

We Make
Progress
Happen

What does it mean to you to be a youth in RHB?

REACHING
HIGHER

REALISING YOUR
POTENTIAL

For Everyone

WE'RE HERE FOR ALL

ENRICHING
COMMUNITIES

EMPOWERING YOUTH

Those who we serve, as well as those who work together with us, are at the heart of everything we do at RHB Banking Group. They are the reason why we are where we are today and for them, we strive to be a sustainable and responsible financial services provider. We are empowered through the Agile way of working and driven by our commitment to ensuring that our stakeholders progress together with us. Thus, *Making Progress Happen for Everyone* unites all RHBians in partnering with our customers to help them succeed, uplifting communities, and building a sustainable banking ecosystem for the benefit of our future generations.

WHAT'S INSIDE THIS REPORT



ABOUT THIS REPORT

04

LEADERSHIP THAT MAKES THINGS HAPPEN

- 04 About This Report [↗](#)
- 06 Our Investment Case [↗](#)
- 08 Sustainability Journey [↗](#)
- 10 Joint Leadership Message [↗](#)

15

OUR APPROACH TO SUSTAINABILITY

- 15 Group Sustainability Framework [↗](#)
- 18 Sustainability Governance [↗](#)
- 22 Stakeholder Engagement [↗](#)
- 28 Our Material Matters [↗](#)
- 30 The United Nations Sustainable Development Goals [↗](#)
- 31 Task Force on Climate-related Financial Disclosures [↗](#)

38

OUR FOCUS AREAS

- 38 Sustainable and Responsible Banking [↗](#)
 - Sustainable Financing [↗](#)
 - > ESG Risk Management [↗](#)
 - > Green Financing [↗](#)
 - > Sustainable Advisory and Investment [↗](#)
 - > Sustainable Solutions for Customers [↗](#)
 - > Advancing Value-based Intermediation [↗](#)
 - Customer-centric Banking [↗](#)
 - > Customer-centric Solutions and Experience [↗](#)
 - > Fair Treatment of Financial Consumers [↗](#)
 - Digitalisation [↗](#)

70

OUR FOCUS AREAS

- 70 Embedding Good Practices [↗](#)
 - Ethics and Governance [↗](#)
 - > Corporate Governance & Integrity [↗](#)
 - > Integrity, Conduct and Culture [↗](#)
 - > Strengthening Our Compliance Capabilities [↗](#)
 - > Tax Transparency [↗](#)
 - > Data Protection & Cybersecurity [↗](#)
 - People and Workplace [↗](#)
 - > Talent Management and Development [↗](#)
 - > Diversity, Equity and Inclusion [↗](#)
 - > Employee Health, Safety and Wellness [↗](#)
 - Environmental Stewardship [↗](#)
 - > Environmental Stewardship [↗](#)
 - > Climate Change - Operational GHG Emissions Disclosures [↗](#)
 - Sustainable Procurement [↗](#)
 - > Embedding Sustainability in Procurement Practices [↗](#)

104

OUR FOCUS AREAS

- 104 Enriching and Empowering Communities [↗](#)
 - Community Enrichment [↗](#)
 - > Nurturing Future Generations [↗](#)
 - > Health & Wellness [↗](#)
 - > Community Well-being [↗](#)
 - Financial Education [↗](#)
 - > Nurturing Future Generations through Financial Literacy [↗](#)
 - > Reimagining Financial Awareness for All Our Customers [↗](#)

121

APPENDICES

- 121 Contributing to the UN SDGs [↗](#)
- 124 Memberships and Industry Associations [↗](#)
- 126 Performance Data [↗](#)
 - Employees [↗](#)
 - Customers [↗](#)
 - Digitalisation [↗](#)
 - Environment [↗](#)
 - Suppliers/Supply Chain [↗](#)
- 141 GRI Content Index [↗](#)
- 149 Material Matters and Boundaries [↗](#)



The interactive PDF allows you to access information easily, search for a specific item, view website or navigate between pages, sections and links.



Content List



Link



Search



Previous Page



Next Page



OUR SUITE OF REPORTS

Integrated Report

Our primary Report used to communicate our value creation strategies, performance and outlook to our stakeholders.

Financial Report

Details the Group's financial statements and analysis of the financial results, further supported by an independent auditor's report.

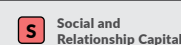
Sustainability Report

Communicates the Group's approach to sustainability and efforts in creating sustainable value.

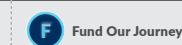
NAVIGATION ICONS

Links to our strategy pillars as well as our capitals.

Our Capitals:



Our Strategy:



Our Reports:



ABOUT THIS REPORT

ABOUT THIS REPORT

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The RHB Sustainability Report 2021 ("Report") marks RHB Bank Berhad's ("RHB Banking Group", "RHB" or "the Group") fifth stand-alone sustainability report.

This Report describes RHB's sustainability journey to date and responses to material sustainability areas that matter most to the Group and our valued stakeholders. Through the Report, we communicate how we continue to create value, mitigate risks and integrate sustainability into our business strategy and operations to ensure long-term sustainable growth for all.

 This Report should be read together with the RHB Integrated Report 2021 and RHB Corporate Governance Report 2021.

REPORTING PERIOD AND CYCLE

This Report covers RHB's sustainability performance over the financial period from 1 January 2021 to 31 December 2021, unless otherwise stated.

SCOPE AND BOUNDARIES

RHB Bank Berhad is a public company listed on the Main Market of Bursa Malaysia Securities Berhad. This Report covers the activities of and information from RHB Bank Berhad and its subsidiary companies across nine countries in the Association of Southeast Asian Nations ("ASEAN"). References to 'RHB', 'RHB Banking Group', 'the Group' and 'we' refer to RHB Bank Berhad and/or its subsidiaries.

Information pertaining to employees is Group-wide and covers all nine countries. Certain information in this Report may be limited to geographical sectors due to our process of refining data collection to improve our coverage and disclosures in the future. In such instances, locations or parameters will be stated where applicable.

GUIDELINES AND STANDARDS

This Report complies with Bursa Malaysia's Main Market Listing Requirements and has been prepared in accordance with the Global Reporting Initiative ("GRI") Standards: Core Option. The GRI Content Index can be found on pages 141 to 148.

This Report is also consistent with the following global reporting standards and frameworks to better communicate our sustainability performance and impacts generated during the financial year:

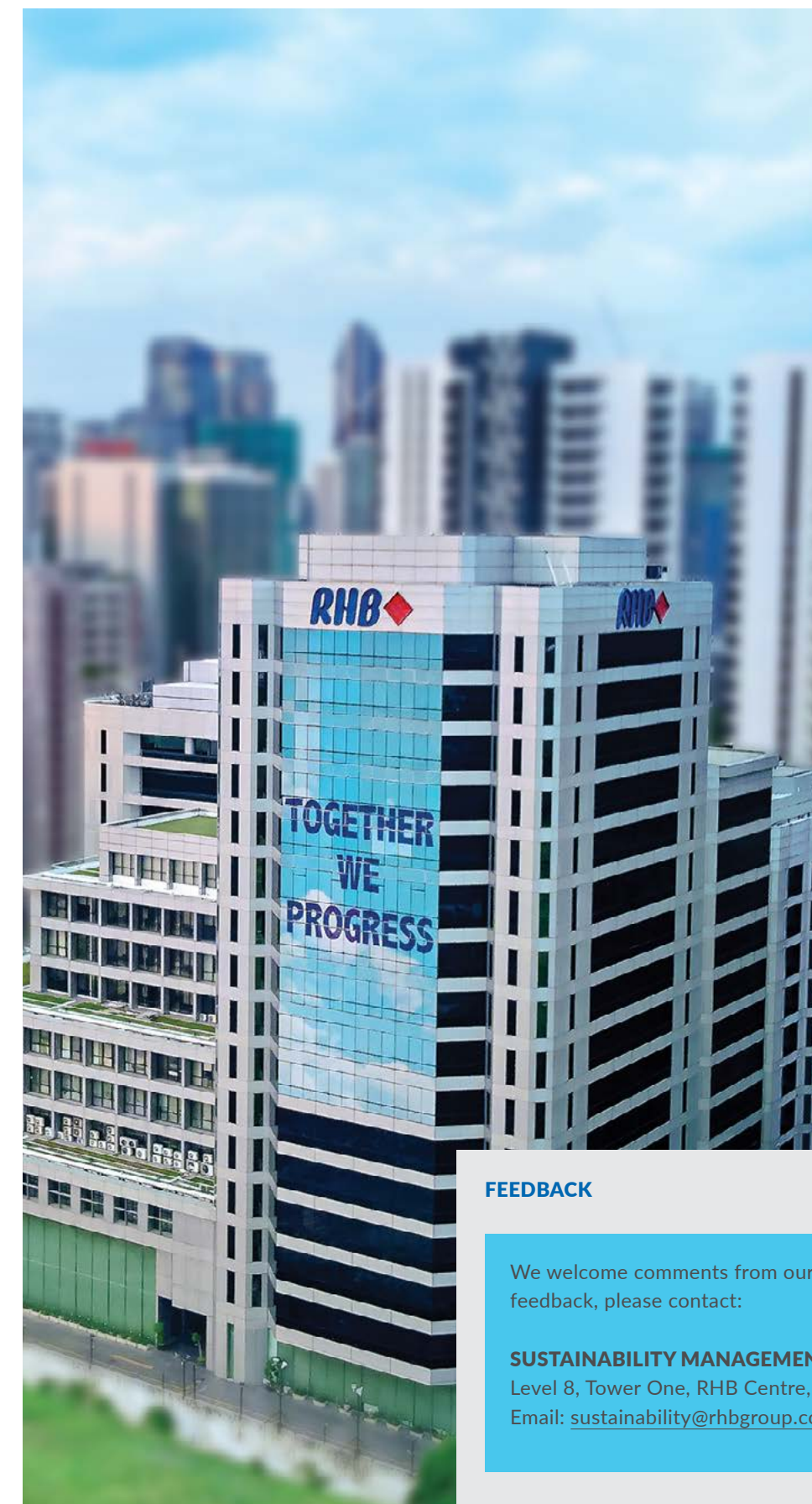
- Bursa Malaysia Sustainability Reporting Guide 2nd Edition
- United Nations Sustainable Development Goals ("UN SDGs")
- Task Force on Climate-related Financial Disclosures ("TCFD").

As part of continuous improvement efforts, the Group also benchmarks its performance and disclosures against globally recognised ESG ratings and assessments. These include the S&P Global ESG Ratings, FTSE Russell's ESG Ratings and MSCI ESG Ratings, which provide significant indicators that help to strengthen RHB's sustainability strategies, direction and ESG performance.

REPORTING PRINCIPLES

We have applied the following GRI Standards Reporting Principles when developing the content of this Report:

- **Stakeholder Inclusiveness:** Re-evaluated and engaged with identified stakeholder groups to understand their concerns and respond to their expectations.
- **Sustainability Context:** Presented information in the wider context of sustainability.
- **Materiality:** Focused on issues that matter to stakeholders and impact our business.
- **Completeness:** This Report includes coverage of material topics and their boundaries, sufficient to reflect significant economic, environmental and social impacts, and to enable stakeholders to assess RHB's performance in the reporting period.



FORWARD-LOOKING STATEMENTS

This Report contains forward-looking statements related to RHB Banking Group's objectives, strategies, plans and future initiatives that are linked to the Group's business and financial performance. These statements are typically identified by words or phrases such as 'expects', 'targets', 'intends', 'anticipates', 'believes', 'estimates', 'may', 'plans', 'projects', 'should', 'would' and 'will'. Such statements should not be construed as a guarantee of future operating or financial results considering the potential risks and uncertainties that can arise from unforeseen events beyond the Group's control. Factors that could cause actual results to differ materially from those in the forward-looking statements include global, national and regional economic conditions; interest rates; exchange rates; and credit or matters that have not been reviewed or reported on by the Group's auditors.

FEEDBACK

We welcome comments from our stakeholders. For further enquiries and feedback, please contact:

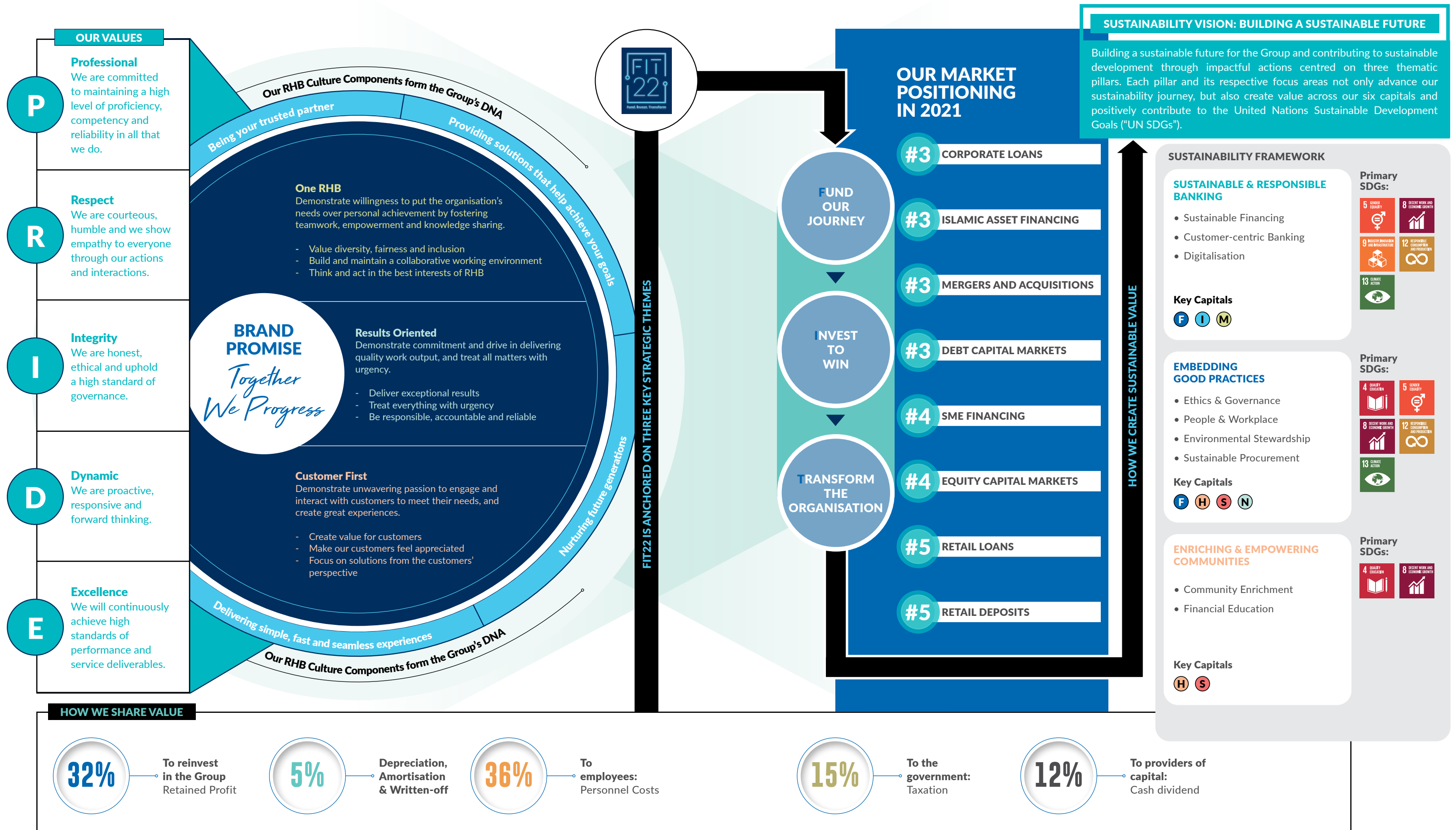
SUSTAINABILITY MANAGEMENT, GROUP CORPORATE COMMUNICATIONS
Level 8, Tower One, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur
Email: sustainability@rhbgroup.com



Visit RHB's 2021 microsite to view our 2021 reporting suite - Integrated Report, Financial Report, Corporate Governance Report and Sustainability Report.

OUR INVESTMENT CASE

OUR INVESTMENT CASE

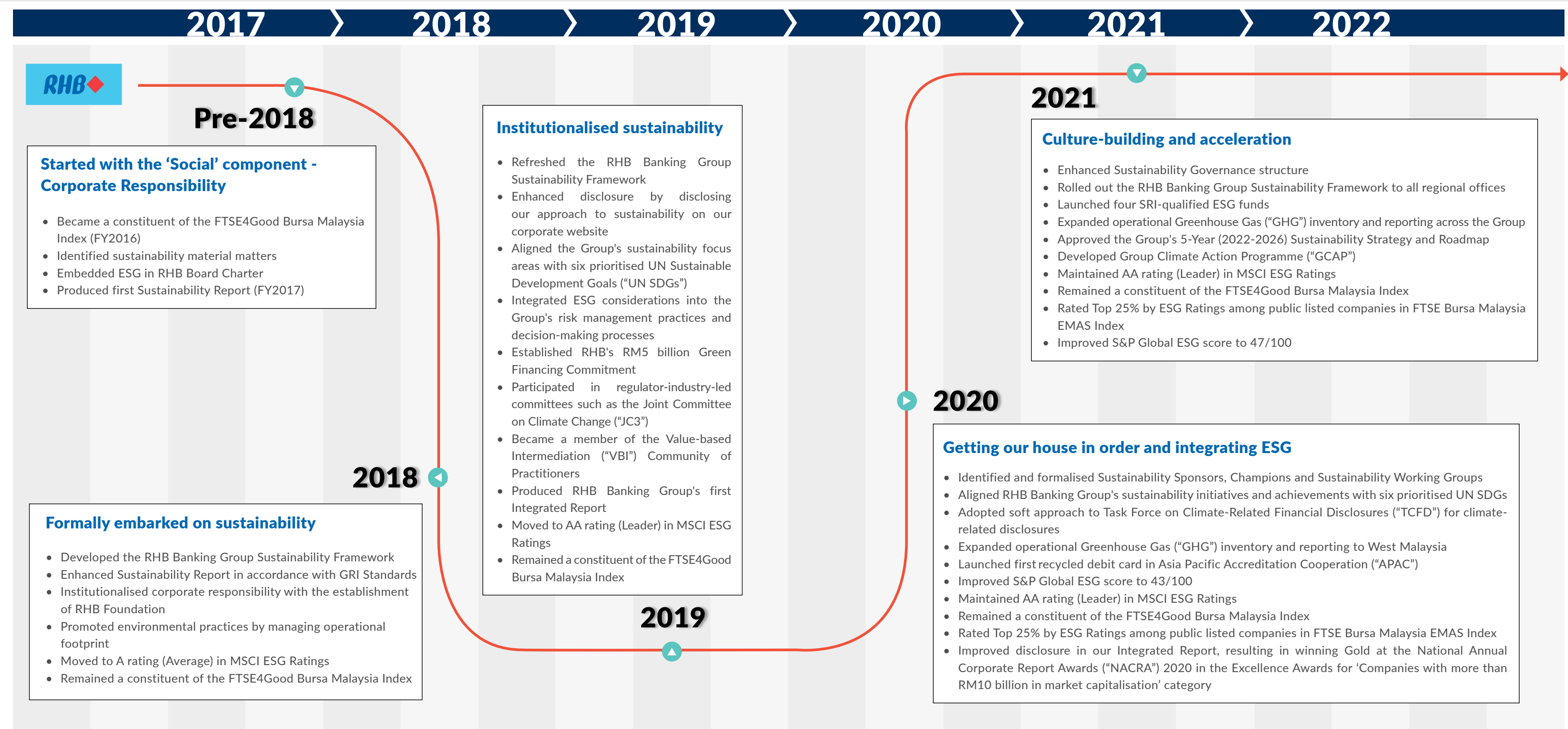


SUSTAINABILITY JOURNEY

SUSTAINABILITY JOURNEY

RHB's sustainability agenda continues to progress over the years. Our priority has not only been to grow our business, but also to ensure that our shareholders, customers, employees and the communities grow together with us. In 2017, we officially embarked on our sustainability journey by integrating Environmental, Social and Governance ("ESG") considerations into our business and decision-making processes.

We have since achieved many milestones in our sustainability journey, including establishing a robust Sustainability Framework and a 5-Year Roadmap, which will take us beyond 2022. Going forward, our sustainability journey will become more intense as we drive our 5-year aspirations towards achieving our 2026 goals.



JOINT LEADERSHIP MESSAGE

JOINT LEADERSHIP MESSAGE

TOWARDS SUSTAINABLE PROGRESS



TAN SRI AHMAD BADRI MOHD ZAHIR
Chairman

MOHD RASHID MOHAMAD
Officer-in-Charge/Principal Officer

DEAR VALUED STAKEHOLDERS,

THE YEAR 2021 BROUGHT INTO FOCUS THE LESSONS LEARNT IN 2020, AS THE PANDEMIC CONTINUED TO PRESENT DAUNTING CHALLENGES AND FUNDAMENTALLY RESHAPED THE WAY WE DO THINGS, AS WELL AS THE PERSPECTIVE OF OUR STAKEHOLDERS AND INVESTORS ON THE IMPORTANCE OF INTEGRATING SUSTAINABILITY HOLISTICALLY ACROSS OUR ENTIRE BUSINESS AND OPERATIONS.

During the year under review, we worked towards playing a greater role in fostering sustainable development within an Environmental, Social and Governance ("ESG") landscape that is now considerably more mainstream. This is in tandem with the continued efforts to strengthen our ongoing initiatives towards maximising positive impact in our approach to embedding better sustainability practices within RHB Banking Group ("Group") and creating value for stakeholders.

We are proud to present our fifth Sustainability Report, which describes the initiatives we have undertaken as we earn our stripes in integrating sustainability within the very fabric of our organisation.

We made much progress and achieved significant results in the year under review, as we drove our initiatives under the Group Sustainability Framework's three thematic pillars: Sustainable and Responsible Banking, Embedding Good Practices and Enriching and Empowering Communities. However, in looking ahead, we also realise that we need to be better prepared to address the challenges and capture the opportunities that have emerged faster than ever as a result of the incredible momentum behind the wider sustainability agenda, domestically and regionally.

As a financial services provider, we are well positioned to positively contribute to sustainable development, especially in the rapid scaling of sustainable financing, considering our unique role in the intermediation and distribution of funds to facilitate the transition to a low-carbon future. We are indeed looking forward to continuing our efforts in nurturing our customers to transition towards sustainable practices and helping our stakeholders to progress together with us.

Strengthening Sustainable and Responsible Banking

RHB is committed to delivering innovative solutions and sustainable financial services that will support the nation's transition towards a sustainable and low-carbon economy.

We will continue to engage with clients and customers in advocating for the transition to clean energy and green activities, as well as nurturing the integration of ESG/sustainable practices into their respective business and operations.

In 2021, we achieved many significant milestones in driving sustainable and responsible banking within the Group:

HIGHLIGHTS FOR 2021

ADVANCING OUR ESG JOURNEY

<p>Effective 2022 onwards, we will no longer pursue opportunities or provide finance for any new thermal coal mine projects and coal-fired power plant projects. In addition, we adopted a new stance on No Deforestation, No Peat and No Exploitation ("NDPE") whereby moving forward, RHB will only support responsible companies in the relevant sectors (i.e. Palm Oil, Forestry and Agriculture) that demonstrate alignment with NDPE</p>	<p>Commitment to green financing now totalling RM4.32 billion, of which 20.7% is for renewable energy projects, as of end-December 2021</p>	<p>In the investments space, we are supporting the ESG agenda further by integrating ESG scores into our stock valuation assessments</p>
<p>Kickstarted the Group Climate Action Programme, towards managing the risk of climate change in the Group's business and operations</p>	<p>Launched the RHB Sustainability Financing Programme, which provides various green financing solutions to retail and SME customers, with the target of granting RM1 billion in new financing by 2025. As of end-December 2021, a total of RM44.36 million has been extended</p>	<p>RHB was also the sole principal adviser, sole lead arranger, joint lead manager, facility agent, shariah adviser and commodity trading participant for SME Bank's RM3 billion Sukuk Wakalah Programmes and its inaugural issuance of the country's first Sustainability Sukuk by a Development Financial Institution ("DFI") valued at RM500 million</p>
<p>Expansion of the Group's ESG Risk Assessment tool comprising eight ESG-sensitive sectors</p>	<p>Successfully structured and executed Malaysia's first Green Cross Currency Interest Rate Swap transaction set against ESG-linked KPIs to hedge a USD100 million 2-year Sustainable Loan</p>	<p>Through Value-based Intermediation ("VBI"), our Islamic arm has collaborated with the Malaysian Green Technology and Climate Change Corporation on their Rumah Ibadat Hijau initiative and has initiated discussions with several established local universities for potential collaborations</p>
<p>Accelerated the offering of Sustainable Financial Services products and solutions</p>	<p>Launched 4 SRI-qualified ESG funds with total AUM of RM836 million as of end-December 2021</p>	

JOINT LEADERSHIP MESSAGE

JOINT LEADERSHIP MESSAGE

Embedding Good Practices

We recognise that embedding good practices and ethical conduct among our employees is one of the fundamentals of long-term sustainable growth. In this context, robust integrity and governance practices and improved operational eco-efficiency, as well as being firm advocates of diversity, equity and inclusion in the workplace, are key sustainability areas, which we closely monitor and uphold towards achieving positive outcomes.

In 2021, we achieved the following in Embedding Good Practices:

Ethics and Conduct

🟢 **Inculcating a Positive Compliance Culture:**

Launched the RHB AML Capabilities Enhancement Project ("RACE") to strengthen our Anti-Money Laundering and Counter Financing of Terrorism ("AML/CFT") efforts.

🟢 **Upholding Integrity:**

- > Organised an Anti-Bribery and Corruption ("ABC") training session facilitated by the Malaysian Anti-Corruption Commission ("MACC") for our members of the Board of Directors and conducted 65 training and awareness sessions for more than 4,700 employees, including regional employees.
- > Approved the establishment of the Group's inaugural Organisational Anti-Corruption Plan ("OACP"), which will be rolled out in 2022, and organised 10 sessions of workshops across the Group that were attended by 168 participants to facilitate the development of the OACP.
- > Adopted MACC's integrity vetting system as part of the due diligence process to onboard new senior officers.

People and Workplace

🟢 **Employee Engagement:**

Achieved an Employee Engagement Score of 90%, on par with the Malaysian financial services industry average, and met our target score for 2021.

🟢 **Learning and Development:**

Invested RM24.6 million in the upskilling and reskilling of our employees, with a total of 606,623 training hours this year.

🟢 **Health, Safety and Wellness:**

7,648 employees took part in 14 health, safety and wellness training sessions and programmes.

🟢 **RHB Humanitarian Fund:**

More than RM370,000 was raised by employees for the RHB Humanitarian Fund to aid more than 175 RHBians impacted by COVID-19 and the floods in December 2021.

🟢 **RHB Natural Disaster Fund:**

Allocated RM800,000 to RHB Natural Disaster Fund in FY2021 to assist employees who were financially affected by natural disasters as well as the pandemic. As of 31 December 2021, RM774,058 was utilised, of which RM604,000 was provided for COVID-19 assistance and RM170,058 for flood assistance.

Diversity, Equity and Inclusion

🟢 **Board Diversity:**

Maintained 30% women's representation on RHB Bank Berhad's Board of Directors, reflecting diversity and inclusivity within the Group.

🟢 **Senior Management Diversity:**

To further promote diversity within our organisation, we target to have female employees occupy one-third of our management positions by 2026. As of December 2021, women held 53% of Management positions and 28% of Senior Management positions. To promote female leadership, we launched RHB's first Women in Leadership League programme in collaboration with Melbourne Business School and LeadWomen to empower female leaders.

Environmental Stewardship

🟢 **Operational GHG Emissions:**

- > Expanded reporting boundary to cover all main buildings and branches in Malaysia.
- > Total GHG emissions¹: 25,580 tCO₂eq.
- > GHG emissions intensity: 1.85 tCO₂eq/employee, which was 41% lower compared to baseline 2016 for Malaysia.

🟢 **Environmental Impact Management:**

- > Delivered 28.2 million e-statements to reduce paper consumption.
- > Rolled out Waste Recycling Management programme for our Head Office building and collected a total of 1,147 kg of recyclables and waste within three months.
- > Targeted to replace all traditional lighting with LED lighting across all of RHB's main buildings by 2023 and completed 80% of the initiative in 2021.

Sustainable Procurement

🟢 **Supporting Local Industries**

- Spent over RM762 million on 563 suppliers to procure goods and services²:
 - > Of which RM689.8 million (91%) was spent on 523 local suppliers (93%).
 - > 82% or RM623.48 million of the Group's procurement budget was invested in technology and IT-related services.

Enriching and Empowering Communities

The communities around us continued to be impacted by the effects of an unrelenting and prolonged COVID-19 pandemic. The effects were wide and varied as families struggled to make ends meet, and society's most vulnerable, especially children, had their education disrupted. The Group believes that education and the holistic growth of the younger generation are key in empowering them for greater upward mobility and better opportunities. Thus, our initiatives were aligned to ensure that the underprivileged would continue receiving access to quality education and holistic development via digital means as a way for them to continue their learning sessions while ensuring the health and safety of the children.

Our flagship programme, RHB X-Cel Academic Excellence, continued to support the academic ambitions of thousands of future leaders, particularly those from the underprivileged segment of the community. We drew upon our strengths and technology to successfully enrol more students and awarded the top scorers with scholarships to enable them to pursue their studies in local public universities. Throughout the year, we minimised the impact of the movement restrictions on students in our programme by engaging with them via virtual platforms.

Some of our notable achievements in 2021 included:

🟢 **Nurturing Future Generations through Education:**

• **Education:**

- > The RHB X-Cel Academic Excellence programme has benefited more than 4,000 underprivileged students from the B40 income segment across 40 schools since 2018.
- > More than 1,500 students enrolled in the RHB X-Cel Academic Excellence programme in 2021, surpassing the target of 1,000 students.
- > 30 students have been awarded the RHB X-Cel Star Scholarships since 2019 for enrolment in local public universities, with a target to award 60 scholars by 2023.
- > Contributed approximately RM6.1 million since 2020 for the benefit of the B40 community under our Nurturing Future Generations Pillar. These initiatives impacted more than 6,000 beneficiaries through our RHB X-Cel Academic Excellence programme and RHB X-Cel Star Scholarship programme. This also includes RM5 million for the CERDIK programme, through which we contributed digital devices to more than 3,600 students from the B40 segment to support their online lessons and e-learning during the pandemic.

• **Financial Literacy:**

- Championed financial literacy through the Money Ma\$ter Programme ("MMP"):
 - > Reached out to 1,075 students in 2021, bringing the total number of students engaged to more than 25,000 students since its roll-out in 2018.
 - > Launched a six-episode online financial education series, which recorded more than 112,000 engagements.
 - > Launched the 'goWave by RHB' website to promote financial awareness among young adults in Cambodia by sharing knowledge and information on financial management matters.

🟢 **Reducing the Negative Effects of COVID-19:**

- Since 2020, the Group has contributed close to RM8.4 million under our Uplifting Communities Pillar to provide COVID-19 relief assistance, which included the provision of medical equipment to selected hospitals and donations to families who were financially impacted by the pandemic.

The Group has shown significant progress in its sustainability journey over the last three years. Many of the initiatives established at the early stage of our journey are now well integrated across the Group, and these act as catalysts to take our journey further.

ESG Ratings

- 🟢 Remained a constituent of the **FTSE4Good Bursa Malaysia Index** as at December 2021
- 🟢 Top 25% by ESG Ratings among public listed companies in FTSE Bursa Malaysia EMAS as at December 2021
- 🟢 RHB Bank Berhad scored 47/100 in the 2021 **S&P Global Corporate Sustainability Assessment**, reflecting an improvement of 4 points over the past one year
- 🟢 Maintained AA rating (Leader) in the **MSCI ESG Ratings** since September 2019

We strive to continuously enhance our sustainability disclosure, in particular, climate-related disclosure. Since 2020, we have gradually moved to align our climate-related disclosure by taking a soft approach to adopting the recommendations of the Task Force of the Climate-related Financial Disclosures ("TCFD"). As such, the Group will continue to move forward in enhancing our climate-related disclosure including through the introduction of our Group Climate Action Programme ("GCAP") in January 2022.

¹ Scope 1 (96 tCO₂eq), Scope 2 (23,380 tCO₂eq) and Scope 3 (1,554 tCO₂eq) in Malaysia.

² Main Market Malaysia.

JOINT LEADERSHIP MESSAGE

GROUP SUSTAINABILITY FRAMEWORK

Our Next 5-Year (2022 - 2026) Sustainability Strategy and Roadmap

Going forward, sustainability will continue to be our top strategic priority with the introduction of a new 5-Year (2022-2026) Sustainability Strategy and Roadmap which includes the GCAP. The 5-Year (2022-2026) Sustainability Strategy and Roadmap underlines the Group's focus and commitment to the sustainability and climate agenda. This demonstrates the inextricable link that sustainability has to the long-term viability of the business. Ultimately, RHB aims to be a front runner in pursuing sustainable practices and climate-related considerations.

Sustainability Purpose:

To be a sustainably responsible financial services provider by promoting sustainable and inclusive growth and nurturing customers, employees and communities, while upholding good governance to create value.

Our Aspirations:

- Support sustainable development by mobilising RM20 billion in sustainable financial services by 2026.
- Empower more than two million people across ASEAN by 2026.
- Achieve carbon neutral operations by 2030.

The Board is committed to driving sustainability across the Group's business and operations, and together with the Group's Senior Management, we will further integrate sustainability as part of the Group's overall corporate strategy.

Recognising this, the Group's sustainability governance structure has been further enhanced with clearer oversight on sustainability and our climate action programme by our Board of Directors.

Enhanced Sustainability Governance

Established the Group Sustainability Committee ("GSC") in July 2021, chaired by the Group Managing Director and reports to the RHB Bank Berhad Board of Directors.

Supported by four Sustainability Councils comprising members of Senior Management:

Sustainable Banking Council

ESG Capital Markets and Advisory Council

Sustainable Insurance Council

Responsible and Sustainable Practices Council

With further support from the Project Steering Committee that oversees the implementation of the Group Climate Action Programme.

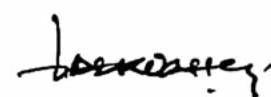
The GCAP, which is a core component of the 5-Year (2022 - 2026) Sustainability Strategy and Roadmap, will help the Group to further entrench climate considerations within our risk management processes with the ultimate objective of assisting the Group to develop a roadmap to achieve our Climate Risk ambition. A key component of this programme will be to fulfill the requirement under Bank Negara Malaysia's Climate Change and Principle-based Taxonomy, which calls on us to conduct high level transition and physical risk materiality assessment on our clients and portfolios, in order for us to better understand the extent of our exposure to climate change, and thereafter will guide us in ambition setting and in developing implementation plan.

Acknowledging Our Key Contributors

Our achievements to date would not have been possible without the commitment of the Group Senior Management, our Sustainability Management team, Sustainability Council Members and Sustainability Champions across the Group. Their leadership in driving the Group's sustainability agenda and in believing that we can indeed make a difference have led to significant improvements in our ESG ratings and a host of accolades.

To the Group's Board of Directors, thank you for your strategic direction and guidance in driving our sustainability agenda. A special thank you to the Board of Trustees of RHB Foundation for its commitment in driving the Group's community engagement initiatives. Our utmost appreciation goes to the Group Sustainability Committee for the leadership and oversight that has allowed us to further advance our sustainability initiatives towards more impactful outcomes.

In closing, we would like to express our sincere gratitude to the regulatory authorities – the Ministry of Finance, Bank Negara Malaysia, the Securities Commission, Bursa Malaysia and all relevant regulatory authorities in the countries we operate in – for being the driving force in accelerating the transition to a low-carbon future. We would also like to thank our Shareholders, valued customers and business partners for your continued trust and support as we edge closer to a more sustainable future.






TAN SRI AHMAD
BADRI MOHD ZAHIR
Chairman



MOHD RASHID MOHAMAD
Officer-in-Charge/
Principal Officer

Our approach to sustainability is anchored on the Group's Sustainability Framework which comprises three key pillars and nine focus areas and is mapped against our Material Matters. The framework was established with the aim of embedding Environmental, Social and Governance ("ESG") considerations in our business and operations. The framework acts as a guide for us to identify opportunities and mitigate risks as we seek to ensure sustainable growth and continue creating value for all our stakeholders.

PILLAR 1	SUSTAINABLE & RESPONSIBLE BANKING	ALIGNMENT & CONTRIBUTION
The Parameters:	<ul style="list-style-type: none"> • A responsible financial services provider • Identify opportunities and offer products & services that contribute to sustainable development • Integrate ESG considerations into our business strategies and decision-making processes 	Key Capitals: F I M Value to Stakeholder Groups <ul style="list-style-type: none"> • Shareholders & Investors • Customers • Business Partners • Regulators & Policymakers Primary SDGs: 
Focus Areas	<ul style="list-style-type: none"> • Sustainable Financing • Customer-centric Banking • Digitalisation 	
PILLAR 2	EMBEDDING GOOD PRACTICES	ALIGNMENT & CONTRIBUTION
The Parameters:	<ul style="list-style-type: none"> • Foster and integrate sustainable practices and responsible behaviour across the Group • Nurture a sustainable culture through awareness-building, learning and on-ground initiatives 	Key Capitals: F H S N Value to Stakeholder Groups <ul style="list-style-type: none"> • Employees • Business Partners • Regulators & Policymakers Primary SDGs: 
Focus Areas	<ul style="list-style-type: none"> • Ethics & Governance • People & Workplace • Environmental Stewardship • Sustainable Procurement 	
PILLAR 3	ENRICHING & EMPOWERING COMMUNITIES	ALIGNMENT & CONTRIBUTION
The Parameters:	<ul style="list-style-type: none"> • Enrich the lives of the underserved and underprivileged, focusing on children and youth • Promote volunteerism • Elevate levels of financial literacy and promote responsible financial behaviour 	Key Capitals: H S Value to Stakeholder Groups <ul style="list-style-type: none"> • Communities • Customers • Employees • Regulators & Policymakers Primary SDGs: 
Focus Areas	<ul style="list-style-type: none"> • Community Enrichment • Financial Education 	

RHB's Sustainability Management Team continuously strives to improve the Group's non-financial disclosures by benchmarking its reporting against globally recognised ESG ratings and assessments. These include the S&P Global Corporate Sustainability Assessment, FTSE Russell's Ratings and MSCI ESG Ratings, which provide significant indicators that help us strengthen our sustainability strategies, direction and ESG performance. The team also constantly monitors the development of ESG ratings and ensures that the Group is kept up to date with highly acclaimed assessments including Sustainalytics and the World Wildlife Fund's ("WWF") Sustainable Banking Assessment ("SUSBA"). We have also attempted to align our climate disclosures with the framework of the Task Force on Climate-related Financial Disclosures ("TCFD") Recommendations, which provides guidance on understanding the Bank's climate-related risks, ensuring our stakeholders are better informed. We will keep raising the standards of our reporting by benchmarking against the highest standards of ESG ratings and best practices.

For more information on RHB's ESG ratings, please refer to page 13.

What's Coming Next:
5-Year (2022 - 2026)
Sustainability Strategy
and Roadmap



In the third quarter of 2021, we reviewed and refreshed our Sustainability Framework and designed our sustainability strategy for the next five years. As a result, a holistic 5-Year (2022-2026) Sustainability Strategy and Roadmap was established, which forms part of RHB's new corporate strategy.

The new strategy will further guide us in embedding ESG considerations in the Group's business and operations, enabling us to create value by providing sustainable and responsible financial services, promoting inclusive growth and nurturing customers, employees and communities, as well as upholding good governance.

5-Year (2022-2026) Sustainability Strategy and Roadmap

Sustainability Purpose: To be a sustainably responsible financial services provider by promoting sustainable and inclusive growth and nurturing customers, employees and communities, while upholding good governance to create value.

Our Aspirations:

- Support sustainable development by mobilising RM20 billion in sustainable financial services by 2026
- Empower more than two million people across ASEAN by 2026
- Achieve carbon neutral operations by 2030

Sustainable & Responsible Financial Services

Integrate ESG considerations into our business strategies and decision-making processes while nurturing customers and communities towards achieving sustainable growth

Focus Areas

- **Sustainable Financial Services**
Create positive impacts through our lending, capital markets, wealth management, deposits, investment, asset management and insurance businesses
- **Financial Inclusion & Empowerment**
Provide financial services to targeted segments of the community (students, new to workforce, SMEs, microenterprises, etc.) to promote inclusion



Embedding Good Practices

Foster responsible practices and nurture a sustainable culture within our organisation

Focus Areas

- **Ethics & Conduct**
Uphold integrity, ethics and compliance through robust policies and practices
- **Environmental Stewardship**
Improve internal environmental footprint while promoting resource management and green practices
- **People & Workplace**
Nurture a fair, diverse, inclusive and sustainable workforce
- **Sustainable Procurement**
Promote responsible and sustainable practices



Enriching & Empowering Communities

Create long-term positive impacts on the communities, focusing on nurturing children and young adults

Focus Areas

- **Nurturing Future Generations**
Promote resilience in children and young adults through a holistic learning and development programme
- **Lifting Communities**
Improve the lives of vulnerable & underserved members of the community through meaningful initiatives that build capacity, develop skills and promote volunteerism



Governance
Robust sustainability governance across the Group to drive decision-making and provide appropriate oversight of sustainability

Data & Technology
Leverage data points and technology for monitoring and reporting to ensure reliability, credibility and trust

Human Capital & Training
Attract, retain and develop people with the right skill sets and capabilities to support the sustainability agenda

Partnership & Advocacy
Build trusted partnerships and continuously advocate for and nurture others towards sustainable practices

5-YEAR (2022-2026) SUSTAINABILITY STRATEGY AND ROADMAP

Sustainability Purpose

To be a sustainably responsible financial services provider by promoting sustainable and inclusive growth, nurturing customers, employees and communities and upholding good governance to create value.

Our Aspirations

 Support sustainable development by mobilising RM20 BILLION in sustainable financial services by 2026	 Empower more than 2 MILLION people across ASEAN by 2026	 Achieve carbon neutral operations by 2030
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Why?

To recognise RHB's unique position and role as an enabler of the real economy, creating opportunities for shared value and nurturing our clients and customers to transition to sustainable and greener practices	To create an inclusive financial system that best serves all members of society, including the underserved and targeted segments as identified by RHB	To identify RHB's contribution to climate change and the potential impact of climate change on RHB
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How?

<ul style="list-style-type: none"> • Offer Sustainable Financial Services across all Strategic Business Groups ("SBGs") • Develop new Sustainable/ESG products and financial solutions • Expand Green Financing Commitment • Explore strategic partnerships and collaborations 	<ul style="list-style-type: none"> • Develop innovative and expanded financial products and services • Provide convenient financial access through digitalisation • Improve financial literacy 	<ul style="list-style-type: none"> • Measure and disclose operational GHG emissions to cover Scope 1, Scope 2 & Scope 3, based on GHG Protocol • Reduce operational GHG emissions intensity through various programmes and initiatives
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Sustainability Pillars

Sustainable & Responsible Financial Services	Embedding Good Practices
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SDGs Supported by Our Aspirations

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16 PEACE, JUSTICE AND STRONG INSTITUTIONS In doing what we do to meet our aspirations, and in line with our Values and RHB Culture Components.

SUSTAINABILITY GOVERNANCE

At RHB, we have taken a long-term view of sustainability. As such, we have continued to enhance our approach to sustainability management and have established strong foundations to support our journey. We seek to realise our aspirations and embed sustainability in our business and daily operations. In 2021, we reviewed and refreshed our sustainability governance to be more robust across the Group.

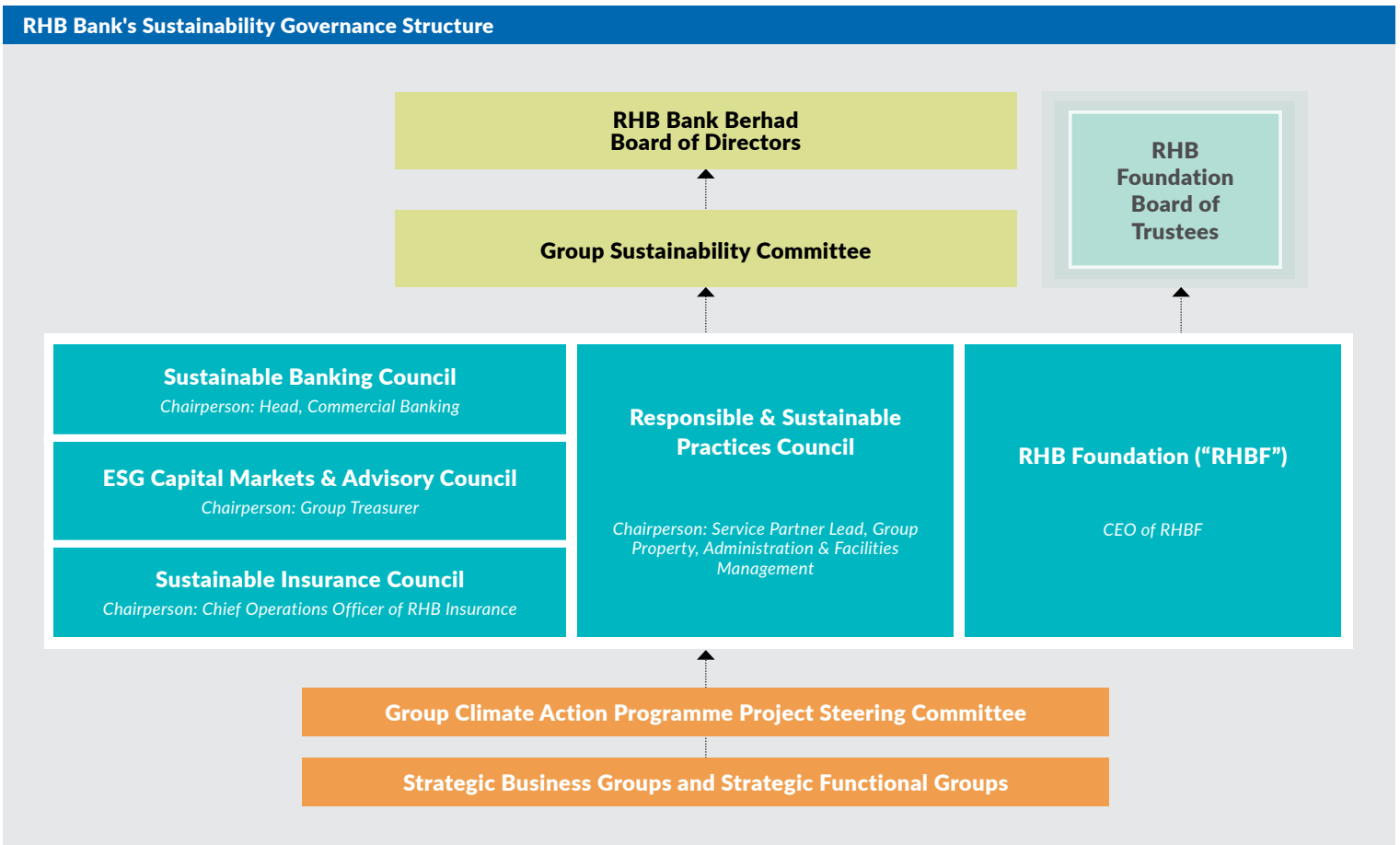
RHB Bank Berhad's Board of Directors holds the ultimate responsibility for the Group's sustainability strategy and direction, which include matters on climate change. The Board is supported by the Group Sustainability Committee ("GSC"), which is led by the GMD/CEO and four Sustainability Councils comprising key senior leaders across the Group.

In driving the Group's key focus areas, a network of Sustainability Sponsors and Champions comprising members of the senior leadership team has also been identified to lead and embed sustainability practices in their respective business and functional areas. The Sustainability Management team, the Strategic Business Groups ("SBGs") and the Strategic Functional Groups ("SFGs") are in charge of implementing the day-to-day sustainability-related tasks and initiatives.

The RHBF team manages and drives the Group's third Sustainability Pillar – Enriching and Empowering Communities – with strategic guidance from the RHBF Board of Trustees.

SR For more information on:

- RHB's community engagement, please refer to *Community Enrichment* on pages 104 to 116.
- RHBAM's ESG Committee, please refer to *Sustainable Advisory and Investment* on page 48.
- RHB's Sustainability Pillars and Focus Areas, please refer to *Group Sustainability Framework* on pages 15 to 17.



RHB BANK BERHAD'S BOARD OF DIRECTORS

- Sets strategic direction for the Group's sustainability objectives, aspirations and key focus areas.
- Approves the Group's goals and targets in relation to the broader sustainability matters and climate-related matters.
- Oversees the Group's sustainability practices towards embedding ESG considerations across the Group's decision-making processes and risk management metrics.
- Ensures that the Group's sustainability practices are aligned with the Group's long-term strategic direction, as well as being accountable for the Group's ethical and social impacts.
- Provides strategic oversight of material sustainability matters and the implementation of the Group's Net Zero commitment and key focus areas against set targets and metrics.

For more information on the roles and responsibilities of the Board, including those related to sustainability and ESG integration, please refer to RHB Bank Berhad's Board Charter on our corporate website at: www.rhbgroup.com/files/others/about-us/corporate-governance/rhb-bank-berhad/board-charter.pdf

GROUP SUSTAINABILITY COMMITTEE

- Strategically drives the Group's sustainability and climate action plans, in line with the Group's sustainability vision, aspirations, commitments, key pillars and prioritised United Nations Sustainable Development Goals ("SDGs").
- Identifies and drives climate-related commercial opportunities as well as commercial opportunities with social impacts, in line with the Group's approved sustainability and climate action strategy.
- Provides guidance, sets targets and oversees the implementation of the Group Climate Action Programme.
- Comprises the Group's Senior Management and is chaired by the Group Managing Director/Group Chief Executive Officer.

SUSTAINABILITY GOVERNANCE

SUSTAINABILITY COUNCILS

Each Council's objective is to integrate sustainability/ESG considerations, including climate-related and, if applicable, Value-based Intermediation ("VBI") considerations, into the Group's business management, operations and decision-making processes.

Sustainable Banking Council	ESG Capital Markets & Advisory Council	Sustainable Insurance Council	Responsible & Sustainable Practices Council
<p>Objective: Sustainability/ESG initiatives, including VBI and climate-related business opportunities, while managing the associated risks and implementing the relevant initiatives, in line with the Group's sustainability and climate agenda.</p>	<p>Objective: To drive the Group's sustainability/ESG initiatives, which include VBI and climate-related business opportunities and approaches for the Group's Capital Markets Origination, Distribution and Financing/Investment strategies and activities, in line with the Group's sustainability and climate agenda.</p>	<p>Objective: To integrate sustainability/ESG initiatives, including climate-related and VBI considerations, into the Group's insurance business, risk management process and all other core processes, including investment decisions.</p>	<p>Objective: To embed and promote sustainability/ESG initiatives, including VBI and climate and ethical-related considerations, across the Group's operations, practices and decision-making processes, while promoting a workplace culture that is fair, inclusive and sustainable, in line with the Group's sustainability and climate agenda.</p>
<p>Roles & Responsibilities:</p> <ul style="list-style-type: none"> Sustainable lending and deposits - covering corporate banking, commercial banking, Shariah business, SMEs and retail banking. Sustainable finance products and services. Development of ESG risk management framework, policies and tools, including managing climate-related risks and the adoption of Bank Negara Malaysia's Climate Change and Principle-Based Taxonomy ("CPPT"). Management of climate risk as a cross-cutting risk and making recommendations on integration. Financial inclusion and accessibility - digitalisation, branch service experience and financial education. 	<p>Roles & Responsibilities:</p> <ul style="list-style-type: none"> Capital markets, advisory and distribution, which include Treasury and Asset Management. Adoption of Sustainable and Responsible investment aligned with the Security Commission's SRI Roadmap for the Malaysian Capital Market. Adoption of ESG risk management policies and tools (working in collaboration with the Sustainable Banking Council). Sustainable and green market trends for client scoping. ESG investments and ESG research to support SRI/sustainable finance initiatives. 	<p>Roles & Responsibilities:</p> <ul style="list-style-type: none"> Business opportunities. Risk management framework, policies and tools, as well as tracking and monitoring (aligned with the Group). Underwriting business and its risk management, as well as developing underwriting policies and strategy (potentially aligned with future BNM CCPT insurance/takaful underwriting). Investment approach for proprietary assets and setting the high-level agenda, including the ESG integration approach. 	<p>Roles & Responsibilities:</p> <ul style="list-style-type: none"> Driving focus areas under Embedding Good Practices: <ul style="list-style-type: none"> Ethics & Governance People & Workplace Environmental Stewardship Sustainable Procurement. Promoting fair, inclusive and sustainable culture through awareness-building, learning and on-ground initiatives.
<p>Council Members:</p> <ul style="list-style-type: none"> Chairperson: Head, Commercial Banking. Heads of Strategic Business Groups such as in banking. Heads of Strategic Functional Groups such as risk management, customer experience and sustainability management. 	<p>Council Members:</p> <ul style="list-style-type: none"> Chairperson: Group Treasurer. Heads of Strategic Business Groups such as in investment banking and asset management. Heads of Strategic Functional Groups such as risk management and sustainability management. 	<p>Council Members:</p> <ul style="list-style-type: none"> Chairperson: Chief Operations Officer, RHB Insurance. Heads of Strategic Business Groups in insurance. Heads of Strategic Functional Groups such as sustainability management. 	<p>Council Members:</p> <ul style="list-style-type: none"> Chairperson: Service Partner Lead, Group Property, Administration & Facilities Management. Heads of Strategic Functional Groups such as sustainability management, integrity & governance, and property, administration & facilities management.
<p>NUMBER OF TIMES CONVENED SINCE ESTABLISHMENT (AS AT 31 DECEMBER 2021)</p>			
4	4	4	4

SBGs AND SFGs

- Implement on-ground sustainability initiatives and programmes.
- Establish and monitor performance of metrics and targets.
- Review the effectiveness of relevant policies based on their materiality and initiatives undertaken.
- Represented by the respective Champions.

SUSTAINABILITY GOVERNANCE

The Group's 10 Sustainability Principles outline the conduct and practices expected of RHB Banking Group, its employees, and key stakeholders in embedding sustainability in its business and operations. These principles embody the spirit of the Group's commitment to sustainable practices, its efforts in integrating ESG considerations into decision-making processes, its contribution to sustainable development and its Islamic banking business' journey towards being a Value-based Intermediation ("VBI") bank.

SUSTAINABILITY PRINCIPLES

PRINCIPLE 1 ALIGN AND INTEGRATE

Align and integrate sustainability/ESG and VBI components as part of our business strategy and decision-making process, enabling us to minimise harm and negative impacts as well as create and deliver value for our shareholders, customers, employees and all other stakeholders.

PRINCIPLE 2 ETHICS AND INTEGRITY

Maintain the highest level of governance and ethical practices in conducting our business and operations.

PRINCIPLE 3 STAKEHOLDER ENGAGEMENT

Have continuous and meaningful engagement with all our stakeholders to better understand their evolving expectations and concerns and to put in place a mechanism to respond to their needs appropriately and effectively.

PRINCIPLE 4 CUSTOMERS AND CLIENTS

Have an understanding of our customers and clients and of their evolving needs and risk profiles in order to build trust, enabling them to make better financial choices and achieve shared prosperity.

PRINCIPLE 5 SUSTAINABLE FINANCING

Embed sustainability/ESG factors into the core delivery of the Group's financial services, balancing profitability with financial inclusion and contributing towards sustainable development.

PRINCIPLE 6 EMPLOYEES AND WORKPLACE

Build a dynamic, diverse, inclusive and safe workplace for employees as well as promote good sustainability/ESG practices as part of the Group's culture.

PRINCIPLE 7 ENVIRONMENT

Exercise due care and diligence where possible in managing the Group's direct and indirect environmental impacts as well as promote environmental awareness and advocacy among our network of stakeholders.

PRINCIPLE 8 COMMUNITY

Enrich and empower the community within which we operate with a focus towards nurturing future generations.

PRINCIPLE 9 SUPPLIERS AND VENDORS

Operate in a sustainable manner through our procurement practices and make active decisions on how we procure and who from. To this end, we seek to collaboratively promote better sustainable/ESG practices among our suppliers and service providers.

PRINCIPLE 10 DISCLOSURE AND TRANSPARENCY

Keep our shareholders, customers, employees and all our stakeholders informed on the development and impacts (positive and negative) of the Group's sustainability/ESG initiatives and contributions to sustainable development.

STAKEHOLDER ENGAGEMENT

STAKEHOLDER ENGAGEMENT

RHB defines stakeholders* as those who affect and/or could be affected by the Group's activities, products or services and associated performance.

The Group takes an inclusive and systematic approach to engaging with our various stakeholders to better understand and respond to their needs and concerns. Engaging with stakeholders also influences our materiality matters as well as decision-making processes which in turn, will enable us to address gaps and manage stakeholders' expectations better.

ENGAGEMENT FREQUENCY

- F1 Annually
- F3 Monthly
- F5 Periodically
- F7 Ongoing
- F2 Quarterly
- F4 Weekly
- F6 As and When Required

* The Group refers to Bursa Malaysia's Sustainability Reporting Guide (2nd edition) and AA1000 Stakeholder Engagement Standard 2015 to identify key stakeholders.

SHAREHOLDERS AND INVESTORS

We provide our shareholders and investors with relevant information in order to make informed investment decisions on RHB as well as share with them our financial performance and the Group's strategic direction.

Material Matters:
Sustainable Financing, Good Business Governance, Dynamic Regulatory Landscape

Engagement Platform

- F1 F6 • Annual and Extraordinary General Meetings
- Meetings and briefings with analysts and fund managers
- F1 • Annual Reports/Integrated Reports
- F1 • Sustainability Reports
- F6 • Bursa Malaysia announcements
- F2 • Quarterly and annual financial results announcements
- F6 • Online communications (email, corporate website, social media)
- F6 • Periodic meetings/discussions
- F6 • Roadshows, conferences and round table discussions

Stakeholder Concerns/Expectations

- Resilient revenue growth and cost management
- Asset quality and management of credit risk
- Approach to and progress in sustainability or ESG, which include integration of climate-related risks into risk management processes
- Ethical and responsible business conduct and practices
- Corporate governance
- Dividend policy and payout
- Measures to mitigate effects of the pandemic
- Financial assistance available to customers, exposure to vulnerable segment and impact on the Group's profitability
- Progress on FIT22 strategy and the Group's digital transformation journey
- Community development

RHB's Response To Concerns/Expectations

Ensuring Strong Corporate Governance

- Putting in place robust governance policies, ensures adequate management and Board oversight.
- Committed to transparent and accurate disclosure and reporting.
- Appointment of five Independent Non-Executive Directors and one Senior Independent Non-Executive Director to RHB Bank Berhad's Board.

Sustainable Business Growth Amid Challenges From the Pandemic

- Ensuring the Group's readiness in responding to the impact of the economic slowdown due to the pandemic, through digitalisation of customer journeys, transforming credit risk management and readying the workforce for the future.
- Remaining prudent and continuing to set aside pre-emptive provisions to cater for potential adverse impacts on asset quality.
- Providing continuous updates on the Group's exposure to vulnerable segments for both retail and non-retail segments.
- Ensuring business continuity, the health and safety of our employees and continuous support to our customers during the pandemic.

- Providing support to customers through moratorium and payment assistance programmes.

Enhancing Sustainability Approach

- Reviewing and refreshing the Group's existing Sustainability Framework to ensure continued relevance, and establishing a new 5-Year (2022-2026) Sustainability Strategy and Roadmap.
- Kickstarting the Group's Climate Action Programme towards enhancing the Group's climate risk management practices and identifying commercial opportunities.
- Promoting financial inclusion and access through various products and services.

Keeping Stakeholders Informed

- Quarterly engagement with analysts on the Group's financial performance, progress of FIT22 strategies, key sustainability achievements and financial assistance to customers during the pandemic.
- Sharing the progress of the Group's Digital Transformation journey through RHB's Digital Day.

CUSTOMERS

A key winning formula that differentiates us from our competitors is our capability in building trust, delivering convenience and creating value for our customers. We interact with customers to better understand their requirements so that we can propose the right financial solutions for them.

Material Matters:
Financial Inclusion and Education, Customer Relationship Management, Fair Treatment of Financial Consumers, Data Protection and Cybersecurity, Digitalisation and Investment in Technology

- F6 • Online and digital communications (email, corporate website, social media)
- F6 • Customer networking events
- F5 • Surveys (post-service, post-transactions, post-complaint resolution, overall customer experience surveys, touchpoint surveys, product surveys, etc.)
- F5 • Focus groups and service design engagement
- F7 • Seminars and forums
- F7 • Interaction programmes
- F7 • Complaint resolution discussions and Customer Advocacy
- F7 • Relationship Manager engagements
- F7 • Physical communication (letters, notices, etc.)
- F7 • Feedback channels (efeedback**, customer.service@rhbgroup.com, customer.advocacy@rhbgroup.com)
- F6 • Service Clinics
 - Branches, Sales & Service Centres, Call Centres
- F7 • Sales and Service Visits

- Fair treatment and fair conduct of business dealings
- Personalised financial advice and solutions with quick and convenient banking options
- Cybersecurity and having a safe environment in which to conduct banking activities
- Accessibility to banking services during the pandemic
- Availability of payment assistance programme to assist customers affected by COVID-19
- Safety at branches and sales centres

Delivering Sustainable Customer Solutions Through Fair Treatment and Service Excellence

- Ensuring products and services are delivered in line with BNM's Fair Treatment of Financial Consumers ("FTFC") Policy.
- Strengthening digital propositions to deliver enhanced customer experiences and financial accessibility.
- Driving service excellence through the RHB Way Service Culture, an initiative that focuses on improving overall customer experience through its people, process, technology and products, as seen in higher RHB Malaysia Net Promoter Score (achievement of +15 in 2021, +2 points higher than in 2020).
- Simplifying customer communication materials and content by using simple language and minimising legal and technical jargon.
- Making it easier for customers to contact RHB by improving accessibility to existing channels and developing more platforms as options to access RHB for assistance and support.

Safeguarding Customer Privacy and Data Protection

- Subscribing to Third Party IT Security Risk Rating Services as part of enhancing third party due diligence process.
- Organising mandatory IT security awareness training for employees and expanding the training programme to include Board members and third parties to ensure all employees understand their role in protecting customer information and dealings.
- Achieving ISO/IEC 27001 Information Security Management Systems recertification of our core e-Banking and transaction systems.
- Implementing End Point Detection and Response ("EDR") tool to detect and stop malicious activities on desktops and laptops.
- Providing continuous updates of Indicator of Compromise ("IoC") on

- security solutions (e.g. Intrusion Prevention System, Secure Email Gateway) to detect and block abnormal activities.
- Enhancing frameworks and policies relating to technology and cyber risk management as well as continuous strengthening of IT security controls, taking into consideration the new norm and the constantly evolving technology landscape.

Providing Financing Assistance During the Height of the Pandemic

- Repayment Assistance was at its peak in September 2020, with the initial moratorium outstanding balances amounting to RM107.1 billion or 66% of total domestic borrowings, for more than 753,000 customers.
- Providing over RM20.3 billion in financial assistance to SMEs through loans and financing facilities in Repayment Assistance, including delivering the government's Special Relief Facility ("SRF") and Targeted Relief and Recovery Facility, as well as RHB's BizPower Relief Financing ("BRF") programme and Retailer SME Relief Financing programme.
- Providing URUS, a development support programme.

Keeping Our Customers Safe

- Implementing strict SOPs to ensure safety of customers at branches, including limiting number of customers allowed into the premises at any one time throughout the pandemic situation.
- Providing real-time digital queue system for branches via mobile app for customers to book their appointments ahead of time.
- Encouraging online banking transactions via RHB Now and RHB Mobile App.

** an online survey for customers to rate the service of a branch.

STAKEHOLDER ENGAGEMENT

STAKEHOLDER ENGAGEMENT

BUSINESS PARTNERS

In driving business performance and delivering superior products and services to our customers, we engage with our business partners in strategic alliances to capitalise on mutually beneficial business opportunities in the market.

Material Matters:

Sustainable Procurement, Good Business Governance, Data Protection and Cybersecurity

Engagement Platform

- FB • Company visits
- F7 • Formal & informal engagements
- F7 • Online communications (email, corporate website and social media)
- F7 • Tender process and supplier feedback mechanism
- FB • Solution Co-Design Workshops
- FB • Certification and immersion programme with industry leaders and experts

Stakeholder Concerns/Expectations

- User-friendliness of e-Procurement System
- Fair evaluation of vendor proposals
- New policies and guidelines that may affect vendors' performance
- Privacy and confidentiality
- Promptness of payment

RHB's Response To Concerns/Expectations

Providing Guidance and Support for Vendors and Suppliers

- Conducting engagement sessions covering topics on guidelines and procedures, sales and service tax, supplier performance, payment-related matters and contract renewal. These engagement sessions reiterate our commitment towards sourcing transparently and maintaining fair practices.
- Conducting training for vendors and suppliers on an annual basis, as part of the support infrastructure provided for RHB's network of suppliers.
- Establishing Sustainable Procurement policies supported by a robust procurement process to promote responsible and sustainable procurement practices.

Ensuring a Fair Procurement System

- Conducting visits to the office premises or sites of our Business Partners to gain a good understanding of our Business Partners' working environment and work culture, business continuity management and system infrastructure.
- Proposals from vendors are submitted digitally to ensure confidentiality and transparency, without the involvement of project owners.
- Proposals are evaluated fairly based on merit and against a set of clearly identified criteria.

Respecting Good Business Practices

- Payments will be made according to the Terms of Agreement, on or before due dates via digital transfer.

EMPLOYEES

We are committed to being a preferred employer with a highly productive, agile and engaged workforce that delivers exceptional service to customers while ensuring our employees' health, safety and well-being. Employee engagement is a critical driver of business success in today's competitive marketplace.

Material Matters:

Talent Management, Employee Training and Education, Employee Health, Safety and Wellness, Diversity and Equal Opportunity

- F7 • Intranet (My1Portal and MyLink2HR) and email
- F7 • RHB's internal social media channel, Workplace by Meta, and recognition via ThanksBot
- F7 • Social, sports and recreational activities
- FB • Engagement sessions during festive seasons
- F1 • Annual Employee Engagement Survey ("EES") and Internal Customer Effectiveness Survey ("ICES")
- F7 • Formal and confidential grievance channel
- F7 • Formal meetings - GMD Chat Sessions and town halls conducted across the region
- F2 FB • Senior Leadership Forum, GMD Live Session

- Employees' goals and objectives
- Rewards and recognition
- Sustainable engagement
- Work organisation
- Career development
- Learning and development
- Employees' safety and health
- Tools for employees to work remotely

Supporting the Professional Growth of Our People

- Establishing robust Employee Value Proposition programme to attract and retain talents.
- Reskilling/upskilling employees through various development interventions such as RHB Managers Programme and Future Skills Programme, with an investment amount of RM24.6 million.
- Established the Workforce of the Future ("WOTF") Programme to upskill and reskill employees towards more digital and customer-centric roles by enforcing manpower planning guidelines and establishing a specialised recruitment squad to increase talent in the Digital, IT and Analytics areas.

Ensuring Sustainable Engagement

- Conducting Employee Engagement Survey ("EES") on an annual basis to gauge employees' level of satisfaction and obtain feedback on areas for improvement. In 2021, the EES score was 90, on par with the industry norm.
- Conducting roadshows to share our strategic direction with our employees, locally and regionally, and via live updates on Workplace@Facebook by Meta for continuous engagement with employees.
- Conducting salary benchmarking exercise for comparison against the market and retention programmes.
- Conducting quarterly Senior Leadership Forums and Group-wide town halls to share with senior leaders the Group's financial performance and achievements and to provide status updates on key strategic initiatives via live updates.
- Continuous engagement with employees on their career progression through the quarterly one-on-one discussions on performance and annual discussions on career growth and development.

Upholding Health, Safety and Wellness During COVID-19

- Rolling out the improved and refined Employee Wellness Programme.
- Call-tree notifications on safety measures and precautions to adhere to.
- Regularly communicating updates on COVID-19 pandemic-related matters to keep employees abreast of latest developments in ensuring health and safety, via bimonthly GMD Live Sessions and Workplace@Facebook by Meta.
- Ensuring strict adherence to Standard Operating Procedures ("SOPs") within office and branch premises; allowing Work-from-Home ("WFH") arrangement; implementing split operations for key functions; allowing staff rotation at branches together with shorter operation hours; and driving COVID-19 vaccination rate to about 99% in Malaysia Operations by end-2021 by connecting with PPVs and also via paid vaccinations.

Reaching Out to Employees in Need

- Activating the RHB Humanitarian Fund to provide assistance to employees affected by COVID-19 and the floods.
- Providing various forms of assistance to employees impacted by the floods in December 2021, including providing temporary accommodation in RHB Bangi Hostel and financial relief, as well as organising volunteer programmes for employees to help their colleagues such as by distributing essential items and cleaning their houses.
- Allocating a total of RM100,000 to pay insurance claims on ex-gratia basis to employees whose vehicles and house contents were not insured against flood.

STAKEHOLDER ENGAGEMENT

STAKEHOLDER ENGAGEMENT

REGULATORY AUTHORITIES & POLICYMAKERS

We regularly engage with regulatory authorities on matters that impact our business and operations.

Material Matters:

Dynamic Regulatory Landscape, Risk Management, Climate Change, Good Business Governance, Fair Treatment of Financial Consumers, Sustainable Financing

Engagement Platform

- ⑦ Regular updates and reporting to regulatory authorities
- ⑦ Actively participating in and contributing to industry and regulatory working groups, briefings, forums, conferences and consultation papers
- ⑦ Engaging with regulatory authorities to consult, update, share and seek directives on implementation of new products and services or initiatives, policies, decisions or regulatory frameworks

Stakeholder Concerns/Expectations

- Effective internal control measures
- Robust risk management practices
- Effective management of the Group's compliance with rules and regulations
- Balancing between preserving the stability of the banking system, the concerns of depositors and sustaining economic activity
- Efficient AML practices
- Integration of ESG matters, particularly climate change, into the Group's core business and operations
- Progress against Value-based Intermediation ("VBI")
- Good corporate governance
- Ethical and responsible business practices in line with FTFC policy
- Asset quality and management of credit risk
- Policies and procedures
- Clear, relevant and timely communication to customers

RHB's Response To Concerns/Expectations

Ensuring Strong Fundamentals

- Strengthening Board and Management oversight.
- Ensuring strong liquidity and capital levels to withstand potential shocks to the banking system, protect depositors and enable sustained economic activity.

ESG at the Fore

- Continuing to integrate ESG, including climate change considerations, into the Group's core business and operations.
- Continuing to drive commitment to green financing.
- Involvement in regulator-industry-led committees such as the Joint Committee on Climate Change ("JC3").
- Establishing a 5-Year (2022-2026) Sustainability Strategy and Roadmap that underlines the Group's focus and commitment to the ESG agenda.

Upholding Robust Compliance Practices

- Strengthening compliance capabilities amid the continued challenges posed by the COVID-19 pandemic.

- Continuously improving and strengthening compliance functions, including implementing new measures and putting in place new systems and controls to enhance the Group's overall compliance risk governance.
- Ensuring continued compliance awareness among employees through designated training programmes.

Respecting Our Customers

- Embedding Fair Treatment of Financial Consumers principles and RHB Way's Tone of Voice into customer communications.
- Ensuring simplified language in contracts and banking documents.
- Continuous training for frontliners on customer service.
- Conducting customer service surveys to better understand customer expectations and areas for improvement. This is reflected in improved Net Promoter Score ("NPS"), which showed strong performance against industry.

COMMUNITIES

We actively engage with communities, including children and youth from the underprivileged and underserved segments.

Note: This stakeholder group includes NGOs and the media.

Material Matters:

Financial Inclusion and Education, Community Enrichment

- ⑦ Collaboration and partnerships with non-profit organisations, associations or government organisations through RHB's community engagement initiatives
- ⑦ Interaction and discussion with related government bodies and Non-Governmental Organisations ("NGOs")
- ⑦ Online communications (email, corporate website and social media)
- ⑦ On-ground community engagement activities
- ⑦ Innovative digital platforms and mobile banking services to promote financial accessibility
 - Virtual media sessions and press releases

- Promotion of financial literacy despite restrictions on movement
- Opportunities for equal access to education, especially for the B40 communities
- Access to financing and access to basic banking services during the pandemic
- Empowerment of the underserved and underprivileged
- Integration of ESG matters into the Group's core business and operations
- Contributions to mitigate impact of COVID-19 and alleviate challenges post-natural disasters

Putting Education First

- Continuous implementation of the Money Ma\$ter Programme, a structured financial literacy programme that educates secondary and tertiary students on managing their finances.
- Conducting online tuition classes and educational sessions for targeted B40 students to ensure they were not left behind during the lockdown periods.
- Providing more than 3,600 laptops and 111 SIM cards to B40 students from 33 schools nationwide under the CERDIK programme.
- Nurturing and empowering children and youth from underprivileged segments through our RHB X-Cel Academic Excellence and RHB X-Cel Star Scholarship programmes.

Supporting Our Customers and Promoting Inclusivity

- Providing the Targeted Payment Assistance Programme 2021

and Financial Management & Resilience Programme ("URUS"), for individuals impacted by the pandemic.

- Facilitating the disbursement of relief funds for SMEs such as the Special Relief Facility announced by Bank Negara Malaysia ("BNM").
- Promoting access to financing through digitalisation.

ESG at the Fore

- Reaffirming our approach to sustainability and integration of ESG considerations into our decision-making process and risk management practices.
- Identifying opportunities that will contribute to sustainable development and the transition to a low-carbon economy.

Engaging with the Media

- Organising virtual media sessions and sending emails to members of the media to allow information to be disseminated effectively.

FINANCIAL INDUSTRY PEERS

With our financial industry peers, we pursue industry-wide improvements through discussions and consensus on financial industry matters.

Material Matters:

Risk Management, Good Business Governance, Sustainable Financing, Dynamic Regulatory Landscape, Climate Change, Customer Relationship Management

- ⑦ **Industry committees:**
 - Association of Banks in Malaysia
 - Committee on Development of Capital and Money Markets
 - Committee on Consumer and Market Conduct
 - Fraud Risk Committee
 - Environmental, Social, and Governance ("ESG") Committee
 - Association of Islamic Banks in Malaysia
 - MyZakat Working Group
 - Value-Based Intermediation Community Practitioners
 - Association of Islamic Banking and Financial Institutions of Malaysia
 - Malaysian Investment Banking Association
 - Persatuan Insurans Am Malaysia
 - Bank Negara Malaysia
 - Joint Committee on Climate Change

- Impact of regulatory changes and climate change reporting initiatives by BNM
- Integration of ESG matters into the Group's core business and operations
- Customer experience
- Fraud risk
- Compliance matters
- Financial impact of the pandemic
- Financial impact of interest rate cuts

Industry Participation

- Involvement in regulator-industry-led committees such as Joint Committee on Climate Change ("JC3") and working groups such as Value-Based Intermediation Financing and Investment Impact Assessment Framework ("VBIAF") Sectoral Guide Working Group.
- Participate in round table discussions/forums on ESG matters and practices.
- Continuous discussions with our peers on the impacts of new policies and guidelines, as well as how to combat risks associated with fraud and money-laundering.

Assisting Customers

- Continuing to support individuals and customers impacted by the pandemic through Targeted Payment Assistance, which ended in June 2021, and URUS programme.
- Facilitating various forms of Repayment/Payment Assistance for retail and SME customers, including government-guaranteed schemes such as Business Recapitalisation Facility ("BRF"), Disaster Relief Facility ("DRF") 2022, High Tech Facility - National Investment Aspirations ("HTF-NIA"), and Targeted Relief and Recovery Facility ("TRRF"), as well as RHB BizPower/-i Relief Financing facility.

OUR MATERIAL MATTERS

OUR MATERIAL MATTERS

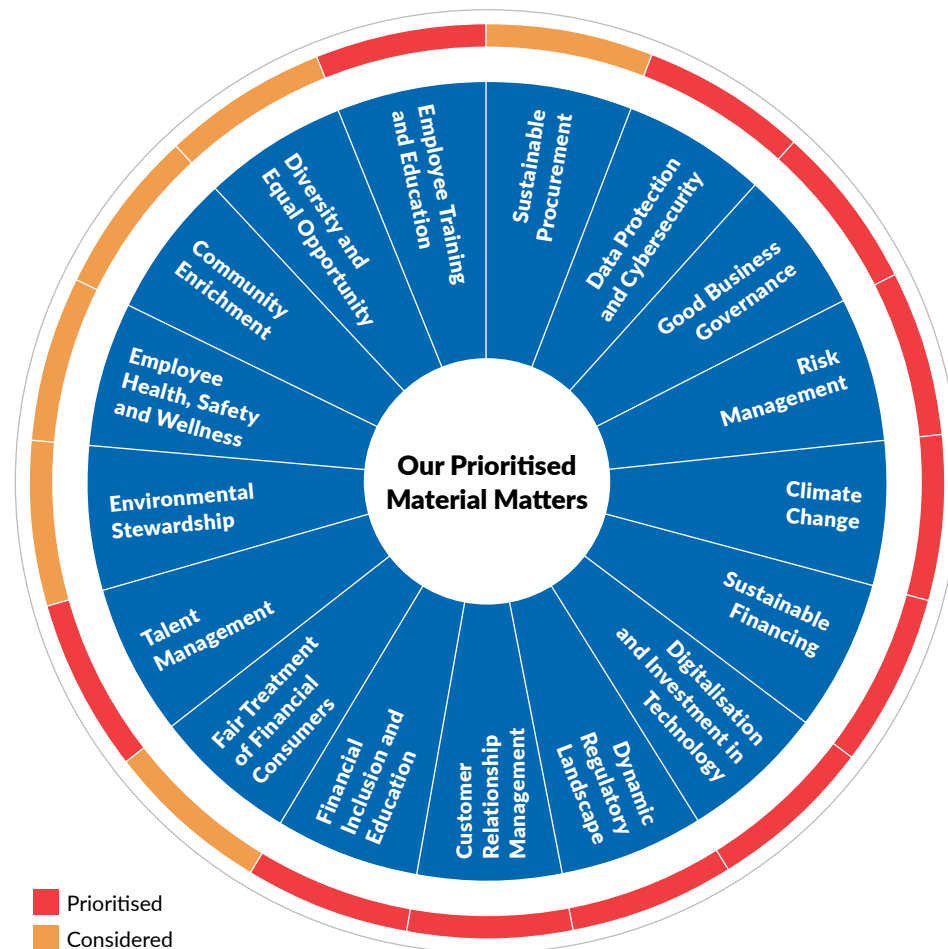
Material matters are issues that are most important to our business and stakeholders. They represent our ESG impacts and allow us to strengthen our sustainability agenda going forward. Assessing our material matters is integral to our journey of value creation as it enables us to identify opportunities and mitigate risks, besides meeting stakeholders' needs.

We conducted an in-depth materiality assessment, which was led by an independent consultant, to identify and understand the issues that matter most to RHB Banking Group and its stakeholders. The assessment involved a three-step process of Identification, Prioritisation and Validation & Approval, resulting in the final 17 material matters. Although initially assessed in 2018, these material matters are still relevant to us and our stakeholders¹, and support our new purpose statement of *Making Progress Happen For Everyone*.

Sustainability Management thereafter conducted internal annual reviews of our material matters in consultation with the Group's Senior Management by taking into account internal and external factors. These included issues and concerns raised through stakeholder platforms, the changing global, regional and local landscape, emerging regulatory developments, peer assessments, ESG ratings and guidelines, as well as RHB's strategic, business and sustainability activities.

This ongoing process allows us to reassess our material matters, as shown in the infographic. In 2021, we conducted an internal review and aligned the material matters with our peers. As a result, we decided to remove Financial Performance as a separate item as this was embedded across all material matters.

We address and manage our material matters by leveraging our robust Sustainability Framework. The following table outlines what these matters mean to us at RHB and where they are mainly addressed under our Framework's Focus Areas.



Material Matters and How We Define Them	Sustainability Focus Areas
Data Protection and Cybersecurity Putting in place a robust digital infrastructure with stringent controls and governance measures to protect customers' data privacy while continuously enhancing our cybersecurity capabilities to ensure a safe and secure environment.	<ul style="list-style-type: none"> Ethics & Governance
Good Business Governance Upholding good business conduct that encompasses ethical business practices, regulatory compliance and active management of anti-bribery and corruption, fraud risk and anti-competition through strengthened policies and governance that will gain the trust of shareholders, customers and other stakeholders, leading to long-term value creation and sustainable business growth.	<ul style="list-style-type: none"> Ethics & Governance
Risk Management Having effective risk management is fundamental in driving sustainable growth and key to the proactive risk management of our operating environment, including business continuity management. The Group's Enterprise Risk Management Framework sets out the strategic direction for the management of risks within the Group.	<ul style="list-style-type: none"> Sustainable Financing Ethics & Governance

Material Matters and How We Define Them	Sustainability Focus Areas
Climate Change The Group acknowledges the position and role it plays in supporting the transition to a low-carbon economy in line with national and global commitments. We approach this through managing our own operational footprint, supporting and nurturing customers and clients in the transition to a low-carbon economy and seizing opportunities for climate adaptation and mitigation.	<ul style="list-style-type: none"> Sustainable Financing Environmental Stewardship
Sustainable Financing Integrating ESG considerations into the Group's core business activities and decision-making processes, including identifying related risks and opportunities that will contribute to sustainable development and the transition to a low-carbon economy.	<ul style="list-style-type: none"> Sustainable Financing
Digitalisation and Investment in Technology Delivering and creating value for our customers. We identify opportunities and mitigate risks by investing in technology and channel improvements and delivering innovative products and services, while encouraging digital adoption among customers.	<ul style="list-style-type: none"> Digitalisation
Dynamic Regulatory Landscape Responding swiftly and effectively to new developments in the market and the changing regulatory landscape. As a financial services provider, we consistently look at ways to strengthen our resilience in the face of increasing competition and to better combat new threats.	<ul style="list-style-type: none"> Sustainable Financing Customer-centric Banking Ethics & Governance
Customer Relationship Management Delivering service excellence to our customers in line with our Customer Service Charter and striving to gain the trust and confidence of our customers, enabling them to achieve their goals.	<ul style="list-style-type: none"> Customer-centric Banking
Financial Inclusion and Education Providing financial access and inclusion through various products and services, including promoting financial literacy to customers and the community, particularly to the youth and the underserved.	<ul style="list-style-type: none"> Sustainable Financing Digitalisation Financial Education
Fair Treatment of Financial Consumers Treating our customers fairly in the conduct of our business, as well as providing them with accurate, adequate and easily understood information on products and services.	<ul style="list-style-type: none"> Customer-centric Banking
Talent Management Continuing to foster talent development while embedding sustainable practices in the management of our human capital. To ensure long-term growth for our business, we manage our diverse workforce by optimising talent management and employee engagement.	<ul style="list-style-type: none"> People & Workplace
Environmental Stewardship Advocating the responsible use of natural resources such as energy, water and paper and the minimisation of waste produced through sustainable practices. This includes encouraging eco-efficiency practices in our business and operations to minimise our own environmental impact.	<ul style="list-style-type: none"> Environmental Stewardship
Employee Health, Safety and Wellness Ensuring the health and well-being of our employees is important to increase productivity and efficiency and to promote agility.	<ul style="list-style-type: none"> People & Workplace
Community Enrichment Enriching and empowering local communities in which we operate, particularly the underprivileged and youth. This is driven by our community engagement initiatives and through the RHB Foundation.	<ul style="list-style-type: none"> Community Enrichment
Diversity and Equal Opportunity Building a diverse and inclusive workplace and culture with equal opportunity and inclusivity across gender, age, ethnicity, disability and nationality.	<ul style="list-style-type: none"> People & Workplace
Employee Training and Education Building a workforce that is future-proof, in order to stay relevant and agile while delivering the Group's strategic priorities. We do so by equipping our employees with the right set of development skills and tools to expand their professional growth and maximise their potential.	<ul style="list-style-type: none"> People & Workplace
Sustainable Procurement Ensuring that our procurement practices are responsible, ethical, fair and transparent, reflecting the Group's commitment to promoting sustainable practices across its supply chain.	<ul style="list-style-type: none"> Sustainable Procurement

¹ For more information on our 2018 materiality assessment, material matters and matrix, please refer to RHB Sustainability Report 2018.

THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS

Since 2019, we have identified and prioritised six United Nations (“UN”) Sustainable Development Goals (“SDGs”) that are aligned with our most impactful activities to reflect the Group’s position, beliefs and aspirations. We believe that our business has an important role to play in achieving the SDGs by 2030 and are committed to contributing at the local and national levels.

Although other SDGs do not form part of our prioritised SDGs, we acknowledge that we are indirectly contributing to these goals through our unique and influential position as a financial institution and responsible corporate citizen.

Note: To read about how we have contributed to these SDGs with identified Global SDG targets, please refer to Contributing to the UN SDGs on pages 121 to 123.



TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

Our Approach

The effects of climate change is undeniably affecting our daily lives and posing significant risks to the economy and the environment. While we acknowledge that climate change is a risk to RHB, it has also created opportunities for us to improve in areas such as sustainable financial services, fostering partnerships, and raising awareness among our people. Now, more than ever, is the time for us to exercise our unique role in accelerating the nation's transition to a low-carbon economy. We will strengthen our efforts in supporting the global initiatives to achieve the Paris Agreement goal of limiting global temperature rise to 1.5°C.

We stepped up our climate action by:

- **BOLSTERING SUSTAINABLE FINANCIAL SERVICES**
- **EXPANDING OUR COMMITMENT IN MANAGING CLIMATE RISK THROUGH THE GROUP'S CLIMATE ACTION PROGRAMME**
- **MANAGING OUR ENVIRONMENTAL FOOTPRINT, INCLUDING OPERATIONAL GREENHOUSE GAS ("GHG") EMISSIONS**
- **FOSTERING EXTERNAL PARTNERSHIPS AND COLLABORATIONS FOR COLLECTIVE ACTION**
- **BUILDING CAPABILITY AND RAISING AWARENESS AMONG EMPLOYEES**

We have been incrementally improving our disclosures by moving from a soft approach to better aligning our actions with the Task Force on Climate-related Financial Disclosures (“TCFD”) recommendations. This year marks our first attempt to align our climate-related financial disclosures with the TCFD recommendations. Climate-related financial disclosure is a progressive journey at RHB and we acknowledge that there are gaps to fulfil in disclosing our climate-related reporting and practices. Thus, we are committed to identifying and meeting the gaps to progressively improve on our climate-related disclosures in line with the Group's climate risk ambition and our Group Climate Action Programme (“GCAP”).

The following table highlights our actions and progress as well as priorities moving forward which are aligned to the recommended disclosures of the TCFD. It also entails cross-reference sections across our reporting suite or public documents for more detailed information.

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

CLIMATE CHANGE - TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES ("TCFD")

Governance

RHB ACTION AND PROGRESS

Overview of The Group's Sustainability and Climate Governance Structure

Board Oversight

The Board of Directors ("BOD") of RHB Bank set strategic direction and priorities, and has ultimate oversight of the Group's Sustainability and climate-related agenda, which includes addressing the risks and opportunities related to it. The Board comprises individuals with diverse background and experience, who will be able to contribute to the Group's Sustainability and climate action agenda.

- 1) ESG Strategy and Transformation Journey of Financial Institution
- 2) Managing Climate Change

The Board was also presented with and approved the following:

- 1) The Group's 5 Year (2022-2026) Sustainability Strategy and Roadmap
- 2) The Group's Climate Action Programme ("GCAP")

Management Oversight

The Group Sustainability Committee - Strategically drives the Group's sustainability and climate action agenda in line with the Group's strategic direction and commitments.

In FY2021, the GSC had five meetings, where the following key agenda were presented and discussed at the GSC:

- received status update on the Group's Sustainability and climate action progress;

In FY2021, the Board of Directors received two updates on the Group's Sustainability and Climate Agenda key achievements, which include actions and processes that have been put in place to manage risks and opportunities related to climate change. The BOD and Board Risk Committee also received update on BNM Climate Change and Principle Based Taxonomy as well as the disclosure requirement of the TCFD.

In the fourth quarter of 2021, a Board ESG/Sustainability Offsite was held, where a sharing session with the Board was conducted, which included:

Governance

RHB ACTION AND PROGRESS

- the Group's achievements in driving sustainable financial services and the Group's Green Commitment against target set, and pipelines of opportunities to further drive growth in Green Financing.
- had deliberated on the Group's Coal Financing Stance, the Group's No Deforestation, No New Peat and No Exploitation ("NDPE") Policy and the Group Eligible business guidelines for Sustainable Financial Services which includes Green.
- plans and programme in managing the Group's internal operational footprint as well as target and metrics towards achieving the Group's 2030 carbon neutral operations aspirations.
- sustainable finance and Climate risk management capability building programme for senior management, all key business drivers as well as strategic functional team.
- deliberated and discussed key action items under the Group's Climate Action Programme ("GCAP") towards developing the Group's Net Zero 2050 pathway.

The four Councils are the:

- Sustainable Banking Council
- ESG Capital Markets and Advisory Council
- Sustainable Insurance Council
- Responsible and Sustainable Practices Council

Each Council has met four times since its establishment in August 2021 and had deliberated, discussed and approved projects in relation to managing climate-related risks and opportunities, e.g. the implementation of the Group's position on coal-related activities and NDPE, and long-term plans on the Group's operational environmental footprint.

Capability Building and Awareness

A number of training and awareness sessions were conducted for Senior Management and employees across the Group on sustainability and climate-related matters, including:

- Three-day Sustainable Financing Training programme
- Continuous sharing with SBGs and SFGs covering climate-related risk management and commercial opportunities
- Talks by panel lawyers on Environmental Harm Climate Change Litigation and BNM's Climate Change Principle based Taxonomy ("CCPT").

The Councils were established to support the GSC in the execution of the Group's sustainability and climate strategy as well as key focus areas. Their objective is to drive sustainability and climate action across RHB Banking Group in their respective areas.

the implementation of the key action items under the GCAP and in ensuring that key milestones are delivered within the stipulated timeframe.

Capability Building and Awareness

A more structured climate risk awareness and module-specific capability building programme will be rolled out in phases as part of the approved GCAP.

PRIORITIES MOVING FORWARD

Management Oversight

A Project Steering Committee ("PSC") was set up to steer, coordinate and ensure the effective implementation of the Group's climate transformation journey apart from addressing and resolving operational issues pertaining to climate action initiatives across the Group. Comprising a multidisciplinary stakeholder committee with various workstreams, the PSC is chaired by the Group Chief Risk Officer and meets on a monthly basis to drive

SECTION REFERENCE

- Sustainability Governance
- Environmental Stewardship: Climate Change
- People and Workplace: Talent Management and Development: Sustainability Capability Building and Awareness

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

CLIMATE CHANGE - TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES ("TCFD")

Strategy

RHB ACTION AND PROGRESS

Sustainability Framework and New Strategy

A multitude of ESG-related trends have emerged globally in recent years. Intensified interest on ESG by investors and stakeholders, particularly on the impact of climate change, has accelerated the Group to integrate ESG holistically into every aspect of our business and operations. While we have achieved good progress in the last four years, there is now a need for us to re-evaluate and redefine our sustainability strategy. Hence, in the second half of 2021, we began our journey in enhancing our Sustainability Framework across three key pillars to further drive long-term sustainability of our business.

Part of our sustainability journey is to address our Environmental Matter in two components:

- Climate Change
- Other Environmental Commitment

Climate Change has been identified as a material matter in our materiality assessment since 2019.

In RHB, we address climate in two ways:

- Managing our operational footprint
- Nurturing our customers towards sustainable practices and engaging with them towards reducing their carbon footprint in line with the nation's Net Zero pathway.

In managing our operational footprint, we focus on addressing our GHG emissions according to Scope 1, Scope 2 and Scope 3.

Sustainable Financing and Opportunities

In 2020, RHB committed **RM5 billion by 2025 under its Green Financing Commitment** to support green activities that promote the

transition to a low-carbon and climate-resilient economy, through core activities of lending, capital markets advisory and fundraising, together with investment. As of December 2021, we have extended RM4.32 billion under the Green Financing Commitment, of which about 20.7% comprised renewable energy projects, activities or sectors.

Under this commitment, we offer products and services that have direct and indirect impact on climate adaptation or mitigation. These include the **Sustainability Financing Programme ("SFP")**, a green financing product bundling programme aimed at meeting the needs of both SME and Retail customers. The programme includes offerings such as a special financing scheme and a 10% discount on insurance premiums for hybrid, plug-in hybrid and electric cars. As of end-December 2021, a total of RM44.36 million has been extended since it first launched in September 2021.

Approach and Position

FY2021, the Group reviewed and established position statements to further complement our ESG risk management process and set the direction for our sustainable financing agenda. As a start, we focused on establishing our position on not financing new coal projects and No Deforestation, No New Peat and No Exploitation ("NDPE").

Partnerships and Collaborations

RHB is a member of the Joint Committee on Climate Change ("JC3"), which is a collaborative effort involving industry representation to build climate resilience in the financial sector in Malaysia. There are RHB representatives in the Main Committee and Sub-Committee 3 for Product Innovation.

RHB Islamic, together with other Islamic financial institutions, has contributed to the development of the VBIAF Sectoral Guides.

PRIORITIES MOVING FORWARD

Sustainability Strategy

We drive our Climate Action Agenda through our 5-Year (2022 – 2026) Sustainability Strategy and Roadmap by:

- Mobilising RM20 billion in sustainable financial services by 2026.
- Achieving carbon neutral operations by 2030.
- Developing the Group Climate Action Programme ("GCAP").

Climate Action and Scenario Analysis

We acknowledge that further steps such as quantifying our financed emissions is important, which will be our tangible first step in establishing trust and demonstrating our commitment towards embedding climate change management into our core activities in lending, capital markets and advisory, and fundraising, as well as

investment. As such, we have put in place the GCAP to further the sustainability agenda and accelerate the transition to a low carbon economy to manage climate-related risks.

Moving forward, GCAP will assist RHB in developing a roadmap to achieve the Group's climate risk ambition and further align our climate-related financial disclosures with the recommendations of the TCFD and guidelines from international reporting standards, ESG indexes as well as regulators. This will include conducting scenario analysis and stress tests, which is one of the five dimensions covered under the GCAP. We will endeavour to further disclose the implementation and outcomes of the GCAP in the future, in line with recommended disclosures by the TCFD.

SECTION REFERENCE

- Sustainability Governance
- Environmental Stewardship: Climate Change
- People and Workplace: Talent Management and Development: Sustainability Capability Building and Awareness

Risk Management

RHB ACTION AND PROGRESS

There has been gradual integration of climate action into our business and operations by developing relevant risk management capabilities to manage climate-related risks.

As part of risk assessment procedures and practices, ESG-related risks have progressively been integrated into lending/financing since December 2019 and continuously strengthened. In summary, RHB has:

- Identified **ESG Sensitive Sectors**
- Developed the General ESG Risk Assessment ("ERA") tool for **ESG Sensitive Sectors**
- Developed up to **eight Industry-Specific ERA tools**, increasing coverage to 90% of our exposure to ESG Sensitive Sectors
- Rolled out ERA to Malaysia, Singapore, Thailand, Brunei, Cambodia and Laos operations.

In 2021, the Group tightened the action plan for Borrowers/Customers rated 'High Risk' under the ESG risk assessment in order to include them as Exceptional Credits. Business Units have also started engaging with our customers to adopt climate resilience practices.

The Group has embedded **Prohibited Credits** in the **Group Credit Policy** and local country credit policies, which are activities identified as illegal and which contravene environmental laws. This has been implemented in Malaysia as well as across regional operations, and is aligned with BNM's CCPT.

In order to manage physical climate risk, the Group has included due diligence assessments at the asset level to manage properties that are susceptible and prone to flooding.

To strategically and more holistically identify and assess climate-related risks, the Group has put in place the GCAP to drive the Group's climate action, which, among others, will address the following:

- Immediate focus on starting to fulfil the requirements under Bank Negara Malaysia's Climate Change and Principle-based Taxonomy ("BNM's CCPT"), which calls on us to implement changes proactively towards building climate resilience.
- The Group's Climate Risk ambition and roadmap that cover the following five key dimensions:
 - Risk Management Framework
 - Scenario Analysis and Stress Testing
 - Commercial Opportunities and Green Financing
 - Net Zero Alignment
 - Aligning our disclosure/reporting with the TCFD and regulators' recommendations.

PRIORITIES MOVING FORWARD

RHB will continue to integrate sustainability practices into our decision making and risk management processes by:

- Linking ESG or climate-related risk to business strategy and risk management
- Adopting a three-phase approach in developing the Group Climate Action Programme
- Building the right skill set for climate risk management.

Effective 2022 onwards:

- position on coal activities: RHB will not be pursuing opportunities or provide financing for any new thermal coal mine projects and new coal-fired power plant projects.

- position on NDPE: RHB will only support responsible companies that demonstrate alignment with No Deforestation, No New Peat, No Exploitation ("NDPE") for relevant sectors in the agriculture, forestry and palm oil sectors.

In addition to fulfilling BNM's CCPT and meeting Singapore regulatory requirements, RHB will be developing its roadmap to achieve its Group's climate risk ambition for credit risk, market risk, operational risk and liquidity risk. As part of the GCAP, we will also be exploring the use of scenario analysis and stress tests for assessing climate risks and opportunities.

In Q1 2022, the ERA was enhanced to include the requirements under the Climate Change and Principle-based Taxonomy ("CCPT") for non-retail loan/financing. The coverage of the General ERA was also expanded to include all industry sectors.

SECTION REFERENCE

- Sustainable Financing: ESG Risk Management
- Environmental Stewardship: Climate Change
- Risk and Opportunities
- Statement on Risk Management and Internal Control

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

CLIMATE CHANGE - TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES ("TCFD")

Metrics and Targets

RHB ACTION AND PROGRESS

RHB has continually stepped up its climate change management by managing its operational footprint and nurturing its customers to contribute to the global goal of lowering temperature rise to 1.5°C.

Managing Our Operational Footprint

As part of the journey towards a low-carbon future, we aim to achieve carbon neutral operations by 2030. As such, we strive to continuously track, measure and report on our environmental performance, including GHG emissions as well as energy, water and paper consumption.

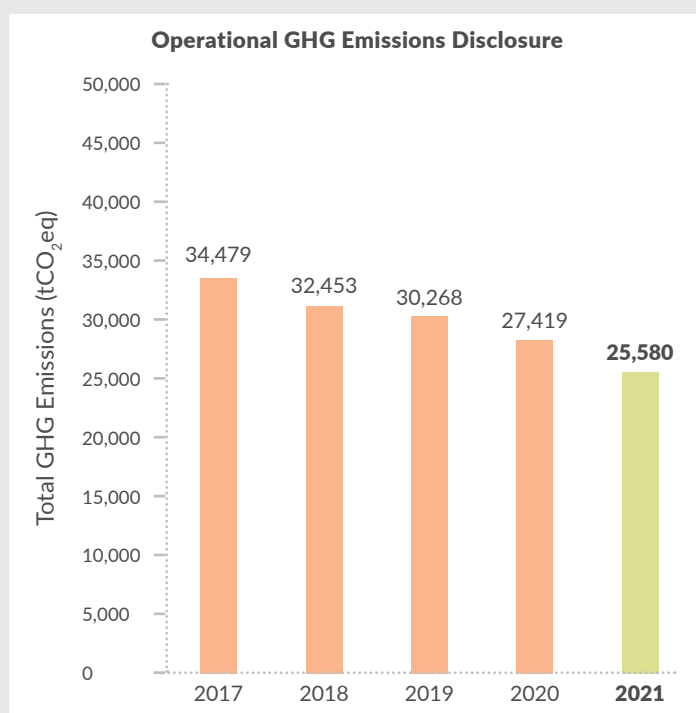
In 2019, we established our operational GHG emissions inventory and reporting based on the GHG Protocol: Corporate Accounting and Reporting Standard. The focus and target over the years have been on expanding the reporting scopes and boundaries of our operational GHG emissions for Scope 1, Scope 2 and Scope 3.

We have taken a progressive approach within the Group by providing capability building among our people in obtaining matured data collection. As a result, we have put in place the Group Climate Action Programme ("GCAP"), which will help to further the sustainability agenda and accelerate the transition to a low-carbon economy to manage the above risks.

Reporting boundary target: Group-wide
Consolidation approach: Operational approach

Year	Reporting Boundary
2019 (1 st year)	RHB Centre and RHB Complex Bangi
2020 (2 nd year)	West Malaysia
2021 (3 rd year)	Malaysia

Methodology	GHG Protocol: A Corporate Accounting and Reporting Standard
Consolidation Approach	Operational Approach
Reporting Scope	Scope 1: Owned/controlled generator sets & Company-owned vehicles, Scope 2: Purchased electricity & cooling, and Scope 3: Business travel – by road and air
Baseline Year	2016



Since 2017, both absolute GHG emissions and intensity per employee have been on a downward trend. In 2021, the GHG emissions intensity per employee reduced by 41% compared to baseline year 2016.

Nurturing Our Customers

- Green Financing Commitment
 - RM5 billion by 2025 to support green activities that promote the transition to a low-carbon and climate-resilient economy, through its core activities of lending, capital markets advisory and fundraising, together with investment.
 - Extended RM4.32 billion under the Green Financing Commitment, of which about 20.7% comprised renewable energy projects, activities or sectors.
- Launched the Sustainability Financing Programme ("SFP"), a green financing product bundling programme aimed at meeting the needs of both SME and Retail customers. The target is to grant RM1 billion in new financing by 2025.
 - The four types of green financing under the SFP are – Green Energy, Green Buildings, Green Products and Green Processes.
 - Since the launch of the SFP in September 2021, we have extended a total of RM44.36 million in loan/financing which includes 221 Green Financing Loan for hybrid, plug-in and electric vehicles, and RM24 million for SMEs.

Metrics and Targets

RHB ACTION AND PROGRESS

Monitoring Customers' Progress

ESG Sensitive Sectors exposure in Malaysia stood at 18% or RM15 billion of the Group's non-retail loan/financing portfolio. The top five ESG Sensitive Sectors the Group is most exposed to are Palm Oil, Energy, Metals, Oil and Gas and Cement, which comprise 82% of the total exposure to ESG Sensitive Sectors.

Internally, we have developed an ESG Risk Assessment tool to assign clients an ESG risk rating of 'Low', 'Medium' or 'High' to reflect the levels to which they have met the standards under the ERA.

Both the above, along with other analyses, are monitored and reported to Senior Management and the RHB Bank Berhad's Board annually.

PRIORITIES MOVING FORWARD

Sustainable Financing

- To drive the Group's aspirations under our 5-Year (2022 – 2026) Sustainability Strategy and Roadmap to achieve the following aspirations:
 - Mobilise RM20 billion in sustainable financial services by 2026, which includes our Green Financing Commitment through lending, capital market and advisory, asset management and insurance business.
 - Achieve carbon neutral operations by 2030. To this end, the Group targets to reduce operational GHG emissions intensity per employee by 45% from baseline 2016.

In addition, we will be guided by our GCAP to strengthen the assessment of our climate-related risks and opportunities in line with the Group's risk and management processes.

The GCAP will assist RHB in developing a roadmap to achieve the Group's climate risk ambition, inclusive of any relevant metrics and/or targets.

SECTION REFERENCE

- Sustainable Financing: ESG Risk Management
- Sustainable Financing: Green Financing
- Environmental Stewardship: Climate Change
- Sustainability Approach: Sustainability Strategy 2022-2026
- Performance Data: Environment
- Environmental Stewardship: Climate Change - Operational GHG Emission

PILLAR ONE: SUSTAINABLE AND RESPONSIBLE BANKING

SUSTAINABLE AND RESPONSIBLE BANKING - Sustainable Financing

SUSTAINABLE AND RESPONSIBLE BANKING

EMBEDDING GOOD PRACTICES

ENRICHING & EMPOWERING COMMUNITIES

GRI 102-11, 102-12, 203-2

As a financial institution and services provider, it is our responsibility to provide innovative solutions for customers and clients, build a sustainable community and accelerate the transition to a low-carbon economy. In recent years, we have been integrating ESG considerations into our lending, capital market and advisory, and investment decision-making to manage our risks and negative impacts. We also look towards creating value for our stakeholders and the environment by promoting sustainable development, facilitating the transition to a low-carbon economy and offering innovative and accessible solutions through various banking products and services.

KEY CAPITALS



PRIMARY SDGs



VALUE TO STAKEHOLDER GROUPS

- Shareholders & Investors
- Business Partners
- Customers
- Regulators & Policymakers

Focus Area(s) and Material Matter(s)

Sustainable Financing

- Sustainable Financing
- Risk Management
- Climate Change *
- Financial Inclusion and Education *
- Financial Performance

Customer-centric Banking

- Customer Relationship Management
- Fair Treatment of Financial Consumers

Digitalisation

- Digitalisation and Investment in Technology
- Financial Inclusion and Education *

* Material matters appear in more than one Focus Area.

■ achieved ■ on track

Targets and Selected Key Indicators

- Green Financing Commitment of RM5 billion by 2025; extended RM4.32 billion as at 31 December 2021
- Launched 4 ESG SRI-qualified funds with about RM800 million in combined AUM, with each fund meeting its AUM target of RM100 million within 6 months after launch
- RHB Malaysia achieved NPS of +15, ahead of competitors by +4 points
- Digital transactions to exceed 95% of total customer transactions by 2023. Transactions have grown from 64% (2017) to 93% (2021)

ESG RISK MANAGEMENT

At RHB, we remain steadfast in the integration of ESG considerations into our risk management processes. This is a crucial process in ensuring that our financing solutions and products minimise both real and potential negative impacts across ESG issues. Our current approach to ESG risk management processes includes identifying and managing sustainability risks, enhancements to our Group Credit Policy and local country credit policies on prohibited credits and exceptional credits, establishing our position on ESG-related activities or sensitive sectors and the related assessments, and toolkits on ESG Sensitive Sectors to ensure we are making accurate decisions based on facts.

MANAGING SUSTAINABILITY RISKS

Since 2020, we have incorporated sustainability risk into our Risk Library as part of the Group's Material Risk Assessment, largely in recognition of investors' growing concerns over climate change, global environmental issues and workers' well-being.

We acknowledge that sustainability risk arises from the potential adverse impact of changes in the environment on economic activities and human well-being. Such changes may come about as a result of environmental issues such as climate change, loss of biodiversity, pollution and/or degradation of water supplies. To mitigate this, the Group adopts a precautionary approach and strives to improve ESG risk management and continue building on the progress we have made so far.

With regards to climate risk, RHB has put in place a Group Climate Action Programme towards managing the risk of climate change in the Group's business and operations, which includes integrating Climate Change and Principle-based Taxonomy ("CCPT") into our credit management process.

The Climate Action Programme covers activities across five key dimensions:

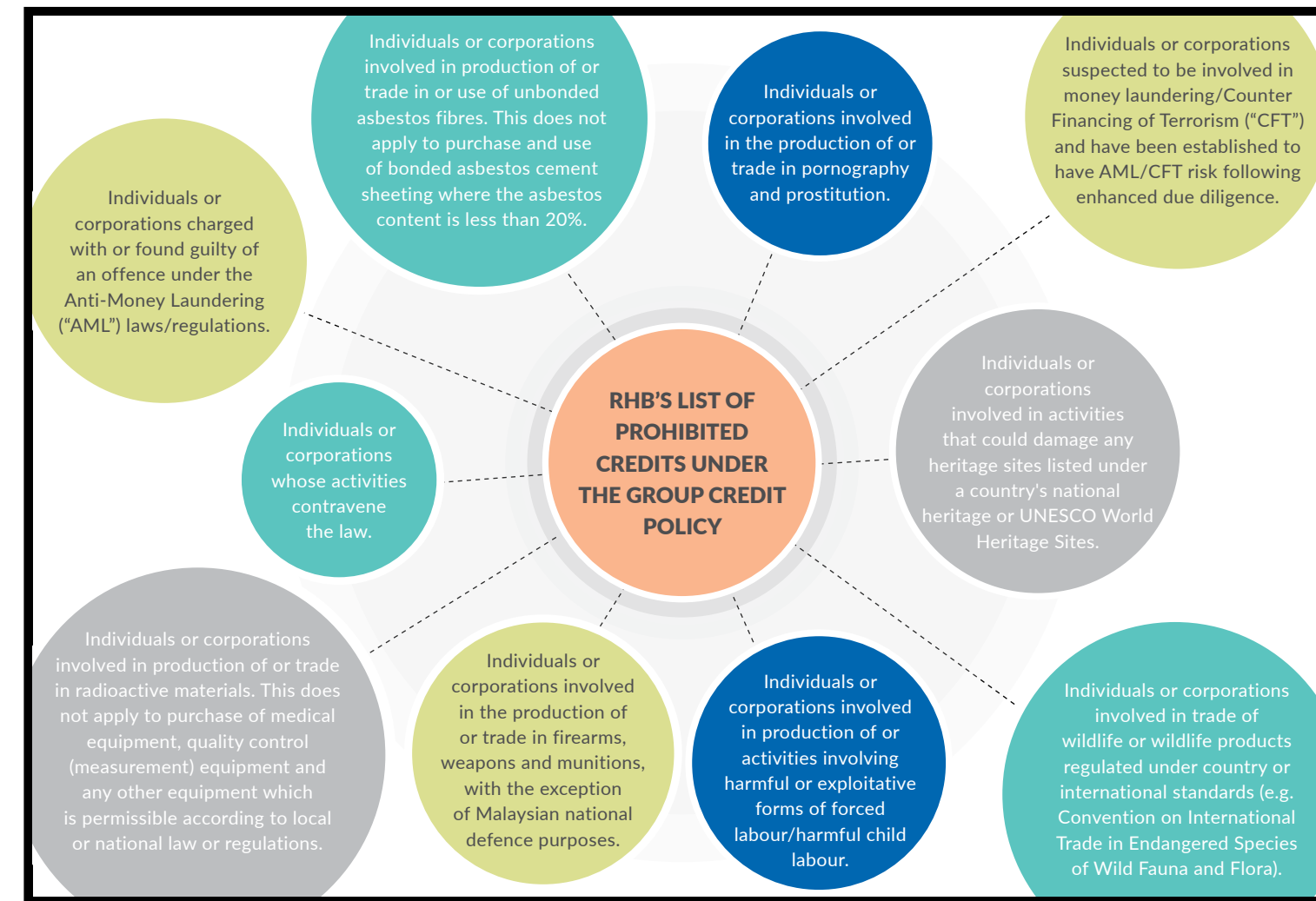
- RISK MANAGEMENT FRAMEWORK
- SCENARIO ANALYSIS AND STRESS TESTING
- COMMERCIAL OPPORTUNITIES AND GREEN FINANCING
- NET ZERO ALIGNMENT
- ALIGNMENT OF DISCLOSURES AND REPORTING WITH TCFD AND REGULATORS' RECOMMENDATIONS

PROHIBITED CREDITS

As part of the Group's Credit Policy and local country credit policies, in the context of loan/financing, RHB will not knowingly

finance and shall be selective in conducting business and dealings with customers or counterparties whose activities contravene local and international standards, laws and regulations, as well as activities that could have significant adverse impacts on environmental, social or governance aspects. This has been implemented across Malaysia, Singapore, Thailand, Cambodia, Laos and Brunei.

Appropriate mitigation action, such as capping and reducing our credit exposure, will be taken against existing customers whose businesses are categorised under Prohibited Credits.



To further support our mitigation effort, the Group has included clauses on Environmental Matters in our letters of offer, which are aligned with the CCPT issued on 30 April 2021, as well as clauses on Human Rights & Labour Laws. This was rolled out from September 2021 onwards.

RHB'S POSITION ON COAL FINANCING AND NO DEFORESTATION, NO NEW PEAT, AND NO EXPLOITATION

This year, the Group looked closely at its position with regards to certain ESG-related activities and established position statements to further complement our ESG risk management process and sustainable financing agenda. These activities are ones that we

recognise may present significant adverse impacts on people or the environment. For a start, we focused on establishing our position on coal-related activities and No Deforestation, No New Peat and No Exploitation ("NDPE"). Effective January 2022, RHB Banking Group will not be pursuing opportunities or providing financing for any new thermal coal mine projects and coal fired power plant projects. We will also support responsible companies. in the relevant sectors that demonstrate alignment with NDPE. We started with these areas, as we recognise that our clients' business activities may not be aligned to transitioning to a low-carbon pathway, bring rise to environmental risks including biodiversity loss or deforestation risks as well as social risks such as on human rights or labour standards.

SUSTAINABLE AND RESPONSIBLE BANKING

- Sustainable Financing

SUSTAINABLE AND RESPONSIBLE BANKING

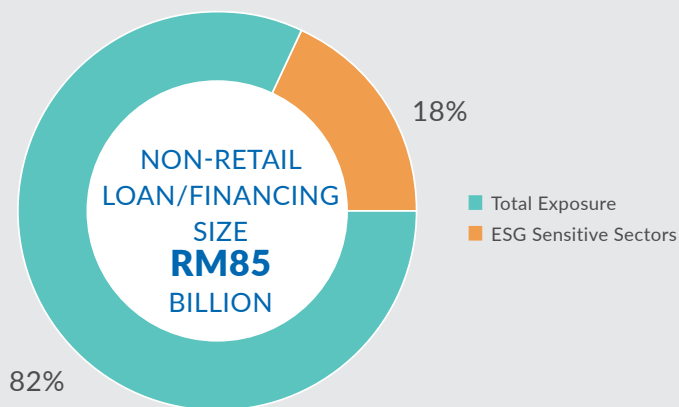
- Sustainable Financing

ESG RISK MANAGEMENT

ESG SENSITIVE SECTORS & ESG RISK ASSESSMENT (“ERA”)

The Group had also identified ESG Sensitive Sectors within our non-retail portfolio. These sectors were deemed to have elevated ESG risks or were more vulnerable to ESG issues and impacts. In identifying ESG Sensitive Sectors, RHB was guided by the International Finance Corporation (“IFC”)/World Bank’s sectors that are categorised as ‘High Risk’ and took into consideration sectors with ESG issues that have received strong public attention within the region.

As at 31 December 2021, ESG Sensitive Sectors exposure in Malaysia stood at **18% or RM15 billion** of the Group’s non-retail loan portfolio. The top five ESG Sensitive Sectors that the Group is most exposed to are Palm Oil, Energy, Metals, Oil and Gas and Cement, comprising 82% of the total exposure to ESG Sensitive Sectors. Exposure to ESG Sensitive Sectors is monitored and reported to the Group Sustainability Committee (“GSC”) and Board annually.



ESG Sensitive Sectors are subject to ESG Risk Assessment (“ERA”). We have developed General ERA criteria for the ESG Sensitive Sectors as well as Industry-Specific criteria. The ERA tool provides guidance to our Relationship Managers (“RMs”) and credit evaluation team when assessing the ESG risk for each of the ESG Sensitive Sectors.

We assign ESG risk ratings of ‘Low’, ‘Medium’ and ‘High’ to our clients who neglect the extent to which they meet the General ERA and Industry-Specific ERA. Further time-bound mitigation action plans may be imposed against clients depending on the ESG risk rating assigned.

In 2021, the Group tightened action against Borrowers/Customers rated ‘High Risk’ under ESG risk assessment to include them as Exceptional Credits. All new approvals and enhancements under high-risk credits will be escalated.

The ERA has been integrated into the Group’s financing decision-making process for non-retail lending and will apply to new financing as well as reviews of the sectors. Compliance with the steps outlined in the ERA is monitored by tracking the customers’ progress in addressing ESG risks, external news reports and engaging with customers to obtain relevant certifications.

In 2021, we tightened our ERA for ESG Sensitive Sectors:

- Rolling out the ERA tool for our non-retail lending/financing portfolio in Brunei, Laos and Cambodia, following the roll-out to Malaysia, Singapore and Thailand in 2020.
- Developed Industry-Specific criteria for three more ESG Sensitive Sectors, i.e. Manufacturing of Chemical, Wood and Plastic Products, bringing the total number of sectors with Industry-Specific ERA criteria to eight.
- Refined the existing Industry-Specific criteria for Oil & Gas, Power Producers and Palm Oil by incorporating additional criteria such as biodiversity impact and community engagement, as recommended by global and local standards set by the International Finance Corporation, Value-based Intermediation Assessment Framework’s Sectoral Guides and BNM’s Climate Change and Principle-based Taxonomy.

GENERAL ERA

All non-retail credit lending/financing categorised under ESG Sensitive Sectors is subject to the General ERA, which focuses on:

- Legal issues associated with the clients’ ESG performance.
- Material adverse environmental issues faced.
- Material adverse occupational health & safety issues.
- Establishment of safe and proper working conditions and labour practices.
- Implementation of good corporate governance practices.
- Environmental impact studies conducted for projects (where required).

INDUSTRY-SPECIFIC ERA

In addition to the General ERA, enhanced assessments that were mainly focused on climate risk were conducted on the following sectors:



Palm Oil

Updated: 2021

RHB’S APPROACH

- Support sustainable palm oil in line with national and international standards.
- Customers with a plantation size of more than 100 acres are required to:
 - Obtain the Malaysian Sustainable Palm Oil (“MSPO”) certification or be in the process of obtaining the certification.
 - Obtain Roundtable on Sustainable Palm Oil (“RSPO”) and Indonesian Sustainable Palm Oil (“ISPO”) certification for those with regional operations.
- Customers with palm oil estates and smallholdings are required to:
 - Adhere to the Malaysian Palm Oil Board Code of Good Agricultural Practice for Palm Oil Estates and Smallholdings or other initiatives in sustainable agriculture, e.g. Malaysian Good Agricultural Practices (“MyGAP”).
- Biodiversity Loss/Deforestation – No conversion of permanent forest reserves, virgin forests, native tropical forests, aboriginal or heritage land or land prone to flooding and no cultivation on steep terrains with a slope of 25 degrees.
- Avoid new peatlands, unless it is in accordance with the guidelines for best practices on peatland developed by the MPOB.
- Support community engagement and inclusion of smallholders.
- Customers with palm oil mills are expected to adhere to the MPOB’s Code of Good Milling Practice.
- Sustainable raw material sourcing.
- Reduce Greenhouse Gas (“GHG”) emissions.
- Adopt responsible methods for proper waste management.



Oil & Gas

Updated: 2021

RHB’S APPROACH

- Proactively engage with borrowers and support their efforts towards sustainable practices such as:
- Reducing Greenhouse Gas (“GHG”) emissions.
 - Adopting best practices for proper wastewater management.
 - Reducing dependency on conventional fuels and increasing the share of renewable energy in the energy generation mix.
 - Improving energy efficiency.
 - Practising responsible disposal methods of solid waste/sludge.
 - Preventing oil spills.
 - Biodiversity Impact - Ensuring projects and operations have no significant adverse impacts on biodiversity and local ecosystems.
 - Supporting community engagement.



Manufacturing of Iron, Steel & Other Metals

Developed: 2019

RHB’S APPROACH

- Proactively engage with our borrowers and support their efforts towards sustainable practices such as:
- Reducing GHG emissions.
 - Adopting best practices for proper wastewater management.
 - Improving energy efficiency.
 - Practising responsible disposal methods of solid waste/sludge.
 - Preventing fire and explosion hazards.

SUSTAINABLE AND RESPONSIBLE BANKING

- Sustainable Financing

SUSTAINABLE AND RESPONSIBLE BANKING

- Sustainable Financing

ESG RISK MANAGEMENT



Manufacturing of Chemical Products Developed: 2021

RHB'S APPROACH

Proactively engage with our borrowers and support their efforts towards sustainable practices such as:

- Reducing GHG emissions.
- Adopting best practices for proper wastewater management.
- Practising responsible disposal methods of solid waste/sludge.
- Improving energy efficiency.
- Water efficiency initiatives.
- Proper chemical handling and storage.



Manufacturing of Cement Developed: 2020

RHB'S APPROACH

Proactively engage with our borrowers and support their efforts towards sustainable practices such as:

- Reducing GHG emissions.
- Adopting best practices for proper wastewater management.
- Improving energy efficiency.
- Practising responsible disposal methods of solid waste/sludge.
- Water efficiency initiatives.



Manufacturing of Wood Products Developed: 2021

RHB'S APPROACH

Proactively engage with our borrowers and support their efforts towards sustainable practices such as:

- Reducing GHG emissions.
- Adopting best practices for proper wastewater management.
- Practising responsible disposal methods of solid waste/sludge.
- Improving energy efficiency.
- Sustainable raw material sourcing.



Manufacturing of Plastic Products Developed: 2021

RHB'S APPROACH

Proactively engage with our borrowers and support their efforts towards sustainable practices such as:

- Reducing GHG emissions.
- Adopting best practices for proper wastewater management.
- Practising responsible disposal methods of solid waste/sludge.
- Improving energy efficiency.
- Water efficiency initiatives.
- Sustainable raw material sourcing.



Power Producers Updated: 2021

RHB'S APPROACH

Proactively engage with our borrowers and support their efforts towards transitioning to a low-carbon economy and sustainable practices through:

- Reducing GHG emissions from coal-fired plants.
- Adopting best practices for proper wastewater management.
- Practising responsible disposal methods of solid waste/sludge.
- Reducing dependency on conventional fuels and increasing renewable energy.
- Improving combustion and conversion efficiency.
- Biodiversity impact - ensuring projects and operations have no significant adverse impacts on biodiversity and local ecosystems.
- Supporting community engagement.

GREEN FINANCING

OUR APPROACH

The Group supports green financing through its Green Financing Commitment and other sustainable green financing solutions that will accelerate the transition to a low-carbon future.

RHB'S GREEN FINANCING COMMITMENT

The Group has committed RM5 billion by 2025 to support green activities that promote the transition to a low-carbon and climate-resilient economy, as well as sustainable development, through its core activities of lending, capital markets and advisory, and investment. To enable progress tracking of RHB's Green Financing Commitment, we ensure that the green activities we support are aligned with the Eligible Green Project categories under three internationally recognised frameworks:

- Green Bond Principles (of the International Capital Market Association)
- Green Loan Principles (of the Loan Market Association)
- Sustainable and Responsible Investment ("SRI") Sukuk Framework (of the Securities Commission Malaysia)

The definition of eligible green projects or activities must include any one of the following categories:

- | | |
|---|---|
| Renewable Energy | Clean Transportation |
| Energy Efficiency | Environmentally Sustainable Management of Living Natural Resources and Land Use |
| Green Buildings | Terrestrial and Aquatic Biodiversity Conservation |
| Climate Change Adaptation | Eco-Efficient and/or Circular Economy Adapted Products |
| Sustainable Water and Wastewater Management | Production Technologies and Processes |
| Pollution Prevention and Control | |

The Group defines its core business activities according to three categories:

LENDING	ADVISORY/DISTRIBUTION	INVESTMENTS
Lending facilities to companies or projects in green activities, being the approved limit provided at the point of execution.	Participation as the arranger/manager and distributor in transactions for companies whose core activities are aligned with eligible green activities or projects in eligible green activities.	Investments made by RHB in green bonds/Sukuk or bonds/Sukuk issued by companies whose core activities are aligned with eligible green activities.

The Group's Green Financing Commitment has now reached RM4.32 billion, of which about 20.7% comprises renewable energy projects, activities or sectors. In the year under review, we explored other areas of green financing beyond conventional lending that we believe will help progress the transition to a low-carbon economy.

SUSTAINABLE AND RESPONSIBLE BANKING

- Sustainable Financing

SUSTAINABLE AND RESPONSIBLE BANKING

- Sustainable Financing

GREEN FINANCING

BREAKDOWN OF RHB'S GREEN FINANCING COMMITMENT AS AT 31 DECEMBER 2021 BY ELIGIBLE GREEN ACTIVITIES

	Total	%
Eligible Green Activities:		
Renewable Energy	894.6	20.7%
Energy Efficiency		
Pollution Prevention and Control	8.64	0.2%
Environmentally Sustainable Management of Living Natural Resources and Land Use		
Terrestrial and Aquatic Biodiversity Conservation		
Clean Transportation	2.5	0.1%
Sustainable Water and Wastewater Management	1,735.0	40.2%
Climate Change Adaptation		
Eco-Efficient and/or Circular Economy Adapted Products, Production Technologies and Processes	20.5	0.5%
Green Buildings	1,654.7	38.3%
TOTAL	4,316.0	100.0%

Note: Differences in totals are due to rounding of numbers.

BY CORE BUSINESS ACTIVITIES

	(RM mil)	%
Lending - Domestic	776.3	
Lending - Overseas	550.1	30.7%
Investments (Malaysia, Singapore and Thailand)	1,897.6	44.0%
Advisory & Distribution (Malaysia and Singapore)	1,092.0	25.3%
	4,316.0	100%

GREEN FINANCE COMMITMENT IN ACTION

Below are some examples of the financing activities we undertook in 2021 that contributed to our green financing commitment:

In the SME space, we extended green financing valued at RM24 million, of which RM16 million was for renewable energy and RM6.4 million was for eco-efficient and/or circular adapted products, production technologies and processes.

SINGAPORE
In Singapore, RHB extended S\$115 million in green loans to support our customers' acquisition/development of green properties in Singapore and Australia. These properties were awarded the BCA Green Mark Platinum Award and NABERS Energy Rating of 5 Stars and above, respectively.

THAILAND
In Thailand, we have onboarded new customers in the renewable energy sector and invested in green bonds and the sustainable lending sector.

CAMBODIA
In Cambodia, RHB Bank Cambodia has entered into a green financing facility agreement to finance the development of a new 20 MW solar power plant in Svay Teab District, Cambodia. The loan application was submitted in April 2021, and USD16 million was subsequently approved and disbursed in June 2021.

SUSTAINABILITY FINANCING PROGRAMME

In 2021, RHB launched the Sustainability Financing Programme ("SFP"), a green financing product bundling programme aimed at reaching out to the needs of both Small and Medium Enterprise ("SME") and Retail customers. We aspire to be a leading community bank within the country by going beyond meeting the personal and business needs of the communities through providing seamless, effective and localised solutions. We target to grant RM1 billion of new financing by 2025 under the SFP.

The SFP has four types of green financing with the objective of promoting sustainable development and supporting the nation's transition to a low-carbon economy through green financing solutions that integrate Environmental, Social and Governance ("ESG") criteria.

<p>Green Energy</p> <p>Promotes the adoption of renewable energy through the financing of solar panels for business and residential premises.</p>	<p>Green Buildings</p> <p>Promotes the adoption of environmental considerations and eco-friendly features in the design, construction, operation and maintenance of buildings.</p>
<p>Green Products</p> <p>Promotes the purchase of eco-friendly products such as hybrid, plug-in hybrid and electric vehicles.</p>	<p>Green Processes</p> <p>Aims to reduce environmental impacts through enhancements in processes, equipment and machinery towards supporting customers' decarbonisation.</p>

For more information on RHB's Sustainability Financing Programme, please visit: www.rhbgroup.com/greenfinancing/index.html

Since the launch of the SFP in September 2021, we have extended a total of **RM44.36 million** in loan/financing comprising:

	221 Green Financing Loan for hybrid, plug-in and electric vehicles
	RM24 Million for SME

Additionally, as an opt-in, RHB Insurance offers a 10% discount on insurance premiums for electric or hybrid cars to encourage customers to purchase such cars as this will help reduce carbon emissions. Since its launch in August 2021, we have seen 665 policies sold with a Gross Written Premium of more than **RM885,321** as at December 2021.

TRANSITION TO LOW-CARBON ECONOMY WITH INSURANCE

In 2021, RHB Insurance played a key role in supporting the Group's ESG ambitions by rolling out innovative products for customers. Special discounts and insurance premiums and coverage were introduced to encourage customers to adopt a greener lifestyle by buying electric or hybrid cars, reducing the usage of their cars or using solar energy.

Looking ahead, our Green Financing commitment will form part of the RM20 billion Sustainable Financing Target under our 5-Year (2022 - 2026) Sustainability Strategy and Roadmap.

For more information on:
 • RHB's efforts to accelerate the transition to a low-carbon economy with insurance, please refer to RHB Insurance on page 57.
 • 5-Year (2022 - 2026) Sustainability Strategy and Roadmap, please refer to pages 16 to 17.

SUSTAINABLE AND RESPONSIBLE BANKING

- Sustainable Financing

SUSTAINABLE AND RESPONSIBLE BANKING

- Sustainable Financing

SUSTAINABLE ADVISORY AND INVESTMENT

OUR APPROACH

Sustainable and Responsible Investment ("SRI") has continued to gain traction as a critical financial instrument in the transition to a low-carbon economy and an equitable society.

At RHB, we continue to integrate ESG considerations into our business and operations, and explore new SRI opportunities to ensure long-term sustainable growth. This enables us to identify the potential risks and opportunities of our portfolios, which allows us to make informed investment decisions.

We also aim to increase the participation of all relevant market players in SRI/ESG bonds and Sukuk in the Malaysian capital market space. We remain guided by principles or frameworks that are publicly endorsed, and our approach is in line with and supports the Security Commission's Roadmap for the Malaysian capital markets.

- Green Bond Principles developed by the International Capital Market Association

- Sustainable and Responsible Investment Sukuk Framework developed by Securities Commission Malaysia

- ASEAN Green Bond Standards developed by the ASEAN Capital Markets Forum

RHB Investment Bank is a credible adviser, arranger and lead manager in the SRI/ESG in debt capital market space. It actively assists companies and potential issuers in establishing their respective sustainability frameworks, as well as formulating an appropriate financing structure and an execution strategy for the successful implementation of an ESG Sukuk/bond programme.

RHB's Group Treasury and Global Markets investment and trading teams, on the other hand, play a key role in driving the integration of ESG considerations as part of their decision-making processes. The ESG assessment is adopted in new investment applications and annual reviews of assets. The teams have also integrated the approved list of Group Prohibited Credits into this process, as part of the Group's ESG and risk management approach.

INVESTMENT IN SRI DEALS

As at 31 December 2021, we have the following total outstanding investments in SRI/ESG-related securities:

Entity	SRI/ESG-related securities
RHB Bank	Permodalan ASSAR Sdn Bhd ("PASB") RM950 MILLION Cagamas RM100 MILLION Ihsan Sukuk (Khazanah) RM5 MILLION
RHB Islamic	Permodalan ASSAR Sdn Bhd ("PASB") RM545 MILLION
RHB Investment	Permodalan ASSAR Sdn Bhd ("PASB") RM35 MILLION

GREEN CROSS-CURRENCY INTEREST RATE SWAP

In December 2021, we successfully structured and executed Malaysia's first Green Cross-Currency Interest Rate Swap transaction set against ESG-linked Key Performance Indicators ("KPIs") to hedge a USD100 million (RM432 million) two-year sustainable loan.

The landmark transaction marked the beginning of RHB's journey in developing customisable sustainability-linked derivatives transactions using measurable KPIs. The transaction also provided RHB's customers with access to sustainable hedging solutions to manage their financing activities more effectively and contributed further to the Bank's vision of creating a positive impact as a responsible financial services provider by adopting green considerations across its financial services supply chain.

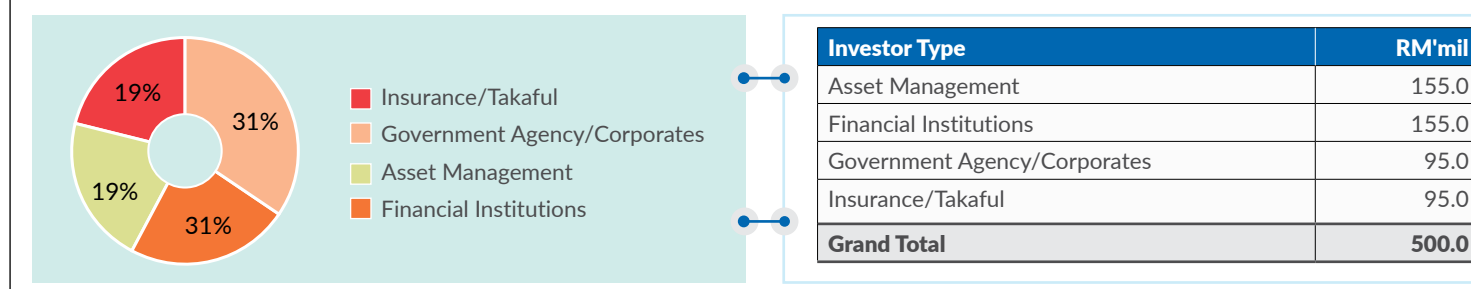
CAGAMAS ASEAN SRI SUSTAINABILITY BONDS

RHB was the sole lead arranger and manager for Cagamas Berhad's issuance of a RM300 million two-year ASEAN sustainability bond in October 2021. Proceeds from the issuance were used to fund eligible sustainability assets in the form of affordable housing loan/financing from the financial system. The issuance marked the second Cagamas ASEAN SRI Sustainability Sukuk issuance solely arranged and managed by RHB after successfully structuring Malaysia's first ESG bond for affordable housing in 2020.

SME BANK SUKUK WAKALAH PROGRAMME - SRI SUSTAINABILITY SUKUK

RHB was also the sole principal adviser, sole lead arranger, joint lead manager, facility agent, adviser and commodity trading participant for SME Bank's RM3 billion Sukuk Wakalah Programme. This was a landmark deal as it was the country's first sustainability Sukuk by a development financial institution. Despite volatile market conditions, there was substantial investor interest as the Sukuk Wakalah Programme was 3.6 times oversubscribed (RM1.76 billion).

INVESTORS' ALLOCATION



USD100 MILLION ESG-LINKED FINANCING

RHB Bank entered into an ESG-linked bilateral financing agreement with Bank of America National Association, Labuan Branch amounting to USD100 million in November 2021. The deal marked another milestone as it was priced competitively for a two-year tenure and was the first ESG-linked bilateral financing executed with RHB Bank as the borrower. The facility is direct, unconditional and ranked *pari passu* with other senior obligations.

RM978 MILLION STRUCTURED INVESTMENTS LINKED TO ESG UNDERLYING

RHB Bank issued more than RM978 million in aggregate of structured investment products to sophisticated investors with references to ESG-related underlying, ranging from equities to proprietary quantitative indices with ESG filters. The maturity profile of these investments ranges from two weeks to seven years.

Activities	Counterparty/Issuer	ESG Transaction Value	Date
Cross-currency Interest Rate Swap	Standard Chartered Bank	RM423 million / USD100 million	December 2021
Bilateral Loan (ESG)	Bank of America N.A., Labuan branch	RM423 million / USD100 million	November 2021
ASEAN SRI Sukuk	SME Bank	RM500 million	August 2021
ASEAN Sustainability Bonds	Cagamas	RM300 million	October 2021
Structured Investments linked to ESG underlying	Various	RM978 million	January to December 2021



FIVE SRI/ESG AWARDS RECEIVED IN 2021

15th Annual Best Deal & Solution Awards 2021

- Best ASEAN Green SRI Sukuk
- Best SRI Sukuk
 - > SME Bank's RM3.0 billion ASEAN Sustainability Islamic MTN Programme with 1st Issuance of RM500.0 million
 - > Principal Adviser & Lead Arranger

Islamic Finance Deals of the Year 2021

- SRI & ESG Deal of the Year
 - > SME Bank's RM500 million Sustainable Sukuk
 - > Sole Principal Adviser, Sole Lead Arranger and Joint Lead Manager

The Asset Triple A Islamic Finance Awards

- Best ASEAN Sustainability SRI Sukuk - Quasi-Sovereign
 - > Cagamas RM100.0 million Sustainability SRI Commodity Murabaha Sukuk
 - > Sole Lead Manager

The Asset Triple A Sustainable Capital Markets Country & Regional Awards 2021

- Best Sustainability Sukuk
 - > SME Bank's RM500 million ASEAN Sustainability Sukuk
 - > Sole Principal Adviser, Sole Lead Arranger and Joint Lead Manager

SUSTAINABLE AND RESPONSIBLE BANKING

- Sustainable Financing

SUSTAINABLE AND RESPONSIBLE BANKING

- Sustainable Financing

SUSTAINABLE ADVISORY AND INVESTMENT

SUSTAINABLE AND RESPONSIBLE FUND MANAGER

RHB Asset Management (“RHBAM”) continued to advance its sustainability journey in the year under review, making significant progress with the establishment of the RHBAM ESG Committee at management level to further strengthen our commitment to the Group’s sustainability vision. We view ESG as the next investment frontier and one that is important to our investors and stakeholders, who are drawn to investment opportunities that are socially and environmentally responsible.

In June 2021, RHBAM established the RHB Asset Management ESG Committee, which is chaired by RHBAM’s MD/CEO and comprises members from key management staff. The Committee meets every quarter to help develop, implement and oversee RHBAM’s ESG vision, pillars and sustainability materiality matters. This includes reviewing ESG and investment-related policies, programmes and significant publications relating to environmental, social and other sustainability matters, as well as raising awareness among RHBAM employees on the Group’s sustainability initiatives.

ESG COMMITTEE	
Purpose	To strategically drive RHBAM’s sustainability and climate agenda in line with the Group’s strategic direction, commitments and sustainability vision
Key Areas of Coverage	<ul style="list-style-type: none"> To integrate ESG considerations into business activities, strategies, investments and risk management Climate change agenda Sustainable finance products To be a sustainable and responsible Asset Manager
Chairperson and Members	Chairperson: MD/CEO of RHB Group Asset Management <ul style="list-style-type: none"> Management of RHBAM Head of Investment (Conventional and Islamic) Head of Marketing and Product Development Head of Operations Compliance Office Risk Management Office

RHBAM ESG FRAMEWORK

RHBAM’s ESG Philosophy

As a sustainable and responsible fund house and advisory entity, RHBAM adheres to four key ESG philosophies:

<p>1</p> <p>Being a Responsible Investor</p> <p>We integrate ESG factors and risks into all aspects of our investment processes</p>	<p>2</p> <p>Create Positive Impact</p> <p>We seek to provide products and services that promote positive impacts on the environment and society</p>	<p>3</p> <p>Sustainable Organisation</p> <p>We leverage investments to implement meaningful, diverse and inclusive initiatives that deliver benefits by generating positive social impacts for communities</p>	<p>4</p> <p>Opportunities</p> <p>We identify opportunities that will contribute to sustainable development</p>
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SUSTAINABLE OUTCOME

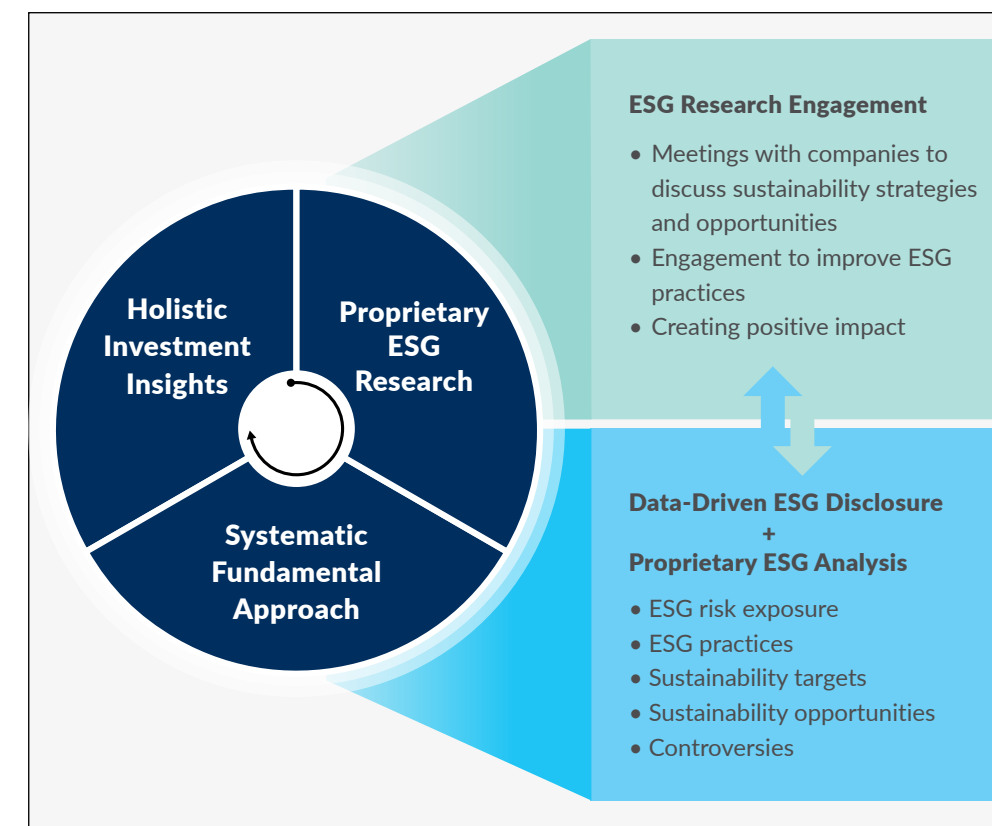
Our primary commitments are to be responsible investors and stewards. We approach ESG integration holistically – both as a risk management tool, and to achieve sustainable outcomes. We integrate ESG by relying on three pillars:

THE PILLARS OF THE RHBAM ESG PROCESS

<p>ESG as a Risk Management Tool</p> <p>Manage Risk</p> <p>ESG issues such as climate risks and various social issues can result in investment loss or reputational damage</p>	<p>ESG Integration into Active Investments</p> <p>Manage Risk</p> <p>The ESG integration process is used to appraise risk and evaluate ESG factors as part of the investment decisions of companies</p>	<p>Active Ownership and Stewardship</p> <p>Responsible Investors</p> <p>Leveraging our ownership and expertise to engage with companies</p>
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ESG INTEGRATION INTO ACTIVE INVESTMENTS & ESG AS A RISK MANAGEMENT TOOL

At the core of our investment processes, we have developed our proprietary ESG Research Process integrated with Fundamental Analysis. This integrated approach enables us to assess risk and evaluate ESG factors for investee companies as part of the investment decisions of public companies. We focus on material impact areas and take into consideration industry-specific risk exposure. We have also expanded our buy list coverage as part of the process.



ESG INTEGRATION INTO FUNDAMENTAL RESEARCH

RHB incorporates ESG considerations into its investment research process through RHBAM to help investors make informed investing decisions. We use an Internal ESG Scorecard which utilises data sourced from an external system to evaluate the investment buy list. The scorecard complements fundamental investment research and forms part of the ongoing review for all investee companies.

With the implementation of these criteria, RHBAM aims to deliver sustainable active returns with positive outcomes. The focus on ESG helps to mitigate ESG risks, avoiding companies that may pose a greater financial risk due to negative impacts across

environmental, social and governance issues on societies. Companies that have better ESG practices tend to report better operational performance as ESG practices translate to stronger operational control. By taking ESG factors into account, such an approach may deliver returns above the traditional approach. As active owners, we aim to deliver sustainable outcomes through effective stewardship.

RHBAM’s investment committee has also expanded its oversight and governance to cover investment management under RHBAM’s ESG Framework. RHBAM’s MD/CEO also sits on the ESG Capital Markets & Advisory Council, which is one of the four Sustainability Councils under the new Group Sustainability Committee that was established and implemented this year.

Active Ownership, Stewardship and ESG Awareness

At RHBAM, we focus on three key areas to integrate and advocate ESG in investing.

<p>Engagement</p> <p>We will, to the best of our ability, encourage better ESG and transparency to address any issues we have regarding controversies, governance and best practices, and encourage sustainable developments.</p>
<p>Stewardship</p> <p>Sustainability focus and best practices can be advanced through industry participation and affiliations</p> <ul style="list-style-type: none"> Training Membership ESG Products
<p>Voting</p> <p>We will also exercise our right as an active investor/investors through voting. Areas of focus:</p> <ul style="list-style-type: none"> Board composition Executive pay Ownership and control Diversity

SUSTAINABLE AND RESPONSIBLE BANKING

- Sustainable Financing

SUSTAINABLE AND RESPONSIBLE BANKING

- Sustainable Financing

SUSTAINABLE ADVISORY AND INVESTMENT

ESG ENGAGEMENT

We believe engagement is key in assessing ESG risks and opportunities and influencing corporate behaviour in promoting best practices and unlocking long-term value. In 2021, we continued to create awareness and educate investors on the positive impacts of investing in ESG funds via podcasts, webinars and virtual conferences, as well as ongoing client and stakeholder engagement sessions. In July, we jointly organised a workshop with the Securities Industry Development Corporation (“SIDC”) on Integrating ESG in Fundamental and Financial Analysis. We also held several podcast sessions conducted by our Chief Investment Officer to stay engaged with our valued customers and stakeholders. Further to that, we participated in a knowledge-sharing session initiated by The Edge Media Group, which highlighted the shift in trends in ESG investing. We will continue to share regular market outlook and fund updates via digital platforms to engage with our stakeholders and investors to enable them to make informed decisions. In the year under review, we conducted engagement dialogues with 17 companies on ESG issues.

STEWARDSHIP

Membership

We have been an active member of the Institutional Investors Council Malaysia (“IIC”) since December 2020 and we are part of the IIC’s Council Board.

Training*

In 2021, we held an ESG sharing session and briefings on ESG-related developments as part of our ESG training and awareness for our employees as well as our Board of Directors.

* For more information, please refer to Sustainability Capability Building and Awareness on page 88.

ESG FUNDS

The momentum for ESG investing remains strong, especially for investors who are focused on obtaining stable returns, as well as those who are more aware of the environmental risks that can impact businesses in the long term. In 2021, RHBAM launched four ESG Sustainable and Responsible (“SR”) qualified thematic funds to meet the growing appetite for ESG investments, and we have seen good traction thus far with RM836 million in combined AUM achieved in FY2021 across the four funds. These funds allow investors to participate in long-term sustainability-focused investments centred on climate change, healthcare, empowerment and sustainable infrastructure.

FUND NAME	LAUNCH DATE	CONVENTIONAL/ISLAMIC	AUM @ 31 DEC 2021
RHB i-Global Sustainable Disruptors Fund	6 Jan 2021	Islamic	RM282 million
RHB Global Impact Fund	22 Feb 2021	Conventional	RM94 million
RHB Sustainable Global Thematic Fund	8 Mar 2021	Conventional	RM416 million
RHB Asia Sustainable Leaders Fund	20 Sep 2021	Conventional	RM44 million

OUTLOOK

Looking ahead, RHBAM will enhance its ESG framework and policy further by developing our own Carbon Policy and Deforestation Policy that will be aligned with the Group, as well as a monitoring mechanism for ESG ratings. We will also continue to develop thematic ESG funds, as we anticipate even greater demand for ESG funds in the future in tandem with increased awareness.

SUSTAINABLE ADVISORY AND INVESTMENT - RESEARCH



PROGRESSING THE ESG AGENDA

In October 2020, RHB’s Research team began disclosing ESG scores for the FTSE Bursa Malaysia Kuala Lumpur Composite Index (“FBM KLCI”) stocks under our coverage to give investors a snapshot on where a company stands in terms of its ESG practices and performance from an ESG perspective. The scores are based on nine key ESG metrics that most companies would disclose relevant data for and also demonstrate the companies’ intention in tackling ESG issues.

In 2021, RHB expanded ESG profiling to all stocks under coverage, including those in Indonesia, Singapore and Thailand. Since October 2021, these ESG scores have been integrated into stock valuations through the application of a premium or a discount to the target price. We outlined our approach to this process in our Regional thematic research report titled ‘Integrating ESG Scores into Valuations’ released in September 2021.

Our ESG methodology involves comparing the ESG scores of the individual stocks we cover against the country’s median ESG score, then using the differential to derive a discount or premium that is

incorporated into equity valuation. The approach we use is thus similar to applying risk adjustments to the cost of equity, and is a simple way to link ESG risk to company valuations.

From a research perspective, the comparability of disclosures remains a challenge as there is still no unified ESG disclosure framework. However, we believe it is up to industry participants like us to make a start, so that fundamental equities research can incorporate ESG factors, noting that negative E, S or G factors directly impact the financial or stock performance of a company.

Over a longer time horizon, however, we expect a company’s ESG initiatives and related disclosures to improve and mature, as they seek to capture the inherent value present in long-term sustainable practices. On our end, we will continue to play our role by remaining vigilant in detecting greenwashing practices which threaten to undermine the more noble intentions of the ESG agenda. Going forward, investors can look forward to a structure where ESG considerations are embedded in our equity valuation analyses. In the year under review, the Research team also produced thematic research reports to help stakeholders better understand the ESG ecosystem.

RESEARCH REPORTS ON ESG:

- (Nov 2021) Market Strategy: When Shariah Meets ESG
- (Sep 2021) Integrating ESG Scores Into Valuations: An Introduction To Our Methodology
- (Aug 2021) Electric Vehicles: The Future Is EV. Is ASEAN Ready?
- (Jun 2021) Indonesia Environmental, Social, And Governance: ESG – The Way Forward For Conscious Investing
- (Jun 2021) Environmental, Social, And Governance: ESG - The New Way Forward For SG Equities
- (Jun 2021) Thailand Thematic: Environmental, Social, And Governance

SUSTAINABLE AND RESPONSIBLE BANKING

- Sustainable Financing

SUSTAINABLE AND RESPONSIBLE BANKING

- Sustainable Financing

SUSTAINABLE ADVISORY AND INVESTMENT - RESEARCH

INDUSTRIAL ENGAGEMENT

Besides advancing our own ESG journey, RHB reached out to our stakeholders to engage with them more closely about ESG investing and to have broader discussions about sustainability. In the year under review, our RHB Institutional Equities team hosted a number of online conferences:

Other Engagement Events:

Integrating ESG Scores into Valuations Zoom meetings

RHB ESG Thematic Conference – When Shariah Meets ESG

RHB ESG Thematic Conference – Finding Resilience on the Path to Recovery – in collaboration with the Singapore Exchange (SGX)

Total Sessions Held

3

panel sessions with 12 speakers

12

corporate sessions with 12 speakers

2

case studies from RHB and Digi

4

sectoral sessions with industry expert speakers from Plantation, Banking, REITs, Oil & Gas, Rubber Gloves, Telecommunications and Automotive

The panel sessions featured discussions by different groups on specific topics such as regulatory issues and discussions with institutional investors. Meanwhile, the corporate sessions and case studies highlighted the sharing of ESG journeys by different companies.



Number of participants:

More than **1,500** individuals

Total number of speakers:

31 speakers

ENGAGEMENTS AND CONFERENCES

In June 2021, we held our inaugural ESG conference, ESG Forum: Envisioning A Better Future, which attracted many participants, including analysts, industry experts and corporations from around the region and Malaysia. Held from 22 to 24 June, the forum was organised to promote deeper engagement within the investment community by facilitating discussions on current and future issues as well as trends surrounding ESG investing in Malaysia.

The topics included insights and discussions on regulatory challenges and development, integration of ESG risk factors into business strategy and the balancing between profitability and compliance with ESG standards.

SUSTAINABLE SOLUTIONS FOR CUSTOMERS - GROUP COMMUNITY BANKING

At RHB, we strive to meet the needs of the communities and offer innovative products and services through cross-sector partnerships to increase sustainable solutions for customers and businesses.

Our Group Community Banking serves over 3.9 million individual customers and more than 200,000 businesses by providing both conventional and Shariah compliant, consumer and SME Banking Solutions.

We aspire to be one of the best community banks in Malaysia by out-serving the communities' personal and business needs with simplified, digitalised and localised solutions. We are committed to helping the communities around us progress sustainably by driving financial inclusion and introducing better, more convenient and seamless customer journeys.

Supporting Customers and Businesses During Challenging Times

In 2021, the Group continued supporting our customers and the vital SME segment as many were affected by the prolonged effects of the pandemic.

Targeted Financial Assistance

Since March 2020, the Group has facilitated or provided some form of payment assistance to a total of 312,992 retail customers, valued at RM34.5 billion. Of the total customers, 160,912 or 51.4% of them were from the B40 income group.

For SMEs alone, we have provided financial support and assistance amounting to RM20.3 billion since the first lockdown in March 2020. In 2021, we once again helped to facilitate the disbursement of government relief funds targeted at SMEs. In total, the Group approved approximately RM12.9 billion of financial assistance to 7,133 SME customers.

Retailer SME Relief Financing Programme

The retail sector was more severely impacted compared to other sectors due to the various lockdowns throughout the year. To help this segment, we assisted selected retail malls by allocating up to RM200 million in working capital to assist its retailers.

Under the scheme, qualified retailers can apply for RHB financing facilities of up to RM500,000 with a loan/financing tenure of seven years, where up to 80% of the principal financing amount is guaranteed by the Credit Guarantee Corporation. The programme also incorporates an option for an overdraft facility of up to 30% of the financing limit with one of the lowest interest rates in the market. Since its launch, a total of RM1.56 million has been approved as of December 2021.

#JomSapot

The #JomSapot campaign is an RHB initiative that kickstarted in September 2020 to enable SMEs to promote their businesses on a free online platform and engage with customers on social media. SMEs are encouraged to sign up with us via Facebook, a purpose-built microsite, where they are given free listings on the microsite. We urge customers via Facebook to support the SMEs listed and offer promotional deals to attract customers. Since the start of the #JomSapot campaign, we have assisted more than 350 merchants with over 10,000 business outlets. In 2021, more than 200 merchants with almost 6,000 outlets nationwide who have benefited from this initiative.

Cov-Aid Schemes

RHB Insurance continued to support our customers comprising policy holders, SMEs and individuals throughout 2021 with the Cov-Aid Premium Instalment Scheme and Cov-Aid Premium Relief Scheme. As at December 2021, more than RM8 million of Cov-Aid gross premiums were converted into instalments and over RM1.5 million of Cov-Aid Premium Relief Scheme was granted.

For more information on RHB's Cov-Aid Scheme, please refer to Sustainable Solutions for Customers - RHB Insurance on page 57.

SUSTAINABLE AND RESPONSIBLE BANKING

- Sustainable Financing

SUSTAINABLE AND RESPONSIBLE BANKING

- Sustainable Financing

SUSTAINABLE SOLUTIONS FOR CUSTOMERS - GROUP COMMUNITY BANKING

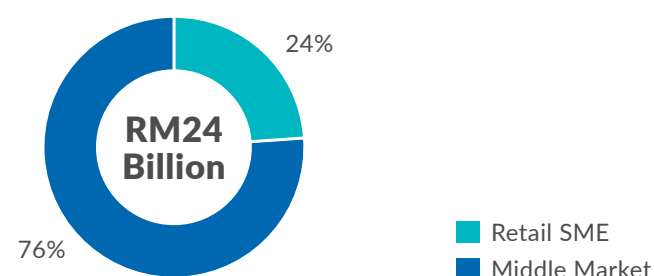
Summary of Relief/Financial Assistance Programmes for SMEs

SMEs			
SME Relief Funds	Purpose/Objective	No. of Customers	Approved Amount
BNM Special Relief Facility ("SRF")	To help businesses adversely affected by the pandemic to sustain their business operations, safeguard jobs and support economic growth	1,536	RM998,061,000
BizPower Relief Fund ("BRF")	To alleviate short-term cash flow problems faced by SMEs adversely affected by the COVID-19 outbreak	2,018	RM1,651,275,421
Targeted Relief and Recovery Facility ("TRRF")	To provide relief to and support recovery of SMEs in the services sector affected by the reintroduction of containment measures since June 2020 (except tourism and tourism-related subsectors)	2,924	RM1,193,767,032
BNM Automation and Digitalisation Facility	To incentivise SMEs to automate processes and digitalise operations to increase productivity and efficiency	20	RM39,785,820
BNM Agrofood Facility	To provide financing for SMEs to increase agrofood production for Malaysia and for exports	181	RM335,344,626
High-Tech Facility - National Investment Aspirations ("HTF-NIA")	To support affected high-tech and innovation-driven SMEs that are best aligned to strategic long-term development goals embedded in the National Investment Aspirations	8	RM13,850,000
Malaysian Ministry of Finance PENJANA SME Financing ("PDF") and PENJANA Tourism Financing ("PTF") Schemes	To help alleviate the short-term cash flow problems faced by SMEs due to COVID-19 and the MCO	PDF: 156 PTF: 23	PDF: RM48,485,000 PTF: RM6,080,000

Helping SMEs Thrive

SMEs are the lifeblood of the Malaysian economy. In 2020, they contributed 48.4% of the national employment amid the pandemic. As important as they are, SMEs are vulnerable to economic challenges due to smaller assets and reserves.

COMPOSITION OF SME GROSS LOANS



*Source: Department of Statistics Malaysia, 2020

SME Ecosystem

RHB's SME Ecosystem is a comprehensive and all-encompassing system that leverages on technology and online platforms to help SMEs embrace digitalisation. We are the first bank in Malaysia to offer integrated connectivity through collaboration with technology solution providers and ecosystem partners. Our ecosystem is anchored on improving access to financing, increasing efficiency and reducing cost of operations, and enabling SMEs to focus on growing their business.

SME Ecosystem	2019	2020	2021
SME Ecosystem Comprises	<ul style="list-style-type: none"> RHB Reflex and Reflex Mobile Cash Management Financial Supply Chain Financing SME e-Solutions SME Digital Journey 	<ul style="list-style-type: none"> Digitalisation of on-boarding process via SME Web Portal and RHB Financing (SME) Mobile App Initiatives and integration with new technology partners to drive acquisition 	<ul style="list-style-type: none"> Straight through processing of SME online Financing via Financing (SME) mobile app Omni-channel experience Added SQL & Talenox into SME API Ecosystem
Business Solutions Provided	Accounting Point of Sales Inventory Management Payroll & HR	Education (iKEY)	Nil
Total no. of SME Customers	200,000	208,000	211,686 <ul style="list-style-type: none"> SME Online Financing: 2,402 SME Ecosystem: >13,000
Reflex Customers	100,000	113,000	>125,000
SME e-Solutions Platform Customers	>6,000	>10,000	>13,000
Loans/Financing Disbursed to SMEs	RM4.8 billion	RM5.4 billion	RM5.7 billion

The Group has seen significant growth in our SME ecosystem which has also benefited the Group in a number of ways and bodes well for the long-term sustainability of the Bank. For instance, the average current account balance of customers participating in SME e-Solutions is 80% higher than those who are not part of the ecosystem.

We are also now seeing more than half of the Group's SME Financing applications originating digitally. Since its launch in July 2018, the SME Online Financing Facility has received more than RM4 billion worth of applications for financing and approved almost RM900 million. The catalyst to this growth was the Small Ticket Business Financing initiative that in itself has grown into a portfolio valued at approximately RM800 million.

In the year under review, we have continued to improve the onboarding journey and have now enabled both remote interviews of potential customers and remote site visits through the SME Smart Interview feature. This is an especially important feature given the changes in customer preferences due to the ongoing pandemic.

SUSTAINABLE AND RESPONSIBLE BANKING

- Sustainable Financing

SUSTAINABLE AND RESPONSIBLE BANKING

- Sustainable Financing

SUSTAINABLE SOLUTIONS FOR CUSTOMERS - GROUP COMMUNITY BANKING

Syarikat Jaminan Pembiayaan Berhad ("SJPP")

RHB was recognised for its strong support towards SME when it was awarded with the Top Performer Award 2021 from SJPP for providing the highest amount of financing to SMEs under various government-guaranteed financing schemes. This marks the Group's fourth consecutive year as a recipient of SJPP's Top Financial Institution Award, reflecting our continued focus on the SME segment over the years. In 2021, the Group facilitated a total disbursement of RM2.38 billion, which impacted more than 2,500 SME customers and represented the highest percentage of SJPP financing in that year. We also have been continuously recognised as the top performer since 2018, with the highest market share in terms of disbursement of SJPP financing to Malaysian SMEs. In total, RHB has helped 6,554 SMEs since 2018.

Credit Guarantee Corporation ("CGC")

RHB is one of the top three banks providing over RM890 million of financing to SMEs under Targeted Relief and Recovery Facilities ("TRRF") for year 2021.



Convenient and Affordable Homeownership

Homeowners Ecosystem

RHB empowers homeowners through a digital ecosystem for seamless linking of customers, agents and the bank itself, fast mortgage application, and bridging the gap between homeowners and home solutions partners.

The RHB Homeowners ecosystem consists of:

- RHB Partners App
- RHB MyHome Website
- RHB MyHome App

To read more on our RHB Homeowners Ecosystem as an end-to-end digital ecosystem, refer to Digitalisation on pages 68 to 69.

Affordable Homeownership

- My **First Home Scheme (Skim Rumah Pertamaku)** assists first-time homebuyers earning a gross monthly household income of up to RM10,000 to purchase their first home. As at December 2021, RHB assisted 1,667 homeowners to acquire their first properties through the scheme, totalling up to RM457 million in mortgages.
- **BNM Perlindungan Tenang** – Community Banking continues to be the main driver of the Tenang product as a basic insurance cover for the B40 segment amongst RHB customers. RHB continues to champion BNM's objectives to ensure that appropriate insurance cover at affordable premiums is available to the B40 segment with more than 8,000 customers covered in FY2021. This contributed to a total of RM1.7 million in premiums to the overall Bancassurance sales.

Pushing ESG Within Insurance

In 2021, RHB Insurance played an important role in supporting the Group's ESG ambitions by rolling out a number of innovative products.

This includes maximum discounts for private car comprehensive insurance cover for electric or hybrid cars to encourage customers to purchase eco-friendly cars to reduce carbon emissions. Since its launch in August 2021, we have seen a Gross Written Premium of more than RM800,000 as of December 2021.

For owners of cars with combustion engines, we offer insurance where premiums are linked to the mileage the car achieves in a year to encourage lower usage of the car to reduce carbon emissions. In addition, we provide insurance coverage for solar panels, which supports the Group's Green Financing Scheme that encourages the adoption of renewable energy. In 2022, we plan to launch a policy that protects customers against financial losses arising from cyber-attacks.

We continued to leverage on digitalisation to expand our reach to underserved segments via our mobile app and website, while making it a point to ensure our new ESG-related products are also available via these channels.

Internally, we have started integrating ESG criteria into our investment policies, which are expected to be implemented in 2022.

RHB Insurance continued to support our customers throughout 2021 with the Cov-Aid Premium Instalment Scheme and Cov-Aid Premium Relief Scheme.

Performance as at December 2021:

Cov-Aid Premium Instalment Scheme

RM8.8 MILLION gross premiums converted into installments

Cov-Aid Premium Relief Scheme

RM1.5 MILLION has been granted

SUSTAINABLE AND RESPONSIBLE BANKING

- Sustainable Financing

SUSTAINABLE AND RESPONSIBLE BANKING

- Sustainable Financing

ADVANCING VALUE-BASED INTERMEDIATION ("VBI")

OUR APPROACH

While the COVID-19 pandemic has widened social inequality and thus accelerated the need for sustainability, it has also highlighted the important roles and capabilities of Islamic social finance in responding to the negative impacts. The pandemic has created a new opportunity for Islamic banking to reassess its value proposition and realign with social finance¹.

At RHB Islamic, we have aligned ourselves with BNM's call to adopt the principles of Value-based Intermediation ("VBI") since 2018, enabling us to go beyond Syariah compliance that prioritises the well-being of the Ummah (i.e. people and society). In the last three years, we have integrated VBI principles into our business practices and conduct, as well as product offerings, which allows us to support economic sectors that are built upon shared values of integrity, inclusivity, and sustainability. RHB Harmoni is our overarching ecosystem that drives the objectives in our VBI journey.

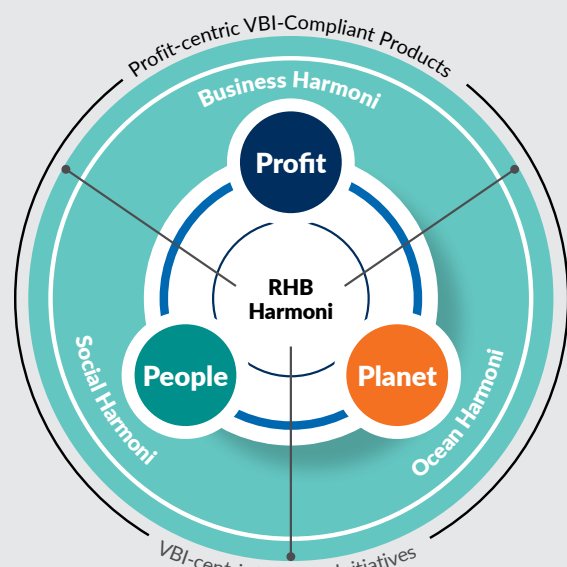
RHB Harmoni

Focusing on promoting economic activities that will result in positive social and environmental benefits, our VBI journey will gradually create sustainable value and positive impacts on both people and the planet. We are also exploring ways to further expand the area of social finance to positively impact the communities around us.

Social Harmoni: Focuses on enabling Islamic social finance that includes waqf, sadaqah, and zakat. We help mobilise these social capital for the purpose of enhancing the well-being of communities.

Ocean Harmoni: Focuses on engaging stakeholders including the public to raise awareness and contribute towards the conservation of the ocean and the marine ecosystem.

Business Harmoni: Focuses on values that we bring to the ecosystem that we serve and concentrate on namely education, health and the government segments.



RHB Islamic's Contribution to the Development of VBI

VBI Community of Practitioners ("CoP")	BNM's VBI Financing and Investment Impact Assessment Framework ("VBIAF")
Became a Member in May 2019	<ul style="list-style-type: none"> Contributed to VBIAF Sectoral Guide for Energy Efficiency Contributed to VBIAF Sectoral Guide for Oil & Gas (Consultative Document)

Moving forward, RHB Islamic will focus on becoming the preferred value-based Shariah financial services provider for the Malaysian market through aligning all its businesses and services to VBI principles via RHB Harmoni.

OCEAN HARMONI



Ocean Harmoni is RHB Islamic's flagship initiative focused on raising awareness on conservation and environmental sustainability of the marine ecosystem. The initiative is in support of SDG 14: Life Below Water and SDG 17: Partnerships for the Goal. The first programme under the flagship initiative was a collaboration with Universiti Malaysia Terengganu ("UMT") and World Wildlife Fund ("WWF") Malaysia that led to the launch of RHB Visa WWF Debit Card-i in 2020, the first eco-friendly recycled plastic debit card in the Asia-Pacific region featuring the Green Sea Turtle. The collaboration allows RHB Islamic to contribute to the conservation of ocean life by enabling its customers and the community to support the worthwhile cause.

Under the eco-friendly debit card initiative, customers are given the option to support ocean life conservation by contributing up to 100% of their profit rate or 'Hibah' and channeling a donation of RM3 to support ocean research and development studies conducted by UMT. Each new RHB Visa WWF Debit Cardholder-i will also enjoy 10% discount on WWF-Malaysia merchandise purchase on its online shop, pandashop.my

As at December 2021, we have issued 69,779 recycled plastic cards and collected a donation amounting to RM34,511.04 to fund marine research by UMT.

Unfortunately, due to the on-going pandemic and social distancing restrictions, we were unable to conduct any of the physical programmes that were planned under the Ocean Harmoni banner, including a study on geo-tagged turtles by UMT.

¹ Global Islamic Finance Report 2020-21

To further push this agenda, we will expand our collaboration with more local public universities through Project PULIH within the first half of 2022 to increase the awareness on marine ecosystem conservation.

Ocean Hope

RHB continues to play a key role in pushing for ocean literacy among the public and advocating towards greater awareness for ocean conservation through Ocean Hope, an outreach programme by UMT.

The Ocean Hope initiative and its education portal continue to raise awareness, empower youth, connect ocean-interested partners and bridge scientific knowledge from universities to society.

For more information: www.oceanhope.umat.edu.my/

Transforming Mosques

In 2020, we entered into a Memorandum of Understanding ("MoU") with the Malaysian Green Technology and Climate Change Centre ("MGTC") to support the government's Masjid Hijau programme. The initiative, driven by the Ministry of Environment and Water ("KASA"), aims to help mosques reduce their carbon footprint by adopting green technology such as rainwater harvesting, self-water treatment, and the installation of solar photovoltaic ("PV") systems. On 18 October 2021, KASA launched the Green Mosque endowment fund as an alternative financing source for green technology projects to be implemented in mosques (Masjid Hijau).

We have supported the installation of solar PV panels for two mosques:

- Under the MoU with MGTC, Masjid Al-Hasanah Bangi in Selangor became the first mosque to benefit from the Masjid Hijau programme.

In phase 1, RHB Islamic contributed **RM75,000** for the installation of solar PV panels with a **22.36kWp** capacity. Potentially, the solar panels are capable of generating energy equivalent to **24,700 kWj** annually and reducing electricity cost by about **RM12,600** yearly.

Donation collected via SyuQR, JomDerma, RHBNow and cash of **RM51,000**.

- In the same vein, RHB Islamic also collaborated with other institutions such as State Religious Councils.

An example is the collaboration with Masjid Agama Islam & Adat Istiadat Melayu Perlis ("MAIPs") where the Bank provided financing amounting to **RM500,000** to a company mandated by MAIPs to install solar PV installations for up to 10 mosques across Perlis.

In Phase 1 of this collaboration, Masjid Al-Ghufran Perlis became the first recipient having received **RM100,000** via zakat.

Giving Back to Society

True to our value-based principles, we give back to the communities through donations and contributions via zakat redistribution, Dana Wakaf Al-Bait and SyuQR. In 2021, we:

contributed
RM6.0 MILLION
of zakat

redistributed more than
RM416 THOUSAND
of zakat refunds

raised
RM367 THOUSAND
under Dana Wakaf Al-Bait

Kelebihan syuQR
275
institutions registered with SyuQR

SUSTAINABLE AND RESPONSIBLE BANKING

- Sustainable Financing

SUSTAINABLE AND RESPONSIBLE BANKING

- Customer-centric Banking

ADVANCING VALUE-BASED INTERMEDIATION ("VBI")

ZAKAT

Zakat contribution is a way of giving back to society and empower the vulnerable. Our zakat contribution, which is distributed to all 14 state zakat authorities/state Islamic religious councils, is determined and approved by the Shariah Committee every year.

In 2020, the Committee approved an annual zakat of RM4 million, which was distributed in 2021. For 2021, RM6 million was approved for distribution in the coming year.

Since 2018, RHB Islamic has taken on the role of Wakeel (Agent) for state zakat authorities ("SZA") to distribute the allocation of SZA-approved zakat refunds. The refunds are redistributed to the B40 communities comprising *asnaf* sub-categories of *fakir*, *miskin*, and *fi sabilillah*. Each application by the B40 applicants for the refund is carefully evaluated based on merit to ensure the refunds are properly distributed.

As at 31 December 2021, the total distribution of zakat refund, which amounted to RM416,518, was used to assist:

- *asnaf* entrepreneurs under MyZakat programme, an initiative by Association of Islamic Banking and Financial Institutions Malaysia ("AIBIM").
- more than 200 *asnaf*, *fakir* and *miskin* individuals from the B40 category in Perlis and Malacca.
- the installation of solar panels at two mosques.
- students as well as children of RHB employees to further their education.

RHB's Zakat Contribution from 2017 to 2021



DANA WAKAF AL-BAIT

RHB Islamic also helps to raise funds for non-profitable organisations through Dana Wakaf Al-Bait, an initiative that channels endowments to non-profitable organisations that are reliant on public donations. The initiative is a collaboration with AIBIM and the Sarawak State Islamic Religious Council. As at December 2021, a total of RM366,722 was raised against the target of RM500,000. The funds raised had assisted two Islamic institutions, where the students and children benefited from the upgrading works to the premises and the purchase of a van. The progress of the collection of donation may be viewed live on the MyWakaf website at www.mywakaf.com.my

The **RM366,722** that was raised through Dana Wakaf Al-Bait had assisted underprivileged students and children from two Islamic institutions.

SYUQR

SyuQR is an e-wallet for Sadaqah contribution that allows donations to be made to mosques and Islamic institutions via QR code that is available on various digital payment platforms. These include JomPay, DuitNow, Boost e-wallet, and Tap&Derma. Through SyuQR, mosques and Islamic institutions benefit from cashless transactions that are fast, efficient, secure and transparent, enabling ease of security. SyuQR will also help to reduce risk of theft significantly and allow easy monitoring of donation transactions. We will continue to play our role as a digital enabler by actively promoting and expanding SyuQR to more mosques and Islamic institutions, which also allows cross-selling business opportunities. In the last three years, the number of institutions that signed up for the e-wallet has increased steadily. In 2021, 275 Islamic institutions had signed up for SyuQR, an increase of 77% from the previous year.

CUSTOMER-CENTRIC SOLUTIONS AND EXPERIENCE GRI 417-1

OUR APPROACH

As the country continues to recover from the COVID-19 pandemic, RHB remained focused on providing customer-centric solutions to our 3.9 million individual customers and more than 200,000 businesses by ensuring inclusive customer experience and fair treatment. We continued to leverage innovation and technology to provide seamless customer experience and attract new customers.

We are committed to ensuring exemplary service and operations based on RHB Way, our service culture, and RHB's Customer Service Charter to ensure unparalleled service to all customers. In today's fast-moving digital age, we offer unique experiences to our customers with innovative solutions that promise fast, smooth and seamless banking experiences.

We can proudly attest that our dedicated team of employees often go a step beyond performing banking duties, from taking time to listen to our customers to assisting them in fulfilling their financial aspirations. We will continue to improve on building a lasting relationship with our customers and providing effective solutions to fulfill their banking needs.

RHB WAY - Our Service Culture

Fulfilling customers' needs remains one of our priorities, and we have engrained in ourselves the RHB Way service culture to further drive RHB as a forerunner in delivering memorable customer experience. The RHB Way equips us with the proper experience and know-how that enables us to collaborate between network, businesses and support groups to deliver great experiences. Launched in 2018, RHB Way has been embedded in Malaysia and Singapore service culture and anchored on the 3 RHB Way Service Commitments of Build Trust, Deliver Convenience, and Create Value. In 2022, we will extend the RHB Way to include other regional branches.

RHB Way 2.0

In 2021, we rolled out several initiatives to actively enhance our service culture through RHB Way 2.0.

To continue to intensify our service culture, we undertook the following measures:

- Setting **service standards** and building service **capability** with Service Scorecard, Service Playbook & Training.
- Provide the guide, knowledge and skill to deliver customer experience based on Customer Experience Principles and RHB Way Tone of Voice.
- Organising **Service Campaigns and Programme** to instill the RHB Way service culture and drive the right behavior.
- Organising **Service Excellence Recognition Programme** to recognise individuals and teams who are role models of RHB Way service culture.
- Employing **Fair Treatment of Financial Consumers Principles and RHB Way Tone of Voice** into customer communication.

We also improved operational excellence to further enhance customer experience by institutionalising LEAN Design Thinking discipline as part of AGILE way of working. These are the key priority initiatives to focus in addressing critical areas raised by customers.

To sharpen RHB Way as a platform to deliver our Together We Progress brand promise, we rolled out Win Back unhappy customers programme and solved root causes of complaints. Additionally, we launched Customer Experience Principles as a guideline to improve process design and customer interactions.

SUSTAINABLE AND RESPONSIBLE BANKING

- Customer-centric Banking

SUSTAINABLE AND RESPONSIBLE BANKING

- Customer-centric Banking

CUSTOMER-CENTRIC SOLUTIONS AND EXPERIENCE

We continued to track and manage our key priority areas, share monthly reports with Management, conduct RHB Way 2.0 virtual roadshow to discuss progress and lessons learnt, and continuously listen to our customers and monitor service performance results to close service gaps and identify areas of opportunity to do better.

EVERYDAY HEROES FOR ALL TIME

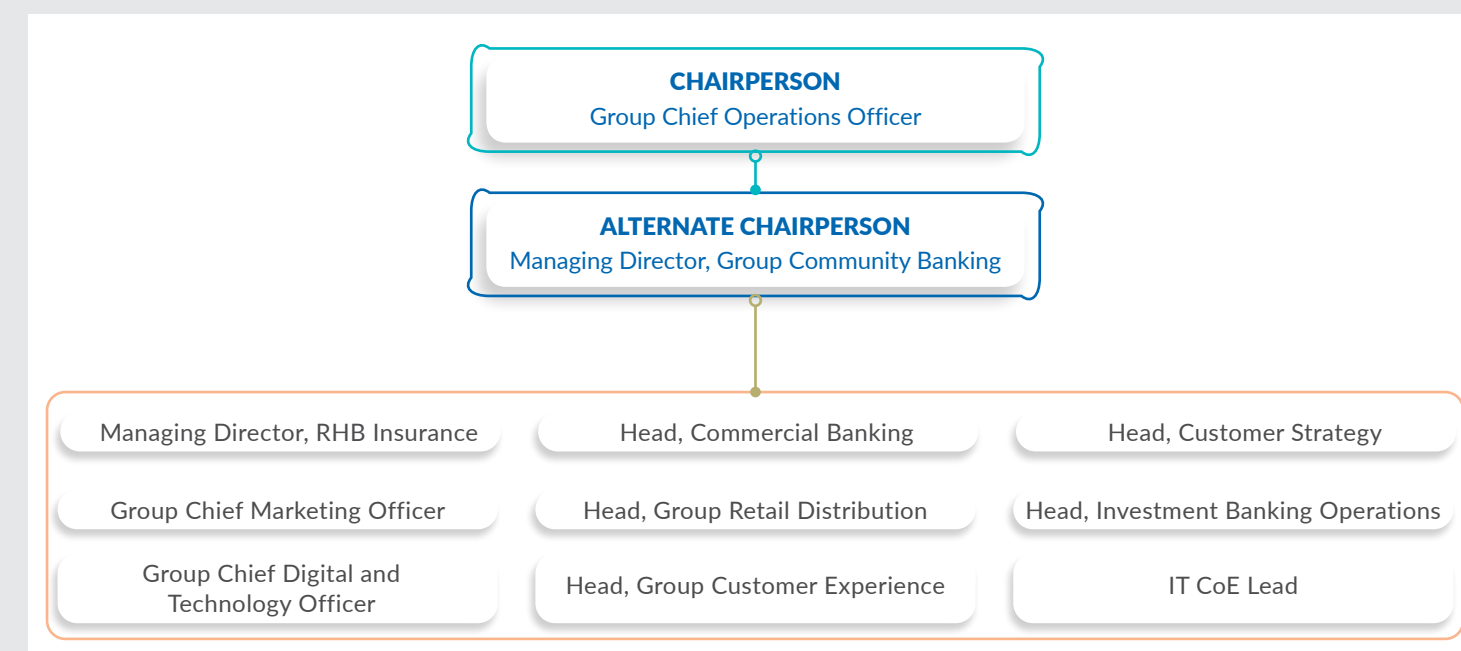
At RHB, we constantly strive to go above and beyond our desk duties to not only meet customer expectations and build relationships but also to show that we care. Serving the local communities means more than just executing daily banking duties for RHBians, as shared in the testimonies here. These stories reflect our aspiration to be one of the best community banks as we strive to progress together with the people around us.

Reaching Out to the Needy	Six RHB Heroes from the RHB Plentong branch in Johor initiated a collection of RM1,200 and RM600 worth of groceries for six unfortunate families in Kota Tinggi and Ulu Tiram, who were severely affected by the floods in December 2021. The donations and groceries, which included household items and diapers, were contributed by the Plentong Branch staff and their families and friends.
Going Beyond the Call of Duty	Five RHB Heroes from the RHB Section 14 branch in Petaling Jaya, Selangor, rushed to the aid of a food trucker whose truck, parked opposite the RHB branch, was on fire. With the help of the local communities, including police officers, the team successfully put out the fire, reflecting the willingness of RHBians to go beyond their daily banking duties in caring for local communities.
Caring for Local Communities	An RHBian from the RHB Jelapang branch in Perak went beyond the call of duty to connect with the local communities by working closely with a local mosque, Masjid Jamek Taman Kledang Jaya Ipoh, to identify and help underprivileged families within the community. During the height of the pandemic, the RHB Hero initiated a food bank programme and raised RM800 from his branch for the affected families on Hari Raya Aidiladha. He also partnered with a local convenience store, which sponsored 40 bags of rice and flour.
Being a Friend in Need	One RHB Hero from the RHB Jalan Tun Sambanthan branch in Ipoh, Perak, did more than what was required for a RHB customer when she reached out to an 80-year-old customer who lived alone. When the customer became ill, the RHB Hero put her banking duties aside and personally took him to the doctor to ensure that he was given medication. Following the incident, the RHB Hero contacted the local people's representative regarding the customer's situation and helped to apply for funds from the local welfare department. The RHB Hero and her team, who had previously donated cash and groceries to the customer, demonstrated RHBians' true spirit of humanity.
Meeting More Than Banking Needs	The assistance of a RHB staff from the RHB Tasek branch, Perak, in finding a rental property for a customer's out-of-town relative greatly impressed the customer, as she went beyond her scope of duty to meet the customer's non-banking needs. As a result, the customer signed up for Joy@Work for her company to process payroll for her 25 employees. The customer also became the branch's premier customer and gladly promoted the branch to her family and friends.

Note: The names of the RHB staff and customers have been concealed to protect the individuals' privacy and confidentiality.

Governance of Service and Operational Excellence

Our service and operational excellence is under the strategic guidance of the Group's Service and Operational Excellence Council ("SOEC"). Comprising leaders from various Functional and Business Groups, the SOEC is critical in providing strategic advice on key elements and issues in relation to the Group's service and operations. The Council reports to the Group Management Committee.



Customer Feedback and Service Excellence

To uphold customer service excellence, we make it our priority to ensure that every interaction point with a customer is a positive and memorable experience. We know that customer feedback is instrumental in establishing trust and improving our service. As such, we strive to seek customers' feedback via transactional surveys, focus groups and an annual customer survey, while using the Net Promoter Score ("NPS") as a key Customer Experience ("CX") metric and the Customer Satisfaction Score as a key measurement for touchpoints and products. Other indicators include customer waiting time, serving time, loan/financing applications and over-the-counter turnaround time, which are all measured against internal and industry standards.

All our employees strive to deliver customer experiences beyond our Customer Service Charter, which highlights our key commitments and service standards, as displayed on RHB's corporate website.

Please visit www.rhbgroup.com/others/customer-service-charter/index.html to view our Customer Service Charter.

We continuously strive to improve our customer service excellence by gathering feedback through post-resolution surveys on complaints resolved and we endeavour to make right, to improve customer satisfaction. The surveys serve as a tool for us to turn 'detractors' into 'promoters' and transform any negative experiences into positive ones.

In 2021, we gathered the following data from our operations in Malaysia:

	2019	2020	2021
Feedback Volume	1,988	45,345	167,332
Complaints Volume	2,747	2,859	3,012
Compliments Volume	3,533	7,072	14,447
Resolved Complaints/Feedback within Service Level Agreement	97.43%	99.20%	99.56%
<i>Premier: 2 working days</i>			
<i>Non-Premier: 3 working days</i>			

SUSTAINABLE AND RESPONSIBLE BANKING

- Customer-centric Banking

SUSTAINABLE AND RESPONSIBLE BANKING

- Customer-centric Banking

CUSTOMER-CENTRIC SOLUTIONS AND EXPERIENCE GRI 417-1

Ensuring Financial Access to All

We continue to strive to be an inclusive bank by ensuring that our services and branches are easily accessible to all.

Customer Touchpoints

- 362 branches and offices across 9 countries

208 branches in Malaysia are equipped with special access

- 1,757 self-service terminals in Malaysia consisting of ATMs, Cash Deposit Machines, Cheque Deposit Machines, EPF Kiosks, Cash Recycler Machines and Coin Deposit Machines

- Our online and mobile banking platforms

- RHB Now Internet Banking
- RHB Mobile Banking App
- RHB MyHome App
- RHB Partners App
- RHB Financing (SME) Mobile App
- RHB SME Online Financing
- RHB Reflex Online Banking
- RHB Reflex Mobile App
- RHB TradeSmart Online Trading
- RHB TradeSmart Mobile App
- RHB Online Insurance
- RHB Insurance Mobile App
- RHB Online Banking

- Onboarded over 1 million users on the RHB mobile banking app since its launch in April 2019

- 24-hour Customer Contact Centre with digital capabilities and data analytics to serve more than 300,000 customers every month across Malaysia, Singapore and Brunei

To date, 208 of our branches in Malaysia are equipped with special access for better accessibility, special low-level counters/tables or waiting areas for customers with special needs such as the elderly or the differently abled. At these branches, there are also ATMs with keypads and raised dots on numbers one to five to help those with special needs identify surrounding keys. Among these branches, 67 are built with walkway ramps and 16 branches furnished with designated parking lots for special needs customers.

To be more intuitive in understanding the needs of our differently abled customers, we have also provided basic training to more than 5,500 frontliners and staff across Malaysia. The training included a specially designed Disability Related Service Training ("DRST") module that provided our frontliners with the right service skills in handling deaf, blind and disabled customers. The target is to have at least one frontliner from each branch to complete this training, before expanding it to more frontliners. Covering Understanding and Communicating with the Deaf, Understanding and Assisting a Person on a Wheelchair and Understanding and Assisting the Blind, the programme was conducted by three qualified trainers from YMCA KL, the National Council for People with Disabilities and the Malaysian Association for the Blind. As at 31 December 2021, 283 frontliners from 189 branches in Malaysia have completed their DRST training.

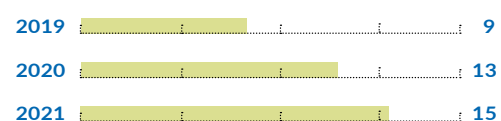
e-Queue Management System

The requirement for social distancing brought on by the COVID-19 pandemic made it even more important for RHB to ensure that customer interactions at the branches remained safe. The RHB eQMS Mobile App allows real-time mobile e-ticketing services and same-day appointments at all 208 RHB Bank and RHB Islamic Bank branches in the country. This innovative real-time queue and appointment system on mobile phones significantly reduce time spent by customers waiting within the branches to be served, while increasing safety and convenience.

Measuring Customer Satisfaction

We continued to measure our customer experience and performance against our peers through our Net Promoter Score ("NPS"). We are pleased to report that our NPS has substantially improved over the years.

RHB Bank Berhad's (Malaysia) Net Promoter Score



In 2021, RHB Malaysia had an improved performance with a +15 NPS score, two points higher than the previous year, and ranked fourth in the industry. RHB consistently ranked among the top four across most of the core business tracks. RHB also closed the gap with key competitors in 2021 and was ahead by +4 points in Malaysia and +20 points in Singapore.

The improvements in both RHB Malaysia and Singapore are testament to RHB's focus on customer-centricity and the investments made in delivering a consistent customer experience across business tracks despite the pandemic challenges. Going forward, RHB Banking Group targets to rank third in the NPS within the industry.

For more information on the NPS, please refer to the Customers Performance Data on page 136.



AWARDS

The Digital Banker Digital CX Awards 2021

- Digital CX Awards, Excellence in Next-Gen Customer Satisfaction (Winner)
- Excellence in Customer Service Innovation (Highly Acclaimed)
- Outstanding Digital CX - Payments (Highly Acclaimed) - RHB Mobile Banking App

FAIR TREATMENT OF FINANCIAL CONSUMERS

Our Approach

RHB Banking Group is committed to the Fair Treatment of Financial Consumers ("FTFC") in managing our business. Our priority is the consistent delivery of fair dealing outcomes because we believe that it will foster trust and accountability among our customers in the long run, resulting in higher customer satisfaction and retention. We are constantly improving our fair treatment practices, in line with BNM's policy document on FTFC and requirements from other relevant regulatory authorities, to ensure that we consistently deliver fair dealing outcomes to our customers as well as a fair dealing environment when providing investment banking services to our clients.

The following initiatives were taken to further improve the fair treatment of financial consumers:

- The FTFC Charter was published on our website to educate our customers

- The principles of FTFC were incorporated into our Complaints Management Manual and Policy for guidance and internalisation

- Emphasised customer advocacy as a vital part of governance to ensure that every complaint is resolved fairly, promptly and effectively

RHB's Fair Treatment of Financial Consumers Charter

Our FTFC Charter is accessible online at: www.rhbgroup.com/others/customer-service-charter/index.html

To protect the interests and financial well-being of our customers:

- We commit to embedding fair dealing in our Group's corporate culture and core values.
- We commit to being fair, responsible and professional when dealing with our customers.
- We commit to ensuring that we provide clear and relevant information and strive to be consistent in exercising due care in our business dealings with customers.
- We handle all customers' complaints in an objective, effective and fair manner.

In addition, in our efforts to preserve market integrity and orderly market practice, we have established the Orderly and Fair Market Guidelines for our investment banking arm, which serve as internal guidance that governs the responsibility of our licensed representatives, interaction with clients, internal management of unusual trade-related matters and

reporting to the Board and regulators. We also monitor our licensed representatives' transactions, and any exceptions or trading concerns will be deliberated by the Sales Personnel Business Misconduct Committee ("BMC") before deciding on any disciplinary actions to be taken against the Commissioned Licensed Representatives.

We continued to imprint FTFC principles and RHB Way's Tone of Voice in our communications with customers by being transparent in providing assistance in sharing information and updates in any documents or contracts related to their banking needs.

Customer Advocacy and Complaints Management

We promote Customer Advocacy towards ensuring our customers are heard across RHB Banking Group. Our Customer Advocacy team plays a pivotal role in ensuring that customers' interests are at the focal point of everything that we do, and this includes making sure every complaint is resolved fairly and objectively. Customer Advocacy provides an unbiased view and independent approach to the resolution of difficult issues that require fair outcomes in order to make things right for our customers. More importantly, Customer Advocacy upholds FTFC principles firmly, with the assurance of timely resolution and putting our customers' best interests at the heart of every resolution. This also means working together with different stakeholders across the Group to meet expectations and develop customer-centric approaches.

Customer Advocacy plays a governance role in the Bank and as such, we will continue to move forward with the following:

- Implementing a fair, effective and well-documented Group Complaints Management Policy and Complaint Management Operational Manual prescribing the complaints-handling process in the dispute resolution and redress mechanism, providing a flexible approach to complaints-handling that is continuously reviewed and improved.
- Customer Advocacy governs the Complaints Management process to ensure that all complaints are handled in an equitable, objective and timely manner, including establishing timelines, to maintain a high level of customer satisfaction with the Group's products and services. Customer Advocacy also provides internal standards and sets parameters on the derivation of figures for reporting on complaints statistics.
- Conducting Root Cause Analysis on the most common complaints to eliminate recurring issues.
- Playing the role of mediator and making alternative channels available to customers for redress and resolution of disputes/claims to ensure that customers are treated fairly.
- Ensuring that we provide easily accessible channels for customers to voice their concerns and grievances, and gathering feedback after each resolution to measure our effectiveness in making sure that each complaint is resolved.

SUSTAINABLE AND RESPONSIBLE BANKING

- Customer-centric Banking

SUSTAINABLE AND RESPONSIBLE BANKING

- Digitalisation

FAIR TREATMENT OF FINANCIAL CONSUMERS

Every complaint is an opportunity for improvement, and Customer Advocacy makes sure that this process is carried out in the best interests of our valued customers. Guided by the Group's Complaints Management Operations Manual, which contains processes and procedures for dealing with complaints and feedback, the team is fully capable of handling any complaints that come their way.

We established our position and developed the RHB Banking Group Complaints Management Policy that is in line with BNM's FTFC Policy requirements.

The RHB Banking Group Complaints Management Policy has been conceptualised to specify the requirements and standards stipulated in all the following policies that the Group is required to adhere to:

- The BNM Complaints Handling Policy, which dictates a fair and efficient complaint-handling process in the consumer dispute resolution and redress mechanism.
- The BNM Fair Treatment of Financial Consumers Policy, which focuses on Redress in Principle 6, among the six principles on fair dealing and treatment of consumers.
- The Reporting Requirements on Statistical Report of Complaints Statistics Policy, which determines timely and accurate reporting.
- The Participating Organizations' Directives & Guidance Directives on Conduct of Business (No. 5-001) issued by Bursa Malaysia Securities.

Customer Advocacy Team

We have put in place an independent Customer Advocacy team that not only receives and reviews customers' feedback, but also provides mediation, where necessary. The team helps to expedite resolution/management between customers and the relevant business and functional units across the Group.

Our Customer Advocacy team receives continuous training and certification through various professional programmes to ensure that it is always up to date with the latest knowledge. This is done to ensure that only the best approaches and tools are used and implemented. Our employees have been taught to habitually practise simple English, the RHB Tone of Voice and the 'Art of Win Back' principles to equip them with the ability to empathise with customers when providing feedback or managing complaints. We also have Monthly Service Providers' meetings to go over advisory requests and reviews on new products and services or variations in products and services to ensure that standards of fairness are maintained.

Some initiatives undertaken by the team to improve overall customer service this year, included:

- Peer-to-peer support via work chats and monthly engagements with Complaints Liaison Officer to strengthen ability in handling complaints.
- On-the-job training in service recovery efforts for crisis management.
- Post-Resolution SMS Survey to determine customers' satisfaction with complaint resolutions.
- Upgrading skills of frontliners via 'live' sessions and engagement with touchpoints to embed 'Complaints are a gift' mindset and share success stories for role-modelling.
- Root Cause Analysis to identify issues for elimination to prevent recurrence of complaints and understand customer pain points to frame action plans.

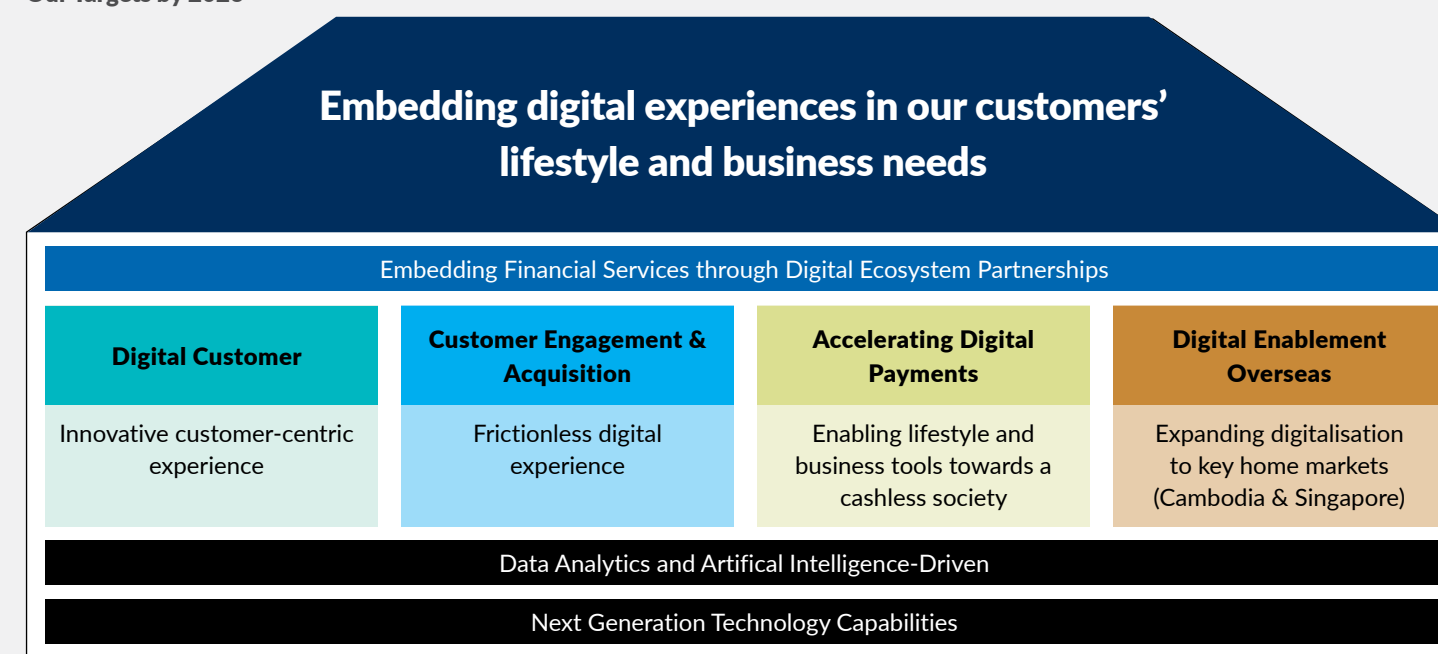
DIGITALISATION

At RHB, digitalisation and technology are crucial building blocks of our operations, enabling us to better serve our customers while increasing our productivity.

RHB's Digital Transformation Programme began in 2017 with the vision of being a digital banking leader in the region. Since then, we have made good progress in our digital transformation, launching many market firsts that have helped improve customer experience and business performance, as well as enhancing the digital banking ecosystem as a whole.

RHB'S DIGITAL TRANSFORMATION PROGRAMME

Our Targets by 2026



OUR TARGETS BY 2026

- 15% revenue from ecosystem partnerships (Embedded Finance).
- Digital transactions to exceed 95% of total customer transactions.
- 50% customer acquisition done digitally.
- Top 3 in DuitNow transactions by volume.
- Analytics-driven benefits to be 10% of PBT.

The Group has set aside considerable resources for the continuous progression of Digital and IT transformation and modernisation efforts, driven by the clear understanding that a strong digital backbone is critical to the long-term sustainability of the organisation.

We have stepped up our efforts to nurture and encourage an innovation culture within the organisation to meet the challenges of a rapidly evolving landscape. Through the Agile way of working, the Group has produced many first-in-market solutions and digital-first ecosystems that can benefit our customers across all segments. The significant growth in digital adoption and digital origination has resulted in an improved Net Promoter Score ("NPS"), reflective of the seamless and frictionless customer journeys we have created and which we will continue to improve on going forward.

SUSTAINABLE AND RESPONSIBLE BANKING

- Digitalisation

SUSTAINABLE AND RESPONSIBLE BANKING

- Digitalisation

DIGITALISATION

INPUTS/ENABLERS

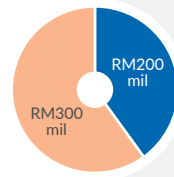
INVESTMENTS

Committed RM500 million for Digital and IT modernisation (2018 - 2022), of which RM200 million was dedicated to Digital. As of December 2021, 68% of the Digital commitment has been utilised.

Investment Commitments

Digital Investments IT Modernisation

- RM200 million in CAPEX on digital investments between 2018 and 2022.
- RM300 million for IT Modernisation Programme to future-proof our technologies and adopt modern architecture like Cloud and DevOps between 2019 and 2022.



AGILE

The Agile way of working increases efficiency and puts the customer journey front and centre to deliver customer-centric digital solutions quickly.

Where we are on Agile as at end-2021

- **Agile@Scale**
More than 82% of RHBians, or 11,518 employees, have moved into the Agile way of working, which improved productivity by 36%. This includes:
 - > achieving 186 routine Minimum Viable Products ("MVP") and 6 breakthrough MVPs.
 - > training 228 design-thinking practitioners.

What is next for Agile

- **Conclude Agile Transformation**
 - > Conclude Agile structural transformation for the remaining units in Malaysia.
 - > Pilot Agile way of working for selected overseas franchises (i.e. delivery organisation in Singapore and Cambodia).
 - > Review and refine Tribes' customer journeys and MVP roadmaps (including teaching of product management).

- **Drive Agile Maturity**
 - > Roll out Agile Maturity Assessment to systematically gauge Agile maturity levels (squad to enterprise level).
 - > Launch executive coaching for Agile Leaders (i.e. Portfolio Owners, Tribe Leads).
 - > Drive sustainable practice of Agile way of working via Agile Champions Programme.
 - > Diagnose and enhance key enablers across the Agile operating model (process improvement and automation).

iii. Galvanise all employees in support of a shared innovation agenda via vigorous communication campaigns and bespoke incentive structures that foster creativity and innovation.

Expectations moving forward (2022 onwards)

Agile 2.0 (2022-2026) is about moving from 'doing Agile' to 'being Agile', with a focus on driving innovation and employee engagement. We will continue to grow the number of people working in Agile to 13,033. With almost 100% of RHBians moving into the Agile way of working, the Agile Maturity Index is targeted to achieve 3.5 and above. In terms of innovation, the expectation is to achieve 180 routine MVPs and at least 8 breakthrough MVPs, while continuing to train more design-thinking practitioners.

To read more about the Agile way of working, please refer to the People & Workplace section of this report on page 83.

- **Accelerate Innovation**
 - > Accelerate innovation agenda by implementing a holistic and synergistic set of initiatives across the entire innovation value chain (from discovery to delivery):
 - Improve our discovery of breakthrough ideas to solve customers' biggest unmet needs by institutionalising design-thinking and MVP approaches across the Group.
 - Conclude Agile transformation and elevate the Group's Agile maturity to ensure disciplined and faster delivery of product releases to the market via Agile way of working.

community architecture that is supportive, inclusive and rewarding, and anchored on three pillars:

Pillar I

A democratised innovation process that allows all RHBians to take part in the initiative by submitting ideas to the idea bank, joining the Future Skills Programme at RHB Academy or applying to be part of Solution Design Labs to stand a chance to win variable bonuses at 'Dragon's Den'.

Pillar II

Individual contributors with outstanding achievements are offered rewards and recognition.

Pillar III

To provide participants with supportive key enablers such as design thinking facilitators, RHB Mentors and the Innovation Squad at every stage of the journey.

In 2021, we introduced an internal incubation programme inspired by the 'Dragon's Den' television series to encourage and challenge our employees to accelerate innovation to develop groundbreaking next-generation ideas. It enables employees to set up their own squad of 'co-founders' consisting of multi-

disciplinary talents to pitch their proposed solutions to a panel of 'RHB Dragons', comprising senior management. If their ideas get funded, they will be rewarded with bonuses should their innovations produce tangible outcomes, such as revenue uplift, cost reduction or greater customer acquisition. In 2021, we successfully ran 17 innovation labs with five teams getting funded.

Training & Recruitment

Specialised training programmes were implemented through curated learning journeys, online and offline, to build a world-class Digital, Technology and Analytics team. RHB took a two-pronged approach by hiring experienced talents as well as upskilling internal talents through specialised training programmes.

1. Workforce of the Future ("WOTF") - Capability upskilling for 45 roles across the areas of Digital, Technology and Analytics. The roles involve 400 staff and will be expanded up to 800 staff.

To read more about WOTF, please refer to the People & Workplace section of this report on page 85.

2. Cloud Fluency Programme - 361 staff trained in the fundamentals of Cloud Technology.

INNOVATION

Using a best-in-class innovation organisation framework, we seek to balance differentiated plays to innovate at scale and pull ahead of our competitors, based on a clear strategic roadmap divided into three phases.

RHB Innovation Roadmap

Phase 1:

Building internal capabilities to drive the culture of experimentation Group-wide and solve problems through co-creation and co-experimentation within the tech ecosystem.

Phase 2:

Scaling up partnerships and investments to rapidly increase market penetration.

Phase 3:

Growing RHB's digital capabilities and enabling rapid prototyping to propel the Group as an industry leader.

To sustainably scale volume, variety and velocity of innovations, we introduced the RHB Innovation Community of Excellence ("RICE"), a modular

OUTCOMES

Overall - Performance against 2017

Digital Transactions grew from 64% (2017) TO 93% (2021)*	Digital Business Origination grew from <1% (2017) TO 25% (2021)	Cost-to-Income Ratio improved from 49.9% (2017) TO 45.2% (2021)	NPS turned around from -9 (2017) TO +15 (2021)
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* With ATM transactions, excluding ATM transactions: 85%.

RHB Banking Group

Net Income RM7,789 MILLION (2021)	IT Cost RM280 MILLION (2021)	Cost-to-Income Ratio 45.2% (2021)	IT Cost-to-Income Ratio 3.6% (2021)	Gross Impaired Loans Ratio 1.49% (2021)
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Retail Banking

The **Digital Channel Platform** represents the way we approach the retail banking portfolio and allows a seamless transition between our Internet Banking platform and the Mobile Banking app by organising products and services around three main pillars:

- **My Bank** - RHB helps customers manage their money.
- **My Life** - RHB aids customers in living their life with ease.
- **My Wealth** - RHB empowers customers to grow their wealth.

The RHB MyHome Ecosystem

The RHB MyHome ecosystem provides homeowners end-to-end services that are required when purchasing a home. From applying and obtaining a mortgage loan/financing through the RHB MyHome App to obtaining resources and services to transform the house into a home with the RHB MyHomeWeb platform, the ecosystem has it covered. In addition, the RHB Partners App allows property agents and developers to recommend home loan/financing offers to customers.

- 48 hours approval after submission of full documents.
- MyHome app has decreased sales time spent per application from eight hours to 3.5 hours.
- Contributed 56% of new mortgages valued at RM5.8 billion compared to 40% in 2020.

SME Banking

SME e-Solutions

RHB SME e-Solutions is a first-of-its-kind SME connected banking ecosystem that provides all-in-one business management solutions to ease and automate our customers' daily operations, Human Resource management and accounting tasks.

Leveraging API technology, we have onboarded and connected almost 13,000 customers with seven partners offering solutions for different segments.

SME Online Financing

SME Online Financing has transformed the way our SME customers apply for and obtain financing as they no longer need to visit a branch. Over time, we have continually enhanced our onboarding capabilities to make the loan/financing application journey as convenient and frictionless as possible.

- As of end-2021, 50% of SME Financing applications originated digitally.
- Almost RM1 billion worth of applications approved.
- An estimated one-third of customers now apply for and receive their loan/financing approvals without physically stepping into the Bank.

iSmart

The iSmart solution has enabled Relationship Managers to vastly improve the efficiency of the loan/financing application and approval process through virtual meetings and the conversion of manual requirements to digital. This has led to:

- 20% reduction of end-to-end turnaround time for Retail SME loan/financing approval.
- 37% increase in productivity from the Retail SME sales channel.
- 20% increase in SME overall productivity.

Wholesale Banking

RHB Reflex

RHB Reflex is a one-stop banking platform for businesses of all sizes and segments, aimed at empowering business owners in managing their cash flows through account management, payment process, collection and liquidity management, helping customers to sustain long-term business growth and have control over their business cash flows. Through our digitalisation efforts, the platform now has the RHB Reflex Mobile app, DuitNow QR integration and RHB LiveFX, a dedicated foreign exchange platform to monitor and book contracts and manage settlements for up to 34 currencies.

The RHB Reflex platform now serves more than **133,927** customers, an increase of 52% since 2018.

Completed more than 8,800 deals worth **RM1.46 BILLION** through RHB Live FX@Reflex.

MOVING FORWARD

RHB aims to enhance its efforts through the four pillars of its digital strategy - customer-centric journeys, engagement and acquisition, accelerating digital payments and digital enablement - across the region by building better customer value propositions via digital ecosystem partnerships through API.



15th Alpha Southeast Asia Awards 2021
> Best Digital Bank in Malaysia (2nd time in a row)

The Asian Banker's Top Digital Finance 2021
> Ranked 2nd among Malaysian banks

PILLAR TWO: EMBEDDING GOOD PRACTICES

EMBEDDING GOOD PRACTICES - Ethics and Governance

SUSTAINABLE AND RESPONSIBLE BANKING

EMBEDDING GOOD PRACTICES

ENRICHING & EMPOWERING COMMUNITIES

GRI 102-8, 102-16, 102-17, 207-1, 207-2, 401-1, 401-2, 404-1, 404-2, 404-3, 403-5, 403-6, 403-9, 403-10, 405-1

Embedding good practices is fundamental to the long-term sustainability of the Group. We strive to foster and integrate sustainable practices and responsible behaviour within the Group by upholding high standards of corporate governance and ethical business conduct and also by promoting a workplace culture that is engaging, inclusive and caring. We seek to manage our operational footprint through various programmes and initiatives.

KEY CAPITALS



PRIMARY SDGs



VALUE TO STAKEHOLDER GROUPS

- Employees
- Business Partners
- Regulators & Policymakers
- Shareholders & Investors

Focus Area(s) and Material Matter(s)

Ethics & Governance

- Good Business Governance
- Data Protection and Cybersecurity
- Dynamic Regulatory Landscape

People & Workplace

- Talent Management
- Employee Training and Education
- Employee Health, Safety and Wellness
- Diversity and Equal Opportunity

Environmental Stewardship

- Environmental Stewardship
- Climate Change*

Sustainable Procurement

- Sustainable Procurement

■ achieved ■ on track

Targets and Selected Key Indicators

- Maintained 30% women's representation on RHB Bank Berhad's Board of Directors.
- Achieved 90% in Employee Engagement Score - on par with the Group's target score for 2021 and industry average.
 - Average annual training hours per employee recorded at 48 hours.
 - 52.5% women in Top and Senior Management.
- Operational Greenhouse gas ("GHG") emissions intensity per employee reduced by 41% in 2021 (vs 38% in 2020) against baseline 2016 (43,233 tCO₂eq).
- Spent RM689.9 million on 523 local suppliers and vendors or 93% of the Group's total suppliers and vendors in Malaysia.

* Material matter that appears in more than one Focus Area.

CORPORATE GOVERNANCE & INTEGRITY



This section should be read together with RHB Bank Berhad's Integrated Report 2021 and Corporate Governance Report 2021 available at www.rhbgroup.com.

OUR APPROACH

At RHB, we are committed to upholding the highest standards of good corporate governance and strive to demonstrate this through good business conduct. As a responsible and sustainable financial services provider, we instill a strong compliance culture to inculcate trustworthy practices among our stakeholders.

Our efforts are pillared by robust policies and frameworks across governance, compliance and risk management that are regularly reviewed and updated to meet the demands of the rapidly changing business environment and regulatory landscape.

We will continue to ensure that RHB is well-managed and less susceptible to the volatile business environment by enhancing our approach and practices in:

- CORPORATE GOVERNANCE
- INTEGRITY, CONDUCT AND CULTURE
- COMPLIANCE CULTURE
- TAX TRANSPARENCY
- RISK MANAGEMENT*
- DATA PROTECTION & CYBERSECURITY

CORPORATE GOVERNANCE AND THE BOARD

The Board

The Board is committed to upholding high standards of integrity and strong business governance to continue to be the main driver of RHB's corporate governance management and culture, ensuring the integration of professional business ethics across the Group. As such, the Board continues to exercise fiduciary duty as guardian of public monies by maintaining vigilant oversight of the performance of the Management, including decision-making on risk management, leadership, diversity and the sustainability agenda. The Board's decision-making process involves a two-way dialogue with Senior Management, taking relevant issues into consideration before decisions are made and maintaining an open communication channel to ensure critical information is not overlooked. The Group's governance structure

*Note:



Captured under Sustainable Financing for ESG Risk Management.



Captured under Risks & Opportunities and Statement on Risk Management and Internal Control.

has put in place relevant provisions for the Board to delegate specific functions and responsibilities, while the ultimate oversight remains with the Board.

The Board's operations are guided by its Board Charter and the Board's delegated responsibilities are guided by the clearly defined Terms of Reference ("ToR") of the respective Board Committees. The ToR are reviewed periodically by the Board and respective committees to ensure their mandates are carried out in line with best practices and regulatory requirements. The composition of the Board Committees is periodically reviewed by the Board and, where required, improved with the support of the Board Nominating & Remuneration Committee.

The Board has put in place a Board Governance Handbook ("BGH") that provides quick and easy reference on all the policies and guidelines that support the Board in its roles and responsibilities. The BGH contains, among others, the following:

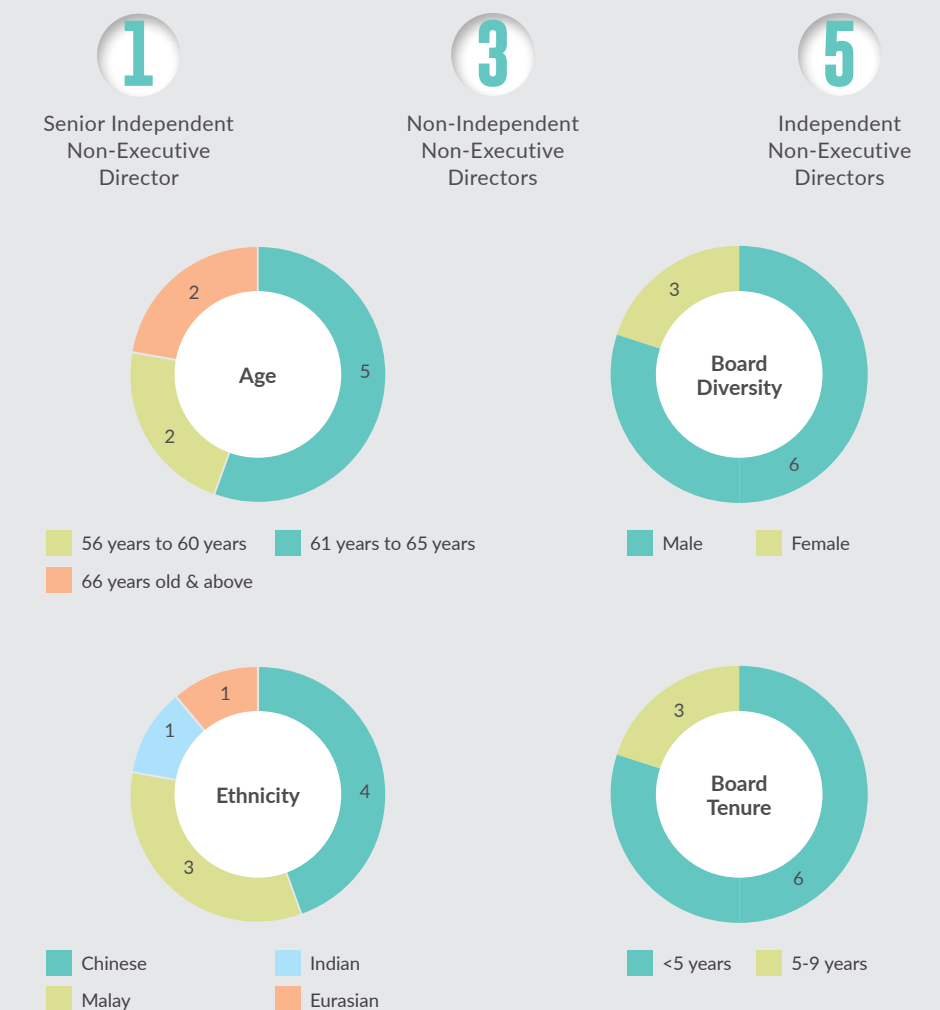
- Board Charter
- Code of Ethics and Business Conduct for Directors
- Remuneration Framework & Policy
- Nomination Framework for RHB Banking Group
- Framework on Director's Expenses
- Boardroom Diversity Policy
- Group Fit & Proper Policy
- Terms of Reference for the BAC, BNRC, BRC and BCC
- Procedures on Directors' In-House Orientation & Continuing Education Programme
- Group Anti-Bribery and Corruption Policy
- Group Whistleblowing Policy

Board Composition and Diversity

During the year, the Board comprised 10 experienced and credible members. In line with Bursa Malaysia Securities Berhad's Main Market Listing Requirements, the Board has five Independent Non-Executive Directors ("INED"), three Non-Independent Non-Executive Directors ("NINED"), one Senior Independent Non-Executive Director and Group Managing Director*. As at 31 December 2021, RHB Bank Berhad has three women Directors serving on the Board, accounting for 30% women's representation in the boardroom, as aligned with our target and the Boardroom Diversity Policy.

* Dato' Khairussaleh Ramli has resigned as Group Managing Director/Chief Executive Officer of RHB Banking Group, effective 25 March 2022.

NON-EXECUTIVE DIRECTORS COMPOSITION



For further details on RHB Bank Berhad's Board, including Board Activities, Board Effectiveness Evaluation and Roles and Responsibilities, please refer to the Our Governance section in the Integrated Report 2021 and Corporate Governance Report 2021.

EMBEDDING GOOD PRACTICES

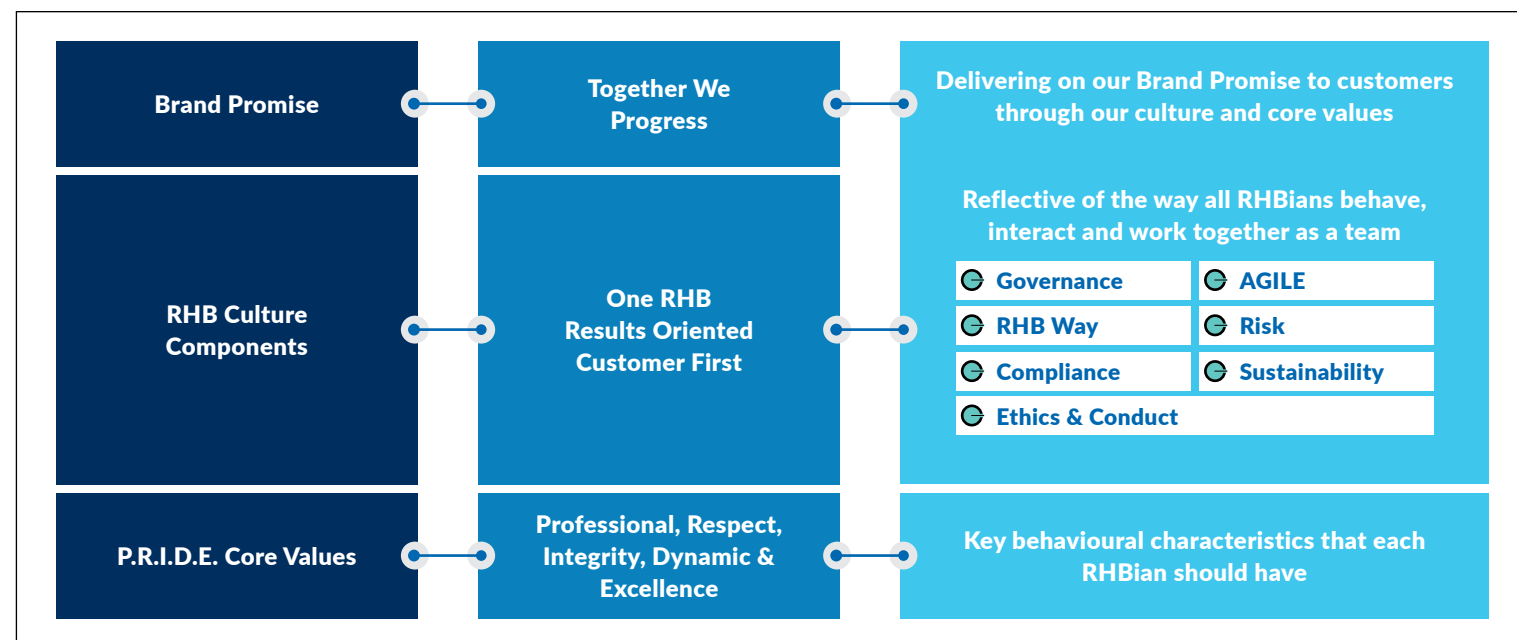
- Ethics and Governance

EMBEDDING GOOD PRACTICES

- Ethics and Governance

INTEGRITY, CONDUCT AND CULTURE

The Board continues to invest time and effort in cultivating and fostering a corporate governance culture that amplifies RHB's core values of Professional, Respect, Integrity, Dynamic & Excellence ("P.R.I.D.E.") throughout its value chain. These core values are ingrained within the organisation to inculcate a positive corporate culture that will spur RHB to deliver and achieve its strategic objectives. Our P.R.I.D.E. values supplement the overall Culture Component of the organisation, which ultimately contributes to delivering on our Brand Promise to our customers and the rest of our stakeholders.



Code of Ethics and Conduct

The Board has put in place a **Code of Ethics and Business Conduct for Directors** to promote and inculcate ethical behaviour while fostering good business ethics and compliance among the Directors. The Code is aimed at enabling the Directors to carry out their roles and responsibilities as per the Companies Act 2016, establishing and upholding ethical standards, corporate responsibility and accountability, as well as underlining the responsibility of every Director to perform their duty in a lawful, honest and ethical manner, and free from any conflict of interest.

The Board has also implemented a **Group Code of Ethics and Conduct for Employees** to ensure a high standard of ethical and professional conduct is upheld in performing their duties and responsibilities. It serves as a guideline to help employees interact with each other, our shareholders, customers, suppliers, competitors and communities.

As a financial institution involved in multiple banking and capital market segments, specific codes of conduct have also been established to complement the main Code of Ethics for Directors and Employees, namely the Code of Conduct for Licensed Representatives and Share Trading Officers, Code of Ethics & Guidelines for Business Conduct for Unit Trust Consultant(s) and Principles to Adopt for Users of Social Media Platforms. These Codes, along with the Key Internal Controls, aim to provide clear guidance on acceptable behaviours and practices of Directors, Senior Management, employees and the Group's business partners or representatives.

The Group has the following Key Internal Control Documents and Procedures in place to supplement the codes of conduct and curb bribery and corruption:

RHB HAS ADEQUATE INTERNAL CONTROLS TO CURB BRIBERY & CORRUPTION			
Group Anti-Bribery & Corruption Policy	Group Whistleblowing Policy	Group Gifts & Hospitality Guideline	Code of Ethics & Conduct
Anti-Bribery & Corruption Stance and Commitments	Group Fraud Risk Management Policy	Group Anti-Money Laundering & Counter Financing of Terrorism Policy	Group Fit & Proper Policy
Policy on Related Party Transactions	Corruption Risk Assessment	Orderly & Fair Market Policy	Group Corporate Sponsorship & Donation Policy
Core Shared Values (P.R.I.D.E.)	Group Chinese Wall and Insider Trading Policy	Whistleblowing or 'Speak Up' Channels and Avenues	

Anti-Bribery & Corruption

The Group Integrity & Governance ("GIG") division, which oversees anti-bribery and corruption matters at RHB Bank, has continued to strengthen the Group's ethical business practices through sustained training efforts and the development of our own Organisational Anti-Corruption Plan ("OACP").

The new initiative to roll out the Group's inaugural OACP in the year 2022 will align our anti-bribery and anti-corruption efforts with the National Anti-Corruption Plan 2019-2023 ("NACP"). It will be a top-down statement of commitment from our Group to condemn and prevent corruption in our business practices. In 2021, we organised 10 workshops to facilitate the development of RHB Banking Group's OACP, with 168 participants from various units, departments and divisions.

The Group Anti-Bribery & Corruption Policy and Group Whistleblowing Policy were also updated in 2021. The updated policies were approved by RHB Bank Berhad's Board and can be accessed on the Group's corporate website.

In the year under review, we continued to conduct training and awareness programmes for both our Board and our employees to uphold high standards of business ethics and integrity. The Board, along with Senior Management and the Directors serving on subsidiary boards, attended a training session on Anti-Bribery & Corruption, with a particular focus on Section 17A and Adequate Procedures, facilitated by a Malaysian Anti-Corruption Commission ("MACC") officer.

The mandatory e-learning module introduced in 2020 for all employees had a completion rate of 99%. In 2021, new employees who joined RHB Banking Group were required to complete this e-learning module as part of their onboarding programme. The Group adopted MACC's Integrity Vetting System (*e-Sistem Tapisan Keutuhan*) to conduct background checks on new senior officers prior to their recruitment/employment as part of the existing due diligence process to ensure they were corruption-free and fit for the positions. This check was also conducted for appointments to high-risk senior positions within the Group.

A total of 65 training and awareness sessions on anti-bribery and corruption were also conducted for 4,777 employees within the Group, including 18 sessions involving 1,454 participants from our overseas operations (Thailand, Brunei, Cambodia, Laos, Singapore, Vietnam and Indonesia) on 'Ethics and Whistleblowing'. The training and awareness programmes greatly improved the visibility of RHB's whistleblowing channels and also strengthened employees' confidence in the whistleblowing process. This resulted in an increased number of whistleblowing reports received by the Group.

Communicating our expectations on anti-bribery and corruption to external stakeholders such as our business partners and suppliers is part of our ongoing efforts in upholding ethics and integrity. In 2021, the Group sent out notifications on the Group Anti-Bribery & Corruption Policy, along with an Anti-Bribery & Corruption Declaration form, to all its registered suppliers and vendors, underlining our zero tolerance stance on bribery and corruption. The aim was to communicate and create awareness on the Group's zero tolerance stance on bribery and corruption.

EMBEDDING GOOD PRACTICES

- Ethics and Governance

EMBEDDING GOOD PRACTICES

- Ethics and Governance

CORPORATE GOVERNANCE & INTEGRITY

Group Whistleblowing Policy

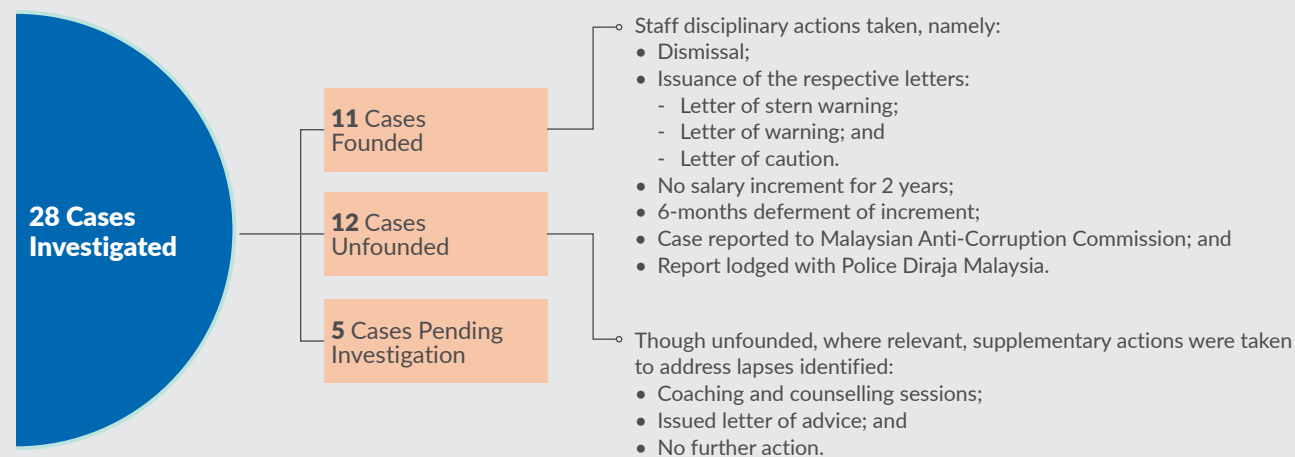
To uphold ethical business conduct, we have put in place a Group Whistleblowing Policy, which provides a formal mechanism and minimum standards to guide the Board as well as employees in dealing with any misconduct. The policy provides both internal and external parties with various channels and avenues to report suspected malpractice or misconduct without fear of retaliation. The policy is guided by 10 key principles, details of which are accessible on the Group's internal portal as well as the Group's corporate website. The policy owner is the Group Integrity & Governance division, which is also in charge of the Group's anti-bribery and corruption programmes.

In 2021, a new 'Integrity & Governance Charter' for the Group Integrity & Governance division was approved by the Board, along with the establishment of an 'Information & Complaints Assessment Committee' at Management level, to evaluate all complaints (whistleblowing and non-whistleblowing) received by the Group Integrity & Governance prior to the Board Audit Committee's scrutiny.

The Group witnessed an increase in the number of whistleblowing cases received, from 12 cases in year 2020 to 17 cases in 2021, primarily attributed to additional training and awareness programmes conducted for the Group's employees and third parties during the year. These programmes allowed the Group's targeted stakeholders to have better understanding of and greater confidence in the Group's overall whistleblowing processes and procedures.

The Lowdown on Whistleblowing and Non-Whistleblowing Reports

	Year 2020	Year 2021	% Y-O-Y
Whistleblowing Cases	12	17	+42%
Non-Whistleblowing Cases	1	11	+1,000%
Total Complaint Cases	13	28	+115%
Founded Cases	9	11*	+22%



Note:
* Subject to outcome of ongoing investigation on 5 cases in progress.

Refer to the Corporate Integrity & Ethical Business Conduct section of the Integrated Report 2021 for details of the whistleblowing reports and key activities undertaken by the Group Integrity & Governance division.

STRENGTHENING OUR COMPLIANCE CAPABILITIES

As we continue to drive and embed a strong and positive culture of compliance with current and emerging laws, regulations, standards and ethical practices within the Group, we are also constantly upgrading our processes, knowledge and oversight capabilities. This approach is especially necessary in the context of the pandemic, which requires us to ensure that there will be no compromise in carrying out our regulatory obligations despite the ongoing uncertainties. While the aim is to ensure regulatory compliance, we also want to continue emphasising that compliance is indeed everyone's responsibility and we will always look out for new strategies to inculcate this behaviour. We remain guided by the Group's Compliance Management Framework and Policy to drive positive outcomes and strengthen our positive culture of compliance. Our robust risk management framework also supports our corporate governance and compliance culture by identifying and mitigating against operational, regulatory and Shariah non-compliance risks.

In 2021, we not only focused on training, but also enhanced our surveillance on employee trading activities. In addition, we continued building a positive compliance culture and conducted a survey to better understand the perceptions of our employees on compliance.

A summary of our activities is as follows:

INITIATIVES	IMPACTS
Organised focused Compliance Clinics , with topics selected based on the outcome of compliance reviews.	<ul style="list-style-type: none"> Continued accessibility to learning, especially for employees working from home.
Optimised the usage of alternative learning platforms such as short explainer videos, webinars and online platforms to conduct compliance training.	<ul style="list-style-type: none"> Increased learning attentiveness and improved understanding of employees on regulatory requirements and what was expected of them, resulting in improved compliance behaviour.
Staff were mandated to undertake mandatory compliance-related e-learning on an annual basis relevant to their job function.	<ul style="list-style-type: none"> Aligned understanding of regulatory and compliance expectations.
Conducted various refresher and re-train-the-trainer sessions for compliance advocates across the Group to ensure that they stayed updated vis-à-vis their compliance knowledge.	<ul style="list-style-type: none"> Minimised communication gap between compliance team and branch staff, particularly on the challenges faced by them in ensuring compliance.
The 'A Branch Compliance Day Programme', a programme to inculcate compliance culture at branches via sharing updates on regulations, policies, case studies and lessons learnt from past compliance issues, was continued in 2021 in line with the Group's effort to build a positive compliance culture. In 2021, a total of 80 branches benefited from the initiative.	<ul style="list-style-type: none"> Improved understanding of how compliance is perceived among staff. Furthermore, the survey assisted in identifying new focus areas for monitoring.
Continued the Compliance Culture and Behavioural Assessment Survey to better understand staff's perceptions on compliance and assess the state of compliance within the Group.	<ul style="list-style-type: none"> The overall survey results showed that, this year, RHB Banking Group scored better than in the previous two surveys (2016 and 2018), especially in the areas of information, resources, competencies and motivation, suggesting the improved effectiveness of all compliance awareness initiatives from 2019 onwards.
Utilised technology and system enhancements to meet compliance requirements.	<ul style="list-style-type: none"> Enhanced compliance monitoring using data science and robotic process automation ("RPA"). Automated monitoring in the area of employee personal trading and enhanced surveillance on equity market activities. Improved oversight from Shariah compliance perspective vis-à-vis customer onboarding.

EMBEDDING GOOD PRACTICES

- Ethics and Governance

EMBEDDING GOOD PRACTICES

- Ethics and Governance

STRENGTHENING OUR COMPLIANCE CAPABILITIES

Looking ahead, we will continue leveraging the use of technology and digitalisation to create innovative solutions that will improve compliance capabilities, while constantly striving to build up a first line of defence that is self-sufficient and confident about compliance matters. In addition, the compliance function is cognisant of the evolving ESG landscape and will be highly supportive of the Group's efforts in embedding ESG considerations in the business.

Anti-Money Laundering and Counter Financing Terrorism Policy

We are committed to conducting business professionally and in compliance with all applicable laws and regulations while upholding high ethical standards. Our comprehensive and robust governance framework through Group-wide policies and guidelines mitigates financial crime risks, particularly anti-money laundering, financing of terrorism and sanctions.

The Group Anti-Money Laundering and Counter Financing of Terrorism ("AML/CFT") Policy ("Group AML/CFT Policy") sets out high standards towards building a stronger and more robust AML/CFT compliance regime within the Group, facilitates consistency in managing the AML/CFT compliance risk across the Group and sets out the Group's policy statements in respect of the general principles and the key measures to which the Group adheres. The Group AML/CFT Policy also outlines the roles and responsibilities and establishes clear accountabilities of the Board of Directors, Senior Management and all employees within the Group.

The Board has an oversight responsibility for establishing the AML/CFT policies/guidelines and standards, while the Senior Management is accountable for the implementation and management of AML/CFT compliance programmes in accordance with the policies and guidelines approved by the Board.

Pursuant to the Group AML/CFT Policy, the entities and/or employees within the Group are required to adopt a Risk Based Approach ("RBA") in relation to customer acceptance and implement the AML/CFT Compliance Programme framework effectively. This includes customer due diligence ("CDD"), ongoing monitoring of customer activities/transactions, reporting of suspicious transactions, record-keeping, AML/CFT training, protection of customer information and the institution of enforcement actions for non-compliance with the requirements.

The Group Sanctions Policy establishes restrictions and prohibitions to manage the risk of sanction breaches, as well as internal lists by robust screening of customers, related parties and transactions.

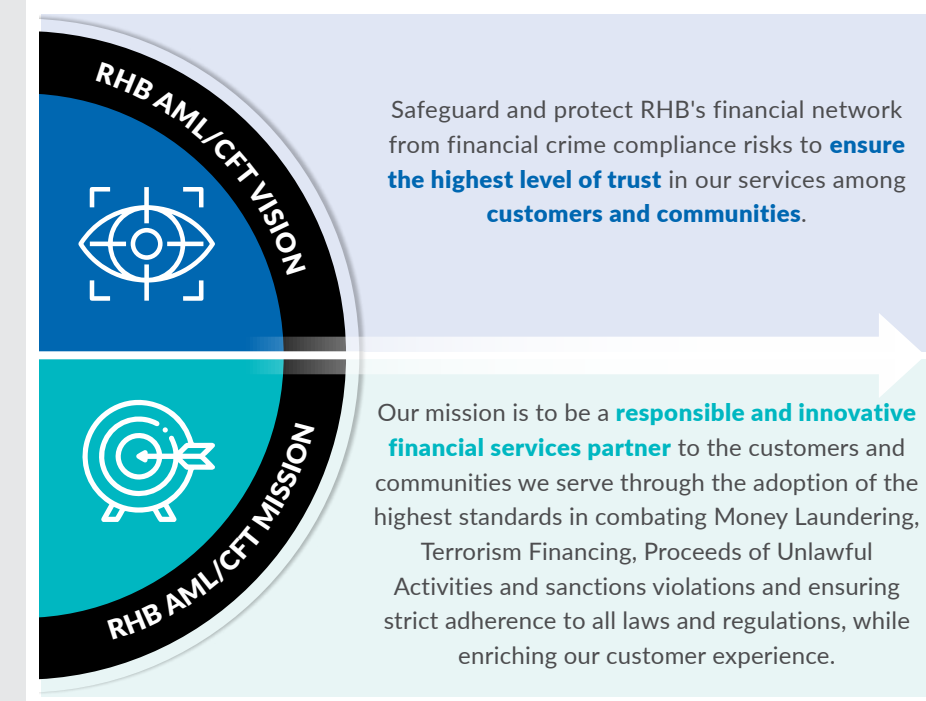
The adherence to AML/CFT compliance standards does not only strengthen the customers' trust, but is also key to long-term sustainability for us, our customers and employees and the communities that the Group serves. A stronger compliance culture among employees across the Group will support the Group in withstanding all internal and external risks, as well as in adhering to relevant regulations.

To further strengthen the AML/CFT framework, the Group has embarked on the RHB AML/CFT Capabilities Enhancement ("RACE") programme, which is targeted at elevating RHB's AML/CFT risk management capabilities and future-proofing the Bank in line with our Agile operating model and Three Lines of Defence Principles.

RHB AML/CFT CAPABILITIES ENHANCEMENT ("RACE") PROGRAMME

The RACE Programme was launched in July 2021, and since then, more than 100 RHBians from across the Group have collaborated on its development and delivery. The programme aims to strengthen the Group's commitment to combating financial crime risks relating to money laundering, terrorist financing and proliferation financing.

We fully support meeting the high standards of compliance of the Anti-Money Laundering/Counter Financing of Terrorism ("AML/CFT") requirements, as established by the sanctions, laws and regulations issued by the Malaysian government and the policies and guidelines issued by Bank Negara Malaysia, as well as other international best practices. Our dedication extends to the jurisdictions in which we operate, as we work to raise awareness and protect our financial system from illicit activities.



The programme allows us to deliver on our strategy and create value by combating financial crime in order to accelerate our business growth. It will establish and improve practices that will improve our operational excellence, efficiency and customer satisfaction, thereby supporting business growth through a regulatory-focused AML/CFT Strategy Vision and Mission Statement. With enhanced risk-based AML/CFT Risk Appetite Statements, we will also be able to align with regulatory compliance in our approach to engaging with customers in the context of financial crime.

Moving forward, the Group will implement new policies and guidelines to keep up with the ever-changing financial landscape and in line with RHB's AML/CFT vision. We remain committed to continuously safeguarding our customers and communities against financial crime and compliance risks, while ensuring the highest level of trust in our services for our stakeholders.

EMBEDDING GOOD PRACTICES

- Ethics and Governance

EMBEDDING GOOD PRACTICES

- Ethics and Governance

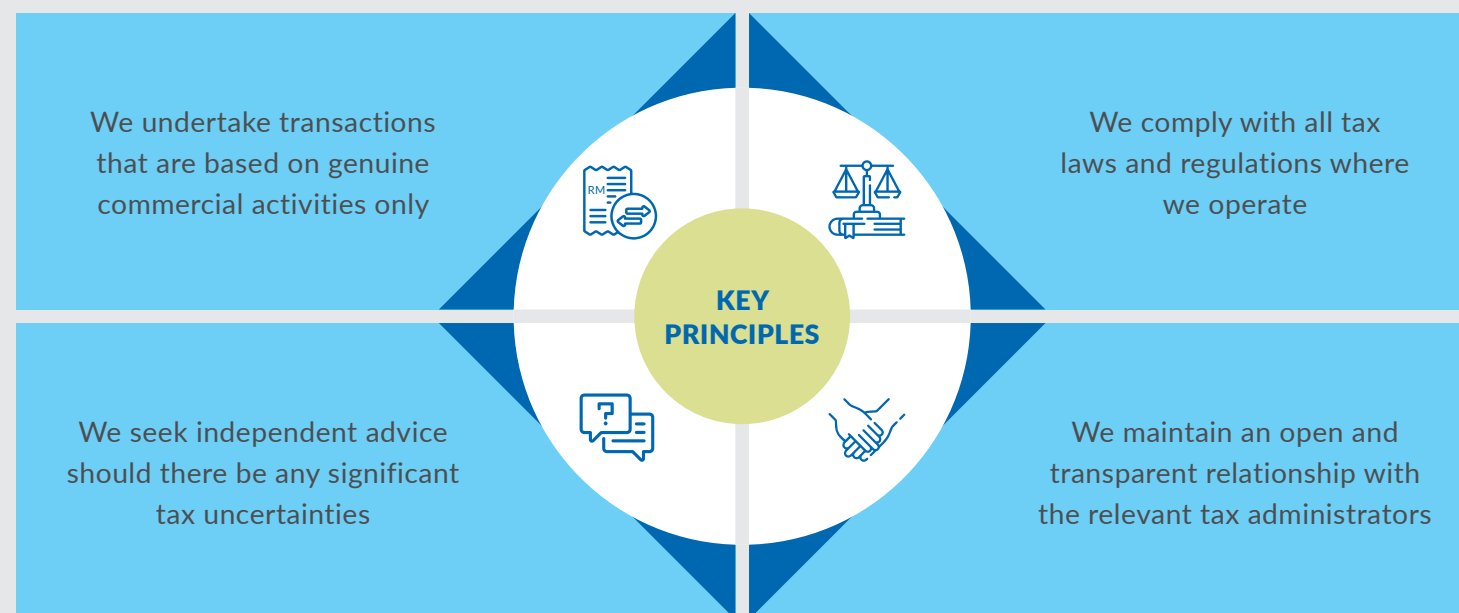
TAX TRANSPARENCY

UPHOLDING TAX TRANSPARENCY

Contributing to corporate taxes is vital for nation-building. RHB Banking Group, as a responsible corporate taxpayer, has in place the appropriate governance structures, systems and approaches needed to conduct its tax affairs in a transparent manner, in line with the spirit of the applicable tax laws and regulations. We pay our fair share of taxes across all the countries in which we operate, including direct and indirect taxes, as well as remit taxes that are collected on behalf of the relevant tax administrators in the countries that we operate in, such as withholding tax.

KEY PRINCIPLES

RHB Banking Group is committed to conducting its tax affairs based on the following principles:



TAX TRANSPARENCY COMMITMENT STATEMENT

Our commitment to tax transparency is outlined in a statement that is available on the Group's corporate website, which also details our approach to transfer pricing and describes how we engage with tax administrators to maintain an open and transparent relationship. The statement, which was approved by the Group Managing Director ("GMD") and the Group Chief Financial Officer ("GCFO") of the Group, is in line with the Tax Governance Guide of the Malaysian Institute of Certified Public Accountants ("MICPA") and the Malaysian Institute of Accountants ("MIA").

For more information about RHB Banking Group's tax transparency commitment statement, please visit www.rhbgroup.com/files/others/about-us/corporate-governance/rhb-bank-berhad/Tax_Transparency_Statement.pdf

APPROACH TO TAX GOVERNANCE AND TAX RISK MANAGEMENT

Risk management and governance in relation to taxation is managed by our Group Tax team ("Group Tax"). The Group's Chief Financial Officer oversees the Group's Tax function and is responsible for the Group's ongoing tax compliance and robust management of the Group's tax risks and exposures.

As tax legislation is complex and varies from country to country, risk assessments are undertaken by Group Tax from time to time to better manage and mitigate tax risks across all the countries in which we operate. We also seek professional advice from external tax experts to enhance our own capabilities should there be a need for more insights or clarity on specific complex tax matters.

APPROACH TOWARDS TAX PLANNING

For the continued sustainability of the business, we ensure that potential tax implications are always considered, whether in the implementation of our strategic business plans, day-to-day business activities, capital investment programme or changes to our corporate structure and business model.

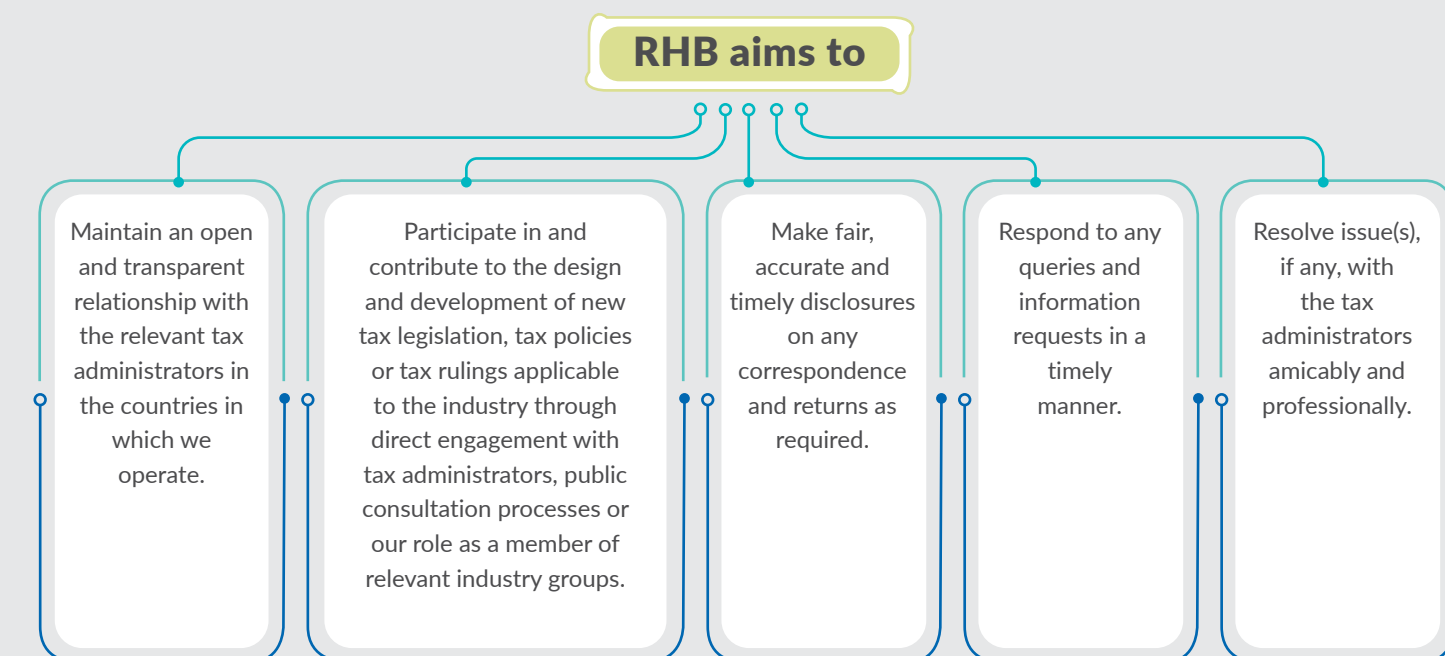
To ensure we remain compliant with the relevant domestic tax laws and regulations where we operate, we will:

- Consult with third party advisors if required and where applicable
- Engage with the relevant tax administrator to reaffirm our interpretation and understanding of the relevant tax laws and regulations.

APPROACH TOWARDS TRANSFER PRICING

RHB is committed to meeting the arm's length principle in transfer pricing and is compliant with the domestic laws where we operate, as well as the requirements of the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrators.

OUR APPROACH TOWARDS ENGAGEMENT WITH TAX ADMINISTRATORS



EMBEDDING GOOD PRACTICES

- Ethics and Governance

DATA PROTECTION & CYBERSECURITY

OUR APPROACH

RHB is fully committed to protecting the confidentiality, integrity and availability of data, as well as the identification, management and mitigation of cybersecurity threats. Our IT and Cybersecurity teams ensure that our systems and processes are current, capable and robust in order to safeguard the Group's information assets and customer data. Without taking these steps, RHB could be exposed to cyber risks such as service disruptions, malware outbreaks, data leakages and fraud resulting from cyber-attacks.

HOW WE ARE GOVERNED

RHB is guided by the following frameworks and policies that govern our approach to banking secrecy, personal data and cybersecurity:

- Risk Management in Technology ("RMiT") Framework
- Technology and Cyber Risk Management Policy
- Group IT Security Guideline
- Group Data and Information Management Framework and Policy

Board of Directors & Senior Management	Oversee technology and cybersecurity risk strategy Oversee governance of risk (including technology and cyber risk)
--	--

THREE LINES OF DEFENCE		
Facilitated by		
Security Operations	<ul style="list-style-type: none"> • Technology and Cyber Risk Management • IT Compliance 	Information System Audit

RHB's IT security processes and systems are periodically reviewed and assessed by independent parties internally such as Audit, Compliance and Risk. We have implemented several initiatives to enhance the Group's frameworks and policies relating to cybersecurity including:

- Cyber Incident Response Plan – ensures a structured process of prompt monitoring and timely response to cyber threats and incidents.

- Ongoing strengthening of IT security controls amid the new norm and the evolving technology landscape.
- Subscribing to threat intelligence services for better visibility of the industry-wide cyber landscape.

CERTIFICATIONS OBTAINED:

ISO/IEC 27001:2013
Information Security Management System for RHB Internet Banking, Mobile Banking and RHB Reflex

ISO/IEC 20000:2011
Information Technology Service Management

STRENGTHENING DATA PROTECTION SYSTEMS

In the year under review, the Group strengthened its data protection systems by implementing a Data Loss Prevention ("DLP") solution that controls the sharing of data, by data classification with data encryption, restricting the storage of sensitive information on the cloud and controlling the use of external storage devices.

We also continued to raise awareness about data protection and cybersecurity by implementing mandatory e-learning on Secrecy and Information Protection for RHBians, a briefing on Information Security during new employee induction and briefings for vendors working with us on-site.

TECHNICAL ISSUE IN 2021

On 17 June 2021, RHB discovered an error in the issuance of Current Account e-statements sent via email to a number of customers. The issue occurred due to a technical glitch at the external service provider contracted to perform the generation of e-statements. Group Internal Audit engaged with the service provider to conduct a post-mortem to determine the root cause of the incident. It was concluded that the issue was due to broken processes at the service provider's site during a system enhancement activity in which the Change Management Process ("CMP") was not adhered to. As a result of this incident, the Group has reinforced the service provider's CMP requirements, i.e. the Group is to be notified in advance of any system enhancement activities and the Group is to be involved in the testing of the enhancement prior to going live.

PEOPLE AND WORKPLACE GRI 102-8, 102-16, 102-17, 401-1, 401-2, 404-1, 404-2, 404-3, 403-5, 403-6, 403-9, 403-10, 405-1



At RHB, we value our employees greatly and constantly work towards creating an even more inclusive, engaging, and rewarding workplace. We strive to ensure our 14,000 employees receive due recognition for their contributions as we move towards sustainable growth.

OUR APPROACH

Our people are a fundamental part of the Group, and their development, well-being and skills are important to us. We constantly strive to provide and ensure a conducive workplace for our employees in shaping them into a visionary team that internalises our RHB Culture Components, Employee Value Proposition and Agile way of working.

RHB Culture Components

RHBians are guided by a set of robust RHB Culture Components to deliver excellence and demonstrate a customer-centric approach. Comprising three key elements, the holistic culture components are set to drive a high-performance work culture and instil the spirit of collaboration among our employees.

One RHB	Results Oriented	Customer First
<p>Demonstrate willingness to put the organisation's needs over personal achievement by fostering teamwork, empowerment, and knowledge sharing</p> <ul style="list-style-type: none"> • Value diversity, fairness and inclusion • Build and maintain a collaborative working environment • Think and act in the best interest of RHB 	<p>Demonstrate commitment and drive in delivering quality work output and treat all matters with urgency</p> <ul style="list-style-type: none"> • Deliver exceptional results • Treat everything with urgency • Be responsible, accountable and reliable 	<p>Demonstrate unwavering passion to engage and interact with customers to meet their needs and create great experience</p> <ul style="list-style-type: none"> • Create value for customers • Make our customers feel appreciated • Focus on solutions from the customers' perspective

RHB BANKING GROUP'S WORKFORCE

<p>Total Number of Employees</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>2021</td><td style="text-align: right;">14,042</td></tr> <tr><td>2020</td><td style="text-align: right;">14,131</td></tr> <tr><td>2019</td><td style="text-align: right;">14,345</td></tr> </table>	2021	14,042	2020	14,131	2019	14,345	<p>Total Number of New Hires</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>2021</td><td style="text-align: right;">2,161</td></tr> <tr><td>2020</td><td style="text-align: right;">1,748</td></tr> <tr><td>2019</td><td style="text-align: right;">2,273</td></tr> </table>	2021	2,161	2020	1,748	2019	2,273							
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<p>Turnover Rate/Total Attrition Rate (%)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>2021</td><td style="text-align: right;">12.1</td></tr> <tr><td>2020</td><td style="text-align: right;">11.1</td></tr> <tr><td>2019</td><td style="text-align: right;">13.4</td></tr> </table>	2021	12.1	2020	11.1	2019	13.4	<p>Permanent Contract</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>2021</td><td style="text-align: right;">95.1%</td></tr> <tr><td>2020</td><td style="text-align: right;">94.5%</td></tr> <tr><td>2019</td><td style="text-align: right;">94.7%</td></tr> </table>	2021	95.1%	2020	94.5%	2019	94.7%	<p>Coverage with Collective Agreements (Union)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td>2021</td><td style="text-align: right;">13.5%</td></tr> <tr><td>2020</td><td style="text-align: right;">14.4%</td></tr> <tr><td>2019</td><td style="text-align: right;">15.5%</td></tr> </table>	2021	13.5%	2020	14.4%	2019	15.5%
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2019	15.5%																			

EMBEDDING GOOD PRACTICES

- People and Workplace

EMBEDDING GOOD PRACTICES

- People and Workplace

PEOPLE AND WORKPLACE

EMPLOYEE VALUE PROPOSITION

RHBians spend a significant part of their time at work and as such, we strive to create and provide them with a high-performing and inclusive workplace that drives our people to do their best. We are guided by the Group's Employee Value Proposition ("EVP"), which covers the safety and wellness of our people as well as their learning and development, and career progression.



RHB Cares

- Staff's Children's Academic Excellence Award
- No Smoking Day
- RHB Wellness 3.0
- Weekly Virtual Exercise
- Remote Therapy & Hotline
- Financial Assistance (RHB Humanitarian & Natural Disaster Funds)
- RHB Vaccination Programme
- Activities to re-energise staff
- COVID-19-related communications



RHB Leads

- GMD Chat Session
- Quarterly Town Hall
- Group Senior Leadership Forum
- Bimonthly GMD LIVE updates via Workplace
- Leadership Talk Series (External Leaders)
- RHB Official in Workplace
- Culture Enhancement



RHB Inspires

- Employee Engagement Survey ("EES")
- Internal Customer Effectiveness Survey ("ICES")
- Leaders/Talents/High Performers sharing session
- RHB Youth Council
- Communication and information-sharing via Workplace
- Beli Nothing Group in Workplace



RHB Progresses

- Future Skills Programme
- Leadership & Technical/Functional Learning Series
- Harvard ManageMentor®
- Signature Leadership Programme
- Toastmasters Club
- Career Move
- HR Mobile App
- Capability Upskilling Programme (Digital, IT & Analytics)



RHB Rewards

- RHB Employee Awards
- RHB Way Awards
- RHB Recognition
- Remuneration Review

DRIVING A HIGH-PERFORMANCE WORK CULTURE

Led by the RHB Culture Components, we continuously drive a positive work culture within the Group by actively engaging with our people and gathering feedback. In 2021, we implemented various initiatives to empower our employees, better retain our talent and upskill our workforce to ensure that they stay relevant and adaptable to change.



HIRING ASSESSMENT

Enhanced hiring assessment to bring in candidates with the **RIGHT CULTURE FIT**



MANDATORY E-LEARNING

Mandatory e-learning for employees to **LEARN AND EMBRACE OUR CULTURE**



ONGOING ENGAGEMENT

ENGAGED WITH ALL EMPLOYEES through constant communication and activities such as competitions, posters, collaterals and videos.



SURVEYS

Culture Survey Polls to **EDUCATE AND ENCOURAGE** behaviours related to RHB Culture Components.

Annual Employee Engagement Survey ("EES") to measure employees' perceptions of RHB Culture Components.



CULTURE SERIES

Culture communication series on the **DOS AND DON'TS** of culture behaviours via email and Workplace.

A crossword puzzle contest on culture components was launched in September 2021 to educate employees about culture behaviours in a fun way.



PERFORMANCE APPRAISAL

Culture represents 20% of the overall Performance Appraisal (360° feedback) to **DRIVE RIGHT BEHAVIOURS**



RECOGNITION PROGRAMME

To recognise employees who uphold the **RHB CULTURE COMPONENTS**

AGILE WAY OF WORKING

RHB IS THE FIRST BANK IN SOUTH EAST ASIA TO EMBRACE AGILE WAY OF WORKING ACROSS THE ORGANISATION

Agile@Scale has been part of our transformation journey since its launch in 2018, leading to higher productivity and improved customer-centricity among employees. By embracing the Agile way of working, we were able to adapt swiftly to change and pivot to navigate challenges from the COVID-19 pandemic, allowing us to remain productive. This includes leveraging technologies and digital tools to allow us to enhance customer journey, drive the use of analytics and accelerate digital enablement to continue to deliver on our goals and strategies.

In 2021, we further embedded Agile way of working across the Group and achieved the following:

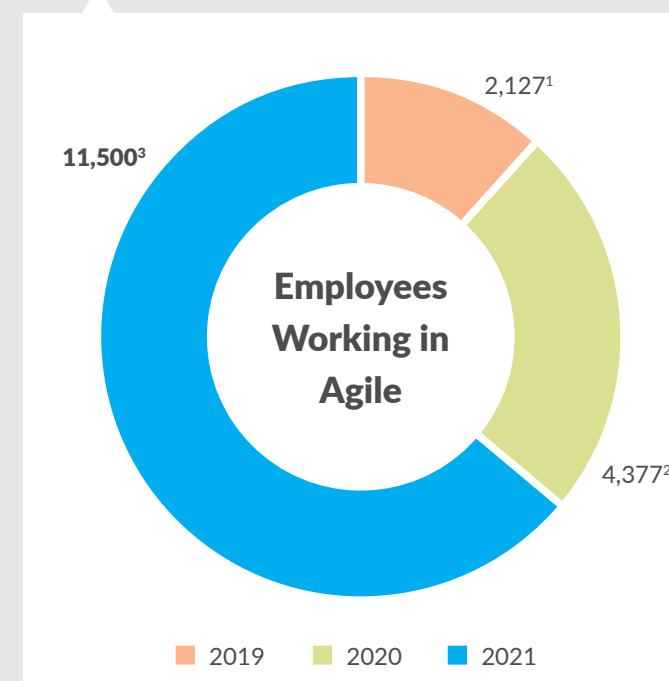
- The number of people working in Agile grew by 163% to 11,518

More than 82% of RHBians, or 11,518 employees, have moved into the Agile way of working, which improved productivity by 36%.

This includes:

- 186 routine Minimum Viable Products ("MVP")
- 6 breakthrough MVPs release, i.e innovation that expands to new unmet needs digitally
- 228 design-thinking practitioners trained

Going forward, we will further integrate Agile within our working culture. This will be done by embedding Agile in our innovation agenda through the launch of holistic and synergistic initiatives across the entire innovation value chain, from discovery to delivery.



¹ Full-time Equivalents ("FTEs") from Agile Transformation of Retail, SME, Transaction Banking & Technology Services.

² FTEs from Agile Transformation of Group HR, Wholesale Business and Functional groups.

³ Estimated FTEs from Agile Transformation, including Distribution Channels with ~5,200 FTEs.

EMBEDDING GOOD PRACTICES

- People and Workplace

EMBEDDING GOOD PRACTICES

- People and Workplace

TALENT MANAGEMENT AND DEVELOPMENT

We invest in our talents by providing opportunities for them to grow and evolve by enabling the pathway to their development as individuals and collectively as a team. This is done through various upskilling and training programmes, followed by yearly reviews and performance management as well as rewarding our employees with competitive benefits. We regularly engage with our employees and listen to them to meet their changing needs, as we strive to ensure job satisfaction and not only retain but attract the best talents. With the right environment, our employees will thrive and contribute to the sustainable growth of the Group, ensuring RHB remains ahead of the curve.

RECRUITMENT AND PERFORMANCE MANAGEMENT

At RHB, we focus on attracting and retaining key talents by providing competitive salaries and rewards as well as offering opportunities for career progression. Our Human Resource ("HR") system ensures that all of our employees, except temporary employees, participate in annual performance reviews including the 360° feedback from their managers and evaluators.

All our full-time employees in Malaysia enjoy a comprehensive benefit scheme that includes the following:

HEALTHCARE



- Employees are provided with numerous healthcare services that include outpatient treatment and hospitalisation.

LEAVE



- Child Care Leave - two additional days of compassionate leave for parents to tend to their children at home during quarantine, or in the event of school closures due to COVID-19.
- Education Leave - seven days per year for examinations, study and convocations.
- Hajj and Umrah/Pilgrimage Leave - 15 days for Hajj and seven working days for Umrah/Pilgrimage in addition to potted leave, with accumulated leave over five years (minimum six days per year).

FLEXI-HOURS ARRANGEMENT



- Employees are given the flexibility to choose their preferred timing to fulfil the required eight hours of work. This benefit is applicable to all employees except for union members.

WORK FROM HOME ("WFH") ARRANGEMENT



- Employees are provided with the flexibility to work remotely from home.
- Employees are expected to be flexible with their working arrangement and are able to return to the office as and when required.
- WFH employees will follow their usual working hours and adhere to the Company's policies and procedures.

RETIREMENT PROVISION



- RHB contributes an additional 4% (above statutory requirement) of employees' basic salary to Employees Provident Fund ("EPF").

CARRY FORWARD LEAVE



- Employees may carry forward up to seven days of annual leave.

REDUCTION IN SEASON PARKING FEES AT RHB CENTRE



- Employees were given a 50% discount on monthly parking fee during the MCO period and were encouraged to contribute the saved fee to the RHB Humanitarian Fund and Staff Welfare Fund.

RHB RECOGNITION PROGRAMME

In 2021, we launched the RHB Recognition Programme 2.0 as a continuation to the success of RHB Recognition Programme 1.0. The programme recognises and rewards employees who display our RHB Culture Components at work and embodies the culture of recognition between colleagues. This year, 2,735 employees were recognised across RHB and they received gift vouchers and culture champion pins as their rewards. As a result of the programme, our Employee Engagement Survey recognition score was 82%, which was above the industry average of 80%.

2021 EMPLOYEE AWARDS CEREMONY

The 2021 Employee Awards Ceremony was held virtually on 28 May 2021 via a live session on Zoom and Workplace in recognition of employees embodying RHB's Brand Promise and culture components. Some employees were recognised for their exemplary behaviour at the workplace that aligned with RHB Culture Components Social Responsibility Excellence, and Business/Functional Excellence.

AWARDS



Employee Excellence Awards 2021 by Human Resources Online
Best Management Training Programme (Gold)
RHB Malaysia's Graduate Programme

Loyalty & Engagement Awards 2021 by Marketing Interactive
Best Employee Engagement Strategy (Finalist)
RHB Singapore's Employee Engagement Transformation

HR Excellence Awards 2020 by Human Resources Magazine
Excellence in Leadership Development (Winner)
RHB Malaysia's High Impact Leadership Programmes

HR Excellence Awards 2021 by Human Resources Online
Excellence in Employee Engagement (Bronze)
RHB Singapore's Employee Engagement Transformation



WORKFORCE OF THE FUTURE ("WOTF")

The WOTF programme aims to upskill and reskill our workforce towards more digital and customer-centric roles, which is critical to our corporate strategy. Since its development in 2020, we have implemented a number of new initiatives to kick-start this programme across RHB.

In 2021, we introduced manpower planning guidelines on the replacement ratio for support roles and to increase the sales and primary role mix. We also established a specialised recruitment squad to increase talents in the Digital, IT and Analytics areas. We embarked on the Capability Upskilling Programme for Digital, IT and Analytics with close to 600 employees participating in role-based assessments and personalised learning journeys based on existing and future skill sets.

In addition, we identified gaps in critical roles across our Digital and IT divisions. As at December 2021, we have filled 92% (208 employees) of critical roles in the Digital and IT areas. We also ramped up our Future Skills programme, which plays a key role in equipping our employees with the skills and capabilities to be future-ready. In 2022, we will continue to roll out more upskilling programmes to fill the remaining gaps.

FUTURE SKILLS PROGRAMME

The Future Skills programme aims to provide a more structured and holistic learning journey for our employees. Covering five core tracks across three tiers - Know, Apply and Specialise - it is geared towards upskilling our employees with important digital and people capabilities to thrive in the future.

EMBEDDING GOOD PRACTICES

- People and Workplace

EMBEDDING GOOD PRACTICES

- People and Workplace

TALENT MANAGEMENT AND DEVELOPMENT

Since its launch, 465 RHBians have benefited from the Future Skills programme, a highly engaging 10-week programme conducted virtually to reach employees across Malaysia and overseas. The programme is currently available for RHBians in Tier 1 and Tier 2, with plans to include Tier 3 in the future.

BATCH	Date	TIER 1	TIER 2	Total
Pilot	Oct-Dec 2020	40	30	70
Cohort 1	Apr-June 2021	56	60	116
Cohort 2	July-Sept 2021	81	51	132
Cohort 3	Sept-Nov 2021	97	50	147
				465

In 2022, we plan to revamp the curriculum and scale the programme to future-proof more people across the Group.

EMPLOYEE LEARNING AND DEVELOPMENT

RHB is committed to developing our employees, personally and professionally, and aims to become a centre of excellence for learning and development. We facilitate continuous learning across the organisation by providing a range of training programmes that can be easily accessed online and conducted in-house or externally.

The four key pillars outlined below serve as the foundation for our employees' learning and development:

1. Progressive Learning Design

Implement holistic learning design principles focusing on overall learning experience.

2. Enhanced Blended Delivery

Leverage technology and multiple delivery modalities to ensure the right blend of activities catering to different types of participants.

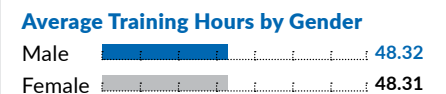
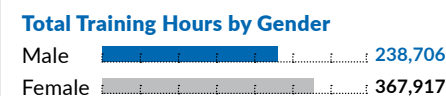
3. Operational Efficiency

Ongoing business process improvement initiatives to achieve balance between cost and value delivered to the customers.

4. Customer-centricity

Develop customer-focused mentality through design-thinking and provide positive customer experience across all internal and external stakeholders.

In 2021, we invested RM24.6 million in the learning and development of our employees. We recorded a total of 606,623 training hours and an average of 48 training hours per year per employee.



Note: For three-year data, please refer to Employees Performance Data on pages 126 to 135.

TALENT IDENTIFICATION AND SUCCESSION PLANNING

As part of our talent development, we groom internal talents by prioritising our employees whenever there are vacant roles within the organisation. We have put in place a Career Website that promotes key vacancies every two weeks to attract and retain internal talents, allowing RHBians to further pursue their career growth within the Bank.

In addition, our Group Management Committee holds a Group Talent Review ("GTR") twice a year to discuss succession planning for key roles. Following the GTR, the Talent Management team will hold meetings with the Business Group leaders to discuss the next steps for their employees, such as development plans to fill any gaps identified during the review. In 2021, 44% of our vacancies were filled by internal talents.

Percentage of open positions filled by internal candidates



Leadership and Management Programmes

Our leadership and management programmes are designed to groom RHBians to take on new leadership roles within RHB. Our two key programmes, the Leadership Signature Programme ("LSP") and the RHB Managers Programme ("RMP"), play a key role in ensuring we have a strong talent pipeline for succession planning.

The LSP, which is in partnership with Melbourne Business School and Duke Corporate Education, covers Self Leadership, Team Effectiveness and Business Acumen. Designed with three tiers, it caters to different categories of employees and is filled with action learning projects to promote collaborations and teamwork on strategic business initiatives. The programme has received positive feedback from both the participants and their respective line managers, especially on enhanced leadership and behavioural change in the workplace.

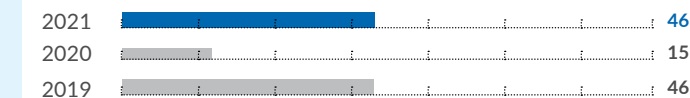
As for the RMP, the programme is a group-wide leadership programme for junior and middle-management people managers with three workshops focusing on Managing Self, Managing Teams and Managing Business. The three-month journey is blended with learning via an individual assessment, instructor-led workshops and self-paced online courses to enhance their leadership competencies as well as drive our business forward. This programme has received positive feedback from our people managers and their respective supervisors, who have observed the progress in the managers' leadership capabilities. A total of 281 people managers have completed this programme.

Note: For more information on the number of participants in our Leadership and Management Programmes, please refer to Employees Performance Data on pages 126 to 135.

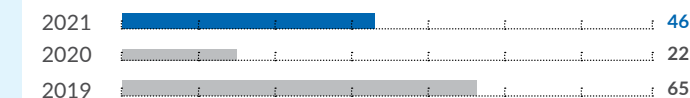
Mentoring

Our Mentoring programme is well underway with 92 mentors and mentees participating this year. The programme connects mentees with leaders in RHB to enable both parties to learn and develop together and assist with boosting the internal talent pipeline. Based on the feedback from last year's batch of mentees, several enhancements were made to the programme this year, including leveraging a mentoring platform to better manage the mentoring connections. Mentors and mentees were paired based on an algorithm that matched the mentees' interests with the mentors' area of expertise to ensure a more fruitful outcome. They were also able to leverage checklists, tips and guides provided in the app to ensure that the relationship was more fruitful.

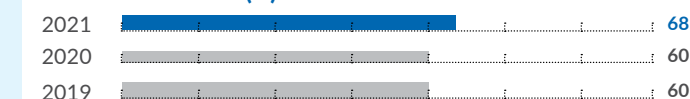
Mentors



Mentees



Net Promoter Score (%)



External Learning Programmes

• Certification Programmes

All our employees are encouraged to undertake professional development courses offered by the Asian Institute of Chartered Bankers ("AICB"), which helps to ensure we continue to strengthen the technical competencies and professional standards in the Malaysian banking sector.

• Technical and Functional Programmes

In 2021, we implemented 114 new technical and functional programmes, designed to enhance employees' skills and our operations.

EMBEDDING GOOD PRACTICES

- People and Workplace

EMBEDDING GOOD PRACTICES

- People and Workplace

TALENT MANAGEMENT AND DEVELOPMENT

SUSTAINABILITY CAPABILITY BUILDING AND AWARENESS

In 2021, a series of awareness sessions and training on sustainability were conducted as a means of engaging with our employees on ESG issues and increasing their awareness on RHB's efforts in this area. These sessions were crucial in advancing RHB's sustainability agenda and for capability building.

Total Hours of Training and Awareness Sessions on Sustainability: 1,376	Total No. of Participants: 1,019
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Sustainable Financing Series Training

In line with RHB's commitment in promoting financial flows to activities that will support transition to a low carbon and climate-resilient economy, RHB collaborated with Carbon Trust to deliver a capability building programme for its employees on sustainable finance. Called 'Sustainable Finance Series', the programme aimed to increase RHB's awareness of various sustainable finance topics and highlight the key developments in Malaysia and ASEAN. Attended by RHB's senior and middle management as well as business units, the programme, which attracted the participation of 900 employees, covered various topics on sustainability and featured two guest speakers from the World Bank and Green Investment Group. The three-day series, which was held in September 2021, covered an introduction to sustainability, sustainable finance and ESG and their importance to RHB and to the wider global community. Other topics included sustainable investment, green and sustainable financial products, reporting and multi-stakeholder collaborations.

ESG Staff Engagement Talk

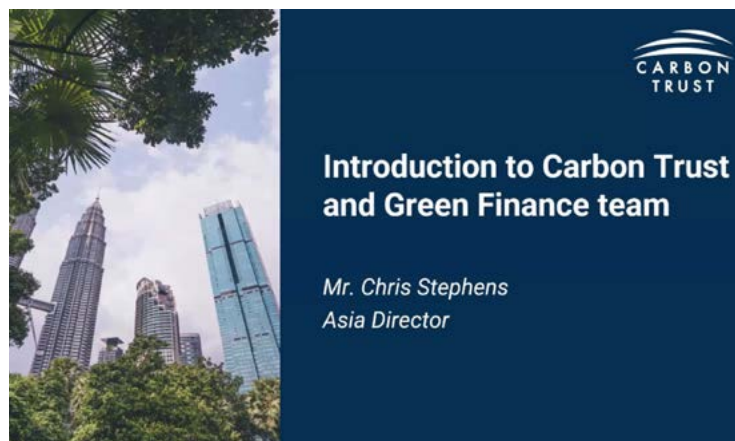
RHB Asset Management ("RHBAM") held a sharing session on 'RHBAM ESG - The Way Forward' to raise awareness on sustainable finance for all RHBAM staff on 7 July 2021. RHBAM also delivered briefings on ESG-related developments during town hall sessions.

ESG-Related Training at RHB Singapore

RHB Singapore held three ESG-related workshops and educated 60 appointed green ambassadors/representatives from key departments on environmental sustainability, climate change and waste management.

A series of videos on the environmental aspect of ESG was also kicked off to advocate the relevance of ESG in daily life.

Note: For more information about the number of participants in each training programme, please refer to Employees Performance Data on pages 126 to 135.



Sustainability Management from a Legal Standpoint

Group Legal organised two knowledge-sharing sessions on sustainability management for the Credit, Commercial and Corporate Banking business units. The sessions, which were conducted by RHB's external panel lawyers, were:

- Corporate Liability for Environmental Harm and Climate Change Litigation, on 22 July 2021.
- BNM Taxonomy Principles, on 24 September 2021.

EMPLOYEE EXPERIENCE

We constantly engage with our employees to better understand their concerns and foster a positive working experience, as we strive to be the preferred employer in the industry. During the pandemic, it was more important than ever to listen to our employees and meet their needs. To ensure our people stayed motivated and engaged during the challenging period, we implemented several initiatives to navigate the pandemic challenges.

We continued to implement Work-from-Home ("WFH") and Work-in-Office ("WIO") arrangements to enable a good balance of in-person contact with colleagues as well as the flexibility to WFH when required. In 2021, we moved into Phase 4 of WFH and achieved a blended ratio of 60:40 (WIO:WFH). As for branches, the ratio was 90:10 (WIO:WFH).

We also engaged with our employees through social events such as virtual runs, Father's Day and Mother's Day celebrations and festive celebrations, as well as providing discounts and perks for branded goods and rewarding employees' children for academic excellence.

EMPLOYEE ENGAGEMENT SURVEY

Our annual Employee Engagement Survey ("EES") is a key tool for us to gather feedback from our employees and measure engagement levels. It enables us to gauge satisfaction levels and identify areas for improvement to better support our employees' needs.

As in previous years, an independent survey consultant was appointed to manage the EES and analyse the responses. The survey complied with all relevant data privacy and protection laws and all responses were kept confidential. In 2021, we conducted a full EES across the Group from 25 October to 12 November and achieved a score of 90%, on par with the Malaysian financial services sector as well as our target score for 2021. Our sustainable engagement score, although down by 1% to 86%, was also on par with the industry average.

RHB EMPLOYEE ENGAGEMENT 2021

TOTAL RESPONDENTS
12,999

PERCENTAGE PARTICIPATION RATE
98%

2021 EES



ENGAGEMENT OVERVIEW

RHB Overall (12,999)

Total Favourable Score

Engaged		Total Favourable Score
15	I am proud to be part of RHB.	89
41	I believe strongly in the goal and objectives of RHB.	90
55	I work beyond what is required to help RHB succeed.	91
Enabled		Total Favourable Score
49	I have the tools and resources I need to achieve excellent performance.	78
59	My team/local work group is able to meet our work challenges effectively.	88
63	There are no substantial obstacles at work to doing my job well.	74
Energised		Total Favourable Score
1	The people I work with usually get along well together.	93
28	My work gives me a sense of personal accomplishment.	84
65	I am able to sustain the level of energy I need throughout the work day.	85

EMBEDDING GOOD PRACTICES

- People and Workplace

EMBEDDING GOOD PRACTICES

- People and Workplace

➔ DIVERSITY, EQUITY AND INCLUSION

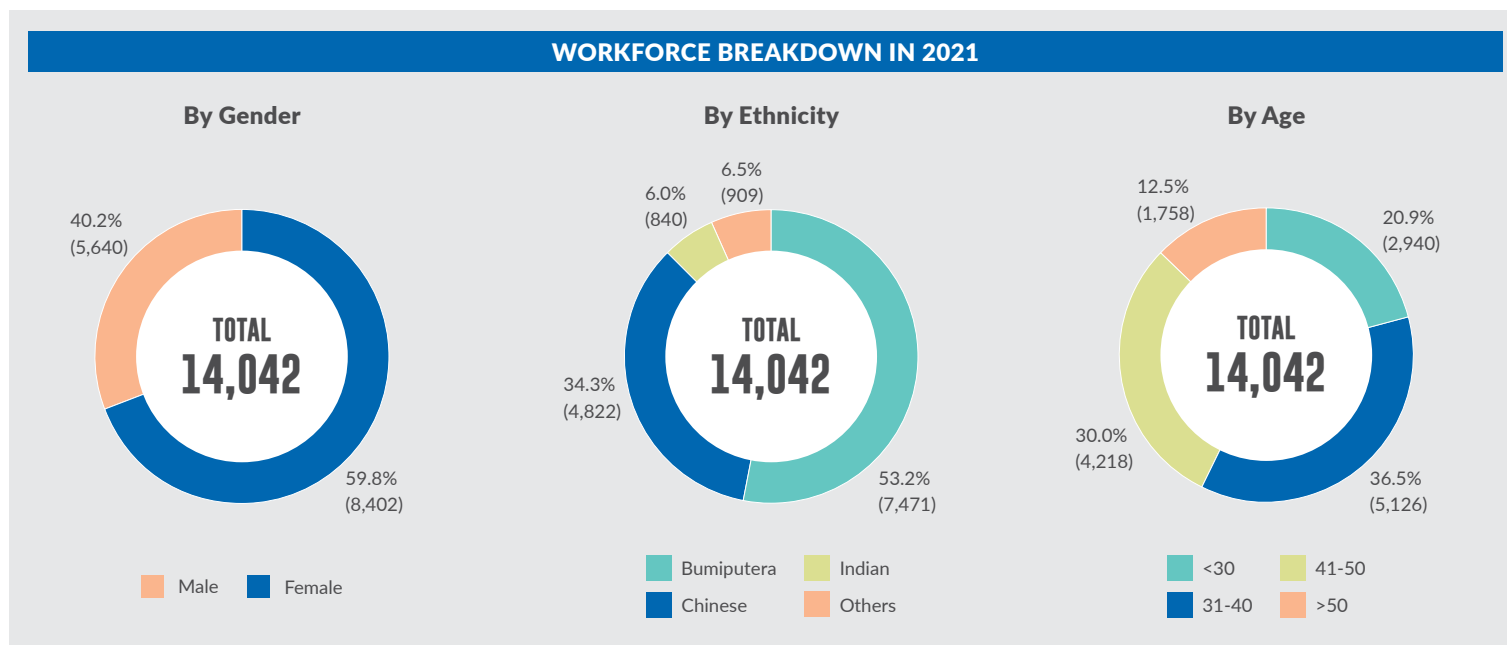
At RHB, we celebrate diversity and value the different skills, knowledge and perspectives that a diverse workforce brings to the business. Employees with different backgrounds and perspectives will lead to better decision-making, problem-solving and greater innovation, ultimately shaping a high-performing workforce.

Our commitment to diversity, equity and inclusion is embedded in our RHB Culture Components, where we consciously value our people based on their qualifications and individual merit against identifiable selection criteria. This will enable us to remain free from bias, and able to avoid any discrimination against ethnicity, culture, religion, age, gender and disability.

To help incorporate this further within our workforce, we have the Group Whistleblowing Policy, which is available on RHB Banking Group's corporate website which allows employees to report unethical work behaviour, including any incidences of discrimination. The policy ensures that there are no reprisals against whistleblowers.

In 2021, there were no recorded incidents of discrimination or labour rights issues, including:

- 🟢 No recorded incidents of discrimination or risks to freedom of association and collective bargaining.
- 🟢 No incidents or risks reported of child, forced or compulsory labour.
- 🟢 No recorded violations of human rights involving indigenous people.



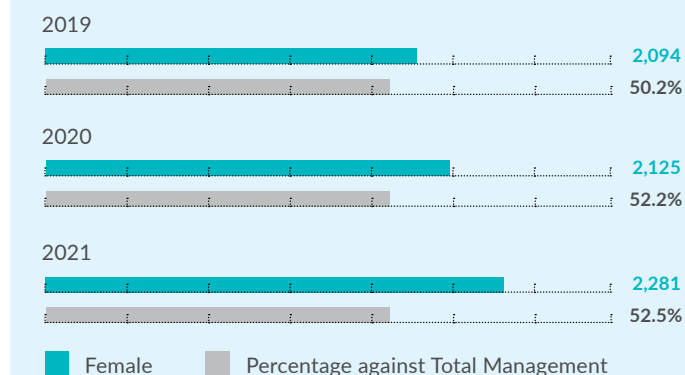
Note: For three-year data, please refer to Employees Performance Data on pages 126 to 135.

Women's Empowerment

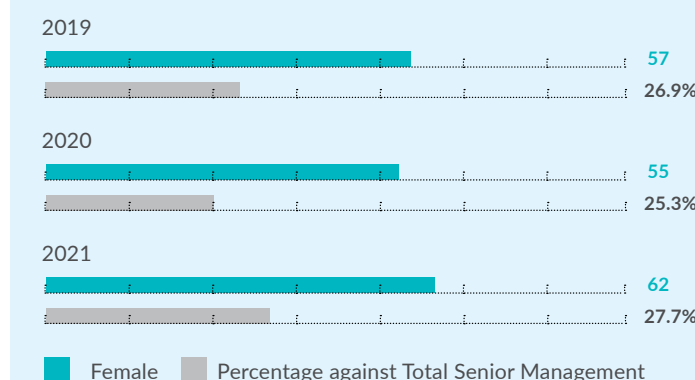
Having a more balanced gender representation in the Group, especially among the leadership, is important as this will have a trickle-down effect on the rest of the workforce. At RHB, we aim to progress towards this by the tracking of gender diversity across our organisation and by working proactively with our hiring teams to ensure that there is a balance of men and women working with us within the Group. We believe that women can still thrive in the workplace and advance in their careers with the flexibility to focus on their family. To support them, we provide many benefits, including a family-friendly workplace with nursing rooms, three-month maternity leave and flexi-hour work arrangements.

In 2021, we launched the Women in Leadership League ("WILL") together with social enterprise LeadWomen and the Melbourne Business School to empower and inspire women to become agents of change and embrace leadership. The WILL programme comprises structured activities, networking and roundtable sessions, as well as one-to-one mentoring, group coaching and mindfulness sessions. The six-month programme saw a participation of 25 senior women leaders from Group Community Banking, and as graduates of this programme, these women will give back to RHB women through four initiatives – Young Women Community, Aspiring Women Inclusion and Equality, Women Empowerment e-Platform in RHB Workplace and Championing Women Entrepreneurship.

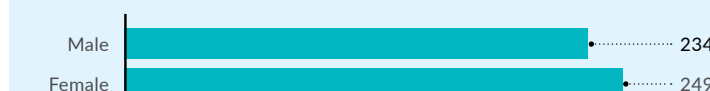
Inclusion of Women in Management



Inclusion of Women in Senior Management



Identified Talents by Gender



RHB Youth Council

The RHB Youth Council ("YC") was formed in 2018 to encourage and nurture young leaders within RHB in driving innovative thinking, digitalisation and collaboration among young RHBians.

YC meets with the management six to 10 times a year to align its strategy with the overall Group strategy, as well as contribute to the development of the Group. This includes having brainstorming sessions for out-of-the-box and innovative solutions to achieve management and YC's yearly targets.

Anchored on two strategic pillars - Youth Engagement and Sustainability, YC comprises 34 members who are below 35 years old from various branches and departments including Human Resource, community banking, corporate communications, marketing and wholesale banking.

In August 2021, YC organised a three-day virtual event in conjunction with International Youth Day 2021, featuring three seminars on various topics, including innovation, mental resilience and online safety. The aim of the event was to drive awareness on mental health and well-being, as well as equip participants with the knowledge and tips to deal with the work-related challenges faced during the pandemic.

Other initiatives by the Youth Council included:

- RHB Wellness Talks on the topic 'Normalising Mental Health at Work'.
- Wellness Reminder posts on Mental Well-being Awareness.
- Wellness Polls to share how RHB employees dealt with stress, improved work relationships virtually and managed overwhelming thoughts.

EMBEDDING GOOD PRACTICES

- People and Workplace

EMBEDDING GOOD PRACTICES

- People and Workplace

EMPLOYEE HEALTH, SAFETY AND WELLNESS

The health, safety and wellness of our people have always been our priority. As the COVID-19 pandemic persisted into 2021, we recognised that it was more important than ever to not only keep RHBians safe, but also to support them in terms of wellness and mental health. Various initiatives were implemented in 2021 to engage with our people and ensure that they felt supported as we worked together to navigate the pandemic.

PRIORITISING WELLNESS AND MENTAL HEALTH

As the pandemic entered its second year, it continued to impact our employees and their families in many ways. To support our employees through these difficult times, we rolled out various wellness-focused initiatives that were anchored on the RHB Cares pillar under our employee value proposition ("EVP"). These initiatives were developed to cover both the physical and mental wellness of our employees throughout the year, such as 24/7 hotline access to remote therapy service, wellness talks and weekly exercise programmes. We also keep regular communications with our employees and keep them up-to-date with COVID-19 latest developments and updates on Safety Operating Procedures ("SOPs"). In 2021, we launched RHB Wellness 3.0 and rolled out various initiatives including tips on parenting skills, mental wellness and breast cancer awareness.



KEEPING OUR PEOPLE FIT AND WELL

RHB REMOTE THERAPY AND HOTLINE

In 2021, we continued to implement the RHB Remote Therapy and Hotline initiative, which allowed employees to schedule remote therapy sessions with a certified counsellor or psychologist at any time of the day or seek professional help for mental health issues through the hotline. Since the implementation of the initiative in November 2020, RHB Remote Therapy and Hotline has served 84 employees over 327 sessions in 391.3 hours of therapy as of December 2021. Recognising that workplace stress was the most common reason for employees to seek remote therapy, we have stepped up measures to increase mental health awareness communication via Workplace and talk series, as well as webinar sessions with psychologists. We will also continue providing the Remote Therapy and Hotline to help improve the mental wellness of our employees.

OTHER WELLNESS INITIATIVES

- Mental Toughness and Virtual Leadership Forum**
 This forum was held to equip employees and leaders with the knowledge in finding the right balance between mental toughness and mental sensitivity which have an impact on leadership, and to help them perform under constant pressure.
- Webinars with Psychologist**
 While technology has made it easier for RHBians to WFH, it has also made it difficult for them to disconnect. As such, we have organised webinars for our employees highlighting the importance of managing their time to prevent burn-out whilst sustaining motivation and productivity. Employees can also take advantage of this open platform by learning how to build a resilient-culture and become a mental health advocate at home and for their peers.
- Self-Care with Teacher Kean**
 Working from home created new challenges for parents and can be highly distressing, especially in trying to balance the competing demands of work and family. To help our employees cope better, we held a sharing session for them to learn the tools, knowledge and skills in managing this and enabling them to become healthier and happier parents.
- Breast Cancer Awareness Session: Turn Up the Pink**
 Every year, we conduct a campaign to raise awareness and reduce the stigma surrounding breast cancer. It is incredibly important for women to be informed on the impact of this cancer and the importance of regular self-examinations.



BEING THERE FOR EACH OTHER: COVID-19 AND DISASTER RESPONSE

RHB VACCINATION PROGRAMME

We launched our very own vaccination programme to drive vaccination rates in Malaysian operations. This is done by working with vaccination centres and walk-in clinics. We also invited doctors from the Ministry of Health to encourage vaccination among our employees and to answer queries on vaccination. There were also sharing sessions by employees who have recovered from COVID-19. As at January 2022, our vaccination rate was 98.5%.

PANDEMIC WORKING GROUP

The RHB Pandemic Working Group ("PWG") that was set up in 2020 continued to facilitate us in managing COVID-19 challenges to ensure smooth daily business and operations. Its responsibilities included reviewing and implementing SOPs and relevant safety measures to better protect the health and well-being of our employees, especially our frontliners.

RHB HUMANITARIAN FUND

The RHB Humanitarian Fund remained active this year as the COVID-19 pandemic continued to impact many of our employees. The fund is a collection of contributions from employees to assist colleagues who are financially affected by the pandemic. RHBians were encouraged to voluntarily contribute to the fund and a total of **RM379,921.14** has been raised since the collection began in July 2021. A total of **RM213,827.62** was disbursed, which benefited **178 employees**. The criteria for receiving assistance remained the same as last year:

- Employees who are married, earning a monthly basic salary of RM4,000 or below, and their spouse is affected by the Movement Control Order ("MCO"), i.e. he or she has lost their job/source of income, received a pay cut or is on unpaid leave; OR
- Employees who are single or a single parent, earning a monthly basic salary of RM3,000 or below, and their immediate family members, i.e. parents and/or children, are affected by the MCO.
- Assistance extended to family members of employees who have passed away due to COVID-19.

RHB NATURAL DISASTER FUND

The Natural Disaster Fund is an allocation approved by the Group to assist all RHBians, including overseas staff, who are impacted by the pandemic and natural disasters such as floods. In 2021, RHB allocated **RM800,000** to the fund. As at 31 December 2021, a total of **RM774,058** was utilised, of which RM604,000 was provided for COVID-19 assistance and RM170,058 for flood assistance.

CONTINGENCY ASSISTANCE

RHB provides assistance to employees in the event they required treatment in the Intensive Care Unit ("ICU")/critical care support at private hospitals due to overcapacity in government hospitals. In 2021, we provided RM47,334.34 to support three employees who were treated in private hospitals.

EMBEDDING GOOD PRACTICES

- People and Workplace

EMBEDDING GOOD PRACTICES

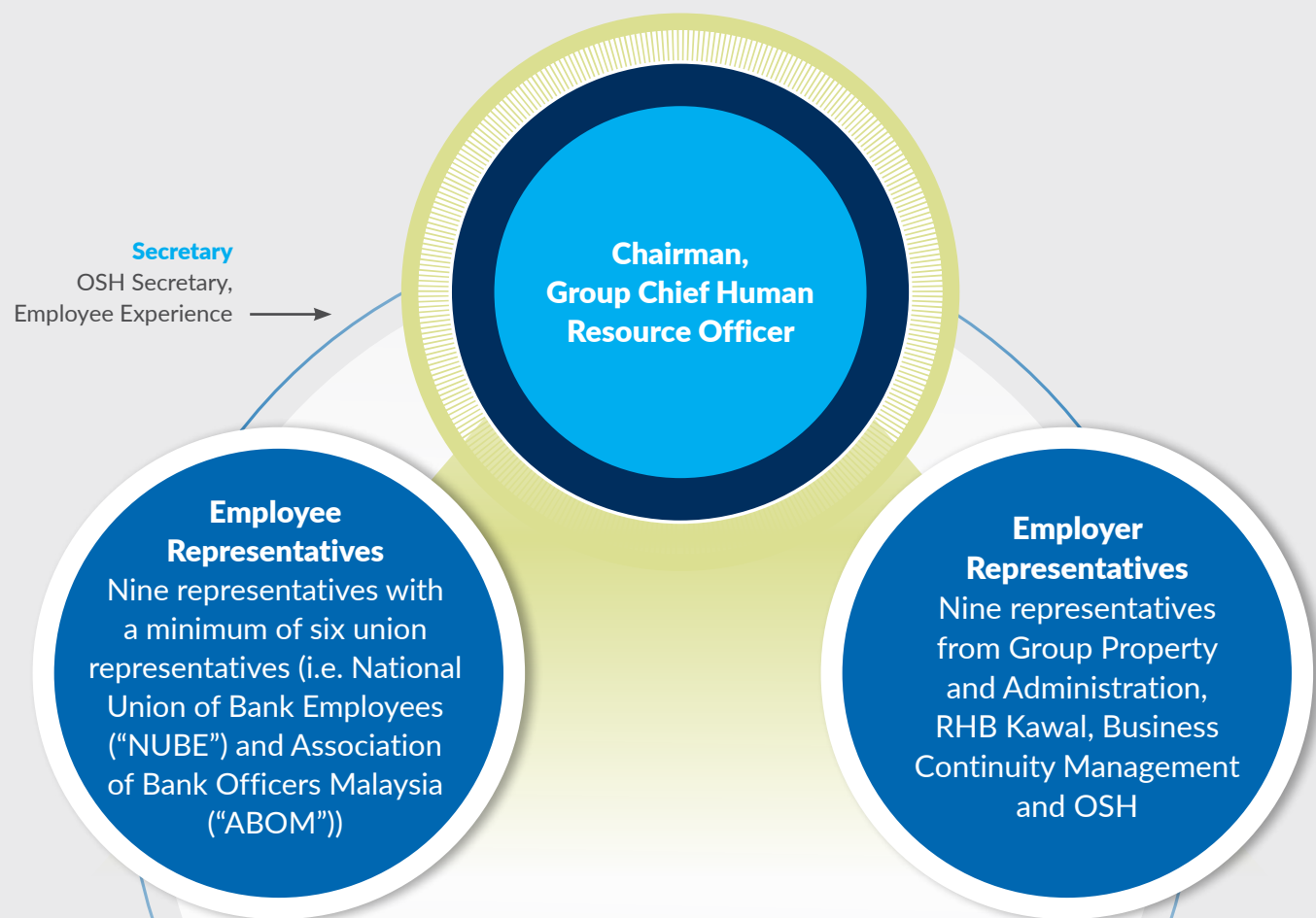
- People and Workplace

EMPLOYEE HEALTH, SAFETY AND WELLNESS

ENSURING A SAFE AND HEALTHY WORK ENVIRONMENT

Providing a safe and healthy work environment will lead to a high-performing workforce that delivers excellence. At RHB, we prioritise our people's health and safety by putting in place robust policies, guidelines and training and awareness programmes to create a safe and healthy workplace. Our Group Occupational Safety and Health ("OSH") Policy guides our management of OSH in RHB and highlights our commitment to complying with the Occupational Safety and Health Act ("OSHA") 1994 and other applicable laws and regulations in Malaysia. We are also governed by an OSH Committee that comprises both employer and employee representatives and is responsible for managing the Group's health and safety practices. We have made it mandatory for every branch to form a Branch Safety Committee to ensure the health and safety of our people across all our operations.

OSH COMMITTEE



Responsibilities

- Assist in the development of health and safety rules and safe systems of work.
- Review the effectiveness of health and safety programmes.
- Carry out studies on trends of accidents, near-miss accidents, dangerous occurrences, occupational poisonings or diseases.
- Report unsafe conditions and practices and make recommendations for improvement.
- Review and recommend improvements in the health and safety policy.

Meeting Frequency

- On a quarterly basis unless necessary, in accordance with risks existent in the workplace.
- In the event of an accident, near-miss accident or dangerous occurrence, meetings are called immediately.

OSH Training Programmes

We constantly organise OSH training programmes and awareness campaigns to drive a positive safety culture at the workplace. As part of our OSH Committee Training programme, all our OSH Committee members are trained based on the requirements of OSHA 1994 and the Department of Occupational Safety and Health ("DOSH"). Due to disruptions from the pandemic in 2021, all our training programmes and awareness campaigns were conducted online. Safety and health related information is also regularly broadcasted via RHB Workplace to ensure our employees stay informed on occupational safety and health.

HEALTH & SAFETY TRAINING

Sessions: 4, Participants: 255

HEALTH, SAFETY & WELLNESS

Programmes: 14, Participants: 7,648

Health and Safety Performance

We monitor our safety performance on a daily basis and encourage our employees to report any on-site or off-site accidents, near-misses or potential risks through our e-OSH reporting system. To ensure efficiency, we actively conduct branch and workplace inspections and investigate accidents/incidents in the workplace. In 2021, we maintained zero fatalities but recorded 37 accidents, which was lower than the year before due to WFH. The main cause of accidents was work commuting accidents due to staff being involved in road accidents while commuting from home to office and office to home, as well as during lunch hour.

RHB's Health and Safety Performance for 2021

LOST WORKDAYS

Accidents: 35, TOTAL: 1,489

ACCIDENTS

Work Commuting: 26, TOTAL: 37

Note: For three-year data, please refer to Employees Performance Data on pages 126 to 135.

EMBEDDING GOOD PRACTICES

- Environmental Stewardship

EMBEDDING GOOD PRACTICES

- Environmental Stewardship

ENVIRONMENTAL STEWARDSHIP GRI 102-12, 102-48, 302-1, 302-4, 303-1, 305-1, 305-2, 305-3



Our Approach

We are committed to making a positive impact on our environment as we transition towards a greener future. This is done by stepping up our efforts in nurturing our stakeholders by promoting sustainable and environmentally friendly practices to better protect and conserve the environment.

The Group also works hard to raise environmental stewardship awareness among our employees, the people who are vital to the growth and development of RHB. We will strive to incorporate new methods to run our business more efficiently and at the same time, manage our consumption to become a more environmentally conscious company.

Our approach to environmental stewardship focuses on:

- Electricity Consumption
- Water Consumption
- Paper Consumption
- Eco-friendly Initiatives

Replacing old air-conditioning units

● Replacing old air-conditioning units at newly renovated branches with brand new air-conditioning units with inverter technology to better manage energy consumption and to provide cleaner air circulation.

Installing a new water-cooled chiller at RHB Complex Bangi

● The chiller is expected to help reduce electricity consumption.

In 2021, our electricity consumption decreased by 3,190.94 MWh, or a marginal 7%, from FY2020 due to continuous improvements in building energy-efficiency, such as chiller replacement and LED lighting, as well as an increase in WFH arrangements due to the Movement Control Order ("MCO"). Our electricity consumption included purchasing grid electricity and purchasing cooling.

Electricity consumption (MWh)



Note: Boundary is for large buildings, branches and subsidiary outlets (247 outlets) across Malaysia.

RHB's Green Data Centre

Our Green Data Centre in RHB Complex Bangi is instrumental in our eco-efficiency programme. We will keep working towards improving our servers and network devices every five years to ensure they are performing well in terms of efficiency and functionality. Currently, we are working towards achieving the Power Utilisation Effectiveness ("PUE") metric for our data centre.

Moving forward, RHB will continue to develop long-term plans to enhance our energy performance while taking initiatives to lessen electricity consumption. This includes our ongoing five-year plan to further improve our energy-saving efficiency:

- To install solar panels at RHB Complex Bangi and selected branches.
- To upgrade electrical units (e.g. air-conditioners) to appliances with green technology and smart energy-saving features.
- To upgrade the Building Automation System ("BAS") for more efficient energy monitoring.
- To replace building chillers with high-efficiency chillers.
- To collaborate with the IT department to achieve the Green Data Centre's PUE target.

WATER CONSUMPTION

We strive to reduce water waste by preventing water leakage through regular inspections and reducing water consumption through the use of water-saving systems.

In 2021, we replaced old pipes and repaired any leaks in the piping system at RHB Centre and RHB Complex Bangi. In our ongoing effort to find new ways to conserve water, we also refurbished water-efficient fixtures and pipes and installed rainwater harvesting systems at selected RHB branches.

Water Consumption (m³)



Note: Boundary is for large buildings, i.e. RHB Centre and RHB Complex Bangi, in West Malaysia.

PAPER CONSUMPTION

With the advancement of technology, where we can do anything and everything digitally, we take prudent steps to reduce paper consumption wherever possible and encourage digital processes in our businesses, communications and operations. In 2021, we saw 28.2 million e-statements delivered as part of the initiative.

Within the Group, we encourage employees to use document-sharing platforms to avoid printing. We also procure Programme for the Endorsement of Forest Certification and Mix-Forest Stewardship Council-certified paper to ensure our paper comes from responsibly managed areas.

This year, we saw a decrease in the number of reams purchased, as there was less printing at the office due to the WFH arrangements and improved awareness.

Paper Procured (Reams)



Note: Data obtained from Group Procurement.

Electronic Document Management System

Our RHB Insurance arm continued to advance its digitalisation journey in 2021 by implementing robotic process automation in our claims registration

process for Motor, Medical and Personal Accident insurance. As an initial step, we deployed an electronic document management system to reduce the storage of hardcopies and the usage of paper.

We also integrated robotic process automation into our claims registration process for Motor, Medical and Personal Accident insurance, which improved efficiency and productivity, data quality and turnaround time, resulting in 0.5 Full-time Equivalent ("FTE") yearly savings.

ECO-FRIENDLY INITIATIVES

We hope to continue with initiatives that change our employees' perspectives on sustainability principles and practices that can be applied at workplace and beyond. Our efforts are centred on promoting better energy-saving and waste management practices.

Waste Recycling Management Programme

We started a Waste Recycling Management Programme at RHB Centre, by placing recycling bins at easily accessible areas in the building. It was rolled out together with an internal awareness campaign on the Dos and Don'ts of recycling.

As a result, total waste of **1,147 kg** was collected and recycled, with plastic waste accounting for 7% of the total. We plan to continue implementing this initiative at other RHB buildings.

Beli Nothing Project

Our Group Human Resources piloted and launched the Beli Nothing Project, an internal workplace platform for employees to list and donate their pre-loved items to other interested employees. The aim is to extend the life cycle of items, inculcate zero waste habits and reduce consumerism. This project has provided a platform for about 1,400 RHBians who gave away a range of items for free to other employees. These items include appliances, books, clothes and other useful everyday items.

Other Ongoing Eco-friendly Initiatives

- **RHB Eco-Friendly Cafeteria** - An ongoing initiative at RHB Centre and RHB Complex Bangi that aims to reduce single-use plastics and utilise alternative biodegradable packaging.
- **Earth Hour** - An annual activity at RHB Centre and RHB Complex Bangi since 2014 of turning off non-essential lights in the buildings. In 2021, an internal awareness campaign on energy-saving was held to promote the importance of resource conservation.

EMBEDDING GOOD PRACTICES

- Environmental Stewardship

EMBEDDING GOOD PRACTICES

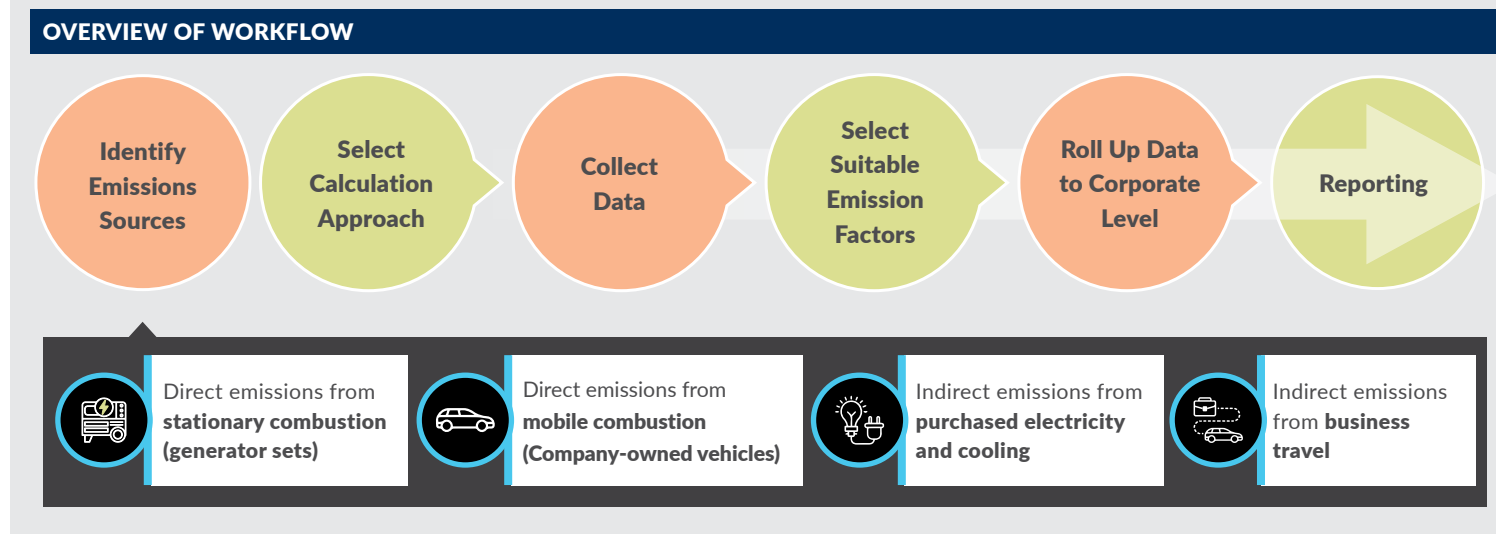
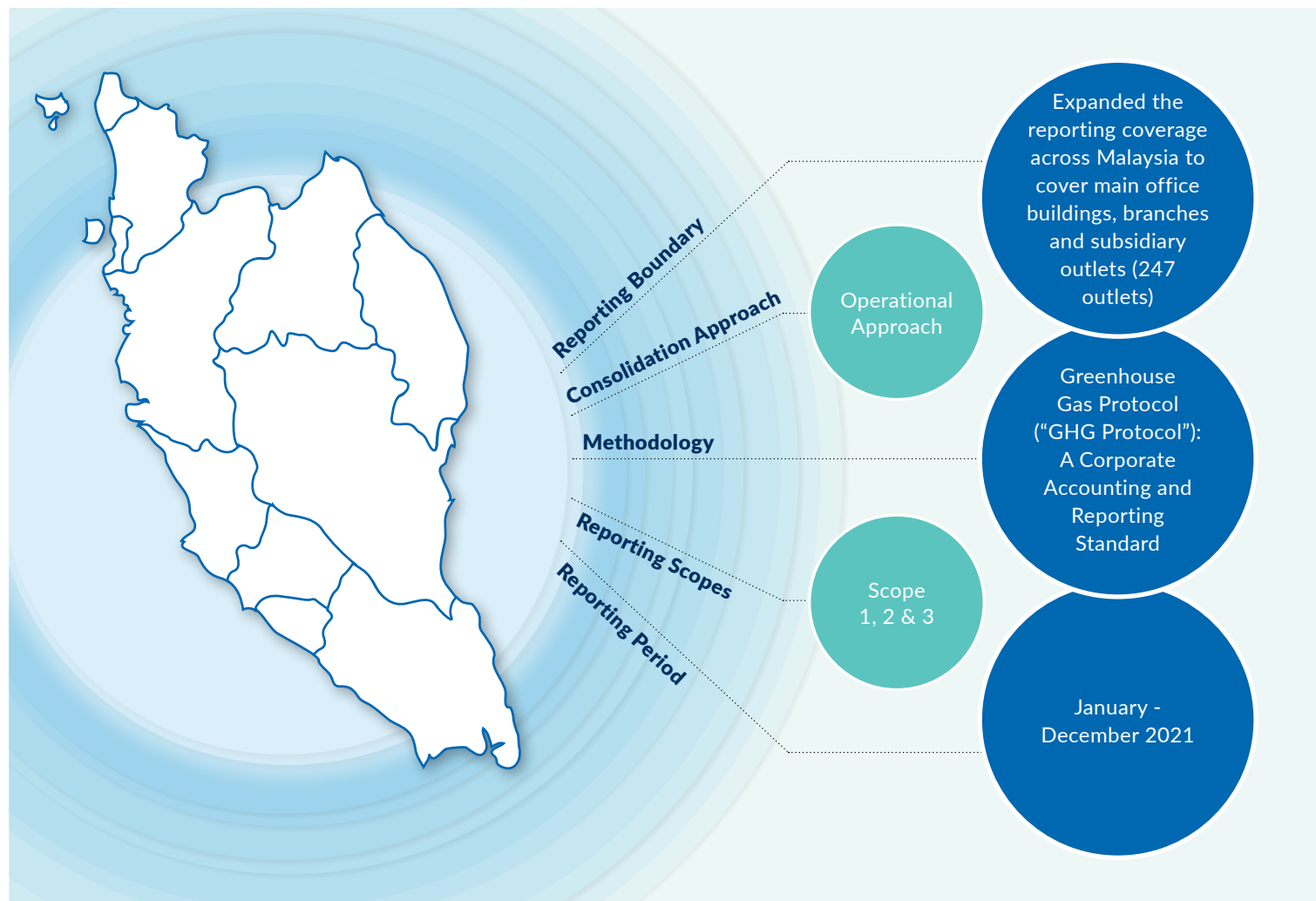
- Environmental Stewardship

CLIMATE CHANGE - OPERATIONAL GHG EMISSIONS DISCLOSURES

OUR APPROACH

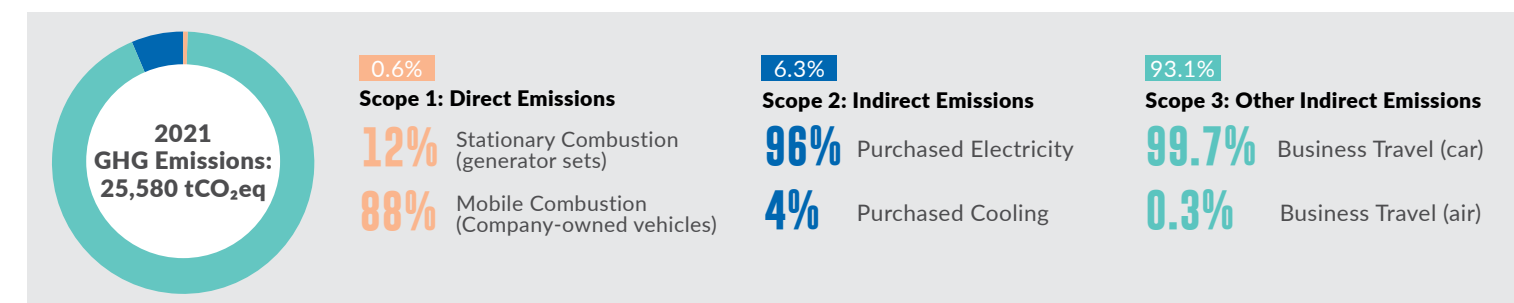
As we move towards our goal in driving the shift towards a low-carbon economy, we strive to improve our Greenhouse Gas ("GHG") emissions disclosures by widening our scope of reporting each year. In the last two years, we expanded our GHG emissions inventory and reporting coverage to all main buildings and branches in West Malaysia. This year, we extended our disclosures throughout Malaysia to further strengthen our non-financial reporting practices. We also continued to engage an independent third-party environmental consultant to facilitate quality control and assurance in order for us to ensure our data and methodology were complete, relevant, consistent, transparent and accurate. Going forward, we will continue to step up our climate action in order to achieve carbon neutral operations by 2030.

GHG Emissions Performance Highlights for 2021



RESULTS

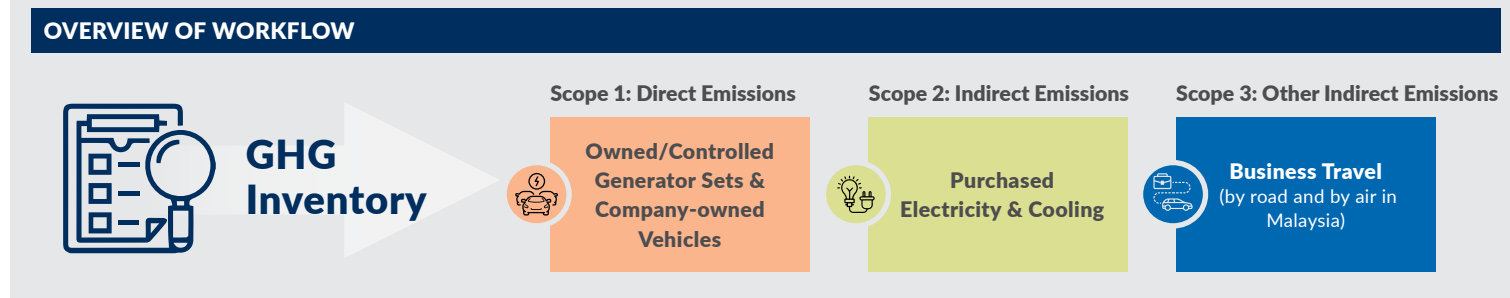
Our total GHG emissions have been decreasing year-on-year from the set baseline in 2016*. In 2021, the Group's GHG emissions dropped by 41% to 25,580 tCO₂eq amid the expanded scope of reporting compared to 43,233 tCO₂eq in 2016. The reporting boundary in 2021 covered all main buildings and branches in Malaysia. As for the distribution of GHG emissions by office type, during the year under review, the main buildings accounted for 52% of total emissions, while branches accounted for 48%.



* The baseline (2016) GHG emissions, a reference point in the past with which current emissions can be compared, has been recalculated accordingly in line with the expanded reporting boundary.

GHG EMISSIONS TRENDS FOR THE YEARS 2016 - 2021

Emissions Source	Emissions in Year (tCO ₂ eq)					
	2016	2017	2018	2019	2020	2021
Scope 1 - Direct emissions	108	140	205	215	135	154
Stationary combustion (generator sets)	108	27	29	30	18	18
Mobile combustion (company-owned vehicles)	0	113	176	185	117	136
Scope 2 - Indirect emissions	40,891	31,841	29,820	27,605	25,678	23,811
Purchased electricity	38,123	29,698	28,542	26,447	24,596	22,825
Purchased cooling	2,768	2,143	1,278	1,158	1,082	986
Scope 3 - Other indirect emissions	2,234	2,498	2,428	2,448	1,606	1,615
Business travel (car)	2,234	2,498	2,428	2,448	1,606	1,611
Business travel (air)	0	0	0	0	0	4
TOTAL	43,233	34,479	32,453	30,268	27,419	25,580



EMBEDDING GOOD PRACTICES

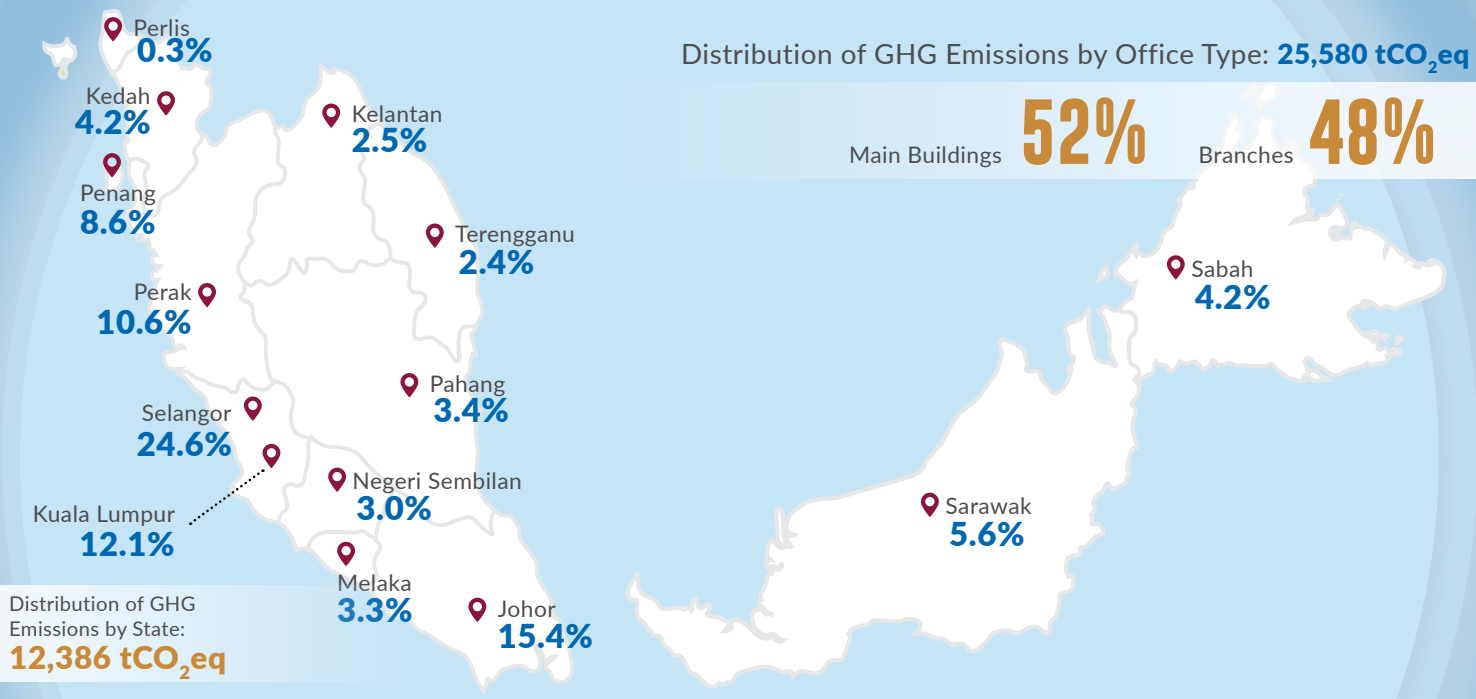
- Environmental Stewardship

EMBEDDING GOOD PRACTICES

- Sustainable Procurement

CLIMATE CHANGE - OPERATIONAL GHG EMISSIONS DISCLOSURES

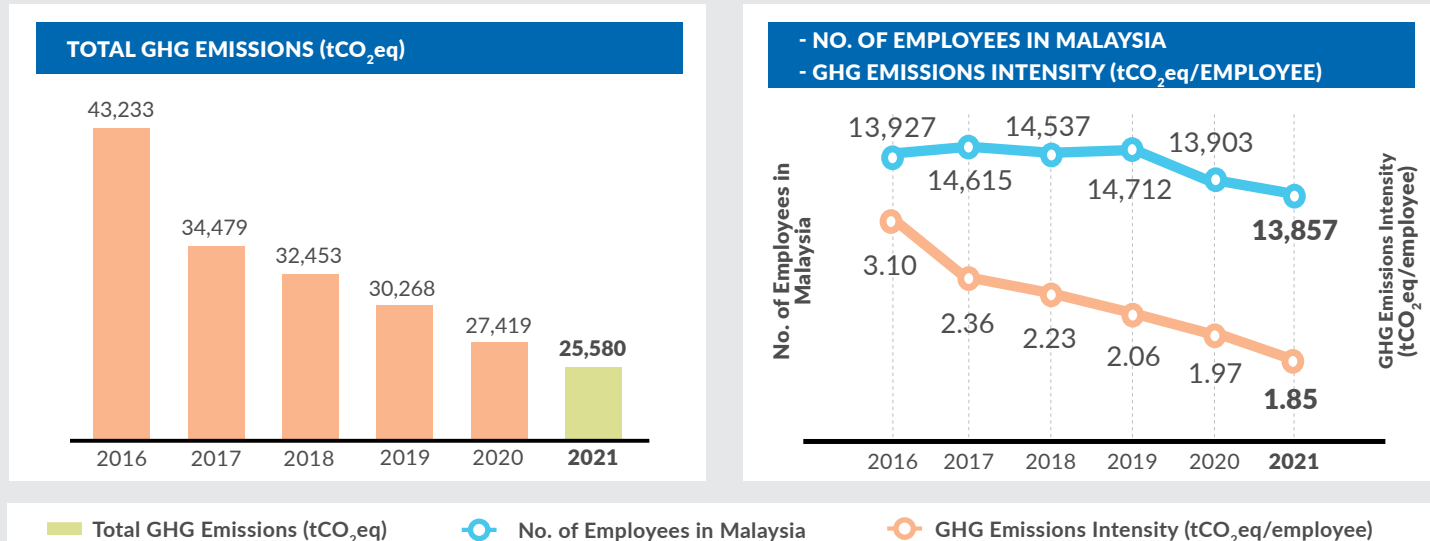
GHG EMISSIONS BY STATE ACROSS MALAYSIA FOR 2021



ABSOLUTE GHG EMISSIONS VS INTENSITY GHG EMISSIONS

Our GHG emissions intensity per employee has been on a downward trend year-on-year since 2016. The emissions intensity was calculated using the number of employees* occupying the seven main buildings and 247 branches covered in this inventory.

In 2021, the reduction in GHG emissions intensity per employee improved by 41% against the baseline year of 2016. The improvement was primarily due to continuous improvement in building energy efficiency through chiller replacement, LED lighting as well as increased Work-from-Home (“WFH”) arrangements due to the Movement Control Order (“MCO”).



* The number of employees refers to the total number of RHB staff in the whole of Malaysia. For RHB Centre and RHB Complex Bangi, the number of employees includes staff, vendors, consultants and remisers, as they occupy the offices for a significant amount of time throughout the year.

EMBEDDING SUSTAINABILITY IN PROCUREMENT PRACTICES GRI 102-9, 204-1

We consider our suppliers and vendors to be important stakeholders in ensuring we meet our operations and customer needs by enabling us to provide banking and financial solutions of the highest quality and standards. We aim to maintain good business relationships with our suppliers and vendors and educate them on our sustainable procurement practices. This is done through regularly engaging with them to ensure an efficient and sustainable supply chain. In this regard, we strive to meet their needs and communicate our policies clearly, ensuring that the policies are easily accessible to guide our 563 active suppliers and vendors in sustainability practices.

OUR APPROACH

At RHB, we employ both a centralised and decentralised approach to streamline our procurement activities and ensure fair, ethical and responsible procurement practices.

While our centralised procurement is mainly for procurement activities under Administration, Property Management and Information Technology units, and governed by Group Procurement, our decentralised procurement is utilised for our branch network via our i-Procurement system to support small and independent

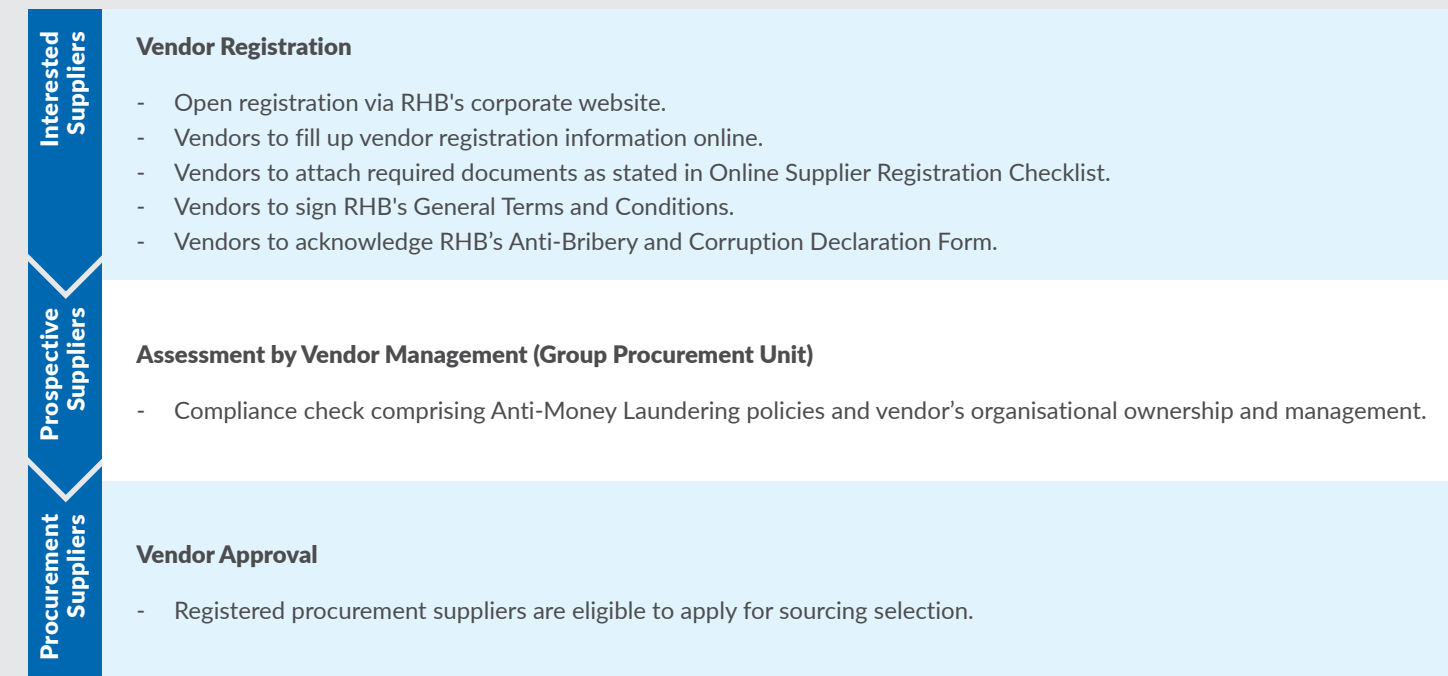
suppliers. The decentralised system enables the Group to support local suppliers and businesses including independent, micro, small and medium-sized companies and trading companies.

All procurement activities across RHB is guided by the Group Procurement Guideline, which ensures compliance with all requirements established by the Group or regulators and relevant authorities. The Guideline also provides clear guidance for fair and ethical procurement processes such as sourcing and negotiations management, and selection and management of vendors, as well as management of contracts.

Our ethical practices are demonstrated by our e-procurement system's end-to-end process, which has been completely digitalised since 2014. Featuring an open e-bidding system, the e-procurement system promotes transparency in our procurement activities in addition to ensuring zero human interference and increased efficiency in tender and payment processes, tracking and monitoring.

We aim to continuously improve our procurement process to ensure fair and responsible business conduct, on top of better engagement with our suppliers and vendors, to mitigate reputational, financial and operational risks.

RHB VENDOR MANAGEMENT AND PROCUREMENT PROCESS



EMBEDDING GOOD PRACTICES

- Sustainable Procurement

EMBEDDING GOOD PRACTICES

- Sustainable Procurement

EMBEDDING SUSTAINABILITY IN PROCUREMENT PRACTICES

We have put in place a transparent and systematic vendor management and procurement process to promote responsible sourcing.

Interested suppliers are expected to sign RHB's General Terms & Conditions that address Procurement Integrity, which covers conflicts of interest, fraud and corruption, gifts, conduct of contractors' personnel, contractor responsibility and Anti-Money Laundering policies. Interested suppliers must also acknowledge and sign an Anti-Bribery and Corruption Declaration Form.

Group Procurement assesses prospective suppliers by reviewing their submitted documents and initiating Risk Management in Technology ("RMiT") due diligence. Prospective suppliers will also be assessed on compliance to ensure that they are compliant with relevant laws, including the Anti-Money Laundering Act.

Prospective suppliers who are approved and registered as procurement suppliers can participate in our sourcing activities, which include an open e-bidding system. We also encourage participation by Bumiputera suppliers, who make up 30% of the Group's approved panel of suppliers. Any tender with a value of more than RM1 million falls under the purview of Group Tender Committee.

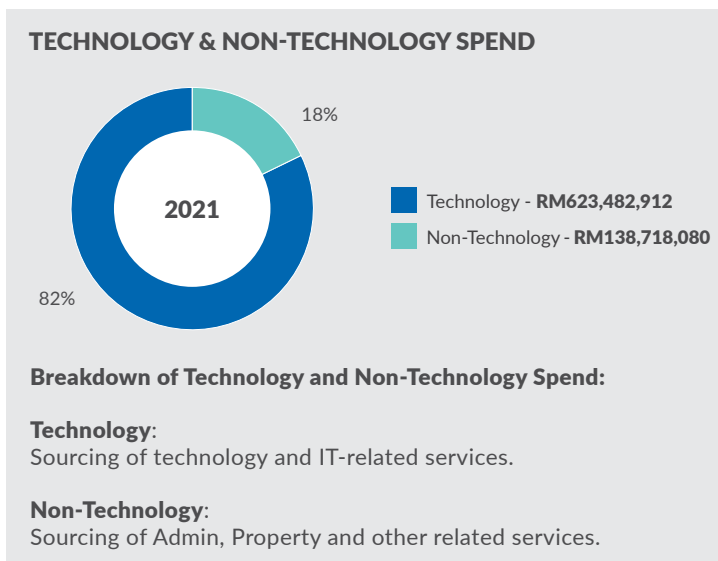
HOW WE MANAGE OUR SOURCING	HOW WE MANAGE OUR SUPPLIERS
<ul style="list-style-type: none"> Supplier pre-qualification before issuance of request includes an evaluation of: <ul style="list-style-type: none"> Bumiputera supplier participation (minimum 30% of Group's approved panel of suppliers). 	<ul style="list-style-type: none"> Supplier Databased Maintenance - Performing yearly profile updates. Supplier Performance Management: <ul style="list-style-type: none"> Periodic review against set criteria, which include compliance checks and feedback from stakeholders on vendor performance. Review includes any incidents or complaints raised via grievance channels.

SUPPLIER GRIEVANCE MECHANISMS

To uphold integrity and good business conduct throughout our supply chain, we have in place grievance mechanisms that allow suppliers, their employees and subcontractors to report any wrongdoing or misconduct anonymously without fear of reprisal. Our Group Whistleblowing Policy, which is available on the Group's corporate website, allows stakeholders to raise concerns via email at speakup@rhbgroup.com

OUR SUPPLIERS AND VENDORS

In 2021, we spent over RM762.1 million to procure goods and services from 563 suppliers and vendors across our main market of operations in Malaysia. Our key areas of spend were:



SUPPORTING LOCAL INDUSTRIES

Supporting local industries will help to promote local businesses and strengthen our engagement with the local communities. Our branch network, whose procurement activities fall under our decentralised system, actively supports the local businesses within its operations.

In 2021, 93% of the Group's suppliers in Malaysia were local, garnering a total procurement spend of RM689.8 million to local suppliers as at December 2021.

	2021			
	# of Suppliers	%	Total Spend (RM'Mil)	%
BREAKDOWN OF SUPPLIERS				
Foreign	40	7%	72.3	9%
Local	523	93%	689.8	91%
Total	563	100%	762.1	100%

BREAKDOWN OF LOCAL SUPPLIERS				
Private Limited	484	93%	686.3	99%
Sole Proprietor	39	7%	3.5	1%
Total	523	100%	689.8	100%

Note: For three-year data, please refer to the Suppliers/Supply Chain Performance Data section on page 140.

TRANSFORMING TO A VALUE-CREATING SOURCING CENTRE

Since 2020, Group Procurement ("GP") has transformed from a passive-buying centre to a value-creation sourcing centre through the adoption of the Agile way of working. Good relationships and trust with the vendors and suppliers are also maintained by meeting their needs and through improved negotiation skills. In ensuring a good payment tracking process, GP has adopted a consolidated virtual dashboard, resulting in a more efficient payment process. With Agile, GP will continue to enhance processes and reduce costs through innovation and continuous improvement from listening to customers' feedback, in line with the team's transformation journey.

COLLABORATION
between GP, business stakeholders and external vendors to understand the precise requirements and review vendor costing.

RELATIONSHIP
with vendors has improved with good collaboration and enhanced monitoring system to ensure prompt payment to vendors.

SYNERGY
created from the platform helps the team to contribute ideas, participate actively and celebrate success.

INNOVATION
through contribution of ideas and strong sense of ownership with guidance from their Portfolio Lead and Agile Coach.

PILLAR THREE: ENRICHING AND EMPOWERING COMMUNITIES

ENRICHING AND EMPOWERING COMMUNITIES - Community Enrichment

SUSTAINABLE AND RESPONSIBLE BANKING

EMBEDDING GOOD PRACTICES

ENRICHING AND EMPOWERING COMMUNITIES

GRI 203-2, GRI 413-1

True to our brand promise of *Together We Progress*, we aim to create long-lasting positive impacts within the communities in which we operate by enriching and empowering them. We reach out to people in need, in particular the underprivileged from low-income and the B40 communities. Focusing on children and youth, our programmes are aimed at nurturing future generations and developing holistic individuals. As a financial services provider, we believe in promoting financial literacy to the younger generation and our customers to help shape a financially-literate society and promote responsible financial behaviour, which will contribute to the economic health of the nation in the long run.

KEY CAPITALS



PRIMARY SDGs



VALUE TO STAKEHOLDER GROUPS

- Communities
- Customers
- Employees
- Regulators & Policymakers

Focus Area(s) and Material Matter(s)

Community Enrichment

- Community Enrichment

Financial Education

- Financial Inclusion and Education*

■ achieved ■ on track

Targets and Selected Key Indicators

- RHB X-Cel Academic Excellence Programme: More than 1,500 students (target: 1,400 students) across 36 schools (target: 35) benefited from the programme.
- Supported 30 scholars under RHB X-Cel Star Scholarship, including nine new scholars (target: 60 underprivileged students from 2019 to 2023).
- Money Ma\$ter Programme: More than 1,000 students directly engaged online, bringing total number of students benefiting to approximately 25,000 since 2018.
- Generated 7.5 million views from RHB Money Chat webinars since its launch in 2020.

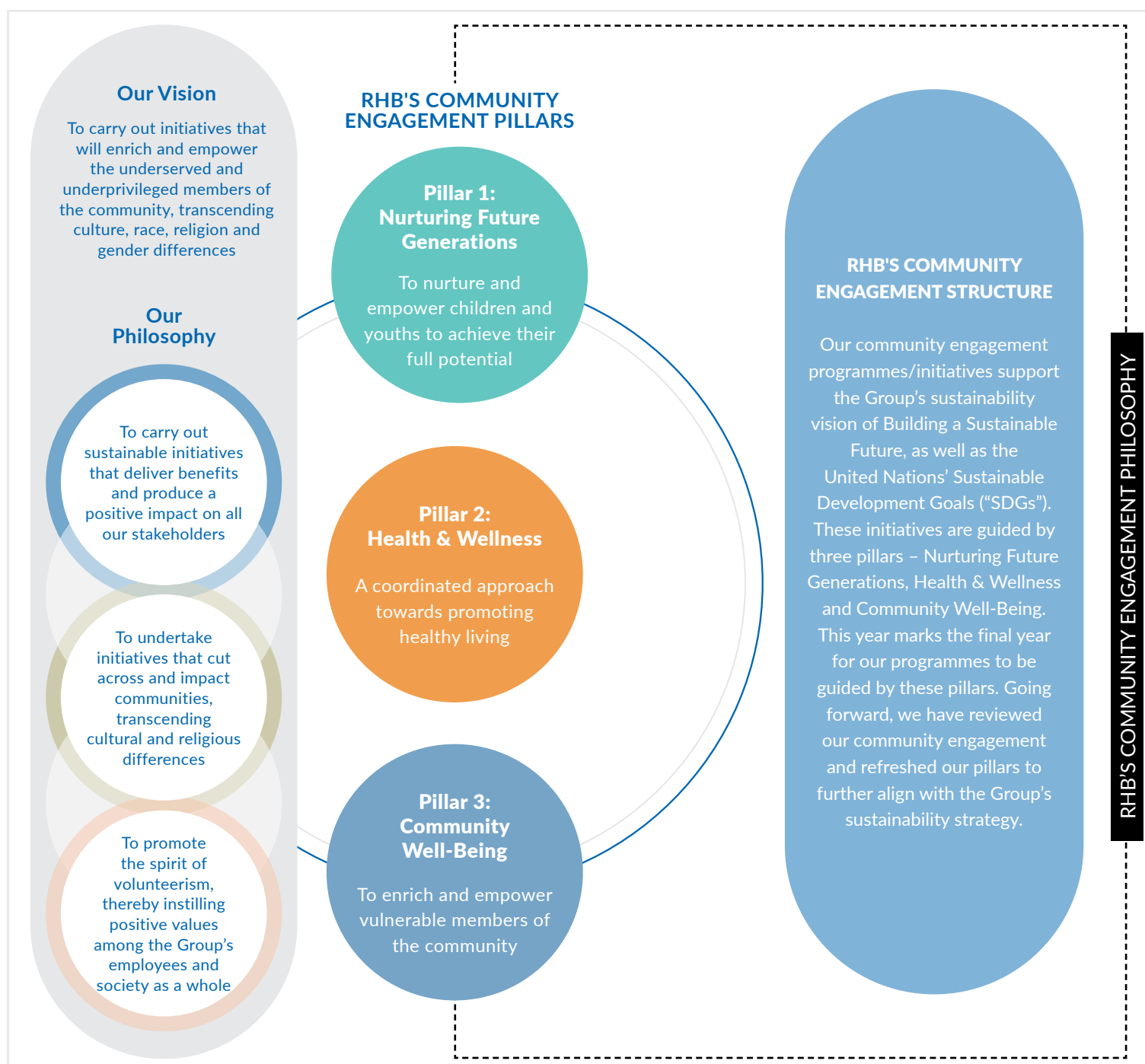
* Material matter that appears in more than one Focus Area.

COMMUNITY ENRICHMENT

OUR APPROACH

In order to build an inclusive and sustainable future for all, we believe it is important to enrich the local community through various programmes to ensure that they are not left out amid the progress that is happening around them. Thus, we continuously bolster our community outreach programmes and nurture future generations as we seek to progress together with

our stakeholders. We intend to serve all, especially the underserved and the underprivileged members of the community while narrowing the gap of inequality that has been further widened by the pandemic. We strive to generate long-lasting positive impacts and contribute to nation-building in our journey to rise above the adverse effects of the pandemic.



RHB Foundation

RHB Foundation leads the Group's community engagement and development initiatives, focusing on the underserved and underprivileged members of the community with an emphasis on children and youth.



Tan Sri Dato' Dr. Yahya Awang
Independent Non-Executive Member



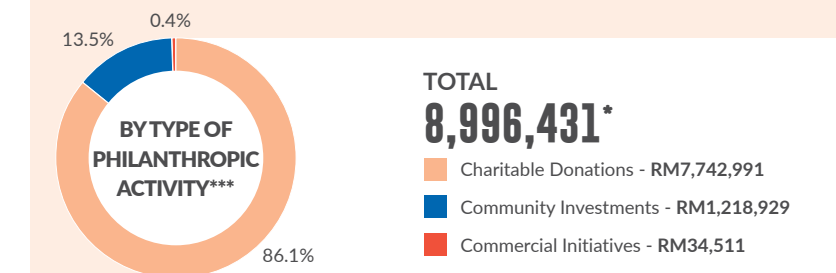
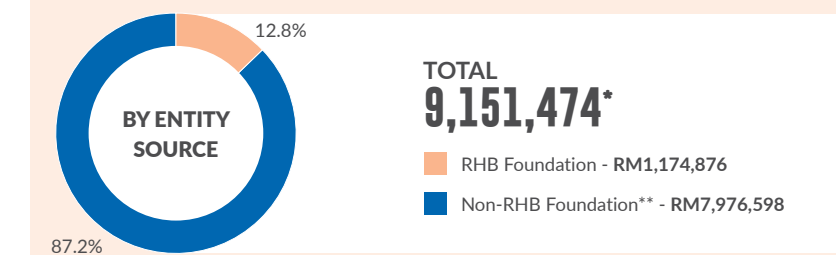
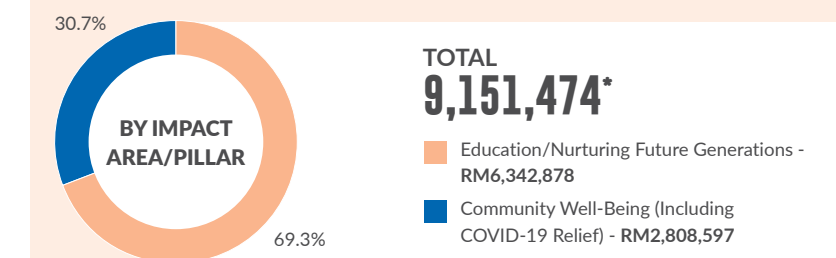
Datin Yap Siew Bee
Independent Non-Executive Member



Norazzah Sulaiman
Chief Executive Officer

Dato' Khairussaleh Ramli resigned as Group Managing Director/Group Chief Executive Officer of RHB Banking Group effective 25 March 2022. Accordingly, Dato' Khairussaleh Ramli, who is the Non-Executive Chairman of RHB Foundation, will relinquish his position upon the nomination of a new Chairman in due course.

RHB'S CONTRIBUTIONS TO THE COMMUNITY IN 2021



* Excludes Group sponsorship worth RM117,600 in line with the Group's Corporate Sponsorship and Donation Policy.
** Non-RHB Foundation consists of community expenditure under RHB Bank Berhad, regional branches and subsidiaries, as well as donations.
*** Excludes costs related to operations and branding.

ENRICHING AND EMPOWERING COMMUNITIES

- Community Enrichment

ENRICHING AND EMPOWERING COMMUNITIES

- Community Enrichment

NURTURING FUTURE GENERATIONS

At RHB, education is a cause close to our hearts. We aspire to empower the younger generation through education to shape a knowledgeable society and create long-term sustainable value.

Our educational initiative is structured into two programmes – RHB X-Cel Academic Excellence and RHB X-Cel Star Scholarship – which seek to provide equal opportunities for students from underprivileged backgrounds or the B40 segment of the community. The objective of our programmes is to nurture students into holistic individuals through various educational

and capacity-building programmes, in addition to academic excellence programmes. Ultimately, we aim to uplift the socio-economic status of underprivileged students by giving them access to tertiary education, creating a pathway for them to lead better lives in the future.

RHB is currently the only corporate body with an all-inclusive educational programme that supports B40 segment students from secondary up to tertiary level. Established in 2018, the programmes are endorsed and approved by Malaysia's Ministry of Education.

RHB'S EDUCATIONAL PROGRAMMES

RHB X-Cel Academic Excellence

- An educational programme for Form 4 and Form 5 students from the B40 segment.
- Students who are selected have shown potential in excelling in their studies and have exemplary attitude and leadership qualities.
- Provides motivational workshops, seminars and tuition classes for core and selected elective subjects to prepare students for the SPM examination.

RHB X-Cel Star Scholarship

- Only top performers of RHB X-Cel are selected.
- Provides financial aid to the scholars to allow them to pursue tertiary education in local institutions of higher learning.
- Provides capability-building training in an effort to nurture the scholars into holistic individuals and future leaders.
- Scholars will be given the opportunity to be an intern and work at RHB Bank in the future.

RHB X-CEL ACADEMIC EXCELLENCE PROGRAMME

In 2021, we continued to leverage online tools and digital platforms to ensure our programme's recipients were not left behind during the pandemic. We continued to support teachers with online teaching tools to provide the students with virtual sessions while they prepare for the SPM examination.

THE JOURNEY OF RHB X-CEL STUDENTS

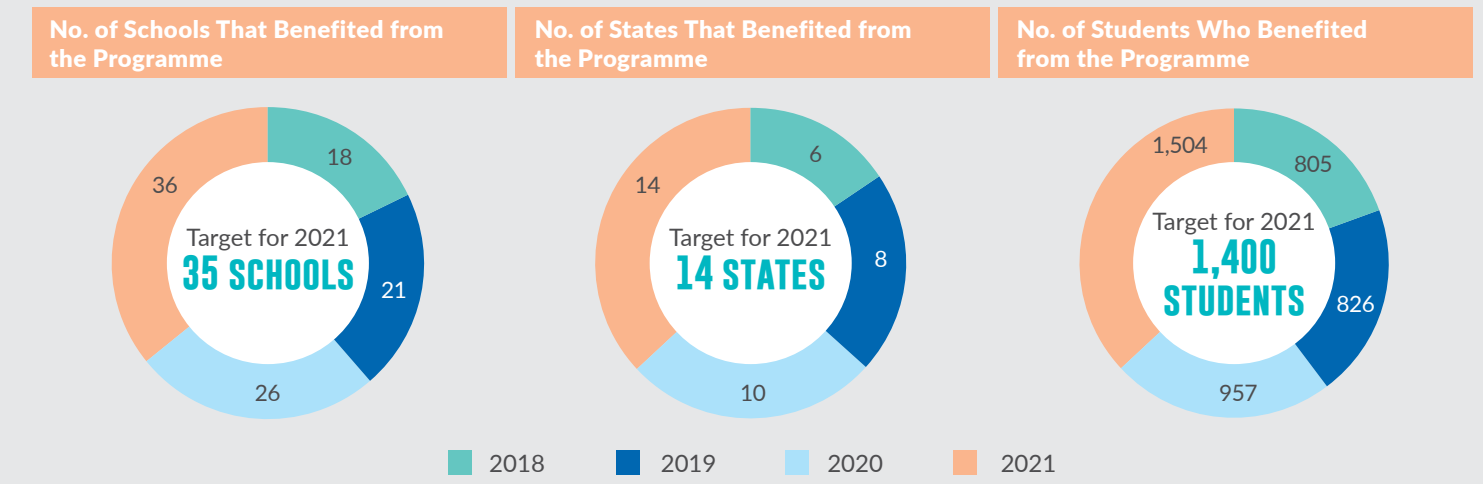
PHASE 1	Identify eligible schools and B40 Form 4 & Form 5 students from selected schools.	
PHASE 2	The selected Form 4 & Form 5 students from participating schools will have access to	
	Three mandatory subjects: Bahasa Melayu, English, Mathematics	Any two elective subjects: Physics, Additional Mathematics, Chemistry, Science, Principles of Accounting
PHASE 3	SPM Top Achievers (7As and above) <ul style="list-style-type: none"> • Shortlisted and invited to attend RHB scholarship interview and assessment. • Up to 15 students per annum will be selected to receive the scholarship awards and progress to the RHB X-Cel Star Scholarship programme. 	
PHASE 4	RHB X-Cel Star Scholars <ul style="list-style-type: none"> • Full/partial scholarships to further their undergraduate studies at local institutions of higher learning (sponsorships include tuition fees, living allowances, book allowances, registration and medical check-ups). • Go through capability building and nurturing & development training (e.g. English proficiency, soft skills, leadership and motivation). • Mentor-mentee sessions with RHB employees. • Opportunity to be an intern at RHB Banking Group. • Job opportunity with RHB Banking Group. 	

As part of Phase 2, we completed six sessions of a motivational talk, called 'Breakthrough Mindset – A.B.C.D. of Success', by a three-time TEDx speaker, Wesley Chan. Chan is also a Top 30 JCI Creative Young Entrepreneur Award 2019 winner, a certified NLP Master Coach and was among the 100 Most Inspirational LinkedIn Icons in Malaysia (2019/2020). The talk, which was attended by more than 1,000 students and 36 teachers, taught students about setting and achieving goals to prepare them for SPM 2021, which was scheduled for early 2022.

We also organised subject revision classes covering Bahasa Melayu, Physics, English, Mathematics, Additional Maths and History. The classes were conducted virtually by MC Plus, the biggest online tuition provider in Malaysia, and saw more than 350 Form 5 students taking part in each of the subject revisions. In January 2022, the students attended a session with experienced SPM graders who guided them in SPM exam answering techniques, along with a separate session on 'Mapping Your Future' ('Halatuju Pendidikan') with Mustafa Abdullah, who advised the students on choosing the right course for their tertiary education.

ACHIEVEMENTS IN 2021

Since the start of the RHB X-Cel Academic Excellence programme, the number of schools that have benefited from the initiative doubled to 36 while the number of beneficiaries grew from 805 students to 1,504 students. More than RM450,000 was invested in the programme in 2021, making the total amount of investment in the programme almost RM1.6 million since 2018. In 2022, we are targeting to expand the programme to benefit up to 3,000 students across the country.



Cikgu Anis Sabarina Abu Bakar, School Improvement Specialist Coach, Keramat District Education Office, Kuala Lumpur

"The X-Cel Academic Excellence programme has been able to help students, especially those in the B40 category, to receive equal learning opportunities. Thank you, RHB Foundation, for helping the students gain confidence so that they can prepare for their SPM exams."



Cikgu Che Suriyati Che Awang, SMK Setapak Indah, Kuala Lumpur

"This programme has largely contributed to B40 students with the potential to excel in their studies. I really hope this programme will continue, as it will definitely help our students to succeed."

ENRICHING AND EMPOWERING COMMUNITIES

- Community Enrichment

ENRICHING AND EMPOWERING COMMUNITIES

- Community Enrichment

NURTURING FUTURE GENERATIONS

RHB X-CEL STAR SCHOLARSHIP PROGRAMME

Students under the RHB X-Cel programme who have scored a minimum of 7As with credits for the remaining subjects are given an opportunity to be selected as RHB X-Cel Star Scholars. The scholarship programme provides financial support to the selected students to continue their studies in local institutions of higher learning.

RHB has allocated RM4.2 million to support 60 scholars from B40 families from 2019 to 2023. In 2021, we further expanded and offered our scholarships to nine more students as part of Cohort 3. We currently have 30 students pursuing foundation courses and undergraduate programmes across nine local universities and colleges. We are targeting to have a total of at least 50 scholars by 2022.

The programme has been designed to equip the scholars with the relevant skills to meet job market demands, such as English proficiency, mental health, soft skills, communication proficiency and leadership qualities. To nurture the scholars to become effective graduates and future leaders, RHB employees become mentors to the scholars through a mentor-mentee relationship.

Journey of RHB X-Cel Cohort 3 Scholars

- 27** Shortlisted
- 20** Attended Interview & Assessment
- 15** Proceeded to Second Interview
- 9** Awarded & Accepted Scholarships

ACTIVITIES FOR RHB X-CEL SCHOLARS (COHORTS 1 AND 2)

RHB X-CEL MENTORING PROGRAMME

An eight-month programme in which RHB Management Associates ("MAs") served as mentors to 10 RHB X-Cel Star Scholars. The programme was designed to encourage the scholars to unleash their potential as leaders of tomorrow. The MAs had the opportunity to become mentors and contribute to the community by mentoring the scholars.

OUTCOME

Over 100 hours were spent on addressing leadership characteristics, growth mindset, proactiveness, emotional intelligence and resilience. Overall, the findings showed that there was a consistent increase in awareness, confidence, understanding and even application throughout the sessions.

The mentees were able to gain deeper insights into topics and themes they had little exposure to and were challenged in their thought processes by their mentors to spur further growth and development.

When asked how valuable the sessions were to them, the mentees gave a rating of **4.8/5**, and a rating of **4.9/5** when asked how comfortable they felt sharing with their mentors.

ENGLISH COMMUNICATION & CONFIDENCE TRAINING

The programme, which was held over six sessions, was aimed at improving the scholars' confidence level in communicating and presenting in English. Both Cohort 1 and Cohort 2 of the RHB X-Cel Star Scholarship programme completed the programme virtually in 2020 and 2021.

OUTCOME

The students improved overall, especially in their oral communication, which was **75% (Cohort 1)** and **66.5% (Cohort 2)** pre-programme and **82% (Cohort 1)** and **82.5% (Cohort 2)** post-programme. Students agreed that this programme helped them in their presentations during classes by improving their body language and voice projection. It also gave them more confidence in sharing their opinions and developed their creative thinking abilities.

MENTAL HEALTH & STRESS MANAGEMENT WORKSHOP

This workshop was organised to support the psychological well-being of RHB X-Cel Star Scholars by encouraging them to understand and manage their emotions, stress and mental health. This was part of the effort to support our goal of nurturing holistic scholars with a healthy and well-balanced lifestyle.

OUTCOME

The two-hour workshop highlighted two topics: 'Looking after Mental Health' and 'Stress - Friend or Enemy?'. Based on the post-workshop survey conducted, **82.4%** of the students rated their overall satisfaction with the workshop as excellent. **88%** felt that the topics covered were relevant to them and would be useful in their studies and lives.

MEET OUR SCHOLARS

COHORT 1: 10 SCHOLARS



Male

7



Female

3

Cohort 1 scholars were selected in 2019 and are currently pursuing their second year of undergraduate studies in local public universities.



CHANG SHI TING

From: Bedong, Kedah

Foundation:

Foundation in Science, Matriculation College, Malacca

Undergraduate:

Bachelor of Science (Hons) Actuarial Science, Universiti Kebangsaan Malaysia

"Being an RHB X-Cel Star Scholar is an amazing experience. I was given the opportunity to do things that I would never have done on my own, such as taking part in drama. RHB Foundation is very supportive and always cares for us (the scholars). For instance, they constantly checked on us during the pandemic to make sure that we were coping well. This scholarship has really helped to ease my family's economic hardship especially since my father is a single parent and the sole breadwinner. With the financial support from the RHB X-Cel Star Scholarship, I am able to concentrate on my studies while my dad focuses on my two siblings, who are still in school. Thank you RHB, for your encouragement and for helping me reach my full potential through different soft-skill programmes."



MOHD AQIMIE AZIZ

From: Papar, Sabah

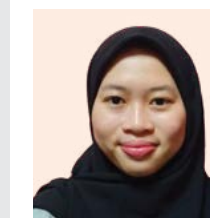
Foundation:

Foundation in Science, Universiti Malaysia Sabah

Undergraduate:

Bachelor of Computer Science with Honours (Software Engineering), Universiti Malaysia Sabah

"Being chosen as one of the RHB X-Cel Star Scholars has helped me tremendously throughout my journey as a student. Growing up in a low-income household, I could not fully dedicate my time to studying. Receiving the scholarship has eased my family's financial burden and given me the encouragement to keep pushing towards my goals. Without the scholarship, I would not have had the chance to experience activities such as the English Communication and Confidence programme and Mentoring programme, which have really helped in the development of my skills and personal growth. Hopefully, after graduating, I will be able to support my family and help future youths to achieve their dreams, just like how RHB has helped me."



MARLIANA NOR SHAZREEN AZMI

From: Yong Peng, Johor

Foundation:

Foundation in Physical Science, Universiti Malaya

Undergraduate:

Bachelor of Chemical Engineering (Hons), Universiti Malaya

"Participating in the RHB X-Cel Star Scholarship programme has been both an honour and a blessing. It has helped to improve my life while also providing me with the opportunity to sharpen my knowledge and pursue my dream of becoming a chemical engineer one day."

ENRICHING AND EMPOWERING COMMUNITIES

- Community Enrichment

ENRICHING AND EMPOWERING COMMUNITIES

- Community Enrichment

NURTURING FUTURE GENERATIONS

MEET OUR SCHOLARS

COHORT 2: 11 SCHOLARS



Male

4



Female

7

Cohort 2 scholars were selected in 2020 and are currently pursuing their first year of undergraduate studies in local universities.

**MUHAMMAD WAFIUDDIN JEMAIN****From:** Parit Buntar, Perak**Foundation:** Foundation in Science, Perak Matriculation College, Gopeng**Undergraduate:** Bachelor of Science (Hons) Actuarial Science, Universiti Teknologi MARA

"As an ordinary student from rural Perak, I am very grateful for this opportunity to go through this journey with RHB. The continuous support that I have received from the beginning of my journey with RHB X-Cel's tuition classes has motivated me to thrive academically. Throughout my foundation and undergraduate studies, the RHB X-Cel Star Scholarship and the programmes in it have encouraged me to be a holistic version of myself in every aspect of my life."

**NUR ADILA MOHD ADI****From:** Yong Peng, Johor**Foundation:** Foundation in Engineering, UiTM Dengkil**Undergraduate:** Bachelor of Mechanical Engineering, Universiti Kebangsaan Malaysia

"Growing up in a small village and coming from a low-income family caused me to greatly underestimate myself, but the RHB X-Cel Star Scholarship programme has helped to bring out the best in me, especially through the soft skills training provided. I can confidently say that I am now more positive and able to step out of my comfort zone. I hope that one day I will be able to give back to society and become someone who benefits others. Thank you, RHB!"

COHORT 3: 9 SCHOLARS



Male

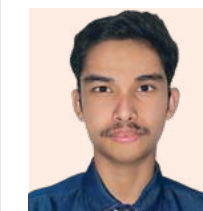
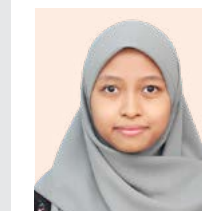
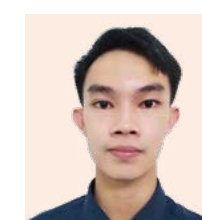
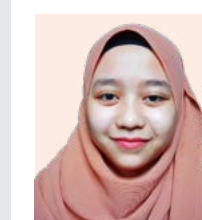
3



Female

6

Cohort 3 scholars were selected in 2021 and are currently pursuing their first year of foundation and matriculation studies in local institutions.

**SOH AI LING****From:** Raub, Pahang**Foundation:** Foundation in Science, Tunku Abdul Rahman University College**Undergraduate Pathway:** Information Systems Engineering/ Data Analytics**AINA NURAIN MOHD ZAMANSHAHRIL****From:** Kota Bharu, Kelantan**Foundation:** Foundation in Science, Universiti Teknologi MARA, Dengkil**Undergraduate Pathway:** Mechanical Engineering**WAN SYAHIDATUL ATIKAH WAN MOHD RUSLI****From:** Kuala Terengganu, Terengganu**Foundation:** Foundation in Science, Universiti Teknologi MARA, Dengkil**Undergraduate Pathway:** Computer Science**NURZAFIERA NAFIESA AZHAR****From:** Kuala Nerus, Terengganu**Foundation:** Foundation in Science, Pahang Matriculation College**Undergraduate Pathway:** Mechanical Engineering**MUHAMMAD SYAHMI ABD RAHMAN****From:** Parit Buntar, Perak**Foundation:** Foundation in Science, Perak Matriculation College**Undergraduate Pathway:** Mechanical Engineering**UMMI INTAN ZULAIKHA ZAINAL****From:** Parit Buntar, Perak**Foundation:** Foundation in Science, Perak Matriculation College**Undergraduate Pathway:** Chemical Engineering/Computer Science**CHEEN CHEE LOK****From:** Raub, Pahang**Foundation:** Foundation in Science, Negeri Sembilan Matriculation College**Undergraduate Pathway:** Supply Chain Management/ Entrepreneurship in Logistics**SUHEIL OMAR****From:** Sepang, Selangor**Foundation:** Foundation in Physical Science and Technology, Universiti Sains Islam Malaysia**Undergraduate Pathway:** Computer Science**TUAN KHALIDAH SYAZWANA TUAN MUHD KASMAWI****From:** Kuantan, Pahang**Foundation:** Foundation in Science, Perak Matriculation College**Undergraduate Pathway:** Computer Science

ENRICHING AND EMPOWERING COMMUNITIES

- Community Enrichment

NURTURING FUTURE GENERATIONS

RHB-UKM ENDOWMENT FUND

In 2021, RHB strengthened its strategic collaboration with Universiti Kebangsaan Malaysia (“UKM”) to foster sustainable human capital development by cultivating knowledge in digital technology, particularly in the field of banking and finance, through the RHB-UKM Endowment Fund.

RHB and UKM began their knowledge transfer partnership in 1997 with the creation of the RHB Chair in Finance. In 2018, the partnership was refreshed with the establishment of the RHB-UKM Endowment Fund (the “Fund”). The Fund aims to create opportunities for UKM academicians and students to develop human capital with technology-driven knowledge and to accelerate knowledge in digital technology through industry collaboration, enhanced quality research and innovation in financial services, while also improving both RHB’s and UKM’s competitive advantage. The objectives of the Fund also include skills enhancement, with a focus on sustainable banking and financial services, to empower future leaders in achieving their personal and professional goals. As at June 2021, the Fund stood at a total of RM7.74 million.

Mission Statement

Cultivate human capital with technology-driven knowledge supported by research activities, industry collaboration and skills enhancement, focusing on sustainable banking and financial services, to empower future leaders in achieving their personal and professional goals.

The collaboration enables many in RHB, especially our team of data analytics specialists, to work closely with UKM in sharing real-life experiences and key notable achievements, as well as providing practical input from a banking and finance perspective. To meet its objectives, the Fund appointed Professor Dr. Ujwal Kayande as Chair and Visiting Professor at the UKM

Graduate School of Business. Professor Dr. Ujwal is a Professor of Marketing and the Director of the Centre for Business Analytics at Melbourne Business School, with over 20 years of research experience in marketing analytics, marketing strategy and business analytics. Since his appointment, Professor Dr. Ujwal has conducted various programmes and lecture series, which have been attended by more than 350 participants consisting of academicians, alumni members, postgraduate students, researchers and RHB senior leaders.

The Board of Trustees of the Endowment Fund also set up the RHB-UKM Research Grant to support research and publication work over the course of two years. The grant, which is open for application to academicians and researchers annually, received 22 applications in 2021. The applications were assessed by the RHB-UKM Grant Evaluation Panellists before five research projects were approved for the grant.

For more information on the RHB-UKM Endowment Fund, go to www.ukm.my/gsbukm/rhb-ukm-endowment-fund-2/

Activities under the RHB-UKM Endowment Fund:

- 4 webinars were conducted by Prof. Dr. Ujwal Kayande as part of the Chairholder activities, covering the benefits of analytics in business organisations, analytics-based decision-support systems and analytics in customer reviews.
- 3 research grants were approved in 2020 for studies that covered:
 - Tourism industry development post-COVID-19.
 - Sustainable performance of the financial services industry.
 - Small and Medium Enterprises.
- 5 research grants were approved in 2021 for studies that covered:
 - Tourism industry development post-COVID-19.
 - Artificial intelligence for the stock market.
 - Stock index prediction.
 - Financial behavioural habits among the younger generation amid the pandemic.
 - Patent portfolio strategy development.
 - Customer satisfaction index based on chatbots.
- 4 analytics workshops were held under the RHB-UKM Data Analytics Workshops Series, covering business intelligence and analytics and predictive analysis and analytics, as well as business analytics.

Art with Heart

Due to disruptions from the pandemic and the strict Standard Operating Procedures (“SOPs”), we were unable to carry out the Art with Heart programme in 2021. The annual art exhibition showcases the creativity of young emerging local artists and enables them to engage with potential buyers and collectors, reflecting RHB’s commitment to supporting the work of young local artists.

For more information on our achievements to date, refer to the RHB Foundation website at: rhbfoundation.rhbgroup.com/Home/ArtWithHeart#tabsection

ENRICHING AND EMPOWERING COMMUNITIES

- Community Enrichment

HEALTH & WELLNESS

This pillar enables us to adopt a coordinated approach towards promoting healthy living among our local communities, making our Community Enrichment initiative a complete and holistic focus area that covers all the key aspects of enriching local communities.

In 2021, we organised RHB’s first-ever Virtual Ride cycling event as part of the Group’s commitment to promoting a healthy lifestyle through cycling for a good cause. RHB pledged RM1 for every kilometre cycled, capped at 100 km per cyclist. Due to the pandemic, the Virtual Ride, which was held from 18 September to 3 October, was an alternative to the physical cycling events, RHB’s annual LEKAS Highway Ride and Langkawi Ride, which attract cyclists from around the world.

A total of 2,000 cyclists across the nation took part and cycled 120,000 km. To honour its pledge, RHB donated RM100,000 towards providing financial aid to B40 families impacted by the pandemic. Additionally, the RHB Foundation (“RHBF”) contributed RM100,000 to the cause.

The graphic displays the following statistics and details:

- 120,000 km** cycled by **2,000** cyclists.
- RHB donated **RM100,000** towards B40 families.
- RHBF also contributed **RM100,000** towards B40 families.
- A collage of cyclists with a central heart containing the text: **CYCLE ON TO MAKE A CHANGE**.
- A list of top cyclists with their distances:
 - MOHD FARID BIN HASSAN: 3,104.60Km
 - RUDY AHMAD: 2,589.42Km
 - CHNG KOK WEI: 2,126.2Km
 - CHOO WEI JIAN: 1,786.80Km
 - RONNIE SHE CHIEN WEI: 1,725.42Km
- Hashtag: **#RideForGood**

ENRICHING AND EMPOWERING COMMUNITIES

- Community Enrichment

ENRICHING AND EMPOWERING COMMUNITIES

- Community Enrichment

COMMUNITY WELL-BEING

Community well-being is one of our most substantive pillars under Community Enrichment, through which we focus on enriching and empowering vulnerable members of the community. During the pandemic, we turned the disruptions and challenges into opportunities to further expand our reach to communities in need by contributing in cash and in kind. Although our annual community engagement programme, RHB Touch Hearts, was disrupted by the COVID-19 pandemic, we continued to give back to society by reaching out during festive seasons. Further to that, we helped to alleviate the negative impacts of natural disasters by contributing to humanitarian causes.



RHB TOUCH HEARTS

RHB Touch Hearts is a Group-wide community programme that mobilises over 14,000 RHBians from across Malaysia, Singapore, Indonesia, Thailand, Cambodia, Laos and Brunei to reach out to communities in need. Aimed at promoting the spirit of volunteerism, the programme enables RHBians to give back to the local communities in which we operate through impactful projects. These projects, which are developed to generate long-lasting positive impacts, involve months of planning, preparation and fundraising. They culminate simultaneously on a dedicated weekend, when every RHB volunteer goes on the ground to complete their respective projects.

For more information on our achievements to date since 2016, refer to our RHB Foundation website at: www.rhbfoundation.rhbgroup.com/Home/TouchHearts

During the year under review, we continued to pivot and leverage digital platforms and technology to engage with local communities and reach out to those in need, including healthcare frontliners, families and school children from the B40 community. Our initiatives included contributions to schools and hospitals, as well as donations in cash and in-kind to families and homes affected by the pandemic and the floods, among others.

RHB'S COVID-19 RELIEF FUND

Since the beginning of the COVID-19 pandemic in 2020, we have contributed almost **RM8.4 million** to help alleviate the negative impacts of the pandemic. In 2021, we continued with our efforts by contributing **RM5.7 million** through cash and in-kind donations, which included:

 MALAYSIA

- **RM5 million** to purchase more than **3,600 units of laptops** for primary and secondary students from the B40 segment through the CERDIK programme. Aimed at providing digital access to education for students from B40 families to enable them to adapt to online lessons, e-learning and outside-the-classroom teaching during the pandemic, the programme complemented the Group's commitment to nurturing future generations through its RHB X-Cel Academic Excellence programme. Apart from the laptops, the Group provided 111 SIM cards to students from 33 schools nationwide;
- **RM440,000** for four units of ICU ventilators for Hospital Selayang and Hospital Ampang that were turned into COVID-19 hospitals during the peak of the nation's pandemic response;
- **RM200,000** to provide basic necessities and cash to 666 families who were financially impacted by the pandemic; and
- **RM62,000** to provide 140 packed meals to 1,960 healthcare frontliners and volunteers at two vaccination centres in Selangor over the course of 14 days.

 CAMBODIA

USD1,000 to Cambodia's Ministry of Health to provide medical supplies in a joint effort with the Malaysian Business Chamber of Cambodia ("MBCC") and Khmer Times, as well as 22 other Malaysian entities.

 LAOS

USD1,000 in support of the 'Fundraising Campaign for Lao Against COVID-19'.

 BRUNEI

100 bottles of hand sanitisers and 100 boxes of masks, along with packed food and drinks worth BND1,600 were distributed to three isolation centres in the Tutong district.

#TOUCHHEARTS 360

Since the establishment of RHB Touch Hearts 360 in 2018, the initiative has touched the lives of about **52,000** individuals. Touch Hearts 360 is an initiative that intensifies and catalyses our philanthropic activities that are intended to benefit the underserved and the underprivileged members of the community through employee volunteerism. Through this programme, our employees can donate cash or items, or participate in community activities, in line with our aspiration of giving back holistically to society by uplifting the livelihoods and socio-economic status of our targeted community groups. In 2021, Touch Hearts 360 impacted **1,648** families, including approximately 20,000 individuals across Malaysia, Cambodia, and Brunei.



Puan Fazalina Fauzi
Kuching, Sarawak

"I am a stroke patient and have six children who are still in school. One of them is a special child, who requires relatively high monthly expenses. My husband and I have very limited financial resources, and there was a time when we had no food. Thank you RHB Foundation for the help extended to me and my family during Ramadan/Hari Raya Aidilfitri this year. The contribution was very meaningful and helped to ease the financial burden of our family, especially during the COVID-19 pandemic and the MCOs.

I hope RHB Foundation will continue to help people like me, and I hope that such noble efforts and concern will continue to serve as a platform for strengthening ties with the local community.

Once again, thank you RHB Foundation!"



Puan Mogana A/P Nararaja
House wife
Projek Perumahan Rakyat ("PPR"),
Subang, Selangor

"Due to the COVID-19 pandemic and the MCOs, my husband lost his job and our family's financial resources were depleted. My husband and I struggled to manage our daily expenses because we have young children, and I am a full-time housewife. But I received help from RHB Foundation during Deepavali, which I am very grateful for. Thank you RHB Foundation for helping me during my difficult times.

Hopefully, RHB Foundation will continue to thrive and be able to contribute to more families in need, especially during the pandemic when many are facing financial hardship due to losing their jobs.

I wish RHB Foundation all the best!"



Madam Shirley Lee
Chairman, Pertubuhan
Kebajikan Chester, Selangor

"Thank you so much for your donation to Pertubuhan Kebajikan Chester during Chinese New Year 2021, RHB Foundation!

During the coronavirus outbreak, the donation helped to lighten our weight in maintaining the health and well-being of our elderly, who need a great deal of attention and care.

We hope that RHB Foundation will continue to provide financial and emotional assistance to more charity homes, particularly those that have been harmed by a lack of donations and whose upkeep has been affected by prolonged MCOs.

I sincerely hope that everyone at RHB remains healthy and safe."

ENRICHING AND EMPOWERING COMMUNITIES

- Community Enrichment

COMMUNITY WELL-BEING

FESTIVE CHEER

RHBians in Malaysia, Cambodia and Brunei implemented various programmes to bring festive cheer to the underprivileged and marginalised communities. The identified communities were those with a monthly household income of RM3,000 or less, as well as those who were financially affected by the pandemic. The initiative also prioritised single parents and families with young children or children who were differently abled or had critical illnesses and elderly parents.

These programmes have contributed more than RM212,000, affecting over 2,000 individuals and benefiting 192 families and 29 charity homes across Malaysia and Cambodia.



Contributed more than **RM212,000**

benefiting over 2,000 individuals, 192 families and 29 charity homes in Malaysia and Cambodia

Chinese New Year

- Impacted 396 beneficiaries: 30 families and 10 charity homes.

Ramadan/Hari Raya Aidilfitri/Hari Raya Haji

Malaysia

- Impacted 980 beneficiaries: 85 families and 10 charity homes.
- Donated RM20,790.03, which was collected from 243 employees who also contributed basic necessities such as food items, household goods and appliances worth more than RM6,000 under the 'Let's Kongsi Rezeki 2021' initiative.
- Donated 40 cows for Qurban.

Brunei

- Donated bubur lambuk to 500 individuals during Ramadan.

Cambodia

- Impacted approximately 170 beneficiaries from 40 families.
- Donated USD4,000 for Sedekah Raya.
- Donated 3 cows for Qurban.

Deepavali

- Impacted 277 beneficiaries: 20 families and 5 charity homes.

Christmas

- Impacted 169 beneficiaries: 17 families and 4 charity homes.



RHB Emergency and Disaster Relief

As a responsible financial services group that cares for the community, we go beyond just empowering the underprivileged by reaching out to the communities impacted by natural disasters or emergency situations. We understand that during times like these, where people are displaced, lose their properties and sometimes, even their homes. As such, we have been providing aid through cash and in-kind contributions to the people who have been affected by unforeseen situations such as extreme weather events. In 2021, we contributed **RM200,000** and pledged RM1 million, which up to December 2021 has helped **790 families** who were affected by the floods across the country. An additional 1,600 families are expected to benefit from the pledged amount in early 2022. The contributions included the provision of basic necessities such as dried food items, toiletries, rice cookers, pillows and blankets.

Additionally, RHB Insurance has pledged to donate RM100,000 towards a CSR flood relief fund set up by Persatuan Insuran Am Malaysia ("PIAM") to help alleviate the losses suffered by motorists due to the floods in December 2021.

Supporting Humanitarian Efforts

In conjunction with the 158th anniversary of the World Red Cross and Red Crescent Day in May 2021, RHB Cambodia's branches in Siem Reap and Battambang donated USD500 and USD300, respectively, to the Cambodian Red Cross in support of their humanitarian activities.

RHB Brunei donated USD1,979.32 to 34 orphans in the Masjid Madang Community and USD1,275.05 to 20 Down Syndrome children from the ABLE Association. The donations were meant to support the children's education and daily essential needs.

ENRICHING AND EMPOWERING COMMUNITIES

- Financial Education

FINANCIAL EDUCATION

OUR APPROACH

Financial education is one of the most important elements in building a sustainable community. In Malaysia, studies by the Malaysia National Strategy for Financial Literacy found that 1 in 3 Malaysians rate themselves as having poor financial knowledge, and more than half of the country's population has difficulty raising RM1,000 in an emergency. As a key contributor to nation-building, financial institutions have a shared responsibility to improve the financial literacy of Malaysians and raise awareness about the importance of savings.

NURTURING FUTURE GENERATIONS THROUGH FINANCIAL LITERACY

We nurture future generations by empowering them with financial education, the key to unlocking a better future. Our initiatives include financial management skills, tips on saving, and ways to benefit from financial services. We reach out to school children and young adults through our flagship programme, the Money Ma\$ter Programme ("MMP"), which was designed to increase financial knowledge and instil good financial habits.

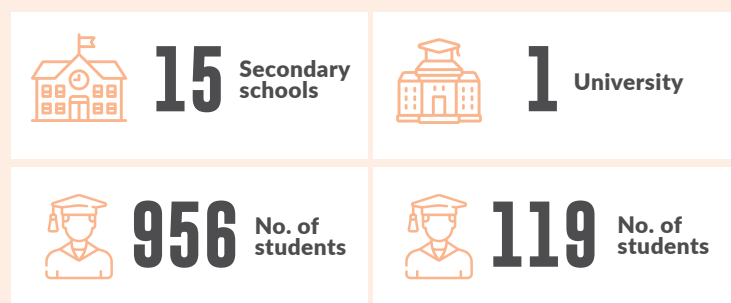
MONEY MA\$TER PROGRAMME - MALAYSIA



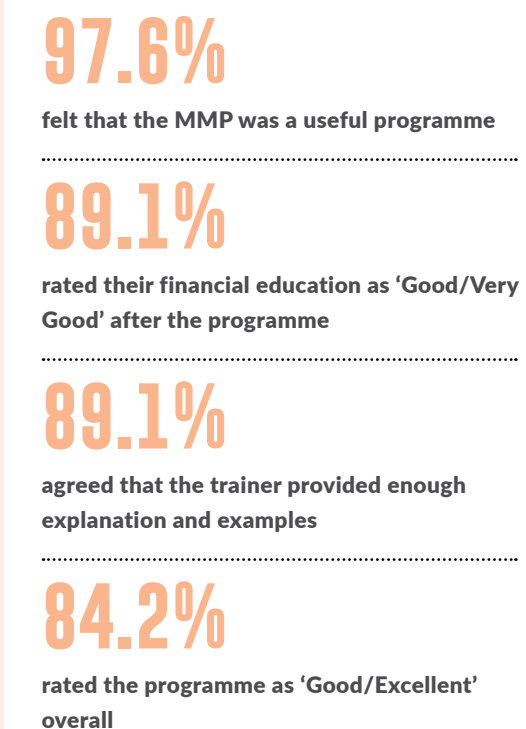
RHB's Money Ma\$ter Programme ("MMP") aims to equip teenagers and young adults with knowledge, skills and confidence in managing their day-to-day financial matters. Established in 2018 and endorsed and approved by the Ministry of Education, the MMP's objective is to instil the importance of saving from young among secondary and tertiary students while equipping them with proper financial education. As one of our core programmes to educate students aged 13 and above, the MMP has benefited approximately 25,000 students through our 90-minute interactive session that covers key financial literacy topics such as tips on saving, opening savings accounts, using debit cards and increasing awareness of financial scams. We aim to enrich and empower 10,000 students in 2022.

Although the COVID-19 pandemic severely impacted the MMP in 2021, we succeeded in reaching out to 15 secondary schools and one university to benefit 1,075 students.

Beneficiaries of MMP in 2021:



In an effectiveness survey conducted post MMP across 15 schools in Selangor and Johor, almost all of the 249 students who responded agreed that the financial education programme was useful. Other responses from the students were as follows:



ENRICHING AND EMPOWERING COMMUNITIES

- Financial Education

ENRICHING AND EMPOWERING COMMUNITIES

- Financial Education

NURTURING FUTURE GENERATIONS THROUGH FINANCIAL LITERACY

In April 2021, we pivoted away from our physical events and onto Instagram to engage with our targeted students amid the pandemic. To reach a larger audience, we launched a six-episode video series called 'Who Wants to be A Money Master', which included competitions and guidance on banking services, online banking, good and bad debts, the time value of money, investments and how to avoid being scammed. The educational series successfully recorded **112,963** total engagements as at December 2021.

The most common way of learning about finance is to read-up on it. Unfortunately, financial literature can hardly be termed 'easy reading', especially for beginners to the subject.

To help you get up to speed on your financial knowledge, we have created a fun-filled 6-episodes educational mini-series called "Who Wants To Be A Money Master".

This brand new, one of its kind Financial Literacy miniseries is packed with humour and competitions, testing contestants' knowledge on banking services, online banking, good vs bad debt, time value of money, investments, and how to avoid being scammed. Catch our talented host Nazrudin Rahman switch characters, grilling our contestants in the hot seat.

Tune in to our Instagram account starting 25 April 2021 and answer simple questions at the end of each episode to stand a chance of winning attractive prizes, while stocks last.

Follow us on IG: @rhbfoundation and catch all these fresh episodes. You can even save these on your mobile devices and share them with your family and friends.

Getting smart with your money shouldn't be a challenge, but being a Money Master surely is!

- Episode 1 Banking Services
- Episode 2 Online Banking
- Episode 3 Good Debt, Bad Debt
- Episode 4 Time Value of Money
- Episode 5 Investment
- Episode 6 Scams

For more information on 'Who Wants to be A Money Master', please visit www.rhbfoundation.rhbgroup.com/Event/

FINLIT - SINGAPORE



ACCOLADES & RANKINGS

Loyalty & Engagement Awards 2021 by Marketing Interactive
- Best Use of CSR (Finalist)

PR Awards 2021 by Marketing Interactive
- Best PR by an In-house Communications Team (Gold)

RHB Singapore promotes financial education among children and youth through its RHB Financial Literacy ("FinLit") programme. Aimed at benefitting students from 10 to 17 years old from the low-income segment, the classroom-style programme was designed to empower underprivileged children and youths with a strong financial literacy foundation. The programme, which started in 2017, was expanded from an annual event to twice a year in 2019 and was further developed into a digital programme in 2020 to navigate disruptions from the pandemic.

The objective of the FinLit programme is to empower children and youth by:

- 1 Improving their knowledge and understanding of the functions of money.
- 2 Enabling them to apply basic financial skills in a variety of relevant contexts applicable to them as they mature into adulthood.
- 3 Using and developing broader personal and social skills in relation to money.
- 4 Developing their confidence to make financial decisions in a responsible manner.

In 2021, FinLit was further expanded and curated in conjunction with RHB Singapore's 60th anniversary amid challenges from the pandemic due to strict measures imposed by the authorities on physical events. The Bank partnered with Dementia Singapore and engaged with Family Service Centre youths in a design-thinking process involving the application of money management skills to real-life scenarios at home, including caregiving for seniors with dementia. The programme was also piloted with a graduating batch of teenagers diagnosed with mild intellectual disability from a special needs centre, who were transitioning into the workforce. The initiative, which was held virtually for the underserved youths at the Family Service Centre and physically for the group with special needs in October, benefited 34 students. In a feedback summary, the participants concluded that they had a better understanding of budgeting and saving and the importance of having wise spending habits through a reward-based system. The concepts introduced in the programme also helped them identify signs of dementia at home and what financial factors to consider when providing care for dementia patients. More than 80% of the participants also shared that they enjoyed the programme and will benefit from the knowledge gained from the workshops.



GOWAVE BY RHB - CAMBODIA



ACCOLADES & RANKINGS

International Finance Awards 2021
Most Innovative New Online Financial Literacy Platform 2021 (Cambodia) (Winner)

RHB Cambodia launched 'goWave by RHB' in June 2021, a financial literacy website that aims to increase financial literacy and inclusion among young adults. Featuring articles and educational videos on financial matters, the website shares tips on budgeting and saving in various ways, as well as quizzes to make financial education fun and accessible. The website also utilises online platforms such as YouTube, Facebook and Instagram, as well as Key Opinion Leaders ("KOL"), to increase engagements and awareness. The website, which is in line with the National Bank of Cambodia's agenda to increase financial literacy among Cambodians as well as reduce bad debts, attracted 200,000 visitors as at December 2021. Going forward, RHB Cambodia plans to launch a goWave Lite App and a full App by the third quarter of 2022.



ENRICHING AND EMPOWERING COMMUNITIES

- Financial Education

CONTRIBUTING TO THE UN SDGs

REIMAGINING FINANCIAL AWARENESS FOR ALL OUR CUSTOMERS

RHB continued to reach out to customers to promote financial literacy via online videos and webinars amid the prolonged pandemic in 2021. Our online programmes, which featured podcasts and webinars to inform customers and investors on the latest investment trends and developments during the pandemic, strategically positioned RHB as a credible leader in financial literacy and investments.

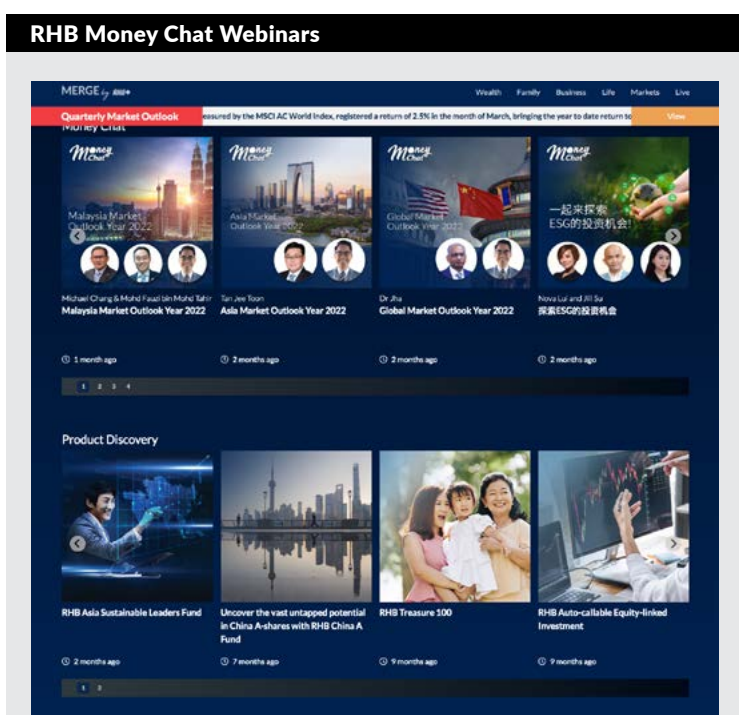
RHB MERGE ECOSYSTEM

RHB Banking Group launched RHB MERGE in 2018 to provide financial guidance, investment insights and market outlooks to enable RHB customers to make informed financial decisions. Starting as a newsletter with merchant offers, the financial literacy ecosystem has now grown into a fully digital and improved online content provider, generating over **1.3 million page views** as at December 2021.

Premised on five key pillars, the programmes by RHB MERGE are designed to cater to a targeted audience with diverse appetites.

Under the RHB MERGE financial ecosystem, we offer:

- RHB Money Chat webinars**
8 episodes 2.2 million views as at December 2021
- Podcasts for market insights & FX trends**
As at December 2021: 1.3 million page views
- MERGE financial articles**
As at December 2021: 595,220 views/readership
- Product Discovery videos**
www.rhbgroup.com/merge/rhb-live/index.html#edu-slider



Our RHB Money Chat serves as a platform for customers to obtain insights from industry experts on smart investment strategies. The programme began in 2020 to share tips on investments with the large homebound population amid the lockdown and restricted movement orders. In 2021, we continued running a series of Money Chat webinars to benefit the wider community. We will continue with the Money Chat programme to position ourselves as a leader in championing financial stability and well-being while fulfilling our duty as a responsible corporate citizen in assisting Malaysians in these trying times.

For more information on RHB's Money Chat Webinars, please visit www.rhbgroup.com/merge/rhb-live/index.html#money-slider

Our SDG targets are reviewed from time to time to better align our Sustainability Framework, its focus areas and initiatives with the global goals as we seek to improve our reporting and performance on the SDGs. In 2021, we continued to contribute actively to our six prioritised SDGs through our business, operations and initiatives.

SDGs	Selected Target(s)	How We Contributed (Selected)	Focus Area & Section
4 QUALITY EDUCATION	4.3 Ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education.	<ul style="list-style-type: none"> Training and development programmes, including certification and technical training. Employees achieved 606,623 total training hours, averaging 48 training hours per year per employee. Average training hours for female employees was 48.31 and for male employees, 48.32. WOTF¹ Programme rolled out to upskill and reskill workforce with 465 employees completing the Future Skills Programme. 483 talents identified across the Group and undergoing a mix of Leadership & Management Programmes as well as mentoring. Structured Management Associate and Internship programmes available for graduates and students. 	People & Workplace
	4.4 Increase the number of youth and adults with relevant skills, for employment, decent jobs and entrepreneurship.	<ul style="list-style-type: none"> RHB X-Cel Academic Excellence Programme has benefited > 4,000 underprivileged students since its inception. Awarded 30 scholarships since 2019 to underprivileged students (target: 60 underprivileged students by 2030) to complete tertiary education under RHB X-Cel Star Programme. The RHB-UKM Endowment Fund aims to foster sustainable human capital development by cultivating knowledge in digital technology, particularly in the field of banking and finance. 	Community Enrichment
5 GENDER EQUALITY	5.1 End all forms of discrimination against all women and girls.	<ul style="list-style-type: none"> Board Diversity Policy available to promote diversity among Directors. Achieved target for Board-level diversity with 30% women's representation. 	Ethics & Governance
	5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.	<ul style="list-style-type: none"> Prioritised merit-based and free-from-bias hiring practices irrespective of race, gender, age or disability. RHB's Culture Component - One RHB includes fairness as part of diversity and inclusion. Offered flexible work options, parental leave and other benefits that reflect RHB's support for employees' well-being and work-life balance. Maintained a stable gender-balanced total workforce with 59.8% female employees. Increased women's representation from 25% in 2020 to 28% in Senior Management. Maintained 53% women's representation in Management positions. 249 female talents (52%) identified in RHB. Launched Women in Leadership League with Melbourne Business School and LeadWomen to empower female talents to be agents of change and embrace leadership. Launched 2 leadership sharing and networking sessions with senior women leaders, including one female Board member. 	People & Workplace
8 DECENT WORK AND ECONOMIC GROWTH	8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation.	<ul style="list-style-type: none"> Committed RM200 million in investments for Group Digital Transformation (2018-2022) with 68% utilised. Committed RM300 million for IT Modernisation Programme to future-proof our technologies and adopt modern architecture (2019-2022) with 60.5% utilised. Digital Transactions² grew from 64% (2017) to 93% (2021). Introduced the Dragon's Den, an internally-managed incubator to encourage innovation and the discovery of new product ideas or processes that will add value to RHB Banking Group. Identified gaps in 45 roles in Digital, IT and Analytics and provided upskilling for over 600 employees. As at 31 December 2021, 92% of critical roles were filled and 208 employees were placed in the Digital and IT areas. 361 employees trained in fundamentals of Cloud Technology. 	Digitalisation
		<ul style="list-style-type: none"> Increased productivity by up to 36% with > 11,000 staff having switched to the Agile way of working. Career Website launched and 44% of open positions filled by internal candidates. 	People & Workplace

¹ For more information on WOTF, please refer to Digitalisation on page 68 and People & Workplace on page 85.

² With ATM transactions

CONTRIBUTING TO THE UN SDGs

CONTRIBUTING TO THE UN SDGs

SDGs	Selected Target(s)	How We Contributed (Selected)	Focus Area & Section
	8.3 Support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of micro-SMEs.	<ul style="list-style-type: none"> As of December 2021, RM5.7 billion SME loans/financing were disbursed, benefiting >210,000 SME customers. Provided financial support and assistance amounting to RM20.3 billion to SMEs since the first lockdown in March 2020. 	Sustainable Finance
		<ul style="list-style-type: none"> RHB SME e-Solutions is an SME connected banking ecosystem that provides all-in-one business management solutions to ease and automate daily operations, HR and accounting tasks <ul style="list-style-type: none"> Onboarded and connected almost 13,000 SME customers with seven partners. 	Digitalisation
		<ul style="list-style-type: none"> Spent over RM762 million on 563 suppliers to procure goods and services¹: <ul style="list-style-type: none"> Of which RM689.8 million (91%) was spent on 523 local suppliers (93%). 	Sustainable Procurement
		<ul style="list-style-type: none"> RHB MERGE Ecosystem expanded into a financial literacy ecosystem generating over 1.3 million page views. Launched goWave in Cambodia to increase financial literacy among young adults and the community. 	Financial Education
	8.5 Achieve full, productive employment, with equal pay for work of equal value for all humans.	<ul style="list-style-type: none"> 2,161 new hires, and turnover rate of 12.1%. All employees except temporary employees under annual performance review. Comprehensive benefits scheme provided to full-time employees. 	People & Workplace
	8.6 Reduce the proportion of youth not in employment, education or training.	<ul style="list-style-type: none"> 60% of new hires were under the age of 30 years. Structured Management Associate and Internship programmes available for graduates and students. 	People & Workplace
		<ul style="list-style-type: none"> Awarded 30 scholarships since 2019 to underprivileged students (target: 60 underprivileged students by 2030) complete tertiary education under RHB X-Cel Star Programme. 	Community Enrichment
	8.7 Eradicate forced labour, modern slavery and human trafficking and secure the prohibition of the worst forms of child labour.	<ul style="list-style-type: none"> List of Prohibited Credits was rolled out and implemented across Malaysia, Singapore, Thailand, Cambodia, Laos and Brunei for non-retail lending. 	Sustainable Financing
		<ul style="list-style-type: none"> No recorded incidents of discrimination or risks to freedom of association and collective bargaining at the workplace. No incidents or risks reported of child, forced or compulsory labour at the workplace. 	People & Workplace
	8.8 Protect labour rights and promote safe and secure working environments for all workers.	<ul style="list-style-type: none"> 13.5% of employees under collective agreements (union). No recorded incidents of discrimination or risks to freedom of association and collective bargaining. Robust Wellness Programme including remote therapy and hotline, virtual exercise and wellness talks. Continued response to the pandemic led by the Pandemic Working Group. 	People & Workplace
8.10 Strengthen capacity of domestic financial institutions to provide financial inclusion for all.	<ul style="list-style-type: none"> As of December 2021, RM5.7 billion SME loans/financing were disbursed, benefiting >210,000 SME customers. Provided financial support and assistance amounting to RM20.3 billion to SMEs since the first lockdown in March 2020. 	Sustainable Financing	
	<ul style="list-style-type: none"> 362 branches and offices across nine countries with 1,757 self-service terminals in Malaysia, consisting of ATMs, Cash Deposit Machines, Cheque Deposit Machines, Cash Recycler Machines and Coin Deposit Machines. 208 branches in Malaysia are equipped with special access for better accessibility, including 67 with walkway ramps and 16 with designated parking lots for customers with special needs. All the 208 branches also provide special low-level counters/tables or waiting areas for customers with special needs, such as the elderly or the disabled, as well as ATMs with raised dots on keypads for the visually impaired. 	Customer-centric Banking	
	<ul style="list-style-type: none"> Digital Transactions grew from 64% (2017) to 93% (2021). Continuous enhancement of digital channel platforms for clients and customers, including RHB Internet Banking, RHB Mobile Banking app, MyHome Ecosystem and SME Ecosystem. 	Digitalisation	
	<ul style="list-style-type: none"> Employee benefit schemes include access to financial services such as life insurance and retirement provision. 	People & Workplace	
	<ul style="list-style-type: none"> Money Ma\$ter Programme benefited >1,000 students via online sessions, bringing the total number of students engaged to more than 25,000 students since its roll-out in 2018. In 2021, we launched a six-episode video series on social media, which recorded more than 112,000 engagements. 	Financial Education	

SDGs	Selected Target(s)	How We Contributed (Selected)	Focus Area & Section
	9.3 Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services, including affordable credit, and their integration into value chains and markets.	<ul style="list-style-type: none"> As of December 2021, RM5.7 billion SME loans/financing were disbursed, benefiting >210,000 SME customers. Provided financial support and assistance amounting to RM20.3 billion to SMEs since the first lockdown in March 2020. Assisted >350 merchants with over 10,000 business outlets through #JomSapot since its launch in September 2020. 	Sustainable Financing
		<ul style="list-style-type: none"> RHB SME e-Solutions is an SME connected banking ecosystem that provides all-in-one business management solutions to ease and automate daily operations, HR and accounting tasks. Onboarded and connected almost 13,000 SME customers with seven partners. 	Digitalisation
	12.2 Achieve sustainable management and efficient use of natural resources.	<ul style="list-style-type: none"> Continuous resource efficiency improvement: <ul style="list-style-type: none"> Operational GHG emissions reduced by 41% from 43,233 tCO₂eq in 2016 (baseline) to 25,580 tCO₂eq in 2021* Electricity consumption reduced by 14% from 48,152.13 MWh in 2019 to 41,646 MWh in 2021* Water consumption reduced by 47% from 148,091 m³ in 2019 to 79,013 m³ in 2021** Paper consumption: 147,960 reams. Delivered 28.2 million e-statements, an increase of 16.4 million e-statements from 11.8 million e-statements in 2019**. Pilot Recycling Programme rolled out at RHB Centre; collected 1,147 kg of recyclable items from October to December 2021. Continued with the ongoing RHB Eco-Friendly Cafeteria initiative aimed at reducing the use of single-use plastics at RHB Centre and RHB Complex Bangi. 	Sustainable Financing
		<p>Notes:</p> <ul style="list-style-type: none"> * Boundary for operational GHG emissions and electricity consumption is for large buildings, branches and subsidiary outlets (247 outlets) across Malaysia. ** Boundary for water consumption is for large buildings - RHB Centre and RHB Complex Bangi - in West Malaysia. ** Scope for e-statements is for Bank and Islamic products. 	
	12.5 Substantially reduce waste generation through prevention, reduction, recycling and reuse.	<ul style="list-style-type: none"> Conducted ESG Risk Assessment on non-retail lending clients from ESG Sensitive Sectors and assigned risk ratings – Assessment based on engagement with clients and publicly available information. RHB Research's proprietary ESG scoring system included for all stocks under coverage and integrated into stock valuation. Published annual Sustainability Report in accordance with GRI Standards and other sustainability-related guidelines. 	Sustainable Financing
	12.6 Encourage companies to adopt sustainable practices and to integrate sustainability information into their reporting cycle.	<ul style="list-style-type: none"> Launched Asia Pacific's first eco-friendly recycled plastic debit card; > 69,000 cards have been issued since its launch. RHB's FTFC Charter outlines commitments to protect the interest and financial well-being of customers, including to ensure clear and relevant information in business dealings. Incorporated the principles of FTFC into our Complaints Management Manual and Policy for guidance and internalisation. The Complaints Management Process is governed by Customer Advocacy, which ensures that every complaint is resolved fairly, promptly and effectively. 	Sustainable Financing
	12.8 Ensure people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature.	<ul style="list-style-type: none"> Conducted ESG Risk Assessment on non-retail lending clients from ESG Sensitive Sectors and assigned risk ratings – Assessment based on engagement with clients and publicly available information. RHB Research's proprietary ESG scoring system included for all stocks under coverage and integrated into stock valuation. Published annual Sustainability Report in accordance with GRI Standards and other sustainability-related guidelines. 	Sustainable Financing
		<ul style="list-style-type: none"> Launched Asia Pacific's first eco-friendly recycled plastic debit card; > 69,000 cards have been issued since its launch. RHB's FTFC Charter outlines commitments to protect the interest and financial well-being of customers, including to ensure clear and relevant information in business dealings. Incorporated the principles of FTFC into our Complaints Management Manual and Policy for guidance and internalisation. The Complaints Management Process is governed by Customer Advocacy, which ensures that every complaint is resolved fairly, promptly and effectively. 	Sustainable Financing
	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters in all countries.	<ul style="list-style-type: none"> Extended RM4.32 billion under RHB's RM5 billion Green Financing Commitment. Launched the Sustainability Financing Programme, a green financing programme based on Green Energy, Green Buildings, Green Processes, Green Products for SMEs and retail customers. Approved a Group Climate Action Programme, which will help to further the sustainability agenda and accelerate the transition to a low-carbon economy. 	Sustainable Financing
13.3 Improve education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.	<ul style="list-style-type: none"> For operational GHG emissions <ul style="list-style-type: none"> Increased reporting coverage to all main buildings and branches in Malaysia Recorded 41% reduction to 25,580 tCO₂eq in 2021, compared to 43,233 tCO₂eq in 2016 (baseline). 	Sustainable Financing	
	<ul style="list-style-type: none"> RHB Banking Group is a member of the JC3 and the JC3 Sub-Committee 3 for Product Innovation. RHB Islamic's strategic partnership with the Malaysian Green Technology and Climate Change Centre ("MGTC") supports and advocates for MGTC's green initiatives and investments. Conducted training and awareness programmes for Board, Senior Management and employees, including on sustainable finance and climate risk. 	People & Workplace	

¹ Main Market Malaysia.
RHB Bank Berhad

MEMBERSHIPS AND INDUSTRY ASSOCIATIONS

MEMBERSHIPS AND INDUSTRY ASSOCIATIONS

RHB actively participates in industry-related associations and groups to contribute to the advancement and sustainability of the financial services industry and the development of banking services for communities.

We view this as a strategic measure to share our knowledge and work with peers and regulators to seek long-term solutions for common issues.

Sustainability Memberships and Initiatives We Are a Part Of:

Joint Committee on Climate Change ("JC3")

- Main Committee
- Working JC3 Sub-Committee 3 for Product Innovation

Bank Negara Malaysia's Value-based Intermediation ("VBI")

- VBI Community of Practitioners
- VBI Financing and Investment Impact Assessment Framework ("VBI AF") working group for sectoral guide development

The Association of Banks in Malaysia ("ABM") ESG Committee



MALAYSIA

RHB BANK BERHAD

- The Association of Banks in Malaysia ("ABM")
- Asian Institute of Chartered Bankers ("AICB")
- Minority Shareholders Watch Group ("MSWG")
- Institute of Corporate Directors Malaysia ("ICDM")
- Malaysian Institute of Corporate Governance ("MICG")
- Federation of Public Listed Companies ("FPLC")
- Financial Institutions' Directors Education ("FIDE") Forum
- Perbadanan Insurans Deposit Malaysia ("PIDM")
- Asia Pacific Loan Market Association ("APLMA")
- Financial Industry Collective Outreach ("FINCO")

RHB INVESTMENT BANK

- Association of Stockbroking Companies Malaysia ("ASCM")
- Malaysian Investment Banking Association ("MIBA")

RHB ASSET MANAGEMENT

- Institutional Investors Council Malaysia ("IIC")

RHB ISLAMIC BANK

- Association of Islamic Banking and Financial Institutions Malaysia ("AIBIM")
- Ombudsman for Financial Services
- Perbadanan Insurans Deposit Malaysia ("PIDM")
- Malaysian Oil and Gas Services Council ("MOGSC")
- Islamic Financial Services Board ("IFSB")
- Asian Institute of Chartered Bankers ("AICB")
- Value-based Intermediation ("VBI") Community of Practitioners ("CoP")

RHB INSURANCE

- Insurance Services Malaysia ("ISM")
- Motor Insurance Bureau ("MIB")
- Persatuan Insurans Am Malaysia ("PIAM")
- Malaysian Insurance Institute ("MII")
- Perbadanan Insurans Deposit Malaysia ("PIDM")
- Malaysian Motor Insurance Pool ("MMIP")
- Ombudsman for Financial Services
- National insurance Claim Society

REGIONAL



SINGAPORE

RHB BANK SINGAPORE

- The Association of Banks in Singapore ("ABS")
- Singapore Business Federation ("SBF")
- Financial Industry Disputes Resolution Centre ("FiDReC")
- Singapore Press Club ("SPC")
- Asia Pacific Loan Market Association ("APLMA")

RHB ASSET MANAGEMENT SINGAPORE

- Investment Management Associations of Singapore ("IMAS")
- Singapore Chinese Chamber of Commerce & Industry ("SCCCI")
- Singapore Business Federation ("SBF")



THAILAND

RHB BANK THAILAND

- The Association of International Banks (Thailand) ("AIB")

RHB SECURITIES THAILAND

- Association of Thai Securities Companies ("ASCO")



CAMBODIA

RHB BANK CAMBODIA

- Association of Banks in Cambodia



BRUNEI

RHB BANK BRUNEI

The Brunei Association of Banks ("BAB")



INDONESIA

RHB SECURITIES INDONESIA

- Asosiasi Perusahaan Efek Indonesia ("APEI")
- Bursa Efek Indonesia ("BEI")
- Kliring Penjaminan Efek Indonesia ("KPEI")
- Kustodian Sentral Efek Indonesia ("KSEI")
- Indonesia Securities Investor Protection Fund ("SIPF")
- Indonesia Capital Market Arbitration Board ("BAPMI")



VIETNAM

RHB SECURITIES VIETNAM

- The Vietnam Association of Securities Business ("VASB")
- Member of Ho Chi Minh Stock Exchange
- Member of Hanoi Stock Exchange



PERFORMANCE DATA

PERFORMANCE DATA

- Employees

Employees

Year	2019	2020	2021
Total Number of Employees	14,345	14,131	14,042

WORKFORCE BREAKDOWN BY GENDER

Year	2019		2020		2021	
	HC	%	HC	%	HC	%
Male	5,849	40.8	5,731	40.6	5,640	40.2
Female	8,496	59.2	8,400	59.4	8,402	59.8
Total	14,345	100	14,131	100	14,042	100

WORKFORCE BREAKDOWN BY POSITION

Year	2019		2020		2021	
	Number	%	Number	%	Number	%
Executives	11,724	81.7	11,624	82.3	11,750	83.7
Non-Executives	2,621	18.3	2,507	17.7	2,292	16.3
Total	14,345	100	14,131	100	14,042	100

WORKFORCE BREAKDOWN BY UNION/NON-UNION

Year	2019	2020	2021
Union	2,221	2,039	1,890
Non-Union	12,124	12,092	12,152
Total No. of Employees	14,345	14,131	14,042
Union against Total Employees (%)	15.5%	14.4%	13.5%
Union against Total Non-Executives (%)	84.7%	81.3%	82.5%

WORKFORCE BREAKDOWN BY EMPLOYMENT CONTRACT

Year	2019				2020				2021			
	Total	%	Male	Female	Total	%	Male	Female	Total	%	Male	Female
Permanent	13,583	94.7	5,494	8,089	13,347	94.5	5,388	7,959	13,348	95.1	5,355	7,993
Non-Permanent	762	5.3	355	407	784	5.5	343	441	694	4.9	285	409
Total	14,345	100	5,849	8,496	14,131	100	5,731	8,400	14,042	100	5,640	8,402

Note:

¹ Due to rounding, numbers presented throughout our Performance Data and other documents may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

² All RHB employees are on full-time employment contracts.

³ HC refers to Head Count

Employees

WORKFORCE BREAKDOWN BY COUNTRY

Year	2019		2020		2021	
	Number	%	Number	%	Number	%
Malaysia	12,638	88.1	12,530	88.7	12,555	89.4
Overseas Operations Total	1,707	11.9	1,601	11.3	1,487	10.6
Singapore	718	5.0	660	4.7	651	4.6
Indonesia	349	2.4	333	2.4	204	1.5
Cambodia	256	1.8	275	1.9	308	2.2
Thailand	209	1.5	201	1.4	195	1.4
Hong Kong	61	0.4	10	0.1	6	0.0
Laos	65	0.5	69	0.5	69	0.5
Brunei	27	0.2	29	0.2	28	0.2
Vietnam	22	0.2	24	0.2	26	0.2
Total	14,345	100	14,131	100	14,042	100

WORKFORCE BREAKDOWN BY ETHNICITY

Year	2019		2020		2021	
	No.	%	No.	%	No.	%
Bumiputera	7,662	53.4	7,540	53.4	7,471	53.2
Chinese	4,853	33.8	4,784	33.9	4,822	34.3
Indian	793	5.5	799	5.7	840	6.0
Others	1,037	7.2	1,008	7.1	909	6.5
Total	14,345	100	14,131	100	14,042	100

WORKFORCE BREAKDOWN BY AGE

Year	2019		2020		2021	
	No.	%	No.	%	No.	%
≤30	3,034	21.1	3,239	22.9	2,940	20.9
31-40	5,483	38.2	4,964	35.1	5,126	36.5
41-50	4,228	29.5	4,252	30.1	4,218	30.0
≥50	1,600	11.2	1,676	11.9	1,758	12.5
Total	14,345	100	14,131	100	14,042	100



PERFORMANCE DATA

- Employees

PERFORMANCE DATA

- Employees

Employees

EMPLOYEE LENGTH OF SERVICE

Years of Service	2019	2020	2021
5 Years & Below	6,323	5,875	5,889
6 to 10 Years	2,832	2,950	2,696
11 to 15 Years	1,075	1,367	1,506
More than 15 Years	4,115	3,939	3,951
Total	14,345	14,131	14,042

NEW EMPLOYEE HIRES

Year	2019	2020	2021
Total no. of New Hires	2,273	1,748	2,161
Recruitment Rate (%)	15.8%	12.4%	15.4%

PERCENTAGE OF OPEN POSITIONS FILLED BY INTERNAL CANDIDATES

Year	2020	2021
Percentage of open positions filled by internal candidates	46.2%	44.30%

Note: Percentage of open positions filled by internal candidates refers to the total number of open positions filled by a company's own employees divided by the total number of vacancies in the company in the last fiscal year. This metric provides a means of determining the effectiveness of human capital development by providing employees with the skills required for promotion, and it also demonstrates how proactive organisations are in providing their employees with new challenges for growth and development throughout their careers.

BREAKDOWN OF NEW HIRES BY GENDER

Year	2019		2020		2021	
	HC	%	HC	%	HC	%
Male	1,046	46.0	789	45.1	992	45.9
Female	1,227	54.0	959	54.9	1,169	54.1
Total	2,273	100	1,748	100	2,161	100

Employees

BREAKDOWN OF NEW HIRES BY AGE

Year	2019		2020		2021	
	No.	%	No.	%	No.	%
≤30	1,525	67.1	1,099	62.9	1,290	59.7
31-40	577	25.4	495	28.3	664	30.7
41-50	145	6.4	125	7.2	181	8.4
≥50	26	1.1	29	1.7	26	1.2
Total	2,273	100	1,748	100	2,161	100

TOTAL EMPLOYEE TURNOVER RATE*

Year	2019	2020	2021
Total No. of Attritions	1,825	1,478	1,614
Total Attrition Rate (%)	13.4%	11.1%	12.1%

* Permanent Staff only.

VOLUNTARY EMPLOYEE TURNOVER RATE

Year	2019	2020	2021
Total No. of Voluntary Attritions	2,180	1,265	1,436
Voluntary Attrition Rate (%)	16.0%	9.5%	10.8%

EMPLOYEE TURNOVER BY AGE GROUP

Year	2019		2020		2021	
	HC	%	HC	%	HC	%
≤30	834	45.7	559	37.8	1,016	47.3
31-40	657	36.0	523	35.4	669	31.2
41-50	197	10.8	205	13.9	231	10.8
≥50	137	7.5	191	12.9	230	10.7
Total	1,825	100	1,478	100	2,146	100



PERFORMANCE DATA

- Employees

PERFORMANCE DATA

- Employees

Employees

EMPLOYEE TURNOVER BY GENDER

Year	2019		2020		2021	
	HC	%	HC	%	HC	%
Male	886	48.5	717	48.5	1,011	47.1
Female	939	51.5	761	51.5	1,135	52.9
Total	1,825	100	1,478	100	2,146	100

PERCENTAGE OF WOMEN IN MANAGEMENT

Year	2019	2020	2021
Male	2,075	1,944	2,063
Female	2,094	2,125	2,281
Total no. of employees	4,169	4,069	4,344
Against Total Management	50.2%	52.2%	52.5%

PERCENTAGE OF WOMEN IN SENIOR MANAGEMENT

Year	2019	2020	2021
Male	155	162	162
Female	57	55	62
Total no. of employees	212	217	224
Against Total Senior Management	26.9%	25.3%	27.7%

TOTAL AND AVERAGE TRAINING HOURS

Year	2019	2020	2021
Total Training Hours	904,710	447,925	606,623
Average Training Hours per Year per Employee	72	36	48
Total Training Hours by Gender			
Male	361,697	183,212	238,706
Female	543,013	264,713	367,917
Average Training Hours by Gender			
Male	72.22	37.07	48.32
Female	71.17	34.89	48.31

Employees

TOTAL INVESTMENT IN TRAINING

Year	2019	2020	2021
Total Investment in Training (RM million)	42.8	19.8	24.6

PARTICIPATION BY TYPE OF LEARNING

Year	2019	2020	2021
Classroom Learning Participation	39,658	14,743	22,894
e-Learning Participation	126,378	84,476	118,261

PARTICIPATION BY JOB LEVEL

Job Level	2020		2021	
	Classroom Learning	e-Learning	Classroom Learning	e-Learning
	%	%	%	%
Top Management	92	90	81	97
Senior Management	76	98	70	100
Management	73	99	69	99
Middle Management	57	100	70	99
Executive	41	100	55	100
NCL/CL/OFF	24	100	43	97

TRAINING SESSIONS BY TYPE

Year	2019	2020	2021
In-House Training Sessions	1,489	583	771
External Training Sessions	643	252	172
No. of e-Learning Courseware	156	581	1,939
Total Sessions	2,288	1,416	2,882

PERFORMANCE DATA

- Employees

PERFORMANCE DATA

- Employees

Employees

OUR LEADERSHIP AND MANAGEMENT PROGRAMMES

Leadership & Management Programmes	No. of Participants		
	2019	2020	2021
Foundation Programmes			
Advanced Management Development Programme ("AMDP")	11	0	0
Maximising Employee Performance ("MEP") Programme	212	0	0
RHB Culture Connection Workshop	1,283	185	0
Signature Programmes			
RHB Leadership Signature Programme (with Melbourne Business School)	453 (2 cohorts)	58 (2 cohorts)	51 (2 cohorts)
RHB Leadership Talk Series	Not offered in 2019	>200	288
Core Programme for Frontliners (Sales Channel)—Islamic Finance Core Products ("IFCP") Programme			
Professional Credit Certification ("PCC")	126	14	177
Certification in AML/CFT	27	11	24
Certification for Bank Auditors	34	2	14
Certification in Regulatory Compliance	21	10	7
Bank Risk Management	23	11	16
Chartered Bankers	15	8	8
RHB Managers Programme 2	0	18	69
RHB Managers Programme 3	0	20	59
Technical and Functional Programme	92,183	87,374	111,208
Programme Attended by Group Community Banking Staff (previously known as Group Retail Banking)	99,138	58,014	79,527
Branch Programme	11,436	41,635	63,690

Employees

SUSTAINABILITY CAPABILITY BUILDING AND AWARENESS

Training/Awareness	Stakeholder Group	2021		
		Total Participants	Hours (Session)	Total Hours
Sustainable Financing Series	Senior and Middle Management, SBGs/SFGs, Sustainability Champions	808		1,111
Briefing to BRCOs: Sustainability Risk	Group BRCOs	103	1	103
Sustainability Sharing Session: Kick-Off	RHB Singapore	47	1.5	70.5
Sustainability Sharing Session	RHB Bank Thailand	61	1.5	91.5
Total		1,019		1,376

FORWARD PROGRAMME: FUTURE-ORIENTED AND READY WORKFORCE - ADVANCING, RESKILLING AND DEVELOPING

Year	2019	2020	2021
No. of Participants	5,035	12,165	5,556

PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

All (100%) RHB employees, except temporary employees, undergo an annual performance review using our HR System. Our staff are evaluated by their managers and evaluators via 360° feedback.

EMPLOYEE ENGAGEMENT SURVEY

	2019	2020	2021
EES (%)			
Employee Engagement Score	90	92	90
Participation Rate	95	87	98
Sustainable Engagement Score	87	87	86
Internal Customer Effectiveness Survey	75	77	83

PERFORMANCE DATA

- Employees

PERFORMANCE DATA

- Employees

Employees

MENTORSHIP PROGRAMME

	2019	2020	2021
Mentors	46	15	46
Mentees	65	22	46
Net Promoter Score	60%	60%	68%

OCCUPATIONAL SAFETY AND HEALTH PERFORMANCE DATA (MALAYSIA)

OSH Indicators (Malaysia)	2019	2020	2021
Absentee Rate			
Percentage of total days scheduled	1.62	1.17	1.30
Data coverage (% - employees or operations or revenue)	100	100	100

Absentee rate ("AR"): Is based on the total number of days lost due to absenteeism of any kind, not only as a result of work-related injury or disease. This includes individual sick days due to minor illnesses (e.g. the common cold, fevers and influenza) as well as personal days taken for undisclosed reasons. It does not include scheduled or permitted absenteeism such as holidays, study time, maternity or paternity leave, etc. **Absentee rate calculation:** [Number of absentee days in the accounting period / Total days scheduled to be worked in the accounting period] x 100

OSH Indicators (Malaysia)	2019	2020	2021
Work-related Injuries			
Accident with Fatality	0	0	0
Accident with Lost Workdays	51	63	35
Total Lost Workdays	1,779	1,595	1,489
Accident without Lost Workdays	5	3	2
Total Number of Accidents	56	66	37
Fatality Rate	0	0	0
Work Commuting Accident	46	50	26
Work-related Illness			
Occupational Disease	46	16	4
OSH Training and Programmes			
Number of Safety & Health Training Sessions	3	2	4
Number of Participants in Safety & Health Training Sessions	408	210	255**
Number of Safety, Health & Wellness Programmes	4	17	14
Number of Participants in Safety, Health & Wellness Programmes	1,012	6,839*	7,648**

* 6,839 comprises 244 participants in physical programmes and 6,595 participants in virtual programmes.

** The programmes were held virtually.

Employees

EMPLOYEE WELFARE FUND

	2019 RM	2020 RM	2021 RM
For the Demise of Immediate Family Members	196,000	108,000	183,000.00
For Natural Disasters	42,605	33,000	57,500.00
For Medical Assistance	114,822	69,459	129,102.92
COVID-19 (token & swab test claim)			126,119.50

RHB WELLNESS PROGRAMME

Approved Budget for 2020:	RM273,279.00
Approved Budget for 2021:	RM273,279.00

RHB HUMANITARIAN FUND

	2019	2020	2021
Total Contribution	-	RM522,570.43	RM379,921.14
No. of Contributors	-	1,117	737
No. of Disbursements/Recipients	-	530	178
Total Amount of Disbursements/Approved (including fees for COVID-19 screening for staff – primary contact)	-	RM382,000.00	RM213,827.62
Total Balance	-	RM 140,570.43	RM166,093.52

Note: RHB Humanitarian Fund was activated in 2020 to assist employees, who were financially affected by the pandemic.



PERFORMANCE DATA

- Customers

PERFORMANCE DATA

- Digitalisation

Customers

CUSTOMER FEEDBACK (MALAYSIA ONLY)

	2019	2020	2021
Feedback Volume (including Complaints)	1,988	45,345	167,332
Complaints Volume	2,747	2,859	3,012
Compliments Volume	3,533	7,072	14,447
Resolved Complaints/Feedback within Service Level Agreement	97.43%	99.20%	99.56%
Premier: 2 working days, Non-Premier: 3 working days			

NET PROMOTER SCORE ("NPS")

	2019	2020	2021
RHB Bank Berhad (Malaysia) ^{1,2}	9	13	15
RHB Singapore ³	-3	-13	9

Notes:

¹ In 2019 and 2020, Malaysia covered five business tracks – Group Retail Banking, Group Business & Transaction Banking, Group Corporate Banking, Group Insurance and Group Investment.

² In 2021, Malaysia covered six business tracks – Retail and SME under Group Community Banking, Commercial, Corporate, Investment Banking, Insurance and RHB Islamic.

³ Singapore covers RHB Retail Singapore and Business Singapore.

Digitalisation

DIGITAL BANKING, USERS AND TRANSACTIONS

	2019	2020	2021
Total Number of Digital Users (mil)	2,064,348	2,167,020	2,258,393
RHB Internet Banking (RHB Now) (mil)			
• Number of users (mil)	1.86	2.16	2.26
• Total customers (%)	46.90%	54.97%	57.71%
New RHB Mobile Banking App (mil)¹			
• Number of users (mil)	N/A	0.679	1.02
• Total customers (%)	N/A	17.23%	25.97%
Old RHB Mobile Banking App (mil)			
• Number of users (mil)	0.65	0.90	0.83
• Total customers (%)	16.6%	22.79%	21.27%
Digital Channel Transaction Volume (mil)	213.86	363.92	499.21
Digital Channel Transactions (%)²	67.76%	85.69%	93.75%
Digital Channel Share (%)	54.03%	75.53%	85.41%
Digital Business Origination (%)²	18.00%	23.50%	29.27%

Note:

¹ Launched in April 2019.

² With ATM transactions.



PERFORMANCE DATA

- Environment

PERFORMANCE DATA

- Environment

Environment

ENVIRONMENTAL PERFORMANCE

	2019	2020	2021
Energy¹			
Electricity Consumption (MWh)	48,152	44,807	41,616
Electricity Intensity (MWh/employee)²	3.75	3.89	3.43
Water³			
Water Consumption (m³)	148,091	120,352	79,013
- RHB Centre (m ³)	88,372	62,177	29,107
- RHB Complex Bangi (m ³)	59,719	58,175	49,906
Water Intensity (m³/employee)⁴	22.78	19.8	16.54
Materials - Paper			
Paper Procured (reams)	170,292	149,579	147,960
e-Statements Delivered (million)⁵	11.8	29.1	28.2

Notes:

¹ Boundary is for large buildings, branches and subsidiary outlets (247 outlets) across Malaysia.² The number of employees refers to the total number of RHB staff in Malaysia. However, for RHB Centre and Complex Bangi, the number of employees includes staff, vendors, consultants and remisiers, as they operate from the office for the most part of the year. The number of employees in West Malaysia was 13,627 (2019) and 12,865 (2020) while the number of employees across Malaysia in 2021 was 13,857.³ Boundary is for large buildings RHB Centre and RHB Complex Bangi in West Malaysia.⁴ The number of employees refers to the total number of staff at RHB Centre and RHB Complex Bangi, which comprises staff, vendors, consultants and remisiers, as they occupy the office for a significant amount of time throughout the year. The number of employees in RHB Centre and RHB Complex Bangi was 6,500 (2019), 6,078 (2020) and 6,078 (2021).⁵ For Bank and Islamic products in Malaysia only.

GHG EMISSIONS TRENDS FOR THE YEARS 2016 - 2021

Emissions Source	Emissions in Year (tCO ₂ eq)					
	2016	2017	2018	2019	2020	2021
Scope 1 - Direct Emissions	108	140	205	215	135	154
Stationary Combustion (generator sets)	108	27	29	30	18	18
Mobile Combustion (Company-owned vehicles)	0	113	176	185	117	136
Scope 2 - Indirect Emissions	40,891	31,841	29,820	27,605	25,678	23,811
Purchased Electricity	38,123	29,698	28,542	26,447	24,596	22,825
Purchased Cooling	2,768	2,143	1,278	1,158	1,082	986
Scope 3 - Other Indirect Emissions	2,234	2,498	2,428	2,448	1,606	1,615
Business Travel (by road)	2,234	2,498	2,428	2,448	1,606	1,611
Business Travel (by air)	0	0	0	0	0	4
TOTAL	43,233	34,479	32,453	30,268	27,419	25,580

Note: Data collection for mobile combustion (by Company-owned vehicles) began in 2017, and for business travel (by air) in 2021.

Environment

2021 GHG EMISSIONS: 25,580 tCO₂eq

	%
Scope 1 - Direct Emissions	(0.6)
Stationary Combustion (generator sets)	12
Mobile Combustion (company-owned vehicles)	88
Scope 2 - Indirect Emissions	(93.1)
Purchased Electricity	96
Purchased Cooling	4
Scope 3 - Other Indirect Emissions	(6.3)
Business Travel (car)	99.7
Business Travel (air)	0.3

GHG EMISSIONS BY OFFICE TYPE AND BY STATE ACROSS MALAYSIA FOR 2021

Distribution of GHG Emissions by Office Type: 25,030 tCO₂eq

Main Buildings	Branches
52%	48%

Distribution of GHG Emissions by State: 12,386 tCO₂eq

States	%
Perlis	0.30
Kedah	4.20
Penang	8.60
Perak	10.60
Selangor	24.60
Kuala Lumpur	12.10
Negeri Sembilan	3.00
Melaka	3.30
Johor	15.40
Pahang	3.40
Kelantan	2.50
Terengganu	2.40
Sabah	4.20
Sarawak	5.60

GHG EMISSIONS INTENSITY (tCO₂eq/EMPLOYEE)

YEAR	2016	2017	2018	2019	2020	2021
Total GHG Emissions (tCO ₂ eq)	43,233	34,479	32,453	30,268	27,419	25,580
No. of Employees in Malaysia	13,927	14,615	14,537	14,712	13,903	13,857
GHG Emissions Intensity (tCO ₂ eq/employee)	3	2	2.23	2.06	1.97	1.85

PERFORMANCE DATA

- Suppliers / Supply Chain

GRI CONTENT INDEX

Suppliers / Supply Chain

GROUP PROCUREMENT - MALAYSIA OPERATIONS

	2019			
	# of Suppliers	%	Total Spend (RM'Mil)	%
BREAKDOWN OF SUPPLIERS				
Foreign	37	6	51.6	10
Local	542	94	460.6	90
Total	579	100	512.2	100
BREAKDOWN OF LOCAL SUPPLIERS				
Private Limited	490	90	456.7	99
Sole Proprietor	52	10	3.9	1
Total	542	100	460.6	100
	2020			
	# of Suppliers	%	Total Spend (RM'Mil)	%
BREAKDOWN OF SUPPLIERS				
Foreign	39	7	49.4	8
Local	500	93	572.9	92
Total	539	100	622.3	100
BREAKDOWN OF LOCAL SUPPLIERS				
Private Limited	461	92%	569.8	99%
Sole Proprietor	39	8%	3.1	1%
Total	500	100%	572.9	100%
	2021			
	# of Suppliers	%	Total Spend (RM'Mil)	%
BREAKDOWN OF SUPPLIERS				
Foreign	40	7	72.3	9
Local	523	93	689.8	91
Total	563	100	762.1	100
BREAKDOWN OF LOCAL SUPPLIERS				
Private Limited	484	93	686.3	99
Sole Proprietor	39	7	3.5	1
Total	523	100	689.8	100

The RHB Sustainability Report 2021 was prepared 'In Accordance' with GRI Standards: Core option. The following GRI Content Index refers to the information disclosed in the RHB Sustainability Report 2021 unless otherwise stated (e.g. RHB Integrated Report 2021).

GENERAL DISCLOSURES

GRI Standard	Disclosure	Page Number and/or Brief Description	Omission
Organisational Profile			
102-1	Name of the organisation	RHB Bank Berhad ("RHB Banking Group")	
102-2	Activities, brands, products, and services	Refer to Integrated Report 2021: Pages 10 - 13	
102-3	Location of headquarters	Refer to Integrated Report 2021: Page 5 Level 10, Tower One, RHB Centre, Jalan Tun Razak, 50400 Kuala Lumpur.	
102-4	Location of operations	Refer to Integrated Report 2021: Pages 12 - 13	
102-5	Ownership and legal form	Refer to Integrated Report 2021: Page 5	
102-6	Markets served	Refer to Integrated Report 2021: Pages 10 - 13	
102-7	Scale of the organisation	Refer to Integrated Report 2021: Pages 12 - 13	
102-8	Information on employees and other workers	Pages 81, 126 - 135 14,042 total employees; 13,348 permanent and 694 non-permanent. Non-permanent consists of contract and temporary employees. All employees are on full-time employment contract.	
102-9	Supply chain	Pages 101 - 103	
102-10	Significant changes to the organisation and its supply chain	Refer to Integrated Report 2021: Pages 75, 92, 152, 153	
102-11	Precautionary Principle or approach	Pages 21, 38 - 42 Refer to Integrated Report 2021: Pages 154 - 163 for further information on our risk management system and internal controls. There is no explicit mention of the Precautionary Principle or approach in our Sustainability Principles, Group Risk Management Framework or Group Fraud Risk Management Policy. However, we take on a precautionary approach, prevention-first approach, minimise harm or negative impact and/or integrate ESG considerations in decision-making.	
102-12	External initiatives	Pages 124 - 125 RHB is a member of JC3. RHB Islamic is also a member of the VBI CoP and participated in the development of the VBIAF Sectoral Guides. In addition, RHB Asset Management is a member of the Institutional Investors Council Malaysia.	
102-13	Membership of associations	Page 124 - 125	
Strategy			
102-14	Statement from senior decisionmaker	Pages 10 - 14	
Ethics & Integrity			
102-16	Values, principles, standards, and norms of behaviour	Pages 6 - 7, 72, 81 - 82 Refer to Integrated Report 2021: Page 130 RHB Core Shared Values ("P.R.I.D.E.") and Code of Ethics and Conduct govern the integrity of behaviour in the organisation.	
102-17	Mechanisms for advice and concerns about ethics	Page 74 Refer to Integrated Report 2021: Pages 140, 162	



GRI CONTENT INDEX

GRI CONTENT INDEX

GENERAL DISCLOSURES

GRI Standard	Disclosure	Page Number and/or Brief Description	Omission
Governance			
102-18	Governance structure	Pages 18, 32 and 105 Refer to Integrated Report 2021: Pages 104 - 105 Refer to RHB Foundation's website for its governance structure at: www.rhbgroup.com/community-engagements/board.html	
102-23	Chair of the highest governance body	Refer to Integrated Report 2021: Pages 104 - 105	
102-26	Role of highest governance body in setting purpose, values, and strategy	Pages 18 and 71 Refer to Integrated Report 2021: Pages 104 - 405 Refer to RHB Bank's Board Charter for Board of Directors' responsibilities on sustainability/ESG: www.rhbgroup.com/files/others/about-us/corporate-governance/rhb-bank-berhad/board-charter.pdf	
102-31	Review of economic, environmental, and social topics	Pages 18 - 20 and 32 - 33 Sustainability is a recurring matter at Board level across the year and at the Group Sustainability Committee level every quarter or as and when required.	
Stakeholder Engagement			
102-40	List of stakeholder groups	Pages 22 - 27	
102-41	Collective bargaining agreements	Page 126 13.5% of our total employees are covered by union and collective bargaining agreements.	
102-42	Identifying and selecting stakeholders	Pages 22 - 27	
102-43	Approach to stakeholder engagement	Pages 22 - 27	
102-44	Key topics and concerns raised	Pages 22 - 27	
Reporting Practice			
102-45	Entities included in the consolidated financial statements	Refer to RHB Bank Berhad Financial Report 2021: Pages 77 - 86	
102-46	Defining report content and topic boundaries	Pages 149	
102-47	List of Material Matters	Pages 28 - 29	
102-48	Restatements of information	Pages 98 - 100 Expanded the reporting coverage for GHG emissions from two main buildings, i.e. RHB Centre and RHB Complex in 2019, and to all seven RHB Banking Group main building offices and 215 branches in West Malaysia in 2020. The reporting coverage was further expanded in 2021 to include all the main building offices and branches across Malaysia.	
102-49	Changes in reporting	Pages 28 - 29 and 149	
102-50	Reporting period	Page 4 The RHB Sustainability Report 2021 covers the period from 1 January 2021 to 31 December 2021, unless otherwise stated.	
102-51	Date of most recent report	This report (RHB Sustainability Report 2021) published in April 2022 is the latest report.	
102-52	Reporting cycle	The RHB Sustainability Report is published annually.	
102-53	Contact point for questions regarding the report	Page 5 sustainability@rhbgroup.com	
102-54	Claims of reporting in accordance with the GRI Standards	Page 4 This report has been prepared 'in accordance' with the GRI Standards: Core option.	
102-55	GRI content index	Pages 141 - 148	
102-56	External assurance	No external assurance has been conducted for this report.	

TOPIC-SPECIFIC DISCLOSURES

GRI Topic	GRI Standard	Disclosure	Page Number and/or Brief Description	Omission
Material Matter: Sustainable Financing				
GRI 103: Management Approach 2016	103-1	Explanation of the Material Matter and its boundary	Pages 28 - 29	
	103-2	The management approach and its components	Pages 38 - 52	
	103-3	Evaluation of the management approach		
GRI G4 Financial Sector Disclosures: Product Portfolio	Former FS1	Policies with specific environmental and social components applied to business lines	Pages 38 - 52 Refer to Integrated Report 2021: Pages 54 - 64 Refer to Our Approach to Sustainability under ESG Risk Management - available online at: www.rhbgroup.com/files/others/sustainability/RHB_Our_Approach_to_Sustainability_Mar_2020_v3_1_.pdf	
	Former FS2	Procedures for assessing and screening environmental and social risks in business lines		
	Former FS5	Interactions with clients/ investees/business partners regarding environmental and social risks and opportunities	Pages 38 - 52	
GRI G4 Financial Sector Disclosures: Local Communities	FS14	Initiatives to improve access to financial services for disadvantaged people	Pages 56, 59 - 60, 64, 69, 114, 117 - 119	
Material Matter: Financial Inclusion & Education				
GRI 103: Management Approach 2016	103-1	Explanation of the Material Matter and its boundary	Pages 28 - 29	
	103-2	The management approach and its components	Pages 53 - 56, 58-60, 64, 69, 117 - 119 Refer to Integrated Report 2021: Pages 66 - 71	
	103-3	Evaluation of the management approach		
GRI 203: Indirect Economic Impacts 2016	203-2	Significant indirect economic impacts	Pages 53 - 56, 58 - 60, 64, 69, 117 - 119 Refer to Integrated Report 2021: Pages 66 - 71	
GRI G4 Financial Sector Disclosures: Local Communities	FS14	Initiatives to improve access to financial services for disadvantaged people	Pages 53 - 56, 58 - 60, 64, 69, 117 - 119 Refer to Integrated Report 2021: Pages 66 - 71	
GRI G4 Financial Sector Disclosures: Product and Service Labeling	Former FS16	Initiatives to enhance financial literacy by type of beneficiary	Pages 117 - 120 Beneficiaries include students and youth as well as customers.	



GRI CONTENT INDEX

GRI CONTENT INDEX

TOPIC-SPECIFIC DISCLOSURES

GRI Topic	GRI Standard	Disclosure	Page Number and/or Brief Description	Omission
Material Matter: Customer Relationship Management				
GRI 103: Management Approach 2016	103-1	Explanation of the Material Matter and its boundary	Pages 28 - 29	
	103-2	The management approach and its components	Pages 61 - 64 Our Customer Service Charter, which is available on RHB's website outlines our key commitments and service standards when providing service to our customers.	
	103-3	Evaluation of the management approach		
Non GRI Disclosure		Net Promoter Score	Page 64 and 136	
Material Matter: Fair Treatment of Financial Customers				
GRI 103: Management Approach 2016	103-1	Explanation of the Material Matter and its boundary	Pages 28 - 29	
	103-2	The management approach and its components	Pages 65 - 66	
	103-3	Evaluation of the management approach		
GRI 417: Market & Labelling 2016	417-1	Requirements for product and service information and labelling	Pages 65 - 66 Refer to Integrated Report 2021: Pages 149 - 150	
GRI G4 Financial Sector Disclosures: Product and Service Labeling	FS15	Policies for the fair design and sale of financial products and services		
Material Matter: Digitalisation & Investment in Technology				
GRI 103: Management Approach 2016	103-1	Explanation of the Material Matter and its boundary	Pages 28 - 29	
	103-2	The management approach and its components	Pages 67 - 69 Refer to Integrated Report 2021: Pages 22, 50 - 51	
	103-3	Evaluation of the management approach		
Non GRI Disclosure		Digital channels transaction	Pages 69 and 137 Refer to Integrated Report 2021: Page 22	
Non GRI Disclosure		Digital active customers	Page 137 Refer to Integrated Report 2021: Page 22	
Material Matter: Good Business Governance				
GRI 103: Management Approach 2016	103-1	Explanation of the Material Matter and its boundary	Pages 28 - 29	
	103-2	The management approach and its components	Pages 70 - 79 Refer to Integrated Report 2021: Pages 104 - 144 Refer to Corporate Governance Report 2021 available on RHB's website.	
	103-3	Evaluation of the management approach		
GRI 205: Anti-Corruption 2016	205-2	Communication and training about anti-corruption policies and procedures	Page 73 Refer to Integrated Report 2021: Page 139 Refer to Corporate Governance Report 2021 available on RHB's website.	

TOPIC-SPECIFIC DISCLOSURES

GRI Topic	GRI Standard	Disclosure	Page Number and/or Brief Description	Omission
Material Matter: Risk Management				
GRI 103: Management Approach 2016	103-1	Explanation of the Material Matter and its boundary	Pages 28 - 29	
	103-2	The management approach and its components	Pages 38 - 42 Refer to Integrated Report 2021: Pages 54 - 63	
	103-3	Evaluation of the management approach		
Material Matter: Dynamic Regulatory Landscape				
GRI 103: Management Approach 2016	103-1	Explanation of the Material Matter and its boundary	Pages 28 - 29	
	103-2	The management approach and its components	Pages 26, 75 - 77 Refer to Integrated Report 2021: Pages 56, 61 - 63 Regulators' and policymakers' concerns along with our responses are found under Stakeholder Engagement. Regulatory non-compliance risk is a significant risk.	
	103-3	Evaluation of the management approach		
Material Matter: Data Protection & Cybersecurity				
GRI 103: Management Approach 2016	103-1	Explanation of the Material Matter and its boundary	Pages 28 - 29	
	103-2	The management approach and its components	Page 80 Refer to Integrated Report 2021: Page 60	
	103-3	Evaluation of the management approach	The Group Guidelines on the Personal Data Protection Act 2010 ("PDPA") document provides guidance on how to comply with PDPA's and Bank Negara Malaysia's requirements to safeguard individuals' personal data from being misused.	
GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Refer to Integrated Report 2021: Page 60 We established a blueprint for IT Security covering people, process and technology. We use data leakage protection solutions to ensure confidentiality of customer data, and policies are in place to protect customers' information and integrity.	Confidentiality constraints - Readiness to share publicly on substantiated complaints for this (if any).
Material Matter: Talent Management				
GRI 103: Management Approach 2016	103-1	Explanation of the Material Matter and its boundary	Pages 28 - 29	
	103-2	The management approach and its components	Pages 84 - 89	
	103-3	Evaluation of the management approach		
GRI 401: Employment 2016	401-1	New employee hires and employee turnover	Pages 81 and 128 - 130 The total new employee hires as at 31 December 2021 was 2,161 with a 15% recruitment rate. Total number of attritions was 1,614 with 12% attrition rate.	
	401-2	Benefits provided to fulltime employees that are not provided to temporary or part-time employees	Page 84 Benefits include, among others: healthcare, child care leave, education leave, hajj and umrah/pilgrimage leave, flexi-hours arrangement, work from home arrangement, retirement provision and carry forward leave.	



GRI CONTENT INDEX

GRI CONTENT INDEX

TOPIC-SPECIFIC DISCLOSURES

GRI Topic	GRI Standard	Disclosure	Page Number and/or Brief Description	Omission
Material Matter: Employee Training & Education				
GRI 103: Management Approach 2016	103-1	Explanation of the Material Matter and its boundary	Pages 28 - 29	
	103-2	The management approach and its components	Pages 85 - 88	
	103-3	Evaluation of the management approach		
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	Pages 86 and 130	
	404-2	Programmes for upgrading employee skills and transition assistance	Pages 85 - 88	
	404-3	Percentage of employees receiving regular performance and career development reviews	Page 133 Performance review applies to 100% RHB employees excluding temporary employees for the 2021 assessment period in accordance with our internal policy.	
Material Matter: Employee Health, Safety and Wellness				
GRI 103: Management Approach 2016	103-1	Explanation of the Material Matter and its boundary	Pages 28 - 29	
	103-2	The management approach and its components	Pages 92 - 95 The Occupational Safety and Health ("OSH") Committee, chaired by the Group Chief Human Resource Officer, comprises nine employer representatives and nine employee representatives, six of whom are unionised.	
	103-3	Evaluation of the management approach		
GRI 403: Occupational Health and Safety 2018	403-5	Worker training on occupational health and safety	Page 95	
	403-6	Promotion of worker health	Pages 92 - 93 The RHB Wellness 3.0 was launched and various activities were rolled out including tips on parenting skills, mental wellness and breast cancer awareness.	
	403-9	Work-related injuries	Pages 95 and 134	
	403-10	Work-related ill health	Pages 95 and 134	
Material Matter: Diversity & Equal Opportunity				
GRI 103: Management Approach 2016	103-1	Explanation of the Material Matter and its boundary	Pages 28 - 29	
	103-2	The management approach and its components	Pages 90 - 91 Refer to Integrated Report 2021: Pages 124 - 125	
	103-3	Evaluation of the management approach	Refer to Corporate Governance Report 2021 on RHB's website for further information on RHB Board of Directors' composition.	
GRI 405: Diversity & Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	Pages 71, 90 and 126 - 127 Refer to Integrated Report 2021: Pages 124 - 125 Refer to Corporate Governance Report 2021 on RHB's website for further information on RHB Board of Directors' composition.	

TOPIC-SPECIFIC DISCLOSURES

GRI Topic	GRI Standard	Disclosure	Page Number and/or Brief Description	Omission
Material Matter: Environmental Stewardship				
GRI 103: Management Approach 2016	103-1	Explanation of the Material Matter and its boundary	Pages 28 - 29	
	103-2	The management approach and its components	Pages 96 - 97	
	103-3	Evaluation of the management approach		
GRI 302: Energy 2016	302-1	Energy consumption within the organisation	Pages 96 and 138 We expanded our scope of reporting from RHB Centre and RHB Complex to all our major buildings as well as our branches across Malaysia.	
	302-4	Reduction of energy consumption	Pages 96 and 138	
GRI 303: Water 2016	303-1	Water withdrawal	Pages 97 and 138	
Material Matter: Climate Change				
GRI 103: Management Approach 2016	103-1	Explanation of the Material Matter and its boundary	Pages 28 - 29	
	103-2	The management approach and its components	Pages 98 - 100	
	103-3	Evaluation of the management approach		
GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions	Pages 98 - 100, 138 - 139	
	305-2	Energy indirect (Scope 2) GHG emissions	Pages 98 - 100, 138 - 139	
	305-3	Other indirect (Scope 3) GHG emissions	Pages 98 - 100, 138 - 139	
Material Matter: Sustainable Procurement				
GRI 103: Management Approach 2016	103-1	Explanation of the Material Matter and its boundary	Pages 28 - 29	
	103-2	The management approach and its components	Pages 101 - 103	
	103-3	Evaluation of the management approach		
GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	Pages 103 and 140 91% of Group Procurement Malaysia's total spend was spent on local suppliers in Malaysia.	



GRI CONTENT INDEX

MATERIAL MATTERS AND BOUNDARIES

TOPIC-SPECIFIC DISCLOSURES

GRI Topic	GRI Standard	Disclosure	Page Number and/or Brief Description	Omission
Material Matter: Community Enrichment				
GRI 103: Management Approach 2016	103-1	Explanation of the Material Matter and its boundary	Pages 28 - 29	
	103-2	The management approach and its components	Pages 104 - 116 Refer to RHB Foundation's website for Board of Trustees: www.rhbgroup.com/community-engagements/board.html	
	103-3	Evaluation of the management approach		
GRI 203: Indirect Economic Impacts 2016	203-2	Significant indirect economic impacts	Pages 104 - 116 Since the beginning of the COVID-19 pandemic in 2020, we have contributed almost RM8.4 million to help alleviate the negative impacts of the pandemic. In 2021, we continued with our efforts by contributing RM5.7 million through cash and in-kind donations.	
GRI 413: Local Communities 2016	413-1	Operations with local community engagement, impact assessments, and development programmes	Pages 104-116	

Material Matter	Subject of Impact & Involvement		
	GRI Standards Topic / GRI G4 Financial Sector Disclosure ("FS")	Boundary	RHB Involvement
Sustainable Financing	FS: Product Portfolio		
FS: Local Communities	External	Direct	
Financial Inclusion and Education	Indirect Economic Impact		
FS: Product Responsibility	External	Direct	
Customer Relationship Management	-	External	Direct
Fair Treatment of Financial Consumers	Market Labelling		
FS: Product & Service Labelling	External	Direct	
Digitalisation and Investment in Technology	-	Internal and External	Direct and Indirect
Good Business Governance	Anti-Corruption	Internal	Direct
Data Protection and Cybersecurity	Customer Privacy	Internal and External	Direct
Risk Management	-	Internal	Direct
Dynamic Regulatory Landscape	-	Internal	Direct
Sustainable Procurement	Procurement Practices	Internal and External	Direct and Indirect
Talent Management	Employment	Internal	Direct
Employee Training and Education	Training & Education	Internal	Direct
Employee Health, Safety and Wellness	Occupational Health & Safety	Internal	Direct
Diversity and Equal Opportunity	Employment Diversity & Equal Opportunity	Internal	Direct
Environmental Stewardship	Energy		
Water	Internal and External	Direct	
Climate Change	Emissions	Internal and External	Direct
Community Enrichment	Indirect Economic Impacts		
Local Communities	Internal and External	Direct	



www.rhbgroup.com

RHB Bank Berhad (6171-M)

Level 10, Tower One, RHB Centre, Jalan Tun Razak

50400 Kuala Lumpur, Malaysia

Tel : 603-9287 8888 Fax : 603-9281 9314

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