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Page : 5



The transition into smart cities is imperative for a sustainable future to help mitigate environmental degradation. As governments and industries shift their focus towards sustainability, the financial sector has taken a proactive approach by helping businesses and homeowners with green financing, collaborating with stakeholders to promote sustainable development outcomes.

Under the 12th Malaysia Plan (12MP), strategies are in place to reduce up to 45% greenhouse gas emissions intensity to Gross Domestic Product by 2030 as part of efforts to attain a low-carbon nation status by 2050. As a leading provider of sustainable financing solutions for the real estate sector, United Overseas Bank (UOB), is committed to supporting sustainable development by integrating environmental,

social and governance (ESG) considerations into investment and lending decisions.

UOB's Smart City Sustainable Finance Framework (SCSFF) makes financing solutions more accessible and helps companies play their part in building smarter and more sustainable cities. By developing the frameworks and sector-specific solutions, clients will have a better idea of the criteria that have to be met for sustainability-linked loans and trade finance facilities.

The SCSFF is one of the four frameworks supporting sustainability-related projects with focus on renewable energy, energy efficiency, green transportation, sustainable water and waste management and/or climate change adaptation. UOB also offers the Green Circular Economy Framework, the Real Estate

INNOVATIVE FINANCING SOLUTIONS

Sustainable Finance Framework and the Green Trade Finance & Working Capital Framework.

The Real Estate Sustainable Finance Framework supports clients that own and/or develop sustainable properties to appropriate standards outlined by local or global green certification bodies.

Under the UOB SCSFF, the U-Solar and U-Energy solutions enable building and homeowners to reduce their carbon footprint while enjoying costs savings on their electricity bills. Businesses and homeowners across the region can take on renewable energy and energy efficiency projects with UOB ecosystem partners for flexible financing options with

minimal upfront cost.

In terms of green transport, UOB has launched U-Drive, a pioneering integrated green financing solution for the electric vehicle (EV) ecosystem. Just launched in Singapore, U-Drive will be available in Malaysia, Thailand and Indonesia soon.

U-Drive will be offering users a comprehensive range of green banking facilities, including trade financing and dealer stock financing, while connecting users to car dealers and charging point operators.

By leveraging on these frameworks, companies are guided through a fast and seamless process for sustainable financing. This sets standards for impact reporting,

saves them resources without having to invest heavily in setting up their own framework and encourages them to continue their innovative and sustainable activities.

UOB has simplified the process by empowering clients with specific sector insights and knowledge, frameworks that provide a streamlined and transparent procedure from qualification to reporting, customised solutions and connecting them with industry players through our ecosystem partnerships.

As more companies embed ESG as part of their strategies, UOB provide a way for corporates with clear ESG agendas to take specific steps towards such goals.