



EVOLVING BETTER SOLUTIONS TOGETHER



Evolving Better Solutions Together



At AEON Credit Service (M) Berhad, we focus on delivering solutions that evolve with the needs of our stakeholders. We are committed to fostering growth through transformation, leveraging innovation to create lasting value. Our Purpose, “Bring Finance Closer to Everyone”, drives us to empower individuals and communities through accessible, inclusive, and responsible financial solutions.

Through the AEON Living Zone, we continually enhance our value proposition, adapting our offerings to meet the dynamic needs of our stakeholders. By embracing innovation and flexibility, our people aspire to drive change - ensuring that together, we deliver financial solutions that support greater mobility and long-term financial security for all.

The design of this year’s annual report cover embodies our transformation journey. The rising wavelength, propelled by seamless digital lines, visually represents our continuous growth and digital advancement. These lines, moving in synergy, symbolise the interconnectedness of our efforts and the collective progress we are making. Together, we are building a future where aspirations are transformed into reality.

28th Annual General Meeting



25 June 2025

Wednesday, 10.00 a.m.



AGM will be conducted physically at:

Grand Ballroom, Level 2
InterContinental Kuala Lumpur
165, Jalan Ampang
50450 Kuala Lumpur, Malaysia



Scan here to access the soft copy of the AEON Credit Integrated Annual Report 2025



<https://aeoncredit.com.my/investor-relations/integrated-annual-report/>

Pursuing peace, respecting humanity and contributing to local communities, always with customers as our starting point.

AEON FOUNDATIONAL IDEALS



AEON firmly believes that retailing is an industry to promote peace, humanity and support for local communities. To remain a thriving corporate group that fulfils this mission, we are committed to continuous innovation, with customers as our starting point.

The complete text of AEON Foundational Ideals is available at the following URL:



<https://aeoncredit.com.my/about-us/our-purpose/>

AEON GROUP FUTURE VISION



Create a future lifestyle that leads to a smile for each and every person.

The future that the AEON Group wishes to realise is one in which customers can feel a “brighter society” and “happiness that is uniquely their own”, creating a future that is fulfilling and full of smiles.

The AEON Group wishes to be a group that leads the co-creation of lifestyles, enriching each individual and society as a whole.

The complete text of AEON Group Future Vision is available at the following URL:



<https://aeoncredit.com.my/about-us/our-purpose/>

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ABOUT THIS REPORT

We are pleased to present AEON Credit Service (M) Berhad's ("AEON Credit" or "the Group") Integrated Annual Report ("IAR") for the financial year ended 28 February 2025 ("FYE2025"). This IAR serves as our communication to stakeholders on key developments and initiatives, market challenges and business direction as well as overall performance in FYE2025.



REPORTING FRAMEWORK

This report has been prepared in accordance with various frameworks including:

- International Integrated Reporting ("<IR>") Framework
- Malaysian Code on Corporate Governance ("MCCG")
- Bursa Malaysia Corporate Governance Guide (4th Edition)
- Main Market Listing Requirements ("MMLR") of Bursa Malaysia Securities Berhad
- Companies Act 2016 ("CA")
- Malaysian Financial Reporting Standards ("MFRS")
- International Financial Reporting Standards ("IFRS")

In addition, for sustainability-related disclosures, our report aligns with key sustainability guidelines and standards, including:

- Bursa Malaysia's Sustainability Reporting Guide (3rd Edition)
- Global Reporting Initiative ("GRI") Standards
- United Nations Sustainable Development Goals ("UN SDGs")
- Greenhouse Gas ("GHG") Protocol: Corporate Accounting and Reporting Standard

Going forward, we will stay guided by the evolving reporting requirements to achieve a more coherent corporate reporting system in tandem with global reporting standards. By continuously enhancing our reporting disclosures, we seek to disseminate information critical to our business and growth, and to communicate with our stakeholders with integrity and transparency.



SCOPE AND BOUNDARY

This IAR extends beyond financial reporting and includes non-financial performance of AEON Credit. It specifies the material matters, opportunities, risks and outcomes attributable to or associated with the Group's key stakeholders, which have a significant influence on its ability to create value. Unless otherwise indicated, this IAR covers the period from 1 March 2024 to 28 February 2025 and encapsulates the primary activities of the Group, namely our overall performance for the year under review and the delivery of our initiatives towards our strategic goals.



APPROACH TO MATERIALITY

We report based on our material matters, which are assessed yearly to ensure that the matters continued to be applicable and relevant. This ensures that our strategy, performance and prospects are illustrated in the correct context. Our response to material matters in the economic, environmental, social and governance aspects of our business have also been considered. In developing this IAR further, we have included qualitative and quantitative performance measurements as well as other factors that may have affected business sustainability. A complete discussion of our sustainability performance can be found from pages 61 to 143.



INDEPENDENT ASSURANCE

Our reporting disclosures have undergone verification by independent auditors and validators to ensure their credibility.

Assurance Scope	Independent Assurance Provider
Audited Financial Statements	Deloitte PLT
Validation of Sustainability Statement	SIRIM QAS International Sdn. Bhd.
Validation of Company's Selected Sustainability Information	KPMG PLT



Refer to pages 136 to 139 for SIRIM QAS's Independent Assurance Statement and pages 140 to 143 for KPMG PLT's Independent Limited Assurance Report.



FORWARD-LOOKING STATEMENTS

This report contains certain forward-looking statements about the AEON Credit's future strategy and prospects. The Group makes no representations and/or warranty, expressed and/or implied, that these forward-looking statements will be achieved.



APPROVAL BY THE BOARD

The Board acknowledges its responsibility in ensuring the integrity of this IAR, which in its opinion addresses matters that are material to the Group's ability to create value and fairly presents the integrated performance of AEON Credit Service (M) Berhad.

NG ENG KIAT
Chairman

DAISUKE MAEDA
Managing Director

The six (6) Capitals, as identified by the International Integrated Reporting Council (“IIRC”), have served as essential guide to help us achieve our strategic objectives. These capitals represent stores of value and each of them: Intellectual Capital, Financial Capital, Human Capital, Manufactured Capital, Social and Relationship Capital and Natural Capital are important in how they impact our businesses.

OUR CAPITALS



Intellectual Capital

Leveraging on the Group’s vision, brand name, industry know-how and market insights to create a competitive advantage for our businesses.



Human Capital

Build leadership expertise, employees’ knowledge and competencies, and the sustainable talent pool required to meet our business goals and objectives.



Social and Relationship Capital

Relationships with customers and key stakeholders such as investors, business partners, regulators and communities.



Financial Capital

Income and earnings generated by our operations are reinvested back into the business to allow us to support future growth and capital management.



Manufactured Capital

The physical and digital infrastructure we require to support operational needs of our businesses.



Natural Capital

Optimise natural resources required by our operations in a conservative and responsible manner to minimise environmental footprint.

MATERIAL SUSTAINABILITY MATTERS



Data Security, IT Infrastructure and Digital Transformation



Financial Inclusion, Sustainable Finance and Financial Performance



Environmental Management



Excellent Customer Experience, Support and Access



Employee Benefits, Employee Engagement Programmes



Strategic Community Investment



Excellent Ethics, Governance, Risk Management & Compliance



Employee Health, Safety and Well-being



Climate Action



Business Innovation, Responsible Marketing, Product and Service Design



Transparency in Procurement Process

KEY MARKET TREND

- Geopolitical and Economic Development
- Digital Acceleration and Technology Transformation
- Talent Development
- Evolving Customer Needs and Preferences
- Growing Influence of ESG Factors

STRATEGIC DIRECTIONS

- Customer Acquisition and Cross-Selling via AEON Wallet and AEON Loyalty Programme
- Driving Cost Efficiency through Digital Transformation and Automation
- Enhancing Competitiveness via FinPlus Membership and Pre-Approval Model
- Establishing AI Infrastructure and Data-Driven Management
- Deepening Collaborations within AEON Group of Companies in Malaysia
- Talent Development and ESG Integration

UN SDGs



KEY RISKS

- R1 Credit Risk
- R2 Financial Risk
- R3 Operational Risk
- R4 Technology and Cyber Risk

OUR STAKEHOLDERS



Customers



Government and Regulators



Shareholders and Investors



Employees



Merchants and Business Partners



Local Communities/NGOs



Suppliers



Lenders/Financial Institutions



Rating Agencies

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Who We Are

CORPORATE INFORMATION

BOARD OF DIRECTORS

Ng Eng Kiat

Chairman
Non-Independent Non-Executive Director

Daisuke Maeda

Managing Director

S Sunthara Moorthy A/L

S Subramaniam

Independent Non-Executive Director

Datuk Adinan bin Maning

Senior Independent Non-Executive Director

Datin Yasmin Ahmad Merican

Independent Non-Executive Director

Chin Pik Yuen

Independent Non-Executive Director

Farah Suhanah binti Ahmad Sarji

Independent Non-Executive Director

Wan Chee Keong

Independent Non-Executive Director

Naoya Okada

Non-Independent Non-Executive Director

Tsutomu Omodera

Non-Independent Non-Executive Director

Lee Tyan Jen

Executive Director

HEAD OFFICE

AEON Credit Service (M) Berhad
Level 18, UOA Corporate Tower
Avenue 10, The Vertical
Bangsar South City
No. 8, Jalan Kerinchi
59200 Kuala Lumpur, Wilayah Persekutuan
Malaysia
Tel : +603-2772 9000
Fax : +603-2711 4110
Website : www.aeoncredit.com.my

REGISTERED OFFICE

12th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor
Tel : +603-7890 4800
Fax : +603-7890 4650
Email : boardroom-kl@
boardroomlimited.com

REGISTRAR

Boardroom Share Registrars Sdn. Bhd.
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13
46200 Petaling Jaya
Selangor
Tax : +603-7890 4700
Fax : +603-7890 4670
Email : bsr.helpdesk@
boardroomlimited.com

AUDITORS

Deloitte PLT (LLP0010145-LCA)
Chartered Accountants (AF0080)
Level 16, Menara LGB
1, Jalan Wan Kadir
Taman Tun Dr Ismail
60000 Kuala Lumpur
Tel : +603-7610 8888
Fax : +603-7726 8986

SECRETARY

Tai Yit Chan
SSM PC No. 202008001023
(MAICSA 7009143)

STOCK EXCHANGE LISTING

The Company is a public listed company, incorporated and domiciled in Malaysia and listed on the Main Market of Bursa Malaysia Securities Berhad.

STOCK NAME: AEONCR

STOCK CODE: 5139

INVESTOR RELATIONS

ir_info@aeoncredit.com.my

SUBSIDIARY COMPANY

AEON Insurance Brokers (M) Sdn. Bhd.
Suite 3A-2, Level 3A
UOA Corporate Tower
Avenue 10, The Vertical
Bangsar South City
No. 8, Jalan Kerinchi
59200 Kuala Lumpur, Wilayah Persekutuan
Malaysia
Tel : +603-2772 9688
Website : www.aeoninsurance.com.my

ASSOCIATE COMPANY

AEON Bank (M) Berhad
Level 12, UOA Corporate Tower
Avenue 10, The Vertical
Bangsar South City
No. 8, Jalan Kerinchi
59200 Kuala Lumpur, Wilayah Persekutuan
Malaysia
Tel : +603-4816 8888
Website : www.aeonbank.com.my

PRINCIPAL BANKERS

CIMB Bank Berhad
CIMB Islamic Bank Berhad
Deutsche Bank (Malaysia) Berhad
Maybank Islamic Berhad
Mizuho Bank (Malaysia) Berhad
MUFG Bank (Malaysia) Berhad
RHB Bank Berhad
RHB Islamic Bank Berhad
Standard Chartered Saadiq Berhad
Sumitomo Mitsui Banking Corporation
Malaysia Berhad



CORPORATE CALENDAR

ANNUAL GENERAL MEETING

21 May 2024

Notice of 27th Annual General Meeting

20 June 2024

Annual General Meeting

DIVIDEND

14 October 2024

Book Closure

7 November 2024

Payment of Dividend (Interim)

3 July 2025

Book Closure

24 July 2025

Payment of Dividend (Final)

ANNOUNCEMENT OF CONSOLIDATED RESULTS

10 July 2024

Unaudited results for 1st quarter ended 31 May 2024

26 September 2024

Unaudited results for 2nd quarter ended 31 August 2024

19 December 2024

Unaudited results for 3rd quarter ended 30 November 2024

8 April 2025

Unaudited results for 4th quarter ended 28 February 2025

ABOUT AEON CREDIT SERVICE (M) BERHAD

As a leading non-bank financial services provider, AEON Credit serves millions of customers across Malaysia, offering a wide range of financial products and services.

AEON Credit leverages on its AEON Group retail network and is supported by more than 7,000 participating merchant outlets to **Bring Finance Closer to Everyone**, demonstrating a strong commitment to delivering **trusted financial services** that **foster prosperity** and **brighten everyday lives** with **peace of mind and smiles**.

The launch of the Islamic digital bank through AEON Bank (M) Berhad ("AEON Bank") in FYE2025 strengthens the AEON Living Zone, the ecosystem established among the AEON Group, aiming to serve customers across all life stages with integrated, accessible, and customer-centric financial solutions. AEON Bank operates as an associate of AEON Credit.



GUIDED BY OUR PURPOSE

We Bring Finance Closer to Everyone, By Committing to Each and Every Person, We Brighten up Everyday Lives with Peace of Mind and Smiles.

OUR CORE BEHAVIOURS

These behaviors reflect AEON people in how we think, work and engage with each other as well as our customers and make decisions that align with the Group's values and goals:

- 1 **Competence**
- 2 **Integrity and Sincerity**
- 3 **Respect and Fairness**
- 4 **Confidentiality**
- 5 **Objectivity**

UNDERPINNED BY OUR VALUES

Our actions are grounded in the **AEON Foundational Ideals - Pursuing Peace, Respecting Humanity and Contributing to Local Communities** - always with customers as our starting point.

ADVANCING OUR AEON GROUP FUTURE VISION

We aspire to become a market leader in enriching lives through innovation and sustainable solutions.

OUR PRODUCTS AND SERVICES

We offer a broad range of financial products and services, including issuance of Credit Cards and Prepaid Cards, provision of AEON Wallet application ("AEON Wallet"), Easy Payment schemes, Hire Purchase Financing for Motor Vehicles, Personal Financing schemes and Money Lending services.

To further strengthen our value proposition, we have expanded into the insurance brokerage business through our subsidiary and ventured into Islamic digital banking via our associate company.



1 Product Financing

- Motorcycle Financing
- Auto Financing
- Objective Financing

2 SME Financing

- Small and medium enterprises equipment financing
- Licensed money lending services under the Moneylenders Act 1951

3 Personal Financing

- AEON i-cash based on unsecured Shariah Compliant

4 Payment Business

Credit Cards

A range of Credit Card options:

- Classic Card
- Gold Card
- Platinum Card

Prepaid Cards and AEON Wallet

- AEON Member Plus Visa Card
- Privilege Card for Hawkers & Petty Traders
- AEON Wallet & Virtual Card



Channels

- Branches and Service Centres
- AEON Wallet
- Call Centre
- AEON Credit Website
- Merchant Outlets

5 Insurance Brokerage Business

- Conventional and Takaful insurance products including life insurance are distributed by AEON Insurance Brokers (M) Sdn. Bhd. ("AEON Insurance")



Channels

- AEON Insurance Website
- Online Sales Portal

6 Islamic Digital Banking

- Banking solutions provided by AEON Bank (M) Berhad ("AEON Bank")



Channels

- AEON Bank App
- AEON Bank Website

ABOUT AEON CREDIT SERVICE (M) BERHAD

CORPORATE STRUCTURE

AEON Credit is an overseas subsidiary of AEON Financial Service Co., Ltd., with AEON Co., Ltd. ("AEON Group"), Japan as its ultimate holding company. The AEON Group is an integrated conglomerate consisting of 8 businesses across various sectors. AEON Financial Service Co., Ltd. oversees the financial services of the AEON Group, operating as a comprehensive financial group rooted in the retail sector across Japan and 10 other countries/regions in Asia.



AEON FINANCIAL SERVICE CO., LTD. (Holding Company)

- AEON Insurance Service Co., Ltd.
- ACS Credit Management Co., Ltd.
- AEON S.S. Insurance Co., Ltd.
- ACS Leasing Co., Ltd.
- AEON Allianz Life Insurance Co., Ltd.
- FeliCa Pocket Marketing Inc.
- AEON Credit Service (Asia) Co., Ltd.
- AEON Thana Sinsap (Thailand) Public Company Limited
- **AEON Credit Service (M) Berhad**
- Consolidated Subsidiaries Overseas

- AFS Corporation Co., Ltd.
(Bank Holding Company)
 - AEON Bank, Ltd.
 - AEON Housing Loan Service Co., Ltd.
 - AEON Credit Service (Philippines) Inc.
 - AEON Specialized Bank (Cambodia) Plc.

Business Areas:

- Credit Card Business
- Installment Financial Business
- Banking Business
- Insurance Business
- Leasing Business
- Collections Business
- Software Development Application Business

AEON GROUP (Ultimate Holding Company)



AEON CREDIT SERVICE (M) BERHAD

Registration No. 199601040414 (412767-V)



Date of Incorporation

6 December 1996



Principal Activities

Provision of easy payment schemes, personal financing schemes and issuance of payment cards under the international brand names of Visa and MasterCard, and money lending service. The personal financing schemes and certain easy payment schemes are based on Islamic principles.



100%

AEON INSURANCE BROKERS (M) SDN. BHD.

Registration No. 198201005186 (84938-X)



Date of Acquisition

30 September 2021



Principal Activities

Insurance Broker



50%

AEON BANK (M) BERHAD

Registration No. 202201026163 (1471860K)



Date of Acquisition

1 December 2023



Principal Activities

Islamic Digital Bank

BUSINESS HIGHLIGHTS

CONSOLIDATION OF FINANCIAL SERVICES INTO THE NEW AEON WALLET

AEON Wallet

AEON Credit has enhanced its mobile app with new features and designs, offering users an all-in-one platform to meet their financing, banking, retail shopping and payment needs. The newly launched AEON Loyalty Programme consolidates AEON Points across all products to simplify loyalty point management.

This unified digital touchpoint is designed to provide valuable insights into customer behaviour, spending patterns and preferences, enabling us to deliver targeted marketing as well as cross-sell and upsell opportunities. These efforts aim to accelerate member growth and support revenue expansion across the AEON Living Zone.

New Features

Integrated Digital Onboarding Function

➤ **39%** Self-onboarding Rate

AEON Virtual Credit Card

➤ **113,000** Virtual Cards issued since August 2024

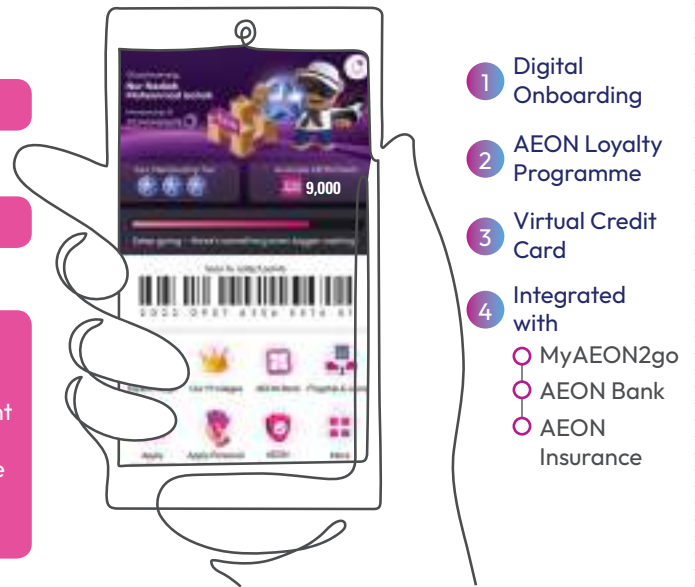
AEON Loyalty Programme

A new Loyalty Tiered Programme reward customers based on their level of engagement

A unified membership and points system across all AEON Group services

Instant creation of an AEON Point Account upon downloading the AEON Wallet

➤ **41%** year-on-year (“YoY”) increase in New Sign-ups



Flagship Branches

The launch of AEON Credit’s flagship branches marks a strategic move to strengthen our position as a trusted brand, deliver a high-quality service experience and better meet the evolving needs of our customers. These branches offer exclusive privileges, including access to premium lounge for eligible members under AEON Loyalty Programme.

This initiative supports our broader strategy to expand the AEON Living Zone by enhancing our physical presence.

+41 Net Promoter Score
(February 2024: +30)

4.7 Stars Branches
Average Google Rating
(FYE2024: 4.5 Stars)

Setia City Mall



July 2024 ➤

IOI City Mall



August 2024 ➤

The Exchange 106 @ TRX



December 2024 ➤

BUSINESS HIGHLIGHTS

Positioning AEON Credit Card as “AEON Must-Have Card” for AEON Shoppers

AEON Credit Card has been successfully repositioned as an essential card for AEON shoppers through enhanced card features and expanded privileges with partner merchants, strengthening its appeal and market presence.

The completion of a digital onboarding and the introduction of a virtual card have driven online acquisition and expanded the credit card base. This initiative has helped sustain customer engagement and support continued usage growth.

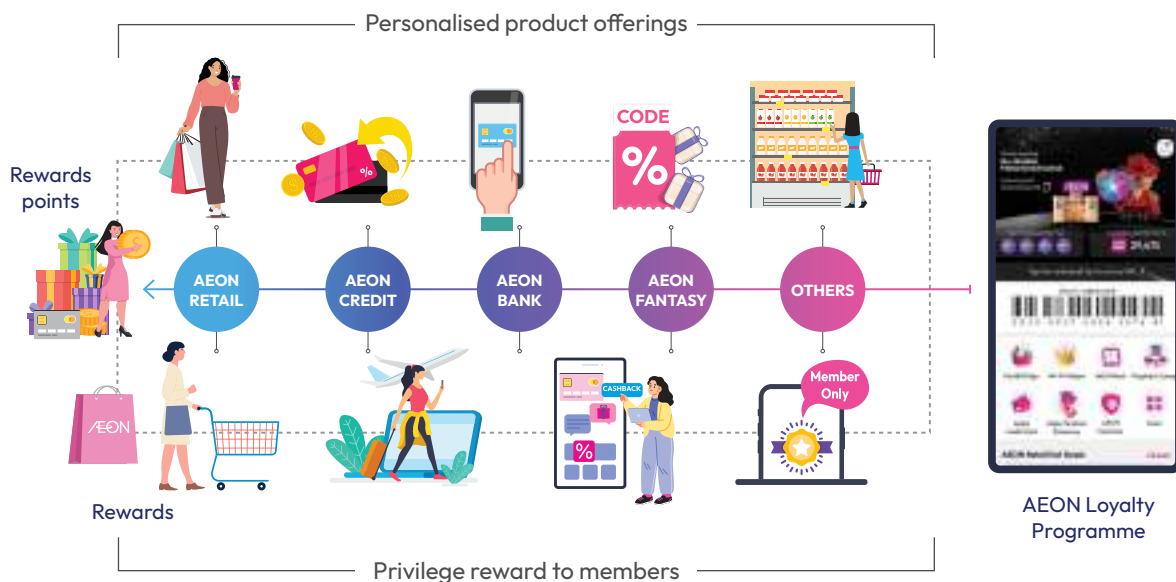
287,000
Credit Card in Circulation

64%
Active Members Ratio



BUILDING THE FOUNDATION FOR REALISING THE AEON LIVING ZONE

In collaboration with AEON CO. (M) BHD., AEON Credit has established the AEON Living Zone project team to enhance group synergies through a unified mobile platform. The initiative focuses on developing a super app, expanding the loyalty points reach and leveraging personalised marketing strategies to support long-term earnings growth.

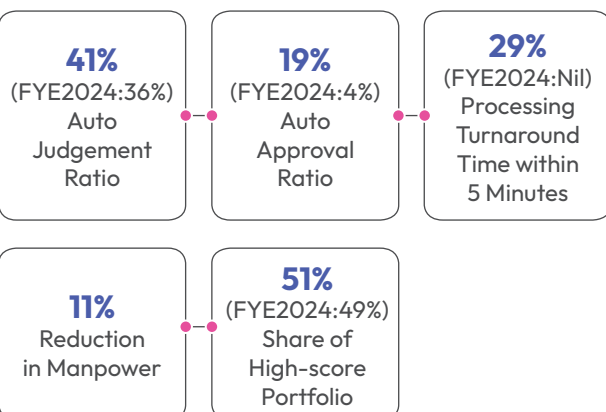


AEON Journey: Earn Points, Enjoy Personalised Products, and Unlock Exclusive Member Privileges

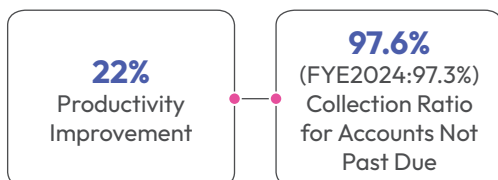
ADVANCEMENT OF CREDIT ASSESSMENT AND COLLECTION

AEON Credit offers a fully digital onboarding experience through our online platform, seamlessly integrated with the AEON Wallet. This integration eliminates the need for branch visits. Powered by e-KYC and Artificial Intelligence (“AI”) credit scoring model, streamlines the credit assessment processes, leading to straight-through approval and enhance access to financial services.

The use of Optical Character Recognition (“OCR”) further enhance loan approval turnaround time. These innovations reinforce our commitment to speed, convenience and the strategic expansion of the AEON Living Zone through digital solutions.



In December 2024, we launched a new Debt Management System (“DMS”), equipped with enhanced functionalities such as automated dunning by account. By leveraging our risk-based collection approach, the DMS further enhances operational productivity and strengthens collection performance.



DATA-DRIVEN MANAGEMENT AND AI INFRASTRUCTURE DEVELOPMENT

AEON Credit is strengthening its data-driven AI infrastructure to enhance operational efficiency and improve customer experience. Key initiatives include the automation of reporting through Power BI dashboards, enabling faster and more accurate insights, as well as the launch of the Gen-AI project to embed advanced AI capabilities that support speedy decision-making across the organisation.

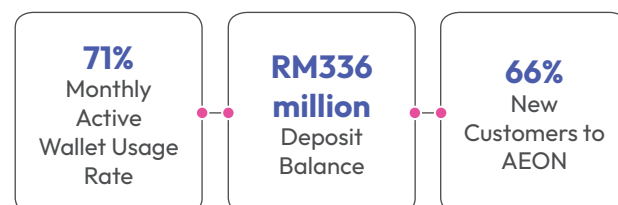
PREPARATION FOR NEW REVENUE STREAMS, FINANCIAL SERVICES INTEGRATION

Launch of Islamic Digital Bank

In May 2024, we launched Malaysia's first Islamic digital bank through AEON Bank (M) Berhad (“AEON Bank”), offering simple, secure and accessible digital banking solutions.

The launch of AEON Bank strengthens the AEON Living Zone by broadening access to Shariah-compliant financial services, while also creating synergies across the AEON Group.

With the launch of its business banking offerings, AEON Bank aims to support a more connected and convenient financial ecosystem by linking customers, business partners, and affiliated merchants through integrated digital banking solutions.



AEON Bank

**Malaysia's First
Islamic Digital Bank**



AEON FUNDAMENTAL MANAGEMENT PRINCIPLES

AEON Credit is committed to sustainable growth and societal contribution in alignment with the AEON Foundational Ideals of pursuing peace, respecting humanity and contributing to local communities, always with customers as our starting point. Through the AEON Living Zone, we aim to create a future lifestyle that brings a smile to each and every person.

To articulate our aspirations and the path towards realising them, Our Purpose was created as a guiding philosophy that reflects AEON Credit and its subsidiarys' ("the Group") commitment to providing trusted financial services that brighten everyday lives with peace of mind and smiles.



A shared foundation that guides the Group and its people through common values rooted in the AEON Foundational Ideals, shaping actions and decisions across all business activities.

A philosophy and vision developed aligning with the Group's values, considering its business and value propositions.

AEON FOUNDATIONAL IDEALS

AEON firmly believes that retail is an industry that promotes peace, humanity and support for local communities.

To remain a thriving corporate group that fulfills this mission, we are committed to continuous innovation, with customers as our starting point.

1 Pursuing Peace

We contribute to peace by creating a sustainable society and are committed to refraining from actions or activities that undermine it.

2 Respecting Humanity

We value humanity and diversity of our employees, fostering a work environment where everyone feels fulfilled and their abilities are fully utilised.

3 Contributing to Local Communities

We work with customers and communities in the journey toward decarbonisation, leveraging the Group's products and services while efficiently utilising resources.

4 Always with Customer as Our Starting Point

We are committed to enriching that lives of our customers by providing secure, innovative financial services and building inclusive infrastructure that ensures access for all, while consistently prioritising their interests over our own convenience and upholding integrity, which is the foundation of the Group.

AEON GROUP FUTURE VISION

Create a future lifestyle that leads to a smile for each and every person

The future that the AEON Group wishes to realise is one where customers can feel a "brighter society" and "happiness that is uniquely their own", creating a future that is fulfilling and full of smiles.

How the AEON Group Wishes to Be

- A group that creates a future lifestyle full of smiles together with our customers and colleagues who share our vision.
- A leading group that grows by enriching society and individual lives through our innovation and co-creation.
- Evolve our products and services, focusing on the keyword “connection” to deliver unprecedented value.

Connect deeply
with individuals

Connect
individuals
with society

“Connection”

Connect
individuals with
one another

Expand the circle
of connections

Three Attitudes

- “Act spontaneously and follow your aspirations”
- “Keep learning to create new values”
- “Build relationships, nurture them and create together”

One Vow

- “Always act with integrity and sincerity”

OUR PURPOSE



Our Purpose is to bring finance closer to everyone

As the financial services arm of the Group, we offer accessible, consumer-focused solutions, promote financial education across generations, and drive inclusion to meet diverse needs.

By committing to each and every person

We commit to each consumer by offering financial services tailored to life stages and living environments, while co-creating value with local partners and acting with empathy from a customer-first perspective.

We brighten up everyday lives with peace of mind and smiles

As a financial institution, we support customers in leading richer, happier lives by easing daily living. We value diversity, a supportive culture, and an environment that fosters pride, openness, and freedom. Through this, we bring peace of mind, smiles, and uplifting moments to everyday life.

CODE OF ETHICS AND CONDUCT

Built on shared values and a common philosophy, the Code of Ethics and Conduct (“the Code”) reflects the Group’s collective identity and serves as a guiding framework for ethical conduct.

The Code provides clear guidance to the Board, employees and authorised personnel in navigating complex situations and making responsible decisions. It fosters a corporate culture grounded in ethics, transparency and accountability. By setting consistent standards of behaviour, the Code promotes alignment across the Group’s operations, strengthening its reputation and building trust with customers, investors, regulators and the broader public.

The Code is structured into two interconnected sections:

Code of Ethics

The Code outlines the fundamental principles that define who we are as an organization. It articulates our core values and serves as a moral compass for all decision-making.

5 Guiding Principles:

- | | |
|-------------------------|-------------------|
| 1 Competence | 4 Confidentiality |
| 2 Integrity & Sincerity | 5 Objectivity |
| 3 Respect & Fairness | |

Code of Conduct

The Code translates its ethical principles into actionable standards and practices, providing specific guidelines and rules for behaviour in our interactions with stakeholders, including:

6 Stakeholders:

- | | |
|-----------------------------|-----------------------|
| 1 Company as a Whole | 4 Dedicated Employees |
| 2 Valued Customers | 5 Regulatory Bodies |
| 3 Trusted Business Partners | 6 Local Communities |

CORPORATE MILESTONES

2025

Opening of
Flagship Branch at
The Exchange
106 @ TRX

Launched New AEON
Loyalty Programme in
AEON Wallet



2024

- Launched AEON Virtual Credit Card
- Opening of flagship branches at Setia City Mall and IOI City Mall
- Launched new consumer and revamped corporate website
- Launched Electric Motorcycle Financing Scheme
- Launched AEON Bank (M) Berhad, an associate company with a 50% equity interest

2023

- Launched Easy Payment digital onboarding
- Formulation of 3-Year Sustainability Roadmap
- Secured first Sustainability-Linked Loans ("SLLs") of RM600 million

2019

- Obtained Moneylending License under the Moneylenders Act 1951 and Moneylenders (Control and Licensing) Regulations 2003

2020

- Issued RM500 million inaugural senior sukuk

2021

- Issued RM200 million inaugural subordinated sukuk
- Launched AEON Protect

2022

- Launched the AEON Privilege Card for Hawkers and Petty Traders
- Acquired 100% equity interest in AEON Insurance Brokers (M) Sdn. Bhd. (formerly known as Insurepro Sdn. Bhd.)
- Obtained an Islamic digital bank license with AEON Financial Service Co., Ltd., Japan

2018

- Launched AEON Platinum credit card (Visa and MasterCard)
- Launched the AEON Member Plus Visa Card and AEON Wallet
- Launched the Financial Literacy Programme

2017

- Launched Hire Purchase Islamic (HP-i) Scheme for Auto Finance and Motorcycle Finance Business

2016

- Launched AEON Member Plus Card

2015

- Launched AEON BiG co-brand credit card with Visa payWave function
- 60th branch opens in Sibu, Sarawak
- Launched Merchant Online Web System ("MOS")

2008

- Regional office expansion in Penang, Johor and Pahang
- Launched Used Car Easy Payment Scheme

2009

- Launched New AEON Card with AEON CO. (M) BHD.
- Expansion of service centres and offices in Melaka, Sarawak, Perak, Johor and Kedah
- Set up representative office in Mumbai, India
- Launched RM150 million asset-backed medium term notes programme

2010

- Offered Motorcycle Easy Payment Scheme for higher cubic capacity motorcycle

2011

- Launched RM200 million single investor medium term programme
- Launched AEON Prepaid Card

2012

- Launched nationwide Used Car Easy Payment Scheme

2013

- Offered Auto Finance Easy Payment Scheme for new cars
- Launched RM400 million Perpetual Sukuk Programme and RM400 million Perpetual Private Debt Securities Programme

2007

- Launched RM400 million commercial paper/medium term notes programme
- Listed on Main Board of Bursa Malaysia Securities Berhad

2006

- Launched specific purpose financing
- Established 3 service centres in JUSCO Shopping Centres bringing our nationwide network to 24

2005

- Started an insurance sales business
- Obtained approval from Bank Negara Malaysia ("BNM") to issue credit cards
- Launched AEON and JUSCO Credit Cards

2004

- Expansion of Personal Financing Scheme to major towns nationwide
- Entered into agreements with Visa International Service Association and MasterCard International Incorporated to issue credit cards

2003

- Launched Personal Financing Scheme
- Setup first AEON Credit Service Centre in Kuala Lumpur

1996

- Incorporated on 6 December 1996

1997

- Commenced operations by providing General Easy Payment Scheme

1998

- Issuance of AEON Express Card (a privilege card)
- Expansion of General Easy Payment Scheme to Ipoh, Perak and Melaka

1999

- Expansion of General Easy Payment Scheme and operations to East Malaysia

2001

- Set up branches in Sarawak and Johor

2002

- Launched Motorcycle Easy Payment ("MEP") Scheme
- Changed name from ACS Credit Service (M) Sdn. Bhd. to AEON Credit Service (M) Sdn. Bhd.

AWARDS & RECOGNITIONS



2024 ASEAN FINTECH EXCELLENCE AWARD

Recognised by: KSI Strategic Institute for Asia Pacific



SUSTAINABILITY & CSR MALAYSIA AWARDS 2024

Company of The Year (Financial Services) for Outstanding Community Engagement

Awarded by: CSR Malaysia



NATIONAL CORPORATE GOVERNANCE & SUSTAINABILITY AWARDS ("NACGSA") 2024

Awarded by: Minority Shareholders Watch Group ("MSWG")



BEST WAKALAH SUKUK IN SOUTHEAST ASIA AND BEST SUKUK DEAL OF THE YEAR 2024

RM5 Billion Sukuk Wakalah & Murabahah Programme: Series V, VI & VII

Awarded by: Alpha Southeast Asia



ISO 9001:2015
Quality Management Systems



ISO/IEC 27001:2022
Information Security Management Systems



ISO 14001:2015
Environmental Management Systems



ISO 37001:2016
Anti-Bribery Management Systems

INDICES AND RATINGS



Constituent of the
FTSE4Good
Bursa Malaysia
Index



'AA'
rating for
MSCI ESG
Rating 2025



SUSTAINALYTICS

Achieved
medium risk
rating score of
22.3

CREDIT RATINGS

Affirmed by RAM Rating Services Berhad

AA₃/Stable

Senior Sukuk
Wakalah Programme

A₁/Stable

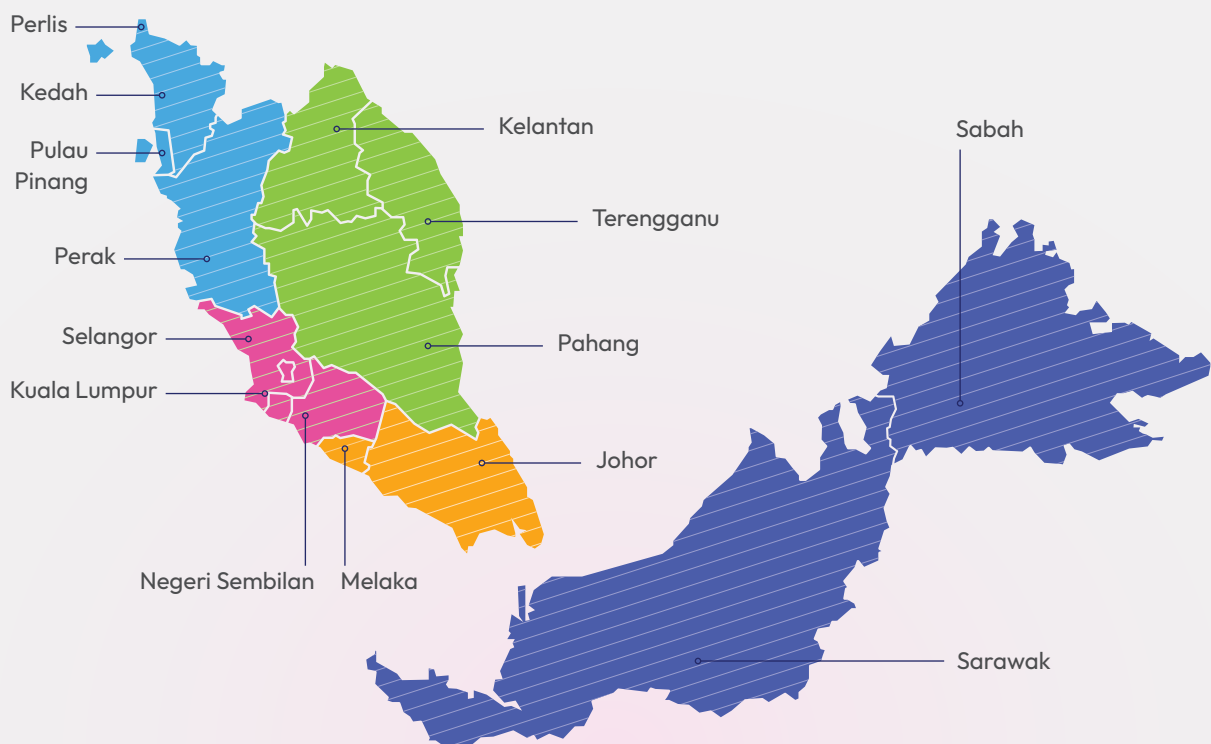
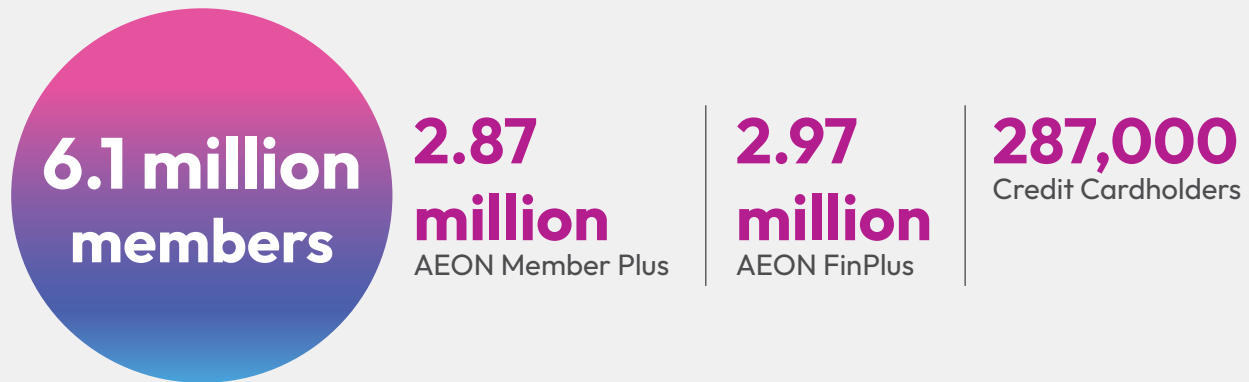
Subordinated Sukuk
Wakalah Programme

P1

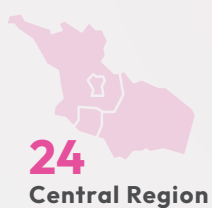
Islamic Commercial Papers ("ICP") Programme

OUR PRESENCE

The Group currently has 1 operation centre, 5 regional offices, 60 branches and service centres located in the major shopping centres and towns, a network of more than 7,000 participating merchant outlets nationwide, along with a subsidiary company and an associate company.



60 Branches & Service Centres



VALUE CREATION MODEL

INPUTS



INTELLECTUAL CAPITAL

Brand reputation, systems, innovation, and partnerships that strengthen our edge:

- Serving underserved communities since 1996
- Strong brand presence in key markets; market leader in motorcycle financing
- Strategic partnerships and digital initiatives to promote financial inclusivity and sustainability



FINANCIAL CAPITAL

Financial resources and access that enable growth and sustains value creation:

- Total Assets: RM14.34 billion
- Total Equity: RM2.83 billion
- Market Capitalisation: RM2.96 billion



HUMAN CAPITAL

Nurturing employee skills and well-being to deliver service excellence and drive a culture of innovation and performance:

- A dedicated workforce of 3,291 talented, agile & diverse employees inspired to achieve operational excellence
- Providing mental health support via Naluri and maintaining a safe working environment
- Investment of RM3.07 million in Learning & Development programmes and RM4.42 million for Staff Welfare



MANUFACTURED CAPITAL

Fixed assets and digital infrastructure that facilitate the provision of products and services to customers:

- 60 branches and services centres
- Seamless AEON Wallet
- Concentrated effort to enhance delivery of digital solutions and deployment of automated processes through IT development and infrastructure



SOCIAL AND RELATIONSHIP CAPITAL

Strengthening stakeholder relationships and empowering communities by:

- Investing RM2.43 million in community programmes
- Delivering financial literacy programmes to primary schools, equipping them with the basic financial knowledge
- Building long-term partnerships with total 5,366 vendors and business partners



NATURAL CAPITAL

The natural resources used in the Group's operations and environmental protection efforts:

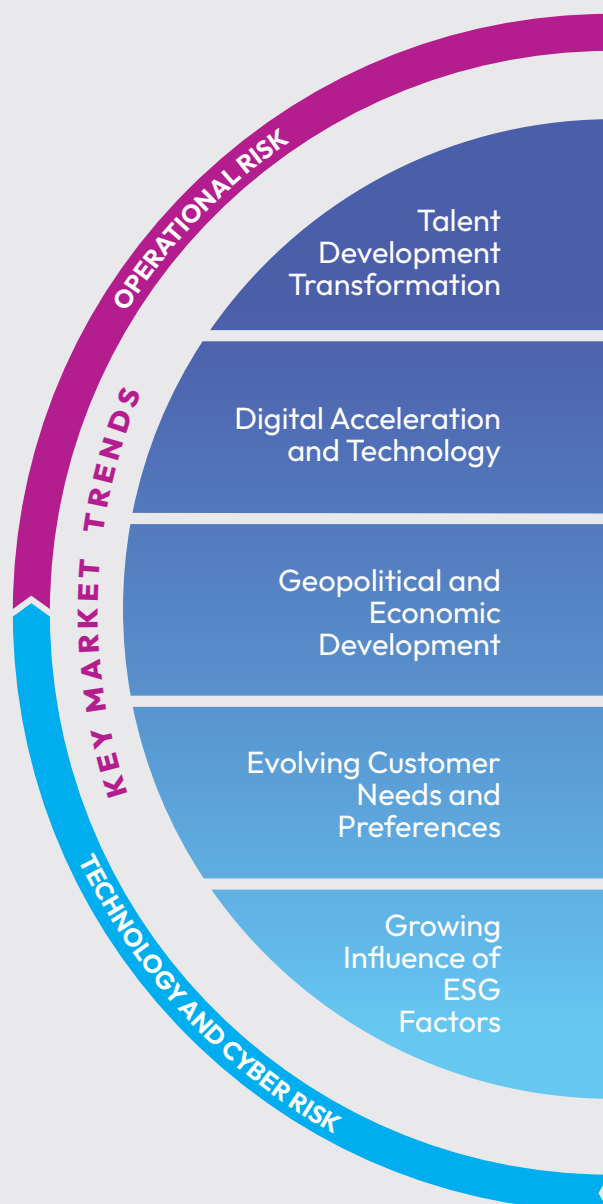
- Focus on green and social financing
- Efforts to protect and conserve the natural environment

VALUE CREATION ACTIVITIES

OUR PURPOSE: BRING FINANCE

AEON GROUP FUTURE VISION:

Create a future lifestyle that leads to a smile for each and every person



CODE OF ETHICS



Integrity & Sincerity



Respect & Fairness

STRATEGIC DRIVERS

OUTPUTS

CLOSER TO EVERYONE

AEON FOUNDATIONAL IDEALS:

- Pursuing peace
- Respecting humanity
- Contributing to local communities
- Always with customer as our starting point

Driving Cost Efficiency through Digital Transformation and Automation

Customer Acquisition and Cross-Selling via AEON Wallet and AEON Loyalty Programme

Enhancing Competitiveness via FinPlus Membership and Pre-Approval Model

Establishing AI Infrastructure and Data-Driven Management

Deepening Collaborations within AEON Group of Companies in Malaysia

Talent Development and ESG Integration

FINANCIAL RISK

STRATEGIC RESPONSE

CREDIT RISK



Confidentiality



Competence



Objectivity

KEY PRODUCTS AND SOLUTIONS

Inclusive of credit services that meet the needs of the underserved and middle-income group



PRODUCT FINANCING

- Auto Financing
- Motorcycle Financing
- Objective Financing



PERSONAL FINANCING



CREDIT CARDS



PREPAID CARDS AND AEON WALLET



SME FINANCING



INSURANCE
Insurance brokerage distributed by AEON Insurance



ISLAMIC DIGITAL BANK
Islamic Digital Bank provided by AEON Bank



AEON LOYALTY PROGRAMME
to reward customers based on level of engagement

IMPACT ON STAKEHOLDERS
INNOVATIVE SOLUTIONS TO OUR CUSTOMERS

Awards and recognition received:

- Outstanding Community Engagement Award by CSR Malaysia
- Best Wakalah Sukuk in Southeast Asia and Best Sukuk Deal of the year 2024 by Alpha Southeast Asia
- Constituent of the FTSE4Good Index

GENERATING FINANCIAL VALUE FOR ECONOMY AND SHAREHOLDERS

- Profit after tax: RM370.61 million (FYE2024: RM424.02 million)
- Dividend per share: 28.75 sen (FYE2024: 28.25 sen)
- Earnings per share: 72.58 sen (FYE2024: 81.08 sen)
- Return on equity: 13.60% (FYE2024: 16.70%)
- Income tax paid: RM133.09 million (FYE2024: RM126.96 million)

NURTURING OUR WORKFORCE

- 36% representation of women on the Board
- Average hours of training per employee: 29.3 hours (FYE2024: 21.3 hours)
- Employee retention rate: 83.0% (FYE2024: 81.8 %)
- Diversity of workforce: Male: 1,133 (34%); Female: 2,158 (66%)
- Employee engagement survey score: 79 (FYE2024: 77)

ENSURING ACCESS AND CONVENIENCE FOR OUR CUSTOMERS

- Net Promoter Score of +41 (February 2024: +30)
- Collection via AEON Wallet repayment function: RM1.67 billion (FYE2024: RM959 million)
- Established AEON Living Zone project

SOCIAL AND RELATIONSHIP IMPACTS

- Total no of communities reached: 3,808 pax (FYE2024: 5,404)
- Total expenditure on local suppliers: RM481 million (FYE2024: RM422 million)
- Total volunteer hours for CSR programme: 4,564 hours (FYE2024: 3,652 hours)

ENVIRONMENTAL IMPACTS

- Achieved a 25% reduction in Scopes 1 and 2 GHG emissions compared to FYE2022 baseline under Sustainability-Linked Loans performance targets
- Planted 10,000 trees under Biodiversity Afforestation Programme





KEY RISKS AND MITIGATION

We adopt prudent risk management practices based on the Group's robust and comprehensive Risk Management Framework to ensure that we are able to mitigate various types of risks arising in the ordinary course of our businesses. Here, we present a summary of the key business risks identified:

CREDIT RISK

R1

Credit risk measures the potential losses that are dependent on the borrower's ability and willingness to repay financial obligations in a timely manner.

Impact on Value	Mitigation Strategies	FYE2025 Results
<ul style="list-style-type: none"> Surge in impairment losses and non-performing loans Lower profitability and growth performance <p> Link to Impact on relevant Capital</p>   	<ul style="list-style-type: none"> Implement an appropriate and effective Policy of Credit Risk Management Adopt risk-based approach to identify potential distress early and take prompt recovery actions Set aside adequate provisions for credit losses whilst achieving acceptable risk versus reward performance Implement E-KYC to improve processing turnaround time and attracting better quality customer Establish appropriate Key Risk Indicator i.e. non-performing loans ("NPL") ratio and net credit cost ("NCC") ratio to monitor performance Conduct credit risk stress test scenarios to manage potential vulnerabilities 	<ul style="list-style-type: none"> The NCC ratio is within the "Satisfactory" threshold The NPL ratio is within the "Alert" threshold. We are focusing on a strategic shift in portfolio composition towards the middle-income group, supported by intensified collection activities The credit risk stress test results are within the tolerance limits, in all scenarios

FINANCIAL RISK

R2

Financial risk refers to the possibility of losing money on a business investment or decision which includes liquidity risk and interest rate risk.

Liquidity risk refers to the ability to fund potential asset growth and the continued ability to meet financial obligations as they become due. Interest rate risk is defined as the exposure of the financial condition to adverse movements in interest rates.

Impact on Value	Mitigation Strategies	FYE2025 Results
<ul style="list-style-type: none"> Unavailability of funds to sustain business Insufficient cash to meet financial obligations <p> Link to Impact on relevant Capital</p>  	<ul style="list-style-type: none"> Implement an appropriate and effective Policy of Financial Risk Management Maintain a diversified and balanced funding portfolio Prudent capital management Establish appropriate Key Risk Indicators i.e. capital adequacy ratio and profitability ratio Conduct interest rate risk and liquidity risk stress test scenarios to manage potential vulnerabilities 	<ul style="list-style-type: none"> The capital adequacy ratio and profitability ratio are within the "Satisfactory" threshold and well above the regulatory requirements The interest rate risk and liquidity risk stress test results are within the tolerance limits, in all scenarios



Intellectual



Financial



Human



Manufactured



Social and Relationship








Natural

OPERATIONAL RISK

R3





Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people, systems and/or external events.

Impact on Value	Mitigation Strategies	FYE2025 Results
<ul style="list-style-type: none"> Substantial loss due to fraud, bribery and corruption High staff attrition rate Significant penalties and fines due to regulatory breaches Loss of productivity and performance System/service disruption <p> <i>Link to Impact on relevant Capital</i></p>    	<ul style="list-style-type: none"> Implement an appropriate and effective Policy of Operational Risk Management Zero tolerance for internal fraud, bribery and corruption activities, while controls are put in place to effectively detect external fraud Ensure an effective control over attrition by implementing sound human resource policies and practices Adhere to the applicable laws and regulations Introduction of new products or services are subject to an evaluation process to ensure all related risks are identified and mitigated No appetite for health and safety risk exposure that could lead to injury or loss of life to customers and employees Establish appropriate Key Risk Indicators for incident monitoring i.e. fraud risk, bribery and corruption risk, staff attrition rate, regulatory breaches, health and safety risk as well as systems uptime Adhere to the Business Continuity Plan ("BCP") and Disaster Recovery Plan ("DRP") that have been put in place 	<ul style="list-style-type: none"> The fraud risk, bribery and corruption risk, staff attrition rate, regulatory breaches and health and safety risk are all within the "Satisfactory" threshold The systems uptime is within the "Satisfactory" threshold

TECHNOLOGY AND CYBER RISK

R4

Technology and Cyber risk is the combination of the probability of an incident occurring within the realm of the Group's information system assets and operating environment.

Impact on Value	Mitigation Strategies	FYE2025 Results
<ul style="list-style-type: none"> Financial loss and reputation damage due to breaches in data integrity and availability <p> <i>Link to Impact on relevant Capital</i></p>   	<ul style="list-style-type: none"> Implement an appropriate and effective Policy of Cyber and Cloud Security Develop and implement Cyber Security Programs to strengthen the Group's information systems, including cyber security drill Implement an Information Security Management System ("ISMS") to secure information, increase resilience to cyber attacks, and reduce the costs associated with information security Conduct continuous cyber security awareness programs/trainings such as phishing email attack tests and e-learning modules on information security Perform assessment of the vulnerabilities of its operating environment Conduct annual penetration tests on internal and external network infrastructure as well as critical systems Establish appropriate Key Risk Indicators to monitor/manage cyber risk 	<ul style="list-style-type: none"> The cyber risk is within the "Satisfactory" threshold Vulnerabilities Assessments and penetration tests have been conducted to identify risks related to Information Technology ("IT") security and cyber security



Intellectual



Financial



Human



Manufactured



Social and Relationship



Natural

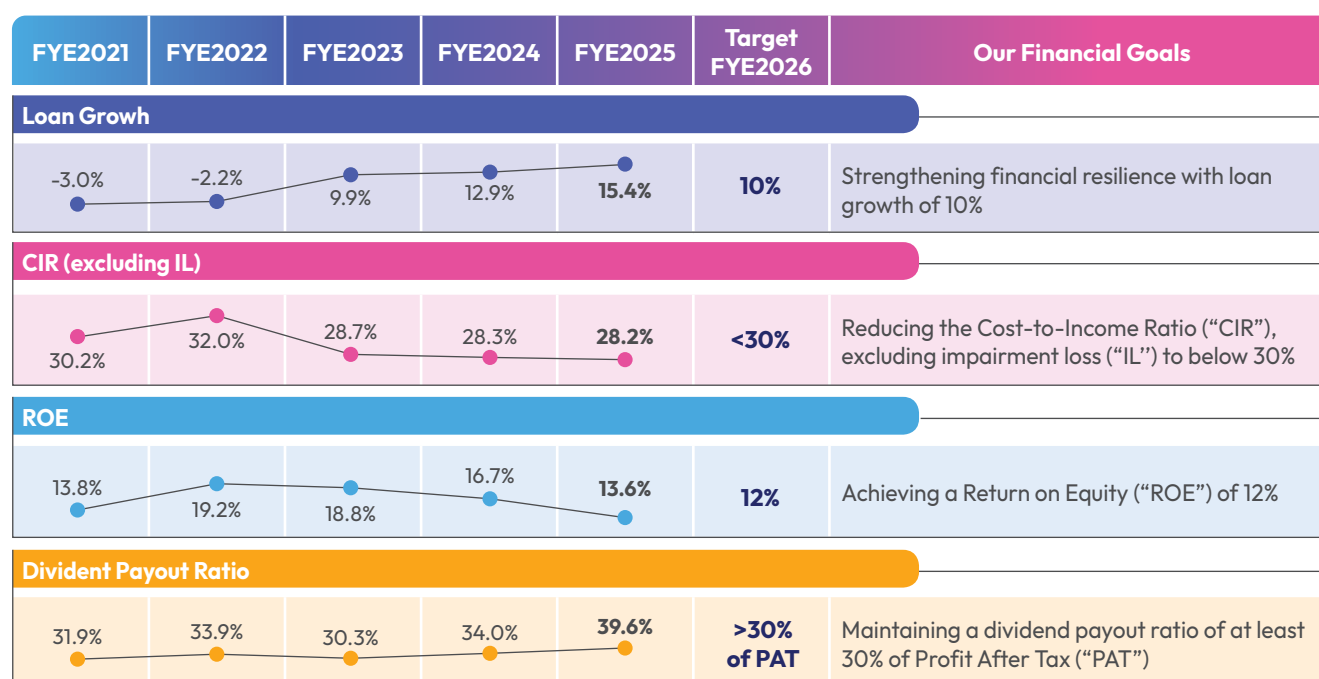
AEON CREDIT'S STRATEGIC DIRECTION

In FYE2025, we advanced our strategic priorities by enhancing technological capabilities and broadening our product and service offerings, driving faster turnaround, greater efficiency and increased agility.

As we enter the final year of our mid-term plan in FYE2026, we remain focused on driving sustainable growth, optimising costs and leveraging Group synergies to strengthen our market position.

To achieve these objectives, we are focused on improving the Group's performance through strategic revenue expansion, cost optimisation and continuous operational enhancements. These initiatives are designed to ensure a seamless transition into our next growth phase while reinforcing AEON Credit's position in a rapidly evolving financial landscape.

Our key performance indicators for FYE2026 include:



Six Strategic Pillars

- 1 Customer Acquisition & Cross-Selling via AEON Wallet & AEON Loyalty Programme
- 2 Driving Cost Efficiency through Digital Transformation & Automation
- 3 Enhancing Competitiveness via FinPlus Membership & Pre-Approval Model
- 4 Establishing AI Infrastructure & Data-Driven Management
- 5 Deepening Collaborations within the AEON Group of Companies in Malaysia
- 6 Talent Development & ESG Integration

Priorities for 2025



Strengthening Market Position with Six Strategic Pillars

1 Customer Acquisition & Cross-Selling via AEON Wallet & AEON Loyalty Programme

We are leveraging AEON's unique ecosystem, spanning retail, financial services and banking, to strengthen customer engagement, acquire quality middle-income group customers and increase cross-selling opportunities.

- **AEON Wallet** is evolving into a unified lifestyle and financial app, enabling seamless transactions, membership access and future features that will deepen user engagement.
- **AEON Point** integrates loyalty across the AEON Group, rewarding customers for their total spend, encouraging repeat usage and enhancing stickiness.
- **Tiered Membership** rewards customers more as they engage, offering personalised financial product based on their shopping and financial behaviours, all easily accessible via our app.
- **AEON Living Zone** expands its touchpoints across communities, increasing convenience and enabling ecosystem-wide engagement to maximise customer lifetime value.

2 Driving Cost Efficiency through Digital Transformation & Automation

To stay competitive and lean, we are digitising core operations, automating repetitive processes and deploying intelligent tools to reduce operating expenses and improve productivity.

- Implement AI-driven voicebot in collections to automate partial outbound calls, reducing manpower dependency.
- Leverage new collection system functionality, dunning by pool and assigning one agent per multi-account customer, improving collection efficiency and performance.
- Credit automation, combining OCR and data analytics, increase auto-approval ratio to 51% and raise the percentage of applications assess within 5 minutes, enhancing customer experience and back-office efficiency.

3 Enhancing Competitiveness via FinPlus Membership & Pre-Approval Model

FinPlus is our upgraded membership programme designed to attract financially sound, middle-income group customers through instant credit limit approvals and exclusive benefits.

- **FinPlus Financing** provides fast-track approval for customers with strong credit scores, enabling higher credit limits and prioritised services, improving the quality of our receivable's portfolio through better risk selection.

4 Establishing AI Infrastructure & Data-Driven Management

We are establishing data-driven management unit, responsible for consolidate data and support analytics, decision-making and hyper-personalisation across our business.

- **Data Management Unit** ensures data consistency, quality, and accessibility through a unified governance framework, enabling trusted data for AI and analytics applications.
- **AI Tools & Chatbots** improve internal efficiency (e.g., fast company policies lookup) and customer experience while reducing reliance on manual tasks.

5 Deepening Collaborations within AEON Group of Companies in Malaysia

We are strengthening synergies with AEON Retail and AEON Bank to deliver a seamless financial experience to customers.

- **Cross-Selling AEON Bank Products** through AEON Wallet, in-branch support and merchant partnerships enables us to expand access to deposits, financing, and digital banking services, enhancing customer value and revenue streams.

6 Talent Development & ESG Integration

We believe sustainable success lies in empowering people and embedding responsible business practices across the organisation.

- **People Development:** Building an innovation-driven culture with high employee engagement, positioning AEON as an employer of choice.
- **ESG Leadership:** Embedding ESG into strategies to create value and position AEON Credit as a leading ESG-focused company.

- 
- 51 Board of Directors' Profiles
57 Key Senior Management Profiles

Leadership Team

BOARD OF DIRECTORS' PROFILES



NG ENG KIAT

Chairman

Non-Independent Non-Executive Director



Age
72



Gender
Male



Nationality
Malaysian

Board Meeting Attended **14/14**

Ng Eng Kiat was appointed as the Chairman of AEON Credit Service (M) Berhad ("AEON Credit") on 8 May 2018. Prior to his appointment, he was an Independent Non-Executive Director of AEON Credit since 7 August 2007, and subsequently re-designated as a Non-Independent Non-Executive Director on 23 January 2019.

He is a member of the Malaysian Institute of Accountants ("MIA"), Malaysian Institute of Certified Public Accountants ("MICPA") and a fellow member of the Chartered Tax Institute of Malaysia. He has more than 40 years of experience in the field of audit, accountancy, corporate services and taxation. He had previously served as a member on a number of working groups of the Malaysian Accounting Standards Board, a co-opted member on a number of committees of the MICPA and an examiner for the final professional examination of the MICPA. He had also represented MIA as a member of the audit licensing panel under the auspices of the Ministry of Finance.

Presently, he is the Senior Partner/Adviser of the merged firm of Chartered Accountants practising under the names of Azman, Wong, Salleh & Co and Folks DFK & Co. He is also a director of several private limited companies that provide professional services in relation to his role at the merged firm.

He does not hold any directorship in other public or public listed companies.

Shareholding in the Company: 42,642 ordinary shares

Conflict of interest: Nil



DAISUKE MAEDA

Managing Director



Age
49



Gender
Male



Nationality
Japanese

Board Meeting Attended **14/14**

Daisuke Maeda was appointed as the Managing Director of AEON Credit on 23 June 2021. Prior to his appointment, he was the Managing Director of AEON Credit Service India Private Limited from July 2017 to June 2021.

Maeda holds a Bachelor's Degree in Sociology from Kansai University, Japan. He started his career at AEON Credit Service Co., Ltd. from 1999 to 2005. He was transferred to AEON Thana Sinsap (Thailand) PCL. in August 2005. Later, he was appointed as the Senior Vice President and Head of Sales & Marketing, holding various positions throughout the years until February 2010.

Maeda was seconded to the Representative Office in Cambodia where he held the position of Chief Representative from February 2010 to October 2011. In November 2011, Maeda established AEON Microfinance (Cambodia) Co., Ltd., where he held the roles of Managing Director and Vice Chairman of the company. Under his leadership, AEON Microfinance (Cambodia) Co., Ltd. obtained a Specialised Bank License from the National Bank of Cambodia, and became AEON Specialised Bank (Cambodia) Co., Ltd. where he continued as Managing Director and Vice Chairman from October 2015 to June 2017.

Currently, he is also a Non-Independent Non-Executive Director of AEON Insurance Brokers (M) Sdn. Bhd. ("AEON Insurance") and a Non-Independent Executive Director of AEON Bank (M) Berhad ("AEON Bank"), an associate company of AEON Credit.

Other than AEON Credit, AEON Insurance and AEON Bank, he does not hold any other directorship in other public or public listed companies.

Shareholding in the Company: N/A

Conflict of interest: Does not have any other conflict of interest with the Company or its subsidiary, except by virtue of being a seconded employee from AEON Financial Service Co., Ltd. ("AFS") to the Company, which gives rise to conflict of interest in connection with recurrent related party transactions as disclosed in our RRPT circular dated 23 May 2025.

BOARD OF DIRECTORS' PROFILES



**S SUNTHARA MOORTHY
A/L S SUBRAMANIAM**

Independent Non-Executive Director



Age
63



Gender
Male



Nationality
Malaysian

Board Meeting Attended **14/14**

S Sunthara Moorthy A/L S Subramaniam was appointed as an Independent Non-Executive Director of AEON Credit on 1 March 2018. He is a Fellow Member of the Association of Chartered Certified Accountants ("ACCA") and a Chartered Accountant with the MIA.

He has over 30 years of experience, mainly in general management, strategic business development, corporate finance, accountancy, tax, and audit. Sunthara began his career in an audit practice in London, United Kingdom from 1986 to 1995, prior to joining UEM Edgenta Berhad ("UEME") (formerly known as Faber Group Berhad) in 1995, where he served for 16 years. He held a few key positions and prior to leaving UEME, he was the Chief Executive Officer of a wholly-owned subsidiary of UEME, while concurrently holding the position of the Director of Corporate Services of UEME. He subsequently joined Eversendai Corporation Berhad as an Executive Director in October 2011 and was also a Board member until March 2017.

He was appointed as the Chairman of AEON Insurance with effect from 1 July 2023.

At AEON Credit today, he is the Chairman of the Audit Committee and a member of the Nomination and Remuneration Committee of the Company. He does not hold any directorship in other public or public listed companies.

Shareholding in the Company: N/A

Conflict of interest: Nil



**DATUK ADINAN
BIN MANING**

Senior Independent Non-Executive Director



Age
68



Gender
Male



Nationality
Malaysian

Board Meeting Attended **14/14**

Datuk Adinan bin Maning was appointed as an Independent Non-Executive Director of AEON Credit on 28 June 2018. On 23 January 2019, he was appointed as a Senior Independent Director.

Datuk Adinan has 38 years of working experience, of which 30 years have been in banking. He started in 1980 with Bank Bumiputra Malaysia Berhad and had in the last 10 years of his career served as the Chief Executive Officer of Bank Simpanan Nasional ("BSN"). Throughout his career, he had exposure in various industries such as property development and construction, manufacturing, loan recovery, assets management, investment and insurance.

On 1 September 2019, he was appointed as a Board member of Urusharta Jamaah Sdn. Bhd. ("UJSB"), a company owned by MOF Inc. Presently, he is the Chairman of its Board Audit and Risk Committee and a member of its Nomination and Remuneration Committee.

Datuk Adinan was the President of the World Savings Bank Institute (Asia Pacific Region) and had served as Treasurer of Persatuan Badan Berkanun Malaysia and was a council member of the Association of Development Financial Institutions of Malaysia.

He had also served as the Non-Executive Chairman of Prokhas Sdn. Bhd. and Non-Executive Chairman of BSNC Corporation Berhad. He was also a Board member of BSN, Prudential BSN Takaful Berhad, Permodalan BSN Berhad, and Gibraltar BSN Life Berhad. Today, he is also an Independent Director of TH Heavy Engineering Berhad ("THHE"), THHE Fabricators Sdn. Bhd., as well as UJ Estates (Holdings) Sdn. Bhd., all of which are subsidiary companies of UJSB.

He was the Chairman of AEON Bank from February 2023 to November 2023.

At AEON Credit today, he is the Chairman of the Board Risk Committee and the Chairman of the Nomination and Remuneration Committee of the Company. Other than the above disclosures, he does not hold any directorship in other public or public listed companies.

Shareholding in the Company: N/A

Conflict of interest: Nil



DATIN YASMIN AHMAD MERICAN

Independent Non-Executive Director



Age
74



Gender
Female



Nationality
Malaysian

Board Meeting Attended **12/14**

Datin Yasmin Ahmad Merican was appointed as an Independent Non-Executive Director of AEON Credit on 23 January 2019. A business transformation practitioner, her professional focus continues to be in competitive marketing and business strategy development. She holds an MBA in Strategic Marketing (Distinction) from the University of Hull, United Kingdom.

As a former partner of Ernst & Young in Malaysia and a partner with EY Global Client Consulting, she led the development of knowledge and customer management solutions for the international firm from the mid to the end of the 1990s in their Asia Pacific market. In 2000, she founded Trax Associates and since then has supported the enhancement of organisational capabilities in marketing, customer engagement, product development and reputation management at some of Malaysia's largest companies over the past two decades. Between 2006 and 2008, she worked with the Ministry of International Trade & Industry to develop a new framework on nation branding in the Third Industrial Master Plan 3 (2006-2020). She also sat on the board of the Malaysian Productivity Corporation and was an industry advisor to the Monash University School of Information Technology in Malaysia for two terms between 2008 and 2012. In 2013, she authored and published 'The Right to Brand', a business book case studying brand development at national institutions.

Currently, she is the Deputy Chair and a Governor of the Malaysian Institute of Corporate Governance and is a Board Trustee at AFS Intercultural Programs, an international organisation of 54 countries dedicated to intercultural learning, where she leads and chairs the Governance Committee.

With AEON, she has been a Non-Executive Director on the board of AEON Fantasy Sdn. Bhd. ("AEON Fantasy") since 2011 and was the President of the Malaysian AEON Foundation between 2019 and 2021. At AEON Credit, she is a member of the Nomination and Remuneration Committee and a member of the Board Risk Committee. She does not hold any directorship in other public or public listed companies.

Shareholding in the Company: 40,000 ordinary shares

Conflict of interest: Does not have any other conflict of interest with the Company or its subsidiary, except by virtue of being a Director of AEON Fantasy, which gives rise to conflict of interest in connection with recurrent related party transactions as disclosed in our RRPT circular dated 23 May 2025.



CHIN PIK YUEN

Independent Non-Executive Director



Age
60



Gender
Female



Nationality
Malaysian

Board Meeting Attended **14/14**

Chin Pik Yuen was appointed as an Independent Non-Executive Director of AEON Credit on 27 July 2023. She is a Certified Public Accountant of the MICPA and a Chartered Accountant of the MIA. She also holds a Postgraduate Diploma in Anti-Money Laundering from the University of Manchester, Manchester Business School, United Kingdom.

She started her career as a statutory auditor in 1988 and subsequently specialised in internal audit with two public listed groups of companies in the banking and capital market sectors for a period of 12 years. In these companies, she also took on various other functions during her service, including Internal Audit Professional Practices, Special Projects, Systems & Methods and Human Resources & Administration. She then moved on to a governance role with a US-based outsourcing company where she supported the Hong Kong operations. She subsequently returned to the banking and capital markets sector for 7 years in a risk and compliance role with a foreign bank and a local investment bank as head of group compliance, covering Hong Kong, Singapore, and the bank's other ASEAN-based subsidiaries.

She joined Securities Commission Malaysia in 2014 where she headed the Managed Investment Schemes Department and subsequently, the Authorisation & Licensing Department. Her final role was General Manager of Corporate Planning and Strategy Department before her retirement in 2021.

At AEON Credit today, she is a member of the Audit Committee of the Company. Other than AEON Credit and HeveaBoard Berhad, she does not hold any directorship in other public or public listed companies.

Shareholding in the Company: N/A

Conflict of interest: Does not have any other conflict of interest with the Company or its subsidiary, except by virtue of being an Independent Non-Executive Director of BondsUPERMART Sdn. Bhd. ("BondsUPERMART"), which may give rise to potential conflict of interest in connection with BondsUPERMART's related company that is offering banking services in the United Kingdom.

BOARD OF DIRECTORS' PROFILES



**FARAH SUHANAH
BINTI AHMAD SARJI**

Independent Non-Executive Director



Age
60



Gender
Female



Nationality
Malaysian

Board Meeting Attended **9/9**

Farah Suhanah binti Ahmad Sarji was appointed as an Independent Non-Executive Director of AEON Credit on 21 June 2024. She graduated with a Bachelor of Arts (Hons) in Law from the University of Kent in 1988 and was admitted as a Barrister-at-Law of the Middle Temple, London in 1989, and as an Advocate and Solicitor of the High Court of Malaya in 1996.

Farah has over 26 years of legal and commercial expertise across Malaysia on regulatory requirements, both locally and internationally, in the oil and gas, telecommunications and satellite industries as well as the palm oil plantation industry. She brings a wealth of experience and expertise to her role as a director, having held significant positions in various esteemed organisations over her illustrious career.

She retired as the Group Legal Counsel from IOI Corporation, a leading global integrated and sustainable palm oil player, a public listed company in Malaysia. Prior to this, she was General Counsel at MEASAT Global, a Malaysian telecommunications company for 10 years, whilst concurrently managing her own private legal firm where she advised on several expressway concessions. She was also a Partner in the Government Projects Practice area of Zaid Ibrahim & Co. for 7 years until 2003. Between 1989 to 1996, she served the Malaysian Government as a Magistrate in Kuala Lumpur, and as Deputy Public Prosecutor and Federal Counsel in the Attorney-General's Chambers.

At AEON Credit today, she is a member of the Audit Committee of the Company. Other than AEON Credit and Kluang Rubber Company (Malaya) Berhad, she does not hold any directorship in other public or public listed companies in Malaysia. Additionally, she is an Independent Non-Executive Director in Sunway Real Estate Investment Trust, and a Senior Independent Non-Executive Director in Anglo-Eastern Plantations Plc, a public listed company on the London Stock Exchange.

Shareholding in the Company: N/A

Conflict of interest: Nil



WAN CHEE KEONG

Independent Non-Executive Director



Age
62



Gender
Male



Nationality
Malaysian

Board Meeting Attended **3/3**

Wan Chee Keong was appointed as an Independent Non-Executive Director of AEON Credit on 1 December 2024. He graduated with First Class Honours in a Bachelor of Science in Computer Science from Universiti Kebangsaan Malaysia. Additionally, he holds an MBA in Finance from the International Islamic University Malaysia and has earned certifications in Leadership and Sustainability Leadership from the European Institute of Business Administration (Institut Européen d'Administration des Affaires, "INSEAD") and the Cambridge Institute of Sustainability Leadership, respectively.

He began his career as a Systems Analyst at the Ministry of Justice in 1985 before joining CIMB Bank Berhad ("CIMB") in 1988. Over the course of 36 years with CIMB, he held various roles and garnered vast experience in numerous aspects of banking operations, particularly in leveraging technology to accomplish organizational objectives.

His last position at CIMB was as a Senior Managing Director and Head of Group Technology for Business Services, where he led the IT functions for all revenue-generating business units, including Consumer Banking, Digital Banking, Wholesale Banking, Islamic Banking, Transaction Banking, and Commercial Banking. He also played a key role in the technology aspects of every merger and acquisition exercise undertaken by CIMB. He had also led the implementation of many critical IT applications in various regional CIMB locations in Indonesia, Thailand, Singapore, London, Hong Kong, and Shanghai. Having spent nearly his entire career at CIMB, he has experienced the evolution of both local and international banking industries.

At AEON Credit today, he is a member of the Board Risk Committee of the Company. Other than AEON Credit, he does not hold any directorship in other public or public listed companies.

Shareholding in the Company: N/A

Conflict of interest: Nil

**NAOYA OKADA**

Non-Independent Non-Executive Director

Age
42Gender
MaleNationality
JapaneseBoard Meeting Attended **9/9**

Naoya Okada was appointed as a Non-Independent Non-Executive Director of AEON Credit on 21 June 2024. He started his career at JPMorgan Securities Japan Co., Ltd. after obtaining his Master of International Public Policy and Management from the University of Southern California, USA.

After seven years in the Investment Banking Division as an Analyst and later as an Associate, he joined AEON Co., Ltd. in 2015. He has had an illustrious seven-year career ranging from Management Trainee to Store Manager in AEON, managing sales and operation planning. Before coming to Malaysia, Okada headed the Project Team for AEON Co., Ltd., which conducted research and business planning and eventually led to the establishment of Bio C'Bon Japon, a joint-venture ("JV") company with a French company. Bio C'Bon Japon operates an organic speciality supermarket business in Japan where Okada served as Managing Director between 2019 to mid-2022. He joined AEON CO. (M) BHD. as Deputy Managing Director/Chief Operating Officer in July 2022 before his appointment as Managing Director on 1 March 2024.

Other than AEON Credit and AEON CO. (M) BHD., he does not hold any directorship in other public or public listed companies.

Shareholding in the Company: N/A

Conflict of interest: Does not have any other conflict of interest with the Company or its subsidiary, except by virtue of being the Managing Director of AEON CO. (M) BHD. and Chairman of AEON BiG (M) Sdn. Bhd., which gives rise to conflict of interest in connection with recurrent related party transactions as disclosed in our RRPT circular dated 23 May 2025.

**TSUTOMU OMODERA**

Non-Independent Non-Executive Director

Age
61Gender
MaleNationality
JapaneseBoard Meeting Attended **8/9**

Tsutomu Omodera was appointed as a Non-Independent Non-Executive Director of AEON Credit on 21 June 2024. He obtained a Bachelor's Degree of Faculty of Engineering from Kobe University, Japan.

During his earlier career, he held significant roles at ACS Credit Service Co., Ltd. From 2013 to 2015, he served as an Executive Officer and subsequently held the positions of Director and Executive Officer between 2015 and 2019. Moreover, his leadership at AEON Bank, Ltd., where he was an Executive Officer from 2006 to 2013, laid the foundation for his expertise in financial services.

From 2018 to 2020, he was the Managing Director of ACS Credit Management Co., Ltd. in Japan. In this position, he oversaw critical management functions and contributed to the company's robust financial performance. In 2019, he served as a Non-Executive Director of AEON Credit Service Co., Ltd.

From 2020 to 2024, he served as a Non-Executive Director of ACS Servicing (Thailand) Co., Ltd. During the same period, he was also the Managing Director of AEON Thana Sinsap (Thailand) PLC. He also held the position of Chairman at AEON Specialized Bank (Cambodia) PLC. from 2021 to 2024. Currently, he serves as an Executive Officer at AEON Financial Service Co., Ltd. ("AFS"), a position he has held since 2024. He does not hold any directorship in other public or public listed companies.

Shareholding in the Company: N/A

Conflict of interest: Does not have any other conflict of interest with the Company or its subsidiary, except by virtue of being an Executive Officer of AFS, which gives rise to conflict of interest in connection with recurrent related party transactions as disclosed in our RRPT circular dated 23 May 2025.

BOARD OF DIRECTORS’ PROFILES



LEE TYAN JEN
Executive Director

Age
51

Gender
Female

Nationality
Malaysian

Board Meeting Attended **14/14**

Lee Tyan Jen was appointed as an Executive Director of AEON Credit on 1 July 2013. She obtained a Bachelor’s Degree in Business Administration from the University of South Alabama, USA in 1996.

She joined AEON Credit in 1998 as an officer in the Credit Assessment Department. Subsequently, she was promoted to various positions in the Credit Assessment Department and was appointed as the Assistant General Manager in 2006. In 2008, she was promoted to General Manager and served as the Head of Credit Assessment Group before assuming the position of Head of Business Operations Division in April 2015. In April 2016, she was designated as the Chief Operating Officer of the Company and as Head of Customer Service and Operations Division. Subsequently, her portfolio was expanded to include Head of IT Group in March 2017. She was redesignated as Chief Information Officer and Head of IT Division in April 2019. In July 2020, her strengths in customer service and IT were combined under the new leadership position of Head of IT & Customer Service Division.

In July 2021, her exemplary performance led to her appointment as Chief Operating Officer, while still heading her existing division and also serving additionally as Head of Marketing & Business Development Division.

Currently, she holds the position of Chief Operating Officer, Head of Marketing and Business Development Division and Head of the AEON Living Zone & DX Division.

She does not hold any directorship in other public or public listed companies.

Shareholding in the Company: 84,514 ordinary shares

Conflict of interest: Nil

Note:

Save as disclosed in this IAR 2025, all Directors listed on page 51 to 56 have no family relationship with any Director and/or major shareholder of the Company, nor have been convicted of any offence within the past five years or been subjected to any public sanctions or penalties charged by relevant regulatory bodies during the financial year, other than traffic offences, if any.

KEY SENIOR MANAGEMENT PROFILES



DAISUKE MAEDA
Managing Director

49 Male Japanese

Date of Appointment

23 June 2021

Academic/Professional Qualification

Bachelor's Degree in Sociology

Directorship/Relevant Appointments

Board Member

Relevant Experience

His profile is disclosed in the Directors' Profiles on page 51 of this IAR



LEE TYAN JEN
Chief Operating Officer

51 Female Malaysian

Date of Appointment

1 July 2021

Academic/Professional Qualification

Bachelor's Degree in Business Administration

Directorship/Relevant Appointments

Board Member

Relevant Experience

Her profile is disclosed in the Directors' Profiles on page 56 of this IAR



LEE KIT SEONG
Chief Corporate Officer

56 Male Malaysian

Date of Appointment

1 July 2020

Academic/Professional Qualification

ACCA (Fellow), MIA

Present Directorship in Other Public Companies

NIL

Past Experiences

- More than 25 years of experience in the financial industry with a focus on finance & accounting, corporate finance, corporate management, governance, risk management and compliance.
- Served other financial institutions prior to joining AEON Credit in 2012 as Assistant General Manager of Finance, Legal & Admin Division.
- Designated as Chief Financial Officer in 2014 and remained in that position until 2020.
- Currently holds the position of Chief Corporate Officer.
- Also serves as a Non-Independent Non-Executive Director of AEON Insurance Brokers (M) Sdn. Bhd. ("AEON Insurance").

Note:

Save as disclosed in this IAR 2025, none of the Group Key Senior Management has any family relationships with any Director and/or major shareholder of AEON Credit, any conflict of interest or potential conflict of interest, including interest in any competing business with the Company or its subsidiary or any conviction for offences within the past 5 years, except for traffic offences, if any.

KEY SENIOR MANAGEMENT PROFILES



LEE SIEW TEE
Chief Financial Officer



55



Female



Malaysian

Date of Appointment

1 July 2020

Academic/Professional Qualification

ACCA (Fellow), MIA, Master of Business Administration

Present Directorship in Other Public Companies

NIL

Past Experiences

- More than 25 years of experience across various fields including audit, finance, accounting and taxation in listed and private companies.
- She joined AEON Credit in 2019 as Head of Finance Group and was appointed as the Chief Financial Officer in July 2020.
- Currently holds the position of Chief Financial Officer in which her purview encompasses the Finance & Accounting Group, Strategic Planning & Reporting Group, Group Corporate Management, Legal Department and Compliance Department.
- Also serves as a Non-Independent Non-Executive Director of AEON Insurance.



NAOMI MIKUNI
Chief Credit Officer



54



Female



Japanese

Date of Appointment

1 October 2022

Academic/Professional Qualification

Diploma in international Business Administration

Present Directorship in Other Public Companies

NIL

Past Experiences

- More than 25 years of experience overseeing a wide range of operations including credit control and analysis, customer service, branch management, operation centre management and business development.
- Prior to joining AEON Credit, she was the Executive Director of AEON Microfinance (Myanmar) Co., Ltd. and later became the Managing Director in 2019.
- Currently holds the position of Chief Credit Officer.



FAIZUL BIN HAMZAH
Chief Risk Officer



48



Male



Malaysian

Date of Appointment

1 July 2020

Academic/Professional Qualification

Bachelor of Business Administration

Present Directorship in Other Public Companies

NIL

Past Experiences

- Having joined AEON Credit in 2001, he has more than 20 years of working experience in areas such as credit assessment, customer service, product development, corporate affairs and corporate governance.
- Prior to his current position, he served as Head of Corporate Governance & Risk Management Division.
- Currently holds the position of Chief Risk Officer.



KEN SHINOHARA
Chief Information Officer

56 Male Japanese

Date of Appointment

1 July 2023

Academic/Professional Qualification

Bachelor of Arts

Present Directorship in Other Public Companies

NIL

Past Experiences

- More than 20 years of experience in the IT field including IT planning, information systems, back-up office system development and payment systems.
- His vast experience encompasses retail, pharmacy and financial services companies under the AEON Group.
- He was appointed as the Executive Officer, heading the IT Department at Takiya Drug Stores Co., Ltd. in 2014 and became the President of AEON Credit Service Systems (Philippines) Inc. in 2016.
- Headed the Payment System Department in AEON Financial Service Co., Ltd. before joining AEON Credit and is currently leading the IT division.
- Currently holds the position of Chief Information Officer.



PHANG CHEE CHONG
Head of Internal Audit Division

58 Male Malaysian

Date of Appointment

1 July 2020

Academic/Professional Qualification

Master of Business Administration, CMIIA, CIA, CISA, CFE, CFSA, CRMA, CRISC, CGEIT, CBA

Present Directorship in Other Public Companies

NIL

Past Experiences

- Over 30 years of internal audit experience in banking, finance company, life & general insurance, stockbroking and unit trust companies.
- Was attached to other financial institutions and public listed companies prior to joining AEON Credit in February 2015 as Assistant General Manager, Head of Internal Audit Group.
- Redesignated as General Manager, Head of Internal Audit Group in June 2017, later promoted to Senior General Manager in December 2019 and is currently leading the Internal Audit Division.



JOHN TAN KOON SAN
Managing Director of AEON
Insurance Brokers (M) Sdn. Bhd.

54 Male Malaysian

Date of Appointment

1 April 2025

Academic/Professional Qualification

Bachelor's Degree in Business Administration

Present Directorship in Other Public Companies

NIL

Past Experiences

- Over 20 years of experience in business and technology, with specialised expertise in driving digital transformation within the insurance industry.
- Served other financial institutions prior to joining AEON Insurance in September 2024 as the Assistant General Manager to lead the Digital Transformation Project.
- He was appointed as the Managing Director of AEON Insurance in April 2025.



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Our Commitment to Good Corporate Governance

Sustainability Statement

▶ FYE2025 MILESTONES IN 3-YEAR SUSTAINABILITY ROADMAP IMPLEMENTATION

▶ INTRODUCTION

Guided by AEON Group's vision, we continue integrating sustainability into our business to help build a more inclusive, responsible, and brighter future for all.

- CONTINUING ALONG THE SUSTAINABILITY ROADMAP
- RECOGNITIONS

▶ OUR APPROACH TO SUSTAINABILITY

Discover how our stakeholder engagement and sustainability efforts drive long-term value, guided by material matters, contributions to the UN SDGs, and the ambitions behind our sustainability framework.

- SUSTAINABILITY GOVERNANCE
- STAKEHOLDER ENGAGEMENT
- HOW WE ENGAGE OUR STAKEHOLDER
- MATERIALITY ASSESSMENT
- SUSTAINABILITY MANAGEMENT
- PROGRESS REPORT ON OUR 3-YEAR SUSTAINABILITY ROADMAP

▶ PILLAR 1: CONDUCT AND TRUST

An overview of how AEON Credit upholds integrity, transparency, and strong ethics by ensuring constant compliance, fulfilling commitments, and maintaining robust governance - building trust and supporting long-term sustainability.

- EXCELLENT ETHICS, GOVERNANCE, RISK MANAGEMENT AND COMPLIANCE
- DATA SECURITY, IT INFRASTRUCTURE AND DIGITAL TRANSFORMATION
- BUSINESS INNOVATION, RESPONSIBLE MARKETING, PRODUCT AND SERVICE DESIGN
- TRANSPARENCY IN PROCUREMENT PROCESS

▶ PILLAR 2: CUSTOMER EXPERIENCE

AEON Credit places customers at the heart of our strategies, guided by the "Customer First" philosophy, to deliver exceptional experiences that drive loyalty and long-term growth.

- EXCELLENT CUSTOMER EXPERIENCE, SUPPORT AND ACCESS
- BUSINESS INNOVATION, RESPONSIBLE MARKETING, PRODUCT AND SERVICE DESIGN

▶ PILLAR 3: DIGITAL PRODUCT AND SERVICE TRANSFORMATION

The manner AEON Credit leverages digital transformation to drive innovation, enhance customer experience, and improve operational efficiency, strengthening our competitiveness in a fast-evolving digital landscape.

- EXCELLENT CUSTOMER EXPERIENCE, SUPPORT AND ACCESS
- BUSINESS INNOVATION, RESPONSIBLE MARKETING, PRODUCT AND SERVICE DESIGN
- FINANCIAL INCLUSION, SUSTAINABLE FINANCE AND FINANCIAL PERFORMANCE

▶ PILLAR 4: EMPLOYEE HEALTH, SAFETY AND WELL-BEING

How AEON Credit prioritises employee well-being, development, and inclusion, recognising a resilient workforce as key to long-term success.

- EMPLOYEE HEALTH, SAFETY AND WELL-BEING
- EMPLOYEE BENEFITS, EMPLOYEE ENGAGEMENT PROGRAMMES

▶ PILLAR 5: ENVIRONMENTAL STEWARDSHIP

Discover how AEON Credit brings to life our commitment to environmental stewardship, recognising that a healthy planet is essential for sustainable operations and long-term value creation.

- ENVIRONMENTAL MANAGEMENT
- CLIMATE ACTION

▶ PILLAR 6: CONTRIBUTING TO COMMUNITIES

Our approach to giving back by supporting vulnerable communities, promoting social inclusion, and celebrating cultural diversity in appreciation of the support behind our success.

- STRATEGIC COMMUNITY INVESTMENT



Developed

CLIMATE ACTION FRAMEWORK

PLANTED



10,000 trees across
20 hectares with
30 local forest tree species



Fulfilled Sustainability
Performance Target to
**disburse RM20 million for
Financial Inclusion financing**
from Sustainability-linked Loans
("SLLs")



Collected **2.41 tonnes**
of waste which were
properly disposed

FYE2025 Milestones in 3-Year Sustainability Roadmap Implementation

Reduced emissions equivalent to
4.42 metric tonnes CO₂e
through issuance of virtual
credit cards



Introduced
**Electric
Motorcycle
Financing Scheme**
for employees



Conducted
3 initiatives
under the **Road
Safety Advocacy
Programme**



Started **Scope 3** reporting
for business travel and
employee commuting



Launched
**2 educational
programmes** –
The Teacher's Workshop
and Digital Green Student
Challenge



Developed

FINANCIAL INCLUSION FRAMEWORK



INTRODUCTION

AEON Credit's ultimate holding company, AEON Co., Ltd. ("AEON Group"), aspires to realise a future where our customers can feel a brighter society in which anxieties about environmental issues, disparities, and other negative aspects caused by social development are resolved. Taking inspiration, in the year under review, AEON Credit ("the Group") redoubled efforts to deepen and integrate sustainability as an integral component of our business. We aim to make positive contributions as the collective global force of AEON Group join together to build a better, more sustainable world and realise our vision of creating a future lifestyle that leads to a smile for each and every person.



This Sustainability Statement ("Statement"), covering the period 1 March 2024 to 28 February 2025, articulates the Group's sustainability agenda, management efforts and associated commitments and the Board's reflections of achievements and performance as well as significant sustainability-related plans moving forward.

CONTINUING ALONG THE SUSTAINABILITY ROADMAP

A strong and enduring emphasis on Environment, Social, and Governance ("ESG") underscores AEON Credit sustainability efforts. Guided by a 3-Year Sustainability Roadmap that was developed at the end of FYE2023, AEON Credit has made gradual, but significant, progress towards attaining greater sustainability maturity.

3-Year Sustainability Roadmap

Framework	Focus Area	Key Initiatives				
Policy	Mission Statement	ENVIRONMENT Towards Carbon Neutral Business	Reforestation Activities	Coastline Preservation	Carbon Emission Reduction	Task Force on Climate-Related Financial Disclosures ("TCFD") Recommendations Adoption
		ECONOMY Market Leader for EV Financing	EV Manufacturers Collaborations	Mainstream EV Business	Employee HEV and BEV Financing Promotion	
		Financial Inclusion for Micro Enterprise	Micro Financing for Business	Financial Inclusivity	Entrepreneurs Financial Literacy	
		Green Financing	Green Lending	Digital Volunteering	Eco-Friendly Cards	Green Borrowings
		SOCIAL ESG Education	Digital Literacy Programmes	Solar Panel Financing	Waste Reduce, Reuse, Recycle ("3R") Programme	Road Safety Awareness
		GOVERNANCE Good ESG Governance	Board Commitments on Good ESG Governance	Management Commitment on Sustainability	Endorsement and Assurance	
		Active Collaboration				
		Award				
		Assurance				
		Awareness				

Implementation of the Sustainability Roadmap across the identified key initiatives continued in earnest in FYE2025.

INTRODUCTION

The progress made and plans moving forward are detailed in the Progress Report on the 3-Year Sustainability Roadmap which appears in pages 80 to 84. A summary of the more compelling events is presented below.



 *Launching of AEON Credit Biodiversity Afforestation Project*

The **Biodiversity Afforestation Programme** which planted of **10,000 trees** from 30 indigenous species, including some listed by International Union for Conservation of Nature's as "endangered". Aside from creating a carbon sink, an added benefit is the rehabilitation of a former tin mining and degraded agriculture area to provide a supportive habitat for 150 species of birds to flourish.



 *TCFD Scenario Analysis Workshop*

In sustainability reporting, we are progressing well towards full adoption of the TCFD reporting regime. In FYE2025, the Group conducted our first **Climate Risk Assessment** and identified climate-related physical and transition risks, alongside, we strengthened Board and Management oversight of climate-related issues. **A Climate Action Framework** and corresponding **3-Year Implementation Roadmap** have been developed to structure execution of our climate-related strategies.



 *Nationwide Coastal Clean-up at Tanjung Balau, Johor*

Annual **Nationwide Coastal Cleanup** continued with **over 2.41 tonnes** of waste collected through joint efforts by our volunteers and local communities.



 *Mangrove Tree Planting 2025 at Byram Forest Reserve, Penang*

Over 2,000 mangrove trees planted jointly with local communities in Setiu Wetland, Terengganu and Byram Forest Reserve, Pulau Pinang.



 Young Financial Savvy Programme

Development of a 3-Year Financial Inclusion Roadmap which includes promotion of financial literacy through **Financial Savvy Programmes** to build financial management skills for students and those less exposed.



 K.A.M.I. Programme to empower underserved communities

Definition of **“Underserved Customers”** serves as a foundation for designing products and services that improve access to financial services for underserved customers. This definition provides structure and the critical mandate to realise the Group’s financial inclusion aspirations.

RECOGNITIONS

The Group is consistently recognised for our exemplary efforts in **upholding sustainability and promoting societal well-being**. The awards we are honoured with testify to our unwavering conviction to **contribute to the greater good** as we create shareholder value.



 Outstanding Community Engagement Award at the Sustainability and CSR Malaysia Awards 2024

The **Outstanding Community Engagement Award** at the Sustainability and CSR Malaysia Awards 2024, reaffirms our commitment to **community welfare and sustainable development** to foster positive impact.



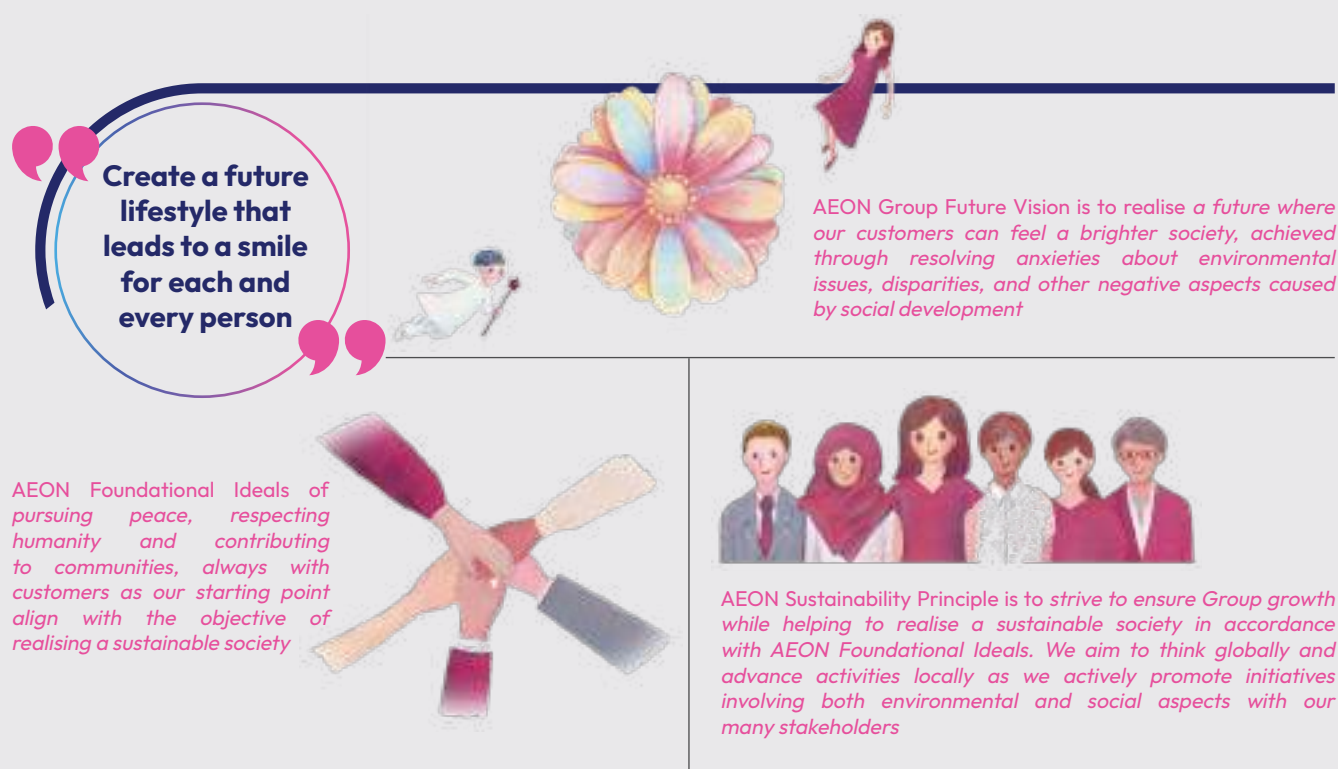
 Recipient of the National Corporate Governance & Sustainability Awards 2024 Excellence Award as one of the Top 50 ranked public listed companies

The prestigious National Corporate Governance & Sustainability Awards (“NACGSA”) 2024 Excellence Award testifies to the Group’s relentless focus and embrace of **good practices in corporate governance and sustainability**.

OUR APPROACH TO SUSTAINABILITY

An ever present part of AEON Credit's approach to sustainability is constantly striking the delicate balance between the imperative for commercial results and staying true to our environmental and social responsibilities and commitments. In this regard, the Board and Management have an unwavering focus on prioritising the allocation of resources, in particular funding, to initiatives that will deliver sustained value and ensure that commercial and sustainability priorities are given due and equitable attention.

AEON Credit's approach to sustainability is guided and strongly influenced by AEON Group's Vision and Foundational Ideals. The strong social undertone of the guidance links intimately to our core retail and consumer financial services business and serves to orientate the strategic direction of our sustainability efforts.



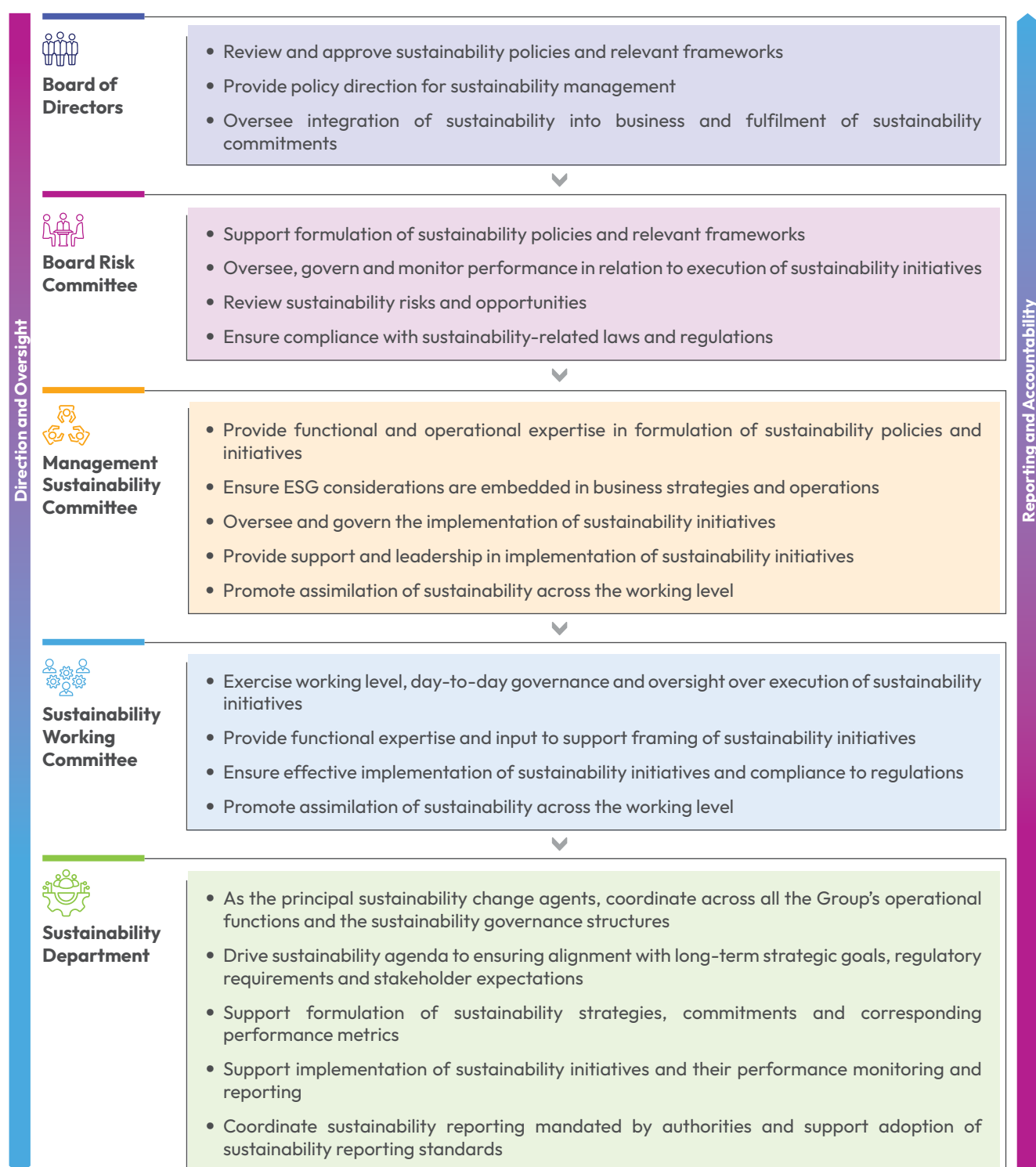
Circularity is a bedrock of AEON Credit's approach to sustainability and is infused into business management and processes. The concept of circular economy has been taken to heart by all entities within AEON Group. Over and above the traditional notion to reduce, reuse, and recycle commodities to protect the environment, circular economy management as practiced across AEON Group, entails redefining our relationships with stakeholders so that we can feed into the value that society and local communities demand, and in the process, enrich them.



SUSTAINABILITY GOVERNANCE

SETTING THE TONE AT THE TOP

A robust governance structure has been established to oversee the management of sustainability across the Group and ensure that it is institutionalised and integrated into the business. The Board leads by example to expedite the embrace of sustainability by personnel from all corners of the Group (AEON People). The Leadership, from the Board through to the Managing Director (“MD”) and top Management all play active roles in shaping and embodying our sustainability agenda.



OUR APPROACH TO SUSTAINABILITY

SUSTAINABILITY GOVERNANCE IN ACTION

The Board looks at sustainability from two equally critical lenses, one focused on business sustainability, resilience and longevity and the other on social and environmental sustainability. This ensures decisions made consciously consider our economic ambitions and sustainability responsibilities.

The Board Risk Committee (“BRC”) supports the Board in sustainability oversight and governance, in particular by reviewing sustainability policies and plans, and to monitor the performance of their execution.

The Management Sustainability Committee (“MSC”), provides strategic oversight and ensures cross-functional collaboration on sustainability efforts. It is charged with overseeing and driving implementation of the Group’s sustainability strategies and the associated initiatives executed to fulfil our sustainability commitments, in particular the initiatives contained in the 3-Year Sustainability Roadmap.

Members of the MSC are:

- Managing Director;
- Chief Operating Officer;
- Chief Corporate Officer;
- Chief Financial Officer;
- Chief Credit Officer;
- Chief Information Officer; and
- Chief Risk Officer

Key management personnel is represented through the Sustainability Working Committee (“SWC”), these business and functional experts lend their expertise in the development of sustainability strategies and integration of sustainability across all aspect of our business. The SWC reports to the MSC and to BRC, when required. The SWC plays a critical role in raising sustainability awareness, actively embedding sustainability practices across the Group’s operations.

The SWC supports the Board and BRC in the exercise of governance over sustainability reporting. Given the heightened attention given by the Government, finance and investment community and general public on sustainability we recognise the importance of transparent, objective and fair sustainability reporting. Accordingly, the Board, supported by BRC and MSC, exercises governance over sustainability reporting to ensure the integrity of the information and the disclosures within.

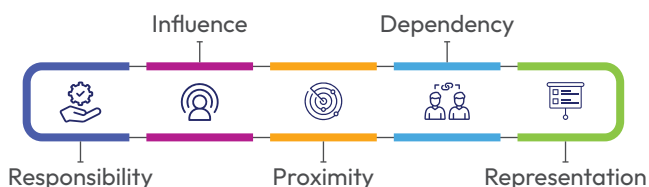
The Sustainability Department is the functional department which has specific sustainability responsibilities. This Department works closely with and is under the direction of the all components of the Sustainability Governance Structure in coordinating and implementing sustainability initiatives to ensure the delivery of the Group’s sustainability commitments. It serves as the secretariat to the MSC, providing technical input, progress updates, and recommendations for action.

Integral to further strengthening sustainability oversight, in particular the reporting and informational integrity aspects we will continue the practice commenced in the previous year in obtaining independent external assurance for relevant material disclosures contained in this FYE2025 Sustainability Statement. This will provide greater comfort over the veracity, credibility and reliability of the disclosures and underscore our commitment to adhering to the highest standards of transparency and accuracy in our sustainability reporting. The external assurance statements are presented on pages 136 to 143.

STAKEHOLDER ENGAGEMENT

In addition to being an indispensable part of AEON Credit’s Materiality Assessment process, stakeholder engagements are also critical to obtain a deeper and more intimate understanding of stakeholders’ concerns and expectations. Stakeholder engagements enable us to gather first-hand, honest and objective perspectives which facilitate formulation and implementation of better targeted and more effective initiatives which best leverage the resources at our disposal. In giving voice to our stakeholders, we benefit from their input and insights, leading to greater balance and objectivity in decision making.

Our selection of stakeholders to engage is based on five criteria:



Stakeholder engagements are conducted across the Group’s virtual and physical communication channels, following a staged approach.



Strategising and Planning

- Identify and prioritise stakeholders
- Determine stakeholders’ motivations, concerns and expectations
- Formulate engagement strategy and plan engagement agenda



Communicating and Engaging

- Conduct engagement, solicit feedback and gather information
- Assimilate stakeholders’ interests, concerns and suggestions
- Formulate and prioritise responses against capabilities and resources



Monitoring and Responding

- Implement responses
- Monitor progress and response efficacy
- Assess performance against desired outcomes
- Institute remediations and improvements needed

Monitoring and responding is critical in stakeholder engagements. Over and above interacting with stakeholders, we track progress and institute necessary remediations to ensure our intended goals are ultimately met. For example, in our Biodiversity Afforestation Programme, we implemented systems to monitor the health of the trees planted to check survival and growth rates, and biodiversity levels to ensure that the trees are growing well and is sequestering carbon effectively.

Our employees is a major stakeholder group that makes critical contributions to sustainability by helping to inspire a groundswell of support throughout our organisation and beyond. In July 2024, we appointed 60 Sustainability Champions as change agents to help drive and embed sustainability. The Champions play a critical role to ensure the Group achieves our sustainability aspirations while staying aligned with regulators' and customers' increasing inclination towards sustainability.

The Group held our inaugural Sustainability Week between 28 October to 1 November 2024, engaging up to 700 employees through a series of interactive and meaningful activities. The event was integral to enlisting the support of our workforce to collaborate for greater sustainability and inspire collective action towards a more sustainable and greener future for all.

The event also featured a no-plastic-packaging and paperless day, a sustainability-themed poster design contest, and a product exhibition showcasing community projects by underprivileged groups. Additionally, a new mobile app promoting food waste reduction and sustainable consumption was introduced.



📷 Green Wear Day in conjunction with Sustainability Week 2024 at Headquarters



📷 A total of 120kg of clothing was donated during Sustainability Week



📷 Canvas fingerprinting activity as a symbol of the company's sustainability efforts

OUR APPROACH TO SUSTAINABILITY

HOW WE ENGAGE OUR STAKEHOLDERS

Our key stakeholders and engagements in the year under review are summarised in the table below.

Customers 	
<p>Why significant</p> <p>Customers are the principal source of revenue and sustains the Group's growth and value creation</p> <p>Why engage</p> <ul style="list-style-type: none"> • Maintain and reinforce loyalty which promotes customer retention • Understand their expectations and demands to better serve them and deliver constantly great customer experiences • Continuously increase customer intimacy and elevate ability to anticipate their changing expectations <p>Engagement mechanisms</p> <ul style="list-style-type: none"> • Business interactions • Company website and social media • Contact centre • Product launches • Conferences/forums/seminars • Contact centre 	<p>Stakeholders' areas of interest</p> <ul style="list-style-type: none"> • Overall customer experience • Product and service parameters including pricing, delivery channels and alignment to expectations <p>Value for the Group</p> <ul style="list-style-type: none"> • Sustained profitability and positive economic results • Strong customer base generating sustained and quality earnings which supports growth and expansion • Strong market standing and brand reputation with positive customer endorsements <p>Value for stakeholders</p> <ul style="list-style-type: none"> • Assurance of constantly positive experiences • A diverse range of products and services that meet expectations and requirements • Convenient digital platforms that are reliable, accessible, available 24x7 and secure • Expeditious and satisfactory issue resolution
Shareholders and Investors 	
<p>Why significant</p> <p>Provide capital to support and sustain growth and to continue creating value for all stakeholders</p> <p>Why engage</p> <ul style="list-style-type: none"> • Keep informed on a timely basis of the Group's financial and sustainability performance as well as corporate developments • Convey the Group's future prospects and key business strategies • Provide assurance of the proper use of the capital invested to generate quality and sustainable shareholder/ stakeholder value <p>Engagement mechanisms</p> <ul style="list-style-type: none"> • Annual and Extraordinary General Meetings • Quarterly results announcements and analyst briefings • One-to-one/group investor relations meetings • Integrated Annual Report 	<p>Stakeholders' areas of interest</p> <ul style="list-style-type: none"> • Business prospects and strategies • Financial performance • Corporate governance, ethics, integrity and compliance to governing legislation • Sustainability performance <p>Value for the Group</p> <ul style="list-style-type: none"> • Continued confidence and trust of shareholders and investors • Ease of access to and support from shareholders and investors, in particular, to secure strong response to calls for additional investment <p>Value for stakeholders</p> <ul style="list-style-type: none"> • Sustained positive returns from investment, assurance of sustained strong dividend pay-outs • Safe and secure investment with resilience to weather economic challenges and uncertainties
Government and Regulators 	
<p>Why significant</p> <p>Provide legal sanction for conduct of business and operations</p> <p>Why engage</p> <ul style="list-style-type: none"> • Keep abreast of changes in legislations governing our business and operations • Ease access to guidance and authoritative body of knowledge on interpretation and implementation of legislative changes • Facilitate constant compliance to legislative requirements and responsibilities • Build and maintain strong bonds to facilitate collaboration for mutual benefit 	<p>Stakeholders' areas of interest</p> <ul style="list-style-type: none"> • Continuously strong and stable financial system • Economic development and strengthening resilience • Regulatory compliance and reporting • Financial consumer equity and protection • Data privacy and confidentiality and cybersecurity • Operational and supervisory challenges <p>Value for the Group</p> <ul style="list-style-type: none"> • Expeditious updates on changes in legislation enabling constant compliance and reinforcing ability to conduct business and create stakeholder value • Contributing to resilience and stability of financial system • Reinforce market confidence and customers' trust in our resilience and proper discharge of fiduciary responsibilities

Government and Regulators



Engagement mechanisms

- Briefings and formal meetings
- Forums with financial services industry associations
- Submissions and proposals

Value for stakeholders

- A continuously strong and stable financial system which lends to national economic growth
- Reaffirms Malaysia's economic resilience through the presence of strong and well governed financial institutions
- Continuous compliance provides order and structure to implement measures to drive greater maturity in financial services industry

Lenders and Financial Institutions



Why significant

Source of funds to support business expansion and growth

Why engage

- Compliance to covenants associated with loans
- Inform of financial performance, business prospects and strategies
- Inform of sustainability performance, commitments and strategies
- Secure a pool of supportive lenders from which to secure funding for expansion and growth
- Explore/leverage opportunities to collaborate for mutual benefit

Engagement mechanisms

- Formal meetings
- Business interactions via various communication channels
- Financial industry association forums and gatherings

Stakeholders' areas of interest

- Compliance to loan covenants
- Business prospects and strategies
- Financial performance
- Corporate governance, ethics, integrity and compliance to governing legislation
- Sustainability performance
- Opportunities to provide funding to the Group
- Opportunities to collaborate/partner

Value for the Group

- Access to pool of supportive and responsive lenders
- Continuously strong relationships which are mutually beneficial
- Accommodative lending terms and conditions

Value for stakeholders

- Compliant and responsible borrower that is committed to discharging responsibilities
- Borrower of impeccable credit worthiness with business stability and is reliable and performing

Rating Agencies



Why significant

Provide independent assessments of the Group's creditworthiness, ensure compliance with evolving regulations and enhance investor confidence

Why engage

- Keep informed on a timely basis of the Group's financial and sustainability performance as well as corporate developments
- Convey the Group's future prospects and key business strategies
- Provide independent assurance to current and prospective lenders of the Group's creditworthiness

Engagement mechanisms

- Online Assessment Platform
- Formal meetings
- Business interactions via various communication channels

Stakeholders' areas of interest

- Business prospects and strategies
- Financial performance as well as stability and quality of earnings
- Corporate governance, ethics, integrity and compliance to governing legislation

Value for the Group

- A strong credit rating is fundamental to securing the confidence of lenders/funders
- Enable the Group with access to funds on better, more accommodative terms

Value for stakeholders

- Pertinent, clear and timely information eases the assessment process and allows for greater accuracy
- Upholds independence of rating agencies and their responsibilities to provide reliable assessments

OUR APPROACH TO SUSTAINABILITY

Employees



Why significant

Backbone of the Group, entrusted to conduct operations and sustain the generation of stakeholder value

Why engage

- Reciprocate dedication and efforts in supporting growth and expansion as well as sustained and quality earnings
- Support and ensure discharge of responsibility for prudent, ethical and responsible conduct of operations to safeguard the Group's interests
- Support efforts to deliver on sustainability commitments and continuously integrate sustainability into business

Engagement mechanisms

- Formal and townhall meetings
- Training programmes and team-building activities
- Corporate Social Responsibility activities
- Employee Hotline
- Employee engagement surveys
- Target setting and performance appraisals

Stakeholders' areas of interest

- Group performance and outlook
- Work performance and targets
- Culture, diversity, equity and inclusion
- Health, safety and well-being
- Employee grievances and resolutions
- Training, professional and career development
- Digitalisation, operational efficiency and ease of discharging duties

Value for the Group

- Dedicated, passionate and competent workforce to support business growth and generate sustainable stream of quality earnings
- Ideas for innovation and continuous improvement
- Delivery of excellent customer experiences leading to elevated customer loyalty

Value for stakeholders

- Respect for employees' rights with zero tolerance for discrimination
- Competitive remuneration and benefits
- Continuous learning and development
- Recognition for dedication and exemplary service
- Sincerity and responsiveness in addressing concerns
- Conducive and safe workplace

Merchants and Business Partners



Why significant

Proven avenue for collaboration which potentially enriches and enhances earnings and customer value propositions

Why engage

- To surface and establish strategic alliances/collaborations for mutual benefit
- Allows access to and leverage of respective customer base to form value propositions that can better fulfil customer requirements

Engagement mechanisms

- Merchant service discussions
- Support channels
- Partnership programmes
- Business alliances and networking
- Corporate events

Stakeholders' areas of interest

- Business opportunities
- Business outlook and strategies
- Opportunities for innovation and continuous improvement
- Operational clarity and issue resolution
- Leveraging complementary strengths to achieve business and operational objectives

Value for the Group

- Enhancement of customer value propositions to better meet requirements and expectations
- Strategic alliances/collaborations that leverage complementary strengths
- Revenue enhancement

Value for stakeholders

- Business and revenue growth through alliances and collaborations
- Access to the Group's customer base as an additional source of revenue
- Strong and enduring relationship with a major financial services provider

Suppliers



Why significant

Source of consumables and services required in operations

Why engage

- Tap into pool of expertise and domain knowledge to enhance efficiency
- Drive and infuse greater sustainability across the Group's value chain
- Access to new technologies and methods to promote more cost effective and efficient operations

Engagement mechanisms

- Events
- Meetings
- Networking interactions
- Suppliers' new product/service introductions

Stakeholders' areas of interest

- Sustainability-infused supply chain
- Supplier assessment incorporating sustainability considerations
- Efficient, fair and responsible procurement processes
- Quality, reliability and timeliness of supplies and services
- Compliance to terms and conditions
- Opportunities for collaboration
- Supply chain transparency and risk management and resilience

Value for the Group

- Supply chain resilience
- Quality, reliable and timely supplies and services
- Compliance to terms and conditions
- Embedding greater sustainability across supply chain

Value for stakeholders

- Reliable and constant source of business and assurance of stream of revenues
- Collaboration/partnering for mutual benefit
- Promote and infuse greater sustainability in suppliers' operations leading to better compliance to regulatory requirements

Local Communities and Non-Governmental Organisations ("NGO")



Why significant

Reciprocate support from communities and continually strengthen relationships and bonds established

Why engage

- Critical to realising the Group's commitment to share returns with and give back meaningfully to the community
- Facilitates support from the local community and NGOs when needed
- Principal avenue for the Group to show care and support vulnerable segments of society and help the underprivileged realise aspirations
- Access to specific expertise of NGOs in executing sustainability initiatives

Engagement mechanisms

- CSR activities
- Assistance in a variety of manner e.g. financial aid, major festivals celebrations, sponsorship of meaningful causes

Stakeholders' areas of interest

- Community support, aid and assistance
- Collaborative volunteering to address various concerns e.g. environmental protection, road safety
- Social welfare
- Education, including financial literacy

Value for the Group

- Secures continuing assurance of support and assistance to realise societal and environmental support goals
- Brings the Group's human side to life to explicitly emphasise duty of care for society and environment
- Builds and reinforces the Group's brand reputation

Value for stakeholders

- Financial aid and support for the betterment of the society and environmental integrity
- Support to realise aspirations that are otherwise challenging to attain
- Mitigate impact of marginalisation through lack of funds and resources
- A significant corporate name to champion and support worthy causes

OUR APPROACH TO SUSTAINABILITY

MATERIALITY ASSESSMENT

A Materiality Assessment is conducted on an annual basis to determine and obtain a deeper understanding of issues, from a sustainability perspective, that have a material impact on the business and operations of the Group.

The determination of these “material sustainability matters”, starts with a revisit of those from the previous year to ascertain if they continue to be relevant. As well, consideration is given to significant matters that emerged in the current year. To ensure a balanced and inclusive view, material feedback received during our stakeholder engagements are also given due recognition. The following process is adopted in conducting the materiality assessment:



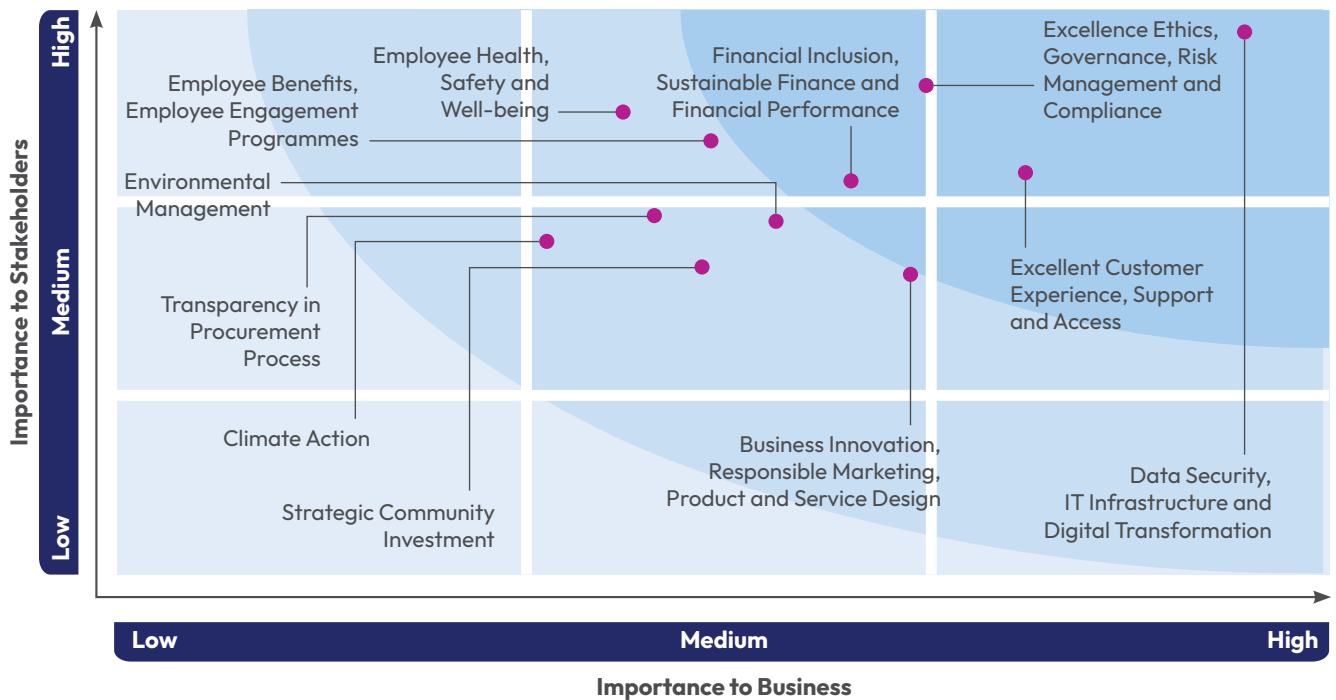
The material sustainability matters for FYE2025 determined from the Materiality Assessment are listed in the table below.

Rank	Change	Priority	Material Sustainability Matter	Sustainability Focus Area
1	↔	High	Data Security, IT Infrastructure and Digital Transformation	Governance
2	↔	High	Excellent Customer Experience, Support and Access	Economy
3	↑1	High	Excellent Ethics, Governance, Risk Management and Compliance	Governance
4	↓1	High	Business Innovation, Responsible Marketing, Product and Service Design	Governance and Economy
5	↔	High	Financial Inclusion, Sustainable Finance and Financial Performance*	Economy
6	↑1	Medium	Employee Benefits, Employee Engagement Programmes	Social
7	↑1	Medium	Employee Health, Safety and Well-being	Social
8	↑3	Medium	Transparency in Procurement Process	Governance
9	↓3	Medium	Environmental Management	Environment
10	↔	Medium	Strategic Community Investment	Social
11	↓2	Medium	Climate Action	Environment

* Financial Inclusion has been brought to the fore to acknowledge AEON Credit's responsibility, as a financial institution, to promoting and embedding responsible financing, spreading financial literacy and inculcating responsible use of financing as well as to uplift society through easing access to financing.

The Materiality Matrix below maps our material sustainability matters based on their relative importance to AEON Credit and our key stakeholders.

AEON CREDIT'S MATERIALITY MATRIX



SUSTAINABILITY MANAGEMENT

AEON Credit approaches the management of sustainability from a strategic perspective to facilitate alignment with the Group's strategies. This ensures that our business strategies and tactical plans are always formulated with sustainability in mind and all aspects of our operations are infused with sustainability considerations.

Our material sustainability matters are grouped under 6 Sustainability Pillars which represent critical and indispensable elements of our business and operations, each Pillar has a significant impact on the Group's prosperity, longevity growth, and, more fundamentally, our ability to continue generating long-term value for all our diverse stakeholders. All core sustainability areas, namely Economy, Environment, Social and Governance are represented across the Pillars.



OUR APPROACH TO SUSTAINABILITY

The grouping of our material sustainability matters facilitates greater precision in targeting sustainability management efforts, and ensures more effective use of expertise and allocation of resources. Material sustainability matters individually and collectively exert influence over and impact Financial Performance which is our primary material sustainability matter.



Conduct and Trust

- Data Security, IT Infrastructure and Digital Transformation
- Excellent Ethics, Governance, Risk Management and Compliance
- Business Innovation, Responsible Marketing, Product and Service Design
- Transparency in Procurement Process



Employee Health, Safety and Well-being

- Employee Health, Safety and Well-being
- Employee Benefits, Employee Engagement Programmes



Customer Experience

- Excellent Customer Experience, Support and Access
- Business Innovation, Responsible Marketing, Product and Service Design



Environmental Stewardship

- Environmental Management
- Climate Action



Digital Product and Service Transformation

- Excellent Customer Experience, Support and Access
- Business Innovation, Responsible Marketing, Product and Service Design
- Financial Inclusion, Sustainable Finance and Financial Performance














Contributing to Communities

- Strategic Community Investment



















CONTRIBUTING TO A BETTER WORLD – LINKING SUSTAINABILITY ACTIONS TO UN SDGS













As we integrate and deepen sustainability across the Group we also make conscious efforts to contribute alongside the global fraternity to build a better world for future generations guided by the aspirations of United Nations' Sustainable Development Goals ("UN SDGs"). Accordingly, in planning and executing sustainability management actions, AEON Credit takes pains to ensure that, where relevant, they support the UN SDGs.

SDG	How AEON Credit contributes	Related initiatives	Linkage to our material sustainability matter
	Ensure health and promote well-being without discrimination <ol style="list-style-type: none"> 1. Target 3.6: Reduce road injuries and deaths 2. Target 3.8: Achieve universal health coverage 	<ol style="list-style-type: none"> 1. Road Safety Advocacy Programmes for communities 2. Providing health support and maintaining a safe working environment for employees 3. Promoting access to health care as part of Financial Inclusion by easing access to health insurance 4. Naluri App for staff well-being and mental health support and frequent health talks for employees 	 Employee Benefits, Employee Engagement Programmes  Employee Health, Safety and Well-being  Strategic Community Investment






SDG	How AEON Credit contributes	Related initiatives	Linkage to our material sustainability matter
	Ensure inclusive and equitable quality education and promote lifelong learning for all <ol style="list-style-type: none"> Target 4-A: Build and upgrade inclusive and safe schools Target 4-4: Increase the number of people with relevant skills for financial success Target 4-B: Expand higher education scholarships for developing countries 	<ol style="list-style-type: none"> Address and enhance digital literacy by investing in MAF Smart Classroom Project Committing to reducing unemployment through Management Trainee Programmes Committing to the development of employees through investments in training and upskilling Provide online training programmes for easy access to learning and knowledge Continuous learning and development programmes for the Board, Management and workforce Promoting financial literacy programmes as part of corporate social responsibility ("CSR") initiatives 	 Strategic Community Investment  Employee Benefits, Employee Engagement Programmes
	Achieve gender equality and empower all women and girls <ol style="list-style-type: none"> Target 5.1: End discrimination against women and girls Target 5.5: Ensure full participation in leadership and decision-making 	<ol style="list-style-type: none"> Strengthening practices through the Policy of Human Rights Enhancing the presence of women in top governance and leadership roles 	 Employee Benefits, Employee Engagement Programmes
	Ensure access to affordable, reliable, sustainable and modern energy for all <ol style="list-style-type: none"> Target 7.1 Universal access to modern energy services 	<ol style="list-style-type: none"> Provide financing for purchase of energy efficient appliances/devices and renewable energy generation facilities Focused expansion into financing for green modes of mobility 	 Business Innovation, Responsible Marketing, Product and Service Design  Excellent Customer Experience, Support and Access  Financial Inclusion, Sustainable Finance and Financial Performance

OUR APPROACH TO SUSTAINABILITY

SDG	How AEON Credit contributes	Related initiatives	Linkage to our material sustainability matter
	Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all <ol style="list-style-type: none"> 1. Target 8.2: Diversify, innovate and upgrade for economic productivity 2. Target 8.3: Promote policies to support job creation and growing enterprises 3. Target 8.5: Full employment and decent work with equal pay 4. Target 8.6: Promote youth employment, education and training 5. Target 8.8: Protect labour rights and promote safe working environments 	<ol style="list-style-type: none"> 1. Fostering management trainee employment initiatives 2. Advocating for employee well-being and human rights 3. Commitment to local procurement in support national socio-economic development 4. Providing access to credit and financing to Small and Medium sized Enterprises ("SMEs") and mobile payment solutions for individuals in underserved communities 	 Employee Benefits, Employee Engagement Programmes  Employee Health, Safety and Well-being  Transparency in Procurement Process
	Build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation <ol style="list-style-type: none"> 1. Target 9.3: Increase access to financial services and markets 2. Target 9.4: Upgrade all industries and infrastructures for sustainability 	<ol style="list-style-type: none"> 1. Instituting Financial Inclusion initiatives 2. Tailoring financial solutions aligned to customers' unique circumstances 3. Implementation of Digital Transformation Programme 4. Integrating advanced technologies like Artificial Intelligence ("AI") and automation into operations 	 Data Security, IT Infrastructure and Digital Transformation  Business Innovation, Responsible Marketing, Product and Service Design  Excellent Customer Experience, Support and Access
	Reduce inequality within and among countries <ol style="list-style-type: none"> 1. Target 10.1: Reduce income inequalities 2. Target 10.3: Ensure equal opportunities and end discrimination 	<ol style="list-style-type: none"> 1. Strengthening practices through the Policy of Human Rights 2. Commitment to financial inclusion through provision of access to financial services to the underserved 	 Business Innovation, Responsible Marketing, Product and Service Design  Excellent Customer Experience, Support and Access  Financial Inclusion, Sustainable Finance and Financial Performance
	Make cities and human settlements inclusive, safe, resilient and sustainable <ol style="list-style-type: none"> 1. Target 11.6: Reduce the environmental impact of cities 	<ol style="list-style-type: none"> 1. Expansion into sustainable financing for energy efficient, low emission appliances/devices and renewable energy generation facilities 2. Focused expansion into financing for green modes of mobility 3. Opening new branches at locations with green building certifications 4. Promoting Financial Inclusion by helping to bridge the gap in access to financial resources, particularly in underserved communities 	 Climate Action  Business Innovation, Responsible Marketing, Product & Service Design  Excellent Customer Experience, Support and Access  Financial Inclusion, Sustainable Finance and Financial Performance  Environmental Management

SDG	How AEON Credit contributes	Related initiatives	Linkage to our material sustainability matter
	Ensure sustainable consumption and production patterns <ol style="list-style-type: none"> Target 12.5: Substantially reduce waste generation Target 12.6: Encourage companies to adopt sustainable practices and sustainability reporting 	<ol style="list-style-type: none"> Internal initiatives in environmental management, including embracing circular economy principles Exercise continuous diligence to maintain certification in ISO 14001 (Environmental Management Systems) to embed responsible consumption and production 	 Environmental Management
	Take urgent action to combat climate change and its impacts <ol style="list-style-type: none"> Target 13.1: Strengthen resilience and adaptive capacity to climate related disasters Target 13.2: Integrate climate change measures into policies and planning Target 13.3: Build knowledge and capacity to meet climate change 	<ol style="list-style-type: none"> Conducted first Climate Risk Assessment and identified transition and physical risks associated with climate change Developed and put in place a Climate Action Framework and the associated 3-Year Implementation Roadmap with implementation teams due to be appointed Incorporating climate considerations into business activities Enhancing employees' sustainability knowledge, encompassing TCFD adoption Offer financial products for environmental friendly modes of mobility, clean energy, and energy-efficient solutions to support a low-carbon economy Invest in carbon management projects such as afforestation/ reforestation and renewable energy to reduce atmospheric carbon dioxide 	 Climate Action  Financial Inclusion, Sustainable Finance and Financial Performance  Environmental Management
	Conserve and sustainably use the oceans, seas and marine resources for sustainable development <ol style="list-style-type: none"> Target 14.5: Conserve coastal and marine areas 	<ol style="list-style-type: none"> Ongoing annual coastal area clean-up and waste collection initiatives 	 Climate Action  Environmental Management
	Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss <ol style="list-style-type: none"> Target 15.2: End deforestation and restore degraded forests Target 15.5: Protect biodiversity and natural habitats Target 15-A: Increase financial resources to conserve and sustainably use ecosystem and biodiversity 	<ol style="list-style-type: none"> Institution of afforestation programme On-going mangrove planting initiatives 	 Climate Action  Environmental Management

OUR APPROACH TO SUSTAINABILITY




SDG	How AEON Credit contributes	Related initiatives	Linkage to our material sustainability matter
	Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels <ol style="list-style-type: none"> Target 16.5: Substantially reduce corruption and bribery Target 16.6: Develop effective, accountable and transparent institutions Target 16-B: Promote and enforce non-discriminatory laws and policies 	<ol style="list-style-type: none"> Continuously strengthen cyber security stance and vigilance against cyber threats Upholding good governance Compliance to regulatory standards Maintaining high integrity standards and ethical business practices Uphold and protect human rights Strict zero tolerance of any form of discrimination Uphold diversity, equity and inclusivity within the workforce 	 Data Security, IT Infrastructure and Digital Transformation  Excellent Ethics, Governance, Risk Management and Compliance  Employee Benefits, Employee Engagement Programmes
	Strengthen the means of implementation and revitalize the global partnership for sustainable development <ol style="list-style-type: none"> Target 17.7: Encourage effective partnerships 	<ol style="list-style-type: none"> Proactive collaboration with regulatory authorities, industry peers and partners in community support and enrichment initiatives 	The management of our material sustainability matters brings to life SDG17 as it entails collaboration with relevant impacted parties and interested, like-minded partners to secure achievement of goals, effectiveness and speed of action

PROGRESS REPORT ON OUR 3-YEAR SUSTAINABILITY ROADMAP

We have made progress in executing our 3-Year Sustainability Roadmap (FYE2023 – FYE2026). Driven by our sustainability aspirations across the core components of Economy, Environment, Social and Governance as well as our support for the UN SDGs, our Sustainability Roadmap integrates sustainability initiatives across the Group's business activities.



ENVIRONMENT | Towards Carbon Neutral Business



Key Initiative: Reforestation Goal Set in FYE2023 <ol style="list-style-type: none"> Plant 10,000 trees Taskforce on Nature-related Financial Disclosures ("TNFD") reporting by FYE2030 	Current Progress in FYE2025 <ol style="list-style-type: none"> 10,000 trees planted across 20 hectares in Kinta Nature Park Completed Global Positioning System geotagging in Q3 FYE2025 Maintenance of trees on-going Future Plans Plan to conduct external assessment of carbon calculation methodology used to compute and validate carbon sequestered to quantify our carbon neutrality efforts	Overall Status   
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ENVIRONMENT | Towards Carbon Neutral Business



Key Initiative: Coastline Preservation Goal Set in FYE2023 <ol style="list-style-type: none"> Contribute to coastal clean-up through waste collection and recycling Inculcate environmental care through collaboration with local town councils, businesses and university students Mangrove planting for carbon sequestration and coastal area protection 	Current Progress in FYE2025 <ol style="list-style-type: none"> Conducted annual nationwide coastal clean-up that collected over 2.41 tonnes of waste Planted over 2,000 mangrove trees coastal areas in Terengganu and Penang Future Plans Continue coastal clean-up efforts and mangrove trees planting	Overall Status  
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Legend

 Completed
  Work in progress
  Yet to start/delayed

ENVIRONMENT | Towards Carbon Neutral Business



<p>Key Initiative: Carbon Emission Reduction</p> <p>Goal Set in FYE2023 Reduce direct and indirect Greenhouse gas ("GHG") emissions by 40% by FYE2026 and achieve carbon neutrality by FYE2030</p>	<p>Current Progress in FYE2025</p> <ol style="list-style-type: none"> 1. Climate Action Framework and associated 3-Year Implementation Plan developed to support realisation of climate goals 2. Scope 1 and 2 emissions reduced by 25% 3. Started Scope 3 reporting for emissions from employee commuting and business travel <p>Future Plans</p> <ol style="list-style-type: none"> 1. Plan to conduct external assessment of carbon calculation methodology used to compute and validate carbon sequestered to quantify our carbon neutrality efforts 2. ESG Dashboard being developed for carbon accounting, targeted completion by Q2 FYE2026 	<p>Overall Status</p> <p>●</p>
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ENVIRONMENT | Towards Carbon Neutral Business



<p>Key Initiative: TCFD Adoption</p> <p>Goal Set in FYE2023 Full alignment to TCFD reporting by FYE2025</p>	<p>Current Progress in FYE2025</p> <ol style="list-style-type: none"> 1. TCFD gap and scenario analysis, and Implementation Roadmap tabled to the Board 2. Results of Climate Risk Assessment tabled to the Board 3. Climate-related disclosures aligned to TCFD requirements <p>Future Plans</p> <ol style="list-style-type: none"> 1. Further evaluate and understand the Group's climate-related risks 2. Adoption of IFRS S1 and S2 	<p>Overall Status</p> <p>●</p>
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ECONOMIC | Market Leader for EV Financing



<p>Key Initiative:</p> <ol style="list-style-type: none"> 1. EV manufacturers collaboration 2. Mainstream EV Business 3. Employee Hybrid Electric Vehicle ("HEV") and Battery Electric Vehicles ("BEV") financing promotion <p>Goal Set in FYE2023 Financing of low-emission electric vehicles and embedding this as an integral part of the Group's business with the goal of attaining market leadership</p>	<p>Current Progress in FYE2025</p> <ol style="list-style-type: none"> 1. SPTs mandates reducing environmental impact of transportation through financing of low-emission modes of mobility 2. Accommodative interest rates applicable for e-motorcycles financing 3. Introduced E-Bike Financing Scheme for employees <p>Future Plans Intensify promotion of financing solutions for low-emission modes of mobility</p>	<p>Overall Status</p> <p>●</p>
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ECONOMIC | Financial Inclusion for Micro Enterprise











<p>Key Initiative:</p> <ol style="list-style-type: none"> 1. Micro Financing for Business 2. Financial Inclusivity 3. Entrepreneurs Financial Literacy <p>Goal Set in FYE2023 SPTs focuses the Group to promoting and contributing to financial inclusion, for instance by lowering barriers to allow the underserved to access financing and embedding financial literacy especially to the less exposed and the younger population</p>	<p>Current Progress in FYE2025</p> <ol style="list-style-type: none"> 1. "Underserved customers" defined 2. 3-Year Financial Inclusion Roadmap developed to provide structure and clarity to execute financial inclusion efforts 3. 2 maiden financial literacy initiatives conducted in the form of Financial Savvy Programmes <p>Future Plans</p> <ol style="list-style-type: none"> 1. Customise products and services to effectively support low, medium, and high-income segments 2. Continue conducting financial literacy programmes and widen to include the Group's workforce 	<p>Overall Status</p> <p>●</p>
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Legend

● Completed ● Work in progress ○ Yet to start/delayed

OUR APPROACH TO SUSTAINABILITY

ECONOMIC Green Financing 		
Key Initiative: Green Lending Goal Set in FYE2023 Embed financing for green, low emission appliances/devices, modes of mobility and renewable energy facilities/system as an integral part of the Group's portfolio of products	Current Progress in FYE2025 Green financing products are available for financing of electric mobility, energy-efficient electrical appliances, and bicycles Future Plans Expand Green Financing solutions to include solar energy systems	Overall Status 
ECONOMIC Green Financing 		
Key Initiative: Digital Volunteering Goal Set in FYE2023 Leveraging digital platforms to secure market leadership	Current Progress in FYE2025 Introduced e-donation functionality to allow AEON Wallet users to convert AEON Points into cash donations towards charitable causes; the pilot beneficiary was Malaysian AEON Foundation ("MAF"). This functionality has an active user base who are aligned to causes that the Group also supports Future Plans <ol style="list-style-type: none"> 1. Actively encourage customers' adoption of digital delivery channels to access products and services 2. Continuous and intense focus on security and data confidentiality to provide customers with peace of mind and confidence to use digital channels 	Overall Status 
ECONOMIC Green Financing 		
Key Initiative: Eco-friendly cards Goal Set in FYE2023 Reduce environmental impact by using sustainable materials and promoting a greener, more responsible way to deliver our products and services	Current Progress in FYE2025 Introduced virtual card to offer an eco-friendly, digital payment mechanism. This reduces reliance on plastic cards and encourages customers to shift to greener habits Future Plans <ol style="list-style-type: none"> 1. Continue to inculcate and encourage adoption virtual cards to reduce reliance on plastic to minimise environmental footprint 2. We are working towards issuing physical cards using eco-friendly materials, targeted to be launched in Q3 FYE2026 	Overall Status 
ECONOMIC Green Financing 		
Key Initiative: Green Borrowings Goal Set in FYE2023 Link borrowings such as social loans/bonds or sustainability-linked loans ("SLLs") to sustainability goals, to further incentivise and drive towards carbon neutrality	Current Progress in FYE2025 Established a Sustainability-linked Loan Framework. Our SLLs are linked to the achievement of specific SPTs related to ESG criteria, including reducing carbon emissions Future Plans Actively explore new sustainability-based borrowing opportunities with our banking partners with a view to securing such borrowings where terms and conditions are appropriate and conducive	Overall Status 

Legend

 Completed
  Work in progress
  Yet to start/delayed

SOCIAL | ESG Education



Key Initiative: Digital Literacy Programmes Goal Set in FYE2023 Promote and widen digital literacy as part of the Group's Social Impact programme	Current Progress in FYE2025 1. Invested in MAF Smart Classroom project. Schools with Smart Classroom installed: FYE2024: 12 schools FYE2023: 40 schools 2. In FYE2025, focus turned to educational programmes through conduct of the Teacher's Workshop and Digital Green Student Challenge Programme Future Plans Enable online tuition classes leveraging Smart Classroom setup to improve education results for identified students	Overall Status
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SOCIAL | ESG Education



Key Initiative: Solar Panel Installations Goal Set in FYE2023 Support installation of solar panels to promote generation and use of renewable energy	Current Progress in FYE2025 Implementation yet to be commenced Future Plans To be determined	Overall Status
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SOCIAL | ESG Education



Key Initiative: Waste 3Rs Programme Goal Set in FYE2023 Promote and embed circular economy through sustainable waste management based on the 3Rs concept	Current Progress in FYE2025 Implementation yet to be commenced Future Plans To be determined	Overall Status
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SOCIAL | ESG Education



Key Initiative: Road Safety Awareness Goal Set in FYE2023 Raise and embed knowledge and awareness of road safety among school students	Current Progress in FYE2025 Conducted 3 initiatives in FYE2025 under the Road Safety Advocacy Programme with Motorcycle Manufacturers and Dealers Association: 1. Suzuki Road Safety Campaign 2024 at Hentian Sebelah Plaza Tol Sg Besi Arah Selatan (300 SIRIM certified adult safety helmets were distributed) 2. Safety Fiesta X Dewi Yamaha at Stadium Bola Sepak Kuala Lumpur (100 SIRIM certified adult safety helmets were distributed) 3. Suzuki Road Safety Campaign 2025 at Dataran Ilmu Bandar Baru Selayang (300 SIRIM certified adult safety helmets were distributed) Future Plans 1. Continue collaborations under Road Safety Advocacy Programme with Motorcycle Manufacturers and Dealers Association during Festive Seasons 2. Conduct Road Safety Advocacy with Dealers Association, Motorcycle Manufacturers and Road Transport Department (Road Safety Unit) in schools, tentatively scheduled for Q3 FYE2026 onwards	Overall Status
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Legend

Completed
 Work in progress
 Yet to start/delayed

OUR APPROACH TO SUSTAINABILITY

GOVERNANCE | Good ESG Governance



Key Initiative:

Board Commitments on Good ESG Governance

Goal Set in FYE2023

Stronger and more dedicated senior level involvement in sustainability management and governance

Current Progress in FYE2025

1. Enhanced Board Charter and Board of Directors' Terms of Reference to include oversight of climate-related matters
2. Continuing Board training on the climate-related aspects of sustainability to deepen knowledge and enhance decision making capabilities

Future Plans

1. Board training on Sustainability Standards: IFRS S1 and S2
2. Board learning and development will be a constant to further their sustainability-related competencies. This serves to enhance preparedness to address more complex sustainability considerations that will arise in the future, including more wide-ranging, complex sustainability and climate-related legislation

Overall Status



GOVERNANCE | Good ESG Governance



Key Initiative:

Management Commitment on Sustainability

Goal Set in FYE2023

Greater and more explicit more explicit management, in particular, senior management, attention and commitment on sustainability

Current Progress in FYE2025

Widened management's responsibilities to also cover management of climate-related issues, risks and opportunities, in addition to sustainability

Future Plans

Form a Climate Committee for dedicated focus on overseeing and implementing initiatives to realise sustainability and climate-related goals

Overall Status



GOVERNANCE | Good ESG Governance



Key Initiative:

Endorsement and Assurance

Goal Set in FYE2023

Third party assurance of sustainability reporting to enhance credibility and provide comfort to investors, lenders and the general public

Current Progress in FYE2025

Engagement of independent third party to provide external assurance over selected aspects of our Sustainability Statement which started in FYE2024 continued

Future Plans

Independent third-party assurance will be a continuing feature in our annual Sustainability Statement

Overall Status



Legend

● Completed ● Work in progress ○ Yet to start/delayed



PILLAR 1: CONDUCT AND TRUST

What this means to us

AEON Credit upholds integrity, transparency, and strong ethical standards in all business dealings. We ensure trust is built through transparent communication, consistent delivery of commitments, and maintain robust internal governance to comply with laws and regulations. Together, strong conduct and trust are fundamental to maintaining stakeholder confidence and ensuring long-term sustainability.

Stakeholders



Customers



Shareholders and Investors



Suppliers



Lenders/Financial Institutions



Government and Regulators



Employees



Rating Agencies

Material Matters



Excellent Ethics, Governance, Risk Management and Compliance



Data Security, IT Infrastructure and Digital Transformation



Business Innovation, Responsible Marketing, Product and Service Design



Transparency in Procurement Process

Key Indicators

- Complaints/cases reported
- Number and severity of disruptions to Business Critical Functions
- Number of awareness and training programmes
- Number and percentage against total of Anti-Bribery and Corruption Pledges and Integrity Declarations received from employees and business associates respectively
- Percentage of procurement directed to local suppliers
- Certifications

UN SDGs



Relevant BURSA Common Sustainability Matters

- Anti-Corruption
- Data Privacy and Security
- Supply Chain Management

Performance Summary

Anti-Bribery and Corruption Pledge



100%

employee pledges completed

47%

business associates' declaration completed

Whistleblowing



0

cases of bribery and corruption reported from whistleblowing channels

Procurement Process



94% of total procurement spent directed to local suppliers/vendors

Cybersecurity



RM7.65 million

invested for cyber security

PILLAR 1: CONDUCT AND TRUST

AEON Credit holds an enduring responsibility to uphold good governance and ethical conduct in our operations. Beyond regulatory compliance, we owe our stakeholders, in particular our customers, an obligation to properly discharge our fiduciary duties, justify their trust and safeguard their interests. Every member of our workforce is mandated to practice impeccable professionalism and act with utmost integrity in their discharging their responsibilities.



EXCELLENT ETHICS, GOVERNANCE, RISK MANAGEMENT AND COMPLIANCE

Ethics, governance, risk management and compliance are fundamental requirements in the financial services industry to safeguard the interests of all financial services consumers and to secure the stability of the country's financial system. To reciprocate the trust placed on AEON Credit by our stakeholders and the Government, the Group is committed to always conduct ourselves with the highest standards of professionalism, integrity, responsibility and ethical conduct and always be fully compliant with our statutory obligations.

(i) AEON Foundational Ideals and Group Future Vision

All entities within AEON Co., Ltd. ("AEON Group") our ultimate holding company, subscribe to AEON Foundational Ideals and Group Future Vision, which are centred on peace, people and community, to guide their conduct of business.

AEON firmly believes that retailing is an industry to promote peace, humanity and local communities.

To remain a thriving corporate group that fulfils this mission, we are committed to continuous innovation, with customers as our starting point. AEON is committed to actively engaging in peace efforts, supporting human happiness and norms, and contributing to the prosperity of local communities. These ideals form the foundation of putting "customers as our starting point," which places the needs and preferences of our customers first and at the centre of our operations.

We always put our customers first and act with the highest standards of integrity, using this as a mirror to reflect ourselves and as the standard for every decision and action made by all AEON People (our workforce). Founded on AEON Foundational Ideals and their underlying values and philosophy, AEON Credit's Policy of Code of Ethics and Conduct ("Code") as approved by the Board, reflects the Group's collective identity and provides guidance for ethical practices and decision-making while also ensuring adherence to legal and regulatory standards to safeguard stakeholder interests.

The Code offers clear direction to Directors and employees in handling complex situations, emphasising what is considered acceptable behaviour. It cultivates a corporate culture focused on ethics, transparency, and accountability. By setting consistent standards, the Code enhances the Group's reputation and fosters trust from our stakeholders, in particular, customers, investors, regulators, and finance providers.

(ii) Anti-Bribery and Anti-Corruption

As a good corporate citizen it is incumbent on AEON Credit to stringently oppose and eradicate bribery and corruption. Accordingly the Group has zero-tolerance to all forms of bribery and corruption which can tarnish our good name and market reputation and cause irreparable damage to our value creation ability.

Compliance to the Group's Policy of Anti-Bribery and Corruption Management System ("ABCMS") is mandated on all employees, business associates and members of the Board of Directors to reinforce and preserve integrity across the Group and throughout our supply chain. The Board, supported by the management, exercises oversight over the management of anti-bribery and anti-corruption and enforcement of the associated requirements. Leading by example, they collectively inculcate and embed a culture of integrity across the Group and beyond encompassing business associates.

To secure early commitment, an Anti-Bribery and Corruption Pledge is mandatory and signed by all new employees upon onboarding to affirm their commitment to ethical conduct and compliance with the Group's anti-bribery and anti-corruption requirements. Along similar lines, business associates are required to sign an Integrity Declaration, further reinforced through due diligence processes to provide comfort of their adherence to anti-bribery and anti-corruption principles, upon commencement of our business relationship. During this financial year, the Anti-Bribery and Corruption Pledge and Integrity Declaration were revised to incorporate corruption following which resubmission of the declaration was required.

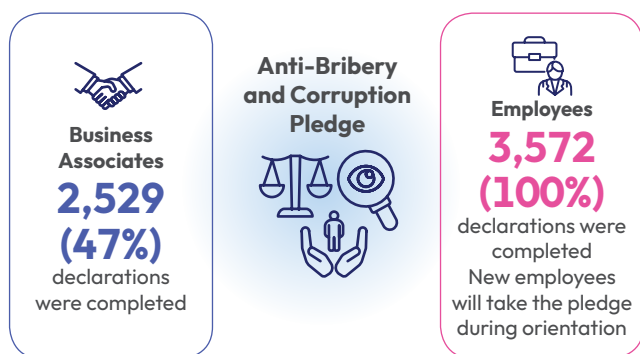
AEON Credit is certified in ISO 37001:2016 - Anti-Bribery Management Systems ("ABMS") which attests to the robustness of processes in place to prevent, detect and address incidents of bribery. The ABMS also facilitates compliance to the adequate procedures requirement under Section 17A of the Malaysian Anti-Corruption Commission Act 2009.

Independent internal and external assessments, performance monitoring reporting, are conducted to ensure ongoing compliance. In addition, we have formal whistleblowing mechanisms to facilitate reporting of instances of misconduct which serves to fortify constant vigilance.

The Business Process Department is functionally charged with the responsibility to reinforce the Group's integrity principles and to continuously strengthen the anti-bribery and anti-corruption culture. In FYE2025, the Business Process Department's principal activities include:

- 1 Conducting the online Anti-Bribery and Corruption Pledge and Integrity Declaration for internal and external stakeholders respectively.

For the FYE2025, all current employees have completed the Pledge, which was updated and enhanced to also cover anti-corruption, further strengthening our commitment to integrity.



- 2 Anti-Bribery and Corruption Risk Assessment to gain insights on better managing and addressing bribery and corruption risks;
- 3 Incorporating anti-bribery and anti-corruption-related measures into ABMS to enhance governance and risk mitigation;
- 4 Development of Key Risk Indicators for Anti-Bribery and Corruption Risk Assessment;
- 5 Facilitating the conduct of internal and external audits, including the ABMS surveillance audit;
- 6 Providing updates on anti-bribery and anti-corruption activities during the annual management review to the EC, BRC and Board;
- 7 Conducting training and awareness programmes to reinforce anti-bribery and anti-corruption principles and improve understanding of the Malaysia Anti-Corruption Commission Act 2009; and
- 8 Enhanced the Policy of ABCMS and conducting training to the Board on its implementation to ensure awareness of legal responsibilities and compliance obligations.

In line with AEON Credit's Policy of Code of Ethics and Conduct, no political contributions were made either directly or indirectly by the Group.

The Group also has in place a stringent Policy of Gift and Entertainment, this is further articulated in the Corporate Governance Overview Statement on pages 144 to 159.

Continuous improvement is an intrinsic part of effectively managing and addressing bribery and corruption risks. To this end, the following key priorities are in the pipeline for FYE2026:

- 1 Bank Negara Malaysia ("BNM") introduced implementation of anti-bribery and anti-corruption controls across the financial sector based on the Corporate Integrity System Malaysia's ("CISM") framework. Actions to comply to CISM requirements, moving forward, include:
 - to appoint an Integrity Officer to lead anti-bribery and anti-corruption matters;
 - enhance Policy of ABCMS to incorporate required information such as anti-bribery and anti-corruption controls on public officials and facilitation fee; and
 - further improving training and awareness programmes to reflect changes in the business, legislative and regulatory environments.

AEON Credit's ABCMS which has been approved by the Board and communicated to all employees, business associates and stakeholders, is available on the Company's website under the Corporate Governance section at:

 <https://aeoncredit.com.my/about-us/corporate-governance/anti-bribery-policy/>

or scan the QR code below:



PILLAR 1: CONDUCT AND TRUST

(iii) Anti-Money Laundering (“AML”)

As a non-bank financial services provider, it is mandatory and imperative for the Group to strictly comply to the provisions of Anti-Money Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (“AMLTFPUAA”). In this regard, the Group is guided by its Policy of Anti-Money Laundering, Countering Financing of Terrorism, Countering Proliferation Financing and Targeted Financial Sanctions for Financial Institutions (“AML/CFT/CPF and TFS for FIs”) which is reviewed at least annually or as and when there are legislative amendments.

The Board, supported by the BRC, exercises oversight over management and compliance to this critical legal mandate to ensure tight and constant monitoring and expeditious and accurate reporting. The Group has established formal control processes and systems to support the identification, monitoring, management and mitigation of associated risks across customers’ lifecycles.

The Group through our many years of operation, has amassed detailed knowledge of our customer segments and their risk profiles which in turn, informs the conduct of our customer due diligence processes. An Enhanced Due Diligence (“EDD”) is conducted for high risk customers who also require approval from the Senior Management, or above, prior to establishment or continuation of business relationships.

A critical part of our customer due diligence is name screening in which names of individuals or entities are checked against various global databases, such as sanction lists, watchlists, lists of Politically Exposed Persons (“PEP”) and media reports – this assures that prospective customers are of good repute and integrity and free from legal sanctions.

Training is regularly conducted for the workforce to reinforce understanding and compliance to AMLTFPUAA. New recruits are trained as part of the onboarding process and across their employment lifecycle. In addition, the workforce is required to complete an AML e-learning annually. The Board and Management members are similarly trained upon onboarding and provided with annual refresher training.

In the course of FYE2025, the Group conducted the following key activities in relation to AML:

- 1 Completed an Institutional Risk Assessment with external consultants to assess internal AML compliance controls; and
- 2 Conducted training and sharing sessions for the workforce, Management, and Board, to keep them abreast of the latest AML regulations and legislative requirements.



Moving forward, future priorities in relation to anti-money laundering are:

- 1 Successfully complete the implementation of the new AML System;
- 2 Revise AML-related policies and procedures based on latest amendments to BNM’s Anti-Money Laundering Policy Document; and
- 3 Update internal training materials according to the latest amendments to AMLTFPUAA, if necessary.

AEON Credit’s AML/CFT/CPF and TFS for FIs Policy which has been approved by the Board and communicated to all employees, business associates and stakeholders, is available on the Company’s website under the Corporate Governance section at:

 <https://aeoncredit.com.my/about-us/corporate-governance/anti-money-laundering/>

or scan the QR code below:



(iv) Compliance

Across the Group all relevant governance bodies exercise constant vigilance to ensure compliance in their respective sphere of responsibility given that the Group's operations are subject to multiple statutes and overseen by a range of regulators. All responsible parties ensure risks attendant to their respective operations are identified, appropriately managed and mitigated to ensure resilience in the Group's value generation capacity. These governance bodies report compliance matters to the BRC who also keeps the Board informed and updated. This chain of command facilitates expeditious action along with required authority/sanction to execute needed interventions, urgently, when required.

The Board has approved a Compliance Framework to govern processes that drive compliance across the Group's business and operations. Further reinforcing this Framework, a Monthly Compliance Meeting has been initiated with Senior Management (comprising the MD and Division Heads) to share compliance related updates and issues. To ensure continuous compliance, the Compliance and Risk Management Departments collaborate with business units to monitor and manage compliance risks through risk-based periodic reviews of related policies and internal controls. Constant reinforcement in the workforce is facilitated through regular training and awareness programmes.

(v) Whistleblowing

Whistleblowing is an integral part of the Group's good governance practices to encourage reporting of valid cases of improper conduct. A Whistleblowing Policy ("WP") is in place to govern processes related to disclosures of any wrongdoing and risky or unethical behaviour within the Group. A wide range whistleblowing channels have been implemented to provide secure and reliable access for employees, suppliers and vendors to raise concerns. The Group affords whistleblowers the requisite protection, in accordance with the Whistleblower Protection Act 2010, including confidentiality (to the extent reasonably practicable) and protection against retaliation and detrimental actions.

All reports are confidentially investigated with the necessary whistleblower safeguards and protection in place. Appropriate action will be taken where investigations prove the veracity of the whistleblower complaint. Whistleblowers are kept informed of the outcome of the investigation testifying to AEON Credit commitment to transparency.

In FYE2025, 23 reports were received through our whistleblowing channels, all of which were investigated and satisfactorily brought to proper closure. In all 23 cases, a no bribery or corruption was noted.

Our WP and information on whistle-blowing channels is accessible from our Company's website at:

 <https://aeoncredit.com.my/about-us/corporate-governance/whistle-blowing-policy/>

or scan the QR code below:



DATA SECURITY, IT INFRASTRUCTURE AND DIGITAL TRANSFORMATION

IT-enabled services are now pivotal to attract new customers and retain existing ones and has acquired a central place in the Group's strategic plans. Our Digital Transformation has gradually widened and deepened digitalisation across the Group, delivering capabilities of increasing complexity and sophistication and has now moved into the domain of AI.

(i) Business Continuity Management and Cyber Security

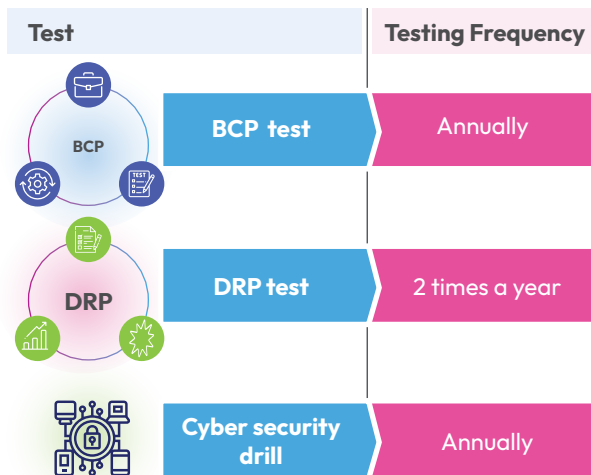
Digitalisation is accompanied by a set of associated responsibilities and customer obligations, including constant, uninterrupted availability, secure transacting capabilities, data privacy and confidentiality as well as cyber security. This set of responsibilities are also demanded by the regulatory authorities to maintain confidence in the financial system and ensure that customers are always protected.

The Group has in place the requisite IT infrastructure needed to provide reasonable assurance of availability for continuous service provisioning. This is backed by business continuity management infrastructure, systems and processes to ensure the Group is in a state of constant preparedness to address any service disruptions. Guidance for execution of the necessary interventions are documented in following comprehensive plans, in compliance with BNM requirements:



PILLAR 1: CONDUCT AND TRUST

These plans are kept current to take account of changes in our operating environment as well as new and emerging threats. The plans are also subjected to a testing regime that meets with BNM's minimum requirement of, at least, annual testing.



The testing regime includes, simulations based on hypothetical but realistic scenarios and tests designed assess the ability and adequacy of our business continuity infrastructure, systems and processes to respond to and mitigate risks and expeditiously recover and resume operations of our Critical Business Functions ("CBF") from disruptions caused by eventuation of these risks.

To support speedy recovery, the Group has a dedicated back-up site with all requisite infrastructure and services for back-up operations. Observations surfaced during testing, in particular weaknesses and areas of improvement are acted on and rectified to further strengthen operational resilience and heighten preparedness so as to ensure business continuity.

In the year under review, a BCP test was successfully conducted on 22 November 2024 to test the infrastructure of the newly renovated offices in the Bangsar South Headquarters as well as activation of the alternate Chief of Crisis Management in the absence of MD. The testing noted that the business continuity management infrastructure, systems and processes were adequate and operating as intended to support operational availability of CBFs and uninterrupted service provisioning. Learnings and observations were documented, and all required rectifications were expeditiously carried out.

(ii) Cyber Security

The prevalence of electronic transactions demands that the Group's infrastructure and applications be protected from malicious activities from cyber criminals which have become increasingly sophisticated in their methods and range of cyber threats. Accordingly, we place a strong focus on continuously strengthening our cyber security capabilities and keeping them up to date so that our fortifications against cyber threats are constantly strong and in a state of preparedness.

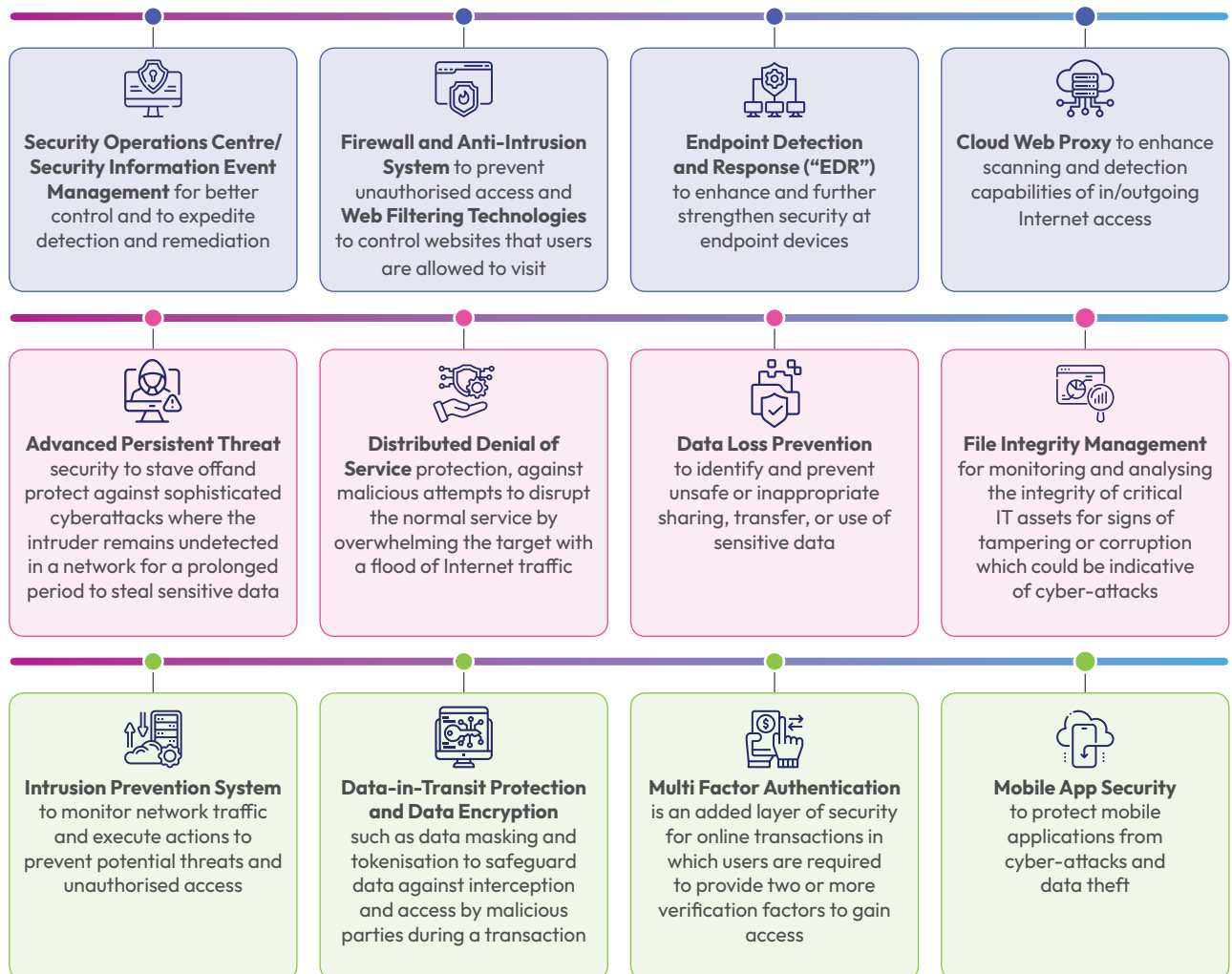
A governance structure through which cyber incidents are escalated has been established. Validated incidents of high severity are ultimately escalated to the Crisis Management team, Head of IT and Chief Information Security Officer, as well, relevant regulatory authorities are also notified. A Cyber Incidents Response Plan ("CIRP") is in place along with the underlying processes, as mandated by BNM, to guide responses to cyber incidents and support the expeditious recovery and resumption of operations from cyber incidents.

In compliance to BNM requirements, we successfully conducted our annual Cyber Drill on 22 November 2024 which provided assurance of the continuing efficacy, adequacy and resilience of our cyber security processes and systems. Weaknesses and areas of improvement arising were rectified and remediated expeditiously to secure the continuing effectiveness of AEON Credit's cyber security stance.

A 3-Year IT Security Plan covering all aspects of IT security, including cyber security has been developed and is under implementation. The Plan outlines expected investments to continuously keep the Group's IT security capabilities current and adequately prepared to counter and respond to malicious attacks. A total of RM7.65 million has been invested on cyber security in FYE2025.



The Group's current range of cyber security tools and systems include:



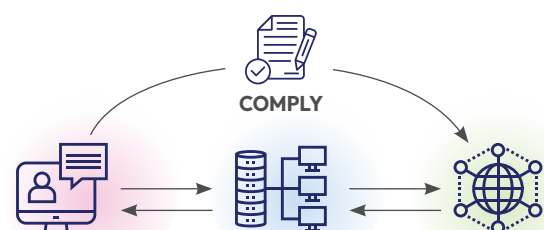
The Group will continue to make cyber security and IT security-related investments as we continue to digitalise our operations and expand on the range of online services we provide to our customers. This is in keeping with our intention to give our customers peace of mind when dealing with the Group and also to protect our assets against the constantly evolving and increasingly sophisticated methods of cyber criminals.

Cyber security e-Learning is conducted for all staff yearly to update their knowledge, reinforce constant diligence and vigilance and also to promote a culture of risk-awareness. New requirements arising from the Personal Data Protection (Amendment) Act 2024 will be incorporated into future training.

AEON Credit believes cyber security is only effective when both the Group and our customers are equally vigilant and diligent in keeping ourselves protected and secure in the virtual world. We believe we have a responsibility, which we take seriously, to also educate our customers to practice self-protection so that they can transact online with peace of mind knowing that they are secure and protected.

To this end, the Group constantly issues communications to our customers on good practices and responsible behaviours to better protect themselves, updated information is provided on new and emerging threats. Aside from minimising and heading off potential losses on the part of our customers, the communications aim to develop a culture of constant diligence and awareness among our customers.

There was no reported incident of cyber-attack in FYE2025 nor were there any customer complaints in relation to data breaches.



Implementing EDR and Web Filtering helps protect data, enhance cybersecurity, ensure compliance, and improve employee productivity

PILLAR 1: CONDUCT AND TRUST

(iii) Customer Data Protection

The proper safeguard and protection of customer data is a statutory responsibility placed on the Group under the PDPA. The Personal Data Protection (Amendment) Act 2024 received royal assent in October 2024 will come into force across the first half of 2025. The Group will implement all necessary compliance actions as needed where our operations are impacted by the amendments. The Group's Personal Data Security Policy is developed to govern and guide processing, handling and management of the Group's personal data.

The Personal Data Security Policy is accessible at:



<https://myaeoncredit.com.my/privacy-policy/>

or scan the QR code below:



The Policy will be updated to reflect the PDPA (Amendment) Act 2024 once revision concerned receives the Board's approval. In addition, we are also bound by the secrecy provisions under the Financial Services Act (2013) in relation to customer data.

All necessary controls and attendant processes are in place to guide the Group's data management processes including for customer data. The Group is certified in ISO 27001:2022 Information Security Management Systems ("ISMS") which validates the efficacy of the structured processes in place to safeguard information and data security.



BUSINESS INNOVATION, RESPONSIBLE MARKETING, PRODUCT AND SERVICE DESIGN

The Malaysian financial services industry is constantly evolving to address the challenges imposed by margin pressures, intense competition and, increasingly, a change in customer sentiments towards sustainability-inclined and environmentally-friendly products and services. It is therefore, incumbent for the Group to innovate in order to differentiate and build capabilities to effectively compete against industry players that are larger and possess greater depth of resources.

(i) Responsible Marketing

As the Group innovates, we consistently prioritise the AEON Foundational Ideals of placing our customers at the forefront of our efforts. In developing new and innovative products and services to better meet our customers' needs, we strive to ensure that our products are suitable for their intended use and tailored to align with the specific financial capacities of the different customer segments in our target market.

The Group's significant wealth of customer information has provided us with an intimate understanding of our customers' needs as well as their capacities and circumstances. The Group leverages this information to identify and offer products and services appropriate to different customer segments thus ensuring that our marketing campaigns have greater effectiveness and are framed in a responsible manner.

Our marketing materials do not bear any sensitive or misleading information in keeping with regulatory mandates. Business Units in charge check with relevant internal functions, Legal, Risk Management, Compliance and Corporate Communication to ensure adherence to all relevant regulations and industry prudential standards, in particular, care is taken to ensure that relevant terms and conditions associated with the products and services are clearly communicated.

In addition, where circumstances demand, the Business Units will seek the external legal advice on the mechanics underlying products and services to ensure compliance to legal requirements. In marketing to prospective customers, our personnel are required to provide full transparency of the relevant products' and services' terms and conditions and relay full information to facilitate prospects in reaching informed decisions.

Our customers have a right to equitable and fair treatment especially given that they may lack sophistication in their grasp of financial terms, the precise workings of our products and services and the associated implications. The Group has developed a Policy of Fair Treatment of Financial Consumers ("FTFC Policy") and a Treat Customers Fairly Charter ("Charter") which explicitly expresses our commitment to uphold the highest standards in interactions to ensure that every financial consumer receives fair, transparent, and respectful treatment. The FTFC Policy and Charter also embody our compliance to BNM's Policy Document on Fair Treatment of Financial Consumers across all aspects of our operations.

We are committed to uphold the professionalism of the Malaysian financial services industry and profoundly understand that fair treatment of our customers and transparency in dealings is a significant contributor to building and maintaining a high level of professionalism. The Group is taking direct ownership and intends to work alongside our industry peers in raising the bar and create the required impact.

In the year under review there is no reported complaint in relation to marketing nor was there any fine related to marketing information/content.



TRANSPARENCY IN PROCUREMENT PROCESS

The Group exercises strict oversight and governance over procurement processes to ensure transparency and fair treatment for our suppliers and vendors as well as to protect our interests. A variety of controls are in place to ensure integrity in procurement and safeguard against any misconduct. These controls are constantly reviewed for continuous improvement and audited to provide comfort of adequacy and effective operation.

(i) Procurement Governance

Our procurement processes are governed and guided by the Group's Policy of Purchasing which mandates the overarching principles of openness and transparency as well as professionalism and ethical conduct. We manage our procurement in line with best practices keeping the Group's interests centre stage to ensure we extract maximum value from each procurement.

Before being formally accepted by the Group, all suppliers and vendors are pre-qualified through a series of due diligence processes covering:

- 1 Human Resource checks to identify and eliminate any conflict of interest that may arise from the involvement of family members and relatives of members of our workforce;
- 2 Credit Bureau Malaysia and credit rating checks to assess individual/company creditworthiness; and
- 3 Anti-bribery and Malaysian Anti-Corruption Commission ("MACC") checks to ensure that suppliers and vendors are free from bribery/corruption offences and are not listed on MACC's blacklist.

Suppliers and vendors must sign an Integrity Declaration to attest to their adherence to anti-bribery and anti-corruption principles and meet the Group's stringent expectations of integrity and ethical conduct.

The Group adopts a two-tier procurement governance approach. Procurements valued at RM1 million and above are subject to an open tender while those below this threshold require quotations from 3 different vendors/suppliers. This approach facilitates operational efficiency and speed while preserving governance. All tenders must be reviewed and approved by our Tender Committee to ensure transparent and fair tender evaluation. Additionally, all confidential information both internal and external related to the procurement must be strictly protected and only used for the purpose for which it was provided.

All suppliers and vendors are subjected to an annual assessment to evaluate their performance, this serves to keep them on their toes and continuously improve and meet the Group's expectations.

Vendors rated as "poor" in the assessment are subject to blacklisting if the required rectification(s) or remediation(s) is not instituted in a timely manner to the satisfaction of AEON Credit. Continued blacklisting can result in exclusion from future tenders.

In FYE2026, sustainability considerations will be incorporated in the Group's annual supplier and vendor assessments. In this regard, we are currently working on developing our next 3-Year Sustainability Roadmap and supply chain strategy is part of our climate action plan to support decarbonisation efforts.

We will assess our suppliers and vendors according to social and environmental criteria to ensure that vendors align with the Group's sustainability aspirations and ethical business practices which will contribute directly to greater sustainability and resilience across our supply chain and support better informed decisions.

The Purchasing Policy is accessible at:

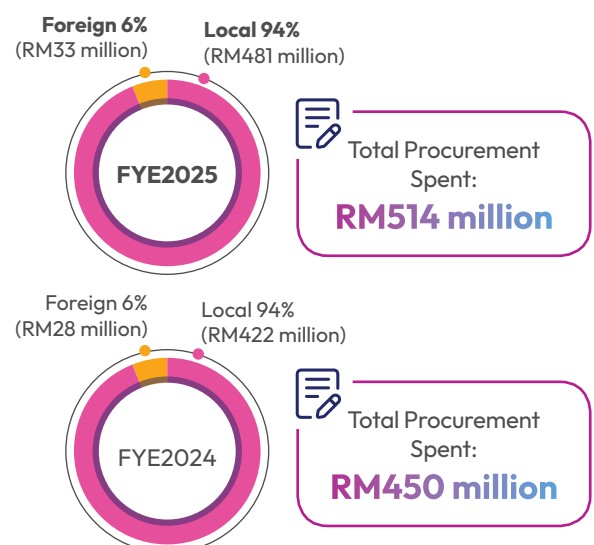
 <https://aeoncredit.com.my/about-us/corporate-governance/procurement-policy/>

or scan the QR code below:



(ii) Proportion of Local Procurement

To deliver on the Group's responsibility to contribute to the sustained growth of the Malaysian economy, the Group has a commitment to prioritise local vendors and suppliers. In FYE2025, and over the past 3 years, procurement spend directed to local suppliers and vendors remained constant at 94% of total procurement. Relevant procurement statistics are presented in the diagram below.



Suppliers and vendors can contribute to reducing our carbon emissions, particularly through reduction of emissions associated with procured goods and services, we will endeavour to exert influence through our procurement relationship with our supply base to encourage emissions reduction.



PILLAR 2: CUSTOMER EXPERIENCE

What this means to us

AEON Credit recognises that customers are fundamental to our long-term value creation. Guided by the AEON Group's "Customer First" philosophy, we embed customer focus across our strategies and operations. We are committed to delivering a positive customer experience that goes beyond expectations, as we believe excellence in customer experience drives loyalty, retention, and sustainable business growth.

Stakeholders



Customers



Shareholders and Investors



Employees



Government and Regulators



Merchants and Business Partners

Key Indicators

- Frequency and effectiveness of customer service programmes
- Sales channel diversity and effectiveness
- Customer Survey scores
- Number of complaints and resolution time by channel
- Sustainable marketing and brand perception

Material Matters



Business Innovation, Responsible Marketing, Product and Service Design



Excellent Customer Experience, Support and Access

UN SDGs



Relevant BURSA Common Sustainability Matter(s)

- Customer Relationship Management

Performance Summary



Personal Financing Credit Processing Turnaround Time

reduced time from **3 days to 52 minutes**



Launched **3 flagship branches**



Google Review

improved rating from **4.5 stars** in FYE2024 to **4.7 stars** in FYE2025



Launched new **AEON Virtual Credit Card**

reducing the use of plastic card



Launch of Revamped Corporate and New Consumer Websites



Customer Satisfaction Survey

rose by **17.98%** to **96.08%**



Mystery Shopper Programme for Branch Operations

average score increased by **3.23%** to **90.33%**



Net Promoter Score

improved from **+30** in FYE2024 to **+41** in FYE2025



Customer Complaints

improved from **62** in FYE2024 to **50** in FYE2025



Productivity and Conversion Rate

enhanced telemarketing strategy improved productivity resulting in an increase in conversion rate from **34.33%** in FYE2024 to **41.47%** in FYE2025

AEON Credit has a relentless focus on continually enriching our customers' experience and aim to leave pleasant lasting impressions in all our customer interactions across all customer touchpoints so as to build and reinforce customer loyalty. Our customers are the Group's principal source of revenue on which we depend for prosperity, continuing growth and resilience. Accordingly, across all our operations, in all that we do, we bring to life AEON's "Customer First" philosophy.



EXCELLENT CUSTOMER EXPERIENCE, SUPPORT AND ACCESS

The Group predominantly operates in the retail financial services segment where customer churn is prevalent and represents a constant concern. Like all financial services players, the Group places intense focus on retaining our valued customers and attracting new ones. In this regard, excellence in customer experience, support and access are critical differentiating factors to build and reinforce.

(i) Service Convenience and Customer Feedback

The Group has made great strides in enhancing customer convenience over the years. Driven by our Digital Transformation Programme customer channels has widened to include virtual channels, affording greater convenience through 24x7, anytime, anywhere availability and accessibility. Adding to these conveniences, service features in our virtual channels are continuously enhanced in keeping with prevailing trends and customer preferences, for instance the AEON Wallet, in a single app, provides the convenience of cashless payment through linkage with AEON Credit Card and AEON Member Plus Visa Prepaid Card. It also eases the top-up, collection, and redemption of reward points as well as the viewing of transaction history and, repayment amongst other value-add features.

To further enhance customer convenience, members of the entire AEON Group in Malaysia, including household names such as AEON CO. (M) Bhd., AEON BiG (M) Sdn. Bhd., amongst others, are collaborating to bring to the market the AEON Living Zone - an integrated ecosystem offering customers one-stop access to all Group products and services,

in the near future. AEON Living Zone will significantly enhance convenience for customers of AEON Group entities enabling them to buy and pay for goods and services via a single consolidated touchpoint. For respective entities, the Living Zone affords access to a larger pool of captive customers to leverage for revenue growth.

A variety of improvements have also been instituted as the Group continuously enhance processes and systems to bring our customer greater convenience, in FYE2025 these include:

- 1 AEON Wallet upgrade with a refreshed interface that simplifies processes for payments, rewards management and accessing financial products;
- 2 Integration of digital onboarding into AEON Wallet reducing turnaround time to just 52 minutes from 3 days previously accompanying improvements include pre-assessment, e-mandate, e-signature, e-storage, and use of scoring models;
- 3 A new AEON Virtual Credit Card designed with enhanced security for online transactions in which customers are provided with a unique card number distinct from their physical card;
- 4 3 flagship branches were launched in July, August 2024 and December 2024. These new branches have a distinctive contemporary design with features that enhance customer comfort and convenience in addition to supporting the Group's sustainability commitments recyclable material and energy-efficient appliances are used; and
- 5 An enhanced AEON Group-wide loyalty programme featuring a unified membership and points system designed to reward customers for their continued loyalty, while enhancing and delivering a seamless, integrated shopping experience across all participating entities.

In response to the growing prevalence and preference for online and cashless transactions, the Group maintains a strong focus on enhancing online security to provide our customers with peace of mind and the comfort of knowing that their interests are safeguarded. Customer protection and cyber defence fortification measures are constantly implemented and upgraded. A summary of key protection systems and tools deployed is presented in the sub-section Cyber Security - Pillar 1: Conduct And Trust.



PILLAR 2: CUSTOMER EXPERIENCE

We launched the Revamped Corporate and New Consumer Websites in March 2024, designed to facilitate ease of access to and present key corporate information, financial reports, governance details, press releases, and career opportunities. Meanwhile, a new consumer website has also been introduced which optimises user experience, providing a more informative and seamless journey for consumers seeking products, services, and customer support.

The Group has in place a variety of touchpoints, both physical and virtual to facilitate ease of access to products and services. All our physical touchpoints are staffed by experienced customer service representatives appropriately trained to interact with and assist customers. We solicit customer feedback as a matter of course to obtain frank and objective feedback which we use diligently as an integral part of continuous improvement to continually raise the bar on customer service as well as to improve our products and services.

All complaint feedback is acknowledged within 3 days. Case resolution is to be completed within 10 days. Upon identification of the complaints' root cause(s), appropriate corrective actions will be taken to expedite the required remediation and prevent future recurrence.

Where the root cause relates to communication lapses or deficiencies in product information/processes, retraining and briefing will be conducted to avert recurrence. The number of customer complaints received have decreased from 105 in FYE2023 to 62 in FYE2024, and further to 50 in FYE2025 indicative of continuous improvement in customer experience.

We supplement direct customer feedback with the following tools to better understand customer sentiments and identify areas of improvement:



Google Reviews received from customers - the overall star ratings and customer comments on Google provide a quick view of customer satisfaction. Analysing these help identify strengths that can leveraged on and areas for improvement.

In FYE2024, AEON Credit branches generally received positive feedback with the average Google Rating across 60 branches being around 4.5 stars. In FYE2025, the Google Rating for our network of 57 branches saw a slight improvement to 4.7 stars. Feedback remained largely positive, with several improvement opportunities. Our digital transformation has been crucial to garnering greater support from our customers.



Customer Satisfaction Survey serves as a crucial indicator of the quality of our customer service. These surveys help us gauge how well we are meeting our customers' expectations facilitating us in identifying areas for improvement. Overall, there has been a noticeable improvement in customer feedback from FYE2024 to FYE2025.

Total number of customer submissions rose by 17.35%, indicating higher engagement. Most categories saw improved ratings, with the most significant improvement in "Likelihood of Customer Referral" which rose to 96.08% up from FYE2024's 81.44%, indicative of enhanced customer satisfaction leading to a higher likelihood of customers recommending our services.



Mystery Shopper Programme which involves evaluating customer service, efficiency, and staff knowledge at branches. The feedback gathered helps improve service quality, overall customer satisfaction and staff training. The mystery shopper evaluations in FYE2025 showed an overall improvement in service standards across all branches. The average score increased from 87.50% in FYE2024 to 90.33% in FYE2025.

Key rating improvements were in:

- Reception and Staff Service Quality which increased by 4.83%; and
- Counter Officer's Product Skills and Compliance which rose by 6.87%.

Branch presentation remained consistently high, while the closing and follow-up process saw a modest improvement. Overall, the results indicate positive progress in service quality, with notable gains in key areas.

As we celebrate the improved score, we maintain a laser-sharp focus on continuous improvement. The FYE2025 programme, surfaced several gaps in our service delivery. To address these issues, we have conducted comprehensive refresher training sessions for impacted staff to enhance their skills and ensure a consistent, high-quality customer experience.

(ii) Customer Service Focus




The Group is certified in ISO 9001:2015 Quality Management Systems which affirms the robustness of the customer service process in place and that they are in keeping with generally acknowledged best practices. Successful recertification by an independent third party took place in FYE2025, this will remain valid for 3 years with an annual surveillance audit mandated during this period. We successfully concluded a recertification audit in December 2024.

Our customer-facing employees give customers their first impressions of the Group. Hence, we spare no efforts to ensure that our customer service representatives are properly trained, groomed and developed to be good ambassadors for the Group reflecting our core values and bearing high standards of professionalism. Customer service programmes are a crucial part of inducting newly recruited frontliners and continuously developing the incumbents.

In FYE2025, the following initiatives were conducted as part of the Group's continuous efforts to embed and reinforce customer service excellence throughout the organisation;

- 1 Net Promoter Score ("NPS") to measure overall customer satisfaction of our services. The current NPS is +41 compared to +30 as of February 2024 marking a significant improvement in customer satisfaction and implying greater customer loyalty
- 2 #1 in Customer Service - Service Success Journey Programme to emphasise good practices in the behavioural aspects of customer service excellence
- 3 Customer Experience Journey for all staff of Central Region aimed at improving customer service skills, inculcating positive attitude in delivering customer service
- 4 Excellence Award Programme for both Customer and Merchant Ambassadors (WoW Compliment). This Programme, motivates customer service excellence by recognising our AEON Ambassadors who received compliments from customers for services rendered and serves to embed and reinforce a mindset of responsiveness in internal and external customer interactions
- 5 Mandatory customer management, customer service and soft skills training for new recruits in frontline roles.

Recognition for customer service excellence, which has proven effective to motivate customer service personnel, continued in FYE2025. The number of Gold Award winners continues to be on the uptrend in FYE2025 validating the strong customer service capabilities the Group has developed within our customer service representatives. This affirms that we have competent and capable ambassadors on the frontlines to ably represent the Group and leave pleasant lasting impressions.

Customer Service Ambassador Programme			
		FYE2025	FYE2024
	Gold Award Achievers	113	103
	Silver Award Achievers	283	336
	Bronze Award Achievers	387	439

Our relentless focus on customer service excellence mandates a programme of continuous improvement to ensure our front-liners are well-trained and competent to provide the quality service our customers deserve. In FYE2025, initiatives in this direction were:



Customer Service Training

Conducted 40 Customer Service Training sessions for staff nationwide to uplift and enhance product knowledge, systems familiarity and maintain high levels of customer service. The training's objective was to ensure continuous improvement in customer interactions fostering consistency and efficiency and to embed a customer-centric culture where employees deliver exceptional service, leading to higher customer satisfaction.



Knowledge Sharing via Weekly Highlights and Awareness Email

Weekly updates on customer service and operations shared across branches to highlight best practices and address common issues.



Customer Service and Operations E-Learning

Implementation of online assessment to continuously evaluate and improve employees' knowledge and skills in customer service and operations.

PILLAR 2: CUSTOMER EXPERIENCE



BUSINESS INNOVATION, RESPONSIBLE MARKETING, PRODUCT AND SERVICE DESIGN

Innovation is widely accepted as an effective way of differentiating. Innovation played an integral role in many organisations reinforcing market leadership and developing lasting competitive barriers. The Group places an intense focus on innovation throughout our operations to continually develop our competitive strengths and turn them into compelling competitive advantages.

Beyond being a competitive necessity, innovation is a survival imperative for the Group. It has been key to the Group's continued growth, resilience, and ability to record sustained positive results through our many years of operations. The many changes that the Group has instituted to respond successfully to wide-ranging challenges for instance, the Covid-19 pandemic, changing customer demographics and changes in the regulatory environment, attests to the Group's innovative spirit. In FYE2025, innovation was brought to life across our operations in the form of:

- 1 Continued expansion and enhancements to our range of products and services, AEON Living Zone, AEON Wallet and the AEON Virtual Credit Card articulated above being prime examples, notably these new products leverage virtual delivery channels which expedite delivery of feature and functionality enhancements and service and support;
- 2 Enhanced telemarketing strategy which drove improved productivity and a higher conversion rate of 41.47% in FYE2025, compared to 34.33% in FYE2024;
- 3 Operational efficiency measures, for instance our new Loan Origination System deepens automation with enhanced functionalities and integrates with an Optical Character Recognition ("OCR") solution to reduce manual dependency, facilitating seamless loan processing yielding improved turnaround time and better fraud detection;
- 4 Leverage of AI in credit scoring models leading to greater accuracy in credit appraisals and, impressively, also improving turnaround times, resulting in an enhanced customer experience;

- 5 Expansion of digital onboarding including through electronic Know Your Customer ("e-KYC") automating this critical process which is time-consuming when performed manually, has improved turnaround times and customer experience; and

- 6 Expanded application of analytics:

- has allowed greater leverage of our wealth of customer information for multiple purposes, as an example, we continually improve customer segmentation to identify cross-selling opportunities and enhance cross-selling rates
- to facilitate development of credit scoring models, leveraging on latest AI tools to improve default prediction accuracy and enhance the acquisition strategy for target customer segments
- to support risk management, robust and dynamic analytics is key to our risk-based collection approach, which focuses collection efforts based on customers' risk levels

The Group has achieved significant results from innovation and will continue to actively promote and nurture the spirit of innovation to help us continuously develop value creating ideas that will fortify our competitive strengths.

As we innovate in our product and service offerings, responsible features, terms and conditions takes centre stage to protect our customers' interests and ensure that dealings with them are ethical, fair and equitable. The Group recognises that the experience we give to our customers hinges significantly on the integrity with which our products and services are marketed and the care that goes into the design of their features. The Group diligently invests effort to design fit-for-purpose products and services that are aligned with our customers' financial needs and their financial capacity.



PILLAR 3: DIGITAL PRODUCT AND SERVICE TRANSFORMATION

What this means to us

AEON Credit acknowledges the role of digital transformation as a catalyst for innovation and competitiveness in the financial services industry. Through our ongoing Digital Transformation programme, we continue to digitalise operations and enhance product and service offerings to meet evolving customer expectations. This initiative has improved operational efficiency, optimised back-office processes, and enabled the delivery of greater value to our customers, reinforcing our position in a rapidly advancing digital landscape.

Stakeholders



Customers



Shareholders and Investors



Merchants and Business Partners



Lenders and Financial Institutions



Government and Regulators



Employees



Rating Agencies

Key Indicators

- Customer base growth
- Number of new products and services and their market acceptance, including for Sustainable Finance
- Number of new channels and new features delivered digitally
- Number of Financial Inclusion initiatives, including the number of beneficiaries
- Number and percentage increase in access points for the underserved segment

Material Matters



Financial Inclusion, Sustainable Finance and Financial Performance



Excellent Customer Experience, Support and Access



Business Innovation, Responsible Marketing, Product and Service Design

UN SDGs



Relevant BURSA Common Sustainability Matter

- Customer Relationship Management

Performance Summary



e-KYC

526,805 applications processed and approved via e-KYC for all products



Credit Assessment Processing

auto judgement rate increased to **41%** from **36%**
processing time shortened to **5 - 10** minutes
from **28** minutes with **99%** accuracy manpower requirements lowered by **10.8%**



AEON Virtual Cards

boosted credit card sales by **20%**,
with **113,000 cards** issued and digital customer acquisition rising to **22%**



Collection Rate

improved to **97.64%** from **97.32%**



AEON Wallet

41% increase in new sign-ups to **599,985**



Financial Literacy Programme

30 primary schools participated in Young Financial Savvy Programme

25 teachers participated in Financial Savvy Programme for teachers



Debt Management System (DMS)

Enhanced operational efficiency resulting in a **22%** productivity improvement



Sustainability-Linked Loans ("SLLs")

RM200 million disbursed, total SLLs amounting to **RM1.2 billion** as at FYE2025

PILLAR 3: DIGITAL PRODUCT AND SERVICE TRANSFORMATION

The financial services industry is in a state of constant transformation to stay relevant and fortify its competitiveness. These transformations are invariably technology driven which witness greater automation and implementation of enhanced IT applications. AEON Credit instituted our digital transformation some years back which has brought greater customer convenience and enhanced experience in addition to increasing operational efficiency. Our digital transformation is continuing apace through leverage of technologies of greater sophistication such as AI, this also testifies to the greater breadth and depth of IT capabilities that the Group has built which continues to be strengthened on.



EXCELLENT CUSTOMER EXPERIENCE, SUPPORT AND ACCESS

In keeping with AEON Foundational Ideals, our customers were the starting point of our digital transformation. We aim to always enhance our customers' experiences in all their interactions with the Group. This focus continued with equal intensity in year under review during which a multitude of initiatives targeting our customers were implemented as elaborated in Pillar 2 under Customer Experience, Service Convenience and Customer Feedback.

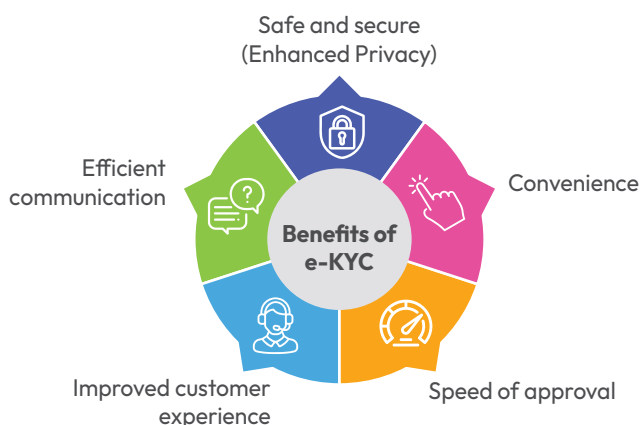
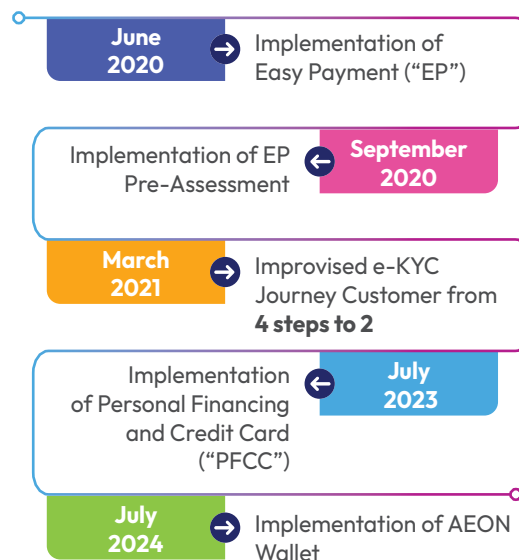
In Q4 2024, AEON Credit began exploring the integration of AI within its operations. The initiative is in its infancy with research and development still being actively conducted, focusing on identifying key areas across business units where AI can drive operational efficiency, improve employee effectiveness, and build customer trust. Additionally, it aims to enhance customer experience by gaining a deeper understanding of customer preferences and needs, enabling the delivery of personalised experiences that promote sustainable products and services.

The Group is developing an AI Policy that prioritises data privacy, cybersecurity, and ethical use of AI. The policy will be aligned with guidelines from the Ministry of Science, Technology, and Innovation, which emphasise fairness, transparency, safety, control, privacy, and accountability in AI implementations.

Incorporating will ensure that AI technologies are utilised in a manner that supports long-term objectives, including environmental sustainability, social responsibility, and continuous ethical considerations. The draft policy will be presented to internal stakeholders for feedback and is targeted for endorsement by the Board of Directors by Q2 FYE2026.

We recognise that operations in both the front and back offices need constant focus and elevation to continuously enhance end-to-end customer experience and service. Accordingly, the Group also had a sharp focus on back office services. As an example in FYE2025, we continued to enhance and expand our e-KYC which was first introduced in 2020 for selected products. e-KYC continued to be improved and expanded since its introduction and in FYE2025 further covered AEON Wallet. In FYE2025, we successfully processed and approved 526,805 e-KYC application for all products.

E-KYC Roadmap

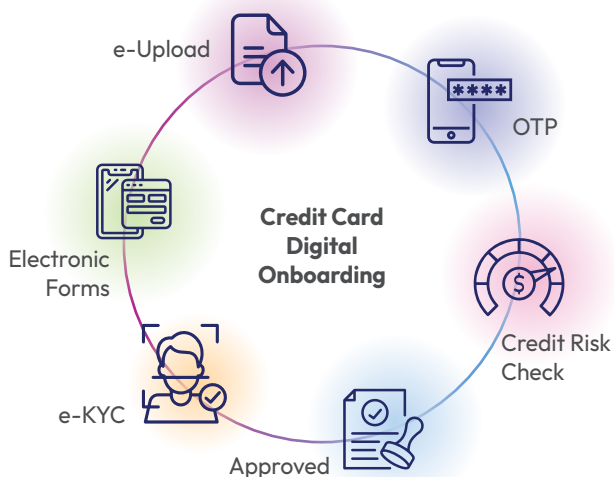


Loan processing also continued to be an area of focus, a new Loan Origination Systems ("LOS") was implemented in FYE2024 that has expedited our loan processing enhanced response time. Capability enhancements continued in FYE2025 through the implementation of Optical Character Recognition ("OCR") and AI-powered data extraction, accurate data entry from documents, eliminating errors related to manual typing. Resulting from the enhanced data accuracy, auto judgment rate - the AI supported credit decisioning - has increased from 36% to 41%.

In addition, AI is leveraged to verify credit applicants' income by cross-referencing payroll data instantly and automatically performing credit bureau checks to ensure accurate credit scoring. Prior to this automation, verifying an applicant's income could take 1-2 hours but might still return errors, however after automation, this process is completed in seconds with 99% accuracy. The quantitative results achieved speak for themselves: credit assessment processing time reduced from 28 minutes to 5-10 minutes per application, a time saving of up to 18 minutes. Significantly, manpower requirement has also reduced in tandem by 10.8%.

There has been a noticeable shift in consumer behaviour, with increasing preference for online platforms. Responding to this shift, in August 2024, we introduced our virtual card to drive online spend which contributed to growing credit card sales by 120% compared to the previous year. This growth was driven by the introduction of digital onboarding for new cards, leading to the issuance of 113 thousand virtual cards from August 2024 to February 2025 with 287 thousand active members.

The percentage of new customers acquired through digital channels increased to 122% in FYE2025, up from 118% in FYE2024. The collective increases recorded testifies to the success of our focused efforts to enhancing customer experience through digitalisations, more importantly, they affirm customer acceptance and assimilation.



In our ongoing digitalisation, we also have consolidated our financial services into the new AEON Wallet that includes the instant issuance of an AEON point account upon downloading the Wallet app eliminating the need to separately set-up this account. In July 2024, we updated our Wallet to allow instant AEON membership registration, virtual card issuance, and access to AEON's promotional offers. Our objective is to ultimately elevate the AEON Wallet to be the Group's primary membership app. Total new sign-ups for FYE2025 is 599,985, a 41% increase compared to last year which saw 425,410 sign-ups.



BUSINESS INNOVATION, RESPONSIBLE MARKETING, PRODUCT AND SERVICE DESIGN

It is imperative that the Group continuously innovates to maintain our competitiveness and retain our valued customers. As emphasised earlier, we have a constant focus on innovation to develop better and more comprehensive value propositions for our customers. The AEON Living Zone, a digital platform which is a collaborative effort of AEON entities in Malaysia, targets to strengthen the AEON Group's competitive advantage by combining all AEON Group offerings within 1 ecosystem that is accessible through a single channel.

Significantly, this collaboration has the potential to create competitive barriers that are difficult for our competitors to match, especially with the presence of household names like AEON CO. (M) Bhd. and AEON BiG (M) Sdn. Bhd., instantly recognisable and names in the consumer products space. All entities, including AEON Credit already have our own respective loyal customer base, which in many cases intersect, hence the AEON Living Zone has a ready-made base of customers which can only grow as more customers sign up attracted by the convenience and customer rewards which are constantly improved.

The Group is enhancing its leverage of IT to automate processes across the customer lifecycle. This contributes significantly to improving the experience we give our customers, most importantly, it translates into speed and efficiency that are visible and felt by customers, these invariably leaves a lasting positive impression and reinforces customer loyalty.

Sales



Measures to increase high-scoring balances

Application



Verification through e-KYC & biometric

Screening



Improvement of credit accuracy through AI scoring

Collection



Optimal resource allocation according to credit risk

It is significant to note that underlying the automation and foundational to making it work effectively, lies the wealth of customer data accumulated over multiple interactions and transactions. This data is invaluable for effective functioning of IT applications across the customer lifecycle, such as credit scoring models and collection.

PILLAR 3: DIGITAL PRODUCT AND SERVICE TRANSFORMATION

Our leverage of customer data brings to mind the adage: *information is power* – we endeavour to achieve competitive advantage through innovative application of customer data. Equally important in bringing to bear the value of our customer data is the deep expertise and vast experience of our personnel for only through the infusion of their experience can the customer data be practically leveraged, as an example with their wealth of knowledge which is uniquely AEON Credit-specific is being applied to continually improving customer segmentation, creating more granular slices of information which allow for better targeting efforts and more effective campaigns.

In FYE2025, we implemented a new Collection System, the Debt Management System (“DMS”) to further enhance our collection capabilities. The system brings enhanced functionalities to support improved productivity in collections and operational efficiency through reduced processing time. The system provides enriched information through an all-in-one screen along with real-time status and report updates which supports quicker decision-making and expedites collection. The system also supports flexible workflows and includes monitoring and alerts on response time to customers. All the foregoing have been instrumental to a 22% productivity improvement.

Alongside technology support, we continued to adopt the risk-based collection approach that focuses on high-risk customers. Since its introduction in March 2023, this approach has enhanced collection performance. In FYE2024, we achieved a collection rate of 97.32% on current loans which further improved in FYE2025, reaching a rate of 97.64%.

As always, in developing and designing new and enhanced products and services, the requisite due diligence is exercised to ensure that they embed and reflect the Group’s commitment to excellent ethics, fair dealings and sustainability both on the part of the Group and our customers.



FINANCIAL INCLUSION, SUSTAINABLE FINANCE AND FINANCIAL PERFORMANCE

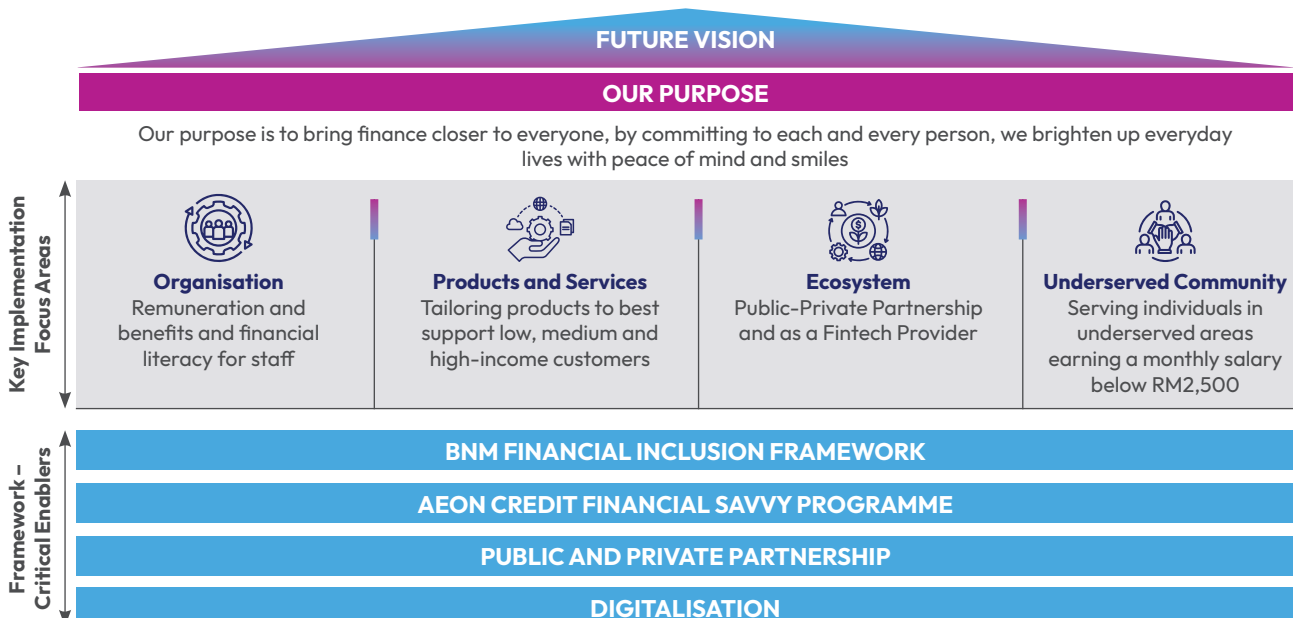
In light of our focus on retail financial services and recognising the need to make meaningful contributions, through our business, to societal and national development, the Group has intensified our efforts at supporting financial inclusion in FYE2025 while we continue to further our refined lending direction towards sustainable finance to address changing customer sentiments and realise our commitment to contribute to addressing global warming.

(i) Financial Inclusion

Financial Inclusion has an integral place in our 3-Year Sustainability Roadmap. The Group has formalised the definition of the underserved segment to guide the formulation of our financial inclusion strategy. This definition adopts the characteristics of the underserved segments contained in BNM’s Financial Inclusion Framework Strategy Paper 2023-2026.

The Group has mapped out our strategic intent and key initiatives to realise this intent. The initiatives are broad-based across key societal segments in which financial inclusion will create the most impact. For instance, inculcating financial literacy programmes to students and youths at their young age will embed early a better understanding of financial wellness and instil confidence in managing finances that will last into adulthood while extending affordable financing products to local businesses will help nurture them to make effective contributions to national economic development and societal upliftment through opportunities for employment and personal growth.

Financial Inclusion Framework



It is also notable that, to deliver effectively on the strategy the Group, is starting with institutional strengthening through internal capability building supplemented by appropriate refinements in its compensation scheme to motivate and infuse passion within the workforce.

In terms of practical action, loyalty programme development is being refined to make them accessible to all customer groups including low-income groups to enhance appeal to the targeted underserved segment. As well, we are addressing customer segmentation by income groups to improve personalisation and product and services targeting, including to the underserved segment.

Our Financial Inclusion Strategy is designed to ensure equitable access to financial services for underserved communities by fostering financial literacy, enhancing accessibility, and ensuring affordability. The underlying Financial Inclusion Framework and 3-Year Implementation Roadmap targets the integration of marginalised groups into the formal financial system, eliminating barriers, and empowering individuals economically.

By establishing the Financial Inclusion Framework, the Group supports BNM's objectives, of improving access to financial services for underserved populations, reducing poverty, and encouraging broader economic participation. Our Financial Inclusion Framework is aligned with national goals, promotes financial literacy, and supports both financial stability and innovation within the sector.

In FYE2025, we conducted the following financial literacy programmes as we implement our financial inclusion strategies:

1 AEON Credit Young Financial Literacy for Teachers targeting school children aged between 13 to 17 years old was piloted at Felda Lurah Bilut, Pahang in March 2024. This involved the participation of 30 primary school students from SK Lurah Bilut to create awareness on basic financial literacy. The value of money, sharing values and also understanding needs and wants were impressed upon the students during the event.

2 The AEON Credit Financial Savvy Programme was initiated with 25 teachers from the MAF AEON Smart Classroom Project in July 2024. This initiative aimed to enhance financial, digital, and insurance literacy, as well as raise awareness about scams and fraud. The 2-hour session provided the teachers with a deeper understanding of digital financial services, digital literacy, and insurance.

Future initiatives will target youths aged between 18 to 24 years old through collaborations with local universities as part of the Group's strategy to create financial confidence for new-to-credit segment through physical engagement programmes and online podcast sessions.

To tap into the collective wisdom and experience of financial inclusion-inclined organisations and contribute to wider financial inclusion through collaboration, we plan to apply for membership in the Financial Education Network ("FEN") in FYE2026. FEN is an inter-agency platform comprising of institutions and agencies committed to improving the financial literacy of Malaysians and count amongst its members, BNM, Securities Commission Malaysia, both the Education and Higher Education Ministries as well as notable names in financial services and capital markets.

The Group's financial inclusion efforts in FYE2025 also included:



Widening accessibility to our products and services

Our AEON Member Plus Visa ("AMP") prepaid card offers the a convenience payment solution for all customer segments. Notably, customers aged 15 to 17 are eligible for a maximum purse size of RM1,500, which increases to RM10,000, for customers aged 18 and above. The growing popularity of AMP is reflected in a 113% increase in active customers and a 22% rise in sales transactions in FYE2025 compared to the previous year.



Support for small businesses

We continued to support hawkers and petty traders through the Privilege Card for Hawkers and Petty Traders ("Kad Penjaja"), a prepaid card designed specifically for street vendors and small businesses which enables them to accept cashless payments furthering financial inclusion.



Promoting financing affordability

Our Objective Financing facility promotes financing affordability through the FlexiPay feature which extends the repayment period to up to 48 months, reducing the quantum of monthly instalment and increasing affordability. This facility offers higher financing which also increases affordability. Obviously, like all credit facilities, application for Objective Financing are subject to diligent and thorough appraisals.

PILLAR 3: DIGITAL PRODUCT AND SERVICE TRANSFORMATION



Accessible financing options

Electric bikes financing has an integral role in the electric vehicle-based initiatives in our 3-Year Sustainability Roadmap. We offer customised financing solutions with special profit rates ranging from 0.65% to 0.833% per month to make EV bikes more accessible to a broader customer base. This initiative fosters the growth of the green mobility market and aligns with the Group's sustainability commitments as well as our net-zero goal. Our efforts also contribute to national efforts to expand environmentally friendly transportation options, supporting the achievement of Malaysia's Paris Agreement commitment.



Judiciously lowering financing qualification requirements

We revised the income documentation requirements for moped financing applications in the Eastern Regional Office ("ERO") and East Malaysia Regional Office ("EMRO") to better serve the low-income segment who may not have proof-of-income documentation and allowed a minimum down payment of 30%. Following this revision, 7,683 applications were received, of which with 5,177 was approved. This reflects a broader strategic direction to innovate and adapt in ways that mutually benefit the Group and the communities we serve, reinforcing AEON Credit's reputation as a responsible and customer-focused financial institution.



Leveraging merchants' access to underserved markets

Merchants play a pivotal role as the primary point of sale for a variety of financial products. Collaborating with local merchants allows us to reach underserved and unbanked populations, further promoting financial inclusion. In appreciation of their significant contributions, we organised our first merchant incentive trip in FYE2025 during which we recognised approximately 30 merchants.

(ii) Sustainable Finance

We made a distinct realignment in our lending direction in FYE2024, driven by 2 significant factors, the first, securing our inaugural Sustainability-Linked Loans ("SLLs") which came attached with sustainability-based performance targets and the second, an increasingly discernible change in customer sentiments in support of environmental-friendly products and services.

The underlying intent of environmental preservation and societal upliftment embedded in our 3-Year Sustainability Roadmap also drove the realignment of our lending direction.

Our portfolio of products and services has since expanded to cover sustainable financing for green, environmentally friendly appliances and systems as well as social financing to support uplifting the stature of the general society. The Sustainability Performance Targets ("SPT") attached to our SLLs binds us to offer and secure customers for our sustainable finance products. The achievement of the SPTs is incentivised by alignment of SLLs interest rates with our performance. The SPTs are detailed below:

1 SPT1 – This category covers green and social financing for loans related to the purchase of energy-efficient appliances such as washing machines, air conditioners, televisions, and refrigerators with 4-star or 5-star energy efficiency labels certified by the Energy Commission (Suruhanjaya Tenaga). It also includes bicycles, and electric bikes. The total financing mandated under SPT1 for these categories is shown below.

Sustainable Performance Targets ("SPT")		Total (RM)
SPT1	Green financing for purchase of energy efficiency appliances (washing machines, air-conditioners, televisions, refrigerators, e-scooters and bicycles)	7,059,829* ✓
	Green financing for electric bikes	721,481 ✓
	Social financing for underserved customers [1] [2] [3]	30,533,300 ✓

* Inclusion of extended warranty

- Underserved customers refer to "individuals who reside in underserved and unserved areas" as defined by Bank Negara Malaysia, with limited geographical accessibility, specifically, rural/remote/hard-to-reach areas and areas where Financial Access Points are located more than 10km travelling distance away (Source: 2nd Financial Inclusion Framework 2023-2026);
- To determine the underserved and unserved areas, AEON Credit refers to the list of underserved and unserved areas issued by Bank Negara Malaysia (Source: Policy Document on Agent Banking issued on 16 June 2022); and
- Customers from targeted for low-income group, specifically, individuals with monthly income of RM2,500 and below.

✓ This data was assured by KPMG PLT.

- 2 **SPT2** – for meeting carbon reduction targets to support the Group's 2030 carbon neutrality goal. Please refer to GHG emissions on pages 122 to 123 to see our performance against the SPT emission target.

Given that the retail segment is our dominant focus, our portfolio of sustainable finance products is significantly inclined towards environmental-friendly consumer products, such as solar energy generation mechanisms, energy efficient appliances and electric vehicles. Uptake has been encouraging in tandem with the changing customer sentiments, it is also worth noting that local financial services providers have also strongly embraced the sustainable lending direction with those active in the retail segment also largely offering similar products.

We actively seek opportunities to expand our involvement in sustainable financing to help our customers realise their environmental care and protection aspirations. To this end, we are exploring collaborations with solar panel vendors to enhance our offerings and as an additional channel to secure customers.

A total of RM200 million has been disbursed for FYE2025, bringing the cumulative disbursement funded by our SLLs to RM1.2 billion. Additionally, we are actively exploring new borrowing opportunities with our banking partners for sustainability-linked loans, social bonds, and social loans.

The market has demonstrated strong support for green financing, highlighting an increasing commitment to sustainable financial practices. We remain focused on achieving the SPTs as we strive to realise our financial objectives while making a meaningful contributions to both environmental and social sustainability.

(iii) Financial Performance

Continuous positive financial performance is important to the Group to fund growth and expansion and to reinforce our capacity and capabilities to generate stakeholder value. We have a relentless focus on sustained positive financial results, in the year under review, we continue to implement measures aimed at:

- 1 Increasing our revenues and fortifying the quality and longevity of our sources of revenue
- 2 Expanding our and strengthening the resilience of our revenue streams

while at the same time also:

- 1 Optimising cost through implementation of cost effectiveness and operational efficiency initiatives
- 2 Diligent and active risk management to avert and minimise loan impairments

The economic values generated, retained and distributed for FYE2025 are depicted below.

	FYE2024	FYE2025
Economic Value Generated ^(a)	RM2.11 billion	RM2.46 billion
Economic Value Distributed ^(b)	RM1.54 billion	RM1.94 billion
Economic Value Retained ^(c)	RM565.17 million	RM513.51 million

Notes:

- (a) Refers to revenues and other operating income generated by the Group
- (b) Refers to impairment losses, personnel expenses, interest expenses, other operating expenses and share of results in an associate
- (c) Refers to Economic Value Generated minus Economic Value Distributed

As a good corporate citizen, the Group commits to discharge our responsibilities to pay taxes as assessed completely and in a timely manner. In keeping with this commitment, the Group adheres strictly to all taxation legislation including all related administrative aspects, including timely, transparent and accurate filing of returns and provision of all information and documentation as requested by the relevant authorities. In direct relation to maximising economic returns, we actively manage our tax position and exposure through diligent tax planning. The following table indicates the Group's tax-related metrics.

No	Metric	(RM'000)
1	Earning before tax	513,507
2	Reported taxes	142,896
3	Effective tax rate	27.83%
4	Cash tax paid	133,087



PILLAR 4: EMPLOYEE HEALTH, SAFETY AND WELL-BEING

What this means to us

AEON Credit remains committed to safeguarding the health, safety, and well-being of our employees, ensuring a secure and supportive work environment that enables them to perform and thrive. We recognise that a skilled and resilient workforce is central to business sustainability and long-term success. In appreciation of our employees' contributions, we provide competitive remuneration, support continuous development, and uphold diversity, equity, and inclusion in all Human Resources practices, reflecting our corporate philosophy of "Respecting Humanity."

Stakeholders



Employees



Customers



Government and Regulators

Key Indicators

- Retention and attrition rates
- Internal hiring rate, including internal promotions to senior management positions
- Employee engagement score
- Number of occupation-related incident
- Lost time through injury
- Workforce gender distribution
- Average training hours

Material Matters



Employee Benefits, Employee Engagement Programmes



Employee Health, Safety and Well-being

UN SDGs



Relevant BURSA Common Sustainability Matter(s)

- Health and Safety
- Diversity, Labour Practices and Standards

Performance Summary



Employee Satisfaction Score

Improved by **3%** from **15%** in FYE2024 to **18%** in FYE2025



Retention Rate

Improved to **83%** in FYE2025 from **82%** in FYE2024



Employee Excellence Award

25 employees awarded with Employee Excellence Award to Bangkok



Employees trained on health and safety

standards increase to **1,128** FYE2025 from **572** in FYE2024



Senior Management Gender Distribution

Female ratio improved from **39%** in FYE2024 to **46%** in FYE2025



Employee Training

Recorded a significant increase of **46,204 hours (65%)**, reaching a total of **116,904 hours**, with total training investment for FYE2025 amounting to **RM2,114,587**



Similar to previous year, **zero work-related fatalities** was recorded in FYE2025



Safe work environment reinforced through consistently low **Lost Time Incident Rate ("LTIR")** which in FYE2025 was 0.06

Employees are our most valuable asset critical to continued success, resilience and growth. We acknowledge our responsibility to reciprocate our employees' efforts and contributions through maintaining a supportive work environment where employees are constantly engaged and fairly compensated.

In addition, we are committed to safeguarding their health, safety and well-being to provide the peace of mind to constantly strive for high performance. The Group is also committed to nurturing our workforce to fully realise their potential by providing opportunities for professional and personal development.



EMPLOYEE HEALTH, SAFETY AND WELL-BEING

A keen focus on our workforce's health, safety and well-being is essential to ensure continuous, uninterrupted conduct of business to sustained value creation for all our stakeholders. The Group acknowledges our responsibility to provide a secure and safe working environment for our workforce, one which safeguards them from harm and keeps them protected at all times. This, in turn, facilitates our employees in performing their duties well and with confidence so as to meaningfully contribute to achievement of the Group's goals and objectives.

(i) Occupational Safety and Health

Occupational Safety and Health is a legislative responsibility that is mandated on the Group, hence, it is incumbent that the Group complies with all relevant governing laws. To provide governance and guidance, the Group has in place an Occupational Safety and Health ("OSH") Policy that affirms our commitment to provide a safe and conducive working environment for all employees and safeguard customers and visitors from potential hazards that may arise from the Group's business activities. The OSH Policy is regularly reviewed and updated to reflect operational changes, regulatory amendments and to incorporate improvements, the last review was conducted in December 2023.

In addition, guidelines are also issued to guide and inform the implementation of the OSH Policy through articulating the relevant processes to be followed. The guidelines are being expanded to include incident management, emergency response, workplace inspection, overall workplace safety and health, and OSH trainings with expected completion by Q1 FYE2026.

The new guidelines were, in part, in response to improvement opportunities identified through internal and external assessment on OSH, this testifies to the Group's continuous improvement orientation.

The Group's OSH Committee, chaired by the Head of Human Resources and Administration Group, conducts quarterly workplace inspections to obtain comfort of the adequacy and currency of OSH measures in place as well as compliance to the Occupational Safety and Health Act 1994 ("OSHA"). Findings arising from workplace inspections are shared during quarterly OSH Committee meetings which also include regional offices' participation to ensure full geographical coverage of our operations.

To ensure statutory compliance trained OSH Coordinators are appointed in every regional office to support the OSH Committee through conducting quarterly Safety Walkabouts. To enhance diligence, OSH assessments are also conducted based on the Risk Management Department's Risk and Control Self-Assessment with the latest assessment being conducted in December 2024. In addition, the OSH Manager from Headquarters regularly visits regional offices and CSU nationwide. The Group recorded zero work-related fatalities and a low Lost Time Incident Rate ("LTIR") of 0.06, emphasizing a strong commitment to maintaining a safe working environment.

The Hazard Identification and Risk Assessment Methodology has been properly established to support the implementation of workplace safety. Hazard identification and risk assessments are conducted on a yearly basis and also when an incident occurs as part of investigations to determine root cause(s), corrective actions and improvements needed.

Office Emergency and Safety briefings are mandatory for new joiners, these are run concurrently with their induction programme. Certified First Aiders and trained Fire Marshalls are deployed across our operational footprint nationwide. Evacuation drills are conducted periodically to assess the state of preparedness of our operations at key locations, those conducted in FYE2025 affirms familiarity with our evacuation plan. Refresher training for emergency response and firefighting is scheduled to be implemented in FYE2026.

In FYE2025, all employees and contractors and vendors were covered under the Group's Occupational Safety and Health ("OSH") Management System, similar to FYE2024.


Mental health has gained increasing recognition as being a critical component of holistic well-being. The Group gives credence to the importance mental health by instituting the Employee Assistance Programme ("EAP") for our workforce to assist them in addressing personal or work-related issues through confidential counselling, mental health support, financial guidance, and other resources to help employees manage challenges and maintain their well-being. This Programme is realised through a collaboration with Naluri, a digital health company.

PILLAR 4: EMPLOYEE HEALTH, SAFETY AND WELL-BEING



 Before renovation: A look at the office space on one of the floors prior to the renovation work that commenced in February 2024




 After renovation: The revitalised office space, now featuring added greenery and enhanced ambience, creating a more conducive work environment



 After renovation: The workers' lounge area after its transformation



 After renovation: The newly renovated headquarters, completed in September 2024, showcases a refreshed workers' lounge with the inclusion of plants and improved natural lighting

Leveraging Naluri's digital EAP, the Group aims to provide employees with accessible and effective support, enhancing their overall productivity and well-being. Notably, the digital nature of Naluri's EAP allows employees to access support at their convenience, without the need for appointments or commuting.

We noted a slight increase in our FYE2025 employee engagement score when we focus on employee well-being-related areas indicating our workforce's sensitivity and receptiveness to concern over their well-being. The EAP was implemented to explicitly emphasise that we "hear and heed" our workforces' calls for support.

(ii) Human Capital Management

We successfully completed the renovation of our Headquarters in September 2024 and the Sunway Velocity 2 Credit Operation Centre in November 2024, creating a more dynamic, efficient, and employee-focused work environment. The renovations contributed to heightened employee satisfaction by creating a healthier, more comfortable, and motivating work environment. Upgrades such as improved lighting, better air quality, ergonomic furniture, and relaxation spaces can enhance employees' physical and mental well-being, leading to increased morale, productivity, and employees' job satisfaction. Additionally, the physical working conditions at office locations (e.g., workspace, office layout, amenities/facilities) were considered satisfactory, as evidence, the satisfaction score in this area improved to 18%. All the above played a contributory role in raising our employee retention rate from 82% in FYE2024 to 83% in FYE2025.



EMPLOYEE BENEFITS, EMPLOYEE ENGAGEMENT PROGRAMMES

The Group holds a strong conviction that creating a mutually beneficial symbiotic relationship with our workforce is foundational to economic success and prosperity. We recognise the importance of a contented, passionate, and engaged workforce to continuously drive the Group forward and sustain our good standing within Malaysia's financial services industry.

To create a high-performing workforce that is focused on excellence, the Group is committed to rewarding our employees fairly to recognise their contributions and dedication. Beyond monetary considerations, the Group also give equal and close attention to meeting non-monetary factors that exert significance on our workforce performance – respect, dignity, equality and inclusiveness.

(i) Respect for Human Rights

The Group subscribes to the provisions of internationally recognised human rights treaties and conventions. This is documented in our Human Rights Policy which aligns to the International Labour Organisation's standards and the UN Universal Declaration of Human Rights. We stay true to our sustainability principles on how we conduct business and endeavour to uphold human rights in all aspects of our business operations, including across our value chain.

The key human rights principles contained in our Human Rights Policy are:

- 1 Equal opportunity;
- 2 Diversity, equality and inclusion, including gender equality and fair employment conditions;
- 3 Non-discrimination which translates into prohibition of discrimination in any form;
- 4 Establishing and maintaining a safe and healthy workplace;
- 5 Safeguarding the workforce's health and safety;
- 6 Protect data confidentiality and privacy, specifically safeguarding confidentiality of employee data;
- 7 Protecting the rights of children through prohibition of all forms of exploitation of children, forced labour, slavery and human trafficking; and
- 8 Respect for community rights including refugees, persons with different abilities and indigenous people.

All across our organisation, our workforce is mandated to uphold the above principles in the conduct of operations. Our Human Resources and Administration Group has responsibility for enforcing the Policy of Human Rights through human capital management guidelines, practices, and processes.

Of note, in July 2024, for the first time the Group participated in the Communication on Progress session of the United Nations Global Compact Network ("CoP") showing solidarity and aligning with the Network's principles on human rights, labour, environment and anti-corruption.

(ii) Workforce Diversity and Inclusion

As always, the Group remains committed to workforce diversity. We leverage our workforces' diversity in our business, for instance we apply the multiculturalism within our workforce to develop product and service offerings that appeal to our diverse customers and ensure we are aligned to the diversity inherent in Malaysia.

Our support for diversity is anchored through our equal opportunity approach to employment, remuneration, career development and job progression. We have a zero tolerance towards discrimination, no discrimination is tolerated regardless of race, creed, class or any other form of differentiation. In this regard, we have commenced exploratory discussions with the Malaysian Association for the Blind in early 2025 to discuss possible employment opportunities for this differently-abled group of individuals.

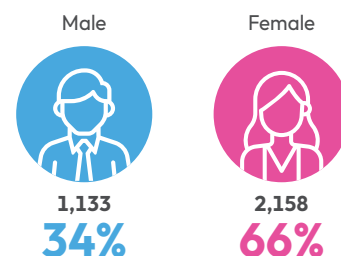
In line with the AEON Foundational Ideals, we respect the rights of every individual and foster a harmonious, dynamic and strong workforce that is collaborative and infused with a strong sense of mutual respect.

We appreciate that diversity offer a fertile platform for unique and varied opinions and ideas from which significant innovations might emerge that can be capitalised to create compelling competitive advantage. Diversity, equality and inclusivity in the workplace builds and reinforces a strong sense of belonging within our workforce driving greater commitment and a passion to make sustained meaningful contributions.

To explicitly uphold our commitment to diversity, we have incorporated the following as part of our recruitment strategies:

- 1 Broadened recruitment channels by attending campus/job fairs focused on underrepresented groups;
- 2 Our Employee Referral Programmes encourage current employees to refer candidates from diverse backgrounds in furtherance of an inclusive culture;
- 3 We offer internship and Management Trainee Programmes to provide opportunities for early career entrants; and
- 4 Flexible working arrangement, with a flexible start time between 8am to 9:30am, is implemented in our efforts to appeal to and attract individuals with different needs or responsibilities.

Gender composition of the Group's workforce has also remained relatively stable year-on-year. At the end of FYE2025, the gender ratio was 34% male : 66% female which is similar to that of the previous year.

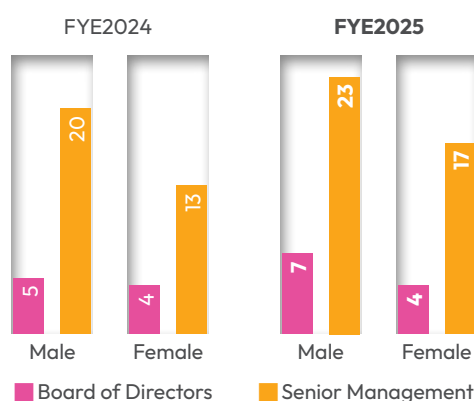


Total : 3,291 employees

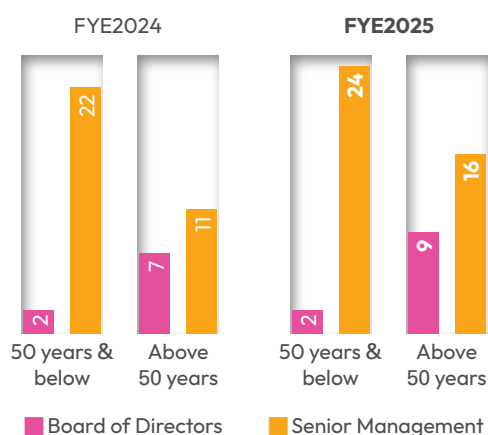
PILLAR 4: EMPLOYEE HEALTH, SAFETY AND WELL-BEING

Gender composition at the senior management level has improve in FYE2025 to 54% male : 46% female compared against the 61% male : 39% female ratio in the previous year. This testifies to our efforts at balancing the gender distribution within our senior management ranks and further reinforces our respect for capabilities of members of the fairer sex to make effective contributions.

Gender Composition of Board of Directors and Senior Management



Age Composition of Board of Directors and Senior Management



Staff Composition by Nationality

The Group's workforce pre-dominantly comprise of local employees with a small foreign representation in strategic and key operational roles to facilitate skills and knowledge transfer from more developed markets to the local workforce. This approach has served the Group well in elevating the competencies and capabilities of the local workforce to strengthen our competitive abilities.

FYE2024

Total Number of Employees	3,106	Number of Local Employees	3,095	Japanese	9
		Number of Foreign Employees	11	Fillipino	1
				Bangladeshi	1

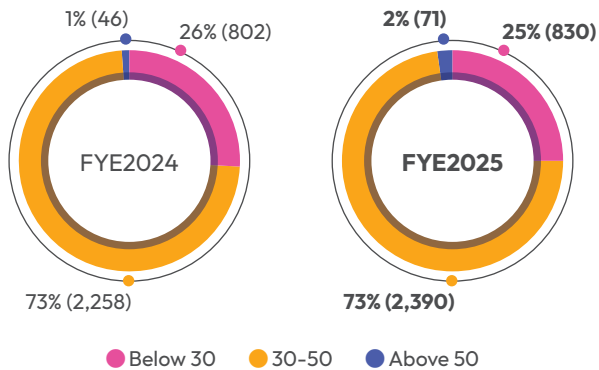
FYE2025

Total Number of Employees	3,291	Number of Local Employees	3,277	Japanese	12
		Number of Foreign Employees	14	Fillipino	1
				Bangladeshi	1

Staff Composition by Designation

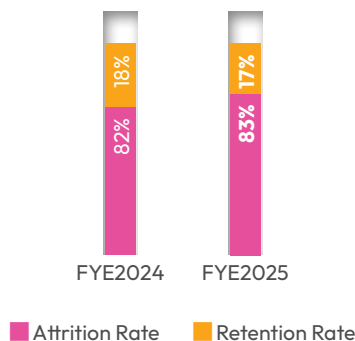
	FYE2024	FYE2025
Senior Management		
Managing Director		
Executive Director		
Executive Officer		
Senior General Manager		
General Manager		
Assistant General Manager		
	35 (1.1%)	42 (1.3%)
Middle Management		
Senior Manager		
Manager		
Assisstant Manager		
	348 (11.2%)	401 (12.2%)
Executive		
Senior Executive		
Executive		
Junior Executive		
	2,705 (87.1%)	2,831 (86.0%)
Non-Executive		
Clerk		
Non-Clerk		
	18 (0.6%)	17 (0.5%)
Total Staff	3,106	3,291

Staff Composition by Age Group



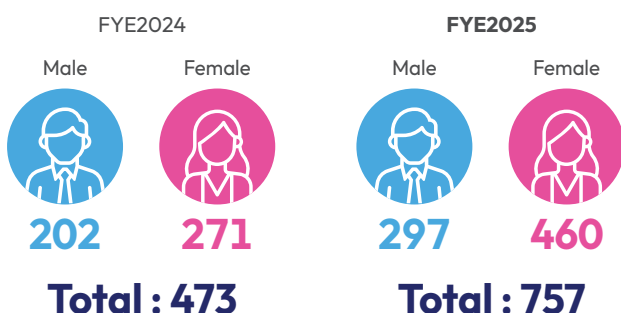
In FYE2025, our employee retention rate improved to 83% against the previous year's level 82%, consequently attrition rate fell to 17% against the previous year's 18%.

Attrition Rate

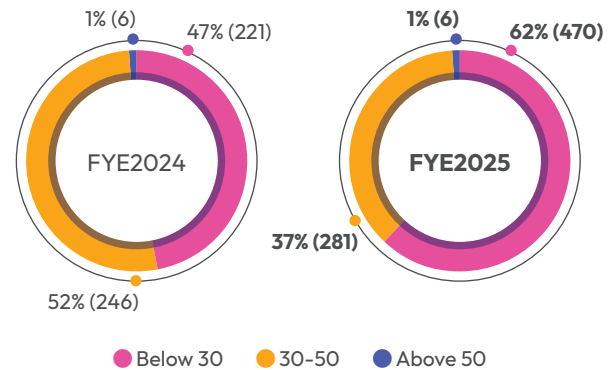


We constantly recruit new hires to bring fresh perspectives and vitality to the Group and complement existing competencies and skill sets. In addition, we also have a focus on recruiting talents with capabilities that we expect will be critical in strengthening the Group's competitiveness, in emerging technologies like AI which is actively embraced across the financial services industry.

New Hires by Gender



New Hires by Age Group



In addition to hiring externally, the Group also provides opportunities to qualified members of our workforce to fulfil vacancies arising, this supports internal mobility, widens career enrichment and most importantly, enables us to retain top talents. By offering internal opportunities, we provide career growth pathways, enhancing employee satisfaction and loyalty. This leads to lower turnover rates and reduces the costs associated with recruiting and training new staff.

Aside from fulfilling manpower needs, the Group's recruitment efforts also have a societal development inclination. Our Management Trainee Programme and internship placements are employment initiatives aimed at supporting youth employment, providing them with a career filled with learning and development opportunities and a vast body of experienced professionals from which to receive guidance.

(iii) Remuneration and Employee Benefits

The Group's HR practices and employment conditions are guided by and comply with the provisions of the Employment Act 1955. We comply with the minimum wage of RM1,700 prescribed under the Minimum Wages Order 2024.

We recognise and appreciate the support, dedication and contributions of our workforce towards the Group's continuing prosperity and success. To explicitly reflect our gratitude, we are committed providing a competitive remuneration and comprehensive benefits package to our employees. This package is benchmarked periodically against prevailing market practices in both the financial and non-financial services industry sectors to ensure that it remains competitive.

An extensive range of benefits is provided to our employees, these include:

- 1 Flexible working arrangement
- 2 Flexible benefit scheme which allows employees to tailor their benefits package to suit their requirements

PILLAR 4: EMPLOYEE HEALTH, SAFETY AND WELL-BEING

- 3 Employees' Provident Fund ("EPF") contribution, starting at the statutory prescribed rate, the employer contribution rate increases beyond this for employees with over 8 years of continuous service
- 4 General healthcare coverage
- 5 Hospitalisation and surgical insurance including dental and optical
- 6 Group Term Life covering permanent disability, invalidity or death
- 7 Performance-based bonus
- 8 Parental and birthday leave
- 9 Contribution for:
 - birth of child
 - death of immediate family
 - tragedy/calamity
 - marriage

The Group continuously enhance the benefits we provide to our workforce, in FYE2025, the enhancements made were:

- 1 E-Bike Financing Scheme at preferential rates to finance environmental-friendly mode of mobility
- 2 Increased outpatient healthcare limits for managers and below
- 3 Increased optical care sub-limits for general managers and below
- 4 Expanded healthcare coverage to include traditional and complementary medicine
- 5 Introduction of flexible working hours for non-shift employees based in Headquarters and Credit Operation Centre
- 6 25 employees were recognised for employee excellence through the Employee Excellence Award. Winners were rewarded with a company-sponsored study tour to Bangkok

In relation to parental leave, 60 male and 143 female employees took parental leave in FYE2025. In FYE2024, the numbers were 75 male and 163 female employees.

The Group puts great focus into nurturing and maintaining a high-performing workforce, a key facilitating mechanism for this is our performance management system in which the Group's goals and objectives are translated into desired actions and cascaded to employees through the annual target and KPI setting exercise between every employee and their respective superior. This ensures collective action and goal congruence across the entire organisation.

The annual target and KPI setting exercise allow employees to also express their development needs in support of their on-going development and add greater value to the Group in carrying out their responsibilities. This exercise facilitates a common understanding and agreement between the Group and all our employees on our respective expectations for the year ahead.

The performance management cycle culminates each year with a performance appraisal to stocktake achievements and identify areas of improvement. Performance appraisals bring to life our commitment to transparency in aligning rewards to performance. In FYE2025, in common with all previous years, 100% of our employees received a performance appraisal.

(iv) Employee Training

Training is a constant in the Group to keep our workforce's skills and competencies relevant to the constantly changing business environment. We hold the conviction that continuous learning and development is fundamental to sustained economic success and competitiveness. The Group has a formal training agenda for employees to maintain currency in their skills and to supplement practical on-the-job learning. Our training agenda is varied, comprising both hard and soft skills subjects to provide our workforce with the requisite knowledge to perform optimally and to continuously enhance their proficiency and ability to deliver excellence. Training courses conducted for employees across FYE2025 are listed below. The training is targeted at functionally relevant employees as part of their continuing professional education and to enhance their competencies:



- | | |
|---|--|
| 1 AMLATFPUAA, FSA, PDPA & compliance | 8 Cybersecurity |
| 2 ISO 37001: 2016 Anti-Bribery Management Systems | 9 HR induction |
| 3 Policy of Social Media Conduct | 10 Managing misconduct |
| 4 Controlled document | 11 Diversity, equity and inclusion |
| 5 Integrated Management System | 12 Application document/fraud detection |
| 6 PCI DSS & IT security | 13 Risk management |
| 7 Sustainability | 14 Occupational safety, health and wellness |
| | 15 Legal |
| | 16 Training on specific topical issues and areas of interest |



 Employee Training

Other training includes both soft skills and specialist training, covering areas such as time management, presentation skills, and strategic communication, as well as technical topics like Microsoft Excel, ITIL4, and e-invoicing. In FYE2025, total training hours accumulated across employees of all levels amounted to 116,904 hours a significant increase of 46,204 hours or 65% over the FYE2024 level of 70,700 hours. The increased training hours testifies to the Group strong belief and dedication to workforce development through continuous professional education.

Average Training Hours		
	FYE2024	FYE2025
Female	20.9	29.1
Male	22.0	29.7
Total	21.3	29.3

The Group has in place a range of talent development programmes designed to enhance and upgrade the competencies and skills of employees promoted to higher job grades, these programmes target employees of all ranks with topics specifically selected to suit the respective rank's job scope and responsibilities. In addition, we also have in place a mentoring programme for middle management to enable our middle managers to enhance their capabilities, learn from and receive guidance from their more experienced senior colleagues.

Training and development also has a critical place in the Group's succession planning. All across the succession process articulated below identified talents are trained and groomed to develop and nurture all the requisite traits and subject matter knowledge expected of our leaders. The succession planning process encompasses the following:

- 1 Identify talent who have potential to succeed into mission critical and key positions;
- 2 Leverage external and internal assessments to establish holistic evaluation of high potentials, incorporating 360-degree feedback, technical skills evaluations, and knowledge assessments;
- 3 Develop customised individual development plan based on identified development gaps and monitoring of performance and progress against the plan;
- 4 Provide opportunities to participate in cross-functional projects or job rotations, as well as career development conversations and support such as coaching and mentoring; and
- 5 Review talents' on-going development and performance to determine readiness to transition to identified prospective role.

(v) Employee Engagement

The Group appreciates the critical role employee engagement plays in driving high-performance, passion and excellence in delivery. We have a constant and sharp focus on engaging our workforce, this is especially important given the significant size of our workforce and their geographical dispersion. Employee engagement is extremely important to enriching our employees' experience and indispensable in complementing their remuneration and benefits. Employee engagements provide the human touch that establishes a bond with our employees and reinforces their sense of belonging.



 Employee Engagement

PILLAR 4: EMPLOYEE HEALTH, SAFETY AND WELL-BEING

Integral to our employee engagements is constant, open two-way communications to ensure that we give voice to our employees and they too, have the opportunity to hear us out. These efforts foster mutual understanding and support, contributing to strong industrial relations. In FYE2025, a range of formal engagement mechanisms and communication channels were implemented to facilitate regular interaction with our workforce, including critical on-the-ground engagements. Key initiatives include:

1 In-person engagements channels

- **New initiative - Morning Assembly with Senior Leadership:** A quarterly engagement platform introduced in September 2024, where senior leaders share business updates directly with employees and present recognition awards to honour outstanding contributions;
- **New initiative - Workplace Environment Development Committee ("WEDC") Meetings:** Introduced in late 2024, these quarterly sessions serve as a structured platform for employee representatives to raise concerns, suggest improvements, and engage in open dialogue with management on matters related to workplace culture;
- **Employee Excellence Awards Ceremony:** an annual recognition event that celebrates high-performing employees, fostering a culture of motivation and continuous excellence; and
- **Annual Dinner:** organised to strengthen team camaraderie and encourage informal networking in a relaxed, festive setting.

2 Digital engagement channels

- **Microsoft Teams and Workplace Chat, introduced in FYE2025:** enhances ease and effectiveness of communication and collaboration across the workforce, particularly for regional teams and remote locations, enabling real-time access to information and seamless interaction;
- **Annual Employee Engagement Survey:** conducted to gather employee feedback on engagement levels, workplace satisfaction, and leadership effectiveness;
- **Company Intranet and HR Mobile App:** central communication platforms for HR-related policies, updates, and employee engagement initiatives; and
- **E-learning Platform:** provides access to online courses and learning materials to support continuous upskilling and career development.

In addition, the Group also conducts regular programmes on various subjects of interest for our workforce, in FYE2025 these include:

- 1 Financial Literacy Programme conducted in collaboration with LHDN, EPF, SOCSO, and insurance partners.
- 2 Health webinars featuring invited guests and speakers.

The Employee Engagement Survey for FYE2025 again saw robust participation, attracting 2,289 respondents, or 84% of the workforce. The engagement score for FYE2025 was 79, moving upwards from FYE2024's score of 77, this augurs well for the Group as it is indicative of a greater sense of engagement among our employees. The positive trend will spur the Group to heighten efforts to cultivate a positive and engaging workplace.

We have conducted a comprehensive analysis of the survey findings and results to identify improvement areas, these were subsequently presented to and considered by senior management and department heads to facilitate focus on execution of improvement initiatives which included:

- 1 Improving management transparency through enhanced communications from leadership in Quarterly Morning Assembly and MD's update messages;
- 2 Strengthening the WEDC platform for employees to raise concerns and suggestions regularly;
- 3 Enhancing fair pay and recognition by leveraging salary benchmarking results to assess and adjust compensation where necessary; and
- 4 Expand wellness programmes, for instance to encompass mental health support, financial literacy sessions, fitness activities, amongst other. Notably in response to feedback on mental health we launched the EAP in November 2024 to support mental wellness.

The management will diligently monitor progress in implementing the initiatives through updates from department heads tasked to oversee the implementation.



PILLAR 5: ENVIRONMENTAL STEWARDSHIP

What this means to us

As a responsible corporate citizen, AEON Credit is committed to caring for and protecting the environment. We recognise that environmental degradation poses risks not only to society but also to the broader business ecosystem including our workforce, suppliers, and customers. The sustainability of our operations and long-term value creation is closely tied to the health of our planet, making it imperative that we remain steadfast in our environmental stewardship efforts.

Stakeholders



Shareholders and Investors



Employees



Government and Regulators

Key Indicators

- Progress towards net-zero goal
- Energy consumption
- GHG Scope1, 2 and 3 emissions
- Sustainability Performance Target achievement
- Carbon removal

Material Matters



Environmental Management



Climate Action

UN SDGs



Relevant BURSA Common Sustainability Matter(s)

- Energy/Emissions/Waste Management/Water
- TCFD-aligned disclosures

Performance Summary



Electricity Consumption

Achieved saving of electricity amounting to **207,198 kWh**



Virtual Cards

Contributed to lowering carbon footprint by approximately **4.42 metric tonnes CO₂e**



Climate Action

Developed **Climate Action Framework**



Credit Application Process Digitalisation

Achieved annual savings of **RM288,000** in paper costs



E-waste Management

Collected and recycled/properly disposed of **4.79 MT** of e-waste vs **6.25 MT** in FYE2024



Sustainability Advocacy

Appointed 60 sustainability champions to strengthen internal engagement on our sustainability journey

PILLAR 5: ENVIRONMENTAL STEWARDSHIP

The first Global Stocktake to measure progress towards meeting the goals of the Paris Climate Change Agreement took place in conjunction with COP28 in Dubai. The results were concerning, indicating that the world is not on track to limiting global warming to 1.5°C and warned that current climate plans remain insufficient to avert catastrophic economic and societal consequences.

Heeding the call for greater urgency, commitment and focus in implementing measures to limit global warming, the Group has instituted various measures to protect the environment and preserve its integrity. This is also in line with our 3-Year Sustainability Roadmap and commitments mandated under the Sustainability Performance Targets attached to our Sustainability-linked Loans.

The Group is committed to making impactful contributions to mitigating climate change and help Malaysia achieve net-zero emissions by 2050, including supporting the country to deliver on its Nationally Determined Contribution under the Paris Agreement. We believe that working alongside the global community we can together make a significant long-lasting difference in staving off the existential environmental crisis of climate change.



ENVIRONMENTAL MANAGEMENT

The Group's business has minimal direct impact on the environment, this is common in the financial services industry. However, we can exert a profound and lasting impact by influencing our customers to adopt environmental friendly practices through our lending direction which has been refined to support financing for modes and mechanisms that are more environmental friendly. In addition, given our on the retail sector, our lending direction a societal support focus. The foregoing is explained in further detail above under Financial Inclusion, Sustainable Finance and Financial Performance on pages 102 to 105.

In areas with sustainability impacts where we have control over, we have altered our consumption patterns in support of greater sustainability and we have also embraced circularity across all our operations so as to minimise the environmental impact of our operations, an added benefit is that this also reduces and optimises cost. In addition, our 3-Year Sustainability Roadmap also prescribes environmental care as an integral part of the Group's aspiration of becoming a carbon-neutral business.

(i) Environmental Conservation

Reforestation Activities

The Group invests in and contributes resources for environmental protection to sustain its integrity for future generations and to ensure that biodiversity and ecosystems can continue to thrive.

The Group has always had a focus in environmental conservation in May 2024, a major public private initiative was launched to rehabilitate the biodiversity at Kinta Nature Park in Perak, a degraded agriculture area and former tin-tailing site.

The AEON Credit Biodiversity Afforestation Project, spearheaded by the Group in collaboration with the Perak State Park Corporation and FRIM Incorporated Sdn. Bhd. (the Forest Research Institute Malaysia's commercial subsidiary) as the project technical partner will replant 10,000 local indigenous and fruit tree species, including *Hopea odorata* (Merawan Siput Jantan) and *Shorea roxburghii* (Meranti Temak Nipis) which are under the International Union for Conservation of Nature (IUCN) Red List of Threatened Species. In addition to improving the park's biodiversity, this project also aims to provide a nature-based carbon sequestration mechanism by which to offset the Group's carbon emissions.



 Biodiversity Afforestation Programme at Kinta Nature Park, Perak

The event launched by the Menteri Besar of Perak, saw the participation of 600 volunteers from Ministry of Natural Resources and Environmental Sustainability, Perak State Government agencies, local universities and personnel from AEON Group of Companies Malaysia working together to symbolically plant the initial first batch of 2,000 trees at the conservatory area within the park with a size of 20 hectares. The park, famed as a habitat for 150 bird species was gazetted as a State Park by Perak Government on 15 February 2018 and is now identified as a migratory bird sanctuary.

A progress monitoring visit was conducted in November 2024, and we are pleased to inform that over 99% of the trees plants have survived and are now undergoing a maintenance process that will continue for the next 36 months. Future initiatives planned include verification of the amount of potential carbon offset by an appointed independent verification and validation body and also an environmental awareness programme at the project site in FYE2026.

In addition, we also carry out initiatives aimed at promoting consciousness on environmental protection and conservation, these programmes serve to explicitly emphasise our commitment through actions and investments. Initiatives of this nature that were conducted in FYE2025 are detailed under Pillar 6: Contributing to Communities on pages 124 to 133.

(ii) Environmental Management System

The Group is certified under ISO 14001:2015 Environmental Management Systems (“EMS”) attesting to the robust processes in place in relation to environmental management that are aligned to best practices.

The Group promotes environmentally conscious and conscientious behaviour as part of realising our commitment to minimise the environmental impact of our operations. Communications are conducted regularly to reinforce our commitment to environmental protection and to encourage our workforce to adopt environmentally responsible behaviours in their daily professional and personal lives. Awareness posters placed strategically across the Group, plays a key role in messaging and impact creation.



As part of our ISO recertification efforts, we conducted training and awareness programmes, including poster displays for employees, focused on ISO 14001.

(iii) Responsible Consumption

Responsible consumption is “business as usual” across the Group in all aspects of operations as is the practice of circularity. All members of our workforce understand the negative impacts of unfettered, irresponsible consumption on the environment and exercise diligence to avoid any environmental harm.

Energy Management

The usage of fuel by company-owned vehicles contributed to our Scope 1 emissions. The table below shows fuel usage over the past 2 years and is based on reimbursements for claims in respect of petrol purchased.

FYE2024	FYE2025
83,151 litres	24,278 litres

Scope 2 emissions results from our electricity consumption. Our electricity consumption over the past 2 years are indicated below:

FYE2024	FYE2025
4,043,505 kWh	3,836,307 kWh

Energy management data covers AEON Credit and AEON Insurance.

Initiatives are constantly implemented to optimise our electricity consumption so as to reduce our Scope 2 emissions, in FYE2025, these include:

- Energy Efficiency Management**
We upgraded the split unit air conditioners at the Headquarters to R32 units which are more environmental friendly. During renovations to our Headquarters, we replaced fluorescent lighting with energy-efficient T5 models and installed motion sensors to optimise lighting use. Regular maintenance of Heating, Ventilation and Air-Conditioning systems is ensures efficient operation to avoid unnecessary energy waste;
- Employee Awareness and Engagement**
Our employees are constantly educated on responsible energy consumption practices, such as turning off lights and electronics when not in use, to embed energy-saving behaviours; and
- Renewable Energy Integration**
We are exploring options to purchase Renewable Energy Credits (“RECs”) from clean energy providers as part of our commitment to sustainability. This year, we purchased RECs equivalent to 1,700 MWh.

PILLAR 5: ENVIRONMENTAL STEWARDSHIP

Water Management

Our water consumption over the last 2 years is depicted below:



Water management data covers AEON Credit and AEON Insurance.

Waste Management

The Group does not generate a significant amount of waste, nevertheless, we endeavour to reduce waste from our operations through active practice of circular economy principles based on the 3Rs of Reduce, Reuse and Recycle. As an example, in FYE2025, a total of 11 paper disposal exercises were conducted, with waste sent to an authorised vendor for recycling.

Paper usage has significantly reduced as a direct benefit from our Digital Transformation. The Group increased application of IT platforms eliminating the need to use paper. Automation of our credit assessment is a compelling example. Each application requires 6-12 pages of documentation on the average. An estimated of 14.4 million pages per annum were processed manually in the past. This has been eliminated through digitalising and automating the entire credit application process, resulting in an annual paper cost saving of RM288,000.

An additional benefit from digitalisation and automation has been a reduction in travel, and the consequential Scope 3 emissions from business travel, as IT platforms afford effective online collaboration, communications and learning. In reducing the need to travel we also reap cost savings.

The table below presents data on paper consumption for the past 2 years:

Paper consumption	FYE2024	FYE2025
Number of sheets printed	~*	3,948,324
Entirely recycled, no disposal through landfill	7.7 tonnes	33.7 tonnes

Data on paper consumption is for AEON Credit only.

* The Company, AEON Credit, started capturing paper consumption in FYE2025.

In FYE2025, the Group collected and recycled 4.79MT (FYE2024: 6.25 MT) of e-waste. This diverted e-waste from landfill in support of our commitment for environmental care.



Data on e-waste generation for AEON Credit only.

We presently do not compile detailed information on the quantity of e-waste we designate for disposal against those we reuse and recycle. Our e-waste is sent to a vendor for assessment and items that are repairable will be restored and reused, to eliminate environmental impact. Items deemed beyond repair will be responsibly recycled and/or disposed of, ensuring safe handling of harmful materials and the recovery of valuable resources.

Consumer behaviour has shifted to a preference for online transactions. In FYE2025, we launched online applications through web and app and introduced our virtual credit card. As of February 2025, we issued 113 thousand virtual credit cards which has reduced the need for producing, transporting, and disposing of physical cards -contributing to lowering our carbon footprint by approximately 4.42 metric tonnes CO₂e.



CLIMATE ACTION

As mentioned above, the Group is committed to acting together with the global fraternity in efforts to avert the existential crisis of climate change in support of which we have an expressed commitment to achieve carbon neutrality, by 2030. This commitment also supports Malaysia's aspiration of attaining net-zero Greenhouse Gas ("GHG") emissions by 2050.

(i) Aligning Climate Action with TCFD Guidelines

The Group adopted TCFD reporting requirements, heeding amendments to the Main Market Listed Requirements ("MMLR") in respect of enhanced sustainability disclosure requirements which mandates climate change-related disclosures to be TCFD-aligned by FYE2025.

In the current year, we continue expand and deepened on our reporting of basic requirements around the 4 core areas of TCFD. Our efforts in this are also guided by the Joint Committee on Climate Change's ("JC3") TCFD Application Guide for Malaysian Financial Institutions. We hold the conviction that adoption of the TCFD reporting regime will add transparency to our sustainability reporting which will further assist investors and stakeholders in making informed, data-based decisions.

To provide structure as we commence adoption of TCFD reporting we conducted a comprehensive assessment of potential risks and opportunities to our business and operations from climate change including a scenario analysis based on scenarios from the Network for Greening the Financial System ("NGFS"), a network of central banks and supervisors formed with the primary aim of helping to strengthen the global response to meet the goals of the Paris Agreement.

Detailed scenario planning and flood risk assessments were also conducted to identify vulnerable operations, critical infrastructure and assets that may be affected. Following this, a TCFD implementation roadmap was developed which incorporated climate change disclosures into our sustainability reporting framework. This Roadmap was presented to the Board in Q1 FYE2025 along with the scenario analysis.

The following are our disclosures in each core TCFD area.

Governance

A robust sustainability governance structure is already in place to exercise oversight over sustainability matters, including those that are climate-related, for which the Board has ultimate responsibility. The Board Risk Committee ("BRC") and the management team provide active support to the Board in the oversight of sustainability. Sustainability considerations, including climate change are tightly woven into Group's operations. Signalling their significance, these considerations are an integral part of Board deliberations and decision making.

The Board Charter has been revised to formally incorporate climate risk oversight by the Board to ensure that climate-related risks and opportunities are effectively monitored and addressed at the highest level of governance. The BRC's Terms of Reference have been enhanced to include coverage of climate-related matters as part of risk management. This makes for a more comprehensive approach to risk management, including a stronger focus on climate risks, governance, and alignment with the Group's strategic objectives.

We have formalised the processes and frequency by which the Board and BRC are informed on climate-related issues. Since Q3 FYE2025, we have started to report updates to the Board which also discusses and reviews climate-related disclosures as part of our broader governance framework. Regular knowledge sharing of best practices and timely updates of material information to the Board takes place to strengthen effectiveness of governance through making available relevant data on a timely basis to support decision making.

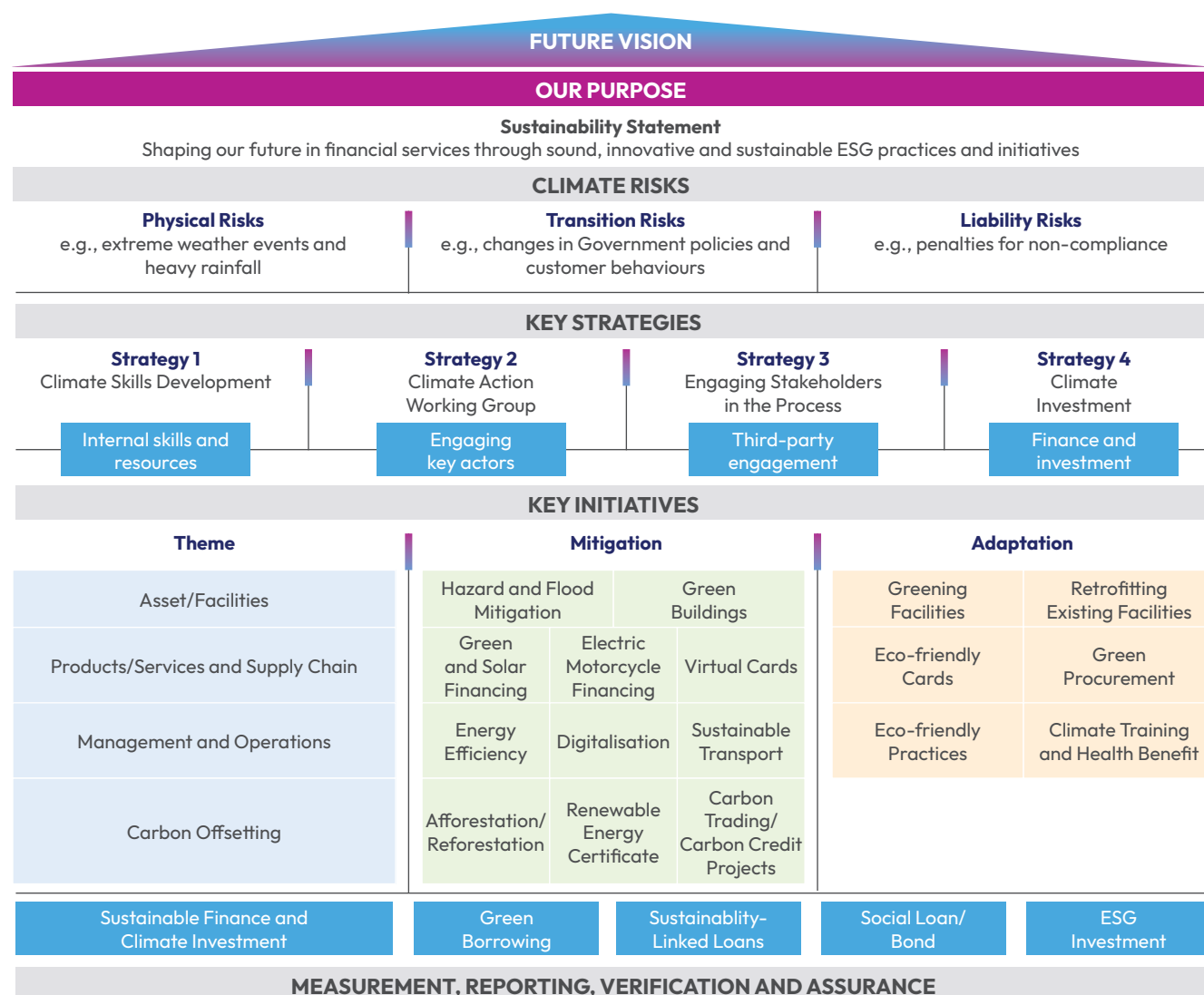
Learning and development for the Board on climate-related matters continued apace in FYE2025 to deepen their knowledge and enhance their appreciation of this subject so as to support astute decision making and arm them with the requisite capabilities to support the Group in mitigating climate-related risks and effectively leveraging climate-related opportunities.

Strategy

We have developed our Climate Action Framework, depicted below, to provide a structured approach for the Group in addressing climate change through measurable and actionable strategies. The Framework aims to establish clear reduction targets and outline the necessary steps, including adaptation and mitigation strategies, to reduce our GHG emissions, adapt to climate impacts, and promote sustainability. This includes engaging stakeholders and allocating investments that support environmental benefits. The ultimate goal of our Climate Action Framework is to mitigate the effects of climate change, contribute to national climate goals, and build a more resilient, sustainable future.

PILLAR 5: ENVIRONMENTAL STEWARDSHIP

Climate Action Framework



The Group's climate-risks management strategies have gained greater sophistication in the year under review. In Q1 FYE2025, we conducted a flood risk profiling exercise based on customer types, products, and locations through which we obtained a deeper understanding of flood risk associated with different customer segments based on their location and product types. This information supported formulation of targeted risk mitigation strategies and identified customers segments that are vulnerable to flooding, allowing us to develop contingency plans for continued service delivery in the event of floods.

In line with the TCFD framework, we have identified the physical and transition risks in relation to climate change that impact our operations. We plan to form a Climate Action Working Group that will be charged with evaluating the potential effects of these climate change risks on our financial performance, business model, and long-term strategic goals. This Working Group will also develop a structured approach for addressing climate-related risks and opportunities, guiding our sustainability efforts, and

ensuring alignment with regulatory requirements and long-term business objectives. It will also support us in reducing our carbon footprint and contribute to achieving the Group's climate goals.

Driven by our 3-Year Sustainability Roadmap, we have also executed a major initiative with a broader environmental conservation focus aimed at contributing to global efforts at mitigating climate change and support our goal of attaining carbon neutrality by 2030. The AEON Credit Biodiversity Afforestation Project mentioned under Environmental Conservation above, also contributes to sustaining the integrity of our natural heritage for the benefit of future generations.

The current 3-Year Sustainability Roadmap will conclude in Q3 FYE2026, after which we plan to develop a follow-up roadmap to build on and progress from the platform developed to move the Group further up the sustainability continuum, certainly this will include climate-related aspects underscoring the Group's greater maturity and capabilities in managing climate-related risks and opportunities.

We have also appointed about 60 Sustainability Champions to strengthen internal engagement on our sustainability journey including climate change management. Moving forward, we aim to conduct training sessions on emerging trends and topics related to sustainability and climate change to enhance their understanding of these topics and strengthen our capability to respond to and manage emerging sustainability and climate-related issues. As a start we have offered the opportunity for the Sustainability Champions to attend online sessions conducted by the United Nations Global Compact Academy.

Risk Management

Our climate-related risk management has also gained greater sophistication, the conduct of the flood risk profiling articulated above is testimony of this. In addition, in FYE2025, the Group also conducted a climate risk assessment to identify the climate-related risks that could potentially impact our operations and financial positions. The risk management implications arising are contained in the table below.

Climate Risk Driver	Implication	Mitigation
i. Extreme weather events (e.g. flood)	These risks arise from the physical impacts of climate change. They can be Acute – event driven or Chronic-associated with longer-term shifts in climate patterns.	Short term measures: <ul style="list-style-type: none"> • issue timely customer communications on branch closures and alternatives channels • regular monitoring and testing including simulations to enhance state of preparedness and continuously improve responses • business continuity planning including backup call arrangements across all regional offices • offer financing package that is supportive in nature or institute flood relief programmes to impacted customers • redeploy staff to resume operations at recovery site or institute work-from-home arrangements until the situation subsides • communicate with business partners and monitor their performance and service quality • taking out relevant insurance policies to cover expected losses Long-term measures: <ul style="list-style-type: none"> • conduct annual climate risk assessment to identify any emerging risks, thereby enhancing diligence • periodically monitor the impact of changes in climate patterns on the Group's customers • explore new financing products and services to meet potential future demands associated with/surfaced as a results of climate change, e.g. climate adaptation and mitigation and sustainable investment opportunities • assess location and other potential factors (e.g. history of natural disasters) when identifying new branches/relocating branches
ii. Changes in climate patterns (e.g. rising temperatures)	The main implication is credit deterioration due to the inability of borrowers impacted by flood and sea level rise to repay loans. The impact to our assets is low since properties and fixed assets are not a material part of our Balance Sheet. Experience from past flood-related incidents indicates only a minor proportion of our borrowers were impacted with credit losses arising within defined risk tolerance.	
iii. Non-compliance to environmental legislation and regulatory requirements	These risks are transitions risks arising from a shift to a low-carbon economy, including policy/regulatory changes, market responses, technology disruptions, and reputational impact. The resultant implications impact 2 distinct areas, i.e. policy and legal and market.	
iv. Investment in low-carbon technologies	On the policy and legal front, implications surface from compliance to the regulatory requirements which will potentially involve:	
v. Litigation, fines and non-compliance	<ul style="list-style-type: none"> • investment in low-carbon technologies • changing operations and processes • personnel changes and training to operate the low-carbon technologies and processes 	
vi. Changing customer behaviour		
vii. Negative investor and public perception	From the market perspective, implications are changes in the sentiments of our customers, financiers and investors towards a greater sustainability inclination with the attendant expectations of greater adoption and integration of sustainable practices.	

PILLAR 5: ENVIRONMENTAL STEWARDSHIP

The Group has identified the following implications that may arise from the introduction of a carbon tax. Once there is full clarity on its operational implementation, the Group will formulate appropriate strategic responses:

- 1 Automobile financing, a key revenue stream for the Group, is also a significant contributor to financed emissions. As such, we expect to be significantly impacted when the Government extends carbon tax to financial services. In anticipation, we have already begun promoting low-emission options, such as financing for electric motor vehicles and motorcycles to customers to mitigate our financed emissions. As a start, to encourage uptake, the Group is offering financing for low-emission vehicles at preferential low profit rates of between 0.65% to 0.833% per month;
- 2 Climate risk also introduce transition risks, potentially affecting our borrowers' ability to repay loans. This could lead to higher non-performing loans and an increase in overall credit risk for lenders.



Electric motorcycle financing forms part of the Group's strategy to reduce financed emissions

Metrics and Targets

The Group has made good progress in developing climate-related metrics and targets to measure and disclose our climate-related impacts. This includes setting the baseline for our GHG emissions and setting clear targets toward achieving our carbon neutrality goal. We are also working to enhance our disclosure of climate-related metrics, including the integration of Scope 3 emissions.

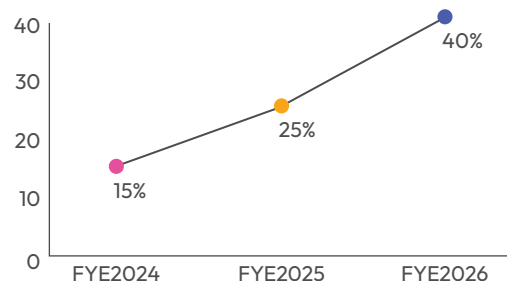
We introduced a new platform to automate data collection in respect of GHG emissions which streamlined tracking, managing, and reporting for Scope 1, Scope 2, and Scope 3 emissions, directly from various sources across the Group. The Group intends to apply the emissions factors to estimate financed emissions.

Moving forward, we will also start to disclose climate-related information in line with the IFRS S2 standard and in compliance to the National Sustainability Reporting Framework, including reporting the financial implications of climate-related risks and opportunities. This will provide stakeholders with increased transparency on how climate change is managed across our operations.

(i) GHG Emissions Target

Specific Sustainability Performance Targets under SPT2 attached to our SLLs are designed to achieve carbon reduction goals that support the Group's 2030 carbon neutrality target. Our GHG emissions (Scope 1 and Scope 2) reduction targets are depicted below with FYE2022 emissions serving as the baseline.

Targeted % Reduction





(ii) GHG Emissions Data

Data in respect of Scope 1 and 2 emissions are for AEON Credit and AEON Insurance only.

In FYE2023, the Group began disclosing our Scope 1 and 2 emissions, focusing on emissions within our operational boundaries, including the Headquarters, Regional Offices, and our branch offices located in AEON malls and other shopping centres. This step reflects our heightened commitment to climate action and our responsibility to contribute to global efforts in addressing the impacts of climate change.

As articulated above, as part of our strategy to reduce GHG emissions, we utilise electricity sourced from renewable resources in the form of RECs, which in FYE2025, has helped offset our GHG emissions by 561 tonnes CO₂e.

Scope 1 and Scope 2 Emissions	FYE2023	FYE2024	FYE2025
	(tonnes CO ₂ e)		
A. Direct (Scope 1*) GHG Emissions			
Total	172	200	57
Company-owned vehicle	61	64	57 
Fuel card for employees	111	136	Nil
B. Indirect (Scope 2**) GHG Emissions from purchased electricity			
Total	2,295	2,317	2,162 
C. Gross GHG Emissions (A + B)			
Total	2,467	2,517	2,219
D. Renewable Sources (including RECs)			
Total	Nil	878	561
E. Net GHG Emissions (C - D)			
Total	2,467	1,639	1,658

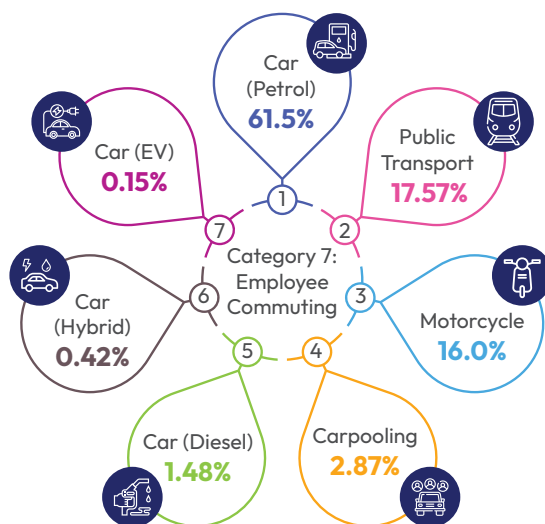
* Represents emission from consumption of petrol in operation. Total Scope 1 GHG emissions include Carbon Dioxide (CO₂e), Nitrous Oxide (N₂O) and Methane (CH₄) from FYE2023 and FYE2024 vehicle fuel combustion

** Total Scope 2 GHG emissions represents emission from consumption of purchased electricity.

In FYE2022, we conducted a base year GHG emissions calculation for both Scope 1 and Scope 2. Our emission factor for Scope 1 is based on 2006 IPCC Guidelines for National Greenhouse Inventories (Volume 3: Energy), and AR5 for Global Warming Potential (GWP) while that for Scope 2 is based on the Institute for Global Environmental Strategies ("IGES") List of Grid Emission Factors August 2022 (Version 10.12), National Greenhouse Accounts Factors July 2019. Our emission factor sources for Scope 1 and Scope 2 have remained unchanged.

✓ This data was assured by KPMG PLT.

83% of our employees responded to the Category 7: Employee Commuting survey. In common with all Malaysian corporate entities, petrol-powered cars form the pre-dominant mode of transport, followed by public transportation at 17.57% and motorcycle at 16%.



The emission impact of business travel and employee commuting is shown below.

Scope 3 Emissions	FYE2025
	(tonnes CO ₂ e)
Category 6: Business Travel	350.72
Category 7: Employee Commuting	3,252.34
Total	3,603.06

Note: Scope 3 emissions result from business activities but emanate from sources not owned or directly controlled by the AEON Credit. These emissions occur along the value chain, both upstream and downstream.

(iii) Carbon Intensity Metrics

As scope 3 emissions are disclosed for the first time in the current year, it is incorporated into our carbon intensity computation. This underscores our commitment to obtaining greater clarity of the environmental impact of the Group's economic activities to facilitate more targeted and effective emissions management efforts.

Our carbon intensity for the past 3 years is indicated below.

FYE2023	FYE2024	FYE2025
(tonnes CO ₂ e per RM million of revenue)		
1.45	1.19	2.37*

* FYE2025 includes Scope 3 emissions

We are currently developing an ESG dashboard that will enable the Group to benchmark its emissions management performance against industry standards and peers. This platform will provide valuable insights to drive continuous improvement by identifying best practices, areas for optimisation, and potential opportunities for further emissions reductions. This project which is targeted for completion in Q3 FYE2026 will provide a centralised, real-time platform for tracking, monitoring, and analysing the Group's GHG emissions and our emissions management performance.



PILLAR 6: CONTRIBUTING TO COMMUNITIES

What this means to us

While pursuing our economic objectives, AEON Credit remains deeply committed to giving back to society in appreciation for the support that has contributed to our success. We prioritise uplifting vulnerable communities, supporting the underprivileged in achieving their aspirations, and fostering social inclusion. In line with our commitment to unity and cultural appreciation, we also celebrate major festivals together, strengthening our bonds with the diverse communities we serve.

Stakeholders



Local Communities/
NGOs



Employees

Key Indicators

- Number of community support initiatives
- Number of beneficiaries
- Number of employee volunteers
- Number of external volunteers (as a measure of support and societal impact of initiatives)
- Number of employee volunteer hours

Material Matters



Strategic Community Investment

UN SDGs



Relevant BURSA Common Sustainability Matter(s)

- Community and Society

Performance Summary



CSR Investment
Increased by RM1.25 million
to **RM2.43 million**



Employee Volunteering
1,141 employees
volunteers on top of
participants from
local communities and
collaboration partners



Volunteer Hours
A total of **3,652 volunteer hours** were dedicated to CSR activities in FYE2024, increasing to **4,564 volunteer hours** in FYE2025

The Group holds the conviction that as a responsible corporate citizen we have an obligation to care for and support society in general as a way of sharing the fruits of our success. Giving back to society has always been practiced by the Group to reinforce the bonds built with local communities. More importantly, societal support brings to the life our human side to explicitly show that the Group also has a focus on facilitating growth and development for society at large, and improve their economic statute. Beyond traditional philanthropy, the Group also place priority on levelling the playing field for the less privileged to afford them access to opportunities and support the achievement of their aspirations.

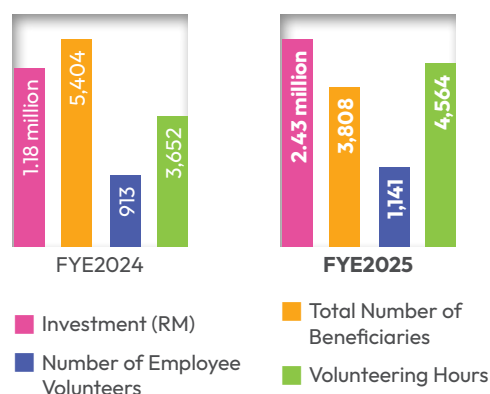


STRATEGIC COMMUNITY INVESTMENT

The first AEON Foundation Ideal reads: *Pursuing peace, respecting humans, and contributing to local communities, always with customers as our starting point.* Accordingly, care for community well-being, and supporting them in their times of need is tightly woven into the Group's corporate fabric. Every year we set aside funds for community investment which goes to causes that the Group supports.

The Group has 2 strategic community investments channels, namely through the Malaysian AEON Foundation ("MAF") and our own Corporate Social Responsibility ("CSR") initiatives both of which are further detailed in the sub-sections that follow.

The charts below present statistics pertinent to our Strategic Community Investment efforts.



The Group's CSR investment increased by RM1.25 million in FYE2025 compared to the previous year, notably the quantum of increase is, by itself, higher than the total amount invested in FYE2024. This underscores the Group's continuing commitment to giving back in support of societal and environmental well-being and to explicitly bring forth the Group's humanity.

It is significant to note the substantial number of employee volunteers, consistently maintained year-on-year. This underscores the success effort of the Group in infusing a passion for sustainability and societal care within our workforce.

(i) Malaysian AEON Foundation ("MAF")

MAF is the joint philanthropic arm of AEON CO. (M) BHD., AEON Credit Service (M) Berhad, AEON BiG (M) Sdn. Bhd., AEON Delight (Malaysia) Sdn. Bhd. and AEON Fantasy (Malaysia) Sdn. Bhd. Since establishment in 2004, MAF has assisted communities during festivities and natural calamities and also supported vulnerable individuals with a focus on education, shelter and medical support.

An amount of over RM23 million has been contributed nationwide since 2004. AEON Credit contributes an annual amount of RM1.0 million together with AEON CO. (M) BHD. to support the MAF's community impact activities.

In common with previous years, community investments made by MAF in FYE2025 focused on community well-being through donations and extension of financial support to vulnerable members of the community, assistance to tide through difficulties due to natural calamities, festivity contributions and community enrichment programmes. FYE2025 community investments initiatives are listed in table below.

Initiative	Objectives	Conducted	Beneficiaries
Disaster Relief Efforts			
MAF AEON Bantu at Kelantan	The AEON Bantu initiative provides immediate assistance during the northeast monsoon affecting several states in Malaysia, particularly Kelantan	December 2024	500 families including 26 AEON Group employees
MAF AEON Bantu at Johor	The AEON Bantu initiative provides immediate assistance during the uncertain monsoon season affecting several states in Malaysia, particularly Johor, this initiative mobilised flood relief aid to Kluang, Johor	January 2025	161 families

PILLAR 6: CONTRIBUTING TO COMMUNITIES

Initiative	Objectives	Conducted	Beneficiaries
Festive Season Donations			
MAF AEON Mesra Ramadan	Donation for Aidilfitri celebrations for children from low-income families. This is an annual MAF event	March 2024	345 children and 40 families from low-income families and charity organisation at 10 locations nationwide
MAF AEON Mesra Deepavali	Donation for Deepavali celebrations for children from low-income families. This is an annual MAF event	October 2024	308 children and 30 families from low-income families and charity organisation at 6 locations nationwide
MAF AEON Mesra Christmas	Donation for Christmas celebrations for children from low-income families. This is an annual MAF event	December 2024	281 children from low-income families and charity organisation at 8 locations nationwide
MAF AEON Mesra Chinese New Year and School Holiday Outing	Donation for Chinese New Year celebrations for children from low-income families. This is an annual MAF event	February 2025	80 children from 2 charity organisations




 AEON Mesra Chinese New Year and School Holiday Outing by the Malaysian AEON Foundation




 AEON Mesra Christmas by the Malaysian AEON Foundation



 AEON Mesra Ramadan by the Malaysian AEON Foundation – Distribution of 'bubur lambuk' during the Ramadan month



 AEON Mesra Deepavali by the Malaysian AEON Foundation

Initiative	Objectives	Conducted	Beneficiaries
Charity Events and Fundraisers			
MAF AEON Charity Run 2024	Support for MAF AEON Charity Run, with proceeds benefiting 10 government hospitals nationwide. Funds will assist low-income patients with medical expenses and medical care equipment under the AEON Kasih programme	July 2024	10 government hospitals nationwide



Malaysian AEON Foundation's charity fundraising event under AEON Kasih

Initiative	Objectives	Conducted	Beneficiaries
Education Contributions			
MAF Digital Green Student Challenge Programme	This initiative empowers participants by enhancing their problem-solving mindset, digital literacy and leadership skills	December 2024	58 students from schools under MAF Smart Classroom Project



Malaysian AEON Foundation's Digital Student Green Challenge Programme

PILLAR 6: CONTRIBUTING TO COMMUNITIES

Initiative	Objectives	Conducted	Beneficiaries
Economic Empowerment Programme			
MAF AEON Bersamamu KAMI Phase 2 (Graduation Day)	This initiative empowers participants with business knowledge, financial management skills and hands-on training in sewing, bread-making and hairdressing as part of AEON Credit Financial Inclusion (Economic Empowerment) Programme to uplift the livelihood of the community	January 2025	31 participants from 5 public housing projects in Klang Valley

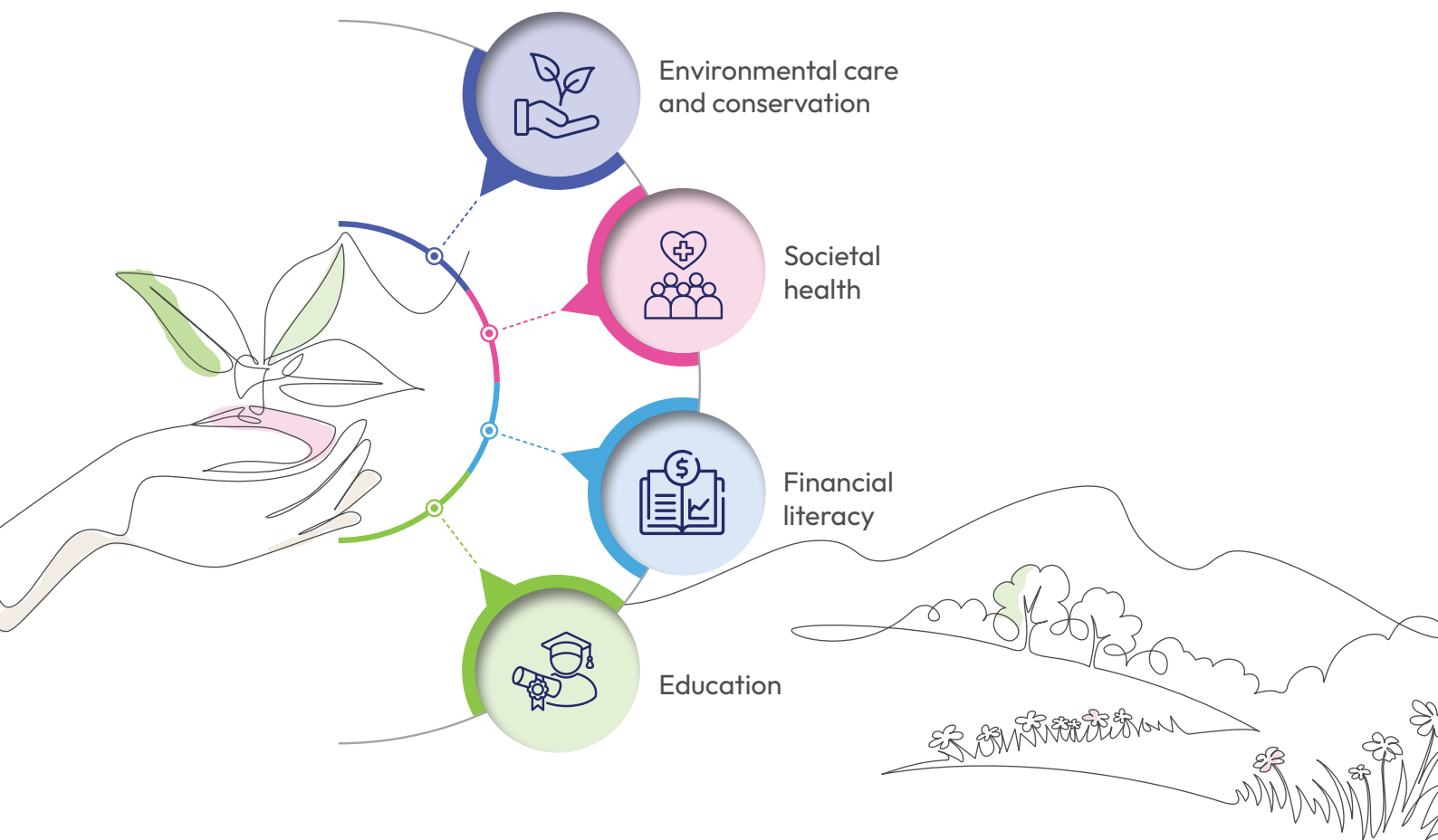
* The Group's share of investment in respect of the initiatives comes out of our RM1.0 million annual contribution contribution to MAF.

A total of 189 dedicated volunteers from across the Group took part in the above initiatives, reflecting the strong collaboration between our Group entities and their active partnership in MAF activities.

As part of our digital volunteering efforts, our AEON Wallet has a built-in capability to facilitate e-donations. This functionality has been used to contribute donations amounting to RM7,249 since introduction in January 2023 as part of our continuous efforts to enhance customer convenience by allowing them to donate in support of the Group's CSR activities and MAF's community-based CSR activities.

(ii) Corporate Social Responsibility ("CSR")

Each year the Group conducts CSR activities which also include those falling under the umbrella MAF. CSR activities specific to the Group are targeted at our chosen areas of focus, which principally comprise:



Group-specific CSR initiatives conducted in FYE2025 are listed in the table below and are categorised into five distinct themes.

Initiative	Objectives	Conducted	Beneficiaries
Environmental Care and Conservation			
ERO Community Recycling Programme	Promote awareness in the public and employees on the importance of sustainable waste management through reuse, reduce and recycle and safely disposing of e-waste that contains harmful materials	May 2024	588.7 kg of recyclable waste and 284.6 kg e-waste collected
AEON Group Spogomi 2024	Recyclable waste collection to promote a cleaner environment which will be beneficial for the surrounding community	November 2024	Supported environmental care and enhanced community awareness
AEON Credit Biodiversity Afforestation Programme	Rehabilitation of biodiversity at Kinta Nature Park, Perak, a degraded agriculture area and former tin-tailing site by planting 30 indigenous tree species and provide habitat for 150 species of birds	May 2024	10,000 trees from 30 local species
AEON Credit Annual Nationwide Coastal Clean-up Programme	Engage with local communities surrounding regional offices and credit operation centers for coastal clean-up as part of the Group initiative to educate the community on the environmental benefits of keeping the coastal areas clean	September and October 2024	2.4 tonnes, comprising 0.5 tonnes of plastic waste and 1.9 tonnes of non-recyclable waste
AEON Credit Mangrove Tree Planting Programme	Engage with local communities surrounding our Eastern Region and Northern Region operations for mangrove tree planting at Setiu Wetland, Terengganu and Byram Forest Reserve, Pulau Pinang	February 2025	2,000 mangrove trees planted




 Community Recycling Programme by the Eastern Regional Office



 AEON Credit Mangrove Tree Planting at Setiu Wetland, Terengganu

PILLAR 6: CONTRIBUTING TO COMMUNITIES

Initiative	Objectives	Conducted	Beneficiaries
Society Health			
Blood Donation Drive	Support local blood bank and raise awareness among Group employees on the life-saving impact of blood donation ERO Partner: Raja Perempuan Zainab II Hospital EMRO Partner: Sarawak General Hospital ERO Partner: Tengku Ampuan Afzan Hospital SRO Partner: Sultan Ismail Hospital NRO Partner: Penang General Hospital	May 2024 May 2024 September 2024 October 2024 November 2024	280 pints of blood
Pre-Ramadan Blood Donation Drive across Regional Offices and Headquarters	Support local blood bank and raise awareness among Group employees on the life-saving impact of blood donation 3 events held before Ramadan to secure greater participation as Muslims are normally reluctant to donate blood during the fasting month Partner: Sarawak General Hospital, Penang General Hospital and University Malaya Medical Centre	January and February 2025	160 pints of blood



 Blood Donation Drive at Head Office and Regional Offices



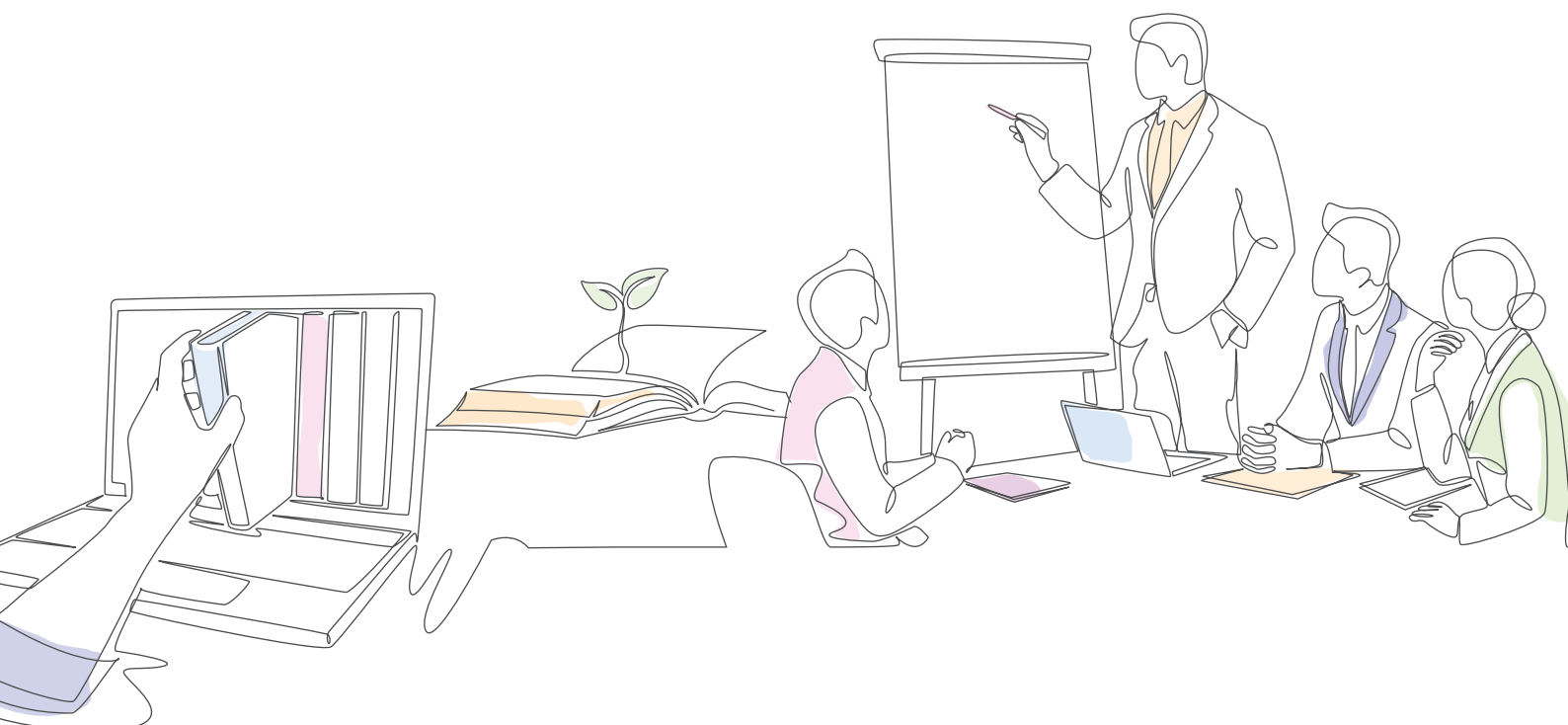
Initiative	Objectives	Conducted	Beneficiaries
Financial Literacy			
AEON Credit Young Financial Savvy Programme at Felda Lurah Bilut, Pahang	Create awareness of basic financial literacy for children in Felda Lurah Bilut, Pahang	Mar 2024	30 primary school students from SK Lurah Bilut
AEON Credit Financial Literacy for Teachers under MAF Smart Classroom Project	Enhance financial, digital, and insurance literacy for the teachers, to protect against scams and fraud. This programme supports the Group's financial inclusion initiative	July 2024	25 teachers from 12 schools



AEON Credit's Financial Savvy Programme for Teachers during MAF Smart Classroom Project - Teacher's Workshop



AEON Credit Young Financial Savvy Programme at Felda Lurah Bilut, Pahang



PILLAR 6: CONTRIBUTING TO COMMUNITIES

Of note, the Biodiversity Afforestation Programme at Kinta Nature Park, Perak included 405 volunteers from our collaboration partners, on top of the 241 from the Group, making a total 646 volunteers underscoring the scale of this initiative.

Supplementing our volunteering-oriented CSR initiatives, the Group's CSR endeavours also include financial donations to worthy causes, in FYE2025 the following donations were extended.

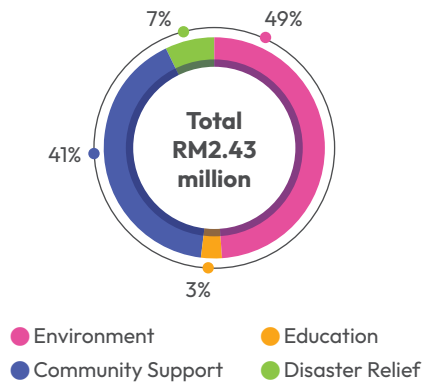
Initiative	Objectives	Conducted	Beneficiaries
Donation to Japanese Embassy for earthquake relief in Noto Peninsula of Ishikawa Prefecture, Japan	Aid for victims of the 7.6-magnitude earthquake that struck Suzu on the Noto Peninsula of Ishikawa Prefecture, Japan on 1 January 2024	March 2024	Earthquake victims
Donation in support of the Japan Club of Kuala Lumpur's 48th Bon-Odori Festival 2024	Support continued strengthening of ties between Malaysia and Japan and reinforce cultural understanding	July 2024	Contribution of Japanese cultural souvenirs were distributed to Festival attendees which added to the charm of the event
Donation to Japan Club of Kuala Lumpur's in support of its 52nd Charity Bazaar 2024	Support raising of funds for donation to Japan Club, Kuala Lumpur's selected charity organisations	November 2024	Selected charitable bodies
Contribution to Ministry of Natural Resources and Environmental Sustainability's National Conservation Trust Fund for Natural Resources ("NCTF") Biodiversity Showcase 1.0	Support for conservation projects to preserve the country's natural resources	December 2024	Environmental conservation

A CSR and MAF Activities Survey, conducted from November 11 November to 28 November 2024, garnered a 59% employee participation. 50% of the respondents indicated a willingness to participate in such activities with community support as their main driver, while 68% expressed interest in participation, especially those focused on education and community outreach. Amongst the respondents, the most popular activities were environmental sustainability programmes and blood donation drives. Scheduling conflicts was indicated as the main obstacle to participation.

The survey results suggested a strong interest in CSR activities among our employees which we intend to leverage to increase employee volunteerism in CSR initiatives, and, more significantly, to further embed an inclination towards social concern and care within our workforce.







The Group's CSR achievements are illustrated below:

Direction of CSR Investments



CSR Beneficiaries (pax)



 <p>10,000 Indigenous Forest Trees Planted</p>	 <p>2,000 Mangrove Trees Planted ↑ 1,000 trees against FYE2024 (100%)</p>	 <p>2.41 tonnes Plastic and Debris Removed from 4 Coastal Areas ↓ 4.00 tonnes against FYE2024 (40%)</p>	 <p>440 Blood Pints Donated ↑ 162 pints against FYE2024 (171%)</p>	 <p>95% Volunteering Satisfaction Rate</p>	 <p>55 Participants for AEON Credit Financial Savvy Programme</p>
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The Group's CSR investment intensity, which expresses our CSR investment as a percentage of our revenue, has increased by 67% in FYE2025 as we continue to uphold and deliver on our responsibility to give back to society.



PERFORMANCE DATA TABLE FROM BURSA ESG REPORTING PLATFORM

The performance data table below has been prepared and audited in accordance with the requirements of the Bursa Main Market Listing Requirements, and in line with the enhanced Sustainability Reporting Guide, 3rd edition. It summarises the key indicators that are pertinent to the Group's material sustainability matters which are disclosed from pages 74 to 75.

Performance Data Table - Bursa Malaysia Mandatory Indicator	Measurement Unit	FYE2023	FYE2024	FYE2025
Bursa (Anti-corruption)				
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category				
Management	Percentage	22%	22%	22%
Non-Management	Percentage	78%	78%	78%
	Total Percentage	100%	100%	100%
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100%	100%	100%
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0	0	0
Bursa (Energy management)				
Bursa C4(a) Total energy consumption	Megawatt-hour	2,620.00	4,043.51	3,835.31
Bursa (Water)				
Bursa C9(a) Total volume of water used	Megalitres	6.269	19.457	23.831
Bursa (Health and safety)				
Bursa C5(a) Number of work-related fatalities	Number	N/A	0	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	N/A	0	0.06
Bursa C5(c) Number of employees trained on health and safety standards	Number	N/A	572	1,128
Bursa (Diversity)				
Bursa C3(a) Percentage of employees by gender and age group, for each employee category				
Age Group by Employee Category				
Management Under 30	Percentage	0.49%	0.64%	1.09%
Management Between 30-50	Percentage	9.48%	10.75%	10.94%
Management Above 50	Percentage	0.95%	0.93%	1.43%
Executive Under 30	Percentage	27.56%	25.08%	24.07%
Executive Between 30-50	Percentage	60.22%	61.53%	61.05%
Executive Above 50	Percentage	0.62%	0.48%	0.91%
Non-Executive Under 30	Percentage	0.26%	0.1%	0.09%
Non-Executive Between 30-50	Percentage	0.39%	0.42%	0.36%
Non-Executive Above 50	Percentage	0.03%	0.07%	0.06%
Gender Group by Employee Category				
Management Male	Percentage	4.61%	5.15%	5.65%
Management Female	Percentage	6.31%	7.18%	7.81%
Executive Male	Percentage	28.80%	28.59%	28.41%
Executive Female	Percentage	59.59%	58.5%	57.61%
Non-Executive Male	Percentage	0.52%	0.45%	0.40%
Non-Executive Female	Percentage	0.16%	0.13%	0.12%

Performance Data Table - Bursa Malaysia Mandatory Indicator	Measurement Unit	FYE2023	FYE2024	FYE2025
Bursa C3(b) Percentage of directors by gender and age group				
Male	Percentage	60%	56%	64%
Female	Percentage	40%	44%	36%
Below 30	Percentage	0	0	0
Between 30-50	Percentage	20%	22%	18%
Above 50	Percentage	80%	78%	82%
Bursa (Labour practices and standards)				
Bursa C6(a) Total hours of training by employee category				
Management	Hours	27,892	53,874	14,746
Executive	Hours		16,744	91,051
Non-Executive	Hours		172	11,106
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	12.9%	14.00%	13.90%
Bursa C6(c) Total number of employee turnover by employee category				
Management	Number	74	52	58
Non-Management	Number	369	309	255
Non-Executive	Number	6	5	1
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0	0	0
Bursa (Community/Society)				
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	1,280,000	1,000,000	2,430,000
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	6,519	5,404	3,808
Bursa (Supply chain management)				
Bursa C7(a) Proportion of spending on local suppliers	Percentage	93%	94%	94%
Bursa (Data privacy and security)				
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0



SIRIM QAS INTERNATIONAL SDN BHD INDEPENDENT ASSURANCE STATEMENT

To Board of Directors, Stakeholders, and Interested Parties,

SIRIM QAS International Sdn. Bhd. was engaged by AEON Credit Service (M) Berhad (hereafter referred to as AEON Credit) to perform an independent verification and provide assurance of AEON Credit Sustainability Statement 2025. The main objective of the verification process is to provide assurance to AEON Credit and its stakeholders on the accuracy and reliability of the information as presented in this statement. The verification by SIRIM QAS International pertains to sustainable performance information (subject matter) within the assurance scope which is included in AEON Credit Sustainability Statement 2025.

The management of AEON Credit was responsible for the preparation of the Sustainability Statement. The objective and impartiality of this statement is assured as no member of the verification team and no other employee of SIRIM QAS International was involved in the preparation of any part of the AEON Credit's Sustainability Statement, and the Integrated Annual Report 2025.

The assurance engagement was designed to provide limited assurance in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, and BURSA Sustainability Reporting Guide, irrespective of the organization's ability to achieve its objectives, targets or expectations on their subject matter and sustainability-related issues. The assurance activity evaluates the adequacy of AEON Credit Sustainability Statement and its overall presentation against respective frameworks such as UNSDGs, GRI Standards requirement, and other relevant frameworks. The assurance process entails the verification of material matters disclosed in the Sustainability Statement, which are structured under the Sustainability Pillars, Conduct and Trust, Customer Experience, Digital Product and Service Transformation, Employee Health, Safety and Well-being, Contributing to Communities and Environmental Stewardship. In addition to this, we also review and verify the sustainability indicators outlined by Bursa Malaysia to ensure the accuracy, completeness, and reliability of the reported information. The results of this verification process have been systematically tabulated in Appendix 1, Appendix 2 and the Report to Management, with further details provided therein.

The verification was carried out by SIRIM QAS International in April 2025, with the following methodologies:

- Reviewing and verifying the traceability, consistency and accuracy of information collected from various sources; internal and external documentation made available during the assessment.
- Verifying the data presented in the Sustainability Statement, which includes a detailed review of the sampled data.
- Interviewing key personnel responsible for collating information and developing various sections of the report to substantiate the veracity of the claims.

The verification process was subjected to the following limitations:

- The scope of work did not involve verification of other information reported in AEON Credit's Integrated Annual Report 2025.
- The review excluded all financial-related data, as these are subjected to the company's financial audit.
- As part of this assurance engagement, the verification team visited AEON Credit's corporate office at UOA Corporate Tower, Bangsar South City. However, the verification process did not include physical inspections of any of AEON Credit's offices.
- The verification team did not assess or verify any data related to contractors or third parties.

Conclusion

SIRIM QAS International, a Conformity Assessment Body in Malaysia, is accredited to both ISO/IEC 17021-1:2015 and ISO/IEC 17065:2012 covering all our operational activities. The appointed assessors performing the assurance engagement were selected appropriately based on our internal qualifications, training and experience. The verification process is reviewed by management to ensure that the approach and assurance are strictly followed and operated transparently. During the verification process, issues were raised, and clarifications were sought from the management of AEON Credit relating to the accuracy of some of the information contained in the report. In response to the findings, the Sustainability Statement was subsequently reviewed and revised by AEON Credit. It is confirmed that changes that have been incorporated into the final version of the report have satisfactorily addressed all issues. Based on the scope of the assessment process and evidence obtained, nothing has come to our attention that causes us to believe that AEON Credit has not complied, in all material respects, with the referred assurance standard and guide. The following represents SIRIM QAS International's opinion:

- The level of data accuracy included in AEON Credit Sustainability Statement 2025 is fairly stated;
- The level of disclosure of the specific sustainability performance information presented in the report was found to be properly prepared;
- The personnel responsible were able to demonstrate the origin(s) and interpretation of data contained in the report;
- The Sustainability Statement offers a reasonable and balanced presentation of AEON Credit's sustainability performance.

List of Assessors.

1)	Ms. Aernida Abdul Kadir	:	Team Leader
2)	Ms. Kamini Sooriamoorthy	:	Team Member
3)	Ms. Farhanah Ahmad Shah	:	Team Member
4)	Ms. Hazwani Yob	:	Team Member
5)	Ms. Evelyn Liew	:	Team Member

Statement Prepared by:

Statement Approved by:



AERNIDA BINTI ABDUL KADIR

Team Leader
Management System Certification Department
SIRIM QAS International Sdn. Bhd.

Date: 28 April 2025



AMINUDIN BIN ABD AZIZ

Acting Senior General Manager
Management System Certification Department
SIRIM QAS International Sdn. Bhd

Date: 2 May 2025

Note 1: This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd does not express an opinion on, nor guarantee the integrity and/or accuracy of the information provided with the view that the conclusion was conducted post verification assessment, hence not verified. SIRIM QAS International shall not be responsible for any changes or additions made after the referred date (28 April 2025).

BURSA'S SUSTAINABILITY PERFORMANCE REPORT

Appendix 1 Performance Data Table - BURSA Malaysia Indicator	Measurement Unit	FYE2025
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	22
Non-Management	Percentage	78
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	100
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	0
Bursa (Energy management)		
Bursa C4(a) Total energy consumption	Megawatt-hour	3,835.31
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	23.831
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.06
Bursa C5(c) Number of employees trained on health and safety standards	Number	1,128.00
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	1.09%
Management Between 30-50	Percentage	10.94%
Management Above 50	Percentage	1.43%
Executive Under 30	Percentage	24.07%
Executive Between 30-50	Percentage	61.05%
Executive Above 50	Percentage	0.91%
Non-Executive Under 30	Percentage	0.09%
Non-Executive Between 30-50	Percentage	0.36%
Non-Executive Above 50	Percentage	0.06%
Gender Group by Employee Category		
Management Male	Percentage	5.65%
Management Female	Percentage	7.81%
Executive Male	Percentage	28.41%
Executive Female	Percentage	57.61%
Non-Executive Male	Percentage	0.40%
Non-Executive Female	Percentage	0.12%
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	64
Female	Percentage	36
Below 30	Percentage	0
Between 30-50	Percentage	18
Above 50	Percentage	82
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	14,746.10
Executive	Hours	91,051.93
Non-Executive	Hours	11,106.55
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	12.90%
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	58
Non-Management	Number	255
Non-Executive	Number	1
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0

Appendix 1 Performance Data Table - BURSA Malaysia Indicator	Measurement Unit	FYE2025
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	2,430,000
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	3,808
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	94
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0

Appendix 2 The material matters covered in this assessment are tabulated below:	CLASSIFICATION OF DATA			
	HIGH	MEDIUM	LOW	UN SUBSTANTIATED
Conduct and Trust				
Excellent Ethics, Governance, Risk Management & Compliance				
Business Innovation, Responsible Marketing, Product & Service Design				
Data Security, IT Infrastructure & Digital Transformation				
Transparency in Procurement Process				
Customer Experience				
Business Innovation, Responsible Marketing, Product & Service Design				
Excellent Customer Experience, Support & Access				
Digital Product and Service Transformation				
Financial Inclusion, Sustainable Finance & Financial Performance	Excluded – third party review			
Business Innovation, Responsible Marketing, Product & Service Design				
Excellent Customer Experience, Support & Access				
Employee Health, Safety and Wellbeing				
Employee Health, Safety & Wellbeing				
Employee Benefits, Employee Engagement Programmes				
Environmental Stewardship				
Environmental Management				
Climate Action				
↳ Scope 1 & 2	Excluded – third party review			
↳ Scope 3				
Contributing to Communities				
Strategic Community Investment				
↳ Malaysian AEON Foundation				

Note 1:

This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd shall not be responsible for any changes or additions made after the referred date (28 April 2025).

Note 2:

The assurance involves activity aims to obtain sufficient appropriate evidence to express a conclusion designed to enhance the degree of confidence of the intended users other than the responsible party, about the subject matter information. It comprises of activities carried out to assess the quality and credibility of the qualitative and quantitative information reported by the organization. This assurance is different from activities used to assess or validate the organization's performance, such as compliance assessments or the issuing of certifications against specific standards.

Note 3:

Definition of HIGH, MEDIUM, LOW and UNSUBSTANTIATED Classification of Data in the Management Report.

HIGH: The data and information reviewed has been confirmed with the direct owners. The source of the data origin was provided during the conduct of the assessment.

MEDIUM: Data and information have been confirmed with the direct owners. However, the source of the data has been based on secondary data, where the data origin is not accessible by the verifiers during the conduct of the assessment.

LOW: Data and information reviewed has been based on information endorsed by the data owners. Verifiers did not have access to the source of the data origin. It has been identified as one of the limitations during the conduct of the assessment.

UNSUBSTANTIATED: The sources of data and information disclosed were not made available during the assessment review period due to reasons like confidentiality, unattainable data source and unavailable data owner. It has been identified as one of the limitations during the conduct of the assessment.



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AEON Credit Service (M) Berhad
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Avenue 10 The Vertical,
Bangsa South City,
No. 8, Jalan Kerinchi,
59200, Kuala Lumpur

Independent Practitioners' Limited Assurance Report on AEON Credit Service (M) Berhad's (the "Company") Selected Sustainability Indicators for the financial year ended 28 February 2025 ("FYE 2025") presented in its Integrated Annual Report 2025

Conclusion

We have performed a limited assurance engagement on whether the Company's selected sustainability indicators for the financial year ended 28 February 2025 listed below ("Selected Sustainability Indicators") have been prepared in accordance with the Company's definition and calculation methodologies as set out in the Company's Integrated Annual Report 2025 and/or where relevant, the Bursa Malaysia Securities Berhad Listing Requirements ("Applicable Criteria"):

1. Green financing - Financing for purchase of energy efficient appliances (*washing machines, air conditioners, television, refrigerators, e-scooters, and bicycles*) (RM);
2. Green financing - Financing for electric bikes (RM);
3. Scope 1 Greenhouse Gas ("GHG") Emissions - Company vehicles/ fleet (tCO₂e);
4. Scope 2 Greenhouse Gas ("GHG") Emissions - Purchased electricity (tCO₂e); and
5. Social financing - Financing for underserved customers (RM).

The boundary of the limited assurance engagement on the Selected Sustainability Indicators represents AEON Credit Service (M) Berhad and its subsidiary.

Based on the procedures performed and evidence obtained, nothing has come to our attention to cause us to believe that the Selected Sustainability Indicators for the financial year ended 28 February 2025 presented in the Company's Integrated Annual Report 2025 are not prepared, in all material respects, in accordance with the Applicable Criteria.



Basis for conclusion

We conducted our engagement in accordance with Malaysian Approved Standard on Assurance Engagements ("ISAE") 3000 (Revised), *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information*. Our responsibilities under this standard are further described in the *Our responsibilities* section of our report. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Our Quality Management and Independence

Our firm applies Malaysian Approved Standard on Quality Management, ISQM 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Restriction on distribution and use of our report

Our report has been prepared for the Board of Directors of the Company (the "Directors") solely in accordance with the terms of our engagement letter.

Our report should not therefore be regarded as suitable to be used or relied on by any party wishing to acquire rights against us other than the Company for any purpose or in any context. Any party other than the Company who obtains access to our report or a copy and chooses to rely on our report (or any part of it) will do so at its own risk.

Without affecting, adding to or extending our duties and responsibilities to the Company or giving rise to any duty or responsibility being accepted or assumed by or imposed on us by any other party, we consent to the inclusion of this report in the Company's Integrated Annual Report 2025, to assist the Directors in responding to their governance responsibilities by obtaining an independent limited assurance report on the Selected Sustainability Indicators.

Our conclusion is not modified in respect of this matter.

Responsibilities for the Selected Sustainability Indicators

The management of the Company (the "Management") is responsible for:

- (a) Designing, implementing and maintaining internal control relevant to the preparation of the Selected Sustainability Indicators such that they are free from material misstatement, whether due to fraud or error;
- (b) Selecting or developing suitable criteria for preparing the Selected Sustainability Indicators and appropriately referring to or describing the criteria used, including who developed them, when not readily apparent from the engagement circumstances;
- (c) Preparing and properly calculating the Selected Sustainability Indicators in accordance with the Applicable Criteria;



Responsibilities for the Selected Sustainability Indicators (continued)

- (d) Preventing and detecting fraud; and
- (e) Selecting the content of the Selected Sustainability Indicators, including identifying and engaging with intended users to understand their information needs.

Inherent limitations

Due to the inherent limitations of any internal control structure, it is possible that errors or irregularities in the information presented in the Company's Integrated Annual Report 2025 may occur and not be detected. Our engagement is not designed to detect all weaknesses in the internal controls over the preparation and presentation of the Company's Integrated Annual Report 2025, as the engagement has not been performed continuously throughout the period and the procedures performed were undertaken on a test basis.

Our responsibilities

We are responsible for:

- (a) Planning and performing the engagement to obtain limited assurance about whether the Selected Sustainability Indicators are free from material misstatement, whether due to fraud or error;
- (b) Forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- (c) Reporting our conclusion to the Directors.

Summary of the work we performed as the basis for our conclusion

We exercised professional judgement and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the Selected Sustainability Indicators that is sufficient and appropriate to provide a basis for our conclusion. Our procedures selected depended on our understanding of the Selected Sustainability Indicators and other engagement circumstances, and our consideration of areas where material misstatements are likely to arise. In carrying out our engagement, we have performed the following procedures, amongst others:

- (a) Enquired Management to gain an understanding of the processes established from which the Selected Sustainability Indicators are derived;
- (b) Interviewed relevant staff responsible for preparing and presenting the Selected Sustainability Indicators in the Company's Integrated Annual Report 2025;
- (c) Compared the Selected Sustainability Indicators presented in the Company's Integrated Annual Report 2025 to underlying sources on a sample basis; and
- (d) Read the Selected Sustainability Indicators presented in the Company's Integrated Annual Report 2025 to determine whether they are in line with our overall knowledge of, and experience with, the sustainability performance of AEON Credit Service (M) Berhad.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.



Other matter

Our assurance conclusion was with respect to the Company's Selected Sustainability Indicators for the financial year ended 28 February 2025. We previously expressed a conclusion over the Company's Selected Sustainability Indicator 1,2,3 and 4 for the year ended 29 February 2024, and our report thereto dated 15 May 2024 included an unmodified conclusion.

Notwithstanding the above, we have not performed any procedures with respect to any other earlier periods or any other elements included in the Company's Integrated Annual Report 2025 and therefore, we do not express any conclusion thereon.

A handwritten signature in black ink, appearing to read 'KPMG', with a stylized flourish at the end.

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

Petaling Jaya

Date: 21 May 2025



AEON CREDIT SERVICE (M) BERHAD

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