Southeast Asia has experienced rapid economic growth and urbanisation in recent years. However, these advancements have come at the cost of significant environmental challenges of deforestation and escalating greenhouse gas emissions, the primary contributors to climate change. In response to growing market concerns on sustainability challenges and risks, investors are increasingly prioritising investment opportunities that address major environmental issues, with USD 5.2bil worth of green investments made in Southeast Asia in 2022.

Amongst the ASEAN-6 countries, the Malaysian government has committed to achieving the largest emission reduction target of 45% by 2030, underpinned by initiatives in the 12th Malaysia Plan to foster a green economy by promoting low carbon industries, decarbonisation, circular economy and clean energy transition. There has also been growing interest from foreign and domestic investors in Malaysia’s green economy. This is driven by the critical need to mitigate environmental and social impact and improve access to green financing. A supportive regulatory environment and increased collaboration between government and corporate sectors further spur this interest.

“We see a growing client interest in Asia for impact investments focused on climate change, energy transition, industrial decarbonisation, sustainable food and agriculture, and sustainable transportation”

Head of Sustainability Management for Asia, global private bank

Note: 1 Includes transactions involving corporates, PE/VC, infrastructure funds, climate-focused ‘green’ funds, sovereign wealth funds and government-affiliated companies. 2 Singapore, Malaysia, Philippines, Indonesia, Vietnam and Thailand

Source: Southeast Asia Green Economy 2023 Report, PwC analysis
In Malaysia, companies with ESG focus are favourably positioned for higher valuations and investment returns over the long term, with increased corporate transparency and responsible governance to stakeholders.

Benefits of ESG for businesses

- **Enhanced brand equity and goodwill** from closer alignment to ESG practices
- **Increased demand from institutional investors** for ESG compliant practices
- **Sustainable business practices**, leading to higher quality earnings
- **Ability to address ESG considerations through innovative technology**
- **Ability to minimise exposure to ESG-related business and operational risks**

Public listed companies (PLCs) with ESG investments\(^1\) have been trading at higher valuation multiples, supported by higher shareholder returns and profitability

<table>
<thead>
<tr>
<th></th>
<th>Average Return on Equity</th>
<th>Average Net Profit Margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Others(^2)</td>
<td>9.5%</td>
<td>8.4%</td>
</tr>
<tr>
<td>FTSE4Good Bursa Malaysia companies</td>
<td>16.6%</td>
<td>14.4%</td>
</tr>
</tbody>
</table>

\(1.7\times\) Higher in price-to-book value for companies in FTSE4Good Bursa Malaysia (F4GBM) Index

---

“Companies are encouraged to embrace ESG elements, because it is an increasing denominator in determining company valuation, as well as influencing investors' and consumers' confidence”

*Chief Executive Officer, the government’s principal investment promotion agency*

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“If companies were to embrace ESG, it would help lift stock valuations and increase long term returns to investors”

*Managing Director, financial services institution*

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Note: \(^1\)Defined as companies listed in FTSE4Good Bursa Malaysia (F4GBM) Index, \(^2\)Other public listed companies in Malaysia not included in the F4GBM Index

Source: Bursa Malaysia, Capital IQ, PwC analysis
Growing investor appetite
Investors are increasingly aware and actively integrating ESG into their investment and value creation strategy.

Rising corporate initiatives
Corporations are increasingly embedding ESG into their business processes and operations to enhance productivity, achieve cost savings and strengthen brand equity.

Supportive regulatory environment
Supportive policies (e.g. GITA\(^1\), GTFS\(^2\)) and initiatives (e.g. SRI Taxonomy\(^3\)) contribute to fostering ESG-themed investments.

Malaysia’s conducive ecosystem has created a landscape with high potential investment opportunities across several major themes:

- Energy transition
- Food security
- Circular economy
- Mobility transformation
- Environmental engineering

Positive developments seen across stakeholders including investors, corporations, and government agencies

"We look to influence positive change and ensure a responsible and equitable impact through managing ESG risk and identifying value creation opportunities."

Managing Director, sovereign wealth fund of Malaysia

“Our group strides towards embracing the global energy transition and the shift towards a low carbon future…”

Chief Sustainability Officer, Malaysian multinational oil and gas company

Malaysia, an emerging destination for ESG investments

In the subsequent pages, each theme will be discussed further, with emphasis on key trends, developments and notable deal activities observed in recent years.

Note: \(^1\)Green Investment Tax Allowance, \(^2\)Green Technology Financing Scheme, \(^3\)Sustainable and Responsible Investment Taxonomy

Source: PwC-MICPA Investor Survey 2022 Report, PwC analysis
Energy generation in Malaysia has been predominantly reliant on coal, with the country's current renewable energy (RE) capacity standing at 25%. To meet energy demand sustainably, Malaysia is targeting 40% RE contribution by 2035. Notably, public and private sector investors have been shifting away from coal-fired power generation investments to RE investments, focused around:

- **Clean and sustainable energy** with solar photovoltaic (PV) and bioenergy\(^1\) having the most potential due to high annual solar irradiation and biomass availability from the palm oil industry
- **Energy efficiency and management** to provide IoT-based energy monitoring, recycling and efficiency solutions

Japan has become a leading clean energy investor in Southeast Asia, with Malaysia as one of its priority markets. Key initiatives include the **Asia Energy Transition Initiative (AETI)** in 2021 by the Government of Japan, with USD 10bil allocated for ASEAN\(^2\) decarbonisation projects, and the announced collaboration between Japan\(^3\) and Petronas to achieve carbon neutrality by 2050.

### Notable M&A deals of players with operations in Malaysia:

<table>
<thead>
<tr>
<th>Date</th>
<th>Target</th>
<th>Key Business Area(s)</th>
<th>Installed Capacity</th>
<th>Lead Investor</th>
<th>Deal Size (USD mil)*</th>
<th>Equity*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan 2023</td>
<td>Cypark</td>
<td>Solar &amp; Biogas</td>
<td>388 MWp(^4)</td>
<td>Jakel Capital</td>
<td>15</td>
<td>27%</td>
</tr>
<tr>
<td>Dec 2022</td>
<td>ERS Energy</td>
<td>Solar</td>
<td>700 MWp</td>
<td>Gamuda</td>
<td>45</td>
<td>30%</td>
</tr>
<tr>
<td>Jun 2022</td>
<td>reNIKOLA</td>
<td>Solar</td>
<td>418 MWp(^4)</td>
<td>B.Grimm Power</td>
<td>83</td>
<td>45%</td>
</tr>
<tr>
<td>May 2022</td>
<td>Solarvest</td>
<td>Solar</td>
<td>400 MWp</td>
<td>Divine Inventions</td>
<td>23</td>
<td>19%</td>
</tr>
<tr>
<td>Mar 2022</td>
<td>Samaiden</td>
<td>Solar</td>
<td>&gt;300 MWp</td>
<td>Chudenko Japan</td>
<td>Undisclosed</td>
<td>15%</td>
</tr>
</tbody>
</table>

*Based on publicly available information

### Other recent deal activities based on our market scan and research:

- **Biogas and solar RE Provider**
  - **National grid-connected RE**
  - Cenergi’s investment in 22 biogas, solar and other plants\(^5\) as of 2021

- **Ammonia co-combustion**
  - MOU between Tenaga Nasional Berhad, Petronas and IHI from Japan in 2022

- **Top Glove-Shizen**
  - **Rooftop solar**
  - Top Glove and Japan’s Shizen Energy collaboration in 2021

Note: 1Includes biomass, biogas and municipal solid waste, 2Association of Southeast Asian Nations, 3Ministry of Economy, Trade and Industry of Japan (METI) and Japan Bank for International Cooperation (JBIC), 4Including plants in the development stage, 5Energy efficiency and pellet plants

Source: Capital IQ, Mergermarket, Sustainable Energy Development Authority (SEDA), Malaysian Investment Development Authority (MIDA), company websites and annual reports, news articles, PwC analysis
2 Circular economy
Waste management and recovery

Waste generated in Southeast Asia is expected to increase from c.150mil MT in 2016 to over 300mil MT by 2030, due to rapid population growth, urbanisation and industrialisation. Additionally, recycling rates across the region are less than 50%, which is comparatively lower than most developed economies\(^1\) with recycling rates of over 50%.

In Malaysia, the Ministry of Housing and Local Government has put in place policies and roadmaps (e.g. proposed implementation of the Extended Producer Responsibility, EPR principle) to promote waste reduction initiatives and achieve a **targeted 40% recycling rate by 2025**. Whilst Malaysia’s current recycling rate of 33% lags behind several of its regional peers\(^2\), growing interest and investment activities are observed in scheduled waste, e-waste, municipal waste and sustainable packaging. These trends are driven by:

- **Malaysia’s transition to become a circular economy in the 12th Malaysia Plan**, to reduce waste generation while increasing the use of recycled materials and recycling of production waste
- **Enhanced penalties for contravention of the Environmental Quality Act 1974**, ensuring compliance with proper waste management by waste generators
- **Attractive tax incentives** in which companies undertaking waste recycling activities are eligible for Pioneer Status (PS) or Investment Tax Allowance (ITA)

**Notable M&A deals of players with operations in Malaysia:**

<table>
<thead>
<tr>
<th>Date</th>
<th>Target</th>
<th>Business Area</th>
<th>Lead Investor</th>
<th>Deal Size (USD mil)*</th>
<th>Equity*</th>
</tr>
</thead>
<tbody>
<tr>
<td>May 2022</td>
<td>Cenviro</td>
<td>Scheduled Waste</td>
<td>SK ecoplant</td>
<td>68(^2)</td>
<td>30%</td>
</tr>
<tr>
<td>Feb 2022</td>
<td>TES</td>
<td>E-waste</td>
<td>SK ecoplant</td>
<td>1,042</td>
<td>100%</td>
</tr>
<tr>
<td>Jun 2020</td>
<td>KUB-Berjaya Enviro</td>
<td>Municipal Waste</td>
<td>Berjaya Group</td>
<td>19</td>
<td>40%</td>
</tr>
<tr>
<td>Dec 2019</td>
<td>Alam Flora</td>
<td>Municipal Waste</td>
<td>Malakoff Corporation</td>
<td>210</td>
<td>97%</td>
</tr>
<tr>
<td>Aug 2019</td>
<td>Globecycle</td>
<td>Scheduled Waste</td>
<td>Blue Planet</td>
<td>Undisclosed</td>
<td>100%</td>
</tr>
</tbody>
</table>

*Based on publicly available information

**Other recent deal activities based on our market scan and research:**

- **5E Resources**: Scheduled waste USD 6mil raised from SGX IPO in Apr 2022
- **Econas Resource to Energy (ER2E)**: Scheduled waste Partnership between Econas & Perisind Samudra in 2019

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Note: \(^1\)e.g. Germany, Switzerland, South Korea, Singapore, \(^2\)As of 2022, Singapore (57%), South Korea (60%) and Taiwan (>60%), \(^3\)Based on Mergermarket information

Source: Department of Statistics Malaysia (DOSM), Department of Environment Malaysia (DOE), Capital IQ, Mergermarket, company websites and annual reports, news articles, PwC analysis
Environmental engineering
Flood mitigation and water supply

Water supply disruptions, pollution and flooding are amongst major environmental concerns in Southeast Asia, driven by global climate change. Malaysia, in particular, faces persistent challenges in water resources from major floods which occurred in late 2021 and early 2022. This has resulted in USD 1.4bil of losses and water disruptions caused by industrial pollution as a result of treatment plant downtime.

Given the rising intensity and frequency of floods in Malaysia, the government is expected to tender six flood mitigation projects, as tabled in the revised Budget 2023. Investors are also increasingly investing in sustainable and technology-enabled solutions (e.g. wastewater treatment and monitoring technology) in recent years.

Notable environmental engineering contracts awarded in Malaysia: *Based on publicly available information

<table>
<thead>
<tr>
<th>Date</th>
<th>Company Awarded</th>
<th>Project Area</th>
<th>Location</th>
<th>Contract Value (USD mil)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sep 2022</td>
<td>Salcon Engineering</td>
<td>Water Treatment</td>
<td>Langat 2, Selangor</td>
<td>48</td>
</tr>
<tr>
<td>Jul 2022</td>
<td>Gamuda</td>
<td>Water Treatment</td>
<td>Sungai Rasau, Selangor</td>
<td>454</td>
</tr>
<tr>
<td>Jun 2022</td>
<td>MRCB</td>
<td>Flood Mitigation</td>
<td>Pahang</td>
<td>86</td>
</tr>
<tr>
<td>Jan 2022</td>
<td>Ranhill Utilities</td>
<td>Non-Revenue Water</td>
<td>Pahang and Johor</td>
<td>37</td>
</tr>
<tr>
<td>Dec 2021</td>
<td>Taliworks</td>
<td>Water Treatment</td>
<td>Sungai Rasau, Selangor</td>
<td>145</td>
</tr>
<tr>
<td>Jul 2020</td>
<td>Puncak Niaga</td>
<td>Sewage Treatment</td>
<td>Kuantan, Pahang</td>
<td>103</td>
</tr>
</tbody>
</table>

Other recent deal activities based on our market scan and research:

- **Cosmos Technology**
  - Water treatment
  - USD 5.1mil raised from ACE
  - Market IPO in Oct 2022

- **RedPlanet**
  - Environmental monitoring
  - USD 0.9mil raised from LEAP
  - Market IPO in Aug 2020

- **Polydamic Group**
  - Environmental monitoring
  - USD 0.6mil raised from LEAP
  - Market IPO in Mar 2020

From our market research, some ASEAN players have successfully implemented innovative solutions to address environmental and climate-related issues including:

- **Hydroleap (SG)** offers innovative and cost-effective wastewater treatment solutions to industrial sectors
- **Teredo’s (SG)** monitoring technology assists in detecting water pipeline leaks and machinery faults
- **Komunidad (PH)** has provided the Philippine and Indian governments with decision support tools for climate resilience

Source: Bursa Malaysia, Capital IQ, Mergersmarket, news articles, PwC analysis
Food security
Ensuring agricultural self-sufficiency

Southeast Asia is a key exporter of selected agricultural products (e.g. palm oil) to the world with Malaysia, Indonesia, and Thailand as the major producers. In spite of rising agriculture export volumes, the region is still highly reliant on international food supply due to its rapidly growing population.

In Malaysia, while food exports grew at a YoY CAGR of 15% to USD 10.1bil in 2022, food imports were also high at USD 17.2bil, due to historically, underinvestments in the agrofood sector and lack of technological innovation.

To cope with increasing export volumes and to reduce food import dependency, there are significant opportunities for modernisation of the agricultural sector, paving the way for foreign and local investors to explore agricultural technologies such as:

- **Monitoring technologies** including drones and AI software to ease labour workload and improve yields
- **Smart farming** such as vertical farms, robotics and distribution platforms to improve efficiency
- **Biofertilisers and animal feeds** that serve to enrich soils and improve yields whilst addressing pollution

60% of Malaysia’s current food supply is imported

Recent funding activities of players with operations in Malaysia:

<table>
<thead>
<tr>
<th>Date</th>
<th>Target</th>
<th>Business Area</th>
<th>Lead Investor(s)</th>
<th>Deal Size (USD mil)*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sep 2022</td>
<td>Aerodyne</td>
<td>Monitoring Technology (Drones)</td>
<td>Petronas and KWAP</td>
<td>30</td>
</tr>
<tr>
<td>Sep 2022</td>
<td>Nutrition Technologies</td>
<td>Biofertilisers &amp; Animal Feed</td>
<td>PTT Ventures and Sumitomo</td>
<td>20</td>
</tr>
<tr>
<td>Sep 2022</td>
<td>Glife</td>
<td>Smart Farming (Farm-to-table platform)</td>
<td>Tin Men Capital and Heliconia Capital</td>
<td>13</td>
</tr>
<tr>
<td>Oct 2021</td>
<td>Aonic (formerly Poladrone)</td>
<td>Monitoring Technology (Drones)</td>
<td>Consortium led by Wavemaker Partners</td>
<td>4</td>
</tr>
<tr>
<td>Oct 2021</td>
<td>Fefifo</td>
<td>Smart Farming (Co-farming platform)</td>
<td>RHL Ventures and KB Investment</td>
<td>3</td>
</tr>
<tr>
<td>Jun 2020</td>
<td>Braintree Technologies</td>
<td>Smart Farming (Robotics &amp; automation)</td>
<td>Petronas Ventures</td>
<td>Undisclosed</td>
</tr>
</tbody>
</table>

*Based on publicly available information

Other emerging startups based on our market scan and research:

- **Plant Cartridge**
  - Digital farm management
  - USD 3mil seed funding raised in Mar 2022

- **Secai Marche**
  - Farm-to-table platform
  - USD 4.5mil early stage funding from Japanese VCs

- **Singularity Aerotech Asia**
  - Digital farming solutions
  - Collaboration with Xperanti in 2020 for IoT agritech solutions
Mobility transformation
Driving the future of mobility

Globally, automotive industry players are increasingly investing in **disruptive technologies across CASE** themes as part of their roadmap to reduce carbon emissions. Malaysia is currently undergoing a mobility transformation journey. This is underpinned by the growth of the electric vehicle (EV) sector to 38% of total industry volumes by 2040 where South Korea is one of the leading investors in Malaysia’s ecosystem for EV battery and component manufacturing, hydrogen, fuel cells and EV charging.

Megatrends and innovations in the future of mobility:

**CONNECTED**
- Bidirectional communication between the car and AI-enabled systems to enable real-time diagnostics, payments, roadside assistance, etc.
  - e.g. Waze’s partnership with ExxonMobil and Shell for contactless fuel payments

**AUTONOMOUS**
- Manufacturers have increasingly adopted L3 autonomous driving technologies, with ongoing trials at L4.
  - e.g. Volkswagen partners with Innoviz for LiDAR sensors and perception software

**SHARED MOBILITY**
- Shared mobility innovations such as ride-hailing, car-sharing, microtransit, and carpooling can further democratise transport options.
  - e.g. Moovit’s mobility-as-a-service solutions for multimodal transportation

**ELECTRIC**
- Innovation in battery technology and charging infrastructure will continue to be a key driver for EV adoption.
  - e.g. ChargePoint’s cloud-based EV charging station network

Selected developments in the future of mobility within the ASEAN region:

- **VinFast (VN)** has become a global player in EV production, focusing on manufacturing of electric cars and electric scooters
- **Gentari (MY)** and **Evolt (TH)** collaborated to expand EV charging infrastructure and will explore other potential collaborations in providing green mobility solutions across Southeast Asia
- **SK Nexilis’ (KR)** copper foil manufacturing plant for EV batteries in Kota Kinabalu is scheduled for completion by end of 2023, with plans to explore further possibilities for additional investment in the EV sector in Malaysia

Malaysia has witnessed encouraging growth as Southeast Asia’s automotive hub, with foreign and domestic automotive companies increasingly investing into Malaysia’s EV value chain. Key investment areas include battery production, automotive sensors and semiconductors, EV assembly and charging infrastructure, with the EV ecosystem evolving to meet future demand for sustainable mobility.

Note:  
1. CASE is an acronym used in the industry to refer to vehicles of the future: Connected, Autonomous, Shared, and Electric.  
2. Per the Society of Automotive Engineers (SAE) standards which refer to the level of automation a vehicle has from No Automation (L0) to Full Driving Automation (L5).  
3. Light Detection and Ranging

Source: MIDA, news articles, PwC analysis

PwC Malaysia | ESG Deals Creation and Impact Investing in Malaysia
**Future of ESG investing**

ESG integration has been observed to drive value creation in businesses by:

<table>
<thead>
<tr>
<th>Catalyst</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Catalysing revenue growth</strong></td>
<td>Generate higher revenue with sustainable products and services, for better customer satisfaction, retention and premium pricing from sustainable product portfolio</td>
</tr>
<tr>
<td><strong>Improving operational efficiency</strong></td>
<td>Streamline operations by introducing eco-efficient practices to reduce waste, optimise production process, to increase productivity and reduce costs</td>
</tr>
<tr>
<td><strong>Enhancing risk mitigation</strong></td>
<td>Minimise ESG-related risks by implementing sustainable business practices, including health, safety, environmental and social considerations in operations</td>
</tr>
</tbody>
</table>

“As we intend to elevate ESG practices within our portfolio companies… new investments will need to go through a fairly rigorous ESG screening process to understand the risks and opportunities that it brings”

*Chief Investment Officer, fund management company*

49% of global private equity investors integrate highly material ESG issues into commercial due diligence when making investment decisions.

Source: PwC Global Private Equity Responsible Investment Survey 2021

**Selected ESG considerations in Commercial and Operational Due Diligence**

1. Structural shifts in market demand for ESG-centric products and services
2. Target capabilities in capturing sustainability-related market growth upside
3. Potential for premium pricing of sustainable products and services
4. Market and customer perception on target’s business offerings from an ESG perspective
5. Commercial and operational risks relating to ESG and potential impact to valuation
6. Alignment of a company’s business strategy with broader ESG considerations

Source: PwC analysis
ESG headwinds can result in value erosion. Value preservation initiatives therefore need to be identified to minimise negative impact. Through sustainable transition, businesses have opportunities for value creation.

**Value erosion** is attributed to inaction on ESG, leading to customer switching and increased regulatory costs.

**Value preservation** can be achieved by identifying ESG factors, reviewing operations, establishing targets and KPIs, and communicating relative ESG performance to stakeholders.

**Value creation** is achievable through sustainable transformation. ESG-led investment strategies include aligning company’s value proposition with ESG, re-evaluating business model and revenue streams, as well as identifying transformation strategies that incorporate ESG risks and opportunities, leading to improved brand value.

Transforming into an ESG-centric business model can be an important lever for sustainable growth and value creation.

### Business as usual
- Loss of market share due to customers switching to sustainable products
- Potential disruption to supply chain and operations arising from climate risk, sourcing and labour issues
- Fundraising challenges due to misalignment of existing business priorities with investor expectations on ESG practices
- Exposure to regulatory fines and reputational damage arising from failure to address ESG-related risks

### ESG-centric business model
- Revenue growth via realignment of product portfolio to address market demand for sustainable product options
- Supply chain resilience from reduced exposure to climate change and sourcing risks
- Easier access to investor funding, supported by stronger brand equity and ESG-centric business model
- Mitigation of compliance risks through adherence to ESG regulations

Source: PwC analysis
Key takeaways

1. Growing appetite amongst investors for ESG-centric businesses
   Local and regional investors are increasingly prioritising investments into Malaysia’s green economy in recent years. Companies which have demonstrated strong ESG practices have been able to deliver higher valuations and investment returns.

2. Malaysia seen as emerging destination for ESG investments
   Malaysia has a conducive ecosystem enabled by growing investor appetite, increasing corporate initiatives and a supportive regulatory environment. Key investment themes include energy transition, circular economy, environmental engineering, food security, and mobility transformation.

3. ESG integration as a key value creation lever in investors' portfolio companies
   Investors are increasingly incorporating ESG considerations into their commercial and operational assessment of their investee company’s business. A sustainable transition to an ESG-centric business model is an enabler for value creation among investors, as new opportunities are captured to address ESG market challenges and risks.

ESG considerations, drive critical business decisions of portfolio companies

According to PwC’s Global Private Equity Responsible Investment Survey 2021, >7 in 10 global PE investors integrate ESG risks and opportunities into their transformation or value creation plan.

“ESG is no longer a ‘good to have’ but is fast growing into a requirement for all investors and businesses. As part of our commitment to sustainability, we incorporate ESG into the management of our investments in all of our stewardship activities…”

Chief Executive Officer, public service pension fund

“...It is crucial that we incorporate ESG factors in the evaluation of investee companies’ performance and business practices. By considering risks and opportunities beyond financial performance, we will be well positioned to make better holistic investment decisions, thus safeguarding our members’ long-term returns and contribute to a wider sustainability ecosystem”

Chairman, pension fund

Source: PwC analysis
The valuation comparison in this analysis looks at key financial indicators, namely price-to-book ratios, return on equity, and net profit margins for companies listed in the FTSE4Good Bursa Malaysia Index (F4GBM) against those not listed in the index.

**Definition**

The **FTSE4Good Bursa Malaysia Index** constituents are selected from the FTSE Bursa Malaysia EMAS Index¹, screened in accordance with transparent and defined Environmental, Social and Governance (ESG) criteria.

**Methodology**

Constituent PLCs are selected based on overall ESG ratings from 0-6 which assess their level of exposure and actions taken to address >300 indicators in each of the pillars: Environmental, Social, and Governance. PLCs with an ESG rating of more than 2.9 are included in the index.

The F4GBM also implements standard exclusions and other requirements (e.g. exclusions for tobacco manufacturers).

Notes: ¹FTSE Bursa Malaysia EMAS Index includes constituents from the FTSE Bursa Malaysia Top 100 Index and FTSE Bursa Malaysia Small Cap Index. ²ESG Grade bands are based on their ESG rating amongst all constituents in the FBM EMAS Index (e.g. PLCs in the top 25% of ESG ratings are awarded a 4-star grading band). ³FS: Financial Services. TM: Telecommunications and Media

Source: Bursa Malaysia, Capital IQ, PwC analysis
Publications with sustainability themes

Is the workforce ready for reinvention?: Asia Pacific Workforce Hopes and Fears Survey 2023

Corporate Malaysia’s journey towards a sustainable supply chain

Embracing the ESG revolution: Zeroing in on investor expectations

Positioning Corporate Malaysia for a sustainable future

Rethinking ESG in a post COVID-19 world

Creating a strategy for a better world

Find out more about how we can help you