

OCBC AL-AMIN LOOKING AT MORE “GREEN” AND SUSTAINABLE FINANCING THIS YEAR

Kuala Lumpur, 27 May 2020 – OCBC Al-Amin Bank Berhad (OCBC Al-Amin), the Islamic banking subsidiary of OCBC Bank (Malaysia) Berhad, is looking at strengthening its commitment to sustainability and bringing its value-based intermediation (VBI) to an altogether new level with more “green” financing projects this year.



Tuan Syed Abdull Aziz Syed Kechik, CEO of OCBC Al-Amin

VBI is an industry-driven sustainability initiative aimed at strengthening the roles of Islamic banking institutions in generating a positive and sustainable impact on the economy, community and environment.

On efforts in the pipeline, Chief Executive Officer Tuan Syed Abdull Aziz Syed Kechik said OCBC Al-Amin will continue to pay particular attention to sustainable financing opportunities as part of its long-term growth strategy within the established responsible financing framework.

“We are actively exploring possible strategic collaborative engagements with the relevant government agencies in support of this sustainability agenda amidst the impact of the Covid-19 pandemic.

“At the moment we are focusing on financing renewable energy projects which include large scale solar photovoltaic and rooftop solar power plants. While these types of financing are more project specific, we are also looking into providing sustainability-linked financing to our customers for their general corporate purposes. The sustainability-linked financing recognises and incentivises our customers for meeting specific sustainability targets in relation to their environmental, social and governance initiatives.

“Earlier this month, we announced OCBC Al-Amin’s successfully lead-arranging role for a first-of-its-kind Syndicated Multi-Currency Shariah-compliant sustainability-linked set of financing facilities of USD800 million (“Syndicated Financing”) for Axiata Group Berhad (“Axiata”), one of the leading telecommunications groups in Asia.

“This was announced at a signing ceremony between Axiata and OCBC Al-Amin which acted as the Lead Coordinator and Sustainability Structuring & Shariah Adviser, together with the other Mandated Lead Arrangers & Financiers, Oversea-Chinese Banking Corporation Limited, Labuan Branch; Maybank Islamic Bank Berhad and MUFG Bank (Malaysia) Berhad. And, like this one, we are looking at other such sustainability-linked financing exercises for our clients,” he said.

The signing of the Syndicated Financing marked a monumental milestone for Axiata as it remains one of the largest syndicated financing transactions undertaken in the midst of the current unprecedented pandemic crisis. It was the first sustainability-linked Islamic financing effort undertaken in Malaysia.

Last year, OCBC Al-Amin acted as Edra Solar Sdn Bhd's (Edra Solar) *Sukuk* Sustainability Framework Adviser and Lead Arranger, creating new benchmarks in the *Sukuk* market by successfully pricing Malaysia's first *ASEAN Sustainability SRI Sukuk* of RM245 million.

The project aimed to deliver a long-term sustainable and viable investment opportunity. Combining the solar plant's design to conform to Malaysia's renewable energy commitments and the social benefits of the agriculture project, the project helps to create both positive environmental and social effects that are also consistent with the United Nations Sustainable Development Goals.

According to Tuan Syed Abdull Aziz, the efforts stem from the OCBC Group's recognition of the important role a financial institution plays in VBI, including by taking action on climate change and to promote sustainable development.

"The crux of the matter lies in taking a conscious and developmental approach to providing responsible financing solutions in order to enhance all community endeavours so we are constantly working towards a greener and more sustainable future," he said.

OCBC Al-Amin has, in over a span of almost 12 years, moved up relatively fast compared with its peers in terms of profitability and asset size. Since its establishment in 2008, the foreign Islamic bank has grown consistently over the years to its current RM17.4 billion in assets as at 31 December 2019.

Going forward, it aims to improve its standing and entrench a strong foothold in the competitive Islamic banking space.

About OCBC Bank

OCBC Bank is the longest established Singapore bank, formed in 1932 from the merger of three local banks, the oldest of which was founded in 1912. It is now the second largest financial services group in Southeast Asia by assets and one of the world's most highly-rated banks, with an Aa1 rating from Moody's. Recognised for its financial strength and stability, OCBC Bank is consistently ranked among the World's Top 50 Safest Banks by Global Finance and has been named Best Managed Bank in Singapore by The Asian Banker.

OCBC Bank and its subsidiaries offer a broad array of commercial banking, specialist financial and wealth management services, ranging from consumer, corporate, investment, private and transaction banking to treasury, insurance, asset management and stockbroking services.

OCBC Bank's key markets are Singapore, Malaysia, Indonesia and Greater China. It has about 530 branches and representative offices in 19 countries and regions. These include over 260 branches and offices in Indonesia under subsidiary Bank OCBC NISP, and over 80 branches and offices in Mainland China, Hong Kong SAR and Macau SAR under OCBC Wing Hang.

OCBC Bank's private banking services are provided by its wholly-owned subsidiary Bank of Singapore, which operates on a unique open-architecture product platform to source for the best-in-class products to meet its clients' goals.

OCBC Bank's insurance subsidiary, Great Eastern Holdings, is the oldest and most established life insurance group in Singapore and Malaysia. Its asset management subsidiary, Lion Global Investors, is one of the largest private sector asset management companies in Southeast Asia.

OCBC Bank offers Islamic banking products and services in Malaysia through its wholly-owned subsidiary, OCBC Al-Amin Bank Berhad.

For more information, please visit www.ocbc.com.