

Responding to new digital bank entrants:

An Incumbent's Perspective

March 2021

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Our retail strategy

Balanced business, quality balance sheet, regional scale



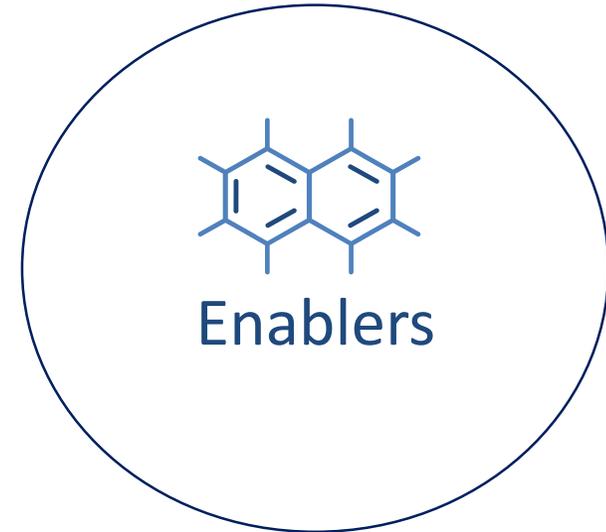
Deposits

Wealth



Mortgages

Cards & Payments



Omni-channel

Data/ AI

Partnerships

Retail banking opportunity in the larger, less saturated markets in Southeast Asia

2019 retail banking pool sizes

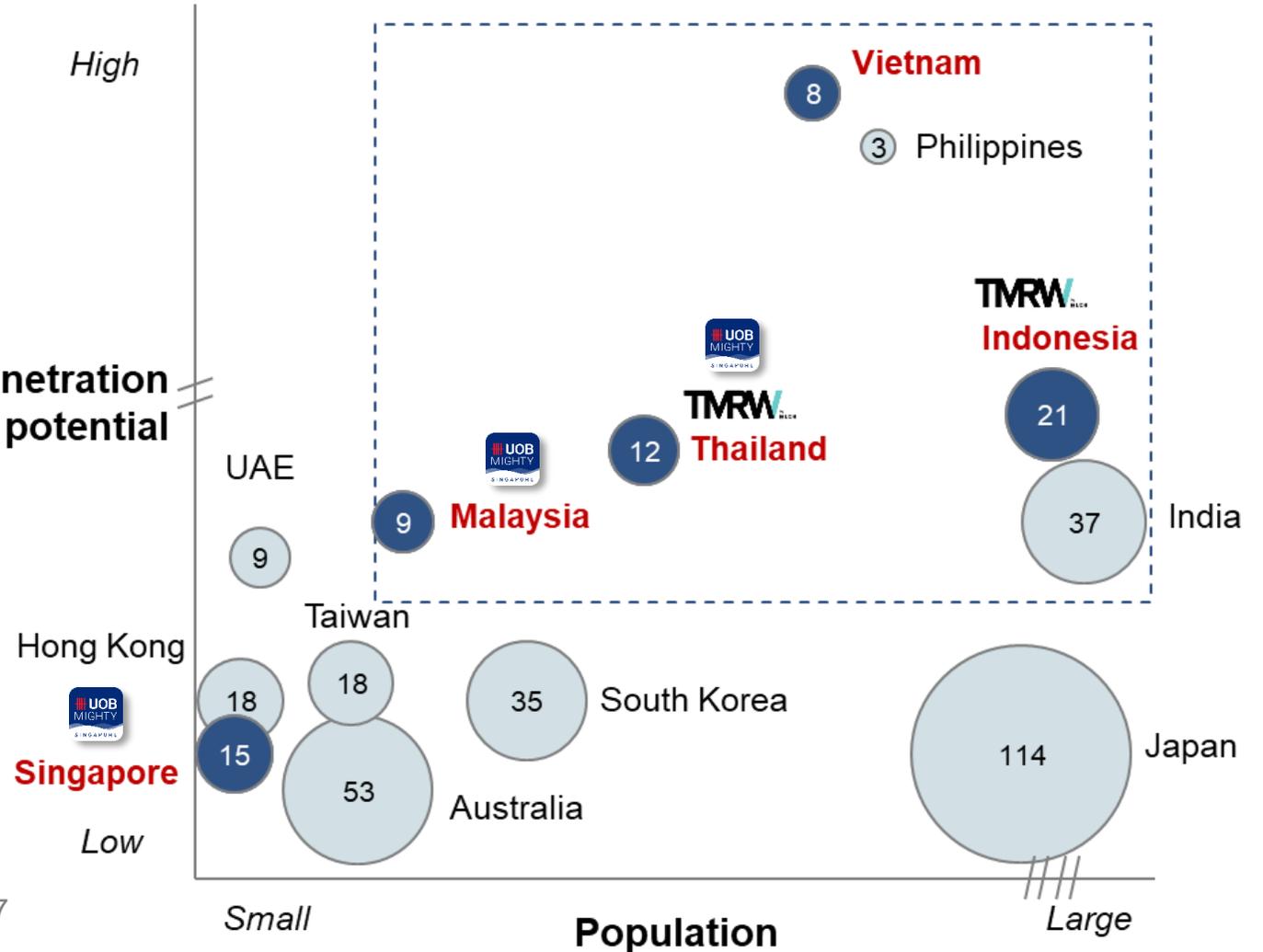
USD b

Denotes UOB's core markets in Southeast Asia

Launched in Thailand (March 2019) and Indonesia (August 2020)

Available in Singapore, Malaysia and Thailand

Banking penetration growth potential



Note: UAE and Japan's retail banking market size as of 2017
 Source: BCG banking pools (2019), World Bank (2017)

Evolving banking landscape and consumer behavior



Market forces and Regulatory pressures



Ecosystems disrupting banking
(Payments, Wealth, Lending)



Our competitors
(Competing, Investing, Transforming)



Open banking



Customer Expectations / Behaviour
(Embracing digital, expecting more)



Fearful of economic impact and job security



Flight to digital and omni-channel



Ever increasing focus on health



A new virtual workforce



Shift to value and essentials

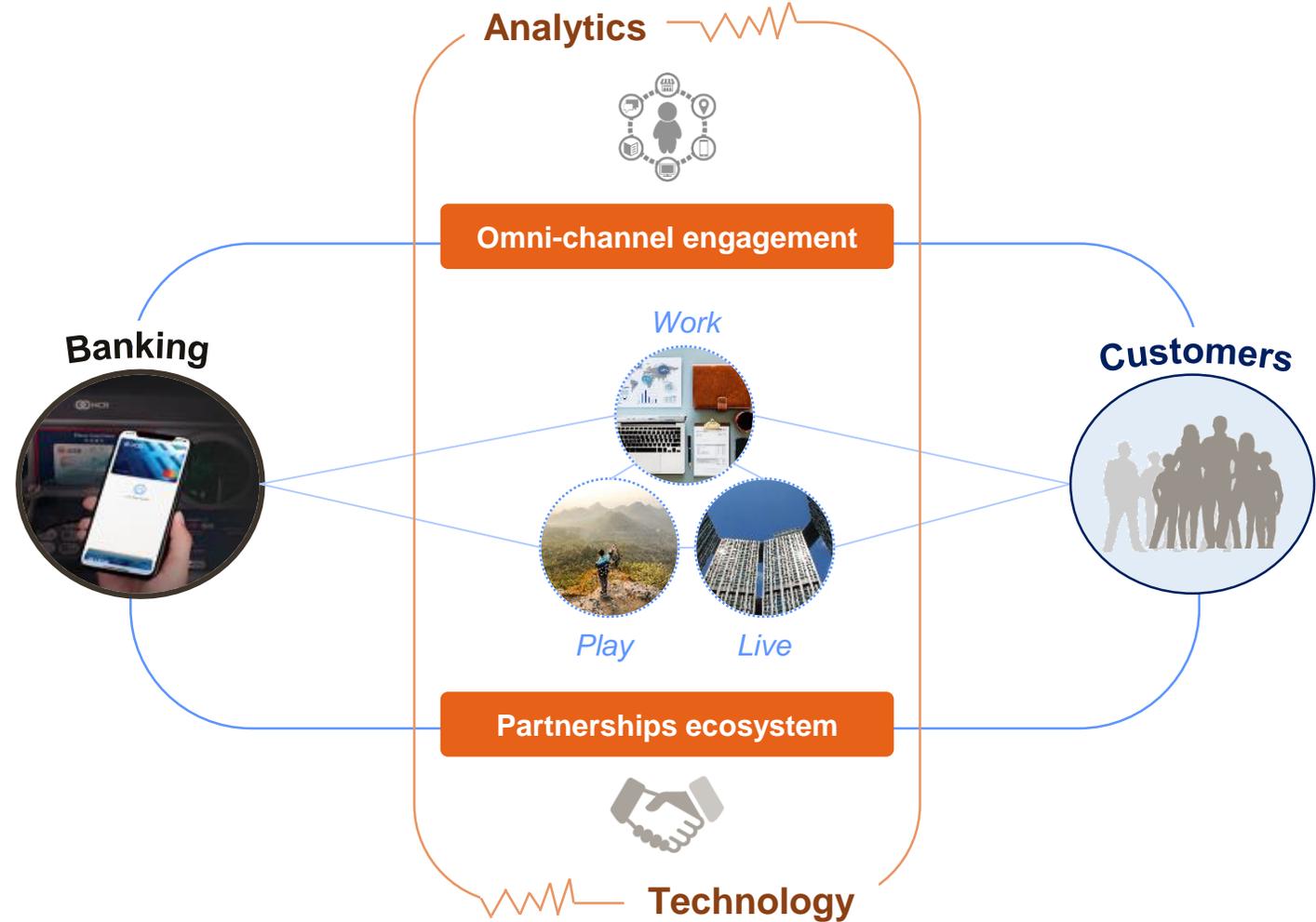
- Rise in conscious consumption
- Growing love for local
- Shock to loyalty



Trust local banks (53%*) more post-COVID-19

Our approach

- Integrating the Bank into customers' everyday life – **Work, Live & Play**
- Leveraging analytics and technology to drive omni-channel engagement and partnerships ecosystem



Omni-channel engagement strategy:

A result of **customers' needs** and **business imperatives**

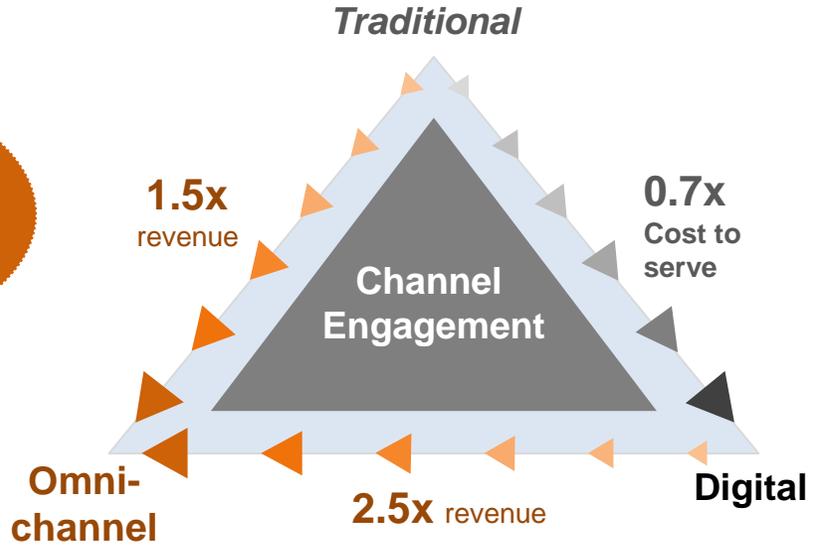
Varying channel preferences along customer's buying journey



>68%¹ of Singapore consumers highlight the importance of face-to-face interactions for financial planning and borrowing

Omni-channel strategy

Drive revenue and optimise cost-to-serve



1.5x revenue

0.7x Cost to serve

Channel Engagement

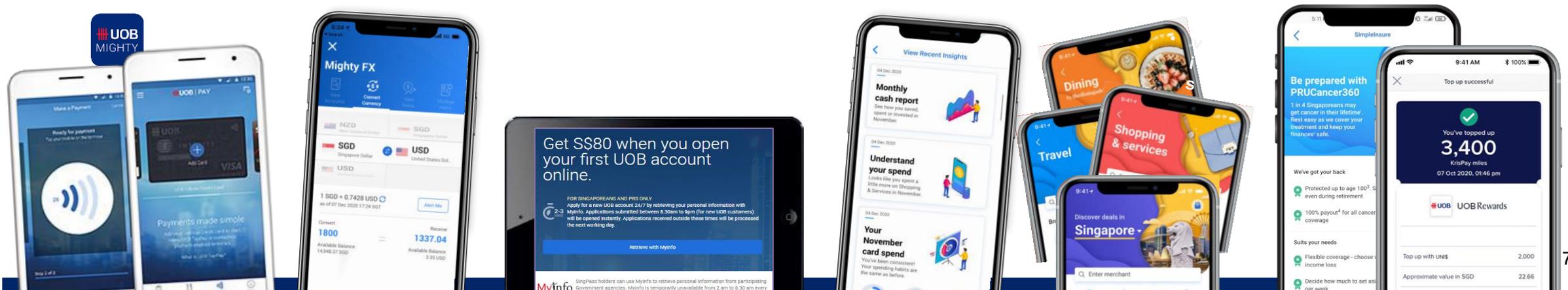
Omni-channel

Digital

2.5x revenue

1. Survey of 300 Singapore consumers by Dynata.

Omni-channel engagement strategy: Investing in our digital capabilities



Our digital investments have yielded positive results

From **onboarding**, to **engagement / cross-sell**, to **servicing**



Digital Onboarding

Fuss-free, paperless, instant

- ✓ 30-100% online mix across all products



Digitally engaged

Engaging customers 24/7

- ✓ >20% increase in Mighty users
- ✓ >60% increase in financial transactions



Mighty Insights

Personalised to your needs and behaviours

- ✓ >40m AI-driven insights served
- ✓ High 2.8/3 rating
- ✓ Seen 60% conversion



E-Payments

Making payments simpler, safer, smarter

- ✓ >200% growth in PayNow and QR Pay transactions
- ✓ >50% growth in e-Commerce

Omni-channel engagement strategy: Transforming our physical touchpoints

2018

Use of Geospatial Analysis

- Leverage analytics through the use of internal and external data to strategically redesign our physical touchpoints

Piloted High-Street Wealth Centre (HSWC)

- Pilot launch of Orchard HSWC where customers receive a personalised experience via the use of AI and data analytics (queue profiler / product recommender)

2019

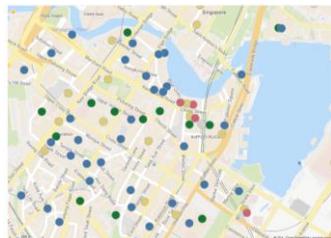
Digital Portfolio Advisory Tool (PAT)

- Aided by an adviser, PAT provides insights to clients on portfolio performance / simulation, helping customers to make informed decisions

2020

Continue to innovate and optimise

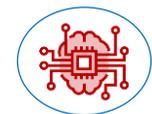
- Continue to leverage data analytics and technology to optimise physical network and enhance the role of face-to-face touchpoints to complement digital





Investing in Digital, Transforming Physical

Be where customers 'work, live, play (WLP)'
Serving with the right customer value proposition
Recommends product / service
Deliver superior service



Powered through **analytics and technology**

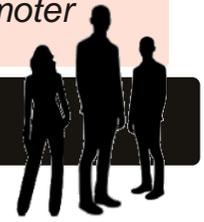
Driving conversations with customers via **omni-channel engagement**



Delivering great **customer experience**

Online-to-offline convenience
Wealth continuum and segment privileges
Quality advisory / solutions
Loyalty / Net Promoter

Customers



Transforming our touchpoints and tools to drive omni-channel engagement

Extensive partnerships ecosystem: Banking lifestyle needs UOB

Embed within customer journey to become **essential** at every stage

Phases of life



Everyday and lifestyle spending



Milestone purchases (Property and motor)



Home solutions (Utility payment)

Strategic Partners



Transport / Ride-hailing



Delivery



Groceries



Health & Beauty



Retail



e-Commerce



Airlines

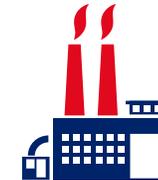
And >1,000 partner deals across key categories



Home solutions >90% agencies



Car solutions >80% dealerships

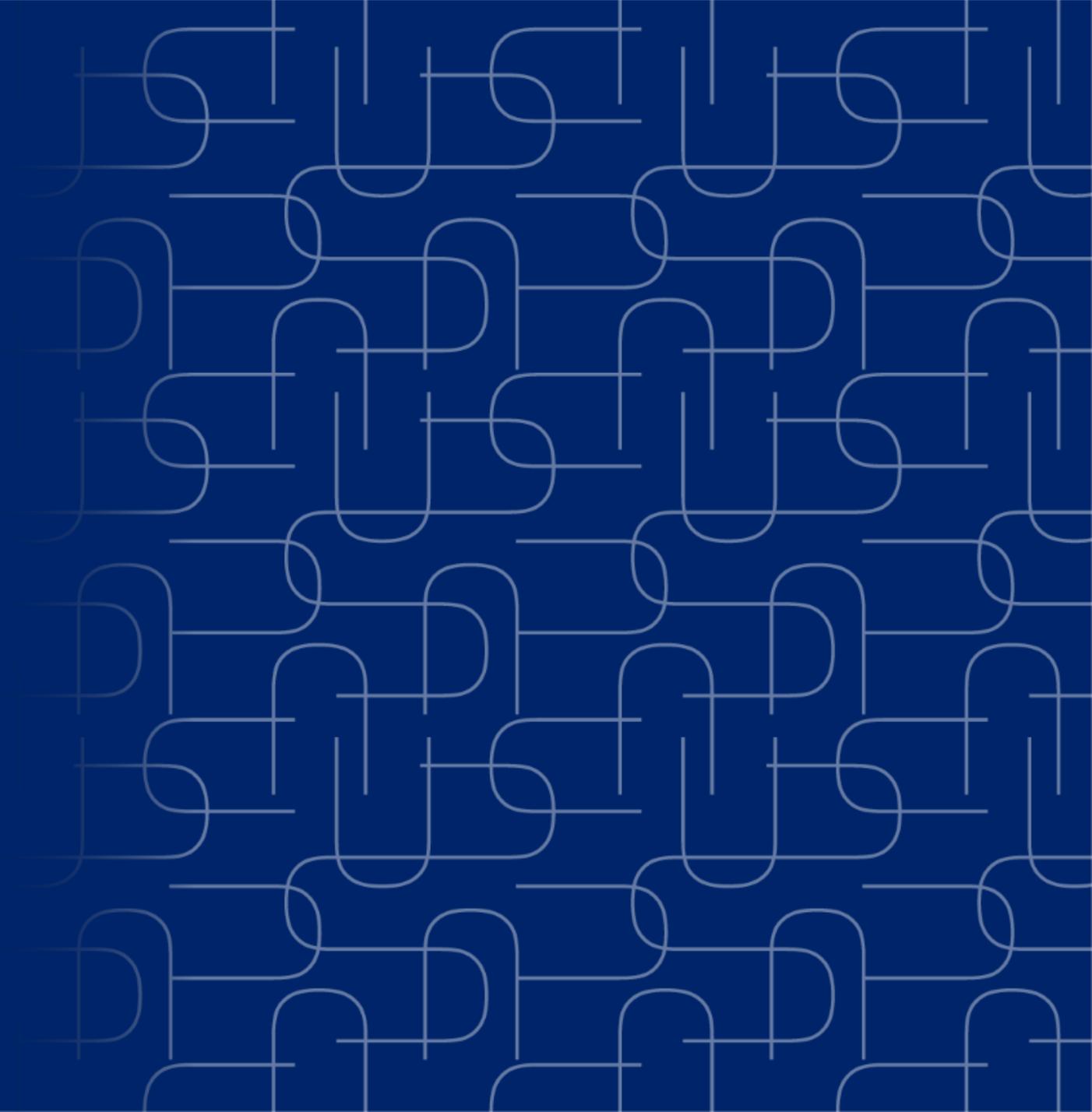


Electricity marketplace >90% coverage



Telecommunications

In summary



Integrate banking into consumer lifestyles

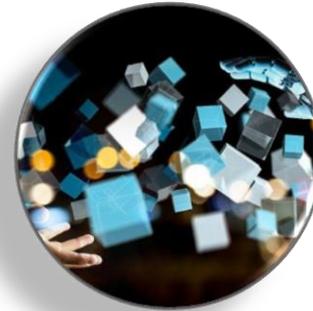
Continuously innovating our products & services



**Serving
Customer Journeys**



**Investing in Digital
Transforming Physical**



**Leveraging
Advanced Data Analytics
(ML/AI)**



**Leveraging
Partnership Ecosystem**



Digital Innovation



Expertise



Omni-channel services

Thank You

