

A large graphic of a circle composed of dots, rendered in a lighter shade of blue than the background. The dots are arranged in a circular pattern, with the density of the dots increasing towards the right side of the circle, creating a sense of motion or a gradient effect.

# **MOVING FORWARD THROUGH SUSTAINABILITY**

**Shifting Mindsets. Creating Value.**

# RAM SUSTAINABILITY'S SERVICES

Second Party  
Opinion on  
Sustainable  
Finance  
Instruments\*

R1ESGo®  
Ratings  
*An Independent  
ESG Ratings for  
Corporates*

ESG  
Readiness  
Assessment  
(ESGRA)

\* Green, Social, Sustainability,  
Sustainability-Linked, Transition,  
Blue Bond/Sukuk/Loan

## SECOND PARTY OPINION ON SUSTAINABLE FINANCE INSTRUMENTS

RAM Sustainability provides an independent second party opinion assessment against the transparency and disclosure requirements of the following:

Sustainable &  
Responsible  
Investment (SRI)  
Sukuk & SRI-Linked  
Sukuk Framework

- ASEAN Green Bond Standards
- ASEAN Social Bond Standards
- ASEAN Sustainability Bond Standards
- ASEAN Sustainability-Linked Bond Standards
- ASEAN Taxonomy for Sustainable Finance
- ASEAN Transition Finance Guidance

- Green Bond Principles
- Social Bond Principles
- Sustainability Bond Guidelines
- Sustainability-Linked Bond Principles
- Climate Transition Finance Handbook

- Green Loan Principles
- Social Loan Principles
- Sustainability Linked Loan Principles

Securities Commission  
Malaysia

ASEAN Capital Markets  
Forum

International Capital  
Market Association

Loan Syndications &  
Trading Association and  
Asia Pacific Loan  
Market Association

RAM Sustainability also conducts assessments with reference to other guidelines, including the Green Enabling Projects Guidance, the Guidelines for Blue Finance, and others.



**Sustainable financing plays a crucial role in channeling capital towards projects that deliver positive environmental and social outcomes while supporting long-term economic growth.** It encompasses instruments such as green, social, sustainability, and sustainability-linked bonds or sukuk, which direct funding to initiatives across climate mitigation, renewable energy, low-carbon transport, sustainable buildings, affordable housing, healthcare, and other socially impactful sectors.

### Examples of Eligible Green and Social Bond Projects



Solar Power



Wind Power



Hydropower



Sustainable Cities



Affordable  
Housing



Water



Low Carbon  
Transport



Green Building



Waste  
Management



Food Security and  
Sustainable Food  
Systems

## Second Party Opinion Process

1



### Alignment

Assessment of the alignment, transparency and disclosure strength of **green, social and sustainability, sustainability-linked or transition bond/sukuk framework** against applicable guidelines and best practices.

2



### Sustainability Impact

Qualitative and quantitative assessment of the net impact of **eligible projects, assets and/or categories** on both green and social dimensions, especially contribution to a low-carbon future and social solutions, respectively.

3



### Sustainability Governance

Evaluation of **how well sustainability is integrated within a company** or organisation. It typically examines how decisions related to ESG matters are made, managed, and overseen within the organisation.

## Sustainable Finance Rating



## R1ESGo® Framework & Ratings

RAM Sustainability has developed the **R1ESGo® Framework** which supports the following ESG rating-related products:

### Sustainability Rating

Detailed ESG assessment and one-to-one engagement with corporates

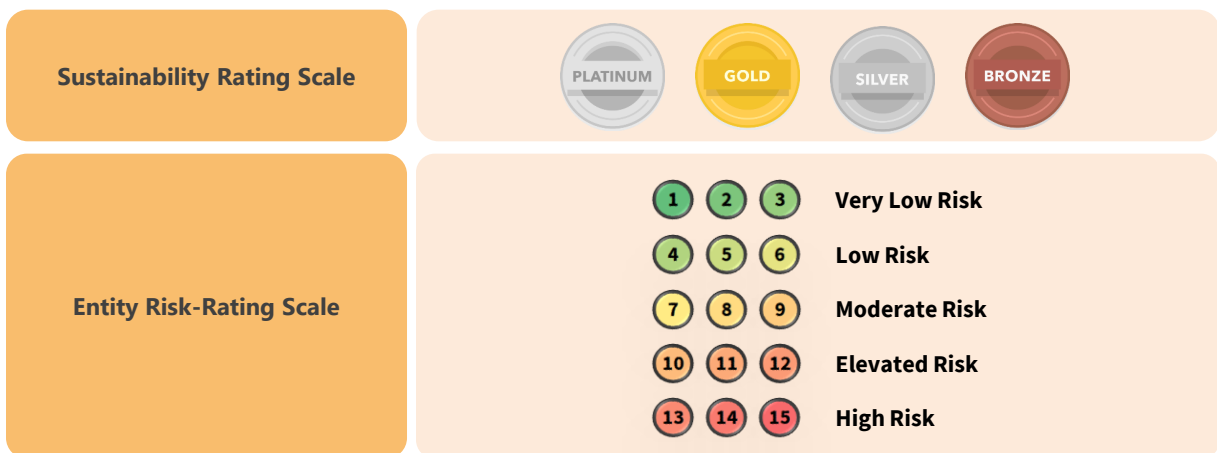
### Entity Risk-Rating

ESG risk assessment and risk ratings of corporates for portfolio management purposes

### Key Features:

- ✓ Global ESG principles employed in Malaysian context
- ✓ Sector classifications guided by widely used industry codes
- ✓ Ratings updated annually or as events demand

## Rating Scales



## ESG Readiness Assessment (ESGRA)

ESGRA may be used to evaluate a company's level of preparedness and maturity in managing ESG factors. The assessment is applicable for companies, especially in the early stages of their ESG adoption.

There are four ESG readiness levels - **Starter, Satisfactory, Good and Excellent.**

### ABOUT RAM SUSTAINABILITY

RAM Sustainability is a provider of sustainability services and ESG analytics. Incorporated on 31 May 2000, RAM Sustainability is a wholly owned subsidiary of RAM Holdings Berhad (RAM Group). RAM Sustainability is the first ASEAN-based provider of ESG ratings and second opinions and has the distinction of being the first Registered Observer of ICMA's Green Bond Principles, Social Bond Principles, Sustainability Bond Guidelines and Sustainability-Linked Bond Principles in ASEAN. It was a member of ICMA's Advisory Council to the Green Bond Principle and Social Bond Principle Executive Committee for three consecutive terms. For further details, please refer to <https://www.ram.com.my/sustainability>.

### ABOUT RAM GROUP

The RAM Group, formerly known as Rating Agency Malaysia Berhad, is a leading provider of independent credit ratings, research, training, risk analysis and bond pricing. Established in November 1990 as Malaysia's first credit rating agency, RAM Group transferred its rating operations to RAM Rating Services Berhad (RAM Ratings) on 1 July 2007. RAM Ratings is a wholly owned subsidiary of the Group.

As the largest credit rating agency in Malaysia and ASEAN, RAM Ratings has assessed over USD 450 billion in bonds from more than 750 entities. Its diverse portfolio includes corporates, sovereign nations, financial institutions, insurance companies, project finance and structured finance obligations. Renowned for rating Islamic securities (sukuk), RAM Ratings has won numerous awards in this arena, including GIFA Championship Award (Islamic Financial Ratings) 2024 by Global Islamic Finance Awards, GIFA Power Award (Islamic Rating) 2021, 2022, 2023 & 2025 by Global Islamic Finance Awards, Best Rating Agency 2017 & 2018 by Islamic Business & Finance, South-East Asia Awards, Rating Agency of the Year 2016 & 2022 by The Asset Triple A Rating Agency Awards, Best Islamic Rating Agency in 2016 by Islamic Finance News, Analyst Forecaster Awards 2024, 1st place in Malaysia Interest Rate by Focus Economics, Analyst Forecaster Awards 2024, 2nd place in Malaysia Inflation by Focus Economics, and 2024 Winner under SDG17 Partnerships for the Goals by Junior Chamber International Malaysia Sustainable Development Award.



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