

**PHILLIP MUTUAL BERHAD**

Company No. 200201002746 (570409-K)

Tel: (603) 2783 0300 | Fax: (603) 2166 6417

Webpage: [www.phillipmutual.com](http://www.phillipmutual.com) | E-mail: [phillipmutual@phillipcapital.com.my](mailto:phillipmutual@phillipcapital.com.my)

## 2023 Malaysia's ESG Wrap & and Outlook for 2024

In 2023, Malaysia experienced significant developments in the realm of ESG (environmental, social, and governance). Starting with the launch of Bursa Malaysia's Bursa Carbon Exchange (BCX) in March and the announcement of National Energy Transition Roadmap (NETR) in July, the momentum continued with the ESG-focused Budget 2024 unveiled in October. Later that month, the Energy Efficiency and Conservation Bill was passed, underscoring the commitment to sustainable practices. A noteworthy milestone came in December 2023 when Malaysia, during COP28, pledged to achieve a 45% reduction in carbon emissions by 2030 compared to 2005 levels, reinforcing the country's dedication to addressing climate change.

We have furnished several ESG write-ups over the past twelve months, as outlined below, and we greatly appreciate your readership.

1. [Driving value through ESG Investing](#)
2. [How will ESG and Energy Transition evolve on the path towards Net Zero?](#)
3. [ESG and Corporate Governance: Importance and Progress in Malaysia](#)
4. [Malaysia's Progress Towards Carbon Neutrality](#)
5. [ESG Investing in the Era of Chaos](#)
6. [Embracing Social Responsibility for Sustainable Growth](#)
7. [When EV meets ESG](#)
8. [The Influence of ESG Factors on Consumer Behaviour and Brand Perception](#)
9. [The Rising EV Trend in Malaysia](#)
10. [NETR Launch – Steps towards Sustainable Green Economy](#)
11. [ESG: Catalyst for Enhanced Valuations and Profitability](#)
12. [Strategic Positioning for ESG-Conscious Investors](#)
13. [NETR Launch – Steps towards Sustainable Green Economy \(Part 2\)](#)
14. [Sustainable Funds Regain Momentum in 2023](#)
15. [ESG efforts in Budget 2024](#)
16. [Malaysia's Flood Mitigation Revolution](#)
17. [Malaysia's Pioneering Role in ESG Reporting for SMEs](#)
18. [Malaysia's Progress in Green Sukuk](#)
19. [ESG gaining momentum in Malaysia](#)

Looking ahead, we believe listed companies with good ESG practices will continue to benefit from the rising sustainability trend. Furthermore, we have pinpointed selected names within key sectors—Construction, Renewables, Utilities, and Property—that stand to benefit from the Net-Zero Transition Roadmap (NETR) and the policies outlined in Budget 2024. As companies enhance their ESG performance, we foresee a reduction in the risks associated with foreign labour dependency, a factor that historically affected industries such as Plantation, Construction, Gloves, and Electronic Manufacturing Services (EMS). With supply chains increasingly prioritising ESG criteria, ongoing government and corporate initiatives will help mitigate the risks of sanctions and reputational damage. This is crucial amid heightened ESG scrutiny, safeguarding trade opportunities.

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Our investment portfolio focuses on quality companies that possess strong fundamentals, including stable earnings and a promising future outlook, and are led by capable management teams. Please click on the [link](#) to learn more or email us at [phillipmutual@phillipcapital.com.my](mailto:phillipmutual@phillipcapital.com.my) if you require any further information.

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