

# Maybank mobilises RM34.37b in sustainable finance

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KUALA LUMPUR (April 24): Malayan Banking Bhd (Maybank) has mobilised RM34.37 billion in sustainable finance cumulatively in two years under what it calls commitment one.

Chief sustainability officer Shahril Azuar Jimin said a total of RM7.53 billion for retail financing and RM26.84 billion for non-retail financing were mobilised for sustainable finance in 2021 and 2022.

"Retail sustainable finance mobilisation was driven purely by retail financing under Maybank Group's community financial services (CFS)," Shahril told *Bernama*.

“Non-retail sustainable finance mobilisation was driven by group global banking (RM15.86 billion in 2022), business banking (RM0.87 million in 2022), and Etiqa (RM5 million in 2022),” he said.

He said that business banking was grouped under Group CFS but provides loans to small and medium enterprises (SMEs) and mid-sized corporate clients.

Under its commitment two, Maybank also improved the lives of 871,200 households across Asean over 2021 and 2022 via the provision of affordable and accessible insurance offerings to lower-income customers; financial inclusion solutions to vulnerable groups, SMEs and micro-enterprises; financial literacy and initiatives via Maybank Foundation, as well as zakat contributions.

Maybank also formulated its own sustainable product framework (SPF) to enable greater green, social and sustainable product development. Its initial RM50 billion target in sustainable finance to be mobilised by 2025 to help one million households was further raised to RM80 billion in February this year to help two billion Asean households.

Shahril said the group achieved its yearly targets and surpassed the halfway mark for both commitments one and two ahead of schedule when it mobilised RM20.69 billion in sustainable finance and helped to improve the lives of more than 360,000 households in 2022 alone.

## Maybank's sustainable product framework

Maybank became the first Malaysian bank to establish a sustainable product framework aimed to guide the development of green, social, sustainable, sustainability-linked and transition products effective Sept 1, 2022.

Shahril said Maybank mobilised sustainable finance for various sustainability efforts within different sectors in 2022.

In the power industry, Maybank mobilised RM535.7 million for solar and RM750 million for hydro projects as renewable energy financing.

In the construction and real estate industry, it channelled about RM2.1 billion towards the development of green buildings, largely to finance acquisitions and the construction of certified green buildings in Malaysia and Singapore.

In the area of affordable basic services or infrastructure, over RM2.3 billion of affordable home loans were disbursed in Malaysia as the group continues to assist individuals and families to secure home ownership and address the gaps in housing accessibility among low-income households.

"Our 'Go Green with Maybank Home' financing scheme provided attractive financing rates for the installation of solar panels and the purchase of homes to meet recognised green building certifications among retail consumers in Malaysia. About RM539.5 million was mobilised to more than 770 customers," he said.

In the automotive industry, Maybank disbursed RM1.21 billion for electric vehicles and hybrid vehicles financing, an increase of 124% year-on-year.

"Given our presence in the region, our efforts towards mobilising sustainable finance will have a significant impact on the push towards a more sustainable financial system, and ultimately towards a low carbon economy," he said.

## Green financing products offered by Maybank

Shahril said Maybank offers an array of green, social, sustainability-linked loans or bonds, transition financing, as well as funds which qualify for socially responsible investing (SRI).

He said the bank's sustainable retail solutions include enabling access to greener homes through a solar panel financing campaign in partnership with selected companies by providing lower rates for their employees.

"Furthermore, we encourage the usage of greener vehicles. For example, in Malaysia and Singapore, we introduced preferential rates for financing of electric and hybrid vehicles (plug-in hybrid for Singapore), while in Indonesia, we collaborated with Hyundai to offer financing for electric car purchases with interest rates starting at 0%," he said.

From the investment side, Maybank Asset Management offers sustainable funds including MAMG Global Environment Fund and Maybank Global Sustainable Technology Fund which are certified SRI funds.

It also offers Maybank Global Sustainable Equity-I Fund, the group's first actively managed Shariah-compliant fund, said Shahril.

He said the group has facilitated issuances of a diverse range of sustainable finance products spanning various industries and regions and has set up sustainable financing frameworks for a variety of local and regional clients.