



Corporate Day 2024

Building the Future of ASEAN

UOB's Financial Shape by 2026

14 August 2024
Kuala Lumpur, Malaysia

Private and Confidential

Wholesale



- Capture connectivity flows between Greater China and ASEAN and intra-ASEAN
- Seize decarbonisation opportunities to support ASEAN net-zero transition
- Pivot towards trade and cash management, leveraging enhanced product platforms
- Focus on quality credits amid economic uncertainty

Retail



- Raising regional scale to new heights, boosted by Citi & supported by TMRW
- Refreshed Private Wealth strategy to capture growing consumer affluence

Wholesale business to pivot towards trade, cash and treasury spurred by connectivity flows and enhanced product platforms



Riding on megatrends to drive our ASEAN franchise

US\$4.6tn trade flow in ASEAN¹

Shift of value chain

China +1 strategy

2026 Wholesale Banking shape



Pivot towards trade, cash management and treasury

2x

increase² in trade loans³

~60%

of WB income to be driven by trade, cash management & treasury (2023: 62%)



Capturing ASEAN connectivity and sustainability flows

~20%

of WB loans³ to be contributed by ASEAN-4⁴ (2023: 14%)

~25%

of WB income to be contributed by ASEAN-4⁴ (2023: 21%)



Supported by cost efficient CASA funding amid rate environment

>50%

WB CASA ratio³ (2023: 51%)

High Single Digit

growth in CASA balance³ from 2023 to 2026

Key Enablers

People

Sector specialists
Dedicated country desks

Process

FSCM fast-track framework

Platform

H2H, API, UOB Infinity

Presence

Extensive footprint in key ASEAN markets

1. 2026 projection by UOB Global Economics & Markets Research forecasts
2. Between 2023 and 2026
3. Based on average balances
4. ASEAN-4 comprises Indonesia, Malaysia, Thailand & Vietnam

Enlarged retail franchise to capture rising wealth in the region, augmented by post-Citi integration synergy






ASEAN's immense growth potential

3rd largest population

Young demographics (~60% <35yo)

Fast-growing middle class

2026 Retail Banking shape

 <p>Reshaping business mix towards growth engines</p>	<p>~50% of retail income to be driven by wealth and cards¹ (2023: 38%)</p>	<p>2x Increase² in AUM of Private Banking customers</p>
 <p>Capturing growing affluence in ASEAN</p>	<p>~40% of retail income to come from ASEAN-4³ (2023: 33%)</p>	<p>10m Retail customers, of which ~90% digitally-enabled⁴ customers (2023: ~8m; 76% digitally-enabled)</p>
 <p>Growing CASA to support asset growth</p>	<p>>55% Retail CASA ratio (2023: 47%); ~60% to be digitally acquired</p>	<p>>65% of retail customers hold CASA account (2023: 57%)</p>

Personalised banking interactions

UOB TMRW
with AI-driven insights

Cards/Rewards
for every lifestyle

Wealth
for every life stage

Powered by data
Delivered via omni touchpoints

1. Includes unsecured loans
 2. Between 2022 and 2026
 3. ASEAN-4 comprises Indonesia, Malaysia, Thailand & Vietnam
 4. % of retail clients who have registered User ID/ Password for PIB/ TMRW

Focus on cost productivity to achieve our target CIR of 40% by 2026

- Cost of doing business is higher in subsidiaries from local regulatory requirements, higher branch/ distribution channel costs and differences in scale of franchise
- Investment in people and technology to transform the business to be funded through productivity

Process Redesign



Operating model redesign for front productivity

Channel Optimisation



Channel optimisation to acquire at scale and support omni channel engagement

Process Optimisation



Opportunity to hub more operations overseas

People-related productivity

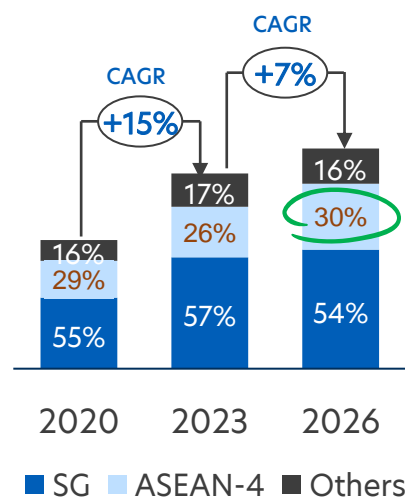


Balancing cost management/ productivity to support revenue ambitions

Our Medium-Term Goals by 2026

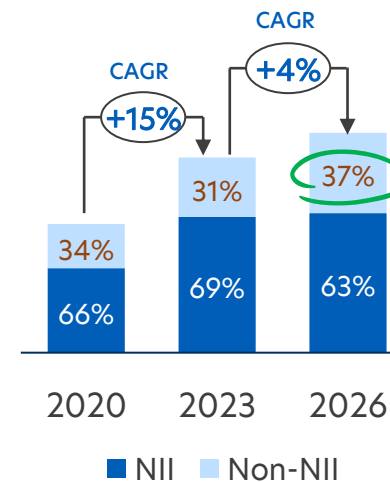


Return on equity
Sustained at ~14%



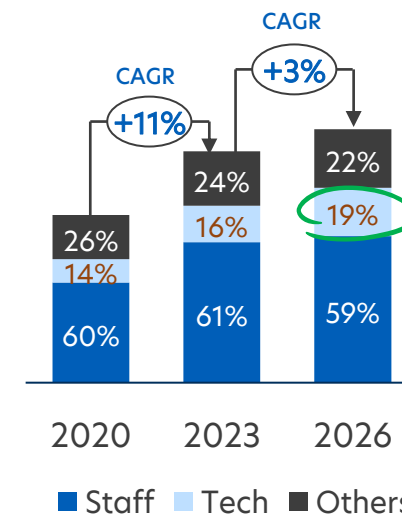
Increased contribution from ASEAN

Income from ASEAN-4¹ to reach 30%, while maintaining at least 50% in SG



Higher mix of non-interest income

Fueled by growth engines of wealth, trade and customer treasury



Improved cost efficiency and productivity

CIR closer to 40%; cost mix shift from staff towards tech

1. ASEAN-4 comprises Indonesia, Malaysia, Thailand & Vietnam



Right By You