



# ESG Sustainability Newsletter

Issue No.2 | Feb 2022



## ESG – Malaysia

As the world is committing heavily into the issue of climate change, with countries and businesses spearheading the campaign. Needless to say, Malaysia is also targeting Net Zero future with large-scale carbon emissions reduction targets. Within Malaysia, Sarawak has shown its strong fundamentals to be the ESG champion in the ASEAN region.



## Advantages of Sarawak

Sarawak's state government and leadership possesses the strong will for sustainability and new innovations with proven strong track record and development history in renewable energy, especially in Hydropower. Sarawak also has strong FDI and presence of foreign corporates for technology transfer to the locals.



## Sarawak

# ESG isn't just about the environment and saving the orang utans

Sarawak has very strong fundamentals to become an ESG champion in the ASEAN region, so businesses based there got a great head start but a lot of companies have not much clue on where to start.





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## Getting to Know ESG Adoption for Corporates

Since being raised as a global issue, industries such as oil and gas, mining and timber gets the spotlight for ESG adoption due to the nature of their business activities. Now, businesses face various risk for not complying to the ESG standards outlined by standard organizations. Corporate faces risks of losing customers, losing financing support from banks and financial institutions, and nevertheless the fading of support from institutional shareholders, which could lead to decline in business value (for non-listed companies) and share price (for listed companies).

By driving along with the ESG requirements, businesses can strengthen their corporate branding, strengthen their access to financing, and while aligning with the government initiatives and efforts could welcome lower cost of early adoption from tax breaks, government grants and even foreign grants.

To start ESG adoption for business, one should establish basic ESG framework and process for the business and then start collecting data in regards to ESG with a clear reporting process for internal and external stakeholders. The remaining will be continuous upskilling of internal team on ESG and Sustainability. A common starting point will normally be the finance department as well as the senior management as a top-down approach is normally needed to promote adoption of ESG business wide. The key point for kickstarting ESG successfully is always on data and reporting, instead of tackling ESG from environmental enhancements.

## ESG Adoption for Government and Policy Makers – Sarawak, Malaysia

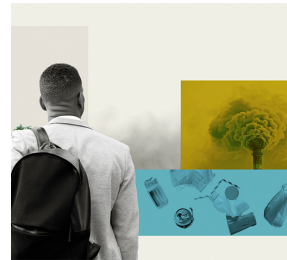


Creating a sustainability ecosystem has 3 main components, i.e., Education, Economics Incentives (Government Grants), and Funding. After these, a centralised framework, database and digital system to put it all into action, transforming Sarawak into a sustainable, high tech and digital state of the future.

Just like how Malaysia became one of the leaders in Islamic Finance, if we work towards building an ecosystem with strong emphasis on the upskilling of local talents in the field of ESG and sustainability, we have a good chance in securing global leadership in sustainability matters. This in turns create strong economic multipliers in terms of jobs creation, high income and highly educated communities, spearheading Sarawak into a sustainability powerhouse in the ASEAN region and becoming a preferred location for skilled human capital and FDIs.

### Read also:

CEOs and boards of directors are under increasing pressure to address environmental, social, and governance (ESG) issues. To support them, companies like C.H. Robinson, Royal Caribbean, and Verizon have recently appointed chief ESG officers. To discover whether your company would benefit from having one, the authors suggest considering three questions: Do your stakeholders care about ESG? What role does ESG play in your strategy? And would a chief ESG officer be complementary?



[Read full article here](#)



### Bursa chairman: Companies that ignore ESG will be deprived of equity, debt financing

Tan Sri Abdul Wahid Omar, chairman of Bursa Malaysia, said that ignoring sustainability practices in businesses will not make them sustainable as they will be deprived of both equity and debt financing to fund their projects. Companies that ignore ESG considerations will have to pay a higher insurance premium to underwrite some of their risks and will face difficulties in recruiting talents to drive their business.

[Read full article here](#)



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# ESG

## SUSTAINABILITY



## ABOUT VISION GROUP

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Vision Group is an integrated business enabler ecosystem comprising in-house infrastructure and subject matter experts in the field of banking & finance, technology (blockchain, AI/Machine learning, cloud computing, core banking system and other technologies) and digital transformation. Vision Group houses a diversity of businesses under its umbrella.



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Vision Group has extensive experience in corporates and SMEs in areas of business transformation, sustainability & ESG, investor relations and finance.

