



Global Compact
Network
Malaysia & Brunei

Embedding Sustainability at Scale: Maybank's M25+ Strategy

A Case Study of



Maybank



Knowledge Partner:



Sunway
**BUSINESS
SCHOOL**

Malayan Banking Berhad

A Group-Wide Sustainability Framework Anchored on Humanising Financial Services



Founded in 1960, Maybank is Malaysia's largest financial services group with a strong presence across the ASEAN region. Guided by its mission to humanise financial services, the Group balances business performance with ethical conduct, digital innovation, and long-term value creation for customers and communities.

This case study highlights how Maybank's M25+ strategy represents a refined, organisation-wide approach developed to drive sustainable returns amid heightened volatility arising from the pandemic and broader external headwinds. Central to M25+ is the embedding of sustainability across Maybank's core operations, alongside the acceleration of key capabilities to support resilient, long-term growth. M25+ strengthens Maybank's ability to balance business performance with responsible governance, climate resilience, and positive social impact.

Company At A Glance

- Industry: Financial Services
- Headquarters: Kuala Lumpur, Malaysia
- Group-wide Workforce: 43,000

“ Maybank's legacy will not be defined by merely our profits, but by the values we uphold, and the lives we transform. ”



**Tan Sri Dato' Sri
Ir. Zamzamzairani
Mohd Isa,**

Chairman of
Maybank

The Challenge

M25+ was catalysed by a clear signal from multiple stakeholders that incremental sustainability efforts were no longer sufficient. Investors, regulators, and rating agencies increasingly called for stronger climate risk management, transparent ESG disclosures, and credible transition strategies, particularly in light of Maybank's regional footprint and systemic role in ASEAN.

Internally, employees and communities reinforced these expectations through surveys, town halls, and engagement platforms, calling for deeper action on financial inclusion, human rights, and climate transition support. At the same time, civil society and regulators heightened scrutiny around deforestation, climate action, biodiversity, responsible value chains, and human rights practices. These converging pressures underscored the need for a comprehensive, organisation-wide strategy that shapes robust governance, enhanced risk management, and execution across the Group.

The Action

To operationalise M25+, Maybank implemented a series of coordinated actions spanning governance, policy, risk management, and capability-building.

1. Defining Governance Architecture and Strategic Intent

Maybank translated stakeholder expectations into an enterprise-level sustainability transformation anchored in M25+ and a strengthened Group Sustainability Framework.

The framework was refined to reflect myimpact values, inspired by Values-Based Intermediation (VBI) and Islamic finance principles, positioning sustainability as a strategic differentiator.

The framework is built on three core sustainability pillars:

- **Responsible Transition – balancing environmental and social imperatives with stakeholder expectations**
- **Enabling Communities – strengthening community resilience and promoting inclusive economic development**
- **Our House Is In Order, and We Walk the Talk – leading by example through robust governance**

To advance its sustainability approach, Maybank adopted a double materiality approach, assessing both ESG risks to business performance and the impact of its activities on society and the environment.

2. Strengthening Board and Management Oversight of Sustainability

Under M25+, Maybank strengthened its sustainability governance to provide effective oversight of ESG risks, including climate risks identified as among the most material to the Group's business. A top-down governance approach ensures ESG considerations are embedded into decision-making across all levels of the organisation, from the Board through to management and operational teams.

At the Board level, sustainability oversight is anchored through the Board and supported by the Board Sustainability Committee (BSC), which oversees sustainability strategy and execution, reviews governance structures, priorities, and targets, and ensures environmental and climate-

related risks and opportunities are consistently considered across the Group.

At the management level, chaired by the President and Group CEO, the EXCO Sustainability Committee (ESC) leads the implementation of the Group's sustainability agenda by developing and executing strategies and policies, endorsing plans, and overseeing transformation programmes.

Together, these governance mechanisms translate Board direction into disciplined execution and reinforce accountability under M25+.

3. Embedding Sustainability into Policies and Risk Processes

Maybank strengthened the integration of sustainability into its core operations by revising its Group ESG Policy, formalising sector-based risk acceptance criteria, and reinforcing its No Deforestation, No New Peat, No Exploitation (NDPE) commitments. ESG considerations were embedded into credit underwriting, investment decisions, and product approvals through enhanced policies and ESG screening tools.

To support this integration, Maybank introduced two key frameworks:

- **Sustainable Product Framework (SPF) – a first in Malaysia, providing a clear methodology for green and social product recognition**
- **Transition Finance Framework (TFF) – launched at COP28, outlining criteria for credible transition finance aligned with net-zero pathways**

Climate oversight is executed through multiple Board and management committees, each playing a distinct role in monitoring climate-related risks and opportunities based on

Maybank's Climate Risk Policy. This structure ensures consistent implementation of the Group's transition plans and provides clear lines of accountability from Board direction to operational execution. Oversight is supported by senior management through day-to-day decision-making, including quarterly reviews of the Climate Risk Dashboard in alignment with Bank Negara Malaysia's Climate Risk Management and Scenario Analysis framework, with a focus on both transition and physical risk indicators and the management actions arising from them.

4. Strengthening Commitments and Work Plans

Maybank's sustainability commitments were established prior to the introduction of M25+, forming a foundational pillar of the Group's long-term sustainability agenda. These commitments, first articulated in 2021 and further supported by the introduction of the SPF in 2022, provided the basis upon which M25+ was subsequently conceptualised.

Launched in October 2022, M25+ builds on this foundation by sharpening Maybank's strategic direction, strengthening governance processes, and accelerating execution across the organisation. The Group's sustainability commitments are operationalised through 15 material matters and supported by more than 180 Detailed Implementation Plans (DIPs), translating strategic intent into structured, organisation-wide action.

Key sustainability commitments underpinning M25+ include:

- **Mobilising RM80 billion in sustainable finance by 2025**

- Improving the lives of 2 million households across ASEAN through financial inclusion and community development
- Achieving carbon neutrality for Scope 1 and 2 emissions by 2030, and net zero emissions by 2050
- Embedding a strong sustainability culture by delivering 1 million sustainability engagement hours annually and 1,000 significant UN SDG-aligned outcomes per year by 2025

5. Integrating Reporting, Standards, and Impact Measurement

Sustainability reporting is integrated into enterprise governance, risk, and communications. Maybank aligns with global and national frameworks including GRI, SASB, IFRS, TCFD, PCAF, NSRF, MMLR, MCCG, and CRMSA, with TNFD planned for future adoption. Independent assurance is provided by SIRIM Qas International and PwC.

To strengthen the credibility and consistency of impact measurement, Maybank applies recognised methodologies such as the Business for Societal Impact (B4SI) framework and aligns social impact assessment with the ASEAN Socio-Cultural and Community (ASCC) Blueprint 2025, enabling more structured quantification of outcomes and clearer linkage between activities, impact, and reporting.

6. Scaling Capability-Building and Culture Change

Maybank launched the Maybank Sustainability Practitioner Certification (MSPC) in collaboration with the UN Global Compact Network Malaysia Brunei (UNGCMYB). Complementary leadership dialogues, internal campaigns, and e-learning

modules support capability-building across markets, embedding sustainability into day-to-day decision-making and culture.



Enablers For Sustainability Performance And Impact



Leadership and Culture

Top leadership positioned sustainability as a strategic imperative under M25+, with clear tone and direction set from the highest levels of the organisation. The President & Group CEO chairs the ESC, reinforcing leadership accountability and empowering Maybankers to drive ESG initiatives, strengthen internal processes, and support client transition efforts aligned with the Group's strategy.

Leadership reinforced culture change by linking M25+ outcomes to ethical conduct, regional integration, and Agile ways of working, enabling innovation and encouraging employees to take ownership of sustainability initiatives within their roles. To support effective oversight of environmental and climate priorities, Board members and senior leaders participate in structured learning programmes that deepen technical understanding and strategic awareness, complemented by external engagements that expose them to evolving policy, market, and global sustainability developments.



Strategy

Sustainability is directly integrated into all five M25+ strategic thrusts and underpinned by SP9, GSO, and Maybank Foundation, which focuses on sectoral pathways, sustainable finance mobilisation, social impact, and internal ESG standards.



Process

Materiality assessments, stakeholder engagement, and ESG integration into product, credit, and

investment decisions are built into disciplined M25+ execution. DIPs provide ownership, timelines, KPIs, and tracking to support enterprise-wide progress.



Governance

Maybank adopts a multi-tiered sustainability governance structure, with oversight from the Board, strategic direction from executive and senior management, and execution by dedicated sustainability leaders across the Group.



Resources

Maybank devoted significant financial and human resources to support M25+, with dedicated sub-teams and detailed plans across the Group. Since the launch of M25+, these workstreams have collectively formulated around 180 DIPs covering the Group's sustainability pillars, executed across business units and support functions. Sustainability leaders are accountable for stakeholder engagement to ensure alignment with Maybank's aspirations. The Group also progressively enhanced systems, analytics, and digital platforms to strengthen ESG data capture, risk assessment, product classification, and reporting, while leveraging and upgrading training and e-learning platforms to deliver sustainability capability-building at scale.



People

Sustainability KPIs are embedded into business scorecards and senior leadership's Long-Term Incentive Plan (LTIP). The LTIP was further enhanced to incorporate more targeted, sector-specific climate metrics aligned with Maybank's Net Zero Transition Plan, ensuring remuneration outcomes more closely track the delivery of climate priorities and long-term sustainability commitments.

Governance and accountability at the leadership level are reinforced through the annual Board Effectiveness Evaluation, which assesses the Board's effectiveness in overseeing strategic, environmental, and climate-related matters. The evaluation also serves as a mechanism for continuous learning, reviewing how the Board's collective knowledge, exposure, and development efforts translate into strengthened oversight, informed decision-making, and robust governance of sustainability-related risks and opportunities.



ESG Data

Enhanced ESG data systems track sustainable finance, emissions, impact, and product classification. Reporting is aligned with global standards and supported by third-party assurance, enabling informed decisions and continuous performance improvement.



Digital Transformation

Digitalisation enables agile delivery and data-driven insights. Tools such as the Net Zero Carbon Calculator (NZCC) quantify Scope 3-financed

emissions to guide client transitions. The Carbon Cut Calculator, launched in 2024, empowers employees to track and reduce personal carbon footprints.



Partnerships and Stakeholder Engagement

Maybank collaborates with partners including the United Nations Global Compact (UNGC), Partnership for Carbon Accounting Financials (PCAF), Joint Committee on Climate Change (JC3), and Association of Banks in Malaysia (ABM) to advance ESG standards and climate resilience. Maybank Foundation supports social impact and community development aligned with Group priorities and in alignment with ASEAN regional contexts as an ASEAN-accredited entity – the first financial institution in the region to be recognised as such.



Supply Chain and Procurement

Maybank extends sustainability governance into its value chain through the Sustainability Framework, Sustainable Procurement Principles (SPP), and Supplier Code of Conduct (SCoC), guiding responsible sourcing practices that support local sourcing where possible, SMEs, and minority groups. Human rights considerations are embedded through the Group Human Rights Policy, which applies to suppliers, vendors, service providers, and contractors across Maybank's operations. In parallel, the Group is progressively strengthening supply chain traceability through digital data and analytics, while building supplier capability and alignment with ESG best practices over time.

Overcoming Barriers

Implementing M25+ across a large, regionally diverse financial group required Maybank to navigate structural, data, and market-related challenges while maintaining momentum towards its long-term sustainability commitments. As a financial institution deeply embedded in Southeast Asia's real economy, Maybank finances sectors with direct exposure to climate and environmental risks, including power, agriculture, real estate, and automotive. These exposures influence borrower resilience, asset values, and the long-term quality of the Group's portfolio.

In this context, robust governance, clear accountability, and strong execution capabilities are critical to managing transition and physical risks, supporting an orderly transition, and upholding Maybank's role as a trusted institution in a fast-evolving operating environment.

1. Bridging Data and Methodology Gaps

Limited emissions data and the absence of sector-specific transition pathways initially constrained target-setting. To address this, Maybank published its Net Zero White Paper in 2024, starting with palm oil and power, and progressively expanding to steel, aluminium, real estate, and automotive sectors, engaging external technical partners, investing in systems, and gradually expanding coverage as data quality improved, recognising the importance of measurable continuous progress.

2. Advancing Sectoral Decarbonisation Amid Uncertainty

Rather than delaying action amid data and methodological uncertainty, Maybank adopted a phased approach to sectoral decarbonisation, prioritising high-impact sectors while strengthening methodologies, data quality, and systems over time. Central to this approach was the SPF, which governs the development, classification, and reporting of green, social, sustainable, and sustainability-linked products, providing clarity and consistency in the assessment of eligible activities.

The SPF was updated in 2025 to reflect evolving market expectations and regulatory developments, strengthening eligible green and social activities and clarifying its application to Asset and Wealth Management. In parallel, the TFF provides guiding principles for credible

governance, due diligence, and transparency in evaluating transition finance, recognising principles-based, pure-play, and activity-based pathways aligned with Maybank's Net Zero transition strategies.

3. Balancing ESG with Client Realities

Many clients in high-emission sectors lacked immediate transition readiness, creating challenges in aligning sustainability ambitions with real-economy conditions. Rather than pursuing abrupt divestment, Maybank adopted a transition-partnership approach, combining NDPE commitments and ESG policies with advisory support, capacity-building, and transition finance solutions.

Following the introduction of its Net Zero Pathway in 2024, Maybank deployed the Net Zero Operationalisation Process (NZOP) to translate sectoral pathways into deal-level requirements, enabling Relationship Managers and Approvers to assess carbon impacts and guide clients towards viable transition actions. Transactions falling within predefined internal thresholds are escalated through the Group's Pre-Deal Clearance platform, with outcomes consolidated and reported to governance committees to monitor portfolio alignment over time.

4. Strengthening Transition Finance Enablement

To address financing gaps for transition activities, Maybank launched its TFF at COP28. The TFF recognises credible, net-zero-aligned activities as eligible for transition finance, adopting an approach designed to set sufficiently robust parameters to ensure credibility and meaningful action, while remaining practical enough to avoid disincentivising progress. This balanced approach

enables Maybank to support client transitions while maintaining alignment with its net zero pathway.



Impact and Results

The evolution of Maybank's sustainability governance under M25+ strengthened accountability, decision-making, and execution across the Group. Through clearer oversight structures, refined risk and performance metrics, and disciplined governance processes, Maybank translated its sustainability commitments into credible outcomes across sustainable finance, climate action, and ethical business practices, reinforcing stakeholder confidence across ASEAN.

1. Strengthening Sustainability Governance and Accountability

Under M25+, Maybank enhanced sustainability governance by formalising oversight, accountability, and decision-making mechanisms across the organisation. Core governance frameworks and tools — including the SPF, TFF, ESG Risk Assessment Criteria, net zero pathway targets, and sectoral white papers — were deliberated, approved, and endorsed through formal governance channels, including the ESC.

In parallel, Maybank advanced organisational capability and accountability through the MSPC programme, while commencing a Human Rights Salience Assessment to further embed human rights considerations into enterprise-wide decision-making.

To reinforce accountability, Maybank introduced new Key Risk Indicators (KRIs) for priority sectors including power, palm oil, steel, and aluminium, reflecting interim sectoral targets published in the Net Zero White Paper. The Group also revised ESG weightings within its LTIP, with performance metrics assessing progress across four sustainability commitment areas, alongside a refined KPI structure incorporating a decarbonisation-focused KRI aligned with Maybank's evolving transition strategy.

2. Delivering Credible Outcomes Through Governance-Led Execution

These governance enhancements translated into more consistent execution across sustainable finance, social investment, and transition support.



Over four years, Maybank mobilised **RM156.32 billion in sustainable finance**, exceeding its cumulative **RM80 billion** target ahead of schedule



In parallel, **RM367.6 million** was disbursed to **24,336 SMEs** through the **myimpact SME programme** supporting business resilience and inclusive growth



RM59.73 billion in social investment, generated positive outcomes for **5.26 million lives** across ASEAN

Governance-led execution also strengthened ethical finance and integrity practices across the Group. Maybank completed ISO 37001 Anti-Bribery Management System (ABMS) certification across all entities in Malaysia and overseas, and implemented its Organisational Anti-Corruption Plan (OACP) aligned with the National Anti-Corruption Strategy (NACS). These measures reinforced robust controls, ethical conduct, and accountability across operations, supporting consistent implementation of sustainability commitments under M25+.



3. Ratings & Accolades

Maybank's strengthened sustainability governance under M25+ has been reflected in improved external assessments and market recognition, including:



Sustainalytics ESG Risk Rating
improved from **"medium"** to **"low"**



MSCI ESG rating upgraded to **AAA**
(Environmental score: **9.5/10**)



Asia's Best Bank Transition Strategy – 2025 Euromoney Awards
Excellence



Best Bank for Sustainability Transparency in Asia Pacific

– Global Finance Sustainable Finance Awards



Inclusion in **TIME's Asia Pacific's Best Companies of 2025** ranking
2nd out of 500 companies,
the highest-ranked Malaysian company, and
8th overall for sustainability transparency



In times of change, our purpose keeps us anchored. Maybank is here to lead, to empower, and to create pathways for a more resilient and equitable ASEAN.



Dato' Sri Khairussaleh Ramli,

President and Group Chief Executive Officer of Maybank

Key Lessons Learned

Implementing M25+ as a group-wide sustainability strategy has generated several insights that may guide other large, regionally diverse organisations undertaking similar transformations.

1. Sustainability Must Be Embedded into Core Business Functions

Sustainability delivers credibility and scale only when integrated into core strategy, risk management, product development,

procurement, and performance management. Treating ESG as a standalone or CSR-led effort limits its effectiveness and long-term impact.

2. Ambition Should Be Phased and Capability-Driven

Clear, time-bound commitments provide focus, but ambition must evolve alongside data quality, sectoral insights, and organisational readiness. Phasing targets and deepening sectoral pathways over time enables progress without compromising credibility.

3. Early Investment in ESG Data and Systems is Critical

Robust ESG data and digital platforms are foundational enablers. Earlier investment could have accelerated emissions tracking, sectoral analysis, and decision-making, reducing reliance on manual processes and improving consistency across markets.

4. Linking ESG to Business Value Strengthens Execution

Embedding sustainability into financing, risk controls, digital tools, and client solutions reinforces long-term commitment. When ESG outcomes are clearly tied to value creation, execution becomes more durable and organisation-wide.

5. Governance Must Be Strong, Structured, and Top-Down

Effective sustainability governance requires clear mandates at Board and EXCO levels, supported by a central sustainability function that translates oversight into policies, KPIs, and frontline action across business units and markets.

6. Local Context Matters for Inclusive Transition

Applying uniform models without regard for local realities risks weakening outcomes. Sustainability strategies must be adaptable to different regulatory, cultural, and socio-economic contexts to ensure climate action advances inclusion alongside decarbonisation.

7. Standardised Transition Engagement Accelerates Impact

Earlier development of structured client and supplier transition playbooks could have supported more consistent engagement across sectors. Clear transition principles help align value chains and speed up sustainable outcomes at scale.

Maybank joined the UN Global Compact in 2022 reinforcing its commitment to responsible business practices across human rights, labour, environment, and anti-corruption.

Alignment with the UNGC Ten Principles and Sustainable Development Goals has helped anchor M25+ within Maybank's governance and decision-making processes.

Through its partnership with UNGCMYB, Maybank co-developed the MSPC to strengthen internal ESG capabilities and support consistent execution across markets and functions. UNGCMYB also provided a Second Party Opinion on Maybank's M25+ sustainability commitments, strengthening accountability, credibility, and disciplined delivery. Collectively, UNGC engagement has supported Maybank in translating strategic sustainability commitments into governance structures, people capabilities, and measurable outcomes.

“ We must continue to advance our respective sustainability efforts and work towards a structured and inclusive transition to net zero. Expanding the sustainable finance market is critical to achieving these goals - enabling capital to flow where it can drive the greatest environmental and social impact. We hold steady on the essential role financial institutions play in aligning markets, with corporate, sectoral, and national decarbonisation pathways. ”



**Datuk Shahril
Azuar Jimin,**

Group Chief
Sustainability
Officer of Maybank

THE TEN PRINCIPLES OF THE UNITED NATIONS GLOBAL COMPACT



HUMAN RIGHTS

- 1 Businesses should support and respect the protection of internationally proclaimed human rights; and
- 2 make sure that they are not complicit in human rights abuses.



LABOUR

- 3 Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
- 4 the elimination of all forms of forced and compulsory labour;
- 5 the effective abolition of child labour; and
- 6 the elimination of discrimination in respect of employment and occupation.



ENVIRONMENT

- 7 Businesses should support a precautionary approach to environmental challenges;
- 8 undertake initiatives to promote greater environmental responsibility; and
- 9 encourage the development and diffusion of environmentally friendly technologies.



ANTI-CORRUPTION

- 10 Businesses should work against corruption in all its forms, including extortion and bribery.

The Ten Principles of the United Nations Global Compact are derived from: the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

ABOUT UN GLOBAL COMPACT NETWORK MALAYSIA & BRUNEI

United Nations Global Compact (UNGC) is a strategic policy initiative for businesses that are committed to take actions to advance broader societal goals. UN Global Compact Network Malaysia & Brunei (UNGCMYB), the official country network of UNGC, is the leading advocate for business sustainability action in Malaysia and Brunei. We empower both corporates and SMEs through value-creating initiatives across learning, connections, and enablers to Forward Faster a collective sustainable future. We support Malaysian and Bruneian companies in aligning with the Ten Principles and contributing meaningfully to the Sustainable Development Goals (SDGs), while providing access to partnerships, tools and knowledge sharing to advance responsible business practices.

Talk to us about joining us or visit our website at www.ungcmlyb.org



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