

RAM assigns green benefit ratings to Cagamas sukuk

KUALA LUMPUR: RAM Sustainability Sdn Bhd has assigned environmental benefit (EB) ratings to the proposed Asean sustainability bonds/SRI sukuk, which will be issued under Cagamas Bhd's RM60bil medium-term notes and Islamic medium-term notes programme.

The rating firm believes the proposed sustainability bonds/sustainable and responsible investment (SRI) sukuk would create a positive environmental and social impact by financing projects and solutions that are essential for a sustainable future.

This instrument also carries credit ratings

assigned by RAM Rating Services.

"Cagamas' role in supporting the financial system is even more crucial now as the nation adjusts to the impact of Covid-19.

"It is especially important to support sustainable economic recovery going forward through the proposed sustainability bonds/sukuk that will benefit both the society and the environment," said RAM Sustainability head of sustainability services, Gladys Chua, in a statement yesterday.

Chua said five green solutions within Cagamas' sustainability bonds/sukuk frame-

work, namely renewable energy; energy efficiency; green buildings; low-carbon transportation; sustainable water and wastewater management, have been assigned EB ratings.

At the same time, RAM Sustainability has also assigned Social Benefit (SB) ratings to social solutions under the Framework.

Renewable energy and energy efficiency solutions prescribed by the framework carry the highest EB ratings of Tier-1, reflecting their role in substantially decarbonising the energy system and providing broader environmental benefits. — Bernama