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PETALING JAYA: Malayan Banking Bhd (Maybank) has received AA rating from MSCI ESG Ratings for the second consecutive year.

This leadership rating of AA places Maybank among the top 36% of 189 diversified banks rated globally based on the MSCI All Country World Index, of which only 4% achieved the highest rating of AAA, the bank said in a statement.

The rating was based on an assessment of Maybank's sustainability policies and practices covering seven broad areas namely financing environmental impact, consumer financial protection, human capital development, access to finance, privacy and data security, corporate governance, and corporate behaviour.

The AA score came on the back of Maybank's strong consumer protection practices including having a complaint hotline and loan modification options for customers with financial difficulties.

Group president and CEO Datuk Khairussaleh Ramli said the group's sustainability commitments were part of its journey to realise its ambition of becoming a regional environmental, social and governance leader.

"We are accelerating all efforts through our M25 Plan to help drive positive change in the markets we operate.

"Maybank has been making good progress on its four M25 Sustainability commitments, having already achieved its financial year 2022 target of reducing 40% of its Scope 1 and 2 emissions against its 2019 baseline," he said.

Khairussaleh said this was achieved with the commencement of the Malaysia Renewable Energy Certificates in January 2022 and the rollout of various energy efficiency programmes this year in markets such as Malaysia and Singapore.

"The group has committed to achieving a carbon-neutral position for scope 1 and 2 emissions by 2030, and net-zero carbon equivalent position by 2050," he said.

He added that the bank was identifying similar Renewable Energy Certificate or Renewable Energy Power purchase opportunities to cover its regional footprint to meet the remaining 60% reduction target from its 2019 baseline.

"To drive sustainable behaviour and practises among Maybank employees in reducing indirect carbon emissions under Scope 3, the group has also implemented an internal carbon pricing tracking mechanism in 2021 for business travel and has been reimbursing employees for electric vehicle-related expenses since the first quarter of 2022 to support the usage of energy-saving vehicles," he added.

The report showed the group's customer complaint mechanism's effectiveness ranks one of the best among industry peers, cementing its consumer financial protection ranking ahead of even its global top five peers.

Additionally, it highlights that Maybank's loan book exposure to environmentally intensive industries was low relative to peers, with just around 4.9% of its loans being exposed to highly environmental-intensive industries such as agriculture, metals, mining and utilities as of May 2021.