

Media Title : The Edge CEO Morning Brief
Headline : Public Bank plans sustainability roadmap, says to raise profitability by focusing on areas of strength
Date : 14 September 2022
Section : Home
Page : 15



KUALA LUMPUR (Sept 13): Public Bank Bhd is planning to establish a sustainability roadmap in the near term.

In addition, it will also focus on areas of strengths which comprise domestic consumer banking and small and medium-sized enterprises (SME) lending, wealth management, transactional services, capital market operations and international operations.

“(We are) focusing on synergistic growth (and we plan to) explore the development of more green and sustainable banking solutions,” Public Bank said in an Investor Presentation UBS APAC Financials & Fintech Virtual Conference on Tuesday.

The bank has set key commitments to be carbon neutral in greenhouse gas emission by 2030, net zero greenhouse gas emission by 2050, and mobilise RM40 billion in ESG financing by 2025, in which RM25 billion will be allocated towards energy efficient vehicles.

In the first half of 2022, the bank identified 72 ESG-friendly sectors and 12 social agenda loan purposes to encourage branches to promote ESG lending.

As at end June 2022, the bank mobilised about RM20 billion in energy efficient ve-

Public Bank plans sustainability roadmap, says to raise profitability by focusing on areas of strength

BY PRIYATHARISINY VASU
theedgemarkets.com

hicles financing and approved more than RM1 billion in affordable home financing.

The bank also enhanced an Internal Credit System to classify newly on-boarded loans based on Bank Negara Malaysia’s Climate Change and Principle-based Taxonomy.

“We launched Green Financing Facilities to offer preferential rates for loan purposes with green and environmental-friendly objectives, offering BNM’s Low Carbon Transition Facility to encourage SMEs to

adopt sustainable and low carbon practices,” Public Bank stated.

Additionally, in the first six months of this year, the bank also launched Sustainable Financing for staff, offering lower interest rates for financing of electric vehicle/hybrid electric vehicles and solar panels.

“In the near term, Public Bank committed to the Task Force on Climate-Related Financial (TCFD) disclosures and to explore more development of more green and sustainable banking solutions”, the bank further stated.

Public Bank’s net profit for the second quarter ended June 30, 2022 (2QFY22) rose by 2.35% to RM1.42 billion, from RM1.38 billion posted a year ago.

The year-on-year increase was more modest than its 12.66% growth in pre-tax profit to RM2.02 billion, from RM1.8 billion for 2QFY21, due to the impact of Cukai Makmur (the one-off prosperity tax), the bank’s filing with Bursa Malaysia showed.

Earnings per share (EPS) rose to 7.30 sen from 7.13 sen a year ago.

At market close, the bank’s shares fell 2.16% or 10 sen to RM4.52, giving it a market capitalization of RM87.74 billion.