



Promoting Sustainable and Responsible Insurance Solutions

Insurers, as key players in the financial ecosystem, bear a substantial responsibility in driving the shift towards a low-carbon economy and enabling our customers to progress in their sustainability journeys. RHB Insurance is dedicated to delivering sustainable insurance products that facilitate the low-carbon transition and advance financial inclusion. Simultaneously, its investment mandate is aligned to ESG principles, to maximise positive environmental and social impact.

Sustainable and Responsible Finance

Enabling Transition Through Sustainable Financial Services

2024 Progress

RHB Insurance Sustainability Roadmap

Recognising the unique role of insurers in the sustainability transition, we developed the RHB Insurance Sustainability Roadmap in 2023. Aligned with the Group's overall Sustainability Strategy, it focuses on opportunities specific to RHB Insurance. Key KPIs are also integrated to support the Group's broader sustainability agenda.

Impact

- ◆ Issued **96,197** policies for ESG-aligned products, including Rahmah PA, Motor Saver, EV/Hybrid, solar, and fire insurance with flood coverage.
- ◆ Aligned **61%** of RHB Insurance's investment assets to the ESG mandate.



OUR ASPIRATIONS:

Sustainable insurance product positively impacting **110,000** policies by 2026

50% of our invest assets meet internal ESG criteria by 2026

Better life for **20,000** Malaysians by 2026

Achieve Carbon Neutral Operations by 2030



SUSTAINABLE & RESPONSIBLE INSURER



EMBEDDING GOOD PRACTICES



ENRICHING & EMPOWERING COMMUNITIES

Financial Inclusion
Promote financial inclusion by providing affordable and quality insurance products to underserved individuals and businesses.

Sustainable Insurance Services
Create positive impacts through our investment and insurance businesses.

Sustainable Business Practices
Align underwriting criteria on customers in non-ESG activities.

Ethics & Conduct
Uphold integrity, ethics and compliance through robust policies and practices.

People & Workplace
Promote employee development and nurture a fair, diverse and inclusive workforce.

Sustainable Supply Chain
Promote responsible and sustainable practices across the entity's supply chain.

Nurturing Future Generations
Promote growth with environmentally friendly individuals and businesses through learning and eco programmes.

Lifting Communities
Drive awareness through engagement, cooperation and partner collaboration.

Focus Areas

PATHWAY TO A CLIMATE RESILIENT FUTURE*

ENABLERS**

RHB INSURANCE SUSTAINABILITY KPIS

KPI 1: Sustainable and Responsible Insurer

- 50% of our investment assets meet internal ESG criteria by 2026 Sustainability Report 2023 SF KPI 4: Diversity, Equity and Inclusion
- Encouraging inclusion of more women in senior leadership KPI 5: Group Climate Action Programme • Sustainable insurance product positively impacting 110,000 policies by 2026

KPI 2: Better life for 20,000 Malaysian by 2026

- Promote awareness for the community, progressing 20,000 Malaysians towards a better life

KPI 3: Achieve Carbon Neutral Operations by 2030

- Managing our environmental footprint to reduce our GHG emissions

KPI 4: Diversity, Equity and Inclusion

- Encouraging inclusion of more women in senior leadership

KPI 5: Group Climate Action Programme

- Climate risk management and accurate climate-related reporting to regulators

Note:

- The RHB Insurance Sustainability Roadmap became effective in 2024, including tracking against RHB Insurance's KPIS. Hence, historical data is not available.
- For more information on RHB Insurance's progress on financial inclusion, please refer to pages xx of this report.
- RHB Insurance's progress on carbon neutral operations, climate risk management, and diversity, equity and inclusion are incorporated as part of the Group's overall progress.

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RHB Insurance ESG Taskforce

To strengthen sustainability integration within RHB Insurance, we established the RHB Insurance ESG Taskforce in 2023. The taskforce focuses on integrating sustainable practices into our operations, enhancing transparency in ESG reporting, and ensuring that we align with both regulatory requirements and industry best practices. The Taskforce reports to the RHB Insurance Management Committee (“MANCO”), which ensures that there is clear oversight on RHB Insurance’s sustainability efforts.

RHB Insurance ESG Taskforce Composition

Comprises six members from business and functional units across RHB Insurance, fostering cross-functional collaboration to catalyse sustainability integration:

- ◆ Head, Retail Protectors (Chairperson)
- ◆ Chief Risk Officer (Alternate Chairperson)
- ◆ Chief Operations Officer/Head, Insurance Operations
- ◆ Head, Business Protectors
- ◆ Head, Strategy, Analytics and Digital Innovation
- ◆ Head, Marketing and Customer Experience

Matters Discussed

11 meetings were held in 2024. Key matters deliberated include:

- ◆ ESG-related initiatives and recommendations for management.
- ◆ Development of RHB Insurance’s sustainability strategy and roadmap.
- ◆ Regulatory reporting on Climate Change Principle-Based Taxonomy (“CCPT”).
- ◆ Climate risk management and scenario analysis (“CRMSA”) requirements.
- ◆ Future ESG-related policy documents from BNM.



RHB ESG Incentive Scheme

Introduced in 2024, the RHB Insurance ESG Incentive Scheme was launched to provide comprehensive support to SMEs in Malaysia, enabling them to integrate ESG practices into their business models. The scheme offers incentives, such as reduced premiums on insurance products, to help SMEs implement ESG practices, thereby lowering their risks and enabling them to tap into new market opportunities that align with global sustainability trends. Through the scheme, we are able to assist SMEs in improving their risk management capabilities, build resilience against environmental and social challenges, and enhance their long-term competitiveness.

How this works?

SMEs meeting the Level 1 and Level 2 criteria can earn financial rewards of up to RM4,000, with RM1,000 allocated for each fulfilled green initiative, based on the four green pillars listed under Level 2. Each applicant must fulfil the minimum requirements stated under Level 1, as well as the pre-requisite criteria for one or more of the four green pillars listed under Level 2.



Level 1:	Basic ESG Criteria	Level 2:	4 Green Pillars
	Focuses on building an ESG framework, including establishing formal ESG policies, appointing senior management to oversee ESG, conducting sustainability initiatives, and publishing ESG reports.		Targets specific actions across four pillars: <ul style="list-style-type: none"> ◆ SME Green Renewable Energy: Making investments in solar or other clean energy sources. ◆ SME Green and Sustainable Buildings: Insuring energy-efficient or certified eco-buildings. ◆ SME Green Capex: Upgrading to sustainable machinery or technology. ◆ SME Green Working Capital: Using eco-friendly or recycled materials in operations.

Impact

- ◆ Received **112** applications in 2024, of which 101 successfully fulfilled the requirements for incentive redemption.
- ◆ Redeemed incentives totaling over **RM90,000** for 64 applicants as of December 2024.

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Advancing Access to Affordable Insurance

Many underserved communities remain uninsured due to cost barriers, lack of awareness, and limited access. Without coverage, financial shocks can be devastating, making recovery difficult and pushing individuals and businesses further into financial insecurity. This is especially true for the B40 segment, where affordability constraints often make insurance a secondary priority.

Throughout 2024, we continued to provide insurance solutions to support those most vulnerable to financial shocks.

◆ Rahmah Personal Accident Insurance

- provides affordable personal accident protection to the B40 segment, delivering essential coverage for gig workers and self-employed individuals, who often lack employer-provided protection.

◆ Fire Insurance with Flood Coverage


- safeguards homeowners from financial hardship caused by property loss due to flood and fire, ensuring greater security for those whose lives and livelihoods would be most affected.

◆ Motor Saver Insurance

- enables customers pay lower premiums based on reductions in emissions from commuting and car travel, thus serving the dual purpose of providing affordable insurance whilst strengthening environmental protection.

Impact

Product (No. Policies Issued)	2022	2023	2024
Fire Insurance with Flood Coverage	93,510	86,927	80,958
Motor Saver Insurance	1,451	3,080	4,731
Rahmah Personal Accident	0	1,689	8,198
TOTAL	94,961	91,696	93,887

 For further information on Group Insurance's quantitative achievements, please refer to page xx of this report.

RHB Insurance Financial Literacy Programme

RHB Insurance has been actively promoting financial literacy to help individuals, especially students, gain a deeper understanding of the importance of insurance in personal financial planning and risk management. RHB Insurance has focused on equipping students with crucial insights into personal finance and the role insurance plays in securing long-term financial stability.

Through partnerships with various educational institutions, RHB Insurance has conducted numerous events and talks to spread awareness. These include:



Outlook

RHB remains committed to driving growth in sustainable financial services, advancing ESG-focused products and solutions to support businesses and individuals in their transition journeys. With evolving regulations, market expectations and stakeholder priorities, the demand for green financing, sustainability-linked investments and ESG-driven financial products and solutions will continue to grow. We remain agile in adapting to these rapid changes and will ensure that our strategies align with local market needs and global sustainability goals.

A key focus for 2025 is launching and implementing our Sustainable and Transition Finance Framework and Guidelines across the Group. This Framework will ensure consistency in our financing and investment decisions and accelerate progress towards our RM90 billion sustainable financial services target by 2027. By embedding sustainability into our business strategy, we aim to create long-term value for stakeholders across Malaysia and ASEAN.