



Independent Limited Assurance Report on Selected Sustainability Information in HSBC Amanah Malaysia Berhad’s Task Force on Climate-related Financial Disclosures Report 2022

To the Board of Directors of HSBC Amanah Malaysia Berhad

We have been engaged by HSBC Amanah Malaysia Berhad (“HBMS” or “the Bank”) to perform an independent limited assurance engagement on selected sustainability information, comprising the information set out in the Subject Matter Information section (hereinafter referred to as “Subject Matter Information”) for the financial year ended 31 December 2022 as reported by HBMS in its Task Force on Climate-related Financial Disclosures (“TCFD”) Report 2022.

Subject Matter Information

The Subject Matter Information reported and marked with asterisks (*) in the TCFD Report 2022 on which we provide limited assurance consists of:

Subject Matter Information	As at 31 December 2022
Percentage of TBL assets to financing and advances originated by and/or managed by HBMS (%)	40%

Our assurance was with respect to the financial year ended 31 December 2022 information only and we have not performed any procedures with respect to earlier periods or any other elements included in the TCFD Report 2022 and, therefore, do not express any conclusion thereon.

Reporting Criteria

The Subject Matter Information needs to be read and understood together with the reporting criteria, which HBMS is solely responsible for selecting and applying.

The reporting criteria used for the reporting of the Subject Matter Information are as follows:

- Triple Bottom Line (“TBL”) Framework
- Internal guidelines on the application of the Triple Bottom Line Framework

Inherent Limitations

The absence of a significant body of established practice on which to draw to evaluate and measure the Subject Matter Information allows for different, but acceptable, measurement basis and can affect comparability between entities over time. It is anticipated that the principles, framework and the tools used to measure and report the Subject Matter Information will develop over time and may be subject to change in line with market practice or regulation, impacting comparability year-on-year.



Independence and Quality Control

We have complied with the independence and other ethical requirements of the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants (“MIA”) and the International Ethics Standards Board for Accountants’ International Code of Ethics for Professional Accountants (including International Independence Standards), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

We apply International Standard on Quality Management 1 “Quality Management for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements”, and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Management’s Responsibility

Management of HBMS is responsible for the preparation of the Subject Matter Information in accordance with HBMS’s internal TCFD reporting guidelines.

This responsibility includes the selection and application of appropriate methods to prepare the Subject Matter Information reported in the TCFD Report 2022 as well as the design, implementation and maintenance of internal control relevant for the preparation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error. Furthermore, the responsibility includes the use of assumptions and estimates for disclosures made by HBMS which are reasonable in the circumstances.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Subject Matter Information based on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with the approved standard for assurance engagements in Malaysia, International Standard on Assurance Engagements (“ISAE”) 3000 (Revised) “Assurance Engagements Other Than Audits or Reviews of Historical Financial Information”. This standard requires that we plan and perform this engagement under consideration of materiality to express our conclusion with limited assurance about whether the Subject Matter Information is free from material misstatement.

The accuracy of the Subject Matter Information is subject to inherent limitations given their nature and methods for determining, calculating and estimating such data. Our limited assurance report should therefore be read in conjunction with the Reporting Criteria on the reporting of the Subject Matter Information for the financial year ended 31 December 2022.

A limited assurance engagement involves assessing the suitability in the circumstances of HBMS’s use of the Reporting Criteria as the basis for the preparation of the Subject Matter Information, assessing the risks of material misstatement of the Subject Matter Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Subject Matter Information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.



Main Assurance Procedures

Our work, which involved no independent examination of any of the underlying financial information, included the following procedures:

- Considered the suitability in the circumstances of HBMS's Reporting Criteria as the basis for preparing the Subject Matter Information;
- Inquired personnel responsible for the Subject Matter Information reported in the TCFD Report 2022 regarding the processes to prepare the said report and the underlying controls over those processes;
- Inquired personnel responsible for data collection, collation and reporting of the Subject Matter Information at the corporate and operation unit level;
- Performed limited substantive testing on a sampling basis on transactions included in the Selected Information, by inspecting internal documents, contracts, reports and data capture forms;
- To check that underlying information for the TBL Assets had been appropriately evaluated or measured, recorded, collated and reported, by:
 - a. agreeing the transaction amount to external and/or internal documents, for example, credit assessment form, facility agreement or hire purchase agreement;
 - b. inspecting second party opinion issued by independent review providers in respect of the sustainable financing frameworks of the issuer or customer;
 - c. checking the transactions reported against the eligible social or green criteria as defined in the Reporting Criteria.
- Checked the formulas and inputs used in the Subject Matter Information against HBMS's internal sustainability reporting guidelines and procedures; and
- Considered the appropriateness of the disclosures and presentation of the Subject Matter Information based on the Reporting Criteria.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information for the financial year ended 31 December 2022, is not prepared, in all material respects, in accordance with the Reporting Criteria.

Restriction on use

This report, including our conclusions, has been prepared solely for the Board of Directors of HBMS in accordance with the agreement between us, in connection with the performance of an independent limited assurance on the Subject Matter Information as reported by HBMS in its TCFD Report 2022. Accordingly, this report should not be used or relied upon for any other purposes. We consent to the inclusion of this report in the TCFD Report 2022 to be disclosed in the website of HBMS at <https://www.hsbcamanah.com.my/>, in respect of the financial year ended 31 December 2022, to assist the Directors in responding to their governance responsibilities by obtaining an independent limited assurance report on the Subject Matter Information in connection with the preparation of the TCFD Report 2022. As a result, we will not accept any liability or assume responsibility to any other party to whom our report is shown or into whose hands it may come. Any reliance on this report by any third party is entirely at its own risk.

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Chartered Accountants

Kuala Lumpur
21 July 2023