

CIMB's Sustainability-Linked Treasury Programme onboards first MNC

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From left: CIMB Group wholesale banking and group treasurer co-CEO Chu Kok Wei, corporate banking Malaysia head Lau Su Chean, Jefferi, Ishigami and ISF chief marketing officer Khoo Yoke Lian at the signing ceremony.

KUALA LUMPUR: CIMB Bank Bhd announced today that it has onboarded Intercontinental Specialty Fats Sdn Bhd (ISF) as the latest client in its landmark Sustainability-Linked Treasury Programme.

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ISF's participation in the CIMB programme is the first by a Japanese and foreign multinational corporation (MNC) in Malaysia. It is a wholly owned subsidiary of The Nisshin OilliO Group Ltd, the largest processor and marketer of edible oils in Japan, and is one of the global leaders in the edible oil industry.

Under the programme, ISF stands to receive a rebate linked to the achievement of pre-agreed Sustainability Performance Targets (SPT). The targets are unique to each client's business profile and sustainability aspirations, and are subject to stringent independent third party verification.

ISF is the first client in the palm oil industry to have been onboarded after the programme's introduction in 2022. The programme enables and incentivises clients to embed their environmental, social and

governance (ESG) aspirations into treasury risk management solutions that are customised to their requirements.

In addition, the programme provides for a longer term treasury solution by moving from one-off transactions towards a recurring businesses-usual flow programme framework.

CIMB Group wholesale banking ESG advisory and solutions head Jefferi Hashim said, "CIMB is honoured to onboard ISF as a key partner in this innovative programme, which will facilitate and support ISF's sustainability goals whilst meeting their recurring hedging requirements over a longer-term horizon."

This transaction, he added highlights CIMB's capabilities and commitment to help clients from a wide range of industries and sectors to advance their respective ESG agendas and create positive impacts through sustainable finance solutions.

"This is in line with CIMB Group's ambition to become a leading focused ASEAN bank and ASEAN sustainability leader under our Forward23+ strategic plan," he said.

ISF CEO Takashi Ishigami said, "We thank CIMB for the support of this innovative Sustainability-Linked Treasury Programme. We see integrating ESG considerations into the corporate strategy is not just a moral obligation, but a way to create long-term positive value we have on our employee, stakeholders and ensure the sustainability of business success. Our commitment to the ESG mirrors our commitment to the people and to the world. Furthermore, the future of socially sustainable responsible finance is part of our sustainability goals."

The Nisshin OilliO Group was established in 1907, and today it has major operations in seven countries, including Malaysia, Singapore and Italy. The group has been listed on the Tokyo Stock Exchange since June 1949, and has a market capitalisation of over US\$1 billion (RM4.3 billion).