



Asian Institute of Chartered Bankers
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2019
ANNUAL
REPORT

ADVOCATING INTEGRITY, ADVANCING STANDARDS.





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1 CORPORATE
OVERVIEW |



ABOUT US

The Asian Institute of Chartered Bankers (AICB) is the sole professional body for the Malaysian banking industry. With almost 33,000 members and growing, we are governed by a Council of representatives from Bank Negara Malaysia (BNM), The Association of Banks in Malaysia (ABM), and the Malaysian Investment Banking Association (MIBA). We are also proud to be the only Institute in Southeast Asia approved by the Chartered Banker Institute, UK, to award the Chartered Banker status to qualified members.

We Aim To



Elevate the professional and ethical banking standards by creating a workforce that advocates the highest level of professional conduct, knowledge and competence.



Continue engaging with industry experts to ensure our suite of qualifications remains relevant.



Future proof and equip bankers with the requisite skills and values to keep pace with the ever-evolving banking environment.

Our Vision

To be the recognised professional body for banking by empowering bankers in Malaysia and beyond.

Our Core Values

- A**ccountability
- I**ntegrity
- C**ompetence
- B**eing Professional

Our refreshed AICB logo and corporate identity include our tagline **“Empowering Bankers, Honouring the Trust”**, which further builds on our strong foundation in professional development for bankers. We believe it also reflects our focus on being innovative as well as our lasting commitment to build a culture of professionalism in the banking industry.

Our Mission

- Support members’ growth through innovative learning and opportunity
- Advocate professionalism and ethics
- Catalyse the advancement of thought leadership
- Facilitate networking opportunities

Our Services

AICB functions as a centre of excellence through professionalism, service, innovation and continued advancement. To this end, our deliverables are aligned to industry needs and attuned to cultural changes and the evolving landscape of the financial world.

Furthermore, in line with our transformation strategy, we have focused our efforts to broaden and deepen our suite of professional qualifications in content, structure and delivery. We have found this to be highly effective in raising the standards of professional development in bankers.



We are pleased that AICB has successfully pioneered several value offerings for our members, including professional banking qualifications, thought leadership conferences, publications, networking opportunities and online resources, among others.



AICB IN NUMBERS

32,756

individual members from over **10 countries** who are governed by the Code of Professional Conduct

Close to

33%

growth in membership in 2019

2014 

Our transformation into a **professional** body



9 professional qualifications offered in key areas of banking



5 Key Networking Groups

(Industry Engagement)

Internal Audit, Compliance, Credit, Risk and Human Resource

26,398

banking professionals have

graduated

with our qualifications since 1980

17

AICB Council Members

comprising representatives from Bank Negara Malaysia and leading banks that govern the Institute



42

years of expertise in **professional education**

in banking in Malaysia

81 

corporate members



43

employees

304

members attained the **Chartered Banker** status

OUR PROGRESSIVE JOURNEY



2012

- Launched the Chartered Banker (CB) qualification with Level 1, Executive Banker roll-out
- Introduced the Investor Protection Professional Certification (IPPC)

2013

- Revamped the Certified Credit Professional (CCP) programme to the Professional Credit Certification (PCC) with Level 1, Certified Credit Executive (CCE) roll-out
- Chaired the 2013 Asia-Pacific Association of Banking Institutes Biennial Conference in Kuala Lumpur

2014

- Officially rebranded as the Asian Institute of Chartered Bankers (AICB)
- Collaborated with the International Compliance Association to offer the Professional Qualifications in Regulatory Compliance (RC)

2015

- Launched the Asian Banking School (ABS)
- Established the AICB Board of Examiners
- Launched new AICB qualifications, including the Retail Credit Professional (RCP – PCC Level 2), Business Credit Professional (BCP – PCC Level 2), Professional Banker (PB – Chartered Banker Level 2), and Bank Risk Management (BRM)
- Held Malaysia's inaugural CB conferment ceremony where 45 top bankers were conferred the Chartered Banker status
- Introduced the new Memorandum and Articles of Association (M&A), Bye-laws, Membership Framework, Risk Management Framework and Admission and Exemption Policy for qualifications

OUR PROGRESSIVE JOURNEY

2016

- Launched the CB qualification (Level 3)
- Held the ground-breaking ceremony for AICB's new building in Bukit Perdana, Kuala Lumpur
- Signed the first joint declaration on an industry-wide commitment to enhance the professionalism of the Malaysian banking industry with member banks of The Association of Banks in Malaysia (ABM)
- Signed Collaboration Agreements with ABS and the ACI-Financial Markets Association of Malaysia (ACI-FMAM)
- Introduced the Continuing Professional Development (CPD) regulations for members who hold professional designations

2017

- Admitted 1,410 ACI-FMAM members for the first time as dual membership holders following the signing of a Collaboration Agreement in 2016
- Commenced the full implementation of the inaugural industry-wide commitment
- Implemented the Disciplinary Framework and set up the Disciplinary Panel
- Signed an MoU with Perum Jamkrindo to promote professional financial education development in both Malaysian and Indonesian markets
- Signed a Collaboration Agreement with Ateneo — Bankers Association of the Philippines Institute of Banking to promote AICB's BRM qualification in the Philippines
- Signed the second industry-wide commitment with ABM member banks for the Specialised Certification programmes
- Launched the newly enhanced Pasaran Kewangan Malaysia Certificate (PKMC) qualification
- Implemented the e-Exams pilot run for the CB qualification (Levels 1 and 2)
- Received first-time enrolments from the Philippines for the BRM programme, and strong growth of the CB programme in Cambodia
- Launched the AICB e-Resources and CPD framework for members
- Extended the industry-wide commitment to six Development Financial Institutions
- Introduced the CPD regulations for members who do not hold professional designations and are not AICB-FMAM dual membership holders
- Made key policy amendments to AICB's Constitution, Bye-laws and Regulations

2018

- Launched the Certification for Bank Auditors (CBA) and jointly introduced the Certified Anti-Money Laundering & Counter Financing of Terrorism Compliance Officer (CAMCO) certification programme with ABS
- Introduced the Competency Validation Assessment (CVA) and Prior Experience Conversion (PEC) to support the industry-wide commitment
- Became a member of the Global Banking Education Standards Board (GBESTB), which launched the first Global Banking Standard on Ethics Education
- Held the 2nd Chartered Banker Conferment and 21st Graduation Ceremony
- Established the Chief Credit Officers' (CCOs) Forum
- Held the inaugural AICB Members' Dinner

2019

- Jointly organised the 11th International Conference on Financial Crime and Terrorism Financing (IFCTF 2019) with the Compliance Officers' Networking Group (CONG)
- Conducted the AICB Inaugural Member Survey 2019
- Launched the AICB Brand Campaign
- Launched the Empowering Bankers Series in 2019, featuring a series on thought leadership with industry experts sharing views on emerging trends and industry-relevant topics
- Became a board member of the Global Banking Education Standards Board (GBESTB), which has launched two global banking standards since its inception
- Updated the Professional Credit Certification (PCC) modules
- Introduced a pilot Chartered Banker by Experience (CBBE) programme in Malaysia



OUR NEW AICB BUILDING

One of the key events we will be looking forward to in 2020 is our much anticipated move to a brand new AICB Building in Bukit Perdana, Kuala Lumpur.

Spearheaded by the financial services industry, with strong support from Bank Negara Malaysia, our new AICB Building will finally open its doors to our members, who we are certain will experience professional financial education at its best. This move is exciting because the building represents a new innovative hub that will see other affiliate institutes related to financial education and talent development, including among others, the Asian Banking School (ABS), the Finance Accreditation Agency (FAA), the Malaysian Insurance Institute (MII) and the Islamic Banking & Finance Institute Malaysia (IBFIM), being housed under one umbrella. This will further streamline and give each institute greater leverage to enhance the capabilities of the Malaysian financial services industry while providing a stimulating platform for the finance community to network and collaborate.

In addition, a shared services concept will also be adopted to better synergise operations and the advantages of economies of scale.

Notably, our new facility is a Green Building Index-certified building, which will accommodate several leading financial education and talent development organisations. Here are a few of its significant features:

- a 12-storey office tower
- a 6-storey training podium
- an auditorium, a Harvard-style theatrette, flexi halls and training rooms
- a Financial Services Library, and
- the Thyme Out Café





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LEADERSHIP &
GOVERNANCE

STRUCTURE



CORPORATE INFORMATION

COUNCIL MEMBERS

CHAIRMAN

Tan Sri Azman Hashim, FCB

Chairman

AMMB Holdings Berhad

VICE CHAIRMAN

Datuk Abdul Farid Alias, FCB

Group President & Chief Executive Officer

Malayan Banking Berhad

Mr Donald Joshua Jaganathan, FCB

Representative of Bank Negara Malaysia

Tan Sri Dato' Sri Tay Ah Lek, FCB

Managing Director / Chief Executive Officer

Public Bank Berhad

Datuk Mohamed Azmi Mahmood, FCB

Former Deputy Group Chief Executive Officer

AMMB Holdings Berhad

Dato' Howard Choo Kah Hoe, FCB

Managing Director and Chief Executive Officer

IBH Investment Bank Limited

Datuk Yvonne Chia, FCB

Independent Non-Executive Chairman

Standard Chartered Bank Malaysia Berhad

Dato' Khairussaleh Ramli, FCB

Group Managing Director / Group Chief Executive Officer

RHB Banking Group

Mr Wong Kim Choong, FCB

Chief Executive Officer

United Overseas Bank (Malaysia) Berhad

Dato' Ong Eng Bin, FCB

Chief Executive Officer

OCBC Bank (Malaysia) Berhad

Mr Lee Lung Nien, FCB

Chief Executive Officer

Citibank Berhad

Mr Domenic Fuda, CB

Group Managing Director / Chief Executive Officer

Hong Leong Bank Berhad

Mr Abrar Alam Anwar

Managing Director & Chief Executive Officer

Standard Chartered Bank Malaysia Berhad

Ms Lee Jim Leng, CB

Group Managing Director / Chief Executive Officer

Hong Leong Investment Bank Berhad

Mr Fad'I Mohamed, CB

(Appointed to the Council on 21 February 2020)

Chief Executive Officer

Maybank Investment Bank Berhad

Datuk Maimoonah Mohamed Hussain, CB

(Resigned from the Council on 2 November 2019)

Former Group Managing Director

Affin Hwang Investment Bank Berhad

Tengku Dato' Sri Zafrul Tengku Abdul Aziz, FCB

(Resigned from the Council on 9 March 2020)

Former Group Chief Executive Officer / Executive Director

CIMB Group Holdings Berhad

CHIEF EXECUTIVE

Mr Prasad Padmanaban

SECRETARY

Ms Lum Soo Yan

AUDITORS

Messrs Ernst & Young PLT

Chartered Accountants

BANKER

Malayan Banking Berhad

REGISTERED OFFICE

Level 2, Bangunan AICB

10 Jalan Dato' Onn

50480 Kuala Lumpur

Malaysia

BUSINESS ADDRESS

Levels 11 & 12, Bangunan AICB

10 Jalan Dato' Onn

50480 Kuala Lumpur

Malaysia



COMMITTEES FOR 2019 / 2020

AUDIT COMMITTEE

Dato' Howard Choo Kah Hoe, FCB (Chairman)
Datuk Mohamed Azmi Mahmood, FCB
Mr Wong Kim Choong, FCB
Mr Abrar Alam Anwar

EDUCATION COMMITTEE

Council Representatives

Mr Donald Joshua Jaganathan, FCB (Chairman)
Tan Sri Dato' Sri Tay Ah Lek, FCB
Dato' Howard Choo Kah Hoe, FCB
Mr Lee Lung Nien, FCB

Co-opted Members

Professor Dato' Dr Ansary Ahmed
 Associate Fellow
 President / Chief Executive Officer
 Asia e University

Datuk Johar Che Mat

Director
 Rural Capital Berhad

Mr Choo Yee Kwan, CB

Director
 HSBC Bank Malaysia Berhad

GENERAL PURPOSE COMMITTEE

Datuk Abdul Farid Alias, FCB (Chairman)
Datuk Mohamed Azmi Mahmood, FCB
Mr Wong Kim Choong, FCB
Mr Domenic Fuda, CB

HUMAN RESOURCE COMMITTEE

Dato' Ong Eng Bin, FCB (Chairman)
Mr Lee Lung Nien, FCB
Ms Lee Jim Leng, CB

MEMBERSHIP COMMITTEE

Datuk Mohamed Azmi Mahmood, FCB (Chairman)
Datuk Yvonne Chia, FCB
Dato' Khairussaleh Ramli, FCB
Mr Fad'l Mohamed, CB

BOARD OF EXAMINERS

Council Representative

Dato' Howard Choo Kah Hoe, FCB (Chairman)

Co-opted Members

Professor Lee Chew Geng
 Interim Deputy Vice Chancellor
 INTI International University

Associate Professor Dr Cordelia Mason

Director of WE4ASIA / Corporate Planning
 Universiti Kuala Lumpur

Professor Dato' Dr Sayed Mushtaq Hussain

Professor, School of Management
 Asia e University

Datuk Nora Abd Manaf, CB

Group Chief Human Capital Officer
 Malayan Banking Berhad



NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the 42nd Annual General Meeting of Asian Institute of Chartered Bankers [Registration No. 197701004872 (35880-P)] (“**Institute**”) will be held virtually and broadcasted from **Conservatory, Level 3, EQ, Equatorial Plaza, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia, on Wednesday, 8 July 2020, at 10.30 a.m.** to transact the following businesses:

1. To receive the Audited Financial Statements of the Institute for the financial year ended 31 December 2019 together with the Reports of the Council and auditors thereon.
2. To receive the Audited Financial Statements of the Staff Training Fund for the financial year ended 31 December 2019 together with the Report of the auditors thereon.
3. To note the appointment of the following nominees as members of the Council of the Institute (“**Council**”) for the 2020 / 2021 term of office pursuant to Articles 66(1)(a), 66(1)(b), 66(1)(c) and 66(1)(d) of the Institute’s Constitution:

Article 66(1)(a):

Mr Donald Joshua Jaganathan, FCB

Article 66(1)(c):

**Ms Lee Jim Leng, CB
Mr Fad’l Mohamed, CB**

Article 66(1)(b):

**Datuk Abdul Farid Alias, FCB
Dato’ Khairussaleh Ramli, FCB
Mr Wong Kim Choong, FCB
Dato’ Ong Eng Bin, FCB
Mr Lee Lung Nien, FCB
Mr Domenic Fuda, CB
Mr Abrar Alam Anwar**

Article 66(1)(d):

**Tan Sri Azman Hashim, FCB
Tan Sri Dato’ Sri Tay Ah Lek, FCB
Datuk Mohamed Azmi Mahmood, FCB
Datuk Yvonne Chia, FCB
Dato’ Howard Choo Kah Hoe, FCB**

4. To re-appoint Messrs Ernst & Young PLT as Auditors of the Institute and authorise the Council to fix their remuneration.
5. To transact any other business duly notified and such other business to be transacted shall be notified in writing to the Secretary, together with the names of the proposers and seconders, not later than five (5) weeks before the date fixed for the Meeting.

By Order of the Council,

Lum Soo Yan (MIA 24562)
Practicing Certificate No.: 201908000567
Secretary

Kuala Lumpur
9 June 2020

NOTES:

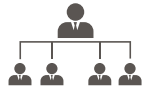
FULLY VIRTUAL AGM

1. As part of the initiatives to curb the spread of COVID-19, the 42nd AGM of the Institute will be conducted entirely on a virtual basis through live streaming and remote online voting via Zoom Video Conferencing. Please follow the procedures provided in the Administrative Details for the 42nd AGM to register, participate and vote remotely.
2. The broadcast venue of the 42nd AGM is strictly for the purpose of complying with Section 327(2) of the Companies Act 2016, which stipulates that the Chairman of the meeting shall be present at the main venue of the meeting. Member(s) / proxy(ies) from the public will not be allowed to be physically present at the broadcast venue on the day of the 42nd AGM.

PROXY

1. Every Member entitled to attend and vote at the Meeting is also entitled to appoint a proxy to attend and vote in his / her stead at the Meeting.
2. No Member shall be entitled to vote on any question either personally or by proxy or corporate representative at the Meeting of the Institute or a poll who does not carry voting rights and whose subscription is overdue for three months.
3. Only Associates, Associate Fellows, Chartered Bankers, Fellows, Life and Corporate Members whose names appear in the Membership Register of the Institute as of 1 July 2020 shall be regarded as entitled to vote at the Meeting. The Membership Register of the Institute is available for inspection at the Institute’s registered address at Level 2, Bangunan AICB, 10 Jalan Dato’ Onn, 50480 Kuala Lumpur, Malaysia.
4. The instrument appointing a proxy shall be in writing under the hand of the appointer. If the appointer is a Corporate Member, it must be either under seal or under the hand of the officer or attorney duly authorised.
5. If a Member is not able to attend the 42nd AGM via Zoom Video Conferencing on 8 July 2020, he / she may appoint the Chairman of the meeting as his / her proxy and indicate the voting instructions in the instrument appointing the proxy. The Form of Proxy shall be submitted in accordance with paragraph 6 below.
6. The instrument appointing the proxy (Form of Proxy printed on page 97 of the Annual Report 2019) and nominating one corporate representative (Form of Nominee printed on page 98 of the Annual Report 2019) together with the power of attorney (if any) under which it is signed or a certified copy thereof, shall be deposited at the Institute’s registered address at Level 2, Bangunan AICB, 10 Jalan Dato’ Onn, 50480 Kuala Lumpur, Malaysia, not less than forty-eight (48) hours before the time appointed for holding the Meeting or adjourned Meeting at which the person named in such instrument proposes to vote, otherwise the person so named shall not be entitled to vote in respect thereof.

AICB COUNCIL MEMBERS



CHAIRMAN

**Tan Sri Azman Hashim,
FCB**

Chairman
AMMB Holdings Berhad



VICE CHAIRMAN

**Datuk Abdul Farid Alias,
FCB**

Group President &
Chief Executive Officer
Malayan Banking Berhad



**Mr Donald Joshua
Jaganathan, FCB**

Representative
of Bank Negara Malaysia



**Tan Sri Dato' Sri
Tay Ah Lek, FCB**

Managing Director /
Chief Executive Officer
Public Bank Berhad



**Datuk Mohamed Azmi
Mahmood, FCB**

Former Deputy Group Chief
Executive Officer
AMMB Holdings Berhad



**Dato' Howard Choo
Kah Hoe, FCB**

Managing Director and
Chief Executive Officer
IBH Investment Bank Limited



Datuk Yvonne Chia, FCB

Independent
Non-Executive Chairman
Standard Chartered Bank
Malaysia Berhad

AICB COUNCIL MEMBERS



Dato' Khairussaleh Ramli, FCB

Group Managing Director /
Group Chief Executive Officer
RHB Banking Group



**Mr Wong Kim Choong,
FCB**

Chief Executive Officer
United Overseas Bank
(Malaysia) Berhad



Dato' Ong Eng Bin, FCB

Chief Executive Officer
OCBC Bank (Malaysia) Berhad



Mr Lee Lung Nien, FCB

Chief Executive Officer
Citibank Berhad



Mr Domenic Fuda, CB

Group Managing Director /
Chief Executive Officer
Hong Leong Bank Berhad



Mr Abrar Alam Anwar

Managing Director &
Chief Executive Officer
Standard Chartered Bank
Malaysia Berhad



Ms Lee Jim Leng, CB

Group Managing Director /
Chief Executive Officer
Hong Leong Investment Bank
Berhad



Mr Fad'I Mohamed, CB

*(Appointed to the Council
on 21 February 2020)*
Chief Executive Officer
Maybank Investment Bank Berhad



**Datuk Maimoonah
Mohamed Hussain, CB**

*(Resigned from the Council
on 2 November 2019)*
Former Group Managing Director
Affin Hwang Investment Bank
Berhad



**Tengku Dato' Sri Zafrul
Tengku Abdul Aziz, FCB**

*(Resigned from the Council
on 9 March 2020)*
Former Group Chief Executive
Officer / Executive Director
CIMB Group Holdings Berhad

AICB MANAGEMENT TEAM



Mr Prasad Padmanaban
Chief Executive



Ms Mithila Sathasivam
Director,
Membership & Marketing



Ms Shireen Kandiah-Fuad
Director,
Strategy, Partnerships &
Communications



Ms Susan Lee Yoon Lian
Director,
Education & Assessment

CHAIRMAN'S STATEMENT



“ Building greater trust and transparency will remain a key focus of the Institute in raising the professional and ethical standards of bankers. ”

I am pleased to report that the Asian Institute of Chartered Bankers (AICB) had a pivotal year, having made steady progress on several fronts to further professionalise the banking industry and bring greater value to our members. Thus, I am delighted to present AICB's Annual Report for the financial year ended 31 December 2019.

It is encouraging to note that AICB has reached a significant milestone of over 32,700 members, which is a noteworthy increase of close to 33% from 2018, reflecting the rising calibre of our membership and qualifications, not to mention the tremendous support of the industry towards our initiatives.

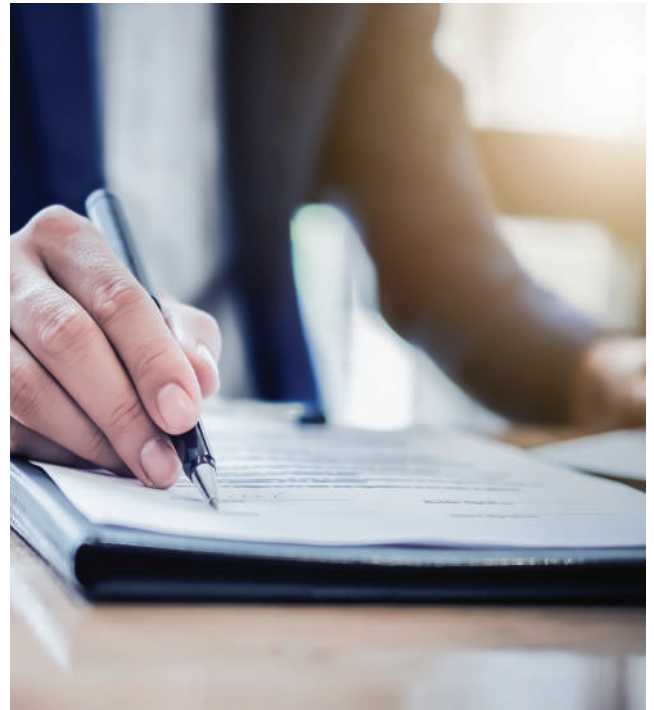
I also take pride in extending a warm welcome to the 152 newly conferred Chartered Bankers, and the 3,667 graduate members who successfully attained their professional qualifications from AICB in 2019. We savour this opportunity to educate well-qualified, highly motivated, and skilled individuals to further support their organisations and the broader community.

Nurturing Ethical Bankers

As banking institutions globally operate in an extremely competitive and rapidly changing environment, they continue to face many challenges, including finding talent with the requisite professional knowledge, skills, and sound judgment to adapt to this new landscape. To this end, AICB remains committed to our role in the banking industry and the national talent development agenda: to raise the competence of bankers and cultivate a culture of professionalism to meet the future needs of the banking industry, further strengthening its reputation and ultimately, bolstering public trust.

During the year, AICB delivered a range of initiatives to support our members through various stages of their professional journeys, helping them acquire the technical and professional knowledge and skills to stay ahead, remain relevant, and become the preferred choice among employers. The Institute continued to build on our suite of Continuing Professional Development (CPD) offerings and strengthened our engagement with both members and the industry to ensure the smooth implementation of the ongoing industry-wide commitment to professionalise the Malaysian banking industry.

We also launched a new brand campaign, introduced new, compacted programmes and learning support resources, improved the efficiency of our member services and education framework, and invested in the transformation of our learning management system to deliver a more exceptional member experience. As banks remain one of the most vital channels for providing credit in ASEAN, the Institute also continued to serve our regional members across the 10 ASEAN countries through various capacity building briefings and engagement sessions.



CHAIRMAN'S STATEMENT

Asian Banking School

To further build our members' competence, AICB and the Asian Banking School (ABS) continued their collaboration to deliver training workshops for AICB's qualification programmes throughout the year. As the largest specialised provider of quality banking training programmes in the ASEAN region, ABS plays a significant role in enriching the industry's talent pool through its wide range of courses that include the Financial Sector Talent Enrichment Programme (FSTEP), the industry-wide Ethics programme, AML / CFT, Digital Banking and its highly acclaimed Executive Education programmes with some of the top business schools in the world. All in all, ABS trained over 22,000 participants in 2019 alone.



The Outlook Ahead

With so much on the horizon and banks transitioning to a borderless digital ecosystem, bankers of the future must be agile and attuned to the changing trends of the digital era, yet uncompromising in their integrity and professionalism. As we set our sights even higher in 2020 and beyond to shape a digitally savvy banking workforce, building greater trust and transparency will remain a key focus of the Institute in raising the professional and ethical standards of bankers.

The upcoming move to our new AICB building this year is, therefore, timely. Key stakeholders and members can anticipate a world-class environment for learning and development that further facilitates interaction among the various affiliate institutes, presenting excellent opportunities for greater collaboration, innovation and synergies.

Acknowledgments

As we continue our journey towards professional development excellence, I am deeply thankful to my fellow Council Members, whose commitment and contributions to the Institute remain unrivalled in our vision of ethical professionalism. In particular, I would like to thank Datuk Maimoonah Mohamed Hussain, Former Group Managing Director, Affin Hwang Investment Bank Berhad, who has retired from the Council. We wish to express our appreciation and acknowledge her invaluable contributions during her tenure with the Council.

I would also like to convey my thanks to our members, Bank Negara Malaysia, the Asian Banking School, the Chartered Banker Institute, UK, our partners and industry practitioners for contributing to the growth and success of AICB in 2019. And to the Management and staff of AICB, thank you for your unwavering dedication and continued support.

Thank you.

Tan Sri Azman Hashim, FCB

Chairman

CHIEF EXECUTIVE'S STATEMENT



“ The Institute has been focused on accelerating its digital strategy in critical business areas and has implemented several online initiatives for the benefit of its members. ”

With the continued successful implementation of the joint industry commitment, AICB experienced sustained membership growth in 2019. I firmly believe that by serving our members to the best of our abilities, we will continue to progress in the new decade. During the year, we focused on strengthening our foundations to ensure that the building blocks for our future growth are in place. We remained committed to broadening our professional development offerings for members, improving our operational systems, and raising our global visibility.

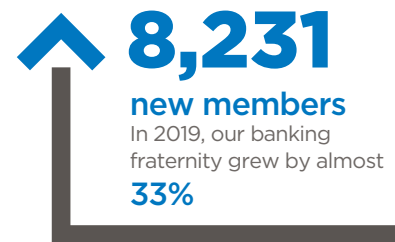
Our Commitment to Professional Excellence

Quality education and training are the key drivers of Malaysia's aspirations to become a high-income nation and as the sole professional body for bankers, AICB is at the forefront of producing professional banking talent for the country, in alignment with the national agenda. In 2019, we remained steeped in our commitment to deliver quality professional education for the banking industry, and therefore, I am encouraged to see a steady climb in AICB's membership rate. We gladly welcomed 8,231 new members, consequently growing our membership base to 32,756 members as of December 2019, charting an increase of close to 33% in new member admissions. Additionally, 70% of our members are young members aged 39 and below, while close to 1% are international members from 10 countries. I am also pleased with the Institute's membership retention rate, which has remained at a solid 89%. As for our qualifications, our Professional Credit Certification (PCC) and Chartered Banker (CB) qualifications continued to hold the highest enrolment rates of close to 47% and 27% respectively, following the joint industry-wide commitment initiative.

CHIEF EXECUTIVE'S STATEMENT

Throughout the year, we conducted over 200 member-briefing sessions with banks to further educate bankers on AICB's role, professional qualifications and member benefits. We also held multiple Industry Curriculum Committee (ICC) workshops for Credit, Risk and Ethics qualifications, in addition to the Certificate in Financial Services (CFS) for the ongoing Qualification Quality Review (QQR) initiative, where we engaged with the industry to ensure the relevance of our curricula.

As a member-based organisation, it is imperative that we are attuned to our members' needs and are able to deliver products and services that are beneficial to their careers. Therefore, we embarked on our inaugural online member survey in 2019 and received an encouraging response rate of 12.5% from a pool of 14,892 members selected for the survey, who provided invaluable feedback on our membership and services. Although 75% of respondents agreed that AICB's qualifications contributed towards their professional development and 79% of respondents will recommend AICB's qualifications to others, we still have much room for improvement on our member initiatives and offerings. Members are, after all, the motivation behind our commitment to excellence.



Building for the Future

AICB's central tenets in 2019 were to provide value to the banking profession and its members, as well as to improve our services. We embarked on several fresh initiatives, including our new AICB multi-touchpoint brand campaign, by which the Institute began raising its profile together with the Chartered Banker brand. Through this campaign, we aim to build greater recognition of AICB's membership and elevate the levels of competence and professionalism in the banking industry. The campaign commenced in April 2019 with a strong focus on digital marketing, and we will also be revamping AICB's website to increase its accessibility, thereby benefitting members.

Additionally, we heavily invested our time and resources towards supporting the development of the new Integrated Membership & Qualification System (IMQS), which is an end-to-end automation of AICB's business with new functionalities that allow us to deliver flexible solutions and support our members efficiently. We launched the first phase of IMQS in early January 2020, and these improvements will positively affect the entire membership, qualification and financial processes of the business.

We also continued to work closely with the industry and our partners, including the Chartered Banker Institute, UK, and the Asian Banking School, to achieve our common goal for the banking profession. Through our collaboration on the QQR, we continued to enhance our qualification pathways so members can deepen their expertise, build their skills, and broaden their career options. In July 2019, we took great pride in recognising and celebrating our members' achievements in attaining their professional designations at our 3rd Chartered Banker Conferment and 22nd Graduation Ceremony, which was attended by over 1,000 members.



AICB Leaderspeaks

Members access knowledge in key areas of banking through short video interviews with global experts and thought leaders

Cultivating Member Engagement

To continuously connect with our members and keep them informed of the latest developments in the banking sector, we steadily expanded our continuing professional development offerings via our Global Banking Discourse Series, the Empowering Bankers Series, the AICB Leaderspeaks digital series, our *Banking Insight* publication, and various other networking events and groups. I believe our thought leadership initiatives in 2019 touched on many pressing issues facing the banking industry and raised many topics of interest that allowed members to further hone their technical knowledge and professional skills, in addition to updating themselves on key banking developments.

Among the initiatives were a dialogue session with the Lord Mayor of the City of London, Alderman Peter Kenneth Estlin, on the future of the city of London post-Brexit and its global financial impact; a special session with the Minister of Human Resources on upskilling talent in the financial services industry; several engagement sessions with the regulator, and many other technical sessions and meetings with our networking groups.

Later in the year, we also co-organised the 11th International Conference on Financial Crime and Terrorism Financing (IFCTF 2019) together with our Compliance Officers' Networking Group, supported by Bank Negara Malaysia, Securities Commission Malaysia and the Labuan Financial Services Authority. Covering issues, challenges and solutions on corruption, money laundering, cybersecurity and other threats, IFCTF 2019 attracted over 1,300 attendees comprising local and international banking and financial practitioners, regulators and enforcement officers, and received overwhelmingly positive feedback.

In 2019, our thought leadership publication, *Banking Insight*, featured various articles on the current trends and developments in the global banking industry, with a spotlight on Asia. AICB is also looking into digitalising this publication in our effort to evolve with the times.

As an organisation, we aim to achieve the “work hard, play hard” lifestyle. I am sure our members can attest to this, having attended the AICB Members' Dinner in November. Themed “Bankers on Broadway”, the dinner was an evening of fellowship, honouring members and key stakeholders who have been instrumental in the growth of AICB as a professional body.



Case Studies on Ethics and Professionalism programme

Members analyse major financial scams and resolve ethical dilemmas

Preserving International Relations

We also continued to maintain a strong focus on international engagements to ensure that as an Institute, we keep abreast of the latest global developments and best practices in banking education and standards. AICB is a founding member of the Global Banking Education Standards Board — which has already released two global banking standards — and was appointed as a board member in September 2019. The Institute is also a permanent member of the ASEAN Banking Education Committee, which has enabled AICB to further strengthen its influence in the global banking education arena.

CHIEF EXECUTIVE'S STATEMENT

We participated in several global conferences in 2019, including the 22nd ASEAN Banking Conference and the 49th ASEAN Banking Council Meeting in Cambodia, as well as the 4th Professional Education in Banking Conference and the 23rd World Conference of Banking Institutes (WCBI) in London. AICB will also be hosting the 24th WCBI in Kuala Lumpur in 2021.



Sustaining Future Growth

As major economies around the world — including Malaysia — grapple with the current pandemic, the Malaysian banking industry continues to collaborate with the Government and regulators to implement the measures necessary to tackle this unprecedented situation. In this time of uncertainty, I applaud the actions taken by the central bank and the respective banks in Malaysia to ease the people's burden through the various banking initiatives, further strengthening public trust. Likewise, AICB needs to ensure its preparedness to continue supporting the industry in enhancing professional capacity building during and after this crisis. The Institute has been focused on accelerating its digital strategy in critical business areas and has implemented several online initiatives for the benefit of its members, in an effort to provide better e-Learning solutions to meet the demands of the new normal.



As we continue to enhance our organisational capabilities and improve our products and services, we also hope to bring greater value to our membership through our other online initiatives, which include webinars done in collaboration with industry thought leaders, and a review of our key membership operations on examination sittings and workshops. It is also vital that we do not forget about the less fortunate communities and our frontliners, who, at this time, are risking their lives to protect us. We will continue to do our best to help and support them in this time of need.

I would like to express my sincere thanks to our Chairman and the Council for their astute leadership and guidance. Thank you as well to all our members, various AICB committee members, and our partners, including the Chartered Banker Institute, UK, and the Asian Banking School, among others. My appreciation also goes to Bank Negara Malaysia for their continuous support.

Finally, I wish to express my utmost appreciation to our staff for their hard work and dedication as we work together to achieve our aspirations for a fulfilling year ahead.

Thank you.

Mr Prasad Padmanaban

Chief Executive



OTHER COMMITTEES FOR 2019 / 2020

DISCIPLINARY PANEL

The Disciplinary Panel was formed in March 2017 and is responsible for determining all complaints referred to it concerning the conduct of individual members. The panel consists of AICB Members and Lay Members:

AICB MEMBERS

Datuk Seri Tajuddin Atan, FCB
(Chairman)

Former Chief Executive Officer
Bursa Malaysia Berhad

Dato' Adissadikin Ali, CB
Managing Director /
Chief Executive Officer
RHB Islamic Bank Berhad

Mr Alan Chang Kong Chong, CB
Chief Internal Auditor
Hong Leong Financial Group

Dato' Amirul Feisal Wan Zahir, CB
Group Chief Financial Officer
Maybank Group

Mr Jeffrey Chew Sun Teong, FCB
Group Chief Executive Officer &
Executive Director
Paramount Corporation Berhad

Ms Khatimah Mahadi, CB
Former Group Chief Internal Auditor
AFFINBANK Group

Mr Pang Choon Han, CB
Group Chief Risk Officer
Alliance Bank Malaysia Berhad

Mr Patrick Ho Kwong Hoong, CB
Group Chief Risk Officer
RHB Bank Berhad

Mr Thein Kim Mon, CB
Former Group Chief Internal Auditor
AmBank Group

Mr V Maslamani, CB
Chief Compliance Officer
Al Rajhi Banking & Investment
Corporation (Malaysia) Berhad

LAY MEMBERS

Ms Geraldine Kamalanathan
Head of Legal, Commercial
Maybank Group

Mr Gerard Sinnappah
Head, Group Legal
Alliance Bank Malaysia Berhad

Mr Goh Ching Yin
Director
Khazanah Nasional Berhad

Datuk Nik Mohd Hasyudeen Yusoff
Group Managing Director and
Chief Executive Officer
Lembaga Tabung Haji

Ms Selvarany Rasiah
Former Chief Commercial Officer
Bursa Malaysia Berhad

INDUSTRY CURRICULUM COMMITTEE

Module: Certificate in Financial Studies

Mr Chew Chern-I, CB
Supervisor
Banking Supervision
Bank Negara Malaysia

Mr Chow Kien Khuen
Vice President
Head Operational Risk Governance
& Assurance
RHB Banking Group

Ms Leong Sow Yoke, CB
Executive Vice President
Group Chief Internal Auditor
Group Internal Audit
Alliance Bank Malaysia Berhad

Mr Lim Kien Hock
Senior Vice President
Financial Control
AmBank Group

Mr Tan Hong Ian
Head, Investor Relations &
Corporate Treasury
Alliance Bank Malaysia Berhad

Module: Credit (Introduction to Credit, Business Credit and Retail Credit)

Ms Carine Ang Ai Nee
Executive Vice President
Business Credit Risk
Group Risk Management
AmBank (M) Berhad

Ms Caryn Loh Yoke Peng
Consultant
Former Senior Manager
Public Bank Berhad

Mr Cheah Siak Keong
Consultant
Former Senior Banker
AmBank (M) Berhad

Mr Cheng Kee Heng
Vice President
Consumer Credit Secured
Alliance Bank Malaysia Berhad

Ms Cindy Tam Kut Wah
Consultant
Former Senior Banker
Public Bank Berhad

Mr Eric Er Leng Kwant
Senior Vice President (Division Head)
Group Credit Risk Management
RHB Bank Berhad

Ms Esther Lu Lee Khoon
Consultant
Former Senior Banker
Public Bank Berhad

Ms Evelyn Ong Suat Ee
Investor Structure Advisor
China Construction Bank (Malaysia)
Berhad

Ms Janet Lim Kit Chin
Credit Policy
Risk Management
First Vice President
United Overseas Bank (Malaysia)
Berhad

Mr Jonathan Chin Kem Loong
Team Leader
Corporate Banking
Bank of China (Malaysia) Berhad

OTHER COMMITTEES FOR 2019 / 2020

Mr Kasinathan Kasipillai, CB
 Consultant
 Former Group Chief Risk Officer
 AFFINBANK Group

Mr Kenneth Lee Heng Soon
 Credit Manager
 Credit Risk Management
 OCBC Bank (Malaysia) Berhad

Mr Krishna Kumar
 Consultant
 Former Senior Banker
 Bank Pertanian Malaysia Berhad
 (Agrobank)

Ms Lim Bee Lin
 Head, Consumer Credit Evaluation
 Consumer Credit
 Group Consumer Risk
 Alliance Bank Malaysia Berhad

Mr Max Kow Chee Yen
 Consultant
 Former Senior Banker
 RHB Bank Berhad

Mr Mohd Zsa Zsa Zahirruddin Mustapah
 Risk Specialist
 Risk Specialist and Technology
 Supervision
 Bank Negara Malaysia

Mr Mong Sum Thye
 Lecturer
 Tunku Abdul Rahman University College

Mr Muthupalaniappan Thannimalay
 Senior Vice President
 Head, Group Credit Writing
 Alliance Bank Malaysia Berhad

Mr N Pulainthiran K Nadarajah
 Senior Vice President
 Wholesale Credit Risk (Mid Corp)
 Group Risk Management
 AmBank (M) Berhad

Mr Ong Beng Hui
 Former Vice President
 Portfolio Management & Policy
 Emerging Business Risk
 OCBC Bank (Malaysia) Berhad

Ms Rizleen Mokhtar, CB
 Executive Vice President
 Wholesale Credit Risk
 AmBank (M) Berhad

Mr See Thuan Eu
 Deputy Director
 Risk Specialist and Technology
 Supervision
 Bank Negara Malaysia

Mr Sreetharan Kathamutu
 Vice President
 Internal Audit
 AmBank (M) Berhad

Ms Sylphy Chui
 Consultant
 Graduate Training & FSTEP
 Asian Banking School

Ms Teo Ai Lan
 Consultant
 Former Senior Banker
 Standard Chartered Bank Malaysia
 Berhad

Mr Vincent Mok
 Former Senior Vice President
 Head, Group Consumer Risk
 Alliance Bank Malaysia Berhad

Mr Warren Wong Liew Kheng
 Trainer
 Fullhouz Learning Faktory

Mr Young Swee Ching
 Senior Vice President
 Wholesale Credit Risk
 Credit Evaluation & Decisioning
 Group Risk Management
 AmBank (M) Berhad

Module: Bank Risk Management

Mr Jeroen Thijs, CB
 Group Chief Risk Officer
 Group Risk Management
 AmBank (M) Berhad

Mr Laurence Ong Wooi Keat, CB
 Country Risk Officer
 Head of Risk Management Singapore
 RHB Bank Berhad

Mr Ng Kah Sitt
 Vice President
 Risk Management
 China Construction Bank (Malaysia)
 Berhad

Ms Sandra Jean Corray
 Head, Risk Academy Group Risk
 Malayan Banking Berhad

Ms Lynette Kwek Yeang Ching
 Senior Consultant, Training
 Asian Banking School

Module: Professionalism and Ethics

Ms Amanah Aboobucker, CB
 Head, Compliance & Control
 Remediation
 Group Compliance
 AmBank Group

Mr Gan Kwee Ming
 Head, Learning & Development
 OCBC Bank (Malaysia) Bhd

Dr Vijayan Paramsothy
 Director, Graduate Training & FSTEP
 Asian Banking School

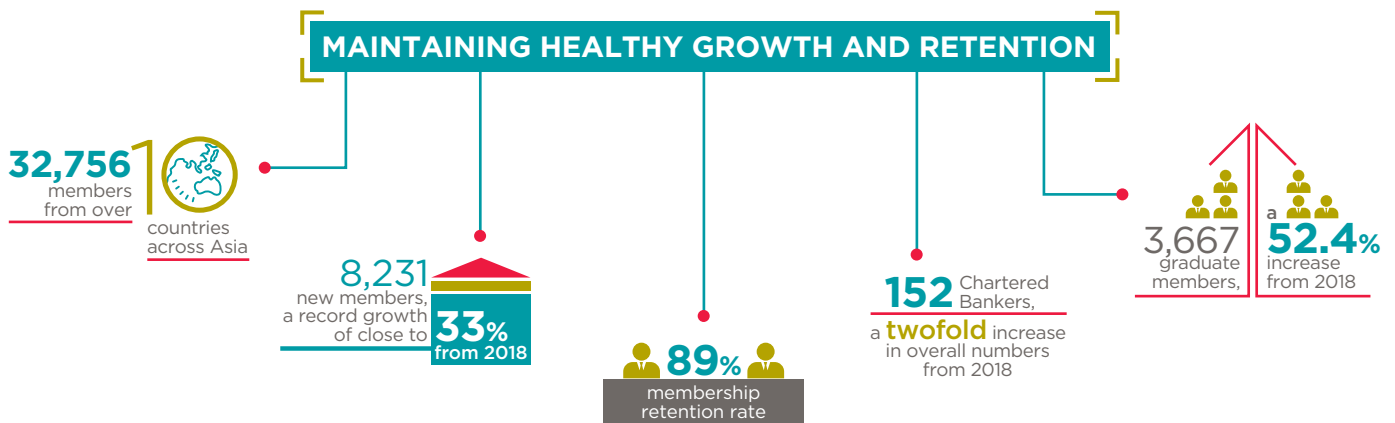


3 PERFORMANCE REVIEW



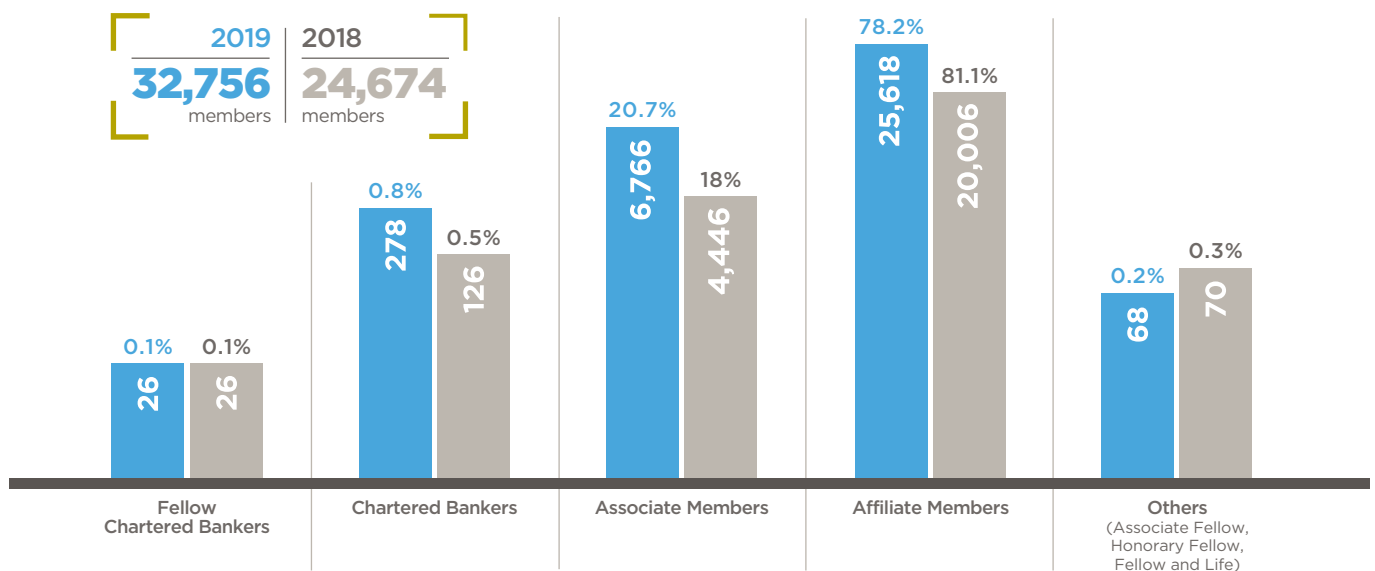
2019 HIGHLIGHTS

Over the course of 2019, we were able to grow our membership as more bankers understand the value of professional development and the need to enhance their skill sets to stay professionally competent in the rapidly changing banking landscape. In fact, we succeeded in expanding our efforts to build competence and increase our membership domestically, as well as in the ASEAN region, by offering the Institute's qualifications to banking institutions in Cambodia, Myanmar, Vietnam, the Philippines, Maldives and Indonesia. Below is an overview of AICB's performance and key initiatives:

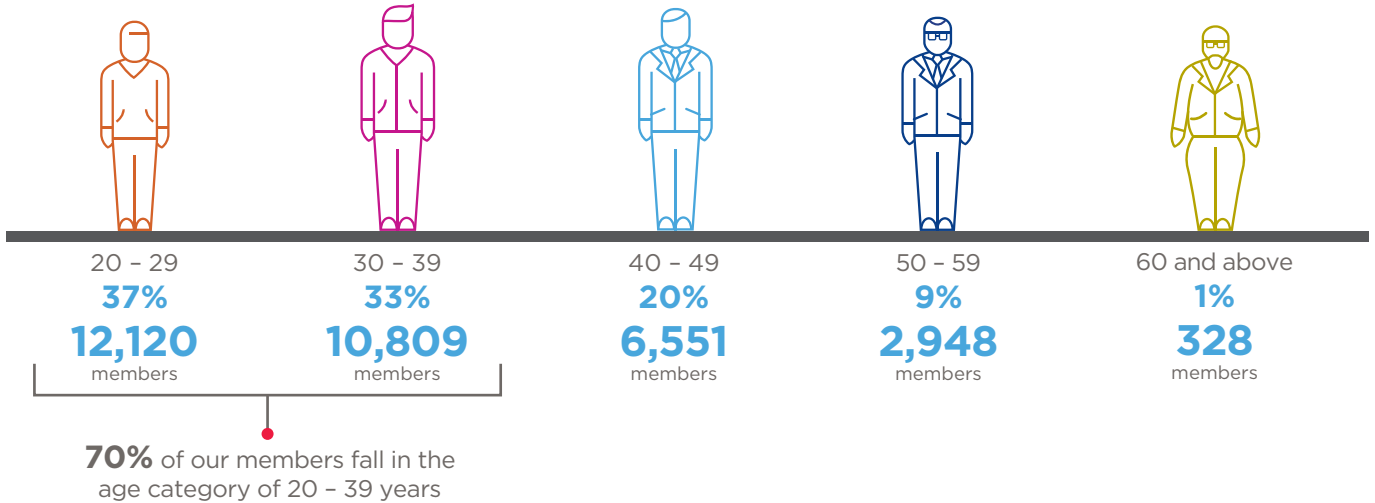


Membership Growth (2018 - 2019)

2019 saw an overall membership growth of close to 33%, and Associate Membership increased to 20.7% as more members were upgraded to this category upon completion of their professional qualifications, in line with the industry-wide commitment to professionalise the banking industry. The number of Chartered Bankers doubled within the year, indicating that more members realise the value of attaining the Chartered Banker designation to further enhance their careers.

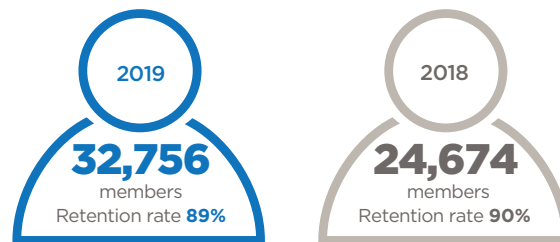


Membership by Age Group



Membership Retention (2018 - 2019)

The 2019 membership retention rate remained high at 89% as AICB continued to provide support and services that delivered value to our members.

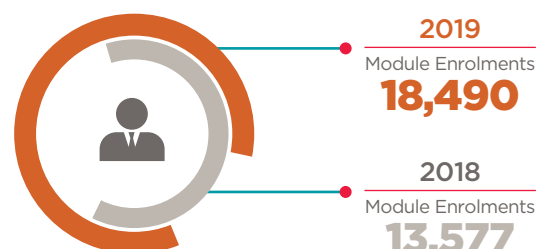


Qualifications Overview



Module Enrolment Growth (2018 - 2019)

Module enrolments saw a 36.2% increase in 2019 owing to the implementation of the industry-wide commitments on the Chartered Banker qualification and Specialised Certifications.



Qualifications Overview

Module Enrolments

by Area of Specialisation
(2018 - 2019)

The Professional Credit Certification (PCC) and Chartered Banker (CB) programmes made up 74% of total enrolments in 2019, as more members embarked on their journey of professionalisation.



Professional Credit Certification (PCC)

8,610

46.6%

5,016

36.9%



Chartered Banker (CB)

4,982

27%

4,058

30%



Certification for Bank Auditors (CBA)

1,067

5.8%

738

5.4%



Bank Risk Management (BRM)

1,063

5.7%

791

5.8%



Investor Protection Professional Certification (IPPC)

876

4.7%

1,065

7.8%



Pasaran Kewangan Malaysia Certificate (PKMC)

851

4.6%

904

6.7%



Professional Qualifications in Anti-Money Laundering / Counter Financing of Terrorism (AML / CFT)

484

2.6%

523

3.9%



Professional Qualifications in Regulatory Compliance (RC)

315

1.7%

385

2.8%



Certified Anti-Money Laundering & Counter Financing of Terrorism Compliance Officer (CAMCO)

242

1.3%

97

0.7%

2019
18,490
enrolments

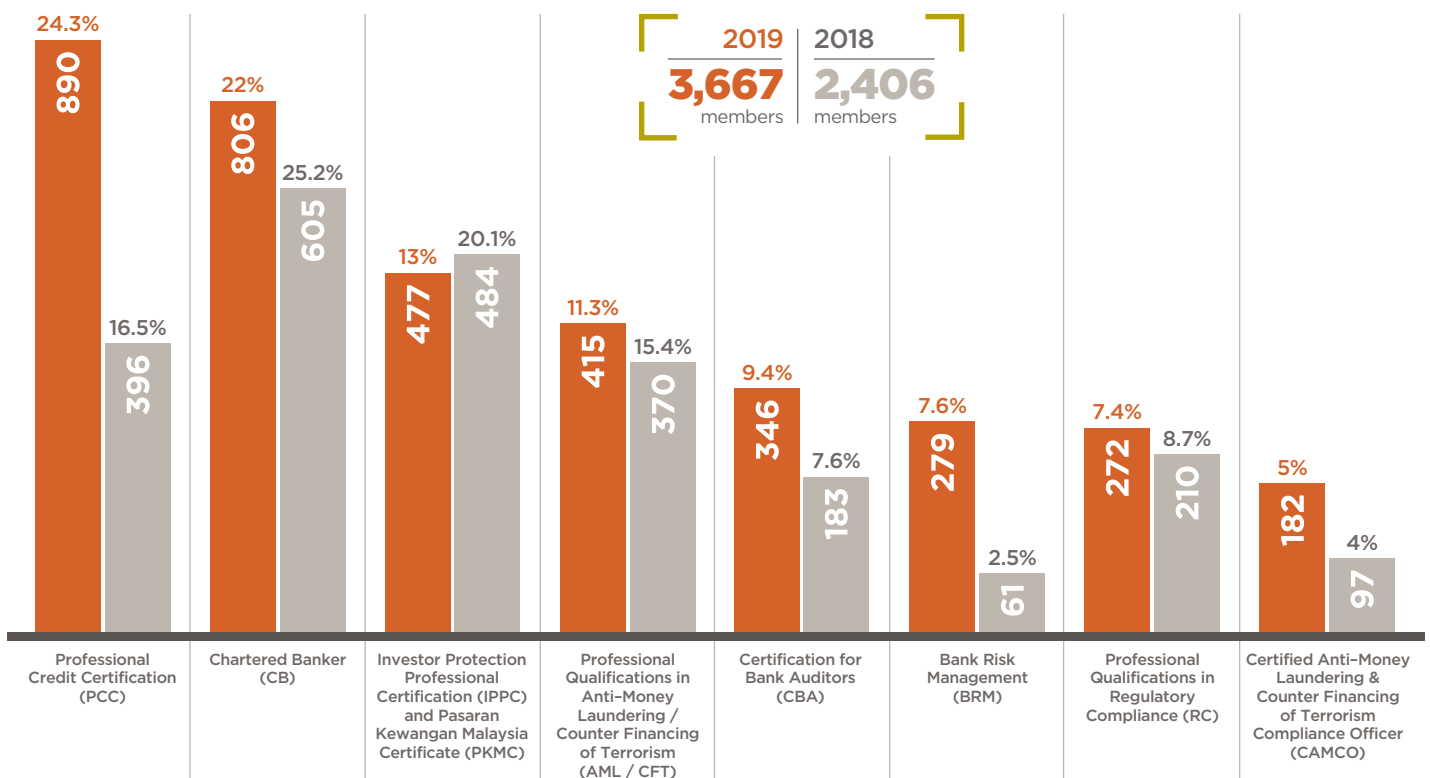
2018
13,577
enrolments

2019 HIGHLIGHTS

Completion of Qualifications

by Area of Specialisation (%)

Of the 3,667 members who completed their respective qualifications in 2019, 63.7% had completed Level 2 and Level 3 certifications, resulting in more members attaining their professional designations. The Professional Credit Certification (PCC) recorded the highest number of members who successfully completed the qualification, at 24.3% of the overall figure. This trend reflects the number of members enrolled in previous years who have completed the qualification, which required a longer completion time due to a higher number of modules being offered. Figures for the Chartered Banker (CB) qualification (Levels 1 to 3) also continued to show an increase, with 806 members completing their respective qualifications in 2019, compared to 605 in 2018.



EQUIPPING THE INDUSTRY
WITH SKILLED BANKERS

3,667
graduate members, a substantial
52.4% increase in the number of
graduates compared to 2018

Number of
Graduate Members
(2018 - 2019)

2019
3,667
members

2018
2,406
members

2019 HIGHLIGHTS

We stepped up our efforts to professionalise the banking industry through initiatives that enhance our membership value and professional qualifications. This goes hand in hand with our commitment to consistently advocate lifelong professional education and thought leadership.



Our new brand campaign, themed **“Empowering Bankers, Honouring the Trust”** was launched to create greater awareness of AICB’s role and highlight the importance of professional development for bankers in Malaysia.

Key Strategic Projects



AICB Brand Campaign

In April 2019, we launched a holistic brand campaign themed **“Empowering Bankers, Honouring the Trust”** to create greater awareness of the AICB brand as well as our role within the banking industry. As our involvement in equipping bankers with the requisite skills is unique, the brand campaign successfully highlighted our commitment to enhance the professional development of our members. We implemented our campaign across multiple advertising channels, including traditional media and social media platforms.

Integrated Membership & Qualification System (IMQS)

One of our goals is to keep enhancing operational excellence at the Institute. Therefore, we developed an integrated system with end-to-end automation of our business at AICB. The IMQS was successfully launched on 1 January 2020.

Key Events

3rd Chartered Banker Conferment and 22nd Graduation Ceremony

Over 2,400 members completed their professional banking qualifications in 2018 and received their professional designations. They were recognised at our 3rd Chartered Banker Conferment and 22nd Graduation Ceremony, which was held on 13 July 2019 at the Kuala Lumpur Convention Centre. AICB Chairman Tan Sri Azman Hashim, FCB, officiated the event which was attended by over 1,000 members, and delivered a special address on advocating an exemplary level of ethics, integrity and professionalism.

11th International Conference on Financial Crime and Terrorism Financing (IFCTF 2019)

Held from 5 – 6 November 2019 under the theme **“Building Trust and Transparency: Collaborate, Accelerate, Strengthen”**, IFCTF 2019 is an important platform to discuss issues, challenges and solutions on financial crime and increasingly complex threats, such as money laundering, proliferation financing and cybersecurity.

MEMBERSHIP AT AICB



Our members are at the heart of everything we do at AICB. We are committed to raising the professional excellence of our members, helping them grow in their careers by elevating their professional competence through our qualifications, and keeping them informed of the latest developments in banking through our continuing professional development (CPD) initiatives, various member engagements, and online support.

Individual Membership

AICB membership comprises Individual and Corporate Membership. We also offer a suite of qualifications that provides access to the relevant membership designations. Upon completion of the relevant qualifications, individual members are entitled to use their respective designated membership titles.

Corporate Membership

AICB's Corporate Membership is open to licensed banks, licensed investment banks, other licensed financial institutions, regulators of the banking and financial services industry, as well as other Council-approved institutions. As at 31 December 2019, AICB's Corporate Membership stood at 81, compared to 83 in 2018.

The following organisations ceased to be Corporate Members of the Institute in 2019:

- Kensington Trust Labuan Limited
- KAF-Astley & Pearce Sdn Bhd

Statistical Summary of Corporate Members by Category (2018 - 2019)

Category	2019	2018
Regulators	3	3
Commercial Banks / Banking and Finance Companies	26	26
Development Financial Institutions	9	9
Islamic Banks	9	9
Investment Banks	10	10
Labuan Offshore Banks	14	14
Labuan Trust Companies	3	4
Money Brokers	3	4
Other Finance-Related Institutions	4	4
Total	81	83



RAISING THE BAR ON CONTINUING PROFESSIONAL DEVELOPMENT (CPD)

916

AICB members, including dual membership holders (AICB-FMAM), were selected for the CPD compliance review, where a compliance rate of **73%** was achieved.

It is imperative for bankers to stay ahead of the curve in this rapidly changing landscape and to keep progressing in their professional skills and knowledge through formal and informal learning. That is why we continued to support our members' CPD requirements through several capacity building initiatives to help them remain professionally competent.

We launched an additional online ethics programme titled **"Case Studies on Ethics and Professionalism"** comprising eight case studies where members perform ethical analysis on major scams in the banking industry and resolve ethical dilemmas.

Additionally, we ensured that our members received first-hand knowledge of the latest developments in banking trends and were provided various thought leadership platforms for professional networking via our thought leadership initiatives in key areas of banking. Through our Global Banking Discourse Series, Empowering Bankers Series, AICB Leaderspeaks, *Banking Insight* publication, as well as our networking groups and collaborations during the year, we carried out the following initiatives:

Exclusive Dialogue and Luncheon with the Lord Mayor of the City of London, Alderman Peter Kenneth Estlin

We jointly organised this event with the British Malaysian Chamber of Commerce on 8 July 2019 at Sasana Kijang, Bank Negara Malaysia, where over 100 participants, comprising AICB members, banking practitioners, regulators and captains of industry attended. The Lord Mayor shared his views and insights on the future of the city of London post-Brexit and its impact on financial markets.

Global Banking Discourse Series



AICB Chairman Tan Sri Azman Hashim presenting a token of appreciation to the Lord Mayor of the City of London



The Lord Mayor sharing his insights

Empowering Bankers Series

Universiti Utara Malaysia Banking and Investment Grand Workshop and Leadership Development (UUM BIGWORLD 2019)

Around 140 banking students were given invaluable insights at this workshop, where AICB Chief Executive Prasad Padmanaban shared his views on the importance of a strong financial system and the significant role of bankers in the financial ecosystem. He also defined AICB's role in shaping the aspirations of these students, who represent the talent pipeline for the industry. Themed **“A Strong Financial System is Necessary for a Growing and Prosperous Economy”**, the event addressed issues such as employability in banks, employer expectations and the skill set required to build a career in banking.



A panel session is underway at the workshop



AICB CEO Prasad Padmanaban with the event organisers and industry representatives

A Conversation with the Minister of Human Resources

Together with our Human Resource Networking Group (HRNG), we had the privilege of hosting the Minister of Human Resources for a special session with the HR banking community on upskilling talent and activities in the financial services industry. YB M. Kula Segaran shared his thoughts and expectations of the industry and addressed key amendments to the labour law and Employment Act. He also highlighted the current developments in human resources.



Human resource and talent development bank representatives at the session



YB M. Kula Segaran receiving a token of appreciation after the special session with the HR banking community

RAISING THE BAR ON CONTINUING PROFESSIONAL DEVELOPMENT (CPD)

11th International Conference on Financial Crime and Terrorism Financing (IFCTF 2019)

In 2019, we organised the IFCTF 2019 with the Compliance Officers' Networking Group (CONG). Themed **"Building Trust and Transparency: Collaborate, Accelerate, Strengthen"**, the conference covered important issues ranging from the systemic challenges of bribery and corruption to increasingly complex threats such as money laundering, proliferation financing and cybersecurity.



Datuk Nor Shamsiah Mohd Yunus, Governor of Bank Negara Malaysia, delivering her speech

More than 1,300 delegates and financial experts in the anti-money laundering and terrorism financing space from Malaysia, Australia, Hong Kong, Indonesia, Italy, Singapore, Spain, the United Kingdom and the United States of America gathered to deliberate on global efforts to combat financial crime.

Supported by Bank Negara Malaysia, Securities Commission Malaysia and the Labuan Financial Services Authority, the conference convened both local and foreign luminaries, including Tun Dr Mahathir Mohamad, former Prime Minister of Malaysia, Datuk Nor Shamsiah Mohd Yunus, Governor of Bank Negara Malaysia, and Ms Latheefa Koya, former Chief Commissioner of the Malaysian Anti-Corruption Commission, among others.



Delegates and financial experts in attendance at the conference



The distinguished line-up of VIPs at this year's IFCTF

Other Collaborations

We were also a supporting partner of two conferences: Conftech Asia's Future Retail Banking Summit 2019, themed **"Transforming Banking Experience in the Advanced Digital Era"**, which was held on 5 - 7 March 2019; and Deloitte's Financial Services Industry Conference 2019, themed **"Reimagining the Future of Financial Services"**, which was held on 24 July 2019 at Hilton Kuala Lumpur. Both banking conferences featured speakers from several local and international banking institutes who discussed digitisation and the future of banking.

AICB Leaderspeaks

Our rich archive serves as a channel for students and professionals to expand their insights on issues relevant to the banking industry. In 2019, we produced a series of thought-provoking AICB Leaderspeaks videos featuring key speakers from IFCTF 2019. True to form, the videos focused on financial crime issues, such as combatting corruption and bribery, conduct risk, tax evasion and abuse, regulatory updates, terrorism financing, digital disruptors and new technologies, proliferation financing and cybersecurity.

This series forms part of our digital thought leadership initiatives and provides our members with nuggets of **knowledge in key areas of banking** through short video interviews with global experts and thought leaders.

Publications

Banking Insight

Banking Insight is our thought leadership biannual publication for members that features articles by distinguished local and international experts on key and current trends in the global banking industry, with a spotlight on Asia and ASEAN.



Banking Insight: Q1 2019

Chief Executive Officer of OCBC Bank Dato' Ong Eng Bin shared his views on leadership, responsible banking, and banks' adaptability in meeting imminent challenges. Security and cyber risks such as payment scams, threat intelligence sharing, the modernisation of IT legacy systems, and the burgeoning role of AI in regulatory technology, were other important issues to note.

In this issue, we highlighted efforts to **increase the accountability of top management in financial institutions** to pre-empt future misconduct that could damage financial ecosystems.

Banking Insight: Q2 2019

Former trader and Culture and Systems Advisor Kweku Adoboli shared his journey in banking and the importance of ethics in making the right professional choices. The cover story, "Up in Arms: Are You Financing Weapons of War?", highlighted proliferation financing and examined the adequacy of banks' measures in countering this issue.

The theme for this issue – **combatting financial crime** – highlighted the need for **fundamentally stronger ethics and integrity** as the first line of defence.





QUALIFICATIONS

To further strengthen our qualification offerings to members, AICB continued to build on this core objective and enhance our education framework, regularly reviewing education pathways and updating our content to keep pace with the evolving financial landscape. We focused on the following education-related initiatives throughout 2019:



With **1,767** enrolments in 2019, the **Professional Credit Certification (PCC)** continues to have the **highest** enrolment rate, a position it has maintained since 2018.

Qualification Quality Review (QQR)

We need to ensure that our education framework stays relevant in the banking arena, both domestically and internationally. Therefore, we are continuing to chart advancements in our current QQR initiative, an enterprise curriculum review project that aims to upgrade our education framework.

Moreover, we conducted multiple Industry Curriculum Committee (ICC) workshops during the year, particularly for Credit, Risk and Ethics modules, as well as for new programme initiatives. Together with ICC members and CBI representatives, we have further refined the Learning Outcomes and Objectives, as well as the Assessment Criteria for each of the modules.

Chartered Banker (CB)



Chartered Banker by Experience (CBBE)

In July 2019, we proudly introduced a pilot CBBE programme with six candidates. Offered by the Chartered Banker Institute (CBI), UK, the CBBE is designed for senior banking professionals who aspire to achieve the Chartered Banker status via an alternate pathway encompassing reflective assignments and discussions, without the conventional examinations. The programme provides them with an avenue to evaluate their competence, careers and contributions to banking, as well as their future personal and professional development.

Discontinuation of PB and CB Modules

In 2019, we made a strategic decision to discontinue the following modules as part of our curriculum rationalisation and streamlining. The discontinuation of the PB modules is scheduled to take effect after the July 2020 examinations, and for the CB modules, after the November 2020 examinations.

Chartered Banker Level 2 (Professional Banker)

- International Banking and Offshore Practice
- Customer Relationship Management

Chartered Banker Level 3 (Chartered Banker)

- Applied Business and Corporate Banking
- Retail Banking
- Banking for High Net Worth Individuals

In October 2019, the Certified Credit Executive (CCE), Business Credit Professional (BCP) and Retail Credit Professional (RCP) qualifications under the current PCC were compacted from four modules and examinations for each qualification, to one module and examination respectively, with the first examination sitting in April 2020. These format revisions help to create a sustainable pipeline of credit specialists for the industry and allow for **“speed to credit specialisation”** without compromising on the standards established.

Revisions to Professional Credit Certification (PCC)



Following the revisions in the PCC format, we also announced the discontinuation of CVA – Credit in November 2019, with its last examination sitting in February 2020. However, AICB continues to offer the CVA for its other qualifications and PEC as part of its **“speed to specialisation”** option, giving eligible bankers exemption from the normal qualification pathway. The time limit to complete the CVA was also lifted to provide more opportunities for candidates to achieve their specialised certifications.

Competency Validation Assessment (CVA) and Prior Experience Conversion (PEC)

Revisions to Certified Professional in Financial Crime Compliance (CPFCC)

Revised Content and Name

In 2019, the Certified Professional in Anti-Money Laundering / Counter Financing of Terrorism (CPAML) syllabus was updated to reflect the changes in the sector. The qualification's name was also revised to Certified Professional in Financial Crime Compliance (CPFCC). Additionally, the number of Masterclasses was increased from six to eight sessions.

Revised Eligibility Criteria

The eligibility criteria was revised to 3 years' experience in a C-suite / one level below C-suite (C / C-1) role leading AML / Compliance / Audit / Risk / Operations in Reporting Institutions.

Holders of AICB / ICA Advanced Certification in AML / CFT or Regulatory Compliance could be eligible if they have 7 – 8 years' experience in senior roles in a related discipline, and are recommended by their Chief Compliance Officer.

Learning Support

At AICB, we are always looking at different ways to increase the quality of learning support for members. During the year, we held a total of three induction sessions for the Chartered Banker (CB) programme and two for Prior Experience Conversion (PEC) to familiarise members with the assessment approach. Additionally, we produced a video to guide them on the use of proper citations and referencing to avoid plagiarism and collusion in their assignments.


QUALIFICATIONS


Assessment
Highlights

In 2019, we also reviewed the assessment blueprint as part of our overall QQR initiative to ensure that the current qualification assessments are aligned with the revised education framework.

147 members 
completed
the Chartered Banker
qualification

5 members 
completed
the Chartered Banker
by Experience qualification

 **14,689**
examination
attendees in 2019
(10,632 in 2018)

9,462
examination
passes in 2019
(6,395 in 2018)
PASSED 

10  examination centres
in **Malaysia** and
regionally

 **352**
examination
sittings
(no change from 2018)

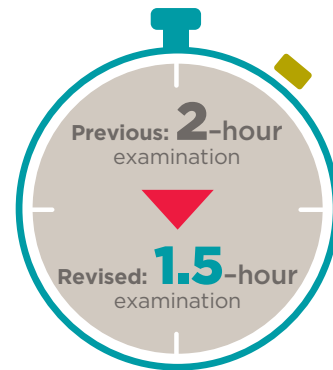
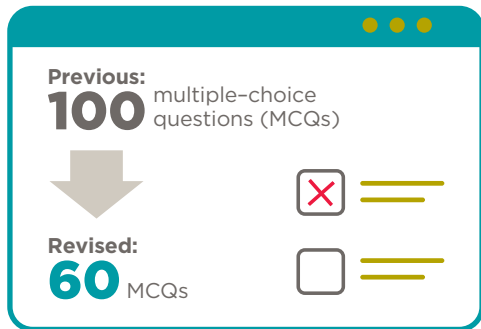
6 countries

where AICB examinations are held:

-  **Malaysia**
-  **Cambodia**
-  **Vietnam**
-  **Maldives**
-  **Myanmar**
-  **Philippines**

Revisions to the Executive Banker (EB) Examination Format

We also streamlined and revised the EB examination format for each module. The following changes took effect with the September 2019 examination.



Asian Banking School (ABS)

ASIAN
BANKING
SCHOOL

AICB works closely with ABS — the largest specialised provider of quality financial training programmes in the ASEAN region — to deliver training workshops to members related to professional qualifications developed and awarded by AICB. As the industry's preferred partner in learning and development, ABS offers customised and open enrolment training programmes that cover a comprehensive list of banking areas developed by its Specialist Training Consultancy Team or in collaboration with strategic learning partners. Aside from playing a central role in enriching the talent pipeline through FSTEP and Graduate Training programmes, ABS also designed, developed and delivers the industry-wide Ethics programme and the CAMCO qualification.



ABS collaborates with strategic learning partners, including the world's top business schools: Cass Business School, City, University of London; Judge Business School, University of Cambridge; Frankfurt School of Finance and Management; and INSEAD.



ENGAGING WITH OUR MEMBERS AND STAKEHOLDERS

We believe that our success in growing our membership, fortifying our partnerships, and imparting greater value to all our stakeholders over the years simply rests on mutual engagement, which is why we make it a point to connect actively with our networking groups, member banks, banking institutes and industry organisations. This way, we can draw on their expertise which, in turn, helps us strengthen our understanding of ever-changing industry demands.

AICB Members' Dinner

We held our second AICB Members' Dinner on 29 November 2019 at W, Kuala Lumpur, to honour the contributions of our members and key stakeholders toward our initiatives to professionalise the banking industry. Our Chairman, Tan Sri Azman Hashim, FCB, delivered the welcome remarks to over 400 guests and gave a delightful rendition of his favourite tunes, accompanied by the University of Malaya Symphony Orchestra. Themed **"Bankers on Broadway"**, the event showcased performances of famous musical numbers and the stellar vocals of the Malaysian Queen of Jazz herself, Dato' Sheila Majid. We also presented outgoing Council Member, Datuk Maimoonah Mohamed Hussain, with a token of our appreciation for her valued contributions.



Dato' Sheila Majid wowing the members with her soulful vocals



AICB Networking Group members being recognised for their contributions during the event



An AICB industry briefing session in progress

Industry Briefings

In line with our mandate to create a professional, competent and ethical banking workforce, we conducted specialised briefings in Malaysia and across Southeast Asia, namely in Manila and Jakarta. The main aim of these briefings was to give bankers a better understanding of the value of AICB's membership and qualifications, and our role in helping them grow in their careers. Over 200 briefing sessions were conducted throughout 2019, inclusive of briefings for new hires via the **"Introduction to Ethics in Banking"** programme.



Karnival Kewangan Miri

AICB participated in Bank Negara Malaysia's Karnival Kewangan 2019 at Permaisuri Imperial City Mall, Miri, Sarawak, from 23 - 24 February 2019 to promote our membership and qualifications to the local banking fraternity. Themed “**Utamakan Keperluan Kewangan Anda**”, the carnival aimed to improve financial literacy among consumers through knowledge and awareness of financial services available.



Karnival Kewangan 2019



Sharing our programmes with students at the AICB booth

Professional bodies are an important resource for students, and as they are a vital part of the talent pipeline to build a competent banking workforce, we appreciated the opportunity to support Monash University Malaysia at the Monash Career Fair on 2 April 2019. Besides promoting and creating awareness on our membership and qualifications, our AICB team was delighted to engage with the students and share insights on a career in banking as well as the benefits of AICB membership.

Monash Education Fair

Networking Groups

We frequently facilitate the exchange of ideas and views between key stakeholders and expert networking groups in our efforts to continually improve professional banking competencies. The following AICB networking groups met on a quarterly basis to discuss pertinent and topical issues, as well as developments related to their respective areas of banking.

Networking Group	Chairman	Deputy Chairman
Chief Credit Officers' Forum	Mr Frank Flynn Group Chief Credit Officer Malayan Banking Berhad	Ms Michelle Yong Chooi Chooi Head, Malaysia Credit Management CIMB Bank Berhad
Chief Internal Auditors Networking Group	Mr Shamsul Bahrom, CB Group Chief Internal Auditor AmBank Group	Mr Amran Mohamad Group Chief Internal Auditor CIMB Bank Berhad
Chief Risk Officers' Forum	Mr Pang Choon Han, CB Group Chief Risk Officer Alliance Bank Malaysia Berhad	Mr Michael Guenther Head of Risk, Malaysia Deutsche Bank (Malaysia) Berhad
Compliance Officers' Networking Group	Mr Nik Azmir Nik Anis Chief Compliance Officer Bank Islam Malaysia Berhad	Ms Irene Tan Li Ching, CB Country Head, Compliance, Malaysia Standard Chartered Bank Malaysia Berhad
Human Resource Networking Group	Datuk Nora Abd Manaf, CB Group Chief Human Capital Officer Malayan Banking Berhad	Mr Razman Ismail Head, Human Resources Bank Islam Malaysia Berhad (Resigned on 30 April 2019)
		Ms Norlida Azmi Head, Human Resources HSBC Bank Malaysia Berhad (Resigned on 31 March 2020)

ENGAGING WITH OUR MEMBERS AND STAKEHOLDERS



CCOs Forum members participating in a dialogue session

Chief Credit Officers' (CCOs) Forum

In 2019, the CCOs Forum held meetings on credit-related topics, as well as dialogue sessions with Bank Negara Malaysia (BNM) to discuss regulatory developments in areas such as Rescheduling and Restructuring (R&R), among other new policies and guidelines.



Under AICB's Empowering Bankers Series, the CCOs Forum also discussed how to improve the emphasis and effectiveness of the credit management function in financial institutions, covering topics such as the **global macro-economic environment, credit implications from recent accounting changes, and ESG risks in palm oil, coal and mining.**



CIANG members at a quarterly meeting

Chief Internal Auditors Networking Group (CIANG)

CIANG held discussions on the latest developments and best practices in audit management. Members also had frequent dialogues with BNM on enhancing intraday liquidity management and strengthening cybersecurity measures to evaluate the policies, procedures and systems in place.

CIANG engaged with experts, regulators and audit practitioners from various organisations to discuss thematic issues in the following areas, under AICB's Empowering Bankers Series:

- Cybersecurity
- Comprehensive Technical Compromise Assessment
- Recovery and Resolution Planning (RRP) Audit
- Digital Disruption
- Risk Management in Technology (RMiT) Compliance
- Global Macro-Economic Environment
- Shariah Governance Framework
- Payment Services
- Tax Trends and Governance

Chief Risk Officers' (CROs) Forum

The CROs Forum held discussions with BNM on current developments in risk management in technology (RMiT), outsourcing, restructuring and recovery, credit card guidelines and operational risk event loss data.



CROs Forum members in a lively discussion with BNM

The CROs Forum also consulted with experts and risk practitioners from other financial institutions to gain better insights on **Malaysia's economic outlook, regulatory framework, and risk-and compliance-related areas** within the banking industry. It also organised sessions with BNM to discuss liquidity management and key policies such as **the Basel Committee on Banking Supervision's standard number 239 (BCBS 239)**, and held an industry townhall on the **Net Stable Funding Ratio (NSFR)**.

Compliance Officers' Networking Group (CONG)

As part of its efforts to enhance the effectiveness of compliance officers in financial institutions, CONG organised various talks, and provided industry-wide feedback to BNM on regulatory drivers. CONG also supported BNM in their efforts to enhance the regulatory framework on navigating key risk factors and common red flags, and developed risk assessment templates.

It also engaged with government and enforcement agencies, such as **MACC, PDRM and MOTAC** to discuss trends in **global anti-corruption legislation and enforcement, and established processes to achieve anti-corruption compliance**. CONG also played a vital role in organising the **IFCTF 2019**, which focused on the need for fundamentally **stronger ethics, integrity and collaboration** in the fight against financial crime.



Organising Chairman & Chairman of CONG Nik Azmir Nik Anis addressing the attendees

ENGAGING WITH OUR MEMBERS AND STAKEHOLDERS

Human Resource Networking Group (HRNG)

In 2019, the HRNG continued to discuss key issues and exchange deep insights on the latest developments in human resources within the banking industry. Ms Norlida Azmi, Head of Human Resources at HSBC Bank Malaysia Berhad (resigned on 31 March 2020), was elected Deputy Chairman of the HRNG.



A HRNG knowledge-based sharing session in progress

Several key activities held in 2019 included sharing sessions by members on improving the work culture within an organisation; a presentation on HR digital platforms by **Leaderonomics Malaysia**; an overview of the professional financial qualifications structure by the **Finance Accreditation Agency (FAA)**, and a special session on upskilling talent in the financial services sector by the **Minister of Human Resources, YB M. Kula Segaran**. Members also visited **Maybank's Urban Farm** to study its value and benefits.



ENHANCING OUR MEMBERS' EXPERIENCE

One of our top priorities has always been to invest in member services, which is why we continue to enhance our information technology (IT) tools and infrastructure to improve our business processes. After all, our members deserve the best experience we can offer. As such, during the year, we embarked on a member survey which provided positive insights. From there, we will strive to refine and improve our services and product delivery and enhance our operational processes through the IMQS project.

AICB Inaugural Member Survey 2019

In October 2019, we conducted our inaugural online member survey, which was designed to help us understand the needs and wants of membership, including member satisfaction, experience and perception of AICB and its activities. We were greatly heartened to have received 1,862 responses, which is equivalent to a 12.5% response rate. Members provided valuable feedback on the quality of resources for qualifications and examinations, e-resources, thought leadership events and member services. These findings will certainly help us to meet our members' needs and expectations, now and in the future.



Professional
Qualifications

75%

agreed that AICB's qualifications contribute towards their professional development

51%

were satisfied with the overall quality of AICB's examinations

79%

will recommend AICB's qualifications to others



Continuing Professional
Development Initiatives

68%

were satisfied with AICB's initiatives to support their professional development

50%

preferred to attend events under AICB's Empowering Bankers Series, out of AICB's various initiatives



Member Services
and Engagement

60%

were satisfied with AICB's member engagement initiatives

64%

gave positive feedback on staff professionalism and service quality and efficiency

Integrated Membership & Qualification System (IMQS)

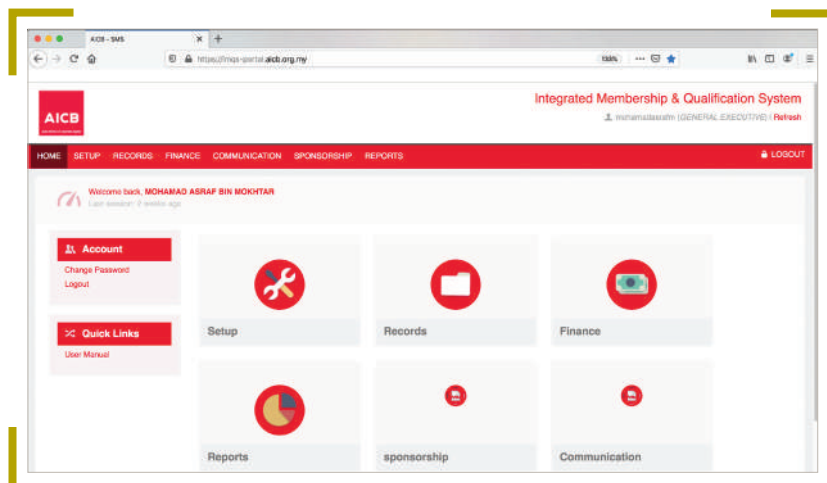
AICB continues to enhance its operational excellence, particularly through the IMQS, which was launched on 1 January 2020. The following are some of the key automated functionalities of the system for members:

INDIVIDUAL MEMBERS

- Renew memberships
- Apply for new qualifications
- Register for modules, examinations and workshops
- View examination results
- Update profiles

CORPORATE MEMBERS

- Manage staff applications for qualifications, membership, workshops and assessments, including payments





INTERNATIONAL ENGAGEMENTS AND STRATEGIC PARTNERSHIPS

International Engagements

22nd ASEAN Banking Conference and 49th ASEAN Banking Council Meeting



AICB representatives and other delegates at the conference and council meeting

As a permanent member of the Education Committee in the ASEAN Banking Council, we participated in and contributed to the 22nd ASEAN Banking Conference and Meeting hosted by The Association of Banks in Cambodia from 25 – 27 November 2019 in Phnom Penh, Cambodia. Themed **“ASEAN Connectivity 2025: A Brave New World of Digital Innovation for One ASEAN Banking Sector”**, delegates and members focused on the importance of technology and innovation in banking, and discussed key issues such as financial integration, international relations and the advancement of banking education regionally. Members of the ASEAN Banking Council meet to discuss issues and developments relating to the region’s banking education, among others.

23rd World Conference of Banking Institutes (WCBI)

From 16 – 17 September 2019, global thought leaders met at the biennial WCBI conference in London to discuss the challenges associated with the future of banking: technology, regulation and conduct, international trade, talent and skills, and global threats. Themed **“Growth and Sustainability in an Age of Disruption”**, the renowned conference was hosted by the London Institute of Banking & Finance.

AICB will host the next
WCBI in 2021
in Kuala Lumpur

The Global Banking Education Standards Board (GBESTB) also held its annual meeting on the sidelines of the WCBI conference. AICB is a founding member of the GBESTB, and at the meeting, we were elected as a board member. The GBESTB is a global industry initiative to develop and support the implementation of global standards for the education and professional development of bankers.



Global thought leaders and delegates at the renowned banking conference in London



Panel discussion in session

4th Professional Education in Banking Conference

AICB also participated in this conference themed “**The Future of Professional and Responsible Banking in a Digital Age**”, which was held on 18 September 2019 in London. AICB Chief Executive Prasad Padmanaban shared his views on responsible banking and sustainable skills in the digital age, emphasising the importance of strong ethical principles and lifelong learning as we move towards banking of the future.

Strategic Partnerships

European Banking & Financial Services Training Association (EBTN)



As an Associate Member of the EBTN since 2017, we have expanded our international banking education network and gained a better understanding of the European financial services sector and its developments in banking education, education standards and training.



Chartered Banker Institute (CBI), UK

Chartered Banker Institute (CBI), UK

Hailed globally as the gold standard in banking, the Chartered Banker (CB) qualification is AICB’s flagship qualification. AICB has a strong partnership with CBI, UK to offer this qualification in Malaysia, and we work closely with them on many other educational initiatives to ensure that our qualifications meet international standards.

International Compliance Association (ICA)



AICB collaborates with the ICA — a leading global provider of qualifications and training in anti-money laundering, compliance and fraud / financial crime prevention — to award professional qualifications in Anti-Money Laundering / Counter Financing of Terrorism (AML / CFT).



ACI-Financial Markets Association of Malaysia (ACI-FMAM)

Locally, AICB collaborates with ACI-FMAM on the enhanced Pasaran Kewangan Malaysia Certificate (PKMC), a professional requirement for dealers and brokers employed in licensed financial institutions and money broking firms. We also work closely with ACI-FMAM to deliver the PKMC qualification to members.



AICB IN THE NEWS

In 2019, several of our initiatives to generate awareness on our role in upholding trust in the banking profession and equipping with the relevant skills for the future were featured in the news.



Leveraging on Social Media

In this day and age, social media plays an increasingly important role in shaping the banking industry of the future. As such, we are mindful of its code of ethics and etiquette, as well as the accuracy of our information and articles. In 2019, we grew our social media reach to 7,698 LinkedIn connections and 53,881 Facebook followers.



Empowering bankers, honouring the trust.

Be an AICB member.

35880-P



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FINANCIAL
HIGHLIGHTS



FINANCIAL REVIEW

CORPORATE INFORMATION

CHAIRMAN

Tan Sri Azman Hashim, FCB

VICE CHAIRMAN

Datuk Abdul Farid Alias, FCB

COUNCIL MEMBERS

Donald Joshua Jaganathan, FCB

Tan Sri Dato' Sri Tay Ah Lek, FCB

Datuk Mohamed Azmi Mahmood, FCB

Dato' Howard Choo Kah Hoe, FCB

Datuk Yau Ah Lan @ Fara Yvonne, FCB

Dato' Khairussaleh Ramli, FCB

Wong Kim Choong, FCB

Dato' Ong Eng Bin, FCB

Lee Lung Nien, FCB

Domenic Fuda, CB

Abrar Alam Anwar

Lee Jim Leng, CB

(Appointed on 10 May 2019)

Fad'l Mohamed, CB

(Appointed on 21 February 2020)

Datuk Maimoonah Mohamed Hussain, CB

(Resigned on 2 November 2019)

Tengku Dato' Sri Zafrul Tengku Abdul Aziz, FCB

(Resigned on 9 March 2020)

CHIEF EXECUTIVE

Prasad Padmanaban

SECRETARY

Lum Soo Yan

AUDITORS

Messrs Ernst & Young PLT

Chartered Accountants

Level 23A, Menara Milenium

Jalan Damanlela, Pusat Bandar Damansara

50490 Kuala Lumpur, Malaysia

REGISTERED OFFICE

Level 11, NU Tower 2

Jalan Tun Sambanthan

Kuala Lumpur Sentral

50470 Kuala Lumpur, Malaysia

REPORT OF THE COUNCIL

The Council of Asian Institute of Chartered Bankers (the “Institute”) has pleasure in submitting the Council’s report and the audited financial statements of the Institute for the financial year ended 31 December 2019.

PRINCIPAL ACTIVITIES

The principal activities of the Institute are propelling the Institute as a distinct professional body focusing on membership, professional standards, education, awards and examination policies.

There have been no significant changes in the nature of these activities during the financial year. The information relating to the associate of the Institute is disclosed in Note 4 to the financial statements.

RESULTS

	RM
Profit for the financial year	7,800,777

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the statement of comprehensive income and the statement of changes in equity.

In the opinion of the Council, the results of the operations of the Institute during the financial period were not substantially affected by any item, transaction or event of a material and unusual nature.

COUNCIL AND CONSTITUTIONAL MATTERS

The Council of the Institute comprised the following office bearers:

(a) Nominated by and representing Bank Negara Malaysia under Article 66(1)(a) of the Institute’s Constitution:

- Donald Joshua Jaganathan

(b) Nominated by and representing The Association of Banks in Malaysia under Article 66(1)(b) of the Institute’s Constitution:

- | | |
|---------------------------|----------------------------|
| • Datuk Abdul Farid Alias | • Dato’ Khairussaleh Ramli |
| • Dato’ Ong Eng Bin | • Wong Kim Choong |
| • Lee Lung Nien | • Abrar Alam Anwar |
| • Domenic Fuda | |

(c) Nominated by and representing the Malaysian Investment Banking Association under Article 66(1)(c) of the Institute’s Constitution:

- Fad’l Mohamed (*Appointed on 21 February 2020*)
- Lee Jim Leng

(d) Nominated by the Council under Article 66(1)(d) of the Institute’s Constitution:

- | | |
|------------------------------|----------------------------------|
| • Tan Sri Azman Hashim | • Tan Sri Dato’ Sri Tay Ah Lek |
| • Datuk Mohamed Azmi Mahmood | • Datuk Yau Ah Lan @ Fara Yvonne |
| • Dato’ Howard Choo Kah Hoe | |

FINANCIAL REVIEW

COUNCIL MEMBERS' BENEFITS

The Institute is a company limited by guarantee and there is no share in which a Council Member could have an interest. The Institute has not issued any debentures during the financial period under review.

In addition, during and at the end of the financial year, no arrangement subsisted to which the Institute is a party, with the objects of enabling a Council Member to acquire benefits by means of the acquisition of shares in, or debentures of, any bodies corporate. Since the end of the previous financial year, no Council Member has received or become entitled to receive any benefit by reason of a contract made by the Institute with the Council Member, or with a firm of which the Council Member is a member, or with a company in which the Council Member has a substantial financial interest.

INDEMNITY AND INSURANCE FOR COUNCIL AND OFFICERS

The amount of indemnity coverage and insurance premium paid for Council Members and officers of the Institute during the financial year amounted to RM21,740.

ORGANISATION AND MANAGEMENT

The management of the Institute is vested in the Council, which also manages the Staff Training Fund. The Council met regularly during the financial period to deliberate and consider the Institute's matters. In discharging its responsibilities, the Council was supported by the Education, General Purpose, Audit, Human Resource and Membership Committees, as well as the Board of Examiners.

Education Committee

The Education Committee (EC) guides and provides oversight for the development of the Institute's education standards and policies. The role of EC is to ensure that the Institute's learning curricular is relevant and aligned to industry needs.

The Committee comprised:

- Donald Joshua Jaganathan (Chairman)
- Dato' Howard Choo Kah Hoe
- Tan Sri Dato' Sri Tay Ah Lek
- Lee Lung Nien

The Council also co-opted the following to the Committee:

- Professor Dato' Dr Ansary Ahmed
Associate Fellow
President / Chief Executive Officer
Asia e University
- Choo Yee Kwan
Director
HSBC Bank Malaysia Berhad
- Datuk Johar Che Mat
Director
Rural Capital Berhad

General Purpose Committee

The General Purpose Committee (GPC) ensures the creation and implementation of financial management related policies and acts as the approving body for expenditures according to the delegated authority limits. The role of GPC is to provide guidance on the preparation, presentation and management of annual budgets.

The Committee comprised:

- Datuk Abdul Farid Alias (Chairman)
- Wong Kim Choong
- Datuk Mohamed Azmi Mahmood
- Domenic Fuda

Audit Committee

The Audit Committee (AC) provides the independent oversight on accounting policies, financial reporting policies, business processes and operational controls. The role of AC is to ensure that internal and statutory audit functions are properly conducted, and all audit recommendations are effectively carried out.

The Committee comprised:

- Dato' Howard Choo Kah Hoe (Chairman)
- Datuk Mohamed Azmi Mahmood
- Wong Kim Choong
- Abrar Alam Anwar

Human Resource Committee

The Human Resource Committee (HRC) guides management in executive recruitment, compensation and people development policies. The role of HRC is to help the implementation of human resource related policies and practices.

The Committee comprised:

- Dato' Ong Eng Bin (Chairman)
- Lee Lung Nien
- Lee Jim Leng

Membership Committee

The Membership Committee (MC) guides and provides oversight for the development of the Institute's professional standards in membership, conduct and professional development to support the agenda of professionalising bankers. The role of MC is to review the implementation of the policies and the effectiveness of the membership programmes in ensuring creation of value to members.

The Committee comprised:

- Datuk Mohamed Azmi Mahmood (Chairman)
- Dato' Khairussaleh Ramli
- Datuk Yau Ah Lan @ Fara Yvonne
- Fad'l Mohamed

Board of Examiners

The Board of Examiners is established as an integral part of examination strategy to ensure governance and standards of the examinations, supporting the awarding roles of the Institute.

The Board comprised:

- Dato' Howard Choo Kah Hoe (Chairman)

The Council also co-opted the following to the Committee:

- Associate Professor Dr Cordelia Mason
Director of WE4ASIA / Corporate Planning
Universiti Kuala Lumpur
- Professor Dato' Dr Sayed Mushtaq Hussain
Professor, School of Management
Asia e University
- Datuk Nora Abd Manaf
Group Chief Human Capital Officer
Malayan Banking Berhad
- Professor Lee Chew Geng
Interim Deputy Vice Chancellor
INTI International University

FINANCIAL REVIEW

Personnel

As at year ended 31 December 2019, the Institute has a total staff strength of 43.

NOMINATION OF COUNCIL MEMBERS

The Institute has received the following nominations for the appointment of Council Members for the 2020 / 2021 term of office:

Nominated by Bank Negara Malaysia:

- Donald Joshua Jaganathan

Nominated by The Association of Banks in Malaysia:

- Datuk Abdul Farid Alias
- Wong Kim Choong
- Lee Lung Nien
- Domenic Fuda
- Dato' Khairussaleh Ramli
- Dato' Ong Eng Bin
- Abrar Alam Anwar

Nominated by the Malaysian Investment Banking Association:

- Fad'l Mohamed (*Appointed on 21 February 2020*)
- Lee Jim Leng

Nominated by the Council:

- Tan Sri Azman Hashim
- Datuk Mohamed Azmi Mahmood
- Dato' Howard Choo Kah Hoe
- Tan Sri Dato' Sri Tay Ah Lek
- Datuk Yau Ah Lan @ Fara Yvonne

ELECTION OF COUNCIL MEMBERS

No nomination for election to the Council under Article 66(1)(e) of the Institute's Constitution has been received.

OTHER STATUTORY INFORMATION

(a) Before the statement of comprehensive income and statement of financial position of the Institute were made out, the Council took reasonable steps:

(i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there were no known bad debts and that no provision for doubtful debts was necessary; and

(ii) to ensure that any current assets which were unlikely to realise their value as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

(b) At the date of this report, the Council is not aware of any circumstances which would render:

(i) it necessary to write off any bad debts or to make any provision for doubtful debts in the financial statements of the Institute; and

(ii) the values attributed to current assets in the financial statements of the Institute misleading.

OTHER STATUTORY INFORMATION (CONT'D)

- (c) At the date of this report, the Council is not aware of any circumstances which have arisen that would render adherence to the existing method of valuation of assets or liabilities of the Institute misleading or inappropriate.
- (d) At the date of this report, the Council is not aware of any circumstances which have arisen that would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
- (i) any charge on the assets of the Institute which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability in respect of the Institute which has arisen since the end of the financial year.
- (f) In the opinion of the Council:
- (i) no contingent or other liability has become enforceable or is likely to become enforceable within the year of twelve months after the end of the financial year which will or may affect the ability of the Institute to meet its obligations when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Institute for the financial year in which this report is made.

AUDITORS AND AUDITORS' REMUNERATION

The auditors, Messrs Ernst & Young PLT, have expressed their willingness to continue in office.

The remuneration of the auditors is disclosed in Note 21 to the financial statements.

To the extent permitted by law, the Institute has agreed to indemnify its auditors, Messrs Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit. No payment has been made to indemnify Messrs Ernst & Young PLT, during or since the financial period ended.

APPRECIATION

The Council wishes to record its deep appreciation to everyone who contributed in one way or another to the success of the Institute's programmes and activities during the financial year ended 31 December 2019.

Signed on behalf of the Council in accordance with a resolution of the Council dated 20 May 2020.



TAN SRI AZMAN HASHIM

Chairman



DATUK ABDUL FARID ALIAS

Vice Chairman

Kuala Lumpur, Malaysia

FINANCIAL REVIEW

STATEMENT BY THE COUNCIL

Pursuant to Section 251(2) of the Companies Act, 2016

We, Tan Sri Azman Hashim and Datuk Abdul Farid Alias, being two of the Council Members of Asian Institute of Chartered Bankers, do hereby state, in our opinion, the accompanying financial statements set out on pages 60 to 94 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia so as to give a true and fair view of the financial position of the Institute as at 31 December 2019 and of its financial performance and cash flows for the financial year ended 31 December 2019.

Signed on behalf of the Council in accordance with a resolution of the Council dated 20 May 2020.


TAN SRI AZMAN HASHIM

Chairman


DATUK ABDUL FARID ALIAS

Vice Chairman

STATUTORY DECLARATION

Pursuant to Section 251(1)(b) of the Companies Act, 2016

I, Prasad Padmanaban, being the officer primarily responsible for the financial management of Asian Institute of Chartered Bankers, do solemnly and sincerely declare that the accompanying financial statements set out on pages 60 to 94 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the above named Prasad Padmanaban at Kuala Lumpur in Wilayah Persekutuan on 20 May 2020.


PRASAD PADMANABAN

Before me,



No 4-13, 4th Floor, Wisma Konwa
No. 40 & 42, Jalan Tun Perak
(Lebu Ampang)
50050 Kuala Lumpur

Commissioner for Oaths

Independent Auditors' Report

to the Council of Asian Institute of Chartered Bankers

(Incorporated in Malaysia)

Company No: 197701004872 (35880-P)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Asian Institute of Chartered Bankers (the "Institute"), which comprise the statement of financial position as at 31 December 2019, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the financial year then ended, and notes to the financial statements, including a summary of significant accounting policies, as set out on pages 60 to 94. In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Institute as at 31 December 2019, and of its financial performance and its cash flows for the financial year ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with the approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and Other Ethical Responsibilities

We are independent of the Institute in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information Other Than the Financial Statements and Auditors' Report Thereon

The Council of the Institute is responsible for the other information. The other information comprises the Council's Report, but does not include the financial statements of the Institute and our auditors' report thereon.

Our opinion on the financial statements of the Institute does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Institute, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Institute or our knowledge obtained in the audit or otherwise appears to be materially misstated.

FINANCIAL REVIEW

Independent Auditors' Report

to the Council of Asian Institute of Chartered Bankers

(Incorporated in Malaysia)

Company No: 197701004872 (35880-P)

Information Other Than the Financial Statements and Auditors' Report Thereon (cont'd)

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Council for the Financial Statements

The Council of the Institute is responsible for the preparation of financial statements of the Institute that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia. The Council is also responsible for such internal control as the Council determines is necessary to enable the preparation of financial statements of the Institute that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Institute, the Council is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council either intends to liquidate the Institute or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Institute as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Institute, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Independent Auditors' Report

to the Council of Asian Institute of Chartered Bankers

(Incorporated in Malaysia)

Company No: 197701004872 (35880-P)

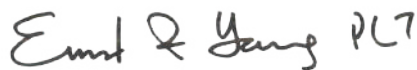
Auditors' Responsibilities for the Audit of the Financial Statements (cont'd)

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Council.
- Conclude on the appropriateness of the Council's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Institute or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Institute, including the disclosures, and whether the financial statements of the Institute represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Council regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matters

This report is made solely to the members of the Institute, as a body, in accordance with Section 266 of the Companies Act, 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.



MESSRS ERNST & YOUNG PLT

202006000003 (LLP0022760-LCA) & AF 0039

Chartered Accountants



NG SUE EAN

No. 03276/07/2020 J

Chartered Accountant

Kuala Lumpur, Malaysia

20 May 2020

FINANCIAL REVIEW

Statement of Financial Position

As at 31 December 2019

	Note	31.12.2019 RM	31.12.2018 RM Restated	01.01.2018 RM Restated
ASSETS				
NON-CURRENT ASSETS				
Equipment	3	88,302	99,143	100,649
Investment in an associate	4	2,679,559	1,746,637	1,776,363
Deferred tax assets	5	874,350	778,000	-
Right-of-use assets	6	80,792	-	-
Total non-current assets		3,723,003	2,623,780	1,877,012
CURRENT ASSETS				
Receivables	7	10,319,516	5,138,843	1,869,640
Amount due from a related party		-	-	1,073,008
Tax recoverable		-	684,618	213,075
Inventories	16	316,499	-	-
Fixed deposits with a licensed bank	14	16,728,231	5,648,231	5,496,231
Cash and bank balances	15	322,183	113,318	52,734
Total current assets		27,686,429	11,585,010	8,704,688
Non-current asset held for sale	9	-	5,812,510	5,812,510
		27,686,429	17,397,520	14,517,198
TOTAL ASSETS		31,409,432	20,021,300	16,394,210
EQUITY AND LIABILITIES				
Accumulated fund		5,361,740	(2,439,037)	(1,665,187)
Launching grants	10	687,980	687,980	687,980
TOTAL EQUITY		6,049,720	(1,751,057)	(977,207)
NON-CURRENT LIABILITIES				
Lease liabilities	6	82,467	-	-
Deferred tax liabilities	5	-	-	3,000
		82,467	-	3,000

Statement of Financial Position (cont'd)

As at 31 December 2019

	Note	31.12.2019 RM	31.12.2018 RM Restated	01.01.2018 RM Restated
CURRENT LIABILITIES				
Payables	11	4,939,657	3,361,789	2,949,684
Prepaid income	17	3,155,278	3,133,245	3,397,457
Amount due to related parties	8	4,813,722	4,276,475	21,276
Amount due to an associate	12	154,809	848	-
STF credit payables	13	10,335,641	-	-
Secured zero coupon bonds		-	11,000,000	11,000,000
Tax payable		1,878,138	-	-
Total current liabilities		25,277,245	21,772,357	17,368,417
Total liabilities		25,359,712	21,772,357	17,371,417
TOTAL EQUITY AND LIABILITIES		31,409,432	20,021,300	16,394,210



TAN SRI AZMAN HASHIM

Chairman



DATUK ABDUL FARID ALIAS

Vice Chairman

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

FINANCIAL REVIEW

Statement of Comprehensive Income

For the financial year ended 31 December 2019

	Note	31.12.2019 RM	31.12.2018 RM Restated
Revenue	18	29,778,415	21,109,966
Other income	19	315,288	619,268
Gain on disposal of non-current asset held for sale	9	6,283,586	
Personnel expenses	20	(7,423,496)	(6,694,394)
Depreciation for equipment		(54,632)	(50,131)
Depreciation for right-of-use assets		(32,193)	-
Administrative expenses		(18,288,025)	(15,458,846)
Operating profit / (loss)		10,578,943	(474,137)
Finance cost		(4,162)	-
		10,574,781	(474,137)
Share of net profit / (loss) of an associate		932,922	(29,726)
Profit / (loss) before taxation	21	11,507,703	(503,863)
Taxation	22	(3,706,926)	(269,987)
Profit / (loss) for the financial year, representing total comprehensive income for the financial year / (period)		7,800,777	(773,850)



TAN SRI AZMAN HASHIM

Chairman



DATUK ABDUL FARID ALIAS

Vice Chairman

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Statement of Changes in Equity

For the financial year ended 31 December 2019

	Launching grant RM (Note 9)	Accumulated fund RM	Total RM
At 1 January 2018, as previously stated	687,980	(1,191,601)	(503,621)
Prior year adjustments (Note 27)	-	(473,586)	(473,586)
As at 1 January 2018, as restated	687,980	(1,665,187)	(977,207)
Total comprehensive loss for the year, as restated	-	(773,850)	(773,850)
As at 31 December 2018, as restated	687,980	(2,439,037)	(1,751,057)
At 31 December 2018, as previously stated	687,980	(1,461,588)	(773,608)
Prior year adjustments (Note 27)	-	(977,449)	(977,449)
As at 31 December 2018, as restated	687,980	(2,439,037)	(1,751,057)
Total comprehensive income for the year	-	7,800,777	7,800,777
As at 31 December 2019	687,980	5,361,740	6,049,720

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

FINANCIAL REVIEW

Statement of Cash Flows

For the financial year ended 31 December 2019

	Note	31.12.2019 RM	31.12.2018 RM Restated
Cash flows from operating activities			
Profit / (loss) before taxation		11,507,703	(503,863)
Adjustments for:			
Depreciation of equipment	3	54,632	50,131
Depreciation of right-of-use assets	6	32,193	-
Share of net (profit) / loss of an associate		(932,922)	29,726
Gain on disposal of non-current asset held for sale		(6,283,586)	
Interest income		(293,325)	(211,724)
Interest expense on lease liabilities		4,162	-
Operating profit / (loss) before working capital changes		4,088,857	(635,730)
Changes in working capital:			
Increase in receivables		(5,173,160)	(3,254,219)
Increase in payables and prepaid income		2,031,638	147,893
Increase in inventories		(316,499)	-
Cash generated from / (used in) operations		630,836	(3,742,056)
Taxation paid		(1,240,520)	(1,522,530)
Net cash used in operating activities		(609,684)	(5,264,586)
Cash flows from investing activities			
Interest received		285,812	196,740
Purchase of equipment	3	(51,049)	-
Disposal of equipment	3	7,258	(48,625)
Proceeds from disposal of non-current asset held for sale		11,000,000	-
Net cash generated from investing activities		11,242,021	148,115
Cash flows from financing activities			
Repayment from an associate		153,961	848
Payment of principal portion of lease liabilities		(34,680)	-
Advance from related parties		537,247	5,328,207
Net cash generated from financing activities		656,528	5,329,055
Net increase in cash and cash equivalents		11,288,865	212,584
Cash and cash equivalents brought forward		5,761,549	5,548,965
Cash and cash equivalents carried forward		17,050,414	5,761,549
Cash and cash equivalents comprise:			
Fixed deposits with a licensed bank with original maturity less than 3 months	14	16,728,231	5,648,231
Cash and bank balances	15	322,183	113,318
		17,050,414	5,761,549

The accompanying accounting policies and explanatory notes form an integral part of the financial statements.

Notes to the Financial Statements

For the financial year ended 31 December 2019

1. CORPORATE INFORMATION

Asian Institute of Chartered Bankers (the “Institute”) is an institute limited by guarantee, incorporated and domiciled in Malaysia. The registered office of the Institute is located at Level 11, NU Tower 2, Jalan Tun Sambanthan, Kuala Lumpur Sentral 50470 Kuala Lumpur.

The principal activities of the Institute are propelling the Institute as a distinct professional body focusing on membership, professional standards, education, awards and examination policies.

There have been no significant changes in the nature of these activities during the financial year. The financial statements of the Institute were authorised for issue by the Council in accordance with a resolution of the Council on 20 May 2020.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The financial statements of the Institute have been prepared in accordance with Malaysian Financial Reporting Standards (“MFRSs”), International Financial Reporting Standards (“IFRS”) and the requirements of Companies Act, 2016 in Malaysia.

The financial statements of the Institute have been prepared under the historical cost convention, unless otherwise stated in the significant accounting policies.

2.2 Presentation of financial statements

The financial statements are presented in Ringgit Malaysia (“RM”) which is the Institute’s functional currency and all values are rounded to the nearest RM except when otherwise stated.

2.3 Changes in accounting policies

The accounting policies adopted by the Institute are consistent with those of the previous financial year except as follows:

The Institute adopted the following new and amended MFRSs, and Interpretation which are applicable for financial periods beginning on or after 1 January 2019

Annual Improvements to MFRS Standards 2015 – 2017 Cycle

Amendments to MFRS 9 Prepayment Features with Negative Compensation

Amendments to MFRS 11 Annual Improvements to MFRS Standards 2015 – 2017 Cycle

MFRS 16 Leases

Amendments to MFRS 119 Plan Amendment, Curtailment or Settlement

Amendments to MFRS 128 Long-term Interests in Associates and Joint Ventures

IC Interpretation 23 Uncertainty over Income Tax Treatments

The adoption of the above new and amended MFRSs, and Interpretation did not have any material impact on the financial statements of the Institute in the current financial year except as described below:

FINANCIAL REVIEW

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**2.3 Changes in accounting policies (cont'd)**

The Institute adopted the following new and amended MFRSs, and Interpretation which are applicable for financial periods beginning on or after 1 January 2019 (cont'd)

MFRS 16 Leases (“MFRS 16”)

MFRS 16 superseded MFRS 117 *Leases* (“MFRS 117”), IC Interpretation 4 *Determining Whether an Arrangement contains a Lease* (“IC 4”), IC Interpretation 115 *Operating Leases – Incentives* and IC Interpretation 127 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Institute adopted MFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application.

The Institute elected to use the transition practical expedient to not reassess whether a contract is, or contains a lease at 1 January 2019. Instead, the Institute applied the standard only to contracts that were previously identified as leases applying MFRS 117 and IC 4 at the date of initial application.

The effect of MFRS 16 adoption as at 1 January 2019 is as follows:

	2019
	RM
Assets	
Right-of-use assets	112,985
Liabilities	
Lease liabilities	112,985

The Institute has lease contracts for buildings. Before the adoption of MFRS 16, the Institute classified each of its leases as an operating lease. Refer to Note 2.5(g) Leases for the accounting policy prior to 1 January 2019.

Upon adoption of MFRS 16, the Institute applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. Refer to Note 2.5(g) Leases for the accounting policy beginning 1 January 2019.

Leases previously accounted for as operating leases

The Institute applied the available practical expedients to account for MFRS 16, wherein it:

- Used a single discount rate to a portfolio of leases with reasonably similar characteristics;
- Relied on its assessment of whether leases are onerous immediately before the date of initial application;
- Applied the short-term lease exemptions to leases with a lease term that ends within 12 months of the date of initial application;

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.3 Changes in accounting policies (cont'd)

The Institute adopted the following new and amended MFRSs, and Interpretation which are applicable for financial periods beginning on or after 1 January 2019 (cont'd)

MFRS 16 Leases ("MFRS 16") (cont'd)

Leases previously accounted for as operating leases (cont'd)

- Excluded the initial direct costs from the measurement of the right-of-use assets at the date of initial application; and
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

The lease liabilities as at 1 January 2019 can be reconciled to the operating lease commitments as of 31 December 2018, as follows:

	2019
	RM
Operating lease commitments as at 31 December 2018	121,730
Weighted average incremental borrowing rate as at 1 January 2019	4.20%
Discounted operating lease commitments / lease liabilities as at 1 January 2019	112,985

2.4 Standards issued but not yet effective

As at the date of authorisation of these financial statements, the following MFRSs and amendments to MFRSs have been issued by the Malaysian Accounting Standards Board ("MASB") but are not yet effective and have not been adopted by the Institute.

Effective for financial periods beginning on or after 1 January 2020

Amendments to MFRS 3 Definition of a Business

Amendments to MFRS 101 and MFRS 108 Definition of a Material

Amendments to MFRS 9, MFRS 139 and MFRS 7 Interest Rate Benchmark

Revised Conceptual Framework for Financial Reporting.

Effective for financial periods beginning on or after 1 January 2021

MFRS 17 Insurance Contracts

Effective for financial periods to be determined by the MASB

Amendments to MFRS 10 and MFRS 128 Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The Institute plans to adopt the above pronouncements, if applicable, when it becomes effective in the respective financial periods. These pronouncements are expected to have no significant impact to the financial statements of the Institute upon its initial application.

FINANCIAL REVIEW

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**2.5 Summary of significant accounting policies****(a) Equipment**

All items of equipment are initially stated at cost. The cost of an item of plant and equipment is recognised as an asset if, and only if, it is probable that future economic benefits associated with the item will flow to the Institute and the cost of the item can be measured reliably.

Subsequent to initial recognition, equipments are measured at cost less accumulated depreciation and less any impairment losses. When significant parts of equipments are required to be replaced in intervals, the Institute recognises such costs as individual assets with specific useful lives and depreciation respectively. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred.

Depreciation is computed on a straight-line basis over the estimated useful lives at the following annual rates:

Office furniture and fixtures, equipment and electrical installation	15% - 33.33%
Motor vehicles	20%
Renovation	33%

The residual values, useful lives and depreciation method are reviewed at each financial year end to ensure that the amounts, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the equipment.

An item equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the net carrying amount is recognised in profit or loss.

(b) Non-current assets held for sale

Non-current assets are recognised as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. This condition is regarded as met only when the sale is probable and the assets are available for immediate sale in their present condition, management has committed to the sale and the sale is expected to have been completed within one year from the date of the classification. Such assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale.

Assets and liabilities classified as held for sale are presented separately as current items in the statement of financial position.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(c) Investment in an associate

An associate is an entity over which the Institute has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

Under the equity method, the investment in an associate is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Institute's share of net assets in the associate since the acquisition date.

In the Institute's financial statements, investment in an associate is stated at cost less impairment loss. The policy for impairment losses is disclosed in Note 2.5(f).

(d) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, which is subject to an insignificant risk of change in value and which have an original maturity period of 3 months or less at acquisition.

(e) Financial instruments

(i) Classification

Financial assets

Financial assets are recognised in the statement of financial position when, and only when, the Institute becomes a party to the contractual provisions of the financial assets. The Institute classifies its financial assets as amortised cost.

(a) Amortised cost

Financial assets are measured at amortised cost if they are held within a business model whose objective is to hold the financial assets in order to collect contractual cash flows which represent solely payments of principal and interest.

Financial liabilities

(a) Amortised cost

Non-derivative financial liabilities that are not held for active trading or designated as fair value through profit or loss (FVTPL) are classified as non-trading liabilities.

(ii) Measurement

Initial measurement

Financial instruments are initially recognised at their fair value plus transaction costs directly attributable to the acquisition or issuance of the instruments.

Subsequent measurement

(a) Amortised cost

Amortised cost financial instruments are measured at amortised cost using the effective interest rate method. Gains / losses are recognised in profit or loss through the amortisation process and when the financial instruments are impaired or derecognised. The policy for impairment of financial assets at amortised cost is described in Note 2.5(e)(iii).

FINANCIAL REVIEW

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**2.5 Summary of significant accounting policies (cont'd)****(e) Financial instruments (cont'd)****(iii) Impairment of financial assets**

The Institute assesses at each reporting date whether there is any objective evidence that a financial asset is impaired.

The Institute recognises an allowance for Expected Credit Losses (“ECL”) for all financial instruments measured at amortised cost. ECL are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Institute expects to receive, discounted at an approximation of the original effective interest rate. For the simplified approach, credit risk is not tracked, and a loss allowance based on lifetime ECLs is provided at each reporting date.

(iv) Recognition and derecognition

Financial instruments are recognised when the Institute becomes a party to the contractual provision of the instruments. All regular purchases and sales of financial assets that require delivery within the period generally established by regulation or market convention are recognised on the settlement date.

Financial instruments are derecognised when the risks and rewards associated with the instruments are substantially transferred / settled, cancelled or expired. On derecognition, the difference between the carrying amount of the instruments and the consideration received / paid, less the cumulative gain or loss that has been recognised in the equity, are taken to profit or loss.

(v) Write-off policy

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

(f) Impairment of non-financial assets

The Institute assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when an annual impairment assessment for an asset is required, the Institute makes an estimate of the asset’s recoverable amount.

An asset’s recoverable amount is the higher of an asset’s fair value less costs to sell and its value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows (cash-generating units (“CGUs”)).

In assessing value in use, the estimated future cash flows expected to be generated by the asset are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is written down to its recoverable amount.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(f) Impairment of non-financial assets (cont'd)

Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

Impairment losses are recognised in profit or loss in the period in which it arises.

As assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have been decreased. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised.

If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

(g) Leases

For the financial year ended 31 December 2019

The Institute assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Institute as lessee

The Institute applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Institute recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) Right-of-use assets

The Institute has the lease contracts for the buildings. The Institute recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, reinstatement costs and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the buildings.

FINANCIAL REVIEW

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**2.5 Summary of significant accounting policies (cont'd)****(g) Leases (cont'd)****(i) Right-of-use assets (cont'd)**

If ownership of the leased asset transfers to the Institute at the end of the lease term or the cost reflects the exercise of a purchase option, the depreciation is calculated using the estimated useful life of the asset.

The right-of-use assets are also subject to impairment as disclosed in Note 2.5(h).

(ii) Lease liabilities

At the commencement date of the lease, the Institute recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Institute and payments of penalties for terminating the lease, if the lease term reflects the Institute exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

(iii) Short-term leases and leases of low-value assets

The Institute applies the short-term lease recognition exemption to its short-term leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. They also apply the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense over the lease term.

For the financial year ended 31 December 2018**Operating leases**

Leases of assets where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases except where property held under operating leases that would otherwise meet the definition of investment property is classified as an investment property on a property-by-property basis and, if classified as investment property, is accounted for as if held under a finance lease.

Payments made under operating leases are charged to profit or loss on the straight-line basis over the lease period.

(h) Equity instruments

A launching grant is contributed by first members and classified as equity instrument. There is no requirement for the Institute to repay the launching grant to its members.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(i) Secured zero coupon bonds

Secured zero coupon bonds are stated at the nominal value and classified as a liability instrument.

Classification and measurement of secured zero coupon bonds are in accordance with Note 2.5(e).

(j) Income taxes

(i) Current income taxes

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the countries where the Institute operates and generates taxable income.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statements of comprehensive income. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

(ii) Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

FINANCIAL REVIEW

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**2.5 Summary of significant accounting policies (cont'd)****(j) Income taxes (cont'd)****(ii) Deferred tax (cont'd)**

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

(k) Revenue recognition

Revenue is recognised at an amount that reflects the consideration to which the Institute expects to be entitled when the performance obligation is satisfied.

(i) Membership fees

Membership fees relating to individual and corporate members are recognised when the performance obligation is fulfilled over the duration of membership.

(ii) Course fees

Course fees are recognised when the performance obligation is fulfilled over the duration of the courses.

(iii) Qualification fees

Qualification fees are recognised when the performance obligation is fulfilled over time when examinations are conducted.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(k) Revenue recognition (cont'd)

(iv) Interest income

Interest income from fixed deposits are recognised on a time-proportioned basis that reflects the effective interest rates on the financial assets.

(v) Grant income

Grant income received are recognised upon usage.

(vi) Contract balances

Deferred income

Membership fees received in advance at the reporting date are recognised as prepaid income in the statement of financial position. The income will be recognised in profit or loss from the date of commencement and over the duration of the membership.

(l) Sales tax

Expenses and assets are recognised net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

(m) Employee benefits

(i) Short-term benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the financial period in which the associated services are rendered by employees of the Institute.

Short-term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences, and short-term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined contribution plan

The Institute's contributions to a defined contribution plan is charged to profit or loss in the period in which the related service is performed. Once the contributions have been paid, the Institute has no further liability in respect of the defined contribution plans. As required by law, the Institute makes such contributions to the Employees' Provident Fund.

FINANCIAL REVIEW

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**2.5 Summary of significant accounting policies (cont'd)****(n) Provisions**

Provisions are recognised when the Institute has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be required to settle the obligation.

(o) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Institute.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Institute uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(o) Fair value measurement (cont'd)

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Institute determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The fair value of financial instruments that are actively traded in organised financial markets is determined by reference to quoted market bid prices for assets at the close of business on the reporting date.

For financial instruments with no active markets, fair values are established using valuation techniques such as making reference to recent transactions or other comparable financial instruments, discounted cash flow method and option pricing models.

For the purpose of fair value disclosures, the Institute has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

(p) Current versus non-current classification

The Institute presents assets and liabilities in the statement of financial position based on current or non-current classification. An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

FINANCIAL REVIEW

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Summary of significant accounting policies (cont'd)

(q) Inventories

Inventories are stated at the lower of cost and net realisable value (“NRV”). Cost is determined on a first-in-first-out basis. Where net realisable value is lower than the cost of inventories, the difference is recognised as an expense in profit or loss.

NRV is the estimated selling price in the ordinary course of business, less estimated costs necessary to make the sale.

2.6 Significant accounting estimates and judgments

The preparation of financial statements in accordance with MFRSs and IFRS requires the use of certain accounting estimates and exercise of judgments. Estimates and judgments are continually evaluated and are based on past experience, reasonable expectations of future events and other factors.

No major judgments have been made by management in applying the Institute’s accounting policies. There are no key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of the assets and liabilities within the next financial year.

3. EQUIPMENT

	Office furniture and fixtures, equipment and electrical installation RM	Motor vehicles RM	Renovation RM	Total RM
At 31 December 2019				
Cost				
At 1 January 2019	2,181,595	111,197	1,996,965	4,289,757
Additions	51,049	-	-	51,049
Disposal	(816,306)	-	-	(816,306)
At 31 December 2019	1,416,338	111,197	1,996,965	3,524,500
Accumulated depreciation				
At 1 January 2019	2,084,191	109,458	1,996,965	4,190,614
Charge for the year	53,534	1,098	-	54,632
Disposal	(809,048)	-	-	(809,048)
At 31 December 2019	1,328,677	110,556	1,996,965	3,436,198
Net carrying amount	87,661	641	-	88,302
At 31 December 2018				
Cost				
At 1 January 2018	2,132,970	111,197	1,996,965	4,241,132
Additions	48,625	-	-	48,625
At 31 December 2018	2,181,595	111,197	1,996,965	4,289,757
Accumulated depreciation				
At 1 January 2018	2,035,158	108,360	1,996,965	4,140,483
Charge for the year	49,033	1,098	-	50,131
At 31 December 2018	2,084,191	109,458	1,996,965	4,190,614
Net carrying amount	97,404	1,739	-	99,143

FINANCIAL REVIEW

4. INVESTMENT IN AN ASSOCIATE

	31.12.2019 RM	31.12.2018 RM Restated	01.01.2018 RM Restated
At cost			
Unquoted shares in Malaysia	49	49	49
5% Redeemable Convertible Preference Shares	2,249,900	2,249,900	2,249,900
	2,249,949	2,249,949	2,249,949
Share of net profit of Asian Banking School Sdn. Bhd. ("ABS")	429,610	(503,312)	(473,586)
	2,679,559	1,746,637	1,776,363

The details of the associate are as follows:

Name of company	Effective interest 31.12.2019 %	Effective interest 31.12.2018 %	Principal activities
Asian Banking School Sdn. Bhd. ("ABS")	49	49	Education provider of banking and financial services sector

The summarised financial information of the associate are as follows:

	31.12.2019 Audited RM	31.12.2018 Audited RM	01.01.2018 Audited RM
Financial position			
Non-current assets	419,407	1,087,386	1,880,259
Current assets	5,210,721	4,203,457	8,371,320
Non-current liabilities	-	-	(167,994)
Current liabilities	(2,503,373)	(4,068,011)	(8,800,087)
Net assets	3,126,755	1,222,832	1,283,498
Results			
Revenue	26,460,261	25,285,064	28,464,445
Profit / (loss) for the financial year	1,903,923	(8,878)	222,654

5. DEFERRED TAX ASSETS / (LIABILITIES)

	31.12.2019 RM	31.12.2018 RM
At beginning of financial year	778,000	(3,000)
Recognised in profit or loss (Note 22)	96,350	781,000
At end of financial year	874,350	778,000
Presented after appropriate offsetting as follows:		
Deferred tax assets, net	874,350	778,000
	874,350	778,000

Deferred tax assets and liabilities prior to offsetting are summarised as follows:

	31.12.2019 RM	31.12.2018 RM
Deferred tax assets	908,473	783,000
Deferred tax liabilities	(34,123)	(5,000)
	874,350	778,000

The components and movements of deferred tax assets and liabilities prior to offsetting are as follows:

Deferred tax assets:

	Deferred income RM	Lease liabilities RM	Total RM
At 1 January 2018	-	-	-
Recognised in profit or loss	783,000	-	783,000
At 31 December 2018	783,000	-	783,000
At 1 January 2019	783,000	-	783,000
Effect of adopting MFRS 16	-	(31,636)	(31,636)
At 1 January 2019, as restated	783,000	(31,636)	751,364
Recognised in profit or loss	102,382	54,727	157,109
At 31 December 2019	885,382	23,091	908,473

FINANCIAL REVIEW

5. DEFERRED TAX ASSETS / (LIABILITIES) (CONT'D)

Deferred tax liabilities:

	Equipment RM	Right-of-use assets RM	Total RM
At 1 January 2018	(3,000)	-	(3,000)
Recognised in profit or loss	(2,000)	-	(2,000)
At 31 December 2018	(5,000)	-	(5,000)
At 1 January 2019	(5,000)	-	(5,000)
Effect of adopting MFRS 16	-	31,636	31,636
At 1 January 2019, as restated	(5,000)	31,636	26,636
Recognised in profit or loss	(6,501)	(54,258)	(60,759)
At 31 December 2019	(11,501)	(22,622)	(34,123)

6. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

	31.12.2019 RM
Right-of-use assets	
At 1 January 2019	112,985
Depreciation charges (Note 20)	(32,193)
At 31 December 2019	80,792
Lease liabilities	
At 1 January 2019	112,985
Accretion of interest (Note 19)	4,162
Lease payment	(34,680)
At 31 December 2019	82,467

7. RECEIVABLES

	31.12.2019 RM	31.12.2018 RM
Financial assets		
Trade receivables	9,589,218	4,420,701
Other receivables	11,000	8,000
Accrued interest	22,497	14,984
Deposits	314,216	47,020
	9,936,931	4,490,705
Non-financial assets		
Prepayments	382,585	648,138
	10,319,516	5,138,843

The normal trade credit terms granted by the Institute to the trade receivables range from current to 30 days (31.12.2018: current to 30 days). Other credit terms are assessed and approved on a case-by-case basis.

Movement in gross carrying amount for receivables are as follows:

	Non-credit impaired RM	Credit impaired RM	Total RM
At 1 January 2019	4,490,705	-	4,490,705
Net increase during the financial year	5,446,226	-	5,446,226
At 31 December 2019	9,936,931	-	9,936,931

8. AMOUNT DUE TO RELATED PARTIES

	31.12.2019 RM	31.12.2018 RM
Amount due to related parties		
Staff Training Fund	4,856,321	4,264,019
STF Resources Sdn. Bhd.	(42,599)	12,456
	4,813,722	4,276,475

The amount due from / to a related party are non-trade in nature, unsecured, interest-free and repayable on demand.

FINANCIAL REVIEW

9. NON-CURRENT ASSET HELD FOR SALE

	31.12.2019 RM	31.12.2018 RM
Asset classified as held for sale		
Leasehold land and building	-	5,812,510

The asset is pledged and held by a Trust for zero coupon bonds issued as per Note 12 to the financial statements.

As at financial year end, the sale of the leasehold land and building to a third party has been completed and the Institute recognised a gain of RM6,283,586.

10. LAUNCHING GRANT

The grant was contributed by the Institute's first members and there is no requirement to repay these members.

11. PAYABLES

	31.12.2019 RM	31.12.2018 RM Restated	01.01.2018 RM Restated
Financial liabilities			
Trade payables	2,021,599	589,988	284,118
Other payables and accruals	2,918,058	1,925,176	1,818,839
Refundable deposit	-	846,625	846,727
	4,939,657	3,361,789	2,949,684

The normal trade credit term granted by suppliers is 30 days (31.12.2019: 30 days).

12. AMOUNT DUE TO AN ASSOCIATE

The amount due to an associate is non-trade in nature, unsecured and interest-free.

13. STF CREDIT PAYABLES

The zero coupon bonds were issued in 1992 to support the purchase of Wisma IBI and carry a 30-year maturity. However, early redemption of the bonds took place in 2019 with the completion of the sale of Wisma IBI and bondholders had agreed to convert their redemption sum into STF credit.

The converted credits are valid until 31 December 2022, which is the original maturity date of the bonds. The credits can be utilised to subscribe for programmes conducted by AICB and ABS in accordance with the STF Credit Guidelines.

14. FIXED DEPOSITS WITH A LICENSED BANK

	31.12.2019 RM	31.12.2018 RM
Fixed deposits with a licensed bank with original maturity less than 3 months	16,728,231	5,648,231

None of the fixed deposits were impaired at the end of the current and previous financial year.

15. CASH AND BANK BALANCES

	31.12.2019 RM	31.12.2018 RM
Cash and bank balances	322,183	113,318

16. INVENTORIES

	31.12.2019 RM	31.12.2018 RM
At cost and net realisable value		
Study text	316,499	-

The cost of inventories was recognised in profit or loss in the prior financial year. There were no inventories written down during the financial year.

17. DEFERRED INCOME

	31.12.2019 RM	31.12.2018 RM
Short-term deferred income		
Income received from qualification and membership	3,155,278	3,133,245

These are upfront cash payments for qualification and membership revenue, which will be recognised in profit or loss during the current calendar year.

FINANCIAL REVIEW

18. REVENUE

	31.12.2019 RM	31.12.2018 RM
Qualification	24,716,397	15,504,684
Membership	3,055,046	2,311,782
Publications	45,900	45
Course fees	1,961,072	1,024,836
Grant from Staff Training Fund	-	2,268,619
	29,778,415	21,109,966

19. OTHER INCOME

	31.12.2019 RM	31.12.2018 RM
Fixed deposit interest	293,325	211,724
Sundry income	21,963	407,544
	315,288	619,268

20. EMPLOYEE BENEFITS EXPENSE

	31.12.2019 RM	31.12.2018 RM
Salary, bonus and overtime	5,813,983	5,182,226
Defined contribution plan	885,173	810,667
Social security contributions	39,025	2,587
Other staff costs	685,315	668,914
	7,423,496	6,694,394

21. PROFIT / (LOSS) BEFORE TAX

Profit / (loss) before tax has been determined after charging / (crediting), amongst other items, the following:

	31.12.2019 RM	31.12.2018 RM
Auditors' remuneration	30,000	26,000
Interest expense on lease liabilities	(4,162)	-
Realised loss on foreign exchange	(22,243)	(29,607)
Expenses relating to leases of low value assets	35,490	-

22. TAXATION

	31.12.2019 RM	31.12.2018 RM
Tax expense for the year		
- Current year provision	3,598,847	99,792
- Under provision of tax expense in prior financial year	204,429	951,195
	3,803,276	1,050,987
Deferred tax (Note 5)		
- Relating to origination and reversal of temporary differences	(3,207)	64,250
- Over provision in prior financial year	(93,143)	(845,250)
	(96,350)	(781,000)
Income tax expense reported in profit or loss	3,706,926	269,987

The provision for taxation of the Institute for the current financial year is determined by applying the Malaysian tax rates applicable to the Institute on the chargeable income.

FINANCIAL REVIEW

22. TAXATION (CONT'D)

Reconciliation of income tax expense on profit before tax with the applicable statutory income tax rate is as follows:

	31.12.2019 RM	31.12.2018 RM Restated
Profit / (loss) before taxation	11,507,703	(503,863)
Income tax at Malaysian statutory rate of 28% (2018: 28%)	3,222,157	-
Expenses not deductible for tax purpose	112,265	188,365
Under provision of tax expense in prior financial year	204,429	951,195
Over provision of deferred tax assets in prior year	(93,143)	(845,250)
Tax saving as a result of taxation income	-	(16,000)
Effect of share of net profit / (loss) of an associate	261,218	(8,323)
Tax expense for the year	3,706,926	269,987

23. RELATED PARTY DISCLOSURES

Related party transactions of the Institute during the financial year are as follows:

	31.12.2019 RM	31.12.2018 RM
Grants received from a related party		
Staff Training Fund	-	2,268,619
Shared services from a related party		
STF Resources Sdn. Bhd.	2,075,255	2,058,710

24. CATEGORIES OF FINANCIAL INSTRUMENTS AND FAIR VALUES

The carrying amounts of the following financial instruments approximate their respective fair values due to their relatively short-term maturity.

	Note	31.12.2019 RM	31.12.2018 RM
Financial assets – Amortised cost			
Receivables (excluding non-financial assets)	7	9,936,931	4,490,705
Fixed deposits with a licensed bank	14	16,728,231	5,648,231
Cash and bank balances	15	322,183	113,318
		26,987,345	10,252,254

	Note	31.12.2019 RM	31.12.2018 RM Restated
Financial liabilities – Amortised cost			
Payables (excluding non-financial liabilities)	11	4,939,657	3,361,789
Amount due to an associate	12	154,809	848
Amount due to related parties	8	4,813,722	4,276,475
STF credit payables	13	10,335,641	-
		20,243,829	7,639,112

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Institute is exposed to various risks in relation to financial instruments. The Institute's financial assets and liabilities by category are summarised in Note 24 to the financial statements respectively. The main types of risks are credit risk, liquidity risk and interest rate risk.

Financial risk management policy is established to ensure that adequate resources are available for the development of the Institute's business whilst managing its credit risk and liquidity risk. The Institute operates within clearly defined policies and procedures that are approved by the Council to ensure the effectiveness of the risk management process.

Credit risk

Credit risk is the risk of loss that may arise on outstanding financial instruments should a counterparty default on its obligation. The Institute's credit risk arises primarily from its trade receivables and non-trade receivables. For other financial assets such as cash and bank balances and fixed deposits with a licensed bank, the Institute minimises credit risk by dealing with reputable financial institutions with sound credit rating and no history of default.

(a) Maximum exposure to credit risk

The maximum amount of exposure to credit risk arising from the Institute's trade receivables, non-trade receivables, fixed deposits with a licensed financial institution and cash and bank balances is equal to the carrying amount of these financial assets on the statement of financial position.

FINANCIAL REVIEW

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**Credit risk (cont'd)****(b) Expected credit loss measurement****(i) Definition of default**

The Institute considers a financial asset to be in default when contractual payments are 30 days past due. However, in certain cases, the Institute may also consider a financial asset and contract asset to be in default when internal or external information indicates that the Institute is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Institute.

(ii) Measuring ECL — Explanation of inputs, assumptions and estimation techniques

The Institute applies a simplified approach in calculating ECL for receivables, fixed deposits with a licensed financial institution and cash and bank balances. Therefore, the Institute does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECL at each reporting date.

ECL is computed based on the multiplication of Probability of Default (“PD”), Exposure at Default (“EAD”) and Loss Given Default (“LGD”). PD is derived based on default rates from an external rating agency for each counterparty after consideration of probability weighted outcomes and forward-looking information. EAD represents the source exposure of the Institute as at reporting date and LGD represents the expectation of the extent of loss on a default exposure.

There is no ECL recognised for the financial year.

(iii) Credit quality of financial assets

	Non-credit-impaired		Total RM
	A-1 to A-3* RM	Unrated RM	
At 31 December 2019			
Trade receivables	-	9,589,218	9,589,218
Other receivables	-	11,000	11,000
Accrued interest	-	22,497	22,497
Deposits	-	314,216	314,216
Fixed deposits with a licensed bank	16,728,231	-	16,728,231
Cash and bank balances	322,183	-	322,183
	17,050,414	9,936,931	26,987,345

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)

Credit risk (cont'd)

(b) Expected credit loss measurement (cont'd)

(iii) Credit quality of financial assets (cont'd)

	Non-credit-impaired		Total RM
	A-1 to A-3* RM	Unrated RM	
At 31 December 2018			
Trade receivables	-	4,420,701	4,420,701
Other receivables	-	8,000	8,000
Accrued interest	-	14,984	14,984
Deposits	-	47,020	47,020
Fixed deposits with a licensed bank	5,648,231	-	5,648,231
Cash and bank balances	113,318	-	113,318
	5,761,549	4,490,705	10,252,254

* Based on RAM Ratings Services Berhad.

Liquidity risk

Liquidity risk is the risk that the Institute will encounter difficulty in meeting financial obligations due to shortage of funds. The Institute's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. The Institute's objective is to achieve a balance between continuity of funding and flexibility through effective cashflow management.

The Institute's liquidity risk management policy is that short-term financing facility is only used to finance the short-term working capital gap.

Analysis of financial instruments by remaining contractual maturities

The table below summarises the maturity profile of the Institute's liabilities at reporting date based on contractual undiscounted repayment obligations.

	Note	On demand or within 1 year RM	Total RM
At 31 December 2019			
Non-trade payables (excluding non-financial liabilities)	11	4,939,657	4,939,657
Amount due to an associate	12	154,809	154,809
Amount due to related parties	8	4,813,722	4,813,722
STF credit payables	13	10,335,641	10,335,641
Total undiscounted financial liabilities		20,243,829	20,243,829

FINANCIAL REVIEW

25. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONT'D)**Analysis of financial instruments by remaining contractual maturities (cont'd)**

	Note	On demand or within 1 year RM	Total RM
At 31 December 2018			
Non-trade payables (excluding non-financial liabilities)	11	3,361,789	3,361,789
Amount due to an associate	12	848	848
Amount due to related parties	8	4,276,475	4,276,475
Total undiscounted financial liabilities		7,639,112	7,639,112
At 1 January 2018			
Non-trade payables (excluding non-financial liabilities)	11	2,949,684	2,949,684
Amount due to related parties	8	21,276	21,276
Total undiscounted financial liabilities		2,970,960	2,970,960

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of the Institute's financial instruments will fluctuate because of the changes in market interest rates.

The Institute's investments in fixed rate instruments are not significantly exposed to interest rate risk as they are short-term in nature. Short-term receivables and payables are not significantly exposed to interest rate risk.

26. CAPITAL MANAGEMENT

The Institute manages its capital in a manner that facilitates its role as a professional body focusing on membership, professional standards, education, awards and examination policies while remaining as a going concern.

The Institute is a company limited by guarantee and its capital structure consists of equity which is made up of accumulated funds, and launching grants. The Institute is not subject to any externally imposed capital requirements.

27. COMPARATIVE FIGURES

These comparative figures have been amended in order to reflect the following adjustments which became known after the date of the previously issued financial statements.

	Note	As previously stated RM	Adjustments RM	As restated RM
31 December 2018				
Statement of financial position:				
Non-current assets				
Investment in an associate	(a)	2,249,949	(503,312)	1,746,637
Current liabilities				
Payables	(b)	(2,887,652)	(474,137)	(3,361,789)
Equity				
Accumulated fund		(1,461,588)	(977,449)	(2,439,037)
Statement of comprehensive income				
Share of loss of an associate	(a)	-	(29,726)	(29,726)
Administrative expenses	(b)	(14,984,709)	(474,137)	(15,458,846)
Loss for the year representing total comprehensive income for the financial year		-	(503,863)	(503,863)
Statement of cash flows				
Adjustment for:				
- Share of net profit of an associate	(a)	-	29,726	29,726
Operating profit before working capital changes		(665,456)	29,726	(635,730)
Changes in working capital				
Decrease in payable	(b)	(326,244)	474,137	147,893
1 January 2018				
Statement of financial position:				
Non-current assets				
Investment in an associate	(a)	2,249,949	(473,586)	1,776,363
Equity				
Accumulated fund	(a)	(1,191,601)	(473,586)	(1,665,187)

FINANCIAL REVIEW

27. COMPARATIVE FIGURES (CONT'D)**(a) Recognition of investment in an associate using the equity method**

The recognition for the investment in an associate was restated from the cost method to equity method. The accounting policy is detailed in Note 2.5(c).

(b) Under recognition of payables

A transaction relating to payables was wrongly recognised in the prior financial year.

The comparative financial statements were audited by a firm of chartered accountants other than Messrs Ernst & Young PLT.



5 APPENDICES |



APPENDIX

CORPORATE MEMBERS 2019

List of Corporate Members as at 31 December 2019

REGULATORS

1. Bank Negara Malaysia (BNM)
2. Labuan Financial Services Authority (Labuan FSA)
3. Perbadanan Insurans Deposit Malaysia (PIDM)

COMMERCIAL BANKS / BANKING AND FINANCE COMPANIES (BAFIN)

1. Affin Bank Berhad
2. Alliance Bank Malaysia Berhad
3. AmBank (M) Berhad
4. Bangkok Bank Berhad
5. Bank of America Malaysia Berhad
6. Bank of China (Malaysia) Berhad
7. BNP Paribas Malaysia Berhad
8. China Construction Bank (Malaysia) Berhad
9. CIMB Bank Berhad
10. Citibank Berhad
11. Deutsche Bank (Malaysia) Berhad
12. Hong Leong Bank Berhad
13. HSBC Bank Malaysia Berhad
14. India International Bank (Malaysia) Berhad
15. Industrial and Commercial Bank of China (Malaysia) Berhad
16. J. P. Morgan Chase Bank Berhad
17. Malayan Banking Berhad
18. Mizuho Bank (Malaysia) Berhad
19. MUFG Bank (Malaysia) Berhad
20. OCBC Bank (Malaysia) Berhad
21. Public Bank Berhad
22. RHB Bank Berhad
23. Standard Chartered Bank Malaysia Berhad
24. Sumitomo Mitsui Banking Corporation Malaysia Berhad
25. The Bank of Nova Scotia Berhad
26. United Overseas Bank (Malaysia) Berhad

DEVELOPMENT FINANCIAL INSTITUTIONS

1. Bank Kerjasama Rakyat Malaysia Berhad (Bank Rakyat)
2. Bank Pembangunan Malaysia Berhad
3. Bank Pertanian Malaysia Berhad (Agrobank)
4. Bank Simpanan Nasional
5. Credit Guarantee Corporation Malaysia Berhad
6. Export-Import Bank of Malaysia Berhad (EXIM Bank)
7. Malaysian Industrial Development Finance Berhad
8. Sabah Development Bank Berhad
9. Small Medium Enterprise Development Bank Malaysia Berhad (SME Bank)

ISLAMIC BANKS

1. Affin Islamic Bank Berhad
2. Al Rajhi Banking & Investment Corporation (Malaysia) Berhad
3. Bank Islam Malaysia Berhad
4. Bank Muamalat Malaysia Berhad

ISLAMIC BANKS (CONT'D)

5. CIMB Islamic Bank Berhad
6. Hong Leong Islamic Bank Berhad
7. Kuwait Finance House (Malaysia) Berhad
8. MBSB Bank Berhad
9. RHB Islamic Bank Berhad

INVESTMENT BANKS

1. Affin Hwang Investment Bank Berhad
2. Alliance Investment Bank Berhad
3. AmInvestment Bank Berhad
4. CIMB Investment Bank Berhad
5. Hong Leong Investment Bank Berhad
6. KAF Investment Bank Berhad
7. Kenanga Investment Bank Berhad
8. Maybank Investment Bank Berhad
9. Public Investment Bank Berhad
10. RHB Investment Bank Berhad

LABUAN OFFSHORE BANKS

1. Bank Islam Malaysia Berhad, Labuan Offshore Branch
2. BNP Paribas, Labuan Branch
3. CIMB Bank (L) Limited
4. City Credit Investment Bank Limited
5. DBS Bank Ltd, Labuan Branch
6. European Credit Investment Bank Ltd
7. Maybank International Labuan Branch
8. Middle East Investment Bank Limited
9. MUFG Bank Limited, Labuan Branch
10. Oversea-Chinese Banking Corporation Limited
11. Public Bank (L) Ltd
12. RHB Bank (L) Ltd
13. The Hongkong and Shanghai Banking Corporation Limited
14. United Overseas Bank Limited

LABUAN TRUST COMPANIES

1. Hans Advisory & Trust Co Ltd
2. Noblehouse International Trust Ltd
3. Shearn Skinner Trust Company Ltd

MONEY BROKERS

1. Affin Moneybrokers Sdn Bhd
2. Amanah Butler Malaysia Sdn Bhd
3. Harlow's & MGI Sdn Bhd

OTHER FINANCE-RELATED INSTITUTIONS

1. Cagamas Berhad
2. Danajamin Nasional Berhad
3. E2 Power Sdn Bhd
4. Ombudsman for Financial Services

ASIAN INSTITUTE OF CHARTERED BANKERS

{Registration No. 197701004872 (35880-P)}

(Incorporated in Malaysia)

FORM OF PROXY

INDIVIDUAL MEMBER FORM OF PROXY

FOR THE 42ND ANNUAL GENERAL MEETING



I, (Full Name of Individual Member)

of (Full Address)

being a Member of the ASIAN INSTITUTE OF CHARTERED BANKERS, hereby appoint

..... (Full Name)

of (Full Address)

or failing him / her, (Full Name)

of (Full Address)

or failing him / her, the Chairman of the meeting as my Proxy to vote on my behalf at the 42nd Annual General Meeting of the Institute which will be held virtually and broadcasted from Conservatory, Level 3, EQ, Equatorial Plaza, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia on Wednesday, 8 July 2020, at 10.30 a.m. and at any adjournment thereof. My Proxy is to vote as indicated below:

Table with 4 columns: No., Ordinary Resolution, For, Against. Row 1: 1. To re-appoint Messrs Ernst & Young PLT as auditors of the Institute and authorise the Council to fix their remuneration.

(Please indicate with an 'X' in the spaces provided on how you wish your vote to be cast. In the absence of specific directions, your Proxy will vote or abstain as he / she thinks fit.)

Dated this day of, 2020.

Signature of Member

Notes:

- Every Member entitled to attend and vote at the Meeting is also entitled to appoint a proxy to attend and vote in his / her stead at the Meeting.
No Member shall be entitled to vote on any question either personally or by proxy at the Meeting of the Institute or a poll who does not carry voting rights and whose subscription is overdue for three months.
Only Associates, Associate Fellows, Chartered Bankers, Fellows and Life Members whose names appear in the Membership Register of the Institute as of 1 July 2020 shall be regarded as entitled to vote at the Meeting.
The instrument appointing a proxy shall be in writing under the hand of the appointer.
If a Member is not able to attend the 42nd AGM via Zoom Video Conferencing on 8 July 2020, he / she may appoint the Chairman of the meeting as his / her proxy and indicate the voting instructions in the instrument appointing the proxy.
The instrument appointing the proxy together with the power of attorney (if any) under which it is signed or a certified copy thereof, shall be deposited at the Institute's registered address at Level 2, Bangunan AICB, 10 Jalan Dato' Onn, 50480 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the Meeting or adjourned Meeting at which the person named in such instrument proposes to vote, otherwise the person so named shall not be entitled to vote in respect thereof.

ASIAN INSTITUTE OF CHARTERED BANKERS

{Registration No. 197701004872 (35880-P)}

(Incorporated in Malaysia)

FORM OF NOMINEE

CORPORATE MEMBER FORM OF NOMINEE

FOR THE 42ND ANNUAL GENERAL MEETING



We,
(Full Name of Corporate Member)

of
(Full Address)

being a Member of the **ASIAN INSTITUTE OF CHARTERED BANKERS**, hereby appoint

.....
(Full Name)

of
(Full Address)

or failing him / her,
(Full Name)

of
(Full Address)

or failing him / her, the Chairman of the meeting as our Nominee to vote on our behalf at the 42nd Annual General Meeting of the Institute which will be held virtually and broadcasted from **Conservatory, Level 3, EQ, Equatorial Plaza, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia** on **Wednesday, 8 July 2020, at 10.30 a.m.** and at any adjournment thereof. Our Nominee is to vote as indicated below:

No.	Ordinary Resolution	For	Against
1.	To re-appoint Messrs Ernst & Young PLT as auditors of the Institute and authorise the Council to fix their remuneration.		

(Please indicate with an 'X' in the spaces provided on how you wish your vote to be cast. In the absence of specific directions, your Nominee will vote or abstain as he / she thinks fit.)

Dated this day of, 2020.

Signature and Common Seal

Notes:

- Every Corporate Member entitled to attend and vote at the Meeting is also entitled to nominate a corporate representative to attend and vote in its stead at the Meeting.
- No Corporate Member shall be entitled to vote on any question by a corporate representative at the Meeting of the Institute or a poll who does not carry voting rights and whose subscription is overdue for three months.
- Only Corporate Members whose names appear in the Membership Register of the Institute as of 1 July 2020 shall be regarded as entitled to vote at the Meeting. The Membership Register of the Institute is available for inspection at the Institute's registered address at Level 2, Bangunan AICB, 10 Jalan Dato' Onn, 50480 Kuala Lumpur, Malaysia.
- The instrument nominating a corporate representative from a Corporate Member must be either under seal or under the hand of the officer or attorney duly authorised.
- The instrument nominating one corporate representative together with the power of attorney (if any) under which it is signed or a certified copy thereof, shall be deposited at the Institute's registered address at Level 2, Bangunan AICB, 10 Jalan Dato' Onn, 50480 Kuala Lumpur, Malaysia not less than forty-eight (48) hours before the time appointed for holding the Meeting or adjourned Meeting at which the person named in such instrument proposes to vote, otherwise the person so named shall not be entitled to vote in respect thereof.

