ZERIN HABITAT

Environment

Social

Governance

ESG IN REAL ESTATE

ISSUE 105

https://zerinproperties.com/habitat/esg

Key Asic Partners CT Vision To Develop 300MW Green AI Data Centre

Semiconductor company Key Asic Bhd has entered into a 10 year memorandum of understanding with Hong Kong listed green technology group CT Vision (International) Holdings Ltd to develop a large scale green AI data centre in Malaysia. The partnership aims to combine green energy infrastructure with advanced AI computing capabilities, creating potential recurring income for Key Asic over the coming years.

The project targets aggregate IT load capacity of about 300MW within five years of commercial operations, with a design power usage effectiveness of no more than 1.20 and at least 50% of energy sourced from green sources. Key Asic will contribute its energy efficient chip technology, chip design capabilities and power management solutions to support operations and optimise energy efficiency, subject to applicable laws and restrictions. Detailed commercial and technical terms will be finalised under separate agreements.

The partnership provides Key Asic with an opportunity to expand beyond semiconductor operations into data centre infrastructure. However, the company has remained loss making since 2019, with RM7.15 million cash, no borrowings and RM10.23 million accumulated losses as at end May 2026. Current liabilities also slightly exceeded current assets.

READ MORE →

Sustainability And Climate Resilience Gain Importance In Malaysia's Property Market

Sustainability and climate resilience are becoming more important in Malaysia's property decisions, alongside traditional factors such as price, size and location. According to PropertyGuru Malaysia's first half 2026 consumer sentiment study, 86% of Malaysians consider sustainable features important when buying or renting a home, while 78% consider climate risks. Flooding and landslides remain key concerns, while 93% are willing or open to paying more for green features such as energy efficiency, ventilation, water efficiency, solar readiness and EV charging access.

Beyond sustainability, neighbourhood quality remains important, with 36% prioritising security and safety and 30% focusing on infrastructure and amenities. As 52% have lived in their current residence for more than 10 years, long term suitability is also increasingly relevant. Family needs influence decisions, with 19% of prospective buyers citing the need for additional space for children or parents.

PropertyGuru said future ready homes should support changing life stages while being prepared for climate risks. Its sustainability strategy focuses on sustainable living, thriving communities and responsible business, helping property seekers assess comfort, cost, resilience, access, safety and community alongside conventional property considerations.

READ MORE

Retail ESG Standard Provides Practical Framework For Wider Sustainability Adoption

The Malaysia Retailers Association (MRA) has launched the Retail ESG Standard (RES) to help retailers of all sizes assess and improve their environmental, social and governance practices. The retail specific framework responds to rising sustainability expectations from customers, investors, business partners and regulators while providing practical guidance for implementation. Retailers can use RES to identify improvement areas, assess ESG performance, support innovation and track key sustainability requirements.

The framework covers three pillars and five common sustainability matters across business operations. Environmental considerations include emissions, energy and water consumption, waste management and sustainable materials. Social areas cover labour and human rights, workplace safety, diversity, customer welfare and community impact, while governance addresses ethics, risk management, reporting, supply chain screening and data privacy. RES aligns with international and Malaysian sustainability standards, including IFRS S1 and S2, SASB, NSRF, B Corp and SEDG.

The RES platform is free for retailers, supporting wider ESG adoption, while independent paid audits are available for formal certification. Developed with the ESG Business Institute, the initiative also launched alongside the MRA Sustainability Awards. Aeon C (M) Bhd and Innature Bhd jointly received Sustainable Retailer of the Year.

READ MORE →

East Coast Emerges As Potential Hub For Food Security And Green Investment

Malaysia's East Coast has strong potential to become a hub for national food security and the green economy, supported by greater investment in renewable energy. The region can strengthen its agrofood ecosystem through smart farming, food processing, cold chain infrastructure and logistics. The ECRL is also expected to improve connectivity and market access by supporting the movement of raw materials and finished products to wider markets.

Pahang, Terengganu and Kelantan offer opportunities in solar, biomass and hydropower, including floating solar hydro projects. These developments align with the National Energy Transition Roadmap and Green Investment Strategy, creating opportunities for high technology and sustainable investments. The region recorded RM61.4 billion in approved investments across 1,746 projects between 2021 and June 2026, expected to create over 30,000 jobs.

MIDA is encouraging local companies, SMEs and mid tier firms to explore capital market financing, including IPOs, to support business growth. The New Incentive Framework will prioritise high impact, high technology and sustainable investments, while MIDA facilitates access to 84 active incentive schemes through its i Incentives Portal. The Invest Malaysia Facilitation Centre will also support project implementation.

READ MORE

BYD Signals Further Malaysia Expansion Plans As Local Strategy Takes Shape

Chinese EV manufacturer BYD Co Ltd is expected to announce its next expansion move in Malaysia within a week, with its local manufacturing strategy still under consideration. The company is exploring cooperation with local partners to support Malaysia's new energy vehicle industry, while also assessing other approaches. BYD vice president Liu Xueliang reaffirmed the company's commitment to long term investment in Malaysia and said its development has been progressing well.

The company's manufacturing plans have attracted attention, including a potential contract assembly partnership with Sime Motors' Inokom plant in Kulim, Kedah. Progress on a proposed manufacturing facility in Tanjung Malim, Perak appeared to have stalled earlier this year. Meanwhile, fully imported EVs now face minimum declared CIF value and power output requirements following the expiry of special tax exemptions for imported vehicles at end 2025.

Beyond manufacturing, BYD sees East Malaysia as an area with significant growth potential, although suitable models will be important for expanding its presence. Liu said the company's strategy remains focused on Malaysia as a whole rather than a specific region. The upcoming announcement could therefore provide greater clarity on BYD's investment direction, local partnerships and potential expansion of its Malaysian operations.

READ MORE

MBSB Bank Supports Solar Expansion Across 32 Kedah Water Facilities

MBSB Bank Bhd has allocated RM78 million in Shariah compliant financing for solar energy projects across 32 Syarikat Air Darul Aman (SADA) facilities in Kedah. The financing supports a project by Dekad Aliran Sdn Bhd, which aims to deliver up to 22MW of solar capacity by end 2027. The financing structure also allows SADA to implement the project without initial capital expenditure, enabling energy savings without significant upfront investment.

The first phase involves RM5.77 million to install 2,500 solar panels across three water treatment plants in Kuala Ketil and Sungai Ular. The systems are expected to generate around 200,000kWh of net energy annually and reduce monthly electricity bills by up to 15%. Over the longer term, the project is expected to provide energy cost stability for up to 30 years while reducing carbon dioxide emissions by 1,100 tonnes annually.

The project highlights the role of Shariah compliant financing in supporting sustainable infrastructure and energy transition. For SADA, the solar installations are expected to improve operational efficiency and strengthen long term energy cost planning while reducing reliance on conventional electricity. The wider rollout across 32 facilities could therefore support more resilient and sustainable water treatment operations in Kedah.

READ MORE