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RHB TO GRANT RM1 BILLION THROUGH SUSTAINABLE FINANCING PROGRAMME TO SME AND RETAIL CUSTOMERS

KUALA LUMPUR – RHB Banking Group (“RHB” or the “Group”) has launched the RHB Sustainability Financing Programme, a Green Financing product bundling programme aimed at reaching out to the needs of both Small Medium Enterprises (“SME”) and Retail customers.

The four pillars of the Sustainability Financing Programme (“SFP”) comprise Green Energy, Green Buildings, Green Process and Green Products, which aims at promoting sustainable development and supporting the nation’s transition to a low-carbon economy through green financing solutions that integrate Environmental, Social and Governance (“ESG”) criteria.

The SFP adopts a more holistic approach to green financing, addressing the needs of both businesses and individuals through various financing solutions. The **Green Energy** financing solution promotes the adoption of renewable energy through the financing of solar panels for business and residential premises, while **Green Building** promotes the adoption of environmental considerations and eco-friendly features in the design, construction, operation and maintenance of buildings. **Green Process** on the other hand, is aimed at reducing environmental impacts through the enhancement in processes, equipment and machinery towards supporting customers’ decarbonisation, while **Green Products** promotes the purchase of eco-friendly products such as hybrid, plug-in hybrid, and electric vehicles.

Through the SFP bundling solutions, customers benefit from preferential rates and longer loan/financing tenure as well as relevant tax incentives provided under the Green Investment

Tax Allowance (“GITA”) and Green Income Tax Exemption (“GITE”) on their chosen facilities. SME customers may apply for financing facilities for Renewable Energy, Construction, Working Capital, and Capital Expenditure (“CAPEX”), with financing amount up to RM10 million and tenures of up to 15 years, with a high margin of financing and competitive rates.

Retail customers can enjoy personal financing for Solar Panel purchases for up to RM100,000 with margin of financing of up to 100%, over a maximum tenure of 7 years at attractive rates. Under this personal financing programme, customers are offered an All Risks insurance policy at an attractive premium rate whereby they are covered and protected from risks from damages such as fire, special perils, and accidental damage.

Customers can also enjoy Auto Financing rates for hybrid, plug-in hybrid and electric vehicles for as low as 1.99% (flat rate equivalent) across all financing tenures for up to 9 years amounting to a maximum facility of RM500,000. Customers are also entitled to an additional discount of up to 10% in insurance premium when they opt to purchase Motor Insurance for their hybrid, plug-in hybrid, and electric vehicles with RHB Insurance.

“Financial institutions play a vital role in delivering the country’s Intended Nationally Determined Contribution (“INDC”) which embodies efforts to reduce the country’s greenhouse gas (“GHG”) emissions intensity of GDP by 45% by 2030 relative to its emission intensity of GDP in 2005. The RHB Sustainability Financing Programme complements our existing green financing commitment and supports the nation’s aspirations in transitioning to a low-carbon and climate-resilient economy.

Guided by our Sustainability Framework, the Group continues to engage and nurture our customers towards adopting sustainable practices in their business and operations, and create awareness among consumers on the importance of choosing eco-friendly products or sustainable financing solutions for a healthier living environment. We target to grant a total of RM1 billion in new financing via the RHB Sustainability Financing Programme by 2025,” said Dato' Khairussaleh Ramli, Group Managing Director and CEO of RHB Banking Group.

As at 31 May 2021, the Group's Green Financing Commitment stood at RM3.25 billion, of which about 20% is in renewable energy projects. As part of the wider effort to align with the RHB Sustainability Framework, the Group will not be pursuing opportunities or provide financing for any new thermal coal mine projects and coal fired power plant projects with effect from January 2022.

Customers may visit www.rhbgroup.com/greenfinancing/index.html for more information on the RHB Sustainability Financing Programme.
