

# Non-Financial Activity

## 1. Customer Health and Safety

At uab Bank, we prioritise the health and safety of our customers, although the nature of our banking services poses minimal risk in these areas. Our comprehensive Health and Safety Policy is available on our website, which you can access via the following link: [Health & Safety Policy](#).

For the financial year ending on March 30, 2024 (FY 2024), there were no reported injuries or customer complaints related to health and safety. We demonstrate our commitment to safety through continuous training and reminders to our security personnel to stay vigilant. Additionally, we perform routine checks of our security cameras to ensure a safe environment.

In light of the ongoing post-COVID-19 challenges and potential future pandemic outbreaks, the Bank remains alert and prepared to protect the well-being of both customers and staff.

Regarding the ongoing armed conflict, details of our Crisis Response can be found on our website here: [Crisis Response](#).

In the event of any incidents, uab Bank has implemented an Operational Incident Reporting mechanism. This system ensures prompt reporting of any issues and the swift execution of corrective measures. For further details, please refer to Section 8 below.

## 2. Supplier and Contractor Selection and Criteria

The Bank holds all suppliers and contractors to high ethical standards as outlined in our [Vendor Code of Conduct](#). This Code sets expectations for vendor behaviour, including compliance with our ethical standards, anti-bribery and

corruption policies, and transparency in business dealings. We rigorously assess prospective vendors against these criteria before engaging them.

Our “Basic Procurement Guidelines” dictate the vendor selection process, ensuring that all procurement activities are conducted with due diligence and integrity.

## 3. Environmentally Friendly Value Chain

To maintain an environmentally friendly value chain, uab Bank focuses on the following key areas:

- **Sustainable Procurement:** uab Bank ensures that suppliers and vendors adhere to its [Vendor Code of Conduct](#) and prioritises partnerships with companies that practise sustainability and responsible business. This also includes sourcing eco-friendly products, reducing packaging waste, and choosing suppliers who use sustainable materials.
- **Energy Efficiency:** In our operations, we implement energy-saving technologies such as LED lighting, energy-efficient air conditioning systems, and smart building technologies to reduce energy consumption. Additionally, we encourage staff to adopt energy-efficient practices, such as turning off unused equipment and using natural light whenever possible. uab bank is also committed to using renewable energy in its own internal operations particularly in the adoption of solar energy to power some of its branches.
- **Paperless Operations:** As part of our digital transformation, we strive to minimise paper usage by promoting digital banking services, e-statements, and online documentation processes. This not only reduces paper

waste but also helps decrease the carbon footprint associated with printing and paper production.

- **Sustainable Branch Design:** Our latest bank branches are designed to incorporate environmentally friendly elements, such as using energy-efficient materials, water-saving fixtures, and natural lighting. This helps reduce the environmental impact of our physical locations.
- **Green Transportation:** We encourage eco-friendly transportation methods by promoting the use of ferry bus services and carpooling among senior staff. Recent company car purchases are where possible, acquisition of electric or hybrid vehicles and encourage virtual meetings to reduce the need for travel.
- **Employee Awareness and Engagement:** In its orientation programs, uab bank invests in raising employee awareness about our sustainability theme. In Management meetings, sustainability is a theme for discussion, and we encourage staff to adopt sustainability conscious behaviours in both professional and personal life.
- **Measuring Carbon emissions and impact:** We measure our carbon emissions and publish this in our Sustainability Statements and Reports to measure and control CO<sub>2</sub>e emissions. In our lending, we avoid high risk sectors that contribute significantly to environmental degradation.

By implementing these strategies, uab Bank seeks to reduce its environmental impact and contribute to a more sustainable future. In our lending activities, we maintain an exclusion list that identifies sectors we avoid

due to their potential environmental harm, including but not limited to the production of weapons, trade in endangered wildlife, and activities involving forced or exploitative labour. This exclusion list underscores our dedication to sustainability and responsible financing.

#### 4. Interaction with Communities

Communities are vital stakeholders in our Bank's operations, and their perspectives are integral to our sustainability strategies. We measure stakeholders' concerns through [Materiality Assessments](#) to build a materiality index to assist in building the Bank's business strategy. In doing so, we have attempted to incorporate the concerns of the community into our business strategy.

We have adopted United Nations' Sustainable Development Goals (SDGs) to guide our community engagement efforts and our Sustainability Statements and Reports outline these efforts.

Since launching the "Be The Change Myanmar" program in 2017 and establishing the uab Foundation in 2020, the Bank has contributed over MMK 1 billion towards meaningful CSR activities, as reported in our Non-Financial KPIs section.

Below table is described Key material assessment of the Bank by identifying the 7(seven) among seventeen(17) goals of UN SDGs.

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SUSTAINABLE DEVELOPMENT GOALS	2 ZERO HUNGER 	3 GOOD HEALTH AND WELL-BEING 	4 QUALITY EDUCATION 	7 AFFORDABLE AND CLEAN ENERGY 	8 DECENT WORK AND ECONOMIC GROWTH 	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 	11 SUSTAINABLE CITIES AND COMMUNITIES 
Material Assessment Identification	<ol style="list-style-type: none"> <li>1. Financial inclusion</li> <li>2. Customer Satisfaction</li> <li>3. Job Creation &amp; Enterprise Development</li> <li>4. Training &amp; Talent Management</li> <li>5. Financial stability</li> <li>6. Modernising banking</li> <li>7. Supporting Agri Sector</li> </ol>						

As a financial institution, our largest contribution towards meeting Stakeholders expectations is in our lending activities and for FY 2024, the Bank allocated significant credit lines to support clean energy and UN Sustainable Development Goals (SDGs).



## 5. Anti-Corruption Programs and Procedures

The Bank maintains a firm stance against corruption, guided by our Anti-Bribery and Corruption Policy, which applies to all bank activities, subsidiaries, and third-party service providers. Our commitment to a zero-tolerance policy is reinforced through awareness programs, policy circulation, conflict of interest management, and a whistleblower channel. Training on anti-corruption policies is integrated into employee orientation and ongoing education initiatives.

## 6. Creditors' Rights

The Bank is committed to fair and equitable business dealings, ensuring the protection of creditors' rights. Our [Client Rights Charter](#) requires transparency and honesty in all interactions with creditors, and our robust information disclosure system supports informed decision-making by creditors. We are dedicated to fulfilling our contractual obligations to creditors in a timely manner, thus maintaining trust and avoiding any inconvenience or losses.

The Bank's financial statements are published in its website for transparency on the Bank's financial health and performance.

## 7. Compliance with Central Bank of Myanmar Directives

uab diligently complies with all regulations stipulated by the Financial Institutions Law and directives from the Central Bank of Myanmar. In cases where compliance is challenging, we proactively communicate with the Central Bank

to request waivers or extensions. Our adherence to these directives is subject to internal and external audits, with findings reported to our Board of Directors along with management's rectification plans.

## 8. Operational Incident Reporting Mechanism

The Bank's Disciplinary Committee managed 23 disciplinary cases related to complaints and infringements of the Code of Ethics and other bank policies in FY 2024. The Bank's Incident Reporting mechanism, in line with Basel Standards, requires that all operational incidents and policy breaches be reported within 24 hours to the Risk and Compliance Departments and escalated appropriately.

We offer multiple channels for stakeholders to report incidents, including our call centre, email, Facebook Messenger, branch counters, and a dedicated whistleblower line. Incidents involving breaches of the Code of Ethics are handled by the Disciplinary Committee, with oversight from the Management Committee and the Board Risk Committee.

## 9. Implementation of the Code of Ethics

To ensure the Code of Ethics is integrated into daily operations, the Bank provides copies and training to all new hires during their onboarding process. Refresher training sessions are conducted periodically, and the latest version of the Code is accessible on the Bank's website and intranet. Updates to the Code are communicated through official channels, and its effectiveness is reviewed annually by the Compliance Officer and Head of Human Resources.