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HONG Leong Bank Bhd (HLB), Hong Leong Islamic Bank Bhd (HLISB), and Cagamas Bhd have successfully concluded a green housing loans and financing transaction worth RM300 million.

The transaction was funded through the issuance of Cagamas' one-year Asean Green Bond amounting to RM210 million and one-year Asean Green SRI sukuk totaling RM90 million.

These issuances mark the first corporate endeavours related to green housing loans and financing in Malaysia.

The green housing assets encompass green residential properties and buildings that meet the eligibility criteria defined by GreenRE and Green Building Index (GBI) certifications.

GreenRE Certification is a prominent green building certification tool in Malaysia, while GBI is a recognized rating system for buildings that promote sustainability in the built environment.

In a joint statement, HLB and Cagamas expressed their commitment to supporting the growth of green housing and transitioning to a low-carbon economy.

The collaboration builds on their previous partnership in issuing an Asean Sustainability Bond in 2021 to finance affordable housing loans.

HLB's group MD and CEO, Kevin Lam, noted the bank's dedication to sustainable finance and its role in addressing climate impact and sustainability concerns.

He also expressed the bank's intention to expand its collaboration with Cagamas to cover other forms of financing.

Cagamas president cum CEO, Kameel Abdul Halim, highlighted the importance of the collaboration with HLB in issuing the Asean Green Bond and Asean Green SRI sukuk to fund green assets.

This initiative contributes to environmental sustainability and strengthens Cagamas' role in facilitating liquidity in the growing green capital market.

Cagamas has issued a cumulative total of RM2.9 billion in sustainability-related bonds and sukuk under its RM60 billion conventional/Islamic medium-term notes program.

These proceeds align with Cagamas' sustainability bond/sukuk framework, supporting Malaysia's social and green finance market growth.

HLB shares were trading at RM19.52 today, up by six sen or 0.31%, with a market capitalisation of RM42.31 billion. – **TMR**