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Malaysian businesses at forefront of major energy transformation: EY research



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PETALING JAYA: Malaysian businesses are at the forefront of a major energy transformation, as new research reveals surging electricity demand, ambitious sustainability targets and growing expectations for smarter, greener energy solutions.

According to EY's Navigating the Energy Transition Research Programme, 91% of Malaysian businesses expect electricity use to rise sharply in the next three years, while 75% anticipate more complex energy needs driven by rising and unstable energy costs (68%); availability and

reliability concerns (80%) and decarbonisation imperatives (82%).

This shift is fuelled by electrification, adoption of electric vehicle and digital technologies such as automation and artificial intelligence.

The findings come as Malaysia accelerates its National Energy Transition Roadmap, which aims for 70% renewable energy by 2050. In 2026, initiatives such as the Solar Accelerated Transition Action Programme take effect.

The survey finds that businesses, which are responsible for more than

75% of the country's electricity demand, are ready to invest in clean energy solutions – over 83% of companies plan to increase investment in electrifying operations, lowering emissions, and reducing energy costs; 72% are considering on-site renewable installations such as rooftop solar panels; and more than half (54%) are exploring opportunities to sell surplus energy back to the grid.

Energy ambitions also vary across industries with over 90% of manufacturing and IT businesses expect double-digit growth in elec-

tricity use; more than a quarter of businesses, topped by retail and transportation companies, rank sustainability as their top energy goal and construction firms are emerging as leaders in on-site generation adoption.

As businesses electrify operations and invest in renewables, Malaysians can expect cleaner air, expanded EV infrastructure, and more resilient energy systems. However, rising energy costs and infrastructure gaps could affect affordability and reliability if not managed proactively.

"Energy is now a competitive asset. Businesses that embrace smarter, greener solutions will unlock growth and resilience. Collaboration between companies, energy providers, and policymakers is critical to Malaysia's energy future," said Mark Bennett, EY Asia-Pacific energy and resources customer experience transformation leader and partner at Ernst & Young Consulting Sdn Bhd.

With electricity demand expected to grow by between 60% and 100% by 2050, Malaysia's energy ecosystem is at a turning point.