

## **CORPORATE GOVERNANCE REPORT**

**STOCK CODE** : 5258  
**COMPANY NAME** : Bank Islam Malaysia Berhad  
**FINANCIAL YEAR** : December 31, 2025

### **OUTLINE:**

#### **SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE**

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

#### **SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PERSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA**

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.*

## SECTION A – DISCLOSURE ON MALAYSIAN CODE ON CORPORATE GOVERNANCE

*Disclosures in this section are pursuant to Paragraph 15.25 of Bursa Malaysia Listing Requirements.*

### Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.1

The board should set the company's strategic aims, ensure that the necessary resources are in place for the company to meet its objectives and review management performance. The board should set the company's values and standards, and ensure that its obligations to its shareholders and other stakeholders are understood and met.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board of Directors ("the Board"), being the highest authority in Bank Islam Malaysia Berhad ("BIMB"), carries the ultimate responsibility for proper stewardship of the Bank and its subsidiaries ("the Group"). It sets BIMB Group's strategic direction at the highest level to ensure optimisation of shareholders' value and safeguard stakeholders' interest.</p> <p>As part of its duties, safeguarding and optimising shareholders' value, the Board is committed to ensuring adherence to best practices of corporate governance and strives diligently to ensure that they are practised within the Group.</p> <p>The Board's responsibilities and authority are governed by the Board Charter, the Terms of Reference of the Board and its Committees, the Constitution of the Company, Companies Act 2016 ("the Act"), the Islamic Financial Services Act 2013 ("IFSA 2013"), the Main Market Listing Requirements ("Listing Requirements") of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other applicable laws, rules, or regulations.</p> <p>BIMB Group's strategic direction is embedded in its 5-year aspiration of LEAP25. BIMB continues its focus to incorporate principles of Shariah, Value-Based Intermediation ("VBI") and ESG considerations whilst mobilising its six (6) strategic objectives to support and govern BIMB's agenda namely Sustainable Prosperity, Value Based Culture, Community Empowerment, Customer Centricity, Real Economy and Digitalisation. The Board upholds a strong culture of good corporate governance and business integrity in line with ethical values and Islamic principles.</p>

LEAP25 has now come to its end. In setting up the strategic direction for 2026-2030, the Board held a board retreat session with the Management to deliberate on and exchange their views on BIMB Group's strategies and future direction in an informal setting. This board retreat session is conducted annually. The key takeaways from the board retreat session are then tabled to the Board Strategic and Sustainability Committee ("BSSC") for deliberation and consideration to be incorporated in the business plan and budget prior to tabling the same to the Board.

With the conclusion of LEAP25, BIMB Group has chartered a new 5-year Corporate Strategy to advance its vision and long-term goals with the aim of reshaping its banking model. Anchored in the principles of VBI and Shariah values, the Corporate Strategy outlines the pillars that will support the Group's priorities: Deliver Growth through Segments and Products, Drive Digitalisation and Customer Centricity, Capture Opportunistic Growth, Steer Purposeful Sustainable Impact, and Elevate People Value-centricity.

To ensure that BIMB remains on-track in achieving its strategic goals, the Board assumes the following roles and responsibilities:

- I. Identifies the strategic issues of BIMB Group and set priorities on the action to be taken.
- II. Reviews and approves all strategic matters and business plan of BIMB to ensure alignment in the business direction and strategic objectives.
- III. Reviews and monitors the performance, progress implementation and effectiveness of the strategic direction and business plan based on key performance indicators.

The performance review is conducted regularly where the BSSC is mandated by the Board to closely monitor the progress of the strategic initiatives through the Strategic Management Dashboard and Corporate Scorecard. The BSSC ensures the key performance indicators remain on-track and does not deviate from the BIMB's goals and objectives. Noteworthy, the progress on the execution of the strategic initiatives is also monitored and supervised by the Group Management Executive Committee ("GMEC") chaired by the Group Chief Executive Officer ("Group CEO").

To deal more effectively with complex or specialized issues, the Board delegates and entrusts its review function to the following Board Committees established by the Board:

1. Board Audit and Examination Committee ("BAEC");
2. Board Nomination and Remuneration Committee ("BNRC");
3. Board Risk Committee ("BRC");
4. Board Strategic and Sustainability Committee ("BSSC");

5. Board Information Technology Committee (“BITC”); and
6. Board Financing Review Committee (“BFRC”).

Details of each Committees are set out in Section B of this report.

Although specific powers are delegated to the Board Committees, the ultimate responsibility for decision making, however, lies with the Board. The Board keeps itself abreast of the key issues and decisions made by the Board Committees through the tabling of report by the respective Chairman of the Board Committees at every Board meetings. In addition, to ensure visibility over critical issues across the Group, independent non-executive directors who are Board representatives at the respective subsidiaries are also required to present their reports to the Board, thereby enabling the Board to maintain effective oversight.

The key responsibilities of the Board in setting the strategies for the BIMB Group for the financial year (“FY”) ended 31 December 2025, include but not limited to the following:

- i. Overseeing the implementation of the BIMB’s governance framework, risk and internal control framework.

The Board and the Management are responsible and accountable for the establishment of the Group’s system of risk management and internal control. The Board is also responsible in overseeing the development of the Group’s sustainability and climate related strategies, alignment of priorities and targets with the Group’s long term business strategy, as well as to ensure collective achievement of sustainability goals across the organisation by integrating resilience and sustainability of the Group’s strategy within key business areas.

The above roles are delegated by the Board to the BRC, which is supported by the Management Risk Control Committee (“MRCC”) of the Company. The BRC supports the Board in meeting the expectations on risk management as set out by Bank Negara Malaysia (“BNM”) and oversee the Management’s activities in managing credit risk, market risk, liquidity risk, operational risk (which includes legal risk, compliance risk, Shariah non-compliance risk, IT risk and business continuity risk), sustainability risk (including climate-related risk) and other relevant risk and to ensure that the risk management process is in place and functioning for the Group.

In 2025, BIMB continues to implement its ESG Risk Management Framework in line with its commitment towards banking sustainability. BIMB has identified the ESG risk considerations in its credit assessment process and leverage climate risk stress-testing to enhance the Bank’s capabilities in addressing the impacts of climate change on the Bank and its customers.

	<p>Particularly in managing the technology and cyber risk, BIMB had established its Group Technology Risk Management Framework to address both business and technology drivers, with a focus on controls from a holistic perspective that includes people, process and technology control layers.</p> <p>ii. Establishing succession planning</p> <p>The Board, through the BNRC, has oversight of the succession planning for the Board, Board Committees and Senior Management. Under its Terms of Reference (“TOR”), BNRC is to ensure that all candidates appointed to these positions are of sufficient calibre and competence. In this respect, the factors considered by the BNRC include the candidates’ profiles, achievements, personalities and suitability for the respective positions.</p> <p>BIMB’s current focus on developing internal digital, leadership and professional certification aim to fill people development gaps, helping to upskill and reskill them to keep abreast with the latest requirements of the finance industry. BIMB accelerated digital literacy and adoption through an in-house Digital Upskilling Programme with the intention of nurturing the talent pool.</p> <p>iii. Promoting sustainability through appropriate environmental, social and governance (“ESG”) considerations in the Bank’s business strategies;</p> <p>BIMB aims to be the leader in offering Shariah ESG total financial solutions and to establish its leadership in social finance and digital banking. BIMB’s 5-year aspiration of LEAP25 is to increase the asset size and ESG-rated financing assets, reduce Cost-to-Income ratio, sustain superior industry Return-to-Equity (“ROE”), increase non-fund-based income (“NFBI”) contribution, create positive social impact and retain high-performing talents. BIMB’s targets are anchored by the six (6) pillars namely Sustainable Prosperity, Value Based Culture, Community Empowerment, Customer Centricity, Real Economy and Digitalisation.</p> <p>BIMB has implemented approaches to consider the ESG risk profile of the customers as part of BIMB financing origination process. This move aims to improve BIMB’s customers’ sustainability, as it aligns with regulators’ key global and local efforts in building a resilient financial system.</p> <p>In pursuing sustainability journey and ESG commitment, BIMB continues to expand its green financing portfolio and widening its exposure to new green segments such as energy efficiency, net energy metering, office automation and waste management.</p>
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	<p>BIMB aims to double its Shariah-ESG financing assets as per its LEAP25 target to deliver sustainable long-term performance, with leadership in digital banking and social finance. In achieving this, BIMB is actively developing Shariah-ESG products and focusing in Shariah-ESG integrated financial solutions, innovation and social finance. As at 31 December 2025, BIMB recorded RM31.3 billion Shariah-ESG asset, surpassed its initial target of RM4.0 billion and aspirational target of RM28.0 billion by FY2025.</p> <p>iv. Promoting and practicing high level of integrity and ethics</p> <p>BIMB’s success is determined by the high level of integrity and ethics. To maintain a conducive working environment with performance-based culture, BIMB remains committed to act with integrity by adhering to religious, moral and ethical principles. BIMB also strive to do what is right at all times in accordance with laws and regulations. And finally, BIMB treat each other with respect and honesty.</p> <p>BIMB had launched its inaugural Organizational Anti-Corruption Plan (OACP) 2022-2025 to reflect its ongoing commitment to ensure high conduct, governance and integrity values in all its businesses. This effort is in line with the Government’s requirements as set out in the National Anti-Corruption Plan and BIMB plan reflects the highest standards of integrity in BIMB’s governance model.</p> <p>A total of 141 initiatives were identified under the OACP 2022–2025, all of which were successfully implemented within the stipulated timelines. This includes 16 priority initiatives for 2025, which were also fully completed. As at 31 December 2025, the implementation rate stood at 100%, demonstrating the Group’s strong commitment to meeting its integrity and governance objectives.</p> <p>BIMB continues to uphold the high standards of governance and integrity. BIMB had, on 31 August 2023, achieved a significant milestone by becoming the first fully-fledged Islamic financial institution in Malaysia to receive the prestigious ISO 37001 Anti-Bribery Management System (“ABMS”) accreditation. This complements BIMB’s effort in ensuring the strictest code of conduct, good governance, and integrity. The ABMS internal surveillance is conducted annually to ensure ongoing compliance with the ISO 37001 ABMS certification.</p> <p>The implementation status of the OACP initiatives as well as the compliance status of the ISO 37001 ABMS certification were tabled to the BAEC for monitoring with the last update provided on 21 November 2025.</p>
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<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

## Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

## Practice 1.2

A Chairman of the board who is responsible for instilling good corporate governance practices, leadership and effectiveness of the board is appointed.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Board of Directors is headed by Tan Sri Ismail Bakar ("Tan Sri Ismail"), an Independent Non-Executive Director who was appointed as the Chairman of BIMB on 1 August 2020.</p> <p>The Chairman leads the Board by setting the tone at the top and managing the Board's effectiveness by focusing on key matters, emphasising on governance, compliance and strategic objectives of BIMB.</p> <p>The Chairman is responsible for representing the Board to the shareholders and for ensuring the integrity and effectiveness of the governance process of the Board. The Chairman maintains regular dialogue with the Group CEO over all operational matters and shall promptly consult with the Board over any matter that gives him any cause of concern pertaining to the Group.</p> <p>The Chairman sets the pace of the meeting and leads discussions in an effective manner. The Chairman acts as a facilitator at meetings of the Board and promotes a Boardroom environment that allows for constructive expression of views, effective debate and contributions from the Board members to facilitate informed decision making by the Board.</p> <p>The Chairman provides leadership to the Board and plays an important role in encouraging and inculcating a positive culture within the Board. With the Chairman's past experiences in key senior positions in civil service, he is equipped with the appropriate experience to lead the Board, optimising its effectiveness towards meeting the objectives and strategic direction of BIMB.</p> <p>The Chairman, in leading the Board, is responsible for the effective overall functioning of the Board. In fulfilling this role, the Chairman must:-</p> <ol style="list-style-type: none"><li>a. ensure that appropriate procedures are in place to govern the Board's operation;</li><li>b. ensure that decisions are taken on a sound and well-informed basis, including by ensuring that all strategic and critical issues are brought to the Board's attention, and that Directors receive the relevant information on a timely basis;</li></ol>

	<p>c. encourage healthy discussion and ensure that dissenting views can be freely expressed and discussed;</p> <p>d. provide leadership to the Board and steer the Board to achieve its objectives; and</p> <p>e. lead efforts to address the Board’s developmental needs.</p> <p>Board Effectiveness Evaluation (“BEE”) is carried out annually to assess and ensure the continued effectiveness of the Board. For FY2025, the BEE exercise was conducted by an external party namely FIDE Forum to uphold governance best practice and encourage more candid feedback from directors. The results of the BEE for FY2025 showed that the Chairman was rated satisfactory in terms of his knowledge and expertise as well as his role and function to effectively leads the Board in the decision-making process, encouraging contribution from all Directors, and managing Boardroom conflict in a timely manner.</p> <p>The assessment affirms that the Chairman continues to exhibit strong leadership qualities that contribute positively to the Board’s collective effectiveness. The results demonstrate robust peer confidence in his leadership behaviours and reinforce the Board’s commitment to upholding high standards of corporate governance, accountability, and strategic stewardship.</p> <p>Based on the results of the annual BEE, the Chairman holds a one-to-one session with each member of the Board to facilitate an open discussion on ideas and feedback on ways to further enhance the effectiveness of the Board, on governance practices and growth of BIMB Group. An action plan is drawn up upon completion of the one-to-one session and tabled to the Board.</p> <p>The Chairman’s role and responsibilities has been clearly specified in the Board Charter which is available on the Company’s website at <a href="http://www.bankislam.com">www.bankislam.com</a>.</p>
<p><b>Explanation for departure</b></p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b></p>	<p>:</p>
<p><b>Timeframe</b></p>	<p>:</p>

## Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.3

The positions of Chairman and CEO are held by different individuals.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The position of Chairman and Group CEO are currently held by different individuals. The separation of authority enhances independent oversight of executive management by the Board. It helps to ensure that no one individual has unfettered powers or authority over decision making. This distinction allows for better distribution of responsibilities and accountabilities.</p> <p><b>Chairman</b> The position of the Chairman is held by Tan Sri Ismail Bakar. The Chairman is responsible for the leadership and management of the Board, as well as promoting high ethical standards to ensure the integrity and effectiveness of the governance process of the Board.</p> <p><b>Group CEO</b> The position of the Group CEO is held by Dato' Mohd Muazzam Mohamed. The day-to-day operations of the Bank are managed by the Group CEO, who is not a Board member. The Group CEO is accountable to the Board for the overall organisation, management and staffing of the Bank and its procedures in financial and operational matters, including conduct and discipline. The Group CEO is also responsible for promoting the Company's culture and standards among the employees of the Company. The authority limits of the Group CEO are stipulated in the Authority Limit Policy ("ALP") duly approved by the Board.</p> <p>The distinct and separate roles and responsibilities of the Chairman and the Group CEO are provided in the Board Charter, which is available on the Company's website at <a href="http://www.bankislam.com">www.bankislam.com</a>.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

### Practice 1.4

The Chairman of the board should not be a member of the Audit Committee, Nomination Committee or Remuneration Committee

<i>Note: If the board Chairman is not a member of any of these specified committees, but the board allows the Chairman to participate in any or all of these committees' meetings, by way of invitation, then the status of this practice should be a 'Departure'.</i>	
<b>Application</b> :	Applied
<b>Explanation on application of the practice</b> :	<p>The Chairman of the Board is not a member of any Board Committees. This is stated in the Board Charter of BIMB. This allows the Board Committees to discuss independently without being influenced by the Chairman of the Board.</p> <p>The Board committees encourage participation from the non-members to attend and provide inputs during deliberation of matters at the respective Board Committees meeting. The Chairman does not participate in any BAEC, BNRC or other Board Committees meeting.</p> <p>The BAEC is chaired by Nuraini Ismail. While BNRC is helmed by Datuk Bazlan Osman. The composition of the BAEC and BNRC is provided in Section B of this report.</p>
<b>Explanation for departure</b> :	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b> :	
<b>Timeframe</b> :	

## Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

## Practice 1.5

The board is supported by a suitably qualified and competent Company Secretary to provide sound governance advice, ensure adherence to rules and procedures, and advocate adoption of corporate governance best practices.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is supported by the Group Company Secretary, Maria Mat Said who has a legal background and is qualified to act as company secretary under Section 235(2) of the Act. She is licensed by the Companies Commission of Malaysia ("CCM") and has obtained her practising certificate issued by CCM under Section 241 of the Act. She has approximately 30 years of experience in the banking industry performing mainly legal functions and 25 years as a company secretary.</p> <p>The Company Secretary is responsible in supporting the effective functioning of the Board. In discharging this role, the Company Secretary advises the Board on governance matters and facilitates effective information flows between the Board, the Board Committees and senior management. The roles and responsibilities of the Company Secretary are specified in the Board Charter which is available on the Company's website <a href="http://www.bankislam.com">www.bankislam.com</a>.</p> <p>All Directors have direct and unrestricted access to the advice and services of the Company Secretary.</p> <p>The appointment and removal of the Bank's Company Secretary require the Board's approval.</p> <p>For the year under review, the Company Secretary undertook the following:</p> <ul style="list-style-type: none"><li>• Performed the gap assessment on the voting policy issued by institutional shareholders;</li><li>• Presented the review on the Terms of Reference of the Board, Board Committees and SSC of the Group;</li><li>• Presented the review on the Charter of the Board and SSC of the Group;</li><li>• Assessed and tabled the board succession plan for the Group;</li><li>• Assessed and tabled the performance of the Directors who retired in the 42<sup>nd</sup> Annual General Meeting;</li><li>• Assessed and tabled the fit and proper of the Directors and SSC members for the purpose of appointment/ re-appointment and annual due diligence for the Group;</li></ul>

- Prepared and obtained BNM’s approval on the re-appointment of two (2) Independent Non-Executive Directors and one (1) SSC member;
- Reviewed the pool of talents as potential BIMB Group Directors;
- Reviewed talents as potential member of the Investment Committee (“IC”) in BIMB subsidiary;
- Reviewed the governance status of Bank Islam and its Tier 1 subsidiaries against the relevant laws and guidelines relating to governance;
- Proposed the appointment of a new Director at BIMB subsidiary;
- Established action plan arising from the Board Effective Evaluation exercise for the Group;
- Reviewed the remuneration and benefits of the Directors and SSC members;
- Reviewed the board committees’ composition of the Group;
- Monitored the external professional commitment of the Directors, SSC and IC members and assess their commitment to the Group;
- Assessed the potential conflict of interest arising from the appointment of Directors, SSC and IC members in any organisation other than BIMB;
- Proposed the criteria for changes in Board Committee Membership and Senior Independent Director.
- Prepared the conflict-of-interest report;
- Issued notices on quarterly basis to refrain the Board of Directors from dealing in the Company’s listed securities based on the targeted date of announcement of the quarterly financial results;
- Organised and convened the 42<sup>nd</sup> AGM in a hybrid mode;
- Organised Board retreat to deliberate on and exchange the Board and Senior Management views on the Group’s strategic direction 2026-2030 in an informal setting offsite;
- Organised the annual Directors’ Conference with the theme “Driving Innovation And Reinvention: Leading Through Business Transformation” which was specifically designed to provide meaningful engagement and collaboration among all Directors within the Group;
- Arranged and coordinated the Induction Program for newly appointed Directors and SSC member;
- Participated and involved in the production of the Integrated Annual Report;
- Updated and monitored mandatory training and Individual Development Plan (“IDP”) to be completed by the Directors and SSC members pursuant to the Training Policy as incorporated in the Board and SSC Charter;

The FY2025 BEE results reported that the Company Secretary was assessed as Satisfactory, reflecting that the Company Secretary has been generally effective in supporting the Board’s functioning.

The Company Secretary keeps herself abreast of the updates on the company secretarial practice. The list of trainings attended by the Company Secretary can be found in Section B of this Report.

<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

## Intended Outcome

Every company is headed by a board, which assumes responsibility for the company's leadership and is collectively responsible for meeting the objectives and goals of the company.

## Practice 1.6

Directors receive meeting materials, which are complete and accurate within a reasonable period prior to the meeting. Upon conclusion of the meeting, the minutes are circulated in a timely manner.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has full and unrestricted access to all information pertaining to BIMB's affairs including, inter alia, the Group's financial results, annual budgets, reviews against business plans and progress reports on corporate developments to enable them to discharge their duties effectively.</p> <p><b>Schedule Meeting, Notice and Agenda</b></p> <p>To assist the Board in managing their time schedule, the annual Board Meeting Schedule is prepared and circulated in advance before the end of each calendar year. In fact, to ensure proper agenda, at the beginning of the year, a full year's tentative agenda is drawn up. The tentative agenda is dynamic in nature to facilitate the deliberation of important matters by the respective Board Committees and the Board.</p> <p>At least seven (7) days' notice is given prior to each Board and Board Committee meeting. In addition to the scheduled meeting, the Secretary will arrange to convene special meetings upon request from the Chairman/Directors by giving a reasonable notice of the meeting of no less than two (2) working days.</p> <p>BIMB furnishes board materials of all the Board and Board Committee meetings online via the board meeting software used by BIMB at least five (5) days prior to the Board meeting. The board meeting software provides various functionalities which enabled the Directors to access various Company documents, which are uploaded onto the software for convenient reference. With that, the Directors an access the meeting materials and relevant information in a timely and efficient manner, thus improving the Board's performance and overall effectiveness of decision making.</p> <p>A standard format of the executive summary of the meeting papers has been prescribed which include amongst others objective, background, authority for approval, rationale and conclusion. This helps to summarise the presentation and focus on key points thus improving the efficiency of the meeting papers to facilitate decision making. In 2024, the Executive Summary was further enhanced to incorporate disclosures on the Environmental, Social and Governance ("ESG") impacts of each proposal, reflecting the Bank's commitment to embedding sustainability considerations into its governance processes.</p>

	<p>The revised template also requires the inclusion of key deliberations from relevant Board Committees to provide the Board with a concise yet comprehensive overview of Board Committee discussions. These enhancements collectively support more focused Board engagement, improve the clarity of submissions, and promote informed, accountable, and responsible decision-making.</p> <p>The Management and the external advisers may be invited to attend the Board meetings as and when necessary, to furnish the Board with explanations on items tabled or to provide clarification on issue(s) that may be raised by any Director(s).</p> <p><b>Minutes</b> The Secretary shall minute the proceedings and resolutions of all meetings. The minutes must record the decisions of the Board and Board Committees, including the key deliberations, rationale for each decision made, and any significant concerns or dissenting views. The minutes must also indicate whether any member abstained from voting or excused himself from deliberating on a particular matter. The minutes of Board Committees' meetings shall be submitted to the Board for notification.</p> <p><b>Action Item</b> The summary of key deliberations, matters arising and decisions made during meetings are escalated to the Management within seven (7) days after the meeting. The Company Secretary will communicate and follow up with the relevant division responsible for any outstanding matters arising from previous meetings and update the Board accordingly.</p> <p>Minutes of meetings are properly kept in line with the requirements of relevant law and regulations, for example the Act and Income Tax Act, 1967. Key decisions are made in Board meetings while Circular Resolutions are limited to urgent matters that arise for decisions after the Meetings or to formalise matters which have already been discussed during Board meetings, or where material updates have arose requiring the Board's review and approval.</p>
<p><b>Explanation for departure</b> :</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b> :</p>	
<p><b>Timeframe</b> :</p>	

### Intended Outcome

There is demarcation of responsibilities between the board, board committees and management.

There is clarity in the authority of the board, its committees and individual directors.

### Practice 2.1

The board has a board charter which is periodically reviewed and published on the company's website. The board charter clearly identifies–

- the respective roles and responsibilities of the board, board committees, individual directors and management; and
- issues and decisions reserved for the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board Charter of the Company contains broad principles and requirements on the Board's governance in accordance with the principles of good corporate governance as set out in the recommendation and guidelines issued by the relevant regulatory authorities, i.e., BNM, Bursa Securities, Security Commission and the Act. The Board is fully committed in promoting and sustaining a strong culture of good corporate governance and uphold high standards of business integrity and professionalism when carrying out their duties and responsibilities as Directors of BIMB in line with ethical values and Islamic principles.</p> <p>The Board Charter covers the composition of the Board, procedures for convening Board meetings, Directors' remuneration and training, Board evaluation, Directors' Code of Conduct, relationship with shareholders and stakeholders and Board's reserved matters for Board's approval. Key matters reserved for the Board's approval include the conduct of the Board, remuneration, operational, planning &amp; investments, financials and other matters pertaining to the Board.</p> <p>In addition to the Board Charter, the Board is also guided by its TOR, a document which specifies the Board's role, power, duties and functions. The Board Charter and the TOR are dynamic documents that are reviewed and updated from time to time to reflect relevant changes to policies, procedures and processes as well as amendments to rules and regulations. The TOR and Board Charter are subject to review at least once every two (2) years, or when there are material changes to the governance structure, processes or procedures. A copy of the Board Charter is available at the Company's website <a href="http://www.bankislam.com">www.bankislam.com</a>.</p> <p>The Board Charter was last reviewed in July 2025 to reflect the following:</p> <ul style="list-style-type: none"><li>• Inclusion of the criteria as well as roles and responsibilities of the Senior Independent Non-Executive Director;</li></ul>

	<ul style="list-style-type: none"> <li>• Clarification on the exceptions applied for re-appointment of Directors aged 68 or 69;</li> <li>• Inclusion of the criteria for rotation of board committees' membership;</li> <li>• Inclusion of the post-BEE one-to-one sessions between each Director and the Chairman;</li> <li>• Delegation of authority for overseas training budget utilisation; and</li> <li>• Process enhancement on management of conflict of interest.</li> </ul> <p>The revision is to ensure that it remains relevant and consistent with the Board's objectives, responsibilities, and all the relevant standards of corporate governance, and is updated from time to time to align with regulatory changes.</p>
<b>Explanation for departure</b>	:
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:
<b>Timeframe</b>	:

### Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

### Practice 3.1

The board establishes a Code of Conduct and Ethics for the company, and together with management implements its policies and procedures, which include managing conflicts of interest, preventing the abuse of power, corruption, insider trading and money laundering.

The Code of Conduct and Ethics is published on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board is committed to maintaining the highest standards of conduct at the workplace and in business engagements. Conducting business with honesty, integrity and absence of any conflict of interest will underpin the Company's relationships with the employees and in the wider community, with all relevant stakeholders.</p> <p>The Bank adopts the Code of Ethics for the Financial Service Industry (FSI) developed by Financial Services Professional Board (FSPB) as the minimum standard of conduct expected of its Directors and employees. This Code of Ethics sets out the core ethical principles to which financial institutions and its employees should adhere, both in letter and in spirit, and on which they can rely on for guidance in their decision making and conducts. This Code of Ethics amongst others covers the principle of Competence, Integrity, Fairness, Confidentiality and Objectivity. The Code of Ethics and Code of Conduct are published on the Company's website at <a href="http://www.bankislam.com">www.bankislam.com</a>.</p> <p>The Directors also adhere strictly to the Directors' Code of Ethics and Code of Conduct established by the Company, in carrying out their fiduciary duties and responsibilities. The Directors' Code of Ethics is provided in the Board Charter, which is available on the Company's website at <a href="http://www.bankislam.com">www.bankislam.com</a>.</p> <p>The Directors' Code of Conducts provides principles and standards relating to the Directors' duty to act in the best interest of the Group and the public, and covers areas of Preserving Standard of Conduct and Behaviour, Prohibited Conduct, Conflict of Interest, Misuse of Position, Protecting the Bank's Assets and Property, Pecuniary Embarrassment, Publication and Press Statement, Usage of Social Media, Confidentiality of Customers' Information, Antibribery/Accepting Gifts/Entertainment, Discrimination and Harassment, Dress Code and Raising Unethical Conduct.</p>

	<p>The incorporation of TAAT culture (Think Customer, Act with Integrity, Advance Beyond, and Take Charge) within its workforce compliments BIMB’s Code of Ethics and Code of Conduct.</p> <p>TAAT culture is further complemented with the policies that sets out sound principles and standards of good practises to be observed by the employees and stakeholders such as Group Integrity Kit, Group Whistleblowing Policy, Group Gift Policy, Group Antibribery and Corruption Statement and Vendor’s Code of Ethics Guideline.</p> <p>A copy of the above policies/guideline are available on Bank Islam’s website <a href="http://www.bankislam.com">www.bankislam.com</a>.</p>	
<b>Explanation for departure</b>		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>		
<b>Timeframe</b>		

### Intended Outcome

The board is committed to promoting good business conduct and maintaining a healthy corporate culture that engenders integrity, transparency and fairness.

The board, management, employees and other stakeholders are clear on what is considered acceptable behaviour and practice in the company.

### Practice 3.2

The board establishes, reviews and together with management implements policies and procedures on whistleblowing.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>BIMB Group Whistleblowing Policy (“GWBP”) aims to urge speaking up against wrongdoings. BIMB is committed to ensure the highest standards of ethical, integrity, moral and legal business conduct and practices. BIMB is also committed to transparency and accountability in all aspects of its business and operations. These commitments are aligned with BIMB in championing Shariah values and to maintain the standards of Shariah principles. GWBP is also in line with the requirements of Bank Negara Malaysia Corporate Governance Policy (“CG Policy”) and the principles prescribed in the Whistle-blower Protection Act 2010.</p> <p>This policy is to provide an avenue for all employees of BIMB Group and members of the public to disclose any improper conduct in accordance with the procedures as provided for under this policy and to provide protection for employees and members of the public who report such allegations.</p> <p>A disclosure of an unethical conduct and malpractice that may cause potential risk to the Group shall include but not limited to the following issues:</p> <ol style="list-style-type: none"><li>i. Bribery, receiving and/or giving kickbacks;</li><li>ii. Fraud or dishonesty;</li><li>iii. Abuse of position;</li><li>iv. Abuse of the Group’s property and information;</li><li>v. Forgery or alteration of any documents belonging to the Group, its customers, another financial institutions or agents of the Group;</li><li>vi. Embezzlement or theft;</li><li>vii. Conflict of interest;</li><li>viii. Any other actual or suspected breach of any other laws;</li><li>ix. Breach of the Bank’s Code of Ethics and Conduct and any other policies;</li><li>x. Breach of BNM policy documents;</li><li>xi. Abetment to commit any of the above wrongdoing;</li><li>xii. Detrimental action taken against whistleblower (WB) or persons closely associated with WB; and</li></ol>

xiii. Such other matter that may breach the Group’s and/ or subsidiary’s Code of Ethics and Conduct and/ or actions that may damage or negatively impact the Group’s branding.

A WB is encouraged to identify himself/herself when submitting a disclosure report. If the identity is not revealed, the Group has the discretion whether to proceed with the investigation or reject the anonymous disclosure. All concerns and disclosure made through this procedure will be treated in confidence and all effort will be made as not to reveal WB’s identity unless otherwise agreed. The Group shall take all necessary measures to ensure that the identity and personal information of the WB shall be always protected and kept confidential. Upon making the disclosure in good faith, the WB will be protected from any reprisal and/or detrimental action within the Group as a direct consequence of his or her disclosure.

Any disclosure of improper conducts depending on the identity of the person being complained against, shall be made to any of the relevant Designated Person (DP) through the email channels as set out in the table below:

Person being reported	Designated Person(s) and email address
<u>Tier 1</u> Any member of the Board of Directors (BOD) and Shariah Supervisory Council (SSC)	Chairman Bank Islam <a href="mailto:chairman@bankislam.com.my">chairman@bankislam.com.my</a>
<u>Tier 2</u> 1. Chairman of the BOD 2. Group CEO 3. Group Chief Integrity & Governance Officer (GCIGO) 4. Any member of Integrity & Governance Department (IGD)	Senior Independent Non-Executive Director (“SINED”) <a href="mailto:SINED@bankislam.com.my">SINED@bankislam.com.my</a>
<u>Tier 3</u> Employees of the Group*	1. SINED 2. GCIGO  <a href="mailto:whistle@bankislam.com.my">whistle@bankislam.com.my</a> or online submission through Bank’s corporate website: <a href="https://cif.bankislam.com.my/WB/">https://cif.bankislam.com.my/WB/</a>

\* Any disclosure of improper conduct involving employees of BIMB Securities Sdn Bhd (“BIMBSEC”), BIMB Investment Management Berhad (“BIMBINVEST”) and Bank Islam Trust Ltd/Bank Islam Labuan Offshore Branch (“BTL/BILOB”) shall be referred to the whistleblowing channels on their respective official websites.

The disclosure can also be made via secured Integrity Hotline at 1-800-18-0201 attended personally by GCIGO.

	<p>A WB who wishes to withdraw his/her disclosure is required to write to the respective DP as stated above, together with supporting reason(s) for the withdrawal.</p> <p>All documents relating to whistleblowing, i.e., whistleblowing reports, investigation documents, etc. shall be kept at a secured place by the GCIGO.</p> <p>Alternatively, a WB may also lodge a report to Bank Negara Malaysia, Polis DiRaja Malaysia, Malaysian Anti-Corruption Commission or any other enforcement agency, if he/she so wishes.</p> <p>The GWBP is available on BIMB's website <a href="http://www.bankislam.com">www.bankislam.com</a>.</p>	
<b>Explanation for departure</b>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>		
<b>Timeframe</b>		

## Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.1

The board together with management takes responsibility for the governance of sustainability in the company including setting the company's sustainability strategies, priorities and targets.

The board takes into account sustainability considerations when exercising its duties including among others the development and implementation of company strategies, business plans, major plans of action and risk management.

Strategic management of material sustainability matters should be driven by senior management.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>BIMB had developed and implemented a sustainability governance structure to provide oversight and strategic direction over the Group's sustainable finance initiatives. On 30 October 2022, BIMB had launched its ESG Risk Management Framework in line with its commitment towards banking sustainability. BIMB had started to embed ESG risk considerations in its credit assessment process and leverage climate risk stress-testing to enhance the Bank's capabilities in addressing the impacts of climate change on the Bank and its customers. While the ESG Risk Framework allows us to effectively identify, manage, and monitor ESG risk across our business, the Framework is part of an overall Sustainability Plan and Roadmap that guides our actions as a financial institution in implementing sustainable finance.</p> <p>The Board has delegated its responsibility on the sustainability strategic matters to BSSC and sustainability risk to BRC. The BRC is responsible to oversee the Management's activities in managing the risk and credit assessment framework for completeness of risk assessment perspective whereby the BSSC will be responsible on the overall governance oversight on the implementation of the Sustainability Plan of BIMB.</p> <p>At the Management level, BIMB had established the Management Sustainability Committee ("MSC") to provide governance and guidance on BIMB Group's sustainability related matter and the organisation's implementation of the Sustainability Plan. The MSC reports to the BSSC that provides strategic direction and oversight on sustainability.</p> <p>To reinforce BIMB's strategic commitment to sustainability as a core pillar of its operations and future growth, the role of Group Chief Sustainability Officer ("GCSO") had been established at the Senior Management level in providing comprehensive oversight of the Bank's sustainability strategies, policies, and performance. The creation of the</p>

	<p>GCSO position ensures that sustainability receives focused, high-level leadership aligned with the Bank’s overarching goals.</p> <p>The BRC and Management Risk Control Committee (“MRCC”) provides oversight and strategic direction on the Group’s ESG Risk Framework that focuses on how BIMB manages and mitigates key ESG risks and impacts including climate change, environmental and social risks across its portfolio.</p> <p>The MSC is chaired by the Group CEO, comprising relevant members of the Management team of BIMB heading various divisions such as Business Units, Credit and Risk Management, Operations and Social Finance. BIMB believes in setting the right tone from the top in embedding a culture of sustainability and integrating ESG throughout the Group’s operations.</p> <p>BIMB had developed its Sustainability Plan for BIMB Group to strengthen its overall ESG commitment. The Sustainability Plan is focused on five (5) commitments, i.e., achieve carbon neutral operations by 2030, achieve net zero financed emissions by 2050, grow sustainable finance to RM46 billion by 2030, develop pathway towards nature positive beyond 2030 and empower 10,000 beneficiaries by 2030.</p>
<p><b>Explanation for departure</b></p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b></p>	<p>:</p>
<p><b>Timeframe</b></p>	<p>:</p>

**Intended Outcome**

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

**Practice 4.2**

The board ensures that the company’s sustainability strategies, priorities and targets as well as performance against these targets are communicated to its internal and external stakeholders.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The Board ensures that there is an effective governance framework for sustainability within the Group, including the development of the Group’s sustainability and climate related strategies taking into account the economic, ESG considerations, priorities and targets.</p> <p>The sustainability strategies and priorities are currently being reported externally via the annual report. Internally, quarterly and monthly updates are being reported to the Management Sustainability Committee (“MSC”) and Management Risk Control Committee (“MRCC”), respectively, then escalated to the BRC and BSSC.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.3

The board takes appropriate action to ensure they stay abreast with and understand the sustainability issues relevant to the company and its business, including climate-related risks and opportunities.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Directors are encouraged to attend trainings that are relevant to enable them to discharge their responsibilities, and one of the key topics is sustainability issues that relevant to the company and its business. The sustainability-related trainings attended by the Board during FY2025 are set out in Part B of this report.</p> <p>Following the amendments to the Main Market Listing Requirements (“MMLR”) in relation to the sustainability training for Directors, all board members have completed the MAP II: Leading for Impact program organised by the Institute of Directors Malaysia (“ICDM”) as at 31 December 2025.</p> <p>Apart from the trainings, the BSSC, during its meetings, regularly discussed and received updates on the progress of the Sustainability Plan for BIMB and the Group.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.4

Performance evaluations of the board and senior management include a review of the performance of the board and senior management in addressing the company's material sustainability risks and opportunities.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The BSSC assists and facilitates the Board in overseeing and advising the management to ensure that the Group's strategies, goals and principles on sustainability are in accordance with the Group's sustainability and climate change strategy.</p> <p>On sustainability governance and reporting oversight roles, the BSSC is assisted by the MSC established at the management level. The BSSC is responsible for providing an overall strategic direction for sustainability related matters, aligned with the sustainability targets to the overall goals of the Group. It also oversees the business plans and key initiatives of BIMB Group in relation to economic, environmental, social and governance considerations underpinning sustainability.</p> <p>The BEE FY2025 results, conducted by FIDE Forum, recorded a satisfactory assessment of BIMB's effectiveness in overseeing sustainability strategies and balancing ESG considerations with stakeholder interests. This reflects the Board's continued commitment to ensuring that sustainability commitments are embedded into strategic decision-making and overall governance practices.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

The company addresses sustainability risks and opportunities in an integrated and strategic manner to support its long-term strategy and success.

### Practice 4.5- Step Up

The board identifies a designated person within management, to provide dedicated focus to manage sustainability strategically, including the integration of sustainability considerations in the operations of the company.

<i>Note: The explanation on adoption of this practice should include a brief description of the responsibilities of the designated person and actions or measures undertaken pursuant to the role in the financial year.</i>	
<b>Application</b>	: Adopted
<b>Explanation on adoption of the practice</b>	: <p>BIMB has appointed the Group Chief Credit Officer (“GCCO”) and Group Chief Risk Officer (“GCRO”) to spearhead the embedment of ESG, incorporating climate risk in credit assessment process and to put in place a broad-based framework, in collaboration with Risk Management Division.</p> <p>Later in December 2024, the role of Group Chief Sustainability Officer (“GCSO”) was established in BIMB to facilitate comprehensive oversight of the Bank’s sustainability strategies, policies, and performance. The creation of the GCSO position ensures that sustainability receives focused, in line with BIMB’s strategic commitment to sustainability as a core pillar of its operations and future growth.</p> <p>BIMB has demonstrated its commitment to sustainability through the Management Sustainability Committee (“MSC”) within the management level. The MSC is chaired by the Group CEO with its objective to oversee governance and provide guidance on BIMB Group’s sustainability related matter and implementation of the sustainability initiatives.</p> <p>The GCCO, GCRO, GCSO and the Group CEO are the four (4) key positions within BIMB that oversee sustainability in BIMB, and they are the members of MSC as well as the Group Management Executive Committee.</p>

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.1

The Nomination Committee should ensure that the composition of the board is refreshed periodically. The tenure of each director should be reviewed by the Nomination Committee and annual re-election of a director should be contingent on satisfactory evaluation of the director's performance and contribution to the board.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The BNRC recognizes the importance of the Board composition to be refreshed periodically. The revision is to ensure that the Board comprises the right talent in terms of skills and experience, in order to effectively discharge the Board's roles and responsibilities.</p> <p>Amongst the primary duties and responsibilities of the BNRC stipulated in the TOR are as follows:</p> <ol style="list-style-type: none"><li>1. Review the structure, size and composition of the Board and make recommendations to the Board on any adjustments that are deemed necessary including in terms of the appropriate size and skills, and the balance between Executive Directors, Non-Executive Directors and Independent Directors regularly.</li><li>2. Perform the fit and proper assessment on the nominees for Directorship, membership in Board committees and SSC, the Group CEO and key senior management and make appropriate recommendation to the Board.</li></ol> <p>The Board Charter stipulates that the Board is required to regularly review succession plan at least once every two (2) years for the Board to address any vacancies and to provide the Board with the opportunity to consider and reassess its membership and to refresh the Board composition if and when the need arises. The Board Charter stipulates the maximum age limit of 70 and any Board members should not continue beyond the maximum age of 70.</p> <p>In FY2024, BIMB has revised its policy on the re-appointment of Directors. The revised policy allows for exemption to the age limit of 70 under the following situations:</p> <ol style="list-style-type: none"><li>1. The director's knowledge, expertise, as well as experience are vital and are not possessed by any of the current board members and no new talent has been identified that can take the place within the next three (3) – six (6) months;</li></ol>

	<p>2. The director’s knowledge, expertise and experience are unique and difficult to be replaced, and no new talent has been identified that can take the place within the next three (3) – six (6) months; and</p> <p>3. No new talent has been identified that will ensure BIMB to remain in compliance with Bank Negara Malaysia (BNM) requirements/ Main Market Listing Requirements (MMLR) within the next three (3) – six (6); e.g., composition of independent directors, 30% female directors, etc.</p> <p>The revised policy aims to maintain continuity and stability within the Board while addressing specific expertise and compliance requirements.</p> <p>During the FY2025, the BNRC had conducted the following in relation to the composition of the Board and its Board Committee:</p> <ol style="list-style-type: none"> <li>I. Review the Board Committees’ composition;</li> <li>II. Re-election of Directors during the 42<sup>nd</sup> Annual General Meeting;</li> <li>III. Re-appointment of directors;</li> <li>IV. Criteria for Rotation in Board Committees and Senior Independent Director;</li> <li>V. Review the Potential Directors’ Candidates.</li> </ol> <p><u>Directors’ Retirement/Re-election</u></p> <p>The Constitution of BIMB provides that at every annual general meeting of BIMB, one-third of the Directors other than the Managing Director are subject to retirement by rotation. The Directors to retire shall be those who have been longest in office since their last election. The retiring Directors are eligible for re-election. Directors who are appointed as additional new Directors or to fill casual vacancies during the year are eligible for re-election but shall not be taken into account in determining the Directors who are to retire by rotation at the annual general meeting.</p> <p>The BNRC reviews the tenure of Directors in discussions for the re-appointment of Directors, their re-election at the AGM and in succession plan review.</p> <p>In reviewing the tenure of Directors, the BNRC takes into consideration their performance based on the peer assessment conducted under the annual BEE exercise. Their contribution to the Board as well as their participation during the Board and Board Committee deliberations are also considered. To facilitate the BNRC on the appointment and re-appointment of Directors, BIMB has established a set of criteria in evaluating the fit &amp; proper of a Director i.e., skills and experience, character and financial standing, commitment and contribution as well as integrity and reputation.</p>
<p><b>Explanation for departure</b></p>	<p>:</p>

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.2**

At least half of the board comprises independent directors. For Large Companies, the board comprises a majority independent directors.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	As at 31 December 2025, the Board comprised eight (8) members, consisting of seven (7) Independent Non-Executive Directors and one (1) Non-Independent Non-Executive Director. This composition reflects 87.5% majority of Independent Directors, demonstrating adherence to independence requirements.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.3**

The tenure of an independent director does not exceed a cumulative term limit of nine years. Upon completion of the nine years, an independent director may continue to serve on the board as a non-independent director.

If the board intends to retain an independent director beyond nine years, it should provide justification and seek annual shareholders' approval through a two-tier voting process.

<b>Application</b>	:	Not applicable - Step Up 5.4 adopted	
<b>Explanation on application of the practice</b>	:		
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.4 - Step Up

The board has a policy which limits the tenure of its independent directors to nine years without further extension.

<i>Note: To qualify for adoption of this Step Up practice, a listed issuer must have a formal policy which limits the tenure of an independent director to nine years without further extension i.e. shareholders' approval to retain the director as an independent director beyond nine years.</i>									
<b>Application</b>	: Adopted								
<b>Explanation on adoption of the practice</b>	: The Company has a policy that limits an Independent Director's tenure to a maximum of nine (9) years. An independent Director who has served for nine (9) years may, subject to the shareholders' and BNM's approval, continue to serve the Company and re-designated as a non-independent Director.  As at 31 December 2025, none of the Independent Directors have exceeded nine (9) years tenure as shown below: <table border="1" data-bbox="560 1025 1334 1176"><thead><tr><th>Year of Services</th><th>No of Independent Directors</th></tr></thead><tbody><tr><td>Up to 3 years</td><td>2</td></tr><tr><td>More than 3 years – 6 years</td><td>4</td></tr><tr><td>More than 6 years – 9 years</td><td>1</td></tr></tbody></table> The policy which limits the tenure of BIMB's Independent Director is provided in paragraph 6.2.3 of the Board Charter, which is available at the Company's website <a href="http://www.bankislam.com">www.bankislam.com</a> .	Year of Services	No of Independent Directors	Up to 3 years	2	More than 3 years – 6 years	4	More than 6 years – 9 years	1
Year of Services	No of Independent Directors								
Up to 3 years	2								
More than 3 years – 6 years	4								
More than 6 years – 9 years	1								

## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

## Practice 5.5

Appointment of board and senior management are based on objective criteria, merit and with due regard for diversity in skills, experience, age, cultural background and gender.

Directors appointed should be able to devote the required time to serve the board effectively. The board should consider the existing board positions held by a director, including on boards of non-listed companies. Any appointment that may cast doubt on the integrity and governance of the company should be avoided.

<b>Application</b> :	Applied																																																																	
<b>Explanation on application of the practice</b> :	<p>The Board has implemented a formal and transparent process for the nomination and appointment of new Directors and Management, via the BNRC.</p> <p>The BNRC plays a vital role in ensuring the balance in the composition and diversity of the Board is achieved. The BNRC supports the Board in ensuring the Board composition consists of diverse individual with the requisite skill, experience, age and gender to offer greater depth and breadth to the Board.</p> <p>The table below shows the skill set held by the Directors of BIMB:</p> <table border="1" data-bbox="432 1144 1222 1554"> <thead> <tr> <th>Skills/ Expertise</th> <th>No. of Directors</th> </tr> </thead> <tbody> <tr> <td>Management, Leadership &amp; Strategy</td> <td>8</td> </tr> <tr> <td>Banking</td> <td>3</td> </tr> <tr> <td>Accounting and Finance</td> <td>3</td> </tr> <tr> <td>Regulatory</td> <td>2</td> </tr> <tr> <td>Risk Management and/or Internal Control</td> <td>5</td> </tr> <tr> <td>Information Technology &amp; Digitalisation</td> <td>2</td> </tr> <tr> <td>Economy</td> <td>2</td> </tr> <tr> <td>Legal</td> <td>1</td> </tr> <tr> <td>Shariah</td> <td>1</td> </tr> </tbody> </table> <p>As at 31 December 2025, the Board's demographics in terms of nationality, age and gender are as follows:</p> <table border="1" data-bbox="432 1693 1426 1843"> <thead> <tr> <th rowspan="2"></th> <th colspan="4">Age</th> <th colspan="2">Gender</th> </tr> <tr> <th>30 – 39</th> <th>40 – 49</th> <th>50 – 59</th> <th>60 - 69</th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td>Number of Directors</td> <td>0</td> <td>0</td> <td>1</td> <td>7</td> <td>5</td> <td>3</td> </tr> </tbody> </table> <table border="1" data-bbox="432 1879 1426 1984"> <thead> <tr> <th rowspan="2"></th> <th colspan="4">Race/Ethnicity</th> <th colspan="2">Nationality</th> </tr> <tr> <th>Malay / Bumiputera</th> <th>Chinese</th> <th>Indian</th> <th>Others</th> <th>Malaysian</th> <th>Foreigner</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>						Skills/ Expertise	No. of Directors	Management, Leadership & Strategy	8	Banking	3	Accounting and Finance	3	Regulatory	2	Risk Management and/or Internal Control	5	Information Technology & Digitalisation	2	Economy	2	Legal	1	Shariah	1		Age				Gender		30 – 39	40 – 49	50 – 59	60 - 69	Male	Female	Number of Directors	0	0	1	7	5	3		Race/Ethnicity				Nationality		Malay / Bumiputera	Chinese	Indian	Others	Malaysian	Foreigner							
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Number of Directors	8	0	0	0	9	0
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A Director is expected to give his/her commitment in discharging his/her duties as BIMB's Director effectively. In this regard, each Director is required to ensure that the number of his/her professional commitment is maintained at the acceptable level so that the Director will be able to give his/her full commitment to the Bank. In BIMB, Corporate Secretarial kept record the number of external professional commitments (EPC) held by the Directors. The EPC must not be more than ten (10) with the number of directorships in listed companies should be limited to not more than five (5). The restriction on the number of EPC and directorships in listed companies is in line with BIMB's Board Charter and Chapter 15 of the MMLR, respectively.

BIMB has conducted the assessment on the Directors' time commitment and conflict of interest. The assessment covers the ability of the Directors to devote time as a board member to attend meetings as well as to engage in the affairs of Bank Islam, having factored outside obligations including concurrent positions held across listed issuer and non-listed issuers (including non-profit organisations) and the areas of potential conflict of interest taking into account the nature of the business, the Director's role and mitigation of conflict of interest. Based on the assessment, all Directors complied with the 75% attendance requirement in 2025, in line with the Corporate Governance Policy (CG Policy) issued by BNM. Whilst the Directors' time commitment is still acceptable as evidenced by their attendance record, the Directors are mindful in managing their number of EPCs to ensure they continue to give full commitment and effectively discharge their responsibilities to BIMB.

The assessment also revealed that there is no conflict of interest, except as connected party where the Directors concerned will declare their conflict interest and will not deliberate nor participate in the deliberation at the Board or Board Committees. This assessment ensures there will not be any appointment of a Director that may cast doubt on the integrity and governance of BIMB.

There is a formal and transparent process for the appointment of a Director. The BNRC, which has been delegated by the Board to oversee the process, will consider all proposals for the appointment of new Directors. The selection will focus on the experience and skills whilst adhering to BIMB's Fit and Proper Criteria as indicated in the Board Charter. The BNRC is guided by the following qualitative and quantitative criteria when assessing the suitability of Director for nomination:

- Probity, personal integrity and reputation that can be demonstrated through personal qualities such as honesty, integrity, diligence, independence of mind and fairness;
- Competency and capability demonstrated by a person who possesses the relevant knowledge, experience and ability to understand the technical requirements of the business;
- Financial integrity demonstrated by a person who manages his own financial affairs properly and prudently; and
- Restriction on external professional commitment.

	<p>To facilitate the BNRC and the Board in the appointment or re-appointment of Directors, BIMB has established a set of criteria in evaluating the fit and proper of its Directors as follows:</p> <ul style="list-style-type: none"> <li>• Necessary skill and experience to address identified skill gap within the Board’s composition;</li> <li>• Character and financial standing;</li> <li>• Commitment and contribution; and</li> <li>• No conflict of interest that cannot be mitigated.</li> </ul> <p><u>Management</u> BIMB gives due regard to diversity in skill, age, gender and ethnicity in the appointment of Management. The demographics of the Management for the year under review are as follows:</p> <table border="1" data-bbox="432 770 1428 918"> <thead> <tr> <th></th> <th colspan="4">Age</th> <th colspan="2">Gender</th> </tr> <tr> <th></th> <th>30 – 39</th> <th>40 – 49</th> <th>50 – 59</th> <th>60 - 69</th> <th>Male</th> <th>Female</th> </tr> </thead> <tbody> <tr> <td>Number of Management</td> <td>0</td> <td>6</td> <td>7</td> <td>0</td> <td>6</td> <td>7</td> </tr> </tbody> </table> <table border="1" data-bbox="432 954 1428 1137"> <thead> <tr> <th></th> <th colspan="4">Race/Ethnicity</th> <th colspan="2">Nationality</th> </tr> <tr> <th></th> <th>Malay / Bumiputera</th> <th>Chinese</th> <th>Indian</th> <th>Others</th> <th>Malaysian</th> <th>Foreigner</th> </tr> </thead> <tbody> <tr> <td>Number of Management</td> <td>11</td> <td>1</td> <td>1</td> <td>0</td> <td>13</td> <td>0</td> </tr> </tbody> </table>		Age				Gender			30 – 39	40 – 49	50 – 59	60 - 69	Male	Female	Number of Management	0	6	7	0	6	7		Race/Ethnicity				Nationality			Malay / Bumiputera	Chinese	Indian	Others	Malaysian	Foreigner	Number of Management	11	1	1	0	13	0
	Age				Gender																																						
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<p><b>Measure :</b></p>																																											
<p><b>Timeframe :</b></p>																																											

## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

## Practice 5.6

In identifying candidates for appointment of directors, the board does not solely rely on recommendations from existing board members, management or major shareholders. The board utilises independent sources to identify suitably qualified candidates.

If the selection of candidates was based on recommendations made by existing directors, management or major shareholders, the Nominating Committee should explain why these source(s) suffice and other sources were not used.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>In considering new appointments to the Board, the Board through the BNRC takes into account the corporate leadership skills, experience and expertise required to advance the strategic direction of BIMB. The BNRC ensures that the Board has the right balance of skills, experience, independence and business knowledge necessary to discharge its responsibilities effectively in keeping with the highest standards of governance while providing meaningful contributions to the business of BIMB.</p> <p>BIMB maintains a formal and transparent procedure for the appointment of new Directors. The search for potential Directors may also be made through engagement of an independent recruitment firm or recommendations from existing Board members or Management and through external sources such as the Directors' Registers by FIDE FORUM, BNM, and 30% Club Malaysian Chapter in identifying suitable qualified candidates to fill the vacant positions.</p> <p>In its selection of suitable candidates, the BNRC determines whether the candidates satisfy the requisite skills and core competencies in accordance with BIMB's Policy on Fit and Proper Criteria for Key Responsible Persons, BNM CG Policy, MCCG 2021 and BNM's Policy Document on Fit and Proper Criteria. Once a potential candidate has been shortlisted for recommendation, the Group Company Secretary will conduct comprehensive background checks, including checks on reputation and integrity.</p> <p>All potential candidates are first considered by the BNRC, taking into account the mix of skills, competency, experience, integrity, personal attributes and time commitment required to effectively discharge his/her role as a Director. In fact, the BNRC will have an interview session with the candidate to gauge the suitability of the candidate. Following the selection by the Board, an application for the proposed appointment as a Director is submitted to BNM for approval and the term of appointment shall be as specified by BNM.</p>

	<p>Furthermore, the Board has started the effort in establishing its succession plan by identifying a pool of potential candidates to be considered as the Directors of the Company. The database of potential candidates comprised various skill sets, diversity of gender and age to ensure that the Board will have a steady pool of talent whenever there is a need to refresh its composition. The pool of potential candidates is collated from various independent sources including FIDE FORUM, 30% Club Malaysian Chapter, key operating subsidiaries and internal sources.</p> <p>For the year under review, Datuk Hamzah Bachee was appointed as an Independent Non-Executive Director effective from 2 January 2025.</p> <p>The roles and responsibilities of the BNRC are specified in the BNRC's TOR which is available at the Company website <a href="http://www.bankislam.com">www.bankislam.com</a>.</p>	
<p><b>Explanation for departure</b></p>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>	:	
<p><b>Timeframe</b></p>	:	

## Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

## Practice 5.7

The board should ensure shareholders have the information they require to make an informed decision on the appointment and reappointment of a director. This includes details of any interest, position or relationship that might influence, or reasonably be perceived to influence, in a material respect their capacity to bring an independent judgement to bear on issues before the board and to act in the best interests of the listed company as a whole. The board should also provide a statement as to whether it supports the appointment or reappointment of the candidate and the reasons why.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The profile of each Director is set out in the Annual Report, Section B of this report and on BIMB's website. Details provided in the profiles include, among others, areas of expertise, length of services, their current and past directorships within and outside BIMB Group.</p> <p>In compliance with the MMLR issued by Bursa Securities, the following explanatory notes have been included in the Notice of AGM, to accompany resolutions for the re-election of Directors who are due to retire and have offered themselves for re-election pursuant to the Constitution of the Company:</p> <ol style="list-style-type: none"> <li>I. Satisfactory findings in respect of the performance and contribution through the BEE rating conducted prior to general meetings to approve their re-election.</li> <li>II. Fulfilment in terms of suitability and propriety assessment conducted pursuant to the Fit and Proper Policy issued by BNM.</li> <li>III. In respect of INEDs, fulfilment of the independence criteria prescribed in the MMLR, the BNM CG Policy and the Board Charter.</li> </ol> <p>The explanatory notes also include the Board's endorsement for the re-election of retiring Director. Any retiring Director, who is a shareholder of the Company will abstain from voting on the resolution in respect of his/her re-election at the AGM. For the year under review, none of the Directors hold any shares in BIMB.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		

<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.8

The Nominating Committee is chaired by an Independent Director or the Senior Independent Director.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	Datuk Bazlan Osman was appointed as a Senior Independent Director of BIMB on 2 January 2024. He was also appointed as the BNRC Chairman on the same date following the revision to the Board Committees' composition.  Datuk Bazlan Osman's profile can be found in Section B of this report.	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

**Practice 5.9**

The board comprises at least 30% women directors.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>As at 31 December 2025, the Company has five (5) male Directors and three (3) female Directors. The female Directors are Mashitah Haji Osman, Nuraini Ismail and Dato' Seri Professor Dr. Noor Inayah Ya'akub. The female representation at the Board level is 37.5%, exceeding the 30% target under the MCCG.</p> <p>The Board believes that the women Directors could add value to Board discussions, through their unique aspects, approaches and ideas that makes the Board progressive and effectively contribute to the growth of BIMB. The Board will continue to ensure the diversity in gender to be upheld by ensuring minimum 30% women Directors on the Board.</p>
<b>Explanation for departure</b>	:	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Board decisions are made objectively in the best interests of the company taking into account diverse perspectives and insights.

### Practice 5.10

The board discloses in its annual report the company's policy on gender diversity for the board and senior management.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Board supports boardroom gender diversity as recommended under the MCCG, by taking various steps to ensure women candidates are considered in the selection of Board members and Management. BIMB recognises that advancing gender equality throughout business operations and value chains can tap better talent, higher productivity, better organisational effectiveness and overall corporate success. The Board is committed to ensuring that the Directors of the Company possess a broad balance of skills, knowledge, experience, background and independence, as the synergy of such diversity could create a powerful and dynamic Board. Amongst the factors considered in the Directors' succession plan include the requirement on 30% women Directors.</p> <p>The Board, through BNRC, will review the appropriate proportion of female to male Directors on the Board when considering the appointment of new Directors to the Board. The selection criteria for a Director will be based on an effective blend of competencies, skills, extensive experience and knowledge necessary for the Board to discharge its responsibilities.</p> <p>In this regard, the BNRC takes the following steps to ensure women's participation on Board:</p> <ol style="list-style-type: none"><li>I. Assess the appropriate mix of diversity including gender, ethnicity and age, candidates' skills, knowledge, expertise and experience required on the Board and identify the existing gap, if any.</li><li>II. Adhere to the recruitment procedures of BIMB and develop a list of candidates which shall always include diverse candidates and in any Director search; whenever reasonably possible, priority will be given to the appointment of a woman Director to fill a Directorship vacated by a retiring or resigning woman Director.</li><li>III. Interview and evaluate the candidates; thereafter, recommendation be made to the Board in relation to appointments by ensuring that an appropriate mix of diversity, skills, knowledge, expertise and experience on the Board shall be maintained from time to time.</li></ol>

	<p>IV. Review and assess the boardroom diversity on a regular basis. Any gap that occurred in relation thereto shall be reported to the Board.</p> <p>BIMB is committed in promoting gender diversity and inclusion in the workplace. BIMB's commitment to diversity, equity, and inclusion (DEI) is at the heart of its strategic vision and core values. As at 31 December 2025, women comprised 37.5% of the Board, reflecting meaningful progress towards maintaining a balanced Board composition. At the senior management level, 53.8% of the Group Management Executive Committee members are women, demonstrating the Bank's strong pipeline of female leadership talent. BIMB is shaping the future with gender equity at its core, leveraging merit-based strategies to ensure women's empowerment and representation at every organisational level.</p>
<p><b>Explanation for departure</b></p>	<p>:</p>
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b></p>	<p>:</p>
<p><b>Timeframe</b></p>	<p>:</p>

## Intended Outcome

Stakeholders are able to form an opinion on the overall effectiveness of the board and individual directors.

### Practice 6.1

The board should undertake a formal and objective annual evaluation to determine the effectiveness of the board, its committees and each individual director. The board should disclose how the assessment was carried out its outcome, actions taken and how it has or will influence board composition.

For Large Companies, the board engages an independent expert at least every three years, to facilitate objective and candid board evaluation.

<i>Note: For a Large Company to qualify for adoption of this practice, it must undertake annual board evaluation and engage an independent expert at least every three years to facilitate the evaluation.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <p>The Board of BIMB undertakes a formal and objective annual evaluation to determine the effectiveness of the Board, its Board Committees and each individual Director.</p> <p>The BEE exercise is conducted internally on an annual basis. However, BIMB will once in every three (3) years, undertake an independent BEE by an appointed external party. The engagement of an external independent party is intended to ensure that Bank Islam remains aligned with corporate governance best practices, promotes objectivity in the assessment process, and provides independent insights into the Board's strengths and areas for improvement. An independent BEE was last performed in 2022 by KPMG Management and Risk Consulting Sdn Bhd ("KPMG").</p> <p>In 2025, BIMB has engaged FIDE Forum to undertake the BEE exercise for FY2025. This BEE exercise comprised a combination of surveys and one-to-one interviews with the Board, culminating in a comprehensive report outlining key findings and recommendations. It covers nine (9) thematic areas and 42 questions, assessing both the Board's effectiveness and the level of alignment among the Directors.</p> <p>The assessment scope of the FY2025 BEE is as follows:</p> <ul style="list-style-type: none"><li>(a) Board Responsibilities;</li><li>(b) Board Culture;</li><li>(c) Board Chair Evaluation;</li><li>(d) Board Composition;</li><li>(e) Board Committees;</li><li>(f) Chief Executive Officer Evaluation;</li><li>(g) Board Remuneration;</li><li>(h) Board Administration and Process; and</li><li>(i) Board Education.</li></ul>

	<p>Overall, the Board was assessed as largely effective, with the majority of attributes rated Satisfactory and several rated Strong. However, one (1) specific area requires targeted focus—Board Composition.</p> <p>While key strengths identified from the FY2025 BEE exercise include the following:</p> <ul style="list-style-type: none"> <li>• Crisis management and business continuity oversight;</li> <li>• Oversight of sustainability and ESG strategies;</li> <li>• Leadership of the Board Chair in facilitating effective discussions;</li> <li>• CEO performance and strategic execution;</li> <li>• Regularity and effectiveness of the Board and Board Committee meetings.</li> </ul> <p>These strengths indicated that core governance structures, leadership processes, and strategic oversight mechanisms are functioning effectively.</p> <p>Upon completion of the evaluation, the results are presented to the BNRC and Board. The Chairman later has a one-to-one session with each Director to discuss on ideas to further improve the effectiveness of the Board and in driving BIMB's growth.</p>	
<p><b>Explanation for departure</b> :</p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b> :</p>		
<p><b>Timeframe</b> :</p>		

## Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

### Practice 7.1

The board has remuneration policies and procedures to determine the remuneration of directors and senior management, which takes into account the demands, complexities and performance of the company as well as skills and experience required. The remuneration policies and practices should appropriately reflect the different roles and responsibilities of non-executive directors, executive directors and senior management. The policies and procedures are periodically reviewed and made available on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Company's remuneration structure for Directors which is aligned to BIMB's strategic objectives, allows BIMB to attract, motivate and retain high calibre talent. The design of BIMB's fees architecture complies with regulatory requirements, embraces market practices and trends.</p> <p>The Board has established a formal and transparent Directors' Remuneration Framework which comprises retainer fees, meeting allowances and benefits in kind. The last review of the Directors' remuneration was carried out in 2023 and approved by the shareholders at the 40<sup>th</sup> AGM on 26 May 2023. The review of the Directors' remuneration is to ensure that it remains relevant and competitive with the industry. This review is undertaken every three years and takes into account comparison against the industry peers.</p> <p>The following are the factors considered in the setting of Non-Executive Director remuneration to ensure there is an equitable remuneration for the role, effort and risk:</p> <ol style="list-style-type: none"><li>I. The number of meetings attended as an indicator of a Non-Executive Director's contributions;</li><li>II. A meeting fee rate based on a comparable rate that the market pays for a talent with similar calibre and expected contributions;</li><li>III. The fixed fee (retainer fee) and the meeting fee (sitting fee) component are determined in such manner that the Non-Executive Directors were recognised for their preparation and contributions at meetings including meetings with BNM. Fixed fee would be determined by taking into account the Non-Executive Director's expected time spent on Board's education, networking and engagement with stakeholders;</li></ol>

- IV. Rate for all meeting fees is standardized for all Board and Board Committee meetings to recognize the value of each member's contributions;
- V. The Chairman of the Board and the Board Committees are remunerated at a premium given the additional role that they play in leading, guiding and managing the Board and the Board Committees; and
- VI. The remuneration is paid in a timely manner and periodically.

The Directors of BIMB are remunerated as follows:

a) Fees and Other Emoluments

Non-Executive Directors are remunerated by way of monthly fees, a sitting allowance and other emoluments. Fees payable to Non-Executive Directors are subject to advanced Shareholders' approval at the Annual General Meeting.

b) Benefits in Kind

Other benefits that are claimable or otherwise such as leave passage, medical and insurance benefits.

The BNRC has established a remuneration framework for the NED which is subject to periodic review, i.e., once every three (3) years. The remuneration framework as at 31 December 2025 is as follows:

	RETAINER FEES (PER ANNUM)	
	CHAIRMAN (RM)	MEMBER (RM)
<b>BOARD</b>	240,000.00	72,000.00
<b>BRC</b>	90,000.00	72,000.00
<b>BAEC</b>	48,000.00	36,000.00
<b>BNRC</b>	18,000.00	12,000.00
<b>BFRC</b>	24,000.00	18,000.00
<b>BITC</b>	24,000.00	18,000.00
<b>BSSC</b>	24,000.00	18,000.00

	SITTING FEES (PER ANNUM)	
	CHAIRMAN (RM)	MEMBER (RM)
<b>Board and Board Committees</b>	5,000.00	3,000.00

Note: Shareholders' approval on the payment of the retainer and sitting fees to the Non-Executive Director, guided by the above remuneration framework, was obtained on 16 May 2024.

The details of the total remuneration of the Directors in aggregate with categorisation into appropriate components for the year under review is presented in the explanation on the application of Practice 8.1 of this report. The Management and key Material Risk Taker remuneration

	framework has also been reviewed by the BNRC and approved by the Board, the particulars of which are elaborated in Section B of this report.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

The level and composition of remuneration of directors and senior management take into account the company's desire to attract and retain the right talent in the board and senior management to drive the company's long-term objectives.

Remuneration policies and decisions are made through a transparent and independent process.

### Practice 7.2

The board has a Remuneration Committee to implement its policies and procedures on remuneration including reviewing and recommending matters relating to the remuneration of board and senior management.

The Committee has written Terms of Reference which deals with its authority and duties and these Terms are disclosed on the company's website.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The BNRC is a combined function established and delegated by the Board with the authority to develop and implement formal and transparent procedures in relation to:</p> <ol style="list-style-type: none"><li>I. The appointment of Director and Management, the assessment on effectiveness of individual Directors and the Board as a whole as well as the performance of the Management;</li><li>II. Review and recommendation to the Board on the overall remuneration policy for Directors, Shariah Supervisory Council ("SSC") and Management and to ensure appropriate incentives to encourage enhanced performance and remuneration that commensurate with their contribution and level of responsibilities.</li></ol> <p>The remuneration structure for the NEDs takes into consideration the relevant factors which include the function, workload, responsibilities and time spent for the preparation of the Board and Board Committees meeting. The remuneration structure also takes into account the number of days taken for the preparation and time spend for the meeting with BNM. A premium is given to the Chairman of the Board and the Board Committees in view of his/her additional role in leading, guiding and managing the Board and the Board Committee meetings. The remuneration includes monthly fees, meeting allowances and other emolument/benefits such as leave passage, medical, car allowance and takaful cover.</p> <p>Among the key activities of the BNRC during financial year under review in relation to remuneration review are as follows:</p> <ol style="list-style-type: none"><li>I. Reviewed and recommended the Token of Appreciation and Farewell Gift to the Directors and SSC members;</li></ol>

	<p>II. Reviewed and recommended the Performance Appraisal for FY2025;</p> <p>III. Reviewed the remuneration structure for the Directors and SSC members for implementation in 2026 after receiving shareholders' approval at the AGM.</p> <p>BIMB's Remuneration Policy for Senior Management Team (SMTs) and Material Risk Taker (MRTs) applies to all SMTs and MRTs within the Bank to promote transparent and adequate remuneration. The Policy sets forth appropriate governance around the total rewards of the Company's SMTs/MRTs for their contribution to the Bank, taking into account their roles and responsibilities from the perspective of performance excellence, risk management, compliance and sustainability. Details of the Remuneration Policy for SMTs and MRTs is available under Section B of this report.</p> <p>The TOR of the BNRC is available on the Company's website <a href="http://www.bankislam.com">www.bankislam.com</a>.</p>
<p><b>Explanation for departure</b></p>	<p>:</p>
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<p><b>Measure</b></p>	<p>:</p>
<p><b>Timeframe</b></p>	<p>:</p>

**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.1**

There is detailed disclosure on named basis for the remuneration of individual directors. The remuneration breakdown of individual directors includes fees, salary, bonus, benefits in-kind and other emoluments.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	Details of the remuneration received by the Directors from BIMB and Group for the financial year under review are set out as follows:

No	Name	Directorate	Company ('000)							Group ('000)						
			Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total	Fee	Allowance	Salary	Bonus	Benefits-in-kind	Other emoluments	Total
1	Tan Sri Ismail Bakar	Independent Director	240,000.00	65,000.00	-	-	205,000.00	-	510,000.00	-	-	-	-	-	-	510,000.00
2	Datuk Bazlan Osman	Independent Director	173,000.00	145,000.00	-	-	84,325.86	-	402,325.86	-	-	-	-	-	-	402,325.86
3	Datuk Nik Mohd Hasyudeen Yusoff	Non-Executive Non-Independent Director	200,500.00	198,000.00	-	-	81,690.00	-	480,190.00	-	-	-	-	-	-	480,190.00
4	Mohd Yuzaidi Mohd Yusoff	Independent Director	204,000.00	172,000.00	-	-	64,440.70	-	440,440.70	-	-	-	-	-	-	440,440.70
5	Mashitah Haji Osman	Independent Director	108,000.00	126,000.00	-	-	90,000.00	-	324,000.00	36,000.00	-	-	-	-	48,000.00	408,000.00
6	Nuraini Ismail	Independent Director	199,000.00	145,000.00	-	-	70,000.00	-	414,000.00	44,000.00	-	-	-	-	30,000.00	488,000.00
7	Dato' Seri Professor Dr. Noor Inayah Ya'akub	Independent Director	144,000.00	96,000.00	-	-	70,000.00	-	310,000.00	-	-	-	-	-	-	310,000.00
8	Datuk Hamzah Bachee (Appointed on 2 January 2025)	Independent Director	190,806.45	167,000.00	-	-	38,966.15	-	396,772.60	-	-	-	-	-	-	396,772.60
9	Datuk Syed Hamadah Syed Othman (Resigned on 5 May 2025)	Non-Executive Non-Independent Director	-	12,000.00	-	-	55,000.00	-	67,000.00	-	-	-	-	-	-	67,000.00
10	Input info here	Choose an item.	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here



### Intended Outcome

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

### Practice 8.2

The board discloses on a named basis the top five senior management's remuneration component including salary, bonus, benefits in-kind and other emoluments in bands of RM50,000.

<b>Application</b>	:	Departure																																		
<b>Explanation on application of the practice</b>	:																																			
<b>Explanation for departure</b>	:	<p>The Board is of the view that the disclosure of the remuneration of the top five (5) Management members on a named basis in bands of RM50,000 as required under this practice is not in the Company's best interest considering the competitive market for talent in the industry. This matter was discussed and agreed by the Board upon considering the practices of other financial institutions.</p> <p>The top five (5) Senior Management's annual remuneration is disclosed, as follows:</p> <table border="1"> <thead> <tr> <th>Range of remuneration</th> <th>Number of Senior Management (C-Suite)</th> </tr> </thead> <tbody> <tr> <td>RM1,400,000 – RM1,450,000</td> <td>-</td> </tr> <tr> <td>RM1,450,001 – RM1,500,000</td> <td>1</td> </tr> <tr> <td>RM1,500,001 – RM1,550,000</td> <td>1</td> </tr> <tr> <td>RM1,550,001 – RM1,600,000</td> <td>-</td> </tr> <tr> <td>RM1,600,001 – RM1,650,000</td> <td>-</td> </tr> <tr> <td>RM1,650,001 – RM1,700,000</td> <td>1</td> </tr> <tr> <td>RM1,700,001 – RM1,750,000</td> <td>1</td> </tr> <tr> <td>RM1,750,001 – RM1,800,000</td> <td>-</td> </tr> <tr> <td>RM1,800,001 and above</td> <td>1</td> </tr> <tr> <td><b>Total</b></td> <td><b>5</b></td> </tr> </tbody> </table> <p>The remuneration component is as follows:</p> <table border="1"> <thead> <tr> <th>Element</th> <th>No. of SMTs and RMTs</th> <th>Total Amount (RM)</th> </tr> </thead> <tbody> <tr> <td>Salary/ Fixed Allowance / Bonus</td> <td>5</td> <td>8,003,895</td> </tr> <tr> <td>Benefits-in-kind and Other Emoluments</td> <td>5</td> <td>1,908,945</td> </tr> <tr> <td><b>Total</b></td> <td></td> <td><b>9,912,840</b></td> </tr> </tbody> </table>	Range of remuneration	Number of Senior Management (C-Suite)	RM1,400,000 – RM1,450,000	-	RM1,450,001 – RM1,500,000	1	RM1,500,001 – RM1,550,000	1	RM1,550,001 – RM1,600,000	-	RM1,600,001 – RM1,650,000	-	RM1,650,001 – RM1,700,000	1	RM1,700,001 – RM1,750,000	1	RM1,750,001 – RM1,800,000	-	RM1,800,001 and above	1	<b>Total</b>	<b>5</b>	Element	No. of SMTs and RMTs	Total Amount (RM)	Salary/ Fixed Allowance / Bonus	5	8,003,895	Benefits-in-kind and Other Emoluments	5	1,908,945	<b>Total</b>		<b>9,912,840</b>
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<b>Total</b>		<b>9,912,840</b>																																		

	As an alternative to the recommended practice, the Board has opted to disclose a qualitative and quantitative disclosure of the Bank's remuneration framework for SMTs and RMTs as highlighted above.	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	Please explain the measure(s) the company has taken or intend to take to adopt the practice.
<b>Timeframe</b>	:	Choose an item.

No	Name	Position	Company					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
2	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
3	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
4	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.
5	Input info here	Input info here	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.	Choose an item.

**Intended Outcome**

Stakeholders are able to assess whether the remuneration of directors and senior management is commensurate with their individual performance, taking into consideration the company's performance.

**Practice 8.3 - Step Up**

Companies are encouraged to fully disclose the detailed remuneration of each member of senior management on a named basis.

<b>Application</b>	:	Not Adopted
<b>Explanation on adoption of the practice</b>	:	

No	Name	Position	Company ('000)					
			Salary	Allowance	Bonus	Benefits	Other emoluments	Total
1	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
2	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
3	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
4	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here
5	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here	Input info here

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee’s findings and recommendations.  
The company’s financial statement is a reliable source of information.

**Practice 9.1**

The Chairman of the Audit Committee is not the Chairman of the board.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>During the year under review, the BAEC of BIMB was chaired by Nuraini Ismail, an Independent Non-Executive Director. She is not the Chairman of the Board.</p> <p>Nuraini Ismail is a member of the Malaysian Institute of Accountants (“MIA”) and a Fellow of the Association of Chartered Certified Accountants (“ACCA”). She brings with her the relevant expertise in the areas of finance and audit. Such expertise has facilitated Nuraini Ismail to effectively discharge her roles and responsibilities as the Chairman of the BAEC.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

**Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee’s findings and recommendations. The company’s financial statement is a reliable source of information.

**Practice 9.2**

The Audit Committee has a policy that requires a former partner of the external audit firm of the listed company to observe a cooling-off period of at least three years before being appointed as a member of the Audit Committee.

<b>Application</b>	:	Applied	
<b>Explanation on application of the practice</b>	:	<p>The TOR of BAEC stipulates that any former partner of BIMB’s external auditors (including those providing advisory services, tax consulting etc.) who are appointed to the Board, he/she must observe a cooling-off period of at least three (3) years before being appointed as a member of the Committee.</p> <p>As at the date of this report, the BAEC comprises four (4) members and none of them are former key audit partners.</p>	
<b>Explanation for departure</b>	:		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>			
<b>Measure</b>	:		
<b>Timeframe</b>	:		

### Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

### Practice 9.3

The Audit Committee has policies and procedures to assess the suitability, objectivity and independence of the external auditor to safeguard the quality and reliability of audited financial statements.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>BIMB has in place a process to consider the appointment/re-appointment of External Auditors, which is in line with BNM's Policy on External Auditors. The process requires the BAEC to assess the External Auditors' compliance with qualification criteria set out by BNM, which includes evaluating the independence, objectivity, audit approach, added value and performance of the External Auditors. Accordingly, the areas assessed include:</p> <ul style="list-style-type: none"><li>• Level of knowledge, capabilities experience and quality of previous work;</li><li>• Level of previous work;</li><li>• Level of engagement with the BAEC;</li><li>• Ability to provide constructive observations and recommendations;</li><li>• Appropriateness of audit approach and the effectiveness of audit planning;</li><li>• Timeliness of audit deliverables; and</li><li>• Non-audit services rendered by the External Auditors so that it does not impede their independence.</li></ul> <p>Some of the activities of the BAEC in relation to the external auditors in FY2025 include:</p> <ul style="list-style-type: none"><li>• Reviewed and deliberated the External Auditor's 2025 Audit Plan encompassing the audit approach, the areas of audit emphasis and audit fees.</li><li>• Reviewed and deliberated the External Auditors' reports on:<ul style="list-style-type: none"><li>✓ the audited financial statements for the financial year ended 31 December 2024, which include the key focus areas of the audit and internal controls matters, on 22 January 2025;</li><li>✓ Transparency Report which revealed how the Assurance Practice of the external auditors' places audit quality at the centre of everything it does; and</li><li>✓ limited review of the unaudited financial statements for the financial period ended 30 September 2025, on 24 October 2025.</li></ul></li></ul>

- Evaluated the independence and objectivity of the External Auditors by reviewing the fees and the list of non-audit services provided by the External Auditors to BIMB and the Group.

- Reviewed and recommended to the Board the re-appointment of External Auditors. The BAEC will evaluate based on the performance, independence and suitability of the external auditors. It also covers the assessment on the External Auditor’s ability in meeting Bank Islam’s requirements, business insights and ideas, service efficiency and effectiveness as well as value management.

In reviewing the performance, independence and suitability of the external auditors, the BAEC reviewed the qualifications and the experiences of the audit team as well as conducted an assessment on the effectiveness and the performance of the External Auditors and other areas such as the scope of the audit, their independence and objectivity, audit fees and audit experience.

The BAEC at its meeting held on 27 January 2026 conducted its annual assessment on the External Auditors in accordance with BNM Policy on External Auditors for the Appointment/ Re-appointment of External Auditors. In its assessment, the BAEC concluded that the External Auditors has performed satisfactorily in the following areas:

- Showed a genuine interest in the Company’s success and business;
- Showed good understanding of the business;
- Demonstrated a comprehensive and up to date understanding with industry issues and developments;
- Demonstrated a high degree of tact, courtesy and professionalism;
- Always keep abreast with any industry/technical developments; and
- Showed effective coordination of audit.

The BAEC is of the view that the External Auditors had provided adequate resources to perform the audit and had demonstrated that they possessed the necessary skills, knowledge and experience to perform the audit to the Company’s expectations.

Based on the above assessment, the BAEC has expressed its satisfaction and recommended for the re-appointment of the External Auditors. The Board has approved the same on 28 January 2026. The assessment covered Messrs. PricewaterhouseCoopers PLT’s (“PwC”) ability in meeting BIMB’s requirements, governance, efficiency and effectiveness in planning and conducting the audit.

Being satisfied with PwC’s performance in FYE2025, their technical competency and audit independence as well as fulfilment of criteria as set out in the guideline for re-appointment/ appointment of external auditors, the BAEC recommended the re-appointment of Messrs. PwC as the External Auditors for the financial year ending 31 December 2026. The shareholders’ approval is sought at the upcoming 43<sup>rd</sup> Annual General Meeting of BIMB.

<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

### **Intended Outcome**

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations.  
The company's financial statement is a reliable source of information.

### **Practice 9.4 - Step Up**

The Audit Committee should comprise solely of Independent Directors.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>During the year under review, the BAEC solely comprised of Independent Directors as follows:</p> <ol style="list-style-type: none"><li>1. Nuraini Ismail (Chairman/Independent Non-Executive Director);</li><li>2. Datuk Bazlan Osman (Independent Non-Executive Director);</li><li>3. Dato' Seri Professor Dr. Noor Inayah Ya'akub (Independent Non-Executive Director);</li><li>4. Datuk Hamzah Bachee (Independent Non-Executive Director)</li></ol> <p>The members profile as well as their roles and responsibilities are disclosed under Section B of this Report.</p>

## Intended Outcome

There is an effective and independent Audit Committee.

The board is able to objectively review the Audit Committee's findings and recommendations. The company's financial statement is a reliable source of information.

## Practice 9.5

Collectively, the Audit Committee should possess a wide range of necessary skills to discharge its duties. All members should be financially literate, competent and are able to understand matters under the purview of the Audit Committee including the financial reporting process.

All members of the Audit Committee should undertake continuous professional development to keep themselves abreast of relevant developments in accounting and auditing standards, practices and rules.

<b>Application</b> :	Applied														
<b>Explanation on application of the practice</b> :	<p>All members of the BAEC have vast working experience with the requisite knowledge and skills from various industries. The members are able to understand matters under the purview of the BAEC. In addition, they are also able to provide check and balance in areas of financing reporting, internal and external audit reports and the state of the BIMB and Group's risk and internal control environment by constructively challenging the management and probing on the matters tabled to the BAEC.</p> <p>In 2025, the skills set among the BAEC members is tabulated below:</p> <table border="1"> <thead> <tr> <th>No</th> <th>Name</th> <th>Qualification</th> <th>Area of Expertise</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Nuraini Ismail <i>Chairman</i></td> <td> <ul style="list-style-type: none"> <li>Fellow, Association of Chartered Certified Accountants ("ACCA"), United Kingdom</li> <li>Member, Malaysian Institute of Accountants ("MIA")</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>Finance</li> <li>Corporate Finance</li> <li>Audit and Governance</li> <li>Financial Risk Management</li> <li>Treasury</li> </ul> </td> </tr> <tr> <td>2</td> <td>Datuk Bazlan Osman <i>Member</i></td> <td> <ul style="list-style-type: none"> <li>Fellow, Association of Chartered Certified Accountants ("ACCA"), United Kingdom</li> <li>Chartered Accountant, Malaysian Institute of Accountants ("MIA")</li> <li>Diploma in Accounting,</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>Finance</li> <li>Accounting</li> <li>Governance</li> </ul> </td> </tr> </tbody> </table>			No	Name	Qualification	Area of Expertise	1	Nuraini Ismail <i>Chairman</i>	<ul style="list-style-type: none"> <li>Fellow, Association of Chartered Certified Accountants ("ACCA"), United Kingdom</li> <li>Member, Malaysian Institute of Accountants ("MIA")</li> </ul>	<ul style="list-style-type: none"> <li>Finance</li> <li>Corporate Finance</li> <li>Audit and Governance</li> <li>Financial Risk Management</li> <li>Treasury</li> </ul>	2	Datuk Bazlan Osman <i>Member</i>	<ul style="list-style-type: none"> <li>Fellow, Association of Chartered Certified Accountants ("ACCA"), United Kingdom</li> <li>Chartered Accountant, Malaysian Institute of Accountants ("MIA")</li> <li>Diploma in Accounting,</li> </ul>	<ul style="list-style-type: none"> <li>Finance</li> <li>Accounting</li> <li>Governance</li> </ul>
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			Polytechnic of North London, United Kingdom	
	3	Dato' Seri Professor Dr Noor Inayah Ya'akub <i>Member</i>	<ul style="list-style-type: none"> <li>• PhD in Law, University of Manchester, United Kingdom</li> <li>• LLM (Master of Law), University of Bristol, United Kingdom</li> <li>• Bachelor of Shariah Law (Hons) Degree, International Islamic University Malaysia</li> <li>• Bachelor of Law (Hons) Degree, International Islamic University Malaysia</li> <li>• Matriculation Centre (Law), International Islamic University Malaysia</li> </ul>	<ul style="list-style-type: none"> <li>• Legal</li> <li>• Shariah</li> </ul>
	4	Datuk Hamzah Bachee	<ul style="list-style-type: none"> <li>• Bachelor of Agribusiness (Finance), Universiti Putra Malaysia</li> <li>• Diploma in Plantation Management, Universiti Teknologi MARA</li> </ul>	<ul style="list-style-type: none"> <li>• Banking</li> <li>• Risk and Credit Management</li> </ul>
	<p>The BAEC members are expected to devote sufficient time to attend relevant training and continuous professional development programmes to keep themselves abreast of the introduction of new accounting and auditing standards, practices and rules. In addition, when there are changes to or adoption of new provisions of the Malaysian Financial Reporting Standards (MFRS), members will be briefed on such matters by the external auditors.</p>			
<b>Explanation for departure</b> :				
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>				
<b>Measure</b> :				
<b>Timeframe</b> :				

## Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

## Practice 10.1

The board should establish an effective risk management and internal control framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board affirms its overall responsibility and oversight in establishing a sound risk management and internal control system in the Group as well as reviewing its adequacy, integrity, and effectiveness. Such a system is designed to manage the Group's risk appetite within the established risk tolerance set by the Board and the Management, minimise the risk of failure rather than total elimination of risks to achieve the Group's business objectives. Acknowledging that the system only provides reasonable and not absolute assurance against the occurrence of any material misstatement, loss or fraud; controls and processes have been put in place to contain the limitations inherent in the system such as human error and potential impact of external events beyond the Management's control.</p> <p>The Board constantly keeps abreast with developments in areas of risk and governance. The Board is assisted by the BRC which has been delegated with primary oversight responsibilities on the Group's risk management and internal control systems. The Board is also supported by the BAEC which provides independent oversight of the Group's reporting process and internal control systems that facilitates appropriate checks and balances within the Group. Periodic summary reports are provided by the Chairman of the Board Committees at the Board meetings to keep the Board informed of their work, key deliberations and decisions on delegated matters.</p> <p>The Board is of the view that the internal control framework that has been instituted throughout BIMB is sufficient to safeguard the shareholder's investment, customers' interest and BIMB's assets. The governance structure established further ensures that there is effective oversight of risks and internal controls in the Group at all levels. The Board remains responsible for the governance of risk and internal control, as well as all the actions of the Board Committees with regard to the execution of the delegated oversight responsibilities. Reviews are continuously carried out to ensure effectiveness of the system.</p>
<b>Explanation for departure</b>	:	

<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

## Practice 10.2

The board should disclose the features of its risk management and internal control framework, and the adequacy and effectiveness of this framework.

<b>Application</b>	: Applied					
<b>Explanation on application of the practice</b>	<p>The Board recognises that sound risk management and internal control form an integral part of the Group's business operations and decision-making process and are critical in ensuring the Group's success and sustainable growth.</p> <p>The Enterprise Risk Management ("ERM") Framework is the foundation of the control mechanisms within the Group. It consists of an ongoing process to identify, assess, measure, manage, control and report material risks affecting the achievement of the Group's strategic business objectives.</p> <p>The key elements of the internal control system which is guided by the Group's ERM framework consists of the following:</p> <ol style="list-style-type: none"> <li> <b>Risk Governance</b>            The Group's risk governance provides a formalised, transparent and effective governance structure that promotes the active involvement of the Board and Senior Management in the risk management process to ensure a uniform view of risk across the Group. The following Risk Committees have been established to facilitate the implementation of the Risk Management Framework.           <table border="1" style="margin-left: 40px; margin-top: 10px;"> <tr> <td style="text-align: center;"><b>Board of Directors</b></td> </tr> <tr> <td style="text-align: center;"><b>Board Committees</b></td> </tr> <tr> <td style="text-align: center;">Board Financing Review Committee (BFRC) Board Risk Committee (BRC)</td> </tr> <tr> <td style="text-align: center;"><b>Management Committees</b></td> </tr> <tr> <td style="text-align: center;">Management Risk Control Committee (MRCC) Operational Risk Control Committee (ORCC) Management Audit Committee (MAC) Recovery Management Committee (RMC) Data Management Committee (DMC) Financing Committees Business Continuity Management Committee (BCMC) Asset &amp; Liability Management Committee (ALCO)</td> </tr> </table> </li> </ol>	<b>Board of Directors</b>	<b>Board Committees</b>	Board Financing Review Committee (BFRC) Board Risk Committee (BRC)	<b>Management Committees</b>	Management Risk Control Committee (MRCC) Operational Risk Control Committee (ORCC) Management Audit Committee (MAC) Recovery Management Committee (RMC) Data Management Committee (DMC) Financing Committees Business Continuity Management Committee (BCMC) Asset & Liability Management Committee (ALCO)
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The Group's risk governance approach is premised on the 3-lines of Defence Approach by placing accountability and ownership of risks to where they arise while maintaining the level of independence among risk taking unit, risk controls units and independent assurance unit in managing risk. The 3-lines of Defence Approach are as follows:

- (a) Risk Owner or Risk-Taking Units – Responsible for ongoing oversight of risk and control at day-to-day work level and promoting strong risk culture within business/ support unit;
- (b) Risk Control Units – Responsible for establishing and maintaining Risk Management framework, developing Risk Management Tools, assessing, monitoring, reporting and controlling risk, and promoting risk awareness across the Group;
- (c) Internal Audit – Responsible for providing independent assurance to the Board and Management that Risk Management Processes and Tools are effectively implemented.

**2. Risk Appetite**

The risk appetite defines the levels of risk that the Group is willing to assume within its risk capacity. It is a critical component of the Group's ERM Framework, which enables the Board and Management at all levels to communicate, understand and assess the types and levels of risks that the Group is willing to accept in pursuit of its strategic and business goals while taking into consideration the constraints under a stressed environment. The Group's risk appetite has been integrated into its Corporate Direction and Business Plan and remains dynamic and responsive to the changing external and internal drivers such as the business and market conditions.

**3. Risk Management Process**

A standard risk management process has been adopted by the Group to ensure that Groupwide risks are properly identified and managed across all products and activities undertaken in a structured, systematic and consistent manner.

**4. Stress Testing**

The Group undertakes periodical stress tests across its entire portfolio of credit, market, liquidity and non-financial risk in order to ensure that the Group remains viable even under severe, i.e., exceptional but plausible stress conditions. Under specific circumstances, ad-hoc stress tests may also be conducted to assess the impact of observed deterioration in its business environment which the Group has not taken into account.

The Group also considers emerging risks and other stress events that could materialise over the next one (1) to three (3) years (if any). The Group will then assess the potential impact of such events at various levels of severity and deliberate the outcome at Management and Board committees.

**5. Risk and Compliance Culture**

Risk and compliance culture is a vital component in strengthening risk governance and forms a fundamental principle of strong risk management. It is key to the long-term effectiveness of the Group's risk management strategy. As encapsulated in the Group's Risk Management Tagline, "Managing Risk is Everyone's Business", building a strong risk and compliance culture is the responsibility of the Board, Management and all employees of the Group.

As part of the risk and compliance culture, the Board, Senior Management and employees of the Group are committed to adhering to the requirements of relevant laws, rules and regulations. Risk and compliance programmes are emplaced and driven by the Board and Senior Management encompassing, among others e-learning, induction programmes and engagement sessions.

The key elements of the internal control system for effective governance and oversight of internal controls include amongst others the following:

1. **Organisational Structure**  
An organisation structure with clearly defined lines of responsibility and accountability has been established in line with the business and operating requirements to support a strong control environment.
2. **Annual Business Plan and Budget**  
All key operating divisions are involved in the preparation of the annual business plan and budget taking consideration the established risk appetite.
3. **Authority Limits**  
The authority limits outline the approving authority and the approving limits to the respective Management Executive Committees as well as to the relevant Head of Division.
4. **Oversight by the BAEC**  
To assist the Board in ensuring a reliable and transparent financial reporting process and internal control system are in place within the Group and provide an independent oversight on the effectiveness of the internal control and external audit functions.

	<p>5. Oversight by the BRC To assist the Board in ensuring that a sound and robust risk management framework as expected by BNM is in place and effectively implemented. The BRC provides an independent oversight on the Management’s activities in managing credit risk, market risk, liquidity risk, operating risk (which includes legal risk, compliance risk, Shariah noncompliance risk, IT risk and business continuity risk), sustainability risk (including climate related risk) and other relevant risk.</p> <p>6. Oversight by Other Board Committee To assist the Board in discharging its overall governance responsibilities and oversight functions. These Board Committees are the BNRC, the BFRC, the BSSC and the BITC. The delegation of these Board Committees is within the scope defined in their respective TOR.</p> <p>7. Management Executive Committees To assist and support the various Board Committees in overseeing the relevant areas of business operations and controls.</p> <p>8. Policies and Guidelines Several policies and guidelines governing the Group’s business and operations have been put in place for reference and compliance. These policies and guidelines are regularly reviewed and updated by the respective business and support units to cater for any changes in laws and regulations as well as changes to the business and operating environments.</p> <p>The Board has disclosed the key features of its risk management and internal control system in the Statement on Risk Management and Internal Control in BIMB’s Annual Report 2025.</p>
<p><b>Explanation for departure</b> :</p>	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<p><b>Measure</b> :</p>	
<p><b>Timeframe</b> :</p>	

### Intended Outcome

Companies make informed decisions about the level of risk they want to take and implement necessary controls to pursue their objectives.

The board is provided with reasonable assurance that adverse impact arising from a foreseeable future event or situation on the company's objectives is mitigated and managed.

### Practice 10.3 - Step Up

The board establishes a Risk Management Committee, which comprises a majority of independent directors, to oversee the company's risk management framework and policies.

<b>Application</b>	:	Adopted
<b>Explanation on adoption of the practice</b>	:	<p>The BRC was established to support the Board in meeting the expectations on risk management as set out by BNM and oversee the Management's activities in managing credit risk, market risk, liquidity risk, operational risk (which includes legal risk, compliance risk, Shariah non-compliance risk, IT risk and business continuity risk), sustainability risk (including climate-related risk) and other relevant risk and to ensure that the risk management process is in place and functioning for BIMB Group.</p> <p>In FY2025, BIMB continues to maintain the BRC composition of four (4) members in which, majority of them are independent directors. As at 31 December 2025, the BRC composition is as follows:</p> <ol style="list-style-type: none"><li>1. Mohd Yuzaidi bin Mohd Yusoff (Chairman/Independent Non-Executive Director);</li><li>2. Datuk Nik Mohd Hasyudeen bin Yusoff (Non-Independent Non-Executive Director);</li><li>3. Nuraini Ismail (Independent Non-Executive Director);</li><li>4. Datuk Hamzah Bachee (Independent Non-Executive Director) – appointed on 1 February 2025.</li></ol> <p>The BRC is responsible to ensure that the risk management functions within the Group are effectively discharged. The BRC assists the Board in among others, formulating risk management policies and framework, reviewing risk profile and strategies of the Group, setting risk appetite and ensuring a "Managing Risk is Everyone's Business" culture is embedded in the Group.</p>

## Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

### Practice 11.1

The Audit Committee should ensure that the internal audit function is effective and able to function independently.

<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	<p>The Internal Audit (IA) function is established by the Board to provide an independent assessment and objective assurance that the risk management process, internal controls and governance practices of BIMB and its Group are operating satisfactorily and effectively and are in line with the Group's goals and objectives.</p> <p>BIMB's IA function is carried out by an in-house internal audit function, the Group Internal Audit Division ("GIAD"), which is led by the Group Chief Internal Auditor, namely, Zalfitri Abd Mutalip. The GIAD is independent of the activities or operations of other operating units in the Group. To maintain its independent and professional care in conformance with the Institute of Internal Auditors' International Professional Practices Framework and the Internal Audit Charter, the GIAD reports functionally to the Board through the BAEC and administratively to the Group CEO.</p> <p>The BAEC oversees the performance and effectiveness of the IA function based on the approved key performance indicators, assesses the competency and experience of the IA staff as well as the adequacy of resources for the IA to carry out its work effectively. The BAEC also ensures that the IA staff have the authority to discharge their role objectively and independently, free from any bias or conflict of interest. The principal responsibility of the IA is to evaluate the adequacy and effectiveness of the system of risk management and internal control implemented by the Group and to assess whether the risks that may hinder the Group from achieving its objectives are adequately identified, evaluated, managed and controlled. It provides risk based and objective assurance, advise and insight to enhance and protect organisational values and assist the Management to achieve its objectives.</p> <p>To ensure effective management and independence of the GIAD's function, the BAEC is empowered by its TOR to:</p> <ol style="list-style-type: none"><li>i. Establish an internal audit function which reports directly to the BAEC;</li><li>ii. Oversee that the internal audit function has an appropriate standing within BIMB Group and have access to the BAEC at all times;</li></ol>

- iii. Review and assess the effectiveness of the internal audit function;
- iv. Review and approve the audit scope and the audit plan, procedures and frequency of the audit programme;
- v. Ensure adequate and technically competent resources for effective discharge of responsibilities;
- vi. Review key audit reports and ensure appropriate necessary corrective actions have been taken by management in timely manner to address control weaknesses, policies and other problems identified by the internal audit and other control functions; and
- vii. Assess the performance and decide on the transfer or dismissal of the Chief Internal Auditor.

In year 2025, the audit's scope includes, amongst others Investigation, Head Office, Credit Audit, Information System, Branch/BDC/Ar-Rahnu/ Agent Banking, Shariah and Regional Office. The audit also covered the identified critical units of BIMB including validation/ verification exercise as required by BNM and the Securities Commission.

During the financial year under review, GIAD completed a total of 144 audits against the approved audit plan of 134 (excluding investigation), based on the average staff strength of 41 auditors. GIAD also completed a total of 14 investigation reports.

The scope of the Internal Audit Report covers improvement opportunities, audit findings/observations, root cause, management responses and corrective actions in areas with significant risks and internal control deficiencies. All Internal Audit Reports on the Company and its wholly owned subsidiaries are tabled to the BAEC for deliberation. The Management is present at the BAEC meetings to respond and provide feedback on the progress of business process improvement opportunities identified by GIAD.

Upon completion of the audit exercise, GIAD will issue the Audit Visit Feedback survey to all the auditable entities. The Audit Visit Feedback Survey form is used to gauge the auditee's assessment on the audits performed related to (1) management of audit process; (2) professionalism/proficiency of internal auditors; and (3) audit deliverables; as well as overall comments and rating on the overall audit experience by the auditee. No adverse comments were received from the auditees.

The report on Audit Performance for FY20244 and 1st Half FY2025 were presented at the BAEC meetings on 22 January 2025 and 24 July 2025, respectively. The Audit Plan for FY2026 was presented at the BAEC meeting on 21 November 2025.

The Minutes of the BAEC meetings are tabled to the Board for notification. In addition, the Chairman of BAEC reports the matters of

	the BAEC at the Board meetings to ensure that the Board is apprised of the key issues and decisions made by the BAEC.	
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

## Intended Outcome

Companies have an effective governance, risk management and internal control framework and stakeholders are able to assess the effectiveness of such a framework.

### Practice 11.2

The board should disclose–

- whether internal audit personnel are free from any relationships or conflicts of interest, which could impair their objectivity and independence;
- the number of resources in the internal audit department;
- name and qualification of the person responsible for internal audit; and
- whether the internal audit function is carried out in accordance with a recognised framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board has, through the BAEC, disclosed with sufficient explanation and details in the BAEC Report in BIMB’s Annual Report 2025 the following information:</p> <p>1. Independence of Internal Audit (IA) Personnel</p> <p>The Group Internal Audit Division (GIAD) of BIMB Group established by the Board is organised inhouse on a Group basis under the leadership of the Group Chief Internal Auditor (GCIA). Such function is to provide independent and objective assurance to the Board and Management on the quality and effectiveness of BIMB Group internal control, risk management and governance system and processes, thereby helping the Board and Management protect their organisation and its reputation.</p> <p>To ensure its independence, the GCIA reports administratively to the Group CEO but is accountable functionally and directly to the BAEC and ultimately to the Board to maintain the requisite independence and objectivity specified in the Audit Charter.</p> <p>The GIAD is committed to provide an independent, objective assurance and advisory services that will add value and improve the Bank’s operation and free from interference in determining the scope of internal auditing, performing work and communicating results. The IA shall adhere to the Institute of Internal Auditors’ Code of Ethics.</p> <p>2. Internal Audit Resources</p> <p>As at 31 December 2025, the GIAD has a staff strength of 41 auditors, all of whom are equipped with the relevant experience and qualifications. In addition, all 34 auditors have obtained the required certification, namely, Certification for Bank Auditors (“CBA”), Certificate in Internal Audit for Financial Institutions (“CIAFIN”), Certified Information System Auditor (“CISA”),</p>

	<p>Specialist Certificate in Bank Audit (“SCBKA”) and/or Bank Audit Practices (“BKA”).</p> <p>The overall costs incurred to maintain the internal audit function in the Group for the FY2025 was approximately RM10.8 million (2024: RM9.48 million).</p> <p>3. Name and Qualification of the Group Chief Internal Auditor</p> <p>The IA function of the Group is led by Zalfitri Abd Mutalip, who was appointed as the Group Chief Internal Auditor on 1 January 2019. Zalfitri Abd Mutalip holds a degree in Bachelor of Science in Business Administration (Finance), a Certificate in Internal Auditing for Financial Institution (CIAFIN) and is a Chartered Professional in Islamic Finance (CPIF). He has over twenty (20) years’ experience in auditing in the financial and banking industry.</p> <p>4. Internal Audit Framework</p> <p>The annual audit plan is reviewed and approved by the BAEC prior to the start of each financial year. The audit plan adopts a risk-based approach in determining the auditable units and frequency of the audits which focussed on the following three (3) components:</p> <ul style="list-style-type: none"> <li>• Impact and likelihood of the inherent risk;</li> <li>• Known quality of respective controls or risk mitigants in place; and</li> <li>• Existence of effective risk transfer and loss impact reduction practices in minimizing potential losses from negligence or fraud.</li> </ul> <p>The risk assessment of the audit universe took into consideration of the emerging risks, BIMB Group’s risks profile and SWOT analysis of GIAD. Selected parameters are used to risk assess the audit universe and rank them into audit priority i.e. low, medium and high. The audit plan is then drawn-up to focus on high and medium risk areas based on the risk assessment of the audit universe. Regulatory/ mandatory and critical systems audits are included in the audit plan regardless of their risk rating/ audit priority. The selection of audit entities will also be made based on ensuring that each entity is audited at least once every three (3) years.</p> <p>GIAD adopts the standards and principles outlined in the Internal Control Framework of Committee of Sponsoring Organization of the Treadway Commission and the objectives set by the Institute of Internal Auditors’ International Professional Practices Framework which comprises the core principle for the Professional Practice of Internal Auditing, the definition of Internal Auditing and Code of Ethics.</p>
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	<p>The results of the audit conducted, including its risks, root cause and recommendations are reported to the BAEC on a regular basis. Resolution of the audit findings and recommendations are performed by the Management and closely monitored by IAD and observed by the Management Audit Committee (“MAC”) whose members comprised of Management members. In addition, Shariah audit reports including their findings, risks, root cause and recommendations are notified and deliberated at the Shariah Supervisory Council meetings.</p>	
<p><b>Explanation for departure</b></p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>		
<p><b>Timeframe</b></p>		

## Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other's objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

## Practice 12.1

The board ensures there is effective, transparent and regular communication with its stakeholders.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Board recognises the importance of timely, complete, accurate and equal dissemination of information with regard to BIMB and its Group's performance and other matters affecting Shareholders' interest, investors and the general public.</p> <p>1. <u>Investor Relations ("IR") Department</u> The IR Department is set up as a strategic role towards enabling effective interaction between BIMB and its various stakeholders (i.e., shareholders, potential investors, financial analysts, financial mainstream media and etc) and building confidence and maintaining strong transparent relationships with the investing community. BIMB is committed in providing effective and open communication so that investors and potential investors could make an informed investment decision and for the public at large to have a clear understanding of the Group and its objectives.</p> <p>Stakeholders can channel any concerns or feedback to BIMB's IR through email at <a href="mailto:investor@bankislam.com.my">investor@bankislam.com.my</a>.</p> <p>2. <u>Communication Platform</u> BIMB makes use of various platforms to effectively engage the Shareholders and the investment community, with emphasis on timely, accurate, fair and transparent disclosure of information. BIMB's communication platforms include the following:</p> <ul style="list-style-type: none"><li>• Annual general meetings;</li><li>• Briefings on financial results;</li><li>• Regular engagements with analysts, investors and media; and</li><li>• BIMB's Corporate Website.</li></ul> <p>BIMB does not respond to rumours or market speculation. Clarifications would however be made promptly through announcements to Bursa Securities, where necessary.</p>

	<p>3. <u>Financial Results</u>  BIMB consolidated unaudited quarterly and audited annual financial results are released within the stipulated regulatory timeline to Bursa Securities, together with the accompanying press releases.</p> <p>During the year under review, the annual audited account and quarterly financial results were announced to the public within the stipulated time as required by Bursa Securities.</p> <p>4. <u>Annual Report</u>  One of the most important methods of communication to Shareholders is through the BIMB’s Annual Report, which contains comprehensive details about the financial results and overall performance of the BIMB and its Group of Companies. The Annual Report also act as a one-stop information centre on the Group with respect to financial achievement (historical), its Board and Senior Management, the Group’s strategies, operations, policies adopted and its ESG responsibilities.</p> <p>5. <u>General Meetings</u>  The General Meeting is regarded as the main forum for dialogue and communication during which Shareholders and investors raise questions on the agendas proposed for approval by the Board. As active participation from the shareholders is greatly encouraged, the Board and Management place much emphasis to answer as many questions posed as possible with concise responses.</p> <p>Questions from the Minority Shareholders Watch Group (“MSWG”) or other shareholders on pertinent governance issues raised prior to the meeting as well as BIMB’s response to the same are shared with all shareholders during the meeting. Minutes of the meeting including significant matters discussed are also disclosed on BIMB’s website <a href="http://www.bankislam.com">www.bankislam.com</a></p> <p>6. <u>BIMB’s Corporate Website (www.bankislam.com)</u>  This represents another channel of communication with stakeholders and acts as an effective platform to disseminate comprehensive information on BIMB and its Group to the public at large. Apart from providing the Annual Report, the corporate website has the following additional information with the aim to provide better understanding of BIMB’s business to its stakeholders:</p> <ul style="list-style-type: none"> <li>• BIMB’s current share price;</li> <li>• Constitution;</li> <li>• Board Charter;</li> <li>• TOR of the Board and Board Committees;</li> <li>• Corporate Governance structure and framework;</li> <li>• Group Integrity and Governance policies;</li> <li>• BIMB product and operations;</li> </ul>
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	<ul style="list-style-type: none"> <li>• Bursa Securities announcements on corporate transactions and quarterly result;</li> <li>• Latest corporate news including media releases, investor relations materials and engagements with analysts; and</li> <li>• Notice, administrative guide and minutes of the general meeting and questions &amp; answers discussed at general meetings.</li> </ul> <p>7. <u>Social Media Platform</u> Leveraging on technology, BIMB also uses established and trusted social media platforms namely Facebook (<a href="https://www.facebook.com/BankIslamFB">https://www.facebook.com/BankIslamFB</a>) and Instagram (<a href="https://www.instagram.com/bankislam">https://www.instagram.com/bankislam</a>) with strict monitoring in place to engage with its stakeholders.</p>
<b>Explanation for departure</b> :	
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>	
<b>Measure</b> :	
<b>Timeframe</b> :	

### Intended Outcome

There is continuous communication between the company and stakeholders to facilitate mutual understanding of each other’s objectives and expectations.

Stakeholders are able to make informed decisions with respect to the business of the company, its policies on governance, the environment and social responsibility.

### Practice 12.2

Large companies are encouraged to adopt integrated reporting based on a globally recognised framework.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>BIMB’s integrated reporting process, as well as the contents of this report are guided by the principles and requirements of the following:</p> <ul style="list-style-type: none"> <li>• Value Reporting Foundation’s International Integrated Reporting Framework;</li> <li>• Malaysian Code on Corporate Governance (“MCCG 2021”) by Securities Commission Malaysia;</li> <li>• Companies Act 2016; and</li> <li>• Bank Negara Malaysia Corporate Governance Policy (“CG Policy”).</li> </ul> <p>The report provides a complete and balanced review of primary activities of the Group, namely the overall performance and the delivery of initiatives towards achieving BIMB goals, providing material information relating to BIMB strategy and business model, operating environment, material risks, stakeholder interests, performance, governance and prospects.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.1

Notice for an Annual General Meeting should be given to the shareholders at least 28 days prior to the meeting.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>The Notice of the 42<sup>nd</sup> AGM was circulated on 8 April 2025 for the AGM held on 8 May 2025, to ensure that 28 days' notice was given to the shareholders, well in advance of the 21-days requirement under the Act and Listing Requirements of Bursa Securities. The additional time given to shareholders allows them to make the necessary arrangements to attend and participate in person or through corporate representatives or proxies. More importantly, it enables the shareholders to consider the resolutions and make an informed decision in exercising their voting rights at the general meeting.</p> <p>The Notice of the 42<sup>nd</sup> AGM, including the details of the business to be transacted, was sent to shareholders by way of letter to inform that the Proxy Form and Administrative Guide for the AGM which was scheduled on 8 May 2025 had been published on BIMB's website. These documents, together with the Annual Report 2024 and Corporate Governance Report 2024 were also made available at <a href="http://www.bankislam.com">www.bankislam.com</a> and Bursa Securities at <a href="http://www.bursamalaysia.com">www.bursamalaysia.com</a>. The Notice of the 42<sup>nd</sup> AGM was also published in a nationally circulated newspaper, for wider dissemination, to encourage shareholders' participation.</p> <p>Each item of the special business proposed in the Notice of the 42<sup>nd</sup> AGM was accompanied by an explanatory statement, to facilitate better understanding and enable shareholders to make an informed decision, when exercising their voting rights.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.2

All directors attend General Meetings. The Chair of the Audit, Nominating, Risk Management and other committees provide meaningful response to questions addressed to them.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>All eight (8) Directors attended and participated in the 42<sup>nd</sup> AGM of the Company held on 8 May 2025, which was conducted online using Online Meeting Platform at <a href="https://meeting.boardroomlimited.my">https://meeting.boardroomlimited.my</a> provided by Boardroom Share Registrars Sdn Bhd (Boardroom), 11th Floor, Menara Symphony No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya Selangor Darul Ehsan.</p> <p>The Group CEO, Company Secretary, Group CFO, Group Signing Partner of PwC, the External Auditors' Partner, the Poll Administrator and the Scrutineer also attended and participated in the 42<sup>nd</sup> AGM of BIMB, together with the Management Members.</p> <p>The proceedings of the 42<sup>nd</sup> AGM included the presentation by the Group CEO on the business performance for FY2024 and prospect of the Group for FY2025, a presentation on the detailed responses to questions raised by the Minority Shareholders Watch Group ("MSWG") prior to the aforesaid AGM and a Q&amp;A session during which the Chairman invited the shareholders to use the query box facility to submit questions (real time) during the meeting, pertaining to the Company's financial statements and other items for adoption at the meeting, before presenting the resolutions and putting them forward for voting.</p>
<b>Explanation for departure</b>	:	
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>	:	
<b>Timeframe</b>	:	

### Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

### Practice 13.3

Listed companies should leverage technology to facilitate–

- voting including voting in absentia; and
- remote shareholders' participation at general meetings.

Listed companies should also take the necessary steps to ensure good cyber hygiene practices are in place including data privacy and security to prevent cyber threats.

<b>Application</b>	:	Applied
<b>Explanation on application of the practice</b>	:	<p>For the 42<sup>nd</sup> AGM held on 8 May 2025, BIMB continued to leverage on technology in accordance with Section 327(1) and (2) of the Companies Act 2016 and SC's Guidance and Frequently Asked Questions ("FAQs") on the Conduct of General Meetings for Listed Issuers dated 7 April 2022.</p> <p>BIMB appointed Boardroom as the Poll Administrator to conduct the polling process and SKY Corporate Services Sdn Bhd as the Scrutineers to verify the poll results.</p> <p>(a) <u>Remote shareholders' participation at the 42<sup>nd</sup> AGM</u> With the RPEV facilities implemented by Boardroom, a shareholder has the right as a member of the Company to participate remotely (including pose questions to the Board and/or Management of the Company) and vote via electronic voting at the 42<sup>nd</sup> AGM. The detailed procedures of the 42<sup>nd</sup> AGM were provided to shareholders in the Administrative Guide.</p> <p>For first time registration to participate in RPEV, the shareholder was required to register online with Boardroom Smart Investor Online Portal at <a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a>. The registration would be verified and approved within one business day and an email notification would be provided. If the shareholder was already a user with Boardroom Smart Investor Online Portal, he/she could log in with his/her username and password to submit the request to participate remotely via live streaming and online remote voting. The email notification confirming the registration for RPEV was then sent by Boardroom, after its verification based on the General Meeting Record of Depositors ("ROD") as at 2 May 2025 and upon the cut-off date and time for proxy form submission.</p> <p>(b) <u>Voting in absentia</u> Shareholders logged in with their usernames and passwords at <a href="https://meeting.boardroomlimited.my">https://meeting.boardroomlimited.my</a> and participated remotely via live streaming at the 42<sup>nd</sup> AGM. A short video by</p>

	<p>Boardroom was played to demonstrate to the members, corporate representatives and proxies, who were present at the 42<sup>nd</sup> AGM, on the process for online voting. The voting session had commenced from the start of the meeting at 10.00 a.m. until the close of the voting session as announced by the Chairman.</p> <p>Once the poll voting was closed, SKY Corporate Services Sdn as the Scrutineers, verified and validated the poll results for each resolution, which included votes in favour and against, upon which the Chairman of the 42<sup>nd</sup> AGM declared that all the resolutions were carried. The poll results were also announced by BIMB via Bursa LINK on the same day for the benefit of all shareholders.</p> <p>BIMB, together with Boardroom, ensure that good cyber hygiene practices are in place including the data privacy and security to prevent cyber threats at the AGM. Boardroom declared that client data has never been used for quality assurance purposes and is not retained beyond the purpose of processing client's proxy forms for the conduct of the general meetings.</p>	
<b>Explanation for departure</b>		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b>		
<b>Timeframe</b>		

## Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

## Practice 13.4

The Chairman of the board should ensure that general meetings support meaningful engagement between the board, senior management and shareholders. The engagement should be interactive and include robust discussion on among others the company's financial and non-financial performance as well as the company's long-term strategies. Shareholders should also be provided with sufficient opportunity to pose questions during the general meeting and all the questions should receive a meaningful response.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <p>During the 42<sup>nd</sup> AGM held on 8 May 2025, all Directors and Management attended the meeting in person at Sime Darby Convention Centre, Kuala Lumpur.</p> <p>The Chairman of the Board chaired the 42<sup>nd</sup> AGM in an orderly manner. Prior to tabling the agenda of the 41<sup>st</sup> AGM, the shareholders were briefed by the Group CEO on the business performance in FY2024 and prospect of the Group for FY2025. In addition, the Group CEO shared the detailed responses to questions raised by the Minority Shareholders Watch Group ("MSWG"), Permodalan Nasional Berhad ("PNB") and Lembaga Tabung Haji ("LTH").</p> <p>The Virtual Meeting Portal was opened for login one (1) hour before the commencement of the meeting. Upon logging in, shareholders were allowed to use the messaging window facility via the Virtual Meeting Portal to submit their questions.</p> <p>The Board endeavoured to provide clear and meaningful responses to questions posed to them by the shareholders at the 42<sup>nd</sup> AGM. The questions posed by the shareholders and the answers provided by the Group CEO during the 42<sup>nd</sup> AGM were uploaded to the Company's website. The MSWG's Q&amp;A presented during the 42<sup>nd</sup> AGM was also made available on the Company's website.</p> <p>All resolutions set out in the Agenda of the 42<sup>nd</sup> AGM were conducted by way of a poll using the RPEV facilities. The Board also encouraged active participation by the shareholders and investors during the AGM.</p> <p>The shareholders who participated through RPEV facilities were able to cast their votes online.</p>

<b>Explanation for departure</b> :		
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>		
<b>Measure</b> :		
<b>Timeframe</b> :		

## Intended Outcome

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

## Practice 13.5

The board must ensure that the conduct of a virtual general meeting (fully virtual or hybrid) support meaningful engagement between the board, senior management and shareholders. This includes having in place the required infrastructure and tools to support among others, a smooth broadcast of the general meeting and interactive participation by shareholders. Questions posed by shareholders should be made visible to all meeting participants during the meeting itself.

<i>Note: The explanation of adoption of this practice should include a discussion on measures undertaken to ensure the general meeting is interactive, shareholders are provided with sufficient opportunity to pose questions and the questions are responded to. Further, a listed issuer should also provide brief reasons on the choice of the meeting platform.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: <p>Boardroom was engaged as the service provider for the 42<sup>nd</sup> AGM to provide the audio and visual support at the Meeting Venue and to facilitate the live broadcast of the hybrid 42<sup>nd</sup> AGM proceedings. Access to live streaming was provided via the online meeting platform at <a href="https://meeting.boardroomlimited.my">https://meeting.boardroomlimited.my</a>.</p> <p>Boardroom, as the Poll Administrator had verified the eligibility of the shareholders/corporate representatives/proxies to attend the 42<sup>nd</sup> AGM based on the General Meeting Record of Depositors as at 2 May 2025 and upon the cut-off date and time for the form of proxy submission. This online meeting platform was secured exclusively for the members with approved registration for the RPEV at the 42<sup>nd</sup> AGM.</p> <p>During the live streaming of the 42<sup>nd</sup> AGM, the questions posed by the shareholders at <a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a> were notified to the Board and Management. Prior to the 42<sup>nd</sup> AGM, shareholders were able to submit questions in advance at <a href="https://investor.boardroomlimited.com">https://investor.boardroomlimited.com</a>. Questions posed by shareholders were captured and transmitted to BIMB for action and response.</p> <p>The Board and Management had sufficient time to prepare for relevant answers to the Q&amp;A received earlier. This enabled BIMB to manage the Q&amp;A session smoothly and efficiently. Each question was displayed on the screen as and when the Group CEO responded to the respective questions in an orderly manner. The extensive Q&amp;A session of about 2 ½ hours reflected BIMB's commitment for transparency and interaction with the shareholders during the meeting.</p> <p>Shareholders / proxies / corporate representatives who attended the hybrid 42<sup>nd</sup> AGM physically and virtually were able to access the meeting platform to cast their votes. This is in line with the SC's</p>

	<p>Guidance which provides that Members shall be allowed to cast their votes remotely and contemporaneously (live) during the proceeding of the general meeting.</p> <p>The poll results were verified by the Independent Scrutineers, SKY Corporate Services Sdn Bhd and were announced to the shareholders, corporate representatives and proxies present by displaying the results on the screen as the Chairman declared that all resolutions were duly passed.</p>	
<p><b>Explanation for departure</b></p>		
<p><i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i></p>		
<p><b>Measure</b></p>		
<p><b>Timeframe</b></p>		

**Intended Outcome**

Shareholders are able to participate, engage the board and senior management effectively and make informed voting decisions at General Meetings.

**Practice 13.6**

Minutes of the general meeting should be circulated to shareholders no later than 30 business days after the general meeting.

<i>Note: The publication of Key Matters Discussed is not a substitute for the circulation of minutes of general meeting.</i>	
<b>Application</b>	: Applied
<b>Explanation on application of the practice</b>	: The minutes of the 42 <sup>nd</sup> AGM dated 8 May 2025, which were duly confirmed and signed by the Chairman of the AGM, together with the Group CEO's presentation materials, MSWG's Q&A and Key Matters discussed, were posted on BIMB's website well within 30 business days from the date of the 42 <sup>nd</sup> AGM.  All questions posed by the shareholders via the Boardroom Smart Investor Portal, were checked and verified internally with the records after the 42 <sup>nd</sup> AGM, to ensure that all questions had been responded to during the meeting or via email after the meeting.
<b>Explanation for departure</b>	:  
<i>Large companies are required to complete the columns below. Non-large companies are encouraged to complete the columns below.</i>	
<b>Measure</b>	:  
<b>Timeframe</b>	:  

## SECTION B – DISCLOSURES ON CORPORATE GOVERNANCE PRACTICES PURSUANT CORPORATE GOVERNANCE GUIDELINES ISSUED BY BANK NEGARA MALAYSIA

*Disclosures in this section are pursuant to Appendix 4 (Corporate Governance Disclosures) of the Corporate Governance Guidelines issued by Bank Negara Malaysia. This section is only applicable for financial institutions or any other institutions that are listed on the Exchange that are required to comply with the above Guidelines.*

### BOARD OF DIRECTORS

Board of Directors' Profile as at 31 March 2026

**Tan Sri Dr. Ismail Hj. Bakar** *Chairman/ Independent Non-Executive Director*

**Age** : 66 years old

**Gender**: Male

**Nationality** : Malaysian

**Date of Appointment** : 1 August 2020

### **ACADEMIC/ PROFESSIONAL QUALIFICATION/ MEMBERSHIP(S)**

- Bachelor of Economics, B, Econs (Hons) in Applied Economics, University of Malaya;
- Diploma in Public Administration, National Institute of Public Administration (INTAN);
- Master of Business Administration, University of Hull, United Kingdom;
- PHD, University of Hull, United Kingdom;
- Executive Program, INSEAD, Fontainebleau, France

### **AREAS OF EXPERTISE**

- Economic
- Financial Management

### **MEMBERSHIP IN BOARD COMMITTEES**

Nil

### **PRESENT DIRECTORSHIP(S) AND/OR APPOINTMENT(S) OTHER THAN BIMB**

- Chairman, Johor Plantations Berhad (Public Listed Company)
- Chairman, KPJ Healthcare Berhad (Public Listed Company)
- Chairman, the Enforcement Agency Integrity Commission
- Deputy Chairman, Johor Corporation
- Director, Grand Sahara (Penang) Sdn Bhd
- Director, TSI Security Services Sdn Bhd
- Director, Anjung Cahaya Automobile Sdn Bhd
- Director, Great Food Sdn Bhd
- Director, Telus Prospek Sdn Bhd
- Chancellor, KPJ Healthcare University Sdn Bhd
- Pro-Chancellor, Universiti Pendidikan Sultan Idris (UPSI)

### **PAST DIRECTORSHIP(S) AND/OR APPOINTMENT(S)**

- Director, MIMOS Technology Solutions Sdn Bhd
- Chairman, Kulim (Malaysia) Berhad;
- Director, Malaysia Airport Holdings Berhad;
- Chairman, Bintulu Port Holdings Berhad;
- Chairman, Malaysia Railway Link Sdn Bhd;

- Director, Bank Negara Malaysia;
- Chairman, Kumpulan Wang Persaraan;
- Director, Agrobank (Bank Pertanian Malaysia Berhad)
- Chief Secretary, Government of Malaysia;
- Secretary General, Ministry of Finance;
- Secretary General, Ministry of Agriculture & Agro Based Industry;
- Secretary General, Ministry of Transport;
- Director, National Budget, National Budget Office, Treasury, Ministry of Finance;
- Director, Strategic Unit, Treasury, Ministry of Finance;
- Deputy Secretary General (Policy), Ministry of Defence;
- Senior Advisor to the Executive Director (SEA Group), World Bank;
- Head of Section, Government Procurement, Ministry of Finance;
- Head of Planning, Research and Policy, Government Procurement, Ministry of Finance;
- Principal Assistant Secretary, Economic and International Division (Public Finance Section), Ministry of Finance;
- Assistant Secretary, Economic and International Division (Capital Market, Money Market and Banking Section), Ministry of Finance;
- Assistant Secretary, Economic and International Division (External Trade and Balance and Payment), Ministry of Finance;
- Assistant Director, Anti Narcotic Task Force;
- Assistant Secretary, Contract and Supply Division, Ministry of Finance.

#### **ATTENDANCE DURING THE FINANCIAL YEAR 2025**

<b>BOD</b>	<b>BAEC</b>	<b>BRC</b>	<b>BNRC</b>	<b>BFRC</b>	<b>BSSC</b>	<b>BITC</b>
Chairman 13/13 (100%)	-	-	-	-	-	-

**Datuk Nik Mohd Hasyudeen Yusoff** *Non-Independent Non-Executive Director*

**Age** : 60 years old

**Gender**: Male

**Nationality** : Malaysian

**Date of Appointment** : 1 October 2016

#### **ACADEMIC/ PROFESSIONAL QUALIFICATION/ MEMBERSHIP(S)**

- Member, Malaysian Institute of Accountants (MIA)
- Fellow, CPA Australia
- Advanced Business Management Program, IMD International, Switzerland
- Bachelor of Business, Curtin University of Technology, Australia

#### **AREAS OF EXPERTISE**

- Accounting
- Governance

#### **MEMBERSHIP IN BOARD COMMITTEES**

- Chairman, Board Strategic and Sustainability Committee
- Member, Board Risk Committee
- Member, Board Nomination and Remuneration Committee
- Member, Board Financing Review Committee

**PRESENT DIRECTORSHIP(S) AND/OR APPOINTMENT(S) OTHER THAN BIMB**

- Independent Non-Executive Director, Petron Malaysia Refining & Marketing Bhd (Public Listed Company)
- Director, Securities Commission Malaysia
- Director, Lembaga Tabung Haji
- Director, USAS Berhad
- Director, Program Pertukaran Fellowship Perdana Menteri Malaysia
- Director, Malaysia Professional Accountancy Centre
- Committee Member of Audit and Finance, Majlis Agama Islam dan Adat Istiadat Melayu Kelantan

**PAST DIRECTORSHIP(S) AND/OR APPOINTMENT(S)**

- Group Managing Director and Chief Executive Officer, Lembaga Tabung Haji
- Executive Director, Market and Corporate Supervision, Securities Commission Malaysia
- Executive Chairman, Audit Oversight Board, Securities Commission Malaysia
- Chief Executive Officer, Inovastra Sdn Bhd
- Chairman, Khairuddin, Hasyudeen & Razi, Chartered Accountants
- Director, The Pyes Sdn Bhd

**ATTENDANCE DURING THE FINANCIAL YEAR 2025**

BOD	BAEC	BRC	BNRC	BFRC	BSSC	BITC
Member 13/13 (100%)	-	Member 13/13 (100%)	Member 9/9 (100%)	Member* 16/16 (100%)	Chairman 6/6 (100%)	-

Note: \*Redesignated as member w.e.f. 1 June 2025

**Datuk Bazlan Osman** *Senior Independent Non-Executive Director*

**Age** : 62 years old

**Gender**: Male

**Nationality** : Malaysian

**Date of Appointment** : 7 January 2022

**ACADEMIC/ PROFESSIONAL QUALIFICATION/ MEMBERSHIP(S)**

- Fellow, Association of Chartered Certified Accountants (ACCA), United Kingdom
- Member, Malaysian Institute of Accountants (MIA)
- Diploma in Accounting, Polytechnic of North London, United Kingdom

**AREAS OF EXPERTISE**

- Finance
- Accounting
- Governance

**MEMBERSHIP IN BOARD COMMITTEES**

- Chairman, Board Nomination and Remuneration Committee
- Member, Board Audit and Examination Committee
- Member, Board Information Technology Committee

**PRESENT DIRECTORSHIP(S) AND/OR APPOINTMENT(S) OTHER THAN BIMB**

- Chairman/Independent Non-Executive Director, FIMA Corporation Berhad (Public Listed Company)
- Senior Independent Non-Executive Director, Bursa Malaysia Berhad (Public Listed Company)
- Independent Non-Executive Director, Telekom Malaysia Berhad (Public Listed Company)
- Chairman, TM Digital Innovation Sdn Bhd (subsidiary of Telekom Malaysia Berhad)

**PAST DIRECTORSHIP(S) AND/OR APPOINTMENT(S)**

- Director, Syarikat Takaful Keluarga Malaysia Berhad
- Director, Malaysia Professional Accountancy Centre
- President, Malaysia Institute of Accountants
- Chair, ACCA Malaysia Advisory Committee
- Ex-Officio, Financial Reporting Foundation
- Director, Glomac Berhad
- Chairman, GITN Sdn Bhd (wholly-owned subsidiary of Telekom Malaysia Berhad)
- Director, Citibank Berhad
- Board Member, Universiti Utara Malaysia
- Executive Director, Telekom Malaysia Berhad
- Acting Group Chief Executive Officer, Telekom Malaysia Berhad
- Deputy Group Chief Executive Officer, Telekom Malaysia Berhad
- Group Chief Financial Officer, Telekom Malaysia Berhad
- Director, Malaysia Digital Economy Corporation Sdn Bhd
- Director, Labuan Reinsurance (L) Ltd
- Board Commissioner, PT XL Axiata Tbk
- Chief Financial Officer, Celcom Malaysia Berhad
- Senior Vice President, Corporate Finance & Treasury, Celcom Malaysia Berhad
- Director, Nationwide Express Holdings Berhad
- Senior Vice President, Finance and Company Secretary, Kumpulan Fima Berhad
- Manager, Accounting & Financial Control, American Express (M) Sdn Bhd
- Finance at Corporate Office, Kuala Lumpur, Melaka and Singapore, Sime Darby Group
- Auditor, Messrs. Hanafiah Raslan & Mohamad

**ATTENDANCE DURING THE FINANCIAL YEAR 2024**

BOD	BAEC	BRC	BNRC	BFRC	BSSC	BITC
Member 13/13 (100%)	Member* 9/9 (100%)	-	Chairman 9/9 (100%)	-	-	Member 7/7 (100%)

Note: \*Redesignated as member w.e.f. 1 June 2025

**Mohd Yuzaidi Mohd Yusoff** *Independent Non-Executive Director*

**Age** : 62 years old

**Gender** : Male

**Nationality** : Malaysian

**Date of Appointment** : 1 July 2019

**ACADEMIC/ PROFESSIONAL QUALIFICATION/ MEMBERSHIP(S)**

- Master of Science, Business Administration, San Diego State University, United States of America
- Bachelor of Science, Computer Science, Northern Illinois University, United States of America

**AREAS OF EXPERTISE**

- Information Technology/ Digital

- Strategic Planning
- Risk and Quality Management
- Business Process Management

#### **MEMBERSHIP IN BOARD COMMITTEES**

- Chairman, Board Risk Committee
- Chairman, Board Information Technology Committee
- Member, Board Financing Review Committee (ceased to be a member w.e.f. 1 June 2025)
- Member, Board Strategic and Sustainability Committee (appointed as a member w.e.f. 1 June 2025)

#### **PRESENT DIRECTORSHIP(S) AND/OR APPOINTMENT(S) OTHER THAN BIMB**

- Independent Non-Executive Director, PETRONAS Dagangan Berhad (Public Listed Company)
- Independent Non-Executive Director, Prudential Assurance Malaysia Berhad
- Director, Muslim Professionals Forum Berhad
- Independent Non-Executive Director, Setel Ventures Sdn Bhd
- Non-Independent Non-Executive Director, Finodyn Sdn Bhd
- Co-owner, Tecnostcraft Sdn Bhd
- Member, Institute of Corporate Directors Malaysia (ICDM)

#### **PAST DIRECTORSHIP(S) AND/OR APPOINTMENT(S)**

- Board of Trustee, PADU Corporation
- Independent Non-Executive Director, Malaysia Digital Economy Corporation Sdn Bhd
- Group Chief Strategy and Corporate Governance Officer, PST Ventures Sdn Bhd
- Co-Founder and Managing Director, Clear Minds Sdn Bhd
- Senior Manager, Accenture

#### **ATTENDANCE DURING THE FINANCIAL YEAR 2025**

BOD	BAEC	BRC	BNRC	BFRC	BSSC	BITC
Member 13/13 (100%)	-	Chairman 13/13 (100%)	-	Member 6/6 (100%)	Member 4/4 (100%)	Chairman 7/7 (100%)
				Note: Ceased to be a member w.e.f. 1 June 2025	Note: Appointed to be a member w.e.f. 1 June 2025	

**Mashitah Haji Osman** *Independent Non-Executive Director*

**Age:** 68 years old

**Gender:** Female

**Nationality:** Malaysian

**Date of Appointment:** 1 October 2020

#### **ACADEMIC/ PROFESSIONAL QUALIFICATION/ MEMBERSHIP(S)**

- Bachelor of Business Administration (Hons), Universiti Kebangsaan Malaysia
- Master of Business Administration, University College of Wales Aberystwyth, United Kingdom.

#### **AREAS OF EXPERTISE**

- Corporate
- Corporate Investment Banking

**MEMBERSHIP OF BOARD COMMITTEES**

- Member, Board Strategic and Sustainability Committee
- Member, Board Financing Review Committee

**PRESENT DIRECTORSHIP(S) AND/OR APPOINTMENT(S) OTHER THAN BIMB**

- Independent Non-Executive Director, Radiant Globaltech Berhad (Public Listed Company)
- Independent Non-Executive Director, BIMB Investment Management Berhad (a subsidiary of BIMB)

**PAST DIRECTORSHIP(S) AND/OR APPOINTMENT(S):**

- Chief Operating Officer in Business, Bank Muamalat Malaysia Berhad
- Director/ Head, Corporate Investment Banking, Bank Islam Malaysia Berhad
- First Senior Vice President/ Senior General Manager, RHB Sakura Merchant Bankers Bhd
- General Manager/Head, Islamic Finance (Islamic Capital Markets), RHB Sakura Merchant Bankers Bhd
- Member of RHB Capital Syariah Council, RHB Sakura Merchant Bankers Bhd
- Unit Head of Institutional and Islamic Financing, Corporate Banking, RHB Sakura Merchant Bankers Bhd
- Officer to Senior Manager, Corporate Banking, RHB Sakura Merchant Bankers Bhd

**ATTENDANCE DURING THE FINANCIAL YEAR 2024**

BOD	BAEC	BRC	BNRC	BFRC	BSSC	BITC
Member 13/13 (100%)	-	-	-	Member 16/16 (100%)	Member 6/6 (100%)	-

**Puan Nuraini Ismail** *Independent Non-Executive Director*

**Age:** 63 years old

**Gender:** Female

**Nationality:** Malaysian

**Date of Appointment:** 7 January 2022

**ACADEMIC/ PROFESSIONAL QUALIFICATION/ MEMBERSHIP(S)**

- Fellow, Association of Chartered Certified Accountants (ACCA), United Kingdom
- Member, Malaysian Institute of Accountants (MIA)

**AREAS OF EXPERTISE**

- Finance
- Corporate Finance
- Audit and Governance
- Financial Risk Management
- Treasury
- Accounting

**MEMBERSHIP IN BOARD COMMITTEES**

- Chairman, Board Audit and Examination Committee (Redesignated as Chairman w.e.f. 1 June 2025)
- Member, Board Nomination and Remuneration Committee
- Member, Board Risk Committee

**PRESENT DIRECTORSHIP(S) AND/OR APPOINTMENT(S) OTHER THAN BIMB**

- Independent Non-Executive Director, GDEX Berhad (Public Listed Company)
- Independent Non-Executive Director, LBS Bina Group Berhad (Public Listed Company) Berhad
- Director, BIMB Securities Sdn Bhd (a subsidiary of BIMB)
- Director, IIUM Holdings Sdn Bhd
- Director, IIUM Edu Care Sdn Bhd
- Director, Daya Bersih Sdn Bhd
- Board of Trustee, Yayasan University Teknologi Petronas

**PAST DIRECTORSHIP(S) AND/OR APPOINTMENT(S):**

- Independent Non-Executive Director, MCIS Insurance
- Vice President Treasury, Finance, Petronas
- Senior General Manager, Group Treasury, Petronas
- General Manager, Finance and Accounts Services, Malaysian International Trading Company
- General Manager, Commercial Services, Malaysian International Trading Company
- Senior Manager Finance and Accounts Services, Malaysian International Trading Company
- Manager Value Based Management, Petronas
- Manager Planning and Budgeting, Petronas
- Manager Group Budget, Petronas
- Manager Accounts Services, Petronas
- Senior Executive, Accounts Services, Petronas
- Corporate Planning Executive, Maybank Finance
- Loans Rehabilitation Executive, Bank Bumiputera Berhad
- Corporate Finance Executive, Bumiputera Merchant Bankers
- Audit Team Leader, Azman Wong & Salleh
- Executive, Accountants General Office

**ATTENDANCE DURING THE FINANCIAL YEAR 2024**

<b>BOD</b>	<b>BAEC</b>	<b>BRC</b>	<b>BNRC</b>	<b>BFRC</b>	<b>BSSC</b>	<b>BITC</b>
Member 13/13 (100%)	Chairman* 9/9 (100%)	Member 13/13 (100%)	Member 9/9 (100%)	-	-	-

Note: \*Redesignated as Chairman w.e.f. 1 June 2025

**Dato' Seri Professor Dr Noor Inayah Ya'akub** *Independent Non-Executive Director*

**Age:** 56 years old

**Gender:** Female

**Nationality:** Malaysian

**Date of Appointment:** 7 April 2023

**ACADEMIC/ PROFESSIONAL QUALIFICATION/ MEMBERSHIP(S)**

- PhD in Law, University of Manchester, United Kingdom
- LLM (Master of Law), University of Bristol, United Kingdom
- Bachelor of Shariah Law (Hons) Degree, International Islamic University Malaysia
- Bachelor of Law (Hons) Degree, International Islamic University Malaysia
- Matriculation Centre (Law), International Islamic University Malaysia
- Qualified Advocate & Solicitor, High Court of Malaya and Syariah Court

- Syarie Lawyer State of Negeri Sembilan
- Advanced Certificate for Leaders in Education, Innovation and Strategy for the future of Higher Education, School of Executive Education, Cambridge Judge Business School, University of Cambridge

**AREAS OF EXPERTISE**

- Legal
- Shariah

**MEMBERSHIP IN BOARD COMMITTEES**

- Member, Board Audit and Examination Committee
- Member, Board Information Technology Committee
- Member, Board Strategic and Sustainability Committee

**PRESENT DIRECTORSHIP(S) AND/OR APPOINTMENT(S) OTHER THAN BIMB**

- Chairman, Perbadanan Wakaf Nasional Berhad
- Chief Executive Officer and Vice Chancellor, MAIWP
- International University
- Member, Majlis Fatwa, Pulau Pinang
- Member, Shura Committee Pulau Pinang
- Director, Zakat Pulau Pinang

**PAST DIRECTORSHIP(S) AND/OR APPOINTMENT(S):**

- President & Vice Chancellor, Infrastructure University Kuala Lumpur
- Chairman/ Director, AmanahRaya Trustee Berhad
- Director, Amanah Raya Berhad
- Member, Majlis Kebangsaan Hal Ehwal Agama Islam
- Member, Majlis Agama Islam Wilayah Persekutuan
- Director, IP Legacy Sdn Bhd
- Board of Trustee, Yayasan AmanahRaya
- Committee Member, Majlis Kebangsaan Bagi Hal Ehwal Agama Islam Malaysia
- Professor of Law, Universiti Kebangsaan Malaysia;
- Rector, Professional College of BaitulMal, Majlis Agama Islam Wilayah Persekutuan
- Dean, Faculty of Business & Accountancy, UNISEL
- Seconded, ISIS Innovation Centre, University of Oxford
- Main consultant for Waqf land, Housing and Local Government Ministry
- Syura Committee Member, Majlis Agama Islam Pulau Pinang
- Visiting Professor, University of Taylor
- Visiting Scholar, Kyoto University
- Visiting Scholar, University of Andalas
- Professor of Law and Syariah, Putra Business School
- Honorary Professor, University Sains Malaysia
- Director, Corporate Planning Universiti Kebangsaan Malaysia

**ATTENDANCE DURING THE FINANCIAL YEAR 2025**

BOD	BAEC	BRC	BNRC	BFRC	BSSC	BITC
Member 12/13 (92.3%)	Member 9/9 (100%)	-	-	-	Member 5/6 (83.3%)	Member 6/7 (85.7%)

**Datuk Hamzah Bachee** *Independent Non-Executive Director*

**Age:** 61 years old

**Gender:** Male

**Nationality:** Malaysian

**Date of Appointment:** 2 January 2025

**ACADEMIC/ PROFESSIONAL QUALIFICATION/ MEMBERSHIP(S)**

- Bachelor of Agribusiness (Finance), Universiti Putra Malaysia
- Diploma in Plantation Management, Universiti Teknologi MARA
- Advance Executive Leadership Programme, Stanford University, California
- Business Senior Executive Programme, IMD Business School, Lausanne

**AREAS OF EXPERTISE**

- Banking
- Risk and Credit Management

**MEMBERSHIP IN BOARD COMMITTEES**

- Chairman, Board Financing Review Committee
- Member, Board Risk Committee
- Member, Board Audit and Examination Committee

**PRESENT DIRECTORSHIP(S) AND/OR APPOINTMENT(S) OTHER THAN BIMB**

- Director, Dagang NeXchange Berhad (Public Listed Company)
- Director, Crest Builder Holdings Berhad (Public Listed Company)
- Director, Borseiko Health Solutions Sdn Bhd
- Director, Glenealy Plantations Sdn Bhd
- Director, Warisan Pinang Sdn Bhd

**PAST DIRECTORSHIP(S) AND/OR APPOINTMENT(S):**

- Group Chief Risk Officer, Malayan Banking Berhad
- Group Chief Credit Officer, Malayan Banking Berhad
- Managing Director, Corporate Banking, Malayan Banking Berhad
- Head, Corporate Business, Malayan Banking Berhad
- Head, Commercial Banking, Malayan Banking Berhad
- Head of Regional Business (Northern Region), Malayan Banking Berhad
- Various positions in Trade Finance, Credit and Branch Management, Malayan Banking Berhad

**ATTENDANCE DURING THE FINANCIAL YEAR 2025**

<b>BOD</b>	<b>BAEC</b>	<b>BRC</b>	<b>BNRC</b>	<b>BFRC</b>	<b>BSSC</b>	<b>BITC</b>
Member 13/13 (100%)	Member 8/8 (100%) <small>Note: Appointed as a member w.e.f. 2 February 2025</small>	Member 12/12 (100%) <small>Note: Appointed as a member w.e.f. 2 February 2025</small>	-	Chairman* 15/15 (100%) <small>Note: Appointed as a member w.e.f. 2 February 2025</small>	-	-

Note: \*Redesignated as Chairman w.e.f. 1 June 2025

Changes of Board of Directors as of 31 March 2026:

- Datuk Hamzah Bachee (Independent Non-Executive Director) appointed on 2 January 2025;

- Datuk Syed Hamadah Syed Othman (Non-Independent Non-Executive Director) resigned on 5 May 2025.
- Datuk Nik Mohd Hasyudeen Yusoff was officially designated as LTH's representative effective 12 March 2025.

### Roles and Responsibilities of the Board

The Board has the overall responsibility for promoting the sustainable growth and financial soundness of the BIMB Group for ensuring reasonable standards of fair dealing, without undue influence from any party. This includes a consideration of the long-term implications of the Board's decision on the Bank, its subsidiaries, its stakeholders and the general public.

The key roles and responsibilities of the Board are as follows:

- Oversee the implementation of BIMB's governance framework, risk and internal control framework and periodically review whether these remain appropriate and relevant;
- Oversee BIMB's compliance with any regulatory requirements as imposed by the relevant regulatory authorities;
- Promote a sound corporate culture within the Group which reinforces high level of integrity and ethical practices, prudent and professional behaviour and cultivate a transparent culture towards anti-bribery and corruption;
- Promote sustainability through appropriate environmental, social and governance considerations in the Group's business strategies; and
- Ensure that there is an appropriate succession plan for members of the Board and the Senior Management.

The detailed roles and responsibilities of the Board of Directors are set out in its Terms of Reference, which was last reviewed on 31 July 2025 and is available on the Company's website at [www.bankislam.com](http://www.bankislam.com).

<b>BOARD OF DIRECTORS</b>		
<b>Number of Meetings held in 2025</b>		<b>13</b>
	<b>Meeting Attendance</b>	
Tan Sri Dr. Ismail Haji Bakar Independent Non-Executive Director / Chairman	13/13	100%
Datuk Bazlan Osman Senior Independent Non-Executive Director	13/13	100%
Datuk Nik Mohd Hasyudeen Yusoff Non-Independent Non-Executive Director	13/13	100%
Mohd Yuzaidi Mohd Yusoff Independent Non-Executive Director	13/13	100%
Mashitah Haji Osman Independent Non-Executive Director	13/13	100%
Nuraini Ismail Independent Non-Executive Director	13/13	100%
Dato' Seri Professor Dr Noor Inayah Ya'akub Independent Non-Executive Director	12/13	92.31%
Datuk Hamzah Bachee Independent Non-Executive Director <i>Appointed w.e.f. 2 January 2025</i>	13/13	100%
Datuk Syed Hamadah Syed Othman Non-Independent Non-Executive Director	4/4	100%

Resigned w.e.f. 5 May 2025

### Board Activities in 2025

The Board activities during the year under review can be found in the Annual Report of BIMB.

### BOARD COMMITTEES

BOARD AUDIT & EXAMINATION COMMITTEE ("BAEC")		
Number of Meetings held in 2025		9
	Meeting Attendance	%
Nuraini Ismail Independent Non-Executive Director	9/9	100%
Datuk Bazlan Osman Independent Non-Executive Director / Chairman	9/9	100%
Dato' Seri Professor Dr. Noor Inayah Ya'akub Independent Non-Executive Director	9/9	100%
Datuk Hamzah Bachee Independent Non-Executive Director <i>Appointed as a member on 2 February 2025</i>	8/8	100%

The BAEC assists the Board in ensuring a reliable and transparent financial reporting process and internal control system are in place within the Group and provide an independent oversight on the effectiveness of the internal and external audit functions.

The key roles and responsibilities of the BAEC are as follows:

- Review and ensure that the financial statements comply with applicable financial reporting standards;
- Review the accuracy and adequacy of the Chairman statement in the Directors' report, corporate governance disclosures, interim financial reports and preliminary announcements in relation to the preparation of financial statements;
- Establish an internal audit function which reports directly to the BAEC;
- Review and assess the effectiveness of the internal audit function and ensure compliance with BNM's revised New Guidelines on Internal Audit Function of Licensed Institution requirements;
- Review reports on frauds and non-fraud related irregularities;
- Review the effectiveness of internal controls and risk management processes; and
- Oversee the External Auditors function.

The detailed roles and responsibilities of the BAEC as set out in its Terms of Reference which was last reviewed on 31 July 2025 and is available on the Company's website at [www.bankislam.com](http://www.bankislam.com)

### BAEC Activities in 2025

The BAEC activities during the year under review can be found in the Annual Report of BIMB.

BOARD RISK COMMITTEE ("BRC")		
Number of Meetings held in 2025		13
	Meeting Attendance	%
Mohd Yuzaidi Mohd Yusoff Independent Non-Executive Director	13/13	100%

Datuk Nik Mohd Hasyudeen Yusoff Non-Independent Non-Executive Director	13/13	100%
Nuraini Ismail Independent Non-Executive Director	13/13	100%
Datuk Hamzah Bachee Independent Non-Executive Director <i>Appointed as a member on 2 February 2025</i>	12/12	100%

The BRC is to support the Board in meeting the expectations on risk management as set out by Bank Negara Malaysia (BNM) and oversee the Management's activities in managing credit risk, market risk, liquidity risk, operational risk (which includes legal risk, compliance risk, Shariah non-compliance risk, IT risk and business continuity risk), sustainability risk (including climate-related risk) and other relevant risk and to ensure that the risk management process is in place and functioning for BIMB Group.

The key responsibilities of the BRC include, amongst others, as follows:

- Review and recommend risk management strategies, policies and risk appetite for BIMB Group for the Board's approval;
- Review and assess adequacy of risk management and other operational policies and framework in identifying, measuring, monitoring and controlling risk and the extent to which these are operating effectively for BIMB Group;
- Review the implementation of capital management in line with the Capital Adequacy Framework for Islamic Bank (CAFIB) Guidelines issued by BNM;
- Oversee the development and implementation of stress testing programme in line with the Stress Testing policy document issued by BNM;
- Oversee and control the implementation of the Internal Capital Adequacy Assessment Process (ICAAP);
- Oversee and review the effectiveness of BIMB Group's Compliance programmes and implementation of the programmes; and
- Review and take note of the Shariah non-compliance event and approve rectification plan of such event prior to submission of the same to BNM within the stipulated timeframe.

The detailed roles and responsibilities of the BRC are set out in its Terms of Reference, which was last reviewed on 31 July 2025 and is available on the Company's website at [www.bankislam.com](http://www.bankislam.com).

#### **BRC Activities in 2025**

The BRC activities during the year under review can be found in the Annual Report of BIMB.

<b>BOARD NOMINATION &amp; REMUNERATION COMMITTEE ("BNRC")</b>		
<b>Number of Meetings held in 2025</b>		<b>8</b>
	Meeting Attendance	%
Datuk Bazlan Osman Senior Independent Non-Executive Director	9/9	100%
Datuk Nik Mohd Hasyudeen Yusoff Non-Independent Non-Executive Director	9/9	100%
Nuraini Ismail Independent Non-Executive Director	9/9	100%

The BNRC assists the Board on the process for nomination, remuneration and succession plan of the Board, Board Committees, SSC, the Chief Executive Officer and key Senior Management personnel of BIMB. The BNRC also provides oversight on the Group succession plan and appointment of Directors and Chief Executive Officers of its subsidiaries.

The key responsibilities of the BNRC include, amongst others, the following:

- Review the structure, size and composition of the Board and make recommendations to the Board on any adjustments that are deemed necessary;
- In consultation with the Chairman, regularly or at least once a year, review the performance of individual Directors, SSC members, the Managing Director/ Chief Executive Officer and key senior management; and
- Review and recommend to the Board the overall remuneration policy for Directors, SSC members, Group CEO, key management personnel.

The detailed roles and responsibilities of the BNRC are set out in its Terms of Reference, which was last reviewed on 31 July 2025 and is available on the Company's website at [www.bankislam.com](http://www.bankislam.com).

#### **BNRC Activities in 2025**

The BNRC activities during the year under review can be found in the Annual Report of BIMB.

<b>BOARD FINANCING REVIEW COMMITTEE ("BFRC")</b>		
<b>Number of Meetings held in 2025</b>		<b>16</b>
	Meeting Attendance	%
Datuk Hamzah Bachee Independent Non-Executive Director <i>Appointed as a Chairman on 1 February 2025</i>	15/15	100%
Datuk Nik Mohd Hasyudeen Yusoff Non-Independent Non-Executive Director	16/16	100%
Mashitah Haji Osman Independent Non-Executive Director	16/16	100%
Mohd Yuzaidi Mohd Yusoff Independent Non-Executive Director <i>Ceased as a member on 1 June 2025</i>	6/6	100%

The BFRC reviews financing and/or investment proposals and has the authority to veto financing and/or investment approved by the Financing Committee 'A' and/or Underwriting & Investment Committee of the Management based on the limits determined by the Board and exercise the authority delegated by the Board to approve any investment or financing/credit related proposals for connected party.

#### **BFRC Activities in 2025**

The BFRC activities during the year under review can be found in the Annual Report of BIMB.

<b>BOARD STRATEGIC AND SUSTAINABILITY COMMITTEE ("BSSC")</b>		
<b>Number of Meetings held in 2025</b>		<b>6</b>
	Meeting Attendance	%

Datuk Nik Mohd Hasyudeen Yusoff Non-Independent Non-Executive Director	6/6	100%
Mashitah Haji Osman Independent Non-Executive Director	6/6	100%
Dato' Seri Professor Dr Noor Inayah Ya'akub Independent Non-Executive Director	5/6	83.33%
Mohd Yuzaidi Mohd Yusoff Independent Non-Executive Director <i>Appointed as a member on 1 June 2025</i>	4/4	100%

The BSSC assists the Board to oversee, supervise and monitor the implementation of identified key strategic matters and any corporate exercises involving the Bank and its subsidiaries that the Board has endorsed or approved.

The key responsibilities of the BSSC include, amongst others, the following:

- Identify the strategic issues of BIMB Group and set priorities on the actions to be taken;
- Review and make the necessary recommendations to the Board, on any proposals or strategies in relation to the key strategic matters of BIMB Group;
- Review any corporate exercises, i.e., the potential benefits and the objectives of the proposals, and to make the necessary recommendation(s) to the Board; and
- Review the details on the corporate exercise structure, approach, pricing (if relevant), the timeline and deadlines and make the necessary recommendation(s) to the Board.

The detailed roles and responsibilities of the BSSC are set out in its Terms of Reference, which was last reviewed on 28 July 2023 and is available on the Company's website at [www.bankislam.com](http://www.bankislam.com).

#### **BSSC Activities in 2025**

The BSSC activities during the year under review can be found in the Annual Report of BIMB.

<b>BOARD INFORMATION TECHNOLOGY COMMITTEE ("BITC")</b>		
<b>Number of Meetings held in 2025</b>		<b>7</b>
	Meeting Attendance	%
Mohd Yuzaidi Mohd Yusoff Independent Non-Executive Director	7/7	100%
Datuk Bazlan Osman Independent Non-Executive Director	7/7	100%
Dato' Seri Professor Dr. Noor Inayah Ya'akub Independent Non-Executive Director	6/7	85.7%

The BITC assists the Board to oversee the implementation of strategies of Information Technology (IT) and digitalisation activities of the Bank and its subsidiaries including e-banking initiatives of the Bank.

The key responsibilities of the BITC include, amongst others, the following:

- Review and recommend to the Board, strategies, policies and framework related to IT and digitalisation activities of BIMB Group including e-banking services of BIMB;
- Review and recommend to the Board, IT blueprint inclusive of IT Security in line with the IT strategies for BIMB's Group; and
- Review any proposals relating to IT and digitalisation initiatives of BIMB Group before recommending to the Board.

The detailed roles and responsibilities of the BITC are set out in its Terms of Reference, which was last reviewed on 31 July 2025 and is available on the Company's website at [www.bankislam.com](http://www.bankislam.com).

### BITC Activities in 2025

The BITC activities during the year under review can be found in the Annual Report of BIMB.

### DIRECTOS' TRAINING ATTENDED IN 2025

NO	DIRECTORS	TRAINING PROGRAMMES
1.	Tan Sri Ismail Bakar	<ol style="list-style-type: none"> <li>1. Commvault "Minutes To Meltdown" Session</li> <li>2. Convene Training Session</li> <li>3. Emerging Climate And Nature Priorities</li> <li>4. Fair Treatment Of Financial Consumers</li> <li>5. Liberation Day Tariff</li> <li>6. Engagement Session With Chief Economist Of Moodys On Tariff Impact</li> <li>7. Jcorp Director Responsibilities Program With Asian School Of Business</li> <li>8. Jcorp Future Forward Leadership Series</li> <li>9. Operational Resilience</li> <li>10. E Invoice</li> <li>11. Directors Conference of Bank Islam Malaysia Berhad Group: Driving Innovation And Reinvention: Leading Through Business Transformation</li> <li>12. Board Accountability In Aml Governance: FATF Expectations, Beneficial Ownership, And Compliance Culture</li> <li>13. Whistleblowing Oversight: Strengthening Board Accountability And Ethical Governance</li> <li>14. Jpg Directors Training 2025 On Closed Period &amp; Insider Trading And Conduct Of Directors &amp; Common Breaches Of The Listing Requirement</li> <li>15. Board Culture Training By FIDE Forum</li> </ol>
2.	Datuk Bazlan Osman	<ol style="list-style-type: none"> <li>1. Corporate Directors Survey 2024</li> <li>2. Sharing Session On Emerging Risk By Deloitte</li> <li>3. Commvault "Minutes To Meltdown" Session</li> <li>4. Global Insights And Strategic Leadership In Climate Risk</li> <li>5. Convene Training Session</li> <li>6. BDP- Trump's Policies - Us National Security Lens &amp; Geopolitical Implications By Daniel F. Sheehan, SVP, International Relations, Bank Of America (Boa), Gautam Puntambekar, Md/ Country Executive, Boa Malaysia Berhad, Kai Wei Ang, Asean Economist, Boa Merrill Lynch</li> <li>7. IRB E-Invoicing Process &amp; Guidelines On Bod Remuneration</li> <li>8. Emerging Climate And Nature Priorities</li> <li>9. Fair Treatment Of Financial Consumers</li> <li>10. Liberation Day Tariff</li> </ol>

		<ol style="list-style-type: none"> <li>11. Engagement Session With YB MITI Minister- Navigating Us Tariff- Building Trade And Investment Resilience</li> <li>12. Global Headwinds Vs Domestic Resilience: Refreshed Outlook 2025</li> <li>13. Managing In An Era Uncertainty</li> <li>14. Acca 2025 Virtual Conference- Powering Sustainable Business - Smart Strategy, Clear Reporting &amp; Cutting Edge Tech</li> <li>15. Ai Leadership Conference</li> <li>16. Mia Conference 2025-Collaborative Leadership For A Sustainable Future</li> <li>17. The Influence Of Board Culture On Corporate Governance</li> <li>18. DTW Ignite- Pathways To Growth</li> <li>19. Invest Asean Conference 2025</li> <li>20. Market Outlook: Digital Innovation Trends By Khurram Shahzat, Gartner</li> <li>21. Industry Success Story: Digital Transformation Journey- Beyond Carrier Transformation By Softbank</li> <li>22. Operational Resilience</li> <li>23. E Invoice</li> <li>24. Invest Shariah Conference 2025 - Innovating Islamic Finance</li> <li>25. Visit To And Engagement With Samsung @ Samsung Campus, Samsung Innovation Museum, Ai Zine Tour, Ex Home Tour, Business Solution Showcase Center, And Samsung Retail Experience And Service Center</li> <li>26. Visit To And Engagement With Sk Telecom (SKT) And T.Um Tour I.E. SKT Experience Centre</li> <li>27. Visit To And Engagement With Hyundai Motors On Shift From Product To Ecosystem And Ai &amp; Technology</li> <li>28. Visit To And Engagement With Ceragem</li> <li>29. Visit To And Engagement With I-Scream Edu</li> <li>30. Directors Conference Of Bank Islam Malaysia Berhad Group: Driving Innovation And Reinvention: Leading Through Business Transformation</li> <li>31. Smart City Expo Kuala Lumpur</li> <li>32. Economic &amp; Market Outlook For 2025-2027 - UBS Securities Malaysia</li> <li>33. FMI Trends, Opportunities And Risks - Oliver Wyman</li> <li>34. Bolstering Cybersecurity &amp; Resilience- Mandiant Consulting</li> <li>35. Khazanah Megatrend Forum</li> <li>36. Board Accountability In Aml Governance: FATF Expectations, Beneficial Ownership, And Compliance Culture</li> <li>37. Whistleblowing Oversight: Strengthening Board Accountability And Ethical Governance</li> <li>38. Tm Integrity Day 2025</li> <li>39. Anti-Money Laundering And Combating Financing Of Terrorism By Khurram Pirzada, Partner, Forensic, KPMG Malaysia</li> <li>40. Board Culture Training By Fide Forum</li> <li>41. Digital Asset &amp; Crypto- Regulatory, Operational &amp; Products By Angelina Kwan, Ceo Stratford Finance Ltd</li> </ol>
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3.	Datuk Nik Mohd Hasyudeen Yusoff	<ol style="list-style-type: none"> <li>1. Commvault "Minutes To Meltdown" Session</li> <li>2. Global Insights And Strategic Leadership In Climate Risk</li> <li>3. Emerging Climate And Nature Priorities</li> <li>4. Fair Treatment Of Financial Consumers</li> <li>5. Liberation Day Tariff</li> <li>6. Asean Investment Conference 2025</li> <li>7. Regulating Cryptocurrencies And Digital Assets: Current Issues And Trends</li> <li>8. Operational Resilience</li> <li>9. E Invoice</li> <li>10. Directors Conference Of Bank Islam Malaysia Berhad Group: Driving Innovation And Reinvention: Leading Through Business Transformation</li> <li>11. Guardians Of The Earth: Climate Actions Through The Lens Of Maqasid Al Shariah</li> <li>12. Board Accountability In Aml Governance: FATF Expectations, Beneficial Ownership, And Compliance Culture</li> <li>13. Whistleblowing Oversight: Strengthening Board Accountability And Ethical Governance</li> <li>14. Stewarding Governance Excellence: Balancing Judgment, Integrity, And Foresight</li> <li>15. Asean Capital Market Forum International Conference</li> <li>16. Board Culture Training By FIDE Forum</li> </ol>
4.	Mohd Yuzaidi Mohd Yusoff	<ol style="list-style-type: none"> <li>1. Commvault "Minutes To Meltdown" Session</li> <li>2. Oil And Gas Enhancement Day 2025</li> <li>3. Board's Role In Digital Transformation: Putting Words Into Action</li> <li>4. Show Global Events Will Affect The Outlook For The Financial Industry In 2025</li> <li>5. Global Insights And Strategic Leadership In Climate Risk</li> <li>6. Convene Training Session</li> <li>7. Emerging Climate And Nature Priorities</li> <li>8. Fair Treatment Of Financial Consumers</li> <li>9. Liberation Day Tariff</li> <li>10. Governance Of Generative Ai</li> <li>11. Engagement Session With Chief Economist Of Moodys On Tariff Impact</li> <li>12. Bank Negara Malaysia Annual Report 2024, Economic And Monetary Review 2024 And Financial Stability Review For Second Half 2024</li> <li>13. Internal Audit And Fraud 2025- Conference - Executing Cutting Edge Strategies For Governing With Excellence In Challenging Times</li> <li>14. Engagement Session On Bank Negara Malaysia Annual Report 2024, Economic And Monetary Review 2024 And Financial Stability Review For Second Half 2024</li> <li>15. Petronas Board Conversation Series 28 April 2025 - Energy Transition</li> <li>16. Pwc Ai Leadership Conference 2025- Navigating Complexity An Building Trust In Ai Driven World</li> </ol>

		<ol style="list-style-type: none"> <li>17. Updates On Bursa Main Market Listing Requirement: Board Of Directors</li> <li>18. Navigating Digital Disruption: How Can Boards In Financial Institutions Enhance Strategic Digital Governance</li> <li>19. Crisi Simulation Masterclass: Decision - Making In A Crisis</li> <li>20. Operational Resilience</li> <li>21. E Invoice</li> <li>22. Zero To Fintech: Real Talk From Founders For Aspiring FINTECHs</li> <li>23. Compliance Training On Regulatory</li> <li>24. Directors Conference Of Bank Islam Malaysia Berhad Group: Driving Innovation And Reinvention: Leading Through Business Transformation</li> <li>25. Live Board Simulation- Strengthening Boardroom Decision Making In Time Of Crisis</li> <li>26. Next In Line: Future-Proofing Boards Through Strategic Succession Planning</li> <li>27. Petronas Board Conversation Series- Sustainability Talk On The Strategy And Investment Decision Making</li> <li>28. Board Accountability In Aml Governance: FATF Expectations, Beneficial Ownership, And Compliance Culture</li> <li>29. Whistleblowing Oversight: Strengthening Board Accountability And Ethical Governance</li> <li>30. Opening Ceremony Of Global Islamic Finance Forum 2025</li> <li>31. Accounting Upskilling 2025</li> <li>32. Navigating Shareholder Expectation: Remuneration Sentiment Insight In Malaysian Financial Institution</li> <li>33. What It Takes: Southeast Asia - Charting The Region's Path From The Periphery To The Core Of Global Consciousness</li> <li>34. Petronas Board Excellence 2025: Fundamentals For Board: Navigating Perspective And Governance In The Digital Frontier</li> <li>35. Asean Capital Markets Forum International Conference</li> <li>36. Economic Outlook And Post Budget 2026</li> <li>37. Social Returns On Investment Workshop</li> <li>38. Board Culture Training By FIDE Forum</li> </ol>
5.	Mashitah Haji Osman	<ol style="list-style-type: none"> <li>1. Commvault "Minutes To Meltdown" Session</li> <li>2. Convene Training Session</li> <li>3. Emerging Climate And Nature Priorities</li> <li>4. Fair Treatment Of Financial Consumers</li> <li>5. Engagement Session With Chief Economist Of Moodys On Tariff Impact</li> <li>6. Strategies Oversight In Strategy Implementation: Getting Execution Right At The Board Level</li> <li>7. Bimb Securities Virtual ESG Corporate Day, Small Modular Reactor</li> <li>8. Operational Resilience</li> <li>9. E Invoice</li> <li>10. Mercer Market Outlook Webinar By Mercer Investment Solutions (Singapore) Pte Ltd (Mercer)</li> </ol>

		<ul style="list-style-type: none"> <li>11. Directors Conference Of Bank Islam Malaysia Berhad Group: Driving Innovation And Reinvention: Leading Through Business Transformation</li> <li>12. Board Accountability In Aml Governance: FATF Expectations, Beneficial Ownership, And Compliance Culture</li> <li>13. Whistleblowing Oversight: Strengthening Board Accountability And Ethical Governance</li> <li>14. Lean In - Stronger Together Series</li> <li>15. Board Culture Training By FIDE Forum</li> </ul>
6.	Nuraini Ismail	<ul style="list-style-type: none"> <li>1. Commvault "Minutes To Meltdown" Session</li> <li>2. Special Lecture On Global Events &amp; Financial Industry Outlook</li> <li>3. Emerging Climate And Nature Priorities</li> <li>4. Fair Treatment Of Financial Consumers</li> <li>5. Liberation Day Tariff</li> <li>6. Engagement Session With Chief Economist Of Moodys On Tariff Impact</li> <li>7. CMDP Module 1: Directors As Gatekeepers Or Market Participants</li> <li>8. CMDP Module 2a: Business Challenged And Regulatory Expectations – What Directors Need To Know (Equities &amp; Future Broking)</li> <li>9. CMDP Module 3: Risk Oversight And Compliance – Action Plan For Board Of Directors</li> <li>10. CMDP Module 4: Emerging And Current Regulatory Issues In The Capital Market</li> <li>11. Operational Resilience</li> <li>12. E Invoice</li> <li>13. Mandatory E-Learning: Personal Data Protection 2025</li> <li>14. Directors Conference Of Bank Islam Malaysia Berhad Group: Driving Innovation And Reinvention: Leading Through Business Transformation</li> <li>15. Mandatory E-Learning Anti Bribery And Corruption Policy 2025</li> <li>16. Board Accountability In Aml Governance: FATF Expectations, Beneficial Ownership, And Compliance Culture</li> <li>17. Whistleblowing Oversight: Strengthening Board Accountability And Ethical Governance</li> <li>18. Social Returns On Investment Workshop</li> <li>19. Board Culture Training By FIDE Forum</li> </ul>
7.	Dato' Seri Professor Dr Noor Inayah Ya'akub	<ul style="list-style-type: none"> <li>1. Special Lecture On Global Events &amp; Financial Industry Outlook</li> <li>2. Lean In - Stronger Together: Leading At Work, Loving At Home</li> <li>3. Emerging Climate And Nature Priorities</li> <li>4. Fair Treatment Of Financial Consumers</li> <li>5. Liberation Day Tariff</li> <li>6. Operational Resilience</li> <li>7. E Invoice</li> <li>8. Directors Conference Of Bank Islam Malaysia Berhad Group: Driving Innovation And Reinvention: Leading Through Business Transformation</li> <li>9. Driving Sustainable Leadership: Empowering Boards For Lasting Impact</li> </ul>

		<ul style="list-style-type: none"> <li>10. Board Accountability In Aml Governance: FATF Expectations, Beneficial Ownership, And Compliance Culture</li> <li>11. Whistleblowing Oversight: Strengthening Board Accountability And Ethical Governance</li> <li>12. Board Culture Training By FIDE Forum</li> </ul>
8.	Datuk Hamzah Bachee	<ul style="list-style-type: none"> <li>1. Commvault "Minutes To Meltdown" Session</li> <li>2. Th Group Summit 2025: "Empowering Growth With Ai: A Vision For The Future Of My Company"</li> <li>3. Islamic Finance For Board Of Directors</li> <li>4. Convene Training Session</li> <li>5. Emerging Climate And Nature Priorities</li> <li>6. Fair Treatment Of Financial Consumers</li> <li>7. Liberation Day Tariff</li> <li>8. Engagement Session With Chief Economist Of Moodys On Tariff Impact</li> <li>9. Mandatory Accreditation Program Part 1</li> <li>10. Mandatory Accreditation Program Part II</li> <li>11. Operational Resilience</li> <li>12. E Invoice</li> <li>13. Directors Conference Of Bank Islam Malaysia Berhad Group : Driving Innovation And Reinvention: Leading Through Business Transformation</li> <li>14. FIDE Core Module A (Bank)</li> <li>15. Board Accountability In AML Governance: FATF Expectations, Beneficial Ownership, And Compliance Culture</li> <li>16. Whistleblowing Oversight: Strengthening Board Accountability And Ethical Governance</li> <li>17. FIDE Core Module B (Bank)</li> <li>18. Compliance Special Panel Session On The Future Of Sustainability In Bank Islam</li> <li>19. Board Culture Training By FIDE Forum</li> </ul>

**TRAINING ATTENDED BY COMPANY SECRETARIES IN 2025**

NO	NAME	TRAINING PROGRAMMES
1	Maria Mat Said	<ul style="list-style-type: none"> <li>1. BASIRAH's The Bank's Business &amp; Purpose Dialogue Session</li> <li>2. BASIRAH's The Bank's Business &amp; Purpose Dialogue Session (Cohort 7)</li> <li>3. BASIRAH's The Bank's Business &amp; Purpose Dialogue Session (Cohort 8)</li> <li>4. BILAD 2.0: "Leading with Purpose and Psychological Safety</li> <li>5. FIDE FORUM Board Culture and Leadership Report 2025</li> <li>6. Bank-Wide Crisis Simulation Exercise 2025</li> <li>7. Directors and Senior Management Training 2025: Board Accountability in AML Governance and Whistleblowing Oversight</li> <li>8. Directors Training - Emerging Climate and Nature Priorities - P&amp;S</li> <li>9. Directors Training - Fair Treatment of Financial Consumers (FTFC)</li> <li>10. Bank-Wide Crisis Simulation Exercise 2025</li> <li>11. Directors and Senior Management Training 2025: Board Accountability in AML Governance and Whistleblowing Oversight</li> <li>12. Virtual SSM National Conference 2025</li> </ul>

		13. Directors Conference Of Bank Islam Malaysia Berhad Group: Driving Innovation And Reinvention: Leading Through Business Transformation 14. MAICSA Annual Conference 2025, Future Governance 15. Social Returns on Investment Workshop
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**INTERNAL CONTROL FRAMEWORK**

The Internal Control Framework is set out in the Statement of Risk Management and Internal Control in the Annual Report of BIMB.

**REMUNERATION FOR DIRECTORS, SENIOR MANAGEMENT AND OTHER MATERIAL RISK TAKERS**

**Board of Directors**

BIMB’s remuneration structure for Directors, which is aligned to the strategic objectives, allows BIMB to attract, motivate and retain high calibre talent. The design of BIMB’s fees architecture complies with regulatory requirements, embraces market practices and trends.

The Board has established a formal and transparent Directors’ Remuneration Framework which comprises Directors’ fees, sitting fees and benefits in-kind. Review of the Directors’ remuneration is carried out every three (3) years to ensure that it remains relevant and competitive with the industry. The remuneration framework for the NEDs is as follows:-

	Total Amount (per annum) (RM)						
	BOARD	BRC	BAEC	BNRC	BFRC	BITC	BSSC
<b>Chairman</b>	240,000.00	90,000.00	48,000.00	18,000.00	24,000.00	24,000.00	24,000.00
<b>Member</b>	72,000.00	72,000.00	36,000.00	12,000.00	18,000.00	18,000.00	18,000.00

Sitting Fee (per meeting) (RM)	
Chairman	Member
5,000.00	3,000.00

Other Emoluments (per annum) (RM)				
	Allowance	Medical	Leave Passage	Token of Appreciation
Chairman	120,000	20,000	30,000	55,000**
Member	24,000*	20,000	25,000	45,000

\*Only for Senior INED

\*\*includes Chairman of the Board Committee

Details of the remuneration received by the Directors from BIMB and the Group in the financial year ended 31 December 2025 are set out under Practice 8.1 of Section A of this report.

**Senior Management and Other Material Risk Takers**

**Remuneration Policy**

BIMB Remuneration Policy sets out the principles and philosophies to promote transparent and adequate remuneration for the Bank’s Senior Management Team (SMT) and Material Risk Takers

(MRTs) while encouraging behaviours that strengthen the long-term financial strength of the BIMB. The policy set forth appropriate governance around the Total Rewards of BIMB’s SMT/MRTs for their contributions to BIMB keeping in view the roles and responsibilities of these individuals from the respective of performance excellence, risk management, compliance and sustainability.

This policy takes into consideration BIMB’s overarching principles on driving performance for all employees through the utilisation of a “Total Cash” benchmark to determine a fair and just remuneration, through the determination of Variable Pay components for the performance year under review.

As a general principle, employees shall be identified as having a material impact on BIMB’s risk profile if they meet one or more of the criteria set out herein. These include:

- Group Chief Executive Officer
- Employees who are of General Manager rank and/or report directly to the GCEO (exclude Special Assistance to CEO, Secretary and Driver)
- MRTs include the management group who has significant influence over the Bank’s decision-making process and/or whose business activities are identified as having material impact on the risk profile or the Bank.
- MRTs include Employees who have been remunerated total compensation of RM500,000 per annum or more in the proceeding financial year.

**Remuneration Philosophy and Structure**

BIMB adheres to an overarching philosophy for the remuneration of those under its employ, which is inclusive of its SMT/MRTs. BIMB’s remuneration philosophy represents the fundamental principles for facilitating achievement of business goals, governing good performance through appropriate levels of remuneration, cultivating the designed behaviours and is a key input to the Bank’s Employee Value Proposition (EVP).

BIMB’s Remuneration Philosophy may be specific/exclusive to individual components of remuneration and is:

- Consistently competitive with target market comparators with approval from the Board
- Disproportionate in positively awarding strong performance, with significant incentives for superior talent relative to a competent individual.

In achieving the above, BIMB may interpret the levers of Pay Approach, Pay Positioning, Pay Communication, Pay Market and Pay Parity at its discretion.

BIMB ensures SMT/RMTs remuneration reflects the time horizon of risk by adopting a multi-year framework for pay out schedules (e.g., share/share plans, deferred cash plans) in driving the individual’s performance while mitigating any possible financial risk. An appropriate pay mix for the Bank’s separate functions will be calibrated, keeping in view the nature and responsibility of the function.

**Components of Remuneration**

BIMB reward principles are made up the following components. Fixed pay consists of base salary and fixed allowances that are pegged to the market value of the job. Variable pay rewards employees based on the performance of the Bank and the employee’s individual performance.

Remuneration Component	Approach
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<p><b>Base Salary</b> Basic wage paid to an employee as guarantee for service/work rendered to the company</p>	<p>Individually determined upon hire/annual increment/revision of contract, subject to the employee's existing grade/level/band within BIMB, and a proprietary Salary Structure / Framework / Band which corresponds to the aforementioned grade/level/band.</p> <p>The Salary Structure is to be reviewed periodically, constructed with principles of market competitiveness, sustainability &amp; contextual accuracy for the Company's objectives and talent needs at time of design.</p>
<p><b>Fixed Allowance(s)</b> Guaranteed cash paid under various classifications to compensate for miscellaneous job-related expenses</p>	<p>Collectively provided, subject to the employee's individual Grade Category/ broad classification</p>
<p><b>Benefits</b> Non-wage remuneration provided in addition to other cash compensation</p>	<p>Collectively provided, subject to the employee's individual Grade Category/ broad classification</p>
<p><b>Variable Pay</b> Annual non-guaranteed, performance- based cash payments/bonus and profit sharing awards</p>	<p>Individually determined, subject to the employee's corresponding grade/level/ band, calculated through BIMB's formal performance appraisal process and performance management framework.</p> <p>The framework considers the relevance and importance of talent retention, internal equity, governance and risk management, cascaded from an overarching corporate KPI.</p> <p>The framework will clearly determine each department's annual goals and targets and is to be formally recorded within the Bank systems/documentation at the beginning of each fiscal year, and tracker periodically throughout the year.</p> <p>Any amount of bonus paid out to SMT/MRT will be subject to a deferred cash mechanism, to be deferred over a period of years as so determined at the discretion of the Board Nomination &amp; Remuneration Committee, with approval from the Board.</p>
<p><b>Long-Term Incentive</b> Rewards system designed to enhance individual long-term performance by providing rewards tied to the Bank's annual performance and/or growth</p>	<p>Individually determined upon hire/annual increment/revision of contract, subject to the employee's existing grade/level/band within BIMB and its desired market Total Cash competitiveness through annual benchmarking.</p> <p>The Total Cash market benchmark will serve as the target threshold/limit to/ceiling of Total Cash for the Bank's employees in view of awarding employees fairly in relation to the ideal market position. This philosophy is driven by elements of talent retention, internal equity, governance and risk management.</p>

Deferred Cash Mechanism & Pool Setting Approach

- **Total Cash Benchmark**

Variable Pay in the form of Performance Bonus or equivalent Short-Term Incentive may be awarded to the Bank's SMT/MRTs as compensation for driving superior performance throughout

the performance year or term of employment. The Total Cash Benchmark is utilised in spirit of equitable/fair variable compensation and aims to negate the effects of pay discrepancies between individuals within BIMB's SMT/MRTs of comparable roles.

- **Determination of Amount Deferred**

The deferment of payment of a portion of variable pay will be adopted in view of managing any financial risk associated with SMT/MRTs compensation, while adhering to necessary compliance with legislations set forth by Bank Negara Malaysia.

The amount to be deferred will be calculated by using the tax table deferral approach. Any amount of bonus paid out to SMT/MRT gets deferred at staggered rates over a period of 2 years, and at the discretion of the Board Nomination & Remuneration Committee and approved by the Board. Tax table deferral approach applies higher deferral rates to incremental variable pay.

- **Pool Setting Approach**

Funding of BIMB's determined Variable Pay and the subsequent Cash Deferral for the SMT/MRTs, where applicable, is simulated taking into account market competitiveness, funding rates and overall affordability. Variable Pay pool determination may further be moderated based on BIMB's performance with approval from the Board Nomination & Remuneration Committee. Further additions to individual's Variable Pay may be subject to discretion of the Group CEO within the limits of the overall pool.

#### **Governance**

The SMT/RMTs remuneration reflects the risk time horizon of BIMB and taking into account of the potential for financial risk to crystallise over a longer period of time. Hence, BIMB adopts a multi-layer framework for pay out schedules which allows adjustment on SMT/RMTs remuneration through malus/clawback provision.

- Malus provisions apply to both the Bonus Plan and Long-Term Incentive Plan. Malus is the forfeiture of deferred bonus not yet paid out because of the occurrence of one or more circumstances.
- Clawback is the recovery of bonus already paid out under the Bonus Plan or Long-Term Incentive Plan because of the occurrence of one or more circumstances.

