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KEYNOTE ADDRESS

By Dr Awang Adek Hussin, Chairman, Securities Commission Malaysia

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ISLAMIC SUSTAINABLE FINANCE & INVESTMENT FORUM 2022 REVIEW



Sustainable finance: How Islamic finance is reshaping itself

The world is changing, quite literally. From devastating floods to debilitating droughts — all taking place simultaneously — our world is the warmest it has been in 125,000 years, hitting 1.1 degrees Celsius above pre-industrial levels. Our climate is changing and the UN estimates that developing markets would need US\$127 billion every year by 2030 to help us adapt to the dramatic shift; by 2050, we would likely need more than double that — US\$295 billion annually. As governments and regulators mobilize their financial industries to combat this threat, we ask leaders at the Islamic Sustainable Finance and Investment Forum 2022, how does Islamic finance fit into this narrative?

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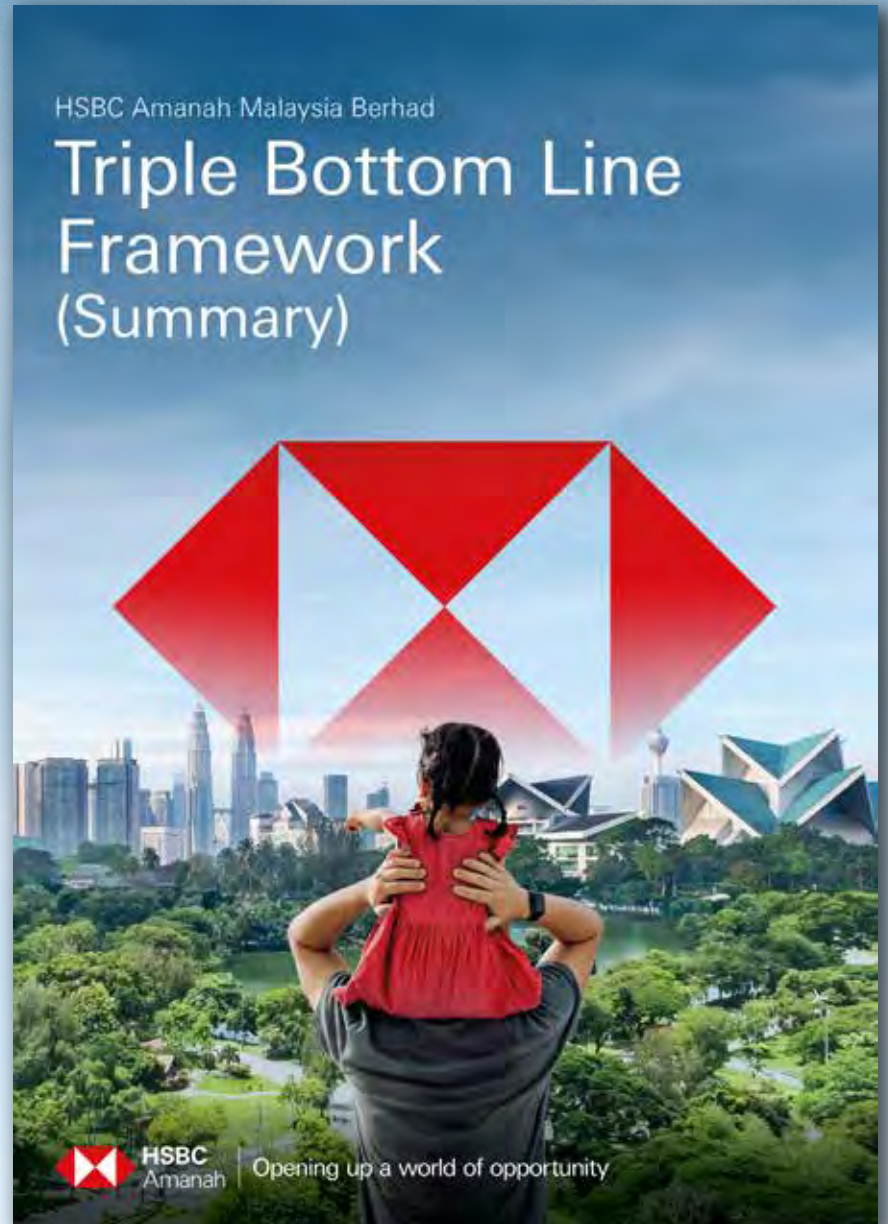
Our journey towards sustainability

HSBC Amanah Malaysia Berhad (HSBC Amanah or the Bank) is an Islamic Financial Institution (IFI) established in Malaysia. We are committed to embedding sustainability in our business practices and operations. In 2017, HSBC Amanah became a member of the Value-based Intermediation (VBI) Community of Practitioners – one of nine representative IFIs, with the aim of developing an industry-wide VBI approach towards environmental, social and governance matters affecting stakeholder groups of Islamic Finance in Malaysia. In December 2019, HSBC Amanah announced our VBI approach. In this approach, we introduced the lens of Triple Bottom Line (TBL) – Planet, People and Prosperity.

Our Triple Bottom Line Framework (TBL Framework) is intended to be an approach to classification, governance and process implementation in relation to financing assets that are originated by and/or managed by HSBC Amanah in order to assess eligible TBL Assets. TBL Assets are financing assets that meet the parameters defined in the TBL Framework developed by HSBC Amanah. The TBL Framework is intended to further the aspirations of HSBC Amanah as a practitioner of VBI and to have more than 51% of our financing assets to be TBL Assets as a Value Based Intermediary Bank.



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Opening up a world of opportunity

KEYNOTE ADDRESS

By Dr Awang Adek Hussin, Chairman
Securities Commission Malaysia

Mr Andrew Morgan, the managing director and publisher of Islamic Finance news, Mr Andrew Tebbutt, Managing Director, Redmoney distinguished speakers, ladies and gentlemen.

Assalamualaikum Warahmatullahi Wabarakatuh, and a very good morning.

1. Firstly, welcome to the Securities Commission Malaysia [SC]. It is good to see you all in person, face to face, compared to virtual events in the past. The month of September typically marks the start of the annual meeting of the United Nations General Assembly [General Assembly]. This year is no different, and coincidentally, it is also the first in-person General Assembly since the start of the [COVID-19] pandemic.
2. The focus of the General Assembly this year is on “solutions through solidarity, sustainability and science”. This is an acknowledgment that there are some extremely pressing challenges for humanity today.
3. According to the United Nations Intergovernmental Panel on Climate Change – the UN IPCC, global warming has already reached 1.1 degrees Celsius above pre-industrial levels, the warmest in 125,000 years¹.
4. The effects that had long been predicted are now occurring, such as shifting weather patterns, melting glaciers, rising sea levels and devastating floods.
5. In light of this, the UN estimated² that climate change adaptation financing for developing countries alone will cost US\$127 billion per year by 2030, and higher by US\$295 billion per year by 2050.
6. To make matters worse, COVID-19 has set back efforts to achieve the UN Sustainable Development Goals or SDGs by 2030. Estimates³ suggest that the impact of COVID-19 on SDG financing needs in developing countries is expected to increase the funding gap by 70% post-pandemic.



7. This suggests sizeable amounts of funding are required for critical global challenges, coupled with existing and planned initiatives to reduce economic and social disparities.

Ladies and gentlemen,

8. I believe that **the Islamic capital market, or ICM, is well-suited to contribute toward addressing the funding gap for the SDGs, as well as climate and other sustainability issues.** This is due to its emphasis toward ensuring wider societal benefits, and promoting inclusiveness, which are core Shariah principles. ICM can, and must, be mobilized to scale up toward meeting global sustainable development needs and climate initiatives.
9. To do so requires solidarity and shared purpose, among Islamic market practitioners and countries, to encourage greater Islamic finance innovation in tackling pressing global issues. In fact, this was one of the key discussion points at the SC's annual thought leadership roundtable with the United Kingdom's Oxford Centre

of Islamic Studies, held earlier this month. It was attended by eminent Islamic finance scholars and practitioners.

10. In particular, they noted how **Maqasid Shariah**, or the objective of Shariah, is both manifested and embedded in sustainable practices. Initiatives by the SC such as the SRI Sukuk Framework, Waqf-Featured Fund Framework and the SRI-linked Sukuk Framework which integrates Shariah and SRI, facilitate product innovation for issuers and investors and have gained market traction. It is developmental success such as this that **underscores the vast potential for Islamic finance to serve the common good of society.**
11. Indeed, Malaysia's decades-long experience in Shariah products and services highlights **three critical prerequisites** for continued market and industry evolution. These are:
 - i. A facilitative regulatory framework
 - ii. A supportive ecosystem, and
 - iii. Like-minded partners
12. **Firstly**, facilitative regulatory frameworks are required to promote the development of Islamic social, sustainability and green products. This will ensure an available pool of Islamic financial instruments that is ready to support the global 'call to action'.
13. In Malaysia's case, the presence of dedicated regulatory structures, particularly for Islamic SRI, has allowed Islamic instruments and investments to flourish. For example, the SRI Sukuk Framework and Guidelines on SRI Funds, which were introduced by the SC in 2014 and 2017 respectively, facilitated the development of the SRI asset class. To further enhance diversity and innovation, the SRI Sukuk Framework was revised in 2019 to expand the list of eligible SRI projects.
14. Many of you may know that the first SRI Sukuk was issued in 2015, which funded the development of trust schools in Malaysia. This was then followed by the world's first green Sukuk in 2017 to finance the construction of large-scale solar power

¹ The IPCC's Sixth Assessment report, published in 2021.

² By United Nations Commission on Trade and Development (UNCTAD).

³ By OECD, in 2020.

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plants. Altogether, there have been 21 SRI Sukuk issuers⁴ from 2015 to 2021, with close to US\$2 billion raised.

15. **Secondly**, a supportive market infrastructure, resources and ecosystem are required to ensure continued innovation. These are key pillars of the SC's SRI Roadmap for the Malaysian Capital Market, which outlines 20 recommendations to accelerate the sustainability agenda.
16. In addition, it is important to have well-defined taxonomies and market terminologies to minimize market uncertainties. **In line with the SRI Roadmap recommendations, we are currently developing an SRI Taxonomy for the Malaysian Capital Market.** By classifying what economic activities are considered as sustainable, the SRI Taxonomy will encourage capital allocation to sustainable initiatives. It will also shape transparency on climate risk management and transition financing, as well as broaden stakeholder engagements. Together with technical capacity-building programs, this will foster continued adoption of ESG and other sustainability goals.
17. **Last but not the least**, the collective involvement of like-minded parties is essential to address multi-stakeholder issues and barriers to growth that may arise. In Malaysia, we have been blessed with supportive ministries and government agencies, as well as good working relationships with other regulatory authorities. We have also benefited from the technical capabilities and dedication of a strong pool of Shariah advisors, experts and industry players. This has allowed Islamic finance to prosper domestically and gain strength regionally.
18. From a regional perspective, most Southeast Asian countries have pledged their commitment to work toward net-zero carbon emissions. ASEAN governments have also signaled their desire to undertake sustainable development, encompassing measures across the economic, social, cultural, physical and environmental spectrum.
19. The ASEAN Capital Markets Forum (ACMF), of which the SC is a member, leads the development of sustainable

finance within the region, as well as an ASEAN sustainable asset class. **The ACMF is also actively involved in developing the ASEAN Taxonomy for Sustainable Finance**, which seeks to identify sustainable economic activities and attract sustainable investments and funding to the region.

20. The ACMF is also instrumental in the introduction of a set of ASEAN Green, Social and Sustainability Bond Standards in 2017 and 2018. These standards are aligned to globally accepted principles and guidelines.
21. Since its introduction, this initiative has steadily gained traction. As of the 19th August 2022, total issuances of labeled ASEAN green, social and sustainability bonds and Sukuk amounted to US\$27.2 billion, with Malaysia accounting for 20% of the total. This includes Malaysia's sovereign sustainability Sukuk, which is aligned to the ASEAN Sustainability Bond Standards.

Ladies and gentlemen,

22. **ICM is certainly no stranger to social and sustainability causes.** In 2014, the International Finance Facility for Immunisation Company issued the world's first social impact Sukuk. Proceeds were channeled to a commendable cause, which is facilitating children's immunization in the world's poorest countries. This Sukuk demonstrated Islamic finance's viability to address a major social issue. It also helped raise the profile of the Islamic capital market internationally.
23. As such, I urge market stakeholders here today to ensure that existing, as well as new, Islamic social and sustainable finance instruments continue to be effective in channeling funding and investments.
24. In terms of Islamic social finance, Islamic funds with Waqf features are a potential emerging product class. In an effort to spur such innovative funds, the SC introduced the Waqf-Featured Fund Framework in 2020. This provides investors more opportunities to invest and contribute toward socially impactful activities.
25. Another promising product is sustainability-linked bonds, or SLB, and sustainability-linked Sukuk, or SLS. SLB

and SLS allow issuers to commit to and fulfill sustainable goals and targets. They are the fastest-growing sustainability-themed instruments. Last year, issuance volume globally was US\$130.2 billion with 271 deals⁵.

26. The SC's recently launched SRI-linked Sukuk Framework dovetails nicely with growing interest in this segment. We anticipate that the SRI-linked Sukuk Framework will bring companies further along the sustainability journey, given its unique features that bind to the issuer's sustainability commitments. Greater traction for this SRI-linked Sukuk will encourage more companies, particularly those in high-emitting industries, to transition to net zero.
27. Indeed, Islamic finance has come a long way in its journey to champion sustainable, inclusive and socially beneficial outcomes for communities and nations. As the momentum for sustainability intensifies globally, it must step up and showcase its effectiveness in meeting the SDGs.
28. Market stakeholders must ensure that the necessary foundations are in place to provide suitable Islamic solutions for pressing global challenges. This may require harnessing Islamic social finance instruments in the immediate term to support the sustainability agenda.

Ladies and gentlemen,

29. Before I end, I would like to repeat my call for solidarity and shared purpose among Islamic market practitioners. Innovation and collaboration are crucial to enhance the Islamic capital market's potential to meet social and sustainability goals. As guardians, or Khalifah, of this planet, we must work together for the greater good of the industry, and ultimately, preserving the Earth.
30. On that note, I would like to express my appreciation to the organizers for inviting me to deliver the keynote address and wish you all a productive conference.

Thank you.

⁴ The Bond and Sukuk Information Exchange (BIX) Malaysia.

⁵ Climate Bonds Initiative

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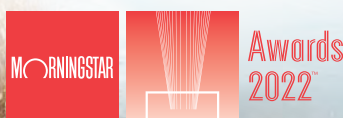
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ISLAMIC SUSTAINABLE FINANCE & INVESTMENT FORUM 2022 REVIEW

SUSTAINABLE FINANCE: HOW ISLAMIC FINANCE IS RESHAPING ITSELF

The world is changing, quite literally. From devastating floods to debilitating droughts — all taking place simultaneously — our world is the warmest it has been in 125,000 years, hitting 1.1 degrees Celsius above pre-industrial levels. Our climate is changing and the UN estimates that developing markets would need US\$127 billion every year by 2030 to help us adapt to the dramatic shift; by 2050, we would likely need more than double that — US\$295 billion annually. As governments and regulators mobilize their financial industries to combat this threat, we ask leaders at the Islamic Sustainable Finance and Investment Forum 2022, how does Islamic finance fit into this narrative? VINEETA TAN reports.

Where we are

“As recent as three years ago, many Malaysian clients were not keen to go the sustainability way when it came to the financing of Sukuk issuances — there was no pricing advantage, there was no specific demand for sustainability Sukuk from a specific group of investors, but there were a number of responsibilities on these clients, which were considered burdensome at that point of time. Many of these potential clients did not have anyone looking at sustainability, or it was carried out as part of CSR [corporate social responsibility],” Dr Ayaz Ismail, the director of wholesale banking at CIMB Islamic, explained.

But that is the (not-so-distant) past. Investors now want to do good, and they are putting money where it matters to them.

Conversations on sustainability, from a mere 18 months ago, has taken a real turn. Corporates have set up dedicated departments and units, and assigned personnel to embed sustainability into their business, observed Dr Ayaz.

This observation is in line with a global rush for sustainability-linked investments, which peaked during COVID-19. Sustainable bonds broke the US\$1 trillion threshold last year, following a 40% year-on-year surge, according to Sustainalytics, which predicted that sustainable finance and ESG assets under management (AuM) would reach US\$50 trillion by 2025, commanding one-third of global AuM. While on a much smaller scale, this upward trajectory is nonetheless mirrored in the Islamic space as well.

ASEAN green and sustainability bonds and Sukuk amounted to US\$27.2 billion in August 2022, with Malaysia, which issued its sovereign sustainability Sukuk last year, commanding a 20% share. According to CIMB Investment, sustainability Sukuk grew at a 115% compound annual growth rate from 2018–21 to US\$3.78 billion while the number of SRI Islamic funds were up about 30% to 21 from 16. Islamic banks in Malaysia have facilitated about RM146.6 billion (US\$31.16 billion) in initiatives under Bank Negara Malaysia (BNM)’s value-based intermediation as at the end of 2021.

“When we conducted our annual HSBC sustainability finance and investment survey last year, we found that 58% of issuers within the ASEAN region have built ESG frameworks into their organization; 44%



of investors said when they look at investments, they will consider ESG while another 34% said they are looking at ESG. This is a momentum that will intensify — it is definitely not a flash in the pan, it is here to stay and it will intensify over the next decade or so,” believes Kelvin Tan, the managing director and head of sustainable finance and investments of ASEAN at HSBC.

Based on internal research conducted, some 90% of the KPIs [key performance indicators] within the responsible ESG realm can actually find fundamental references in Islamic finance, revealed Magdy Eissa, IdealRatings’s vice-president for business development.

“Things are changing. We expect from what we have seen, at least from scholars and practitioners, that within the coming two or three years, there will be a total integration of ESG guidelines within Shariah products. Meaning, any new products in the coming two to three years will have the blessings of Shariah scholars besides the mandatory Shariah screening for [an] investable universe,” according to Magdy.

What does this mean for us?

The sustainability opportunity is in the trillions of dollars. Islamic financial institutions are seemingly well placed to capture some of these flows given the unusual synergy and overlap in values between the two streams of finance.

But does it put Islamic banks in a state of complacency or is it an opportunity for Islamic banks to scale up and do more?

“Islamic banking has reached a stage where each and every conventional, or most of the conventional products, can be offered in a Shariah



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compliant manner — the question is, where does it go from there?” asked Bilal Parvaiz, Standard Chartered Saadiq’s executive director and head of Islamic corporate, commercial and institutional banking. “Will Islamic banks continue to grow in the same format — that is to look at the conventional side and see what products are being offered and grow in that space — or will Islamic create its own value proposition or its own differentiation?”

For many, the answer lies in how the industry can be responsive, inclusive and progressive enough to better serve the needs of both the economy and social well-being.

Opportunities abound

Mohd Ekmal Mohd Zazi, CIMB Islamic’s regional head of Islamic wholesale banking, framed the Islamic sustainable opportunity as such: “Easily 70–80% of listed companies on Bursa Malaysia are technically Shariah compliant; so contributions from Shariah compliant companies toward [a] net-zero target has to be more than that. There’s a big overlap between being Shariah compliant and sustainable — the net benefit has to be higher than 80%.”

While Islamic sustainability conversations tend to be dominated by banking, Sukuk and equity capital markets, there is also real scope for Islamic insurers to deliver meaningful impact as well.

“We are aware of the increase in floods which occurred here in Malaysia, which are partly due to climate change; there are also increasing health issues due to rising temperatures. So, it is also in the core interest of the Takaful industry to have a better understanding of the risk impact of climate change and come up with innovative solutions,” opined Marcel Omar Papp, the head of re-Takaful at Swiss Re.

Only half of the economic losses caused by the “once in a century” disastrous floods in December 2021 were covered by either insurance or Takaful, according to Papp. “If we look at Family Takaful, only about 4% of the B40 (bottom 40% income bracket) population has any kind of life protection, which means there is still a significant protection gap



in Malaysia. I see here the role of the Takaful industry to come up with simple affordable products to close this protection gap.”

In fact, the Islamic insurance sector is currently engaging BNM to establish a parametric Takaful product to protect against flood losses. The scheme is targeted at SMEs, which remain severely unprotected from flood risks.

Challenges remain

The hurdles sustainable finance faces are reminiscent of the challenges the Islamic finance industry faced in the early days, which continue to persist particularly in emerging Shariah finance markets. For example, the lack of standardization and the dearth of products or a limited investable universe.

“I think the biggest challenge is a core issue around providing a similar breadth of products and solutions to Shariah investors as there are to the broader investment community,” Michael Orzano, the global head of equity indices at S&P Dow Jones Indices, shared.

Diagram 1: Top 10 global risks by severity over the next decade



Source: World Economic Forum Global Risks Report 2022

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ISLAMIC SUSTAINABLE FINANCE & INVESTMENT FORUM 2022 REVIEW



Ismitz Matthew De Alwis, CEO and an executive director of Kenanga Investors, agreed. “The universe is not large enough yet, so we may have to come up with a hybrid type product incorporating ESG indicators in some forms while working toward a fully compliant SRI fund for example.”

There is an obvious need to boost the supply side of equities, and to do so, more corporates have to disclose ESG metrics. However, that remains a huge challenge for many, particularly in the developing world due to the cost, time and expertise required.

“Measuring impact is one of the things that we see our clients really struggle with at the moment, particularly around things like social impact. It’s very difficult to measure the social impact of one instrument, let alone your organization, let alone a sector or the industry,” according to Elias Moubarak, a partner at Trowers & Hamlin.

Effective reporting frameworks for sustainability, which is wide-ranging in instruments, activities and metric, are unfortunately still scarce.

“Unfortunately, there’s not a common set of principles in the market yet that govern what is a transition bond or loan. There are supporting and enabling principles that ICMA [International Capital Market Association] has, which are product- or format-agnostic, and are more about strategy,” Nicholas Gandolfo, the director of sustainable finance solutions at Sustainabilitytics, said.

The lack of disclosures ties in with a critical challenge financial institutions face in extending Islamic sustainable finance — poor data quality, which leads to an inability to properly ascertain the right companies, and hence limiting the pool of investable companies. It also contributes to greenwashing.

The level of disclosure is indeed a top challenge for investors, shared Khabir Reeza, the director of fixed income at Malaysian pension fund Kumpulan Wang Persaraan. “We hope to see more standardization in ESG data going forward because this is important for us investors to analyze the data as well as to benchmark our performance.”

The sector is further hindered by the lack of green finance awareness and inadequate financial incentives to spur the sector. There is also a mindset issue — the world is basically a linear economy and that is disadvantageous to the sustainability cause.

“Linear is where a company produces a product and that product has a finite end life and it gets disposed,” explained Tan Ming Han, the head of

investments at Eastspring Al-Wara Investments. “We need to change our mindset where we can actually change this type of economy to become more circular. From that standpoint, the product gets recycled. This is happening in developed markets but probably not in the emerging marketplace.”

What we need to do

The challenges may be monumental, but they are not insurmountable.

Establish a robust taxonomy

It seems so basic, yet basic is the core fundamental of any endeavor. Market participants concur that there is an urgent need for clear definitions and classifications of ESG and SRI activities, that are tailored to the unique economic and social profiles of respective markets. These would promote capital allocation to sustainable initiatives, enhance transparency on climate risk management and transition financing as well as deepen stakeholder engagement.

“It’s very important to define what are the sustainability credentials for the company,” emphasized Vinie Chong, the group CFO of Cenergi SEA, which debuted its RM210 million (US\$44.63 million) green Sukuk end of last year. In tapping the green Islamic market, the sustainable energy solutions provider put in place a green framework which served as a clear guide for the firm in selecting the right projects, disbursing the funds, assessing and measuring impact as well as disclosing material information to stakeholders.

“The universe is not large enough yet, so we may have to come up with a hybrid type product incorporating ESG indicators in some forms while working toward a fully compliant SRI fund for example”

Bankers like Bilal of Standard Chartered Saadiq stand by the need for a robust ESG/SRI framework. “For a corporate to enter into a sale, the most important part is that they themselves need to invest in a framework. They must have a reporting process which can be verified externally, because that brings in the credibility.”

Highlighting the fact that investors and stakeholders demand to see tangible results and transparency, Raja Amir Shah Raja Azwa, CEO

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ISLAMIC SUSTAINABLE FINANCE & INVESTMENT FORUM 2022 REVIEW



of HSBC Amanah, drove home the importance of reporting and disclosures. “Are we really utilizing our monies or classifying our assets according to what we say we are doing?”

It is worth noting that HSBC Amanah **launched** its triple bottom line framework at the Islamic Sustainable Finance and Investment Forum and intends to align 51% of its financing portfolio to the new framework as it pushes its social and environmental agenda.

“I think the low-lying fruit, at least from a practitioner standpoint, is just to get the information on the ground. But having said that, to continue to deliver that consistently amid changing regulation as well as taxonomy can be a challenge. What you defined as carbon reduction five years ago, it’s not going to be the same going forward and that bar will rise even further to be able to benefit from that so called incentive of sustainable financing,” Clare Chin, group head of investor relations, strategic finance and strategic planning of Axiata Group which raised US\$800 million via Malaysia’s first sustainability-linked Islamic financing, agreed.

The good news is that there are several taxonomy initiatives ongoing.

“In line with the SRI Roadmap recommendations, we are currently developing an SRI taxonomy for the Malaysian capital market,” Dr Awang Adek Haji Hussin, the chairman of Securities Commissions Malaysia (SC), confirmed in his keynote address.

Malaysia’s national mortgage company, Cagamas, is also working on providing more clarity for the housing sector.

“We are actually hoping to come up with some taxonomy that could be consistently applied across the industry,” revealed Chung Chee Leong, CEO of Cagamas. “One of the things we are interested in is green housing — what constitutes a green-certified house as there are various definitions by various entities.”

Introduce incentives/disincentives

“To increase equity supply into your universe, we need to encourage more corporations to do ESG disclosures — we need to entice them to actually do so,” Rejina Rahim, the founder of Wahine Capital, opined, adding that financial incentives aside, there is also the allure of more

promising valuations from research houses should a company be ESG-compliant.

On the flip side of enticing firms with rewards, some are proposing to pull firms through punishments.

“If people are still not moving toward sustainable solutions or products, should we impose tax on them?” asked Raja Amir. “There should be a disincentive, for example, if you don’t have the right kind of make-up in your board or if you don’t have the right kind of KPI — we should disincentivize them to a certain extent.

“ One of the things we are interested in is green housing — what constitutes a green-certified house as there are various definitions by various entities ”

“We will see in the next decade or so, who are the winners and who are the losers. Because access to capital for companies who don’t jump on the bandwagon will be severely affected if they don’t incline toward sustainability.”

Expand universe

“We are not going to get to net zero unless we expand, diversify and include a whole lot of other sectors that are not naturally green and have



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bigger challenges,” highlighted Gandolfo. Gandolfo was referring to harder-to-abate sectors, where transition toward decarbonization is not as straightforward due to cost or/and lack of technology. These include aviation and shipping as well as metals and mining. “We need to keep developing different tools and measures.”

“For us to really embrace ESG, we need to really have that transition period. We need to be able to engage with companies because we can’t be doing exclusionary type of investments any longer”

“We and the SC welcome the industry to pilot solutions that can mobilize various funding to support the green agenda. For example, roll out blended financing to hard-to-abate sectors such as construction, cement and steel, chemical, oil and gas — these sectors contribute about 20% of the GDP and 23% of labor composition,” said Dr Hamim Syahrul Ahmad Mokhtar, the deputy director of BNM’s financial inclusion department.

In addition to that, Dr Hamim emphasized on the strengthening of industry capacity through partnerships and digital transformations.

Market participants are also calling for the industry to move away from negative screening, the practice of excluding non-Shariah compliant stocks and companies from the Halal investment universe.

“For us to really embrace ESG, we need to really have that transition period. We need to be able to engage with companies because we can’t be doing exclusionary type of investments any longer,” said Rejina.

Moving forward as a collective

We are only at the cusp of what could be the next transformation for the Islamic finance industry. As the industry matures, questions arise as to what would drive the sector’s next phase of growth — many point to ESG and digitalization.

In the words of Bilal: “We are just scratching the surface. This is a long journey ahead and will require a lot of resilience and a lot of commitment from each and every player to reach the outcome we all intend to achieve.” ☺



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In recognition of the growing significance of Islamic finance in the global markets, MUFG established an Islamic banking arm in Malaysia in 2008, making it the first Japanese bank here to offer Islamic banking products and services.

In 2014, MUFG launched a USD500 million multi-currency Sukuk programme and set a landmark by issuing the world's first Yen-denominated Sukuk. In 2015, MUFG established Islamic banking capabilities in its branch in the Dubai International Financial Centre (DIFC) to better serve customers in the EMEA region.

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POSITIONING ESG AND SUSTAINABLE FINANCE AND INVESTMENT – POLICY, REGULATION AND ACTION

Why is a united regulatory response to climate risk, such as that offered by JC3 and The Value-based Intermediation Financing and Investment Impact Assessment Framework (VBIAF), so important for the financial services industry as a whole? How do we evaluate initiatives designed to encourage investment and resource allocation into sustainable economic activity? How do we address the implications of various taxonomies, frameworks and standards, and identify what can now be labeled sustainable investments? Should taxonomies recognize and reflect market-specific regulations, and are we presenting a clear, consistent message? What industry-led measures would address and mitigate current challenges, such as greenwashing and inconsistent reporting standards? How can potential sustainability bond and Sukuk issuers successfully connect issuances to internal sustainability frameworks? Are there avenues to further capitalize on the synergies between sustainable finance and Islamic finance?



Moderator:
ZAINAL IZLAN ZAINAL ABIDIN
Deputy Chief Executive
Securities Commission Malaysia



DR AYAZ ISMAIL
Director – Wholesale Banking
CIMB Islamic



CHUNG CHEE LEONG
President/CEO
Cagamas



KELVIN TAN
Managing Director, Head of Sustainable Finance and
Investments, ASEAN
HSBC



KHABIR REEZA
Director, Fixed Income
Kumpulan Wang Persaraan (KWAP)

KEY TAKEAWAY

The transition opportunities are immense in Southeast Asia with the possibility of its green economy offering up to US\$1 trillion in annual opportunities by 2030 — this is according to estimates by Bain and Company in key sectors including energy, built environment, agri-forestry and transportation.

In the face of the significant financing needs for the UN SDGs, Islamic finance has the untapped potential as a substantial and non-traditional source of financing for the SDGs. Malaysia's global leadership in Islamic finance — the result of concerted efforts by the government, financial regulators and industry players — can be a catalyst for the Islamic finance industry to seize the opportunity to finance these SDGs.

In terms of SMEs globally, they make up about 90% of businesses and employs around 50% of the world's workforce. However, we see that SMEs are trending behind large companies when it comes to sustainability disclosure and action, but they represent a massive opportunity for mitigating the climate crisis.

Kelvin Tan is the managing director and head of sustainable finance and investments of ASEAN at HSBC.

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**Year-to-date September 2022*

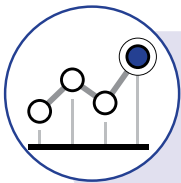
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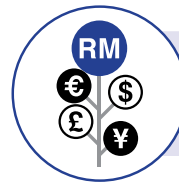
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Cagamas

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INNOVATING SHARIAH COMPLIANT GREEN FINANCING SOLUTIONS TO DRIVE CLIMATE ACTION: A SESSION BY THE JOINT COMMITTEE ON CLIMATE CHANGE (JC3) SUB-COMMITTEE ON PRODUCT AND INNOVATION

- How Islamic finance can contribute towards meeting sustainable development and climate goals
- Innovative Shariah-compliant sustainable finance products and solutions to facilitate transition to a greener and low-carbon economy
 - Green financing – sustainability-linked financing, term financing, mortgages, hire-purchase, credit cards
 - Capital Market – Green sukuk, sustainability linked sukuk, ESG Funds, ESG ETFs, FinTech
- Enhancing and leveraging on Islamic finance to ensure just transition
- Issues, challenges and priorities facing the financial sector in driving climate-related actions, alongside key impediments and gaps in the demand and supply of green solutions, products and services
- Facilitating collaboration between stakeholders, alongside enhancing Shariah-compliant and sustainable finance global thought leadership and capacity building capabilities, in advancing the climate agenda

Moderator:
SHARIFATUL HANIZAH SAID ALI
 Executive Director, Islamic Capital Market Development
 Securities Commission Malaysia

BILAL PARVAIZ
 Executive Director and Head Islamic Corporate,
 Commercial and Institutional Banking
 Standard Chartered Saadiq

DR HAMIM SYAHRUM AHMAD MOKHTAR
 Deputy Director, Financial Inclusion Department
 Bank Negara Malaysia

ISMITZ MATTHEW DE ALWIS
 CEO and Executive Director
 Kenanga Investors

MARCEL OMAR PAPP
 Head of Retakaful
 Swiss Re

NOR MASLIZA SULAIMAN
 Deputy CEO
 CIMB Investment Bank

KEY TAKEAWAY

The Islamic Sustainable Finance & Investment Asia Forum has significantly elevated the role of Islamic finance as an enabler of the climate risk and adaptation agenda, where the Islamic banking industry can pave the way for a just transition into a green and more sustainable world via sustainable finance products and propositions.

There is heavy reliance and expectations in terms of the positive role Islamic banking will continue to play toward harnessing the ESG agenda as a core contributor. A key need for the industry is developing robust sustainable finance frameworks, products and propositions that support the customers in achieving their transition and sustainability goals.

Bilal Parvaiz is the executive director and head of Islamic corporate, commercial and institutional banking at Standard Chartered Saadiq.



BUILDING FOR THE FUTURE: ISLAMIC SUSTAINABLE INVESTMENT

What specific challenges face the Islamic sustainable investor, and what are the opportunities? As an industry, how do we continue to widen our investor base through the development of appealing investment products that satisfy both ESG and Shariah compliance requirements? How do we capitalize on the green ambitions of Shariah compliant asset owners, institutional investors and investment managers, and take tangible steps to align investment portfolios with taxonomy-driven sustainability goals? Can investment and credit portfolios be effectively stress-tested for climate risk, and how do investors satisfy disclosure and data reporting requirements? How can investors more accurately measure the impact of investments made, and what are investors now expecting from issuers in terms of ESG awareness, innovation and compliance?

In a highly competitive market, how can investors effectively use ESG data and indices to accurately value portfolios and measure performance? We seek the views of an expert panel.



Moderator:
MOHAMMED PARACHA
Head of Middle East
Norton Rose Fulbright



REJINA RAHIM
Founder
Wahine Capital



MICHAEL ORZANO
Global Head of Equity Indices
S&P Dow Jones Indices



SHAHARIAH SHAHARUDIN
President
Saturna Capital



DR MOHAMAD ZABIDI AHMAD
Regional Chief Representative
DDCAP Group



TAN MING HAN
Head of Investments
Eastspring Al-Wara' Investments

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MINIMUM INVESTMENT: MYR 2000

MANAGER: SATURNA SDN BHD

ADMIN FEES: 0.55%

PERFORMANCE FEE: 10%

SRI APPROVED FUND

ICD Global Sustainable

TYPE: UNIT TRUS FUND

FUND TYPE: GROWTH

CURRENCY: USD

MINIMUM INVESTMENT: USD 5000

MANAGER: SATURNA SDN BHD

ADMIN FEES: 0.55%

PERFORMANCE FEE: 10%

SRI APPROVED FUND

Disclaimer:

Investors are advised to read and understand the contents of a Fund's Prospectus (dated 25 January 2017 for ASEAN Equity Fund and 23 June 2017 for ICD Global Sustainable Fund) and their respective Product Highlights Sheets, obtainable at our offices and our website, before investing. The prospectuses have been registered with the Securities Commission Malaysia who takes no responsibility for their contents. Investors should also consider the fees and charges involved. The price of units and investment returns, may go down as well as up. Past performances of the Funds are not an indication of the Funds' future performances. Units will only be issued upon receipt of the application form accompanying the prospectuses. There are risks involved with investing in unit trust funds. Some of these risks associated with investments in unit trust funds are market risk, non-compliance risk, performance risk, equity securities risk, operational risk, price level risk, large and mid-size company risk, concentration risk, country risk, political risk, currency risk, active investment risk, and reclassification of Shariah status risk. For further details on the risk profile of the Funds, please refer to the Risk Factors sections in the prospectuses.

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FOSTERING GREEN CREDENTIALS: KEY FUNDING CONSIDERATIONS & OPTIONS FOR ISLAMIC SUSTAINABLE ISSUERS

ESG and sustainability continue to dominate issuer funding strategies. What is a realistic assessment of the instruments and routes on offer to Shariah compliant green issuers, from green bonds and Sukuk, to transition instruments, to sustainable and sustainability-linked products? What are key strategic considerations for green bonds and Sukuk issuers: proceeds; process for project evaluation; management of proceeds; reporting; and external review? Why are these metrics so important to issuers and investors alike? With ESG and sustainability influence continuing to grow in the Islamic capital markets issuance, when will we see the enhanced measurement of impact? Do enough issuers engage independent third parties to measure and assess claims of sustainable, green and social credentials, and how can this be increased? How do we fund clean energy, sustainable activities and important concepts such as food security through an effective, liquid Islamic capital market?



Moderator:
COLIN CHEN
Head of ESG Finance APAC
MUFG Bank



NICHOLAS GANDOLFO
Director – Sustainable Finance Solutions
Sustainalytics



MOHD EKMAL MOHD ZAZI
Regional Head, Islamic Wholesale Banking
CIMB Islamic Bank



VINIE CHONG PUI LING
Group Chief Financial Officer
Cenergi SEA



MUSHTAQ KAPASI
Managing Director, Chief Representative Asia-Pacific
International Capital Market Association (ICMA)

Axiata Group Berhad is a diversified telecommunications and digital conglomerate operating Digital Telcos, Digital Businesses and Infrastructure businesses across a footprint spanning ASEAN and South Asia.

The Group has controlling stakes in market-leading mobile and fixed operators in the region including 'Celcom' in Malaysia, 'XL' and 'Link Net' in Indonesia, 'Dialog' in Sri Lanka, 'Robi' in Bangladesh, 'Smart' in Cambodia and 'Ncell' in Nepal. Axiata's regional digital business verticals comprise "Boost" a fintech play, and 'ADA', a digital analytics and AI company. 'edotco' is among the top 10 independent TowerCos globally, operating in nine countries to deliver telecommunications infrastructure services.

As a committed and long-term investor, the Group actively supports and drives young talent development; community outreach; as well as climate change initiatives. Axiata's broader goal of Advancing Asia aims to piece together the best in the region in terms of innovation, connectivity and talent to drive digital inclusion and sustainable progress across our markets.

Find out more at www.axiata.com.



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ISLAMIC SUSTAINABLE FINANCE & INVESTMENT: MOVING FORWARD

In an open discussion, we ask an expert panel to consider and highlight key points, ideas and initiatives, and how these can be put into action to drive Islamic sustainable finance and investment forward. As an industry, what should be our next steps, and how should we measure the impact of what we are trying to achieve? What would represent meaningful goals and tangible achievements for the sector? How do we effectively position and market Islamic sustainable finance and investment? What financial products, across a wide range of asset classes, will the next generation demand, and how can these demands be met?



Moderator:
MARLENA KAREEM
Senior Journalist
REDmoney Group



MAGDY EISSA
Vice-President, Business Development
IdealRatings



CLARE CHIN
Group Head IR, Strategic Finance and Strategic Planning
Axiata Group



RAJA AMIR SHAH RAJA AZWA
CEO
HSBC Amanah



ELIAS MOUBARAK
Partner
Trowers & Hamlin



"An insightful session with industry experts on how Islamic sustainable financing amplifies companies' growth potential while advancing on their sustainability agenda."

Vinie Chong Pui Ling is group CFO of Cenergi SEA.





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FEATURE

ISLAMIC SUSTAINABLE FINANCING: THE CASE OF STANDARD CHARTERED SAADIQ

Background

The UN's 17 Sustainable Development Goals (SDGs) are not only ambitious but extremely significant in addressing the challenges faced currently by humanity and the environment. The achievement of these goals requires unprecedented mobilization of resources and collaboration across the globe among the governments and the private sector. The financial sector has to play a pivotal role as an intermediary in funding projects that are aligned with the SDGs.

The aspirations for human dignity, public interest, a sustainable world and 'to leave no one behind' inherently resonate with the intended outcomes of Islamic finance (the objectives of Shariah). The objective of Shariah takes into consideration the various dimensions of human needs, ie protection of religion, life, lineage, intellect and property. The Islamic financial system strives for a just, fair and balanced society where the wealth is earned and distributed in a sustainable manner. Therefore, the Islamic financial industry, with an expected US\$3.5 trillion in assets in 2021, has the potential to be a meaningful source of financing to advance SDG implementation.

SCB's sustainability vision

As a signatory of the UN SDGs, Standard Chartered (SC) is also supporting the agenda

of sustainable finance. SC is committed to sustainable, social and economic development through business, operations and communities. For over 150 years, SC has provided banking services that help people and companies to succeed, creating wealth, jobs and growth across some of the world's most dynamic regions — Asia, Africa and the Middle East. The bank does so sustainably and equitably in line with its core purpose and three-valued behaviors: 'Never settle', 'Better together' and 'Do the right thing'. In 2018, the bank released its 'Sustainability Philosophy', which sets out how the bank integrates sustainability into its organizational decision-making.

SC's vision is to become **the world's most sustainable and responsible bank**, committing to sustainable, social and economic development through its **three pillars of business, operations and communities**. In alignment with its stakeholders' priorities, in 2021, the bank formally elevated sustainability to be a pillar of the bank's strategy. In the same year, the bank also announced its net-zero pathway to reach net zero in its operations by 2025, and in its financing by 2050.

SCB Saadiq

Inspired by the Arabic word for 'truthful', Saadiq is SC's global Islamic banking network, spanning Asia, Africa and the Middle East. With

our dedicated Islamic banking team working alongside a renowned advisory committee of scholars — as well as local Shariah supervisory committees for Pakistan, the UAE and Malaysia — we combine deep Shariah expertise with strong business acumen.

As part of SC's policy, at Saadiq, we aspire to make the world a better, cleaner and safer place and minimize the negative impact of our financing, balanced by our mission of enabling a just transition.

Sustainable financing through Saadiq

According to the SC Group's strategy, Saadiq aims to support the following SDGs through Islamic finance:

Goal 1: No Poverty.

Goal 3: Good Health and Well-being.

Goal 4: Quality Education.

Goal 6: Clean Water and Sanitation.

Goal 7: Affordable and Clean Energy.

Goal 9: Industry, Innovation and Infrastructure.

Figure 1: A summary of the SCB 2021 Sustainable Finance Impact Report

9.2 billion

Sustainable assets in our sustainable finance portfolio - 138% increase year on year

Over

70%

of our sustainable finance assets are located in emerging and developing economies

Over

84%

of our sustainable finance assets located in Asia, Africa and the Middle East

1.4 million

tonnes of CO2 emissions avoided operational assets

Over

540,000

tonnes of CO2 emissions avoided from assets in construction

Over

885,000

Sustainable assets in our sustainable finance portfolio - 138% increase year on year

Nearly

20,000

SME loans disbursed

Source: Standard Chartered Bank Sustainable Finance Impact Report 2021



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FEATURE

Table 1: Some key sustainable financing projects led by Saadiq globally

Transactions	Sustainable impacts
<p>1. On the 18th June 2020, SC Saadiq, acting as a joint lead manager and joint bookrunner, successfully priced a US\$1.5 billion five-year COVID-19 response Sukuk facility at a profit rate of 0.91% per annum. The issuance was a drawdown under the IsDB's US\$25 billion Trust Certificate Issuance and Sustainable Finance Framework. It represents the IsDB's second sustainable issuance in the public markets.</p> <p>It is a trademark transaction as being the first-ever COVID-19 response Sukuk and the lowest-ever profit rate achieved on a US dollar public Sukuk issuance by the IsDB. The deal further cements our leadership in the green and sustainable finance space and reinforces SC's relationship with the IsDB after winning 18 consecutive mandates from the bank. In the broader region, SCB is ranked No 1 in MENA Sukuk and MENA Government and Agencies League tables. The success of this transaction in terms of pricing, size and strong investor interest reflects the great development in the Islamic sustainable market which has seen a boom in the issuance of social Sukuk since the start of COVID-19.</p>	<p>Proceeds from the debut sustainability issuance are exclusively deployed by the IsDB for its 57 member countries, to assist them in tackling the aftermath of the COVID-19 pandemic. The targeted SDGs are Goal 3: Good Health and Well-Being and Goal 8: Decent Work and Economic Growth.</p>
<p>2. In 2019, SC Saadiq as a joint global coordinator and joint sustainability structuring agent arranged US\$600 million-worth of Sukuk for Etihad Airways, the national airline of the UAE. It is the world's first transition Sukuk and the first sustainability-linked financing in global aviation, under the Transition Finance Framework.</p>	<p>The transaction will support Etihad's drive for sustainable aviation by linking the Sukuk proceeds to Etihad's carbon reduction targets: a commitment to net-zero carbon emissions by 2050, a 50% reduction in net emissions by 2035 and a 20% reduction in emissions intensity in the airline's passenger fleet by 2025.</p>
<p>3. This year, SC Saadiq helped the government of Indonesia as a bookrunner and structuring advisor to raise US\$3.25 billion through US dollar-denominated Sukuk with 5-year and 10-year tenors. The 10-year green Sukuk tranche is the country's biggest global Sukuk issuance and the largest green Sukuk tranche ever issued globally. Despite ongoing market volatility surrounding rates, the transaction was very well received and was oversubscribed by more than three times, enabling the government of Indonesia to tighten aggressively by 35–40bps across both tranches.</p>	<p>The proceeds will be used for general financing requirements and to finance or refinance "eligible SDGs expenditures with green and blue focus" as defined in the obligor's SDGs Government Securities Framework.</p>
<p>4. In February 2022, SC Saadiq supported Riyadh Bank to successfully issue the world's first US\$750 million Tier 1 sustainability Sukuk. The profit rate of 4% per annum is equivalent to the lowest credit spread ever achieved by a GCC bank for an additional Tier 1 Sukuk. The orderbook was 4.3 times oversubscribed with demand peaking at US\$3.2 billion, most of which was allocated to banks and fund managers.</p>	<p>The proceeds will be used as per the issuer's Sustainable Finance Framework in line with the International Capital Market Association's green, social and sustainability principles and Saudi Arabia's Vision 2030. The framework covers a diverse range of eligible sustainable activities.</p>
<p>5. In 2020, SC Saadiq also helped Saudi Electricity Company as a joint lead manager and bookrunner to raise US\$13 billion through international green Sukuk. The dual-tranche five-year and 10-year Sukuk, listed on the Irish Stock Exchange, were oversubscribed four times with total orders for both tranches exceeding US\$5.2 billion. High interest was received from investors in the Middle East, Asia and Europe.</p>	<p>The proceeds from the Sukuk will be used to finance eligible green projects that will help contribute to climate change mitigation. This includes procuring and installing smart meters, a method of creating potential energy consumption savings and potentially reducing or avoiding carbon emissions, according to the company.</p>
<p>6. Recently, CIMB Islamic Bank Bhd has entered into a RM1 billion (US\$216.8 million) landmark sustainable collateralized commodity murabahah (CCM) transaction with Standard Chartered Saadiq Malaysia.</p>	<p>The proceeds of the CCM will be earmarked for eligible Shariah compliant assets that fall within the boundaries of CIMB Group's Sustainable Development Goals Bond and Sukuk Framework. This kind of facility is also crucial for most central banks with open market operations to adjust liquidity in the financial system.</p>

Flagship deals like these are a testament of SC Saadiq's devotion to providing innovative and commercially viable solutions for the business sector with a blend of Shariah compliant and environment-friendly features. This also demonstrates investors' and issuers' trust and confidence in the SC Islamic banking franchise for its rich and diversified experience in structuring expertise and effective deal execution.



Dr Ehsanullah Agha is the associate director of the Internal Shariah Control Division at SCB UAE and Sheikh Muhammad Abdul Mubeen is the SCB Group Shariah head.

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ESG/Green/SRI Law Firm of the Year
IFN Law Awards 2022



FEATURE

SUSTAINABLE INVESTING IN MALAYSIA

Sustainable investing's journey into the mainstream has come a long way in the past decade. In 2018, one in four professional investors globally said they incorporated ESG factors into their investment decision-making, up from one in 10 in 2012, according to a survey by the Global Sustainable Investment Alliance. By the start of 2020, global sustainable investments reached US\$35.3 trillion, a 15% increase in the past two years. This growth collectively includes sustainability-themed investing, ESG integration and corporate engagement activities.

A profound shift was also seen within the Southeast Asian region in the last year as investors began to recognize that companies with strong ESG practices outperformed during the COVID-19 pandemic. Nevertheless, the impact investing markets in this region appear underdeveloped due to the varied levels of economic development and entrepreneurial ecosystems.

Green growth for Malaysia

In Malaysia for example, the growth trend appears encouraging. Since the introduction of the Guidelines on Sustainable and Responsible Investment (or SRI) Funds by the Securities Commission Malaysia (SC), 34 SRI funds have been launched as at 2021, with a total net asset value of RM5.07 billion (US\$1.1 billion) according to the SC.

We have also seen increased visibility of the FTSE4Good Bursa Malaysia Index, which was launched in 2014, arising from changing investor preferences, in encouraging public listed companies to accelerate their sustainability journey, therefore providing investors with a wider investible universe, comprising companies that have good ESG practices. According to the SC, there are 87 companies listed on this index and 65 companies listed on the FTSE4Good Bursa Malaysia Shariah Index to date, introduced in 2021 to provide investors with Shariah and ESG compliant investment choices. We expect that investors now have more options for portfolio diversification through conventional and Shariah compliant ESG-focused funds.

We must take immediate action as a result of the continual harm that is being done every year, particularly in areas along coastal regions, where temperatures and floods are growing.

In Malaysia, the Foreign Commonwealth and Development Office (FCDO) reported the necessity of establishing an emergency fund to mitigate climate-related disasters and to protect the lives and livelihoods of those most vulnerable. Kenanga Investors was appointed the fund manager for **Dana Wakaf Bencana**, established in response to the FCDO's findings for the purposes of channeling resources to those affected by climate change-related disasters as well as future pandemics.

Skepticism toward ESG and sustainable investing

As the world progresses toward a more sustainable future, the case for sustainable investing has become increasingly compelling. A growing body of evidence suggests that companies with strong ESG performance are more resilient to economic shocks, have lower costs of capital and are better positioned to navigate disruptive technological change.

Despite this, many investors remain skeptical about the financial returns that can be generated from sustainable investments. This is often due to a misunderstanding that ESG investing compromises performance. Our house view takes the perspective that investing in high-quality and high-ESG factor companies leads to improved risk-adjusted returns; a sustainable company is one that produces strong results when measured using traditional financial measures as well as ESG-related information. The new-to-market **Kenanga Sustainability Series: World Quality ESG Fund** functions based on this principle by adopting a 'Doing Good, Doing Well' approach by targeting companies that are ESG leaders and have robust financial fundamentals. The fund aims to deliver long-term capital growth by investing in securities which exhibit quality and favorable ESG characteristics, and excluding securities that do not meet certain ESG criteria.

Opportunities and performance in ESG investing

There are a number of ways to access the opportunities set in ESG investing. One way is through thematic investing, which involves making investment decisions based on broad global trends that are driving change in the economy and society. For example, investors can target companies that are well positioned to benefit from the global transition to a low-

carbon economy, such as those involved in renewable energy or electric vehicles.

Another way to access ESG opportunities is through impact investing, which aims to generate positive social and environmental outcomes as well as financial returns. Impact investments can be made in a wide range of asset classes, including equities, fixed income, private equity and venture capital. At the very least, look out for identifiers like high-quality financials — strong cash flow, conservative balance sheets and high return on capital aside from ESG indicators because quality and ESG, taken together, represent two dimensions of the same underlying theme: sustainability. This also means potentially excess returns in the long run.

Ultimately, the best way to access the opportunities in ESG investing will depend on the individual investor's goals and objectives. However, it is important to remember that there is no single silver bullet when it comes to ESG investing — different approaches will work for different investors.

At Kenanga Investors, we believe that sustainable investing is not only the right thing to do, but it also makes good business sense. We are committed to integrating ESG considerations into our investment process and decision-making in order to generate long-term value for our clients, stakeholders and surrounding communities.

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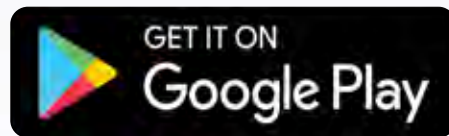
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Kenanga Investors has been the driving force behind several innovative milestones in the industry, with the latest being the first ESG-qualified high-yield bond fund, the Kenanga Sustainability Series: High Yield Bond Fund, and the social philanthropic fund, Kenanga Waqf Al-Ihsan, which focuses on developing domestic SRI/ESG assets while cultivating societal empowerment. Other 'firsts' over the years include the Kenanga Sustainability Series: Frontier Fund (focused on forward-looking innovations currently shaping the industries of the future), the Kenanga Global Multi Asset Fund (first artificial intelligence-driven fund in Malaysia), the Global Unicorn series (provided investors with rare access to global unicorn companies) and OneETF by Kenanga (the first leveraged and inverse ETFs for the Malaysian equity market). We have recently introduced the third fund in the Kenanga Sustainability Series, which is the Kenanga Sustainability Series: World Quality ESG Fund.

At the **2022 Morningstar Awards Malaysia**, the Kenanga Growth Fund Series 2 won Best Malaysia Large-Cap Equity Fund. At the **Refinitiv Lipper Fund Awards Malaysia 2022**, KIB won overall best Mixed Assets – Malaysia Pension Funds Group award for the third time. Accompanying this were individual fund wins awarded to:

- Kenanga Growth Fund for Best Equity Malaysia Fund over 10 Years
- Kenanga Malaysian Inc Fund for Best Equity Malaysia Diversified over 3 Years

- Kenanga Growth Opportunities Fund for Best Equity Malaysia Small & Mid Cap over 5 Years, and
- Kenanga Diversified Fund for Best Mixed Asset MYR Flexible over 10 Years.

The Hong Kong-based Asia Asset Management's **2022 Best of the Best Awards** awarded Kenanga Investors under the following categories, Malaysia Best Impact Investing Manager, Best Application of ESG (ASEAN), Malaysia – Best Equity Manager, Malaysia CEO of the Year, Malaysia CIO of the Year and Malaysia Best House for Alternatives. The **FSMOne Recommended Unit Trusts Awards 2022/2023** named Kenanga Growth Fund Series 2 as 'Sector Equity – Malaysia Focused' and Kenanga Shariah Growth Opportunities Fund as 'Sector Equity – Malaysia Small to Medium Companies (Islamic)'.

For the fifth consecutive year, we were affirmed an investment manager rating of IMR-2 by Malaysian Rating Corporation, since first rated in 2017. During the first half of 2021, our 20 largest unit trust funds outperformed their benchmarks for the one-year, three-year and five-year periods.

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FEATURE

HSBC AMANAH: EMBEDDING SUSTAINABILITY

Introduction

The global move to incorporate ESG characteristics and principles into the decisions made by businesses represents a necessary and significant change for the long-term sustainability of our world. At HSBC, we are committed to building a business for the long term, developing relationships that last. We want to be a well-managed organization that people are proud to work for, has the trust of our clients and the communities we serve and minimizes its impact on the environment.

The Malaysian context

As intermediaries of capital, we as Islamic banking, finance and investment professionals have to recognize the impact we have on the economy, the people and businesses we serve and the planet we share. In Malaysia, we can be proud to say that Islamic financial institutions have been pioneers in this regard.

The foresight of our regulators — Bank Negara Malaysia and Securities Commission Malaysia — has spearheaded the move toward sustainability in line with the Maqasid Shariah or its ultimate intent with regard to the attainment of benefit and prevention of harm. This has resulted in the formulation of guidance, co-developed with the industry, that has established the foundations for a vibrant and progressive Islamic financial ecosystem that has embedded sustainability characteristics into its fundamental conduct. This can be seen in the collective guidance of value-based intermediation (VBI), the Climate Change and Principles Based Taxonomy and the SRI-linked Sukuk Framework, among others.

HSBC and sustainability

At HSBC, we have an ambition to become a net-zero bank. We aim to:

- Align our financed emissions — the carbon emissions of our portfolio of customers — to the Paris Agreement goal to achieve net zero by 2050 or sooner.
- Use the Paris Agreement Capital Transition Assessment Tool to develop clear, measurable pathways to net zero.
- Make regular, transparent disclosures to communicate our progress in line with the Taskforce on Climate-Related Financial Disclosures (TCFD) guidelines, and encourage our customers to do the same.
- Work with our peers, central banks and industry bodies to mobilize the financial system around a globally consistent, future-proofed standard to measure financed emissions, and a functioning carbon offset market.
- Achieve net zero in our own operations and supply chain by 2030 or sooner.
- We are supporting our portfolio of customers to thrive through transition. We aim to:
 - Support our customers on their journey to lower carbon emissions, bringing together our dedicated ESG Solutions team, our award-winning products and experts across the bank to develop tailored solutions for our customers
 - Prioritize financing and investment that support our customers in all sectors to transition to lower carbon emissions
 - Increase our portfolio of transition finance solutions to help enable even the most heavy-emitting sectors to progressively decarbonize, while helping to ensure a just and stable transition to maintain economic stability, and
 - Apply a climate lens to our financing decisions, taking into account the unique conditions for our clients across developed and developing economies.
- We have an ambition to provide customers between US\$750 billion and US\$1 trillion of finance and investment by 2030 to help them achieve this goal.
- In line with our ambition, we have also announced targets for reducing financed emissions in two carbon-intensive sectors — oil and gas, and power and utilities — by 2030.

HSBC Amanah's sustainability journey

HSBC Amanah as a leading international Shariah compliant bank in Malaysia leverages the global expertise of HSBC combined with local insights, combining capabilities toward providing best-in-class solutions. This way, HSBC Amanah facilitates and provides financial solutions that leverage on HSBC's knowledge and experience of ESG from a global perspective and the Shariah structuring and VBI advocacy inherent to HSBC Amanah's approach to doing business. In support of HSBC's move to sustainability, we began our journey toward embedding sustainable practices in our business via our participation — alongside other Islamic financial institutions — as a founding member of the VBI Community of Practitioners in 2017.

Since that time, HSBC Amanah has been an active proponent of VBI and has played an active role in the formulation of the VBI Sectoral guides for the industry and is developing new products to deliver value-based outcomes, including HSBC Amanah's issuance of the world's first UN SDG Sukuk in 2018 and the ESG charity feature enabling credit card holders to donate their points toward charities and non-profits that deliver positive impact. Most significantly, in order to ensure a meaningful and significant contribution as a value-based intermediary and facilitator of sustainable finance, HSBC Amanah launched Project Cocoon in 2020.

Project Cocoon

Project Cocoon — a 24-month transformation initiative — was launched in order to truly embed sustainability into the business of HSBC Amanah. This was undertaken from the perspective of ensuring a comprehensive approach toward delivering sustainable outcomes as an organization — encompassing financial solutions, capacity-building and advocacy, cultural transformation and external disclosures. These thrusts were headlined by the key objective of achieving 51% of our financing and advances to be triple bottom line (TBL) or TBL assets.

In order to meet the key objective of Project Cocoon, HSBC Amanah has developed a TBL Framework in order to create a deliberate focus on delivering positive impact with regards



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to the environment, community and the economy. In short — the 3Ps of ‘Planet, People and Prosperity’.

The TBL Framework

Guided by VBI, HSBC Amanah’s TBL Framework is a comprehensive approach to classification, governance and process implementation in relation to financing assets that originate from and are managed by HSBC Amanah. The TBL Framework was formulated with reference to authoritative sources, namely the collective VBI guidance parameters from Bank Negara Malaysia, HSBC’s sustainability policies and prevailing regulatory and policy directions for Islamic financial institutions in Malaysia.

HSBC Amanah’s TBL Framework enables the establishment of baseline parameters for the future via a robust framework of assessment and classification that can be applied to financial activities. The TBL Framework has been developed toward ensuring integrity both in conceptualization and practical application.

A second-party opinion by United Nations Global Compact Malaysia and Brunei (UNGCMYB) with regard to the TBL Framework found that “the process that has been undertaken to develop HSBC Amanah’s TBL Framework is a detailed, methodological and verifiable approach that aligns towards meeting the targeted SDGs”.

TBL classification

Our TBL classification methodology is applied both at the customer and transaction

levels across HSBC Amanah’s lines of business, which encompass wealth and personal banking and wholesale customers (commercial banking and global banking and markets businesses).

For wealth and personal banking — a positive impact lens based on the UN SDGs is applied for consumers, who are assessed both from a customer profile and a use of proceeds level. Customers are identified from the perspective of predefined positive impact segments along with screening undertaken at the transaction level to ensure financing provides positive outcomes. These include utilization of financing for basic needs, health, first homeownership and education, among others.

For wholesale customers, we take a view on the companies we finance based on externally and internally sourced data including ESG rating thresholds, client interviews and assessments based on a predetermined questionnaire to ensure a company can be assessed as TBL.

In addition, and in line with our agenda and commitment to finance the transition toward green, social and sustainable aims — we do look at transactions which meet internationally accepted standards in assessing whether a client is aligned to the TBL — such as Green or Social Loans Principles.¹

Thus the TBL Framework enables a structured and ambitious context to materialize our ambition of having 51% TBL assets.

Toward sustainable outcomes

In addition to achieving the key objective of 51% TBL assets and the TBL Framework, HSBC Amanah is committed to driving a paradigm of sustainable outcomes from our activities and business. In line with this, and spearheaded via the headline ambition, HSBC Amanah via Project Cocoon has undertaken various approaches toward sustainability in the four areas of financial solutions, capacity-building and advocacy, cultural transformation and external disclosures.

Financial solutions

HSBC Amanah has spearheaded the drive toward providing sustainable finance as an originator of many firsts for Malaysian Islamic banking and capital markets. We have worked with clients to deliver a range of landmark sustainability solutions including:

- The world’s first sovereign US dollar sustainability Sukuk issuance — government of Malaysia’s US\$800 million 10-year sustainability Sukuk and US\$500 million 30-year Sukuk — joint lead manager and joint bookrunner and joint sustainable development goals structuring agent (sustainability Sukuk)
- The first Islamic international bank in Malaysia to link a charity feature to credit cards. All cards we issue, including HSBC Amanah Debit and Credit Cards, will now be made from 100% recycled plastic
- Malaysia’s first sustainability linked financing — RM200 million (US\$42.41

¹ Green Loan Principles – LSTA and Social Loan Principles (SLP) – LSTA

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million) sustainability-linked financing for Yinson — where HSBC Amanah was the sole sustainability structuring bank

- Malaysia's first sustainability-linked Sukuk — Yinson's issuance of a RM1 billion (US\$212.07 million) five-year sustainability-linked Sukuk Wakalah facility pursuant to its Islamic medium-term note program of up to RM1 billion in nominal value — sole principal advisor, lead arranger, lead manager and Shariah advisor for the Sukuk Wakalah program and sustainability structuring agent for the framework
- Green financing to Ikano Centres to boost sustainable development of its retail hub in Malaysia — Ikano Centres is part of Ikano Retail, which operates IKEA stores in five countries and shopping centers that IKEA anchors
- Malaysia's first green trade financing facility for sustainable cocoa sourcing in Malaysia — the green trade financing facility for Guan Chong Cocoa Manufacturer
- Lowest-ever coupon and weighted average cost of financing among 'AA3/AA' - solar power project financing Sukuk in the Malaysian ringgit market — Leader Energy's debut ASEAN Green SRI Sukuk issuance, and
- HSBC's first Social Loan Principles (SLP)-based financing in Southeast Asia for the real estate sector — supported affordable housing through HSBC Amanah's SLP-based financing for Jayyid Land.

Cultural transformation

HSBC Amanah continuously engages stakeholders from across the financial services ecosystem and beyond via its engagement through forums and talks undertaken by various ministries and stakeholder groups. We have focused our efforts on upskilling key employees in Malaysia with professional qualifications and up-to-date information on sustainability through capacity-building initiatives and standards development in collaboration with London Business School, Frankfurt School and the Cambridge Institute for Sustainability Leadership.

Supported by group resources and these additional capacity-building initiatives, our Malaysia relationship managers are able to identify opportunities as well as structuring

and execution expertise for our clients from various sectors, and across businesses and corporates, toward financing their sustainable business activities and facilitating Malaysia's transition toward a low-carbon economy.

“HSBC Amanah has fostered engagements with stakeholders from across the financial ecosystem to enable the transition of business to more sustainable outcomes”

HSBC Amanah also spearheads internal engagement toward cultural transformation and sustainable living, supporting HSBC's overall net-zero ambitions. This includes a network of advocates comprising sustainability champions across various lines of businesses and functions, institutionalizing our net-zero ambitions via sourcing energy from 100% renewable sources for HSBC Amanah offices in Malaysia, introducing flexible and hybrid working practices towards work-life balance and advocacy for gender equality and empowerment with targets for representation at senior levels of the firm.

Capacity-building and engagement

HSBC Amanah has fostered engagements with stakeholders from across the financial ecosystem to enable the transition of business to more sustainable outcomes. Toward developing the platform to enable meaningful

transition toward a sustainable business, HSBC Amanah was invited to become an official member of the United Nations Global Compact (UNGC) via UNGC's local chapter, UNGCMYB.

HSBC Amanah also collaborated and supported UNGCMYB to launch the 'Malaysia Businesses Sustainability Pulse Report 2022'. The report is a multi-collaborative effort to address the private sector sustainability data gap and shed light on current sustainability trends within the Malaysian business ecosystem. The report acts as a guide for decision-makers to pave the way and craft effective policies toward improved sustainability performance within the market.

Since 2020, HSBC Amanah is also the Steering Committee 4 Chair of the 'Capacity Building and Engagement' stream of the Bank Negara Malaysia- and Securities Commission-chaired Joint Committee on Climate Change to pursue collaborative actions toward building climate resilience and sustainability into the Malaysian financial services industry. Numerous training and awareness programs have been organized for the financial industry (comprising banking, capital market and insurance players) comprising topics such as climate scenario analysis, key to net zero and TCFD workshops.

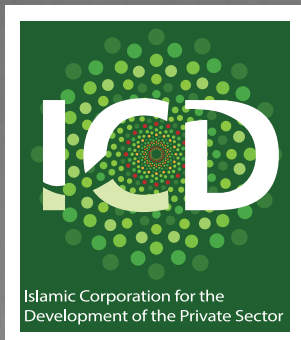
In February 2022, HSBC Amanah and Bursa Malaysia entered into an MoU to collaborate on #financing4ESG, an initiative aimed at improving the ESG adoption practices of Malaysian public listed companies (PLCs). Under this MoU, the exchange collaborates with HSBC Amanah in developing sustainability-linked Islamic financial products as well as ESG solutions aligned to the FTSE4Good ratings model and datasets for eligible PLCs.

Disclosures

HSBC Amanah released the Malaysian Islamic financial services industry's maiden Task Force for Climate-Related Disclosures (TCFD) Report for 2020 and a second iteration for 2021. HSBC Amanah continues to be the first amongst banks in the country to issue such a report, ahead of a mandatory release for banks in 2024. HSBC Amanah has also submitted its 2nd Communication of Progress as a member of UNGCMYB.



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ANALYSIS

SRI, ETHICAL, GREEN: THRIVING AMID ADVERSITY

Activities and developments over the last 12 months signal bright prospects for Islamic sustainable finance as the world attempts to march forward toward a more green and just future. VINEETA TAN reviews the progress.

Overview

Finance for social good and investments in socially responsible endeavors including in companies and activities of ethical and socially-conscious themes such as environmental sustainability and gender equality have exhibited phenomenal growth. Bloomberg projects that global ESG assets are primed to exceed US\$53 trillion by 2025, translating to over a third of the US\$140.5 trillion estimated total assets under management while the SDG funding gap in OIC countries are approximately US\$1 trillion a year.

Market participants have long noted the deep opportunities for Islamic sustainable finance due to the SDG funding gap in Muslim jurisdictions and natural alignment between Islamic finance and SRI/ESG values. This confluence has become more prominent in recent years as governments, multilateral financial institutions and the industry buckle down on using Islamic financial instruments to finance impact projects.

The IsDB, for example, has realigned its 2023–25 strategy to focus on: boosting recovery; tackling poverty and building resilience; and driving green economic growth. The IsDB's development interventions for the next three years will be driven by two key pillars: supporting green, resilient and sustainable infrastructure; and the promotion of inclusive human capital development. In 2022, the IsDB also **launched** its Action Plan for Operationalization of the Paris Alignment (2022–23), following its 2020 Climate Action Plan which sets a climate finance target of 35% of total financial commitments by 2025.

According to data from Islamic Sustainable and Finance Investment, Shariah compliant sustainability-related issuance, comprising Sukuk and financing, **totaled** US\$31.58 billion from 2015 until the end of July 2022.

Deals

ESG-linked Sukuk are likely to feature prominently in core Islamic finance markets, driven by government initiatives to promote sustainability and economic diversification, along with rising investor demand and

awareness, according to Fitch Ratings, which rates over 80% of the hard currency ESG-linked Sukuk market. Outstanding ESG-linked Sukuk grew by 11.2% quarter-on-quarter in the second quarter of 2022 to reach US\$19.3 billion. About US\$4.3 billion of ESG-linked Sukuk was issued in the January–June 2022 period, according to the rating agency.

Among notable Islamic sustainable transactions which took place in the last 12 months include: Bahraini state-owned Oil and Gas Holding Company's US\$1.6 billion sustainability-linked Murabahah **refinancing**; GFH Financial Group's US\$900 million Sukuk **closed** by its sustainability arm Infracorp; sustainable infrastructure company ACCIONA's US\$480 million green loans and financing **facilities which had** Islamic tranches; Saudi National Bank's US\$750 million five-year "sustainability"-linked Sukuk, **following** Riyadh Bank's Tier 1 capital sustainable Sukuk facility in January which was the first Sukuk to be listed on London Stock Exchange's Sustainable Bond Market; and Malaysia Building Society's RM5 billion (US\$1.19 billion) sustainability Sukuk Wakalah program.

Policies and regulations

At a higher level, Bank Negara Malaysia **released** its Financial Sector Blueprint 2022–2026, which features as its fifth strategic thrust a focus on advancing value-based finance through Islamic leadership. The five-year blueprint, the third of its kind, outlines the strategies for the development of Malaysia's financial sector, driven by finance for all, finance for transformation and finance for sustainability.

Securities Commission Malaysia also **issued** a guidance note on managing ESG risks for fund management companies and an SRI-linked Sukuk Framework to facilitate companies' transition to net zero.

Asset management

The Islamic asset management community is also capitalizing on Islamic SRI opportunities. GFH in January **spun off** a new arm to solely manage its portfolio of infrastructure assets worth almost US\$3 billion to better capture ESG development opportunities. The UK's Arabesque Asset Management in April **secured** regulatory approval to acquire 7.35 million shares in Malaysia's BIMB Investment Management, which will be positioned as a Shariah ESG fund



house. There have also been several landmark offerings including: Wahed's **first** Islamic ESG exchange-traded fund (ETF), the ETFB Green SRI REITs ETF **listed** on NYSE Arca and a US\$20 million Islamic seed fund **launched** by Gobi Partners and Ethis Group which adopts a broader ethical investment agenda.

Banking and Takaful

Voluntary carbon markets (VCMs) **are picking up** interest in Muslim markets including Saudi Arabia where its Public Investment Fund partnered with five local companies for the proposed VCM. Abu Dhabi Global Market partnered with AirCarbon Exchange to establish a carbon trading exchange and clearing house. Bursa Malaysia is working on a Shariah compliant VCM, to be launched this year.

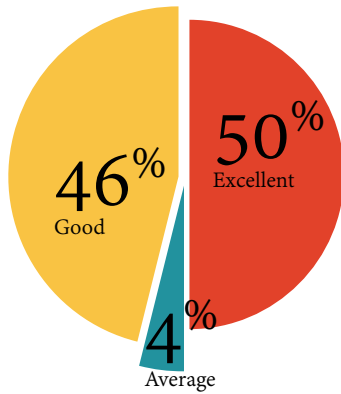
Islamic banks are launching new Islamic ESG products. Qatar's Masraf Al Rayan launched a Shariah compliant green deposit scheme **following** the launch of its Sustainable Financing Framework in April. HSBC Amanah Malaysia **partnered** with Bursa Malaysia to develop sustainability-linked Islamic financial products and ESG solutions aligned with the FTSE4Good ratings model and datasets for public listed companies. CIMB Islamic and Standard Chartered Saadiq introduced the market's first ESG Islamic repurchase agreement in June.

Outlook

Market analysts are optimistic about the growth trajectory of Islamic ESG and SRI finance, although persistent challenges remain such as weak ESG standard governance, high carbon transition risk, complex issuance process and regulatory constraints. ☹️

OVERVIEW

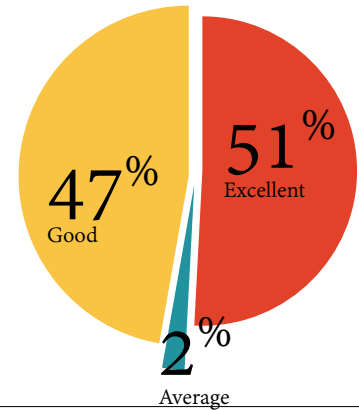
Pre-event Contact



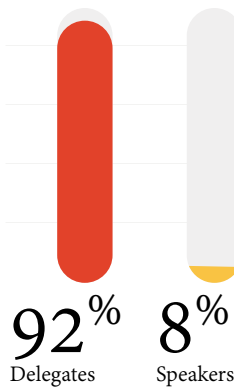
Overall Evaluation of the Event



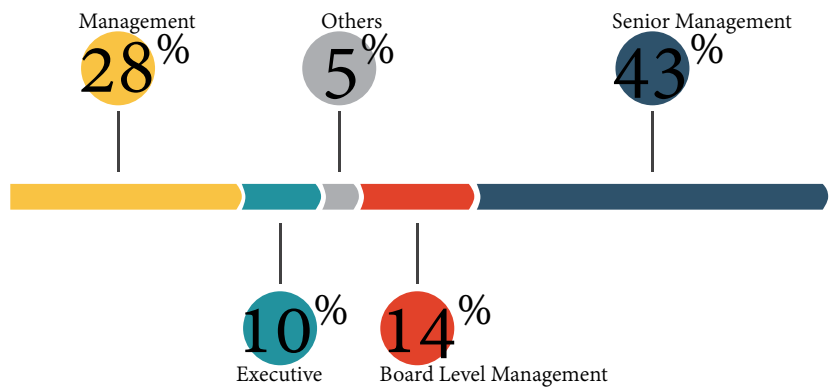
Overall Evaluation of the Speakers



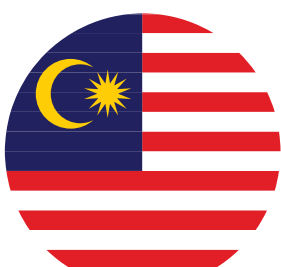
Delegate Breakdown



Delegate Job Title Breakdown



Delegate Breakdown (International & Local)



80% Local

20% International

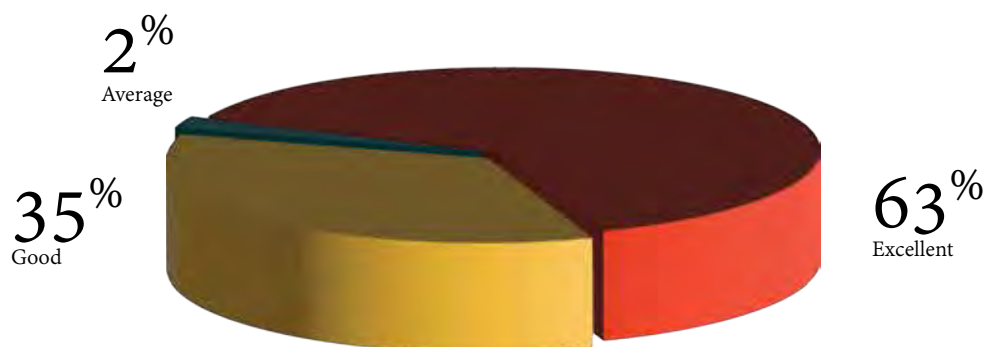
Delegates Who Would Like to Attend Islamic Sustainable Finance & Investment Forum 2023

100%
Yes

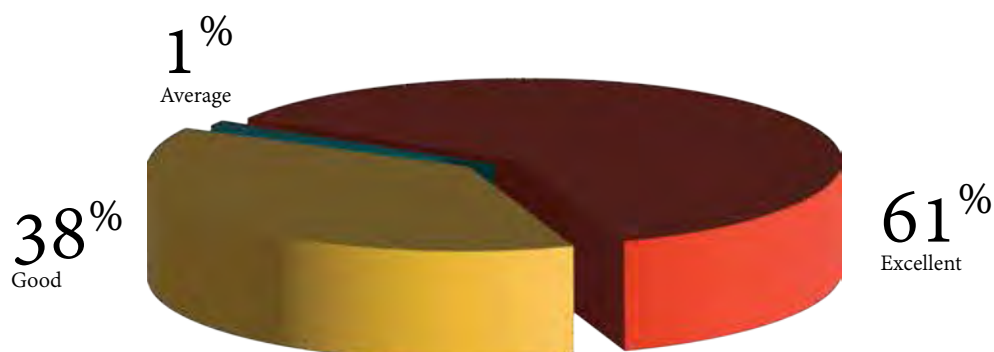


SESSIONS OVERVIEW

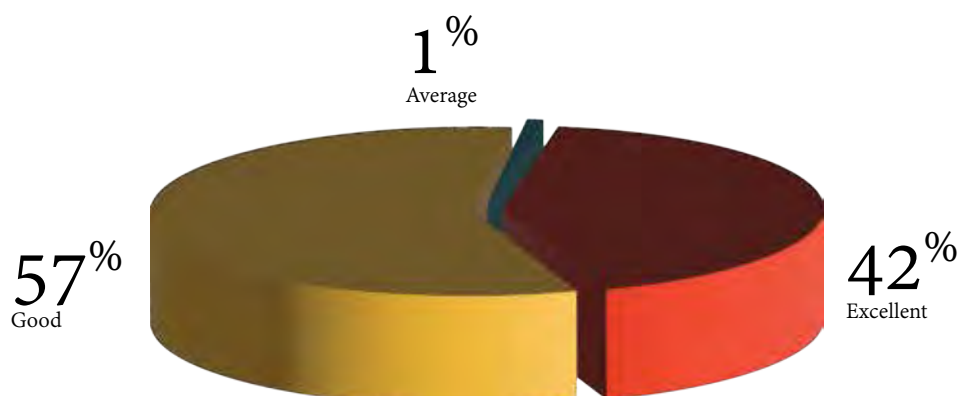
Positioning ESG and Sustainable Finance and Investment - Policy, Regulation and Action



Innovating Shariah Compliant Green Financing Solutions to Drive Climate Action: A Session by the Joint Committee on Climate Change (JC3) Sub-Committee on Product and Innovation

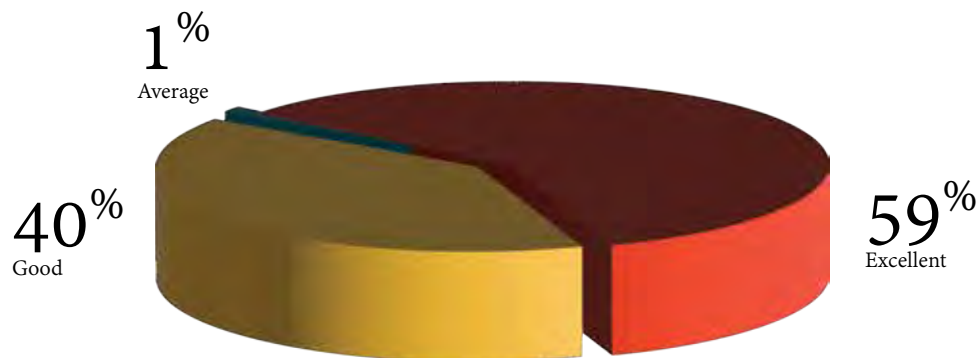


Building for the Future: Islamic Sustainable Investment

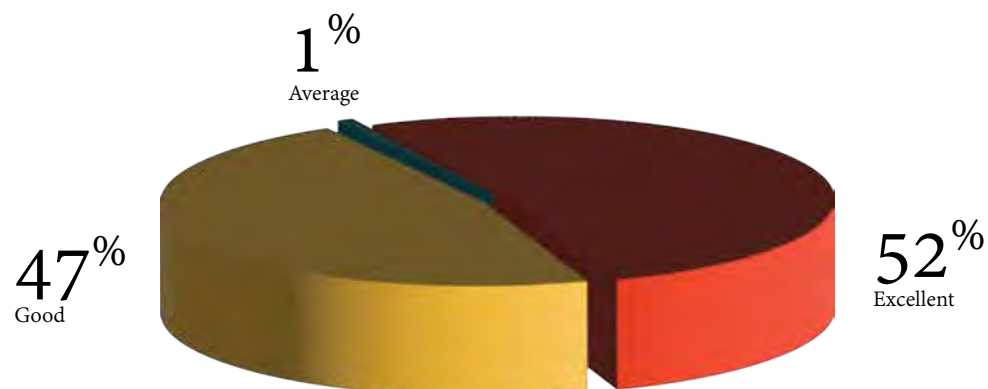


SESSIONS OVERVIEW

Fostering Green Credentials: Key Funding Considerations & Options for Islamic Sustainable Issuers



Islamic Sustainable Finance & Investment: Moving Forward



COMPANIES' LIST

360 MMS	Bursa Malaysia	Hong Leong Islamic Bank
90 North Asia	Cagamas	HSBC Amanah Malaysia
Aathaworld	Capital Markets Malaysia	HSBC Bank Malaysia
ABRDN Islamic	Capspring Temasik	Hugosave
Absolute Financial Solutions	Cenergi SEA	ICMD
Adastra IP	CFA Society Malaysia	IdealRatings
Affin Hwang	CGC Malaysia	IFSB
Agrobank	Chartered Institute of Islamic	INCEIF
AIA Co	China Construction Bank	Infopro
AIFA Consulting	Christopher Jose	Innovatice International College
AIIMAN Asset Management	CIMB Bank	Institute for Capital Market Research
Air Selangor	CIMB Investment Bank	International Capital Market Association (ICMA)
Aliph Global Capital	CIMB Islamic Bank	International Islamic Bank
Alliance Bank	City University	International Islamic University Malaysia
Alliance Investment Bank	Climate Bonds	Interpacific Securities
Alliance Islamic Bank	Coconut Island Resources	Intersoft
Allianz Life	Colourcove	IRFFI
Alpha REIT Management	Companies Commission	Islamic Bank of Australia
AmanahRaya Trustees	Court of Appeal	Islamic University in Minnesota
Amanie Advisors	Cross Light Capital	ISRA Consulting
Ambank	Danajamin Nasional	iTrain Malaysia
AmBank Islamic	DDCap	JF Apex Securities
AmFunds Management	Deutsche Bank	Kadir Andri & Partners
Amundi Aalam	DIBots	Kenanga Investors
Arabesque Holdings	Doshisha University	Kenanga Islamic Investors
Archer Daniels Midland	DTTS	KFH Malaysia
Arka Projects	Eastspring Al-Wara` Investments	Khushhali Microfinance Bank
ASEAN at The ASEAN Secretariat	Eastspring Investments	Kitaran Tabah
ASEAN Foundation	ELC Tutanota	KPMG International
Asian Development Bank	Employees Provident Fund (EPF)	KSK Land
Axiata Group	EMS	Kulantas Law Firm
Bank Islam	Ethis Ventures	Kumpulan Wang Persaraan (KWAP)
Bank Muamalat	Export-Import Bank of Malaysia	Labuan FSA
Bank Negara Malaysia	Eze Coffee Enterprise	Lee Hishammuddin Allen & Gledhill
Bank Rakyat	Faith First Solutions	Lohasow Enterprise
Bank Simpanan Nasional	FCA Capital	Love & Laugh
BDO Governance	Fineopolis Consulting	LPN
BDO Malaysia	Giriraj Rahal	LTM Harvest Resources
Big Venture Capital	Global Sadaqah	LTT Global Communications
BIMB Investment	Gobi Partners	Malaysia Digital Economy Corporation (MDEC)
Bio-Asli	GPRO Solution	Malaysia Rail Link
Bloomberg	Gramelin	MalBos Consulting
BMCC	Green Quarter	Manulife Insurance
BNP Paribas	GT Gulf	Manulife Investment Management
Bond and Sukuk Information Platform	Halal Development Corporation	Marble Capital
British High Commission	Hewlett Packard	Maybank
Bubu Digital	Hijra Bank	Maybank Investment Bank
Bukhara Wealth	Hong Leong Bank	

COMPANIES' LIST

Maybank Islamic	Public Bank	Swiss Re
MBI Selangor	Public Investment Bank	Syarikat Takaful Malaysia Keluarga
MBSB Bank	Public Islamic Bank	TA Securities
MCC Shared Services Centre	PUNB	TAR University
Mercury Securities	Putra Business School	Tenaga Nasional Berhad
MERITUS University	PwC Malaysia	Tenzee Solutions
Messrs Raja, Darryl & Loh	QASA Strategic Consulting	Thoughts In Gear
Microleap	Quantum Solar Park Malaysia	TKA Group
MIDF	Rahmat Lim & Partners	TLPC
Mili Arfah Group	Rakuten Trade	Trowers & Hamlins
Miracle Realty	Rapid Genesis	Tune Protect Group
Mizuho Bank	Red Ants	Twin Pavilion Properties
MKS Pamp	REDmoney Group	UCMI
Mohamed Ridza & Co	RFI Foundation	UGL
Moody's	RHB Asset Management	Umison Construction
MPRC	RHB Bank	UNDP Malaysia
MRCO	RHB Investment Bank	UNGCMYB
MTSB	RHB Islamic Bank	UNHCR
Muamalat Investment	S&P Dow Jones Indices	Unicert International
MUFG Bank	S.T.Foo & Co	UniMAP
National Commission On Muslim Filipinos	Saarf	Unipak Trading
Newfiniti	SAL Group	UNISSA
Nextgreen	Salaam Takaful	Universiti Malaya
Nidzma Enteprise	Salihin Shariah Advisory	Universiti Malaysia Kelantan
Nomura Asset Management Malaysia	Salim Megatama	Universiti Putra Malaysia
Nomura Islamic AssetManagement	Saturna Capital	Universiti Sains Malaysia
Norton Rose Fulbright	Saving Bank	University Malaya
Novartis	SBI Brunei	University of Warwick
OCBC Bank	Securities Commission Malaysia	University Technology Malaysia
Ocean Vantage Holdings	Securities Industry Development Corporation	UOB Asset Management
Onspace Solution	Servita Benindo	UOB Islamic Asset Management
Ouch Free	Shangren Malaysia	UTM Kuala Lumpur
PAAB	SIDREC	UTM University
Paddee Connexions	Sitiner & Partners	Wahine Capital
PBS	Skill Infinity	Waterville
Pembangunan Leasing Corporation (BPMB)	Skrine	WM & Co
Pengurusan Aset Air	SKVE Holdings	Wong & Partners
Perbadanan Usahawan Nasional	Society of Certified Risk	World Bank
Pertama Digital	Softtech360	World Vest Base
Petronas	SPAG Asia	WWF Malaysia
Phillip Wealth	Spring Galaxy	Wyne Oriental Traders
PMB Analytics	Standard Chartered Saadiq	YS Photo Studio & Color Processing
Prestige Asset Distribution	Sumitomo Bank	Zaid Ibrahim & Co
Principal Islamic Asset Management	SunTrust Bank	Zurich Malaysia
Prokhas	Sustainalytics	



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- Market Risk
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- Regulatory Compliance
- Shariah Risk