

RESPONSIBLE BANKING

PROGRESS STATEMENT

FOR PRB SIGNATORIES

BANK PEMBANGUNAN MALAYSIA BERHAD

Summary

Bank Pembangunan Malaysia Berhad (BPMB) 2024

Principle 1: Alignment	Principle 2: Impact & Target Setting	Principle 3: Clients & Customers
Content BPMB's sustainability approach is guided by the MIND and Sustainability (M&S) Framework, which embeds sustainability into our governance, strategy, risk management and performance metrics. The Framework aligned with the 12th Malaysia Plan (12MP), the United Nations Sustainable Development Goals, and key Bank Negara Malaysia policies and documents, including the Climate Change and Principle-based Taxonomy (CCPT), Climate Risk Management and Scenario Analysis (CRMSA), as well as the Implementation Guide for Value-Based Intermediation (VBI), while incorporating global best practices and national sustainability policies.	Content Among our key impact areas are Supporting National Development and Mitigating Our Portfolio's Climate Impact. These are identified, measured and managed through the MIND Assessment Framework, applied to 100% of new financing and portfolio reviews, integrating CCPT classifications, ESG risk screening and development impact indicators. BPMB's financing is aligned with the 12MP, and we provide tailored financial solutions to accelerate development in priority sectors while mobilising sustainable finance through the Sustainable Development Sukuk Framework and an ethical exclusion list. Relevant progress tracked include: • Number and amount of projects financed aligned with 12MP, • Amount of green & transition projects financed • Number of jobs to be created & affordable housing units under development from project financed • Amount of renewable energy to be generated from green project financed	Content BPMB works responsibly with clients by integrating ESG screening, CCPT classifications and climate risk assessments through the MIND Assessment Framework across all financing decisions. BPMB engages clients on climate risks, transition needs and sustainability practices, supported by the Sustainable Development Sukuk Framework, an ethical exclusion list, and structured client engagements, including MIND Impact Labs and climate-related dialogues. In 2024, BPMB engaged with over 80 clients and stakeholders and enhanced internal capacity through regular sustainability training for Relationship Managers to better guide clients on ESG integration. Progress indicators include: • Portfolio exposure by sector distribution & CCPT category • Client engagements on sustainability and climate risks
Links & references BPMB Sustainability Report 2024, • Our Approach to Sustainability, pg.2 • Sustainability Governance, pg.3 - 4 • Our Material Matters, pg.7 - 11 • Sustainability Strategy, pg.12 - 13	Links & references BPMB Sustainability Report 2024, • Pillar 1: Support Impactful National Development, pg.14 – 23 • Our Climate Action, pg.35 - 45	Links & references BPMB Sustainability Report 2024, • Pillar 1: Support Impactful National Development, pg.14 – 23 • Our Climate Action, pg.35 - 45

Principle 4: Stakeholders	Principle 5: Governance & Culture	Principle 6: Transparency & Accountability
Content BPMB engages key stakeholders—including regulators, industry associations, clients, and international partners—to inform impact priorities, strengthen climate-aligned financing, and support national sustainability objectives. Insights from these engagements shape BPMB’s materiality assessment, target-setting and reporting. In 2024, BPMB enhanced collaboration through active participation in JC3, CAN, ADFIM/ADFIAP, and Malaysia’s delegation to COP29, contributing to policy discussions on climate finance and transition pathways. BPMB also advanced multi-stakeholder climate-finance collaboration through the Climate Finance Innovation Lab (CFIL), a JC3-aligned platform convening financial institutions, investors and policymakers to accelerate innovative climate-finance solutions. Additional sector engagements included work with REHDA Institute and participation in the JC3 Greening Industrial Parks (GIP) pilot.	Content BPMB’s sustainability and climate agenda is overseen by the Board of Directors, supported by the Board Risk Management Committee, the Group Management Committee and the MIND & Sustainability Department, which leads policy development, impact tracking and integration of climate risks & opportunities into business and risk processes. Governance was strengthened in 2024 through enhanced Board capacity-building and the appointment of a new Independent Non-Executive Director with strong experience in sustainable finance. Accountability is reinforced through sustainability-linked KPIs embedded into senior management scorecards. A responsible banking culture is supported through structured learning and employee upskilling. In 2024, BPMB delivered 29 climate-related training sessions attended by more than 400 employees, while total employee learning exceeded 35,200 hours across financial literacy, anti-corruption & bribery, risk and safety, underscoring a strong culture of continuous development.	Content BPMB is committed to transparent and accountable disclosure of its sustainability performance. Key information supporting Principles 1–5 is published in the BPMB Sustainability Report 2024, Annual Integrated Report (AIR) 2024, and the Sustainable Development Sukuk Report, all available on BPMB’s corporate website. Our disclosures are developed with reference to recognised global and national frameworks, including the GRI Standards, TCFD recommendations, and Bursa Malaysia’s Sustainability Reporting Guide. The Sustainability Report undergoes internal governance review and Board approval. BPMB is also exploring ways to strengthen the reliability of sustainability data, including the potential adoption of external assurance in the future as regulatory expectations continue to evolve.
Links & references BPMB Sustainability Report 2024, • Stakeholder Engagement, pg.5 - 6 • Pillar 1: Support Impactful National Development, pg.14 – 23	Links & references BPMB Sustainability Report 2024, • Sustainability Governance, pg.3 - 4 • Training and Development, pg.27 - 28 • Our Climate Action, pg.35 - 45	Links & references • BPMB Corporate Website : Reports • BPMB Sustainability Report 2024, pg.1



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