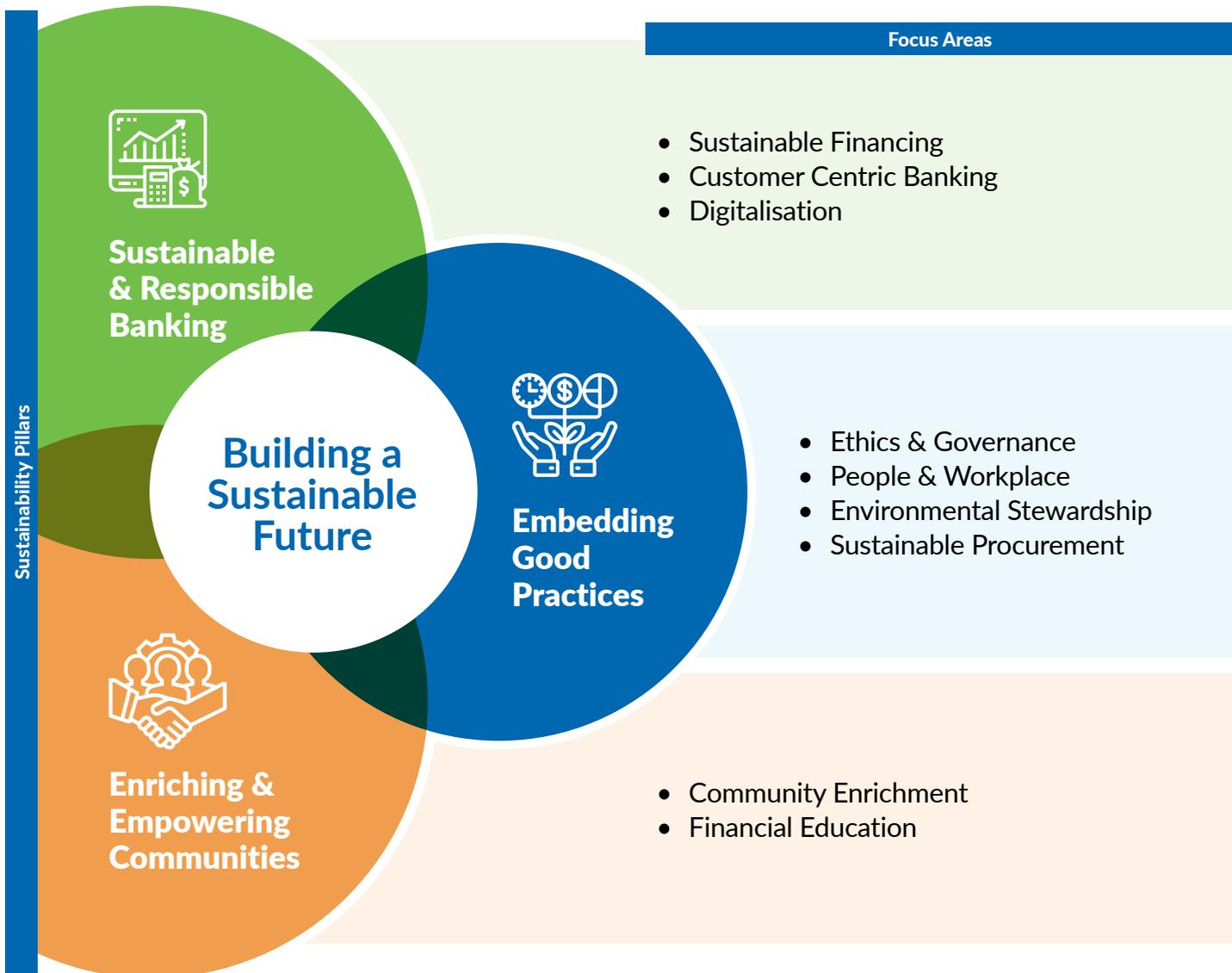


# Our Approach to Sustainability

FC IC SRC HC MC NC

RHB is on a progressive sustainability journey of continuous value creation for its stakeholders. Guided by the Group's Sustainability Framework, we respond to changing stakeholder concerns and consider the wider context of market conditions in carrying out our business activities. Our commitments are outlined by thematic pillars leveraging on material matters that are important to our business and stakeholders, and where we can make a difference.

Within each thematic pillar – Sustainable and Responsible Banking, Embedding Good Practices and Enriching and Empowering Communities – focus areas were identified to propel progress, as well as create value and measure impact. Each focus area is led by a Sustainability Sponsor and Champion to steer progress, drive innovation, promote cross-functional collaboration and strive for improvement.



Note: As guided by our Sustainability Principles, RHB Banking Group will align and integrate VBI components across the Group's Sustainability Framework.

Please refer to page 115 of this report and our Sustainability Report 2019 for more details on Sustainability Governance.

Please refer to pages 38 to 41 of this report and our Sustainability Report 2019 for more details on our stakeholders, their concerns and our responses.

Please refer to pages 42 to 45 of this report and our Sustainability Report 2019 for more details on Assessing Our Material Matters.

Scan the QR code to read more on our sustainability initiatives and progress



## 2019 Key Highlights



### ESG risk management:

A list of ESG risk-related activities that RHB Banking Group will not support and a list of sectors defined as ESG-Sensitive Sectors were put in place

### Financial access to SMEs:

Total loans of **RM5 billion** have been provided to SMEs

Recognised as **Top Contributor** by Syarikat Jaminan Pembiayaan Perniagaan ("SJPP") with **RM1.1 billion** disbursed to SMEs in 2019

### Sustainable financing:

- Approved a total of **RM246.21 million** in loans for renewable energy projects
- Pasukhas Green Assets ASEAN Green SRI Sukuk Programme - Sole Principal Advisor, Sole Lead Arranger & Sole Lead Manager for establishment of Programme of up to **RM200 million** in nominal value

### Digital adoption:

**46.9%** or **1.86 million** customers are using our Internet Banking

### Affordable homes:

Financed **840** low-income first-time homebuyers through BNM's Fund for Affordable Homes

### Inclusive & accessible branches:

- **210** branches with better accessibilities including **67** with ramps to walkway and **16** with a dedicated parking lots for our special needs customers
- **4,425** branch staff received **special soft skills training to engage with people** with disabilities or special needs

\* To be first implemented for RHB Banking Group operations in our dominant market, Malaysia.



### Gaining investor recognition:

- **FTSE4Good Bursa Malaysia** Constituent
- **MSCI ESG Rating** upgraded to AA

### Preparing our workforce for the future:

**RM43.0 million** invested in employee development

### Leading to an engaged workforce:

**Employment Engagement score of 90%**, better than industry average of 89%

### Built on diversity and inclusiveness:

- Total Workforce: **59.2%** female; **40.8%** male
- Senior Management: **27.6%** female
- Management: **50.2%** female

### Our environmental footprint:

- Reduced energy consumption by completing LED lighting installation for all RHB Bank and RHB Islamic Bank branches across Malaysia
- Reduced water consumption per occupancy (m<sup>3</sup>) by 11.6% from previous year at RHB Centre and RHB Complex in the Klang Valley
- Total GHG emission was 13,688 tCO<sub>2</sub>e for RHB Centre and RHB Complex in the Klang Valley\*
- The emission intensity per employee at RHB Centre and RHB Complex in the Klang Valley has been reduced by 43% from 2016 to 2019

Note:

\* GHG emission was for RHB Centre and RHB Complex in the Klang Valley, Malaysia. Scope and boundary for GHG emission in 2019 consisted of Scope 1: Mobile combustion (company-owned vehicles) and stationary combustion (generator sets); Scope 2: Purchased electricity; and Scope 3: Business travel by road. Methodology used was Greenhouse Gas Protocol (GHG Protocol): Corporate Accounting and Reporting Standard.



### Nurturing future generations:

- More than **1,200 students** from underprivileged backgrounds benefitted from RHB X-Cel Academic Excellence Programme since 2018
- **10 students** received the RHB X-Cel Star Scholarship in 2019, with plans to increase to 15 per annum from 2020

### Art with Heart ("AWH") Exhibition:

AWH provides a platform for young and emerging local artists to showcase their artwork and creativity. **66 local artists** have benefitted thus far, with a total of **129 artworks** sold over the last 4 years

### RHB Touch Hearts:

- A Group-wide community engagement programme that involved **14,500 employees** carrying out **158** initiatives since 2016 across 4 focus areas - Environment, Education, Health & Wellness and Community Well-Being
- Benefitted more than **100,000** underprivileged and underserved members of the community in areas where RHB has a presence

### Total community investment:

**RM9.5 million** (2017 - 2019)

### Financial literacy:

Since 2018, the RHB Money Ma\$ter Programme **engaged over 22,000 students from 120 schools**