

THE POWER OF SOCIAL FINANCE: A RISING TIDE LIFTS ALL BOATS

Presented by:
MOHD ZIKRI MOHD SHAIRY
Director, Social Finance
Bank Islam Malaysia Berhad



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GLOBAL ISLAMIC
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**BRIDGING TRADITION
AND TOMORROW**

ADVANCING BUSINESS, EMPOWERING COMMUNITIES



Introductory Video

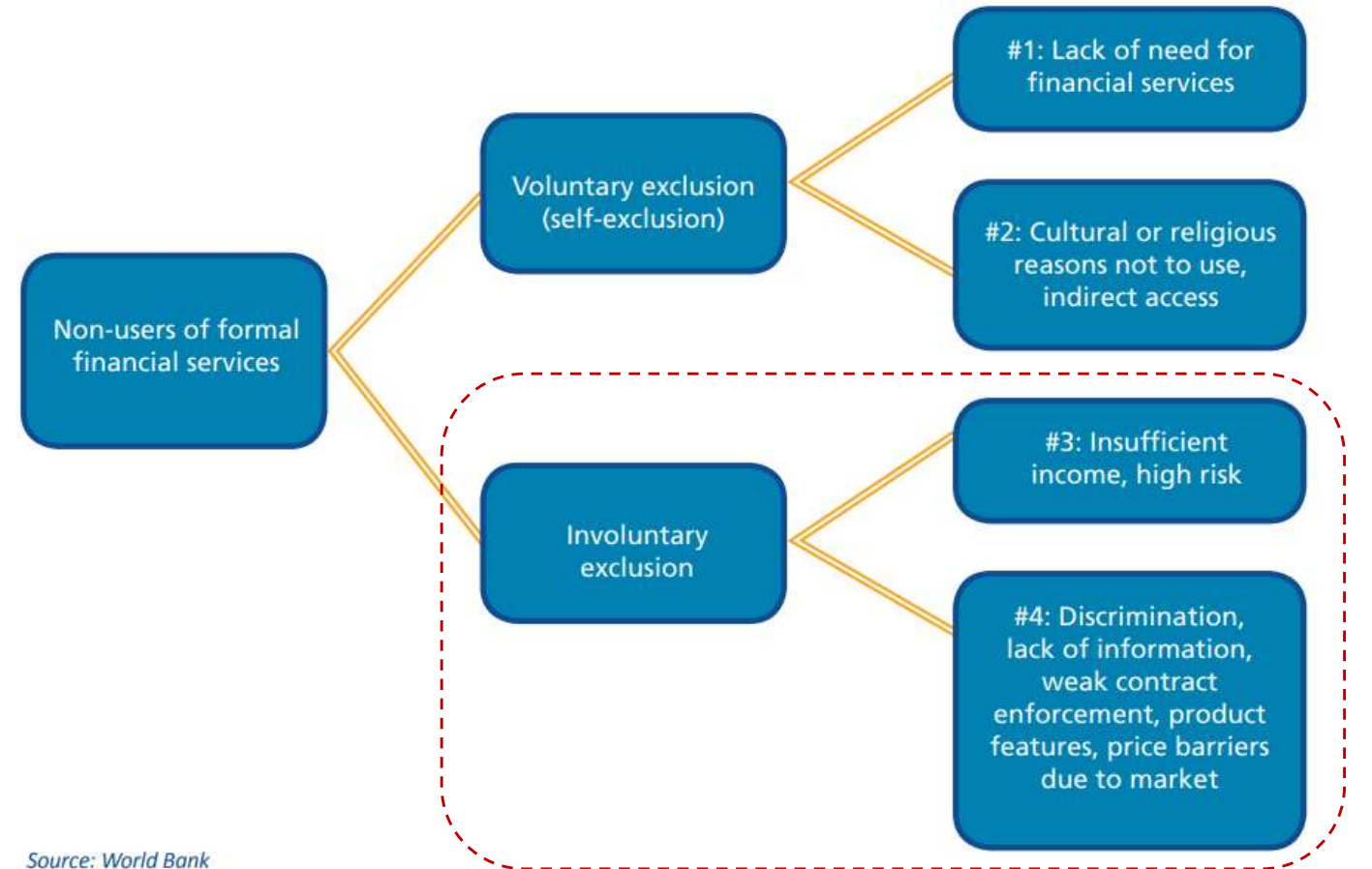


Target Group of Social Finance

TO BRING THOSE EXCLUDED FROM FINANCIAL SERVICES FOR FINANCIAL INCLUSION

4 Major Forms of Financial Exclusion

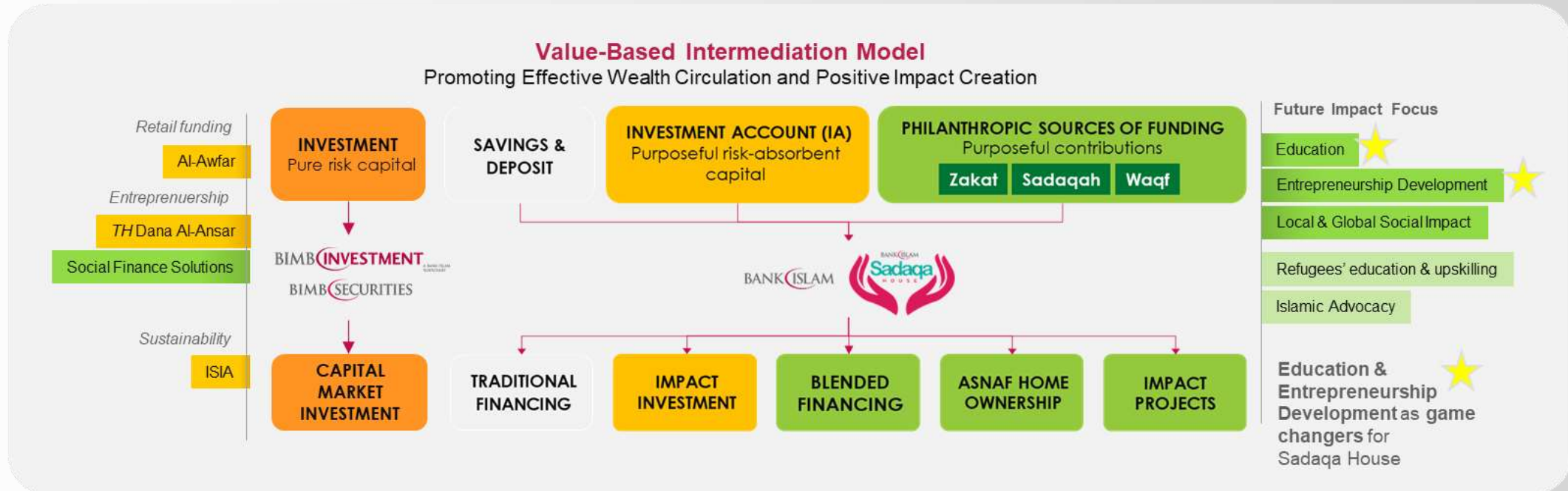
- The World Bank's Global Financial Development Report (GFDR) identifies four major forms of financial exclusion classified broadly into voluntary and involuntary exclusion
- **Voluntary exclusion** refers to the segment of the population or firms that choose not to use financial services either because they do not need those services due to a lack of promising projects or cultural or religious reasons.
- On the other hand, some individuals or firms may be **involuntarily** excluded because they lack sufficient income or in the case of credit markets, an extensive lending risk profile.



Source: World Bank

Sadaqa House as Catalyst for Social Finance

DELIVERING SOCIO-ECONOMIC JUSTICE BY REIMAGINING INTERMEDIATION ROLES OF AN ISLAMIC BANK



SH as the 3rd Wave of Islamic Finance Journey

Evolution of Islamic banking and finance based on the three-sector of Islamic economy i.e. Siyasi, Tijari, Ijtimaie', integrally incorporating the **Social Welfare Sector** which the conventional banking and finance does not.



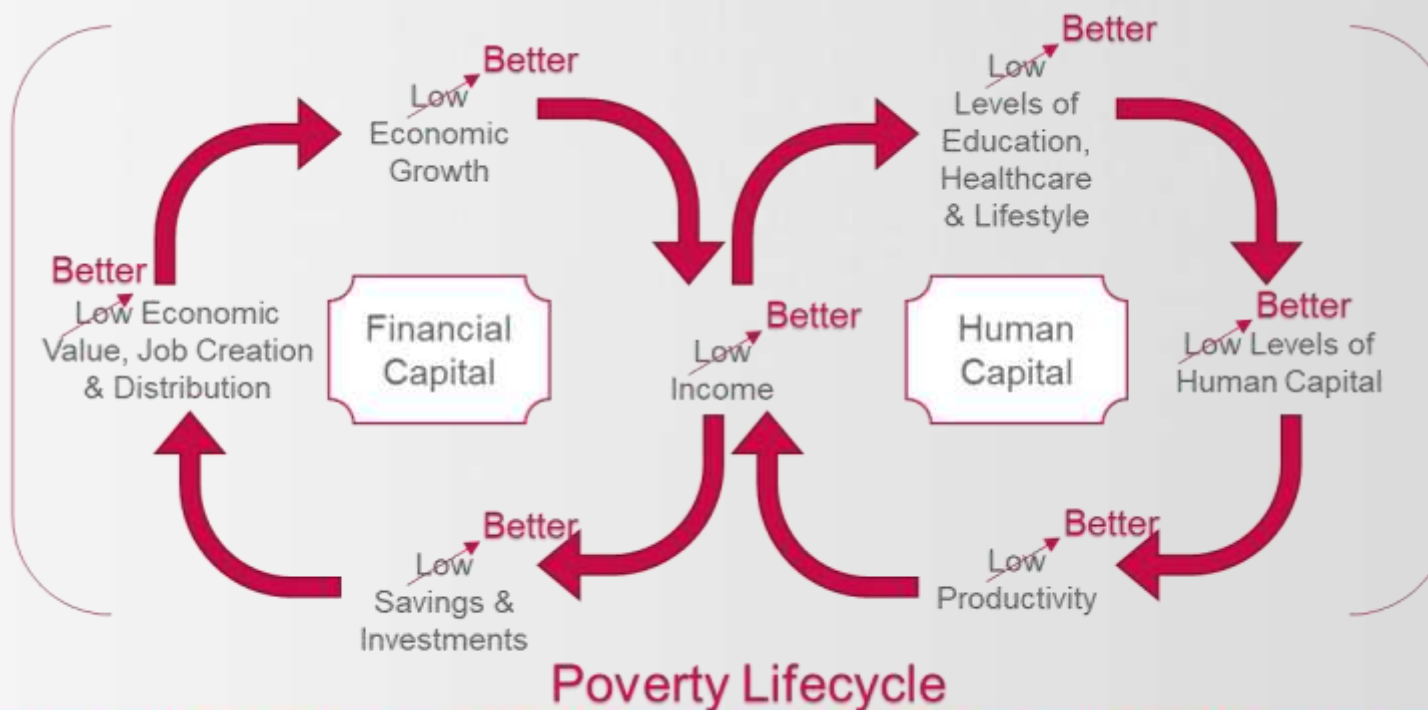
2 Key Focus Areas to Break Out of the Poverty Lifecycle



Community
Empowerment
Programme

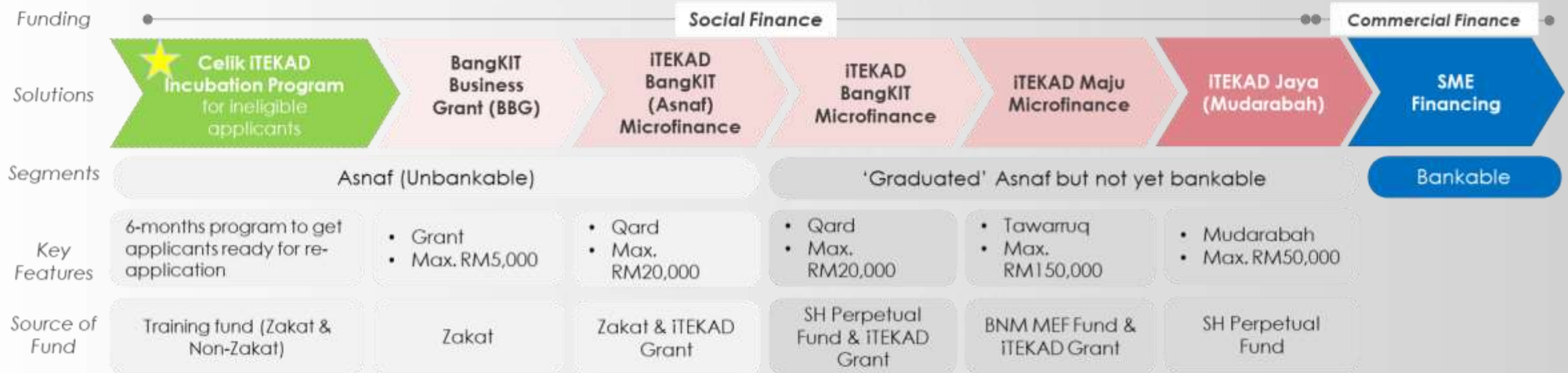
Entrepreneurship
Development

Education



Entrepreneurship: Creation of Credit History & Upward Mobility

ENTREPRENEURSHIP DEVELOPMENT SOLUTIONS



The tiered social finance solutions create a journey for our entrepreneurs to gradually develop 3 important elements of a bankable person:

1. **Credit history**
2. Business improvement
3. Digitalization



This journey is coupled with essential "hand-holding" programs – mentorship, training, and ongoing guidance.

These programs enabling **Upward Mobility** which aim to equip them with the skills and confidence they need to build successful business and achieve impactful and lasting change.

Entrepreneurship: Creation of Credit History & Upward Mobility



Achieving **upward mobility** means the micro-entrepreneurs have **advanced** into new stage in business growth and development.

Impact Measurement Framework for Upward Mobility

Grade 1

- Micro-entrepreneurs **graduated to SME facilities**:
- Any SME facility from BIMB
 - Any SME facility from other Bank
 - Ready documentation and have potential business growth to apply SME facility

Grade 2

- Micro-entrepreneurs improve their **credit worthiness**.
- Have structured business documentation and potential growth to apply for next financing/ facilities

Grade 3

- Micro-entrepreneurs improve in any **general dimension**:
- Income/ Sale
 - Asset
 - Saving
 - Job creation
 - Digitalization

Education: Paving Path for Employability and Independency

158 orphans

Received 100% scholarship to complete their studies at tertiary level

18 ACCA holders

From Asnaf families completed and employed by industry

18 students

Actively completing their ACCA program (under myPAC supervision)

38 students

Under SULONG programme at Universiti Malaysia Kelantan

20 Students

Pelita Suluh Budiman with UPSI with a total cost of RM200,000

RM204,700

17 Gaza medical students at UPM and UiTM

244 babies

Saved since 2022

149 babies

Adopted since 2022

3 family

Completed reintegration programme

RM510,300

Supported OrphanCare operation cost since

RM2,500.000

Students Welfare Fund in 95 universities/ colleges FY2025

RM780,000

Supporting operation of Buku Jalanan Chow Kit since 2020, improving access to over 100 street children every year.

373 students supported

Provided financial aid of RM0.67mil to university students since 2020.

Surau Improvement for 38 schools

RM0.73 million disbursed since 2021

234 pediatric patients

Received RM1.83 million operation cost support since 2018

Further Mainstreaming Social Finance



1. EMBRACE THE PHILOSOPHY & REASONS OF DOING SOCIAL FINANCE
2. ADD VALUE & EMPOWER THE EXISTING ECOSYSTEM OF SOCIAL FINANCE
3. SYNERGY & STRATEGIC COLLABORATION AMONG STAKEHOLDERS
4. IMPACT MEASUREMENT
5. ACTION-ORIENTED LEADERSHIP



THANK
YOU

