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RHB ESTABLISHES BOARD SUSTAINABILITY COMMITTEE

Kuala Lumpur – RHB Banking Group (“RHB” or the “Group”) has announced the establishment of its Board Sustainability Committee (“BSC”) whose primary role is to assist the Board of Directors in driving the Group’s sustainability and climate-related agenda and providing oversight of material Environment, Social and Governance (“ESG”) matters across the Group’s business strategies, operations and decision-making process.

Previously, the Board of Directors of the Group had direct oversight of sustainability matters. With the launch of RHB’s 5-Year (2022-2026) Sustainability Strategy and Roadmap, a decision was made by the Group to set up a BSC to enable greater focus and in-depth discussions at the highest level on material sustainability and climate related matters that have been identified within the Group.

This Board Sustainability Committee is chaired by YBhg Datuk Iain John Lo and its members comprises YBhg Tan Sri Dr Rebecca Fatima Sta Maria, YBhg Dato’ Mohamad Nasir Ab Latif, and Mr Donald Joshua Jaganathan. All members have extensive leadership experience and a strong understanding of sustainability matters.

Financial institutions play a unique role in supporting the country’s transition to a more sustainable future. Since 2018, RHB has been actively integrating sustainability and climate considerations into its business and decision-making process. The Group is now in the next phase of its sustainability journey. The 5-Year (2022 – 2026) Sustainability Strategy and Roadmap, which cuts across three key pillars, namely Sustainable & Responsible Financial Services, Embedding

Good Practices and Enriching & Empowering Communities, will guide the Group towards achieving its 2026 aspirations. These aspirations include the Group's intent to mobilize RM20 billion in sustainable financial services by 2026. This is equivalent to approximately 7% of the Group's Total Assets as at December 2021. As at June 2022, the Group's cumulative achievements stood at more than RM 11 billion in sustainable financial services.

As a financial services group, RHB has a role to play in promoting sustainable and inclusive growth, and in doing so, it aims to empower 2 million people across ASEAN by 2026. This includes offering basic banking services as well as conducting financial literacy programmes to the youth or young adults and the vulnerable segments. In addition, RHB Foundation's academic excellence and scholarship programmes actively nurtures the younger generations from the B40 families. Both financial literacy and academic excellence programmes have positively impacted more than 36,000 youths to-date.

RHB believes that embedding good practices and upholding ethical conduct is fundamental to the long-term sustainability of the Group. The Group aspires to achieve carbon neutral operations by 2030, targeting to achieve a 45% reduction in Greenhouse Gas (GHG) emissions intensity per employee by 2026, from baseline year 2016. It had also launched the Group Climate Action Programme (GCAP) in January 2022 aimed at addressing the Group's financed emissions and further enhancing the Group's climate risk management practices.

Effective January 2022, RHB also no longer pursues opportunities or provides financing facilities for any new thermal coal mine projects and coal-fired power plant projects. As at June 2022, RHB's coal exposure is approximately 0.90% of its total non-retail loans/financing. In addition, it has also adopted a stance on No Deforestation, No Peat and No Exploitation ("NDPE") for the Palm Oil, Forestry, and Agriculture sectors where the Group will only support responsible companies within these sectors that demonstrate alignment with its NDPE stance.

“The BSC will play a crucial role in providing strategic oversight of the Group’s sustainability and climate-related strategies and actions towards ensuring that we continue to strike the right balance across the triple bottom line of planet, people and profits,” said Datuk Iain, Chairman of the RHB Board Sustainability Committee.
