

ZERIN HABITAT

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WEEKLY UPDATES

ESG IN REAL ESTATE



PNBMV Advances Sustainable Growth with RM6 Billion Sukuk Framework

PNB Merdeka Ventures (PNBMV), a subsidiary of Permodalan Nasional Berhad, has launched plans for an Islamic Medium Term Notes programme of up to RM6 billion, guided by its newly updated Sustainable Finance Framework. This framework expands eligible projects, enables broader sustainable financing tools, and underpins PNB's goal of achieving Net Zero Enterprise status by 2025 and a Net Zero Portfolio by 2050. The framework received a Gold Impact Assessment from MARC Solutions, while the sukuk has been rated AAA IS with a stable outlook.

The programme, arranged by CIMB and Maybank, will optimise funding for the Merdeka 118 precinct. Anchored by the Merdeka 118 Tower, the development already enjoys 70% occupancy and holds LEED Platinum certification, targeting triple platinum recognition.

Beyond offices, the precinct integrates heritage, leisure and lifestyle elements, including Stadium Merdeka, Park Hyatt Kuala Lumpur, Masjid Al-Sultan Abdullah and the upcoming 118 Mall, with 70% of space pre-leased.

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NCT Group Catalyses Malaysia's Industrial Future with ESG-Driven Fund

NCT Group's Next-Generation Smart Industrial Park (NSIP) in Sepang is advancing Malaysia's industrial transformation with a RM615 million innovation fund and a strategic alliance with Intrinsic SEA, the Southeast Asian arm of Canada's Intrinsic Venture Capital. The fund, Intrinsic's first in Malaysia, will channel capital into ventures aligned with ESG priorities, high-value industries, and sustainable growth. NSIP, covering 296 hectares, is the country's first certified managed smart industrial park and holds a five-diamond rating under the Low Carbon Cities 2030 Challenge.

The park integrates artificial intelligence, ESG standards and flexible investment models such as build-to-suit and co-investment. It is designed to attract advanced manufacturing, semiconductors, digital infrastructure, medical technology, climate and clean energy ventures. The catalytic fund strengthens investor confidence by embedding both capital and strategic support within the ecosystem.

For Intrinsic, Malaysia offers unique advantages: central ASEAN positioning, multilingual talent, and proactive government policy support. NSIP becomes its ideal platform to drive scalable, ESG-integrated innovation across Southeast Asia. [READ MORE](#)



Gamuda and Gentari Drive Renewable Energy Growth for Data Centres

Gamuda Bhd and Gentari will jointly develop around 1.5GW of renewable energy capacity in Malaysia, focusing on solar photovoltaic power plants integrated with battery storage systems. The initiative directly addresses the projected demand of over 5GW of reliable power by 2035 from hyperscale data centres, a fast-growing sector positioning Malaysia as a regional hub.

The partnership builds on Gamuda's recent expansion in renewable energy, including its collaboration with SD Guthrie to develop 1.2GW of solar assets. Gamuda is already a key player in Malaysia's data centre growth, having secured a data centre contract worth over RM1 billion from Google's Malaysian affiliate earlier this year.

Gentari adds further strength with over 8GW of installed and in-progress renewable energy capacity across its markets. Together, the companies aim to accelerate clean energy deployment, strengthen grid reliability, and provide sustainable power solutions to support Malaysia's ambitions in digital infrastructure and green growth. [READ MORE](#)

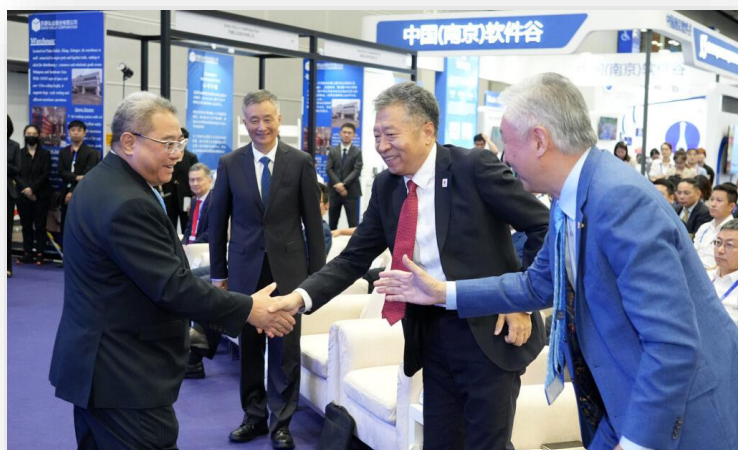


Malaysia and China Strengthen Green and Digital Services Collaboration

Malaysia is intensifying collaboration with China to unlock the full potential of its services sector, with focus areas including the digital economy, green technology and connectivity. Speaking at the 2025 Jiangsu International Services Trade Expo, Miti's Services Sector Development Division senior director See Chee Kong highlighted opportunities in cross-border e-commerce, artificial intelligence and smart city development to expand markets for SMEs and strengthen digital infrastructure.

Both nations also share commitments to sustainability, with prospects in renewable energy services, green data centres and electric vehicle ecosystems. Beyond infrastructure such as the ECRL, Malaysia and China are exploring enhanced logistics, financial services and educational exchanges to support long-term growth and competitiveness.

Bilateral services trade reached RM44.42 billion in 2024, up 57.2% year-on-year, while total trade stood at RM484.12 billion. Supported by Belt and Road cooperation and a new services trade MoU, Malaysia is positioning itself for diversified growth through stronger China partnerships. [READ MORE](#)



Malaysia Targets 18 Waste-to-Energy Plants to Drive Green Growth

The Housing and Local Government Ministry (KPKT) plans to develop 18 waste-to-energy plants across Peninsular Malaysia by 2050 to strengthen renewable energy capacity. The Port Dickson facility has been operational since 2023, while another in Sungai Udang is set for completion in 2029. Collectively, these plants could generate up to 600 megawatts of renewable energy, enough to power 500,000 households and support Malaysia's target of 70% renewable energy by 2050.

Minister Nga Kor Ming emphasised that waste management reforms extend to electric mobility. By 2027, 20% of solid waste management vehicles, including compactors and sweepers, are expected to be electric. This transition will reduce emissions, lower long-term costs and advance sustainable urban development.

As Malaysia chairs ASEAN and the UN-Habitat Assembly, the programme reflects a broader commitment to the Sustainable Development Goals. The integration of waste-to-energy solutions with electric vehicles positions Malaysia to lead in green urban transformation. [READ MORE](#)



Malaysian Malls Embrace ESG Principles and Community-Centric Development

Malaysian malls are adopting stronger environmental, social, and governance (ESG) practices, shifting from pure retail to sustainable community hubs. Beyond recycling and waste management, many malls have introduced green building certifications, energy-efficient systems, and solar panels. Initiatives such as fabric recycling, food composting, and partnerships with food rescue groups also reduce waste while supporting local charities with thousands of meals each month.

On the social front, malls are creating inclusive spaces and awareness programmes. Efforts like Suria KLCC's mental health campaign highlight their role in community well-being. The Malaysia Shopping Malls Association supports these efforts through its annual Top Sustainability Practices Awards, recognising leaders in environmental and social stewardship.

Malls also serve as cultural and tourism anchors, accounting for 34% of tourist spending in 2023. With over 490 malls nationwide, modern integrated developments now combine shopping, living, and entertainment, ensuring malls remain vital to Malaysia's sustainable economic and social growth.

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Malaysia Pushes Recycling, Green Housing and ESG Investment Momentum

Malaysia aims for a 40% national recycling rate by adding a fourth “R”—Rethink—urging people to adopt conscious consumption. Housing and Local Government Minister Nga Kor Ming announced wider use of Industrialised Building Systems and modular technologies in public housing, with Transit-Oriented Development to improve city access and reduce congestion. By 2035, the government will develop 1,000 MADANI parks, including a former landfill transformed into a public green space.

At the International Green Build Conference 2025, experts highlighted regenerative design, stronger drainage systems, and adapting sustainable practices to local climates. Developers noted that buyers increasingly view green features as long-term savings, while banks and investors favour certified projects through green financing.

ESG adoption is reshaping Malaysia’s investment outlook. Funds such as EPF and PNB now prioritise green assets, while foreign investors avoid non-green projects. Green-rated developments in Kuala Lumpur already secure higher values and rental premiums. [READ MORE](#)



Putrajaya Drives Renewable Energy Expansion Towards 2050 Target

Putrajaya is leading Malaysia's push to increase renewable energy (RE) within the national electricity supply, aiming for a 70% RE share by 2050. The Ministry of Energy Transition and Water Transformation (Petra) highlighted the central role of Battery Energy Storage Systems to stabilise the grid and support higher RE integration. This ambitious plan reflects Putrajaya's commitment to a sustainable, reliable, and affordable energy future.

The government will manage capital expenditure through system development costs or user tariffs, ensuring domestic and industrial electricity remains affordable. Putrajaya plans RE programmes with the 'causer pay' principle or via bidding mechanisms, balancing the energy trilemma while minimising sudden tariff increases.

Currently, 332 large-scale RE projects totalling 5,894MW have been approved, with 188 projects (2,564MW) operational. Petra noted grid capacity as a key challenge and confirmed that Putrajaya oversees careful planning and infrastructure upgrades to integrate intermittent RE generation effectively.

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Malaysia Expands Solar Projects to Reach 40 Percent Renewable Energy

Malaysia is accelerating large-scale solar (LSS) projects to achieve a 40% renewable energy share in the national energy mix by 2040, Deputy Minister Akmal Nasrullah Mohd Nasir said. The current grid can accommodate additional renewable sources, yet long-term stability will rely on investments in Battery Energy Storage Systems (BESS) and smart grid technologies to manage the intermittent nature of solar power effectively.

The government is rolling out approved LSS projects under the National Energy Transition Roadmap (NETR) and the 13th Malaysia Plan. MyPower, designated as the National Energy Planning and Implementation Office (NEPIO), is leading pilot projects to assess clean energy potential and guide strategic deployment, ensuring a balanced and reliable transition.

Beyond domestic capacity, Malaysia aims for greater regional integration through the ASEAN Power Grid. By connecting with countries such as Vietnam, the nation can access additional renewable energy sources, enhance grid resilience, and enable cross-border energy trade while supporting sustainable growth. [READ MORE](#)



Malaysia Rail Link Advances Reforestation and Community Sustainability Program

Malaysia Rail Link Sdn Bhd (MRL) has completed planting 3,000 tree saplings at Hutan Simpan Kekal Lentang under its 'Rail to Roots: Rehabilitation of Degraded Forest and Capacity Building' programme. This ESG initiative, conducted with Yayasan Hijau Malaysia and the Pahang State Forestry Department, underscores MRL's commitment to balancing infrastructure development with environmental sustainability. Since May 2025, over 17,000 seedlings have been sown across 15 nurseries, providing long-term ecological benefits.

The programme also empowers the Orang Asli community through income-generating opportunities. MRL has sponsored 15 nurseries with Forestry Department support, offering training and a "Buyback Guarantee" scheme for seedlings. Phase One began in December 2024 with 600 saplings, followed by Phase Two adding 2,400 more, while a Merdeka planting ceremony marked the final milestone with 68 saplings.

MRL's efforts have been recognised with a Gold award at the ESG Positive Impact Awards 2024 for Innovative Partnership in large companies, highlighting the company's leadership in sustainable infrastructure and community engagement. [READ MORE](#)

