

UOB announces Digital Bank to scale up its regional franchise

Pioneers engagement-focused business model for the mobile savvy

Singapore, 3 August 2018 – United Overseas Bank Limited (UOB) today announced that it is introducing a digital bank for ASEAN’s massive and increasing base of ‘mobile first’ and ‘mobile only’ customers. UOB’s Digital Bank will be deployed in its key Southeast Asian markets as the Group accelerates and broadens the growth of its regional customer franchise.

UOB’s Digital Bank customers across the region will enjoy a fully digital experience which is intuitive, transparent and engaging – from the moment they apply to open an account through to their everyday lifestyle needs. Every interaction will be designed to deepen the customer relationship through meaningful conversations and personalised engagement.

Mr Wee Ee Cheong, UOB’s Deputy Chairman and Chief Executive Officer, said, “All our efforts are driven by what is best for our customers. We harness our technology, knowledge and experience gained across all markets to provide our customers with relevant, smart, simple and safe solutions wherever they may be. The Group’s Digital Bank is our latest initiative to deepen engagement with our customers, especially the mobile savvy. It will also help scale up our customer franchise across Southeast Asia and positions us well for the future.”

Unique business model

At the heart of UOB’s Digital Bank customer engagement approach is its unique data-centric business model. This model is designed to address the entire customer life cycle comprehensively, ensuring the quality of each encounter to deepen relationships. The business model comprises five stages: Acquire, Transact, Generate data, Insight and Engage (ATGIE).

Through ATGIE, the customer experience starts with swift and simple onboarding which is localised to each market context. As customers interact more frequently, UOB’s Digital Bank will gain a better understanding of their preferences and behaviours. Over time, the deeper insights drawn would enable the Bank to anticipate customers’ needs, to determine how it can best help them and prompt them

towards smarter spending and saving habits for them to achieve their financial goals. This in turn would encourage even greater customer engagement, loyalty and advocacy.

Building blocks in place

UOB's ATGIE business model is powered by next-generation artificial intelligence, machine learning, data analytics, user interface design and smartphone capabilities. These include UOB's own digital technology innovations as well as solutions provided through its collaboration with FinTech partners such as its recent joint venture with Avatec.ai and its investment and partnership with Personetics.

Through Avatec.ai's next-generation credit assessment capabilities, UOB's Digital Bank will be able to serve a broader base of Southeast Asian customers, opening up possibilities and driving financial inclusion, including for customers new to credit as well as those who are underserved. Through UOB's partnership with Personetics, artificial intelligence-based solutions will be used to help identify patterns and extract insights based on the huge volumes of transaction data. This will enable UOB's Digital Bank to design more innovative, responsive and responsible digital banking services for its customers.

Dr Dennis Khoo, Head of Regional Digital Bank and Digital Banking, UOB said, "Our focus for UOB's Digital Bank is engagement and this guides the whole experience for our customers across Southeast Asia. Over the next ten years, the global retail banking industry will undergo significant change driven by innovation, the availability of rich and real-time data as well as the different needs and expectations of the mobile-savvy customers. UOB's distinctive approach, unique purpose-built business model and our data-centric digital bank will enable us to seize this opportunity."

UOB's Digital Bank aims to build a customer base of three to five million in the next five years, operating at a steady-state cost-to-income ratio of 35 per cent.

The Bank will announce the details of the consumer launch soon.

– Ends –

About United Overseas Bank Limited

United Overseas Bank Limited (UOB) is a leading bank in Asia with a global network of more than 500 offices in 19 countries and territories in Asia Pacific, Europe and North America. Since its incorporation in 1935, UOB has grown organically and through a series of strategic acquisitions. UOB is rated among the world's top banks: Aa1 by Moody's and AA- by Standard & Poor's and Fitch Ratings respectively. In Asia, UOB operates through its head office in Singapore and banking subsidiaries in China, Indonesia, Malaysia and Thailand, as well as branches and representative offices across the region.

Over more than eight decades, generations of UOB employees have carried through the entrepreneurial spirit, the focus on long-term value creation and an unwavering commitment to do what is right for our customers and our colleagues.

We believe in being a responsible financial services provider and we are committed to making a difference in the lives of our stakeholders and in the communities in which we operate. Just as we are dedicated to helping our customers manage their finances wisely and to grow their businesses, UOB is steadfast in our support of social development, particularly in the areas of art, children and education.

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