BANKING

Maintain POSITIVE

4q23 Results Preview: Nim Decline Manageable, Watch for Credit Cost Disappointments

KEY INVESTMENT HIGHLIGHTS

- **Earnings should come in neutral to muted due to seasonal competition, mixed NOII outlook and potential NCC spikes**
- **BNM's 4QCY23 previews hint at possible negative surprises in the NCC department**
- **Thankfully, BNM's stats also imply deposit competition seems within expectations while loan and deposit growth has ramped up**
- **Ranking banks by upcoming performance: CIMB = BIMB = HLBK > MAY = PBK = AMMB = ABMB > AFFIN = RHB**
- **Maintain POSITIVE call: Headwinds and upside possibilities exist, but close to being priced in**

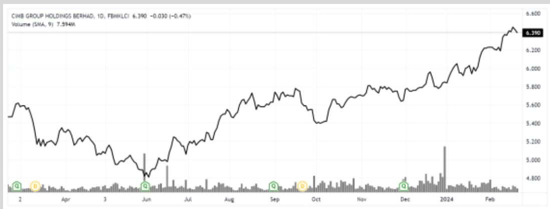
Headed Where?	**Several sector tailwinds remain, but valuations are less attractive following the recent sector repricing.**
Strategy	**Be selective with names. The recent positive repricing is driven by a return of foreign investors, as well as increased certainty of a more normalised deposit competition situation this year. There's still room for positive repricing, but this may be limited.**
Core Themes	1. ▲ Deposit competition has remained rational. Post-CNY FD rate testing provides a possibility for NIM upside. 2. ▲ Asset quality and NCC outlook remain bright, with high possibility of writebacks. 3. ▲ Dividend yields continue growing more attractive. 4. ▲ Large-scale infrastructure projects and state-specific growth drivers in 2HCY23. These are expected to drive both business loan growth and investment banking revenues. 5. ► Sector valuations are increasingly being priced in. 6. ▼ Banks will move towards business loans, given the languishing outlook of retail loans. Is there sufficient room in the SME space? How will non-SME banks respond to the pivot?
Side Themes	1. ▲ Will banks start paring down its capital ratios closer to pre-pandemic levels – and will this provide upside to dividends and ROE? 2. ► Basel III implementation in 2025 – how will this affect the sector's capital management outlook? 3. ► While NOII outlook remains uncertain, there are minor drivers of forex income in the near term, investment banking & loan-related fee income in 2HCY24. 4. ► OPEX outlook is uncertain – but slower year-on-year growth is expected, following a heavy CY23.

COMPANY IN FOCUS

CIMB
Maintain **BUY |** Unchanged Target price: RM6.82
Price @ 22 February 2024: RM6.39

- CIMB Niaga still going strong.
- Digital initiatives to come online soon.
- Further cost takeouts expected, albeit post FY24

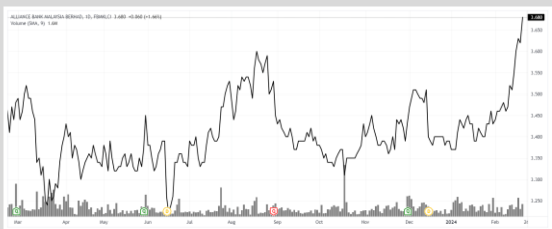
Share price chart



ABMB
Maintain **BUY |** Unchanged Target price: RM4.08
Price @ 22 February 2024: RM3.68

- Strong loan growth to persist.
- 2HFY24's OPEX outlook is good.
- Worst of asset quality issues are over.

Share price chart



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Our expectations for this quarter

► **Earnings should come in slightly muted – more subdued rather than poor:**

1. **NOII provides the largest source of uncertainty, especially on the trading income end.** Forex and loan-related fee income should provide some uplift.
2. **NIM shouldn't underperform too much – but some non-retail banks should have it a bit tougher.** As alluded to by multiple banks, deposit competition seems a lot more rational this time around (and most banks, fearing a repeat of last year's deposit competition situation, have gone out of the way to stock up on liquidity in prior quarters). Both BNM's stats and 4QCY23 preview imply that interest rates have not increased by too much (though Islamic rates remain more elevated than Conventional counterparts). We are wary of a huge surge in pricier non-retail CASA, which may weigh down on some banks.
3. **NCC may be higher than expected – kitchen sinking is expected.** Writebacks are possible in some cases, especially with most banks' worst asset quality days behind them, and BNM pressuring for overlay reclassification/removal. But expect some disappointments: (1) BNM stats point towards 4QCY23's NCC being much higher than the previous 3 quarters, (2) AMMB will likely utilise the proceeds for tax-credit write-off for a large provision – we believe other banks with low LLC or guiding for further asset quality issues will do something similar, (3) 4Q and 2Q are auditing quarters – this is often associated with surprise provisions.
4. **OPEX is not that big of an issue.** Most costs were frontloaded in 1HCY23 – 4QCY23 should see less variance compared to previous years.

Maintain POSITIVE call. *(Our comprehensive list of sector drivers is on the first page).*

Top downside risks include:

1. A slowdown in GDP, which affects loan growth and investment banking activity,
2. Deposit competition spikes up once again,
3. Asset quality issues rear up once more.

Top Picks: CIMB (BUY, TP: RM6.82) and **ABMB (BUY, TP: RM4.08).**

Fig 1: Peer comparison table

(Link to all our reports: https://www.midf.com.my/reports?industry=66)

Bank	Rec	Share P* (RM)	Target P (RM)	Upside (%)	Mkt Cap (RM b)	P/E (x) FY23	P/E (x) FY24	P/B (x) FY23	P/B (x) FY24	ROE (%) FY23	ROE (%) FY24	Div Yield (%) FY23	Div Yield (%) FY24
MAY	NEUTRAL	9.52	9.28	-2.5	113.9	12.4	11.6	1.3	1.2	10.5	10.9	6.5	6.9
CIMB	BUY	6.39	6.82	6.7	66.6	9.8	9.2	1.0	0.9	10.6	10.6	5.6	6.0
PBK	BUY	4.48	4.69	4.7	87.0	12.6	12.1	1.6	1.5	13.3	12.8	4.1	4.4
RHB	BUY	5.65	6.50	15.0	23.7	8.2	7.9	0.8	0.7	9.7	9.7	6.6	6.9
HLBK	BUY	19.44	21.38	10.0	39.8	9.9	9.3	1.1	1.0	11.4	11.2	3.5	3.8
HLFG	BUY	16.58	20.65	24.5	18.8	6.7	6.2	0.6	0.6	10.0	10.0	3.0	3.2
AMMB	NEUTRAL	4.37	4.23	-3.2	18.3	10.8	9.6	0.9	0.9	9.0	9.4	4.1	4.6
BIMB	NEUTRAL	2.35	2.29	-2.6	5.6	10.8	9.4	0.8	0.7	7.4	8.0	6.3	6.4
AFFIN	NEUTRAL	2.65	2.24	-15.5	5.7	12.8	10.0	0.5	0.5	4.1	5.1	2.3	2.9
ABMB	BUY	3.68	4.08	10.8	5.7	8.7	8.0	0.8	0.7	9.4	9.6	5.7	6.3
Simple avg (ex-HLFG)						**10.7**	**9.7**	**1.0**	**0.9**	**9.5**	**9.7**	**5.0**	**5.3**
Weighted avg (ex-HLFG)						**11.3**	**10.6**	**1.2**	**1.1**	**11.0**	**11.0**	**5.2**	**5.6**

**Closing prices from 22 Feb 2024.*
^AMMB, ABMB, HLBK & HLFG uses FY24F/25F values.

Source: Banks, MIDFR

Fig 2: Call, Earnings and Target Price Adjustments

Bank	Call New	Call Former	Target Price New	Target Price Former	FY24 Earnings* New	FY24 Earnings* Former	FY24 Earnings* Change	FY25 Earnings* New	FY25 Earnings* Former	FY25 Earnings* Change	FY26 Earnings* New	FY26 Earnings* Former	FY26 Earnings* Change
AMMB	NEUTRAL	BUY											

**AMMB, ABMB, HLBK & HLFG uses FY24F/25F/FY26 values.*

Source: Banks, MIDFR

Fig 3: BNM Banking Stats: Quarterly figures

Qoq figures	t-4	t-3	t-2	t-1		4Q23
Growth (%qoq)						
Domestic loans	**1.2**	**0.6**	**0.8**	**1.6**	▲	**2.2**
Res mortgages	1.9	1.5	1.5	2.1	▼	2.0
Passenger cars	1.9	2.4	2.2	2.4	▲	2.5
Credit cards	7.4	-0.3	2.1	3.6	▲	5.1
Personal use	0.3	0.6	1.5	2.2	▼	1.4
Working cap	0.2	0.9	-0.8	0.9	▲	3.7
Non-res property	1.4	1.1	0.8	1.6	▼	1.3
Construction	-2.8	-0.1	1.1	1.1	▼	1.0
Approval rate (%)	**55**	**50**	**53**	**53**	▼	**52**
Applications (RM m)	309	328	345	395	▼	374
Approvals (RM m)	171	165	181	208	▼	194
Deposits + repo	**0.9**	**1.9**	**0.1**	**1.4**	▲	**2.2**
Domestic deposits	**0.2**	**1.1**	**0.2**	**0.8**	▲	**2.4**
CASA	-0.9	-1.1	0.3	0.9	▲	3.5
FD	2.4	2.5	1.4	0.3	▼	-0.4
Retail FDs	3.0	2.9	2.7	0.8	▲	1.5
Business FDs	2.2	2.8	-1.1	0.5	▼	-1.9
LCR (%)	**154**	**157**	**155**	**152**	▲	**161**
GIL ratios (%)						
Industry	**1.72**	**1.74**	**1.76**	**1.72**	↘	**1.65**
Res mortgages	1.38	1.39	1.48	1.37	↘	1.33
Passenger cars	0.45	0.44	0.49	0.50	↘	0.49
Credit cards	0.98	1.01	1.05	1.07	↘	0.99
Personal use	2.55	2.62	2.63	2.61	↗	2.68
Working cap	2.46	2.53	2.48	2.58	↘	2.40
Non-res property	1.83	1.75	1.77	1.74	↘	1.63
Construction	4.39	4.58	4.42	4.06	↗	4.07
LLC	**98**	**96**	**92**	**91**	▲	**92**
Bond Issuance (RM b)	**69**	**20**	**32**	**32**	▲	**33**

Source: BNM,, MIDFR

▲ **An exceptional quarter for loan growth – with strong business loan recovery.** Recall that CY23's +5.3% yoy loan growth ended up surpassing our expectations. Retail loans remained steadfast as ever, despite initial worries of a potential slowdown on the residential mortgage end (which we may instead see reflected in subsequent quarters). Credit cards saw a standard year-end festive season boost.

Business loans saw a strong rebound, most notably on the working capital end. A post-election uplift had been largely guided by banks – the brunt of drawdowns must have happened within the quarter.

▲ **Leading indicators are still solid.** While not yet reaching last quarter's highs, note high base effects – last quarter had the largest volume of applications and approvals ever recorded. This quarter, we saw a return to form in non-residential property, construction, and unsecured loan segments.

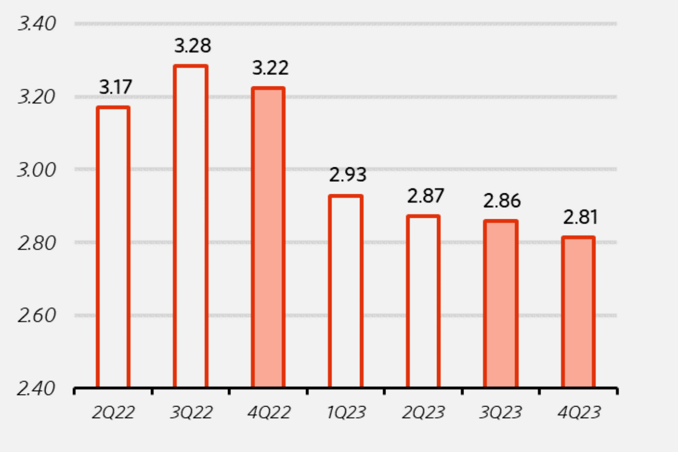
▲ **Deposits saw huge rebound.** Good news: this was largely driven by CASA – more specifically non-individual CASA (which while pricier than retail CASA balances, remains much cheaper than FDs).

FD growth was a bit lacklustre – we think it may be attributable to (a) Banks having clamoured for liquidity much earlier, given the abnormal deposit situation this year, (b) Banks are still employing NIM optimisation exercises (albeit minor compared to previous quarters).

▲ **Asset quality continues to improve in most segments.** We expect major writeoffs and writebacks within the quarter. There was some irritation with personal loans – we will be keeping an eye on ABMB and BIMB, given its large exposure to the segment.

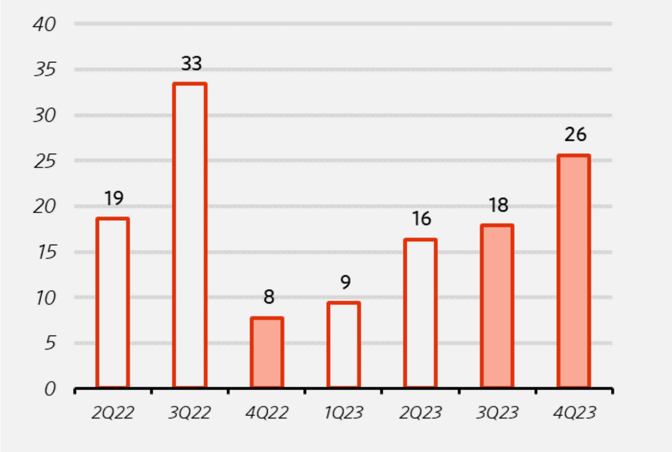
While construction remained roughly flattish, note that if split into each month we can see a trend of sharp improvement in earlier months before significant deterioration in Dec-23 – likely due to significant exposure to a single company. As a result, expect the construction portfolio of certain banks to perform much weaker than others.

Fig 4: BNM's 4QCY23 Preview: NIM



Source: BNM, MIDFR

Fig 5: BNM's 4QCY23 Preview: NCC



Source: BNM, MIDFR

Fig 6: Banks earnings season preview

Banks / 4q23 Earnings Grade	Possible guidance revisions (Or, if 4Q, likelihood of overshooting/outperforming target): (↑)(↓)(↑)(↓) ▲ Promising, ▼ Less promising, ► Neutral, ▲▼Could swing either way.
MAY ►	▲ **Loan and deposit growth to remain strong.** We've seen strong loan growth in 3QFY23 driven by strong local business and overseas segments. Management has guided that 4QFY23 to see similarly strong levels of growth – we see no reason for any tapering down. Deposit growth should see good quarter-on-quarter growth as well, especially since Maybank's NIM optimisation exercises continue to wind down. We were already wary of a stretched L/D ratio since last quarter, but management has stated that it is comfortable with some degree of flexibility for now.
CIMB ▲	▲ **Deposit competition stable, NOII, asset quality, and loan growth results to improve**. As alluded to in the recent pre-blackout season. ► **Provisioning to increase on a sequential quarter basis.** This will be driven by TH (conservative provisioning) and MY (low base in 3QFY23). Recall that FY23 NCC guidance was revised downwards last quarter. ▼ **A light one-off charge to personnel costs.** CIMB underwent a wholesale banking streamlining exercise, which involved downsizing. Effects will be seen in the coming quarter.
PBK ►	▼ **GIL ratio could see further uptick.** PBK's RA programme structure differs from its peers, leading to delayed recognition of impairments relative to its peers. Hence, while most of the sector players' GIL ratio have already peaked, PBK may not have achieved it yet. Management also highlighted further Hong-Kong-and-Vietnam-related impairments are expected. ▲▼ **Loan growth could be lacklustre, given that FY23 target is nearly achieved.** PBK is retaining its FY23 guidance of 4-5%yoy – when it already recorded a 9MFY23 YTD growth of 4.5%. Residential mortgages, one of its core drivers, have been reporting low margins. Management has asserted its willingness to preserve ROE in favour of loan growth – and is thus willing to give up market share to preserve it. ▲ **Dividend payouts to creep up?** The Group has been gradually increasing its payout ratio from 50% over the last few years – with no major downsides to earnings, we think the trend will remain this year.
RHB ▼▼	**NCC (↑)** ▼ **Low LLC increases probability of higher-than-expected provisions.** Recall in 3QFY23 that RHB was blind-sided by a huge influx in overseas impairments, likely driving its GIL ratio up more than expected (also leading to a low LLC of 75%, which management intends to rectify as soon as possible). 4QFY23's GIL is guided to remain stable or see a slight decline – without larger scale recoveries, the likelihood of top-up is very high. ▲▼ **Will CASA influx be sufficient to buoy NIM?** Management did not give a direct indication of the trajectory of 4QFY23's NIM. They did allude that MySiswa CASA inflows were delayed to 4QFY23, which could provide some uplift. ▲ **Better NOII in 4QFY23.** Management is guiding for better trading incomes. This comes alongside a good forex outlook, and recovery in loan-related-fee income (as 4QFY23 should more loan normalisation).

Banks / 4q23 Earnings Grade	Possible guidance revisions (Or, if 4Q, likelihood of overshooting/outperforming target): (↑)(↓)(↑)(↓) ▲ Promising, ▼ Less promising, ▶ Neutral, ▲▼Could swing either way.
HLBK ▲	**NIM (↑)** ▲ **We should see some L/D ratio optimisation – Loan growth to outstrip deposit growth.** That Group that it intends to increase its L/D ratio closer to the sector average of ~87.6%, from its usual ~85% range. As a result, we will not be surprised to see loan growth outstripping deposit growth, as management does not want to rely on paring down deposits to achieve the optimal L/D ratio. ▲ **Further writebacks this quarter?** HLBK surprised the market with a heavy writeback in the last quarter. Given the Group's high overlay balance and LLC, as well as the industry's lowest GIL ratio (likely having already passed the peak). While still early in FY24, we think there is a large possibility that HLBK's NCC could come in well below the guided amount. ▲ **NIM guidance was too conservative – and could be revised.** We think HLBK's initial guidance entertained the possibility of irrational deposit competition during the festive season. This does not seem to be the case and some of its peers seem fairly optimistic about post-CNY deposit rate outlook as well. Couple this with a possible uplift to NIM from L/D ratio optimisation, and virtually no issues with liquidity, as well as having recently pared down on pricier "Global market" segment deposits. ▲▼ **BOCD and OPEX still anyone's guess.** Having already allocated a large provision in the last quarter, we do not think BOCD should see anything similar this time. We are wary, however, of adverse interest rate movements in China that could impact NIM. Management has been guiding for elevated spending in the next couple of years to roll out its new plans, but we are uncertain whether we will start seeing any effects in the coming quarter.
AMMB ▶	**ROE (↓)** ▶ **Tax-credit write-off makes ROE outlook murkier, though proceeds will likely be used for a beneficial purpose.** AMMB's ROE guidance factors in a huge tax-credit write-off worth RM538m expected in 3QFY24. While we think the bank is capable of *achieving* this target without including the one-off, AMMB has mentioned that it will use some of these proceeds for provision from kitchen-sinking. This will cut into recurring income, putting pressure on the current 9-10% ROE target. There's a high likelihood that the bank may use more of the proceeds for other beneficial purposes, though it is unlikely to amount to the full RM538m figure. ▲ **Stronger 2HFY24 loan growth.** AMMB expects post-election certainty to boost business loan growth figures, especially given 1HFY24's YTD growth was almost flattish. ▲ **Better trading income outlook.** Recall that a bond-book-related profit-taking exercise was supposed to happen in 2QFY24 – it has since been delayed to 2HFY24, providing some uplift then.
BIMB ▲	▲ **OPEX to remain flattish.** Management is suggesting a 4QFY23 OPEX of RM350m, which implies a similar run rate to the first three quarters. Under normal circumstances, 4Q OPEX tends to trend ~RM40-70m higher. ▲ **Not expecting any major surprises.** FY23 loan growth target has been adjusted to a rational level, NCC and GIL ratio seem well guided for and are past its worst days. The only source of uncertainty we see is in the NOII segment – but it makes up a small proportion of the Group's topline anyway.
AFFIN ▼▼	**ROE (↓), NIM (↓), CASA (↓)** ▼ **Lumpy provision likely in 4Q.** Affin is maintaining its FY23 target of 18-20bps. As of 9MFY23, its NCC is only 7bps – far below the guided result, leaving room for a large provision. Couple with this with Affin being less confident in its asset quality outlook than its peers, guiding for potential issues down the line. ▼ **Ambitious quarter-on-quarter improvement is needed to achieve NIM target.** FY23's NIM target (which was just revised in 3QFY23) requires an increase of ~20bps qoq this quarter, which we think is unachievable. Part of this is linked to the delayed rollout of the mobile app, which lowers the achievability of CASA target – and subsequently, its benefits on NIM. ▲▼ **Potentially a heavy OPEX quarter.** Despite guiding for a lower bonus pool, OPEX guidance remains at <10%yoy but as of 9MFY23, OPEX is still trailing behind at 5%yoy – leaving space for a heavy quarter, especially when Affin alluded to higher spending in building its Sarawak franchise.
ABMB ▶	▲ **Improved OPEX profile in 2HFY24.** ABMB's heavy 1HFY24 was due to frontloaded personnel cost, and Collective Agreement adjustments – we should see some easing in this quarter. ▲ **Lumpy recoveries inbound?** ABMB believes that there's a high chance they could see recovery in certain large accounts in 2HFY24 – but the scale of recovery and the timeframe remain less certain. We

Banks / 4q23 Earnings Grade	Possible guidance revisions (Or, if 4Q, likelihood of overshooting/outperforming target): (↑)(↓)(↑)(↓) ▲ Promising, ▼ Less promising, ► Neutral, ▲▼Could swing either way.
	should see some improvement (or at least stability, especially in its consumer portfolio) in GIL ratio, but we feel that a sharper sequential quarter improvement can be seen in 4QFY24, when the brunt of larger account recoveries starts to kick in. ▲ **Expect stronger loan growth…** While 4QFY24 already saw a strong growth of 4.9%YTD, management was guiding for a stronger 2HFY24 given that the brunt of end-financing mortgage disbursements has been locked in during the period. Given the strong domestic loan growth reflected by recent BNM stats, we think ABMB stands a good chance of surpassing its FY24 target of 8-10%. ► **…but possibly at cost of lower dividend payouts?** Last quarter, ABMB's CET1 ratio had been constrained due to its high growth levels of RWA-intense loan classes. To preserve capital, management has alluded to possible downward revisions of the dividend payout ratio's historical average of ~50% – though we are uncertain whether ABMB will implement this within FY24. ► **Bright NOII outlook offset by weaker trading income**. Despite a good forex outlook and loan growth associated fee income, the spiking of bond yields in 3QFY24 should offer some drag to ABMB's NOII outlook.

Source: Banks, MIDFR

Fig 7: Sector themes, and how they affect each Bank

Themes	Core beneficiaries / Most affected
Loan Growth	**Most banks.** Most banks already saw a considerable uplift in the last quarter, riding on post-election loan boost as well as stronger overseas contributions. Most banks are confident in further drawdowns in the coming quarter. BNM stats imply this quarter will see even stronger growth. **PBK.** PBK's 9MFY23 YTD growth was pretty close to the FY23 target. PBK has stated that it prioritises ROE over loan growth and is willing to give up market share to preserve its profitability level. This is pertinent, especially since residential mortgages, the Group's core loan growth driver, is experiencing razor-thin margins. In theory, there should still be space for growth in more niche segments of the residential mortgage market, but we remain wary of downside possibilities.
Liquidity	**Most banks.** We do not see major issues in this end, given that deposit competition has been rational so far. There are two scenarios: (1) Banks have done their liquidity accumulation earlier in the year and can take it easier now, (2) Banks have negative or slower deposit growth YTD because of NIM optimisation exercises (Maybank, BIMB) are still pretty liquid.
Asset Quality and Provisioning	**Most banks.** Most banks' GIL ratios have already peaked, though BNM's 4QCY23 preview implies that there could be potential kitchen-sinking exercises for NCC. **PBK.** While PBK's GIL ratio is excellent, its RA programme is structured differently than most peers, implying that we could continue to see rising impairments. The Group has also guided further delinquencies in Hong Kong and Vietnam. This may delay writebacks. **AFFIN.** In terms of GIL, Affin is the least confident in its outlook, guiding for potential issues down the line. The likelihood of large provision allocations is extremely high.
NIM and Deposit Competition	**Most banks.** Expect stable to minor sequential quarter compression for most players. Seasonal deposit competition seems to be rational, as alluded to by BNM banking stats and recent guidance. We may see some pressure on banks with significant overseas exposure, particularly to Indonesia – as well as those with larger Islamic loan exposure.
Non-Interest Income	**AMMB.** AMMB's bond book profit-taking was delayed to 2HFY24 – expect some uplift from this. **ABMB.** Some skittishness guided in the trading book, offsetting uplift brought about by strong forex income.
OPEX and costs	**Most banks.** Most banks would have frontloaded costs to the first half of the financial year, because of union wage situations and in some cases, starting IT projects earlier in the year (some banks like to leave larger projects to the final quarter).

Source: Banks, MIDFR

Income Statement	Balance Sheet	Valuations & Sector
Core NP – Core Net Profit	LCR – Liquidity Coverage ratio	ROE – Return on Equity
PPOP – Pre-Provisioning Operating Profit	L/D ratio – Loan/Deposit ratio	GGM – Gordon Growth Model
NII – Net Interest Income	CASA – Current & Savings accounts	P/BV – Price to Book Value
NIM – Net Interest Margin	FD – Fixed Deposits	BVPS – Book Value per Share
COF – Cost of Funds	GIL – Gross Impaired Loans	BNM – Bank Negara Malaysia
NOII – Non-Interest Income	NIL – Net Impaired Loans	OPR – Overnight Policy Rate
MTM – Mark to Market	LLC – Loan Loss Coverage	SRR – Statutory Reserve Requirement
CIR – Cost to Income Ratio	NCC – Net Credit Costs	SBR – Standardised Base Rate
OPEX – Operational Expenses	GCC – Gross Credit Costs	ALR – Average Lending Rate
	CET 1 – Common Equity Tier 1	

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MIDF AMANAH INVESTMENT BANK: GUIDE TO RECOMMENDATIONS	
STOCK RECOMMENDATIONS	
BUY	Total return is expected to be >10% over the next 12 months.
TRADING BUY	Stock price is expected to *rise* by >10% within 3-months after a Trading Buy rating has been assigned due to positive newsflow.
NEUTRAL	Total return is expected to be between -10% and +10% over the next 12 months.
SELL	Total return is expected to be <-10% over the next 12 months.
TRADING SELL	Stock price is expected to *fall* by >10% within 3-months after a Trading Sell rating has been assigned due to negative newsflow.
SECTOR RECOMMENDATIONS	
POSITIVE	The sector is expected to outperform the overall market over the next 12 months.
NEUTRAL	The sector is to perform in line with the overall market over the next 12 months.
NEGATIVE	The sector is expected to underperform the overall market over the next 12 months.
ESG RECOMMENDATIONS* - source Bursa Malaysia and FTSE Russell	
☆☆☆☆	Top 25% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell
☆☆☆	Top 26-50% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell
☆☆	Top 51%- 75% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell
☆	Bottom 25% by ESG Ratings amongst PLCs in FBM EMAS that have been assessed by FTSE Russell

* ESG Ratings of PLCs in FBM EMAS that have been assessed by FTSE Russell in accordance with FTSE Russell ESG Ratings Methodology