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RHB RAISES SUSTAINABLE FINANCING TARGET TO RM90 BILLION

Accelerating support for Green and Transition financing and investments

Kuala Lumpur – RHB Banking Group (“RHB” or the “Group”) has raised its sustainable finance ambition, setting a new target of RM90 billion in Sustainable Financial Services (SFS) by 2027. This marks a significant increase from its earlier RM50 billion target by 2026, reinforcing RHB’s commitment to achieving Net Zero by 2050 and accelerating Malaysia’s transition to a low-carbon economy, with broader goals across ASEAN.

Dato’ Mohd Rashid Mohamad, Group Managing Director/Group Chief Executive Officer of RHB Banking Group, said, “Embedding sustainable practices has become a business imperative. The future of business lies in its ability to transition towards sustainable practices, and as a financial services group, we are committed to being a catalyst for that change. Having already achieved approximately 85% of our RM50 billion sustainable financial services target, we see a clear and growing demand for capital that enables real transition. By raising our ambition to RM90 billion, we are doubling down on our commitment to empower businesses, especially SMEs, to accelerate their shift towards low-carbon practices. Transition financing goes beyond just providing funds; it’s about empowering businesses to navigate change, drive innovation, and ensure that every business, regardless of size, has the capability to thrive in a changing economy.”

“The RM90 billion commitment is a key aspect of our broader strategy to achieve Net Zero by 2050, with a strong focus on transition financing and green project investments. To achieve this, RHB is driving impact through three strategic pillars: *Expanding Sustainable Financing Solutions*, *Strengthening Partnerships & Industry Collaboration*, and *Enhancing ESG Integration & Sustainable Advisory*. By prioritising support for high-impact sectors on their decarbonisation journey and funding sustainable innovations, we aim to drive meaningful progress towards a low-carbon economy while ensuring long-term resilience and growth,” added Dato’ Mohd Rashid.

As part of its efforts to expand sustainable financing solutions, RHB is introducing targeted initiatives to support businesses in adopting greener practices. This includes Malaysia’s first Low Carbon Transition Facility (LCTF) Portfolio Guarantee, designed to enhance access to financing for businesses adopting green initiatives. The Group has also introduced a RM1 billion

Sustainable Trade Finance Programme/-i to support renewable energy and energy efficiency projects. RHB remains at the forefront of Sustainable Finance product innovation in 2024 with the launch of Malaysia's first Sustainable Cross Currency Repurchase Transaction, which reduces financing costs for green and social financing activities using Government and Government Guaranteed Securities. This new product complements our existing suite of Sustainable Finance products for SMEs which includes the Green Product Bundling Scheme, which offers tailored financing solutions across four categories: Green Energy, Green Buildings, Green Products, and Green Processes. To date, almost RM6.2 billion has been mobilised under this Sustainable Financing Programme. New ESG-linked financing solutions are continually being launched, providing corporate and SME clients with preferential financing rates based on their sustainability performance.

RHB continues to strengthen industry partnerships and collaborations in an effort to reach out and engage with more SMEs and provide greater accessibility to green financing. As of December 2024, the Group has engaged over 1,000 SMEs nationwide.

RHB has mobilised over RM40 billion in sustainable finance since the launch of its Sustainability Strategy in 2022, surpassing its initial RM50 billion target ahead of schedule, with 60% in green financing, 21% in social financing, and the balance in ESG-linked financing & investment. RHB's leadership in sustainable finance reinforces its commitment to driving positive change and building a more sustainable future for generations to come.