

AYA Bank Celebrated 7th Year Anniversary with Numerous Successful Milestones

AYA Bank is Continuously Striking towards International Standards to Serve Better for Everyone

7 years ago, on 11 Aug 2010, AYA Bank Ltd. started to serve the people of Myanmar with its banking products and services at its first branch in Nay Pyi Taw with merely a hundred employees. Against the backdrop major transitions, in the short period of 7 years, AYA Bank has become the 2nd largest private bank in Myanmar in terms of Customer Deposits, Loans & Advances, Capital, Branches and Number of Customers. AYA's peer group mainly comprises of 20-25 year old banks. In addition, AYA Bank has earned a reputation for being a leader in transparency, governance and innovation. In 2014-15 AYA became the first IFRS compliant bank and also the first to be audited under International Standards of Auditing (ISA). Now for 3 consecutive years (2014-15, 2015-16 & 2016-17, AYA is the only IFRS compliant bank in Myanmar.

In 2011, AYA had broken new grounds by being the first to implement a Centralized Core Banking System, launched major ATM & branch expansion drives, and in 2014, fully functional Mobile and Internet Banking and Integrated Cash Management Solutions for customers across all the branches in every division and state of Myanmar. Therefore, AYA Bank is also the first bank to offer the same products and services to customers in the remotest branches as to customers in the heart of Yangon.

While banking industry numbers are not published, we understand from other reports that during 2013-2016, the Compounded Annual Growth Rate (CAGR) of private bank Deposits and Loans & Advances was 38% and 44% respectively. During the same period AYA Bank Deposits grew 89% and Loans & Advances 84%. From 2014 to 2017 this growth rate was 84% for both Deposits and Loans & Advances. In 2016-17 AYA Bank was again the fastest growing bank in the country with 44% growth in Deposits and 39% growth in Loans & Advances. AYA Bank's growth is spread across a wide cross section of the economy covering Retail, SME and Corporate Banking customers and with the largest 100 depositors representing less than 7% of total customer deposits AYA Bank has the most diversified customer portfolios in the country.

The bank has invested heavily in human resources. In a market where finding talent has been one of the key challenges, AYA Bank has successfully hired over 8,200 staff (2014:2,500). The average age of AYA Bank staff is below 27 years with 58% female and zero gender-salary-gap. For the vast majority AYA Bank is their first job in banking, therefore Learning & Development is an essential part of AYA Bank's strategy, delivered both 'on-the-job' as well as through four in-house training centers. This investment in the development of a trained workforce is part of AYA Bank's contribution to building national capacity. It also contributes to one of the highest staff retention rate in the industry. With the right mix of young talent and experienced management, AYA Bank is committed to grow its business and maintain its position as an employer of choice, providing effective, efficient and modern customer-focused solutions.

AYA has also been investing consistently in growing the number of branches from 64 in March 2014 to 225 in 2017 (104 Branches in Yangon Region alone). During the same period, number of customer accounts increased from around 300,000 to over 1.2m supporting the national efforts at Financial Inclusion.

2017 has also seen another significant milestone with the kickoff the implementation of the new tier 1 Core Banking System from Finastra (previously Misys). This Omni-Channel platform will replace the existing Core Banking System enabling AYA Bank to streamline workflow as well as digitalizing all manual processes to bring state-of-art products and services to Retail, SME and Corporate Banking customers across the country through the channel of their choice.

The investment in people, branch network, technology and corporate governance architecture and international best practices have been the hallmarks of AYA Bank and key differentiation it from its peer group. While others may have focused on a couple of these, only AYA Bank has invested heavily in all. At the same time, AYA Bank has maintained a consistent record of innovation and international best practices. Followings are the significantly successful milestones of AYA Bank.

- First bank to offer daily accrual deposit products
- Innovative in loan product structures such as Project Loan, Contract Loan, Syndicated Loan, etc.
- First bank to provide seamless collection service nationwide, Real time reporting on transactions and Automated sweeping facilities on collection accounts
- Innovative “4 in 1 service” packaging; Customers get passbook, MPU Card, Internet and Mobile Banking altogether.
- First internet banking and mobile banking provider in Myanmar
- First bank to provide flexible Hire Purchase schemes.
- First bank to allow payment of Yangon City District Council bills online
- First bank to enter the market with three types of Visa Cards simultaneously
- First bank to voluntarily undergo a human rights audit.
- First bank to implement ILO recommendations for HR Policies including the whistleblower and non-discrimination policies
- First bank to implement / achieve zero gender-salary-gap
- First and as yet the only bank to be IFRS compliant
- First and as yet the only bank to be audited by a top 4 international firm under International Standards of Auditing
- First bank to launch a series of campaigns to get people to belt up to save their lives when travelling in vehicles and to be aware of preserving the natural resources around them

To meet the rapidly growing and diversifying needs of its customers, AYA Financial Group, through AYA Bank, AMI Insurance, and AYA Trust Securities, are able to offer Debt, Equity, Life & General Insurance and a wide range of other financial products and services to customers ranging from Retail, to SME, to Corporates and Conglomerates. The ethos of AYA Financial Group is to actively support and improve the business environment in Myanmar, as well as contribute continuously to the rapidly changing financial sector of the country. AYA is playing a leadership role not only as the fastest growing bank in one of the fastest growing economies of the world but also in terms of introduction of international best practices of corporate governance.

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About AYA Bank

AYA Bank received its banking license from the Central Bank of Myanmar on 2 July 2010 and began operations on 11 August 2010. The bank is authorised to operate as an investment or development bank for the domestic market and the approved banking activities include borrowing or raising of money, lending or advancing of money either secured or unsecured, receiving securities or valuables for safe custody, collecting and transmitting money and securities, and provides international banking services including international remittance, payment and trade services. AYA Bank subscribes to global standards in governance, risk and compliance in its management and operations. The bank has engaged talents with both domestic and international exposures and has invested significantly in training and technology as a way to ensure long term sustainable growth for the bank and for the community it serves.

Since its inception, the bank has grown steadily, with the number of branches increased progressively to 219 branches and customer deposits grew healthily to Kyats 3.95 Trillion as at end April 2017, signifying increased confidence among the public in the bank.

For the years ahead, the bank will continue to extend its branch network throughout Myanmar. It will continue to focus on building relationships with customers, providing excellent customer service, and leveraging technology as the enabler to enhance its customer base. At the same time, the bank aims to strengthen its governance, risk and compliance structure as a measure to ensure balance and sustain growth.