



Streamlining the path to green financing

Get certified with OCBC's energy efficiency tool for SMEs to access eco-friendly loans more easily

A JOURNEY of a thousand miles begins with one step, Lao Tzu once said. However, that "one step" is often the hardest to take because it requires moving from inaction to action, or even more challenging, shifting from one direction of action to another.

For small and medium enterprises (SMEs) starting their sustainability journey, the first step is often hindered by uncertainties and a lack of resources or expertise to implement changes.

To ease this process, OCBC Bank (Malaysia) Bhd has launched its SME Energy Assessment (SMEEA) tool to enhance SMEs' operational performance and sustainability efforts.

By using the SMEEA, SMEs can identify energy inefficiencies, leading to significant cost savings.

The tool also provides comprehensive education on Scope 1, 2, and 3 emissions, helping SMEs understand their carbon footprint and the importance of addressing these emissions in their sustainability strategies.

By educating businesses on these concepts, OCBC empowers them to take actionable steps toward reducing their environmental impact, which is crucial for long-term sustainability and compliance with emerging regulations.

The insights from the tool not only reduce the carbon footprint but also improve market competitiveness and align with global sustainability goals.

Ultimately, the SMEEA empowers SMEs to make informed decisions, strengthening their business resilience and contributing to a more sustainable future.

Utilising the SMEEA enhances an SME's understanding of energy efficiency and sustainability practices, providing a clear entry point into their sustainability journey. It also serves as a valuable advantage for SMEs seeking green loans.

Zero cost to begin

SMEs should take note that the SMEEA requires data on energy consumption, operations, and sustainability practices, including electricity bills, equipment usage, and existing initiatives.

The more accurate the data, the more tailored and effective the recommendations. The assessment measures key metrics like energy consumption, peak demand, and carbon emissions.

By analysing these, it provides a clear view of energy efficiency and highlights improvement opportunities.

The SMEEA report takes between one to two weeks to generate, depending on the business's complexity and data provided. The initial assessment is free, making it accessible to all SMEs.

While implementing recommended actions later on may involve some costs, the energy savings and efficiency gains typically outweigh these investments.

With a few simple steps, SMEs can easily embark on their sustainability journey and



SMEs are allowed to share their SMEEA results with stakeholders, including suppliers and investors, to foster transparency, strengthen relationships, and promote collaboration, which can drive growth and improve their market reputation.

Through our SME Energy Assessment (SMEEA) tool, we empower businesses to identify and implement energy-efficient practices. OCBC Bank is dedicated to facilitating sustainable financing at every stage of this journey, including the often-overlooked area of transition financing.

Jeffrey Teoh Nee Teik
OCBC Bank (Malaysia) Bhd head of wholesale banking

make informed decisions to enhance energy efficiency.

1. Gather property information: Compile essential details about the property, including its size, type, and location.
2. Collect utility bills: Provide electricity bills from the past six months to offer insights into energy consumption.
3. Identify energy-efficient features: List any energy-efficient appliances or features, such as LED lighting, energy-efficient HVAC systems, or smart thermostats.
4. Submit your information: Send the gathered details to OCBC to generate results using the SMEEA tool.

Skeptics of data-sharing can be reassured, as OCBC prioritises the confidentiality and security of SME information.

The bank employs strong data protection measures, including encryption, access controls, and compliance with regulations, to ensure all assessment data remains secure.

Positive outcomes

SMEs can benefit from the SMEEA tool through reduced energy costs, improved sustainability practices, and enhanced operational efficiency.

The tool helps identify energy inefficiencies by analysing energy bills and operational data, providing tailored recommendations to lower costs and boost efficiency.

OCBC Bank's success stories show how SMEs have reduced expenses and enhanced brand reputation. For example, Yongyang Sdn Bhd, a leader in roofing and green building solutions, used the SMEEA tool to access green financing in partnership with the Building and Construction Authority of Singapore (BCA).

Yongyang's director Regine Choo said: "OCBC Bank has supported our sustainability initiatives by offering tailored financing solutions that helped us scale projects effectively."

"Their expertise in green financing has been invaluable in managing costs and investing in new technologies."

After results are generated, SMEs are allowed to share their SMEEA results with

stakeholders, including suppliers and investors, to foster transparency, strengthen relationships, and promote collaboration, which can drive growth and improve their market reputation.

Sound advice and guidance

The SMEEA provides practical, tailored recommendations for energy improvements that are achievable for businesses of all sizes.

Each solution is customised to fit the specific needs of the business, ensuring they are realistic and scalable.

Whether upgrading equipment, optimising processes, or adopting renewable energy solutions, the recommendations are designed to be easily implemented by SMEs.

OCBC offers follow-up services to help SMEs track their progress after the assessment. The dedicated team provides ongoing guidance and resources.

Additionally, OCBC is actively exploring financial incentives and subsidies to make it easier for SMEs to invest in energy efficiency improvements.

OCBC steadfast in sustainability

OCBC Bank (Malaysia) Bhd returns as the main sponsor of Star Media Group's ESG Positive Impact Awards (ESG PIA) for the third consecutive year, reinforcing its commitment to a sustainable future.

This sponsorship aligns with OCBC's focus on ESG principles, promoting sustainability, social equity, and responsible governance, while encouraging SMEs and organisations to adopt sustainable practices.

OCBC Bank's head of wholesale banking Jeffrey Teoh Nee Teik said sustainability is a shared commitment across all shareholders.

"ESG principles are becoming increasingly vital in shaping the world. In OCBC, we hold on to the power of collective action."

"Responsible business practices are no longer optional, they are essential. Each of us has pivotal roles to play in driving positive change and together we can make a profound difference," he said in his speech.

Teoh added that participation of businesses in the ESG Positive Impact Awards 2024 demonstrates their commitment in achieving greater change to the environment.

As an enabler of ESG principles, OCBC integrates sustainability into its lending and investment strategies, offering resources like the SMEEA tool to assist SMEs with energy efficiency assessments.

Moving forward, OCBC plans to expand its involvement in ESG initiatives, developing innovative solutions to support sustainable growth and collaboration within the ESG space.