UOB Sustainability Report 2020

Forging a Sustainable Future



About This Report

United Overseas Bank Limited (UOB) has been committed to creating long-term value for our customers, our colleagues and our communities since 1935. In building a sustainable business over time and across borders, we engage our stakeholders constructively and regularly. This enables us to align our strategies with what is important to them and for them to have a deeper appreciation of how we contribute to enterprise, innovation and economic growth across the region.

In the UOB Sustainability Report 2020, we explain our sustainability approach, objectives and performance in the context of the year's operating environment. We also share how we create value for our stakeholders over the short, medium and long-term.

This Sustainability Report is approved by the UOB Board of Directors and is prepared in accordance with:

- the Singapore Exchange Securities Trading Limited Mainboard Listing Rules 711A and 711B on Sustainability Reporting, as well as Practice Note 7.6 Sustainability Reporting Guide issued in June 2016;
- the Global Reporting Initiative (GRI) Standards: Core Option issued in October 2016 by the Global Sustainability Standards Board;
- the GRI G4 Financial Services Sector Disclosures document;
- the Guidelines on Responsible Financing issued in October 2015 (revised June 2018) by the Association of Banks in Singapore; and
- the Recommendations of the Task Force on Climate-related Financial Disclosures issued in June 2017.

In applying the GRI Standards, we prioritised the four principles for defining report content, namely:

- Principle 1 - Stakeholder Inclusiveness;
- Principle 2 - Sustainability Context;
- Principle 3 - Materiality; and
- Principle 4 - Completeness.

In October 2018, the Sustainability Accounting Standards Board (SASB) published 77 industry-specific standards to guide companies in the disclosure of financially-material sustainability information to their investors. This report includes aspects of the SASB Financials Sector Standards most closely aligned with our business, namely:

- Commercial Banks;
- Consumer Finance; and
- Mortgage Finance.

This report is our first standalone Sustainability Report and should be read in conjunction with the UOB Annual Report 2020 and other related disclosures. Throughout the report, links to other relevant resources are provided for the convenience of our readers.

This report covers the period from 1 January to 31 December 2020, unless otherwise stated, and is published on 6 April 2021. It is available online at www.UOBgroup.com. No copies were printed on paper.

All figures in this report are in Singapore Dollars unless otherwise specified.

Certain figures in this report may not add up to the respective totals due to rounding.

We welcome your feedback and suggestions at Sustainability@UOBgroup.com

To find out more about UOB and sustainability, follow us on:
#SustainableFutureWithUOB
UOBSustainability.com

Please scan the QR code to view UOB Annual Report 2020

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Our 2020 Snapshot

Drive Growth Sustainably

$11 billion
Total sustainable financing extended to corporates as at the end of 2020

$4 billion
Sustainable financing extended to corporates in 2020 alone

$296 million
Volume of transactions in ESG-focused wealth management products

$781 million
UOBAM assets under management that incorporate ESG factors and/or social impact assessment in the investment process

16 million
Low-income individuals reached by companies that benefitted from UOBVM's impact investments[1]

Keep Customers at the Centre

$32 billion
COVID-19 relief assistance benefitting around 20,000 business customer accounts

Best Consumer Digital Bank Thailand
World's Best Digital Bank Awards 2020 by *Global Finance*

Customer Experience
+10.6 improvement in Net Promoter Score[2]

Information Security
No material incidents that impacted customers

Data Privacy
No fines in respect of any data breach[3]

Develop Professionals of Principle

$23 million
Benefits given to our colleagues under our Healthy Employees, Active Lifestyles (HEAL) programme

$20 million
Invested in employee training and development

Better U (Phase Two)
Launched to enable colleagues to master skillsets in data analytics and project management

UOB Finance Academy
Equipping our finance colleagues with the soft and technical skills to advance in their careers

Bloomberg Gender-Equality Index (GEI)
UOB included for the third consecutive year in 2021

Uphold Corporate Responsibility

1.5 million
Face masks provided to our colleagues

›1 million
Pieces of personal protective equipment donated to healthcare workers and vulnerable communities around the world

›$6.3 million
Monetary and in-kind contributions to the community

Close to 19,000 hours
Volunteered by our colleagues to serve the community

Singapore Governance and Transparency Index 2020
10th among 577 Singapore-listed companies (General Category)

ASEAN Corporate Governance[4]
2nd among publicly-listed companies in Singapore
Top 20 among publicly-listed companies in ASEAN

1 Figure has not been prorated for the portion of UOB Venture Management's contribution, and is based on data reported by investee companies.
2 About 2 million retail customers were invited to participate in the NPS after their interactions with UOB and more than 93,000 responded.
3 Refers to Personal Data Protection Commission (PDPC) fines in respect of any data breach. The PDPC is Singapore's main regulatory body for administering the Singapore Personal Data Protection Act 2012.
4 Ranking is based on the most recent assessment in 2019.

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Deputy Chairman and CEO's Statement



Forging a Sustainable Future

The turmoil of 2020, as a result of the pandemic, has brought into sharp focus the importance of sustainability and the role we can play in helping our stakeholders on their journey. Like the bamboo portrayed on the cover of this Sustainability Report, we remained steadfast throughout the year in our sustainability drive. We draw on our time-tested values and robust risk management approach.

Our sustainability strategy, embedded in our business strategy, balances growth with responsibility. The strategy's Four Pillars – Drive Growth Sustainably, Keep Customers at the Centre, Develop Professionals of Principle and Uphold Corporate Responsibility – provide direction and bolster our fundamental strengths. They are aligned with the 17 United Nations (UN) Sustainable Development Goals.

With global warming as one of the most significant threats facing our planet today, we, as a leading financial institution in Asia, endorsed the recommendations of the Task Force on Climate-related Disclosures (TCFD). In 2020, we implemented our TCFD adoption roadmap across four areas: governance, strategy, risk management and metrics and targets.

Helping businesses advance responsibly

Our sustainability approach across our extensive regional footprint is holistic. We create end-to-end solutions and work closely with our customers and ecosystem partners to help shape behaviours. We act as catalyst and enabler, creating a multiplier effect throughout our region.

We provide more sustainable financing to help our corporate clients advance their businesses responsibly. In 2020, we launched our UOB Smart City Sustainable Finance Framework, becoming the first bank in Asia to focus on the creation of smart cities in this manner. Our U-Solar programme, now in its second year, continues to help companies and consumers adopt solar power and to drive lower-carbon economies.

Steering consumers' wealth to sustainable investments

We also promote among our customers a deeper understanding of environmental, social and governance (ESG) factors in their investment opportunities. In that regard, we integrated ESG considerations into our full suite of investment solutions for consumers. In 2020, we also launched ESG-themed products for our wealth customers seeking to make a positive impact through their investments.

In addition, our investment management subsidiaries are now signatories to the UN-supported Principles for Responsible Investment. UOB Asset Management launched several sustainable funds across the region, while UOB Venture Management launched their second impact fund that invests in companies supporting low-income communities in ASEAN and Greater China.

Fostering social inclusion and environmental well-being

Caring for our colleagues

As the pandemic has affected people's personal lives, we prioritised even more the physical and mental well-being of our colleagues. We made swift changes to enable the majority of our people to work from home and set new remote work guidelines for a post-COVID-19 world. We also ensured the safety of those who continued to support our operations from the frontline.

Growing our own timber is core to us and we invest in our colleagues' professional development. In 2020, we launched Phase Two of Better U, our Group-wide learning and development programme that focuses on the skills our people need for the future. For the third year running, we were included on the Bloomberg Gender-Equality Index for our commitment to advancing workplace diversity.

Connecting with our communities

We witnessed the giving nature of our colleagues in 2020. Together, we raised more than $2.7 million under our global #UnitedforYou COVID-19 Relief Programme to support frontline workers and disadvantaged families. Our fundraising activities included our annual flagship UOB Heartbeat Run/Walk, which went ahead virtually to #keepthegoodgoing.

Our annual UOB Painting of the Year competition was also held online. Through the competition, Southeast Asian artists expressed what "Solidarity" meant in the face of COVID-19 and encouraged us all to maintain strength of spirit and oneness of community.

Encouraging environmental stewardship

As our presence deepens across the region, we are mindful of the environmental impact of our own operations. We continue to make improvements in the areas of energy efficiency, resource conservation and waste management.

Our buildings in Singapore and our UOB Phetkasem Building in Bangkok, Thailand are Green Mark-certified by the Singapore Building and Construction Authority. We aim to achieve green building certification for all of our buildings by 2030.

We continued with our initiatives to cultivate awareness of environmental protection among our colleagues, customers and the general public. We hope to encourage responsibility through actions to reduce, to reuse and to recycle.

Generating long-term value

Sustainability is not a milestone to be achieved but a fundamental mindset in how we run our business. It is an extension of our values of Honour, Enterprise, Unity and Commitment as we create long-term value for our stakeholders.

In facilitating our customers' growth while contributing to ASEAN's economic development and connectivity with Greater China, we continue to help businesses to advance responsibly, to steer consumer wealth to sustainable investments and to foster social inclusiveness and environmental well-being.

By doing these things well, we can help to forge a sustainable future for all.

Wee Ee Cheong
Deputy Chairman and Chief Executive Officer
February 2021

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UOB Heartbeat

#UnitedForYou COVID-19
Relief Programme



Upholding Our Values in Times of Crisis

Throughout 2020, we sought to balance the needs of all our stakeholders. We will stay focused on protecting ourselves and helping our customers, colleagues and the community. Together, we will emerge stronger.

2020 was a challenging year marked by the widespread impact of COVID-19. Businesses and individuals had to grapple with the uncertainties and challenges of the pandemic that quickly turned into a global economic crisis. We had to make sense of the ever-changing situation and implement the right measures and solutions at the right time to keep our colleagues, our customers and our communities safe.

Amid the unprecedented crisis, our teams across the entire Bank – from the Board and Management to our frontline colleagues – came together with a shared mission to navigate the difficult times. In everything we did, the safety, health and well-being of our colleagues and customers have been of utmost importance.

The dedication of our colleagues has been key to the Bank in weathering this crisis. In upholding our values of Honour, Enterprise, Unity and Commitment, their resilience and tenacity have made all the difference to the organisation as we remained steadfast in doing the right thing for our customers, enabling the Bank to emerge stronger.

Securing Business Continuity

The COVID-19 pandemic has disrupted the way we live, work and connect with others. To ensure the Bank could continue to provide essential banking services to our customers while also protecting the well-being of our people, from January 2020 we activated our Business Continuity Management (BCM) teams across the world. In recognition of the serious threat COVID-19 posed to lives and livelihoods, a COVID-specific BCM Task Force comprising senior representatives of the Bank's business and support functions was formed to oversee the Bank's overall COVID-19 response.

The BCM Task Force monitors COVID-19 developments continually. This includes staying on top of local government regulations and the latest medical advice to ensure our customers can continue to access our physical and digital banking services and that our people are able to work safely and effectively, whether in the office or remotely.

Steps Taken to Ensure Business Continuity in 2020

- Moving quickly to implement the Bank's Pandemic Response Plan to ensure effective and consistent measures were taken to protect our customers and colleagues around the world;
- Splitting teams and staggering work hours to ensure all critical services remained operational and IT infrastructure and systems secure;
- Enabling technology capabilities and remote system access to equip colleagues with the necessary tools to work from home, including expanding secure remote access to proprietary systems, rolling out a web isolation tool for secure internet access and providing more laptops to our colleagues;
- Strengthening our cybersecurity defences as more customers used our digital banking services and colleagues accessed our systems remotely;
- Stepping up employee engagement and care programmes to help alleviate anxiety and to ensure a sense of belonging while working in isolation;
- Defining and operationalising processes to care for unwell colleagues, including suspected and confirmed COVID-19 cases;
- Increasing frequency of cleaning the workplace at office premises, common areas, lift lobbies and branches and establishing thorough office cleaning protocols for suspected or confirmed COVID-19 cases on premise;
- Enhancing building access controls to comply with safe entry requirements and operationalising temperature monitoring procedures at all building and branch entrances;
- Implementing precautionary safe distancing measures across all offices and branches, including establishing one-metre spacing requirements and providing personal protective equipment such as disposable masks, hand sanitisers and antibacterial soaps;
- Applying self-disinfecting anti-microbial coatings to high-touchpoints such as lift buttons, door handles, escalator handrails, branch counters and ATM machines; and
- Maintaining frequent communication with internal and external stakeholders on the Bank's COVID-19 response.



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Supporting Businesses Through Economic Cycles

COVID-19 Relief Assistance

UOB extended $32 billion of COVID-19 relief assistance in 2020, benefitting around 20,000 business customer accounts, particularly those of Small- and Medium-sized Enterprises (SMEs) across the Association of Southeast Asian Nations (ASEAN), to help our clients navigate the challenges arising from the pandemic. Our SME support measures included:

- offering relief assistance through loan moratoria, loan repayment deferments, and extension of loan tenor;
- providing additional financial assistance to SMEs through government-supported schemes[5];
- being the first bank in Singapore to announce a liquidity relief programme for affected businesses;
- extending pre-approved, collateral-free loans of up to $200,000 to small businesses in Singapore; and
- committing to not compounding interest on loans and mortgages for SMEs in Malaysia.

We also established a dedicated restructuring task force to help our clients manage their financial obligations better as relief measures tapered off.

Throughout the year, we actively engaged our clients on the assistance schemes available through outreach webinars organised in collaboration with our partners, including: the Singapore Chinese Chamber of Commerce and Industry (SCCCI) and SCCCI's SME Centre, the Singapore Business Federation, the Singapore Manufacturing Federation, the Restaurant Association of Singapore, and Google Singapore.

Addressing Companies' Cash Flow Needs

In 2020, many businesses encountered financial difficulties given the operational challenges posed by the COVID-19 pandemic. We provided financial solutions such as value chain financing, trade financing, cash management solutions and financial supply chain management programmes that comprise end-to-end working capital management solutions and comprehensive trade facilities to help our corporate clients access much-needed funding.

Financial Supply Chain Management (FSCM)

The COVID-19 pandemic and its resultant social and macroeconomic effects have impacted business growth across the region. In the face of such headwinds, we continued to focus on connecting our clients across segments and supporting SMEs' trade finance requirements through our FSCM solutions. Leveraging supply chain linkages and with strong anchor-clients' support, we were able to inject working capital and trade financing to suppliers and distributors to sustain their businesses amid the challenging market environment. In 2020, we added more than 30 per cent new anchors to our FSCM portfolio, and our suppliers and distributors pool has likewise increased by more than 40 per cent.

COVID-19 Relief Assistance for Small Businesses: Singapore in Focus

The impact of the COVID-19 pandemic has resulted in significant financial stress for many businesses, particularly for small and micro businesses as they tend to operate on tight margins and cash flows. In a May 2020 study, two in three small businesses in Singapore indicated that they could only sustain their operations for six months or less without financial assistance such as bank loans[6].

Between March and December 2020, we helped 4,200 businesses in Singapore access funding under the government, extending more than $1.4 billion in relief loans. One in four of these companies was a micro business with a turnover of less than $1 million. Three in five of the micro businesses did not have a prior borrowing relationship with the Bank.

To help SMEs access funding at much lower interest rates than before the pandemic, we tapped the Monetary Authority of Singapore SGD Facility for Enterprise Singapore Loans and passed on the funding cost savings in full to our clients.

We also offered pre-approved loans of up to $200,000 to eligible small businesses from April 2020. Under this initiative, eligible small businesses are able to receive much-needed funds in as quickly as two business days as they do not need to submit documents that are normally required for credit assessment purposes. As at the end of 2020, we disbursed more than $100 million to more than 500 small businesses through our pre-approved loans scheme.

5 Government-supported schemes include Monetary Authority of Singapore's Special Financial Relief Programme; Enterprise Singapore's Temporary Bridging Loan and Working Capital Loan programmes; Bank Negara Malaysia's Special Relief Facility and automatic moratorium programme; and Bank of Thailand's COVID-19 Soft Loan and automatic moratorium programmes.

6 Source: *ASEAN SME Transformation Study* conducted by UOB in collaboration with Accenture and Dun & Bradstreet in May 2020.

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Helping SMEs Embrace Digital Transformation

Enabling the Adoption of Digital and E-commerce Solutions

As cities went into lockdown, the COVID-19 pandemic highlighted the need for businesses to accelerate their pace of digitalisation. In order to remain viable, companies had to find ways to continue operating by enabling their employees to work remotely from home and by selling their products and services online.

In 2020, we worked with our ecosystem partners to roll out a series of initiatives to help SMEs access the technology needed for their digital transformation. These included:

- launching FinLab Online, a digital learning platform which helps SMEs and start-ups to develop digitalisation strategies and to adopt solutions in areas such as e-commerce, marketing, human resources, administration and client relationship management;
- helping retail SMEs access digital solutions through our partner, Synagie, in order for them to access multiple online e-commerce platforms in ASEAN;
- offering the SME Leadership Academy, a customised online video series in collaboration with Google Singapore, to more than 1,300 SME business leaders toward helping the country's retail, travel and food & beverage (F&B) industries to accelerate digital transformation;
- collaborating with F&B digital solutions providers, Getz and StoreHub, toward helping F&B SMEs in Singapore and Malaysia to expand their client reach through online storefronts, to leverage digital food ordering systems, and to lower costs of delivery services; and
- partnering with SourceCode, a technology solutions provider in Thailand, to help SMEs in the hospitality and property rental sectors to digitalise their facility and billing management systems, and to simplify the payment process through the use of QR code payments.

UOB BizSmart

Integrated Processes
Reduce time-consuming tasks by managing business processes on one cloud-based platform.

Seamless Bank Connection
Connect to a UOB bank account to receive payments via PayNow QR and import bank transaction data for easy reconciliation.

Affordable and Scalable
Pricing plans are affordable and catered to the needs of businesses of any size and industry. Customers can upgrade easily to SAP Business One as their businesses grow.

Supporting Digital Transformation in the Region: Indonesia in Focus

In Indonesia, SMEs provide 97 per cent of total domestic employment and contribute 56 per cent of total business investments. Hence, the growth and decline of SMEs can significantly impact the Indonesian economy.

In 2020, 88 per cent of SMEs in Indonesia saw a decline in revenue and 81 per cent of them sought ways to reduce costs by investing in technology, specifically in software and services that could help digitalise their business operations[7].

UOB Indonesia introduced BizSmart to help SMEs manage their businesses more conveniently and cost-effectively. With integrated features like UOB Business Account and Internet Banking, BizSmart helps SMEs to reconcile their sales transactions as well as payments in and out of their UOB bank accounts, and in real-time.

UOB BizSmart has helped more than 4,500 SMEs in Indonesia to grow their businesses. In Q2 2020, when most businesses had implemented work-from-home arrangements, BizSmart usage increased by 51 per cent compared to the previous quarter.

In recognition of our commitment to provide digital business solutions to SME clients, UOB Indonesia was awarded "Indonesia Digital Banking Initiative of the Year" in 2020 by *Asian Banking & Finance* (ABF).

Encouraging the Use of Digital Banking Services

In 2020, Singapore SMEs' adoption of digital banking services, such as online accounts and PayNow, doubled compared with the previous year. This trend was driven primarily by necessity due to the Circuit Breaker imposed in Singapore.

In line with the Bank's drive for digitalisation, we continued to step up our efforts to enhance our online Banker's Guarantee (BG) offering for SME clients. In 2020, we launched the electronic Banker's Guarantee (eBG) programme together with Singapore Customs with the aim of simplifying the process for BG issuances that favoured Singapore Customs[8] as the beneficiary by sending digital BG data directly to Singapore Customs via the Networked Trade Platform.

In order to encourage more SME clients to apply for a BG online, we also offered complimentary document courier services for all clients who applied online, on top of the online BG promotional campaign. Through these efforts, BG applications submitted through our online platform increased by 30 per cent compared with the previous year.

Find Out More
▶ Read about how we promote financial inclusion through our support of SMEs

7 Source: *ASEAN SME Transformation Study 2020* by UOB, Accenture and Dun & Bradstreet.
8 Singapore Customs (Director General of Customs / Deputy Comptroller of Goods and Services Tax).

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Ensuring the Safety of Our Customers

Making an Appointment with UOB

In 2020, we launched an online branch portal in Singapore to enable our customers to make appointments for various banking services in advance so that they can visit their preferred branches at their convenience. The online branch portal helps customers to minimise their waiting time at the branch and to avoid wasted trips due to incomplete documentation or information.

Branch Crowd Status Adviser

Throughout the three phases of re-opening after the Circuit Breaker, visitor traffic to our branches in Singapore increased. In order to help our customers avoid peak-hour rush and minimise the time spent at our branches, we launched the Branch Crowd Status Adviser on our website. UOB's Branch Crowd Status Adviser uses machine learning to predict expected crowd levels at each branch.



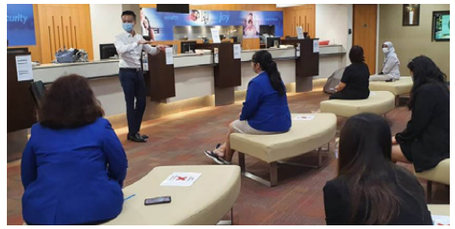
Branch Crowd Adviser enables each customer to plan ahead and to make informed decisions about when best to visit the UOB branch of their choice. Coupled with our SMS queue ticketing system, customers can obtain a queue number for the branch they wish to visit and the service required, from the convenience of their homes, hence minimising time spent waiting in queues.

Safety at Our Branches

We put in place a series of measures at the onset of the pandemic to protect the well-being of our colleagues and customers. We established clear lines of communication to report concerns, enabling a quick response time and immediate follow-up. As the expectations continue to evolve, regular updates are promptly communicated to our frontline colleagues to ensure rapid implementation of new requirements.

Measures taken toward ensuring the safety and well-being of our frontliners and our branch customers include:

- equipping our frontline colleagues with surgical masks and hand sanitisers;
- introducing safe distancing markers and spacing out furniture;
- giving priority to vulnerable customers such as the elderly, disabled, and pregnant women;
- installing thermal and safe entry scanners at entrances;
- applying an anti-microbial coating to high-touch surfaces and self-service machines; and
- providing temporary Singapore Government Solidarity Payment cheque encashment centres at 16 Community Centres across Singapore for easier public access.



Throughout 2020, we held briefing sessions with our colleagues on safety measures, priority service for elderly and vulnerable customers at our branches, as well as the various COVID-19 financial assistance schemes that UOB offers to customers.

Countering Money Laundering Activities and Scams

2020 saw a notable increase in the number of scam cases as fraudsters took advantage of the COVID-19 pandemic to perpetrate more crimes. In Singapore, our UOB Mighty mobile banking app launched push notifications to alert and to remind customers not to share their Personal Internet Banking username, password, one-time password, credit or debit card and banking account details with anyone. Likewise, scam alert messages were also integrated into UOB Mighty's features including PayNow, Pay or Transfer to Other Accounts/Cards (New Transfer) and Add Payee services.

Our branch colleagues play a paramount role in taking the appropriate steps to protect our customers from financial crimes. It is important for our branch colleagues to stay abreast with the increasingly sophisticated nature of money laundering activities and scam techniques. As such, we equip them with the latest developments so that they can be alert to such activities.

We ensure that 100 per cent of our colleagues complete training on cybersecurity and Anti-Money Laundering / Countering the Financing of Terrorism (AML/CFT). Further, it is also compulsory for all branch and money-changing counter colleagues to undergo specialised AML/CFT related training programmes as well as Awareness Training on Fraud/Scam-related Matters for Branch Officers.

Find Out More
▶ Read about our approach to integrated fraud management

The Solidarity Mandate



In April 2020, in the midst of the COVID-19 Circuit Breaker, UOB responded to the Singapore Government's call to play the critical role of sole Cheque Issuer, Distributor and Cheque Encashment Facilitator (the 'Solidarity Mandate') for Singapore's $1.1 billion Solidarity Payment.

UOB put together Singapore's first extended cheque encashment network within a matter of weeks to dispense cash to support Singaporeans in the midst of the pandemic. The network comprised UOB branches as well as 16 People's Association Community Centres (CCs) at strategic locations across Singapore.

This was put in place after detailed analysis of the eligible cheque recipients, with the dual objectives of reducing the potential crowd concentration risk at key UOB branches and and minimising the need for the public to travel as COVID-19 related restrictions were then in place. Collectively, our branches and 16 CCs processed some 19,000 cheques within the first two weeks and more than 300,000 cheques were mailed to the beneficiaries.

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Caring for Our Colleagues

Enabling Colleagues to Work Safely Remotely

During the Circuit Breaker period in Singapore, we had 80 per cent of our people working remotely. Enabling this was a significant undertaking led by our Group Technology and Operations (GTO) and Group Governance, Risk and Compliance teams who worked together to review and to enhance our security and risk management protocols. GTO substantially upgraded our remote Information Technology (IT) infrastructure quickly to meet the increased requirements for colleagues who were working from home.

Their efforts resulted in:

- remote access for 19,000 colleagues across our network;
- 220 work applications made available through remote access to enable colleagues to access our banking systems and allow them to complete their daily tasks efficiently; and
- the use of online collaboration tools and the Bank's intranet to help colleagues connect virtually.

Keeping Colleagues Updated on COVID-19

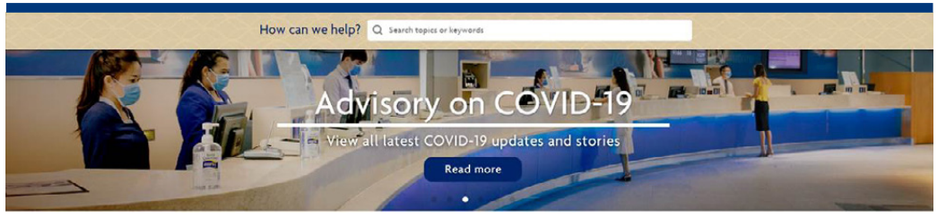
Throughout 2020, it was critical that the Bank kept abreast of government and medical advice so we could keep our people safe as the pandemic continued to escalate around the world. We needed to act quickly based on the information available to ensure our customers and colleagues knew the precautions we were taking as well as how they could protect themselves.

We aimed to provide our colleagues globally with the latest and most reliable information on COVID-19. As such, we developed a dedicated site on our Bank's intranet, MyUOB, for their easy access.

Information on the COVID-19 site includes:

- advisories on the Bank's precautionary measures as well as guidelines from local authorities;
- frequently asked questions on the Bank's COVID-19 response;
- guides on using our various online collaboration tools and staying connected to the Bank's network from remote locations;
- security advice on working remotely; and
- reminders on personal hygiene requirements, such as wearing face masks correctly to reduce risk of infection.

In 2020, the site published more than 500 reports on various COVID-19 initiatives, relief measures and advisories, and received more than 500,000 visits.





Refer eligible primary school students to My Digital Space (Singapore)

We launched UOB My Digital Space, a multi-year education programme to bridge the digital gap for children from disadvantaged

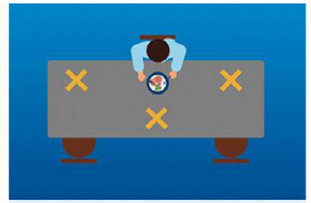
UOB Heartbeat



Stay United, Stay Active: Simple exercises you can do at your desk

As part of our Stay United, Stay Active series, here are some desk-friendly exercises to help you stay active in the comfort of your own

UOB Malaysia



Staying safe as we return to the office (Singapore infographic)

As we bring colleagues back to work in the office safely and gradually after the Circuit Breaker period, here are the new working

Group Human Resources



Role of Safe Management Officers in the workplace (Singapore infographic)

Selected colleagues in each business and support unit will be serving as Safe Management Officers (SMOs), as part of our

Group Human Resources



Make a donation to The Sayang Sayang Fund - Healthcare Face Shields Project

To help protect our frontline healthcare workers in Singapore from COVID-19, the Community Foundation of Singapore and Tan Tock Seng

UOB Heartbeat



Phishing attacks: Lessons we can learn from other companies

Phishing scams are used by cyber criminals to fraudulently obtain sensitive information from their victims. When executed successfully,

Group Technology and Operations

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Ensuring the Safety of Colleagues in the Office

Banking, as an essential contributor to the economy and service to the community, continued throughout the pandemic. Despite the lockdowns around the world, a core group of front line and operational staff continued to work in our offices in order to keep our IT systems running and secure, and to ensure that our branch services remained available.

Our Corporate Real Estate Services teams put in place proactive and precautionary measures to protect the well-being of our colleagues. These measures include:

- distributing face masks to colleagues across the Group;
- conducting temperature screenings at all UOB premises;
- providing bottles of hand sanitiser in common areas and antiseptic soap in restrooms;
- increasing the frequency of cleaning at our branches, buildings and ATMs;
- applying an anti-microbial coating on high-touch surfaces in our branches, on ATMs and in the lifts of our buildings; and
- placing safe distancing markers across our offices to help our colleagues remain one metre apart from one another.

Safe Management Officers Step Up

In strategic locations, we trained representatives from business and support units to be our Safe Management Officers (SMOs). The SMOs help ensure that all colleagues, vendors or visitors at our office premises follow safe management measures.

These measures include:

- complying with work rosters and split-site or split-team requirements;
- wearing a mask at all times when in the office or branch;
- observing safe distancing markers in areas such as lifts, workstations, meeting rooms and dining areas;
- maintaining a clear distance of at least one metre from the next person when seated or standing;
- no gathering for prolonged periods such as for meetings, or when having breaks or meals;
- no social gatherings of any size at the workplace; and
- no cross-floor or cross-building interactions between colleagues from different teams or offices.

SMOs share their observations with the Business Continuity Teams as part of the continual improvement of our safe measurement processes.

How We Cared for Our Colleagues During COVID-19

Pre-Circuit Breaker

Adopting staggered working hours and shortened work days for colleagues who had to return to the office

Distributing face masks for colleagues' personal use during the period where these supplies were available in limited quantities

Providing colleagues with the time to manage personal matters during this period with an additional day of family care leave

Creating a dedicated COVID-19 intranet site for colleagues to access resources and regular updates via the COVID-19 email bulletin

Circuit Breaker

Defraying work-from-home and transport expenses incurred by colleagues through allowances or reimbursements

Expanding the usage of health and wellness allowance credits

Building a support network within the Bank to look after colleagues' mental wellness

Engaging colleagues virtually through events such as virtual wellness classes

Allowing more days of unconsumed leave to be carried forward

Distributing care packages from senior leaders and managers

Safe Re-opening

Encouraging usage of teleconsultation when not feeling well

Implementing job preservation measures

Virtualising learning and development programmes for colleagues to continue with reskilling or upskilling efforts

Launching remote work guidelines to prepare colleagues for a post COVID-19 world

Find Out More

▶ Read about our approach to workplace safety

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Enhancing Our Wellness Benefits During COVID-19

Our 2020 initiatives to provide more personal help to our colleagues included:

- mental resilience training courses offered through online learning platforms to help colleagues cope with their feelings of isolation and/or anxiety due to lockdowns and safe distancing measures;
- mental health hotlines with access to counsellors and psychologists for colleagues in China, Malaysia and Singapore;
- Wellness Week launched in Singapore, during which close to 1,000 colleagues were engaged in a series of online activities to help them cope with working from home – including fitness workouts led by fitness instructors, cooking demonstrations by a chef, and learning about positive mindset changes from a psychologist and a counsellor;
- shortened work hours and staggered work hours in Singapore so colleagues who had to work in offices could avoid peak-hour travel periods;
- adding an extra day of leave in Singapore for colleagues to attend to personal matters during the COVID-19 pandemic;
- making a one-time exception for colleagues to increase the number of annual and tenure leave days that they could carry over into 2021 as COVID-19 had impacted colleagues' work responsibilities and leave plans;
- reimbursement of transport expenses for colleagues in Singapore who had to work in the office while those working from home were given a one-time payment; and
- in parts of the region, extending our Healthy Employees, Active Lifestyles (HEAL) programme to allow colleagues to use their HEAL dollars for COVID-19 related expenses.

Taking Care of Our Colleagues Across the Region: Thailand in Focus

In Thailand, we activated our Crisis Management Team in February 2020 and implemented our business continuity plans immediately.

We installed new thermal scanners for round-the-clock temperature screenings at our premises at the Robot, Goodwood and Phetkasem Buildings, declining entry for anyone with a temperature above 37.5°C.

Further, to provide our colleagues with a safe and hygienic work environment, we increased the frequency of cleaning at our premises from twice a day to once every two hours, and used disinfectant solutions to prevent contagion.

Hand sanitisers were provided at common areas and across our branches. We also distributed masks and hand sanitisers to our frontline colleagues at all branches.

At our 140 branches across Thailand, we installed anti-microbial barriers to keep customers and colleagues safe. Anti-microbial shields mitigate exposure to respiratory droplets during advisory sessions and also help to enforce social distancing.

Encouraging Healthier Lifestyles and Work-life Harmony

In addition to providing additional COVID-19 related support, our range of ongoing employee benefits includes annual leave, family care leave, staff loans, social security-equivalent contributions, life insurance and accident insurance.

Other programmes in 2020 included:

- free annual health screenings in mainland China, Hong Kong, Indonesia, Singapore, Thailand and Vietnam, benefitting more than 5,800 colleagues;
- free flu vaccinations as part of our medical insurance coverage for colleagues in Singapore; and
- exclusive lifestyle and wellness promotions for colleagues via the Staff Deals section of MyUOB, with more than 100 promotions offered in partnership with service providers and merchants.

Our flexible work options include:

- providing two hours of paid time off every month for full-time permanent colleagues to attend to personal matters;
- staggering work hours to give colleagues greater flexibility in managing their daily work schedule; and
- offering part-time work arrangements to colleagues with multiple responsibilities, such as working mothers, part-time students and those caring for elderly parents.

Redefining the Future of Work

As part of our ongoing workplace transformation efforts, in 2020 we conducted a six-month review on work patterns, workspaces and workforce technology tools across the Group. We sought feedback from colleagues on how they were coping with the changes brought about by the COVID-19 pandemic and found that:

- 85 per cent felt they were effective working from home during COVID-19; and
- 15 per cent said they faced stress-inducing challenges such as balancing family and professional commitments.

We used the findings to develop our Group-wide remote work guidelines that define the new ways of working at UOB. These guidelines focus on the long-term mental well-being of our people while taking into consideration the different job requirements, local safe distancing restrictions, regulatory requirements and infrastructure readiness. Under the guidelines, we will give the majority of our 25,400-strong workforce the choice to work remotely two days a week once COVID-19 restrictions are lifted. We believe two days of remote working a week will enable colleagues to maintain a sense of connection with one another and the company and to achieve optimal performance. The guidelines will be timed to take effect in each market in compliance with the local COVID-19 restrictions.

Find Out More

▶ Read about how we support employee health and well-being

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Supporting Remote Work Options Through Improved Infrastructure

We have accelerated our infrastructure improvement plan which sets out the new office standards for the region. This will reinforce our remote work options and enable more agile team-based work and deeper collaboration across different functions within the Bank. The design and management of our workspaces are also developed to help our colleagues who work in our offices feel safer and healthier.

Office transformation and relocation projects are being implemented across the region in phases. Our new facilities will provide a myriad of open and multi-purpose workspaces conducive to effective collaboration and social activities.

High-performance Workspaces

Safety and Control

- Observing COVID-19 safe management measures when entering our buildings or office premises
- Stepping up cleaning measures at common areas and high-touch areas

Mobile and Connected Work Environments

- Using technology to enable colleagues to communicate and to collaborate with one another any time and anywhere within our premises
- Providing flexibility through different types of office spaces for individual work, group meetings and other creative activities

Smart Building Technology

- Prioritising six factors in the design of our new buildings and workspaces: sustainability, productivity, resiliency and security, resource optimisation, people experience and readiness to adapt to future changes
- Improving user experience based on data gathered by building operating systems on office usage patterns

Managing Data Security With Remote Work

As the COVID-19 pandemic accelerated changes to the way we work, it has become more critical than ever for banks to manage security risks and controls proactively under a dynamic threat landscape. Never before have organisations experienced change at this scale and pace. Following the Circuit Breaker in Singapore, the proportion of full-time employees working from home increased to 80 per cent, compared to less than 10 per cent prior to the lockdown. To ensure information and data security, the Bank employed a three-pronged approach that focuses on staying in touch with employees and customers, assessing and closing identified security and control gaps in the remote work configuration and securing the remote and distributed work model for the long-term.

Three-pronged Approach to Information and Data Security During COVID-19

Staying in Touch With Colleagues and Customers

The Bank issues regular communications using a variety of channels to all colleagues which provide guidelines on how to work effectively so as to ensure the smooth running of the Bank's operations. All employees are regularly reminded to adhere strictly to all relevant banking secrecy, privacy and cyber security policies. As part of our outreach programme, we also issue security advisories to customers via email and social media platforms.

Assessing and Closing Identified Security and Control Gaps in the Remote Work Configuration

We ensure that strong security controls remain in place and unchanged, including by:

- enhancing endpoint security;
- enhancing security monitoring and patching controls;
- increasing relevant risk awareness; and
- accelerating risk mitigation initiatives to ensure robust protection of new work environments.

Securing Our Remote and Distributed Work Models for the Long-term

This entails conducting regular risk assessments and reviews to incorporate emerging threat scenarios and to ensure that the Bank takes appropriate mitigating measures.

Find Out More

▶ Read about our approach to information security and data privacy

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United for COVID-19 Relief Efforts

Under the UOB Global #UnitedForYou COVID-19 Relief Programme, we bring together the strengths of our network and like-minded partners to help customers, colleagues and communities through to better times. In 2020, our initiatives included:

- donating more than one million pieces of Personal Protective Equipment (PPE) to frontline healthcare workers and vulnerable communities globally;
- launching the first UOB Global Heartbeat Virtual Run/Walk and COVID-19 Relief Fund where colleagues from 18 markets and their families clocked more than 200,000 km for charity and raised more than $1.66 million;
- contributing more than $2.7 million to different segments of our communities;
- equipping more than 1,000 underprivileged students with digital learning tools and skills to bridge the digital divide;
- distributing more than 30,000 UOB Heartbeat care packs to low-income families across the region to protect against the pandemic; and
- donating $250,000 to LEAP201's Leap for Migrant Workers initiative to help improve the quality of life for migrant workers in Singapore.

UOB Heartbeat COVID-19 Relief Fund

UOB rallied colleagues and customers from across 18 markets and raised more than $1.66 million to support community needs arising from the pandemic. We focused on initiatives that supplied PPE and ventilators to healthcare organisations, grocery and meal packages to disadvantaged families and educational materials for school-going children from disadvantaged homes across the region.

We are committed to keep the good going. Through philanthropy, partnerships and participation, we foster social inclusiveness and strive to help society emerge stronger than before.

Find Out More

▶ Read about UOB's wider community stewardship efforts

Supporting Different Segments of Our Communities



Assisted more than 41,900 healthcare workers across the region during critical phases of the pandemic.



Contributed to the daily sustenance needs of 8,400 disadvantaged families.



Helped more than 7,500 children in their needs including home-based learning during the pandemic



Contributed $250,000 to the Leap for Migrant Workers Fund to provide subsidised group life insurance protection for 50,000 migrant workers over a two-year period.

UOB Global Heartbeat Virtual Run/Walk

We turned the 14th edition of the UOB Heartbeat Run/Walk, our annual flagship regional volunteering and fundraising event, into a virtual global event where 4,773 participants across our global network helped to raise funds.

Led by our Deputy Chairman and CEO, Mr Wee Ee Cheong, the global virtual run clocked more than 200,000 km for charity and raised more than $90,000 for 17 local charities.



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Our Groundswell of Regional Support



Donated one million pieces of PPE globally to address the scarcity of medical supplies in areas hard hit by the pandemic.



Presented a UOB Heartbeat Tribute Canvas penned by colleagues and donated 500,000 critically-needed 3D-printed face shields to frontline healthcare workers from Tan Tock Seng Hospital and other Singapore hospitals.



Donated more than 30,000 UOB Heartbeat food and essential care packs to disadvantaged families across the region.



Donated 9,100 pieces of protective gear and 102,000 surgical masks for affected communities across China through charity partners, Youcheng China Social Entrepreneurship Foundation and YesKids.



Donated 50 computers to young learners from disadvantaged families through the UOB My Digital Space programme to support home-based learning during school closures in Hong Kong.



Contributed more than $166,000 through The Association of Banks in Malaysia to MERCY Malaysia's COVID-19 Pandemic Fund to provide frontline healthcare workers with 27,000 pieces of PPE.



Donated more than 106,000 pieces of PPE to 10 private hospitals in Indonesia and, with healthcare provider Halodoc, donated 20,000 artist-designed masks to the vulnerable in Jakarta.



Our colleagues assembled 10,000 face shields for frontline healthcare workers across 26 hospitals in Bangkok. More than $200,000 was donated to enable five hospitals to have ventilators and negative pressure rooms.



Donated more than $14,500 to the State Bank of Vietnam to aid the government's efforts in helping those impacted by COVID-19 in the drought-hit Southern provinces.

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Supporting Social Impact Through Portfolio Investments[9]

As the fund manager of the Asia Impact Investment Fund (AIIF), UOB Venture Management (UOBVM) has a board presence in most of its portfolio companies. As such, UOBVM was able to provide oversight and guidance in the strategic growth directions of the AIIF portfolio companies. We are glad to see a number of our portfolio companies playing key roles in the provision of basic services needed by the community to help alleviate the negative impact of the COVID-19 pandemic.

Find Out More
- ▶ Read about AIIF's approach to impact investing
- ▶ Read about how AIIF supports financial inclusion through micro-loans



Teleconsultations with Halodoc

Halodoc is a fast-growing health technology company based in Indonesia, which aims to increase access to affordable healthcare through services such as teleconsultations, medication deliveries and appointment booking. Following AIIF's investment in 2019, Halodoc attracted several strategic investors, including insurance companies Prudential and Allianz, as well as the Bill and Melinda Gates Foundation.

Throughout the COVID-19 pandemic, Halodoc played an important role in Indonesia's response. Following the introduction of movement restrictions across the country, Halodoc saw a spike in the use of services provided through its platform. Acceptance of teleconsultation services rose sharply and consumers increasingly opted to purchase their health-related products online.

Halodoc introduced targeted measures including training for doctors and midwives, setting up COVID-19 drive-through rapid test booths in major cities and keeping the prices of products and services at reasonable rates. They also worked closely with the Ministry of Health in Indonesia to discuss response strategies and methods to raise public awareness and acceptance for tele-medical treatments.

In addition, Halodoc became a vital conduit of community-based education and the dissemination of health-related information. During the COVID-19 pandemic, Halodoc discovered through surveys that midwives learned about the virus mostly through friends and social media, which did not always carry accurate and complete information. One midwife recalled telling a patient with a symptom of high fever that it was "just the flu" and that "COVID-19 is a wealthy person's problem". Halodoc addressed this knowledge gap by developing information leaflets compiled with input from paediatricians and specialists to empower midwives with critical facts about COVID-19.

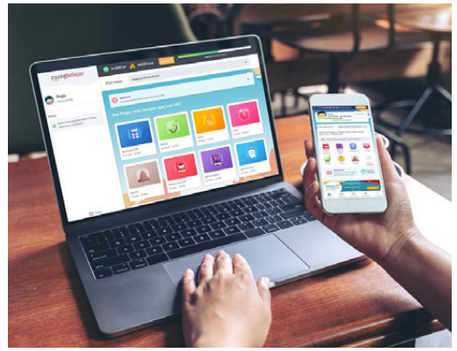
Indonesian startup Halodoc lets customers consult virtually with licensed doctors via the internet. In 2020, Halodoc noticed that most people who visited their platform were asking similar, general questions about COVID-19. In response, they quickly trained the system's artificial intelligence chatbot to respond to frequently asked questions on COVID-19, taking some of the strain off doctors.

Between March and June 2020 alone, Halodoc's COVID-19 chatbot feature had 8.8 million visits, while its monthly active users quadrupled compared to the same period in 2019.

Digital learning with Ruangguru

Ruangguru is the largest and most comprehensive Educational Technology (EdTech) company in Indonesia and Southeast Asia, serving more than 22 million users and over 300,000 teachers on its digital learning platform. Ruangguru helps to address the uneven distribution of educational resources by providing affordable access to mobile and web-based quality educational content to students, teachers and schools across Indonesia.

During the COVID-19 pandemic, Ruangguru's online products became an important avenue for students in Indonesia to continue their curriculum-based learning while schools were shut. Ruangguru sought to focus on mitigating the impact on students by setting up a free online school, which has since been accessed by more than 10 million children. In addition, during the pandemic, Ruangguru made their teachers' training content available to educators, free of charge.



Ruangguru makes it easy for students to access web-based educational content via desktop and mobile devices.

9 Information in this section was provided by Halodoc and Ruangguru.

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Sustainability Strategy

The Five Guiding Principles

UOB's approach to sustainability is guided by five 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. As one of Asia's largest banks, we have a duty to contribute to the region'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 Group. This long-term, responsible approach is central to our business strategy and activities.

Sustainable Development

As we focus on creating sustainable value for our stakeholders, we 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.

Our Values

As we continue to deepen our presence across the region, we strive to address the Environmental, Social and Governance (ESG) risks and the impact of our operations in a manner consistent with our values of Honour, Enterprise, Unity and Commitment. This is also in line with our role in helping to ensure a safe, secure and trusted banking system.

Scope of Impact

We are cognisant of the direct environmental and social impact of our own operations and have set objectives and targets toward mitigating these 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.

Board Statement on Sustainability

The Board is committed to building on the Bank's rich heritage to continue creating long-term value for all its stakeholders. Integral to the business direction UOB takes 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 to assess data and insights from across the organisation and from its external stakeholders.

Together with Management, the Board identified opportunities relevant to the long-term success of the Bank and determined the material ESG risks and opportunities to be addressed. Through its Committees, the Board oversees the management and monitoring of these factors to ensure that the Bank is responding effectively to developments in the market and in view of its stakeholders' expectations. The Board and Management are supported in this regard by the Bank's dedicated 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 will continue to guide its people, policies and processes to ensure the long-term interests of its stakeholders are met and the performance of UOB sustained.

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

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Sustainability Strategy

The Four Pillars

The four pillars of our sustainability strategy arise from our fundamental strengths and are rooted in our values. They reflect UOB'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.

Drive Growth Sustainably

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. We offer a range of sustainable solutions that can help our customers make a difference in their own communities. We are also progressively adopting as well as promoting climate-resilient practices which will support our clients in their own transition to a lower-carbon economy. Beyond financing, we continue to make significant strides in growing our sustainable investing portfolio.

Keep Customers at the Centre

As we focus on 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 to individuals and businesses in the communities in which we operate. Standing by our customers also means that we must protect their data and privacy by maintaining the security and robustness of our systems and processes.

Develop Professionals of Principle

Our colleagues enable us to ensure the best outcome for our customers, our business and our community. Hence we develop professionals of principle – high-performing teams and individuals who are guided by our values. We embrace diverse strengths and abilities as these enhance our capabilities and enrich our competitiveness. 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 improving engagement and satisfaction.

Uphold Corporate Responsibility

We believe that as a responsible financial services provider, we must uphold corporate responsibility by maintaining the highest standards of governance and risk culture, ensuring regulatory compliance and protecting the financial system. We remain steadfast in our commitment to promote social development in the areas of art, children and education. Both in our own operations as well as among our stakeholders, we also actively encourage and support environmental stewardship efforts. Together, these efforts help us contribute to a strong and sustainable future for the wider community.

Balancing Growth With Stability

Our sustainability strategy mirrors our business approach of balancing growth with stability. It takes into account the influence and impact our decisions and actions may 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 each of our key markets. 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.

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 and workshops 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.

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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 and sustainable investment solutions

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

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Sustainability Strategy

Alignment With the United Nations Sustainable Development Goals

The UN SDGs set the global agenda for sustainable development by 2030 and call for action by both the public and private sectors. UOB's strategy and reporting are aligned with the 17 UN SDGs. We recognise that while UOB is better placed to contribute directly to a subset of the Global Goals, the broadening scope of our sustainable financing, responsible investing and impact investment activities and their corresponding positive impact enable us to align with all the Global Goals.



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How We Engage With Our Stakeholders

At UOB, 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 a fast-evolving region.

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. Throughout the year, we carefully considered feedback from our stakeholders regarding the ESG factors that are material to the Bank.

FIND OUT MORE

▶ Read about how we responded to stakeholder expectations in 2020

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 (quarterly)
- Head of Group 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)
- Employee satisfaction surveys (annually)
- Townhall meetings (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)
- Performance reviews (annually or prior to contract expiry)

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 and white papers (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)
- Art roadshows and outreach programmes (as and when appropriate)
- Education programmes for children (ongoing)
- Financial literacy programmes (as and when appropriate)
- Donations in cash or in-kind for causes related to art, children and education (as and when appropriate)
- Employee volunteerism (ongoing)

Investors and Analysts

- Financial reporting and results briefings (quarterly)
- Periodic meetings with rating agencies (at least once a year)
- General meetings with shareholders (annually)
- Annual reports (annually)
- SGX announcements (as and when appropriate)
- Presentations, conferences and roadshows (ongoing)
- UOB Corporate Day (annually)
- Feedback from analyst surveys (ongoing)
- Feedback from institutional investors and analysts on our ESG performance (ongoing)

NGOs

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

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Material ESG Factors

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 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. UOB surveys 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 UOB and its stakeholders.

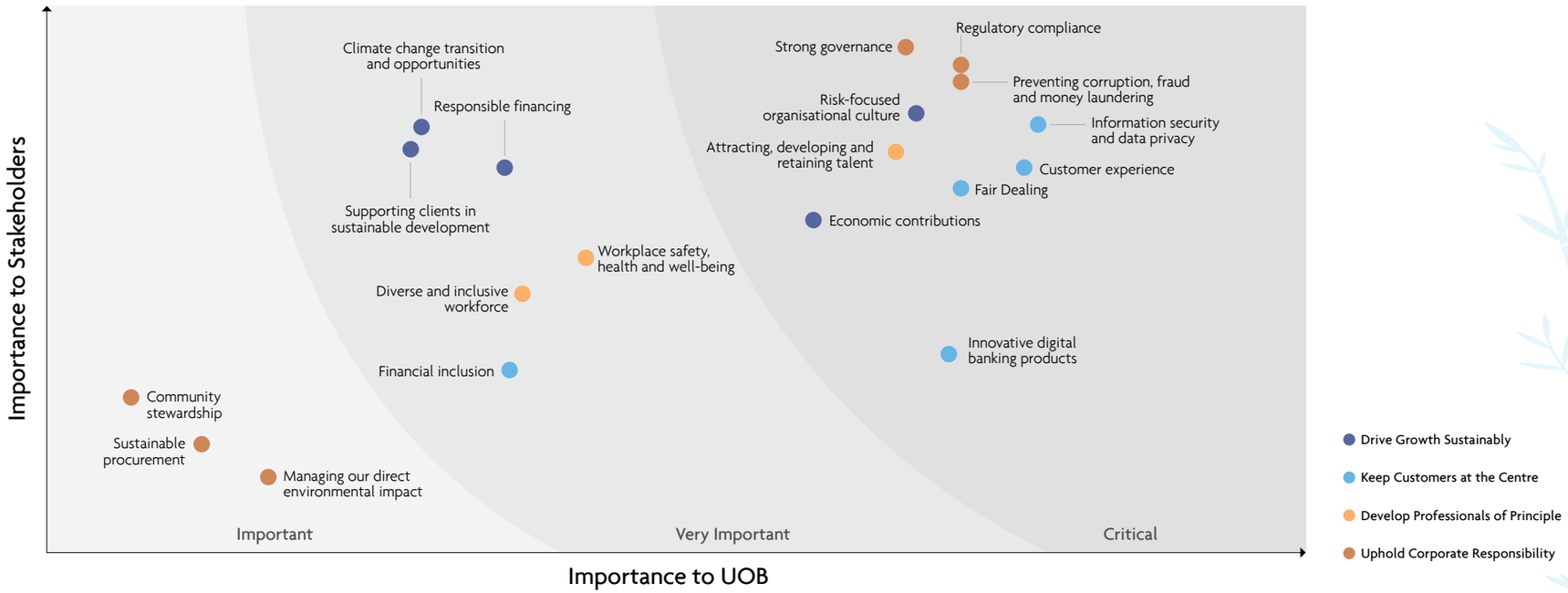
How We Determine Our Material ESG Factors

In 2020, surveys were conducted with stakeholder groups including colleagues, investors and analysts, clients, non-governmental organisations and regulators. Participants were asked to rate ESG factors based on importance and to provide their recommendations and comments. In addition, the Board of Directors and senior representatives from all business units were invited to score the same factors and to express their opinions.

In determining our material ESG factors, we also considered the sustainability issues identified by the Sustainability Accounting Standards Board (SASB) Materiality Map® as being material to the financial condition or operating performance of companies in our industry.

Following the 2020 materiality assessment, we regrouped our material ESG factors to make our sustainability stance more explicit, industry-aligned and reflective of investor interests. The ESG factors, which are categorised into Critical, Highly Important and Important based on the significance to UOB and to our stakeholders, guide us in our practices and reporting, as well as our approach to stakeholder engagement.

Materiality Matrix



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Material ESG Factor	Boundary	Priority	Our Strategic Objectives	Our Value Creation	Interested Stakeholders	How We Responded to Stakeholder Expectations in 2020
Drive Growth Sustainably						
Economic contributions	▲	Critical	• Contribute economically to the progress of our communities	• Paying our fair share of taxes • Creating jobs in communities • Delivering consistent returns for our investors • Facilitating trade and industry, and building the financial resilience of our stakeholders		• Distributed $6.9 billion in payments that flowed to our stakeholders including colleagues, suppliers, investors, authorities and local communities • Committed to retaining jobs throughout the pandemic • Extended $32 billion in COVID-19 relief assistance benefitting around 20,000 business customer accounts
Risk-focused organisational culture	■	Critical	• Safeguard our reputation as we create long-term value for our stakeholders	• Maintaining a robust risk management framework to protect the interests of our stakeholders • Ensuring that we remain nimble to seize business opportunities as they arise		• Implemented a "Speak Up" campaign to promote psychological safety by encouraging colleagues to share their views and to raise issues through the various channels that are available • Operationalised our conduct risk management process through a bottom-up approach
Responsible financing	■	Very Important	• Integrate social and environmental considerations into our credit evaluation and approval processes	• Addressing ESG issues when making lending decisions		• Further tightened our stance on financing the energy sector and enhanced our responsible financing checklists to assess better the capabilities and resilience of our borrowers against the effects of climate-related risks • Actively participated in industry developments such as the co-creation of the Monetary Authority of Singapore (MAS) Environmental Risk Management Guidelines and the MAS Green Finance Industry Taskforce's efforts to accelerate the development of green finance • More than 2,500 colleagues in relevant roles across the region completed the industry-wide e-learning module on responsible financing which was developed in collaboration with the Association of Banks in Singapore and the World Wide Fund for Nature
Climate change transition and opportunities	■	Very Important	• Support our customers in their transition to a lower-carbon and climate-resilient economy	• Managing the risks and opportunities related to climate change and global warming • Collaborating with our stakeholders to limit global warming • Helping our customers take steps to be more resilient to the expected effects of climate change		• Stepped up our efforts to implement the recommendations of the Task Force on Climate-related Financial Disclosures • Completed pilot assessment to quantify the impact of climate transition risk on our portfolio
Supporting clients in sustainable development	■	Very Important	• Develop and provide sustainable financing and impact investment solutions	• Helping customers to identify and to address sustainability-related risks and opportunities in their businesses • Supporting new and viable business opportunities that contribute to one or more of the 17 UN SDGs • Connecting customers to investment opportunities that create a positive impact		• Extended $4 billion in sustainable financing, more than four times the amount in 2019 • Established the UOB Smart City Sustainable Finance Framework to support clients contributing to the creation of sustainable cities across Asia • Rolled out the UOB Green Circular Economy Framework to support the plastic recyclers ecosystem, e-waste recycling and 3R businesses across the region • Expanded the UOB Real Estate Sustainable Finance Framework to recognise a wider range of established green building certifications developed within the Association of Southeast Asian Nations (ASEAN) • Actively participated in events to promote awareness of sustainability issues, such as Singapore FinTech Festival and Singapore Week of Innovation and Technology 2020

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Keep Customers at the Centre						
Information security and data privacy	■	Critical	• Protect customer data and privacy through secure and robust systems and practices	• Ensuring the confidentiality and security of our customers' information through comprehensive policies and processes • Protecting our customers from cyber threats through robust risk management systems and processes		• Developed UOB Data Ethics Validation plan • Deepened our cyber security capabilities and enhanced our operating models to strengthen our cyber defence • Actively collaborated with the Monetary Authority of Singapore on the Veritas Framework in the development of the fairness assessment methodology in credit risk scoring and customer marketing
Fair Dealing	▲	Critical	• Ensure Fair Dealing	• Treating customers fairly based on the principles of integrity, trust and respect		• Proactively listened to our customers through customer surveys, focus groups, interviews and feedback to better understand their needs, enhance our services, and co-create new services to meet rapidly evolving expectations • Conducted a Fairness, Ethics, Accountability and Transparency (FEAT) and Fair Dealing Workshop for teams from across the region to reinforce a culture of Fair Dealing
Customer experience	▲	Critical	• Create intuitive and impactful customer experiences	• Anticipating our customers' needs and wants and offering them safe, reliable and relevant products to meet their preferences		• Implemented 150 improvement initiatives across the Group to enhance customer experience, including by leveraging artificial intelligence and automation technology, digitising forms and processes, and streamlining and simplifying of processes • Launched Branch Crowd Status Adviser to help our customers plan ahead and make informed decisions about the best time to visit the branch of their choice • Trained 91 per cent of our Singapore branch colleagues in "Cultivating a Diverse & Service Inclusive Workplace"
Innovative digital banking products	■	Critical	• Make banking simpler, smarter and safer through ethical use of technology and data	• Introducing and transforming digital banking products to meet customers' demand for greater convenience and seamlessness		• Launched our TMRW Digital Bank in Indonesia, providing cutting edge digital banking access to the largest regional market in ASEAN • Launched our Mighty Insights service to retail customers in Malaysia, providing all digital customers with real-time insights on their personal finances • Participated in the launch of SGFindex, an open banking platform in Singapore allowing customers to connect all their accounts as well as public services in one convenient place
Financial inclusion	■	Very Important	• Make banking more accessible and inclusive • Support businesses across all stages of growth	• Making banking products and services accessible and affordable to diverse segments of society to meet their needs and expectations • Encouraging innovation and enterprise, and nurturing start-ups and small- and medium-sized enterprises (SMEs)		• Continued to deploy digital advocates at our branches to educate customers on self-help options and to promote digital literacy in the community • Launched our second social impact fund to continue investing in sustainable businesses in sectors such as access to finance, which offer solutions to the challenges faced by communities living at the base of the economic pyramid • Expanded our UOB BizMerchant programme from Vietnam to Singapore and Thailand to finance SME retailers on e-commerce platforms such as Lazada, Shopee and Sendo • Launched an Application Programming Interface (API)-enabled loan application for SME retailers on Qoo10 in Singapore that enables them to apply for financing directly from the e-commerce platform

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Develop Professionals of Principle						
Attracting, developing and retaining talent	●	Critical	• 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	• Investing in training and career development for our colleagues • Treating our colleagues with care and respect • Providing our colleagues with the time and opportunity to give back to the community • Conducting annual staff engagement surveys and responding to feedback		• Invested $20 million in employee training • Launched Better U Phase Two to enable our colleagues to acquire skills in data analytics and project management • Launched the UOB Finance Academy to equip our finance colleagues with the soft and technical skills to advance their careers
Workplace safety, health and well-being	●	Very Important	• Ensure workplace health, safety and well-being	• Providing our colleagues with a safe and conducive work environment		• Provided $23 million in HEAL benefits to our colleagues in mainland China, Malaysia and Singapore • Distributed more than 1.5 million face masks to our colleagues across the Group • Transformed about 20,400 square metres of office space into high-performance workplaces that support the health and well-being of our colleagues • Enhanced flexible working arrangements by giving colleagues the option of working remotely two days a week once COVID-19 restrictions are lifted • Introduced a range of programmes to support the physical and mental well-being of our colleagues
Diverse and inclusive workforce	■	Very Important	• Embrace diverse abilities and strengths	• Ensuring equal opportunity across diverse cultural backgrounds, age groups, genders and abilities		• Offered re-employment contracts to 183 colleagues eligible for retirement, of whom 117 were women • Continued to employ people with different abilities, including people with autism and deaf employees, at the UOB Scan Hub • Continued to support the Financial Women's Association of Singapore as a corporate member
Uphold Corporate Responsibility						
Strong governance	■	Critical	• Maintain highest standards of governance and risk culture	• Upholding robust corporate governance policies, processes and practices to safeguard our stakeholders' interests • Embedding our risk culture across our franchise to ensure continued financial soundness and business viability		• Continued to evaluate and to revise our governance approach to ensure that it remains relevant and aligned with best practices and is responsive to change
Regulatory compliance	■	Critical	• Ensure compliance with all laws and regulations in the jurisdictions in which we operate	• Observing the letter and spirit of all applicable laws, rules, regulations and standards		• Continued to monitor regulatory and industry developments actively and to engage with regulators, policymakers and standards-setting bodies

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Uphold Corporate Responsibility						
Preventing corruption, fraud and money laundering	■	Critical	• Protect the financial system against abuse	• Adopting a zero tolerance approach to bribery and corruption and ensuring transparency and accountability • Collaborating with regulators and industry peers in preventing cybercrime, money laundering, funding of terrorism and dealing with sanctioned persons		• Updated anti-bribery and corruption guidance on the assessment process relating to business partners • Established the UOB Scam Taskforce to strengthen scam prevention, detection and funds recovery • Stepped up scam awareness efforts and introduced scam alert messages to alert and to protect customers • Pioneered two artificial intelligence solutions to strengthen our anti-money laundering surveillance capabilities • Continued active engagement with regulators and participated in public-private partnership initiatives focused on preventing money laundering, terrorism financing and dealings with sanctioned parties
Sustainable procurement	▲	Important	• Incorporate sustainability principles into our procurement practices	• Engaging with suppliers to ensure that our sustainable procurement principles are upheld		• Continued to integrate our Group Supplier Sustainability Principles into the bank's practices
Managing our direct environmental impact	■	Important	• Encourage environmental stewardship through efficient resource use and waste management	• Managing energy, water and resource consumption more efficiently, reducing greenhouse gas emissions and minimising waste		• Integrated environmental sustainability as a key consideration in the design for new UOB buildings and workspaces
Community stewardship	▲	Important	• Champion social development in art, children and education	• Helping the young, the underprivileged, budding talent and those with special needs to realise their full potential		• Donated more than one million pieces of personal protective equipment to healthcare workers and vulnerable communities around the world • Donated more than $6.3 million in monetary and in-kind contributions to promote the social development of art, children and education • Clocked close to 19,000 hours of volunteer work, averaging 0.73 hours per employee, across the Group. • Equipped more than 1,000 students across the region with digital learning tools and skills through UOB My Digital Space and My Digital Bootcamp

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Sustainability Governance

Board of Directors and Management Executive Committee (MEC)

UOB's Board of Directors, through the Executive Committee, and the MEC reviews long-term business and organisational goals and provides the strategic direction for the Bank's sustainability practices. It reviews, determines and oversees the management and monitoring of the Bank's material ESG factors and their scope, and evaluates relevant key performance indicators. It also reviews and approves relevant disclosures.

Group ESG Committee

The Group ESG Committee reports directly to the MEC on sustainability matters. This ensures that ESG matters 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 Group 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.

Group Sustainability Framework

The Group Sustainability Framework was formalised in 2019. Underpinned by policies and guidelines that define our commitment and guide our approach to conducting business, the framework supports UOB'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 employees to comply with the Group Sustainability Framework. The management teams of the UOB entities are responsible for appraising the relevant sustainability issues in their respective domains and for taking appropriate steps to ensure that customers and suppliers also meet relevant policy requirements, wherever applicable. Sustainability indicators are integrated into the Key Performance Indicators and appraisal process for colleagues from relevant functions.



Sustainability Reporting

Standards and Principles

Reporting is essential for building trust with our stakeholders. Our reporting demonstrates how we respond to sustainability-related risks and opportunities, manage our impact on society and the environment and create value for all our stakeholders. Further, the reporting process forms part of our sustainability strategy, providing guidance for initiatives and programmes across the Bank as we continue to integrate environmental, social and economic sustainability into all aspects of our business practices.

Our sustainability reporting is in accordance with the GRI Standards: Core Option, issued by the Global Sustainability Standards Board in October 2016. We have also included indicators from the GRI G4 Financial Services Sector Disclosures paper. The GRI Content Index provides the location of material disclosures in this report.

Our sustainability reporting also complies with the Singapore Exchange Securities Trading Limited Listing Rules 711A and 711B, as well as Practice Note 7.6 Sustainability Reporting issued in June 2016.

In determining our reporting content, we have applied the GRI Standards (GRI 101: Foundation 2016) reporting principles of stakeholder inclusiveness, sustainability context, materiality and completeness. To identify the factors most material to our business, we conduct materiality assessments with internal and external stakeholders. The process helps us to understand our stakeholders' sustainability-related interests, expectations and concerns. In that regard, we considered the broader sustainability context in which we operate and we report our relevant performance indicators for material ESG factors, unless noted otherwise.

For our investors, we also considered the sustainability-related issues identified by SASB as being financially material to commercial banks, consumer finance and mortgage finance.

To ensure quality in our reporting and to help our stakeholders assess our overall ESG performance, we have observed the principles of accuracy, balance, clarity, comparability, reliability and timeliness in our reporting.

Data and External Assurance

The ESG information provided in this report is not externally assured. The appointed content owners in each business or support unit reviewed the data and information to ascertain accuracy. We also relied on internal data monitoring and an internal verification process by subject matter experts.

Scope of Reporting

The UOB Sustainability Report 2020 is our fifth annual report to include GRI Standards disclosures and the first to include SASB disclosures. The report provides an overview of the Group's sustainability-related efforts from January to December 2020. Our sustainability disclosures for 2019 were published in April 2020 in the UOB Annual Report 2019. Unless otherwise stated, the sustainability disclosures in this report include all entities and divisions within the Group.

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Economic Contributions

UOB's global network spans 19 countries and territories. The manner in which our economic value is distributed has the potential to impact the economy and society at large. Our economic contributions include payments to stakeholders such as our colleagues, suppliers, investors, authorities and local communities. In 2020, UOB distributed $6.9 billion in payments that flowed to these stakeholders.

How We Approach This Topic

We contribute to the wider economy by creating jobs for employees, sourcing from suppliers of products and services, supporting local communities, promoting inclusive financing, and paying taxes to governments and dividends to shareholders. 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.

Responsible Tax Management

UOB is committed to complying with the tax laws and regulations across the countries and territories in which we operate. We file our tax returns accurately and in a timely manner, and fulfill our tax obligations appropriately.

Approach to tax risk management and governance

The Group Chief Financial Officer is responsible for oversight of tax responsibilities with support from the Head of Group Tax.

UOB takes a low tolerance approach towards tax risk. Tax risk is managed through the Tax Risk Management and Governance Framework which is based on the following principles:

- Undertake transactions which are grounded in commercial realities;
- Consistently consider tax implications before implementing our business plans;
- File our tax returns accurately and in a timely manner, and fulfil our tax obligations appropriately;
- Employ experienced and qualified in-house tax professionals; and
- Seek professional advice from third-party advisers and consult with tax authorities on transactions with significant tax uncertainty.

Approach to Base Erosion and Profit Shifting

Base Erosion and Profit Shifting (BEPS) refers to tax planning strategies that exploit gaps and mismatches in tax rules to artificially shift profits to low or no-tax locations. Singapore is part of the BEPS Project, led by the Organisation for Economic Co-operation and Development (OECD), to tackle BEPS issues across countries and jurisdictions in a coordinated and comprehensive manner.

UOB supports the BEPS principle that profits should be taxed where substantive economic activities generating the profits are performed and where value is created.

Approach to transfer pricing

UOB has adopted the internationally-agreed arm's length principle for the determination of prices for transactions between related parties and maintains transfer pricing documentation to demonstrate that domestic and cross-border related party transactions are conducted on an arm's length basis. The transfer pricing documentation is prepared in accordance with the requirements of the OECD Transfer Pricing Guidelines for Multinational Enterprises and Tax Administrations.

Relationship with tax authorities

UOB aims to build constructive relationships with tax authorities in the jurisdictions in which we operate. We achieve this by:

- being open, transparent and cooperative in our dealings with the relevant tax authorities;
- complying with legal obligations, including compliance, reporting and payment responsibilities;
- abiding by guidelines or recommendations issued by tax authorities which are intended to supplement legislation;
- responding to tax queries in a timely manner and being forthcoming with information when requested; and
- for material and contentious tax issues, we may approach tax authorities for a private ruling or, less formally, as part of the early engagement review process.

Our Targets

- Maintain zero material cases of non-compliance with regard to tax management.
- Maintain local procurement spend above 85 per cent to support local suppliers.
- Keep local employee representation above 90 per cent.

Our Performance in 2020

In 2020, we generated total operating income of $9.2 billion, of which we distributed $2.5 billion in employee compensation and benefits and accrued $606 million in income tax. There were no material instances of non-compliance with regard to tax management.

From profit after tax of $2.9 billion, we distributed dividends of $2.0 billion to shareholders.

Across our network, we created livelihoods for more than 25,400 people, with local employee representation of 94.7 per cent, and invested $20 million in employee training.

We made monetary contributions of more than $6.3 million to the community. UOB also supported local businesses and helped create jobs through the goods and services we bought from more than 8,000 suppliers in our seven key markets, of which local suppliers accounted for 94 per cent of our total purchases of more than $1.7 billion.

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Risk-focused Organisational Culture

UOB's risk culture influences the decisions and actions taken by all employees throughout the organisation. Our robust risk culture mitigates conduct risk as we create long-term value for our stakeholders and safeguard our reputation. It promotes the appropriate risk awareness, judgement and behaviours required for risk-taking within UOB's risk governance framework.

Having a sound risk culture is 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's risk culture is built on our values of Honour, Enterprise, Unity and Commitment, and is core to the Group's 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 the Group.

Our Board Risk Management Committee (BRMC) is the designated Board-level committee that oversees risk culture matters, including the approval of the Group Risk Culture and Conduct Risk Framework. This sets a strong Tone from the Top and provides the direction for all people managers to convey the appropriate Tone from Above, which is the signal sent by people managers to their immediate team members. A risk culture and conduct risk dashboard provides senior management and the BRMC with an overview of the state of risk culture across the Group.

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 across the Group. 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 bulletins. It is also the responsibility of all people managers to promote risk-focused behaviour within their teams.

We also ensure that through our Whistle-blowing Policy, our colleagues 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. The status of all whistle-blowing cases is tracked by Group Audit and reported to the Audit Committee every quarter.

Risk-focused Training

Ongoing training reinforces the risk-focused conduct that enables us to earn the trust of our stakeholders over generations. In 2020, our colleagues across the Group received risk management training, which included the following topics:

- risk culture and the UOB 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;
- information security and cyber risk awareness;
- regulations on short-selling; and
- the UK Bribery Act.

Find Out More

- Read about how we manage risk in the Governance section of UOB Annual Report 2020
- Read UOB's 2020 Annual Report to find out more about our Whistle-blowing Policy

Instilling a Risk Culture

To inculcate and to promote awareness and understanding of the Group's desired risk culture and risk culture framework, we have implemented across the Group the following:

- established and formalised the Group's Risk Culture and Conduct Risk Framework;
- incorporated risk culture, including the framework, principles and case studies, into the UOB Code of Conduct e-learning module to emphasise the importance of maintaining a robust risk culture across the Group;
- 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 across the Group.

Our Target

Maintain a sound and robust risk culture by operationalising the Bank's risk culture framework in line with G30's recommendations on Culture and Conduct.

Our Performance in 2020

We implemented a "Speak Up" campaign to promote psychological safety and to encourage colleagues to share their views or to raise issues through the relevant channels. We also operationalised our conduct risk management process through a bottom-up approach.

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Responsible Financing

Just as we are prudent in our business practices to ensure financial stability through economic and credit cycles, we are committed to mitigating Environmental, Social and Governance (ESG) risks in our operations. We recognise that we have an important role to play through our financing practices in shaping responsible actions from our clients as we forge a sustainable future for all.

Group Responsible Financing Policy

We are committed to responsible financing and have integrated the principles of the Association of Banks in Singapore (ABS) Guidelines on Responsible Financing into our business model. The Bank has a dedicated ESG team with clear roles and responsibilities to ensure effective implementation of our ESG policies and strategy.

The Credit Committee approves our Responsible Financing Policy, which is embedded within UOB Group's Corporate Credit Policy. This ensures that ESG considerations are integrated into our credit evaluation and approval processes. Management has oversight on ESG matters including climate change risks and opportunities which may impact our financing activities. Group Credit is responsible for ensuring that ESG risks are adequately addressed and, where necessary, borrowers or projects with elevated ESG risk are escalated to the Group Credit Committee for further review and approval. Consistent with UOB's overall risk management approach, ESG risks are managed through our Three Lines Model control structure.

Our Responsible Financing Policy applies to all borrowing customers of Group Wholesale Banking and to the Bank's capital market activities. Under the policy framework, our account officers are required to conduct due diligence on all new and existing borrowers during the client onboarding process and annual credit review. Borrowers are assessed for material ESG risks as well as their capacity for, commitment to and track record in sustainability.

We have also implemented sector-specific Credit Acceptance Guidelines and have ESG checklists in place to help our account officers in identifying, assessing and reviewing ESG risks.

Borrowers that fall within the following eight ESG-sensitive industries, as defined by the ABS Responsible Financing Guidelines, are subject to enhanced due diligence with sector-specific guidelines.

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

As part of our ESG risk classification approach to identify, to measure and to manage better 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 our 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 would impact critical natural habitats 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 customers and which help to bolster our efforts in fostering sustainable development through responsible financing.

We notify our borrowers of their need to adhere to our Responsible Financing Policy and seek their representations and warranties to ensure compliance, including with local ESG regulations in the countries in which they operate. We also encourage them to follow established industry standards, to obtain relevant certifications and to adopt best practices pertaining to, for example, proper water and waste management, greenhouse gas emissions mitigation and occupational health and safety management. The policy references international standards and conventions such as the Roundtable on Sustainable Palm Oil, Forest Stewardship Council, World Heritage Convention, and best industry practices provided by the International Finance Corporation (IFC).

Our Targets

- Enhance and align our Responsible Financing Policy, practices and disclosures with MAS's Guidelines on Environmental Risk Management.
- Strengthen capacity-building and ensure all relevant colleagues are trained in responsible financing principles, policies and procedures.

Our Performance in 2020

- We improved our performance with respect to the integration of environmental and social considerations, as measured by the Sustainable Banking Assessment (SUSBA) published by the World Wide Fund for Nature (WWF).
- We continued to enhance our Responsible Financing Policy and checklists, and further tightened our stance on energy sector financing.
- More than 2,500 of our colleagues across relevant roles in Singapore, regional subsidiaries and branches completed the industry-wide e-learning module on responsible financing which was developed in collaboration with the ABS and WWF.

Partnership for the Goals

- Collaborator in the Asia Sustainable Finance Initiative (ASFI)
- Member of the MAS GFIT, Risk Management Workstream

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Sector-specific Positions

We review our Responsible Financing Policy and processes periodically amid evolving societal and stakeholder expectations. In recognition of the increasing threat of climate change, in 2020, we further tightened our stance on financing the energy sector with borrowers required to put in place measures to prevent or to control gas flaring and venting. UOB takes a cautious approach to financing upstream unconventional oil and gas activities including shale oil, shale gas and oil sands in view of the elevated environmental and social risks associated with these extraction methods. Borrowers are required to demonstrate a proven ESG track record and to implement policies and processes to ensure environmental and social risks are appropriately managed.

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. UOB will continue to engage with and to support our clients in their transition to lower carbon energy sources.

In addition to incorporating the ABS Haze Diagnostic Kit for the financing of palm oil and pulp and paper industries, we also discontinued new financing of greenfield palm oil plantations to address the risk of deforestation and loss of biodiversity.

In light of the potential health risks to the community, we prohibit financing of asbestos mining and new building projects that use asbestos in the construction process.

10 Formerly the MAS Financial Centre Advisory Panel (FCAP).

Monitoring

We engage with our borrowers proactively and continually work with them to improve their ESG practices. In addition, we monitor our borrowers on an ongoing basis for any adverse ESG-related news. Borrowers with any known material ESG-related incidents will trigger an immediate review with the ESG risks to be addressed and managed appropriately. We require our borrowers to rectify any breaches of our policy within a reasonable timeframe with account officers 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.

Portfolio Exposure

We review our portfolio's ESG exposure periodically. As at 31 December 2020, all applicable borrowers underwent the ESG risk assessment with relevant risks adequately managed and mitigated. In 2020, a total of 31 borrowers were included under heightened monitoring due to ESG concerns, of which 10 were escalated. These accounted for less than one per cent of our total non-bank loan portfolio. The Bank did not have a significant concentration in any of the eight ESG-sensitive sectors, which collectively accounted for approximately eight per cent of our total loan portfolio.

2020 Sustainable Banking Assessment

On the back of our efforts to improve our responsible financing practices and disclosures, we continued to make progress in the Sustainable Banking Assessment (SUSBA) published by the World Wide Fund for Nature. In the 2020 SUSBA assessment, the Singapore banks were ranked ahead of peers in the region.

Stakeholder Engagement

We are committed to doing our part in shaping industry developments and to promoting a more level playing field. Over the past four years, we have supported the ABS and the Association of Southeast Asian Nations (ASEAN) Bankers Association in a number of capacity-building workshops in the region. In 2020, we were closely involved in industry developments, notably the co-creation of MAS's Environmental Risk Management Guidelines which aim to enhance financial institutions' resilience to environmental risk and to strengthen the role of the Singapore financial sector in supporting the transition to an environmentally sustainable economy. UOB was also involved in the MAS Green Finance Industry Taskforce (GFIT[10]) Risk Management Workstream's efforts in facilitating the implementation of the Guidelines. In addition, the Bank actively participated in sustainability forums for knowledge exchange and to deepen understanding of ESG best practices. These have helped to ensure better integration of sustainability considerations into the Bank's overall strategy.

We 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 our customers, colleagues, investors, community and non-governmental organisations, to ensure that we meet evolving expectations and remain abreast of industry developments.

Our Approach to ESG Risk Management



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Climate Change Transition and Opportunities

We recognise climate change as one of the most complex and defining issues of our time. 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. Studies indicate that Asia is among the most vulnerable regions in the world to global warming. As a leading financial institution in the region, UOB has a vital role in supporting efforts toward climate change mitigation and adaptation.

The Task Force on Climate-related Financial Disclosures (TCFD)

The TCFD was established by the Financial Stability Board in December 2015 with the goal of developing a set of voluntary climate change-related financial risk disclosures that can be adopted by corporations so that their investors and other stakeholders can make informed decisions based on those risks.

TCFD's mission statement states that it is tasked with considering "the physical, liability and transition risks associated with climate change and what constitutes effective financial disclosures across industries".

The recommendations of the TCFD were published in June 2017 and consist of 11 disclosure recommendations across four pillars: governance, strategy, risk management, and metrics and targets.



Governance

Role of the Board in overseeing climate change-related issues

Climate change is a priority for our senior leaders. The UOB Board provides oversight for climate change-related issues through our Executive Committee, with support from Management and relevant business units. The UOB Board receives twice-yearly updates on climate-related topics. These topics include, but are not limited to, regulatory developments, internal policies, direct environmental impact through our operations, indirect impact through our financing and investment activities, and sustainability reporting disclosures.

The Board Executive Committee oversees the Group's material Environmental, Social and Governance (ESG) factors, including climate change transition and opportunities. In 2020, climate change was a key consideration in the updates from the ESG Committee to the Executive Committee on the Bank's sustainability strategy which addressed our roadmap to adopting the recommendations of the TCFD, efforts to support our customers in sustainable development and enhancements to our Responsible Financing Policy.

Other UOB Board Committees may also receive reports related to climate change risks and opportunities that come under their respective charters, particularly the Board Risk Management Committee, which has oversight of risk appetite, scenarios and stress testing.

The UOB Board and relevant Board Committees consider climate change risks and opportunities in the context of the Bank's guiding principles for sustainability and the four pillars of our sustainability strategy.

Climate change-related issues are integrated into the following sustainability governance mechanisms:

- reviewing and guiding strategy;
- reviewing and guiding major plans of action;
- reviewing and guiding risk management policies;
- monitoring implementation and performance of objectives;
- monitoring and overseeing progress against goals and targets for addressing climate change-related issues; and
- reviewing and approving the climate change-related disclosures in our Annual Report.

Our Target

- Continue to implement our roadmap towards adopting the Recommendations of the TCFD in order to assess, to measure and to manage our climate change-related risk.

Our Performance in 2020

- We completed our pilot climate scenario analysis, focusing on the impact of transition risk on our portfolio. The insights from the analysis enabled us to understand and to manage better the risks and opportunities associated with climate change.

Partnership for the Goals

- Supporter of the TCFD
- Participant in the MAS Green Finance Industry Taskforce (GFIT)

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Role of the Management in assessing and managing climate change-related issues

The Management Executive Committee (MEC) reviews climate change-related issues and provides strategic direction for the Bank's sustainability practices. The MEC is responsible for:

- guiding the development of ESG-related policies, including those related to climate change;
- managing and monitoring climate change-related risks and opportunities; and
- overseeing the progress, performance and reporting on climate change-related issues.

The MEC supports the Board Executive Committee in matters related to sustainability, including climate change-related responsibilities.

UOB's ESG Committee is a senior management committee that reports directly to the MEC. 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 Group. To ensure that the Bank's ESG principles are integrated across our business, 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 a month and serves as the integration point for internal ESG-related working groups with responsibility for environmental and social issues. In 2019, we established a multi-function working group to lead our response to the recommendations of the TCFD. The working groups comprise senior leaders from the Bank's various functions who have specific roles in the implementation of our overall sustainability strategy. Together with the ESG Committee, they ensure that we maintain a robust and integrated platform for governing, implementing and monitoring climate change-related targets and strategies.

UOB's Group Sustainability Framework is implemented through relevant policies and guidelines, including the Bank's Responsible Financing Policy which governs our review and approval of customer transactions in environmentally and/or socially sensitive sectors. UOB also has financing teams that work with customers to address climate change-related challenges and opportunities, occasionally in collaboration with NGOs, certification bodies and other mutual stakeholders. Internally, to manage our direct environmental impact, our Corporate Real Estate and Services unit has a specialised energy and sustainability team that works to mitigate our environmental footprint and to realise our green building targets. Our Central Procurement Office oversees our indirect impact by ensuring that material suppliers act in compliance with our Group Supplier Sustainability Principles. In addition, we have dedicated environment specialists that work full-time on our initiatives in relevant business units, ensuring ownership of the Bank's sustainability goals across our organisation.

Strategy

In 2019, based on our qualitative assessment referencing the Sustainability Accounting Standards Board's (SASB) Materiality Map® and Moody's Environmental Risks Global Heatmap, we identified specific carbon-intensive segments within the metals and mining, energy, transportation, chemicals, building material, agriculture and forestry sectors which were considered most likely to be impacted by climate change. These segments accounted for less than 10 per cent of UOB's total loan portfolio.

We subsequently partnered an internationally recognised environmental consultancy to undertake climate scenario analysis, focusing on the impact of transition risk. The insights from the analysis enabled us to understand and to manage better the risks and opportunities associated with climate change over short-, medium- and long-term horizons, which range from within the next three years to beyond seven years.

The climate scenarios used are based on research by the International Energy Agency (IEA) and the Organisation for Economic Co-operation and Development (OECD). Climate scenario assumptions are differentiated by the increase in carbon prices in order to limit temperature rise to 2°C . The climate scenario assumptions explore three pathways:

(i) an orderly transition where early actions are taken to reduce emissions to meet climate targets;
(ii) a disorderly transition where delayed and drastic actions are taken to meet climate targets; and
(iii) business-as-usual scenario where no actions are taken.

Climate Change Scenarios

Greenhouse Gas Emissions

High Carbon Price

This scenario represents the implementation of policies that are sufficient to reduce greenhouse gas emissions in line with the Paris Agreement goal by limiting climate change to 2°C by 2100. This scenario is based on research by the OECD and IEA[11].

Moderate Carbon Price

This scenario[12] assumes that policies are implemented to reduce greenhouse gas emissions and limit climate change to 2°C in the long-term but with action delayed in the short-term. This scenario draws on research by the OECD and IEA[11] along with assessments of the sufficiency of each country's Nationally Determined Contributions (NDCs) by Climate Action Tracker[13].

Low Carbon Price

This scenario represents the full implementation of country NDCs under the Paris Climate Agreement, based on research by the OECD and IEA[11]. Prices in this scenario are likely to be insufficient to achieve the goals of the Paris Agreement. This scenario is called the "New Policy Scenario".

11 Source: OECD/IEA and IRENA (2017), *Perspectives for the energy transition: Investment needs for a low-carbon energy system.*
12 Countries with NDCs that are not aligned to the 2°C goal in the short-term are assumed to increase their climate mitigation efforts in the medium- and long-term.
13 Source: https://climateactiontracker.org/.

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Physical Risks

Physical risks can be acute or chronic. Acute physical risks refer to those that are event driven, including increased severity of extreme weather events, such as cyclones and wildfires. Chronic physical risk arises from longer-term shifts in climate patterns such as rising sea levels with time horizons typically spanning decades. Physical risks can result in financial losses due to direct damage to assets and indirect impact from supply chain disruption.

Transition Risks

Transition risks arise from the process of adjustment towards a low-carbon economy which could result in financial and non-financial impacts. Impact is expected to materialise in a shorter time horizon with the speed and magnitude of transition dependent on changes in public policies, technological developments, shifts in consumer preferences and investor sentiment.

From the identified sectors, we subjected a selected group of 382 borrowers, comprising both large corporates and SMEs for further bottom-up analysis. These borrowers cumulatively made up approximately two-thirds of UOB's total exposures in these sectors and accounted for approximately five per cent of UOB's total non-bank loan portfolio. To overcome data availability challenges, particularly for SMEs where carbon emissions data is limited, we utilised geographical and sectoral emissions as proxies. Borrowers' carbon emissions were converted to a common "carbon to revenue" metric which we then used to assess the financial impact of transition risk over short-, medium- and long-term horizons.

Using our credit rating models, we simulated the impact of the financial cost resulting from the carbon price increase under each scenario on these borrowers' credit rating. On average, we observed credit rating deterioration of two notches across these 382 borrowers in the High Carbon Price Scenario, with borrowers in the most carbon-intensive segments such as building materials, experiencing more significant impact. Overall, the resulting credit risk impact on our portfolio is immaterial.

In addition, we conducted a similar assessment for our real estate portfolio in view of our significant exposure. Based on a sample of 68 borrowers (six per cent of non-bank loans), we observed negligible credit rating deterioration in the High Carbon Price Scenario given the relatively low carbon intensity of the sector.

While this is a positive first step for us in quantifying the impact of transition risk in our portfolio, we acknowledge the limitations of the methodology and data availability challenges in our pilot assessment. Notably, the methodology primarily attempts to quantify the impact of carbon price increase on borrowers' financials without explicitly factoring in other plausible impacts such as changes in market demand on sales and additional capex required to transition. Nonetheless, the results provide an impetus for further client engagement particularly to support the transition of those companies identified to be most impacted. In line with our TCFD roadmap, we intend to assess the impact of physical risk next year.

Recognising the common industry challenges associated with climate risk assessment such as data availability and lack of standardised metrics and targets, we will continue to work with regulators, industry associations and climate specialists to progress collectively towards a more robust approach on climate scenario analysis as methodologies and tools evolve and mature.

Breakdown of Sectors With Their Corresponding Weighted Carbon Intensities

Sector	Segments	Sample population as per cent of total non-bank loans	Sample population weighted carbon intensity (tCO_2e/$million)
Cement Manufacturing	Building materials	0.1%	7,602
Energy	Utilities, and oil and gas	1.1%	1,813
Metals and Mining	Coal, ferrous and non-ferrous mining, and manufacturing of metals	0.5%	648
Transportation	Land transport, air transport and water transport	1.0%	648
Agricultural	Agriculture and livestock production, manufacturing of agriculture products, and wholesale and trading of agriculture and livestock products	1.2%	433
Forestry	Logging, production of wood, and manufacturing of pulp and paper	0.2%	396
Chemicals	Manufacturing of chemicals	0.2%	355
Manufacturing of Transport Equipment	Automobile manufacturing	0.2%	44
Infrastructure	Operations of land, water and infrastructure	0.1%	41
	Total	**5%**	**–**

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Risk Management

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. Climate risk is identified, assessed and managed through our Responsible Financing Policy which is integrated into our Credit Risk Management Framework.

We also enhanced our responsible financing checklists in order to collect systematically carbon emissions data and to assess better the capabilities and resilience of our borrowers against the effects of climate-related risks. These additional features are also intended to help facilitate client engagement on climate risk by account officers.

The Bank actively participated in industry initiatives such as the co-creation of the MAS Environmental Risk Management Guidelines which aim to enhance financial institutions' resilience to environmental risk and to strengthen the role of Singapore's financial sector in supporting the transition to an environmentally sustainable economy. UOB was also involved in the MAS GFIT Risk Management Workstream's efforts in facilitating the implementation of the Guidelines.

Find Out More

- Read about our Responsible Financing Policy
- Read more about how we support customers in sustainable development through our Sustainable City Solutions

Managing Climate Risks

In view of the elevated climate risk, we discontinued new financing of coal fired power plant projects and prohibited the project financing of greenfield thermal coal mines in 2019. Within the thermal coal sector, our financing is limited to mines that have calorific values corresponding to sub-bituminous or higher grade coal.

In 2020, we further tightened our stance on financing the energy sector with borrowers required to put in place measures to prevent or to control gas flaring and venting. UOB takes a cautious approach to financing upstream unconventional oil and gas activities. Borrowers are required to demonstrate a proven Environmental, Social and Governance (ESG) track record and to implement policies and processes to ensure environmental and social risks are appropriately managed.

Metrics and Targets

We are also forging a sustainable future with our customers by helping businesses to advance responsibly and steering consumers' wealth to sustainable investments. The transition to a low-carbon economy also presents significant opportunities in our financing activities. To this end, we have assessed the climate-related opportunities across UOB's focus sectors and integrated climate considerations into our solutions.

We aim to deliver tangible impact in our product offerings across all customer segments, aligned to the respective ASEAN country's ESG agenda and tailored to industry readiness and adoption. Our solutions aim to maximise impact across various industries, customers and partners, leveraging UOB's core strengths and ASEAN footprint, with acceptable risks and returns to shareholders. The strategy leverages cross-sector green initiatives defined in our three sustainable finance frameworks, which are housed under the umbrella of our Sustainable City Solutions.

Opportunities

Renewable energy now forms 17 per cent of our power generation portfolio. In 2020, we achieved our target of doubling our renewable energy portfolio from 2018 levels, three years earlier than expected. The achievement was led by the many successes of our U-Solar programme, our integrated solar industry ecosystem that provides financial solutions to promote the development and adoption of solar power, with measurable environmental impacts resulting from our sustainable financing activities. Our renewable energy portfolio is an important component of the more comprehensive UOB Smart City Sustainable Finance Framework.

In addition, we are exploring the possibility of providing shorter-term green and sustainable trade finance and working capital solutions for our clients.

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Supporting Clients in Sustainable Development

It is imperative that financial institutions help businesses capture the growing opportunities related to sustainable development. According to a study by the Business and Sustainable Commission in 2017, achieving the Global Goals for sustainable development will open up US$12 trillion worth of market opportunities by 2030. In developing and emerging countries across Asia, the opportunities are estimated to be worth US$3.3 trillion, of which 70 per cent is estimated to be derived from the development of smart cities as well as energy and material efficiency technology.

How We Approach This Topic

We are committed to playing our role in the region's transition towards a sustainable and climate-resilient economy. To ensure that our financing decisions result in positive impact as well as to mitigate any potential harm to communities and ecological systems, we align our lending frameworks and practices to internationally-recognised standards, principles and guidelines wherever feasible. In developing sustainable financing solutions for our clients, our strategy and decision-making process are guided by the UN SDGs. We also aim to provide financing solutions that support the national sustainability agenda of the countries in which we operate.

Our approach to sustainable financing prioritises eight sectoral opportunities, namely:

- 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.

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.

2020 Landmark Sustainable Finance Transactions

- Largest sustainability linked loan for a real estate company in Singapore – CapitaLand Limited ($500 million)
- First sustainability linked loan for a retail real estate investment trust in Singapore – CapitaLand Integrated Commercial Trust ($200 million)
- Our first sustainability linked loan to an agribusiness company – Wilmar International Limited (through its wholly owned Wii Pte Ltd) ($272 million)
- First green loan to a healthcare facility in Singapore – Connexion by The Farrer Park Company ($120 million)

Shorter-term financing

Currently, the green finance market is predominantly made up of long-term capital financing, consisting of green bonds, and green club and syndicated loans. There is a gap in terms of providing shorter-term (i.e., less than one year) financing such as trade facilities and working capital. As such, we are exploring solutions to fill that gap by providing green or sustainability linked financing along industry value chains. This includes, for example, issuing a letter of credit to a buyer, financing receivables for a seller or providing a guarantee to support a bid. The solution will be based on providing short-term working capital to suppliers, sellers and buyers along the value chain, to meet their financial needs, including for cross-border transactions.

Training

All our colleagues in relevant roles are trained on our Responsible Financing Policy and processes. We continue to maintain a strong focus on capacity-building across the region. As at end December 2020, more than 2,500 UOB colleagues in relevant roles in Singapore, regional subsidiaries and overseas branches had completed the industry-wide e-learning module on responsible financing which was developed in collaboration with the ABS and WWF. This, coupled with other training programmes, has helped strengthen our colleagues' awareness of key ESG issues as well as effective identification and assessment of ESG risks. The Board, ESG Committee and senior management have also received relevant training to stay abreast of key developments.

Find Out More

- Read about how our Responsible Financing Policy addresses environmental and social risks
- Learn about how our activities are aligned with the recommendations of the Task Force on Climate-related Financial Disclosures

Our Targets

- Build a sustainable finance portfolio of $15 billion by 2023.
- Develop innovative financial solutions and initiatives across our network to support our clients in their transition to a low-carbon future and help them promote sustainable practices in their own operations and across their supply chains.

Our Performance in 2020

- As at the end of 2020, our sustainable financing portfolio totalled more than $11 billion. In 2020 alone, we extended $4.3 billion in sustainable financing to our clients, more than four times that in the previous year.
- In 2019, we made the commitment to double our combined portfolio of renewable energy, energy efficiency, green transport infrastructure, water and wastewater management by 2023. This target was achieved in 2020, three years earlier than expected. Renewable energy now forms 17 per cent of our power generation portfolio, in large part a result of the positive reception to our U-Solar Programme.

Partnership for the Goals

- Member of the MAS Green Finance Industry Taskforce (GFIT) Workstream on Fostering Green Solutions in the Financial Market
- Participation in industry events such as the Singapore FinTech Festival x Singapore Week of Innovation and Technology 2020
- Conducted regular client outreach to raise awareness and share good ESG practices through webinars on solar energy, energy efficiency and plastics recycling
- Conducted a workshop for over 300 relationship managers across the Group on sustainable financing and client engagement on sustainability

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Supporting Clients in Sustainable Development

UOB Sustainable City Solutions

In view of the environmental challenges posed by the emergence of large urban areas across our region, we developed the UOB Sustainable City Solutions, a comprehensive suite of customised financial solutions aimed at creating positive impact. The solutions leverage the Bank's core strengths and our ASEAN footprint, and feature cross-sector initiatives that are housed under three sustainable finance umbrella frameworks, namely:

- UOB Real Estate Sustainable Finance Framework;
- UOB Smart City Sustainable Finance Framework; and
- UOB Green Financing for Circular Economy Framework.

Through our frameworks, we offer our clients that seek sustainable financing the following benefits:

- streamlined and transparent processing;
- low-cost access to sustainable financing; and
- guidance on environment and social impact measurement.

In helping businesses advance responsibly and to forge a sustainable future with our clients, we also offer bespoke solutions that are anchored around our three sustainable finance umbrella frameworks, including:

- the Omega Green Programme, which offers a range of end-to-end bundled solutions, specially tailored for both main and sub-contractors for green projects;
- the U-Solar Programme, through which we offer financing to solar project developers and Engineering, Procurement and Construction (EPC) contractors. We also partner solar power service providers to offer one-stop solutions, from assessment to installation and maintenance of solar power systems, enabling businesses and consumers to switch easily to solar power; and
- the Plastic Recyclers Ecosystem Financing Programme, which offers comprehensive financing solutions to encourage plastic converters to switch to recycled materials.

Find Out More

▶ Please contact us at sustainable-city@uobgroup.com if you need more information on our sustainable financing solutions

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UOB Sustainable City Solutions: Focus Areas

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UOB Smart City Sustainable Finance Framework

ASEAN's urban population is expected to continue growing rapidly, reaching half a billion by 2050. Over the same period, waste is predicted to increase by almost 50 per cent across the region, exceeding 700 million tonnes annually by 2050[14].

Recognising the scale of the challenges presented by rapid urbanisation across our region and the need to create smarter and more sustainable communities, in November 2020 we rolled out the UOB Smart City Sustainable Finance Framework[15], which was supported through MAS' Green and Sustainability Linked Loan Grant Scheme (MAS GSLS).

A smart city integrates physical infrastructure and digital spaces, through the use of technology, into human habits and behaviours to enable an environmentally sustainable way of life. The UOB Smart City Sustainable Finance Framework aims to support companies integral to the building of smart cities and covers seven main categories, namely:

- renewable energy;
- construction of green buildings;
- energy efficiency;
- green transport;
- sustainable water management and treatment;
- waste management; and
- climate change adaptation.

The framework sets out all the eligible activities under each category and covers green and sustainability linked loans, trade finance and retail products. Qualifying companies under the framework can apply for sustainable financing from the Bank.

How the UOB Smart City Sustainable Finance Framework Contributes to the Global Goals

For green/sustainability linked loans, trade facilities, deposits and retail products

Benefits to Clients

Streamlined Process
Saves time and reduces complexity

Low Costs
A universal "umbrella"

Common Reporting Standards
for impact reporting

Eligible Categories

Renewable Energy
Clean energy generation and associated infrastructure

Green Buildings Construction
Construction of buildings that utilise highly efficient technologies

Energy Efficiency
Improvement and retrofitting works to reduce energy use

Green Transport
New energy vehicles, mass urban and low-carbon transport infrastructure

Sustainable Water Management and Treatment
Water efficiency and wastewater treatment

Waste Management
Waste management systems and Waste-to-Energy (WTE) plants

Climate Change Adaptation
Activities to increase the resilience of ecosystems and climate adaptation infrastructure

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14 Source: United Nations Environment Programme and World Bank Group.
15 Carbon Trust provided the Second Party Opinion on the UOB Smart City Sustainable Finance Framework.

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U-Solar Programme

In 2020, UOB's U-Solar programme financed projects that generated over 157 GWh of solar energy[16], resulting in more than 77 thousand tonnes CO_2-equivalent in avoided greenhouse gas emissions[17].

Offered in Indonesia, Malaysia, Singapore and Thailand, our U-Solar programme is Asia's first integrated solar industry ecosystem that supports companies and consumers in the development and adoption of solar power through the provision of financing solutions. Through U-Solar, we aim to help address the pain points faced by the solar energy industry value chain, from solar project developers and EPC contractors to end-users across the region. We work with UOB-approved solar EPC contractors in each country to ensure quality of service, and equipment and maintenance provision to end-users in the commercial, industrial and residential segments.

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

- supporting local solar contractors with end-to-end financing for procurement, construction, 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;
- enabling companies and industries to play an active role in helping their countries meet the respective Nationally Determined Contributions or climate pledge commitments as part of the Paris Agreement; and
- providing end-users with standardised solar financing packages.

For developers and contractors, we provide access to green loans to help them overcome working capital challenges.

For the end-users of solar energy – residential, commercial and industrial users – the U-Solar programme connects them to financing solutions that enable them to benefit from quality solar panel installations and reliable performance. For residential customers in particular, we offer zero per cent interest instalment plans for the purchase of solar panel installations.

U-Solar is 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 businesses and consumers transition seamlessly to solar energy.

16 We apply an attribution factor or ratio when calculating the amount of solar energy generated so that only UOB's share in the total financing of each project is included in our accounting. This is in accordance with the Global GHG Accounting and Reporting Standard for the Financial Industry, which is published by the Partnership for Carbon Accounting Financials (PCAF).
17 For greenhouse gas conversion factors, we rely on the International Energy Agency (IEA).

Sunseap Group



Sunseap Group, one of the partners for UOB's U-Solar programme in Singapore, is the country's largest and most established clean energy solutions provider and provides exclusive bundled solar packages for commercial and industrial end-users. The programme is Asia's first integrated solar energy platform that helps drive the development and adoption of solar power by making it simple for businesses and individuals to switch to renewable energy.

"We are delighted to have received the support of UOB, a forward-thinking institution known for its strong support of Singapore enterprises. The loan demonstrates UOB's confidence in Sunseap and the solar industry in general."

Mr Lawrence Wu
President and Executive Director, Sunseap Group

Find Out More

▶ If you want to find out more about U-Solar or are interested in becoming a partner, please contact us at SG.C&I@uobgroup.com

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UOB Real Estate Sustainable Finance Framework

Investing in sustainable buildings is key to achieving the Paris Agreement goals. Building construction and operations accounted for 35 per cent of global final energy use and 38 per cent of energy-related carbon dioxide emissions in 2019, representing the largest share of any industry[18]. Up to 70 per cent of a large city's greenhouse gas emissions are related to its buildings[19].

Sustainable buildings offer a multitude of benefits to the environment and society, including:

- job creation;
- increased infrastructure and urban resilience;
- enhanced health and well-being;
- reductions in air pollution, greenhouse gas emissions and waste generation;
- improved energy access; and
- reduced impact on biodiversity.

Recognising these benefits, in 2019, we developed the UOB Real Estate Sustainable Finance Framework to support clients operating in this sector.

In 2020, we enhanced our UOB Real Estate Sustainable Finance Framework[20], broadening our green building financing product offering by recognising a wider range of established green building certifications developed within ASEAN.

How the UOB Real Estate Sustainable Finance Framework Contributes to the Global Goals



18 Source: *2020 Global Status Report for Buildings and Construction, Global Alliance for Buildings and Construction.*
19 Source: Climate Bonds Initiative, Low Carbon Buildings Criteria, https://www.climatebonds.net/standard/buildings.
20 The UOB Real Estate Sustainable Finance Framework is aligned with the Loan Market Association/Asia Pacific Loan Market Association (LMA/APLMA) Green Loan Principles and Sustainability Linked Loan Principles. KPMG in Singapore provided advisory in the development of the framework.

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How We Approach This Topic

We believe that responsible investment practices have significant potential to contribute to the development of a more sustainable financial system for the benefit of the environment and the wider community.

Ensuring responsible investment practices is part of our fiduciary duty to our customers. We believe that the integration of Environmental, Social and Governance (ESG) considerations into our investment processes is important from a risk management perspective and to ensure long-term returns. In recent years, there has been an evident increase in customer demand for investment products that are either screened against ESG criteria and/or that result in positive impact.

Through active engagement and dialogue, we help investors and portfolio companies:

- to become more aware of the significance of ESG considerations in their investments;
- to gain awareness of the ESG-related risks and opportunities in business operations and strategy; and
- to recognise the importance of all stakeholders to the success of a business.

Steering Wealth Towards Sustainable Investments

As the world grapples with the social, health and economic challenges caused by the COVID-19 pandemic, investor awareness of, and demand for, sustainable business models is becoming more prevalent. Sustainable investing has been gaining pace in Asia. The *UOB ASEAN Consumer Sentiment Study 2020* also found that more than nine in 10 consumers are interested to find out more about sustainable investing, will consider making a sustainable investment or already have sustainable investments in their portfolios.

Integrating ESG considerations into investment products for consumers

The Personal Financial Services (PFS) division in our Group Retail segment focuses on helping consumers to achieve their financial goals and aspirations through a wide range of products and services. In providing wealth and investment advisory, we offer products such as unit trusts, structured products, equity and fixed income instruments.

In 2019, PFS established an ESG Working Group to explore and to build a sustainability-driven range of product offerings for consumers in Singapore. In October 2020, we officially launched our first series of ESG product solutions, making them available to our wealth customers in Singapore. PFS's sustainable investing programme seeks to integrate ESG considerations into the way we select providers, provide investment advice, develop our investment strategies and set standards for our product due diligence. Our sustainable investing programme aims to create greater awareness, to educate and to provide access to consumers who wish to grow their wealth sustainably.

Building on our risk-first approach

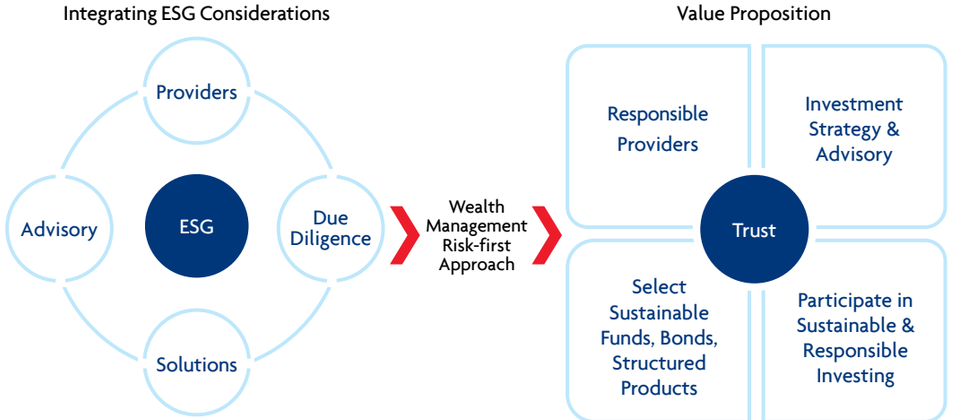
The integration of ESG considerations into our retail investment solutions is rooted in our risk-first wealth advisory approach, which helps our customers protect their assets and build their wealth.

Our risk-first approach guides us in the selection of sustainable investment solutions that are offered across different asset classes to suit various investor profiles and risk appetites. It is also integrated into the way these investment solutions are offered via our advisory and financial planning conversations with our customers.

Our sustainable investing value proposition

We partner reputable product specialists to screen, to score, to provide and to monitor sustainable investment products for our customers. In working with these specialists, we ensure that we incorporate robust and industry-leading criteria and methodologies when identifying sustainable investment options.

Risk-first Wealth Advisory Approach



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ESG product solutions offered to wealth customers

Unit trusts

We offer professionally-managed ESG-focused unit trusts to our customers, enabling them to invest in companies that are committed to achieving financial and ESG performance. In the selection of ESG funds, we take into consideration:

- the fund manager's expertise in managing ESG portfolios;
- the incorporation of ESG factors in the fund's investment process; and
- the ability of the fund manager to perform well against its benchmark and peers.

Based on these selection criteria, we currently offer the United Sustainable Credit Income Fund and the Allianz Global Sustainability Fund, which have demonstrated superior risk-adjusted returns by limiting downside risks through sustainable investing, thereby creating value for investors. We will continue to assess, to select and to offer fund products that meet our criteria for the benefit of our customers.

Structured products and equities

We offer structured notes linked to the equities of companies with strong ESG ratings. Our structured notes offerings, paired with our award-winning ESG framework and equity selection approach, provide our customers with the unique proposition of gaining exposure to a basket of highly-rated ESG companies. This may be in the form of themes that impact the global economy and are often environmental or social in nature. It may also include green investing, which focuses on companies that aim to help protect the environment, for example, by supporting clean energy and resource conservation projects.

Green bonds

A green bond is a fixed income instrument that is specifically earmarked to raise money for environment-related projects, including those that address climate change. Green bonds are typically asset-linked and backed by the entity's balance sheet. Green bonds can finance projects in the areas of energy efficiency, pollution prevention, sustainable agriculture, fisheries and forestry, the protection of aquatic and terrestrial ecosystems, clean transport, clean water and other activities.

The green bonds we offer are selected from the Bloomberg Barclays MSCI Global Green Bond Index, which has been voted the best index for the fourth year running by Environmental Finance, a leading news and analysis service for sustainable investing and green financing. The index ensures proper screening and monitoring of the use of proceeds, as well as adherence to industry-standard Green Bond Principles. Constituents of the index are rigorously assessed, among other factors, on the ongoing environmental impact of the projects for which the green bond proceeds are used.

We screen green bonds using our internal risk assessment framework to assess their financial fundamentals. This includes assessing the probability of default, fair value and technical analysis indicators. The additional layer of screening ensures that we only offer our customers the highest-quality green bonds for the best risk-adjusted rewards and stable cash flow outcomes.

United Sustainable Credit Income Fund

The United Sustainable Credit Income Fund invests in the RobecoSAM SDG Credit Fund, which is managed by Robeco Institutional Asset Management B.V., an investment specialist in sustainable investing and a subsidiary of ORIX Corporation Europe N.V. (formerly known as Robeco Group N.V.). The RobecoSAM SDG Credit Income Fund invests in bonds whose issuers make a positive contribution to the United Nations Sustainable Development Goals (UN SDGs). Since the UN SDGs were introduced in 2015, investors have been looking for ways to contribute to the realisation of the Global Goals through their investment activities, while also achieving superior investment returns. Driven to find a new approach to investing, Robeco developed a proprietary SDG framework that evaluates and screens companies based on their contribution towards the SDGs in order to define an investible universe. The SDG screening process enhances the risk-return profile by limiting downside risks and avoiding defaults.

Allianz Global Sustainability Fund

The Allianz Global Sustainability Fund is managed by Allianz Global Investors, a pioneer in sustainable investing since their first sustainable investment fund was launched more than 20 years ago. The fund was founded on the belief that superior investment returns can be generated across business cycles by creating a portfolio of securities which is considered best-in-class from both ESG and financial perspectives. The fund invests in a diversified mix of selected global equities that generate long-term outperformance and a positive, measurable impact on society by marrying Sustainable and Responsible Investment (SRI) research with bottom-up, fundamentals-based stock selection. Incepted in 2003, the fund is also one of the longest-running SRI strategies in the industry.

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Investing for Profit and Purpose

UOB Asset Management (UOBAM) Sustainable Investment framework and Active Ownership policy

At UOBAM, sustainable investing complements and enhances our existing investment approach which is anchored on strong fundamental research, augmented by the use of technology and leverages our local expertise. The foundations of our sustainable investing strategy are two-fold and include our Sustainable Investing (SI) framework, which guides the integration of ESG considerations into our investment process and our Active Ownership policy.

UOBAM's proprietary SI framework is implemented firm-wide. The SI framework covers all asset classes and guides the integration of ESG factors into our existing investment research to identify securities that are positioned to ride the tailwinds of long-term sustainability trends and opportunities. This includes securities that support secular growth, that have sustainable business practices in place and that meet UOBAM's ESG scoring requirements. Ultimately, securities in our portfolios are identified and selected with the aim of driving sustainable returns and supporting portfolio resilience.

We are progressively increasing the incorporation of ESG evaluation in our investment strategies and, as stakeholder expectations continue to evolve, we strive to ensure that our SI framework remains robust and relevant. We continue to customise solutions and mandates for our clients to help meet their investment needs, align with their values and recognise the need for increasingly stringent assessments on our portfolios' impact on the environment and society. Our Active Ownership policy was rolled out in late 2020 to facilitate engagement, proxy voting and escalation strategies. We plan to introduce the Active Ownership policy to our regional offices in 2021.

Both our SI framework and our Active Ownership policy are aligned with UOBAM's philosophy of investing for profit and purpose, which incorporates disciplined top-down strategy as well as strong bottom-up research and evaluation.

ESG governance in UOBAM

In 2019, UOBAM established an ESG sub-committee within the Local Investment Committee to oversee the governance and implementation of ESG-related investment policies and initiatives and to develop ESG-related products.

Since then, UOBAM has established a Local Sustainability Committee (LSC) and a Regional Sustainability Committee (RSC) which have reporting lines to the Management Committee of UOBAM. Serving as complementary committees to the Local Investment Committee and the Regional Investment Committee, the LSC and RSC were put in place to enhance the governance and operational rollout of sustainability-related initiatives within UOBAM, covering both investment activities and corporate sustainability activities.

United Nations-supported Principles for Responsible Investment (PRI)

In early 2020 our investment management arms, UOB Asset Management, UOB Venture Management and UOB Global Capital became official signatories to the PRI – a testament to the Group's commitment to responsible investing and to developing sustainable investment solutions for customers.

UOBAM's edge in sustainable investing

'Man & machine' – proprietary ESG research augmented by technology

At UOBAM, we draw on our strategic pillars of 'Be Digital-first' and 'Focus on Sustainability' to bolster our ESG evaluation and investment processes. Our fundamental ESG research is further strengthened with artificial intelligence driven by our proprietary machine learning models. With these technologies, we combine ESG data and predictive financial analysis with our investment analysts' fundamental research, ultimately yielding more robust ESG evaluation of the securities in which we invest. In addition, we are exploring collaborative partnerships with Financial Technology (FinTech) companies to evaluate the impact of our investments and to embed ESG considerations into our credit rating model for bonds.

'Active and localised' – strong regional footprint and localised expertise

Currently, third-party ESG data service providers do not provide full coverage of the Asian securities universe due to differences in regulations that apply to issuers in emerging markets compared with those in developed markets. Recognising that the gap affects newly-listed, under-researched and unlisted companies, some of which are our portfolio companies, UOBAM leverages our strong regional footprint, drawing on the knowledge of our investment teams in Singapore, Thailand, Malaysia, Taiwan, Indonesia and Vietnam to engage local companies on ESG topics. This approach enables us to gain deep insights into the ESG performance of local companies and to refine our investment decisions accordingly.

Sustainability Academy

In 2020 UOB Asset Management (UOBAM) launched the Sustainability Academy to offer a series of comprehensive training and development programmes on sustainable investing to UOBAM colleagues across Brunei, Indonesia, Japan, Malaysia, Singapore, Taiwan and Thailand. The in-house academy equips colleagues in both investment and non-investment roles with sustainable investing fundamentals and helps to further embed ESG considerations into the organisation's culture.

The inaugural training programme is a collaboration with Robeco and comprises two modules, Sustainable Investing and SDG Investing. It covers key topics such as ESG integration, active ownership and measuring the contribution of companies to the UN SDGs. UOBAM is the first financial institution in the world to offer Robeco's SDG Investing module as employee training.

The two Robeco modules are accredited by The Institute of Banking and Finance's Financial Training Scheme (IBF-FTS) and the CFA Institute. Colleagues who complete the modules can also use the training hours to fulfil their Continuing Professional Development requirements.

Sustainability Academy's second training programme, launched in late 2020 in collaboration with KPMG and with the support of IBF-FTS, covers topics such as sustainability reporting and ESG-related regulatory expectations that are relevant to the asset management industry.

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UOBAM's sustainable fund launches in 2020

United Sustainable Credit Income Fund Singapore, April 2020

The United Sustainable Credit Income Fund was launched in collaboration with Robeco to help Singapore retail investors access, for the first time, a multi-sector bond portfolio that supports the UN SDGs and provides attractive regular income.

United Equity Sustainable Global Fund Thailand, August 2020

The United Equity Sustainable Global Fund, also in collaboration with Robeco, provides retail investors in Thailand access to a fund with a high conviction sustainable investing strategy and global exposure. The fund strives to have a lower environmental footprint compared with its benchmark.

United Sustainable Asia Top 50 Fund Singapore, October 2020

The United Sustainable Asia Top 50 Fund was launched in collaboration with Fukoku Capital Management. The fund seeks to invest in companies that are top ESG performers. These companies are well-positioned for secular growth and are likely to be more resilient, thereby remaining competitive for the long-term. In turn, they can generate sustainable returns for investors.

United Sustainable Equity Solution Fund Thailand, November 2020

The United Sustainable Equity Solution Fund was launched in collaboration with Allianz to offer retail investors in Thailand access to a fund with a high conviction sustainable investing strategy that analyses ESG criteria, including environmental and social policy, human rights and corporate governance, in the selection of securities.

Benchmark Top Sustainable Fund Awards 2020

UOBAM Fund	Sector	Award / Performance
United Sustainable Asia Top 50 Fund	Asia Pacific Equity	Temperature Alignment Best-in-Class (Top 1%) Top ESG Performance Outstanding Achiever (Top 2%)
United E-Commerce Fund	Information Technology Sector Equity	Top ESG Performance Best-in-Class (Top 1%)
United Singapore Growth Fund	Singapore Equity	Top Global Compact Performance Best-in-Class (Top 1%)
United Global Financials SGD	Financial Sector Equity	Top ESG Performance Best-in-Class (Top 1%) Top Global Compact Performance Best-in-Class (Top 1%)
United ASEAN SGD	ASEAN Equity	Top ESG Performance Outstanding Achiever (Top 2%) Top Global Compact Performance Outstanding Achiever (Top 3%)

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Invest in Growth, Create Impact

Asia Impact Investment Fund (AIIF)

UOB Venture Management (UOBVM) has been incorporating ESG considerations into its investment process since 2004. Responsible investment practices are a key pillar in its impact investment strategy.

Over the years, UOBVM's approach to responsible and sustainable investing has progressed from negative impact avoidance to investing with a positive social intent, a double bottom line approach emphasising both commercial returns and social outcomes. In 2015, UOBVM launched its flagship impact investment fund, AIIF, in partnership with Credit Suisse AG, Singapore. The AIIF aims to support companies that can achieve positive social impact and economic returns by improving the well-being and livelihoods of people from 'Base of Pyramid' (BoP) communities, defined as those living on US$3,000 or less a year.

The AIIF has a clear impact mandate to provide equity funding for private companies in Southeast Asia and China with business models that address the needs of BoP communities in one or more of the following ways: access, affordability, opportunity and empowerment. As at December 2020, AIIF's portfolio companies have reached more than 16 million low-income individuals since the fund's investment[21].

In 2019, UOBVM became the first in Southeast Asia to become a signatory of the Operating Principles for Impact Management[22] (Impact Principles) and completed its first disclosure and external verification in September 2020.

In 2020, UOBVM also completed the first closing of the second impact fund, AIIF II. The AIIF II follows the investment strategy of the first AIIF, focusing on sustainable, high-growth businesses in areas such as education, access to finance, healthcare and agriculture and which offer solutions to the challenges faced by the BoP communities.

Singapore Stewardship Principles for Responsible Investors

In 2018, UOB Asset Management and UOB Venture Management became supporters of the Singapore Stewardship Principles for Responsible Investors, a set of principles intended to encourage investors to pursue voluntarily the spirit of stewardship and good governance. The Singapore Stewardship Principles were developed by the members of a Working Group led by the Stewardship Asia Centre.

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TaniHub Group

In 2020, UOB Venture Management invested in TaniHub Group (TaniHub), a leading agritech company in Indonesia that connects farmers directly with customers on its integrated agriculture e-commerce and financing platform.

TaniHub aims to resolve the systemic inefficiencies that disadvantage farmers by providing them with access to markets and access to capital. In doing so, they help to increase the incomes of Indonesian smallholder farmers and improve their livelihoods.

TaniHub has a vast network of farmers and an extensive supply chain, through which it provides Indonesians with access to safe and fresh food during the COVID-19 pandemic.



COVID-19 and global poverty

The outbreak of the COVID-19 pandemic disrupted global trade, production and supply chains, and distribution channels as governments around the world implemented lockdowns, travel restrictions, closures and other mitigating measures to contain the spread of the virus. The pandemic also led to a global economic downturn and massive job losses that resulted in sudden loss of income.

According to the World Bank, the pandemic is estimated to push up to 150 million more people into extreme poverty in 2021, including tens of millions in Southeast Asia[23]. Notably, many of the new poor will be in countries that already have high poverty rates, with eight in 10 in middle income countries that include Indonesia and Vietnam.

In 2020, UOBVM focused on providing support to portfolio companies whose business models were able to address the social challenges presented by the COVID-19 pandemic. These companies helped to maintain supplies of essential goods, to sustain critical services and to serve communities that had been hit hardest by the crisis, including micro-, small- and medium-sized enterprises as well as BoP communities. While AIIF's portfolio companies were also affected by the adverse impact of the pandemic, many of them showed resilience and played their part in supporting their customers and the wider community affected by the crisis.

Find Out More

- Read about how AIIF portfolio companies made an impact during the COVID-19 pandemic
- Find out more about how AIIF supports financial inclusion through micro-loans

21 Figures have not been prorated for the portion of UOB Venture Management's contribution, and are based on data reported by investee companies.
22 The initiative to develop the Impact Principles was led by the International Finance Corporation in consultation with leading impact asset managers and asset owners. For more information, please refer to https://www.impactprinciples.org/.
23 Source: Poverty and Shared Prosperity Report 2020: Reversals of Fortune, World Bank, October 2020.

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Information Security and Data Privacy

Protecting personal data and privacy is a top priority at UOB. We are committed to meeting industry best practices and to complying with the Personal Data Protection Act of Singapore. Banks host important and sensitive information about customers and protecting this data is essential to our customers maintaining their trust in us. As banking behaviour shifts toward digital channels, it is even more pertinent 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 compliance with applicable data privacy laws.

Line data protection officers at functional and business levels in Singapore and locally appointed officers at overseas locations report to the Franchise Data Protection Officers in Singapore, who in turn report to the Group Operational Risk Management Committee. Such officers ensure compliance with local regulations and Group requirements and assist in the investigation of alleged breaches as and when required. Group Operational Risk Management and the Data Protection Office review any incidents and consider whether the incidents need to be reported and/or affected persons notified. Action plans will be implemented to address any weakness in process that resulted in the incidents.

UOB's Enterprise Data Governance and Data Quality team governs the data life cycle from creation, transformation and consumption to eventual deletion. This function brings together subject matter experts from across UOB to focus on the continual 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.

Our website provides information on our approach to privacy and data protection as well as the contact details of our Data Protection Officers. UOB's Privacy Notice is also available online and at all branches in Singapore.

Our Targets

- Promote responsible sharing and usage of data via Group-wide guidelines and awareness programmes, and protect and secure data confidentiality and privacy in line with current and emerging data privacy laws, the global regulatory landscape and internal business sensitivities.
- Expand the deployment of ethical and fairness principles in the design and validation of key Artificial Intelligence (AI) and analytical models.
- Protect and secure the Bank's and customers' information by continually deepening our cybersecurity 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.

Partnership for the Goals

In the area of information security, UOB actively collaborates with the MAS and ABS on various initiatives. These include participating in the Financial Services Information Sharing and Analysis Center to help strengthen the industry's collective defence against cyber attacks by sharing information on potential threats and best practices with our industry peers.

Our Performance in 2020

In 2020, there were no legal proceedings taken against UOB in respect of any data privacy breach, nor any fine or other sanction imposed on the Bank by the Singapore Personal Data Protection Commission (PDPC). We continued to work with the PDPC to address concerns about use of personal data raised by our customers and members of the public. During the year, 10 incidents were referred to us by the PDPC and investigations determined that none of these were substantiated breaches.

We continue to develop our cybersecurity capabilities and to enhance our operating models, strengthening our defences and keeping pace with the dynamic threat landscape. Through these efforts, we contribute to the security and stability of the financial system and help to build trust in the banking environment. As we advance our digital capabilities, we remain committed to increasing our investments in our cyber resilience and security. In 2020, the Group had no material security incidents to report and 100 per cent of employees completed the security training module.

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Information Security and Data Privacy

How We Approach This Topic

Information security

We use technology to provide a borderless, reliable and efficient service, and are committed to protecting our data and assets, including customer data, from cybersecurity threats.

The Group Technology Risk Management Framework and IT Security Management and Cyber Resiliency 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.

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.

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 our colleagues' awareness and to test their understanding and vigilance.

Data Ethics

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. In 2020, we developed the UOB Data Ethics Validation plan in partnership with executive representatives from Data Management Office, Risk Management, Legal, Compliance, Customer Advocacy and key business units with reference to the PDPC Model AI Governance framework, MAS FEAT principles and Veritas Phase 1 White Paper. UOB also collaborated with the MAS and its partners in the Veritas Phase 1 project to co-develop an assessment methodology for measuring fairness in AI and data analytics models. The Veritas Phase 1 White Paper was published at the Singapore FinTech Festival 2020.

The principles of Fairness, Ethics, Accountability and Transparency (FEAT) as envisioned by the MAS, coupled with UOB's values and Code of Conduct, are embedded in our modelling and analytics processes. We developed and operationalised a balanced operating model across the Three Lines Model to provide robust challenge as well as assurance in the ethical handling of data and its outcomes.

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 the resolution of data quality concerns, deep dives into the associated data management and technical processes, determines the root cause of data quality gaps and collaboratively works with business and support units to put in place preventive and strategic resolutions across our complex data management landscape. The team also develops and promotes the adoption of data quality best practices and assists the data community in improving the handling of data sets across the data life cycle.

Data Sharing

Enabling responsible and secure data sharing, either across borders or with external parties, is of key importance to UOB. In 2020, we rolled out an optimised process to govern cross-border data transfers between UOB Group companies worldwide, improving the turnaround time for approvals significantly. Our cross-functional group, comprising experts from across the data, risk and business domains, has put in place guidelines, procedures and processes to guide all data users in responsible data sharing. This has led to improvements in 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.

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.

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Fair Dealing

For 85 years, 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, regardless of our individual roles. This duty is embodied in our values-based Code of Conduct. Treating customers fairly is UOB'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's (MAS) Guidelines on Fair Dealing. 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 Group Fair Dealing Guidelines Committee (FDGC), comprising senior management appointed by the Group Chief Executive Officer, is responsible for ensuring Fair Dealing outcomes for our customers. The Board and Management provide oversight through the Board Risk Management Committee and the Risk and Capital Committee respectively.

The Bank has in place policies, guidelines and operating frameworks to ensure that we always aim for and achieve the Fair Dealing outcomes. The FDGC 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 principles in all that we do;
- UOB Customer Commitments Awards to recognise colleagues who uphold and fulfil our customer commitments;
- the Art of Service Recovery Programme, which aims to drive mindset shifts, to instil and to equip employees with best practices on how to attend to customers, to enhance staff competency and to increase customer satisfaction; and
- Fairness, Ethics, Accountability and Transparency (FEAT) and Fair Dealing Outcome Five Workshop as part of our commitment to maintain a culture of Fair Dealing.

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 the sale of investment products for UOB Group. 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 the sale of investment products, including but not limited to:

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

Promoting Free and Fair Competition

UOB values public confidence that the Group operates fairly in the various markets in which it has a presence. The need for integrity also applies in the competition for market share. The UOB Code of Conduct prohibits anti-competitive conduct and provides examples of such acts. Employees are advised to consult the UOB Legal team for further guidance on what could be deemed as anti-competitive conduct.

During the reporting period, there were no complaints in connection with anti-competitive behaviour in Singapore or other locations in which UOB operates. UOB has also not breached any applicable anti-trust and monopoly legislation in Singapore or overseas during the reporting period.

Our Targets

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

Our Performance in 2020

- We achieved 100 per cent completion of mandatory training on MAS Fair Dealing by employees.
- We ensured that 100 per cent of customer complaints were addressed within the established processes and timelines.

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Customer Experience

Our customers are the core of our business. By actively engaging our customers and listening to their needs, we can serve them better and deepen relationships. In focusing on doing what is right for our 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 an array of methods to understand better our customers' needs and preferences, and how they use our products and services. UOB's Art of Service Recovery programme equips our colleagues with the skills to resolve customer complaints and to turn challenging situations into positive outcomes.

We conduct a review and root-cause analysis for every customer feedback that we receive. With the help of the relevant business and/or support unit, we address the concerns of each customer and identify areas for 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. Through industry surveys such as the Customer Satisfaction Index of Singapore (CSISG) and findings from our external consultants, we are able to obtain an independent gauge of the level of satisfaction among our customers as well as their changing needs. We use information and insight from these sources to enhance the customer experience and to develop products and services that enable us to serve our customers better.

Our Group Customer Experience and Advocacy (GCEA) function monitors key performance indicators and metrics relating to customer experience at both the strategic and operational level. Regular updates are presented to the Group Chief Executive Officer (CEO), country CEOs, senior management as well as relevant committees such as the Fair Dealing Guidelines Committee, the Operational Risk Management Committee and the Board Risk Management Committee. These updates relate to customers' NPS for Group Retail, Group Wholesale Banking and Global Markets, Contact Centre and our branches, as well as customer complaint indicators and end-to-end service measures.

Gaining Better Insights Through Market Research

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

Market insights from Greenwich Associates indicate that the quality of our client communications and engagement has led to continued improvements in our market penetration in Singapore across coverage and product capabilities.

2020 Greenwich Quality Leader and Share Leader Awards

- Asian Large Corporate Trade Finance (Singapore and Indonesia)
- Asian Large Corporate Banking and Cash Management (Indonesia)

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 across the Group.

Our Performance in 2020

- CSISG improved from 72.6 to 74.3, with highest ratings among peer banks for contact centre at 7.87, mobile app at 7.89, ATM/Self-service machines at 7.64.
- Outperformed customer issue resolution target with 95 per cent of complaints resolved within five business days in Singapore.
- Group Wholesale Banking and Global Markets: Achieved mean CX score of 8.3.
- Group Retail[24]: Achieved 8.2 in mean CX, and improved NPS from 23.6 per cent to 34.2 per cent.

24 Data excludes UOB Vietnam.

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Innovative Digital Banking Products

With the rapid advancement of mobile technology in recent years, the demand for digital banking continues to grow. Consumers are expecting faster and more convenient products and services that can be accessed easily online. As populations across ASEAN become increasingly digitally-savvy, innovative digital solutions are also making finance more inclusive, by providing access to banking products and services for previously underserved populations.

How We Approach This Topic

At UOB, through our omni-channel approach, we offer our customers choices in how they wish to bank with us. We continue to invest in our technology capabilities – from Artificial Intelligence (AI), data analytics and robotic process automation to cloud computing – to make banking seamless, simpler, smarter and safer for them.

With more customers relying on their mobile devices for daily transactions, we offer a range of progressive digital banking solutions, including mobile banking apps, to attract and to serve our customers in innovative ways. These solutions include:

- UOB Mighty: our all-in-one mobile banking app available in Malaysia, Singapore and Thailand
- TMRW: ASEAN's first mobile-only digital bank for the region's digital generation, available in Thailand and Indonesia
- UOB Infinity: our new digital banking service for our corporate clients to manage their day-to-day banking transactions in a simple and personalised manner
- UOB BizSmart: an integrated suite of business solutions that help our small business customers automate their day-to-day administrative processes for better productivity.

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 2020, we extended Mighty Insights from Singapore to Malaysia. Mighty Insights is an industry-first AI-based digital banking service which uses advanced data analytics, machine learning and pattern recognition algorithms to provide customers with hyper-personalised insights into their savings and expenses. We will continue to roll out this feature progressively in other markets.

In Malaysia, Singapore and Thailand, UOB Mighty also integrates national e-payment initiatives, namely DuitNow, PayNow and PromptPay to make cashless payments more convenient for our customers.

Find Out More

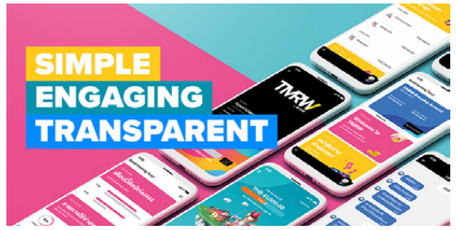
▶ See our UOB Annual Report 2020 to find out more about how we are engaging the region's digital generation

TMRW: Serving ASEAN's Mobile-first, Mobile-only Consumers

In 2019, we created TMRW, ASEAN's first mobile-only digital bank and launched it in Thailand. In 2020 we brought TMRW into Indonesia.

TMRW 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, from account opening through to their day-to-day needs. With a data-centric operating model, TMRW translates transactional data into actionable Smart Insights that make the banking experience for customers interesting and fun while enabling them to be smarter at saving and spending. As customers spend more time using TMRW, the digital bank will become even more familiar with their needs and preferences and will be able to serve each customer better.

TMRW also incorporates payment options such as PromptPay in Thailand and the QR Code Indonesia Standard to ensure that our customers have access to the payment networks of their choice.



Recognition for TMRW

- **Best Consumer Digital Bank in Thailand**
  Global Finance World's Best Digital Bank Awards
- **Best Digital Bank in Indonesia**
  Alpha Southeast Asia 14th Annual Best Financial Institution Awards
- **Best Bank for Millennials**
  The Digital Banker
- **Best Digital Bank in ASEAN and Thailand**
  The Digital Banker
- **Best User Experience Design**
  Global Banking Technology Awards

Our Target

- Achieve 75 per cent digitally-registered individual customers with a monthly active rate of more than 35 per cent by 2025.

Our Performance in 2020

- 67 per cent of customers were served digitally in 2020, with two in three customers using digital or multiple banking touchpoints.
- 48 per cent of new individual customers in Thailand and Indonesia, where we launched TMRW, were on-boarded digitally, with more than two in five new customers opening banking accounts digitally.

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Financial Inclusion

Asia is a diverse and fast-growing region benefitting from inter- and intra-regional trade flows, a young and dynamic population and growing affluence. As standards of education and income levels continue to rise, individuals and businesses that lack access to affordable financial products and services require support. We also recognise that to achieve sustainable financial inclusion, banking products and services must continue to meet the needs of people from different backgrounds and at different stages of life.

Financial Inclusion

Financial inclusion is achieved by providing individuals and businesses with access to useful and affordable financial products and services that meet their needs, and are delivered in a responsible and sustainable way.

Access to a transaction account is usually the first step toward broader financial inclusion because it enables individuals to store money safely and to send and to receive payments.

With a transaction account, customers are also better placed to access other financial products and services such as credit cards, insurance, study or business loans. This way, they are better able to manage the risks and opportunities that can impact the quality of their lives.

How We Approach This Topic

UOB is committed to making banking services and products accessible and affordable to various segments of society in order 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. Across the Bank, our branch colleagues are also increasingly equipped with the skills and knowledge to cater to the needs of a diverse customer base. In Singapore, we actively engage senior citizens to help them learn about and use digital banking solutions. In Malaysia, we offer Islamic banking services to help meet the local demand for Shariah-compliant financial services. For small businesses in Thailand and Vietnam, the Bank leverages technological solutions to process loans more quickly and accurately. Through their private equity financing activities, UOB Venture Management supports micro-loan providers in Southeast Asia that facilitate better access to finance for micro-entrepreneurs.



We aim to ensure that all our branch colleagues undergo training in "Cultivating a Diverse & Service Inclusive Workplace".

Our Targets[25]

- Ensure 100 per cent of branch colleagues in Singapore complete the Cultivating a Diverse & Service Inclusive Workplace course. [2021]
- Ensure 100 per cent of branch colleagues in Singapore complete the Managing a Diverse Service Environment course. [2021]

Our Performance in 2020

In 2019, we pledged to train 100 per cent of our branch colleagues in Singapore to help senior citizens adopt mobile banking services. We were able to meet this target on schedule by end-2020.

In 2020, we trained 91 per cent of our Singapore branch colleagues in "Cultivating a Diverse and Service Inclusive Workplace", as well as 65 per cent of our Singapore branch officers in "Managing a Diverse Service Environment". In view of delays related to the COVID-19 pandemic, we revised our target date for completion of these two courses from end-2020 to end-2021.

Partnership for the Goals

Signatory of the Infocomm Media Development Authority (IMDA) Digital Participation Pledge

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17 PARTNERSHIPS FOR THE GOALS

25 Completion of courses by end-2021 is dependent on the availability of virtual learning options.

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Digital Financial Inclusion

Digital technology is an integral part of our society. As the digitalisation of financial services continues, it is important that no one is excluded in their day-to-day lives from the benefits and opportunities provided by technology. However, the fast pace of technological advancement has resulted in some groups of people being left behind. They may distrust new technologies or may simply be overwhelmed by the sheer volume of solutions that are available.

We see it as our duty to reach out to our customers and the wider community actively in order to help them understand that digital products and services can make their lives more convenient. As such, the Bank has embarked on programmes and initiatives to support digital financial inclusion. We have aligned these efforts with the IMDA Digital Participation Pledge.

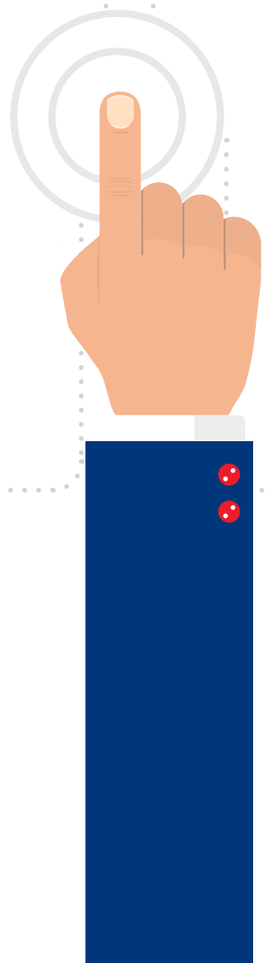
Equip Employees With Digital Skills

In 2017, we started on a journey to transform the roles of our frontline colleagues from single-task to multi-skilled activities. This effort is aligned with the Bank's wider focus on helping our colleagues to meet the financial sector's changing needs. As part of this long-term initiative, we launched our Professional Conversion Programme (PCP) in collaboration with Workforce Singapore and the Institute of Banking and Finance Singapore. Since the launch of the PCP, we have enrolled more than 1,100 colleagues in Singapore in the programme, with a 45 per cent increase in the number of colleagues who successfully transitioned from single-skill roles to multi-skill advisory and leadership roles.

Volunteer or Give Resources for Digital Readiness Efforts

In collaboration with the Infocomm Media Development Authority (IMDA), UOB has been providing trained digital clinic volunteers to help educate members of the community since 2017. Given the social constraints due to the COVID-19 pandemic, we were not able to hold physical digital clinics in 2020. Instead, we continued to educate the public through active participation in virtual events and webinars, including:

- Seniors Go Digital training;
- Singapore Press Holdings online livestream webinars; and
- Digital Pods, a series we hosted in collaboration with the IMDA.



Educate Customers on How to Use Digital Services

As part of our efforts to promote the use of technology in our daily lives, we have digital advocates at select branches across Singapore. Our digital advocates educate customers on the use of self-service machines, focusing on some of the more common transactions such as cash deposits, withdrawals, bill payments, fund transfers and passbook updates. With the help of our digital advocates, all customers can gain the confidence to use our self-service machines on their own.

Offer and Design Digital Services to Be Inclusive and Safe

We use technology to provide borderless, reliable and efficient services, and are committed to protecting our data and assets, including customer data, from cyber security threats. We continue to deepen our digital capabilities to create distinctive and inclusive banking experiences for our customers. We harness technologies such as artificial intelligence, machine learning and data analytics to draw insights from transaction data, enhancing our understanding of our customers and our ability to recommend the most appropriate product and service at the right time.

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Mobile Robo-advisory With UOBAM Invest

UOB Asset Management (UOBAM) is the first regional asset management firm to offer a mobile robo-adviser with personalised portfolios to individual investors. With UOBAM Invest, we are bringing the benefits of our risk-based approach – one that is trusted by institutional investors – to more individual investors.

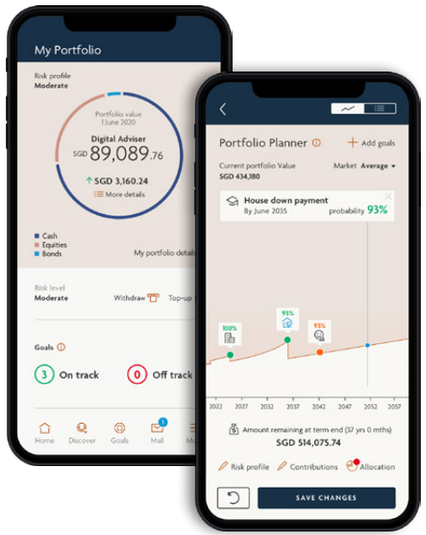
UOBAM is a strong advocate of digitalisation and technology. We firmly believe that investing can be made more accessible and convenient through the use of technology. In 2020, we launched UOBAM Invest, a mobile robo-advisory app that enables individuals to invest in personalised investment portfolios. Each portfolio is dynamically generated based on individual risk profiles and aggregated financial goals.

A notable feature of UOBAM Invest is its lower barrier to entry for investing. Investors can start investing from as low as $1 and are offered the flexibility to change their investment goals, stop investing or even withdraw their investments at any point in time.

UOBAM Invest Aims to Improve Access to Investment Services for Individual Investors

- Start investing from $1
- No account opening or closing fees
- Unlimited, free withdrawals
- Rebalancing and platform fees are included
- A customised portfolio to manage an unlimited number of investment goals

How UOBAM Invest Works for You[26]



Digital Adviser

Individual investors can start their robo-investing journey with UOBAM Invest's Digital Adviser to build a portfolio that best reflects their personal financial objectives after understanding their risk profile.

Find Out More

▶ Read about UOBAM's approach to sustainable investing

UOBAM x GRAB

Grab, through their financial services arm Grab Financial Group (GFG), worked with UOB Asset Management (UOBAM) as one of their partners to launch AutoInvest, a new micro-investment service in 2020. The collaboration was built on UOBAM's consistent track record, financial stability, asset strength, portfolio manager credentials and risk management processes.

Through AutoInvest, individuals can invest automatically small sums into two of UOBAM's fixed income funds, namely United SGD Money Market Fund and United SGD Fund, which aim to deliver stable returns. With no lock-in period, investors can easily access their investment funds and use them for other purposes within the Grab ecosystem.

UOBAM x SINGTEL

In 2020, Singtel and UOB Asset Management (UOBAM) signed a Memorandum of Understanding to offer dynamic and personalised robo-advisory investment solutions to individual investors through Singtel's Dash mobile wallet. The customised mobile robo-adviser will leverage technology, data analysis and algorithm-based tools to provide personalised advice on investment products to customers, empowering them to grow their wealth simply and smartly.

26 All screens shown are for illustration only. Any reference to any asset class is used for illustration or information purposes only and should not be relied upon for any purpose. Any prediction, projection or forecast shown is not indicative of future or likely performance of any portfolio.

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Islamic Banking

Islamic Banking Window

In 2016, we launched the Islamic Banking Window in Malaysia to offer comprehensive and customised Shariah-compliant banking solutions to our individual and business customers to meet their business and personal finance needs.

Islamic banking activities are guided by the virtues of Shariah (Islamic Law) and promote ethical, communal and socially responsible values. We are a supporter of Bank Negara Malaysia's vision for Value-Based Intermediation, which encourages good banking practices and sustainable consumer behaviours.

At its core, Islamic banking believes in generating equitable, fair returns. Available to Muslims and non-Muslims, Islamic banking products and services are an alternative to conventional banking.

Recognition

In recognition of our commitment to providing quality Islamic banking solutions to our customers, we received the Critic's Choice Best Premier Islamic Retail Banking Award 2020 from Cambridge International Financial Advisory, as well as the Best Dual Structure Islamic Finance Deal for Wholesale Banking 2020 from *Alpha Southeast Asia*.

Shariah-compliant Small- and Medium-sized Enterprise (SME) financing

In Malaysia, we offer the Shariah-compliant SME Financing Scheme by SME Corp Malaysia to help SMEs obtain competitively-priced financing for their business growth.

In addition, to help raise awareness for Islamic banking products and services, we offer access to MyKNP (Khidmat Nasihat Perniagaan) financial advisory services which are provided by the Credit Guarantee Corporation to SMEs in the country.

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Shariah-compliant Environmental, Social and Governance (ESG) Fund

UOB Asset Management (Malaysia) launched the United-i Asia Income Fund (UiAIF) in January 2021, a Shariah-compliant fund to provide individual investors with income dividends and capital appreciation over the medium- to long-term. The fund invests in a diversified portfolio of equities and debt instruments issued by companies across Asia (excluding Japan) that comply with Shariah principles and incorporate ESG considerations into their business models and practices.

As both Shariah principles and sustainable investing promote stewardship and value creation, combining these approaches creates a stronger portfolio for investors' long-term benefit. Shariah-based investing prohibits interest, security lending and short selling. It also excludes sectors such as tobacco, alcohol and breweries, weapons and armaments, as well as non-halal products. This is complemented by sustainable investing which selects the best performing companies in terms of environmental and social responsibility.

Takaful (Islamic Insurance) for Women

In 2020, we launched the UOB Lady's Savings Account in Malaysia, a financial solution that combines a savings account with complimentary takaful (Islamic insurance) coverage for the six most common female-related cancers.

According to a 2018 survey conducted by Malaysia's Credit Counselling and Debt Management Agency, only 55 per cent of women have the financial ability to cover medical bills of RM2,500 ($810) while 67 per cent could only afford RM1,000 ($327) for emergency expenses. In contrast, treatments for cancer patients in Malaysia may exceed RM10,000 ($3,270) depending on the diagnosis, cancer stage and treatment type. The total cost of treatment also depends on whether the patient seeks medical care at a public or private hospital.

As more women enter the workforce each year, they wear many hats in their personal and professional lives. Having to juggle many responsibilities, women tend to place their own well-being lower on their list of priorities. Recognising the need for women to look after themselves, even as they care for others, we designed the UOB Lady's Savings Account to help women grow their wealth while protecting their savings against six female-related cancers in the event of a diagnosis.

Find Out More

▶ For more details on the UOB Malaysia Lady's Savings Account, visit https://www.uob.com.my/lsa/index.html

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UOB Bizmerchant: Data-driven Financing for SMEs

In 2019, in a market-first, we began to provide financing to online businesses in Vietnam operating on e-commerce marketplaces such as Lazada, Shopee and Sendo through our UOB BizMerchant programme. In redesigning the Bank's credit underwriting engine, we apply analytics to new pools of data, such as those relating to the business's day-to-day operations, to gain deeper insights into the credit behaviour of small businesses. This, in turn, enables us to process small business loan requests with greater speed and accuracy, resulting in faster turnaround times for our SME customers.

With our data analytics-powered credit underwriting engine, we also enable businesses to apply for loans online, providing them with a more frictionless experience. Once a loan is approved, we can also offer other banking services such as a banking account, ATM card, and mobile and internet banking services.

With more data, we can continue to refine the credit underwriting rules over time. As a result, more online sellers become eligible for working capital financing without any collateral. The number of businesses which have benefitted from this initiative more than doubled in 2020. In 2020, $9.5 million was disbursed to more than 800 customers in Vietnam.

In 2020, UOB expanded UOB BizMerchant to include Lazada in Thailand. Under the programme, we can process merchant loan applications remotely, reducing the turnaround time from one to two weeks typically taken for conventional loans to fewer than five working days. This enabled us to achieve a first-year Net Promoter Score of 81 compared with 71 for conventional loans. In 2020, 72 businesses in Thailand received financing totalling THB 22 million ($0.9 million).

Going one step further, in November 2020, we began to pilot a simple and seamless Application Programming Interface (API)-supported loan application system with 400 Qoo10 sellers in Singapore. It enables them to apply for financing directly from the e-commerce platform. By leveraging partners' data, we can develop innovative banking solutions relevant to our partners' SME customers while enhancing our credit assessment and model.

The scalable nature of our digital credit engine ensures that we are able to serve new customers in different operating environments. In addition, we provide our SME customers access to an ecosystem of business solutions through which they can enjoy exclusive benefits from our partners who serve the e-commerce community.

Customer and Partner Testimonials for UOB BizMerchant

"UOB's BizMerchant loan product is suitable for sellers as it does not require collateral and a business licence. You can apply for the loan by leveraging recorded sales history. These factors give UOB BizMerchant a big advantage over conventional loans. UOB also offers a loan limit of up to VND1.6 billion, which has helped me run my business more efficiently. Total sales have doubled and the inventory has tripled."

Mr Tran Lam
CEO, Natural House Company Limited

"After receiving the capital from UOB BizMerchant, our online sales revenue increased dramatically. The loan has been used to boost inventory storage and to improve order fulfilment with a wide variety of products to our customers. The advantages of this unsecured loan are reasonable interest rates, quick loan application process and professional support from UOB employees. Online sellers should consider applying for the UOB BizMerchant loan for business development and sales growth in the Industry 4.0 era."

Mr Huynh Nhat Nam
CEO, NK Oil Export Investment Trading Company Limited

"With UOB BizMerchant, Sendo has been able to support our online sellers in accessing working capital more easily. We have successfully improved the financial capability of thousands of sellers, helping them to launch effective sales programmes and ultimately to provide more benefits to consumers."

Mr Le Anh Huy
Vice President, Sen Do Technology Joint Stock Company

"The partnership between Lazada and UOB has brought easy and practical working capital to Lazada sellers via UOB BizMerchant's unsecured loan package. This is solid evidence of UOB's commitment to supporting SMEs' business growth and development."

Mr Son Le
Head of Product Development, Recess Company Ltd. (Lazada)

Find Out More
▸ Read about how we supported SMEs during the COVID-19 pandemic

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Financial Inclusion

Investing in Microfinance Providers

Supporting financial inclusion through micro-loans

There is huge demand for microfinancing in Southeast Asia. According to a 2019 study, Indonesia alone has 47 million underbanked and 92 million unbanked adults[27].

UOB Venture Management's Asia Impact Investment Fund (AIIF) invests in growth companies across Southeast Asia and China that aim to help people at the bottom of the economic pyramid. With inclusive finance as a key target sector, the AIIF has invested in providers of micro-loans that help to improve the livelihoods and income resiliency of marginalised groups such as low-income individuals and women micro-entrepreneurs. The AIIF's investments in micro-loan providers in Southeast Asia have facilitated better access to finance for more than 600,000 low income individuals, enabling them to build or to invest in their small businesses[28].

Providing micro-loans in Indonesia

A micro-loan provider that AIIF has invested in is PT Amartha Nusantara Raya (Amartha). Amartha is a leading peer-to-peer financial technology lending platform in Indonesia that connects retail and institutional lenders to women micro-entrepreneurs online under a group lending model. As at end-2020, Amartha extended loans to more than 350,000 active women borrowers across Java, Sumatra and Sulawesi via its network of more than 480 branches.

Besides providing loans, Amartha also guides borrowers as they develop their businesses. One such borrower is Ibu Ratna who started with a loan of just IDR 500,000 but now has funding of IDR 5.5 million. Ibu Ratna used the financing from Amartha to develop her business of selling woven doormats, as well as to invest in her husband's vegetable and fruit stall.

Financial literacy

In selecting potential investee companies, the AIIF also focuses on client protection and responsible lending practices. For example, in addition to granting productive loans to borrowers for their micro-businesses or agriculture activities, Amartha provides financial education to improve borrowers' financial literacy as part of the lending process. Borrowers are taught in a practical and illustrative manner about topics such as cash flow management, basic budgeting and how to avoid over-indebtedness.

Find Out More

- Read about UOB Venture Management's wider approach to impact investing
- Read about how Halodoc and Ruangguru made essential services more accessible during the COVID-19 pandemic

Amartha

Founded more than a decade ago, Amartha was among the first financial technology lenders in Indonesia to receive a lending licence from the Indonesian Financial Services Authority (OJK) in 2019. Amartha aims to promote inclusiveness among the poor and the uneducated, and to give them the opportunity to prosper.

Since its inception in 2010, Amartha has served close to 600,000 borrowers in nearly 18,000 villages across Indonesia. Among surveyed borrowers, 98 per cent indicated that the loans they received from Amartha contributed to the growth of their businesses.



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27 Source: *e-Conomy SEA 2019*, Google, Temasek and Bain & Company, October 2019.
28 Figures have not been prorated for the portion of UOB Venture Management's contribution, and are based on data reported by investee companies.

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Attracting, Developing and Retaining Talent

We recognise that a dynamic and engaged workforce is essential to the continued success of our organisation. In sharpening the knowledge and expertise of our people through technical and personal development as well as professional conversion programmes, we ensure that they are equipped with the skillsets and mindsets to remain relevant, competitive and fulfilled.

How We Approach This Topic

It is a strategic priority for UOB to attract, to develop and to retain talent. This helps us to enhance our service standards and to ensure sustainable business growth. We believe that every one of our colleagues is able to contribute meaningfully to the organisation. Hence, we adopt an holistic approach to building and to strengthening our people's capabilities proactively and continually.

We are dedicated to maintaining a culture where our colleagues are empowered to make a positive difference. We do this by fostering an inclusive, prudent, progressive and performance-based organisation that encourages the best of each individual.

Offering internal career opportunities and access to continual development and coaching are essential components of our approach to creating a dynamic and engaged workforce. We run numerous training and development programmes to equip our colleagues with the right skillsets to realise their full potential and to serve our customers better. Our colleagues are also encouraged to explore and to learn new skills in order to stay relevant and be ready for the future.

UOB is an equal opportunity employer. We aim to attract and to retain talent who have the passion and commitment to do what is right always. To secure the best talent, we continue to broaden our outreach to different talent groups globally through collaborations with recruitment marketplaces for inbound sourcing as well as recruitment platforms for outbound sourcing. During our recruitment process, we also use technology to improve the candidate experience through the following initiatives:

- deploying a global applicant tracking system which provides interested candidates the opportunity to view current job postings across the Group's network and to apply directly for the role online;
- improving candidate conversion for Personal Bankers by using a chatbot for screening online job applications and online gamified assessment to minimise unconscious bias; and
- improving the employee onboarding process, such as using robotic process automation for background screening and providing e-sign offer and e-submit documents via the recruitment portal.

UOB Finance Academy

UOB Finance Academy was launched in August 2020 to support the upskilling of our finance colleagues. Building on the Better U Foundation programme, the Academy supports and enables 230 finance colleagues in Singapore through a structured learning programme designed to equip them with the tools and skillsets to advance in their careers.

Through the Academy, our colleagues will be equipped to deepen their knowledge of banking especially in areas such as risk management, regulation and liquidity management. The programme will also help them to sharpen their financial acumen through modules that encourage an analytical approach to evaluating strategies and risks, as well as accounting and bank financial analysis. The Academy will be launched progressively for all our finance colleagues across the Group.

UOB Finance Academy is the latest addition to our other academies, including UOB Wholesale Banking Academy which was established in 2019, UOB Channels and Digitisation Academy, UOB Personal Financial Services Academy and UOB Business Banking Academy.

Our Targets

- Achieve an average of six training days per employee across the Group each year.
- 100 per cent of eligible colleagues across the Group to undergo the five foundational modules of the Better U learning and development programme. [2022]

Our Performance in 2020

- We invested about $20 million in training our people across the organisation. On average, each colleague completed 6.2 training days in 2020, equivalent to about 1.25 million hours in aggregate. We successfully virtualised 100 per cent of our core training programmes to ensure continuity of learning and development for our employees during the pandemic.
- Launched in 2019, the Better U learning and development programme was made available to colleagues across the region in 2020. By the end of the year, more than 10,000 UOB colleagues across our network had completed the Better U foundation programme.
- Throughout 2020, UOB invested in the skills development of our colleagues to help them remain relevant amid the evolving demands of the industry. In recognition of these efforts, The Institute of Banking and Finance Singapore (IBF) accorded UOB the IBF Inspire Award in January 2021.

Find Out More
▶ Read about how we supported our colleagues during the COVID-19 pandemic

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Attracting, Developing and Retaining Talent

Our Commitment to Fairness

UOB is committed to building a safe, nurturing and inclusive workplace where all colleagues are treated respectfully and professionally, and are given equal opportunity based on merit. We promote work-life harmony and an environment free from discrimination, bullying and harassment.

Our expectations of our people are laid out in the UOB Code of Conduct (Code). We update our Code periodically to stay relevant with the times and to address regulatory requirements and policy changes.

Upon joining UOB, all new colleagues are informed of, and sign up to, their obligations and rights under our Code. All colleagues are required to refresh their knowledge and to renew their commitment to our Code each year. We also help deepen their understanding and embed the practice of our Code through frequent and interactive communications across the organisation.

Upholding Human Rights

We are committed to supporting internationally-accepted human rights principles, including those relating to non-discrimination, child labour, forced labour, freedom of association and collective bargaining.

Freedom of Association

We respect our employees' lawful right to freedom of association and collective bargaining. Our approach is to maintain mutually trusted and respectful relations with employee unions. We hold regular meetings with union representatives to understand and to address their concerns and expectations.

In Singapore, we engage three unions, namely the Banking and Financial Services Union, The Singapore Bank Employees' Union and The Singapore Manual & Mercantile Workers' Union. We engage four unions in Malaysia and one in Indonesia.

The collective bargaining agreements we have with the unions cover wages and working conditions such as working hours, retirement age and re-employment, shift work, allowances, transport reimbursement, leave benefits, medical benefits, insurance benefits and grievance procedures.

As at the end of 2020, the proportion of bargainable employees unionised in Singapore, Malaysia and Indonesia was 11.6 per cent, 90.4 per cent and 23.3 per cent respectively.

Managing Employee Performance

UOB is committed to fostering a meritocratic, performance excellence culture at the workplace. Our integrated performance management framework comprises four stages, namely Plan, Engage, Appraise and Keep Track (PEAK). The framework is designed to assess and to reward performance in an objective and fair manner, and to support career development.

Using the PEAK framework, colleagues establish their business and personal development goals at the start of the year in consultation with their managers. Performance Improvement Plans are also developed to help colleagues in need of additional guidance. Managers hold discussions with their team members throughout the year to review their progress and to address their challenges.

At the end of each year, all eligible permanent employees are assessed through performance appraisals against agreed key performance indicators and job-related competencies. The performance assessment structure also includes a values component to reinforce the importance of upholding UOB's core values.

Leadership Development and Succession Planning

Leadership development is a key focus for UOB. Our Development Council, chaired by Group CEO, continues to drive and to strengthen the process of identifying future talents for the Bank and ensuring meaningful development opportunities are available to them. In addition, dedicated support in the form of career advisory and coaching provide identified talents with clarity on their career trajectory.

Succession planning is an integral part of our leadership continuity strategy and we have succession plans in place for key positions across the Group. Successors to critical roles are provided opportunities in various working committees across the Group to broaden their exposure and learning. The Board of Directors regularly reviews our succession plans through the Nominating Committee. Segment and function heads have responsibility for their respective talent pools, whereas the Human Resources Committee, through the Development Council, manages the Group's collective talent pool.

Grooming Young Talent

Our 18-month UOB Management Associate (MA) programme aims to attract high-calibre, early-career talents from across the region to take on leadership roles in UOB. In 2020, we received 28,000 applications, from which 58 fresh graduates were chosen. Selected MAs are rotated through various units within the Bank to gain exposure, given training to develop their technical skills, assigned regional projects whereby our senior leaders personally mentor and impart knowledge to the MAs, and sent on overseas assignments so they gain regional experience.

Building Capabilities for the Future

Professional Conversion Programme (PCP)

Our first PCP was developed in 2017 in collaboration with Workforce Singapore, the Monetary Authority of Singapore and IBF. PCP enables our branch colleagues in Singapore to strengthen their digital capabilities and to prepare them for future roles in the financial sector. With PCP, our customer-facing colleagues undergo a series of training programmes covering areas such as design thinking, customer journey design, channel management, scenario analysis and planning. As at end-2020, 94 per cent of our nearly 900 eligible branch colleagues had completed the PCP. In 2021, more business functions across the Group will be encouraged to explore professional conversion opportunities.

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Better U

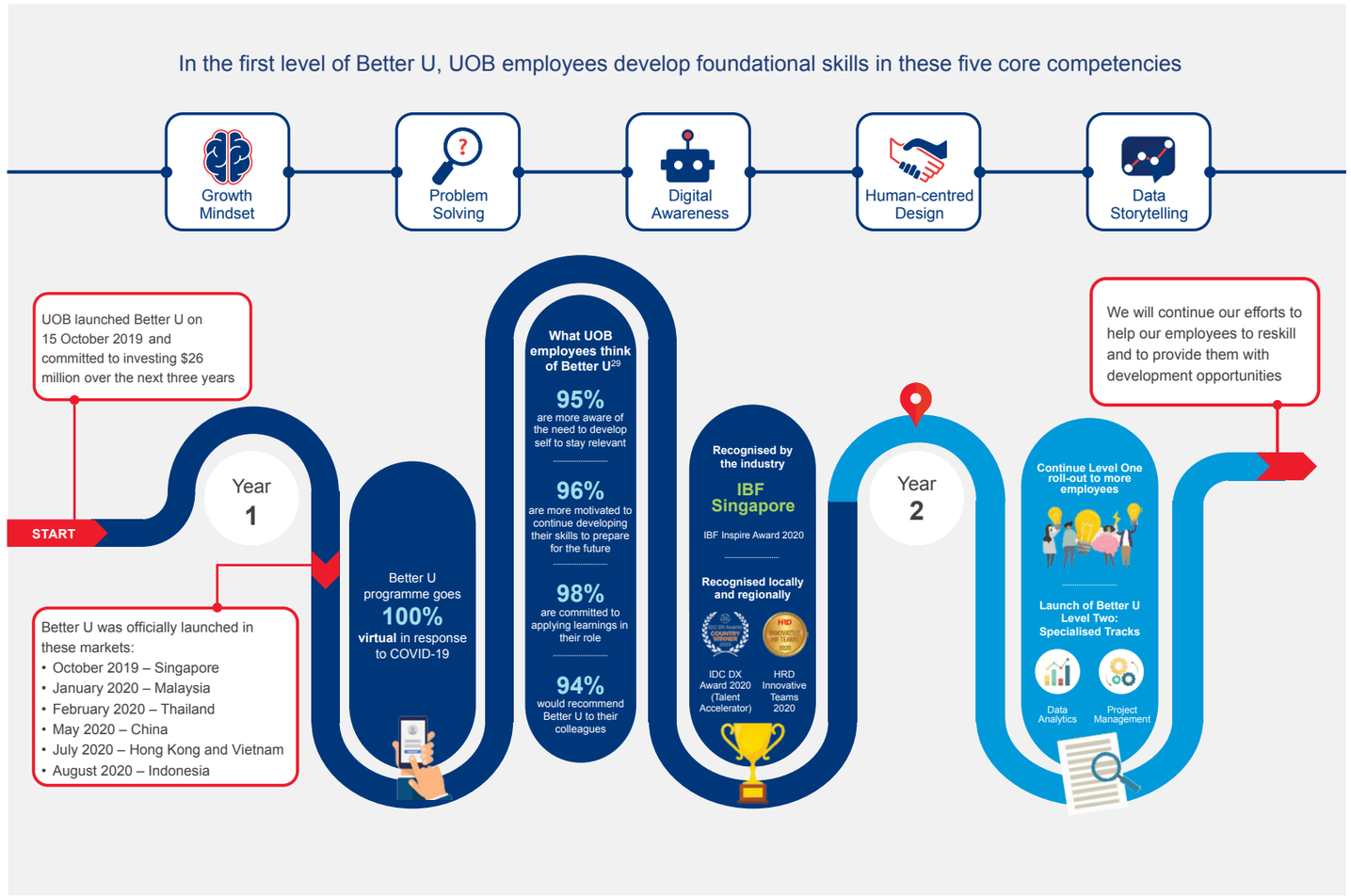
In recent years, the banking sector has seen rapid transformation, resulting in job roles being increasingly redefined by emerging technologies. To prepare our employees and to ensure they remain equipped and relevant for the future, we launched our Better U learning and development programme in 2019. Designed to be an holistic learning and development programme, Better U aims to support our colleagues in their development journey and equips them with five core competencies – growth mindset, developing complex problem solving skills, digital innovation, human-centred design and data storytelling. Together, these competencies will help them build successful careers in the digital age.

The Better U foundation programme was extended from Singapore to our regional network and as of December 2020, more than 10,000 colleagues across the region had participated in the programme.

Better U Phase Two

As part of UOB's ongoing commitment to invest in people, we launched Phase Two of Better U in 2020 to enable our colleagues to master skillsets in two areas essential to future employability – Data Analytics and Project Management. In designing the curriculum, we tapped insights from subject matter experts across the Bank such as our technologists and data experts to ensure that these specialised skills development tracks are practical and applicable in a real-world setting. Both areas will be progressively launched, starting with Singapore in 2020 and subsequently in mainland China, Indonesia, Malaysia, Thailand and Vietnam in 2021.

UOB Brings Flagship Better U Programme to the Next Level to Prepare Employees for the Future



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29 Source: UOB survey of employees who have completed the 12-week Better U foundational programme, 2020.

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Workplace Safety, Health and Well-being

How We Approach This Topic

As a responsible employer, we are committed to providing a safe and healthy work environment where our colleagues can perform at their best. We believe that taking care of their well-being also helps improve our overall productivity and drives our performance.

We have established a set of workplace safety guidelines to identify and to address health and safety risks.

Our Workplace Safety and Health (WSH) Workgroup plans and implements health and safety initiatives. The Workgroup comprises representatives from different business and support units. The business and support units nominate their WSH leaders, assistant leaders, managers and assistant managers. Together, they take the necessary measures to address any identified health and safety risks.

We do not compromise on the safety and well-being of our colleagues, customers and tenants. This approach applies equally to both our operational buildings and construction sites. We require our vendors, suppliers and contractors to comply with all applicable laws and regulations, to conduct appropriate risk assessments and to ensure that all their employees are sufficiently trained in health and safety procedures prior to the commencement of work.

Business and support units report WSH incidents in accordance with the Group Operational Risk Management Policy. The policy requires investigations to identify the root cause of incidents and corrective action plans to prevent future occurrences. In addition, business and support units that identify WSH as a key operational risk assess the effectiveness of controls to mitigate the risk during the annual Key Risk and Controls Self-Assessment (KRCSA) exercise. The combination of incident reporting and KRCSA facilitate the prompt identification and rectification of ineffective WSH controls.

High Performance Workplaces

By providing high-performance work settings focused on ergonomics and comfort, we create workplaces that enable collaboration, innovation, productivity and personal well-being for our people. New or newly-renovated workplaces at UOB are increasingly designed to meet the needs of a diverse workforce. We also leverage technology and innovation to create safe and healthy work environments and to improve workplace productivity.

In 2020, the Bank embarked on a series of workplace transformation projects to enhance the workplace experience, including the transformation of our office at 28 Boat Quay in Singapore into an exclusive employee clubhouse. We also provided 22 newly renovated nursing and wellness rooms across seven buildings in Singapore to support mothers returning to work and colleagues in need of a place to rest.

As at end-2020, we have also transformed close to 200,000 square feet of office space in Singapore into high performance workspaces located across various core buildings – SGX Centre, Far Eastern Bank Building, One Raffles Place, UOB Plaza 1 and UOB Plaza 2.

The COVID-19 pandemic has posed unprecedented health and safety challenges to organisations around the world. In order to enhance business resilience and agility, we have adopted an holistic approach focused on prevention, preparedness, resilience and recovery. Among other measures, we took steps to enhance indoor air quality, to improve cleaning protocol standards and to optimise natural daylight within office spaces.

Find Out More

- Read about how we created a safe workplace for our colleagues amid the COVID-19 pandemic
- Read the UOB Annual Report 2020 to find out more about how we encourage healthier lifestyles

Employee Wellness

We provide health and wellness programmes for our colleagues across all markets. Colleagues are provided with inpatient and outpatient coverage and in some countries, the coverage is extended to dependants as well. Our outpatient coverage in Singapore includes tele-consultations where colleagues can consult a doctor virtually through video conference by using a mobile application, without having to visit a clinic physically. This has been particularly useful during the pandemic and utilisation has increased significantly.

In Singapore, Malaysia and mainland China, our Healthy Employees, Active Lifestyles (HEAL) programme offers comprehensive medical and healthcare coverage, as well as flexible wellness benefits for eligible employees. Under the HEAL programme, colleagues receive HEAL dollars to spend on a wide range of health and wellness benefits, from prevention to treatment, for themselves and their dependants. In 2020, our colleagues received $23 million worth of HEAL benefits in areas such as health screening, vaccinations, dental and optical treatments, gym memberships and dependant care. In addition, we have corporate tie-ups with external providers to offer corporate rates for health and wellness services, such as health screening and gym memberships, to encourage colleagues to take care of their well-being.

In Singapore, in addition to providing personal accident and term life insurance coverage, we also offer our employees the option to top up the latter for themselves and their dependants beyond what is provided by the Bank. Further, in 2020, we introduced a dependants' hospitalisation insurance subsidy to encourage our employees to take up medical insurance for their dependants and subsidise them in doing so.

We continue to provide our employees with free annual health screenings and flu vaccinations. In addition, we are an active participant of the National Corporate Challenge in Singapore to promote wellness activities among our employees. In 2020, to encourage healthy, active lifestyles further, we launched UOB Wellness Week. Featuring a range of virtual wellness sessions, the event focused on physical, mental and healthier lifestyle topics. Almost 1,000 participants attended the inaugural wellness initiative.

Our Target

Achieve Singapore Building and Construction Authority-Health Promotion Board (BCA-HPB) Green Mark Healthier Workplaces certification for all new and renovated commercial offices. [2025]

Our Performance in 2020

In 2020, UOB's Corporate Real Estate Services (CRES) office at One Raffles Place in Singapore received the BCA-HPB Green Mark Healthier Workplaces Platinum Award. The design features that earned us this award include:

- open spaces allowing for maximum light penetration into the office;
- ergonomic workspace furniture to support various work styles;
- green-certified products and materials; and
- biophilic features such as planter boxes.

The award demonstrates the organisation's efforts to establish programmes and to implement measures to promote employee well-being. We are encouraged by the award and plan to replicate our efforts at offices across our network.

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Diverse and Inclusive Workforce

We believe in fostering a diverse and collaborative work culture and in an inclusive workplace environment that values differences. Diversity provides different perspectives and fosters innovative thinking to solve business challenges for sustainable growth. It is an important element in our strategy to attract, to develop and to retain diverse talent for the Group.

We draw upon the diverse strengths, experiences and capabilities of our colleagues from 54 nationalities and different demographic groups. This helps to enrich our knowledge and appreciation of one another and the markets in which we operate. This approach also enables us to be sensitive to the needs of our customers and to serve them more effectively.

Bloomberg Gender-Equality Index (GEI)

For the third consecutive year, UOB is included in the Bloomberg GEI in recognition of our diverse and inclusive workplace practices.

The Bloomberg GEI recognises public companies worldwide that demonstrate commitment to advancing an inclusive workplace through their policies, workforce representation and transparency in gender-related practices.

UOB is one of only six Singapore firms in the 2021 Bloomberg GEI, a testament to the Bank's values-based and meritocratic culture which reflects fairness, care and respect for colleagues.

How We Approach This Topic

UOB is an equal opportunity employer. We aim to attract and to retain professionals of principle with the passion and commitment to doing what is right always. Our Recruitment Policy guides our hiring process and decisions. Under the policy, we practise non-discriminatory hiring and all hiring decisions are based on each individual's merit and suitability for the role.

The UOB 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, socio-economic status or any other legally-protected characteristic. All employment decisions at UOB are based on business needs, job requirements and qualifications. Employees are encouraged to raise their concerns without fear of reprisal through the Group's whistle-blowing mechanism.

UOB Scan Hub

Our diverse workforce extends beyond age and gender. We continue to partner the Autism Resource Centre and SPD[30] in Singapore in a structured training programme for persons with special needs to ensure that work processes and office environments are suited for their needs.

Since 2013, we have been hiring people with autism and hearing impairment at UOB Scan Hub, our nerve centre for checking, digitising and archiving of customer documents. Their special abilities such as a sharp eye for detail, high levels of concentration and the ability to work methodically are uniquely suited for some of the job roles at UOB Scan Hub. Today, more than 30 per cent of the department are persons with different abilities – 23 employees with autism and two deaf employees.

Our Target

Ensure an inclusive workplace free from discrimination, bullying and harassment, and where there is equality of opportunity for all employees.

Our Performance in 2020

Women in the workforce

Women accounted for 61.4 per cent of our permanent employees as at end-2020 and 55.0 per cent of all the hires in 2020. Women also held 50.3 per cent of senior and middle management roles. They accounted for 37.5 per cent of department heads who are senior management reporting directly to the Group CEO.

Silver workforce

We offered re-employment opportunities to 183 colleagues in Singapore who were eligible for retirement, 117 of whom were women. Since the start of the programme in 2014, we have rehired 1,007 retiring employees in total, including 545 women. We value the depth of knowledge and experience that older colleagues bring to the workplace and provide support to help them continue their employment beyond the statutory retirement age.

Partnership for the Goals

- Corporate Member of Financial Women's Association Singapore
- Employer partner of Autism Resource Centre in Singapore
- Employer partner of SPD[30] in Singapore

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30 Formerly known as the Society for the Physically Disabled.

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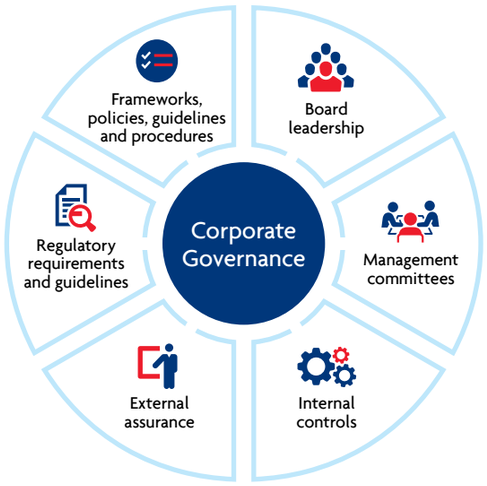
Strong Governance

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 processes by which we operate, make decisions and ensure accountability. We evaluate and revise our governance approach regularly to ensure that it is relevant and aligned with best practices, and to respond to changes.

Our Corporate Governance Framework



Board Leadership

The Board provides entrepreneurial leadership and strategic direction. It also provides leadership in promoting corporate governance, with the support of our 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 Environmental, Social and Governance (ESG) factors in formulating the Bank's strategies.

The Board delegates some of its duties to five Board Committees, namely the Audit Committee (AC), Board Risk Management Committee, Executive Committee, Nominating Committee, and Remuneration and Human Capital Committee.

Comprising a majority of independent and non-executive directors, the Board collectively has skillsets, expertise and experience across industries, professions, backgrounds and cultures, providing diversity in thought and opinion. Succession planning is performed on an ongoing basis. Besides identifying new directors with complementary expertise and experience, the Board is guided by our Board Diversity Policy, which promotes diversity in various dimensions including functional and domain skills, regional experience, industry experience, tenure, age, gender, ethnicity and culture. Annually, each Director is assessed on his/her 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. New Directors appointed to Board Committees receive additional specialised training depending on their roles.

The Board, through the AC, works closely with the internal and external auditors and Management to ensure a strong Third Line. The AC meets internal auditors and external auditors separately in the absence of Management every quarter.

Management

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

- Asset and Liability Committee: oversees the effectiveness of the Group's market and liquidity risk management;
- Credit Committee: oversees the Group's credit and country risk management;
- ESG Committee: sets the Group's sustainability strategy and roadmap;
- Human Resources Committee: oversees the Group's human resources strategy in support of business objectives and growth;
- Information and Technology Committee: provides strategic oversight of the Group's investment in technology, data and productivity;
- Investment Committee: oversees the Group's investment activities;
- Management Committee: oversees the overall performance of the Group, country corporate functions and business segments;
- Management Executive Committee: oversees the overall management of the Group, including the Group's strategic direction and business activities as well as capital and resource allocation;
- Operational Risk Management Committee: oversees the Group's operational risk management, including approval of frameworks, policies, risk models and methodologies relating to operational and reputational risks; and
- Risk and Capital Committee: oversees the management of risks and capital of the Group.

Find Out More

▶ Read the UOB Annual Report 2020 to find out more about how we ensure strong corporate governance

Our Target

Appoint at least one female director. [2021]

Our Performance in 2020

Our target in 2020 was to increase the total training hours for directors by 10 per cent. The Board received 116.5 hours[31] of training in 2020, representing an increase of 25 per cent from 93 hours[32] in 2019.

31 The figure for 2020 includes nine hours of induction training for a newly-appointed director.
32 The Board received 93 hours of training in 2019, inclusive of six hours of induction training which were not included in the tabulation for Sustainability Report 2019.

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Regulatory Compliance

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 remains a source of stability, security and strength for our stakeholders.

How We Approach This Topic

Banks play an integral role in ensuring the stability and security of the financial system. At UOB, regulatory compliance is a top priority. We are respectful of the local 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.

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 changes, 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 is committed to complying with the laws and regulations in the countries and territories in which we operate. The Bank has robust protocols and processes in place to address 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 provide regular updates on regulatory trends and developments to senior management committees and the Board.

Prohibiting Insider Trading

All UOB 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 employees 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 has in place a Pre-Trade Clearance System 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, Group Compliance 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 Singapore, have intergovernmental agreements with the US to facilitate the reporting required under FATCA.

We are committed to complying with the provisions of FATCA and to ensuring that the Group meets all applicable FATCA requirements in all the jurisdictions in which we operate. Our governance framework also ensures that the Group continues to comply with FATCA requirements on a business-as-usual basis.

Common Reporting Standard (CRS)

The CRS is a global tax information exchange standard developed by the OECD to help prevent offshore tax evasion. The CRS requires financial institutions in participating jurisdictions to identify, to collect and to report to the authorities annually the tax residency information of customers from jurisdictions with which agreements to exchange information are in place.

Our CRS operationalisation programme ensures the Group meets all applicable CRS requirements in all the participating jurisdictions in which we operate.

Find Out More

▶ Read about our approach to responsible tax management

Our Target

Maintain zero material issues raised by regulators.

Our Performance in 2020

We respect all laws and regulations including those 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.

In 2020, there were no material losses as a result of legal proceedings.

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Preventing Corruption, Fraud and Money Laundering

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.

How We Approach This Topic

UOB is committed to doing our part 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 by investing in the necessary expertise and systems to do so.

Our approach is built on a strong Tone from the Top and a Group-wide culture rooted in our values of Honour, Enterprise, Unity and Commitment. The UOB Code of Conduct lays downs 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.

Our Whistle-blowing Policy provides an avenue for employees to report concerns of suspected or actual wrongdoing.

Find Out More

▶ Read UOB's 2020 Annual Report to find out more about our Whistle-blowing Policy

Preventing Fraud

Governance

UOB takes a proactive stance in managing fraud risks and has a governance framework and security measures in place to address risks across our internet banking, mobile banking and branch channels. The Integrated Fraud Management (IFM) unit was established in 2017 to enhance the Bank's management of fraud risk across geographies and to drive collaboration across functions for a more integrated anti-fraud approach. In addition, we have in place dedicated IFM teams in our overseas subsidiaries. All First Line business and support units receive structured training on fraud awareness to strengthen capabilities in detecting internal and external fraud.

We have in place a Group Fraud Risk Management Framework and a Group Fraud Risk Management Policy. The corporate governance oversight of fraud risk is provided by the Board Risk Management Committee at the Board level, and primarily by the Operational Risk Management Committee at the management level.

Monitoring

We have implemented security and authentication measures across our internet and mobile banking platforms to prevent fraud and we enhance our services continually as fraud trends evolve. We also invest continually in our fraud monitoring and detection systems.

The Five Pillars of Our Fraud Prevention Framework

UOB has in place a fraud management strategy and framework which covers five pillars:

- Prevention;
- Detection;
- Response;
- Remediation; and
- Reporting

The framework lays out the roles and responsibilities of the First Line with oversight by the Second Line and audit assurance by the Third Line.

Fraud risks are also assessed as part of our Key Risk Control Self-Assessment (KRCSA) annual exercise which covers the banking and asset management entities across the Group.

Zero tolerance policy

UOB has a zero tolerance policy to internal fraud and to breaches of the UOB Code of Conduct. All employees are informed that the Bank will not hesitate to investigate and to report incidents of internal fraud to the appropriate authorities.

Rising risks

In 2020, our industry witnessed a significant rise in reported scams coinciding with the COVID-19 pandemic. During this period, more people fell prey to online shopping, technical support and loan-related scams. We collaborated closely with the Singapore Police Force's Anti-Scam Centre (ASC) and peer banks in the recovery of scammed monies.

Our Target

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

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

Partnership for the Goals

- Corporate alliance member of the Association of Certified Fraud Examiners (ACFE)
- Active member of the Alliance of Public-Private Cybercrime Stakeholders (APPACT) set up by the Cybercrime Command of Singapore Police Force
- Member of the Anti-Money Laundering/Countering the Financing of Terrorism Industry Partnership (ACIP) in Singapore

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Preventing Corruption, Fraud and Money Laundering

Customer education on awareness

As the nature of fraud continues to evolve, we continue to strengthen and to enhance our internal control capabilities against such threats. In 2020, we developed a series of security communications materials to educate our customers on prevailing scams. The outreach initiative is part of a wider roadmap to raise fraud awareness among our customers.

Recognition

In July 2020, UOB received an award from the Singapore Police Force's Anti-Scam Centre (ASC) for outstanding effort and strong collaboration with the ASC and Singapore Police Force, and for achieving the highest recovery of scammed monies among all banks in Singapore between June 2019 and June 2020.

In October 2020, UOB was also recognised by Singapore's Commercial Affairs Department for our part in recovering $6.6 million that was lost in a business email compromise scam. Such scams involve deceiving businesses by spoofing a company's or client's email address, and then convincing them to transfer large amounts of money into the wrong hands. This was the highest sum of money recovered by UOB and the ASC, made possible with the quick response and collaborative efforts of colleagues from across the Bank.

Find Out More

▶ Read more about how we countered rising fraud risks during the COVID-19 pandemic

What We Do to Protect You Online

Mighty Secure
Personalised digital token
No more one-time passwords. Mighty Secure enables customers to log into both UOB Personal Internet Banking and UOB Mighty seamlessly. It can only be set up on one mobile device and only the customer has access to it.

UniAlerts
Keeps customers informed of their transactions
Helps customers avoid late payment of their UOB credit card bills and get instant updates of their account activities via UniAlerts.

Unique Login Credentials
Customers can access their internet banking account with a unique username and password that cannot be used by anyone else.

Automatic Logout Feature
Inactive internet banking sessions will be detected by our system and customers are automatically logged out to ensure their account details are not compromised.

Preventing Corruption

Our UOB Code of Conduct explicitly prohibits engaging in bribery or corruption in any form. Our Group-wide anti-bribery and corruption policy and procedures include measures and guidance to assess risks, to understand relevant laws and to report concerns. Appropriate training is implemented for all new employees and yearly refresher courses are mandatory for existing employees.

We require our employees, contractors, vendors, third parties and other stakeholders to be aware of our anti-bribery and corruption provisions. They are encouraged to speak up, and to raise any question or concern which they may have if they see anything that they feel is unethical or runs counter to our anti-bribery and corruption provisions.

There were no confirmed cases of bribery and corruption reported in the UOB Group for the year ending 31 December 2020.

AML/CFT and Sanctions

Governance

The Group Anti-Money Laundering Committee, comprising senior management, oversees the management of AML/CFT and sanctions risks for the Group. 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 Group 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.

Our programme

We have established a Group AML/CFT and Sanctions Programme to ensure that money laundering, terrorist financing and sanctions risks identified by UOB 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 Group and Country Money Laundering Reporting Officer is appointed (or alternative position as required by local regulations). The AML/CFT and Sanctions Programme is subject to periodic independent testing.

Leveraging on Artificial Intelligence (AI)

In combating the increasingly sophisticated nature of financial crimes, UOB pioneered the use of an AI-based solution that has proven to be highly accurate in identifying suspicious transactions and connected parties. UOB is the first Singapore bank to apply AI concurrently to two anti-money laundering risk dimensions – transaction monitoring and name screening. Our use of AI enables us to pinpoint higher-priority cases from the suspicious transaction alerts flagged each month, as well as to deploy the necessary resources to investigate potential money laundering attempts swiftly.

Since its implementation, our AI solution has yielded an overall true positive prediction rate of 96 per cent in the 'high priority' category which includes transactions and accounts that are deemed most likely to be suspicious, and are therefore subject to earlier and more thorough investigations.

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Sustainable Procurement

As we continue to deepen our presence across the region, we seek 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, which include any third party, company or individual that provides a product or service to the Bank. 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 adhere to the standards set out in the Group Supplier Sustainability Principles (GSSP) in the areas of corporate governance and compliance, labour and human rights and environment, health and safety.

The GSSP sets out the requirements we have of our suppliers in order to reduce the environmental and social risks and impact associated with our sourcing activities. The majority of our purchases from suppliers are related to corporate services, real estate, information systems and manpower management.

We understand that there are ESG risks associated with our suppliers' activities, and that the risks will vary depending on their sector, size and location. As such, we expect our suppliers' practices to comply with our GSSP.

Our suppliers are expected to notify the Bank promptly of any deviations from the GSSP. In the event that a supplier is found to be non-compliant, the Bank will request the supplier to present an improvement plan if one is not already in place.

Our Target

We aim to have 90 per cent of our material suppliers in Singapore acknowledge our GSSP. [2021]

Our Performance in 2020

We continued to develop and to drive the tenets of the GSSP.

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Group Supplier Sustainability Principles

Corporate Governance and Compliance

- Suppliers shall comply with all applicable local and national laws and regulations in the jurisdictions in which they operate.
- Suppliers shall conduct themselves ethically and morally at all times.
- Suppliers shall not engage in bribery, facilitation payments, corruption, fraud or other prohibited business practices.

Labour and Human Rights

- Suppliers shall provide equal opportunity for all their employees regardless of gender, religion, race, ethnicity, national origin, age, disability and sexual orientation.
- Suppliers shall ensure that no child, involuntary or forced labour is used in their operations.
- Suppliers shall provide fair pay and working conditions for employees.
- Suppliers shall promote a work environment free of physical, sexual or other forms of harassment, where employees are treated with respect and dignity.

Environment, Health and Safety

- Suppliers shall provide a safe and healthy work environment for their employees in line with their health and safety policy.
- Suppliers shall implement an effective environmental policy and/or have an environmental management system or plan to manage natural resource scarcity issues and to mitigate the environmental risks, impacts and dependencies of their products and/or services.

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Managing Our Direct Environmental Impact

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 need to ensure that the environmental footprint arising from our extensive operations across the region is sufficiently mitigated. We are cognisant of the direct environmental impact resulting from our network of over 500 branches and offices, 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 direct impact on 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. Globally, approximately one-third of energy-related carbon emissions come 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.

To benchmark our progress, we use the Green Mark criteria developed by the Singapore Building and Construction Authority (BCA) for newly-acquired or retrofitted buildings and office spaces, wherever applicable. The BCA Green Mark is a green building certification scheme that evaluates the environmental performance of buildings and the practices of its 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 for UOB Phetkasem Building in Bangkok, Thailand.

Our Focus Areas

Energy and Resource Management

We work actively to achieve measurable reductions in energy and resource consumption. These efforts result in corresponding reductions in emissions and waste, which yield cost savings.

Green Building Certification

We adopt best practices that are aligned with the BCA Green Mark standards and aim to achieve green building certification for all wholly-owned UOB buildings by 2030.

Digitalisation and Automation

We adopt innovative solutions to enhance operational efficiency by leveraging technology.

Our Targets

- Achieve green building certification for all key wholly-owned UOB buildings. [2030]
- Achieve 14 per cent reduction in electricity use intensity by 2030, with baseline year of 2018. [2030]
- Achieve 14 per cent reduction in greenhouse gas emissions intensity (Scope 2) by 2030, with baseline year of 2018. [2030]

Our Performance in 2020

- Four of our 12 wholly-owned buildings are certified with the BCA Green Mark. In particular, UOB Plaza 2 in Singapore was re-certified GoldPlus.
- Our UOB Phetkasem Building in Bangkok received the Second Runner-up accolade in the Large Green Building category at the 2020 ASEAN Energy Awards.
- We achieved a 2.1 per cent overall reduction in electricity use intensity compared with 2018. Our greenhouse gas emissions intensity showed a corresponding decrease of 2.9 per cent over the same period.
- We realised 181 MWh in annual electricity savings by upgrading the chiller plant system in our Far Eastern Bank Building, which is in the process of being retrofitted to meet the highest certification rating by BCA Green Mark.

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Our Environmental Performance in 2020

In 2020, our energy consumption across the region reduced by 3.5 per cent compared to 2018, totaling to 128.0 gigawatt-hours (GWh). Overall energy use intensity, measured in kWh per square metre (m^2) of floor space, including data centres, improved by 2.1 per cent over the same period. Excluding data centres, the energy use intensity of our offices and branches improved significantly, with a reduction of 7.5 per cent.

Similar to our energy performance, overall greenhouse gas emissions (Scope 2) reduced by 4.3 per cent to 65.4 thousand tonnes of CO_2-equivalent (tCO_2e) as compared to 2018. Our overall emissions intensity (measured in kg of CO_2-equivalent per m^2 of floor space) reduced by 2.9 per cent over the same period. Excluding data centres, the emissions intensity of our offices and branches decreased by 7.8 per cent.

Our water consumption in 2020 decreased by 18.6 per cent, compared with 2018, to 654.5 thousand cubic metres (m^3). Overall water usage intensity (measured in m^3 per m^2 of floor space) improved by 17.6 per cent over the same period. This improvement over the past two years demonstrates our commitment to further reducing water consumption through the progressive adoption of highly-efficient water fittings.

We purchased a total of 1,773 tonnes of office printing paper in 2020, 8.7 per cent less than in 2018. Forest Stewardship Council (FSC) certified paper (including both FSC 100 per cent and FSC Mix) made up 52.8 per cent of our purchased printing paper.

In 2020, our recycling of paper and board material totaled 334 tonnes, a reduction of 30.4 per cent compared to 2018. With most colleagues working from home as a result of COVID-19 restrictions, the use of office printing paper reduced significantly in 2020, as did the need for recycling.

The total amount of waste sent for disposal reduced by 35.5 per cent as compared to 2018. In 2020, we generated over 1,247 tonnes of waste, about 49.0 per cent of which was processed at waste-to-energy incineration plants. Overall, waste disposal intensity (measured in kg of waste per m^2 of floor space) improved by 34.6 per cent over the same period.

Find Out More

▶ See Sustainability in Numbers for the full set of environmental performance figures

Methodology and Adjustments

Resource consumption and waste data pertaining to our business operations are based on invoices or information obtained from our providers. For greenhouse gas conversion factors, we rely on sources such as the International Energy Agency (IEA) and the United Kingdom Department for Environment, Food and Rural Affairs. Our Scope 2 and Scope 3 emissions are derived in accordance with the most recent directives of the Greenhouse Gas Protocol Corporate Standard, developed by the WRI and the World Business Council for Sustainable Development. Global Warming Potential factors are based on the Intergovernmental Panel on Climate Change Fifth Assessment Report.

Scope 2 emissions are the main component of our emissions profile. Our Scope 2 emissions, in turn, result primarily from our purchase of grid electricity. For this report, all Scope 2 emissions are calculated based on the location-based method as currently we do not have any contractual instruments for separate emissions data under the market-based method. We also report Scope 3 emissions derived from air travel undertaken by employees for business purposes. At present, Scope 1 emissions from the use of vehicular fuels and stationary combustion fuels, which comprise a comparatively insignificant proportion of our overall energy consumption and emissions, are excluded from our report.

As the majority of our real estate is in Asia, our current data includes only locations in Singapore, where we are headquartered, and our four largest subsidiaries – Malaysia, Thailand, Indonesia and mainland China. Unless otherwise stated, reported figures include our office locations, branch locations and data centres. Our methodology excludes UOB-owned spaces that are leased to tenants, known as downstream leased assets, from Scope 2 accounting.

When the Bank acquires any property with greenhouse gas emissions which if counted, would alter the country baseline by more than one per cent, we now include the full-year emissions of that property back to the year in which it came into existence or first came into operation. Similarly, when the Bank divests any property with greenhouse gas emissions which, if discounted, would alter the country baseline by more than one per cent, we now deduct the full-year emissions of that property back to the year in which it first came into existence or operation. This is done in accordance with the Greenhouse Gas Protocol Corporate Standard and to maintain consistency over time.

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Community Stewardship

Enriching lives and strengthening social bonds are fundamental elements in our business philosophy. We are committed to supporting the social development of the communities in which we operate through art, children and education. We believe these to be essential for the quality and progress of society. Over many decades, our efforts across the region have helped the young, especially the underprivileged, with special needs or with untapped talent. Throughout the COVID-19 pandemic in 2020, we continued to champion our causes to make a positive difference to vulnerable communities around the world.

How We Approach This Topic

At UOB, our corporate social responsibility (CSR) efforts from across the Group come together under the UOB Heartbeat CSR programme, which 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 bring together our colleagues, customers and partners to make a positive difference to our communities.



UOB Heartbeat

Philanthropy

We are committed to helping improve lives and strengthen 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

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 full potential

As children are the future, our efforts focus on helping them have 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 support learning opportunities for young minds, help bridge the digital divide, and develop the leaders of tomorrow.

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Heartbeat for Our Community 2020

›1 million
pieces of personal protective equipment donated globally

›$6.3 million
in monetary and in-kind contributions to the community

58
artists recognised for their excellence in Asia through our two annual art competitions

18 markets
united to raise funds for pandemic-hit communities around the world

Champion of Good
recognition by the National Volunteerism and Philanthropy Centre in Singapore

90
youth received the Wee Cho Yaw Future Leaders Award under a $50 million scholarship programme established in 2015

Find Out More
> Read about how we supported the community during the COVID-19 pandemic

Our Targets

- Encouraging employee volunteerism: Achieve an average of 0.8 volunteer hours per employee per year across the Group[33]. [2021]
- Championing visual art and artists: Contribute at least $1.5 million to support the social development of art across Asia. [2021]
- Opening hearts and minds of the young through education: Equip at least 1,000 students with digital literacy skills and/or digital learning tools across the Group. [2021]

Our Performance in 2020

During the year that saw the COVID-19 contagion escalate to a global pandemic, we persevered in our efforts to aid vulnerable communities through various initiatives under the #UnitedForYou COVID-19 Relief programme. We also transformed our physical programmes to virtual ones as we continued to support art, children and education for the long-term. In 2020, we:

- clocked close to 19,000 hours of volunteer work, averaging 0.73 hours per employee, across the Group.
- contributed close to $1.65 million to support the social development of art across Asia.
- championed Southeast Asian visual art with the 39th UOB Painting of the Year (POY) competition and launched the UOB Art Explorer online visual arts programme across six markets to support mental wellness through art therapy.
- equipped more than 1,000 students with digital learning tools and skills through the new UOB My Digital Space programme across five markets, as well as through My Digital Bootcamp in Singapore.
- received six industry awards and accolades including the Community Spirit Platinum Award by Community Chest Awards 2020 for our exemplary COVID-19 Relief efforts.

33 In light of movement restrictions resulting from the COVID-19 pandemic, we revised our target from 2 to 0.8 volunteer hours per employee per year.

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Community Stewardship

Championing Southeast Asian Art

As the leading patron of art in Asia, UOB believes that art plays an important role in fostering social inclusiveness. It connects people and communities, celebrates cultures and enriches lives. For close to four decades, we have been supporting the creative pursuits of established and emerging artists across Asia. In recognition of our long-term commitment to art, we were presented the Singapore National Arts Council's Distinguished Patron of the Arts Award for the 16th consecutive year.



The 39th UOB POY Awards Ceremony was held virtually, enabling viewers around the world to experience the event together for the first time.

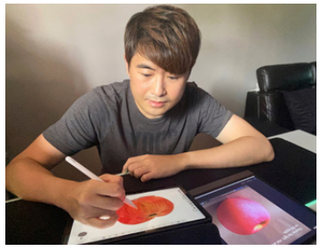
Uncovering artistic talent through competition

UOB champions Southeast Asian art through our flagship UOB POY competition, which began in 1982. Held in Indonesia, Malaysia, Singapore and Thailand, the UOB POY competition is the longest-running art competition in Singapore and one of the most prestigious in Southeast Asia.

In 2020, we launched an online portal for participants across the region to submit their artwork entries easily and safely. The competition took on the theme of *Solidarity* to draw out the importance of staying united in trying times. A total of 40 Southeast Asian artists were recognised, with the coveted regional top award given to Prabu Perdana from Indonesia for his artwork, *Isolated Garden*.

In Hong Kong, the annual UOB Art in Ink Awards aims to raise awareness of and appreciation for traditional ink art through contemporary expressions. In 2020, the competition recognised 18 local artists with the top award given to Tang Shuk Man Miki for her artwork, *4*.

Transforming to Bring Art Closer to All



Promoting mental well-being

Against the backdrop of uncertainty and social isolation experienced by many amid the pandemic lockdowns, we introduced UOB Art Explorer, an online visual arts programme that promotes mental well-being and brings the benefits of art to everyone. Launched in mainland China, Hong Kong, Indonesia, Malaysia, Singapore and Thailand, the programme engages individuals through its various initiatives – Art As Therapy, Art At Home, Art In Colour, Art In Story and Art Virtually.



Profiling artists through virtual art gallery

Following the end of the Circuit Breaker in Singapore, we resumed our art exhibitions at the UOB Art Gallery at UOB Plaza 1, and added virtual showcases. The exhibitions included pieces from the 39th UOB POY competition as well as three solo exhibitions by our past UOB POY winners – *Gravity* by Stefanie Hauger, *Infinite Oneness* by Wong Tze Chau and *Decode* by Ho Seok Kee. The virtual exhibitions saw more than 5,600 unique visitors.



Inspiring the young through art

We launched *Voice of Love*, a programme for visually-impaired children in Thailand to ignite their imagination through audiobooks and soft clay sets. More than 120 UOB colleagues helped to record stories for 100 audiobooks, which inspired the children to express their creativity through sculpture. The programme benefitted 500 visually-impaired children in 12 schools nationwide.



Building kindness through art

In conjunction with Singapore's 55th National Day, we held the inaugural virtual UOB Heartbeat Art workshop for 30 disadvantaged children in Singapore during which they painted their own versions of Singa, Singapore's Kindness mascot. The virtual workshop was a collaboration with Care Community Services Society Singapore and UOB POY artist, Vanessa Liem, who hosted the live session to help the young express themselves and to promote kindness through art.

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Developing the Young to Their Potential

We believe that education has the ability to change lives for the better by laying a strong foundation for the future. UOB supports programmes that develop the minds of children from disadvantaged backgrounds and supports those with special needs. By enhancing the well-being of children and developing them to their full potential, we help to build inclusive communities.



The UOB My Digital Space programme was developed to support children in their home-based learning needs during the pandemic.

Bridging the digital divide

UOB launched UOB My Digital Space, a new multi-year education programme to bridge the digital gap for children from low-income backgrounds across the region. The programme provides the students with a computer or laptop and digital tools to help them with their digital learning journey, now and into the future. UOB My Digital Space is being rolled out across six markets within a year of its launch. It has benefitted more than 680 disadvantaged students across Asia to date.

UOB's My Digital Bootcamp, which was launched in 2019, went virtual in 2020 in collaboration with Central Singapore Community Development Council. This initiative aims to develop a pipeline of young technology talent for our digital economy. More than 350 students benefitted from this programme in 2020.

Levelling the Playing Field



Providing equal learning opportunities

In 2020, UOB Group Commercial Banking and its clients raised a record of more than $1.8 million during its annual Lunar New Year fundraising in Singapore to support children from low-income backgrounds through education and visual arts. The four beneficiaries were *The Straits Times* School Pocket Money Fund, *The Business Times* Budding Artists Fund, Central Singapore Community Development Council and Very Special Arts, covering a total of close to 2,500 children and youths.



Spreading the Christmas spirit

During the SG Giving Week, a national campaign in Singapore that celebrates the spirit of giving, we partnered New Life Stories in the 'Gift for Good' festive campaign. Under the programme, our colleagues, customers and business partners purchased from a dedicated online gift registry 2,000 Christmas gifts for young beneficiaries. Through the campaign, we raised a total of $121,000, including dollar-for-dollar matching by UOB.



Cultivating learning through books

To promote literacy, our colleagues in Thailand donated more than 3,800 books to early readers in rural villages.



Levelling the playing field for children

In Vietnam, we subsidised the school fees of 200 children in Hanoi and Ho Chi Minh City as part of our education outreach programme.

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Raising Awareness for the Environment

In support of environmental sustainability, UOB launched a range of initiatives to cultivate awareness for the environment among our colleagues and the wider community. Through our efforts, we help to promote the adoption of more sustainable practices and to encourage mindset change and action.





Learning through virtual eco-excursions

As part of our UOB Heartbeat CSR programme, we organised a series of virtual eco-excursions to create awareness on the importance of environmental conservation among students in Singapore. Held during the school holidays and adhering to safe distancing measures, the activities took the students on an experiential nature learning journey from the comfort of their classrooms.

Together with our employee volunteers and nature learning partner Young Nautilus, 100 students from Lakeside Student Care Centre, Super Talent Student Care Centre, CampusImpact and FaithActs Student Care Centre experienced simulated nature walks in Singapore's wetlands.

"I learnt a lot during this bio-diversity session. The teachers were really engaging and I had opportunities to touch and to feel different species and artefacts."

Shaun Tan
Primary 5, FaithActs Student Care Centre

"This is indeed a special volunteering experience. A virtual excursion is a totally different learning experience and it also calls for a different way of interacting with the children. It is challenging as we have to maintain their attention within the classroom but it is also interesting for everyone to learn and to adapt to a new norm."

Mr Matthew Kong
Senior Vice President, Group Credit (Retail) Process, System and Quality Management

Promoting Environmental Stewardship



Upcycling Lunar New Year red packets

We encouraged customers to recycle their old and used red packets in an environmentally-friendly way through our Lunar New Year Upcycling Programme in 2020. Around 1,000 kg of used red packets were collected across 20 UOB branches in Singapore. These were upcycled into 20 tables and 200 coasters, benefiting eight charitable organisations.



Reducing paper usage

To raise employee awareness of the impact of paper usage and printing on the environment, we launched a 'Think' campaign to encourage our colleagues - to think before printing, to think of alternatives to printing and to think about the efficient use of paper. In Thailand, our colleagues reduced their paper use and printing by 30 per cent.



Raising awareness of electronic waste

In Thailand, we joined Advanced Info Service PLC and 11 other partners to raise awareness of electronic waste (e-waste) and proper disposal of it. Project "Green Phahonyothin" reached more than 31,000 Facebook users and collected more than 6,500 items of e-waste.



Reducing food wastage

From *Waste to Wonder* is a four-part UOB Sustainability series on social media in Singapore to showcase how #foodrescue and #foodart can come together in our daily lives by turning #uglyfood to beautiful bentos. We collaborated with four social enterprises that focus on reducing food waste and reached out to more than 300,000 viewers to help reduce food wastage.

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Sustainability in Numbers[34, 35]

	2020	2019	2018
Customers			
Access to financial services			
Number of branches	467	476	469
Number of ATMs	1,572	1,653	1,669
Number of contactless ATMs	508	509	382
Number of ability ATMs[36]	18	20	20
Digital transformation			
Digitally registered retail customers (% of individual customer base)	67	-	-
Digitally active retail customers (% of individual customer base)	30	-	-
Customer experience and advocacy			
Number of customer compliments	65,936	82,967	58,426
Complaints relating to sale of investment and insurance products (%)	0.11	0.12	0.09
Lending profile ($ billion)			
Loans to small businesses	11.3	10.4	10.0
Loans to medium businesses	51.2	50.6	46.0
Loans to large businesses	122.2	109.0	107.6
Loans to individuals	96.7	98.6	98.1
Sustainable financing			
Total green and sustainability linked loans as at 31 December 2020 ($ billion)	11.3	6.6	-
Green and sustainability linked loans extended in 2020 ($ billion)	4.3	1.0	-
Proportion of wholesale banking revenue derived from green buildings (%)[37]	1.39	-	-
Proportion of wholesale banking revenue derived from renewable energy (%)	0.03	-	-
Renewable energy generated by projects financed (GWh)[38]	157.4	-	-
Greenhouse gas emissions avoided through financing of renewable energy (thousand tCO_2e)[39]	77.3	-	-

34 Unless otherwise stated, all numbers are at Group Level.
35 Data pertaining to 2018 and 2019 may not be available for newly-included metrics. Dashes denote that data is unavailable.
36 Ability ATMs are designed to provide visually-impaired customers with audio assistance.
37 Figures comprise Loan Net Interest Income and Loan Fees.
38 We apply an attribution factor or ratio when calculating the amount of solar energy generated so that only UOB's share in the total financing of each project is included in our accounting. This is in accordance with the Global GHG Accounting and Reporting Standard for the Financial Industry, which is published by the Partnership for Carbon Accounting Financials (PCAF).
39 For greenhouse gas conversion factors, we rely on the International Energy Agency (IEA).

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	2020	2019	2018
Financial inclusion			
Amount of non-performing loans qualified to programmes designed to promote small businesses ($ million)	41	-	-
Number of schools visited as part of our financial literacy outreach programmes in Indonesia[40]	4	26	16
Number of new no-cost retail checking accounts provided to students in Indonesia	2,184	2,232	509
Retail banking activity metrics[41]			
Value of checking and savings accounts ($ billion)	91.4	-	-
Value of loans – less mortgage and revolving credit loans ($ billion)	13.8	-	-
Value of mortgage loans – residential and commercial[42] ($ billion)	58.4	-	-
Weighted average loan-to-value ratio of mortgage loans (%)	55.5	-	-
Percentage of unique customers with active credit card accounts[43] (%)	83.1	-	-
Percentage of unique customers with active debit card accounts[44] (%)	53.5	-	-
ESG integration by UOB Personal Financial Services			
ESG-focused transaction volume ($ million)	296.2	-	-
ESG-focused Assets Under Management (AUM) ($ million)	96.4	-	-
ESG integration by UOB Asset Management			
AUM in investments that incorporate ESG factors and/or social impact assessment ($ million)	780.7	-	-
Proportion of companies in portfolio that were engaged on ESG topics (%)	13.0	10.4	-
Impact investments by UOB Venture Management			
AUM in committed capital that incorporate ESG and/or social impact assessment ($ billion)[45]	1.1	1.0	1.0
Total number of low-income individuals reached through AIIF investee companies (in millions)[46]	16	16	13
Community Stewardship			
Monetary contributions ($ million)	6.3	5.4	5.1
Average volunteer hours per employee[47]	0.7	2.2	2.0

40 Financial literacy-related school visits were limited in 2020 due to COVID-19-related restrictions.
41 Includes both personal and small businesses in Singapore.
42 Our standardised mortgage loan pricing packages are available to any customer who meets our loan eligibility requirements.
43 Active credit card accounts include those with at least one credit card transaction in last 12 months.
44 Active debit card accounts include those with at least one debit card transaction in last 12 months.
45 Figures comprise the Asia Impact Investment Fund (AIIF) and the ASEAN China Investment Funds (ACIF).
46 Figures have not been prorated for the portion of UOB Venture Management's contribution, and are based on data reported by investee companies.
47 Our volunteer hours were reduced in 2020 as a result of COVID-19-related restrictions. Our colleagues volunteered 18,986 hours in 2020.

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	2020	2019	2018
Economic Value of Our Contributions ($ million)			
Total operating income	9,176	10,030	9,116
Dividends to shareholders	1,990	2,180	2,052
Employee compensation and benefits	2,501	2,716	2,447
Profit before tax	3,536	5,174	4,826
Profit after tax[48]	2,915	4,343	4,008
Income tax[49]	606	812	805
Income tax as a percentage of profit before tax (%)	17.1	15.7	16.7
Suppliers[50]			
Total purchase ($ million)	1,776	1,888	1,645
Purchase from local suppliers (%)	94.0	93.8	93.5
Preventing Fraud			
External fraud net loss ($ million)	0.95	0.92	1.82
Net operational risk loss ($ million)	3.63	5.71	6.82
Direct Environmental Impact[51]			
Purchased grid electricity (GWh)			
Singapore	65.9	63.6	64.4
Indonesia	20.8	22.4	22.6
Thailand	19.7	23.5	23.2
Malaysia	18.7	19.3	19.4
Greater China	2.9	2.9	3.0
Regional total	128.0	131.7	132.6
Energy use intensity (kWh per m^2 of floor space)[52]			
Energy use intensity excluding data centres	168.3	176.3	182.0
Energy use intensity including data centres	239.4	241.7	244.5

48 Relates to the amount attributable to equity holders of the Bank.
49 Income tax for the year ended 31 December 2019 was stated as $813 million in Annual Report 2019. Restated in Annual Report 2020 due to rounding.
50 Supplier figures comprise data from our seven key markets in Singapore, Indonesia, Malaysia, Thailand, China (including the Mainland and Hong Kong) and Vietnam.
51 All electricity consumption intensity, water usage intensity, emissions intensity and waste disposal intensity figures comprise data from our operations in Singapore, Malaysia, Thailand, Indonesia and Greater China (including the Mainland and Hong Kong).
52 Energy intensity figures for 2018 and 2019 have been restated based on updated gross floor area data.

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	2020	2019	2018
Scope 2 greenhouse gas emissions (thousand tCO_2e)[53]			
Singapore	25.6	24.7	25.1
Indonesia	15.9	17.2	17.3
Thailand	9.6	11.4	11.2
Malaysia	12.4	12.8	12.8
Greater China	1.9	1.8	1.9
Regional total	65.4	67.9	68.3
Scope 2 greenhouse gas emissions intensity (kg CO_2e per m^2 of floor space)[54]			
Scope 2 greenhouse gas emissions intensity excluding data centres	90.4	95.3	98.0
Scope 2 greenhouse gas emissions intensity including data centres	122.3	124.5	125.9
Scope 3 greenhouse gas emissions (thousand tCO_2e)[55]			
Total air travel emissions[56]	1.5	11.6	10.3
Water usage (thousand m^3)			
Singapore	173.2	224.4	219.2
Indonesia	96.0	112.2	89.4
Thailand	308.2	344.8	406.5
Malaysia	65.0	77.0	75.9
Greater China	12.0	11.8	12.7
Regional total	654.5	770.2	803.7
Water usage intensity (m^3 of water per m^2 of floor space)[57]			
Overall water usage intensity	1.2	1.4	1.5
Purchased office paper (tonnes)			
FSC 100% mix office paper	883	834	762
FSC mix office paper	53	16	67
Non-FSC office paper	838	1,081	1,112
Total office paper purchased	1,773	1,931	1,941

53 Scope 2 greenhouse gas emissions for 2018 and 2019 have been restated based on updated emission factors published by International Energy Agency.
54 Emissions intensity figures for 2018 and 2019 have been restated based on updated gross floor area data.
55 The method used takes into account the impact of radiative forcing, as well as well-to-tank emissions resulting from the production and transportation of fuels.
56 Data includes both domestic and international air travel in Singapore, Indonesia, Malaysia, Thailand and mainland China. 2019 data has been restated to include domestic travel in Indonesia.
57 Water usage intensity figures for 2018 and 2019 have been restated based on updated gross floor area data.

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	2020	2019	2018
Recycled waste (tonnes)			
Plastics and other waste	0	0	12
Electronic equipment[58]	43	6	14
Paper and board	291	456	455
Total waste recycled	334	462	480
Disposed waste (tonnes)			
Waste landfilled	302	319	529
Waste-to-energy incineration	611	1,258	886
Waste disposal intensity (kg of disposed waste per m² of floor space)			
Overall waste disposal intensity[59]	1.7	2.9	2.6
Our People			
Number of employees[60]			
Male	9,855	10,510	10,102
Female	15,611	16,362	16,051
Total	25,466	26,872	26,153
Number of employees by employment contract and gender			
Permanent male employees	9,565	10,129	9,734
Permanent female employees	15,211	15,886	15,516
Contract male employees	290	381	368
Contract female employees	400	476	535
Temporary male employees	473	417	518
Temporary female employees	983	854	727
Number of employees by employment type and gender			
Full-time male employees	9,854	10,508	10,100
Full-time female employees	15,573	16,319	16,008
Part-time male employees	1	2	2
Part-time female employees	38	43	43

58 Only electronic equipment recycled in Singapore is included.
59 Includes both landfilled and incinerated waste.
60 Includes permanent employees, part-time employees and fixed-term contract employees.

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	2020	2019	2018
Female employees by country (%)			
Singapore	57.2	57.2	58.4
Malaysia	65.8	64.4	64.8
Thailand	69.6	69.3	69.2
Indonesia	53.7	53.6	54.0
China	70.6	70.8	71.3
Hong Kong	49.4	47.9	48.4
Vietnam	62.9	59.8	58.0
Overseas branches	53.7	52.8	50.5
Female employees by age group			
Average age of female employees	38.8	38.0	37.9
<30 years (%)	65.5	63.4	64.1
30-50 years (%)	60.2	60.1	60.7
>50 years (%)	61.2	60.6	59.9
Female employees by grade (%)[61]			
Senior management	34.9	35.1	34.5
Middle management	51.6	51.4	51.8
Executive	63.8	62.5	62.7
Administrative	71.9	71.2	71.1
Employment from local population (%)			
Local staff representation[62]	94.7	94.6	94.9
Number of management employees by gender[63]			
Male supervisors or managers	2,352	2,438	2,432
Female supervisors or managers	2,831	2,718	2,743
Male heads of department	10	9	11
Female heads of department	6	6	9

61 Senior management refers to Managing Directors and Executive Directors; middle management refers to Senior Vice Presidents, First Vice Presidents and Vice Presidents; executives refer to Assistant Vice Presidents, Managers and Senior Officers.
62 Local employees are citizens or permanent residents of the country in which they are employed.
63 The Heads of Department report directly to the CEO.

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Number of new employee hires by gender			
Male	823	2,657	3,099
Female	1,006	3,489	4,121
Total	1,829	6,146	7,220
New employee hires that were female by age group (% of total new hires)			
<30 years old	60.9	58.9	60.8
30 - 50 years old	48.7	54.3	52.8
>50 years old	50.0	57.8	54.9
All age groups	55.0	56.8	57.1
Employee attrition rate by age group (%)[64]			
<30 years old	24.9	33.8	38.4
30 - 50 years old	9.5	14.1	16.6
>50 years old	7.3	9.9	12.3
All age groups	11.9	17.8	21.0
Employee attrition rate by age group and gender (%)[65]			
<30 years old			
Male	32.2	37.1	40.0
Female	21.0	31.9	37.4
30 - 50 years old			
Male	11.2	14.7	18.4
Female	8.4	13.8	15.5
>50 years old			
Male	8.9	12.6	15.3
Female	6.3	8.2	10.4
All age groups			
Male	14.2	18.9	22.5
Female	10.5	17.2	20.0
Workplace safety			
Number of recordable work-related injuries	2	9	10
Rate of recordable work-related injuries[66]	0.01	0.03	0.03

64, 65 Attrition rates include all voluntary and involuntary attrition among permanent employees only.
66 Injury rates represent the number of reportable injuries per 100 full-time workers and were calculated as: (N / H) x 200,000 where, N=number of injuries, H=total hours worked by all employees in the year.

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	2020	2019	2018
Training spend			
Total training investment ($ million)[67]	19.6	31.1	26.0
Total training investment per employee ($)	771	1,157.8	992.3
Total training investment per trainee ($)	686	1,111.0	916.0
Average training hours per employee			
Senior management	32.0	35.5	33.4
Middle management	44.2	48.5	39.3
Executive	52.0	58.8	48.2
Administrative	51.8	44.5	50.2
Average training hours per employee by grade and gender[68]			
Senior management			
Male	31.2	34.7	32.3
Female	33.4	36.9	35.6
Middle management			
Male	43.0	50.3	39.0
Female	45.2	46.8	39.5
Executive			
Male	51.2	64.8	51.5
Female	52.5	55.1	46.2
Administrative			
Male	50.5	43.0	47.4
Female	51.6	45.1	51.3
All grades combined			
Male	47.4	55.5	46.3
Female	50.3	50.5	46.1
Parental leave			
Number of employees who took maternity leave	247	509	–
Number of employees who took paternity leave	172	206	–
One-year retention rate of returning mothers (%)[69]	76.6	85.0	–

67 Includes total training costs as well as any subsidies or grants given.
68 Training hours include classroom training, e-learning, webinars, on-the-job training, sponsorship, town halls and teambuilding.
69 Percentage of employees who remained in the organisation at least one year after returning from maternity leave.

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Awards and Accolades 2020[70]

ESG Ratings, Rankings and Indices

FTSE4Good ASEAN 5 Index
Ranked 3rd by market capitalisation as at January 2021

iEdge Singapore ESG Leaders Index
2nd largest constituent as at December 2020

MSCI ESG Ratings
Rated A as at November 2020[71]

Sustainalytics ESG Risk Ratings
Rated 25.9 as at September 2020[72]

Bloomberg Gender-Equality Index (GEI)
UOB is one of only six Singapore organisations to be included in the 2021 GEI, based on disclosures provided in 2020

Sustainable Banking Assessment (SUSBA)
Ranked 2nd among ASEAN banks in 2020

CDP[73] Climate Change
Rated C based on disclosures provided in 2020

Singapore Governance and Transparency Index (SGTI)
Ranked 10th among 577 Singapore-listed companies in the General Category

ASEAN Corporate Governance Scorecard (ACGS)
Ranked 2nd among publicly-listed companies in Singapore
Ranked top 20 among publicly-listed companies in ASEAN

The Asset ESG Corporate Awards
Rated Platinum in 2021 for disclosures provided in 2020

Attracting, Developing and Retaining Talent

Asian Banking and Finance
ABF Retail Banking Awards 2020
- Employer Award of the Year (Thailand) – Gold (Regional)

CX Network
CX Asia Excellence Awards 2020
- Best Employee Engagement (Gold)

The Digital Banker
Digital CX Awards 2020
- Best Employee Experience – Highly Acclaimed

Global Retail Banking Innovation Awards 2020
- Outstanding Staff Training, Learning & Development Programme
- Best Graduate Employment Program (Thailand)

Human Resources (HR) Online
HR Excellence Awards
- Excellence in Leadership Development – Bronze
- Excellence in Learning and Development – Finalist
- HR Leader of the Year – Finalist

Human Resource Development (HRD) Asia
HRD Asia Awards 2020
- Innovative HR Teams 2020

Liepin.com
Work Different Awards 2020
- Extraordinary Transformation Employer Award (Eastern China)

Institute of Banking and Finance (IBF)
- IBF Inspire Award 2020

70 Where no country or subsidiary is indicated, the award is a representation of the achievement of the UOB Group.
71 On a scale of AAA- to CCC.
72 In September 2020, UOB received an ESG Risk Rating of 25.9 and was assessed by Sustainalytics to be at Medium Risk of experiencing material financial impacts from ESG factors.
73 Formerly Carbon Disclosure Project.

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Awards and Accolades 2020

Attracting, Developing and Retaining Talent

World Human Resource Development (HRD) Congress

Thailand's Best Employer Brand Awards 2020

- Award for Best HR Strategy in Line with Business (Thailand)
- Award for Talent Management (Thailand)
- Global Best Employer Brand (Thailand)

Asia's Best Employer Brand Awards 2020

- Best Employer Brand Award (Thailand)
- Award for Organisation with Innovative HR Practice (Thailand)

Zhaopin.com

2020 China Best Employer Awards

- Top 100 China Best Employers

Gender Diversity

Asiamoney

Women in Finance Ranking

- Ranked 1st, Percentage of Women in the Organisation's Workforce
- Ranked 2nd, Percentage of Women in Senior Management (Managing Directors)
- Ranked 1st, Percentage of Women Vice Presidents
- Ranked 1st, Percentage of Women Graduate Hires

Zhaopin.com

2020 China Best Employer Awards

- Best Employers for Female Employees

Digitalisation

Alpha Southeast Asia

14th Annual Best Financial Institution Awards

- Best Digital Bank (Indonesia) – TMRW

Asia Asset Management

2020 Best of the Best Country Awards

- Fintech Innovation in Asset Management (Singapore) – UOB Asset Management

Asian Banking and Finance

ABF Retail Banking Awards 2020

- Digital Banking Initiative of the Year (Indonesia) – UOB BizSmart

The Asset

The Asset ESG Corporate Awards 2020

- Best Initiative in Innovation – TMRW

The Digital Banker

Digital CX Awards 2020

- Outstanding Chatbot Experience – TMRW
- Outstanding Leadership in Customer Experience, Institution – TMRW
- Best Digital Bank for Customer Experience – TMRW
- Outstanding Digital Customer Experience, Account Opening (Highly Acclaimed) – TMRW

Global Retail Banking Innovation Awards 2020

- Best Digital Bank (ASEAN) – TMRW
- Best Digital Bank (Thailand) – TMRW
- Best Bank for Millennials – TMRW

Global Finance

World's Best Digital Bank Awards 2020

- Best Consumer Digital Bank (Thailand) – TMRW

Informa Connect

Finovate Awards

- Best Financial Mobile App – TMRW

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Awards and Accolades 2020

Financial Inclusion

The Asian Banker

Excellence in Retail Financial Services International Awards 2020

- Best SME Bank in Singapore
- Best SME Bank in Asia Pacific

***The Asian Banker* Vietnam Awards 2020**

- Best Financial Inclusion Project in Vietnam

Asian Banking and Finance

***ABF* Retail Banking Awards 2020**

- Financial Inclusion Initiative of the Year (Singapore) – UOB Risk First Approach & Portfolio Allocation
- Banking for Women Initiative of the Year (Singapore) – UOB Lady's Card

Alpha Southeast Asia

Best Deal & Solution Awards 2020

- Best Dual Structure Islamic Finance Deal of the Year

Cambridge International Financial Advisory

6th Islamic Retail Banking Awards

- Critics' Choice Best Islamic Banking Award 2020

Euromoney

Awards for Excellence

- Asia's Best Bank for SMEs

Customer Service

The Association of Banks in Singapore (ABS)

ABS Excellent Service Award 2020

- 213 colleagues were recognised in the Gold category
- 495 colleagues were recognised in the Silver category
- 921 colleagues were recognised in the Star category

China Decision Makers Consultancy (CDCM) and CDMC Finance Research Institute

5th Global Asset Allocation Focus 2020

- Outstanding Award for Customer Service

CX Network

CX Asia Excellence Awards 2020

- Best Customer Experience Award, Gold – TMRW

The Digital Banker

Global Retail Banking Innovation Awards 2020

- Outstanding Customer Service Transformation

Institute of Service Excellence (Singapore Management University)

Customer Satisfaction Index of Singapore

- Top Award for Customer Satisfaction Index of Singapore – Touchpoint Contact Centre

Retail Banker Asia

***Retail Banker Asia* Trailblazer 2020**

- Excellence in Customer Centricity – Utility Marketplace
- Excellence in Service Innovation – UOB Portfolio Advisory Tools
- Trailblazing Use of AI in Financial Services – UOB Mighty Insights

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Preventing Corruption, Fraud and Money Laundering

Shanghai Gold Exchange
2019 Shanghai Gold Exchange Award – Institution Award
- Best Anti-Money Laundering Member (China)
- Best Risk Management Member (China)

Singapore Police Force
Community Partnership Department
- Community Partnership Award (Organisation)
- Community Partnership Award (Individual)

Sustainable Financing

The Asset
Triple A Country Awards 2020
- Best Green Loan (Thailand) – THB1,260 Million Senior Secured Green Term Loan Facility to Berkeley Energy Symbior Solar Limited

Ministry of Energy and Natural Resources Malaysia
National Energy Awards 2020
- Sustainable Energy Financing (Conventional Financing Category)

Responsible Investing

WealthAsia Media
Top Sustainable Fund Awards (Top ESG Performance)
- Best-in-class – United E-Commerce Fund
- Best-in-class – United Global Financials SGD
- Outstanding Achiever – United ASEAN SGD
- Outstanding Achiever – United Sustainable Asia Top 50

Top Sustainable Fund Awards (Top Global Compact Performance)
- Best-in-class – United Singapore Growth Fund
- Outstanding Achiever – United ASEAN SGD

Top Sustainable Fund Awards (Temperature Alignment)
- Best-in-class – United Sustainable Asia Top 50

Greening Our Operations

Association of Southeast Asian Nations (ASEAN)
ASEAN Energy Awards 2020
- 2nd runner-up in the ASEAN Energy Efficiency and Conservation Best Practices Awards 2020 (Large Green Building Category) – UOB Phetkasem Building

Building Construction Authority – Health Promotion Board
Green Mark Healthier Workplace
- Platinum Award – UOB Corporate Real Estate and Services office, Singapore

Community Stewardship

National Arts Council
Patron of the Arts Awards 2020
- Distinguished Patron of the Arts Award

Community Chest
Community Chest Awards 2020
- Charity Platinum Award
- Community Spirit Platinum Award

Shanghai Daily
2020 Excellence Awards for Corporate Social Responsibility
- Excellence Award for Innovation (China)

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Global Reporting Initiative (GRI) Content Index

GRI Standard		Disclosure Information or Location
GRI 102: General Disclosures 2016		
Organisational Profile		
GRI 102-1	Name of the organisation	United Overseas Bank Limited
GRI 102-2	Activities, brands, products and services	UOB Annual Report 2020 (5)
GRI 102-3	Location of headquarters	UOB Annual Report 2020 (5)
GRI 102-4	Location of operations	UOB Annual Report 2020 (5)
GRI 102-5	Ownership and legal form	Public limited company listed on the Singapore Exchange
GRI 102-6	Markets served	UOB Annual Report 2020 (5, 29, 42-60)
GRI 102-7	Scale of the organisation	78-85, UOB Annual Report 2020 (3, 5, 30, 34, 127)
GRI 102-8	Information on employees and other workers	82-84
GRI 102-9	Supply chain	29, 70
GRI 102-10	Significant changes to the organisation and its supply chain	Unless otherwise stated, our reporting also includes our banking subsidiary in Vietnam
GRI 102-11	Precautionary Principle or approach	17-20, 30, 31-32, 33-36, 37-41, 42-46, 66-67, 70
GRI 102-12	External initiatives	31, 33, 37, 44, 48, 53, 61, 64, 68
GRI 102-13	Membership of associations	31, 33, 37, 44, 48, 53, 64, 68
Strategy		
GRI 102-14	Statement from senior decision-maker	3, UOB Annual Report 2020 (22-25)
GRI 102-15	Key impacts, risks, and opportunities	3, 17, 30, 31-32, 33-36, 37-41, 42-46, 47-50, 53-58, 66-69, UOB Annual Report 2020 (22-25, 96-111)
Ethics and Integrity		
GRI 102-16	Values, principles, standards and norms of behaviour	17, 30, 48-50, 60-62, 64, 67-69, UOB Annual Report 2020 (8-9)
GRI 102-17	Mechanisms for advice and concerns about ethics	UOB Annual Report 2020 (72, 82-83, 89)
Governance		
GRI 102-18	Governance structure	27, UOB Annual Report 2020 (72-91)
GRI 102-19	Delegating authority	27
GRI 102-20	Executive-level responsibility for economic, environmental and social topics	27
GRI 102-21	Consulting stakeholders on economic, environmental and social topics	21, 27
GRI 102-22	Composition of the highest governance body and its committees	UOB Annual Report 2020 (10-19, 75-76)
GRI 102-23	Chair of the highest governance body	UOB Annual Report 2020 (76)

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Global Reporting Initiative (GRI) Content Index

GRI Standard		Disclosure Information or Location
Governance		
GRI 102-24	Nominating and selecting the highest governance body	UOB Annual Report 2020 (74-78)
GRI 102-25	Conflicts of interest	UOB Annual Report 2020 (74)
GRI 102-26	Role of highest governance body in setting purpose, values and strategy	66, UOB Annual Report 2020 (72-73)
GRI 102-27	Collective knowledge of highest governance body	27, 33-34, 37
GRI 102-29	Identifying and managing economic, environmental and social impacts	17, 21, 27, 31, 33-34, UOB Annual Report 2020 (72-73, 98-99)
GRI 102-30	Effectiveness of risk management processes	17, 21, 27, 31, 33-36, UOB Annual Report 2020 (72-73, 98-99)
GRI 102-31	Review of economic, environmental and social topics	27, 33-34
GRI 102-32	Highest governance body's role in sustainability reporting	27
GRI 102-35	Remuneration policies	UOB Annual Report 2020 (92-95)
GRI 102-36	Process of determining remuneration	UOB Annual Report 2020 (92-95)
Stakeholder Engagement		
GRI 102-40	List of stakeholder groups	21
GRI 102-41	Collective bargaining agreements	61
GRI 102-42	Identifying and selecting stakeholders	21-22
GRI 102-43	Approach to stakeholder engagement	21-22
GRI 102-44	Key topics and concerns raised	23-26
Reporting Practice		
GRI 102-45	Entities included in the consolidated financial statements	UOB Annual Report 2020 (182-185)
GRI 102-46	Defining report content and topic Boundaries	23-26
GRI 102-47	List of material topics	22-26
GRI 102-48	Restatements of information	78-85
GRI 102-49	Changes in reporting	No significant change
GRI 102-50	Reporting period	1 January 2020 to 31 December 2020
GRI 102-51	Date of most recent report	April 2020
GRI 102-52	Reporting cycle	Annual
GRI 102-53	Contact point for questions regarding the report	1
GRI 102-54	Claims of reporting in accordance with the GRI Standards	27

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Global Reporting Initiative (GRI) Content Index

GRI Standard		Disclosure Information or Location
Reporting Practice		
GRI 102-55	GRI Content Index	90-97
GRI 102-56	External assurance	27
GRI 201: Economic Performance 2016		
GRI 103-1	Explanation of the material topic and its Boundaries	23
GRI 103-2	The management approach and its components	29, UOB Annual Report 2020 (22-25)
GRI 103-3	Evaluation of the management approach	29
GRI 201-1	Direct economic value generated and distributed	29, 78-80, UOB Annual Report 2020 (26-35)
GRI 201-2	Financial implications and other risks and opportunities due to climate change	33-36
GRI 202: Market Presence 2016		
GRI 103-1	Explanation of the material topic and its Boundaries	23
GRI 103-2	The management approach and its components	29, UOB Annual Report 2020 (22-25)
GRI 103-3	Evaluation of the management approach	29
GRI 202-2	Proportion of senior management hired from the local community	83
GRI 203: Indirect Economic Impacts 2016		
GRI 103-1	Explanation of the material topic and its Boundaries	23
GRI 103-2	The management approach and its components	31, 33-34, 37, 42
GRI 103-3	Evaluation of the management approach	21, 31, 33-34, 37, 42
GRI 203-1	Infrastructure investments and services supported	6-7, 37-41, UOB Annual Report 2020 (42-44)
GRI 203-2	Significant indirect economic impacts	31-32, 33-36, 37-41, 42-46, 53-58
GRI 204: Procurement Practices 2016		
GRI 103-1	Explanation of the material topic and its Boundaries	26
GRI 103-2	The management approach and its components	70
GRI 103-3	Evaluation of the management approach	21, 70
GRI 204-1	Proportion of spending on local suppliers	29, 70
GRI 205: Anti-Corruption 2016		
GRI 103-1	Explanation of the material topic and its Boundaries	26
GRI 103-2	The management approach and its components	68-69

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Global Reporting Initiative (GRI) Content Index

GRI Standard		Disclosure Information or Location
GRI 205: Anti-Corruption 2016		
GRI 103-3	Evaluation of the management approach	21, 68-69
GRI 205-2	Communication and training about anti-corruption policies and procedures	8, 30, 68-69
GRI 205-3	Confirmed incidents of corruption and actions taken	68-69
GRI 206: Anti-Competitive Behaviour 2016		
GRI 103-1	Explanation of the material topic and its Boundaries	24
GRI 103-2	The management approach and its components	50
GRI 103-3	Evaluation of the management approach	21, 50
GRI 206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	50
GRI 207: Tax 2019		
GRI 103-1	Explanation of the material topic and its Boundaries	23
GRI 103-2	The management approach and its components	29
GRI 103-3	Evaluation of the management approach	29
GRI 207-1	Approach to tax	29, 67
GRI 207-2	Tax governance, control, and risk management	29, 67
GRI 207-3	Stakeholder engagement and management of concerns related to tax	21, 29
GRI 302: Energy 2016		
GRI 103-1	Explanation of the material topic and its Boundaries	26
GRI 103-2	The management approach and its components	71-72
GRI 103-3	Evaluation of the management approach	71
GRI 302-1	Energy consumption within the organisation	71-72, 80
GRI 302-3	Energy intensity	71-72, 80
GRI 302-4	Reduction of energy consumption	71-72
GRI 303: Water 2018		
GRI 103-1	Explanation of the material topic and its Boundaries	26
GRI 103-2	The management approach and its components	71-72
GRI 103-3	Evaluation of the management approach	71
GRI 303-5	Water consumption	72, 81

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Global Reporting Initiative (GRI) Content Index

GRI Standard		Disclosure Information or Location
GRI 305: Emissions 2016		
GRI 103-1	Explanation of the material topic and its Boundaries	23, 26
GRI 103-2	The management approach and its components	33-34, 71-72
GRI 103-3	Evaluation of the management approach	33, 71
GRI 305-2	Energy indirect (Scope 2) GHG emissions	72, 81
GRI 305-3	Other indirect emissions (Scope 3) emissions	72, 81
GRI 305-4	GHG emission intensity	72, 81
GRI 306: Effluents and Waste 2016		
GRI 103-1	Explanation of the material topic and its Boundaries	26
GRI 103-2	The management approach and its components	71-72
GRI 103-3	Evaluation of the management approach	71
GRI 306-2	Waste by type and disposal methods	72, 82
GRI 307: Environmental Compliance 2016		
GRI 103-1	Explanation of the material topic and its Boundaries	25
GRI 103-2	The management approach and its components	31-32, 67
GRI 103-3	Evaluation of the management approach	21, 31-32, 67
GRI 307-1	Non-compliance with environmental laws and regulations.	31-32, 67
GRI 401: Employment 2016		
GRI 103-1	Explanation of the material topic and its Boundaries	25
GRI 103-2	The management approach and its components	60-62, 64
GRI 103-3	Evaluation of the management approach	21, 60-61, 64
GRI 401-1	New employee hires and employee turnover	84
GRI 401-3	Parental leave	85
GRI 403: Occupational Health and Safety 2018		
GRI 103-1	Explanation of the material topic and its Boundaries	25
GRI 103-2	The management approach and its components	63
GRI 103-3	Evaluation of the management approach	21, 63
GRI 403-1	Occupational health and safety management system	63
GRI 403-2	Hazard identification, risk assessment, and incident investigation	63

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Global Reporting Initiative (GRI) Content Index

GRI Standard		Disclosure Information or Location
GRI 403: Occupational Health and Safety 2018		
GRI 403-3	Occupational health services	9-12, 63
GRI 403-5	Worker training on occupational health and safety	63
GRI 403-6	Promotion of worker health	9-12, 63
GRI 403-7	Prevention and mitigation of occupational health and safety impacts	9-12, 63
GRI 403-9	Work-related injuries	84
GRI 404: Training and Education 2016		
GRI 103-1	Explanation of the material topic and its Boundaries	25
GRI 103-2	The management approach and its components	21, 60-62
GRI 103-3	Evaluation of the management approach	60-62
GRI 404-1	Average hours of training per year per employee	85
GRI 404-2	Programmes for upgrading employee skills and transition assistance programmes	60-62
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	61
GRI 405: Diversity and Equal Opportunity 2016		
GRI 103-1	Explanation of the material topic and its Boundaries	25
GRI 103-2	The management approach and its components	64
GRI 103-3	Evaluation of the management approach	21, 64
GRI 405-1	Diversity of governance bodies and employees	64, 83
GRI 407: Freedom of Association and Collective Bargaining 2016		
GRI 103-1	Explanation of the material topic and its Boundaries	25
GRI 103-2	The management approach and its components	61
GRI 103-3	Evaluation of the management approach	21, 61
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	61
GRI 408: Child Labour 2016		
GRI 103-1	Explanation of the material topic and its Boundaries	23, 25, 26
GRI 103-2	The management approach and its components	31, 61, 70
GRI 103-3	Evaluation of the management approach	21, 31, 61, 70
GRI 408-1	Operations at significant risk for incidents of child labour	None of our office and branch locations is at significant risk for incidents of child labour

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Global Reporting Initiative (GRI) Content Index

GRI Standard		Disclosure Information or Location
GRI 409: Forced or Compulsory Labour 2016		
GRI 103-1	Explanation of the material topic and its Boundaries	23, 25, 26
GRI 103-2	The management approach and its components	31, 61, 70
GRI 103-3	Evaluation of the management approach	21, 31, 61, 70
GRI 409-1	Operations at significant risk for incidents of forced or compulsory labour	None of our office and branch locations is at significant risk for incidents of forced or compulsory labour
GRI 413: Local Communities 2016		
GRI 103-1	Explanation of the material topic and its Boundaries	24, 26
GRI 103-2	The management approach and its components	42, 53, 73
GRI 103-3	Evaluation of the management approach	21, 42, 53, 73
GRI 413-1	Operations with local community engagement, impact assessments and development programmes	13-15, 42-46, 53-58, 73-77
GRI 417: Marketing And Labelling 2016		
GRI 103-1	Explanation of the material topic and its Boundaries	24-25
GRI 103-2	The management approach and its components	50, 67
GRI 103-3	Evaluation of the management approach	21, 50, 67
GRI 417-1	Requirements for product and service information and labelling	50, 67
GRI 417-2	Incidents of non-compliance concerning product and service information and labelling	50, 67
GRI 417-3	Incidents of non-compliance concerning marketing communications	50, 67
GRI 418: Customer Privacy 2016		
GRI 103-1	Explanation of the material topic and its Boundaries	24
GRI 103-2	The management approach and its components	48-49
GRI 103-3	Evaluation of the management approach	21, 48-49
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	48-49
GRI 419: Socio-economic Compliance 2016		
GRI 103-1	Explanation of the material topic and its Boundaries	23, 25, 26
GRI 103-2	The management approach and its components	29, 31, 50, 67, 68-69
GRI 103-3	Evaluation of the management approach	29, 31, 50, 67, 68-69
GRI 419-1	Non-compliance with laws and regulations in the social and economic area	29, 50, 67

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GRI G4 Financial Services Sector Disclosures

GRI G4 Indicator		Disclosure Information or Location
G4 Financial Services Sector Disclosures		
Product Portfolio		
G4-FS1	Policies with specific environmental and social components applied to business lines	31-32, 33-36, 42, 44, 46
G4-FS2	Procedures for assessing and screening environmental and social risks in business lines	31-32, 33-36, 42, 44, 46
G4-FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	32
G4-FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	37, 44
G4-FS5	Interactions with clients/ investees/business partners regarding environmental and social risks and opportunities	21, 31-32, 33-36, 37-41, 42-46
G4-FS6	Percentage of the portfolio for business lines by specific region, size and by sector	78-79, UOB Annual Report 2020 (28-29, 205-207)
G4-FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	2, 6, 37, 78-79
G4-FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	2, 6, 37, 78-79
G4-FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	31-32
G4-FS10	Percentage and number of companies held in the institution's portfolio with which the reporting orgnisation has interacted on environmental or social issues	78-79
G4-FS11	Percentage of assets subject to positive and negative environmental or social screening	78-79
G4-FS12	Voting policies applied to environmental or social issues for shares over which the reporting organisation holds the right to vote shares or advises on voting.	44
Local Communities		
G4-FS13	Access points in low-populated or economically disadvantaged areas by type	8, 46, 53-58, 78-79
G4-FS14	Initiatives to improve access to financial services for disadvantaged people	53-58, 79
Product and Service Labelling		
G4-FS15	Policies for the fair design and sale of financial products and services	50
G4-FS16	Initiatives to enhance financial literacy by type of beneficiary	54, 56, 58, 79

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Sustainability Accounting Standards Board (SASB) Index[74]

Indicator Code		Disclosure Information or Location
SASB FN-CB: Commercial Banks		
Data Security		
FN-CB-230a.2	Description of approach to identifying and addressing data security risks	5, 8-9, 12, 24, 48-49
Financial Inclusion & Capacity Building		
FN-CB-240a.2	Amount of non-performing loans qualified to programmes designed to promote small businesses[75]	79
FN-CB-240a.3	Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	79
FN-CB-240a.4	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	79
Incorporation of Environmental, Social, and Governance Factors in Credit Analysis		
FN-CB-410a.1	Commercial and industrial credit exposure, by industry	UOB Annual Report 2020 (205-207)
FN-CB-410a.2	Description of approach to incorporation of ESG factors in credit analysis	31-32
Business Ethics		
FN-CB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behaviour, market manipulation, malpractice, or other related financial industry laws or regulations	67
FN-CB-510a.2	Description of whistle-blower policies and procedures	30, 64, 68, UOB Annual Report 2020 (89)
Systemic Risk Management		
FN-CB-550a.1	Global Systemically Important Bank (G-SIB) score, by category	UOB Annual Report 2020 (112, 137)
FN-CB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	UOB Annual Report 2020 (96-111)
Activity Metrics		
FN-CB-000.A	Value of checking and savings accounts[75]	79
FN-CB-000.B	Value of loans-less mortgage and revolving credit loans[75]	79
SASB FN-MF: Mortgage Finance		
Discriminatory Lending		
FN-MF-270b.1	Weighted average Loan-to-Value (LTV) ratio of mortgages issued to all borrowers[75]	79
FN-MF-270b.2	Total amount of monetary losses as a result of legal proceedings associated with discriminatory mortgage lending	67
FN-MF-270b.3	Description of policies and procedures for ensuring non-discriminatory mortgage origination	Our standardised mortgage loan pricing packages are available to any customer who meets our loan eligibility requirements.

74 Certain SASB Standards metrics are specific to United States regulations. These were assessed for relevance to UOB's business and activities. In this report, we omit metrics that are not directly applicable to the local context. However, we will review the latest SASB Standards and reconsider the scope of our reporting on an annual basis.
75 Metric has been adjusted for relevance to UOB's business context.

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Sustainability Accounting Standards Board (SASB) Index

Indicator Code		Disclosure Information or Location
SASB FN-MF: Mortgage Finance		
Activity Metrics		
FN-MF-000.B	Value of mortgage loans – residential and commercial[76]	79
SASB FN-CF: Consumer Finance		
Customer Privacy		
FN-CF-220a.2	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	48
Data Security		
FN-CF-230a.3	Description of approach to identifying and addressing data security risks	5, 8-9, 12, 24, 48-49
Selling Practices		
FN-CF-270a.5	Total amount of monetary losses as a result of legal proceedings associated with selling and servicing of products	67
Activity Metrics		
FN-CF-000.A	Percentage of unique consumers with an active (1) credit card account and (2) debit card account, with at least one transaction in the last 12 months[77]	79

76, 77 Metric has been adjusted for relevance to UOB's business context.

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Task Force on Climate-related Financial Disclosures (TCFD) Index

TCFD Recommendations	Disclosure Information or Location
Governance	
Describe the board's oversight of climate-related risks and opportunities	33
Describe management's role in assessing and managing climate-related risks and opportunities.	34
Strategy	
Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term.	34-35, 37-41
Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	34-35, 37-41
Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	34-35
Risk Management	
Describe the organisation's processes for identifying and assessing climate-related risks.	36
Describe the organisation's processes for managing climate-related risks.	36
Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management.	36
Metrics and Targets	
Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with its strategy and risk management process.	36, 78
Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 GHG emissions, and the related risks.	81
Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets.	36, 37, 71

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Sustainable Banking Assessment (SUSBA) ESG Integration Index

SUSBA ESG Integration Pillars		Disclosure Information or Location
Purpose		
1.1.	Sustainability strategy and stakeholder engagement	17-27, 31-32, 33-36, 37-41
1.2.	Participation in sustainable finance initiatives and policy advocacy with regulators	31, 33, 37
Policies		
2.1.	Public statements on specific ESG issues	31-32, 33-36
2.2.	Public statements on specific sectors	31-32
Processes		
3.1.	Assessing ESG risks in client and transaction approvals	31-32
3.2.	Client monitoring and engagement	31-32
People		
4.1.	Responsibilities for ESG	27, 31, 33-34
4.2.	Staff E&S training and performance evaluation	27, 31, 33, 37, 44
Products		
5.1.	ESG integration in products and services	15, 37-41, 42-46, 58
Portfolio		
6.1.	ESG risk assessment and mitigation at portfolio level	32, 34-36
6.2.	Disclosure of ESG risk exposure and targets	32, 34-36, 37, UOB Annual Report 2020 (174)

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United Nations Sustainable Development Goals (UN SDGs) Index

The Global Goals	Global Targets Toward Which We Can Align Our Efforts	Material ESG Factor and Page Reference
1 No Poverty	**Global Target 1.4** Equal rights to economic resources, basic services, natural resources, appropriate new technology and financial services, including microfinance	• ESG in Investing, page 46 • Financial Inclusion, page 58
2 Zero Hunger	**Global Target 2.3** Increase in agricultural productivity and incomes of small-scale food producers through knowledge and financial services	• ESG in Investing, page 46
3 Good Health and Well-being	**Global Target 3.8** Health coverage and access to quality essential healthcare services and access to safe, effective, quality and affordable essential medicines and vaccines for all	• COVID-19: How We Responded, page 11 • Workplace Safety, Health and Well-being, page 63
	Global Target 3.C Increase in health financing and the recruitment, development, training and retention of the health workforce in developing countries	• COVID-19: How We Responded, page 15 • ESG in Investing, page 46
4 Quality Education	**Global Target 4.4** Increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship	• Community Stewardship, page 76
	Global Target 4.6 Build and upgrade inclusive and safe schools	• Community Stewardship, page 76 • ESG in Investing, page 46
	Global Target 4.7 Learners to acquire knowledge and skills needed to promote sustainable development, including, among others, through education for sustainable development	• Community Stewardship, page 77
5 Gender Equality	**Global Target 5.5** Full and effective participation and equal opportunities for women at all levels of decision-making in political, economic and public life	• ESG in Investing, page 46 • Financial Inclusion, page 58 • Diverse and Inclusive Workforce, page 64
6 Clean Water and Sanitation	**Global Target 6.3** Improve water quality by reducing pollution, halving the proportion of untreated wastewater and increasing recycling and safe reuse globally	• Supporting Clients in Sustainable Development, pages 38-39
7 Affordable and Clean Energy	**Global Target 7.2** Increase share of renewable energy in the global energy mix	• Supporting Clients in Sustainable Development, pages 38-39
	Global Target 7.3 Global rate of improvement in energy efficiency to double	• Supporting Clients in Sustainable Development, pages 38-39, 41
	Global Target 7.B Infrastructure expansion and technological upgrade in order to supply modern and sustainable energy services for all in developing countries	• Supporting Clients in Sustainable Development, pages 38-39
8 Decent Work and Economic Growth	**Global Target 8.2** Higher levels of economic productivity achieved through diversification, technological upgrading and innovation	• Innovative Digital Banking Products, page 52
	Global Target 8.3 Development-oriented policies promoted to support productive activities, decent job creation, entrepreneurship, creativity and innovation, and to encourage the formalisation and growth of micro-, small- and medium-sized enterprises, including through access to financial services	• COVID-19: How We Responded, pages 6-7 • Financial Inclusion, pages 57-58
	Global Target 8.4 Improvement in global resource efficiency in consumption and production and decoupling of economic growth from environmental degradation	• Supporting Clients in Sustainable Development, pages 38-39, 41
	Global Target 8.5 Full and productive employment and decent work to be achieved for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value	• ESG in Investing, page 46 • Attracting, Developing and Retaining Talent, pages 60-62
	Global Target 8.10 Capacity of domestic financial institutions to be strengthened to encourage and expand access to banking, insurance and financial services for all	• Financial Inclusion, page 56

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United Nations Sustainable Development Goals (UN SDGs) Index

The Global Goals	Global Targets Toward Which We Can Align Our Efforts	Material ESG Factor and Page Reference
9 Industry, Innovation and Infrastructure	**Global Target 9.1** Quality, reliable, sustainable and resilient infrastructure to support economic development and human well-being	• COVID-19: How We Responded, pages 9-10, 12 • Workplace Safety, Health and Well-being, page 63
	Global Target 9.3 Increase in access to small-scale industrial and other enterprises to financial services, including affordable credit, and their integration into value chains and markets	• Financial Inclusion, page 57
	Global Target 9.4 Upgrade infrastructure to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally-sound technologies and industrial processes	• Supporting Clients in Sustainable Development, pages 38-39, 41 • Managing Our Direct Environmental Footprint, pages 71-72
10 Reduced Inequalities	**Global Target 10.2** Social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	• ESG in Investing, page 46 • Financial Inclusion, page 58 • Diverse and Inclusive Workforce, page 64
11 Sustainable Cities and Communities	**Global Target 11.4** Strengthen efforts to protect and safeguard cultural and national heritage	• Community Stewardship, page 75
	Global Target 11.6 Reduced adverse per capita environmental impact of cities, including by paying special attention to air quality and municipal and other waste management	• Supporting Clients in Sustainable Development, pages 38-39, 41 • Managing Our Direct Environmental Footprint, pages 71-72
12 Responsible Consumption and Production	**Global Target 12.5** Reduction in waste generation through prevention, reduction, recycling and reuse	• Managing Our Direct Environmental Impact, pages 71-72
	Global Target 12.6 Companies, especially large and transnational companies, encouraged to adopt sustainable practices	• Supporting Clients in Sustainable Development, pages 38, 41
	Global Target 12.7 Promotion of sustainable procurement practices in accordance with national policies and priorities	• Sustainable Procurement, page 70
13 Climate Action	**Global Target 13.2** Integration of climate change measures into policies strategies and planning	• Climate Change Transition and Opportunities, page 36
	Global Target 13.3 Improvements in education, awareness-raising and human and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning	• Supporting Clients in Sustainable Development, pages 37-39, 41 • Community Stewardship, page 77
14 Life Below Water	**Global Target 14.1** Prevention and reduction of marine pollution of all kinds, in particular from land-based activities, including marine debris and nutrient pollution	• Supporting Clients in Sustainable Development, pages 38-39
15 Life on Land	**Global Target 15.A** Increase in financial resources to conserve and sustainably use biodiversity and ecosystems	• Supporting Clients in Sustainable Development, pages 38-39, 41
16 Peace, Justice and Strong Institutions	**Global Target 16.5** Reduction in corruption and bribery in all their forms	• COVID-19: How We Responded, page 8 • Preventing Corruption, Fraud and Money Laundering, pages 68-69
17 Partnership for the Goals	**Global Target 17.16** Multi-stakeholder partnerships that mobilise and share knowledge, expertise, technology and financial resources, to support the achievement of the sustainable development goals	• Responsible Financing, page 31 • Climate Change Transition and Opportunities, page 36 • Supporting Clients in Sustainable Development, page 37 • Information Security and Data Privacy, page 48 • Financial Inclusion, page 53 • Diverse and Inclusive Workforce, page 64 • Preventing Corruption, Fraud and Money Laundering, page 68
	Global Target 17.17 Effective public, public-private and civil society partnerships, building on the experience and resourcing strategies of partnerships	• Supporting Clients in Sustainable Development, page 38

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United Nations Global Compact (UNGC) Ten Principles

UNGC Ten Principles		Disclosure Information or Location
Human Rights		
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights	17, 20, 45, 61, 70
Principle 2	Make sure that they are not complicit in human rights abuses	31-32, 70
Labour		
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	61
Principle 4	The elimination of all forms of forced and compulsory labour	31-32, 70
Principle 5	The effective abolition of child labour	31-32, 70
Principle 6	The elimination of discrimination in respect of employment and occupation	64, 70
Environment		
Principle 7	Businesses should support a precautionary approach to environmental challenges	17-20, 31-32, 33-36, 37-41, 42-46, 70, 71-72
Principle 8	Undertake initiatives to promote greater environmental responsibility	31-32, 37-41, 42-46, 77
Principle 9	Encourage the development and diffusion of environmentally friendly technologies	37-41
Anti-Corruption		
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery	68-69

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Carbon dioxide equivalent (CO_2e)

The common metric used to compare emissions from the various types of greenhouse gases. Different greenhouse gases have different potential for global warming. By converting all greenhouse gases to the common measure of tonnes of CO_2e, companies are able to be consistent in their measurement and comparison. For example, one tonne of methane would be equal to about 25 tonnes of CO_2e, because it has a global warming potential that is approximately 25 times that of one tonne of carbon dioxide.

Climate change and global warming

The increase in the average temperature of the Earth's climate system, apparent since the mid- to late-20th century. Climate change is attributed primarily to the higher amounts of greenhouse gases in the atmosphere resulting from the burning of fossil fuel, the production of industrial products, livestock farming, crop fertilisation and deforestation. The gases trap heat in the atmosphere and are expected to have a variety of effects on the planet, including sea level rise, droughts and severe weather events.

Community stewardship

UOB's long-term involvement in and support of inclusive community programmes to further social good and to create a positive impact on the community through corporate philanthropy, community partnerships and employee volunteerism.

Customer Satisfaction Score (CSS)

Refers to the measurement that determines how satisfied customers are with our products and services and their overall satisfaction based on recent interactions with the Bank, on a scale of zero to 10.

Dollars or $

Singapore Dollars unless specified otherwise.

Financial inclusion

Programmes and initiatives that help individuals and businesses access useful, appropriate and affordable financial products and services that meet their needs (for example transactions, payments, savings, credit and insurance) and that are delivered in a responsible and sustainable way.

Global Reporting Initiative (GRI) Standards

A set of internationally-recognised standards that help businesses, governments and other organisations communicate and report their risks and impacts for environmental, social and economic topics.

Global warming potential

A measure of the amount of heat a greenhouse gas is able to trap in the atmosphere relative to carbon dioxide gas.

Green loans

Any type of loan instrument made exclusively to finance or to re-finance, in whole or in part, new and/or existing Green Projects that are deemed eligible under UOB umbrella frameworks or borrowers' frameworks, and which are aligned to the Loan Market Association/Asia Pacific Loan Market Association (LMA/APLMA) Green Loan Principles.

Greenhouse gas emissions

Gaseous pollutants that absorb infrared radiation and trap heat in the atmosphere. The primary greenhouse gases are carbon dioxide, methane, nitrous oxide, hydrofluorocarbons, perfluorocarbons and sulphur hexafluoride.

Impact investing

The deployment of capital in companies with the deliberate intention of generating positive social and/or environmental benefits alongside, and as a means of, achieving positive financial returns.

Islamic banking

A system of banking that complies with Islamic law (Shariah). The underlying principles that govern Islamic banking are sustainable circulation of wealth, transparency, stability, assurance of justice and protection of wealth. In generating profit, Islamic banking transactions are based on trading activities and interest-bearing transactions are prohibited.

Materiality

Material sustainability issues include the environmental, economic, social and governance risks and opportunities that can act as potential barriers or enablers to achieving business goals in the short-, medium- and long-term.

Material Environmental, Social and Governance (ESG) factors

Environmental, social and governance, as well as economic, factors can impact the risk and return profile of our financing and investment decisions as well as our internal operations. Such factors are considered by investors and other stakeholders in assessing and measuring the sustainability of a company and its business activities. The same factors are considered, in turn, by the Bank to ensure that our stakeholders abide by our values and principles.

Materiality assessment

The methodology by which we identify and assess the material ESG factors that have an impact on our business and influence stakeholder decision-making.

Material supplier

A material supplier is a new, existing or re-contracted supplier that performs a material outsourcing activity which, if disrupted, has the potential to impact our business operations significantly or our ability to manage risks effectively. Material suppliers also include those that supply goods and/or services to the Bank with an annual spend of $5 million or more.

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Microfinancing
The provision of financial services to individuals, households and micro-enterprises that are normally excluded from conventional banking services.

Net Promoter Score (NPS)
A metric used to measure the likelihood of a customer recommending a company's brand, product or service to others. The NPS is an established worldwide metric used to measure customer loyalty and to predict business growth.

Physical risks
Physical risks can be acute or chronic. Acute physical risks refer to those that are event driven, including increased severity of extreme weather events, such as cyclones and wildfires. Chronic physical risk arises from longer-term shifts in climate patterns such as rising sea levels with time horizon typically spanning decades. Physical risks can result in financial losses due to direct damage to assets and indirect impact from supply chain disruption.

Responsible financing
The integration of ESG factors into our credit and risk evaluation process for financing activities.

Sustainability Accounting Standards Board (SASB)
An independent non-profit organisation that sets standards to help guide corporations in their disclosure of financially material sustainability information to investors.

Scope 1 greenhouse gas emissions
Direct emissions that originate from operations or assets which are owned or controlled by the organisation including on-site generation of electricity, steam or heat in equipment, travel in cars and other vehicles owned or controlled by the company and hydrofluorocarbons emitted from refrigeration or air-conditioning equipment.

Scope 2 greenhouse gas emissions
Indirect emissions resulting from the generation of grid electricity, heat or steam by an outside organisation, such as an electricity provider, but which is utilised by the reporting organisation.

Scope 3 greenhouse gas emissions
All other indirect emissions which occur at sources the organisation neither owns nor controls. Scope 3 emissions can result from business travel in non-company vehicles, especially commercial planes; employees commuting in non-company vehicles, as well as the activities of suppliers, customers and contractors.

Employee volunteering
The time provided by UOB to allow our colleagues to volunteer in approved volunteerism activities either during working or non-working hours as per the UOB Group CSR Policy.

Sustainable development
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.

Sustainability linked loans
Any type of loan instrument and/or contingent facility (such as bonding lines, guarantee lines or letters of credit) which incentivise the borrower to achieve pre-determined sustainability performance objectives. The borrower's sustainability performance is measured using sustainability performance targets, which can include key performance indicators, external ESG ratings or equivalent metrics which measure improvements in the borrower's sustainability profile.

Task Force on Climate-related Financial Disclosures (TCFD)
Industry-led initiative established by the Financial Stability Board in 2015 at the request of the G20 to develop a set of voluntary climate-related financial risk disclosures which can be adopted by companies so that those companies can inform investors and other members of the public about the risks they face related to climate change. The recommendations of the TCFD are organised around four pillars, namely governance and management, strategy, management of climate change-related risks and metrics and targets in place to address the impacts.

Transition risks
Transition risks arise from the process of adjustment towards a low-carbon economy which could result in financial and non-financial impacts. Impact is expected to materialise in a shorter time horizon with the speed and magnitude of transition dependent on changes in public policies, technological developments, shifts in consumer preferences and investor sentiment.

United Nations-supported Principles for Responsible Investment (PRI)
The PRI sets out six principles that serve as a global standard for responsible investing. They also provide guidance to financial institutions on the integration of ESG factors in the investment process and in active ownership.

United Nations Sustainable Development Goals (UN SDGs)
The 17 UN SDGs, also known as the Global Goals, were adopted by the United Nations Member States in 2015 and form the core of the 2030 Agenda, a universal call to action for governments, businesses and civil society to end poverty, to protect the planet and to ensure peace and prosperity for all people by 2030.

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ABF	*Asian Banking and Finance*
ABS	The Association of Banks in Singapore
AC	Audit Committee
ACIF	ASEAN China Investment Fund
AI	Artificial Intelligence
AIIF	Asia Impact Investment Fund
AML	Anti-Money Laundering
APLMA	Asia Pacific Loan Market Association
ASEAN	Association of Southeast Asian Nations
ASFI	Asia Sustainable Finance Initiative
AUM	Assets Under Management
ATM	Automated Teller Machine
BCA	Building and Construction Authority (Singapore)
BCM	Business Continuity Management
BEPS	Base Erosion and Profit Shifting
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CFT	Countering the Financing of Terrorism
CO_2	Carbon dioxide
CO_2e	Carbon dioxide equivalent
COVID-19	Coronavirus Disease 2019
CRES	Corporate Real Estate and Services
CRS	Common Reporting Standard
CSISG	Customer Satisfaction Index of Singapore
CSR	Corporate Social Responsibility
CSS	Customer Satisfaction Score
CX	Customer Experience
ESG	Environmental, Social and Governance
FATCA	Foreign Account Tax Compliance Act
FDGC	Fair Dealing Guidelines Committee
FEAT	Fairness, Ethics, Accountability and Transparency
FSC	Forest Stewardship Council
FSCM	Financial Supply Chain Management
FTSE	Financial Times Stock Exchange
GEI	Bloomberg Gender-Equality Index
GFIT	Green Finance Industry Taskforce
GHG	Greenhouse Gases
GRI	Global Reporting Initiative
GSSP	Group Supplier Sustainability Principles
GTO	Group Technology and Operations
GWB	Group Wholesale Banking
GWP	Global Warming Potential
HCV	High Conservation Value
HEAL	Healthy Employees, Active Lifestyles Benefits
HPB	Health Promotion Board
IBF	The Institute of Banking and Finance
IEA	International Energy Agency
IFC	International Finance Corporation
IFM	Integrated Fraud Management
ILO	International Labour Organization
IMDA	Infocomm Media Development Authority
IRENA	International Renewable Energy Agency
LMA	Loan Market Association
MAS	Monetary Authority of Singapore
MAS GSLS	Monetary Authority of Singapore Green and Sustainability Linked Loan Grant Scheme
ML	Machine Learning
MSCI	Morgan Stanley Capital International

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NDC	Nationally Determined Contribution
NGOs	Non-governmental Organisations
NPS	Net Promoter Score
OECD	Organisation for Economic Co-operation and Development
PCP	Professional Conversion Programme
PDPC	Personal Data Protection Commission
PFS	Personal Financial Services
PRI	Principles for Responsible Investment
QR Code	Quick Response Code
SASB	Sustainability Accounting Standards Board
SCCCI	Singapore Chinese Chamber of Commerce and Industry
SGTI	Singapore Governance and Transparency Index
SGX	Singapore Exchange
SI	Sustainable Investing
SMEs	Small- and Medium-sized Enterprises
SRI	Sustainable and Responsible Investment
SUSBA	Sustainable Banking Assessment
TCFD	Task Force on Climate-related Financial Disclosures
UN	United Nations
UNESCO	United Nations Educational, Scientific and Cultural Organization
UNGC	United Nations Global Compact
UN SDGs	United Nations Sustainable Development Goals
UOBAM	UOB Asset Management
UOBGC	UOB Global Capital
UOBC	UOB China
UOBI	UOB Indonesia
UOBM	UOB Malaysia
UOBT	UOB Thailand
UOBV	UOB Vietnam
UOBVM	UOB Venture Management
VBI	Value-Based Intermediation
WRI	World Resources Institute
WSH	Workplace Safety and Health
WTE	Waste-to-Energy
WWF	World Wide Fund for Nature

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