

Corporate Responsibility

We are committed to run our business in a responsible and sustainable manner that adds value for our stakeholders, workplace, community and the environment. Corporate Responsibility is an integral part of our strategy to become “The Best Customer Service Bank in Malaysia”. To do this, we leverage on our expertise and thought leadership to align our Corporate Responsibility activities with our business. These initiatives, in turn, are guided by the principles of accountability, honesty, transparency, and sustainability, as well as Bursa Securities’ corporate social responsibility framework.

Responsibility to the Marketplace

We continue to actively engage shareholders, investors and customers to strengthen every aspect of our relationships with them.

In line with the integrity and ethical conduct in all our business dealings, the Group provides consistent, accurate, transparent and timely information to our shareholders and investors. They receive frequent reports from the Investor Relations team, the Financial Markets team and Alliance Research to allow them to make decisions based on the most up-to-date information. Announcements and press releases are uploaded on our corporate websites for viewing by our stakeholders and the public.

In addition, we regularly meet industry analysts to provide information about the Group’s performance that may be used for public dissemination. The information presented at these briefings is uploaded on the Group’s corporate website at www.alliancegroup.com.my/quarterlyresults.html to promote accessibility of information. The Group’s performance is presently monitored by 17 international and local research houses, two more than in the previous year. The Investor Relations team also engages the Minority Shareholder Watchdog Group, inviting them to attend our conferences and annual general meeting.

We are also committed to building long-term partnerships with our customers by truly understanding their issues and concerns. This enables us to enhance operations and to provide a complete range of products and services to pre-empt their needs at different stages of their life cycle and business cycle.

The Alliance Wealth Guide Quarterly Market Outlook under Consumer Banking was launched in the second quarter of financial year ended 31 March 2012 and features subject-matter experts who share their views on the market outlook on a quarterly basis. The videos are uploaded on www.alliancewealthguide.com.my for viewing by our customers.

The Bank’s pro-active engagement with the small and medium enterprises (SMEs) community was recognised abroad and at home. The Bank won the coveted “Excellence in SME Banking” honour at the 7th Financial Insights Innovation Award ceremony on 24 February 2012 held in conjunction with the Asian Financial Services Congress. The Bank was recognised for its comprehensive approach towards SME banking. It was one of two Malaysian banks among the 10 winners from the Asia-Pacific region.



On the domestic front, the Bank was recognised as a “friend” of SMEs for the second consecutive year for its innovative financial solutions in nurturing the growth of SMEs. The Bank was presented the Sahabat SME Award 2011 by SMI Association of Malaysia at the 10th SME Recognition Award ceremony on 8 December 2011.

On 12 March 2012, the Bank introduced the Alliance Bank MyBusiness Platinum Card which allows SME business owners to brand their company on the card face.

The Bank was also actively involved in three seminars to skill-up SMEs:

- 19 August 2011 – Representatives from Alliance Investment Bank Berhad were featured as principal speakers at the “Going for IPO” seminar held at the Sime Darby Convention Centre in Kuala Lumpur. This seminar aimed to guide SMEs on how to get themselves listed and was promoted by the Associated Chinese Chambers of Commerce & Industry of Malaysia, and co-organised by the Chinese Chamber of Commerce and Industry of Kuala Lumpur and Selangor, Associated Chinese Chambers of Commerce & Industry of Malaysia Socio-Economic Research Centre and Klang Chinese Chamber of Commerce and Industry.
- 21 September 2011 – The Bank organised a “Sun Tzu Art of War” seminar at the Mandarin Oriental Hotel in Kuala Lumpur for aspiring entrepreneurs who were keen to learn how to apply ancient military strategies for business today.
- 25 February 2012 - The Bank collaborated with the Chinese Chamber of Commerce and Industry of Kuala Lumpur and Selangor and Socio-Economic Research Centre to present a seminar on three National Key Economic Areas – Wholesale and Retail, Greater Kuala Lumpur and Financial Services. Over 200 participants attended the half-day talk at Wisma Chinese Chamber of Commerce in Kuala Lumpur. The seminar featured speakers from the Performance Management & Delivery Unit (PEMANDU) under the Prime Minister’s Department that oversees the implementation and progress of the national Economic Transformation Programme and Government Transformation Programme.

Responsibility at the Workplace

The Alliance family is the most valuable asset that continues to drive its success. We are committed to remain as an employer of choice by providing a safe, healthy and conducive working environment for our employees.

Human capital investment is a strategic and integral part of the Group's policies, financial commitment and business framework. Its development is critical to our goal of being Malaysia's Best Customer Service Bank. We continue to invest in training and development programmes that are aligned to the Group's business objectives as well as to employees' career development and professional growth.

We participate in salary and benefits surveys annually to ensure our compensation package is competitive in the industry. In addition, we continue to focus on talent development and career growth opportunities to improve staff retention. We frequently engage employees in open two-way communication via multiple channels to seek views and feedback so that they can be served better with a dedicated Group Human Resource team.

Development Programmes

The Group has a Talent Management Framework that provides employees with comprehensive training programmes, skill enhancement opportunities and career development options. In January 2012, the Management Development Programme was launched to groom young talents to take on future leadership roles. This is a six-month structured leadership programme to equip participants with essential skills to be effective managers. It includes customised classroom and business simulation sessions, as well as business projects. Each participant is assigned a mentor from the senior management team of the Group to enhance their learning experience.

Pulse Lunches

The Group Chief Executive Officer and his senior management team have scheduled lunches with employees from different departments and branches from time to time to communicate and help employees better understand the Group's strategies. More importantly, this is a significant platform of communication between senior management and employees to foster open two-way communication, share feedback, and encourage employees to share ideas.

Nationwide Town Halls

To ensure alignment of strategy and focus for the entire organisation, as well as transparent communication between management and employees, regular town hall sessions are held in both Peninsular Malaysia and East Malaysia throughout the financial year under review. The town hall sessions are an opportunity for management to provide updates on the latest developments in the Group, and for the staff to discuss their concerns and suggestions about improving the organisation.

Email for Ideas and Suggestions

An email ID was set up specifically to solicit ideas and suggestions from employees to find ways to further improve and/or streamline processes. This inbox is accessed by the Group Chief Executive Officer and managed by one of his key staff members.

Employee Engagement Survey

This survey is conducted annually to seek employees' views and feedback on how the Group can enhance its employee value proposition. The feedback is collected by an independent consultant, and studied by the Group to draw up strategies for a more conducive workplace and address areas of employees' concern.

A Helping Hand

The Bank's employees responded admirably yet again to help a colleague in distress. In December 2011, a bank staff from Sabah suffered a series of misfortunes. Co-workers quickly pitched in to help her tide over the situation.

In recognition of our efforts to make our organisation "A Great Place to Work", we were recognised as one of 2011 Malaysia's Top 100 Leading Graduate Employers, and was listed as one of the Top 100 Public Listed Companies of the 2011 Malaysian Corporate Governance Index.

Responsibility to the Community

The Group gives back to the community in a variety of ways. We continue to dedicate considerable resources to local communities, promote education initiatives and encourage our employees to volunteer their time and skills in such endeavours. Our efforts are driven by activities and programmes that promote sustainable economic development and self-sufficiency in line with our mission, vision and core values.

Financial Literacy Programme

As financial management becomes increasingly important, we now focus on financial literacy as the main pillar of our Corporate Responsibility activities.

In July 2011, the Bank participated in Bank Negara Malaysia's 2011 Annual Financial Education Workshops for Teachers and School Children. Alliance Bank employees in Johor Bahru organised a financial education workshop for 35 teachers at the Taman Molek branch.



Corporate Responsibility (cont'd)

We also launched a Financial Literacy Programme for young school children in April 2012. This exciting programme called “Money & Math Challenge” aims to teach and equip young Malaysians with basic money skills such as saving regularly and spending wisely. This programme also leverages on the Bank’s core financial services and wealth management expertise.

Zakat

The Group fully supports *Zakat* contribution through Alliance Islamic Bank Berhad (AIS), which carefully selects Shariah-compliant and charitable causes that fit *Zakat* criteria. The contributions were channelled through schools, higher education institutions, healthcare centres and homes for the underprivileged. In 2011, AIS donated *Zakat* funds to cover the cost of dialysis for kidney patients who cannot afford such treatments. The treatments were channelled through Islah Dialysis Sdn Bhd on behalf of AIS.



AIS employees often take time to serve as volunteers at organisations supported by the Group by lending a helping hand or bringing festive cheer to those living in underprivileged homes such as Raudhatul Ikhwan Orphanage.

Supporting Non-profit Causes

The Group also continued to support the community and non-profit organisations for the underprivileged.



Empowering Women

We continued our support for the advancement of women in both corporate and SME sectors, by hosting a forum themed “Strive for Success, Live in Balance”. The event aimed to inspire women to take up the challenge to become significant contributors to Malaysia’s economic growth. It covered topics such as women in power, success stories, motivation, self-alignment and lifestyle balance, as well as prudent financial management for women entrepreneurs. The forum featured women guest speakers from the SME sector, and high-ranking women in the local corporate sector.

Responsibility to the Environment

We believe that every small step makes a difference towards environmental sustainability.

While we place priority on investing in information technology infrastructure to deliver the best service to our customers, we continuously strive to reduce the overall energy usage to minimise its impact on the environment. This we achieve by constantly updating our network of servers and computers, implementing virtualisation technologies, and consolidating our data centres. These have resulted in overall reduction in energy consumption and real estate footprint.

We also made it a priority to contract an IT-waste disposal specialist to dispose obsolete machinery in compliance with processes approved by the Department of Environment under the purview of the Ministry of Natural Resources and Environment.