



Corporate Day 2024

Building the Future of ASEAN

Capturing Connectivity Flows and Driving Sustainability Adoption

14 August 2024
Kuala Lumpur, Malaysia

Private and Confidential

One Bank For ASEAN

As the One Bank for ASEAN, we focus on sustainable growth by connecting businesses, big and small, to be part of UOB's trade network.

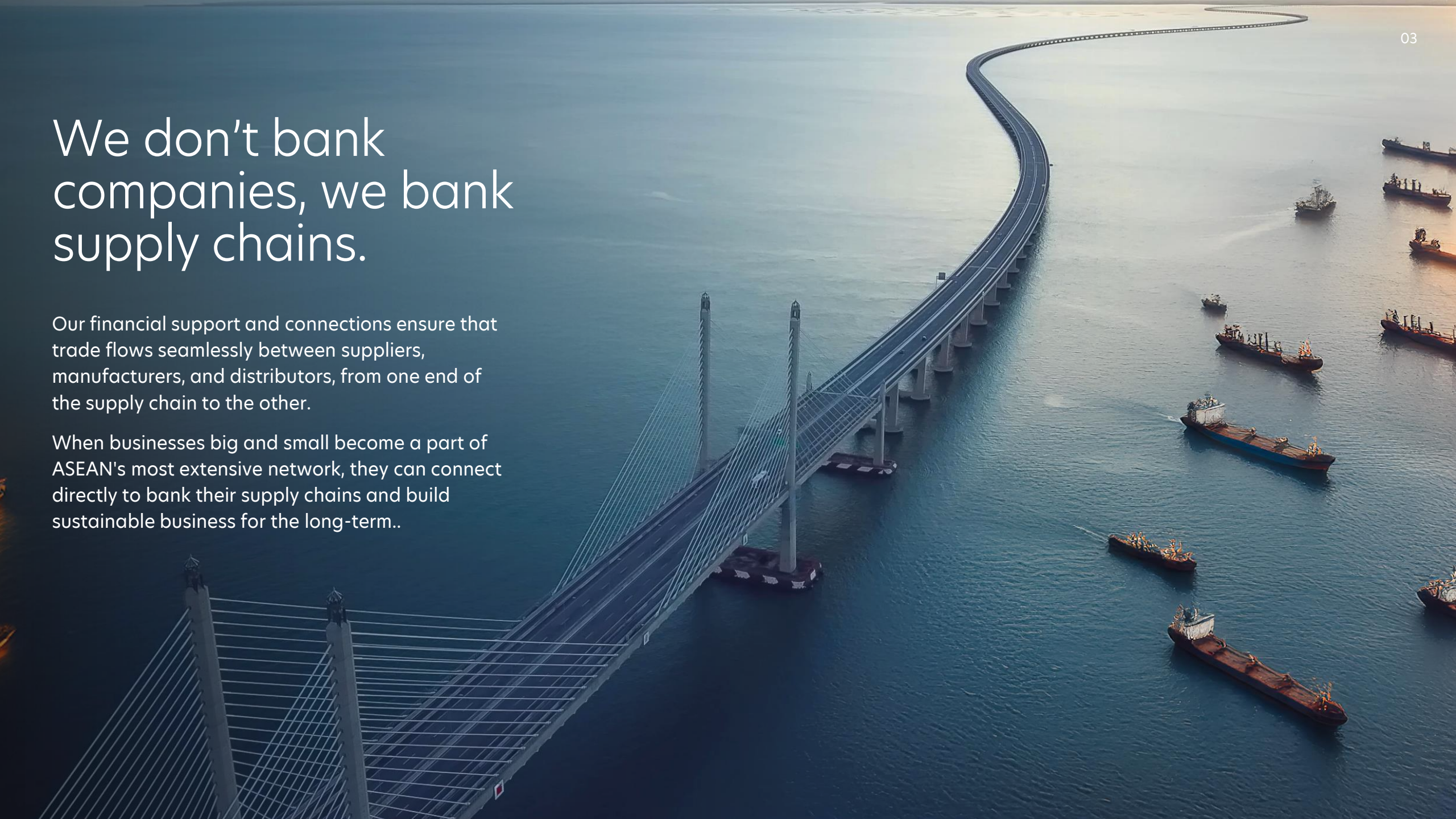
UOB is ASEAN's most extensive trade network backed by a global footprint, coverage, sector expertise and integrated supply chain platform.



We don't bank companies, we bank supply chains.

Our financial support and connections ensure that trade flows seamlessly between suppliers, manufacturers, and distributors, from one end of the supply chain to the other.

When businesses big and small become a part of ASEAN's most extensive network, they can connect directly to bank their supply chains and build sustainable business for the long-term..





Our
Ambition

#1 Cross-Border Trade Bank in ASEAN

Strategic
Focus

Banking supply chains with and within ASEAN,
Greater China and beyond

Through

Connectivity

Sustainability

Connectivity



ASEAN trade flows have grown faster than global trade

- Total trade between key economic blocs rose significantly (+27%) from 2020 to 2023
- Growth in ASEAN-related trade flows led the way. Total trade with and within the region rose 31% over the same period
- Most of the pickup in ASEAN-related trade flows happened in the Intra-ASEAN (+34%) and China-ASEAN corridors (+34%)

2020 vs. 2023: Trade flows between economic blocs

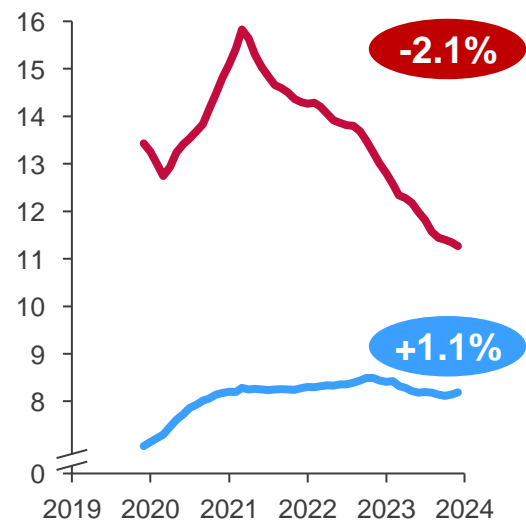
| US\$b | 2020 | 2023 | US\$b change | % change |
|---|--------------|--------------|--------------|------------|
| Intra-ASEAN | 567 | 759 | 192 | 34% |
| China-ASEAN | 519 | 697 | 178 | 34% |
| US-ASEAN | 309 | 396 | 87 | 28% |
| EUR-ASEAN | 227 | 280 | 53 | 23% |
| Trade within and with ASEAN | 1,622 | 2,132 | 510 | 31% |
| China-EUR | 672 | 800 | 128 | 19% |
| US-China | 557 | 575 | 18 | 3% |
| US-EUR | 648 | 944 | 296 | 46% |
| Trade between US, China and EUR region | 1,877 | 2,319 | 442 | 24% |
| Total trade | 3,499 | 4,451 | 952 | 27% |

Global geopolitical and economic trends offer ASEAN numerous opportunities

ASEAN benefits from decoupling of China and US

% Share of US Trade

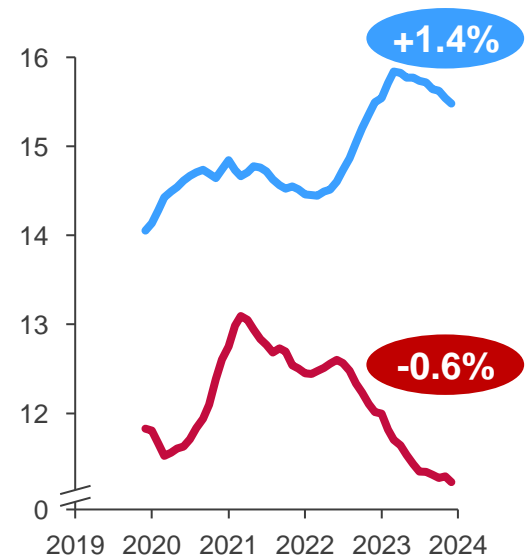
% total trade (import + export)



— China - US
— ASEAN - US

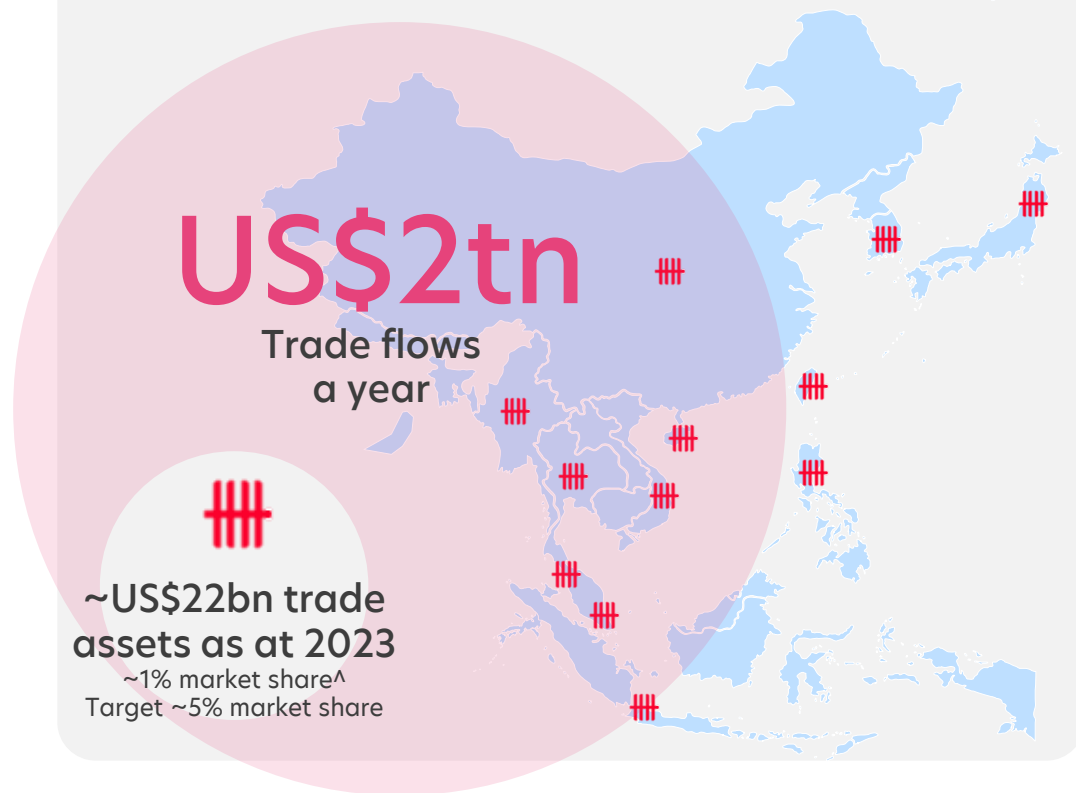
% Share of China Trade

% total trade (import + export)



— US - China
— ASEAN - China

We aim to become the No.1 trade bank in ASEAN



*On balance sheet trade loans as at Dec-23
[^]Assumes trade assets have an average tenure of 6 months
 Source: China customs, US census, ASEANstats, Eurostats, UOB Research

UOB is well-placed to capture opportunities from inward FDI flows



- US\$229.8b of inward FDI flows into ASEAN in 2023
- >90% of inward ASEAN FDI flows into UOB's key markets of Singapore, Malaysia, Thailand, Indonesia and Vietnam
- UOB has a dedicated FDI Advisory team to help customers diversifying into the region

2020 vs. 2023: FDI inflows into ASEAN

| US\$b | 2020 | 2023 |
|-------------------------------|--------------|--------------|
| Singapore | 74.9 | 159.6 |
| Indonesia | 18.6 | 21.6 |
| Vietnam | 15.8 | 18.5 |
| Philippines | 6.8 | 8.9 |
| Malaysia | 3.2 | 8.8 |
| Thailand | (6.3) | 4.5 |
| Cambodia | 3.6 | 4.0 |
| Myanmar | 2.2 | 2.2 |
| Lao PDR | 1.0 | 1.8 |
| Brunei | 0.6 | (0.1) |
| Inward FDI intro ASEAN | 120.4 | 229.8 |

Riding on mega sector trends



Drive ASEAN franchise



Sector diversification - Ride on Megatrends

US\$2tn trade flow in ASEAN

Shift of value chain

China +1 strategy

Connectivity & Sustainability focus to capture trade & investments



Widen & deepen our wallet share

Building key enablers

Platform

Infinity, API/H2H,
Trade/FSCM,
Payment

Process

Speed to
market

People

Capability
Building



Reshape & scale

Sustainability & connectivity as differentiator

Transition
financing

Digital
economy

Cross-border trade

Regional corps

Momentum building up as platform was gradually rolled out



Our major platforms are rolled out in UOB key markets



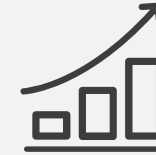
Infinity Cash

A digital banking platform that manages your cash flows efficiently with real-time account information and supports a comprehensive range of payments and collections features including remittance tracking with SWIFT gpi



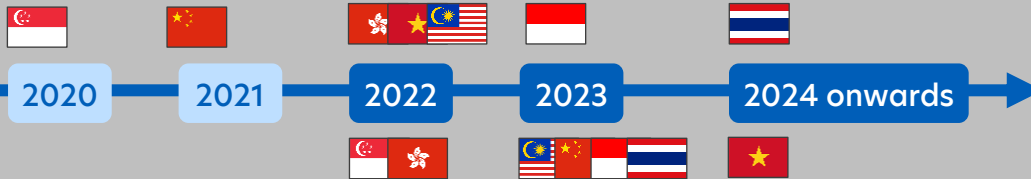
+11%pt
since 2020

81% Penetration Rate
2023



+49%
since 2020

Transaction Volume
2023



Infinity FSCM

The same platform enables digital connection of suppliers, buyers and distributors to streamline trade and financial supply chain processes as well as facilitate financing



+168%
since 2020

of FSCM Anchors
2023



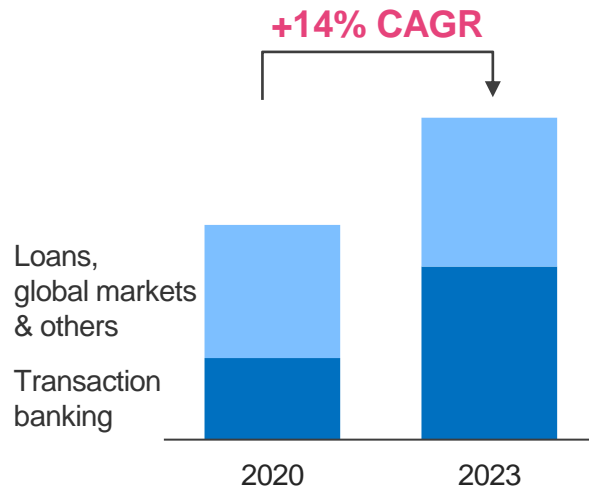
+49%
since 2020

of FSCM Spokes
2023

Early wins as our strategy takes shape

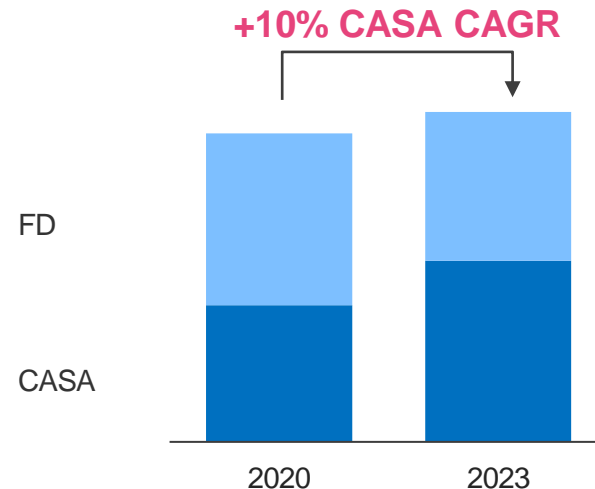
Transaction banking now contributes to 54% of 2023 GWB Revenue (2020: 38%)

GWB revenue



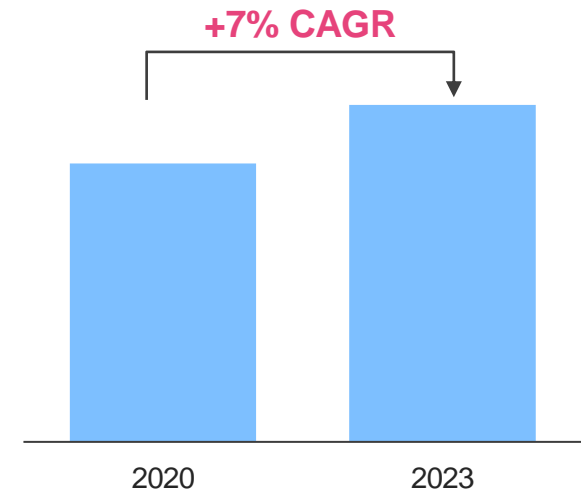
CASA deposits now make up 51% of 2023 GWB deposits (2020: 41%)

GWB average deposits

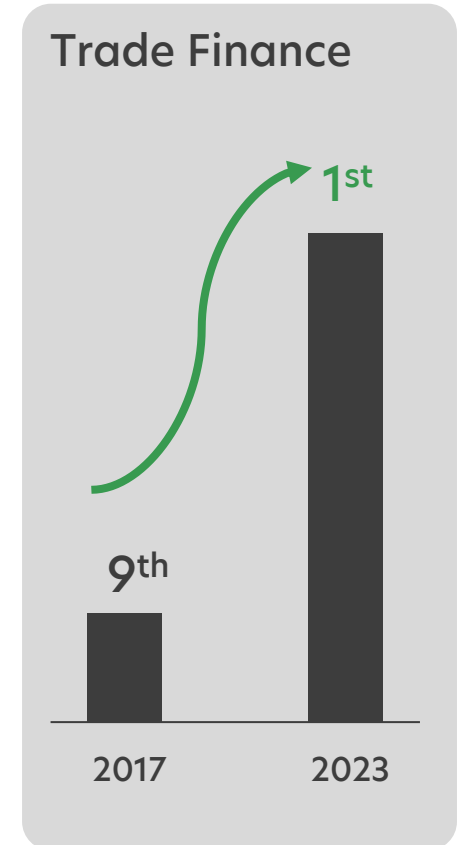
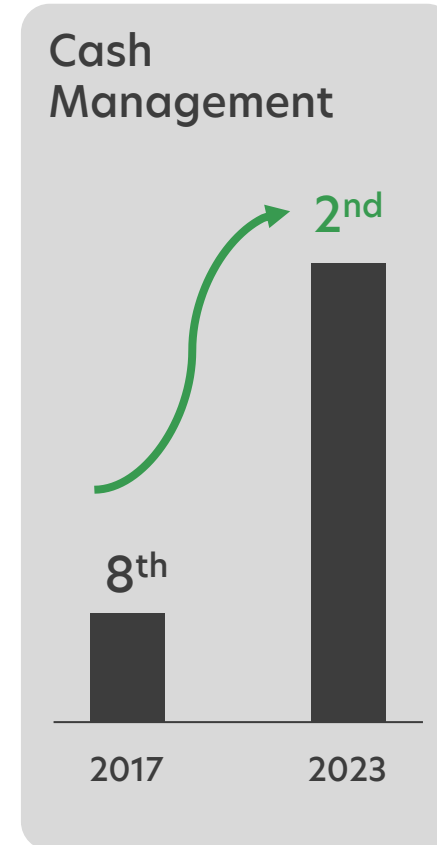
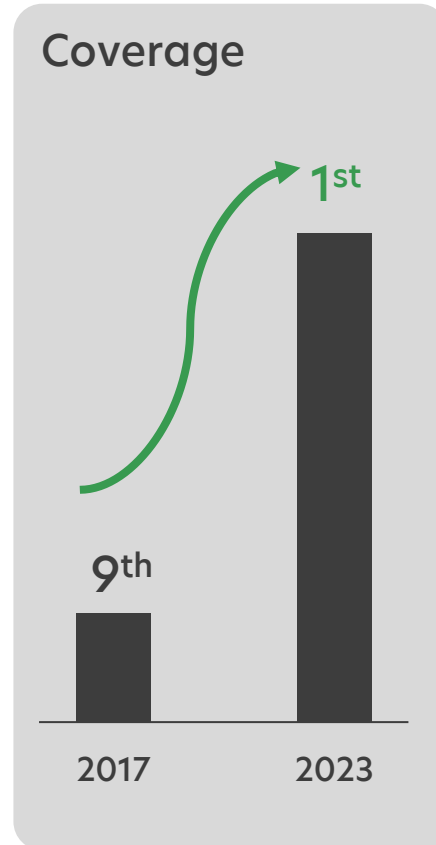


Healthy loan & trade related fee growth

Loan & trade related fees



Significant improvement in customer rankings within ASEAN



Source: Coalition Greenwich Voice of Client - 2017 and 2023 Asian Large Corporate Banking, Cash Management and Trade Finance Studies

Ranking is based on corporates citing relationship with UOB in Singapore, Malaysia, Indonesia and Thailand (referred to as "ASEAN"), excluding Western MNCs

Market penetration for Coverage refers to corporates citing an overall corporate banking relationship with UOB across any product



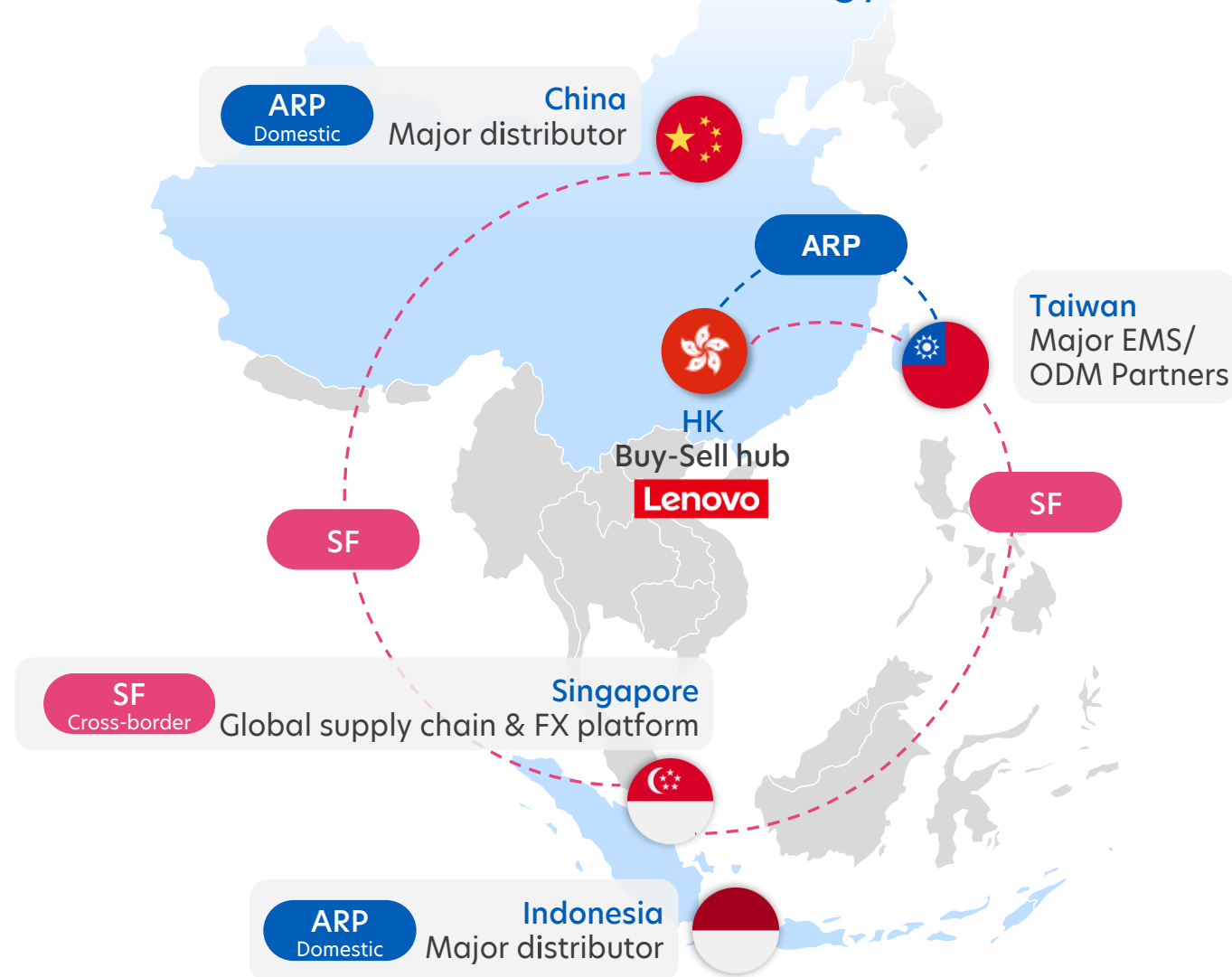
Case studies

Lenovo

The world's largest PC company with a pocket-to cloud portfolio of AI-enabled, AI-ready and AI-optimized devices, infrastructure, software, solutions, and services

UOB FSCM solutions enhanced Lenovo's supply chain management

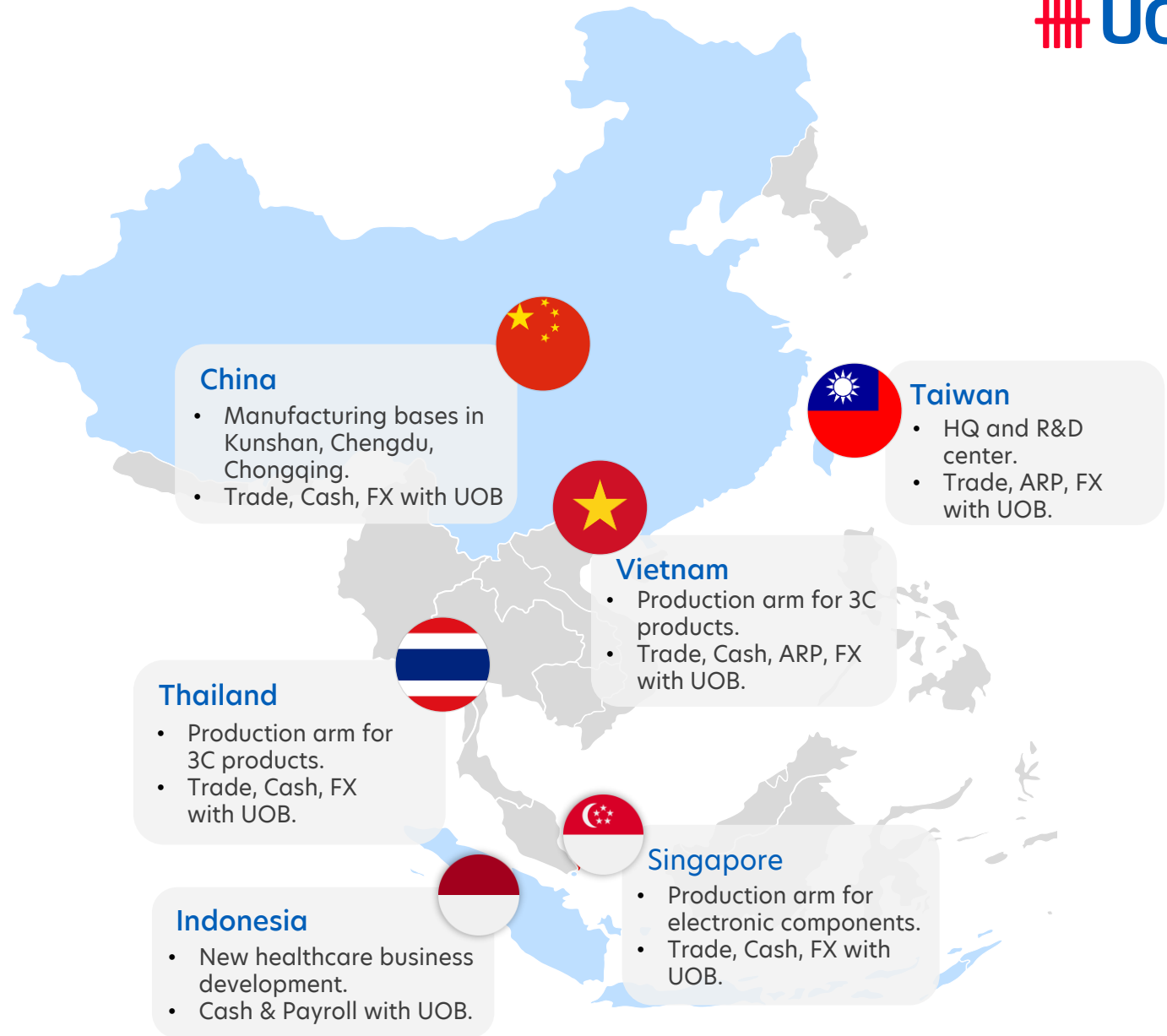
Trade flow in ASEAN & China +1 Strategy



North Asian contract manufacturer expands its business footprint into ASEAN as part of their China-plus strategy with aim to strengthen their supply chain resilience and create value to their customers.

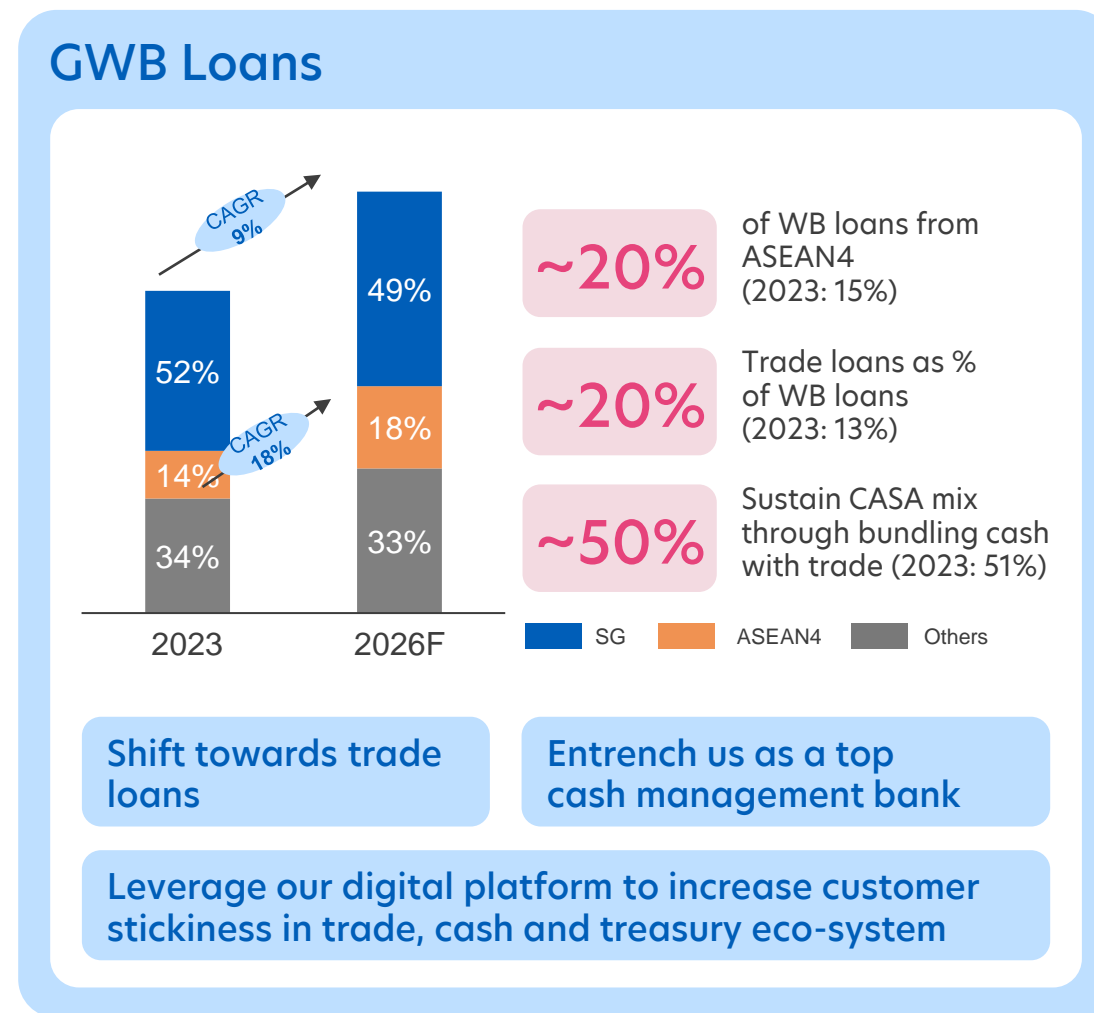
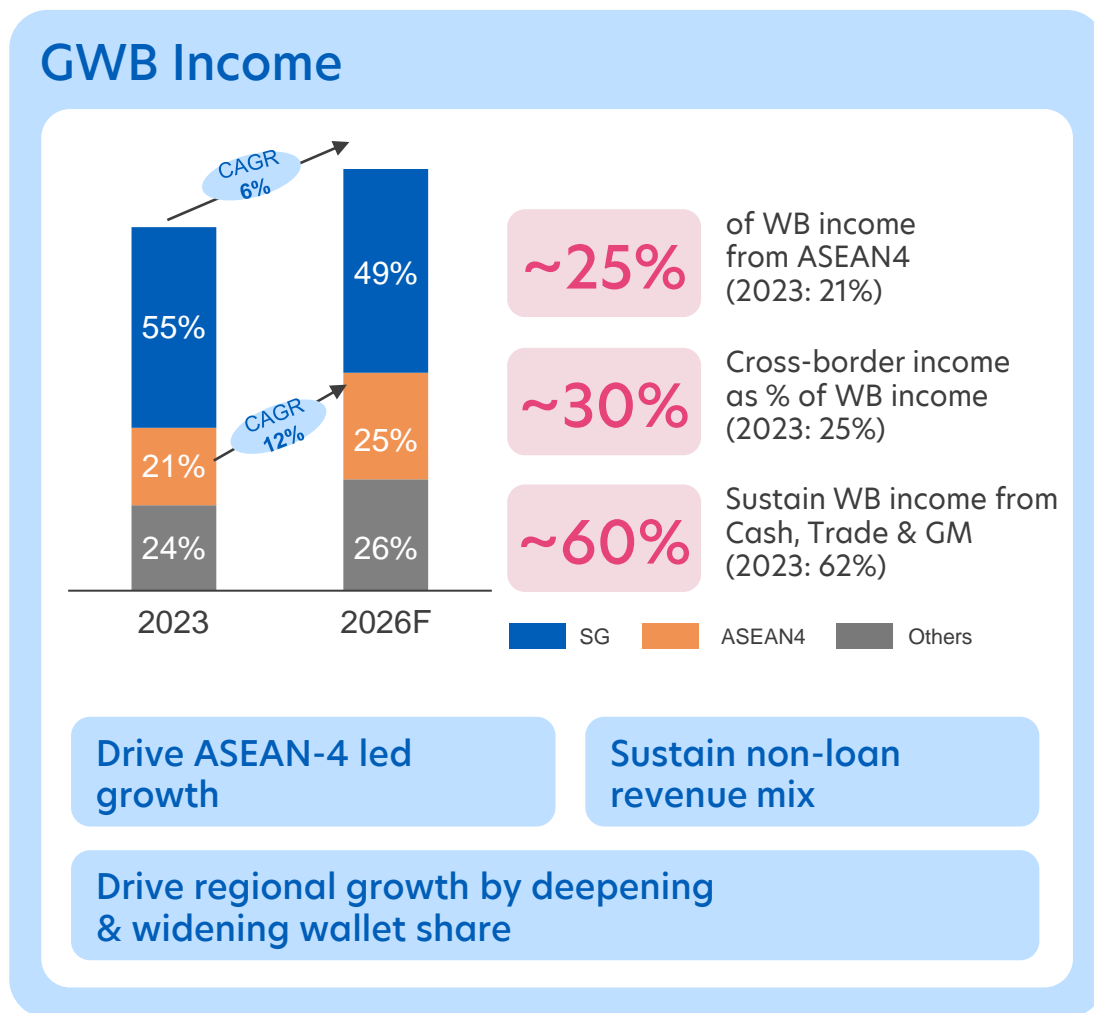


UOB is well-placed to support the company's business operation in Greater China (Taiwan & China) and in ASEAN to support their various business expansion in Singapore, Vietnam, Thailand and Indonesia.



The journey ahead

We aim to be the top cross-border trade bank in ASEAN



WB: Wholesale bank GM: Global markets
 Notes: 1. ASEAN4 comprises Indonesia, Malaysia, Thailand & Vietnam 2. Assumes constant currencies from 2023

We connect companies directly to the source of goods.

Direct access to goods allows companies to better manage and streamline their supply chains. Our presence in ASEAN provides an extensive network that connects companies end-to-end and builds sustainable business for the long-term.



Sustainability



Southeast Asia plays a critical role in global climate action and decarbonization

Major contributor to global GHG emissions, with many levers ready to drive impactful decarbonization

4th

largest energy consumer in the world

~7%

increase in GDP vs global increase of 4%

~75%

of electricity derived from fossil fuels

\$1.5tn

investment opportunity to fund Southeast Asia's transition by 2030, which translates to..

USD 300bn

in annual revenue potential by 2030

Power



~USD 90bn

Transport



~USD 70bn

Nature & Agriculture



~USD 60bn

Building



~USD 40bn

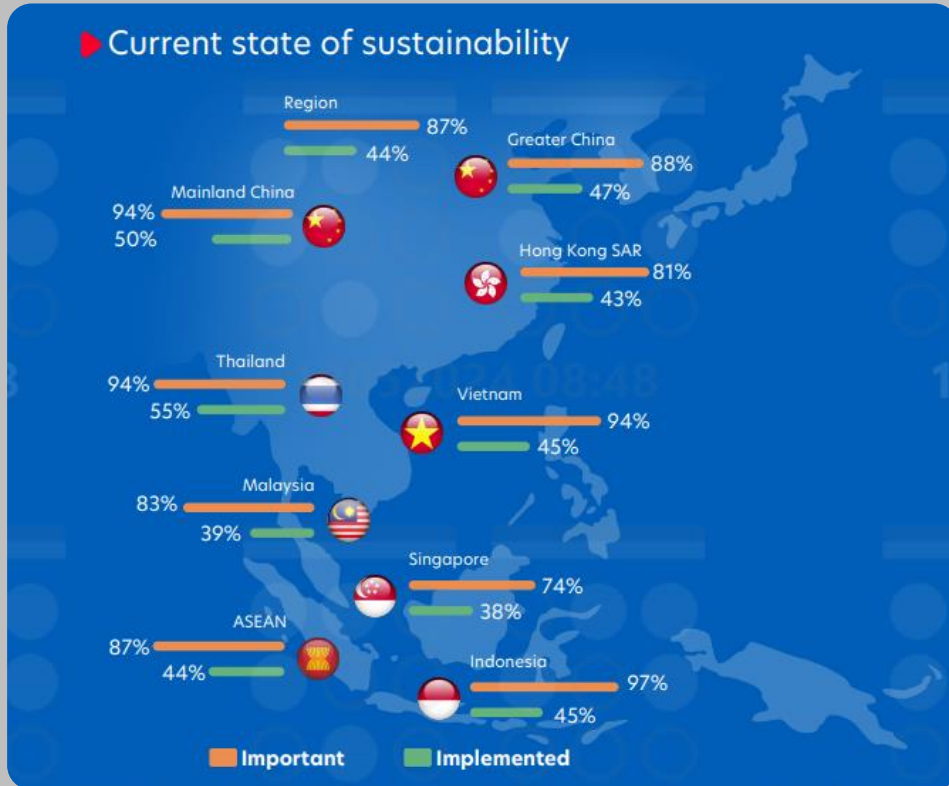
Industrial & Waste



~USD 30bn

Enterprises in the region believe sustainability is important, however most have not adopted sustainable practices¹

Disconnect on importance of sustainability & actual adoption¹



7 out of 10 are aware but only 4 out of 10 have taken the necessary action to implement sustainable practices

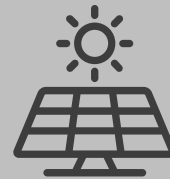
Key barriers to sustainability for enterprises¹



Insufficient knowledge to identify and execute the right initiatives



Increase in cost of products & services provided¹ and possible impact to profits & revenues



Lack of proper infrastructure for renewable energy

Note: 1. UOB Business Outlook Study 2024 (SMEs & Large Enterprises)



Driving the ASEAN
franchise through
industry firsts,
frameworks and
innovative
solutions


Our ESG Approach: Solution innovation & collaboration to scale adoption across industries



Partnerships to scale

Commercial collaboration with key industry players



National & Regional Commitment

- National commitments & priorities
- Industry transformation roadmaps, policies and programs
- Singapore & regional taxonomy
- UOB Net-Zero commitment & pathways



Simplifying access to solutions

UOB Sustainability Foundations

- Sector-specific frameworks
- Industry benchmarks - 53 eligible Green Product Certifications
- Sector Specific Solutions for large corporates, SMEs and institutions

Simplifying ESG with Sector-specific Sustainable Finance Frameworks

We are currently aligning our frameworks to the SG-Asia Taxonomy for Sustainable Finance

| Green Building Developers and Owners Framework | Smart City Framework | Food and Agribusiness Framework | Circular Economy Framework | Sustainable Trade Finance Framework | Transition Finance Framework | Sustainability-Linked Finance Framework |
|--|--|---|---|---|---|---|
| <p>Framework validated by Carbon Trust</p> | <p>Framework validated by Carbon Trust</p> | <p>Framework validated by Sustainalytics</p> | <p>Framework validated by Moody's</p> | <p>Framework validated by Moody's</p> | <p>Framework validated by ISS</p> | <p>Framework validated by ERM</p> |
| <p>Supports green building developers and owners across asset classes.</p> | <p>Supports green assets, projects and activities relating to sustainable cities.</p> | <p>Supports food and agribusiness companies and their full spectrum of food production activities.</p> | <p>Supports green assets, projects and activities relating to circular economy.</p> | <p>Supports trade financing of recognised green products and industry certifications.</p> | <p>Supports the transition of energy intensive and "hard-to-abate" sectors.</p> | <p>Supports companies with financial incentives linked to achievement of sustainability targets.</p> |
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| <p>UN SDGs:</p> <div style="display: flex; gap: 5px;"> 3 7 8 9 11 12 13 15 17 </div> | <p>UN SDGs:</p> <div style="display: flex; gap: 5px;"> 3 6 7 8 9 11 12 13 14 15 </div> | <p>UN SDGs:</p> <div style="display: flex; gap: 5px;"> 2 6 12 13 14 15 </div> | <p>UN SDGs:</p> <div style="display: flex; gap: 5px;"> 9 11 12 13 </div> | <p>UN SDGs:</p> <div style="display: flex; gap: 5px;"> 6 7 9 11 12 13 14 15 </div> | <p>UN SDGs:</p> <div style="display: flex; gap: 5px;"> 1 6 7 8 9 10 12 13 15 </div> | <p>UN SDGs:</p> <div style="display: flex; gap: 5px;"> 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 </div> |

United Nations Sustainable Development Goals (UN SDGs) Index:



Simplifying the Sustainability journey with dedicated sector specialists across industries:

Packaging UOB Sustainable Finance & Partners Commercial Solutions for SMEs

UOB Sustainability Compass

Your Sustainability Roadmap

UOB Sustainability Compass Starter

UOB Sustainability Compass

The UOB Sustainability Compass is a sector-based diagnostic tool

- helps companies to determine their sustainability maturity
- provides clear & actionable next steps

In partnership with: **Enterprise Singapore**

UOB SAGE
Sustainability-linked Advisory, Grants & Enablers Programme

Sustainability-Linked Financing

SAGE streamlines the ESG capability-building journey for SMEs

- Up to 85% of costs can be defrayed with support from EnterpriseSG
- Connect them with trusted sustainability service partners & provide ready-made SPTs
- Our partners offer specialised guidance for SMEs

U-Series

U-Solar

ASEAN's award-winning one-stop solar ecosystem financing platform

U-Build

Real estate green loans & sustainable-linked loans for green buildings development

U-Energy

Asia's first integrated energy efficiency platform

U-Drive

EV end-to-end provision of sustainable banking facilities.

Our GWB Sustainable Finance Portfolio as it takes shape

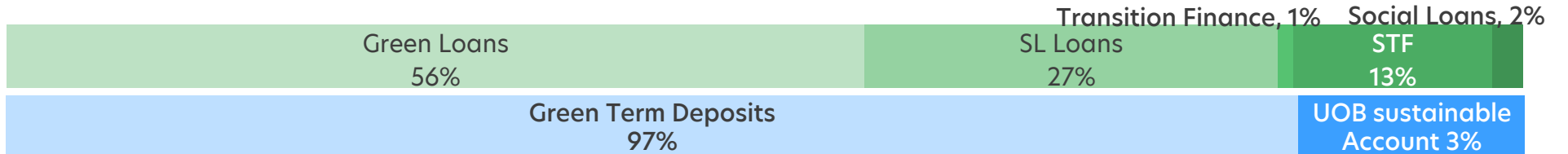


SGD billion
50 ↑ 81% YOY
 Sustainable loans as of Jun'24

- Sustainable finance is 21%¹ of overall GWB portfolio
- Diversified geographic composition across developed & developing economies:



Product Mix



Our Sustainable Finance solutions are also complemented with Green Deposits solutions

Sector Mix



Solutions



Note:

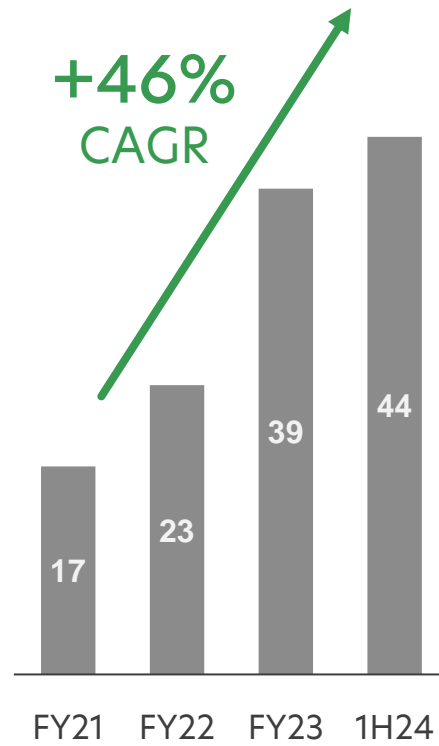
1. Sustainable Finance Approved Limits / GWB assets (as of Jun-24)
2. REH: Real Estate & Hospitality, C&I: Construction & Infrastructure, IND: Industrials, TMT: Technology, Media & Telecommunications, CGH: Consumer Goods & Healthcare, ENC: Energy & Chemicals

Strong growth across our Sustainable Banking Solutions

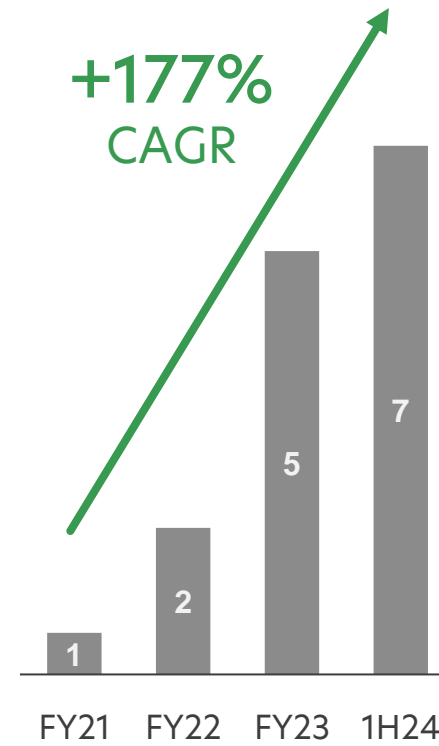


SGD bn¹

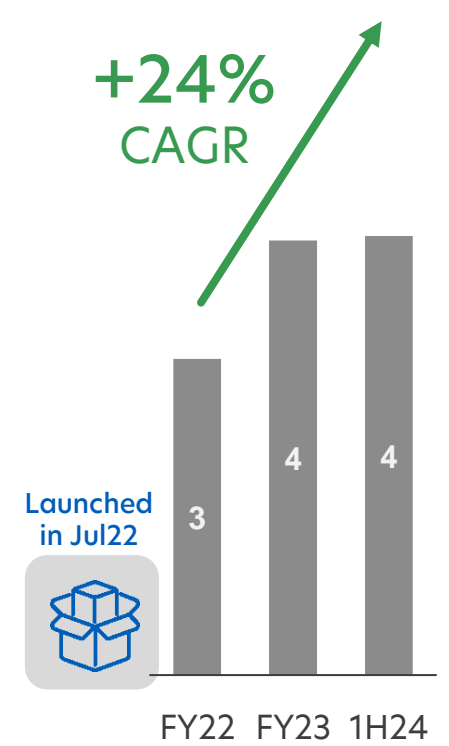
Loans



Trade



Deposits



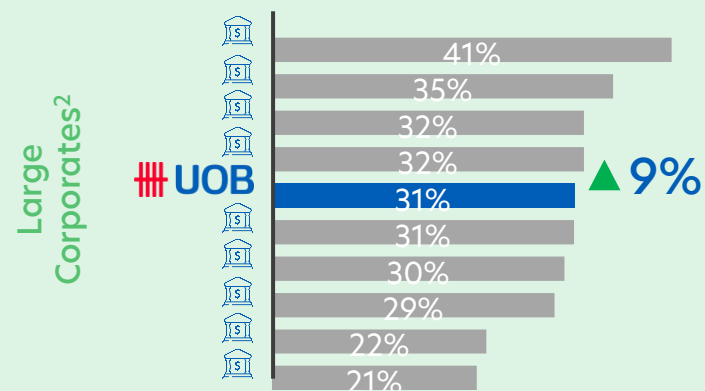
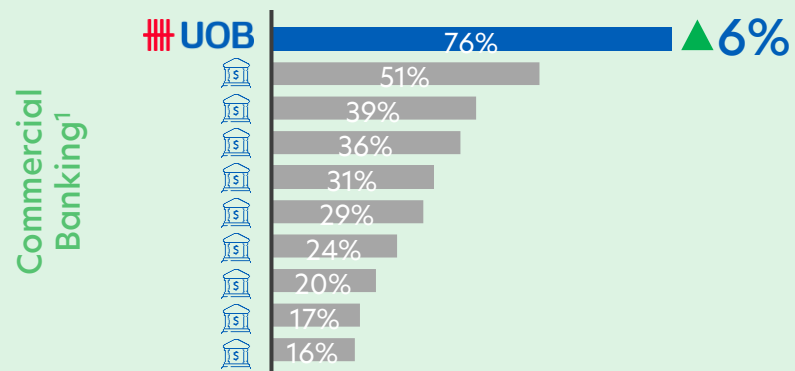
Note:

1. Loans: Total Sustainable Financing (Cumulative) which was the reported methodology throughout these reporting periods; Trade & Deposits: Year end balances

We are leading the way in guiding customers on their sustainability journeys



“Most Active” in engaging customers on Sustainability



ESG awards across our core markets



The Asset Triple A ESG Corporate Awards 2023
Jade Award for Excellence



The Asset Triple A Awards
U-Solar Renewable Energy Deal of the Year 2023 (Vietnam, Thailand, Malaysia)



Triple A Sustainable Infrastructure Awards 2024
Logistics Deal of the Year - ESR Kwai Chung Data Centre



Triple A Sustainable Infrastructure Awards 2024
Energy Transition Deal of the Year - Medco E&PO Grissik Limited



Triple A Sustainable Infrastructure Awards 2024
Digital Infrastructure Deal of the Year - Global Vision Logistics



ESGBusiness Awards 2023
Singapore: Net-Zero Banking Award



Asiamoney Best Bank Awards
2023 Best Bank for ESG (Thailand)



MGTC National Energy Awards
Special Award for Sustainable Energy Financing under Foreign Bank Category

1. Source: Coalition Greenwich Voice of Client - 2023 Commercial Banking Study. Based on respondents who are UOB clients across Singapore, Malaysia, Indonesia, Thailand, China and HK
 2. Source: Coalition Greenwich Voice of Client - 2023 Large Corporate Banking Study. Based on all respondents from the syndicated study, across Singapore, Malaysia, Indonesia, Thailand, China and HK, excluding Western MNCs



ESG Showcase

Princeton Digital Group

Internet Infrastructure

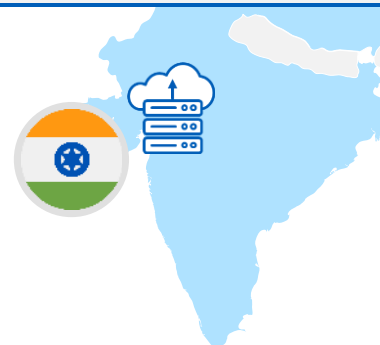
Asia's leading (Warburg Pincus backed) data centre developer and operator with >700 MW across 21 data centres in APAC

PDG's Four Pillars of Sustainability



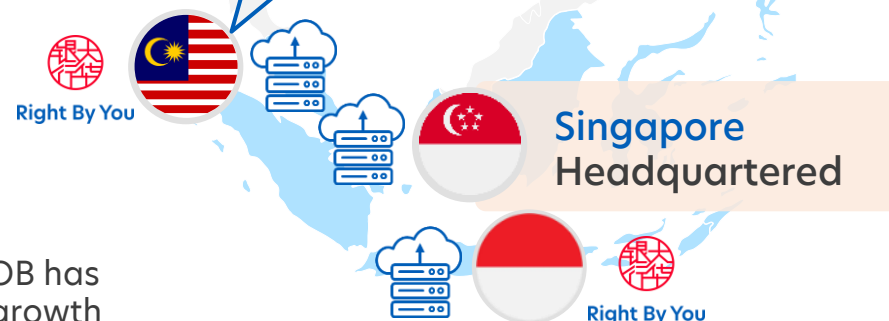
UOB's sustainable finance solutions & sector expertise supported PDG's maiden venture into Malaysia

GEN AI will drive demand for Green Digital Infrastructure across APAC



Landmark US\$280mn Green Loan for PDG's AI-Ready Data Centre Campus In Johor, Malaysia

- As part of PDG's SG+ strategy, 52MW AI-ready JH1 campus in Sedenak Tech Park (STeP), Johor, Malaysia
- UOB appointed as Joint Green Loan Coordinators Mandated Lead Arranger and Bookrunner



PDG Data Center locations

Markets where UOB has supported PDG's growth

One Bank for ASEAN.

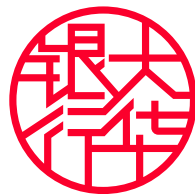
Best Bank in Asia Pacific

World's Best Bank for SMEs



- UOB banks the fifth-largest economy and the world's fastest-growing trade bloc - ASEAN
- Commended for strength in the Bank's clear strategy and focus on ASEAN, whilst having an international presence globally
- Has one of the most comprehensive ranges of banking products, services and experience, guided by the philosophy of making business simple for SMEs
- Strategy supported through three strategic themes around connectivity, digitalisation and sustainability





Right By You