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Sustainable, ethical practices will enhance local banking industry's competitiveness

KUALA LUMPUR: The Malaysian banking industry will become increasingly competitive going forward following its foray into sustainable and ethical banking

initiatives as well as digital banking with the issuance of five digital banking licences by Bank Negara Malaysia (BNM).

Speaking at the inaugural

Malaysian Banking Conference 2022 yesterday, Asian Institute of Chartered Bankers (AICB) chairman Tan Sri Azman Hashim said social finance is also poised to play a greater

role in the industry, effectively complementing the environmental, social and governance (ESG) agenda through its potential to integrate inclusiveness into the country's financial ecosystem of the future.

"As the financial sector continues to evolve, skills and employment will transform in tandem, making it essential for the country to have an agile and adaptable workforce that is highly skilled with an understanding of the broader areas of responsible finance and the ethical and social purpose of banking, which goes beyond financial returns.

"The solution, which I would like to emphasise lies in upskilling and reskilling through professional education and training, which is our core mandate as the professional body for bankers in Malaysia, together with the Asian Banking School," he said.

Azman said every financial practitioner need to develop their knowledge of green finance and sustainability to the extent that is relevant to their role and organisation.

"It is imperative that we bring together core banking skills with competencies in green and sustainable finance, enabling bankers to transform savings into investments in firms, technologies and projects that generate

environmental and social returns, alongside financial profits," he added.

Additionally, he said under BNM's key strategic Pillar 4 of the Financial Sector Blueprint 2022-2026 on climate-related and environmental risks, AICB has also been mentioned to further provide support on relevant ESG programmes to strengthen the capabilities of financial sector professionals in climate and environmental risk management.

"As sustainability is the future of banking, AICB is committed to professionalising and equipping the banking workforce with the green skills necessary to support the industry through this journey.

"As we build back post-pandemic, I am confident that the Malaysian banking industry will continue to remain resilient and maintain its stable growth momentum even as we face growing inflation and interest rates, and the threat of a global recession," he said.

Themed "Banking on Change: Turning the ESG Momentum into Action", the two-day Malaysian Banking Conference 2022, which begin on Sept 12, was jointly organised by AICB and the Association of Banks in Malaysia and featured insightful discussions on ESG-related topics centred on climate change and risk in Malaysia. –



From left: OCBC Bank (Malaysia) Bhd CEO Datuk Ong Eng Bin, AMMB Holdings Bhd former deputy group CEO Datuk Mohamed Azmi Mahmood, Hong Leong Bank Bhd group managing director & CEO Domenic Fuda, Public Bank Bhd managing director & CEO Tan Sri Dr Tay Ah Lek, Standard Chartered Bank Malaysia Bhd chairman Datuk Yvonne Chia, AICB vice-chairman, ABM chairman & Maybank group president & CEO Datuk Khairussaleh Ramli, Finance Minister Tengku Datuk Seri Zafrul Tengku Abdul Aziz, Azman, IBH Investment Bank Ltd managing director & CEO Datuk Howard Choo Kah Hoe, CIMB Investment Bank Bhd executive director & CEO Jefferi Mahmud Hashim, Citibank Bhd executive director & CEO Usman Ahmed and AICB CEO Edward Ling at the conference.