

Etiqua's Sustainability Progress 2024

Making the World a Better Place

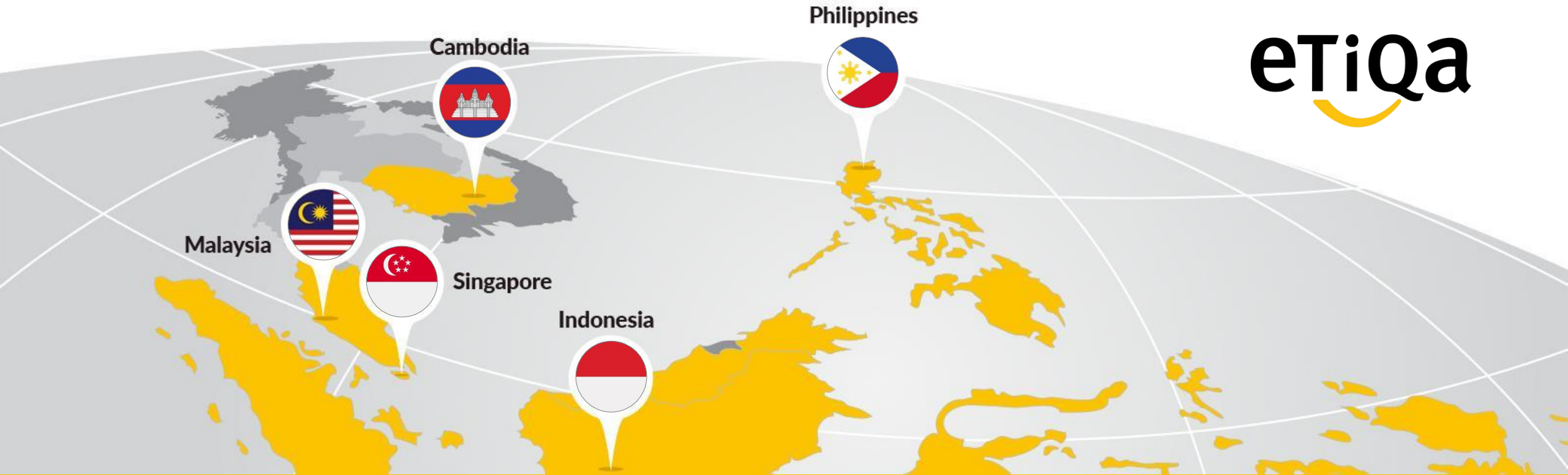
Introduction

In 2024, Etiqa continued in its commitment to sustainable and responsible business practices, aligned with the UN Principles for Sustainable Insurance (PSI) and Bank Negara Malaysia's Value-Based Intermediation (VBI). Building on progress since 2019, we advanced ESG integration across operations, product innovation, and stakeholder engagement.

Collaboration with Maybank as our holding company helped scale regional sustainability efforts, while deeper alignment with global frameworks strengthened our governance, risk, and decision-making processes.

As we operationalise our Sustainability Ambitions, Etiqa remains focused on shaping a resilient, inclusive future for our communities and the planet.





About Etiqua

Etiqua, a leading insurance and takaful provider in ASEAN and a key subsidiary of the Maybank Group, operates across Malaysia, Singapore, Indonesia, the Philippines, and Cambodia. We offer Life and General Insurance, as well as Takaful solutions through 10,000+ agents, 44 branches, 490+ bancassurance branches, and digital platforms. Our broad reach and multi-channel model enable us to deliver accessible and sustainable protection for communities across the region.

Our Purpose

An Insurance and Takaful company that wants to Make the World a Better Place

Our Vision

To be a leading ASEAN insurer

Our Core Beliefs



Ethical

We strive to make profits from work that benefits Humanity



Trustworthy

We provide Fast and Easy service with the Best Advice



Inclusive

We want our business Partners to grow with us



Questing

We don't stop Learning



Authentic

We practice Candour



Nurturing

We treat customers like Family

Driving Impact Through Sustainability

Measurable Progress, Meaningful Change

2024 Sustainability Highlights



Empowering Communities Through Health & Access

Launched 3 Clean Water Projects in Sabah and Kedah, providing safe water to over 2,000 villagers after decades of shortage.

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Rolled out Phase 4 of Etiqa's Free Cervical Screening Programme in partnership with ROSE Foundation, benefiting over 5,000 B40 women aged 30 to 65 nationwide.

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Launched Phase 6 of Etiqa's Free Mammogram Programme in collaboration with the National Cancer Society of Malaysia (NCSM), benefiting over 6,000 B40 women across Malaysia.

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Advancing Sustainable Investment & Inclusive Solutions

Ahead of target: By end-2024, 86% of equity investments were rated Low to Medium ESG Risk, with just 14% High Risk and 0% Severe Risk—meeting Ambition 1's 2025 target a year early.

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Surpassed our target for Ambition 2 to improve the lives of more than 900,000 households across ASEAN, supporting over 1 million households to date.

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Etiqa Sustainability Day 2024 engaged 1,000 participants with expert panels, showcases, and mangrove planting in Labuan—reinforcing Etiqa's commitment to sustainability.

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Powering Sustainability with Industry Partners

Strengthened leadership in Electric Vehicle insurance, with more automotive partners appointing Etiqa as their panel. Etiqa also launched **EV Panel Repairers** to offer tailored support and services for EV owners. Etiqa further solidified its position in EV insurance with a 17% market share in Malaysia, reflecting growing consumer trust and industry recognition.

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Launched e-Takaful Hayat via PERKESO's SEHATi app, designed for B40 expanding digital takaful access. Offers affordable coverage, enabling protection while advancing financial inclusion objectives.

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Ambition 1

- A. To not underwrite any Greenfield Coal Power Generation Plant and;
B. Meet the internal ESG Requirements for Equity Investments by 2025**

Why It Matters

Ambition 1 focuses on long-term impact over short-term returns by embedding ESG factors into underwriting and investment decisions.

In line with this, we have maintained a strict stance against underwriting any greenfield coal power generation plant. For our equity and bond investments, we further strengthened internal ESG screening processes to ensure alignment with our sustainability standards.

Key Highlights & Achievements in 2024

- Commenced assessment of the bond portfolio, emphasising the monitoring and classification of ESG risk grades.
- Established additional target exposure limits for equities with ESG risk classified as 'High' in addition to those with ESG risk 'Severe'.

The Proportion of Equity Investments with Severe and High ESG Risk Ratings

ESG Risk Rating	Achievement FY2024	Target
Severe Risk Rating	Malaysia: 0% ; Singapore 0%	0% by December 2025
High Risk Rating	Malaysia: 14% ; Singapore 15%	≤20% by December 2025

Ambition 2



Improve the lives of 900,000 households by 2025

Why It Matters

Ambition 2 underscores Etiqa's commitment to uplifting underserved and underinsured communities by providing accessible and affordable protection solutions.

Through inclusive product offerings, impactful Corporate Social Responsibility (CSR) programmes, and Corporate Zakat Responsibility (CZR) initiatives, we continue to advance financial inclusion and enhance livelihoods across Malaysia.

Key Highlights & Achievements in 2024

- Provided affordable coverage to more than 300,000 B40 households across Malaysia, Indonesia, Singapore, and the Philippines.
- Introduced e-Takaful Hayat via PERKESO's SEHATi app for B40, with easy online sign-up and low daily contributions from RM0.16.
- Sustained impactful community initiatives—clean water access in Sabah and Kedah, cervical screenings with the ROSE Foundation, and mammograms with the National Cancer Society of Malaysia (NCSM).

Households Reached through Inclusive Products, CSR and CZR Initiatives

Achievement FY2021 – FY2024

Cumulative: 1,041,518 households

Ambition 3

Achieve Carbon Neutral status for Scope 1 & 2 emissions by 2030 and Net Zero Carbon Equivalent position by 2050



Why It Matters

Ambition 3 continues to align with Maybank's long-term sustainability goal to achieve carbon neutrality by 2030 and net zero by 2050.

Etiqa remains committed to reducing Scope 1 and Scope 2 emissions through operational efficiency, renewable energy sourcing, and clean mobility initiatives.

Key Highlights & Achievements in 2024

- Continued optimisation of office energy use, adoption of energy-efficient equipment, and transition to EVs, alongside enhanced carbon tracking and staff engagement to drive awareness and behavioural change.
- In 2024, Scope 1 emissions declined, reflecting improved fuel efficiency. Scope 2 emissions rose slightly with more staff returning to 'Work-from-Office', and were marginally higher than 2022 levels, indicating the need for continued focus on energy management.

CO₂ Emissions from Scope 1 and Scope 2, in tCO₂e

CO ₂ Emissions	Achievement FY2024	Previous Years
Scope 1, Fuel Consumption	11.41	2023: 13.75 ; 2022: 12.66
Scope 2, Electricity Usage	15,485	2023: 15,090 ; 2022: 15,330



Ambition 4

To achieve 80,000 hours per annum on engagements and activities related to sustainability

Why It Matters

In Ambition 4, Etiqua continues to promote strong sustainability engagement across the organisation, recognising that employee participation plays a key role in driving long-term environmental and social impact.

These activities also foster workplace satisfaction, build ESG awareness, and strengthen Etiqua's reputation as a purpose-driven organisation.

Key Highlights & Achievements in 2024

- Strengthened community outreach through Human Capital-led volunteering initiatives, including Etiqua Soup Kitchen, Coastal Cleanups, and River Cleanup efforts—demonstrating sustained staff commitment to social and environmental causes.
- Engaged 1,000 participants at Etiqua Sustainability Day 2024 through expert panels, showcases, and mangrove planting in Labuan.

Sustainability Hours Recorded by Etiquans in 2024

Achievement FY2024	Target
105,152 hours	80,000 hours

Making the World a Better Place

Real People, Real Impact, Real Change

Sustainable Insurance and Takaful Products



As part of its commitment to inclusive protection, Etika introduced two key offerings in 2024 to enhance healthcare access and financial resilience.

The **IL Infinite Care** and **IL Infinite Care Plus** plans are Malaysia's first critical illness products with no limit on the number of illnesses covered. These plans protect against early, moderate, and critical stages of both known and yet-to-be-identified conditions, with coverage up to age 100—addressing gaps often found in conventional policies.

In parallel, Etika launched **e-Takaful Hayat**, a family takaful plan accessible via PERKESO's SEHATi mobile application since 17 August 2024. This initiative provides early access to affordable protection for 9 million PERKESO contributors, particularly benefiting the B40 segment through digital enrolment, flexible coverage options, and contributions as low as RM0.16 per day.

Sustainable Solutions for Women's Wellbeing



In 2024, Etiqa expanded its women's health CSR initiatives through key partnerships.

Phase 4 of the Free Cervical Screening Programme with ROSE Foundation was launched on 4 May with RM1.2 million committed to benefit 5,700 underserved women.

On 5 June, Etiqa launched Phase 6 of its Free Mammogram Programme with NCSM, valued at RM2.01 million, targeting 6,000 underprivileged women. The "Pink Etiqa" campaign, launched in October, reinforced awareness and screening efforts nationwide, including Sabah and Sarawak, aligning with Etiqa's commitment to accessible and preventive healthcare under the 'Etiqa Cares' programme.



Empowering Lives Through Clean Water



In 2024, Etiqua strengthened its commitment to community wellbeing by improving access to clean water through strategic collaborations with **Islamic Aid Malaysia and WaterAid Cambodia**.

In **Sabah and Kedah**, long-standing water issues were resolved through infrastructure upgrades, benefitting over 2,000 villagers. In **Cambodia**, Etiqua contributed USD\$25,000 to WaterAid for a project in Kampong Speu, supporting over 1,300 people and 250 students.

These efforts reflect the impact of meaningful partnerships in delivering sustainable water solutions and enhancing quality of life for underserved communities.



Driving Impact Through Environmental Action



Etiqa advanced its environmental efforts through beach cleanups, marine conservation, and mangrove restoration initiatives.

The **Beach Cleanup** campaigns in Port Dickson and Penang mobilised volunteers to remove over 240 kg of waste from coastal areas. In Tioman, 40 volunteers participated in a **Marine Conservation Project** in collaboration with Leges Divers, UKM's EKOMAR, and the Department of Fisheries Malaysia, focusing on coral health and marine education. Additionally, a **Mangrove Planting Programme** in Labuan saw the planting of 200 saplings, supported by local schools and environmental partners.

These initiatives reflect Etiqa's continued commitment to environmental sustainability and ecosystem protection.



**Sabah
Wetlands
Conservation
Society**



UMS
UNIVERSITI MALAYSIA SABAH

**INSTITUTE FOR TROPICAL
BIOLOGY AND CONSERVATION**

Etiqua Sustainability Day 2024 Highlights



Etiqua Sustainability Day 2024 was held on 8 October at Dataran Maybank and livestreamed via Zoom, engaging over 1,000 participants. The event celebrated and encouraged ongoing sustainability efforts across the organisation.

A key highlight was The Green Scoop Panel, where experts from Etiqua and Maybank discussed **“The Real Deal about Sustainability”**, reinforcing Etiqua’s commitment to responsible business.

Various departments—including Customer Experience, One-Line, and Human Capital—showcased their initiatives, while guest speaker Ir Ahmad Hadri Haris from Tesla shared insights on EVs’ global impact.

The event also featured a lively **Sustainability Bazaar** with 12 booths offering F&B, massage services, EV displays, and internal programme promotions.

Beyond Klang Valley, Etiqua Offshore Insurance Labuan organised a **mangrove planting initiative** on 19 October, underscoring Etiqua’s environmental commitment.

Malaysia's First Independent EV Panel Repairers



Strengthening its commitment to sustainability and innovation, Etiqua has expanded its service offerings for electric vehicle (EV) owners by introducing **Malaysia's first independent panel repairers for EVs**. This milestone positions Etiqua as a frontrunner in building a regional network of EV repair hubs.

The announcement was made at the **Etiqua Repairer Convention 2024**, held at the Melawati Convention Centre. Four newly appointed panel repairers—**Hoong Wai Auto Repairs, Poh Kin Motor Works, Rawang Yee Motor, and Shiun Motor**—will serve EV owners whose warranties have expired or who own grey-import EVs. These workshops specialise in EV collision and repair services, addressing a key market gap in post-warranty and grey-import EV support.

Etiqua's Leadership in the EV Industry

- Etiqua strengthened its position in EV insurance with a 17% market share in Malaysia.
- More car brands appointed Etiqua as their panel insurer, including Tesla, smart, Chery, Proton eMAS, Jaecoo, BYD Sime Darby, MG and Lexus.

Conclusion

Etika strengthened its sustainability agenda by embedding ESG principles across its operations—through green underwriting, carbon reduction initiatives, and inclusive community programmes. These efforts not only reduced the company's environmental footprint but also reinforced its leadership in driving financial inclusion and social impact.

As the first and only insurance and takaful provider in Malaysia to sign the UN Principles for Sustainable Insurance, Etika remained steadfast in responsible business practices—refraining from underwriting new greenfield coal projects and ensuring ESG compliance across all equity investments.

Looking ahead to 2025, Etika is committed to accelerating progress through expanded green investments, stronger climate resilience partnerships, and digital innovation in sustainable financial services. With continued collaboration across regulators, partners, and communities, Etika remains driven by its purpose of “Making the World a Better Place.”

“Our journey towards sustainability is not just about compliance; it’s about creating lasting impact for our customers, communities, and the environment. We are proud to lead the industry in responsible insurance and takaful practices.”

Kamaludin Ahmad,

Etika's Group Chief Executive Officer
Group Chief Executive Officer, Etika Insurance & Takaful



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We welcome your questions, comments, and feedback. Please feel free to reach out to us at sustainability@etiqa.com.my.

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