

Summary of Questions Submitted by Shareholders/Proxies Online during the Annual General Meeting (AGM)

- *What is the Bank's exposure to the palm oil sector following the prohibition of export of palm oil that does not meet the sustainability standards set under the European Union Regulation on Deforestation?*

The Managing Director & Chief Executive Officer explained that Public Bank's exposure to this sector is negligible and the Bank mandates Malaysian Sustainable Palm Oil or Roundtable on Sustainable Palm Oil certification for new financing in the palm oil sector (excluding smallholders) by 2030.

The Group commits to No Deforestation, No New Peat and No Exploitation (NDPE) principles across all financing activities, whereby customers when applying for loans must provide a declaration confirming their adherence to the Group's NDPE principles. The Bank has also set in place an ESG Risk Acceptance Criteria Policy which subject borrowers to an ESG due diligence process in the credit onboarding, annual credit review and extension of additional financing.

- *How are the Bank's employees trained on sustainability?*

The Managing Director & Chief Executive Officer explained that Public Bank's training direction is developed in synergy with sustainability objectives to ensure the employees are future ready.

In an effort to raise the competency levels on multiple fronts, the Bank employs a multi-pronged training approach. The Bank customises training plans that cater to the needs of the respective target groups. This is supported by incorporating ESG-related training into the annual 5-day mandatory training policy, and all employees must complete minimum hours of sustainability related training per year. In addition, selected employees were sent for global industry-endorsed certifications.

- *Enquiry on Public Bank's strategy in facing competition in the digital era.*

The Managing Director & Chief Executive Officer explained that Public Bank has been embracing digitalisation for many years and is keeping pace with the industry in its offer of digital products and services. Public Bank focuses on offering digital products and services that deliver long term and sustainable value to its customers. The Bank has implemented various initiatives to meet customer demand for seamless and efficient digital banking service. The Bank's competitiveness is further underpinned by its long-established market position and experience.

- *Comments from shareholder that only certain latest mobile operating systems are able to download the MyPB App and customers who are using older versions are not able to access the app.*

The Managing Director & Chief Executive Officer explained that the Bank is continuously enhancing the MyPB App to safeguard the customers' banking experience. In line with regulatory requirements, the app is updated to the latest version to ensure maximum protection for customers.

- *Could the Management elaborate on the tangible benefits and efficiencies realised so far from recent digital transformation initiatives, such as the MyPB App and the new online banking platform?*

The Managing Director & Chief Executive Officer explained that MyPB App covers all transformation aspects focussing on delivering value to the customers. The MyPB App had been completely re-designed in terms of its entire customer journey. The interface and experience are modernised and seamless with a better appeal to all customers while attracting younger group of customers. The Bank had so far seen double digit growth of its MyPB App subscribers.

- *Suggestion that Public Bank should co-ordinate with AliPay or WeChat so that account holders can top-up their accounts with Renminbi through Public Bank app as the number of Malaysian visitors to China or vice versa has increased significantly.*

The Managing Director & Chief Executive Officer took note of the suggestion and explained that the Bank is currently exploring with PayNet to enable payment in Renminbi to China via the Bank's app. At the moment, payments from China tourists to local merchants is already enabled via DuitNow QR.

- *Does Public Bank has any plan to venture into cryptocurrency?*

The Managing Director & Chief Executive Officer explained that the Bank has not embarked into the cryptocurrency space. However, the Bank will monitor the development in this space.

- *Maybank (Money Lock) and Affin Bank (Savings Vault) have introduced 'locked savings' features. Will Public Bank consider implementing such similar feature to enhance customer fund protection and restore confidence in digital banking security?*

The Managing Director & Chief Executive Officer informed the Meeting that Public Bank targets to implement the lock savings feature by the first half of 2025.

- *Is Public Bank encouraging users to shift to online banking or the mobile app by phasing out the physical bank book?*

The Managing Director & Chief Executive Officer explained that phasing out of physical passbooks is an ESG initiative to reduce usage of papers. Nevertheless, the Bank will still provide senior citizens with passbook upon request.

- *What are the privileges for red carpet banking (RCB) customers?*

The Managing Director & Chief Executive Officer explained that there are various campaigns specially curated for RCB customers, such as higher fixed deposit rates, and birthday privileges. Customers can access the Bank's RCB micro-site for further information on the RCB services, benefits and privileges offered.

- *Is the Bank participating in Customer Satisfaction Survey, such as the Net Promoter Score (NPS)? Could the Management share the findings, trends, and the Bank's position in the market?*

The Managing Director & Chief Executive Officer explained that Public Bank participates in the Customer Satisfaction Survey organised by The Association of Banks in Malaysia on a biennial basis. The Net Promoter Score for the Bank over the years has been on an improving trend, reflecting a positive impact of the Bank's on-going service improvement and customer centric initiatives.

- *Request for clarification on brokerage fee of RM12 or 1% of the transaction value, charged by Public Investment Bank.*

The Managing Director & Chief Executive Officer explained that the brokerage fee charged by Public Investment Bank is based on the standard board rates for online trading. Lower charges are being levied based on trading volumes and values.

- *In Hong Kong, taxi licenses have seen significant decrease in value, what are the major impacts to the Bank's operations in Hong Kong? Does the Bank have a strategy to reduce its exposure in this sector?*

The Managing Director & Chief Executive Officer explained that due to the underlying risks, the Group has adopted a prudent and conservative approach in managing its taxi financing portfolio in Hong Kong. This includes tighter lending criteria and more conservative loan-to-value assessments. The Group will continue to closely monitor its taxi financing portfolio and offers debt relief measures to reduce financial burden of the taxi borrowers in times of need.

- *What is Public Bank's efforts to support the underserved communities in the ASEAN countries and locally?*

The Managing Director & Chief Executive Officer explained that Public Bank Group has continued to support the underserved communities through its commitment to improving financial accessibility and inclusion.

The Group currently has 264 banking branches nationwide. Meanwhile, in the ASEAN region, the Group has established a total of 76 branches in Vietnam, Cambodia, and Laos. The Group's digital platforms also ensure access for those without branch access.

- *What are the proactive measures taken to manage and mitigate credit risks in view of the increase in gross impaired loans ratios in Cambodia and Vietnam?*

The Managing Director & Chief Executive Officer explained that while the Group remains committed to business growth, the Group always exercise prudence in its lending activities including the Cambodia and Vietnam operations.

The Group will closely monitor existing borrowers from vulnerable lending sectors and take appropriate proactive measures to mitigate the credit risks to ensure that the asset quality is under control.

- *Enquiry on cost of holding the hybrid AGM.*

The Managing Director & Chief Executive Officer informed the Meeting that the cost of holding the hybrid AGM is approximately RM1.1 million. This includes the cost of the physical venue, remote participation and voting facilities, audio/video support and fees for engagement of scrutineers.

- *A long-term shareholder expressed appreciation for convening the AGM in hybrid mode and the reward given all these years such as dividends and bonus issues. The shareholder also expressed confidence in Public Bank.*

The Managing Director & Chief Executive Officer thanked the shareholder for the compliment and assured all shareholders that Public Bank will continue to strive hard in meeting stakeholders' expectations.