



## MAM Malaysia Launches First Global Sustainable Equity-I Fund

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MAM Malaysia's new global sustainable equity fund was introduced at the SRI Virtual Conference 2020.

In conjunction with SIDC's SRI Virtual Conference, Maybank Asset Management Sdn Bhd (MAM Malaysia) has announced the launch of Maybank Global Sustainable Equity-I Fund (MGSEIF), a global equity fund that adopts environmental, social and governance (ESG) factors to enhance long terms returns.

The Fund was officially launched by Maybank Asset Management Group (MAMG)'s Chairman, Dr Hasnita Dato' Hashim, Maybank Global Banking Group Chief Executive Officer, Dato' Muzaffar Hisham and MAMG's Chief Executive Officer, Badrul Hisyam Abu Bakar at the SRI Virtual Conference 2020.

As Maybank's first actively managed Shariah-compliant ESG fund, its main feature is investing into high conviction Shariah ESG companies across global markets with Schroders Investment Management (Singapore) Ltd as the Investment Adviser of the Fund.

In seeking to achieve its investment objective, the Fund invests primarily in a portfolio of securities that follow Shariah principles as well as principles of sustainable investing. Hence, the Fund will invest a minimum of 80% in Shariah-compliant equities as well as Shariah-compliant related securities, and up to 20% in Islamic liquid assets.

MGSEIF is unique as it invests in a global sustainable equity model by integrating ESG into its investment decision-making process. Sustainable global companies have outperformed at lower volatility in the past 10 years and as of 31st December 2018, sustainable investments globally have grown by 300% to US\$30.7 bil in just 7 years.

The Fund provides opportunities for investors who are looking to potentially achieve income and capital growth by investing primarily in a portfolio of Shariah ESG equities. It is designed for investors who have an interest to invest in a diversified portfolio of global Shariah-compliant equities which complies with the Fund's sustainability criteria, and have a long term investment horizon.

Ahmad Najib Nazlan, Chief Executive Officer of MAM Malaysia, said, "As global citizens, sustainable business and investment is a fundamental part of our corporate responsibility for today and future generations. Our investors are environmentally aware and take business sustainability seriously. Thus, they are more discerning and would want to invest in companies that have embedded ESG into their way of doing business and comply with sustainability standards and practices."

He added that "There is never a better time to launch the Fund as ESG is now more important than ever in light of the COVID-19 pandemic. The current situation has hastened the adoption of 'ESG' into the mainstream investment policies, thus adding to numerous statistics demonstrating that investors agree that ESG must be taken seriously."

Najib Nazlan also said, "We hope that MGSIEF will be able to meet the needs of investors who are seeking for Shariah sustainable investment options that can generate returns with an annual income on their investments."

“We believe that companies that incorporate ESG factors are likely to be more profitable in the long term and companies that prioritise ESG factors tend to exhibit lower volatility. ESG-ranked stocks have delivered a relative outperformance versus the broader US market during the recent sell-off caused by the pandemic and earnings of ESG stocks have become more resilient during this period.

“We are truly excited to be able to offer our first sustainable investing fund which combines our investment expertise with Schroders’ ESG investment capabilities and track record. Schroders will also provide investment advice to MAM Malaysia on global ESG equity stock selection relating to the Fund.”

Globally, the Schroders group has been leading the charge on sustainability investments, having had a dedicated sustainability team for over 20 years.

Today, the team has 22 members, and Schroders has maintained an A+ rating for overall strategy and governance in relation to sustainable investment for the fifth year running by the Principles for Responsible Investment (PRI), an influential United Nations-backed global investor initiative.

Lily Choh, Deputy CEO Singapore, and Head of Distribution Southeast Asia, Schroders, commented, “The Covid-19 pandemic has given impetus to a number of major trends, one of which is the sharpened focus on sustainable investing. There is now increasing recognition that companies with stronger ESG practices demonstrate greater resilience to systemic risk and shocks.”

“At Schroders, we aim to deliver value through combining forward-looking sustainability insights with active investment approach, to drive better investment performance for our clients. Our 22-man strong Sustainability team is investment-led in their thought leadership research, adding value through the breadth and depth of our insights, active engagement as well as innovative proprietary tools developed to enhance investment decision-making.”

“Last year, we partnered Maybank Islamic Berhad and published a joint thought leadership white paper that examined the relationship between Shariah and sustainable investing.

“We found that incorporating sustainability considerations is complementary in philosophy to Shariah investing, and broadening the focus of Shariah investing beyond the traditional exclusion of industries and companies can pave the way to investment product innovation.

“I am pleased to introduce the Maybank Global Sustainable Equity-I Fund, which is Maybank’s first actively managed Shariah-compliant ESG fund, and the culmination of the joint research we pioneered with Maybank Islamic Berhad.

“By combining the forward-looking sustainability insights generated by Schroders with the Shariah expertise of Maybank Asset Management Group, this fund has the potential to deliver better outcomes for investment and society as a whole.”

The Fund is offered in three currency classes, namely USD Class, MYR Class and MYR-Hedged Class. Investors can purchase units in the Fund at a minimum initial investment of RM1,000 or USD1,000 and make additional investments at a minimum of RM100 or US\$100.

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