

Forging a Sustainable Future



United We Stand
He Shu

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United We Stand

He Shu
Chinese ink on rice paper
69 x 91 cm

United We Stand, a Highly Commended artwork of the 2020 UOB Painting of the Year (Singapore), Established Artist Category, is the design inspiration for this year's Annual Report. Ms He Shu's artwork reflects the strength of the human spirit in overcoming difficulties, especially in the tumultuous year that was beset by the global COVID-19 pandemic.

Through the orchids blossoming in the harsh environment, Ms He plants in our minds the power and beauty of solidarity. The butterflies symbolise how the smallest effort can seed the biggest impact. In the words of the artist, "Where there are winds of change, we shall press on with great fortitude to find new waves of transformation. Adapt and learn fast in this changing world, turn anxiety into action, turn waste into energy, turn challenges into opportunities."

Likewise, in 2020, UOB continued to forge ahead sustainably, relying on our time-tested values, strong balance sheet, robust risk management approach and entrepreneurial roots to guide our customers, colleagues and the community through to better times.

As the leading patron of art in Asia, UOB sees the value of art in its power to unify, to heal and to open us to possibilities. In its 39th year in 2020, the Bank's flagship art programme, the UOB Painting of the Year competition, is currently held across four Southeast Asian markets in which UOB has a deep presence.



Company Profile

United Overseas Bank (Thai) Public Company Limited (UOB Thailand) is a fully-licensed commercial bank. With its network of 152 branches and 375 ATMs (as of 31 December 2020), UOB Thailand offers consumer and corporate customers a comprehensive suite of quality products and services to meet their financial objectives and needs. To complement its commercial banking business, UOB Thailand has a subsidiary providing debt collection services.

UOB Thailand is rated among the top banks in Thailand by Moody's Investors Service and Fitch Ratings:

Moody's Investors Service:

International Ratings

Long-Term	A3
Short-Term	P-2

Fitch Ratings:

International Ratings

Long-Term	A-
Short-Term	F1
Viability	bbb-
Support	1

National Ratings

Long-term	AAA(thai)
Short-term	F1+(thai)

UOB Thailand is 99.66 per cent owned by Singapore-based United Overseas Bank Limited (UOB), which has a global network of more than 500 offices in Asia Pacific, Europe and North America.

A regional bank rooted in Thailand, UOB Thailand provides customers with financial expertise and connectivity across Asia. It offers innovative financial solutions, quality products and excellent service through understanding and identifying the needs of its customers.

Our Commitment to Fair Dealing

Regulatory compliance is a top priority at UOB. We are committed to upholding the highest standards of ethics, integrity and fairness to our customers and actively promote such awareness in our organization.

With customers as our focal point, we ensure that fair dealing is entrenched in all aspects of our relationship with the customers.

- Fair Dealing is central to our corporate culture.
- Our offering products and services are suitable for our customers.
- We ensure the competency of our sales staff in providing quality advices and appropriate recommendations.
- We provide the customers with clear, relevant and timely information, which would enable the customers to make informed financial decisions.
- We take customer complaints seriously and have robust process in place to ensure that the customer complaints are managed in a transparent, independent, and efficient manner.
- Personal data protection and customer privacy are crucial to maintaining customers' trust. We exercise robust controls over access to customer data and monitoring process to ensure customer's privacy and confidentiality of customers' data are effectively managed and fully protected.

Board of Directors

Wee Cho Yaw	Chairman
Wee Ee Cheong	Deputy Chairman
Suebtrakul Soonthornthum	Independent Director
Chanitr Charnchainarong	Independent Director
Tithiphan Chuerboonchai	Independent Director
Chim Tantiyaswasdikul	Independent Director
Chan Kok Seong	Director
Tan Choon Hin	Director
Sanchai Apisaksirikul	Director

Senior Management Team (as at December 2020)

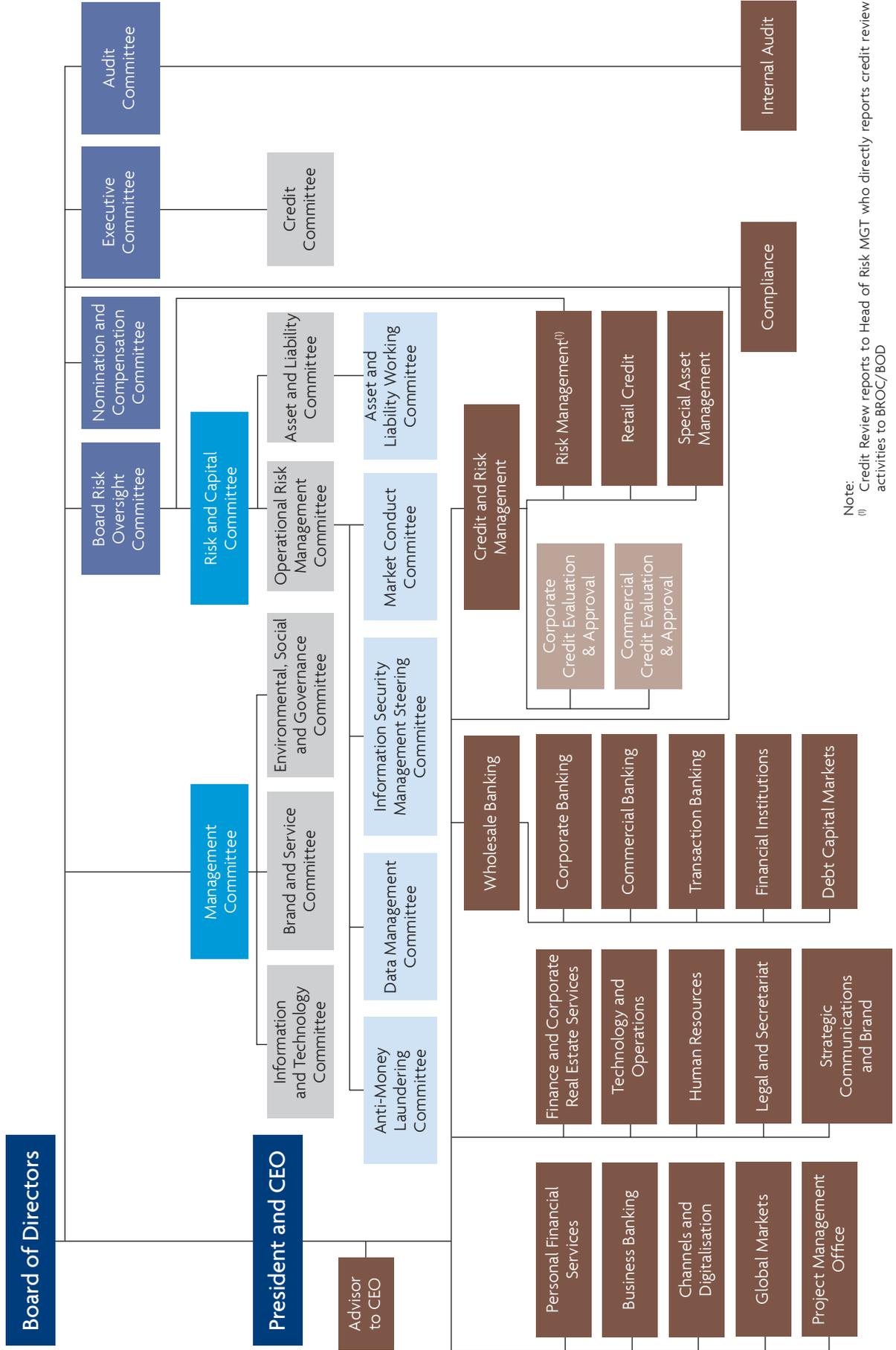
Tan Choon Hin	President and Chief Executive Officer
Sanchai Apisaksirikul	Managing Director, Country Function Head of Finance & Corporate Real Estate Services
Ngeo Swee Guan Steven	Managing Director, Advisor to CEO
Yuttachai Teyarachakul	Managing Director, Country Function Head of Personal Financial Services
Cheah Shu Kheem	Managing Director, Country Function Head of Wholesale Banking
Roongthip Angkasirisan	Managing Director, Country Function Head of Credit & Risk Management
Tearavath Trirutdilokkul	Managing Director, Head of Card Payment & Unsecured Products
Chintana Kittiviboolmas	Executive Director, Country Function Head of Global Markets
Kesthip Tiemwech	Executive Director, Country Function Head of Compliance
Manit Panichakul	Executive Director, Country Function Head of Internal Audit
Nag Srimannarayan Addepalli	Executive Director, Country Function Head of Technology & Operations
Piyaporn Ratanaprasartporn	Executive Director, Country Function Head of Channels & Digitalisation
Sasiwimol Arayawattanapong	Executive Director, Country Function Head of Human Resources
Sayumrat Maranate	Executive Director, Country Function Head of Business Banking
Veerachai Chuenchompoonut	Executive Director, Country Function Head of Legal & Secretariat
Dhornratana Olanhankij	Senior Vice President, Country Function Head of Strategic Communications And Brand
Amporn Supjindavong	Executive Director, Head of Industry Group 2 and Wealth Management
Apasara Lipipan	Executive Director, Head of Retail Credit
Kanlika Buspavanich	Executive Director, Head of Commercial Banking
Ketsuda Phanphruk	Executive Director, Head of Enterprise Banking 2
Komsun Yuvajita	Executive Director, Head of Corporate Credit Evaluation & Approval
Nakhon Vorakanonta	Executive Director, Head of Mortgage
Napaporn Patoomban	Executive Director, Head of Wholesale/ Global Market Operations
Nareerut Ariyaprayoon	Executive Director, Head of Wealth Products
Natee Srirussamee	Executive Director, Head of Retail Digital
Numchoke Siamhan	Executive Director, Head of Channels Strategic & Business Management
Panitsanee Tansavatdi	Executive Director, Head of Corporate Banking
Panittra Vejjajiva	Executive Director, Head of Financial Institutions
Panee Chongcharoen	Executive Director, Head of Business T&O Management - Retail and Acting Head of Business Technology Services
Pansak Ratanapasagorn	Executive Director, Area Manager-Area 10 (East Region)
Patchanee Vongsilpawattana	Executive Director, Head of Transaction Banking
Pisal Kattiyothaivong	Executive Director, Head of Debt Capital Markets



Senior Management Team (as at December 2020)

Piyawat Jirapongsuwan	Executive Director, Head of Project Management Office
Pongsakorn Julsawad	Executive Director, Area Manager-Area 2 (Sathorn- Silom-Pratunam)
Pongtorn Supornchai	Executive Director, Head of Global Markets Sales
Poomchai Chusakultanachai	Executive Director, Deputy Head of Corporate Banking
Prathana Amonlirdviman	Executive Director, Head of Personal Banking & Wealth Banking
Reiwadee Amornsiripanich	Executive Director, Head of Corporate Banking Division 3
Sakchai Sathainsoontorn	Executive Director, Head of Up Country 2
Sakoolrut Amyongka	Executive Director, Head of Trade Finance and Financial Supply Chain Management (FSCM) Sales
Sasitorn Rattanakul	Executive Director, Head of Client Fulfillment & Service
Sooppawit Sooppapipatt	Executive Director, Head of Up Country 1
Suwassa Anantasa	Executive Director, Head of Sales & Distribution
Suwintip Chuenban	Executive Director, Head of Retail Operations
Taravadee Manuschinapisit	Executive Director, Head of Industry Group 1
Thawatchai Praesangeim	Executive Director, Head of China Desk
Usanee Chiowanich	Executive Director, Head of Special Asset Management
Vajee Pramualrat	Executive Director, Head of CMB Central Review Team 1
Viyada Valyasevi	Executive Director, Head of Commercial Credit Evaluation & Approval
Wasinee Sivakua	Executive Director, Head of Finance
Wipaporn Techamaitrechit	Executive Director, Head of Retail Business Compliance and Acting Head of Portfolio and Regulatory Management
Yau Chi Choi	Executive Director, Head of Risk Management

Organisation Structure



Note:
 (i) Credit Review reports to Head of Risk MGT who directly reports credit review activities to BR/OC/BOD



Chairman's Statement



“UOB Thailand’s experienced management team and dedicated colleagues will continue to grow our business while balancing it with stability for the long term.”

The Operating Environment

Thailand's economic growth in 2020 was hindered by the immediate and direct impact of the COVID-19 pandemic. Weaker global demand led to a contraction in international trade which disrupted Thailand's exports and supply chain. The tourism sector, which accounts for close to 15 per cent of Thailand's Gross Domestic Product (GDP), was also hurt by global travel restrictions and flight cancellations. However, other sectors such as insurance, logistics and communications grew as priorities changed with safe distancing measures in place and consumers and businesses adapted to new ways of living and working.

On the currency front, the strength of the Thai Baht continued. The firmer Thai Baht was attributed to many external factors, including the weaker US dollar, a larger US budget deficit and renewed hope with the development of COVID-19 vaccines.

2020 Performance

2020 was marked by the unprecedented global healthcare and economic crisis. Despite the challenging and volatile macro environment, UOB Thailand maintained a strong balance sheet.

Total income was Baht 20.32 billion, a marginal decline from 2019. Total expenses decreased one per cent to Baht 12.09 billion (2019, Baht 12.26 billion). Operating profit in 2020 stood at 8.23 billion, an increase of 76 basis points (2019, Baht 8.17 billion) as we exercised discipline in controlling costs. Net profit after tax was Baht 1.65 billion, 64 per cent lower from a year ago mainly due to higher preemptive provisions.

Total loans were Baht 432.33 billion, a year-on-year increase of 4.06 per cent (2019, Baht 415.46 billion), led by growth in corporate and retail lending. The total deposits base was Baht 491.45 billion, an increase of Baht 35.14 billion from Baht 456.31 billion in 2019.

Maintaining a strong balance sheet remains our focus. It is the basis on which we can provide support to our customers through market cycles. We monitor our portfolio closely and are confident of the resilience of our asset quality and the adequacy of provisions given our strong risk culture, vigilance and prudence. Our non-performing loan (NPL) ratio was at 3.09 per cent, which continued to be lower than the industry.

Our capital position is strong with Common Equity Tier 1 and Total Capital Adequacy Ratios at 18.00 per cent and 20.26 per cent as at 31 December 2020 respectively. We maintained our position as one of the world's top-rated banks with a rating of 'Aa1' by Moody's and 'AA-' by both Standard & Poor's and Fitch Ratings. UOB Thailand is rated among the top banks in Thailand by Moody's Investors Service (A3 for Long-Term rating), Fitch Ratings (AAA (tha) for National Long-Term rating).

Corporate Developments

Notwithstanding the efforts of governments and key sectors such as healthcare, telecommunications and finance to help individuals, businesses and communities ride out these difficult times, the toll of COVID-19 on lives and livelihoods has been heavy.

We were at the forefront of helping businesses and individuals manage the disruption and adversity of the fallout. We offered relief measures to more than 80,000 customers based on the circumstances in which they found themselves and introduced a range of financial assistance programmes to help cushion the impact of COVID-19 on them. We intensified our support in helping small- and medium-sized enterprises adopt the right digital solutions to overcome operational constraints arising from the pandemic and helped them ready their business for recovery through complimentary virtual training programmes on digital transformation.

We helped companies improve their business efficiency through technology. The UOB Virtual Account Solution is one such example. In 2020 we signed a memorandum of understanding (MOU) with two educational institutions to be their official bank

to streamline payment collection and reconciliation processes. The institutions are Khon Kean University, a leading university in the northeast part of Thailand and Suratthani Rajabhat University, one of the top universities in the southern part of Thailand. The universities use the UOB Virtual Account Solution to enable their finance departments to manage account receivables and reconcile payments more quickly and efficiently, which will in turn help to reduce operation costs and time spent on identifying payment receivables.

We deepened our support for sectors that drive the region's economic growth, providing sector-specific solutions to help businesses across value chains advance responsibly. In 2020, through our regional U-Solar Programme, UOB Thailand financed BECIS-Symbior, one of the leading solar power developers in Asia, a landmark Baht 1.26 billion green project finance loan. The U-Solar programme is Asia's first integrated solar ecosystem to power the development and adoption of renewable energy in ASEAN. This loan received the Best Green Loan award in Thailand, Sustainable Finance at *The Asset Triple A Country Awards 2020*.

Our unwavering focus on doing what is right for our customers for the long term continued to receive industry recognition. Among the 37 accolades we received in 2020 was Thailand's Best International Bank 2020 award at the *Asiamoney Best Bank Awards 2020*. For our unwavering support of customers through the pandemic and steady performance in an increasingly competitive banking landscape, we were accorded the International Retail Bank of the Year in Thailand at the *Asian Banking & Finance Retail Banking Awards 2020* for the second consecutive year.

TMRW by UOB, ASEAN's first mobile-only bank for the region's digital generation, first launched in Thailand, continued to set the standard for digital banks globally. In 2020, TMRW won 16 awards, including being named by *Global Finance* as the best consumer digital bank in Thailand.

Caring for our colleagues

As banking roles evolve with changing customer expectations and preferences, as well as the advancement of new technologies, we have made training and development a top priority at UOB Thailand to help our colleagues stay relevant and future-focused. In 2020, 100 per cent of eligible colleagues in Thailand completed the foundational course under Better U, a Group-wide learning and development programme that focuses on five core competencies essential in the digital era. Through the 12-week course, our colleagues gained insights into developing a growth mindset, developed complex problem-solving skills, increased digital awareness and acquired human-centred design and data storytelling skills.

Caring for our community

Through our #UnitedForYou COVID-19 Relief Programme, we have helped communities cope with the stresses and strains since the start of COVID-19 outbreak.

In March 2020, our colleagues volunteered their time and effort to assemble 10,000 face shields and delivered these to 26 hospitals nationwide. The Bank also provided 1,000 protective coveralls to the Rajavithi Hospital and joined the Thai Bankers' Association to make a monetary donation to support the government's efforts to fight the spread of the COVID-19 virus and to assist medical personnel treating COVID-19 patients.

In May 2020, UOB Group held a global fundraising effort across 18 markets in which it operates. Together, the Group raised more than Baht 36.69 million (\$\$1.65 million) for the global UOB Heartbeat COVID-19 Relief Fund. More than Baht 4.54 million was raised by our colleagues in Thailand. The money we raised was distributed equally to five beneficiaries, namely Vachira Phuket Hospital, Samutprakan Hospital, Hatyai Hospital, Chonburi Hospital and Yala Hospital.

2021 Outlook

Looking ahead, we can expect Thailand's economic growth to bounce back moderately in 2021 and pick up further in 2022.

Thailand's economic recovery is contingent on the successful containment of the outbreak and the timely rollout of the COVID-19 vaccine globally. With these, domestic activity is likely to improve during the year as restrictions are eased and local mobility returns to pre-pandemic levels. Improved consumer and business confidence will then follow. On external demand, the rebound in tourism and exports is expected to recover more slowly, reflecting only a modest recovery in global goods trade and increased foreign tourist arrivals from mid-2021 onwards, when borders are expected to reopen albeit gradually.

Acknowledgement

UOB Thailand's experienced management team and dedicated colleagues will continue to grow our business while balancing it with stability for the long term.

I would like to thank the Board of Directors for their vision and guidance. I would also like to convey my appreciation to the CEO, the Management of UOB Thailand and our people for their commitment, dedication and contribution throughout a very difficult year. The fortitude and solidarity in supporting our customers are appreciated.

To our customers and investors, thank you for your trust and confidence in UOB. We look forward to your continued support in the years ahead.

Wee Cho Yaw
Chairman

February 2021



Financial Highlights

	Consolidated Financial Statements	
	2020	2019 (Restated)
Financial Position (Million Baht)		
Assets	632,295	566,847
Loans	432,334	415,456
Allowance for expected credit losses / Allowance for doubtful accounts	13,709	10,563
Deposits	491,452	456,311
Liabilities	567,056	506,288
Shareholders' equity	65,239	60,559
Capital funds	70,828	63,875
Earnings Performance (Million Baht)		
Net interest income	15,506	14,890
Non-interest income	4,815	5,541
Net profit before tax	2,023	5,734
Net profit after tax	1,650	4,636
Ratios (%)		
Net interest income to average assets	2.59	2.73
Return on average assets	0.28	0.85
Return on average equity	2.61	7.91
Earnings per share - basic (Baht)	0.66	1.86
NPLs (gross) to total loans	3.09	2.67
Book value per share (Baht)	26.25	24.36
Common equity tier 1	18.00	17.91
Capital adequacy	20.26	20.17

United Overseas Bank (Thai) Public Company Limited

31 December 2020

Shaping a Sustainable Future

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► Shaping a Sustainable Future

Our Sustainability Approach

UOB Thailand's approach to sustainability is based on five guiding principles that act as a compass for how we address the material risks and opportunities which may impact our customers, colleagues, investors, suppliers and the communities in which we operate. We believe that we have a duty to contribute to and to ensure the country's long-term economic, social and environmental well-being. We also recognise that good corporate governance is essential for embedding sustainable business practices across the Bank. This responsible, long-run approach is central to our business strategy and activities.

In our focus on creating sustainable value for our stakeholders, we also align our long-term business strategies with their interests. We believe in sustainable development that meets the needs of the present without compromising the ability of future generations to meet their own needs. This entails respect for the environment, human rights, labour rights, decent work and economic growth, data privacy and business ethics.

We strive to address the environmental, social and governance (ESG) risks and impact of our operations in a manner consistent with our values of Honour, Enterprise, Unity and Commitment. This is also in line with our commitment to help ensure a safe, secure and trusted banking system.

As part of UOB Group, we are cognisant of the direct environmental and social impact of our own operations and have set objectives and targets toward mitigating those impacts. We are also aware that our lending and funding activities have significant potential to affect the environment, society and the economy indirectly, in both positive and negative ways. Therefore, we are constantly enhancing the mechanisms to encourage our customers and suppliers to comply with all applicable local, national and international legislations, including those intended to safeguard the environment and social well-being. Further, we encourage our customers and suppliers to adopt suitable best practices that are aligned with internationally-recognised guidelines, codes and standards.



The Guiding Principles of Our Sustainability Approach

- 1 **Forge a Sustainable Future With Our Customers:** Engage our customers proactively to influence their sustainability practices and future-proof their business
- 2 **Aligned to Business Strategy and Stakeholder Interests:** Stay economically relevant by pursuing sustainable growth strategies
- 3 **Pragmatic and Progressive:** Implement sustainability programmes to manage ESG risks and opportunities sensibly, in line with market and competitive realities
- 4 **Regulatory Compliance as the Baseline:** Align our sustainability approach with ESG policies and guidelines of governments in our key markets
- 5 **Values-driven:** Based on our longstanding and distinct values

Board Statement on Sustainability

The Board is committed to building on the Bank's rich heritage to continue creating long-term value for its stakeholders. Integral to the business direction of UOB Thailand is its sustainability strategy. In formulating this strategy, the Board considered the factors, which contribute to the sustainable growth of the Bank. As part of the process, the Bank undertakes an annual exercise to gather and assess data and insights from across the organisation and its external stakeholders.

UOB Thailand's approach to sustainability is being pragmatic and progressive in addressing material risks that may have an impact on its stakeholders. As a subsidiary of one of Asia's largest banks, the Bank has a duty to contribute to the region's long term economic, social and environmental well-being. This long-term approach will be integrated into the Bank's business activities. The Board and Management are supported in this regard by the Bank's dedicated Environmental, Social and Governance (ESG) Committee, comprising senior executives from functions across the organisation.

The Bank's values of Honour, Enterprise, Unity and Commitment underpin UOB's sustainability strategy. These values will continue to guide its people, policies and processes to ensure that long-term interests of its stakeholders are met and the performance of UOB maintained.



President and CEO Statement on Sustainability

As we continue to deepen our presence in Thailand, we seek to address the environmental, social and governance (ESG) risks and effects of our operations in a manner consistent with our values of Honour, Enterprise, Unity and Commitment.

Our sustainability strategy mirrors our business approach of balancing growth with stability. It takes into account the influence and impact our decisions and actions might have on our stakeholders and the environment. It also ensures that we remain economically relevant through managing ESG risks and opportunities practically and in line with market realities. To enable our programmes and initiatives to take root and to grow, we have ensured alignment with the ESG-related laws and regulations in Thailand. Just as our business strategy hinges on doing what is right for our customers, our sustainability strategy informs our engagement with our stakeholders and how we can help them in their own practices for positive outcomes in the long run.

The pillars of our sustainability strategy arise from our fundamental strengths and are rooted in our values. They reflect the Bank's expertise, the responsibilities we hold and the role we can play for the long-term benefit of our key stakeholders. Each of the pillars determines a set of objectives which we strive to achieve to ensure that we implement our strategy with clear plans and purpose.

In driving growth sustainably, we incorporate sustainability risk elements in our approach to risk management. This includes integrating ESG considerations into our credit evaluation and approval processes. Beyond financing, we are increasing impact investing in our portfolio allocation. For our customers, we help develop and provide sustainable solutions that will assist them in making a difference. We also align our sustainable development efforts with the UN SDGs.

In doing what is right for customers, we ensure that Fair Dealing principles are entrenched in all aspects of our relationship with them. Keeping their best interests in mind, we harness technology and use data to make banking simpler, smarter, safer and more intuitive for them. By doing so, we aim to make banking more accessible and inclusive in the communities in which we operate. Standing by our customers also means that we must protect their data and privacy, and maintain the security and robustness of our systems.

We believe that people are our greatest assets. Our colleagues enable us to ensure the best outcome for our customers, our business and our community. We continue to develop professionals of principle – high-performing teams and individuals who are guided by our values. In doing so, we equip our colleagues to take on the challenges of tomorrow even as we care for their welfare and work-life harmony today. We also foster a sense of belonging among our colleagues by encouraging volunteerism and increasing their engagement and satisfaction.

We believe that as a responsible financial services provider, we have a role to play in strengthening the fabric of society by supporting the spirit of enterprise across all stages of business growth and protecting the financial system for its full benefits to be felt. We remain steadfast in our commitment to promote the development of art, children and education, and to help protect the environment – all aimed at contributing to a strong and sustainable future for the wider community.

Sustainability Strategy

The Four Pillars of Our Sustainability Strategy

Promote United Nations Sustainable Development Goals with Our Stakeholders



Drive Growth Sustainably

- Contribute economically to the progress of our communities
- Embed environmental, social and governance risk in our approach to risk management
- Integrate social and environmental considerations into our credit evaluation and approval processes
- Adopt and promote climate-resilient practices to support our customers in their transition to a lower-carbon economy
- Develop and provide sustainable financing



Keep Customers at the Centre

- Protect customer data and privacy through secure and robust systems and practices
- Ensure Fair Dealing
- Create intuitive and impactful customer experiences
- Make banking simpler, smarter and safer through ethical use of technology and data
- Make banking more accessible and inclusive
- Support businesses across all stages of growth



Develop Professionals of Principle

- Develop high-performing teams and future-focused individuals
- Promote work-life harmony
- Encourage volunteerism and advocacy for social and environmental causes
- Ensure employee engagement and satisfaction
- Ensure workplace health, safety and well-being
- Embrace diverse abilities and strengths



Uphold Corporate Responsibility

- Maintain highest standards of governance and risk culture
- Ensure regulatory compliance
- Protect the financial system against abuse
- Incorporate sustainability principles into our procurement practices
- Encourage environmental stewardship through efficient resource use and waste management
- Champion social development in art, children and education

Rooted in Our Values of Honour, Enterprise, Unity and Commitment



Sustainability Strategy

Balancing growth with stability

When making business decisions and developing our products and services, we consider our stakeholders' expectations in appreciation of what is material to them. As part of our commitment to sustainable and responsible growth, we also seek to identify, to assess and to manage social and environmental risks, challenges, impact and opportunities. This is carried out within a robust governance framework, underpinned by policies and guidelines that define our commitment and guide our approach to conducting business.

We refine our sustainability strategy continually through extensive discussions with teams from across the Bank. In our evaluation and planning, we start with internal factors that are key to the long-term growth of our business. Some of these factors are strong governance, employee health, safety and well-being, diversity and inclusion, as well as attracting, developing and retaining talent. Our deliberations also include wider sustainability trends affecting businesses globally, such as responsible financing, increasing interest in sustainability-related products and services and a changing regulatory landscape. In addition, we consider our alignment with the United Nations Sustainable Development Goals (UN SDGs) and the Paris Climate Agreement.

Alignment with the United Nations Sustainable Development Goals (UN SDGs)

The UN SDGs set the global agenda for sustainable economic, social and environmental development by 2030 and call for action by both the public and private sectors. In 2020, we aim to align our strategy to all 17 UN SDGs. We recognise that while UOB is better placed to contribute directly to a sub-set of the Global Goals, the broadening scope of our sustainable financing activities and their corresponding positive impact enable us to align more closely with all the Global Goals.



How We Engage with Our Stakeholders

At UOB Thailand, we believe that constructive dialogue and collaboration with our stakeholders are important for creating and maintaining meaningful and mutually-beneficial relationships. Continual stakeholder engagement keeps us abreast of changes, open to possibilities and focused on staying relevant to our stakeholders. Stakeholder engagement is also an essential element in how we evaluate our strategies and initiatives as we strive to remain relevant in Thailand.

We regularly seek our stakeholders' views and expectations through conversations, collaboration and research. By taking an inclusive approach, we hope they in turn will have a deeper understanding of our purpose, practices and performance. During the year, we also carefully considered feedback from investors and analysts, regulators and non-governmental organisations (NGOs) regarding the ESG factors that are material to the Bank.



Customers

- Interactions at branches (ongoing)
- Face-to-face meetings (ongoing)
- Contact centre service (ongoing)
- Post-transaction customer surveys (ongoing)
- Marketing and advertising campaigns (ongoing)
- Website and social media channels and campaigns (ongoing)
- Events and seminars, including workshops on sustainability (as and when appropriate)



Colleagues

- CEO communications to all colleagues on regular and topical subjects (as and when appropriate)
- Human Resource communications to all colleagues on employee-related initiatives (as and when appropriate)
- One-on-one sessions with managers (regularly)
- Online and mobile employee portal with informative, collaborative and social features (ongoing)
- Performance reviews (half-yearly)
- Townhall meetings (half-yearly)
- Employee satisfaction surveys (annually)
- Training and workshops (ongoing)



Governments and Regulators

- Regular meetings and engagement (as and when appropriate)
- Consultations with regulatory bodies (as and when appropriate)
- Annual reports (annually)
- Audit reports (ongoing)



Other Financial Institutions, and Industry and Trade Associations

- Participation in industry associations (ongoing)
- Industry-wide workgroups and meetings (as and when appropriate)
- Forums and conferences (as and when appropriate)



Suppliers

- Requests for quotations and proposals (as and when appropriate)
- Vendor briefings (as and when appropriate)
- Purchase agreements (as and when appropriate)



Media

- News releases and media statements (ongoing)
- In-person and online conversations (ongoing)
- Media briefings and conferences (as and when appropriate)
- Media interviews (as and when appropriate)
- Social media platforms (ongoing)
- Economic and market research reports (as and when appropriate)



Community

- Support of national movements to build inclusive communities (ongoing)
- Fundraising events (annually)
- Regional art competitions (annually)
- Collaborations with customers, business partners, art institutions, social service organisations and Community Development Councils (ongoing)
- Online art and outreach programmes (as and when appropriate)
- Education programmes for children (ongoing)
- Donations in cash or in kind to support causes related to art, children and education (as and when appropriate)
- Employee volunteerism (ongoing)



Investors and Analysts

- Financial reporting (half yearly)
- Periodic meetings with rating agencies (at least once a year)
- General meetings with shareholders (annually)
- Annual reports (annually)



NGOs

- Face-to-face meetings and conference calls (as and when appropriate)
- Conferences and seminars (as and when appropriate)
- Cooperation in joint programmes (ongoing)



Materiality Assessments

To identify the ESG factors which matter most to our business and to our stakeholders, we conduct materiality assessments and stakeholder consultations on a continual basis.

Materiality assessment exercises help us identify the environmental, social and economic topics we should prioritise to ensure the success of our business, while also supporting sustainable development. The results inform our strategic decision-making and reporting framework. Our analysis combines quantitative and qualitative research to provide an holistic overview of stakeholder expectations.

The materiality assessment process involves identifying relevant factors based on industry mega-trends and stakeholder feedback. We survey internal as well as external stakeholders to rank the factors based on the significance they give to each of the ESG topics. Participants' responses are then assessed to create a materiality matrix that reasonably reflects the sustainability factors most relevant to the Bank and its stakeholders.

Our priorities remain centred on building an ecosystem where enterprise and innovation can thrive, enabling simpler and safer banking for all through the ethical use of technology and data, supporting corporate clients in managing their businesses locally and as they expand across borders, and helping retail customers plan, save, spend and invest wisely.

We are also focused on financing and investing more responsibly, as well as supporting our customers in sustainable development. We believe that security is paramount given the rapid development of technology and disruptive business models, and the changing regulatory landscape. There is also growing sophistication of financial crime and cyber threats. In safeguarding the interests of our stakeholders, we maintain the robustness of our systems and processes and uphold our role in ensuring a safe, secure and trusted banking system.

Our investments are also directed to nurturing our colleagues, embracing diversity and inclusiveness, promoting trade and industry, encouraging entrepreneurship and making our financial services accessible to broader sections of society. We support the development of communities and play our part in managing our direct environmental impact.

Drive Growth Sustainably

- Economic Contributions
- Risk-focused Organisational Culture
- Responsible Financing
- Climate Change Transition and Opportunities
- Supporting Customers in Sustainable Development

Keep Customers at the Centre

- Information Security and Data Privacy
- Fair Dealing
- Customer Experience
- Innovative Digital Banking Products
- Financial Inclusion

Develop Professionals of Principle

- Attracting, Developing and Retaining Talent
- Workplace Safety, Health and Well-being
- Diverse and Inclusive Workforce

Uphold Corporate Responsibility

- Strong Governance
- Regulatory Compliance
- Preventing Corruption, Fraud and Money Laundering
- Sustainable Procurement
- Managing our Direct Environmental Impact
- Community Development

Sustainability Governance

Board of Directors and Management Committee (MC)

Board of Directors and the MC review long-term business and organisational goals and provide the strategic direction for the Bank's sustainability practices. They review, determine and oversee the management and monitoring of the Bank's material ESG factors and their scope, as well as evaluate relevant key performance indicators. They also review and approve relevant disclosures.

ESG Committee

UOB Thailand's ESG Committee reports directly to the MC on sustainability matters. This ensures that ESG factors are given due consideration in all aspects of our operations. The ESG committee members represent the Bank's business and support units whose activities have the potential to impact the environment, society and the economy positively and negatively. The ESG Committee reviews material ESG topics, identifies risks and opportunities, sets goals and targets, evaluates emerging issues, collates and assesses relevant data, and monitors the progress of sustainability-related programmes and initiatives.

ESG Framework

The ESG Framework was formalised in 2019. Underpinned by policies and guidelines that define our commitment and guide our approach to conducting business, the framework supports the Bank's business decision-making at all levels. It provides guidance on the management of sustainability-related risks and business opportunities in the context of our direct and indirect impact to the environment, society and the economy.

It is the responsibility of all UOB Thailand employees to comply with the ESG Framework. The management teams of the UOB Thailand entities are responsible for appraising the ESG issues in their respective domains and for taking appropriate steps to ensure that customers and suppliers also meet relevant policy requirements, wherever applicable.



► Shaping a Sustainable Future

Economic Contributions

Why this topic matters to UOB Thailand

Our economic contributions include payments to stakeholders such as our colleagues, suppliers, investors, authorities and local communities. The manner in which our economic value is distributed has significant impact on the economy and society.

How we approach this topic

We contribute to the wider economy by creating jobs for employees, sourcing from suppliers of products and services, supporting communities, promoting inclusive financing, and paying taxes to governments. To create long-term value for all our stakeholders, we have frameworks, policies, guidelines and procedures in place to ensure that we remain responsible and disciplined in how we drive growth.

Our targets

- Maintain zero material cases of non-compliance with regard to tax management
- Ensure local staff representation remains above 90 per cent

Our performance in 2020

In 2020, we generated total income of Baht 20 billion, of which we distributed Baht 6.1 billion in employee compensation and benefits and accrued Baht 373 million in income tax to governments. There were no material instances of non-compliance with regard to tax management.

We created livelihoods for more than 4,500 people, with local employee representation almost 100 per cent, and invested Baht 28 million in employee training.

We made monetary contributions of more than Baht 6 million to the community. UOB Thailand also supported local businesses and helped create jobs through the goods and services we bought from local suppliers.

Risk-focused Organisational Culture

Why this topic matters to UOB Thailand

UOB Thailand's risk culture influences the decisions and actions taken by all employees throughout the organisation. Our robust risk culture mitigates conduct risk and safeguards our reputation as we create long-term value for our stakeholders. It promotes the appropriate risk awareness, judgement and behaviours required for risk-taking within UOB Thailand's risk governance framework. Having a sound risk culture is also the foundation for effective risk management and ensures that emerging risks are identified, assessed, escalated and addressed in a timely manner.

How we approach this topic

UOB Thailand's risk culture is built on our values of Honour, Enterprise, Unity and Commitment, and is core to our broader organisational culture. Our comprehensive framework of policies, processes, methodologies and tools helps us identify, measure, monitor and manage material risks and opportunities faced by UOB Thailand.

Our Board Risk Oversight Committee (BROC) is the designated Board level committee that oversees risk culture matters. This sets a strong Tone from the Top and provides the direction for all people managers to convey the appropriate "Tone from Above" which are the signals sent by people managers to their immediate staff. In 2020, we established a risk culture dashboard to provide regular risk culture updates to senior management committees, BROC, and the Board to ensure that they are apprised of the state of risk culture within UOB Thailand.

To ensure the Tone from the Top is effectively translated into the Tone from Above, we have adopted a coordinated and consistent Bank-wide communication approach to embed a sound and robust risk culture consistently within UOB Thailand. The senior management encourages understanding and practice of risk management across the organisation through regular and frequent communication such as face-to-face meetings, discussion groups and internal communication. It is also the responsibility of all people managers to promote risk-focused behaviour within their teams.

Ongoing training reinforces the risk-focused conduct that enables us to earn the trust of our stakeholders over generations. Risk Management training covers the following topics:

- Risk culture and the Code of Conduct;
- Anti-money laundering;
- Assessing and addressing operational and security risks;
- Business ethics;
- Core ethics for financial advisers;

- Countering the financing of terrorism;
- Fair Dealing;
- Financial crime prevention;
- Global fraud prevention;
- IT security and cyber risk awareness;
- Regulations on short-selling;
- UK Bribery Act.

We also ensure that through our whistle-blowing policy, our people have the ability to raise matters of potential concern in a secure manner without fear of reprisal. All reported cases are swiftly investigated and resolved independently by Internal Audit. The status of all whistle-blowing cases is tracked by Internal Audit and reported to the Audit Committee every quarter. In addition, Internal Audit has incorporated the Management Governance and Oversight Rating (MGOR) assessment into its audits to drive culture change in the Bank.

Instilling a risk culture

To promote awareness and understanding of the desired risk culture and risk culture framework, we have implemented the following:

- Established and formalised risk culture definition, statement, and framework;
- Incorporated risk culture, including the framework, principles and case studies, into the Code of Conduct e-learning module to emphasise the importance of maintaining a robust risk culture;
- Surveyed senior management committees to assess openness and robustness to challenges and how risk is embedded within the decision-making process;
- Conducted self-assessment for key business and support units to evaluate the risk culture within each of their units; and
- Increased risk management-related questions in our employee engagement survey to gauge understanding of the prevailing risk culture.



Responsible Financing

Why this topic matters to UOB Thailand

Just as we are prudent in our business practices to ensure financial stability through credit cycles, we are committed to mitigating ESG risks in our operations. Through our financing practices, we recognise that we can play a positive role in shaping the actions of our customers and supporting long-term sustainable development.

How we approach this topic

UOB Thailand is committed to responsible financing to support sustainable development and to mitigate environmental, social and governance (ESG) risks in our lending.

UOB Thailand's Credit Policy includes a Responsible Financing Policy and guidelines with clear roles and responsibilities for due diligence. This ensures that ESG considerations are integrated into our credit evaluation and approval process. Credit Approval is responsible for ensuring that all ESG-related risks are adequately addressed and where necessary, borrowers or projects with any ESG risk are escalated to relevant credit approval and committees for further review and approval.

The Responsible Financing Policy is embedded within UOB Thailand's Credit Policy which is reviewed periodically.

The Responsible Financing Policy applies to all of UOB Thailand's all borrowing customers within Wholesale Banking and to the Bank's capital market activities. Under the policy, Relationship Managers are required to conduct due diligence on all new and existing borrowers during the onboarding process and annual credit review. We have implemented sector-specific Credit Acceptance Guidelines and have ESG checklists in place to help our relationship managers in identifying, assessing and reviewing ESG risks.

Borrowers that fall within the following ESG industries, are subject to enhanced due diligence with sector specific guidance.

- Agriculture
- Metals and Mining
- Chemical
- Infrastructure
- Forestry
- Defence
- Energy
- Waste Management

As part of our ESG risk classification approach to identify, measure and manage the ESG risks in our portfolio, borrowers are classified as either 'high', 'medium' or 'low' ESG risk. This is based on the level of ESG risk inherent in their business operations and the residual ESG risk after taking into consideration their ability to mitigate the inherent risk through policies and measures.

Our Responsible Financing Policy prohibits financing of companies:

- where their operations or projects threaten the outstanding universal value or special characteristics of UNESCO World Heritage Sites, RAMSAR Wetlands, forests of high conservation value (HCV) or may impact critical natural habitat significantly;
- involved in animal cruelty and the trade of endangered species as defined by the Convention on International Trade in Endangered Species (CITES) of Wild Fauna and Flora;
- without measures in place to manage or to mitigate the risk of air, soil and water pollution which may negatively impact terrestrial or marine ecosystems;
- involved in the exploitation of labour, including forced labour and child labour, taking reference from International Labour Organisation (ILO) standards;
- in violation of the rights of local or indigenous communities; and
- involved in open burning for land clearance.

These financing prohibitions are cross-cutting commitments applicable to all new and existing clients and help to bolster our efforts in fostering sustainable development through responsible financing.

The Responsible Financing Policy, supported by a comprehensive set of guidelines, requires the borrowers to comply with local ESG regulations. We notify our borrowers of their need to adhere to our Responsible Financing Policy and request for their representation and warranties to ensure compliance. We also encourage them to follow established industry standards and to obtain relevant certifications.

In addition, we monitor our borrowers on an ongoing basis for any adverse ESG related news. For example, borrowers with any known ESG related incidents will trigger an immediate review with the ESG risks to be addressed and managed appropriately. We allow our borrowers to rectify any breaches of our policy within a reasonable timeframe with Relationship Managers responsible for monitoring their progress. However, if we deem our borrowers unable or unwilling to commit to managing the potential adverse impact of their operations adequately, we are prepared to review and to reassess the relationship, or to reject the transaction.

In recognition of the increasing threat of climate change and the adverse effect it increasingly has on the environment, businesses and society, in 2019 we discontinued new financing of coal-fired power plant projects and prohibited the project financing of greenfield thermal coal mines. Within the thermal coal sector, our financing is limited to mines that have calorific values corresponding to sub-bituminous or higher grade coal. We will continue to engage with and to support our clients in their transition to lower carbon energy sources. Moreover, we have discontinued new financing of greenfield palm oil plantations to address the risk of deforestation and loss of biodiversity.

We review our portfolio's ESG exposure periodically. In 2020, all applicable borrowers had undergone the ESG risk assessment with relevant risks adequately managed and mitigated. We did not have a significant concentration in any of the eight ESG-sensitive sectors. All colleagues serving in relevant roles are trained on our Responsible Financing Policy and its related processes. We continue to maintain a strong focus on capacity-building across the region. In late 2020, UOB rolled out the e-learning module on responsible financing which was developed in collaboration with the ABS and the WWF. This aims to help strengthen awareness of key ESG issues as well as bolstered effective identification and assessment of ESG risks.

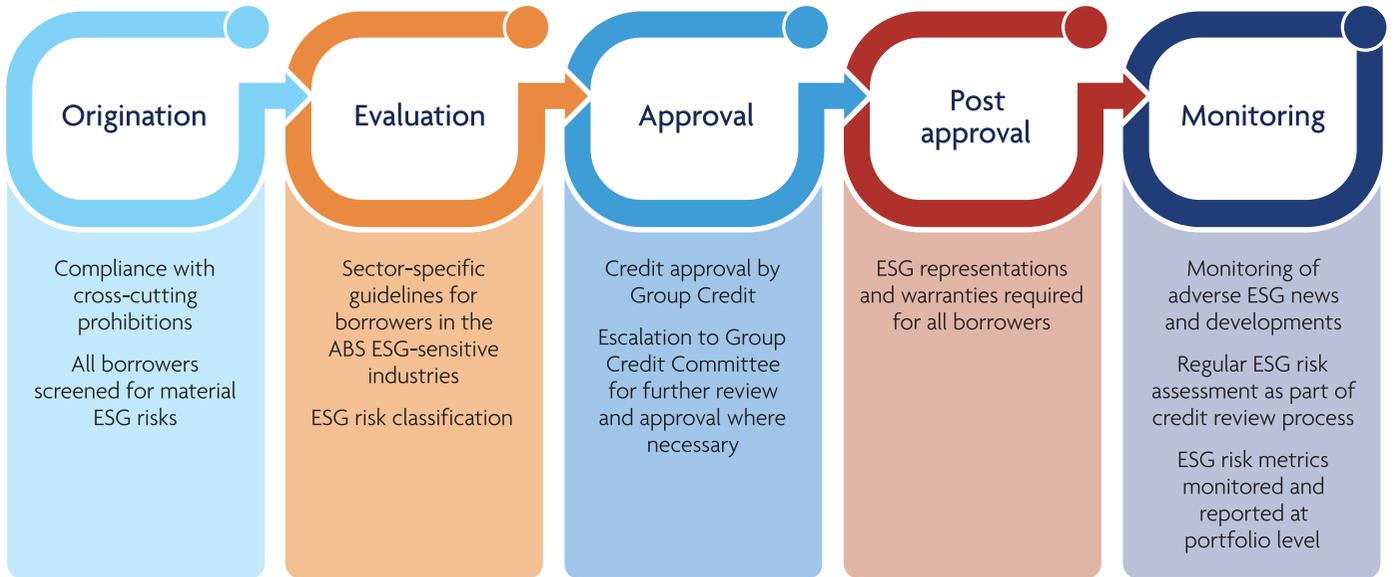
Moreover, we also enhanced our responsible lending policy for consumers to address growing concerns regarding higher household debt. The guideline was established in such a way that the credit underwriting process does not only take into consideration the credit risk based on the borrower's profile and repayment ability, but also accounts for the affordability risk of borrowers to meet their debt obligations in the short and long-term.

In addition, the Bank signed a memorandum of understanding in collaboration with Thai Bankers' Association and other commercial banks to support Bank of Thailand's effort to establish guidelines for responsible lending.

The Bank will continue to engage with regulators as we collectively shape the path towards a more sustainable financial system. We will also continue to engage with other key stakeholders, including customers, colleagues, investors, communities and NGOs to ensure we meet evolving expectations and remain abreast of industry developments.



Responsible Financing



Our approach to ESG risk management

Our targets

- Enhance our environmental and social policies, practices and disclosures continually.
- Strengthen capacity-building and ensure all relevant colleagues are trained in responsible financing principles, policies and procedures.

Our performance in 2020

- We continued to enhance our Responsible Financing Policy and checklists, and further tightened our stance on energy sector financing.
- All relevant staff completed the industry-wide e-learning module on responsible financing, which was developed in collaboration with the World Wide Fund for Nature (WWF).



CONTRIBUTION TO THE UN SDGs



Climate Change Transition and Opportunities

Why this topic matters to UOB Thailand

We recognise climate change as being one of the most complex and defining issues of our time. Studies indicate that Asia is among the most vulnerable regions in the world to global warming. Climate change poses a risk to our environment and a challenge for society and the economy. It is also increasingly a concern for financial regulators. As a leading financial institution, and as part of UOB Group, UOB Thailand has a vital role in supporting efforts toward climate change mitigation and adaptation.

How we approach this topic

UOB Thailand's ESG Committee is a senior management committee that reports directly to the Management Committee. The ESG Committee identifies climate-related risks and opportunities, assesses emerging issues and has responsibility for delivering the Bank's overarching sustainability strategy in partnership with relevant functions across the Bank. To ensure that the Bank's ESG Principles are integrated across our business units, the ESG Committee comprises senior management from business and support functions across the Bank. This approach ensures that emerging climate change-related risks and opportunities – whether identified by ourselves, investors, customers, NGOs, regulators and other stakeholders – are integrated into our decision-making, and assessed and managed at the highest levels. The ESG Committee convenes once each month and serves as the integration point for internal ESG-related working groups with responsibility for environmental and social issues.

UOB Thailand's ESG Framework is implemented through relevant policies and guidelines, including the Bank's Responsible Financing Policy which governs our review and approval of client transactions in environmentally and/or socially sensitive sectors. Internally, to manage our direct environmental impact, our Corporate Real Estate and Services group has a specialised energy and sustainability team that works to mitigate our environmental footprint and to realise our green building targets.

As part of our roadmap, we will engage industry associations, regulators and climate specialists to develop methodologies for climate scenario analysis and to address collectively the challenges of data availability. We recognise that climate risk can translate into known financial risk types for banks including credit risk, market risk, operational risk and liquidity risk, of which we consider the potential credit risk impact to be the most material.



CONTRIBUTION TO THE UN SDGs



Supporting Customers in Sustainable Development

Why this topic matters to UOB Thailand

Thailand's Ministry of Energy targets 33 per cent of energy production from renewable sources by 2037. There is growing support for solar power under the updated Alternative Energy Development Plan (AEDP) 2018. The Energy Regulatory Commission (ERC) is also reviewing policies to allow grid-connected solar rooftop developments and blockchain-based peer-to-peer energy trading.

UOB Thailand strives to support the country's transition to a low-carbon future and contribute to the long-term plan to develop and adopt alternative energy.

How we approach this topic

UOB Thailand has formulated sustainable financing solutions with the aim to maximise impact across various industries, leveraging UOB Group's core strengths.

Sustainable financing initiatives

UOB Thailand is committed to forging a sustainable future with our partners and customers. By leveraging UOB Group's resource and expertise in the energy industry, we have identified sectoral opportunities for green financing solutions as follows:

- energy-efficient buildings;
- expansion of renewables and transition energy;
- electric/hybrid and shared mobility;
- sustainable infrastructure;
- circular economy;
- sustainable land use, food and packaging;
- energy efficiency and connectivity; and
- digitising the supply chain and traceability.



Asset Triple A Country Awards 2020 Green Loan: BECIS-Symbior

UOB Thailand granted a Baht 1.3 billion green project finance facility to fund BECIS-Symbior's commercial and industrial solar portfolio projects. The transaction is the first onshore Thai commercial and industrial solar portfolio financing structured and funded in Thailand under UOB's green infrastructure framework.

The direct and indirect environmental impact resulting from these initiatives include:

- reductions in greenhouse gas emissions;
- improvements in asset utilisation and resource savings;
- better water and waste management practices; and
- value created from waste streams in circular product cycles.

Social impact can also result indirectly from sustainable financing initiatives through better resource and waste management, and enhancements to the living environment of local communities.

Our performance in 2020

UOB Thailand has rolled out sustainable financing solutions across several client segments:

- **Smart City Sustainable Finance Framework:** Baht 1.3 billion green project finance facility to fund a solar project and Baht 20 million green project finance facility to fund the installation of an industrial solar rooftop.
- **Green Financing for Circular Economy Framework:** Trade finance to a packaging recycling company.
- **Real Estate Sustainable Finance Framework:** Baht 450 million green loan to finance a warehouse project.

UOB Thailand granted Baht 1.3 billion green project finance facility to fund BECIS-Symbior's solar portfolio projects. The facility funds a total of up to 75 Megawatt-Peak (MWp) in installed capacity of a commercial and industrial solar portfolio.

BECIS-Symbior's portfolio projects, once fully completed and at peak production, will result in up to 41,000 tonnes of avoided greenhouse gas emissions every year. In addition to supporting the shift to solar power, UOB's green project finance loan will also enable BECIS-Symbior to expand their ongoing efforts in promoting the adoption of clean energy solutions and providing more affordable and energy-as-a-service solutions for commercial and industrial clients.

The collaboration between UOB Thailand and BECIS-Symbior marks a significant step in sustainable financing for UOB Thailand under its U-Solar programme, Asia's first integrated solar power platform. The U-Solar programme is part of the UOB Smart City Sustainable Finance Framework, which guides the Bank's financing efforts to support the development of smart and sustainable cities across the region.

This transaction won the Asset Triple A Country Award 2020 Best Green Loan in Thailand.

U-Solar Programme

U-Solar is Asia's first integrated solar industry ecosystem that supports companies and consumers in the development and use of solar energy through the provision of financing solutions. Through U-Solar, the Bank aims to connect the solar energy industry value chain, from solar project developers, engineering, procurement, construction (EPC) contractors to end users seeking solar power solutions for their factories, offices or homes with our U-Solar's online portal.



UOB Thailand and BECIS-Symbior at the official signing ceremony of the Baht 1.3 billion green project facility held on 28th September

U-Solar is also part of our value chain financing strategy that combines the expertise of various wholesale and retail banking teams across the Bank with the common goal of helping retail and corporate customers transition seamlessly to solar power.

Through U-Solar, we hope to accelerate the adoption of renewable energy for a more sustainable future by:

- supporting local solar contractors and project developers with end-to-end financing from procurement to construction, to operation and maintenance of the solar power system;
- promoting awareness among companies, both commercial and industrial, as well as residential users of the benefits and savings that can be achieved by installing their own solar power system; and
- providing end users with standardised solar financing packages.

UOB Thailand has allied with solar EPC contractors, namely, Banpu Public Company Limited, Bangkok Solar Power Company Limited, and KG Solar Company Limited, to offer a one-stop shop as well as ensure quality of service, and equipment and maintenance provision to end-user customers in the commercial, industrial and residential segments.

For developers and contractors, the U-Solar programme provides them with access to green loans to help them overcome working capital challenges.



► Shaping a Sustainable Future

Information Security and Data Privacy

Why this topic matters to UOB Thailand

Protecting our customers' personal data and privacy is a top priority at UOB Thailand and essential to maintaining their trust in us. We are committed to meet industry best practices and comply with the Personal Data Protection Act of Singapore and Thailand. Banks such as UOB and other financial institutions host important and sensitive information about customers and trust in such institutions can be quickly eroded in the event of a breach. In addition, with the behavioural shift toward digital channels, it is imperative to have robust security controls in place.

How we approach this topic

Data privacy

We have policies and processes in place to ensure the confidentiality and security of our customers' information, including our Personal Data Protection Policy. In tandem with rising international data privacy standards, we also conduct regular reviews on our policies and processes to ensure that our data processing evolves in line with applicable data privacy laws.

Line data protection officers at functional and business levels ensure that personal data is safeguarded. These officers report to the Franchise Data Protection Officers in Singapore, who in turn report to the Group Operational Risk Management Committee. Our line data protection officers ensure compliance with local regulations and Group requirements, assisting in the investigation of alleged breaches as and when required. Group Operational Risk Management and the Data Protection Office review any incidents and corresponding action plans are developed by the business and support units. Significant incidents are escalated to relevant senior management committees.

UOB's Enterprise Data Governance and Data Quality team governs the data life cycle from creation, transformation, consumption to eventual deletion. This function brings together subject-matter experts from across UOB to focus on the continuous improvement of data health, powered by innovations in processes and technology.

Data privacy impact assessments are integral to our business and product development process to ensure that data protection is embedded in the services we provide and in every aspect of our operations.

We respect our customers' preferences regarding the receipt of marketing information and will seek customer consent to receive telemarketing calls. Customers may also withdraw their consent at any time. We facilitate our customers' requests to access and to correct their personal data through various channels such as mail, email or at our branches.

Information on our approach to privacy and data protection and contact details for our Data Protection Officers are available on our website. Our UOB Privacy Notice is also available online and at all branches across UOB Thailand.

Information security

We use technology to provide a borderless, reliable and efficient service, and are committed to protecting our customers' and the Bank's data and assets from cybersecurity threats.

The Group Technology Risk Management Framework and IT Security Management Policy outline our cybersecurity policies, guidelines and tools to protect our data and assets. These ensure that cybersecurity risks are identified and managed in a consistent way across the Group. The Group Technology Risk Management Framework also incorporates comprehensive control requirements set out by key regulators in the Asia Pacific.

Our dedicated Security Operations Centre specialists monitor, detect and respond to potential cybersecurity risks and threats. We also continually upgrade our security capabilities to respond to the evolving threat landscape by partnering leading cybersecurity providers and enhancing our security technology.

Recognising that everyone plays a role in data protection and cybersecurity defence, we regularly train our people on information security and cybersecurity risks.

Our targets

- Protect and secure the Bank's and customers' information by continually deepening our cyber security capabilities to counter threats and to address an evolving security landscape
- Create strong cyber and information security awareness with a "security is everyone's responsibility" mindset and maintain 100 per cent completion rate for employee security training

Ethical use of data

The drive for the ethical use of data is quickly gaining momentum; thought-leaders, industry experts and data practitioners have produced guidelines and publications addressing and highlighting its importance of late. With the advent of artificial intelligence and data analytics, UOB has embarked on its own journey of responsible and ethical use of data across its businesses. A new Enterprise Data Ethics team was formed to ensure the responsible use of data in line with UOB's values, with advisory and technical support from our customer advocates, data governance specialists, legal officers and data scientists to drive ethical behaviour across our data community.

The principles of UOB's values and Code of Conduct are embedded in our modelling and analytics processes. We have developed a balanced operating model and operationalised it across the Three Lines Model to provide robust challenge as well as assurance in the ethical handling of data and its outcomes.

The importance of data quality for data security

Quality data is critical for efficient decision-making at the highest levels. Our regional data quality initiatives not only provide assurance to the regulators, senior management and risk professionals; they also ensure that accurate and timely data can be obtained for analysis and reporting. Our Data Quality Centre of Excellence actively pursues enterprise data quality concerns; deep dives into the associated data management and technical processes; determines the root cause of data quality gaps and collaboratively drives long-term, preventive resolutions across our complex data management landscape.

Secure cross-border data sharing

A framework and guidelines were put in place to govern cross-border transfers of personal data between UOB Group companies worldwide. Enabling responsible and secure cross-border data sharing is of key importance to UOB. Our cross-functional group comprising experts from across the data, risk and business domains has developed guidelines, procedures and processes to guide all data users in responsible cross-border data sharing. This has significantly improved the communications and assignment of responsibilities in cross-border data sharing practices, taking into account the complex regional regulatory and data privacy landscape, as well as internal business confidentiality aspects.

Promoting awareness of information security

We keep our people informed of developments and share best practices with them through our intranet. We also conduct activities such as anti-phishing exercises, password strength assessments and internal cybersecurity training to raise awareness and to test our employees' vigilance and understanding. We broaden our security awareness initiatives to include tailored role-based training programmes for selected high-risk employee groups.

To raise our customers' awareness of cybersecurity so they can also help protect themselves from cyber attacks, we provide them with regular updates on cybersecurity tips and threats via our website, social media channels, electronic mailers, text messages and mobile apps. In addition, our UOB BIBPlus customers can download security software to improve the security of their online banking experience.



Preventative actions we have taken against phishing

- Enhanced monitoring for suspicious access patterns
- End-user browser updates to warn of phishing sites
- Monitoring of re-directed traffic back to our Personal Internet Banking (PIB) website for potential fraudulent sites
- Intelligence gathering and coordination to detect and shut down phishing sites and to block fraudulent transactions
- Bolstering e-mail authentication to reduce ability of spammers to impersonate the Bank



UOB Personal Data Protection Policy Principles

- Personal data must only be collected and used for purposes where there is customer consent, or as may be permitted by law;
- Personal data is used responsibly in accordance with our ethical standards and corporate values;
- Access and disclosure are subject to strict controls;
- Integrity and security of personal data are paramount; and
- Personal data that is no longer required for legal or business purposes must be destroyed, in accordance with document retention policies.



Fair Dealing

Why this topic matters to UOB Thailand

At UOB Thailand, we have put our customers first and it is on this foundation that we developed our business and will continue to grow. What is not right for our customers is not right for us.

Fair Dealing is at the heart of every decision and recommendation that we make. This is achieved through conscious and concerted efforts across our entire franchise.

The principles of Fair Dealing are a reflection of UOB's own values and are not bound by business or geography. Fair Dealing principles are embedded in the way we design our investment products and services, our marketing and sales strategies and approaches through to our after-sales care.

How we approach this topic

Fair Dealing is the responsibility of everyone at UOB Thailand, regardless of our individual roles, and this duty is embodied in our values-based Code of Conduct. Treating Customers Fairly is UOB Thailand's way of working. Our value of Honour underpins our commitment to delivering the five Fair Dealing outcomes as set out in the Monetary Authority of Singapore (MAS)'s Guidelines on Fair Dealing and Bank of Thailand (BOT)'s Market Conduct standard. From the boardroom to the branch, we put our customers and their financial goals first by:

- offering products and services that are suitable for them;
- ensuring our employees give quality advice and appropriate recommendations;
- providing clear, relevant and timely information so that customers can make informed financial decisions; and
- dealing with feedback in an independent, effective and prompt manner.

The Market Conduct Committee (MCC), comprising senior management appointed by the UOB Thailand's CEO, is responsible for ensuring Fair Dealing outcomes for our customers and compliance with the Market Conduct requirements. The Board and Management provide oversight through Operational Risk Management Committee (ORMC), Risk and Capital Committee (RCC), and the Board Risk Oversight Committee (BROC) respectively.

The Bank has in place policies, guidelines and operating frameworks to ensure that we always aim for and achieve the Fair Dealing outcomes and market conduct requirements. MCC also proactively drives the implementation of new programmes and enhanced controls and processes with the objective of improving our standards, including:

- regular "Tone from the Top" communications to reinforce the importance of embracing Fair Dealing and Market Conduct principles in all that we do; and
- UOB Thailand's Customer Commitments Awards to recognise colleagues who uphold and fulfil our customer commitments.

The Group Policy for Financial Advisory Services and Sale of Investment Products is an overarching policy that dictates the minimum standards on provision of financial advisory services and sale of investment products for UOB. It also ensures that we have a consistent practice for dealing with our customers fairly. The policy aims to establish a framework to define the minimum standards to be adopted globally for the activities of financial advisory services and sale of investment products, including but not limited to:

- competency of the sales force;
- due diligence for product suitability;
- fair and transparent disclosures.

Our targets

- Maintain 100 per cent completion of mandatory training on MAS Fair Dealing and BOT Market Conduct for all employees
- Handle all non-compliance instances of Fair Dealing in an independent, effective and prompt manner

Our performance in 2020

- 100 per cent completion of mandatory training for all employees on MAS Fair Dealing and BOT Market Conduct
- 100 per cent of customer complaints were addressed within the established processes and timelines



Customer Experience

Why this topic matters to UOB Thailand

Our customers are the core of our business. By actively engaging our customers and listening to their needs, we can serve them better and create lasting relationships. In focusing on doing what is right for customers, we act in their best interests and provide them with appropriate solutions and services through our omni-channel approach. We also use technology and data to create distinctive experiences for our customers that are safe, reliable and relevant.

How we approach this topic

We employ various methods to understand better our customers' needs and preferences and how they use our products and services. UOB Thailand's Art of Service Recovery programme equips our colleagues with the skills to resolve customer complaints and to turn challenging situations into positive outcomes. In 2020, UOB Thailand conducted three e-learning modules which allowed participants to complete the modules at their own pace.

When we receive feedback from customers, we conduct a review and root-cause analysis for each customer feedback with the respective business or support unit to address the concerns of our customers and to identify areas of improvement.

We have cross-functional teams in place to develop, to refine and to implement improvement initiatives using the consolidated customer insights drawn from internal and external sources. Our continuous improvement is also guided by the Net Promoter Score (NPS) and Customer Satisfaction Score (CSS), which are tracked throughout the year.

We demonstrate our commitment to treating customers fairly by:

- offering products and services which are suitable for our customers;
- ensuring our colleagues are competent in providing quality advice and appropriate recommendations;
- providing clear, relevant and timely information so that our customers can make informed financial decisions; and
- dealing with customer complaints independently, effectively and promptly.

Our Customer Experience and Advocacy (CEA) function monitors key performance indicators and metrics relating to customer experience at both the strategic and operational level. Regular updates are presented to CEO, senior management as well as relevant committees. The updates relate to customers' NPS for Retail Banking and Business Banking, as well as customer complaint indicators and end-to-end service measures.

Our targets

- Maintain mean Customer Experience (CX) score for Group Retail, Group Wholesale Banking and Markets at above 7.0 based on a 0-10 point scale.
- Customer issue resolution turnaround: 90 per cent of general complaints resolved within five business days

Our performance in 2020

- Achieved 9.2 in mean CSS and improved 64.4 in NPS in Retail Banking
- Achieved 8.3 in mean customer experience score in Wholesale Banking
- Exceeded customer issue resolution target, with 99 per cent of complaints resolved within five business days
- Customer compliments via TMRW Contact Centre increased by 96 per cent

Gaining better insights through market research

We have in place a customer review framework which enables business units including wholesale banking and retail banking to assess actionable feedback, to propose follow-up solutions and to track targeted outcomes. The framework helps us to drive tangible and timely improvements in our products and services for our clients.

Enhancing contact centre experience

In 2020, we focused our energy on improving the services of UOB Thailand Contact Centre. After the launch of TMRW Contact Centre, we worked hard to ensure that the high volume of inquiries through chat and incoming calls, which increased by 69 per cent compared to 2019, were handled efficiently. We found that the number of customer complaints remained unchanged while the number of customer compliments increased by 96 per cent. This improvement was aligned with the Digital Bank's NPS score.

At UOB Thailand Contact Centre, total call volume reduced by 6 per cent while customer complaints decreased by 43 per cent. We also achieved a 12 per cent increase in customer compliments.



Customer Experience

Building a Customer-centric Culture

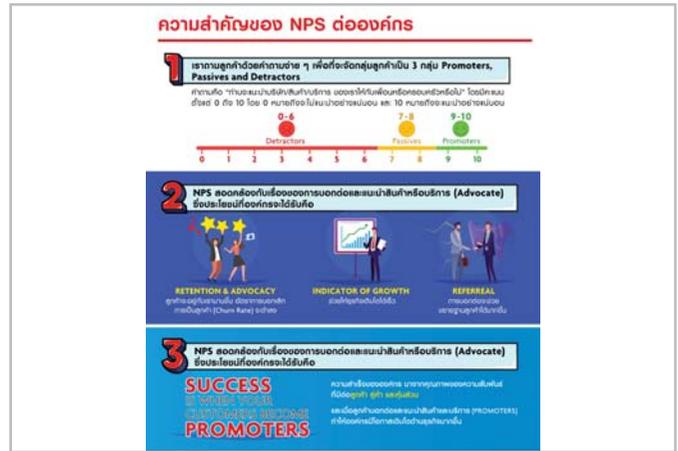
Throughout 2020, we regularly communicated to our frontline and back office employees, via internal channels such as email and Yammer, to help them understand how they could play a part in delivering great customer experience.

Listening to the Customer's Voice

In 2020, we conducted a survey among 15,000 customers to measure customer experience and satisfaction with our services in relation to, for example, credit card application, account opening and contact centre. We consequently used the survey feedback to enhance our services to meet and even exceed our customers' expectations.



"Turn Crisis into Opportunities" video clip was posted on UOB Yammer to guide our employees in how to support our customers during the COVID-19 pandemic.



"Introduction to NPS" e-letter was sent out to help our employees understand how we measure customer satisfaction using the Net Promoter Score (NPS).



"A Management Workshop" was organised for employees in leadership positions to help them understand how their roles are central to customer experience. Participants also brainstormed on potential areas of improvement."



"CX Roadshow" was organised to raise awareness of customer experience among branch employees nationwide and educate them on how to serve customers fairly.



CONTRIBUTION TO THE UN SDGs



Innovative Digital Banking Products

Why this topic matters to UOB Thailand

With the rapid advancement of technology in recent years, people are expecting faster and more convenient products and services that can be accessed easily online. The successful introduction and transformation of digital banking products help create a seamless banking experience for customers. Through greater use of technology, banks will also be able to offer underserved segments in the community access to digital banking products and services such as deposit accounts, loans and credit cards.

How we approach this topic

At UOB Thailand, our digital strategy is focused on the customer – offering them products, services and solutions that are smarter, safer and simpler in the manner they prefer, whether at the branch or through their mobile devices. Enabling this is technology, from Artificial Intelligence (AI), data analytics, robotic process automation to cloud computing.

During the COVID-19 Pandemic, consumer preferences changed which resulted in the acceleration of digital products and services. TMRW, UOB's digital bank, is well-positioned to meet the new demand for digital financial solutions in the Thai market. At the same time, we support the Small- and Medium-sized Enterprise (SME) sector through digital literacy training in order to equip them for the transition and to survive the disruption caused by the pandemic.

Our target

Increase digitally active customers as a proportion of total consumer portfolio from 18 per cent in 2020 to 33 per cent by 2023.

Our performance in 2020

Increased the number of new digital registrations and monthly digital active users to 64 per cent and 29 per cent respectively. These numbers represented an increase of 14 per cent and 29 per cent compared to the previous year.

UOB Mighty: Combining banking, payment and lifestyle services into one mobile app

First launched in Singapore in 2015, UOB Mighty was the industry's first all-in-one mobile app that combines banking services, contactless payments, dining and rewards in a single app.

In Thailand, we have integrated PromptPay, a national e-payment method into UOB Mighty to make cashless payments more convenient for our customers.



Awards

The Digital Banker 2020

Best Digital Bank for Customer Experience
Outstanding Leadership in Customer Experience
Outstanding Chatbot Customer Experience

The Global Retail Banking Innovation Awards 2020

Best Bank for Millennials
Best Digital Bank
Best Digital Bank - ASEAN

The Finovate 2020

Best Financial Mobile App

CX Asia Excellence Awards 2020

Best Customer Experience (Gold)
Best Brand Experience (Silver)

Alpha Southeast Asia's Best Financial Institution Awards 2020

Best Digital Bank

The 2020 Global Finance Awards - Thailand

Best Consumer Digital Bank

International Finance Awards 2020

Most Innovative Digital Bank - Thailand
Best Customer Experience Digital Bank - Thailand

Infobank Awards 2020

Top 10 Bank For Mobile Application Account Opening

The Asset

The Asset Best Initiative in Innovation



Innovative Digital Banking Products

TMRW: Serving ASEAN's mobile-first, mobile-only consumers

Making banking easy for the region's digital generation

We designed and built TMRW to be the first mobile-only bank for ASEAN's digital generation. The digital bank was first launched in Thailand in March 2019 and, in August 2020, was subsequently launched in its second market in Indonesia.

Since its outset, TMRW has aimed to help customers stay on top of their finance and to support them to reach their financial goals by providing AI-driven personalised insights of individual customers.

TMRW is the first bank in Thailand to introduce a real-time expense tracking feature, which helps customers track their spending by category and alerts them in real-time when their spending is near their pre-set budget. The feature has recently exited TMRW's beta programme and is now available for all TMRW customers.

TMRW is also the first bank that makes banking fun with its saving game in the City of TMRW feature. TMRW's pan-regional Engagement Lab (eLab) focuses on using the latest technologies and behavioural insights to deepen customer engagement.

Scalability and commercialisation

As we enter the next phase of TMRW's development, we have identified three key pillars as part of the business strategy to scale up and commercialise:

- Scale through established relationships with ecosystem partners;
- Drive continuous innovation across the organisation. With the "one-bank" approach, we are able to share our resources across UOB and TMRW to create value for our customers; and
- Build up both sides of the balance sheet, supplemented by fee income.

>25,000 Growth in customer accounts opened since launch	Record Net Promoter Scores of +45 in Thailand and +60 in Indonesia	Fully digital onboarding <7 Minutes	178% increase in customer accounts opened since January 2020
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TMRW: Empowering the digital generation

- Launched in Thailand in March 2019 and Indonesia in August 2020, TMRW is UOB's first mobile only digital bank in ASEAN that aims to make banking simpler, more transparent and more engaging for our digitally-savvy customers by personalising the banking experience for each and every individual
- TMRW offers innovative and simple solutions to help customers stay one step ahead of their finances and to have the best customer experience. The more customers bank with TMRW, the more the digital bank learns about their money movements and offers them personalised alerts, reminders, and tips so they can spend and save better.
- Created for ASEAN millennials who expect intelligent and personalised digital services on their mobile phones, TMRW is unique in its engagement-focused business model which was designed to deepen customer engagement with every interaction and to create a banking experience that is simple, engaging and transparent



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Financial Inclusion

Why this topic matters to UOB Thailand

Asia, where we operate, is a diverse and fast-growing region benefitting from inter- and intra-regional trade flows, a young and dynamic population and growing affluence. Even as income levels and standards of education continue to rise in Asia, we recognise the need to keep pace with the underserved individuals and businesses who may lack access to useful and affordable financial products and services. To achieve sustainable financial inclusion, it is also crucial that banking products and services continue to meet the needs of people from different economic backgrounds or at different stages of life.

How we approach this topic

UOB Thailand is committed to making banking services and products accessible and affordable to diverse segments of society to meet their needs and expectations. We aim to be holistic in our approach to financial inclusion, taking into consideration the unique socio-economic factors in each of our markets. For example, we offer UOB BizMerchant, a working capital commercial loan, to small online sellers on Lazada who usually have limited access to traditional bank loans. Under UOB BizMerchant, we analyse customers' transaction data from the e-commerce platform partner in order to assess credit worthiness and grant customers a credit line. This programme helps small online sellers to gain access to a bank loan to support their business a lower cost than borrowing from non-bank lenders.

Our targets

UOB Thailand seeks to grow its small business customer base by targeting to reach 70,000 customers by 2024 as well as to increase its market share of product sales on digital platforms. Moreover, the Bank will continue to broaden its business partnership network to include logistics businesses, supply chains and digital ecosystems, by collaborating cross-functionally with retail banking and wholesale banking to create inclusive access to financial products and services for SMEs.

Our performance in 2020

UOB Thailand supported more than 45,000 small businesses in Thailand to adopt digital financial products and services to enhance their productivity and efficiency.



Financial Inclusion

Data driven strategy for SMEs

Access to financing continues to be a challenge for many SMEs in Asia. For many small businesses, their lack of proper or audited financial records could also make it difficult for banks to assess their creditworthiness accurately. This could lead to lengthy credit evaluation processes and a significantly higher cost of financing.

With the rapid growth of e-commerce in Thailand, we recognise that more online SME retailers are looking to seize the business opportunities in this industry. To support them, we launched UOB BizMerchant, a financing programme that uses our data analytics-powered credit underwriting engine to analyse datasets such as e-commerce sales records in order to gain deeper insights into SMEs' credit behaviour and creditworthiness. This in turn enables us to process loan applications more quickly and accurately, resulting in faster turnaround time for customers.

We aim to help online businesses operating on e-commerce platforms such as Lazada. The UOB BizMerchant programme also enables them to apply for loans digitally, offering more frictionless experience. Once a loan is approved, we also offer the customer other solutions such as a banking account, ATM card, internet and mobile banking services. In 2020, more than 60 SMEs in Thailand received loans that totaled Baht 20 million through UOB BizMerchant.

In addition, we also provide SMEs access to our e-commerce partner ecosystem from which they can tap business solutions or enjoy exclusive benefits.



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Attracting, Developing and Retaining Talent

Why this topic matters to UOB Thailand

Our ability to remain a viable and sustainable financial institution is largely dependent on our capacity to attract, retain, and develop talent. For us to grow and thrive as an organisation it is essential that all our colleagues are provided with the opportunity to develop themselves professionally. This in turn will allow them to positively contribute to the success of the Bank. We provide both professional and personal development programmes in order to ensure our people are equipped with the tools necessary to remain competitive in the workplace.

How we approach this topic

We strive to create a culture that encourages and recognises employee efforts to contribute to the greater good of the organisation. This is achieved through our endeavours to create a performance-based workplace that champions inclusiveness and encourages the fostering of new ideas among colleagues.

We offer an array of mandatory training programmes to equip our colleagues with the skills needed to enhance and serve our customers to their fullest potential. In addition, colleagues are encouraged to explore and learn new skills that allow them to maintain a healthy career as technology continues to disrupt the work environment.

As an equal opportunity employer, we aim to attract a diverse workforce that shares the same vision and values that we hold as an organisation. Our Talent Acquisition team uses local recruiting tools and web platforms to find candidates that have direct experience and fit within the vision of the ideal UOB employee. To make the candidate experience more enjoyable, UOB Thailand uses the SuccessFactors recruiting platform with an integrated Application Programme Interface (API) as a single channel for job posting and candidate application submissions.

Our targets

- Expand the right learning styles for our employees while maintaining an effective amount of average training hours per employee each year

Our performance in 2020

- We invested Baht 28 million in employee training in 2020. We emphasised on blended learning styles, conducting classes that included both virtual and online sessions in order to allow more flexibility for our colleagues.
- After a pilot programme in 2019, we launched the Better U programme in 2020, conducting all workshops virtually due to COVID-19 related restrictions.



The Global Retail Innovation Awards 2020

The winner of the Best Graduate Employee Programme

Our commitment to fairness

UOB Thailand is dedicated to maintaining an inclusive workplace where all colleagues are treated professionally and in a respectful manner. Discrimination, bullying, or harassment is not tolerated in any manner.

Colleagues are expected to behave in a manner consistent with our UOB Code of Conduct. The Code is updated regularly to stay relevant and to address any regulatory and policy changes. New colleagues are informed of their obligations and rights under the Code. All colleagues are required to refresh their knowledge of the Code through annual mandatory refresher programmes. Further, communications are dispatched throughout the year.

Employee performance management

At UOB Thailand, colleague performance is analysed through our multi-integrated performance management framework known as PEAK: Plan, Engage, Appraise, and Keep Track. Under PEAK, colleagues establish their business and personal development goals at the beginning of each year and have discussions with their managers throughout the year on their progress. PEAK is designed to be an objective tool that gives colleagues clear objectives and expectations with coaching opportunities so they can further develop their career opportunities within the organisation.

In addition, our 360-degree evaluations for senior management was established by the People Development Committee to ensure fair performance ratings, identify talents, and prepare leadership development.



Attracting, Developing and Retaining Talent

Leadership development and succession planning

Leadership development is a core component of our training focus at UOB Thailand. As part of our commitment to investing in our talent pool, high performing colleagues across all levels of the organisation are invited to join our Leadership Acceleration Programme in order to accelerate their personal and professional development. Identified talents who passed the required performance criteria and potential assessment results are provided individual development plans that are updated annually for their individual career growth both within the country and across countries in UOB.

Succession planning is also a key part of maintaining stable leadership in light of attrition, management retirement, or other work disruption factors. Succession plans are in place for all key roles across the organisation and are regularly reviewed by the Board of Directors.

Ensuring our colleagues are future-ready

In 2018, UOB Thailand started equipping employees with knowledge about digital disruption and changing customer behaviour. For the last two years, we have focused on reskilling staff through classroom programmes such as Learn to Unlearn, Big Data Analytics. These programmes are available to all employees in addition to several other e-learning courses. Design Thinking was conducted for Department and Division Heads in 2019, while bi-monthly Knowledge Forums about digitalisation and digital banking are open to all employees.

UOB Thailand has used SuccessFactors as our Learning Management system (LMS) and as our eRecruiting platform for hiring managers and applicants since 2019. In addition to conducting training online, SuccessFactors allows managers to track the development reports of their team members. We support our employees and in turn our business growth through their digital development opportunities.

Via SuccessFactors, we use an integrated Application Programme Interface (API) as a single channel for job posting and the candidate application process. The system links with other job sites such as Job Topgun, JobsDB and LinkedIn to show our job postings in targeted channels.

This has helped speed up the process and has resulted in more effective time management. It has also helped us attract external talents, especially those with financial and digital skills.

Building capabilities for the future

In May 2020, we aligned with UOB by launching the Better U programme, an upskilling development programme that provides future skill training to our colleagues in an increasingly changing digital landscape. With the banking sector undergoing rapid transformation and roles increasingly redefined by emerging and new technologies, the Better U programme equips our colleagues with five core competencies essential to remain relevant in the future.

Through the 12-week foundation course, colleagues attend a virtual workshop and complete online modules aimed at encouraging a growth mindset and developing complex problem solving skills as well as skills in the areas of digital innovation, human-centred design and data storytelling. Employees were also required to share how they can apply the material learned during the sessions to their work with their direct manager. At the end of each 12-week course, the programme moderator conducts a virtual wrap-up session to ensure the Bank's return on investment.

In light of the COVID-19 pandemic in 2020, we adapted our training approach by offering more virtual training through a digital platform. Since 2019, our colleagues have been able to increase their digital learning opportunities through SuccessFactors, our digital learning system (DLS) available via computer and mobile application. SuccessFactors enables our colleagues to learn new skills that can be applied both to their work and life interests. Colleagues are able to engage in a wide array of learning programmes, including training and development activities conducted by our internal trainers. The system also offers a wide variety of training courses from external platforms. In 2020, we also partnered with the Thai Banker's Association Academy to provide online technical programmes required by the Bank of Thailand (BOT) as we focus on employee needs.

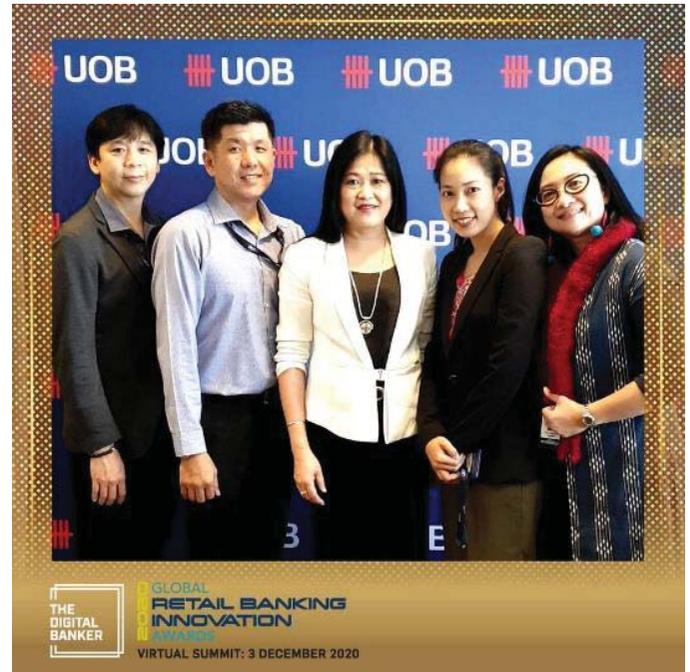
Grooming young talent

The UOB Management Associate (MA) Programme targets highly motivated young talents to join our organisation in hopes of developing them into the Bank's leaders of tomorrow. The 18-month programme provides MAs with job-rotations so they can diversify their skillset among an array of functions. In 2020, we received more than 1,000 applicants, from which five candidates were selected to join the MA Programme 2020.

Overall, we have had 56 MAs since the programme began in Thailand in 2006.

UOB Thailand received the Best Graduate Employee Programme at the Global Retail Banking Innovation 2020 in recognition of the UOB Management Associate (MA) Programme's efforts in providing newly graduated talents with opportunities for career development. These MAs are given the opportunity to grow within UOB, where successful candidates are provided worldwide rotation opportunities, and the accelerated potential to be promoted to higher level management positions. UOB Thailand has 12 former MAs who have been promoted to senior levels since the programme began 10 years ago.

The Structured International Internship Programme is a highly attractive opportunity, especially to Singapore university students, to gain real working experience at UOB Thailand. The programme was started in 2018 but was suspended in 2020 due to COVID-19 related restrictions. Partners with the programme include Nanyang Technological and Nanyang Polytechnic Universities.



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Workplace Safety, Health and Well-being

Why this topic matters to UOB Thailand

We are committed to maintaining a safe and responsible work environment that allows our staff to maximise their performance abilities. As a valued resource, it is essential to take care of the well-being of all UOB Thailand colleagues in all our offices across the country.

How we approach this topic

As part of UOB Thailand's commitment to health and safety, our Occupational Safety, Health and Work Environment Committee has established policies aimed at creating a safe culture in the workplace for employees as well as for business partners and contractors who visit our facilities. The committee consists of members from various functions who meet monthly to discuss safety concerns.

Our performance in 2020

As the COVID-19 pandemic continued to impose health risks on the public, UOB Thailand heightened measures to ensure the health and wellbeing of our workforce. The preventative measures that were put in place at our premises include:

- Temperature check and alcohol gel hand sanitisers were made available for all employees and visitors before entering our premises;
- Fabric masks were handed out to all UOB Thailand employees. Three-ply masks and hand sanitiser were provided to all frontline colleagues on a daily basis. In addition, face shields were distributed to branch staff, contact centre staff, collections staff, and telesales staff;
- Anti-bacterial acrylic partitions were installed at customer service areas at all branches; and
- Common areas such as lobbies were cleaned every two hours, elevators every hour, and office areas twice each day;

- Social distancing of at least 1.5 metres was required between working areas and clear partitions were installed where the social distancing standard could not be achieved; and
- Employees using UOB Thailand transportation were required to follow strict hygiene guidelines, which include wearing masks and applying hand gel before entering vehicles.

As a result, there was no confirmed case from a total of 7,600 permanent, outsourced and contracted employees. According to our COVID-19 Pulse Survey, 90 per cent of employees felt that they could cope with the challenges well. 92 per cent stated that UOB Thailand took good care of them with the preventative measures taken to protect their health and well-being.

Providing for employees' health

At UOB Thailand, the health and well-being of our employees are our first priority. We also provide access to annual vaccines at discounted prices for all permanent employees and their family members. In addition, employees can take advantage of our Fitness Centre at Phetkasem Head Office or join various physical activities through our social clubs such as aerobics, cycling or badminton.

Colleagues at Phetkasem and Sathon Head Offices can visit nurse room when they feel unwell during work hours. There is a doctor and a nurse on standby for one hour daily. Further, a nursing room for new mothers is available at our Phetkasem nurse room.

Advancing workplace well-being

As pollution problems continue to heighten health-related concerns in Thailand, we have installed PM2.5 detectors at all branches nationwide and air purifiers at eight branches where the level of PM2.5 is higher than the standard level.



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Diverse and Inclusive Workforce

Why this topic matters to UOB Thailand

UOB Thailand values diversity and inclusiveness within its workforce. We believe in creating a work culture where our colleagues draw upon their different backgrounds, views and opinions in order to find effective solutions to business challenges. Being an international bank, we are proud of our diverse workforce, which is represented by 8 nationalities.

How we approach this topic

UOB Thailand is an equal opportunity employer with a workforce that values the principle of always doing what is right for our colleagues. We take a non-discriminatory recruitment approach where candidates are chosen for positions based on their direct experience and offer competitive merit-based pay.

UOB Thailand's Code of Conduct prohibits any kind of discrimination, bullying or harassment, whether based on a person's race, ethnicity, gender, gender identity or expression, colour, creed, religion, national origin, nationality, citizenship, age, disability, marital status, sexual orientation, culture, ancestry, veteran status, socioeconomic status or any other legally-protected characteristic.

All employment decisions at UOB Thailand are based on business needs, job requirements, qualifications, and regulatory requirements. Employees are encouraged to raise their concerns without fear of retaliation through the Group's whistle-blowing mechanism.

Our targets

To create an inclusive environment where active discourse is encouraged and equal opportunities are provided to all of our employees regardless of age, gender, or beliefs.

Our performance in 2020

Age and gender in the workforce

Women are accounted for 70 per cent of all permanent employees in 2020. Women held 55 per cent of senior management positions and 54 per cent of country function head roles. We also have a diverse workforce, which included 28 per cent Gen X and 64 per cent Gen Y in 2020. UOB Thailand also offered re-employment opportunities to 28 colleagues in Thailand who were eligible for retirement, as we recognised the knowledge and expertise our older colleagues can provide to the organisation.

Building a sustainable economy and society

In March 2017, we joined forces with fellow members of the Thai Banker's Association (TBA) and Bank of Thailand (BOT) in signing the TBA Code of Conduct with the goal of developing a sustainable economy.

We have received a number of Fame Awards since 2017 in accordance with our support of the TBA to improve the quality of life among Thailand's disabled community.



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► Shaping a Sustainable Future

Strong Governance

Why this topic matters to UOB Thailand

Strong Governance is crucial to organisational success, value creation and sustainability. We are committed to upholding the highest ethical and corporate governance standards. In establishing and maintaining a culture of accountability, responsibility and ethical behaviour and practices, we safeguard the long-term interests of and create value for our stakeholders.

How we approach this topic

Our corporate governance is based on a partnership between our Board and Management, supported by a system of frameworks, policies, guidelines and procedures by which we operate, make decisions and ensure accountability. We also regularly evaluate and revise our governance approach to ensure that it is relevant and aligned with best practices, and to respond to changes. Where there is the need, we do not hesitate to implement new policies and practices.



Board leadership

The Board provides strategic direction and leadership in promoting corporate governance, with the support of the Management. Among its roles, the Board sets the Tone from the Top and the desired organisational culture and values of the Bank, and inculcates an appropriate risk culture. It also considers sustainability issues and material ESG factors in formulating the Bank's strategies.

The Board delegates some of its duties to four Board Committees, namely, the Audit Committee (AC), Board Risk Oversight Committee (BROC), Executive Committee (EXCO), and Nomination & Compensation Committee (NCC). Comprising a majority of independent and non-executive Directors, the Board collectively has skillsets, expertise and experience across industries, professions, backgrounds and culture, providing diversity in thought and opinion. Succession planning is conducted for board renewal on an ongoing basis. Annually, each director is

assessed on their independence, fitness and propriety to hold office and performance.

Directors receive regular training on topics ranging from the Bank's initiatives, industry developments and trends to regulatory updates. Training sessions may be conducted by internal personnel or external specialists. Newly-appointed Directors are briefed by key senior management on the Bank's business, risk management approach and other relevant topics.

The Board, assisted by the AC, works closely with the internal and external auditors and Management to ensure a strong Third Line. The AC meets internal auditor and external auditor separately in the absence of Management at least once every quarter.

Management

The CEO leads Management in the execution of strategies and plans approved by the Board. The CEO also leads Management in seeking out new opportunities and in the day-to-day operations of the Bank. Assisting the CEO are the following dedicated senior management committees that provide governance oversight on the day-to-day management of UOB Thailand:

- Risk and Capital Committee: oversees the management of risks and capital of UOB Thailand;
- Management Committee: oversees the overall performance of UOB Thailand, country corporate functions and business segments, including strategic direction and business activities as well as capital and resource allocation;
- Asset and Liability Committee: oversees the effectiveness of our market and liquidity risk management;
- Credit Committee: oversees credit and country risk management;
- Environmental, Social and Governance (ESG) Committee: sets ESG strategy and roadmap;
- Information and Technology Committee: provides strategic oversight of investment in technology, data and productivity;
- Operational Risk Management Committee: oversees operational risk management, including approval of frameworks, policies, risk models and methodologies relating to operational and reputational risks; and
- Brand and Service Committee: oversees the appropriate management on brand and service related issues/matters.



Regulatory Compliance

Why this topic matters to UOB Thailand

Banks play an integral role in ensuring the stability and security of the financial system. At UOB Thailand, regulatory compliance is a top priority. We are respectful of the laws and regulatory standards in the jurisdictions in which we operate and are mindful of the nuances in each. Led by our values, we are committed to safeguarding the interests of our stakeholders, including regulators, and to maintaining the trust that they place in us. As the custodian of our customers' assets, we are accountable for upholding the highest standards of ethics and integrity. This helps to ensure that UOB Thailand remains a source of stability, security and strength for our stakeholders.

How we approach this topic

To protect the integrity of the financial system, governments and regulators continue to introduce new measures to manage increasing risks of cyber threats and financial crime, as well as to address opportunities and challenges arising from technological advances, and changing consumer behaviour and preferences. New laws, regulations and standards are also being developed around the world to mitigate the potential impact that business activities may have on the environment and society.

In tandem with increasing regulatory emphasis on the outcomes driven by these reforms, financial institutions are continually assessing and adjusting their policies and processes to ensure compliance and best practices are in place. As a trusted financial institution, UOB Thailand is committed to complying with Thai laws and regulations. The Bank has robust protocols and processes in place to address the regulatory requirements which include identifying, assessing, monitoring and managing regulatory compliance risks.

In maintaining our values-based compliance culture, we also monitor regulatory and industry developments closely, actively engage with regulators, policymakers and standards-setting bodies, and enhance the compliance capabilities within our organisation continually. We also regularly provide updates on regulatory trends and developments to senior management committees and the Board.

Our targets

Maintain zero material issues raised by regulators.

Our performance in 2020

We respect the laws and regulations pertaining to environmental, social and economic impact, product and service information and labelling, and marketing communications which includes advertising, promotion and sponsorship. In 2020, no material fine, penalty or sanction was imposed on the Bank for non-compliance in relation to any of the above.

Prohibiting insider trading

UOB Thailand employees are expected to act honestly and with integrity, including with regard to the information that they obtain in the course of their work. All are required to adhere to the UOB Group Policy on Personal Trading in Securities, which governs the prohibition of insider trading and sets the framework for the management of insider trading risks. They are also required to complete annually an online learning module on insider trading and market misconduct.

UOB Thailand has in place a Pre-Trade Clearance System (PTCS) that requires employees, who may reasonably be expected to have access to inside information, to make declarations and to seek approval before executing their trades on the stock exchanges. In addition, our Compliance team regularly reviews securities transactions to detect potential violations.

Foreign Account Tax Compliance Act (FATCA)

Under the provisions of United States' (US) tax law, FATCA, non-US financial institutions are required to identify and to report information on assets held by US persons and other non-cooperative entities and individuals to the US Internal Revenue Service. Many countries, including Thailand, have entered into intergovernmental agreements with the US to facilitate the reporting required under FATCA.

We are committed to comply with the provisions of FATCA and to ensure that UOB Thailand meets all applicable FATCA requirements. Our governance framework also ensures that UOB Thailand continues to comply with FATCA requirements on a business-as-usual basis.



Preventing Corruption, Fraud and Money Laundering

Why this topic matters to UOB Thailand

Financial crimes undermine fair competition, impede innovation, raise costs and pose serious legal and reputational consequences. Such threats, if not anticipated and addressed, could severely undermine both the integrity and trust of the financial system. UOB Thailand is committed to helping to protect the integrity of the financial system and its users. We do this by continually strengthening our ability to mitigate risks of financial crime and investing in the necessary expertise and systems to do so.

How we approach this topic

UOB Thailand is committed to fighting and preventing corruption, fraud and money laundering by providing the leadership and resources necessary to achieve these objectives. Our approach is predicated upon a strong Tone from the Top and a Bank-wide culture committed to acting with honour. The UOB Code of Conduct lays down the principles of personal and professional conduct and the requirement for all employees to uphold the highest standards. All new employees are required to complete an online learning module and assessment on Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) and Sanctions, the UOB Code of Conduct, UK Bribery Act 2010, and Fraud Awareness. Subsequently, all employees are required to complete a refresher course on these topics annually. Our Whistle-blowing Policy provides an avenue for employees to report concerns of suspected or actual wrongdoing.

Our targets

Maintain 100 per cent completion of mandatory employee e-learning on AML/CFT and Sanctions, fraud awareness, anti-bribery and anti-corruption.

Our performance in 2020

Achieved 100 per cent completion rate for mandatory employee e-learning on AML/CFT and Sanctions, fraud awareness, anti-bribery and anti-corruption.

Preventing corruption

We have zero tolerance of corruption. UOB Thailand employees are educated via the Code of Conduct and mandatory online training to promote good governance, advance awareness on what would constitute corrupt practices, referencing the UK Bribery Act 2010 amongst other regulations. Our contractual obligations with customers, service providers, agents and business partners respectively include relevant provisions or clause prohibiting corrupt practices.

No legal proceedings or regulatory inquiries or solicitation regarding issues of corruption were commenced during the reporting period. No employment contracts were terminated during the reporting period as a result of an employee being found to have paid or solicited a bribe. No confirmed cases of bribery and corruption were recorded during the reporting period.

Preventing fraud

UOB Thailand takes a proactive stance in managing fraud risks and has a governance framework and security measures in place to address risks across our transactional banking and branch channels. The Integrated Fraud Management (IFM) unit was established in 2017 to enhance UOB's management of fraud risk across geographies and to drive collaboration across functions for a more integrated anti-fraud approach. IFM works closely with business and support units to strengthen their anti-fraud practices across the five pillars:

- Prevention
- Detection
- Response
- Remediation
- Reporting

UOB Thailand has a fraud management strategy and framework in place for these five pillars. The framework covers the roles and responsibilities of the First Line with integrated oversight by the Second Line and audit assurance by the Third Line. All First Line business and support units receive structured training on fraud awareness to strengthen capabilities in detecting internal and external fraud.

The Bank invests continually in fraud monitoring and detection systems.

UOB Thailand adopts a zero-tolerance policy to fraud and breach of the UOB Code of Conduct. All employees are informed that the Bank will not hesitate to investigate and to report internal fraud to the appropriate authorities.

Anti-money laundering

The Anti-Money Laundering Committee (AMLC), represented by senior management, oversees the management of anti-money laundering/countering the financing of terrorism (AML/CFT) and sanctions risks for the Bank. Our AML/CFT and Sanctions Framework aims to detect and to prevent the risks associated with money laundering, terrorist financing and sanctions. The framework includes programmes relating to risk assessment, employee training, customer due diligence and transaction monitoring. We require all employees to comply with UOB's AML/CFT and Sanctions Policy, as well as applicable laws. We regularly review our framework, policies, procedures, programmes and transaction monitoring systems to ensure their robustness and compliance with regulatory requirements. The framework and the associated programmes are also audited by our internal and external auditors.

We have established the AML/CFT and Sanctions Programme to ensure that money laundering, terrorist financing and sanctions risks identified by UOB Thailand are sufficiently mitigated. It includes elements of risk assessment, customer due diligence, controls and monitoring, investigating and reporting of potential suspicious activity to the relevant regulatory bodies. Under the programme, a Country Money Laundering Reporting Officers is appointed. The AML/CFT and Sanctions Programme is subject to periodic independent testing.

In 2020, we also embarked on forward-looking risk mitigation by collaborating with a regulatory technology company to enhance our AML surveillance abilities, using an integrated solution that enables us to target illicit conduct with greater sophistication and precision. The solution has been applied to our name screening and transaction monitoring processes.



CONTRIBUTION TO THE UN SDGs



Sustainable Procurement

Why this topic matters to UOB Thailand

UOB Thailand seeks to address the ESG risks and effects of our operations in a manner consistent with our values. This approach extends to the procurement of products and services from suppliers. The conduct of our suppliers has the potential to impact our standing and reputation within the communities in which we operate.

How we approach this topic

We expect our suppliers to meet our ESG criteria which are embedded into our supplier selection processes. In 2020, we prioritised environmental impact in our selection and purchase of products, including:

- gift packaging from recycled paper and FSC certified paper; and
- packaging of bank shirts from recycled plastic.

Our target

UOB Thailand aims to increasingly integrate ESG considerations in our procurement process.

Managing our Direct Environmental Impact

Why this topic matters to UOB Thailand

We are committed to conserving environmental resources for the well-being of our stakeholders and future generations. Asia is seeing rapid economic growth and as our business keeps pace with that growth, we also need to ensure that our environmental footprint is sufficiently mitigated. We are cognisant of the direct environmental impact resulting from our business and have initiatives in place to build a more energy- and resource-efficient real estate portfolio and to encourage environmental stewardship at the workplace.

How we approach this topic

Our approach to managing our direct environmental impact centres on the principles of the three Rs, namely to Reduce, to Reuse and to Recycle. We manage our environmental footprint by focusing on energy efficiency, waste management and resource conservation in our operations.

Our direct impact to the environment results primarily from the consumption of resources including energy, water, paper and other supplies. The waste products resulting from the extraction, production, transport, consumption and disposal of the resources we use include greenhouse gas emissions, wastewater and office waste. As such, we focus our efforts on energy optimisation, water conservation, reducing paper consumption and diverting office waste to recycling options.

With operations at our office buildings and branches accounting for the majority of our direct environmental footprint, we have implemented a range of programmes throughout our diverse workspaces to conserve resources and to manage waste effectively.

Green Mark Certification for UOB buildings

Globally, approximately one third of global carbon emissions comes from buildings. As such, we are committed to managing our own premises in an efficient manner that meets the best practices recognised by green building standards. Green-certified buildings are also considered more cost-effective to operate.



The ASEAN Energy Awards 2020

The second runner-up in the Large Green Building Category

To benchmark our progress, we use the Green Mark criteria developed by the Singapore Building and Construction Authority (BCA) for any newly-acquired buildings or retrofitted office space. The BCA Green Mark is a green building certification scheme that evaluates the environmental performance of buildings and the practices of their occupants. Among other aspects, it takes into account the design, construction and operation of each space. The criteria for a Green Mark rating include energy, water and waste efficiency, environmental protection, indoor environmental quality and green innovations.

We first adopted the BCA Green Mark Existing Non-residential Building Standards in 2013. Since then, we have achieved and maintained Green Mark GoldPlus certifications for our main office buildings in Singapore – UOB Plaza 1, UOB Plaza 2 and UOB Tower Block (Alexandra Building). In 2019, we achieved Green Mark Platinum certification (excluding data centre facilities) for UOB Phetkasem in Bangkok, Thailand. UOB Thailand's headquarters in Phetkasem Buildings (Tower A and B) received the second runner-up accolade at the ASEAN Energy Awards 2020 in the Large Green Building Category.

Our performance in 2020

- Installed motion sensors for lobby and outdoor areas - resulting in energy savings of 1,226 kWh per year
- Optimised lighting on/off schedule, resulting in over 125,000 kWh per year
- By cutting down the operation time of aerator pumps, we realised savings of almost 15,000 kWh per year



Managing our Direct Environmental Impact



Solar Energy Roof Top

We worked with Banpu Next - a leading smart energy solution provider in Asia Pacific - to install a solar energy rooftop at Chiangmai Highway branch in quarter four of 2020. The project aims to reduce the location's electricity consumption by 17.5 per cent, and greenhouse gas emissions by 17.6 tonnes CO₂-equivalent.

Energy Saving from LED

To use electricity more efficiently, we are in the process of switching all our locations to LED lights. We expect to save about Baht 1.2 million in electricity costs as well as reduce greenhouse gas emissions by about 166 tonnes per year.



Waste management

UOB Thailand launched waste management initiatives to raise awareness and encourage cross-function collaboration in reducing waste at work while contributing to a better environment in a long run.

The waste management campaign is based on 3R principles:

- **Reduce** – Encouraged colleagues to think before using resources, reduce waste generation and also mitigate the use of hazardous chemicals that create environmental problems in waste management.
- **Reuse** – Promoted the reuse of paper and plastic containers.
- **Recycle** – Encouraged waste sorting as a starting process for recycling plastic, glass and paper at work.

Energy efficiency initiatives in 2020

UOB Thailand's headquarter building has optimised indoor energy consumption and improved energy efficiency based on the following metrics:

- Chiller Plant Efficiency (COP)
- Overall Thermal Transfer Value (OTTV)
- Roof Thermal Transfer Value (RTTV)
- Lighting Power Density (LPD)

Water conservation

At our premises, tap water flow rate is adjusted to a suitable level in order to optimise water usage. Wastewater from our buildings is also reused in gardening work.

Raising environmental awareness

Toward implementing the 3R principles, UOB Thailand has promoted environmental awareness among employees through various activities:

- Launched a 'Think Before Print' initiative and activities to reduce paper usage and printing frequency;
- Joined Green Phaholyothin campaign run by Advanced Info Services (AIS) to reduce electronic waste (e-waste). UOB Phaholyothin 8 branch, UOB Sathorn building and UOB Phetkasem building have collected more than 500 pieces of e-waste. The project targets to recycle 2,000 pieces of e-waste;
- Communicated ways to reduce the use of plastic within the organisation, for example, by removing plastic water bottles in meeting rooms;
- Encouraged the adoption of personal water bottles at work; and
- Organised do-it-yourself workshops that turn waste into personal gifts while raising awareness on waste management.



CONTRIBUTION TO THE UN SDGs



Community Development

Why this topic matters to UOB Thailand

Enriching lives and strengthening societal bonds in our communities are fundamental to our business philosophy. We are committed to supporting the development of the communities in which we operate through art, children and education. We believe these are essential for the quality and progress of society. Our efforts have helped the young, the untapped talent, those with special needs and the underprivileged across the region over many decades.

How we approach this topic

At UOB Thailand, our corporate social responsibility (CSR) efforts from across the Group come together under the UOB Heartbeat CSR programme. The programme aims to create sustainable good for more caring and inclusive societies through corporate philanthropy, stakeholder partnerships and employee participation. Guided by our values of Honour, Enterprise, Unity and Commitment, we draw together our colleagues, customers and business partners to make a positive difference to our communities.



Philanthropy

We are committed to helping improve lives and strengthen the social fabric through financial and non-financial contributions such as donations in cash or kind, sponsorships, scholarships and the purchase of goods and services from charities.



Partnerships

We maximise our corporate giving by connecting and collaborating with partners for greater reach and impact. They include customers, business partners, vendors, community development councils and institutions, and UOB Painting of the Year artists.



Participation

We unite as one in giving our time, skills and service to help build strong, inclusive and caring communities. We promote volunteerism that creates a sense of belonging for our colleagues and helps improve the lives of others.

We focus on three areas to open hearts and minds in building an inclusive society: art, children and education.

Art

Championing Southeast Asian Art

Art connects people, broadens minds, enriches lives and strengthens societal bonds. With our regional heritage and long standing support of Southeast Asian art, we aim to draw out the next generation of great artists from the region.

Children

Developing the Young to Their Potential

As children are the future, our efforts focus on helping them gain a strong head start in life, inspiring them to express themselves and nurturing their talent as individuals.

Education

Laying the foundation for the Future

Education is essential for the progress of a country, its economy and its people. We open up and support learning opportunities for young minds and we help develop leaders of tomorrow.

Our targets

- encourage employee volunteerism
- Champion visual art and artists by supporting the development of the arts scene across Asia
- Open hearts and minds of the young through education

Our performance in 2020

- Contributed more than Baht 6 million in monetary contribution to the community
- Clocked close to 4,000 hours in volunteer work in Thailand
- Championed Southeast Asian visual art through the 11th UOB Painting of the Year (POY) competition and outreach initiatives and partnerships
- Contributed more than Baht 8 million to support development of the arts scene in Thailand
- Championed environmental sustainability through the 3R's principle: Reduce, Reuse, and Recycle

Heartbeat for our community 2020 Overview



>Baht 6 million
in monetary contribution to
the community



A record of more than
>20,000 km
distance clocked through
the 2020 UOB Global
Heartbeat Virtual Run/Walk
benefiting families vulnerable
to COVID-19



>500
visually-impaired students
inspired by 100 audio
storybooks through the
UOB Voice of Love project



A record of close to
4,000 hours
of our colleagues serving the community



26 hospitals/medical centres
were supported through
#UnitedForYou COVID-19 Relief Programme



Community Development



UOB Thailand donated 1,000 protective coversalls to the Rajavithi Hospital, one of Thailand's main government hospitals treating COVID-19 patients at the time of the outbreak.



UOB Thailand colleagues volunteered their time to assemble 10,000 face shields for healthcare workers in 26 hospitals and medical centres nationwide.



UOB Thailand raised more than Baht 4.5 million in a month and donated to five main COVID-19 hospitals in upcountry:

- Chonburi Hospital
- Yala Hospital
- Vachiraphuket Hospital
- Samutprakarn Hospital
- Hatyai Hospital



Throughout the month of October, UOB Thailand colleagues and their families were united in spirit as they collectively walked, jogged or ran a total distance of more than 20,000 kilometres or an equivalent of THB 125,000. We then used this monetary donation to provide food for disadvantaged households affected by COVID-19 in the Northern border areas through Community Children Foundation (CCF).

Giving back to community



More than 3,800 books donated by UOB Thailand colleagues were given to schools in rural communities through the Children and Youth Development in Remote Area Foundation.



Underprivileged children from Bann Tantanwan, Nakhon Pathom Province, were given food and necessary supplies as part of an outreach programme in the country.



More than 400 children with disabilities at Bann Nontapum were given necessary supplies as part of an outreach programme in the country.

Transcending boundaries through art

Championing Southeast Asian art

UOB has been supporting Southeast Asian art for more than four decades. We believe that art plays a fundamental role in enriching lives, opening minds and strengthening societal bonds in our communities, connecting people and cultures across language, geography and time.



UOB champions Southeast Asian art through our flagship UOB Painting of the Year competition. UOB Thailand began the competition in 2010.

This year, UOB Thailand launched the 11th UOB Painting of the Year Competition on the theme 'Solidarity' through its digital submission platform. UOB hopes to draw out artwork that showcases the resilience of the human spirit in overcoming COVID-19-related challenges.



The annual UOB POY competition is one of Southeast Asia's most prestigious annual art awards and is the only regional art competition.



Community Development

Supporting mental well-being through art



As part of the Bank's COVID-19 relief programme, UOB Thailand collaborated with 10 Thai UOB Painting of the Year artists for an art encouragement project. A total of 10 paintings were created to uplift positivity in the community and help them deal with anxiety and change. These 10 paintings reached over 1.7 million views through UOB Facebook.

Connecting Thai artists to a wider audience digitally



To help Thai artists tap digital tools to connect to a wider audience, as part of its art outreach programme, UOB Thailand rolled out a series of online tutorials titled "My Art, My World, My Digital Gallery". Through the tutorials, the Bank aims to help Thai artists gain know-how on digital marketing, social media strategies and tips on generating social media content to profile themselves and their artworks. Thai artists can also learn more about potential collaboration opportunities with global brands from the sessions conducted by prominent artists, curators and digital marketers.

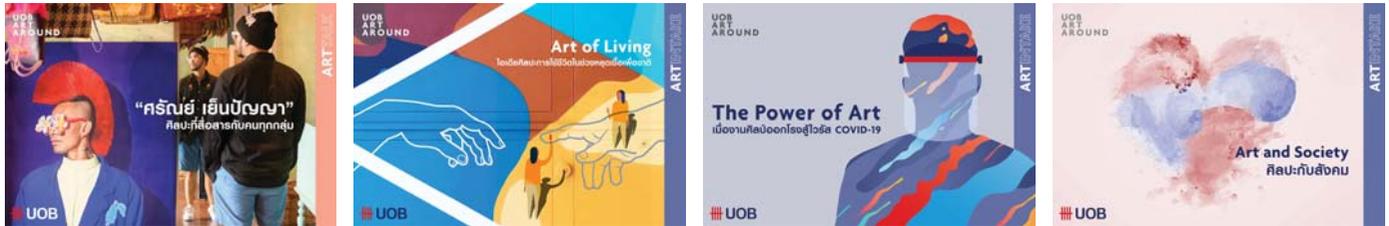
These tutorial videos "My Art, My World, My Digital Gallery" were made available to Thai artists and the public on www.facebook.com/uob.th and www.uob.co.th/poy and reached more than 2.2 million views.

Inspiring creativity at home



UOB Thailand also enabled people of all ages to create their own artworks. Five episodes that featured online tutorials on various art techniques using home-based materials reached more than 1 million views on UOB Thailand's social media platform.

Bringing art to the community virtually



Against the backdrop of uncertainty and social isolation experienced by many people amid the COVID-19 pandemic, UOB Thailand launched online art programmes, namely the UOB Art Explorer and the UOB Art Around, designed to bring the benefits of art to people anywhere, anytime around the world. This is a sustained programme to connect people in the community through art in various formats, including a series of tutorials led by UOB POY winners, art therapy sessions, art resources and virtual exhibitions.

Opening hearts and minds of the young



UOB Thailand launched the UOB Voice of Love - an audiobook programme for visually-impaired children. A hundred audiobooks were recorded by a total of 120 UOB Thailand employees. These audiobooks are suitable for children from kindergarten to elementary school level and were specially chosen to encourage creativity and to open new worlds for visually-impaired children through the power of stories.

UOB Thailand donated 100 audio storybooks as well as soft clay set packs to 12 schools for the visually-impaired across the country. Students are encouraged to listen to the stories being told and then create their own art sculptures with the clay sets. Additionally, the UOB Voice of Love's audiobooks are accessible for visually-impaired children nationwide through Daisy Thailand Project for Tab2Read mobile application and 1414 Plus hotline.



Community Development

Caring for the environment



To support environmental sustainability, UOB Thailand launched several initiatives to cultivate awareness of environmental protection. Our green efforts also extended to employee volunteerism activities, encouraging colleagues and customers to reduce, reuse and recycle. We collaborated with Advanced Info Service (AIS), one of Thailand's leading mobile operators, to provide e-waste drop points at Phaholyothin Branch and build public awareness of the proper disposal of e-waste.



CONTRIBUTION TO THE UN SDGs



Sustainability in Numbers

	2018	2019	2020
1. Customers			
Number of customers (in millions)	1.5	1.6	1.5
Access to financial services			
Number of branches	154	155	152
Number of ATMs	496	459	411
Lending Profile – Group (THB billion)			
Loans to small businesses	46	47	49
Loans to medium businesses	77	81	80
Loans to large businesses	47	55	69
Loans to individuals	215	233	237
2. Loans Portfolio			
ESG exposure (THB billion)	47	52	54
ESG exposure to total portfolio under medium and large corporates (%)	30	31	31
3. Community			
Monetary contributions (THB million)	5.4	5.8	6.1
4. Direct Environmental Impact			
Electricity consumption (GWh)	23.2	23.5	19.7
Electricity consumption intensity (kWh per sqm of floor space)			
Energy consumption intensity excluding data centres	124.8	124.2	80.2
Energy consumption intensity including data centres	137.7	139.5	103.9
Scope 2 GHG emissions (thousand tCO ₂ e)	12.2	12.4	9.2
Scope 2 GHG emissions intensity (kg CO₂e per sqm of floor space)			
Scope 2 GHG emissions intensity excluding data centres	65.2	64.9	41.9
Scope 2 GHG emissions intensity including data centres	72.7	73.6	54.8
Water usage (thousand cbm)	406.5	344.8	308.2
Water Usage intensity (cbm of water per sqm of floor space)	2.4	2.1	1.0
Purchased office paper (tonnes)			
FSC 100% mix office paper	256.1	185.7	201.7
Total office paper purchased	256.1	185.7	201.7



Sustainability in Numbers

	2018	2019	2020
Recycled waste (tonnes)	119.8	106.4	68.1
Disposed waste (tonnes)	188.7	281.0	269.9
Waste disposal intensity (kg of disposed waste per sqm of floor space)	1.1	1.7	1.6

5. Economic Value of Our Contributions (THB million)

Total operating income	21,823	22,756	20,321
Profit after tax	4,705	4,547	1,650
Employee compensation and benefits	5,845	6,326	6,095
Income tax to governments	1,022	1,083	373

6. Our People

Number of employees

Male	1,483	1,502	1,396
Female	3,326	3,404	3,196
Total	4,809	4,906	4,592

Training Expense (THB million)	44.7	43.9	28.3
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United Overseas Bank (Thai) Public Company Limited

31 December 2020

Management Discussion and Analysis 2020

Management Discussion and Analysis 2020

Statutory Financial Results

The Bank and its subsidiaries reported net profit after tax for the year 2020 of Baht 1,650 million, 2,986 million or 64.4% lower than 2019.

Total operating income decreased by Baht 110 million from 2019 to Baht 20,321 million. Non-interest income went down by Baht 726 million or 13.1% to Baht 4,815 million from lower bancassurance income. Net interest income increased by Baht 616 million or 4.1% to Baht 15,506 million deriving from lower Financial Institution Development Fund (FIDF) contribution fee.

Total operating expenses were at Baht 12,091 million decreased by Baht 172 million or 1.4% year-on-year. This was attributed to lower employee expenses and advertising expenses.

In addition, the Bank set up expected credit loss of Baht 6,207 million in 2020, increased from bad debt, doubtful accounts and impairment losses of last year by Baht 3,773 million. This is the provision based on Thai Financial Reporting Standard 9 (TFRS9) : Financial Instruments and proactive provision to reflect the current economic contraction for impact on the spread of COVID-19 pandemic.

Summarised Statutory Financial Results For the Years Ended 31 December 2020 and 2019

Statements of income	Million Baht		
	Consolidated financial statements		% change
	2020	2019 (Restated)	
Interest income	21,865	23,827	(8.2)
Interest expenses	6,359	8,937	(28.8)
Net Interest income	15,506	14,890	4.1
Non-interest income	4,815	5,541	(13.1)
Total operating income	20,321	20,431	(0.5)
Total operating expenses	12,091	12,263	(1.4)
Operating profit	8,230	8,168	0.8
Expected credit losses/Bad debts, doubtful accounts and impairment losses	6,207	2,434	155.0
Net profit before income tax expenses	2,023	5,734	(64.7)
Income tax expenses	373	1,098	(66.0)
Net profit	1,650	4,636	(64.4)

Key Financial Position Items

	Million Baht		
	Consolidated financial statements		% change
	2020	2019 (Restated)	
Total assets	632,295	566,847	11.5
Gross loans to customers	432,334	415,456	4.1
Net loans to customers	421,662	406,211	3.8
Total deposits	491,452	456,311	7.7
Total liabilities	567,056	506,288	12.0
Total shareholders' equity	65,239	60,559	7.7
Non-performing loans (NPLs)	15,250	12,184	25.2

Key Financial Ratios (%)

	Consolidated financial statements		change
	2020	2019 (Restated)	
Net interest income to average assets	2.6	2.7	(0.1)
Gross loans to deposits	88.0	91.0	(3.0)
Net loans to deposits	85.8	89.0	(3.2)
NPLs to total loans*	3.1	2.7	0.4
Common Equity Tier 1 to risk-weighted assets	18.0	17.9	0.1
Total capital funds to risk-weighted assets	20.3	20.2	0.1

* Including interbank and money market loans

Net Interest Income

Net interest income for 2020 was Baht 15,506 million, 4.1% or Baht 616 million higher than last year, from reduction in payment to Financial Institutions Development Fund by Baht 961 million, corresponding to the decrease in yearly contribution rate from 0.46% to 0.23%. The interest expenses from deposits dropped by Baht 1,309 million. Likewise, interest income from loans and interbank items decreased by Baht 2,046 million from lending rate cut by the Bank and lower repurchase agreement rates.

Non-Interest Income

Non-interest income for 2020 was Baht 4,815 million, a decrease of Baht 726 million or 13.1% compared with the previous year due to decrease in commission income on bancassurance business and lower gain on trading and foreign exchange.

Operating Expenses

The Bank and its subsidiaries' operating expenses for 2020 was at Baht 12,091 million, a decrease of Baht 172 million or 1.4% compared with last year.

The employee expenses of 2020 decreased by Baht 146 million or 2.3% mainly attributed to cost savings and absence of severance payment according to amended Labour Protection Act recorded in last year.

Headcount as of 31 December 2020 was 4,592 compared to 4,906 in 2019.

Other non-staff expenses were lower than previous year by Baht 26 million, mainly resulting from advertising and sales promotion expenses caused by the impact of coronavirus pandemic.

Expected credit losses / Bad debts, doubtful accounts and impairment losses

The Bank set aside expected credit losses for 2020 in a total of Baht 6,207 million, which was higher by Baht 3,773 million than bad debts, doubtful account and impairment losses in previous year. The increase was for pre-emptive provision of performing loans to cushion for uncertain potential risk under downward economic environment.

Capital Expenditure

The Bank's capital expenditure for 2020 totaled Baht 1,680 million, compared to Baht 1,175 million in 2019, an increase of Baht 505 million primarily relating to new Head Office building and application software.

Dividend Payment Policy

The Bank's dividend payment policy is governed by Bank of Thailand and The Public Limited Companies Act. The dividend payment is subject to approval by shareholders at the Annual General Meeting.



Management Discussion and Analysis 2020

Assets

Total assets as at 31 December 2020 was Baht 632,295 million, an increase of Baht 65,448 million or 11.5% from the previous year, due to loans expansion and higher interbank and money market items.

As of 31 December 2020, net loans of the Bank increased by 3.8% or Baht 15,451 million to Baht 421,662 million, largely contributed by corporate and retail lending.

Liabilities

Total liabilities as at 31 December 2020 was Baht 567,056 million, an increase of Baht 60,768 million or 12.0%, owing to higher deposits and interbank and money market items.

Total deposits in 2020 grew by 7.7% or Baht 35,141 million to Baht 491,452 million, driven by retail and financial institution deposits.

Shareholders' Equity

As of 31 December 2020, shareholders' equity was at Baht 65,239 million, an increase of Baht 4,680 million, or 7.7% from end of 2019. This was from revaluation surplus on assets Baht 3,398 million and the profitable operating result for 2020 of Baht 1,650 million.

Loans to Top 20 Customer Groups

	% of total loans	
	2020	2019
Loans to top 20 customer groups	7.4	7.1
Others	92.6	92.9
Total loans	100.0	100.0

The loan concentration in 2020 increased from the previous year. Loans to top 20 largest customer groups accounted for 7.4% of total loans, increasing from 7.1% in 2019.

Classification of Loans and interest receivables

	2020	
	Million Baht	%
Stage 1 (Performing)	387,028	88.9
Stage 2 (Under-Performing)	33,093	7.6
Total Performing Loans	420,121	96.5
Stage 3 (Non-Performing)	15,207	3.5
Purchased or originated credit impaired	43	0.0
Total NPLs	15,250	3.5
Grand total	435,371	100.0

Classification of Loans*

	2019	
	Million Baht	%
Pass	434,846	95.2
Special mention	9,876	2.1
Total Performing loans	444,722	97.3
Substandard	2,380	0.5
Doubtful	1,861	0.4
Doubtful of loss	7,943	1.8
Total NPLs	12,184	2.7
Grand total	456,906	100.0

* Including interbank and money market loans

Asset Quality Ratios

	2020		2019	
			%	
NPLs / Total loans*	3.1		2.7	
Allowance for doubtful accounts* / Total loans*	2.8		2.3	

* Including interbank and money market loans

Non-Performing Loan (NPL) Management

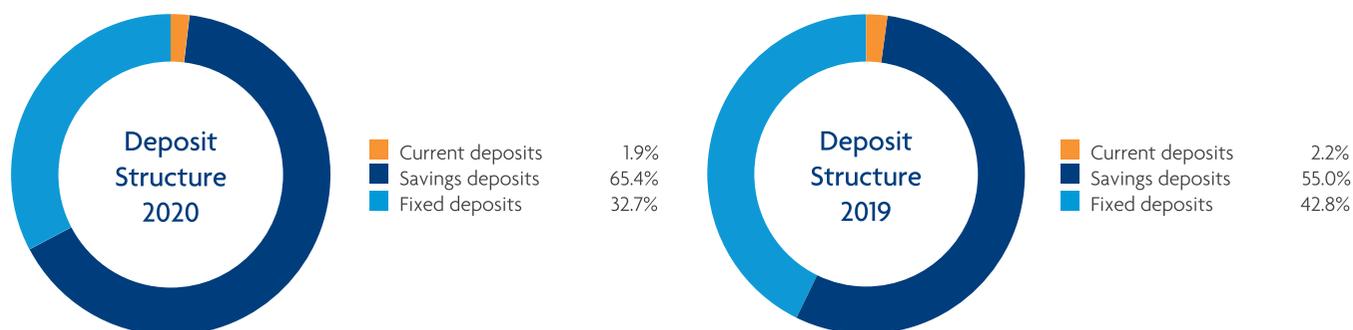
As of 31 December 2020, NPLs stood at Baht 15,250 million, an increase of Baht 3,066 million, compared with Baht 12,184 million in 2019. NPLs to total loans ratio in 2020 was at 3.1%, increasing from 2.7% in 2019.

Deposit Structure

	% of total deposits	
	2020	2019
Current deposits	1.9	2.2
Savings deposits	65.4	55.0
Fixed deposits	32.7	42.8
Total	100.0	100.0



Management Discussion and Analysis 2020



As at 31 December 2020, the Bank had total deposits of Baht 491,452 million, an increase of Baht 35,141 million from end of 2019, which was largely contributed by savings deposits. Total current and savings deposits accounted for 67.3% of total deposit base, while fixed deposits accounted for 32.7%. Net loans-to-deposits ratio was 85.8% as at end of 2020, lower than end of 2019 at 89.0%.

Capital Funds

	2020		2019	
	Million Baht	%	Million Baht	%
Total capital funds	70,828	20.3	63,875	20.2
Tier 1 capital / Common Equity Tier 1 (CET1)	62,932	18.0	56,717	17.9
Tier 2 capital	7,896	2.3	7,158	2.3

The Bank has adopted the Internal Ratings-Based Approach (IRB) under Basel III capital framework. As at 31 December 2020, the Bank's Total Capital Adequacy Ratio remained at 20.3% while and Tier 1 capital and CET1 ratios were at 18.0%, which above the sum of Bank of Thailand (BOT)'s minimum requirement and conservation buffer.

Independent Auditor's Report

To the Shareholders of United Overseas Bank (Thai) Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of United Overseas Bank (Thai) Public Company Limited and its subsidiary ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2020, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of United Overseas Bank (Thai) Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of United Overseas Bank (Thai) Public Company Limited and its subsidiary and of United Overseas Bank (Thai) Public Company Limited as at 31 December 2020, their financial performance and cash flows for the year then ended in accordance with the Bank of Thailand's regulations and Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matters

I draw attention to the following matters:

- (a) As described in Notes 3.1.1 and 7.1 to the Consolidated financial statements, the adoption of a set of Thai Financial Reporting Standards related to financial instruments since 1 January 2020, caused the change in accounting policies on recognition of interest income on loans to customers from an accrual basis using the contractual interest rate to the effective interest rate method and the Bank restated the prior years' financial statements, presented as comparative information, to reflect the effect of the adjustments resulting from such change in accounting policies. The Bank also presented the consolidated and separate statements of financial position as at 1 January 2019, using the newly adopted accounting policies on interest for comparative purpose.
- (b) As described in Notes 1.2 and 3.1.2 to the financial statements, the Coronavirus 2019 (COVID-19) outbreak has an impact on business sectors and the Bank has provided assistance to debtors in accordance with the Bank of Thailand's guidelines in providing assistance to debtors. Hence, the Bank's management prepared its financial statements for the year then ended 31 December 2020, selecting to adopt the two Accounting Guidances related to Temporary Relief Measures issued by the Federation of Accounting Professions.

My opinion is not modified in respect of these matters.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.



Independent Auditor's Report

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the Group audit. I remain solely responsible for my audit opinion.



I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I am responsible for the audit resulting in this independent auditor's report.



Rachada Yongsawadvanich

Certified Public Accountant (Thailand) No. 4951

EY Office Limited
Bangkok: 5 March 2021

The accompanying notes are an integral part of the financial statements.



United Overseas Bank (Thai) Public Company Limited

31 December 2020

**Financial Statements
and Notes to Financial Statements**

Statements of financial position

As at 31 December 2020 and 2019

(Unit: Thousand Baht)

	Note	Consolidated financial statements			Separate financial statements		
		31 December 2020	31 December 2019	1 January 2019	31 December 2020	31 December 2019	1 January 2019
Assets			(Restated)	(Restated)		(Restated)	(Restated)
Cash		3,278,229	5,872,795	4,597,830	3,278,229	5,872,795	4,597,830
Interbank and money market items - net	8	68,335,913	45,108,644	57,773,984	68,335,913	45,108,644	57,773,984
Financial assets measured at fair value through profit or loss	9	3,468,247	-	-	3,468,247	-	-
Derivatives assets	10	6,125,725	4,155,276	4,770,781	6,125,725	4,155,276	4,770,781
Investments - net	11	108,401,078	90,635,023	70,202,967	108,401,078	90,635,023	70,202,967
Investments in subsidiary - net	12	-	1,750	1,750	60,000	61,750	61,750
Loans to customers and accrued interest receivables - net	13	421,661,966	406,211,487	373,990,738	421,661,966	406,211,487	373,990,738
Properties foreclosed - net	15	199,032	207,105	229,564	199,032	207,105	229,564
Premises and equipment - net	16	14,785,090	10,442,154	9,870,624	14,778,334	10,433,446	9,860,460
Right-of-use assets - net	17	387,760	-	-	387,760	-	-
Other intangible assets - net	18	1,073,086	1,030,734	1,079,897	1,072,116	1,029,545	1,078,305
Deferred tax assets - net	19.1	4,012	69,597	112,645	-	66,367	110,628
Deposits		2,442,911	1,352,450	1,099,183	2,442,901	1,352,440	1,099,173
Other assets - net	20	2,131,883	1,759,500	1,963,200	2,130,958	1,758,084	1,955,485
Total assets		632,294,932	566,846,515	525,693,163	632,342,259	566,891,962	525,731,665

The accompanying notes are an integral part of the financial statements.



Statements of financial position

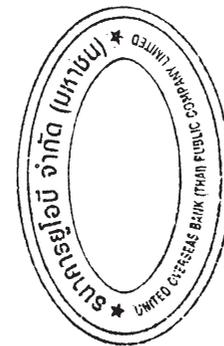
(Unit: Thousand Baht)

	Note	Consolidated financial statements			Separate financial statements		
		31 December 2020	31 December 2019	1 January 2019	31 December 2020	31 December 2019	1 January 2019
Shareholders' equity			(Restated)	(Restated)		(Restated)	(Restated)
Share capital							
Registered, issued and paid-up share capital							
2,485,661,305 ordinary shares at par value							
of Baht 10 each		24,856,613	24,856,613	24,856,613	24,856,613	24,856,613	24,856,613
Other components of equity	28	7,145,572	4,156,090	3,694,294	7,145,572	4,156,090	3,694,294
Retained earnings							
Appropriated							
Statutory reserve	29	1,680,000	1,595,000	1,365,000	1,680,000	1,595,000	1,365,000
Unappropriated		31,557,089	29,951,045	26,765,003	31,510,416	29,906,009	26,690,703
Equity attributable to equity holders of the Bank		65,239,274	60,558,748	56,680,910	65,192,601	60,513,712	56,606,610
Non-controlling interests of the subsidiary		-	-	-	-	-	-
Total shareholders' equity		65,239,274	60,558,748	56,680,910	65,192,601	60,513,712	56,606,610
Total liabilities and shareholders' equity		632,294,932	566,846,515	525,693,163	632,342,259	566,891,962	525,731,665



Tan Choon Hin

President and Chief Executive Officer




Sanchai Apisaksirikul

Director and Managing Director

Statements of Comprehensive Income

For the years ended 31 December 2020 and 2019

	Note	(Unit: Thousand Baht)			
		Consolidated financial statements		Separate financial statements	
		2020	2019 (Restated)	2020	2019 (Restated)
Profit or loss:					
Interest income	41	21,864,745	23,827,221	21,864,745	23,827,221
Interest expenses	42	6,358,431	8,937,225	6,358,751	8,937,853
Net interest income		15,506,314	14,889,996	15,505,994	14,889,368
Fees and service income		4,156,818	4,740,507	4,156,818	4,740,507
Fees and service expenses		790,986	824,448	937,477	965,064
Net fees and service income	43	3,365,832	3,916,059	3,219,341	3,775,443
Net gains on financial instruments measured at fair value through profit or loss	44	756,996	-	756,996	-
Net gains on trading and foreign exchange transactions	44	-	978,514	-	978,514
Net gains on investments	45	208,854	208,665	208,854	208,665
Dividend income		9,752	6,471	39,752	56,471
Other operating income		473,252	431,281	486,077	444,245
Total operating income		20,321,000	20,430,986	20,217,014	20,352,706
Operating expenses					
Employee's expenses		6,095,174	6,241,087	6,025,806	6,161,912
Directors' remunerations		11,316	11,316	11,316	11,316
Premises and equipment expenses		1,470,347	1,483,529	1,464,758	1,478,144
Taxes and duties	752,961	845,265	752,805	845,120	
Advertising and sale promotion expenses		947,264	1,395,232	947,264	1,395,232
Data processing charges		1,055,419	704,387	1,055,419	704,387
Other operating expenses		1,758,112	1,581,946	1,739,294	1,569,179
Total operating expenses		12,090,593	12,262,762	11,996,662	12,165,290
Expected credit losses	46	6,207,695	-	6,207,695	-
Bad debts, doubtful accounts and impairment losses	46	-	2,433,797	-	2,433,797
Profits from operation before income tax expenses		2,022,712	5,734,427	2,012,657	5,753,619
Income tax expenses	19.2	372,712	1,098,712	364,885	1,091,056
Profits for the years		1,650,000	4,635,715	1,647,772	4,662,563

The accompanying notes are an integral part of the financial statements.



(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019 (Restated)	2020	2019 (Restated)
Other comprehensive income (loss)	47				
Other comprehensive income to be reclassified to profit or loss in subsequent years:					
Gains on valuation of investments in debt instruments measured at fair value through other comprehensive income		306,465	-	306,465	-
Gains on revaluation of available-for-sale investments		-	607,851	-	607,851
Income tax expenses		(61,293)	(121,570)	(61,293)	(121,570)
Other comprehensive income to be reclassified to profit or loss in subsequent years - net of income taxes		245,172	486,281	245,172	486,281
Other comprehensive income not to be reclassified to profit or loss in subsequent years:					
Changes in revaluation surplus on assets		3,398,125	-	3,398,125	-
Loss on valuation of investments in equity securities designed to be measured at fair value through other comprehensive income		(12,035)	-	(12,035)	-
Actuarial gains (losses) on the defined benefit plans		10,270	(157,013)	11,008	(153,993)
Income tax benefits (expenses)		(679,272)	31,402	(679,419)	30,798
Other comprehensive income not to be reclassified to profit or loss in subsequent years - net of income taxes		2,717,088	(125,611)	2,717,679	(123,195)
Total other comprehensive income for the years		2,962,260	360,670	2,962,851	363,086
Total comprehensive income for the years		4,612,260	4,996,385	4,610,623	5,025,649

The accompanying notes are an integral part of the financial statements.



Statements of Comprehensive Income

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019 (Restated)	2020	2019 (Restated)
Profits for the years attributable to:					
Equity holders of the Bank		1,650,000	4,635,715	1,647,772	4,662,563
Profits attributable to non-controlling interests of the subsidiary		-	-		
		1,650,000	4,635,715		
Total comprehensive income for the years attributable to:					
Equity holders of the Bank		4,612,260	4,996,385		
Non-controlling interests of the subsidiary		-	-		
		4,612,260	4,996,385		
Earnings per share of equity holders of the Bank					
Basic earnings per share (Baht)	38	0.66	1.86	0.66	1.88



Tan Choon Hin
President and Chief Executive Officer




Sanchai Apisaksirikul
Director and Managing Director

The accompanying notes are an integral part of the financial statements.

Statements of Changes in Shareholders' Equity

For the years ended 31 December 2020 and 2019

(Unit: Thousand Baht)

	Consolidated financial statements							
	Equity attributable to equity holders of the Bank							
	Other components of equity		Retained earnings			Total equity		
Issued and paid-up share capital	Revaluation surplus on assets	Revaluation surplus on investments	Appropriated - Statutory reserve	Unappropriated	attributable to equity holders of the Bank	Non-controlling interests of the subsidiary	Total	
Beginning balance as of 1 January 2019	24,856,613	3,628,441	65,853	1,365,000	26,293,291	56,209,198	-	56,209,198
Cumulative effect of change in accounting policy (Note 7)	-	-	-	-	471,712	471,712	-	471,712
Beginning balance as of 1 January 2019 - as restated	24,856,613	3,628,441	65,853	1,365,000	26,765,003	56,680,910	-	56,680,910
Dividend paid (Note 30)	-	-	-	-	(1,118,547)	(1,118,547)	-	(1,118,547)
Decrease due to disposal and amortisation of revaluation surplus on assets	-	(24,485)	-	-	24,485	-	-	-
Profit for the year	-	-	-	-	4,635,715	4,635,715	-	4,635,715
Other comprehensive income (loss) for the year	-	-	486,281	-	(125,611)	360,670	-	360,670
Total comprehensive income for the year	-	-	486,281	-	4,510,104	4,996,385	-	4,996,385
Appropriated retained earnings to be statutory reserve	-	-	-	230,000	(230,000)	-	-	-
Ending balance as of 31 December 2019	24,856,613	3,603,956	552,134	1,595,000	29,951,045	60,558,748	-	60,558,748
Beginning balance as of 1 January 2020	24,856,613	3,603,956	552,134	1,595,000	29,407,215	60,014,918	-	60,014,918
Cumulative effect of change in accounting policy (Note 7)	-	-	60,833	-	551,359	612,192	-	612,192
Beginning balance as of 1 January 2020 - as restated	24,856,613	3,603,956	612,967	1,595,000	29,958,574	60,627,110	-	60,627,110
Decrease due to disposal and amortisation of revaluation surplus on assets	-	(25,395)	-	-	25,395	-	-	-
Profit for the year	-	-	-	-	1,650,000	1,650,000	-	1,650,000
Other comprehensive income for the year	-	2,718,500	235,544	-	8,216	2,962,260	-	2,962,260
Total comprehensive income for the year	-	2,718,500	235,544	-	1,658,216	4,612,260	-	4,612,260
Transfer to retained earnings	-	-	-	-	(1,127)	(1,127)	-	(1,127)
Appropriated retained earnings to be statutory reserve	-	-	-	85,000	(85,000)	-	-	-
Others	-	-	-	-	1,031	1,031	-	1,031
Ending balance as of 31 December 2020	24,856,613	6,297,061	848,511	1,680,000	31,557,089	65,239,274	-	65,239,274

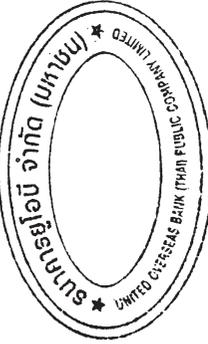
The accompanying notes are an integral part of the financial statements.



Statements of Changes in Shareholders' Equity

(Unit: Thousand Baht)

	Separate financial statements						Total
	Other components of equity			Retained earnings			
	Issued and paid-up share capital	Revaluation surplus on assets	Revaluation surplus on investments	Appropriated - Statutory reserve	Unappropriated		
Beginning balance as of 1 January 2019	24,856,613	3,628,441	65,853	1,365,000	26,218,991	56,134,898	
Cumulative effect of change in accounting policy (Note 7)	-	-	-	-	471,712	471,712	
Beginning balance as of 1 January 2019 - as restated	24,856,613	3,628,441	65,853	1,365,000	26,690,703	56,606,610	
Dividend paid (Note 30)	-	-	-	-	(1,118,547)	(1,118,547)	
Decrease due to disposal and amortisation of revaluation surplus on assets	-	(24,485)	-	-	24,485	-	
Profit for the year	-	-	-	-	4,662,563	4,662,563	
Other comprehensive income (loss) for the year	-	-	486,281	-	(123,195)	363,086	
Total comprehensive income for the year	-	-	486,281	-	4,539,368	5,025,649	
Appropriated retained earnings to be statutory reserve	-	-	-	230,000	(230,000)	-	
Ending balance as of 31 December 2019	24,856,613	3,603,956	552,134	1,595,000	29,906,009	60,513,712	
Beginning balance as of 1 January 2020	24,856,613	3,603,956	552,134	1,595,000	29,362,179	59,969,882	
Cumulative effect of change in accounting policy (Note 7)	-	-	60,833	-	551,359	612,192	
Beginning balance as of 1 January 2020 - as restated	24,856,613	3,603,956	612,967	1,595,000	29,913,538	60,582,074	
Decrease due to disposal and amortisation of revaluation surplus on assets	-	(25,395)	-	-	25,395	-	
Profit for the year	-	-	-	-	1,647,772	1,647,772	
Other comprehensive income for the year	-	2,718,500	235,544	-	8,807	2,962,851	
Total comprehensive income for the year	-	2,718,500	235,544	-	1,656,579	4,610,623	
Transfer to retained earnings	-	-	-	-	(1,127)	(1,127)	
Appropriated retained earnings to be statutory reserve	-	-	-	85,000	(85,000)	-	
Others	-	-	-	-	1,031	1,031	
Ending balance as of 31 December 2020	24,856,613	6,297,061	848,511	1,680,000	31,510,416	65,192,601	



Sandhai Apisaksirikul

Sandhai Apisaksirikul

Director and Managing Director

Tan Choon Hin

Tan Choon Hin

President and Chief Executive Officer

The accompanying notes are an integral part of the financial statements.

Statements of Cash Flows

For the years ended 31 December 2020 and 2019

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019 (Restated)
Cash flows from operating activities				
Profits before income tax expenses	2,022,712	5,734,427	2,012,657	5,753,619
Adjustments to reconcile profits from operation before income tax expenses to net cash provided by (paid from) operating activities:				
Depreciation	670,590	444,892	668,342	442,625
Amortisation and losses on assets written off	203,161	214,244	202,942	213,792
Unrealised gains on revaluation of trading investments	-	(3,902)	-	(3,902)
Unrealised gains on revaluation of financial instruments measured at fair value through profit or loss	(35,111)	-	(35,111)	-
Expected credit losses	5,753,695	-	5,753,695	-
Bad debts, doubtful accounts and impairment losses	-	2,410,609	-	2,410,609
Impairment losses on properties foreclosed and other assets	211,084	6,604	211,084	6,604
Gains on disposals of investments	(208,185)	(208,665)	(208,185)	(208,665)
Gains on foreign exchange	-	(48,578)	-	(48,578)
(Increase) decrease in accrued other income	16,469	(47,790)	16,469	(47,790)
Increase in provisions for long-term employee benefits	187,559	257,011	186,092	254,042
Increase in provisions for other liabilities	170,834	50,367	170,834	50,367
Increase (decrease) in accrued other expenses	(461,986)	90,763	(462,040)	91,090
Net interest income	(15,506,314)	(14,887,996)	(15,505,994)	(14,887,368)
Dividend income	(9,752)	(6,471)	(39,752)	(56,471)
Cash received on interest income	20,258,139	23,710,118	20,258,139	23,710,118
Cash received on dividend income	9,752	6,471	9,752	6,471
Cash paid on interest expenses	(6,618,789)	(8,764,284)	(6,619,348)	(8,764,913)
Cash received on income taxes refund	-	4,104	-	-
Cash paid on income taxes	(1,250,019)	(1,109,706)	(1,243,973)	(1,099,282)
Income from operating activities before changes in operating assets and liabilities	5,413,839	7,852,218	5,375,603	7,822,368

The accompanying notes are an integral part of the financial statements.



Statements of Cash Flows

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019 (Restated)
(Increase) decrease in operating assets				
Interbank and money market items - net	(24,927,806)	12,661,159	(24,927,806)	12,661,159
Financial assets measured at fair value				
through profit or loss	4,113,423	-	4,113,423	-
Trading investments	-	(3,310,031)	-	(3,310,031)
Derivatives assets	2,050,855	3,726,904	2,050,855	3,726,904
Investments in subsidiary	1,750	-	1,750	-
Loans to customers	(21,296,830)	(34,736,470)	(21,296,830)	(34,736,470)
Properties foreclosed	62,828	61,289	62,828	61,289
Other assets	(1,730,837)	13,624	(1,730,837)	13,624
Increase (decrease) in operating liabilities				
Deposits	35,452,223	51,412,773	35,460,656	51,391,104
Interbank and money market items	22,925,596	(7,093,620)	22,925,596	(7,093,620)
Liabilities payable on demand	300,513	(1,115,976)	300,513	(1,115,976)
Derivatives liabilities	(2,404,938)	(3,750,773)	(2,404,938)	(3,750,773)
Provisions for long-term employee benefits	(107,559)	(109,858)	(107,559)	(109,858)
Other liabilities	502,670	(770,624)	502,178	(769,966)
Net cash provided by operating activities	20,355,727	24,840,615	20,325,432	24,789,754
Cash flows from investing activities				
Proceeds from sales of investments	93,290,955	100,743,059	93,290,955	100,743,059
Cash paid for investments	(114,348,600)	(117,015,149)	(114,348,600)	(117,015,149)
Dividend received from subsidiary	-	-	30,000	50,000
Purchases of premises and equipment	(1,430,891)	(1,024,282)	(1,430,596)	(1,023,421)
Purchases of other intangible assets	(250,051)	(150,730)	(250,051)	(150,730)
Net cash used in investing activities	(22,738,587)	(17,447,102)	(22,708,292)	(17,396,241)

The accompanying notes are an integral part of the financial statements.



(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019 (Restated)	2020	2019 (Restated)
Cash flows from financing activities				
Dividend paid	-	(1,118,548)	-	(1,118,548)
Cash paid on lease liabilities	(211,706)	-	(211,706)	-
Cash paid on long-term debts issued and borrowings	-	(5,000,000)	-	(5,000,000)
Net cash used in financing activities	(211,706)	(6,118,548)	(211,706)	(6,118,548)
Net increase (decrease) in cash and cash equivalents	(2,594,566)	1,274,965	(2,594,566)	1,274,965
Cash and cash equivalents as at 1 January	5,872,795	4,597,830	5,872,795	4,597,830
Cash and cash equivalents as at 31 December	3,278,229	5,872,795	3,278,229	5,872,795
Supplemental disclosures of cash flows information				
Non-cash items:				
Properties foreclosed in settlement of loans to customers	22,040	44,829	22,040	44,829


Tan Choon Hin

President and Chief Executive Officer



Sanchai Apisaksirikul

Director and Managing Director

The accompanying notes are an integral part of the financial statements.



Notes to Financial Statements

1. General information

1.1 Corporate information

United Overseas Bank (Thai) Public Company Limited (“the Bank”) was incorporated as a public limited company under Thai law and domiciled in Thailand. The Bank has been operated mainly commercial banking business and its registered office is located at No. 191 South Sathon Road, Sathon District, Bangkok. As at 31 December 2020, the Bank conducts its business through a network of 152 branches throughout all regions in Thailand (31 December 2019: 155 branches). Its major shareholder is United Overseas Bank Limited, a company registered in Singapore.

The subsidiary was incorporated as a limited company under Thai law and have been operating its business in Thailand. Its principal business is debt collection services.

1.2 Coronavirus disease 2019 Pandemic

The Coronavirus disease 2019 (COVID-19) pandemic is directly and indirectly impacting various businesses and industry sectors, which results in an economic slowdown and a fluctuation in the money market and the capital market. This situation creates uncertainties and impacts the Bank’s operating results and cash flows at present, and is expected to do so in the future. However, the Bank’s management has continuously monitored ongoing developments and assessed the financial impact in respect of the valuation of assets, provisions and contingent liabilities, and has used estimates and judgement in various matters in order to continuously assess the impact as the situation evolves.

2. Basis of preparation of financial statements

2.1 Basis of preparation of financial statements

For the year ended 31 December 2020, the financial statements are presented in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and with reference to the principles stipulated by the Bank of Thailand (“BoT”) and accordance with the Notification of the Bank of Thailand (“BoT”) No. SOR NOR SOR. 21/2561 dated 31 October 2018, regarding the Preparation and Announcement of Financial Statements of Commercial Banks and Parent Companies of Financial Holding Groups, including any other supplementary BoT’s Notifications and the Accounting Guidance issued by the Federation of Accounting Professions.

The financial statements have been prepared on a historical cost basis except otherwise disclosed in Note 4 to the financial statements regarding a summary of significant accounting policies.

The financial statements in Thai language are the official statutory financial statements of the Bank. The financial statements in English language have been translated from such financial statements in Thai language.

2.2 Basis of consolidation

(a) These consolidated financial statements include the financial statements of the Bank and its subsidiary the following:

Company name	Business type	Country of registration	Percentage of shares held by the Bank as at		Percentage of total assets included in consolidated assets as at		Percentage of profits included in consolidated profits for the years ended	
			31 December 2020	2019	31 December 2020	2019	31 December 2020	2019
UOB Services Co., Ltd.	Debt Collection Services	Thailand	99.99	99.99	-	-	-	-

The consolidated financial statements for the years ended 31 December 2020 and 2019 excluded the financial statement of a subsidiary, UOB Bullion and Futures (Thai) Co., Ltd. which registered its dissolution with the Ministry of Commerce on 20 November 2017 and then liquidated on 19 June 2020.



- (b) The Bank is deemed to have control over investee companies or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- (c) Subsidiaries are entities in which the Bank has control over the financial and operating policies of those entities. Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Bank obtains control, and continue to be consolidated until the date when such control ceases. The effects to the consolidated financial statements of all significant transactions between the Bank and its subsidiaries are eliminated in the consolidated financial statements, including investments in subsidiaries and share capital of subsidiaries.
- (d) The financial statements of the subsidiary is prepared having the same reporting period and using the same significant accounting policies as those of the Bank.
- (e) The Bank's financial statements include the accounts of all branches after elimination of significant inter-branch transactions and balances.
- (f) Non-controlling interests represent the portion of net profit or loss and net assets of the subsidiary that are not held by the Bank and are presented separately in the consolidated statements of comprehensive income and within equity in the consolidated statements of financial position.

2.3 Separate financial statements

The Bank prepares its separate financial statements, which present investments in subsidiary under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

3.1.1 Financial reporting standards

During the year, the Bank and its subsidiary have adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. However, the new financial reporting standards that involve changes to key principles are summarised below:

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments, which consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Bank's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments.



Notes to Financial Statements

The adoption of these standards on the Bank and its subsidiary's financial statements had an impact as described below.

Classification and measurement of financial assets and financial liabilities

Financial assets - debt instruments

The Bank and its subsidiary classifies its financial assets in debt instruments as financial assets measured at fair value through profit or loss, fair value through other comprehensive income or amortised cost in accordance with the Bank and its subsidiary's business model in managing the financial assets and according to the contractual cash flows characteristics of the financial assets as follows:

- A financial asset measured at amortised cost only if both of the following conditions are met: the financial asset is held within a business model whose objective is to hold financial asset in order to collect contractual cash flows and the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding on the designation date.
- A financial asset is measured at fair value through other comprehensive income only if both of the following conditions are met: the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial asset as well as the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding on the designation date.
- A financial asset is measured at fair value through profit or loss unless the financial asset is held within a business model whose objective is to hold financial asset in order to collect contractual cash flows or, the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding on the designation date.

Investment in equity instruments

- The Bank and its subsidiary classifies investments in domestic non-marketable equity securities as the financial asset designated to be measured at fair value through other comprehensive income.

Financial liabilities

The adoption of these standards does not have an impact on the classification of financial liabilities. The Bank and its subsidiary continues to classify and measure its financial liabilities at amortised cost.

Impairment of financial assets

TFRS 9 requires entities to estimate allowance for expected credit losses in place of the incurred losses recognised under the previous accounting policy. It requires entities to recognise impairment based on expected credit loss model and management overlay for the factors which are not captured by the model. It requires the Bank and its subsidiary to recognise an allowance for expected credit losses for all financial assets that are investments in debt instruments which are not measured at fair value through profit or loss, including undrawn commitments and financial guarantees, and it is not necessary for a credit-impaired event to have occurred, such allowance for expected credit losses are to be measured at the amount equal to 12 months expected credit losses, except for the case that there has been a significant increase in credit risk since initial recognition and financial assets that are credit-impaired, allowance for expected credit losses are to be measured at the amount equal to the lifetime expected credit losses. The Bank applies the General Approach to calculate expected credit losses of financial assets such as loans to customers, Interbank and money market items (assets) and investments in debt instruments, the subsidiary applies the Simplified Approach to calculate the lifetime expected credit losses of receivables.



Transition

The Bank and its subsidiary adopted a set of financial reporting standards related to financial instruments by recognising the cumulative effects of the first-time adoption of this set of financial reporting standards as an adjustment to the retained earnings or other components of shareholders' equity as at 1 January 2020. The comparative information was not restated; therefore, the presentation of the year 2019 was not comparable with the presentation of the year 2020.

Except for the cumulative effects of the change in accounting policies on recognition of interest income on loans to customers from an accrual basis using the contractual interest rate to the effective interest rate method and the Bank restated the consolidated and separate financial statement for the year ended 31 December 2019, presented as comparative information, to reflect the effect of the adjustments resulting from such change in accounting policies. The Bank also presented the consolidated and separate statements of financial position as at 1 January 2019, using the newly adopted accounting policies on interest income recognition for comparative purpose.

The cumulative effect of the change and the impact from adjustment due to the adoption of those financial reporting standards are described in Note 7 to the financial statements.

IFRS 16 Leases

IFRS 16 supersedes IAS 17 Leases together with related Interpretations. The financial reporting standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under IFRS 16 is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Bank and its subsidiary adopted this financial reporting standard using the modified retrospective method of initial adoption of which the cumulative effect is recognised as an adjustment to the retained earnings (if any) as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 7 to the financial statements.

3.1.2 Accounting Guidances

Accounting Guidance on Temporary Relief Measures for Entities Providing Assistance to Debtors Impacted by Situations That Affect the Thai Economy

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Entities Providing Assistance to Debtors Impacted by Situations That Affect the Thai Economy. Its objectives are to provide temporary relief measures solely for entities providing assistance to debtors impacted by the situations that affect the Thai economy, such as COVID-19, economic conditions, trade wars and drought, and to provide an alternative for all entities providing assistance to debtors in accordance with measures to assist debtors specified in the circular of the BoT No. Phor.Nor.Sor.(01)Vor.276/2563 "Guidelines on providing assistance to debtors impacted by situations that affect the Thai economy" and the circular of the BoT No. Phor.Nor.Sor.(01)Vor.380/2563 "Measures to provide additional assistance to debtors during the COVID-19 situation" or any other measures announced by the BoT. Such entities include credit card businesses, businesses providing loans secured against vehicle registrations without collateral, personal loan businesses under the supervision of the BoT and certain entities not under the supervision of the BoT, such as leasing, hire-purchase, motorcycle hire-purchase and factoring businesses. Entities providing assistance to debtors in accordance with the BoT's measures and electing to apply this Accounting Guidance have to apply all temporary relief measures in this guidance.

On 22 April 2020, the Accounting Guidance was announced in the Royal Gazette and it is effective for entities providing assistance to debtors impacted by situations that affect the Thai economy with the helping period during the period from 1 January 2020 to 31 December 2021 or until there are any changes from the Bank of Thailand, which require the compliance for such changes. The guidance applies to large-sized debtors, small and medium-sized debtors, and retail debtors who have the ability to run a business or to repay debts in the future and have been impacted directly or indirectly by such situations, considering the following guidelines.



Notes to Financial Statements

- Debtors who were not yet non-performing (Stage 1 or Stage 2) on or after 1 January 2020
- Debtors who became non-performing (Stage 3) on or after 1 January 2019, unless the entity is able to prove that the debtors becoming non-performing before 1 January 2019 are non-performing loans affected by the economic conditions

An entity, who provides assistance to affected debtors may apply the followings in accordance with the BoT's guideline.

- For the provision of assistance to loans that are not yet non-performing (Non-NPL), the Bank may classify them as loans with no significant increase in credit risk (Performing or Stage 1), provided that analysis of its status and business shows that the debtor is able to comply with the debt restructuring agreement without compliance monitoring and the debt restructuring is considered a pre-emptive debt restructuring rather than a troubled debt restructuring. Should the assistance be provided to the debtor in accordance with the circular of BoT No. Phor.Nor.Sor.(01)Vor.380/2563 and the classification of the debtor remains at the same stage as before.
- For the provision of assistance to non-performing loans (NPL), the Bank may classify them as performing loans if the debtor is able to make payment in accordance with the debt restructuring agreement for 3 months or 3 installments consecutively, whichever is the longer period.
- Additional working capital loans provided to a debtor in order to increase liquidity and enable the debtor to continue its business operations during the debt restructuring are classified by account level if the debtor has cash flows to support repayment or if, considering other factors, the debtor has the ability to pay the debt.
- The guidelines of the BoT No. Phor.Nor.Sor.(23)Vor.276/2563 relating to assessment of whether there has been a significant increase in credit risk are applied to assess whether a debtor is moving to Stage 2.
- Expected credit losses are determined based on the outstanding balance of the drawn down portion only.
- If the debt restructuring causes the existing effective interest rate to no longer reflect the estimated cash inflows from the loan, the Bank may apply a newly calculated effective interest rate to determine the present value of loans that have been restructured and recognises interest income on the basis of this new effective interest rate during the grace period, or in accordance with the BoT's new guidelines No. Phor.Nor.Sor.(01)Vor.380/2563 if there are changes.
- In cases where a general approach is used in determining expected credit losses, consideration is given to placing less weight on forward-looking information that is the result of the temporary crisis than on information reflecting ability of debt payment from historical experience.

During the year ended 31 December 2020, the Bank has provided assistance to affected debtors and has elected to apply this accounting guidance for the effected debtors. As of 31 December 2020, there are receivables in the program totaling 64,422 in the amount of Baht 110,248 million.

Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the COVID-19 Pandemic. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.



During the year 2020, the Bank has elected to apply the following temporary relief measures on accounting alternatives:

- Not to account for any reduction in lease payments by lessors resulting from the COVID-19 situation as a lease modification, with the lease liabilities that come due in each period reduced in proportion to the reduction and depreciation of right-of-use assets and interest on lease liabilities recognised in each period reversed in proportion to the reduction, with any differences then recognised in profit or loss.

However, if the Bank has to discontinue application of all temporary relief measures on accounting alternatives. The Bank has assessed the financial impacts with no significant impact on the Bank's financial statements.

4. Summary of significant accounting policies

4.1 Revenue recognition

(a) Interest income

The Bank and its subsidiary have recognised interest income on an accrual basis by using effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset. The effective interest rate is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the effective interest rate.

The Bank and its subsidiary have calculated interest income by using effective interest rate method applied to the gross carrying value of financial assets. If financial assets are later credit-impaired, the Bank and its subsidiary recognise interest income using effective interest rate method applied to the net carrying value. (carrying value minus allowance for expected credit losses) of financial assets. If the financial asset is no longer credit-impaired, the Bank and its subsidiary revert to calculating interest income on a gross carrying value.

Discounts received in advance in respect of bills purchased and other unearned interest income are recognised as revenue on an accrual basis over the terms of the bills.

- (b) Brokerage fees and service fees on derivatives trading are recognised as revenue on the transaction dates.
- (c) Gains (losses) on securities and derivatives trading are recognised as revenues or expenses on transaction dates.
- (d) Interest and dividends on investments

Interest on investments is recognised as revenue on an accrual basis based on the effective interest rate. Dividends are recognised as revenue when the right to receive the dividend is established.

- (e) Fees and other service fees are recognised as revenues on an accrual basis.

4.2 Expenses recognition

The Bank and its subsidiary recognise expenses on an accrual basis.

4.3 Net gains (losses) from financial instruments measured at fair value through profit or loss

Net gains (losses) from financial instruments measured at fair value through profit or loss consist of gains (losses) on trading and foreign exchange transactions, gains (losses) from changes in the fair value of derivatives and financial assets designated at fair value through profit or loss, gains (losses) from sales of financial assets measured at fair value through profit or loss and derivatives. The Bank and its subsidiary recognise them as revenues or expenses on the transaction dates.

4.4 Cash

Cash is the amount included in the statements of financial position under the caption of cash, which consists of cash on hand and cheques in transit.



Notes to Financial Statements

4.5 Securities purchased under resale agreements/ securities sold under repurchase agreements

The Bank enters into agreements with private entities to purchase/sell securities whereby there is an agreement to resell/repurchase the securities at certain dates in the future and at fixed prices. Amounts paid for the securities purchased under resale agreement are presented as assets under the caption of “Interbank and money market items” in the statements of financial position, and the underlying securities are treated as collateral to such receivables, while securities sold under repurchase agreement are presented as liabilities under the caption of “Interbank and money market items” in the statement of financial position at the amounts received from the sale of those securities, and the underlying securities are treated as collateral.

4.6 Financial instruments

Accounting policy adopted since 1 January 2020

Recognition of financial instruments

The Bank and its subsidiary recognise financial assets or financial liabilities when the Bank and its subsidiary become a party to the contractual provisions of the financial instruments.

Classification and measurement of financial assets and financial liabilities

Financial assets - debt instruments

The Bank and its subsidiary classify its financial assets in debt instruments as financial assets subsequently measured at amortised cost or fair value in accordance with the Bank and its subsidiary’s business model in managing the financial assets and according to the contractual cash flows characteristics of the financial assets as follows:

A financial asset measured at amortised cost

A financial asset shall be classified as a financial asset measured at amortised cost only if both following conditions are met: the financial asset is held within a business model whose objective is to hold financial asset in order to collect contractual cash flows and the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding on the designation date. These financial assets are initially recognised at fair value on trade date and subsequently measured at amortised cost net of allowance for expected credit losses (if any).

A financial asset measured at fair value through other comprehensive income

A financial asset shall be classified as a financial asset measured at fair value through other comprehensive income only if both following conditions are met: the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial asset as well as the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding on the designation date. These financial assets are initially recognised at fair value and subsequently measured at fair value. The unrealised gains or losses from changes in their fair value are recognised as a component of shareholders’ equity in other comprehensive income. Upon derecognition, after which such gains or losses on disposal of the instruments will be recognised as gain or losses in profit or loss. The gains or losses on foreign exchange, expected credit losses, and interest income calculated using the effective interest rate method are recognised in profit or loss.

A financial asset measured at fair value through profit or loss

A financial asset shall be classified as a financial asset measured at fair value through profit or loss unless the financial asset is held within a business model whose objective is to hold financial asset in order to collect contractual cash flows or, the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding on the designation date. These financial assets are initially recognised at fair value and are subsequently measured at fair value. Unrealised gains or losses from change in fair value, and gains or losses on disposal of instruments are recognised as gains (losses) on financial instruments measured at fair value in profit or loss.

Financial assets - equity securities

The Bank and its subsidiary have classified investments in equity securities that are not held for trading but held for strategic purposes or for securities with potential for high market volatility as the financial asset designated measured at fair value through other comprehensive income, where an irrevocable election has been made by the management. Such classification is determined on an instrument-by-instrument basis. Gains and losses arising from changes in fair value are recognised in other comprehensive income and not subsequently recognised in profit or loss when disposal, instead, they are transferred to retained earnings. Dividends on these investments are recognised in profit or loss, unless the dividends clearly represent a recovery of part of the cost of the investment.

Financial liabilities

Except for derivative liabilities, at initial recognition the Bank and its subsidiary's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost.

Modifications of financial instruments not measured at fair value

Financial assets

If the terms of a financial assets are modified, the Bank and its subsidiary evaluate whether the cash flows of the modified financial assets are different from the original financial assets significantly. The original financial assets are derecognised and a new financial assets are recognised at fair value. The difference between the carrying amount of the financial assets extinguished and the new financial assets are recognised in profit or loss as a part of impairment loss.

If the cash flows of the modified financial assets are not substantially different, the Bank and its subsidiary recalculate the gross carrying amount of the financial assets and recognise the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss which is presented as impairment losses.

Financial liabilities

The Bank and its subsidiary derecognise a financial liability when its terms are modified, and the cash flows of the modified financial liabilities are substantially different. A new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability is recognised in profit or loss.

If the cash flows of the modified financial liabilities are not substantially different, the Bank and its subsidiary adjust the carrying amount of the financial liability to reflect the net present value of the revised cash flows discounted at the original effective interest rate and recognises the amount arising from adjusting the carrying amount as a modification gains or losses.

Offsetting

Financial assets and financial liabilities are offset, and the net amount is presented in the statement of financial position when the Bank and its subsidiary have a currently enforceable legal right to offset the recognised amounts and intends to settle on a net basis or to realise the asset and settle the liabilities simultaneously.

Derecognition of financial instruments

The Bank and its subsidiary derecognise a financial asset when the rights to receive cash flows from the asset have expired or have been transferred and either the Bank and its have transferred substantially all the risks and rewards of the asset, or the Bank and its subsidiary have neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset. Any interest from transferred financial assets, which is created or retained by the Bank and its subsidiary, are recognised separately as an asset or a liability.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.



Notes to Financial Statements

Write-off

Debts that are determined to be irrecoverable are written off (either partially or in full) in the period in which the decision is taken. This is generally the case when the Bank and its subsidiary determine that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off are still subject to enforcement activities in order to comply with the Bank and its subsidiary's procedures for recovery of amount due.

4.7 Investments

Accounting policy adopted since 1 January 2020

The Bank and its subsidiary have classified investments in securities as debt or equity instruments financial assets as follows:

Financial assets - debt instruments

The Bank and its subsidiary classify its investment in debt instruments as financial assets subsequently measured at amortised cost or fair value in accordance with the Bank and its subsidiary's business model in managing the financial assets and according to the contractual cash flows characteristics of the financial assets as follows:

(a) Financial assets measured at fair value through profit or loss

It is classified as a financial asset measured at fair value through profit or loss unless the financial asset is held within a business model whose objective is to hold financial asset in order to collect contractual cash flows or, the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding on the designation date. These financial assets are initially recognised at fair value and are subsequently measured at fair value. Unrealised gains or losses from change in fair value measured at fair value in profit or loss.

(b) Financial assets measured at fair value through other comprehensive income

It is classified as a financial asset measured at fair value through other comprehensive income only if both following conditions are met: the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial asset as well as the contractual terms of the financial assets represent contractual cash flows that are solely payments of principal and interest on the principal amount outstanding on the designation date. These financial assets are initially recognised at fair value and subsequently measured at fair value. The unrealised gains or losses from changes in their fair value are recognised as a component of shareholders' equity in other comprehensive income. Upon derecognition, after which such gains or losses on disposal of the debt instruments will be recognised as gain or losses in profit or loss. The expected credit losses, and interest income calculated using the effective interest rate method are recognised in profit or loss.

At the end of reporting period, investments in debt instruments measured at fair value through other comprehensive income are presented in the statement of financial position net of allowance for expected credit losses (if any).

Financial assets - equity instruments

The Bank and its subsidiary classified investments in non-marketable domestic and foreign equity securities as financial asset designated measured at fair value through other comprehensive income, which could not be subsequently changed. Gains and losses arising from changes in fair value is recognised in other comprehensive income and not subsequently recycled to profit or loss when disposal, instead, it is transferred to retained earnings. Dividends on these investments are recognised in profit or loss, unless the dividends clearly represent a recovery of part of the cost of the investment.

Fair value

Fair values of investments are calculated on the following basis:

- (i) For government and state enterprises bonds, fair value is calculated based on the average latest bidding price posted on the Thai Bond Market Association.
- (ii) For marketable domestic equity securities, fair value is the last bid price quoted on The Stock Exchange of Thailand on the last business day of the period. For marketable foreign equity securities, fair value is the last bid price quoted in the stock market in the country in which such securities are traded.
- (iii) For non-marketable equity securities, fair value is based on the net asset values of such investments.
- (iv) For investment units, the fair value is determined using the Net Assets Value (NAV) per unit announced on the reporting period-end dates.
- (v) For private enterprises debt securities, the average latest bid price posted on the Thai Bond Market Association is used as the fair value adjusted with an appropriate risk premium.

Gains (losses) on disposals of investments

Gains (losses) on disposals of investments (excluding investments in equity securities classified as financial assets designated measured at fair value through other comprehensive income) are recognised in profit or loss on the transaction dates. The weighted average method is used for computation of the cost of investments.

Initial recognition

The Bank initially recognise purchases and sales of investments on settlement dates.

Changes in classification of investments in debt instruments

When there are changes in the Bank's business model for management of financial assets, the Bank has to reclassify investments in debt instruments and adjust the value of these investments to their fair value on the reclassification date. Differences between the book value and fair value of investments in debt instruments on the reclassification date are recorded in profit or loss or other comprehensive income depending on the classification of the reclassified investment.

Accounting policy adopted before 1 January 2020

The Bank and its subsidiary classify investments in all types of debt securities and marketable equity securities as either trading investments, available-for-sale investments, or held-to-maturity investments, and classify non-marketable equity securities as general investments.

Trading investments are stated at fair value. Change in the fair value of these investments are recorded as revenue or expense in profit or loss.

Available-for-sale investments are stated at fair value. Change in the fair value of these investments are recorded in other comprehensive income or loss and will then be recognised in profit or loss when the investments are sold.

Held-to-maturity investments are stated at amortised cost net of allowance for impairment. Any impairment loss is charged to profit or loss.

General investments are stated at cost net of allowance for impairment (if any). Impairment loss is charged to profit or loss.

Purchases and sales of investments in debt securities are recorded on settlement dates.



Notes to Financial Statements

Realised gains or losses on disposals of investments are recognised in profit or loss when they are disposed of, using the weighted average method in determining costs of the disposed investments.

Interest on investments in debt securities is recognised as revenue on an accrual basis. Premiums and discounts arising on the acquisition of investments are amortised or accreted against interest income in profit or loss based on the effective yield rate over the term of the investments.

Revenue from equity investments and other non-fixed income investments is recognised as dividend income when the right to receive the dividend is established.

Fair values of investments are calculated on the following basis:

- (i) For government and state enterprises bonds, fair value is, calculated based on the average latest bidding price posted on the Thai Bond Market Association.
- (ii) For marketable domestic equity securities, fair value is the last bid price quoted on The Stock Exchange of Thailand on the last business day of the period. For marketable foreign equity securities, fair value is the last bid price quoted in the stock market in the country in which such securities are traded.
- (iii) For investment units, the fair value is determined using the Net Assets Value (NAV) per unit announced on the reporting period-end dates.
- (iv) For private enterprises debt securities, the average latest bid price posted on the Thai Bond Market Association is used as the fair value adjusted with an appropriate risk premium.

In the event that the Bank reclassifies investments from one type to another, such investments are readjusted to their fair value on the date of reclassification. The difference between the carrying value and the fair value on the date of reclassification is recorded as gain or loss in profit or loss or recorded as other comprehensive income (loss), depending on the type of investment which is reclassified.

4.8 Investments in subsidiaries

Investments in subsidiaries as presented in the separate financial statements are stated at cost net of allowance for impairment (if any). Losses on impairment are recognised as expenses in profit or loss.

4.9 Loans to customers

Loans to customers include overdrafts, termed loans, trade bills, hire purchase and financial lease receivables and other loans. All items categorised under loans to customers (except for hire purchase and financial lease receivables and overdrafts) are presented at the principal amount outstanding, net of unearned discounts received in advance.

Hire purchase and financial lease receivables are stated at the outstanding balances per contract values net of outstanding balances of deferred revenue, which are presented after netting deferred commission expenses and initial direct cost on the inception of the hire-purchase agreements and advances received from debtors under financial lease agreements.

Overdrafts are stated at the drawn amounts together with any accrued interest receivables.

Loans purchased by or transferred to the Bank are stated at acquisition costs, after netting allowance for impairment loss.

4.10 Allowance for expected credit losses on financial assets/ Allowance for doubtful accounts

Accounting policy adopted since 1 January 2020

Allowance for expected credit losses on financial assets

The Bank and its subsidiary recognise an allowance for expected credit losses of financial assets - debt instruments, which are interbank and money market (assets), loans to customers and investments in debt securities, including loan commitments and financial guarantee contracts, measured at amortised cost or fair value through other comprehensive income using the General Approach. The Bank and its subsidiary classify its financial assets into three stages based on the changes in credit risk since initial recognition as follows:

Stage 1: Financial assets where there has not been a significant increase in credit risk (Performing)

For credit exposures where there has not been a significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the Bank and its subsidiary recognise allowance for expected credit losses at the amount equal to the expected credit losses in the next 12 months.

Stage 2: Financial assets where there has been a significant increase in credit risk (Under-Performing)

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, the Bank and its subsidiary recognise allowance for expected credit losses at the amount equal to the lifetime expected credit losses of financial assets.

Stage 3: Financial assets that are credit-impaired (Non-Performing)

Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred. For financial assets that have become credit-impaired, the Bank and its subsidiary recognise allowance for expected credit losses at the amount equal to the lifetime expected credit losses of financial assets.

At every reporting date, the Bank and its subsidiary assess whether there has been a significant increase in credit risk of financial assets since initial recognition by comparing the risk of default over the expected lifetime at the reporting date with the credit risk at the date of initial recognition. In determining whether credit risk has increased significantly since initial recognition, the Bank and its subsidiary use internal quantitative and qualitative indicators, and forecasts information to assess the deterioration in credit quality of financial assets such as arrears of over 30 days past due, loans under the watchlist (Early warning sign), loans that are classified as in the high risk group, changes of internal credit rating of the borrower since initial recognition, and issuer credit rating as either 'under investment grade' or 'no rating' for investments, etc.

The Bank and its subsidiary assess whether the credit risk has increased significantly from the date of initial recognition on an individual or collective basis. In order to perform collective evaluation of impairment, the Bank and its subsidiary classify financial assets on the basis of shared credit risk characteristics, taking into account type of instrument, credit limit, internal credit ratings, overdue status, and other relevant factors.

Financial assets are assessed to be credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the counterparties have occurred. Evidence of credit-impaired financial assets includes arrears of over 90 days past due or having indications that the borrower is experiencing significant financial difficulty, a breach of contract, bankruptcy or distressed restructuring.

A loan to customer that has been renegotiated due to a deterioration in the borrower's condition is usually considered to be significant increase in credit risk or credit-impaired unless there is evidence that the risk of not receiving contractual cash flows has reduced significantly and there are no other indicators of impairment.



Notes to Financial Statements

The Bank and its subsidiary consider their historical loss experience, adjusted by current observable data and plus on the reasonable and supportable forecasts of future economic conditions, including appropriate use of judgement, to estimate the amount of an expected credit losses. The Bank and its subsidiary determine both current and future economic scenario, and probability-weighted in each scenario (base scenario and downturn scenario) for calculating expected credit losses. The use of macroeconomic factors which major are include, but are not limited to, unemployment rate and property price index, etc. The Bank and its subsidiary have established the process to review and monitor methodologies, assumptions and forward-looking macroeconomics scenarios on an annual basis.

In the case of investments in debt securities measured at fair value through other comprehensive income, the Bank and its subsidiary recognise impairment charge in profit or loss as expected credit losses and the allowance for expected credit losses with the corresponding amount in other comprehensive income, whereas the carrying amount of the investments in debt securities in the statement of financial position still present at fair value.

The measurement of expected credit losses on loan commitments is the present value difference between the contractual cash flows that are due to the Bank and its subsidiary if the commitment is drawn down and the cash flows that the Bank and its subsidiary expect to receive. The measurement of expected credit losses for financial guarantees is based on the expected payments to reimburse the holder less any amounts that the Bank and its subsidiary expect to recover.

Increase (decrease) in an allowance for expected credit losses is recognised as an increase (decrease) to expenses in profit or loss during the year.

Bad debts are written off during the year in which the Bank considers that they are uncollectible as approved by the Special Asset Management Credit Committee and are accounted for by deducting from the allowance for expected credit losses. All bad debt recovered are recognised as revenue on a cash basis and is presented as an offset transaction to expected credit loss accounts in profit or loss.

The Bank has a policy to write-off unsecured consumer loans that are overdue longer than 180 days. Those unsecured consumer loans comprise of credit card receivables and other unsecured personal loans.

Accounting policy adopted before 1 January 2020

Allowance for doubtful accounts

The Bank provides allowance for doubtful accounts on loans to customers in accordance with the Notifications of the BOT and adjusts the allowance by any additional amounts that are expected to be uncollectible, based on an analysis and evaluation of the current status of the debtors, the credit risk of the debtors, collateral, historical loss and management's experience. Additional allowances (reversals of allowances) are recognised to increase (decrease) expenses during the years.

For loans to customers classified as pass (including restructured receivables) and special mention, the Bank records provision at rates of not less than 1% and 2% respectively, of the loan balances (excluding accrued interest receivables) net of collateral values, in accordance with the BOT's guideline, and adjusts the allowance taking into consideration the probability of default and the loss given default whereby parameters and assumptions have been reviewed and monitored on an ongoing basis to ensure they remain applicable.

For non-performing loans, the Bank records allowance for doubtful accounts at 100% of the loan balances remaining after deducting the present value of expected future cash inflows from debt collection or from collateral disposal, with the discount rate and the expected period of collateral disposal being set with reference to the BOT's guidelines.

For unsecured consumer loans, the collective approach is applied based on historical loss experience of each customer group.

Allowance for doubtful accounts on other receivables is provided for the estimated losses that may be incurred in the collection of receivables based on the review of current status of receivables outstanding at the end of reporting periods.



Bad debts are written off during the periods in which the Bank considers that they are uncollectible as approved by the Special Asset Management Credit Committee and are accounted for by deducting from the allowance for doubtful accounts. All bad debt recovered are recognised as revenue on a cash basis and is presented as an offset transaction to bad debts and doubtful accounts in profit or loss.

The Bank has a policy to write-off unsecured consumer loans that are overdue longer than 180 days. Those unsecured consumer loans comprise of credit card receivables and other unsecured personal loans.

4.11 Financial assets with modification of terms/troubled debt restructuring

Accounting policy adopted since 1 January 2020

When a financial asset's terms of repayment are renegotiated or modified, or debt is restructured, or an existing financial asset is replaced with a new financial asset because a debtor is having financial difficulties, the Bank assesses whether to derecognise the financial asset and measures the expected credit losses, as follows:

- If the modification of terms does not result in derecognition of the financial asset, the Bank calculates the gross book value of the new financial asset based on the present value of the new or modified cash flows, discounted using the original effective interest rate of the financial asset, and recognises a gain or loss on modification of terms in profit or loss.
- If the modification of terms results in derecognition of the financial asset, the fair value of the new financial asset is the latest cash flows of the original financial asset as at the date of derecognition. The difference between the book value and the fair value of the financial asset is recognised in profit or loss.

At the debt restructuring date, the debtors whose financial asset and commitment may be classified as either Performing/Stage 1 or Under Performing/Stage 2 or Non Performing/Stage 3. In the case where the respective debtor that is classified as Under Performing / Stage 2, shall be upgraded to Performing/Stage 1 if their repayment under the new debt restructuring contract have been made for at least 3 months from the restructuring date. Those Debtor who is classified as Non-Performing/Stage 3 shall be upgraded to Performing/Stage 1 when repayment under the new debt restructuring contract have been made at least 12 months from the restructuring date. Nevertheless, the debtor shall not fall under the Significant Increase in Credit Risk indicators (SICR) prior to upgrading to Performing/Stage 1. However, the Bank may carefully consider to classify the financial asset and commitment to be in alignment to the debtor's financial performance and repayment ability.

Accounting policy adopted before 1 January 2020

The Bank restructures loans by means of receiving the transfer of assets, or equity in settlement of loans to customers and modifying terms of loan repayments.

Loans restructured through a modification of terms of loan repayments are stated at the present value of cash expected to be received after modification of terms of loan repayments using discount rates equivalent to the market interest rates applicable at the time of the restructuring. The lower of the fair value of the loan as at the restructuring date and its respective book value is accounted for as revaluation allowance for debt restructuring, which is then amortised to profit or loss as interest income based on the amount received over the remaining periods of the restructuring agreement.

In cases where the troubled debt restructuring involves the transfer of assets or equity, the Bank records the assets or equity interest received as a result of debt restructuring at their fair value (based on the value appraised by internal appraisers or independent external appraisers) providing that the value recorded shall not exceed the amount of principal legally claimable from the debtor (including interest of which recognition has ceased until the restructuring date). Any excess of the fair value of the assets over the book value of outstanding loan is recognised as interest income in profit or loss.

Losses arising from debt restructuring through waivers of part of principal or recorded accrued interest receivable are recognised in profit or loss when incurred.



Notes to Financial Statements

4.12 Properties foreclosed

Properties foreclosed of the Bank are stated at the lower of cost and net realisable value. Net realisable value is determined by using the latest appraisal value, taking into consideration selling expenses, and in accordance with the BOT's guidelines. Properties foreclosed, which have been received as a result of a debt/asset swap are recorded at the lower of the legally claimable value of the loan or the net realisable value of the foreclosed properties.

Losses on impairment are charged to profit or loss. Gains or losses on the sale of properties foreclosed are recognised only when such properties are sold.

4.13 Premises and equipment and depreciation

Land is stated at cost or reappraised value. Buildings are stated at cost or reappraised value less accumulated depreciation and allowance for impairment loss (if any). Equipment is stated at cost less accumulated depreciation and allowance for impairment loss (if any).

Depreciation is calculated by reference to their cost or reappraised value on a straight-line basis over the following estimated useful lives for each type of assets:

Buildings	-	50 years
Building improvement	-	10 years
Equipment	-	3 years 5 years 10 years and 25 years

No depreciation is determined for land and assets under construction/installation.

Premises are initially recorded at cost and then subsequently revalued by the independent appraisers to their fair value in accordance with the guidelines announced by the BOT. The Bank's policy is to revalue these assets every 3 - 5 years in order that their carrying value at the end of reporting period does not differ materially from their fair value.

In addition, the Bank has considered and reviewed the economic useful life of the fully depreciated buildings based on the residual economic useful life of the buildings in accordance with the appraisal of independent appraiser.

Differences arising from revaluation are dealt with as follows:

- When the carrying value of asset is increased as a result of a revaluation, the increase is credited directly to other comprehensive income (loss) and the cumulative increase is recognised in shareholders' equity as "Revaluation surplus on assets", presented as a part of other components of shareholders' equity in statements of financial position. However, if the asset was previously devalued and the Bank used to recognise such a revaluation decrease as an expense in profit or loss, a revaluation increase from this revaluation is then recognised as a revenue to the extent that it reverses a revaluation decrease in respect of the same asset previously recognised as an expense.
- When the carrying value of asset is decreased as a result of a revaluation, the decrease is recognised as an expense in profit or loss. However, if the asset was previously revalued and still has the outstanding revaluation surplus left in "Revaluation surplus on assets", the revaluation decrease is then charged to the other comprehensive income (loss) to the extent that it does not exceed on amount already held in "Revaluation surplus on assets" in respect of the same assets.

Amortisation of the revaluation surplus on assets is charged directly against retained earnings.

The revaluation surplus on assets can neither be used to offset against deficit nor for dividend distribution.

An item of premises and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss when the asset is derecognised.



4.14 Leasehold rights

Leasehold rights are stated at cost less accumulated amortisation under the heading of “Other assets” in statements of financial position. Leasehold rights are amortised on a straight-line basis over the lease periods and the amortisation amounts are recognised as expenses in profit or loss.

4.15 Other intangible assets and amortisation

Other intangible assets are carried at cost less accumulated amortisation and allowance for impairment loss (if any).

Other intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year-end. The amortisation expense is charged to profit or loss.

Other intangible assets with finite useful lives are application softwares, which have estimated useful lives of 10 years.

Application softwares and application development purchased since 1 January 2018 onwards have estimated useful lives of 8 years.

4.16 Provisions for other liabilities

Provisions for other liabilities are recognised when the Bank and its subsidiary have a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. In the event that the amount cannot be clearly identifiable, then an estimate of such obligation is made.

4.17 Impairment of non-financial assets

At each reporting date, the Bank and its subsidiary perform impairment reviews in respect of an asset whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset’s fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Bank and its subsidiary could obtain from the disposal of the asset in an arm’s length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss. However in cases where premises were previously revalued and the revaluation surplus was taken to equity, a part of such impairment loss is recognised in equity up to the amount of the revaluation surplus previously recognised.

In the assessment of asset impairment, if there is any indication that previously recognised impairment loss may no longer exist or may have decreased, the Bank and its subsidiary estimate the asset’s recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset’s recoverable amount since the last impairment loss was recognised. The increased carrying value of the asset attributable to a reversal of an impairment loss shall not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset in prior periods. Such reversal is recognised in profit or loss unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying value that would have been determined, is treated as a revaluation increase.

4.18 Employee benefits

(a) Short-term benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Leave entitlements are recognised when they accrue to employees. Provision for leave entitlements is made based on contractual terms, with adjustment for expected attrition.



Notes to Financial Statements

(b) Post-employment benefits

Defined contribution plans

The Bank, its subsidiary and their employees established the provident funds under the Provident Fund Act B.E. 2530. According to the funds' regulations, every employee, after the probation period, is entitled to apply for membership. The employees contribute to the fund at the rate of 2%, 5%, 6%, 10% or 15% of their basic salary and the Bank and its subsidiary contribute to the funds at the rate of 5% - 6% of their basic salary. The employees are entitled to the benefits upon termination of employment in accordance with the rules of the funds, except when termination of employment is due to violations of the rules and regulations of the Bank and its subsidiary.

The funds set up by the Bank and its subsidiary are managed independently by UOB Asset Management (Thailand) Co., Ltd. Therefore, these funds do not appear in the consolidated and separate statements of financial position.

The Bank and its subsidiary's contributions are recognised as expenses when incurred.

Defined benefit plan and other defined benefit plan

The Bank and its subsidiary have severance payment obligations to employees upon retirement under labor law. The Bank and its subsidiary treat these severance payments as the defined benefit plan. In addition, the Bank and its subsidiary also has other long-term employment benefit scheme for employees of the Bank under the previous name of "Bank of Asia Public Co., Ltd.," who joined the Bank prior to 16 May 2005 and have been employed for at least 15 years, the benefits of which are based on the latest month's salary and the number of years of service. Employees will receive half of this other long-term employment benefits when they resign or will receive it in full when they retire. The Bank and its subsidiary treats these benefits to be other long-term defined benefit plan.

The defined benefit plan obligations are determined by a professionally qualified independent actuary using the projected unit credit method.

Actuarial gains and losses arising from the defined benefit plan and other long-term benefit plan are recognised in other comprehensive income or loss.

4.19 Lease

Accounting policy adopted since 1 January 2020

Right-of-use assets

The Bank and its subsidiary recognises right-of-use assets at the commencement date of the lease (the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses (if any), and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised through initial measurement, initial direct costs incurred, and lease payments made at or before the commencement date, less any lease incentives received.

Unless the Bank and its subsidiary is reasonably certain that it will obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

Lease liabilities

At the commencement date of the lease, the Bank and its subsidiary recognise lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Bank and its subsidiary's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Short-term leases and leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

Accounting policy adopted before 1 January 2020

Operating leases

Leases of assets where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease terms.

4.20 Share-based payments

The cost of the share-based payment plan of United Overseas Bank Limited (“major shareholder”) will be invoiced by the major shareholder, and the Bank will record the invoiced amounts as a liability in statements of financial position, and recognise them as an expense in profit or loss over the vesting period as defined in the plan.

4.21 Income taxes

Income tax expenses represent the sum of corporate income taxes currently payable and deferred income taxes.

(a) Current income taxes

Current income taxes are provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

(b) Deferred income taxes

Deferred income taxes are provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting periods.

The Bank and its subsidiary recognise deferred tax liabilities for all taxable temporary differences and recognise deferred tax assets for all deductible temporary differences including tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Bank and its subsidiary review and reduce the carrying value of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or a part of the deferred tax assets to be utilised.

The Bank and its subsidiary record deferred tax directly to shareholders' equity if the taxes relate to items that are recorded directly to shareholders' equity.

4.22 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Bank and its subsidiary's functional currency. Items included in the consolidated financial statements of each entity are measured using that functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies and commitments, which are limited to forward exchange contracts and currency swap contracts, outstanding at the end of reporting periods are translated into Baht at the exchange rates ruling by the BOT at the end of reporting periods.

Gains and losses on exchange are recognised in profit or loss.



Notes to Financial Statements

4.23 Financial derivatives

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss.

4.24 Interbank and money market items (Assets/Liabilities)

The Bank recognises and derecognises such items in the financial statements on the settlement dates.

4.25 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Bank and its subsidiary apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except when there is no active market of an identical asset or liability or when a quoted market price is not available, the Bank and its subsidiary measure fair value using valuation technique that are appropriate in the circumstances and maximise the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Bank and its subsidiary determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with Thai Financial Reporting Standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

5.1 Allowance for expected credit losses for loans to customers and accrued interest receivables, including loan commitments and financial guarantee contracts.

The management is required to use judgement in estimation in determining the allowance for expected credit losses for loans to customers and accrued interest receivables, including loan commitments and financial guarantee contracts. The calculation of allowance for expected credit losses of the Bank and its subsidiary based on the criteria of assessing if there has been a significant increase in credit risk, the development of complex expected credit losses model with a series of underlying assumptions, including the choice of inputs the forecasted macroeconomic variables in the model. This estimation has various relevant factors; therefore, the actual results may differ from estimates.

5.2 Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercised judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (the Bank and its counterparties), liquidity, correlation and long-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosure of fair value hierarchy.



5.3 Allowance for impairment on investments

The Bank and its subsidiary treat investments as impaired when there has been a significant or prolonged decline in the fair value below its cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires management’s judgement.

5.4 Recognition and derecognition of assets and liabilities

In considering whether to recognise or to derecognise assets or liabilities, the management is required to make judgement on whether risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

5.5 Obligations under the defined benefit plan and other long-term benefit plan

Obligations under the defined benefit plan and other long-term benefit plan are determined based on actuarial techniques which involve, various assumptions, including discount rate, future salary incremental rate, staff turnover rate, mortality rate and inflation rates. Management exercises judgement to determine the appropriateness of these assumptions, based on their best knowledge of current events and arrangements.

5.6 Other intangible assets

The initial recognition and measurement of other intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

5.7 Litigation

The Bank has contingent liabilities as a result of litigation. The Bank’s management has used judgement to assess of the results of the litigation and records the estimated loss that may incur under contingent liabilities as at the end of reporting periods.

5.8 Leases

Determining the lease term with extension and termination options

In determining the lease term, the management is required to exercise judgement in assessing whether the Bank is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Bank to exercise either the extension or termination option.

Estimating the incremental borrowing rate

The Bank cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Bank would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

5.9 Premises and equipment and depreciation

In determining depreciation of premises and equipment, the management is required to make estimates of the useful lives and residual values of premises and equipment and to review estimate useful lives and residual values when circumstance changes.

The Bank measures land and buildings at revalued amounts. Fair value from revaluation is determined by independent appraisers using market approach for land and depreciated replacement cost approach for buildings. The valuation involves certain assumptions and estimates as described in Note 16 to the financial statements.

In addition, the management is required to consider premises and equipment for impairment at the end of reporting period and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.



Notes to Financial Statements

5.10 Allowance for impairment on properties foreclosed

The Bank assesses allowance for impairment on properties foreclosed when their net realisable value is below their carrying value. The management uses judgement in estimating impairment loss, taking into account changes in the value of an asset, appraisal value, the type and quality of the asset, how long it is expected to take to dispose of the asset and changes in economic circumstances.

5.11 Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

6. Regulatory rule related to capital fund and Liquidity Coverage Ratio (LCR) Disclosure Standards

6.1 Regulatory rule related to capital fund

According to the BOT's Notification Sor Nor Sor 4/2556, Sor Nor Sor 5/2556, Sor Nor Sor 14/2562 and Sor Nor Sor 15/2562, commercial banks are required to disclose certain additional capital information for their position. The Bank will disclose such information as at 31 December 2020 in its website (www.uob.co.th) by the end of April 2021. The Bank disclosed such information as at 31 December 2019 on 30 April 2020.

6.2 Regulatory rule related to Liquidity Coverage Ratio (LCR) Disclosure Standards

According to the BOT's Notification Sor Nor Sor 2/2561, commercial banks are required to disclose certain information for Liquidity Coverage Ratio (LCR). The Bank will disclose such information for the second half of the year 2020 in its website (www.uob.co.th) by the end of April 2021. The Bank disclosed such information for the first half of the year 2020 on 28 October 2020.

7. Cumulative effect of the change in accounting policies

7.1 Recognition of cumulative effect of change in accounting policy through restatement of the prior year financial statements

As described in Note 3.1 to the financial statements, the Bank adopted the set of Thai Financial Reporting Standards (TFRS) related to financial instruments during the current year. The Bank elected to apply the change in interest income recognition method to the effective interest rate method retrospectively, by restating the prior years' financial statements, presented as comparative information. The cumulative effect of the change is presented as a separate item in the statements of changes in shareholder's equity.

The amounts of the adjustments made due to the change in the accounting policy for interest income recognition, which affects the statement of financial position and the statement of comprehensive income, are as follows:

	(Unit: Million Baht)	
	Increase (Decrease)	
	Consolidated and separate financial statements	
	31 December 2019	1 January 2019
Statements of financial position		
Assets		
Loans to customers and accrued interest receivables - net	680	590
Liabilities		
Accrued expenses	136	118
Shareholder's equity		
Retained earnings - unappropriated	544	472

	(Unit: Million Baht)	
	Increase (Decrease) of profit for the year ended 31 December 2019	
	Consolidated and separate financial statements	
Statements of comprehensive income		
Profit or loss:		
Interest income		90
Income tax expenses		(18)
Profits for the year		72

Earnings per share (Baht)	
Basic earnings per share	0.03

7.2 Recognition of cumulative effect of changes in accounting policies through adjustment to retained earnings as at 1 January 2020

As described in Note 3.1 to the financial statements, during the current period, the Bank and its subsidiary have adopted the set of Thai Financial Reporting Standards related to financial instruments. The cumulative effect of initially applying these financial reporting standards is recognised as an adjustment to retained earnings as at 1 January 2020, with the comparative information not being restated (except for the change in the accounting policy for recognition of interest income on loans to customers to apply the effective interest rate method, which was applied retrospectively by restating the comparative information, as described in Note 7.1 to the financial statements).

The Bank and its subsidiary chose to recognise the cumulative effects of changes in accounting policies as adjustments to retained earnings as at 1 January 2020 and the comparative information was not restated.

However, the adoption of TFRS 16 has no impact on retained earnings as at 1 January 2020.



Notes to Financial Statements

The amounts of the adjustments made due to the changes in the accounting policies as a result of adopting these financial reporting standards, which affect the statement of financial position as at 1 January 2020, are as follows:

	(Unit: Million Baht)				
	Consolidated financial statements				
	The impacts of				
	Change on recognition of interest income using the effective interest rate method (Note 7.1)	Financial reporting standards related to financial instruments (Note 7.3)	TFRS 16 (Note 7.4)		
	31 December 2019	-	-	1 January 2020	1 January 2020
Statement of financial position					
Assets					
Interbank and money market items - net	45,109	-	(1,692)	-	43,417
Financial assets measured at fair value through profit or loss	-	-	7,577	-	7,577
Investments - net	90,635	-	(3,899)	-	86,736
Loans to customers and accrued interest receivables - net	405,532	680	(1,354)	-	404,858
Right-of-use assets - net	-	-	-	482	482
Deferred tax assets - net	70	-	122	-	192
Other assets - net	1,760	-	2	(32)	1,730
Liabilities and shareholder's equity					
Liabilities					
Lease liabilities	-	-	-	450	450
Provision for other liabilities	285	-	549	-	834
Accrued expenses	3,616	136	138	-	3,890
Shareholder's equity					
Other components of equity	4,156	-	61	-	4,217
Retained earnings - unappropriated	29,407	544	8	-	29,959

(Unit: Million Baht)

	Separate financial statements				
	The impacts of				
	31 December 2019	Change on recognition of interest income using the effective interest rate method (Note 7.1)	Financial reporting standards related to financial instruments (Note 7.3)	TFRS 16 (Note 7.4)	1 January 2020
Statement of financial position					
Assets					
Interbank and money market items - net	45,109	-	(1,692)	-	43,417
Financial assets measured at fair value through profit or loss	-	-	7,577	-	7,577
Investments - net	90,635	-	(3,899)	-	86,736
Loans to customers and accrued interest receivables - net	405,532	680	(1,354)	-	404,858
Right-of-use assets - net	-	-	-	482	482
Deferred tax assets - net	66	-	122	-	188
Other assets - net	1,758	-	2	(32)	1,728
Liabilities and shareholder's equity					
Liabilities					
Lease liabilities	-	-	-	450	450
Provision for other liabilities	285	-	549	-	834
Accrued expenses	3,610	136	138	-	3,884
Shareholder's equity					
Other components of equity	4,156	-	61	-	4,217
Retained earnings - unappropriated	29,362	544	8	-	29,914



Notes to Financial Statements

7.3 Financial instruments

Details of the impact on retained earnings and other components of shareholders' equity as at 1 January 2020 due to the adoption of financial reporting standards related to financial instruments are presented as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	Retained earnings	Other components of shareholders' equity	Retained earnings	Other components of shareholders' equity
Fair value measurement of financial assets measured at fair value through profit or loss	5	-	5	-
Fair value measurement of investments in debt securities measured at fair value through other comprehensive income	-	45	-	45
Fair value measurement of investments in equity securities designed to be measured at fair value through other comprehensive income	-	31	-	31
Others	4	-	4	-
Relevant deferred tax assets	(1)	(15)	(1)	(15)
The impact due to the adoption of financial reporting standards related to financial instruments	8	61	8	61

As at 1 January 2020, the classification and measurement of financial assets and financial liabilities in accordance with TFRS 9 comparing with the former classification and measurement are as follow:

(Unit: Million Baht)

Value according to former accounting policy	Consolidated financial statements					
	The classification and measurement in accordance with TFRS 9					
	Financial instruments measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income	Investments in equity securities designated to be measured at fair value through other comprehensive income	Financial instruments measured at amortised cost	Total	
Financial assets as at 1 January 2020						
Cash	5,873	-	-	-	5,873	5,873
Interbank and money market items - net	45,109	-	-	-	43,417	43,417
Financial assets measured at fair value through profit or loss	-	7,577	-	-	-	7,577
Derivatives assets	4,155	4,155	-	-	-	4,155
Investments - net	90,635	-	86,665	71	-	86,736
Loans to customers and accrued interest receivables - net	405,532	-	-	-	404,858	404,858
Deposits	1,352	-	-	-	1,352	1,352
Other assets - net	1,760	-	-	-	1,730	1,730
Total financial assets	554,416	11,732	86,665	71	457,230	555,698
Financial liabilities as at 1 January 2020						
Deposits	456,311	-	-	-	456,311	456,311
Interbank and money market items	22,470	-	-	-	22,470	22,470
Liabilities payable on demand	2,332	-	-	-	2,332	2,332
Derivatives liabilities	4,583	4,583	-	-	-	4,583
Debts issued and borrowings	11,000	-	-	-	11,000	11,000
Provisions for other liabilities	285	-	-	-	834	834
Accrued expenses	3,616	-	-	-	3,890	3,890
Guarantee deposits	362	-	-	-	362	362
Other liabilities	3,268	-	-	-	3,268	3,268
Total financial liabilities	504,227	4,583	-	-	500,467	505,050



Notes to Financial Statements

(Unit: Million Baht)

Value according to former accounting policy	Separate financial statements					Total
	The classification and measurement in accordance with TFRS 9					
	Financial instruments measured at fair value through profit or loss	Financial instruments measured at fair value through other comprehensive income	Investments in equity securities designated to be measured at fair value through other comprehensive income	Financial instruments measured at amortised cost		
Financial assets as at 1 January 2020						
Cash	5,873	-	-	-	5,873	5,873
Interbank and money market items - net	45,109	-	-	-	43,417	43,417
Financial assets measured at fair value through profit or loss	-	7,577	-	-	-	7,577
Derivatives assets	4,155	4,155	-	-	-	4,155
Investments - net	90,635	-	86,665	71	-	86,736
Loans to customers and accrued interest receivables - net	405,532	-	-	-	404,858	404,858
Deposits	1,352	-	-	-	1,352	1,352
Other assets - net	1,758	-	-	-	1,728	1,728
Total financial assets	554,414	11,732	86,665	71	457,228	555,696
Financial liabilities as at 1 January 2020						
Deposits	456,411	-	-	-	456,411	456,411
Interbank and money market items	22,470	-	-	-	22,470	22,470
Liabilities payable on demand	2,332	-	-	-	2,332	2,332
Derivatives liabilities	4,583	4,583	-	-	-	4,583
Debts issued and borrowings	11,000	-	-	-	11,000	11,000
Provisions for other liabilities	285	-	-	-	834	834
Accrued expenses	3,610	-	-	-	3,884	3,884
Guarantee deposits	364	-	-	-	364	364
Other liabilities	3,278	-	-	-	3,278	3,278
Total financial liabilities	504,333	4,583	-	-	500,573	505,156

The following table shows a reconciliation of the closing allowance for impairments as at 31 December 2019, recognised in accordance with BOT regulations and TAS 105 Accounting for Investments in Debt and Equity Securities and the provisions for contingent liabilities, recognised in accordance with TAS 37 Provisions, Contingent Liabilities and Contingent Assets, to the opening allowance for expected credit losses as at 1 January 2020, determined in accordance with TFRS 9. Such changes are due to remeasurement of allowance for expected credit losses under requirement of this financial reporting standard.

	(Unit: Million Baht)		
	Consolidated financial statements		
	As at 31 December 2019	Remeasurement	As at 1 January 2020
Allowance for expected credit losses - interbank and money market items - net (assets)	11	5	16
Allowance for expected credit losses - investments in debt securities measured at fair value through other comprehensive income	-	45	45
Allowance for expected credit losses - loans to customers and accrued interest receivables	10,563	(604)	9,959
Allowance for expected credit losses - other assets	139	2	141
Allowance for expected credit losses - loan commitments and financial guarantee contracts	198	549	747
Others	-	3	3
Total	10,911	-	10,911

	(Unit: Million Baht)		
	Separate financial statements		
	As at 31 December 2019	Remeasurement	As at 1 January 2020
Allowance for expected credit losses - interbank and money market items - net (assets)	11	5	16
Allowance for expected credit losses - investments in debt securities measured at fair value through other comprehensive income	-	45	45
Allowance for expected credit losses - loans to customers and accrued interest receivables	10,563	(604)	9,959
Allowance for expected credit losses - other assets	139	2	141
Allowance for expected credit losses - loan commitments and financial guarantee contracts	198	549	747
Others	-	3	3
Total	10,911	-	10,911



Notes to Financial Statements

7.4 Leases

Upon initial application of TFRS 16 the Bank and its subsidiary recognised lease liabilities that were previously classified as operating leases at the present value of the remaining lease payments, discounted using the Bank and its subsidiary's incremental borrowing rate at 1 January 2020. For leases previously classified as finance leases, the Bank and its subsidiary recognised the carrying amount of the right-of-use assets and lease liabilities based on the carrying amounts of the lease assets and lease liabilities immediately before the date of initial application of TFRS 16.

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
Operating lease commitments as at 31 December 2019	861	861
Less: Short-term leases and leases of low-value assets	(7)	(7)
Less: Contracts reassessed as service agreements	(321)	(321)
Less: Terminated lease agreements	(25)	(25)
Less: Others	(40)	(40)
Less: Deferred interest expenses	(18)	(18)
Increase in lease liabilities due to TFRS 16 adoption	450	450
Liabilities under finance lease agreements as at 31 December 2019	-	-
Lease liabilities as at 1 January 2020	450	450
Weighted average incremental borrowing rate (percent per annum)	1.43	1.43

The adjustments of right-of-use assets due to TFRS 16 adoption as at 1 January 2020 are summarised below:

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
Building and building improvement	397	397
Motor vehicles	85	85
Total right-of-use assets	482	482

7.5 Classification of financial assets and liabilities

(Unit: Million Baht)

Consolidated financial statements					
31 December 2020					
	Financial instruments measured at fair value through profit and Loss	Financial instruments measured at fair value through other comprehensive income	Investments in equity securities designated to be measured at fair value through other comprehensive Income	Financial instruments measured at amortised Cost	Total
Financial assets					
Cash	-	-	-	3,278	3,278
Interbank and money market items - net	-	-	-	68,336	68,336
Financial assets measured at fair value through profit or loss	3,468	-	-	-	3,468
Derivatives assets	6,126	-	-	-	6,126
Investments - net	-	108,325	76	-	108,401
Loans to customers and accrued interest receivables - net	-	-	-	421,662	421,662
Deposits	-	-	-	2,443	2,443
Other assets - net	-	-	-	2,132	2,132
Total financial assets	9,594	108,325	76	497,851	615,846
Financial liabilities					
Deposits	-	-	-	491,452	491,452
Interbank and money market items - net	-	-	-	45,375	45,375
Liabilities payable on demand	-	-	-	2,633	2,633
Derivatives liabilities	6,283	-	-	-	6,283
Debt issued and borrowings	-	-	-	11,000	11,000
Lease liabilities	-	-	-	363	363
Provision for other liabilities	-	-	-	1,005	1,005
Accrued expenses	-	-	-	2,581	2,581
Guarantee deposits	-	-	-	969	969
Other liabilities	-	-	-	2,897	2,897
Total financial liabilities	6,283	-	-	558,275	564,558



Notes to Financial Statements

(Unit: Million Baht)

Separate financial statements					
31 December 2020					
	Financial instruments measured at fair value through profit and Loss	Financial instruments measured at fair value through other comprehensive income	Investments in equity securities designated to be measured at fair value through other comprehensive Income	Financial instruments measured at amortised Cost	Total
Financial assets					
Cash	-	-	-	3,278	3,278
Interbank and money market items - net	-	-	-	68,336	68,336
Financial assets measured at fair value					
through profit or loss	3,468	-	-	-	3,468
Derivatives assets	6,126	-	-	-	6,126
Investments - net	-	108,325	76	-	108,401
Loans to customers and accrued interest receivables - net	-	-	-	421,662	421,662
Deposits	-	-	-	2,443	2,443
Other assets - net	-	-	-	2,131	2,131
Total financial assets	9,594	108,325	76	497,850	615,845
Financial liabilities					
Deposits	-	-	-	491,560	491,560
Interbank and money market items	-	-	-	45,375	45,375
Liabilities payable on demand	-	-	-	2,633	2,633
Derivatives liabilities	6,283	-	-	-	6,283
Debt issued and borrowings	-	-	-	11,000	11,000
Lease liabilities	-	-	-	363	363
Provision for other liabilities	-	-	-	1,005	1,005
Accrued expenses	-	-	-	2,573	2,573
Guarantee deposits	-	-	-	971	971
Other liabilities	-	-	-	2,907	2,907
Total financial liabilities	6,283	-	-	558,387	564,670

8. Interbank and money market items (Assets)

(Unit: Million Baht)

	Consolidated and separate financial statements					
	As at 31 December					
	2020			2019		
	On demand	Term	Total	On demand	Term	Total
Domestic items						
The Bank of Thailand and the Financial Institutions Development Fund	7,310	-	7,310	2,108	-	2,108
Commercial banks	71	29,932	30,003	74	18,389	18,463
Specific financial institutions	-	29,530	29,530	-	21,950	21,950
Other financial institutions	25	650	675	-	1,550	1,550
Total	7,406	60,112	67,518	2,182	41,889	44,071
Add: Accrued interest receivables and undue interest receivables	-	2	2	-	12	12
Less: Deferred revenue	-	-	-	-	(6)	(6)
Allowance for doubtful accounts	-	-	-	-	(10)	(10)
Allowance for expected credit loss	(9)	(12)	(21)	-	-	-
Total domestic items	7,397	60,102	67,499	2,182	41,885	44,067
Foreign items						
US Dollar	34	14	48	41	191	232
Yen	54	-	54	37	-	37
EURO	11	25	36	88	99	187
Other currencies	209	490	699	185	402	587
Total	308	529	837	351	692	1,043
Less: Allowance for doubtful accounts	-	-	-	-	(1)	(1)
Total foreign items	308	529	837	351	691	1,042
Total domestic and foreign items	7,705	60,631	68,336	2,533	42,576	45,109

9. Financial assets measured at fair value through profit or loss

(Unit: Million Baht)

	Consolidated and separate financial statements	
	As at 31 December	
	2020	2019
Government and state enterprises securities	1,402	-
Bill of exchange	2,066	-
Total financial assets measured at fair value through profit or loss	3,468	-



Notes to Financial Statements

10. Derivatives assets/liabilities

As at 31 December 2020 and 2019, the Bank has notional amounts and fair value of derivatives held for trading classified by type of risk as follows:

(Unit: Million Baht)

Type of risk	Consolidated and separate financial statements									
	As at 31 December									
	2020					2019				
	Fair Value		Notional amounts classified by remaining maturity			Fair Value		Notional amounts classified by remaining maturity		
Assets	Liabilities	Up to 1 year*	Over 1 year	Total	Assets	Liabilities	Up to 1 year*	Over 1 year	Total	
Foreign exchange	3,089	3,137	285,685	4,930	290,615	1,959	2,276	428,718	3,197	431,915
Interest rate	3,038	3,142	45,075	143,125	188,200	2,204	2,314	104,403	163,309	267,712
Commodity derivatives	13	13	126	-	126	-	-	-	-	-
Credit/Debit value adjustments (CVA/DVA)	(14)	(9)	-	-	-	(8)	(7)	-	-	-
Total	6,126	6,283	330,886	148,055	478,941	4,155	4,583	533,121	166,506	699,627

* Including derivatives have maturity at call.

11. Investments

11.1 Classified by types of investment

As at 31 December 2020 and 2019, the Bank has investments, as detailed follows:

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2020	2019
	Fair value/cost*	Fair value/cost*
Investments in debt securities measured at fair value through other comprehensive income		
Government and state enterprises securities	108,381	-
Less: Allowance for expected credit losses	(56)	-
Total	108,325	-
Investments in equity securities designated to be measured at fair value through other comprehensive income		
Non-marketable domestic equity securities	74	-
Non-marketable foreign equity securities	2	-
Total	76	-
Trading investments		
Government and state enterprises securities	-	3,930
Total	-	3,930
Available-for-sale investments		
Government and state enterprises securities	-	86,665
Total	-	86,665
General investments		
Non-marketable domestic equity securities	-	120
Non-marketable foreign equity securities	-	1
Total	-	121
Less: Allowance for impairment loss	-	(81)
General investments - net	-	40
Investments - net	108,401	90,635

* Trading investments and available-for-sale investments are stated at fair value and general investments are stated at cost.

As at 31 December 2020, the Bank has commitments to purchase debt securities of Baht 1,036 million (31 December 2019: Baht 1,015 million) and commitments to sell debt securities of Baht 933 million (31 December 2019: Baht 773 million).

For the year ended 31 December 2020, the Bank disposed equity investments designated to be measured at fair value through other comprehensive income of Baht 6 million.



Notes to Financial Statements

12. Investments in subsidiaries

Company's name	Nature of business	Type of security	Consolidated financial statements						
			Paid-up share capital		Percentage of shareholding		Investments stated under		Dividend income recognised during the years ended
			As at 31 December		As at 31 December		As at 31 December		
(Million Baht)	(Million Baht)	2020 (%)	2019 (%)	2020 (Million Baht)	2019 (Million Baht)	2020 (Million Baht)	2019 (Million Baht)		
Subsidiary - not included in consolidated financial statement									
UOB Bullion and Futures (Thai) Co., Ltd.	Completed Liquidation	Ordinary shares	-	29	-	75.00	-	22	-
Less: Allowance for impairment of securities								(20)	
Investments in subsidiary - net								-	2

* The consolidated financial statements for the years ended 31 December 2020 and 2019 excluded the financial statement of UOB Bullion and Futures (Thai) Co., Ltd., which was deregistered under liquidation. Such investment then stated at cost. The liquidation process is completed on 19 June 2020.

Company's name	Nature of business	Type of security	Separate financial statements						
			Paid-up share capital		Percentage of shareholding		Investments stated under		Dividend income recognised during the years ended
			As at 31 December		As at 31 December		As at 31 December		
(Million Baht)	(Million Baht)	2020 (%)	2019 (%)	2020 (Million Baht)	2019 (Million Baht)	2020 (Million Baht)	2019 (Million Baht)		
Subsidiaries									
UOB Bullion and Futures (Thai) Co., Ltd.	Completed Ordinary shares Liquidation	Ordinary shares	-	29	-	75.00	-	22	-
UOB Services Co., Ltd.	Debt collection business	Ordinary shares	60	60	99.99	99.99	60	60	30
Total investments in subsidiaries							60	82	30
Less: Allowance for impairment loss							-	(20)	
Investments in subsidiaries - net							60	62	

13. Loans to customers and accrued interest receivables

13.1 Classified by loan types

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2020	2019
		(Restated)
Overdrafts	14,911	17,340
Loans	319,582	308,672
Trade bills	90,130	81,741
Hire-purchase receivables	485	851
Financial lease receivables	1,011	1,574
Others	6,215	5,278
Less: Deferred revenue	(321)	(551)
Loans to customers, net of deferred revenue	432,013	414,905
Add: Accrued interest receivables	3,358	1,869
Loans to customers, net of deferred revenue, and accrued interest receivables	435,371	416,774
Less: Allowance for doubtful accounts		
1. The BOT's minimum required provision		
- Individual approach	-	(4,837)
- Collective approach	-	(760)
2. Provision in excess of the BOT's minimum required rates	-	(4,966)*
Less: Allowance for expected credit loss	(13,709)	-
Loans to customers and accrued interest receivables - net	421,662	406,211

* Allowance for doubtful accounts includes a reserve for cyclical business factors, including economic factors, and other risk that may affect the quality of assets.

13.2 Classified by currencies and debtors' residency

	(Unit: Million Baht)					
	Consolidated and separate financial statements					
	As at 31 December					
	2020			2019		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Baht	419,772	339	420,111	403,607	309	403,916
US Dollar	11,235	-	11,235	10,164	230	10,394
Other currencies	667	-	667	595	-	595
Loans to customers, net of deferred revenue	431,674	339	432,013	414,366	539	414,905



Notes to Financial Statements

13.3 Classified by loan classification

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December 2020	
	Loans to customers and accrued interest receivables	Allowance for expected credit loss
Financial assets where there has not been a significant increase in credit risk (Performing)	387,028	3,343
Financial assets where there has been a significant increase in credit risk (Under-Performing)	33,093	3,285
Financial assets that are credit-impaired (Non-Performing)	15,207	6,071
Financial assets that are credit impaired at purchased or originated credit-impaired	43	-
Excess allowance	-	1,010
Total	435,371	13,709

Due to the first time adoption of TFRS 9, on 1 January 2020 the Bank had an excess allowance which was the difference between the allowance for doubtful accounts determined based on the prior year's accounting policy and the allowance for expected credit losses determined under TFRS 9. The Bank notified the Bank of Thailand in its letter dated 2 October 2020 that the Coronavirus 2019 (COVID-19) outbreak and debt relief measures to assist debtors during the COVID-19 situation had significantly affected and requiring the Bank to set aside additional loan loss provisions. The Bank, therefore, notified the BOT to maintain the remained existing excess provision as at 31 December 2020 until COVID-19 pandemic situation relief. However, the Bank will manage by reducing the excess provision to be completed within 5 years in order to comply with the requirements of the BOT.

	(Unit: Million Baht)					
	Consolidated and separate financial statements					
	As at 31 December 2019					
	Loans to customers and accrued interest receivables	Other claims	Total	Net balance used in calculation of allowance for doubtful accounts*	Loan loss provisioning rates (%)	Allowance for doubtful accounts
The BOT's minimum required provision						
Pass	394,613	68	394,681	113,684	1	1,137
Special mention	9,977	3	9,980	2,216	2	44
Sub-standard	2,380	2	2,382	1,187	100	1,187
Doubtful	1,861	-	1,861	832	100	832
Doubtful of loss	7,943	20	7,963	2,420	100	2,420
Provision in excess of the BOT's minimum required rates**	-	-	-	-		4,966
Total	416,774	93	416,867	120,339		10,586

* Net balance used in calculation of allowance for doubtful accounts for pass and special mention loans is loan balance excluding accrued interest receivable but net of collateral. For sub-standard, doubtful and doubtful of loss loans, it is the debt balance (outstanding loan balance, net of deferred revenue but includes accrued interest receivables) after deducting the present value of expected future cash flows from debt collection or from collateral disposals.

** Allowance for doubtful accounts includes a reserve for cyclical business factors, including economic factors, and other risk that may affect the quality of assets.

As at 31 December 2019, allowance for doubtful accounts as shown in the tables above includes allowance for impairment on other claims, amounting to Baht 23 million.

As at 31 December 2019, the Bank classified unsecured consumer loans in accordance with the Notification of the BOT for non-performing loans (excluding receivables classified as pass and special mention), the allowance for doubtful accounts of which is determined using a collective approach, as follows:

(Unit: Million Baht)			
Consolidated and separate financial statements			
As at 31 December 2019			
Overdue (Days)	Unsecured consumer loans	Loan loss provisioning rates (%)	Allowance for doubtful accounts
0 - 119	625	70 - 89	452
120 - 180	422	70 - 89	308
Total	1,047		760

13.4 Hire-purchase/financial lease receivables

As at 31 December 2020, the Bank has receivables under hire-purchase and financial lease agreements net of deferred revenue amounting to Baht 1,404 million (31 December 2019: Baht 2,273 million), which are mostly for vehicles and machines. The terms of the agreements are generally between 1 - 9 years and a majority of them charged fixed rates of interest.

(Unit: Million Baht)					
Consolidated and separate financial statements					
As at 31 December 2020					
Amounts due under hire-purchase/financial lease agreements					
	Less than 1 year	1 - 5 years	Over 5 years	Financial assets that are credit impaired	Total
Gross investments under hire-purchase/financial lease agreements	623	785	-	87	1,495
Less: Deferred revenue*					(91)
Present value of minimum payments required under hire-purchase/financial lease agreements					1,404
Less: Allowance for expected credit loss					(103)
Hire-purchase/financial lease receivables - net					1,301

* After deduction of deferred commission and initial direct costs on hire-purchases (if any)



Notes to Financial Statements

	(Unit: Million Baht)				
	Consolidated and separate financial statements				
	As at 31 December 2019				
	Amounts due under hire-purchase/financial lease agreements				
	Less than 1 year	1 - 5 years	Over 5 years	Non performing loans	Total
Gross investments under hire-purchase/ financial lease agreements	1,006	1,314	-	105	2,425
Less: Deferred revenue*					(152)
Present value of minimum payments required under hire-purchase/financial lease agreements					2,273
Less: Allowance for doubtful accounts					(122)
Hire-purchase/financial lease receivables - net					2,151

* After deduction of deferred commission and initial direct costs on hire-purchases (if any)

13.5 Non-accrual loans

The Bank had non-accrual loans, according to the BOT's criteria (NPLs and restructured NPLs under restructuring in process) as follows:

	(Unit: Million Baht)
	Consolidated and separate financial statements
	As at 31 December 2019
Non-accrual loans*	12,184
Percentage of total loans**	2.67

* Principal only

** Including interbank and money market loans

14. Allowance for expected credit losses/Allowance for doubtful accounts

	(Unit: Million Baht)				
	Consolidated and Separate financial statements				
	31 December 2020				
	Financial assets where there has not been a significant increase in credit risk (12-mth ECL)	Financial assets where there has been a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	Allowance for doubtful accounts	Total
Interbank and money market items (assets)					
Beginning balance	-	-	-	11	11
Changes due to the adoption of new accounting standards ⁽¹⁾	16	-	-	(11)	5
Beginning balance - as restated	16	-	-	-	16
Changes due to revaluation of allowance for credit losses	5	-	-	-	5
Ending balance	21	-	-	-	21

(Unit: Million Baht)

Consolidated and separate financial statements						
31 December 2020						
	Financial assets where there has not been a significant increase in credit risk (12-mth ECL)	Financial assets where there has been a significant increase in credit risk (Lifetime ECL - not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL - credit impaired)	Excess allowance	Allowance for doubtful accounts	Total
Investments in debt securities measured at fair value through other comprehensive income						
Beginning balance	-	-	-	-	-	-
Changes due to the adoption of new accounting standards	45	-	-	-	-	45
Beginning balance - as restated	45	-	-	-	-	45
Changes due to revaluation of allowance for credit losses	(9)	-	-	-	-	(9)
New financial assets purchased or acquired	20	-	-	-	-	20
Ending balance	56	-	-	-	-	56
Loans to customers and accrued interest receivables						
Beginning balance	-	-	-	4,966	5,597	10,563
Changes due to the adoption of new accounting standards ⁽¹⁾	2,662	1,155	5,020	(3,844)	(5,597)	(604)
Beginning balance - as restated	2,662	1,155	5,020	1,122	-	9,959
Changes due to changes in stages	(37)	(162)	199	-	-	-
Changes due to revaluation of allowance for credit losses	230	2,190	2,836	-	-	5,256
New financial assets purchased or acquired	488	102	-	-	-	590
Bad debt written-off	-	-	(1,984)	-	-	(1,984)
Amortisation of the excess allowance	-	-	-	(112)	-	(112)
Ending balance	3,343	3,285	6,071	1,010	-	13,709

⁽¹⁾ The beginning balance of allowance for doubtful accounts which was determined in accordance with the rules of the Bank of Thailand is currently shown as 12-mth ECL and Lifetime ECL according to the principles of TFRS 9, without retrospective adjustment as described in Note 3.1 to the financial statements.



Notes to Financial Statements

(Unit: Million Baht)

	Consolidated and separate financial statements						
	For the year ended 31 December 2019						
	Pass	Special mention	Sub- standard	Doubtful	Doubtful of loss	Provision in excess of the BOT's minimum required rates*	Total
Beginning balance	1,090	41	589	494	2,551	5,425	10,190
Doubtful accounts	46	3	597	338	1,889	(459)	2,414
Bad debts written off	-	-	-	-	(2,028)	-	(2,028)
Others	-	-	(1)	-	(12)	-	(13)
Ending balance	1,136	44	1,185	832	2,400	4,966	10,563

* Allowance for doubtful accounts includes a reserve for cyclical business factors, including economic factors, and other risk that may affect the quality of assets.

** Allowance for doubtful accounts excludes allowance for impairment on other claims, amounting to Baht 23 million.

15. Properties foreclosed

Properties foreclosed represent properties obtained from debtors as a result of debt restructuring or properties obtained as a result of a successful bid for the mortgaged assets of debtors at auction and including the owned premises of the closed branches awaiting for sale.

Under the debt restructuring agreements, in cases the debtors restructure their debts by means of asset swap, the Bank grants buy-back rights or first refusal rights to certain debtors for a certain period, at prices as agreed in the debt restructuring agreements. The buy-back prices are normally agreed to be the transfer prices of the properties on the restructuring dates or plus interest.

As at 31 December 2020 and 2019, properties foreclosed are summarised as follows:

(Unit: Million Baht)

Type of properties foreclosed	Consolidated and separate financial statements			
	For the year ended 31 December 2020			
	Beginning balance	Addition	Disposal	Ending balance
Assets transferred in settlement of debts and assets from successful bids				
Immovable	2,067	55	(63)	2,059
Movable	-	-	-	-
Total properties foreclosed	2,067	55	(63)	2,059
Less: Allowance for impairment	(1,860)	-	-	(1,860)
Properties foreclosed - net	207	55	(63)	199

Type of properties foreclosed	(Unit: Million Baht)			
	Consolidated and separate financial statements			
	For the year ended 31 December 2019			
	Beginning balance	Addition	Disposal	Ending balance
Assets transferred in settlement of debts and assets from successful bids				
Immovable	2,083	45	(61)	2,067
Movable	-	-	-	-
Total properties foreclosed	2,083	45	(61)	2,067
Less: Allowance for impairment	(1,854)	(6)	-	(1,860)
Properties foreclosed - net	229	39	(61)	207

As at 31 December 2020 and 2019, costs of immovable properties foreclosed were classified by external and internal appraisers as follows:

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2020	2019
Properties foreclosed - immovable		
Appraised by external appraisers	2,029	2,037
Appraised by internal appraisers	30	30
Total	2,059	2,067



Notes to Financial Statements

16. Premises and equipment

16.1 Movements

(Unit: Million Baht)

	Consolidated financial statements				Total
	Revaluation basis		Cost basis		
	Land	Buildings	Building improvement and equipment	Assets under construction/installation	
Cost/Revaluation					
As at 1 January 2019	5,894	1,843	5,060	396	13,193
Acquisitions	-	-	238	786	1,024
Transfer in (out)	-	-	146	(146)	-
Disposal and written off	-	-	(818)	-	(818)
As at 31 December 2019	5,894	1,843	4,626	1,036	13,399
Acquisitions	347	22	230	832	1,431
Revaluation surplus	3,000	398	-	-	3,398
Transfer in (out)	(13)	-	34	(34)	(13)
Disposal and written off	-	-	(233)	-	(233)
As at 31 December 2020	9,228	2,263	4,657	1,834	17,982
Accumulated depreciation					
As at 1 January 2019	-	(156)	(3,166)	-	(3,322)
Depreciation charged for the year	-	(60)	(385)	-	(445)
Disposal and written off	-	-	810	-	810
As at 31 December 2019	-	(216)	(2,741)	-	(2,957)
Depreciation charged for the year	-	(62)	(402)	-	(464)
Adjustment	-	(8)	-	-	(8)
Disposal and written off	-	-	232	-	232
As at 31 December 2020	-	(286)	(2,911)	-	(3,197)
Net book value					
As at 31 December 2019	5,894	1,627	1,885	1,036	10,442
As at 31 December 2020	9,228	1,977	1,746	1,834	14,785
Depreciation included in profit or loss for the years ended 31 December					
2019					445
2020					464

(Unit: Million Baht)

	Separate financial statements				Total
	Revaluation basis		Cost basis		
	Land	Buildings	Building improvement and equipment	Assets under construction/installation	
Cost/Revaluation					
As at 1 January 2019	5,894	1,843	5,040	396	13,173
Acquisitions	-	-	237	786	1,023
Transfer in (out)	-	-	146	(146)	-
Disposal and written off	-	-	(813)	-	(813)
As at 31 December 2019	5,894	1,843	4,610	1,036	13,383
Acquisitions	347	22	230	832	1,431
Revaluation surplus	3,000	398	-	-	3,398
Transfer in (out)	(13)	-	34	(34)	(13)
Disposal and written off	-	-	(233)	-	(233)
As at 31 December 2020	9,228	2,263	4,641	1,834	17,966
Accumulated depreciation					
As at 1 January 2019	-	(156)	(3,157)	-	(3,313)
Depreciation charged for the year	-	(60)	(382)	-	(442)
Disposal and written off	-	-	805	-	805
As at 31 December 2019	-	(216)	(2,734)	-	(2,950)
Depreciation charged for the year	-	(62)	(400)	-	(462)
Adjustment	-	(8)	-	-	(8)
Disposal and written off	-	-	232	-	232
As at 31 December 2020	-	(286)	(2,902)	-	(3,188)
Net book value					
As at 31 December 2019	5,894	1,627	1,876	1,036	10,433
As at 31 December 2020	9,228	1,977	1,739	1,834	14,778
Depreciation included in profit or loss for the years ended 31 December					
2019					442
2020					462



Notes to Financial Statements

Had the land and buildings been carried based on a historical cost basis, their net book value as at 31 December 2020 and 2019 would have been as follows:

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2020	2019
Land		
Cost	2,232	1,888
Buildings		
Cost	1,831	1,823
Accumulated depreciation	(678)	(659)
Net book value	1,153	1,164

As at 31 December 2020, certain buildings and equipment items of the Bank and its subsidiary were fully depreciated but are still in use. The historical costs or the reappraised values, before deducting accumulated depreciation, of those assets totalled Baht 1,534 million (31 December 2019: Baht 1,555 million) and The Bank only: Baht 1,530 million (31 December 2019: Baht 1,555 million).

16.2 Revaluation surplus on assets

Revaluation surplus on assets are surplus from revaluation of land and buildings. Their movements during the years are as follows:

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	For the years ended 31 December	
	2020	2019
Beginning balances	4,505	4,536
Revaluation surplus for the years	3,398	-
Amortisation for the years	(32)	(31)
Ending balances	7,871	4,505

Revaluation surplus on assets can neither be used to offset against deficit nor for dividend distribution.

Differences arising from revaluation on assets are recognised in accordance with the accounting policy as described in Note 4.13 to the financial statements. On 8 October 2020, the BOT granted an approval for the Bank to count the differences arising from revaluation on land and buildings as a part of its Common Equity Tier 1 effective 30 September 2020 onwards, in accordance with the conditions specified in the BOT's notifications regarding the Basel III framework.

During the year 2020, the Bank arranged for independent professional valuers to appraise the value of land and buildings on an asset-by-asset basis. The basis of the revaluation was as follows:

- Appraisal of land: Market comparison approach is used whereby the buying and selling prices for assets with similar characteristics are obtained.
- Appraisal of buildings: The depreciated replacement cost approach is used for buildings specifically used for the Bank's operation. The market comparison approach is used for general buildings whereby the buying and selling prices for assets with similar characteristics are obtained. The income approach is used for assets that generate income.

Key assumptions in the valuation, which are unobservable inputs generally, are summarised below:

	Assumptions used in revaluation	Result to fair value where as an increase in assumption value
Land price per square wah (Baht)	50,058 - 2,500,000	Increase in fair value (Market comparison approach)
Building construction cost per square metre (Baht)	9,800 - 47,376	Increase in fair value (Depreciated replacement cost approach)
Yield rate (%)	11	Decrease in fair value (Income approach)

17. Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2020 are summarised below:

	(Unit: Million Baht)		
	Consolidated and separate financial statements		
	Buildings	Motor vehicle	Total
Cost			
As at 1 January 2020	-	-	-
Changes from adoption of new financial reporting standards	397	85	482
As at 1 January 2020 - as restated	397	85	482
Additions	129	13	142
Closed contract	(23)	(1)	(24)
As at 31 December 2020	503	97	600
Accumulated depreciation			
As at 1 January 2020	-	-	-
Depreciation for the year	(180)	(32)	(212)
As at 31 December 2020	(180)	(32)	(212)
Net book value			
As at 1 January 2020	-	-	-
As at 31 December 2020	323	65	388



Notes to Financial Statements

18. Other intangible assets

	(Unit: Million Baht)			
	Consolidated financial statements			
	Application softwares	Assets in progress	Others	Total
Cost				
As at 1 January 2019	3,129	63	2	3,194
Acquisitions	51	100	-	151
Transfer in (out)	99	(99)	-	-
Written off	(365)	-	-	(365)
As at 31 December 2019	2,914	64	2	2,980
Acquisitions	103	146	-	249
Transfer in (out)	120	(120)	-	-
Written off	(37)	-	-	(37)
As at 31 December 2020	3,100	90	2	3,192
Accumulated amortisation				
As at 1 January 2019	(2,114)	-	-	(2,114)
Amortisation for the year	(200)	-	-	(200)
Written off	365	-	-	365
As at 31 December 2019	(1,949)	-	-	(1,949)
Amortisation for the year	(207)	-	-	(207)
Written off	37	-	-	37
As at 31 December 2020	(2,119)	-	-	(2,119)
Net book value				
As at 31 December 2019	965	64	2	1,031
As at 31 December 2020	981	90	2	1,073
Remaining useful lives (years)	0 - 8	-	-	
Amortisation included in profit or loss for the years ended 31 December				
2019				200
2020				207

(Unit: Million Baht)

	Separate financial statements			Total
	Application softwares	Assets in progress	Others	
Cost				
As at 1 January 2019	3,113	63	2	3,178
Acquisitions	51	100	-	151
Transfer in (out)	99	(99)	-	-
Written off	(365)	-	-	(365)
As at 31 December 2019	2,898	64	2	2,964
Acquisitions	103	146	-	249
Transfer in (out)	120	(120)	-	-
Written off	(37)	-	-	(37)
As at 31 December 2020	3,084	90	2	3,176
Accumulated amortisation				
As at 1 January 2019	(2,100)	-	-	(2,100)
Amortisation for the year	(199)	-	-	(199)
Written off	365	-	-	365
As at 31 December 2019	(1,934)	-	-	(1,934)
Amortisation for the year	(207)	-	-	(207)
Written off	37	-	-	37
As at 31 December 2020	(2,104)	-	-	(2,104)
Net book value				
As at 31 December 2019	964	64	2	1,030
As at 31 December 2020	980	90	2	1,072
Remaining useful lives (years)	0 - 8	-	-	
Amortisation included in profit or loss for the years ended 31 December				
2019				199
2020				207

As at 31 December 2020, certain items of other intangible assets of the Bank and its subsidiary were fully amortised but are still in use. The historical costs, before deducting accumulated amortisation, of those assets totalled Baht 1,175 million (31 December 2019: Baht 1,078 million) and The Bank only: Baht 1,162 million (31 December 2019: Baht 1,065 million).



Notes to Financial Statements

19. Deferred tax assets/liabilities and income tax expenses

19.1 Deferred tax assets/liabilities

The following table shows major components of deferred tax assets/liabilities as at 31 December 2020 and 2019.

	(Unit: Million Baht)							
	Consolidated financial statements				Separate financial statements			
	Statements of financial position as at 31 December		Changes in deferred income taxes for the years ended 31 December		Statements of financial position as at 31 December		Changes in deferred income taxes for the years ended 31 December	
	2020	2019	2020	2019	2020	2019	2020	2019
Deferred tax assets on:								
Allowance for expected credit losses	210	-	210	-	210	-	210	-
Allowance for impairment on properties foreclosed	372	372	-	1	372	372	-	1
Allowance for impairment and revaluation on assets	3	5	(2)	-	3	5	(2)	-
Allowance for impairment and revaluation on investments	18	24	(6)	-	18	24	(6)	-
Provisions for long-term employee benefits	399	385	14	61	395	382	13	60
Provisions for other liabilities	34	57	(23)	10	34	57	(23)	10
Unrealised gains on financial instruments measured at fair value through profit or loss	1	-	1	(1)	1	-	1	(1)
Bad debts	2	2	-	(1)	2	2	-	(1)
Other receivables	6	9	(3)	-	6	9	(3)	-
Accrued expenses	145	186	(41)	(12)	145	186	(41)	(12)
Fixed asset	9	6	3	3	9	6	3	3
Others	198	184	14	10	198	183	15	9
Total	1,397	1,230	167	71	1,393	1,226	167	69
Deferred tax liabilities on:								
Revaluation surplus on assets	1,574	901	(673)	6	1,574	901	(673)	6
Revaluation surplus on investments	212	138	(74)	(121)	212	138	(74)	(121)
Unrealised gains on financial instruments measured at fair value through profit or loss	3	1	(2)	(1)	3	1	(2)	(1)
Others	109	120	11	2	109	120	11	2
Total	1,898	1,160	(738)	(114)	1,898	1,160	(738)	(114)
Deferred tax assets (liabilities) - net	(501)	70			(505)	66		
Changes in deferred income taxes			(571)	(43)			(571)	(45)

Movements in the deferred tax assets (liabilities) during the years ended 31 December 2020 and 2019 are as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2020	2019	2020	2019
Beginning balances	70	113	66	111
Changes in deferred income taxes				
Recognised in profit or loss	186	47	186	46
Recognised in unappropriated retained earnings	(1)	-	(1)	-
Recognised in other comprehensive income or loss	(756)	(90)	(756)	(91)
Total changes in deferred income taxes for the years	(571)	(43)	(571)	(45)
Ending balances	(501)	70	(505)	66

19.2 Income tax expenses

Income tax expenses for the years ended 31 December 2020 and 2019 are made up as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2020	2019	2020	2019
Current income taxes:				
Current income tax charge for the years	560	1,146	551	1,139
Adjustments in respect of corporate income taxes of previous year	(1)	-	(1)	(2)
Deferred income taxes:				
Relating to origination and reversal of temporary differences	(186)	(47)	(185)	(46)
Income tax expenses reported in profit or loss	373	1,099	365	1,091



Notes to Financial Statements

Reconciliation between income tax expenses and the product of accounting profits for the years ended 31 December 2020 and 2019 multiplied by the applicable tax rate are as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2020	2019	2020	2019
Accounting profits before income tax expenses	2,023	5,734	2,013	5,734
Applicable tax rate	20%	20%	20%	20%
Accounting profits before income tax expenses multiplied by applicable tax rate	405	1,147	403	1,151
Tax effects from:				
Adjustments in respect of corporate income taxes of previous year	(1)	-	(1)	(2)
Additional tax-deductible expenses	(47)	(60)	(47)	(60)
Tax effect on tax-exempted revenues	(1)	(1)	(7)	(11)
Tax effect on non-tax deductible expenses	18	12	18	12
Adjustment	(1)	1	(1)	1
Income tax expenses reported in profit or loss	373	1,099	365	1,091

19.3 Components of other comprehensive income (losses) and related income taxes

(Unit: Million Baht)

	Consolidated financial statements					
	For the years ended 31 December					
	2020			2019		
	Before tax amount	Tax benefit (expense)	Net of tax amount	Before tax amount	Tax benefit (expense)	Net of tax amount
Items to be recognised subsequently in profit or loss:						
Gains on revaluation of investments in debt instruments measured at fair value through other comprehensive income	306	(61)	245	-	-	-
Gains on revaluation of available-for-sale investments	-	-	-	608	(122)	486
Total items to be recognised subsequently in profit or loss	306	(61)	245	608	(122)	486
Items not to be recognised subsequently in profit or loss:						
Revaluation surplus on assets	3,398	(679)	2,719	-	-	-
Losses on revaluation of investments in equity securities designated to be measured at fair value through other comprehensive income	(12)	2	(10)	-	-	-
Actuarial gains (losses) on defined benefit plans	10	(2)	8	(157)	32	(125)
Total items not to be recognised subsequently in profit or loss	3,396	(679)	2,717	(157)	32	(125)
	3,702	(740)	2,962	451	(90)	361



Notes to Financial Statements

	(Unit: Million Baht)					
	Separate financial statements					
	For the years ended 31 December					
	2020			2019		
	Before tax amount	Tax benefit (expense)	Net of tax amount	Before tax amount	Tax benefit (expense)	Net of tax amount
Items to be recognised subsequently in profit or loss:						
Gains on revaluation of investments in debt instruments measured at fair value through other comprehensive income	306	(61)	245	-	-	-
Gains on revaluation of available-for-sale investments	-	-	-	608	(122)	486
Total items to be recognised subsequently in profit or loss	306	(61)	245	608	(122)	486
Items not to be recognised subsequently in profit or loss:						
Revaluation surplus on assets	3,398	(679)	2,719	-	-	-
Losses on revaluation of investments in equity securities designated to be measured at fair value through other comprehensive income	(12)	2	(10)	-	-	-
Actuarial gains (losses) on defined benefit plans	11	(2)	9	(154)	31	(123)
Total items not to be recognised subsequently in profit or loss	3,397	(679)	2,718	(154)	31	(123)
	3,703	(740)	2,963	454	(91)	363

20. Other assets

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	As at 31 December		As at 31 December	
	2020	2019	2020	2019
Accrued income	534	538	534	538
Suspense debtors	593	422	593	422
Prepaid and deferred expenses	337	356	336	354
Leasehold rights - net	-	32	-	32
Other receivables from sold non-performing loans - net	388	94	388	94
Others	633	456	633	456
Total	2,485	1,898	2,484	1,896
Less: Allowance for expected credit loss/impairment	(353)	(138)	(353)	(138)
Other assets - net	2,132	1,760	2,131	1,758

21. Deposits

21.1 Classified by types of deposits

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	As at 31 December		As at 31 December	
	2020	2019	2020	2019
Current accounts	9,329	10,069	9,329	10,069
Savings accounts	321,521	250,943	321,584	250,998
Fixed deposits	160,602	195,299	160,647	195,344
Total	491,452	456,311	491,560	456,411

21.2 Classified by currencies and depositors' residency

	(Unit: Million Baht)					
	Consolidated financial statements					
	As at 31 December					
	2020			2019		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Baht	470,650	11,572	482,222	435,677	10,264	445,941
US Dollar	7,466	516	7,982	8,802	404	9,206
Others	684	564	1,248	716	448	1,164
Total	478,800	12,652	491,452	445,195	11,116	456,311

	(Unit: Million Baht)					
	Separate financial statements					
	As at 31 December					
	2020			2019		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Baht	470,758	11,572	482,330	435,777	10,264	446,041
US Dollar	7,466	516	7,982	8,802	404	9,206
Others	684	564	1,248	716	448	1,164
Total	478,908	12,652	491,560	445,295	11,116	456,411



Notes to Financial Statements

22. Interbank and money market items (Liabilities)

(Unit: Million Baht)

	Consolidated and separate financial statements					
	As at 31 December					
	2020			2019		
	On demand	Term	Total	On demand	Term	Total
Domestic items						
The Bank of Thailand and the Financial Institutions Development Fund	-	4,612	4,612	-	1,385	1,385
Commercial banks	27	-	27	29	1,700	1,729
Specific financial institutions	7	5,239	5,246	54	2,387	2,441
Other financial institutions	22,895	1,666	24,561	10,605	1,024	11,629
Total domestic items	22,929	11,517	34,446	10,688	6,496	17,184
Foreign items						
US Dollar	214	10,243	10,457	328	4,614	4,942
Euro	11	-	11	-	-	-
Other currencies	461	-	461	344	-	344
Total foreign items	686	10,243	10,929	672	4,614	5,286
Total domestic and foreign items	23,615	21,760	45,375	11,360	11,110	22,470

23. Debts issued and borrowings

As at 31 December 2020 and 2019, debts issued and borrowings comprised subordinated debentures and senior debentures. They are classified by type of securities, maturity and interest rate as follows:

(Unit: Million Baht)

Type	Consolidated and separate financial statements				
	As at 31 December 2020				
	Maturity	Interest rate per annum	Currency	Amount Domestic	
		(%)			
Subordinated Debentures	20 Sep 2027	3.56	THB	6,000	
Senior Debentures	15 Mar 2021	2.16	THB	5,000	
Total				11,000	

(Unit: Million Baht)

Type	Consolidated and separate financial statements				
	As at 31 December 2019				
	Maturity	Interest rate per annum	Currency	Amount Domestic	
		%			
Subordinated Debentures	20 Sep 2027	3.56	THB	6,000	
Senior Debentures	15 Mar 2021	2.16	THB	5,000	
Total				11,000	

Subordinated debentures

On 20 September 2017, the Bank issued Subordinated Debenture No.1/2017 amounting to Baht 6,000 million, via private placement to institutional and high net worth investors. The debentures have a tenor of 10 years and bear interest at the rate of 3.56% per annum, and the Bank has the right to make early redemption, as approved by the BOT. The debentures have loss absorption features that will come into effect at the point of non-viability, in accordance with the BOT guidelines laid down with reference to Basel III framework.

On 2 November 2017, the BOT granted an approval for the Bank to count proceeds received from the issue of the above subordinated debentures for an amount of Baht 6,000 million as a part of its Tier 2 capital effective 20 September 2017 onwards, in accordance with the conditions specified in the BOT's notifications regarding the Basel III framework.

Senior debentures

On 15 March 2016, the Bank issued the unsecured senior debentures without debenture holder representatives amounting to Baht 10,000 million, via private placement to institutional investors established under Thai Law. The debentures have a tenor of 3-5 years and interest is payable semi-annually. Of those debentures, Baht 5,000 million bear interest at a fixed rate of 1.85% per annum and matured in 2019, and another Baht 5,000 million bear interest at a fixed rate of 2.16% per annum and mature in 2021.

On 4 March 2020, the Board of Directors Meeting of the Bank passed a resolution to propose to the Annual General Meeting of the shareholders for approval the limit for debenture will be revised to be up to Baht 100,000 million.

24. Lease liabilities

	(Unit: Million Baht)
	Consolidated and separate financial statements
	As at 31 December 2020
Lease liabilities	370
Less: deferred interest expenses	(7)
Total	363
Less: current portion of lease liabilities	(167)
Lease liabilities - net of current portion	196

The Bank and its subsidiary have entered into the finance lease agreements for rental of buildings and vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally between 1 and 30 years.

The maturity analysis of undiscounted lease payments is presented below.

	(Unit: Million Baht)			
	As at 31 December 2020			
	Within 1 year	1 - 5 year	More than 5 year	Total
Undiscounted lease payments	171	196	3	370
Deferred interest expenses	(4)	(3)	-	(7)
Lease liabilities	167	193	3	363

The Bank and its subsidiary had total cash outflows for leases for the year ended 31 December 2020 of Baht 205 million (Bank only: Baht 205 million)

Expenses relating to leases that are recognised in profit or loss



Notes to Financial Statements

	(Unit: Million Baht)	
	For the year ended 31 December 2020	
	Consolidated financial statements	Separate financial statements
Depreciation expense of right-of-use assets	206	206
Interest expense on lease liabilities	6	6
Expense relating to short-term leases	6	6
Expense relating to leases of low-value assets	-	-
Expense relating to variable lease payments	-	-

25. Provisions for long-term employee benefits

Changes in provisions for long-term employee benefits for the years ended 31 December 2020 and 2019 can be summarised as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2020	2019	2020	2019
Provisions for long-term employee benefits at the beginning of the year	1,924	1,620	1,908	1,610
Recognised in profit or loss:				
Current service cost	162	129	160	128
Interest cost	26	36	26	36
Past service cost	-	92	-	90
Total benefits recognised in profit or loss	188	257	186	254
Recognised in other comprehensive income:				
Actuarial (gains) losses arising from				
Financial assumption changes	(43)	147	(42)	144
Experience adjustments	33	10	31	10
Total benefits recognised in other comprehensive income or loss	(10)	157	(11)	154
Employee benefits paid during the year	(108)	(110)	(108)	(110)
Employee transferal in	-	-	1	-
Provisions for long-term employee benefits at the end of the year	1,994	1,924	1,976	1,908

The Bank and its subsidiary expect to pay long-term employee benefits during the next year amounting to Baht 110 million (31 December 2019: Baht 128 million) and The Bank only: Baht 110 million (31 December 2019: Baht 128 million).

As at 31 December 2020, the weighted average duration of the Bank's and its subsidiary's long-term employee benefit obligation is 12.2 years (31 December 2019: 12.4 years) and The Bank only: 12.2 years (31 December 2019: 12.4 years).

The principal assumptions used in determining employee benefits under retirement plans can be summarised as follows:

	(Unit: Percentage per year)	
	Consolidated and separate financial statements	
	As at 31 December	
	2020	2019
Future salary incremental rates (depending on age)	0 - 7.5	4 - 7.5
Turnover rates (depending on age)	1 - 30	1 - 30
Average discount rate	1.3442	1.6334
Mortality development rate	3	3

Sensitivity analysis for principal assumptions that affect provisions for long-term employee benefits as at 31 December 2020 and 2019 are summarised below:

	(Unit: Million Baht)							
	Consolidated financial statements							
	As at 31 December 2020							
	Salary incremental rate		Turnover rate		Discount rate		Mortality development rate	
Increased by 1%	Decreased by 1%	Increased by 20%	Decreased by 20%	Increased by 1%	Decreased by 1%	Increased by 1%	Decreased by 1%	
Increase (decrease) in provisions for long-term employee benefits	139	(126)	(67)	78	(146)	152	3	(3)

	(Unit: Million Baht)							
	Consolidated financial statements							
	As at 31 December 2019							
	Salary incremental rate		Turnover rate		Discount rate		Mortality development rate	
Increased by 1%	Decreased by 1%	Increased by 20%	Decreased by 20%	Increased by 1%	Decreased by 1%	Increased by 1%	Decreased by 1%	
Increase (decrease) in provisions for long-term employee benefits	146	(131)	(65)	76	(134)	152	2	(3)

	(Unit: Million Baht)							
	Separate financial statements							
	As at 31 December 2020							
	Salary incremental rate		Turnover rate		Discount rate		Mortality development rate	
Increased by 1%	Decreased by 1%	Increased by 20%	Decreased by 20%	Increased by 1%	Decreased by 1%	Increased by 1%	Decreased by 1%	
Increase (decrease) in provisions for long-term employee benefits	137	(124)	(65)	76	(143)	149	3	(3)



Notes to Financial Statements

(Unit: Million Baht)								
Separate financial statements								
As at 31 December 2019								
Salary incremental rate		Turnover rate		Discount rate		Mortality development rate		
Increased by 1%	Decreased by 1%	Increased by 20%	Decreased by 20%	Increased by 1%	Decreased by 1%	Increased by 1%	Decreased by 1%	
Increase (decrease) in provisions for long-term employee benefits		144	(129)	(63)	74	(132)	150	2 (2)

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Bank and its subsidiary have additional liabilities for long-term employee benefits liabilities. The Bank and its subsidiary reflected the effect of the change by recognising past service costs as expenses in the income statement in 2019.

26. Provisions for other liabilities

(Unit: Million Baht)		
Consolidated and separate financial statements		
As at 31 December		
	2020	2019
Allowance for expected credit losses on loan commitments and financial guarantee contracts	831	-
Financial commitments	106	199
Obligation for litigation cases	68	86
Total	1,005	285

As at 31 December 2020, allowance for expected credit losses on loan commitments and financial guarantee contracts classified by classification were as follows:

(Unit: Million Baht)		
Consolidated and separate financial statements		
As at 31 December 2020		
	Loan commitments and financial guarantee contracts	Allowance for expected credit losses
Financial assets where there has not been a significant increase in credit risk (Performing)	235,989	650
Financial assets where there has been a significant increase in credit risk (Under-Performing)	17,625	118
Financial assets that are credit-impaired (Non-Performing)	71	63
Total	253,685	831

27. Other liabilities

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	As at 31 December		As at 31 December	
	2020	2019	2020	2019
Suspense creditors and accounts payable - others	1,716	1,945	1,727	1,956
Deferred revenues	405	342	405	342
Accrued interest expenses	466	733	466	733
Others	310	248	309	247
Total	2,897	3,268	2,907	3,278

28. Other components of equity

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2020	2019
Revaluation surplus on assets	7,871	4,505
Revaluation surplus (deficit) on investments measured at fair value through other comprehensive income		
Revaluation surplus		
Debt instruments	1,042	690
Equity instruments	36	-
Total	1,078	690
Revaluation deficit		
Debt instruments	-	-
Equity instruments	(17)	-
Total	(17)	-
Total revaluation surplus on investments measured at fair value through other comprehensive income	1,061	690
Total other components of equity	8,932	5,195
Less: income taxes	(1,786)	(1,039)
Other components of equity - net of income taxes	7,146	4,156



Notes to Financial Statements

29. Statutory reserve

Pursuant to Section 116 of the Public Company Limited Act B.E. 2535, the Bank is required to set aside to a statutory reserve at least 5% of its net profits, after deducting any balance of deficit brought forward (if any), until such reserve reaches 10% of the Bank's registered share capital. The statutory reserve is not available for dividend distribution.

30. Dividends

On 24 April 2019, the Annual General Meeting of the shareholders passed a resolution approving payment of cash dividend from operating results for the year ended 31 December 2018 at the rate of Baht 0.45 per share, or a total of Baht 1,119 million. The dividend payment was made on 22 May 2019.

31. Capital funds

The primary objective of the Bank's capital management is to maintain an optimal level of capital. Policies, which are approved by the Bank's Board of Directors and overseen by the Bank's senior management, are set to ensure that the capital maintenance is in accordance with the BOT's requirements and at an appropriate and adequate level to support the business growth within the acceptable level of risk and to maintain the good credit rating.

The Capital Funds and Capital Adequacy Ratio of the Bank as at 31 December 2020 and 2019 in accordance with the BOT's requirements with reference to Basel III framework consist of the followings:

	(Unit: Million Baht)	
	Separate financial statements	
	As at 31 December	
	2020	2019
Tier 1 Capital		
Common Equity Tier 1 (CET1)		
Paid-up share capital	24,857	24,857
Statutory reserve	1,680	1,595
Retained earnings after appropriation	30,362	27,221
Other components of equity	7,114	4,147
Less: Deduction items from Common Equity Tier 1	(1,081)	(1,103)
Total Tier 1 Capital	62,932	56,717
Tier 2 Capital		
Subordinated debentures	6,000	6,000
Provision for assets classified as normal and surplus of provision	1,896	1,158
Total Tier 2 Capital	7,896	7,158
Total Capital Funds	70,828	63,875

	(Unit: Percentage)			
	Separate financial statements			
	As at 31 December			
	2020		2019	
Capital Adequacy Ratio	BOT Minimum Requirement and Conservation Buffer*	The Bank	BOT Minimum Requirement and Conservation Buffer*	The Bank
Common Equity Tier 1 to risk-weighted assets	7.00	18.00	7.00	17.91
Tier 1 Capital Funds to risk-weighted assets	8.50	18.00	8.50	17.91
Total Capital Funds to risk-weighted assets	11.00	20.26	11.00	20.17

* According to BOT's Basel III framework, the Bank is required to maintain Common Equity Tier 1 of at least 2.5% of total risk-weighted assets, as a capital buffer, in addition to minimum capital ratio. This capital buffer ("Conservation buffer") will gradually increase at least 0.625% a year starting from 1 January 2016 until the ratio of at least 2.5% is reached on 1 January 2019.

As at 31 December 2020, the Bank has maintained a minimum reserve rate of not less than 1% of assets and off-balance sheet items that have not a significant increase in credit risk. According to the BOT's Notification ForNorSor (01) Wor. 129/2562 Subject: Minimum reserve to be maintained by financial institutions and financial business groups dated 18 December 2019.

32. Share-based payment plan for the Bank's senior management

The Bank's Board of Directors Meeting No. 573 approved a resolution to join the share-based payment plan ("the Plan") under Long Term Incentives Plan (LTI) with compensation in the form of restricted shares (RS) and share appreciation rights (SAR) of United Overseas Bank Limited ("major shareholder") is awarded to selected senior managements. The selection criteria indicated by the Nomination and Compensation Committee (NCC) of the Bank, considering from several factors such as individual performance, potential, leadership skills, job level and market competitive.

Details of the plan are below:

- (a) Restricted Shares (RS), represent ordinary shares of United Overseas Bank Limited that participants will be entitled to receive upon fulfilment of certain time and performance conditions. Upon vesting, participants will receive United Overseas Bank Limited's shares represented by the restricted shares as per the plan's rules.
- (b) Share Appreciation Rights (SAR) are the rights to receive a number of United Overseas Bank's Limited shares equivalent in value to the difference between the prevailing market value and the grant value of the shares of the major shareholder multiplied by number of SAR as per the Plan's rules and divided by the prevailing market value of the shares of the major shareholder. Upon vesting of the SAR, participants have up to six years from the grant date to exercise their rights.

Since 2014, Long Term Incentives Plan (LTI) has been replaced by Executive Equity Plan (EEP) whereby under the EEP there remains remunerations in the form of RS as mentioned in (a) whilst remunerations in the form of SAR as mentioned in (b) were ceased from 2014 onwards. However, any SAR previously granted under LTI would still remain enforced until SAR expired in 2014 or their exercise rights expire in 2019.

For the year ended 31 December 2020, the Bank recorded Baht 89 million (2019: Baht 81 million) for the above plan as expenses and also recorded such obligations by the same amount as liabilities. As at 31 December 2020, the Bank has obligations of Baht 132 Million (31 December 2019: Baht 118 million) which were presented as a part of other liabilities.



Notes to Financial Statements

33. Commitments and contingent liabilities

33.1 Commitments

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2020	2019
Aval to bills	1,502	3,698
Guarantees of loans	4,519	4,302
Liabilities under unmatured import bills	952	820
Letters of credit	3,215	2,584
Other commitments		
- Undrawn overdraft amount	23,881	23,909
- Spot foreign exchange contracts	2,774	2,696
- Other guarantees	41,915	37,305
- Others	17,271	17,917
Total	96,029	93,231

33.2 Operating lease commitments

As at 31 December 2019, the Bank and its subsidiary had land and building lease agreements for branch offices and vehicles lease agreements, for which the lease terms range from 1 - 30 years and are renewable. The Bank and its subsidiary also have committed to pay future rental payments which can be summarised as follows:

	(Unit: Million Baht)		
	Consolidated and separate financial statements		
	As at 31 December 2019		
	Land and building rental agreements	Vehicle lease agreements	Total
Payment terms			
Within 1 year	332	32	364
1 - 5 years	418	58	476
More than 5 years	21	-	21
Total	771	90	861

33.3 Commitments under a bancassurance agreement

On 31 January 2010, the UOB Group and the Bank signed a business partner agreement (Bancassurance Agreement) with life insurance group. Under the agreement, the Bank received an upfront fee in consideration for 12 years partnership. The upfront fee was deferred and amortised over the term of the partnership as disclosed in Note 27 to the financial statements.

On 30 January 2019, a new partnership agreement was signed for a period of 15 years. As a result, the existing contract terms was canceled with effect from 1 January 2020.

33.4 Other commitments

As at 31 December 2020, the Bank has contractual commitments in respect to construction of office buildings and the purchase of information technology systems as well as other agreements under the Bank's projects. The outstanding balances of such contractual commitments were approximately Baht 1,902 million (31 December 2019: Baht 2,599 million) and the Bank also has commitments to pay the service fees in relation to service contracts amounting to Baht 52 million (31 December 2019: Baht 88 million).

As at 31 December 2020, the Bank has commitments to purchase the foreclosed properties amounting to Baht 51 million (31 December 2019: Baht 54 million).

34. Assets placed as collateral

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	Carrying value	
	As at 31 December	
	2020	2019
Government bonds		
Placed as collateral for Intraday Liquidity Facilities with the BOT	13,074	12,090
Placed as collateral for hedging of settlement risk	4,932	4,930
Placed as collateral for government departments	73	73

35. Litigation

In the course of normal business operation of the Bank, the Bank has been sued under various labor and civil lawsuits, including torture cases. Under these lawsuits, claims against the Bank as at 31 December 2020 totaled Baht 669 million (31 December 2019: Baht 870 million). The Bank's management has exercised their judgement to the possible losses to the Bank and recorded the amount under "Provisions for other liabilities" as described in Note 26 to the financial statements and believe that should the outcome of the lawsuits be finalised, there will not be a material impact to the Bank's financial position or operating performance.

36. Related party transactions

36.1 Significant of related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Bank and its subsidiary, whether directly or indirectly, or which are under common control with the Bank and its subsidiary.

They also include associated company, and individuals or enterprises which directly or indirectly own a voting interest in the Bank and its subsidiary that gives them significant influence over the Bank and its subsidiary, key management personnel, directors and officers with authority in the plan and the direction of the Bank's and its subsidiary operations, together with close family members of such persons and companies which are controlled and influenced by them, whether directly or indirectly.

During the years, the Bank had significant business transactions with its subsidiary, related companies (related by ways of shareholding and/or common shareholders and/or common directors) and related persons (Directors and Senior Management who are in the level of Executive Director upwards, and their close family members). These transactions have been concluded on commercial terms and based agreed upon in the ordinary course of business between the Bank, and those parties. Interest rates on loans to employees are calculated based on the Bank's employee welfare rule.



Notes to Financial Statements

As at 31 December 2020, the Bank has outstanding staff welfare loans to executives from level of Executive Director upwards of Baht 32 million (31 December 2019: Baht 21 million) and also has general loans to Senior Management and their close family members with the outstanding balance of Baht 64 million (31 December 2019: Baht 71 million) and the average outstanding balance of Baht 60 million (31 December 2019: Baht 45 million).

In addition, as at 31 December 2020, the Bank also has deposits of Baht 183 million (31 December 2019: Baht 238 million) taken from related persons, including their close family members.

Significant transactions, income and expenses incurred with related parties (apart from those disclosed in the other notes to financial statements) for the years ended 31 December 2020 and 2019 are summarised below.

	(Unit: Million Baht)					
	Consolidated financial statements					
	For the years ended 31 December					
	2020			2019		
	Related companies	Group of major shareholder (UOB)	Total	Related companies	Group of major shareholder (UOB)	Total
Interest income	25	21	46	16	17	33
Interest expenses	16	63	79	14	330	344
Fees and service income	1	689	690	1	573	574
Fees and service expenses	-	5	5	-	1	1
Net gains (losses) on financial instruments measured at fair value through profit or loss/Net gains (losses) on trading and foreign exchange transactions	(544)	(2,149)	(2,693)	(960)	3,201	2,241
Premises and equipment expenses	13	-	13	14	-	14
Data processing charges (tax included)	-	1,055	1,055	-	704	704
Other expenses	27	113	140	18	98	116

(Unit: Million Baht)

Separate financial statements								
For the years ended 31 December								
2020				2019				
	Subsidiary	Group of major Related shareholder companies (UOB)	Total	Subsidiary	Group of major Related shareholder companies (UOB)	Total		
Interest income	-	25	21	46	-	16	17	33
Interest expenses	-	16	63	79	1	14	330	345
Fees and service income	7	1	689	697	7	1	573	581
Fees and service expenses	147	-	5	152	141	-	-	141
Net gains (losses) on financial instruments measured at fair value through profit or loss/ Net gains (losses) on trading and foreign exchange transactions	-	(544)	(2,149)	(2,693)	-	(960)	3,201	2,241
Dividend income	30	-	-	30	50	-	-	50
Other operating income	6	-	-	6	6	-	-	6
Premises and equipment expenses	(3)	13	-	10	(2)	14	-	12
Data processing charges (tax included)	-	-	1,055	1,055	-	-	704	704
Other expenses	-	27	113	140	-	18	98	116

During the year ended 31 December 2020, the Bank disbursed for software development as capital expenditure to United Overseas Bank Limited, its major shareholder, amounting to Baht 216 million (2019: Baht 104 million).

In addition, the Bank purchased equipment from related companies amounting to Baht 25 million (2019: Baht 21 million).

36.2 Remunerations to directors and senior management

For the years ended 31 December 2020 and 2019, remunerations payable to the Bank's and its subsidiary's directors and senior management, who are key management personnel with authority and responsibility, whether direct or indirect, for planning, direction and controlling the operations of the Bank and its subsidiary, are consisted of monthly remunerations, salaries, provident fund contributions and long-term benefits as follows:

(Unit: Million Baht)		
Consolidated and separate financial statements		
For the years ended 31 December		
	2020	2019
Short-term employee benefits	558	654
Post-employment benefits	35	38
Share-based payments	89	81
Total	682	773



Notes to Financial Statements

36.3 Outstanding balances

The outstanding balances of significant related party transactions as at 31 December 2020 and 2019 are as follows:

	(Unit: Million Baht)			
	Consolidated financial statements			
	As at 31 December 2020			
	Major shareholders (UOB)			
	Related Companies	United Overseas Bank Limited	United Overseas Bank Group of Companies	Total
Average outstanding loans to customers	716	-	-	716
Outstanding loans to customers	741	-	-	741
Interbank and money market items (assets)	-	577	21	598
Financial assets measured at fair value through profit or loss	-	-	380	380
Derivatives assets	259	1,310	-	1,569
Deposits and other assets	420	1	64	485
Commitments	38,592	90,795	8	129,395
Deposits	3,871	-	-	3,871
Interbank and money market items (liabilities)	1,921	10,364	5,497	17,782
Derivatives liabilities	614	398	-	1,012
Other liabilities	-	1,404	3	1,407

	(Unit: Million Baht)				
	Consolidated financial statements				
	As at 31 December 2019				
	Non-consolidated subsidiary company	Major shareholders (UOB)			
	UOB Bullion and Futures (Thai) Co., Ltd.	Related Companies	United Overseas Bank Limited	United Overseas Bank Group of Companies	Total
Average outstanding loans to customers	-	284	-	-	284
Outstanding loans to customers	-	471	-	-	471
Interbank and money market items (assets)	-	-	670	13	683
Derivatives assets	-	199	591	-	790
Deposits and other assets	-	-	2	51	53
Commitments	-	54,373	147,430	17	201,820
Deposits	3	2,756	-	-	2,759
Interbank and money market items (liabilities)	-	42	4,751	2,417	7,210
Derivatives liabilities	-	349	427	-	776
Other liabilities	-	2	444	4	450

(Unit: Million Baht)

	Separate financial statements					Total
	As at 31 December 2020					
	Subsidiary companies		Major shareholders (UOB)			
	UOB Services Co., Ltd.	Related Companies	United Overseas Bank Limited	United Overseas Bank Group of Companies		
Average outstanding loans to customers	-	716	-	-	716	
Outstanding loans to customers	-	741	-	-	741	
Interbank and money market items (assets)	-	-	577	21	598	
Financial assets measured at fair value through profit or loss	-	-	-	380	380	
Derivatives assets	-	259	1,310	-	1,569	
Deposits and other assets	1	420	1	64	486	
Commitments	-	38,592	90,795	8	129,395	
Deposits	108	3,871	-	-	3,979	
Interbank and money market items (liabilities)	-	1,921	10,364	5,497	17,782	
Derivatives liabilities	-	614	398	-	1,012	
Other liabilities	13	-	1,404	3	1,420	

(Unit: Million Baht)

	Separate financial statements					Total
	As at 31 December 2019					
	Subsidiaries companies		Major shareholders (UOB)			
	UOB Bullion and Futures (Thai) Co., Ltd.	UOB Services Co., Ltd.	Related Companies	United Overseas Bank Limited	United Overseas Bank Group of Companies	
Average outstanding loans to customers	-	-	284	-	-	284
Outstanding loans to customers	-	-	471	-	-	471
Interbank and money market items (assets)	-	-	-	670	13	683
Derivatives assets	-	-	199	591	-	790
Deposits and other assets	-	1	-	2	51	54
Commitments	-	-	54,373	147,430	17	201,820
Deposits	3	100	2,756	-	-	2,859
Interbank and money market items (liabilities)	-	-	42	4,751	2,417	7,210
Derivatives liabilities	-	-	349	427	-	776
Other liabilities	-	13	2	444	4	463



Notes to Financial Statements

37. Other benefits paid to the directors and management

For the years ended 31 December 2020 and 2019, the Bank and its subsidiary had no benefits payable to their directors and management other than those they normally receive whereby directors receive monthly directors' remuneration and management receive salary, bonus and other benefits as discussed in Note 32 and Note 36.2 to the financial statements.

38. Earnings per share

Basic earnings per share is calculated by dividing profit for the years attributable to equity holders of the Bank (exclude other comprehensive income or loss) by the weighted average number of ordinary shares in issue during the years.

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2020	2019	2020	2019
		(As restated)		(As restated)
Profits for the year (Million Baht)	1,650	4,636	1,648	4,663
Earnings per share (Baht/share)	0.66	1.86	0.66	1.88
Weighted average number of shares (shares)	2,485,661,305	2,485,661,305	2,485,661,305	2,485,661,305

39. Segment information

39.1 Operating segments

The following segment information are in accordance with internal management report of the Bank submit to Management Committee who form as Chief Operating Decision Maker (CODM) to decide resources allocation and evaluate performance of business segment.

The Bank segregate business unit into 3 segments; Retail, Wholesale Banking and other, for driving business and decision-making which base on key customer segments and product groups which are used in business decision and internal management reporting as follows:

Retail Banking

The Retail Banking segment covers personal financial services (PFS) and business banking (BB) with products of deposits, credit and debit cards, insurance, wealth management, investments estate planning, consumer loan, secured and unsecured loan through a variety of distribution channels, automated teller machines (ATMs), internet, mobile banking and digital Bank platforms.

Wholesale Banking

Wholesale Banking segment covers Corporate Banking, Commercial Banking and Financial Institution Group. The Corporate Banking provides integrated banking solution to large corporations. The products and services are sophisticated and customised to specific customers. The Commercial Banking focuses on medium-sized companies with a broad range of products and services that include current accounts, deposits, lending, syndicate loans, cash management, letter of guarantee, trade finance & cross-border payments, underwriting and corporate advisory services while financial institution group maintains correspondence with and provide financial services to bank and non-bank financial institutions.

Other group

Other group includes Global Markets (GM) group, risk management, property management, including income and expenses not attributable to the above-mentioned operating segments. The GM group provides treasury products and advisory services such as foreign exchange, derivatives and fixed income instruments to customers.

39.2 Accounting policies for transactions presented in operating segment information

The accounting policies for any transactions presented in operating segment information were summarised in Note 4 to the financial statements regarding a summary of significant accounting policies. The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

Total operating income included net interest income after deducted internal fund transfer pricing cost in accordance with the Bank's performance measurement criteria, net fees and service income and other income. The total operating expenses included allocated expenses allocated to between operating segments. The management relies on total operating profit and uses as a part of performance measurement.

Transfer prices between operating segments are on arm's length basis and in a manner similar to transaction with third parties.

No operating income from transactions with a single external customer in an amount equal to 10% or more of the consolidated operating income.

Capital expenditure and related depreciation together with income tax expense will not be allocated to each operating segment, which is in accordance with management reporting policy.

Operating segment information of the Bank and its subsidiary is summarised as follow:

	(Unit: Million Baht)				
	Consolidated financial statements				
	For the year ended 31 December 2020				
	Retail	Wholesale Banking	Other group	Elimination	Total operating segment
Net interest income	11,661	3,953	(108)	-	15,506
Non-interest income	3,274	1,268	316	(43)	4,815
Operating income	14,935	5,221	208	(43)	20,321
Operating expenses	8,378	1,821	1,904	(13)	12,090
Expected credit losses	3,729	1,315	1,164	-	6,208
Profit (loss) before income tax expenses	2,828	2,085	(2,860)	(30)	2,023
Income tax expenses					373
Net profits for the year before non-controlling interests					1,650
Total operating income included of:					
Operating income from third party*	14,288	4,368	1,708	(43)	20,321
Inter-segment operating income (expenses)	647	853	(1,500)	-	-
Depreciation					671
Capital expenditure					1,431

* Including income from a major shareholder and United Overseas Bank Group of Companies.



Notes to Financial Statements

	(Unit: Million Baht)				
	Consolidated financial statements				
	For the year ended 31 December 2019				
	Retail	Wholesale Banking	Other group	Elimination	Total operating segment
Net interest income	10,642	3,531	717	-	14,890
Non-interest income	3,478	1,241	885	(63)	5,541
Operating income	14,120	4,772	1,602	(63)	20,431
Operating expenses	8,566	2,021	1,689	(13)	12,263
Bad debt, doubtful accounts and impairment loss	2,124	1,001	(691)	-	2,434
Profit (loss) before income tax expenses	3,430	1,750	604	(50)	5,734
Income tax expenses					1,099
Net profits for the year before non-controlling interests					4,635
Total operating income included of:					
Operating income from third party*	14,237	3,627	2,630	(63)	20,431
Inter-segment operating income (expenses)	(117)	1,145	(1,028)	-	-
Depreciation					445
Capital expenditure					1,024

* Including income from a major shareholder and United Overseas Bank Group of Companies.

	(Unit: Million Baht)				
	Consolidated financial statements				
	As at 31 December 2020				
	Retail	Wholesale Banking	Other group	Elimination	Total operating segment
Total Assets	280,526	139,159	212,796	(186)	632,295
Total Liabilities	325,429	196,132	45,621	(126)	567,056

	(Unit: Million Baht)				
	Consolidated financial statements				
	As at 31 December 2019				
	Retail	Wholesale Banking	Other group	Elimination	Total operating segment
Total Assets	280,206	131,922	154,893	(174)	566,847
Total Liabilities	299,145	173,491	33,766	(114)	506,288

39.3 Geographic information

The Bank and its subsidiary operate in Thailand only. Therefore, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical report.

40. Statements of financial position and results of operations classified by geographic locations and type of businesses

As at 31 December 2020 and 2019, statements of financial position are classified by type of business as follows:

	(Unit: Million Baht)				
	Consolidated financial statements				
	As at 31 December 2020				
	Commercial Bank	Others*	Total	Eliminated transactions**	Consolidated total
Total assets	632,342	138	632,480	(185)	632,295
Interbank and money market items - net (assets)	68,336	108	68,444	(108)	68,336
Investments - net	108,461	-	108,461	(60)	108,401
Loans to customers and accrued interest receivables - net	421,662	-	421,662	-	421,662
Deposits	491,560	-	491,560	(108)	491,452
Interbank and money market items (liabilities)	45,375	-	45,375	-	45,375
Debts issued and borrowings	11,000	-	11,000	-	11,000

* Debt collection services are operated under the subsidiary.

** Eliminated transactions are transactions between the Bank and its subsidiary and are eliminated upon consolidation in accordance with accounting standards.

	(Unit: Million Baht)				
	Consolidated financial statements				
	As at 31 December 2019				
	Commercial Bank	Others*	Total	Eliminated transactions**	Consolidated total
Total assets	566,892	128	567,020	(173)	566,847
Interbank and money market items - net (assets)	45,109	100	45,209	(100)	45,109
Investments - net	90,697	-	90,697	(60)	90,637
Loans to customers and accrued interest receivables - net	406,211	-	406,211	-	406,211
Deposits	456,411	-	456,411	(100)	456,311
Interbank and money market items (liabilities)	22,470	-	22,470	-	22,470
Debts issued and borrowings	11,000	-	11,000	-	11,000

* Debt collection services are operated under the subsidiary.

** Eliminated transactions are transactions between the Bank and its subsidiary and are eliminated upon consolidation in accordance with accounting standards.



Notes to Financial Statements

As at 31 December 2020 and 2019, statements of financial position are classified by geographic locations of the Bank as follows:

	(Unit: Million Baht)					
	Separate financial statements					
	As at 31 December					
	2020			2019		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Total assets	632,342	-	632,342	566,892	-	566,892
Interbank and money market items						
- net (assets)	68,336	-	68,336	45,109	-	45,109
Investments - net	108,461	-	108,461	90,697	-	90,697
Loans to customers and accrued						
interest receivables - net	421,662	-	421,662	406,211	-	406,211
Deposits	491,560	-	491,560	456,411	-	456,411
Interbank and money market items						
(liabilities)	45,375	-	45,375	22,470	-	22,470
Debts issued and borrowings	11,000	-	11,000	11,000	-	11,000

Results of the Bank's operations for the years ended 31 December 2020 and 2019 are classified by type of business as follows:

	(Unit: Million Baht)				
	Consolidated financial statements				
	For the year ended 31 December 2020				
	Commercial Bank	Others*	Total	Eliminated transactions**	Consolidated total
Interest income	21,865	-	21,865	-	21,865
Less: Interest expenses	6,359	-	6,359	-	6,359
Net interest income	15,506	-	15,506	-	15,506
Net fees and service income	3,219	147	3,366	-	3,366
Other operating income	1,492	-	1,492	(43)	1,449
Less: Other operating expenses	11,996	107	12,103	(13)	12,090
Less: Expected credit losses	6,208	-	6,208	-	6,208
Profit from operation before income tax expenses	2,013	40	2,053	(30)	2,023

* Debt collection services are operated under the subsidiary.

** Eliminated transactions are transactions between the Bank and its subsidiary and are eliminated upon consolidation in accordance with accounting standards.

(Unit: Million Baht)

	Consolidated financial statements				
	For the year ended 31 December 2019				
	Commercial Bank	Others*	Total	Eliminated transactions**	Consolidated total
Interest income	23,827	1	23,828	(1)	23,827
Less: Interest expenses	8,938	-	8,938	(1)	8,937
Net interest income	14,889	1	14,890	-	14,890
Net fees and service income	3,775	141	3,916	-	3,916
Other operating income	1,688	-	1,688	(63)	1,625
Less: Other operating expenses	12,165	111	12,276	(13)	12,263
Less: Bad debt, doubtful accounts and impairment loss	2,434	-	2,434	-	2,434
Profit from operation before income tax expenses	5,753	31	5,784	(50)	5,734

* Debt collection services are operated under the subsidiary.

** Eliminated transactions are transactions between the Bank and its subsidiary and are eliminated upon consolidation in accordance with accounting standards.

Results of the Bank's operations for the years ended 31 December 2020 and 2019 are classified by geographic locations as follows:

(Unit: Million Baht)

	Separate financial statements					
	For the years ended 31 December					
	2020			2019		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Interest income	21,865	-	21,865	23,827	-	23,827
Less: Interest expenses	6,359	-	6,359	8,938	-	8,938
Net interest income	15,506	-	15,506	14,889	-	14,889
Net fees and service income	3,219	-	3,219	3,775	-	3,775
Other operating income	1,492	-	1,492	1,688	-	1,688
Less: Other operating expenses	11,996	-	11,996	12,165	-	12,165
Less: Expected credit losses/ bad debt, doubtful accounts and impairment loss	6,208	-	6,208	2,434	-	2,434
Profit from operation before income tax expenses	2,013	-	2,013	5,753	-	5,753



Notes to Financial Statements

41. Interest income

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2020	2019	2020	2019
Interbank and money market items	401	1,278	401	1,278
Investments and trading transactions	45	89	45	89
Investments in debt securities	1,428	1,216	1,428	1,216
Loans	19,902	21,073	19,902	21,073
Hire purchase and financial lease	77	134	77	134
Others	12	37	12	37
Total interest income	21,865	23,827	21,865	23,827

Interest income for the year ended 31 December 2020, included interest income from financial assets that are credit impaired of Baht 248 million.

42. Interest expenses

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2020	2019	2020	2019
Deposits	4,775	6,084	4,776	6,085
Interbank and money market items	55	338	55	338
Contributions to Deposit Protection Agency and Financial Institutions Development Fund	1,188	2,148	1,188	2,148
Debts issued and borrowings				
- Subordinated debentures	214	214	214	214
- Senior debentures	109	126	109	126
Others	17	27	17	27
Total interest expenses	6,358	8,937	6,359	8,938

43. Fees and service income

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2020	2019	2020	2019
Fees and service income				
- Acceptances, aval and guarantees	385	381	385	381
- Credit cards	1,196	1,273	1,196	1,273
- Insurance fees	853	1,260	853	1,260
- Mutual Fund management and underwriting fees	748	681	748	681
- Others	975	1,145	975	1,145
Total fees and service income	4,157	4,740	4,157	4,740
Fees and service expenses				
- Agency referral fees	211	239	211	239
- Service expenses	52	39	199	180
- Others	528	546	528	546
Total fees and service expenses	791	824	938	965
Net fees and service income	3,366	3,916	3,219	3,775

44. Net gains on financial instruments measured at fair value through profit or loss / net gains on trading and foreign exchange transactions

(Unit: Million Baht)

	Consolidated and separate financial statements	
	For the years ended 31 December	
	2020	2019
- Foreign currencies and derivatives on foreign exchange	742	817
- Foreign currencies (Swap Cost)	4	112
- Derivatives on interest rates	(68)	(41)
- Debt securities	68	86
- Others	11	5
Total	757	979



Notes to Financial Statements

45. Net gains on investments

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	For the years ended 31 December	
	2020	2019
Gains on disposal of securities		
- Investment in debt securities measured at fair value through other comprehensive income	208	-
- Available-for-sale investments	-	205
- General investments	-	4
Total	208	209
Gains from liquidation of a subsidiary	1	-
Net gains on investments	209	209

46. Expected credit losses/Bad debts, doubtful accounts and impairment losses

Expected credit losses and gains or losses resulting from changes in criteria for financial assets for the years ended 31 December 2020 and 2019 are as follows:

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	For the years ended 31 December	
	2020	2019
Expected credit losses		
Interbank and money market items	(2)	-
Investment in debt securities measured at fair value through other comprehensive income	11	-
Loans to customers and accrued interest receivables	6,011	-
Total	6,020	-
Loan commitments and financial guarantee contracts	188	-
Total expected credit losses	6,208	-
Bad debts, doubtful accounts and impairment losses		
- Interbank and money market items	-	(4)
- Loans to customers	-	2,438*
Total expected credit losses/bad debts, doubtful accounts and impairment losses	6,208	2,434

* The selling price in excess of carrying values of non-performing loans were presented net from bad debts and doubtful accounts.

47. Components of other comprehensive income

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2020	2019	2020	2019
Items to be recognised subsequently in profit or loss:				
Gains on revaluation of investments in debt instruments measured at fair value through other comprehensive income /revaluation of available-for-sale investments				
Unrealised gains during the years	384	618	384	618
Less: Reclassification of the recognised gains from sale of investments during the years transferred to be recognised in profit or loss	(78)	(10)	(78)	(10)
Total items to be recognised subsequently in profit or loss	306	608	306	608
Less: Income taxes	(61)	(122)	(61)	(122)
Items to be recognised subsequently in profit or loss - net of income taxes	245	486	245	486
Items not to be recognised subsequently in profit or loss:				
Changes in revaluation surplus on assets	3,398	-	3,398	-
Losses on revaluation of investments in equity instruments designated to be measured at fair value through other comprehensive income	(12)	-	(12)	-
Actuarial gains (losses) on defined benefit plans	10	(157)	11	(154)
Total items not to be recognised subsequently in profit or loss	3,396	(157)	3,397	(154)
Add (less): Income taxes	(679)	32	(679)	31
Total items not to be recognised subsequently in profit or loss - net of income tax	2,717	(125)	2,718	(123)
Other comprehensive income for the years	2,962	361	2,963	363



Notes to Financial Statements

48. Fair values of assets and liabilities

48.1 Fair value estimation process

The Bank and its subsidiary estimate fair values of assets and liabilities under the following policies, controls, methods and assumptions.

The Bank's fair value estimation process is monitored under the policies, which cover methods of calculation, market data, counterparty credit risk and reserve provisioning. Such policies determine the methods and controls in estimating fair values of assets and liabilities where mark-to-market or mark-to-model is required.

The rates and parameters used in estimating fair values are reviewed independently by Product Control (PC) Unit and other relevant units whereby in case of products or financial instruments that are traded in the liquid market or the exchange, the fair values will be cross-checked with other service providers in the market or other market sources. If the market prices obtained have no liquidity, the Bank will use other additional techniques, i.e. valuation using historical information or using market rates and parameters available to test the level of reasonableness of such fair values.

In case that the fair values are determined using data that is not available in an observable market, the Bank will use other available financial information, e.g. cash flows, profit or loss, or net asset value to determine the fair values. The Bank sets aside additional valuation reserves to compensate for the uncertainties in such valuations.

Fair value measurement hierarchy is as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities.

Level 2 - Use of other observable, whether directly or indirectly, inputs for such assets or liabilities

Level 3 - Use of unobservable inputs such as estimates of future cash flows, etc.

48.2 Fair values of assets and liabilities

Fair values of each item of assets and liabilities are estimated using the following methods and assumptions.

(a) Cash and interbank and money market items

The fair values of cash and interbank and money market items, which have a remaining maturity period of less than 1 year as from the financial reporting dates or bear floating interest rates, are estimated at their carrying values.

In addition, the carrying amount of interbank and money market items reliably reflected the fair value, as most of the items were short term in nature.

(b) Investments

The fair values for investments are based on quoted market prices, where available. If quoted market prices are not available, the fair values are based on the net asset values of such investments.

(c) Loans to customers

The fair values of the floating rate loans that are scheduled to be re-priced regularly and have no significant change in credit risk or of the fixed rate loans that are re-priced within 1 year as from the financial reporting dates are estimated at their carrying values.

In addition, the carrying amount of loans to customers reliably reflected the fair value, as most of the items were short term or used floating interest rate or used fixed interest rate that are scheduled to be re-priced less than 1 year.

(d) Accrued interest receivables

The fair values of accrued interest receivables are estimated at their carrying values.

(e) Land and buildings

- Appraisal of land: Market comparison approach is used whereby the buying and selling prices for assets with similar characteristics are obtained.
- Appraisal of buildings: The depreciated replacement cost approach is used for buildings specifically used for the Bank's operation. The market comparison approach is used for general buildings whereby the buying and selling prices for assets with similar characteristics are obtained. The income approach is used for assets that generate revenues.

(f) Deposits

The fair values of demand deposits, floating rate deposits and deposits that are re-priced within 1 year as from the financial reporting dates are estimated to approximate their carrying values.

In addition, deposits are reasonable approximation of fair value because they are mostly short term in nature, referent to floating interest rates index.

(g) Interbank and money market items (liabilities)

The fair values of interbank and money market items that have a remaining maturity period of less than 1 year as from the financial reporting dates or bear floating rates of interest are estimated to approximate their carrying values.

In addition, interbank and money market items (liabilities) are reasonable approximation of fair value because they are mostly short term in nature.

(h) Debts issued and borrowings

The fair values of borrowings with a remaining maturity period of less than 1 year as from the financial reporting dates are estimated at their carrying values. The fair values of borrowings with a remaining maturity period of longer than 1 year as from the financial reporting dates are estimated using the discounted cash flow techniques and applying an average rate of interest currently charged on borrowings with similar arrangements.

The fair values of debt issuances are calculated using the prices quoted in the market.

(i) Derivatives

The fair values of future contracts are prices quoted in the exchange.

The fair values of foreign exchange contracts are obtained from observable market rates of similar foreign exchange contracts.

The fair values of interest rate contracts are estimated using discounted cash flow techniques and discounting by observable market rates.

The valuation process for these financial instruments is supplemented by valuation reserves to adjust for valuation uncertainties. Market Risk and Product Control Unit proposes the valuation reserve methodologies and adjustments to Asset and Liability Committee (ALCO). Such adjustments or reserves will take into accounts the use of bid/offer for short or long positions, long term market conditions, and market parameters.



Notes to Financial Statements

As at 31 December 2020 and 2019, the Bank and its subsidiary had the assets and liabilities that were measured at fair value or disclosed at fair value using different levels of inputs as follows:

	(Unit: Million Baht)				
	Consolidated financial statements				
	As at 31 December 2020				
	Carrying Value	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets measured at fair value					
Financial assets measured at fair value through profit or loss	3,468	-	3,468	-	3,468
Investments in debt securities measured at fair value through other comprehensive income	108,325	-	108,325	-	108,325
Investments in equity securities designated to be measured at fair value through other comprehensive income	76	-	76	-	76
Derivative assets	6,126	-	6,126	-	6,126
Other assets	3	-	3	-	3
Financial liabilities measured at fair value					
Derivatives liabilities	6,283	-	6,283	-	6,283
Other liabilities	2	-	2	-	2
Non-financial assets measured at fair value					
Land and building	11,205	-	-	11,205	11,205
Financial assets for which fair value are disclosed					
Cash	3,278	3,278	-	-	3,278
Interbank and money market items - net	68,336	-	68,336	-	68,336
Loans to customers and accrued interest receivables - net	421,662	-	421,662	-	421,662
Other receivables from sold non-performing loans - net	388	-	388	-	388
Financial liabilities for which fair value are disclosed					
Deposits	491,452	330,850	160,602	-	491,452
Interbank and money market items	43,375	-	43,375	-	43,375
Liabilities payable on demand	2,633	2,633	-	-	2,633
Debts issued and borrowings	11,000	-	11,217	-	11,217
Lease liabilities	363	-	363	-	363

(Unit: Million Baht)

Consolidated financial statements					
As at 31 December 2019					
	Carrying	Fair value			Total
	Value	Level 1	Level 2	Level 3	
Financial assets measured at fair value					
Derivatives assets	4,155	-	4,155	-	4,155
Trading investments					
Debt instruments	3,930	-	3,930	-	3,930
Available-for-sale-investments					
Debt instruments	86,665	-	86,665	-	86,665
Other assets	7	-	7	-	7
Financial liabilities measured at fair value					
Derivatives liabilities	4,583	-	4,583	-	4,583
Other liabilities	4	-	4	-	4
Non-financial assets measured at fair value					
Land and building	7,521	-	-	7,521	7,521
Financial assets for which fair value are disclosed					
Cash	5,873	5,873	-	-	5,873
Interbank and money market items - net	45,109	-	45,109	-	45,109
General investments	40	-	-	71	71
Loans to customers and accrued interest receivables - net	406,211	-	406,211	-	406,211
Other receivables from sold non-performing loans- net	94	-	94	-	94
Financial liabilities for which fair value are disclosed					
Deposits	456,311	261,012	195,299	-	456,311
Interbank and money market items	22,470	-	22,470	-	22,470
Liabilities payable on demand	2,332	2,332	-	-	2,332
Debts issued and borrowings	11,000	-	11,247	-	11,247



Notes to Financial Statements

(Unit: Million Baht)

	Separate financial statements				
	As at 31 December 2020				
	Carrying Value	Fair value			Total
	Level 1	Level 2	Level 3		
Financial assets measured at fair value					
Financial assets measured at fair value through profit or loss	3,468	-	3,468	-	3,468
Investments in debt securities measured at fair value through other comprehensive income	108,325	-	108,325	-	108,325
Investments in equity securities designated to be measured at fair value through other comprehensive income	76	-	76	-	76
Derivative assets	6,126	-	6,126	-	6,126
Other assets	3	-	3	-	3
Financial liabilities measured at fair value					
Derivatives liabilities	6,283	-	6,283	-	6,283
Other liabilities	2	-	2	-	2
Non-financial assets measured at fair value					
Land and building	11,205	-	-	11,205	11,205
Financial assets for which fair value are disclosed					
Cash	3,278	3,278	-	-	3,278
Interbank and money market items - net	68,336	-	68,336	-	68,336
Loans to customers and accrued interest receivables - net	421,662	-	421,662	-	421,662
Other receivables from sold non-performing loans - net	388	-	388	-	388
Financial liabilities for which fair value are disclosed					
Deposits	491,560	330,913	160,647	-	491,560
Interbank and money market items	43,375	-	43,375	-	43,375
Liabilities payable on demand	2,633	2,633	-	-	2,633
Debts issued and borrowings	11,000	-	11,217	-	11,217
Lease liabilities	363	-	363	-	363

	(Unit: Million Baht)				
	Separate financial statements				
	As at 31 December 2019				
	Carrying	Fair value			
	Value	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Derivatives assets	4,155	-	4,155	-	4,155
Trading investments					
Debt instruments	3,930	-	3,930	-	3,930
Available-for-sale-investments					
Debt instruments	86,665	-	86,665	-	86,665
Other assets	7	-	7	-	7
Financial liabilities measured at fair value					
Derivatives liabilities	4,583	-	4,583	-	4,583
Other liabilities	4	-	4	-	4
Non-financial assets measured at fair value					
Land and building	7,521	-	-	7,521	7,521
Financial assets for which fair value are disclosed					
Cash	5,873	5,873	-	-	5,873
Interbank and money market items - net	45,109	-	45,109	-	45,109
General investments	40	-	-	71	71
Loans to customers and accrued interest					
receivables - net	406,211	-	406,211	-	406,211
Other receivables from sold non-performing loans - net	94	-	94	-	94
Financial liabilities for which fair value are disclosed					
Deposits	456,411	261,067	195,344	-	456,411
Interbank and money market items	22,470	-	22,470	-	22,470
Liabilities payable on demand	2,332	2,332	-	-	2,332
Debts issued and borrowings	11,000	-	11,247	-	11,247

During the current year, there were no transfers within the fair value hierarchy.

49. Disclosure of financial instruments

The Bank's business activities involve the use of financial instruments, including derivatives. These activities may expose the Bank to a variety of financial risks, credit risk, foreign exchange risk, interest rate risk and liquidity risk. In entering into those committed financial transactions, the Bank is governed by policies and parameters approved by a designated committee from the Board of Directors as appropriated. The Risk Management Sector assumes the independent oversight of risks undertaken by the Bank, and takes the lead in the formulation and approval of risk policies, controls and processes whereby the Market Risk and Product Control (MRPC) Unit under the Risk Management Sector monitors Global Markets' operation to be in compliance with prescribed trading policies and risk limits. This is further enhanced by the audit of internal control in relation to risk management as carried out by the Internal Audit.



Notes to Financial Statements

49.1 Relevant accounting policies

Details of significant accounting policies and methods adopted, including criteria for revenue and expense recognition in respect of each class of financial assets and financial liabilities, are already disclosed in Note 4 to the financial statements.

49.2 Credit risk

Credit risk is the risk of loss arising from any failure by a borrower or a counterparty to meet its financial obligations when such obligations are due. The Risk and Capital Committee and Credit Committee are the committees delegated by the Board of Directors to oversee all credit risk and credit related matters. These committees maintain oversight of the effectiveness of the Bank's credit risk management structure and framework including policies, processes, information, infrastructure, analysis and information technology including management of all elements of credit risk in order to facilitate the business development within a prudent, consistent and efficient credit risk management framework.

Credit risk exposures are managed through a robust credit underwriting, structuring and monitoring process. The process includes monthly review of all Non Performing (or Stage 3) and Under-Performing (or Stage 2) accounts, ensuring credit quality and the timely recognition of asset impairment. In addition, credit review are performed regularly to proactively manage any delinquency, minimise undesirable concentrations, maximise recoveries, and ensure compliance with credit policies and procedures. Past dues and credit limit excesses are also tracked and analysed regularly.

The maximum exposure to credit risk

The table below shows the maximum exposure to credit risk for recognised and unrecognised financial instruments. The maximum exposure is shown gross before both the effect of mitigation through use of master netting and collateral arrangements.

For financial assets recognised on the statement of financial position, the maximum exposure to credit risk equals their carrying values.

For financial guarantees granted, the maximum exposure to credit risk is the maximum amount that the Bank would have to pay if the guarantees are called upon. For loan commitments and other credit related commitments that are irrevocable over the life of the respective facilities, the maximum exposure to credit risk is the full amount of the committed facilities.

As at 31 December 2020 and 2019, the maximum exposure to credit risk were as follows:

	(Unit: Million Baht)	
	Consolidated and separate financial statements	
	As at 31 December	
	2020	2019
Interbank and money market items (assets)	68,336	45,109
Investments in debt instruments measured at fair value through other comprehensive income	108,325	-
Available-for-sale investments	-	86,665
Loans to customers and accrued interest receivables	421,662	406,211
Accrued interest receivables on non-loans	320	311
Total financial assets	598,643	538,296
Loan commitments	231,486	140,156
Financial guarantees	21,367	29,060
Total	252,853	169,216
Total credit exposures	851,496	707,512

Credit quality analysis

Credit risk refers to the risk that a customer or a counterparty will default on its contractual obligations resulting in a financial loss to the Bank. The Bank has adopted the policy to prevent this risk by performing credit analysis from customers' information and follow-up on customer status consistently.

The table below shows the credit quality of financial assets exposed to credit risk. The amounts presented for financial assets are gross carrying amount (before impairment allowances). For loan commitments and financial guarantee contracts, the amounts in the table represent the amounts committed or guaranteed, respectively.

The explanation of expected credit losses for 12 months, life-time and credit-impaired was described in Note 3.1.1 and Note 4.10 to the financial statements.



Notes to Financial Statements

(Unit: Million Baht)

Consolidated and separate financial statements						
31 December 2020						
	Financial assets where there has not been a significant increase in credit risk (12-mth ECL)	Financial assets where there has been a significant increase in credit risk (Lifetime ECL-not credit impaired)	Financial assets that are credit-impaired (Lifetime ECL-credit impaired)	Financial assets that are credit impaired at purchased or originated	Excess allowance	Total
Interbank and money market items (assets)						
Investment grade*	68,357	-	-	-	-	68,357
Total	68,357	-	-	-	-	68,357
Less: Allowance for expected credit losses	(21)	-	-	-	-	(21)
Net Book Value	68,336	-	-	-	-	68,336
Investments in debt securities measured at fair value through other comprehensive income (2019: Available-for-sale investments)						
Investment grade*	108,381	-	-	-	-	108,381
Total	108,381	-	-	-	-	108,381
Less: Allowance for expected credit losses	(56)	-	-	-	-	(56)
Net Book Value	108,325	-	-	-	-	108,325
Loans to customers and accrued interest receivables - net						
Overdue 0 day	376,540	22,740	3,346	-	-	402,626
Overdue 1 - 30 days	10,488	2,994	584	-	-	14,066
Overdue 31 - 60 days	-	4,710	538	-	-	5,248
Overdue 61 - 90 days	-	2,630	915	-	-	3,545
More than 90 days onwards	-	19	9,824	43	-	9,886
Total	387,028	33,093	15,207	43	-	435,371
Less: Allowance for expected credit losses	(3,343)	(3,285)	(6,071)	-	(1,010)	(13,709)
Net Book Value	383,685	29,808	9,136	43	(1,010)	421,662
Loan commitments						
Overdue 0 day	215,459	16,695	-	-	-	232,154
Total	215,459	16,695	-	-	-	232,154
Less: Allowance for expected credit losses	(561)	(107)	-	-	-	(668)
Net Book Value	214,898	16,588	-	-	-	231,486
Financial guarantee contracts						
Overdue 0 day	20,530	930	70	-	-	21,530
Total	20,530	930	70	-	-	21,530
Less: Allowance for expected credit losses	(89)	(11)	(63)	-	-	(163)
Net Book Value	20,441	919	7	-	-	21,367

* Rating of external credit risk rating agency

Collateral and any arrangements to increase creditability

The Bank has held collateral and any arrangement to increase creditability of exposure to credit risk. The details of the collateral held by the Bank for each type of financial assets were as follows:

	(Unit: Million Baht)		
	Consolidated and separate financial statements		
	Exposure to credit risk with collateral		
	As at 31 December		
	2020	2019	Type of collateral
Interbank and money market items (assets)	68,336	45,109	Securities
Loans to customers and accrued interest receivables	421,662	406,211	Land, building, machines etc.
Financial guarantee	21,367	29,060	Deposits, land and building

49.3 Commodity price risk

Commodity price risk is the risk arising from the price change of commodities, which may affect the value of the Bank's financial instruments or may cause volatility in the Bank's earnings and cost of funds.

All commodity derivatives are managed on a back-to-back basis. The risk is independently monitored by Market Risk and Product Control (MRPC) Unit. Because the Bank records commodity derivatives at fair value, the Bank's commodity price risk is considered according to their carrying value.

49.4 Interest rate risk

Interest rate risk is the impact to earnings and economic value of the Bank due to the fluctuations in interest rates. This interest rate exposure arises from differences in the maturity and repricing dates of assets and liabilities items.

These mismatches are actively monitored and managed as part of the overall interest rate risk management process which is conducted in accordance with the Bank's risk management policies.

The Bank's interest rate risk sensitivity is measured as changes in economic value of equity (EVE) or net interest income (NII) based on Basel Interest Rate Risk in the Banking Book requirements.

EVE is the present value of assets less present value of liabilities of the Bank. NII is the simulated change in the Bank's net interest income.

However, financial assets and liabilities represented their carrying values in statements of financial position, which are classified by types of interest rates and repricing periods as follows:



Notes to Financial Statements

(Unit: Million Baht)

Consolidated financial statements							
As at 31 December 2020							
	Floating rate/ Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	Non-interest bearing	Total	Average return rate (% per annum)
Financial assets							
Cash	-	-	-	-	3,278	3,278	-
Interbank and money market items - net	60,611	35	7	-	7,683	68,336	0.44
Financial assets measured at fair value through profit or loss	514	950	1,609	351	44	3,468	0.48
Derivatives assets	-	-	-	-	6,126	6,126	-
Investments - net	13,254	29,854	64,248	969	76	108,401	1.57
Loans to customers*	306,273	48,153	62,026	12	15,870	432,334	5.17
Other receivables from sold non-performing loans - net	292	-	-	-	96	388	1.75
Financial liabilities							
Deposits	376,803	104,212	2,206	-	8,231	491,452	0.74
Interbank and money market items	36,301	3,894	3,412	34	1,734	45,375	0.40
Liabilities payable on demand	-	-	-	-	2,633	2,633	-
Derivatives liabilities	-	-	-	-	6,283	6,283	-
Debt issued and borrowings	5,000	-	6,000	-	-	11,000	2.92
Lease liabilities	51	116	193	3	-	363	1.43

* Under the Bank's interest rate risk management policy, loans to customers that are credit-impaired and loans to customers that are overdue and contracts were matured are reported in the "non-interest bearing" bucket.

(Unit: Million Baht)

Consolidated financial statements							
As at 31 December 2019							
	Floating rate/ Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	Non-interest bearing	Total	Average return rate (% per annum)
Financial assets							
Cash	-	-	-	-	5,873	5,873	-
Interbank and money market items - net	41,049	1,515	-	-	2,545	45,109	1.21
Derivatives assets	-	-	-	-	4,155	4,155	-
Investments - net	11,686	17,828	60,780	301	42	90,637	1.64
Loans to customers*	322,218	32,870	47,492	-	12,876	415,456	5.90
Other receivables from sold non-performing loans - net	-	-	-	-	94	94	-
Financial liabilities							
Deposits	307,403	136,182	3,818	-	8,908	456,311	1.33
Interbank and money market items	18,913	2,340	216	20	981	22,470	1.08
Liabilities payable on demand	-	-	-	-	2,332	2,332	-
Derivatives liabilities	-	-	-	-	4,583	4,583	-
Debt issued and borrowings	-	-	11,000	-	-	11,000	2.92

* Under the Bank's interest rate risk management policy, non-accrual loans and loans to customers that are overdue and contracts were matured are reported in the "non-interest bearing" bucket.



Notes to Financial Statements

(Unit: Million Baht)

Separate financial statements							
As at 31 December 2020							
	Floating rate/ Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	Non-interest bearing	Total	Average return rate (% per annum)
Financial assets							
Cash	-	-	-	-	3,278	3,278	-
Interbank and money market items - net	60,611	35	7	-	7,683	68,336	0.44
Financial assets measured at fair value through profit or loss	514	950	1,609	351	44	3,468	0.48
Derivatives assets	-	-	-	-	6,126	6,126	-
Investments - net	13,254	29,854	64,248	969	136	108,461	1.57
Loans to customers*	306,273	48,153	62,026	12	15,870	432,334	5.17
Other receivables from sold non-performing loans - net	292	-	-	-	96	388	1.75
Financial liabilities							
Deposits	376,866	104,257	2,206	-	8,231	491,560	0.74
Interbank and money market items	36,301	3,894	3,412	34	1,734	45,375	0.40
Liabilities payable on demand	-	-	-	-	2,633	2,633	-
Derivatives liabilities	-	-	-	-	6,283	6,283	-
Debt issued and borrowings	5,000	-	6,000	-	-	11,000	2.92
Lease liabilities	51	116	193	3	-	363	1.43

* Under the Bank's interest rate risk management policy, loans to customers that are credit-impaired and loans to customers that are overdue and contracts were matured are reported in the "non-interest bearing" bucket.

(Unit: Million Baht)

Separate financial statements							
As at 31 December 2019							
	Floating rate/ Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	Non-interest bearing	Total	Average return rate (% per annum)
Financial assets							
Cash	-	-	-	-	5,873	5,873	-
Interbank and money market items - net	41,049	1,515	-	-	2,545	45,109	1.21
Derivatives assets	-	-	-	-	4,155	4,155	-
Investments - net	11,686	17,828	60,780	301	102	90,697	1.64
Loans to customers*	322,218	32,870	47,492	-	12,876	415,456	5.90
Other receivables from sold non-performing loans - net	-	-	-	-	94	94	-
Financial liabilities							
Deposits	307,458	136,227	3,818	-	8,908	456,411	1.33
Interbank and money market items	18,913	2,340	216	20	981	22,470	1.08
Liabilities payable on demand	-	-	-	-	2,332	2,332	-
Derivatives liabilities	-	-	-	-	4,583	4,583	-
Debt issued and borrowings	-	-	11,000	-	-	11,000	2.92

* Under the Bank's interest rate risk management policy, non-accrual loans and loans to customers that are overdue and contracts were matured are reported in the "non-interest bearing" bucket.

49.5 Exchange rate risk

Foreign exchange risk is the risk to revenues and economic value of foreign currency assets, liabilities, and financial derivatives caused by fluctuations in foreign exchange rates.

The Bank's foreign exchange exposures comprise of trading and non-trading. Non-trading foreign exchange exposures are principally derived from investment and customer businesses. The Bank utilises mainly spot foreign exchange, foreign currency forwards, and swaps to reduce its foreign exchange risk.

Foreign exchange risk is independently managed through policies and risk limits and monitored by Market Risk and Product Control (MRPC) Unit.

49.6 Liquidity risk

Liquidity risk is the risk that the Bank and its subsidiary may not be able to meet their obligations as they fall due as a result of inability to liquidate their assets or to cover funding requirements at an appropriate price, resulting in losses to the Bank and its subsidiary.

The Bank and its subsidiary manage liquidity risk in accordance with the liquidity framework, which comprises policies, controls and limits. These controls and policies include setting of net cumulative cash flow mismatch limits, monitoring of liquidity early warning indicators, stress test analysis of cash flows in liquidity crisis scenarios and establishment of a comprehensive contingency funding plan. The Bank is also required by the regulators to maintain sufficient high liquid assets to support potential cash outflows under severe liquidity stressed scenario. The main objectives are honouring all cash outflow commitments on an on-going basis, satisfying statutory liquidity and reserve requirements, and avoiding raising funds at market premiums or through forced sale of assets.



Notes to Financial Statements

The maturity analysis of financial assets and liabilities representing their carrying values in statements of financial position is as follows:

(Unit: Million Baht)

	Consolidated financial statements						Total
	As at 31 December 2020						
	Call	Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	No specific maturity	
Financial assets							
Cash	3,278	-	-	-	-	-	3,278
Interbank and money market items - net	8,205	60,088	36	7	-	-	68,336
Financial assets measured at fair value through profit or loss	-	514	950	1,609	395	-	3,468
Derivatives assets	-	-	-	-	-	6,126	6,126
Investments - net	-	13,254	29,854	64,248	969	76	108,401
Loans to customers*	2,542	96,228	55,328	85,661	192,575	-	432,334
Other receivables from sold non-performing loans - net	-	19	84	285	-	-	388
Financial liabilities							
Deposits	330,850	53,238	105,136	2,228	-	-	491,452
Interbank and money market items	23,615	14,420	3,894	3,412	34	-	45,375
Liabilities payable on demand	2,633	-	-	-	-	-	2,633
Derivatives liabilities	-	-	-	-	-	6,283	6,283
Debt issued and borrowings	-	5,000	-	6,000	-	-	11,000
Lease liabilities	-	51	116	193	3	-	363

* Under the Bank's liquidity risk management policy, loans to customers that are credit-impaired such as certain restructured loans and NPLs are reported in the "more than 5 years" bucket.

(Unit: Million Baht)

Consolidated financial statements							
As at 31 December 2019							
	Call	Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	No specific maturity	Total
Financial assets							
Cash	5,873	-	-	-	-	-	5,873
Interbank and money market items - net	2,848	40,746	1,515	-	-	-	45,109
Derivatives assets	-	-	-	-	-	4,155	4,155
Investments - net	-	11,686	17,828	60,780	301	42	90,637
Loans to customers*	4,668	87,219	49,715	88,276	185,578	-	415,456
Other receivables from sold non-performing loans - net	-	-	-	88	6	-	94
Financial liabilities							
Deposits	261,012	55,299	136,182	3,818	-	-	456,311
Interbank and money market items	11,360	8,534	2,340	216	20	-	22,470
Liabilities payable on demand	2,332	-	-	-	-	-	2,332
Derivatives liabilities	-	-	-	-	-	4,583	4,583
Debt issued and borrowings	-	-	-	11,000	-	-	11,000

* Under the Bank's liquidity risk management policy, non-accrual loans such as certain restructured loans and NPLs are reported in the "more than 5 years" bucket.



Notes to Financial Statements

(Unit: Million Baht)

	Separate financial statements						Total
	As at 31 December 2020						
	Call	Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	No specific maturity	
Financial assets							
Cash	3,278	-	-	-	-	-	3,278
Interbank and money market items - net	8,205	60,088	36	7	-	-	68,336
Financial assets measured at fair value through profit or loss	-	514	950	1,609	395	-	3,468
Derivatives assets	-	-	-	-	-	6,126	6,126
Investments - net	-	13,254	29,854	64,248	969	136	108,461
Loans to customers*	2,542	96,228	55,328	85,661	192,575	-	432,334
Other receivables from sold non-performing loans - net	-	19	84	285	-	-	388
Financial liabilities							
Deposits	330,913	53,238	105,181	2,228	-	-	491,560
Interbank and money market items	23,615	14,420	3,894	3,412	34	-	45,375
Liabilities payable on demand	2,633	-	-	-	-	-	2,633
Derivatives liabilities	-	-	-	-	-	6,283	6,283
Debt issued and borrowings	-	5,000	-	6,000	-	-	11,000
Lease liabilities	-	51	116	193	3	-	363

* Under the Bank's liquidity risk management policy, loans to customer are credit impaired such as certain restructured loans and NPLs are reported in the "more than 5 years" bucket.

(Unit: Million Baht)

Separate financial statements							
As at 31 December 2019							
	Call	Within 3 months	3 - 12 months	1 - 5 years	More than 5 years	No specific maturity	Total
Financial assets							
Cash	5,873	-	-	-	-	-	5,873
Interbank and money market items - net	2,848	40,746	1,515	-	-	-	45,109
Derivatives assets	-	-	-	-	-	4,155	4,155
Investments - net	-	11,686	17,828	60,780	301	102	90,697
Loans to customers*	4,668	87,219	49,715	88,276	185,578	-	415,456
Other receivables from sold non-performing loans - net	-	-	-	88	6	-	94
Financial liabilities							
Deposits	261,067	55,299	136,227	3,818	-	-	456,411
Interbank and money market items	11,360	8,534	2,340	216	20	-	22,470
Liabilities payable on demand	2,332	-	-	-	-	-	2,332
Derivatives liabilities	-	-	-	-	-	4,583	4,583
Debt issued and borrowings	-	-	-	11,000	-	-	11,000

* Under the Bank's liquidity risk management policy, non-accrual loans such as certain restructured loans and NPLs are reported in the "more than 5 years" bucket.



Notes to Financial Statements

50. Reclassification

Certain amounts in the financial statements have been reclassified to conform to the current year's classification as follow:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	As at 31 December 2019		As at 31 December 2019	
	As reclassified	As previously reported	As reclassified	As previously reported
Loans to customers and accrued interest receivables - net	406,211	405,532	406,211	405,532
Accrued expenses	3,752	3,616	3,746	3,610
Retained earnings - Unappropriated	29,951	29,407	29,906	29,362

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December 2020		For the year ended 31 December 2020	
	As reclassified	As previously reported	As reclassified	As previously reported
Interest income	23,827	23,735	23,827	23,735
Fees and service income	4,741	4,743	4,741	4,743
Income tax expenses	1,099	1,081	1,091	1,073

This reclassification have impact on profits or shareholders' equity as reported.

51. Approval of financial statements

These financial statements were authorised for issue by the Bank's Board of Directors on 5 March 2021.

Risk Management

Managing risk is an integral part of UOB Thailand Group’s business strategy. UOB Thailand Group’s risk management approach focuses on ensuring continued financial soundness and safeguarding the interests of our stakeholders, while remaining nimble to seize value-creating business opportunities in a fast-changing environment. UOB Thailand Group is committed to upholding high standards of corporate governance, sound risk management principles and business practices to achieve sustainable long-term growth. UOB Thailand Group continuously strives towards best risk management practices to support the strategic objectives.

Maintaining a Sound Risk Culture

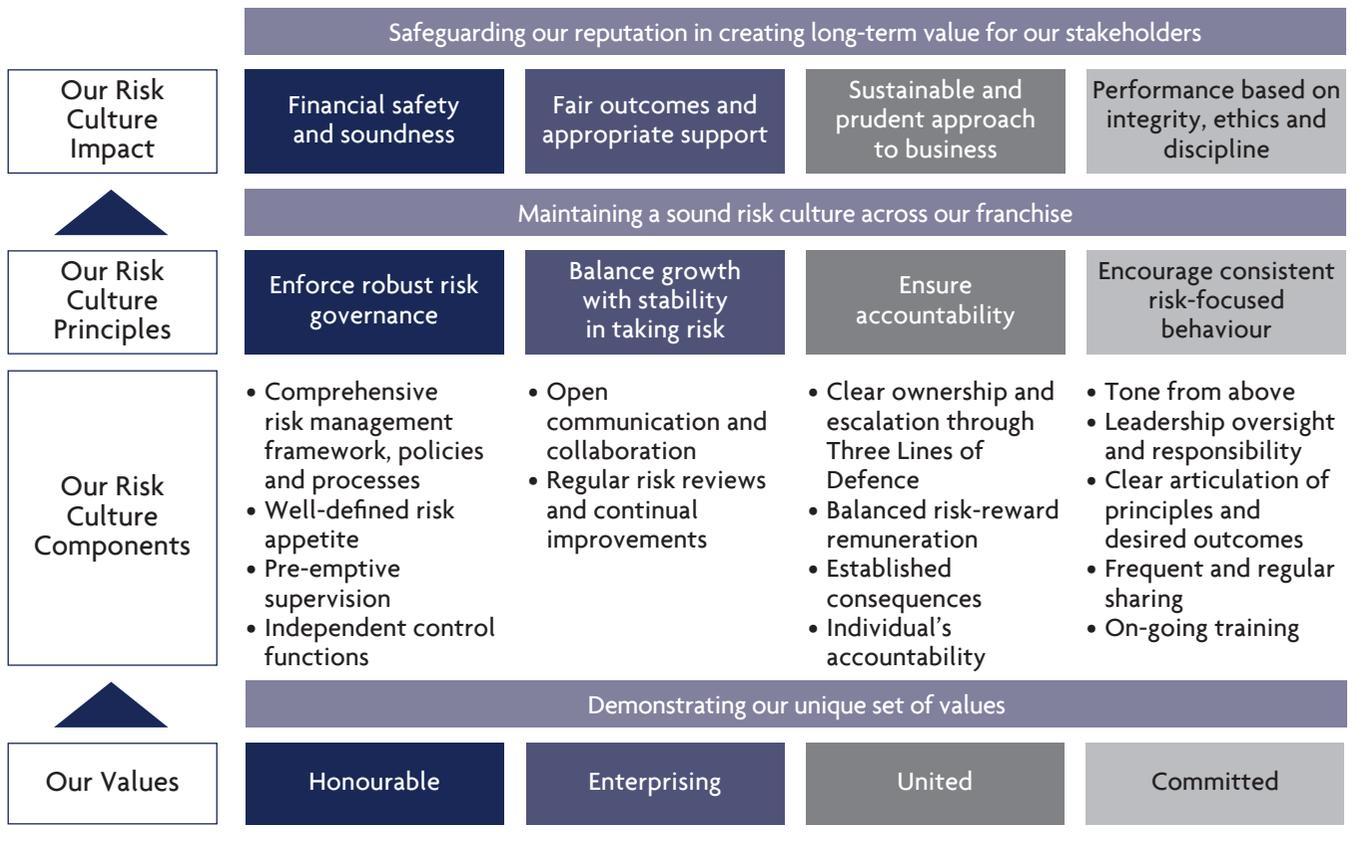
We believe that a strong risk culture is vital to the long-term sustainability of UOB Thailand Group’s business franchise. Specifically, risk culture refers to the norms, attitudes and behaviours related to risk awareness, risk-taking and risk management, and controls that shape decisions on risks. At UOB Thailand Group, our risk culture is based on our values. A strong risk culture ensures that our decisions and actions are considered and focused on our customers, and that we are not distracted by short-term gains.

UOB Thailand Group’s Risk Culture Statement

Managing risk is integral to how UOB Thailand Group creates long-term value for our customers and stakeholders. Our risk culture is built on four principles:

- Enforcing robust risk governance
- Balancing growth with stability
- Ensuring accountability for all our risk-based decisions and actions
- Encouraging awareness, engagement and consistent behavior in every colleague

Each of these principles is based on UOB Thailand Group’s distinctive set of values that guides every action we take. In entrenching our risk culture further across our franchise, we uphold our commitment to financial safety and soundness; fair outcomes and appropriate support for our customers; sustainable and prudent business approach and performance based on integrity, ethics and discipline.



Risk Management

Our risk management strategy is to embed our risk culture across UOB Thailand Group so as to facilitate ongoing effective discovery, management, and mitigation of risks arising from external factors and our business activities and to set aside adequate capital efficiently to address these risks. Risks are managed within levels established by the senior management committees and approved by the Board and its committees. UOB Thailand Group has put in place a framework of policies, methodologies, tools and processes that will help us identify, measure, monitor and manage material risks faced by UOB Thailand Group. These enable us to focus on the fundamentals of banking and to create long-term value for all UOB Thailand Group stakeholders.

Risk Governance

Our risk frameworks, policies and risk appetite provide the principles and guidance for UOB Thailand Group's risk management activities. They guide our key decisions for capital management, strategic planning and budgeting, and performance management to ensure that the risk dimension is appropriately and sufficiently considered. Risk reports are submitted regularly to senior management committees and the Board to keep them apprised of UOB Thailand Group's risk profile.

UOB Thailand Group has adopted the Basel Framework and is in compliant with regulatory requirements on Risk Based Capital Adequacy Requirements. We continue to adopt a prudent and proactive approach in navigating the evolving regulatory landscape, with emphasis on sound risk management principles in delivering sustainable returns. We also adopt the Internal Capital Adequacy Assessment Process (ICAAP) to assess on an ongoing basis the amount of capital necessary to support our activities. We review the ICAAP periodically to ensure that UOB Thailand Group remains well-capitalised after considering all material risks. Stress testing is conducted to determine capital adequacy under stress conditions. UOB Thailand Group's Pillar 3 and Liquidity Coverage Ratio (LCR) Disclosure Policy addresses the disclosure requirements specified by regulators.

UOB Thailand Group's responsibility for risk management starts with the Board oversight of the governance structure which ensures that UOB Thailand Group's business activities are:

- conducted in a safe and sound manner and in line with the highest standards of professionalism;
- consistent with UOB Thailand Group's overall business strategy and risk appetite; and
- subject to adequate risk management and internal controls.

In this regard, the Board is primarily assisted by the Board Committees including Audit Committee (AC), Nomination and Compensation Committee (NCC), Executive Committee (EXCO),

and Board Risk Oversight Committee (BROC). BROC assists the Board in the oversight of risks and provide recommendations to the Board regarding risk governance framework.

The day-to-day management of UOB Thailand Group is delegated to senior management including Chief Executive Officer (CEO) and Senior Executives of UOB Thailand and a subsidiary. CEO has established senior management committees to assist him and senior management in making business decisions involved in specific risk areas with due consideration to risks and returns.

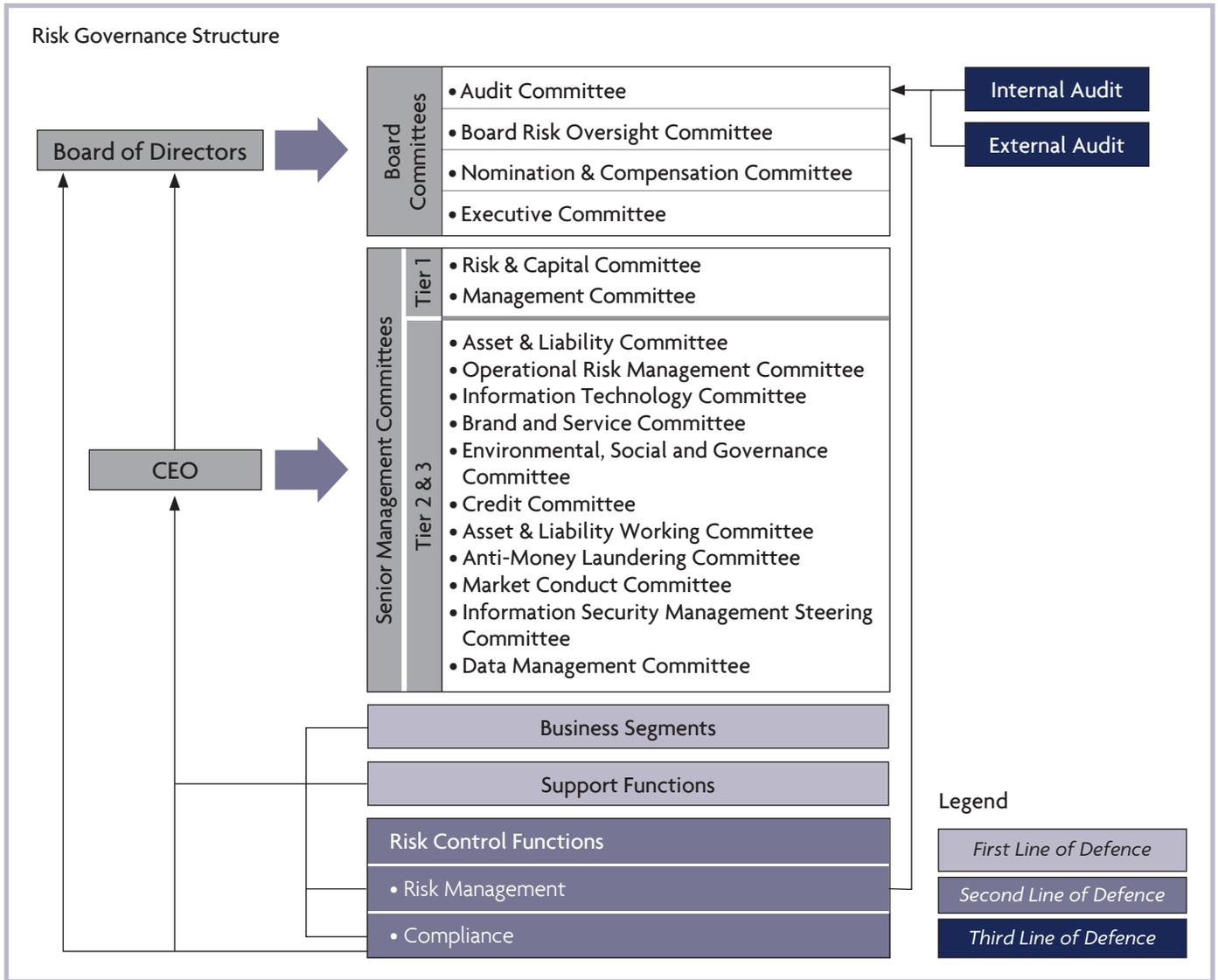
The senior management committees include Tier 1, Tier 2 and Tier 3 committees. Tier 1 senior management committees comprise Risk and Capital Committee (RCC) and Management Committee (MC) which are mandated to assist the Board in the oversight of risk and reviewing strategic roadmap, financial plan and budget as well as monitoring performance against strategy and budget of UOB Thailand Group. The Tier 2 and Tier 3 senior management committees include:

- Asset & Liability Committee (ALCO)
- Operational Risk Management Committee (ORMC)
- Information Technology Committee (ITC)
- Brand and Service Committee (BSC)
- Environmental, Social and Governance Committee (ESGC)
- Credit Committee (CC)
- Asset & Liability Working Committee (ALWC)
- Anti-Money Laundering Committee (AMLC)
- Market Conduct Committee (MCC)
- Information Security Management Steering Committee (ISMS)
- Data Management Committee (DMC)

Senior management and senior management committees are responsible for delegating risk appetite limits by business lines, and/or broad product lines.

Risk management is the responsibility of every employee in UOB Thailand Group. Risk awareness and accountability are embedded in our culture through an established framework that ensures appropriate oversight and accountability for the effective management of risk throughout UOB Thailand Group and across risk types. This is executed through an organization control structure that provides three Lines-of-Defence as follows:





First Line of Defence - The Risk Owner:

The business and business support functions have primary responsibility for implementing and executing effective controls to manage the risks arising from their business activities. This includes establishing adequate managerial and supervisory controls to ensure compliance with risk policies, appetite, limits and controls and to highlight control breakdowns, inadequacy of processes and unexpected risk events.

Second Line of Defence - Risk Oversight:

The risk and control oversight functions (such as Risk Management and Compliance), Head of Risk Management and Head of Compliance provide the second line of defence.

The risk and control oversight functions support UOB Thailand Group's strategy of balancing growth with stability by establishing risk frameworks, policies, appetite and limits within which the business functions must operate. The risk and control functions are also responsible for the independent review and monitoring of UOB Thailand Group's risk profile and for highlighting any significant vulnerabilities and risk issues to the respective management committees.

The independence of risk and control oversight functions from business functions ensures the necessary checks and balances are in place.



Risk Management

Third Line of Defence - Independent Audit:

UOB Thailand Group's internal and external auditors conduct risk-based audits covering all aspects of the first and second lines of defence to provide independent assurance to the CEO, Audit Committee and the Board, of the effectiveness of the risk management and control structure, policies, frameworks, systems and processes.

Risk Appetite

UOB Thailand Group has established a risk appetite framework to define the amount of risk, we are able and willing to take in pursuit of our business objectives. The purpose of establishing a risk appetite framework is to ensure that UOB Thailand Group's risk profile remains within well-defined and tolerable boundaries. The framework was formulated based on the following key criteria:

- relevance to respective stakeholders, with appropriate levels of granularity;
- practical, consistent and easy to understand metrics for communication and implementation;
- alignment to key elements of UOB Thailand Group's business strategy; and
- analytically substantiated and measurable metrics.

The risk appetite defines suitable thresholds and limits across key areas of credit risk, country risk, market risk, liquidity risk, operational risk and reputation risk. UOB Thailand Group's risk taking approach is focused on businesses which we understand and are well-equipped to manage the risk involved. Through this approach, UOB Thailand Group aims to minimize earnings volatility and concentration risk and to ensure that UOB Thailand Group's high credit rating, strong capital and funding base remain intact. This enables UOB Thailand Group to be a steadfast partner of our customers through changing economic conditions and cycles.

UOB Thailand Group's risk appetite framework and risk appetite are reviewed and approved annually by the Board. The management monitors and reports the risk profiles and compliance with the risk appetite to the senior management committees and the Board on a regular basis.

Material Risks

UOB Thailand Group's business strategies, products, customer profiles and operating environment expose us to a number of financial and non-financial risks. Identifying and monitoring of key risks are integral to UOB Thailand Group's approach to risk management. It enables us to make proper assessment and to mitigate these risks proactively across UOB Thailand Group. The following table lists the key risks which could impact the success of achieving UOB Thailand Group's strategic objectives:



Credit Risk

Credit risk is the risk of loss arising from any failure by a borrower or counterparty to meet their financial obligations when such obligations are due. Credit risk is the single largest risk that UOB Thailand Group faces in our core business as a commercial bank, arising primarily from loans and other lending related commitments to retail, corporate and institutional borrowers. Treasury and capital market operations and investments also expose UOB Thailand Group to counterparty and issuer credit risks.

Integral to the management of credit risk is a framework that clearly defines policies and processes relating to the identification, measurement and management of credit risk. We review and stress test our portfolio regularly, and we continually monitor the operating environment to identify emerging risks and to formulate mitigation action.

Credit Risk Governance and Organization

The Credit Committee (CC) is the key oversight committee for credit risk. They support the CEO, EXCO and the Board in managing the UOB Thailand Group's overall credit risk exposures. The RCC and CC serves as an executive forum for discussions on all credit-related issues including the credit risk management framework, policies, processes, infrastructure, methodologies and systems. The CC reviews and assesses UOB Thailand Group's credit portfolios, processes and credit risk profiles.

Credit Risk Management Division is responsible for the reporting, analysis and management of all elements of credit risk. It develops credit policies and guidelines, and focuses on facilitating business development within a prudent, consistent and efficient credit risk management framework.

Credit Risk Policies and Processes

UOB Thailand Group has established credit policies and processes to manage credit risk in the following key areas:

Credit Approval Process

To maintain the independence and integrity of the credit approval process, the credit origination and approval functions are clearly segregated. Credit approval authority is delegated to officers based on their experience, seniority and track record, and is based on a risk-adjusted scale according to a borrower's credit rating. All credit approval officers are guided by credit policies that are periodically reviewed to ensure their continued relevance to the UOB Thailand Group's business strategy and the business environment.

Credit Concentration Risk

Credit concentration risk may arise from a single large exposure or from multiple exposures that are closely correlated. This is managed by setting exposure limits on borrowers, obligors, industries, portfolios, and countries, generally expressed as a percentage of the capital base.

We manage our credit risk exposures through a robust credit underwriting, structuring and monitoring process. Credit exposures are well-diversified across industries. We perform regular assessments of emerging risks and reviews on industry trends and country outlooks to provide a forward-looking view on developments that could impact UOB Thailand Group's portfolio. We also conduct stress testing periodically to assess the resilience of the portfolio in the event of a marked deterioration in operating conditions.

Credit Stress Test

Credit stress testing is a core component of UOB Thailand Group's credit portfolio management process. The three objectives of stress-testing are (i) to assess the profit and loss and balance sheet impact of business strategies, (ii) to quantify the sensitivity of performance drivers under various macroeconomic and business planning scenarios, and (iii) to evaluate the impact of management decisions on capital, funding and leverage. Supervisory and / or internal stress tests may be conducted periodically under the change in economic conditions to identify if any risk mitigation actions should be taken. Under stress scenarios such as a severe recession, significant losses from the credit portfolio may occur. Stress tests are used to assess if UOB Thailand Group capital can withstand such losses and their impact on profitability and balance sheet quality. Stress tests also help us, identify the vulnerability of various business units under such scenario and formulate appropriate mitigating actions.

Our stress test scenarios consider potential and plausible macroeconomic and geopolitical events in varying degrees of likelihood and severity. We also consider varying strategic planning scenarios where the impact of different business scenarios and proposed managerial actions are assessed. These are developed through consultation with relevant business units, and are approved by senior management prior to submission to relevant committees for approval.

Intra-group Transaction

Any intra-group transactions shall be executed on an arms-length basis at market commercial terms. Risk exposure as well as impact on capital adequacy incurred from intra-group transactions shall be monitored and controlled as a normal business practice. UOB Thailand Group has stipulated the approval process for intra-group transactions e.g. normal intra-group transactions such as granting credit, which is subject to approval by EXCO with ratification by the Board.



Risk Management

Credit Risk Mitigation

Potential credit losses are mitigated through a variety of instruments such as collateral, guarantees and netting arrangements. As a fundamental credit principle, UOB Thailand Group generally does not extend credit facilities solely on the basis of the collateral provided. All credit facilities are granted based on the credit standing of the borrower, source of repayment and debt servicing ability of the borrower.

Collateral is taken whenever possible to mitigate the credit risk assumed and the value of the collateral is monitored periodically. The frequency of valuation depends on the type, liquidity and volatility of the collateral value as well as in accordance with BOT's requirements. The main types of collateral taken by UOB Thailand Group are cash, qualified marketable securities, and real estate. Appropriate haircuts are applied to the market value of collateral, reflecting the underlying nature of the collateral, quality, volatility and liquidity. In addition, collateral taken by UOB Thailand Group has to fulfill certain eligibility criteria (such as legal certainty across relevant jurisdictions) in order to be eligible for IRB purposes.

In extending credit facilities, we also often take personal guarantees as a form of moral support to ensure moral commitment from the principal shareholders and directors. For IRB purposes, we do not recognise personal guarantees as an eligible credit risk protection. Corporate guarantees are often obtained when the borrower's creditworthiness is not sufficient to justify an extension of credit. To recognise the effects of guarantees under the FIRB approach, we adopt the Probability of Default (PD) substitution approach whereby the PD of an eligible guarantor of an exposure will be used for calculating the capital requirement.

Counterparty Credit Risk

Unlike normal lending risk where the notional amount at risk can be determined with a high degree of certainty during the contractual period, counterparty credit risk exposure fluctuates with market variables. Counterparty credit risk is measured as the sum of current mark-to-market value and an appropriate add-on factor for potential future exposure (PFE). The PFE factor is an estimate of the maximum credit exposure over the remaining life of the foreign exchange (FX)/derivative transaction and is used for limit-setting and internal risk management.

Exposures arising from foreign exchange, derivatives, and securities financing transactions are typically mitigated through agreements such as the International Swaps and Derivatives Association (ISDA) Master Agreements and the Credit Support Annex (CSA). Such agreements help to minimise credit exposure by allowing UOB Thailand Group to offset what we owe to a counterparty against what is due from that counterparty in the event of a default.

Credit Monitoring and Remedial Management

We regularly monitor credit exposures, portfolio performance and emerging risks that may impact our credit risk profile. Internal risk reports are updated to relevant senior management committees on credit trends and to provide alerts on key economic, political and environment developments across major portfolios so that necessary mitigating actions can be taken promptly.

Delinquency Monitoring

UOB Thailand Group closely monitors the delinquency of borrowing accounts as it is a key indicator of credit quality. An account is considered as delinquent when payment is not received on the due date. Any delinquent account, including a revolving credit facility (such as an overdraft) with limit excesses, is closely monitored and managed through a disciplined process by business units and risk management functions. Where appropriate, such accounts are also subject to more frequent credit reviews.

Classification and Expected Credit Loss (ECL)

UOB Thailand Group classifies its loan portfolios according to the borrower's ability to repay the credit facility from their normal source of income. There is an independent credit review process to ensure the appropriateness of loan grading and classification in accordance with internal policy and regulatory guidelines. In accordance to the Thai Financial Reporting Standard (TFRS) 9 and as per regulatory guideline, all financial assets and commitments are categorized into 3 stages as "Performing or Stage 1", "Under-Performing or Stage 2" and Non-Performing or Stage 3. Any account which is delinquent (or in excess for a revolving credit facility such as an overdraft) for more than 90 days or more than 3 months will be categorised automatically as 'Non-Performing'. In addition, any account that exhibits weaknesses which are likely to adversely affect repayment on existing terms may be categorised as 'non-performing'.

Upgrading and declassification of a NPL account to "Performing (Stage 1) or Under-Performing (Stage 2) status must be supported by a credit assessment of the repayment capability, cash flows and financial position of the borrower. UOB Thailand Group must also be satisfied that once the account is declassified, the account is unlikely to be classified again in the near future.

A restructured account is categorized as either 'Non-Performing' or non-NPL or appropriate classified grade based on the assessment of the financial condition of the borrower and the ability of the borrower to repay under the restructured terms.

Under TFRS 9 guideline, provision impairment will be based on Expected Credit Loss (ECL) Approach.



Special Asset Management

Special Asset Management (SAM) / Credit Management are the independent division in which SAM manages the non-performing portfolios of UOB Thailand Group’s non-retail portfolio whereas Credit Management manages the retail non-performing portfolios. SAM/Credit Management proactively manages a portfolio of NPL accounts, with the primary intention of nursing these accounts back to health and transferring them back to the respective business units if it meets the guidelines. In addition, SAM also manages accounts that UOB Thailand Group intends to exit in order to maximise debt recovery.

Write-off Policy

A classified account that is not secured by any realisable collateral or account with collateral that are worthless will be written off either when the prospect of recovery is considered poor or when all feasible avenues of recovery have been exhausted. This is in compliance with regulatory guidelines.

Internal Credit Rating System

UOB Thailand Group employs internal rating models to support the assessment of credit risk and the assignment of exposures to rating grades or pools. Internal ratings are used pervasively

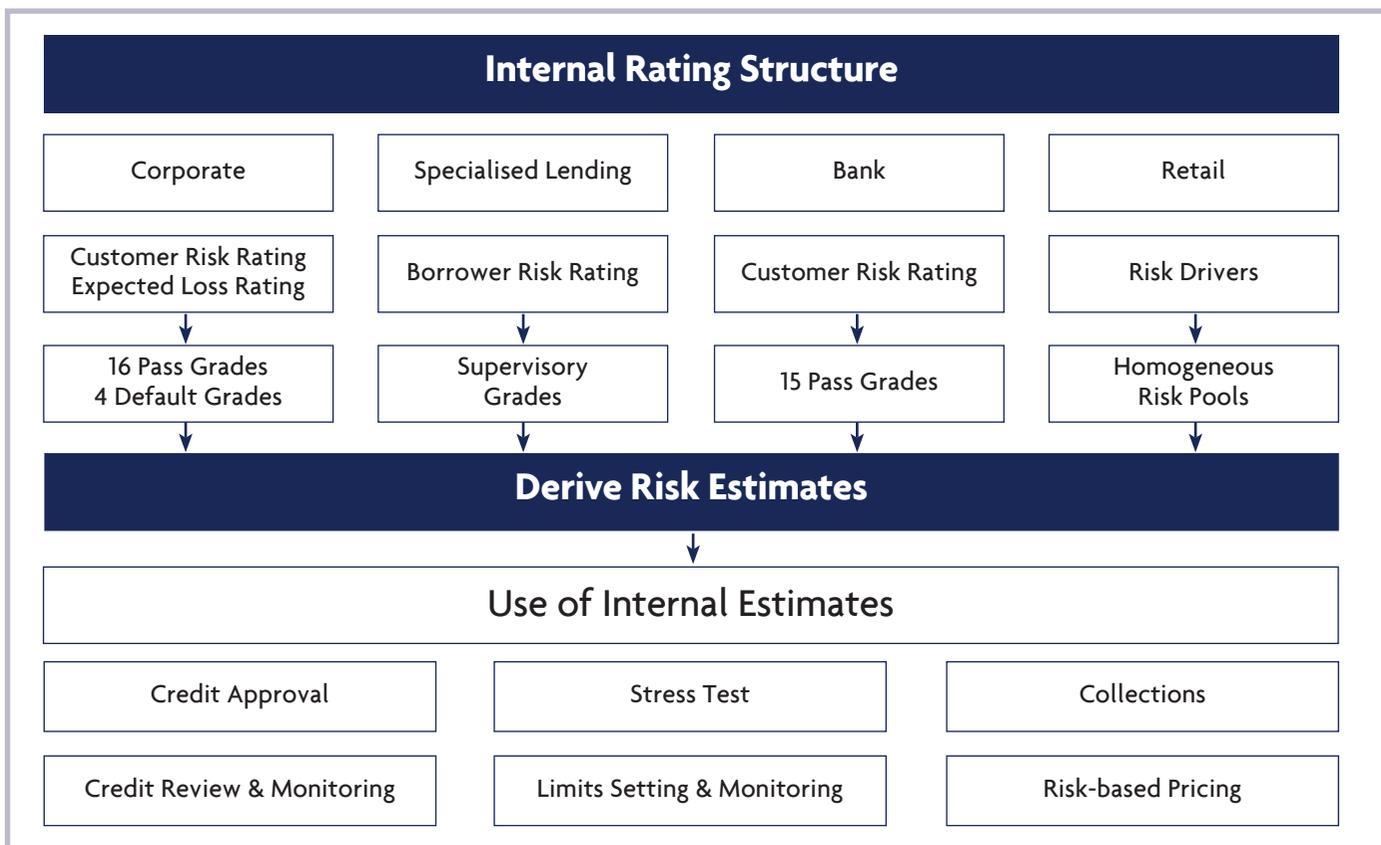
by UOB Thailand Group in the areas of credit approval, credit review and monitoring, credit stress testing, limits setting, pricing and account management.

UOB Thailand Group has established a credit rating governance framework to ensure the reliable and consistent performance of its rating systems. The framework defines the roles and responsibilities of the various parties in the credit rating process, including independent model performance monitoring, annual model validation and independent reviews by Internal Audit.

Credit risk models are independently validated before they are implemented to ensure they are fit for purpose. To monitor the robustness of these rating models on an ongoing basis, all models are subject to annual review conducted by model owners to ascertain that the chosen risk factors and assumptions continue to remain relevant for the respective portfolios. All new models, model changes and annual reviews are approved by RCC or the BROCC, depending on the materiality of the portfolio.

Rating Structure

UOB Thailand Group’s internal rating structure is illustrated below.



Risk Management

Non-retail Exposures

UOB Thailand Group has adopted the Foundation Internal Ratings-Based (FIRB) approach for its non-retail exposures with an exception for Sovereign asset class where Standardised Approach is applied. Under FIRB approach, the probability of default (PD) for each borrower is estimated using internal models. These PD models employ qualitative and quantitative factors to provide an assessment of the borrower's ability to meet their financial obligations, and are calibrated to provide an estimate of the likelihood of default over a one-year time horizon. A default is considered to have occurred if:

- the obligor is unlikely to pay its credit obligations in full to UOB Thailand Group, without recourse by UOB Thailand Group to actions such as realising the security; or
- the obligor is past due for more than 90 days.

Supervisory loss given default (LGD) and exposure at default (EAD) parameters prescribed by BOT are used together with the internal credit ratings to calculate risk weights and regulatory capital requirements.

While UOB Thailand Group's internal risk rating grades may show some correlation with the rating grades of External Credit Assessment Institutions (ECAIs), they are not directly comparable or equivalent to the ECAI ratings.

Corporate Asset Class

In UOB Thailand Group, the exposure in Claims on Corporate Asset Class has been rated by Large Corporate (LC), Corporate SME (CSME) and NBFI Models. Credit risk factors used to derive a customer risk rating include its' financial strength, quality of management, business risks, and the industry in which it operates. The customer risk rating process is augmented by facility risk ratings, which take into account the type and structure of the facility, availability and type of collateral, and seniority of the exposure.

The internal rating grade structure for the corporate asset class consists of 16 pass grades and 4 default grades. The models are mapped to the rating scale by calibration that takes into account UOB Thailand Group's long-term average portfolio default rate.

Specialised Lending Asset Sub-Class

Within the corporate asset class, UOB Thailand Group has four sub-classes for Specialised Lending: Income Producing Real Estate (IPRE), Commodity Finance (CF), Project Finance (PF) and Ship Finance (SF). The internal risk grades are derived based on a comprehensive assessment of financial and non-financial risk factors using internal scorecards. The internal risk grades are mapped to the five supervisory slotting categories, which determine the risk weights to be applied to the exposures.

Bank Asset Class

Our internal Bank scorecard takes into account asset quality, capital adequacy, liquidity, management, regulatory environment and robustness of the overall banking system. The scorecard has an internal rating grade structure consisting of 15 pass grades.

Retail Exposures

We have adopted the AIRB Approach for our retail exposures, which consist of residential mortgages, qualifying revolving retail exposures and other retail exposures. Exposures within each of these asset classes are not managed individually, but as part of a pool similar exposures that are segmented based on borrower and transaction characteristics. As loss characteristics of retail exposures are geography and product specific, bespoke PD, LGD and EAD segmentation models are developed using empirical loss data for the respective exposures across the UOB Thailand Group. Where internal loss data is insufficient to provide robust risk estimates, the segmentation models may incorporate internal and/ or external proxies, and where necessary, may be augmented with appropriate margins of conservatism. These models are regularly validated.

Retail Probability of Default Models

Retail PD models are based on pools of homogeneous exposures segmented by a combination of application scores, behavioural scores and other risk drivers reflecting borrower, facility and delinquency characteristics. PD pools are calibrated through-the-cycle using at least five years of historical data that cover a full economic cycle. For low default portfolios, internal and/ or external proxies that are highly correlated with internal defaults are used to estimate the long-run average PD.

In general, the long-run observed default rates are largely lower than the PD estimated due to the model's calibration philosophy and the application of conservative overlays to account for model risk.

Retail Loss Given Default Models

Retail LGDs are estimated directly using historical default and recovery data via the "workout" approach, which considers the economic losses arising from different post-default scenarios such as cured, restructured and liquidate. LGD models are segment using material pre-default risk drivers such as facility and collateral characteristics.

LGD models are adjusted to reflect a portfolio's economic downturn experience.

Retail Exposure at Default Models

For revolving products, EAD is based on the current outstanding balance and the estimated potential drawdown of undrawn commitments, which is statistically determined based on historical data. For closed-end products, the EAD is the current



outstanding balance. EAD models are generally segmented by material pre-default risk drivers such as facility type, limit and utilization. EAD models are also cover the effect from economic downturn conditions. EADs must be at least equal to the current outstanding balances.

Credit Exposures Subject To Supervisory Prescribed Risk Weight

Equity Asset Class

According to BOT's guidelines, UOB Thailand Group is eligible to apply 100% risk weight to equity exposures which have been exempted from IRB capital computation.

Credit Exposures Subject To Standardised Approach

UOB Thailand Group applies the SA for portfolios which are immaterial in terms of both size and risk profile and for transitioning portfolios. We will progressively migrate our transitioning portfolio ie. exposures to non-bank financial institutions, to the IRB approach, subject to regulatory approval. For exposures subject to the SA, prescribed risk weights based on asset class are used in the computation of regulatory capital except for Claims on Corporate where 100% risk weight is applied.

Responsible Financing

UOB Thailand Group are committed to responsible financing to support sustainable development and to mitigate environmental, social and governance (ESG) risks in our lending. UOB Thailand Group's Credit Policy includes a Responsible Financing Policy and guidelines with clear roles and responsibilities for due diligence. This ensures that ESG considerations are integrated into our credit evaluation and approval process. Credit Approval is responsible for ensuring that all ESG-related risks are adequately addressed and, where necessary, borrowers or projects with any ESG risk are escalated to relevant credit approval and committees for further review and approval.

The Responsible Financing Policy is embedded within UOB Thailand Group's Credit Policy which is reviewed periodically. The Responsible Financing Policy applies to all of UOB Thailand Group's all borrowing customers within Wholesale Banking and to the Bank's capital market activities. Under the policy, Relationship Managers are required to conduct due diligence on all new and existing borrowers during the onboarding process and annual credit review. We have implemented sector-specific Credit Acceptance Guidelines and have ESG checklists in place to help our relationship managers in identifying, assessing and reviewing ESG risks. Borrowers that fall within the following ESG industries, are subject to enhanced due diligence with sector specific guidance.

- Agriculture
- Metals and Mining
- Chemical
- Infrastructure
- Forestry
- Defence
- Energy
- Waste Management

As part of our ESG risk classification approach to identify, measure and manage the ESG risks in our portfolio, borrowers are classified as 'high', 'medium' or 'low' ESG risk. This is based on the level of ESG risk inherent in their business operations and the residual ESG risk after taking into consideration their ability to mitigate the inherent risk through policies and measures.

Our Responsible Financing Policy prohibits financing to the following companies:

- with operations or projects that threaten the outstanding universal value or special characteristics of UNESCO World Heritage Sites, RAMSAR Wetlands, forests of high conservation value or sites that would impact critical natural habitat significantly;
- involved in animal cruelty and the trade of endangered species as defined by the Convention on International Trade in Endangered Species of Wild Fauna and Flora;
- without measures in place to manage or to mitigate the risk of air, soil and water pollution
- involved in the exploitation of labour, including forced labour and child labour based on the International Labour Organization (ILO) standards
- in violation of the rights of local or indigenous communities; and
- involved in open burning for land clearance

The Responsible Financing Policy, supported by a comprehensive set of guidelines, requires the borrowers to comply with local ESG regulations. We notify our borrowers of their need to adhere to our Responsible Financing Policy and request for their representation and warranties to ensure compliance. We also encourage them to follow established industry standards and to obtain relevant certifications. In addition, we



Risk Management

monitor our borrowers on an ongoing basis for any adverse ESG related news. For example, borrowers with any known ESG related incidents will trigger an immediate review with the ESG risks to be addressed and managed appropriately. We allow our borrowers to rectify any breaches of our policy within a reasonable timeframe with Relationship Managers responsible for monitoring their progress. However, if we deem our borrowers unable or unwilling to commit to managing the potential adverse impact of their operations adequately, we are prepared to review and to reassess the relationship, or to reject the transaction.

In recognition of the increasing threat of climate change and the adverse effect it increasingly has on the environment, businesses and society, we discontinued new financing of coal-fired power plant projects and prohibited the project financing of greenfield thermal coal mines. Within the thermal coal sector, our financing is limited to mines that have calorific values corresponding to sub-bituminous or higher grade coal. We will continue to engage with and to support our clients in their transition to lower carbon energy sources. Moreover, we have also discontinued new financing of greenfield palm oil plantations to address the risk of deforestation and loss of biodiversity.

We review our portfolio's ESG exposure periodically. As for the year 2020, all applicable borrowers had undergone the ESG risk assessment with relevant risks adequately managed and mitigated. We did not have a significant concentration in any of the eight ESG-sensitive sectors.

Moreover, we also enhance a responsible lending policy for consumers as part of the sustainable banking development to address the growing concern on higher household debt. The guideline has been established in such a way that the credit underwriting process should not only take into consideration for the credit risk based on the borrower's profile and repayment ability but also on the affordability risk of borrowers to meet their debt obligations both for now and in the longer term.

Market Risk

Market risk is the risk of losses arising from the volatility of the price or value of assets, liabilities and financial obligations held by UOB Thailand Group. Market factors which may affect such prices or values are changes on interest rates, foreign exchange, equity prices and commodity prices.

Market risk is governed by the ALCO, which meets monthly to review and provide directions on market risk matters. The Market Risk Management Unit (MRM) supports the BROCC, RCC and ALCO with independent assessment of the market risk profile of UOB Thailand Group.

UOB Thailand Group's market risk framework comprises market risk policies, practices, control, and risk limits structure with appropriate delegation of authority. In addition, we have a stringent Product/Service Programme due diligence process in place to ensure that market risk issues are adequately addressed prior to product launches.

Market risk capital is provided for all trading exposures within UOB Thailand Group, as well as Banking Book FX and commodity exposures. UOB Thailand Group currently adopts the Standardised Approach for the calculation of regulatory market risk capital but uses daily ES (Expected Short Fall) or Value-at-Risk (VaR) to measure and control trading market risks. To complement the ES or VaR measure, stress and scenario tests are performed to identify UOB Thailand Group's vulnerability to event risk. These tests serve to provide early warnings of plausible extreme losses to facilitate proactive management of market risks.

In addition, VaR estimates are backtested against profit and loss of the trading book to validate the robustness of the methodology. The backtesting process analyses whether exceptions are due to model deficiencies or market volatility.

Interest Rate Risk in Banking Book

Interest rate risk in the banking book (IRRBB) is defined as the risk of potential loss of capital or reduction in earnings due to changes in the interest rates environment.

The ALCO maintains oversight of the effectiveness of the interest rate risk management structure. Balance Sheet Risk Management Division (BSRM) supports the ALCO in monitoring the interest rate risk profile of the banking book.

The primary objective of interest rate risk management is to protect and enhance capital or economic net worth through adequate, stable and reliable growth in net interest earnings under a broad range of possible economic conditions. This is achieved by ensuring that interest rate risk in banking book is identified, measured, monitored and managed over a range of potential and realistic interest rate scenarios, including under stress situations.

Interest rate risk in banking book exposure is quantified using static and simulation analysis tools. Static analysis tools include re-pricing mismatch analysis, whereas the simulation analysis is performed based on the different interest rate scenarios. From the analysis, we are able to assess the impact on both net interest income (NII) and economic value of equity (EVE) due to the interest rate changes. Mismatches in the longer tenor will experience greater change in the EVE than similar positions in the shorter tenor while mismatches in the shorter tenor will have a greater impact on NII.



In addition, stress test is also performed regularly to assess the adequacy of capital in meeting the impact of extreme interest rate movements on the balance sheet. Such tests are performed to provide early warnings of potential extreme losses, facilitating the proactive management of interest rate risks in an environment of rapid financial market changes.

The risks arising from the trading book, such as interest rates, foreign exchange rates and equity prices are managed and controlled under the market risk framework that is discussed under the Market Risk section.

Liquidity Risk

Liquidity risk is the risk that UOB Thailand Group may not be able to meet their obligations as they fall due as a result of inability to liquidate their assets or to cover funding requirements at an appropriate price, resulting in losses to UOB Thailand Group.

UOB Thailand Group maintains sufficient liquidity to fund its day-to-day operations, meet deposit withdrawals and loan disbursements, and repay borrowings. Hence, liquidity is managed in a manner to address known as well as unanticipated cash funding needs.

Liquidity risk is managed in accordance with a framework of policies, controls and limits established by the ALCO. These policies, controls and limits enable the Bank to monitor and manage liquidity risk to ensure that sufficient sources of funds are available over a range of market conditions. These include minimizing excessive funding concentrations by diversifying the sources and terms of funding as well as maintaining a portfolio of high quality and marketable debt securities.

UOB Thailand Group takes a conservative stance in its liquidity management by continuing to gather core deposits, ensuring that liquidity limits are strictly adhered to and that there are adequate liquid assets to meet cash shortfall.

The distribution of deposits is managed actively to ensure a balance between cost effectiveness, continued accessibility to funds, and diversification of funding sources. Important factors in ensuring liquidity are competitive pricing, proactive management of UOB Thailand Group's core deposits and the maintenance of customer confidence.

Liquidity risk is aligned with the regulatory liquidity risk management framework, and is measured and managed on a projected cash flow basis. UOB Thailand Group is monitored under business as usual, and stress scenarios. Cash flow mismatch limits are established to limit the Bank's liquidity exposure. The Bank also employs liquidity early warning indicators and trigger points to signal possible contingency situations.

With regard to the regulatory requirements on Liquidity Coverage Ratio (LCR) which are effective from 1 January 2016, our LCR were above 100% for the position as of December 2020.

Contingency funding plans are in place to identify potential liquidity crises using a series of warning indicators. Crisis escalation processes and various strategies including funding and communication have been developed to minimise the impact of any liquidity crunch.

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. Operational risk includes banking operations risk, fraud risk, legal risk, outsourcing risk, regulatory risk, reputational risk and technology risk but excludes strategic and business risk.

Our primary objective is to foster a sound reputation and operating environment.

Operational Risk Governance, Framework and Programmes

Operational risk is managed through a framework of policies, and procedures by which business and support units properly identify, assess, monitor, mitigate and report their risks. The ORMC meets monthly to provide oversight of operational risk matters across the UOB Thailand Group.

The Operational Risk Governance structure adopts the Three Lines of Defence Model (3LOD). The business and support units as the First Line of Defence are responsible for establishing a robust control environment as part of their day-to-day operations. Each business and support unit is responsible for implementing the operational risk framework and policies, embedding appropriate internal controls into processes and maintaining business resilience for key activities.

The Operational Risk Management Division as the Second Line of Defence, provides overarching governance of operational risk through relevant frameworks, policies, programmes and systems. It also monitors key risk self-assessment results, outsourcing matters, key operational risk indicator breaches, self-identified operational risks and incidents and reports these to the relevant senior management committees and the Board.

Internal Audit acts as the Third Line of Defence by providing, through periodic audit reviews, an independent and objective assessment on the overall effectiveness of the risk governance framework and internal controls.



Risk Management

Two key components of the operational risk management framework are risk identification and control self-assessments. These are achieved through the implementation of a set of operational risk programmes. Several risk mitigation policies and programmes are in place to maintain a sound operating environment.

Our business continuity and crisis management programmes ensure prompt recovery of critical business and support units should there be unforeseen events. An annual attestation is provided to the Board on the state of business continuity readiness of the UOB Thailand Group.

Our insurance programme covers civil and crime liability, cyber liability, property damage, terrorism, public liability, as well as directors' and officers' liability. The programme reduces operational losses through adequate insurance coverage.

We adopt the SA for the calculation of operational risk capital.

The subject-specific key risks that we focus on include but are not limited to:

Technology Risk

Technology Risk is defined as any potential adverse outcome, damage, loss, violation, failure or disruption arising from the use of or reliance on information and communication technologies. The governance of technology risk rests with the ORMC, who facilitates an holistic oversight of operational risk matters across the UOB Thailand Group. Our technology risk management framework ensures that technology and cyber risks are managed in a systematic and consistent manner. The scope of technology risk management covers many aspects, including technology asset management, technology resiliency and continuity aspects of business continuity management, cybersecurity management, technology third party risk management and information security management.

The Operational Risk Management Division has governance and oversight of technology risk management across the UOB Thailand Group. The team works with business and support units including the technology and information security, to oversee, to review and to strengthen their current practices in technology risk management. We adopt a risk-based approach in assessing and managing technology and cyber risks. Our Board, senior management and ORMC are briefed regularly on technology risk appetite and technology risk matters.

Regulatory risk

Regulatory risk refers to the risk of non-compliance with laws, regulations, rules, standards and codes of conduct. We identify, monitor and manage the risk through a structured governance framework of compliance policies, procedures and guidelines. The framework also manages the risk of regulatory breaches relating to sanctions, anti-money laundering and countering the financing of terrorism.

Legal Risk

Legal Risk arises from unenforceable, unfavourable, defective or unintended contracts lawsuits or claims, developments in laws and regulations, or non-compliance with applicable laws and regulations. Business and support units work with both internal and external legal counsel to ensure that legal risks are managed.

Reputational Risk

Reputational Risk is the risk of adverse impact on earnings, liquidity or capital arising from negative stakeholder perception or opinion on the UOB Thailand Group's business practices, activities and financial condition. We recognise the impact of reputation risk and have developed a policy to identify and to manage the risk across the UOB Thailand Group.

Outsourcing Risk

Outsourcing Risk is the risk of adverse financial, operational, reputational, legal and compliance impact arising from the failure of a service provider to provide the outsourced service or to comply with legal and regulatory requirements, or a service provider's breaches of security. We manage the risk through the outsourcing risk management framework, policy, procedures and guidelines and the outsourcing module in the Governance, Risk and Compliance system.

Fraud Risk

Fraud is defined as an act, with an element to deceive or to conceal facts, and is not restricted to the gain of monetary or material benefits.

The UOB Thailand Group actively manages fraud risks. The Integrated Fraud Management (IFM) Division, as the Second Line of Defence, drives strategy, governance and the framework of fraud risk management. The corporate governance of fraud risk is provided by the Audit Committee at the Board level, and primarily by the Risk and Capital Committee at the Management level.



All employees are required to uphold the UOB Code of Conduct, which includes anti-bribery and anti-corruption provisions. The Group's fraud hotline to IFM ensures independent fraud investigation. The division also works closely with business and support units to strengthen their current practices across the five pillars of prevention, detection, response, remediation and reporting

Strategic and Business Risk

Strategic risk refers to the current or prospective negative impact on earnings, capital or reputation arising from adverse strategic decisions, improper implementation of decisions or a lack of responsiveness to industry, economic or technological changes. It is the risk of not achieving the UOB Thailand Group's strategic goals.

Business risk refers to the adverse impact on earnings or capital arising from changes in business parameters such as volumes, margins and costs. The sources of business risk include uncompetitive products or pricing, internal inefficiencies, and changes in general business conditions such as market contraction or changes in customers' expectations and demand. It is the risk of not achieving the UOB Thailand Group's short-term business objectives.

The Board of Directors and senior management committees are responsible for managing risks associated with the UOB Thailand Group's business activities and play a critical role in the successful operation of the UOB Thailand Group. The senior management committees oversee the day-to-day management of the UOB Thailand Group and make business decisions within the UOB Thailand Group's risk appetite. The Management Committee and the Risk and Capital Committee have oversight functions relating to strategic and business risk management.

Finance, together with business segment, will translate the strategic plan into annual financial targets, taking the macroeconomic environment into account. The business segment heads are responsible for developing and implementing segment-specific business strategies and for ensuring alignment with the overall UOB Thailand Group's strategy



Report of the Audit Committee

The Audit Committee (“the AC”) of United Overseas Bank (Thai) Pcl. comprises three independent directors as follows:

- | | |
|----------------------------|----------|
| 1. Tithiphan Chuerboonchai | Chairman |
| 2. Suebrakul Soonthornthum | Member |
| 3. Chim Tantiyaswasdikul | Member |

All the Committee members are non-executive directors and non-employees of the Bank.

In 2020, the Committee held four (4) meetings to review the Bank’s internal control system and discuss financial and operational business issues with the Bank’s External and Internal Auditors. Relevant Management members were invited to attend the meetings to provide additional information and clarification of the internal control systems.

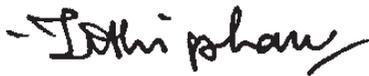
Major matters in the meetings were as follows:

- Reviewed and discussed the adequacy and effectiveness of the Bank’s Internal Control System with the Senior Management, Internal and External Auditors as well as the Management’s Responses to the control deficiencies and timely remedial actions taken.
- Reviewed the Scope and Results of the Audit and Key Accounting and Auditing Areas, including the meetings (non-executive session) held with the External Auditor (EY) and the annual meeting (non-executive session) held with EY and Country Head of Internal Audit.
- Reviewed the major items of the financial reports, the Management Letter (ML), the financial related disclosures, including Pillar III and LCR Disclosure, and the reliability of those reports, and the reasonableness of the Connected and Related Parties’ transactions.
- Reviewed and approved non-Audit Services for TFRS9 Model Validation
- Noted the update on the Results of Transfer Pricing Documentation for 2019 and the New Transfer Pricing Law presented by EY.
- Reviewed and noted the independence of the external auditors.
- Reviewed and proposed the appointment of the External Auditor and the Audit Fee to the Board of Directors for further recommended to the shareholder for approval.
- Reviewed and noted the annual review of independence and objectivity of Internal Audit and approved the revision to Internal Audit Charter to align with the Group Audit and also the International Practices.
- Approved and monitored the Internal Audit Year Plan & Resources, the 2-Year Strategic Plan, and KPI of the Internal Audit, including approval for the revision of the 2020 IA Year Plan as a result of COVID-19 outbreak. The AC also conducted the 2019 Performance Evaluation of the Country Head of IA.
- Reviewed and noted the Internal Audit quarterly reports, major findings and status updates including the compliance with internal and external regulations, Timeliness and Effectiveness of Corrective Action Score (TECAS), NPL Accountability report, Whistleblowing reports, Fraud Investigation Report(s) by Integrated Fraud Management and related matters.
- Noted the implementation issues, progress, and audit result of Basel II - Internal Ratings Based Approach (IRBA), the Internal Capital Adequacy Assessment Process (ICAAP), and Basel III.
- Noted the official letter from External Assessment (by KPMG) and status update, of which IA’s activities generally conforms to the International of Internal Auditors (IIA Standard), IA Transformation and Succession Plan, 2020 Internal Quality Assurance Report and Quality Assurance Assistant Tool & Implementation, and IA Business Continuity Plan against COVID-19.



- Noted the Group Audit (GA) on Continuous Auditing and its implementations and GA's overseeing on subsidiaries' IA transformation and progresses.
- Noted the regulatory updates, regulators' examination results, regulatory breach and violation Report and implementation progress, e.g., the BOT, MAS and other relevant regulators.
- Approved the annual review of Whistleblowing Policy, Fraud Risk Management Framework and noted Fraud Risk Management Policy and the status update on litigation cases against the Bank.
- Reviewed and approved the Recertification of Thailand's Private Sector Collective Action Coalition Against Corruption of UOB Thailand.
- Noted the report on IT Strategy & Major Projects Update, Significant IT Projects Update, UOB Thailand Bill Payment System (BPS) Incident, Crisis Management Team updates on COVID-19, and Credit Quality Review and NPL Containment
- Approved the Annual Planned Schedules for the Audit Committee Meetings, performed and reported the annual self-assessment of the AC to the Board
- Reviewed and approved the revision to AC Charter. The revision has been made to Frequency of Meetings and Meeting Procedures to include the meeting via electronic media.

The Committee has continuously reviewed and assessed the Bank's key risks, controls, governance and monitoring system through the Bank's Internal Audit and upon the discussions with the External Auditor and Senior Management. From the evaluation of the Bank's Internal Control System, it was concluded that the Bank's Internal Control in the areas of financial reporting and risk management is adequate and reliable, and that the Bank continuously reinforces the improvement of the overall internal control system.



Tithiphan Chuerboonchai
Chairman of the Audit Committee
 24 February 2021



Opinion of the Audit Committee on the Bank's Internal Control System

The Board of Directors has reviewed the Audit Committee report and the opinion on the adequacy of Internal Control System prepared by the Audit Committee during the Board of Directors' Meeting No. 618 held on 5 March 2021. Participants of the meeting included the Audit Committee members comprising the 3 independent directors who are non-executive directors and non-employee of the Bank.

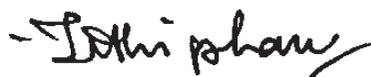
The Audit Committee's opinion on the Internal Control System of the Bank and its subsidiaries was summarised and based on the work performed by IA for the year according to the annual audit plan. IA opined that UOB Thailand Group's system of internal control and risk management system addressing the financial, operational, compliance and information technology are generally adequate and effective. Appropriate remedial actions had been taken or were being taken by Business/Support units to address control lapses noted in the internal audit reports.

The External Auditor of the Bank is EY Office Limited (EY) of which Rachada Yongsawadvanich, a Certified Public Accountant (CPA), as Designated External Auditor, has examined and given her opinion that the Bank and its subsidiaries' Financial Statements present fairly, in all material respects, the financial position of United Overseas Bank (Thai) Public Company Limited and its subsidiaries and of United Overseas Bank (Thai) Public Company Limited as at 31 December 2020, and the results of their operations, and cash flows for the year then ended in accordance with generally accepted accounting principles.

The evaluation of the Bank's Internal Control System was divided into five sections as follows:

- Organisation Control and Environment Measures
- Risk Management Measures
- Management Control Activities
- Information and Communication Measures
- Monitoring and Evaluation

The Committee has continuously reviewed and assessed the Bank's key risks, controls, governance and monitoring system through the Bank's Internal Audit and upon the discussions with the External Auditor and Senior Management. From the evaluation of the Bank's Internal Control System, it was concluded that the Bank's Internal Control in the areas of financial reporting and risk management is adequate and reliable, and that the Bank continuously reinforces the improvement of the overall internal control system. AC Chairman coordinated with Board Risk Oversight Committee's (BROC) Chairman to exchange information for oversight both non-financial and financial risk management and internal control matters. The Audit Committee is of the opinion that the Bank has in place an adequate internal control system. The Audit Committee has been regularly notified of the issues arisen and remedial actions taken.



Tithiphan Chuerboonchai
Chairman of the Audit Committee
5 March 2021

Report of the Board Risk Oversight Committee

The Board Risk Oversight Committee (the BROC) was set up to assist the Board of Directors in overseeing the risk management. It comprises three directors, two of whom are independent directors (including the BROC Chairman) as follows.

- | | |
|----------------------------|----------|
| 1. Chanitr Charnchainarong | Chairman |
| 2. Chim Tantiyaswasdikul | Member |
| 3. Sanchai Apisaksirikul | Member |

In 2020, the Committee held five (5) meetings and performed its duties in accordance to the responsibilities mandated by the Terms of Reference. All meeting results were reported to the Board of Directors, which can be summarized as follows:

- Reviewed and considered risk management frameworks and policies, e.g. Credit Policy and Credit Related Policies, Business Continuity Management Policy, Technology Risk Management Framework and Policy, Market Risk Management Policy, Operational Risk Management Framework and Policy, prior to proposing to the Board of Directors for approval.
- Reviewed and considered UOB (Thai) Recovery Plan and Related Frameworks, prior to proposing to the Board of Directors for approval.
- Reviewed and considered Risk Self-Assessment 2019 & Risk Tendency 2020 of UOB (Thai) and UOB Services Co.,Ltd. prior to proposing to the Board of Directors for consideration.
- Reviewed and considered risk and capital management strategies and frameworks of the Bank (including the risk appetite statement and framework, the Internal Capital Adequacy Assessment Process (ICAAP), ICAAP stress test result, and TFRS 9 Expected Credit Loss (ECL) Governance Framework and Process) prior to proposing to the Board of Directors for consideration.
- Reviewed and noted quarterly update on risk management dashboard.
- Reviewed and considered risk measurement models implemented by the Bank e.g. SME Model, IPRE Model, PFS and RSME Basel Model.
- Reviewed and noted report on Financial and Capital Assessment under COVID-19.
- Reviewed and noted report on activities to promote a sound risk culture in UOB (Thai).
- Reviewed and approved Credit Review Plan 2021 and noted the report on Credit Review Progress Update.
- Reviewed and considered Market Conduct policy, prior to proposing to the Board of Directors for approval and noted Market Conduct and Service Quality Reports.
- Reviewed and approved Personal Data Protection Policy and noted the progress of the implementation of Personal Data Protection Act.
- Noted reports of activities of Risk and Capital Committee.
- Noted the updates on Compliance & Regulatory Requirement.
- Reviewed and considered the revision to the BROC's Terms of Reference to provide better clarification and clear segregation of Credit Review's reporting line.
- Evaluated the performance of the Head of Risk Management.



Report of the Board Risk Oversight Committee

Concerning with the impact from COVID-19 epidemic, the Committee has closely monitored the Bank's responses and implementation of relevant measures to alleviate the impact to all stakeholders i.e. the BOT Financial Assistance Programs, Debt Moratorium, the Bank's Business Continuity Management Measures, IT Security Measures, Market Conduct, Customer Handling Process, WFH Strategy, and Workplace Safety Measures. This is to ensure that appropriate actions were put in place in compliance with regulatory requirement and that associated risks were brought in consideration. The Committee also reviewed the assessment and effectiveness of the measures including loan quality, capital adequacy, risk level, IT system and data governance.

The Committee has responsibly performed its roles and responsibilities as stipulated by the Terms of Reference with integrity, transparency and consistency in the best interests and the long-term stability of the Bank.



Chanitr Charnchainarong
Chairman of the Board Risk Oversight Committee
4 March 2021

Report of the Nomination and Compensation Committee

The Nomination and Compensation Committee (“NCC”) has been appointed by the Board of Directors, and consists of three independent directors as follows:

1) Suebtrakul Soonthornthum	Chairman
2) Chanitr Charnchainarong	Member
3) Tithiphan Chuerboonchai	Member

The NCC held 7 meetings in 2020.

The NCC is responsible for the nomination of, and the remuneration for, the Bank’s Board members and the Bank’s Senior Management. The NCC’s duties include:

- Determining the policy and criteria for the selection of candidates, reviewing suitability of candidates for appointment to the Board, as Chief Executive Officer (“CEO”), and/or to Senior Management positions of Executive Director (ED) level and above, and reviewing any internal promotion to the rank of Executive Director (ED) and above; and
- Setting approaches to remuneration, recommending remuneration for the Board members, and reviewing remuneration for the Senior Management team.

In selecting a member of the Board of Directors, CEO and Senior Management, the factors to be taken into consideration, in addition to all applicable regulatory requirements, include the candidate’s academic qualifications, personal character, technical and leadership competence, employment and career experience, and his or her management philosophy and management vision. A successful candidate must share the Board’s and Management’s philosophy and vision in managing the financial institution in order to ensure that the institution’s goals are met. Furthermore, a candidate must share the same beliefs that will help establish mutual trust and close working relationships with the Board and with the Senior Management team.

The NCC will review a successful candidate for suitability before the Bank proceeds to obtain approval from the Bank of Thailand and from the Board of Directors.

In setting compensation for 2020 as disclosed in this Annual Report, the scale and component of remuneration for the independent directors and non-executive directors are based on the fee structure, roles of each director and relevant policies/ practices while the remuneration for the Senior Management are comparable to general practice in the financial industry with regard to work experience and the Bank’s overall performance results and in accordance with the principles and policies which have been approved by the Board and shareholders.

The Bank believes in the remuneration policy and principle of meritocracy – which is to ensure that each employee including that of Senior Management is rewarded and recognized based on his or her level of performance and contribution to the Bank while at the same time promoting long-term success of the Bank by taking into account the risk policies of the Bank.

The Bank does not reward based solely on percentage of income brought in by an employee. The factors used in considering the overall performance evaluation consist of Key Performance Indicators (KPIs) achieved at fifty percent, and the balance for demonstrating key competencies, having good behavior and upholding of the UOB values.

Remuneration given for KPIs achievement e.g. on income will be clawed-back if evidence of misconduct, mis-selling and other misdeeds surface subsequently.

The Bank also revised the Total Compensation Model especially on Variable Pay by introducing the deferral approach. The Deferred Cash or Shares will vest in accordance with the vesting schedule. The vesting of the Deferred Shares will be subjected to performance conditions.

For Control Functions, their respective remuneration are determined based on overall performance of the Bank, the achievement of operational KPIs for such Control Functions, competency and the performance of an individual employee, and competitiveness of the total compensation against the market.



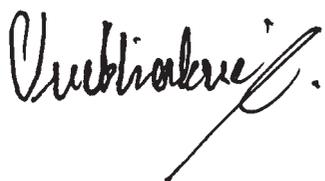
Report of the Nomination and Compensation Committee

The NCC will review performance rating of all Senior Management including the Senior Management in the relevant Control Functions, and the Human Resources (HR) Function will ensure that remuneration of all Control Functions' employees are properly benchmarked and their pay levels are fair.

The combination of independent reporting lines of Control Functions into the Board e.g. Compliance to the Board of Directors and President and CEO, Internal Audit to the Audit Committee, Risk Management to Board Risk Oversight Committee and President and CEO, the segregation of duties for Control Functions, and a compensation structure that prevents conflicts of interest provide necessary checks and balance against compromising the independence and integrity of the Control Functions.

The NCC will, based on the Bank's financial performance, market and industry reward trends, as well as, on GDP and inflation rate projections, propose annual increment and variable pay for employees to the Board of Directors for consideration and approval in the first quarter of each year.

The NCC also takes part in setting out annual performance assessment criteria for overall Board of Directors and each individual director to assess the Board of Directors' performance and efficiency by taking into account their roles and responsibilities as well as Corporate Governance Principles. The assessment was conducted in form of self-assessment and cross assessment. The result was then summarized and reported to the NCC and the Board of Directors for notation.



Suebtrakul Soonthornthum

Chairman, Nomination & Compensation Committee

1 February 2021

Corporate Governance

United Overseas Bank (Thai) Public Company Limited (the Bank or UOB (Thai)), is committed to maintaining good standards of corporate governance. The Bank believes that good corporate governance is fundamental to sustaining business growth and safeguarding the interests of all stakeholders, including shareholders, employees, business partners, customers, depositors, entities with supervisory authorities and auditors. The Bank adheres to the principles prescribed by the relevant supervisory authorities, and has also established a Code of Conduct, which sets out good practices that all directors and employees should observe to uphold the Bank's values of Honourable, Enterprising, United and Committed.

The Board of Directors of the Bank (the Board) also considers sustainability in its reviews of long-term business and organisational goals, and provides the strategic direction for the Bank's sustainability practices. More information on the Bank's Sustainability can be found in the "Sustainability Report" section of this annual report.

The Board has set up various board committees to assist it in overseeing the Bank's affairs. The Bank has in place a comprehensive system of internal controls to safeguard its business and the interests of its stakeholders.

Control Systems, Risk Management, Compliance and Internal Audit

The Board and the Management recognise the importance of robust internal controls and effective risk management, compliance and internal audit functions. The Bank has set up various management committees to assist the President and Chief Executive Officer in overseeing the day to day operations of the Bank. All business and support units within the Bank are expected to comply with the guidelines on internal controls and ethics. Internal control activities form an integral part of operational processes. To this end, the Bank has established appropriate dual controls, with segregation of the operational functions and the control and monitoring functions, to ensure that there are appropriate checks and balances.

Risk Management is an independent function, which is responsible for putting in place the strategies, policies and processes for identifying, measuring, controlling and reporting risks of the UOB (Thai) Group. It works with business and support units and the relevant management committees to develop and to implement appropriate risk management strategies, frameworks, policies and processes. More information on the Bank's risk management approach can be found in the "Risk Management" section of this Annual Report and the Pillar III disclosure on the Bank's website.

Compliance is an independent function which manages compliance risks and reports directly to the Board. It is responsible for communicating, educating and advising all units in the Bank

on applicable regulatory developments and their impact on business practices, and conducting compliance reviews and assessments to ensure that the Bank conducts its business in compliance with all applicable laws, regulations and measures against money laundering, terrorist-financing and financial crime, and administering training on measures against bribery, money laundering and terrorist-financing.

Internal Audit (IA) is an independent unit that reports directly to the Audit Committee (AC) and the Board of Directors. The IA team comprises qualified staff and is responsible for assessing the adequacy and effectiveness of the Bank's system of internal controls, risk management and governance processes. The operations of IA are assessed internally and also by an external assessor every five years. Based on the results of the latest external assessment conducted by KPMG in 2019, the Bank's IA function was generally in conformance with to the IIA Standards promulgated by the Institute of Internal Auditors (IIA).

Directors' Reporting

The Board is responsible for the completeness, accuracy and disclosure of the consolidated financial statements of the Bank and its subsidiary and for the financial information presented in this Annual Report. The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 (A.D. 2004), and in compliance with governing policies, careful judgment and best estimates. Important information is adequately disclosed in the notes to the financial statements. The independent certified public accountants, having audited the consolidated financial statements of the Bank and its subsidiary, have issued an unqualified audit opinion of the financial statements, and were of the opinion that the consolidated financial statements give a true and fair view of the UOB (Thai) Group's financial status and performance.

The Board has maintained oversight of an effective system of internal controls, compliance and internal audit in order to ensure that accounting records are accurate, complete and adequate to protect the Bank's assets and its depositors' interests, and to uncover weaknesses to prevent operational risks or materially irregular operations.

Board of Directors

The Board comprises members with directorship qualifications for financial institutions as required by law and the relevant regulations. As a whole, the Board comprises members with a range of knowledge and skills which are relevant, taking into account the Bank's size, complexity, business, risks, strategies and long-term operation. At least one director possesses IT knowledge and experience.



Corporate Governance

The Board consists of nine qualified directors, with at least half of the total number of directors resident in Thailand, in compliance with the Public Limited Companies Act B.E. 2535 (A.D. 1992). The Board meets at least four times a year and the quorum for each Board meeting is constituted by not less than half of the total number of directors, either in person or via electronic media.

The Board's main roles, duties and responsibilities are in compliance with law and regulatory requirements, the Bank's Memorandum and Articles of Association, and the resolutions of the shareholders. The Board may also appoint one or several directors or any other person to perform any function or act on its behalf. The Board's main responsibilities include:

- a) formulating strategies and policies;
 - i) defining strategic directions and targets, including approving the key strategies of the Bank;
 - ii) approving the policies that are significant for the Bank's operation;
 - iii) determining or approving risk governance framework and overseeing the Bank's risk management systems and procedures, including inculcating and reinforcing of the risk culture; and
 - iv) determining or approving policies promoting good corporate governance;
- b) Ensuring effective controls, oversight and audit (Three Lines of Defense); and
- c) Monitoring the Bank's performance.

The Board members are:

Wee Cho Yaw	Chairman
Wee Ee Cheong	Deputy Chairman
Suebtrakul Soonthornthum	Independent Director
Chanitr Charnchainarong	Independent Director
Tithiphan Chuerboonchai	Independent Director
Chim Tantiyaswasdikul	Independent Director
Chan Kok Seong	Director
Tan Choon Hin	Director
Sanchai Apisaksirikul	Director

Executive Committee

The Executive Committee (the EXCO) is established by the Board. Its main responsibilities include:

- a) reviewing and approving business policies and strategies, as well as, other policy matters in line with local practices, regulations and legislation;

- b) monitoring the progress of the Bank's business plan;
- c) reviewing and approving lending programmes, the loan/lending governance framework and any other changes in credit parameter section that may have an impact on the business and reputation of the Bank, as may be delegated by the Board;
- d) approving Maximum Credit Discretionary Limit (CDL) Structures (approval limits) for authorised individuals and/or management committees) for the approval of credit facilities and debt restructuring cases;
- e) approving credit applications, debt restructuring cases and/or any resolution on non-performing loans which fall above the CDLs designated to individuals and/or management committees;
- f) acting on urgent and important business matters requiring immediate decision, which would normally require the attention and decision of the Board; and
- g) approving other businesses which may be delegated by the Board from time to time.

The EXCO members are:

Tan Choon Hin	Chairman
Wee Ee Cheong	Alternate Chairman I
Chan Kok Seong	Alternate Chairman II
Sanchai Apisaksirikul	Member

Audit Committee

The AC consists of three independent directors who are equipped with the adequate knowledge and experience to effectively review the reliability of financial statements. Its main responsibilities include:

- a) reviewing the appropriateness and efficiency of the internal control systems;
- b) providing oversight of the quality of the financial reports;
- c) reviewing the adequacy and effectiveness of the internal audit function;
- d) considering and advising the Board on the selection, nomination and remuneration of the external auditors;
- e) reviewing the disclosure of related party transactions or transactions where conflict of interest may occur; and
- f) coordinating with the Board Risk Oversight Committee (BROC), on its oversight of non-financial and financial risk management and internal control matters.



The AC members are:

Tithiphan Chuerboonchai	Chairman
Suebtrakul Soonthornthum	Member
Chim Tantiyaswasdikul	Member

All the Committee members are non-executive directors and non-employee of the Bank.

Nomination and Compensation Committee

The Nomination and Compensation Committee (the NCC) consists of three independent directors. The NCC is responsible for nomination of, and remuneration for, the Board members and senior management. Its main responsibilities include:

- a) reviewing and proposing to the Board the selection and nomination of qualified candidates for Directors, CEO, member of the Board Committees and senior management from Executive Directors (ED) level and above, including any internal promotions to the rank of ED and above; and
- b) setting the approach to remuneration, recommending the remuneration for Board members and reviewing the level and structure of remuneration for the senior management team.

The NCC members are:

Suebtrakul Soonthornthum	Chairman
Chanitr Charnchainarong	Member
Tithiphan Chuerboonchai	Member

Board Risk Oversight Committee

The BROC was set up to assist the Board in overseeing the management of risk arising from the business of the Bank. It comprises three directors, two of whom are independent directors (including the BROC Chairman). Its main responsibilities include:

- a) providing recommendations to the Board on matters relating to the risk governance of the Bank;
- b) overseeing compliance with risk management policies, strategies, and risk appetite of the bank;
- c) overseeing capital management and liquidity management strategies in accordance with the risk appetite;
- d) reviewing the adequacy and effectiveness of the risk management policies and overall risk management strategies, including risk appetite, at least annually or more frequently when there are any material changes; and
- e) reporting to the Board on the management, control and monitoring of risk and assessment of the effectiveness of risk management and risk culture.

The BROC members are:

Chanitr Charnchainarong	Chairman
Chim Tantiyaswasdikul	Member
Sanchai Apisaksirikul	Member



Corporate Governance

The attendance of the Directors in 2020

(1 January 2020 - 31 December 2020)

Directors	Number of Meetings Attended / Total Number of Meetings Held						
	The Meeting of the Board of Directors	The Meeting of The Board of Directors (Special) ¹	The Meeting of The Audit Committee	The Meeting of The Nomination & Compensation Committee	The Meeting of The Board Risk Oversight Committee	The Meeting of Non-Executive Directors	Annual General Meeting of the Shareholders
Non-Executive Director							
1. Wee Cho Yaw	3/4	0/1				0/3	0/1
Independent Directors							
2. Suebtrakul Soonthornthum	4/4	1/1	4/4	7/7		3/3	1/1
3. Chanitr Charnchainarong	4/4	1/1		7/7	5/5	3/3	1/1
4. Tithiphan Chuerboonchai	4/4	1/1	4/4	7/7		3/3	1/1
5. Chim Tantiyaswasdikul	4/4	1/1	4/4		5/5	3/3	1/1
Executive Directors							
6. Wee Ee Cheong	4/4	0/1					0/1
7. Chan Kok Seong	4/4	0/1					0/1
8. Tan Choon Hin	4/4	1/1					1/1
9. Sanchai Apisaksirikul	4/4	1/1			5/5		1/1

Notes:

¹ Special Board meeting refers to a Board meeting that was not included in the original Board meeting calendar that has been set in advance for the entire year.

Company Information

Name	: United Overseas Bank (Thai) Public Company Limited
Public company registration number	: 0107535000176
Nature of business	: Commercial Bank
Registration address	: 191 South Sathon Road, Sathon, Bangkok 10120
Tel	: 0 2343 3000
Fax	: 0 2287 2973-4
SWIFT	: UOVBTBHK
Website	: www.uob.co.th

Auditor

Ms. Somjai Khunapasut	: Certified Public Accountant (Thailand) No. 4499 and/or
Ms. Ratana Jala	: Certified Public Accountant (Thailand) No. 3734 and/or
Ms. Rachada Yongsawadvanich	: Certified Public Accountant (Thailand) No. 4951 and/or
Ms. Wanwilai Phetsang	: Certified Public Accountant (Thailand) No. 5315

EY Office Limited
33rd Floor, Lake Rajada Office Complex
193/136-137 Rajadapisek Road
Klongtoey, Bangkok 10110
G.P.O.Box 1047, Bangkok 10501, Thailand
Tel : 0 2264 9090
Fax : 0 2264 0789-90
Website : www.ey.com



Company Information

Subsidiaries companies of UOB (Thai)

UOB Services Company Limited

Business	Collection services
Location	559, 13 th -14 th Floor, Phetkasem Road, Bangwa, Pasijaroen, Bangkok 10160
Telephone	0 2093 5649
Facsimile	0 2093 5525-7
Paid-up capital	Baht 60,000,000 (registered capital Baht 100,000,000) (10,000,000 ordinary shares)
UOB (Thai)'s holding	99.99%

Details of Directors as at 31 December 2020

Name	Period	Work Experience
1. Wee Cho Yaw	Jul 2004 - Present	• Chairman of the Board of Directors (Authorised Signatory), UOB (Thai)
	Feb 1971 - Present	• Chairman, United Overseas Insurance Ltd.
	Feb 1986 - Present	• Chairman, UOB Australia Ltd.
	Oct 2007 - Present	• Supervisor, United Overseas Bank (China) Ltd.
	Jun 1981 - Present	• Chairman, C.Y.Wee & Company (Pte) Ltd.
	Aug 1950 - Present	• Chairman, Kheng Leong Company (Pte) Ltd.
	Jul 1967 - Present	• Chairman, Wee Investments (Pte) Ltd.
	Apr 1973 - Present	• Chairman, UOL Group Ltd.
	May 1973 - Present	• Chairman, Pan Pacific Hotels Group Limited
	Oct 1975 - Present	• Chairman, Haw Par Corporation Ltd.
	Jun 1992 - Present	• Chairman, United Industrial Corporation Ltd.
	Nov 1979 - Present	• Chairman, Marina Centre Holdings (Pte) Ltd.
	Nov 1989 - Present	• Chairman, Aquamarina Hotel (Pte) Ltd.
	Nov 1989 - Present	• Chairman, Hotel Marina City (Pte) Ltd.
	Jun 1990 - Present	• Chairman, Marina Bay Hotel (Pte) Ltd.
	Mar 2012 - Present	• Chairman, Wee Property (UK) (Pte) Ltd.
	Apr 2016 - Present	• Honorary Chairman & Trustee, Kim Mui Hoey Kuan
	Mar 1987 - Present	• Honorary President, Singapore Chinese Chamber of Commerce & Industry
	Jul 2009 - Present	• Honorary President, Singapore Federation of Chinese Clan Associations
	Jun 2010 - Present	• Honorary President, Singapore Hokkien Huay Kuan
	Feb 2009 - Present	• Chairman, Wee Foundation
	Nov 2014 - Present	• Chairman, Chung Cheng High School Ltd.
	Feb 2016 - Present	• Chairman, Mee Toh Foundation
Apr 2019 - Present	• Chairman Emeritus & Honorary Adviser United Overseas Bank (Malaysia) Bhd	
Apr 2018 - Present	• Chairman Emeritus & Honorary Adviser, United Overseas Bank Limited, Singapore	
Dec 2005 - Oct 2019	• President Commissioner, PT Bank UOB Indonesia	
Apr 2013 - Apr 2019	• Chairman Emeritus & Adviser, United Overseas Bank (Malaysia) Bhd	
Apr 2013 - Apr 2018	• Chairman Emeritus & Adviser, United Overseas Bank Limited, Singapore	
1974 - Apr 2013	• Chairman, United Overseas Bank Limited, Singapore	

Name	Period	Work Experience
2. Wee Ee Cheong	Jul 2004 - Present	<ul style="list-style-type: none"> Deputy Chairman of the Board of Directors (Authorised Signatory), UOB (Thai)
	May 2007 - Present	<ul style="list-style-type: none"> Deputy Chairman and CEO, United Overseas Bank Ltd., Singapore
	Oct 2019 - Present	<ul style="list-style-type: none"> President Commissioner, PT Bank UOB Indonesia
	1990 - Present	<ul style="list-style-type: none"> Director, United Overseas Bank Ltd., Singapore
	2007 - Present	<ul style="list-style-type: none"> Chairman, United Overseas Bank (China) Ltd.
	1994 - Present	<ul style="list-style-type: none"> Director, United Overseas Bank (Malaysia) Bhd.
	1991 - Present	<ul style="list-style-type: none"> Director, United Overseas Insurance Ltd.
	1998 - Present	<ul style="list-style-type: none"> Chairman, UOB Global Capital LLC
	2002 - Present	<ul style="list-style-type: none"> Chairman, UOB Global Capital (Pte) Ltd.
	1990 - Present	<ul style="list-style-type: none"> Director, UOB Travel Planners (Pte) Ltd.
	1995 - Present	<ul style="list-style-type: none"> Director, Walden AB Ayala Ventures Co Inc.
	1987 - Present	<ul style="list-style-type: none"> Director, C Y Wee & Company (Pte) Ltd.
	1981 - Present	<ul style="list-style-type: none"> Director, E C Wee (Pte) Ltd.
	1985 - Present	<ul style="list-style-type: none"> Director, Kheng Leong Co (HK) Ltd.
	1978 - Present	<ul style="list-style-type: none"> Director, Kheng Leong Company (Pte) Ltd.
	2010 - Present	<ul style="list-style-type: none"> Director, KLC Holdings Ltd.
	2011 - Present	<ul style="list-style-type: none"> Director, KLC Holdings (Hong Kong) Ltd.
	1999 - Present	<ul style="list-style-type: none"> Director, Phoebus Singapore Holdings (Pte) Ltd.
	1996 - Present	<ul style="list-style-type: none"> Director, Portfolio Nominees Ltd.
	1976 - Present	<ul style="list-style-type: none"> Director, Wee Investments (Pte) Ltd.
	1994 - Present	<ul style="list-style-type: none"> Director, Pilkon Development Co., Ltd.
	1995 - Present	<ul style="list-style-type: none"> Director, Plaza Hotel Co., Ltd.
	2012 - Present	<ul style="list-style-type: none"> Director, Wee Property (UK) (Pte) Ltd.
	2004 - Present	<ul style="list-style-type: none"> Member, Board of Governors, Singapore-China Foundation
	1997 - Present	<ul style="list-style-type: none"> Honorary Council Member, Singapore Chinese Chamber of Commerce & Industry
	2019 - Present	<ul style="list-style-type: none"> Vice Chairman, The Association of Banks in Singapore
	1990 - Present	<ul style="list-style-type: none"> Council Member, The Institute of Banking & Finance
	2008 - Present	<ul style="list-style-type: none"> Director, Wee Foundation
	2003 - Oct 2019	<ul style="list-style-type: none"> Director, Wee Venture (Overseas) Ltd.
	1994 - Jun 2019	<ul style="list-style-type: none"> Director, K.I.P. Industrial Holdings Ltd.
2007 - Oct 2019	<ul style="list-style-type: none"> Deputy President Commissioner, PT Bank UOB Indonesia 	
2000 - 2007	<ul style="list-style-type: none"> Deputy Chairman and President, United Overseas Bank Ltd., Singapore 	
2016 - 2018	<ul style="list-style-type: none"> Alternate Director, Far Eastern Bank 	
1988 - 2013	<ul style="list-style-type: none"> Director, United International Securities 	
1990 - 2018	<ul style="list-style-type: none"> Director, UOB Australia 	
3. Suebrakul Soonthornthum	Jan 2020 - Present	<ul style="list-style-type: none"> Vice Chairman Board of Directors, Loxley PCL
	Aug 2016 - Present	<ul style="list-style-type: none"> Chairman of the Nomination and Compensation Committee, UOB (Thai)
	Aug 2004 - Present	<ul style="list-style-type: none"> Independent Director and Member of the Audit Committee, UOB (Thai)
	1997 - Present	<ul style="list-style-type: none"> Director, Loxley Trading Co., Ltd.
	1989 - Present	<ul style="list-style-type: none"> Director, Loxley Property Development Co., Ltd.
	1991 - Present	<ul style="list-style-type: none"> Chairman, Foseco (Thailand) Co., Ltd.
	1987 - Present	<ul style="list-style-type: none"> Director, NS BlueScope (Thailand) Co., Ltd
	1987 - Present	<ul style="list-style-type: none"> Director, NS BlueScope Services (Thailand) Co., Ltd.
	1987 - Present	<ul style="list-style-type: none"> Director, NS BlueScope Lysaght (Thailand) Co., Ltd.
	1999 - Present	<ul style="list-style-type: none"> Director, BP - Castrol (Thailand) Co., Ltd.
1990 - Present	<ul style="list-style-type: none"> Director, Ekpavee Co., Ltd. 	



Company Information

Name	Period	Work Experience
	1972 - Present 1990 - Present 2013 - Present 1987 - Present 2000 - Present 1996 - Present 2016 - Present Jan 2017 - Dec 2019 Aug 2012 - Aug 2016 1992 - 2016	<ul style="list-style-type: none"> • Director, Zin Suapah Co., Ltd. • Director, Loxley Joint and Hold Co., Ltd. • Director, BlueScope Building (Thailand) Co., Ltd. • Independent Director, Muang Thai Life Assurance PCL • Chairman, Muang Thai Real Estate PCL • Independent Director, Vanachai Group PCL • Independent Director, Phatra Leasing PCL • Vice Chairman and Vice Chairman of the Executive Board, Loxley PCL • Member of the Nomination and Compensation Committee, UOB (Thai) • Director and Senior Executive Vice President, Loxley PCL
4. Chanitr Charnchainarong	Sep 2020 - Present Sep 2020 - Present Mar 2020 - Present Aug 2019 - Present Aug 2018 - Present May 2018 - Present May 2017 - Present 2016 - Present 2016 - Present Nov 2015 - Present May 2015 - Present May 2015 - Jul 2018 Oct 2015 - Dec 2018	<ul style="list-style-type: none"> • Independent Director, Asia Plus Group Holdings PCL • Independent Director, Asia Plus Securities Co., Ltd. • Director, The Electronic Transactions Development Agency (ETDA), Ministry of Digital Economy and Society • Independent Director and Audit Committee, Global Connection PCL • Chairman of the Board Risk Oversight Committee and Member of the Nomination and Compensation Committee, UOB (Thai) • Chairman, NorthEast Rubber PCL • Non- executive Director, The Ton Poh Fund (Cayman Islands) • Senior Executive Vice President, Harg Central Department Store Ltd. • Independent Director, Startegic Property Investors Co., Ltd. • Independent Director and Audit Committee, GMM Grammy PCL • Independent Director, UOB (Thai) • Chairman of the Audit Committee, UOB (Thai) • Chairman, Comanche International PCL
5. Tithiphan Chuerboonchai	Jun 2020 - Present Sep 2018 - Present Aug 2018 - Present Apr 2017 - Present Nov 2016 - Present 2016 - Present 2010 - Mar 2019 2009 - Apr 2019 1995 - Sep 2018 2010 - 2013 1978 - 2013	<ul style="list-style-type: none"> • Member of Senior Expert Committee, Chulalongkorn University Council • Independent Director, Risk Management Committee and Corporate Governance Committee, Asset World Corp PCL • Chairman of the Audit Committee and Member of the Nomination and Compensation Committee, UOB (Thai) • Independent Director, Chairman of Audit Committee, Member of Risk Management Committee, Member of Corporate Governance Committee and Member of Nomination Committee, Frasers Property (Thailand) PCL • Independent Director, UOB (Thai) • Independent Director, Chairman of the Corporate Governance Committee and Member of the Audit Committee, Univentures PCL • Director, C & C International Venture Co., Ltd. • Independent Director and Member of the Audit Committee, TSFC Securities PCL • Director of the Law and Development Research Center of the Faculty of Law, Chulalongkorn University • Independent Director and Member of Audit Committee, Siam City Bank PCL • Lecturer in the Faculty of Law, Chulalongkorn University

Name	Period	Work Experience
6. Chim Tantiyaswasdikul	Oct 2019 - Present Aug 2018 - Present 2017 - Present 2014 - Present 2019 - 2019 2015 - 2019 2015 - 2017 2014 - 2018 2014 - 2017 2013 - 2018 2015 - 2017	<ul style="list-style-type: none"> • Member, Digital Council of Thailand • Independent Director, Member of the Audit Committee and Member of the Board Risk Oversight Committee, UOB (Thai) • Advisor, National Broadcasting and Telecommunications Commission (NBTC) • Risk Management Committee Member, National ITMX Co., Ltd • Chairman/Independent Director, Comanche International PCL • Independent Director and Chairman of the Audit Committee, Comanche International PCL • Member, Technology Information Sub-Committee, Office of Insurance Commission (OIC) • Member, Data Center Sub-Committee, National Broadcasting and Telecommunications Commission (NBTC) • Member, Technology Information Sub-Committee, Ministry of Digital Economy and Society • Member, Sub-Committee for Driving Digital Organization Strategies, Sub-Committee for Overseeing Technology Information System Development, Deposit Protection Agency (DPA) • Chairman / Independent Director, Bangkok Commercial Asset Management PCL
7. Chan Kok Seong	Oct 2019 - Present Apr 2019 - Present Oct 2018 - Present Mar 2018 - Present Sep 2012 - Present	<ul style="list-style-type: none"> • Commissioner, PT Bank UOB Indonesia • Director (Authorised Signatory), UOB (Thai) • Director, Avatec.ai (S) Pte Ltd • Member of Members' Council, United Overseas Bank (Vietnam) Ltd. • Group Chief Risk Officer, United Overseas Bank Ltd., Singapore
8. Tan Choon Hin	Feb 2020 - Present Dec 2018 - Present Jan 2018 - Present Oct 2017 - Present Nov 2016 - Present Apr 2018 - Sep 2020 2016 - Oct 2016 2012 - 2016	<ul style="list-style-type: none"> • Second Vice Chairperson, The Association of International Banks (AIB) • Director, United Private Equity Investments (Cayman) Ltd. • Director, UOB Venture Management (Shanghai) Ltd. • Director, The Association of International Banks (AIB) • Director (Authorised Signatory) and President & CEO, UOB (Thai) • Director, United Asia Diversifier Program • Head of Group Business Banking, United Overseas Bank Ltd., Singapore • Head of Group Retail Credit, United Overseas Bank Ltd., Singapore
9. Sanchai Apisaksirikul	Aug 2018 - Present Mar 2017 - Present May 2015 - Present Apr 2015 - Present Mar 2012 - Present 2007 - Mar 2015	<ul style="list-style-type: none"> • Member of the Board Risk Oversight Committee, UOB (Thai) • Director, Asia Alpha Fund • Director, UOB Asset Management (Thailand) Co., Ltd. • Managing Director, UOB (Thai) • Director (Authorised Signatory), UOB (Thai) • Executive Director, UOB (Thai)



Company Information

Directors' Remuneration

as of 31 December 2020

				Baht
	Board of Directors	Audit Committee	Nomination & Compensation Committee	Board Risk Oversight Committee
1. Wee Cho Yaw	1,920,000	-	-	-
2. Suebtrakul Soonthornthum	1,008,000	600,000	684,000	-
3. Chanitr Charnchainarong	1,008,000	-	480,000	960,000
4. Tithiphan Chuerboonchai	1,008,000	960,000	480,000	-
5. Chim Tantiyaswasdikul	1,008,000	600,000	-	600,000
Total	5,952,000	2,160,000	1,644,000	1,560,000

Senior Management's Remuneration

In Y2020, the Bank and its subsidiaries paid remuneration including salary, bonus, and other benefits to senior management of the Bank and its subsidiaries at the amount of Baht 682,179,760 (Y2019 paid Baht 761,913,310).

Directorships of Directors and Senior Management as at year-end 2020

Directors

1. Wee Cho Yaw

Company	Position
UOB Business Group	
1. United Overseas Insurance Ltd.	Chairman
2. UOB Australia Ltd.	Chairman
3. United Overseas Bank (China) Ltd.	Supervisor
Wee Family Business Group	
1. C.Y.Wee & Company (Pte) Ltd.	Chairman
2. Kheng Leong Company (Pte) Ltd.	Chairman
3. Wee Investments (Pte) Ltd.	Chairman
4. UOL Group Ltd.	Chairman
5. Pan Pacific Hotels Group Ltd.	Chairman
6. Haw Par Corporation Ltd.	Chairman
7. United Industrial Corporation Ltd.	Chairman
8. Marina Centre Holdings (Pte) Ltd.	Chairman
9. Aquamarina Hotel (Pte) Ltd.	Chairman
10. Hotel Marina City (Pte) Ltd.	Chairman
11. Marina Bay Hotel (Pte) Ltd.	Chairman
12. Wee Property (UK) (Pte) Ltd.	Chairman
Non-Profit/Community Service Business Group	
1. Kim Mui Hoey Kuan	Honorary Chairman & Trustee
2. Singapore Chinese Chamber of Commerce & Industry	Honorary President
3. Singapore Federation of Chinese Clan Associations	Honorary President
4. Singapore Hokkien Huay Kuan	Honorary President
5. Wee Foundation	Chairman
6. Chung Cheng High School Ltd.	Chairman
7. Mee Toh Foundation Ltd.	Chairman

2. Wee Ee Cheong

Company	Position
UOB Business Group	
1. PT Bank UOB Indonesia	President Commissioner
2. United Overseas Bank Ltd.	Director
3. United Overseas Bank (China) Ltd.	Chairman
4. United Overseas Bank (Malaysia) Bhd.	Director
5. United Overseas Insurance Ltd.	Director
6. UOB Global Capital LLC	Chairman
7. UOB Global Capital (Pte) Ltd.	Chairman
8. UOB Travel Planners (Pte) Ltd.	Director
9. Walden AB Ayala Ventures Co Inc.	Director
Wee Family Business Group	
1. C Y Wee & Company (Pte) Ltd.	Director
2. E C Wee (Pte) Ltd.	Director
3. Kheng Leong Co (HK) Ltd.	Director
4. Kheng Leong Company (Pte) Ltd.	Director
5. KLC Holdings Ltd.	Director
6. KLC Holdings (Hong Kong) Ltd.	Director
7. Phoebus Singapore Holdings (Pte) Ltd.	Director
8. Portfolio Nominees Ltd.	Director
9. Wee Investments (Pte) Ltd.	Director
10. Pilkon Development Co., Ltd.	Director
11. Plaza Hotel Co., Ltd.	Director
12. Wee Property (UK) (Pte) Ltd.	Director
Non-Profit/Community Service/Relationship (Networking) Business Group	
1. Singapore-China Foundation	Member, Board of Governors
2. Singapore Chinese Chamber of Commerce & Industry	Honorary Council Member
3. The Association of Banks in Singapore	Vice Chairman
4. The Institute of Banking & Finance	Council Member
5. Wee Foundation	Director



Company Information

3. Suebtrakul Soonthornthum

Company	Position
Loxley Business Group	
1. Loxley Public Co., Ltd. Vice	Chairman
2. Loxley Trading Co., Ltd.	Director
3. Loxley Property Development Co., Ltd.	Director
4. Foseco (Thailand) Co., Ltd.	Chairman
5. NS BlueScope (Thailand) Co., Ltd.	Director
6. NS BlueScope Services (Thailand) Co., Ltd.	Director
7. NS BlueScope Lysaght (Thailand) Co., Ltd.	Director
8. BP - Castrol (Thailand) Co., Ltd.	Director
9. Ekpavee Co., Ltd.	Director
10. Zin Suapah Co., Ltd.	Director
11. Loxley Joint and Hold Co., Ltd.	Director
12. BlueScope Building (Thailand) Co., Ltd.	Director
Muang Thai Life Assurance Public Co., Ltd. Group	
1. Muang Thai Life Assurance Public Co., Ltd.	Independent Director
2. Muang Thai Real Estate Public Co., Ltd.	Chairman
Other Business Group	
1. Vanachai Group Public Co., Ltd.	Independent Director
2. Phatra Leasing Public Co., Ltd.	Independent Director

4. Chanitr Charnchainarong

Company	Position
1. GMM Grammy Public Co., Ltd.	Independent Director
2. Startegic Property Investors Co., Ltd.	Independent Director
3. The Ton Poh Fund	Non- executive Director
4. Nort East Rubber Public Co., Ltd.	Chairman
5. Global Connection Public Co., Ltd.	Independent Director
6. Asia Plus Group Holdings Public Co., Ltd.	Independent Director
7. Asia Plus Securities Co., Ltd.	Independent Director

5. Chim Tantiyaswasdikul - None

6. Tithiphan Chuerboonchai

Company	Position
1. Univentures Public Co., Ltd.	Independent Director
2. Frasers Property (Thailand) Public Co., Ltd.	Independent Director
3. Asset World Corp Public Co., Ltd.	Independent Director

7. Chan Kok Seong

Company	Position
UOB Business Group	
1. United Overseas Bank (Vietnam) Ltd.	Member of Members' Council
2. Avatec.ai (S) Pte Ltd.	Director
3. PT Bank UOB Indonesia	Commissioner

8. Tan Choon Hin

Company	Position
UOB Business Group	
1. UOB Venture Management (Shanghai) Ltd.	Director
2. United Private Equity Investments (Cayman) Ltd.	Director
Other Business Group	
The Association of International Banks (AIB)	Second Vice Chairperson

9. Sanchai Apisaksirikul

Company	Position
UOB Business Group	
1. UOB Asset Management (Thailand) Co., Ltd.	Director
2. Asia Alpha Fund	Director

Senior Management Team as at December 31, 2020

Name	Company	Position
1. Ngeo Swee Guan Steven	-	-
2. Yuttachai Teyarachakul	AXA Insurance Public Co.,Ltd. National Credit Bureau Co.,Ltd.	Director Director
3. Cheah Shu Kheem	-	-
4. Roongthip Angkasirisan	-	-
5. Tearavath Trirutdilokkul	-	-
6. Chintana Kittiviboolmas	-	-
7. Kesthip Tiemwech	-	-
8. Manit Panichakul	The Government Internal Audit Supervision and Development Board The Thammasart University (TU) Educational Promotion Foundation The "Dome Friends" Foundation	Director Director Director
9. Nag Srimannarayan Addepalli	-	-
10. Piyaporn Ratanaprasartporn	-	-
11. Sasiwimol Arayawattanapong	UOB Services	Director
12. Sayumrat Maranate	-	-
13. Veerachai Chuenchompoonut	-	-
14. Dhornratana Olanhankij	-	-
15. Amporn Supjindavong	-	-



Company Information

Name	Company	Position
16. Apasara Lipipan	-	-
17. Kanlika Buspavanich	UOB Asset Management (Thailand) Co.,Ltd.	Director
18. Ketsuda Phanphruk	-	-
19. Komsun Yuvajita	-	-
20. Nakhon Vorakanonta	Buauty Talent Company Limited	Director
21. Napaporn Patoomban	-	-
22. Nareerut Ariyaprayoon	PWP Enterprise	Director
23. Natee Srirussamee	-	-
24. Numchoke Siamhan	-	-
25. Panitsanee Tansavatdi	-	-
26. Panittra Vejajiva	-	-
27. Pannee Chongcharoen	-	-
28. Pansak Ratanapasagorn	-	-
29. Patchanee Vongsilpawattana	-	-
30. Pisal Kattiyothaivong	The Thai Bond Market Association	Director
31. Piyawat Jirapongsuwan	-	-
32. Pongsakorn Julsawad	-	-
33. Pongtorn Supornchai	-	-
34. Poomchai Chusakultanachai	-	-
35. Prathana Amonlirdviman	-	-
36. Reiwadee Amornsiripanich	-	-
37. Sakchai Sathainsoontorn	-	-
38. Sakoolrut Amyongka	-	-
39. Sasitorn Rattanakul	-	-
40. Sooppawit Sooppapipatt	Vinyl Creation and Trading co.,Ltd	Director
41. Suwassa Anantasa	-	-
42. Suwintip Chuenban	-	-
43. Taravadee Manuschinapisit	-	-
44. Thawatchai Praesangeim	Thailand - China Business Council	Director
45. Usanee Chiowanich	-	-
46. Vajee Pramualrat	-	-
47. Viyada Valyasevi	-	-
48. Wasinee Sivakua	-	-
49. Wipaporn Techamaitrechit	-	-
50. Yau Chi Choi	-	-

Shareholding in UOB (Thai) and Subsidiary

Directors of UOB (Thai) do not own any shares in UOB (Thai) or its subsidiary.

Auditor's Remuneration

In 2020, the Bank and its subsidiary paid for audit fee to EY Office Limited amounting to Baht 9,250,000.

10 Major Shareholders

As of 31 December 2020

No	Name	No. of Shares	% of Issued and fully paid-up shares
1.	UNITED OVERSEAS BANK LIMITED	2,477,143,763	99.66
2.	Univest Property Co., Ltd.	1,012,000	0.04
3.	Univest Holding Co., Ltd.	1,012,000	0.04
4.	Mr. Pramote Thitayangura	982,266	0.04
5.	Mr. CHNE-WENG CHOW	907,500	0.04
6.	Mr. CHOW CHNE WENG	877,250	0.04
7.	Ms. Sumalee Atiphanampai	165,000	0.01
8.	Mr. Paichit Rojanawanich	162,443	0.01
9.	Ms. Sirirath Thitayangura	120,939	<0.01
10.	Mr. Somsak Nittayarumpong	117,975	<0.01

Remark: Number of Issued and fully paid-up shares is 2,485,661,305 shares



Company Information

Related Party Transactions

The Bank's transactions with the companies related to the Bank's directors during the year 2020 are as follows:

Statements of financial position

	Average		Interbank		Financial assets			Interbank			Related with UOBT Director	
	outstanding	Outstanding	and money	measured	measured	Derivatives	Other	and money	measured	Derivatives		Other
	loans to	loans to	market	at fair	value through	assets	assets	market	items	liabilities	liabilities	
	customers	customers	(assets)	profit or loss	assets	assets	Commitments	Deposits	(liabilities)	liabilities	liabilities	
Related companies												
Underwater World Pattaya Co., Ltd.						/		/			/	Wee Cho Yaw
PPHR (Thailand) Co., Ltd.								/				Wee Cho Yaw
Haw Par Tiger Balm (Thailand) Co., Ltd.								/			/	Wee Cho Yaw, Wee Ee Cheong
Loxley Pcl.								/				Suebtrakul Soonthornthum
The Muangthai Life Assurance Pcl.							/	/	/	/		Suebtrakul Soonthornthum
Loxley Wireless Co., Ltd.								/				Suebtrakul Soonthornthum
Loxbit Pcl.								/				Suebtrakul Soonthornthum
Professional Computer Co., Ltd.								/				Suebtrakul Soonthornthum
Netone Network Solution Co., Ltd.								/				Suebtrakul Soonthornthum
L Hardware and Services Co., Ltd.								/				Suebtrakul Soonthornthum
Loxley Trading Co., Ltd.								/				Suebtrakul Soonthornthum
Phatra Leasing Pcl.	/	/						/				Suebtrakul Soonthornthum
S.L.A Asia Co., Ltd.								/				Suebtrakul Soonthornthum
CIMB (Thai) Bank Pcl.						/	/	/		/		Sanchai Apisaksirikul
North East Rubber Pcl.	/	/						/				Chanitr Charnchainarong
GMM Grammy Pcl.											/	Chanitr Charnchainarong
Harnng Central Department Store Co., Ltd.											/	Chanitr Charnchainarong
Global Connection Pcl.	/	/						/				Chanitr Charnchainarong
GDH 559 Co., Ltd								/				Chanitr Charnchainarong
Asia Plus Securities Co., Ltd.					/		/	/	/	/		Chanitr Charnchainarong
Gateway Saka Ekkamai Co., Ltd.								/				Tithiphan Chuerboonchai
Retail World 8 Co., Ltd.								/				Tithiphan Chuerboonchai
Hotels World 7 Co., Ltd.								/				Tithiphan Chuerboonchai
Grand Unity Development Co., Ltd.								/				Tithiphan Chuerboonchai
Suraseth Co., Ltd.								/				Tithiphan Chuerboonchai
Phenixbox Co., Ltd.								/				Tithiphan Chuerboonchai
Numsub Pattana 2 Co., Ltd.								/				Tithiphan Chuerboonchai
Asiatique Entertainment Co., Ltd.								/				Tithiphan Chuerboonchai
TCC Hotel Asset Management Co., Ltd.								/				Tithiphan Chuerboonchai
Univentures Public Co., Ltd.								/				Tithiphan Chuerboonchai
Asset World Retail Co., Ltd.								/				Tithiphan Chuerboonchai
Asset World Trading Co., Ltd.								/				Tithiphan Chuerboonchai
Asset World Corporation Pcl.								/				Tithiphan Chuerboonchai
Frasers Property Thailand Industrial Freehold & Leasehold Reit								/				Tithiphan Chuerboonchai
Stonehenge Inter Pcl.											/	Tithiphan Chuerboonchai
Golden Land Property Development Pcl.							/	/				Tithiphan Chuerboonchai
Major shareholders												
United Overseas Bank Limited			/		/	/	/	/	/	/	/	Wee Cho Yaw, Wee Ee Cheong
- UOB - Hong Kong Branch			/									Wee Cho Yaw, Wee Ee Cheong
- UOB - Tokyo Branch			/						/			Wee Cho Yaw, Wee Ee Cheong
- UOB - Mumbai Branch			/									Wee Cho Yaw, Wee Ee Cheong
- UOB - HO Chi Minh City Branch									/			Wee Cho Yaw, Wee Ee Cheong
United Overseas Bank Group of Companies												
- United Overseas Bank (Malaysia) Bhd			/		/	/	/	/	/	/		Wee Cho Yaw, Wee Ee Cheong
- United Overseas Bank (China) Limited			/						/			Wee Cho Yaw, Wee Ee Cheong
- PT Bank UOB Indonesia			/						/			Wee Cho Yaw, Wee Ee Cheong
- UOB Asset Management (Thailand) Co., Ltd.						/	/	/	/	/		Sanchai Apisaksirikul
- UOB Kay Hian Securities (Thailand) Co., Ltd.				/			/	/	/	/		Wee Cho Yaw, Wee Ee Cheong

Details of all related party transactions are disclosed in Note 33 to the financial statements.

Related Party Transactions (Continued)

Statements of comprehensive income

	Interest income	Interest expenses	Fees and service income	Fees and service expenses	Net gain (loss) on foreign currency trading and exchange transaction	Employee's Expenses	Premises and equipment expenses	Data processing charges	Other expenses	Other Incomes	Related with UOB/T Director
Related companies											
Underwater World Pattaya Co., Ltd.		/	/				/				Wee Cho Yaw
PPHR (Thailand) Co., Ltd.			/								Wee Cho Yaw
Haw Par Tiger Balm (Thailand) Co., Ltd.		/	/								Wee Cho Yaw, Wee Ee Cheong
Loxley Pcl.		/									Suebtrakul Soonthornthum
The Muangthai Life Assurance Pcl.		/			/						Suebtrakul Soonthornthum
Loxley Wireless Co., Ltd.		/	/								Suebtrakul Soonthornthum
Loxbit Pcl.		/					/			/	Suebtrakul Soonthornthum
Professional Computer Co., Ltd.		/									Suebtrakul Soonthornthum
L Hardware and Services Co., Ltd.		/	/								Suebtrakul Soonthornthum
Loxley Trading Co., Ltd.			/								Suebtrakul Soonthornthum
Phatra Leasing Pcl.	/		/				/				Suebtrakul Soonthornthum
S.L.A Asia Co., Ltd.	/	/									Suebtrakul Soonthornthum
CIMB (Thai) Bank Pcl.	/	/			/						Sanchai Apisaksirikul
North East Rubber Pcl.	/		/								Chanitr Charnchainarong
GMM Grammy Pcl.						/			/		Chanitr Charnchainarong
Harg Central Department Store Co., Ltd.				/							Chanitr Charnchainarong
Global Connection Pcl.	/		/								Chanitr Charnchainarong
GDH 559 Co., Ltd		/									Chanitr Charnchainarong
Asia Plus Securities Co., Ltd.	/	/	/		/						Chanitr Charnchainarong
Gateway Saka Ekkamai Co., Ltd.		/	/								Tithiphan Chuerboonchai
Retail World 8 Co., Ltd.		/									Tithiphan Chuerboonchai
Suraseth Co., Ltd.		/	/								Tithiphan Chuerboonchai
Phenixbox Co., Ltd.		/									Tithiphan Chuerboonchai
Numsub Pattana 2 Co., Ltd.		/	/								Tithiphan Chuerboonchai
Asiatique Entertainment Co., Ltd.		/	/								Tithiphan Chuerboonchai
Univentures Public Co., Ltd.		/									Tithiphan Chuerboonchai
Asset World Retail Co., Ltd		/									Tithiphan Chuerboonchai
Asset World Trading Co., Ltd		/									Tithiphan Chuerboonchai
Asset World Corporation Pcl.		/	/								Tithiphan Chuerboonchai
Frasers Property Thailand Industrial Freehold & Leasehold Reit		/									Tithiphan Chuerboonchai
Golden Land Property Development Pcl.	/	/	/								Tithiphan Chuerboonchai
Major shareholders											
United Overseas Bank Limited	/	/	/		/			/	/		Wee Cho Yaw, Wee Ee Cheong
- UOB - Hong Kong Branch				/	/						Wee Cho Yaw, Wee Ee Cheong
- UOB - Tokyo Branch			/								Wee Cho Yaw, Wee Ee Cheong
- UOB - Mumbai Branch					/						Wee Cho Yaw, Wee Ee Cheong
- UOB - Sydney Branch			/								Wee Cho Yaw, Wee Ee Cheong
- UOB - London Branch			/								Wee Cho Yaw, Wee Ee Cheong
United Overseas Bank Group of Companies											
- United Overseas Bank (Malaysia) Bhd.			/		/						Wee Cho Yaw, Wee Ee Cheong
- United Overseas Bank (Vietnam) Limited			/								Wee Cho Yaw, Wee Ee Cheong
- United Overseas Bank (China) Limited			/								Wee Cho Yaw, Wee Ee Cheong
- PT Bank UOB Indonesia			/		/						Wee Cho Yaw, Wee Ee Cheong
- UOB Kay Hian Credit Pte Ltd.					/						Wee Cho Yaw, Wee Ee Cheong
- UOB Kayhian Private Limited					/						Wee Cho Yaw, Wee Ee Cheong
- UOB Asset Management (Thailand) Co., Ltd.		/	/		/						Sanchai Apisaksirikul
- UOB Kay Hian Securities (Thailand) Co., Ltd.	/	/	/		/		/				Wee Cho Yaw, Wee Ee Cheong

Details of all related party transactions are disclosed in Note 33 to the financial statements.



Credit Ratings

Moody's Investors Service		Rating	as at 9 December 2020
Bank Deposits	- Long-Term	A3	
Bank Deposits	- Short-Term	P-2	
Outlook		Stable	
Baseline Credit Assessment		baa3	
Adjusted Baseline Credit Assessment		a3	

Fitch Ratings		Rating	as at 29 May 2020
Foreign Currency	- Long-Term	A-	
Currency	- Short-Term	F1	
Outlook	- Long-Term	Stable	
Viability		bbb-	
Support		1	
National Rating	- Long-Term	AAA(th)	
National Rating	- Short-Term	F1+(th)	
National Rating Outlook	- Long-Term	Stable	

Branch Network

31 December 2020

Head Office

Sathon

(Privilege Banking Centre)
(Mon - Fri from 8.30am - 3.30pm)
191 South Sathon Rd.,
Sathon, Bangkok 10120
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0 2343 2685-7, 0 2343 2693,
0 2343 2695
Fax : 0 2287 2972

Bangkok Metropolitan, Nonthaburi and Pathum Thani

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Anusavaree Chaisamorphoom

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0 2271 3447
Fax : 0 2271 0088

Asok Montri

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Bangkok 10110
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0 2258 3881
Fax : 0 2258 9552

Bang Bon

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289, 291, 293, 295 Eakachai Rd.,
Bang Bon, Bangkok 10150
Tel : 0 2898 0423-5
Fax : 0 2898 0426

Bangbuathong

(Mon - Fri from 8.30am - 3.30pm)
28/33-35 Moo 4, Bangkruay-Sainoi Rd.,
Sahno-loi, Bangbuathong,
Nonthaburi 11110
Tel : 0 2920 2451-4
Fax : 0 2920 2450

Bangmod

(Mon - Fri from 8.30am - 3.30pm)
630, Rama II Rd., Chomthong,
Bangkok 10150
Tel : 0 2867 0203-5
Fax : 0 2867 0914

Bangna KM.2

(Mon - Fri from 8.30am - 3.30pm)
21/235-236 Moo 12, Bangna-Trad Rd.,
Bangna, Bangkok 10260
Tel : 0 2399 0179-80, 0 2396 1931
Fax : 0 2393 6147

Bangplee

(Daily from 10.00am - 7.00pm)
BIG C Center Bangplee, 2nd Fl.,
89 Moo 9, Taeparak KM. 13 Rd.,
Bangplee, Samut Prakan 10540
Tel : 0 2752 4505-7
Fax : 0 2752 4504

Bangrak

(Mon - Fri from 8.30am - 3.30pm)
Gems Tower Building,
1249/19, 1249/50, 1249/59
Charoen Krung Rd., Suriyawong,
Bangrak, Bangkok 10500
Tel : 0 2237 5050, 0 2266 9896-7
Fax : 0 2266 9667

Bobae

(Daily from 8.30am - 5.30pm)
1086/18, 1st Fl. and 4th Fl., 1086/19, 4th Fl.,
Krungkasem Rd., Klong Mahanak,
Pomprabsattruphai, Bangkok 10100
Tel : 0 2282 3665, 0 2282 3694-5
Fax : 0 2282 1914

Buntudthong

(Mon - Fri from 8.30am - 3.30pm)
56/20, 56/59-62 Rama I Rd., Rong Mueang,
Pathum Wan, Bangkok 10330
Tel : 0 2214 2067, 0 2214 2252,
0 2214 1292
Fax : 0 2215 4836

Central Bangna (Wealth Banking Centre)

(Daily from 10.30am - 7.30pm)
Central Plaza Bangna, 4th Fl.,
Unit 415, 587 Theprattana Rd.,
Bangna, Bangkok 10260
Tel : 0 2361 7851-3
Fax : 0 2361 7854

Central Festival EastVille

(Daily from 10.30am - 7.30pm)
Central Festival EastVille
69, 69/1, 69/2, 69/4, 3rd Fl.,
Unit No.304-305, Pradist Manudharm Rd.,
Lat Phrao, Bangkok 10230
Tel : 0 2093 5888-99
Fax : 0 2553 6241

Central Grand Rama 9

(Daily from 10.30am - 7.30pm)
Central Plaza Grand Rama 9
Department Store, 5th Fl.,
Unit 508-2, 9/8, 9/9 Rama 9 Rd.,
Huai Kwang, Bangkok 10310
Tel : 0 2160 3851-3
Fax : 0 2160 3855

Central Pinklao

(Wealth Banking Centre)
(Daily from 10.30am - 7.30pm)
4th Fl., Unit 407, 7/222
Central Plaza Pinklao,
Boromratchachonnane Rd.,
Arun Amarin, Bangkoknoi,
Bangkok 10700
Tel : 0 2884 8030-2
Fax : 0 2884 8033

Central Plaza Ladprao

(Daily from 10.30am - 7.30pm)
1693 Central Plaza Ladprao,
Phaholyothin Rd., Chatuchak,
Bangkok 10900
Tel : 0 2514 2709, 0 2933 7416-7
Fax : 0 2539 2003

Central Plaza Ramindra

(Daily from 10.30am - 19.30pm)
Central Plaza Ramindra, 3rd Fl.,
Unit 314, 109/10, Ramindra Rd.,
Anusavaree, Bangkhen, Bangkok 10220
Tel : 0 2522 6646-7, 0 2522 6650
Fax : 0 2522 6649

Central Plaza Salaya

(Daily from 10.30am - 7.30pm)
Central Plaza Salaya, 3rd Fl., Bangtoei
Sampran, Nakhon Pathom 73210
Tel : 0 2431 1534, 0 2431 1536-7
Fax : 0 2431 1542



Branch Network

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Central Plaza WestGate

(Daily from 10.30am - 7.30pm)
Central Plaza WestGate, 3rd Fl.,
199, 199/1-2 Moo 6, Saothonghin,
Bangyai, Nonthaburi 11140
Tel : 0 21940 2880-2
Fax : 0 2009 1141

Central Rama 2

(Daily from 10.30am - 7.30pm)
Central Plaza Rama 2 Department Store,
G Fl., Unit G28, 160 Rama 2 Rd.,
Bang Khun Thian, Bangkok 10150
Tel : 0 2415 1648, 0 2415 1867,
0 2415 1650
Fax : 0 2415 1868

Central Rama 3

(Wealth Banking Centre)
(Daily from 10.30am - 7.30pm)
Central Plaza Rama 3 Department Store,
4th Fl., Unit 434, 79 Sathupradit Rd.,
Chong Nonsri, Yannawa, Bangkok 10120
Tel : 0 2164 0085-6, 0 2673 7027
Fax : 0 2164 0087

Central Rattanathibet

(Daily from 10.30am - 7.30pm)
Central Plaza Rattanathibet, 2nd Fl.,
Zone E-Centre Department Store,
562, 566 Moo 8, Rattanathibet Rd.,
Mueang, Nonthaburi 11000
Tel : 0 2527 8619-20, 0 2527 8633
Fax : 0 2527 8636

Central World

(Privilege Banking Centre)
(Daily from 10.30am - 7.30pm)
Central World, 4, 4/1-4/2, 4/4,
4th Fl., Unit A409, Ratchadamri Rd.,
Pathumwan, Bangkok, 10330
Tel : 0 2252 9681-3
Fax : 0 2259 9684

Chaengwatana

(Mon - Fri from 8.30am - 3.30pm)
Na Nakorn Building, 99/349 Moo 2,
Chaengwatana Rd., Thung Song Hong,
Don Mueang, Bangkok 10210
Tel : 0 2576 1057-9
Fax : 0 2576 1533

City Complex

(Mon - Fri from 8.30am - 5.00pm)
City Complex Building, 831 Petchburi Rd.,
Ratchathewi, Bangkok 10400
Tel : 0 2255 0746, 0 2255 0749
Fax : 0 2255 0748

Fashion Island

(Wealth Banking Centre)
(Daily from 10.30am - 7.30pm)
Fashion Island Department Store,
587, 589 Ramintra Rd., Kan Na Yao,
Bangkok 10230
Tel : 0 2947 5307-8, 0 2947 5311
Fax : 0 2947 5310

Gateway Ekamai

(Daily from 10.30am - 7.30pm)
Gateway Ekamai Department Store,
3rd Fl., Unit 3129, 982/22,
Sukhumvit Rd., Phra Khanong,
Klong Toei, Bangkok 10110
Tel : 0 2108 2856-8
Fax : 0 2108 2849

Huamark

(Mon - Fri from 8.30am - 3.30pm)
5, 7, 9 Soi Ramkhamhaeng 19/1,
Ramkhamhaeng Rd., Bangkok,
Bangkok 10240
Tel : 0 2318 8561-3
Fax : 0 2318 0139

ICONSIAM

(Privilege Banking Centre)
(Daily from 10.30am - 7.30pm)
ICONSIAM Shopping Center, 5th Fl.,
Unit 509-510, 299, Charoen Nakorn Rd.,
Klongtongjai, Klongsan, Bangkok 10600
Tel : 0 2093 5910-6
Fax : 0 2006 4801

InnovTown at True Digital Park

(Mon - Fri from 9.00am - 6.00pm)
101 6th Fl., Sukhumvit Road, Bangchak,
Phra Khanong, Bangkok 10260
Tel : 0 2001 4747
Fax : -

Market Village Suvarnabhumi

(Daily from 10.30am - 7.30pm)
99/29 Moo 1 Market Village Suvarnabhumi,
Room S302, 3rd Fl., Bangna-Trad Rd.,
Rachatawa, Bangplee, Samutprakan 10540
Tel : 0 2030 5841, 0 2316 5326-7
Fax : 0 2030 5842

Megabangna

(Daily from 10.30am - 7.30pm)
39 Moo 6, Bangna-Trad Rd., KM. 8,
Bangkaew, Bangplee, Samut Prakan 10540
Tel : 0 2186 8703-5
Fax : 0 2186 8706

Mercury Ville Chidlom

(Daily from 10.00am - 7.00pm)
Mercury Tower, 3rd Fl., Unit 302,
540 Ploenchit Road, Lumpini,
Pathum Wan, Bangkok 10330
Tel : 0 2030 5758, 0 2252 6292-3
Fax : 0 2252 7871

Minburi

(Mon - Fri from 8.30am - 3.30pm)
Navamin Plaza, G Fl., 599/1 Moo 13,
Sihaburanukit Rd., Minburi,
Bangkok 10510
Tel : 0 2518 0815-7
Fax : 0 2518 0799

Mueang Thong Thani

(Mon - Fri from 8.30am - 3.30pm)
339 Mueangthongthani, Bondstreet Rd.,
Pakkred, Nonthaburi 11120
Tel : 0 2503 4940-2
Fax : 0 2503 4914

Nong Khaem

(Mon - Fri from 8.30am - 3.30pm)
77/207 Moo 2, Phetkasem Rd.,
Nong Khang Phlu, Nong Khaem,
Bangkok 10160
Tel : 0 2420 7941-3
Fax : 0 2420 7940

Nonthaburi

(Mon - Fri from 8.30am - 3.30pm)
32/16-19 Pracha Rat Rd.,
Talad Kwan, Mueang, Nonthaburi 11000
Tel : 0 2525 1771-2, 0 2968 4594
Fax : 0 2526 2993



On Nut

(Mon - Fri from 8.30am - 3.30pm)
1468, 1470 On Nut Rd., Suan Luang,
Bangkok 10250
Tel : 0 2332 3134-6
Fax : 0 2331 8519

Paradise Park

(Daily from 10.30am - 7.30pm)
Paradise Park, 2nd Fl., Unit 2C004,
61 Srinakarin Rd., Nongbon,
Prawet, Bangkok 10250
Tel : 0 2047 0816-8
Fax : 0 2047 0819

Pattanakarn

(Mon - Fri from 8.30am - 3.30pm)
309/1-4 Patanakarn Rd.,
Prawet, Bangkok 10250
Tel : 0 2322 0439, 0 2322 0442-3
Fax : 0 2322 0438

Phaholyothin KM.26

(Mon - Fri from 8.30am - 3.30pm)
1/737 Moo 17, Soi Amporn,
Phaholyothin KM. 26, Khukhot,
Lam Luk Ka, Pathum Thani 12130
Tel : 0 2532 3646-8
Fax : 0 2532 3641

Phaholyothin Soi 19

(Mon - Fri from 8.30am - 3.30pm)
Rasa Tower Building,
555 Phaholyothin Rd., Chatuchak,
Bangkok 10900
Tel : 0 2937 0301-2, 0 2937 0304
Fax : 0 2937 0305

Phahurad

(Privilege Banking Centre)
(Mon - Fri from 9.00am - 5.00pm,
Sat from 10.00am - 5.00pm)
The Old Siam Plaza, 2/30-33,
4/11-14 Burapa Rd., Phra Nakhon,
Bangkok 10200
Tel : 0 2222 0177-9
Fax : 0 2223 0708

Phra Pinklao

(Mon - Fri from 8.30am - 3.30pm)
30 Charan Sanit Wong Rd., Bang Yi Khan,
Bangphlat, Bangkok 10700
Tel : 0 2434 7110-2
Fax : 0 2434 7114

Rajchaprarop

(Mon - Fri from 8.30am - 5.00pm)
120/3-6 Rajchaprarop Rd.,
Ratchathewi, Bangkok 10400
Tel : 0 2656 3068, 0 2656 3071-2
Fax : 0 2251 0404

Rangsit

(Wealth Banking Centre)
(Daily from 10.30am - 7.30pm)
Future Park Rangsit Building, 94 Moo 2,
Phaholyothin Rd., Prachatipat,
Thanyaburi, Pathum Thani 12130
Tel : 0 2958 0562-4
Fax : 0 2958 0568

Ratchada-Huay Khwang

(Mon - Fri from 8.30am - 3.30pm)
167/8 Ratchadaphisek Rd.,
Din Daeng, Bangkok 10400
Tel : 0 2276 9410-12
Fax : 0 2276 9413

Ratchada-Sathupradit

(Mon - Fri from 8.30am - 3.30pm)
127/1 Nonsee Rd., Yannawa,
Bangkok 10120
Tel : 0 2681 1111-3
Fax : 0 2681 1110

The Mall Thaphra

(Daily from 10.30am - 7.30pm)
129 Ratchdapisek (Thapra-Taksin) Rd.,
Bookklalo Thonburi, Bangkok 10600
Tel : 0 2476 9945-7
Fax : 0 2476 9944

The Parq

(Mon - Fri from 10.30am - 7.30pm)
88 The Parq, 2nd Fl., Ratchadapisek Rd.,
Khlong Toey, Bangkok 10110
Tel : 0 2249 0886-8
Fax : 0 2249 4075

Ratchawong

(Mon - Fri from 8.30am - 3.30pm)
219/2 Ratchawong Rd.,
Samphanthawong, Bangkok 10100
Tel : 0 2622 7388-90
Fax : 0 2622 7392

Robinson Samutprakan

(Daily from 10.30am - 7.30pm)
Robinson Samutprakan, 3rd Fl.,
789 Moo 2, Taibanmai, Mueang,
Samut Prakan, 10280
Tel : 0 2093 5160-5
Fax : 0 2093 5166

Sam Yaek

(Privilege Banking Centre)
(Mon - Fri from 8.30am - 3.30pm)
601 Charoen Krung Rd., Talad Noi,
Samphanthawong, Bangkok 10100
Tel : 0 2222 5111-3
Fax : 0 2222 1354

Samrong

(Mon - Fri from 8.30am - 3.30pm)
999/99 Moo 1, Sukhumvit Rd.,
Samrong Nua, Mueang,
Samut Prakan 10270
Tel : 0 2384 4510, 0 2384 7656,
0 2394 0422
Fax : 0 2384 4352

Sathon 2

(Mon - Fri from 8.30am - 3.30pm)
Bangkok City Tower Building,
179/3 South Sathon Rd., Tung Mahamek,
Sathon, Bangkok 10120
Tel : 0 2679 5700-2
Fax : 0 2679 5703

Seacon Bangkhae

(Daily from 10.30am - 7.30pm)
Seacon Bangkhae Department Store,
607 Phetkasem Rd., Bangwa,
Phasi Charoen, Bangkok 10160
Tel : 0 2454 8793-5
Fax : 0 2454 8796

Seacon Square

(Daily from 10.30am - 7.30pm)
Seacon Square Department Store,
3rd Fl., Unit 3057F, 55 Srinakharin Rd.,
Nongbon, Prawet, Bangkok 10250
Tel : 0 2138 5745, 0 2721 9103-4
Fax : 0 2138 5746



Branch Network

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Senanikom

(Mon - Fri from 8.30am - 3.30pm)
126/19 Phaholyothin 32 Rd.
(Soi Senanikom 1), Chatuchak,
Bangkok 10900
Tel : 0 2561 3100-1, 0 2561 1054
Fax : 0 2579 9088

Si Phraya

(Mon - Fri from 8.30am - 3.30pm)
295 Si Phraya Rd., Bangrak,
Bangkok 10500
Tel : 0 2235 2886, 0 2631 5440-1
Fax : 0 2235 2882

Si Yaek Sriwara

(Mon - Fri from 8.30am - 3.30pm)
573/139 Soi Ramkhamhaeng 39,
Prachauthit Rd., Wangthonglang,
Bangkok 10310
Tel : 0 2934 7941-3
Fax : 0 2934 7945

Siam Square

(Daily from 10.00am - 7.00pm)
410-410/1 Siam Square Soi 6, Rama I Rd.,
Pathum Wan, Bangkok 10330
Tel : 0 2251 2145, 0 2251 2278,
0 2251 3343,
Fax : 0 2251 2280

Silom Complex

(Daily from 10.30am - 7.30pm)
Silom Complex Building, 4th FL.,
191 Silom Rd., Silom, Bangrak,
Bangkok 10500
Tel : 0 2231 3139-40, 0 2632 1177
Fax : 0 2231 3137

Sindhorn Tower

(Mon - Fri from 9.00am - 6.00pm)
Sindhorn Tower Building, G FL.,
Unit 13, 130-132 Witthayu Rd.,
Pathun Wan, Bangkok 10330
Tel : 0 2263 3530-2
Fax : 0 2041 2157

Soi Yoo Dee

(Mon - Fri from 8.30am - 3.30pm)
597/113-114 Trok Watchannai,
Chan Rd., Bangkhlo, Bang Kho Laem,
Bangkok 10120
Tel : 0 2291 4904-5, 0 2291 4907
Fax : 0 2291 4906

Songwad

(Mon - Fri from 8.30am - 3.30pm)
1252-1254 Songwad Rd., Jakrawat,
Samphanthawong, Bangkok 10100
Tel : 0 2225 62545, 0 2226 3606-7
Fax : 0 2225 6256

Srinakarin

(Mon - Fri from 8.30am - 3.30pm)
395/5 Srinakarin Rd., Mueang,
Samut Prakan 10270
Tel : 0 2385 7313-5
Fax : 0 2385 7316

St. Louis 3

(Mon - Fri from 8.30am - 3.30pm)
31, Soi Chan 18/7 (St. Louis 3)
Thung Wat Don, Sathon, Bangkok 10120
Tel : 0 2211 1407, 0 2212 7024
Fax : 0 2211 0815

Sukhumvit 4

(Mon - Fri from 8.30am - 3.30pm)
Two Pacific Tower Building, 1st FL.,
142 Sukhumvit Rd., Khlong Toei,
Bangkok 10110
Tel : 0 2253 5137, 0 2653 2178-9
Fax : 0 2653 2181

Sukhumvit 25

(Mon - Fri from 8.30am - 3.30pm)
Vasu 1 Building, 1 Soi Sukhumvit 25,
Khlong Toei Nua, Wattana, Bangkok 10110
Tel : 0 2258 9330-2
Fax : 0 2258 4582

Sukhumvit 26

(Mon - Fri from 8.30am - 3.30pm)
720/1 Sukhumvit, Klongtan,
Klongtoey, Bangkok 10110
Tel : 0 2010 4511, 0 2258 4052-4
Fax : 0 2010 4513

Suksawat

(Mon - Fri from 8.30am - 3.30pm)
393, 395, 397 Suksawat Rd., Bangpakok,
Rat Burana, Bangkok 10140
Tel : 0 2477 2409-11
Fax : 0 2468 6028

Suntowers

(Mon - Fri from 8.30am - 3.30pm)
Suntowers Building, A building, 123, Unit A102,
1st FL., Wiphawadi-Rangsit Rd.,
Chom Phon, Chatuchak, Bangkok 10900
Tel : 0 2273 8120-1, 0 2273 8939
Fax : 0 2273 8122

Surawong

(Mon - Fri from 8.30am - 3.30pm)
134 Surawong Rd., Bangrak,
Bangkok 10500
Tel : 0 2533 9730-2
Fax : 0 2235 5208

Talad Si Mummuang

(Mon - Fri from 8.30am - 3.30pm)
355/33-35 Moo 8, Phaholyothin Rd.,
Khukhot, Lam Luk Ka, Pathum Thani 12130
Tel : 0 2536 7854-6
Fax : 0 2536 7853

Talad Thai

(Daily from 9.30am - 6.30pm)
32/1044 Moo 9, Khlongnueng,
Khlongluang, Pathum Thani 12120
Tel : 0 2908 4784-5
Fax : 0 2908 4847

Thaiwa Tower

(Mon - Fri from 8.30am - 3.30pm)
Thai Wah Tower 1 Building,
21/63-66 South Sathon Rd.,
Sathon, Bangkok 10120
Tel : 0 2285 0092-4
Fax : 0 2285 0095

Thanon Krungthonburi

(Mon - Fri from 8.30am - 3.30pm)
Sinn Sathon Tower, 77/2 Krungthonburi Rd.,
Khlongsan, Bangkok 10600
Tel : 0 2440 0345-7
Fax : 0 2440 0350

Thanon Phaholyothin 8

(Mon - Fri from 8.30am - 3.30pm)
Intouch Tower, G FL.,
414 Phaholyothin Rd., Samsen Nai,
Phaya Thai, Bangkok 10400
Tel : 0 2357 1690-1, 0 2616 9760
Fax : 0 2357 1490



Thanon Phraram 6

(Mon - Fri from 8.30am - 3.30pm)
Tipco Tower Building, G Fl.,
118/1 Rama VI Rd., Samsen Nai,
Phaya Thai, Bangkok 10400
Tel : 0 2357 3460-2
Fax : 0 2357 3464

Thanon Phraram 9

(Mon - Fri from 8.30am - 3.30pm)
Worrasombat Building, G Fl.,
100/1 Rama IX Rd., Huai Khwang,
Bangkok 10310
Tel : 0 2645 0686-7, 0 2645 0001
Fax : 0 2645 0440

Thanon Pracha-U-Thit

(Mon - Fri from 8.30am - 3.30pm)
147/1-4 Moo 8, Pracha-U-Thit Rd.,
Rat Burana, Bangkok 10140
Tel : 0 2873 1457-9
Fax : 0 2873 1460

Thanon Sri Wara

(Mon - Fri from 8.30am - 3.30pm)
314 Soi Ladphrao 94 (Panjarnit),
Sri Wara Rd., Wang Thonglang,
Bangkok 10310
Tel : 0 2559 3600-1, 0 2559 3605
Fax : 0 2559 3606

Thanon Sukhaphiban 3

(Mon - Fri from 8.30am - 3.30pm)
902 Ramkamhaeng Rd., Bangkok,
Bangkok 10240
Tel : 0 2375 8799, 0 2377 9183,
0 2377 5285
Fax : 0 2375 8795

Thanon Vorachak

(Mon - Fri from 8.30am - 3.30pm)
94-96 Vorachak Rd., Ban Bat,
Pom Prap Sattru Phai, Bangkok 10100
Tel : 0 2225 9088, 0 2621 1246-7
Fax : 0 2225 9087

Thanon Witthayu

(Mon - Fri from 9.00am - 5.30pm)
CRC Tower Building, G Fl., Unit 121, 87/2
Wireless Rd., Lumpini, Pathum Wan,
Bangkok 10330
Tel : 0 2255 5392-4
Fax : 0 2255 5395

Thanon Yaowarat

(Mon - Fri from 8.30am - 5.00pm)
Hua Seng Heng Building,
1st Fl., 422, 424 Yaowarat Rd.,
Samphanthawong, Bangkok 10100
Tel : 0 2226 2930-2
Fax : 0 2226 2933

The Circle Ratchapruk

(Daily from 10.00am - 7.00pm)
The Circle Ratchapruk, Room R6,
39 Ratchapruk Rd., Bangramad,
Taling Chan, Bangkok 10170
Tel : 0 2863 8624-6
Fax : 0 2863 8627

The Mall Bangkae

(Daily from 10.30am - 7.30pm)
The Mall Bangkhae, 3rd Fl.,
518 Phetkasem Rd., North Bangkhae,
Bangkhae, Bangkok 10160
Tel : 0 2482 9583-5
Fax : 0 2482 9586

The Mall Bangkok

(Daily from 10.30am - 7.30pm)
The Mall Bangkok, 3rd Fl., Unit 3S-C9A,
3522 Ladphrao Rd., Khlong-jun,
Bangkapi, Bangkok 10240
Tel : 0 2363 3570-2
Fax : 0 2363 3574

The Mall Ngam Wong Wan

(Daily from 10.30am - 7.30pm)
The Mall Ngamwongwan, 5th Fl.,
Unit 521, Moo 2,
Ngam Wong Wan Rd., Bangkhen,
Mueang, Nonthaburi 11000
Tel : 02 550 1135-7
Fax : 02 550 0355

The Phyll Sukhumvit 54

(Mon - Fri 9.00am - 6.00pm)
The Phyll, G Fl., Unit G05,
1770 Sukhumvit Rd., Bang Chak,
Phra Khanong, Bangkok 10260
Tel : 0 2331 3582-4
Fax : 0 2331 3588

Thonglor

(Mon - Fri from 8.30am - 3.30pm)
283/15-17, Soi Thonglor 13,
Sukhumvit 55 Rd., Wattana,
Bangkok 10110
Tel : 0 2712 7153-5
Fax : 0 2712 7156

United Center Silom

(Mon - Fri from 10.30am - 6.30pm)
United Center Building, 2nd Fl.,
Unit 213, 323 Silom Rd., Silom,
Bangrak, Bangkok 10500
Tel : 0 2237 4891-3
Fax : 0 2237 4894

UOB Express Big C Rangsit

(Daily from 10.30am - 7.30pm)
94 Big C Rangsit, 1st Fl., Phahonyotin Rd.,
Thanyaburi, Pathumthani 12130
Tel : 0 2343 3215-6
Fax : 0 2150 9778

UOB Express Central Chaengwattana

(Daily from 10.30am - 7.30pm)
99/9 Central Plaza Chaengwattana
Department Store, 4th Fl.,
Chaengwattana Rd., Pakkret,
Nonthaburi 11120
Tel : 0 2343 3191, 0 2343 3195
Fax : 0 2193 8194

UOB Express Tesco Lotus Bangna

(Daily from 10.30am - 7.30pm)
914/9 Tesco Lotus Bangna, 1st Fl.,
Bangna-Trad Rd., Bangkaeo,
Bangphli, Samut Prakan 10540
Tel : 0 2343 3178, 0 2343 3180
Fax : 0 2136 5377

UOB Wealth Banking Centre-Siam Paragon

(Daily from 10.30am - 7.30pm)
Siam Paragon Shopping Center,
3rd Fl., Unit 3-01A, 991 Rama 1 Rd.,
Pathum Wan, Bangkok 10330
Tel : 0 2129 4841-3, 0 2610 9602-3
Fax : 0 2610 9604

Wongwian Odean

(Mon - Fri from 8.30am - 3.30pm)
772, 774 Charoen Krung Rd.,
Samphanthawong,
Bangkok 10100
Tel : 0 2234 3399, 0 2238 2540-1
Fax : 0 2238 2543



Branch Network

31 December 2020

Yaowarat Mahajak

(Mon - Fri from 8.30am - 3.30pm)
236, 238, 240 Yaowarat Rd.,
Chakkrawat, Samphanthawong,
Bangkok 10110
Tel : 0 2225 5241-3
Fax : 0 2225 5245
(Branch will be closed on 5 Mar 2021)

Central Area

Kanchanaburi

(Mon - Fri from 8.30am - 3.30pm)
160/39-40 Sangchutoe Rd.,
Ban Nuea, Mueang, Kanchanaburi 71000
Tel : 0 3452 1621-3
Fax : 0 3452 1624
(Branch will be closed on 5 Mar 2021)

Nakhon Pathom

(Mon - Fri from 8.30am - 3.30pm)
63, 65 Rajvithi Rd., Phraphathomjedi,
Mueang, Nakhon Pathom 73000
Tel : 0 3425 1184-5
Fax : 0 3425 1186

Phra Nakhon Si Ayutthaya

(Mon - Fri from 9.00am - 4.00pm)
255 Moo 5, Rojana Rd.,
Phra Nakhon Si Ayutthaya,
Phra Nakhon Si Ayutthaya 13000
Tel : 0 3524 6030, 0 3524 6118
Fax : 0 3524 1546

Ratchaburi

(Mon - Fri from 8.30am - 3.30pm)
11 Kathatorn Rd., Na Mueang,
Mueang Ratchaburi, Ratchaburi 70000
Tel : 0 3231 0321-3
Fax : 0 3231 0324

Samut Sakhon

(Mon - Fri from 8.30am - 3.30pm)
927/403 Sethakit 1 Rd., Mahachai,
Mueang, Samut Sakhon 74000
Tel : 0 3481 0514-5, 0 3442 7582
Fax : 0 3481 0513

Samut Songkhram

(Mon - Fri from 8.30am - 3.30pm)
125/28 Tang Kao Mueang Rd., Mueang,
Samut Songkhram 75000
Tel : 0 3471 8111, 0 3471 8222,
0 3471 8629
Fax : 0 3471 8627

Saraburi

(Mon - Fri from 8.30am - 3.30pm)
427 Phaholyothin Rd.,
Mueang, Saraburi 18000
Tel : 0 3621 2137-8, 0 3622 1630
Fax : 0 3622 1636

Eastern Area

Amata Nakhon

(Mon - Fri from 10.00am - 5.00pm)
700/17 Moo 1, Khlong Tamru, Mueang,
Chon Buri 20000
Tel : 0 3845 7564-6
Fax : 0 3845 7568

Ban Bung

(Mon - Fri from 8.30am - 3.30pm)
403 Chon Buri-Ban Bung Rd.,
Ban Bung, Chon Buri 20170
Tel : 0 3844 3626-7, 0 3875 0979
Fax : 0 3844 3039

Ban Chang

(Mon - Fri from 8.30am - 3.30pm)
51/12 Moo 5, Sukhumvit Rd.,
Ban Chang, Rayong 21130
Tel : 0 3860 3121-3
Fax : 0 3860 3119

Bang Lamung

(Mon - Fri from 10.00am - 5.00pm)
90/27 Moo 5, Pattaya-Nagluie Rd.,
Nagluie, Bang Lamung, Chon Buri 20150
Tel : 0 3842 7748-9, 0 3842 9333
Fax : 0 3842 3332

Central Chonburi

(Daily from 10.30am - 7.30pm)
Central Plaza Chonburi, 2nd Fl.,
55/88-9, 55/91 Sukhumvit Rd., Samet,
Mueang, Chon Buri 20000
Tel : 0 3805 3920-2
Fax : 0 3805 3924

Chachoengsao

(Mon - Fri from 8.30am - 3.30pm)
94/3 Chumphon Rd., Mueang,
Chachoengsao 24000
Tel : 0 3851 1621-2, 0 3853 5083
Fax : 0 3851 1623

Chanthaburi

(Mon - Fri from 8.30am - 3.30pm)
82/9 Thachalab Rd., Wat Mai,
Mueang, Chanthaburi 22000
Tel : 0 3934 6434-5, 0 3934 6616
Fax : 0 3932 1201

Chon Buri

(Privilege Banking Centre)
(Mon - Fri from 8.30am - 3.30pm)
804 Kor Chetchamnong Rd., Bangplaso,
Mueang, Chon Buri 20000
Tel : 0 3827 3601-3
Fax : 0 3827 3607

Chon Buri 2

(Mon - Fri from 8.30am - 3.30pm)
116/110 Moo 3, Sukhumvit Rd.,
Ban Suan, Mueang, Chon Buri 20000
Tel : 0 3879 7457-9
Fax : 0 3879 7461

Eastern Seaboard

(Mon - Fri from 8.30am - 3.30pm)
Thanon Hemaraj Avenue, 24/1 Moo 4,
Pluak Daeng, Rayong 21140
Tel : 0 3895 5284-6
Fax : 0 3895 5289

Map Ta Phut

(Mon - Fri from 8.30am - 3.30pm)
267/11-13 Sukhumvit Rd., Map Ta Phut,
Mueang, Rayong 21150
Tel : 0 3860 7945, 0 3860 7947,
0 3860 7949
Fax : 0 3860 8718

Passione Shopping Destination

(Daily from 10.30am - 7.30pm)
Passione Shopping Destination,
2nd Fl., 554/4 Sukhumvit Rd.,
Noen Phra, Mueang, Rayong 21000
Tel : 0 3802 3401-3
Fax : 0 3802 3404

Pattaya

(Mon - Fri from 10.00am - 5.00pm)
325/115-116 Moo 10, Pattaya Sai 2 Rd.,
Nong Prue, Bang Lamung,
Chon Buri 20150
Tel : 0 3841 0027, 0 3842 9464
Fax : 0 3842 9400



Rayong

(Mon - Fri from 8.30am - 3.30pm)
144/39-41 Sukhumvit Rd., Mueang,
Rayong 21000
Tel : 0 3861 4730-2
Fax : 0 3861 4734

Robinson Sriracha

(Daily from 10.30am - 7.30pm)
Robinson Si Racha Department Store,
G Fl., Unit 1F-B-13, 90/1 Sukhumvit Rd.,
Si Racha, Chon Buri 20110
Tel : 0 3832 8458-60
Fax : 0 3832 8461

Sri Racha

(Mon - Fri from 8.30am - 3.30pm)
135/19 Sukhumvit Rd., Si Racha,
Chon Buri 20110
Tel : 0 3832 4500-3
Fax : 0 3832 4505

Northeastern Area**Ban Huay Udon Thani**

(Mon - Fri from 8.30am - 5.00pm,
Sat - Sun 9.00am - 5.00pm)
214/27-29 Udon Dutsadi Rd.,
Mak Khaeng, Mueang, Udon Thani 41000
Tel : 0 4224 3639-41
Fax : 0 4224 3643

Buriram

(Mon - Fri from 8.30am - 3.30pm)
377 Moo 8, Chira road, Tumbol Isan,
Aumphur Muang, Buriram 31000
Tel : 0 4466 6733, 0 4466 6736,
0 4411 2875
Fax : 0 4411 2879

Khon Kaen

(Mon - Fri from 8.30am - 3.30pm)
34, 34/1-2 Namueang Rd., Nai Mueang,
Mueang, Khon Kaen 40000
Tel : 0 4323 7620-1, 0 4333 4577
Fax : 0 4323 7435

**Khon Kaen-Thanon Mittrpararb
(Privilege Banking Centre)**

(Mon - Fri from 8.30am - 5.00pm,
Sat - Sun from 9.00am - 5.00pm)
81/1 Mittrpararb Rd., Mueang,
Khon Kaen 40000
Tel : 0 4324 1686, 0 4333 2059,
0 4333 4413
Fax : 0 4323 8435

Nakhon Ratchasima

(Mon - Fri from 8.30am - 3.30pm)
2-4 Choompol Rd., Nai Mueang,
Mueang, Nakhon Ratchasima 30000
Tel : 0 4426 8874-7
Fax : 0 4425 5476

Nakhon Ratchasima 2

(Mon - Fri from 8.30am - 5.00pm,
Sat - Sun 9.00am - 5.00pm)
545 Mittrpararb Rd., Nai Mueang,
Mueang, Nakhon Ratchasima 30000
Tel : 0 4426 3488-90
Fax : 0 4426 3493

Roiet

(Mon - Fri from 8.30am - 3.30pm)
226/2 Ronnachaichanyut Rd.,
Nai Mueang, Mueang, Roiet 45000
Tel : 0 4351 5850-2
Fax : 0 4351 5854

Sakhon Nakhon

(Mon - Fri from 8.30am - 3.30pm)
1551/12 Sukkasem Rd.,
That Choeng Chum, Mueang,
Sakon Nakhon 47000
Tel : 0 4271 6350, 0 4271 6765,
0 4271 6895
Fax : 0 4271 6728

Surin

(Mon - Fri from 8.30am - 3.30pm)
79, 81, 83 Chitbunrung Rd.,
Nai Mueang, Mueang, Surin 32000
Tel : 0 4451 1848, 0 4451 8997-8
Fax : 0 4451 1081

Ubon Ratchathani

(Mon - Fri from 8.30am - 3.30pm)
177 Ubparat Rd., Nai Mueang, Mueang,
Ubon Ratchathani 34000
Tel : 0 4524 3830-1, 0 4526 2904
Fax : 0 4524 3832

Udon Thani

(Mon - Fri from 8.30am - 3.30pm)
359 Phosri Rd., Mueang,
Udon Thani 41000
Tel : 0 4222 1333, 0 4234 3023,
0 4234 3425
Fax : 0 4224 4062

Northern Area**Central Airport Chiang Mai**

(Daily from 11.00am - 8.00pm)
2 Mahidol Rd., 252-252/1 Wualai Rd.,
Haiya, Mueang, Chiang Mai 50100
Tel : 0 5390 4143, 0 5390 4145-6
Fax : 0 5390 4147

Chiang Mai-Huaikaew

(Privilege Banking Centre)
(Mon - Fri from 8.30am - 3.30pm)
137 Huay Kaew Rd., Mueang,
Chiang Mai 50200
Tel : 0 5321 1091-3
Fax : 0 5321 1095

Chiang Rai

(Mon - Fri from 8.30am - 3.30pm)
643/5 Moo 3, Uttrakit Rd., Vieng,
Mueang, Chiang Rai 57000
Tel : 0 5371 1414, 0 5371 6786,
0 5374 0500
Fax : 0 5371 5429

Lampang

(Mon - Fri from 8.30am - 3.30pm)
255 Boonwat Rd., Mueang,
Lampang 52000
Tel : 0 5421 8383, 0 5422 7383
Fax : 0 5422 7637

Nakhon Sawan

(Mon - Fri from 9.00am - 4.00pm)
532-534 Kosi Rd., Pak Nam Pho,
Mueang, Nakhon Sawan 60000
Tel : 0 5621 4690, 0 5621 3166
Fax : 0 5621 3224

Phitsanulok

(Mon - Fri from 9.00am - 4.00pm)
691/3-6 Mittrpararb Rd., Nai Mueang,
Mueang, Phitsanulok 65000
Tel : 0 5522 5153-5
Fax : 0 5522 5156



Branch Network

31 December 2020

Thanon Highway-Chiang Mai

(Mon - Fri from 8.30am - 3.30pm)
1/99 Chiang Mai-Lampang Rd.,
Nong Pa Khrang, Mueang,
Chiang Mai 50000
Tel : 0 5330 4701-3
Fax : 0 5330 4705
(Changing service hours to Mon-Fri
9.00am - 4.00pm from 1 Feb 2021 onwards)

Thanon Sridonchai Chiang Mai

(Mon - Fri from 9.00am - 4.00pm)
54/1 Suriwong Book Center,
Sridonchai Rd., Haiya, Mueang,
Chiang Mai 50100
Tel : 0 5327 0029-30, 0 5328 2903
Fax : 0 5328 2015

Thanon Thapae Chiang Mai

(Mon - Fri from 8.30am - 3.30pm)
2-4, Wichayanon Rd., Chang Moi,
Mueang, Chiang Mai 50300
Tel : 0 5323 3860-2
Fax : 0 5387 4029

Southern Area

Central Festival Phuket (Privilege Banking Centre)

(Daily from 10.30am - 7.30pm)
Central Festival Phuket, 4th Fl.,
74-75 Moo 5, Wishit, Mueang,
Phuket 83000
Tel : 0 7621 0526, 0 7621 0534,
0 7621 0575
Fax : 0 7621 0596

Hat Pa Tong

(Mon - Fri from 9.30am - 4.30pm)
9/33 Phangmuang Sai Kor,
Patong, Krathu, Phuket 83150
Tel : 0 7651 0735-6, 0 7651 0750
Fax : 0 7651 0794

Hat Yai

(Mon - Fri from 8.30am - 3.30pm)
164 Nipat-utit 1 Rd., Hat Yai,
Songkhla 90110
Tel : 0 7424 3032, 0 7424 3810,
0 7424 5033
Fax : 0 7423 5606

Nakhon Sri Thammarat

(Mon - Fri from 8.30am - 3.30pm)
1719-1721 Rajdamnern Rd., Tha Wang,
Mueang, Nakhon Sri Thammarat 80000
Tel : 0 7535 6112, 0 7535 6860-1
Fax : 0 7534 2352

Phuket

(Privilege Banking Centre)
(Mon - Fri from 8.30am - 3.30pm)
206 Phuket Rd., Talad Yai,
Mueang, Phuket 83000
Tel : 0 7621 1566, 0 7621 1577,
0 7621 1606
Fax : 0 7621 4902

Surat Thani

(Mon - Fri from 8.30am - 3.30pm)
208/2-3 Chonkasem Rd., Talad,
Mueang, Surat Thani 84000
Tel : 0 7728 6292-4
Fax : 0 7728 6298

Thanon Phetchakasem Hat Yai

(Mon - Fri from 8.30am - 3.30pm)
452/8 Phetkasem Rd.,
Hat Yai, Songkhla 90110
Tel : 0 7422 0263, 0 7422 0274-5
Fax : 0 7422 0281

Trang

(Mon - Fri from 8.30am - 3.30pm)
1/5-1/6 Rama VI Rd., Thap Thiang,
Mueang, Trang 92000
Tel : 0 7521 7781-3
Fax : 0 7521 7785

Yala

(Mon - Fri from 8.30am - 3.30pm)
8-12 Pipitpakdi Rd., Sateng,
Mueang, Yala 95000
Tel : 0 7321 2218, 0 7321 2414,
0 7324 0872
Fax : 0 7321 3764





RIGHT BY YOU

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