



# PROGRESS

SUSTAINABILITY REPORT 2024

# Basis of This Report

We are pleased to present RHB Bank Berhad's ("RHB", "RHB Bank", or "the Group") Sustainability Report for the Financial Year ended 31 December 2024 ("this Report").

This Report provides a transparent and comprehensive overview of the Group's Environmental, Social and Governance ("ESG") performance, initiatives and commitments. It reflects our steadfast commitment to driving sustainable change within the financial services sector and beyond, reinforcing our role in fostering a more resilient and responsible financial ecosystem.







In this Report, we highlight our sustainability journey over the past year, detailing the strides made, challenges faced, lessons learned, and milestones achieved in executing our Sustainability Strategy and integrating ESG considerations into our business activities and operations.

We are excited to share our progress and remain committed to driving a meaningful impact as we work towards building a more sustainable future together. By advancing sustainable and transition finance, mitigating climate risks, and supporting the shift to a low carbon economy, we aim to create long-term value for our stakeholders and community.

The Report outlines how we integrate sustainability into our business strategy, governance and operations, ensuring alignment with global and local sustainability and climate frameworks.

## OUR SUITE OF REPORTS

RHB Group's annual report serves as our primary communication to stakeholders, supplemented by additional online disclosures. This report adheres to industry best practices and established regulatory and reporting frameworks:

|   |   |
|---|---|
|    | <b>Integrated Report</b><br><br>Provides an in-depth view of the Group's performance in 2024 and our outlook for 2025.<br><i>For applicable frameworks and standards, refer to the Integrated Report 2024.</i>   |
|    | <b>Financial Report</b><br><br>Presents the full set of the Group's and the Bank's audited financial statements.<br><i>Please refer to our 2024 Financial Statements for the list of reporting frameworks and standards which we are guided by. Our Basel II Pillar 3 Disclosure is available on <a href="http://www.rhbgroup.com/ar">www.rhbgroup.com/ar</a>.</i>   |
|  | <b>Sustainability Report</b><br><br>Provides a comprehensive overview of the Group's commitment to sustainability and its progress in addressing key material matters. Guided by: <ul style="list-style-type: none"><li>◆ Bursa Main Market Listing Requirements</li><li>◆ Bursa Malaysia Sustainability Reporting Guide (3rd Edition) and its Enhanced Disclosure Requirements</li><li>◆ National Sustainability Reporting Framework</li><li>◆ Global Reporting Initiative Standards ("GRI") 2021</li><li>◆ Recommendations by the Task Force on Climate-related Financial Disclosures ("TCFD")</li><li>◆ Joint Committee on Climate Change ("JC3") TCFD Application Guide: Basic and Stretch</li><li>◆ IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information</li><li>◆ IFRS S2 Climate-related Disclosures</li><li>◆ Greenhouse Gas ("GHG") Protocol: Corporate Accounting and Reporting Standard</li><li>◆ United Nations Sustainable Development Goals ("UNSDGs")</li><li>◆ United Nations Global Compact ("UNGC") 10 Principles</li><li>◆ S&amp;P Global ESG Ratings</li><li>◆ FTSE Russell's ESG Ratings</li><li>◆ MSCI ESG Ratings</li></ul> <i>Note: The Group's sustainability disclosures are also aligned to the Board-approved Group Sustainability Reporting and Disclosure Policy, which aims to ensure that the Group produces balanced, comprehensive, accurate and credible disclosures on material sustainability and climate-related information, which addresses regulatory requirements and stakeholder expectations.</i> |

## SCOPE AND BOUNDARY

RHB's Sustainability Report covers the reporting period of 1 January 2024 to 31 December 2024, unless specified otherwise. Some information in this Report may be limited to specific entities and geographical locations within the Group's operation, reflecting our ongoing efforts to enhance our data collection capabilities. In such cases, relevant entities, locations or parameters will be explicitly mentioned.

## FORWARD-LOOKING STATEMENTS

This Sustainability Report contains forward-looking statements that articulate RHB's long-term vision and strategic priorities in advancing sustainability within the financial sector. Readers will gain insights into our commitment to mobilise sustainable financial services, reduce our direct environmental impact, and achieve carbon neutral operations and net zero emissions within a set timeframe. It also demonstrates our dedication to financial literacy, financial inclusion and social well-being, highlighting initiatives towards promoting diversity and inclusion within the workplace, engaging with communities, and promoting ethical practices across the Group and our supply chain.

RHB's goals and targets are built upon assumptions about the future and our expectations of how events will unfold. We recognise that the path to sustainability is dynamic, influenced by evolving regulations, market shifts, technological advancements, and stakeholder expectations. While we strive to accelerate our transition towards net zero, enhance climate risk management, and drive impactful sustainable financing, we acknowledge that external uncertainties may affect the timeline and execution of our initiatives.

Our approach remains proactive and adaptive – we will refine our strategies and commitments, strengthen ESG integration across our business, and deepen collaboration with regulators, industry peers and communities to drive meaningful progress. RHB remains committed to embedding sustainability in our decision-making, advancing green and transition finance and delivering stakeholder value.

## STATEMENT OF ASSURANCE

In strengthening the credibility of the Sustainability Report and Sustainability Statement in RHB's Integrated Report 2024, the Sustainability Report and Sustainability Statement have been subjected to the following:

- ◆ Internal review by the Group Internal Audit; and
- ◆ Independent limited assurance by PricewaterhouseCoopers PLT ("PwC"), in accordance with ISAE 3000 (Revised) "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information"

The Group Internal Audit has reviewed the following subject matter information disclosed as part of the Sustainability Report:

### INTERNAL REVIEW SCOPE

| Subject Matter  |  |
|---|--|
|   | 5. Percentage of directors by gender and age group   |
| 1. Percentage of employees who have received training on anti-corruption by employee category | 6. Total energy consumption  |
|   | 7. Number of work-related fatalities   |
| 2. Percentage of operations assessed for corruption-related risks                             | 8. Lost time incident rate   |
|   | 9. Number of employees trained on health and safety standards  |
| 3. Confirmed incidents of corruption and action taken   | 10. Number of substantiated complaints concerning breaches of customer privacy and losses of customer data |
|   | 11. Total volume of water used   |
| 4. Percentage of employees by gender and age group, for each employee category                |  |

Note: The reporting boundary for all subject matter listed above covers RHB Banking Group including overseas operations, with the exceptions below:

- The reporting boundary for item 5 covers only RHB Bank Berhad.
- The reporting boundary for item 6-9 covers RHB Banking Group excluding overseas operations.
- The reporting boundary for item 11 covers four large buildings: RHB Centre, RHB Complex Bangi, RHB Tun HS Lee and RHB Jalan Silang.

## INDEPENDENT ASSURANCE

In addition, PwC was engaged to conduct independent limited assurance on selected sustainability metrics reported in FY2024, in accordance with recognised assurance standards, as stated above.

For more information on the subject matter, scope of assurance and the assurance conclusion by PwC, please refer to the independent limited assurance report on pages 283 to 289 of this report.

This Statement of Assurance has been approved by the Board Audit Committee. This Sustainability Report has been approved by the Board Sustainability Committee.

## REPORTING PRINCIPLES

This Report aligns with the GRI Reporting Principles, providing stakeholders with a comprehensive view of our sustainability progress.

### Sustainability Context

We present RHB's activities and performance within the broader sustainability landscape, highlighting associated risks and opportunities.

### Stakeholder Inclusiveness

We illustrate how our initiatives are crafted to address the evolving needs of all stakeholders.

### Clarity

We ensure that our readers can easily access and understand the information that we have provided.

### Completeness

We disclose all relevant information needed for stakeholders to evaluate our sustainability performance in a meaningful way.

### Balance

We present balanced reporting in order to give a fair assessment of how well our performance plan is being implemented.

### Comparability

We include data from prior years, whenever possible, to highlight changes in our performance over time, comparing to our industry peers.

## POINT OF CONTACT

Your insights matter to us. We encourage you to share comments and feedback with us via:

✉ Sustainability Management, Group  
Sustainability & Communications  
Level 8, Tower One, RHB Centre,  
Jalan Tun Razak, 50400  
Kuala Lumpur

@ Email: [sustainability@rhbgroup.com](mailto:sustainability@rhbgroup.com)

# INSIDE THIS REPORT



## Annual General Meeting of RHB Bank Berhad



Kuala Lumpur Convention Centre,  
Ballroom 1, Level 3, East Wing,  
Jalan Pinang,  
50088 Kuala Lumpur,  
Malaysia



Thursday, 8 May 2025



10.00 a.m

## Basis of This Report

1-7

Basis of Our Report

This is RHB 4

## Message from Our Leadership

8-13

## Our Sustainability Journey

14-21

Sustainability Milestones 14

Sustainability Highlights 16

Sustainability Awards and Rating 20

## Our Sustainability Approach

22-49

Our Stakeholder Needs and Expectations 22

Our Material Matters 30

Sustainability Strategy and Roadmap 36

Sustainability Commitments and Scorecard 39

Thought Leadership and Advocacy 44

## Committed to Achieving Net Zero by 2050

50-107

Sustainability and Climate Governance 50

Strategy 66

Risk Management 83

Metrics and Targets 100

## Sustainable and Responsible Finance

108-159

Enabling Transition through Sustainable Financial Services 108

Prioritising Customer Trust and Experience 138

## Embedding Good Practices

160-213

Ethics and Conduct 160

People and Workplace 168

• Building Best-in-Class Talent 168

• Championing Health, Safety and Wellness 187

• Promoting Diversity, Equity and Inclusion 194

Responsible and Sustainable Supply Chain Management 202

Managing Our Direct Environmental Impact 209

## Enriching and Empowering Communities

214-231

Creating Positive Social Impact 214

## Appendices

232-289

Our Contributions to the UN SDGs 232

Sustainability and Climate-related Policies and Guidelines 234

Additional Governance Disclosures 237

Sustainability Performance Data 240

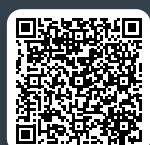
GRI Content Index 269

Bursa Malaysia Sustainability Reporting Disclosures 274

TCFD Index 277

Independent Limited Assurance Report 283

Online Version



Scan the QR code to view our Sustainability Report 2024



## Theme and Cover Rationale

# Progress

This year's theme, **PROGRESS**, reflects RHB's continuous evolution and forward momentum. The layered typography on the cover symbolises depth, strategic advancement, and our commitment to empowering lives and driving sustainable growth. It visually represents the initiatives we undertake to uplift our customers, communities, and the Group, steering them towards a future of shared success.

At RHB, **PROGRESS** extends beyond financial performance — it is about delivering personalised, innovative solutions that meet the evolving needs of our customers. We continuously enhance our digital capabilities, ensuring smarter, faster, and more accessible financial experiences.

Our journey is built on trust, reliability, and innovation. By integrating cutting-edge technology with a deep understanding of our stakeholders' financial needs, we transform ambitions into reality — whether through streamlined digital platforms or bespoke financial advisory services.

We recognise that meaningful progress is a collective effort. As a trusted partner, we are committed to fostering collaboration across industries, empowering individuals and businesses, and creating long-term value that drives social progress and sustainable economic growth.

Together, we are not just moving forward — we are building a future where every step leads to lasting and meaningful **PROGRESS**.

### NAVIGATION ICONS

#### OUR CAPITALS

|                                |  |
|--------------------------------|--|
| <b>FC</b> Financial Capital    | <b>MC</b> Manufactured Capital             |
| <b>IC</b> Intellectual Capital | <b>SRC</b> Social and Relationship Capital |
| <b>HC</b> Human Capital        | <b>NC</b> Natural Capital                  |

#### SUSTAINABILITY CORE PILLARS

|   |
|---|
| <b>SRF</b> Sustainable and Responsible Finance  |
| <b>ANZ</b> Achieving Net Zero by 2050           |
| <b>EGP</b> Embedding Good Practices             |
| <b>EEC</b> Enriching and Empowering Communities |

#### STRATEGIC PILLARS

|  |
|--|
| <b>PB</b> Be Everyone's Primary Bank     |
| <b>CX</b> Prioritise Customer Experience |
| <b>QG</b> Drive Quality Growth           |

#### OUR STAKEHOLDERS

|                                      |   |
|--------------------------------------|---|
| <b>BD</b> Board of Directors         | <b>SS</b> Suppliers and Service Providers |
| <b>CU</b> Customers                  | <b>RA</b> Rating Agencies                 |
| <b>EM</b> Employees                  | <b>FI</b> Financial Industry Peers        |
| <b>RE</b> Regulators                 | <b>AN</b> Analysts                        |
| <b>SI</b> Shareholders and Investors | <b>BP</b> Business Partners               |
| <b>CO</b> Communities                | <b>ME</b> Media                           |

#### KEY RISKS

|   |   |
|---|---|
| <b>CR</b> Credit Risk                     | <b>TCR</b> Technology and Cyber Risk  |
| <b>RNC</b> Regulatory Non-Compliance Risk | <b>IBR</b> Interest Rate Risk in the Banking Book / Rate of Return Risk in the Banking Book |
| <b>SR</b> Sustainability Risk             | <b>SNC</b> Shariah Non-Compliance Risk  |
| <b>OR</b> Operational Risk                | <b>CPR</b> Corruption Risk  |
| <b>RR</b> Reputational Risk               | <b>LR</b> Liquidity Risk  |
| <b>MR</b> Market Risk                     |   |

#### MATERIAL MATTERS

|   |   |
|---|---|
| <b>GB</b> Good Business Governance              | <b>DI</b> Digitalisation and Investment in Technology |
| <b>DC</b> Data Protection and Cybersecurity     | <b>CC</b> Climate Change                              |
| <b>SF</b> Sustainable Financial Services        | <b>ES</b> Environmental Stewardship                   |
| <b>FI</b> Financial Inclusion                   | <b>T</b> Talent                                       |
| <b>CX</b> Customer Experience                   | <b>EHS</b> Employee Health, Safety and Wellness       |
| <b>FC</b> Fair Treatment of Financial Consumers | <b>DO</b> Diversity and Equal Opportunity             |
| <b>SC</b> Sustainable Supply Chain              | <b>CE</b> Community Enrichment and Empowerment        |



# This is RHB

RHB BANKING GROUP, a multinational regional financial services provider, strives to provide complete financial solutions to its customers. Drawing on our extensive service offerings and determined team, we ensure smooth and efficient experiences that meet evolving customer demands. As a key financial leader in Malaysia, we distinguish ourselves through distinctive offerings and compelling value propositions.

We Are Guided By  
Our Purpose  
Statement...

To Live Our  
Brand  
Promise Of...

## Making Progress Happen for Everyone



## Together We Progress

Rooted in over 100 years of heritage, we have remained steadfast in supporting people, businesses, and communities to thrive. Our decades of expertise have deepened our understanding of the evolving needs of our customers and stakeholders – insights that fuel continuous innovation and drive us to deliver exceptional service.

With your unwavering support, RHB has grown into a leading financial institution, providing retail, corporate, and business banking, wholesale banking services as well as insurance products across Malaysia and seven other ASEAN countries.

As we honour our legacy, we are committed to creating value for our stakeholders through purposeful actions and meaningful engagement, ensuring that our progress delivers lasting impact today and into the future.

Together, we can unlock our collective potential and achieve greater heights. Our brand promise, Together We Progress, reflects this commitment - honouring our rich history, celebrating our present achievements, and embracing our future responsibilities.

*Join us in building a more  
prosperous tomorrow for all*



Market Capitalisation

**RM28  
billion**



Total Employees

**Over 13,300  
employees**



Presence in

**7 countries  
266 branches  
and offices**


Underpinned  
By Our  
Values...

**Professional**  
**Respect**  
**Integrity**  
**Dynamic**  
**Excellence**

**To Create Positive Impact Through Sustainability Focus Areas**

Sustainable And  
Responsible Finance

Embedding Good  
Practices

 [Learn more on page 36](#)

Enriching and Empowering  
Communities

Committed to Achieving  
Net Zero by 2050

**We Listen To The  
Needs Of Our  
Stakeholders...**

**Propelling growth  
through innovative  
solutions in approaching  
material risks**

Board of Directors

Customers

Employees

Shareholders and  
Investors

Regulators

Communities

Suppliers and Service  
Providers

Financial Industry Peers

Business Partners

Rating Agencies

Analysts

Media

 [Learn more on page 22](#)



 **Customer Contact Centre**

Tel : +603 9206 8118

Email : [customer.service@rhbgroup.com](mailto:customer.service@rhbgroup.com)

# What We Do: Core Business Segments

|                                       | <div></div> <div>GROUP<br/>COMMUNITY<br/>BANKING</div>   | <div></div> <div>GROUP<br/>WHOLESALE<br/>BANKING</div>   |
|---------------------------------------|---|---|
| Our Segments                          |    |    |
| Who We Serve and What We Offer        | <p>We offer a wide range of conventional and Shariah-compliant financial solutions. Our Retail Banking arm delivers a complete suite of financial services encompassing Wealth Management, Bancassurance, Mortgage, Auto Financing, ASB Financing, Personal Financing, Credit Card Payments and Deposits, while the SME Banking arm specialises in tailored business solutions for SMEs and family-owned businesses.</p>  | <p>We deliver comprehensive end-to-end services spanning various products and financing solutions, as well as advisory services to clients and corporates in Malaysia and the wider ASEAN region. Our strategic business groups include Investment Banking, Corporate Banking, Commercial Banking, Treasury and Global Markets, Asset Management, and Transaction Banking, bolstered by the RHB Economics, Research, and Sustainable Finance teams.</p>   |
| Areas of Strength and Differentiation | <ul style="list-style-type: none"><li>◆ A trusted partner in business banking, specialising in Small and Medium Enterprises (“SMEs”) with seamless end-to-end digital onboarding for both transaction and financing products across multiple channels.</li><li>◆ Offering distinctive and innovative value propositions with service excellence, tailored to Retail and SME client segments.</li></ul>  | <ul style="list-style-type: none"><li>◆ Market leader in corporate and commercial loans and financing, merchant solutions, fixed income distribution and underwriting, equity underwriting, mergers and acquisitions, call warrants, asset management, retail equities, institutional equities, and sustainable finance solutions.</li><li>◆ Delivering a personalised wholesale banking experience through deep client relationships and a strong commitment to provide bespoke, customer-centric solutions.</li></ul> |
| Our Contribution to Group Performance | <div><div>GROSS LOANS AND FINANCING</div><div><div>Retail Banking</div><div><b>RM122</b> billion</div><div>2023: RM113 billion</div></div><div><div>SME Banking</div><div><b>RM28</b> billion</div><div>2023: RM28 billion</div></div></div> <div><div>DEPOSITS FROM CUSTOMERS</div><div><div>Retail Banking</div><div><b>RM89</b> billion</div><div>2023: RM81 billion</div></div><div><div>SME Banking</div><div><b>RM36</b> billion</div><div>2023: RM34 billion</div></div></div> | <div><div>GROSS LOANS AND ASSETS</div><div><b>RM62</b> billion</div><div>2023: RM57 billion</div></div> <div><div>DEPOSITS FROM CUSTOMERS</div><div><b>RM88</b> billion</div><div>2023: RM93 billion</div></div>  |





## GROUP INTERNATIONAL BUSINESS



We oversee RHB's regional Commercial Banking operations across five countries, Singapore, Cambodia, Thailand, Laos, and Brunei, backed by our team of experts from our Malaysian headquarters. We leverage localised networks to serve the needs of our customers and present solutions, including personal and business financing and deposits, wealth management, and treasury products and services.

- ◆ Offering comprehensive financial solutions through a highly localised and targeted approach to key market segments.
- ◆ Providing access to a robust regional network across five ASEAN countries.



## GROUP SHARIAH BUSINESS



We provide a spectrum of Shariah-compliant financial services across retail, SME, corporate, and commercial business segments, as well as wealth management and investment banking. Our offerings extend to essential sectors such as education, among others.

- ◆ Delivering comprehensive Islamic financial services across retail, SME, corporate, commercial, investment banking, and wealth management sectors.
- ◆ Catering to essential sectors, including government, healthcare, and higher education, with tailored financial solutions.
- ◆ Championing Value-Based Intermediation ("VBI") principles to uphold our commitment to societal well-being and sustainability.



## GROUP INSURANCE



We empower our retail and corporate customers with an array of financial solutions, including general insurance and other products, for enhanced protection and peace of mind.

- ◆ Providing easy and convenient access through a network of 14 branches nationwide, over 662 Pos Malaysia branches, and more than 2,000 authorised agents.
- ◆ Building strong relationships with strategic partners to deliver financial solutions.
- ◆ Offers a range of general insurance products, including motor, personal accident, medical, property, travel, workmen compensation, and liability insurance, catering to both individual and business protection needs.

### GROSS LOANS

**RM34** billion  
2023: RM32 billion

### DEPOSITS FROM CUSTOMERS

**RM37** billion  
2023: RM37 billion

### GROSS FINANCING

**RM91** billion  
2023: RM84 billion

### DEPOSITS FROM CUSTOMERS

**RM89** billion  
2023: RM82 billion

### GROSS WRITTEN PREMIUM

**RM914** million  
2023: RM869 million

### TOTAL NUMBER OF POLICIES FOR KEY INSURANCE PRODUCTS

Motor, Fire and Personal Accident:  
**748,950** policies  
2023: 834,713 policies

# Message From Our Leadership

Dear Valued Stakeholders,

“Finance is at the core of our business, but its true value is reflected in the progress and impact it drives. ”

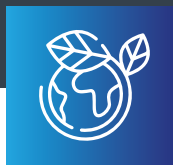


Datuk Iain John Lo



Dato' Mohd Rashid Mohamad





Across ASEAN, the financial landscape is undergoing a profound transformation. Sweeping reforms and a clear shift toward a low-carbon future are redefining how we operate — even as we face rising ESG challenges, from mounting climate risks to social inequities. Yet, these challenges also offer a powerful invitation: an opportunity to transform obstacles into breakthroughs. At RHB, we embrace this moment, turning challenges into actions that embody our purpose of **Making Progress Happen for Everyone.**

## A YEAR OF PROGRESS AMIDST GLOBAL CHANGE

In this dynamic environment, we view finance as a catalyst for systemic change. Over the past year, we continued to integrate sustainability into every aspect of our operations while expanding financial products and solutions to drive growth and inclusion. Our progress is the result of close collaboration with regulators, industry peers, customers and you — our stakeholders — whose support drives our advancement.

Guided by RHB's **Sustainability Strategy & Roadmap**, we remain steadfast in embedding ESG across our business. Our four key pillars—**Sustainable & Responsible Finance**, **Achieving Net Zero by 2050**, **Embedding Good Practices**, and **Enriching & Empowering Communities**—serve as the foundation for long-term value creation. In 2024, we are pleased to report on our continued progress across our sustainability key performance indicators ("KPIs"), keeping us firmly on track to achieve our sustainability ambitions.

## KEY ACHIEVEMENTS IN 2024

### Mobilising Sustainable Financial Services

Cumulatively mobilised RM41.2 billion in Sustainable Financial Services — advancing towards our RM50 billion target by 2026. (2027 Target: RM90 billion in Sustainable Financial Services)

### Reducing Financed Emissions

Reduced financed emissions for five high-impact sectors to 7.12 million tCO<sub>2</sub>e\* — over 6% reduction against our 2022 baseline.

### Operational GHG Emissions

Achieved a 45.5% reduction in operational GHG emissions from the baseline year.

### Social Impact

Cumulatively empowered over 973,000 targeted individuals and businesses across ASEAN, progressing towards empowering two million beneficiaries by 2026. (2027 Target: 2.5 million targeted individuals and businesses)

### Diversity, Equity and Inclusion

Achieved over 33.3% representation of women in top and senior management, reinforcing our diverse and empowered leadership.

*Further details of our 2024 achievements, KPIs, and progress are outlined throughout this Sustainability Report.*

\* Financed emissions data is reported as of 31 December 2023, with a 12-month lag due to data availability from clients and investees.

## Message From Our Leadership

### ACHIEVING NET ZERO BY 2050

2024 marked the warmest year on record globally; a stark reminder of our climate reality. For financial institutions, this moment challenges us to ask: How can we deploy capital not just for growth, but as a catalyst for sustainable, inclusive progress that secures a better future for generations? At RHB, we accept this responsibility with conviction, embedding our commitment to a low-carbon future into every strategic decision.

To bring this commitment to life, we have integrated responsible practices across our business. Since 2022, we have taken a decisive stand against coal-related financing — achieving zero coal exposure as of December 2024 — and reinforced our No Deforestation, No Peat, and No Exploitation (“NDPE”) commitment through our Group Credit Policy.

Building on the success of our Climate Action Programme, which was launched in 2022, we have made meaningful progress in reducing financed emissions across our five high-impact sectors — Energy Supply, Palm Oil, Oil & Gas, Property & Construction, and Transportation. In 2024, we achieved a 6.7% reduction in financed emissions, declining from 7.63 million tCO<sub>2</sub>e as at December 2022 to 7.12 million tCO<sub>2</sub>e as of 31 December 2023 — demonstrating our focus climate-conscious financing.

Alongside fundamentally reshaping our portfolio, we are committed to decarbonising our own operations. In 2024, we reduced our operational greenhouse gas emissions by 45.5% from our baseline — driven by energy efficiency measures and increased renewable energy adoption. With a solar capacity of 930 kWp across two main premises and 20 branches, and further installations planned for 2025, our operational actions underscore our promise to achieve carbon neutrality by 2030.

Our path to climate resilience is a collective effort. By collaborating with industry peers, partnering with clients and key industry leaders, and shaping robust climate risk frameworks — exemplified by our active role in the Joint Committee on Climate Change (“JC3”) — we are advancing our agenda and driving the broader regional transition.

### SUSTAINABLE & RESPONSIBLE FINANCE

The financial sector is pivotal in driving sustainable economic growth. Globally, an estimated USD5 to 7 trillion in annual investment is required to achieve the Sustainable Development Goals (“SDGs”) by 2030<sup>1</sup>. Financing gaps persist, particularly in emerging markets where businesses face challenges in integrating sustainability practices. The issue goes beyond the mere availability of capital; it encompasses the need to make investments that build lasting resilience and drive transformative change.

<sup>\*</sup> Financed emissions data is reported as of 31 December 2023, with a 12-month lag due to data availability from clients and investees. RHB is actively enhancing our data infrastructure to streamline future disclosures.

<sup>1</sup> Source: <https://desapublications.un.org/publications/financing-sustainable-development-report-2023>

RHB continues to leverage finance as a catalyst for sustainable progress. With a target to mobilise RM50 billion in Sustainable Financial Services by 2026, the Group has achieved RM41.2 billion as at December 2024. Nearly 9% of this financing directly supports renewable energy and energy efficiency, empowering individuals and businesses to transition to a low-carbon economy and advancing us closer to our Net Zero 2050 commitment.

A key focus of our approach is supporting SMEs, as they often face resource constraints and expertise in adopting sustainable practices. As of 2024, we have cumulatively mobilised RM5.3 billion through our Sustainable Finance Programme, providing the financial tools and tailored solutions that enable SMEs to turn challenges into new opportunities.

Cumulatively mobilised  
**RM5.3 billion**  
to support SMEs’ transition through  
product bundling

To further unlock sustainable growth, we have introduced innovative financing initiatives in 2024:

**RM1 billion Sustainable Trade Finance Programme** – Financing to support renewable energy and energy efficiency projects.

**RM400 million portfolio guarantee**  
(with CGC Malaysia) – Includes RM100 million allocation for the Low Carbon Transition Facility (“LCTF”), the first of its kind in Malaysia.

**Malaysia’s first ESG Incentive Scheme**

(via RHB Insurance) – Offers up to RM4,000 in financial rewards, encouraging SMEs to adopt sustainability practices while strengthening their resilience.



**Leadership in Sustainable Finance**  
Runner-Up in Sustainable Energy Financing  
for Domestic and Islamic Banks at the  
**National Energy Awards 2024**

## Leadership in Entrepreneurial Empowerment

RHB #JomBiz: The Association of Banks  
in Malaysia ("ABM") 50th Anniversary  
Celebration CSR Excellence Awards 2024  
(Inclusive Economic Growth category)

### ENRICHING & EMPOWERING COMMUNITIES

We believe that every thriving economy is built on the strength of its communities. That is why we are committed to empowering over two million individuals and businesses across ASEAN by 2026, fostering sustainable growth and resilience. In 2024, we laid a solid foundation, reaching more than 973,000 individuals and businesses across ASEAN through our Community Empowerment programmes – each life touched marking a step toward positive change.

Our impact starts with education – the key to unlocking potential. Through the RHB X-Cel Programme and RHB X-Cel Star Scholarship Programme, we have impacted over 2,000 youth from underprivileged backgrounds and awarded 48 full scholarships to underserved youth, enabling them to pursue higher education and step confidently into professional roles. These future leaders, innovators and change-makers are essential to building a better future.

Financial inclusion is equally critical, especially given our role as a financial institution. RHB's MySISWA initiative continues to expand financial access and literacy among students, equipping young Malaysians with the skills needed for financial independence. In 2024, we onboarded 162,852 new students, bringing our total reach to 787,500.

Small businesses lie at the heart of community empowerment, serving as engines for local economic growth and job creation. Through RHB #JomBiz, we provide structured financial support and practical tools that help entrepreneurs build and sustain their ventures. Since its launch in 2022, over 700 micro-businesses have been empowered, with 251 supported in 2024 alone, driving sustained income growth and enhanced business stability.

Every community initiative at RHB is a chapter in a larger story – a story of empowering people, nurturing potential, and building a sustainable future that benefits everyone.

In 2024:



**48**  
**scholarships**  
awarded through RHB  
X-Cel Star Programme



**>162,800**  
**students** onboarded to  
MySISWA programme



**251**  
**entrepreneurs**  
supported through #JomBiz

## Message From Our Leadership

### EMBEDDING GOOD PRACTICES

At the core of our sustainability agenda stands ethics and integrity. In a world where corruption can drain USD2.6 trillion from the global economy<sup>2</sup>, we at RHB have made strong governance and transparency our cornerstones. In 2024, RHB's governance leadership was recognised in the Malaysian Anti-Corruption Commission's ("MACC") inaugural *Koleksi Amalan Baik* publication – a testament to our proactive stance on ethical decision-making.

Furthermore, sustainable practices must be guided by strong leadership. The Board Sustainability Committee has strategic oversight of the Group's sustainability and climate strategy as well as key commitments, whilst the Group Sustainability Committee drives the strategic implementation of sustainability and climate-related initiatives, ensuring that the Group's key performance indicators ("KPIs") remain on track and aligned with strategic objectives. In 2024, we enhanced our sustainability governance by appointing a Head of Sustainable Finance and a Head of Social Impact. These strategic roles aim to steer our sustainable financial services growth and community empowerment initiatives, ensuring that every decision supports our journey toward a resilient future.

Our commitment to embedding good practices extends beyond leadership—it starts with our people. We understand that lasting change requires a workforce equipped with the right knowledge, skills, and mindset. Through our Sustainability Capability Building Framework, we delivered 30,920 training hours across 159 sessions in 2024, benefitting 13,798 employees. As of December 2024, we have invested approximately RM2 million into sustainability capability-building programmes, empowering our teams to assess ESG risks, support client transition planning, and embed sustainability into every facet of our operations.

Fostering a culture of Diversity, Equity, and Inclusion ("DEI") within the Group is equally important. With women now representing over one-third of our top and senior management, we are steadily progressing toward balanced leadership. The launch of our Emerging Women Leaders Programme further supports high-potential female talent through mentorship, development pathways, and leadership coaching.



### Sustainability Capability Building Framework Achievements in 2024:



**>30,900** training hours

**159** training sessions

**13,798** employees engaged

**Specialised knowledge in sustainable finance is also crucial to ensure that businesses receive the right support in their decarbonisation journey. In 2024, we launched two new programmes:**

- Climate Activation Programme ("CAP") – equipped over 200 Relationship Managers and key employees with sector-specific decarbonisation insights and sustainable finance needs.
- Green Financing Advisor ("GFA") programme – rolled out via phased approach, targeting over 100 employees, comprising of Relationship Managers and Strategic Functional Group's representatives, and providing them with a deeper understanding of Malaysia's evolving green finance landscape.

<sup>2</sup> Source: <https://news.un.org/en/story/2018/12/1027971>





## LOOKING AHEAD

In FY2025, the global sustainability and climate landscape will be shaped by ongoing efforts to meet targets under the Paris Agreement, despite geopolitical tensions and economic uncertainties. ASEAN is making strides in integrating sustainability into economic growth, with Malaysia—as the 2025 ASEAN Chair — emphasising inclusivity and sustainability. The region is also seeing a surge in sustainable bond issuances, expected to grow by USD260 billion in 2025<sup>3</sup>, signalling increased investment in renewable energy and green infrastructure. Malaysia's pledge to reduce its carbon intensity by 45% by 2030 further demonstrates its leadership in regional sustainability efforts.

In response to these evolving dynamics, we have enhanced our sustainability strategy to better align with our new three-year corporate strategy and regional priorities. Our enhanced strategy focuses on accelerating growth in sustainable financial services and expanding our reach to ensure greater accessibility to financial services for youth and underserved communities. From 2025 to 2027, the Group will be guided by the following refined Sustainability KPIs:

- Mobilise RM90 billion in Sustainable Financial Services by 2027
- Achieve Carbon Neutral Operations by 2030 and Net Zero Emissions by 2050
- Empower 2.5 million targeted individuals and businesses across ASEAN by 2027
- Maintain 33.3% representation of women in top and senior management by 2027

As sustainability becomes increasingly embedded in economic policy, our enhanced strategy positions us to navigate these complexities effectively and deliver long-term value in the transition towards a low-carbon, resilient future.

## ACKNOWLEDGEMENT & APPRECIATION

We extend our heartfelt appreciation to each of you for your continued support in advancing our sustainability journey.

To our Regulators and Industry Partners, thank you for your guidance and the robust frameworks you have provided, which have enabled us to navigate a rapidly evolving regulatory landscape and strengthen our commitment to responsible business practices.

To our Customers, we value your continued trust in RHB. As the sustainability landscape continues to evolve, we remain committed to enabling your sustainability transition journeys.

To the Board of Directors, your strategic oversight and strong leadership has been instrumental in embedding sustainability at the core of our business strategy.

To the Board Sustainability Committee, your dedication to steering the Group's ESG priorities has ensured that we remain aligned with global best practices. Your insights have been critical in shaping our sustainability approach and driving meaningful impact.

To the Group Senior Management, thank you for translating our sustainability commitments into action. Your leadership has been key to expanding our impact across sustainable finance, inclusion, and community empowerment.

To our Sustainability Management, Sustainable Finance and Climate Risk Teams, as well as all our Sustainability Champions across the Group, your passion and hard work have been the driving force behind our sustainability initiatives — from programme delivery to risk management and culture-building.

Finally, to all RHBians, your innovation, dedication, and commitment to sustainability bring our ambitions to life. Your efforts are the foundation of our success and our shared future.

RHB's progress is not just our story — it is yours, too. As we forge ahead, we remain dedicated to building a sustainable, inclusive and resilient future that delivers long-term value for every stakeholder we serve.

**Datuk Iain John Lo**  
Chairman of the Board  
Sustainability Committee

**Dato' Mohd Rashid Mohamad**  
Group Managing Director/  
Group Chief Executive Officer

<sup>3</sup> Source: <https://www.spglobal.com/en/research-insights/market-insights/daily-update-the-state-of-play-of-gaming>

# SUSTAINABILITY MILESTONES & *Achievements*

## PHASE 1

(Pre-2022)

### Building Foundations, Embedding Sustainability

Since 2016, we have systematically integrated sustainability into the Group's business strategy, operations, and decision-making processes. This phase focused on embedding Environmental, Social and Governance considerations across our activities while strengthening internal capabilities to effectively manage sustainability risks and opportunities. These efforts have laid a strong foundation for promoting responsible business practices across the Group and delivering tangible value to our stakeholders.

*To learn more about our journey in establishing a strong sustainability foundation, please refer to our previous sustainability reports.*

## PHASE 2

2022

### Driving Change, Creating Positive Impact

#### Strengthening Sustainability Governance

- ◆ Established the Board Sustainability Committee ("BSC")
- ◆ Appointed a Group Chief Sustainability Officer ("GCSO")
- ◆ Established a Responsible, Accountable, Consulted and Informed ("RACI") Framework for the BSC, Board Risk Committee ("BRC"), Board Nominating & Remuneration Committee ("BNRC"), and Board Audit Committee ("BAC") as guidance in their deliberations and decision-making process on sustainability and climate-related matters
- ◆ Consolidated the Sustainable Banking Council, ESG Capital Markets & Advisory Council, and Sustainable Insurance Council into the Sustainable Business Council

#### Enhancing Guidance for Sustainable Finance

- ◆ Issued the RHB Group ESG Eligible Business Activities Guidelines ("EBAG")
- ◆ Implemented the Group's Stance on Coal and No Deforestation, No Peat and No Exploitation ("NDPE") Policy

#### Developing Pathway to Net Zero

- ◆ Completed Group Climate Action Programme ("GCAP") Phase 1: Group Ambition Setting and Blueprint
- ◆ Embarked on GCAP Phase 2, towards developing the Group's Pathway to Net Zero by 2050





## 2023

### Mobilising Sustainable Financial Services

- ◆ Revised RHB Group's 2026 Sustainable Financial Services commitment from RM20 billion to RM50 billion
- ◆ Became Malaysia's first financial services provider to collaborate with Tenaga Nasional Berhad ("TNB") to educate and assist SMEs in their transition journey
- ◆ Established the Sustainable Sukuk & Bond Framework ("SSBF") for RHB Banking Group

### Taking Action on Climate Change

- ◆ Established the Group's commitment and pathway to achieve Net Zero by 2050, supported by three strategic objectives
- ◆ Established the Group Climate Risk Management Framework and Group Climate Risk Management Policy

### Cascading Sustainability Across our Organisation and Value Chain

- ◆ Introduced the RHB Insurance Sustainability Roadmap, in alignment with the Group's 5-Year Sustainability Strategy and Roadmap
- ◆ Launched the RHB Supplier Code of Conduct to promote responsible and sustainable practices across the Group's supply chain

### Embedding Good Practices

- ◆ Conducted the first independent assurance for RHB Group's Sustainability Report 2022 on selected material Sustainability KPIs
- ◆ Established and implemented the RHB Sustainability Capability Building Framework and set aside RM5.0 million as initial investment to build internal capabilities
- ◆ Became a member of the United Nations Global Compact ("UNGC")

## 2024

### Enhancing our Strategy for Long-Term Impact

- ◆ Realigned the Group Sustainability Strategy & Roadmap to PROGRESS27, the Group's new corporate strategy
  - Raised our sustainable financial services target from RM50 billion to RM90 billion by 2027;
  - Achieve Carbon Neutral Operations by 2030 and Net Zero by 2050;
  - Empower 2.5 million targeted individuals and businesses across ASEAN by 2027, an increase from 2 million by 2026;
  - 33.3% women in top and senior management by 2027.

### Driving Sustainable Solutions

- ◆ Appointed a Head of Sustainable Finance to drive the Group's Sustainable Financial Services growth
- ◆ Developed the Sustainable and Transition Finance Framework, which will be operationalised in 2025
- ◆ Launched Malaysia's first sustainable use-of-proceeds cross-currency repurchase transaction
- ◆ Signed Malaysia's first Low Carbon Transition Facility ("LCTF") Portfolio Guarantee, worth RM100 million
- ◆ Launched a RM1 billion Sustainable Trade Finance Programme to enable the low-carbon transition for corporate, commercial, and SME customers
- ◆ Introduced the RHB Insurance ESG Incentive scheme to encourage green practices among customers

### Advancing the Group's Climate Action

- ◆ Completed all 32 initiatives under the Group Climate Action Programme ("GCAP")
- ◆ Implemented the Climate Risk Dashboard for monitoring of financed emissions and climate risk exposure
- ◆ Developed physical and transition risk models for climate scenario analysis and stress testing
- ◆ Calculated financed emissions baseline for RHB Insurance, based on PCAF methodology

### Embedding Good Practices

- ◆ Featured in the Malaysian Anti-Corruption Commission's ("MACC") Koleksi Amalan Baik publication, showcasing best practices in combatting corruption and bribery
- ◆ Rolled out Phase 1 of the Supplier Code of Conduct Implementation Plan
- ◆ Held the Group's inaugural Green Week, to encourage sustainable practices among our workforce
- ◆ Launched the Climate Activation Programme and Green Financing Advisor programme

### Driving Positive Social Impact

- ◆ Appointed a Head of Social Impact to enhance the Group's community empowerment efforts
- ◆ Strengthened our Social Impact strategy with clear focus on maximising impact, supported by programme-specific guidelines
- ◆ Developed a Sustainability Stakeholder Engagement Plan

### Strengthening our Reporting Practices

- ◆ Received the prestigious Platinum award for Sustainability Reporting in the 2024 National Annual Corporate Reporting Awards ("NACRA")
- ◆ Inaugural internal validation of selected metrics in the Sustainability Report 2024 by Group Internal Audit ("GIA")
- ◆ Developed the Group Sustainability Reporting and Disclosure Policy to ensure credibility and transparency of sustainability and climate-related disclosures

## Our Sustainability Journey

# Sustainability Highlights



### Sustainable and Responsible Finance



**RM41.2  
billion**

cumulatively mobilised in  
sustainable financial services



**51%**

of cumulative sustainable  
financial services directed  
towards green activities



**>RM500  
million**

in cumulative funding  
mobilised via the Low Carbon  
Transition Facility ("LCTF")



**40**

new green projects onboarded  
in collaboration with property  
developers



**>RM3.8  
billion**

cumulatively mobilised to  
support SMEs' sustainable and  
low-carbon transition



**>20%**

year-on-year ("YoY") increase  
in total digital users



**61%**

of RHB Insurance's  
investment assets are  
ESG-focused



**+24**

Net Promoter Score  
("NPS"), ranked 2nd in  
Malaysia



**▲54%**

total transaction volumes  
for Internet and Mobile  
Banking Platforms



**RM3.3  
billion**

in sustainability-related loans  
and bonds mobilised by RHB  
Bank Singapore (10x more  
than their FY2024 target)



**Malaysia's first**

sustainable use-of-proceeds cross-currency  
repurchase agreement worth AUD 25 million



**>RM1.2 billion AUM**

in Sustainable and Responsible Investment ("SRI") funds



## Committed to Achieving Net Zero by 2050



### Over 6% reduction

in financed emissions<sup>1</sup>  
compared to 2022 baseline



### Completed

the Group Climate Action  
Programme ("GCAP"),  
addressing Bank Negara  
Malaysia ("BNM") Climate Risk  
Management and Scenario  
Analysis ("CRMSA")  
requirements



### RM2.5 billion

in total outstanding Green  
Financial Services & Neutral  
Finance



### 45.5% reduction

in operational GHG emissions  
compared to 2016 baseline



### Inaugural

RHB Green Week to inculcate  
sustainability culture among  
employees



### >850,000 kWh

renewable energy (solar)  
generated

<sup>1</sup> Financed emissions achievement is as at 31 December 2023. The Group's FY2024 financed emissions are being calculated at the time of publishing this Sustainability Report.



# Our Sustainability Journey

## Sustainability Highlights



### Embedding Good Practices



100%

of Tier 1 Malaysian suppliers engaged as part of Supplier Code of Conduct Implementation Plan



93%

of procurement spending directed towards local suppliers



35.3%

women's representation in top and senior management positions^



30%

women's representation on the Board of Directors



>13,700

employees participated in sustainability-related capability building programmes



87%

Employee Engagement Score ("EES")



21.6% reduction

in paper consumption year-on-year



100%

operations assessed for corruption-related risk

<sup>2</sup> Includes overhead costs

<sup>^</sup> This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report.



## Enriching and Empowering Communities



**48  
scholarships**

awarded through the RHB  
X-Cel Scholarship Programme



**>1,000  
SMEs**

have cumulatively benefitted  
from the RHB #JomSapot  
BeliLokal 2.0 programme



**787,500**

students have benefitted from  
MySISWA programme on  
cumulative basis



**>9,000**

students impacted through the  
RHB MoneyMa\$ter  
Programme



**>RM400,000**

generated through sales of paintings from RHB Art  
with Heart



**85% success rate**

in securing internship placements for neurodiverse  
individuals under RHB #EMPOWER



**>RM220,000**

invested towards empowering 251 MSMEs in  
2024, as part of RHB #JomBiz



**>328,000**

RHB Islamic-WWF Debit Card-i issued cumulatively,  
supporting marine research and conservation



## Our Sustainability Journey

# Sustainability Awards and Rating

We are honoured that our commitment to advancing sustainability, driving community impact, and promoting sustainable finance has earned significant industry recognition in 2024.

### Sustainable and Responsible Finance

#### Sustainable Energy Financing, Domestic and Islamic Banks (Runner-up)

National Energy Awards 2024  
RHB Bank Berhad

#### Sustainable Transportation Infrastructure

ESG Business Awards 2024 -  
Malaysia  
RHB Bank Berhad

#### Best New SME Product of the Year

RHB Green Financing  
Global Retail Banking Innovation  
Awards 2024  
RHB Bank Berhad

#### Best Advance in Sustainability Practices

Retail Banker International (RBI):  
Asia Trailblazer Awards  
RHB Bank Berhad

#### The Asset Triple A Awards for Sustainable Finance 2024

RHB Investment Bank

#### Best Primary Placement

Pavilion REIT RM720.00 million  
Primary Placement

#### Best Sustainability-linked Loan – Hospitality

Minor International Public Company  
Limited €500.0 million Syndicated  
Sustainability-linked loan

#### The Asset Triple A Islamic Finance Awards 2024

RHB Investment Bank

#### Best Sustainability Sukuk – SME in Malaysia

Small Medium Enterprise  
Development Bank Malaysia  
RM1.0 billion Sustainability  
Wakala Sukuk

#### Best Sustainability Sukuk – DFI in Malaysia

Bank Pembangunan Malaysia  
RM1.0 billion Dual-tranche  
Sustainability Wakala Sukuk

#### Best Sukuk – Power in Malaysia

Sarawak Energy RM3.5 billion  
Triple-tranche Musyaraka Sukuk

#### The Edge Malaysia ESG Awards 2024

RHB Asset Management

#### Best Overall Winner (Gold)

RHB i-Sustainable Future  
Technology Fund

#### Best Fund based on Asset Class – Allocation (Gold)

RHB ESG Multi-Asset Fund  
RM-Hedged

#### Best Fund based on Asset Class – Equity (Gold)

RHB i-Sustainable Future  
Technology Fund

### Committed to Achieving Net Zero by 2050

#### Best Impact – Resource Security (Silver)

RHB Climate Change Solutions Fund  
The Edge Malaysia ESG Awards 2024  
RHB Asset Management

#### Energy Efficiency (Silver)

The Star Media Group Positive Impact  
Awards  
RHB Bank Berhad

### Embedding Good Practices

#### 3G Championship Award for Corporate Governance

Cambridge IFA Global Good Governance  
(3G) Awards 2024  
RHB Bank Berhad

#### Employee Experience Awards 2024

RHB Bank Berhad

#### Best Skilling Strategy (Silver)

#### Best Success Planning Strategy (Silver)

#### Best Women Leadership Programme (Silver)

#### Best First-Time Manager Programme (Bronze)

#### HR Excellence Awards 2024

RHB Bank Berhad

#### Excellence in Diversity, Equity and Inclusion (Gold)

#### Excellence in Business Transformation (Silver)



## Enriching and Empowering Communities

### Best CSR Initiative - Contribution to Local Community

Retail Banker International (RBI): Asia Trailblazer Awards

RHB Bank Berhad

### Excellence in SME Banking

Retail Banker International (RBI): Asia Trailblazer Awards

RHB Bank Berhad

### Relations with Local Communities (Silver)

The Star Media Group Positive Impact Awards

RHB Bank Berhad

### Best Corporate Social Responsibility Programme (Bronze)

Contact Centre Association Malaysia (CCAM) Awards

RHB Bank Berhad

### Sustainable Education Initiative (Silver)

Taylor's Community #UnityinAction CSR Awards

RHB Bank Berhad

### ABM 50th Anniversary CSR Excellence Awards

RHB Bank Berhad

### Inclusive Economic Growth (Champion)

RHB #JomBiz

### Community Development/Community Building (1st Runner-up)

RHB #Empower

## Sustainability Reporting and Disclosure

### Best Sustainability Reporting (Platinum)

National Annual Corporate Reporting Awards (NACRA) 2024

RHB Bank Berhad

### Sustainability Reporting (Platinum)

Australasian Reporting Awards 2024

RHB Bank Berhad

## FY2024 ESG Ratings

Maintained Top 25% in  
ESG ratings among public  
listed companies  
in the FTSE Bursa Malaysia  
EMAS Index



FTSE4Good

Rated 'A'  
in the MSCI  
ESG Ratings

MSCI  
ESG RATINGS



CCC B BB BBB A AA AAA

46/100

↑ from 2023  
(42/100)








in the S&P Global CSA

S&P Global

# Our Stakeholder Engagement and Value Creation

We actively engage with key stakeholders through dedicated channels to understand their perspectives, expectations, and concerns. By integrating their insights into our strategic decisions, we build trust, strengthen relationships, and create lasting value for both our stakeholders and business.

## BD BOARD OF DIRECTORS

| Why We Engage   | Channel & Frequency of Engagement   |
|---|---|
| The Board sets the Group's strategic direction while upholding robust governance through transparent practices, ethical conduct, and effective risk management. | <ul style="list-style-type: none"> <li>Formal updates and discussions on sustainability strategy, risks, and progress at the Board Sustainability Committee ("BSC") </li> <li>Board and Management Strategic Offsite </li> <li>Sustainability Strategy Workshops/Deep Dives on key topics such as climate risk, net zero strategy, and industry/regulatory updates  </li> <li>Board training and capacity building programmes on evolving sustainability standards and trends  </li> <li>ESG briefings, covering on-demand updates about emerging ESG issues, new regulations or stakeholder concerns </li> </ul> |
| Key Concerns Raised   | Responses   |
| Capital structure, asset quality, liquidity, and alignment with financial targets.  | Regular financial reviews and audits ensure sound capital structure, liquidity management, and alignment with performance targets.  |
| Strong accountability, transparency, and robust risk management practices.  | Strengthened governance practices through a well-defined charter and regular board oversight, ensuring alignment with regulatory standards.   |
| Demand for actionable initiatives addressing climate-related risks and financial impacts of sustainability efforts.   | Embedded sustainability into operations with clear disclosures on climate-related risks and opportunities, supported by global frameworks such as Task Force on Climate-related Financial Disclosures ("TCFD") and International Sustainability Standards Board ("ISSB").   |
| Concerns over the effectiveness of the Group's risk management framework in addressing emerging risks.  | Enhanced internal controls and adopted the Three Lines of Defence ("LOD") framework to proactively identify and mitigate risks.   |

Quality of Engagement: 

Capitals:  

Material Matters        

SDGs:    

## QUALITY OF ENGAGEMENT

- No Existing Relationship
- Relationship established, but much work to be done to improve the quality of the relationship
- Strong relationship of mutual benefit
- Relationship established, value-generating connection, but with some room for improvement
- Good-quality, mutually beneficial relationship, with some room for improvement

## FREQUENCY OF ENGAGEMENT

- F1 Annually
- F2 Quarterly
- F3 Bi-monthly
- F4 Monthly
- F5 Weekly
- F6 Periodically
- F7 As and when required
- F8 Ongoing

To know more about how we engage with our key stakeholders, please refer to pages 30 to 41 in our Integrated Report 2024.

## CU CUSTOMERS

| Why We Engage   | Channel & Frequency of Engagement  |
|---|--|
| Customers are central to our business—their loyalty and satisfaction enables us to strengthen our foothold in the markets that we operate and deliver sustainable growth and value. | <ul style="list-style-type: none"> <li>One-on-one engagements (in-person or virtual) with Senior Management, Relationship Managers, Branch Managers, Personal Bankers, or Customer Service Officers F7 F8</li> <li>Communication through online, digital, and physical channels, including email, social media, letters, and notices F8</li> <li>Customer networking events, such as seminars, forums, high-teas, or cocktail sessions F6 F7 F8</li> <li>Alternative engagement channels, including customer surveys, focus groups, and service design initiatives F8</li> <li>Dedicated channels for service resolution, customer advocacy, and feedback, such as: <ul style="list-style-type: none"> <li>customer.service@rhbggroup.com</li> <li>customer.advocacy@rhbggroup.com</li> <li>hello@rhbggroup.com</li> <li>rhbis.kh.customerservice@rhbggroup.com</li> </ul> </li> <li>Physical touchpoints at branches, sales centres, service clinics and premier banking centres F5 F7</li> </ul> |
| Key Concerns Raised   | Responses  |
| Expectations for seamless and secure online banking experiences.  | Implemented comprehensive digital platforms and solutions for enhanced customer experience.  |
| Protection against cybersecurity threats and financial fraud.   | Established robust communication channels for fraud prevention and privacy protection, supported by 24/7 security monitoring and incident response systems.  |
| Timely and efficient loan and financing approval processes.   | Standardised the Customer Experience framework to ensure consistent service delivery across all channels.  |

Quality of Engagement: ●●●●●○

Capitals: FC IC MC SRC














Material Matters: DI DC FC CX

SDGs: 1 7 8 9 11 12 13 16

# Our Sustainability Approach

## Our Stakeholder Needs and Expectations

### EM EMPLOYEES

| Why We Engage   | Channel & Frequency of Engagement   |
|---|---|
| Our employees are fundamental to sustaining operational excellence and delivering meaningful value to our customers and stakeholders in an increasingly competitive market. | <ul style="list-style-type: none"> <li>RHB's internal social media channel and Workplace by Meta </li> <li>Group Managing Director ("GMD") Chat Sessions and quarterly town halls by Group Senior Management conducted across the region  </li> <li>Group Senior Leadership Forum and GMD Live Session  </li> <li>Formal and confidential grievance channel </li> <li>Engagement sessions during festive seasons </li> <li>Social, sports, and recreational activities, including annual dinners  </li> <li>Intranet (My1Portal, MyLink2HR, MyApp2HR) and emails </li> <li>Annual Employee Engagement Survey ("EES") and Internal Customer Effectiveness Survey ("ICES") </li> <li>Industry and regulatory working groups, briefings, forums, conferences and consultation papers </li> <li>Regulatory engagements on new products and services, or initiatives, policies, decisions or regulatory frameworks </li> </ul> |
| Key Concerns Raised   | Responses   |
| A robust Employee Value Proposition ("EVP") that includes competitive remuneration and rewards, as well as progressive professional and career growth opportunities.        | Offer comprehensive employee benefits encompassing Work-from-Home ("WFH") options, rewards and recognition programmes, wellness initiatives, and counselling services through the Employee Assistance Programme ("EAP").  |
| A safe, diverse and inclusive workplace culture that champions equal opportunities, mutual respect, and belonging for all employees.  | Foster diversity and prevent discrimination through initiatives such as the Speak-up Channel and Zero-Tolerance to Anti-Sexual Harassment policy.   |
| Access to relevant and effective tools to enhance productivity and role performance.  | Access to a dedicated platform for HR-related matters, complemented by MyApp2HR, its mobile-friendly version, to enhance employee accessibility.  |

















Quality of Engagement: 

Capitals:     

Material Matters    

SDGs:      

## SI SHAREHOLDERS & INVESTORS

| Why We Engage   | Channel & Frequency of Engagement   |
|---|---|
| Shareholders and investors play a vital role in driving sustainable growth. Their confidence in our governance and strategic direction reinforces trust and strengthens our reputation in the market. | <ul style="list-style-type: none"> <li>Annual and Extraordinary General Meetings  </li> <li>Quarterly and annual financial results announcements  </li> <li>Meetings and briefings with analysts and fund managers  </li> <li>Roadshows, conferences, and roundtable discussions </li> <li>Online communications through email, corporate website and social media   </li> <li>Periodic meetings/discussions </li> <li>Bursa Malaysia announcements </li> <li>Annual Reports/Integrated Reports </li> <li>Sustainability Reports </li> <li>Group Financial Performance  </li> </ul> |
| Key Concerns Raised   | Responses   |
| Revenue growth, future strategic priorities, and progress on the Group's Together We Progress ("TWP24") corporate strategy.   | Conducted regular engagements with analysts and media to share updates on the Group's financial performance, strategic priorities, and headway under the TWP24 corporate strategy.  |
| Corporate governance and risk management practices.   | Strengthened corporate governance practices, including enhanced measures for anti-bribery, anti-corruption, and Anti-Money Laundering/Combating the Financing of Terrorism ("AML/CFT") compliance.  |
| Advancements in the Group's sustainability journey, including the financial impacts of ESG risks and opportunities.   | Maintained a robust sustainability governance structure with transparent reporting of sustainability achievements and the financial impacts of ESG initiatives.   |

Quality of Engagement: 

Capitals:   























Material Matters     

SDGs:   



















# Our Sustainability Approach

## Our Stakeholder Needs and Expectations

### RE REGULATORS






| Why We Engage   | Channel & Frequency of Engagement  |
|---|--|
| Engaging with regulators ensures compliance, fosters transparency, and builds trust. This proactive approach mitigates regulatory risks, supports a conducive operating environment, and safeguards the organisation's reputation and long term continuity.   | <ul style="list-style-type: none"> <li>• Updates, consultations, and discussions on operational risk-related matters, and regulatory framework/policies  </li> <li>• Reporting to regulatory authorities  </li> <li>• Industry and regulatory working groups, briefings, forums, conferences and consultation papers </li> <li>• Regulatory engagements on new products and services, or initiatives, policies, decisions or regulatory frameworks </li> </ul> |
| Key Concerns Raised   | Responses  |
| Compliance with regulatory requirements, legislation and AML/CFT measures to safeguard corporate integrity.   | Strengthened compliance measures and enhanced AML/CFT capabilities by aligning with updated guidelines, standardising processes, and introducing smart automation to improve efficiency and strengthen risk coverage.  |
| Alignment with corporate governance standards.  | Enhanced corporate governance practices to ensure transparency and integrity.  |
| Effectiveness of the risk management framework and internal controls.   | Maintained ongoing reviews of risk management practices and internal controls to ensure robustness and alignment with best practices.  |
| Quality of Engagement:  Capitals:    Material Matters:      SDGs:        |  |












### CO COMMUNITIES

| Why We Engage  | Channel & Frequency of Engagement  |
|--|--|
| Communities and society are key stakeholders in our business. Through our social responsibility and impact initiatives, we enhance our reputation and uphold our license to operate, fostering long-term trust and meaningful relationships.   | <ul style="list-style-type: none"> <li>• Interaction and collaboration with non-profit and non-governmental organisations, associations, social enterprises, and government agencies through our community empowerment programmes </li> <li>• Online communications (email, corporate website and social media) </li> <li>• On-ground and virtual community engagement activities  Innovative digital platforms and mobile banking services to promote financial accessibility </li> </ul> |
| Key Concerns Raised  | Responses  |
| Lack of financial literacy among youth and rural communities, compounded by lower levels of education.   | Introduced financial literacy and academic excellence programmes to reach over two million individuals and businesses in ASEAN by 2026.  |
| Limited access to financial services and working capital for small and medium-sized enterprises ("SMEs").  | Facilitated SME access to capital with streamlined digital loan solutions and a social empowerment programme for micro, small and medium enterprises ("MSMEs").  |
| Insufficient access to financial services and assistance during and after natural disasters.   | Delivered flood relief assistance to support affected communities with ongoing financial aid.  |
| Quality of Engagement:  Capitals:   Material Matters:   SDGs:          |  |






## SS SUPPLIERS AND SERVICE PROVIDERS

| Why We Engage   | Channel & Frequency of Engagement   |
|---|---|
| We engage with suppliers as key partners in our value chain, recognising that their sustainable and ethical practices strengthen our operational resilience and efficiency. | <ul style="list-style-type: none"> <li>Formal engagements to share service performance and expectations </li> <li>Company visits to supplier premises </li> <li>Formal and informal engagements during the procurement process </li> <li>Tender process and supplier feedback mechanism </li> <li>RHB Supplier Code of Conduct sharing session </li> </ul> |
| Key Concerns Raised   | Responses   |
| User-friendliness of the e-procurement system.  | Ensured continuous refinement of the e-procurement system to improve usability and efficiency.  |
| Policies and guidelines that affect vendor criteria, including sustainable procurement practices.   | <ul style="list-style-type: none"> <li>Provided guidance and knowledge-sharing sessions with suppliers.</li> <li>Conducted training for vendors and suppliers such as Anti-Bribery &amp; Corruption Awareness, as part of the support infrastructure offered for RHB's network of suppliers.</li> </ul>   |
| Privacy and confidentiality of contracts and business arrangements.   | Incorporated confidentiality clauses in contracts and continued reassurance to suppliers.   |

Quality of Engagement: 
Capitals:    
Material Matters:  
SDGs:    

## FI FINANCIAL INDUSTRY PEERS





| Why We Engage  | Channel & Frequency of Engagement  |
|--|--|
| Engaging with financial industry peers fosters collaboration and drives innovation, enabling us to stay ahead of industry trends, share best practices, and contribute to a competitive yet cooperative ecosystem. | <ul style="list-style-type: none"> <li>Industry forums and events, including working groups, roundtable discussions, and conferences </li> <li>Collaborations and partnerships, with active membership in approximately 20 industry associations across ASEAN, including 10 committees, sub-committees and working groups related to sustainability and climate change </li> <li>Online and digital communications via email, corporate website, and social media </li> </ul> |
| Key Concerns Raised  | Responses  |
| Impact of evolving ESG and climate-related regulations on RHB's operations.  | Actively participated in industry working groups, such as the Joint Committee on Climate Change ("JC3"), the Climate Change and Principle-based Taxonomy ("CCPT") Implementation Group, and the Association of Banks in Malaysia ("ABM") ESG Committee to ensure alignment with regulatory changes.  |
| The rising threats of cybersecurity breaches and financial fraud.  | Strengthened internal security systems and fraud prevention measures through regular risk management reviews and collaborations with industry peers, aiming to enhance RHB's cybersecurity resilience.   |
| Managing compliance with both new and existing financial services regulations, including ESG requirements.   | Engaged continuously with regulators and industry peers to ensure RHB's compliance with both new and existing regulations, embedding these regulations into RHB's operational framework and procedures.  |

Quality of Engagement: Capitals:  Material Matters:     SDGs:  

# Our Sustainability Approach

## Our Stakeholder Needs and Expectations

### BP BUSINESS PARTNERS

| Why We Engage   | Channel & Frequency of Engagement   |
|---|---|
| Business partners enhance our service capabilities and market reach, strengthening operational efficiency - an essential drive of long-term value creation. | <ul style="list-style-type: none"> <li>Industry forums and events, including working groups, knowledge-sharing sessions and conferences </li> <li>Roadshows, conferences, and roundtable discussions </li> <li>Periodic meetings/discussions </li> <li>Online and digital communications via email, corporate website, social media </li> </ul> |
| Key Concerns Raised   | Responses   |
| Alignment of business strategy with key strategic priorities.   | Maintained active participation in industry associations, including the United Nations Global Compact ("UNGC").   |
| Need for stronger collaborative efforts and stakeholder engagement to drive the transition to sustainable and low-carbon economy.                           | Established mutually beneficial partnerships and collaborations with business partners to drive the transition to a low-carbon economy, including via capability-building initiatives and sustainable finance solutions.  |
| Expanding influence through joint advocacy initiatives.   | Pursued strategic collaborations with key industry partners to drive the low-carbon transition, such as our partnership with Tenaga Nasional Berhad ("TNB").  |








Quality of Engagement: 

Capitals:     

Material Matters      

SDGs:   

### RA RATING AGENCIES

| Why We Engage  | Channel & Frequency of Engagement   |
|--|---|
| Rating agencies assess our financial health and stability, with their evaluations impacting our reputation and affecting investor confidence as well as our ability to raise debt capital. | <ul style="list-style-type: none"> <li>Financial results announcements  </li> <li>Online communications via email, corporate website, social media   </li> <li>Ratings review and assessment </li> <li>Periodic meetings/discussions </li> </ul> |
| Key Concerns Raised  | Responses   |
| Transparency and accuracy of financial disclosures, including capital structure, asset quality, and liquidity, to maintain investor confidence.  | Provide detailed disclosures on capital adequacy, asset quality, and liquidity in reports to ensure transparency and foster investor trust.   |
| Effectiveness of corporate governance practices, focusing on compliance, risk management, and internal controls.   | Strengthen governance practices and ensure compliance with industry best practices to build stakeholder trust.  |
| Clarity and progress of sustainability initiatives, particularly how ESG risks and opportunities affect financial performance and strategy.  | Regularly engage with stakeholders on RHB's sustainability journey, detailing the financial impacts of ESG risks and opportunities.   |











Quality of Engagement: 


Capitals:  






Material Matters         

SDGs:  

**AN ANALYSTS**

| Why We Engage  | Channel & Frequency of Engagement  |
|--|--|
| Analysts provide independent insights into our performance and prospects, shaping investors' decisions and influencing market perceptions. | <ul style="list-style-type: none"> <li>Financial results announcements  </li> <li>Meetings and briefings with analysts and fund managers  </li> <li>Roadshows, conferences, and round table discussions </li> <li>Online communications via email, corporate website, and social media   </li> <li>Periodic meetings/discussions </li> <li>Bursa Malaysia announcements </li> </ul> |
| Key Concerns Raised  | Responses  |
| Need for the Group's strategy to adapt to changing market conditions and industry trends.  | Regularly update stakeholders on aligning RHB's strategy with market trends and ensure adaptability to changing conditions.  |
| The accuracy and reliability of financial forecasts to meet investor and regulatory expectations.  | Provide consistent financial information supported by comprehensive data and insights for investors to measure and track performance versus targets set.   |

Quality of Engagement: Capitals:  Material Matters  SDGs: **ME MEDIA**

| Why We Engage  | Channel & Frequency of Engagement   |
|--|---|
| The media plays a key role in shaping our public image and transparency, influencing our brand equity and stakeholder trust. | <ul style="list-style-type: none"> <li>News releases and corporate announcements </li> <li>Media interviews via email, video calls, telephone, or inperson </li> <li>Media briefings and press conferences </li> <li>Online communications through email, corporate website, social media, and WhatsApp </li> <li>Informal relationship-building activities, such as lunches, festive celebrations, and media house visits </li> </ul> |
| Key Concerns Raised  | Responses   |
| Accuracy and timeliness of information shared with the media.  | Ensured regular updates and briefings to provide accurate, timely information.  |
| Consistency in communication to ensure balanced reporting.   | Maintained clear and consistent messaging across all communication channels.  |
| Media access to RHB's key updates on performance and sustainability.   | Facilitated proactive media engagement, ensuring transparency on RHB's key initiatives.   |

Quality of Engagement: Capitals:   Material Matters        SDGs:   

# Our Sustainability Approach

## Material Matters

At RHB, we adopt a strategic and forward-looking approach to identifying and prioritising material ESG matters that are most critical to our business and operations, stakeholders, and long-term sustainability goals. These priorities shape our sustainability strategy and reporting, ensuring we address the most significant economic, environmental, social, and governance matters impacting our business and operations. By focusing on what matters most, we will be able to further strengthen our resilience, drive sustainable growth and create long-term value for our stakeholders.

### RHB'S MATERIALITY ASSESSMENT PROCESS

#### 01 Identification of material sustainability matters and key stakeholder groups

- ◆ Compiled a preliminary list of material sustainability matters aligned with RHB's operating context and environment.
- ◆ Identified key stakeholder groups to engage in the materiality assessment exercise and understand their concerns and expectations about RHB's sustainability-related impacts.

#### KEY ACTIVITIES

- ◆ Rigorous process to identify material topics, based on internal frameworks & strategy, regulatory requirements and landscape, national agenda, operating context, and industry best practices in sustainability reporting.
- ◆ Online materiality assessment survey to representatives from all 12 stakeholder groups identified, collecting >170 responses – ensures holistic and inclusive representation.

Note: The methodology that we have adopted in identifying our material matters is in line with

### MATERIALITY MATRIX

RHB's materiality matrix highlights the Group's key sustainability priorities, ranked by their significance to both our business and our sustainability commitments.



## 02 Prioritisation of material matters

- ◆ Embarked on a stakeholder engagement process with identified key stakeholder groups to further refine and prioritise the preliminary list of material sustainability matters.
- ◆ Visually presented the prioritised material sustainability matters, indicating the relative importance of each material sustainability matter to RHB and its stakeholders.

## 03 Consolidation and Validation of the results

- ◆ Subjected the outcome of the materiality assessment for validation and approval at the responsible governing committees, namely the GSC and BSC.

- ◆ Half-day materiality assessment workshop, led by a third-party consultant, to refine and prioritise material matters and develop a preliminary matrix.
- ◆ Targeted engagements with Board Sustainability Committee members via interviews, whereby the feedback gained was used to further refine the matrix.
- ◆ Deliberation at GSC and BSC to validate and approve the matrix, ensuring robust governance of the process.

### OUTCOMES OF MATERIALITY ASSESSMENT

- ◆ Refreshed list of material matters, aligned to stakeholder expectations and industry/regulatory requirements.
- ◆ Prioritised stakeholder groups and stakeholder prioritisation matrix.
- ◆ Prioritised sustainability materiality matters, visualised in a matrix.
- ◆ Formed and shaped the foundation of our strategic direction.

the Bursa Malaysia Materiality Assessment Toolkit (3rd Edition) and the GRI Standards.

stakeholders. It reflects the outcomes of a rigorous assessment conducted in 2023, ensuring alignment with our strategic goals and

### GOVERNANCE

- GB Good Business Governance
- DC Data Protection and Cybersecurity

### ECONOMIC

- SF Sustainable Financial Services
- FI Financial Inclusion
- DI Digitalisation and Investment in Technology
- CX Customer Experience
- FC Fair Treatment of Financial Customers
- SC Sustainable Supply Chain

### ENVIRONMENT

- CC Climate Change
- ES Environmental Stewardship

### SOCIAL

- T Talent
- EHS Employee Health, Safety and Wellness
- DO Diversity and Equal Opportunity
- CE Community Enrichment and Empowerment

#### Note:

The horizontal axis reflects the importance of each material matter to RHB, which is represented by the perspectives of the Board of Directors and the Group's Senior Management. On the other hand, the vertical axis reflects the level of stakeholder concern and/or interest in each material matter, which is represented by the weighted average of all other stakeholder groups' perspectives. The weighted average is derived from the stakeholder prioritisation exercise, as described on page 67 of RHB's Sustainability Report 2023.

These prioritised material sustainability matters have shaped our 2024 Sustainability Stakeholder Engagement Plan, enabling us to identify and address key concerns relevant to each stakeholder group.

Guided by this, the Group has conducted targeted engagements with each stakeholder group to share updates on our sustainability progress and priorities, as well as gain deeper insights into their interests and expectations. These engagements have enabled us to assess and validate the relevancy of our material matters, ensuring they remain aligned with our corporate strategy and evolving sustainability landscape.

In 2024, we further validated the relevance of our sustainability matters through value creation workshops attended by representatives from key business and functional groups. These sessions provided critical insights into the significance of these matters, ensuring their alignment with our new Group corporate strategy, PROGRESS27. Having considered key industry developments - regulatory changes, emerging sustainability trends, national priorities and evolving stakeholder expectations - we reaffirmed that RHB's existing material matters remain relevant.

For further details of our stakeholder engagement activities, please refer to page 22 of this report.

Looking ahead, we will continuously assess and refine the Group's sustainability material matters to ensure they remain aligned with regulatory requirements, our corporate strategy, responsive to evolving sustainability priorities and the shifting expectations of our stakeholders. We aim to strengthen our approach, enhance accountability, and drive sustained impact in a rapidly changing landscape.

# Our Sustainability Approach

## Material Matters

### ADDRESSING OUR MATERIAL MATTERS

We recognise the risks and opportunities associated with our material matters and have implemented targeted strategies to manage them ensuring that we remain responsive and well positioned to navigate emerging challenges and opportunities.

 For further information on our material matters, including *key risks and opportunities and our response*, please refer to pages 55–61 of

#### GB GOOD BUSINESS GOVERNANCE

Prioritising good business conduct through regulatory compliance, ethical practices, robust governance, proactive risk management for corruption, fraud, money laundering, and anti-competition, while addressing human rights risks across our value chain.

#### DC DATA PROTECTION AND CYBERSECURITY

Maintaining a secure digital infrastructure, continuously enhance cybersecurity capabilities, and protecting the data privacy of our customers, employees, and stakeholders.

#### SF SUSTAINABLE FINANCIAL SERVICES

Supporting businesses and customers' sustainability needs by offering financial products and solutions that create positive social and environmental impacts while managing ESG and climate-related risks across our lending, financing, capital markets, wealth management, investment, asset management, and insurance businesses.

#### FI FINANCIAL INCLUSION

Providing tailored financial products and services to underserved communities, empowering them to participate in the financial system and enhance their financial well-being, while promoting financial literacy to improve public understanding of financial concepts.

#### DI DIGITALISATION AND INVESTMENT IN TECHNOLOGY

Leveraging technology investments to seize opportunities, mitigate risks, deliver innovative products, and drive customer digital adoption.

#### CX CUSTOMER EXPERIENCE

Delivering service excellence aligned with RHB's Customer Service Charter, earning customer trust through competitive, innovative products.

#### FC FAIR TREATMENT OF FINANCIAL CUSTOMERS

Ensuring fair treatment of customers in all interactions by providing accurate, clear, and easily understandable information about our products and services.




proactively. As part of our ongoing commitment, we continuously refine and strengthen our measures to better address these matters, our Integrated Report 2024.

How We Respond: Page 57 

| Strategic Pillars | Sustainability Pillars | Capitals  | Stakeholders            | Key Risks                             | SDGs  |
|-------------------|------------------------|-----------|-------------------------|---------------------------------------|---|
| PB                | EGP                    | HC IC SRC | BD EM SI RE<br>SS FI BP | CR RNC SR OR MR<br>TCR IBR SNC CPR LR |  |

How We Respond: Page 57 

| Strategic Pillars | Sustainability Pillars | Capitals     | Stakeholders   | Key Risks | SDGs  |
|-------------------|------------------------|--------------|----------------|-----------|---|
| PB                | EGP                    | IC HC MC SRC | BD CU EM SI RE | SR TCR    |  |


How We Respond: Page 57 

| Strategic Pillars | Sustainability Pillars | Capitals  | Stakeholders               | Key Risks                         | SDGs   |
|-------------------|------------------------|-----------|----------------------------|-----------------------------------|--|
| PB CX QG          | SRF                    | HC SRC NC | BD SI RE FI<br>BP RA AN ME | CR RNC SR OR MR<br>TCR IBR SNC LR | <br><br><br><br><br> |


How We Respond: Page 57 

| Strategic Pillars | Sustainability Pillars | Capitals | Stakeholders         | Key Risks | SDGs  |
|-------------------|------------------------|----------|----------------------|-----------|---|
| PB CX             | SRF                    | FC SRC   | BD CU EM<br>CO SS BP | SR        | <br><br> |


How We Respond: Page 57 

| Strategic Pillars | Sustainability Pillars | Capitals     | Stakeholders | Key Risks | SDGs  |
|-------------------|------------------------|--------------|--------------|-----------|---|
| PB CX QG          | SRF                    | FC IC MC SRC | CU SS BP     | SR TCR    |  |

How We Respond: Page 59 

| Strategic Pillars | Sustainability Pillars | Capitals | Stakeholders | Key Risks | SDGs  |
|-------------------|------------------------|----------|--------------|-----------|---|
| PB CX QG          | SRF                    | FC IC    | CU BP        | SR        |  |

How We Respond: Page 59 

| Strategic Pillars | Sustainability Pillars | Capitals | Stakeholders | Key Risks | SDGs  |
|-------------------|------------------------|----------|--------------|-----------|---|
| PB CX             | SRF                    | FC SRC   | BD CU RE     | SR CPR    |  |

# Our Sustainability Approach

## Material Matters

### ADDRESSING OUR MATERIAL MATTERS

#### SC SUSTAINABLE SUPPLY CHAIN

Instilling responsible, ethical, fair, and transparent procurement practices while promoting sustainability across our supply chain.

#### CC CLIMATE CHANGE

Supporting our clients' transition to a low-carbon economy by managing climate-related risks and opportunities, advocating for climate adaptation and mitigation, and reducing operational GHG emissions, aligned with our commitment to carbon neutrality by 2030 and net-zero emissions by 2050.

#### ES ENVIRONMENTAL STEWARDSHIP

Advocating responsible resource use and promote eco-efficient practices in materials, energy, water consumption, and waste management to minimise environmental impact.

#### T TALENT

Cultivating talent through continuous learning, optimised management, and employee engagement, fostering a future-proof, high-performance culture where RHBians are proactive, innovative, and take ownership of their work.

#### EHS EMPLOYEE HEALTH, SAFETY AND WELLNESS

Prioritising efforts to improve the physical, mental and emotional well-being of RHB's employees as well as promoting work-life balance to enhance overall engagement and productivity.










#### DO DIVERSITY AND EQUAL OPPORTUNITY


Fostering a diverse and inclusive workplace by providing equal opportunities across gender, age, ethnicity, disability, and nationality, while embedding Diversity, Equity and Inclusion ("DEI") in our practices and decision-making.

#### CE COMMUNITY ENRICHMENT AND EMPOWERMENT

Creating a positive impact in our communities through education, economic development, social welfare, and capacity-building initiatives, including skills development programmes.

How We Respond: Page 59 

| Strategic Pillars   | Sustainability Pillars  | Capitals  | Stakeholders  | Key Risks   | SDGs  |
|---|---|---|---|---|---|
|  |  |   |  |   |   |










How We Respond: Page 59 

| Strategic Pillars   | Sustainability Pillars  | Capitals  | Stakeholders   | Key Risks   | SDGs  |
|---|---|---|--|---|---|
|    |  |     |    <br>   |  |      |











How We Respond: Page 59 

| Strategic Pillars  | Sustainability Pillars   | Capitals   | Stakeholders  | Key Risks  | SDGs   |
|--|--|--|---|--|--|
|    |  |    |   <br>   |  |  |












How We Respond: Page 61 

| Strategic Pillars   | Sustainability Pillars  | Capitals  | Stakeholders  | Key Risks   | SDGs  |
|---|---|---|---|---|---|
|  |  |    |  |  |   |














How We Respond: Page 61 

| Strategic Pillars   | Sustainability Pillars  | Capitals  | Stakeholders  | Key Risks   | SDGs  |
|---|---|---|---|---|---|
|  |  |     |   |  |   |

How We Respond: Page 61 

| Strategic Pillars   | Sustainability Pillars  | Capitals  | Stakeholders  | Key Risks   | SDGs  |
|---|---|---|---|---|---|
|  |  |    |   |  |    |

How We Respond: Page 61 

| Strategic Pillars   | Sustainability Pillars  | Capitals  | Stakeholders  | Key Risks   | SDGs  |
|---|---|---|---|---|---|
|    |  |   |    |  |    |

# Sustainability Strategy and Roadmap

At RHB, our purpose goes beyond financial performance—we are committed to being a responsible financial services provider that drives meaningful, long-term impact. Sustainability has been a core focus of our TWP24 corporate strategy since 2022, guiding how we operate, innovate and create value for our stakeholders. By integrating sustainability and climate-related considerations into our business activities, operations and decision-making processes, we have not only driven positive environmental and social outcomes, but also strengthened our resilience, enhanced stakeholder confidence and positioned the Group as a forward-thinking, responsible financial services provider.

## TWP24

Purpose:

**Making Progress Happen for Everyone**



Be  
Everyone's  
Primary Bank



Prioritise  
Customer  
Experience



Drive Quality  
Growth

A

Be the Primary Financial Services Provider

B

Integrate into Key Islamic Ecosystems

C

Build and Integrated Overseas Business

D

Catalyse Sustainability

E

Employ Cutting Edge Technology

F

Develop a Future-Ready Workforce

G

Accelerate Intelligent Banking Services

The Group's Sustainability Strategy and Roadmap focuses on delivering tangible outcomes through clear objectives and actions. Key performance indicators ("KPIs") are identified, monitored, and reported as part of our corporate strategy to track progress, assess impact, and ensure accountability.

For more information on our Sustainability Scorecard, please refer to page 39 of this report.

## SUSTAINABILITY PURPOSE

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



## OUR ASPIRATIONS

- Support sustainable development by mobilising RM50 billion in sustainable financial services by 2026
- Empower two million targeted individuals and businesses across ASEAN by 2026
- Achieve Carbon Neutral Operations by 2030
- Achieve Net Zero by 2050

As part of our new corporate strategy, PROGRESS27, we have refined our sustainability KPIs. For further information, please refer to page 38 of this report this report.

# Sustainability Strategy and Roadmap



## SUSTAINABLE & RESPONSIBLE FINANCE

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



## COMMITTED TO ACHIEVING NET ZERO BY 2050

Accelerating the just and responsible transition to a low-carbon economy, guided by the Group's Net Zero by 2050 Strategy



## EMBEDDING GOOD PRACTICES

Foster responsible practices and nurture a sustainable culture



## ENRICHING & EMPOWERING COMMUNITIES

Create long-term positive impacts on our communities, nurturing children and youth

### Focus Areas

### Sustainable Financial Services

Create positive impacts through our lending, capital markets, wealth management, deposits, investment, asset management, and insurance businesses

#### Financial Inclusion

Promote financial inclusion by providing access to financial products and services to individuals (students, youth, new to workforce, the underserved) and businesses (SMEs, microenterprises, etc.)<sup>1</sup>

#### Advancing SMEs Towards Sustainable Business Practices

Nurture and support SMEs in their journey towards building a sustainable business

### Reduction of Financed Emissions<sup>2</sup>

Reducing carbon emissions in five high-impact sectors within our business<sup>3</sup>

#### Driving Growth in Green Financial Services

Driving growth in Green Financial Services and supporting businesses/companies that are committed to carbon neutrality with a clear and established transition strategy

#### Integration of sustainable and low-carbon practices into our own operations

Achieve Carbon Neutral Operations by 2030

### Ethics & Conduct

Uphold integrity, ethics and compliance through robust policies and practices

#### People & Workplace

Promote employee development and nurture a fair, diverse and inclusive workforce

#### Sustainable Supply Chain

Promote responsible and sustainable practices across the Group's supply chain

### Nurturing Future Generations

Promote growth and resilience in children and youth through holistic learning and self-development programmes

#### Lifting Communities

Improve the lives the vulnerable and underserved segments of the community through meaningful community engagement initiatives which include capacity building and skills development programmes

## ENABLERS



### GOVERNANCE

Robust sustainability and climate 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 skillsets and capabilities to support the Group's sustainability agenda



### PARTNERSHIP & ADVOCACY

Build trusted partnerships and continuously advocate for and nurture others towards sustainable and low-carbon practices

<sup>1</sup> Provision of affordable and quality financial products and services

<sup>2</sup> GHG emissions associated with RHB Group's business activities

<sup>3</sup> Energy Supply, Palm Oil, Oil & Gas, Property & Construction, and Transport

# Our Sustainability Approach

## Sustainability Strategy and Roadmap

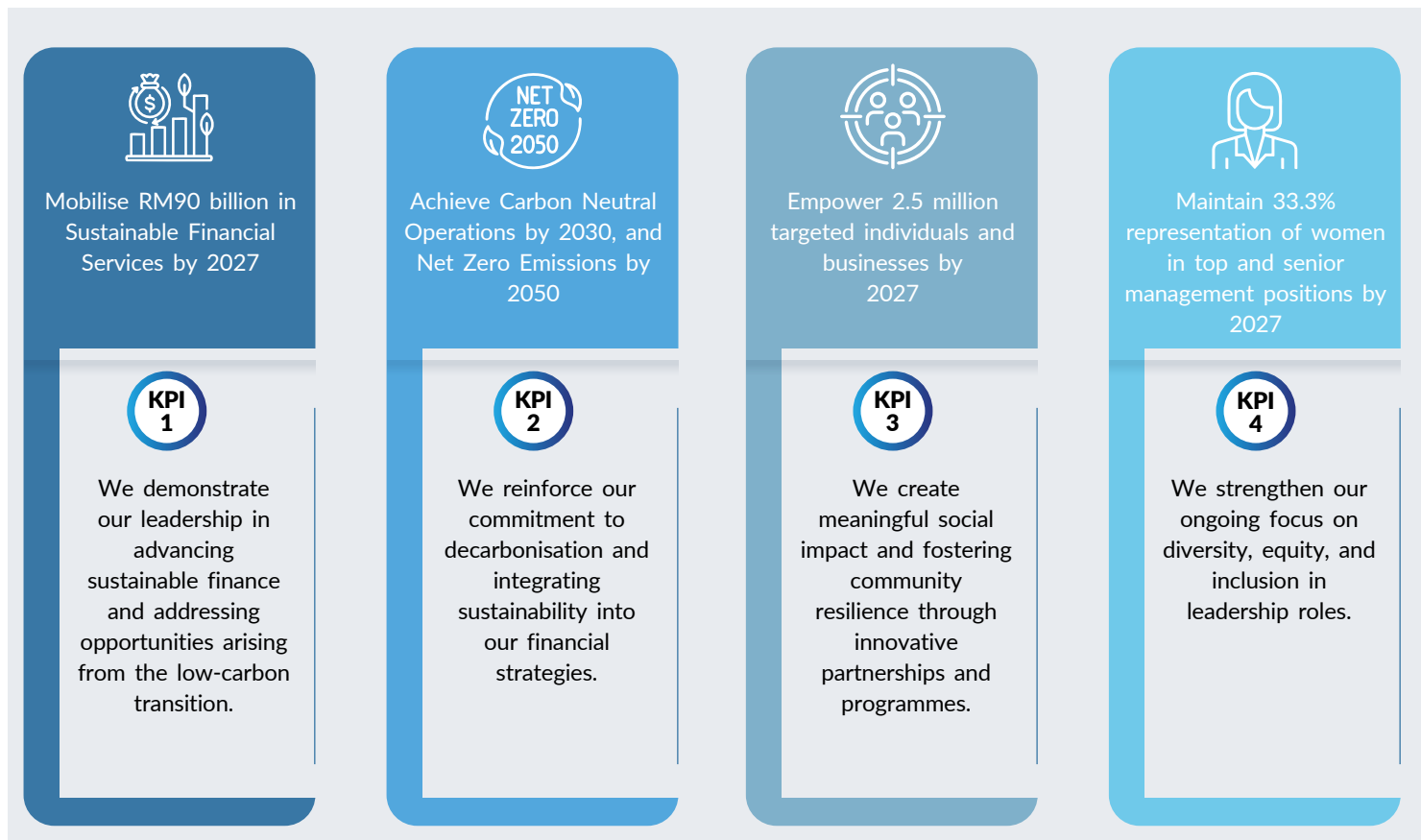
### SUSTAINABILITY AND CLIMATE KPIs 2025-2027

With the successful completion of TWP24, RHB has made progressive strides across all of our sustainability focus areas, strengthening our organisational maturity and ensuring we are well-positioned to capture new sustainability opportunities. In line with our new three-year corporate strategy, PROGRESS27, we have refined our sustainability commitments to address key financial, environmental, and social issues that matter most to our stakeholders. This ensures our approach remains targeted, impactful and aligned with the evolving global and industry priorities.

PROGRESS27 represents RHB's next corporate strategy to accelerate growth in creating sustainable value for all stakeholders. Through a focus of advancing **Sustainability through ESG Strategies**, we have embedded sustainability as one of the core components under PROGRESS27, emphasising deeper and stronger integration between our corporate and sustainability strategies. This has motivated us to set more ambitious goals for 2027, reinforcing our readiness and appetite for sustainability.

Our sustainability KPIs have been refined to align with the timeline of our new corporate strategy, extending to 2027. This alignment strengthens synergies between sustainability and business objectives, allowing us to prioritise areas with the greatest impact. These KPIs serve as a clear framework to ensure sustainability remains embedded into our corporate strategy, driving measureable progress for our stakeholder and communities.

#### Refined Sustainability KPIs (2025-2027)



[For more information on our PROGRESS27, please refer to page 77 of our Integrated Report 2024.](#)

**For KPI 1:** This KPI is revised to mobilise RM90 billion in sustainable financial services by 2027, up from the earlier target of RM50 billion by 2026.

**For KPI 2:** This KPI is reordered as KPI 2 to reflect its strong linkage to sustainable financial services (KPI 1).

**For KPI 3:** This KPI is revised to empower 2.5 million targeted individuals and businesses across ASEAN by 2027, an increase from the original target of 2 million by 2026.

**For KPI 4:** This KPI remains unchanged, though we have aligned its timeline with PROGRESS27.



# SUSTAINABILITY COMMITMENTS AND SCORECARD

- ◆ Mobilise **RM50 billion** in Sustainable Financial Services by 2026
- ◆ Empower **2 million targeted** individuals and business across ASEAN by 2026
- ◆ **1/3 or 33.3% Women** in Top and Senior Management by 2026
- ◆ Achieve **Carbon Neutral Operations** by 2030, and **Net Zero** Emissions by 2050

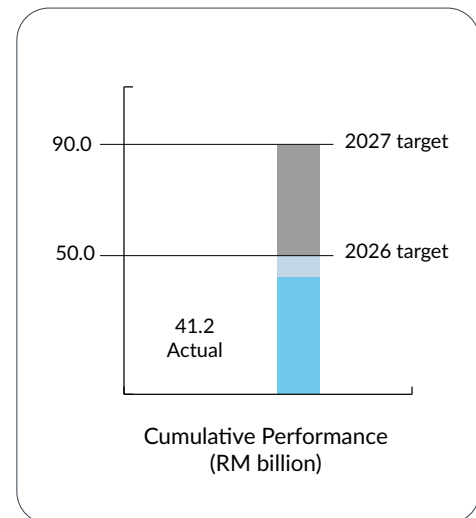
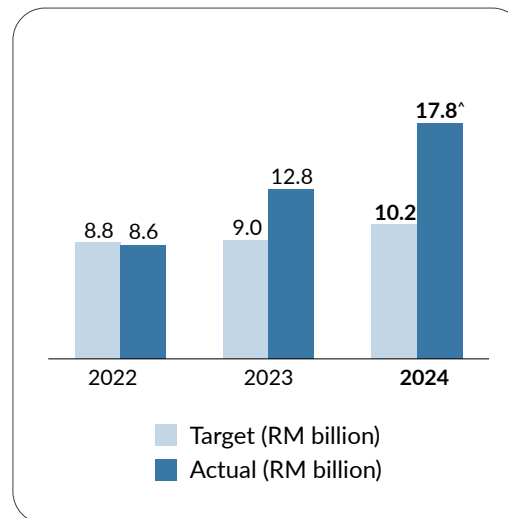
# Sustainability Commitments and Scorecard

The Group's Sustainability KPIs are central to our journey, holding us accountable and setting clear milestones for progress. In 2024, we streamlined our KPIs from five to four, to better focus our resources and leverage synergies, reflecting significant strides made in achieving our commitments.

## MOBILISE RM50 BILLION IN SUSTAINABLE FINANCIAL SERVICES ("SFS") BY 2026

Promoting sustainable development through our financing and lending, capital markets and advisory, wealth management, investment and insurance businesses\*.

### OUR PERFORMANCE



\* Identification, classification and monitoring of sustainable financial services is in accordance with the Group's ESG Eligible Business Activities Guidelines ("EBAG").

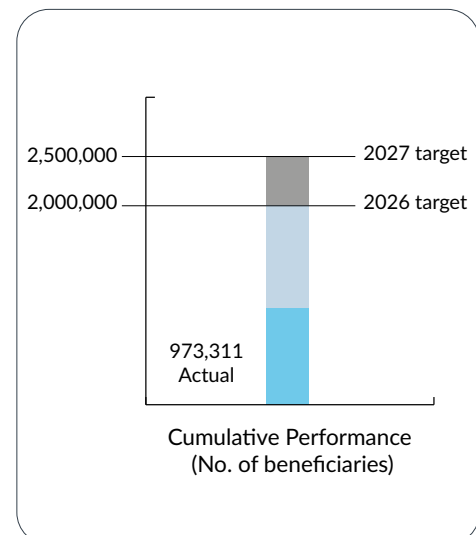
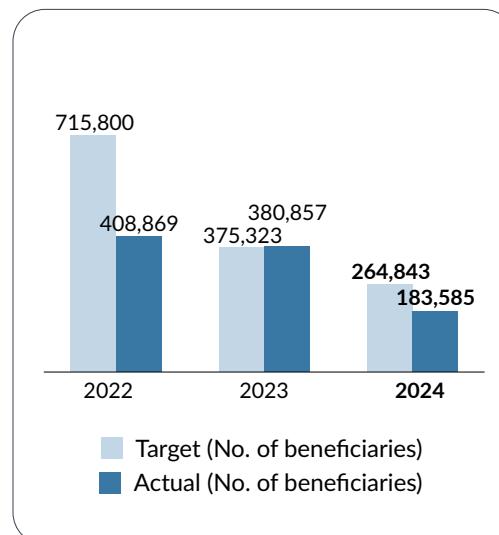
<sup>^</sup> This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report.

Note: The Group has revised its Sustainable Financial Services commitment to Mobilise RM90 billion in Sustainable Financial Services by 2027.

## EMPOWER 2 MILLION TARGETED INDIVIDUALS AND BUSINESSES ACROSS ASEAN BY 2026

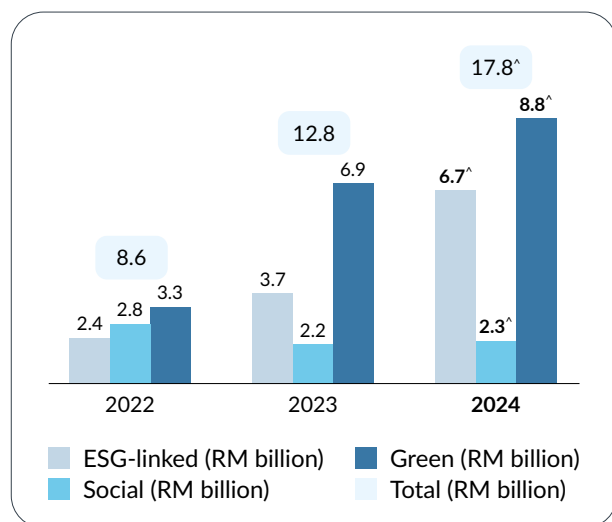
Enriching and empowering communities by providing access to financial products and services to targeted individuals (students, youth, the underserved) and businesses (SMEs, microenterprises).

### OUR PERFORMANCE



\* As part of the Group's ongoing efforts to strengthen data accuracy, verifiability and credibility, we have assessed the end-to-end data management process for all programmes contributing towards KPI 2. This includes assessment of areas including clarity of recognition basis for respective programmes, and quality of supporting documents for verification. Based on this assessment, we made the decision to exclude the Digital Media Activities and goWave programmes, due to a lack of clearly defined measurement basis for impact. This has resulted in the shortfall in achieving our 2024 target. Moving forward, the Group plans to refine programme criteria to address these issues, and leverage on the Group's branch network to meet our targets within the set timeframe.

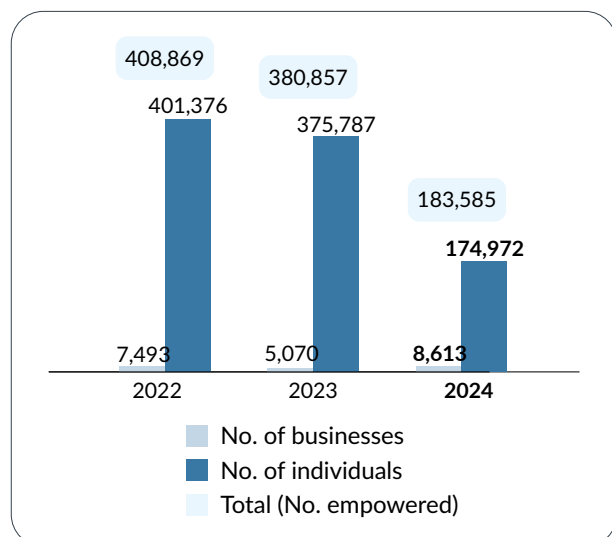
Note: The Group has revised its Social Impact commitment to Empower 2.5 million targeted individuals and businesses across ASEAN by 2027.



#### Highlights:

- ◆ Mobilised **RM41.2** billion cumulatively in sustainable financial services, achieving **82%** of our **RM50** billion target. For 2024, we mobilised **RM17.8<sup>^</sup>** billion, surpassing our **RM10.2** billion target for the year by **176%**.
- ◆ Achieved a compound annual growth rate ("CAGR") of **76%** in sustainable financial services mobilisation from 2022 to 2024.
- ◆ Allocated **51%** of cumulative sustainable financial services to **Green** activities, **21%** to **Social** activities and **28%** to **ESG-Linked** activities.\*
- ◆ Channelled over **RM2 billion** cumulatively into SME Sustainable Financing schemes to support their transition to sustainable, low-carbon practices.

For more information on our Sustainable Financial Services achievements, please refer to page 108 of this report.



#### Highlights:

- ◆ Empowered **973,311** targeted individuals and businesses cumulatively, equivalent to **49%** of our targeted 2 million by 2026. For FY2024, we empowered **183,585** beneficiaries, equivalent to **69%** of our 2024 target.\*
- ◆ MySISWA programme remains a key driver of this KPI and has positively impacted **787,500** students to date.
- ◆ SME e-solutions programme continues to be key in our business empowerment efforts, with over **19,000** SMEs supported in total.

For more information on our Enriching and Empowering Communities achievements, please refer to page 214 of this report.

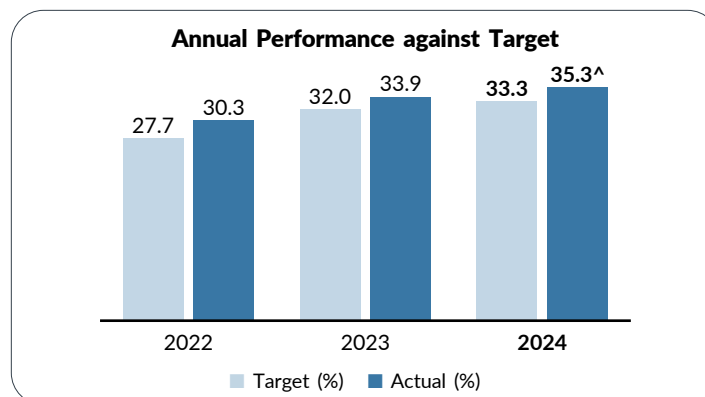
## Our Sustainability Approach

### Sustainability Commitments and Scorecard

1/3 OR 33.3%  
WOMEN IN TOP  
AND SENIOR  
MANAGEMENT BY  
2026

*Nurturing a fair, diverse, inclusive and sustainable workforce.*

#### OUR PERFORMANCE



<sup>^</sup> This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report.

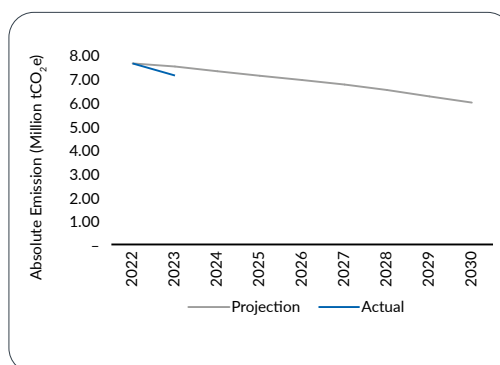
ACHIEVE CARBON  
NEUTRAL  
OPERATIONS BY  
2030, AND NET ZERO  
EMISSIONS BY 2050

*Enabling the just and responsible transition to a low-carbon economy, by reducing our financed emissions, driving growth in green financial services, and integrating sustainable and low-carbon practices into our own operations.*

#### Strategic Objective 1

*Reduction of financed emissions in 5 high-impact sectors within our business*

#### OUR PERFORMANCE



#### Financed Emissions for 5 High-Impact Sectors As at 31 December 2023<sup>1</sup>

**7.12 million tCO<sub>2</sub>e<sup>2</sup>**  
2022 baseline: 7.63 million tCO<sub>2</sub>e

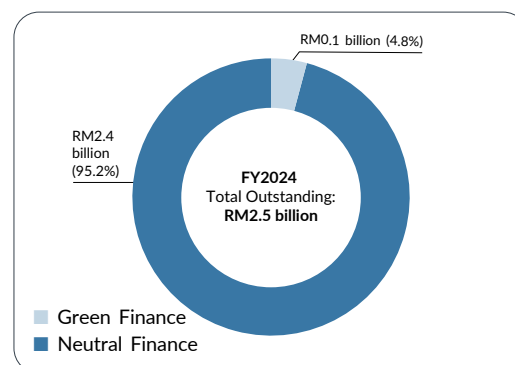
**Group's Total Financed Emissions<sup>2</sup>**  
**9.68 million tCO<sub>2</sub>e**  
2022 baseline: 9.26 million tCO<sub>2</sub>e

Note: At the point of publishing this Sustainability Report, the Group's 2024 financed emissions are in the midst of being calculated.

#### Strategic Objective 2

*Driving growth in Green Financial Services and Supporting Companies Committed to Carbon Neutrality*

#### OUR PERFORMANCE



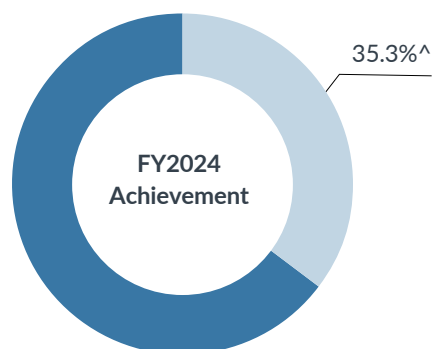
#### Green Financial Services & Neutral Finance<sup>3</sup> As at December 2024

**Total Outstanding<sup>4</sup>:**  
**RM2.5 billion**

**Total Approved & Accepted:**  
**RM3 billion**

Note: RHB only began tracking total outstanding amount for Green Financial Services and Neutral Finance in 2024, hence historical data is not available at this juncture.





■ women in top and senior management  
■ men in top and senior management

#### Highlights:

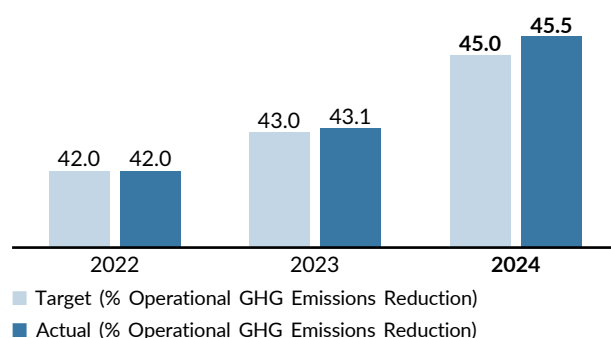
- ◆ Nearly **50%** of RHB's succession planning pool comprises women.
- ◆ Continued to nurture the leadership potential of our female talent through targeted leadership training programmes.

For more information on our DEI efforts, please refer to page 194.

### Strategic Objective 3

Integration of sustainable and low-carbon practices into our own operations

#### OUR PERFORMANCE



#### Reduction in Operational GHG emissions<sup>5</sup>

As at December 2024



**45.5%**  
2016 baseline:  
43,229 tCO<sub>2</sub>e

Note: At the point of publishing this Sustainability Report, the Group's 2024 financed emissions are in the midst of being calculated.

#### Highlights:

- ◆ Achieved **over 6%** reduction in financed emissions across five high-impact sectors, compared to the 2022 baseline of **7.63** million tCO<sub>2</sub>e.
- ◆ In regards to Strategic Objective 2, Neutral Finance accounts for approximately **96%** of the total outstanding amount of **RM2.5** billion. As we advance further in our sustainability journey, we aim to increase the contribution from green financial services.
- ◆ Achieved over **45%** reduction in operational GHG emissions, driven by increased usage of renewable energy in our operations, improved energy efficiency of our buildings and inculcating a sustainability culture in our workforce.

For more information on our Net Zero progress and achievements, please refer to page 50.

<sup>1</sup> RHB's financed emissions disclosure in the statutory annual reports currently lags the financial accounting period by 12 months, due to the time required for clients and investees to provide financial and emissions data. We are actively working to enhance our data infrastructure to reduce this time lag and improve the accuracy of our financed emissions reporting.

<sup>2</sup> As at 31 December 2023, the Group's total overall financed emissions for all asset classes and sectors stands at 9.68 million tCO<sub>2</sub>e, an increase compared to 9.26 million tCO<sub>2</sub>e in 2022. This was due to the increase in the Group's total asset base, including clients other than the five high-impact sectors. Additionally, the Group had revised the emissions factor used for AC5: Mortgages, to better reflect local contexts. The Group's overall total financed emissions may continue to increase in the short to medium term, due to the availability and accessibility of low-carbon technologies and the decarbonisation maturity of the market.

<sup>3</sup> Total Green Financial Services and Neutral Finance are monitored based on both the total outstanding amount and the total approved and accepted amount, for relevant Business Units (Corporate Banking, Commercial Banking, Treasury (Investment Banking), SME Banking, and Retail). The approved and accepted amount is tracked using the same recognition method as our Sustainable Financial Services, while the outstanding amount considers expected disbursements and repayments. We are progressively refining our monitoring and reporting processes to ensure alignment with our Net Zero strategic objectives.

<sup>4</sup> The total outstanding amount is currently being monitored manually, on a best-effort basis. Moving forward, as the Group strengthens its data infrastructure and monitoring capabilities, we may implement systems to streamline this monitoring.

<sup>5</sup> Operational GHG emissions reductions are measured against a 2016 baseline, focusing on total Scope 1 and Scope 2 emissions for Malaysian operations only.

<sup>6</sup> Historical data for Strategic Objective 2 is not available, as the Group only began monitoring its progress, in terms of total outstanding amount, in 2024.



# Thought Leadership and Advocacy

We are committed to driving thought leadership and advocacy in sustainability and sustainable finance. By leveraging our industry expertise, strategic partnerships, and regulatory engagements, we have played an active role in advancing climate action, responsible finance and driving financial inclusion.

As of 2024, we maintained membership and participation across **19** associations, an increase of nine from the previous year, highlighting our strengthened dedication to collaboration and industry leadership.



## EXTERNAL ASSOCIATIONS AND MEMBERSHIPS

We actively engage and collaborate with industry associations, sustainability and regulatory bodies to drive sustainable finance, advance climate action and promote responsible banking. Through active engagement with industry associations, regulators, and financial sector peers, the Group shares our knowledge and expertise, while gaining deeper insights into regulatory expectations and industry best practices. Our participation in these networks enables us to stay ahead of evolving ESG standards, advocate for progressive policies, and ensure our strategies remain aligned with global sustainability priorities.






Our participation also aims to accelerate the growth of our sustainable financial services, supporting the broader transition to a low carbon economy. We are committed to helping SMEs adopt sustainable and low carbon practices, contributing to a more resilient, and competitive banking sector, while reinforcing strong governance to support long-term financial stability and sustainability.



## Existing Memberships and Associations

|   |   |
|---|---|
|    | Member of Main Committee, Joint Committee on Climate Change ("JC3")<br><b>Member since: 2019</b>  |
|    | Working Group Member, JC3 Sub-Committee 1 for Risk Management<br><b>Member since: 2023</b>  |
|    | Member, CCPT Implementation Group ("CCPT IG"):<br><ul style="list-style-type: none"> <li>Member, CCPT IG Subgroup: Due Diligence Questionnaire ("DDQ")</li> <li>Member, CCPT IG Subgroup: Data</li> </ul> <b>Member since: 2023</b> |
|   | Member, JC3 SME Focus Group ("SFG")<br><b>Member since: 2023</b>  |
|  | Member, Association of Banks in Malaysia ("ABM") ESG Committee<br><b>Member since: 2018</b>   |
|  | Member, Asian Institute of Chartered Bankers ("AICB")<br><b>Member since: 2018</b>  |
|  | Member, United Nations Global Compact ("UNGC")<br><b>Member since: 2023</b>   |
|  | Member, Institutional Investors Council Malaysia ("IICM")<br><b>Member since: 2020</b>  |
|  | Member, National Bank of Cambodia ("NBC")<br><b>Member since: 2008</b>  |
|  | Member, The Association of Banks in Cambodia ("ABC")<br><b>Member since: 2020</b>   |
|  | Member, Lao National Chamber of Commerce and Industry ("LNCCI")<br><b>Member since: 2015</b>  |
|  | Member, Association of Banks in Singapore ("ABS")<br><b>Member since: 1999</b>  |
|  | Member, The Brunei Associations of Banks ("BAB")<br><b>Member since: 1998</b>   |

## New and Updated Participation for 2024

|  |   |
|--|---|
|    | <b>Working Group Member, JC3 Sub-Committee 2 for Governance and Disclosure</b><br><b>Member since: 2024</b>   |
|  | We collaborated with working group members to develop capacity-building programmes to enhance the industry's expertise and capabilities on effective monitoring of climate-related disclosures.   |
|    | <b>Co-Chair, JC3 Sub-Committee 3 for Product and Innovation</b><br><b>Member since: 2020</b>  |
|  | In 2024, the Head of Debt Capital Markets at RHB Investment Bank, was appointed SC3: Product and Innovation Co-Chair. As Co-Chair, RHB plays an important role in driving growth in green and sustainable finance, to support the low-carbon transition, strengthening RHB's thought leadership role in this space. |
|  | <b>Working Group Member, Transition Risk Working Group ("TRWG")</b><br><b>Member since: 2024</b>  |
|  | We played an active role in developing capability-building initiatives on the climate scenario analysis model and data in response to Climate Risk Stress Test and BNM Climate Risk Management and Scenario Analysis ("CRMSA") deliverables.  |
|  | <b>Working Group Member, Physical Risk Working Group ("PRWG")</b><br><b>Member since: 2024</b>  |
|  | We actively contributed to developing capability-building initiatives on the climate scenario analysis model and data in response to Climate Risk Stress and BNM CRMSA deliverables.  |
|  | <b>Chair, Islamic Banking and Finance Institute Malaysia ("IBFIM")</b><br><b>Member since: 2024</b>   |
|  | Dato' Adissadikin Ali, Managing Director of RHB Islamic Bank, was appointed Chairman of the Board of Directors at IBFIM. Through this Chairmanship, RHB is able to drive innovative approaches to develop knowledge, enhance skills, and facilitate global talent growth in Islamic finance.                        |



# Our Sustainability Approach

## Thought Leadership and Advocacy

### EXTERNAL EVENTS AND ENGAGEMENTS

RHB believes that fostering regular, meaningful engagements with our stakeholders is key to building and maintaining long-term trust and collaboration. These engagements enable us to gain a deeper understanding of their needs, concerns, interests, and expectations, strengthening our stakeholder relationships. Selected key events conducted throughout 2024 are highlighted below:



**Sustainability Media Day**  
April 2024

**What We Did:** Our Group Managing Director ("GMD") and Group Chief Sustainability & Communications Officer ("GCSCO") presented the Group's Net Zero Commitment and Strategy to more than 30 local and regional media publications. The session offered detailed insights into our Net Zero strategic objectives and interim and long-term targets.

**National Bank of Cambodia ("NBC") and Ministry of Education, Youth and Sports ("MoEYS")**  
February 2024

**What We Did:** Participated in the Financial Education for Schools programme organised by NBC and MoEYS which focused on empowering Grade 5 to 12 students.

**RHB Green Week**  
April 2024

**What We Did:** RHB's inaugural Green Week showcased sustainable financial solutions from across the Group. We also launched EV charging stations at RHB Centre, Jalan Tun Razak, in collaboration with EVlution. The launch ceremony was officiated by the Minister of Transport, highlighting the importance of green mobility.

**Auto Finance Partnerships**  
Throughout 2024

**What We Did:** Partnered with car dealerships and manufacturers including BYD, Tesla, and Volvo, to promote adoption of green vehicles and encourage uptake of our sustainable finance products.

**Engagement with Clients**  
January 2024 - November 2024

**What We Did:** We engaged with clients to explore potential collaborations that support SMEs and supply chain in transitioning to low-carbon practices.

**Policymaker Dialogues**  
Throughout 2024

**What We Did:** We play a key role in facilitating Malaysia's just and responsible low-carbon transition. Our senior management team has conducted bilateral discussions with several ministries, including the Ministry of International Trade and Industry ("MITI") and the Ministry of Economy ("MOE"). During these sessions, we shared updates on our Net Zero Commitment, sustainable financial services, and how we support Government initiatives such as the National Energy Transition Roadmap ("NETR").

**Organised by Brunei Darussalam Central Bank ("BDCB") and co-organised with 13 financial institutions**  
June 2024

**What We Did:** We participated in BDCB's CSR H2O Heroes: River Clean-Up initiative at Kampong Ayer, Bandar Seri Begawan, in conjunction with World Environment Day. The event supported the United Nations Sustainable Development Goals SDG 14 - Life Below Water and SDG 15 - Life on Land. A total of 150 participants collected 685kg of waste.



**ABS Community Giveback 2024**  
June 2024

**What We Did:** RHB Singapore mobilised nearly 40 staff volunteers for the industry-wide ABS Community Giveback 2024 event. We assisted over 350 needy families in Boon Lay with collecting household essentials.

## ADVOCACY EVENTS

RHB actively shares our sustainability and climate-related knowledge, industry expertise, and experiences at various events and forums aimed at driving the adoption of sustainable financial services, sharing best practices, and contributing to the broader conversation on sustainable development.



### February 2024

Advancing Sustainable Finance organised by AICB and UNEP FI – Sustainability, Climate, and Nature

#### ➔ What We Did:

Our GCSCO provided RHB's insights on sustainable finance and climate action, to build climate resilience among financial institutions.

### May 2024

Industry Panel Session organised by BDO Malaysia

#### ➔ What We Did:

Our GCSCO shared insights on embedding ESG considerations into financial institutions, highlighting the various challenges clients face in adopting decarbonisation.

### June to September 2024

Global Treasury Roadshow: Business Resilience and Climate Risk

#### ➔ What We Did:

We had five employees participate in four sessions at this RHB-led event to provide insights on climate risk to the industry.

### July 2024

National Energy Transition Roadmap ("NETR") Engagement Session

#### ➔ What We Did:

We spoke at the NETR Engagement Session, sharing RHB's strategies for supporting Malaysia's energy transition.

### August 2024

International Enterprise Risk Practitioner Global 2024 Conference

#### ➔ What We Did:

We provided our **expertise** in risk management by becoming a speaker during the conference.

### September 2024

Financial Market Association Malaysia – Panel Discussion on Climate Risk

#### ➔ What We Did:

We became a panelist during this event, sharing our insights on climate risk.

### September 2024

Asia Risk Congress

#### ➔ What We Did:

We were invited to moderate and speak at the Asia Risk Congress in two separate sessions.

### November 2024

ESG Series

#### ➔ What We Did:

We participated as a moderator and speaker at the ESG Series event organised by RHB.

### December 2024

Enterprise Risk Management Academy ("ERMA")

#### ➔ What We Did:

We spoke at the ERMA, sharing our insights on risk management strategies and best practices.

# Our Sustainability Approach

## Thought Leadership and Advocacy

### ENGAGEMENTS WITH SMEs

Engaging with SMEs is vital as they drive economic growth and innovation. By supporting them, we help promote sustainable practices, boost resilience to climate risks, and aid their transition to a low-carbon economy. In 2024, we conducted 16 roadshows for SMEs, reaching over 1,000 businesses, to provide them with the resources and knowledge needed to thrive sustainably.

#### Collaboration with Tenaga Nasional Berhad ("TNB")



**2023:** We formed a landmark collaboration with TNB to accelerate the adoption of **renewable energy** and energy efficiency solutions among SME and retail customers.

**2024:** We continued our collaboration with TNB to **deliver capability-building** sessions for SMEs across Malaysia, showcasing the technical and financial solutions offered by both TNB and RHB.

**Current Update:** The RHB-TNB partnership **successfully completed 10 roadshows**, with 9 held in 2024 across various states in Malaysia, reaching over **570 SMEs**.



## SME Associations



**SME Association Malaysia:**  
Completed 1 roadshow and engaged with

**54 SMEs**



**SME Corporation Malaysia:**  
Conducted 5 roadshows and engaged with

**302 SMEs**



**Malaysian Retail Chain Association  
(MRCA):**

Held 1 roadshow and engaged with

**76 SMEs**

## Committed to Achieving Net Zero by 2050

# Sustainability and Climate Governance

Related Material Matter



Climate Change

Relevant Bursa Common  
Sustainability Matters

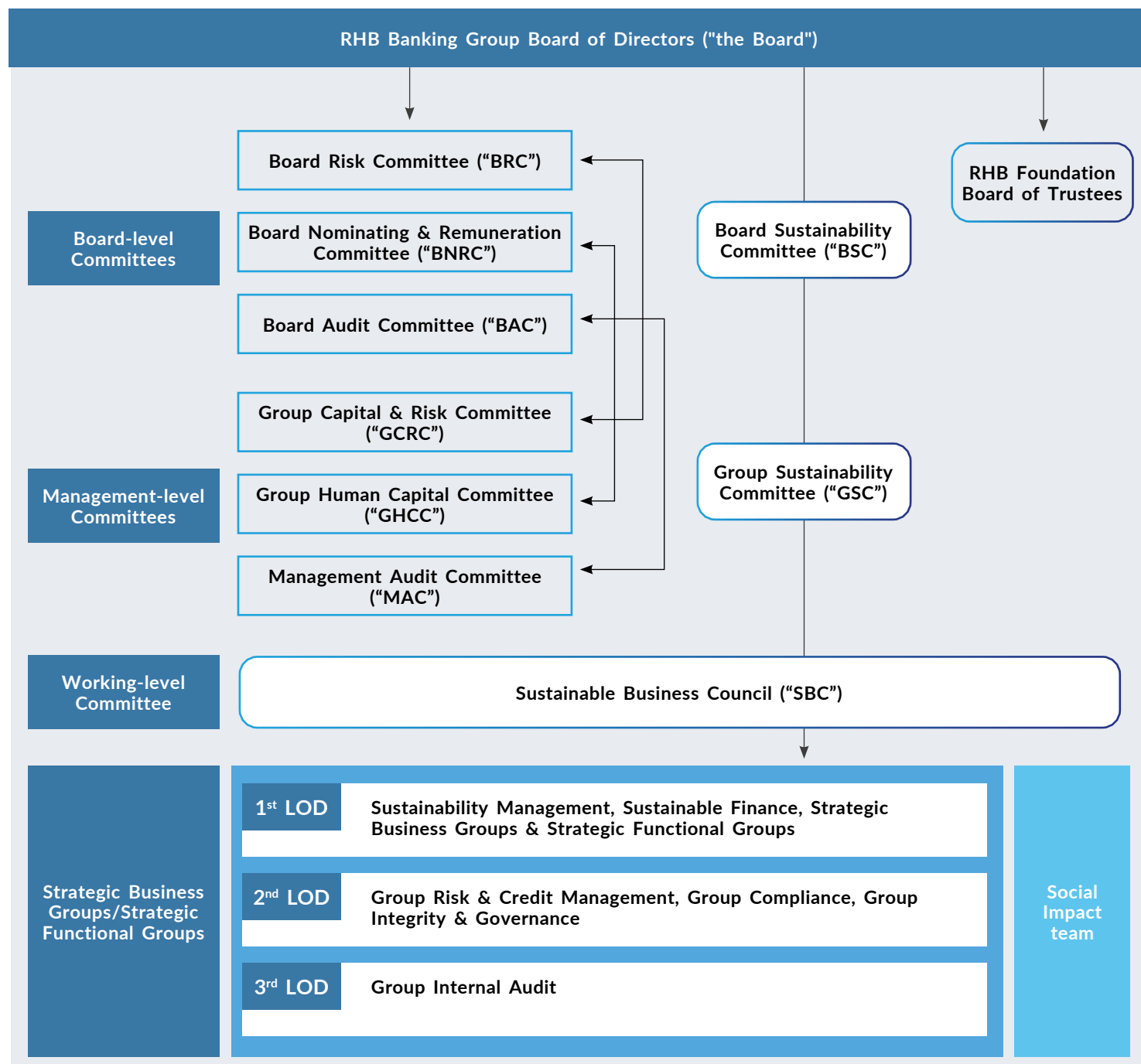
Emissions Management |  
Energy Management

At RHB, we recognise that sustainability and climate governance are fundamental to our long-term resilience and success. As a financial institution, we play a pivotal role in driving the transition towards a more sustainable and low-carbon economy. To achieve this, we have established a robust sustainability and climate governance framework that ensures clear oversight, accountability and proactive risk management across our business operations. Our sustainability governance structure is aligned with international standards, regulatory requirements, and global best practices.



## Governance Structure for Sustainability and Climate

Our sustainability and climate-related risks and opportunities are governed through a structured, multi-tier framework that spans the Board of Directors, Board Committees, Group Senior Management and Strategic Business and Functional Groups.



To embed sustainability at the core of our strategy, it is essential that our leadership remains actively engaged in deliberations and decision-making processes. Regular discussions are held with the Board, BSC and senior management to ensure continuous oversight and alignment of our sustainability and climate goals, risk management strategies and emerging opportunities. These discussions provide a structured platform to review progress, assess potential ESG and climate-related risks, and identify opportunities that drive growth in sustainable financial services while enhancing long-term value creation.

# Committed to Achieving Net Zero by 2050

## Sustainability and Climate Governance

| Governance Body                         | Responsibilities   | Reporting Line(s)  | Frequency of meetings where sustainability and/or climate-related matters were deliberated in 2024 |
|---|--|--------------------|--|
| RHB Banking Group Board of Directors    | <ul style="list-style-type: none"> <li>Highest governing body providing strategic direction and oversight over the Group's Sustainability Strategy and Roadmap, including climate-related strategies.</li> <li>Sets clear objectives and ensures these strategies are robust and impactful, whilst being aligned to regulatory requirements and stakeholder expectations.</li> </ul>   | -                  | 6  |
| Board Sustainability Committee ("BSC")* | <ul style="list-style-type: none"> <li>Assists the Board in providing oversight on the Group's material sustainability and climate-related issues and matters, including: <ul style="list-style-type: none"> <li>Sustainability and climate-related strategies and roadmap</li> <li>Sustainability governance</li> <li>Sustainability and climate-related disclosures</li> <li>Sustainability and climate-related frameworks, policies, position statements and/or stance</li> </ul> </li> </ul> | Board of Directors | 8  |
| Board Risk Committee ("BRC")            | <ul style="list-style-type: none"> <li>Supports the Board in overseeing the governance of risks across the Group, including sustainability and climate-related risks.</li> </ul>   | Board of Directors | 12   |

\*The BSC's authority is institutionalised in its Terms of Reference ("ToR").

Board-Level

Management-Level

Working-Level

## Summary of Sustainability and Climate-related Matters Deliberated

### Sustainability and Climate-related Strategy and KPIs

- Refinement of the Group's Sustainability Strategy and Roadmap (2025-2027)
- RHB Group's sustainability and climate-related KPIs, including quarterly progress updates and refinement to the Group's Sustainability KPIs

### Frameworks and Policies

- Sustainability-related frameworks, policies and guidelines, including Sustainable and Transition Finance Framework

### Disclosure and Reporting

- Sustainability and climate-related disclosures, including Materiality Assessment process and outcomes
- Sustainability assurance activities

### Climate-specific deliberations

- Progress updates on Net Zero and Decarbonisation Strategy
- GCAP progress updates
- Climate-related industry updates

### Sustainability and Climate-related Strategy and KPIs

- Refinement of the Group's Sustainability Strategy and Roadmap (2025-2027)
- Refinements of the Group's Sustainability KPIs
- Progress updates on the Group's sustainability and climate-related KPIs

### Governance, Frameworks and Policies

- Sustainability governance
- Sustainability-related frameworks, policies and guidelines, including Sustainable and Transition Finance Framework

### Disclosure and Reporting

- **Sustainability Reporting and Disclosure:** RHB Sustainability Report 2023; RHB Group's Materiality Assessment Process and Outcomes 2023; RHB Group's TCFD Disclosures FY2023; Proposed Approach for Sustainability Report 2024
- **Sustainability Assurance:** Sustainability Assurance 2023 and Internal Control Recommendations Report; Progress updates on addressing Sustainability Assurance 2023 recommendations; Proposal for Sustainability Assurance 2024; Internal Validation for FY2024

### Stakeholder Engagement

- Sustainability Stakeholder Engagement Plan 2024
- Supplier Code of Conduct Implementation Plan (Phase 1) progress
- Sustainability Capability Building Framework progress updates
- Progress updates on Group Corporate Sponsorships, Donations, and Community Engagement
- Updates on RHB Group's Community Enrichment and Empowerment Programmes
- Industry updates on Sustainability and Climate-Related Regulatory and National Developments

### Climate-specific Deliberations

- Progress updates on Net Zero and Decarbonisation Strategy
- GCAP progress updates

### Climate-specific Deliberations

- Climate risk management, including climate risk scenario analysis and stress testing
- Climate risk dashboard, including climate risk metrics, risk appetite, and material risk assessment



# Committed to Achieving Net Zero by 2050

## Sustainability and Climate Governance

| Governance Body                                    | Responsibilities   | Reporting Line(s)              | Frequency of meetings where sustainability and/or climate-related matters were deliberated in 2024 |
|--|--|--------------------------------|--|
| Board Nominating & Remuneration Committee ("BNRC") | <ul style="list-style-type: none"> <li>Oversees the Group's Diversity, Equity, and Inclusion ("DEI") agenda.</li> <li>Aligns sustainability and climate-related considerations with executive performance evaluations and remuneration policies.</li> </ul>  | Board of Directors             | 3  |
| Board Audit Committee ("BAC")                      | <ul style="list-style-type: none"> <li>Oversees sustainability and climate-related audit findings from scheduled audits.</li> </ul>  | Board of Directors             | 3  |
| RHB Foundation Board of Trustees ("BOT")           | <ul style="list-style-type: none"> <li>Provides strategic guidance to the RHB Foundation and oversees initiatives under the Enriching and Empowering Communities pillar of the Group's Sustainability Strategy and Roadmap, to drive social impact.</li> </ul>   | Board of Directors             | 2  |
| Group Sustainability Committee ("GSC")             | <ul style="list-style-type: none"> <li>Assists the Board and BSC in integrating sustainability and climate-related considerations into the Group's strategy, operations, risk management and decision-making processes.</li> <li>Drives the strategic implementation of the Group's sustainability and climate-related efforts.</li> </ul> | Board Sustainability Committee | 4  |

Board-Level

Management-Level

Working-Level

## Summary of Sustainability and Climate-related Matters Deliberated

### Sustainability Governance

- Sustainability-linked Performance Metrics and KPIs within the Group's Balanced Scorecard
- Diversity of Board Committees and Group senior leadership
- Board effectiveness evaluation exercise, including for Board Sustainability Committee members
- Talent management and succession planning of senior officers
- Board succession planning – Group Independent Directors' tenure

### Disclosure and Reporting

- Compliance with reporting requirements, including Bursa's Common Indicators Disclosures
- Sustainability assurance for RHB Sustainability Report 2023

### Stakeholder Engagement

- Progress updates on the Group's and RHB Foundation's Community Engagement Programmes
- The Group's and RHB Foundation's Community Engagement Plans for 2025-2027
- Progress on utilisation of Ministry of Finance Bantu Relief Fund
- RHB X-Cel Star Scholarship under RHB Foundation

### Sustainability and Climate-related Strategy and KPIs

- Refinement of the Group's Sustainability Strategy and Roadmap (2025-2027)
- Refinements of the Group's Sustainability KPIs
- Progress updates on the Group's sustainability and climate-related KPIs

### Governance, Frameworks and Policies

- Sustainability governance
- Sustainability-related frameworks, policies and guidelines, including Sustainable and Transition Finance Framework

### Disclosure and Reporting

- **Sustainability Reporting and Disclosure:** RHB Sustainability Report 2023; RHB Group's Materiality Assessment Process and Outcomes 2023; RHB Group's TCFD Disclosures FY2023; Proposed approach for Sustainability Report 2024
- **Sustainability Assurance:** Sustainability Assurance 2023 and Internal Control Recommendations Report; Progress updates on addressing Sustainability Assurance 2023 recommendations; Proposal for Sustainability Assurance 2024; Internal Validation for FY2024

### Stakeholder Engagement

- Sustainability Stakeholder Engagement Plan 2024
- Supplier Code of Conduct Implementation Plan (Phase 1) progress
- Sustainability Capability Building Framework progress updates
- Progress updates on Group corporate sponsorships, donations, and community engagement
- Updates on RHB Group's Community Enrichment and Empowerment Programmes
- Industry updates on sustainability and climate-related regulatory and national developments

### Climate-specific Deliberations

- Progress updates on Net Zero and Decarbonisation Strategy
- GCAP progress updates

# Committed to Achieving Net Zero by 2050

## Sustainability and Climate Governance

| Governance Body                         | Responsibilities  | Reporting Line(s)                           | Frequency of meetings where sustainability and/or climate-related matters were deliberated in 2024 |
|---|---|---|--|
| Group Capital & Risk Committee ("GCRC") | <ul style="list-style-type: none"> <li>Assists the BRC in providing management oversight of the Group's sustainability and climate-related risks.</li> </ul>  | Board Risk Committee                        | 12   |
| Group Human Capital Committee ("GHCC")  | <ul style="list-style-type: none"> <li>Provides strategic management oversight to ensure that human capital strategies and initiatives align with the Group's Sustainability Strategy and Roadmap, including fostering inclusive growth and workforce development.</li> </ul> | Board Nominating and Remuneration Committee | 7  |
| Management Audit Committee ("MAC")      | <ul style="list-style-type: none"> <li>Provides support to the BAC as required, including review of sustainability and climate-related audit findings from scheduled audits.</li> </ul>   | Board Audit Committee                       | 1  |
| Sustainable Business Council ("SBC")    | <ul style="list-style-type: none"> <li>Drives the Group's Sustainable Financial Services efforts, across all business activities, covering Lending and Financing, Capital Market and Advisory, Investments, Asset Management and Insurance.</li> </ul>                        | Group Sustainability Committee              | 3  |

Board-Level

Management-Level

Working-Level

## Summary of Sustainability and Climate-related Matters Deliberated

### Sustainability Risk Management

- Integration of sustainability and climate-related impact/risk considerations into the credit risk management approach

### Climate-specific Deliberations

- Climate risk management, including climate risk scenario analysis and stress testing
- Climate risk dashboard, including climate risk metrics, risk Appetite, and material risk assessment

### Governance, Frameworks and Policies

- Enhancements to governance and disciplinary Measures
- Policy enhancements related to sustainability and human capital management
- Talent management and succession planning
- Employee capability building
- RHB Culture Playbook

### Disclosure and Reporting

- Role of internal audit on sustainability data validation

### Sustainability and Climate-related Strategy and KPIs

- Sustainable Financial Services KPIs and achievements by business segments
- Refined Sustainable Financial Services KPI
- Pipeline to achieve Sustainable Financial Services KPIs, including new product development

### Governance, Frameworks and Policies

- Sustainable Financial Services Classification based on ESG Eligible Business Activities Guidelines
- Development of Sustainable and Transition Finance Framework and Guidelines

### Climate-specific Deliberations

- Group's Stance on coal and Coal-related activities
- No Deforestation, No Peat and No Exploitation ("NDPE") commitment
- Financed emissions calculator and review process

Note: For governing bodies where climate-specific deliberations have not been highlighted, deliberation on climate-related matters have been embedded within overall sustainability-related updates.

 For further details on the governing bodies, including elaboration on their responsibilities, please refer to page 237 of this report.

# Committed to Achieving Net Zero by 2050

## Sustainability and Climate Governance

### RACI FRAMEWORK FOR BOARD COMMITTEES

In 2023, RHB introduced a structured Responsible, Accountable, Consulted, and Informed ("RACI") Framework to enhance the effectiveness and clarity of Board Committees' roles in sustainability and climate governance. This framework ensures that sustainability and climate governance are deeply embedded into our decision-making processes, fostering clear accountability, structured oversight and proactive risk management.

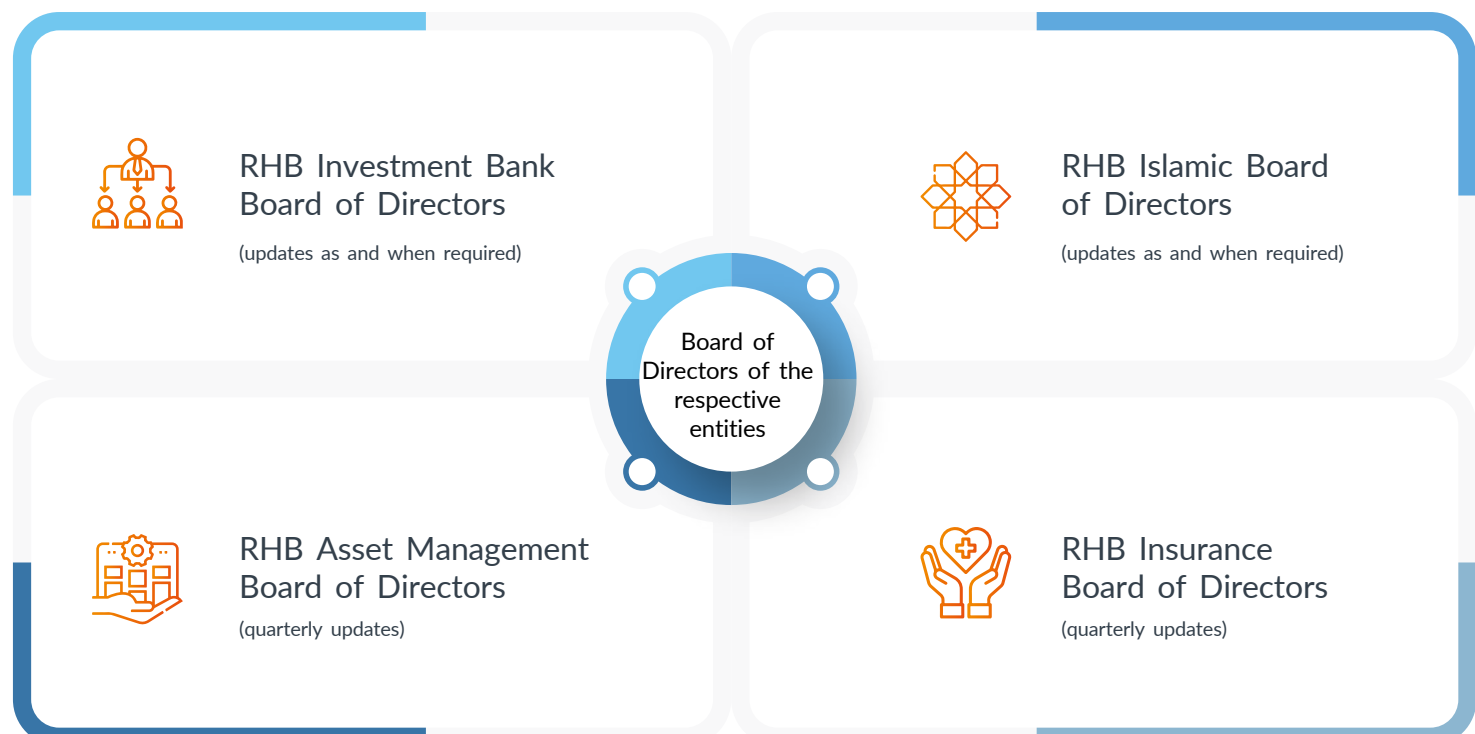
By clearly defining roles and responsibilities across our Board Committees, the RACI Framework enhances strategic alignment, improves cross-functional collaboration and strengthens regulatory compliance. It also ensures that sustainability and climate-related risks and opportunities are systematically assessed, enabling informed decision-making that drives growth in sustainable financial services, and value creation for stakeholders.

 For further information on the RACI Framework for Board Committees, please refer to page 239 of this report.

### SUSTAINABILITY AND CLIMATE GOVERNANCE FOR THE GROUP'S ENTITIES

At RHB Banking Group, we recognise that effective sustainability governance must extend beyond RHB Bank to encompass all our operating subsidiaries. To ensure a consistent, transparent and accountable approach to our sustainability and climate agenda, we have established a Group-wide sustainability governance structure that integrates ESG considerations, climate risk management and sustainable finance strategies and KPIs into respective subsidiaries' business models, in alignment with Group-wide risk management frameworks.

Each of our subsidiaries operates within the overarching sustainability governance structure set by the Group, ensuring alignment with the Group's climate strategy, commitments and regulatory expectations. Sustainability and climate-related strategy and commitments, KPIs and achievements are presented to the Board of Directors of the respective entities:





## GROUP CHIEF SUSTAINABILITY OFFICER ("GCSO")

The GCSO is responsible for the following:

### Drive

the integration of sustainability and climate practices across SBGs and SFGs, ensuring ESG consideration are embedded

### Develop

and implement the Group's Sustainability strategy, in alignment with the Group's overall corporate strategy and goals.

### Ensure

compliance with sustainability and climate-related regulations, frameworks and reporting standards.

### Engage

with internal and external stakeholders to strengthen and drive the Group's Sustainability agenda.

### Foster

a culture of sustainability within the Group, putting in place a capability-building framework to ensure that employees are trained and motivated to integrate ESG principles into the Group's business and operations.

### Drive

the production and publication of RHB's Sustainability Reports and progress updates to stakeholders.

### Establish

key metrics and KPIs to monitor achievements and report on sustainability and climate performance, ensuring transparent and credible disclosures.

## Group Sustainability Management ("GSM")

Supporting the GCSO, the GSM team serves as the centre of excellence on Sustainability across the Group. GSM is structured into two pillars:



### Sustainability & Climate Strategy, Policy & Data Governance

Drives the development of Sustainability Strategy, including development of sustainability frameworks, policies, and performance targets.



### Disclosure, Stakeholder Engagement & Governance

Oversees sustainability reporting, stakeholder engagement efforts, and provides support to the BSC Secretariat on governance matters.

## Climate Risk Management

The strategic management of the Group's climate-related risks, is led by the Group Chief Risk Officer ("GCRO"). In managing climate-related risks, the GCRO is supported mainly by the Group Climate Risk Management ("GCRM") team.

 For further information on RHB's climate risk management, please refer to pages 83-99 of this report.

# Committed to Achieving Net Zero by 2050

## Sustainability and Climate Governance

### Enhancing Sustainability Governance

To further strengthen governance effectiveness, we have taken steps to fully embed sustainability and climate-related responsibilities within Strategic Business Groups. These refinements reinforce accountability and ownership, driving deeper integration of sustainability into core business functions.

#### Appointment of Head of Sustainable Finance, and Head of Social Impact

To drive the strategic and effective implementation of our sustainability agenda, in 2024, the Group appointed the following key sustainability leadership positions:

| Leadership Position         | Key Responsibilities   |
|-----------------------------|--|
| Head of Sustainable Finance | <ul style="list-style-type: none"><li>Drives the growth of RHB's Sustainable Financial Services by identifying opportunities, developing commercial strategies, and innovating sustainable finance products.</li><li>Ensures regulatory compliance and market relevance by validating Sustainable Financial Services classification, monitoring sustainability trends, and strengthening organisational capabilities in sustainable finance.</li><li>Chairperson of the Sustainable Business Council, to monitor progress towards our Sustainable Financial Services commitment and foster cross-functional collaboration between business units.</li></ul>  |
| Head of Social Impact       | <ul style="list-style-type: none"><li>Leads community engagement programmes and initiatives under the Enriching and Empowering Communities pillar to drive social impact.</li><li>Enhances the effectiveness and reach of community engagement programmes, ensuring they maximise impact for beneficiaries, targeted individuals, and businesses.</li><li>Aligns community programmes with national and regulatory priorities, reinforcing RHB's commitment to strategic social impact.</li><li>Synergises community engagement efforts across the Group, creating cohesion and efficiency in programme execution.</li><li>Identifies new opportunities for collaboration, both internally and with external programme partners, to expand the scope and effectiveness of RHB's community initiatives.</li></ul> |

These key appointments aim to strengthen the Group's focus on these critical areas.

#### Dissolution of the Responsible and Sustainable Practices Council ("RSPC")

Established in 2021, the RSPC was a working-level council, serving as a critical platform to accelerate the integration of sustainability practices across RHB's operational value chain, policies, and business practices. Since then, RHB has made significant strides in its sustainability journey across these areas, including ethics and integrity, people and workplace, sustainable supply chain and environmental stewardship.

The Group has also strengthened its governance oversight at the management and Board levels, through the GSC and BSC. Simultaneously, progress updates related to sustainability integration across our operations and value chain are being monitored at respective committees. We have reached good progress in our sustainability maturity, and with sustainability fully embedded into our business operations and value chain, we dissolved the RSPC in 2024, transitioning its responsibilities directly to the relevant SBGs and SFGs.

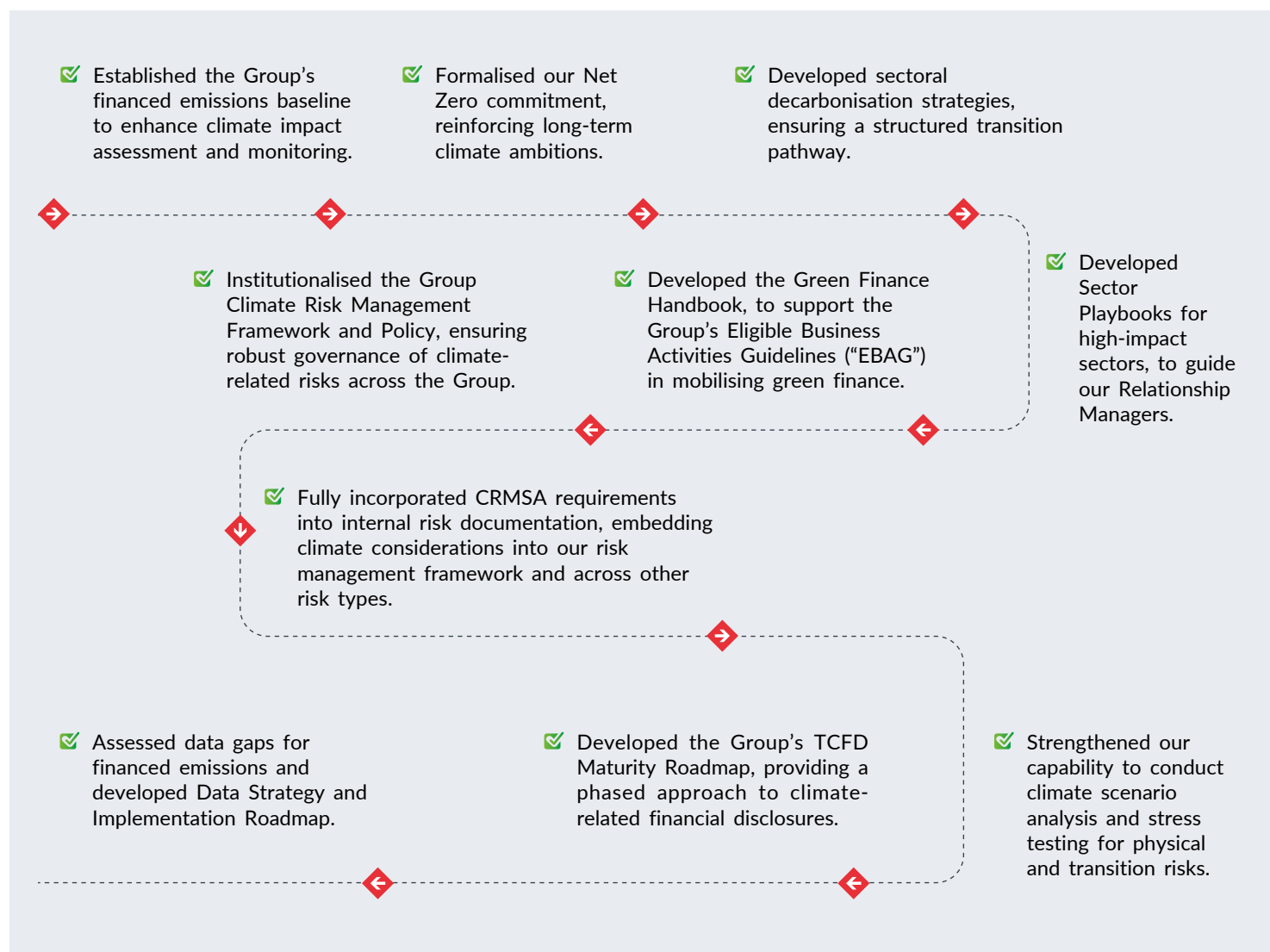
This transition strengthens direct accountability within business operations and improves operational efficiency, while ensuring continued oversight of ethics and integrity, environmental stewardship, workplace well-being, and sustainable supply chain management – all of which are now driven by Sustainability Champions, with the relevant Senior Management having strategic oversight on implementation.

## Successful Completion of the Group Climate Action Programme ("GCAP")

The GCAP Project Steering Committee ("PSC") was established in 2022 to oversee the effective execution of GCAP deliverables and to embed the requirements of the Bank Negara Malaysia's ("BNM") Policy Document on Climate Risk Management and Scenario Analysis ("CRMSA") and Methodology Paper on Climate Risk Stress Testing ("CRST") across the Group. In addition, GCAP has supported our overseas operations to comply with relevant country regulations, inclusive of the Monetary Authority of Singapore ("MAS") Guidelines on Environmental Risk Management for Banks, Asset Managers and Insurers, respectively.

Following the successful completion of GCAP in 2024, the GCAP PSC has been formally dissolved, having fulfilled its mandate in overseeing the programme's strategic direction and execution. To ensure the continued integration of climate-related initiatives, the programme's governance functions have now been institutionalised within the core operations of respective Strategic Business and Functional Groups.

### Key Milestones Achieved from GCAP:



With these key deliverables now embedded into our operational structure, ongoing climate-related oversight has transitioned to the GSC and BSC, as well as the BRC for oversight on climate-related risks, ensuring sustained governance focus on climate strategy execution.

# Committed to Achieving Net Zero by 2050

## Sustainability and Climate Governance

### Ensuring Robust Governance and Oversight on Climate Risks

To ensure effective governance and accountability, RHB aligns sustainability and climate-related risk management with the Three Lines of Defence model, ensuring clear oversight across SBGs and SFGs. Roles and responsibilities in relation to climate governance are described in the Group Climate Risk Management Framework ("GCRMF") and Group Climate Risk Management Policy ("GCRMP"), both introduced and rolled out across the Group in 2023. Together, the GCRMF and GCRMP ensure that climate-related risks and opportunities are assessed, mitigated, and integrated into financial and business decision-making — strengthening RHB's long-term resilience and adaptability.

#### Key Responsibilities across the Three Lines of Defence for Climate Risk Management

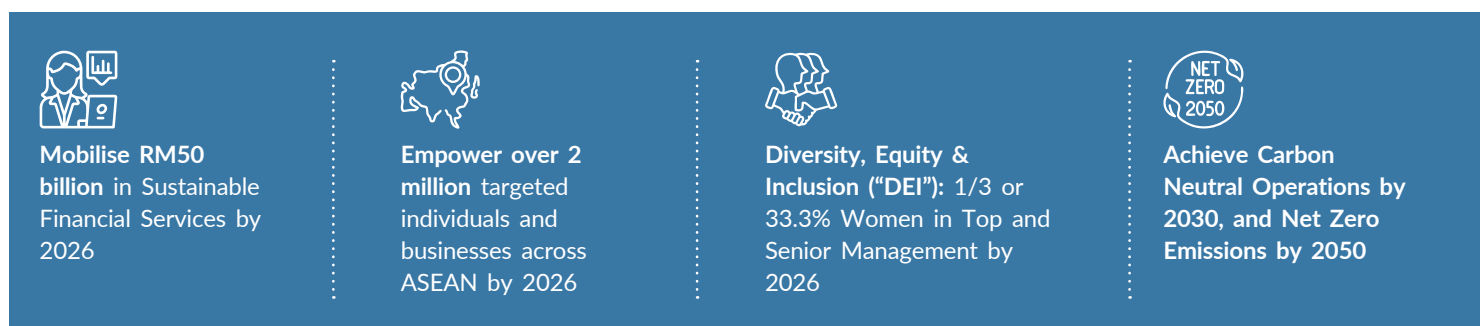


Additionally, we have appointed a network of Sustainability Champions within key SBGs and SFGs across our Malaysia and overseas operations and subsidiaries, ensuring that sustainability is embedded in daily decision-making. Since 2024, we have also appointed a senior management officer within each of the Group's entities, to serve as a representative for climate-related matters. This structure ensures clear execution, measurable progress, and cross-functional coordination across all sustainability and climate-related initiatives.

### Sustainability-linked Remuneration

We directly linked the Group Managing Director's ("GMD") and ("GSM") performance incentives to their Balanced Scorecard, including for the GCSO. Since 2022, the scorecard includes sustainability and climate metrics as KPIs. By integrating these sustainability and climate targets, we ensure that each of our senior leader's objectives align with our broader sustainability and climate strategy. This strategic approach sharpens our focus on climate initiatives and strengthens our ability to address climate risks proactively, hence accelerating our transition to a low-carbon future and positioning us for sustainable business growth.

#### Sustainability KPIs embedded within Senior Management's Performance Incentives



In 2024, we introduced internal soft monitoring of KPIs related to the three strategic objectives under our Net Zero Strategy. This enables the Group to monitor performance trends, while addressing gaps in data collection, tracking and monitoring. As we progress in our Net Zero implementation, we plan to link these KPIs with performance incentives, to strengthen accountability mechanisms.

## Strengthening Board Expertise for Sustainability and Climate Management

### 2024 Board Effectiveness Evaluation

We are committed to maintaining the highest standards of corporate governance, ensuring that our Board operates effectively in overseeing strategic direction, risk management and sustainability integration. To uphold this commitment, we conduct an annual Board Effectiveness Evaluation (“BEE”) exercise to assess the performance of the Board, Board Committees and of individual directors, including the BSC. The BEE provides insights into the Board’s strengths, areas for improvement, and alignment with best practices, enabling continuous enhancement of its oversight capabilities. The BEE conducted in 2024 indicated that sustainability and climate-related matters continue to be an important focus area for the Board and for the Group.

To ensure our Board remains well equipped to navigate the evolving regulatory landscape, emerging business opportunities, and sustainability challenges, we provide tools, targeted training, briefings and continuous knowledge-sharing sessions on sustainability and climate matters. Additionally, we leverage expert insights, peer benchmarking and cross-functional engagement to foster informed decision-making.



“ All members of the RHB Banking Group Board of Directors attended sustainability and/or climate-related training in 2024 ”





# Committed to Achieving Net Zero by 2050

## Sustainability and Climate Governance

| Focus Area: Leadership, Governance and Oversight for Sustainability  |  |
|--|--|
| Platform/Programme   | Number and List of Board members in Attendance   |
| Empowering Boards: Building Capacity for Sustainable Finance Success in the Banking Industry (In-house training programme)   | <b>Attended by 18 Directors:</b> <ul style="list-style-type: none"> <li>• YBhg Tan Sri Ahmad Badri Mohd Zahir</li> <li>• YBhg Tan Sri Ong Leong Huat</li> <li>• Ms Ong Ai Lin</li> <li>• YBhg Dato' Mohamad Nasir Ab Latif</li> <li>• Mr Donald Joshua Jaganathan</li> <li>• YBhg Datuk Iain John Lo</li> <li>• Puan Hijah Arifakh Othman</li> <li>• Puan Nadzirah Abd. Rashid</li> <li>• Mr Chin Yoong Kheong</li> <li>• Encik Hizamuddin Bin Jamalluddin</li> <li>• Ms Wong Pek Yee</li> <li>• YBhg Dato' Foong Chee Meng</li> <li>• YBhg Datuk Chung Chee Leong</li> <li>• YBhg Dato' Darawati Hussain</li> <li>• Puan Sharizad Juma'at</li> <li>• YBhg Dato' Mohd Rashid Mohamad</li> <li>• Mr Oliver Tan Chuan Li</li> <li>• Mr Kevin Vijendren Davies</li> </ul> |
| Bursa Malaysia Mandatory Accreditation Programme ("MAP II"): Leading for Impact  | <b>Attended by four Directors:</b> <ul style="list-style-type: none"> <li>• YBhg Tan Sri Ahmad Badri Mohd Zahir</li> <li>• YBhg Tan Sri Ong Leong Huat</li> <li>• Puan Hijah Arifakh Othman</li> <li>• Puan Nadzirah Abd. Rashid</li> </ul>  |
| EY - ESG Training for RHB Insurance Board of Directors   | <b>Attended by five Directors:</b> <ul style="list-style-type: none"> <li>• Mr Jahanath Muthusamy</li> <li>• Ms Wong Pek Yee</li> <li>• Encik Shaifubahrim Mohd Saleh</li> <li>• Encik Hizamuddin Bin Jamalluddin</li> <li>• Mr Oliver Tan Chuan Li</li> </ul>   |
| Frankfurt School of Finance and Management, Leading Sustainability Transformation in Banking - Managing Risk (Climate), Creating Impact and Exploiting Opportunities | <b>Attended by two Directors:</b> <ul style="list-style-type: none"> <li>• Puan Hijah Arifakh Othman</li> <li>• Mr Donald Joshua Jaganathan</li> </ul>   |
| EPF Enterprise Sustainability ("ESP") Board Mini Workshop  | <b>Attended by one Director:</b> <ul style="list-style-type: none"> <li>• YBhg Tan Sri Ahmad Badri Mohd Zahir</li> </ul>   |
| FIDE Forum - CGM Masterclass: Latest Developments in Climate-aligned Executive Compensation  | <b>Attended by one Director:</b> <ul style="list-style-type: none"> <li>• YBhg Datuk Chung Chee Leong</li> </ul>   |
| EE-CG Future Proofing Your Business What You Need to Know about the "S" in "ESG"   | <b>Attended by one Director:</b> <ul style="list-style-type: none"> <li>• Encik Hizamuddin Bin Jamalluddin</li> </ul>  |
| National Climate Governance Summit ("NCGS")  | <b>Attended by three Directors:</b> <ul style="list-style-type: none"> <li>• Puan Hijah Arifakh Othman</li> <li>• Mr Donald Joshua Jaganathan</li> <li>• YBhg Datuk Chung Chee Leong</li> </ul>  |

## Focus Area: Climate Change, Net Zero and Decarbonisation

| Programme Name  | Number and List of Board members in Attendance  |
|---|---|
| UN Climate Change Conference ("COP29"), Azerbaijan  | <b>Attended by one Director:</b> <ul style="list-style-type: none"> <li>Ms Ong Ai Lin ●●</li> </ul>                                       |
| Asia School of Business, Carbon Markets: What Directors Need to Know  | <b>Attended by two Directors:</b> <ul style="list-style-type: none"> <li>YBhg Datuk Iain John Lo ●●</li> <li>Ms Wong Pek Yee ●</li> </ul> |
| Asia School of Business, Directors Masterclass Series: What Directors Must Know: Recent Developments in Climate Science | <b>Attended by one Director:</b> <ul style="list-style-type: none"> <li>YBhg Datuk Chung Chee Leong ●</li> </ul>                          |
| FIDE Forum, Leading the Way: Developing Credible Transition Plans for Financial Institutions                            | <b>Attended by one Director:</b> <ul style="list-style-type: none"> <li>Mr Jahanath Muthusamy ●</li> </ul>                                |
| KWAP INSPIRE Conference 2024 – Advancing Circular Transformation for a Climate Smart Malaysia                           | <b>Attended by one Director:</b> <ul style="list-style-type: none"> <li>YBhg Dato' Mohamad Nasir Ab Latif ●●</li> </ul>                   |
| FIDE Forum Masterclass on Sustainability: Strategies for Achieving Net Zero and ESG Goals                               | <b>Attended by one Director:</b> <ul style="list-style-type: none"> <li>YBhg Datuk Chung Chee Leong ●</li> </ul>                          |
| FIDE Forum Masterclass I: Boardroom Climate Essentials  | <b>Attended by one Director:</b> <ul style="list-style-type: none"> <li>Ms Ong Ai Lin ●●</li> </ul>                                       |
| FIDE Forum Masterclass IV: Taking Effective Climate Action Now  | <b>Attended by one Director:</b> <ul style="list-style-type: none"> <li>Ms Ong Ai Lin ●●</li> </ul>                                       |

## Focus Area: Sustainability Reporting and Disclosure

| Programme Name   | Number and List of Board members in Attendance  |
|--|---|
| Bursa Malaysia Briefing: Understanding the New National Sustainability Reporting Framework   | <b>Attended by one Director:</b> <ul style="list-style-type: none"> <li>YBhg Datuk Chung Chee Leong ●</li> </ul>        |
| Building Sustainable Credibility: Assurance, Greenwashing, and the Rise of Greenhushing, Institute of Corporate Directors Malaysia | <b>Attended by one Director:</b> <ul style="list-style-type: none"> <li>YBhg Dato' Mohamad Nasir Ab Latif ●●</li> </ul> |

## Legend

The coloured circles represent the Directorship of each Board member:

- |                    |                       |                        |
|--------------------|-----------------------|------------------------|
| ● RHB Bank         | ● RHB Investment Bank | ● RHB Asset Management |
| ● RHB Islamic Bank | ● RHB Insurance       |                        |

# Committed to Achieving Net Zero by 2050

## Strategy

### Our Net Zero Strategy

In 2024, we took a significant step forward in our sustainability and climate journey by launching our **Net Zero Strategy and Roadmap**, reinforcing our commitment to achieving Net Zero by 2050. This milestone marks a pivotal moment in our efforts to embed sustainability and climate at the core of our business, setting clear objectives and actionable pathways to reduce emissions, enhance energy efficiency and drive innovation. It adopts a structured, data-driven approach to reducing both financed and operational emissions while enabling our clients to transition to low-carbon business models, supported by our green, sustainable and transition financing products and solutions. The strategy aligns with industry best practices and regulatory requirements, ensuring that our commitments translate into measurable progress.

<sup>1</sup> This refers to the greenhouse gas ("GHG") emissions associated with RHB Group's business activities.

<sup>2</sup> The five high-impact sectors are Energy Supply, Palm Oil, Oil & Gas, Property & Construction, and Transportation.

<sup>3</sup> The initiative is expected to be rolled out in FY2025.

Note: RHB's Net Zero by 2050 strategy may be refined in future, factoring in the progress and development of government policies, directives and incentives, as well as regulatory requirements pertaining to low-carbon transition.

## RHB's Net Zero Strategy

### Achieve Net Zero Emissions by 2050

|                     | Strategic Objective 1  | Strategic Objective 2   | Strategic Objective 3   |
|---------------------|--|---|---|
| Strategic Objective | Reduction of financed emissions <sup>1</sup> in five high-impact sectors <sup>2</sup> within our business  | Driving growth in Green Financial Services ("GFS") & Supporting Companies Committed to Carbon Neutrality with a clear and established transition strategy | Integration of sustainable and low-carbon practices into our own operations   |
| 2030 Targets        | Achieve 20% reduction in Financed Emissions for the top five high impact sectors within our business       | 40% of our portfolio in GFS and/or supporting companies committed to carbon neutrality with a clear and established transition strategy                   | Achieve Carbon Neutral Operations by 2030, covering Scope 1, Scope 2 and Scope 3 (Business travel by Road & Air) GHG emissions. |
| 2050 Targets        | Achieve up to 96% reduction in Financed Emissions for the top five high impact sectors within our business | 90% of our portfolio in GFS and/or supporting companies committed to carbon neutrality with a clear and established transition strategy                   |   |

### Key Enablers

#### Strong Governance Structure

- Board Sustainability Committee and Group Sustainability Committee
- Sustainable Business Council
- Group Sustainability Management
- Group Climate Risk Management
- Sustainable Finance Team

#### Robust Sustainability and Climate Strategy and Roadmap

- Anchored on four key pillars and supported by clearly defined metrics and targets
- Sustainable Financial Services Innovation
- Sectoral Decarbonisation Strategy and Pathway

#### Comprehensive Sustainability and Climate-related Frameworks, Policies and Guidelines

- ESG Eligible Business Activities Guidelines
- Green Finance Handbook
- Relationship Manager Playbooks
- Sustainable and Transition Finance Framework and Guidelines
- Coal Stance and No Deforestation, No New Peat, and No Exploitation ("NDPE") Policy
- Prohibited Credits in the Group Credit Policy

#### Sustainability Capability-Building Framework

- Sustainability and Climate-related across Foundational, Intermediate and Advanced levels for Three Lines of Defence

#### Climate Risk Management Integration

- Group Climate Risk Management Framework & Policy
- ESG Risk Assessment Tool, Simplified Questionnaire and Sector-Level Questionnaires

#### Policy Advocacy

- Internal and external stakeholder engagement and thought leadership activities

#### Strategic Partnerships

- Collaboration with key clients and strategic business partners to drive the low-carbon transition

#### Data Improvement Plan

- Climate Data Strategy
- Data Infrastructure



## Development of Our Net Zero Pathway

In 2023, RHB undertook a comprehensive, data-driven process to establish our Financed Emissions baseline and Net Zero Commitment

- 1** Computed our **Financed Emissions Baseline** utilising Partnership for Carbon Accounting Financials ("PCAF") methodology, covering all seven PCAF asset classes and all sectors RHB is exposed to.
- 2** Identified the Group's **five high-impact sectors**, which represent over 80% of the Group's financed emissions.
- 3** Determined **climate scenarios** with which to project RHB's emissions trajectory.
- 4** Developed **sector-specific and aggregated emissions trajectories**, based on the financed emissions baseline, high-impact sectors, selected climate scenarios, and key industry players' climate commitments.
- 5** Developed RHB's **pathway to achieve Net Zero by 2050**, based on the projected emissions trajectories.
- 6** Established **sector-specific decarbonisation strategies**, including interim and long-term targets, to facilitate the low-carbon transition for our five high-impact sectors

 For further details on the development process, please refer to our corporate website and the Sustainability Report 2023.

# Committed to Achieving Net Zero by 2050

## Strategy



### Strategic Objective 1

## Reduction of financed emissions in five high-impact sectors within our business

Decarbonisation across five high-impact sectors within our business:



Energy Supply



Palm Oil



Oil & Gas



Property & Construction



Transportation



### 2030 Target:

Achieve 20% reduction in Financed Emissions for the top five high-impact sectors within our business

### 2050 Target:

Achieve up to 96% reduction in Financed Emissions for the top five high-impact sectors within our business

Reducing financed emissions is critical to RHB's Net Zero Strategy, given that financed emissions represent a significant proportion of our total GHG emissions profile. As a financial institution, the emissions associated with our lending and investment portfolios far exceed our direct operational emissions, making this a priority area for impactful climate action. By embedding climate considerations into our financing decisions, we are actively working to decarbonise high emission sectors while supporting clients in their transition journey.

To define our focus, we conducted an in-depth assessment of our financed emissions baseline as at 31 December 2022, utilising the Partnership for Carbon Accounting Financials ("PCAF") methodology. This robust, industry-aligned approach covers all seven PCAF asset classes, ensuring a comprehensive and credible inventory of financed emissions:

- ◆ Asset Class 1 ("AC1"): Listed equity and corporate bonds
- ◆ Asset Class 2 ("AC2"): Business loans and unlisted equity
- ◆ Asset Class 3 ("AC3"): Project finance
- ◆ Asset Class 4 ("AC4"): Commercial real estate

- ◆ Asset Class 5 ("AC5"): Mortgages
- ◆ Asset Class 6 ("AC6"): Motor vehicle loans
- ◆ Asset Class 7 ("AC7"): Sovereign debt

The analysis revealed that five sectors — **Energy Supply, Palm Oil, Oil & Gas, Property & Construction, and Transportation** — accounted for 60% of the Group's total financial exposure and 84% of total financed emissions in the baseline year. These sectors now form the core of RHB's decarbonisation strategy.



## Our Approach for Strategic Objective 1



### Accelerating Clients' Decarbonisation Journey




We recognise that meaningful emissions reduction starts with our clients. By engaging clients across the five high-impact sectors, we help catalyse their decarbonisation journeys. We adopt a Tiered Client Engagement Approach, ensuring targeted support based on each clients' decarbonisation needs. With this, we are able to support them in adopting cleaner technologies and enhancing operational efficiencies, directly reducing emissions within their industries.

To ensure accountability and monitor progress, we established an internal Climate Risk Dashboard that provides quarterly estimates of financed emissions. This tool enables us to track performance against our targets and pinpoint sectors where additional interventions are needed.

#### Key Updates

- The Dashboard is reported monthly to the Group Capital and Risk Committee ("GCRC"), Board Risk Committee ("BRC").
- In 2024, we expanded the Climate Risk Dashboard's coverage beyond AC1-AC3 to include AC4-AC7, and integrated sector-level climate risk tracking to enable more detailed Net Zero monitoring.

 For more information on the Climate Risk Dashboard, please refer to pages 94 to 95 of this report.

For more information on our Tiered Client Engagement approach, please refer to pages 76 to 77 of this report.


### Mobilising Sustainable and Transition Finance



Mobilising sustainable and transition finance is central to reducing financed emissions. As sustainable financial services grow, financed emissions naturally decline, reflecting the strong negative correlation between these factors. By driving green and transition financing solutions, we accelerate our clients' low-carbon transitions, aligning their growth with climate-resilient pathways.

#### Key Updates

- Cumulatively mobilised RM41.2 billion in sustainable financial services, of which RM17.8<sup>^</sup> billion was mobilised in 2024.
- 51% of our cumulative sustainable financial services has been mobilised towards supporting green activities.

 For more information on our efforts to mobilise sustainable and transition finance, please refer to Strategic Objective 2 and Enabling Transition through Sustainable Financial Services on pages 75 to 77 and 108 to 137 of this report.

<sup>^</sup> This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report.

# Committed to Achieving Net Zero by 2050

## Strategy



### Employing Asset Replacement

Transitioning from brown to green assets is key to achieving a low-carbon portfolio. Our approach includes on-boarding green clients and financing sustainable projects, which boosts the share of green assets and supports industry-wide decarbonisation. Additionally, we continue to expand financing for green commercial opportunities to strengthen the resilience of our sustainable finance portfolio.

In 2024, we mobilised RM8.8<sup>^</sup> billion in green finance. Of this:

- ◆ **RM560 million** was mobilised to support our clients' adoption of renewable energy
- ◆ **Over RM656 million** was mobilised towards supporting energy efficiency projects and initiatives, enabling our clients to transition towards low-carbon practices.

### Key Updates

- To enhance emissions tracking, we introduced an internal **Financed Emissions Calculator** in 2024. This tool allows relationship managers and business units to estimate emissions from specific lending and financing activities. By providing deeper insights into clients' greenhouse gas ("GHG") emissions, it empowers our teams to engage more meaningfully and guide clients toward adopting sustainable business practices.
- For our SME clients, specifically those who have received funding through the BNM Low-Carbon Transition Facility ("LCTF"), we leverage the Low Carbon Operating System ("LCOS") tool developed by the Malaysian Green Technology and Climate Change Corporation ("MGTC"). This tool enables our LCTF customers to monitor their GHG emissions and track their decarbonisation progress.

<sup>^</sup> This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report.

For further information on our Sustainable Financial Services, please refer to pages 108 to 137 of this report.

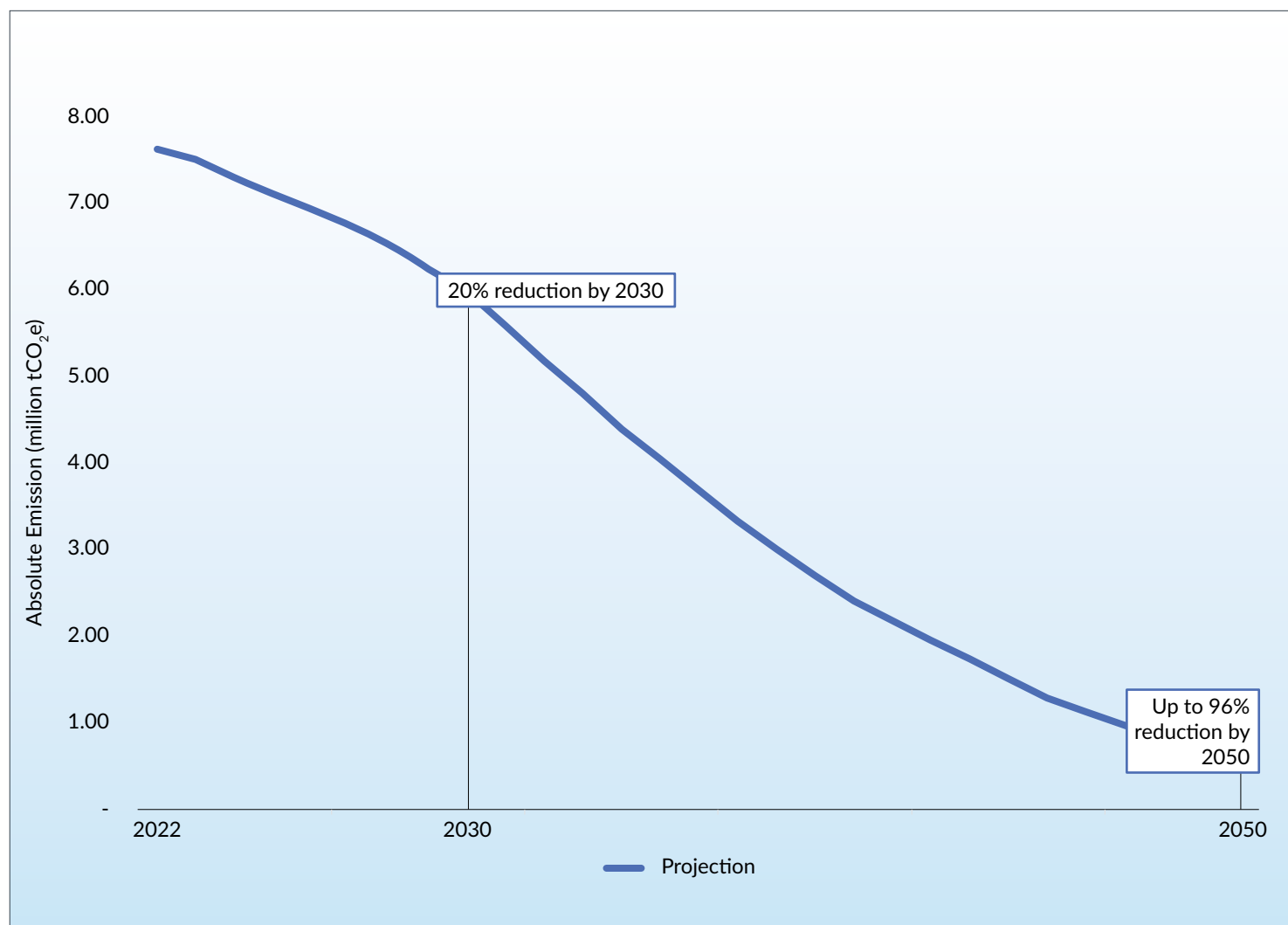
## Emissions Trajectories & Key Insights

RHB's sectoral emissions trajectories guide our approach to managing financed emissions, aligning with our Net Zero 2050 commitment. Informed by government policies, industry climate commitments, and sector-specific maturity levels, these data-driven trajectories enable targeted interventions.

While short-term fluctuations are expected due to varying sector readiness and technological availability, the overall trend reflects steady progress towards Net Zero. Our tailored approach allows us to engage clients effectively, co-developing sustainable finance solutions that support their low-carbon transition.

### Aggregated Absolute Emissions

RHB's Aggregated Absolute Emissions Trajectory (FY2022 - FY2050, million tCO<sub>2</sub>e)

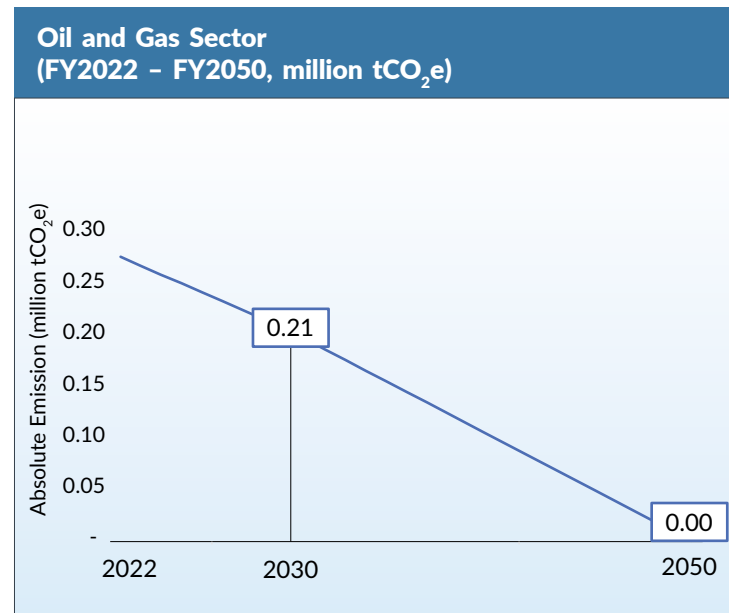
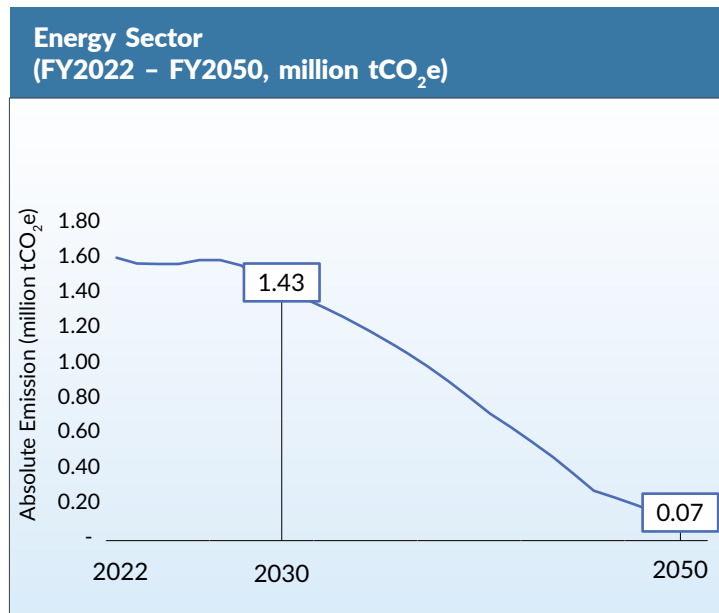


This overarching trajectory illustrates the collective emissions reduction pathway across all five high-impact sectors. While short-term fluctuations are expected, the long-term trend aligns with our Net Zero 2050 commitment.

*Note: Residual emissions by 2050 will be addressed through carbon offsetting. The Group's emissions trajectory is based on the latest data, methodologies, and evolving regulatory frameworks. Continuous monitoring and refinement will ensure alignment with emerging climate-related commitments and market developments.*

# Committed to Achieving Net Zero by 2050

## Strategy



### Challenges

The energy sector's dependence on coal (26.4% of total primary energy in 2018) poses significant decarbonisation challenges. Rapid transitions to renewable energy risk economic and energy security disruptions, compounded by infrastructure, affordability, and scalability issues.

### Opportunities

RHB can accelerate decarbonisation by financing renewable energy zones, developing utility-scale Electrical and Energy Storage ("EES") systems, and supporting sustainable supply chain financing. These efforts promote energy diversification and grid resilience while advancing cleaner energy adoption.

### Key Updates

- ◆ In 2024, we have been engaging with key clients and industry partners within the energy sector to discuss transition opportunities and potential funding support that RHB can offer.
- ◆ These engagements have enabled us to provide tailored sustainable and green financing solutions that support the energy sector's decarbonisation requirements.

### Challenges

The oil and gas sector is facing intense pressure from investors, policymakers and regulators to decarbonise and transition towards alternative, cleaner energy sources. This transition entails high capital requirements for carbon capture, utilisation and storage ("CCUS") technologies, extensive retrofitting needs, and challenges in managing fugitive methane emissions. Integrating renewable energy while maintaining operational stability and energy security further complicates the transition.

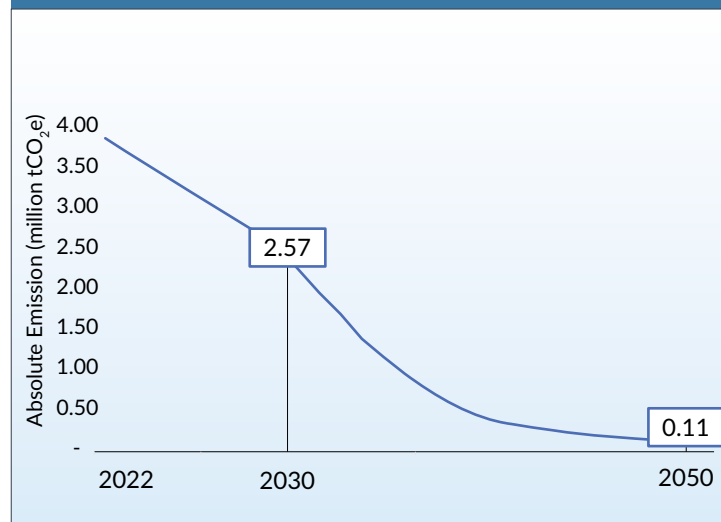
### Opportunities

RHB can enable sector decarbonisation by financing CCUS infrastructure, supporting methane management systems, and leveraging government incentives to develop low-carbon hydrogen hubs. These efforts help balance emissions reduction with long-term industry resilience.

### Key Updates

- ◆ Our Sustainable Finance, Corporate Banking and Commercial Banking teams have been proactively engaging with key clients within this sector, to explore collaboration opportunities in areas such as CCUS.
- ◆ From these engagements, we have identified commercial opportunities for the Group to explore further, such as sustainability-linked facilities and sustainable supply chain financing programmes.

### Property and Construction Sector (FY2022 – FY2050, million tCO<sub>2</sub>e)



#### Challenges


Decarbonising this sector is challenging due to carbon-intensive materials like concrete and steel, complex supply chains, high costs of sustainable technologies, and the need for retrofitting existing buildings.

#### Opportunities

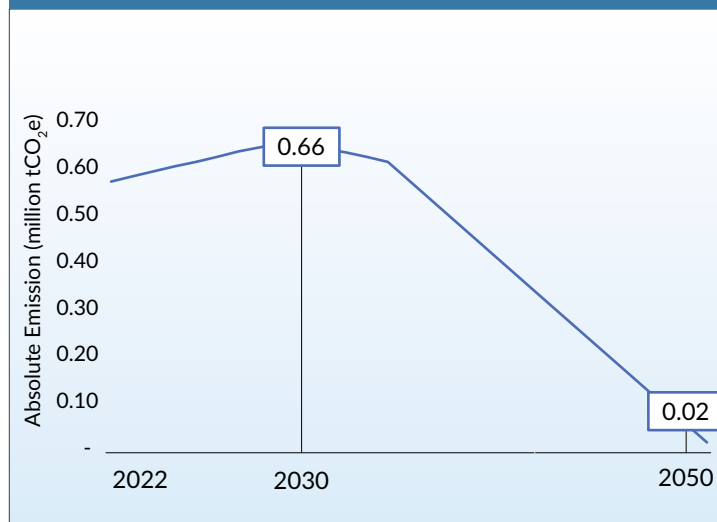
RHB can drive sector transformation by financing energy-efficient developments, supporting the use of low-carbon materials, and collaborating on reforestation initiatives with developers, REITs, and NGOs. These efforts align with sustainable urban development goals.

#### Key Updates

- ◆ Through our Green Residential Financing programme, we provide retail customers with the ability to access green-certified homes.
- ◆ In addition, we continue to engage larger commercial and corporate clients in the sector, to discuss opportunities relating to the low-carbon transition.

 For more information on the Green Residential Financing programme, please refer to pages 114 to 115 of this report.

### Transportation Sector (FY2022 – FY2050, million tCO<sub>2</sub>e)



#### Challenges

The transportation sector's decarbonisation is constrained by high electric vehicle ("EV") adoption costs, limited charging infrastructure, and technological challenges for heavy-duty vehicles. Shifting to public transport and active mobility requires systemic changes, while air and sea transport face sustainable fuel scalability issues.


#### Opportunities

RHB can advance low-carbon mobility by financing EV infrastructure, retrofitting logistics systems for fuel efficiency, electrifying freight, and integrating renewable energy into rail transport. These initiatives enhance sector resilience and sustainability.

#### Key Updates

- ◆ On the retail front, we continue to promote green mobility through our green financing programme for electrical vehicles ("EVs"), hybrid electric vehicles ("HEVs") and plug-in hybrid vehicles ("PHEVs").
- ◆ Concurrently, we have been engaging with corporate and commercial banking clients in the transportation sector to explore potential solutions to support fleet decarbonisation.

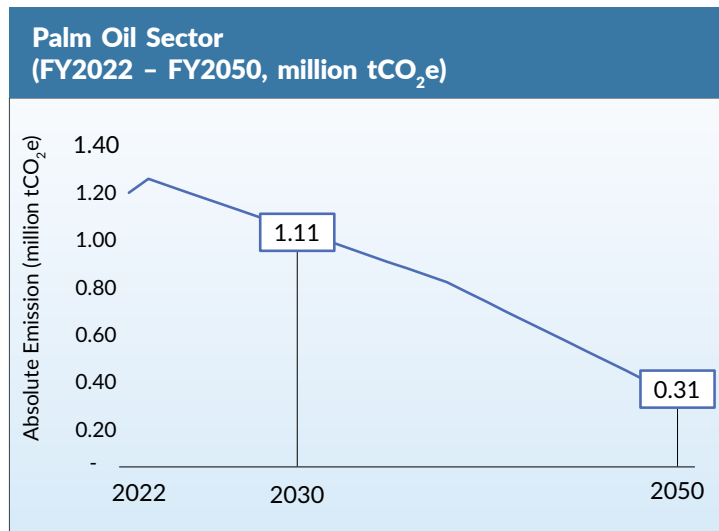
*Note: Short-term increases in financed emissions may occur due to gradual sector transitions and technology maturation. Nevertheless, these fluctuations are part of a broader trajectory toward Net Zero by 2050. RHB remains committed to engaging clients, providing tailored support to ensure successful decarbonisation journeys aligned with long-term climate goals.*

 For more information on Green Vehicle Financing, please refer to page 113 of this report.



# Committed to Achieving Net Zero by 2050

## Strategy



### Challenges

Decarbonisation in the palm oil sector is hindered by high costs of transition technologies, limited capital for smallholders, and emissions from heavy machinery use. Rapid shifts to renewable energy may disrupt production costs and supply chains.

### Opportunities

RHB can support decarbonisation in this sector by financing biogas capture initiatives, supporting renewable energy integration, and enhancing supply chain sustainability. Additionally, financing low-carbon fertiliser use and electrifying transport and machinery contributes to sustainable sector growth.

### Key Updates

- ◆ Our RMs and business units have been actively engaging with clients in this sector, particularly SME clients, to develop plans that will support clients' decarbonisation efforts.
- ◆ From these engagements, we have identified key clients whom we can support through our sustainable financial services, such as through sustainability-linked facilities.



### Case Study: Advancing Eco-Friendly Practices in the Palm Oil Industry



RHB Bank Berhad has secured a RM90 million Sustainability-Linked Facility ("SLF") agreement with Intercontinental Specialty Fats ("ISF") Sdn Bhd, a subsidiary of The Nisshin Oillio Group Ltd ("NOG"). As a leading manufacturer of palm specialty oils and fats, ISF owns and operates refining and downstream processing facilities throughout Peninsular Malaysia.

Under this agreement, ISF is incentivised to achieve predefined Sustainability Performance Targets ("SPTs"), which focus on key areas such as:

- ◆ Operations: Enhancing the environmental efficiency of ISF's manufacturing processes.
- ◆ Supply Chain Engagement: Promoting sustainable practices among suppliers and partners.
- ◆ Client Requirements: Meeting the growing demand for sustainable products from customers.

“This partnership exemplifies our shared commitment to sustainability and ESG principles, empowering us to advance impactful initiatives for a greener and more inclusive future. Together, we're driving positive change and building a more sustainable world.”

Takashi Ishigami, Chief Executive Officer of ISF



## Strategic Objective 2 Driving Growth in Green Financial Services and Supporting Companies Committed to Carbon Neutrality

Growth in Green Financial Services and supporting companies committed to carbon neutrality, with a clear and established transition strategy.

### → 2030 Target:

40% of our portfolio in Green Financial Services and/or supporting companies committed to carbon neutrality, with a clear and established transition strategy

### → 2050 Target:

90% of our portfolio in Green Financial Services and/or supporting companies committed to carbon neutrality, with a clear and established transition strategy

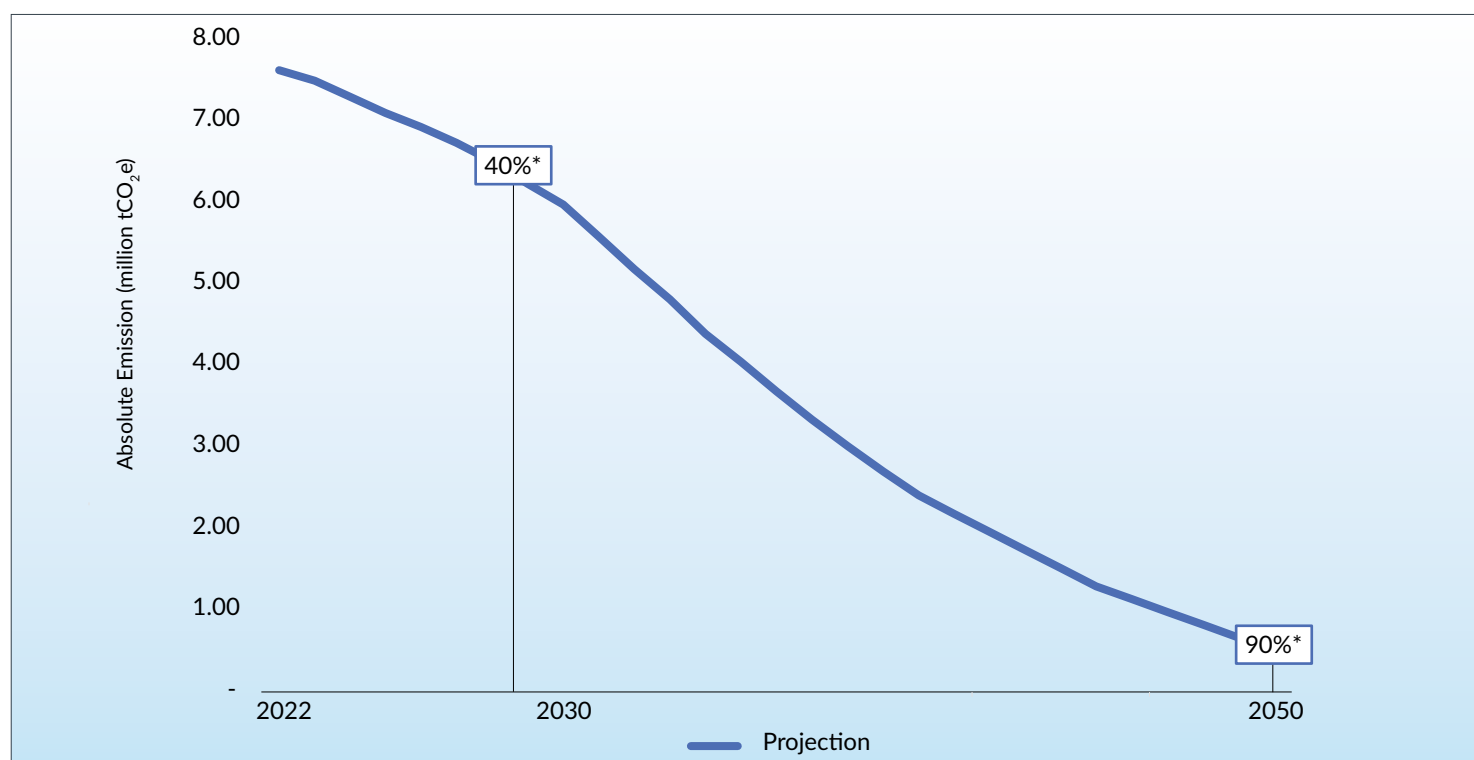
As a financial institution, RHB wields significant influence over the industries it finances. By providing tailored financing and advisory solutions, RHB not only enables clients to decarbonise but also ensures its own portfolio aligns with national and international climate commitments. Expanding Green Financial Services and Transition Finance accelerates sustainable growth, secures long-term business resilience, and positions RHB as a leader in Malaysia's transition to a low-carbon economy.

### Transforming Our Portfolio Composition

The Group aims to shift 90% of its portfolio towards Green Financial Services and companies committed to carbon neutrality by 2050, with a 40% target by 2030. This transformation ensures that the Group's financial activities drive positive environmental outcomes while safeguarding profitability and stakeholder value.

#### RHB's Target Portfolio Composition Towards Net Zero by 2050

Comparison against Aggregated Absolute Emissions Trajectory (FY2022 – FY2050, million tCO<sub>2</sub>e)



\* This denotes the total percentage of the Group's portfolio in green financial services and companies committed to carbon neutrality. By 2050, the remaining proportion of the Group's portfolio will consist of other assets, which may include some brown assets.

# Committed to Achieving Net Zero by 2050

## Strategy

| Defining Green Financial Services and Neutral Finance |   |   |
|---|---|---|
| Green Financial Services*                             |   | Neutral Finance   |
| Definition  | <ul style="list-style-type: none"> <li>✓ Covers lending/financing and investment, contributing to emissions reduction or demonstrating zero net emissions generated, thereby displacing emissions that would have otherwise occurred without the projects' implementation.</li> <li>✓ Takes guidance from the Green Financing Handbook, with a focus on renewable energy projects.</li> </ul> | <ul style="list-style-type: none"> <li>✓ Refers to lending/financing and investment that supports businesses or companies committed to carbon neutrality with a clear and established transition strategy.</li> <li>✓ Involves financing and investment that meet the eligible activities under Green Financial Services but still generate emissions (i.e., does not meet the "zero net emissions generated" criteria).</li> <li>✓ All other green lending/financing activities, other than Renewable Energy.</li> </ul> |
| Examples (non-exhaustive)                             | <ul style="list-style-type: none"> <li>✓ Financing for large-scale solar farm</li> <li>✓ Financing for hydropower dam</li> </ul>  | <ul style="list-style-type: none"> <li>✓ Financing for energy efficiency initiatives</li> <li>✓ Financing for green building projects</li> </ul>  |

\* The term Green Financial Services refers specifically to the Group's net-zero commitment, while green finance, as defined in the Group's ESG Eligible Business Activities Guidelines, covers sustainable financial services mobilised by the Group under the green categories.  
Note: Definitions may be refined with the introduction of RHB's Sustainable and Transition Finance Framework in 2025.

## Our Approach for Strategic Objective 2

### 01 Conduct Targeted Client Engagements

In addressing diverse client needs, our tiered client engagement approach categorises clients based on their decarbonisation maturity and transition readiness. This targeted approach ensures we deliver meaningful and measurable progress, advancing sustainability across all client segments.

| TIERED CLIENT ENGAGEMENT APPROACH   |  |  |
|---|--|--|
| <b>Tier 1 (Advance)</b><br><br>Corporate, Commercial, and Overseas/Regional clients with an established decarbonisation and transition strategy. Engagement focuses on identifying opportunities for RHB to support their decarbonisation journey while monitoring progress toward their emissions reduction goals. | <b>Tier 2 (Moving Towards)</b><br><br>Corporate, Commercial, and Overseas/Regional clients in the early stages of decarbonisation. Beyond identifying opportunities for green financial services, engagement efforts include empowering clients to embed sustainability and low-carbon considerations across their value chains. | <b>Tier 3 (In Need)</b><br><br>SME clients facing greater challenges in decarbonisation due to resource constraints and limited access to sustainability expertise. Engagement efforts focus on providing advisory support, building climate awareness, and assisting with emissions calculations and carbon accounting practices. |


To strengthen these efforts, **Relationship Manager (“RM”) Sector Playbooks** were developed. These sector-specific guides provide actionable insights, enhancing RM capabilities to engage clients on sustainability and decarbonisation initiatives.

#### Key Features:

- ✔ **Sector-Specific Guidance:** Provides detailed insights for the five high-impact sectors, along with high-level guidance for Steel, Manufacturing, Mining, Chemicals, Agriculture, and Healthcare.
- ✔ **Material Sustainability Matters:** Identifies sector-relevant sustainability issues to enhance targeted client engagement.
- ✔ **Decarbonisation Opportunities:** Recommends strategies for integrating green financial products and supporting client transitions.

#### Strategic Actions in 2024:


- ✔ Proactive and ongoing engagement with clients across our high-impact sectors, to better understand their needs and develop bespoke financing solutions.
- ✔ Provided training for RMs via the Climate Activation Programme and Green Financing Advisor programme, strengthening understanding of sustainable finance and sector-specific decarbonisation challenges.

 For more details on training for RMs, please refer to page 174 of this report.

## 02 Leverage Government Policies and Incentives

#### Key Features:

- ✔ **Alignment with national climate policies:** Supports Malaysia's Net Zero 2050 ambition by leveraging key government policies, such as the National Energy Transition Roadmap ("NETR"), Hydrogen Economy and Technology Roadmap ("HETR"), and New Industrial Master Plan 2030 ("NIMP 2030").
- ✔ **Integration into sustainable finance strategy:** These policies form the foundation of RHB's Sustainable Financial Services ("SFS") commitment of RM90 billion by 2027.
- ✔ **Enabling client transitions:** Leverages these national frameworks to provide clients with sustainable financial solutions that are aligned with Malaysia's decarbonisation priorities.

 For more details on our Thought Leadership and Advocacy efforts, please refer to pages 44 to 47 of this report.

#### Strategic Actions in 2024:

- ✔ Regular engagement with policymakers to align Sustainable Financial Services strategies with national priorities.
- ✔ Proactive collaboration with clients impacted by or benefiting from these policies to explore sustainable financial solutions that meet their transition needs.
- ✔ Engaged with policymakers on the NETR, to ensure that the Group's sustainable financial services efforts are aligned with the nation's decarbonisation priorities.

## 03 Support Clients in Hard-to-Abate Sectors

Recognising the challenges faced by clients in carbon-intensive industries, RHB introduced the Green Finance Handbook under its Group Climate Action Programme ("GCAP"). The handbook standardises the identification, classification, and management of green financial services, ensuring consistency and precision in advancing sustainability objectives.


#### Key Features:

- ✔ **Classification Framework:** Establishes a clear methodology, including a decision tree and eligibility criteria, to identify and classify green financial services effectively.
- ✔ **Alignment with ESG Guidelines:** Enhances tracking and disclosure of green finance progress by complementing the Group's ESG Eligible Business Activities Guidelines ("EBAG").
- ✔ **Consistency Across Portfolios:** Ensures a uniform approach to green finance classifications, enabling seamless integration across business units.

#### Strategic Actions in 2024:

- ✔ Despite these efforts, we recognise that many clients in hard-to-abate sectors may not yet qualify for green financial services due to high decarbonisation costs and operational complexities.
- ✔ To address this, RHB has developed the Sustainable and Transition Finance Framework ("STFF"), which is currently undergoing Second Party Opinion ("SPO") review and is targeted to be launched in the third quarter of 2025. The framework will guide sustainable and transition finance mobilisation, including investments in low-carbon infrastructure, machinery upgrades, and sustainable material sourcing.

Note: Transition finance is any form of financial support that helps decarbonise high-emitting activities or enables the decarbonisation of other economic activities.

 For more information on our efforts in Enabling Transition through Sustainable Financial Services, please refer to page 108 of this report.

# Committed to Achieving Net Zero by 2050

## Strategy



### Strategic Objective 3 Integration of Sustainable and Low-carbon Practices into Our Own Operations

#### Integration of sustainable and low-carbon practices into our own operations

##### 2030 Target:

Achieve Carbon Neutral Operations by 2030, covering Scope 1, Scope 2 and Scope 3 (Business travel by Road & Air) GHG emissions.

While financed emissions remains our largest climate impact, we acknowledge that Net Zero cannot be achieved without addressing our own operational GHG emissions. Hence, achieving Carbon Neutral Operations by 2030 is a core commitment within our Net Zero strategy.

To this end, by 2030, we aim to reduce operational GHG emissions by 60% through internal reduction initiatives, with the remaining 40% to be addressed via carbon offset measures. Our Carbon Neutral Operations Roadmap guides these efforts, prioritising emission reductions before offsetting, underscoring our commitment to responsible climate action.

#### Projected Operational GHG Emissions Trajectory (FY2016 - FY2030 tCO<sub>2</sub>e)



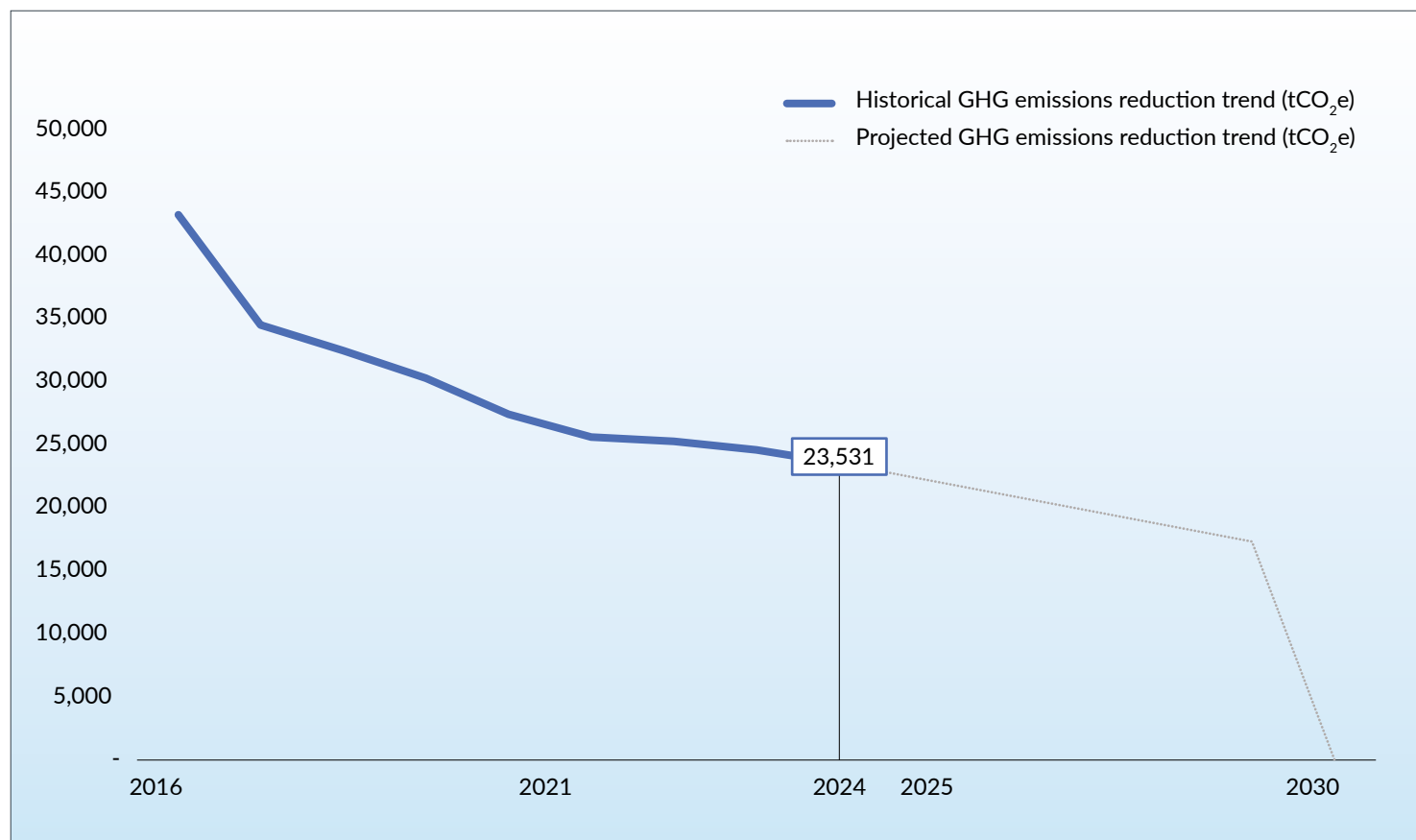
Note: By 2030, we target 60% of operational emissions (Scope 1, 2 & 3 (Business travel by Road & Air)) will be reduced internally, with the remaining 40% to be addressed via carbon offsets.



## Our Approach for Strategic Objective 3

Our efforts to integrate sustainable and low-carbon practices across our operations have adopted a phased approach:

### Operational (Scope 1, Scope 2 and Scope 3) GHG Emissions Reduction Approach (tCO<sub>2</sub>e)



#### Renewable Energy

The Group remains committed to increasing renewable energy consumption across its operations. Through a phased solar installation approach, we continue to integrate and commission solar energy at suitable RHB locations, reducing reliance on non-renewable energy sources.

Building on our progress in 2024, the Group plans to install solar panels at an additional 40 branches in 2025, further strengthening our commitment to clean energy adoption.

#### 2024 Progress

- ✓ Installed and commissioned solar panels at RCOE Crystal Plaza rooftop.
- ✓ Installed and commissioned solar panels at 20 branches nationwide.
- ✓ Installed and commissioned solar panels at RHB Complex Bangi carpark roof, enhancing solar capacity while providing shade for employee vehicles.

#### Energy Impact

- ◆ Renewable Energy Generated:

**850,342 kWh.**

- ◆ GHG Emissions Avoided:

Approximately **497 tCO<sub>2</sub>e.**

# Committed to Achieving Net Zero by 2050

## Strategy



### Energy Efficient Buildings

Enhancing energy efficiency is critical to lowering both energy consumption and operational GHG emissions. Since launching the Carbon Neutral Operations by 2030 Roadmap in 2022, the Group has implemented several initiatives to optimise energy use.

#### 2024 Progress

##### Cooling & HVAC Efficiency Upgrades

- ✓ Installed Variable Speed Drive ("VSD") at RHB Centre AHU and Pump.
- ✓ Replaced ageing air-conditioning units at branches with energy-efficient type.
- ✓ Installed split air-conditioning units at RHB Complex Bangi hostel.

##### Lighting Optimisation

- ✓ Implemented motion-activated lighting in RHB Centre washrooms and in RHB Complex Bangi's carpark, hostel, and washrooms.
- ✓ Replaced branch signage to LED for improved energy efficiency.

##### Operational & System Enhancements

- ✓ Optimised Mechanical and Electrical ("M&E") operations across HQ buildings and branches.
- ✓ Upgraded the Building Automation System ("BAS") in RHB Centre for better energy management.

#### Energy Impact

♦ Electricity Savings Achieved:

**1,760 MWh**

♦ Emissions Avoided:

**1,030 tCO<sub>2</sub>e**

### Carbon Offsets for Residual Emissions

As part of the Group's Carbon Neutral Operations Roadmap by 2030, the Group aims to achieve 60% GHG emissions reduction against baseline year 2016, via internal and future energy efficiency improvement initiatives across our premises, utilisation of renewable energy, and culture-building and awareness. While internal reductions remain the top priority, some emissions will remain unavoidable.

To address the remaining 40% residual emissions, the Group will develop a carbon offset strategy in 2025, by exploring viable carbon offsets and nature-based solutions to neutralise these emissions while ensuring environmental integrity.

This strategy will complement ongoing decarbonisation efforts, ensuring a structured and responsible transition toward Net Zero.

We recognise that employee involvement in environmentally-friendly practices is critical to support our target to achieve Carbon Neutral Operations by 2030. Hence, we continuously engage our employees through awareness, staff campaigns, and other engagement initiatives, to drive collective action on climate.

[For more information on our efforts to engage employees on sustainability, please refer to page 173 of this report.](#)

## Net Zero Strategic Enablers

Achieving Net Zero by 2050 requires more than greening our own operations, it demands a fundamental shift in how capital is allocated as well as strengthening expertise, building robust data infrastructure, and fostering strategic partnerships. The Group's approach focuses on three key enablers: addressing data challenges, driving capability building, and leveraging strategic collaborations.



### Addressing Data Challenges

➔ As at FYE December 2023, the Group's financed emissions PCAF Data Quality score\* stands at 4.30, indicating that further enhancement for financed emissions calculation is required.

Reliability of data is fundamental to improving data quality. Accurately calculating Financed emissions is one of the most complex yet crucial aspects of our Net Zero Strategy.

Recognising this, the Group developed a Data Strategy & Implementation Roadmap through GCAP in 2024, focusing on closing data gaps and improving governance. This roadmap outlines a comprehensive data and technology architecture, robust governance framework, and a phased approach to enhance emissions tracking and reporting.

#### Data Strategy & Implementation Roadmap

##### Short Term: Enhancing Data Availability

- ◆ Collect actual data from clients to improve PCAF data quality scores (e.g., actual emissions, activity data).
- ◆ Leverage existing infrastructure to streamline the financed emissions calculation process (e.g., ensure all existing data fields are accurately captured and correctly utilised).
- ◆ Improve data quality and collection efficiency via third party data subscription where required.

##### Long Term: Introducing Automation

- ◆ Automate end-to-end financed emissions data management, including data collection, calculation, and analysis.
- ◆ Introduce portfolio decisioning tool, with what-if analysis and updated outstanding amounts to reflect loan and facility movements.
- ◆ Introduce decisioning and analysis tools to simulate net zero pathway and trajectory, based on business decisions.

#### Key Updates

- Conducted a comprehensive assessment of data gaps for financed emissions calculation through GCAP and developed a Data Strategy and Implementation Roadmap.
- Commenced initiatives to address data gaps in 2024, including collecting emissions data directly from our clients via the ESG Risk Assessment ("ERA") tool, to improve data quality.
- Outlined a high-level data and technology architecture, governance framework, and phased implementation approach as part of the Data Strategy to enhance emissions tracking and reporting.
- Conducted internal engagement sessions to educate business units on financed emissions data requirements, enabling them to source necessary information directly from clients.

#### Outlook

- Focus on enhancing data quality, upgrading internal infrastructure, and refining client data collection processes.
- Automate data processes to improve analytical capabilities and eliminate manual work.
- Strengthen emissions tracking, improve risk management, and enable data-driven financing decisions through continuous refinement of the data strategy.

\* PCAF data quality refers to the technical accuracy and reliability of reported financed emissions data, determined by the calculation methodology, assumptions applied, and reliance on proxy data. Scores range from 1 (highest data quality) to 5 (lowest data quality).

# Committed to Achieving Net Zero by 2050

## Strategy



### Driving Capability Building


- ➔ A strong internal knowledge base in sustainable finance and climate-related risks is essential for guiding clients in their transition journeys. Developing sustainability-focused skills across business units will ensure effective client engagement and Net Zero implementation. In 2024, the Group has prioritised expanding sustainability knowledge across all business units, ensuring sustainability considerations are effectively integrated into financial solutions.

#### Key Updates

- Introduced the Climate Activation Programme ("CAP"), equipping Relationship Managers ("RMs") with a deeper understanding of five high-impact sectors to support more meaningful client engagements.
- Launched the Green Financing Advisor ("GFA") Programme, an intermediate-level training initiative, designed to enhance technical knowledge of sustainable finance within business units.
- Provided advisory support to business units through the Sustainable Finance team, enhancing client engagement on decarbonisation efforts.
- Conducted regular knowledge-sharing sessions with RMs and business units to strengthen sustainable finance awareness.

#### Outlook

- Expand training programmes to ensure sustainability knowledge becomes a core competency across all business units.
- Strengthen internal capabilities to drive effective client engagement strategies in line with Net Zero ambitions.
- Ensure sustainability considerations remain central to financial solutions and client advisory services.

 For more information on our sustainability and climate-related capability building, please refer to pages 173 to 179 of this report.



### Leveraging Strategic Collaborations and Partnerships


- ➔ Scaling sustainable financing solutions requires strong collaboration with industry players and business partners. Partnerships enable innovation, support the expansion of transition finance, and create new opportunities for businesses moving towards decarbonisation.

#### Key Updates

- Strengthened collaboration with Tenaga Nasional Berhad ("TNB") to promote renewable energy and energy efficiency solutions among SME customers.
- Leveraged partnerships with SME Association Malaysia, SME Corp and the Malaysian Retail Chain Association, as well as the Joint Committee on Climate Change SME Focus Group to drive SMEs' transition to low-carbon practices.
- Retail Banking partnerships drive sustainable finance uptake among retail customers – including partnerships with BYD, Tesla and Volvo to drive our green vehicle financing, as well as partnership with property developers such as OSK, MahSing, SkyWorld and Malton to provide green-certified homes for customers.
- Participating in on-going discussions with key clients and stakeholders across our high-impact sectors, including Energy Supply and Oil & Gas, to explore potential collaboration opportunities to drive decarbonisation.

#### Outlook

- Continue to expand strategic collaborations, accelerating innovation and driving transition finance.
- Foster partnerships that create long-term value for clients and stakeholders, furthering decarbonisation efforts across industries.

 For more information on this and other key partnerships, please refer to pages 117 to 119 of this report.

# Committed to Achieving Net Zero by 2050

## Risk Management

As global markets accelerate their transition to sustainable and low-carbon economies, financial institutions must navigate rising exposure to ESG and climate-related risks. Climate-related risks, whether physical disruptions from extreme weather or transition risks from shifting regulations and market expectations, are reshaping the global business landscape.

At RHB, we take a proactive and integrated approach, embedding ESG risk considerations into business strategy, credit decisions, investment planning, and risk appetite setting. Aligning our risk management frameworks with global best practices and evolving regulatory standards enables us to safeguard our portfolios while positioning ourselves to seize emerging opportunities in sustainable finance and responsible investment.

### RHB's Sustainability and Climate Risk Management Journey

We take pride in our evolving risk management journey, continuously strengthening our approach to navigate the increasing complexity of ESG risks. Through the proactive refinement of our frameworks, we ensure robust risk governance aligned with regulatory expectations and global best practices, and we drive sustainable, responsible decision-making across our operations.

#### 2020 and earlier: Establishing the Foundations

- ◆ Integrated ESG risk into lending/financing by developing ESG Risk Assessment ("ERA") for identified ESG sensitive sectors.
- ◆ Incorporated Sustainability risk into our Risk Library as part of the Group's Material Risk assessment and Risk Appetite Statement.
- ◆ Embedded Prohibited Credits in the Group Credit Policy and local country credit policies.

#### 2021: Enhancing ESG Risk Management

- ◆ Strengthened controls for customers rated as 'High Risk' under ESG risk assessment, including them under Exception Credits requiring a higher level of approval.

#### 2022: Strengthening Climate Risk Management

- ◆ Incorporated Bank Negara Malaysia ("BNM") Climate Change and Principle-based Taxonomy ("CCPT") considerations into our ERA.
- ◆ Embarked on the Group Climate Action Programme ("GCAP").
- ◆ Enforced the Group's Coal Stance and No Deforestation, No Peat, No Exploitation ("NDPE") Commitment.

#### 2023: Advancing Climate & ESG Risk Governance

- ◆ Launched the Group Climate Risk Management Framework ("GCRMF") & Policy ("GCRMP").
- ◆ Enhanced the ERA by incorporating Sector-level Questionnaires ("SLQs") beyond the minimum CCPT requirements, enabling a more comprehensive assessment of CCPT.
- ◆ Embedded climate risk metrics considerations into the Group's Risk Appetite Setting ("RAS") to strengthen financial resilience.
- ◆ Developed the Climate Risk Dashboard for monitoring of climate-related metrics.
- ◆ Incorporated climate risk into credit risk, market risk, operational risk, liquidity risk and insurance risk.

#### 2024: Deepening Climate & ESG Risk Integration

- ◆ Introduced the Simplified Questionnaire ("SQ") to assess ESG risks of SME clients.
- ◆ Incorporated the Guidance Notes of the BNM Due Diligence Questionnaire ("DDQ") into the SQ and SLQ.
- ◆ Rolled out the climate risk underwriting guide across our operations.
- ◆ Progressed in our climate scenario analysis and stress testing journey, with the development of physical risk and transition risk models.



# Committed to Achieving Net Zero by 2050

## Risk Management

### Sustainability and Climate-related Frameworks and Policies

The Group is guided by well-established frameworks and policies in its approach to responsible financing, ensuring consistency in decision-making across our business. These frameworks and policies provide clear principles for managing ESG risks, including climate-related risks, while aligning with regulatory expectations and international leading practices.

#### Climate Risk Management Framework & Policy

The GCRMF and GCRMP establish the principles, standards, and governance structure for effective management of climate-related risks across RHB, in alignment with Bank Negara Malaysia's Climate Risk Management and Scenario Analysis ("CRMSA") requirements. The GCRMF and GCRMP have been fully implemented across Malaysia and overseas operations, reinforcing a consistent approach to climate risk management, anchored on robust oversight.

##### Group Climate Risk Management Framework

- ◆ Sets out the core requirements for effective management of climate risk within the Group, to minimise financial losses and comply with regulatory requirements.
- ◆ Establishes a clear governance structure for oversight of climate risk management.
- ◆ Provides an overview of the Group's climate risk management approach.

##### Group Climate Risk Management Policy

- ◆ Sets out principles and guiding standards for the effective management of climate-related risks.
- ◆ Aligned the guidance with BNM CRMSA, covering areas such as governance, strategy, risk appetite, risk management, scenario analysis, and disclosure.
- ◆ Clearly defines roles and responsibilities across the Three Lines of Defence.



“ Since 2022, the Group has not provided new financing to thermal coal-related activities. As of December 2024, the Group has zero exposure to thermal coal-related activities. ”



## RHB's Coal Stance and NDPE Commitment

The Group's Coal Stance and NDPE Commitment have been in place since 2022, ensuring that we do not finance sectors with significant climate and human rights risks, particularly those linked to deforestation, biodiversity loss, and labour rights violations. Beyond exclusion, we actively engage, support, and monitor our clients' transition plans to align with our sustainability agenda.

### RHB's Stance on Coal

RHB will not pursue opportunities or provide financing for any new thermal coal mine projects and coal-fired power plant projects.

- ◆ Additionally, we will take a phased approach towards exiting our current coal exposure.
- ◆ Towards supporting transition finance, the Group will consider providing financial support to the following customers, provided there is demonstrable evidence of commitment to make remedial efforts to transition to low-carbon and sustainable business activities:
  - New and/or existing customers whose revenues are solely dependent on coal
  - New and/or existing customers with diversified business activities where coal is one of the business activities

In cases where financial support is granted to such customers, implementation of remedial measures and action plans will be closely monitored.

### RHB's NDPE Commitment

- ◆ RHB will not pursue opportunities or provide financing for companies that are directly involved in:
  - Deforestation
  - Development of new plantation or production sites in peatland areas
  - Exploitation, including forced labour, child labour and practices that transgress indigenous peoples' rights
- ◆ The Group's NDPE Commitment is applicable to the palm oil, forestry and agricultural sectors. Companies in these sectors must demonstrate alignment with our NDPE principles and responsible practices to be eligible for financing.
- ◆ The Group may consider providing financial support to customers who have obtained relevant certification by multi-stakeholder initiatives, or have a time-bound plan towards achieving the relevant certifications.

# Committed to Achieving Net Zero by 2050

## Risk Management

### Prohibited Credits

In line with BNM CCPT, we have incorporated Prohibited Credits into the RHB Banking Group Credit Policy to uphold responsible financing practices. The Group does not engage in business with individuals or corporations classified under Prohibited Credits. If an existing relationship later falls into this category, we implement a structured exit strategy or pare down exposure accordingly.

The Group's Stance on Coal and NDPE commitment have been embedded into the list of Prohibited Credits.

### Prohibited Credits Under the Group Credit Policy

The Group does not extend credit to individuals or corporations:

- 1 Whose activities contravene the law.
- 2 Charged with or found guilty of an offence under the AMLA laws/regulations.
- 3 Suspected to be involved in money laundering/terrorism financing/proliferation financing (ML/TF/PF) and has been established to have AML/CFT/CPF risk following enhanced due diligence.
- 4 Involved in trade of wildlife or wildlife products regulated under country or international standards (e.g., CITES<sup>[1]</sup>).
- 5 Involved in production or trade in or use of unbonded asbestos fibers. This does not apply to purchase and use of bonded asbestos cement sheeting where the asbestos content is less than 20%.
- 6 Involved in production or activities involving harmful or exploitative forms of forced labour<sup>[2]</sup>/harmful child labour<sup>[3]</sup>.
- 7 Involved in production or trade in radioactive materials. This does not apply to purchase of medical equipment, quality control (measurement) equipment and any other equipment which are permissible according to local or national law or regulations.
- 8 Involved in the production or trade in firearms, weapons and munitions, with the exception for Malaysian national defense purposes.
- 9 Involved in the production or trade in pornography and prostitution.
- 10 Involved in activities that could damage any heritage sites listed under country national heritage or UNESCO World Heritage Sites.
- 11 Involved in development of new plantations or production sites on High Biodiversity Value/High Conservation Value and High Carbon Stock forests, primary forests and forest reserves.
- 12 Involved in new planting or production sites in peatland areas.
- 13 Involved in exploitation of people and communities that are against indigenous people's rights.
- 14 Involved in new coal fired power plant project and new thermal coal mines project.
- 15 Involved in unregulated open burning for land clearance.\*

\*This is a new inclusion introduced in 2024.

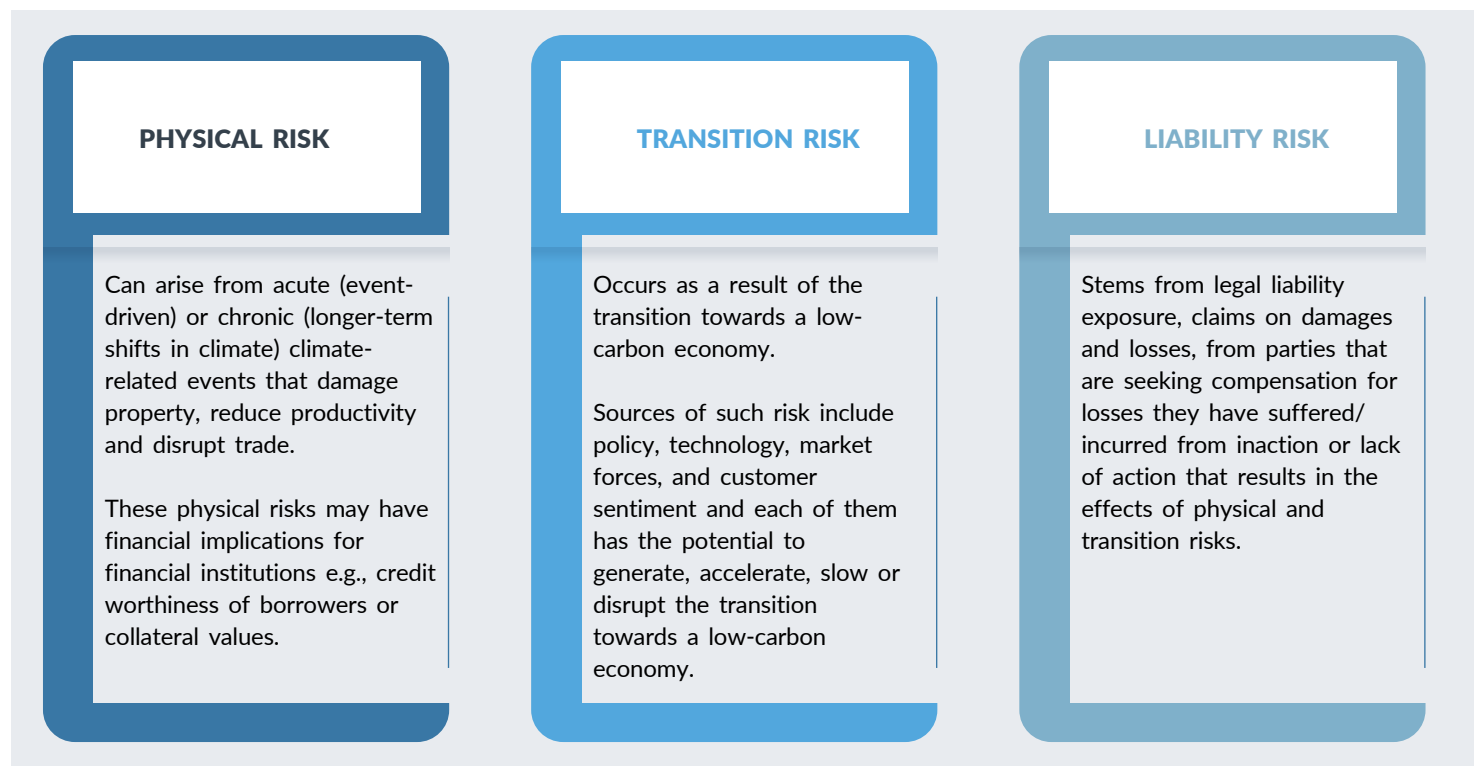
<sup>[1]</sup> The Convention on International Trade in Endangered Species of Wild Fauna and Flora ("CITES") is an international agreement aimed at ensuring that international trade in specimens of wild animals and plants does not threaten their survival.

<sup>[2]</sup> Forced labour refers to all work or services not voluntarily performed and extracted from an individual under threat of force or penalty.

<sup>[3]</sup> Harmful child labour refers to the employment of children that is economically exploitative, hazardous, interferes with the child's education, or is detrimental to the child's health or physical, mental, spiritual, moral, or social development.

## RHB's Climate-related Risks

Managing climate-related risks follows the same principles as managing other risks, requiring a structured approach in identifying, measuring, monitoring, mitigating and reporting the potential impacts on RHB's portfolios, operations, and clients. Climate change impacts can manifest through three dimensions of risks, namely physical, transition and liability risks, as defined in RHB's established Risk Library under the risk type: Environmental Risk, as follows:



## Identification and Assessment of Climate Change Impact and Related Risks

Climate change impact and climate-related risks have been taken into consideration in RHB's established Risk Library since the year 2019 under the risk type, namely Environmental Risk, which was later revised to Sustainability Risk in year 2020, comprising Environmental Risk, Social Risk, and Governance Risk.

RHB manages climate related risks by incorporating climate risk considerations into all risk categories/types, where applicable. In addition, the established transmission channels, i.e., the causal chains linking climate change impact and climate related risks to other risk categories/types (e.g., credit risk, market risk, operational risk, strategic risk, etc.) are subjected to annual review prior to being taken into consideration by our Strategic Business Groups ("SBGs") and Strategic Functional Groups ("SFGs") in assessing the Material Risk Assessment ("MRA") annually.

MRA is a comprehensive process to assess the various risks that the Group and its entities are facing and to identify the action plans to address such risks, inclusive of Sustainability Risk. It starts with the bottom-up assessment conducted by all SBGs and SFGs supporting the business operations in RHB Bank Group (including RHB Insurance), RHB Islamic Bank, RHB Investment Bank Group (including RHB Asset Management and Trustees). The assessment performed by the SBGs and SFGs are reviewed and challenged by various Subject Matter Experts ("SMEs"). The consolidated assessment is then subjected to top-down review by the Group Chief Risk Officer ("GCRO"), Managing Director ("MD") of the Group International Business and MDs of respective entities followed by RHB Bank's Group Managing Director ("GMD"), before presenting the MRA result to the management and Board committees for endorsement and approval, respectively.

The MRA rating is also subjected to semi-annual review by SMEs. Should there be any change, the results will be subjected to a top-down review process by Senior Management, followed by endorsement/approval by the management and Board committees.

# Committed to Achieving Net Zero by 2050

## Risk Management

Below are some examples of how the climate risk dimensions are linked to other risk categories/types:

| Risk Category/ Type                               | Credit Risk  | Market Risk   |
|---|--|---|
| Climate Risk Dimension                            | Physical Risk  | Transition Risk   |
| Component   | Acute  | Policies  |
| Transmission Channels and Potential Impact to RHB | <p>The local area will be hit by more frequent extreme weather events, such as strong typhoons, extreme rainfall, landslides, flooding, tropical cyclones, and inundation. Due to the potential damage to properties, the valuation of real estate used as collateral may potentially decrease, resulting in a higher Loss Given Default. On the other hand, the default probability of real estate mortgage customers will increase due to the rise in loan-to-value ratio.</p> | <ul style="list-style-type: none"> <li>For Commodity Risk, the low-carbon emission policies implemented by the government may affect the production of the plantation/commodities, due to higher cost and restriction imposed by the government. This lower supply while demand remains unchanged could lead to increased commodities prices. (mainly for soft commodities).</li> <li>As for Equity Risk, the low-carbon emission policies implemented by the government may affect those listed companies that rely heavily on plantation/commodities or contribute significant carbon emissions to generate revenue. Hence, the share price for these companies or the industries affected by these policies may drop significantly.</li> </ul> |
| Time Horizon <sup>1</sup>                         | ST, MT, LT   | MT  |



Time Horizon: Short Term (<1 year): ST | Medium Term (1-3 years): MT | Long Term (>3 years): LT

| Liquidity Risk  | Operational Risk   | Strategic Risk   | Insurance Risk  |
|---|--|--|---|
| Physical Risk   | Liability Risk   | Transition Risk  | Physical Risk   |
| Acute   | Claims/Legal liability exposure  | Technology   | Chronic   |
| <ul style="list-style-type: none"> <li>Floods or landslides may affect businesses and result in household income loss and asset damage.</li> <li>Increase deposit withdrawal and reduced source of stable deposits.</li> <li>Increase borrowing from households and businesses for emergency purposes.</li> <li>Increased fund outflows from unit trusts and private mandates.</li> </ul> | <ul style="list-style-type: none"> <li>Non-compliance on climate related governance policies and regulatory requirements may potentially result in regulatory fines and penalties.</li> <li>Failure of the Bank to deliver its obligation (such as late/failed payment and settlement due to operational disruption caused by climate related risk) may potentially result in legal claim or compensation by customers, clients, or counterparties.</li> <li>Physical risks can cause disruption to business operations resulting in not being able to meet service deliverables giving rise to litigation, legal consequences, and financial losses.</li> </ul> | <ul style="list-style-type: none"> <li>Low-carbon industries and low-carbon technologies are maturing, and starting to occupy the market share of traditional high-carbon emission industries.</li> <li>The Bank may fail to incorporate such opportunities into its strategic objectives and thus fail to address the opportunities by doing business with firms in these low-carbon industries.</li> </ul> | Shifts in climate such as wind and storm patterns, heatwaves, droughts, etc., in different geographical areas can increase underwriting risk, as the insured losses can be higher than expected due to changes in climate patterns. |
| ST, MT, LT  | ST, MT, LT   | LT   | LT  |

Note: The above is intended as illustrative examples only, and does not represent all potential transmission channels to all existing risk types applicable to the Group.

# Committed to Achieving Net Zero by 2050

## Risk Management

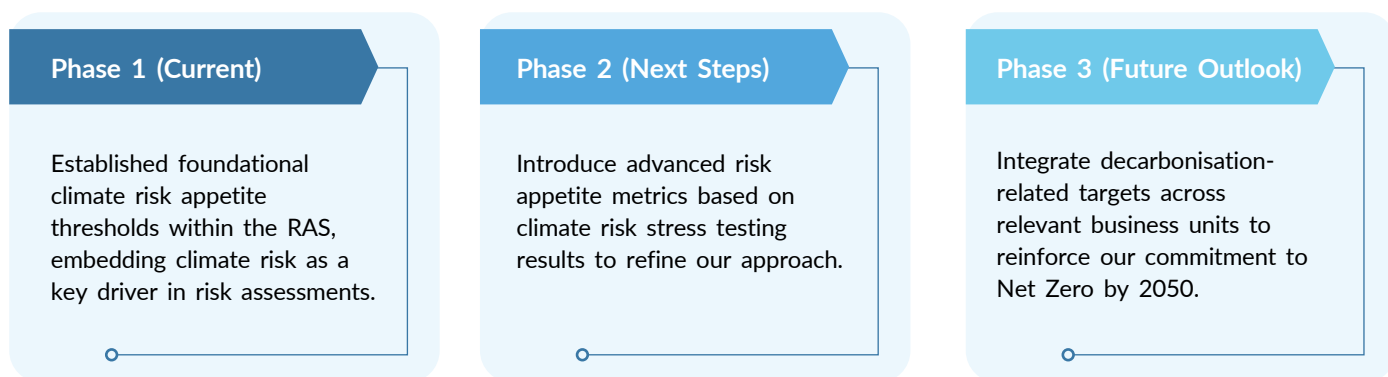
### Climate Risk Appetite Setting ("RAS")

Guided by the results of our comprehensive annual Material Risk Assessment, the Group undertakes a RAS process, to establish clear risk appetite metrics for climate risk. This ensures the robust monitoring and management of our climate-related risks, with consistent risk limits and thresholds for management action being implemented across our businesses.

#### 1 Risk Appetite Metrics for Climate Risk

To proactively manage climate-related financial risks, we have implemented climate risk appetite metrics since 2023, which are monitored and reported on a monthly basis to the Group Capital & Risk Committee ("GCRC"), Board Risk Committee ("BRC"), and Board of Directors ("the Board"), as part of the Group Risk Report.

The risk appetite metrics include those metrics related to our CCPT performance as well as green financing. In order to align with the Group's Sustainability Strategy and Roadmap, and Net Zero Commitment, we are phasing in risk appetite metrics to evolve with our data collection and climate risk analysis capabilities:



#### 2 Managing Transition Risks Through Sectoral Limits

Beyond risk appetite metrics, transition risks are actively managed through sectoral limits, which regulate exposure to industries with high transition risks. This ensures alignment between financial and sustainability objectives.



## Assessing Our Customers' ESG and Climate-related Risks

Anchored on the Group's robust frameworks, policies, guidelines and risk appetite, we take a proactive approach to managing ESG risks across our business activities. Our strategy integrates comprehensive risk assessment tools and sector-specific approaches to ensure responsible capital allocation, mitigate financial and reputational risks, and support clients in transitioning to sustainable business practices. Embedding ESG considerations into our risk management processes strengthens our ability to assess and manage exposure to high-risk sectors while enabling a just and responsible economic transition.

### 1 ESG Risk Assessment ("ERA")

Our ERA ensures that ESG considerations, including climate-related risks are systematically incorporated into credit evaluations and financing decisions. These assessments integrate climate-related risks into credit evaluations, ensuring compliance with BNM's CCPT. The ERA has been fully rolled out and operationalised across our Malaysia and overseas operations.

#### Key Objectives:

- ◆ Evaluate ESG risks, including climate risk, before approving financing for high-risk sectors.
- ◆ Enhance risk transparency by tracking CCPT performance and GHG emissions of financed clients.
- ◆ Provide structured risk assessment process and enables RHB to manage climate transition risks and mitigate portfolio exposure to carbon-intensive industries.

### 2 Simplified Questionnaire ("SQ") and Sector-Level Questionnaires ("SLQs")

#### Simplified Questionnaire ("SQ")

The SQ was introduced in 2024 and applies to SME exposure in six high-carbon-emitting sectors – Agriculture, Manufacturing, Energy, Transport, Construction, and Waste Management. It incorporates minimal questions from the Climate Change and Principle-based Taxonomy Implementation Group's ("CCPTIG") Due Diligence Questionnaire ("DDQ"), acknowledging that SMEs are at the early stages of their sustainability journey and may not yet have the capacity to provide the detailed information required in the SLQs.

#### Clients are screened based on:

- ◆ **Industry Certifications** – Ensuring compliance with sectoral sustainability standards.
- ◆ **Legal & Compliance Issues** – Assessing any past or ongoing legal concerns related to ESG performance.
- ◆ **Material Environmental Risks** – Identifying exposure to pollution, biodiversity loss, resource inefficiency, and GHG emissions.
- ◆ **Social & Governance Standards** – Upholding labour, human rights and corporate governance to support inclusive economic development.

# Committed to Achieving Net Zero by 2050

## Risk Management

### 2 Simplified Questionnaires ("SQ") and Sector-Level Questionnaires ("SLQs") *continued*

#### Sector-Level Questionnaires ("SLQs")

For non-SME clients in high-emitting industries, ten sector-specific SLQs have been developed to provide a deeper assessment of ESG risks and sustainability practices. For clients outside these sectors, the General Questionnaire will be applied.

SLQs go beyond the minimal questions in the CCPTIG's DDQ, ensuring businesses integrate climate and sustainability considerations into their operations. Structured around three core themes, SLQs provide a more comprehensive evaluation of high-emitting sectors, strengthening the Group's ESG risk management by enabling a more rigorous ESG due diligence process for customers in higher-risk industries.



#### Social & Governance Standards

- ◆ Companies must uphold labour and human rights and engage local communities to ensure inclusive economic development.
- ◆ Strong corporate governance and risk management practices are essential across all sectors.



#### Environmental Responsibility & Resource Efficiency

- ◆ Businesses must implement best practices in waste, pollution, and hazardous material management.
- ◆ Companies should adopt water and energy efficiency initiatives to minimise resource consumption.
- ◆ Industries with significant land-use impact must integrate biodiversity conservation and ecological restoration into their practices.



#### Climate Action & Emissions Reduction

- ◆ Companies must set GHG reduction targets and adopt climate adaptation/mitigation strategies.
- ◆ Sectors reliant on conventional energy are encouraged to increase renewable energy adoption and improve energy efficiency.
- ◆ Businesses should actively transition away from fossil fuels by integrating renewable energy sources into their operations.

#### Sector-Specific Considerations



#### Auto Production

Targets industrial decarbonisation, improved combustion efficiency, and sourcing of sustainable raw materials.



#### Palm Oil

Requires responsible sourcing, smallholder inclusions and restoring ecosystems to comply with national and international standards.



#### Transport

Encourages the transition to low-emission vehicles and sustainable fleet management.



#### Steel

Targets industrial decarbonisation, improved combustion efficiency, and low-carbon material adoption.



#### Energy Supply

Focuses on reducing fossil fuel dependency, renewable energy integration and minimising/mitigating ecological damage.



#### Manufacturing

Drives sustainable supply chain management, waste reduction, and resource circularity to minimise carbon footprint.



#### Mining & Quarrying

Emphasises biodiversity protection, responsible land use minimise ecological damage and conduct post-mining rehabilitation and reclamation activities.



#### Oil & Gas

Focuses on reducing fossil fuel dependency, renewable energy integration, and oil spill prevention.



#### Construction

Requires sustainable sourcing of building materials, energy-efficient and sustainable construction practices, and mitigating/minimising ecological damage.



#### Chemicals

Prioritises hazardous waste disposal and safe raw material sourcing to reduce environmental toxicity.

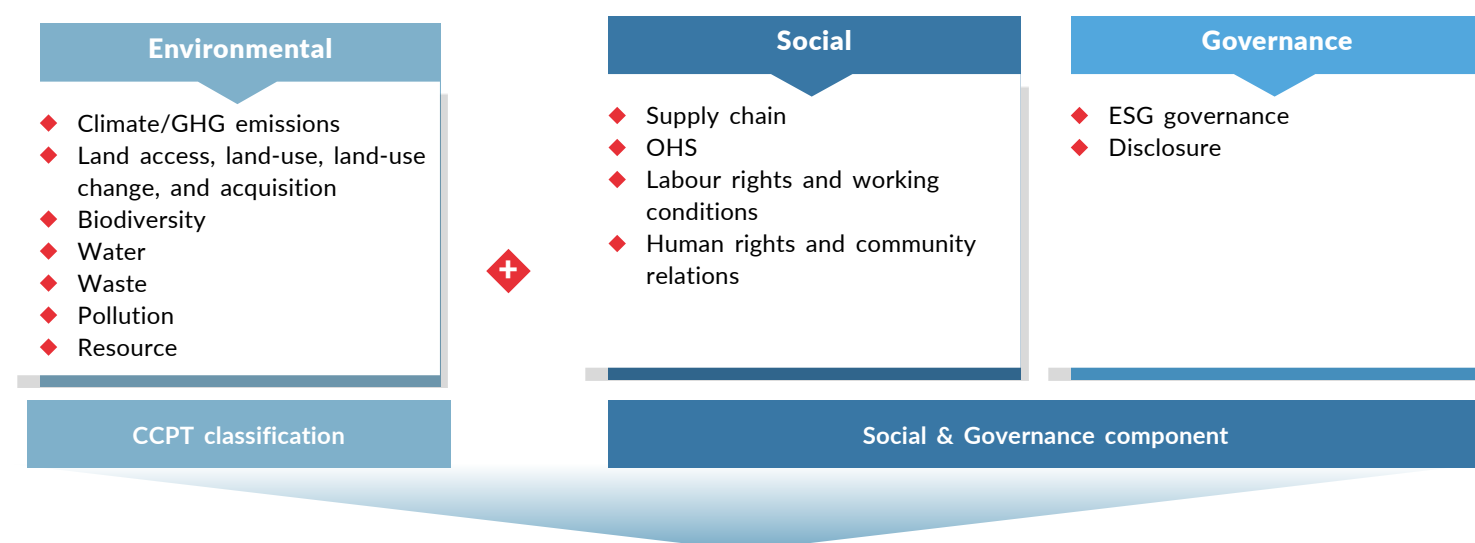
## 3

**Borrower ESG Risk Assessment**

We have implemented ESG risk screening mechanisms, including climate considerations, to assess governance risks, sustainability commitments, and transition plans to strengthen due diligence. These measures ensure that clients in high-emitting sectors demonstrate credible transition strategies before securing financing.

**ESG Risk Ratings and Credit Decisions**

Our ESG Risk Rating, derived from the ERA tool, provides a structured assessment of clients' ESG risks. It integrates BNM's CCPT classification for environmental risks alongside social and governance factors, ensuring a holistic risk assessment. This approach aligns financing decisions with regulatory requirements while supporting businesses in their sustainability transitions.

**ESG rating**

**Low- and Medium-risk Customers:**  
Eligible for tailored financing solutions, provided they have climate policies or transition plans in place.



Our ESG Risk Rating informs financing decisions based on clients' risk classifications



**High-risk Customers:** Classified as Exceptional Credits, requiring higher-level approval for new financing or enhancements. Decisions follow CCPT and mapped to ASEAN Taxonomy classifications, with additional due diligence and mitigation measures applied.



**Low ESG Risk (L)** – Customer has minimal or no adverse ESG risks.

- Subject to ongoing checks for continuous compliance with ESG requirements.



**Medium ESG Risk (M)** – Customer is exposed to ESG risks which are largely reversible and readily addressed through mitigation measures.

- Financing is subject to time-bound mitigation measures to address ESG issues.
- Business units will monitor progress and ensure compliance as part of the annual review process.



**High ESG Risk (H)** – Customer is exposed to adverse ESG risks with no mitigation measures/not been addressed.

- Financing is contingent on time-bound mitigation measures to manage ESG risks.
- Business units will work closely with clients to guide them towards more sustainable and climate-friendly practices, primarily through the annual review process.
- Classified as Exceptional Credit, requiring escalation to a higher level of approval for any new financing or enhancements.
- Business units will track progress, monitor relevant media reports, and obtain certifications as part of due diligence.
- Exceptional credit approval thresholds are capped within defined limits on a rolling 12-month basis.



# Committed to Achieving Net Zero by 2050

## Risk Management

### 4 Underwriting Guide

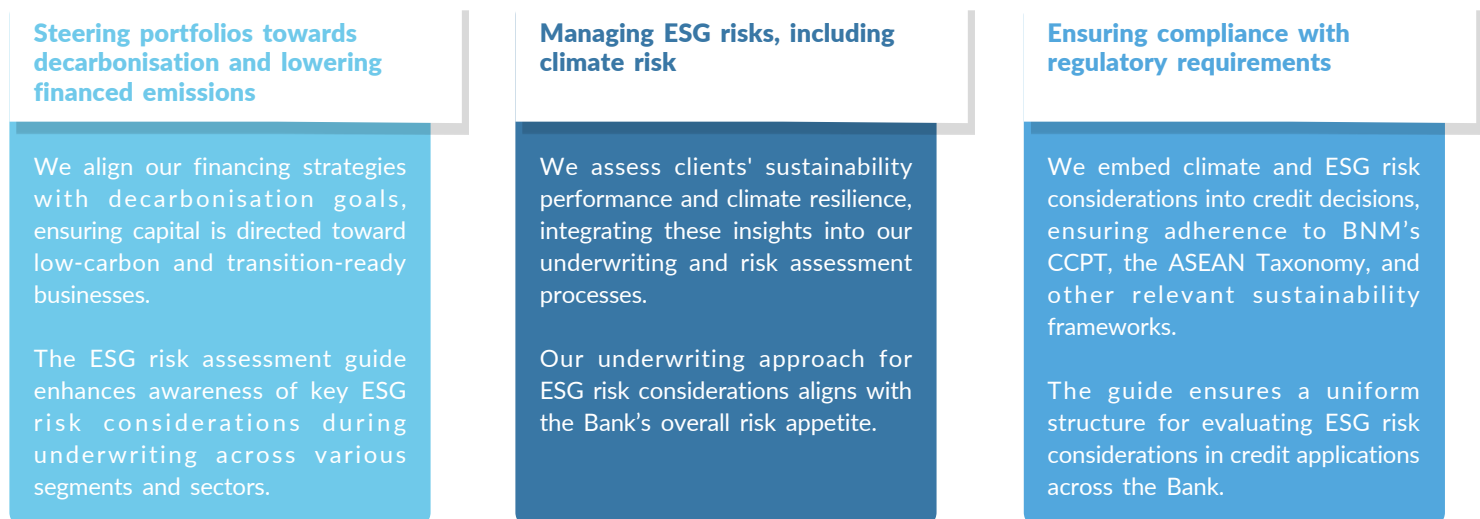
As part of GCAP Phase 2, we introduced an Underwriting Guide to embed climate and ESG considerations into credit underwriting. This ensures financing decisions align with the Bank's sustainability agenda and risk appetite, strengthening our approach to managing ESG risks.

The guide applies across multiple business segments to ensure a consistent ESG risk assessment in financing decisions, covering:



\*This includes overseas operations.

### Key Objectives of the Underwriting Guide



### Monitoring Climate-related Risks

We have developed robust oversight and control mechanisms to ensure systematic monitoring of climate-related risks. This ensures that such risks are effectively tracked and managed across our underwriting, investment, and operational activities.

#### Climate Risk Dashboard

To strengthen real-time monitoring, RHB introduced the Climate Risk Dashboard in 2023, providing key climate risk insights to the Group GCRC, BRC, and the Board. These insights provide visibility on climate risk exposure across the Group, with further breakdowns by business segment and key sectors.


In 2024, we expanded the scope of the Climate Risk Dashboard to include:

- ✓ **Additional PCAF Asset Classes** – Expanding coverage beyond AC1-AC3 (equities, corporate bonds, and project finance) to include AC4-AC7 (commercial real estate, mortgages, vehicle loans, and sovereign debt).
- ✓ **Sector Level Net Zero Target Monitoring** – Monitoring the progress of the top five high-emitting sectors in achieving net zero GHG emissions targets according to the Group's decarbonisation pathway.

By progressively enhancing the Climate Risk Dashboard, we ensure that climate risks are proactively tracked, measured, and managed across RHB's operations. In turn, this enables us to monitor performance against our financed emissions targets, in alignment with the Group's commitment to achieve net zero by 2050. Insights from this monitoring are also used to inform our sectorial and portfolio strategy, as well as our sustainable financial services approach.

### Managing Climate-related Risks across Other Risk Categories/Types

By their nature, climate-related risks can have significant impacts on other major risk categories/types for the Group. For this reason, we have integrated BNM CRMSA requirements into the relevant governing frameworks, policies and guidelines for major risk types, ensuring the continued resilience of our risk management systems and processes.

| Risk Category/Type   | Integration of Climate-related Risk/Impact Considerations  |
|--|--|
| <b>Credit Risk</b>   | <ul style="list-style-type: none"> <li>◆ Enhanced the RHB Banking Group Credit Policy to integrate climate-related risk considerations.</li> <li>◆ Incorporated the financial impact of climate-related risks on borrowers, customers, and counterparties into the credit assessment process, both at the inception of contractual relationships and during ongoing reviews.</li> <li>◆ Conduct annual reviews of climate-related considerations as part of the credit risk assessment process.</li> </ul>   |
| <b>Market Risk</b>   | <ul style="list-style-type: none"> <li>◆ Integrated considerations of climate-related risks into the Group Market Risk Management Framework, to manage impact of such risks on our market portfolios.</li> <li>◆ Conducted periodic heat map assessments on trading assets to monitor and estimate the transmission of climate risks to market exposures. This enables proactive identification and management of potential climate-related risks associated with higher volatility in financial markets.</li> <li>◆ Trading portfolio sensitivity analysis will be conducted on a periodic basis to assess exposure to climate risk. Within the trading portfolio, where assets are held for a short period, assets are reviewed based on industry categorisation and significance of holdings, to identify and mitigate exposure to high climate risk sectors.</li> <li>◆ Implemented an internal threshold to ensure that the Bank's trading book is not significantly concentrated in industries that exhibit high climate risk, safeguarding portfolio diversification and resilience.</li> </ul> |
| <b>Liquidity Risk</b>  | <ul style="list-style-type: none"> <li>◆ Incorporated climate-related risk considerations into the Group Liquidity Risk Policy.</li> <li>◆ Assessed the potential impact of climate-related risks on funding stability, the adequacy of liquid assets, and liquidity buffers.</li> <li>◆ Perform liquidity risk assessments in alignment with BNM's CRMSA and Liquidity Risk Policy requirements to address climate-related risk events.</li> </ul>  |
| <b>Operational Risk</b>  | <ul style="list-style-type: none"> <li>◆ Incorporated short-term physical climate risks, such as floods, landslides, and heatwaves, into crisis management and operational risk management policies.</li> <li>◆ Enhanced the Group Operational Risk Management Policy to integrate climate-related risks in alignment with CRMSA requirements.</li> <li>◆ Assessed the resilience of RHB's operations against the impacts of climate-related events and adopted climate adaptation strategies to manage such risks effectively.</li> <li>◆ Initiated efforts to better understand our long-term physical climate risks exposure and its potential effects on operations, with plans to develop mitigation and management strategies under RHB's broader climate resilience framework.</li> </ul>   |
| <b>Insurance Risk</b>  | <ul style="list-style-type: none"> <li>◆ Enhanced internal insurance policies and documentation, including the Underwriting and Reinsurance Policy, Pricing Policy, Stress Test Policy, and Insurance Actuarial Valuation Operations Manual, to integrate climate-related risk considerations.</li> </ul>  |
|  For more information on RHB Insurance risk management efforts, please refer to page 99 of this report. |  |

# Committed to Achieving Net Zero by 2050

## Risk Management

### Climate Scenario Analysis and Stress Testing

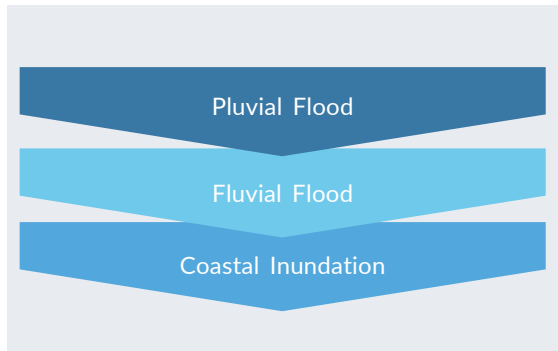
Anticipating and managing climate-related financial risks requires a forward-looking, data-driven approach. Climate scenario analysis enables RHB to assess how different climate pathways impact the financial system, credit risk, and market stability, ensuring long-term resilience. By modelling a range of transition and physical risks, we gain insights into potential economic disruptions, regulatory shifts, and investment risks under different climate scenarios.

The scenarios and time horizons—spanning short, medium, and long term—align with BNM’s 2024 Climate Risk Stress Testing Exercise where the long-term climate scenarios are based on Network for Greening the Financial System (“NGFS”) scenarios of:

- ✔ Orderly: Net Zero 2050
- ✔ Disorderly: Divergent Net Zero 2050; and
- ✔ Hot House World: Nationally Determined Contributions.

Additionally, an acute short-term physical risk scenario will be included, simulating a one-off 1-in-200-year flood event in 2050 based on the Intergovernmental Panel on Climate Change (“IPCC”)’s Representative Concentration Pathway (“RCP”) 8.5 scenario.

To enhance scenario analysis capabilities and meet regulatory requirements, RHB is strengthening its climate risk models to quantify financial exposure across various transition pathways and physical perils for our Malaysia exposures. Model development and approvals for transition risk models and most physical risk models have been completed. Currently, we are finalising pluvial flood physical risk models and expanding physical risk coverage to motor vehicles. Our approach includes:

|                          | Transition Risk   | Physical Risk  |                    |          |               |                |               |               |       |          |                  |  |
|--------------------------|---|--|--------------------|----------|---------------|----------------|---------------|---------------|-------|----------|------------------|--|
| Models                   | <p>1. <b>Sector-specific Bottom-up Assessments:</b> Applied to corporate portfolios, evaluating transition risks at sector level. We have developed models for the following sectors:</p> <table><tr><td>Oil &amp; Gas</td><td>Mining &amp; Quarrying</td></tr><tr><td>Palm Oil</td><td>Energy Supply</td></tr><tr><td>Land Transport</td><td>Sea Transport</td></tr><tr><td>Air Transport</td><td>Steel</td></tr><tr><td>Chemical</td><td>Generic (Others)</td></tr></table> | Oil & Gas  | Mining & Quarrying | Palm Oil | Energy Supply | Land Transport | Sea Transport | Air Transport | Steel | Chemical | Generic (Others) | <p><b>Identification of Key Climate Perils:</b> Prioritised four physical perils that are most relevant to its business operations, particularly in relation to property-based and vehicle financing portfolio exposure:</p>  |
|                          | Oil & Gas   | Mining & Quarrying   |                    |          |               |                |               |               |       |          |                  |  |
| Palm Oil                 | Energy Supply   |  |                    |          |               |                |               |               |       |          |                  |  |
| Land Transport           | Sea Transport   |  |                    |          |               |                |               |               |       |          |                  |  |
| Air Transport            | Steel   |  |                    |          |               |                |               |               |       |          |                  |  |
| Chemical                 | Generic (Others)  |  |                    |          |               |                |               |               |       |          |                  |  |
| Impact                   | Customer financial statements, probability of default, and credit losses.   | Customer financial statements, damage ratios, and collateral values, subsequently impacting probability of default, loss given default (“LGD”), and credit losses. |                    |          |               |                |               |               |       |          |                  |  |
| Validation & Integration | The models will be validated and be embedded into risk assessment and decision-making frameworks. This will assist to refine our risk appetite, align portfolio strategies, and integrate climate considerations into underwriting and investment decisions.  |  |                    |          |               |                |               |               |       |          |                  |  |

## RHB Group Asset Management (“RHB GAM”): Sustainability and Climate Risk Management

RHB GAM systematically integrates sustainability and climate risk considerations into its portfolio management and investment decision-making activities. Recognising the importance of effective sustainability risk management, RHB GAM takes an active approach to engaging with its investee companies, particularly in Asia, where we have a strong presence and greater opportunities for direct engagement with management. Moreover, our investment team utilises a 'soft engagement' strategy that focuses on promoting better ESG practices within our operations.

### KEY FRAMEWORKS, POLICIES AND GUIDELINES

#### 1. GAM's ESG Framework



#### THE PILLARS OF THE RHB GAM ESG PROCESS


| ESG as a Risk Management Tool   | ESG Integration into Active Investments   | Active Ownership and Stewardship                                  | Impactful Dialogues and Engagements   |
|---|---|---|---|
| ESG issues, such as climate risks and various social challenges, can result in investment loss or reputational damage | The ESG Integration process is used to appraise risk and evaluate ESG factors as part of companies' investment decisions. | We leverage our ownership and expertise to engage with companies. | Through company-specific and thematic discussions, we address governance, controversies, and best practices via meetings, calls, and written communication. |


# Committed to Achieving Net Zero by 2050


## Risk Management


As part of GAM's approach, we prioritise eight sectors that have been identified as having a high environmental impact. These sectors were selected based on their significant contributions to environmental challenges, including carbon emissions, resource depletion, and waste generation.


The eight sectors are:


 Oil & Gas


 Mining


 Auto Production

 Petrochemicals & Chemicals

 Utilities

 Steel, Metal & Ores

 Land/Rail/Sea transport & Warehousing

 Plantations

RHB GAM Sustainability and Environmental Risk Management Guidelines

Recognising the financial materiality of climate-related risks, RHB GAM introduced the Sustainability and Environmental Risk Management Guidelines in 2023, establishing a structured framework for embedding climate-focused ESG principles into decision-making processes across all portfolios. RHB GAM defines environmental risks as a subcategory of sustainability risks.

To ensure resilient, future-proof investment portfolios, RHB GAM employs a multi-layered approach to managing climate-related risks:

Risk Identification & Assessment

Conducting in-depth ESG risk evaluations across all investment portfolios.

Active Engagement

Collaborating with portfolio companies to improve climate disclosures and transition planning.

Capacity Building

Enhancing internal ESG expertise through training and advanced analytics.

Sustainability & Environmental Risk Reporting

Prioritising transparency to combat greenwashing and ensure accountability.

### Our Approach

ESG Scoring Model

To strengthen ESG integration in investment decisions, RHB GAM employs an internally developed ESG Scoring Model. Each stock or issuer in the Buy List is assigned an internal ESG score, reviewed annually by the primary analyst covering the stock or issuer. This model enables structured ESG assessments across portfolios and enhances risk-informed investment decisions.

Scoring Framework:

- ESG scores are categorised as Low (1), Medium (2), and High (3).
- Factors considered: ESG Risk Exposure, ESG Data Disclosure, ESG Practices, Sustainability Targets, Sustainability Opportunities, and Controversies.
- The individual ESG scores for each company are aggregated to calculate the overall portfolio-level ESG score.





Climate Risk Heat Map

To systematically assess climate-related risks, RHB GAM employs a Climate Risk Heat Map for investment identification, assessment, measurement, and monitoring. Unlike broad ESG risk rankings that consider social and governance risks (e.g., labour practices), this tool specifically focuses on transition risks, as they represent the largest financial driver of climate risks across industries.

The Climate Risk Heat Map ranks industries based on:

- GHG Emissions Intensity:** Evaluating emissions from sector-relevant activities.
- Regulatory & Policy Risks:** Anticipating government-imposed carbon pricing, emissions caps, and other transition policies.
- Market & Consumer Shifts:** Assessing demand changes as industries adapt to sustainability trends.



| Rating   | Description  | Industry Examples (Non-Exhaustive)   |
|--|--|--|
|  <p>Very high</p> | <ul style="list-style-type: none"> <li>Sectors where climate risks exert significant pressures or where there is a very high likelihood of these risks materialising.</li> <li>Limited scope for adaptation in the near term without major structural, financial, or policy interventions.</li> </ul>                  | <p><b>Oil &amp; Gas</b></p> <ul style="list-style-type: none"> <li>Among the highest carbon-emitting sectors (Scope 1-3), facing rising operational and regulatory risks (e.g., carbon taxes).</li> <li>Under a Net Zero 2050 scenario, both upstream and downstream operations may become unviable in their current form. Transitioning to low-carbon energy will require significant long-term investments.</li> </ul> |
|  <p>High</p>      | <ul style="list-style-type: none"> <li>Sectors where climate risks are present but exert less influence compared to the Very High sectors.</li> <li>Greater scope for adaptation through business model adjustments or policy shifts.</li> </ul>   | <p><b>Vehicle production</b></p> <ul style="list-style-type: none"> <li>Environmental regulations are expected to tighten globally, accelerating the transition to electrification.</li> <li>Capital investments &amp; R&amp;D for adaptation are substantial for most original equipment manufacturers ("OEMs"), but smaller parts manufacturers face higher transition-related credit risks.</li> </ul>                |
|  <p>Medium</p>  | <ul style="list-style-type: none"> <li>Sectors with inherent exposure to climate risks, but impacts are less pronounced or less likely to have a significant long-term effect.</li> <li>These sectors have climate risk exposures but are reasonably expected to adapt or mitigate them in the medium term.</li> </ul> | <p><b>Construction material</b></p> <ul style="list-style-type: none"> <li>High exposure to waste and pollution risks, with stricter pollution standards increasing compliance costs, profitability pressures, and cash flow constraints.</li> <li>Relatively moderate carbon transition risk, except for cement producers, who face significant regulatory pressures due to carbon emissions legislation.</li> </ul>    |
|  <p>Low</p>     | <ul style="list-style-type: none"> <li>Sectors where climate risks exert minimal pressure, with a low likelihood of material impacts.</li> <li>Substantial flexibility to manage risks, either through passing costs to customers or operating within stable regulatory environments.</li> </ul>                       | <p>Industries with very low carbon and pollutant emissions:</p> <ul style="list-style-type: none"> <li>Media &amp; Entertainment</li> <li>Food &amp; Beverage ("F&amp;B")</li> <li>Tourism</li> </ul>  |

## Climate Risk Integration in RHB Insurance ("RHBI")

RHBI actively integrates ESG and climate-related risk considerations into underwriting strategies, asset-liability management, and risk exposure monitoring. RHBI's climate risk strategy is supported by climate scenario analysis, risk assessments, and underwriting controls to enhance resilience against climate-related financial risks.

### Climate Risk Transmission Channels

- ◆ In alignment with the Group's MRA process, consideration of climate risk transmission channels has been formalised and integrated as part of the MRA process for RHBI.

### RHBI Sustainability Risk Appetite Setting ("RAS")

- ◆ The RHBI Sustainability RAS embeds climate and ESG risk considerations into RHBI's underwriting and investment decisions, ensuring responsible risk exposure while supporting sustainable growth, focusing on expanding sustainable insurance offerings, as well as achieving carbon neutral operations by 2030, focusing on reducing paper and utility consumption, managing environmental footprint, and lowering GHG emissions.

### Climate Scenario Analysis & Risk Assessments

- ◆ Performed a physical risk scenario materiality assessment in 2024, to evaluate how physical risk perils change in severity

and likelihood under two NGFS climate scenarios (Net Zero 2050 & Nationally Determined Contributions) across two time horizons (2025 and 2050).

- ◆ Conducted a qualitative climate materiality assessment on RHBI's balance sheet, covering both asset and liability books, including bond investments (assets) and Motor Vehicle, Property, and Personal Accident insurance lines (liabilities).

### Climate Risk Exposure Management & Underwriting Controls

- ◆ Subscribed to Industry Spatial Key Hazard Analytics to assess flood risk exposure for insured properties based on geographic location. Properties classified as high-risk flood zones are excluded from flood coverage.
- ◆ Strictly prohibits underwriting of coal-related industries, including coal mines, thermal coal plants, and coal-fired power plants, as part of its climate risk management strategy for all the new policies.

# Committed to Achieving Net Zero by 2050

## Metrics and Targets

Establishing clear climate metrics and targets as well as robust tracking mechanisms is crucial to driving meaningful climate action. By setting measurable goals, we enhance accountability, reinforce risk governance, and ensure alignment with global decarbonisation pathways. These metrics serve as a foundation for integrating sustainability and climate-related considerations into business strategy, financing decisions, and risk management frameworks.

### Reduction of Financed Emissions

Financed emissions – the GHG emissions linked to our lending and investment activities – represent the most significant component of our climate footprint. Addressing these emissions is central to our net zero strategy, requiring close collaboration with clients, targeted sectoral interventions, and alignment with science-based decarbonisation pathways.

To drive meaningful reductions, we prioritise high-impact sectors and embed climate considerations into risk assessments, portfolio management, and lending decisions. Through sector-specific engagement strategies as well as green and transition financing, we are working to enable a just and responsible transition for our clients.

#### Our Targets

**By 2030, achieve 20% reduction in Financed Emissions for Top 5 Sectors\***

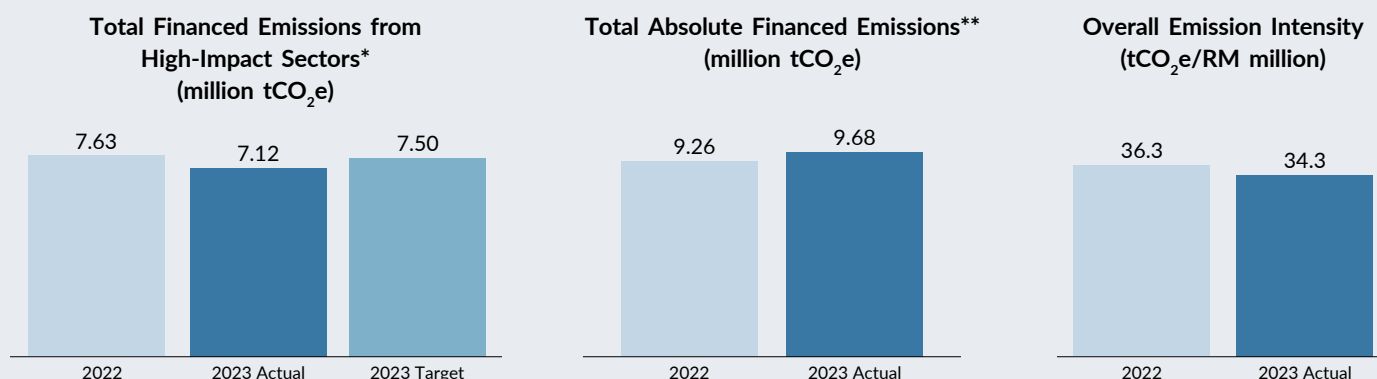
**By 2050, achieve up to 96% reduction in Financed emissions for Top 5 Sectors\***

\* The top five sectors refer to Energy Supply, Palm Oil, Oil & Gas, Property & Construction, and Transport.

### Overall Financed Emission Performance

The Group's total financed emissions across all asset classes and all sectors increased by over 4% in 2023 compared to 2022, despite a more than 6% reduction in financed emissions from our five high-impact sectors.

This overall increase was primarily due to the expansion of the Group's total asset base, which includes clients beyond these high-impact sectors. Additionally, we revised the emissions factor for AC5: Mortgages to better reflect local conditions. Given the current availability and accessibility of low-carbon technologies and the market's decarbonisation maturity, the Group's total financed emissions may continue to rise in the short to medium term.



\* The total absolute financed emissions cover all PCAF asset classes (AC1-AC7) across all sectors.

\*\* The total financed emissions from high-impact sectors cover Energy Supply, Palm Oil, Oil & Gas, Property & Construction, and Transport.

## Financed Emission Performance by Asset Class

From an aggregated perspective, across all asset classes and sectors, the Group's total financed emissions increased by 4.5% to 9.68 million tCO<sub>2</sub>e in 2023 from 9.26 million tCO<sub>2</sub>e in 2022, as portfolio expansion in certain asset classes offset a 6.7% reduction in emissions from high-impact sectors.

The largest increase came from business loans and unlisted equity (AC2), which rose 29% to 5.24 million tCO<sub>2</sub>e, now making up 54.1% of total financed emissions, due to reclassification exercise. These increases were partly offset by commercial real estate (AC4), which declined 30.9% to 1.68 million tCO<sub>2</sub>e. Mortgages (AC5) financed emissions increased 14% to 1.47 million tCO<sub>2</sub>e due to revision of emissions factors used for calculation.

Listed equity and corporate bonds (AC1) has also dropped 14.8% to 0.69 million tCO<sub>2</sub>e. Despite the rise in absolute emissions, emission intensity improved, decreasing from 36.3 to 34.3 tCO<sub>2</sub>e per RM million, reflecting a lower-carbon asset composition.

| Asset Class                             | 2022   |                | 2023   |                |
|---|--|----------------|--|----------------|
|   | Absolute Emissions<br>(million tCO <sub>2</sub> e) | % of Emissions | Absolute Emissions<br>(million tCO <sub>2</sub> e) | % of Emissions |
| AC1: Listed Equity and Corporate Bonds  | 0.81   | 9.1            | 0.69   | 7.1            |
| AC2: Business Loans and Unlisted Equity | 4.06   | 45.8           | 5.24   | 54.1           |
| AC3: Project Finance                    | 0.10   | 1.2            | 0.10   | 1.0            |
| AC4: Commercial Real Estate             | 2.43   | 27.5           | 1.68   | 17.4           |
| AC5: Mortgages                          | 1.29   | 10.0           | 1.47   | 15.2           |
| AC6: Motor Vehicle Loans                | 0.57   | 6.4            | 0.50   | 5.2            |
| AC7: Sovereign Debt                     | 0.00*  | 0.0            | 0.00*  | 0.0            |
| <b>Total</b>                            | <b>9.26</b>  | <b>100</b>     | <b>9.68</b>  | <b>100</b>     |

\*Rounded to 2 decimal places

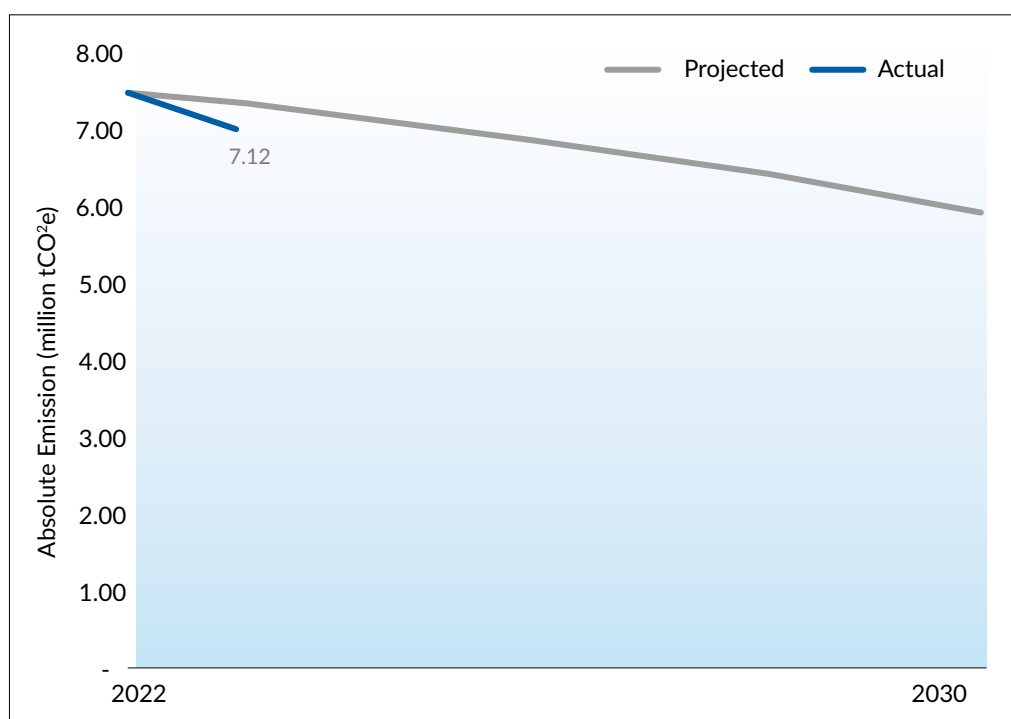
### Financed Emission Performance by Key Sectors

- At an aggregated level, our performance across the five high-impact sectors between 2022 and 2023 outperformed targeted projection. The Group

achieved a **6.6%** reduction in financed emissions for our five high-impact sectors, compared to the estimated

**1.7%** reduction we had projected to achieve for 2023.

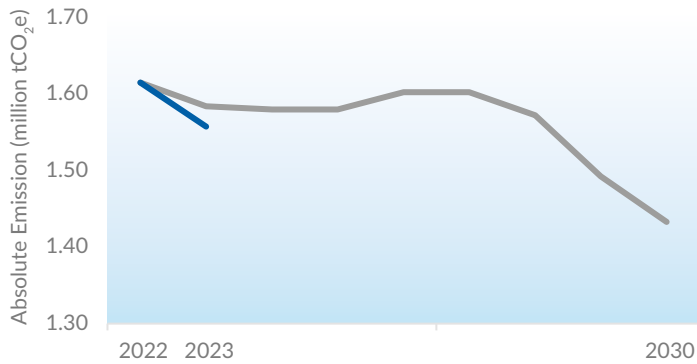
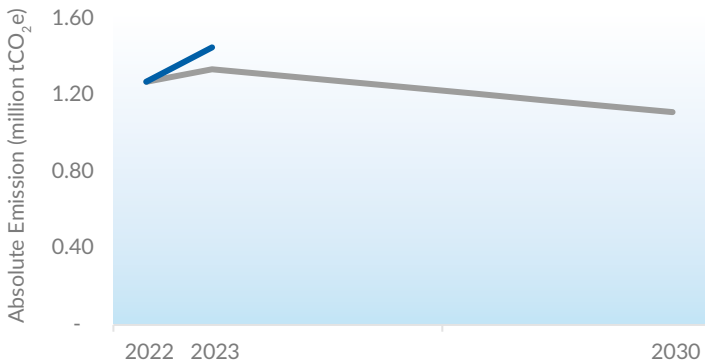
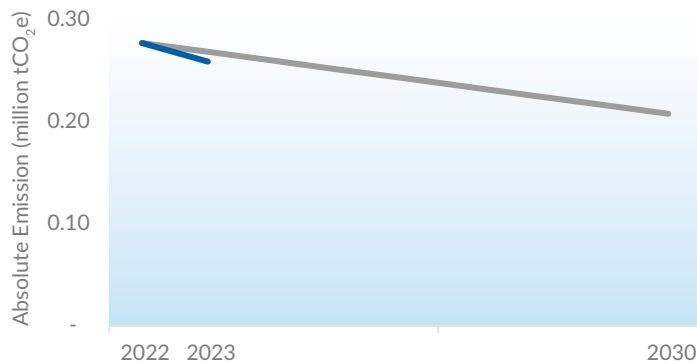
RHB's Aggregated Absolute Emissions Trajectory (FY2022 – FY2030, million tCO<sub>2</sub>e)



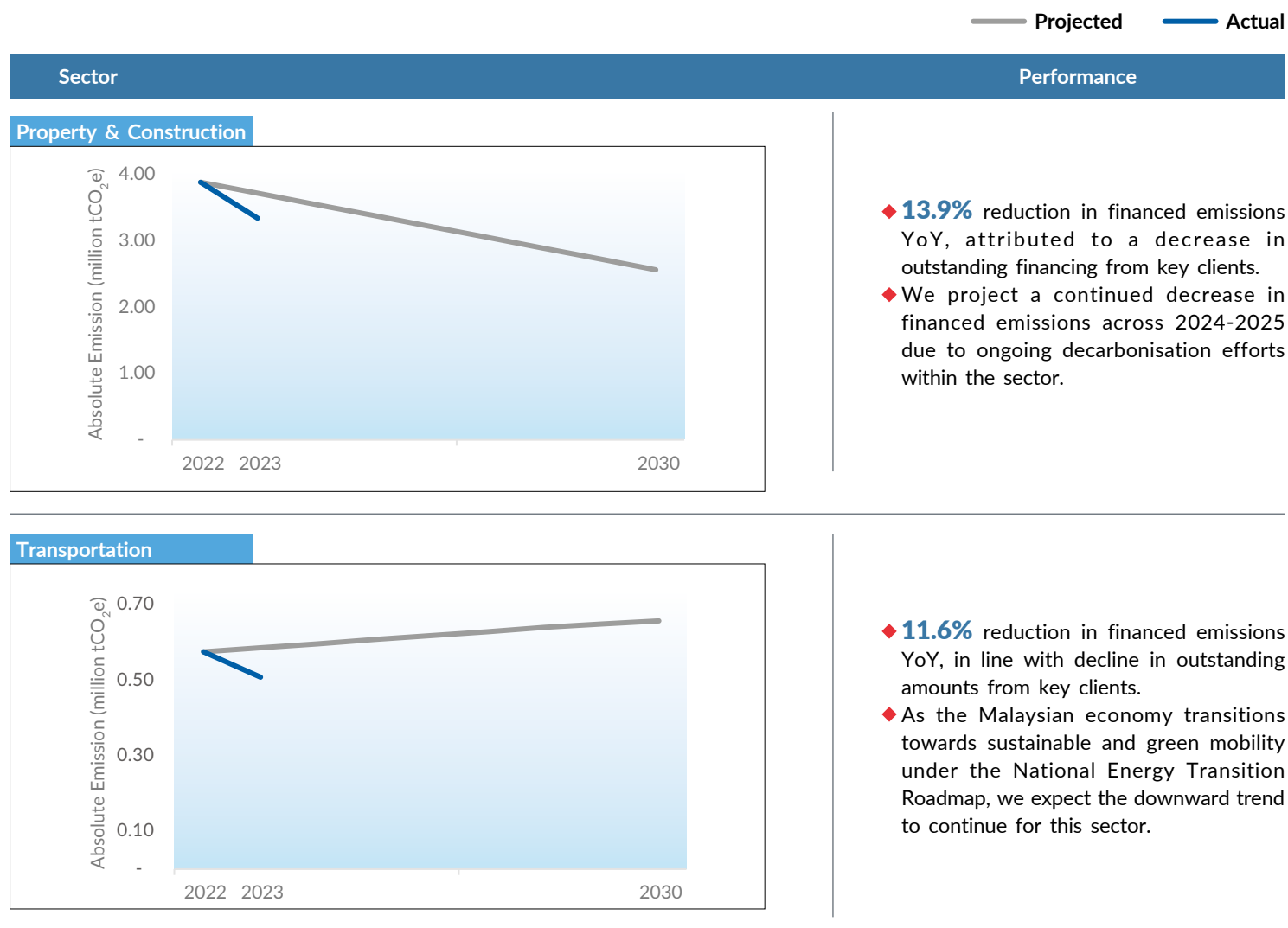
# Committed to Achieving Net Zero by 2050

## Metrics and Targets

From a sectorial view, the Group's financed emissions across key sectors showed mixed trends in 2023, reflecting shifts in financing declined, Palm Oil emissions increased, indicating sector-specific variations in outstanding financing.

| Sector   | Performance |      |      |      |      |                   |      |      |      |      |   |
|--|-------------|------|------|------|------|-------------------|------|------|------|------|---|
| <div>Energy</div> <div><table><caption>Energy Sector Absolute Emissions (million tCO<sub>2</sub>e)</caption><thead><tr><th>Year</th><th>2022</th><th>2023</th><th>2024</th><th>2030</th></tr></thead><tbody><tr><td>Absolute Emission</td><td>1.62</td><td>1.56</td><td>1.60</td><td>1.44</td></tr></tbody></table></div>                 | Year        | 2022 | 2023 | 2024 | 2030 | Absolute Emission | 1.62 | 1.56 | 1.60 | 1.44 | <ul style="list-style-type: none"><li>◆ <b>3.6%</b> reduction in financed emissions compared to 2022, primarily due to a lower total outstanding amount from a key client in the sector.</li><li>◆ The downward trajectory is expected to continue in 2024-2025 as additional clients reduce their outstanding exposure.</li></ul>  |
| Year   | 2022        | 2023 | 2024 | 2030 |      |                   |      |      |      |      |   |
| Absolute Emission  | 1.62        | 1.56 | 1.60 | 1.44 |      |                   |      |      |      |      |   |
| <div>Palm Oil</div> <div><table><caption>Palm Oil Sector Absolute Emissions (million tCO<sub>2</sub>e)</caption><thead><tr><th>Year</th><th>2022</th><th>2023</th><th>2024</th><th>2030</th></tr></thead><tbody><tr><td>Absolute Emission</td><td>1.25</td><td>1.35</td><td>1.30</td><td>1.10</td></tr></tbody></table></div>           | Year        | 2022 | 2023 | 2024 | 2030 | Absolute Emission | 1.25 | 1.35 | 1.30 | 1.10 | <ul style="list-style-type: none"><li>◆ <b>14%</b> increase in financed emissions compared to 2022, with the rise being driven by increased outstanding amounts from clients in the region.</li><li>◆ Short-term financed emissions may continue to rise due to sectoral financing needs, though long-term expectations remain aligned with our decarbonisation strategy.</li></ul> |
| Year   | 2022        | 2023 | 2024 | 2030 |      |                   |      |      |      |      |   |
| Absolute Emission  | 1.25        | 1.35 | 1.30 | 1.10 |      |                   |      |      |      |      |   |
| <div>Oil &amp; Gas</div> <div><table><caption>Oil &amp; Gas Sector Absolute Emissions (million tCO<sub>2</sub>e)</caption><thead><tr><th>Year</th><th>2022</th><th>2023</th><th>2024</th><th>2030</th></tr></thead><tbody><tr><td>Absolute Emission</td><td>0.28</td><td>0.26</td><td>0.24</td><td>0.21</td></tr></tbody></table></div> | Year        | 2022 | 2023 | 2024 | 2030 | Absolute Emission | 0.28 | 0.26 | 0.24 | 0.21 | <ul style="list-style-type: none"><li>◆ <b>7.1%</b> reduction in financed emissions YoY, driven by decline in outstanding financing to a key client.</li><li>◆ We project a continued decrease in financed emissions across 2024-2025 due to ongoing decarbonisation efforts within the sector.</li></ul>   |
| Year   | 2022        | 2023 | 2024 | 2030 |      |                   |      |      |      |      |   |
| Absolute Emission  | 0.28        | 0.26 | 0.24 | 0.21 |      |                   |      |      |      |      |   |

exposure and portfolio composition. While financed emissions in Energy Supply, Oil & Gas, Property & Construction, and Transportation





# Committed to Achieving Net Zero by 2050

## Metrics and Targets

### RHB INSURANCE ("RHBI"): FINANCED EMISSIONS

In 2024, RHBI took a significant step forward in its climate journey by calculating the financed emissions arising from its investment portfolios, as at 31 December 2023. RHBI's financed emissions have been calculated according to the methodology provided in the PCAF Financed Emissions Standard.

#### HIGHLIGHTS:

- Financed emissions as at 31 December 2023:  
**76,022 tCO<sub>2</sub>e**

- Top two sectors were Energy Supply and Oil & Gas, which represented **93.30%** of RHB Insurance's financed emissions, and 15.17% of its exposure.

#### OUTLOOK:

- Moving forward, RHBI will continue to monitor its financed emissions performance in alignment with the Group's commitment to achieve net zero by 2050.
- Given the strong alignment between RHBI's top sectors and the overall high impact sectors for the Group, we will continue to implement our established sectoral decarbonisation strategies while identifying specific opportunities for RHBI to further reduce its financed emissions.

### Green Financial Services and Neutral Finance

Our Green Financial Services portfolio supports the transition to a sustainable, climate-resilient economy by financing projects that reduce carbon emissions and enhance environmental sustainability. This includes financing for renewable energy, energy efficiency, clean transportation, and other green sectors. Additionally, our sustainable insurance solutions help clients manage climate-related risks while incentivising responsible practices.

#### Our Targets

By 2030, 40% of our portfolio in Green Financial Services and/or supporting companies committed to carbon neutrality with a clear and established transition strategy

By 2050, 90% of our portfolio in Green Financial Services and/or supporting companies committed to carbon neutrality with a clear and established transition strategy

### Portfolio Alignment

In 2024, the Group began monitoring its total outstanding amount for Green Financial Services and supporting companies committed to carbon neutrality, as part of tracking our progress towards Strategic Objective 2, which is to grow our Green Financial Services and Neutral Finance:

|  | 2024       |
|--|------------|
| Total Outstanding Amount <sup>1, 2</sup> (RM million)  | 2,483.21   |
| Total Assets (RM million)  | 349,915.00 |
| Proportion of our portfolio in green financial services and/or supporting companies committed to carbon neutrality and have an established transition strategy (%) | 0.71       |

<sup>1</sup> This refers to the total outstanding amount in green financial services and/or financing provided to companies committed to carbon neutrality and that have an established transition strategy (i.e., Neutral Finance). These terms are defined on page 76 of this report.

<sup>2</sup> The total outstanding amount is currently being monitored manually on a best-effort basis. Moving forward, as the Group strengthens its data infrastructure and monitoring capabilities, systems may be implemented to streamline this monitoring.

## Sustainable Financial Services Performance

In 2024, the Group achieved RM17.8 billion<sup>^</sup> in sustainable financing, accounting for 43% of total cumulative financing since July 2021, underscoring a significant acceleration in sustainable finance efforts within a single year.

Green financing led the portfolio, reaching RM8.8 billion (50%), reinforcing the Group's commitment to climate-aligned investments. Social financing totalled RM2.3 billion (13%), while ESG-linked financing amounted to RM6.7 billion (37%), reflecting a growing focus on performance-based sustainability commitments.

|              | FY2022<br>Achievement<br>(RM billion) | FY2023<br>Achievement<br>(RM billion) | FY2024<br>Achievement<br>(RM billion) | Cumulative<br>Achievement*<br>(RM billion) |
|--------------|---------------------------------------|---------------------------------------|---------------------------------------|--|
| <b>Total</b> | <b>8.60</b>                           | <b>12.79</b>                          | <b>17.82<sup>^</sup></b>              | <b>41.24</b>                               |
| Green        | 3.33                                  | 6.92                                  | 8.85                                  | 21.14                                      |
| Social       | 2.84                                  | 2.20                                  | 2.30                                  | 8.58                                       |
| ESG-linked   | 2.43                                  | 3.66                                  | 6.68                                  | 11.52                                      |

<sup>^</sup> This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report.

\* Cumulative achievement from July 2021 to December 2024

## Allocation by Green Eligible Business Activities

On a cumulative basis, the Group has mobilised sustainable finance across all green categories, as defined in our Eligible Business Activities Guidelines, amounting to RM21.14 billion. In FY2024 alone, mobilisation for green activities totalled RM8.85 billion, accounting for nearly 50% of the FY2024 total.

Our sustainable financial services mobilisation supports Strategic Objective 2 of the Group's Net Zero strategy, focusing on green financial services and supporting companies committed to carbon neutrality. Of the total mobilised, over RM1.8 billion has been channelled into renewable energy, contributing directly to our green financial services, while the remaining RM19.3 billion was mobilised under other green activities classified as neutral finance.

|   | FY2022<br>Achievement,<br>RHB Group,<br>RM million | FY2023<br>Achievement,<br>RHB Group,<br>RM million | FY2024<br>Achievement,<br>RHB Group,<br>RM million | Cumulative<br>Achievement*,<br>RHB Group,<br>RM million |
|---|--|--|--|---|
| Renewable Energy  | 442  | 653  | 560  | 1,833   |
| Energy Efficiency   | 468  | 823  | 656  | 1,947   |
| Pollution Prevention and Control  | 475  | 585  | 208  | 1,268   |
| Environmentally Sustainable Management of Living Natural Resources and Land Use               | 59   | 114  | 292  | 466   |
| Terrestrial and Aquatic Biodiversity Conversation   | 0  | 1  | 8  | 9   |
| Clean Transportation  | 12   | 61   | 1,119  | 1,192   |
| Sustainable Water and Wastewater Management   | 501  | 910  | 1,032  | 3,448   |
| Climate Change Adaption   | 0  | 10   | 18   | 28  |
| Eco-efficient and/or Circular Economy Adapted Products, Production Technologies and Processes | 185  | 463  | 1,187  | 1,879   |
| Green Buildings   | 1,185  | 3,304  | 3,765  | 9,065   |
| <b>Green Activities (Total)</b>   | <b>3,327</b>                                       | <b>6,925</b>                                       | <b>8,847<sup>^</sup></b>                           | <b>21,136</b>   |

<sup>^</sup> This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report.

\* This reflects the cumulative achievement from July 2021 to December 2024.

Note: The sustainable financial services breakdown presented above is based on the approved and accepted amounts, in line with the Group's Sustainable Financial Services commitment. The Group's monitoring against Strategic Objective 2 of our Net Zero strategy is based on the total outstanding amount.

 For more information on the Group's Sustainable Financial Services, please refer to page 109 of this report.

# Committed to Achieving Net Zero by 2050

## Metrics and Targets



### Operational GHG Emissions

Our Targets

Reduce 45% of total Operational GHG emissions by 2026 from the 2016 baseline as per the 5-years GHG emissions reduction roadmap; and achieve carbon neutral operations by 2030

While financed emissions represent the largest portion of our climate impact, reducing operational GHG emissions remains a key priority. We continue to implement energy efficiency initiatives and utilise renewable energy sources across our facilities. Our approach aligns with international best practices, ensuring accountability and progress towards our Net Zero ambitions.

### Percentage Reduction of GHG Emissions

In 2024, the Group achieved a 45.5% reduction in operational GHG emissions (Scope 1, 2 and 3), continuing its year-on-year progress from 43.1% in 2023 and 42.0% in 2022. This steady improvement reflects the Group’s sustained efforts in operational efficiency, energy management, and decarbonisation initiatives.

### Operational GHG Emissions Reduction (Scope 1, Scope 2 and Scope 3)

|                        | 2022  | 2023  | 2024  |
|------------------------|-------|-------|-------|
| Reduction Achieved (%) | 42.0% | 43.1% | 45.5% |


Note: RHB’s operational GHG emissions reduction is based on the Group Carbon Neutral Operations by 2030 Roadmap, which covers Scope 1, Scope 2 and Scope 3 emissions (Business Travel by Road and Air).

## Operational GHG Emissions (Malaysia and Regional)

Between 2023 and 2024, we observed a decrease in overall operational GHG emissions across our Malaysian and overseas operations, attributable to ongoing efforts to adopt renewable energy and energy efficiency efforts.

|   | 2022               |            | 2023               |            | 2024                |            |
|---|--------------------|------------|--------------------|------------|---------------------|------------|
|   | tCO <sub>2</sub> e | %          | tCO <sub>2</sub> e | %          | tCO <sub>2</sub> e  | %          |
| <b>Malaysia Operations</b>                      |                    |            |                    |            |                     |            |
| Total Scope 1 – Direct Emissions                | 183                | 0.7        | 193                | 0.8        | 149 <sup>^</sup>    | 0.6        |
| Total Scope 2 – Indirect Emissions              | 23,278             | 92.1       | 22,099             | 89.9       | 21,075 <sup>^</sup> | 89.6       |
| Total Scope 3 – Other Indirect Emissions        | 1,810              | 7.2        | 2,288              | 9.3        | 2,307 <sup>^</sup>  | 9.8        |
| <b>Total</b>                                    | <b>25,271</b>      | <b>100</b> | <b>24,580</b>      | <b>100</b> | <b>23,531</b>       | <b>100</b> |
| <b>Regional (Overseas) Operations</b>           |                    |            |                    |            |                     |            |
| Total Scope 1 – Direct Emissions                | –                  | –          | 295                | 11.2       | 254 <sup>^</sup>    | 11.5       |
| Total Scope 2 – Indirect Emissions              | –                  | –          | 2,218              | 84.9       | 1,851 <sup>^</sup>  | 83.6       |
| Total Scope 3 – Other Indirect Emissions        | –                  | –          | 101                | 3.9        | 109                 | 4.9        |
| <b>Total</b>                                    | <b>–</b>           | <b>–</b>   | <b>2,614</b>       | <b>100</b> | <b>2,214</b>        | <b>100</b> |
| <b>Total (Malaysia and Regional Operations)</b> |                    |            |                    |            |                     |            |
| Total Scope 1 – Direct Emissions                | 183                | 0.7        | 488                | 1.80       | 402                 | 1.6        |
| Total Scope 2 – Indirect Emissions              | 23,278             | 92.1       | 24,317             | 89.4       | 22,926              | 89.0       |
| Total Scope 3 – Other Indirect Emissions        | 1,810              | 7.2        | 2,389              | 8.80       | 2,417               | 9.4        |
| <b>Total</b>                                    | <b>25,271</b>      | <b>100</b> | <b>27,194</b>      | <b>100</b> | <b>25,745</b>       | <b>100</b> |

<sup>^</sup> This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report.

 For further information on our operational GHG emissions calculation methodology, please refer to page 267 of this report.

## GHG Emissions by Source (Malaysia and Regional Operations)

In 2024, the Group's total operational GHG emissions decreased to 25,745 tCO<sub>2</sub>e from 27,194 tCO<sub>2</sub>e in 2023. This trend reflects our continued efforts in emission reduction strategies including energy efficiency and operational optimisation.

|   | 2022          | 2023          | 2024                      |
|---|---------------|---------------|---------------------------|
| <b>Scope 1 – Direct Emissions (tCO<sub>2</sub>e)</b>            | <b>183</b>    | <b>488</b>    | <b>402<sup>^</sup></b>    |
| Stationary Combustion – Generator Sets (tCO <sub>2</sub> e)     | 10            | 23            | 16                        |
| Mobile Combustion – Company Owned Vehicles (tCO <sub>2</sub> e) | 173           | 465           | 386                       |
| <b>Scope 2 – Indirect Emissions (tCO<sub>2</sub>e)</b>          | <b>23,278</b> | <b>24,317</b> | <b>22,926<sup>^</sup></b> |
| Purchased Electricity   | 22,707        | 23,405        | 22,318                    |
| Purchased Cooling   | 571           | 912           | 608                       |
| <b>Scope 3 – Other Indirect Emissions (tCO<sub>2</sub>e)</b>    | <b>1,810</b>  | <b>2,389</b>  | <b>2,417</b>              |
| Business Travel – Road (tCO <sub>2</sub> e)                     | 1,779         | 2,158         | 2,149                     |
| Business Travel – Air (tCO <sub>2</sub> e)                      | 32            | 231           | 267                       |
| <b>TOTAL (tCO<sub>2</sub>e)</b>                                 | <b>25,271</b> | <b>27,194</b> | <b>25,745</b>             |

<sup>^</sup> This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report.



## Sustainable and Responsible Finance

# Enabling Transition Through Sustainable Financial Services

Related Material Matter



Sustainable Financial  
Services



We recognise that financial institutions play a critical role in shaping a more sustainable future. As the world transitions to a low-carbon economy, businesses and communities require access to sustainable financial solutions that drive real impact. Our role as a financial services group goes beyond financing; we deliver innovative products and solutions, strategic insights and partnerships that empower our clients to navigate this transition.

This section articulates our strategic approach to mobilising sustainable financial services to reinforce our role in building a more resilient and inclusive future across Malaysia and ASEAN.

### Overall Performance Highlights



Achieved an  
**76%**

three-year compound annual growth rate ("CAGR") in total sustainable financial services.



Attained  
**82%**

progress towards the RM50 billion sustainable finance target by 2026.



**Executed**

Malaysia's first sustainable use of proceeds ("UOP") cross-currency repurchase ("repo") transaction.



**Launched**

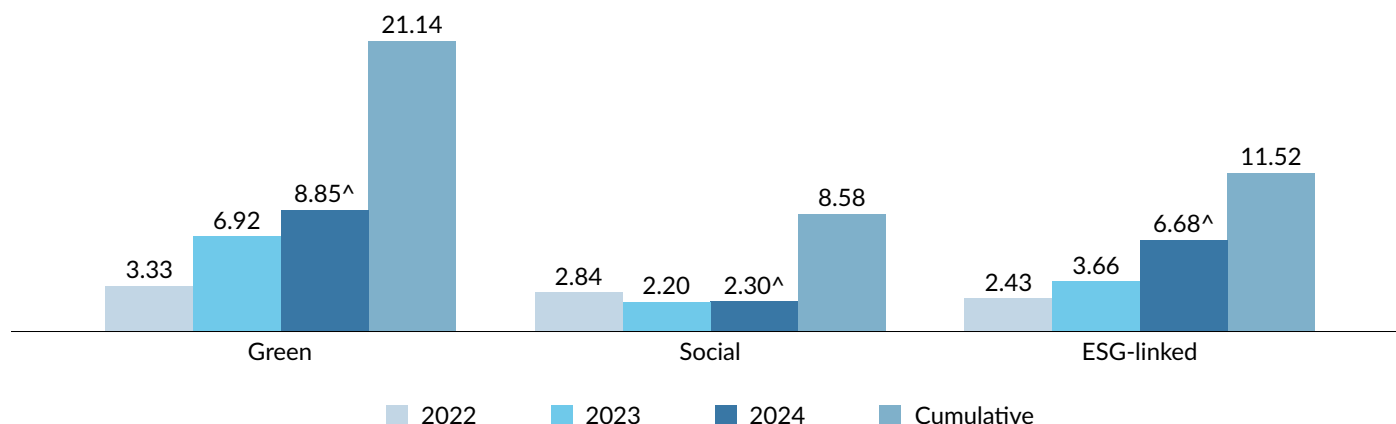
Malaysia's first Low-Carbon Transition Facility ("LCTF") Portfolio Guarantee, worth RM100 million.

A RM1 billion Sustainable Trade Finance Programme/-i (STFP/-i), achieving more than 20% of the RM1 billion target by end-2024.



## Key Achievements

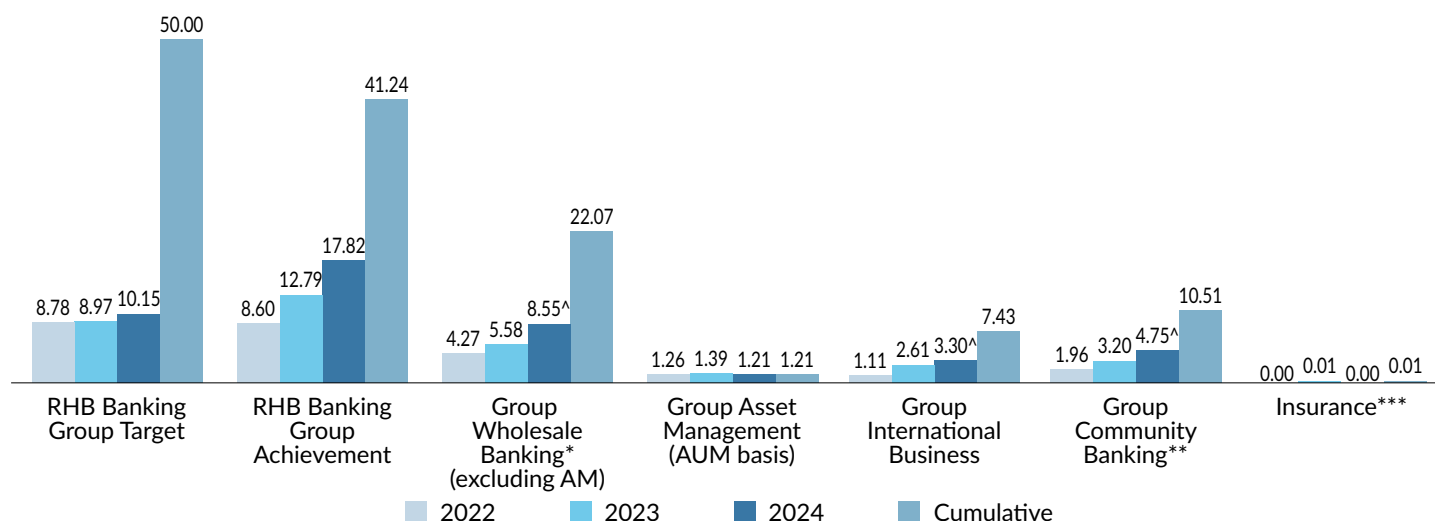
### Sustainable Financial Services Achievements by Eligible Business Activities Guidelines ("EBAG") Activities (RM billion)



^This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report.

For more information on our breakdown of achievements by EBAG activities, please refer to pag 240 of this report.

### Sustainable Financial Services Achievements by Strategic Business Groups ("SBGs") (RM billion)



^This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report.

\* For Group Wholesale Banking, the 2023 figure has been restated following a data cleanup exercise completed in 2024.

\*\* For Group Community Banking, 2021 and 2022 figures for Green Mortgage have been restated following a data cleanup exercise completed in 2024.

\*\*\* Since 2024, RHB Insurance has revised the eligibility criteria of Sustainable & Responsible product measurement from Gross Written Premium ("GWP") to Sales acceptance of insurance products, which is based on policy count of Sustainable & Responsible products that's offered. Additionally, target of 50% of Investment assets under Group Insurance is to be met with internal ESG criteria by 2026.

# Sustainable and Responsible Finance

## Enabling Transition Through Sustainable Financial Services

### Our Approach

Our purpose is rooted in making progress happen for everyone. We are committed to driving a just and responsible transition, ensuring that no one is left behind as economies shift toward sustainability. Across all our business activities – lending and financing, investment, capital markets and advisory, asset management and insurance – we integrate financial solutions that balance economic growth, environmental stewardship and social well-being.

Our approach is anchored in the Sustainable and Responsible Finance pillar of RHB's Sustainability Strategy and Roadmap, backed by our ambitious target to mobilise RM50 billion in sustainable financial services by 2026. This commitment is reinforced by a clear governance and policy framework, ensuring that our financial services are aligned with global sustainability goals, while driving long-term value for our stakeholders.



### 2021

#### SUSTAINABLE FINANCING PROGRAMME

Set a **RM1 billion** green financing target green financing to SMEs and retail customers by 2025.

### 2019


#### GREEN FINANCING COMMITMENT

Set a target to mobilise **RM5 billion** in non-retail green financing by 2025.

### RHB's Journey to Promote Sustainable Finance

### Navigating Sustainable Finance through Effective Governance Structure

A strong governance structure is essential for driving meaningful progress in sustainable finance. To drive product innovation, capture emerging business opportunities, and accelerate growth in sustainable financial services, we have appointed a Head of Sustainable Finance in July 2024. This role reinforces our commitment to responsible financing and strengthens our governance framework, ensuring clear oversight, robust risk management and accountability at every level. The Head of Sustainable Finance chairs the Sustainable Business Council ("SBC") and is a permanent invitee at the Group Sustainability Committee ("GSC"), the Group Credit Committee ("GCC") and the Board Sustainability Committee ("BSC").

 For more information on our Sustainability Governance Structure, please refer to page 51 of this report.

Sustainable Finance acts as a Centre of Excellence ("CoE") to advance awareness and lead the development, execution, and growth of sustainable financial services in support of the RHB Banking Group's net zero objective. As a CoE, Sustainable Finance ideates and develops innovative financial products and solutions, and collaborates with Strategic Business Groups ("SBGs") to support sustainable socio-economic activities. Sustainable Finance conducts regular capacity-building programmes to strengthen understanding of impact finance aligned to taxonomies, in support of Responsible Transition. These initiatives are designed to structure effective decarbonisation pathways while ensuring full compliance with internal and external guidelines, policies, and frameworks, aligned with the highest ESG industry standards.

Our ability to drive growth in sustainable financial services is guided by a robust governance framework that ensures clarity, accountability and alignment with global best practices. To support this, we have established a comprehensive set of frameworks, policies and guidelines that integrate environmental, social and governance considerations into our financial products and services.



## 2022

### SUSTAINABLE FINANCIAL SERVICES COMMITMENT

Established target to mobilise **RM20 billion** in sustainable financial products and services by 2026.



## 2023

### REVISED COMMITMENT

Revised our target, to mobilise **RM50 billion** in sustainable financial services by 2026.

## 2024

### REALIGNED COMMITMENT

Realigned our target with PROGRESS27, to mobilise **RM90 billion** in sustainable financial services by 2027.



## Frameworks, Policies and Guidelines

### Phase 1 (Establishing the Foundations) 2022-2023

**ESG Eligible Business Activities Guidelines ("EBAG")**  
Facilitates the identification and classification of green, social, and sustainable financial services across RHB's business segments and countries of operation.

#### Green Finance Handbook

Complements the EBAG by outlining specific, more detailed guidance and criteria for eligible green activities.

### Phase 2 (Strengthening Framework & Guidelines) In Development, 2024-2025

◆ **Sustainable and Transition Finance Framework ("STFF")** – target to introduce in Q2 2025  
The Group is finalising the STFF to expand and refine the classification of sustainable finance activities while providing guidance on transition finance. This framework supports an inclusive transition to Net Zero by 2050, aligns financing and investment decisions with sustainability objectives, and enables the Group to meet its sectoral decarbonisation targets.

◆ **Sustainable and Transition Finance Guidelines ("STF Guidelines")** – target to introduce in Q2 2025  
The STF Guidelines will supplement the STFF by offering a practical guide for SBGs to assess environmental and social impacts. It will also standardise the classification and tagging of green, social, sustainability, and transition financing, reinforcing RHB's Sustainability Strategy & Roadmap.

## Sustainable and Responsible Finance

### Enabling Transition Through Sustainable Financial Services



#### Empowering Consumers with Sustainable Banking Solutions

At RHB, we believe that sustainability should be accessible to everyone – not only businesses, but individuals too. Through our suite of sustainable retail banking products, we empower consumers to make financial choices that align with their values, whether through green financing, ethical investments or everyday banking solutions that support environmental and social progress. By integrating sustainability into our consumer banking offerings, we are making it easier for individuals to contribute towards a greener future, while at the same time meeting their financial needs.



## 2024 Progress

### Promoting EV Adoption

We promote sustainable mobility through our green financing programme for electric vehicles ("EVs"). Partnering with ChargeEV, we provide preferred financing rates, comprehensive insurance, and exclusive benefits.

In 2024, strong uptake reflected growing consumer awareness and the shift to green practices. To expand our reach, we collaborated with leading automotive platforms for social media campaigns and hosted three major awareness events.



Paul Tan EVX  
Exhibition



Carlist Drive  
Evolution  
Showcase

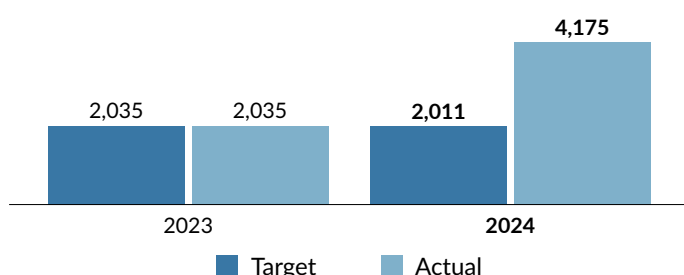


Christmas Event  
with Gamuda and  
Tesla Malaysia

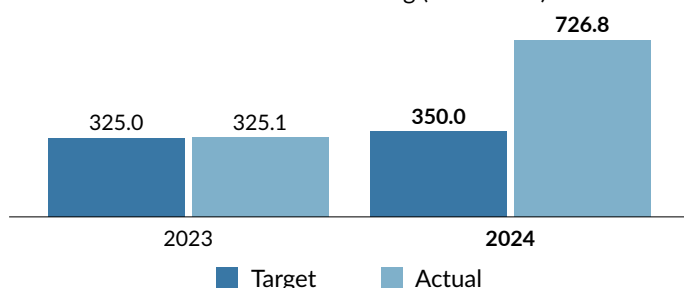
In December 2024, we launched the Vehicle Financing-i (Variable Rate) Flexi Redraw, initially for EVs, Hybrids, and Plug-in Hybrids, with financing from RM150,000 to RM500,000. This product offers discounted profit on excess payments and allows withdrawals of excess funds when needed. RHB is the first to introduce this tailored solution for evolving Hire Purchase customer needs.

### Our Performance

No. of Green Financing



Value of Green Financing (RM million)



## Impact



Exceeded our sustainable auto financing target of RM350 million, **achieving RM727 million** in financing for EVs, PHEVs and Hybrid vehicles for 2024

Financed over 4,700 green vehicles, representing **RM726.7 million** in total green financing

Reached **RM385 million** in EV financing, accounting for 53% of total green financing for auto finance



# Sustainable and Responsible Finance

## Enabling Transition Through Sustainable Financial Services

### Personal Financing for Solar Panels

We offer personal financing solutions for customers to install residential solar panel systems. This initiative aims to empower households to reduce energy costs and carbon footprints.

#### Key Features

- ◆ Financing amounts from RM16,000 to RM100,000.
- ◆ Special pricing at Standardised Base Rate ("SBR") + 5% (8% per annum).
- ◆ Open access to SEDA-registered solar panel providers.

### Impact

Achieved

◆ **RM277,000 million**

in sales cumulatively since the inception of the initiative



### Homeownership among Malaysians

We continued to enhance homeownership by partnering with leading developers, *Syarikat Jaminan Kredit Perumahan Berhad* and *Cagamas SRP Berhad*, to provide sustainable financing solutions. To further enable residential home purchases, we provide tailored financing options:

- ◆ **Green Mortgages:** We offer Green Residential Financing with higher financing margins than conventional mortgages. Eligible properties must be certified under GreenRE, Green Building Index ("GBI"), or Leadership in Energy and Environmental Design ("LEED"). This financing is available in both conventional and Islamic formats.

- ◆ **Affordable Housing:** Through *Commodity Murabahah Skim Jaminan Kredit Perumahan* ("SJKP") Home Financing-i and First Home Mortgage/i ("FHM"), we provide financing access to underserved Malaysians, including gig workers, small entrepreneurs, and farmers, enabling them to purchase their first home.



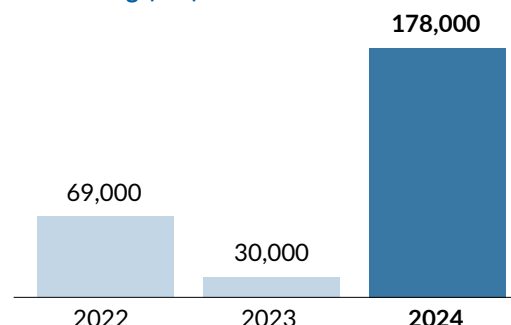
#### 2024 Progress

- ☑ We partnered with Cagamas SRP Berhad to launch the **First Home Mortgage-i in December 2024**, expanding coverage to M40 Malaysians. This allows them to purchase their first home of up to RM1 million, with a higher qualifying household income cap of RM15,000.



## Our Performance

### Solar Panel Financing (RM)

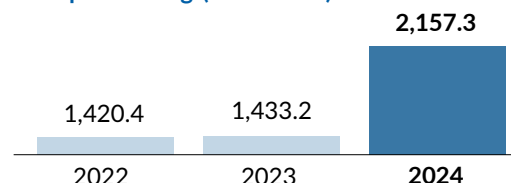


## Impact

- Achieved **RM864 million** in total green financing sales, benefiting 1,622 customers as of 31 December 2024
- Approved **RM1,293 million** in home financing for 4,376 customers under First Home Mortgage/-i scheme
- Onboarded **40** new certified green projects, collaborating with leading developers
- Produced engaging digital content, including TikTok videos featuring Avaland and Gamuda Garden projects, garnering **32 million** views across four videos

## Our Performance

### Homeownership Financing (RM million)



Note: Homeownership financing includes Green Mortgage and Affordable Housing financing.

## Notable Collaborations



Issued financing access to underserved Malaysians through for the Commodity Murabahah Home Financing-i.



Launched the FHM scheme to make homeownership more accessible and affordable for Malaysia's B40 and M40 income groups.



Provided green-certified homeownership for the Vesta Residences and Curvo Residences.



Provided green-certified homeownership for projects including Alia @ Mori Park and NARA at Shorea Park.



Offered attractive green financing for River Park homes.



Offered green home financing for the Southern region, including GreenRE-certified projects such as M Minori's Tower C, M Tiara 1, and Meridin East.



Introduced innovative financing for SkyRia @ D'Island Residence Puchong.

Note: Homeownership financing includes Green Mortgage and Affordable Housing financing.

## Sustainable and Responsible Finance

### Enabling Transition Through Sustainable Financial Services



#### Supporting SMEs' Sustainability Journey

SMEs are the backbone of Malaysia's economy and their shift toward sustainable practices is key to long-term resilience and growth. At RHB, we support SMEs on this journey by providing tailored sustainable financial solutions, green financing, and advisory services, enabling them to integrate sustainability into their business models. From responsible lending to capacity-building initiatives, we empower SMEs to seize new opportunities and navigate an evolving market landscape.

## 2024 Progress

### Sustainable Financing Schemes

As part of our Sustainable Financing Programme (“SFP”), the SME Sustainable Financing Schemes offer targeted green financing solutions tailored to SME needs, across four pillars. This includes five facilities providing access to working capital of up to RM10 million, with repayment periods of up to ten years at preferential rates:

### Impact

Cumulatively mobilised over  
**RM5.3 billion,**  
supporting over 2,000  
customers



#### Green Energy

SME Green Renewable Energy Financing: Supports the purchase, installation, operation, and maintenance of solar panels.



#### Green Products

SME Green CAPEX Financing for Equipment & Machinery: Enables the acquisition of energy-efficient equipment and machinery.



#### Green Buildings

- ◆ SME Green Construction Financing: Funds the construction of certified green and sustainable buildings.
- ◆ SME Green Commercial Property Financing: Facilitates the purchase of green-certified commercial properties.

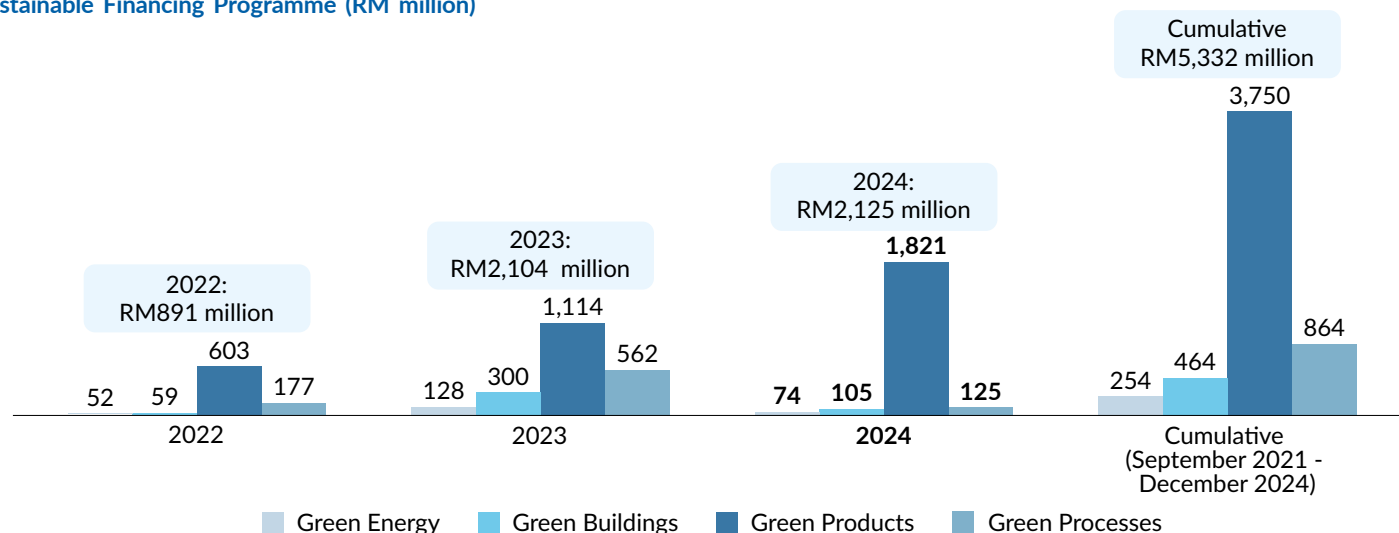


#### Green Processes

SME Green Working Capital Financing: Covers the purchase of sustainable materials/products and consultation services.

## Our Performance

### Sustainable Financing Programme (RM million)



# Sustainable and Responsible Finance

## Enabling Transition Through Sustainable Financial Services

### Low-Carbon Transition Facility ("LCTF") Mobilisation

Since 2023, we have leveraged Bank Negara Malaysia's ("BNM") LCTF fund to help SMEs adopt low-carbon practices and integrate sustainability into their business models. As a leading LCTF financier, we continue to support businesses in their transition to low-carbon operations.

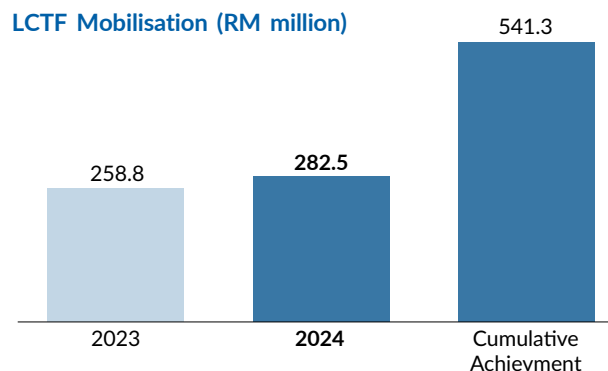
To strengthen impact measurement and accountability, we partnered with the Malaysian Green Technology and Climate Change Corporation ("MGTC") to embed the Low Carbon Operating System ("LCOS") into our LCTF framework. This enables LCTF customers to systematically track GHG emissions and enhance transparency on their sustainability progress.

#### Impact

- ◆ Mobilised **RM541.3 million** cumulatively through LCTF, benefitting 189 customers and exceeding our RM500 million by 2024 target, by 8.3%

#### Our Performance

##### LCTF Mobilisation (RM million)



### SME ESG Engagements: Encouraging Awareness and Action

To support SMEs on their sustainability journey, we hosted nationwide ESG roadshows in 2024, focusing on:

- ◆ Introducing ESG fundamentals and practical steps for sustainable transitions.
- ◆ Connecting SMEs with advisory services and platforms for sustainable growth.
- ◆ Showcasing tailored sustainable financing solutions to drive ESG adoption.

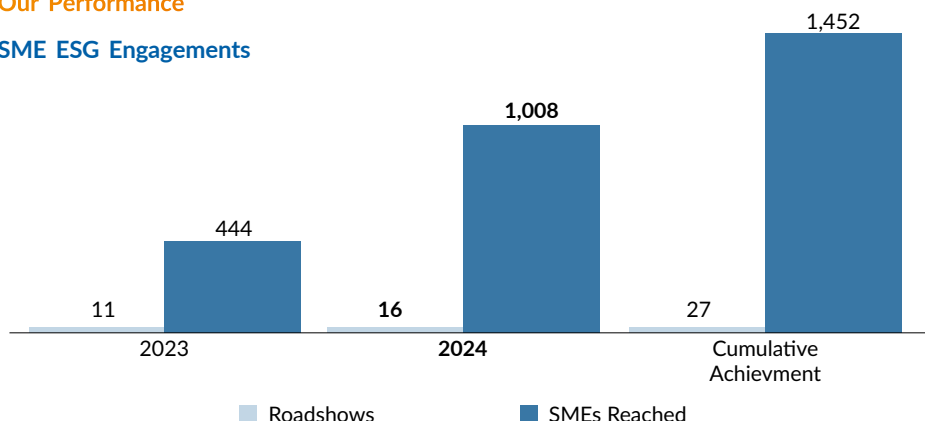
Since 2023, we have collaborated with *Tenaga Nasional Berhad* ("TNB") to accelerate renewable energy and energy efficiency adoption among SMEs and individuals. Through SME engagement roadshows across Malaysia, we provide businesses with the knowledge, tools, and financial solutions to transition to greener practices.

In 2024, we also delivered SME capability-building roadshows through partnerships with SME Association Malaysia, SME Corp and the Malaysian Retail Chain Association ("MRCA").

[For more information on our SME engagements, please refer to page 218 of this report.](#)

#### Our Performance

##### SME ESG Engagements



#### Impact

- ◆ Closed **RM37 million** in approved loans from customers attending nationwide ESG roadshows, of which 9.42% (RM3.52 million) were related to our sustainable financial services



### Sustainable Trade Finance Programme (STFP/-i)

We introduced a RM1 billion Sustainable Trade Finance Programme/-i (STFP/-i) on 12 December 2024 to support Malaysian businesses in adopting low-carbon practices and advancing sustainability in trade operations. The STFP/-i offers short-term, multi-tenured financing to facilitate sustainable trade activities, enabling businesses to transition responsibly and mitigate sustainability risks, in line with the Group's ESG EBAG classification.

#### Impact

- Extended over **RM206 million** under the STFP/-i, achieving more than 20% of the RM1 billion target, as of end-December 2024

### Partnership with NCT Group for Financing Solutions

We partnered with NCT Group to provide financing for the NCT Smart Industrial Park, a GreenRE-certified project in Sepang, Selangor. This development features energy-efficient building designs, solar panel installations, and advanced waste management systems, along with solar solutions for property purchasers, supporting sustainable industrial growth.

#### Impact

- Accepted **RM75.1 million** in financing for 13 property purchases by customers
- Promoted sustainable urban city management in Sepang

For further information on SME Banking's quantitative achievements, please refer to page 245 of this report.



### RHB Supplier and Vendor Financing Programme

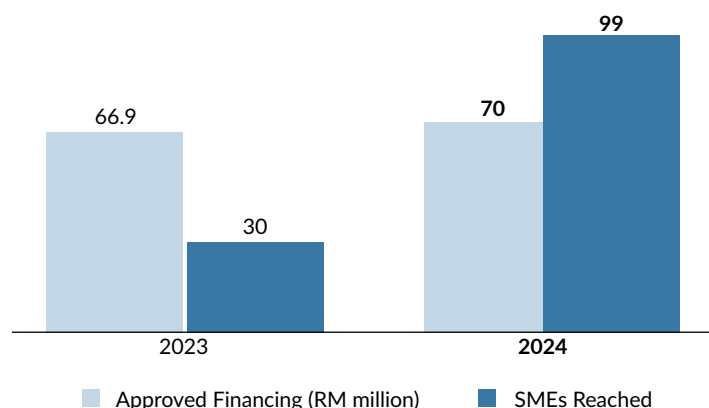
Introduced in 2023, the Supplier and Vendor Financing Programme supports SMEs contracted by the government or government-linked companies ("GLCs"). Designed to provide stability and sustainability for businesses managing critical projects, the programme offers access to up to RM10 million in working capital financing with fast processing and disbursement. This ensures that SMEs can manage their cash flow effectively, expand their operations, and take on additional projects confidently.

#### Impact

- Approved **RM70 million** in financing, reaching 99 SMEs

#### Our Performance

##### RHB Supplier and Vendor Financing Programme



## Sustainable and Responsible Finance

### Enabling Transition Through Sustainable Financial Services

Hear from our SME Banking Customers!

*"RHB's SME Sustainable and Green Financing has been a game-changer for our business. With RHB's support, we are now closer than ever to realising our dream of building nature-driven educational spaces that inspire young minds while reducing our environmental impact."*

Antara Ventures Sdn Bhd,  
SME Banking Customer



*RHB's SME Green Renewable Energy Financing made it possible for us to install solar panels without straining our cash flow, whilst their SME Green Working Capital Financing enabled us to make our production more cost-efficient and environmentally friendly. RHB truly understands our sustainability vision, and with their continued support, we are confident in building a more sustainable future.*

Roflex Pipe Sdn Bhd,  
SME Banking Customer



## Enabling Sustainable Growth for Corporate and Commercial Clients

As ESG factors increasingly influence market dynamics, regulatory landscapes and stakeholder expectations, corporate and commercial clients need financial solution that support their sustainable and low-carbon transition. We empower businesses to integrate ESG principles into their operations through tailored financing, strategic advisory and innovative sustainability-linked products, hence facilitating responsible business practices and driving long-term value across industries.



# Sustainable and Responsible Finance

## Enabling Transition Through Sustainable Financial Services

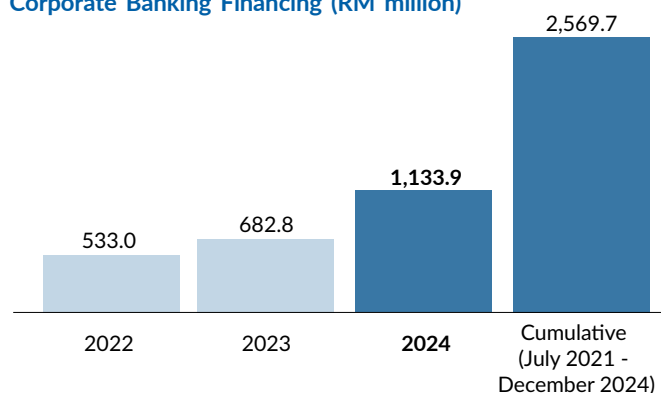
### 2024 Progress

#### Corporate and Commercial Banking: Supporting Green and Sustainable Projects

##### Corporate Banking

##### Our Performance

##### Corporate Banking Financing (RM million)



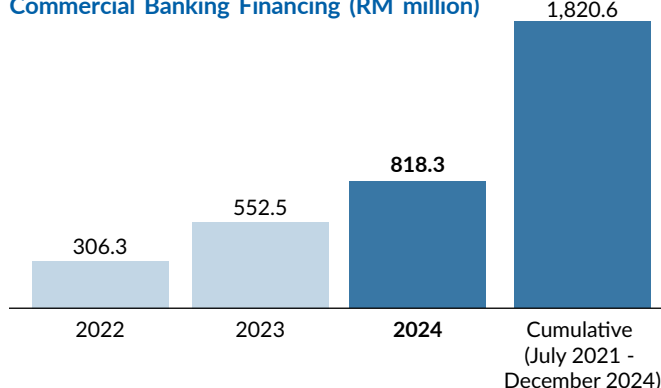
##### Impact

- Allocated **81%** of cumulative green financing (RM1,813 million) to green buildings and 75% of cumulative social financing (RM30 million) to affordable housing initiatives

##### Commercial Banking

##### Our Performance

##### Commercial Banking Financing (RM million)



##### Impact

- Directed **70%** of cumulative green financing (RM951.5 million) to energy efficiency projects and 15% (RM203.8 million) to renewable energy initiatives
- Allocated **99%** of cumulative social financing (RM459.4 million) to affordable housing

For further information on Corporate and Commercial Banking's quantitative achievements, please refer to 242-245 of this report.

## Hear from our Corporate and Commercial Banking customers!



*RHB's financing enabled us to bring the MRCB Building System ("MBS") to life at Residensi Tujuh, enabling 90% offsite construction to enhance efficiency, reduce waste, and lower costs. With RHB's support, we are expanding MBS into future projects and exploring more green initiatives. Their foresight in backing our vision has been invaluable.*

Inovasi Kristal Sdn Bhd ("IKSB"), a subsidiary of Malaysian Resources Corporation Berhad ("MCRB"),  
Corporate Banking Customer

*RHB's visionary financing has driven our green initiatives, including hotels in Putrajaya and Kuantan. Their tailored solutions and strategic advisory empower us to optimise costs, overcome challenges, and sustain growth. Beyond funding, RHB is a trusted partner who shares our vision for a greener, more responsible built environment.*

Zenith Hotel,  
Commercial Banking Customer



*With RHB's support, we secured GreenRE certifications for projects like Ceylonz Suites, The Rosewoodz, D'Tessera, and Residensi Bayu Damai, reinforcing our commitment to eco-friendly real estate. RHB's unwavering support strengthens our ability to deliver sustainable projects, and we look forward to building a greener future together.*

EXSIM Group,  
Commercial Banking Customer



## Sustainable and Responsible Finance

### Enabling Transition Through Sustainable Financial Services



#### Driving Impact Through Sustainable Investments

##### RHB Investment Bank

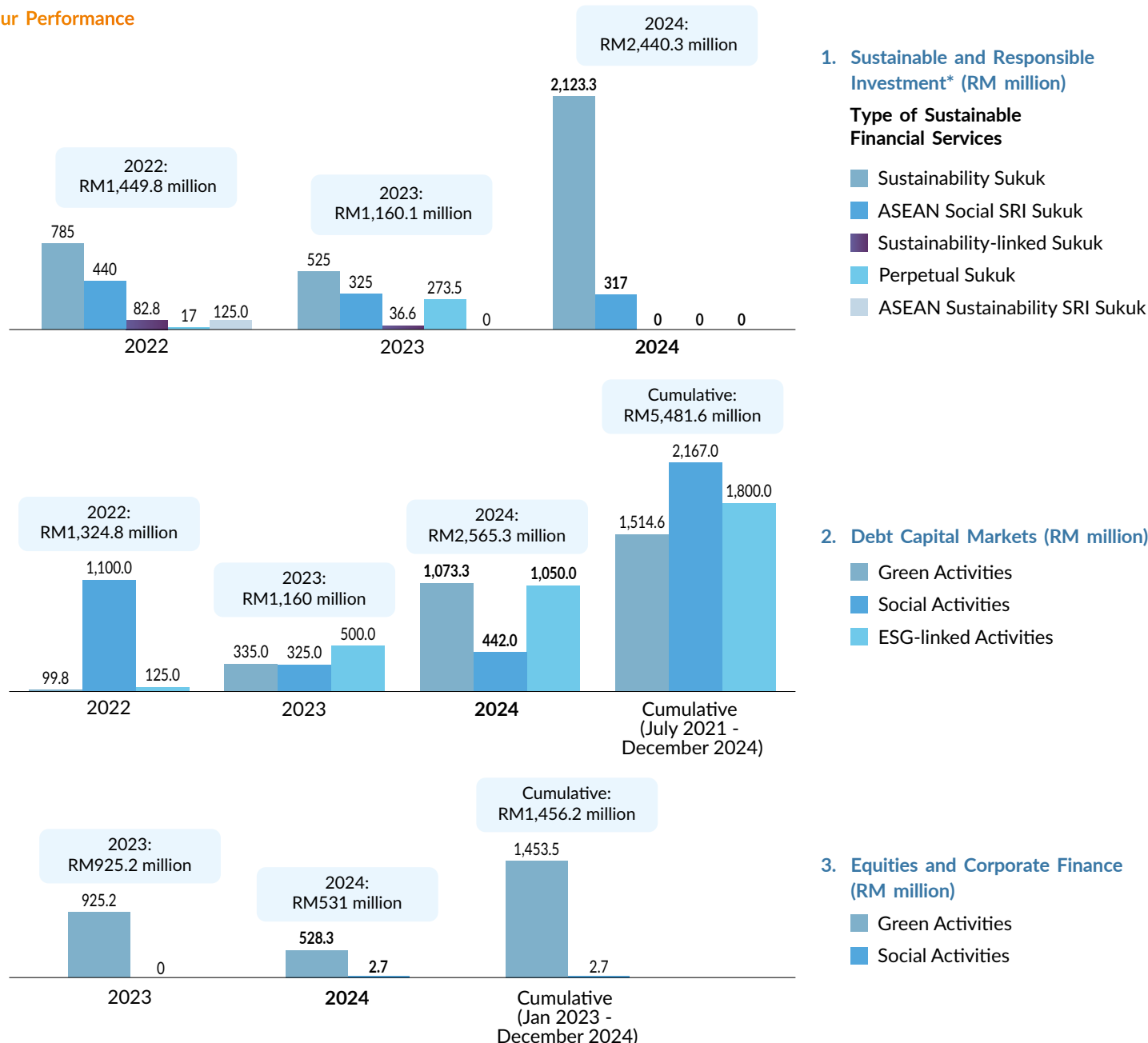
RHB Investment Bank drives sustainable finance through sustainable fund-raising activities, such as green bonds and ESG-focused capital market instruments which incentivise responsible business practices and responsible investment strategies. We continue to develop Malaysia's ESG debt capital market through enhanced origination and distribution while exploring commercial opportunities in key ASEAN markets, including Singapore and Thailand.

## 2024 Progress

### RHB Investment Bank ("RHBIB")

Malaysia is a leading hub for Islamic finance, with Sukuk playing a key role in driving sustainable economic development locally and globally. Through RHBIB, we facilitate funding for critical sustainability projects. In 2024, RHBIB advised and arranged several Sustainable and Responsible Investment ("SRI") /ESG securities.

### Our Performance



\*Note: Equities and corporate finance did not mobilise sustainable financial services in FY2022.

### Impact

◆ Mobilised **RM3.1 billion** in 2024 to support sustainable development projects

# Sustainable and Responsible Finance

## Enabling Transition Through Sustainable Financial Services

### RHB Investment Bank Berhad ("RHBIB") Research

RHBIB Research has integrated ESG, climate, and emissions considerations into equity research since 2021, assigning ESG scores to enhance financial analysis. By prioritising compliance and certifications over awards, we ensure alignment with global sustainability standards, enabling informed and responsible investment decisions.

Source: [https://research.rhbtradesmart.com/files\\_preview?hash=b7519e0f-dc52-419b-b5e1-1f810c31f190](https://research.rhbtradesmart.com/files_preview?hash=b7519e0f-dc52-419b-b5e1-1f810c31f190)

Source: [https://research.rhbtradesmart.com/files\\_preview?hash=69be2a32-ceb1-4c7a-be53-1ec924655a4f](https://research.rhbtradesmart.com/files_preview?hash=69be2a32-ceb1-4c7a-be53-1ec924655a4f)

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Source: [https://research.rhbtradesmart.com/files\\_preview?hash=b9fd4bf7-e1c1-4dea-91d8-9b8b3b9c9c57](https://research.rhbtradesmart.com/files_preview?hash=b9fd4bf7-e1c1-4dea-91d8-9b8b3b9c9c57)

### Impact

- ◆ Issued 12 thematic reports focused on ESG, carbon dioxide ("CO<sub>2</sub>") emissions, and net-zero targets, contributing to a total of 22 thematic reports published throughout the year
- ◆ Developed a CO<sub>2</sub> emissions tracking system to observe and analyse annual emissions data across companies
- ◆ Published several research products on sustainability, global climate, decarbonisation, and net zero initiatives, including Consumer Products: Net Zero In a Consumer World<sup>1</sup>, Net Zero Transportation: Transitioning Towards Low-Carbon Transport<sup>2</sup>, Banks: In Pursuit Of Net Zero<sup>3</sup> and ESG Diamonds In The Rough: Our Best Investment Ideas<sup>4</sup>

### Group Asset Management

The integration of sustainability and climate considerations is a core principle of our investment philosophy, as investors increasingly seek long-term value creation with positive environmental and social impacts. We integrate ESG principles across our investment strategies, ensuring that ESG factors and risk considerations are meticulously assessed throughout our investment processes. RHB Group Asset Management ("RHB GAM") employs an active stewardship approach, which features a constructive engagement strategy focused on advancing ESG best practices.

[For more information on RHB GAM's risk management and stewardship practices, please refer to pages 97 to 99 of this report.](#)

## 2024 Progress

### Advancing Responsible Investing

RHB GAM is progressing towards its target of RM4.5 billion assets under management in ESG/SRI by 2026. The SRI funds, approved by the Securities Commission, reflect RHB GAM's commitment to responsible investing.

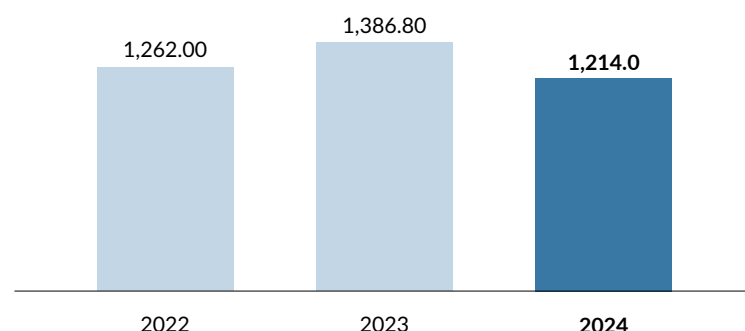
Towards achieving RHB GAM's target, we are also exploring the inclusion of funds under management where the investment mandate is aligned with ESG/SRI principles.

### Impact

- ◆ Managed seven successful SRI funds with a total Asset Under Management ("AUM") of RM1,214 million as of 2024
- ◆ Enabled investors to drive long-term impact in climate action, healthcare, empowerment, and sustainable infrastructure

### Our Performance

#### RHB GAM's AUM (RM million)



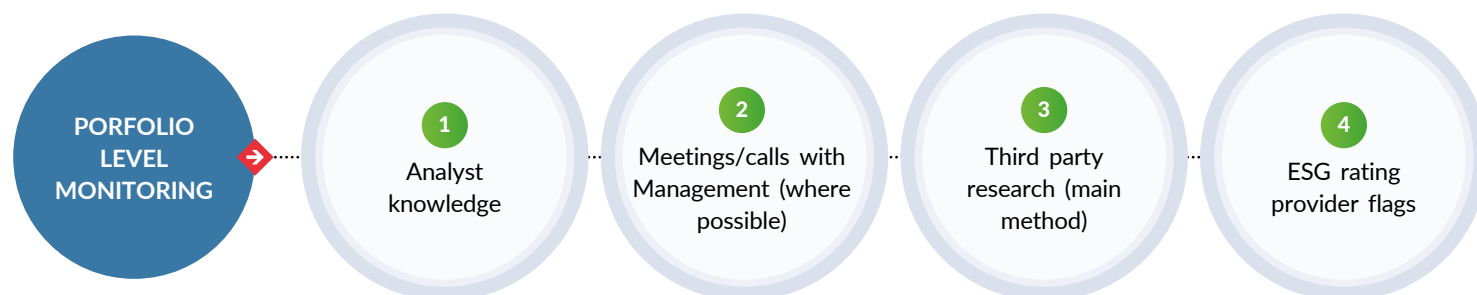
\*RHB GAM's AUM is dependent on external factors and susceptible to fluctuations in market valuation.

[For further information on Group Asset Management's quantitative achievements, please refer to page 243 of this report.](#)

# Sustainable and Responsible Finance

## Group Treasury and Global Markets ("GTGM")

GTGM leverages its internal ESG rating model to align our investment strategy with Bank Negara Malaysia's Climate Change and Principle-based Taxonomy ("CCPT"). This model enables us to systematically categorise eligible investments by assessing their ESG risks and opportunities. To further support our investment strategy, we utilise the following investment decision-making process.



To ensure alignment with our sustainability commitments, a bond must carry a minimum CCPT rating of C3 to be considered for inclusion in our investment portfolio. This rigorous approach underscores our commitment to integrating ESG considerations into every stage of the investment decision-making process.

## 2024 Progress

### Strategic ESG and SRI Deals

GTGM led five major ESG/SRI deals, leveraging Islamic finance instruments like Islamic Medium-Term Notes ("IMTN") and Islamic Commercial Papers ("ICP"). Each deal highlights GTGM's role in facilitating innovative, Shariah-compliant solutions for sustainable economic development. By directing funds to high-impact projects, GTGM strengthens its position in responsible finance, aligning business objectives with ESG principles.

### Impact

- Contributed to five significant ESG and SRI deals, valued at **RM2,020 million**
- Enhanced sustainable capital flows to support businesses transitioning towards greener operations

## Our Performance

| Issuer         | Size            | Date          |
|----------------|-----------------|---------------|
| LBS Bina       | RM200 million   | January 2024  |
| MRL            | RM1,020 million | April 2024    |
| UDA Holdings   | RM300 million   | May 2024      |
| MRL            | RM250 million   | October 2024  |
| Cagamas Berhad | RM250 million   | November 2024 |

■ IMTN Instrument    ■ ICP Instrument

# Sustainable and Responsible Finance

## Enabling Transition Through Sustainable Financial Services

### Sustainable Use of Proceeds Cross-Currency Repo Transaction

We launched Malaysia’s first sustainable use-of-proceeds (“UOP”) cross-currency repurchase (repo) transaction, marking a milestone in the financial sector. This involved an Australian Dollar (“AUD”) for Malaysian Ringgit (“MYR”) bonds repo to set a new benchmark, with MYR proceeds allocated to eligible SME loans that meet approved sustainability criteria.


Impact

◆ Directed MYR proceeds from the transaction toward funding eligible SME loans that meet approved sustainability criteria

### Sustainable Deals with Key Financial Institutions

Throughout 2024, GTGM forged impactful collaborations, executing sustainable deals with key financial institutions. These deals incentivise businesses to meet ESG Key Performance Indicators (“KPIs”) for more favourable financing terms, driving sustainable practices.

| Counterparty                            | Agreement Type                              | Value/ Indicative Value | Impact Created  |
|---|---|-------------------------|---|
| BNP Paribas Malaysia Bhd                | Global Master Repurchase Agreement (“GMRA”) | AUD 24.6 million        | Under these UOP agreements, funding is allocated to Green Eligible Projects aligned with our EBAG guidelines, delivering direct environmental benefits in renewable energy and energy efficiency.         |
| Standard Chartered Saadiq Berhad        | Master Sell and Buy Back Agreement (“SBBA”) | USD 50 million          |   |
| Oversea-Chinese Banking Corporation Ltd | Sustainability-linked Facility Agreement    | USD 220 million         | The funds support RHB’s sustainability initiatives, with ESG KPIs linked to the cumulative mobilisation of sustainable financial services, ensuring measurable green impact in line with EBAG guidelines. |

 For further information on GTGM’s quantitative achievements, please refer to page 243 of this report.





## **Delivering Sustainable Financial Services across ASEAN**

Aligned to the RHB's Sustainability Strategy and Roadmap, Group International Business drives growth in sustainable financial services across our key markets in ASEAN. Key initiatives include syndicated sustainability-linked loans, ESG-focused bonds, and SME eco-financing solutions, supporting businesses in their low-carbon transition.

# Sustainable and Responsible Finance

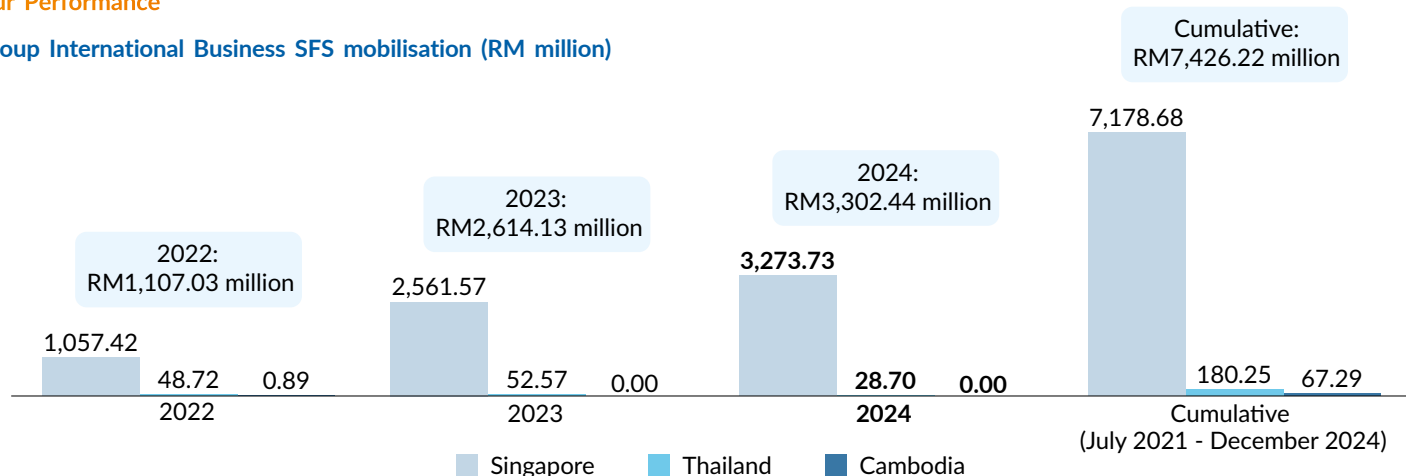
## Enabling Transition Through Sustainable Financial Services

### 2024 Progress

Group International Business has continued to make significant progress in sustainable financial services, driven primarily by RHB Singapore.

### Our Performance

#### Group International Business SFS mobilisation (RM million)



Note: No significant contribution from other overseas markets, due to respective countries' ESG maturity level and appetite for sustainable financial services.

### Scaling Green Financing Solutions

In Singapore, we offer a range of sustainable financing solutions to support our clients in this region:

- ♦ **Green Loans:** Financing solutions for clients investing in environmentally friendly projects.
- ♦ **Sustainability-linked Loans:** Loans with terms tied to clients' ESG performance improvements.
- ♦ **Green Interest Rate Swaps:** Risk management tools that incentivise green project financing.

### SME-Focused Eco-Financing Products

We launched two SME-focused eco-financing products to support sustainable business growth, addressing the increasing demand for sustainable financing among SMEs. Through proactive outreach, we drive awareness and adoption of:

- ♦ **SME Eco Commercial Property Loan:** Financing for SMEs to purchase eco-certified buildings.
- ♦ **SME Eco Energy Efficiency Financing:** Funding for building renovations to improve energy efficiency and reduce carbon emissions.

### Impact

- ♦ Successfully distributed two syndicated sustainability-linked loans to over **20** banks
- ♦ Achieved a total of **SGD972** million for ESG loans/bonds, which is almost ten times of FY2024 target (SGD108 million)

### Impact

- ♦ With these newly-launched products, we are **supporting SMEs' transition** towards low-carbon and sustainability practices

For further information on GIB's quantitative achievements, please refer to page 244 of this report.



## Promoting Sustainable and Responsible Insurance Solutions

Insurers, as key players in the financial ecosystem, bear a substantial responsibility in driving the shift towards a low-carbon economy and enabling our customers to progress in their sustainability journeys. RHB Insurance is dedicated to delivering sustainable insurance products that facilitate the low-carbon transition and advance financial inclusion. Simultaneously, its investment mandate is aligned with ESG principles to maximise positive environmental and social impact.

# Sustainable and Responsible Finance

## Enabling Transition Through Sustainable Financial Services

### 2024 Progress

#### RHB Insurance Sustainability Roadmap

Recognising the unique role of insurers in the sustainability transition, we developed the RHB Insurance Sustainability Roadmap in 2023. Aligned with the Group's overall Sustainability Strategy, it focuses on opportunities specific to RHB Insurance. Key KPIs are also integrated to support the Group's broader sustainability agenda.

#### Impact

- ◆ Issued **96,197** policies for ESG-aligned products, including Rahmah PA, Motor Saver, EV/Hybrid, solar, and fire insurance with flood coverage
- ◆ Aligned **61%** of RHB Insurance's investment assets to the ESG mandate



#### OUR ASPIRATIONS:

Sustainable insurance product positively impacting **110,000** policies by 2026

**50%** of our invest assets meet internal ESG criteria by 2026

Better life for **20,000** Malaysians by 2026

**Achieve** Carbon Neutral Operations by 2030





#### Financial Inclusion

Promote financial inclusion by providing affordable and quality insurance products to underserved individuals and businesses.

#### Sustainable Insurance Services

Create positive impacts through our investment and insurance businesses.

#### Sustainable Business Practices

Align underwriting criteria on customers in non-ESG activities.



#### Ethics & Conduct

Uphold integrity, ethics and compliance through robust policies and practices.

#### People & Workplace

Promote employee development and nurture a fair, diverse, and inclusive workforce.

#### Sustainable Supply Chain

Promote responsible and sustainable practices across the entity's supply chain.



#### Nurturing Future Generations

Promote growth with environmentally-friendly individuals and businesses through learning and eco programmes.

#### Lifting Communities

Drive awareness through engagement, cooperation, and partner collaboration.

### Focus Areas

### PATHWAY TO A CLIMATE RESILIENT FUTURE

### ENABLERS

## RHB INSURANCE SUSTAINABILITY KPIs

### KPI 1: Sustainable and Responsible Insurer

- 50% of our investment assets meet internal ESG criteria by 2026.
- Sustainable insurance product positively impacting 110,000 policies by 2026

### KPI 2: Better life for 20,000 Malaysian by 2026

- Promote awareness for the community, progressing 20,000 Malaysians towards a better life

### KPI 3: Achieve Carbon Neutral Operations by 2030

- Managing our environmental footprint to reduce our GHG emissions

### KPI 4: Diversity, Equity and Inclusion

- Encouraging inclusion of more women in senior leadership

### KPI 5: Group Climate Action Programme

- Climate risk management and accurate climate-related reporting to regulators

#### Note:

- The RHB Insurance Sustainability Roadmap became effective in 2024, including tracking against RHB Insurance's KPIs. Hence, historical data is not available.
- For more information on RHB Insurance's progress on financial inclusion, please refer to page 137 of this report.
- RHB Insurance's progress on carbon neutral operations, climate risk management, and diversity, equity and inclusion are incorporated as part of the Group's overall progress.



# Sustainable and Responsible Finance

## Enabling Transition Through Sustainable Financial Services

### RHB Insurance ESG Taskforce

To strengthen sustainability integration within RHB Insurance, we established the RHB Insurance ESG Taskforce in 2023. The taskforce focuses on integrating sustainable practices into our operations, enhancing transparency in ESG reporting, and ensuring that we align with both regulatory requirements and industry best practices. The taskforce reports to the RHB Insurance Management Committee ("MANCO"), which ensures that there is clear oversight on RHB Insurance's sustainability efforts.

#### RHB Insurance ESG Taskforce Composition

Comprises six members from business and functional units across RHB Insurance, fostering cross-functional collaboration to catalyse sustainability integration:

- ◆ Head, Retail Protectors (Chairperson)
- ◆ Chief Risk Officer (Alternate Chairperson)
- ◆ Chief Operations Officer/Head, Insurance Operations
- ◆ Head, Business Protectors
- ◆ Head, Strategy, Analytics and Digital Innovation
- ◆ Head, Marketing and Customer Experience

#### Matters Discussed

11 meetings were held in 2024. Key matters deliberated include:

- ◆ ESG-related initiatives and recommendations for management.
- ◆ Development of RHB Insurance's sustainability strategy and roadmap.
- ◆ Regulatory reporting on Climate Change Principle-based Taxonomy ("CCPT").
- ◆ Climate risk management and scenario analysis ("CRMSA") requirements.
- ◆ Future ESG-related policy documents from BNM.



## RHB ESG Incentive Scheme

Introduced in 2024, the RHB Insurance ESG Incentive Scheme was launched to provide comprehensive support to SMEs in Malaysia, enabling them to integrate ESG practices into their business models. The scheme offers incentives, such as reduced premiums on insurance products, to help SMEs implement ESG practices, thereby lowering their risks and enabling them to tap into new market opportunities that align with global sustainability trends. Through the scheme, we are able to assist SMEs in improving their risk management capabilities, build resilience against environmental and social challenges, and enhance their long-term competitiveness.

### How this works?

SMEs meeting the Level 1 and Level 2 criteria can earn financial rewards of up to RM4,000, with RM1,000 allocated for each fulfilled green initiative, based on the four green pillars listed under Level 2. Each applicant must fulfil the minimum requirements stated under Level 1, as well as the pre-requisite criteria for one or more of the four green pillars listed under Level 2.



| Level 1:   | Basic ESG Criteria | Level 2:  | 4 Green Pillars |
|--|--------------------|---|-----------------|
| <p>Focuses on building an ESG framework, including establishing formal ESG policies, appointing senior management to oversee ESG, conducting sustainability initiatives, and publishing ESG reports.</p> |                    | <p>Targets specific actions across four pillars:</p> <ul style="list-style-type: none"> <li>◆ <b>SME Green Renewable Energy:</b> Making investments in solar or other clean energy sources.</li> <li>◆ <b>SME Green and Sustainable Buildings:</b> Insuring energy-efficient or certified eco-buildings.</li> <li>◆ <b>SME Green Capex:</b> Upgrading to sustainable machinery or technology.</li> <li>◆ <b>SME Green Working Capital:</b> Using eco-friendly or recycled materials in operations.</li> </ul> |                 |

### Impact

- ◆ Received **112** applications in 2024, of which 101 successfully fulfilled the requirements for incentive redemption
- ◆ Redeemed incentives totaling over **RM90,000** for 64 applicants as of December 2024

# Sustainable and Responsible Finance

## Enabling Transition Through Sustainable Financial Services

### Advancing Access to Affordable Insurance

Many underserved communities remain uninsured due to cost barriers, lack of awareness, and limited access. Without coverage, financial shocks can be devastating, making recovery difficult and pushing individuals and businesses further into financial insecurity. This is especially true for the B40 segment, where affordability constraints often make insurance a secondary priority.

Throughout 2024, we continued to provide insurance solutions to support those most vulnerable to financial shocks.

◆ Rahmah Personal Accident Insurance

- Provides affordable personal accident protection to the B40 segment, delivering essential coverage for gig workers and self-employed individuals, who often lack employer-provided protection.


◆ Fire Insurance with Flood Coverage

- Safeguards homeowners from financial hardship caused by property loss due to flood and fire, ensuring greater security for those whose lives and livelihoods would be most affected.

◆ Motor Saver Insurance

- Enables customers to pay lower premiums based on reductions in emissions from commuting and car travel, thus serving the dual purpose of providing affordable insurance whilst strengthening environmental protection.

| Impact                             |        |        |        |
|------------------------------------|--------|--------|--------|
| Product (No. Policies Issued)      | 2022   | 2023   | 2024   |
| Fire Insurance with Flood Coverage | 93,510 | 86,927 | 80,958 |
| Motor Saver Insurance              | 1,451  | 3,080  | 4,731  |
| Rahmah Personal Accident           | 0      | 1,689  | 8,198  |
| TOTAL                              | 94,961 | 91,696 | 93,887 |

 For further information on Group Insurance's quantitative achievements, please refer to page 242 of this report.

## RHB Insurance Financial Literacy Programme

RHB Insurance has been actively promoting financial literacy to help individuals, especially students, gain a deeper understanding of the importance of insurance in personal financial planning and risk management. RHB Insurance has focused on equipping students with crucial insights into personal finance and the role insurance plays in securing long-term financial stability.

Through partnerships with various educational institutions, RHB Insurance has conducted numerous events and talks to spread awareness. These include:



## Outlook

RHB remains committed to driving growth in sustainable financial services, advancing ESG-focused products and solutions to support businesses and individuals in their transition journeys. With evolving regulations, market expectations and stakeholder priorities, the demand for green financing, sustainability-linked investments and ESG-driven financial products and solutions will continue to grow. We remain agile in adapting to these rapid changes and will ensure that our strategies align with local market needs and global sustainability goals.

A key focus for 2025 is launching and implementing our Sustainable and Transition Finance Framework and Guidelines across the Group. This Framework will ensure consistency in our financing and investment decisions and accelerate progress towards our RM90 billion sustainable financial services target by 2027. By embedding sustainability into our business strategy, we aim to create long-term value for stakeholders across Malaysia and ASEAN.

## Sustainable and Responsible Finance

# Prioritising Customer Trust and Experience

### Related Material Matters



Customer Experience



Fair Treatment of  
Financial Customers



Digitalisation and  
Investment in Technology



Data Protection  
and Cybersecurity

### Relevant Bursa Common Sustainability Matters

Data Privacy and Security

In 2024, RHB continued to prioritise customer trust and experience as a cornerstone of our service excellence. Rooted in our TWP24 Strategic Objective – Prioritise Customer Experience, we advanced in delivering seamless, accessible, and secure financial solutions. Strategic investments in digital transformation and governance have strengthened our ability to meet evolving customer needs while upholding data protection and fair treatment. These efforts are reflected in our ongoing commitment to safeguard customer information, foster trust, and ensure satisfaction. The achievements outlined below highlight our dedication to providing personalised experiences that empower customers and reinforce their confidence in RHB.

### Key Achievements

#### Net Promoter Score ("NPS")\*

- ✓ RHB Malaysia: Maintained **2nd place Industry Ranking**, with an NPS of +24 in 2024, improving from our score of +20 in 2023.
- ✓ RHB Singapore: Maintained **1st place in Industry Ranking**, with an NPS of +29 (2023: +35).

#### Fair Treatment of Financial Customers

- ✓ **99.6%** of complaints were resolved within Service Level Agreement.
- ✓ **84.6%** of customers rated satisfied on post-Complaints Resolution.

#### Digital Transformation

- ✓ Total Digital Users: more than **2.9 million** (2023: >2.4 million)
- ✓ Digital Channel Transactions: **92.2%** (2023: 89.4%)
- ✓ Digital Users Penetration Rate: **90.7%** of the eligible base (2023: 88.9%)
- ✓ Digital Business Origination: **23.6%** (2023: 21.4%)

#### Cybersecurity and Data Protection

- ✓ Introduced Secure Plus to prevent unauthorised transactions, thus improving security of our mobile banking app.
- ✓ Over **13,000** employees completed mandatory e-learning on Information Security and Data Management

### Contact Centre Association Malaysia ("CCAM") Awards

#### Corporate Categories

- ✓ Gold: Best In-house Inbound Contact Centre (Above 100 Seats)
- ✓ Silver: Best Employee Experience Programme
- ✓ Silver: Best Use of Data Analytics (Digital Innovation)
- ✓ Bronze: Best Corporate Social Responsibility ("CSR") Programme

#### Individual Categories

- ✓ Bronze: Best Customer Contact Centre Manager – En. Shahrizan Sopian
- ✓ HERO Award: Madam Gurmit Kaur A/P Ragbir Singh

#### Asian Banking & Finance Retail Banking Awards 2024

- ✓ Call Centre Initiative of the Year – Malaysia

#### Digital CX Awards 2024

- ✓ Highly Acclaimed – Outstanding Digital Customer Experience





### Our Approach

At RHB, trust is the foundation of everything we do. We are committed to building lasting relationships with our customers by delivering exceptional service, innovative solutions and a seamless banking experience. Our approach is driven by customer centricity, ensuring that every interaction – whether in-person or through our digital platforms – is intuitive, accessible and responsive to customer needs. By investing in digitalisation, responsive data management and ethical banking practices, we provide a secure and seamless banking experience while safeguarding customer privacy and financial well-being.

**“In 2024, we invested approximately RM348.5 million in technology and digitalisation, supporting our efforts to deliver service excellence.”**

### Delivering Service Excellence through Robust Governance

Delivering excellence in customer experience is supported by our robust governance framework, with the Group Management Committee (“GMC”) and the Service and Operational Excellence Council (“SOEC”) providing strategic oversight to uphold the highest standards of integrity, accountability and compliance. We have established clear policies, guidelines and processes, as well as stringent security measures and responsible banking practices to protect customer interests, enhance cybersecurity and ensure transparency in our products and services.

#### Group Management Committee

- ✓ Provides strategic guidance and oversight over customer centricity initiatives to optimise and enhance the customer experience.
- ✓ Reviews reports and proposals related to the strategic implementation of key project and programmes to elevate the customer experience
- ✓ Receives monthly updates on key service indicators, ensuring that potential issues are swiftly addressed.
- ✓ Ensures effective risk mitigation measures are implemented across our business and operations, to current and anticipated security risks

#### Key Functions and Responsibilities of the SOEC

- ✓ Sets the strategic direction to enhance service quality across all customer touchpoints
- ✓ Drives initiatives to improve service efficiency, enhance accessibility and uphold high standards of customer satisfaction
- ✓ Ensures that customer-facing employees receives appropriate capability-building, to be equipped with the relevant skills and knowledge for their roles
- ✓ Promptly addresses operational challenges and resolve significant complaints and issues which may affect customers
- ✓ Closely monitors key service indicators, to ensure that the Group continuously delivers service excellence for our customers
- ✓ In 2024, the SOEC convened 11 times to drive initiatives that ensure continuous improvement in service delivery.

# Sustainable and Responsible Finance

## Prioritising Customer Trust and Experience

| SOEC   |  |
|--|--|
| Chairperson  | Alternate Chairperson                              |
| Group Chief Operations Officer   | Managing Director, Group Community Banking ("GCB") |
| Members  |  |
| <ol style="list-style-type: none"> <li>1. Group Chief Marketing Officer</li> <li>2. Group Chief Strategy &amp; Innovation Officer</li> <li>3. Group Chief People Officer</li> <li>4. Chief Digital Officer</li> <li>5. Head, Group Retail Distribution</li> <li>6. Head, Commercial Banking or Alternate (Regional Commercial Head - KV1, North &amp; EC, Commercial Banking)</li> <li>7. Head, GCB Strategy CoE</li> <li>8. Head, Group Customer Experience ("GCX")</li> <li>9. Head, Investment Banking Operations</li> <li>10. Head, Marketing &amp; Customer Experience, RHB Insurance or Alternate (Head, Operational Excellence Circle)</li> <li>11. IT Area Lead for GCB</li> </ol> |  |



## Our Customer Experience Guiding Principles

To embed service excellence across all touchpoints, we rely on clear and consistent frameworks and guidelines. The RHB Way Playbook defines the principles that guide our teams in delivering the best possible customer experience. This playbook focuses on:


| RHB Way Playbook   |   |   |
|--|---|---|
| Building Trust   | Delivering Convenience  | Creating Value  |
| Cultivating transparent and reliable relationships with customers. | Streamlining processes and leveraging technology to simplify customer journeys. | Providing tailored solutions that meet customers' financial goals and aspirations |



# Sustainable and Responsible Finance

## Prioritising Customer Trust and Experience

In addition to the RHB Way Playbook and the seven CX Principles, our CX approach also encompasses digital transformation and strong cybersecurity measures, enabling seamless access to financial solutions while safeguarding customer privacy – delivering both convenience and peace of mind.

 For more information on our cybersecurity and data privacy measures, please refer to page 156 of this report.

### Ensuring Fair Treatment of Financial Customers

At the heart of our operations lies an unwavering commitment to delivering fair, transparent, and responsible financial products and services. We meticulously uphold these values through the rigorous implementation of robust internal policies and strict adherence to regulatory standards. This commitment extends beyond compliance, shaping a culture of accountability that fosters long-term, mutually beneficial relationships.

#### Our approach is anchored in the following policies:

- ◆ RHB's Fair Treatment of Financial Consumers ("FTFC") Charter
- ◆ Orderly and Fair Market Guidelines
- ◆ RHB Banking Group Complaints Management Policy



#### In Malaysia, our practices align with key regulatory requirements, including:

- ◆ Bank Negara Malaysia ("BNM") Complaints Handling & Fair Treatment Policies
- ◆ BNM Consumer Complaints Reporting Requirements
- ◆ Bursa Malaysia Conduct Guidelines (No. 5-001)

The **FTFC Charter** applies across all Malaysian business entities, while overseas operations adhere to local regulations, ensuring a consistent approach to consumer protection.

### Our FTFC Charter

RHB Banking Group is committed to the fair treatment of financial consumers in conducting our business, and we prioritise the consistent delivery of fair dealing outcomes to our customers at all times. We believe in building long term and mutually beneficial relationships with our customers.

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

- 1 We commit to embed fair dealing into our Group's corporate culture and core values
  - We will set standards on fair business practices in all our dealings with our customers, including providing financial services or products suitable to our customers' financial circumstances.
- 2 We commit to being fair, responsible and professional when dealing with our customers
  - When dealing with our customers, every staff upholds strong work ethics, professionalism and integrity to ensure that customers feel respected, safe and valued with us.
  - Ensure all terms in our contracts are fair and in plain language as far as possible, and transparent to our customers.
- 3 We commit to ensure that we provide clear and relevant information and strive to be consistent in exercising due care in our business dealings with customers
  - Providing clear, relevant, accurate and timely information for all our products and services is important to us to facilitate our customers in making informed decisions which are best suited to their needs.
  - All staff or representatives will be equipped with skills to provide quality advice and recommendation by disclosing key product features, fees and charges, risk and benefits in a clear and concise manner.
- 4 We handle all customers complaints in an objective, effective and fair manner
  - When handling customers' feedback, we endeavour to provide a prompt, objective and fair solution to our customers to resolve any complaints effectively.
- 5 We commit to ensure that vulnerable consumers are treated fairly and equitably by providing their needs in banking
  - Implement relevant policies in order to support the requirements of vulnerable consumers banking needs.
  - We will closely monitor and ensure that continuous support is provided to vulnerable consumers to receive fair and equitable treatment.
  - All staff or representatives are well-trained and coached to handle vulnerable consumers.



## Responsible Communication on Product and Service Information

### Group Marketing

We ensure that product and service information is communicated responsibly and accurately. Various safeguards are in place at each step of the process for producing communication materials to customers, from the creation of marketing materials to their publication.

- ◆ **First Line of Defence:** Compliance culture is ingrained within Group Marketing through training and reminders. Marketing staff assess each material against a compliance checklist developed by Group Compliance, based on regulatory guidelines, including the BNM Policy Document on Fair Treatment of Financial Consumers.
- ◆ **Second Line of Defence:** Marketing materials are reviewed by multiple senior parties within Group Marketing and the business, including the GCMO and heads of business, to ensure fairness, transparency, and accuracy.
- ◆ **Third Line of Defence:** Compliance reviews and audits ensure adherence to the process, with improvements made as necessary.



### Business Units

Recognising the importance of clear and transparent disclosure, our business units adopt several measures to ensure that product and service information are clearly communicated to customers:

- ◆ Product and service information are provided to customers via Product Disclosure Sheet ("PDS") and Terms & Conditions ("T&C").
- ◆ PDS and T&C are regularly updated to reflect changes in regulations or product offerings, hence ensuring that customers are provided with the latest information.
- ◆ We strive to ensure that PDS and T&C are available in both English and Bahasa Malaysia languages.
- ◆ We also ensure that any definitions used in the PDS and T&C are consistent with industry-accepted definitions and/or as defined by the regulator.



## Sustainable and Responsible Finance

### Prioritising Customer Trust and Experience



#### Cultivating Service Excellence

At RHB, our commitment to service excellence lies at the core of every customer interaction. Driven by our dedicated team, we ensure every interaction reflects our promise to provide meaningful and consistent experiences across all touchpoints.

#### 2024 Progress

In 2024, we rolled out meaningful initiatives to enhance customer experience, improve operational efficiency, and align with the RHB Way. These efforts, supported by our dedicated employees, aimed to deliver seamless and personalised services.

##### Premier Service Enhancements

We introduced new initiatives in 2024 to continue improving Premier customer experience by delivering consistent, personalised service:

- ◆ **Premier Service Standards:** Rolled out six Premier Service Standards to all 22 Premier Centres, setting a network-wide benchmark for service excellence.
- ◆ **Premier Service Managers ("PSMs"):** A team of 23 Premier Service Managers has been appointed across all Premier Centres to provide dedicated, responsive support, ensuring an elevated banking experience for Premier customers.

##### Impact

- ◆ As of December 2024, we achieved a customer satisfaction score of **98%** across premier centres

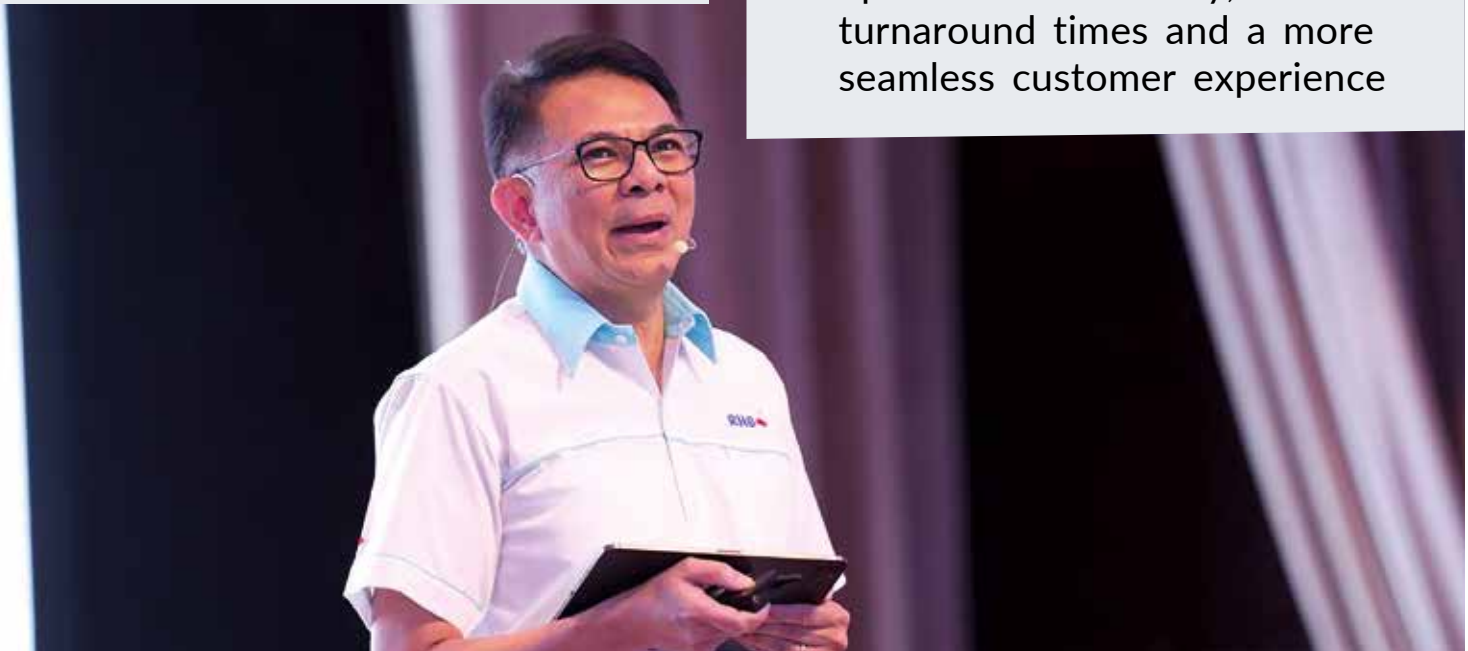
##### RHB Way Star Awards

- ◆ An annual initiative which recognises employees who embody the mindset of "Winning in Service Starts with Me" and delivered projects that uplift customer experience.
- ◆ Cultivates a continuous improvement culture by encouraging employees to drive process and service enhancements.

##### Impact

- ◆ **398** initiatives completed in 2024

- ◆ **10 high-impact** initiative teams were recognised for their efforts in delivering operational efficiency, reduced turnaround times and a more seamless customer experience



## RHB Way Champions Club

- ◆ Our RHB Way Champions Club honours employees who exceed key performance indicators, demonstrate teamwork, and deliver outstanding solutions.

### Impact

- ◆ **49** top service achievers participated in a service immersion trip to South Korea, to visit Samsung Financial Services, learning about their service culture and gaining insights into best-in-class practices, to elevate service standards across RHB

## Service Training for Frontliners

- ◆ Delivered six targeted capability-building programmes in 2024 for customer-facing employees, focused on areas such as customer-centric culture, leadership, as well as technical and functional skills related to their roles.

### Impact

- ◆ **95** frontline employees attended the leadership and culture-related training
- ◆ **761** customer-facing employees attended the technical and functional-related training to enhance key skills related to their roles

## Our RHB Heroes

Our frontline staff build meaningful relationships with our customers on a daily basis. Connecting with individual stories inspires them to act and drives them to exceed expectations in their service. Embracing the human side of banking, these dedicated employees consistently deliver exceptional service, positively impacting our customers' lives daily.



## Case Study: Our RHB Heroes



### Supporting a Family in Need

When a customer urgently needed to pay her bedridden mother's hospital bill using funds from a fixed deposit, two RHB Heroes stepped in. They visited the hospital to verify the mother's identity, processed the transfer, and provided timely updates and support throughout the transaction.

[For more RHB Heroes stories, please refer to our previous Sustainability Reports.](#)

## Sustainable and Responsible Finance

### Prioritising Customer Trust and Experience



#### Listening, Learning and Acting on Customer Feedback

Customer feedback is at the core of how we improve and enhance our services. Every interaction is an opportunity to listen, learn and refine our product offerings and service level to better serve our customers. Our approach to addressing customer feedback is guided by our commitment to responsiveness, continuous improvement and transparency.

We have established clear and structured feedback channels – from digital platforms and customer surveys, to direct engagements – to ensure that customer voices are heard and valued. Feedback is analysed by our GCX team to identify trends, promptly address concerns and shape long-term service enhancements.

Our Centralised Complaints Resolution (“CCR”) team serves as an independent internal team to review and address all customer feedback and customer complaints.

#### Enhancing Service Performance Through Measurable Standards

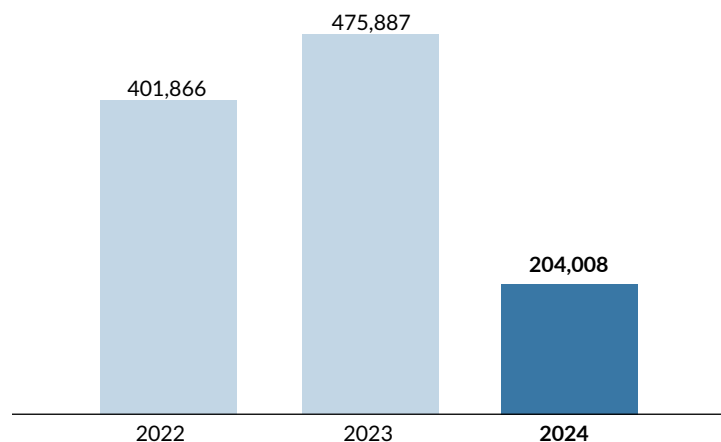
To ensure service excellence, we have established Service Level Agreements (“SLAs”) which set clear performance benchmarks for responding to customer feedback and complaints. We leverage key performance metrics, including response times, resolution rates, and customers satisfaction scores to continuously monitor and improve our service quality. These SLAs and key performance metrics enable us to track and measure our responsiveness, ensuring that every concern is addressed efficiently and effectively.

This year, we faced challenges stemming from a March 2024 IT glitch, which had, to a certain extent, impacted customer sentiment, leading to an increase in feedback and complaints received for the year. Despite these disruptions, we achieved progress in key areas, achieving faster turnaround time in addressing feedbacks and resolving complaints, maintaining high satisfaction levels in our resolution process.



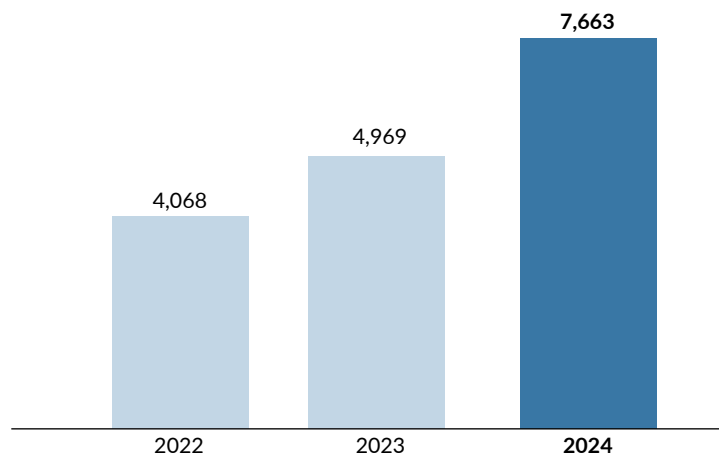
## Our Customer

### Feedback Volume



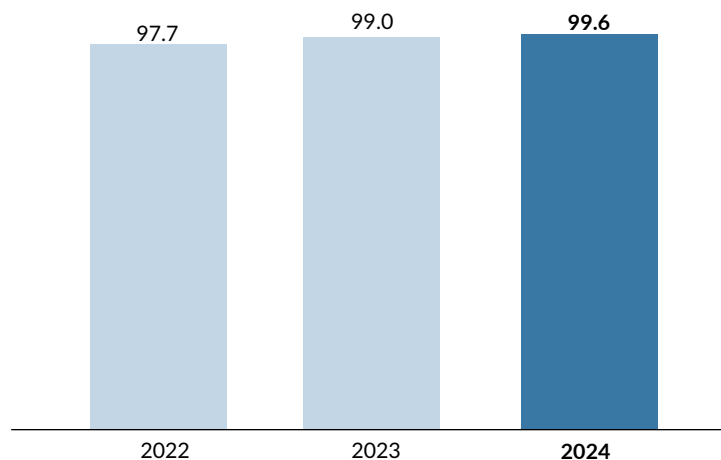
Note: Decrease between 2023 and 2024 was due to a shift from QR-based to email-based collection.

### Complaints Volume

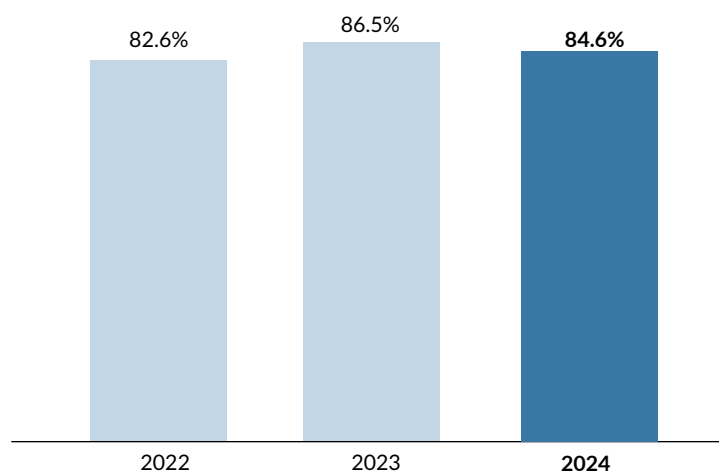


Note: in 2024 complaints volume was primarily due to an IT issue impacting a small proportion of customers, which has since been resolved.

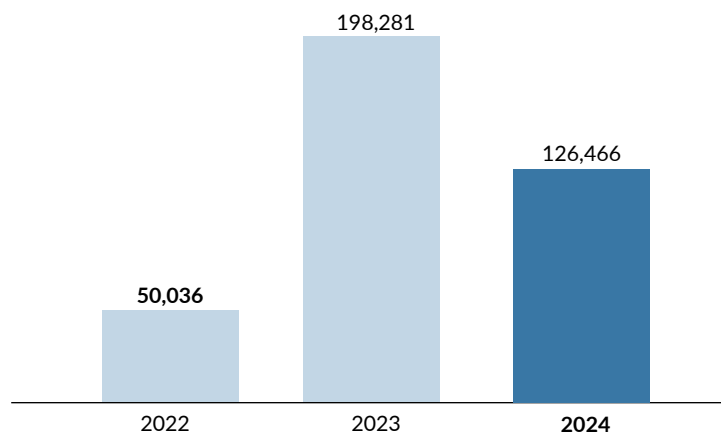
### Resolved Complaints/Feedback within Service Level Agreement ("SLA")



### Complaints Resolution Satisfaction



### Compliments Volume



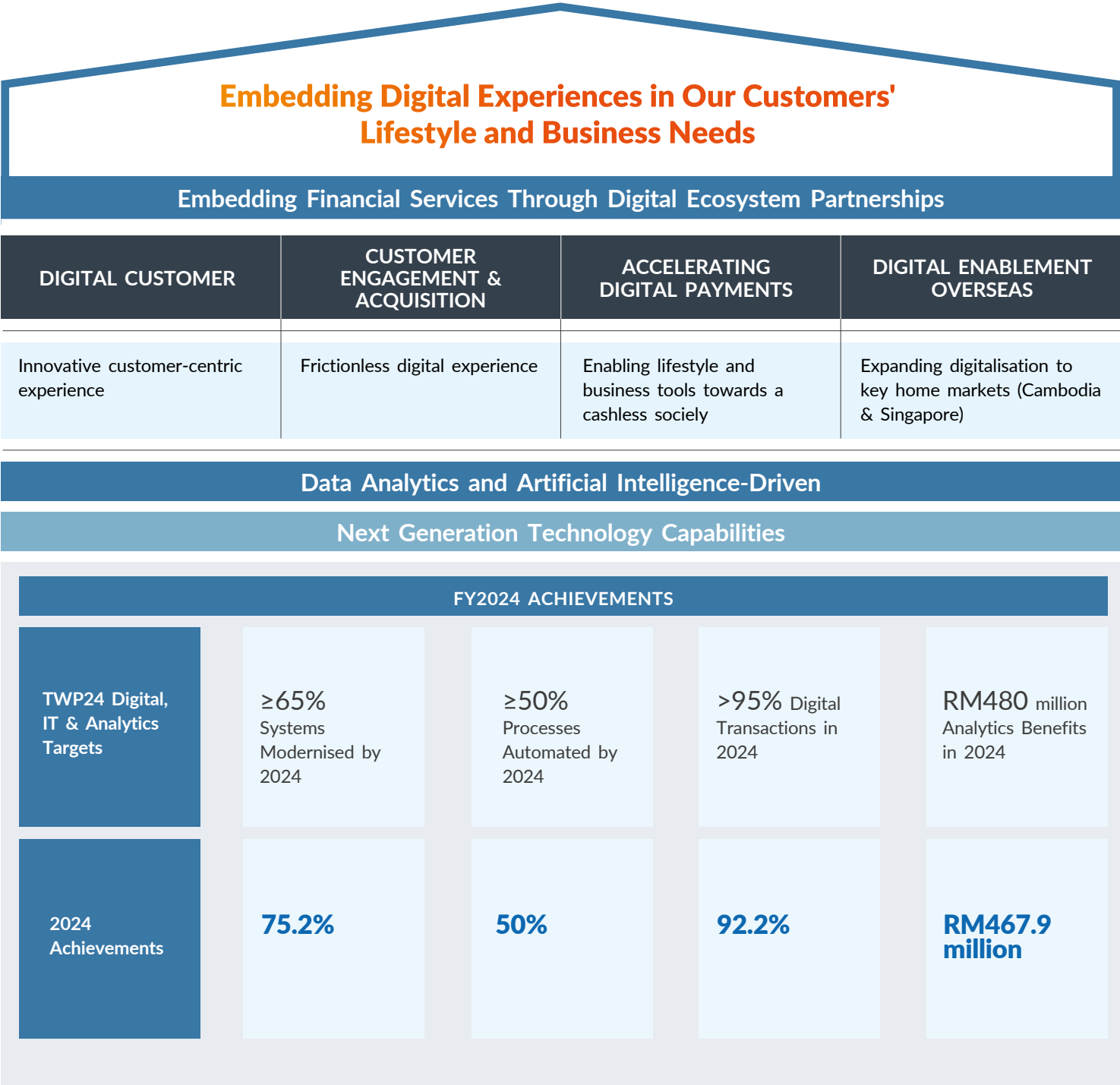
Note: Decrease between 2023 and 2024 was due to a shift from QR-based to email-based collection.

# Sustainable and Responsible Finance

## Prioritising Customer Trust and Experience

### Enhancing Engagement Through Digitalisation

We regard digitalisation and technology as enablers of exceptional customer experiences. Through our mobile-first approach, we are championing convenience by delivering seamless, secure and intuitive digital banking solutions, enabling frictionless engagement across multiple channels, so that our customers can manage their finances anytime, anywhere. Through our Digital Transformation Programme (“DTP”), we integrate digital solutions into customer lifestyles and business needs, creating a robust banking ecosystem that benefits all customers. We are committed to financial inclusivity, ensuring that our mobile banking solutions are accessible to the underserved communities, including those in remote areas and individuals with limited access to our branches. By embedding digital innovation across all touchpoints, we ensure every interaction is engaging, responsive and value-driven.







Between 2022 and 2024, we invested **RM868.7 million** in digital transformation and IT infrastructure, supporting our TWP Digital, IT and Analytics targets. This significant investment reflects our commitment to driving innovation, improving accessibility, and future-proofing our banking services. These investments accelerate the adoption of intelligent banking services and ensure our workforce is equipped to deliver inclusive, technology-driven solutions.

# Sustainable and Responsible Finance

## Prioritising Customer Trust and Experience

### 2024 Progress

We drive innovation through a suite of digital initiatives, including our enhanced digital platforms, AI-driven solutions and advanced security measures. These efforts have improved platform features, introduced new capabilities, and boosted customer engagement, resulting in faster service delivery and higher satisfaction.

#### 1 Digital Platforms

##### Boost Bank

- ◆ Launched in 2024 in partnership with Boost, the fintech arm of Axiata Group Bhd, Boost Bank establishes a new standard in digital banking by integrating financial services directly into the Boost eWallet app.
- ◆ Simplifies banking for customers, combining the speed and flexibility of fintech with the reliability of traditional banking, ensuring a secure and seamless experience tailored to their needs.

##### Impact

- ◆ First digital bank in Malaysia to introduce SME Financing products with financial solutions tailored for local businesses, with a seamless application process, minimal documentation, and loan amounts starting from RM1,000
- ◆ Established strategic partnerships with CelcomDigi, MYDIN, and major East Malaysian supermarkets and hypermarkets, including Bataras, CKS, Farley, and Servay, providing exclusive rewards and cashback on daily necessities

##### RHB Online & Mobile Banking Platform

- ◆ RHB Online and Mobile Banking Platform prioritises stability, functionality, and a user-centric approach to enhance everyday banking interactions and meet evolving customer expectation.
- ◆ Key enhancements introduced in 2024 included:
  - Security and personalisation updates, including full migration from SMS OTP to Secure Plus, strengthening registration and device activation process, introduction of cooling-off period, enforcing single device per customer, and heightened fraud monitoring and prevention.
  - Introduced preferential and differentiated rates tailored for digital customers, covering products including term deposits, multi-currency accounts, CashXcess, and balance transfers.

##### Impact

- ◆ Delivered 65 features across six bi-monthly updates, resolving system instabilities and elevating customer experience
- ◆ Increased total digital users by >20% in FY2024 compared to FY2023
- ◆ Improved digital user penetration rate of **90.7%** of the eligible base, up from **88.9%** in 2023
- ◆ Boosted transaction volumes for IBK and MBK by >50% compared to 2023

In addition to our major milestones, we have launched targeted platforms that further enhance our digital transformation journey. These initiatives are integral to building a comprehensive and inclusive banking ecosystem.

| Platform/Initiative                    | Key Updates  | Impact  |
|--|--|---|
| Generative AI-Powered Search (RHB Ask) | <ul style="list-style-type: none"> <li>◆ Rolled out RHB Ask, an AI-powered internal chatbot to improve communication and knowledge sharing.</li> </ul>   | <ul style="list-style-type: none"> <li>◆ Rolled out to all <b>197</b> branches</li> </ul>   |
| SME Online Financing                   | <ul style="list-style-type: none"> <li>◆ Provides SMEs with a fast and convenient channel for accessing working capital financing.</li> <li>◆ Enhanced SME digital banking by initiating the STP250 project, set to launch in Q1 2025, aiming to enable faster loan approvals of up to RM200,000.</li> </ul> | <ul style="list-style-type: none"> <li>◆ Approved <b>RM124 million*</b> in loans/financing in 2024</li> </ul>   |
| Experience Management ("XM") Platform  | <ul style="list-style-type: none"> <li>◆ Leveraged the Voice of Customer ecosystem to perform advanced analytics for deeper analysis of customer sentiment.</li> <li>◆ Facilitated measurement of customer experience across 17 key journeys and channels to identify areas for improvement.</li> </ul>      | <ul style="list-style-type: none"> <li>◆ Successfully regained 4,172 dissatisfied customers, converting them into satisfied customers</li> <li>◆ Achieved a Customer Satisfaction score exceeding 85%, with respondents rating overall satisfaction in the Top 2 Box (5-point scale) across key customer channels</li> <li>◆ Secured App Store ratings of 4.8 stars on iOS and 4.1 stars on Google Play Store for the mobile banking app</li> <li>◆ Automated and digitised customer insight analytics, enhancing CX success measures</li> <li>◆ Identified seven key opportunities for service and process improvements</li> </ul> |
| MCA Online Account Opening             | <ul style="list-style-type: none"> <li>◆ Introduced online account opening feature for our Multi-Currency Account ("MCA"), enabling seamless setup without branch visits.</li> </ul>   | <ul style="list-style-type: none"> <li>◆ Increased convenience and seamless customer experience are expected to lead to an increased number of MCAs opened</li> </ul>   |
| eIPO Services                          | <ul style="list-style-type: none"> <li>◆ Introduced a fully digital solution for seamless and convenient participation in Initial Public Offerings ("IPOs").</li> </ul>  | <ul style="list-style-type: none"> <li>◆ Customers will be able to easily manage their investments through the convenience of our digital solutions</li> </ul>  |

\*The slight decline compared to 2023 due to credit alignment.

# Sustainable and Responsible Finance

## Prioritising Customer Trust and Experience

### 2 Digital Lending and Mortgage Solutions

#### RHB MyHome and RHB Partners App

- Enhanced the mortgage experience through the RHBMyHome and RHB Partners mobile applications, enabling the seamless digital processing of direct sales mortgages.
- Streamlined the end-to-end mortgage application process, providing greater convenience and efficiency for both customers and sales teams.

#### Impact

- Reached **RM7.30 billion** in digital sales which contributed to 77% of direct sales mortgage.

#### RHB iSMART Digital Relationship Manager ("RM") Tool

- Enhances the productivity and efficiency of Relationship Managers by integrating capabilities such as virtual meetings and pre-screening of loan applications.
- Ensures a smoother client interaction process while optimising loan application management.

#### Impact

- Maintained an average approval turnaround time of 0.7 days for retail SME loans.
- Delivered consistent year-on-year ("YoY") productivity, with a minimal 2% dip due to a challenging business environment.



#### Digital Business Online Application Form

- Introduced in 2024, the Digital Business Online Application Form is integrated with a Lead Management System ("LMS"), and facilitates online applications for Credit Cards and Personal Financing.
- Enables both self-service and assisted submissions, along with real-time lead distribution and application status tracking, ensuring a seamless user experience.

#### Impact

- Achieved a **162%** increase in full application submissions.
- Recorded a **71%** increase in product approvals.
- Surpassed digital sales targets, exceeding:
  - Credit Card sales by 143%.
  - Personal Financing targets by 177%.
- Attained high CSAT scores:
  - Application Flow **4.6/5**
  - Application Form Language Used **4.8/5**
  - Application Form Design **4.6/5**



### 3 SME and Business Banking Solutions

#### SME e-Solutions Platform

- ◆ Expanded the solutions provided with the inclusion of integrated management solutions for operations, HR, and accounting.
- ◆ Enhanced the SME banking experience with API connectivity to RHB Reflex Premium Plus and launched EduGo for schools and learning centres.



#### Impact

- ◆ Onboarded 7,354^ SME e-Solutions ("SES") customers, bringing the total to 27,687 since inception.
- ◆ Recorded a **13%** higher average deposit balance for SES customers compared to non-SES customers.
- ◆ Achieved 66% New-to-Bank ("NTB") customers from the **7,354** onboarded, contributing RM214 million in Current Account ("CA") balances. When including Existing-to-Bank ("ETB") customers, the total CA balance as at December 2024 reached **RM253 million.**

*^This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report.*





## Sustainable and Responsible Finance

### Prioritising Customer Trust and Experience

#### 4 Operational Efficiency and Service Enhancements

##### Branch Delivery System ("BDS EVO")

- ◆ Continued enhancements in 2024 to address critical issues, reduce turnaround times for customers, digitise key processes, and centralise key controls.
- ◆ Key features include:
  - Biometric transaction verification
  - Real-time branch journal and inventory updates
  - Centralised system for sending real-time SMS and email updates to customers
  - Straight-Through Processing for Multi-Currency Account and Remittance

##### Impact

- ◆ Saved **18.1 million** minutes since 2022.
- ◆ Achieved a 60% reduction in average account opening time.
- ◆ Realised cost savings of **RM20 million** since 2022.



##### Centralised Customer Statementing Solution ("CCSS")

- ◆ Enhanced in 2024 to incorporate statements for Cards and Loan Financing, featuring updated formats and centralised access for branches and contact centres.

##### Impact

- ◆ **Improved operational** efficiency by streamlining the statement retrieval process and ensuring consistency across communication channels.
- ◆ Achieved cost savings of **RM4.6–4.8 million** through electronic statement initiatives.
- ◆ Shortened customer statement retrieval time from days to minutes with the implementation of CCSS.
- ◆ Enabled frontline staff to resolve most statement-related enquiries during initial contact through centralised access to customer statements.

Additionally, we introduced several targeted improvements to address specific customer needs and align with our broader goals of delivering seamless, convenient, and sustainable banking experiences. The table below outlines the key updates and results for each initiative.

| Platform/Initiative                              | Key Updates  | Impact  |
|--|--|---|
| RHB Mobile Banking ("IBK/MBK") Queue Appointment | <ul style="list-style-type: none"> <li>Launched in March 2024 to allow customers to book appointments before visiting branches.</li> </ul>   | <ul style="list-style-type: none"> <li>Managed <b>5,266</b> queue appointments since launch</li> </ul>  |
| RHB IBK/MBK Live Chat                            | <ul style="list-style-type: none"> <li>Introduced in March 2024 to provide real-time support for customer inquiries.</li> </ul>  | <ul style="list-style-type: none"> <li>Handled <b>2,273</b> sessions since launch, ensuring prompt and efficient assistance</li> <li>Attained an exceptional customer satisfaction score of <b>99.9%</b></li> </ul> |
| RHB Reflex Digital Statements                    | <ul style="list-style-type: none"> <li>Enhanced e-statements for current accounts and loan statements, accessible via the Reflex app for Business Banking customers in Singapore.</li> </ul>   | <ul style="list-style-type: none"> <li>Improved accessibility to account and loan information on-the-go.</li> <li>Supported sustainability goals by reducing paper usage and printing</li> </ul>                    |
| RHB SG Mobile Banking App                        | <ul style="list-style-type: none"> <li>Enhanced the SG Mobile Banking app with the introduction of a cross-border feature, allowing users to link, view, and transfer funds seamlessly between RHB Singapore and RHB Malaysia accounts.</li> </ul> | <ul style="list-style-type: none"> <li>Enhanced digital banking experience for users with dual accounts by enabling seamless fund transfers between SG and MY accounts</li> </ul>                                   |
| RHB IBK/MBK Self-Service Options                 | <ul style="list-style-type: none"> <li>Expanded self-service capabilities with 10 options for managing banking needs independently.</li> </ul>   | <ul style="list-style-type: none"> <li>Processed <b>15,065</b> Service Requests ("SRs") through the RHB IBK/MBK Self-Service platform in 2024</li> </ul>  |

# Sustainable and Responsible Finance

## Prioritising Customer Trust and Experience

### Strengthening Data Protection

In today's digital era, safeguarding customer data is essential to building trust and delivering a positive customer experience. We uphold the highest standards of data privacy, security, and integrity. Guided by the Group Data and Information Management Framework, the Personal Data Protection Act 2010 Guidelines, and related risk frameworks, we ensure data security while reinforcing operational resilience and service reliability. In addition, the RHB Banking Group Privacy Policy is applicable to all business segments and subsidiaries.

To address evolving cyber threats, the Technology & Cyber Risk Management Framework provides an overall governance structure on the management of technology, cyber and information security risk to combat against cyber-attacks, breaches, data loss, service/operational disruptions as well as regulatory non-compliance. The Group is committed to safeguarding customers' information through robust monitoring and threat detection, comprehensive incident response, data protection and encryption, awareness and training, risk management and compliance that aligns with the regulatory requirements and global standards, as well as continuous improvement and innovation while ensuring seamless and secure banking experiences for our customers.

#### ◆ Governance and Oversight

- RHB's information security practices are regulated by BNM to uphold confidentiality, integrity and availability of information in accordance with recognised and widely accepted standards.
- Cybersecurity matters are overseen by the Board of Directors, Board Risk Committee and Senior Management, ensuring compliance with regulatory requirements and adherence to industry best practices.
- Substantiated incidences of data breach or loss of customer data privacy may be escalated to the Group Disciplinary Committee for deliberation, where further corrective and mitigation measures will be identified, to ensure that similar incidences do not reoccur in the future.
- Group Technology & Cyber Risk Management is responsible for providing independent oversight, ensuring compliance, and strengthening the Group's cybersecurity posture and technology risk management. The function achieves this by developing and maintaining relevant policies and guidelines, advising business units on risk mitigation strategies and security best practices, tracking key cyber and technology metrics and incident trends, and providing assurance on the effectiveness of security controls through risk reviews, without directly managing security operations.

#### ◆ Information Security Management System and Certification

- The Group maintains an Information Security Management System ("ISMS"), which involves continuous efforts to ensure compliance by having strong governance and leadership, implementing and continuously improving framework, policies and guidelines to protect its information assets whilst ensuring confidentiality, integrity and availability.
- The Group's specific critical systems are ISO 27001 certified, demonstrating compliance with internationally

recognised information security standards. Additionally, the Group's cloud-based systems are required to be certified with ISO 27017 (or an equivalent standard) to demonstrate commitment to security and reliability.

- RHB's data centre ("DC") is certified with Telecommunication Industry Association (TIA)-942B where the DC follows certain standards for its architecture, including cabling, ventilation, cooling, power systems, security, monitoring and control, resiliency, as well as safety and management system, to ensure uptime and resiliency.

#### ◆ Risk Identification, Assessment and Mitigation Measures

- We utilise advanced measures to manage the entire data lifecycle, from creation to destruction.
- Cyber risk assessments are conducted on annual basis as part of the Group's Material Risk Assessment ("MRA") process to identify and mitigate risks effectively.
- Data Loss Prevention ("DLP") solutions safeguard sensitive information and prevent unauthorised data breaches.

#### ◆ Security Operations Centre ("SOC")

- Operates 24/7 to monitor, detect, and respond to potential cyber threats.
- Supports early threat detection, investigates suspicious activities, and recommends mitigation actions.
- Engages in continuous cyber threat hunting to proactively identify and address emerging risks.

#### ◆ Review and Audit of Internal Controls

- Regular reviews, including by Risk, Audit, Compliance and IT teams, maintain the relevance and effectiveness of the Technology & Cyber Risk Management Policy.
- Audits of RHB's technology and cybersecurity systems are conducted at least every three years.

Our continued investment in cybersecurity solutions strengthens our digital platforms, ensuring the delivery of reliable and secure services towards our customers. These initiatives are vital in maintaining customer trust, reinforcing confidence in our digital banking offerings, and providing a seamless and secure user experience.

 For more information on our data protection and cyber security policies and guidelines, please refer to page 234 of this report.

## 2024 Progress

### Substantiated Breaches of Customer Privacy

We identified and addressed seven incidents involving customer privacy breaches and unauthorised disclosure of customer information. These incidents included issues such as incorrect file content, unauthorised information sharing, and non-compliance with the Personal Data Protection Act ("PDPA") 2010 and Financial Services Act ("FSA") 2013 / Islamic Financial Services Act ("IFSA") 2013.

### Substantiated complaints concerning breaches of customer privacy and losses of customer data

| 2022 | 2023 | 2024 |
|------|------|------|
| 0    | 7    | 7    |

The incidences which occurred in 2024 have been appropriately resolved, with the necessary corrective actions taken, including escalation to relevant governing committees and regulator, where required. Additionally, the incidences which occurred in 2023 were not similar to those which occurred in 2024, indicating that corrective and mitigation measures which were implemented have been effective.

To mitigate against breaches of customer privacy and losses of customer data, in 2024, we implemented several initiatives to strengthen our data protection processes and ensure compliance with data privacy regulations. These efforts demonstrate our dedication to maintaining customer trust and ensuring operational resilience.

### Strengthening Customer Data Privacy Protection

In response to instances of data privacy breaches which occurred in 2024, we implemented targeted corrective actions such as staff retraining, enhanced controls, and stronger safeguards like data encryption and improved verification procedures.

#### Impact

- ◆ Improved **data protection** practices to minimise the risk of future privacy breaches.
- ◆ Enhanced **compliance with PDPA and FSA** regulations.
- ◆ Increased staff competence in handling **sensitive data**.





## Sustainable and Responsible Finance

### Prioritising Customer Trust and Experience

#### Refreshed Personal Data Protection Act ("PDPA") Module

We rolled out an updated PDPA e-learning module to reflect the latest data privacy regulations across our regions. The training covers key principles of data protection, including lawful collection, appropriate use, secure storage, and controlled disclosure of personal data.

By addressing legislation in various countries, the module ensures employees understand their role in protecting personal data, complying with regional regulations, and upholding customer privacy rights. This initiative reinforces our commitment to data privacy, regulatory compliance, and maintaining customer trust.

#### Impact

- ◆ **1,181** participants, including contract staff and external learners completed the PDPA e-learning module in Malaysia.
- ◆ **725** participants, including contract staff and external learners completed the module for Singapore.

#### Information Security Training and Awareness Programmes

To enhance data security awareness:

- ◆ All employees are required to complete the Information Security Awareness and Data and Information Management mandatory e-learning modules. These e-learning modules focused on best practices for data handling, cybersecurity risk management, and regulatory compliance, fostering a robust security culture across RHB.
- ◆ Simulated phishing exercises are carried out on an ongoing basis, targeting all staff, to improve security awareness on phishing email attacks which may lead to system compromise and data breach.
- ◆ In 2024, nine Data Privacy & Information Management bulletins were circulated to all RHB Banking Group employees.



#### Impact

- ◆ **13,714** participants, including contract staff and external learners completed the mandatory module.
- ◆ **1,997** participants, including contract staff and external learners completed the Introduction to Data and Information Management module, a mandatory module for the new joiners.





## Fraud Prevention and Security Measures

We introduced enhanced fraud prevention measures in 2024 to strengthen digital security and protect customers from financial fraud. These include Secure Plus, requiring a one-time ATM activation for new mobile devices, and a 12-hour cooling-off period for high-risk transactions like third-party transfers and limit increases.

### Impact

- ◆ **Empowered** customers to safeguard their accounts and maintained confidence in our digital platforms through regular fraud awareness campaigns through roadshows, workplace talks, and digital outreach.
- ◆ **Improved** customer account security to prevent unauthorised access.

## Outlook

Over the next three years, RHB aims to become the market leader in CX and be recognised as the Best Service Bank by focusing on four key areas:

- ◆ **PEOPLE:** Empower teams to enhance customer satisfaction by prioritising first-contact resolution and fostering a strong service culture with CX proficiency and employee recognition across the Group.
- ◆ **FULFILMENT:** Build a seamless, end-to-end customer experience by improving service quality across products, processes, and customer interactions for targeted segments.
- ◆ **DIGITAL & IT:** Differentiate customer experience through digital innovations, using Customer Relationship Management “CRM” System and data analytics to deliver hyper-personalised experiences and empower customers with self-service capabilities.
- ◆ **VOICE OF CUSTOMER:** Leverage customer insights and data analytics to understand customer sentiments and drive improvements in customer experience.

# Embedding Good Practices

## Ethics and Conduct

Related Material Matter



Good Business Governance

Relevant Bursa Common  
Sustainability Matters

Anti-Corruption

We uphold the highest standards of ethics and integrity in everything that we do. Our commitment to ethical conduct is embedded in our culture, guiding our decision-making processes, actions and interactions with our stakeholders.

### Key Achievements

#### Awards and Recognition:

**Cambridge IFA Global Good Governance (3G) Awards 2024**  
Winner of 3G Excellence in Corporate Governance Award

**Malaysian Anti-Corruption Commission ("MACC")'s Corruption Prevention Initiative Publication Recognition on Integrity & Governance Unit's Best Practices [Edition 1 - Year 2024]**  
Featured in this *Special Collection of Best Practices* entitled: *Amalan Disclosure - Mekanisme Semak dan Imbang*



### Our Approach

Our approach to ethics and business conduct is rooted in integrity, transparency and accountability across all aspects of our business and operations. A key focus is combating bribery, corruption, and fraud through robust policies, strong internal controls, and ongoing training and awareness initiatives. Central to our approach is the integration of our core values, **P.R.I.D.E.**, which shapes a unified and customer-centric culture across the Group.

Brand  
Promise

RHB Culture  
Components

Together We  
Progress

- One RHB
- Results-Oriented
- Customer-First

Delivering  
on our Brand  
Promise to  
customers through  
our culture and  
core values

- ▶ Reflective of the way all RHBians behave, interact, and work together as a team



Be  
Everyone's  
Primary  
Bank



Prioritise  
Customer  
Experience



Drive Quality  
Growth

**P.R.I.D.E. Core Values**



Key behavioural characteristics that each RHBian should observe:

Governance

Agile

RHB Way

Risk

Compliance

Sustainability

Ethics & Conduct

Our ethical business codes, supported by Key Internal Controls are embedded within operational processes to ensure compliance with regulatory requirements and alignment with these principles.

#### Key Internal Controls




The Board ensures sound governance by overseeing robust frameworks, policies, and code of ethics, integrating these governance principles into business operations. Through strong leadership and strategic oversight – encompassing rigorous monitoring of financial performance, risk management, compliance, talent development, and sustainability practices – the Board drives transparent decision-making in collaboration with the Group Senior Management.

The Board Charter and the Terms of Reference ("ToR") for respective Board Committees define clear roles, responsibilities, and authority over decision-making processes, ensuring that the Group's governance structures operate with clarity and purpose. The effectiveness of the Board of Directors, Board Committees, and individual members are evaluated on an annual basis to ensure strong leadership, sound decision-making, and adherence to governance best practices.

The Board Governance Handbook ("BGH") comprises key Group policies and guidelines, including but not limited to:

- ◆ Board Charter
- ◆ Nomination Framework for RHB Banking Group
- ◆ Remuneration Framework & Policy
- ◆ Code of Ethics and Business Conduct for Directors
- ◆ Terms of Reference for Board Risk Committee
- ◆ Terms of Reference for Board Nominating & Remuneration Committee
- ◆ Terms of Reference for Board Audit Committee
- ◆ Terms of Reference for Board Credit Committee
- ◆ Terms of Reference for Board Sustainability Committee
- ◆ Group Policy on Conflict of Interest
- ◆ Boardroom Diversity Policy
- ◆ Guideline on Directors' Expenses for RHB Banking Group
- ◆ Guideline on Tenure of Appointment/Re-Appointment of Non-Executive Directors of RHB Banking Group
- ◆ Standard Procedures for Directors to Have Access to Independent Professional Advice
- ◆ Standard Procedures on Directors In-House Orientation and Continuous Education Programme
- ◆ Group Fit and Proper Policy
- ◆ Group Anti-Bribery and Corruption Policy
- ◆ Group Whistleblowing Policy

 For more information about our policies and guidelines, please refer to page 234 of the Sustainability Report 2024.

For further information on key governance-related policies, guidelines and statements, please refer to our corporate website at <https://www.rhbgroup.com/others/about-us/corporate-governance/index.html>

# Embedding Good Practices

## Ethics and Conduct

### Strong Anti-Bribery and Corruption Measures

Integrity and strong governance are fundamental to the Group's operations. The Board Audit Committee ("BAC") is the primary Board-level committee responsible for assisting the Board in overseeing integrity and anti-corruption matters within RHB Banking Group. The strategic implementation of initiatives to manage bribery and corruption risks are driven by Group Integrity and Governance ("GIG"). Guided by the Integrity and Governance Charter, GIG ensures all complaints or reports received are promptly assessed by the Information and Complaints Assessment Committee at the Management level, with further evaluation by the BAC to reinforce accountability and good governance. Furthermore, RHB has an appointed Chief Integrity & Governance Officer, who is responsible for managing corruption risks within the organisation and ensure best practices are upheld with respect to integrity strengthening matters.

All stakeholders, including our employees, customers, and affiliates must adhere to the Group's Anti-Bribery and Corruption Policy when conducting business with the Group. The Group has also established a robust Whistleblowing Policy, providing internal and external stakeholders with secure channels to report misconduct. Reports can be submitted via [speakup@rhbgroup.com](mailto:speakup@rhbgroup.com) or other authorised avenues outlined in the Policy, ensuring confidentiality of the whistleblower and protection from retaliation.

 For more information about BAC roles and responsibilities, please refer to page 185 of the Integrated Report 2024 and the BAC Terms of Reference ("ToR").

#### 2024 Progress

##### Strengthening our Governance and Oversight

To reinforce ethical leadership and oversight on integrity matters, we provided specialised training for the Group Boards in 2024. These sessions reinforced the Boards' role in upholding transparency and accountability across the organisation.



In-house training on  
Conflict of Interest

13

RHB Banking  
Group Directors  
attended



External training on  
Anti-Bribery &  
Corruption ("ABC")

18

RHB Banking  
Group Directors  
attended

##### Internal Review of Governance Controls

To ensure our internal control mechanisms remain robust, ABC processes and controls are audited by our Group Internal Audit ("GIA"), on an annual basis. In accordance with GIA's annual audit plan, all SBGS/SFGs are audited at least once every three years, which includes review of their compliance with ABC and Anti-Money Laundering and Counter Financing of Terrorism ("AML/CFT") practices.

In 2024, GIA's annual review of ABC controls found that our governance mechanisms remain effective and continuously improved.

##### Impact

- ◆ **100%** of Board members completed targeted training on ethics, governance, and compliance.
- ◆ Strengthened the Board's ability to uphold governance principles and oversee compliance risks effectively.

##### Impact

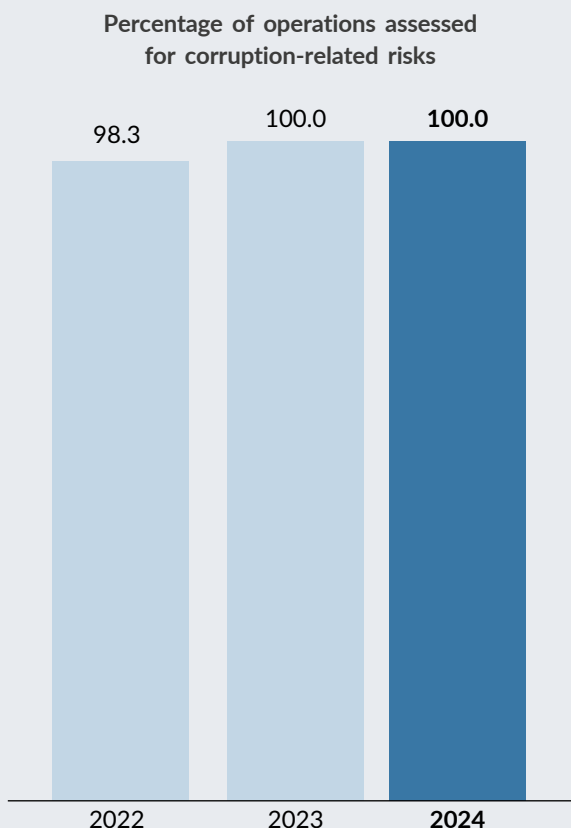
- ◆ Obtained Independent Assurance that internal controls and governance mechanisms remain robust and in compliance with regulatory requirements.

## Risk Assessment and Compliance Management

In 2024, we continued to adopt a proactive approach to corruption risk management by conducting a semi-annual Material Risk Assessment (“MRA”), covering both local and regional (overseas) operations. This assessment enabled the Group to identify high-risk areas and implement targeted mitigation measures. Furthermore, corruption and fraud risks were reviewed as part of the Annual Risk and Compliance Assessment (“RCSA”) under Group Non-Financial Risk Management. These reviews strengthened the Group’s ability to detect and prevent unethical practices, reinforcing a risk-aware culture across all business and functional units.

### Impact

- ◆ **100%** of the Group’s operations were assessed for material corruption-related risks



## Stakeholder Training and Capacity Building

To deepen awareness and strengthen compliance, we delivered 75 training sessions to employees, vendors, and other business partners across local and regional operations, equipping them with the knowledge to identify and mitigate corruption risks. Additionally, mandatory e-learning on ABC was rolled out to all employees, including temporary and contract staff, across Malaysia and overseas operations (excluding clerical roles and those with visual/auditory impairments).

Complementing these efforts, RHB enhanced internal communication through eight awareness flyers (with FAQs) and four quarterly bulletins, covering key topics such as ABC, policy on gifts and hospitality, and whistleblowing mechanisms.

To further embed a culture of integrity, our Integrity and Liaison Officers participated in a dedicated engagement session on 20 June 2024 with subject matter experts.

### Impact

- ◆ Over **4,200** employees and 1,090 business partners (including vendors) trained on ABC best practices.
- ◆ **93%** of employees (excluding exempted groups) completed ABC e-learning, reinforcing compliance culture across the Group.



\*Exempted groups refer to employees in clerical roles and those with auditory or visual impairment. Training for employees includes those in full-time and part-time/contract positions.



# Embedding Good Practices

## Ethics and Conduct

In 2024, a total of 14 ethics and integrity-related complaint cases were investigated. Of these, nine cases were substantiated, with the following outcome:



For the remaining cases, three cases were unfounded requiring no further action, whereas the other two cases remain under on-going investigation as at December 2024.

| Complaint cases and outcomes        | 2022 | 2023 | 2024      |
|-------------------------------------|------|------|-----------|
| Whistleblowing Cases                | 13   | 11   | <b>12</b> |
| Non-Whistleblowing Cases            | 3    | 4    | <b>2</b>  |
| Total Complaint Cases               | 16   | 15   | <b>14</b> |
| Founded Cases (after investigation) | 14   | 10   | <b>9</b>  |

| Percentage of employees who have received training on anti-corruption by employee category (%) | 2022  | 2023  | 2024         |
|--|-------|-------|--------------|
| Senior Management  | 1.52  | 0.28  | <b>1.73</b>  |
| Management   | 35.00 | 11.45 | <b>35.45</b> |
| Executive  | 46.29 | 22.38 | <b>48.19</b> |
| Non-Executive/Technical Staff  | 12.94 | 7.04  | <b>8.16</b>  |
| General Workers  | 0.15  | 0.59  | <b>0.34</b>  |

| Corruption-related key metrics                                     | 2022 | 2023  | 2024         |
|--|------|-------|--------------|
| Percentage of operations assessed for corruption-related risks (%) | 98.3 | 100.0 | <b>100.0</b> |
| Confirmed Incidents of Corruption                                  | 0    | 1     | <b>3*</b>    |

\* Note: All three corruption incidents occurred within Malaysian operations, with one case involving a subsidiary. Following deliberation by the Board Audit Committee, these cases were reported to the Malaysian Anti-Corruption Commission. Additionally, further details on the three incidents and their resolutions have been proposed for elaboration and relevant consequence management.

For further information on the Group's integrity strengthening practices, please refer to the Corporate Governance Overview Statement on pages 193 to 194 of the Integrated Report 2024.

## Strengthening Financial Crime Prevention

The Group's Anti-Money Laundering and Counter Financing of Terrorism Policy ("AML/CFT Policy") serves as the foundation for managing financial crime risks, including money laundering, terrorism financing, proliferation financing, and sanctions.

To uphold the highest standard and ensure consistency, we centralised the AML control operations within Group Operations, reinforcing 1st Line of Defence ownership. This structure is supported by Business Compliance Officers ("BCOs"), Business Risk Compliance Officers ("BRCOs"), and governance committees. Additionally, a well-defined Risk Appetite Statement ("RAS"), robust reporting mechanisms, and key performance indicators ("KPIs") guide our compliance strategy. We also enhance key automated processes, such as Enhanced Due Diligence form population and data collection, to strengthen risk profiling and improve onboarding efficiency.

In line with evolving regulatory expectations, we continuously refine our AML/CFT policies, circulars, and guidelines to ensure they remain relevant and effective. The policy holds the Board of Directors, Senior Management, and all employees accountable for its implementation, reinforcing our collective responsibility to safeguard the integrity of the financial system.

### 2024 Progress

#### Governance Enhancements Through Policy and Framework Updates

Group Compliance supports the Group in all regulatory and compliance matters by ensuring compliance with the relevant laws, rules and regulations issued by the regulators. The Group is committed to maintaining the highest standards of business conduct and ethics by establishing robust and comprehensive policy and procedures to ensure honesty, transparency, and integrity whilst upholding the Group's reputation and protecting its shareholders, customers and employees.

In 2024, we have also strengthened our AML/CFT framework by revising key policies and guidelines to stay ahead of evolving regulatory expectations. Key revisions for 2024 include the enhancement of:

→ **Group AML/CFT Guidelines**

→ **Group Sanctions Policy**

→ **Group AML/CFT Risk Appetite Setting Guidelines**

→ **Group Compliance Management Framework**

→ **AML Risk Assessment ("AMLRA") Manual, which now incorporates Proliferation Financing data extraction to enable more precise risk management**

→ **Group Conflict of Interest Policy**

#### Impact

- Completed the revision and enhancement **20 internal documents**, including policies, guidelines, manuals, and methodologies.

# Embedding Good Practices

## Ethics and Conduct

### RHB AML/CFT Capabilities Enhancement ("RACE") Regional Programme Implementation

The RACE Regional Programme was launched across nine regional entities in mid-July 2024, with full deployment targeted for December 2025. Our programme highlighted key enhancements, including strengthened Trade-Based Money Laundering controls, for example, consistent screening for dual-use goods, a standardised approach to identifying beneficial owners, expanded risk coverage through new transaction monitoring scenarios, improved customer information remediation, and the adoption of advanced AML risk assessment tools.

As part of the programme, we introduced key initiatives included upskilling local compliance teams, appointing BRCOs, introducing a product risk assessment methodology, adopting Group-wide AML/CFT policies, and assessing the need for AML system upgrades across regional operations.

#### Impact

- ◆ **Enhanced AML data governance**, transaction monitoring scenario coverage and calibration, screening rules, and matching validation.
- ◆ Increased efficiency through smart automation processes.

### Compliance Awareness Through Engagement and Training

Group Compliance remains committed to building a stronger culture of compliance in daily operations to ensure that any risks identified are better managed for the Group to meet the relevant regulatory requirements.

As part of this effort, we successfully conducted compliance engagements via the A Branch Compliance Day ("ABCD") 2024 programme, reinforcing compliance awareness and best practices across our branches. In addition to training and briefing sessions, Group Compliance also issued various learning publications throughout the year in an effort to maintain a robust compliance culture with the organisation.

#### Impact

- ◆ Completed approximately **581** training and briefing sessions in FY2024, including workshops and compliance clinics.
- ◆ Conducted **34** virtual sessions and **21** physical sessions across all 55 branches as part of compliance engagements via the 2024 ABCD programme.
- ◆ Issued **24** compliance publications (Learn & Lead bulletins and learning videos) in FY2024.
- ◆ Completed Regional Compliance Convergence programme to ensure our regional operations are aligned with the Group's expectations and practices.

### Compliance Reviews

The Group, via Group Compliance, actively instils the principle that "Compliance is the responsibility of all employees." As part of the Group's continuous efforts in monitoring and managing compliance risks, Group Compliance continued to conduct compliance reviews across the Group in 2024. These reviews aimed to provide insight into any potential regulatory risk, thus helping business and functional units to identify improvements to existing processes and practices.

#### Impact

- ◆ Completed approximately **470** reviews in FY2024.

### AML/CFT Processes Improvements Through Digitalisation and Automation

In 2024, we advanced our AML/CFT processes through increased digitalisation and automation of key compliance functions. Additionally, in Singapore, the AML Compliance team streamlined the suspicious transaction reporting process by automating the information feed for report submissions.

#### Impact

- ◆ Automated our manual alert creation to enhance efficiency and reduce human error.
- ◆ Minimised risk arising from manual data entry, such as typographical errors.

For further information on the Group's compliance practices, please refer to the Corporate Governance Overview Statement on pages 180 to 199 of the Integrated Report 2024.

## Tax Transparency

Transparent communication on our tax practices drives our commitment to responsible financial management. We maintain an open and transparent relationship with tax administrators, ensuring fair, accurate, and timely disclosures. This includes providing adequate responses to information requests and resolving any tax-related issues in an amicable and professional manner, reflecting our integrity in all our dealings.

Additionally, we uphold ethical accountability by ensuring transparent communication of our tax contributions, guided by the following four key principles:

|                                       |  |
|---------------------------------------|--|
| <b>Governance and Risk Management</b> | <ul style="list-style-type: none"> <li>Manage tax matters through the Group Tax team under the oversight of the Group Chief Financial Officer.</li> <li>Conduct regular tax risk assessments to address legislative complexities and mitigate interpretation risks.</li> </ul>   |
| <b>Tax Planning</b>                   | <ul style="list-style-type: none"> <li>Tax implications are integrated into strategic plans, operations, and capital investments, ensuring alignment with genuine commercial activities.</li> <li>Consult external advisors and engage with tax authorities as and when necessary to ensure compliance with local laws.</li> </ul> |
| <b>Transfer Pricing</b>               | <ul style="list-style-type: none"> <li>Adheres to the arm's-length principle, following OECD guidelines and local regulations.</li> </ul>  |
| <b>Engagement and Advocacy</b>        | <ul style="list-style-type: none"> <li>Participates in shaping tax legislation and policies through industry engagement and consultation.</li> </ul>   |

For more information on our Tax Transparency Commitment Statement, [click here](#).

### 2024 Progress

In 2024, we reinforced responsible tax management by engaging third-party specialists and tax administrators to conduct risk assessments and provide expert guidance. These efforts ensure that our tax practices align with regulatory standards and ethical standards.

|                              | 2022          | 2023          | 2024        |
|------------------------------|---------------|---------------|-------------|
| Effective tax rate (%)       | 35.0          | 25.1          | 22.3        |
| Total tax contribution (RM)* | 1,110,186,000 | 1,167,241,000 | 857,217,000 |

\*Inclusive of Zakat portion paid by Islamic Bank

## Outlook

RHB remains committed to strengthening governance, integrity, and compliance across the Group. We will continue to enhance our ABC controls and reinforce our compliance framework to uphold ethical business practices.

As the **Organisational Anti-Corruption Plan ("OACP") 2022-2026** nears maturity, the Board will oversee the development of the **Organisational Anti-Corruption 2027-2031 ("OACS") 2027-2031**, aligning with Malaysia's shift to a more targeted anti-corruption approach. **Group Integrity & Governance** will continue strengthening controls through the **T.R.U.S.T. Principles**.

Concurrently, within our compliance framework, our long-term strategy and priorities focuses on the following six goals:

- ♦ **Driving Innovation** – Lead compliance advancements and industry discussions.
- ♦ **Enhancing Business Resilience** – Strengthen governance to support strategic goals.
- ♦ **Strengthening Assurance** – Implement forward-looking regulatory risk reviews.
- ♦ **Embedding a Compliance Culture** – Instil ethical practices across the organisation.
- ♦ **Developing Compliance Talent** – Attract and upskilling future compliance leaders.
- ♦ **Advancing Financial Crime Prevention** – Expand risk management within an integrated framework.

# Embedding Good Practices

## People & Workplace

Related Material Matter

T Talent

Relevant Bursa Common  
Sustainability Matters

Labour Practices and Standards |  
Diversity

### Building Best-in-Class Talent

In an ever-evolving banking landscape, a skilled and future-ready workforce is critical to navigating risks, seizing opportunities, and driving meaningful impact. At RHB, we recognise that our people are our greatest asset in addressing the complex challenges of today and shaping the opportunities of tomorrow. By investing in talent, we cultivate innovation, resilience, and excellence — key ingredients for delivering value to our customers, communities, and stakeholders.

#### Key Achievements

##### Investment in Learning and Development

- ◆ Total investment (including overhead costs):  
**RM38.3** million (2023: RM32.6 million)

##### Engagement and Learning Effectiveness

- ◆ Internal Customer Effectiveness Survey: **76%** (2023: 76%)

##### Employee Participation in training

- ◆ Instances of employee participation:  
**139,608** (2023: 92,152)
- ◆ Average training hours per employee: **29** (2023: 22)

##### Learning Effectiveness Score

- ◆ **4.4** out of 5.0 (2023: 4.6 out of 5.0)



### Awards & Recognition

#### Employee Experience Awards 2024

**Silver**

Best Skilling Strategy

**Silver**

Best Succession Planning Strategy

**Bronze**

Best First-Time Manager  
Programme

**Silver**

Best Women Leadership Programme

#### HR Excellence Awards 2024

**Gold**

Excellence in Diversity, Equity and Inclusion

**Silver**

Excellence in Business Transformation



For more information on our performance across these areas, please refer to pages 171 to 185 of this report.



## Our Approach

A highly skilled and capable workforce is essential to achieving meaningful outcomes for our customers, communities, and stakeholders. Attracting and retaining top talent requires a holistic approach that prioritises well-being, engagement, and motivation.

### The RHB Culture Playbook

#### The RHB Formula

In 2024, we officially launched our Culture Playbook, designed as a guide in creating a positive work environment that will help us achieve our purpose of “Making Progress Happen for Everyone”.

Through the Playbook, we introduced our Formula, the 3Ps: **Proficiency + P.R.I.D.E = Progress**.



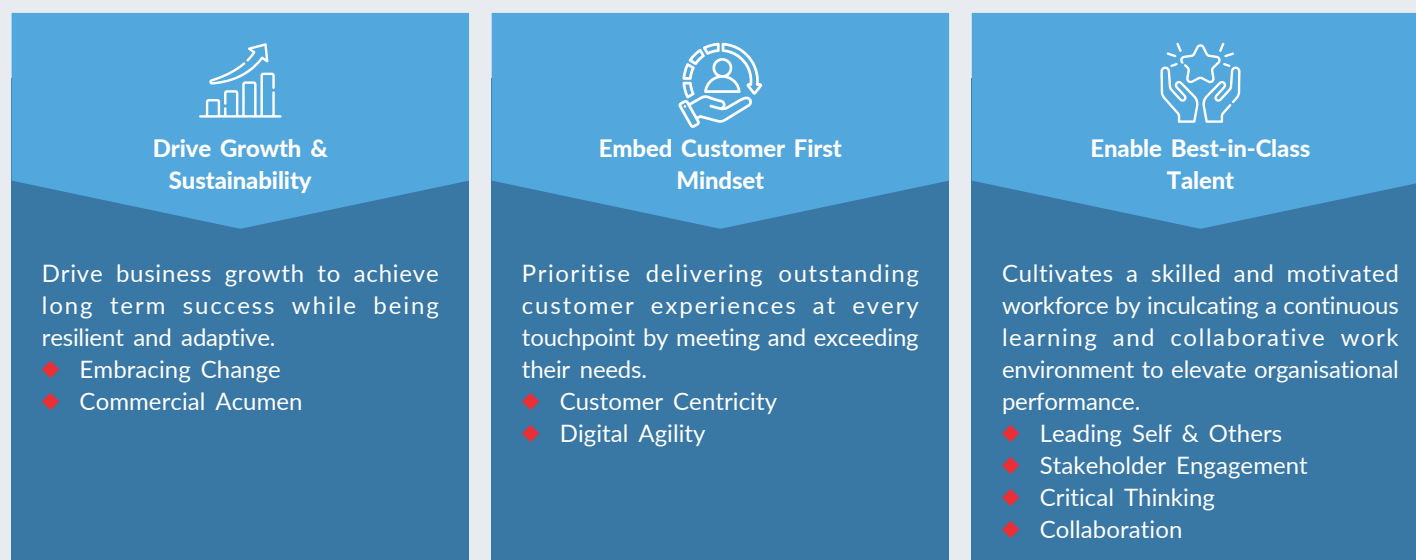
The Proficiency competencies and P.R.I.D.E. values are embedded across the employee lifecycle, to provide holistic development for our employees.

### PROFICIENCY

Proficiency refers to our skills and capabilities as outlined by the RHB Core and Technical Competencies.

#### Core Competencies

In June 2024, we launched our RHB Core Competencies, consisting of eight key competencies applicable to all RHBians. These competencies are clustered into three focus areas – Customer-First Mindset, Growth and Sustainability, and Best-in-Class Talents. We have also outlined clear, observable behavioural statements for every employee at every job level.



#### Technical Competencies

To supplement the Core Competencies, we will be launching Technical Competencies in 2025. The Technical Competencies will be applicable to employees based on their role requirements, and will utilise the AICB Future Skill Framework as its guiding design framework.

# Embedding Good Practices

## People & Workplace

### P.R.I.D.E.

Our P.R.I.D.E. values guide how we interact and collaborate with each other, while ensuring that all employees perform their duties with respect and responsibility.

In conjunction with the launch of the Culture Playbook, in 2024, we also refreshed our P.R.I.D.E. values to ensure that they remain aligned with our business strategy and workforce priorities.

#### PROFESSIONAL

I master skills and knowledge to deliver consistently good and reliable results.

#### RESPECT

I treat everyone with humility, empathy and mutual respect.

#### INTEGRITY

I lead by example by always doing what is right according to the organisation's values and principles.

#### DYNAMIC

I approach the present and future with positivity, enthusiasm and a can-do attitude.

#### EXCELLENCE

I continuously achieve and inspire high standards of performance and I strive to raise the bar for myself and others.

Combined, the **PROFICIENCY** competencies and **P.R.I.D.E.** values enable us to create **PROGRESS** within and for RHB.

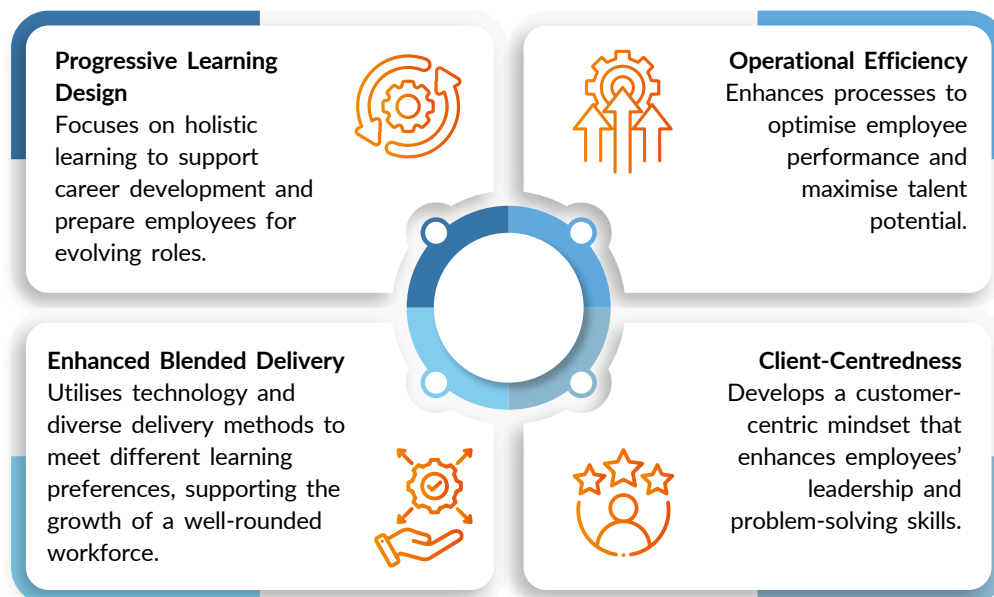
To support the RHB Culture Playbook, RHB's Employee Value Proposition ("EVP") captures our commitment to support employees through five key pillars, which are designed to create a workplace where employees can grow, lead, and thrive:



We strive to cultivate a supportive environment that empowers employees to excel, driving success for our customers, communities, and organisation.

## Future Proofing Our Workforce

Our comprehensive Learning and Development (“L&D”) framework is a key pillar of our talent management strategy, ensuring RHBians remain resilient, adaptable, and equipped to excel in a dynamic environment. Built on progressive learning design, operational efficiency, enhanced blended delivery, and client-centredness, this approach fosters continuous professional growth and strengthens our talent pipeline.



In 2024, we invested **RM30.9 million** in L&D initiatives. These investments provided training to over **54,848** male employees and **84,760** female employees, resulting in a total of **392,871** training hours. By addressing diverse learning needs, these initiatives enhance technical competencies, leadership capabilities, and adaptability – essential for talent development, retention, and long-term organisational growth.

## 2024 Progress

### Promoting Continuous Learning

#### Learning Week 2024

#### Overview and Aims

- ◆ Emphasised continuous learning as essential for adapting, excelling, and thriving in a dynamic world.
- ◆ The theme centred on three pillars:
  - ◆ **Power to Grow:** Unlocking new skills and knowledge to drive personal and professional development.
  - ◆ **Power to Connect:** Bringing people and ideas together to foster innovation and collaboration.
  - ◆ **Power to Engage:** Staying resilient and responsive to global trends through continuous learning.

#### Target Audience

- ◆ All RHB Banking Group employees

#### Learning Outcomes

- ◆ Employees gained valuable insights to support professional development, including soft skills, business acumen, leadership skills and technical and functional competencies
- ◆ Reinforced RHB Core Competencies and P.R.I.D.E. values, with a focus on digital and future skills to prepare employees for emerging challenges.

#### Impact

◆ **4,529**

employees participated.

◆ **5,776**

learning hours recorded.

◆ **93%**

satisfaction rate recorded from participants.

# Embedding Good Practices

## People & Workplace

### Developing Workforce Skills for Business Competitiveness

#### Workforce of the Future Programme

##### Overview and Aims

- ◆ Programme is designed to prepare employees for digital and customer-centric roles.
- ◆ Learning delivery methods incorporate e-learning modules, online sessions and blended learning formats to cater to a variety of learning preferences

##### Target Audience

- ◆ All RHB Banking Group employees

##### Learning Outcomes

- ◆ Gained a deeper understanding on a wide range of in-demand skillsets, including data analytics, cybersecurity, artificial intelligence, and digital tools

##### Impact

- ◆ **474** training programmes conducted, strengthening the digital skills of 1,192 employees.

#### Self-Paced Learning

##### Overview and Aims

- ◆ Employees have access to a variety of online learning platforms, including in-house e-learning modules, LinkedIn Learning, Coursera, Pluralsight, and the UN Global Compact Academy ("UNGC") Academy, enabling flexible, on-demand education.

##### Target Audience

- ◆ All RHB Banking Group employees

##### Learning Outcomes

- ◆ Gained knowledge and skills in areas such as digital skills, leadership, technical competencies, and sustainability

##### Impact

- ◆ **15,345** instances of participation in various self-paced courses.

#### Technical and Functional Programmes

##### Overview and Aims

- ◆ Continuous enhancement of employees technical and functional expertise, to improve operational efficiencies, ensure compliance and foster innovation
- ◆ Specific technical and functional skills and programmes offered include:

Compliance

Sustainability

Credit

Project Management

Audit

Service Excellence

Risk Management

Banking Industry Trends

##### Target Audience

- ◆ Various business and functional units, depending on the programme

##### Learning Outcomes

- ◆ Develop expertise and deepen understanding of tools and process that will enable them to address business needs

##### Impact

Technical and Functional Programme Performance

2,016 programmes implemented

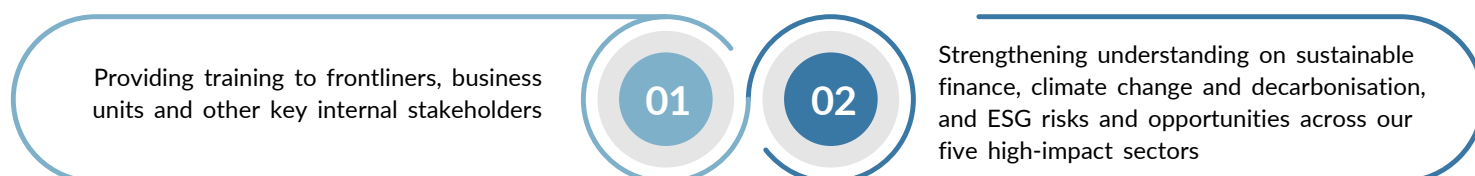
Represents 84.5% of total number of employees trained in 2024

Represents 72.4% of total learning hours in 2024

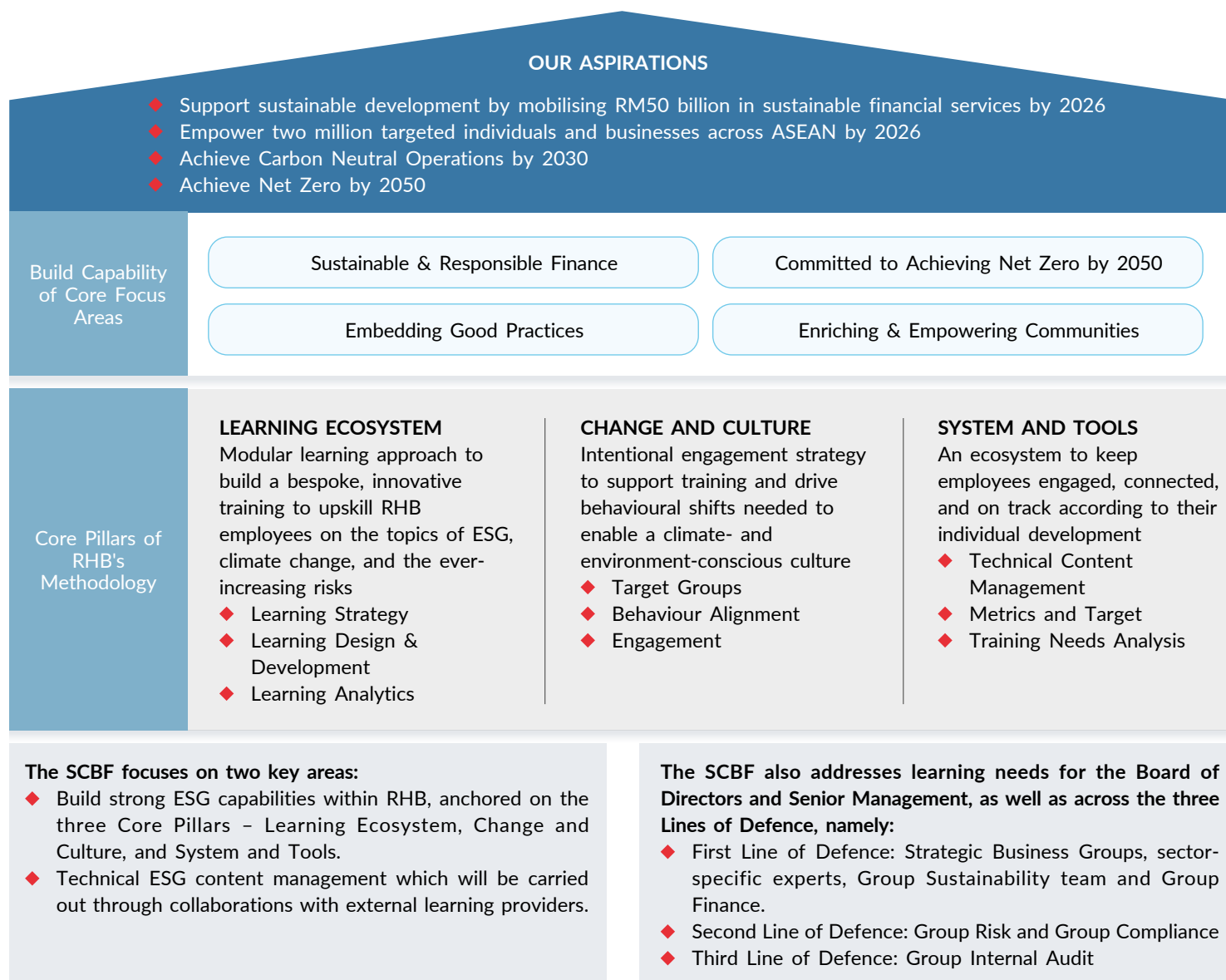
## Building Sustainability Capabilities

Given the importance of advancing sustainable growth, it is imperative that our workforce and leadership are equipped with the necessary skills and capabilities to drive our sustainability agenda. Our efforts are anchored by the Sustainability Capability Building Framework ("SCBF"), which guides us to provide structured development programmes, across foundational, intermediate and advanced levels, for our workforce.

In 2024, our sustainability capability-building efforts focused on:



With this, we aimed to foster a sustainability-conscious workforce, aligned to our Sustainability Strategy and Roadmap, to ultimately reinforce business competitiveness and empower employees to address evolving sustainability challenges.





# Embedding Good Practices

## People & Workplace

### Delivering Insights for Sustainable Leadership

#### Empowering Boards: Building Capacity for Sustainable Finance Success in the Banking Industry

##### Overview and Aims

- ◆ Designed to build leadership capabilities on sustainable finance and ESG risk management
- ◆ Empowers decision-making with embedded sustainability considerations, to build long-term resilience

##### Target Audience

- ◆ RHB's Board of Directors and GMC members

##### Learning Outcomes

- ◆ Provided insights on key challenges and market developments on sustainability
- ◆ Deepened understanding on the role of Compliance, Capital, Costs and Revenue in competing in a Net Zero economy
- ◆ Highlighted the linkage between sustainable performance and RHB's success

##### Impact

- ◆ **15** Board of Directors and **14** GMC members gained insights on sustainable finance and the critical factors which will determine the success of sustainable finance in RHB

### Providing Targeted Upskilling for Prioritised Groups

#### Climate Activation Programme ("CAP") for Relationship Managers ("RMs")

##### Overview and Aims

- ◆ Aimed to deepen understanding of sustainable finance, low-carbon transition and RHB's five high-impact sectors

##### Target Audience

- ◆ RMs, Business Units and other key internal stakeholders\*, across Malaysian and overseas operations

##### Learning Outcomes

- ◆ Enabled RMs to have more meaningful engagements with customers, such as by framing sustainability-focused conversations and identifying sector-specific challenges
- ◆ Improved understanding of sustainable financial services that can support clients' decarbonisation journeys

##### Impact

- ◆ **207** relationship managers completed the programme across five cohorts.
- ◆ The percentage of participants assessed as Advanced or Expert in sustainability knowledge increased from 28.8% to 60.6%.

\*Key internal stakeholders include those in key supporting functional roles, such as Group Climate Risk Management, Group Credit Management, Group Sustainability Management, among others.

### Hear from our Climate Activation Programme Participants!

**Mohammad Danial Bin Azizi,**

Junior TM, GLC & Public Sector 1, Group Client Coverage

"CAP provides a systematic approach to evaluating the client's ESG maturity which leads to effective questioning techniques to uncover the their ESG-related business needs."



**Saratha A/P Arumugam,** Head, Climate Governance & Strategy, Project Management

"CAP is an invaluable platform for upskilling, especially as climate considerations become increasingly embedded in regulatory and client expectations. By participating, employees can gain a competitive edge in their roles, contribute to RHB's sustainability goals, and foster stronger client relationships."



## Sustainability Training for Group Insurance

### Overview and Aims

- ◆ Designed to strengthen leadership's understanding of ESG fundamentals and BNM requirements for insurers
- ◆ Aimed to empower leadership with tools and knowledge to integrate ESG principles into decision-making

### Target Audience


- ◆ RHB Insurances' Board of Directors and Senior Management members

### Learning Outcomes

- ◆ Provided deeper understanding across the following areas, to strengthen leadership and oversight on sustainable practices:
  - o Fundamentals of ESG
  - o BNM requirements on ESG
  - o ESG data analytics for insurers
  - o ESG reporting

### Impact

- ◆ **20** Board members and Senior Leaders attended the training, gaining insights to uphold responsible insurance practices.

 For more information on Board training on sustainability, please refer to page 64 of this report.



### Tee Boon Peng, Senior Credit Risk Manager, Risk Management

*"CAP provides the foundation and guidance towards helping RHB achieve its net zero emissions target by helping the customers steer towards the sustainable way of a greener and cleaner environment for the future generation."*



### John Chng Loi Kok, Head, Climate Policy Development

*"This programme has given me fresh perspectives and insights into climate change. It has empowered us with the value added knowledge in helping clients in their net zero transition journey, while aligning their financing activities with RHB's decarbonisation strategies."*



# Embedding Good Practices

## People & Workplace



### RHB Green Financing Advisor Certification ("GFA")

#### Overview and Aims

- ◆ Certification programme that provides participants with a comprehensive understanding of Malaysia's and regional green financing landscape, including regulations, tax incentives, and financial schemes.

#### Target Audience

- ◆ RMs, Business Units and other key internal stakeholders\*, across Malaysian and overseas operations

*\*Key internal stakeholders include those in key supporting functional roles, such as Group Climate Risk Management, Group Credit Management, Group Sustainability Management, among others.*

#### Learning Outcomes

- ◆ Equipped participants with skills to assess green financing opportunities, identify financing gaps, and manage related risks effectively

#### Impact

- ◆ **104** participants completed the programme across four cohorts.

### Certified Capital Market Professional – Sustainable and Responsible Investment 1 ("CCMP-SRI1")

#### Overview and Aims

- ◆ Certification programme aimed at equipping capital market professions with expertise in sustainability, ESG principles and Sustainable and Responsible Investment ("SRI").

#### Target Audience

- ◆ Business Units

#### Learning Outcomes

- ◆ Deepened understanding of regulatory frameworks and market trends, empowering participants to integrate sustainability into investment decisions effectively
- ◆ Developed practical skills in ESG risk management, sustainability reporting, and SRI product structuring

#### Impact

- ◆ **14** staff strengthened their expertise in sustainable investments via the programme.

## Hear from our Green Financing Advisor Programme ("GFA") Participants!

**Janet Ooi Beng Phaik,**

Head, Northern & Klang Valley, Commercial Banking

*"This RHB GFA Certification equips us as RHB employees with valuable skills in green financing and making ourselves more proficient in advising clients on green financing solutions, leading to higher client satisfaction and retention. It also supports RHB's sustainability goals, making our job more meaningful."*



**Norfarasha Abdullah,** Head, Debt Capital Markets

*"Instilling ESG knowledge empowers employees to make informed decisions that contribute to sustainable growth and innovation and I am glad RHB has paved the opportunity for all employees to deepen their knowledge via this GFA programme."*



**Maimunah Tan Wah Ming,**  
Regional Sales Head, SME

*"The GFA programme equips us with a holistic understanding on how the Bank can play an influential and proactive role in engaging our clients towards sustainable business practices. The knowledge gained has improved our competency in proposing practical and time-bound solutions to our clients."*



**Alan Goh Kok Kong,**  
Lead, SME Engagement Experience,  
SME Banking

*"The GFA accreditation will assist me in crafting out programs that can help advise business clients navigate compliance in this rapidly evolving area. RHB employees should take this opportunity in obtaining certification to distinguish themselves in this growing area."*



**Carter Ng Chun Kean,**  
Senior TM, Project Finance & Advisory,  
Group Capital Markets

*"RHB's GFA Certification has equipped me with the overall fundamental and knowledge in identifying green financing opportunities. The overall programme is well-structured, with a wide range of topics conducted by industry experts. Completing the certification will also improve credibility in advising on sustainability matters."*



# Embedding Good Practices

## People & Workplace

### Building Sustainability Awareness across Our Workforce

#### ESG E-Learning Modules

##### Overview and Aims

- ◆ Aimed to provide all employees with a foundational understanding of ESG-related topics, across four modules, two of which were newly-launched in 2024:
  - ◆ Module 1: Introduction to Sustainability
  - ◆ Module 2: Introduction to Climate Change
  - ◆ Module 3: Introduction to the UN SDGs (launched March 2024)
  - ◆ Module 4: Introduction to Human Rights (launched April 2024)

##### Target Audience

- ◆ All RHB Banking Group employees

##### Learning Outcomes

- ◆ Deepened employees' ESG knowledge, ensuring they remain resilient, informed, and aligned with RHB's commitment to responsible growth and future readiness

#### ESG Sector-Focused Talks

##### Overview and Aims

- ◆ These sessions featured guest speakers with deep expertise on the Group's key sectors, including Property & Construction, Palm Oil, and Transportation.

##### Target Audience

- ◆ All RHB Banking Group employees

##### Impact

◆ **150** staff attended, across three sessions, gaining valuable insights into sector-specific sustainability challenges.

### Inculcating a Sustainability Culture

#### ESG Bites Email Campaign

##### Overview and Aims

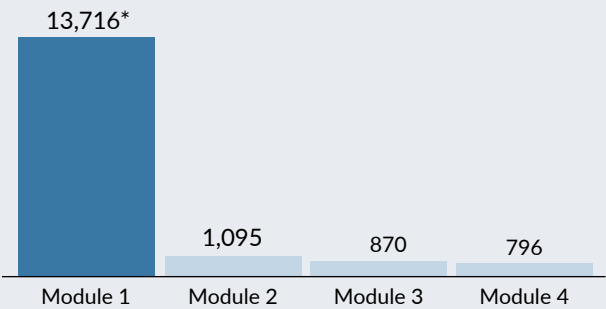
- ◆ Launched by Group Sustainability Management, this email campaign increases staff awareness of sustainability through a series of engaging flyers
- ◆ Sparks employee engagement by leveraging key environmental and social events, as well as incorporating Q&A elements that encourage continuous learning

##### Target Audience

- ◆ All RHB Banking Group employees

##### Impact

Module 1: Introduction to Sustainability was made a mandatory e-learning module for all staff in 2024. The module achieved 95% completion rate as of December 2024.



\* Including contract staff/external learner

##### Learning Outcomes

- ◆ Provided insights into sustainability challenges and opportunities
- ◆ Improved staff's understanding on actual challenges faced by the industry, particularly in relation to decarbonisation and achieving their net-zero targets

##### Learning Outcomes

- ◆ Improved employees' awareness and understanding of sustainable practices, reinforcing RHB's commitment to resilient and responsible growth

##### Impact

◆ Circulated four sets of ESG Bites circulars in 2024, achieving over **300 instances** of engagement





## Staff Engagement Campaigns

### Overview and Aims

- ◆ Recognising that reducing our operational emissions footprint requires collective action, we continued to implement staff campaigns in 2024 to promote sustainable behaviours and practices.
- ◆ This includes the Energy Saving Campaign 2024, which encouraged energy conservation and responsible consumption, as well as the involvement of our Regional teams.

### Learning Outcomes

- ◆ Implemented two staff campaigns, engaging employees across the Group

### Target Audience

- ◆ All RHB Banking Group employees

### Impact

- ◆ Engaged employees

**over 15,000**

## Inaugural RHB Green Week

### Overview and Aims

- ◆ Hosted RHB's inaugural Green Week in 2024 to promote environmental responsibility, climate action and innovation.
- ◆ As part of the event:
  - ◆ Group Asset Management, Personal Finance and RHB Insurance showcased their sustainability-related products.
  - ◆ RHB Youth Council conducted engagement sessions with RHBians on environmentally-sustainable practices.
  - ◆ Launched two EV charging stations at RHB Centre, Jalan Tun Razak, in collaboration with EVlution Sdn Bhd.
- ◆ The presence of the Minister of Transport during the EV charging station launch ceremony underscored the importance of sustainable mobility, inspiring employees and partners to drive green initiatives forward.

### Target Audience

- ◆ All RHB Banking Group employees

### Learning Outcomes

- ◆ Increased awareness on sustainability within RHB, particularly in respect of RHB's sustainable financial services

### Impact

- ◆ Approximately **250** members attended the opening ceremony and launch of EV charging stations at RHB Centre

# Embedding Good Practices

## People & Workplace

### Developing and Strengthening Leadership

To build a strong leadership pipeline capable of navigating current and future business challenges, RHB prioritises leadership development. In support of this, throughout 2024, RHB implemented key initiatives designed to strengthen leadership capabilities among our workforce.

#### RHB Leadership Elevate

##### Overview and Aims

- ◆ Launched in August 2024, RHB Leadership Elevate is a programme designed to equip People Managers across RHB as Champions of Positive Culture Change within our organisation, driving the adoption of our RHB Core Competencies and revamped P.R.I.D.E values

##### Target Audience

- ◆ People Managers

##### Learning Outcomes

- ◆ Develop an improved understanding of our newly-introduced Core Competencies and revamped P.R.I.D.E. Values
- ◆ Understand how new cultures are created
- ◆ Challenge beliefs and resistance from the team on adopting the new culture
- ◆ Learn techniques to have a competency development chats with team members with confidence

#### Impact

◆ **753** people managers have attended the Leadership Elevate workshop and the programme will continue in 2025

#### Leadership Signature Programme ("LSP")

##### Overview and Aims

- ◆ Leadership Signature Programme is a customised leadership development program designed in partnership with DUKE Business School and Melbourne Business School
- ◆ We have facilitated this programme specifically for our high potential employee at different job level with the aim to enhance their leadership capability and prepare them for future leadership roles

##### Target Audience

- ◆ High-potential Employees

##### Learning Outcomes

- ◆ Recognise the importance and impact of self-awareness and executive presence on leadership capability and demonstrate them in leading self and others
- ◆ Develop the ability to manage relationships and develop others to form high performing teams
- ◆ Build business acumen skills to support and facilitate decision-making process to meet organisational goals

#### Impact

◆ **76** employees from job level R1 to R9 attended the LSP program in 2024.





## Mentorship Programme

### Overview and Aims

- ◆ Mentorship is a cornerstone of RHB's talent development strategy, fostering professional growth and preparing employees for future leadership roles.
- ◆ Continued to strengthen mentorship efforts in 2024, ensuring employees receive personalised guidance and exposure to leadership insights.

### Target Audience

- ◆ Successors of Critical Positions

### Learning Outcomes

- ◆ GMD-1 successors benefited from mentorship by Group Management Committee ("GMC") members, enabling them to gain critical leadership perspectives and build capabilities for strategic roles.

## Impact

◆ **23** mentors supported **26** mentees, fostering professional growth and preparing them for future leadership roles.

In addition, we continued to nurture our female talent to progress into leadership roles, via the Women in Leadership League ("WiLL") and Emerging Women Leaders ("EWL") programmes.

 For further information on WiLL and EWL, please refer to page 197 of this report.

# Embedding Good Practices

## People & Workplace

### Nurturing Talent and Succession Pathways

A robust and healthy succession pipeline is necessary for RHB's continued business resiliency. The process is led by the Talent Management ("TM") team and reviewed by GMC members.

#### Our Progress

##### Group Talent Review ("GTR")

#### Overview and Aims

- ◆ The GTR is a semi-annual meeting focused on succession planning for key leadership positions. The GTR's assessments help drive leadership transitions and reinforce the bank's long-term success
- ◆ In 2024, the TM team enhanced the GTR process, introducing new Talent Analytics to address succession challenges and identify the skillsets which are required to be developed
- ◆ Discussions during the GTR focused around newly identified successors, their developmental needs and readiness level. Identified successors are ranked by readiness level:



Additionally, all identified successors were required to complete the 2024 Talent Assessment to ascertain key areas for development. The areas for development are mapped to RHB's Core Competencies, providing better structure on the skills to be developed.

#### Learning Outcomes

- ◆ Conducted two Group Talent Reviews in 2024 – for GMC positions and for other Critical Positions
- ◆ Identified successors were sent for various development interventions to ensure that they are able to assume the incumbent position in the near future

#### Impact

- ◆ Identified **159** high-potential employees in 2024 through the Group Talent Review process

##### Critical Positions Evaluation

#### Overview and Aims

- ◆ In 2024, Talent Management ("TM") carried out the Critical Positions evaluation exercise to identify positions that need close monitoring on their succession plans and successor development.
- ◆ All positions at GMD-3 and above were evaluated against a set criterion under 3 main categories: Impact on business; Sustaining the business and Uniqueness of the position.
- ◆ Additionally, the guidance from Bank Negara Malaysia on Key Responsible Person ("KRP") and Other Material Risk Takers ("OMRT") Policies were also considered.

#### Learning Outcomes

- ◆ Reduced the number of critical positions from 124 to 80.
- ◆ All GMC positions are classified as Critical Positions. The other Critical Positions identified encompass GMD-2 to GMD-4 roles.

#### Impact

- ◆ Arising from this exercise, **98%** of the 80 Critical Positions identified have been filled with internal talent, signalling the Group's robust succession planning and leadership development efforts.



## Empowering Future Talent & Young Leaders

At RHB, we believe in fostering a culture of learning, mentorship, and sustainability to empower the next generation of leaders. We offer a robust Management Associate programme for fresh graduates, nurturing their talent within a high-performing financial institution.

Additionally, through our Youth Council, we provide a platform for young talents to curate impactful initiatives that drive personal and professional development while aligning with our organisational goals. In 2024, the Youth Council implemented several key initiatives that promoted career mentorship, sustainability and financial literacy.

### 2024 Progress

#### RHB Management Associate ("MA") Graduate Programme

##### Overview and Aims

- ◆ Designed to nurture young talent, this 2-year programme rotates MAs across various departments across RHB, enabling them to experience both business and functional roles with the aim to provide them with a wholesome banking experience.
- ◆ As part of the programme, MAs also have the opportunity to gain exposure to our regional/overseas operations as part of the 2-year journey.
- ◆ MAs are also assigned mentors/coaches to accelerate their development and provide career guidance, ensuring they are well-prepared for the challenges of a dynamic business environment.

##### Target Audience

- ◆ Fresh graduates

##### Learning Outcomes

- ◆ Enabled MAs to progress their career whilst learning about key business/functional roles in a major financial institution

##### Impact

- ◆ Onboarded **15 graduates** in 2024





# Embedding Good Practices

## People & Workplace

### Speed Mentoring 2024

#### Overview and Aims

- ◆ Provided employees with direct access to senior leadership in a structured yet informal setting, designed to foster career conversations, professional development, and leadership exposure
- ◆ Connected employees with mentors from RHB's top leadership, including the Group Managing Director ("GMD"), Group Management Committee ("GMC") members, and GMC-1 leaders

#### Target Audience

- ◆ People Managers

#### Learning Outcomes

- ◆ Participants were able to engage with multiple senior leaders across different business functions, receiving diverse perspectives on leadership, career growth, and industry trends.

#### Impact

- ◆ Engaged **49** participants across two Speed Mentoring sessions.
- ◆ Provided employees with direct access to **17** senior leaders for career guidance.



### Literacy for Youth Talk Series 2024

#### Overview and Aims

- ◆ Hosted two sessions in 2024, themed:
  1. The Ins and Outs of Internal Audit, delivered by the Head of Credit & Branches/Sales Centre Audit
  2. Fin Lit 2.0: The Art of Stock Picking, delivered by the Head of Malaysia Equity & ESG Research

#### Target Audience

- ◆ All RHB Banking Group employees

#### Learning Outcomes

- ◆ From the first session, participants gained insights into RHB's internal audit processes
- ◆ From the second session, participants developed a deepened understanding of investment strategies and stock selection techniques.

#### Impact

- ◆ Engaged **114** participants across two sessions, providing real-world insights from two subject matter experts.

## RHB Learning Week Talk: Finding Your Passion

### Overview and Aims

- ◆ RHB Youth Council participated in a panel forum titled "Finding Your Passion: How to Discover Your Purpose and What You Love to Do."
- ◆ The panel discussion featured engaging dialogues on aligning individual strengths with career aspirations, overcoming challenges in career transitions, and developing a purpose-driven approach to work.

### Target Audience

- ◆ All RHB Banking Group employees

### Learning Outcomes

- ◆ Gained insights on navigating career paths, identifying personal passions, and balancing professional growth with life responsibilities
- ◆ Identified practical strategies for managing work-life integration while staying motivated and fulfilled in their careers

### Impact

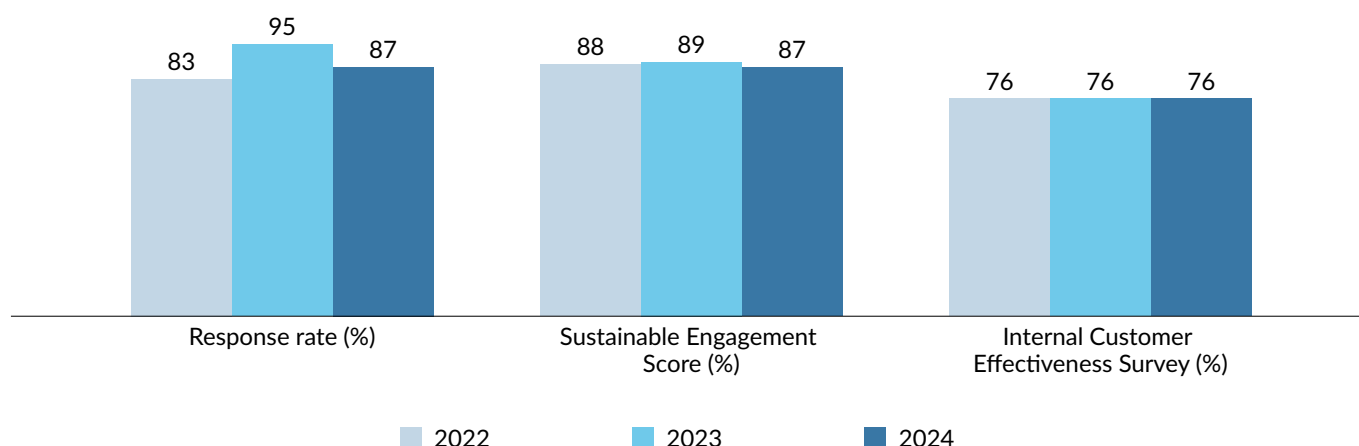
- ◆ Engaged **27** participants from across the organisation, including employees and interns.
- ◆ Featured three panelists offering insights on career discovery and purpose-driven work.

## Fostering Employee Engagement

A thriving workplace is built on open communication, collaboration, and continuous improvement. At RHB, we actively listen to our employees through structured engagement surveys, translating feedback into actionable improvements that shape a better work environment.

At the core of our efforts, we prioritise fostering a workplace where employees feel valued, supported, and empowered to excel. To achieve this, we leverage annual surveys, such as the Employee Engagement Survey ("EES") and Internal Customer Effectiveness Survey ("ICES"), to understand employee experiences and drive meaningful improvements. These surveys enable us to listen to our employees and act on their feedback, ensuring we continually refine our workplace culture to support engagement, productivity, and success.

Our surveys are conducted on an interval basis, meaning that while we ran a full survey in 2023, for 2024, we ran a PULSE survey, inviting selected employees to participate, based on a set percentage of demographics representation.



In 2024, our SES stood at 87%, reflecting consistently high levels of satisfaction across the organisation, though slightly lower than 89% in 2023. While this indicates that many of our initiatives are resonating with employees, it also highlights areas where further improvements can be made.

Meanwhile, we have maintained our ICES score in 2024, similar to 2023, at 76%, reflecting our efforts to maintain our focus on internal customer effectiveness.

# Embedding Good Practices

## People & Workplace

### Outlook

As we look ahead, RHB remains committed to strengthening our talent ecosystem by implementing forward-thinking initiatives designed to nurture, develop, and retain top talent across the organisation. Our focus will be on enhancing talent programmes and processes to support both early-career professionals and mid-career talents, ensuring alignment with the evolving needs of the workforce and organisation. Key priorities include:

Through these efforts, RHB aims to cultivate a dynamic, future-ready workforce that is equipped to drive the organisation's growth and success in an increasingly competitive environment.

**Enhancing Post-Programme Support for Management Associates:** Providing structured career pathways and continued development opportunities to maximise the potential of our Management Associates.

**Strengthening Talent Mobility:** Creating more opportunities for cross-functional and regional assignments to foster adaptability and broaden expertise.

**Hyper-Personalised Talent Development:** Customising development plans to address individual strengths, aspirations, and areas for growth, ensuring a tailored approach to career advancement.

**Implementing a Mid-Career Talent Programme:** Introducing dedicated initiatives to support mid-career professionals in advancing their skills and transitioning into leadership roles.

**Launching Talent Platform Engagement Sessions:** Facilitating "Outside-In" perspectives by engaging external thought leaders and industry experts to inspire innovation and growth among our talent pool.

**Enhancing Talent Assessment Processes:** Refining tools and methodologies to better identify hidden talents and nurture them for future leadership roles.



# Championing Health, Safety and Wellness

Related Material Matter

**EHS** Employee Health, Safety and Wellness

Relevant Bursa Common Sustainability Matters

Labour Practices and Standards | Diversity | Health and Safety

A thriving workforce is not just about performance — it is about ensuring every employee feels safe, supported, and empowered to bring their best selves to work. As workplace challenges evolve — from rising mental health concerns to the demands of modern work — we implement initiatives that foster resilience, ensuring our employees can reach their full potential while contributing meaningfully to our collective success.

## Key Achievements

### Employee Assistance Programme

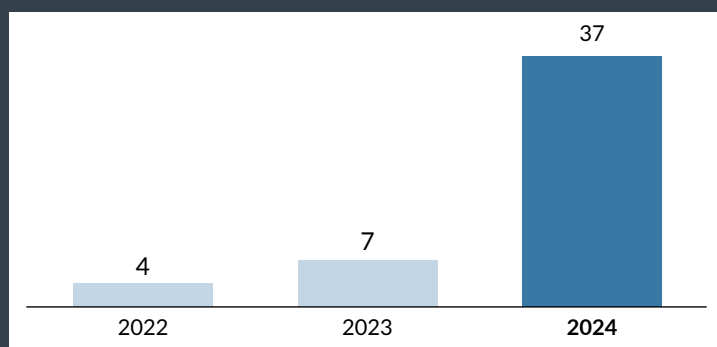
- Delivered **80** individual counselling sessions, complementing RHB's medical insurance coverage

### BookDoc Wellness

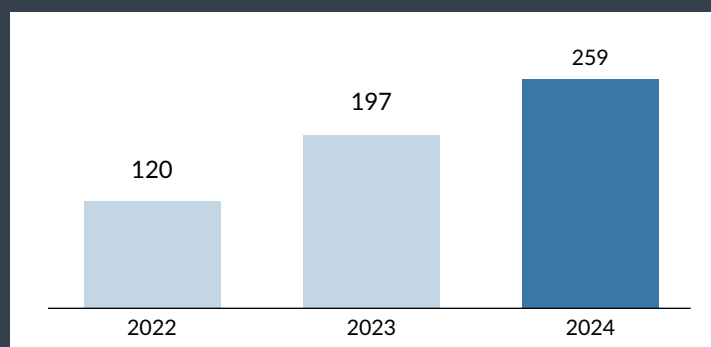
- Organised **>30** wellness activities through our newly launched collaboration with BookDoc

## Health & Safety Training

Health & Safety Training Sessions



Employees Trained in Health & Safety Standards\*



### Notes:

- Data reflects Malaysia operations only.
- Employees Trained in Health & Safety Standards excludes former employees as of December 2024. Certification-based occupational safety and health training is included, while fire safety, evacuation, and floor warden training are excluded.

## Our Approach

Promoting holistic wellness is central to sustaining a motivated and high-performing workforce. Our approach to health, safety, and well-being is guided by the RHB Employee Value Proposition, ensuring that employees feel supported, inspired, and empowered to succeed.

We integrate workplace safety and employee well-being into daily operations to create a secure and enabling work environment. This approach is anchored in:

### Workplace safety and compliance

Ensuring strong governance, mitigation of workplace health and safety risks, and continuous improvement.

### Employee well-being

Addressing physical, mental, and emotional health through targeted programme.

### Preventive health measures

Promoting long-term wellness through education, accessibility, and sustainable lifestyle initiatives.

By prioritising safety, well-being, and holistic development, we create an environment where employees can thrive, remain engaged, and contribute meaningfully to the Group's success.

# Embedding Good Practices

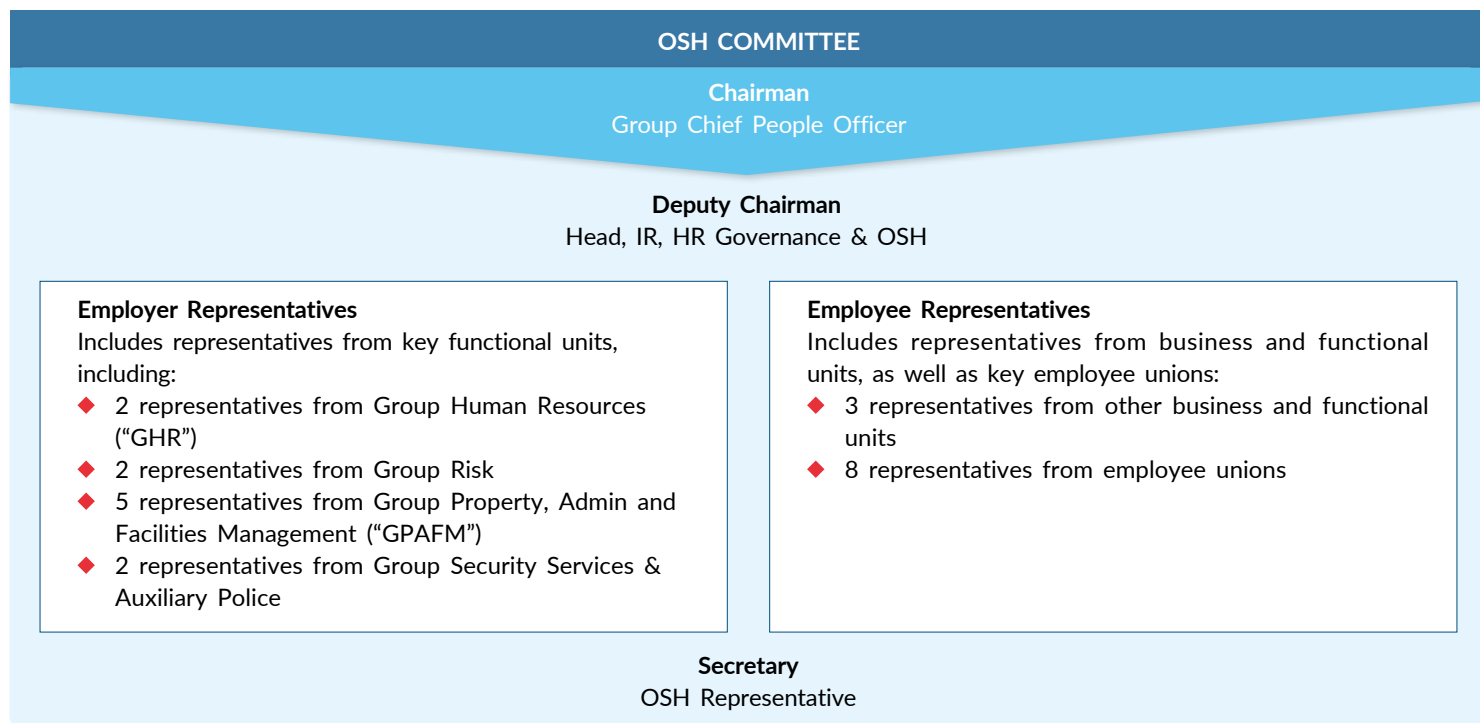
## Championing Health, Safety and Wellness

### Ensuring Physical Safety

A strong management framework keeps safety and well-being at the forefront across all operations. The Occupational Safety and Health ("OSH") Committee, chaired by the Group Chief People Officer, provides oversight, accountability, and continuous progress monitoring. Representing both employer and employee groups, this body takes a balanced and inclusive approach to workplace protection. It convenes quarterly to assess risks, review performance, and implement improvements. At the local level, Branch Safety Committees oversee site-specific measures, strengthening preventive action across different locations.

Guided by the Group OSH Policy, which aligns with the Occupational Safety and Health Act ("OSHA") 1994, we uphold high standards for protection and well-being across all business operations. This Policy is reinforced by workplace guidelines, including the Code of Conduct, Group Disciplinary Policy, and Anti-Sexual Harassment Guidelines, all of which promote a responsible and ethical work culture. The Policy covers all employees, as well as customers, visitors, service providers and members of the public on our premises.

The OSH Committee structure is as follows:



To maintain a physically safe work environment, the OSH Committee focuses on four key areas:



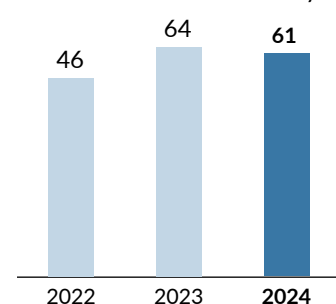
Beyond operational sites, employee safety during commutes is also prioritised, with commuting safety and security considerations integrated into RHB's broader well-being strategy.



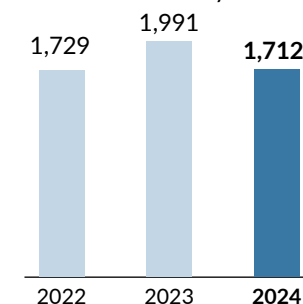
## Our Performance

- ◆ Maintained **0** accidents with fatality
- ◆ Maintained **0%** fatality rate

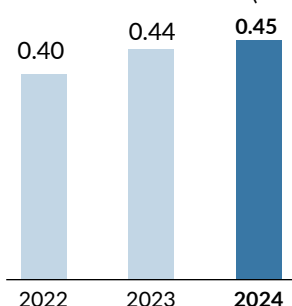
Accidents with Lost Workdays



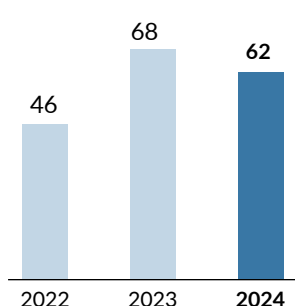
Total Lost Workdays



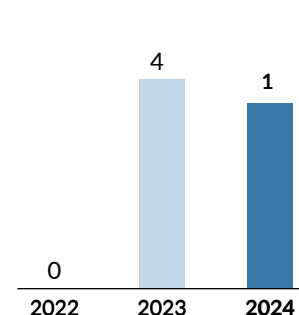
Lost Time Incident Rate ("LTIR")



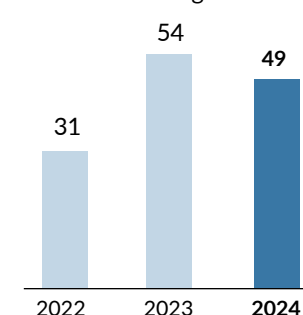
Total Number of Accidents



Accidents without Lost Workdays



Work Commuting Accidents



## Promoting Mental Well-Being

A resilient workforce is built on a foundation of mental well-being. RHB actively fosters a supportive workplace culture by offering accessible mental health resources and structured initiatives that promote emotional resilience. Our approach ensures employees have the tools to manage stress, navigate challenges, and prioritise their well-being – both professionally and personally.

### 2024 Progress

#### Employee Assistance Programme ("EAP")

Launched in October 2023 to commemorate World Mental Health Day, the EAP offers confidential, professional counselling to employees facing emotional, mental, or personal challenges to support employees in managing stress, anxiety and other challenges. The programme, provided through CompuMed's Tap2Health and Re:Mind Psychology, complements RHB's medical insurance coverage.

#### Impact

- ◆ Delivered **80** individual counselling sessions, complementing RHB's medical insurance coverage.

#### RHB CARE Programme

Our Peer Support Programme, introduced in 2023, strengthens workplace mental health support through trained Peer Supporters. Participants undergo a three-month training programme facilitated by a mental healthcare provider before committing to a nine-month Active Care Support period for colleagues.

#### Impact

- ◆ Trained **10** employees as Peer Supporters, enhancing emotional support within the organisation.

# Embedding Good Practices

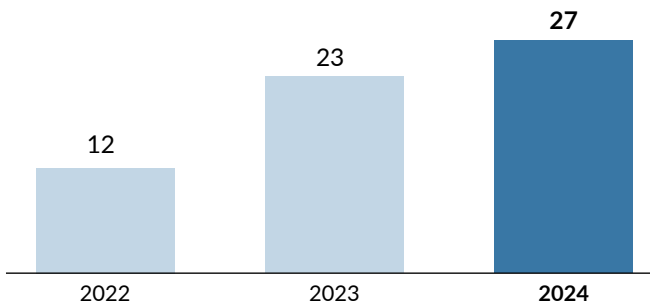
## Championing Health, Safety and Wellness

### Advocating for Health, Wellness and Labour Rights

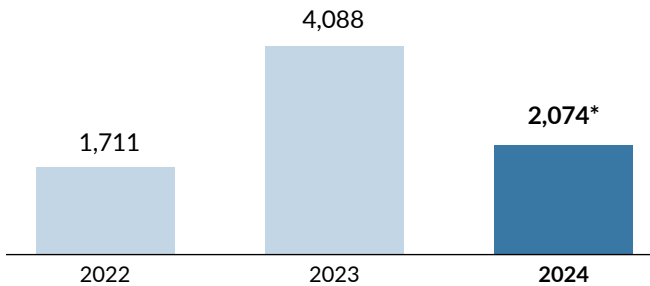
A healthier workforce leads to a more engaged, productive, and thriving organisation. We adopt a preventive and proactive approach to employee health, offering programmes that promote fitness, nutrition, and long-term health management. Through strategic initiatives, we encourage sustainable lifestyle choices that improve overall well-being and workplace productivity.

#### 2024 Progress

Number of Occupational Safety and Health Programmes



Number of Participants in Occupational Safety and Health Programmes



*\*In 2024, we observed a reduction in the number of participants via livestream sessions on our internal employee engagement platform. Moving forward, we aim to conduct more physical programmes to increase participation rates.*

As we refine our wellness strategy, we continue to strengthen key initiatives that support long-term employee health. The focus remains on targeted programmes that drive measurable health outcomes, ensuring sustained impact through structured support and engagement.

#### BookDoc Wellness

Launched in 2024, our partnership with BookDoc provides employees with access to a digital health platform that integrates physical, mental, and nutritional wellness support. The platform delivers health coaching, lifestyle tracking, and fitness incentives through an intuitive mobile application.

#### Impact

- ◆ Activated 1,960 BookDoc accounts, ensuring wide access to wellness tools.
- ◆ Organised 30+ wellness activities, fostering engagement and awareness.
- ◆ Launched an interactive BookDoc Guidebook to enhance usability.

#### HEAL Programme

The Healthy Eating Active Lifestyle (“HEAL”) Programme was expanded to all employees in 2024 following the success of its 2023 Klang Valley pilot. This 12-week programme supports employees with:

- ◆ Dietary counselling & meal planning
- ◆ Personalised fitness challenges
- ◆ A collaborative support platform

Targeting employees with conditions such as diabetes and cardiovascular disease, HEAL promotes sustainable health improvements.

#### Impact

- ◆ First Cohort: Reduced medical costs by 51% due to improved metabolic health.
- ◆ Second Cohort: Achieved a combined 195kg total weight reduction within two months.
- ◆ Expanded Reach: Introduced an exclusive cohort for RHB’s KAWAL security employees to promote inclusivity.

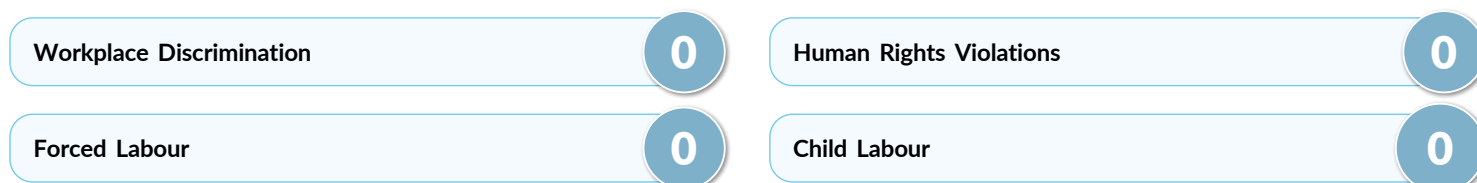
## Employee Protection Against Misconduct

We uphold a zero-tolerance policy on discrimination and harassment against race, religion, gender, age, disabilities and nationality, ensuring a safe, respectful, and inclusive workplace for all employees. Strengthening our employee protection frameworks remains a priority, reinforcing our commitment to fairness, integrity, and ethical workplace practices. We are guided by key internal policies and guidelines, to maintain a safe working environment, including our Code of Conduct, Group Disciplinary Policy and Anti-Sexual Harassment Guidelines.

To further safeguard our people, we have established robust Whistleblowing & Reporting Mechanisms, providing confidential and secure channels for reporting concerns without fear of retaliation. Employees can report discrimination, bias, or unethical behaviour through [speakup@rhb](mailto:speakup@rhb), with all cases reviewed by the appropriate disciplinary authority, to ensure transparency and accountability. These improvements bolster trust, strengthen governance, and reinforce our zero-tolerance stance on workplace misconduct.

### 2024 Progress

In 2024, we recorded no incidents of workplace discrimination, human rights violations, or forced or child labour, reinforcing our commitment to maintaining ethical and fair workplace practices. Strong compliance frameworks and proactive monitoring continue to ensure a safe, respectful, and inclusive work environment.



While no significant risks of child labour or forced labour have been identified within our operations or supplier base, the Group remains vigilant by conducting ESG Risk Assessments as part of its customer due diligence process.

## Respecting Union Engagement

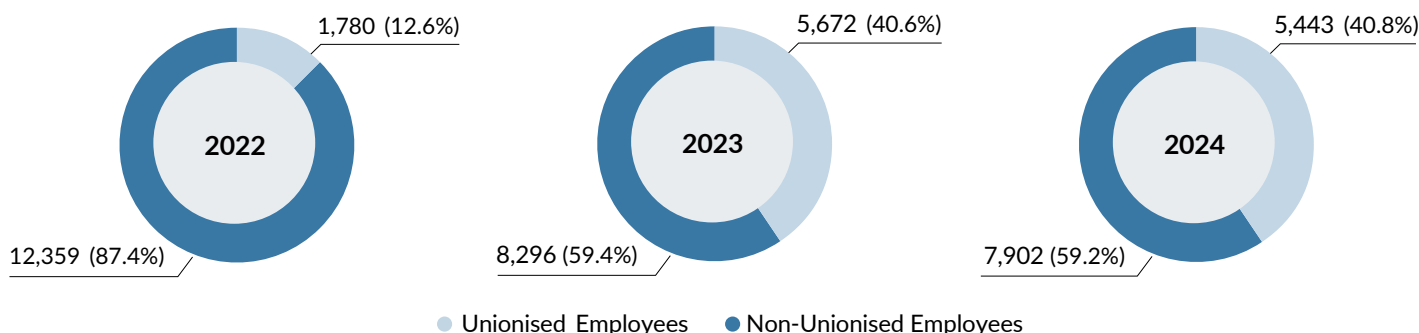
We work closely with trade unions to promote transparency, uphold ethical employment practices, and create an environment where employees feel valued, protected, and heard. We respect our employees' right to freedom of association and respect their participation in collective bargaining agreements. These agreements define key employment terms and ensure that policies remain fair, competitive, and aligned with employees' needs.

### 2024 Progress

Union membership remained a key aspect of employee representation at RHB in 2024, with 40.8% of the workforce unionised, compared to 41% in 2023. This shift reflects evolving workforce dynamics, including the impact of executive-level employees being included under KEEPERS starting in 2023.

Unions play an important role strengthening workplace relationships, and ensuring that concerns were addressed fairly and transparently. Our continued collaboration with trade unions reinforces our commitment to fostering an equitable, inclusive, and well-supported workforce.

### Union and Non-Union Workforce



#### Notes:

- Starting in FY2023, Executive-level employees were included under KEEPERS, impacting the overall percentage of unionised employees.
- The relevance of monitoring unionisation based solely on non-executive employees has been discontinued following this change.

[For a detailed year-on-year breakdown, please refer to the Sustainability Performance Data on page 249 of this report.](#)

# Embedding Good Practices

## Championing Health, Safety and Wellness

### Providing Employee Benefits and Rewards

RHB recognises that the well-being, growth and financial security of our employees are essential to both their personal success and the company's long-term sustainability. We offer a comprehensive suite of benefits designed to meet the diverse needs of our employees, enhancing their work experience and supporting their overall quality of life.

|  |  |
|--|--|
|  <p><b>Retirement Benefits:</b></p>                       | <p>One of the cornerstones of our benefits package is the additional employer's contribution to the Employees' Provident Fund ("EPF"). This retirement benefit is integral in helping our employees build financial security for the future, offering peace of mind that they can retire comfortably after years of dedicated service.</p>   |
|  <p><b>Vehicle, Transport, &amp; Parking Support:</b></p> | <p>We provide vehicle allowances, transport support, and parking assistance to ensure that our employees have convenient and efficient travel options to and from work. This benefit is designed to reduce the stress and time associated with daily commutes, ultimately improving productivity and work-life balance.</p>  |
|  <p><b>Communication &amp; Connectivity:</b></p>         | <p>In today's fast-paced digital world, staying connected is essential. Our communication and connectivity benefits ensure that employees are equipped with the tools and resources they need to perform at their best. Whether it's for work or personal use, we aim to keep our employees seamlessly connected, promoting collaboration and enhancing their overall experience.</p>  |
|  <p><b>Medical &amp; Healthcare:</b></p>                | <p>The health and well-being of our employees are paramount. Our comprehensive medical and healthcare coverage provides access to top-tier healthcare services, ensuring that our people can stay healthy and focused. This coverage includes regular health check-ups, specialist consultations, and treatments, helping to minimise health-related concerns and improve overall quality of life.</p>                                       |
|  <p><b>Insurance Protection:</b></p>                    | <p>To safeguard against unforeseen events, we provide robust insurance protection, including life, health, and disability coverage. This benefit ensures that employees and their families are financially supported during times of illness, injury, or loss, offering a safety net for both personal and professional challenges.</p>  |
|  <p><b>Leave &amp; Time-Off:</b></p>                    | <p>RHB's leave policies, including paid time off, sick leave, and parental leave, are designed to give employees the time they need to rest, recharge, and manage personal responsibilities. This flexibility encourages work-life balance, ensuring employees feel supported both in their careers and in their personal lives.</p>   |
|  <p><b>Loans &amp; Financial Assistance:</b></p>        | <p>To support our employees in achieving their personal goals, we offer various loan and financial assistance programs, including housing loans, vehicle loans, and personal loans. These benefits provide employees with the financial support they need for significant life milestones, such as purchasing a home, securing reliable transportation, or handling unexpected expenses, while keeping their personal finances on track.</p> |
|  <p><b>Business Travel &amp; Accommodation:</b></p>     | <p>Our business travel and accommodation benefits are designed to ensure that employees whose roles require travel can do so with comfort, safety, and efficiency. We provide comprehensive coverage for flights, hotel stays, and all other travel-related expenses, allowing employees to focus on their work without the added stress of logistics or financial concerns.</p>   |

By offering these well-rounded benefits, we strive to create a supportive and sustainable work environment where employees feel valued, secure, and empowered. These benefits not only help employees navigate their professional and personal lives with greater ease; they also contribute towards long-term engagement, satisfaction, and loyalty, driving both individual success and organisational growth.

## Delivering Hardship Assistance

Life's uncertainties can create financial and emotional strain. Whether facing natural disasters, medical emergencies, or bereavement, our Hardship Assistance programmes provide timely financial relief to employees in need. These initiatives ensure that our people have a safety net during difficult times, allowing them to focus on recovery and resilience.

### 2024 Progress

Recognising the impact of crises such as natural disasters and medical emergencies, we reinforced our ongoing initiatives to provide timely assistance and relief.

#### RHB Natural Disaster Fund

Offering aid to employees affected by natural disasters.

- ◆ Financial aid cap revised: Employees now receive up to RM3,000, with an additional RM1,000 for Staff Welfare Fund ("SWF") members.

#### Staff Welfare Fund

Providing financial support for medical expenses, bereavement, and emergency relief.

- ◆ **Increased bereavement support:** Disbursements rose from RM152,000 in 2023 to RM184,000 in 2024, reflecting increased awareness and application rates.
- ◆ **Medical assistance expanded:** Disbursements increased from RM24,640 in 2023 to RM41,190 in 2024, driven by higher submission rates and growing healthcare needs.

 For a detailed YoY comparison, please refer to the Sustainability Performance Data on page 260 of this report.

## Outlook

Sustained progress requires bold action and unwavering commitment to our people. In 2025, we will expand our initiatives to empower, support, and inspire employees, ensuring they have the resources and environment to thrive.

- ◆ Expanding Mental Health Support (EAP):
  - Extending Employee Assistance Programme ("EAP") access to overseas employees with utilisation credits, ensuring inclusive mental health care across regions.
- ◆ HEAL Programme:
  - Welcoming a new cohort to reinforce sustainable health and wellness habits among employees.
- ◆ RHB CARE Programme:
  - Launching a group-wide CARE campaign to strengthen emotional resilience.
  - Introducing "Wellness Chats" and themed support groups on stress management, work-life balance and career development.
  - Expanding the peer support network by adding ten new Peer Supporters, increasing accessibility and representation.
- ◆ BookDoc Collaboration:
  - Enhancing engagement through targeted communications on Activ Rewards, Challenges, and Health Coaches.
  - Expanding onboarding initiatives, including in-person booths, virtual clinics, and targeted outreach to departments with lower activation rates.
  - Introducing new wellness activities such as interactive workshops, experiential learning sessions, and incentives like a digital stamp collection feature.

These initiatives reflect our ongoing commitment to fostering a workplace that prioritises employee well-being, growth, and resilience — ensuring our people are supported in every step of their journey with RHB.



# Promoting Diversity, Equity and Inclusion

Related Material Matter

 Diversity and Equal Opportunity

Relevant Bursa Common Sustainability Matters

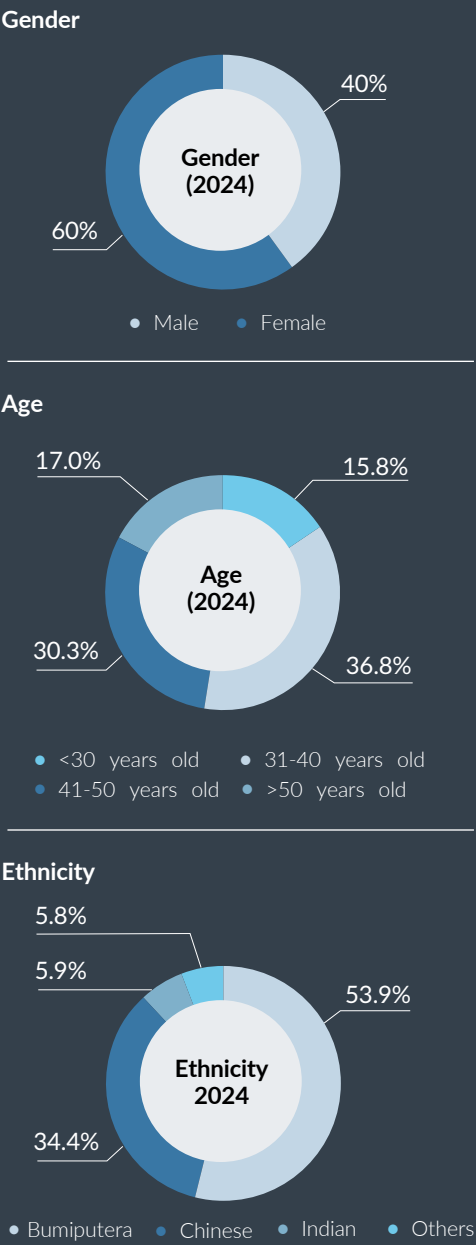
Labour Practices and Standards | Diversity | Health and Safety

We are committed to fostering a workplace where diversity is celebrated, equity is embedded in our practices, and inclusion is a fundamental part of our workplace culture. Recognising that diverse perspectives drive innovation and success, we strive to create an environment where all RHBians – regardless of background, identity or experience – feels valued, respected, and empowered to contribute. Through equitable policies and inclusive leadership, we ensure that we reflect the diverse customers we serve. A workplace built on equity allows us to attract and retain the best talent, drive innovation, and make better decisions.

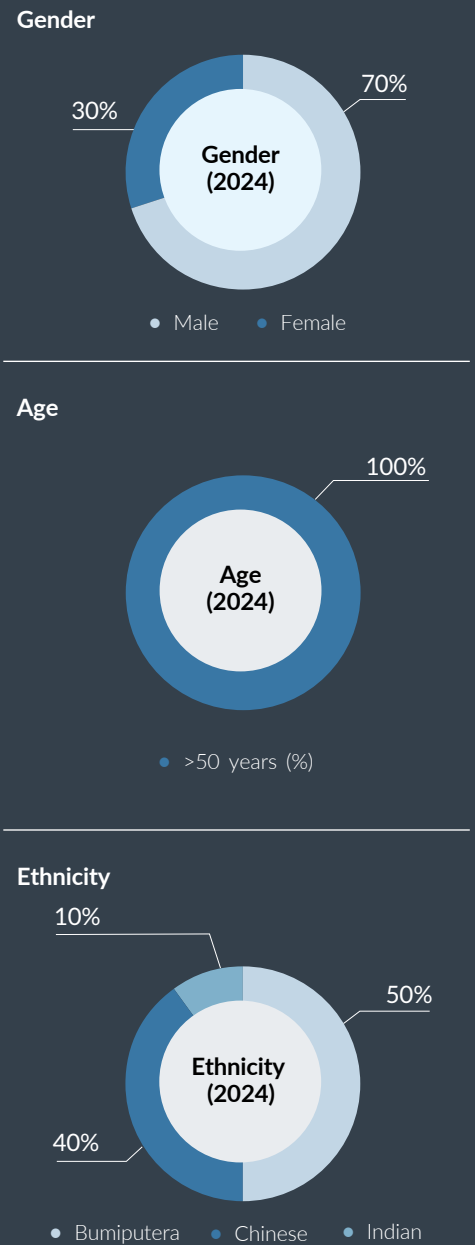
By embedding DEI into our hiring, succession planning and leadership development, we create an environment where every employee has the opportunity to thrive. A strong culture of inclusion also strengthens engagement, and builds trust. Ensuring fairness and representation at all levels is not just about doing what is right – it is about sustaining long-term business resilience and competitiveness.

## Key Achievements

### Workforce Diversity



### Board Diversity



### Women's Leadership Diversity



For a more detailed year-on-year comparison, please refer to the Sustainability Performance Data Tables on pages 246 to 257 of this report.

## Our Approach

Our approach to DEI is rooted in the belief that a diverse and inclusive workplace fosters innovation, enhances collaboration and drives sustainable success. We embed DEI into every aspect of our organisation, ensuring that every employee has fair access to opportunities through merit-based hiring, leadership representation, and equitable workplace policies. A strong DEI culture is not just reflected in policies but in how we hire, develop, and support our people, reinforcing our commitment to fairness and inclusion at every level.

To ensure accountability and continuous progress, we assess DEI performance through structured reviews and governance oversight, tracking impact and identifying areas for improvement. These mechanisms enable us to refine policies, strengthen leadership diversity, and create a more inclusive workplace.

Our approach focuses on three key areas:



Ongoing monitoring and reporting form an integral part of this approach, allowing us to measure progress and drive meaningful change. Attracting and retaining top talent requires a holistic approach that prioritises well-being, engagement, and motivation.

## Ensuring Fair Hiring and Leadership Representation

Recruitment and leadership selection are structured to eliminate bias and promote equal opportunities. Our policies ensure that hiring and promotions are based on competencies and ethical standards:

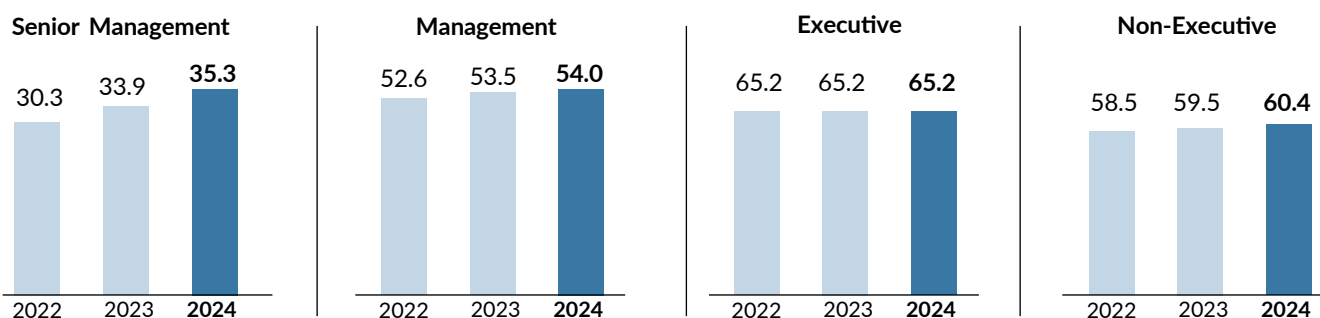
|   |   |
|---|---|
| <b>Group Recruitment Policy</b>           | <ul style="list-style-type: none"> <li>Guarantees a merit-based, unbiased selection process grounded in competencies and expertise.</li> </ul>                            |
| <b>Boardroom Diversity Policy</b>         | <ul style="list-style-type: none"> <li>Encourages diverse representation in leadership roles to strengthen decision-making.</li> </ul>                                    |
| <b>Group Fit &amp; Proper Policy</b>      | <ul style="list-style-type: none"> <li>Guides the selection of leaders based on ethical and professional standards, fostering an inclusive leadership culture.</li> </ul> |
| <b>Group Manpower Planning Guidelines</b> | <ul style="list-style-type: none"> <li>Supports structured workforce planning to sustain a diverse talent pipeline.</li> </ul>  |

## 2024 Progress

In 2024, we continue to nurture diversity with respect to gender, age, and ethnicity across RHB, driven by our targeted initiatives. These efforts have led to a continued increase in female representation across management and senior management roles, and strengthened our focus on ethnic diversity within general workers.

### Gender Representation:

Female representation in management rose to **54%**, while senior management increased to **35.3%**. These achievements reflect our ongoing commitment to fostering gender equality at all levels of leadership.



We have achieved **35.3%** women's representation in top and senior management positions, against our Sustainability KPI of achieving 33.3% women's representation in Top and Senior Management by 2026

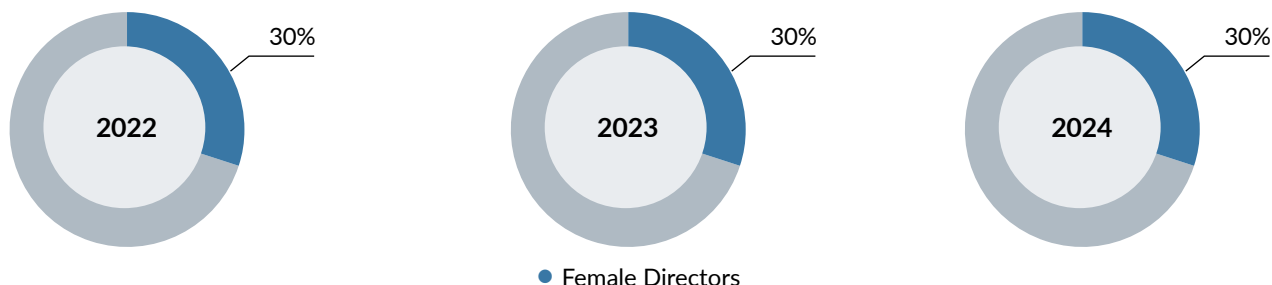
As we progress in promoting DEI, we may expand this target to encompass other elements of diversity and inclusion.

# Embedding Good Practices

## Promoting Diversity, Equity and Inclusion

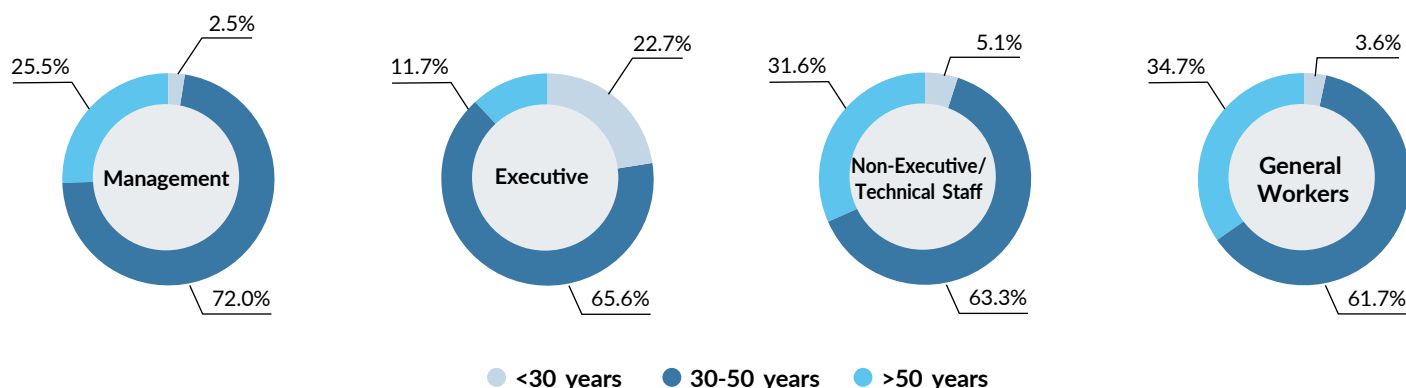
### Board Diversity:

We successfully maintained **30%** female representation on the Board, reinforcing our commitment to a balanced and inclusive leadership team.



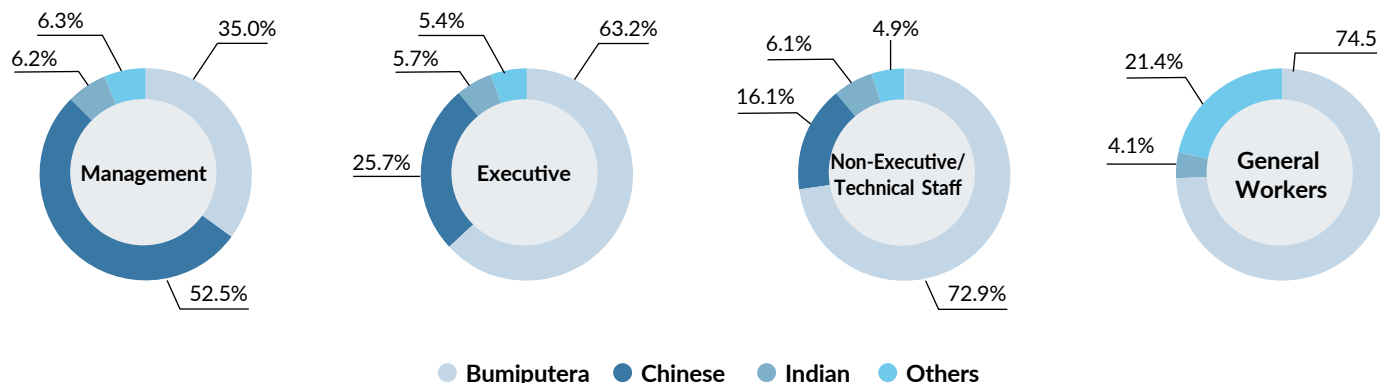
### Age Diversity:

The percentage of executives aged 30-50 years increased to **65.6%**, highlighting our focus on attracting experienced professionals.



### Ethnic Representation:

We strengthened Bumiputera representation in general worker roles, with **74.5%** in 2024.

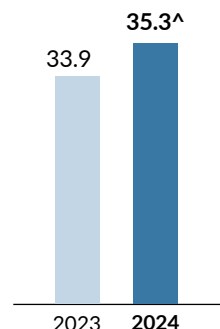


## 2024 Progress

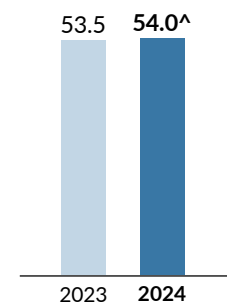
As of 2024, we are seeing consistent progress in our efforts to increase gender diversity across leadership levels. The representation of women in management has steadily grown, reaching 54% of total management positions, up from 53.5% in 2023. This reflects our focus on building a more inclusive leadership pipeline that encourages female participation at all levels.

Senior management roles have seen a notable increase in female representation, with women now making up 35.3% of the senior management team — a significant rise from 33.9% in 2023. This increase demonstrates that our efforts in creating an environment that supports women in leadership are starting to bear fruit.

Female Representation  
in Senior Management (%)



Female Representation  
in Management (%)



^ This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report.

For a detailed YoY comparison, please refer to the Sustainability Performance Data on pages 250 to 252 of this report.

Key initiatives that contribute to this progress include:

### Women in Leadership League (“WiLL”) Programme

The WiLL Programme is our flagship initiative designed to cultivate a strong pipeline of women leaders. Through mentorship, leadership training, and networking opportunities, we empower women employees with the skills and confidence needed to advance into senior leadership roles.

Throughout the programme, participants engaged in structured mentoring sessions with senior leaders, attended leadership development workshops, and expanded their professional networks through peer learning and external engagements.

#### Highlights:

- ◆ Strengthened leadership readiness among **54** participants through structured guidance and career progression support.

### Hear from our WiLL Participants!

Janice Cheah Han Ling,  
Regional Sales Head, SME

*“This program has been profoundly transformative, catalysing a deeply introspective examination of my career trajectory. I can now envision how I can make a tangible impact on my team, colleagues, and leadership.”*



Nurul Ashiqin Najdah binti Yasin,  
Senior Project Manager,  
Project Management

*“The Women in Leadership League has been a career-changing experience for me. Learning about leadership attributes and how I can build a network has been one of the most impactful topics for me, providing the visibility that I never thought I needed.”*



Errolyn Tan Sen Luang,  
Head, Business Design Chapter

*“The Women in Leadership League introduced me to a supportive network of high-performing women, who effortlessly embody excellence in all aspects of their lives. The programme has also driven me to become a catalyst for change, creating a legacy where future leaders are confident that their diverse strengths are intrinsically valued.”*



# Embedding Good Practices

## Promoting Diversity, Equity and Inclusion

### International Women's Day 2024

We commemorated International Women's Day 2024 by hosting open discussions and collaborative problem-solving sessions focused on advancing women's leadership. This initiative provided a platform for employees to share insights, discuss challenges, and co-create solutions that support career growth, work-life balance, and professional resilience.

The event featured panel discussions, interactive dialogues, and strategy-building sessions, where participants explored workplace challenges and identified actionable solutions to drive gender equity.

#### Highlights:

- ◆ Two cohorts completed, empowering 52 participants with leadership skills and strategic acumen, strengthening their ability to take on leadership roles.
- ◆ Created a pipeline of future women leaders equipped with the tools to drive organisational success.

### Emerging Women Leaders Programme

The Emerging Women Leaders Programme is tailored for high-potential women employees to accelerate their career growth and leadership development. This programme focuses on honing leadership capabilities, enhancing strategic thinking, and building confidence in navigating leadership challenges.

Participants underwent specialised leadership training, attended career development workshops, and received coaching from industry experts to refine their leadership approach. The programme also included interactive sessions with senior leaders, offering insights into career progression and organisational leadership.

#### Highlights:

- ◆ Encouraged open and candid discussions, fostering greater awareness of workplace barriers for women.
- ◆ Facilitated collaborative problem-solving, leading to actionable strategies for leadership development.
- ◆ Strengthened organisational commitment to gender inclusivity, reinforcing our role in empowering women at work.

### Hear from our Emerging Women Leaders!

**Noor Aishah Binti Rahmat,**  
Senior Team Member,  
Commercial and Corporate  
Processing Cycle

*"The Emerging Women Leaders Programme was a transformative experience, presenting a unique opportunity for female employees to cultivate essential leadership qualities, gain confidence, and access mentorship."*



**Noor Rashidah Mohd Saad,**  
Team Lead, Business  
Support and Planning,  
Performance Management &  
Business Support

*"The Emerging Women Leaders Programme was a transformative experience, presenting a unique opportunity for female employees to cultivate essential leadership qualities, gain confidence, and access mentorship."*



**Aileen Halinda binti Abdul Hamid** Senior Specialist,  
Process Intelligence &  
Support, Branch & Sales  
Centre Operations (BSCO)

*"EWL provides a comprehensive approach to leadership development, making it an invaluable experience for anyone looking to grow and thrive in their leadership journey. The opportunity to be part of such an empowering initiative has been truly inspiring and I would highly encourage other participants to join."*



**Hatty Nabyla Binti A.Aziz,**  
Business Specialist, Secured  
& Unsecured Business

*"The Emerging Women Leaders Programme has elevated both myself and other RHB female employees by developing key leadership skills such as strategic thinking, communication, and decision-making."*





Strengthening Disability Inclusion

Promoting inclusivity means actively breaking down barriers and providing support systems that enable every individual to thrive.

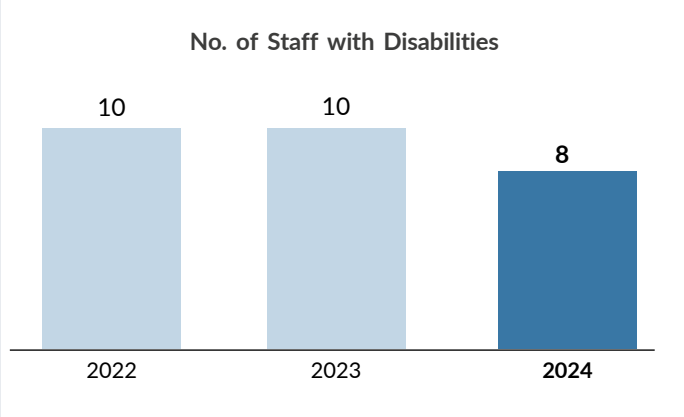
A key part of this effort is fostering an environment where individuals with disabilities can contribute meaningfully. We recognise that empowering employees with disabilities requires a proactive approach to accessibility, understanding, and empowerment. Through targeted initiatives, we ensure that our employees are also equipped to interact with and support individuals with disabilities, both within the workplace and in customer interactions.

2024 Progress

| Programme                                    | What We Did   | Highlights   |
|--|---|--|
| Sign Language Training                       | In collaboration with the Malaysia Deaf Federation, we provided <i>Bahasa Isyarat Malaysia</i> (sign language) training to improve communication and understanding within the organisation and with the deaf community. | Trained 39 Branch Frontliners in sign language.              |
| Disability-Related Service Training ("DRST") | This training equips employees with the knowledge and skills necessary to support individuals with disabilities effectively, creating a more accessible and supportive environment for all.                             | Trained 39 Branch Frontliners in disability-related support. |

Staff with Disabilities

Over the past few years, we have maintained a steady number of staff with disabilities, though there has been a slight decrease in 2024. Despite this, our focus remains firmly on improving accessibility and continuing to provide meaningful support to employees with disabilities, including special accommodations and tools to complete their roles, as well as training support.



For a detailed YoY comparison, please refer to the Sustainability Performance Data on page 251 of this report.

# Embedding Good Practices

## Promoting Diversity, Equity and Inclusion

### Encouraging Cultural Engagement and Celebrations

#### Celebrating Festivities

We continued to engage our employees through a variety of cultural celebrations such as Chinese New Year, *Aidilfitri*, Deepavali, and Christmas. These celebrations included traditional performances, cultural food offerings, and team-building activities. We organised events where employees could share their customs, learn from each other, and deepen their understanding of different traditions.

Through these events, we strengthened our workplace culture by enhancing cross-cultural understanding and promoting employee engagement. They offered us the chance to celebrate our diversity while creating a shared sense of belonging, improving both morale and team cohesion.

#### Highlights:

- ◆ Over 5,000 employees participated in these cultural celebrations.

### Supporting Working Parents

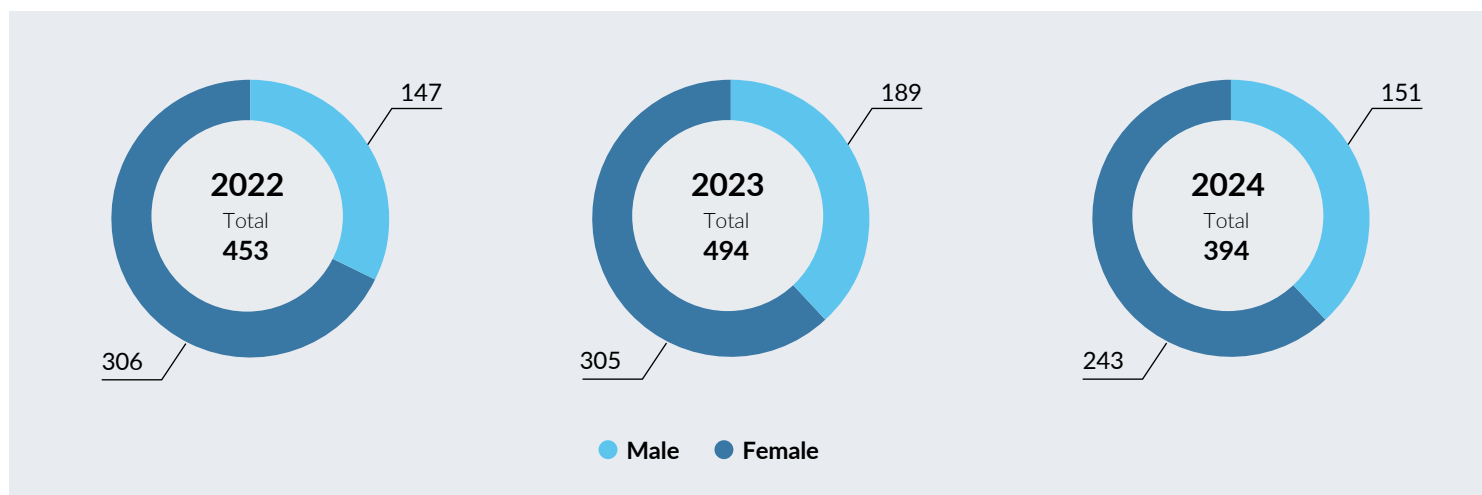
Recognising the unique needs of working parents, we have designed our family-friendly policies to ensure that employees can manage personal commitments without compromising their professional growth. Our parental leave policies empower employees to take the necessary time for their families while maintaining job security and ensuring continued career progression. These policies are complemented by workplace accommodations such as nursing room facilities, which provide a private and comfortable space for working mothers to care for their children while balancing professional demands.

By offering these resources and policies, we aim to create an environment where working parents, especially mothers, feel supported in managing their family and professional responsibilities, ultimately enabling them to remain fully engaged in the workplace and sustain their careers.

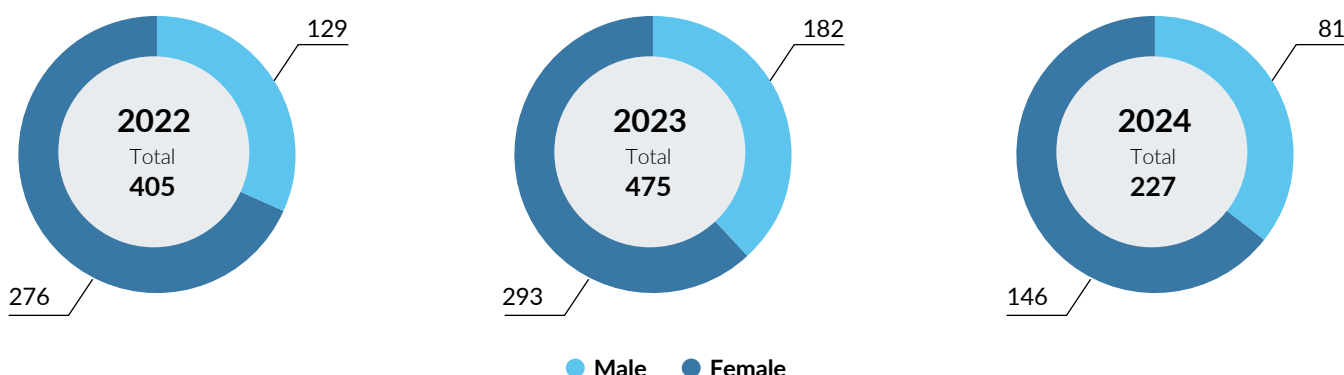
#### 2024 Progress

We observed a 20% reduction in parental leave utilisation between 2023 and 2024, alongside an over 50% reduction in the number of employees returning to work after parental leave. Our employee benefits in support of working parents remain robust and comprehensive, hence this reduction may be attributable to wider socioeconomic patterns such as reduced birth rate and reduced household size.

#### Parental Leave Utilisation (Headcount)



## Employees Returning to Work After Parental Leave (Headcount)



For a detailed YoY comparison, please refer to the Sustainability Performance Data on page 255 of this report.

For further information on employee benefits, please refer to pages 192 to 193 of this report.

### Nursing Room Facilities

To support working parents, we have expanded our nursing room facilities, providing private, comfortable spaces for working mothers. These rooms offer a dedicated environment for expressing milk, allowing mothers to manage their professional responsibilities alongside their parental duties. By offering these resources, we aim to help working mothers balance career and family needs, ensuring they can continue contributing to the workplace while fulfilling their family commitments.

#### Highlights:

- Seven nursing booths available for use, increasing capacity and improving comfort for working parents.

## Outlook

Moving forward, we will focus on key initiatives that strengthen representation, enhance collaboration, and create a more supportive environment for all.

- Women's Leadership Representation:** We will strive to maintain at least 33.3% women in Top and Senior Management, in line with our Sustainability KPIs, reinforcing gender diversity and ensuring equitable opportunities at leadership levels.
- Intergenerational Collaboration:** Establish structured platforms for dialogue, enabling employees across all age groups to exchange ideas, perspectives, and experiences. Expand mentorship programmes that connect younger employees with experienced colleagues, fostering knowledge transfer and leadership development.
- Employee Resource Groups:** Strengthen the role of Youth and Women Councils, equipping them to lead engagement initiatives that advance DEI across the organisation.
- DEI Training and Awareness:** Provide regular DEI-focused training on topics such as multi-generational collaboration, neurodiversity inclusion, inclusive leadership, unconscious bias awareness, and mentorship to equip employees with the tools to foster inclusivity.
- Neurodiversity Hiring and Support:**
  - Expand recruitment efforts to include neurodivergent talent, collaborating with organisations, consultants, and non-profits to design inclusive hiring and onboarding programmes.
  - Establish mentorship programmes that pair neurodivergent employees with supportive colleagues or managers, fostering professional development and workplace integration.

By embedding these initiatives into our culture, we will strengthen inclusion, deepen equity, and create a workplace where every employee is valued and empowered to succeed.

## Embedding Good Practices

# Responsible and Sustainable Supply Chain Management

Related Material Matter



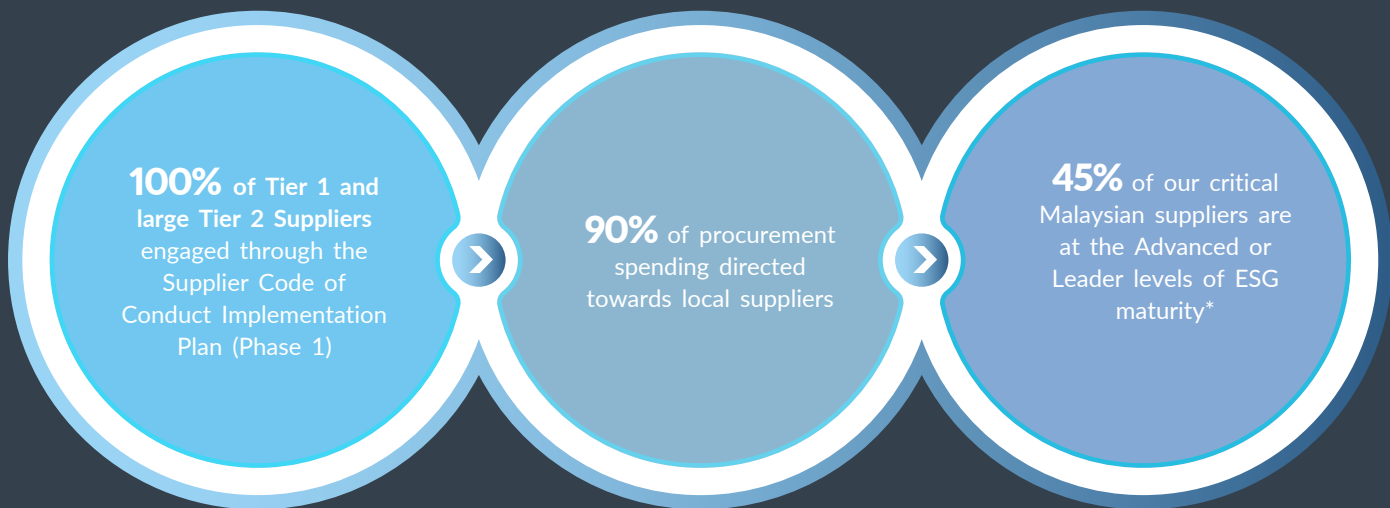
Sustainable Supply Chain

Relevant Bursa Common  
Sustainability Matters

Supply Chain Management

Responsible and sustainable supply chain management is under increasing scrutiny, including in the ASEAN region where key ESG issues are at risk, such as bribery and corruption, labour exploitation, and environmental degradation. As businesses face increasing pressure from consumers, regulators, and stakeholders to reduce their environmental impact and ensure ethical practices, adopting responsible and sustainable supply chain strategies has become a key driver of long-term success. RHB remains committed to empower our suppliers and vendors to adopt sustainable practices, creating a value chain that delivers positive economic, environmental, social, and governance outcomes. By prioritising transparency, ethical sourcing, and environmental stewardship, we strive to create value for both their business and society as a whole.

### Key Achievements



\*Based on supplier ESG maturity assessment, which assesses suppliers against the criteria stated in RHB's Supplier Code of Conduct.

### Our Approach

The Group Procurement Guidelines, introduced in 2015, serves as a foundational framework for RHB Banking Group's procurement activities, encompassing both Malaysian and overseas operations. It outlines fair and ethical procurement practices while ensuring compliance with relevant regulatory requirements, covering key areas such as sourcing, negotiation, vendor selection and management, as well as contract oversight. The Guidelines also ensure our compliance with the BNM Outsourcing Policy.

## Governance of Procurement Activities

### General Activities

**Group Tender Committee ("GTC")** ♦ Deliberates and provides concurrence on all tenders with value greater than RM1 million.

**Group Procurement** ♦ Responsible for supplier management, sourcing management and contract management.

**Country Procurement Unit ("CPU")** ♦ Appointed across all overseas operations, to manage the procurement needs specific to respective countries.

### ESG-Specific Governance

Procurement activities related to ESG-specific matters, namely relating to implementation of the Supplier Code of Conduct, resides with the Group Sustainability Committee ("GSC") and Board Sustainability Committee ("BSC") to ensure that sustainability considerations are embedded into our supply chain in a comprehensive manner.

**Group Sustainability Committee ("GSC")** ♦ ESG updates are deliberated on bi-monthly basis.

**Board Sustainability Committee ("BSC")** ♦ ESG updates are deliberated on bi-annual basis.

## Upholding Integrity within Our Supply Chain

All suppliers are required to adhere to the Group's Anti-Bribery and Corruption Policy when conducting business with the Group. As part of the onboarding process, all new suppliers are required to submit an Anti-Bribery and Corruption Declaration Form, signaling their commitment to abide by the Group's Policy, as well as relevant laws, including the Malaysian Anti-Corruption Commission Act 2009. Furthermore, our Supplier Code of Conduct requires suppliers to uphold good governance practices, including strengthening anti-bribery and corruption measures. This includes ensuring that relevant internal policies, frameworks, guidelines, and practices are established to comply with the Group's expectations.

Suppliers' adherence to the integrity requirements are periodically reviewed, as part of ongoing due diligence process.

For further information, please refer to the Procurement Integrity expectations at <https://www.rhbgroup.com/group-procurement/index.html>, and the Supplier Code of Conduct at <https://www.rhbgroup.com/group-procurement/-/media/DE6E1FCFF1A74E6389ECA418A82B6B49.ashx>.

For further information on our anti-bribery and corruption practices, please refer to page 162 of this report.



# Embedding Good Practices

## Responsible and Sustainable Supply Chain Management

### Supplier Onboarding and Tender Participation

#### New and Interested Suppliers

- New and interested suppliers are required to register via RHB's corporate website
- Suppliers must submit the required documentation for online registration, which includes declaration on Anti-Bribery and Corruption.
- All new suppliers are required to undergo Anti-Money Laundering ("AML") screening as part of the onboarding process.
- Effective 2024, all new suppliers are also required to acknowledge RHB's supplier code of conduct, which incorporate ESG criteria.

For further information, please visit <https://www.rhbgroup.com/group-procurement/index.html>

For registered suppliers, Group Procurement ensures that RHB's Supplier Database is updated on an annual basis, to ensure that suppliers' details are kept updated, and to monitor our suppliers' ongoing compliance with the Group's relevant policies and guidelines. This process ensures suppliers consistently meet our standards.

For further information on policies and guidelines, refer to page 234 of this report.

#### Registered Suppliers

- Registered procurement suppliers are eligible to participate in tender and sourcing activities through our centralised procurement system.
- To ensure fairness and transparency in our procurement activities, tender notices, are published online.

### Procurement System

To optimise our procurement practices, we maintain two systems: **Centralised and Decentralised Procurement**. These systems are designed to address diverse sourcing needs with greater efficiency and flexibility across the Group.

#### Centralised Procurement

- Procurement activities are managed by Group Procurement.
- Primarily utilised for the following procurement items:
  - Property (civil, structural, and architectural)
  - M&E (equipment, service, and, maintenance, installation)
  - Printing and Stationery
  - Information Technology ("IT")
  - Administration and Support Services
  - Marketing and Corporate Services

#### Decentralised Procurement

- Primarily for our branch network.
- Enables branches to support small, independent, and local suppliers.

Our centralised procurement activities are enabled through our i-Procurement system, which is utilised across our Malaysian and overseas operations. The i-Procurement system streamlines procurement processes and enhances transparency:

#### RHB's i-Procurement System

##### Objectives

- Streamline procurement processes
- Reduce operational costs
- Minimise errors in procurement activities
- Enhance transparency in end-to-end procurement activities

##### Outcomes

- Increased efficiency in tender and payment processes
- Facilitated data-driven decision-making
- Enhanced transaction tracking and monitoring
- Improve supplier engagement
- Promote fair and responsible business practices

## Supporting Bumiputera Suppliers

Our commitment to driving economic growth begins with prioritising local procurement and fostering long-term positive impacts within the communities we serve. To this end, RHB strives to promoting inclusivity, ensuring that at least 30% representation of Bumiputera suppliers within our approved supplier panel.



## Implementing Sustainability in our Value Chain

Towards our aim of becoming a responsible and sustainable financial institution, RHB is dedicated to embedding sustainability considerations within our supply chain and procurement activities. Our approach is guided by the Supplier Code of Conduct ("CoC"), which was approved by the Board Sustainability Committee in 2023, and sets clear expectations for our suppliers to uphold the same high standards of business ethics we adhere to, fostering collaboration to adopt best practices across the supply chain. The CoC also aims to ensure that our suppliers align their business activities with RHB's sustainability goals.

Through the principles outlined in the Supplier CoC, we aim to guide our suppliers in integrating ESG considerations into their operations.

### Principles of the Supplier CoC

#### Environmental

- Reducing GHG emissions and improving energy efficiency
- Managing waste management efficiently
- Conserving and reducing water

#### Social

- Upholding human rights
- Supporting freedom of association
- Promoting diversity and inclusion
- Ensuring safe and healthy working conditions
- Respecting the rights of local communities
- Preventing child labour and/or forced labour

#### Governance

- Combating anti-bribery & corruption
- Ensuring confidentiality and protecting personal data with applicable laws

# Embedding Good Practices

## Responsible and Sustainable Supply Chain Management

### Supplier Code of Conduct Implementation Plan

To support the rollout of the Supplier CoC, we have developed an Implementation Plan which details our phased approach to embedding sustainability within our value chain. The Implementation Plan was created based on a detailed assessment of our suppliers' ESG maturity and takes into consideration their readiness for ESG adoption.

### Supplier Code of Conduct Implementation Plan

#### Development of Implementation Plan (2023)

##### Objective: Assess suppliers' ESG maturity and readiness for ESG adoption

- Conducted a baseline supplier ESG readiness assessment to better understand suppliers' awareness on sustainable practices across environmental, social, and governance areas.
- Categorised suppliers based on their ESG maturity level.
- Developed phased approach to Supplier CoC implementation and rollout across our operations.

#### Phase 1 (2024-2025)

##### Objective: ESG integration within key existing Malaysian suppliers

Phase 1 focuses on engaging key Tier 1 and larger Tier 2 suppliers in Malaysia. Key activities in this phase include:

- **Clear Communication:** We informed our suppliers about the Code of Conduct via email notifications, providing clarity on expectations and compliance requirements.
- **Supplier Engagement Sessions:** We organised multiple virtual knowledge-sharing sessions throughout the year, where suppliers learned about RHB's products and services. We conducted 13 engagement sessions in 2024.
- **Strategic Partnerships:** We partnered with the United Nations Global Compact ("UNGC") to leverage their SME Hub and assessment platform, enhancing our ability to assess suppliers' ESG maturity levels.

#### Phase 2 (2025-2026)

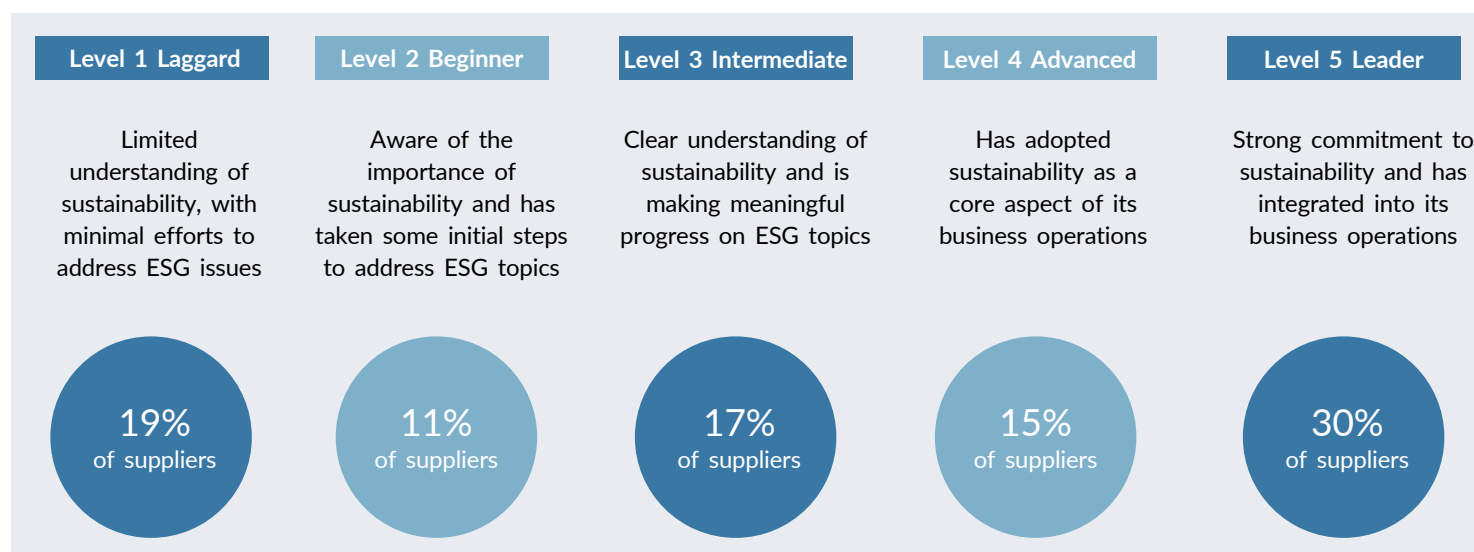
##### Objectives: ESG integration within key existing overseas suppliers

- We plan to replicate a similar set of processes as per Phase 1 of the Implementation Plan, with Phase 2 focusing on our key overseas operations and suppliers, such as RHB Singapore.

Upon full implementation of the Supplier Code of Conduct, RHB will monitor our suppliers' performance, and may conduct periodic due diligence to assess suppliers' compliance with the Supplier CoC. Non-compliance to all or some of the principles, across environmental, social and governance matters, may result in corrective actions being taken.

### Supplier ESG Maturity

Accurate categorisation of our suppliers' ESG maturity is key to monitoring their progress in adopting sustainable practices. We utilise the UNGC's assessment platform to objectively review suppliers' maturity. Based on their level of readiness, suppliers were ranked according to their ESG maturity levels, ranging from Laggard (Level 1) to Leader (Level 5). This ensures that the Group can track suppliers' progression, and focus our support on the suppliers that require the most guidance.



*Note: Out of the total pool of Phase 1 suppliers (220), 92% have fully completed maturity assessment. The percentage breakdowns are in reference to the suppliers that had completed the assessment as at 31 December 2024. The suppliers which have not completed the assessment are mostly SMEs, who require more time and guidance to complete the assessment.*

Additionally, to support and empower our suppliers in adopting ESG practices, we have developed a comprehensive 5-step approach designed to guide them in progressively enhancing their ESG maturity:

| Step      |                           | What We Did   |
|-----------|---------------------------|---|
| 2024      | Step 1 (Connect)          | Successfully conducted 13 knowledge-sharing sessions to all suppliers, to introduce the RHB CoC, ESG principles, and related benefits.  |
|           | Step 2 (Assess)           | All suppliers were required to complete an ESG maturity assessment. We utilised tools like the UNGC ESG START Assessment Tool and RHB CoC Maturity Level Assessment.  |
| 2025      | Step 3 (Learn)            | Provided ongoing tailored learning resources, such as e-learning courses and reading material such as the Simplified ESG Disclosure Guide ("SDEG") to help suppliers understand ESG principles and their practical application. |
| 2025-2026 | Step 4 (Commit)           | Guide suppliers in formalising their commitment to sustainability by aligning their frameworks with RHB's CoC and communicating their targets to stakeholders.  |
|           | Step 5 (Measure & Report) | Set measurable ESG targets and report on their progress.  |

# Embedding Good Practices

## Responsible and Sustainable Supply Chain Management

As of December 2024, we have completed Stages 1 and 2, and are on track to complete Stage 4 by Q2 2025 and Stage 5 by Q4 2026.

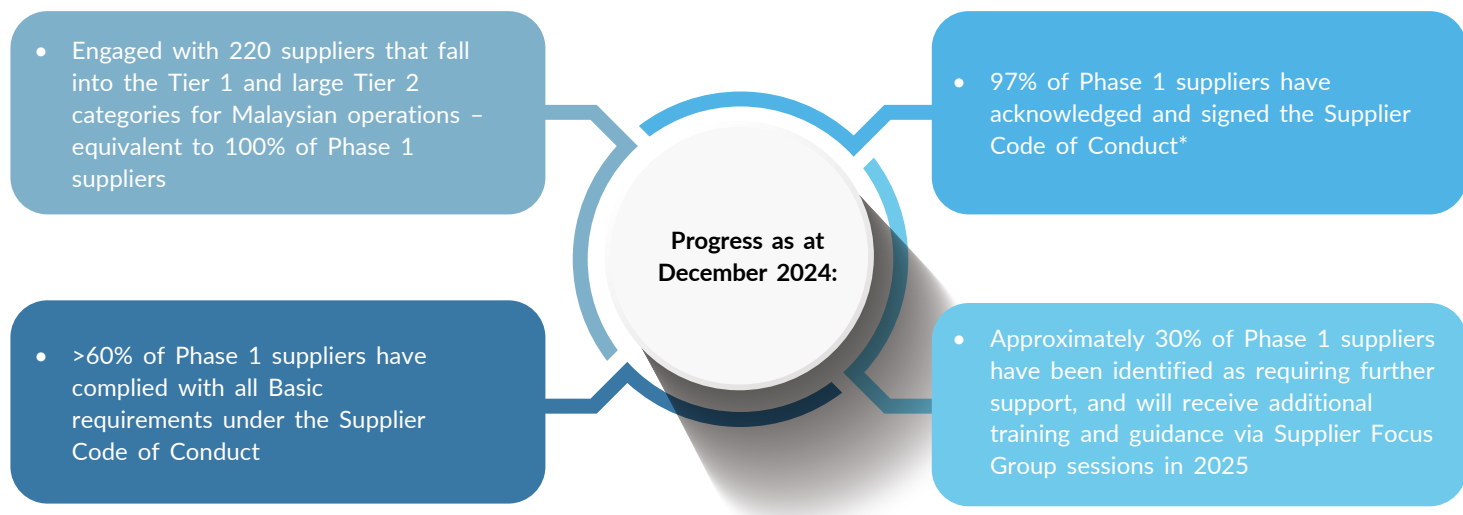
### Supplier Focus Group

Recognising that some of our suppliers require a higher level of support and guidance to ensure alignment with our sustainability standards and expectations, we have established a focus group to strengthen the capabilities of Laggard (Level 1) and Beginner (Level 2) suppliers, with the goal of advancing them to the Intermediate level (Level 3).

In addition to engagement via focus group sessions, we are also engaging with UNGC to explore collaborative opportunities and programmes, such as **SPARK**, to provide further support for this targeted group. The UNGC SPARK programme assists SMEs to develop a strong understanding of ESG principles, improve their understanding of materiality, and assist them to identify and implement practical strategies to integrate sustainability into their operations.

We plan to conduct these focus group engagements commencing the first quarter of 2025.

### Our Progress



*\*2% of Phase 1 suppliers have their own internal code of conduct which is aligned with RHB's Supplier CoC, while the remaining 1% were de-listed from the Supplier Database due to expiry of contract.*

### Outlook

The Group aims to complete Phase 1 of the Supplier CoC Implementation Plan in 2026. Our Tier 1 and large Tier 2 Malaysian suppliers will be required to fully comply with the basic requirements of the CoC by 2025.

Building on this success, Phase 2 will expand the implementation of the Supplier CoC to overseas offices, starting with RHB Singapore. This next phase will ensure consistent application of ethical standards and ESG-focused practices across RHB's regional operations and supply chain.

We remain focused on engaging with suppliers to empower and guide them in adopting ESG-focused practices that align with our shared goals, to ultimately build a responsible and sustainable value chain that delivers long-term benefits for all stakeholders.



## Embedding Good Practices

# Managing Our Direct Environmental Impact

Related Material Matter

ES

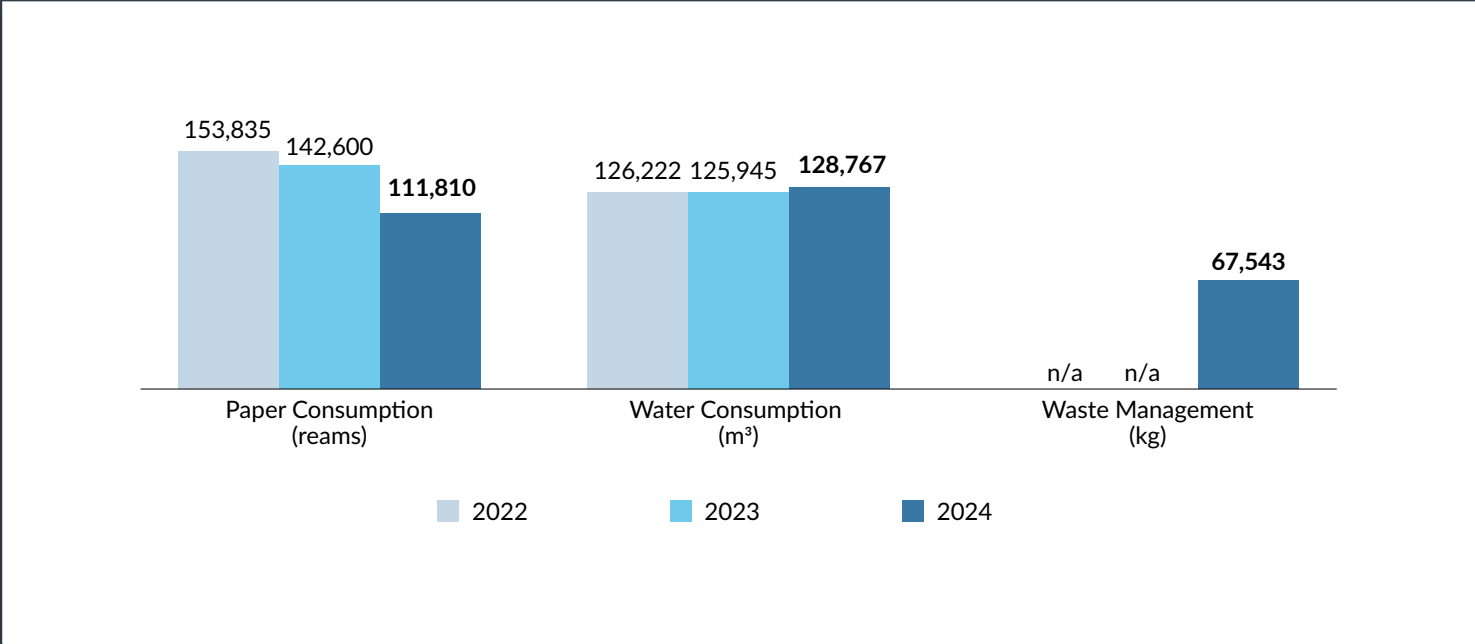
Environmental Stewardship

Relevant Bursa Common Sustainability Matters

Water | Waste Management

Irresponsible resource consumption and waste production continue to strain ecosystems, amplifying risks for businesses and communities alike. In the face of growing pressure on the environment, RHB recognises the responsibility to strengthen environmental stewardship across operations through responsible resource management. Our efforts strive to not only reduce our environmental footprint but also reinforce operational resilience, ensuring long-term sustainability while embedding responsible consumption practices throughout our value chain.

### Key Achievements



### Our Approach

We adopt a structured approach to managing environmental challenges by integrating sustainability across our operations. Our environmental stewardship efforts aim to promote responsible resource consumption to minimise our environmental impact. We focus on reducing water consumption and paper usage, minimising waste, and enhancing material efficiency across our operations. These efforts are further reinforced by awareness campaigns, digitalisation, process optimisation and stakeholder engagement, ensuring sustainable practices are adopted across our organisation and value chain.

# Embedding Good Practices

## Managing Our Direct Environmental Impact

### Driving Water Efficiency

Water is a critical resource for our operations, and as part of our commitment to environmental stewardship, we continue to optimise water usage, minimise waste, and strengthen long-term water security. Our approach focuses on improving water efficiency, addressing infrastructure gaps, and embedding sustainable water management practices across key facilities.

2024 Progress

We have implemented several targeted water efficiency initiatives to reduce consumption.

| Initiatives                   | What We Did  |
|-------------------------------|--|
| Low-Flow Fixture Installation | In 2024, we installed low-flow faucets and toilets across office facilities to optimise water usage while maintaining functionality and performance  |
| Leak Detection and Repair     | Throughout 2024, we conducted regular inspections of plumbing systems to identify leaks early and ensure prompt repairs, effectively preventing water losses.  |
| Rainwater Harvesting Systems  | Since 2020, rainwater harvesting systems have been installed at RHB complex Bangi, utilising collected water for general cleaning activities in shared spaces to reduce reliance on conventional water supplies. |
| Infrastructure Upgrades       | Upgraded ageing water infrastructure to reduce losses associated with wear and tear, ensuring long-term efficiency and reliability.  |

Impact

Water Consumption (m³)

| Year | Water Consumption (m³) |
|------|------------------------|
| 2022 | 126,222                |
| 2023 | 125,945                |
| 2024 | 128,767*               |

\*Note: Increase in water consumption for 2024 was due to more departments transitioning to full-time working from the office, and expansion of scope to include Jalan Silang building in West Malaysia.

For more information on our year-on-year water consumption, please refer to page 265 of this report.



## Ensuring Responsible Resource Consumption

We strive for effective waste management to ensure responsible resource use across our operations. Our approach focuses on minimising waste generation, improving material efficiency, and promoting sustainable disposal practices.

As a financial institution, RHB primarily produces non-hazardous general waste. This waste is disposed of through appointed contractors, in compliance with regulatory requirements. Any documents containing sensitive information, including customer-related information, are shredded and securely disposed.

### 2024 Progress

As a service-based organisation, paper remains our largest waste stream. In 2024, we focused on embedding sustainable paper practices, advancing digital transformation, and diverting waste from disposal.

#### Discontinuation of Corporate Notebooks Production

RHB has been designing, producing and distributing corporate notebooks on an annual basis, to be used as corporate gifts and for use internally, amongst staff. Between FY2020-FY2023, the Group has produced and distributed approximately 192,500 corporate notebooks.

In line with our efforts to reduce paper consumption and embrace digital ways of working, in 2024, we made the decision to stop the production of corporate notebooks moving forward.

#### Impact

◆ Avoided the production of approximately **47,000** corporate notebooks, which is an estimation of savings of 300 trees.

#### Certified Sustainable Paper Usage

Where possible in our operations, we strive to utilise Programme for the Endorsement of Forest Certification ("PEFC") certified paper within our office operations. This ensures that the paper used is sourced responsibly and aligns with global sustainability standards.

In line with our efforts to reduce paper consumption and embrace digital ways of working, in 2024, we made the decision to stop the production of corporate notebooks moving forward.

#### Impact

◆ **111,995** reams of PEFC-certified paper were procured in 2024.

# Embedding Good Practices

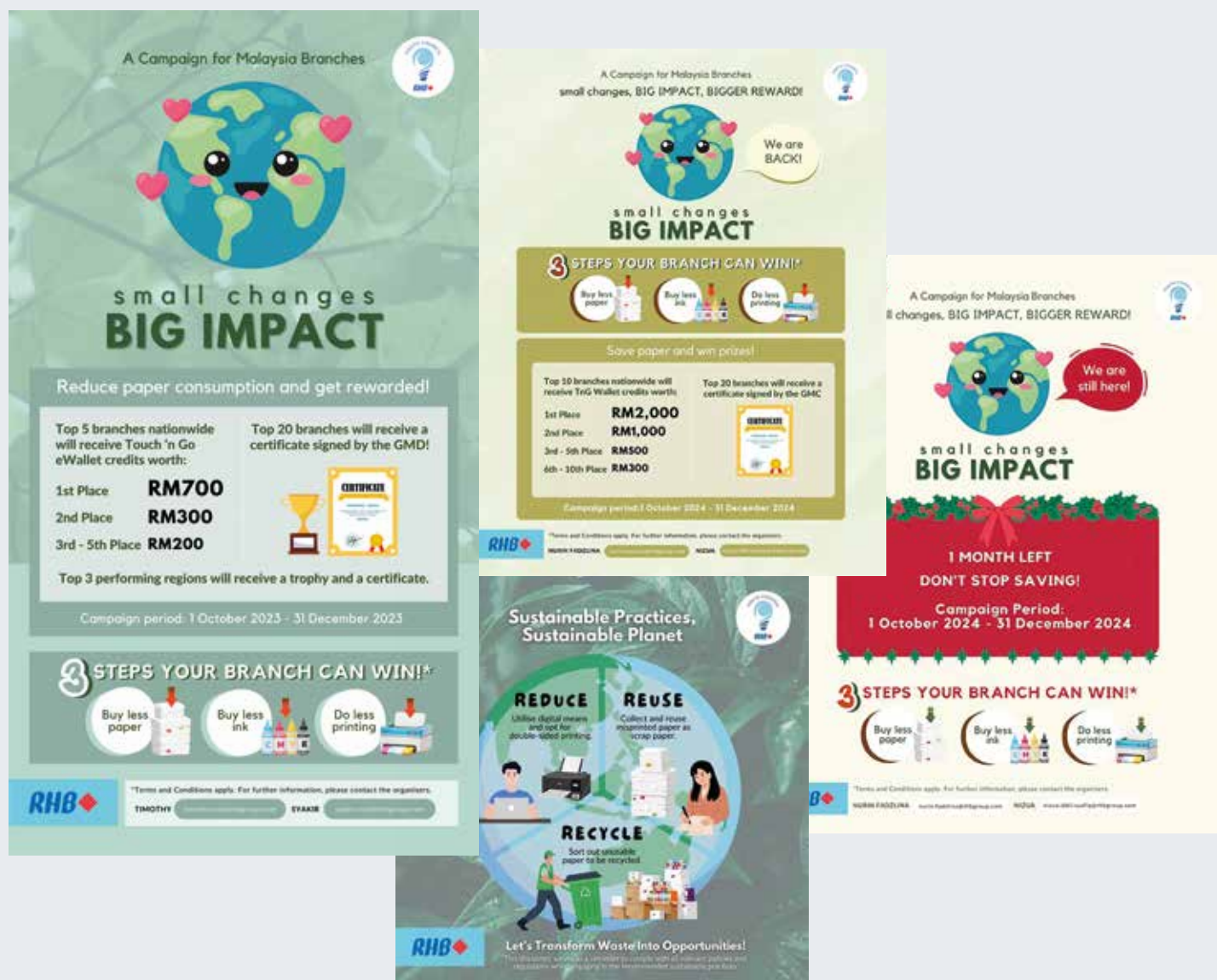
## Managing Our Direct Environmental Impact

### Case Study: Small Changes, Big Impact Campaign

Now in its second year, this campaign—organised by the RHB Youth Council—motivated branches across Malaysia to adopt sustainable paper practices. Focused on the motto of "buying less, using less, and printing less," branches were incentivised to collectively reduce paper consumption, thus contributing towards the Group's overall sustainability progress. Prizes were awarded to the branches that managed to achieve the largest percentage reduction in paper consumption between the third and fourth quarter of 2024.

#### Impact

- 198 RHB branches across Malaysia participated in the initiative.
- Achieved approximately **RM34,000** in total cost-savings from reduced printing costs across participating branches.

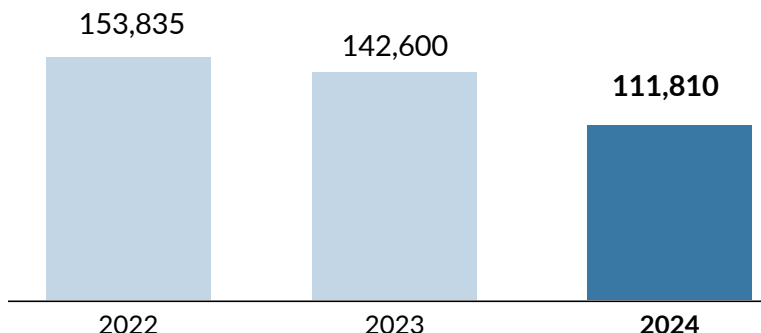


### Paper Procurement

We reduced paper consumption across operations in 2024, with fewer reams procured compared to previous years. This reduction is part of our broader initiative to transition to digital solutions and improve operational efficiency, including promoting e-statements to minimise printed materials and support our sustainability goals.

#### Impact

#### Paper Consumption (reams)



### Waste Reduction and Management

Since 2020, we have continued to conduct the RHB Eco-Friendly Cafeteria initiative, aimed at reducing usage of single-use plastic. Cafeterias at RHB Centre and RHB Complex Bangi do not provide single-use plastics such as straws, food containers and plastic bags. Employees are encouraged to bring their own containers and reusable cutlery or pay for more environmentally-friendly options such as biodegradable containers.

Additionally, recycling bins are provided in the main lift lobbies at RHB Centre, to encourage employees to adopt more environmentally-conscious daily habits.

#### Impact

- ◆ In 2024, we generated **67,543 kg** of waste, which was disposed in compliance with regulatory requirements.

## Outlook

Moving forward, we will continue to proactively drive environmental stewardship through impactful resource management initiatives, addressing water consumption, paper consumption and waste management. We will also continue to build environmentally-conscious habits among employees, encouraging them to be more sustainable in their daily lives. These efforts are not only crucial for minimising our ecological impact but also for future-proofing our operational resilience, ensuring enduring sustainability and cultivating a culture of responsible consumption that permeates our entire value chain.



# Enriching and Empowering Communities

## Creating Positive Social Impact

### Related Material Matters

CE Community Enrichment & Empowerment

FI Financial Inclusion

Relevant Bursa Common Sustainability Matters

Community/Society

At RHB Banking Group, we believe that real progress happens when business growth and social impact go hand-in-hand. As we move forward with our purpose-driven agenda, we remain committed to aligning our business priorities with the well-being of the communities we serve. In today's world, where ESG considerations are more important than ever, creating meaningful social impact isn't just the right thing to do – it is a competitive advantage that attracts investors, customers, and talent.

Our commitment to this vision is captured in our tagline, "Together We Progress," a reflection of our focus on driving financial inclusion and empowering communities.

The lessons we have learned from 2022 to 2024 have sharpened our strategy, and strengthened our resolve. By embedding financial literacy and inclusive financial solutions into our initiatives, we are opening doors for individuals, businesses, and communities to participate more actively in the economy. But for us, true progress goes beyond financial outcomes – it is about the opportunities we create and the lives we touch along the way.

### Key Achievements

Cumulatively empowered **787,500** students via MySISWA programme

**10,034** individuals reached through financial literacy initiatives

Empowered **251** micro-SMEs through the RHB #JomBiz programme

Raised over **RM600,000** in funding through RHB Touch Hearts

Issued **>328,000** RHB Islamic-WWF Debit Card-i, supporting marine and oceanic research efforts

Delivered sustainability capability-building for **>1,400** SMEs



### Awards & Recognition:

#### Star ESG Positive Impact Awards 2024

**Silver**

Relations with Local Communities

#### Taylor's Community #UnityinAction CSR Awards

**Silver**

Sustainable Education Initiative

#### ABM's 50th Anniversary CSR Excellence Awards

**Champion**

Inclusive Economic Growth (RHB #JomBiz)

**1<sup>st</sup> Runner-up**

Community Development/Community Building (RHB #Empower)

### Our Approach

Financial inclusion and community empowerment are at the heart of our commitment to supporting 2 million individuals and businesses across ASEAN by 2026. By expanding access to financial services and creating economic opportunities, we are helping underserved communities build sustainable livelihoods and a better future.

To deepen our impact, we appointed a Head of Group Corporate Communications and Social Impact in 2024 – a move that enhances strategic alignment, strengthens cross-sector collaboration, and ensures we measure outcomes through a data-driven approach. This dedicated leadership reflects our belief that meaningful change requires both vision and accountability.

While social impact is woven into everything we do, the RHB Foundation plays a key role in delivering targeted, community-driven programmes. Established in 2015 and governed by an independent Board of Trustees, the Foundation upholds the highest standards of governance and accountability in driving our community engagement programmes. Key initiatives led by the Foundation include the RHB X-Cel Academic Excellence Programme and the RHB X-Cel Star Scholarship Programme, which provides education support for underprivileged students, and RHB Touch Hearts 360, which focuses on community outreach. These programmes are a testament to our mission to make a lasting difference.

Through these collective efforts, we address immediate needs while creating pathways to long-term economic mobility and empowering communities to thrive.



## Advancing Financial Inclusion

RHB's financial inclusion efforts are more than just about providing access – we aim to empower individuals and businesses, especially those in underserved communities, with the tools, knowledge, and opportunities to thrive. Contributing close to 90% towards our goal of empowering 2 million individuals and businesses by 2026, we continue to expand financial access, strengthen financial literacy, and equip SMEs with the capabilities they need to succeed.

Our flagship programmes focus on building financial literacy and fostering strategic partnerships that empower individuals and communities. At the same time, our core initiatives are designed to deliver SME-focused solutions, enhancing their digital capabilities, sustainability readiness, and industry outreach. Together, these efforts reflect our belief that financial inclusion goes beyond access – financial inclusion enables sustainable economic growth and ensures meaningful participation for all.

# Enriching and Empowering Communities

## Creating Positive Social Impact

### 2024 Progress

#### MySISWA Programme

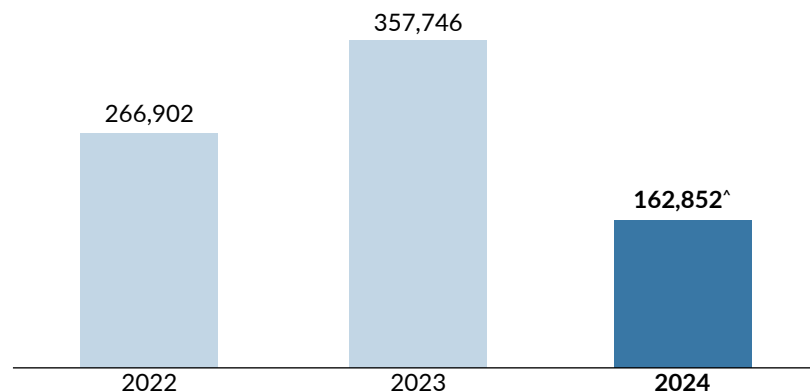
Launched in 2021, the MySISWA Programme, in collaboration with the Ministry of Higher Education ("MoHE"), provides students from 20 public universities with the financial tools to enhance their independence. Through the ProSavings-i account and MySISWA Debit Card, we offer a cashless solution that helps students manage their finances and develop responsible financial habits.

The MySISWA Debit Card also serves as a university access tool, enabling seamless financial transactions and services such as library access and attendance tracking. This initiative supports students in building financial literacy and managing their finances effectively.

#### Impact

◆ **787,500** accounts opened since 2022

#### Our Performance:



#### Financial Literacy

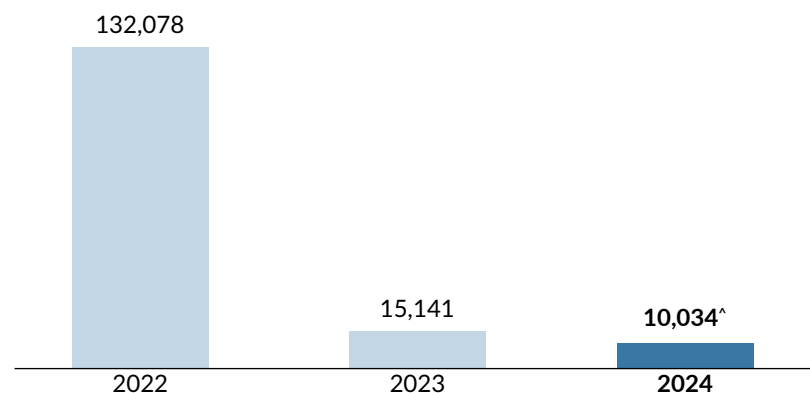
Financial literacy is the cornerstone of financial inclusion, ensuring individuals and communities can confidently access, understand, and use financial services. Through RHB's Financial Literacy ("FinLit") programme, we provide children and youth with essential skills in saving, budgeting, and investing, helping them build a solid foundation for financial security that lasts a lifetime.

By integrating practical financial education into everyday experiences, we empower people to make informed decisions and actively participate in the economy. Our branches and employees play a vital role as FinLit ambassadors, sharing knowledge at the community level and bridging the gap between financial access and financial capability.

#### Impact

◆ Cumulatively reached **157,253** individuals through our financial literacy programmes

#### Our Performance:



FinLit achievements include those from RHB Money Ma\$ter Programme as well as smaller-scale financial literacy programmes conducted across Malaysia and Singapore.

FY2022 achievements included the goWave digital financial literacy initiative from Cambodia, which was subsequently removed from tracking, due to difficulties in monitoring and verifying the reported data.

<sup>^</sup> This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report.



## MySISWA Programme - Hear from the Students!

**Daneswaran A/L Muneswaran Thiagu**, Student, Universiti Sains Malaysia

*"The RHB MySISWA Debit Card-i makes it easy for me to make cashless payments at campus and off-campus stores. It also allows me to monitor my spending in more detail through account statements."*



**Nur Airien Shahiera Binti Azura**, Student, Universiti Sains Malaysia

*"Thanks to the RHB MySISWA Debit Card-i, I do not need to carry a separate student ID and ATM card. At the same time, I have been able to conveniently review my spending and improve my saving habits, to improve my money management skills."*

*"The cashless campus initiative introduced MySISWA has helped bring awareness on the importance of financial literacy, digital banking, and sound financial management skills."*

**Syed Hassan Iqmal Bin Abu Bakar**, UiTM Kota Kinabalu



*"Through MySISWA, we learn valuable life skills such as budgeting, managing our expenses more prudently, and even how to use digital banking skills. These are important skills which prepare us for life after graduation."*

**Siti Syafinaz Binti Abdul Rahman**, Universiti Kebangsaan Malaysia



## RHB Money Ma\$ter Programme – Hear from Our Participants

*"After participating in the RHB programme, I have become more organised in managing my finances. I have learned how to handle my own money wisely, which has also helped me save my school allowance."*

**Mia Irdina Binti Mohd Ihsan**,  
Student, SMS Tuanku Aishah Rohani



*"This programme has helped me understand personal finance by introducing strategies for making better financial decisions and budgeting wisely without falling into debt. It also taught me how to protect my assets from financial scams by staying alert to fraudulent investment schemes and financial service offers on digital platforms."*

**Nurfatin Nadhirah Binti Md Jais**,  
Teacher, SMS Tuanku Aishah Rohani



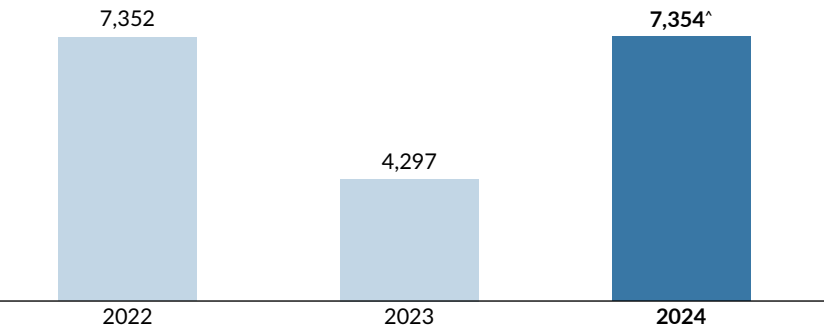
# Enriching and Empowering Communities

## Creating Positive Social Impact

### SME e-Solutions Platform

Our SME e-Solutions platform offers a comprehensive suite of business and management tools for SMEs, across human resources, operations, and accounting. In 2024, we took a significant step forward by introducing API connectivity to RHB Reflex Premium Plus, enabling businesses to seamlessly integrate with their existing systems. This enhancement allows SMEs to automate financial processes, improve data accuracy, and streamline operations, making financial management more intuitive and hassle-free. By reducing manual tasks and enhancing efficiency, we empower businesses to focus on growth while managing their finances with greater ease and precision.

Our Performance:  
No. of Customers



<sup>^</sup>This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report.

Impact

◆ Cumulatively onboarded

19,003

customers to the platform

For more information on this initiative, please refer to page 153 of this report.

### SME Empower

We understand the unique challenges SMEs face when integrating sustainability principles into their business operations. For this reason, since 2023, we have been hosting targeted capability-building roadshows and programmes to raise awareness about climate change, sustainable business practices, and the low-carbon transition. Through these initiatives, we aim to equip SMEs with the tools and resources they need to strengthen business resilience and navigate a more sustainable future.

To broaden our reach and deepen our impact, we collaborate with strategic partners to deliver these SME engagement programmes. In 2024, our partnerships included:

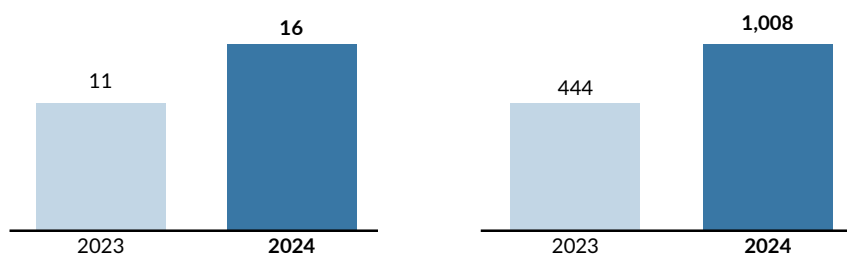
|  |  |
|--|--|
| <div>Tenaga Nasional Berhad ("TNB")</div> <div>9 roadshows</div> <div>576 SMEs</div>             | <div>SME Association Malaysia</div> <div>1 roadshows</div> <div>54 SMEs</div>  |
|              |  |
| <div>Malaysian Retail Chain Association ("MRCA")</div> <div>1 roadshows</div> <div>76 SMEs</div> | <div>SME Corporation Malaysia</div> <div>5 roadshows</div> <div>302 SMEs</div> |



## Our Performance:

No. of Roadshows held

No. of SMEs Engaged



## Impact

- ◆ Cumulatively empowered **1,452** SMEs through 27 roadshows since 2023

Note: SME Empower programme began in 2023.



## Enriching and Empowering Communities

### Creating Positive Social Impact



#### Empowering Communities

We believe that empowering communities means creating real opportunities for people to thrive. As a financial institution with a wide reach across Malaysia and ASEAN, we recognise our responsibility to drive lasting positive social impact – especially for those who need the most. Our approach focuses on equipping underserved groups including Micro, Small, and Medium Enterprises ("MSMEs"), students, neurodiverse individuals, and People with Disabilities ("PWDs") with the tools, skills, and opportunities they need to build sustainable livelihoods and lead fulfilling lives.

Through a strong network of impact partners, we provide access to knowledge, skills, and market opportunities that enhance financial resilience and workforce readiness. By fostering a more inclusive economic landscape, we empower individuals and businesses to participate meaningfully in long-term growth and development – ensuring no one is left behind.

## 2024 Progress

### RHB X-Cel Academic Excellence Programme

Dedicated to empowering students from disadvantaged backgrounds by providing tuition classes and full scholarships. This programme focuses on Sijil Pelajaran Malaysia ("SPM") students from B40 families by offering financial aid to help them pursue higher education and achieve professional success.

For high-achieving students, we go a step further by offering full scholarships for undergraduate studies, ensuring that financial challenges do not hinder their potential. Through this initiative, we are not just supporting education, we are opening doors to brighter futures and nurturing the next generation of leaders and changemakers.

### Impact

- ◆ Reached **2,066** SPM students from **63** schools, exceeding the year's target by **4%**
- ◆ Supported **48** scholars under the X-Cel Star Scholarship, with **63%** achieving a CGPA of **3.5+** and **29%** scoring between 3.0–3.49
- ◆ Awarded full scholarships to **ten scholars** from Cohort 5

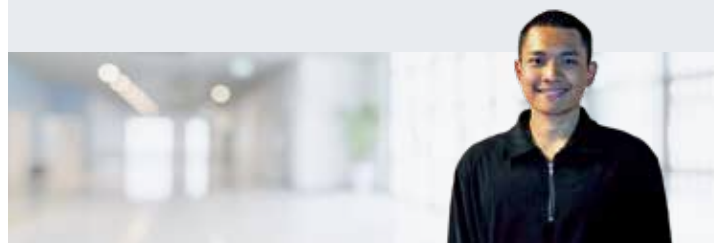
### Hear from Our Scholars!

#### Khairul Anam Bin Amat Sidiq,

Cohort 4 Scholar, Computer Science (Software Engineering),  
Universiti Malaya



*"After graduation, I aspire to excel in computer science, uplift my family financially, and give back to my community. The RHB scholarship has been pivotal, providing financial aid, training, and mentorship that enhanced my skills. The stability and guidance it offered have been invaluable in shaping my journey. None of this would be possible without RHB's unwavering support."*

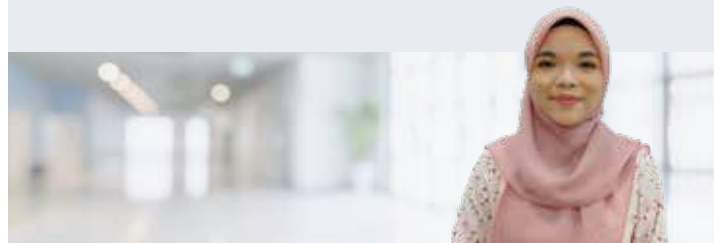


#### Umi Shahirah Binti Mardzuki,

Cohort 4 Scholar, Materials Engineering,  
Universiti Sains Malaysia



*"The RHB scholarship and 'Present with Confidence' training have strengthened my leadership and teamwork skills. Inspired by this, I took on university leadership roles, leading a student engagement initiative. I now plan to apply these skills to organise educational workshops and mentorship programmes, paying it forward to uplift my community."*





# Enriching and Empowering Communities

## Creating Positive Social Impact

### RHB #Empower Programme

Launched in 2022, the programme is dedicated to supporting neurodivergent youth (aged 21–35) from M40 and B40 families, equipping them with the skills and confidence needed for community integration and meaningful employment.

Through the support and collaboration with strategic partners such as the Human Resource Development Corporation (“HRD Corp”), our #Empower participants were offered internships or job opportunities across various industries.

RHB remains committed to building a more inclusive society where everyone has the opportunity to thrive. We will continue to enhance our programme to better address the unique challenges faced by neurodivergent individuals, ensuring a higher success rate for long-term employment and sustainable career growth.

Impact

- ◆ Benefitted **20 individuals** since the programme's launch, equipping neurodiverse youths with employment and independent living skills
- ◆ Achieved an **85%** success rate in placing neurodivergent individuals into internships and permanent roles

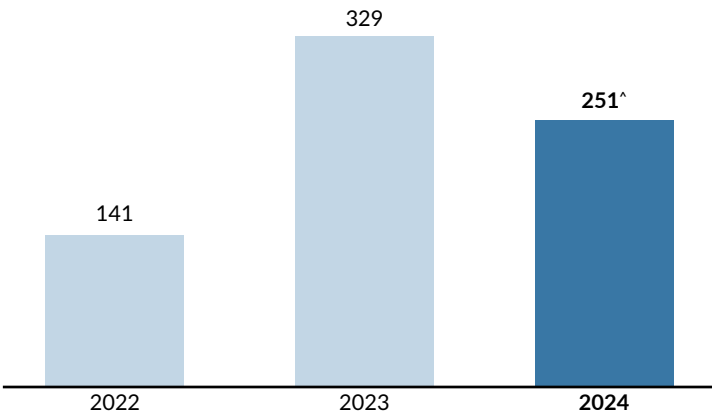
### RHB #JomBiz Programme

The programme is a social empowerment initiative designed to support microenterprises with annual sales turnovers of up to RM300,000. Through a combination of capability-building initiatives, mentorship, and seed funding, we provide entrepreneurs with the tools and knowledge they need to sustain and grow their businesses — paving the way for long-term success.

In 2024, #JomBiz continued its multi-cohort approach, with Cohort 5 completing the programme. Key activities included:

- ◆ **Targeted Training:** Delivering practical workshops focused on strategic decision-making, branding, and financial management, tailored to the unique needs of micro-SMEs.
  - ◆ **Personalised Mentorship:** Offering hands-on guidance to help entrepreneurs navigate operational challenges and scale their businesses sustainably.
  - ◆ **Seed Funding:** Providing growth capital to promising micro-SMEs within Cohort 5, accelerating their business expansion.
- Market Access Platforms:** Hosting #JomBiz Bazaars, connecting micro-entrepreneurs with new customers and expanding market reach.

Our Performance:  
No. of Beneficiaries



<sup>^</sup>This data has been externally assured. Please refer to the independent limited assurance report in this report.

Note: The #JomBiz programme saw a reduction in beneficiaries from 329 in 2023 to 251 in 2024 due to natural variations in the number of MSME applications received and the number of eligible and successful applications.

#### Nurul Farhana Binti Amirul Hizan,

Founder of Hanawarra Creation Enterprise, RHB #JomBiz Cohort 5 Champion (RM15,000 seed funding recipient)

*"Grateful to receive RHB #JomBiz seed funding this year! It has enabled me to upgrade my equipment, sped up my snacks production, boosted capacity, and grown our team from 1 to 4. With the knowledge from #JomBiz programme, I'm confident Hana's Herb will become a renowned dried snack brand. Thank you, RHB, for the support. I will carry this responsibility with pride and dedication!"*



#### Mohd Shafiq Ezwanie Bin Jafri,

Founder of Senju Co, RHB #JomBiz Cohort 5 1st Runner-Up Winner (RM12,000 seed funding recipient)

*"Joining #JomBiz was a game changer for Dapur Senju. The grant enabled us to boost production, diversify products, and enhance marketing strategies. The programme's coaching and guidance built our confidence and unlocked new growth opportunities. Thank you, RHB!"*



#### Impact

- ◆ Cumulatively empowered **721 MSMEs** since 2022
- ◆ Empowered **251 micro-SMEs** with RM220,000 invested in 2024, including 32% seed funding for ten high-potential MSMEs in Cohort 5
- ◆ Organised ten #JomBiz bazaars, enabling **100+ micro-businesses** to boost sales and customer networks
- ◆ Recognised nine entrepreneurs at **The Star Outstanding Business Awards ("SOBA")** across 2023 and 2024
- ◆ **Secured four industry awards** (three local and one international), including the Champion for Inclusive Economic Growth by the Association of Banks in Malaysia ("ABM")



## Enriching and Empowering Communities

### Creating Positive Social Impact



#### Supporting A Broader Social Impact Agenda

While our primary goal is to empower 2 million individuals and businesses by 2026, we go beyond the numbers by supporting broader sustainability and community empowerment objectives. Through initiatives that champion cultural and artistic expression, volunteerism, and financial inclusion, we aim to strengthen social resilience and enhance community well-being.

Our targeted efforts are designed to create opportunities, foster meaningful engagement, and promote economic participation. By focusing on sustainable progress, we are not just meeting targets – we're building stronger, more inclusive communities where everyone has the chance to thrive.

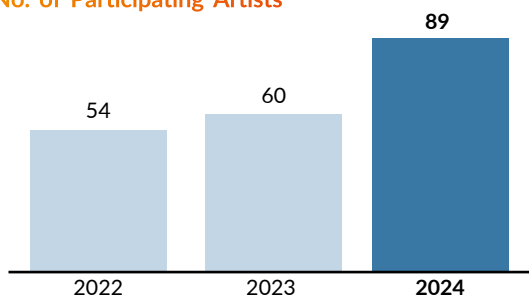
## Cultural and Artistic Support

### RHB Art With Heart

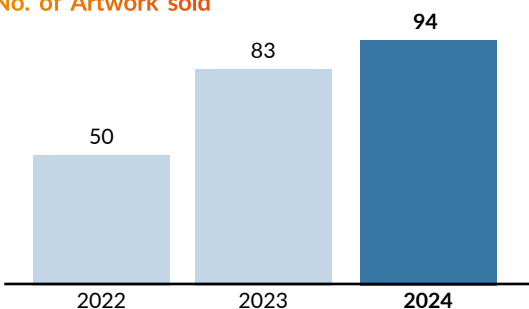
Since its launch in 2016, the programme has been dedicated to empowering emerging and differently-abled artists by providing them with a platform to showcase their work through exclusive exhibitions. More than just an art display, this initiative celebrates diverse artistic expressions while offering customers and business partners the chance to invest in meaningful artwork. By bridging creativity with opportunity, we are fostering a more inclusive and vibrant art community - one where every artist's voice can be seen, heard, and valued.

#### Our Performance:

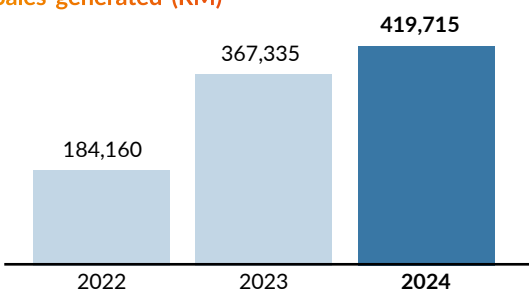
##### No. of Participating Artists



##### No. of Artwork sold



##### Sales generated (RM)



Note: Empowerment under RHB Art with Heart will contribute towards the Group's Sustainability KPI from 2025 onwards, with the rollout of our Strategic Focus Areas (2025-2027) for social impact.



#### Impact

Since 2016, we have:

- ◆ Enabled **270** artists to showcase their artwork
- ◆ Sold **358** artworks
- ◆ Generated **RM1,594,973** in sales

# Enriching and Empowering Communities

## Creating Positive Social Impact



Volunteerism

### RHB Touch Hearts

We believe employee volunteerism is key to creating lasting impact for our communities. Through our flagship programme – RHB Touch Hearts we empower employees across seven ASEAN countries to lead and participate in initiatives that address pressing social and environmental needs.

- ◆ **RHB Touch Hearts:** Inspires employee-led volunteerism, encouraging our people to design and deliver meaningful community projects that create real, positive change.
- ◆ **RHB Touch Hearts 360:** Takes a holistic approach to well-being by focusing on long-term empowerment initiatives that uplift underprivileged and marginalised communities. This includes festive donations and philanthropic contributions, ensuring that individuals and communities in need receive meaningful support during significant moments and beyond.

Through these programmes, we go beyond giving back to our communities; we are building stronger communities and fostering a culture where everyone can make a difference.

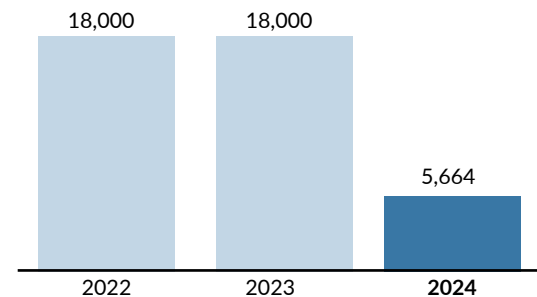
### Impact

Cumulatively, we have:

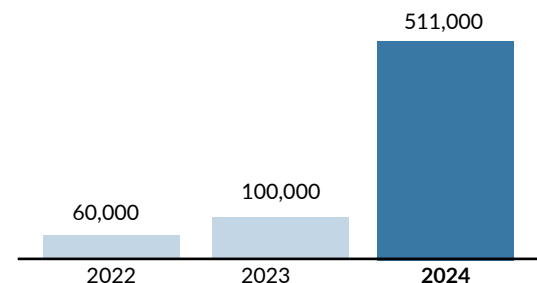
- ◆ Reached **41,664** direct beneficiaries and approximately 715,000 indirect beneficiaries
- ◆ Implemented **125** staff-driven projects
- ◆ Raised **RM2,161,160** in funding

### Our Performance:

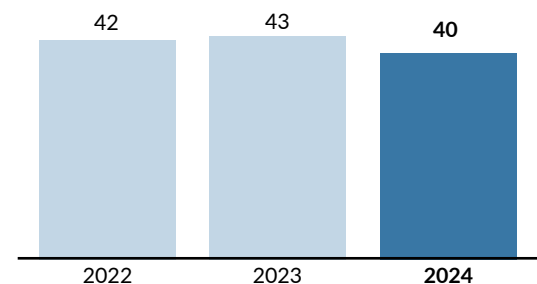
#### No. of Beneficiaries (Direct)



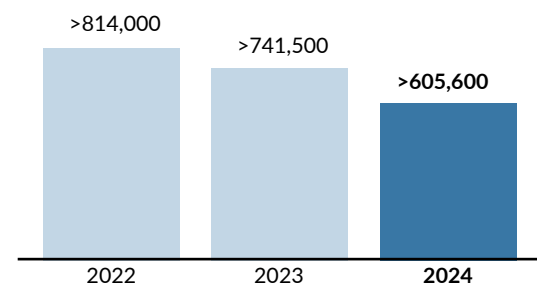
#### No. of Beneficiaries (Indirect)



#### No. of Staff-Driven Projects Implemented



#### Funding Raised (RM)





## Case Study: across ASEAN



### Malaysia

- Impacted 11,514 individuals across Malaysia with a total investment of RM431,850.
- Contributed RM1 million to flood and natural disaster relief, benefiting 3,862 individuals nationwide.
- Provided festive donations to 10,000 underprivileged families during key celebrations.



### Thailand

- Empowered the *Khlong Toei* community through a CSR initiative at the Duang Prateep Foundation, benefiting 100+ community members.
- Engaged 50 employees who contributed THB 113,071 toward local development initiatives.



### Cambodia

- Raised USD 1,097 through a Back-to-School Fundraising Bazaar, providing school supplies and teacher stipends for two kindergartens.
- Engaged 60 employees in school transformation projects, benefiting 48 children, supported by an additional USD 1,000 from RHB Group Sustainability.



### Laos

- Upgraded infrastructure at a local primary school, enhancing the learning environment.
- Led a tree-planting initiative, promoting environmental education.
- Mobilised 60 staff members in community outreach projects.

## Community Engagement

### Social Harmoni Initiatives

Social Harmoni initiatives under RHB Islamic are designed to drive positive social impact through a structured approach that advances Islamic social finance and uplifts communities. Aligned to Maqasid Shariah, our initiatives focus on four key areas: economic empowerment, education empowerment, community livelihood, and sustainability.

Through economic empowerment, we promote financial independence and entrepreneurship, helping to uplift underserved communities and reduce socio-economic disparities. Our education empowerment efforts provide access to quality education and learning opportunities, equipping individuals with the skills and knowledge needed to thrive. We also prioritise community livelihood by enhancing the well-being of marginalised groups through targeted support, capacity building, and access to essential resources. Additionally, we drive sustainability initiatives that foster environmental stewardship and encourage sustainable practices, ensuring long-term benefits for both communities and the environment.

Through Social Harmoni, we remain committed to fostering inclusive growth and building resilient communities while upholding Islamic values and delivering meaningful, lasting change.



## Enriching and Empowering Communities

### Creating Positive Social Impact

#### Spotlight on: B40 Empowerment Strategy – Be Your Own Boss (“BEST-BYOB”)

BEST-BYOB empowers *asnaf* from the B40 community through franchise and pre-franchise business opportunities. In partnership with Perbadanan Nasional Berhad (Pernas), the programme provides training, business matching, zakat-funded financial assistance, and mentorship.

#### Impact

- ◆ Disbursed **RM768,477** in zakat funds since inception including RM370,917 in 2024
- ◆ Reached **50** ongoing and graduated participants in 2024
- ◆ **Expanded BYOB** to Universiti Putra Malaysia (“UPM”) and Universiti Utara Malaysia (“UUM”)

Nur Liyana Syamimi Binti Mohd Sabri,  
BEST-BYOB participant who runs Pandan Cendol



*“I would like to express my sincere gratitude to RHB Islamic for providing valuable business opportunities for students. This initiative allows us to learn about business first-hand and gain practical experience in today’s competitive world.”*

Lailatul Akmal Awiss Bin Juharin,  
BEST-BYOB participant who runs Kerepok Getel



*“I’ve learned a lot about the real challenges of running a business and gained useful knowledge in a field I’m passionate about. It’s also been great because it has given me the chance to help students by offering part-time jobs to support them while studying at university.”*

#### Spotlight on: B40 Education Empowerment Programme (“BEEP”)

BEEP addresses education barriers for *asnaf* and B40 children by providing financial support, resources, and access to opportunities. In 2023, RHB Islamic partnered with Yayasan Pelajaran MARA (“YPM”) under a three-year Memorandum of Understanding (“MOU”) (2023–2025), committing up to RM1 million in zakat contributions.

#### Impact

- ◆ Benefitted over **2,500** individuals, including students, teachers, and parents
- ◆ Disbursed **RM321,520** in zakat funds for tuition support and educational resources
- ◆ Expanded the programme to Perak and Southern regions



### Spotlight on: Community Empowerment through Zakat

RHB Islamic continues to uplift communities by providing targeted zakat contributions that support education, infrastructure restoration, disaster relief, and underserved groups. Our zakat contributions help enhance learning environments and provide essential assistance to students facing financial hardship.

| Impact of 2024 Zakat Programmes under<br>Community Livelihood                                | Contribution |
|--|--------------|
| Purchased smart televisions for <i>Sekolah Dato' Abdul Razak, Seremban</i> .                 | RM10,000     |
| Supported 100 <i>asnaf</i> beneficiaries through a community cycling event.                  | RM10,000     |
| Delivered essential flood relief kits to affected students, teachers, and staff.             | RM10,000     |
| Funded infrastructure repair and restoration at <i>Surau Al-Syakirin, Bandar Utama</i> .     | RM5,000      |
| Facilitated distribution of zakat refunds to five <i>asnaf</i> families in Perlis and Kedah. | RM40,000     |
| Provided financial support for education expenses of deceased staff's children.              | RM3,000      |

Note: In 2024, RHB Islamic did not implement programmes under the Sustainability Initiatives focus areas, as there were no suitable programmes assessed, with eligible *asnaf* beneficiaries.



### Ocean Harmoni ("OH") Initiatives

Aligned to the Group's wider environmental stewardship efforts, the Ocean Harmoni initiative driven by RHB Islamic aims to promote marine and oceanic conservation awareness, in support of UN SDG 14: Life Below Water. Through collaboration with programme partners, research institutions, universities and local communities, the programme aims to encourage responsible consumption of marine resources.

### Spotlight on: RHB Islamic-WWF Debit Card-i

Since 2020, RHB Islamic has embedded environmental sustainability into everyday banking through Asia Pacific's first eco-friendly recycled plastic debit card, developed in partnership with the World Wide Fund for Nature ("WWF") Malaysia. Designed to promote marine ecosystem conservation, the initiative embeds sustainability into financial services while raising awareness of environmental protection.

For every card issued, RM3 is donated to *Universiti Malaysia Terengganu* ("UMT") to support conservation and research efforts for the endangered Green Sea Turtle. This initiative strengthens ongoing marine protection efforts, allowing customers to contribute directly to sustainability through their daily banking choices.

### Impact

- Issued **>328,000** cards
- Accumulated **RM389.9 million** in total Current Account and Savings Account ("CASA") deposits linked to related accounts

## Enriching and Empowering Communities

### Creating Positive Social Impact



#### Spotlight on: Marine Conservation and Sustainability Leadership

Collaborated with *Universiti Malaysia Terengganu* ("UMT") to co-organise the *Global Young Leaders* ("GYL") *ESG Summit and Bidong Summit 3.0*, advancing efforts in marine conservation, youth empowerment, and financial literacy.

**GYL ESG Summit** provided participants with hands-on exposure to turtle conservation and rehabilitation at the *SEATRU Chagar Hutang Turtle Sanctuary*, Redang Island.

Through the ***Bidong Summit 3.0***, we deployed decommissioned RHB ATMs as Datum Points to support archaeological and marine research in partnership with UMT and the National Heritage Department.



#### Impact

- ◆ Engaged **100** university students and **50** National Student Council representatives at the GYL ESG Summit
- ◆ **Deployed two decommissioned** RHB ATMs as Datum Points at Bidong Island, supporting underwater archaeological and conservation research efforts

#### Dato' Adissadikin Ali,

Managing Director/Chief Executive Officer, RHB Islamic Bank Berhad

"For Merdeka Dive 3.0 and Bidong Summit, one of our initiatives was donating a used ATM machine as a Datum Point for archaeological research. UMT conducts extensive underwater excavations, and while the ATM no longer holds money, its significance is profound. When people see an ATM, they think of wealth, but here, it marks a key research site—highlighting the importance of preserving history, which we must learn from to shape our future."



### Spotlight on: Coastal Science, Technology, Engineering, and Mathematics ("COA-STEM") and Mangrove Restoration 2024

RHB Islamic collaborated with the Langkawi Development Authority ("LADA") and Sekolah Menengah Kebangsaan Sultan Ibrahim, to execute an impactful conservation programme in September 2024. Blending STEM education with coastal and mangrove conservation, the initiative aimed to equip Form Six students with the knowledge and practical skills needed to become future leaders in sustainability.

#### Impact

- ◆ Gained national recognition, leading to invitations extended to **40,000** Form Six and pre-university students nationwide
- ◆ Welcomed **150** outstanding participants, each of whom opened an RHB Islamic savings account

### Syed Abd Rahman,

DiveHeart Malaysia Ambassador Tioman 2024

"Participants were briefed on our mission to remove COT starfish, a species that poses a serious threat to Malaysia's coral reefs. They also had the opportunity to see these starfish up close and learn about the eradication process to protect marine biodiversity."



## Outlook

Our priorities remain focused on enhancing socio-economic mobility and fostering long-term community resilience. As we progress into 2025, the launch of our new corporate strategy, PROGRESS27 provides an opportunity to unify the Group's social impact initiatives, ensuring they align closely with the evolving needs of unserved and underserved communities. To this end, we have refined our social impact target, with a view to empower 2.5 million targeted individuals and businesses across ASEAN by 2027. This refined commitment will drive the Group to widen our reach, maximising the impact created from our programmes.

### Our Plans for 2025–2027: Advancing Impact Through a Unified Approach

Between 2025 and 2027, we will advance our impact through a more integrated and purpose-driven approach. Central to this effort is the introduction of the Purpose-Driven Social Impact Framework, which focuses on Financial Inclusion and Community Empowerment. This framework outlines clear strategies and actions to address critical community needs, ensuring our initiatives deliver meaningful and measurable outcomes.

Beyond delivering impact, the framework will also spotlight inspiring stories of beneficiaries, showcasing the tangible difference our efforts make in people's lives. By amplifying these voices, we aim to foster collective progress and drive positive change, reinforcing our commitment to building a better, more inclusive future.

## Appendices

# Our Contribution to the UN SDGs












As a financial institution, we play a vital role in fostering economic growth while advancing sustainability, acknowledging that collective

We have identified 11 prioritised United Nations Sustainable Development Goals ("UN SDGs") from FY2023, sustaining our targeted our financial solutions, business operations, and market influence.

| SDG Target                                    | Relevant SDG Target   |
|---|---|
| Quality Education                             | <p>4.4 Substantially increase the number of youth and adults who have relevant skills for employment, decent jobs and entrepreneurship</p> <p>4.b Expand the number of scholarships available for enrolment in higher education</p>   |
| Gender Equality                               | <p>5.5 Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making</p>  |
| Affordable & Clean Energy                     | <p>7.2 Increase substantially the share of renewable energy in the global energy mix</p> <p>7.3 Double the global rate of improvement in energy efficiency</p> <p>7.a Promote investment in energy infrastructure and clean energy technology</p> <p>7.b Expand infrastructure and upgrade technology for supplying modern and sustainable energy services</p>  |
| Decent Work and Economic Growth               | <p>8.3 Encourage the growth of micro-, small- and medium-sized enterprises, including through access to financial services</p> <p>8.6 Substantially reduce the proportion of youth not in employment, education or training</p> <p>8.8 Protect labour rights and promote safe and secure working environments for all workers</p> <p>8.10 Expand access to banking, insurance and financial services for all</p>                                  |
| Industry, Innovation and Infrastructure       | <p>9.3 Increase the access of small-scale industrial and other enterprises, to financial services</p> <p>9.4 Upgrade infrastructure to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes</p> <p>9.a Facilitate sustainable and resilient infrastructure development through enhanced financial, technological and technical support</p> |
| Sustainable Cities & Communities              | <p>11.6 Reduce the adverse per capita impact of cities</p>  |
| Responsible Source Consumption and Production | <p>12.2 By 2030, achieve the sustainable management and efficient use of natural resources</p> <p>12.6 Encourage companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle</p>   |
| Climate Action                                | <p>13.1 Strengthen resilience and adaptive capacity to climate-related hazards</p> <p>13.3 Improve education, awareness-raising and human and institutional capacity on climate change</p>  |
| Life Below Water                              | <p>14.2 Sustainably manage and protect marine and coastal ecosystems to avoid significant adverse impacts</p> <p>14.5 Conserve coastal and marine areas, consistent with national and international law</p>   |
| Peace, Justice & Strong Institutions          | <p>16.4 Significantly reduce illicit financial and arms flows</p> <p>16.5 Substantially reduce corruption and bribery in all their forms</p> <p>16.6 Develop effective, accountable and transparent institutions at all levels</p>  |
| Partnerships for the Goals                    | <p>17.17 Encourage and promote effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships</p>  |

action is key to meaningful progress.

approach for deliberate and impactful contribution. By focusing on these interconnected SDGs, we strive to create long-term value through

| Related Sections   | SDGs  |
|--|---|
| People & Workplace (Building Best-in-Class Talents) pg 168 to 186  |    |
| People & Workplace (Promoting Diversity, Equity and Inclusion) pg 194 to 201   |    |
| Enabling Transition Through Sustainable Financial Services pg 108 to 137   |    |
| Creating Positive Social Impact pg 214 to 231<br>People & Workplace (Building Best-in-Class Talents) pg 168 to 186<br>Responsible and Sustainable Supply Chain Management pg 202 to 207<br>Risk Management pg 83 to 99 |   |
| Enabling Transition Through Sustainable Financial Services pg 108 to 137   |  |
| Enabling Transition Through Sustainable Financial Services pg 108 to 137   |  |
| Managing Our Direct Environmental Impact pg 209 to 213<br>Responsible and Sustainable Supply Chain Management pg 202 to 207<br>Risk Management pg 83 to 99<br>Ethics and Conduct pg 160 to 167                         |  |
| Enabling Transition Through Sustainable Financial Services pg 108 to 137   |  |
| Creating Positive Social Impact pg 214 to 231  |  |
| Ethics and Conduct pg 160 to 167   |  |
| Thought Leadership and Advocacy pg 44 to 47  |  |



# Sustainability and Climate-Related Policies and Guidelines

RHB takes a structured approach to managing sustainability-related risks and opportunities, underpinned by a comprehensive set of internal frameworks, policies, processes, and guidelines that form part of the Group's Intellectual Capital.

We adhere to regulatory requirements, policies, and practice notes set by relevant authorities, as well as industry best practices, standards, and guidelines.

| Material Matters                            | Policies & Guidelines  |
|---|--|
| Good Business Governance                    | <ul style="list-style-type: none"> <li>• Group Anti-Bribery &amp; Corruption Policy</li> <li>• Group Whistleblowing Policy</li> <li>• Group Fit &amp; Proper Policy</li> <li>• Group Corporate Sponsorship &amp; Donation Policy</li> <li>• Group Policy on Related Party Transaction</li> <li>• Group Policy on Conflict of Interest</li> <li>• Group Anti-Money Laundering &amp; Counter Financing of Terrorism Policy</li> <li>• Group Fraud Risk Management Policy</li> <li>• Group Gifts &amp; Hospitality Guideline</li> <li>• Group Code of Ethics &amp; Business Conduct for Directors</li> <li>• Group Code of Ethics &amp; Conduct for Employees</li> <li>• RHB Corruption Free Pledge</li> <li>• RHB Organisational Anti-Corruption Plan</li> <li>• Annual Corruption Risk Assessment &amp; Corruption Risk Management</li> <li>• Core Values ("P.R.I.D.E.")</li> <li>• Anti-Bribery &amp; Corruption Stance and Commitments</li> <li>• Whistleblowing or Speak-up Channels and Avenues</li> </ul> <p><i>Note: Our Corporate Governance is aligned with the following external guidelines and standards:</i></p> <ul style="list-style-type: none"> <li>• BNM Policy Document on Corporate Governance*</li> <li>• Bursa Main Market Listing Requirements*</li> <li>• Malaysian Code on Corporate Governance*</li> <li>• Bursa Malaysia Corporate Governance Guide 4th edition*</li> </ul> |
| Data Protection and Cybersecurity           | <ul style="list-style-type: none"> <li>• Technology and Cyber Risk Management Policy and Guideline</li> <li>• Group Data and Information Management Framework and Policy</li> <li>• Group Guidelines on the Personal Data Protection Act 2010</li> </ul>   |
| Financial Inclusion                         | <ul style="list-style-type: none"> <li>• Approval Letter from the Ministry of Education - RHB's Academic Excellence &amp; Financial Literacy Programmes*</li> <li>• Group Sustainability &amp; Communications Operations Manual</li> <li>• RHB Foundation Operations Manual</li> </ul>   |
| Digitalisation and Investment in Technology | <ul style="list-style-type: none"> <li>• Risk Management in Technology RMiT Framework</li> <li>• Technology and Cyber Risk Policy Guideline</li> </ul>   |
| Diversity and Equal Opportunity             | <ul style="list-style-type: none"> <li>• Boardroom Diversity Policy</li> <li>• Group Fit &amp; Proper Policy</li> <li>• Group Recruitment Policy</li> <li>• Group Manpower Planning Guidelines</li> </ul>  |
| Community Enrichment and Empowerment        | <ul style="list-style-type: none"> <li>• Guidelines for Approval of Director General of Inland Revenue Under Subsection 44(6) of the Income Tax Act 1967*</li> <li>• Approval Letter from the Ministry of Education - RHB's Academic Excellence &amp; Financial Literacy Programmes*</li> <li>• Group Sustainability &amp; Communications Operations Manual</li> <li>• RHB Foundation Operations Manual</li> </ul>   |

| Material Matters                      | Policies & Guidelines  |
|---------------------------------------|--|
| Sustainable Financial Services        | <ul style="list-style-type: none"> <li>Group ESG Eligible Business Activities Guidelines</li> <li>Green Finance Handbook</li> <li>No Deforestation, No New Peat and No Exploitation ("NDPE") Policy</li> <li>Coal Stance</li> </ul> <p><i>Note: Our ESG Eligible Business Activities Guidelines are aligned with the following external guidelines and standards:</i></p> <ul style="list-style-type: none"> <li>BNM Climate Change and Principle-based Taxonomy*</li> <li>Guidelines on Unit Trust Funds by the Securities Commission</li> <li>Guidelines on Sustainable &amp; Responsible Investment Funds by the Securities Commission*</li> <li>Sukuk: <ul style="list-style-type: none"> <li>Sustainable and Responsible Investment Sukuk Framework*</li> </ul> </li> <li>Bond: <ul style="list-style-type: none"> <li>ASEAN Green Bond Standards**</li> </ul> </li> <li>ASEAN Sustainability Bond Standards**</li> <li>Green Bond Principles (International Capital Market Association)**</li> <li>Sustainability Bond Guidelines (International Capital Market Association)**</li> <li>Climate Bonds Standards**</li> </ul> |
| Customer Experience                   | <ul style="list-style-type: none"> <li>RHB Group Complaint Management Policy</li> </ul> <p><i>Note: Our Group Complaint Management Policy is aligned with the following external guidelines and standards:</i></p> <ul style="list-style-type: none"> <li>BNM Complaints Handling Guidelines*</li> <li>BNM Fair Treatment of Financial Consumers Policy Guidelines*</li> <li>BNM Guidelines on Management of Customer Information and Permitted Disclosures*</li> </ul>  |
| Fair Treatment of Financial Customers | <ul style="list-style-type: none"> <li>RHB Group Complaint Management Policy</li> </ul> <p><i>Note: Our Group Complaint Management Policy is aligned with the following external guidelines and standards:</i></p> <ul style="list-style-type: none"> <li>BNM Complaints Handling Guidelines*</li> <li>BNM Fair Treatment of Financial Consumers Policy Guidelines*</li> </ul>   |
| Sustainable Supply Chain              | <ul style="list-style-type: none"> <li>Group Procurement Guidelines</li> <li>RHB's Supplier Code of Conduct</li> </ul>   |
| Climate Change                        | <ul style="list-style-type: none"> <li>Group Risk Management Framework</li> <li>Group Climate Risk Management Framework ("GCRMF")</li> <li>Group Climate Risk Management Policy ("GCRMP")</li> <li>RHB Banking Group Credit Policy (which includes Prohibited Credits)</li> <li>Group Retail Credit Guidelines</li> <li>Group Market Risk Management Framework</li> <li>Group Liquidity Risk Policy</li> <li>Group Operational Risk Management Policy</li> <li>No Deforestation, No New Peat and No Exploitation ("NDPE") Policy</li> <li>Coal Stance</li> <li>Group ESG Eligible Business Activities Guidelines</li> <li>The GHG Protocol Corporate Accounting and Reporting Standard (revised edition)**</li> </ul> <p><i>Note: Our GCRMF and GCRMP are aligned with:</i></p> <ul style="list-style-type: none"> <li>BNM Climate Risk Management and Scenario Analysis Policy Document*</li> </ul>   |

## Appendices

### Sustainability and Climate-Related Policies and Guidelines

| Material Matters                     | Policies & Guidelines  |
|--------------------------------------|--|
| Environmental Stewardship            | <ul style="list-style-type: none"> <li>RHB Banking Group GHG Emissions Reduction Roadmap Towards Carbon Neutral Operations by 2030</li> </ul>  |
| Talent                               | <ul style="list-style-type: none"> <li>Code of Ethics</li> <li>Group Disciplinary Policy</li> <li>Group Learning &amp; Development Policy</li> <li>Group Performance Management</li> <li>Group Total Rewards Policy</li> <li>Internal Group Learning and Development-related Guidelines and Manuals</li> <li>Group Sustainability Capability Building Framework</li> </ul> |
| Employee Health, Safety and Wellness | <ul style="list-style-type: none"> <li>Group Occupational Safety and Health Policy</li> <li>Code of Conduct</li> <li>Group Disciplinary Policy</li> <li>Anti-Sexual Harassment Guidelines</li> </ul>   |

\* Issued by regulators/authorities

\*\* Issued by standard-setting body

## Appendices

# Additional Governance Disclosures

### Sustainability and Climate Governance

The table below elaborates on the roles and responsibilities of key governing bodies involved in the Group's sustainability governance structure, and provides further details on the matters deliberated.

| Governance Body                                    | Responsibilities   |
|--|--|
| Board of Directors                                 | <ul style="list-style-type: none"> <li>Highest governing body providing strategic direction and oversight over the Group's Sustainability Strategy and Roadmap, including climate-related strategies.</li> <li>Provides strategic direction and oversight for the Group's Sustainability Strategy and Roadmap, including climate-related strategies.</li> <li>Ensures these strategies are robust, meaningful, and impactful, driving accountability across the organisation.</li> </ul>   |
| Board Sustainability Committee ("BSC")             | <ul style="list-style-type: none"> <li>Assists the Board in providing oversight on the Group's material sustainability and climate-related issues and matters.</li> <li>Assists the Board in driving sustainability and climate-related strategies and roadmap.</li> <li>Sets strategic direction for:               <ul style="list-style-type: none"> <li>The Group's sustainability governance structure, ensuring accountability and effectiveness in execution.</li> <li>The Group's sustainability and climate-related disclosures, ensuring compliance with regulatory requirements and international best practices.</li> </ul> </li> <li>Deliberates and approves:               <ul style="list-style-type: none"> <li>Group-wide sustainability and climate-related implementation plans.</li> <li>Policies, frameworks, position statements, and/or stance in line with the Group's sustainability and climate-related strategies and the approved priorities, excluding matters relating to sustainability risks, including climate-related risks.</li> </ul> </li> </ul> |
| Board Risk Committee ("BRC")                       | <ul style="list-style-type: none"> <li>Supports the Board in overseeing the governance of risks across the Group, including sustainability and climate-related risks.</li> <li>Reviews and approves new or revised policies, frameworks, and other significant risk management matters, including those related to climate risk and climate change, ensuring alignment with the Group's risk strategy.</li> </ul>  |
| Board Audit Committee ("BAC")                      | <ul style="list-style-type: none"> <li>Oversees sustainability and climate-related audit findings from scheduled audits.</li> <li>Reviews Post Approval Credit Review ("PACR") observations to ensure compliance with Group Credit Policy and guidelines for sustainability and climate-related matters.</li> </ul>  |
| Board Nominating & Remuneration Committee ("BNRC") | <ul style="list-style-type: none"> <li>Oversees the Group's Diversity, Equity, and Inclusion ("DEI") agenda.</li> <li>Reviews and assesses the appointment and reappointment of BSC members, recommending candidates to the Board.</li> <li>Evaluates and recommends the appointment, reappointment, and performance assessment of the GCSO.</li> <li>Aligns sustainability and climate-related considerations with executive performance evaluations and remuneration policies.</li> </ul>  |
| RHB Foundation Board of Trustees ("BOT")           | <ul style="list-style-type: none"> <li>Provides strategic guidance to the RHB Foundation to drive the Group's community engagement initiatives, ensuring alignment with the Group's sustainability goals.</li> <li>Oversees initiatives under the Enriching and Empowering Communities pillar to drive social impact.</li> </ul>   |

## Appendices


















































### Additional Governance Disclosures

| Governance Body                         | Responsibilities   |
|---|--|
| <b>Management-Level</b>                 |  |
| Group Sustainability Committee ("GSC")  | <ul style="list-style-type: none"> <li>Assists the Board and BSC in integrating sustainability and climate-related considerations into the Group's corporate strategy and decision-making process.</li> <li>Ensures the integration of sustainability and climate-related considerations into business strategy, operations, and risk management.</li> <li>Drives the strategic implementation of the Group's sustainability and climate-related efforts.</li> <li>Identifies and drives climate-related commercial and commercial opportunities in line with the Group's sustainability and climate action strategy.</li> </ul> |
| Group Capital & Risk Committee ("GCRC") | <ul style="list-style-type: none"> <li>Assists the BRC in providing management oversight of the Group's sustainability and climate-related risks.</li> </ul>   |
| Group Human Capital Committee ("GHCC")  | <ul style="list-style-type: none"> <li>Provides strategic management oversight to ensure that human capital strategies and initiatives align with the Group's Sustainability Strategy and Roadmap, including fostering inclusive growth and workforce development.</li> </ul>  |
| Management Audit Committee ("MAC")      | <ul style="list-style-type: none"> <li>Provides support to the BAC as required, including review of sustainability and climate-related audit findings from scheduled audits.</li> </ul>  |
| <b>Working-Level</b>                    |  |
| Sustainable Business Council ("SBC")    | <ul style="list-style-type: none"> <li>Drives the Group's Sustainable Financial Services efforts, including the adoption of Value-Based Intermediation ("VBI") across the Group's business activities, covering Lending and Financing, Capital Market and Advisory, Investments, Asset Management and Insurance.</li> <li>Strategically executes initiatives in support of the Group's key performance indicators ("KPIs"), and ensuring the effective implementation of the relevant programmes and initiatives in line with the Group's Sustainability aspirations and climate strategy.</li> </ul>                            |



## RACI Framework for Board Committees

RHB has established a Responsible, Accountable, Consulted, and Informed ("RACI") Framework to ensure clear governance and oversight for sustainability and climate-related matters. The RACI Framework for Board Committees is tabulated below.

| Roles/ Deliverables  | BNRC   | BAC   | BRC   | BSC   |
|--|--|---|---|---|
| Sustainability/ESG Risks & climate-related risks   |  |   |       |       |
| Diversity, Equity and Inclusion in the Workplace   |       |   |   |       |
| ESG and climate-related audit findings arising from scheduled audits   |  |       |   |    |
| Post Approval Credit Review ("PACR") observations on compliance to Group Credit Policy/Guidelines in relation to ESG and Climate matters                                       |  |    |       |    |
| ESG and climate-related regulatory compliance matters/issues   |  |   |       |       |
| Review and assess the appointment/re-appointments of Board Sustainability Committee members for recommendation to the Board of Directors                                       |   |   |   |   |
| Review and assess the appointment/re-appointments of Group Chief Sustainability Officer for recommendation to the Board of Directors   |    |   |    |    |
| Review the quality of the Sustainability audits and assurance conducted by internal and external auditors  |  |   |   |   |
| Approve and/or review Sustainability and climate-related strategies, policies, frameworks and positioning  |  |   |    |   |
| Review and approve Sustainability Reports and other Sustainability and climate-related disclosures   |    |    |    |   |
| Review and approve New/Existing ESG-related products with material variations in product features, excluding products specifically for RHB Islamic Bank or RHB Investment Bank |  |   |   |   |
| Sustainability Culture and Capacity Building   |  |   |    |   |
| Sustainability Governance  |  |   |   |   |

### Legend:

 Responsible  Accountable  Consulted  Informed

## Appendices

# Sustainability Performance Data

### Sustainable Financial Services

#### Group's Sustainable Financial Services

|  | RM million      |                  |                   |                  |
|--|-----------------|------------------|-------------------|------------------|
|  | 2022            | 2023             | 2024              | Cumulative       |
| Green  | 3,327.32        | 6,924.91         | 8,847.03^         | 21,135.59        |
| Social   | 2,840.26        | 2,196.10         | 2,300.30^         | 8,583.03         |
| ESG-Linked   | 2,434.89        | 3,664.82         | 6,677.18^         | 11,516.54        |
| <b>TOTAL</b>   | <b>8,602.48</b> | <b>12,785.83</b> | <b>17,824.50^</b> | <b>41,235.16</b> |
| Notes:<br>The above covers sustainable financial services under Group Wholesale Banking, Asset Management, Group International Business, Group Community Banking and Group Insurance. Cumulative achievement covers July 2021 – December 2024<br>^ This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report. |                 |                  |                   |                  |

#### Group's Sustainable Financial Services (Breakdown by EBAG Categories)

| ELIGIBLE GREEN ACTIVITIES (RM million)  | 2022            | 2023            | 2024             | Cumulative       |
|---|-----------------|-----------------|------------------|------------------|
| Renewable Energy  | 441.69          | 652.89          | 560.49           | 1,832.54         |
| Energy Efficiency   | 467.73          | 823.24          | 656.30           | 1,947.28         |
| Pollution Prevention and Control  | 475.43          | 585.39          | 207.53           | 1,268.35         |
| Environmentally Sustainable Management of Living Natural Resources and Land Use               | 59.31           | 114.33          | 291.90           | 465.55           |
| Terrestrial and Aquatic Biodiversity Conversation   | –               | 1.00            | 8.26             | 9.26             |
| Clean Transportation  | 11.58           | 60.74           | 1,119.35         | 1,191.66         |
| Sustainable Water and Wastewater Management   | 501.19          | 910.30          | 1,032.20         | 3,448.48         |
| Climate Change Adaption   | –               | 9.69            | 18.41            | 28.10            |
| Eco-efficient and/or Circular Economy Adapted Products, Production Technologies and Processes | 185.46          | 463.02          | 1,187.42         | 1,879.13         |
| Green Buildings   | 1,184.94        | 3,304.30        | 3,765.17         | 9,065.24         |
| <b>Sub-Total</b>  | <b>3,327.32</b> | <b>6,924.91</b> | <b>8,847.03^</b> | <b>21,135.59</b> |

## Group's Sustainable Financial Services (Breakdown by EBAG Categories) (continued)

| ELIGIBLE SOCIAL ACTIVITIES (RM million)   | 2022     | 2023      | 2024       | Cumulative |
|---|----------|-----------|------------|------------|
| Affordable Basic Infrastructure   | 695.90   | 310.68    | 36.19      | 1,080.29   |
| Access to Essential Services  | 46.00    | 156.73    | 46.77      | 249.51     |
| Affordable Housing  | 1,646.42 | 1,573.40  | 1,766.84   | 5,895.52   |
| Employment Generation   | 0.89     | 36.48     | 2.86       | 40.23      |
| Food Security and Sustainable Food Systems  | 11.05    | 112.39    | 268.95     | 392.39     |
| Socioeconomic Advancement and Empowerment   | 440.00   | 6.42      | 178.68     | 925.09     |
| <b>Sub-Total</b>  | 2,840.26 | 2,196.10  | 2,300.30^  | 8,583.03   |
| ELIGIBLE ESG-LINKED/SUSTAINABILITY ACTIVITIES (RM million)  | 2022     | 2023      | 2024       | Cumulative |
| <b>Sub-Total</b>  | 2,434.89 | 3,664.82  | 6,677.18^  | 11,516.54  |
| <b>TOTAL</b>  | 8,602.48 | 12,785.83 | 17,824.50^ | 41,235.16  |
| <b>Notes:</b><br>The above covers sustainable financial services under Group Wholesale Banking, Asset Management, Group International Business, Group Community Banking and Group Insurance. Cumulative achievement covers July 2021 - December 2024<br>^ This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report. |          |           |            |            |

## Breakdown by Retail and Non-Retail Category

|  |            | RM million |          |           |            |
|--|------------|------------|----------|-----------|------------|
|  |            | 2022       | 2023     | 2024      | Cumulative |
| Retail   | Total      | 1,518.64   | 1,758.72 | 2,884.21  | 6,757.38   |
|  | Green      | 520.72     | 980.12   | 1,590.85  | 3,422.81   |
|  | Social     | 997.92     | 778.60   | 1,293.36  | 3,334.57   |
| Non-Retail   | Total      | 5,817.39   | 9,633.65 | 13,726.29 | 33,251.74  |
|  | Green      | 2,802.16   | 5,938.13 | 7,256.18  | 17,700.74  |
|  | Social     | 1,842.34   | 1,417.50 | 1,006.93  | 5,248.46   |
|  | ESG-linked | 1,172.89   | 2,278.02 | 5,463.18  | 10,302.54  |
| <b>Notes:</b><br>Cumulative achievement covers July 2021 - December 2024 |            |            |          |           |            |

# Appendices

## Sustainability Performance Data

### Breakdown by Strategic Business Group

|  | RM million |           |           |            |
|--|------------|-----------|-----------|------------|
|  | 2022       | 2023      | 2024      | Cumulative |
| RHB Banking Group  | 8,602.48   | 12,785.83 | 17,824.50 | 41,235.16  |
| Group Wholesale Banking (excluding AM)   | 4,271.73   | 5,580.23  | 8,553.69^ | 22,068.88  |
| Asset Management (AUM Basis)   | 1,262.00   | 1,386.80  | 1,214.00  | 1,214.00   |
| Group International Business   | 1,107.03   | 2,614.13  | 3,302.44^ | 7,426.22   |
| Group Community Banking  | 1,957.28   | 3,198.00  | 4,754.37^ | 10,514.01  |
| Group Insurance  | 4.45       | 6.67      | n/a*      | 12.04      |
| Notes:<br>* Since 2024, RHB Insurance has revise their measurement from Gross Written Premium (GWP) to Sales acceptance of insurance products, which is based on policy count of Sustainable & Responsible products offered.<br>Cumulative achievement covers July 2021 – December 2024<br>^ This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report. |            |           |           |            |

### Group Wholesale Banking (Breakdown by Activity)

|  | RM million      |                 |                 |                  |
|--|-----------------|-----------------|-----------------|------------------|
| Group Wholesale Banking (Overall)  | 2022            | 2023            | 2024            | Cumulative       |
| Green  | 1,349.94        | 3,218.00        | 4,465.62        | 10,364.18        |
| Social   | 1,748.90        | 790.00          | 596.00          | 4,079.07         |
| ESG-Linked   | 2,434.89        | 2,959.03        | 4,706.07        | 8,839.63         |
| <b>TOTAL</b>   | <b>5,533.73</b> | <b>6,967.03</b> | <b>9,767.69</b> | <b>23,282.88</b> |
| Notes:<br>Asset Management (AM) achievements are calculated on an Assets Under Management (AUM) basis. The yearly achievements of AM's AUM is as of its respective year end. However, the cumulative total should reflect only the most recent AUM value, not the sum of AUM values from previous years. |                 |                 |                 |                  |
| Corporate Banking  | 2022            | 2023            | 2024            | Cumulative       |
| Green  | 522.98          | 582.80          | 911.92          | 2,237.70         |
| Social   | 10.00           | 0.00            | 30.00           | 40.00            |
| ESG-Linked   | 0.00            | 100.00          | 192.00          | 292.00           |
| <b>TOTAL</b>   | <b>532.98</b>   | <b>682.80</b>   | <b>1,133.92</b> | <b>2,569.70</b>  |

## Group Wholesale Banking (Breakdown by Activity) (continued)

| RM million   |          |          |          |            |
|--|----------|----------|----------|------------|
| Commercial Banking   | 2022     | 2023     | 2024     | Cumulative |
| Green  | 107.36   | 452.50   | 697.01   | 1,356.20   |
| Social   | 198.90   | 0.00     | 121.30   | 464.37     |
| ESG-Linked   | 0.00     | 0.00     | 0.00     | 0.00       |
| <b>TOTAL</b>   | 306.26   | 452.50   | 818.31   | 1,820.56   |
| RHB Investment Bank  | 2022     | 2023     | 2024     | Cumulative |
| Green  | 99.78    | 1,260.21 | 1,601.59 | 2,968.08   |
| Social   | 1,100.00 | 325.00   | 444.70   | 2,169.70   |
| ESG-Linked   | 125.00   | 500.00   | 1,050.00 | 1,800.00   |
| <b>TOTAL</b>   | 1,324.78 | 2,085.21 | 3,096.29 | 6,937.78   |
| Asset Management   | 2022     | 2023     | 2024     | Cumulative |
| ESG-Linked   | 1,262    | 1,387    | 1,214    | 1,214      |
| <b>TOTAL</b>   | 1,262    | 1,387    | 1,214    | 1,214      |
| Group Treasury & Global Markets  | 2022     | 2023     | 2024     | Cumulative |
| Green  | 619.82   | 922.49   | 1,255.10 | 3,802.20   |
| Social   | 440.00   | 465.00   | 0.00     | 1,405.00   |
| ESG-Linked   | 1,047.89 | 972.23   | 2,250.07 | 5,533.63   |
| <b>TOTAL</b>   | 2,107.71 | 2,359.72 | 3,505.17 | 10,740.84  |
| <b>Notes:</b><br>Cumulative achievement covers July 2021 – December 2024<br>With respect to Sustainable Financial Services, Group Wholesale Banking achievements cover Corporate Banking, Commercial Banking, Asset Management, RHB Investment Bank and Group Treasury & Global Markets. |          |          |          |            |



# Appendices

## Sustainability Performance Data

### Group International Business (Breakdown by Activity)

| RM million  |          |          |           |            |
|---|----------|----------|-----------|------------|
| Group International Business (Overall)  | 2022     | 2023     | 2024      | Cumulative |
| Green   | 1,081.22 | 1,592.36 | 1,319.33  | 4,358.03   |
| Social  | 25.80    | 315.98   | 12.00     | 391.30     |
| ESG-Linked  | 0.00     | 705.80   | 1,971.11  | 2,676.90   |
| <b>TOTAL</b>  | 1,107.03 | 2,614.13 | 3,302.44^ | 7,466.22   |
| Singapore   | 2022     | 2023     | 2024      | Cumulative |
| Green   | 1,057.42 | 1,592.36 | 1,302.63  | 4,238.37   |
| Social  | 0.00     | 263.41   | 0.00      | 263.41     |
| ESG-Linked  | 0.00     | 705.80   | 1,971.11  | 2,676.90   |
| <b>TOTAL</b>  | 1,057.42 | 2,561.57 | 3,273.73  | 7,178.68   |
| Cambodia  | 2022     | 2023     | 2024      | Cumulative |
| Green   | 0.00     | 0.00     | 0.00      | 66.40      |
| Social  | 0.89     | 0.00     | 0.00      | 0.89       |
| ESG-Linked  | 0.00     | 0.00     | 0.00      | 0.00       |
| <b>TOTAL</b>  | 0.89     | 0.00     | 0.00      | 67.29      |
| Thailand  | 2022     | 2023     | 2024      | Cumulative |
| Green   | 23.80    | 0.00     | 16.70     | 53.25      |
| Social  | 24.91    | 52.57    | 12.00     | 127.00     |
| ESG-Linked  | 0.00     | 0.00     | 0.00      | 0.00       |
| <b>TOTAL</b>  | 48.72    | 52.57    | 28.70     | 180.25     |
| <b>Notes:</b><br>Cumulative achievement covers July 2021 - December 2024<br>Sustainable Financial Services mobilisation from our other overseas operations are negligible.<br>^ This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report. |          |          |           |            |

**Group Community Banking (Breakdown by Activity)**

| RM million   |          |          |           |            |
|--|----------|----------|-----------|------------|
| Group Community Banking (Overall)  | 2022     | 2023     | 2024      | Cumulative |
| Green  | 891.72   | 2,107.88 | 3,062.08  | 6,401.34   |
| Social   | 1,065.56 | 1,090.12 | 1,692.29  | 4,112.67   |
| ESG-Linked   | 0.00     | 0.00     | 0.00      | 0.00       |
| <b>TOTAL</b>   | 1,957.28 | 3,198.00 | 4,754.37^ | 10,514.01  |
| Retail Banking   | 2022     | 2023     | 2024      | Cumulative |
| Green  | 520.725  | 980.12   | 1,590.85  | 3,422.81   |
| Social   | 997.92   | 778.60   | 1,293.36  | 3,334.57   |
| ESG-Linked   | 0.00     | 0.00     | 0.00      | 0.00       |
| <b>TOTAL</b>   | 1,518.64 | 1,758.72 | 2,884.21  | 6,757.38   |
| SME Banking  | 2022     | 2023     | 2024      | Cumulative |
| Green  | 371.00   | 1,127.76 | 1,471.23  | 2,978.54   |
| Social   | 67.64    | 311.53   | 398.93    | 778.10     |
| ESG-Linked   | 0.00     | 0.00     | 0.00      | 0.00       |
| <b>TOTAL</b>   | 438.64   | 1,439.28 | 1,870.16  | 3,756.63   |
| <b>Notes:</b><br>Cumulative achievement covers July 2021 – December 2024<br>With respect to Sustainable Financial Services, Group Community Banking achievements covers Retail Banking and SME Banking.<br>^ This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report. |          |          |           |            |

# Appendices

## Sustainability Performance Data

### ESG Funds AUM

|                     | 2022             |                    | 2023             |                    | 2024             |                    |
|---------------------|------------------|--------------------|------------------|--------------------|------------------|--------------------|
|                     | Numbers of funds | Value (RM million) | Numbers of funds | Value (RM million) | Numbers of funds | Value (RM million) |
| Total ESG Funds AUM | 7                | 1,262              | 8                | 1,387              | 7                | 1,214              |

### Employees

#### Number of Employees

|                                       | 2022   | 2023   | 2024   |
|---------------------------------------|--------|--------|--------|
| Total number of employees (headcount) | 14,139 | 13,968 | 13,345 |
| Permanent contract employees (%)      | 95.3   | 96.5   | 97.2   |
| Temporary contract employees (%)      | 4.7    | 3.5    | 2.8    |

#### Breakdown of Employees

| By Division                  | 2022      |      | 2023      |      | 2024      |       |
|------------------------------|-----------|------|-----------|------|-----------|-------|
| Group Community Banking      | 6,513     |      | 6,554     |      | 6,367     |       |
| Group Wholesale Banking      | 2,065     |      | 1,920     |      | 1,666     |       |
| Group Shariah Business       | 55        |      | 53        |      | 50        |       |
| Group Insurance              | 473       |      | 473       |      | 445       |       |
| Group International Business | 1,224     |      | 1,239     |      | 1,172     |       |
| <b>TOTAL</b>                 | 10,330    |      | 10,239    |      | 9,700     |       |
| By Gender                    | 2022      |      | 2023      |      | 2024      |       |
|                              | Headcount | %    | Headcount | %    | Headcount | %     |
| Male                         | 5,739     | 40.6 | 5,621     | 40.2 | 5,336     | 40.0  |
| Female                       | 8,400     | 59.4 | 8,347     | 59.8 | 8,009     | 60.0  |
| <b>TOTAL</b>                 | 14,139    | 100  | 13,968    | 100  | 13,345    | 100.0 |

## Breakdown of Employees (continued)

| By Ethnicity                     | 2022          |            | 2023          |            | 2024          |            |
|----------------------------------|---------------|------------|---------------|------------|---------------|------------|
|                                  | Headcount     | %          | Headcount     | %          | Headcount     | %          |
| Bumiputera                       | 7,498         | 53         | 7,397         | 53         | 7,190         | 53.9       |
| Chinese                          | 4,783         | 33.8       | 4,715         | 33.8       | 4,591         | 34.4       |
| Indian                           | 857           | 6.1        | 856           | 6          | 784           | 5.9        |
| Others                           | 1,001         | 7.1        | 1,000         | 7.2        | 780           | 5.8        |
| <b>TOTAL</b>                     | <b>14,139</b> | <b>100</b> | <b>13,968</b> | <b>100</b> | <b>13,345</b> | <b>100</b> |
| By Age Group                     | 2022          |            | 2023          |            | 2024          |            |
|                                  | Headcount     | %          | Headcount     | %          | Headcount     | %          |
| < 30 years old                   | 2,868         | 20.3       | 2,571         | 18.5       | 2,111         | 15.8       |
| 31-40 years old                  | 5,132         | 36.3       | 5,102         | 36.5       | 4,916         | 36.8       |
| 41-50 years old                  | 4,141         | 29.3       | 4,123         | 29.5       | 4,049         | 30.3       |
| > 50 years old                   | 1,998         | 14.1       | 2,172         | 15.5       | 2,269         | 17.1       |
| <b>TOTAL</b>                     | <b>14,139</b> | <b>100</b> | <b>13,968</b> | <b>100</b> | <b>13,345</b> | <b>100</b> |
| Workforce by Position (%)        | 2022          |            | 2023          |            | 2024          |            |
| Senior Management                | 1.7           |            | 1.6           |            | 1.8^          |            |
| Management                       | 33.1          |            | 34.8          |            | 35.6^         |            |
| Executive                        | 50.1          |            | 49.3          |            | 48.6^         |            |
| Non-Executive                    | 15.1          |            | 14.3          |            | 14.0^         |            |
| <b>TOTAL</b>                     | <b>100</b>    |            | <b>100</b>    |            | <b>100</b>    |            |
| Female Employees by Position (%) | 2022          |            | 2023          |            | 2024          |            |
| Board Members                    | 30            |            | 30            |            | 30            |            |
| Senior Management                | 30.3          |            | 33.9          |            | 35.3^         |            |
| Management                       | 52.6          |            | 53.5          |            | 54.0^         |            |
| Executive                        | 65.2          |            | 65.2          |            | 65.2^         |            |
| Non-Executive                    | 58.5          |            | 59.5          |            | 60.4^         |            |

# Appendices

## Sustainability Performance Data

### Breakdown of Employees (continued)

| Breakdown of Management by Gender         | 2022   | 2023   | 2024   |
|---|--------|--------|--------|
| Male                                      | 2,223  | 2,258  | 2,186  |
| Female                                    | 2,462  | 2,596  | 2,570  |
| <b>TOTAL</b>                              | 4,685  | 4,854  | 4,756  |
| Women against total Management (%)        | 52.6   | 53.5   | 54.0   |
| Breakdown of Senior Management by Gender  | 2022   | 2023   | 2024   |
| Male                                      | 161    | 158    | 156^   |
| Female                                    | 70     | 81     | 85^    |
| <b>TOTAL</b>                              | 231    | 239    | 241    |
| Women against total Senior Management (%) | 30.3   | 33.9   | 35.3^  |
| By Employment Contract (Permanent)        | 2022   | 2023   | 2024   |
| Male                                      | 5,477  | 5,387  | 5,148  |
| Female                                    | 8,004  | 8,093  | 7,823  |
| <b>TOTAL</b>                              | 13,481 | 13,480 | 12,971 |
| By Employment Contract (Non-Permanent)    | 2022   | 2023   | 2024   |
| Male                                      | 262    | 234    | 188    |
| Female                                    | 396    | 254    | 186    |
| <b>TOTAL</b>                              | 658    | 488    | 374    |
| By Workers Who Are Not Employees          | 2022   | 2023   | 2024   |
| Interns                                   | 27     | 46     | 34     |
| Contractors or Temporary Staff (%)        | 4.7    | 3.5    | 2.8    |



**Breakdown of Employees (continued)**

| By Country                        | 2022          | 2023          | 2024          |
|-----------------------------------|---------------|---------------|---------------|
| Malaysia                          | 12,601        | 12,424        | 12,022        |
| Singapore                         | 668           | 678           | 651           |
| Indonesia                         | 171           | 174           | 145           |
| Cambodia                          | 378           | 385           | 370           |
| Thailand                          | 188           | 182           | 63            |
| Hong Kong                         | 5             | n/a           | n/a           |
| Laos                              | 71            | 70            | 62            |
| Brunei                            | 30            | 31            | 32            |
| Vietnam                           | 27            | 24            | n/a           |
| <b>TOTAL</b>                      | <b>14,139</b> | <b>13,968</b> | <b>13,345</b> |
| By Union and Non-Union Workforce  | 2022          | 2023          | 2024          |
| Employees that are unionised      | 1,780         | 5,672         | 5,443         |
| Employees that are non-unionised  | 12,359        | 8,296         | 7,902         |
| Union against Total Employees (%) | 13            | 41            | 40.8          |

^ This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report.

**Breakdown by Employee Category**

| Age Group by Employee Category (%)          | 2022  | 2023  | 2024   |
|---|-------|-------|--------|
| Senior Management Under 30                  | 0.00  | 0.00  | 0.00^  |
| Senior Management Between 30-50             | 42.40 | 40.60 | 40.25^ |
| Senior Management Above 50                  | 57.60 | 59.40 | 59.75^ |
| Management Under 30                         | 3.30  | 3.00  | 2.52^  |
| Management Between 30-50                    | 72.80 | 72.50 | 72.04^ |
| Management Above 50                         | 23.90 | 24.50 | 25.44^ |
| Executive Under 30                          | 28.70 | 25.90 | 22.69^ |
| Executive Between 30-50                     | 62.80 | 64.30 | 65.66^ |
| Executive Above 50                          | 8.50  | 9.80  | 11.65^ |
| Non-executive/Technical Staff Under 30      | 9.30  | 6.40  | 5.08^  |
| Non-executive/Technical Staff Between 30-50 | 67.40 | 66.90 | 63.36^ |
| Non-executive/Technical Staff Above 50      | 23.30 | 26.70 | 31.56^ |
| General Workers Under 30                    | 7.60  | 5.60  | 3.57^  |
| General Workers Between 30-50               | 61.80 | 62.40 | 62.24^ |
| General Workers Above 50                    | 30.60 | 32.10 | 34.18^ |

# Appendices

## Sustainability Performance Data

### Breakdown by Employee Category (continued)

| Gender by Employee Category (%)                   | 2022  | 2023  | 2024               |
|---|-------|-------|--------------------|
| Senior Management Male                            | 69.70 | 66.10 | 64.73 <sup>^</sup> |
| Senior Management Female                          | 30.30 | 33.90 | 35.27 <sup>^</sup> |
| Management Male                                   | 47.40 | 46.50 | 45.96 <sup>^</sup> |
| Management Female                                 | 52.60 | 53.50 | 54.04 <sup>^</sup> |
| Executive Male                                    | 47.40 | 34.80 | 34.77 <sup>^</sup> |
| Executive Female                                  | 52.60 | 65.20 | 65.23 <sup>^</sup> |
| Non-executive/Technical Staff Male                | 35.30 | 34.20 | 33.95 <sup>^</sup> |
| Non-executive/Technical Staff Female              | 64.70 | 65.80 | 66.05 <sup>^</sup> |
| General Workers Male                              | 88.00 | 88.00 | 88.27 <sup>^</sup> |
| General Workers Female                            | 12.00 | 12.00 | 11.73 <sup>^</sup> |
| Ethnicity by Employee Category (%)                | 2022  | 2023  | 2024               |
| Senior Management – Bumiputera                    | 24.2  | 25.9  | 26.1               |
| Senior Management – Chinese                       | 64.1  | 64.9  | 65.6               |
| Senior Management – Indian                        | 6.1   | 5.0   | 4.6                |
| Senior Management – Other ethnicities             | 5.6   | 4.2   | 3.7                |
| Management – Bumiputera                           | 33.4  | 33.8  | 35.0               |
| Management – Chinese                              | 52.8  | 52.0  | 52.5               |
| Management – Indian                               | 6.6   | 6.5   | 6.2                |
| Management – Other ethnicities                    | 7.2   | 7.7   | 6.3                |
| Executive – Bumiputera                            | 61.5  | 61.9  | 63.2               |
| Executive – Chinese                               | 26.0  | 25.4  | 25.7               |
| Executive – Indian                                | 5.7   | 5.9   | 5.7                |
| Executive – Other ethnicities                     | 6.8   | 6.8   | 5.4                |
| Non-executive/Technical Staff – Bumiputera        | 71.3  | 72.3  | 72.9               |
| Non-executive/Technical Staff – Chinese           | 16.7  | 16.3  | 16.1               |
| Non-executive/Technical Staff – Indian            | 6.3   | 6.4   | 6.1                |
| Non-executive/Technical Staff – Other ethnicities | 5.7   | 5.1   | 4.9                |
| General Workers – Bumiputera                      | 69.7  | 69.7  | 74.5               |
| General Workers – Chinese                         | 0.8   | 0.9   | 0.0                |
| General Workers – Indian                          | 4.4   | 4.7   | 4.1                |
| General Workers – Other ethnicities               | 25.1  | 24.8  | 21.4               |

<sup>^</sup> This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report.

**Board of Directors Composition and Diversity**

|   | 2022        | 2023        | 2024        |
|---|-------------|-------------|-------------|
| <b>Number of Board Directors</b>                          | 10          | 10          | 10          |
| <i>Independent Directors</i>                              | 6           | 6           | 6           |
| <b>Board Tenure</b>                                       |             |             |             |
| <5 years  | 6 (60%)     | 7 (70%)     | 7 (70%)     |
| >5 years  | 4 (40%)     | 3 (30%)     | 3 (30%)     |
| <b>Breakdown of Directors by Gender and Age Group (%)</b> | <b>2022</b> | <b>2023</b> | <b>2024</b> |
| <b>Gender</b>   |             |             |             |
| Male (%)  | 70          | 70          | 70          |
| Female (%)  | 30          | 30          | 30          |
| <b>Age Group</b>  |             |             |             |
| <30 years (%)   | 0           | 0           | 0           |
| Between 30-50 years (%)                                   | 0           | 0           | 0           |
| >50 years (%)   | 100         | 100         | 100         |
| <b>Ethnicity</b>  |             |             |             |
| Bumiputera (%)  | 40          | 50          | 50          |
| Chinese (%)   | 40          | 40          | 40          |
| Indian (%)  | 10          | 10          | 10          |
| Other (%)   | 10          | 0           | 0           |

**Staff with Disabilities**

|                                   | 2022 | 2023 | 2024 |
|-----------------------------------|------|------|------|
| Number of staff with disabilities | 10   | 10   | 8    |

# Appendices

## Sustainability Performance Data

### Ratio of Basic Salary for Women to Men

|                   | 2022      | 2023      | 2024      |
|-------------------|-----------|-----------|-----------|
| Senior Management | 28% : 72% | 30% : 70% | 32% : 68% |
| Management        | 52% : 48% | 54% : 47% | 54% : 46% |
| Executive         | 67% : 33% | 68% : 32% | 68% : 32% |
| Non-Executive     | 62% : 38% | 63% : 37% | 63% : 37% |
| <b>TOTAL</b>      | 55% : 45% | 57% : 43% | 57% : 43% |

### Ratio of Remuneration for Women to Men

|                   | 2022      | 2023      | 2024      |
|-------------------|-----------|-----------|-----------|
| Senior Management | 27% : 73% | 29% : 71% | 32% : 68% |
| Management        | 53% : 47% | 53% : 47% | 54% : 46% |
| Executive         | 66% : 34% | 66% : 34% | 65% : 35% |
| Non-Executive     | 61% : 39% | 62% : 38% | 63% : 37% |
| <b>TOTAL</b>      | 55% : 45% | 55% : 45% | 56% : 44% |

### Employee Length of Service

|                    | 2022   | 2023   | 2024   |
|--------------------|--------|--------|--------|
| 5 years and below  | 5,974  | 5,274  | 4,769  |
| 6 to 10 years      | 2,541  | 2,848  | 2,503  |
| 11 to 15 years     | 1,745  | 1,562  | 1,764  |
| More than 15 years | 3,879  | 4,284  | 4,309  |
| <b>TOTAL</b>       | 14,139 | 13,398 | 13,345 |

## New Hires

|  | 2022      |      | 2023      |      | 2024      |      |
|--|-----------|------|-----------|------|-----------|------|
| Total number of hires of RHB's workforce (headcount) | 2,585     |      | 1,884     |      | 1,410     |      |
| By Gender  | 2022      |      | 2023      |      | 2024      |      |
|  | Headcount | %    | Headcount | %    | Headcount | %    |
| Male   | 1,209     | 46.8 | 816       | 43.3 | 681       | 48.3 |
| Female   | 1,376     | 53.2 | 1,086     | 56.7 | 729       | 51.7 |
| <b>TOTAL</b>   | 2,585     | 100  | 1,884     | 100  | 1,410     | 100  |
| By Age   | 2022      |      | 2023      |      | 2024      |      |
| < 31 years old                                       | 1,451     |      | 1,029     |      | 766       |      |
| 31-40 years old                                      | 855       |      | 670       |      | 478       |      |
| 41-50 years old                                      | 232       |      | 153       |      | 148       |      |
| > 50 years old                                       | 47        |      | 32        |      | 18        |      |
| <b>TOTAL</b>   | 2,585     |      | 1,884     |      | 1,410     |      |

## Employee Turnover

| By Employee Category                 | 2022  | 2023  | 2024  |
|--------------------------------------|-------|-------|-------|
| Management                           | 696   | 575   | 652   |
| Executive                            | 1,679 | 1,355 | 1,243 |
| Non-Executive/Technical Staff        | 73    | 89    | 75    |
| General Workers                      | 17    | 17    | 38    |
| <b>TOTAL</b>                         | 2,465 | 2,036 | 2,008 |
| Turnover Rate (Permanent Staff Only) | 2022  | 2023  | 2024  |
| Total no. of voluntary attritions    | 1,895 | 1,666 | 1,748 |
| Voluntary attrition rate (%)         | 14    | 12.4  | 13.5^ |
| By Gender                            | 2022  | 2023  | 2024  |
| Male                                 | 936   | 943   | 969   |
| Female                               | 1,124 | 1,115 | 1,067 |
| <b>TOTAL</b>                         | 2,060 | 2,058 | 2,036 |



# Appendices

## Sustainability Performance Data

### Employee Turnover (continued)

| By Age Group    | 2022         | 2023         | 2024         |
|-----------------|--------------|--------------|--------------|
| < 31 years old  | 809          | 847          | 797          |
| 31-40 years old | 756          | 731          | 668          |
| 41-50 years old | 268          | 246          | 284          |
| > 50 years old  | 227          | 234          | 287          |
| <b>TOTAL</b>    | <b>2,060</b> | <b>2,058</b> | <b>2,036</b> |
| By Country      | 2022         | 2023         | 2024         |
| Domestic        | 1,638        | 1,792        | 1,638        |
| Overseas        | 422          | 266          | 398          |
| <b>TOTAL</b>    | <b>2,060</b> | <b>2,058</b> | <b>2,036</b> |
| By Region       | 2022         | 2023         | 2024         |
| Peninsular      | 1,538        | 1,631        | 1,463        |
| Sabah           | 40           | 61           | 59           |
| Sarawak         | 60           | 100          | 116          |
| <b>TOTAL</b>    | <b>1,638</b> | <b>1,792</b> | <b>1,637</b> |

^ This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report.

### Open Positions Filled by Internal Candidates (%)

|   | 2022 | 2023 | 2024 |
|---|------|------|------|
| Positions filled by internal candidates (excluding sales staff) (%) | 38   | 56   | 77   |

### Performance and Career Review

|  | 2022 | 2023 | 2024 |
|--|------|------|------|
| Percentage of total employees who received a regular performance and career development review (%) | 100  | 100  | 100  |

## Parental Leave

| Number of Parental Leaves (headcount) by Gender                        | 2022       | 2023       | 2024       |
|--|------------|------------|------------|
| Male   | 147        | 189        | 151        |
| Female   | 306        | 305        | 243        |
| <b>TOTAL</b>   | <b>453</b> | <b>494</b> | <b>394</b> |
| Employees Returning to Work from Parental Leaves (headcount) by Gender | 2022       | 2023       | 2024       |
| Male   | 129        | 182        | 81         |
| Female   | 276        | 293        | 146        |
| <b>TOTAL</b>   | <b>405</b> | <b>475</b> | <b>227</b> |

## Occupational Safety and Health (OSH)<sup>1</sup>

| Absentee Rate   | 2022  | 2023  | 2024               |
|---|-------|-------|--------------------|
| Percentage of total days scheduled                                      | 1.9   | 2.2   | 1.4                |
| Work-Related Injuries   | 2022  | 2023  | 2024               |
| Accident with Fatality  | 0     | 0     | 0                  |
| Fatality Rate   | 0     | 0     | 0                  |
| Accident with Lost Workdays   | 46    | 64    | 61                 |
| Total Lost Workdays   | 1,729 | 1,991 | 1,712              |
| Accident without Lost Workdays  | 0     | 4     | 1                  |
| Total Number of Accidents   | 46    | 68    | 62                 |
| Lost time incident rate ("LTIR")  | 0.4   | 0.44  | 0.45               |
| Work Commuting Accident   | 31    | 54    | 49                 |
| Work-related Illness  | 2022  | 2023  | 2024               |
| Occupational Disease  | 7     | 6     | 14                 |
| OSH Training and Programmes   | 2022  | 2023  | 2024               |
| Number of Safety & Health Training Sessions                             | 4     | 7     | 37                 |
| Number of employees-trained on health and safety standards <sup>2</sup> | 120   | 197   | 259                |
| Number of Occupational Safety and Health Programmes                     | 12    | 23    | 27                 |
| Number of Participants in Occupational Safety and Health Programmes     | 1,711 | 4,088 | 2,074 <sup>3</sup> |

### Notes:

<sup>1</sup> Occupational Safety and Health data reflects Malaysia operations only.

<sup>2</sup> Employees Trained in Health & Safety Standards excludes former employees as of December 2024. Certification-based occupational safety and health training is included, while fire safety, evacuation, and floor warden training are excluded.

<sup>3</sup> In 2024, we observed a reduction in the number of participants via livestream sessions on our internal employee engagement platform. Moving forward, we aim to conduct more physical programmes to increase participation rates.

# Appendices

## Sustainability Performance Data

### Employee Training

|   | 2022    | 2023    | 2024                 |
|---|---------|---------|----------------------|
| Investment in learning and development (RM million)   | 15.3    | 23.9    | 30.9                 |
| Investment in learning and development including L&D overhead cost (RM million)*  | 24.3    | 32.6    | 38.3                 |
| Total training hours  | 254,549 | 313,783 | 392,871 <sup>^</sup> |
| Average training hours per employee per year  | 18      | 22      | 29 <sup>^</sup>      |
| Notes:<br>* Data includes overhead costs (e.g. salary/wages) of RHB Academy, in line with BNM reporting disclosures. To standardise our reporting, we have included this for the purpose of this report even though even though this is no longer part of BNM's statutory requirements. |         |         |                      |
| Total and Average Training Hours  | 2022    | 2023    | 2024                 |
| Total no. of employees trained (pax)  | 106,449 | 92,152  | 139,608              |
| Total training hours  | 254,549 | 313,738 | 392,871 <sup>^</sup> |
| Average training hours per employee per year  | 18      | 22      | 29 <sup>^</sup>      |
| Number of Employees Trained by Employee Category (headcount)  | 2022    | 2023    | 2024                 |
| Senior Management   | 1,799   | 1,646   | 3,333                |
| Management  | 37,098  | 34,280  | 53,325               |
| Executive   | 55,206  | 47,747  | 68,421               |
| Non-Executive   | 12,346  | 8,749   | 14,529               |
| Total Hours of Training by Employee Category  | 2022    | 2023    | 2024                 |
| Senior Management   | 4,897   | 7,028   | 13,548               |
| Management  | 103,851 | 135,263 | 191,042              |
| Executive   | 122,365 | 152,493 | 155,990              |
| Non-Executive   | 23,436  | 18,998  | 32,290               |
| Average Training Hours by Employee Category   | 2022    | 2023    | 2024                 |
| Senior Management   | 21      | 29      | 56                   |
| Management  | 22      | 28      | 40                   |
| Executive   | 17      | 22      | 24                   |
| Non-Executive   | 11      | 10      | 17                   |

<sup>^</sup> This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report.

**Employee Training (continued)**

| Total No. of Employees Trained by Gender (headcount) | 2022    | 2023    | 2024    |
|--|---------|---------|---------|
| Male   | 44,791  | 36,678  | 54,848  |
| Female   | 67,317  | 55,474  | 84,760  |
| Total Training Hours by Gender                       | 2022    | 2023    | 2024    |
| Male   | 108,324 | 124,641 | 164,394 |
| Female   | 146,225 | 189,142 | 228,477 |
| Average Training Hours by Gender                     | 2022    | 2023    | 2024    |
| Male   | 19      | 22      | 31      |
| Female   | 17      | 23      | 29      |

**Training Budget**

|   | 2022       | 2023       | 2024       |
|---|------------|------------|------------|
| Average spent per employee (RM)                     | 1,043      | 1,712      | 2,317      |
| Budget spent on digital/future skills (%)           | 8          | 6          | 14         |
| Investment in learning and development (RM million) | 15         | 24         | 31         |
| Total training budget (RM)                          | 28,114,046 | 33,983,447 | 32,150,526 |

**Training Sessions by Type**

|                                 | 2022         | 2023         | 2024         |
|---------------------------------|--------------|--------------|--------------|
| In-house training sessions      | 638          | 775          | 1,210        |
| External training sessions      | 255          | 444          | 471          |
| Number of e-learning courseware | 1,738        | 2,049        | 8,273        |
| <b>TOTAL</b>                    | <b>2,631</b> | <b>3,268</b> | <b>9,954</b> |

**Participation by Type of Learning**

|                               | 2022   | 2023   | 2024    |
|-------------------------------|--------|--------|---------|
| Classroom learning (Physical) | 6,627  | 14,588 | 23,649  |
| Classroom learning (Virtual)  | 15,820 | 68,472 | 12,581  |
| e-Learning                    | 84,002 | 132    | 100,940 |

# Appendices

## Sustainability Performance Data

|   |     |       |       |
|---|-----|-------|-------|
| Hybrid (Training sessions conducted via a combination of physical and virtual attendance) | n/a | 8,960 | 2,438 |
|---|-----|-------|-------|

### Learning and Development Programmes

| Number of Employee Training Programmes                                   | 2022   | 2023  | 2024   |
|--|--------|-------|--------|
| Women Leadership Programme   | 28     | 25    | 30     |
| Future Skills Programme  | 600    | 400   | 69     |
| Total Number of Staff That Completed Technical and Functional Programmes | 2022   | 2023  | 2024   |
| Compliance   | 7,137  | 4,415 | 15,351 |
| Sales  | 1,003  | 508   | 1,380  |
| Business Tools   | 321    | 610   | 1,625  |
| Operations/Processing  | 1,791  | 154   | 2,487  |
| Credit   | 389    | 101   | 678    |
| Human Resource   | 285    | 123   | 1,629  |
| Other Technical and Functional Areas                                     | 14,232 | 1,995 | 15,898 |

### Participation in Leadership and Management Programmes

|   | 2022   | 2023   | 2024    |
|---|--------|--------|---------|
| Advanced Management Development Programme ("AMDP")  | 5      | 9      | 11      |
| RHB Leadership Signature Programme (with Melbourne Business School & DUKE)                      | 74     | 78     | 184     |
| RHB Leadership Talk Series  | 1,105  | 448    | 658     |
| Core Programme for Frontliners (Sales Channel)—Islamic Finance Core Products ("IFCP") Programme | 459    | 216    | n/a     |
| Professional Credit Certification ("PCC")   | 258    | 369    | 60      |
| Certification in AML/CFT  | 38     | 32     | 47      |
| Certification for Bank Auditors   | 19     | 1      | 8       |
| Certification in Regulatory Compliance  | 11     | 12     | 12      |
| Bank Risk Management  | 21     | 0      | 5       |
| Chartered Bankers   | 7      | 2      | 1       |
| RHB Managers Programme  | 209    | 322    | 306     |
| Technical and Functional Programme  | 91,846 | 79,614 | 119,121 |
| Programme Attended by Group Community Banking Staff (previously known as Group Retail Banking)  | 54,800 | 41,368 | 52,146  |



|                             |        |       |       |
|-----------------------------|--------|-------|-------|
| Branch Programme            | 17,125 | 4,652 | 7,982 |
| Leadership Elevate workshop | n/a    | n/a   | 635   |

### Sustainability Capability Building Programmes

| Targeted Groups  | Headcount    | Foundation<br>(Classroom<br>Learning) <sup>1</sup> | Foundation<br>(e-learning) <sup>2</sup> | Intermediate<br>Programmes <sup>3</sup> | Advanced<br>Programmes <sup>4</sup> |
|--|--------------|--|---|---|-------------------------------------|
| Board of Directors   | 19           | 0  | 0                                       | 55                                      | 2                                   |
| Group Management Committee   | 16           | 0  | 16                                      | 37                                      | 1                                   |
| 1 <sup>st</sup> Line of Defence  | 984          | 276  | 1,898                                   | 313                                     | 5                                   |
| 2 <sup>nd</sup> Line of Defence  | 511          | 28   | 638                                     | 90                                      | 1                                   |
| 3 <sup>rd</sup> Line of Defence  | 133          | 19   | 173                                     | 37                                      | 0                                   |
| Others   | 0            | 276  | 13,825 <sup>5</sup>                     | 239                                     | 0                                   |
| <b>TOTAL<sup>6</sup></b>   | <b>1,626</b> | <b>599</b>   | <b>16,550</b>                           | <b>771</b>                              | <b>9</b>                            |
| Notes:<br><sup>1</sup> Includes External and In-house classroom learning<br><sup>2</sup> Includes In-house e-learning<br><sup>3</sup> Includes External and In-house Classroom and Online programmes<br><sup>4</sup> Includes Certification and Executive Education Programmes<br><sup>5</sup> Includes Mandatory sustainability e-learning module for 2024 – Introduction to Sustainability<br><sup>6</sup> Non-unique instances of participation |              |  |   |   |                                     |

### Forward Programme: Future-Oriented and Ready Workforce – Advancing, Reskilling, and Developing

|                        | 2022 | 2023  | 2024  |
|------------------------|------|-------|-------|
| Number of participants | 209  | 1,761 | 3,099 |

### RHB Employee Engagement

|  | 2022  | 2023   | 2024  |
|--|-------|--------|-------|
| Participation Rate                     | 83    | 95     | 87    |
| Sustainable Engagement Score           | 88    | 89     | 87    |
| Internal Customer Effectiveness Survey | 76    | 76     | 76    |
| Total Survey Respondents (headcount)   | 8,259 | 13,046 | 8,991 |
| Response Rate (%)                      | 83    | 96     | 87    |

## Appendices

### Sustainability Performance Data

#### Mentorship Programmes

|         | 2022 | 2023 | 2024 |
|---------|------|------|------|
| Mentors | 29   | 32   | 23   |
| Mentees | 37   | 32   | 26   |

#### Staff Welfare Fund

|   | 2022    | 2023    | 2024    |
|---|---------|---------|---------|
| For the Demise of Immediate Family Members (RM) | 128,000 | 152,000 | 184,000 |
| For Natural Disasters (RM)                      | 52,000  | 40,150  | 6,048   |
| For Medical Assistance (RM)                     | 26,580  | 24,640  | 41,190  |

#### Natural Disaster Fund

|   | 2022    | 2023    | 2024    |
|---|---------|---------|---------|
| Total Budget Approved                           | 900,000 | 600,000 | 300,000 |
| Natural Disasters Incidences                    | 232     | 47      | 12      |
| Natural Disasters Incidences (Amount Disbursed) | 826,584 | 115,280 | 29,400  |

## Customers

### Customer Statistics

|   | 2022    | 2023    | 2024    |
|---|---------|---------|---------|
| Feedback Volume   | 401,866 | 475,887 | 204,008 |
| Complaints Volume   | 4,068   | 4,969   | 7,663   |
| Compliments Volume  | 50,036  | 198,281 | 126,466 |
| Resolved Complaints/Feedback within Service Level Agreement (%) | 97.7    | 99.0    | 99.6    |
| Complaints Resolution Satisfaction (%)                          | 82.6    | 86.5    | 84.6    |

### Net Promoter Score

|  | 2022 | 2023 | 2024 |
|--|------|------|------|
| RHB Bank Berhad (Malaysia)*            | 12   | 20   | 24   |
| RHB Singapore**                        | 1    | 35   | 29   |
| RHB Bank Berhad's NPS Industry Ranking | 3    | 2    | 2    |
| RHB Singapore's NPS Industry Ranking** | 2    | 1    | 1    |

Notes:

\* RHB Bank Berhad (Malaysia) covers Retail and SME under Group Community Banking, Commercial and Corporate.

\*\* Singapore covers RHB Retail Singapore and Business Singapore.

### Customer Data Privacy and Protection

|  | 2022 | 2023 | 2024 |
|--|------|------|------|
| Number of substantiated complaints concerning breaches of customer privacy and losses of customer data | 0    | 3    | 7    |

Notes:

Incidents from 2023 did not recur in 2024, demonstrating the effectiveness of our corrective and mitigation measures.

# Appendices

## Sustainability Performance Data

### Suppliers

#### Breakdown by Type of Supplier

| Breakdown of Suppliers | 2022 |     | 2023 |     | 2024 |     |
|------------------------|------|-----|------|-----|------|-----|
|                        | No.  | %   | No.  | %   | No.  | %   |
| Foreign                | 38   | 6   | 47   | 7   | 47   | 7   |
| Local                  | 629  | 94  | 648  | 93  | 623  | 93  |
| <b>TOTAL</b>           | 667  | 100 | 695  | 100 | 670  | 100 |

| Breakdown of Local Suppliers | 2022 |     | 2023 |     | 2024 |     |
|------------------------------|------|-----|------|-----|------|-----|
|                              | No.  | %   | No.  | %   | No.  | %   |
| Private Limited              | 572  | 91  | 589  | 91  | 551  | 88  |
| Sole Proprietor              | 57   | 9   | 59   | 9   | 72   | 12  |
| <b>TOTAL</b>                 | 629  | 100 | 648  | 100 | 623  | 100 |

#### Breakdown of Spending by Type of Supplier

| Breakdown of Suppliers | 2022                        |     | 2023                        |     | 2024                        |     |
|------------------------|-----------------------------|-----|-----------------------------|-----|-----------------------------|-----|
|                        | Total Spend<br>(RM million) | %   | Total Spend<br>(RM million) | %   | Total Spend<br>(RM million) | %   |
| Foreign                | 53.3                        | 7   | 61.0                        | 9   | 78.4                        | 10  |
| Local                  | 677.7                       | 93  | 582.3                       | 91  | 676.8                       | 90  |
| <b>TOTAL</b>           | 730.0                       | 100 | 643.3                       | 100 | 755.2                       | 100 |

| Breakdown of Local Suppliers | 2022  |     | 2023  |     | 2024  |     |
|------------------------------|-------|-----|-------|-----|-------|-----|
|                              | No.   | %   | No.   | %   | No.   | %   |
| Private Limited              | 670.8 | 99  | 576.4 | 99  | 670.7 | 99  |
| Sole Proprietor              | 7.0   | 1   | 5.9   | 1   | 6.1   | 1   |
| <b>TOTAL</b>                 | 677.8 | 100 | 582.3 | 100 | 676.8 | 100 |

## Communities

### Empowering Targeted Individuals and Businesses

| Targeted Individuals   | 2022           | 2023           | 2024           | Cumulative     |
|--|----------------|----------------|----------------|----------------|
| MySISWA Programme  | 266,902        | 357,746        | 162,852^       | 787,500        |
| Academic Excellence for Youth  | 2,396          | 2,900          | 2,086^         | 7,382          |
| Financial Literacy   | 132,078        | 15,141         | 10,034^        | 157,253        |
| <b>TOTAL</b>   | <b>401,376</b> | <b>375,787</b> | <b>174,972</b> | <b>952,135</b> |
| Targeted Businesses  | 2022           | 2023           | 2024           | Cumulative     |
| SME e-Solutions  | 7,352          | 4,297          | 7,354^         | 19,003         |
| MSME Capability Building   | 141            | 329            | 251^           | 721            |
| SME Empower  | –              | 444            | 1,008          | 1,452          |
| <b>TOTAL</b>   | <b>7,493</b>   | <b>5,070</b>   | <b>8,613</b>   | <b>21,176</b>  |
| Notes:<br>SME Empower started in 2023.<br>^This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report. |                |                |                |                |

### Human Rights

|   | 2022 | 2023 | 2024 |
|---|------|------|------|
| Number of substantiated complaints concerning human rights violations | 0    | 0    | 0    |
| Incidents of violations involving rights of indigenous peoples        | 0    | 0    | 0    |

## Regulatory Authorities and Policymakers

### Tax Contributions

|  | 2022          | 2023          | 2024        |
|--|---------------|---------------|-------------|
| Effective tax rate (%)                                     | 35.0          | 25.1          | 22.3        |
| Total tax contribution (RM)*                               | 1,110,186,000 | 1,167,241,000 | 857,217,000 |
| Note:<br>*Inclusive of Zakat portion paid by Islamic Bank. |               |               |             |



# Appendices

## Sustainability Performance Data

### Zakat

|                                       | 2022 | 2023 | 2024 |
|---------------------------------------|------|------|------|
| Total zakat contribution (RM million) | 6    | 8    | 10   |

### Corruption-related Risks

|  | 2022  | 2023 | 2024 |
|--|-------|------|------|
| Operations assessed for corruption-related risks (%) | 98.30 | 100  | 100  |

### Corruption Cases

|   | 2022 | 2023 | 2024 |
|---|------|------|------|
| Number of confirmed incidents of corruption and action taken  | 0    | 1    | 3*   |
| <p>Note:</p> <p>* All three corruption incidents occurred within Malaysia operations. Following deliberation by the Board Audit Committee, these cases were reported to the Malaysian Anti-Corruption Commission. Additionally, further details on the three incidents and their resolutions have been proposed for elaboration and further action.</p> |      |      |      |

### Whistleblowing and Non-Whistleblowing Reports

| Number of confirmed incidents of corruption and action taken  | 2022 | 2023 | 2024 |
|---|------|------|------|
| Whistleblowing Cases  | 13   | 11   | 12   |
| Non-Whistleblowing Cases  | 3    | 4    | 2    |
| Total Complaint Cases   | 16   | 15   | 14*  |
| Founded Cases (after investigation)   | 4    | 10   | 10   |
| <p>Notes:</p> <p>* In 2024, a total of 14 ethics and integrity-related complaint cases were investigated. Of these, 9 cases were substantiated, with the following outcome:</p> <ul style="list-style-type: none"> <li>• 9 cases referred to Human Resources ("HR") for disciplinary action</li> <li>• 7 cases resulted in recommendation for process improvement to existing systems and procedures</li> <li>• 7 cases referred to other department(s) for reminders and awareness-raising.</li> </ul> |      |      |      |

## Environment

### Resource Consumption

|   | 2022    | 2023    | 2024    |
|---|---------|---------|---------|
| <b>Energy</b>   |         |         |         |
| Electricity Consumption (MWh)*  | 40,758  | 38,631  | 36,868  |
| Electricity Intensity (MWh/employee)**  | 2.9     | 2.8     | 2.7     |
| <b>Water***</b>   |         |         |         |
| Total Water Consumption (m <sup>3</sup> )   | 126,222 | 125,945 | 128,767 |
| RHB Centre (m <sup>3</sup> )  | 70,266  | 73,363  | 72,935  |
| RHB Complex Bangi (m <sup>3</sup> )   | 51,446  | 47,087  | 48,749  |
| RHB HS Lee (m <sup>3</sup> )  | 4,510   | 5,495   | 6,178   |
| RHB Jalan Silang (m <sup>3</sup> )  | –       | –       | 905     |
| <b>Waste Management</b>   |         |         |         |
| Waste Recycled (kg)   | –       | –       | –       |
| Waste Generated (kg)  | –       | –       | 67,543  |
| <b>Materials – Paper</b>  |         |         |         |
| Paper Procured (reams)  | 153,835 | 142,600 | 111,810 |
| e-Statements Delivered (million)****  | 34.7    | 31.1    | 27.9    |
| <p>Notes:</p> <p>* Boundary is for large building, branches and subsidiary outlets (224 outlets) in Malaysia.</p> <p>** 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. For 2024, the total number of employees used in the calculation of electricity intensity was 13,574.</p> <p>*** Boundary is for large buildings RHB Centre, RHB Complex Bangi, RHB HS Lee and RHB Jalan Silang.</p> <p>**** For Bank and Islamic products in Malaysia only.</p> |         |         |         |

# Appendices

## Sustainability Performance Data

### GHG Emissions by Country

| Malaysian Operations  | 2022               |            | 2023               |            | 2024                |            |
|---|--------------------|------------|--------------------|------------|---------------------|------------|
|   | tCO <sub>2</sub> e | %          | tCO <sub>2</sub> e | %          | tCO <sub>2</sub> e  | %          |
| Total Scope 1 – Direct Emissions  | 183                | 0.7        | 193                | 0.8        | 149 <sup>^</sup>    | 0.6        |
| Total Scope 2 – Indirect Emissions  | 23,278             | 92.1       | 22,099             | 89.9       | 21,075 <sup>^</sup> | 89.6       |
| Total Scope 3 – Other Indirect Emissions  | 1,810              | 7.2        | 2,288              | 9.3        | 2,307 <sup>^</sup>  | 9.8        |
| <b>Total</b>  | <b>25,271</b>      | <b>100</b> | <b>24,580</b>      | <b>100</b> | <b>23,531</b>       | <b>100</b> |
| Regional Operations   | 2022               |            | 2023               |            | 2024                |            |
|   | tCO <sub>2</sub> e | %          | tCO <sub>2</sub> e | %          | tCO <sub>2</sub> e  | %          |
| Total Scope 1 – Direct Emissions  | –                  | –          | 295                | 11.2       | 254 <sup>^</sup>    | 11.5       |
| Total Scope 2 – Indirect Emissions  | –                  | –          | 2,218              | 84.9       | 1,851 <sup>^</sup>  | 83.6       |
| Total Scope 3 – Other Indirect Emissions  | –                  | –          | 101                | 3.9        | 109                 | 4.9        |
| <b>Total</b>  | <b>–</b>           | <b>–</b>   | <b>2,614</b>       | <b>100</b> | <b>2,214</b>        | <b>100</b> |
| Note:<br>For Malaysian operations, the baseline year for Scope 1, Scope 2, and Scope 3 emissions is 2016. |                    |            |                    |            |                     |            |

<sup>^</sup> This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report.

### GHG Emissions by Source (Malaysia and Regional Operations)

|   | 2022*         | 2023          | 2024                      |
|---|---------------|---------------|---------------------------|
| <b>Scope 1 – Direct Emissions (tCO<sub>2</sub>e)</b>  | <b>183</b>    | <b>488</b>    | <b>402<sup>^</sup></b>    |
| Stationary Combustion (generator sets)  | 10            | 23            | 16                        |
| Mobile Combustion (company-owned vehicle)   | 173           | 465           | 386                       |
| <b>Scope 2 – Indirect Emissions (tCO<sub>2</sub>e)</b>  | <b>23,278</b> | <b>24,317</b> | <b>22,926<sup>^</sup></b> |
| Purchased electricity   | 22,707        | 23,405        | 22,318                    |
| Purchased cooling   | 571           | 912           | 608                       |
| <b>Scope 3 – Other Indirect Emissions (tCO<sub>2</sub>e)</b>  | <b>1,810</b>  | <b>2,389</b>  | <b>2,417</b>              |
| Business travel (road)  | 1,779         | 2,158         | 2,149                     |
| Business travel (air)   | 32            | 231           | 267                       |
| <b>Total (tCO<sub>2</sub>e)</b>   | <b>25,271</b> | <b>27,194</b> | <b>25,745</b>             |
| * For 2022 and prior years, the Emissions Breakdown by source is for Malaysian operations only.<br>2023 data onwards is inclusive of Regional operations.<br><sup>^</sup> This data has been externally assured. Please refer to the independent limited assurance report on pages 283 to 289 of this report. | <b>25,271</b> | <b>27,194</b> | <b>25,745</b>             |

## Notes:

Key information relating to GHG emissions calculation methodology are tabulated below.

| Reporting Scope and Boundaries |   |
|--------------------------------|---|
| Boundary Type                  | Coverage  |
| Organisational Boundary        | We apply the Operational Control Approach, accounting for 100% of emissions from operations where RHB Group or its subsidiaries have full operational control. This includes emissions from our main office buildings, headquarters, and states branches. |
| Operational Boundary           | We report Scope 1, 2, and 3 emissions, covering direct emissions, indirect emissions, and business travel-related emissions (by road and air).  |
| Reporting Boundary             | Our emissions inventory covers Group-wide operations, ensuring comprehensive disclosure.  |
| Baseline Year                  | We use 2016 as the baseline year for operational GHG emissions, covering Scope 1, Scope 2, and Scope 3 (business travel by road and air).   |

| Emissions Categories Under Our Operational Boundary   |   |
|---|---|
| Scope   | Definition  |
| Scope 1 – Direct emissions                            | Emissions from fuel combustion in diesel generators owned or controlled by RHB Bank, petrol & diesel vehicles owned or controlled by RHB Group. |
| Scope 2 – Indirect emissions from purchased energy    | Emissions from purchased electricity and cooling consumption within our controlled operations.  |
| Scope 3 – Indirect emissions from business activities | Emissions from business travel by road and air. Other Scope 3 categories are excluded due to phased data readiness.                             |

| Emissions Sources and Emissions Factors Used                         |  |
|--|--|
| Emission Source  | Emission Factors   |
| Scope 1 – Conversion Factors for Fuel Combustion                     | <ul style="list-style-type: none"> <li>Greenhouse Gas Reporting: Conversion Factors IPCC</li> <li>Government Department for Energy Security and Net Zero (30 October 2024)</li> </ul>  |
| Scope 2 – Indirect Emissions from Purchased Electricity              | <b>Grid Electricity Emission Factors for purchased electricity in different regions are sourced from:</b> <ul style="list-style-type: none"> <li>Malaysia: CDM Electricity Baseline for Malaysia (2017) – Malaysian Green Technology Corporation (MGTC).</li> <li>Indonesia: Faktor Emisi Gas Rumah Kaca (GRK), Indonesia (2019) – Directorate General of Electricity, Ministry of Energy and Mineral Resources.</li> <li>Singapore: National Grid Emission Factor (NGEF) for Singapore (2019) – National Environment Agency (NEA).</li> <li>Thailand: Thailand Greenhouse Gas Management Organisation (2016) – Grid Emission Factors.</li> <li>Vietnam: Vietnam Electricity Grid Emission Factors (2020) – Department of Climate Change, Ministry of Natural Resources and Environment.</li> <li>Brunei: United Nations Framework Convention on Climate Change (UNFCCC) – IFI Dataset of Default Grid Factors (2022).</li> <li>Cambodia: Grid Emission Factors in Cambodia (2016), Institute for Global Environmental Strategies and National Council for Sustainable Development, Cambodia.</li> <li>Laos: Calculation for the emission factor for electricity generation in Lao PDR (2010), Ministry of Natural Resources and Environment, Lao PDR - BM(O), OM(1).</li> </ul> |
| Scope 3 – Indirect Emissions from Business Travel                    | <b>Road Travel:</b> <ul style="list-style-type: none"> <li>Petron Malaysia Fuel Specifications.</li> <li>2006 IPCC for National Greenhouse Gas Inventories (Vol. 2, Ch. 1 &amp; 2).</li> <li>Petrol consumption (l/km): Malaysia Stocktaking Report on Sustainable Transport and Climate Change - Data, Policy, and Monitoring, Chapter 2, Page 15.</li> </ul> <b>Air Travel:</b> <ul style="list-style-type: none"> <li>Department for Environment, Food &amp; Rural Affairs (DEFRA) UK GHG Conversion Factors (2024).</li> </ul>   |
| Scope 3 – Indirect Emissions from Leased Asset Purchased Electricity | Emissions from leased asset electricity consumption are accounted for using Scope 2 grid emission factors from respective country sources listed above.  |

| Global Warming Potential |   |
|--------------------------|---|
| Type of Gas              | Global Warming Potential ("GWP") (Rate) |
| CO <sub>2</sub>          | 1.000                                   |
| CH <sub>4</sub>          | 27.900                                  |
| N <sub>2</sub> O         | 273.000                                 |

Source: IPCC Fifth Assessment Report 2021 (AR6)

# Appendices

## Sustainability Performance Data

### GHG Emissions Intensity (tCO<sub>2</sub>e/Employee)

|  | 2022          |               | 2023                           | 2024          |                                |
|--|---------------|---------------|--------------------------------|---------------|--------------------------------|
|  | Malaysia Only | Malaysia Only | Malaysia & Regional Operations | Malaysia Only | Malaysia & Regional Operations |
| <b>Coverage</b>  |               |               |                                |               |                                |
| Total GHG Emissions (tCO <sub>2</sub> e)   | 25,271        | 24,580        | 27,194                         | 23,531        | 25,745                         |
| Number of Employees*   | 13,865        | 14,235        | 16,021                         | 13,574        | 15,102                         |
| GHG Emissions Intensity (tCO <sub>2</sub> e/employee)  | 1.82          | 1.73          | 1.70                           | 1.73          | 1.70                           |
| Note:<br>* 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. |               |               |                                |               |                                |

### GHG Emissions by Office Type and State Across Malaysia

|   | 2022  | 2023  | 2024  |
|---|-------|-------|-------|
| <b>Distribution of GHG Emissions by Office Type</b> |       |       |       |
| Main Buildings                                      | 50.20 | 50.10 | 50.20 |
| Branches  | 49.80 | 49.90 | 49.80 |
| <b>Distribution of GHG Emissions by State</b>       |       |       |       |
| Perlis  | 0.3   | 0.3   | 0.4   |
| Kedah   | 3.7   | 3.8   | 3.7   |
| Penang  | 8.9   | 9.5   | 9.4   |
| Perak   | 11.3  | 11.8  | 12.2  |
| Selangor  | 23.2  | 21.8  | 22.0  |
| Kuala Lumpur  | 12.1  | 12.1  | 12.0  |
| Negeri Sembilan                                     | 3.2   | 3.2   | 2.9   |
| Melaka  | 3.6   | 3.8   | 3.8   |
| Johor   | 15.2  | 15.3  | 14.6  |
| Pahang  | 3.0   | 2.9   | 3.2   |
| Kelantan  | 2.6   | 2.1   | 2.2   |
| Terengganu  | 2.2   | 2.5   | 2.7   |
| Sabah   | 4.5   | 4.9   | 4.9   |
| Sarawak   | 6.2   | 6.0   | 6.0   |

### Percentage Reduction of GHG Emissions

|                        | 2022 | 2023 | 2024 |
|------------------------|------|------|------|
| Reduction Achieved (%) | 42.0 | 43.1 | 45.5 |

Note: Reduction is measured against 2016 baseline.



# Appendices

## GRI Content Index

RHB Bank Berhad has reported in accordance with the GRI Standards for the period of 1 January 2024 – 31 December 2024. The following GRI Content Index refers to the information disclosed in the RHB Sustainability Report 2024 unless otherwise stated (e.g. RHB Integrated Report 2024).

**Statement of Use** RHB Bank Berhad has reported in accordance with the GRI Standards for the period of 1 January 2024 to 31 December 2024

**GRI 1 Used** GRI 1: Foundation 2021

**Applicable** Not Applicable

| GRI Standards                          | Brief Description of the Disclosures  | Brief Information on Key Disclosures and References   | Omission |
|--|---|---|----------|
| <b>GRI 2: General Disclosures 2021</b> |   |   |          |
| 2-1                                    | Organisational details  | Basis of This Report (pages c-7)  |          |
| 2-2                                    | Entities included in the organisation's sustainability reporting            | Basis of This Report (page 1)   |          |
| 2-3                                    | Reporting period, frequency and contact point                               | Basis of This Report (pages c, 1)   |          |
| 2-4                                    | Restatements of information   | Any significant restatements of data compared to prior years are noted in the section(s) where they appear.                                   |          |
| 2-5                                    | External assurance  | Basis of This Report (page 1)<br>Independent Limited Assurance Report (pages 283-289)   |          |
| 2-6                                    | Activities, value chain and other business relationships                    | RHB Integrated Report 2024 (pages 6-9)  |          |
| 2-7                                    | Employees   | Sustainability Performance Data (pages 246-250)   |          |
| 2-8                                    | Workers who are not employees   | Sustainability Performance Data (page 248)  |          |
| 2-9                                    | Governance structure and composition  | RHB Integrated Report 2024 - Sustainability Governance (pages 181, 185-188)<br>Appendices - Additional Governance Disclosures (pages 237-239) |          |
| 2-10                                   | Nomination and selection of the highest governance body                     | RHB Integrated Report 2024 - Corporate Governance Overview Statement (page 188)   |          |
| 2-11                                   | Chair of the highest governance body  | RHB Integrated Report 2024 - Corporate Governance Overview Statement (page 181)   |          |
| 2-12                                   | Role of the highest governance body in overseeing the management of impacts | Committed to Achieving Net Zero by 2050 - Sustainability and Climate Governance (pages 51-59)   |          |
| 2-13                                   | Delegation of responsibility for managing impacts                           | RHB Integrated Report 2024 (page 192)   |          |
| 2-14                                   | Role of the highest governance body in sustainability reporting             | Basis of This Report (page 1)   |          |
| 2-15                                   | Conflicts of interest   | RHB Integrated Report 2024 (pages 191-192, 208)   |          |
| 2-16                                   | Communication of critical concerns  | Committed to Achieving Net Zero by 2050 - Sustainability and Climate Governance (pages 52-57)<br>RHB Integrated Report 2024 (pages 192, 207)  |          |
| 2-17                                   | Collective knowledge of the highest governance body                         | Committed to Achieving Net Zero by 2050 - Sustainability and Climate Governance (pages 63-65)<br>RHB Integrated Report 2024 (pages 155-178)   |          |
| 2-18                                   | Evaluation of the performance of the highest governance body                | RHB Integrated Report 2024 (page 189)   |          |
| 2-19                                   | Remuneration policies   | Committed to Achieving Net Zero by 2050 - Sustainability and Climate Governance (page 62)<br>RHB Integrated Report 2024 (pages 188, 190-191)  |          |
| 2-20                                   | Process to determine remuneration   | RHB Integrated Report 2024 (pages 188-190)  |          |

# Appendices

## GRI Content Index

| GRI Standards   | Brief Description of the Disclosures   | Brief Information on Key Disclosures and References  | Omission  |
|---|--|--|---|
| <b>GRI 2: General Disclosures 2021</b>                    |  |  |   |
| 2-21  | Annual total compensation ratio  | -  | We do not disclose against this metric due to confidentiality constraints |
| 2-22  | Statement on sustainable development strategy  | Message from Our Leadership (pages 8-13)   |   |
| 2-23  | Policy commitments   | Embedding Good Practices - Ethics and Conduct (page 162)<br>Appendices - Sustainability and Climate-related Policies and Guidelines (pages 234-236)                      |   |
| 2-24  | Embedding policy commitments   | Appendices - Sustainability and Climate-related Policies and Guidelines (pages 234-236)  |   |
| 2-25  | Processes to remediate negative impacts  | Embedding Good Practices - Ethics and Conduct (page 162)   |   |
| 2-26  | Mechanisms for seeking advice and raising concerns   | Embedding Good Practices - Ethics and Conduct (page 162)   |   |
| 2-27  | Compliance with laws and regulations   | Embedding Good Practices - Championing Health, Safety and Wellness (page 191)<br>Appendices - Sustainability and Climate-related Policies and Guidelines (pages 234-236) |   |
| 2-28  | Membership associations  | Our Sustainability Approach - Thought Leadership and Advocacy (page 45)  |   |
| 2-29  | Approach to stakeholder engagement   | Our Sustainability Approach - Our Stakeholder Needs and Expectations (pages 22-29)   |   |
| 2-30  | Collective bargaining agreements   | Embedding Good Practices - Championing Health, Safety and Wellness (page 191)  |   |
| <b>GRI 3: Material Topics 2021</b>                        |  |  |   |
| 3-1   | Process to determine material topics   | Our Sustainability Approach - Material Matters (pages 30-31)   |   |
| 3-2   | List of material topics  | Our Sustainability Approach - Material Matters (pages 32-35)   |   |
| <b>Material Matter: Good Business Governance</b>          |  |  |   |
| 3-3   | Management of material topics  | Embedding Good Practices - Ethics and Conduct (pages 160-167)  |   |
| 205-1   | Operations assessed for risks related to corruption  | Embedding Good Practices - Ethics and Conduct (page 164)   |   |
| 205-2   | Communication and training about anticorruption policies and procedures                      | Embedding Good Practices - Ethics and Conduct (page 164)   |   |
| 205-3   | Confirmed incidents of corruption and actions taken  | Embedding Good Practices - Ethics and Conduct (page 164)<br>Appendices - Sustainability Performance Data (page 264)  |   |
| 207-1   | Approach to tax  | Embedding Good Practices - Ethics and Conduct (page 167)   |   |
| 207-2   | Tax governance, control, and risk management   | Embedding Good Practices - Ethics and Conduct (page 167)   |   |
| 405-1   | Diversity of governance bodies and employees   | Embedding Good Practices - Promoting Diversity, Equity and Inclusion (page 194)  |   |
| <b>Material Matter: Data Protection and Cybersecurity</b> |  |  |   |
| 3-3   | Management of material topics  | Sustainable and Responsible Finance - Prioritising Customer Trust and Experience (pages 156-159)   |   |
| 418-1   | Substantiated complaints concerning breaches of customer privacy and losses of customer data | Sustainable and Responsible Finance - Prioritising Customer Trust and Experience (page 157)  |   |

| GRI Standards   | Brief Description of the Disclosures   | Brief Information on Key Disclosures and References   | Omission |
|---|--|---|----------|
| <b>Material Matter: Sustainable Financial Services</b>              |  |   |          |
| 3-3   | Management of material topics  | Sustainable and Responsible Finance - Enabling Transition through Financial Services (pages 108-137)                            |          |
| 203-1   | Infrastructure investments and services supported  | Sustainable and Responsible Finance - Enabling Transition through Financial Services (pages 108-137)                            |          |
| <b>Material Matter: Financial Inclusion</b>                         |  |   |          |
| 3-3   | Management of material topics  | Enriching and Empowering Communities - Creating Positive Social Impact (pages 214-231)  |          |
| 203-2   | Significant indirect economic impacts  | Enriching and Empowering Communities - Creating Positive Social Impact (pages 214-231)  |          |
| 413-1   | Operations with local community engagement, impact assessments, and development programmes | Enriching and Empowering Communities - Creating Positive Social Impact (pages 220-231)  |          |
| <b>Material Matter: Digitalisation and Investment in Technology</b> |  |   |          |
| 3-3   | Management of material topics  | Sustainable and Responsible Finance - Prioritising Customer Trust and Experience (pages 148-155)                                |          |
| <b>Material Matter: Customer Experience</b>                         |  |   |          |
| 3-3   | Management of material topics  | Sustainable and Responsible Finance - Prioritising Customer Trust and Experience (pages 138-141)                                |          |
| <b>Material Matter: Fair Treatment of Financial Customers</b>       |  |   |          |
| 3-3   | Management of material topics  | Sustainable and Responsible Finance - Prioritising Customer Trust and Experience (pages 142-143)                                |          |
| 417-1   | Requirements for product and service information and labelling                             | Sustainable and Responsible Finance - Prioritising Customer Trust and Experience (pages 142-143)                                |          |
| <b>Material Matter: Sustainable Supply Chain</b>                    |  |   |          |
| 3-3   | Management of material topics  | Embedding Good Practices - Responsible and Sustainable Supply Chain Management (pages 202-208)                                  |          |
| 203-2   | Significant indirect economic impacts  | Embedding Good Practices - Responsible and Sustainable Supply Chain Management (pages 202-208)                                  |          |
| 204-1   | Proportion of spending on local suppliers  | Embedding Good Practices - Responsible and Sustainable Supply Chain Management (page 202)                                       |          |
| <b>Material Matter: Climate Change</b>                              |  |   |          |
| 3-3   | Management of material topics  | Committed to Achieving Net Zero by 2050 (pages 50-107)  |          |
| 201-2   | Financial implications and other risks and opportunities due to climate change             | Committed to Achieving Net Zero by 2050 - Risk Management (pages 83-99)   |          |
| 305-1   | Direct (Scope 1) GHG emissions   | Committed to Achieving Net Zero by 2050 - Risk Management (page 107)<br>Appendices - Sustainability Performance Data (page 267) |          |

# Appendices

## GRI Content Index

| GRI Standards  | Brief Description of the Disclosures   | Brief Information on Key Disclosures and References   | Omission |
|--|--|---|----------|
| 305-2  | Energy indirect (Scope 2) GHG emissions  | Committed to Achieving Net Zero by 2050 - Risk Management (page 107)<br>Appendices - Sustainability Performance Data (page 267) |          |
| <b>Material Matter: Climate Change (continued)</b>           |  |   |          |
| 305-3  | Other indirect (Scope 3) GHG emissions   | Committed to Achieving Net Zero by 2050 - Risk Management (page 107)<br>Appendices - Sustainability Performance Data (page 267) |          |
| 305-4  | GHG emissions intensity  | Appendices - Sustainability Performance Data (page 268)   |          |
| 305-5  | Reduction of GHG emissions   | Committed to Achieving Net Zero by 2050 - Metrics and Targets (page 106)  |          |
| <b>Material Matter: Environmental Stewardship</b>            |  |   |          |
| 3-3  | Management of material topics  | Embedding Good Practices - Managing Our Direct Environmental Impact (pages 209-213)   |          |
| 301-1  | Materials used by weight or volume   | Appendices - Sustainability Performance Data (page 265)   |          |
| 302-1  | Energy consumption within the organisation   | Appendices - Sustainability Performance Data (page 275)   |          |
| 302-4  | Reduction of energy consumption  | Committed to Achieving Net Zero by 2050 - Strategy (page 80)  |          |
| 303-5  | Water consumption  | Appendices - Sustainability Performance Data (page 265)   |          |
| <b>Material Matter: Talent</b>                               |  |   |          |
| 3-3  | Management of material topics  | Embedding Good Practices - People & Workplace (pages 168-186)   |          |
| 401-1  | New employee hires and employee turnover   | Appendices - Sustainability Performance Data (pages 253-254)  |          |
| 401-2  | Benefits provided to full-time employees that are not provided to temporary or part-time employees | Embedding Good Practices - Championing Health, Safety, and Wellness (page 192)  |          |
| 401-3  | Parental leave   | Embedding Good Practices - Promoting Diversity, Equity, and Inclusion (pages 200-201)   |          |
| 404-1  | Average hours of training per year per employee  | Appendices - Sustainability Performance Data (pages 256-257)  |          |
| 404-2  | Programmes for upgrading employee skills and transition assistance                                 | Embedding Good Practices - People & Workplace (pages 171-178)   |          |
| 404-3  | Percentage of employees receiving regular performance and career development reviews               | Appendices - Sustainability Performance Data (page 254)   |          |
| <b>Material Matter: Employee Health, Safety and Wellness</b> |  |   |          |
| 3-3  | Management of material topics  | Embedding Good Practices - Championing Health, Safety and Wellness (pages 187-193)  |          |
| 201-3  | Defined benefit plan obligations and other retirement plans  | Embedding Good Practices - Championing Health, Safety and Wellness (page 192)   |          |

| GRI Standards  | Brief Description of the Disclosures   | Brief Information on Key Disclosures and References                                    | Omission |
|--|--|--|----------|
| 403-1  | Occupational health and safety management system   | Embedding Good Practices - Championing Health, Safety and Wellness (page 188)          |          |
| <b>Material Matter: Employee Health, Safety and Wellness (continued)</b> |  |  |          |
| 403-4  | Worker participation, consultation, and communication on occupational health and safety                        | Embedding Good Practices - Championing Health, Safety and Wellness (page 188)          |          |
| 403-5  | Worker training on occupational health and safety  | Appendices - Sustainability Performance Data (page 255)                                |          |
| 403-6  | Promotion of worker health   | Embedding Good Practices - Championing Health, Safety and Wellness (page 188)          |          |
| 403-9  | Work-related injuries  | Appendices - Sustainability Performance Data (page 255)                                |          |
| 403-10   | Work-related ill health  | Appendices - Sustainability Performance Data (page 255)                                |          |
| <b>Material Matter: Diversity and Equal Opportunity</b>                  |  |  |          |
| 3-3  | Management of material topics  | Embedding Good Practices - Promoting Diversity, Equity and Inclusion (pages 194-201)   |          |
| 405-1  | Diversity of governance bodies and employees   | Embedding Good Practices - Promoting Diversity, Equity and Inclusion (page 194)        |          |
| 405-2  | Ratio of basic salary and remuneration of women to men   | Appendices - Sustainability Performance Data (page 252)                                |          |
| 406-1  | Incidents of discrimination and corrective actions taken   | Embedding Good Practices - Championing Health, Safety and Wellness (page 191)          |          |
| 407-1  | Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk | Embedding Good Practices - Championing Health, Safety and Wellness (page 191)          |          |
| 408-1  | Operations and suppliers at significant risk for incidents of child labor                                      | Embedding Good Practices - Championing Health, Safety and Wellness (page 191)          |          |
| 409-1  | Operations and suppliers at significant risk for incidents of forced or compulsory labor                       | Embedding Good Practices - Championing Health, Safety and Wellness (page 191)          |          |
| 411-1  | Incidents of violations involving rights of indigenous peoples   | Appendices - Sustainability Performance Data (page 263)                                |          |
| <b>Material Matter: Community Enrichment and Empowerment</b>             |  |  |          |
| 3-3  | Management of material topics  | Enriching and Empowering Communities - Creating Positive Social Impact (pages 214-231) |          |
| 413-1  | Operations with local community engagement, impact assessments, and development programmes                     | Enriching and Empowering Communities - Creating Positive Social Impact (pages 214-231) |          |



## Appendices

# Bursa Malaysia Sustainability Reporting Disclosures

### Performance Data Table from Bursa ESG Reporting Platform

| Indicator   | Measurement Unit | 2021         | 2022         | 2023         | 2024         |
|---|------------------|--------------|--------------|--------------|--------------|
| <b>Bursa (Anti-corruption)</b>  |                  |              |              |              |              |
| Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category              |                  |              |              |              |              |
| Senior Management   | Percentage       | 0.21 *       | 1.52 *       | 0.28 *       | 1.73         |
| Management  | Percentage       | 8.76 *       | 35.00 *      | 11.45 *      | 35.45        |
| Executive   | Percentage       | 14.75 *      | 46.29 *      | 22.38 *      | 48.19        |
| Non-executive/Technical Staff   | Percentage       | 3.15 *       | 12.94 *      | 7.04 *       | 8.16         |
| General Workers   | Percentage       | 0.16 *       | 0.15 *       | 0.59 *       | 0.34         |
| Bursa C1(b) Percentage of operations assessed for corruption-related risks  | Percentage       | 98.50        | 98.30        | 100.00       | 100.00       |
| Bursa C1(c) Confirmed incidents of corruption and action taken  | Number           | 1            | 0            | 1            | 3            |
| <b>Bursa (Community/Society)</b>  |                  |              |              |              |              |
| Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer | MYR              | 9,151,474.00 | 3,925,807.00 | 4,993,868.00 | 6,291,086.97 |
| Bursa C2(b) Total number of beneficiaries of the investment in communities  | Number           | 30,992       | 90,665       | 50,050       | 78,488       |
| <b>Bursa (Diversity)</b>  |                  |              |              |              |              |
| Bursa C3(a) Percentage of employees by gender and age group, for each employee category                             |                  |              |              |              |              |
| Age Group by Employee Category  |                  |              |              |              |              |
| Senior Management Under 30  | Percentage       | 0.40 *       | 0.00         | 0.00         | 0.00         |
| Senior Management Between 30-50   | Percentage       | 46.90 *      | 42.40 *      | 40.60 *      | 40.25        |
| Senior Management Above 50  | Percentage       | 52.70 *      | 57.60 *      | 59.40 *      | 59.75        |
| Management Under 30   | Percentage       | 3.00         | 3.30         | 3.00 *       | 2.52         |
| Management Between 30-50  | Percentage       | 72.80 *      | 72.80 *      | 72.50 *      | 72.04        |
| Management Above 50   | Percentage       | 24.20 *      | 23.90 *      | 24.50        | 25.44        |
| Executive Under 30  | Percentage       | 29.80 *      | 28.70        | 26.00 *      | 22.69        |
| Executive Between 30-50   | Percentage       | 62.80 *      | 62.80 *      | 64.10 *      | 65.66        |
| Executive Above 50  | Percentage       | 7.40         | 8.50 *       | 9.80         | 11.65        |
| Non-executive/Technical Staff Under 30  | Percentage       | 11.50        | 9.30 *       | 6.40 *       | 5.08         |

Internal assurance

External assurance

No assurance

(\*) Restated

| Indicator  | Measurement Unit   | 2021         | 2022        | 2023      | 2024      |
|--|--------------------|--------------|-------------|-----------|-----------|
| Non-executive/Technical Staff Between 30-50                            | Percentage         | 68.60        | 67.40 *     | 66.90 *   | 63.36     |
| Non-executive/Technical Staff Above 50                                 | Percentage         | 19.90 *      | 23.30 *     | 26.70 *   | 31.56     |
| General Workers Under 30   | Percentage         | 7.30         | 7.60        | 5.60 *    | 3.57      |
| General Workers Between 30-50  | Percentage         | 62.50        | 62.20 *     | 62.40 *   | 62.24     |
| General Workers Above 50   | Percentage         | 30.30        | 30.30 *     | 32.10     | 34.18     |
| Gender Group by Employee Category                                      |                    |              |             |           |           |
| Senior Management Male   | Percentage         | 72.30 *      | 69.70 *     | 66.10 *   | 64.73     |
| Senior Management Female   | Percentage         | 27.70 *      | 30.30 *     | 33.90 *   | 35.27     |
| Management Male  | Percentage         | 47.50        | 47.40       | 46.50     | 45.96     |
| Management Female  | Percentage         | 52.50        | 52.60       | 53.50     | 54.04     |
| Executive Male   | Percentage         | 34.30        | 47.40       | 34.80     | 34.77     |
| Executive Female   | Percentage         | 65.70        | 52.60       | 65.20     | 65.23     |
| Non-executive/Technical Staff Male                                     | Percentage         | 35.40        | 35.30       | 34.20     | 33.95     |
| Non-executive/Technical Staff Female                                   | Percentage         | 64.60        | 64.70       | 65.80     | 66.05     |
| General Workers Male   | Percentage         | 88.90        | 88.00       | 88.00     | 88.27     |
| General Workers Female   | Percentage         | 11.10        | 12.00       | 12.00     | 11.73     |
| Bursa C3(b) Percentage of directors by gender and age group            |                    |              |             |           |           |
| Male   | Percentage         | 70.00        | 70.00       | 70.00     | 70.00     |
| Female   | Percentage         | 30.00        | 30.00       | 30.00     | 30.00     |
| Under 30   | Percentage         | 0.00         | 0.00        | 0.00      | 0.00      |
| Between 30-50  | Percentage         | 0.00         | 0.00        | 0.00      | 0.00      |
| Above 50   | Percentage         | 100.00       | 100.00      | 100.00    | 100.00    |
| Bursa (Energy management)  |                    |              |             |           |           |
| Bursa C4(a) Total energy consumption                                   | Megawatt           | 41,616.00    | 40,758.00   | 38,631.00 | 36,868.63 |
| Bursa (Health and safety)  |                    |              |             |           |           |
| Bursa C5(a) Number of work-related fatalities                          | Number             | 0            | 0           | 0         | 0         |
| Bursa C5(b) Lost time incident rate ("LTIR")                           | Rate               | 0.26         | 0.40        | 0.44      | 0.48      |
| Bursa C5(c) Number of employees trained on health and safety standards | Number             | 255          | 120         | 197       | 259       |
| Bursa (Labour practices and standards)                                 |                    |              |             |           |           |
| Bursa C6(a) Total hours of training by employee category               |                    |              |             |           |           |
| Senior Management  | Hours              | 8,130 *      | 5,009 *     | 7,028 *   | 13,548    |
| Management   | Hours              | 213,027 *    | 98,842 *    | 128,235 * | 191,042   |
| Internal assurance   | External assurance | No assurance | (*)Restated |           |           |

# Appendices

## Bursa Malaysia Sustainability Reporting Disclosures

| Indicator   | Measurement Unit | 2021        | 2022        | 2023         | 2024       |
|---|------------------|-------------|-------------|--------------|------------|
| Executive   | Hours            | 351,508     | 122,365     | 152,493      | 155,990    |
| Non-executive/Technical Staff   | Hours            | 64,808      | 23,052      | 18,222       | 32,003     |
| General Workers   | Hours            | 2,364       | 384         | 776          | 287        |
| Bursa C6(b) Percentage of employees that are contractors or temporary staff   | Percentage       | 4.90        | 4.70        | 3.50         | 2.80       |
| Bursa C6(c) Total number of employee turnover by employee category  |                  |             |             |              |            |
| Senior Management   | Number           | 27 *        | 28 *        | 22 *         | 28         |
| Management  | Number           | 569         | 696         | 575          | 652        |
| Executive   | Number           | 1,444       | 1,679       | 1,355        | 1,243      |
| Non-executive/Technical Staff   | Number           | 89          | 73          | 89           | 75         |
| General Workers   | Number           | 17          | 17          | 17           | 38         |
| Bursa C6(d) Number of substantiated complaints concerning human rights violations   | Number           | 0           | 0           | 0            | 0          |
| <b>Bursa (Supply chain management)</b>  |                  |             |             |              |            |
| Bursa C7(a) Proportion of spending on local suppliers   | Percentage       | 91.00       | 93.00       | 91.00        | 90.00      |
| <b>Bursa (Data privacy and security)</b>  |                  |             |             |              |            |
| Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data                    | Number           | 4           | 0           | 3            | 7          |
| <b>Bursa (Water)</b>  |                  |             |             |              |            |
| Bursa C9(a) Total volume of water used  | Megalitres       | 79.010000   | 126.220000  | 125.950000 * | 128.770000 |
| <b>Bursa (Waste management)</b>   |                  |             |             |              |            |
| Bursa C10(a) Total waste generated  | Metric tonnes    | -           | -           | -            | 67,543.00  |
| Bursa C10(a)(i) Total waste diverted from disposal  | Metric tonnes    | -           | -           | -            | 0.00       |
| Bursa C10(a)(ii) Total waste directed to disposal   | Metric tonnes    | -           | -           | -            | 67,543.00  |
| <b>Bursa (Emissions management)</b>   |                  |             |             |              |            |
| Bursa C11(a) Scope 1 emissions in tonnes of CO <sub>2</sub> e   | Metric tonnes    | 159.00 *    | 183.00 *    | 488.00 *     | 402.00     |
| Bursa C11(b) Scope 2 emissions in tonnes of CO <sub>2</sub> e   | Metric tonnes    | 23,811.00 * | 23,278.00 * | 24,317.00 *  | 22,926.00  |
| Bursa C11(c) Scope 3 emissions in tonnes of CO <sub>2</sub> e (at least for the categories of business travel and employee commuting) | Metric tonnes    | 1,615.00 *  | 1,810.00 *  | 2,389.00 *   | 2,417.00   |

Internal assurance

External assurance

No assurance

(\*) Restated

# Appendices

## TCFD Index

## Recommendations from the TCFD Application Guide

### BASIC RECOMMENDATIONS

| Recommendation  | Descriptions  | Reference  |
|---|---|--|
| <b>GOVERNANCE</b>   |   |  |
| <b>G1</b><br>BOARD OVERSIGHT OF<br>SUSTAINABILITY AND CLIMATE<br>RELATED MATTERS                                    | ◆ Disclose nature of Board oversight and accountability with respect to sustainability and climate-related matters, risks and opportunities.  | <i>Sustainability and Climate Governance (pages 51-57)</i> |
| <b>G2</b><br>SUSTAINABILITY GOVERNANCE<br>STRUCTURE INCLUDING<br>CLIMATE-RELATED MATTERS<br>AT THE MANAGEMENT LEVEL | ◆ Disclose management-level sustainability governance structure as well as processes for sustainability and climate-related matters, including accountability, responsibility, and decision making.                 | <i>Sustainability and Climate Governance (pages 51-57)</i> |
| <b>G3</b><br>SUSTAINABILITY AND CLIMATE-<br>RELATED BOARD CREDENTIALS   | ◆ Disclose sustainability and climate-related credentials, experience and individual biographies for Board members.   | <i>Sustainability and Climate Governance (pages 58-59)</i> |
| <b>G4</b><br>SUSTAINABILITY AND CLIMATE-<br>RELATED TRAINING  | ◆ Disclose the initiatives undertaken and training programs conducted annually to build capacity of Board members and management on sustainability issues including climate-related matters.                        | <i>Sustainability and Climate Governance (pages 64-65)</i> |
| <b>G5</b><br>SUSTAINABILITY AND CLIMATE<br>RELATED DISCUSSIONS IN<br>BOARD MEETINGS                                 | ◆ Disclose the frequency of Board meeting per year in which sustainability and climate-related issues have been a substantial agenda item, and a summary of key climate related issues and initiatives deliberated. | <i>Sustainability and Climate Governance (pages 52-57)</i> |
| <b>G6</b><br>SUSTAINABILITY/CLIMATE-<br>LINKED REMUNERATION   | ◆ Link Board of Director (excluding independent directors) and top management remuneration to performance against specific sustainability and climate-related targets.  | <i>Sustainability and Climate Governance (page 62)</i>     |

Note: The TCFD Index was referenced to the Task Force on Climate-related Financial Disclosures ("TCFD") Application Guide for Malaysian Financial Institutions by The Joint Committee on Climate Change (JC3).

# Appendices

## TCFD Index

| Recommendation  | Descriptions  | Reference   |
|---|---|---|
| <b>STRATEGY</b>   |   |   |
| <b>S1</b><br>IDENTIFICATION OF CLIMATE-RELATED RISKS AND OPPORTUNITIES  | ◆ Review the financial institution's strategy to identify and disclose climate-related risks and opportunities over the short-, medium- and long-term.  | Strategy (pages 66-67)                                |
| <b>S2</b><br>IMPACT OF CLIMATE-RELATED RISKS AND OPPORTUNITIES  | ◆ Assess and disclose how climate-associated risks and opportunities could affect the financial institution's existing businesses, strategy, and financial planning.  | Strategy (pages 66-80), Risk Management (pages 87-89) |
| <b>S3</b><br>STRATEGY AND RISK APPETITE ON CLIMATE CHANGE-RELATED RISKS AND SUSTAINABILITY MEASURES   | ◆ Disclose strategy and appetite with regard to climate-related risks and opportunities and the measures towards sustainability in the financial institution's business activities.   | Strategy (pages 66-80), Risk Management (page 90)     |
| <b>RISK MANAGEMENT</b>  |   |   |
| <b>R1</b><br>PROCESS FOR IDENTIFYING AND ASSESSING CLIMATE-RELATED RISKS  | ◆ Disclose how the financial institution looks at existing and emerging regulatory requirements related to climate change and other relevant factors. Disclose the risk classification framework(s) used. Disclose the risk terminology definitions used or existing risk classification framework(s) used. | Risk Management (pages 87-89)                         |
| <b>R2</b><br>PROCESS FOR MANAGING CLIMATE-RELATED RISKS   | ◆ Disclose the financial institution's risk management processes and controls. Disclose the identities of individual(s)/functions(s) responsible for oversight of climate-related risks and its relationship with the business operations.  | Risk Management (pages 91-99)                         |
| <b>R3</b><br>PROCESS FOR INTEGRATING (I) PROCESS FOR IDENTIFYING AND ASSESSING CLIMATE-RELATED RISKS AND (II) PROCESS FOR MANAGING CLIMATE RELATED RISKS; INTO OVERALL RISK MANAGEMENT. | ◆ Disclose the integration of processes for identifying, assessing, and managing climate-related risks into overall risk management. Disclose processes for prioritising climate-related risks, including how materiality determinations are made within the financial institution.                         | Risk Management (pages 91-99)                         |



| Recommendation   | Descriptions   | Reference                                    |
|--|--|--|
| <b>METRICS &amp; TARGETS</b>   |  |  |
| <b>M1</b><br><b>KEY CLIMATE-RELATED METRICS</b>  | <ul style="list-style-type: none"> <li>◆ GHG Emissions: Disclose historical and current GHG Emissions (Example unit of measure – MT of CO<sub>2</sub>e).</li> <li>◆ Transition Risks: Disclose amount and extent of assets or business activities vulnerable to transition risks (Example unit of measure – Amount or percentage).</li> <li>◆ Physical Risks: Disclose amount and extent of assets or business activities vulnerable to physical risks (Example unit of measure – Amount or percentage).</li> <li>◆ Climate-Related Opportunities: Disclose proportion of revenue, assets or other business activities (financing &amp; investment) aligned with climate-related opportunities (Example unit of measure – Amount or percentage).</li> <li>◆ Client Engagement: Disclose client engagements on climate-related risks and opportunities (Example unit of measure – percentage).</li> <li>◆ Capital Deployment: Disclose amount of capital expenditure, financing, or investment deployed toward climate-related risks and opportunities (Example unit of measure – Reporting currency).</li> <li>◆ Remuneration: Disclose proportion of director and/or senior management remuneration linked to sustainability considerations (Example unit of measure – Percentage, weighting, description, or amount in reporting currency).</li> </ul> | <i>Metrics &amp; Targets (pages 100-107)</i> |
| <b>M2</b><br><b>KEY CLIMATE-RELATED TARGETS</b><br><b>Description</b><br>Set and disclose clear climate-related targets based on recognised metrics (including cross-industry, sector specific metrics and/or institution-specific metrics). | <ul style="list-style-type: none"> <li>◆ Set and disclose clear climate-related targets based on recognised metrics (including cross-industry, sector specific metrics and/or institution-specific metrics).</li> </ul>  | <i>Metrics &amp; Targets (page 100)</i>      |

# Appendices

## TCFD Index

### STRETCH RECOMMENDATIONS

| Recommendation  | Descriptions  | Reference  |
|---|---|--|
| <b>GOVERNANCE</b>   |   |  |
| <b>G7</b><br><b>SEPARATE COMMITTEE ON SUSTAINABILITY AND CLIMATE-RELATED MATTERS</b>  | <ul style="list-style-type: none"> <li>◆ Set up a separate committee to oversee sustainability-related matters, reporting to the Board of Directors for all sustainability and climate-related matters.</li> </ul>  | <i>Sustainability and Climate Governance (pages 58-61)</i> |
| <b>STRATEGY</b>   |   |  |
| <b>S4</b><br><b>SCENARIO ANALYSIS AS AN OPPORTUNITY TO IMPROVE STRATEGIC RESILIENCE AND EXPLORE CLIMATE VULNERABILITIES</b> | <ul style="list-style-type: none"> <li>◆ Perform climate-related scenario analysis to assess potential business implications of climate-related risks and opportunities over time and under different conditions as well as related strategy to manage these.</li> </ul>  | <i>Risk Management (page 96)</i>                           |
| <b>RISK MANAGEMENT</b>  |   |  |
| <b>R4</b><br><b>PROCESS FOR IDENTIFYING AND ASSESSING CLIMATE-RELATED RISKS</b>   | <ul style="list-style-type: none"> <li>◆ Disclose the financial institution's risk management processes used to identify and assess climate-related risks.</li> <li>◆ Disclose the financial institution's climate-related risks and their significance within existing risk categories such as credit, market, operational, liquidity risk.</li> <li>◆ Disclose the financial institution's processes for assessing the potential size and scope of identified climate-related risks.</li> <li>◆ Disclose key sectors in the financial institution's portfolio that are identified as being highly exposed to climate risk.</li> <li>◆ Set out the financial institution's risk management controls or actions in managing impacts from direct climate-related risks (i.e. through own operations).</li> </ul> | <i>Risk Management (pages 91-99)</i>                       |

| Recommendation  | Descriptions   | Reference                            |
|---|--|--------------------------------------|
| <b>R5</b><br><br><b>PROCESS FOR MANAGING CLIMATE-RELATED RISKS</b>  | <ul style="list-style-type: none"> <li>◆ Disclose the financial institution's processes for managing climate-related risks including decisions to mitigate, transfer, accept, or control those risks.</li> <li>◆ Disclose improvements planned/completed by the financial institution to enhance capabilities and incorporate climate-related risks into existing risk management framework.</li> <li>◆ Conduct training and employee readiness planning as well as programmes.</li> <li>◆ Disclose how the financial institution's customers are engaged and helped in mitigating climate-related risks.</li> <li>◆ Use metrics and targets to monitor progress in managing climate-related risks (i.e. exposure to, and quantification of, risk types by business segment and jurisdiction).</li> <li>◆ Set out the financial institution's risk management controls or actions in managing impacts from indirect climate-related risks (i.e. through activities of its clients).</li> <li>◆ Disclose the financial institution's exposure to, and quantification of, sustainable financing.</li> </ul>  | <i>Risk Management (pages 91-99)</i> |
| <b>R6</b><br><br><b>PROCESS FOR INTEGRATING (I) PROCESS FOR IDENTIFYING AND ASSESSING CLIMATE-RELATED RISKS AND (II) PROCESS FOR MANAGING CLIMATE RELATED RISKS; INTO OVERALL RISK MANAGEMENT</b> | <ul style="list-style-type: none"> <li>◆ Disclose how the financial institution has integrated climate-related risks into existing risk categories such as credit, market, operational, insurance and liquidity risks.</li> <li>◆ Disclose how the financial institution has integrated climate-related risks into existing risk framework(s) and/or directly into credit and investment decision-making (e.g. lending policies, underwriting standards, risk ratings, pricing models).</li> <li>◆ Disclose the financial institution's exposure to physical and transition risks within its operations and business model, including concentrations of risk at portfolio and transaction levels, and by geographical footprint.</li> <li>◆ Disclose the financial institution's efforts in supporting clients through mitigating climate-related risks via sustainable finance solutions.</li> <li>◆ Implement policies that restrict/divest from high-risk exposures and in line with international commitments/frameworks.</li> <li>◆ Enhance the financial institution's climate risk management framework to be more predictive.</li> </ul> | <i>Risk Management (pages 91-99)</i> |

## Appendices

### TCFD Index

| Recommendation                                      | Descriptions   | Reference   |
|---|--|---|
| <b>METRICS &amp; TARGETS</b>                        |  |   |
| <b>M3</b><br><br><b>KEY CLIMATE-RELATED METRICS</b> | <ul style="list-style-type: none"> <li>◆ GHG Emissions – Historical, current and future GHG Emissions (Example unit of measure – MT of CO<sub>2</sub>e).</li> <li>◆ Transition Risks – Amount and extent of assets or business activities vulnerable to transition risks (Example unit of measure – Amount or percentage).</li> <li>◆ Physical Risks – Amount and extent of assets or business activities vulnerable to physical risks (Example unit of measure – Amount or percentage).</li> <li>◆ Climate-Related Opportunities – Proportion of revenue, assets or other business activities (financing &amp; investment) aligned with climate-related opportunities (Example unit of measure – Amount or percentage).</li> <li>◆ Portfolio Alignment – Forward-looking assessments of the convergence between the emissions profile of a portfolio, and the sectoral decarbonisation trajectory necessary to achieve climate goals.</li> <li>◆ Client Engagement – Client engagements on climaterelated risks and opportunities (Example unit of measure – Amount or percentage).</li> <li>◆ Internal Carbon Prices – Price on each ton of GHG emissions used internally by an organisation (Example unit of measure – Price in reporting currency, per MT of CO<sub>2</sub>e).</li> <li>◆ Performance – Impact of climate-related risks or opportunities on financial performance (Example unit of measure – Percentage, weighting, description, or amount in reporting currency).</li> <li>◆ Financial Position – Impact of climate-related risks or opportunities on financial position (Example unit of measure – Amount or percentage).</li> </ul> | <i>Metrics &amp; Targets (pages 100-107), Sustainability Performance Data (pages 240-268)</i> |

## Appendices

# Independent Limited Assurance Report



### Independent Limited Assurance Report to the Board of Directors of RHB Bank Berhad on the selected sustainability information disclosed in the Sustainability Report 2024

We have been engaged by RHB Bank Berhad (“the Bank”) to perform an independent limited assurance engagement on the selected material sustainability indicators (together the “Subject Matter Information”) for the year ended 2024 (the “Subject Matter Information”) as defined below and marked with the symbol “^” on pages 18 to 266 in the Bank’s Sustainability Report for the year ended 2024 (the “Report”).

Our assurance conclusion does not extend to information in respect of earlier periods or to any other information included in the Report.

#### Our Limited Assurance Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Subject Matter Information has not been prepared, in all material respects, in accordance with the Reporting Criteria set out on pages 18 to 266 of the Report and referenced in the “Subject Matter Information and Reporting Criteria” section below.

#### Subject Matter Information and Reporting Criteria

The Subject Matter Information needs to be read and understood together with the Reporting Criteria, which the Bank is solely responsible for selecting and applying.

The Subject Matter Information and the Reporting Criteria are set out below:

| 1. Sustainable Financial Services   |                              |   |
|---|------------------------------|---|
| <ul style="list-style-type: none"> <li>Reporting criteria applied: RHB’s internal framework/guideline</li> <li>Scope covers Malaysia, Singapore, Cambodia, Thailand, Laos, Brunei operations</li> </ul> |                              |   |
| Subject Matter Information  |                              | Disclosure in the Sustainability Report |
| (a) Total sustainable financial services, by type of activities   | Green                        | RM 8,847.03 million                     |
|   | Social                       | RM 2,300.30 million                     |
|   | ESG-linked                   | RM6,677.18 million                      |
|   | Total                        | RM 17,824.50 million                    |
| (b) Sustainable financial services achievement for selected Strategic Business Groups   | Group Wholesale Banking      | RM 8,553.69 million                     |
|   | Group Community Banking      | RM 4,754.37 million                     |
|   | Group International Business | RM3,302.44 million                      |

PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), Chartered Accountants, Level 10, Menara TH 1 Sentral, Jalan Rakyat, Kuala Lumpur Sentral, P.O. Box 10192, 50706 Kuala Lumpur, Malaysia  
T: +60 (3) 2173 1188, F: +60 (3) 2173 1288, [www.pwc.com/my](http://www.pwc.com/my)



## Appendices

### Independent Limited Assurance Report



#### Independent Limited Assurance Report to the Board of Directors of RHB Bank Berhad on the selected sustainability information disclosed in the Sustainability Report 2024 (cont'd)

#### Subject Matter Information and Reporting Criteria (cont'd)

The Subject Matter Information and the Reporting Criteria are set out below: (cont'd)

| 2. Community Empowerment and Enrichment   |                               |   |
|---|-------------------------------|---|
| <ul style="list-style-type: none"> <li>Reporting criteria applied: RHB's internal framework/guideline</li> <li>Scope covers Malaysia, Singapore, Cambodia operations</li> </ul> |                               |   |
| Subject Matter Information  |                               | Disclosure in the Sustainability Report |
| (a) Empower Targeted Individuals – Total amount of individuals that have been empowered   | MySISWA                       | 162,852                                 |
|   | Academic Excellence for Youth | 2,086                                   |
|   | FinLit                        | 10,034                                  |
| (b) Empowering Targeted Businesses - total amount of businesses that have been empowered  | SME e-Solutions               | 7,354                                   |
|   | MSME Capability Building      | 251                                     |

| 3. Environmental Stewardship   |                              |   |
|--|------------------------------|---|
| <ul style="list-style-type: none"> <li>Reporting criteria applied: Bursa Common Indicator C11 (a) and GRI 305-1</li> <li>Scope covers the following regions: <ul style="list-style-type: none"> <li>(a) Scope 1 and Scope 2: Malaysia, Singapore, Cambodia, Thailand, Vietnam, Brunei and Laos operations</li> <li>(b) Scope 3: Malaysia operations</li> </ul> </li> </ul> |                              |   |
| Subject Matter Information   |                              | Disclosure in the Sustainability Report |
| (a) Scope 1 GHG Emissions  | Malaysian Operations         | 149 tCO <sub>2</sub> e                  |
|  | Regional Operations          | 254 tCO <sub>2</sub> e                  |
|  | Scope 1 – Direct Emissions   | 402 tCO <sub>2</sub> e                  |
| (b) Scope 2 GHG Emissions  | Malaysian Operations         | 21,075 tCO <sub>2</sub> e               |
|  | Regional Operations          | 1,851 tCO <sub>2</sub> e                |
|  | Scope 2 – Indirect Emissions | 22,926 tCO <sub>2</sub> e               |
| (c) Scope 3 GHG Emissions  | Malaysian operations         | 2,307 tCO <sub>2</sub> e                |



## Independent Limited Assurance Report to the Board of Directors of RHB Bank Berhad on the selected sustainability information disclosed in the Sustainability Report 2024 (cont'd)

### Subject Matter Information and Reporting Criteria (cont'd)

The Subject Matter Information and the Reporting Criteria are set out below: (cont'd)

| 4. Diversity and Equal Opportunity   |                   |   |
|--|-------------------|---|
| <ul style="list-style-type: none"> <li>Reporting criteria applied: RHB's internal framework/guideline</li> <li>Scope covers Malaysia, Singapore, Cambodia, Thailand, Vietnam, Laos, Brunei operations</li> </ul> |                   |   |
| Subject Matter Information   |                   | Disclosure in the Sustainability Report |
| (a) Workforce Breakdown by Position (%)  | Senior Management | 1.8%                                    |
|  | Management        | 35.6%                                   |
|  | Executive         | 48.6%                                   |
|  | Non-Executive     | 14.0%                                   |
| (b) Female Employees by Position (%)   | Senior Management | 35.3%                                   |
|  | Management        | 54.0%                                   |
|  | Executive         | 65.2%                                   |
|  | Non-Executive     | 60.4%                                   |
| (c) Breakdown of Senior Management by Gender (%)   | Female            | 85                                      |
|  | Male              | 156                                     |
| (d) Workforce breakdown by gender and age group for each employee category (%)   | Senior Management |   |
|  | Female            | 35.27%                                  |
|  | Male              | 64.73%                                  |
|  | < 30 years old    | 0.00%                                   |
|  | 30 – 50 years old | 40.25%                                  |
|  | >50 years old     | 59.75%                                  |
|  | Management        |   |
|  | Female            | 54.04%                                  |
|  | Male              | 45.96%                                  |
|  | < 30 years old    | 2.52%                                   |
|  | 30 – 50 years old | 72.04%                                  |
|  | >50 years old     | 25.44%                                  |
|  | Executive         |   |
|  | Female            | 65.23%                                  |
|  | Male              | 34.77%                                  |
|  | < 30 years old    | 22.69%                                  |
|  | 30 – 50 years old | 65.66%                                  |
|  | >50 years old     | 11.65%                                  |

# Appendices

## Independent Limited Assurance Report



### Independent Limited Assurance Report to the Board of Directors of RHB Bank Berhad on the selected sustainability information disclosed in the Sustainability Report 2024 (cont'd)

#### Subject Matter Information and Reporting Criteria (cont'd)

The Subject Matter Information and the Reporting Criteria are set out below: (cont'd)

| 4. Diversity and Equal Opportunity (cont'd)   |                   |   |
|---|-------------------|---|
| Subject Matter Information  |                   | Disclosure in the Sustainability Report |
| (d) Workforce breakdown by gender and age group for each employee category (%) (cont'd) | Non-executive     |   |
|   | Female            | 66.05%                                  |
|   | Male              | 33.95%                                  |
|   | < 30 years old    | 5.08%                                   |
|   | 30 – 50 years old | 63.36%                                  |
|   | >50 years old     | 31.56%                                  |
|   | General Worker    |   |
|   | Female            | 11.73%                                  |
|   | Male              | 88.27%                                  |
|   | < 30 years old    | 3.57%                                   |
|   | 30 – 50 years old | 62.24%                                  |
|   | >50 years old     | 34.18%                                  |

| 5. Talent Management  |                        |   |
|---|------------------------|---|
| <ul style="list-style-type: none"> <li>Reporting criteria applied: RHB's internal framework/guideline and GRI 401-1</li> <li>Scope covers Malaysia, Singapore, Cambodia, Thailand, Vietnam, Brunei and Laos operations</li> </ul> |                        |   |
| Subject Matter Information  |                        | Disclosure in the Sustainability Report |
| Talent Management   | Employee Turnover Rate | 13.5%                                   |

| 6. Employee Learning and Development  |                                      |   |
|---|--------------------------------------|---|
| <ul style="list-style-type: none"> <li>Reporting criteria applied: RHB's internal framework/guideline and GRI 401-1</li> <li>Scope covers Malaysia, Singapore, Cambodia, Thailand, Vietnam, Brunei and Laos operations</li> </ul> |                                      |   |
| Subject Matter Information  |                                      | Disclosure in the Sustainability Report |
| Employee Learning and Development   | Training hours                       | 392,871 hours                           |
|   | Training hours per employee per year | 29 hours                                |

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

- the Sustainability Reporting Guide (3rd Edition) issued by Bursa Malaysia Securities Berhad;
- the Bank's internal sustainability reporting guidelines and procedures by which the Subject Matter Information is gathered, collated and aggregated internally;
- Global Reporting Initiative's Sustainability Reporting Standards ("GRI standards") for disclosures, and
- GHG Protocol Corporate Protocol Accounting and Reporting Standard



## **Independent Limited Assurance Report to the Board of Directors of RHB Bank Berhad on the selected sustainability information disclosed in the Sustainability Report 2024 (cont'd)**

### **Responsibilities of the Directors and management**

Management of the Bank is responsible for the preparation of the Subject Matter Information included in the Bank's Sustainability Report 2024 in accordance with the Reporting Criteria.

This responsibility includes the selection and application of appropriate methods to prepare the Subject Matter Information reported in the Bank's Sustainability Report 2024 as well as the design, implementation and maintenance of internal control relevant for the preparation of the Subject Matter Information that is free from material misstatement, whether due to fraud or error. Furthermore, the responsibility includes the use of assumptions and estimates for disclosures made by the Bank which are reasonable in the circumstances.

Those charged with governance are responsible for overseeing the Bank's sustainability reporting process.

### **Inherent limitations**

The absence of a significant body of established practice on which to draw to evaluate and measure the Subject Matter Information allows for different, but acceptable, measurement basis and can affect comparability between entities and over time. In addition, Greenhouse Gas ("GHG") quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

### **Our Responsibility**

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

### **Our Independence and Quality Management**

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

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

## Appendices

### Independent Limited Assurance Report



#### **Independent Limited Assurance Report to the Board of Directors of RHB Bank Berhad on the selected sustainability information disclosed in the Sustainability Report 2024 (cont'd)**

##### **Summary of work performed**

Our work included the following procedures. We:

- Evaluated the suitability in the circumstances of the Bank's Reporting Criteria as the basis for preparing the Subject Matter Information;
- Obtained an understanding of the Bank's control environment, processes and systems relevant to the preparation of the Subject Matter Information at the consolidated level and operating unit level. Our procedures did not include evaluating the suitability of design or operating effectiveness of control activities;
- Evaluated the appropriateness of measurement and evaluation methods, reporting policies used and estimates made by the Bank, noting that our procedures did not involve testing the data on which the estimates are based or separately developing our own estimates against which to evaluate the Bank's estimates;
- Performed analytical procedures for consistency of data with trends and our expectation;
- Performed limited substantive testing on a sampling basis on transactions included in the Subject Matter Information at the Bank's which involved agreeing data points to/from source information to check that the underlying subject matter had been appropriately evaluated or measured, recorded, collated and reported;
- Checked mathematical formulas, proxies and default values used in the Subject Matter Information against the Bank's Reporting Criteria; and
- Evaluated the appropriateness of the disclosures and presentation of the Subject Matter Information based on the Reporting Criteria.

Our assurance procedures involved agreeing to certain information obtained by the Bank from third party sources. However, our scope did not extend to testing the completeness and accuracy of the information obtained from third party sources. Nor did we perform procedures on financial information extracted from the audited financial statements of the Group and used in the calculation of the Subject Matter Information.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about whether the Subject Matter Information has been prepared, in all material respects, in accordance with the Reporting Criteria.





**Independent Limited Assurance Report to the Board of Directors of RHB Bank Berhad on the selected sustainability information disclosed in the Sustainability Report 2024 (cont'd)**

**Restriction on Distribution and Use and Disclaimer of Liability to Third Parties and For Any Other Purpose**

Our report, including our conclusion, has been prepared solely for the Board of Directors of the Bank in accordance with the agreement between us dated 23 December 2024 (the "agreement"). We consent to the inclusion of this report in the Sustainability Report 2024 of the Bank which will be accessible at [www.rhbgroup.com](http://www.rhbgroup.com) in connection with the Bank's responsibilities under paragraph 6.2(e) of Practice Note 9 of the Main Market Listing Requirements in respect of the disclosure of a statement on whether the listed issuer has sought independent assurance on the Subject Matter Information. To the fullest extent permitted by law, we do not accept or assume responsibility or liability to anyone other than the Bank for our work or this report except where terms are expressly agreed between us in writing. Any reliance on this report by any third party is entirely at its own risk.

A handwritten signature in black ink that reads "PricewaterhouseCoopers PLT".

PRICEWATERHOUSECOOPERS PLT  
LLP0014401-LCA & AF 1146  
Chartered Accountants

Kuala Lumpur  
26 March 2025

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**RHB Bank Berhad** 196501000373 (6171-M)  
Level 10, Tower One, RHB Centre, Jalan Tun Razak  
50400 Kuala Lumpur, Malaysia  
Tel: 603-9287 8888 Fax: 603-9281 9314

[www.rhbgroupp.com](http://www.rhbgroupp.com)

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