

# Maybank to make RM80bil available for sustainability financing

A tripartite deal among Maybank, Bursa and UMW will pave the way for more efficient management of carbon emissions.

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*(From left) Bursa CEO Muhamad Umar Swift, UMW Group CEO Ahmad Fuaad Kenali, Maybank group president and CEO Khairussaleh Ramli, and Bursa chairman Abdul Wahid Omar were present at the signing of the MoC.*

KUALA LUMPUR: Malayan Banking Bhd (Maybank) has made a commitment to mobilise RM80 billion in sustainable finance by 2025 to drive long-term value creation for the businesses and communities it serves.

Group president and CEO Khairussaleh Ramli said this was in line with Maybank's mission to humanise financial services.

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Each entity in the value chain can play its role to ensure sustainability, he said after the signing of a memorandum of collaboration (MoC) with UMW Corporation Sdn Bhd and Bursa Malaysia Securities Bhd today.

The MoC will see the three companies work together to deploy a centralised sustainability platform.

Bursa's effort to bring together relevant companies in the end-to-end sustainability value chain would enable each company to play its vital role in the entire ecosystem, Khairussaleh said in reference to UMW's role as the supplier and Maybank as the financial solutions provider.

"The initiative is timely and crucial to facilitate sustainability disclosures by businesses," he said.

Khairussaleh added that such disclosures would encourage effective management of carbon emissions in the supply chain, while the bank's green financing products and services would serve as an incentive for companies to achieve carbon neutrality.

In collaboration with the London Stock Exchange Group (LSEG), Bursa has developed a platform that will serve as a repository for environmental, social and governance (ESG) disclosures by listed companies.

Under a memorandum of understanding (MoU) between them, the two stock exchanges will collaborate on initiatives such as ESG education, implementation of sustainable supply chain finance and corporate ESG reporting solutions.

The platform will enable listed companies to implement their sustainability plans to achieve zero carbon and accelerate adoption of the plan by those in their supply chains,

including non-listed companies.

It will help banks develop green financing products and services that will serve as an incentive for companies to reduce and eventually stop carbon emissions.

Bursa CEO Muhamad Umar Swift said the platform will also offer additional capabilities, such as a task force on climate-related financial disclosures (TFCD) modules as well as serve as a carbon emission calculator for corporates and their supply chains.

UMW group CEO Ahmad Fuaad Kenali said there is already a growing demand for net-zero offerings, pointing out that it could generate more than US\$12 trillion (RM53.67 trillion) of annual sales globally by 2030 in sectors such as transport, power and hydrogen.

“These are areas that UMW is directly involved in or closely connected to,” he said.

Fuaad said UMW is already looking to make the transition to lower-carbon and greener options in their products and services.

“We are offering hybrid and electrification options in the automotive and equipment segments and developing our own range of green products such as biodegradable lubricants, battery rival systems and ultrafiltration membranes for water reclamation under the mechanical and engineering segment,” he added.