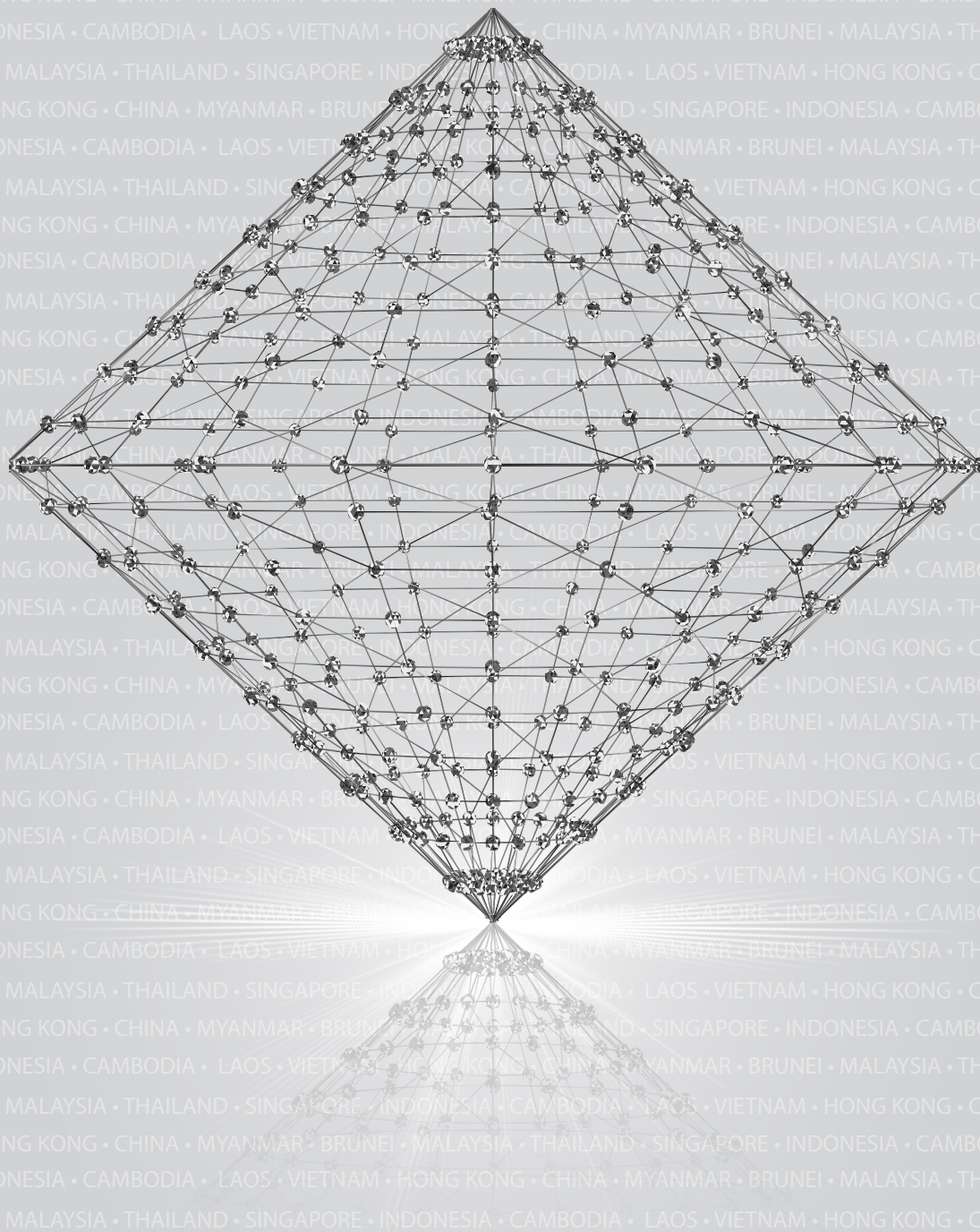


TOGETHER WE PROGRESS



RHB Capital Berhad

SUSTAINABILITY REPORT 2015



WHAT'S INSIDE

02 Facts at a Glance

04 RHB's Aspirations: Vision,
Aspirations and Shared Values

05 Who We Are

06 Where We Are

08 Chairman's Statement

12 Corporate Governance

14 Corporate Responsibility
Focus Areas: 4 Key CR Pillars

16 Our Community

24 Our Marketplace

28 Our Workplace

32 Our Environment

36 Awards & Recognition

ABOUT THIS REPORT

This report details RHB Banking Group's current Corporate Responsibility ("CR") practices in line with its CR philosophy.

The information contained in this report aims to keep the public abreast with the Group's CR initiatives in line with its goal of achieving sustainability. The report also serves to inform the public that RHB is a company that cares for the wellbeing of its stakeholders and the environment, and thus adopts sustainability initiatives and measures as a vital component of its operations.

Most importantly, this report underscores our commitment to growing profitability in a responsible manner, balancing our commercial interests with those of our stakeholders.



OUR COMMUNITY **16**

32



OUR ENVIRONMENT

www.rhbgroup.com



FACTS AT A GLANCE



COMMUNITY



MARKETPLACE



WORKPLACE



ENVIRONMENT

SPELLING COMPETITION

SIR (MALAYSIA)

51,982

PARTICIPANTS

2008 - 2015

ABC



NSC (SINGAPORE)

5,654

PARTICIPANTS

2012 - 2015

MIGHTY MINDS

49,118

STATISTIC

2009-2015



STUDENTS EDUCATION
ENRICHMENT DEVELOPMENT
LEADERSHIP PROGRAMME

BENEFITTED

1,350

SECONDARY SCHOOL
STUDENTS



2012-2015

REUNITING FAMILIES - CHILD SAFETY CAMPAIGN

CHILD SAFETY CAMPAIGN

SINCE 2007



DISTRIBUTED

360,000

SAFETY TIPS BOOKLETS

DISTRIBUTED

50,000

CHILD ID KITS

RHB'S ASPIRATIONS

BY 2020...

TO BE A
LEADING MULTINATIONAL
FINANCIAL SERVICES
GROUP

V I S I O N



A S P I R A T I O N S



**STRONG MARKET
LEADERSHIP IN MALAYSIA**

across targeted products and
segments

**TOP 3 IN MALAYSIA/
TOP 8 IN ASEAN**

by performance



**REGIONAL POWERHOUSE
IN ASEAN+**

20% profit contribution
from international operations



**NEXT GENERATION
CUSTOMER CENTRIC BANK**

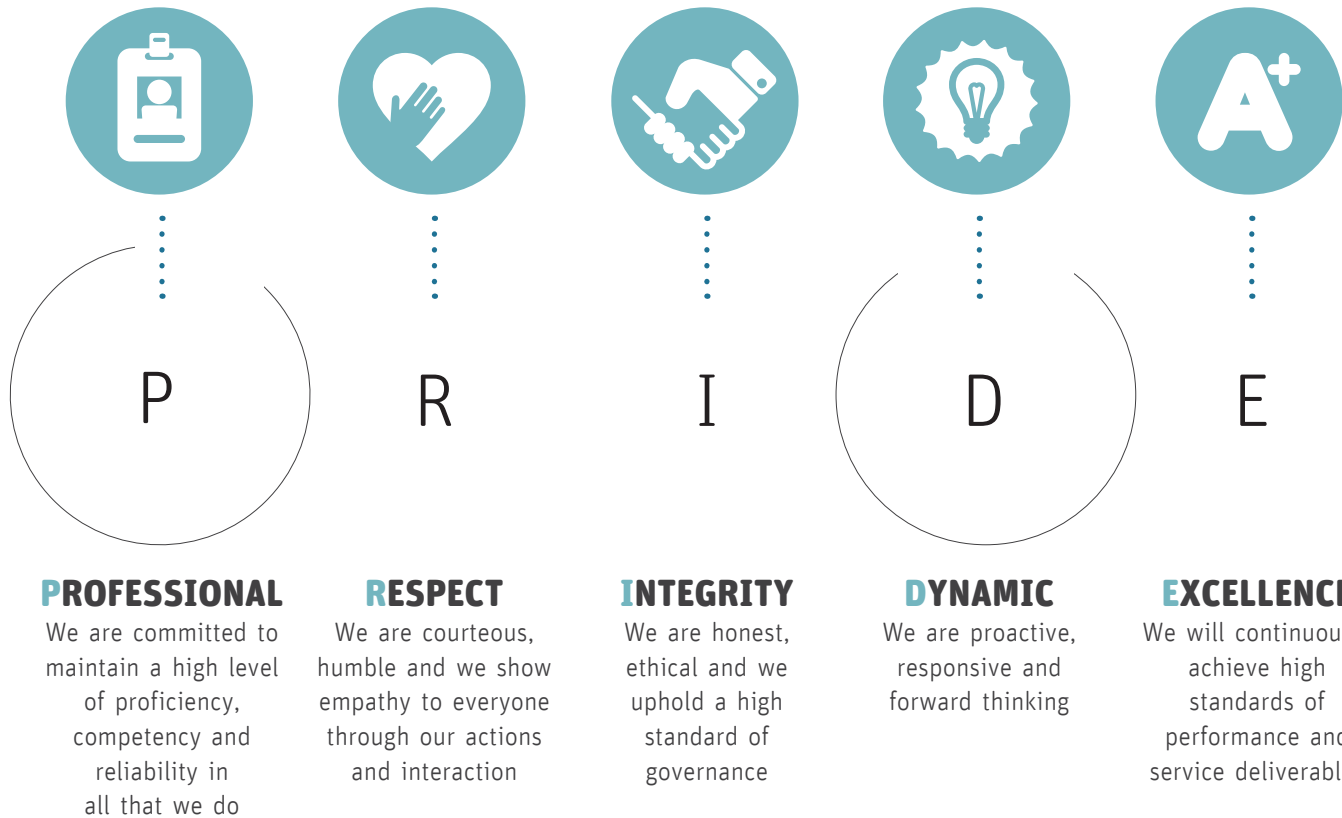
delivering innovative and personalised
customer offerings



**PROMINENT EMPLOYER
OF CHOICE**

within the region

SHARED VALUES



WHO WE ARE

- Fourth largest fully integrated financial services group in Malaysia.
- Our business pillars are:
 - Group Retail Banking
 - Group Business & Transaction Banking
 - Group Corporate and Investment Banking
 - Group Shariah Business
 - Group Treasury and Global Markets
 - Group Insurance
 - Group International Business
- The Group's main subsidiaries are:
 - RHB Bank Berhad
 - RHB Investment Bank Berhad
 - RHB Islamic Bank Berhad
 - RHB Insurance Berhad
 - RHB Asset Management Sdn Bhd
- The Group's regional presence now spans 10 countries including Malaysia, Singapore, Indonesia, Thailand, Brunei, Cambodia, Hong Kong (with a representative office in China), Vietnam, Myanmar and Lao PDR.





.....♦..... COMMUNITY



.....♦..... MARKETPLACE



.....♦..... WORKPLACE



.....♦..... ENVIRONMENT

WHERE WE ARE

in our Corporate Responsibility journey

In 2010, the RHB Banking Group embarked on its Corporate Responsibility (“CR”) journey, grounded on the firm belief that responsible corporate practices play a vital role in anchoring the Group’s sustainability agenda.

The Group has since adopted a CR philosophy which guides us in operating sustainably while positively impacting our shareholders, customers and business partners; aims to empower the community at large; and promotes the spirit of volunteerism as we seek to nurture positive values among our employees and society as a whole.

In line with this philosophy, we have launched a systematic approach to undertaking our CR activities, streamlining each activity under the four pillars of Community, Workplace, Marketplace and Environment. We believe this is vital in ensuring a holistic, wholesome and sustainable way of doing business. At the same time, we also endeavour to go above and beyond what is expected of us as a responsible corporate citizen and strive to contribute to the wellbeing of our stakeholders in any area we are able to.

In the past five years, our CR activities have grown to become a great source of pride for the Group. Among efforts we have found especially rewarding include our Community activities centred on the education and welfare of children - From our flagship RHB-New Straits Times Spell-It-Right Challenge which we commenced even before embarking on our formal journey in CR to our various initiatives focused on child safety which we implement with partners including the Royal Malaysian Police.

We have also strengthened our internal policies and processes, aimed towards promoting integrity, transparency and accountability, as we seek to improve the sustainability of our Marketplace. We will continue to nurture and groom our employees with programmes to build capabilities and competencies among the Malaysian workforce.

In recent years, we have embarked on various initiatives to contribute towards a balanced ecosystem.

As we remain committed to exercising exemplary corporate conduct to ensure a sustainable future, we established the RHB Foundation towards the end of 2015 to continue and expand on our CR journey.



RHB FOR YOU



CHAIRMAN'S STATEMENT

IT IS MY PLEASURE TO PRESENT TO YOU THE RHB BANKING GROUP'S SUSTAINABILITY REPORT 2015, WHICH HIGHLIGHTS OUR COMMITMENT TO GROWING PROFITABLY IN A RESPONSIBLE MANNER.

Dear Shareholders,

Our aspiration to become a leading multinational financial services group moves a step forward as we continue on our transformation journey. I am delighted to report that our efforts have resulted in many tangible positive outcomes. In 2015, we continued on this strong trajectory of our existing initiatives and other activities in line with our pillars of Our Community, Our Workplace, Our Marketplace and Our Environment.

In line with our corporate responsibility commitment, our people and our business continue to exemplify sound corporate values and practices.

It is my pleasure to present to you the RHB Banking Group's Sustainability Report 2015, which highlights our commitment to growing profitably in a responsible manner. We endeavour to remain focused on adhering to the highest standards of corporate governance, transparency and sustainability reporting.

Empowering Communities

In serving our community, last year we continued to focus on enriching and empowering children with skills and knowledge to unlock their potential.

Our flagship programmes, mainly the RHB-NST Spell-It-Right Challenge, the RHB-The Star Mighty Minds National Challenge and the Students Educational Enrichment Development Leadership Programme, continued to challenge and encourage students to pursue knowledge beyond the schoolroom.

Our efforts to protect children and reunite them with their families continue through our Missing Children – Reuniting Families programme. As part of our on-going activities, Child Safety Road shows and Safety Booklets are disseminated to schoolchildren and the public at large.

I am pleased to note that in tandem with our regional footprint, RHB Banking Group's community-building efforts go beyond our local borders and have yielded positive outcomes. In 2015 we organised the inaugural RHB Cambodia Junior Football Cup following the success of the Little Kicks Big Difference football clinic we introduced in Cambodia the previous year. We hope that activities such as these will empower children from under-served communities to rise above their circumstances by embedding confidence, hope and pride through sports and sportsmanship.



SOUND CORPORATE RESPONSIBILITY

PRACTICES
AND
VALUES
ARE INGRAINED WITHIN
OUR PEOPLE AND
BUSINESS PRACTICES

REMAIN FOCUSED ON
ADHERING
TO THE
HIGHEST
STANDARDS OF CORPORATE
GOVERNANCE,
TRANSPARENCY AND
SUSTAINABILITY REPORTING

Enriching Our People

I am happy to note that the Group’s outstanding workforce continues to receive local and international recognition. Last year we received awards that acknowledge our continuous efforts in nurturing our talent to become one of Asia’s most successful banks. Five different awards in the area of human resources were won. These included HR Asia’s Best Employers To Work For in Asia 2015 (Malaysian Chapter), Asia Corporate Excellence & Sustainability Awards 2015 – Top Companies to Work for 2015, Graduan Malaysia’s Most Preferred Employer Named by Talents, Best Employer Brand Award by Employer Branding Institute, and Malaysia’s 100 Leading Employer’s by GTI Media.

We also continued to strengthen our values by reinforcing RHB’s CLIP-R proposition based on our customer-centric core values – PRIDE (Professional, Respect, Integrity, Dynamic and Excellence). The RHB CLIP-R (RHB Cares, RHB Leads, RHB Inspires, RHB Progresses and RHB Rewards) outlines our pledge to strengthen the employer brand and to nurture our talents.

Fortifying Our Marketplace

In adhering to the highest standards of corporate governance, transparency, and sustainability, we employ stringent internal control and risk management measures. The policies as outlined in our annual report aim to protect our reputation and our customers’ interests. We continue to create awareness on fraud by leveraging on social media and digital platforms.

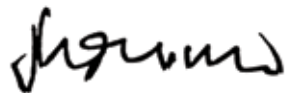
Protecting Our Environment

The importance of preserving and protecting our environment is something close to our hearts. To this end, we endeavour to implement “green solutions” in a bid to minimise our carbon footprint. We also support companies that undertake green projects as part of our sustainability agenda.

In line with our preservation efforts and to promote an appreciation for nature, we have expanded our Trail Experience (“TrEx”) programme with the hope of embedding environmental awareness among members of the public and our employees.



**WE THEREFORE
PLEDGE TO
CONTINUE PLACING
SUSTAINABILITY AT
THE FOREFRONT OF
OUR OPERATIONS,
AND HOPE THIS
SUSTAINABILITY
REPORT WILL SHED
LIGHT ON OUR
COMMITMENT TO
THIS PLEDGE.**



Dato' Mohamed Khadar Merican
Non-Independent Non-Executive Chairman

The RHB Foundation

RHB Banking Group has played an active role in community initiatives since 2007. In December 2015, we established the RHB Foundation. This foundation will act as our platform to further our reach and positively impact communities where RHB has a presence.

A Board of Trustees has been appointed, comprising Tan Sri Dato' Dr Yahya Awang, our Group Managing Director, Dato' Khairussaleh Ramli and Norazzah Sulaiman, our Group Chief Marketing and Communications Officer. We are confident that RHB Foundation will continue to spur change and drive progress in the community in which we operate.



Building a Sustainable Future

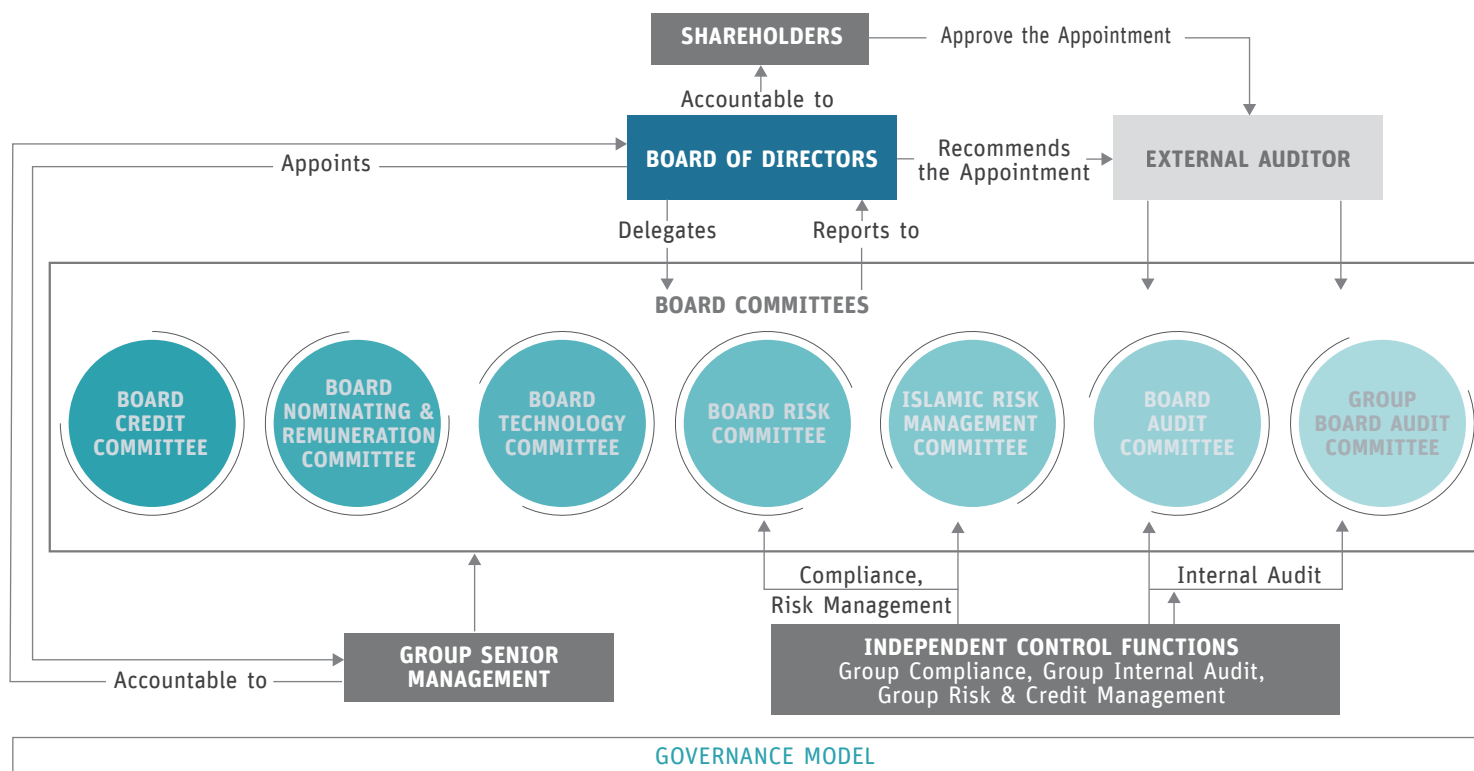
As one of Malaysia's more established financial groups with presence across the region, we recognise the need to operate in a sustainable manner. We therefore pledge to continue placing sustainability at the forefront of our operations, and hope this Sustainability Report will shed light on our commitment to this pledge.

CORPORATE GOVERNANCE

RHB Banking Group’s corporate governance function ensures our activities achieve a balance between contributing to shareholder value and creating responsible social and environmental outcomes to inculcate sustainable business practices across our operations.

In implementing this structure, we ensure that the Group promotes high standards of governance and integrity, transparency, accountability and responsibilities of our shareholders, Board and Board Committees, Senior Management, external and internal auditors as well as other Independent Control Functions.

These activities adhere to our Governance Model, which clearly defines our organisational structure with robust internal control and risk management mechanisms.



A Culture of Compliance

Our Corporate Governance values are demonstrated through an organisational culture which embraces professional business ethics and compliance with internal and external legal and regulatory requirements. From the Group's Board of Directors, Senior Management, and employees, this culture of compliance is anchored on our core shared values as follows:

- **PROFESSIONAL**
We are committed to maintain a high level of proficiency, competency and reliability in all that we do.
- **RESPECT**
We are courteous, humble and we show empathy to everyone through our actions and interactions.
- **INTEGRITY**
We are honest, ethical and we uphold a high standard of governance.
- **DYNAMIC**
We are proactive, responsive and forward thinking.
- **EXCELLENCE**
We will continuously achieve high standards of performance and service deliverables.

Benchmarking our Corporate Governance Performance

In 2015, the Group received the "Top 10 Corporate Governance Disclosure Merit Recognition Award" from the Minority Shareholder Watchdog Group (MSWG) following annual assessment against the MSWG-Association of Southeast Asian Nations (MSWG-ASEAN) Corporate Governance Transparency Index 2015 - The Malaysian Chapter.

Ranked among the top six out of 870 Malaysian Public Listed Companies (PLCs) in terms of quality disclosures and scope of corporate governance practised, this marks the first time the Group achieved this milestone and bears testament to our continuous efforts to strengthen Corporate Governance within our organisation. The ranking is calculated based on a scorecard methodology of the Organisation for Economic Co-operation and Development's (OECD) Principles of Corporate Governance.

In addition to this, a similar methodology which assesses good governance and transparency practices, and is peer-reviewed within ASEAN countries, also named RHB Capital a "Top 50 ASEAN PLC" among the region's publicly listed companies.

Reinforcing Sustainability through Governance

Aside from our Corporate Governance activities overseeing our business operations, the Group also plans to further strengthen our governance practices with the establishment of the RHB Foundation, led by a Board of Trustees.

The Board of Trustees will set the Group's CR priorities and goals, track our progress in implementing CR initiatives, advise on key CR strategic issues, provide input on possible risks and opportunities and recommend emerging and critical sustainability issues.

The Board of Trustees will also be served by a Company Secretary, as well as a Finance function to manage the financial aspects of the Foundation, ensure compliance with internal financial and accounting policies and procedures, prepare information for the annual external audit and record all of the Foundation's financial transactions.

Additionally, a Working Group will be established to manage and execute projects, expand areas of influence, ensure responsible reporting, engage with stakeholders, implement sustainable development and address cross-company CR issues. The Working Group will comprise representatives from each serviceable area as depicted below:



Governance
& Financial
Accountability



Community &
Marketplace Relations



Environmental
Affairs



Employee
Well-being



Human
Resources



Supply
Chain

The Foundation will act as a platform for the Group's CR initiatives, which includes current and future philanthropic and charitable activities, as we strive to achieve sustainable growth and long-term shareholder value creation while supporting the needs of our community and the environment.

CORPORATE RESPONSIBILITY FOCUS AREAS

AS A LEADING MULTINATIONAL FINANCIAL SERVICES GROUP, RHB BANKING GROUP AIMS TO DELIVER BALANCED GROWTH TO OUR SHAREHOLDERS IN A RESPONSIBLE MANNER BY EMBEDDING CORPORATE RESPONSIBILITY (“CR”) PRACTICES THROUGHOUT OUR ACTIVITIES.

Our CR practices are based on the following philosophy:

- To operate sustainably, while ensuring that our initiatives produce a positive impact on shareholders, customers, and business partners;
- To empower the community at large; and
- To promote the spirit of volunteerism, thereby instilling positive values among the RHB Banking Group’s employees and society as a whole.



FOUR KEY CR PILLARS



COMMUNITY



MARKETPLACE



WORKPLACE



ENVIRONMENT

RHB Banking Group's CR initiatives are anchored on the four pillars of Community, Marketplace, Workplace and Environment which we believe are integral to a holistic and sustainable way of doing business.

OUR COMMUNITY



QUICK INFO

LITTLE KICKS BIG DIFFERENCE

200

children from 16 primary schools

RHB HALF MARATHON

8,500

participants since 2013

RHB HUMANITARIAN FUND

Raised RM127,620
and benefitted more than

12,000

students



WE ARE DEEPLY COMMITTED TO ENRICH COMMUNITIES WE SERVE BY FOCUSING ON EMPOWERING THEM WITH THE SKILLS AND KNOWLEDGE TO UNLOCK THEIR POTENTIAL...

Developing Sustainable Communities

As one of Malaysia's leading financial institutions with a regional footprint, we are deeply committed to enriching communities we serve in the long-term by positively impacting their lives. In doing so, much of our activities is focused on empowering our communities with the skills and knowledge to unlock their potential.

To this end, our efforts in community development focus on the development and welfare of children.



Capacity building

Children are the bedrock of our future. In recognising that education is key to their development, RHB Banking Group's key objective is to equip children with skills, capabilities and the competencies needed to face the future with vigour and confidence. This is undertaken through programmes such as the RHB-NST National Spell-It-Right Challenge, the RHB-The Star Mighty Minds National Challenge, and the Students Educational Enrichment Development Leadership Camp.

These programmes challenge and encourage students to pursue knowledge beyond the schoolroom, while promoting character-building.



Inculcating English Proficiency

The Spell-It-Right (“SIR”) Challenge is a nationwide spelling competition that is open to primary and secondary school students in Malaysia. The programme, which has been jointly organised with the New Straits Times Press (Malaysia) Bhd since 2008, is aimed at promoting better usage of the English language, instilling good reading habits and improving students’ language proficiency, whilst boosting their confidence.

SIR has seen encouraging growth in participation since its launch, and in 2015, recorded a 38% increase in participation to 16,982 from 12,280 participants the previous year.

Endorsed by the Ministry of Education, SIR challenges children to expand their vocabulary beyond the confines of their day-to-day textbooks. To date, the participants of SIR have been exposed to more than 60,000 words of Latin, medieval, and modern origins.

The success of the SIR programme has also been extended beyond Malaysia with the debut of the National Spelling Championship, jointly organised by the Group and the Singapore Press Holdings Ltd. Grounded by the same objectives as the SIR and supported by Singapore’s Ministry of Education, the NSC has seen an 18% increase in primary school participants since 2014 with 1,654 participants compared to 1,400 in the preceding year.

During the year under review, we also organised the inaugural RHB Spelling Masters in which the top 10 spellers from Malaysia’s SIR faced the top 10 spellers from Singapore’s NSC in a friendly competition held in November 2015.

Through the NSC, we have also promoted the learning of English in Singapore in a fun and interactive way by distributing School Time Scrapbooks to students. In 2015, 15 non-profit organisations in Singapore received a total of 2,000 School Time Scrapbooks to be distributed to their beneficiaries.

Sparking Young Minds

Our Mighty Minds National Challenge (“MM”) is a general knowledge and science-based challenge for secondary school students in Malaysia. This programme aims to increase students’ knowledge on current affairs, sports, world events, history, and geography by encouraging them to read more than just their textbooks and to build self-confidence by polishing their presentation skills. Students are also exposed to Innovation, Creative and Business Acumen Skills (“ICBAS”).

The MM Challenge has been jointly organised with Star Publication (Malaysia) Bhd since 2009 and is endorsed by the Ministry of Education as well as the Ministry of Science, Technology, and Innovation.

To date, we have seen 10,249 students from 928 schools nationwide participate in this programme. In 2015, we incorporated digital elements and used technology to enhance the students’ presentation skills and their thinking process.

The development of young talents is crucial for economic growth. The Group has thus introduced the Students Educational Enrichment Development (SEED) Leadership Programme to nurture the nation’s future leaders.

The three-day, two-night leadership programme aims to develop teenagers into the leaders of tomorrow through activities that engage their minds and bodies in a balanced and holistic way. Under the programme, participants are provided the opportunity to meet RHB senior leaders and receive life journey tips from them. Students also undergo character-building activities and return with an enhanced level of self-esteem, confidence and exhibit positive competitive spirit.

Since its establishment in 2012, the SEED programme has benefitted 1,350 secondary school students.



Grooming Future Leaders

Initiatives For Capacity Building

SPELL-IT-RIGHT CHALLENGE (SIR)

51,982



MIGHTY MINDS NATIONAL CHALLENGE

49,118

NATIONAL SPELLING CHAMPIONSHIP (NSC)

5,654



STUDENTS EDUCATION ENRICHMENT DEVELOPMENT LEADERSHIP PROGRAMME

1,350

Education on Healthy Living

RHB endeavours to be a steward of holistic living by promoting a healthier lifestyle and encouraging the spirit of sportsmanship. Our efforts include promoting healthy lifestyle among our communities by creating awareness on the responsibility to make smart health choices through physical activities and sports.

Keeping our Children Safe

The safety of children remains crucial to our agenda of ensuring the well-being of our communities. We believe that prevention is key in inculcating a secure environment for children. Hence we have implemented a number of educational and awareness initiatives to ensure all stakeholders, especially children, remain well-informed on staying safe. With families making up the heart of our communities, we also strive to keep family units whole by aiding search efforts for missing children.

Child Safety Initiatives

Working with the Royal Malaysian Police, activities under this initiative include Child Safety Programmes. Aimed at promoting crime awareness and empowering young children to protect themselves and speak out on crimes committed against them, we have conducted the roadshows in 22 primary schools, engaging 20,000 children since 2013.

These Child Safety roadshows are an expansion of our efforts to promote the safety of children through the distribution of Safety Booklets and Child I.D. Kits, introduced in 2007 and 2012, respectively. To date, we have distributed more than 360,000 Safety Booklets and approximately 50,000 Child I.D. Kits.

Collectively, these activities provide children with vital tips on how to protect themselves against potential dangers and the importance of reporting to relevant adults. With more children spending their time in the digital sphere, we have also introduced education on cyber bullying, cyber stalking and cyber crimes.



Child Safety Awareness Campaign

Through a partnership with Star Publication (Malaysia) Berhad since 2013, the Group has also published articles on child safety measures in a bid to instil awareness on child safety amongst students, parents, teachers and members of the public. Leveraging Star Publication's readership of 1.4 million daily, these articles target to engage, educate and create awareness on issues of child abuse, criminal activities, negligence and cyber crimes.

Reaching Out With ASTRO

In an effort to increase awareness on child safety, since 2013 we have worked with ASTRO to broadcast our Reach Out TV capsules which feature safety tips on various topics over a 20-minutes segment in both English and Bahasa Malaysia.

Through this medium, we have been able to reach out to ASTRO's 11 million subscribers, of which some 5.6 million have viewed these TV capsules. The Ministry of Education also helps to distribute these capsules to primary schools.



Missing Children Alerts Effort

In addition to our child safety efforts, the Group has put in place Standard Operating Procedures to promptly mobilise our resources should that safety be compromised.

In the unfortunate event that a child goes missing, we assist the police and parents/guardians with alternative channels of communication to raise the alarm and help search efforts.

Together with the Ministry of Women, Family, and Community Development, we have initiated the following efforts to aid families in locating their loved ones:

- Placing advertisements on the missing child in The Star newspaper
- Distributing leaflets about the child at all RHB Bank branches
- Displaying the pictures of the missing child on all RHB Bank branches LCD screens and ATMs for 30 days
- Immediately uploading details of the missing child on social media
- Adhering to a strict Standard Operating Procedure from the moment a missing child alert is received



Impact to date

Initiatives For Education in Safety

CHILD SAFETY
ROADSHOW

360,000
BOOKLETS &
50,000
CHILD ID KITS



REACHING OUT
WITH ASTRO

AVERAGE OF
5.6 MILLION
ASTRO CHANNELS VIEWERS



STAR READERSHIP IN CONJUNCTION
WITH CHILD SAFETY CAMPAIGN

1.4 MILLION
DAILY

Little Kicks Big Difference

Following encouraging support and participation from local communities and the government for the Little Kicks Big Difference football clinic introduced in Cambodia in 2014, we organised the RHB Cambodia Junior Football Cup in June 2015. Supported by the Football Federation of Cambodia and Nagaworld FC, 200 children from 16 primary schools participated in the football tournament.

The event aims to empower and inspire children to overcome life's challenges by nurturing confidence, hope and pride through sports and community based activities. We hope to provide an avenue for children in Cambodia to participate in healthy activities such as football.

WE RAISED RM127,620 FOR THE RHB HUMANITARIAN FUND AND PROVIDED MORE THAN 12,000 STUDENTS FROM OVER 70 SCHOOLS SUPPLIES NEEDED FOR THE NEW SCHOOL YEAR.



Following the floods that affected Kelantan, Terengganu and Pahang earlier in 2015, our employees participated in two missions to help with relief and clean-up work in Kota Bharu, Pasir Mas and Kuala Krai. We also raised RM127,620 under the RHB Humanitarian Fund and provided more than 12,000 students from over 70 schools supplies needed for the new school year. This included uniforms, shoes, socks, school bags and stationery. Contributions in kind such as milk powder, baby diapers, bread, biscuits, canned food, bottled water, blankets, towels and cooking oil were also collected and distributed to those affected by the floods.

OUR MARKETPLACE



QUICK INFO

PRODUCT DISCLOSURE SHEETS

Details of products' benefits and obligations for customers' knowledge and convenience

CUSTOMER SERVICE CHARTER

Ensures customers' expectations are met and enjoy seamless banking experience

SERVICE DIALOGUE PROGRAMME

Staff members and customers engagement to obtain feedback and to discuss improvements



As one of the largest banking groups in Malaysia, RHB stands committed to exercising responsible behaviour in our Marketplace. Guided by our philosophy of integrity, transparency and accountability, we endeavour to ensure that the sustainable growth of our Marketplace is rooted in corporate governance and risk management best practices throughout our organisation.

In 2015, we continued to ensure adherence to our in-house policies and procedures such as Group Code of Ethics, Group Whistle-blower Policy, Group Anti-Money Laundering Policy, Group Chinese Wall and Insider Trading Policy and Declaration of Connected Party to safeguard against unethical business practices that could impact our business and operations. These proven internal control measures were designed to mitigate any abuse of power, position and interest within the Group.

The following table details our key governance and compliance policies:

01	GROUP CODE OF ETHICS	♦	Articulates the standards of conduct and behaviour that should be adopted by employees when dealing in such situations where public trust and confidence might be compromised or a law might be violated.
02	GROUP WHISTLE BLOWER POLICY	♦	Encourages employees to raise concerns regarding malpractices or misdeeds without fear of retaliation or discrimination.
03	GROUP AML POLICY	♦	Drawn up to comply with the Anti-Money Laundering/Counter Financing of Terrorism Act (“AML/CFT”) and BNM’s Sector 1 Standards. Defines the policies to be adopted to prevent the Group from being used by money launderers and terrorist financiers to further their illicit business.
04	GROUP CHINESE WALL & INSIDER TRADING	♦	Establishes procedures to control the flow of confidential or material non-public and price sensitive information within the Group to avoid the risk of possible breach of the insider trading provisions under the Capital Market Services Act and to protect client confidentiality.
05	DECLARATION OF CONNECTED PARTY	♦	Articulates the process for directors and connected staff to declare or update details of their close relatives and interested entities so that any credit transactions with connected parties shall be conducted on an arms’ length basis.
06	POLICY ON RELATED PARTY TRANSACTIONS (“RPT”)	♦	Deals with the reporting and review process for RPTs under the Bursa Malaysia Listing Requirements which should be conducted on an arms’ length basis. Note: RPT means a transaction entered into by RHB Capital or its subsidiaries which involves the interest (direct or indirect) if a related party.
07	GIFTS & HOSPITALITY GUIDELINES	♦	Sets the standards of conduct on the giving and acceptance of gifts and hospitality.

This year’s review of Our Marketplace activities and policies hopes to provide stakeholders with an insight into RHB’s efforts to strengthen our position as a regional financial services provider. The initiatives allowed us to alleviate any potential risks be it financial, regulatory or consumer risks.



BY LEVERAGING ON SOCIAL MEDIA AND DIGITAL PLATFORMS, WE WERE ABLE TO REACH OUR CUSTOMERS IN A FASTER AND MORE EFFICIENT WAY.

Engaging with our Stakeholders

By leveraging on social media and digital platforms, we are able to reach our customers in a faster and more efficient way. Through this medium, we proactively sought to enhance fraud awareness within our customer base as well as our organisation. Updates on new products and services, investment tips, fraud and cyber-crimes were easily and quickly conveyed.

In line with our sustainability goals of being responsible and transparent, we provide Product Disclosure Sheets to detail our products' benefits and any obligations that the customer might have to fulfil should they decide to subscribe to it. Information on the products and services are deemed transparent and unambiguous.

These policies coupled with our activities to increase financial literacy within our organisation and customers is part of our aspirations to be a next generation customer-centric bank that offers simple, fast and seamless banking solutions. These goals are embedded in our IGNITE 2017 transformation initiatives which aim to re-assert RHB's standing in Malaysia and regionally by 2020.

Providing a Simple, Fast and Seamless Banking Experience

To achieve our ambitions of being the preferred bank for Malaysians, we are committed to providing a simple, fast and seamless banking experience for our customers. Our Customer Service Charter ensures that we meet our customers' expectations and that they enjoy a seamless banking experience with us. We also pledge to protect our customers' information from being misused through the Personal Data Protection Act 2010 ("PDPA") which was enforced starting 2013.

To further enhance the banking experience, we introduced measures to simplify the banking processes by reducing the turn-around time for opening an account, from 35 minutes to 10 minutes. Furthermore, our staff are required to be more attentive with customers. Through our Service Dialogue Programme, staff members engage with customers to obtain feedback and to discuss any improvements they would like to see in the bank branches.

OUR WORKPLACE



QUICK INFO

STRONG
WORKFORCE

16,117

employees

ALLOCATED
BUDGET

of more than
RM40MIL

for development training

RECEIVED
FIVE

AWARDS

in the area
of human resources



TO STRENGTHEN OUR EMPLOYER BRAND AND INCREASE TALENT RETENTION AND ATTRACTION, “THE RHB CULTURE” HANDBOOK WAS LAUNCHED. IT COVERS THE FUNDAMENTALS OF HUMAN RESOURCES; TALENT MANAGEMENT CYCLE, PRIDE CORE VALUES AND OUR RHB EMPLOYEE VALUE PROPOSITION, KNOWN AS THE RHB CLIP-R STATEMENT.



As we advance our journey to become a leading regional financial services group, we continue to nurture and groom talented individuals who make up our 16,117 strong workforce.

We recognise the importance of managing our talents and putting in place an effective succession planning programme to ensure a smooth and sustainable future for the company. Our efforts have been recognised through five different awards that we received last year in the area of human resources. These included:

- HR Asia’s Best Employers To Work for in Asia 2015 (Malaysian Chapter)
- Asia Corporate Excellence & Sustainability Awards 2015 – Top Companies to Work for 2015
- Graduan Malaysia’s Most Preferred Employers Named By Talents
- Best Employer Brand Award by Employer Branding Institute
- Malaysia’s 100 Leading Employer’s by GTI Media



Becoming an Employer of Choice

In 2015, we intensified our efforts to strengthen our employer brand and increase talent retention and attraction by launching “The RHB Culture” handbook, the first from our Delivering High Performance Book Series. The handbook covers the fundamentals of human resources, surrounding the Talent Management Cycle, our PRIDE core values and our RHB Employee Value Proposition, known as the RHB CLIP-R Statement. The RHB CLIP-R statement is rooted in the five pillars of RHB Cares, RHB Leads, RHB Inspires, RHB Progresses and RHB Rewards.

The RHB Culture handbook was distributed to all our employees in the various countries we operate in, and was also translated to Bahasa Malaysia to ensure we engaged all groups of our employees.

Nurturing Budding Talent

In 2015, we focused on the continued learning and development of our workforce by implementing the Accelerated Development Plan (“ADP”) for those who have been successfully identified as potential successors and high-potential talents. We also introduced new leadership development programmes in collaboration with the Australian Institute of Management West Australia (AIMWA). This included the Core Leadership Development Programme and the Accelerated Leadership Development Programme – Leap 2.

As part of our efforts to recognise budding talent and those who go the extra mile in the workplace, we also held the inaugural RHB GMD Awards in 2015. The RHB GMD Awards looks to recognise and reward those who have made significant contributions in the area of social responsibility, customer experience and business excellence. The award will be held on a quarterly basis, with the first held in the fourth quarter of 2015.

To further fortify our efforts of developing future leaders for the Group, we executed a new leadership development programme for a select group of employees in collaboration with AIMWA called the Core Leadership Development Programme. Meanwhile, the RHB Accelerated Leadership Development Programme, in partnership with the Creative Centre of Leadership (“CCL”), is an intensive learning

programme spread over six months. This programme is packed with pre-course work, workshops and action learning projects and was crafted for high potential talents.

Last year, 91% of our employees attended some form of development training concentrating on leadership, technical expertise or functional development, to which we allocated a budget of more than RM40 million. We also established and put into practice the revised Core & Leadership Competency Dictionary, as well as drafted a comprehensive assessment system for Sales by appraising proficiency levels and cluster competencies.

A Culture of Excellence

We believe that communication is key in improving not only our customer service but to enhance productivity within the organisation. In line with this, we rolled out the Group Management Committee Roadshows to all regions in Malaysia to increase interaction and boost engagement with employees on the ground.

Healthy Body, Healthy Mind

In keeping with other aspects of our sustainability pillars, particularly Our Environment, we established the Healthiest Sector Recognition award in November 2015 following the launch of the ‘Jom Sihat’ campaign in April. These initiatives are aimed at promoting a healthier and more balanced lifestyle amongst our employees, resulted in other activities such as the RHB Staircase Day, Fun Ride with GMD and the Occupational Safety and Health & Wellness Day.

In recognising the need to care for the wellbeing of our employees, we also introduced an employee perks application called PerkSense. PerkSense offers employees access to multiple discounts and freebies from top-notch merchants as an extension of the employees total rewards system.

Following our inaugural Centennial Run held in Kuala Lumpur and Penang in 2013, we introduced the RHB Half Marathon in 2015. The family-oriented run featured exciting activities such as a 3km Family Fun Run and a Best Costume category to create meaningful family bonding sessions for those with young children. To date, 8,500 people have participated in this event.

OUR ENVIRONMENT



QUICK INFO

4 APRIL 2015

RHB launched TrEx at

BROGA HILL

APPROXIMATELY

1,000

visitors per weekend

31 OCTOBER 2015

RHB TrEx Broga

CHALLENGE



RHB remains devoted to the protection and preservation of the environment through its investment in the Trail Experience (TrEx), an environmental-themed initiative intended to inculcate environmental awareness among the urban population.

In 2014, we undertook the adoption of Broga Hill, a popular hiking site situated on the border of Selangor and Negeri Sembilan. The restorative works on the trail included refilling hollow ground on the trail with soil, carving out sustainable steps that are safe for visitors, and installing ropes for climbing through steep routes.

In March 2015, RHB officially launched the TrEx at Broga Hill. The conservation efforts executed through TrEx saw an exponential rise in the number of visitors to the trail with approximately 1,000 visitors per weekend as compared to only 300 per weekend in previous years. Moreover, frequent visitors and hikers noticed the marked improvements made on the site and the safety measures we had installed.

To add further excitement for Broga Hill enthusiasts, we organised the inaugural RHB TrEx Broga Challenge on 31 October 2015 in conjunction with Minggu Alam Sekitar Malaysia 2015, in collaboration with the Department of Environment, Ministry of Natural Resources and Environment.

Moving forward, RHB is committed to carry out the TrEx programme in a new location in the Klang Valley region as soon as it receives approval from the relevant authorities.



RHB HAS BEEN AN ACTIVE PARTICIPANT OF THE ANNUAL EARTH HOUR CAMPAIGN. DURING THE EVENT, LIGHTS AT OUR BUILDINGS SUCH AS RHB CENTRE AT JALAN TUN RAZAK, KUALA LUMPUR ARE SWITCHED OFF, WHILE OUR STAFF ARE ALSO ENCOURAGED TO TAKE PART IN THE SYMBOLIC LIGHTS-OUT INITIATIVE IN THEIR OWN HOMES.



Supporting Earth Hour

RHB has been an active participant of the annual Earth Hour campaign, a global initiative which sees participants switching off the electricity on an appointed day at a specific hour in solidarity of the planet's welfare. During the event, lights at our buildings such as our RHB Centre at Jalan Tun Razak, Kuala Lumpur are switched off, while our staff are also encouraged to take part in the symbolic lights-out initiative in their own homes.

Promoting Sustainable Financing

RHB is proud to institute a sustainable financing agenda in support of environmentally-friendly activities. In line with this, we also offer our support to companies which undertake green projects as we seek to encourage sustainable practices.

AWARDS

THE GOLDEN GLOBE
TIGERS SUMMIT
AWARDS



Malaysia Best
Employer
Brand Award



ASEAN CORPORATE
GOVERNANCE
AWARDS
TOP50
ASEAN Public
Listed Companies



HR ASIA'S BEST COMPANIES
TO WORK FOR IN
ASIA
2015
Malaysian Chapter



AND RECOGNITION

MSWG-ASEAN
CORPORATE GOVERNANCE
TRANSPARENCY INDEX



2015

Merit Award for
Corporate
Governance
Disclosure

HR ASIA'S
BEST COMPANIES
TO WORK FOR IN ASIA
2015
Malaysian Chapter



GRADUAN'S
MALAYSIA'S MOST
PREFERRED EMPLOYERS
NAMED BY
TALENTS



MALAYSIA'S 100
LEADING GRADUATE EMPLOYER



UNIVERSUM'S

MALAYSIA'S MOST ATTRACTIVE EMPLOYERS : BUSINESS/COMMERCE
STUDENTS 2015



ACKNOWLEDGEMENT

The Group would like to express our sincere gratitude to our partners, employees and all others involved in executing our sustainability initiatives.

We also extend our heartfelt appreciation to the communities who have allowed us into their lives, and who have provided us with a sense of purpose in what we do. It is our hope that the Communities that we have impacted have found our initiatives as meaningful and rewarding as we have.

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