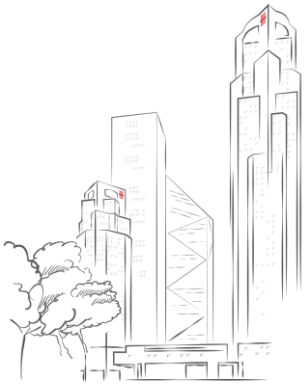




UOB Group

Emerging stronger from crisis

February 2021

Private and Confidential

Agenda

1. Overview of UOB Group
2. Macroeconomic Outlook
3. Strong UOB Fundamentals
4. Our Growth Drivers
5. Latest Financials

Overview of UOB Group

UOB Overview

Founding

Founded in August 1935 by a group of Chinese businessmen and Datuk Wee Kheng Chiang, grandfather of the present UOB Group CEO, Mr. Wee Ee Cheong

Expansion

UOB has grown over the decades organically and through a series of strategic acquisitions. It is today a leading bank in Asia with an established presence in the Southeast Asia region. The Group has a global network of more than 500 branches and offices in 19 countries and territories.

Note: Financial statistics as at 31 December 2020

1. USD 1 = SGD 1.32095 as at 31 December 2020
2. Average for 4Q20
3. Calculated based on profit attributable to equity holders of the Bank, net of perpetual capital securities distributions
4. Computed on an annualised basis

Key Statistics for FY20

- Gross loans : SGD281b (USD213b[1])
- Customer deposits : SGD325b (USD246b[1])
- Loan / Deposit ratio : 85.4%
- Net stable funding ratio : 125%
- All-currency liquidity coverage ratio : 139% [2]
- Common Equity Tier 1 ratio : 14.7%
- Leverage ratio : 7.4%
- Return on equity [3, 4] : 7.4%
- Return on assets [4] : 0.69%
- Net interest margin [4] : 1.57%
- Non-interest income / Total income : 34.2%
- Cost / Income : 45.6%
- Non-performing loan ratio : 1.6%
- Credit Ratings

	Moody's	S&P	Fitch
Issuer rating (Senior unsecured)	Aa1	AA–	AA–
Outlook	Stable	Stable	Negative
Short-term rating	P-1	A-1+	F1+

A leading Singapore bank; Established franchise in core market segments

UOB

Group Retail

- Best Retail Bank in Singapore
- Strong player in credit cards and private residential home loan business

Group Wholesale Banking

- Best SME Bank in Singapore
- Seamless access to regional network for our corporate clients

Global Markets

- Strong player in Singapore dollar treasury instruments

UOB Group's recognition in the industry

THE ASIAN BANKER EXCELLENCE IN RETAIL FINANCIAL SERVICES INTERNATIONAL AWARDS

Best Retail Bank[1], 2020

Best SME Bank[2], 2020

EUROMONEY AWARDS FOR EXCELLENCE 2020

Asia's Best Bank for SMEs, 2020

BEST BANK AWARDS 2019 ASIAMONEY

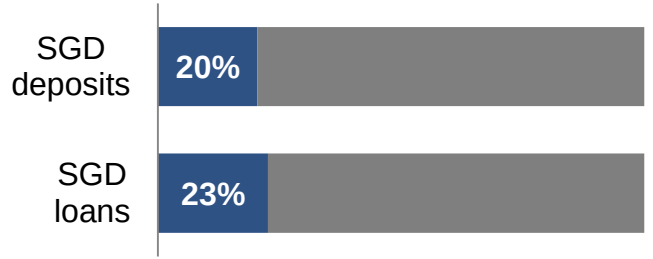
Best Domestic Bank[1], 2020

Best Digital Bank[1], 2019

Source: Company reports

1. In Singapore 2. In Singapore and Asia Pacific

Sizeable domestic market share

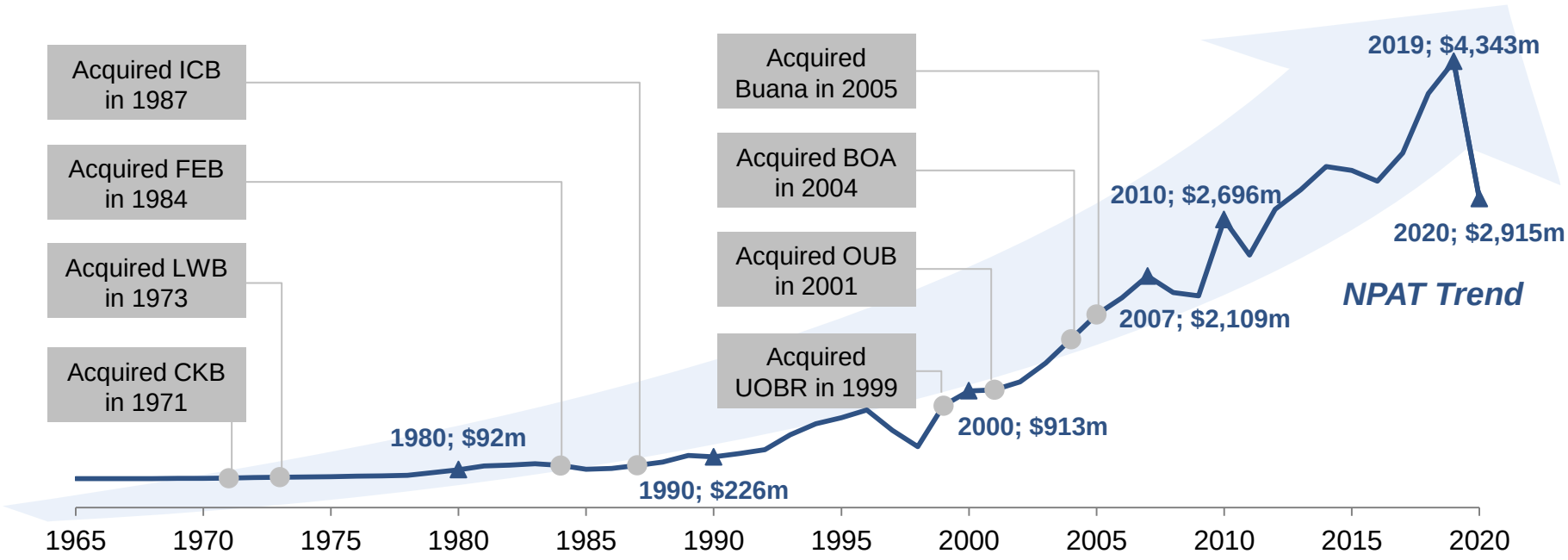


Note: The resident portion of loans and advances as a proxy for total SGD loans in Singapore banking system

Source: UOB, MAS, data as of 31 December 2020

Proven track record of execution

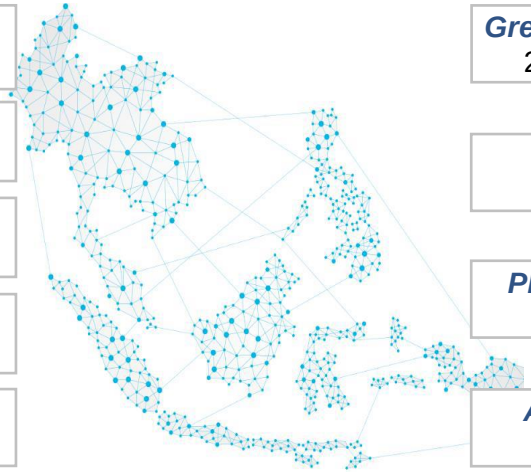
- UOB Group's management has a proven track record in steering the Group through various global events and crises.
- Stability of management team ensures consistent execution of strategies
- Disciplined management style which underpins the Group's overall resilience and sustained performance



Note: Bank of Asia Public Company Limited ("BOA"), Chung Khiaw Bank Limited ("CKB"), Far Eastern Bank Limited ("FEB"), Industrial & Commercial Bank Limited ("ICB"), Lee Wah Bank Limited ("LWB"), Overseas Union Bank Limited ("OUB"), Radanasin Bank Thailand ("UOBR")

Comprehensive regional banking franchise

Extensive regional footprint with ~500 offices



Myanmar
2 offices

Thailand
153 offices

Malaysia
49 offices

Singapore
73 offices

Indonesia
176 offices

Greater China[1]
28 offices

Vietnam
4 offices

Philippines
1 office

Australia
2 offices

- Most diverse regional franchise among Singapore banks; effectively full control of regional subsidiaries
- Integrated regional platform improves operational efficiencies, enhances risk management and provides faster time-to-market and seamless customer service
- Organic growth strategies in emerging / new markets of China and Indo-China

FY20 performance by segment

Group retail

Operating profit
SGD2.1b
–6% YoY

SGD134b
Assets under management **+6% YoY**

AUM from overseas customers **~60%**

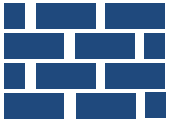
Group wholesale banking

Operating profit
SGD3.1b
+1% YoY

29%
Cross-border income to Group wholesale banking's income

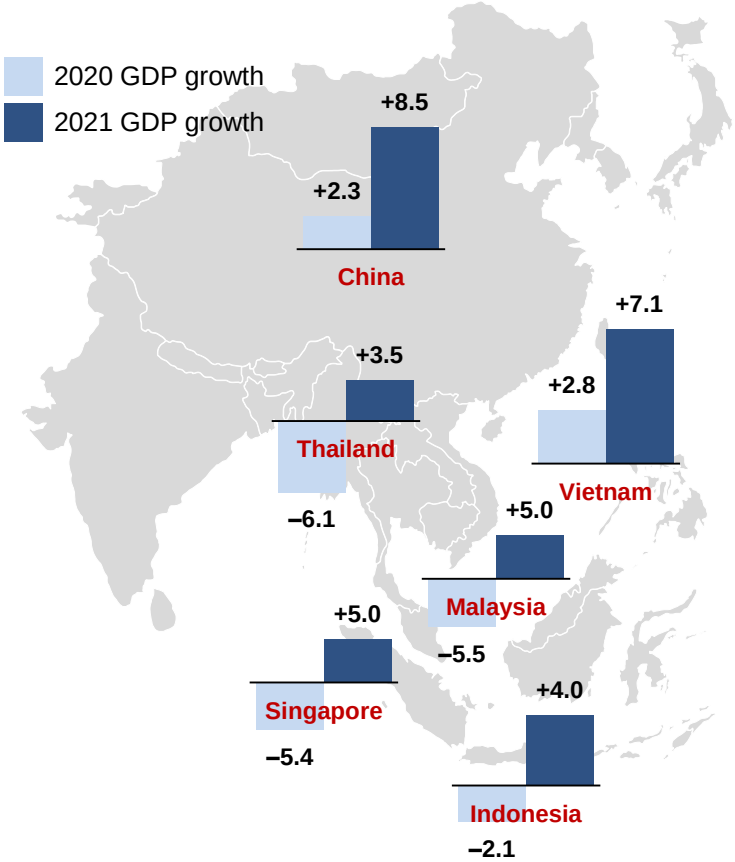
1. Comprise Mainland China, Hong Kong SAR and Taiwan

Why UOB?

Stable management	Integrated regional platform	Strong fundamentals	Balance growth with stability
			
▪ Proven track record in steering the bank through various global events and crises ▪ Stability of management team ensures consistent execution of strategies	▪ Entrenched domestic presence and deep local knowledge to address the needs of our targeted segments ▪ Truly regional bank with full ownership and control of regional subsidiaries	▪ Sustainable revenue channels as a result of carefully-built core businesses ▪ Strong capital and reserves, sound liquidity position and resilient asset quality – testament of solid foundation built on the premise of basic banking	▪ Continue to diversify portfolio, strengthen balance sheet, manage risks and build core franchise for the future ▪ Maintain long-term perspective to growth for sustainable shareholder returns

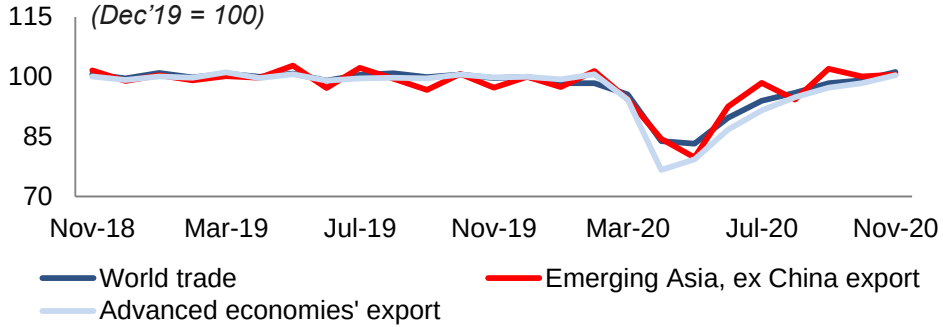
Macroeconomic Outlook

Projected economic rebound across Asia in 2021



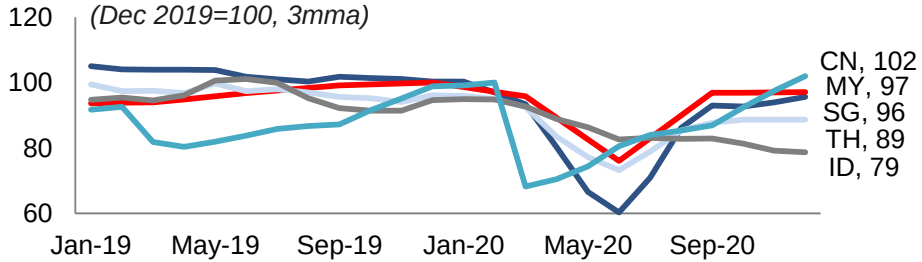
Source: UOB Global Economics & Markets Research forecasts

Trade volume returning to pre-COVID levels



Sources: Macrobond, UOB Economic-Treasury Research

Retail sales at pre-COVID level in China, to pick up elsewhere



Note: CN: China: ID: Indonesia; MY: Malaysia; SG: Singapore, TH: Thailand; 3mma: 3-month moving average
Sources: CEIC, UOB Economic-Treasury Research

Accommodative monetary policy stance

	3Q19	4Q19	1Q20	2Q20	3Q20	*4Q20*	*1Q21f*	*2Q21f*	*3Q21f*	*4Q21f*
US 10-Year Treasury	1.66	1.92	0.67	0.66	0.68	0.91	1.00	1.10	1.15	1.20
US Fed Funds	2.00	1.75	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
SG 3M SIBOR	1.88	1.77	1.00	0.56	0.41	0.41	0.35	0.35	0.35	0.35
SG 3M SOR	1.68	1.54	0.92	0.20	0.18	0.19	0.25	0.25	0.25	0.25
MY Overnight Policy Rate	3.00	3.00	2.50	2.00	1.75	1.75	1.50	1.50	1.50	1.50
TH 1-Day Repo	1.50	1.25	0.75	0.50	0.50	0.50	0.50	0.50	0.50	0.50
ID 7-Day Reverse Repo	5.25	5.00	4.50	4.25	4.00	3.75	3.50	3.50	3.50	3.50
CH 1-Year Loan Prime Rate	4.20	4.15	4.05	3.85	3.85	3.85	3.85	3.85	3.85	3.85

The Fed pursued a “forceful monetary policy response” to the COVID-19 pandemic, by lowering the Fed Funds Target Rate (FFTR) aggressively to 0.00-0.25%; restarting quantitative easing (unlimited QE); introducing measures to support the credit needs of households and businesses; and providing US dollar funding. The Fed’s Average Inflation Targeting (AIT) strategy is seen as its willingness to allow inflation to run hotter than normal (i.e. 2%) to support the labor market and broader economy, a landmark shift to prolonged low rates era (keeping rates close to 0% at least till 2023).

The MAS kept its SGD NEER parameters unchanged in its Oct’20 meeting, maintaining a 0% per annum rate of appreciation of the policy band. It added that Singapore’s “growth momentum is likely to be modest against a sluggish external backdrop, persistent weakness in some domestic services and limited recovery in the travel-related sector”, adding that “the economic scarring inflicted by the deep global recession in 2020 will weigh on external demand conditions in the next year or so.”

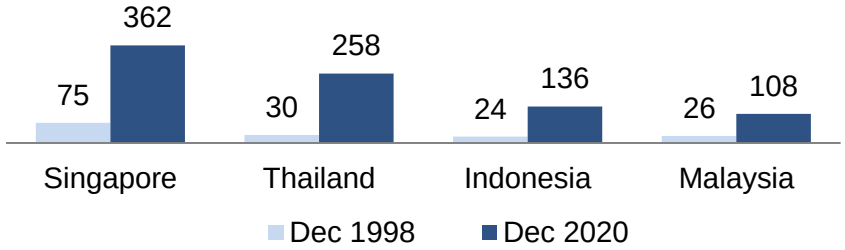
In other parts of Asia, monetary policies are expected to be kept accommodative to facilitate economic recovery and easing fiscal support, although uncertainty remains, hinging on a successful vaccine rollout to curb fresh waves of infections.

Source: UOB Global Economics & Markets Research forecasts

Improved fundamentals in Southeast Asia

Significantly Higher Foreign Reserves

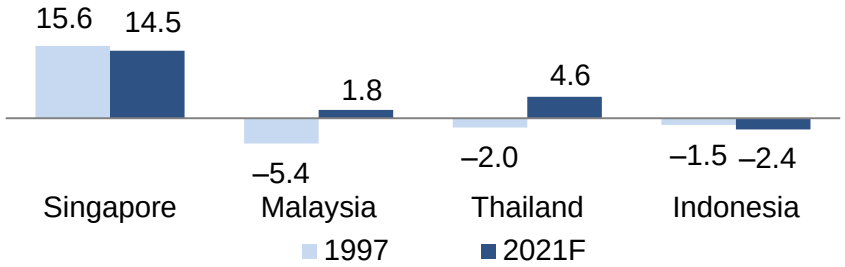
(USD billion)



Sources: World Bank, International Monetary Fund

Healthy Current Account Balances

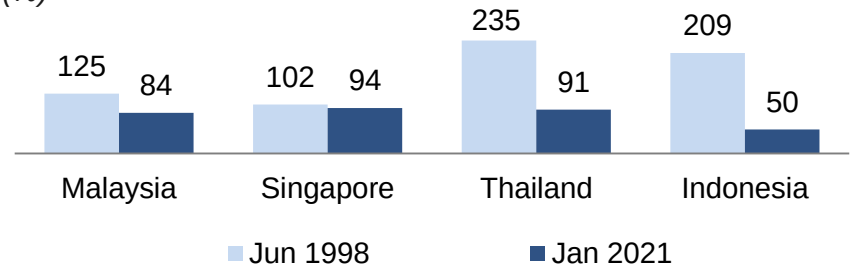
(% of GDP)



Source: International Monetary Fund

Lower Debt to Equity Ratio

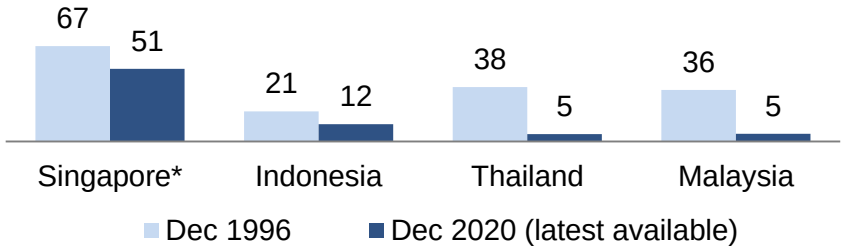
(%)



Total debt to equity ratio = total ST and LT borrowings divided by total equity, multiplied by 100; sources: MSCI data from Bloomberg

Lower Foreign Currency Loan Mix

(%)

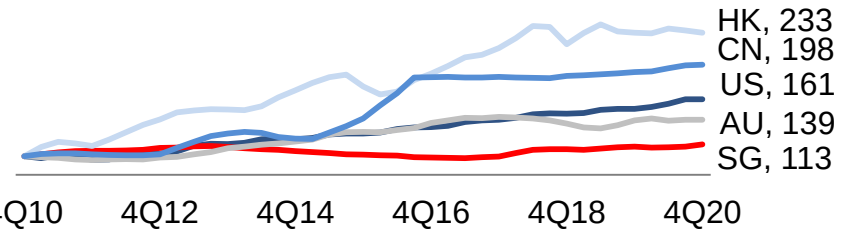


* Foreign currency loans in 1996 approximated by using total loans of Asia Currency Units; sources: Central banks

Singapore mortgages remains a low risk asset class

Low Risk of Housing Bubble due to Cooling Measures

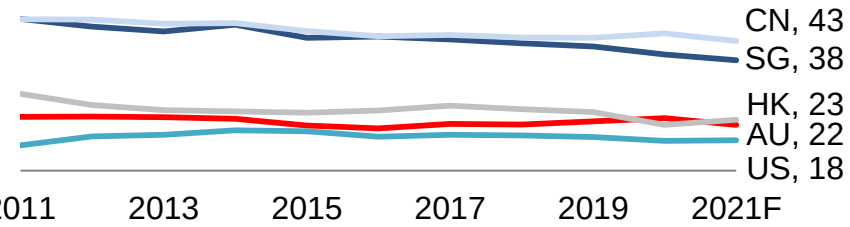
(4Q10 = 100)



Sources: CEIC, UOB Economic-Treasury Research

High National Savings Rate

(% of GDP)



Sources: IMF, UOB Economic-Treasury Research

Note: AU: Australia; CN: China; HK: Hong Kong; SG: Singapore; US: United States

Property Cooling Measures in Singapore

Loan-to-value (LTV) limit	1st property	2nd property	Thereafter	Corporates
	75%/55%*	45%/25%*	35%/15%*	15%
Max mortgage tenor	35 years			
Total debt servicing ratio	60% limit, 3.5% interest rate applied on mortgages			
Seller stamp duty	Sold in 1st year	2nd year	3rd year	Thereafter
	12%	8%	4%	0%
Buyer's stamp duty	First $180k	Next $180k	Next $640k	Thereafter
	1%	2%	3%	4%
Additional buyer's stamp duty	0 to 20%, depending on nationality and number of properties owned by purchaser			

* Higher LTV limits applies if mortgage tenor is ≤ 30 years or sum of mortgage tenor and age of borrower ≤ 65 years old

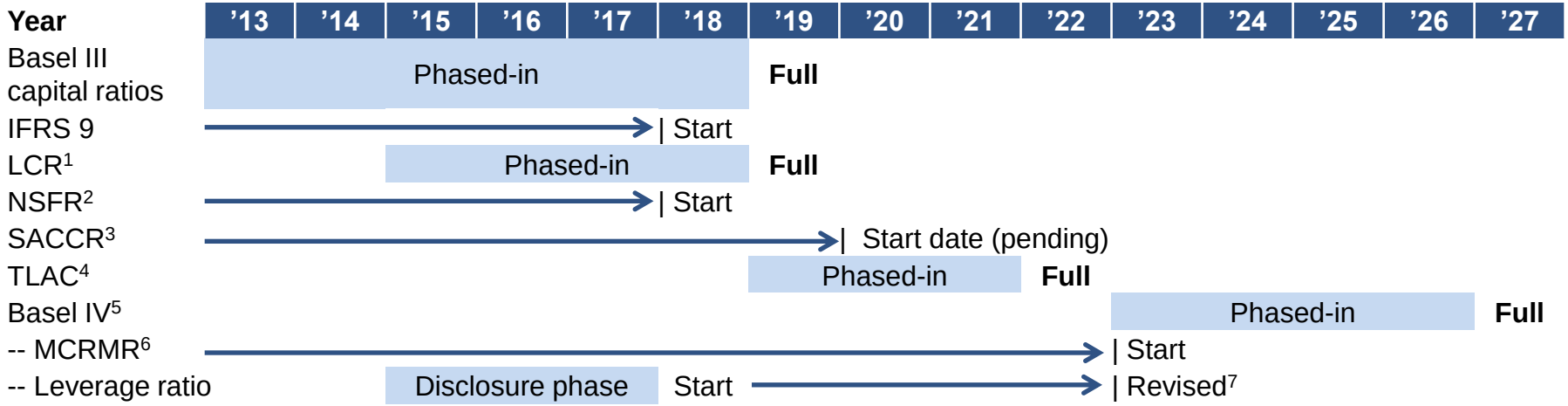
Household Income in Line with Property Prices

	2009	2020	+/(–)
Unit costs[1] (SGD m)	0.98	1.25	+27%
Interest rate (%)	2.63	1.38	
Household income[2] (SGD / mth)	12,875	17,250	+36%
Debt servicing ratio[3] (%)	23	18[4]	

Sources: URA, CEIC, Singapore Statistics, UOB Economic-Treasury Research

1. Reflects average price of condominiums in Singapore
2. Reflects median of resident households living in private properties
3. Based on a 30-year housing loan, with a loan-to-value of 75%
4. A housing loan with 5% interest rate would increase DSR to 29%

Global regulators delayed capital rules by a year



> "Retained earnings are one of the major sources of … highest quality capital that banks hold. They have to earn a decent return for intermediating credit, otherwise they will do less of it."

– Mr Ravi Menon, Managing Director, Monetary Authority of Singapore, 20 April 2017

> "While the reforms are necessary to strengthen the banking system over the long term, they will require banks to make considerable operational adjustments which they would be hard pressed to make under current challenging conditions."

– Media Release, Monetary Authority of Singapore, 7 April 2020

Source: BCBS

1. Liquidity Coverage Ratio
2. Net Stable Funding Ratio
3. Standardised Approach for measuring Counterparty Credit Risk exposure (MAS has not announced implementation date)
4. Total Loss Absorbing Capacity (not applicable to Singapore banks)
5. Basel IV: Revised standards for credit risk, market risk, operational risk, leverage ratio, output floor and related disclosure requirements
6. Minimum Capital Requirements for Market Risk replaced Fundamental Review of the Trading Book
7. Revised definition on exposure measure

Basel III across the region

	BCBS	Singapore	Malaysia	Thailand	Indonesia
Minimum CET1 CAR	4.5%	6.5%[1]	4.5%	4.5%	4.5%
Minimum Tier 1 CAR	6.0%	8.0%[1]	6.0%	6.0%	6.0%
Minimum Total CAR	8.0%	10.0%[1]	8.0%	8.5%	8.0%
Capital Conservation Buffer	2.5%	2.5%	2.5%	2.5%	2.5%
Countercyclical Buffer in 2020[2]	n/a	0%	0%	0%	0%
D-SIB Buffer	n/a	2.0%	1.0%	1.0%	1.0%–3.5%[3]
Minimum Leverage Ratio	3.0%	3.0%	3.0%	3.0%[4]	3.0%
Minimum LCR	100%	100%	100%	100%	100%
Minimum NSFR	100%	100%	100%	100%	100%

	Temporary forbearance to enable banks to provide support to the economies amid COVID-19
Singapore	The required stable funding factor under NSFR is cut from 50% to 25% for customer loans maturing within 6 months until 30 September 2021. This will be progressively raised back to 50% by 1 April 2022.
Malaysia	Banks may draw down on capital conservation buffer of 2.5%, operate below the 100% minimum LCR, and are expected to restore their buffers within a reasonable period after 31 December 2020. NSFR was implemented on 1 July 2020, but with a lower minimum of 80%. The 100% minimum will start from 30 September 2021.
Thailand	Banks are able to temporarily maintain LCR and NSFR at lower than 100% until 31 December 2021.

Source: Regulatory notifications

1. Includes 2% for D-SIB (domestic-systemically important banks) buffer for the three Singapore banks
2. Each regulator determines its own level of countercyclical capital buffer
3. According to the regulations, Indonesia D-SIBs will initially be subject to a D-SIB buffer of up to 2.5%
4. Compliance by 2022

Impact of Basel IV[1] likely to be manageable

Retail credit

Wholesale credit

Others

Lower RWA	Higher RWA
LGD[2] floor of Retail Mortgage cut to 5% from 10%	LGD[2] and PD[3] floors introduced for QRRE[4] and Other Retail
Unsecured corporate FIRB[5] LGD[2] cut to 40% from 45%	CCF[6] for unconditional cancellable commitments raised to 10% from 0%
CCF[6] for general commitments cut to 40% from 75%	PD[3] floor of bank asset class raised to 5bp from 3bp
Higher haircuts and lower FIRB[5] secured LGD	RWA[7] output floor set at 72.5% of that of standardised approach
Removal of 1.06 multiplier for IRB[8] RWA[7]	Fundamental review of the trading book

Source: BCBS

1. Basel IV: Reducing variation in risk-weighted assets
2. Loss given default
3. Probability of default
4. Qualifying revolving retail exposures
5. Foundation internal rating-based approach
6. Credit conversion factor
7. Risk weighted assets
8. Internal rating-based approach

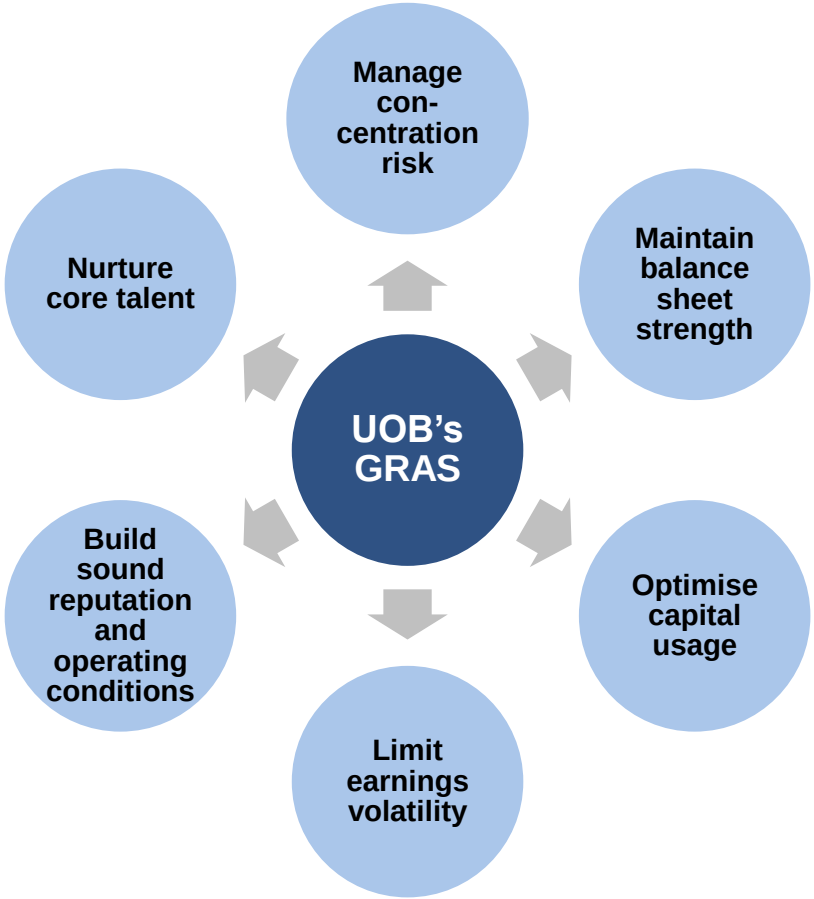
Strong UOB Fundamentals

Strong UOB fundamentals

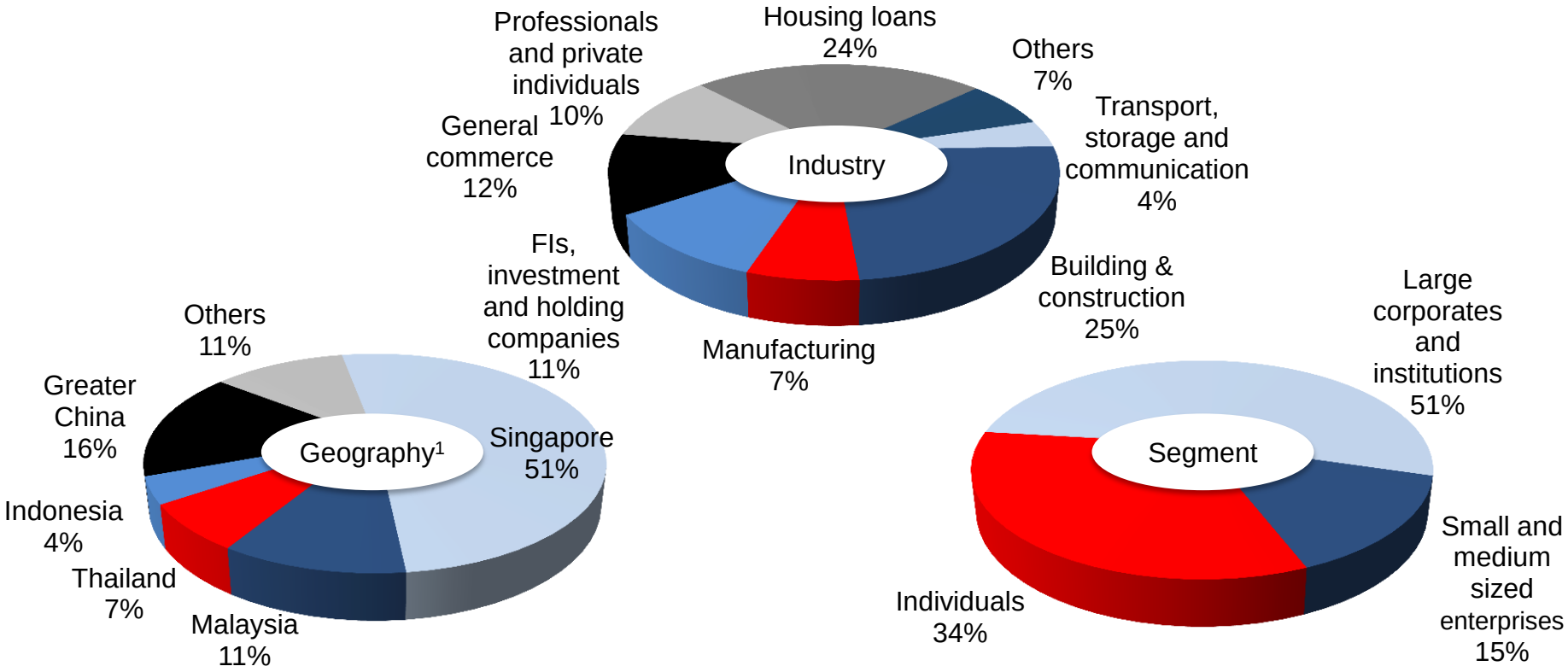
Strong management with proven track record	Consistent and focused financial management	Disciplined management of balance sheet strengths	Delivering on regional strategy
			
▪ Proven track record in steering UOB through various global events and crises ▪ Stability of management team ensures consistent execution of strategies	▪ Responsible yet prudent approach in extending loan relief to customers ▪ Continued investment in talent and technology to build capabilities in a disciplined manner ▪ At least 50% of Group earnings from home market of Singapore (AAA sovereign rating)	▪ Strong Common Equity Tier 1 capital adequacy ratio of 14.7% as at 31 December 2020 ▪ Diversified funding and sound liquidity, with 85.4% loan/deposit ratio ▪ Strengthened coverage, with allowances for non-impaired loans covering 1% of performing loans	▪ Holistic regional bank, with full control of overseas subsidiaries ▪ Focus on profitable niche segments and intra-regional flows ▪ Entrenched domestic presence and deep local knowledge to address needs of our targeted segments

Managing risks for stable growth

- **Prudent approach has been key to delivering sustainable returns over the years**
- **Institutionalised framework through Group Risk Appetite Statement (GRAS):**
  - Outlines risk and return objectives to guide strategic decision-making
  - Comprises 6 dimensions and 14 metrics
  - Entails instilling prudent culture as well as establishing policies and guidelines
  - Invests in capabilities, leverage integrated regional network to ensure effective implementation across key markets and businesses



Diversified loan portfolio



Note: Financial statistics as at 31 December 2020

1. Loans by geography are classified according to where credit risks reside, largely represented by the borrower's country of incorporation / operation (for non-individuals) and residence (for individuals)

Disciplined balance sheet management

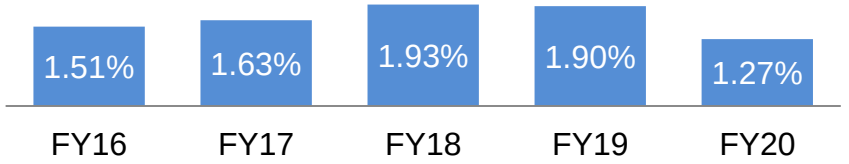
Focus on balance sheet efficiency

Healthy portfolio quality

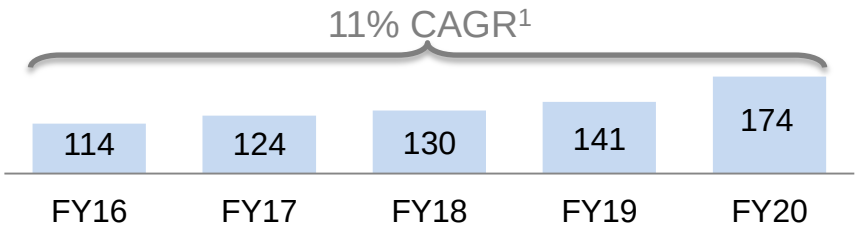
Proactive liability management

Robust capitalisation

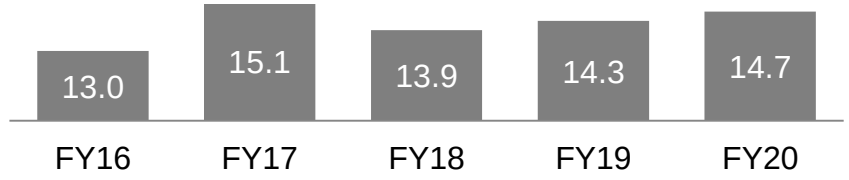
Return on risk-weighted assets



Current Account Saving Account Balances (SGD b)



Common Equity Tier 1 ratio (%)



1. Compound annual growth rate over 4 years (FY16 to FY20)

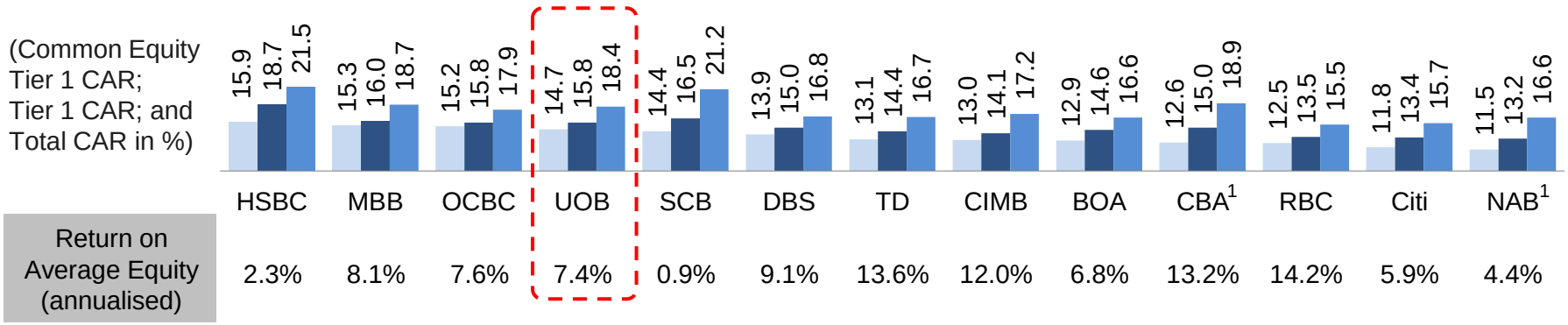
Competitive against peers

Moody's	S&P	Fitch		Standalone Strength *Moody's baseline credit assessment*	Efficient Cost Management *Costs/income ratio*	Competitive returns *Return on average assets (annualised)*	Well-Maintained Liquidity *Loan/deposit ratio*
Aa1	AA–	AA–	**UOB**	a1	46%	0.7%	85%
Aa1	AA–	AA–	**OCBC**	a1	44%	0.9%	84%
Aa1	AA–	AA–	**DBS**	a1	42%	0.8%	80%
A2	A–	A+	**HSBC**	a3	68%	0.2%	63%
A2	BBB+	A	**SCB**	baa1	70%	0.1%	61%
A2	A–	A+	**BOA**	a3	65%	0.7%	51%
A3	BBB+	A	**Citi**	baa1	58%	0.5%	51%
Aa3	AA–	A+	**CBA**	a2	47%	0.9%	105%
Aa3	AA–	A+	**NAB**	a2	52%	0.3%	127%
Aa2	AA–	AA	**RBC**	a3	53%	0.7%	68%
Aa1	AA–	AA–	**TD**	a1	50%	0.8%	65%
A3	A–	n.r.	**CIMB**	baa2	53%	0.2%	88%
A3	A–	BBB+	**MBB**	a3	45%	0.8%	90%

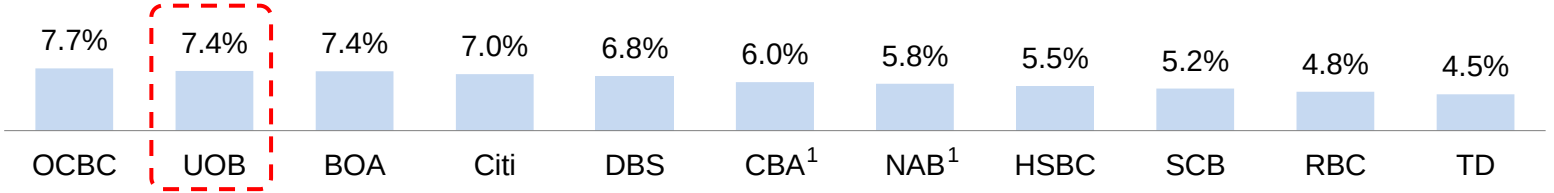
Source: Company reports, Credit rating agencies (updated as of 25 Feb 21)
Banks' financials as of 31 Dec 20, except for those of RBC, TD (30 Oct 20), NAB and CIMB (30 Sep 20).

Strong capital and leverage ratios

Reported Common Equity Tier 1 CAR, Tier 1 CAR and Total CAR



Reported Leverage Ratio



Source: Company reports

Banks' financials as of 31 Dec 20, except for those of RBC, TD (30 Oct 20), NAB and CIMB (30 Sep 20).

1. NAB's and CBA's CARs based on APRA's standards. Their internationally comparable CET1 CAR was 15.8% (30 Sep 20) and 18.7% (31 Dec 20), respectively

Strong investment grade credit ratings

Moody's Investors Service — ***Aa1 / P-1***

- Capital good by global standards
- Deposit-funded and liquid balance sheet
- Traditional banking presence in Singapore, Malaysia and other markets

Standard & Poor's Ratings Services (McGraw Hill Financial) — ***AA– / A-1+***

- Well-established market position, strong funding and prudent management record
- Will maintain its capitalisation and asset quality while pursuing regional growth

FitchRatings — ***AA– / F1+***

- Sound capital and high loan-loss buffers
- Disciplined funding strategy, supported by its strong domestic franchise

1. AT1: Additional Tier 1 securities.

Note: Table comprises UOB's public rated issues; FXN: Fixed Rate Notes; FRN: Floating Rate Notes; NC: Non-call; Updated as of 25 Feb 2021.

FX rates at 31 Dec 2020: USD 1 = SGD 1.32; AUD 1 = SGD 1.02; GBP 1 = SGD 1.80; EUR 1 = SGD 1.62; RMB 1 = SGD 0.20

Debt Issuance History / Debt Maturity Profile (SGD m)

	Issue Date	Structure	Call	Amount	Ratings (M/S/F)	2021	2022	2023	2024	2025	2026	2027
AT1[1]	Jul-19	Perpetual	2026	SGD750m	Baa1/BBB–/BBB+	-	-	-	-	-	750	-
	Oct-17	Perpetual	2023	USD650m	Baa1 / – /BBB+	-	-	859	-	-	-	-
	May-16	Perpetual	2021	SGD750m	Baa1 / – /BBB+	750	-	-	-	-	-	-
Tier 2	Sep-20	10½NC5½	2026	USD600m	A2 / BBB+ / A	-	-	-	-	-	793	-
	Apr-19	10NC5	2024	USD600m	A2 / BBB+ / A	-	-	-	793	-	-	-
	Feb-17	12NC7	2024	SGD750m	A2 / – / A	-	-	-	750	-	-	-
	Sep-16	10½NC5½	2022	USD600m	A2 / – / A	-	793	-	-	-	-	-
	Mar-16	10½NC5½	2021	USD700m	A2 / – / A	925	-	-	-	-	-	-
Senior	Oct-20	5yr FRN		AUD750m	Aa1 / AA– / AA–	-	-	-	-	764	-	-
	Oct-20	3yr FRN		AUD500m	– / AA– / –	-	-	509	-	-	-	-
	Jul-19	3yr FRN		AUD500m	Aa1 / AA– / AA–	-	509	-	-	-	-	-
	Mar-19	3yr FXN	-	RMB2b	AAA (CCXI)	-	405	-	-	-	-	-
	Jul-18	3½yr FRN	-	AUD600m	Aa1 / AA– / AA–	-	611	-	-	-	-	-
	Apr-18	3yr FRN	-	USD500m	Aa1 / AA– / AA–	660	-	-	-	-	-	-
	Apr-18	3yr FXN	-	USD700m	Aa1 / AA– / AA–	925	-	-	-	-	-	-
	Apr-17	4yr FRN	-	AUD300m	Aa1 / AA– / AA–	306	-	-	-	-	-	-
Covered	Dec-20	7yr FXN	-	EUR1b	Aaa / AAA / –	-	-	-	-	-	-	1,624
	Sep-19	3yr FXN	-	USD500m	Aaa / AAA / –	-	660	-	-	-	-	-
	Sep-18	5yr FXN	-	EUR500m	Aaa / AAA / –	-	-	812	-	-	-	-
	Feb-18	5yr FRN	-	GBP350m	Aaa / AAA / –	-	-	631	-	-	-	-
	Jan-18	7yr FXN	-	EUR500m	Aaa / AAA / –	-	-	-	-	812	-	-
	Mar-17	5yr FXN	-	EUR500m	Aaa / AAA / –	-	812	-	-	-	-	-
	Mar-16	5yr FXN	-	EUR500m	Aaa / AAA / –	812	-	-	-	-	-	-
					Total	**4,377**	**3,790**	**2,811**	**1,543**	**1,576**	**1,543**	**1,624**

Our Growth Drivers

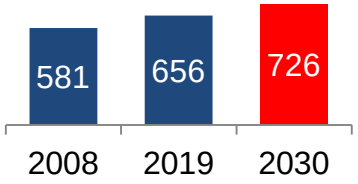
Our growth drivers

Realise full potential of our integrated platform	Sharpen regional focus	Reinforce fee income growth	Long-term growth perspective
			
▪ Provides us with ability to serve expanding regional needs of our customers ▪ Improves operational efficiency, enhances risk management, seamless customer experience and faster time to market	▪ Global macro environment remains uncertain but the region's long-term fundamentals continue to remain strong ▪ Region is our growth engine in view of growing intra-regional flows and rising consumer affluence, leveraging digitalisation and partnerships	▪ Grow fee income to offset competitive pressures on loans and improve return on risk weighted assets ▪ Increase client wallet share size by intensifying cross-selling efforts, focusing on service quality and expanding range of products and services	▪ Disciplined approach in executing growth strategy, balancing growth with stability ▪ Focus on risk adjusted returns; ensure balance sheet strength and robust capital through economic cycles

Southeast Asia's immense long-term potential

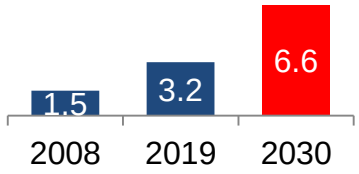
Population

(Million persons)



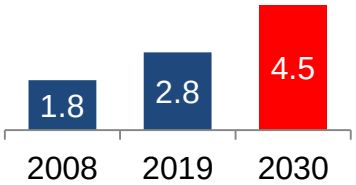
GDP[1]

(USD trillion)



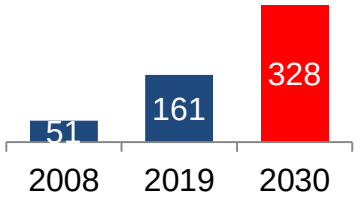
Trade[2]

(USD trillion)



FDI[3]

(USD billion)

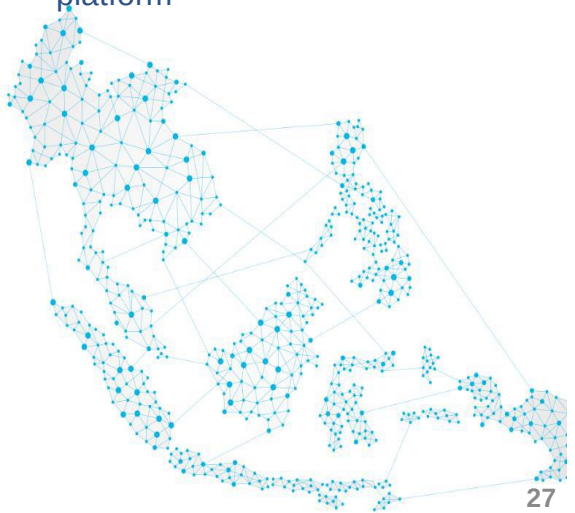


Southeast Asia's immense growth prospects…

- Third largest population globally, after China and India
- Young demographics, with 384 million below 35 years old
- Fifth largest economic bloc globally by GDP[1]
- Fourth largest trading group globally
- Third largest recipient of inward FDI[3] globally

… that UOB is uniquely placed to capture

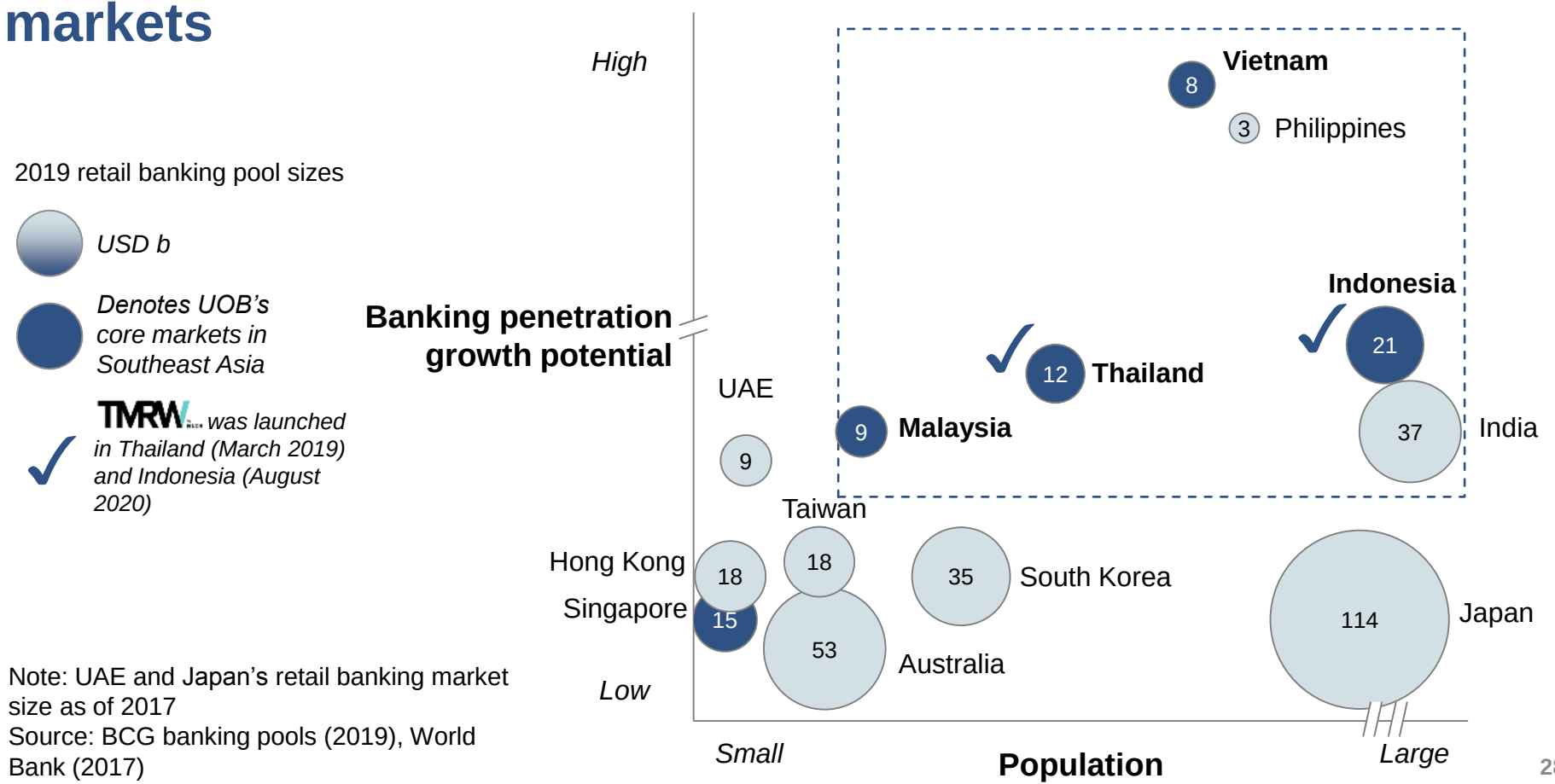
- Most diverse regional franchise among Singapore banks
- Full effective control of regional subsidiaries and integrated platform



1. Gross domestic product 2. Comprises exports and imports 3. Foreign direct investments

Source: Macrobond, UOB Global Economics and Markets Research

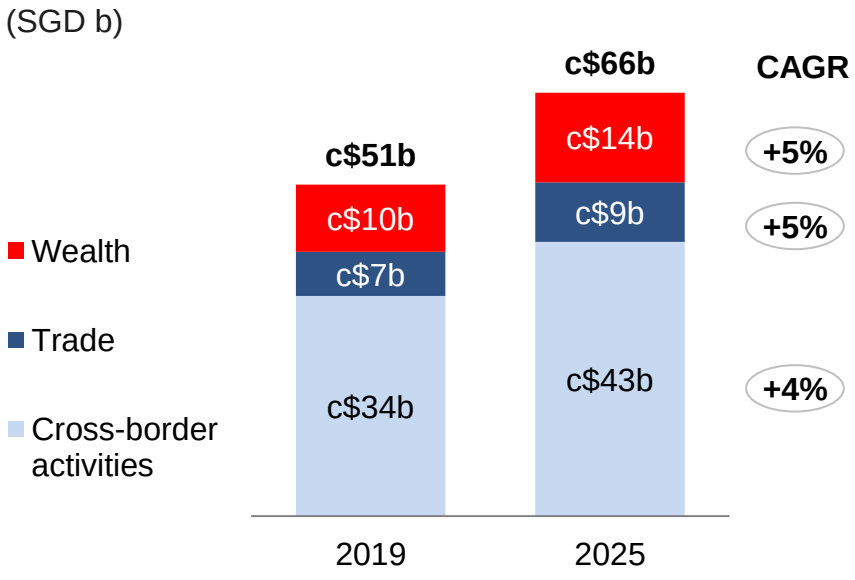
Strong retail presence in high potential regional markets



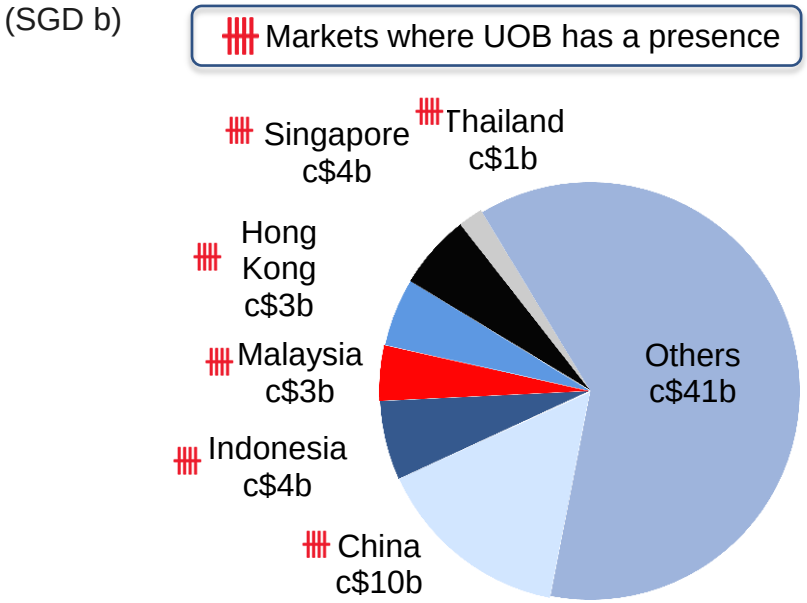
Note: UAE and Japan's retail banking market size as of 2017
Source: BCG banking pools (2019), World Bank (2017)

Revenue potential from 'connecting the dots' in the region

Industry's potential connectivity revenue



Industry's potential connectivity revenue (2025)



Note: '*Trade*' and '*cross-border activities*' capture both inbound and outbound flows of Southeast Asia, with '*trade*' comprising exports and imports while '*cross-border activities*' comprising foreign direct investments and M&A. '*Wealth*' captures offshore and onshore assets booked in Singapore as a wealth hub. Incorporating BCG analysis, these are converted into banking revenue potential

Source: Boston Consulting Group's analysis, Boston Consulting Group Global Banking Revenue pool

Wholesale: Growing regional franchise, capturing cross-border opportunities

Strengthening Connectivity

Across our ASEAN footprint and global network

29%[1]
Cross-border income's contribution to Group Wholesale Banking income

+2%[2]
Non-Singapore income growth

Sector Specialisation

Building capabilities for greater diversification and risk mitigation

+17%[2]
Financial institution sector income growth

+3%[2]
Non-real estate income growth

Deepening Digitalisation

For secure and efficient transactions

+23%[2,3]
Digital banking transactions by businesses

+6x[2,4]
Cashless payments to businesses

1. For FY20 2. Year-on-year growth for FY20 3. Refers to number of transactions via Business Internet Banking Plus across the Group
4. Refers to payments made on Corporate PayNow in Singapore

Consumers: Tapping on rising affluence in Southeast Asia

Omni-channel Experience

Serving affluent customers across various touchpoints

67%[1]
Digitally-engaged customers

SGD134b[1,2]
Assets under management (AUM)
▲ 6% YoY[3]

Digital Bank: TMRW

Specially for mobile-first and mobile-only generation

+3x[3]
Increase in TMRW customers in Thailand and Indonesia

25%
Highly active customers[4]

Ecosystem Partnerships

Forging collaborations to widen distribution reach and deepen wallet share

100%
of car loan applications[5] were digital in 4Q20

1 in 2
home mortgage applications[5] were digital in 4Q20

1. For FY20 2. Around 60% of AUM were from overseas customers 3. Year-on-year (YoY) growth for FY20
4. Defined as customers who transact at least 4 times monthly 5. In Singapore

Forging a sustainable future for ASEAN

Wholesale Customers

Sustainable growth in seven sectors driving ASEAN progress

SGD11b

Total sustainability financing[1] provided to date as of end-2020

Wealth Management

Integrate sustainability into wealth management products and advisory framework

Increased

ESG-themed transactions in FY20

Asset Management

Signatory to the Principles for Responsible Investment

8

Awards

UOB's notable recognitions

#2

among ASEAN banks in 2021

WWF Sustainable Banking Assessment

#2

among Singapore companies in 2020

ASEAN Corporate Governance Scorecard

#3

By market capitalisation as at Jan'21

FTSE4Good ASEAN-5 Index

Inclusion

in 2021

Bloomberg Gender Equality Index

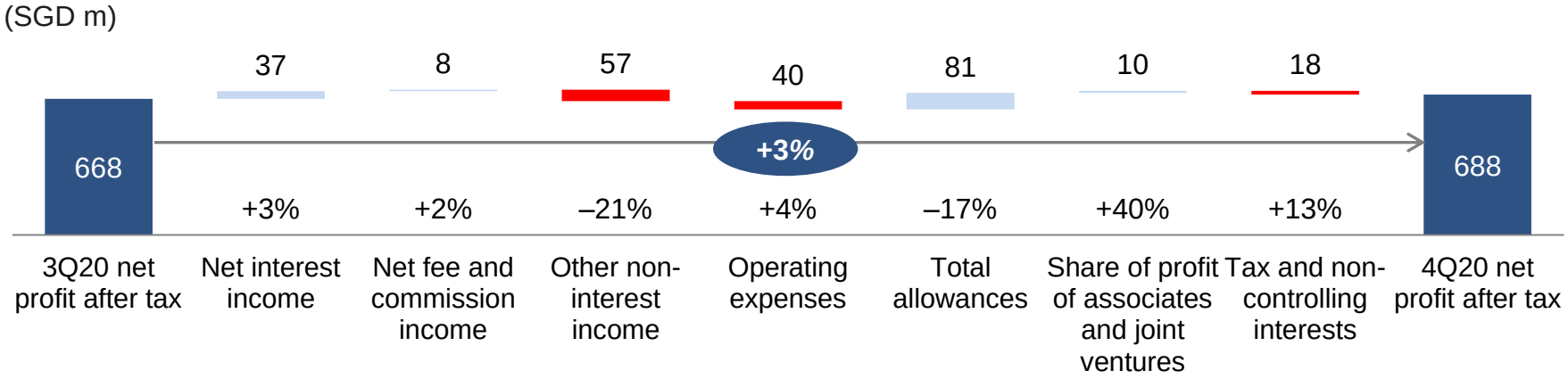
1. Outstanding green loans, sustainability-linked loans and loans for green certified buildings

Source: Bloomberg; Centre for Governance and Sustainability at National University of Singapore Business School; FTSE Russell; and World Wide Fund for Nature

Latest Financials

4Q20 financial overview

Net Profit After Tax Movement, 4Q20 vs 3Q20

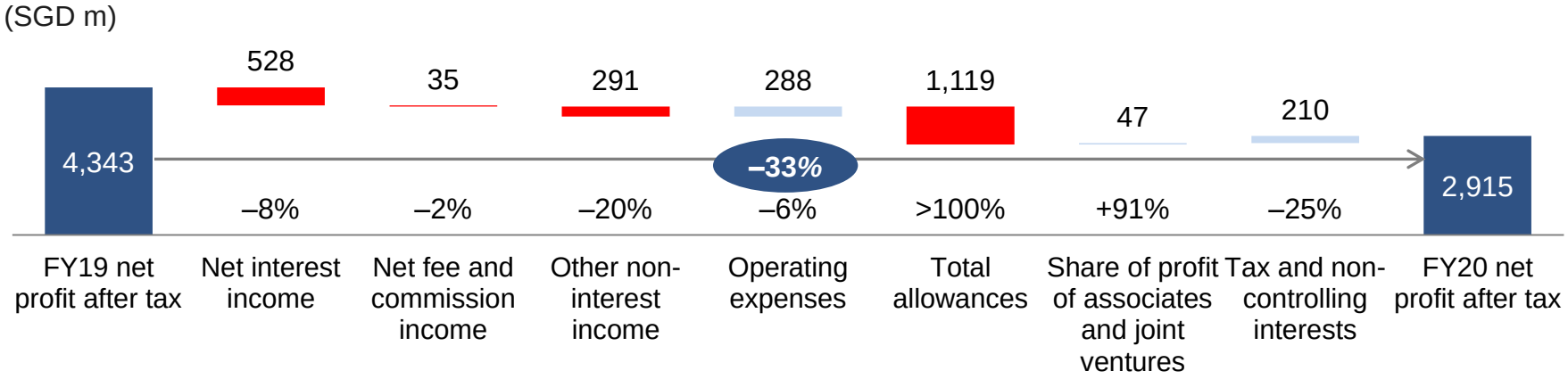


Key Indicators	4Q20	3Q20	QoQ Change	4Q19	YoY Change
Net interest margin (%) [1]	1.57	1.53	+0.04% pt	1.76	–0.19% pt
Non-interest income / Income (%)	32.8	34.8	–2.0% pt	32.8	–
Cost / Income ratio (%)	46.7	44.6	+2.1% pt	45.9	+0.8% pt
Return on equity (%) [1, 2]	7.0	6.9	+0.1% pt	10.6	–3.6% pt

1. Computed on an annualised basis
2. Calculated based on profit attributable to equity holders of the Bank, net of perpetual capital securities distributions

FY20 financial overview

Net Profit After Tax Movement, FY20 vs FY19



Key Indicators	FY20	FY19	YoY Change
Net interest margin (%) [1]	1.57	1.78	–0.21% pt
Non-interest income / Income (%)	34.2	34.6	–0.4% pt
Cost / Income ratio (%)	45.6	44.6	+1.0% pt
Return on equity (%) [1, 2]	7.4	11.6	–4.2% pt

1. Computed on an annualised basis
2. Calculated based on profit attributable to equity holders of the Bank, net of perpetual capital securities distributions

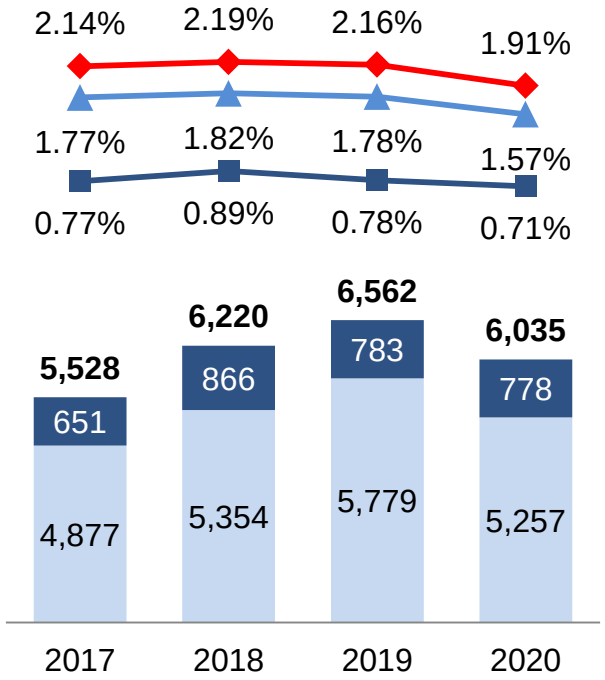
Net interest margin lifted by proactive liability management

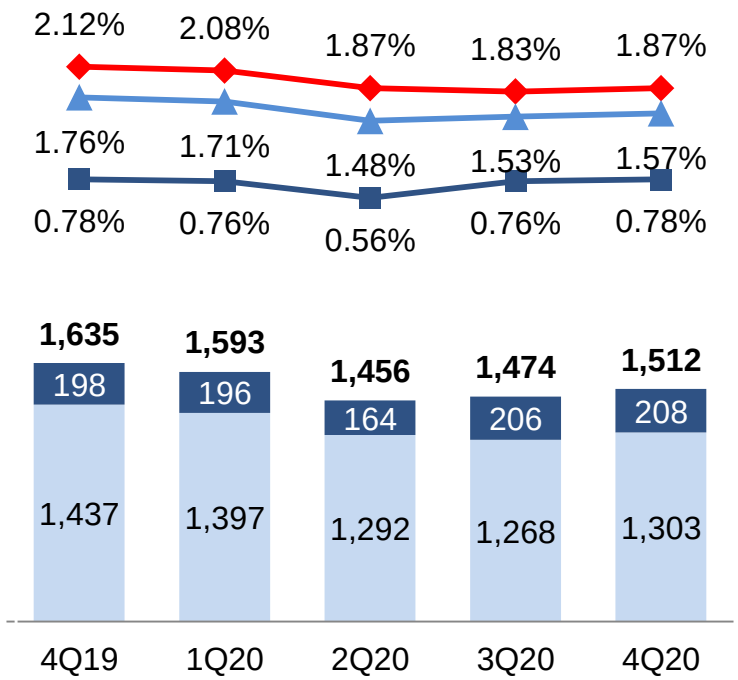
Net interest margin (%) *

- Loans
- Overall
- Interbank & securities

Net interest income (SGD m)

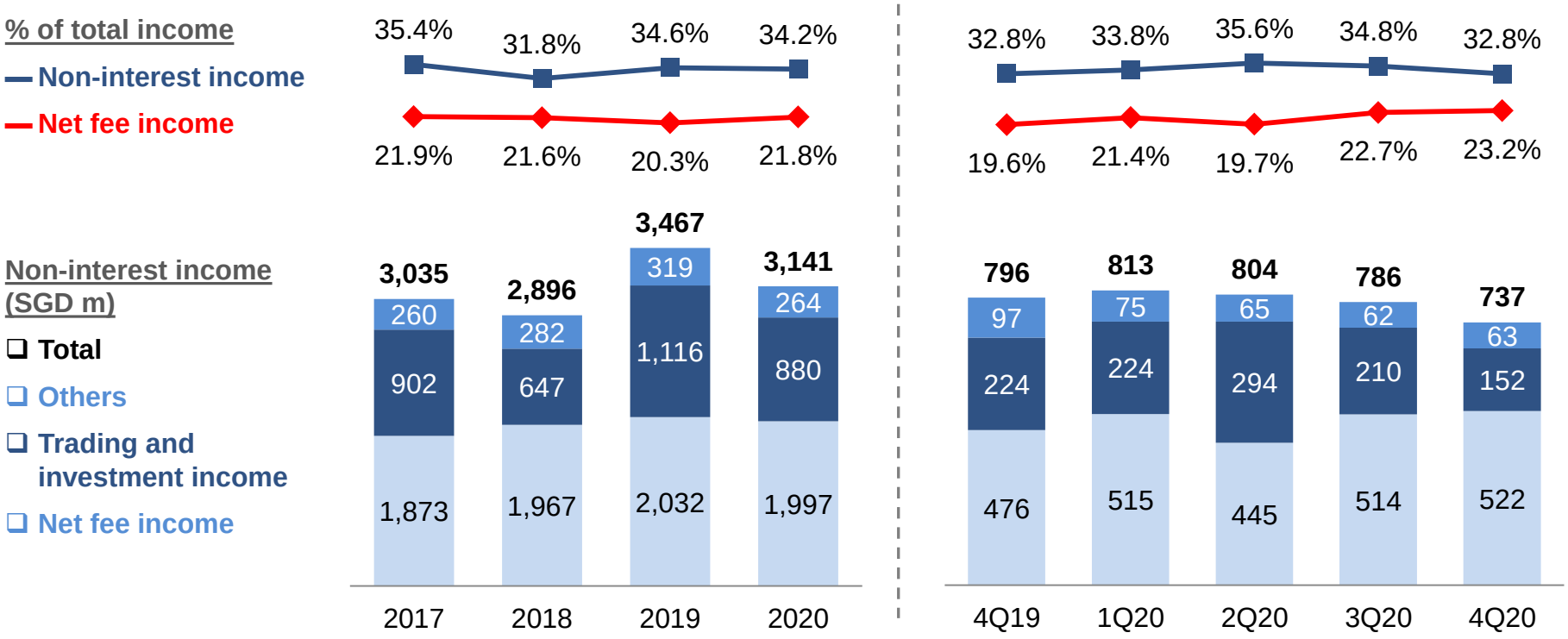
- Total
- Interbank & securities
- Loans





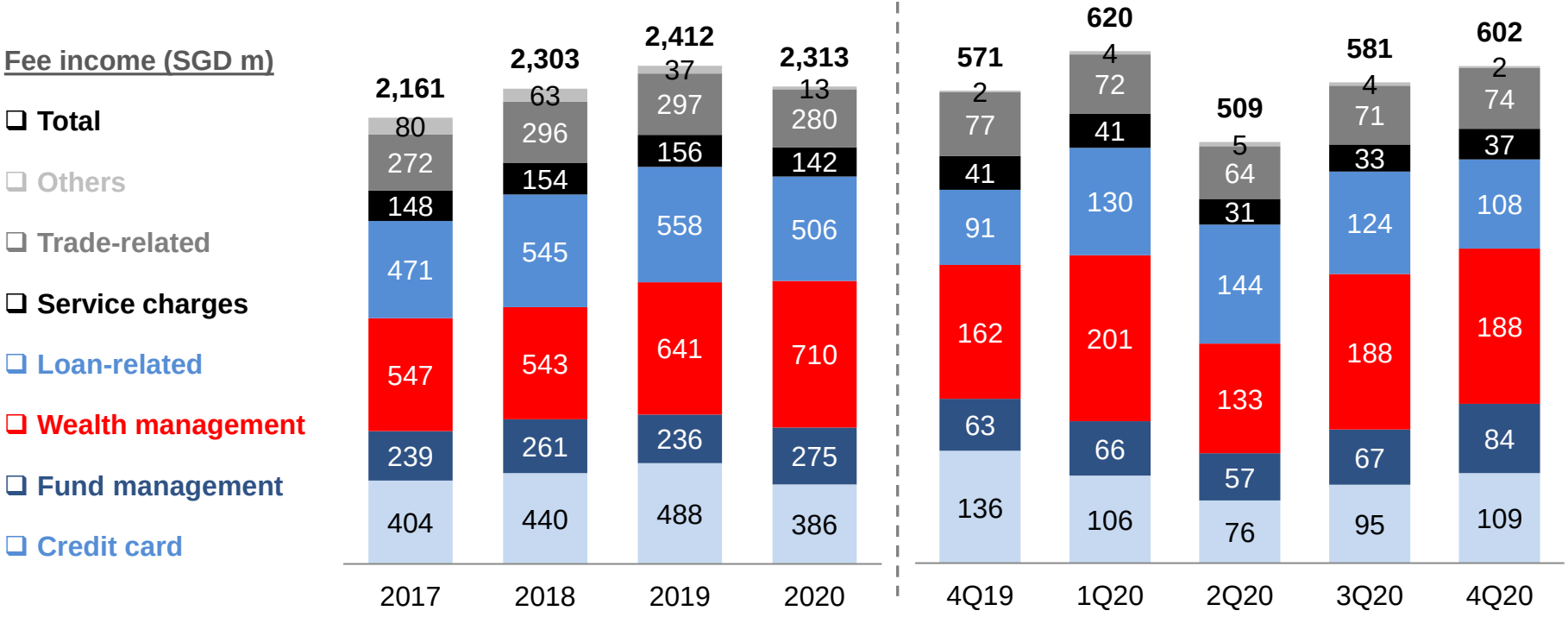
* Computed on an annualised basis, where applicable

Non-interest income supported by diversified revenue engines



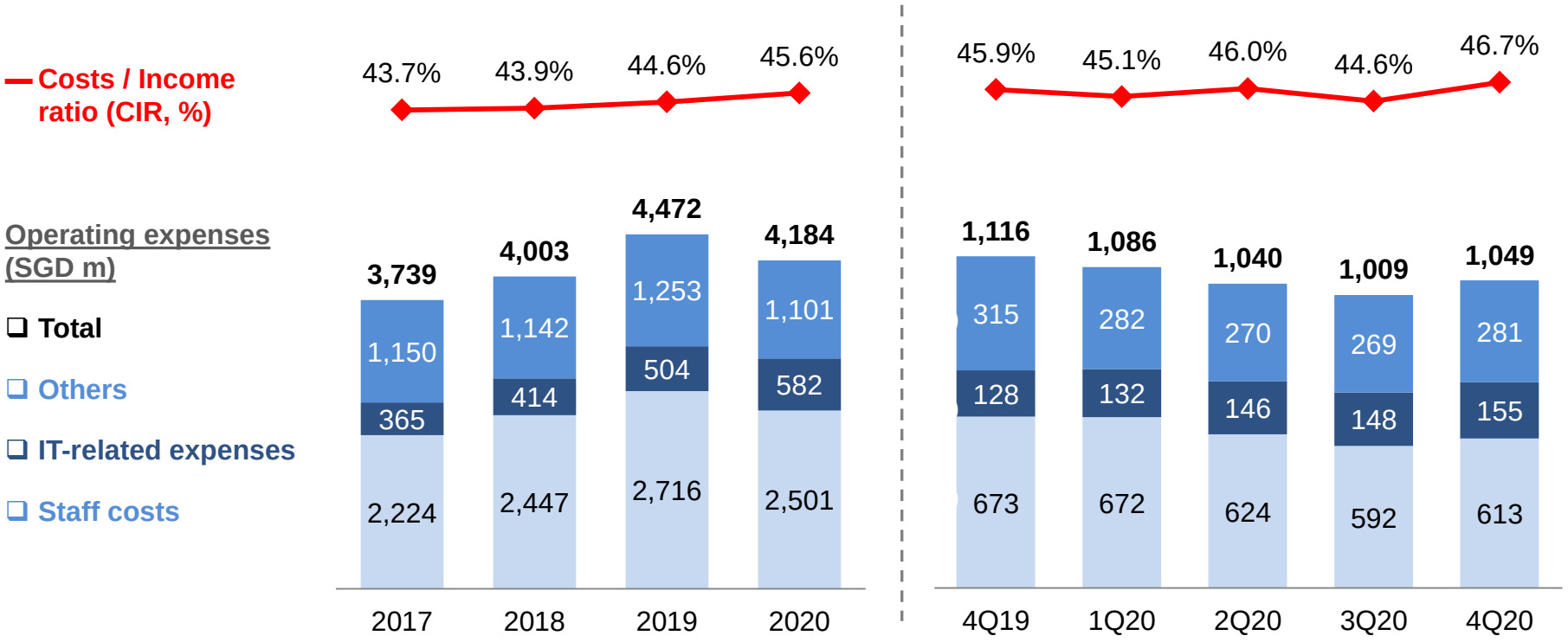
Note: Fee income has been restated where the amounts are net of expenses directly attributable to fee income

Diverse fee base, with higher credit cards and fund management fees and steady wealth management fees



Note: The amounts represent fee income on a gross basis

Pacing investments in staff and technology, while keeping CIR broadly stable



Note: Expenses have been restated where the amounts no longer include expenses directly attributable to fee income

Overseas diversification provided some stability, as operating profit eased in Singapore

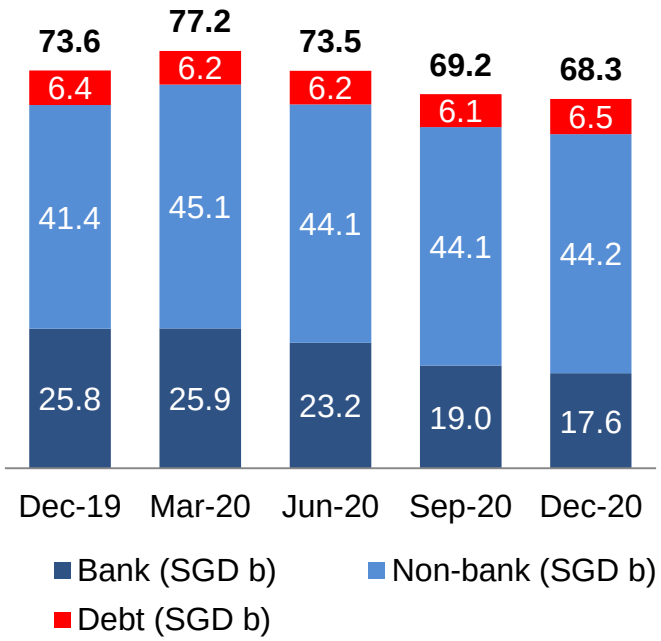
Operating profit	FY20 SGD m	FY19 SGD m	YoY +/(–) %	4Q20 SGD m	3Q20 SGD m	QoQ +/(–) %
Singapore	2,592	3,276	–21	651	626	+4
Rest of Southeast Asia	1,302	1,220	+7	307	332	–8
Malaysia	*675*	*649*	*+4*	*164*	*161*	*+2*
Thailand	*392*	*405*	*–3*	*94*	*109*	*–14*
Indonesia	*211*	*137*	*+54*	*51*	*57*	*–11*
Vietnam	*16*	*21*	*–26*	*-3*	*3*	*> –100*
Others	*8*	*8*	*–8*	*1*	*2*	*–41*
North Asia	548	556	–1	102	154	–34
Greater China	*514*	*536*	*–4*	*100*	*149*	*–33*
Others	*34*	*19*	*+75*	*3*	*6*	*–56*
Rest of the world	550	506	+9	139	139	+0
Total	**4,992**	**5,558**	**–10**	**1,200**	**1,252**	**–4**

Lending activity subdued, but may gradually pick up with gradual improvements in macro conditions

Gross Loans	Dec-20 SGD b	Sep-20 SGD b	QoQ +/(–) %	Dec-19 SGD b	YoY +/(–) %
Singapore	143	144	–1	139	+3
Rest of Southeast Asia	63	63	+0	63	+0
Malaysia	*30*	*30*	*–2*	*30*	*+0*
Thailand	*21*	*19*	*+6*	*20*	*+5*
Indonesia	*10*	*11*	*–4*	*11*	*–9*
Vietnam	*2*	*2*	*+6*	*1*	*+17*
Others	*1*	*1*	*–11*	*1*	*–27*
North Asia	47	47	–0	43	+9
Greater China	*44*	*44*	*+0*	*41*	*+7*
Others	*3*	*3*	*–3*	*2*	*+59*
Rest of the world	28	27	+6	24	+17
Total	**281**	**281**	**+0**	**269**	**+5**

Note: Loans by geography are classified according to where credit risks reside, largely represented by the borrower's country of incorporation / operation (for non-individuals) and residence (for individuals)

Exposure to Greater China



As at 31 December 2020:

Mainland China exposure
($25.8b or 6% of total assets)

Bank exposure ($12.5b)

- ~60% to top five domestic banks and three policy banks
- 100% with <1 year tenor
- Trade exposures accounting for ~30% of total bank exposure

Non-bank exposure ($10.6b)

- Target customers include top-tier state-owned enterprises, large local corporates and foreign investment enterprises
- ~50% denominated in RMB
- ~50% with <1 year tenor
- NPL ratio at 0.4%

Hong Kong SAR exposure
($35.2b or 8% of total assets)

Bank exposure ($3.2b)

- Majority to foreign banks

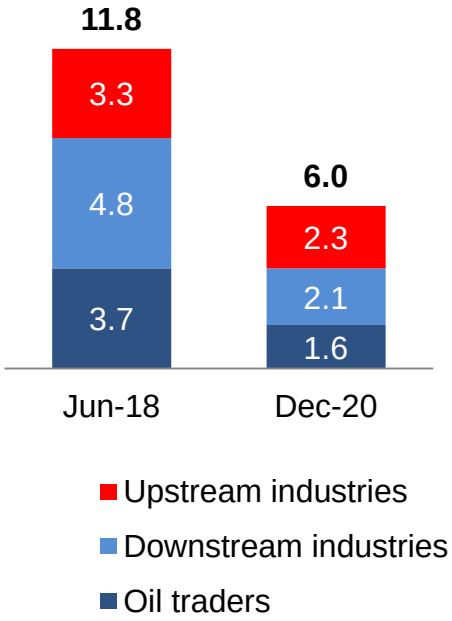
Non-bank exposure ($29.0b)

- Mainly wholesale corporates
- ~60% with <1 year tenor
- NPL ratio at 1.0%

Note: Classification is according to where credit risks reside, largely represented by the borrower's country of incorporation / operation (for non-individuals) and residence (for individuals)

Exposure to oil and gas sector

Total Outstanding O&G Loans
(SGD b)



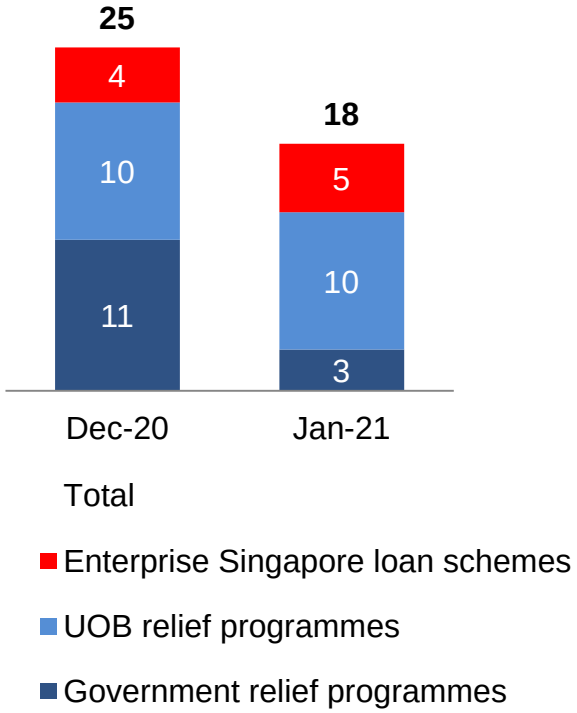
- As of 31 December 2020, oil and gas (O&G) loans represented 2.0% of total loans as compared with 4.7% at 30 June 2018
- A significant portion of upstream exposure is to national oil companies (NOCs) and international oil companies, while vulnerable accounts were already classified and their collateral value marked down (by as much as 90%) by end-2017
- Around 60% of O&G exposure is to downstream players and traders, of which about two-thirds are to NOCs and global firms, while short-term structured loans account for a significant share of the remainder

1. O&G upstream industries include offshore service companies

Portfolio remained sound as relief programmes unwound across the region

Book under relief measures

(SGD b)



- Residual loan relief programmes on a targeted basis, as broad-based government relief programmes have largely ended in 2020
- Gradual reopening of economies will help to cushion new NPLs ahead
- Bottom-up analysis of our books to proactively engage customers for support through the pandemic
- Asset quality impact is manageable, with around SGD2 billion in NPLs (which are well-collateralised) and 30-40bp in credit costs for loans expected

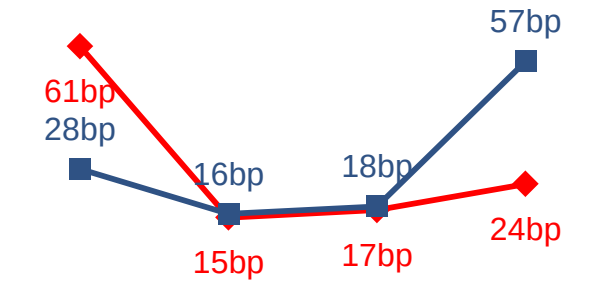
Increase in NPA from a few secured accounts

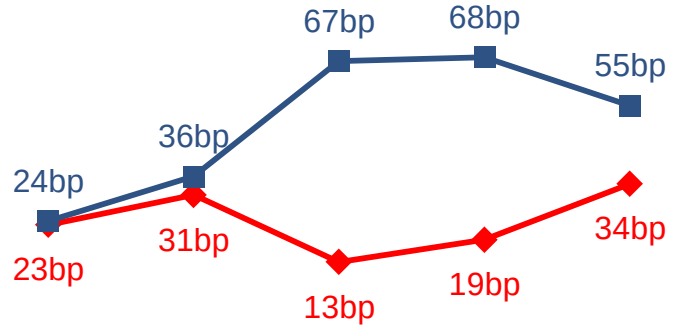
(SGD m)	4Q19	1Q20	2Q20	3Q20	4Q20
NPAs at start of period	**4,350**	**4,297**	**4,590**	**4,628**	**4,301**
Non-individuals:					
New NPAs	437	573	131	74	622
Upgrades and recoveries	(400)	(101)	(126)	(216)	(175)
Write-offs	(81)	(208)	(42)	(63)	(179)
	4,307	4,561	4,553	4,423	4,569
Individuals (Net)	(10)	29	75	(122)	39
NPAs at end of period	**4,297**	**4,590**	**4,628**	**4,301**	**4,608**
NPL ratio (%)	1.5%	1.6%	1.6%	1.5%	1.6%

Allowances for NPLs rising from historical lows

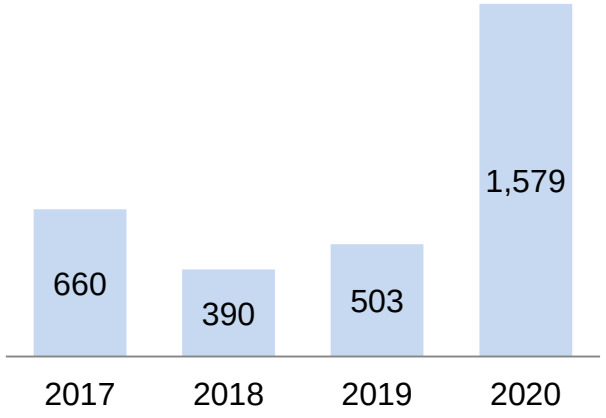
Average Gross Loans (basis points) *

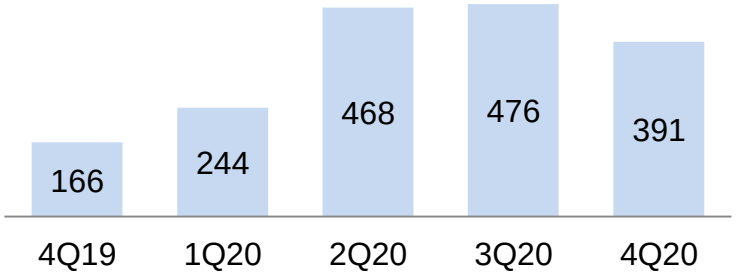
- **Allowances for NPLs**
- **Total allowances for Loans**





Total allowances for loans (SGD m)





* Computed on an annualised basis, where applicable

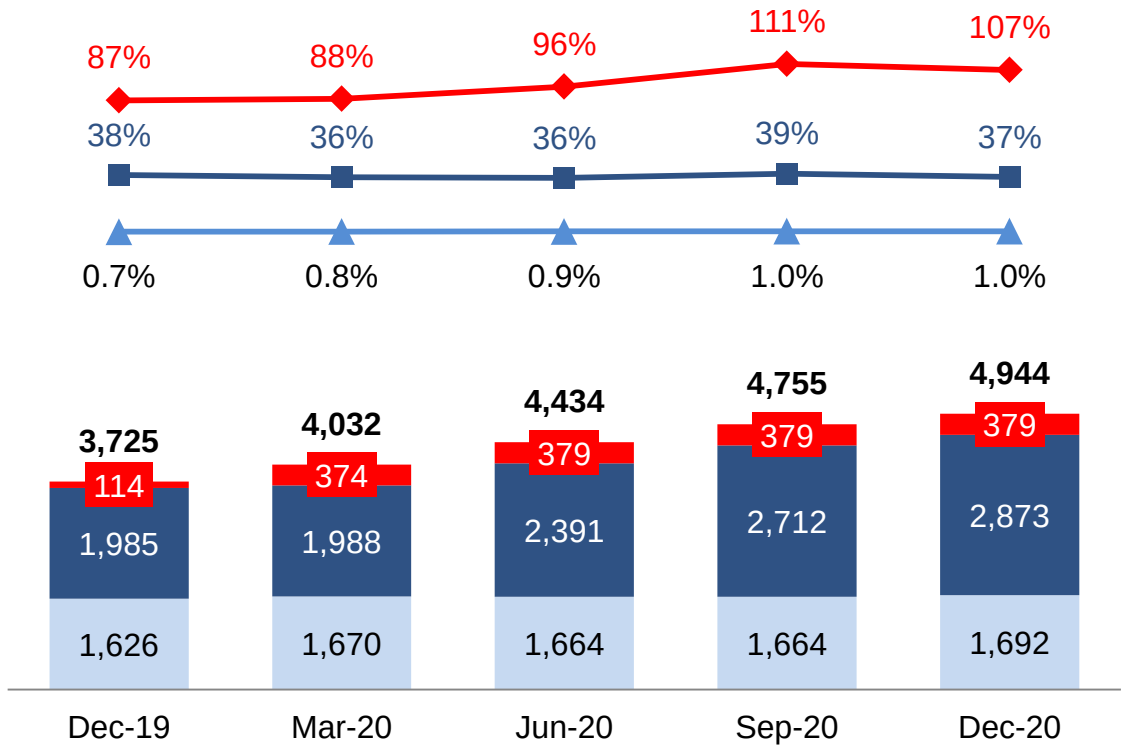
Reserve coverage already strengthened in anticipation of asset quality risk

Coverage ratios (%)

- **Total allowances* / NPAs**
- **Allowances for NPAs / NPAs**
- **Allowance for non-impaired loans* / performing loans (%)**

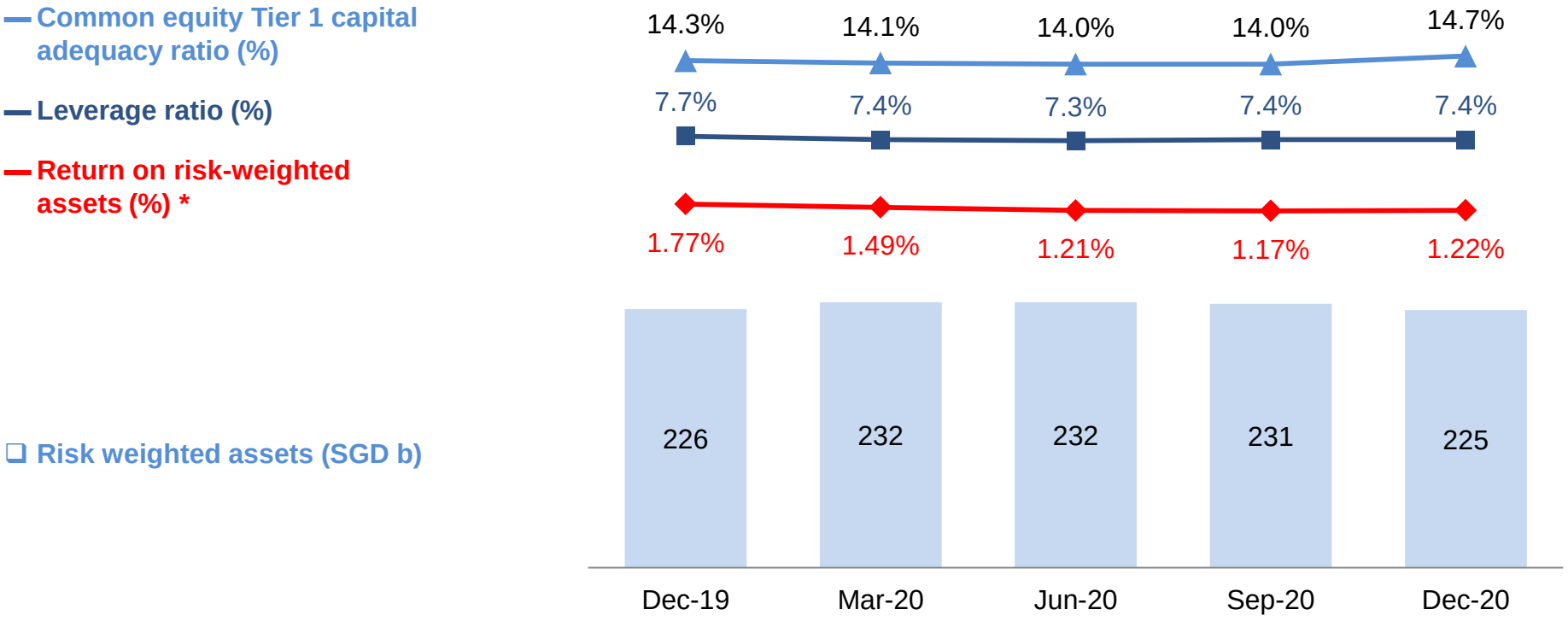
Allowances (SGD m)

- **Total**
- **Regulatory loss allowance reserve**
- **Allowances for non-impaired assets**
- **Allowances for impaired assets**



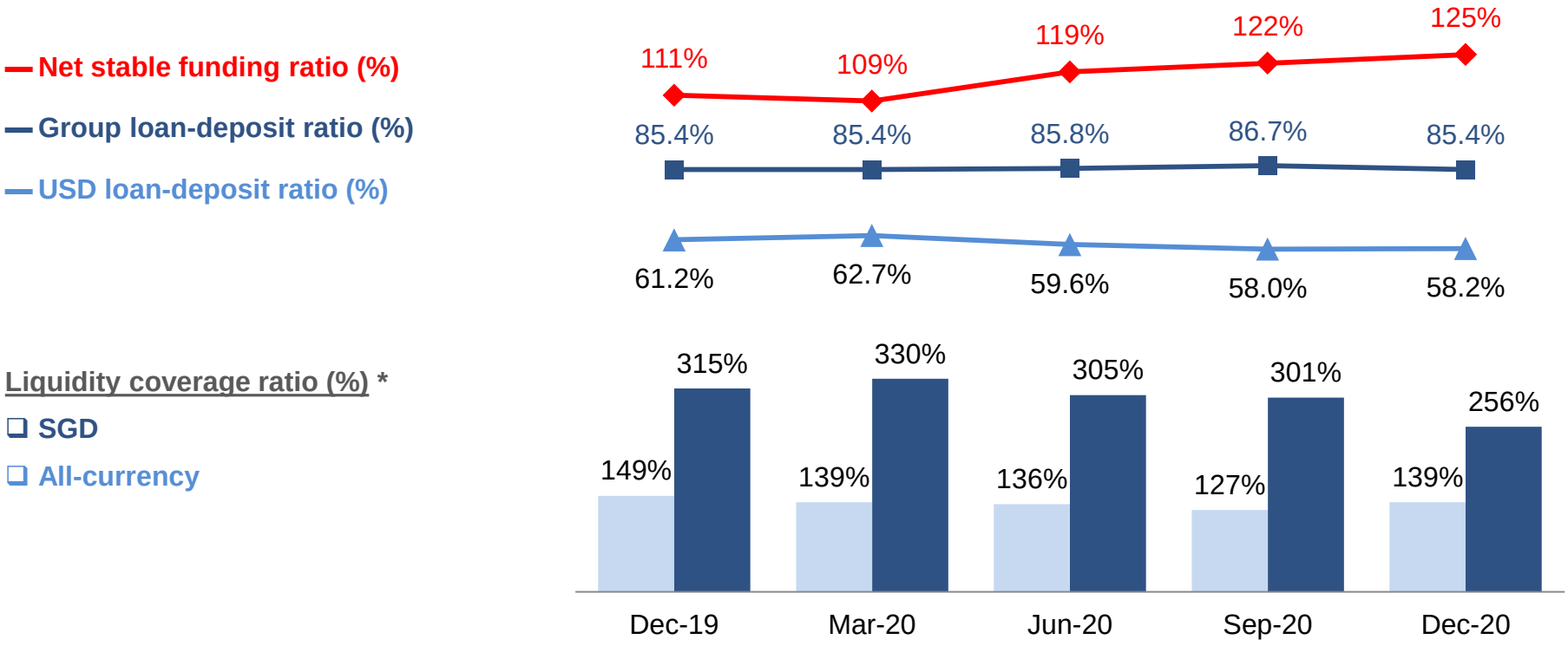
* Total allowances include regulatory loss allowance reserve pursuant to MAS Notice No. 612

Strong capital and leverage ratios



* Computed on an annualised basis

Sound funding and liquidity positions



* Computed on a quarterly average basis

2020 dividend in line with MAS guidance, scrip dividend applied but at no discount

Net dividend per ordinary share (¢)



	2017	2018	2019	2020
Payout amount (SGD m)	1,660	2,000	2,170	1,303
Payout ratio (%)	49	50	50	45[1]
Payout ratio (excluding special dividends) (%)	39	42	42	45[1]

1. FY20 dividends were in line with Monetary Authority of Singapore's call for banks to cap dividends at 60% of 2019 dividends.

Note: The Scrip Dividend Scheme was applied to all the dividends for the financial years ended 2017 and 2020

The Scheme provides shareholders with the option to receive Shares in lieu of the cash amount of any dividend declared on their holding of Shares. For more details, please refer to www.uobgroup.com/investor-relations/shares-and-dividends/dividends.html

Thank You

