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RHB AND TENAGA NASIONAL TO PROMOTE GREEN SOLUTIONS TO SMEs AND INDIVIDUALS

Malaysia's First Financial Services Provider to Partner with TNB to provide renewable energy and energy efficiency solutions

Kuala Lumpur – The RHB Banking Group (“RHB” or the “Group”) and Tenaga Nasional Berhad (“TNB”) have forged a groundbreaking collaboration to expedite the adoption of renewable energy and energy efficiency solutions among small and medium enterprises (“SMEs”) and individuals.

The official exchange of documents, which was witnessed by YB Tuan Nik Nazmi Bin Nik Ahmad, Malaysia’s Minister of Natural Resources, Environment and Climate Change, took place during the Energy Transition Conference, an event that brought together local and international thought leaders, industry players, and policymakers from across the value chain to formulate solutions to accelerate energy transition effectively and form collaborations.

The strategic partnership complements the recently launched National Energy Transition Roadmap (“NETR”) towards empowering businesses, particularly SMEs, and individuals with the knowledge, tools and solutions needed to transition to greener practices. The collaboration entails TNB to provide technical advice on energy efficiency and renewable energy solutions, including supplying and installing Solar PV systems to SMEs, prioritising RHB’s SME customers and TNB’s clients and business partners. RHB will offer Green Financing Solutions comprising SME Green Renewable Energy Financing, SME Green Construction Financing, SME Green Commercial Property Financing, SME Green Working Capital Financing and SME Green Capital Expenditure (CAPEX) Financing.

RHB and TNB will jointly organise Sustainability roadshows commencing in the third quarter of 2023 to engage SMEs in major Malaysian cities to promote awareness of sustainable business practices, introduce energy efficiency and renewable energy solutions, and provide advisory services and green financing

solutions that support SME’s transition journey in alignment with the nation’s decarbonisation aspirations towards becoming a low-carbon economy by 2050.

“We are proud to be the first financial institution to collaborate with Tenaga Nasional Berhad in nurturing, supporting and advancing SMEs in their sustainability journey. This collaboration aligns with our Sustainability Strategy and Roadmap to help SMEs build a sustainable business by adopting greener practices. As a banking group, it is our responsibility to facilitate our customers’ transition journey through the financial products and solutions we offer,” said Mohd Rashid Mohamad, Group Managing Director/Group Chief Executive Officer of RHB Banking Group.

“As of June 2023, the Group has approved over RM870 million in SME Sustainable Financing, of which RM103 million was Bank Negara Malaysia’s Low Carbon Transition Facility (“LCTF”). We have also achieved more than RM5 billion in Sustainable Financial Services against our 2023 target of RM9 billion and a cumulative achievement of over RM16 billion, equivalent to almost 85% of our RM20 billion target,” added Rashid.

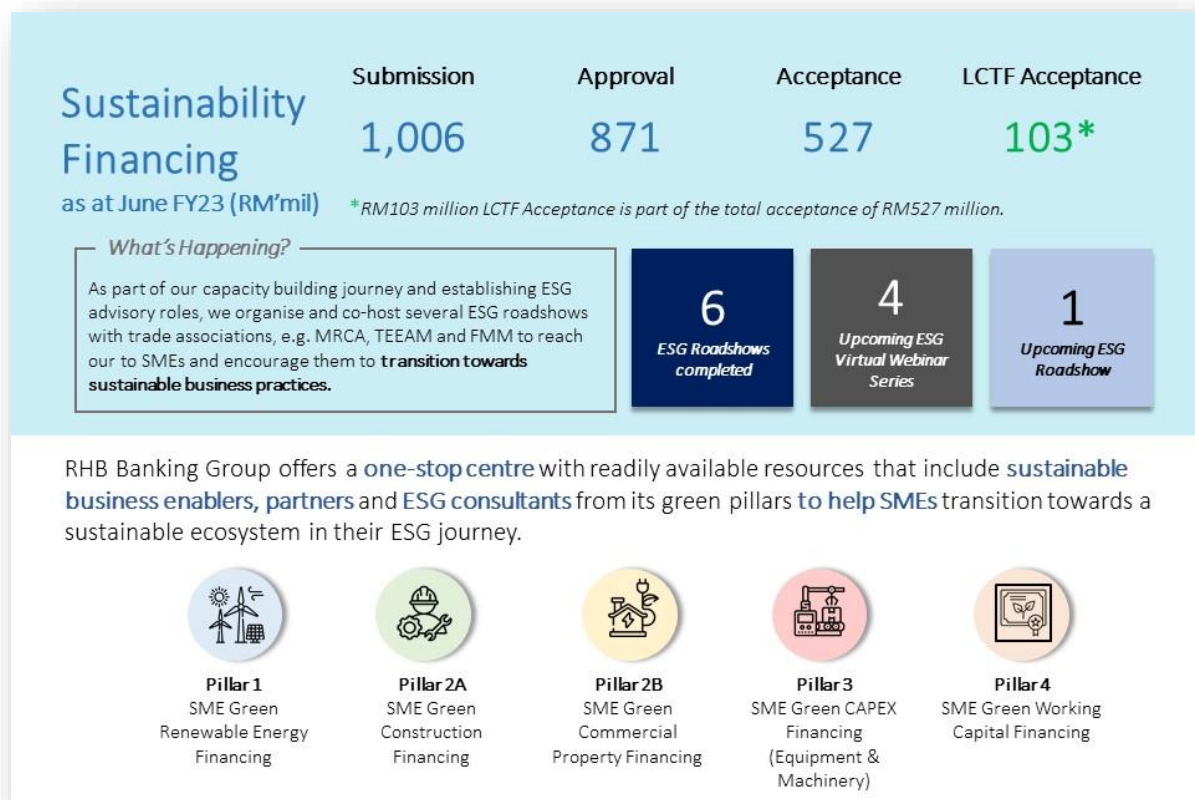


Image 1: Sustainability Financing by RHB Banking Group

“We are also expanding our Sustainable Finance team with ESG Sector Specialists whose expertise covers a variety of industries, including renewable energy, oil palm, healthcare and property. Ultimately, we aim to work closely with our strategic partners, such as TNB and other relevant industry players, to advance and facilitate SMEs in their sustainability journey,” stated Rashid.

“As energy transition gains momentum, the demand for green financing is set to increase significantly due to the growing adoption of green energy solutions in the country. Green financing and investment play a central role in TNB's commitment to advancing the energy transition, developing sustainable infrastructure, and fostering innovation to promote a low-carbon economy,” said Dato' Indera Ir. Baharin Din, President and Chief Executive Officer of Tenaga Nasional Berhad.

“We are delighted to join forces with RHB for maiden green financing facilities to encourage rooftop solar installations among SMEs and residential customers who are looking for long-term savings on their electricity bills, fostering a low-carbon economy. Both TNB and RHB share a common vision of assisting SMEs and homeowners in transitioning to green energy solutions for a more sustainable future. We eagerly anticipate collaborating with like-minded financial institutions to bolster Malaysia's endeavours in establishing a thriving green finance ecosystem,” added Baharin.

In line with the Group's sustainability aspirations, RHB offers a comprehensive suite of Sustainable Financial Services covering Green, Social and ESG-linked products and services for retail and non-retail clients ranging from personal financing for solar panel, EV financing of eco-friendly cars at competitive rates with complimentary one year ChargeEV membership, and Sustainable Financing Programme for SMEs. For more information on RHB's Green Financing Solutions, please visit <https://www.rhbgroup.com/greenfinancing/index.html>.