

UOB Indonesia launches U-Energy, Asia's first integrated financing platform to drive energy efficiency

Building owners, energy service companies and homeowners can reduce an average of 20 per cent in energy consumption by tapping UOB's green financing for energy efficiency projects

Jakarta, 23 June 2022 – UOB Indonesia today launched U-Energy, the first integrated financing platform in Asia, to drive the development and adoption of energy efficiency projects for buildings and homes in the country. This follows the programme's successful launch in Singapore, Malaysia, and Thailand. With U-Energy, the Bank will help businesses and homeowners save on electricity bills, cut carbon emissions, and achieve their sustainability goals.

Globally, buildings and construction projects account for 38 per cent of carbon emissions, according to the Global Alliance for Buildings and Construction¹. In Indonesia, the country's strong commitment to play a role in tackling climate change is being strengthened by the formulation of policies, particularly the energy sector. The country is also targeting to reduce emissions and net zero emission by 2060 or earlier². In carrying out this mission, the country requires energy transition for new and renewable energy to contribute 23 per cent of the total energy mix by 2025 and 31 per cent by 2050³.

While building owners and homeowners are keen to take on energy efficiency projects to reduce energy consumption, they often lack financing support and the expertise to find the right energy service companies (ESCOs). UOB has developed U-Energy to address this gap in the market.

Mr Harapman Kasan, Wholesale Banking Director, UOB Indonesia, said, "As a bank, it is our responsibility to partner our customers in the transition towards sustainable growth. This is why we are pleased to introduce U-Energy, a progressive, integrated financing platform, to help building

¹ Source: [2020 Global Status Report for Buildings and Construction](#)

² Source: Ministry of Energy and Mineral Resources of the Republic of Indonesia news: "[In the 26th Conference of Parties \(COP\), the Minister of Energy and Mineral Resources Commits to Achieve Net Zero Emission](#)", 3 November 2021

³ Source: Ministry of Energy and Mineral Resources of the Republic of Indonesia news release: "[Pursuing the 2025 Energy Mix Target, New Renewable Energy Investment up to USD36.95 billion are needed](#)", 4 December 2019

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owners and homeowners contribute to a cleaner environment. Through U-Energy, we have built a partner ecosystem to enable faster and simplified access to energy efficient solutions for consumers, in turn supporting the government's focus on low carbon development.

"Indonesia has a population of more than 270 million, and energy efficiency will help to ensure long-term energy security and ongoing job creation. However, based on the McKinsey report the country still lags behind in the development of renewable energy, tapping only 2 per cent of the combined potential of geothermal, solar, wind, hydro, and biomass energy. Only 12 per cent of its electricity comes from renewables. As we forge a sustainable future, we see our role as a catalyst and enabler to support businesses and homeowners. Our end-to-end solution will help our clients to reduce their energy costs and carbon footprints."

In Indonesia, the U-Energy platform will feature four local energy service providers that customers can tap on for energy efficiency projects, namely PT Amerindo Energy Solutions (also known as 'Synergy Efficiency Solutions'), Barghest Building Performance, G-Energy, and Schneider Electric. These U-Energy partners can support common energy efficiency projects such as improving chiller and air conditioning efficiency, installing solar panels on rooftops, switching to LED lights, optimising energy and power management systems, changing building facades to reflect direct sunlight to reduce heat absorption, as well as replacing elevators with energy-regeneration technology.

Energy service companies play a key role in the ecosystem by providing technology and services such as project consultation, sustainable and cost-efficient design energy audits, as well as end-to-end implementation and management of the retrofits to buildings. On average, the energy service companies on the U-Energy platform will help customers cut at least 20 per cent in energy consumption⁴.

Flexible financing option for building owners

Commercial and industrial building owners can opt for a direct purchase of the energy-efficient equipment or system with UOB's green financing. Under this scheme, building owners may obtain a loan, subject to optimal equipment and system sizing by the U-Energy partners. To enable greater speed to market, loan applications of building owners who are existing UOB customers will be

⁴ Source: <https://www.uobgroup.com/u-energy/singapore/business.page#frequentlyaskedquestions>

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placed on fast-track approval process. Alternatively, building owners can take up the “energy-as-a-service” model where UOB will provide green loans to the U-Energy partners at no upfront cost to building owners.

For homeowners, UOB Indonesia offers flexibility when UOB credit cards are used as the mode of payment for their energy efficiency retrofitting projects.

U-Energy is part of UOB’s suite of Sustainable Financing solutions under the Bank’s Smart City Sustainable Finance Framework. UOB Indonesia has also launched U-Solar, Asia’s first integrated financing platform for solar energy. The Bank’s three other sustainable finance frameworks are the UOB Green and Sustainable Trade Finance and Working Capital Framework, the UOB Sustainable Finance Framework for Green Building Developers and Owners, and the UOB Green Financing Framework for Circular Economy. Aligned with the United Nations Sustainable Development Goals, the Bank’s sustainable financing frameworks enable companies to apply for green or sustainability-linked banking products without having to develop their own financing framework.

For more information on U-Energy, please visit <http://www.UOBgroup.com/u-energy>.

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About UOB Indonesia

UOB Indonesia is a subsidiary of UOB, a leading bank in Asia with a global network of around 500 offices in 19 countries and territories in Asia Pacific, Europe and North America. Established in 1956 through PT Bank Buana Indonesia, PT Bank UOB Indonesia was formed after a merger with PT Bank UOB Buana, which marked the existence of UOB Indonesia for more than a decade in Indonesia. UOB Indonesia’s service network comprises 41 branch offices, 107 sub-branch offices and 150 ATMs across 30 cities in 18 provinces in Indonesia. UOB Indonesia’s banking services are accessible through its regional ATM network, the ATM Prima and Bersama networks and the Visa network.

UOB Indonesia is committed to providing quality products and excellent customer service. The Bank offers various banking products and services categorised into digital bank, personal financial services, business banking, commercial banking, corporate banking, global markets and investment management. UOB Indonesia is rated AAA (idn) by Fitch Ratings.

The Bank has a strong retail customer base through its wide range of saving products, mortgage services and credit cards. UOB Indonesia’s banking services are also accessible in Indonesia, Singapore, Malaysia and Thailand through hundreds of UOB ATMs.



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UOB's award-winning digital bank, TMRW, serves Indonesia's generation of enterprising and digitally-savvy customers by providing a better, personalised banking experience through the use of data and customer feedback. Through TMRW, the Bank is committed to helping customers meet their financial goals as they build a better tomorrow.

UOB Indonesia also offers a full suite of corporate/commercial products, including a range of treasury and cash management products and services. UOB Indonesia is also focused on helping companies with their expansion plans and has supported many enterprises from industries such as construction, mining, real estate and the services sector in their expansion into Indonesia.

UOB Indonesia believes in being a responsible financial services provider and it is committed to making a difference in the lives of its stakeholders and in the communities in which it operates. Just as the Bank is dedicated to helping customers manage their finances wisely and to grow their businesses, UOB Indonesia is steadfast in its support of social development, particularly in the areas of art, children and education.

For further details on UOB Indonesia, please visit www.uob.co.id

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