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2ND ASEAN BANKING AND FINANCE SUMMIT

NAVIGATING BANKING IN A NEW GEO-ECONOMIC ERA – ENHANCING TRUST, TECHNOLOGY, TALENT, TRANSFORMATION

9th March 2026, The Ritz-Carlton Kuala Lumpur

The 2nd ASEAN Banking and Finance Summit examined how geopolitical uncertainty, geoeconomic risks, and technological disruptions—particularly the rapid rise of artificial intelligence—were reshaping the global banking and financial landscape. As geoeconomic risk had become one of the top global risks for 2026, the Summit explored how businesses and financial institutions, especially in ASEAN, could navigate an increasingly fragmented and volatile global environment. The Summit discussed the future of banking and finance. It served as a platform for dialogue, knowledge-sharing, and strategic collaboration on key industry trends, financial innovation, and the evolving role of AI in financial services.

and high-value industries, including the digital economy, advanced manufacturing, green technology, and innovation sectors. Financial institutions are encouraged to expand financing solutions such as venture capital, project financing, and SME financing to support economic transformation.

Strategic Initiatives and Regional Economic Integration

The Johor–Singapore Special Economic Zone (JS-SEZ) is a major initiative aimed at strengthening cross-border investment and supply chain integration between Malaysia and Singapore. The initiative prioritises SME participation, local supply chain integration, and talent development, supported by the Johor Talent Development Council.

Sustainable, Inclusive, and Innovation-Driven Growth

Malaysia's long-term vision under Aspirasi Malaysia 2040 aims to transform the economy from "Made in Malaysia" to "Made by Malaysia," focusing on innovation, R&D, and intellectual property. The government will launch the National ESG Strategic Plan (NESP) to guide businesses toward sustainability, while financial institutions are encouraged to support ESG financing and SME transition efforts.

Special Session: Geoeconomic and Geopolitical Risks and Trends

Datuk Seri Mohamed Iqbal Rawther, Chairman, Economic Club of Kuala Lumpur; **Mr. Mohd Sedek Jantan,** Director - Investment Strategist & Country Economist, IPP Wealth Managers Ltd; **Mr. Rajiv Biswas,** Chief Executive Officer, Asia-Pacific Economics, Singapore; **Professor Paolo Casadio,** HELP University.

Moderator: Tan Sri Dr. Munir Majid, President, ASEAN Business Club / Founding Chairman, Securities Commission and Former Chairman, Bank Muamalat Malaysia Berhad / KSI International Advisory Board

ASEAN Cooperation and Financial Integration

The first discussion emphasized the importance of regional cooperation and integration within ASEAN. In a fragmented global environment marked by geopolitical tensions and economic instability, ASEAN countries must strengthen financial cooperation to safeguard their economic stability. Greater cross-border banking presence, financial connectivity, and initiatives such as local currency transaction frameworks and regional payment systems were highlighted as important steps toward reducing dependence on external financial systems and enhancing regional resilience.

Global Financial Turbulence and Market Volatility

The session then examined the impact of global geopolitical tensions on financial markets, particularly developments in the Middle East and their influence on oil prices, inflation, and global growth. Rising energy prices and supply chain disruptions were noted as key transmission channels through which geopolitical crises affect economies worldwide. While some economies may initially remain resilient, prolonged conflicts can lead to inflationary pressures, currency volatility, and slower economic growth across the global financial system.

Structural Changes in the Global Financial System

Another major theme was the presence of deeper structural transformations within the global

financial system. These include shifting monetary dynamics, evolving central bank policies, and the growing role of technological disruption such as artificial intelligence. The discussion emphasized that these long-term structural changes could significantly reshape employment patterns, business models, and financial intermediation, forcing banks to rethink traditional approaches to lending and investment.

The Future of the Global Currency System

The final segment focused on the evolving role of the U.S. dollar in the international financial system. While the dollar continues to dominate global reserves and trade settlements, concerns about sanctions, geopolitical tensions, and rising U.S. debt levels have encouraged some countries to diversify their reserve assets. Increasing interest in alternative currencies and gold holdings reflects a gradual shift toward a more diversified global monetary system, although the dollar remains central to global finance.

Introductory Remarks

Tan Sri Dr. Munir Majid, President, ASEAN Business Club / founding Chairman, Securities Commission and Former Chairman, Bank Muamalat Malaysia Berhad / KSI International Advisory Board

Malaysia's Economic Performance

Malaysia recorded 5.2% economic growth, supported by domestic consumption, tourism recovery, and growing investment, particularly in digital infrastructure and data centres.

Global Economic Uncertainty

Rising geopolitical tensions, global trade disruptions, and conflicts in West Asia are reshaping the global economic landscape and increasing the need for stronger economic resilience and strategic policy responses.

Opening Keynote Address

YB Senator Datuk Seri Amir Hamzah Azizan, Minister of Finance II, Malaysia

Coping with Global Geoeconomics Challenges – How the Malaysian Economy and Financial Institutions Can Respond and Strengthen Resilience

Navigating Global Geoeconomic Turbulence

YB Senator Datuk Amir Hamzah Azizan highlighted that rising geopolitical tensions, conflicts, and disruptions to energy and trade routes are reshaping the global financial landscape. These developments directly affect inflation, borrowing costs, investment flows, and banking risk across ASEAN. He emphasised that economies and financial institutions must build resilience and adaptability, drawing on the example of the Matang Mangrove Forest Reserve, whose interconnected roots enable it to withstand turbulent conditions.

Strengthening Malaysia's Economic Foundations

The Minister noted that Malaysia has maintained strong economic performance despite global uncertainty, supported by resilient domestic demand, infrastructure investment, and fiscal reforms under the Ekonomi MADANI framework. Measures such as targeted subsidies, fiscal consolidation, and the introduction of digital systems like e-invoicing aim to improve transparency, strengthen governance, and enhance long-term economic resilience.

Building a Resilient Banking Sector for the Future

He emphasised that the financial sector must focus on the pillars of trust, technology, talent, and transformation, while prioritising resilience in a security-driven geoeconomic era. Banks must strengthen governance, invest in digital innovation, develop talent capable of understanding both finance and geopolitics, and build stronger capital and liquidity buffers. Through these efforts, Malaysia can further position itself as a regional financial hub supporting ASEAN's growth and integration.

The Leadership Panel: Leadership, Trust, Governance and Transformation

Datuk (Dr) Nora Manaf, Chairman, Manaf Gardner Associates / Former Chief Human Capital Officer, Maybank; **Ms. Nor Masliza Sulaiman,** Chief Executive Officer, CIMB Investment Bank Bhd; **Datuk Dr. Hj Mazlan bin Hj Ahmad,** Founder, Masyi Group of Companies; **Ts. Dr. Othman Abdullah,** Managing Director of Banking AI and Islamic Finance, Silverlake; **Mr. Carlson Thow,** Chief Executive Officer, Treasure Global Inc.
Moderator: Dato' Seri Dr. Vaseehar Hassan, Executive Vice Chairman, KSI Strategic Institute for Asia Pacific / Regional Representative for Dallah AlBaraka Group

Enforcement and Governance

Strong enforcement frameworks are essential to ensure ethical business practices and fair transactions across ASEAN countries. Panelists highlighted the need to replicate models like Madani Malaysia to promote prosperity and sustainability at both national and regional levels. Leaders should prioritize regional agendas over individual or corporate interests to achieve meaningful collaboration. Transparent governance mechanisms prevent arm's-length dealings that undermine trust and growth. This collective approach strengthens confidence in the system and supports sustainable economic development for all member states

Public Funding and Economic Competitiveness

Governments must allocate sufficient budgets to support public funding that drives economic growth, social development, and regional collaboration. By ensuring fairness in business opportunities, such as removing special tariffs or discriminatory practices, ASEAN members can compete on an equal footing. Public funding initiatives also help create a culture of prosperity and sustainability that benefits all citizens. Strategic investments in infrastructure, innovation, and human capital are critical to enhancing competitiveness. Ultimately, these measures foster stronger internal collaboration and long-term regional stability.

Leadership, Talent, and Competencies

Effective leadership requires maturity, foresight, and the ability to balance national and regional interests. Leaders must be supported by competent teams with skills in risk management, emerging technologies, artificial intelligence, blockchain, robotics, and big data. Talent development and retention are crucial, especially in preventing brain drain to more lucrative markets while ensuring local workforce protection. ASEAN countries need to cultivate an ecosystem where talent can thrive without being exploited or lost to neighboring nations. This combination of strong leadership and skilled teams is fundamental to achieving sustainable regional growth.

Technological Integration and Payment Interoperability

Technology serves as a key enabler for cross-border collaboration, market access, and streamlined business operations. Panelists emphasized the importance of ASEAN-wide payment interoperability, such as unified QR codes, to facilitate seamless transactions for both businesses and consumers. Embracing digital innovation allows companies to penetrate new markets and build strategic partnerships efficiently. Technology adoption also strengthens competitiveness while supporting regional cohesion. By integrating advanced systems, ASEAN can become a more connected and dynamic economic community.

Trust, Fraud Prevention, and Human-Centric Risk

Building trust in digital finance remains a central challenge, as human behavior is often the weakest link despite advanced technological safeguards. Fraud cases are increasingly sophisticated, leveraging both technology and human emotions to exploit victims, as illustrated by personal experiences shared during the panel. Multi-layered solutions, including call centers, Financial Market Ombudsman services, and BNM Link, can help recover funds and mitigate risks. Continuous public education and proactive monitoring are critical to enhancing system reliability. Achieving trust requires coordinated efforts across countries, technological innovation, and informed, cautious users.

Technology Session: How will AI Drive the Future of Banking

Mr. Goh Peng Ooi, Executive Chairman, Silverlake Group; **Mr. Matthew Chen, Chief Executive Officer,** OneConnect Financial Technology International Co. Ltd (International); **Ms. Mayda Lim,** Managing Director, Head of Technology, OCBC Bank; **Dato' Henry Goh,** Co-Founder and Chief Operating Officer, MACROKIOSK**; Mr. Arne Graeber,** Chief Executive Officer, Commerz Global Service Solutions

Moderator: Prof. Annie Koh, Professor Emeritus of Finance (Practice), Singapore Management University and EXCO Member, ASEAN Economic Club

The Rise of AI in the Financial Industry

The discussion highlighted how artificial intelligence is rapidly transforming the financial sector. Banks and financial institutions are increasingly adopting AI technologies to enhance efficiency, automate processes, and improve decision-making. AI enables banks to analyse large volumes of data, detect patterns, and provide faster services to customers. This transformation is driven by the need to remain competitive in a digital economy where technology evolves quickly.

Fraud Risks and the Need for Stronger Banking Systems

Panelists emphasized that fraudsters often adopt new technologies faster than banks. Criminal groups already use advanced tools and automated systems to exploit weaknesses in banking infrastructure. As a result, banks must continuously upgrade their systems to close these security gaps. AI can play a major role in identifying suspicious transactions, monitoring behaviour patterns, and preventing financial fraud before it occurs.

The Role of AI in Improving Customer Protection

The conversation also addressed how AI can help protect customers. In many cases, when

customers report unauthorised transactions, banks should prioritise reimbursing the customer quickly while conducting investigations separately. AI systems can support this process by detecting unusual activities and verifying transactions in real time. In addition, AI can educate customers about scams and help improve financial literacy, which reduces the likelihood of fraud.

Ethical Concerns and Responsible AI Development

While AI offers significant benefits, the panel also raised concerns about its ethical implications. Some technology companies have refused to develop AI for harmful applications such as autonomous weapons or mass surveillance. The concentration of AI power among a small number of global technology companies also raises questions about accountability and control. Responsible development and strong ethical standards are essential to ensure that AI benefits society.

Future Technologies – Quantum Computing and Human-AI Integration

Looking ahead, the panel discussed emerging technologies such as quantum computing and the possibility of human-AI integration. Banks are already experimenting with quantum technology for tasks like fraud detection and encryption security. At the same time, some experts believe that humans may eventually integrate AI directly into their lives through advanced technologies. Rather than competing with AI, humans may need to collaborate with it to remain relevant in an increasingly intelligent digital environment.

Climate Finance and Sustainability Session

Mr. Alan Chin, Vice President, Group Sustainability & Strategic Partnerships, Alliance Bank Malaysia Berhad; **Ms. Arina Kok,** Asia-Pacific Climate Change Advisory Leader / ASEAN Climate Change and Sustainability Services Co-Leader / Malaysia Climate Change and Sustainability Services (CCaSS) Leader and Partner, Ernst & Young Consulting Sdn Bhd; **Dr Renard Siew, Group Head of Corporate Sustainability,** Yinson Holdings Berhad & President, Malaysia Carbon Market Association (MCMA); **Ms. Phang Oy Cheng,** Executive Director – Head of Sustainability Advisory, KPMG in Malaysia

Moderator: Tan Sri Michael Yeoh, Chairman, ASEAN Economic Club / President, KSI Strategic Institute for Asia Pacific

SME Transition and Sustainable Financing

Highlighting the role of banks in supporting SMEs on their sustainability transition journey, Alliance Bank set a RM15 billion sustainable financing target, which it achieved two years ahead of schedule before raising the target further to RM17 billion. SMEs are increasingly aware of sustainability practices, noting that ESG awareness among SMEs rose significantly —from about 14% awareness previously to around 60% adoption in recent surveys. Banks should therefore focus on guiding and supporting customers rather than excluding those who are still transitioning, through advisory, advocacy, and financing solutions.

Global Energy Transition and Sustainable Finance Trends

Geopolitical developments and energy security concerns are accelerating the global energy transition. Rising energy prices and supply chain disruptions are likely to increase investment

in renewable energy and sustainable finance projects. Regulatory developments such as Bank Negara Malaysia's sustainable finance taxonomy, which requires financial institutions to categorise transactions based on climate transition risk and sustainability impact. Financial institutions are increasingly integrating ESG considerations into credit risk assessments, insurance underwriting, and investment valuation frameworks.

Carbon Markets as a Key Financing Mechanism

Carbon credits can generate financing for both technological solutions (such as carbon capture and EV infrastructure) and nature-based solutions like forest conservation and reforestation. Malaysia and ASEAN countries have strong potential in developing carbon markets due to their biodiversity and natural ecosystems. However, challenges remain, including market infrastructure, verification processes, and international recognition of certain types of carbon credits, particularly nature-based credits.

Challenges in Financing Energy Transition

Several structural challenges slow climate finance in the region. These include technology gaps, limited access to advanced green technologies, and capacity constraints within financial institutions. Banks often face internal barriers when evaluating sustainable investments, as relationship managers and investment teams tend to prioritise short-term financial returns. Greater capacity building, training, and transparent ESG reporting are needed to attract international investors and unlock climate financing opportunities.

Policy Clarity and Market Signals

Panelists emphasised the importance of clear policy frameworks and regulatory signals to attract investment into climate-related projects. Issues such as carbon taxes, carbon levies, and national climate legislation must be clearly aligned to provide certainty for investors. They noted that countries such as Singapore have provided clearer long-term carbon pricing signals, while Malaysia still needs stronger alignment across federal and state-level policies. Clear frameworks would help accelerate investment in renewable energy, green infrastructure, and sustainable industries.

The Role of Regional Collaboration

The panel concluded that climate finance requires strong collaboration between governments, financial institutions, and industry players. ASEAN countries must work together to develop shared carbon market frameworks, improve regulatory alignment, and build market infrastructure to support cross-border carbon trading and sustainable investment. Ultimately, advancing planet finance will depend on strong governance, transparent reporting, and coordinated regional policies to unlock capital flows and accelerate the transition toward a sustainable economy.

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