affairs: We are dedicated to maintaining openness and clarity concerning our tax practices and contributions.

In fiscal year 2024, we contributed MMK 10.97 billion to Myanmar's tax revenue in the form of income tax, compared to MMK 5.4 billion in



fiscal year 2023. This demonstrates our ongoing commitment to supporting the nation's economic development through responsible tax practices.

3.5.2 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.

3.5.3 STAKEHOLDER ENGAGEMENT AND MANAGEMENT PRACTICES ON 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.

4.0 SUSTAINABILITY APPROACH

4.1 SUSTAINABILITY STRUCTURE AND STRATEGY

4.1.1 SUSTAINABILITY STRUCTURE

As a leading bank in Myanmar, our vision and purpose is

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

Our target approach in sustainability is centred on the objective of achieving a harmonious balance among economic, social, and environmental. We are dedicated to fostering a high quality of life for all stakeholders while actively engaging them in initiatives that create positive impacts within the ecosystem. We recognise that the transition for our customers in a developing market, such as Myanmar, may pose short-term inconveniences. Therefore, we are committed to guiding our customers through these transitions by providing them with a comprehensive array of opportunities and possibilities.

We define “sustainability” as an economic development paradigm that fulfils the needs of the present without compromising the ability of future generations to meet their own needs. We firmly believe as a bank, the key players in driving economic growth and global trade, possess the capacity to serve as powerful agents of change. This capability extends beyond fostering substantial economic benefits to encompass significant social and environmental impacts as well.

In fiscal year 2024, we continued our materiality assessment, which we first initiated in fiscal year 2019 and reviewed annually. This ongoing assessment has enabled us to identify issues pertinent to our role as a financial service provider and to our stakeholders. In addition, we have aligned our focus with material areas outlined in the United Nations Sustainable Development Goals (UN SDGs).

Stakeholder engagement is fundamental to our sustainability strategy, and we have actively sought feedback from our stakeholders. Our assessment process involves a review of our practices and processes against external benchmarks, including the AA1000 Stakeholder Engagement Standards and the Global Reporting Initiative Framework (GRI Standards). The objective of this assessment is to effectively channel our Environmental, Social, and Governance (ESG) efforts and enhance our operational processes.

Ongoing dialogue with all stakeholders is crucial for understanding their expectations and perspectives. We value transparent communication, even when stakeholder interests and expectations may conflict. Our commitment is to address these differences equitably and to seek acceptance of our actions.

In the management of sustainability matters at the Bank, we have adopted a structured approach that facilitates effective oversight and implementation.

4.1.1 SUSTAINABILITY STRUCTURE

The Sustainability Team is tasked with the coordination of all sustainability-related initiatives, including the Environmental, Social, and Governance (ESG) Policy at the Bank. This team operates under the auspices of the Management Committee, to which it provides regular reports on sustainability issues.

The Management Committee holds executive-level responsibility for overseeing economic, environmental, and social matters, ensuring that these topics are integrated into the Bank’s strategic decision-making processes. Additionally, the Board of Directors plays a critical role in providing oversight of ESG matters by establishing a governance framework that reflects its commitment to sustainability. This is articulated through a formal Board Statement that sets the tone for the organisation’s approach to these crucial issues. Through this structured oversight, both the Management Committee and the Board of Directors ensure that sustainability is prioritised within the Bank’s operations and strategic objectives.

4.1.2 SUSTAINABLE STRATEGIES

The Bank strategically aligns its business objectives with its sustainability targets, incorporating the United Nations Sustainable Development Goals (SDGs) into its overarching strategy. These goals encompass critical areas such as eradicating poverty, achieving zero hunger, promoting good health and well-being, affordable clean energy, economic growth, Innovation Infrastructure and community development for all individuals. There are 17 interrelated SDGs.

Among these 17 goals, the Bank has identified 7 (seven) specific SDGs on which it can make a meaningful contribution and exert the greatest impact. In alignment with this focus, the Bank has established short-term and mid-term targets for each selected SDG, which have received approval from the Board of Directors. The Bank is dedicated to achieving these goals and is allocating substantial resources toward this objective, reflecting its commitment to fostering sustainable development within the communities it serves.



4.0 SUSTAINABILITY APPROACH

4.2 BOARD AND MANAGEMENT APPROACH ON SUSTAINABILITY

4.2.1 MANAGEMENT APPROACH

The Board reviews and evaluates a comprehensive Business Plan presented by management annually. Several key factors influence the adoption of this Business Plan, including the Bank's Vision, governance considerations, regulatory compliance, risk management, stakeholder feedback, and the long-term interests of stakeholders.

The Bank adopts a pragmatic strategy that is informed by these considerations, ensuring that its commitment to Environmental, Social, and Governance (ESG) principles is integrated into the formulation of the Business Plan. This alignment facilitates the Bank's strategic objectives with its commitment to long-term sustainability goals that are material to its stakeholders.

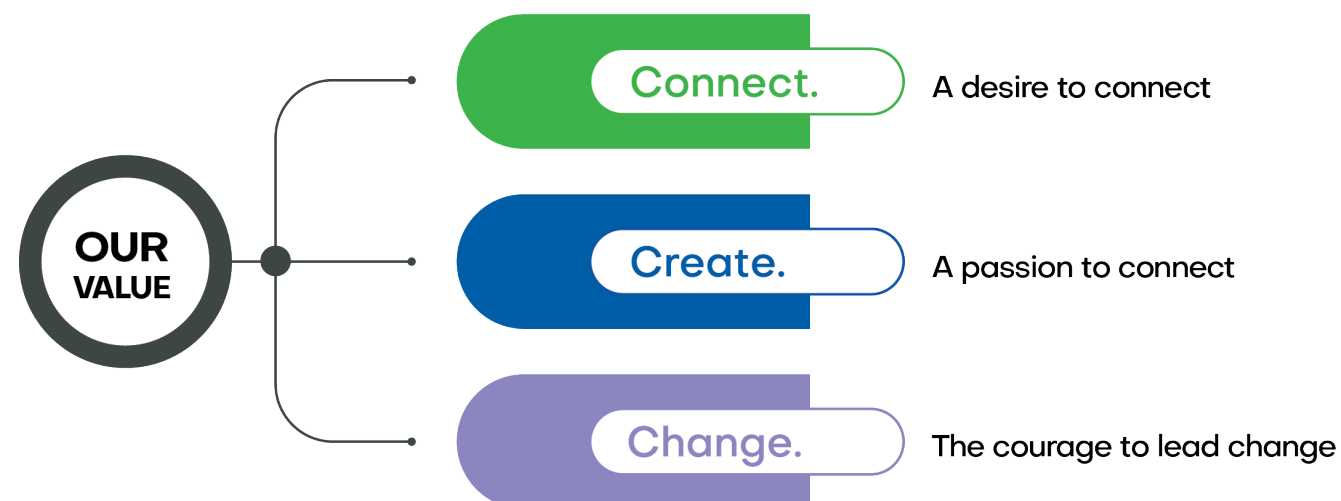
As a financial institution, our operations adherence to regulations, good governance guidelines, and directives issued by the Central Bank of Myanmar is essential for ensuring business sustainability. This necessitates the establishment of robust internal controls and

governance practices to maintain compliance and uphold the integrity of the Bank's operations. Through this comprehensive approach, the Bank aims to foster resilience and trust within the communities it serves while enhancing stakeholder value.

4.2.2 BOARD ROLE

Our Board of Directors is firmly committed to the principles of responsible banking and recognises that a responsible approach to business is a critical determinant of the Bank's long-term sustainable success. The Board also acknowledges the significance of economic, environmental, and social issues within the communities we serve and the markets in which we operate.

Consequently, the Board will integrate Environmental, Social, and Governance (ESG) considerations into its oversight functions and decision-making processes. This integration is essential for understanding and assessing potential risks, thereby guiding the institution towards a sustainable future. By adopting this comprehensive perspective, the Board aims to align the Bank's strategic objectives with the imperatives of sustainable development, ultimately fostering resilience and enhancing stakeholder value.



4.3 ESG

4.3.1 IDENTIFICATION AND SELECTION OF ESG

To assess and prioritise Environmental, Social, and Governance (ESG) issues for uab bank, it is essential to identify and evaluate these topics based on their relevance to the institution's operational sustainability, long-term resilience, and stakeholder expectations. This process is grounded in materiality assessment, which involves discerning which issues are most critical to the organisation and have a substantial impact on stakeholders. Material ESG issues are those that significantly influence the financial, regulatory, and reputational landscape of the Bank and thus demand focused management and reporting.



01. Identify ESG Issues

The initial step involves identifying relevant ESG themes through stakeholder engagement, sectoral benchmarking, and analysis of global standards, such as the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB). Common ESG areas of concern include carbon emissions, diversity and inclusion, data privacy, community investment, and corporate governance. These issues should be evaluated in the context of uab's operational landscape, mission, and values to ensure a comprehensive understanding of potential material ESG issues.

02. Stakeholder Engagement and Prioritisation

Engaging stakeholders—such as employees, customers, investors, regulators, and community groups—is essential for understanding their priorities. The Bank can employ surveys, interviews, and workshops to gauge the significance of specific ESG issues for various stakeholders. Stakeholders are then mapped according to their influence on uab bank and the degree to which they are impacted by the company's ESG actions. Issues that resonate strongly with both uab bank and its stakeholders are typically higher-priority, warranting targeted strategies and investment.

4.3 ESG

03. Defining Materiality

Materiality in ESG contexts goes beyond traditional financial metrics to include considerations of long-term value creation and risk mitigation. The Bank can adopt a dual-materiality approach, focusing not only on issues that materially impact its financial performance but also on those that affect environmental and social outcomes. Issues are considered material if they have the potential to influence uab’s ability to create value, attract investment, or sustain regulatory compliance. Governance factors, such as ethical business practices and board diversity, also play an essential role, as they contribute to a sustainable business culture that aligns with stakeholder expectations.

04. Prioritising Material ESG Issues

Once the issues are defined and materiality established, the Bank should categorise these ESG topics into priority tiers. High-priority issues are those directly linked to strategic objectives, regulatory imperatives, or areas where the Bank has significant influence. Medium-priority issues are impactful but may not require immediate or intensive intervention, while low-priority issues can be monitored with less direct oversight. Through a robust materiality assessment, the Bank can ensure that its ESG strategy is both comprehensive and aligned with the expectations of its stakeholders. This prioritisation not only aids in resource allocation but also strengthens uab’s reputation as a responsible and resilient institution, supporting its long-term sustainability goals.

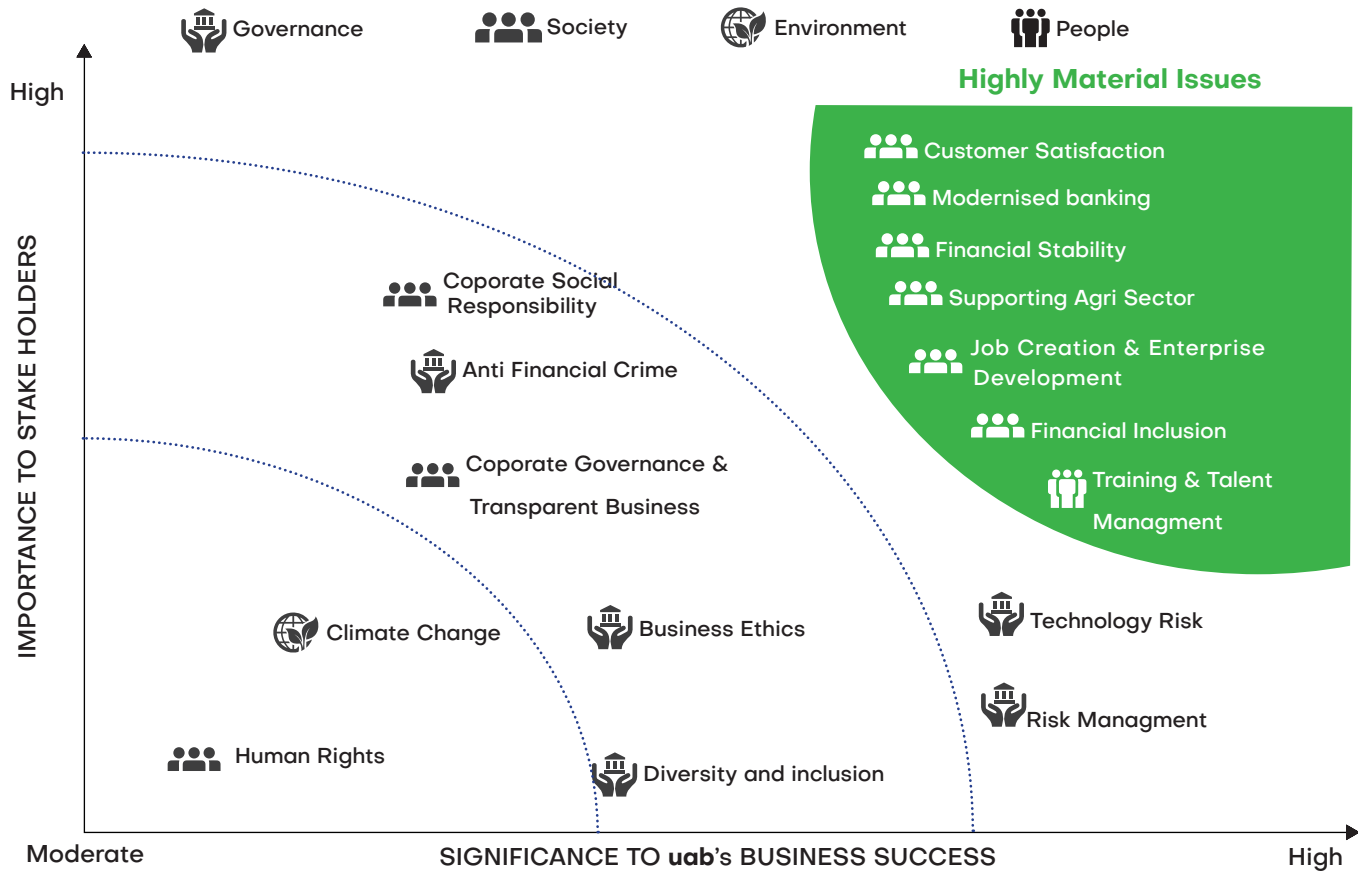


4.4 MATERIALITY ASSESSMENT

In our materiality assessment process, we actively seek and consider stakeholders’ perspectives to gain valuable insights into their concerns regarding Environmental, Social, and Governance (ESG) issues. This input is integral to conducting a comprehensive materiality assessment. An issue is deemed material to the Bank if it satisfies two criteria: firstly, it must have a tangible impact on operational aspects such as cost, growth, risk, or trust; secondly, it must hold significant relevance to our stakeholders.

In evaluating material issues, we also assess their alignment with our vision, mission, strategic objectives, brand portfolio, and geographical footprint, as well as our capacity to influence and implement changes. This rigorous assessment ensures that our sustainability initiatives are not only responsive to stakeholder expectations but also strategically integrated into our broader organisational framework.

4.4.1 MATERIALITY MATRIX



The matrix represents the perception of stakeholder interest and potential business impact. We have classified the inputs into issues of Governance, Social, Environment and People.

4.4 MATERIALITY ASSESSMENT

Governance Issues
<ul style="list-style-type: none">• Anti-financial Crime: Protocols regarding anti-money laundering, countering the financing of terrorism, anti-corruption, and the prevention of other criminal activities.• Diversity & Inclusion: Incorporates the initiatives to enhance diversity within the Board of Directors, the Management Committee, and Employees.• Technology Risk: Safeguarding electronic information against unauthorised external intrusions.• Risk Management: Comprehensive strategy to evaluate and manage risk across the organisation, including individual business units, products, services, and transactions.• Corporate Governance & Transparent Business: Compliance to global governance standards and provision of accessible and transparent information to stakeholders.• Financial Stability: Ability to sustain long-term profitability while maintaining sufficient internal controls.

Social Issues
<ul style="list-style-type: none">• Human Rights: Approach characterised by integrating human rights principles into practices to ensure protection rights across all operational spheres.• Financial inclusion: Advancing and expanding our financial products, services to underbanked including the enhancement of financial literacy initiatives and cross-functional sales.• SME Financing and Job Creation: Allocation of financial resources to Small and Medium Enterprises (SMEs) and subsequent impact on job creation within the country.• Training & Talent Management: Strive to attract high-calibre talent, and individuals' development facilitation.• Customer Satisfaction: Satisfy customers with services and products. It encompasses resolving customer grievances.• Corporate Social Responsibility: Enhancing the well-being of communities through contributions and efforts.• Modernising banks: The process of updating and transforming traditional banking systems and practices to meet contemporary standards and customer expectations• Financing Agri and Agri related sector: Providing financial services and products tailored to the needs of farmers, agribusinesses, and other stakeholders involved in the agricultural value chain.

Environment Issues
<ul style="list-style-type: none">• Climate Change: Financing for clean renewable energy initiative projects. It couples with exclusion funding detrimental to the environment and climate change.

People Issues
<ul style="list-style-type: none">• Employee Commitment: Capacity to attract and retain the high-calibre talent while enhancing employee satisfaction through effective strategies and practices.• Employee Talent Management: To have the best calibre talented people in industry.• Employee Training: Trainings to employees regarding Environmental, Social, and Governance (ESG) issues

With the material assessment, we were able to identify **7 key highly material concerns** of stakeholders on which the Bank has aligned its strategies towards:

- 1. Financial inclusion
- 2. Customer Satisfaction
- 3. Job Creation & Enterprise Development
- 4. Training & Talent Management
- 5. Financial stability
- 6. Modernising banking
- 7. Supporting Agri Sector

Other concerns are also important, and they are also addressed in this Sustainability Report.

Targets and SDG Goals

Of the seventeen (17) goals of the UN SDGs, the Bank has identified seven (7) areas of greatest potential impact and alignment with its core business as stated below

SUSTAINABLE DEVELOPMENT GOALS	2 ZERO HUNGER	3 GOOD HEALTH AND WELL-BEING	4 QUALITY EDUCATION	7 AFFORDABLE AND CLEAN ENERGY	8 DECENT WORK AND ECONOMIC GROWTH	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	11 SUSTAINABLE CITIES AND COMMUNITIES
Material Assessment Identification							
	<ul style="list-style-type: none">1. Financial inclusion2. Customer Satisfaction3. Job Creation & Enterprise Development4. Training & Talent Management5. Financial stability6. Modernising banking7. Supporting Agri Sector						



4.5 STAKEHOLDER ENGAGEMENT

The Bank places a high value on stakeholder engagement and has established comprehensive processes designed to enhance productive interactions and collaborations. Through the facilitation of regular discussions, we endeavour to gain insights into stakeholder needs, address pertinent concerns, and cultivate mutually beneficial relationships and solutions. This proactive engagement approach is fundamental to our commitment to fostering transparency and trust among our stakeholder groups. The Bank recognises the significance of various stakeholder groups, which include:

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

By prioritising these stakeholder relationships, the Bank aims to align its strategic objectives with the expectations and interests of each group, thereby contributing to a sustainable business model that supports long-term success and resilience.

We engage our stakeholders as following:

	Engagement topics	Engagement channels	Engagement channels Responsibility	Engagement frequency
Customers	<ul style="list-style-type: none">• Customer service quality• Investment returns• Product features and benefits• Technology interface for banking experience	<ul style="list-style-type: none">• One-on-one interactions• Surveys• Call centre• Social media• Website	<ul style="list-style-type: none">• Relationship managers, branch staff and head office staff	<ul style="list-style-type: none">• Quarterly and needs based
Shareholders	<ul style="list-style-type: none">• Financial results• Shareholders return and dividends• Bank strategy and longer-term outlook• Legal compliance• Governance	<ul style="list-style-type: none">• Meeting• Emails• Letters• Media• Website	<ul style="list-style-type: none">• Legal and secretariat team	<ul style="list-style-type: none">• Quarterly and needs based

Employees	<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	<ul style="list-style-type: none">• Town halls• Performance appraisals• Employee satisfaction surveys• Employee volunteering initiatives• Employee grievance redressal	<ul style="list-style-type: none">• Human resources team, Heads of department, and Branch Managers	<ul style="list-style-type: none">• Ongoing and needs based
Government and Regulators	<ul style="list-style-type: none">• Approvals and requests• Financial performance• Compliance to regulations• Supervisory concerns• Participation in government financial sector plans and programs	<ul style="list-style-type: none">• Company regulatory filings• Compliance statements• Meetings• Letters• Emails	<ul style="list-style-type: none">• Compliance team, Finance team, and Cross functional team	<ul style="list-style-type: none">• As per regulatory requirements and needs-based
Vendors (Business Partners and Suppliers)	<ul style="list-style-type: none">• Product/service quality and support• Contract terms and conditions• Compliance to the Vendor Code• Vendor's statutory compliances	<ul style="list-style-type: none">• Meetings• Emails• Letters• Performance reviews	<ul style="list-style-type: none">• Respective departments dealing with vendors, commercials and procurement	<ul style="list-style-type: none">• Ongoing and need based
Community	<ul style="list-style-type: none">• Community needs (financial/ infrastructure/ human)• Organisational and funding support	<ul style="list-style-type: none">• Community development initiatives• Proposals• Requests for new initiatives/ funding	<ul style="list-style-type: none">• Corporate branding and communications	<ul style="list-style-type: none">• Need based

The Bank does not have collective bargaining agreements in place; however, it has established a Workers Coordinating Committee in accordance with labour regulations. This committee serves as a structured platform for addressing employee concerns and facilitating communication between the workforce and management. By implementing this committee, the Bank ensures compliance with labour requirements while also promoting a collaborative workplace environment.


4.5.1 STAKEHOLDERS SDG TARGET ACHIEVEMENT





The material concerns of Stakeholders were incorporated into the strategies of the Bank and below are the specific time-bound targets and the achievement in FY 2024 towards the targets.

Item	Target	Achievement in FY 24	SDG Achievement
Supporting Agri Sector	15% of total loan portfolio to Agri and Agri-related financing Time Target 31 st March 2025	In FY 24, 15.3% of loan portfolio totalling MMK 372 Bn utilised for the financing of the Agri and Agri-related sectors covering produce such as corn, rice and beans. Further, as indirect financing, the Bank also provided financing to seven (7) Microfinance Institutions with lines of credit totalling MMK 79.2 Bn.	2 ZERO HUNGER
Training Schemes	Conduct training schemes for more than 50 trainees annually Time Target 31 st March 2025	106 Trainees attended a 6-months banking and sales training scheme in FY 2024. Successful trainees were offered full time employment upon completion of the scheme.	4 QUALITY EDUCATION
Training and Talent Developments	Provide minimum 50,000 man-hours training annually to improve the quality of banking experiences Time Target 31 st March 2025	Total of 60,914 man-hours training was conducted and training sessions were available for over 2,000 employees of the Bank throughout FY 2024. 71 students received Internship opportunities ranging from 1 to 3 months to enable them to gain technical exposure in banking, marketing, IT and finance. 278 students from six (6) Schools and Colleges attended half day programs on career and workplace exposure conducted by the Bank over FY 2024.	4 QUALITY EDUCATION



Item	Target	Achievement in FY 24	SDG Achievement
Bancassurance	Develop bancassurance by financial year 2021 Time Target 1 st phase launched in May 2021 and 2 nd phase being launched.	uab bank partnered with Manulife to offer life insurance protection through the Bank's bancassurance product. This is with effect from January 2021. As at March 2024, bancassurance products offered by the partnership includes: 1. Manulife Education Life 2. Manulife Protector 3. Manulife Credit Life Protector 4. Manulife Critical Illness Care Over FY 2024, the Kyee Pwar Chan Thar product was launched offering a savings product with insurance coverage.	3 GOOD HEALTH AND WELL-BEING
Scholarship and bursary support to employees' children	Provide scholarships and bursaries to contribute skilled workforce for our future Time Target 31 st March 2025	The Bank provided bursaries to 56 children of lower salaried employees to support their education needs and this financial contribution was totalled MMK 9,100,000 in FY 2024.	3 GOOD HEALTH AND WELL-BEING 4 QUALITY EDUCATION
Home ownership	5% of total loan portfolio Time Target The 5% target was achieved in FY 2024	MMK 142.9 Bn was allocated to Home financing in FY 2024, and we financed 837 families under the Home Loan scheme. This made up 5% of our loan portfolio.	8 DECENT WORK AND ECONOMIC GROWTH 11 SUSTAINABLE CITIES AND COMMUNITIES



4.5.1 STAKEHOLDERS SDG TARGET ACHIEVEMENT

Item	Target	Achievement in FY 24	SDG Achievement
Digital Solutions	<p>Facilitate customers to access the accounts through mobile handheld devices</p> <p>Time Target uab pay, launched in September 2020, is designed to offer a comprehensive digital banking solution for customers. With the continuous addition of new features and improvements, it is evolving into a “Super App.” This development aims to provide customers with extensive control over their accounts and access to various services on a single mobile device, enhancing convenience and efficiency.</p>	<p>The following features have been developed in the uab pay app:</p> <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 • Union Pay virtual card • uab marketplace • Gold Investment platform <p>By 30th March 2024, the number of pay wallets opened had reached almost 1 million.</p> <p>We also launched uabpay+ which enables merchants and agents to receive and manage payments. Money transfers can also be conducted wallet to wallet, through agents or through interbank transfers to accounts at several banks in Myanmar. Foreign transfer may be received through RIA and Western Union services.</p> <p>Digital gold investment was successfully launched in March 2023, targeting small scale investors who can easily avoid the complicated processes through a few simple steps on app.</p>	<div>  <p>8 DECENT WORK AND ECONOMIC GROWTH</p> </div> <div>  <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> </div>

Item	Target	Achievement in FY 24	SDG Achievement
		Over FY 2024, the Kyee Pwar Chan Thar product was launched enabling uabpay users to participate in a savings plus insurance product enabling them to save money in small amounts starting from MMK 5,000 to MMK 700,000 monthly over 36 months. It includes 3 packages with a variety of options.	<div>  <p>8 DECENT WORK AND ECONOMIC GROWTH</p> </div> <div>  <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> </div>
Financial Literacy	<p>To conduct at least 12 financial literacy sessions annually.</p> <p>Time Target 31st March 2025</p>	<p>Our financial literacy program is designed to educate people on savings, digital banking solutions and making payments using the remittance system internationally and locally . By fostering financial inclusion and empowering communities with the tools, one can make informed financial decisions, enhance economic stability and promote sustainable growth.</p> <p>Over FY 2024, through our Tatkone, Kyaukpadaung, Pakokku, and Naypyitaw branches, we reached 1,360 people in 23 villages with our financial literacy program.</p>	<div>  <p>8 DECENT WORK AND ECONOMIC GROWTH</p> </div>
Financing SMEs	<p>20 % of total loan portfolio</p> <p>Time Target 31st March 2025</p>	<p>As of FY 2024, SME financing accounted for 8.64 % of the total loan portfolio, amounting to MMK 209.5 billion. Within the SME financing category, 16.78 % was facilitated through the JICA two-step loan program, which offers preferential interest rates to lower borrowing costs for SMEs.</p> <p>1,286 SMEs in FY 2024 (compared to 1,180 in FY 2023), benefited from the financing of their business and this not only enabled them to expand but also created job opportunities for the community.</p>	<div>  <p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> </div>

4.5.1 STAKEHOLDERS SDG TARGET ACHIEVEMENT

Item	Target	Achievement in FY 24	SDG Achievement
Modernised banking	<p>Redesign branches, open retail centres and introduce new concepts in banking. Modernised banking aims to create a more efficient, secure, and customer-centric banking environment, adapting to the evolving needs and expectations of customers in the digital age.</p> <p>Time Target 31st March 2025</p>	<p>Digital Banking: The Bank presently provides banking services through digital channels such as mobile apps, wallets, online platforms, cards, deposit machines and ATMs. This has allowed customers to perform transactions, make payments, check balances, and more without visiting a physical branch.</p> <p>In FY 2025, the Bank is expected to roll out Smart Teller Machines (STM) which will enable the Customer to perform self service transactions from opening accounts, getting an instant debit card and performing transaction seamlessly with assistance of biometrics.</p> <p>Customer Experience: In FY 2024, apart from 6 new branches with modern designs, 6 other existing branches were redesigned to offer seamless, user-friendly, and personalised services. These redesigned spaces offer a more welcoming and efficient environment for our customers.</p>	<div><div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div></div></div> <div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div><div></div></div>

Item	Target	Achievement in FY 24	SDG Achievement
		<p>Over FY 2024, the Bank also conducted 31 seminars on financial services and payments at the North Dagon Labour Office in Yangon for a total of 16,050 individuals as part of their pre-departure preparations as Myanmar workers overseas. These seminars help them understand the remittance options they have when they wish to remit monies home safely to their families.</p> <p>Seminars were also conducted in Maha Chai and Bangkok in Thailand to reach 640 migrant workers on 19th and 20th December 2023.</p> <p>Further, 5 seminars were conducted for Seaman over FY 2024 reaching 207 individuals.</p> <p>Agent banking: In FY2014, the Bank began the Master Agent scheme for agent banking and the appointment of Master Agents covering 89 townships throughout the nation and with 3,000 agents. Customers are now able to make deposit, withdrawal and remittance transactions through their nearest agent at these townships.</p> <p>Over FY 2025, the Bank will open its own “Pay Stores” in several other Townships and look to roll out “Bank on Wheels” for the convenience of Customers.</p>	<div><div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div></div></div> <div><div>11 SUSTAINABLE CITIES AND COMMUNITIES</div><div></div></div>

4.5.1 STAKEHOLDERS SDG TARGET ACHIEVEMENT

Item	Target	Achievement in FY 24	SDG Achievement
Opening of new bank branches to improve access to financial services	To establish 100 branches in various townships nationwide Time Target December 2025	During FY2024, the 6 (six) new branches in various regions were opened: <ul style="list-style-type: none">Myawaddy (Kayin State)Mogok (Mandalay Division)Myitkyina (Kachin Division)Kawthaung (Tanintharyi Division)Kan Tha Yar Centre (Yangon)Central Point Mall (Mandalay) The Branch network reached a total of 87 branches in FY 2024 which provide full banking services across key locations in Myanmar.	<div>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</div> <div>11 SUSTAINABLE CITIES AND COMMUNITIES</div>



4.5.2 ESG FINANCING

As a financial institution, our largest contribution towards meeting Stakeholders expectations is in our lending activities and for FY2024, the Bank allocated significant credit lines to support UN Sustainable Development Goals (SDGs) and they are stated as below:

Further, the Material concerns of Stakeholders were incorporated in the strategies of the Bank and, we have established specific time-bound targets within each selected issue and allocated substantial resources to the attainment of targets.

Category	Loan Amount (MMK)	SDG Contributions
Solar	19,876.2 million	SDG 7: Affordable and clean energy
Electric Vehicle	4,230.0 million	
Education	24,346.0 million	SDG 4: Quality education
Healthcare	38,716.5 million	SDG 3: Good health and well-being
Home Financing	137,464.8 million	SDG 11: Sustainable cities and communities
SME	209,586.6 million	SDG 8: Decent work and economic growth
Infrastructure	114,019.8 million	SDG 9: Industry, innovation and infrastructure
Agriculture	372,317.1 million	SDG 2: Zero Hunger
		SDG 3: Good health and well-being
Total Financing	920,557.2 million	

5.0 Sustainable Environmental Prospects

5.1 OUR COMMITMENT

The Bank’s commitment to reducing its consumption of electricity, carbon emissions, water, and waste is integral to its efforts to minimise environmental impact. This focus on environmental preservation is deemed material to the Bank, as it not only aids in reducing the Bank’s carbon footprint but also contributes to the broader objective of addressing climate change.

The scope of these environmental considerations encompasses the Bank’s operational activities, as well as both its direct and indirect impacts on the environment. The Bank’s initiatives aimed at resource conservation and waste reduction have proven effective in mitigating its environmental impact. Furthermore, the Bank remains dedicated to continuously evaluating and implementing innovative strategies to enhance its environmental performance.

5.2 MANAGEMENT APPROACHES ON SUSTAINABILITY

The Bank’s management approach to environmental issues encompasses several key components, including risk assessments, monitoring and reporting on progress, stakeholder engagement, the implementation of best practices, and the adoption of innovative technologies, all aimed at continuously enhancing its environmental practices. Additionally, the Bank is in the process of developing an Environmental, Social, and Governance (ESG) Policy for its lending activities, which will account for the environmental impact of the projects it finances.

The overarching purpose of the Bank’s management approach to environmental issues is to minimise its negative environmental impact.

We are committed to adopting a proactive stance to reduce its environmental footprint. Through ongoing monitoring and evaluation, the Bank seeks to enhance its environmental performance continuously.

5.2.1 EVALUATION

Our evaluation of the Bank’s management approach to environmental impacts encompasses several key components:

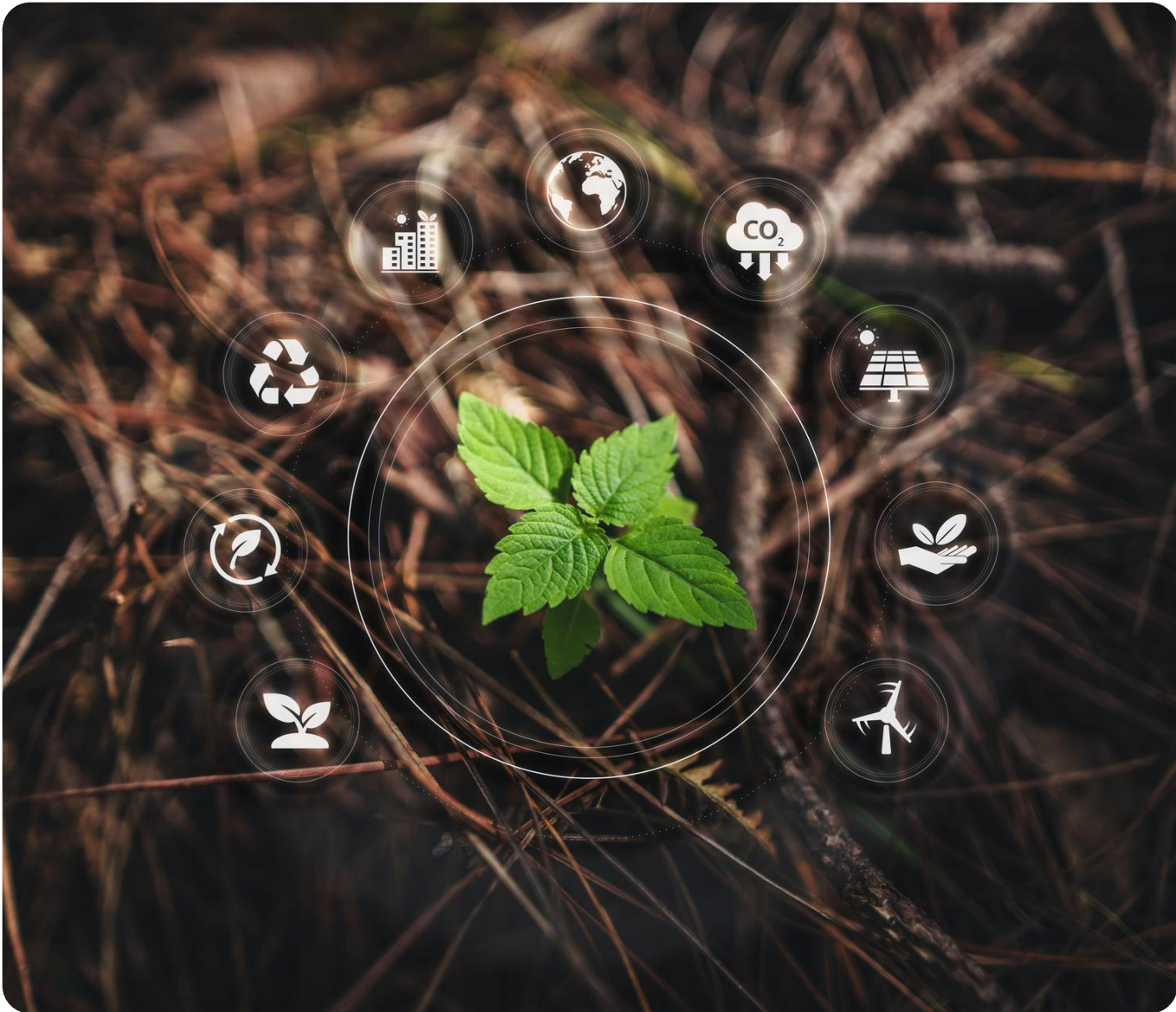
- Internal Assessments: Conducting thorough internal assessments to ensure compliance with environmental policies and regulations.
- Performance Measurement and Reporting: Measuring and reporting on key performance indicators, such as energy consumption from petrol and electricity, water usage, paper waste, and carbon emissions, to monitor progress over time.
- Environmental Risk Management: Implementing robust environmental risk management processes to identify, assess, and mitigate the potential environmental impacts associated with the Bank’s operations.
- Environmental Impact Assessments: Conducting comprehensive environmental impact assessments for major projects and investments to evaluate potential environmental repercussions.
- Stakeholder Engagement: Engaging with regulators and other stakeholders to remain informed and responsive to evolving environmental regulations and policies.
- This multifaceted approach enables the Bank to effectively manage its environmental responsibilities and enhance its overall sustainability efforts.

5.3 ENVIRONMENTAL PROTECTION INITIATIVES

5.3.1 MANAGEMENT APPROACH

In our commitment to minimising the impact of energy consumption, the Bank systematically evaluates its management approach regarding the usage of electricity and petroleum-based energy. This evaluation encompasses monitoring and reporting on energy consumption levels, as well as implementing strategies aimed at reducing overall usage. These strategies include the adoption of energy-efficient technologies and practices, alongside the promotion of digital products and services.

The outcomes of these evaluations are utilised to refine and enhance our approach, ensuring that we effectively address energy consumption and its associated environmental impacts. Additionally, as part of our non-financial Key Performance Indicators (KPIs), the Bank has conducted a comprehensive carbon footprint analysis. A summary of the findings from this carbon footprint report, which delineates key metrics related to our environmental impact, is presented below with the comparison to other financial years.

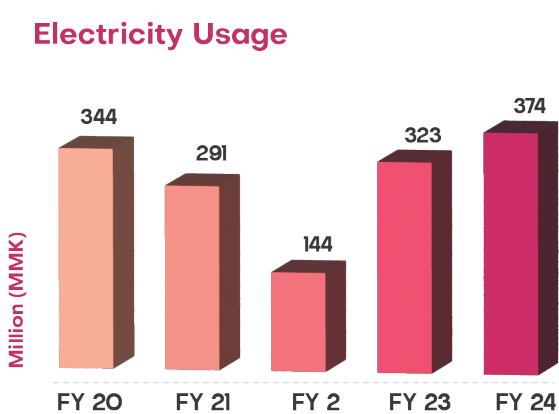


5.0 Sustainable Environmental Prospects

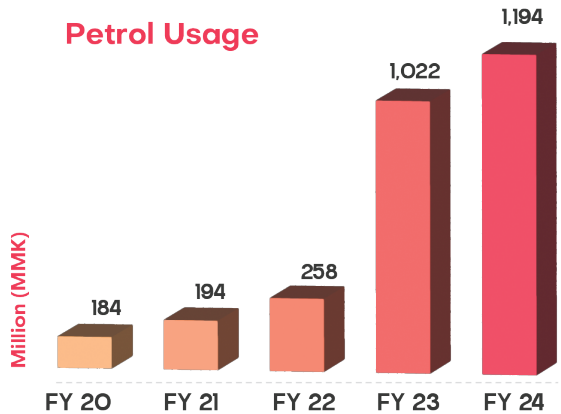
5.3.2 ENERGY CONSUMPTION

Energy usage in MMK

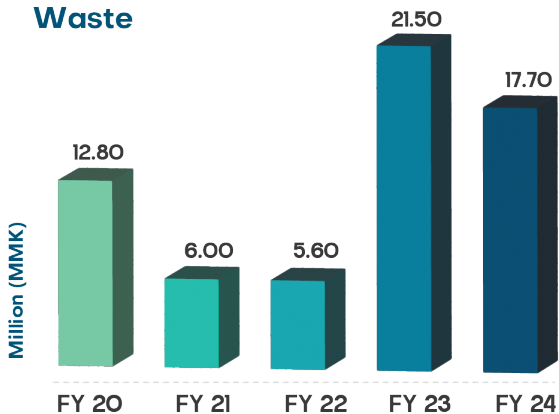
Electricity Usage



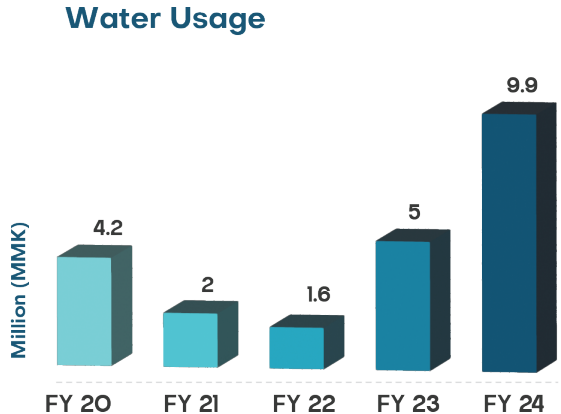
Petrol Usage



Waste

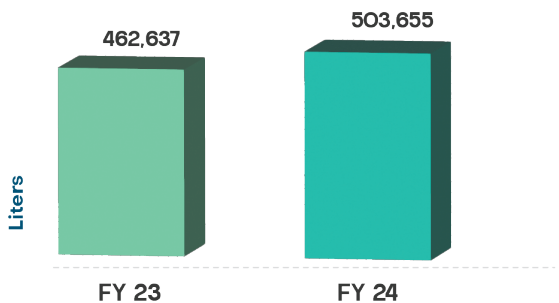


Water Usage

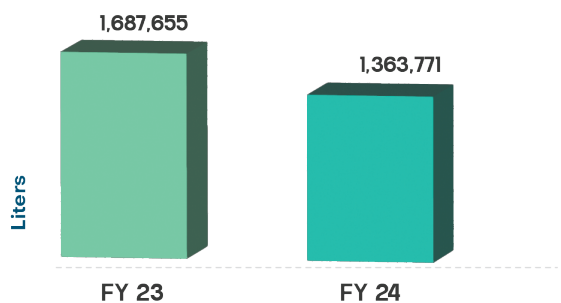


Within Organisation (Scope 1 & 2)

Petrol Usage Comparison (Liters) : Scope 1

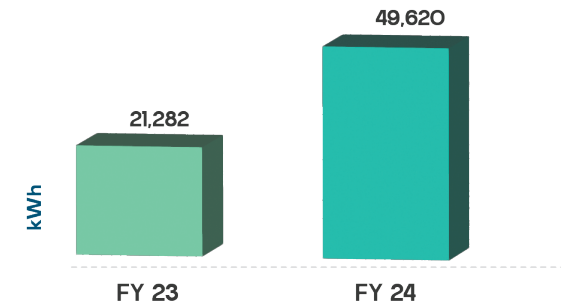


Electricity HO & Branches Usage Comparison (Units) : Scope 2



Outside Organisation (Scope 3)

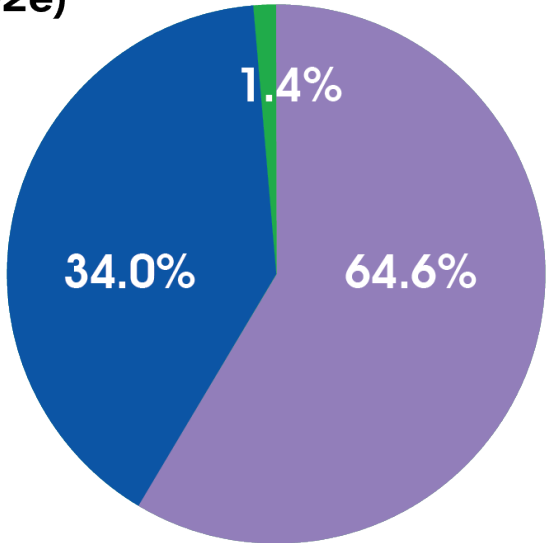
Electricity Rented Facilities Usage (kWh) Comparison : Scope 3



5.3.3 CARBON FOOTPRINT

Carbon Footprint (Metric Tons of CO2e)

- Scope 1** : Petrol for transporation and generators
- Scope 2** : Electricity use at Head Office and all branches
- Scope 3** : Electricity use from other facilities in the value chain, and petrol use from rented ferry buses



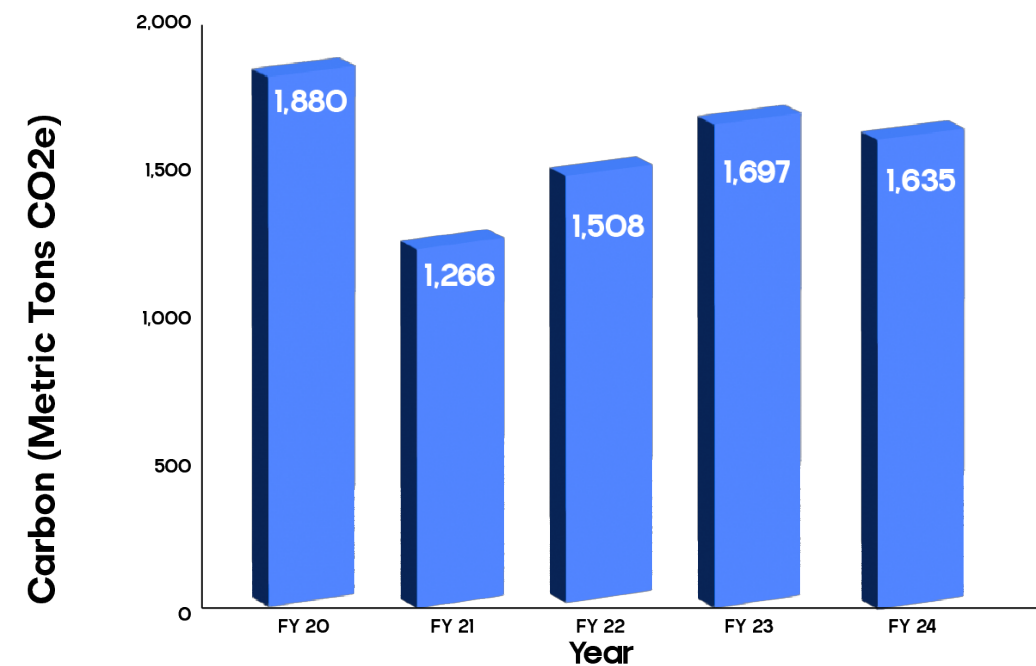
- Scope 1** : Direct emissions include fuel usages for transportation and generators at HO and branches. Its total CO2e in metric tons was **1056.4** which represents **64.6%** of total carbon footprint.
 - Scope 2** : Indirect emissions of electricity consumption across the operations was supplied by the government. It amounted to **555.19** metric tons of CO2e accounted for **34.0%** of total carbon footprint.
 - Scope 3** : Indirect emissions arising from energy use in rented facilities and ferry buses for employees were **23.11** metric tons of CO2e, constituting **1.4%** of total carbon footprint.
- For FY2024, it is noted the use of fuel at our premises contributed to a larger portion at **64.6%** of the carbon footprint with electricity use at **34.0%** of the footprint.

A further comparison of the numbers for FY2023 and FY 2024 is as below:

Scope	2023 Carbon Foot print (Metric Tons of CO2e)	2024 Carbon Foot print (Metric Tons of CO2e)
SCOPE 1: Petrol for Transportation and Generators	1,000.15	1,056.40
SCOPE 2: Electricity use at Head Office and All Branches	687.04	555.19
SCOPE 3: Electricity use from other facilities in the value chain, and petrol use from rented ferry buses	9.56	23.11
Total CO2e	1,697.12	1,634.70

5.4 NET ZERO APPROACH

A 5-year comparison of our data is further seen the graph below:



A drop in CO2E was seen in FY21 and this was primarily because of COVID pandemic which in the large part restricted travel and petrol use.

Since FY2021, there seems to be a steady increase in CO2E production. This may be due to the steady expansion of the Bank’s operations and the opening of new retail branches and offices. Given the Bank’s business expansion, we computed the carbon footprint on a per employee basis for an alternate view of the progress and it is noted from the numbers below that the CO2E generated on a per employee basis seemed to have reduced in FY2024 when compared to FY2023 despite the Bank’s expansion.

	FY2023	FY2024
CO2E per employee	0.924 metric tons	0.817 metric tons

The CO2e over these years reflects the inherent low emissions profile of the banking sector, particularly due to its emphasis on digital transformation, in contrast to higher-emission industries such as manufacturing, mining, and construction. Nevertheless, the Bank will strive towards managing its carbon footprint and transitioning towards a net zero target.

The Bank recognises that its influence with carbon footprint is also significant in its lending activity and is developing an ESG Policy to improve its ESG governance in lending.

5.4.1 MITIGATING OPERATIONAL GREEN HOUSES EMISSIONS

The Bank remains committed to managing the environmental impacts associated with its business activities, proactively pursuing innovative strategies to mitigate negative effects and drive positive environmental outcomes. In the financial year 2024, the Bank’s operational greenhouse gas (GHG) emissions, encompassing Scope 1 and Scope 2 categories, totalled 1,635 metric tonnes of carbon dioxide equivalent, successfully achieving a targeted reduction of 4% relative to 2023 levels.

Scope 1

Scope 1 (direct emission) was primarily from petrol consumption associated with transportation and generator operations. In fiscal year 2024, these emissions amounted to 1,056.40 metric tons of CO2 equivalent, comprising 64.6% of the organisation’s total carbon footprint.

Scope 2

Scope 2 (indirect emissions) associated with the Bank’s electricity consumption, sourced from regional energy providers. In fiscal year 2024, Scope 2 emissions reached 555.19 metric tons of CO2 equivalent, accounting for 34% of the organisation’s total carbon footprint.

Scope 1 and Scope 2 GHG emissions reduction performances (metric tonnes of carbon dioxide equivalent)		
Scopes	2023	2024
Scope 1	1,000.15	1,056.70
Scope 2	687.04	555.19

Total GHG emission reduction over 5 years (metric tonnes of carbon dioxide equivalent)					
Year	2020	2021	2021	2021	2021
CO2	1,880	1,266	1,508	1,697	1,635



5.4 NET ZERO APPROACH

5.4.2 OPERATIONAL NET ZERO INITIATIVES

In pursuit of the Net Zero approach, the Bank has implemented a comprehensive suite of initiatives aimed at reducing greenhouse gas (GHG) emissions across its own operations. Additionally, the Bank has developed strategic mid- and long-term approaches to guide future initiatives, ensuring sustained progress toward this goal. The initiative represents a substantial step with capital investment by the Bank toward supporting the global goal of limiting the average annual temperature increase to within 1.5°C, as outlined by the Paris Agreement. The implementation of this initiative will not only enhance the Bank’s operational sustainability but also serve as a pioneer for integrating green

energy practices within the financial sector. Through this commitment, the Bank underscores its dedication to environmental stewardship and its role in advancing a low-carbon economy.

5.4.3 ADOPTION OF EV CONSIDERATION

The implementation of measures to modernise the vehicle fleet with energy-efficient models, enforce stringent vehicle usage policies, and explore the adoption of electric vehicle (EV) policies underscores the Bank’s commitment to reducing petrol consumption and minimising its carbon footprint. These initiatives reflect a strategic approach to enhancing sustainability within the organisation’s operational practices.

5.4.4 PROMOTE GREEN ENERGY USAGES

To promote green energy usages, uab bank has strategised the incorporation of renewable energy solutions through the installation of photovoltaic panels across its branches, with a target launch scheduled for the fiscal year 2025 starting from our Thingangyun Branch in Yangon.

This initiative reflects the Bank’s commitment to energy efficiency and sustainability, aligning with global efforts to mitigate climate change. By implementation of solar energy, the Bank aims to significantly reduce its reliance on conventional energy sources, thereby curbing greenhouse gas emissions associated with fossil fuel consumption.

Further a centralised air-conditioning system at its Head Office and the promotion of utility management practices, are designed to reduce electricity consumption and its associated greenhouse gas emissions.



“Adding electric vehicles to the uab’s transportation fleet”



“Installation of solar panels in uab’s branches”



5.4 NET ZERO APPROACH

5.4.5 TRANSITION TOWARDS PAPERLESS BANKING

The transition to paperless banking and net zero approach represents a critical milestone requiring collaborative efforts across all stakeholders.

The Bank refrains from issuing passbooks, cheque books, and transactional paper payslips unless expressly requested by customers. Additionally, the Bank has implemented measures to reduce paper usages for internal organisational purposes including a Human Resources Management System (HRMS) and Loan Appraisal System (LAS) which will focus on electronic data communications and storage.

5.5 Non-Financial KPIs

In the fiscal year 2024, the Bank incorporates several other non-financial KPIs, and a summarised overview of the relevant non-financial KPIs is provided below:



Environmental issues	
Waste	<p>A major source of waste within the Bank is paper. In response, the Bank has implemented a series of digital initiatives aimed at reducing paper usage through the following policy measures:</p> <ul style="list-style-type: none">• Transition from conventional paper storage to cloud-based storage solutions.• Adoption of email as the primary mode of internal communication.• Implementation of electronic systems for the submission of credit proposals, expenditure approvals, leave requests, and the maintenance of digital registers.• Centralisation of printing services and the use of e-fax technology.• Re-engineering of branch operations to minimise the use of paper applications and forms. <p>The expenditures for printing paper are as follows:</p> <ul style="list-style-type: none">• Fiscal Year ending September 30, 2020: MMK 12,861,960• Fiscal Year ending September 30, 2021: MMK 6,063,185• Fiscal Year ending March 31, 2022 (6 months): MMK 5,614,019• Fiscal Year ending March 31, 2023: MMK 21,573,360• Fiscal Year ending March 31, 2024: MMK 17,691,779 <p>Two significant future projects to lessen use of paper are still on-going, namely, a Loan Appraisal System for digitalisation of loan processes and Human Resource Management System to manage HR activity and applications.</p>
Energy	<p>Electricity Expenditure Analysis</p> <p>Historical Expenditure</p> <ul style="list-style-type: none">• Fiscal Year Ending 30th September 2019: MMK 258,858,101• Fiscal Year Ending 30th September 2020: MMK 343,629,518• Fiscal Year Ending 30th September 2021: MMK 290,597,476• Fiscal Year Ending 31st March 2022 (6 months): MMK 144,033,359• Fiscal Year Ending 31st March 2023: MMK 323,491,258• Fiscal Year Ending 31st March 2024: MMK 373,538,450 <p>Factors Influencing Electricity Costs</p> <ul style="list-style-type: none">• The increase in electricity expenditure from FY 2019 to FY 2020 can be attributed to a rise in electricity tariffs effective from 1st July 2019, as mandated by the Ministry of Electricity and Energy.• In FY2024, the availability of electricity through the national grid was reduced resulting in the use of generators and increase in petrol consumption

5.4 NET ZERO APPROACH

Environmental issues	
Energy	<div>Strategic Initiatives and Implementations In response to rising electricity costs, several measures have been instituted: <ol style="list-style-type: none">Central Air-Conditioning System: At uab Tower, which houses the Head Office staff, a central air-conditioning system has been implemented. This system aims to optimise cooling efficiency and reduce overall electrical consumption.Utility Management Practices: The institution has adopted practices encouraging the switching off of utilities when not in use, thereby reducing unnecessary energy consumption.Branch Monitoring: The electricity usage at each of the Bank's 86 branches is actively tracked and monitored. This data collection supports the development of strategies to further mitigate the carbon footprint associated with energy use.Renewable Energy Initiative: A pilot project involving the installation of solar panels at various branches is underway. This initiative represents a proactive approach towards integrating renewable energy sources and reducing dependency on conventional electricity.</div> <div>Petrol Expenditure Analysis Expenditure<ul style="list-style-type: none">Fiscal Year Ending 30th September 2019: MMK 320,747,063Fiscal Year Ending 30th September 2020: MMK 183,769,514Fiscal Year Ending 30th September 2021: MMK 193,804,048Fiscal Year Ending 31st March 2022 (6 months): MMK 257,688,493Fiscal Year Ending 31st March 2023: MMK 1,022,079,556Fiscal Year Ending 31st March 2024: MMK 1,194,347,713</div> <div>Factors Influencing Petrol/Diesel Costs The significant increase in petrol expenditure during FY 2024 is primarily attributed to substantial hikes in petrol prices. This trend has notably inflated the cost of petrol across the fiscal year. Further, increased use of generators, resulted in higher diesel consumption.</div> <div>Strategic Measures and Policy Adjustments <ol style="list-style-type: none">Fleet Modernization: A policy has been adopted to replace older vehicles with newer, more energy-efficient, and environmentally friendly models. This transition aims to reduce overall fuel consumption and greenhouse gas emissions.</div>

Environmental issues	
Energy	<div><ol style="list-style-type: none">Enhanced Vehicle Management: Measures to more rigorously control the use of company vehicles have been introduced, promoting more efficient fuel usage and reducing unnecessary travel.Petrol Usage Monitoring: Similar to electricity, the petrol usage within the Bank's operational value chain is meticulously tracked and monitored. This approach is intended to develop further strategies for minimising the carbon footprint associated with fuel consumption.Consideration of Electric Vehicles: Electric vehicles are now being added to the fleet and forms part of the commitment to reducing environmental impact and enhancing sustainability.</div> <div>These strategic actions reflect the Bank's ongoing efforts to manage and reduce both electricity and petrol expenditures while advancing sustainability objectives.</div>
Carbon	<div>Carbon Footprint Analysis Estimated Carbon Emissions from Electricity and Petrol Consumption<ul style="list-style-type: none">Fiscal Year Ending 30th September 2020: 1,880 metric tonsFiscal Year Ending 30th September 2021: 1,266 metric tonsFiscal Year Ending 31st March 2022: 1,508 metric tons (annualised)Fiscal Year Ending 31st March 2023: 1,663 metric tonsFiscal Year Ending 31st March 2024: 1805 metric tons</div> <div>Trends and Influencing Factors The reduction in carbon emissions during FY 2024 and FY 2023 can be largely attributed to an increase in work-from-home arrangements necessitated by the new working environment, alongside the political situation. These factors collectively resulted in diminished on-site operations and a subsequent decrease in energy and petrol consumption.</div> <div>Carbon Footprint Categorisation for FY 2024 In FY 2024, the Bank's carbon footprint has been systematically categorised into three distinct scopes, providing a comprehensive framework for understanding and addressing emissions: <ol style="list-style-type: none">Scope 1: Direct Emissions These emissions stem directly from petrol usage in transportation and generator operations. In FY 2024, Scope 1 emissions accounted for 1,056.15 metric tons of CO2e, representing 59.17% of the total carbon footprint.</div>

5.4 NET ZERO APPROACH

Environmental issues	
Carbon	<div><div><div>2. Scope 2: Indirect Emissions</div><div>This category includes indirect emissions resulting from the bank’s electricity consumption, which is supplied by local electricity providers. Scope 2 emissions for FY 2024 amounted to 555.19 metric tons of CO2e, comprising 34% of the total carbon footprint.</div></div><div><div>3. Scope 3: Indirect Emissions from Other Sources</div><div>Scope 3 encompasses indirect emissions arising from energy consumption associated with rented facilities, such as ferry buses for employees. For FY 2024, these emissions were measured at 23.11 metric tons of CO2e, accounting for 1.4% of the total carbon footprint.</div></div><div><div>Mitigation Strategies and Sustainability Initiatives</div><div>The Bank has instituted several measures aimed at minimising its carbon footprint through targeted reductions in waste, electricity, and petrol consumption:</div><div><div>1. Waste Management</div><div>Proactive steps are being taken to manage and reduce waste, contributing to the overall sustainability efforts of the Bank.</div></div><div><div>2. Electricity Consumption</div><div>As detailed earlier, strategies such as the implementation of a central air-conditioning system, the promotion of utility management practices, and the introduction of a solar panel pilot project are aimed at reducing electricity consumption and its associated emissions.</div></div><div><div>3. Petrol Consumption</div><div>Measures to modernise the vehicle fleet with more energy-efficient models, implement stringent vehicle use policies, and consider the adoption of electric vehicles reflect the Bank’s commitment to reducing petrol consumption and its carbon footprint.</div></div><div><div>These initiatives underscore the Bank’s dedication to environmental stewardship and its strategic approach to mitigating the impacts of its operational activities on the environment. By systematically addressing the sources of its carbon emissions and implementing robust sustainability practices, the Bank is actively contributing to a reduction in its overall carbon footprint.</div></div></div></div>

Environmental issues	
Water	<div><div><div>Water Expenditure and Conservation Measures</div><div><div>Historical Expenditure</div><div><div><div>• Fiscal Year Ending 30th September 2019: MMK 3,294,350</div><div>• Fiscal Year Ending 30th September 2020: MMK 4,233,561</div><div>• Fiscal Year Ending 30th September 2021: MMK 1,994,207</div><div>• Fiscal Year Ending 31st March 2022 (6 months): MMK 1,621,050</div><div>• Fiscal Year Ending 31st March 2023: MMK 5,350,500</div><div>• Fiscal Year Ending 31st March 2024: MMK 9,920,502</div></div></div><div><div>Water Conservation Strategies</div><div>To address rising water costs and promote sustainability, several initiatives have been implemented:</div><div><div>1. Usage Control Measures</div><div>Effective controls are being instituted to moderate water usage across all facilities. These measures aim to optimise water consumption and minimise wastage.</div></div><div><div>2. Reduction in Plastic Water Bottles</div><div>To reduce environmental impact, the use of smaller plastic water bottles has been significantly curtailed. Instead, water dispensers with larger, reusable plastic bottles have been introduced, reducing plastic waste and encouraging sustainable practices.</div></div><div><div>3. Eco-Friendly Installations</div><div>At the new Head Office, uab Tower @Times City, and newly renovated branches, eco-friendly toilet flush systems have been installed. These systems are designed to reduce water usage per flush, contributing to overall water conservation efforts.</div></div><div><div>These strategies reflect a concerted effort to manage water expenditure while aligning with broader sustainability goals. By implementing effective controls, reducing plastic waste, and installing eco-friendly fixtures, the Bank is actively working towards reducing its environmental footprint and promoting responsible resource use.</div></div></div></div></div></div>

6.0 PEOPLE AND COMMUNITIES

6.1 EMPLOYMENT EMPOWERMENT

The Bank places a significant emphasis on its workforce as a fundamental driver of organisational sustainability and development. The institution's recruitment, appointment, performance management, and remuneration policies are strategically designed to ensure that employees possess the requisite skills, competencies, and integrity to perform their roles effectively. The overarching aim is to cultivate a conducive work environment that supports career advancement and the retention of high-calibre talent. Our employment approach is anchored in principles of responsibility, integrity, and sound judgement, which are essential to fostering a strong organisational culture.

The Bank's remuneration framework is bifurcated into two principal components: Fixed Pay and Variable Pay. Since 2018, the bonus scheme, integrated within the fixed pay structure, has aligned employee compensation with individual performance and performance ratings. For all employee categories, a comprehensive evaluation of multiple factors determines total compensation, ensuring fairness and equity. The objective of this approach is to acknowledge individual contributions while simultaneously motivating and retaining talent in the long term. The Board of Directors and Senior Management regularly review the Bank's remuneration policy to ensure that compensation strategies and programs are not only compliant with evolving regulatory standards but also adaptive to dynamic market conditions. In evaluating compensation, the Bank adopts a forward-looking perspective, prioritising sustainability objectives over short-term financial outcomes giving weight to long-term rather than mere short term outcomes. Furthermore, the Board is committed to eliminating discrimination

and ensuring gender pay equity, thereby safeguarding parity in salaries between male and female employees.

Additionally, the Bank provides all employees with equitable opportunities for professional growth and development. This commitment is operationalized through the provision of regular training and development programs that are accessible to all employees, irrespective of age, gender, or ethnicity. The Bank also administers formal mentoring programs that pair employees with experienced senior staff, facilitating career navigation and offering tailored guidance and support.

6.1.1 ADVANCING EMPLOYEE DIGITAL ENGAGEMENT

Being a part of the Bank's ongoing initiatives to modernise its workplace and work culture, foundational efforts are underway to establish an advanced digital platform. These digital platforms may be accessed through laptops, digital tablets or mobile phones. Depending on their job roles, employees are provided with laptops or digital tablets to perform their job task plus support the professional development and enhance the overall uabians workplace experience. Furthermore, it aims to foster collaboration, facilitate knowledge exchange, and strengthen social interconnectivity among employees across the Group.

6.2 PROMOTING EMPLOYEE WELLNESS

6.2.1 PRIORITISING EMPLOYEE WELL-BEING

As a part of humanising banking, we introduce humanising workplaces that encapsulates our commitment to actualizing the Bank's mission of "Leading Change and Humanising Banking"

within our workforce. The Bank's strategy, "Connect. Create. Change." is meticulously structured to harness the full potential of our employees by centering on comprehensive well-being. This strategy encompasses several core dimensions: enhancing productivity and performance, fostering inspiring leadership across all levels, promoting work-life balance and boundary setting, encouraging healthy lifestyles and overall well-being, creating a supportive and psychologically safe environment, and delivering a personalised employee experience. The Bank has been committed to its vision:

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

Aligned with this vision, the Bank provides holistic support for employees' well-being, facilitating peak performance across both professional and personal spheres. To safeguard these goals, we have instituted robust workplace policies and practices focused on health, safety, and business continuity. This includes implementing effective systems to identify and mitigate potential disruptions, thus ensuring operational resilience during times of crisis. A number of specific projects initiated in FY 2024 including bursary for children of employees for education, rice donation for non-executive staff and oversea exposure programs.

6.3 REWARDING AND RECOGNISING PEOPLE

6.3.1 REMUNERATION AND BENEFITS

We take a holistic view of various factors to determine and to ensure that an employee's total compensation is fair. This is done with the objectives to reward contributions, motivate and retain talents.

Performance-based variable pay is linked to the performance of the Bank, business functions and the employee's individual achievement of performance targets. The performance of each employee is evaluated based on a mix of performance objectives, competencies and behaviours that uphold the uab bank Values. Variable pay of each employee is dependent and differentiated by the employee's performance at the end of every year.

The Board of Directors and Senior Management conducts regular reviews of the remuneration policy to ensure that compensation practices and programmes 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.

Our commitment to employee well-being and support forms a core tenet of the Bank's culture. The "uabian" way of life emphasises achieving a meaningful balance between professional and personal success. Recognising the significant time employees invest in their roles, we prioritise initiatives that foster a healthy work-life equilibrium, including opportunities for career progression, skill enhancement through job rotation, and support for professional development.

The principle of work-life balance is embedded within the design of our new Head Office. This space has been thoughtfully crafted to cultivate an inclusive, creativity-driven environment, thereby enhancing the workplace experience for all employees.

PEOPLE AND COMMUNITIES

6.3.2 EMPLOYEES BENEFITS

The Bank provided the full benefit of having Staff loans, insurances, career development programs, and mentorship to those who are working as a permanent employee. At the same time, giving opportunities to attend the talent and career persuasion training for temporary and contract workers to improve the performance by having career assessments and talent training.

6.3.3 FLEXIBLE WORK ARRANGEMENTS

In support of diverse personal needs, the Bank offers flexible working hours to employees who face challenges adhering to conventional office schedules. Additionally, certain roles within the organisation are eligible for part-time arrangements, empowering employees to manage both professional responsibilities and personal priorities effectively.

6.3.4 SABBATICALS

- Sabbatical leave is granted to employees for compelling reasons, including (but not limited to):
- Academic or professional development pursuits
 - Family care responsibilities, particularly for immediate family members
 - Medical purposes, ensuring the employee’s health and wellness
 - Postpartum recovery and care

6.3.5 MATERNITY LEAVE

Women employees are allowed to combine their earned leave along with maternity leave to avail an extended break after delivery. Further, where the attending doctor recommends for medical leave immediately after the maternity leave, such cases are also reviewed by Management on a case-to-case basis.

6.3.6 HEALTH AND SAFETY

- The Bank is dedicated to maintaining a safe, health-conscious environment for employees, contractors, customers, and visitors across all premises. We uphold a commitment to continual advancement in our health and safety management systems to ensure:
- A proactive safety culture, where employees and stakeholders take responsibility for the well-being of themselves and others
 - Provision of necessary resources to adequately control health and safety risks associated with workplace activities
 - An environment where employees are empowered to identify, manage, and mitigate workplace hazards proactively to prevent accidents and health-related issues. Measures include maintaining high cleanliness and hygiene standards, ensuring appropriate signage for risk areas, adequate lighting, and prevention of hazards such as slippery surfaces.

Furthermore, all eligible employees are registered with the national social security scheme to access health and safety benefits as stipulated. Comprehensive training and briefings are provided to enhance awareness, and employees are encouraged to communicate safety concerns, fostering a collaborative approach to workplace safety.

6.4 DEVELOPING A RESILIENT HIGH-PERFORMING WORKFORCE

6.4.1 CULTIVATING EMERGING LEADERSHIP PROGRAM

Program	Objective	Target Audience
New Joiner Training	To equip new employees with essential knowledge, skills, and resources to ensure a smooth transition into their roles. This program aims to foster an understanding of organisational values, operational processes, and compliance standards, enabling new team members to integrate effectively and contribute meaningfully to the organisation’s objectives from the outset.	All levels of new employees
Customer Services Training Program	To empower employees with the skills, knowledge, and best practices necessary to deliver exceptional customer experiences. This program focuses on enhancing communication, problem-solving, and service-oriented skills to ensure that employees can effectively meet customer needs, resolve inquiries, and uphold the organisation’s commitment to excellence in customer satisfaction.	All levels of branch employees
AML Training	To provide employees with a comprehensive understanding of AML regulations, policies, and procedures to ensure compliance and mitigate financial crime risks. This program aims to equip staff with the skills to recognize, prevent, and report suspicious activities, thereby safeguarding the Bank’s integrity and supporting regulatory standards in combating money laundering and related illicit activities.	Executive level employees & Board Members

PEOPLE AND COMMUNITIES

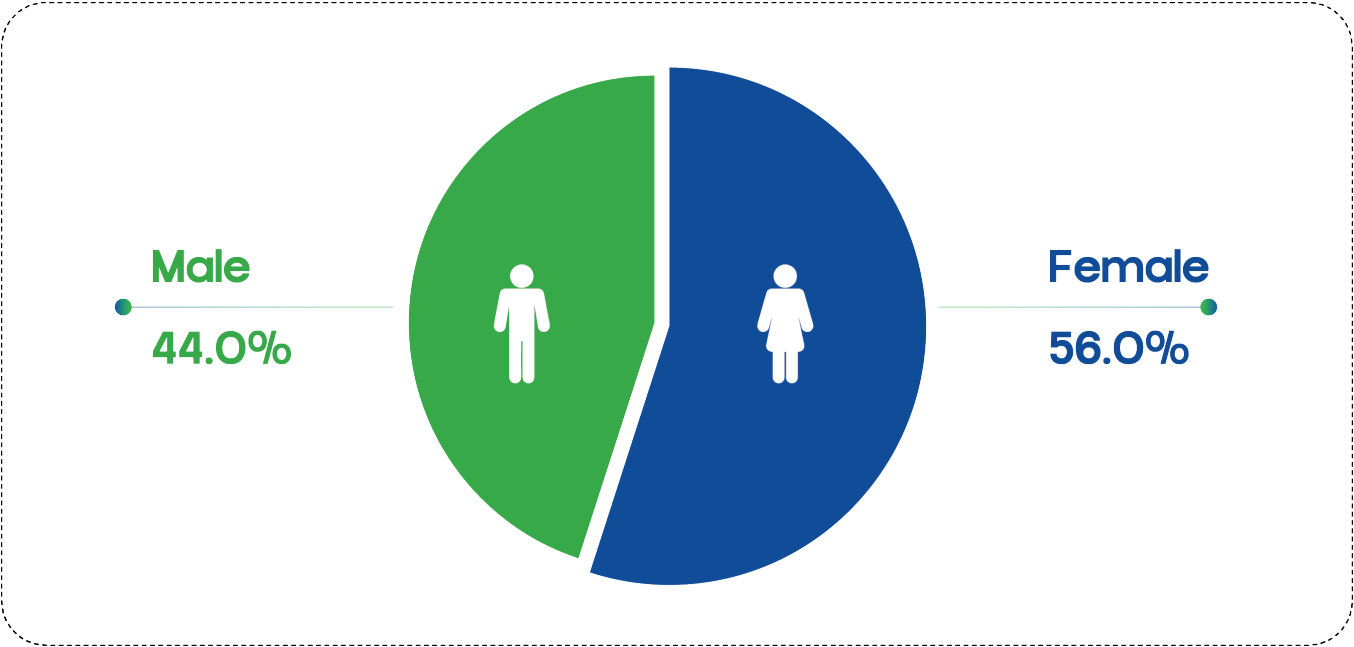
Program	Objective	Target Audience
Board of Directors Training By MloD (Myanmar Institute of Directors)	To enhance the governance capabilities and professional competencies of board members by instilling best practices in corporate governance, business ethics, and transparency. Through this program, directors will develop essential skills for effective board leadership, strengthen their commitment to ethical standards, and foster strategic insights to increase stakeholder trust and investor confidence. By attending this program, board members contribute to a more resilient and transparent banking environment in Myanmar’s private sector.	Board Members & Board Secretariat
Friday Online Training Section	To enhance employees’ understanding of banking systems and operational processes through regular knowledge-sharing. This program aims to strengthen technical expertise, promote best practices, and encourage continuous learning within the team, thereby improving operational efficiency and fostering a culture of professional growth and development within the Bank.	Middle management level employees

Program	Objective	Target Audience
Operation Training Program by Transactional Banking Department	To equip employees with the specialised knowledge and skills required to manage transactional banking processes with accuracy, efficiency, and adherence to regulatory standards. This program focuses on fostering expertise in transactional workflows, risk mitigation, compliance, and customer service within the banking operations context, empowering team members to deliver reliable and high-quality service in all transactional banking activities.	Executive level employees
Grooming Workshop	To offer registered employees the opportunity to acquire professional grooming and makeup techniques that refine personal presentation in a workplace context. This program aims to enhance individual confidence and foster a polished, professional appearance, thereby supporting employees’ self-assurance and contributing to a cohesive and professional image.	All levels of employees

PEOPLE AND COMMUNITIES

Program	Objective	Target Audience
Overseas Exposure Training	<p>In the fiscal year 2024, the Bank advanced its Talent Management strategy by offering overseas training opportunities to its key leadership. This initiative aimed to enhance leadership capabilities through exposure to international best practices and innovative approaches in the banking and financial sectors. Key activities undertaken as part of this strategy included:</p> <p>1. Cambodia Study Trip to Manulife Cambodia (February 7–10, 2023): This visit focused on gaining insights into the operational excellence and strategic practices employed by Manulife Cambodia, with particular emphasis on insurance and financial services.</p> <p>2. International Leadership Development Program in India (December 4–9, 2023): Participants engaged in an intensive program designed to foster advanced leadership competencies and strategic thinking, facilitated by esteemed institutions in India</p> <p>3. Exposure Trip to Krung Thai Bank, Thailand (December 15–18, 2023): This study trip provided participants with a deeper understanding of technological advancements and innovative banking solutions implemented by Krung Thai Bank, with a focus on digital transformation.</p> <p>These initiatives underscore uab bank commitment to investing in its leadership to drive organisational excellence and future</p>	Deputy CEO, Head of Departements & Branch Managers

6.4.2 GENDER EQUITY



6.4.3 AGE CONTRIBUTION BY GENDER

	18 to 30	31 to 40	41 to 50	51 & above
Female	587	400	129	41
Male	382	360	126	49

6.4.4 GENDER BALANCE ACCORDING TO JOB TYPE

	Non-Executive	Executive	Middle Management	Senior Management
Female	54	647	434	22
Male	12	251	390	264

6.4.4 GENDER BALANCE ACCORDING TO JOB TYPE

Employees Age Distribution					
Age	18 to 30	31 to 40	41 to 50	51 & above	Total
Number	969	760	255	90	2074
Percentage	47	37	12	4	100
Male	382	360	126	49	917
Female	587	400	129	41	1157

PEOPLE AND COMMUNITIES

6.5 JOB OPPORTUNITIES AND ECONOMIC GROWTH

The overall headcount in FY 24 was 2,074 with 56% of female workforce while the male workforce was 44%.

Number of headcount	2,074
Number of female employees	1,157
Number of male employees	917
Female: Male ratio	56:44
Number of employees between 18-30	969
Number of employees between 31-40	760
Number of employees between 41-50	255
Number of employees above 51	90
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	3%
Percentage of 41-50 years old in the total number of employees	12%
Percentage of 51 years old and above in the total number of employees	4%
Number of female employees in Senior Management positions	22
Number of male employees in Senior Management positions	12

The Bank has actively contributed to job creation and the development of an employable workforce across 54 townships in Myanmar through comprehensive training and mentoring programs. As of March 31, 2024, the Bank directly employed 2,074 individuals, reflecting a significant increase in employment from the previous year with the headcount number of 1,904. Personnel costs rose to MMK 25.98 billion, compared to MMK 19.5 billion the year prior, demonstrating our commitment to fostering employment stability and growth. Additionally, through our financing activities and procurement processes, we have substantially supported the broader job creation efforts in Myanmar. Specifically concerning youth, the Bank has facilitated numerous opportunities, further contributing to the development of a skilled and capable workforce.

6.5.1 INTERNSHIP OPPORTUNITIES

Annually, the Bank offers internship opportunities to students in the final year of their undergraduate studies. During FY 24, 71 students received Internship opportunities ranging from 1 to 3 months to enable them to gain technical exposure in banking, marketing, IT and finance. This initiative aims to provide practical experience and enhance the employability of emerging professionals as they transition from academic settings to the workforce. uab bank facilitates the cultivation of cultural capital among 313 students representing a range of educational institutions and universities, thereby enhancing their capacity to emerge as dynamic and visionary leaders capable of contributing meaningfully to societal progress.

6.5.2 YOUTH EMPLOYMENT

We recognise that youth employment is crucial to both the growth of our organisation and the broader economic development of the nation. As of the end of fiscal year 2024, individuals under the age of 30 comprised 47% of our total workforce. This demographic not only enhances the dynamism and innovation within the Bank but also reflects our commitment to fostering the next generation of professionals who will contribute to Myanmar’s future development.



6.6 PEOPLE AND COMMUNITY

In its sustainability targets, the Bank incorporates several other non-financial KPIs. Below table is provided a summarised overview of the relevant non-financial KPIs:



PEOPLE AND COMMUNITIES

TOPIC AND SOCIAL ISSUES	FINANCIAL YEAR ENDING 31ST MARCH 2024 (FY 2024)	IMPACT
Equal Opportunity Employment (gender, age)	<p>Total employees: 2,074</p> <ul style="list-style-type: none"> Male: 917 Female: 1,157 <p>By age</p> <ul style="list-style-type: none"> 18-30 years: 969 31-40 years: 760 41-50 years: 255 above 51 years: 90 <p>Promotions awarded for FY 2024 totalled 245 staff out of which:</p> <ul style="list-style-type: none"> Male: 88 Female: 157 <p>Staff with job grades of Vice President and above:</p> <ul style="list-style-type: none"> Male: 12 Female: 22 	<p>The Bank ensured and continues to ensure that there is equal opportunity in gender, age and promotional opportunities.</p> <p>Over FY 2024, there was generally a satisfactory balance in the provision of equal opportunity.</p> <p>2024 Annual Report will include a dedicated Human Capital Report that provides comprehensive insights.</p>
Employee Engagement	<p>An Employee Satisfaction survey published on 27th November 2023 produced the following results:</p> <ol style="list-style-type: none"> Number of respondents: 1,059(70% of white-collar workforce) Score: 5.4 on a 7-point Likert Scale (77.14%) <p>In 2023, the Bank has once again been listed under “Best Companies to work in Myanmar – Employee’s Choice” https://www.jobnet.com.mm/bcim, and this is the 3rd time of receiving this award after 2020 and 2022.</p>	<p>The positive influence of employee satisfaction, as reflected by the good score, contributed to the Bank’s financial performance. In FY 2024, the Net Profit per Employee improved to MMK 18.9 million per employee compared to MMK 12 million in FY 2023.</p>
Employee Turnover Rate (%)	Employee turnover amongst operating staff was 21.3% in FY 2024.	Employee turnover was higher in FY 2024 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 (%)	<p>Absenteeism Rate (%): 0.22%</p> <p><i>(Absenteeism is defined as the unexcused leave measured against the working days in the period)</i></p>	<p>The absenteeism rate of 0.22% for FY 2024 which was a slight decrease compared to 0.26% and 0.29% in the FY 2023 and 2022 respectively, indicating a continued satisfactory employee engagement and lesser unplanned absence.</p>

TOPIC AND SOCIAL ISSUES	FINANCIAL YEAR ENDING 31ST MARCH 2024 (FY 2024)	IMPACT
Fatality Rate (%)	0% fatality rate	<p>The fatality rate for FY 2024 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)	<p>15 accidents occurred, mainly car accidents. The accidents were reported to be minor. There were no fatal injuries during FY 2024.</p> <p>The Lost Time Injury Frequency Rate (LTIFR) due to accidents FY 2024 was 3.89 (where lost time due to accidents is measured <i>per one million hours worked</i>).</p>	Compared to 4.15 in the previous year, the numbers are low due to the nature of the jobs in the banking industry.
Training (number)	<p>Total man hours of training provided: 60,914 hours.</p> <p>Number of staff who attended training sessions: 2,074.</p>	Strong commitment to training continued with training hours increasing to 60,914 man-hours compared to 60,596 hours in the previous financial year.
Career Development/ Appraisal (number)	<p>All employees in the bank were formally appraised on their conduct and performance in the annual performance appraisals conducted in April 2024.</p> <p>Bonuses and salary increases were awarded based on criteria set. All rewards are based not just on short term goals but also on the longer-term considerations.</p>	<p>For the 8th consecutive year, the bank has consistently organised appraisal and career development sessions,</p> <p>245 employees were promoted as part of their career development and in the development of the organisation’s succession planning.</p>
Health & Safety	<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.</p>	The frequency and fatality rates have been mentioned above. It remains acceptable with no fatal injuries.

PEOPLE AND COMMUNITIES

TOPIC AND SOCIAL ISSUES	FINANCIAL YEAR ENDING 31ST MARCH 2024 (FY 2024)	IMPACT
Health & Safety	<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 surgeryPaid leave of up to 6 months for prolonged illness30 days of paid medical leaveWork Life Balance <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 have been mentioned above. It remains acceptable with no fatal injuries.</p>

6.7 PEOPLE AND CULTURE

uab bank has consistently supported customers in need, ensuring their seamless and secure access to financial services and solutions. In response to the economic challenges of the past four years, the Bank prioritised the well-being and productivity of its employees. Efforts were made to keep all staff connected, engaged, and aligned with organisational goals to sustain business continuity. The Bank recognises the importance of supporting its workforce during periods of uncertainty, fostering a collective resilience in navigating these difficult times.

In line with its commitment to social responsibility, uab bank, through the uab foundation, provides financial assistance and support to underserved and impacted communities, particularly in times of need. This reflects the Bank’s belief in giving back to the communities it serves.

The Bank also ensures the maintenance of Myanmar culture within its employee uabian community:

- Thingyan celebrations with uabians and Satu-dita for the community
- Thadingyut celebrations and homage to senior members and staff and customers
- Kathein ceremony and donation
- Waso Traditional Chin Sport Sponsorships



Thingyan Water Festival Celebration



Satu-Dita Celebration



Thadingyut Ceremony



PEOPLE AND COMMUNITIES

Warso Thingan Donation



Warso Chin-Lone (Cane Ball) Festival



Additionally, uab bank is dedicated to environmental stewardship. The institution actively seeks to reduce energy consumption, carbon emissions, paper usage, and water discharge, with the goal of optimising its digital platforms to enhance sustainability. Furthermore, in its lending and financing activities, the Bank has implemented an **Exclusion List** to avoid supporting sectors and activities that may have detrimental environmental effects. This commitment underscores uab bank's dedication to making meaningful, positive contributions to both the environment and society, with a long-term focus on sustainable impact.



"World Environment Day"

Cleaning of drainage canal at Yuzana Garden City and donation of food to 300 people in the poor area.



Sight for Hopes

Aung Sat Kyar Cakkhudana Eye Hospital for free cataract operation



PEOPLE AND COMMUNITIES

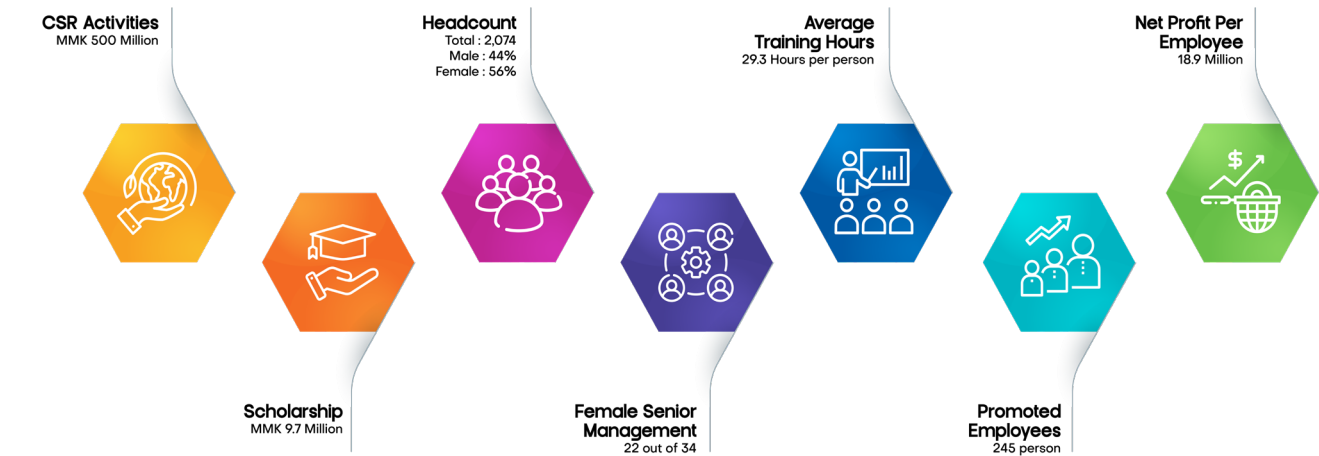
6.8 PHILANTHROPY AND CORPORATE SOCIAL RESPONSIBILITIES

6.8.1 CSR ACTIVITIES

- “Be The Change Myanmar” Program contributed **MMK 448 Million** to the following causes:
- Rice Donation **MMK 372.7 million**
 - Children & Orphanages **MMK 7.0 million**
 - Monastic & Cultural **MMK 9.4 million**
 - Computer Sets **MMK 52.6 million**
 - Health Care **MMK 6.1 million**
 - Senior Citizens **MMK 1.0 million**
 - Furthermore, in its support of women’s entrepreneur development, the Bank sponsored **MMK 40 million** for the following programs:
 - Women in Manufacturing Entrepreneurship Program **MMK 24.0 million**
 - Start-up Ignite Program **MMK 16.0 million**

- The CSR activities of the Bank has been guided by the following four principles:
- uab bank Limited and group companies will implement and execute charitable programs with integrity and in compliance with financial transparency laws, local regulations and industry codes of conduct.
 - Funding is provided to eligible institutions, organisations and deserving individuals nominated through program guidelines, and not to political organisations. Further, they must be based on serving communities in Myanmar.
 - Partnerships and employee participation are encouraged to ensure inclusiveness and maximum impact.
 - Giving must be directed to priority areas and where positive impact is high.

Rice Donation



6.8.2 uab Foundation

uab bank has institutionalised its philanthropic efforts through the establishment of the uab foundation, launched in 2020. This strategic initiative serves as the primary channel for the Bank’s charitable activities, ensuring that resources are allocated with precision and purpose. The Foundation is committed to delivering targeted support to individuals and communities in need, emphasising timely and effective responses to emergencies, including natural disasters. By adopting a structured and systematic approach, the uab foundation maximises the impact of its contributions, addressing critical humanitarian needs while fostering long-term resilience within affected populations. This underscores the Bank’s dedication to creating meaningful and sustainable social impact through its philanthropic endeavors.



7.0 DATA OVERVIEW

Category	Area Covered	Unit	FY 2020 (30 th Sep 2020)	FY 2021 (30 th Sep 2021)	FY 2022 (31 st Mar 2022)	FY 2023 (31 st Mar 2023)	FY 2024 (31 st Mar 2023)
People	Headcount	Number	1,835	1,721	1,756	1,904	2,074
	Number of female employees	Number	964	889	921	1,046	1,157
	Number of male employees	Number	871	833	835	858	917
	Female : Male ratio	Ratio	53:47	52:48	52:48	55:45	55:45
	Number of employees between 18-30	Number	846	731	746	905	969
	Number of employees between 31-40	Number	657	670	698	683	760
	Number of employees between 41-50	Number	259	246	235	239	255
	Number of employees above 51	Number	73	74	77	77	90
	Percentage of 18-30 years old and above in the total number of employees	Percentage	46	42	42	47	47
	Percentage of 31-40 years old and above in the total number of employees	Percentage	36	39	40	36	37
	Percentage of 41-50 years old and above in the total number of employees	Percentage	14	14	13	13	12
	Percentage of 51 years old and above in the total number of employees	Percentage	4	4	4	4	4
	Number of female employees in Senior Management positions	Number	17	15	14	17	22
	Number of male employees in Senior Management positions	Number	15	11	11	12	12
	Number of employees trained	Number	1,800	1,722	1,756	1,904	2,074
	Number of training hours	Number	13,157	22,176	35,774	60,596	60,914
	Number of people promoted	Number	312	220	192	195	245
	Number of female employees promoted	Number	213	132	118	135	157
	Number of male employees promoted	Number	99	88	74	60	88
	Number of employees transferred for upskilling	Number	359	400	223	343	414
	Turnover rate (All Staff)	Percentage	13	17	19.7	23.6	23.0
	Turnover rate of Operational staff (exclude Driver, Cleaner, Security)	Percentage	10.9	13.4	15.8	14.8	21.3
	Absenteeism rate	Percentage	0.23	0.23	0.29	0.26	0.22
	Number of people with disability	Number	1	1	1	0	0
	Number of accidents	Number	20	7	6	15	15
	Fatality rate	Percentage	Nil	Nil	Nil	Nil	Nil
	LTI Frequency rate (LTIFR)	LTI per million manhours	2.68	2.27	3.71	4.15	3.89

Category	Area Covered	Unit	FY 2020 (30 th Sep 2020)	FY 2021 (30 th Sep 2021)	FY 2022 (31 st Mar 2022)	FY 2023 (31 st Mar 2023)	FY 2024 (31 st Mar 2023)
People	Number of training hours	Number	13,157	22,176	35,774	60,596	60,596
	Number of people promoted	Number	312	220	192	195	195
	Number of female employees promoted	Number	213	132	118	135	135
	Number of male employees promoted	Number	99	88	74	60	60
	Number of employees transferred for upskilling	Number	359	400	223	343	343
	Turnover rate (All Staff)	Percentage	13	17	19.7	23.6	23.6
	Turnover rate of Operational staff (exclude Driver, Cleaner, Security)	Percentage	10.9	13.4	15.8	14.8	14.8
	Absenteeism rate	Percentage	0.23	0.23	0.29	0.26	0.26
	Number of people with disability	Number	1	1	1	0	0
	Number of accidents	Number	20	7	6	15	15
	Fatality rate	Percentage	Nil	Nil	Nil	Nil	Nil
	LTI Frequency rate (LTIFR)	LTI per million manhours	2.68	2.27	3.71	4.15	4.15
Society	Donations	MMK	170.3 million	124.2 million	91.9 million	434.4 million	448.8 million
	Tax	MMK	4.5 billion	4.9 billion	3.2 billion	5.4 billion	10.9 billion
	Number of philanthropic causes supported	Number	7	5	4	9	7
	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	23
Environmen	Water	MMK	4.2 million	2 million	1.6 million	5.3 million	9.9 million
	Paper	MMK	12.8 million	6 million	5.6 million	21.5 million	17.7 million
	Electricity energy	MMK	343.6 million	290.6 million	144 million	323 million	373.5 million
	Petrol energy	MMK	183.8 million	193.8 million	257.7 million	1,022 million	1194 million
	Carbon	metric tons	1,880	1,266	1508	1,697	1,635



7.0 DATA OVERVIEW

MOST RECENT REPORT DATE

This report is our fourth sustainable report, covering the fiscal year 2024.

REPORT CYCLE

The Bank continually reports on an annual basis.

CONTACT INQUIRIES REGARDING THE REPORT

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REPORT STANDARDS

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards. In adherence to GRI principles, the report’s content is defined based on the following key elements:

- Stakeholder Inclusiveness
- Sustainability Context
- Materiality
- Completeness

Our sustainability reporting aligns with the Sustainability Accounting Standards Board (SASB) framework for commercial banks. The report has been prepared in compliance with GRI, SASB, and AA1000 standards, recognising their global acceptance and the advantages they provide in terms of comparability with both global and local peers. Additionally, these frameworks ensure the verifiability of the report’s content and facilitate effective communication of the Bank’s medium and long-term Environmental, Social, and Governance

(ESG) strategies and objectives to relevant stakeholders.

To ensure that we address the most significant issues impacting the economy, society, and the environment, while also aligning with the interests of our stakeholders, the Bank conducted its inaugural formal materiality analysis in September 2019 with update made annually.

This assessment evaluated our practices and processes against external benchmarks, including the AA1000 Stakeholder Engagement Standards and the Global Reporting Initiative (GRI) Framework. The primary objective of this analysis is to guide and optimise our ESG initiatives and enhance our overall processes.

We recognise the importance of maintaining an ongoing dialogue with stakeholders, which is critical for any organisation striving for responsible and sustainable operations. We place high value on transparent communication, even when stakeholder interests and expectations may conflict. Our approach prioritises resolving these differences equitably, seeking to gain broad acceptance for our actions. Throughout FY 2024, we actively engaged with stakeholders to gather feedback, reaffirming our commitment to continuous improvement and stakeholder responsiveness.

GRI Content Index

GRI Standards	Title	Location	SDGs Contribution
		Sustainability Report 2024 Page	
Reporting Standards			
GRI 1: Foundation 2021			
1-1	Reporting Principles	5, 35, 86	SDG 17
1-5	Making claims related to the use of GRI standards	35, 50-53, 86	
1-8	Using GRI standards for sustainability reporting	35, 50-53, 86	
The Organisation and its Reporting Practices			
GRI 2: General Disclosure 2021			
2-1	Organisation Details	8-16	SDG 9
2-2	Entities Included in Sustainable Report	86	
2-3	Reporting Period, Frequency and Contact Point	86	
2-4	Restatements of information	86	
Activities and Workers			
GRI 2: General Disclosure 2021			
2-6	Activities, value chain and other business relationships	8-13, 39-41, 42-43, 51-52	SDG 8
2-7	Employees	66-78	
2-8	Workers who are not employees	74-75	
Governance			
GRI 2: General Disclosure 2021			
2-9	Governance structure and composition	26-27	SDG 16
2-10	Nomination and selection of the highest governance body	28-31	
2-11	Chair of the highest governance body	28-31	
2-12	Role of the highest governance body in overseeing the management of impacts	8-9, 13, 16, 28-31, 36, 51, 78-83	
2-13	Delegation of responsibility for managing impacts	8, 34-36, 51, 61-65	
2-14	Role of the highest governance body in sustainability reporting	34, 36, 58-60	
2-15	Conflicts of interest	34, 36, 58-60	
2-16	Communication of critical concerns	21-25	
2-17	Collective knowledge of the highest governance body	26-29, 34, 36, 44-50, 58-60, 78-83	
2-18	Elevation of the performance of the highest governance body	51, 56	
2-19	Remuneration Policies	31, 66-68	
2-20	Process to determine remuneration	13, 29-30, 67, 73-75	
2-21	Annual total compensation ratio	73-74	

GRI Content Index

Strategy, Policies and Practices			
GRI 2: General Disclosure 2021			
2-22	Statement on sustainable development strategy	34-35	SDG 8
2-23	Policy commitmentss	30-31, 34-36, 58-60	
2-24	Embedding policy comments	30-32, 37-38, 52-53	SDG 9
2-25	Processes to remediate negative impactss	24-25, 32	
2-26	Mechanisms for seeking advice and raising concerns	24-25, 32	
2-27	Compliance with laws and regulation	22-23, 36, 58-60	SDG 16
2-28	Membership associations	21	SDG 17
Stakeholder Engagement			
GRI 2: General Disclosure 2021			
2-29	Approach to stakeholder engagement	42-43	SDG 8
2-30	Collective bargaining agreements	42-43	
Economics Performance			
GRI 3: Material Topics 2021			
3-3	Management of material topics	16, 44-51	
GRI 201: Economic Performance 2016			
201-1	Direct economic value generated and distributed	16, 51	SDG 8, SDG 11
201-2	Financial implications and other risks and opportunities due to climate change	22-25, 32, 51	
201-3	Defined benefit plan obligations and other retirement plans	33	
201-4	Financial assistance received from government	13, 16, 33, 42-43	
Indirect Economics Impact			
GRI 3: Material Topics 2021			
3-3	Management of material topics	39-41	SDG 3, SDG 4
GRI 203: Indirect Economic Impacts 2016			
203-1	Infrastructure investments and services supported	42-50, 58-60, 67-72	SDG 3,
203-2	Significant indirect economic impacts	58-60, 67-72,84-85	SDG 4
Tax			
GRI 3: Material Topics 2021			
3-3	Management of material topics	33	SDG 16
GRI 207: Tax 2019			
207-1	Approach to tax	33	SDG 16
207-2	Tax governance, control and risk management	33	
207-3	Stakeholder engagement and management of concerns related to tax	33	

Energy			
GRI 3: Material Topics 2021			
3-3	Management of material topics	54-57	SDG 7, SDG 11, SDG 13
GRI 302: Energy 2016			
302-1	Energy consumption within the organisation	54-57, 61-65	SDG 7, SDG 11, SDG 13
302-2	Energy consumption outside of the organisation	54-57, 61-65	
302-3	Energy intensity	54-57, 61-65	
302-4	Reduction of energy consumption	54-57, 61-65	
302-5	Reduction in energy requirements of products and services	54-57, 61-65	
Water			
GRI 3: Material Topics 2021			
3-3	Management of material topics	65	
GRI 303: Water and effluents 2018			
303-1	Interactions with water as shared resources	65	
303-3	Water withdrawal	65	
303-5	Water Consumption	65	
Emission			
GRI 3: Material Topics 2021			
3-3	Management of material topics	54-57	SDG 13
GRI 305: Emission 2016			
305-1	Direct (Scope 1) GHG emission	54-57, 63-64	SDG 13
305-2	Energy (Scope 2) GHG emission	54-57, 63-64	
305-3	Other Indirect (Scope 3) GHG emission	54-57, 63-64	
305-4	GHG emission intensity	54-57, 63-64	
Waste			
GRI 3: Material Topics 2021			
3-3	Management of material topics	60-61	
GRI 306: Waste 2020			
306-1	Waste generation and significant waste-related impacts	60-61	
306-2	Management of significant waste-related impacts	60-61	
306-3	Waste generated	60-61	
Supplier Environmental Assessment			
GRI 3: Material Topics 2021			
3-3	Manaaement of material topics	22-23	SDG 8

GRI Content Index

GRI 308: Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria	22-23, 37-38, 42-50	SDG 8
308-2	Negative environmental impacts in the supply chain and actions taken	20-21, 37-38, 42-50	
Employment			
GRI 3: Material Topics 2021			
3-3	Management of material topics	66-78	SDG 8
GRI 401: Employment 2016			
401-1	New employee hires and employee turnover	66-68, 84-85	SDG 8
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	66-75	
401-3	Parental leave	68	
People and Culture			
GRI 3: Material Topics 2021			
3-3	Management of material topics	78-81	SDG 8
GRI 403: Occupational Health & Safety 2018			
403-3	Occupational health services	75-81	SDG 8,
403-5	Worker training on occupational health and safety	69-72	SDG 16
403-6	Promotion of worker health	66-68	SDG 3
403-8	Workers covered by an occupational health and safety management system	66-68	SDG 8
403-9	Work-related injuries	66-68	
Training and Education			
GRI 3: Material Topics 2021			
3-3	Management of material topics	69-72, 76-78	SDG 9
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	69-72, 76-78, 84-85	SDG 4, SDG 5, SDG 8,SDG 9, SDG 10
404-2	Programs for upgrading employee skills and transition assistance programs	44-50, 69-72	SDG 8
404-3	Percentage of employee receiving regular performance and career development reviews	44-50, 66-68, 73-78, 84-85	SDG 5, SDG 8, SDG 10
Diversity & Equal Opportunity			
GRI 3: Material Topics 2021			
3-3	Management of material topics	39-41	SDG 5, SDG 10, SDG 11

GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	39-41, 73-74, 76-78	SDG 5, SDG 10, SDG 11
405-2	Ratio of basic salary and remuneration of women to men	67-68, 73-74, 76-78, 84-85	
Customer Privacy			
GRI 3: Material Topics 2021			
3-3	Management of material topics	17, 19, 30-31	
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	17, 19, 21-23, 30-31	
Risk and Compliance			
GRI 3: Material Topics 2021			
3-3	Management of material topics	32	
GRI 205: Anti-corruption 2016			
205-2	Communication and training about anti-corruption policies and procedures	21-25, 30-32, 69-72	
205-3	Confirmed incidents of corruption and action taken	21-25, 32	
SME			
GRI 3: Material Topics 2021			
3-3	Management of material topics	20-21, 51	
GRI 201: Economic Performance 2016			
201-1	Direct economic value generated and distributed	16-17, 20-21, 39-41, 44-51	
Sustainable Finance			
GRI 3: Material Topics 2021			
3-3	Management of material topics	51	SDG 7
GRI 201: Economic Performance 2016			
201-2	Financial implications and other risks and opportunities due to climate change	37-41, 51-53	SDG 7

SASB Content Index

The following disclosures pertain specifically to the operations of commercial banks and other sectors of its operations. All data presented within this index reflect the activities of the Head Office and its branches throughout Myanmar for the period spanning from April 1, 2023, to March 31, 2024.

Topic	Accounting Metric	Category	Code	Measurement Unit	Response
Commercial Banks					
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) 1,506 (2) As of 31st March 2024, The Bank had MMK 209.59 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) 44 (2) As of 31st March 2024, MMK 5.349 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 the unbanked, underbanked, or underserved customers	Quantitative	FN-CB-240a.4	Number	Direct Response: In the Financial Year ending 31st March 2024,18,000 individuals participated in financial literacy initiatives for the unbanked, underbanked, or underserved customers.

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:	
					Agricultural, Livestock and Fishery	15.3 %
					Mining	4.4 %
					Manufacture and Processing	10.7 %
					Construction	16.3 %
					Transportation	4.1 %
					Financial Instructions	3.4 %
					Rental and other services	14.2 %
					Other (Pledge and general loans)	5.6 %
					Trade	19.2 %
					Staff loan	0.3 %
					Hire Purchase	0.5 %
					Credit Card	0.2 %
					Housing Loan	5.7 %
					Total	%100
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		

SASB Content Index

Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with fraud,insider trading, anti-trust, anti-competitive behaviour, 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 13 internal fraud incidents for the Financial Year ending 31st March 2024.
	Description of whistleblower policies and procedures	Discussion and Analysis	FN-CB-510a.2	n/a	Direct Response: Whistleblower Protection Policy more in here: 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.
	(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: 657,620 • Small business: 12,990 (2) Value in MMK billion: • Personal: 187.585 billion • Small business: 58.379 billion
	(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: 5,608 • Small business: 1,506 • Corporate: 764 (2) Value in MMK billion: • Personal: 204.719 billion • Small business: 209.586 billion • Corporate: 2,011.573 billion

