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# ESG IN REAL ESTATE

Issue 34

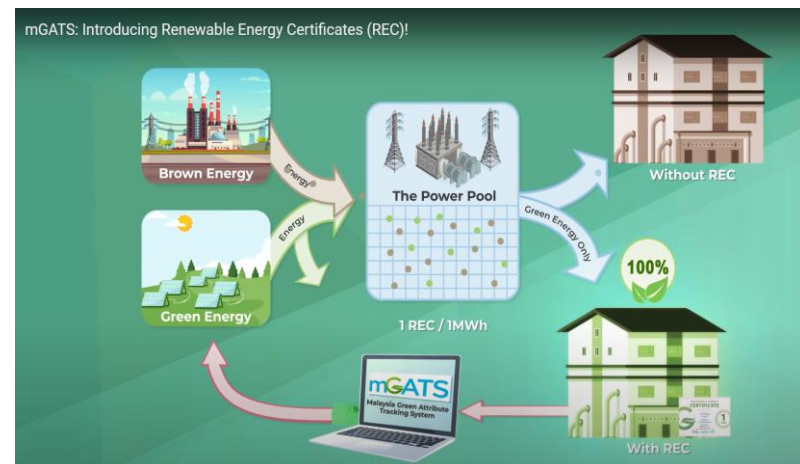
# RECalibrating Malaysia's renewable energy certification

In response to global sustainability initiatives and Malaysia's commitment to achieving net zero by 2050, TNB's subsidiary, TNBX, is introducing the Malaysia Green Attributes Trading System (mGATS).

Transforming from an information page to a digital marketplace, mGATS will be the country's first one-stop center for businesses to acquire Malaysia Renewable Energy Certificates (mRECs) digitally.

Aligned with Malaysia's National Energy Transition Roadmap, targeting a 70% share of renewable energy by 2050, mGATS enhances transparency and user-friendliness for businesses aiming for 100% renewable energy consumption.

The platform, to be operational in 1Q2024, facilitates bidding for mRECs derived from various renewable sources, supporting the government's net zero aspirations and promoting green transactions and renewable energy asset development. [READ MORE](#)



# Leaders in sustainability honoured at The Edge Malaysia ESG Awards 2023

The Edge Malaysia ESG Awards 2023 highlighted the increasing importance of genuine commitment to environment, social, and governance (ESG) initiatives as scrutiny on greenwashing rises.

Malaysia's Minister of Natural Resources, Environment, and Climate Change, Nik Nazmi Nik Ahmad, emphasized the need for credibility in ESG implementation rather than superficial engagement. He noted the growing willingness of Malaysian businesses to adopt ESG but stressed the importance of consistency and ESG integration across supply chains and operations.

The awards recognized improvements in ESG adoption among Malaysian public-listed companies and asset management firms. The event also introduced new categories to acknowledge consistent dividends and recognize companies in high-emission sectors making efforts in the "green transition." The awards aim to encourage companies on the path to net-zero emissions, supporting Malaysia's National Energy Transition Roadmap.

The event was organized in collaboration with Bursa Malaysia, FTSE Russell, Morningstar, Deloitte, UOB Malaysia, Astro Awani, and BMW Group Malaysia. [READ MORE](#)



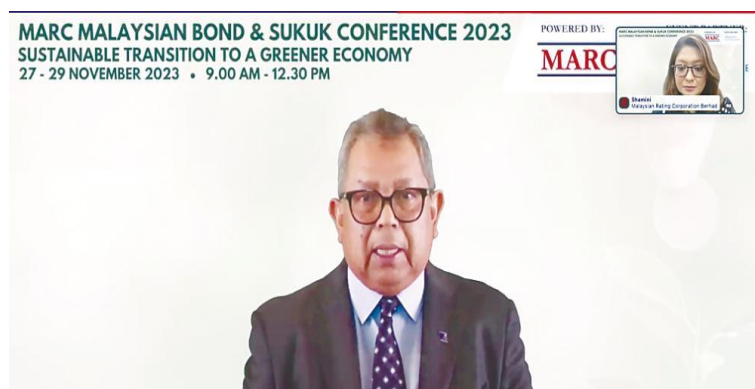
# ESG bonds to be a major growth area for Malaysia's capital market, says banker

The environmental, social, and corporate governance (ESG) bond market is poised for significant growth in Malaysia's capital market over the next two to three years, according to Chong Poh Choon, Head of Treasury & Markets at Hong Leong Investment Bank.

Drawing parallels with the early phase of the Islamic bond market, Chong sees the ESG bond market evolving into a major player globally. The increased demand for ESG bonds is driven by growing ESG concerns and asset management institutions with stringent ESG portfolio targets.

Chong also highlighted the potential for existing issuers to convert their bonds into ESG bonds, expanding the range of available ESG bonds. However, he acknowledged the challenge of a lack of consistent ESG standard classification.

Securities Commission Chairman Datuk Seri Dr. Awang Adek Hussin emphasized the necessity for substantial investment to achieve Malaysia's net-zero goals and highlighted the role of the well-established bond and sukuk market in financing key initiatives. As of October 31, 2023, Malaysia's bond and sukuk market has a total outstanding value of RM2 trillion, representing over 50% of the Malaysian capital market. [READ MORE](#)



# TNB partners Perak state govt to drive large-scale renewable energy initiatives

Tenaga Nasional Bhd's (TNB) subsidiary, TNB Power Generation Sdn Bhd (TNB Genco), has partnered with the Perak State Development Corporation (PKNPk) to explore floating solar potential in the Sungai Perak Hydroelectric Scheme.

Another TNB subsidiary, TNB Renewables Sdn Bhd (TRe), has joined forces with Perak government-linked company Majuperak Holdings Bhd (MHB) to develop a significant 100-megawatt ground-mounted solar project in Perak.

These collaborations align with the National Energy Transition Roadmap (NETR), supporting Malaysia's transition to cleaner and more sustainable energy sources. The TNB Genco-PKNPk collaboration will conduct a two-year feasibility study for the development of floating solar photovoltaic systems, combining hydro and FSPV technologies.

The TRe-MHB partnership aims to develop a 100MW ground-mounted solar project across multiple states under NETR's Centralised Solar Park project, with TRe as the master developer. The project will involve co-ownership with Small and Medium Enterprises and state agencies.

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# Partnership to tap green energy, build EV charging points in Selangor

Menteri Besar Selangor (Incorporated) (MBI Selangor) has signed a memorandum of understanding (MOU) with Gentari Sdn Bhd, a clean energy solutions provider, to explore the renewable and sustainable energy landscape in the state.

The collaboration aims to leverage Gentari's expertise in renewable energy, hydrogen, and green mobility.

MBI Selangor is dedicated to achieving its sustainability goals outlined in the First Selangor Plan 2025, positioning the state as an attractive hub for clean energy investments in Malaysia.

The collaboration will focus on developing solar energy, expanding EV charging infrastructure, and strategic planning for a hydrogen economy in Selangor. The partners aim to deploy 300MW of solar initiatives and establish a comprehensive network of EV charging points across strategic locations in the state. This initiative aligns with Selangor's goal of electrifying 40% of the state government's fleet. [READ MORE](#)



# Miti: Malaysia can achieve ESG goals within seven years or less

Malaysia aims to achieve its environmental, social, and governance (ESG) goals in a phased approach within seven years, according to Datuk Hanafi Sakri, Deputy Secretary-General (Industry) at the Ministry of Investment, Trade, and Industry (Miti).

The i-ESG Phase 1.0, named "Just Transition," will span from 2024 to 2026, supporting manufacturing companies, including MSMEs, in initiating their sustainability and ESG journey. Programs like i-ESGReady and iESGStart will provide readiness assessments and practical guides.

Hanafi stressed the significance of assisting MSMEs, ensuring they receive support to navigate sustainability complexities. The phased approach aims to align Malaysian companies with the increasing demand for sustainable products and ESG reporting requirements in export destinations such as the United States and the European Union.

Initiatives during Phase 1.0 will help companies identify gaps, introduce policies, and establish support systems to foster sustainable practices across the manufacturing landscape. [READ MORE](#)



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