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UOB highlights six sectors in 2050 net-zero target

PETALING JAYA: United Overseas Bank (M) Bhd (UOB) has highlighted six sectors – making up 60% of its corporate lending portfolio – as part of its commitments to reach net-zero by 2050.

These six sectors are power, automotive, oil and gas – which are part of the energy value chain – as well as real estate, construction and steel, which are part of the built environment value chain, UOB said in a statement yesterday, as reported by *Bernama*.

It said the commitments underscored its goal to support a just transition that advances sustainable socioeconomic development in tandem with decarbonisation in South-East Asia.

“Using internationally-recognised climate

science models, UOB based its sectoral targets on regional pathways that align with global net-zero goals.

This approach to net-zero reflects UOB’s strong belief in the need for a just transition in South-East Asia that continues to support economic growth and improve energy access across the region’s diverse economies,” it added.

Deputy chairman-cum-chief executive officer Wee Ee Cheong said the bank’s net-zero ambitions must go hand in hand with an orderly and just transition to take into account socioeconomic challenges in South-East Asia.

“Even as we cut our carbon footprint, we must ensure that people’s lives and liveli-

hoods can continue to improve.

“And it is important to balance growth with responsibility on our net-zero journey,” he said.

It said its commitments also included interim 2030 targets to reflect the necessary near-term progress on the path to net-zero.

“In addition, UOB has committed to exiting financing for the thermal coal sector by 2039, on top of its existing prohibitions on the new project financing of greenfield or expansion of coal-fired power plants and thermal coal mines.

“UOB is integrating its net-zero plans into its business strategies and will step up its efforts to work closely with clients and other stakeholders towards decarbonisation,” it said.