UOB

UOB Annual Report 2023

Building the Future of ASEAN

Build and Rebuild
Farhan Siki

About This Report

United Overseas Bank Limited (UOB) has been committed to creating long-term value for our customers, colleagues and 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.

Through the reporting of our financial and non-financial performance in the UOB Annual Report 2023, we explain our business approach, objectives and achievements 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 to enable them to make informed decisions.

This report covers the period from 1 January to 31 December 2023 and is published on 20 March 2024. It is available online at www.UOBgroup.com/annualreport. Print copies, which are available only on request, are printed on sustainably-sourced Forest Stewardship Council-certified paper.

Please scan the QR codes to view:

UOB Annual Report 2023

UOB Sustainability Report 2023

All figures in this Annual Report are in Singapore dollars unless otherwise specified.
Certain figures in this report may not add up to the respective totals due to rounding.

Build and Rebuild

Farhan Siki
Synthetic enamel on canvas
140 x 110 cm

Build and Rebuild, the top winner of the 2022 UOB Painting of the Year (Indonesia) competition, Established Artist Category, is the design inspiration for this year's Annual Report. The artwork depicts the scene of reconstruction work to advance a nation despite the uncertain future.

Through the images of people laying bricks, working on cement mixers and climbing up and down the scaffolding, we see the building of homes, places of work and public facilities. This is a reflection of the fast development of our home region, where UOB strives to build a brighter future for the people and businesses in ASEAN.

As the leading patron of the arts in Asia, UOB believes in the vital role of art in connecting communities. The UOB Painting of the Year competition, the Bank's flagship art programme now in its 42nd year, is currently held across five Southeast Asian markets where UOB has a deep presence.

Contents

2023 UOB Financial Highlights

Core Net Profit[1]
$6.1 billion
+26%

Core Operating Profit[1]
$8.2 billion
+24%

Gross Customer Loans
$321 billion
+0.5%

Customer Deposits
$385 billion
+5%

Total Assets
$524 billion
+4%

Non-performing Loan Ratio
1.5%
-0.1% pt

Net Stable Funding Ratio
120%
+4% pt

Common Equity Tier 1 Ratio
13.4%
+0.1% pt

1 Excluding one-off expenses

Building the Future of ASEAN

For the people and businesses within, and connecting with, ASEAN.

Our Purpose statement above underscores UOB's brand promise to do right by our stakeholders, including customers, colleagues and the community. It reflects our long-term strategy, signalling the Bank's intent to intensify investment in the region to help realise the potential of the people and businesses in ASEAN. It also reinforces UOB's commitment to facilitate economic flows within and with ASEAN to support businesses across generations.

About UOB

UOB is a leading bank in Asia. Operating through our head office in Singapore and banking subsidiaries in China, Indonesia, Malaysia, Thailand and Vietnam, we have a global network of around 500 branches and offices in 19 countries and territories in Asia Pacific, Europe and North America.

Since our incorporation in 1935, we have grown organically and through a series of strategic acquisitions. Today, we are rated among the world's top banks: Aa1 by Moody's Investors Service and AA- by both S&P Global Ratings and Fitch Ratings.

For nearly nine decades, we have adopted a customer-centric approach to create long-term value by staying relevant through our enterprising spirit and doing right by our customers. We are focused on building the future of ASEAN – for the people and businesses within, and connecting with, ASEAN.

We connect businesses to opportunities in the region with our unparalleled regional footprint, leverage data and insights to innovate, and create personalised banking experiences and solutions catered to each customer's unique needs and evolving preferences.

We are also committed to helping businesses forge a sustainable future, by fostering social inclusiveness, creating positive environmental impact and pursuing economic progress. We believe in being a responsible financial services provider. We are steadfast in our support of art, children and education, and doing right by our communities and stakeholders.

What We Do

UOB provides a wide range of financial services globally through our three core business segments – Group Retail, Group Wholesale Banking and Group Global Markets. Our range of services cover our customers' needs across consumer banking, private banking, business banking, commercial banking, corporate banking and institutional banking. Through our subsidiaries, we also provide asset management, private equity fund management and insurance services, among others.

Our Corporate Milestones

Since 1935, our entrepreneurial spirit, focus on long-term value creation and unwavering commitment to do what is right for our customers have made UOB a leading bank in Asia. Our timeline captures the corporate milestones of our 88-year storied history.

1935

1935
Amid the uncertainties of the Great Depression, a group of seven businessmen led by Datuk Wee Kheng Chiang (first row, centre) founded a bank to serve the merchant community in Singapore.

1935 (6 August)
United Chinese Bank (UCB) is incorporated

1935 (1 October)
UCB begins operations at Bonham Building

1950s - 1960s

1959
Opens 1st UCB branch at Beach Road

1962
1st bank to focus on women as customers

1965
UCB is renamed United Overseas Bank

Opens 1st overseas branch in Hong Kong

1970s - 1980s

1971
Acquires majority stake in Chung Khiaw Bank (CKB) in Singapore

Opens Tokyo branch

Reveals iconic five-bar logo

1973
Acquires Lee Wah Bank in Singapore

1974
Dr Wee Cho Yaw succeeds Datuk Wee as Chairman and CEO

Begins operating from the new 30-storey building which stood on the same site as Bonham Building (the current UOB Plaza 2)

1975
Opens London branch

1977
Opens New York agency

1980
Introduces Singapore's 1st ATM offering 24-hour banking

Opens Los Angeles agency

1982
Holds inaugural UOB Painting of the Year (POY) competition

1983
Opens Seoul representative office

1984
Opens Beijing representative office

Acquires majority interest in Far Eastern Bank in Singapore

1985
Expands into Sydney and Xiamen

1986
Expands into Vancouver

1987
Acquires majority interest in Industrial & Commercial Bank in Singapore

1988
1st Singapore bank to launch Visa cards

1st bank to launch Singapore's only credit card for women

1990s - 2000s

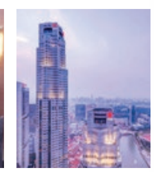
1992
1st Singapore bank to set up representative office in Vietnam

Opens Taipei representative office

1993
1st bank in Singapore to launch automated cash deposit machine

1994
Expands into Yangon

1995
Celebrates 60th anniversary and official opening of UOB Plaza 1



1997
UOB Malaysia merges with CKB Malaysia

1998
Opens Shanghai branch

1999
Acquires Westmont Bank in the Philippines

Acquires Radanasin Bank in Thailand

2000
Mr Wee Ee Cheong is appointed Deputy Chairman

2001
Acquires Overseas Union Bank in Singapore

2004
Acquires 96.1% in Bank of Asia Public Company in Thailand

2005
Increases controlling stake in PT Bank Buana in Indonesia to 61.1%

2007
Mr Wee Ee Cheong succeeds Dr Wee Cho Yaw as CEO

Launches 1st UOB Heartbeat Run/Walk

2009
Opens Mumbai branch

2010s - 2020s

2023

2010
Merges PT Bank UOB Indonesia with PT Bank UOB Buana

2011
1st bank in Singapore to establish a Foreign Direct Investment Advisory Unit to support our clients' regional expansion

2013
Dr Wee Cho Yaw becomes Chairman Emeritus and Adviser

2014
Named Most Admired ASEAN Enterprise for ASEAN Centricity by ASEAN Business Advisory Council

2015
Celebrates 80th anniversary, introduces refreshed logo and a corporate seal

Opens Yangon branch

Completes full acquisition of Far Eastern Bank

Introduces Mighty, the first banking app which enables customers to make contactless payments

2016
1st in the world to launch instant digital card issuance

1st in Southeast Asia to enable smartphones for contactless transactions at UOB ATMs

2017
Launches UOB Art in Ink Awards in Hong Kong

2018
1st Singapore bank to establish a subsidiary in Vietnam

2018
Officially opens new China head office building in Shanghai's Lujiazui Financial District

Sets up Singapore's largest car ecosystem and unites Singapore's largest property ecosystem under one roof

Dr Wee Cho Yaw retires from the Board

2019
Launches TMRW, ASEAN's first mobile-only digital bank, in Thailand

Expands into Hanoi, northern Vietnam

Launches U-Solar, Asia's first solar ecosystem to power the region's development and adoption of renewable energy

2020
Supports more than 1.4 million individuals and businesses, and contributes more than $2.7 million for the community under the #UnitedForYou COVID-19 Relief Programme

Donates more than one million pieces of personal protective equipment to healthcare workers and vulnerable communities around the world

Extends TMRW to Indonesia

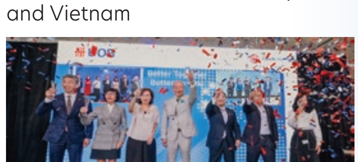
Launches UOB Infinity, a new digital banking platform for businesses

2021
Launches UOB TMRW, a unified digital banking platform, and UOB Rewards+, Singapore's largest cards rewards programme

Rolls out U-Energy, the first integrated financing platform for energy-efficient projects in Asia, across four markets

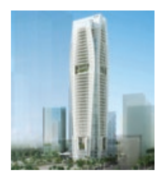
Celebrates 40th milestone of UOB POY competition

2022
Acquires Citigroup's consumer banking business in Indonesia, Malaysia, Thailand and Vietnam



2022
Launches sharpened Purpose, a new Seal Mark, *Vitalita* sculpture and refreshes the UOB brand and apparel

Opens new head office buildings in Malaysia and Thailand



UOB Plaza 1 Kuala Lumpur

UOB Plaza Bangkok

Launches UOB SME app, an industry-first all-in-one digital banking platform, to meet the banking needs of small-and-medium-sized enterprises

2023
Commences Operational Day One for the acquisition of Citigroup's consumer banking business in UOB Malaysia and Indonesia

Rolls out The UOB Way across markets

Launches UOB POY in Vietnam and UOB Art in Ink Awards in China

Launches the first UOB Sustainability Impact Awards in Singapore

Opens 10th Foreign Direct Advisory Centre in Japan

Our Purpose and Strategic Priorities

Building the future of ASEAN — for the people and businesses within, and connecting with, ASEAN.

Guided by our values and supported by our fundamental strengths, we focus on supporting our customers as we drive performance across our franchise.

Our approach to supporting our customers is based on a long-term mindset to stay prudent and disciplined in balancing growth with responsibility.

UOB Plaza 1 Kuala Lumpur

Our Strategic Focus

Create financial solutions that are personalised to individuals and businesses to help them achieve their personal and business financial goals through our omni-channel approach.

Help customers grow sustainably and integrate sustainability into our business and operations to drive responsible growth for positive and meaningful impact to the economy, society and environment.

Connect our customers across ASEAN, with Greater China and the rest of the world, through our sector specialisation, ecosystem partnerships and integrated digital platform, using a One Bank approach.

Build employee pride through fostering a culture of care, growth and trust, as we attract and grow our own timber.

Our Fundamental Strengths

Robust governance and risk management; strong capital and funding base

Established and integrated network

Diverse pool of talent and expertise

Asian heritage and Southeast Asian roots

Our Values

Honourable

Enterprising

United

Committed

Where We Operate

~500 branches and offices in Asia Pacific, Europe and North America.

Asia

Brunei	2
Hong Kong	2
India	2
Indonesia	133
Japan	2
Mainland China	20
Malaysia	58
Myanmar	2
Philippines	1
Singapore	65
South Korea	1
Taiwan	2
Thailand	194
Vietnam	7

Australia	2
Canada	3
France	1
United Kingdom	1
USA	3

Board of Directors

As at 1 March 2024

Wong Kan Seng, 77
Chairman
Independent

Appointed as a director: 27 July 2017
Last re-elected as a director: 30 April 2021
Appointed as Chairman: 15 February 2018

Board Committee positions
- Audit Committee (Member)
- Board Risk Management Committee (Member)
- Executive Committee (Chairman)
- Nominating Committee (Member)
- Remuneration and Human Capital Committee (Member)

Current directorships in other listed companies
- Nil

Other principal commitments
- CapitaLand Group (Chairman)
- CLA Real Estate Holdings (Chairman)
- Bo'ao Forum for Asia (Director)
- Kwong Wai Shiu Hospital (Patron)

Past directorships in listed companies held over the preceding three years
- Nil

Past major appointments
- Prime Minister's Office (Deputy Prime Minister and Co-ordinating Minister for National Security)
- Ministry of Home Affairs (Minister)
- Ministry of Foreign Affairs (Minister)
- Ministry of Community Development (Minister)
- Singbridge Holdings (Chairman)

Education/professional qualifications and achievements
- Master of Science (Business Studies), London Business School, University of London
- Bachelor of Arts (Hons), University of Singapore
- NUS Distinguished Alumni Service Award (2023)
- NUS Distinguished Arts and Social Sciences Alumni Award (2019)
- London Business School Alumni Achievement Award (2004)
- National Trades Union Congress Medal of Honour (1998)
- Public Administration Medal (Silver) (1976)

Wee Ee Cheong, 71
Deputy Chairman and
Chief Executive Officer

Appointed as a director: 3 January 1990
Last re-elected as a director: 21 April 2023
Appointed as Chief Executive Officer: 27 April 2007
Appointed as Deputy Chairman: 24 March 2000

Board Committee positions
- Board Risk Management Committee (Member)
- Executive Committee (Member)
- Nominating Committee (Member)

Current directorships in other listed companies
- United Overseas Insurance (Chairman)

Other principal commitments
- PT Bank UOB Indonesia (President Commissioner)
- United Overseas Bank (China) (Chairman)
- United Overseas Bank (Thai) Public Company (Chairman)
- United Overseas Bank (Malaysia) (Deputy Chairman)
- The Association of Banks in Singapore (Council Member)
- The Institute of Banking and Finance (Council Member)
- Singapore-China Foundation (Member, Board of Governors)
- Singapore Chinese Chamber of Commerce & Industry (Honorary Council Member)
- Nanyang Academy of Fine Arts (Patron)
- Wee Foundation (Director)

Past directorships in listed companies held over the preceding three years
- Nil

Past major appointments
- Far Eastern Bank (Director)
- Pan Pacific Hotels Group (Director)
- United International Securities (Director)
- UOL Group (Director)
- Housing & Development Board (Deputy Chairman)
- Port of Singapore Authority (Director)
- Visa AP Senior Client Council (Member)

Education/professional qualifications and achievements
- Master of Arts (Applied Economics), American University, Washington, DC
- Bachelor of Science (Business Administration), American University, Washington, DC
- Singapore Corporate Awards, Best CEO (large cap listed companies) (2022)
- *The Asian Banker* CEO Leadership Achievement for Singapore Award (2022)
- *The Business Times* Businessman of the Year (2021/2022)
- Public Service Star (2013)

Board of Directors

As at 1 March 2024

Michael Lien Jown Leam, 60

Non-executive and Non-independent

Appointed as a director: 27 July 2017
Last re-elected as a director: 21 April 2022

Board Committee positions
- Executive Committee (Member)
- Nominating Committee (Member)

Current directorships in other listed companies
- Nil

Other principal commitments
- Wah Hin and Company (Executive Chairman)
- Sandstone Capital (Director and Chief Investment Officer)
- Leap Philanthropy (Founder and Chairman)

Past directorships in listed companies held over the preceding three years
- Nil

Past major appointments
- National University of Singapore (Trustee)
- Temasek Holdings (Director)

Education/professional qualifications and achievements
- Bachelor of Economics (First Class Hons) in Finance and Econometrics, Monash University

Wee Ee Lim, 62

Non-executive and Non-independent

Appointed as a director: 1 July 2018
Last re-elected as a director: 21 April 2022

Board Committee positions
- Board Risk Management Committee (Member)
- Remuneration and Human Capital Committee (Member)

Current directorships in other listed companies
- Haw Par Corporation (Director, President and Chief Executive Officer)
- Singapore Land Group (Chairman)
- UOL Group (Chairman)

Other principal commitments
- Wee Foundation (Director)

Past directorships in listed companies held over the preceding three years
- Nil

Past major appointments
- Nil

Education/professional qualifications and achievements
- Bachelor of Arts (Economics), Clark University, USA

Steven Phan Swee Kim, 65
Independent

Appointed as a director: 1 July 2019
Last re-elected as a director: 21 April 2023

Board Committee positions
- Audit Committee (Chairman)
- Executive Committee (Member)
- Nominating Committee (Chairman)
- Remuneration and Human Capital Committee (Member)

Current directorships in other listed companies
- Jardine Cycle & Carriage (Director)

Other principal commitments
- Advanced MedTech Holdings (Director)

Past directorships in listed companies held over the preceding three years
- Nil

Past major appointments
- Ernst & Young (Chairman and Area Managing Partner for Asia Pacific and Member of Global Executive Board)

Education/professional qualifications and achievements
- Bachelor of Science (Managerial and Administrative Studies), University of Aston, United Kingdom
- Institute of Singapore Chartered Accountants (Fellow)

Chia Tai Tee, 61
Independent

Appointed as a director: 1 October 2020
Last re-elected as a director: 21 April 2023

Board Committee positions
- Audit Committee (Member)
- Board Risk Management Committee (Chairman)
- Nominating Committee (Member)

Current directorships in other listed companies
- Nil

Other principal commitments
- Eastspring Investments Group (Director)
- True Light Capital (Director)
- Inland Revenue Authority of Singapore (Director)
- Ministry of Home Affairs Uniformed Services Invest Plan - Board of Trustees (Member)
- Singapore Institute of Technology - Board of Trustees (Member)

Past directorships in listed companies held over the preceding three years
- Nil

Past major appointments
- GIC (Chief Risk Officer)

Education/professional qualifications and achievements
- Advanced Management Programme, Harvard Business School
- PhD in Economics, Australian National University
- Bachelor of Economics (Hons), University of Adelaide
- Public Service Medal (2017)

Board of Directors

As at 1 March 2024

Tracey Woon Kim Hong, 67

Independent

Appointed as a director: 1 September 2021
Last re-elected as a director: 21 April 2022

Board Committee positions
- Audit Committee (Member)
- Board Risk Management Committee (Member)
- Remuneration and Human Capital Committee (Chairman)

Current directorships in other listed companies
- Nil

Other principal commitments
- GIC - Investment Board (Member)
- MOH Holdings - Investment Committee (Member)
- National University Health System (Director)
- Securities Industry Council (Member)
- Singapore Exchange - Listing Advisory Committee (Member)
- Singapore Red Cross (Council Member)
- SPH Foundation (Director)

Past directorships in listed companies held over the preceding three years
- Singapore Press Holdings (Director)

Past major appointments
- Citigroup Global Markets Singapore, ASEAN Corporate and Investment Banking (Vice Chairman)
- UBS AG, Asia Pacific Global Wealth Management (Vice Chairman)

Education/professional qualifications and achievements
- Bachelor of Law (Hons), National University of Singapore
- IBF Distinguished Fellow Award (2016)

Dinh Ba Thanh, 66

Independent

Appointed as a director: 1 December 2021
Last re-elected as a director: 21 April 2022

Board Committee positions
- Nil

Current directorships in other listed companies
- Nil

Other principal commitments
- DatVietVAC Group Holdings (Chairman and CEO)
- DatVietVAC M&E Corporation (Chairman)
- Eastspring Investments Vietnam Navigator Fund - Representative Board (Chairman)
- Asia Business Council (Trustee)

Past directorships in listed companies held over the preceding three years
- Nil

Past major appointments
- Nil

Education/professional qualifications and achievements
- Bachelor of Architecture, Ho Chi Minh City University
- Eminent Leaders in Asia Award (2018)

Teo Lay Lim, 60
Independent

Appointed as a director: 1 January 2022
Last re-elected as a director: 21 April 2022

Board Committee positions
- Audit Committee (Member)
- Executive Committee (Member)

Current directorships in other listed companies
- Nil

Other principal commitments
- SPH Media Holdings (Deputy Chairman and Chief Executive Officer)
- SPH Media (Director and Chief Executive Officer)
- SPH Media Trust (Director)

Past directorships in listed companies held over the preceding three years
- Nil

Past major appointments
- Accenture Singapore (Chairman)

Education/professional qualifications and achievements
- Bachelor of Business Administration, National University of Singapore

Ong Chong Tee, 62
Independent

Appointed as a director: 1 January 2023
Last re-elected as a director: 21 April 2023

Board Committee positions
- Board Risk Management Committee (Member)
- Executive Committee (Member)

Current directorships in other listed companies
- AIA Group (Director)

Other principal commitments
- Accounting and Corporate Regulatory Authority (Chairman)
- Arab Regional Payments Clearing and Settlement Organization (Director)
- GIC - Risk Committee (Member)
- IFRS Foundation - Board of Trustees (Member)
- National University of Singapore - Board of Trustees (Member)

Past directorships in listed companies held over the preceding three years
- Nil

Past major appointments
- Monetary Authority of Singapore (Deputy Managing Director)

Education/professional qualifications and achievements
- Bachelor of Engineering (Hons), National University of Singapore
- Public Administration Medal (Gold) (Bar) 2021

Remembering Dr Wee Cho Yaw, Chairman Emeritus and Honorary Adviser

Dr Wee Cho Yaw, Chairman Emeritus and Honorary Adviser to the UOB Group, passed away on 3 February 2024 at the age of 95. Dr Wee, a visionary banker, celebrated businessman and community pillar, was pivotal to UOB's development into a leading bank in Asia.

In the more than five decades under his leadership, UOB grew from a one-branch bank to a regional bank with around 500 branches and offices in 19 countries and territories. Through his unwavering focus on prudent, disciplined and sustainable growth, the Group's assets increased from $2.8 billion in 1974 to more than $253 billion at the time of his retirement as Chairman in 2013.

Dr Wee believed in the importance of education and giving back to the community. He was founding president of the Singapore Federation of Chinese Clan Associations from 1985 to 2010. He also headed the Singapore Hokkien Huay Kuan from 1972 to 2010. He was a firm believer in the value of education and contributed to schools and various education initiatives. Encouraged by his commitment to the community, UOB also set up the $50 million Wee Cho Yaw Future Leaders Award scholarship programme to provide financial assistance to students from disadvantaged backgrounds.

Dr Wee's passing was met by an outpouring of tributes. Thousands of people paid their respects to Dr Wee at his wake. These included employees, clients, business associates, and leaders from the community, government and businesses.

On 7 February 2024, hundreds of UOB employees and the public gathered at the UOB Plaza Atrium to bid a final farewell to Dr Wee, as his cortege arrived for a brief memorial. As a mark of respect, the attendees observed a minute of silence during the memorial.

Dr Wee received many accolades over his career. They included the Distinguished Service Order, one of Singapore's highest National Day Awards, ASEAN Business Advisory Council Legacy Award for Singapore and Honorary Degrees of Doctor of Letters from the National University of Singapore and Nanyang Technological University.

On 7 February 2024, hundreds of UOB employees and the public gathered at the UOB Plaza Atrium to bid a final farewell to Dr Wee, as his cortege arrived for a brief memorial.

Dr Wee in his office in the early days of his career.

Singapore's first Prime Minister, Mr Lee Kuan Yew (right) with Dr Wee at the opening ceremony of the new UOB Plaza 1 on the Bank's 60th anniversary in 1995.

Dr Wee (right) with his father, Datuk Wee Kheng Chiang (middle), founder of UOB, in the 1970s.

Dr Wee with ex-OUB Chairman, Mr Lee Hee Seng (right), at the media conference announcing UOB's acquisition of OUB in 2001.

Dr Wee at the official opening of UOB's first branch in mainland China in Xiamen in 1985.

"Dr Wee was one of Singapore's legendary entrepreneurs who made immense contributions to the banking industry and beyond. Under his leadership, UOB expanded greatly, both in scale and scope. He also guided UOB through several international and regional financial and economic crises. Throughout his 60 years at the Bank, Dr Wee applied his qualities in full concentration for the benefit of the UOB Group. He also instilled in colleagues the importance of possessing the right attitudes and aptitudes to build the business and to sustain its growth. Dr Wee will always be remembered and an integral part of UOB."

Mr Wong Kan Seng
Chairman

Group Management Committee

As at 1 March 2024

Management Executive Committee

Wee Ee Cheong

Deputy Chairman and Chief Executive Officer (CEO)

Federico Burgoni

Head, Group Strategy and Transformation

Federico joined UOB in 2019 as Head of Group Strategy and Transformation. He holds a Master of Business Administration from INSEAD and graduated in engineering from Bologna University. Federico has more than 15 years' experience in consulting, during which he supported global, regional and local financial institutions in Southeast Asia on projects ranging from strategy to transformation. His core expertise is in digital, retail and wholesale banking.

Chan Kok Seong

Group Chief Risk Officer

Kok Seong joined UOB in 1998. He heads the Group's Governance, Risk and Compliance functions. Prior to his appointment in Singapore in 2012, Kok Seong was the CEO of UOB (Malaysia). He holds a Bachelor of Accounting from the University of Malaya, Malaysia and is a member of the Malaysian Institute of Certified Public Accountants. Kok Seong has more than 35 years' experience in banking and banking regulation.

Frederick Chin Voon Fat

Head, Group Wholesale Banking and Markets

Frederick joined UOB in 2013. He oversees the Group's Wholesale Banking and Markets businesses comprising business banking, commercial banking, corporate banking, transaction banking, structured trade and commodity financing, sector solutions group, product development, special asset-based finance, financial institutions, investment banking, treasury and global markets. He holds a Bachelor of Commerce from the University of Melbourne. Frederick has more than 35 years' experience in banking.

Leslie Foo Chek Shen

Head, Group Global Markets

Leslie joined UOB in 2019 as Head of Group Global Markets. He holds a Master of Business Administration from the University of Western Ontario, Canada and a Bachelor of Science (Hons) in Land Management (valuation specialisation) from the University of Reading, England. Leslie has more than 30 years' experience in treasury and capital markets.

Susan Hwee Wai Cheng

Head, Group Technology and Operations

Susan joined UOB in 2001. She is the Head of Group Technology and Operations, overseeing the global technology infrastructure and banking operations for the Group. She holds a Bachelor of Science from the National University of Singapore. Susan has more than 35 years' experience in banking technology and operations.

Eddie Khoo Boo Jin

Head, Group Retail

Eddie joined UOB in 2005. He heads the Group Retail business covering Personal Financial Services and Private Banking across Singapore, Malaysia, Thailand, Indonesia, Vietnam and China. He holds a Bachelor of Business Administration in Finance and Management from the University of Oregon. Eddie has more than 35 years' experience in consumer banking.

Lee Wai Fai

Group Chief Financial Officer

Wai Fai joined UOB in 1989. He leads the Group Finance, Investor Relations, Central Treasury, Data Management, Corporate Investments, Group Research, Corporate Real Estate Services and Asset Management functions. He holds a Bachelor of Accountancy (Hons) from the National University of Singapore and a Master of Business Administration in Banking and Finance from the Nanyang Technological University, Singapore. Wai Fai has more than 35 years' experience in banking.

Group Management Committee

As at 1 March 2024

Management Committee

Vincent Cheong Kok Hong
Head, Group Audit

Vincent joined UOB in 2012 and was appointed Head of Group Audit in 2022. Prior to that, he was responsible for managing various internal audit areas, including overseas branches, centralised operations, and finance and corporate functions. He holds a Bachelor of Science from the National University of Singapore. Vincent has more than 25 years' experience in the banking industry.

Peter Foo Moo Tan
President and Chief Executive Officer,
United Overseas Bank (China) Limited

Peter joined UOB in 2011. He was appointed President and CEO of UOB (China) in 2016. Prior to that, he served as President and CEO of UOB (Thai) from 2012. He was also previously the Head of the Group's Treasury and Global Markets business for overseas subsidiaries and branches. Peter holds a Bachelor of Estate Management (Hons) from the National University of Singapore and is a Chartered Financial Analyst. He has more than 35 years of banking and financial markets experience across several Asian markets.

Hendra Gunawan
President Director, PT Bank UOB Indonesia

Hendra joined UOB in 2011. He was appointed President Director of UOB Indonesia in 2020 and was previously the Deputy President Director of UOB Indonesia and Deputy CEO of UOB (Malaysia). Prior to that, he was Managing Director, Head of Centre of Excellence for Agri Business and Food and Beverage sector solutions within Group Wholesale Banking in Singapore. Hendra holds a Bachelor of Science in Finance from the Wharton School of Finance and Commerce and a Bachelor of Science in Electrical Engineering from the Moore School of Electrical Engineering, University of Pennsylvania. He has more than 25 years of experience in banking and finance.

Eric Lim Jin Huei
Group Chief Sustainability Officer

Eric joined UOB in 2013 and was appointed UOB's first Group Chief Sustainability Officer in 2021. Prior to his current appointment, he headed the Group Finance function. Eric holds a Bachelor of Accountancy (Hons) from the Nanyang Technological University, Singapore and an Executive Master of Business Administration from the J.L. Kellogg School of Management, USA. He has 25 years of experience in finance.

Ng Wei Wei
Chief Executive Officer,
United Overseas Bank (Malaysia) Berhad

Wei Wei was appointed CEO of UOB (Malaysia) in 2022 and was previously its Deputy CEO from 2021. Prior to that, she served as the Managing Director and Country Head of Wholesale Banking from 2019. Wei Wei holds a Bachelor of Commerce with double majors in Accounting and Management from Monash University, Australia. She is a career banker with more than 25 years' experience, having held various senior leadership roles at global financial institutions in Malaysia and Hong Kong.

Victor Ngo Vinh Tri
Chief Executive Officer,
United Overseas Bank (Vietnam) Limited

Victor joined UOB in 2004 and was appointed CEO of UOB (Vietnam) in 2022. Prior to that, he served as Head of Group Compliance from 2017 and Head of Group Audit from 2006. Victor holds a Bachelor of Applied Science in Computer Science and Operations Management from the University of Technology Sydney and a Master of Business Administration from Deakin University, Australia. He also has a Master of Science in Finance from the City University of New York, where he was elected to the Beta Gamma Sigma Honor Society, and a Professional Certificate in Machine Learning and Artificial Intelligence from Massachusetts Institute of Technology, USA. Victor has more than 35 years' experience in the banking industry.

Tan Choon Hin
President and Chief Executive Officer,
United Overseas Bank (Thai) Public Company Limited

Choon Hin joined UOB in 2012 as Head of Group Retail Credit and was appointed President and CEO of UOB (Thai) in 2016. Prior to his present appointment, he was Head of Group Business Banking. He holds a Bachelor of Business (Hons) from the Nanyang Technological University, Singapore. Choon Hin has more than 25 years' experience in retail banking, credit and risk management across several Asian markets.

Dean Tong Chee Kion
Head, Group Human Resources

Dean joined UOB in 2018 as Head of Group Human Resources. He currently champions the people transformation across the Group, spanning the areas of upskilling, talent development and nurturing of a supportive work culture. Dean holds a Master of Business Administration from the Wharton School, University of Pennsylvania. He has more than 20 years of leadership, talent and transformation project experience across Asia, Europe and the Americas in the financial services, consumer goods and telecommunications industries.

Ian Wong Wah Yan
Head, Group International Management

Ian joined UOB in 2012. He heads Group International Management where he oversees the performance and governance of the Group's overseas banking subsidiaries, branches and agencies. Ian is also responsible for the development of the Group's Foreign Direct Investment advisory business and Venture Management/Global Capital business. He holds a Bachelor of Business Administration from the National University of Singapore and a Master of Business Administration from the J.L. Kellogg School of Management, USA and Hong Kong University of Science and Technology. He has more than 30 years' experience in corporate, institutional and investment banking.

Christine Yeung See Ming (Mrs Christine Ip)
Head, Group Strategic Communications and Brand,
and Chief Executive Officer, UOB Greater China
and UOB Hong Kong Branch

Christine joined UOB in 2011 and was appointed CEO of UOB Hong Kong Branch in 2012 and CEO of UOB Greater China in 2016. In 2023, she assumed the concurrent role of Head, Group Strategic Communications and Brand. Christine holds a Master of Business Administration from the Hong Kong University of Science and Technology and a Bachelor of Arts from the University of Hong Kong. She has more than 35 years' experience in consumer and corporate banking.

Janet Young Yoke Mun
Head, Group Channels and Digitalisation,
Strategic Communications and Brand

Janet joined UOB in 2014 and heads Group Channels and Digitalisation, Strategic Communications and Brand. She is responsible for delivery channels serving customers across branches, self-service banking, websites, financial technology and ecosystem partnership initiatives, as well as communications, social media, brand management and community stewardship. She holds a Bachelor of Business Administration from the National University of Singapore and a Master of Business Administration from the Nanyang Technological University, Singapore. Janet has more than 35 years' experience in banking and treasury.

Balancing Growth with Stability for the Long Term

Shanghai, China

Chairman's Statement

"2023 was a significant year for the Bank as we scaled up our regional business after the acquisition of Citigroup's consumer banking business in four ASEAN markets... Our strengthened market position and larger customer base provide the foundation for us to become the preferred bank of choice in ASEAN."

The global economy continued to navigate turbulent waters in 2023.

The US regional banking crisis last March triggered worries about the global banking system. Financial sector regulators responded swiftly and decisively, which helped to minimise contagion effects. Amid the ongoing Russia-Ukraine war and US-China tensions, the Israel-Hamas conflict further heightened the lingering geopolitical uncertainties.

Chinese consumer sentiments remained subdued, weighed down by a weak housing sector and labour market. Global interest rates stayed higher for longer as central banks tightened policy stance.

Despite these headwinds, the global economy turned out to be more resilient than expected, defying expectations of a recession. GDP growth in 2023 largely surpassed initial expectations. Global inflation had fallen considerably from its peak, though it remains elevated above major central banks' targets.

ASEAN stands out to be a bright spot in the global economy, backed by strong fundamentals, including a young population, a dynamic labour force and rising foreign direct investments. We see ASEAN's GDP growth recovering to 4.9 per cent in 2024, up from 4 per cent in 2023.

We will continue to monitor all developments closely and ensure that our business remains resilient and responsive to the evolving environment.

Amid the global economic uncertainties and challenges, UOB achieved a record high core net profit of $6.1 billion, up 26 per cent year on year. Including one-off Citigroup integration expenses, net profit was at $5.7 billion. Given our resilient performance, the Board recommends a final dividend of 85 cents per ordinary share. This brings the total dividend for 2023 to $1.70 per ordinary share.

Positioning for growth

At our annual strategy session last year, the Board and Management reviewed the Group's progress on its business strategy and transformation journey. Our focus for the next few years will be to leverage the product capabilities and systems built up over the years, and to use these as a springboard to propel UOB towards the next chapter of growth.

With the banking industry facing profound changes, particularly in global economic flows, digital currencies and sustainability, it is vital that we keep pace with developments and capitalise on growth opportunities.

2023 was a significant year for the Bank as we scaled up our regional business after the acquisition of Citigroup's consumer banking business in four ASEAN markets. We completed the integration of the acquisitions in Indonesia and Malaysia in 2023. Integration for Thailand is on track to be completed by the first half of 2024, while Vietnam will be integrated by end-2025. Our strengthened market position and larger customer base provide the foundation for us to become the preferred bank of choice in ASEAN.

The Board is committed to guiding the Group to drive the sustainability agenda. In 2023, we set up the Sustainability Advisory Panel comprising three independent industry experts to advise the Board and Management on UOB's sustainability strategy, targets and initiatives. We published our first progress report on our net zero commitment made in 2022, detailing the opportunities and challenges faced in meeting the net zero targets across six of our key sectors.

People are our greatest asset to the Bank's long-term growth and success. Guiding the Group to foster a culture of care, growth and trust, growing our own timber and future-proofing our workforce remain key to the Board and Management. In this regard, we continue to provide opportunities for our colleagues to grow professionally and in their personal lives.

Striking a balanced risk culture

In keeping with our longstanding focus on balancing growth with stability, the Board continues to guide Management to ensure the resilience of our franchise across different markets.

With the COVID-19 pandemic behind us and governments worldwide scaling back support measures in 2023, the Board and Management stayed vigilant and monitored the operating environment closely. We performed regular stress-testing of various scenarios and assessments of emerging risks, given the ongoing and evolving economic, geopolitical and environmental uncertainties.

Our commitment to uphold high standards of corporate governance and transparency earned us the "Best Managed Board – Gold Award" at the Singapore Corporate Awards 2023. We also received the Singapore Corporate Governance Award at the Securities Investors Association (Singapore) Investors' Choice Awards.

Mindful of the new challenges and opportunities amid rapid digitalisation and recalibration of global supply chains, the Board will continue to guide Management on sharpening our capabilities to support our three key growth drivers – connectivity, personalisation and sustainability.

Banking security is our foremost concern and protecting our customers is a priority. The Board and Management remain vigilant to money laundering and terrorism financing risks and will continually ensure we have robust security controls in place.

We will also continue to enhance our security features in an agile manner to protect the interests of our customers against scams in the evolving threat landscape. These measures, however, are never foolproof. Fighting scams requires the whole ecosystem to work together and our customers remain the most important line of defence. We will continue to raise customer awareness and help them exercise vigilance and caution to safeguard themselves against scams.

Looking to ASEAN

The macroeconomic environment is expected to remain bumpy in the year ahead. Against a backdrop of growth uncertainties and moderating inflation, financial market participants are anticipating global interest rates to start easing after rising for two years.

Global growth is expected to moderate amid weaker consumer demand and tighter monetary policies to control inflation. China's economic situation remains challenging with growth likely to stay soft in 2024. A further escalation of geopolitical tensions in Eastern Europe and the Middle East may drive up energy and food prices, as well as shipping costs worldwide, putting pressure on consumer prices and central banks.

Despite these challenges, we continue to be optimistic about ASEAN's potential on the back of improved domestic demand and rebounding exports.

Board acknowledgements

It was with deep sadness that in February 2024, we bade farewell to Chairman Emeritus and Honorary Adviser, Dr Wee Cho Yaw. Dr Wee was a truly remarkable person who contributed greatly to the development of Singapore, and in particular to the banking sector. His exceptional leadership, astute business acumen, strong decision-making skills, a sense of timing and a penchant for hard work will never be forgotten. All of us in UOB are forever grateful to Dr Wee for his lifelong dedication in building up UOB into one of the most admired banks in the world today.

On behalf of the Board, I thank the Management and all our colleagues for their steadfast contributions and service throughout the year.

We also thank our shareholders, customers, partners and the community for their continued support and trust in the Bank.

Wong Kan Seng
Chairman

February 2024

Deputy Chairman and CEO's Report

"UOB operates from a position of strength in ASEAN. It is an exciting region with much potential to grow... In 2023, we developed a three-year plan that will help us reach our goal to become the most preferred bank in Southeast Asia."

"*Build and Rebuild*" is the title of the painting on the cover of this year's Annual Report. It depicts construction, de-construction and rebuilding following unprecedented changes. It is a reminder that while the world has gone through an intense period of change in the past few years, we also have the capacity to transform and to regenerate.

This has been the case for UOB. We have emerged stronger and better since the pandemic. Amid the sea of changes, we remain steadfast in our commitment to doing right by our customers. We are progressively building our scale and franchise in ASEAN as we build a brighter future together.

A dynamic ASEAN

In 2023, the global economy faced uncertainties and challenges. Global economic activity moderated on the back of slower demand in the Eurozone and China. The US economy was unexpectedly resilient and averted a slowdown. Closer to home, the ASEAN economies recovered well from the ravage of the pandemic.

Looking ahead, uncertainties about US inflation and China's growth will continue to linger while geopolitical tensions and political transitions could lead to another bumpy year globally. Growth in the ASEAN region is expected to remain strong due to domestic demand, moderating inflation and increased trade and investment flows.

UOB operates from a position of strength in ASEAN. It is an exciting region with much potential to grow. Supply chain diversification, the digital revolution, the massive investments for transition to net zero and a rising middle-class are some of the megatrends driving the dynamism of the region. As a leading ASEAN bank, we are confident that UOB's strong balance sheet and diversified revenue drivers will enable us to ride on these favourable megatrends to grow with the people and businesses across the region.

Transforming ourselves to deliver on our ambition

UOB is here for the long term. And we stand by our commitment to balancing growth with stability. We expect the operating environment in the next decade to differ vastly from today. The banking industry of the future is likely to see regionalisation of economic flows, new industries emerging due to the sustainability push, artificial intelligence taking service and productivity to a new level, and the rise of regulated digital currencies and tokens.

In 2023, we developed a three-year plan that will help us reach our goal to become the most preferred bank in Southeast Asia. After several years of building product capabilities across our diverse revenue engines, the Bank will now focus on harnessing the capabilities for our next stage of growth.

We are transforming ourselves to deliver our ambition by:

- reshaping our business to drive ASEAN connectivity and cross-border trade;
- leveraging the enlarged customer base and synergies from the acquisition of Citigroup's consumer banking business in four ASEAN countries to fulfil customer needs and lifestyle aspirations;
- developing new initiatives to target emerging industries such as those related to sustainability and innovation; and
- doubling down on productivity efforts by digitalising our processes, enhancing customer experience, deepening employee engagement and streamlining costs.

Resilient financial performance

UOB's financial performance remained resilient in 2023. The Group posted a total income of $13.9 billion and a record net profit of $5.7 billion for the financial year ended 31 December 2023. Excluding the one-off costs from integrating Citigroup's consumer banking businesses in Indonesia, Malaysia, Thailand and Vietnam, core net profit was a record $6.1 billion, up 26 per cent from a year ago.

Net interest income rose 16 per cent to $9.7 billion in 2023 from a year ago with loan growth of two per cent in constant currency. Net fee income grew four per cent to $2.2 billion on the back of higher wealth fees and record credit card fees, which surged 66 per cent to $382 million. This was partly offset by softer loan-related fees amid cautious corporate sentiment. Other non-interest income doubled to $2.0 billion, driven by all-time high customer-related treasury income and strong performance from trading and liquidity management activities.

Total core operating expenses increased 15 per cent to $5.8 billion. The broad-based expense growth to support strategic initiatives was outpaced by income growth, and cost-to-income ratio improved by 1.8 percentage points to 41.5 per cent.

Total allowance was $921 million due to higher specific allowance on a few non-systemic corporate accounts, and pre-emptive general allowance set aside during the year.

The Group's asset quality remained stable, with non-performing loan ratio at 1.5 per cent as of 31 December 2023. The non-performing assets coverage stood at 101 per cent or 209 per cent after taking collaterals into account. The Group continues to take a prudent approach to maintaining performing loan coverage at 0.9 per cent.

The Group's capital position strengthened with Common Equity Tier 1 Capital Adequacy Ratio improving to 13.4 per cent for the fourth quarter. For 2023, liquidity remained ample with the average all-currency liquidity coverage ratio at 158 per cent and net stable funding ratio at 120 per cent, both well above regulatory requirements. Loan-to-deposit ratio was healthy at 82.2 per cent.

Enlarged scale and stronger capabilities

In 2023, we grew our retail customer base to more than eight million across the region as we completed the acquisition of Citigroup's consumer banking businesses in four ASEAN markets – Indonesia, Malaysia, Thailand and Vietnam.

In the year, we integrated the new businesses in Malaysia and Indonesia with the UOB platforms, while integration in Thailand is slated for the first half of 2024 and Vietnam will follow suit in 2025. This transformational deal has accelerated UOB's growth in the region by five years.

The one-off costs for the acquisition will largely taper off in 2024 as we focus on tapping synergies to cross-sell to our expanded customer base.

Despite challenging macroeconomic conditions in 2023, our net credit card fees almost doubled compared with the year before, with a corresponding doubling of total income from the Bank's unsecured business. Total assets under management rose 11 per cent from 2022, reflecting customers' confidence and trust in us.

Supported by stronger capabilities and an enlarged scale, we are in a sweet spot to foster strategic partnerships across multiple markets. In 2023, we announced mega lifestyle offerings as the presenting sponsors for the Taylor Swift The Eras Tour in Singapore and the Ed Sheeran +–=÷x Tour in four of our key markets. We will do more to extend lifestyle offerings that meet the needs and aspirations of our customers.

Enhanced digital solutions for customers

We want to do right by our customers. That includes providing them banking services anytime, anywhere and through any channel they prefer – at our branches, or online, or a combination of both. Today, more than three quarters of our customers are digitally-enabled and one in five uses a combination of both physical and digital means to bank with us.

We embarked on building a standardised regional platform two decades ago as part of our vision to build a strong regional bank. This has enabled us to achieve faster speed to market, manage risk more robustly and provide customers with a seamless experience. To strengthen our capabilities, we are investing $500 million to build our latest innovation hub in the Punggol Digital District. Our new facility will be our nerve centre to ideate, develop and pilot the next generation of digital services, including FinTech and sustainable solutions.

As our retail customer base continues to expand, we are ramping up to serve our regional customers. With a unified UOB TMRW in Singapore, Malaysia, Indonesia and Thailand, we now offer unified rewards and digital wealth capabilities to deepen engagement with our customers across these markets.

Deputy Chairman and CEO's Report

For our corporate customers, UOB Infinity, our digital banking platform for businesses, is now available in 10 markets across ASEAN and Greater China. We have also enhanced the UOB SME app – launched in Singapore, Malaysia and Vietnam – to enable businesses to stay on top of their operations by facilitating on-the-go transactions.

Regional platforms powering connectivity

Through our extensive regional footprint, UOB supports businesses as they expand domestically and across the region. Our unique combination of strong sector expertise and local market knowledge enables us to help businesses navigate market complexities and to seize growth opportunities in ASEAN.

In wholesale banking, we spent $800 million over the past eight years to build capabilities in our regional payments, trade and cash platforms. These platforms are now powering our connectivity business, lifting our cross-border income and transaction banking income. Cross-border income rose nine per cent in 2023 from a year ago, accounting for a quarter of our Group Wholesale Banking income. The transaction banking business expanded significantly, now accounting for more than half of Group Wholesale Banking's income.

Our multi-year investments have boosted our capacity to grow and will serve us well in the years to come. We will continue to invest in our franchise as we believe in the long-term structural growth prospects of the region.

Forging a sustainable future for ASEAN

UOB supports an orderly and just transition to net zero so that economies continue to grow, and people's lives and livelihoods continue to improve. We aim to catalyse funding and to support our customers on their transition journey. We are transforming our operating processes and deepening our collaboration with the larger ecosystem of stakeholders, including across all levels of government, economy and society.

As at the end of 2023, UOB had extended $44.5 billion in sustainable financing. The Bank has developed a holistic programme to operationalise our net zero commitment through:

- developing sectoral plans to set targets and measure progress;
- supporting customers on their decarbonisation journey;
- embedding net zero in the Bank's operating model; and
- driving effective stakeholder engagement.

UOB released its first net zero progress report on its commitment to reach net zero by 2050. We made positive headway in meeting the targets set for our five focus sectors in power, automotive, real estate, construction and steel. We achieved reductions in emissions intensities across all five sectors in 2022. Our commitment also includes no new financing for upstream oil and gas projects approved for development after 2022. Together, the six sectors make up about 60 per cent of our corporate lending portfolio.

We also extended our sustainability efforts to include the community at large. In 2023, we launched the Sustainability Impact Awards jointly with *The Business Times* to celebrate individuals and businesses who have made significant contributions in this area.

Strengthening our people culture
The UOB Way

Culture is a key differentiator for UOB. Just like strong roots providing foundation and anchor to a tree, our culture of care, growth and trust helps our UOB family stay grounded and shapes how we grow.

In the past few years, we introduced programmes that cater to our people's welfare and we will continue to build on that. We believe in growing our own timber and supporting our people to realise their full potential. Building trust in the workplace also continues to be a focus area so that we can empower our people to make a difference in their work.

We introduced The UOB Way to codify our unique culture and belief system among our people in 2022. This is built upon our core values of Honourable, United, Committed and Enterprising. In the year, we extended The UOB Way beyond our people – to include their families and the community.

To give prospective graduates deeper insights into life at UOB, we are partnering all five local polytechnics and three Institute of Technical Education (ITE) colleges to launch the U Unleash Programme. The first partnership of such scale in Singapore, final-year polytechnic and ITE students from hospitality, business and information communications technology schools can do a year-long internship with UOB.

UOB also partnered the Singapore Institute of Management to set up the UOB Better U Campus, a dedicated physical venue to house all UOB's training and development programmes under one roof. We are also launching SURF, or Supporting Ur Retirement and Future, a transition programme to better prepare employees near retirement age for retirement or re-employment with the Bank.

Our people are our greatest asset. We will continue to invest to create a conducive environment where our people are engaged and energised. This ensures that we have the right culture and talent pool to deliver value to our customers and stakeholders.

Supporting our community as a catalyst for change

UOB believes in doing our part to strengthen social bonds and enrich lives as a catalyst for change. We do this through a variety of ways, including fundraising, volunteering and supporting various social causes related to art, children and education. Through our efforts in various corporate social responsibility initiatives, we aim to keep the good going and to do right by our communities.

Our annual UOB Global Heartbeat Run/Walk event raised more than $2.5 million under the UOB Heartbeat Fund to improve the lives of disadvantaged children and families from 26 charities globally. Since 2007, the programme has raised more than $20 million.

To invest in the future of our youth while challenging them to push the boundaries of possibilities, we supported 500 students from lower-income families in Central Singapore District to learn new digital skills at the third edition of My Digital Bootcamp. A steadfast supporter since the programme's inception in 2019, UOB has donated $1.5 million across three seasons.

We believe that art is a powerful source of inspiration and connection. Through our 42nd UOB Painting of the Year (POY) competition, we continue to uncover and nurture talents across the region, while building a thriving ecosystem for regional artists to scale greater heights. The expansion of our flagship annual UOB POY competition to Vietnam reinforces our long-term commitment to supporting visual art in Southeast Asia.

Acknowledgements

It was with deep sorrow that we bade farewell to the Bank's Chairman Emeritus and Honorary Adviser, Dr Wee Cho Yaw, in February 2024. As an entrepreneur, business and community leader, Dr Wee had left an indelible mark in Singapore and the region. He had been instrumental in building UOB into a leading regional bank today. His legacy will live on in the businesses he had built, the values he had instilled in us and the many lives that he had touched.

UOB will not be where we are today without our colleagues' dedication. I would like to express my appreciation to our colleagues for their commitment and hard work in the past year. Our colleagues have displayed collaboration and unity to support our customers and one another. I would also like to thank the Board for its wise counsel and support to the UOB management in navigating the various challenges.

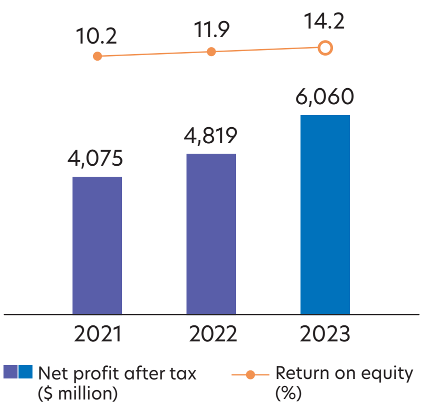
Finally, thank you to our customers and shareholders for your belief in UOB. I look forward to your continued support as we focus our efforts on becoming the most preferred bank for consumers and businesses in ASEAN.

Wee Ee Cheong
Deputy Chairman and Chief Executive Officer

February 2024

Financial Highlights

Strong performance underpinned by expanded regional franchise and resilient asset quality



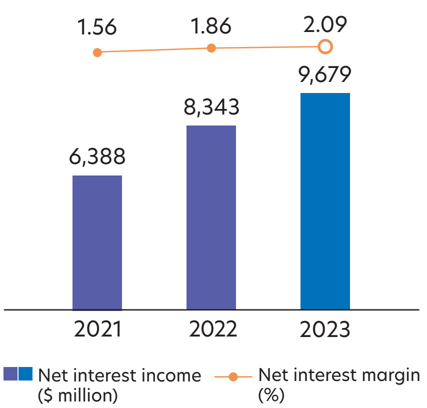
Net Profit After Tax[1] and Return on Equity[1]

Core net profit for FY23 grew 26% to a record $6.1 billion from a year ago, driven by strong net interest income and trading and investment income. Correspondingly, return on equity increased to 14.2% for the year.

Net Profit After Tax
$6.1 billion
+ 26%

Return on Equity
14.2%
+ 2.3% pt

1 Excluding one-off expenses

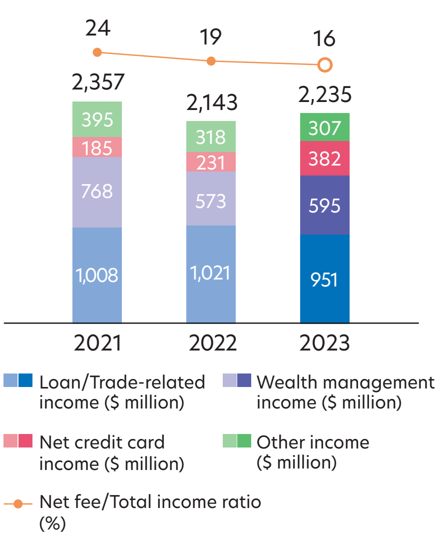


Net Interest Income and Margin

Net interest income rose 16% to $9.7 billion against last year. Net interest margin increased 23 basis points to 2.09% from higher interest rates and loan growth of 2% in constant-currency terms.

Net Interest Income
$9.7 billion
+ 16%

Net Interest Margin
2.09%
+ 0.23% pt

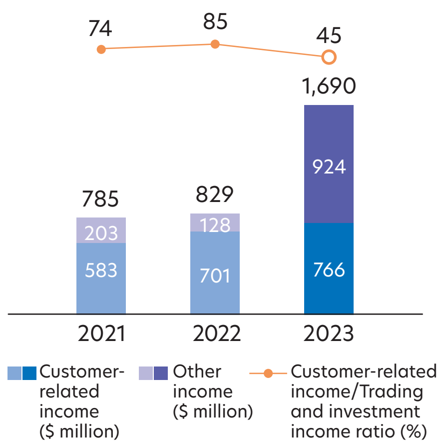


Net Fee and Commission Income

Net fee income up 4% from a year ago to $2.2 billion. Credit card fees surged to a new high, underscored by higher customer spending and expanded regional franchise, as well as higher wealth fees. This was partly offset by softer loan-related fees amid cautious corporate sentiment.

Fee Income
$2.2 billion
+ 4%

Net Fee/Total Income Ratio
16%
- 3% pt



Trading and Investment Income

Trading and investment income doubled to $1.7 billion, driven by all-time high customer-related treasury income and strong performance from trading and liquidity management activities.

Trading and Investment Income

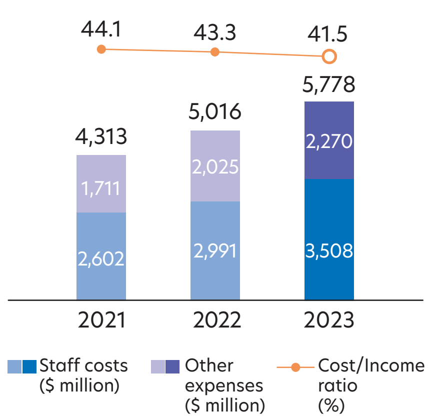
$1.7 billion

> 100%

Customer-related Income

$0.8 billion

+ 9%



Operating Expenses[1]

Total core operating expenses rose 15% to $5.8 billion. The broad-based expense growth to support strategic initiatives was outpaced by income growth, and cost-to-income ratio improved by 1.8% points to 41.5%.

Operating Expenses

$5.8 billion

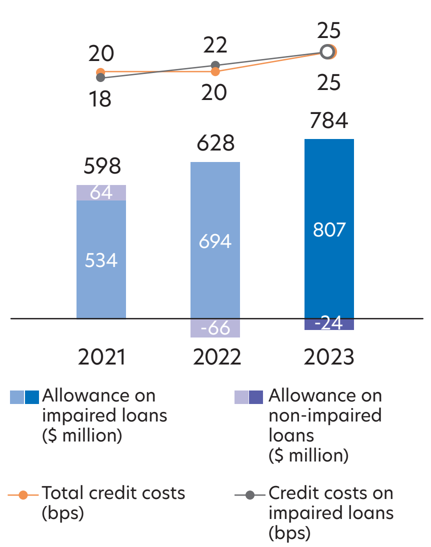
+ 15%

Cost/Income Ratio

41.5%

- 1.8% pt

1 Excluding one-off expenses



Impairment Charge on Loans

Total allowance on loans increased 25% to $0.8 billion, due mainly to higher specific allowance on a few non-systemic corporate accounts.

Total credit costs on loans increased 5 basis points to 25 basis points.

Impairment Charge on Loans

$0.8 billion

+ 25%

Total Credit Costs

25 bps

+ 5 bps

Financial Highlights

Staying focused on our regional strategy and customer centricity

Group Retail

Key Growth Drivers

- **Omni-channel approach** — Focus Areas: Meeting consumer needs in their preferred manner
- **Wealth management franchise** — Focus Areas: Capitalising on the wealth potential of the rising middle class

Performance

$5.5 billion
Total income
▲ 36%

$176 billion
Asset under management for wealth management
▲ 14%

33%
Share of income from ASEAN-4, with the 54% growth augmented by Citigroup acquisition and enhanced customer value proposition

$2.7 billion
Operating profit
▲ 46%

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

Group Wholesale Banking

Key Growth Drivers

- **Deep cross-border connectivity** — Focus Areas: Tapping ASEAN and Greater China business flows
- **Sector specialisation** — Focus Areas: Offering businesses industry insights and sector expertise

Performance

$7.1 billion
Total income
▲ 14%

▲ **9%**
Cross-border income

51%
Mix in average balance of current and savings accounts, up 2% points on superior regional cash management platform

$5.4 billion
Operating profit
▲ 15%

Global Markets

Key Growth Drivers

- **Treasury management** — Focus Areas: Strengthening funding and liquidity management solutions
- **Regional trading infrastructure** — Focus Areas: Enhancing people and system capabilities

Performance

$414 million
Total income
▼ 26%

▲ **11%**
Foreign exchange (FX) customer revenue growth from expanded connectivity through e-FX platforms and increased hedging needs amid heightened FX volatility

▲ **9%**
Customer treasury flow*, supported by increased hedging needs and improved investment climate

$153 million
Operating profit
▼ 49%

* Income derived from the treasury flow from Group Retail and Group Wholesale Banking customers is reflected in the income of the respective business segments.

Operating profit by business segment

Group Retail

Operating profit rose 46% year on year and hit a new high of $2.7 billion in 2023, reaping benefits of an expanded regional franchise and improved customer value propositions. Excluding one-off costs associated with the Citigroup acquisition, core operating profit would have registered a 49% growth. Total income surged 36% and reached new heights of $5.5 billion, fuelled by diverse drivers of Citigroup franchise addition and wider margin, while healthy deposit growth and record card fees were supported by targeted marketing campaigns. Sustained net new monies drove the growth of wealth AUM of 14% to $176 billion but the pickup in wealth income was slower amid cautious appetite and high interest rates. Core operating expenses grew 22%, primarily from people and technology-related investments, coupled with higher revenue-related spend to support an enlarged customer base and healthy business activities.

Group Wholesale Banking

Against last year, operating profit grew 15% to $5.4 billion. Total income soared 14% to cross the $7 billion mark, bolstered by sustained margin expansion and record investment banking fees, moderating the impact of subdued credit demand and loan repayments amid high borrowing costs. Expenses increased 9% to $1.7 billion on the back of ongoing investments in people, product and technology capabilities to support franchise ambitions.

Global Markets

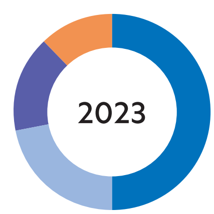
Operating profit for 2023 stood at $153 million as trading and investment income, which more than doubled year on year from commodities trading opportunities and liquidity management activities, was tempered by rising cost of funds.

Operating Profit[1] by Geographical Segment

Overseas franchise provided diversification and cross-border connectivity

$ million	FY2023	FY2022	YoY (%)
Singapore	**4,657**	3,824	22
ASEAN-4	**1,770**	1,419	25
Malaysia	**873**	744	17
Thailand	**700**	425	64
Indonesia	**186**	233	(20)
Vietnam	**11**	17	(36)
North Asia	**716**	670	7
Rest of the World	**1,011**	645	57
Total	**8,154**	6,559	24

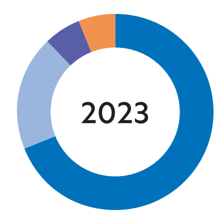
Customer Loans[2]



$321 billion
+0.5%

Singapore	49%
ASEAN-4	21%
North Asia	17%
Rest of the World	13%

Customer Deposits



$385 billion
+5%

Singapore	69%
ASEAN-4	19%
North Asia	6%
Rest of the World	6%

Singapore

Operating profit registered a commendable growth of 22% year on year, anchored by wider margins from higher interest rates and active balance sheet management.

ASEAN-4

The ASEAN-4 franchise showed a strong growth of 25% against last year mainly led by Thailand and Malaysia. The integration of Citigroup's customers augmented the consumer franchise, together with interest rate upcycle and strong performance from trading and liquidity management activities.

North Asia

Operating profit grew 7% against last year, driven by stronger trading results from Greater China.

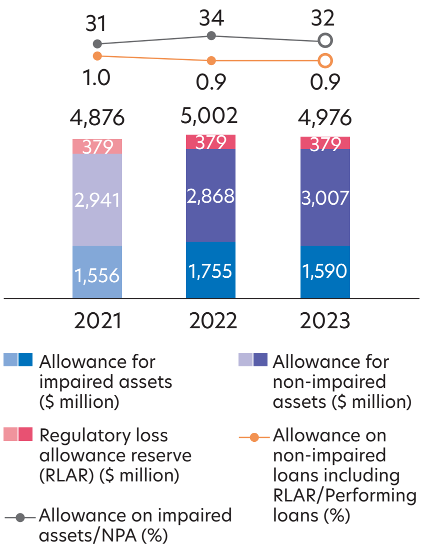
Rest of the World

Operating profit rose 57% to $1.0 billion, led by improved valuation on investments.

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

Financial Highlights

Resilient balance sheet with stable credit outlook



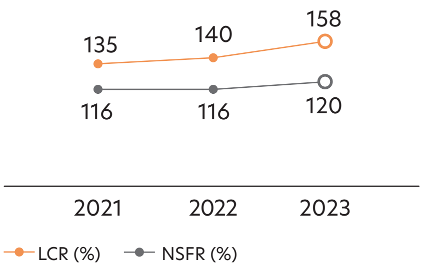
Asset Quality

The Group's asset quality remained stable with non-performing loan (NPL) ratio at 1.5%.

Total allowance for non-impaired assets remained adequate at $3.0 billion with prudent coverage for performing loans maintained at 0.9%.

Total Allowance on Assets
$5.0 billion
- 1%

NPL Ratio
1.5%
- 0.1%

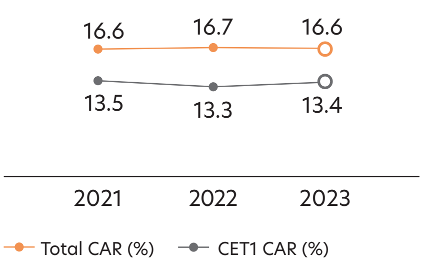


Funding and Liquidity Ratios

The Group's liquidity remained ample with the average all-currency liquidity coverage ratio (LCR) at 158% and net stable funding ratio (NSFR) at 120%, both well above the minimum regulatory requirements.

LCR
158%
+ 18% pt

NSFR
120%
+ 4% pt



Capital Adequacy Ratio (CAR)

Post the legal completion of Citigroup acquisition in the ASEAN-4 countries, the Group's capital position remained healthy with Common Equity Tier 1 Capital (CET1) ratio and total CAR at 13.4% and 16.6% respectively.

CET1 CAR
13.4%
+ 0.1% pt

Total CAR
16.6%
- 0.1% pt

Investor Highlights

Embracing Citigroup's ASEAN-4 consumer banking business into the UOB family

In the last two years, we scaled up our retail customer base to about 8 million customers through the acquisition of Citigroup's consumer banking business in Indonesia, Malaysia, Thailand and Vietnam (ASEAN-4). This accomplishment realised our goal of doubling our retail franchise in these four markets and accelerating our growth targets by five years.

Our priority is now on seamlessly integrating the acquired business, with particular emphasis on a smooth transition for customers, leveraging our TMRW digital banking platform to cater to the expanded customer base. Notably, we have migrated about 700,000 former Citigroup customers in Malaysia and another 500,000 in Indonesia onto the UOB platform as of July and November 2023, respectively. The operational integration for the acquired businesses in Thailand and Vietnam is on track to be completed in 2024-2025.

Our strengthened Southeast Asian franchise has placed us among the top five credit cards issuers in Indonesia, Malaysia and Thailand, while maintaining our top rank in Singapore. Our credit card fees reached an all-time high in the fourth quarter of 2023, driven by contributions from the expanded regional franchise and robust consumer spending throughout the region. Ongoing cross-selling initiatives of UOB offerings to our newly acquired customers are expected to further enhance our revenue. At the same time, the one-off costs relating to the integration should largely taper off by mid-2024.

Our increased presence has also enabled us to forge strategic partnerships with established brands across the region, enhancing our offering of exclusive perks and privileges tailored to the unique lifestyles of our enlarged customer base. These developments have firmly positioned us to achieve our ambition of becoming the preferred bank for aspiring ASEAN customers.

Throughout the year, our Management and the investor relations team shared regular updates on the integration progress through one-on-one meetings, conferences, roadshows and financial results briefings. Such updates have been well received by market participants and investors, who have recognised the positive financial impact of the acquisition.

"We expect its (UOB's) earnings to catch up in 2024 with Citi integration close to completion... Citi integration costs rolling off and contribution from new business should help drive earnings growth and defend the return on equity (ROE) at 13% even with rates normalising."

Jefferies Hong Kong Limited

"... UOB has delivered ROE with the least volatility among Singapore banks over the past 20 years... The Citi acquisition is an important driver of ROE in 2024 and beyond as the bank gets through a phase of investments in 2023. The underlying ROE of the existing business is steady, with the bank focusing on niche segments in emerging ASEAN markets to ensure balanced risk-adjusted returns."

J.P. Morgan Securities Singapore Private Limited

"We reaffirm our Outperform rating on attractive recurrent yields as the outlook for core earnings per share growth for 2024-25 remains intact, which would support sustainable and progressively increasing dividend per share in the coming years with potential upside revenue surprise from the Citi integration and stronger ASEAN economic growth."

Daiwa Capital Markets

Investor Highlights

Continuous regular and transparent engagement

Consistent and transparent communication is key to maintaining investors' trust and confidence and to helping them with their investment decisions. Throughout 2023, we continued this commitment by providing pertinent disclosures on portfolio quality, with particular focus on addressing investors' specific area of concerns. Simultaneously, we showcased thought leadership on various themes, including digitalisation and sustainability.

Although face-to-face investor meetings have fully resumed, we continued to use digital meeting tools to broaden our outreach to the investment community. We conducted close to 600 meetings during the year, both virtually and in-person, to keep investors updated on our strategy, performance and business outlook.

These meetings included:

- Quarterly financial results briefings and post-results investor calls and luncheons;
- Investor roadshows, conferences and meetings with North American, European, Asian and Australian institutional investors;
- Securities Investors Association (Singapore) Corporate Connect Webinar with retail investors;
- Engagement with credit rating agencies; and
- Our annual general meeting.

Our dedication to investor engagement was recognised with the Best Investor Relations – Gold award – at the Singapore Corporate Awards 2023. Additionally, our Board of Directors received the Best Managed Board – Gold award – at the same event.

UOB Group CFO, Mr Lee Wai Fai, receiving the Gold award for Best Investor Relations during the Singapore Corporate Awards 2023.

Committed to regional and global capital markets

Since 2013, UOB has undertaken multi-year efforts to build market access and funding capacity in key regional and global funding markets. Regular investor engagements and issuances in these markets have enabled UOB to time and execute its funding initiatives across its key markets for optimal outcomes.

UOB's regional capital markets activities augmented its expansion into the key ASEAN markets, following the acquisition of Citigroup's consumer banking portfolio

In Thailand, UOB Thailand made breakthroughs with the market's first THB Additional Tier 1 (AT1) public bond issuance on 23 May 2023 with its THB12 billion Perpetual Securities callable in 2028, which will serve as a key structuring precedent for subsequent bank issuers. UOB also successfully launched its debut THB5 billion senior bond for UOB Capital Services, a newly incorporated subsidiary under UOB Thailand on 20 July 2023, following the acquisition of Citigroup's consumer portfolio in Thailand. This further demonstrated UOB's strong name recognition built over many years in the domestic THB market.

In Malaysia, UOB Malaysia announced the establishment of its inaugural RM5 billion Islamic debt programme on 21 December 2023, under the Shariah principle of Wakalah Bi Al-Istithmar. This was followed by the successful pricing of its debut RM500 million Sukuk Tier 2 in the MYR market on 23 January 2024, on the back of a successful investor townhall with strong reception of more than 72 participants from 38 institutions across the investing community. This was the first Sukuk Tier 2 public bond issuance in the domestic market achieved by a foreign-owned bank. It achieved the tightest ever credit spread for a Tier 2 capital instrument in the MYR market to date.

In anticipation of rates volatility and spread normalising post pandemic, UOB front-loaded more issuances during the low-spread environment from the fourth quarter of 2020 to the first quarter of 2022 and sat out of the global market volatility since the second quarter of 2022 and for most of FY2023

On 19 January 2023, UOB swiftly reopened the SGD AT1 market with its SGD850 million Perpetual Securities callable in 2028. On 16 March 2023, UOB Sydney Branch issued AUD1,500 million Senior Bonds maturing in 2026, the largest AUD senior bond on record for an Asia (ex-Japan) bank, and achieved the tightest pricing among three-year AUD senior bonds offered by financial institutions in 2023, including those from Australian domestic major banks.

In 2023, UOB won honours for its multi-year efforts in strategic balance sheet management and wholesale term funding

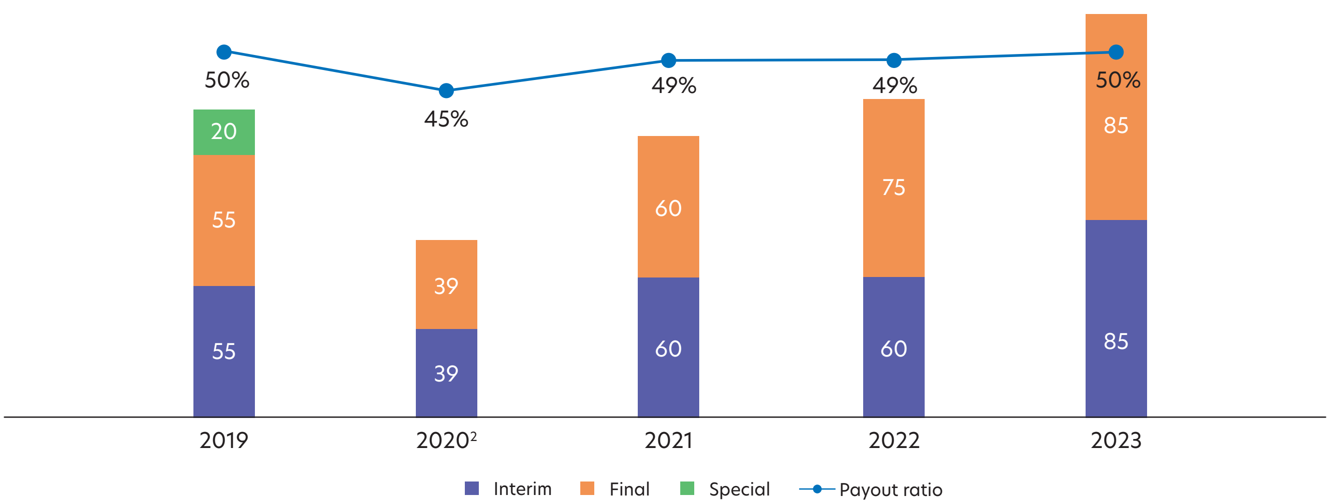
UOB was named the Best Issuer for Financial Institutions by FinanceAsia in 2023. Ms Koh Chin Chin, Managing Director, Head of Group Treasury, Research and Customer Advocacy, was awarded Best Treasurer for Financial Institutions by CorporateTreasurer.

Investor Highlights

Delivering long-term and sustainable returns

- 26 per cent year-on-year growth in core net profit (excluding one-time expenses) to $6.1 billion, underpinned by expanded customer franchise and strong total income growth;
- Balance sheet remained robust, with Common Equity Tier 1 ratio of 13.4 per cent;
- Full-year dividend of $1.70 per share rising from $1.35 per share in 2022; and
- Total annualised shareholder return of 7.1 per cent from 2019 to 2023, outperforming Singapore's stock market average of 5.1 per cent[1].

Dividend per share (cents) and payout ratio (%) for 2019 to 2023



1 Source: UOB, Bloomberg
2 2020 dividend was in-line with MAS' call for banks to cap total dividend per share (DPS) at 60% of 2019 DPS following the outbreak of COVID-19.

Selected investment metrics

	2019	2020	2021	2022	**2023**
Share price ($)					
Highest	27.97	27.00	28.17	33.33	**31.33**
Lowest	23.39	17.28	22.41	25.91	**26.82**
Average	25.79	21.43	25.81	28.98	**28.60**
Last done	26.41	22.59	26.90	30.70	**28.45**
Market capitalisation ($ billion)[a]	44.06	37.79	44.98	51.41	**47.58**
Price-to-earnings ratio (x)[b]	10.11	12.68	10.80	10.77	**8.56**
Price-to-book ratio (x)[b]	1.16	0.93	1.07	1.20	**1.10**
Net dividend yield (%)[b]	5.04	3.64	4.65	4.66	**5.94**
Total annualised shareholder return from 2019 to 2023 (%)				6.6	**7.1**

a The year-end closing share prices are used in computing the market capitalisation.
b The daily-average share prices are used in computing these three ratios.

Five-year financial summary

	2019	2020	2021	2022	**2023**
Selected income statement items ($ million)					
Total income	10,030	9,176	9,789	11,575	**13,932**
Total expenses[a]	4,472	4,184	4,313	5,016	**5,778**
Operating profit[a]	5,558	4,992	5,476	6,559	**8,154**
Net profit after tax[a, b]	4,343	2,915	4,075	4,819	**6,060**
Selected balance sheet items ($ billion)					
Gross customer loans	269	281	311	320	**321**
Customer deposits	311	325	353	369	**385**
Total assets	404	432	459	504	**524**
Shareholders' equity[b]	40	41	43	43	**46**
Financial indicators (%)					
Cost/Income ratio[a]	44.6	45.6	44.1	43.3	**41.5**
Non-performing loan ratio	1.5	1.6	1.6	1.6	**1.5**
Return on average ordinary shareholders' equity[a]	11.6	7.4	10.2	11.9	**14.2**
Return on average total assets[a]	1.08	0.69	0.92	0.99	**1.19**
Return on average risk-weighted assets[a]	1.90	1.27	1.68	1.83	**2.29**
Capital adequacy ratios (%)					
Common Equity Tier 1	14.3	14.7	13.5	13.3	**13.4**
Tier 1	15.4	15.8	14.4	14.4	**14.4**
Total	17.4	18.4	16.6	16.7	**16.6**
Per ordinary share					
Basic earnings ($)	2.55	1.69	2.39	2.69	**3.34**
Net asset value ($)	22.33	23.03	24.08	24.24	**26.00**
Net dividend (cents)[c]	130	78	120	135	**170**

a Excluding one-off expenses.
b Relates to the amount attributable to equity holders of the Bank.
c Includes a special dividend of 20 cents in 2019.

Investor Highlights

Strong credit ratings

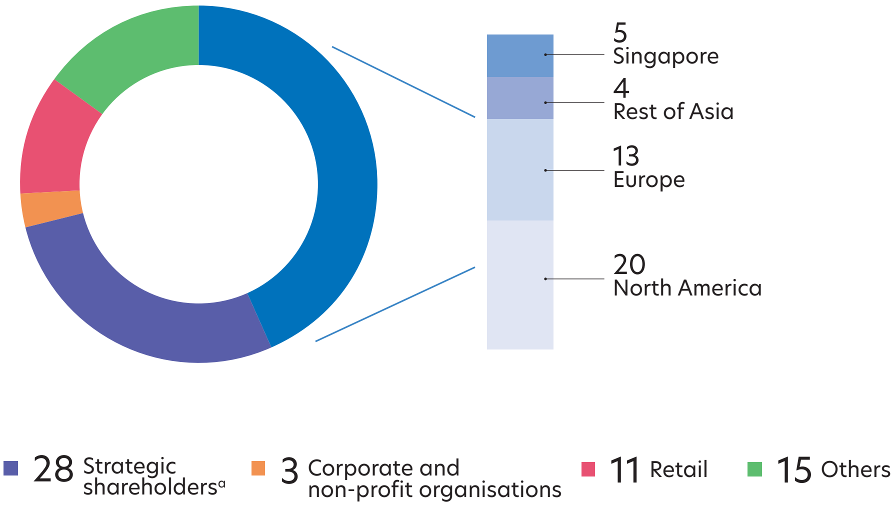
- One of the few highly-rated banks globally with strong investment-grade credit ratings of 'Aa1' by Moody's Investors Service and 'AA-' by both S&P Global Ratings and Fitch Ratings. Fitch Ratings revised our rating outlook to 'Stable' from 'Negative' in May 2023.

'Fitch Ratings has revised the Outlook on UOB's Long-Term Issuer Default Rating to Stable from Negative, and affirmed (it) at 'AA-'... The Outlook revision reflects easing pressure on UOB's capitalisation... Subdued balance-sheet growth and an increase in global interest rates that was faster than we expected boosted the bank's profitability... We expect earnings and capital accrual to remain steady over the next year..."

Fitch Ratings rating action commentary dated 30 May 2023

Diversified shareholder base

Shareholders as at 31 December 2023 (%)



a Strategic shareholders include members of the Wee family, including the Estate of Dr Wee Cho Yaw, and our Deputy Chairman and CEO, Mr Wee Ee Cheong.

Sources: UOB, NASDAQ OMX

For more information

General information on UOB, including our annual reports, quarterly financial results and trading updates, recorded webcasts of results briefings, news releases and presentation slides, investor relations calendar of events and dividend payouts, as well as our approach to sustainability are available on our corporate website www.UOBgroup.com.

Our corporate website also contains interactive share price charts, historical price data and an investment calculator for our investors to determine their returns and capital gains. All financial results, material news releases, dividends recommended or declared for payment and other ad hoc announcements are also available on the SGX website.

Or please contact:

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Share Registrar

Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Ave
#14-07 Keppel Bay Tower
Singapore 098632
Tel: (65) 6536 5355
Fax: (65) 6536 1360
Website: www.boardroomlimited.com

Sustainability Highlights

2023 snapshot

Drive Growth Sustainably

7-14% below target reference pathways
across our emissions intensity metrics as we progress in our net zero commitment

$44.5 billion
extended in sustainable financing to corporates

U-Build
launched to provide funding support to built environment sectors

Taskforce on Nature-related Financial Disclosures (TNFD)
early adopter

Keep Customers at the Centre

92%
of customer complaints resolved within established standards

Zero
material issues in relation to data confidentiality and privacy

UOB Start-up Business Loan
launched to support companies as young as six months in business

Inclusivity-focused service training
for branch colleagues to interact better with persons living with dementia and their caregivers

Develop Professionals of Principle

37.7%
of our senior management are women

92.3%
of our colleagues are hired locally

$30.4 million
invested in employee training and development

UOB Better U Campus
launched in Singapore to bring various functional academies under one roof

Uphold Corporate Responsibility

Zero
material incidents in relation to bribery, corruption, fraud or information security

Carbon neutrality
maintained for our operational footprint

Group Supplier Sustainability Principles
rolled out to our key banking subsidiaries

$16.0 million
in monetary and in-kind contributions raised for the community

Our sustainability strategy

At UOB, our sustainability strategy is underpinned by our corporate purpose and mirrors our business approach of balancing growth with responsibility. Our strategy 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 pragmatic and progressive through managing environmental, social and governance (ESG) risks and opportunities sensibly and in line with market realities.

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 low 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
- Manage direct environmental impact and encourage environmental stewardship
- Champion social development in art, children and education

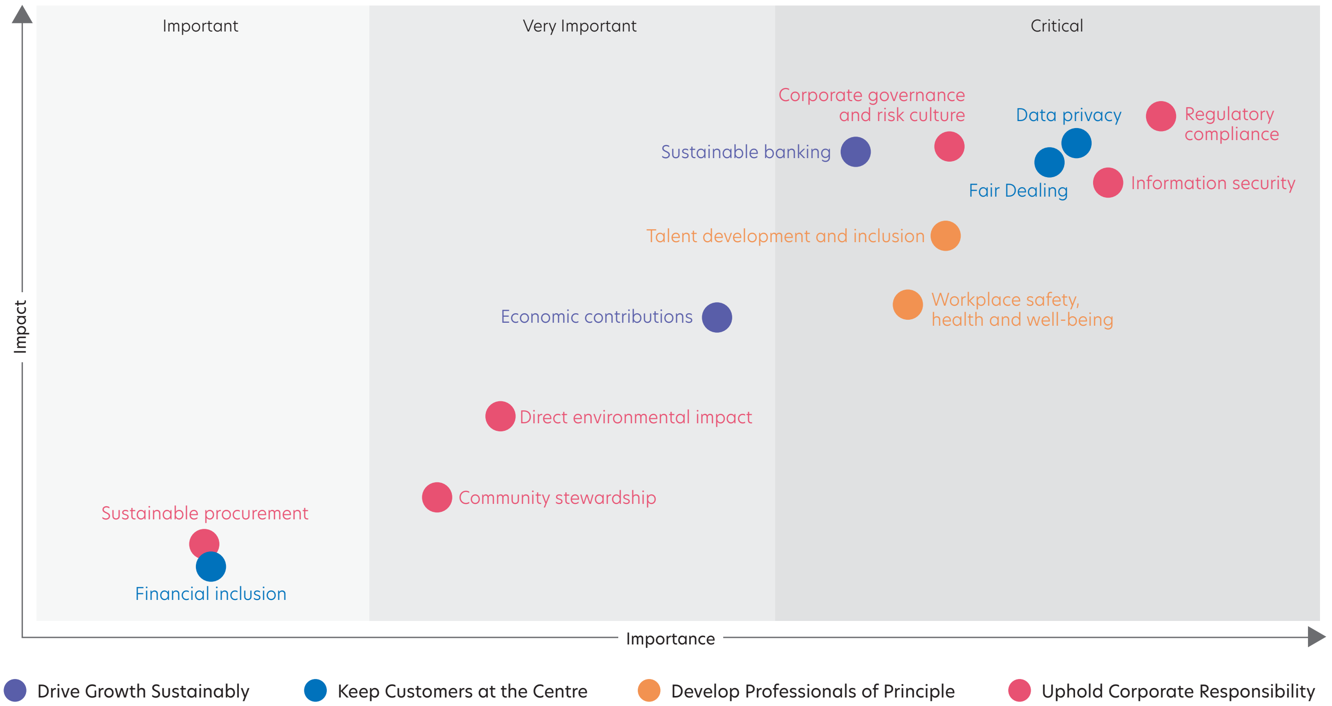
Rooted in our values - Honourable, Enterprising, United, Committed

Sustainability Highlights

Our material ESG factors

UOB's most significant impacts on the economy, environment and society are reflected in our material environmental, social and governance (ESG) factors. We conduct materiality assessments and stakeholder consultations on a continual basis to ensure that these material factors are in context of our operating environment, business and operations, as well as regulatory and stakeholder expectations. Following a review of our material ESG factors in 2023, we identified and prioritised 13 material ESG factors.

Materiality matrix



Our climate strategy

Risk strategy

Climate change is one of the most complex and defining issues of our time. As a leading financial institution in the region, we are committed to strengthening our portfolio resilience and to being a positive force in the fight against climate change.

Climate risks are complex and transverse in nature, and may potentially translate into known financial risk types for banks including credit risk, market risk, liquidity risk and operational risk. We have assessed the various climate risk transmission channels using either a qualitative or quantitative approach, and considered potential credit risk impact to be the most material.

We conduct climate scenario analysis, holistically assessing the impact of both transition and physical risks on our borrowers' financial performance while taking into consideration the differentiated responses and drivers for different sectors.

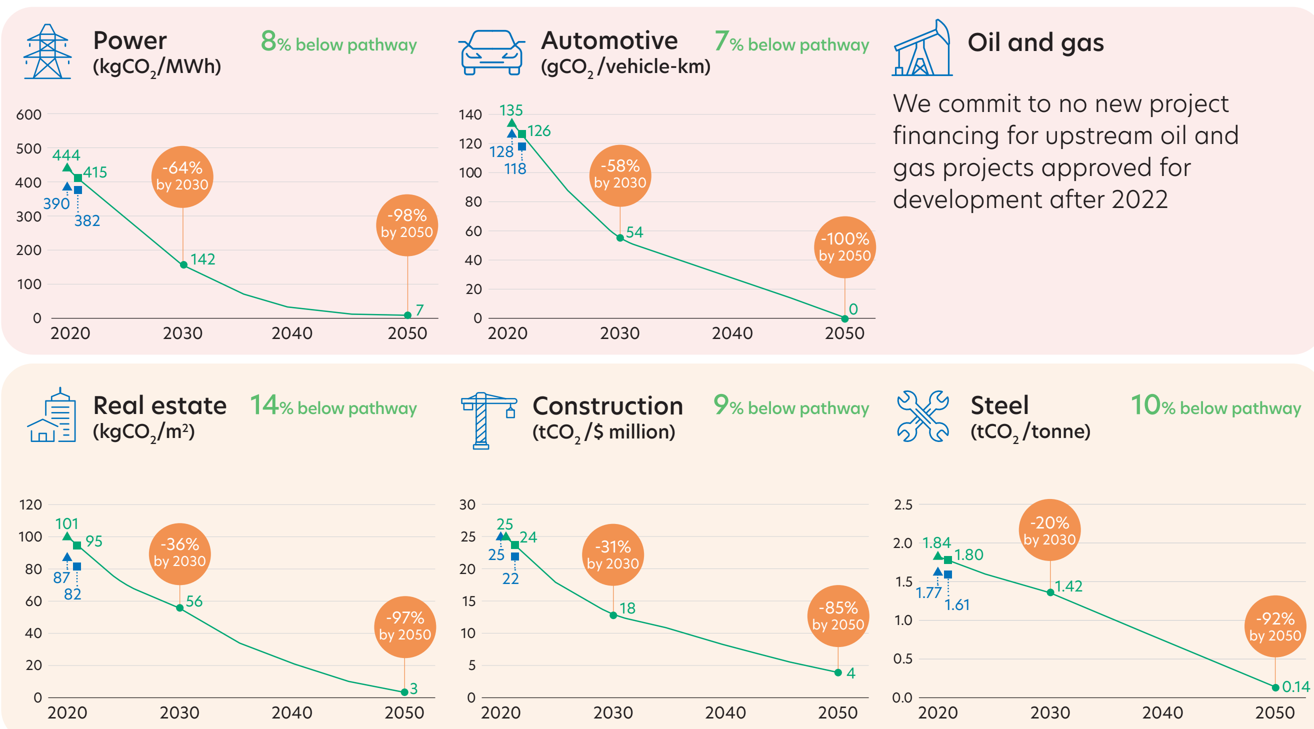
In 2023, no material climate-related financial losses were incurred, either through our corporate lending activities or damage to the Bank's assets and associated business disruptions. Minor physical damages were adequately insured.

Our commitment to net zero

UOB aspires to be a leading sustainable bank in Southeast Asia and is committed to net zero by 2050. We recognise the substantial impact that financial institutions can have in catalysing and facilitating decarbonisation, and seek to balance growth with responsibility through supporting a just transition. Our efforts go beyond the reduction of greenhouse gas (GHG) emissions, helping to ensure that the lives and livelihoods of individuals and communities can continue to improve.

We used 2021 data as our baseline when assessing our financed emissions intensity across our priority sectors and setting our targets. Our first progress report, published in October 2023, illustrated our first year's journey with 2022 emissions intensities declining across all five sectors for which we have set net zero targets. We remained, at a range of seven to 14 per cent, below the target reference pathways.

Overview of emissions intensity by sector



Note on reference pathways:

- NGFS REMIND: Network for Greening the Financial System's Regional Model of Investment and Model Development
- IEA NZE: International Energy Agency's Net Zero Emissions by 2050
- CRREM: Carbon Risk Real Estate Monitor
- NGFS GCAM: Network for Greening the Financial System's Global Change Assessment Model
- MPP: Mission Possible Partnership

Energy | Built environment | UOB data | 2021 | 2022

Reference pathways
- **Power:** NGFS REMIND (regional)
- **Automotive:** IEA NZE (global)
- **Real estate:** CRREM (regional)
- **Construction:** NGFS GCAM (regional)
- **Steel:** MPP Tech Moratorium (global)

We have developed a holistic operationalisation programme focusing on four key areas:

- Developing granular sectoral plans;
- Supporting our customers;
- Embedding net zero in our operating model; and
- Driving effective stakeholder engagement.

As part of our 2023 business strategy refresh, we have also identified and integrated commercialisation opportunities which will help drive the decarbonisation of our target sectors.

We will continue to deepen our understanding of our clients' decarbonisation journeys, enhance our sustainable finance products including sector-specific solutions that serve end-to-end needs, and reinforce our ability to catalyse the transformation of ecosystems through advisory and solutions beyond banking.

For more information on UOB's sustainability strategy and initiatives, please refer to the UOB Sustainability Report 2023.

Award Highlights

Doing Right By You

We are committed to building the future of ASEAN with the long term in mind.

Our progressive solutions, comprehensive regional network and unwavering commitment to do Right By You continue to drive the success of our customers towards a sustainable tomorrow.

We dedicate these 2023 wins to our customers, colleagues and partners.

Scan to view the full list of award wins, or visit www.uobgroup.com/uobgroup/about/awards/index.page

Banking excellence

- ***Asiamoney***
  Best Domestic Bank in Singapore
  Best International Private Bank in Malaysia
- ***Asian Banking & Finance***
  Domestic Retail Bank of the Year – Singapore
  Brunei International Project Finance Bank of the Year
- ***Asia Asset Management***
  Best Asset Management House in Asia (20 Years)
- ***Euromoney***
  Best Bank in Singapore
  Asia's Best Bank for SMEs
- ***Global Business Outlook***
  Most Innovative SME Bank
- ***Global Finance***
  Ranked among Asia's Top 3 Safest Banks
- ***Retail Banker International***
  Asia Trailblazer of the Year
  Best Retail Bank in Singapore
- **Securities Investors Association Singapore**
  Singapore Corporate Governance Award
- **Singapore Corporate Awards**
  Best Managed Board Award
  Best Investor Relations Award
- **Singapore Governance and Transparency Index**
  Ranked 4th in Singapore
- ***The Asian Banker***
  Best SME Bank in Asia Pacific
  Best Asian International Transaction Bank, Asia Pacific
  Best Working Capital & Trade Finance Bank in ASEAN
  Best Retail Bank in Singapore
  Best Foreign Retail Bank in Thailand
- ***The Banker***
  Best M&A Deal in Asia Pacific
  Best SME Bank in Thailand
- ***The Digital Banker***
  Best Retail Bank in Southeast Asia
  Best Retail Bank in Singapore

Progress in harmony

- ***Asiamoney***
  Best Bank for ESG in Thailand
- ***Asian Business Review***
  Net-zero Award – Banking
- **Community Chest**
  Pinnacle Award
- **National Arts Council**
  Honorary Patron of the Arts
  Distinguished Patron of the Arts
- **Securities Investors Association Singapore**
  Singapore Corporate Sustainability Award
- ***The Asian Banker***
  Best Sustainable Trade Finance Initiative in China
- ***The Asset***
  ESG Corporate – Jade Award
- ***The Digital Banker***
  Best ESG Initiative

Innovation for tomorrow

- ***Asian Banking & Finance***
  Mobile Banking & Payment Initiative of the Year in Singapore
- **International Data Corporation**
  IDC Future Enterprise Award – Asia Pacific
- ***International Finance***
  Most Innovative Digital Bank in Singapore
  Best Mobile Banking Application in Singapore
  Most Innovative Digital Bank in Indonesia
  Best Mobile Banking Application in Indonesia
  Best Digital Bank in Thailand
- ***The Digital Banker***
  Excellence in Digital Innovation
  Best Robo Advisory Initiative
  Best Customer Insights Initiative – Virtual Banking

Purpose and balance

- ***Asian Business Review***
  Employee Experience of the Year
- **Employer Branding**
  Global Best Employer Brand Award
- ***HR Asia***
  Best Companies to Work for in Asia – Indonesia
  Best Companies to Work for in Asia – Thailand
- ***TIME***
  Ranked as one of TIME's World's Best Companies
- ***The Digital Banker***
  Best Retail Bank for Employee Experience

Building and Deepening Long-term Relationships

Catalysing Business Growth in ASEAN and Beyond

As a bank with a strong regional presence in ASEAN, our ambition is to connect businesses to new growth opportunities. Through us, businesses can find the right partners, explore new frontiers of trade, diversify their supply chains and expand seamlessly into new markets.

Southeast Asia is thriving with robust trade activities and the region is poised for strong economic growth, backed by strong fundamentals including a rising young population and increasing foreign direct investments. Data from the ASEAN Secretariat showed that trade in goods and services amounted to US$4.73 trillion in 2022, a year-on-year increase of 15.2 per cent. Incoming foreign direct investments into ASEAN reached an all-time high of US$224 billion in 2022, an increase of 5 per cent from the year before.

In addition, companies are increasingly establishing their presence in both ASEAN and Greater China to optimise their costs and supply chains.

Through our extensive regional footprint, we support businesses with plans to expand domestically and across the region. Our unique combination of strong sector expertise and local market knowledge enables us to help businesses navigate market complexities and to seize growth opportunities in ASEAN.

Our ambition is to be the number one cross-border trade bank in ASEAN. To achieve this, we have invested $800 million over the past eight years to enhance our cash management, financial supply chain management and payments capabilities.

Expanding trade and investment opportunities in ASEAN

We support the expansion of clients across a wide range of key growth industries including technology, media and telecommunications, industrials, consumer goods, and energy and chemicals.

A key part of our strategy is to foster connections between ASEAN and Greater China. Companies are adopting an "ASEAN and Beyond" strategy, to base their operations in an ASEAN market in addition to those in Greater China to make labour and supply chain costs more efficient. We are well-positioned to partner them to facilitate investment flows with our efficient, customised and sustainable cross-border financial services.

With ASEAN playing an increasingly significant role as Asia's economic growth engine, we will seize new opportunities that arise.

Cross-border revenue from connectivity expertise

+9%

year on year

Income from cash management and trade finance mandates

+9%

year on year

Revenue from sector-specific solutions

+11%

year on year

Number of cross-border payments processed

+7%

year on year

Foreign Exchange flows

+13%

year on year

More than 600 participants attended the second edition of our Gateway to ASEAN Conference in Jakarta, Indonesia, to explore growth opportunities in the region.

Catalysing Business Growth in ASEAN and Beyond

Expanding luxury across Asia Pacific

With our market expertise across ASEAN, we supported the business growth of LUXASIA in several key markets including Malaysia, Thailand, Vietnam, and Australia. LUXASIA is a leading omni-channel distribution platform in Asia Pacific, enabling market entry and expansion for more than 100 luxury beauty brands across 15 markets. Our cash, trade, and cards offerings have helped LUXASIA to optimise in-market net working capital, enhance local operating capabilities and mitigate foreign exchange risks.

Synergy in new energy

With our market entry advisory and sector expertise, we connected China's BYD with Thai companies Rever Automotive (Rever) and Kwang Thai Group.

BYD, the world's largest maker of electric vehicles, has ambitious expansion plans for Southeast Asia. Its vehicles are now exclusively distributed in Thailand by Rever – facilitated by our green trade financing and dealer financing.

We also provide financing to more than 25 of Rever's local dealers through UOB's Financial Supply Chain Management (FSCM) platform. One such dealer is Kwang Thai Group, which has leveraged our financing support to grow rapidly and expand into the electric vehicle space.

We actively support the electric vehicle ecosystem and the growth of this sector in ASEAN.

"Our collaboration with UOB Thailand (UOBT) is not merely a business venture, it is a collective effort to accelerate the adoption of electric vehicles in Thailand and to foster a cleaner, more sustainable future for our country. With UOBT as our unwavering partner, we are empowered to pave the way for a brighter, cleaner future for Thailand."

Ms Pratarnporn Phornprapha
Vice CEO, Rever Automotive

A steely strong relationship

We are the main cash operating bank for Chinese steelmaker Tsingshan Holding Group, providing the conglomerate with cash management services, trade financing, FSCM services and foreign exchange services.

To further support the company's cross-border trade flows, we tailored a comprehensive set of transaction banking solutions for them and their partnership with Indonesian minerals mining company Merdeka Group. The company now enjoys greater efficiencies from quicker and more transparent transaction flows with its suppliers.


Tsingshan Holding Group has expanded into Indonesia, where UOB continues to support the company.

Reaching for the stars

By providing funding, deposit, cash and global markets services, we are supporting China Galaxy Securities (CGS) Group across our regional footprint in ASEAN. CGS is expanding from its stronghold in mainland China and Hong Kong to ASEAN via its wholly-owned subsidiary, CGS International, a leading financial services provider with deep roots in Malaysia, Indonesia, Singapore and Thailand. We continue to collaborate and grow the strong partnership with CGS Group.

Helping businesses realise their cross-border ambitions

We have a network of 10 Foreign Direct Investment (FDI) Advisory centres to assist businesses with their international growth plans. The latest centre in Tokyo establishes corridors for Japanese companies expanding into Southeast Asia. We also co-organised the Japan-ASEAN Business Forum to help more than 150 business leaders from Japanese companies to gain access to opportunities in the region.

From left: Mr Singtong Lapisatepun, Thailand's Ambassador to Japan, Mr Wee Ee Cheong, Deputy Chairman and CEO of UOB, and Mr Pham Quang Hieu, Vietnam's Ambassador to Japan, celebrated the official opening of the FDI Advisory Centre in Tokyo.

Since 2011, our FDI Advisory unit has supported more than

4,300

companies with cross-border expansion into Asia. Companies we have supported since 2020 are projected to invest more than

$41 billion

to enable the creation of more than

185,000

job opportunities, across ASEAN and Greater China.

At the Japan-ASEAN Business Forum, we partnered representatives from the governments of Singapore, Malaysia, Vietnam and Indonesia to advise companies on the region's investment trends.

Minister for Trade and Industry Mr Gan Kim Yong (centre) witnessed the renewal of our MOU with the Singapore Business Federation to support the internationalisation of Singapore businesses, particularly into the ASEAN region.

In 2023, we co-organised the seventh edition of our flagship ASEAN Conference in Singapore, attracting more than 430 business leaders and key decision makers from both the private and public sectors.

"I believe the key takeaway from the ASEAN Conference is the emphasis placed by the panelists on the importance of adapting to changes in the working environment. The global workforce is now a trend, so businesses like ours should remain nimble to capture the wave of a flexible workforce."

Mr Alan Chang
Founder and Managing Director, OA International Holdings

Catalysing Business Growth in ASEAN and Beyond

Preparing businesses for a digital future

We continually drive the adoption of new digital banking solutions for businesses to prepare them for the digital future. We are focused on supporting our clients to build digital-ready businesses and to foster digital transformation in the region. With our wide range of digital offerings such as UOB Infinity, UOB BizSmart and the UOB SME app, we stand ready to serve the diverse needs of our clients.

Enhancing UOB Infinity with new capabilities

UOB Infinity is the Bank's digital banking platform for businesses. It offers a comprehensive suite of cash management and trade services to improve our clients' cash flow and working capital.

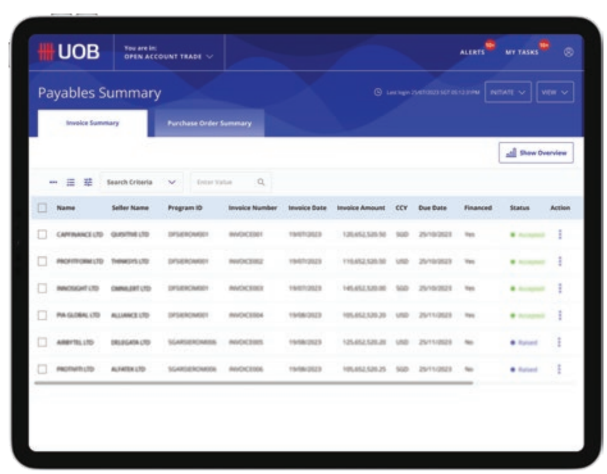
The platform is now available across all our major markets in ASEAN and Greater China after it was rolled out with new FSCM capabilities in Indonesia, Malaysia, Thailand and China in 2023.

UOB Infinity
Penetration rate
2022
77%
2023
82%

Digital transactions
(2021 - 2023)
31%
increase

The new FSCM capabilities enhance and complement the existing cash management solution, making it easier for businesses to view, plan and manage their working capital needs throughout their trade cycles, from payment to collection.

Our clients can also connect digitally with their suppliers, buyers and distributors to exchange and to validate documents, and access financing more easily. The new FSCM capabilities on UOB Infinity are being progressively rolled out to clients in other markets.



"UOB Infinity's FSCM platform has elevated and enhanced the financial management of our supply chain. The platform's full suite of digital solutions provides seamless, end-to-end trade solutions from financing to payment, to better engage with and improve the relationship we have with a key supplier. It also effectively facilitates cross-border transactions, enabling us to have a full overview of payment statuses across procurement entities in multiple locations. UOB Infinity has been instrumental in helping us to manage our company's liquidity needs and in facilitating cross-border payments, enhancing operational efficiency and control over financial transactions as our business grows."

Ms Soh Hui Ling
Chief Financial Officer, Sunningdale Tech

Digitalising trade and supply chains for clients

We are a founding member of SGTraDex, a data exchange to facilitate digitalisation of supply chains.

As the largest financier of local bunker suppliers, we played a major role to drive digitalisation with our bunkering clients and increase the use of SGTraDex since its launch in June 2022.

Through connectivity with SGTraDex, we helped our clients to enhance their digital financing and document exchange process across different platforms. This creates a digitalised end-to-end workflow that eliminates manual data entry and automates the transmission of bunker transaction data.

We continue to transition more of our bunker finance clients onto SGTradex, enabling them to enhance their efficiency and data security.

"Consort is pleased to collaborate with UOB to be one of the first to transform the financing process in the industry. Through digitalisation via SGTraDex, Consort is able to eliminate manual, duplicative processes and initiate financing requests seamlessly from our internal system. This has helped improve our efficiency by reducing the time used in the preparation of finance requests by 20 per cent."

Ms Nadine Yeo
Director, Consort Bunkers

Empowering SMEs with insights on the go

Understanding that small and medium-sized enterprise (SME) owners frequently face time challenges managing their businesses, we launched a new banking app, the UOB SME app, in Singapore, Malaysia and Vietnam in 2022 to help SME owners stay on top of their business.

The app provides SME owners with visibility on their cash flow, accounts payable, accounts receivable and other key business data through an interactive dashboard. Businesses can also apply for a business account, loans and explore the full range of UOB BizSmart digital solutions from marketing to logistics.

Since its launch, the app has steadily grown in unique monthly users. The app's user base tripled in 2023, with a 230 per cent increase in unique visitors compared with the previous year.

In 2023, the app was also enhanced for Singapore clients, to offer digital applications for loans that are approved-in-principle.

"When I go overseas to look after our franchises, it is great to just have everything on my phone. UOB's digital tools allow business owners, who are always busy and on the move, to be on top of their business at the touch of a button, especially for those who are travelling all the time."

Ms Lyn Lee
Founder, Awfully Chocolate

"I founded my company in May 2023. I opened a UOB SME account online and have been using the app ever since. It is easy to use and its features have helped tremendously in managing my company finances."

Mr Siong Jong Hang
Founder, Otonoco

An average of
31,000
unique monthly visitors across Singapore and Malaysia,
230%
increase from 2022

80%
of visitors use the UOB SME app more than once a month

Time taken by customers for their transactions can be reduced as much as
50%

Catalysing Business Growth in ASEAN and Beyond

Innovating today, transforming tomorrow

Our innovation accelerator UOB FinLab officially launched its digitalisation programme in Vietnam in June 2023 and in Indonesia in September 2023. The programme helps businesses develop strategies and leverage technological solutions to grow their businesses both locally and regionally. UOB FinLab is now present in Singapore, Malaysia, Thailand, Indonesia and Vietnam.

"Digitalisation is very important for SMEs in Vietnam due to their relatively small sizes and lack of resources compared with large firms and brands. Hence, SMEs need to be adaptable in order to be competitive and grow faster. All SMEs heard and learned how to establish these unique values during UOB FinLab's digitalisation programme."

Mr Tran Lam Khach Moi
CEO, Nha Sang Lap Cong Ty TNHH Nature House

UOB FinLab signed MOUs with local ecosystem partners in Indonesia to build an interconnected, supportive and vibrant ecosystem for businesses to grow digitally and sustainably.

We believe that blockchain innovations can revolutionalise the way digital payments and capital markets operate in the future.

Over the past few years, we have worked with the Monetary Authority of Singapore and industry partners to explore and experiment with new use cases, in the areas of Central Bank Digital Currency (CBDC) and tokenised assets.

Through cross-industry collaborations, we aim to build the digital asset ecosystem together to transform the banking landscape.

Key highlights in 2023 included:

- Piloting the issuance and subscription of a digitally-native structured product, which fully digitalised the wealth management product value chain.
- Piloting the use of Purpose Bound Money for programmable rewards during the 2023 Formula 1 festivities in Singapore. Consumers received digital vouchers which had a set validity period and pre-selected merchants that could receive digital money.
- Completing the Digital Singapore Dollar (SGD) Fungibility Trial in a closed environment. The trial showcased that UOB-issued tokens can be interchangeable with other banks' tokens and settled through wholesale CBDC on the backend.

Deputy Prime Minister Mr Heng Swee Keat visited the Digital SGD Fungibility Trial showcase at Singapore Fintech Festival 2023

Building a sustainable future

We are strong partners with enterprises on their transformative sustainability journeys, supporting them to access sustainable financing and decarbonise their operations.

We provided $19.5 billion in sustainable financing in 2023. This includes green loans, sustainability-linked loans, sustainable trade finance and transition finance. By the end of 2023, our total sustainable financing portfolio hit $44.5 billion, a year-on-year growth of 78 per cent.

In 2023 we launched U-Build, Asia's first integrated green building financing platform. It provides green and sustainable financing solutions across the value chain including building owners and developers, contractors and suppliers.

Under U-Build, key industry experts provide real estate sustainability advisory to our clients while we provide sustainable financing including green loans and sustainability-linked loans. This one-stop shop service offers clients greater convenience and simplifies sustainable financing for the real estate sector.

We have five umbrella frameworks on sustainable finance to help companies apply for funding without having to develop their own frameworks. These sustainable financing frameworks cover the following areas:

- Green Building Developers and Owners;
- Smart Cities;
- Circular Economy;
- Sustainable Trade Finance; and
- Transition Finance

Under U-Build, we collaborate with key industry experts to support real estate companies on their sustainability journeys.

Catalysing Business Growth in ASEAN and Beyond

Our notable sustainable financing deals in 2023 included:

- Supporting City Energy, a subsidiary of Keppel Infrastructure Trust, through a $400 million sustainability-linked loan. City Energy will use the proceeds to fund growth initiatives, as part of its goal to reduce Singapore households' carbon footprint.

- Financing the first two electric-hybrid bunker tankers of V-Bunkers in August 2023. The vessels provide an energy-efficient alternative to conventional generator-equipped engines and will be key to developing Singapore as a green maritime hub.

- Arranging the maiden issuance of ASEAN Green SRI Sukuk for Exsim Capital Resources. The RM365 million deal was one of the first structured finance transactions to support eco-conscious residential property projects in Malaysia.

- Acting as the mandated lead arranger and sole underwriter for a £210 million term loan facility for Nuveen Real Estate's Devonshire Square, a campus in London. The term loan facility is also recognised as a sustainability-linked loan.

- Successfully executing ESR's first sustainability-linked derivative transaction. The cross-currency interest rate swap between the Hong Kong dollar and Japanese yen was closed in March 2023, allowing ESR to manage its Hong Kong dollar interest rate risk while meeting its sustainability goals.

V-Bunkers' electric-hybrid bunker tankers provide an alternative to conventional generator-equipped engines.

Eco-friendly residential projects were developed in Malaysia using the proceeds from Exsim Capital Resources' ASEAN Green SRI Sukuk.

"We are pleased to once again receive the support from UOB Malaysia that resulted in the first ASEAN Green SRI Sukuk issuance for Exsim to monetise our green projects. As one of the country's leading prime real estate players, we are committed to environmental stewardship where responsible development and eco-conscious living seamlessly co-exist, thus creating long-lasting value for both our homebuyers and the planet."

Mr Lim Aik Hoe
Managing Director, Exsim Group

- Acting as mandated lead arranger, bookrunner and the overall sustainability coordinator for PT Sarana Multi Infrastruktur's US$700 million sustainability-linked syndicated term loan facility in September 2023.

Mr Edwin Syahruzad, President Director, PT Sarana Multi Infrastruktur (left) and Mr Hendra Gunawan, President Director of UOB Indonesia, at a ceremony to mark the company's sustainability-linked syndicated term loan facility.

"We are grateful for the trust given to PT Sarana Multi Infrastruktur. This sustainability-linked syndicated term loan facility is a real example of innovative fundraising and showcases our commitment towards our sustainability targets. We hope to continue to collaborate with UOB in subsequent fundraising activities."

Mr Edwin Syahruzad
President Director, PT Sarana Multi Infrastruktur

Supporting businesses in sustainability and digitalisation

UOB and Keppel signed three MOUs on 26 May 2023 to jointly provide businesses across the region with sustainability and digitalisation solutions.

This collaboration brings together UOB's sustainability and digital transformation financing solutions and Keppel's world-class engineering expertise.

Companies across the region stand to benefit from these areas of collaboration: Energy as a service, sustainable urban renewal, and digitalisation and connectivity.

Mr Wee Ee Cheong, UOB's Deputy Chairman and CEO, together with Mr Loh Chin Hua, CEO of Keppel, exchanging signed copies of the MOUs.

Personalising the Experience for Every Customer

Customer-centricity is at the core of what we do. We constantly innovate and expand our range of products and solutions to meet our customers' financial and lifestyle needs and preferences, including savings, spending, borrowing, investing, protection and legacy planning.

With our unparalleled network in ASEAN, we deliver personalised experiences to our customers in the region via a myriad of physical and digital channels. This underscores our ambition to be the bank of choice for aspiring individuals within, and connecting with, ASEAN.

Our franchise at a glance

Unique customers
8 million
(+ 15% year on year)

Digitally-engaged customers[1]
68%
of UOB's customer base
(Up from 58% in 2022)

Customer loans
+1%
year on year

Customer deposits
+13%
year on year

Assets under Management (AUM)[2]
+14%
year on year

1 Digitally-engaged customers refer to omni-channel or digital-only customers, which are further defined by their channel activities (if customer is channel-active) or source of acquisition (if customer is channel-inactive).
2 Refers to AUM from high affluent customers from Privilege Banking, Privilege Reserve and Private Bank.

Advancing to become the Bank of Choice with our expanded regional franchise

As of 19 November 2023, we completed the acquisition of Citigroup's consumer banking businesses in four ASEAN markets – Indonesia, Malaysia, Thailand and Vietnam. The acquisition comprised Citigroup's unsecured and secured lending portfolios, wealth management and deposit businesses. Indonesia and Malaysia have also fully integrated the businesses onto UOB's platforms, while we expect Thailand and Vietnam to complete their migration by 2024 and 2025 respectively.

Celebrating the completion of our acquisition in Vietnam and Indonesia.

- **14 January 2022** Announcement of the proposed acquisition
- **1 November 2022** Completion of acquisition in Malaysia and Thailand
- **1 March 2023** Completion of acquisition in Vietnam
- **16 July 2023** Integration into UOB Malaysia completed
- **19 November 2023** Completion of acquisition and integration in Indonesia
- **2024** Target completion of integration for Thailand
- **2025** Target completion of integration for Vietnam

The acquisition has added close to 5,000 new colleagues to the Bank. Coupled with organic expansion, UOB's retail customer base in ASEAN has surpassed eight million, realising the goal of doubling the Bank's retail franchise in the four markets and accelerating its growth targets five years ahead of time. The acquisition also added 24 more branches and close to 150 self-service machines to our already extensive regional network. We now have more than 420 branches and a shared network of around 1.1 million automated teller machines[3] (ATMs) globally, providing greater accessibility and convenience to our customers in the region.

This transformational deal has shown promising results, solidifying our position as a leading bank in the region. The acquisition has built stronger resilience in our business model with both geographical and revenue mix diversification. With Citigroup's portfolio more geared towards the cards business and unsecured lending, coupled with our unrivalled cards propositions and attractive offerings and rewards, net credit card fees for the Bank surged 66 per cent year-on-year in 2023, while total income from our unsecured business more than doubled in the four ASEAN markets outside Singapore. Supported by a stronger team, an enlarged ecosystem partnership and strengthened capabilities, we look forward to providing our customers across the region with a wider suite of products and an unparalleled customer experience.

3 Includes both owned and shared ATMs.

Personalising the Experience for Every Customer

Anchoring upon an omni-channel approach to deepen customer engagement

Our commitment to personalise our customers' journey drives us to understand and anticipate the unique needs of each customer. Our global network, comprising complementary physical touchpoints and digital channels, allows us to glean meaningful customer insights through face-to-face or digital interactions. Leveraging analytics and technology, we deliver customised engagements and solutions to our customers online-to-offline seamlessly via their preferred service channels.

UOB's flagship ASEAN Consumer Sentiment Study (ACSS) 2023[4] found a 17 per cent increase in bank branch usage region-wide and a preference for an offline or a combination of channels for more complex transactions. These indicate that consumers valued face-to-face interaction as a complement to the multitude of digital channels available.

The effectiveness of our omni-channel strategy is evident as we track our engagement with these customers.

2023 in review

Our customers are becoming more digital;
- **Traditional customers[5] have dropped to 32% of our customer base (from 42% in 2022); and**
- **84% of the Bank's total transactions are now on digital platforms.**

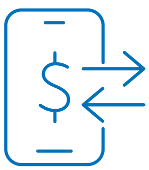
1 in 5 UOB customers remain omni-channel customers[6]. Omni-channel customers:
- **are the most engaged, holding more products and transacting up to 18X more[7]; and**
- **drive 54% of total revenue (up from 53% in 2022).**

4 The ACSS is UOB's regional flagship study analysing consumer trends and sentiments in five countries: Singapore, Malaysia, Thailand, Indonesia and Vietnam. Now in its fourth year, the survey was conducted in June 2023 and captured the responses of 3,400 consumers across different demographic groups in this dynamic region. More details on ACSS 2023 can be found at https://www.uobgroup.com/asean-insights/articles/acss-2023.page.
5 Traditional customers are customers who use only physical channels such as branches and call centres.
6 Omni-channel customers are customers who use a combination of physical and digital channels, including online banking and mobile app.
7 Compares the number of transactions of omni-channel customers with traditional customers.

Making UOB TMRW a personal financial and lifestyle assistant

UOB TMRW, one of the most highly-rated apps on Apple's App Store and the Google Play Store, is the Bank's main digital channel to engage our customers across the region and round the clock. Leveraging the latest technologies, including proprietary in-house and external artificial intelligence/machine learning models, we developed and rolled out new capabilities to enhance our customers' digital experience, making banking, investing and enjoying rewards simpler and smarter.

2023 in review

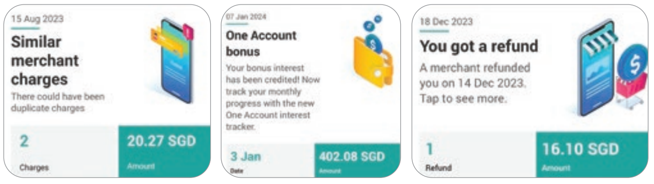


- Digitally-enabled customers[8]:
  - +30% year on year; and
  - 77% of our customer base in ASEAN.
- New-to-Bank customers acquired digitally through UOB TMRW:
  - 56% of our total acquired customer base in ASEAN; and
  - Contributed to $4.7 billion incremental CASA[9] balances (4.1X increase year on year).
- E-payments growth in ASEAN:
  - +25% year on year in unique customers;
  - $129 billion in transaction value (+26% year on year); and
  - 161 million in transaction count (+30% year on year).
- New e-payments corridors launched within the region:
  - Malaysia DuitNow (Peer-to-Merchant [P2M]) ~40% market share;
  - Thailand PromptPay (Peer-to-Peer [P2P]): >60% market share;
  - March 2023: Launched Malaysia DuitNow (P2P); and
  - November 2023: Launched UOB QRIS in Indonesia (P2M), Thailand PromptPay (P2M).
- 14 awards won in 2023, including the Most Innovative Digital Bank and Best Mobile Banking Application awards in Singapore, Thailand and Malaysia by *International Finance* and Best Digital Bank award in Thailand by *The Digital Banker*.

Driving personalisation with >200 types of insights + Transparent and smarter banking + Simple and engaging

Close to 180 million insights (+58% year on year) served in 2023 to >3.5 million unique customers (+40% year on year)

Our suite of intelligent and personalised insights enables our customers to be in control of their money, through timely reminders, alerts and notifications. As we learn more about their behaviours and preferences, we continually introduce new insights such as market outlook and proactively serve products and valuable recommendations relevant to them to enhance our value proposition.



Top three most viewed insights.

New insights rolled out during the year.

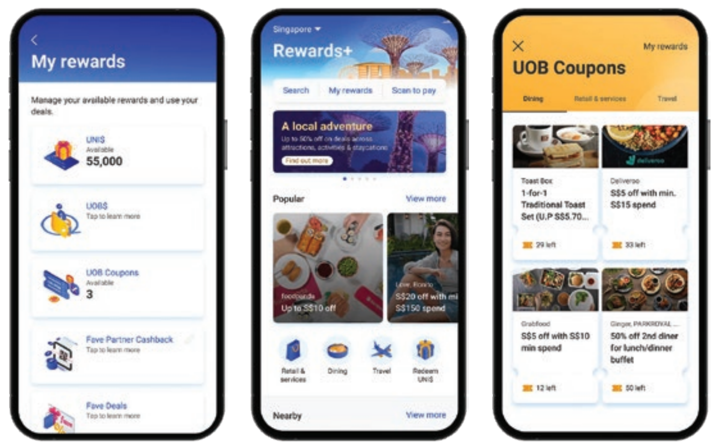
8 Digitally-enabled customers refer to customers with user ID and password for UOB TMRW and/or Personal Internet Banking account.
9 Current Account and Savings Account.

Personalising the Experience for Every Customer

Equipped with cards self-serve capabilities, including card activation, UOB TMRW effectively facilitates a smooth onboarding experience for both new and ex-Citi customers in the region. On top of that, we further deepened and customised our engagement with customers seamlessly across the region through:

Unified Rewards+ across four markets

- 1st bank in the region to offer consolidated rewards wallet with transparent data on earned rewards across four markets.
- Enables customers to:
  - browse both local and regional deals;
  - redeem rewards; and
  - pay with points[10].
- Encouraging adoption and utilisation rates:
  - 1 in 4 TMRW logins are Rewards+ visitors across ASEAN; and
  - >100,000 coupons in total redeemed across all markets.



Digital Wealth capabilities

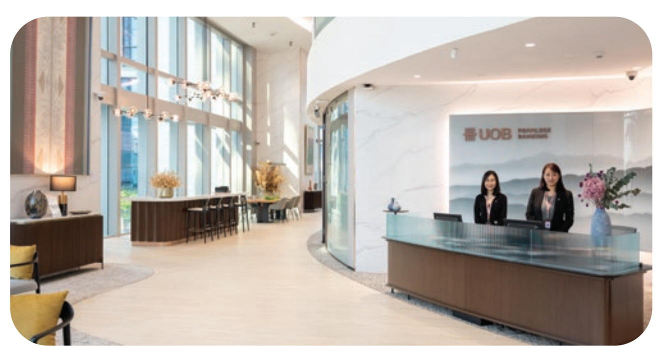
- Self-serve unit trust transaction capabilities in Singapore:
  - 45% new-to-wealth customers are acquired digitally; and
  - 69% wealth transactions are done digitally.
- Consolidated asset portfolio view, facilitates jumpstart to investing[11]:
  - Malaysia and Indonesia: 1 in 6 TMRW logins are for wealth portfolio review; and
  - Thailand: 1 in 7 TMRW logins are for wealth portfolio review.

Transforming our branches to facilitate deeper customer engagement

With a comprehensive physical network of more than 420 branches and an extensive shared ATM network globally, we offer our customers a holistic hybrid engagement model, complementing digital with physical channels of interaction.

To enrich face-to-face interactions at branches, we continue to transform our branch network across the region, turning them into comfortable spaces designed to meet the needs of customers engaging in financial, educational and lifestyle activities.

In 2023, we reconfigured 20 branches across Indonesia, Malaysia, Singapore and Thailand with a focus on enhancing customer experience, incorporating lifestyle and wellness elements as well as emphasising sustainability. As of today, more than two-thirds of our branches in Singapore and more than one-third across our regional network have been refreshed.



Our new UOB Privilege Banking Centre - Kuala Lumpur Main Branch, with well-designed spaces to facilitate deeper customer engagement.

10 Available in Indonesia, Malaysia and Thailand.
11 Available in Indonesia, Malaysia and Thailand.

Branch optimisation and green efforts

Singapore

- Launched UOB Woodleigh Mall and relocated UOB Orchard to Plaza Singapura.
- Three branches – UOB Privilege Banking Centre Orchard, UOB Orchard and UOB Woodleigh Mall – were awarded the BCA Green Mark Platinum certification, a testament to our steadfast commitment to sustainability.
- Smart air-con and lighting retrofitted in branches reduced carbon emissions equivalent to 120 cars driving across Singapore.

Malaysia

- Our relocated flagship UOB Kuala Lumpur Main Branch is designed with a multi-functional space ideal for activities like wellness workshops and arts events.
- Our relocated UOB Kota Laksamana Branch has a refreshed look that emphasises the history and heritage of Melaka, with a Privilege Centre inspired by Peranakan culture.

Thailand

- Implemented remote advisory at 49 branches, where our financial advisors can provide advice and assistance online to far-flung customers.
- Reformatted UOB Rayong Branch to support the growth opportunities from the Eastern Economic Corridor, with dedicated advisory space for business customers and SME relationship managers.

Wellness@UOB

Singapore

- Engaged more than 40,000 customers via wellness activities.
- Product sign-up rate rose 20 per cent through wellness engagements.
- Wellness@UOB received two prestigious industry accolades in 2023, Health and Wellness Initiative of the Year – Singapore by the *Asian Banking and Finance* Retail Banking Awards 2023, and the Highly Acclaimed Excellence in Omni-Channel Customer Experience at the Digital CX Awards 2023.

Thailand

- Launched a Wellness Corner in the revitalised Sam Yaek Branch, in partnership with Bumrungrad Hospital and Prudential.

Vietnam

- Launched the Wellness@UOB programme, with 124 Privilege Banking customers participating in the inaugural event.

Personalising the Experience for Every Customer

Fulfilling customers' lifestyle desires

We offer more than 15 different credit cards with benefits ranging from travel, cashback, rewards and lifestyle privileges, catering to different lifestyle needs and preferences. With our unrivalled ASEAN network and customer base, we are solidifying our leading position in terms of cards issuance and billings across the region. This gives us the bargaining power to cement exclusive partnerships and deals, providing unparalleled access to experiences that our customers adore.

2023 in review

Maintaining our leadership position in the cards space:

Billings

- Cross-border: +79% year on year; and
- Total: +65% year on year.

ASEAN[12]

- Top in billings for Visa consumer cards for full year 2023[13];
- Top in billings for Mastercard consumer credit cards for full year 2023[13]; and
- More than 6.3 million UOB credit cards in circulation.

Singapore

- Top in billings for Visa consumer credit cards and Visa commercial credit cards for full year 2023[14];
- Top acquirer in terms of merchant sales volumes for full year 2023[15];
- One out of two cardholders in Singapore holds a UOB card; and
- Approximately 1.37 million UOB credit cards in use today.

12 Indonesia, Malaysia, Thailand, Singapore and Vietnam.
13 As at December 2023.
14 As at December 2023.
15 Based on Mastercard and Visa.

Strong partnership ecosystem across the region

- Building 360° customer value propositions through dining, shopping, travel and entertainment across ASEAN;
- Collaborating with 45 regional strategic partners across multiple markets, allowing customers to enjoy the same perks and privileges across the region;
- Notable new partnerships in 2023:
  - World-first regional collaboration with Robert Parker Wine Advocate;
  - UOB as exclusive bank partner for The MICHELIN Guide in Malaysia and Thailand; and

Regional partnerships with top-notch wine and dine partners to offer exclusive deals to our customers across the region.

  - Partnership with renowned global fashion designer, Paul Smith, and distinctive British automotive marque, MINI, leading to the production of five limited edition Mini Electric vehicles worldwide, designed exclusively by Sir Paul Smith.

- Exclusive regional tie-ups and deals, particularly in the entertainment space, including being the Official Bank and Presale Partner for the Taylor Swift The Eras Tour in Singapore and Regional Presenting Sponsor for the Ed Sheeran +-=÷x Tour in ASEAN[16].

Exclusive tie-ups in the entertainment arena, providing priority access to coveted experiences for our customers.

16 Indonesia, Malaysia, Singapore and Thailand.

Personalising the Experience for Every Customer

Supporting our customers on their wealth journey

We serve customers across the wealth continuum, from personal, wealth and privilege banking through to private banking. Offering wealth solutions for every life stage, we help customers protect their wealth, maximise the potential of their savings, and accelerate their journeys towards their financial aspirations.

2023 in review

AUM
- **$176 billion (+14% year on year)**
- **Attributed to HNWIs[17]: +16% year on year**

Wealth Management Income[18]
- **+13% year on year**

Net New Assets (NNA)
- **$22 billion (+55% year on year)**
- **Attributed to HNWIs[17]: +46% year on year**
- **11% of NNA from HNWIs[17] was generated from our "One Bank" ecosystem**

- Enhanced our self-serve digital investing platform, SimpleInvest, in UOB TMRW:
  - Increased SimpleInvest fund portfolios from three to four funds, offering customers Play Safe, Stable Income, Income and Growth portfolio to address different needs; and
  - Offered UOB retail customers access to Private Bank Chief Investment Office's (CIO) investment expertise through the CIO Income Fund and CIO Growth Fund.

- Access to leading alternative investment managers – UOB Private Bank has added strategies to its Private Assets and Hedge Fund offering. Usually offered in a semi-liquid format, clients may access Private Equity, Private Credit, Private Real Estate and Hedge Funds without multi-year lockups. These can be bite-sized allocations to enhance diversification and in some cases, to offer an attractive income distribution.

- Supporting innovation in wealth management products – UOB was one of the exclusive distributors for the new structured certificates launched and listed on SGX in August 2023. This was a testament to our continual effort to widen the range of solutions and products offered to our clients, to cater to their different needs and priorities.

Sustainable solutions that make it simple for customers to create impact with their everyday choices

UOB supports our customers to build a sustainable lifestyle by offering products and solutions that make a positive impact on the environment and society. Our commitment towards building a sustainable future won us the Highly Acclaimed ESG Initiative of the Year award from *The Digital Banker*.

2023 in review

UOB Sustainable Future Home Loan

Go Green Home Loan
- Sales volume of Go Green Home Loan accounted for 15% of total home loan sales volume, up from 10% in 2022.
- 1st Green Home Loan campaign launched in Malaysia in January 2023 and Thailand in June 2023.

UOB Sustainable Future Car Loan

Go Green Auto Loan
- Sales volume of Go Green Auto Loan accounted for 6% of total auto loan sales volume.
- We extended our collaboration with SP Group to offer charging credits to our customers. New customers also received Renewable Energy Certificates (RECs) on loan disbursement to support the generation of clean energy and reduce their carbon footprint.

17 High Net Worth Individuals with AUM of $2 million and above, under Privilege Reserve and Private Bank.
18 Includes income from products and services offered by Global Markets.

UOB Sustainable Future Payments

UOB EVOL Card
- UOB EVOL Card billings grew by 30% year on year.
- We launched Earth Day campaign where UOB EVOL cardmembers received an additional 2% cashback on GetGo and SP EV Charging transactions.

UOB Sustainable Future Investment

ESG Focused Investments[19]
- >$800 million AUM across our regional markets.
- We added 15 ESG compliant bonds to our fixed income product shelf and eight ESG compliant funds for investment under advisory.
- More than one-third of the customers who bought into ESG funds are Gen Y[20].

Protecting our customers from evolving threats

In 2023, we continue to enhance our anti-scam measures to safeguard our customers' assets and interests against evolving scams and frauds, including:

- launch of the UOB LockAway account, to "lock away" deposited monies within from all online transactions;
- the implementation of security features on UOB TMRW which disrupt digital banking services when apps with risky permissions or screen sharing capabilities are detected on mobile phones;
- the enforcement of a 12-hour cooling period for adding new payees and activation of new digital tokens;
- SMS notifications when new payees are added; and
- the lowering of the default threshold limit for all UOB cards notification alerts to $500.

We also implemented a new fraud detection system in late 2022 to monitor digital transactions and flag potential suspicious activities for further investigation.

It takes the whole ecosystem to build a robust system against scams and our customers remain the singular most effective defence, exercising vigilance and caution to protect themselves. We keep our customers updated on new scam typologies and preventive measures through social media, in-app push notifications, emails, UOB websites, online banking login alerts, UOB TMRW app pre-login alerts, in-branch screens and educational brochures.

We conducted scam education workshops that were attended by close to 2,000 participants. Our branch staff are also trained to recognise red flags from potential scam cases while handling customer transactions and have successfully helped prevent potential scam victims from losing their savings.

Thwarting scams

In 2023, we prevented a record number of scams involving our customers in Singapore.

2022
102 cases
involving $14.9 million

2023
754 cases
involving $15.6 million

Our efforts in scam prevention have won us the following commendations and awards:

- Fraud Initiative of the Year at the *Asian Banking & Finance* Retail Banking Award 2023;
- Minister for Home Affairs Operational Excellence Award for the joint efforts with the Singapore Police Force (SPF)'s Anti-Scam Centre in conducting anti-scam operations from April 2022 to March 2023; and
- Outstanding Community Partnership Awards (Organisations) 2023 by the SPF.

Fighting scams requires a holistic approach and we will continue to work closely with the regulator, law enforcement and relevant agencies, and the industry to fight against scams to protect our customers.

19 Including unit trusts, green bonds and structured notes linked to high ESG rating.
20 Ages 24 to 39 (both inclusive).

Enabling our People to Build Long-term Careers through Achieving Purpose and Balance

Minister for Education Mr Chan Chun Sing and Mr Wee Ee Cheong, Deputy Chairman and CEO, UOB, at the Better U Festival 2023.

> **"Purpose, coupled with balance, is the key to a sustainable workforce. By building a stable workforce, we believe that we will be able to fulfil our long-term commitment to our customers and to successfully build the future of ASEAN."**

Mr Dean Tong
Head of Group Human Resources, UOB

An integral part of UOB's long-term mindset is supporting our employees to build sustainable careers while maintaining a healthy work-life balance. In 2022, we introduced The UOB Way – anchored on the concept of purpose with balance where our employees grow professionally and have time for their personal lives. The UOB Way framework embodies our commitment to create an environment where employees find purpose in their work, guided by our values and supported by a people philosophy centred on care, growth and trust.

Our workforce at a glance

Total headcount
32,340

Voluntary attrition rate
13%

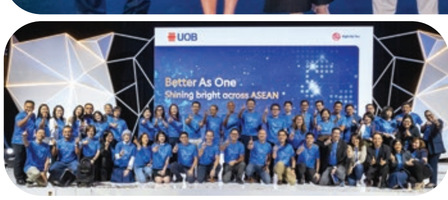
Median length of service
5.38
years

Voluntary attrition rate of high performers
3.4%

Permanent employees
97%

Gender
38% Male
62% Female

In 2023, we welcomed close to 5,000 new employees through our acquisition of Citigroup's consumer banking businesses across four ASEAN markets. We successfully completed the acquisition in Malaysia and Thailand (November 2022), Vietnam (March 2023) and Indonesia (November 2023).



Our colleagues in Indonesia, Malaysia, Thailand and Vietnam celebrating our Legal Day One milestones as part of the Citigroup acquisition, becoming better together, better as one.

Enabling our People to Build Long-term Careers through Achieving Purpose and Balance

The UOB Way

The UOB Way is our unique culture and belief system codified for the benefit of members of our UOB family. It represents the way we work at UOB and our people philosophy.

To strengthen our culture, we rolled out a series of The UOB Way workshops across the Group this year. The workshops reinforced our commitment to cultivating an environment where each member of our UOB family feels recognised and valued. In doing so, we enable our employees to thrive and to excel at UOB.

Close to

90

workshops conducted across ASEAN, Greater China, London and Sydney.

75%

of people managers have participated in The UOB Way workshops.

The UOB Way workshops reaching colleagues across UOB.

The UOB Way also shapes the development of strategic people programmes and policies to benefit our employees in the long term. From hiring, onboarding, learning, rewarding to promoting, it serves as the compass directing our workforce principles.

Findings from our employee survey in 2023 showed that

89%

(+3% year on year) of employees are proud to be working in UOB.

Showing care at UOB

Our commitment to our employees extends far beyond the present – it is rooted in our dedication to fostering long-term well-being throughout their various life cycles. As we navigate a post-pandemic world, we remain attuned to the evolving workforce dynamics. In achieving a healthy balance between work and life, we continue to stay focused on our people's mental health and to provide an environment in which they can thrive not just today, but also well into the future.

Mental Wellness Days

The UOB Mental Wellness Days initiative is focused on helping employees improve their overall well-being to lead healthier, happier and more fulfilling lives through monthly lineups of activities. Our holistic employee wellness approach spans across four pillars – Mental, Physical, Financial and Intellectual.

In 2023, more than 3,900 employees and their dependants participated in 38 wellness talks and workshops. We also extended suitable wellness programmes to the dependants of employees.

UOB's holistic approach to our employees' well-being aims to help them achieve balance at work.

Taking care of the total well-being of our people

The care we have for our people is demonstrated through our total employee wellness approach:

Employee wellness

Mental wellness

We strive to create a workplace environment focused on fostering a positive state of mental health for our employees.

Physical wellness

We enable our employees to maintain a healthy lifestyle through providing comprehensive medical and lifestyle benefits for them and their dependants.

Financial wellness

We seek to equip our employees with financial management fundamentals and strategies through financial literacy programmes.

Intellectual wellness

We provide avenues for our employees to explore potential activities to stimulate their minds and self-enhancement activities to improve their personal lives.

Enabling our People to Build Long-term Careers through Achieving Purpose and Balance

UOB Health+

Beyond core medical coverage, we structured employees' health benefits to include HEAL$ (Healthy Employees, Active Lifestyles) and Dependants' Hospitalisation Insurance Subsidy (DHIS), to offer flexibility and inclusiveness, with the long term in mind.

#Better Health Bazaar

To encourage our employees to go for health screenings, we organised a #Better Health Bazaar from 19 to 21 September 2023, featuring wellness booths that offered onsite health and eye screenings as well as other services.

Key highlights from the Health Bazaar:

Increased affordability
We provided complimentary basic health screenings for our employees and offered complimentary upgrades for selected screening packages.

Seamless claim experience
We streamlined the claim process by auto-deducting from employees' HEAL$ as opposed to the traditional process of pay-and-claim.

Raising health awareness through education
Health talks were conducted to help employees understand the importance of regular health screenings in order to make informed decisions about their well-being.

UOB Health+

HEAL$

- **Flexibility** to choose from a wide range of claim categories, e.g. preventive care, wellness, travel, dental, optical, medical treatment
- **Generous** HEAL$ quantum to cover outpatient visits for dependants of employees

Enhanced

DHIS

- Receive reimbursements while enjoying **transferability** of personal hospitalisation insurance for eligible dependants
- **Simpler** claim process
- **Higher** claim limits
- **Add-on riders** are claimable

As part of the #Better Health Bazaar, we offered basic complimentary eye screening to our employees.

Supporting Ur Retirement and Future (SURF)

Launched at our Better U Festival in October 2023, the SURF programme aims to adequately prepare employees for retirement or re-employment with the Bank. Colleagues with less than two years to the statutory retirement age are invited to workshops spanning two-and-a-half days, which focus on strengthening their mental, physical and financial preparedness for retirement or re-employment.

The workshop modules include developing health plans based on employees' physical profiles to provide them with cognitive enhancement strategies and to share insights on the importance of estate planning.

The SURF programme workshop enables our employees to improve their physical health, among other activities.

"I have certainly benefitted a lot. This workshop gave me the opportunity to think through what I want to do after retirement."

Ms Foo Kim Lian
Executive Director, Group Credit (Commercial)

"The programme is excellent. It is an eye-opener because the workshop covers topics that I am concerned about, like finding meaningful things to do after retirement and how to go about it."

Mr Goh Teik Cheng
First Vice President, TMRW

Enabling our People to Build Long-term Careers through Achieving Purpose and Balance

Helping our people grow in their careers

Our learning and development programmes support our employees' desire to upskill and reskill so as to stay relevant amid evolving industry trends and to pursue their career and personal goals. Over time, we want to give our people the opportunity to expand their skill sets so that they can pivot their careers seamlessly within the Bank and build long-term careers, staying true to The UOB Way.

Career + U

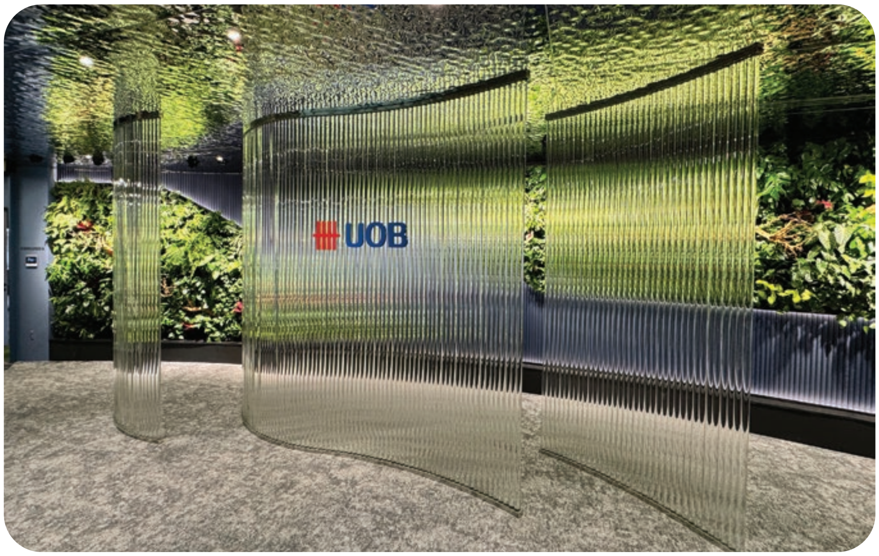
The programme is focused on bridging employee aspirations with job opportunities within UOB. In 2023, we placed greater emphasis on internal mobility through initiatives such as:

- Targeted talent programmes to encourage mobility across the Bank, where about 500 employees have been trained across a variety of career coaching topics;
- Career counselling to help employees navigate and chart their paths to the next role they are interested in. More than 2,000 employees participated in our career mobility outreach during the 2023 UOB Better U Festival; and
- One-stop microsite to provide useful resources and to highlight available roles in UOB.

UOB Better U Campus

As part of our commitment to grow our own timber and to develop our existing talents, we established the UOB Better U Campus to nurture internal talent and to facilitate upskilling and reskilling within our workforce. During this year's Better U Festival, UOB partnered the Singapore Institute of Management (SIM) to launch the UOB Better U Campus located at SIM's Management House.

Operational since 2 January 2024, the UOB Better U Campus marks a pivotal first step to centralise our developmental resources and to deepen our ongoing investment, so as to foster human capital within UOB. By consolidating diverse training academies under one roof, we demonstrate our unwavering dedication to promoting continuous and rigorous pathways for professional growth.



The UOB Better U Campus is a dedicated venue to consolidate all training and development programmes under one roof.

Enhanced Better U Programme

Boosting the Better U catalogue

In 2023, we expanded the Better U catalogue from its initial six courses to 30 courses to cater to the diverse range of learning needs of our employees. A total of 80 sessions were conducted in 2023.

Amplifying employees' agility, resilience and ownership of their career development

Through the Better U: Empowered to THRIVE programme, employees can do a self-assessment of their current skill sets while also learning the importance of continuous growth and skills training to be ready for the future. Employees were also equipped with guides and tools to build a partnership with their managers through a growth conversation as a first step.

Enhancing employees' data-related skillsets

Through the Better U: Data Analytics Level 3 programme, employees will be equipped with advanced data skill sets and certified as UOB Power Users – individuals who have completed all modules in either Microsoft Power Business Intelligence or Qlik Sense Track.

Helping employees new to the financial industry

Through our Overview of Banking @ UOB programme, new hires and existing employees with no prior banking experience are given insights into the inner workings of financial institutions, and more specifically, UOB. This enables participants to better understand the Bank and our products and services, on top of our ways of working. Fifty employees participated in the two pilot runs in 2023.

More than 100 employees from across the region came together for the pilot programme of Better U: Empowered to THRIVE.

Leadership Acceleration Programme

To build a pipeline of leaders, our Leadership Acceleration Programme (LAP) provides high performers who exhibit high potential with growth and development opportunities such as leadership development and executive coaching, job rotations and strategic project assignments. These provide them with the necessary exposure and networking opportunities to accelerate their readiness to take on leadership roles in the Bank. Our LAP efforts 2023 included a series of in-person knowledge-sharing sessions, company visits and a "Connecting LAP in ASEAN" regional immersion week in Thailand.

LAP participants from across the Group with the UOB Thailand management team during the "Connecting LAP in ASEAN" programme held in Bangkok, Thailand.

Empowering our people managers to lead The UOB Way

Through our programme Better Manager: Lead The UOB Way, we equip people managers with core skills and competencies to lead effective teams. The programme is designed to help people managers build essential competencies, such as giving and receiving feedback and everyday coaching skills, for them to lead their teams effectively in The UOB Way.

Through the Better Manager: Lead The UOB Way programme, our people managers learn more about leading The UOB Way.

Enabling our People to Build Long-term Careers through Achieving Purpose and Balance

Management Associate Programme

The Management Associate (MA) Programme focuses on young graduates as part of building our pipeline of future leaders. Each year, we receive more than 30,000 applications Group-wide. After a rigorous selection process, we hired about 60 MAs in 2023. The MA Programme works through a structured development framework that equips MAs with holistic knowledge and experiences in various business units, offers valuable insights essential for leadership readiness and provides cross-border opportunities to inculcate a regional mindset.

The Management Associate Programme is designed to nurture our next generation of leaders across the region.

To support the MAs, we engage our former MAs and LAP participants to mentor and to guide our MAs in navigating their careers within UOB.

U Unleash Programme

To give prospective graduates a more insightful and personal view of what working in UOB is like, we collaborated with Singapore polytechnics and the Institute of Technical Education (ITE) to launch the U Unleash Programme (UUP). Under UUP, final-year students from the hospitality, business and information communications technology schools in all five local polytechnics and three ITE colleges participate in a year-long internship with UOB, in the first partnership of such scale in Singapore.

We launched the UUP where students can participate in a year-long internship with us, with the possibility of being offered full-time positions and sponsorships to further their education.

Students can be placed in business units such as UOB Private Bank, Group Technology and Operations, and Group Channels and Digitalisation. Participants will undergo training courses to equip themselves with knowledge and skills relevant to the banking industry.

Following graduation, UUP participants who have performed well during their internships will be offered a full-time position with UOB. Should they wish to further their education, the Bank also provides sponsorships for eligible participants to pursue their academic goals.

Promoting a culture of trust and empowerment

Core to UOB's people philosophy is promoting a culture of trust and empowerment in the workplace. We strive to excel in things that are meaningful for us so that our people are empowered, recognised and rewarded.

UOB Global Appreciation Month

Held annually, the UOB Global Appreciation Month celebrates the dedication and contributions of our people. The theme for 2023 was "88 Years with U", to celebrate our employees, both past and present, who have contributed to the Bank's success over the past 88 years.

A series of activities and initiatives were organised to mark this special month. Here are some highlights:

Mr Wee Ee Cheong, Deputy Chairman and CEO, UOB and Mr Dean Tong, Head of Group Human Resources, UOB, visited employees at the UOB branches in Ang Mo Kio, Hougang, Novena and the Contact Centre, in Alexandra, Singapore to show their appreciation to our frontliners.

Employees gathered at our employee clubhouse located at 28 Boat Quay for Thankful Tuesdays, where they enjoyed bonding time with their teams. Games, a photo booth, back massages and snacks were also provided.

> "Appreciation Month is really an opportunity to show care for our employees for their hard work."
>
> **Mr Dean Tong**
> **Head of Group Human Resources, UOB**

Enabling our People to Build Long-term Careers through Achieving Purpose and Balance

Celebrating loyalty and dedication at the 2023 Tenure Recognition award ceremony

In August 2023, we celebrated more than 400 colleagues who marked their 10th, 20th, 30th, 40th and 50th year of service with us. Nine of them celebrated their 50th-year milestone, including some who started their careers at UOB at 17 years old. Their career journeys include stories of how they have supported the Bank through mergers and seen the industry through digital transformations. They also shared insights such as how to adopt a continuous learning attitude.

Awardees with 50 years of service at UOB celebrating their special day with Mr Wee Ee Cheong, Deputy Chairman and CEO, UOB and other members of the management team.

Building employee pride as we are recognised across the region

Our ambition is to be number one in employee pride in ASEAN. We are honoured to be recognised for the following awards and certifications, including the win in *TIME* magazine's World's Best Companies of 2023 where UOB ranked second in Asia. We were also certified as a "Great Place to Work" by the namesake institute.

These recognitions are significant as they are a testament to UOB's commitment to creating positive employee experiences for our people.

United Overseas Bank Limited
(Incorporated in Singapore)
and its subsidiaries
31 December 2023

Governance

Corporate Governance

Our corporate governance is built upon our values of Honourable, Enterprising, United and Committed and supported by the strong leadership of our Board and Management. Through our robust system of risk management and internal controls, our engagement with our shareholders and other stakeholders, and our culture of accountability and responsibility, we aim to continually exceed the expectations of our regulators and other stakeholders.

In this regard, we have complied with the principles of the Code of Corporate Governance issued in 2018 (2018 Code) and the 2021 MAS Guidelines (defined below), and substantially with the provisions and guidelines of the 2018 Code and 2021 MAS Guidelines, as seen on pages 109 and 110. Where there is any deviation from the provisions or guidelines, we have explained our practices and philosophy. Our corporate governance is guided by:

- the Banking (Corporate Governance) Regulations 2005 (Banking Regulations);
- the listing rules of the Singapore Exchange Securities Trading Limited (SGX-ST Listing Rules); and
- the Guidelines on Corporate Governance for Designated Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers which are incorporated in Singapore issued in 2021 (2021 MAS Guidelines), which comprise the 2018 Code (Code) and Additional Guidelines of the Monetary Authority of Singapore, as amended from time to time.

In 2023, we received the following in recognition of our corporate governance:

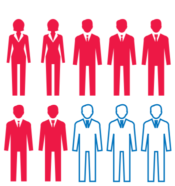
Singapore Corporate Awards
- Best Managed Board (Gold) – companies with market capitalisation of $1 billion and above
- Best Investor Relations (Gold) – companies with market capitalisation of $1 billion and above

Securities Investors Association (Singapore) Investors' Choice Awards
- Singapore Corporate Governance Award – Big Cap category

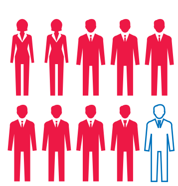
Singapore Governance and Transparency Index
- Ranked 4th of 474 Singapore-listed companies (General Category)

Leadership of Board and Management

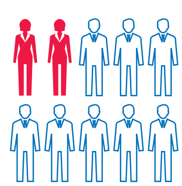
Board of Directors



Seven out of 10 Directors are independent



Nine out of 10 Directors are non-executive



Two out of 10 Directors are female

Independent Chairman

Separation of roles of Chairman and Chief Executive Officer (CEO)

Board duties

Our Board is responsible for:

- providing entrepreneurial leadership, and approving and overseeing the implementation of the Bank's strategic direction and overall business objectives;
- setting the Tone from the Top, values, the desired organisational culture and standards of ethical behaviour, and ensuring accountability;
- promoting a strong system of risk management and internal controls;
- determining the overall Group risk profile and appetite;
- approving business plans, annual budgets, capital and debt structures, material investments, acquisitions and disposals;
- approving financial statements;
- overseeing Management's performance;
- establishing a remuneration framework for the Board;
- establishing a remuneration framework for key management personnel, which is consistent with the Bank's long-term strategic objectives and does not create incentives for excessive risk-taking;
- performing succession planning for the Board and Management;
- considering sustainability issues, and overseeing the management of the material environmental, social and governance (ESG) factors; and
- promoting regular and effective communications with shareholders and overseeing relationships with material stakeholders.

The key matters requiring the Board's approval are set out in its terms of reference and communicated to Management. These include:

- setting long-term strategic goals for the Group;
- undertaking mergers and acquisitions, and investments and divestments exceeding specified thresholds;
- commencement of business in new markets;
- setting the dividend policy; and
- determining the material ESG factors and targets.

Where a matter has been reserved for the approval of our Board or a Board Committee in its terms of reference, its approval must be obtained before the matter is acted upon.

Highlights from 2023

Strategy

Our Board approved the Bank's strategy refresh, taking into consideration key trends that are expected to shape the financial service industry, such as changes in economic flows, new emerging industries, artificial intelligence (AI), digital banks and currencies, and competition from other players in the financial industry.

The integration of people, systems and processes following the acquisition of the Citigroup consumer banking businesses in Indonesia, Malaysia, Thailand and Vietnam continued to be an area of focus for our Board. We integrated the acquired businesses in Indonesia and Malaysia in 2023. Integration in Thailand is expected to be completed in 2024, followed by Vietnam in 2025.

Our Board also monitored the progress of the Bank's initiatives towards achieving net zero carbon emissions including plans to support customers in their transition journeys. In advising Management, the Board considered regulatory developments, emerging trends, resources and risk issues.

Succession planning and human capital management

Succession planning continued to be a key focus area for our Board in 2023. Using a skills matrix, our Board reviewed each Director's skills and experience to ensure that our Board comprises directors with diverse skill sets, expertise and experience relevant to the evolving needs of the Bank.

Our Board also deliberated on succession planning for key management positions in the Bank, and guided Management on human resource strategies amid intense competition for talent, new work arrangements and evolving expectations of the workforce. Particular attention was paid to the integration of new colleagues who joined the Group following the acquisition of the Citigroup consumer banking business.

Corporate Governance

Recognising that our people are our greatest asset, the Board is committed to upskilling and future-proofing our workforce. During the year, our colleagues benefitted from various skills upgrading and development opportunities. In addition to refresher training on banking-related topics and professional development programmes, courses in life skills and personal well-being were available to support our colleagues in their personal growth and development.

Remuneration

Assisted by the Remuneration and Human Capital Committee (RHCC), the Board reviewed and provided guidance on our remuneration philosophy and the design of our remuneration structure, to ensure that the Group remains competitive and is able to attract, retain and motivate talent. Details on our remuneration approach and structure can be found on pages 91 to 98.

Risk management and internal controls

In 2023, the financial industry continued to face escalating threats from fraud and scams. To protect our interests and those of our customers, our Board focused on the enhancing and implementing various initiatives to combat financial crime, fraud and money laundering activities. This is our commitment to making banking safer for our customers and contributing towards the integrity of the financial systems in the markets we operate in.

Our Board also advised Management on the implementation of new regulatory and industry requirements and standards, such as Basel IV, as well as transitions of benchmark interest rates.

Asset quality

As some sectors are still recovering from the impact of the COVID-19 pandemic, our Board continued to monitor closely our asset quality across different markets, ensuring that we adhere to our risk appetite even as we support our customers and other stakeholders.

Sustainability

The Bank has established a Sustainability Advisory Panel, comprising independent sustainability and industry experts, to advise the Board and Management, and assist them in their oversight responsibilities, on our sustainability strategy, targets and initiatives.

Our Board reviewed and approved the UOB Sustainability Framework, material ESG factors and the UOB Sustainability Report disclosures, including climate reporting in accordance with the Recommendations of the Task Force on Climate-related Financial Disclosures. It also reviewed and endorsed the Bank's disclosure on the progress made towards net zero, and will continue to guide Management towards achieving our net zero targets.

Find out more about our sustainability strategy and initiatives, material ESG factors, and how we support our customers in their sustainability journeys in our Sustainability Report at www.UOBgroup.com/investor-relations/financial/group-annual-reports.html.

Delegation to Board Committees and Management

Five Board Committees support the Board. They are the Audit Committee (AC), Board Risk Management Committee (BRMC), Executive Committee (Exco), Nominating Committee (NC) and RHCC. The terms of reference of the Board Committees are reviewed and approved by the Board and Board Committees annually to ensure that they remain relevant and appropriate. The overlapping membership of the Board Committees facilitates the coordination of work among them.

Matters deliberated upon and the key decisions made by the Board and Board Committees are duly recorded and maintained by the company secretaries. The minutes and summary reports of all Board Committee meetings are circulated to all Directors except where there is a conflict of interest. At Board meetings, the chairs of the Board Committees also report on the key matters reviewed and considered, and on the decisions made by the Board Committees.

Our CEO leads Management in the day-to-day operations of the Bank and in implementing the decisions of our Board. He is assisted by several management-level committees, namely, the Asset and Liability Committee, Anti-financial Crime Committee, Credit Committee, Group Sustainability Committee, Human Resources Committee, Information and Technology Committee, Investment Committee, Management Committee, Management Executive Committee, Operational Risk Management Committee, and Risk and Capital Committee.

Executive Committee

The key responsibilities of the Exco include:

- providing strategic direction and overseeing Management's implementation of strategies approved by our Board;
- reviewing our business plans, budget, and capital and debt structures, taking into consideration our strategic goals and risk appetite;
- reviewing strategic initiatives (including in human capital management and technology initiatives) and transactions;
- reviewing our financial, business and operational performance against the approved strategies and budget; and
- considering sustainability issues and determining material ESG factors.

Highlights of the Exco's activities in 2023:

- Guided Management on refinements and implementation of the strategies approved by our Board, as well as the approach to challenges encountered;
- Guided Management on the integration of the Citigroup consumer banking businesses in Indonesia, Malaysia, Thailand and Vietnam;
- Guided Management on the Bank's strategy refresh, including the focus and progress of specific business lines;
- Monitored the progress of our sustainability strategy;
- Reviewed our funding strategy and initiatives;
- Guided Management on communications and engagements with our stakeholders; and
- Reviewed our dividend policy.

Key processes

Our Board and Board Committee meetings, and Annual General Meeting (AGM) are scheduled well before the start of each year and our Directors are notified promptly after the dates are fixed. Additional meetings may be convened when necessary.

A Director who is unable to attend a meeting due to exigencies may convey his[1] views through another Director or the company secretaries.

Decisions of our Board and Board Committees are made by consensus. In the event of a divergence in views, decisions are made by a majority vote and the dissenting views are recorded. Decisions may also be made by way of resolutions in writing. These are reserved mainly for administrative or routine matters, or to document decisions on matters that had been previously deliberated on.

Meeting materials are furnished to our Directors well in advance of each meeting through a secure portal accessible via tablet devices provided by the Bank. Where appropriate, Management may seek inputs from Directors ahead of the meeting for more focused discussions. Subject-matter specialists and professional advisers may also be invited to share their expertise at meetings. Directors set aside time at Board meetings for discussions in the absence of Management. They also meet frequently outside formal board meetings. In addition, Directors may meet privately with the Chairman and/or NC chair. Between meetings, Management updates our Board or Board Committees on matters of interest to them or that require their attention, on an ongoing basis.

The Board and Management come together each year for our Annual Strategy Refresh, where we review our strategy in light of current developments. Our Board also holds an in-country retreat each year in one country where we operate. In-country retreats are opportunities for our Board to meet with the local boards, management teams and employees, and have a better understanding of the markets in which we operate. At such retreats, our Board also hear from local experts on specific topics. In 2023, the retreat was held in Malaysia.

Our Board keeps in touch with the developments and progress of our regional subsidiaries and offices through regular reports or briefings, depending on the circumstances of each subsidiary or office. These ensure that our regional operations and subsidiaries remain aligned with the Group's strategy and are well-placed to support one another and our customers.

1 A reference to one gender includes other genders.

Corporate Governance

Board attendance

The Directors' attendance at formal meetings in 2023 is set out in the table below.

Name of Director	Status	Number of meetings attended in 2023 AGM	Board	AC	BRMC	EXCO	NC	RHCC
Wong Kan Seng	Independent	1	•5	–	5	•4	3	5
Wee Ee Cheong	Executive	1	5	–	5	4	3	–
Michael Lien Jown Leam	Non-independent, Non-executive	1	5	–	–	4	3	–
Wee Ee Lim	Non-independent, Non-executive	1	5	–	5	–	–	5
Steven Phan Swee Kim	Independent	1	5	•4	–	4	•3	5
Chia Tai Tee	Independent	1	5	4	•5	–	3	–
Tracey Woon Kim Hong	Independent	1	5	4	5	–	–	•5
Dinh Ba Thanh	Independent	1	5	–	–	–	–	–
Teo Lay Lim	Independent	1	5	4	–	4	–	–
Ong Chong Tee	Independent	1	5	-	5	4	–	–
Number of meetings held in 2023		1	5	4	5	4	3	5

• Denotes chairman.

Managing potential conflicts of interests

Our Directors disclose their interests in various matters at least quarterly. A Director who has an interest in a matter that may conflict with his duties to UOB must disclose the details of his interests, recuse himself from the discussion and abstain from voting on the matter. Such abstentions are duly recorded in the minutes of meeting.

Access to Management, advisers and information

The Directors have independent and unfettered access to Management, the company secretaries and the internal and external auditors. Our Board and Board Committee chairs meet separately with the relevant function heads or in-house specialists in preparation for Board and Board Committee meetings.

Our Chairman also meets with Management and other relevant function heads regularly to keep abreast of developments and initiatives.

Directors may also seek independent professional advice or engage subject-matter experts at the Bank's expense in the course of discharging their duties.

Company secretaries

Two legally-trained company secretaries support our Directors in discharging their responsibilities and in monitoring the implementation of decisions made by the Board and Board Committees. They also advise the Board on governance matters, update on applicable laws and regulations, and facilitate communications between the Board and Management, and between the Bank and its stakeholders. The company secretaries facilitate the induction for new Directors and existing Directors who have been appointed to new Board Committees, the Board's professional development and the engagement of subject matter experts, where necessary.

The appointment and removal of the company secretaries are subject to our Board's approval.

Board Composition and Directors

Chairman and Chief Executive Officer

Our Chairman, Mr Wong Kan Seng, is an independent Director. He leads our Board, sets the Board meeting agenda and promotes a culture of openness and debate. He facilitates the effective contribution of all Directors and information flow between our Board and Management, and sets the right ethical and behavioural tone. In addition, he oversees corporate governance matters, guides the engagement with stakeholders and chairs our general meetings. In 2023, Mr Wong was a member of all Board Committees except the AC. Nevertheless, he attended all AC meetings. These meetings provide him with a good overview of all Board Committees' activities. In March 2024, Mr Wong was appointed as a member of the AC.

Our Chairman also meets with Directors individually or in small groups from time to time.

Mr Wee Ee Cheong, our CEO, leads the management team in implementing the strategies and plans approved by our Board. He also seeks regional business opportunities, ensures regional operations are aligned to the Group strategy, and drives strategic initiatives. In addition, he promotes a risk-focused and inclusive culture, and practices that are consistent with our values, as well as fosters a conducive environment for our colleagues to achieve their organisational and personal goals. He is supported by management committees that help to oversee various aspects of the Bank's operations, including ensuring that the system of risk management and internal controls is adequate and effective, and that our work culture and environment are safe and healthy. The management-level committees are further supported by specialist committees with domain expert representation to oversee specific areas.

Lead independent director

Our Board has not appointed a lead independent director as our Chairman is independent, has no familial or other close ties with our CEO and is not a substantial shareholder. Furthermore, the Board comprises a majority of independent and non-executive Directors. If the Chairman is conflicted on any matter, our NC chair will fulfil the role, on a case-by-case basis, as circumstances warrant.

Nominating Committee

Our NC supports our Board in:

- assessing the independence of Directors;
- reviewing the size and composition of our Board and Board Committees;
- assessing the performance of our Board, Board Committees and each Director, including recommending the process and criteria for evaluation;
- establishing a board diversity policy and monitoring compliance with the policy;
- recommending the appointment and re-election of Directors;
- performing succession planning for our Directors;
- implementing a programme for the continual development of our Directors;
- reviewing the nominations and reasons for resignations of relevant Management personnel, including the CEO, Chief Financial Officer (CFO) and Chief Risk Officer (CRO); and
- performing talent management and succession planning for our CEO and relevant Management personnel.

The NC's main activities are described on pages 87 to 91.

Board independence

Our Board adopts the criteria for independence of a director under the Banking Regulations, SGX-ST Listing Rules and MAS Guidelines. A director is deemed to be independent if:

- he has no relationship with the bank, its related corporations, substantial shareholders or officers that could interfere or reasonably be perceived to interfere with the exercise of the director's independent business judgement in the best interests of the bank;
- he is not or has not been employed by the bank or any of its related corporations in the current or any of the past three financial years;
- he does not have an immediate family member who is or has been employed by the bank or any of its related corporations in the current or past three financial years and whose remuneration is or was determined by the remuneration committee; and
- he has not served on the board for nine years or longer, in aggregate.

Our NC assists our Board to assess the independence of each Director based on the above criteria, the disclosure of his other appointments and commitments, interests, personal circumstances and his performance in the discharge of his duties annually.

Corporate Governance

Our NC's assessment of our Directors' independence and the bases of its assessment are as follows:

Independent Directors	Non-independent, non-executive Directors	Executive Director
Wong Kan Seng **Steven Phan Swee Kim** **Chia Tai Tee** **Tracey Woon Kim Hong** **Dinh Ba Thanh** **Teo Lay Lim** **Ong Chong Tee** • Meet all independence criteria	**Michael Lien Jown Leam** • Closely connected to a substantial shareholder **Wee Ee Lim** • A substantial shareholder • The estate of his late father, Wee Cho Yaw, is a substantial shareholder. His brothers, Wee Ee Cheong and Wee Ee Chao, are substantial shareholders • His brother, Wee Ee Cheong, is a Director and the CEO	**Wee Ee Cheong** • The CEO • A substantial shareholder • The estate of his late father, Wee Cho Yaw, is a substantial shareholder. His brothers, Wee Ee Chao and Wee Ee Lim, are substantial shareholders. • His brother, Wee Ee Lim, is a Director

Fitness for office

Annually, each Director makes a declaration based on the MAS Guidelines on Fit and Proper Criteria. The NC reviews the declarations and considers any other relevant information that comes to its attention when assessing if our Directors remain fit and proper for office. The NC also reviews the performance of each Director every year. Taking these into consideration, our NC has determined that all Directors are fit and proper for office.

Board size, composition and diversity

The NC reviews the Board's size, composition and skill sets regularly to ensure it has the appropriate mix and balance of skills, experience, independence and knowledge and that collectively, the expertise and skills of our Board members are appropriate for the discharge of the responsibilities of the respective Board Committees, having regard to the strategies and aspirations of the Group, and developments in the markets in which we operate.

Our Board Diversity Policy sets out the Bank's approach to and framework for ensuring the diversity of our Board. Its objectives are to achieve a range of insights from a broader perspective in decision-making, to avoid groupthink, share country/industry peculiarities and ensure continuity in Board succession. The dimensions of diversity considered by our Board include functional and domain skills, regional experience, industry experience, age, gender, ethnicity and culture, tenure and independence.

Newer Directors bring fresh perspectives whereas Directors with longer tenure ensure stability and continuity. This balanced approach of having Directors of different expertise and tenures on the Board has helped to bring about quality discussions and kept our Board renewal process smooth.

Our Board is satisfied that the current board size of 10 Directors is appropriate. It is also satisfied that the Board is sufficiently diverse to meet the needs of the Group and ensure the effective oversight of the Group's affairs. Collectively, our Directors' skills, expertise and experience span different industries, markets, professions and the public and private sectors. Their core competencies include banking and other financial services, strategic planning and development, transformation, accounting and finance, audit, human resources, risk management, corporate governance, policy and regulatory matters, consumer services, marketing, technology and media, which are competencies essential to the business of the Bank. Our NC maintains a board skills map that charts the skills, expertise and experience of the incumbent directors and which is used to help identify any potential gap in the Board and Board Committees. None of our Directors has appointed an alternate director.

The Board targets to have at least one female director on our Board at all times. This target has been exceeded. In conducting a director search, our NC will take into account our diversity target, any gap that is identified or anticipated, and the time horizon of the gap.

More information on the appointment of Directors can be found on page 90.

Board Committee composition

At least annually, our NC reviews the composition of the Board Committees, taking into consideration each Director's respective expertise and time availability. Highlights of our Board Committee composition are below:

Audit Committee	• Five members • All members are independent • All members have recent and relevant accounting or related financial experience or expertise: o AC chair, Mr Steven Phan, was an accountant and auditor by profession. He has more than 35 years of experience in audit and advisory roles o Dr Chia Tai Tee was the chief risk officer of a state-owned investment company, where his responsibilities included reviewing financial performance of portfolio assets o Ms Tracey Woon was an investment banker for more than 40 years, during which she advised on corporate finance, debt finance and wealth management transactions, and financial strategy and impact. She has also held leadership roles in an international bank, where her duties included reviewing financial performance o Ms Teo Lay Lim has held professional leadership roles, including as the chief executive officer and chair of several large organisations, where her responsibilities included overseeing financial performance o Mr Wong Kan Seng has deep experience in a wide range of topics garnered from his years in the Cabinet of Singapore, including as Deputy Prime Minister • None of the AC members has served as a partner or director of our current external auditor within the two years prior to his appointment to the AC or holds any financial interests in the external auditor
Board Risk Management Committee	• Six members • Majority of the members, including the chair, are independent • BRMC chair, Dr Chia Tai Tee, was the chief risk officer of a state-owned investment company from 2011 to his retirement in 2020
Executive Committee	• Six members • Majority of the members, including the chair, are independent
Nominating Committee	• Five members • Majority of the members, including the chair, are independent
Remuneration and Human Capital Committee	• Four members • Majority of the members, including the chair, are independent • All the members are non-executive

Corporate Governance

Board performance and time commitment

Each Director performs a self-assessment and an assessment on the Board and each Board Committee of which he is a member annually. The format and structure of the assessments are approved by our Board. The responses are collated by the company secretaries and the anonymised results are submitted for our NC's review. Each Board Committee also receives the anonymised results as well as relevant comments from other Directors.

Our NC also reviews the performance of each Director during the year. No Director is involved in his own assessment.

In evaluating our Board's performance, our NC considers qualitative and quantitative factors including:

- the Bank's performance; and
- the Board's organisation and responsibility for the Bank's strategy, progressive renewal of the Board, sustainability, risk management and internal controls, corporate governance and regulatory compliance.

It also considers the number of directorships and principal commitments when evaluating the time commitment of Directors, as guided by our internal guidelines on time commitment of Directors. The guidelines differentiate between Directors with or without full-time employment. Directors are encouraged to inform our NC chair prior to accepting any proposed new appointment, and the NC chair may provide advice or feedback, where appropriate. In the NC's opinion, our Directors have devoted sufficient time and attention to matters of the Group in the discharge of their responsibilities, both in and outside meetings.

Appointment and re-election of Directors

The selection of Directors is based primarily on merit, with due and conscious consideration for the needs of our Board in terms of skills and diversity.

When appointing or re-electing a Director, our NC:

- reviews our strategic objectives and identifies the skill sets that will help us achieve those objectives;
- reviews candidates' skill sets and experience, independence, qualification for office, personal attributes such as integrity and financial soundness, and ability to commit time to the Bank's affairs;
- conducts due diligence on candidates to ensure they are fit and proper for office and ascertain their independence;
- takes into account the operating environment, emerging trends and potential developments in the market; and
- considers the pipeline for ongoing succession planning.

All Directors are invited to nominate candidates from time to time. In order to access a wider range of skill sets, experience, expertise and aspects of diversity, our Board may, where appropriate, engage an external consultant to help broaden the search for directors.

Our NC reviews the suitability of each candidate, taking into account the needs of our Bank, before making its recommendation to the Board. Suitable candidates with the required or desired skill sets are monitored for their availability and time commitments. With our Board's concurrence, our NC chair initiates discussions with the candidates as appropriate and updates our Board regularly on the progress. When appropriate, Directors meet candidates to assess their suitability. All Board appointments are subject to the approval of the MAS.

New Directors must submit themselves for re-election at the first AGM following their appointment, and all Directors retire by rotation at least once in every three years.

When evaluating a Director for re-election, our NC also considers that Director's performance and time commitment, and whether his skills, expertise and experience remain relevant to the evolving needs of the Bank. Directors are put up for re-election at the AGM individually.

Refer to pages 246 to 249 for the Additional Information on Directors Seeking Re-election.

Induction of new Directors

An induction package, which includes the Articles of Directorship, terms of reference of the Board and Board Committees, guidance on directors' duties and relevant company policies, is provided to newly-appointed Directors. Newly-appointed directors also receive briefings on key business areas and support functions, our system of risk management and internal controls, and sustainability initiatives.

When a Director is appointed to serve on a Board Committee, he is also briefed on matters relevant to the responsibilities of that Board Committee, as needed.

New Directors who have no prior experience as directors of public-listed companies also attend training programmes stipulated by SGX-ST.

Directors' Development Programme

Our Directors receive briefings to keep abreast of developments which are relevant to the Bank and industry. Topics range from those on the banking industry to other topics such as technological development and socio-economic, political or regulatory matters. At least half a day is set aside each quarter, during which training may be conducted by internal or external subject-matter experts.

In 2023, our Directors received training on data analytics (DA), AI, cybersecurity, new technology, blockchain and digital assets, cryptocurrency money laundering risks, Basel IV, sustainability, net zero and sanctions. The Directors also visited our backroom facilities to learn about our technology risk management. There were also dialogue sessions with our Technology Advisory Panel and Sustainability Advisory Panel on technology and sustainability issues and developments respectively.

All Directors have completed their training on Environmental, Social and Governance Essentials under the Singapore Institute of Directors' Listed Entity Directors Programme.

Leadership succession

Our NC performs succession planning for our CEO and other relevant Management personnel. We have established frameworks and policies for human capital development and succession planning for Management, including for our Head of Group Audit (GA).

We believe in growing our own timber and are committed to developing a pipeline of leaders from among our colleagues to support our long-term strategy and growth. Colleagues with the right values and who have the requisite competency and leadership potential are identified, and nurtured through structured development programmes, including functional and leadership skills training, mentorship and participation in significant projects. Cross-functional training, regional exposure and networking opportunities are also provided. Our Board monitors the progress of our leadership talents closely and meets with them regularly.

At the same time, we appreciate fresh perspectives and insights of external candidates and welcome those who can augment our collective skill sets and experience.

Remuneration and Human Capital

Our RHCC seeks to ensure that our compensation and benefits strategies support the creation of long-term value and strengthen our franchise, and are aligned with the long-term interests of shareholders and other stakeholders. In determining the total compensation for our Group, the RHCC considers various factors including underlying business risks, business outlook, performance, investments in infrastructure and capabilities, as well as market trends for comparable positions. Our BRMC provides input to our RHCC to ensure that our remuneration and incentive practices do not incentivise inappropriate risk-taking.

Remuneration and Human Capital Committee

The main responsibilities of our RHCC are:

- determining a remuneration structure and framework for our Directors;
- overseeing performance assessment of Senior Management;
- determining a remuneration framework for employees that is appropriate and proportionate for sustained performance and value creation, for long-term success, and linked to performance and risk management; and
- reviewing frameworks and policies for succession planning and human capital development.

Highlights of our RHCC's activities in 2023:

- Reviewed our employee remuneration structure in relation to our long- and short-term strategies, to build and strengthen our human capital for continued relevance and sustainability, keeping in view the intense competition for talent in the market;
- Approved changes to our variable pay deferral policy and enhancements to the total compensation model;
- Advised Management on the performance, incentive and consequence framework for employees;
- Guided Management on our workforce strategy, including skills development and upskilling for our colleagues;

Corporate Governance

- Reviewed the size, shape and skills of our workforce as well as the strategies for recruitment and retention, bearing in mind the long-term strategic objectives of our Bank;
- Guided Management on the integration of new colleagues from the acquisition of the Citigroup consumer banking business;
- Monitored our progress in nurturing our talent at different levels, in providing opportunities for all suitable candidates and building a pipeline of regional leaders of the future; and
- Advised Management on employee engagement, communication and culture.

Directors' remuneration

The proposed fee structure for Directors for the financial year ended 31 December 2023 is as follows:

	Chair	Member
Basic fee	1,100,000	110,000
Audit Committee	110,000	70,000
Board Risk Management Committee	110,000	70,000
Executive Committee	110,000	70,000
Nominating Committee	65,000	45,000
Remuneration and Human Capital Committee	65,000	45,000

Details of the proposed total fees and other remuneration paid/payable to our Directors for the financial year ended 31 December 2023 can be found in the table below. Save for the remuneration disclosed below, our Directors do not receive any other remuneration. The directors' fees payable to Directors who have served less than a year are pro-rated.

	Directors' Fees $	Fees from subsidiaries $	Salary $	Bonus $	Benefits-in-kind and others[1] $	Total $
Wong Kan Seng	1,370,000	–	–	–	–	1,370,000
Wee Ee Cheong[2]	–	–	1,200,000	14,690,000	39,701	15,929,701
Michael Lien Jown Leam	225,000	–	–	–	–	225,000
Wee Ee Lim	225,000	–	–	–	–	225,000
Steven Phan Swee Kim	400,000	–	–	–	–	400,000
Chia Tai Tee	335,000	–	–	–	–	335,000
Tracey Woon Kim Hong	315,000	–	–	–	–	315,000
Dinh Ba Thanh	110,000	–	–	–	–	110,000
Teo Lay Lim[3]	250,000	–	–	–	–	250,000
Ong Chong Tee[4]	250,000	–	–	–	–	250,000

1. Transport-related benefits, including the provision of a driver for Mr Wee Ee Cheong.
2. 60% of the variable pay to Mr Wee Ee Cheong is deferred and will vest over the next three years. Of the deferred variable pay, 40% will be issued in deferred cash, while the remaining 60% will be in the form of share-linked units.
3. Ms Teo Lay Lim was appointed as a member of the Audit Committee on 1 January 2023.
4. Mr Ong Chong Tee was appointed to the Board and as a member of Board Risk Management Committee and Executive Committee on 1 January 2023.

Eligible non-executive Directors will receive approximately 30 per cent of their fees in fully paid ordinary shares (share awards) in lieu of cash, pursuant to the UOB Share Plan. There will be no dilutive impact on shareholders as the shares are drawn from the pool of treasury shares. The actual number of shares to be awarded to eligible non-executive Directors will be determined by reference to the volume-weighted average price of the ordinary shares over the 10 trading days immediately following from the date of the Bank's AGM. The number of ordinary shares to be awarded will be rounded up to the nearest 100 shares and the cash amount representing the additional number of ordinary shares delivered as a result of the rounding up exercise will be correspondingly deducted from the cash component of the Directors' fees.

Although the share awards granted to eligible non-executive Directors are not subject to any vesting period or condition, the eligible non-executive Directors are encouraged to voluntarily hold the ordinary shares which are the subject of each share award for at least three years from the grant of the share awards for so long as they are Directors of the Bank. The voluntary retention of shares would serve to align Directors' interests with the long-term interests of the shareholders and the Bank.

Mr Wee Ee Lim is a substantial shareholder while Mr Michael Lien is closely associated with a substantial shareholder. Hence, they do not participate in the UOB Share Plan and directors' fees payable to them will be paid wholly in cash. Mr Wee Ee Cheong, an executive Director, is remunerated as an employee and does not receive any directors' fees for serving on the Board and Board Committees.

The fees payable to retiring/retired eligible or deceased Directors will be paid wholly in cash.

No Director was involved in the determination of his own remuneration.

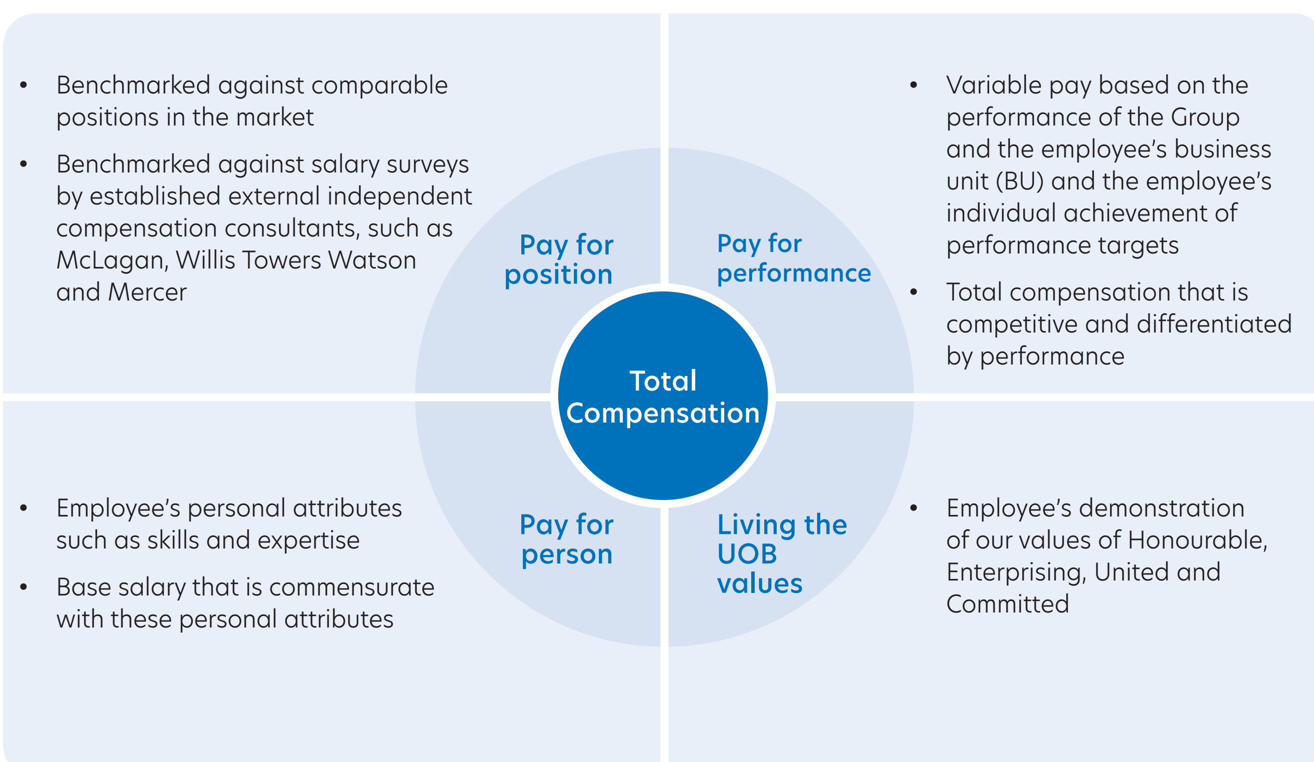
Employees' remuneration

The Bank's meritocratic remuneration practices support the Group's long-term business and people strategies and objectives, and are aimed at providing each employee with a fair total compensation.

Our remuneration policy for employees sets out the principles and philosophies that guide the design, operation and management of our remuneration programmes. It takes into account the principles and standards set by the Financial Stability Board (FSB P&S), 2021 MAS Guidelines and the G30 Recommendations on Banking Conduct and Culture. The policy covers the remuneration of all employees and is reviewed by our RHCC regularly to ensure our compensation practices and programmes are appropriate to attract, retain and motivate a highly-skilled workforce, while also meeting applicable regulatory requirements.

Our RHCC considers key aspects of employee remuneration, including the termination provisions in service contracts, and reviews and approves the overall performance bonus, share-based incentive plans and Senior Management's remuneration based on the total compensation structure approved by our Board.

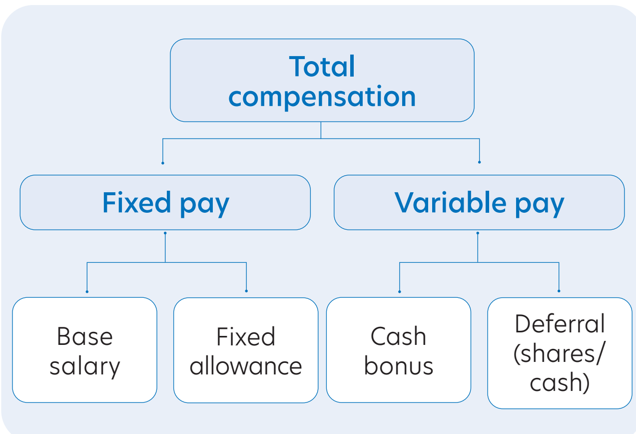
Ensuring fair compensation for every employee



Corporate Governance

Our total compensation structure

Our total compensation structure comprises two main components, namely, fixed and variable pay. Under our Group's total compensation framework, the total compensation paid to employees is a function of the Group's net profit before tax.



Fixed pay

Fixed pay consists of a base salary and fixed allowances that are pegged to the market value of the job.

Variable pay

Variable pay comprises cash bonuses and deferrals in the form of cash or shares, where applicable. It is a means of rewarding employees based on the performance of our Group and their BUs, the employees' individual performance and contributions, as well as behaviour that is aligned to our values. An employee's variable pay is determined based on the process shown on the right.

Determining the variable pay pool

- Determine variable pay pool based on the performance against the Group's Balanced Scorecard (BSC)
- Where applicable, adjust based on outcomes of the Group Risk Appetite Statement (GRAS)
- In the event of poor performance, the RHCC has the discretion to adjust the variable pay pool downwards

Allocating the variable pay pool to BUs

- Allocate to BUs based on the achievements of cascaded targets in the BSC, taking into account productivity
- Country heads are consulted on the variable pay pools allocated to in-country BUs

Distribute variable pay to individuals

- BUs determine their rewards based on, *inter alia*, the achievement of performance objectives, competencies and behaviours with respect to the UOB values
- Balance is sought between the achievement of key performance indicators and behaviour
- Employees who have exceeded performance expectations receive higher variable pay

Group Balanced Scorecard

Our Group's BSC includes metrics for financial outcomes, as well as strategic and business drivers. To align with our strategic focus on sustainability, sustainability-related metrics are embedded in our Group BSC (under Transformation programmes) and GRAS.

Financial outcomes	Strategic and business drivers	GRAS outcomes
Growth	Customers	Risk
Profitability	Connectivity	People
Asset quality	Funding	Reputation
Productivity	Employee engagement	
	Transformation programmes	

Senior Management – The variable pay pool for our Senior Management is determined based on our net profit before tax with reference to the Group BSC and risk-weighted metrics. The usage of risk-weighted metrics emphasises our prudent capital usage and risk management approach across the Group. Senior Management refers to the CEO and members of the Group Management Committee who have the authority and responsibility for their respective Group functions.

Control job functions – To ensure independence, employees in control job functions, namely Risk Management, Credit, Compliance and Audit, are compensated independently of the performance of any business line or BU that they oversee or audit. The compensation of such employees is determined based on the overall performance of the Group, the achievement of operational key performance indicators of the control function and the performance of the individual employee. Our BRMC and AC approve the remuneration for our CRO and Head of GA, respectively, based on the Group's remuneration approach, and with the concurrence of our RHCC.

Variable pay deferrals

Our Group variable pay deferral policy applies to employees in senior grades, material risk takers (MRTs) and material risk personnel (MRP). MRTs are employees with significant organisational responsibilities that have a material impact on our Group's performance and risk profile, and employees with high-risk mandates in the form of risk-weighted assets, trading limits and trading sales budgets. MRP are employees who have the authority to make decisions or conduct activities that can significantly impact the Bank's safety and soundness, or which cause harm to a significant segment of the Bank's customers or other stakeholders, as defined in our Policy on Individual Accountability and Conduct.

Corporate Governance

The objectives and details of our deferral policy are as follows:

Objectives	Details
• To align compensation payment schedules with the time horizon of risks • To align the interests of employees with the long-term interests of shareholders and our Group • To retain employees whose contributions are essential to the long-term growth and profitability of our Group • To deliver compensation in a manner that drives the long-term performance of our Group	• 30 to 60 per cent[1] of the variable pay of MRTs and MRP is subject to deferral, with the proportion of deferral increasing with the amount of variable pay received • In addition to regulatory requirements, 20 to 40 per cent of variable pay for employees in senior grades who are non-MRTs and non-MRP is subject to deferral • Deferred variable pay may be in the form of deferred cash or shares under the UOB Share Plan[2] • Deferred cash vests equally over three years while 30 per cent and 70 per cent of deferred shares vest in the second and third years respectively • Vesting schedules may differ for MRP who are on sales incentive plans, and in countries where local regulations are stricter • Deferred compensation is subject to *malus*[3] and clawback within a period of up to seven years from the grant dates • Unvested portions of the deferred cash and shares may be eligible for interest and dividends respectively

1. Except for the CEO, for whom 60 per cent of variable pay is deferred, 40 per cent of the variable pay for Senior Management is deferred, in line with the requirements of the MAS Guidelines and FSB P&S. Please see page 92 for the details of our CEO's remuneration. As our current pay mix has a comparatively larger variable component, strict adherence to the MAS Guidelines and FSB P&S would affect the cashflow of our employees more than the market. Therefore, the Bank will gradually increase deferral rates to comply with the MAS Guidelines over two years, FY2023 and FY2024. Currently, more than half of our MRTs' and MRP's variable pay deferral is at at least 40 per cent. To ensure that the Bank remains competitive in the marketplace for talent, there will be no change to the variable pay deferral rates for MRP who are on sales incentive plans.
2. Details of awards under the UOB Share Plan can be found at Note 42 of the Financial Statement.
3. *Malus* of unvested deferred compensation and/or clawback of paid deferred compensation will be triggered by conduct constituting, causing or contributing to, *inter alia*, material violation of risk limits, financial losses or adverse change in risk profile, restatement of financial results or misconduct, malfeasance or fraud. The RHCC has the discretion to enforce *malus* and clawback of any deferred compensation.

The deferral guidelines and vesting conditions apply consistently to retiring, retired and retrenched employees. The Bank does not offer any accelerated payment of deferred compensation for employees leaving the Group other than in exceptional cases, such as death in service. There is also no special retirement plan, golden parachute or special severance package for any employee.

Remuneration governance

In 2023, we engaged two external management consulting firms, Aon Solutions and Oliver Wyman. Aon Solutions provided an independent review of the Bank's remuneration framework and policies against regulatory requirements. The results showed that the Bank was in compliance with the intent of the regulatory requirements.

Oliver Wyman provided an independent review of the Group's variable pay deferral policy and total compensation model. Following the review, our RHCC approved changes to our variable pay deferral policy and enhancements to the total compensation model.

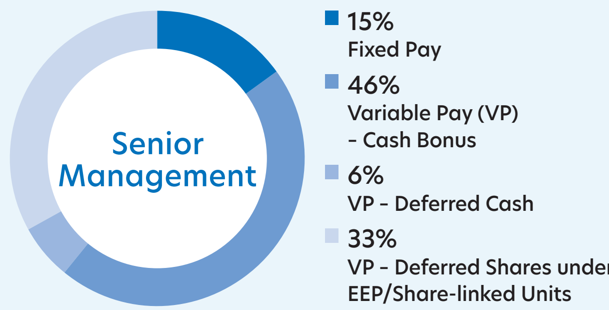
The consulting firms and their consultants engaged in the year are independent and unrelated to UOB or any of our Directors.

Remuneration outcomes in 2023

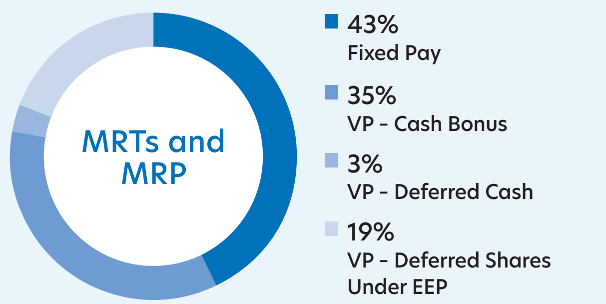
Our Group's net profit attained new heights in 2023 with the completion of the acquisition of the Citigroup consumer banking business, which deepened our regional presence and supported risk-adjusted returns for our shareholders. As a testament to our diversified commercial banking model, total income reached a new high of $13.9 billion, expanding 20 per cent on the back of higher interest rates and record fees from cards and investment banking. Expenses rose 15 per cent as our Group continued to invest in talent and technology to support franchise growth. Cost-to-income ratio, excluding one-off costs relating to the acquisition of the Citigroup consumer banking business, improved to 41.5 per cent, reflecting our measured approach to investments while building sustainable growth. Asset quality remained benign with non-performing loan ratio easing to 1.5 per cent. With sound levels of reserves, capitalisation and funding, the Group is well-placed to navigate macro uncertainties with resilience. In line with our Group's improved performance, our Group's variable pay pool increased.

Our RHCC also took into account the GRAS and BSC outcomes when determining our Group's compensation. The level and structure of remuneration are aligned with our long-term interests and our risk management policies.

Breakdown of remuneration awarded to Senior Management, MRTs and MRP in 2023



There are 13 employees, all of whom received variable pay



There are 384 employees of which 377 received variable pay

Breakdown of deferred remuneration in 2023

Deferred and retained remuneration	Total outstanding deferred remuneration	of which: total outstanding deferred and retained remuneration exposed to *ex post* explicit and/or implicit adjustments	Total amendments during the year due to *ex post* explicit adjustments[1]	Total amendments during the year due to *ex post* implicit adjustments[2]	Total deferred remuneration paid out in the financial year
Senior Management	100%	100%	0%	0%	37%
Cash	12%	12%	0%	0%	6%
Shares and share-linked instruments	88%	88%	0%	0%	31%
Other forms of remuneration	0%	0%	0%	0%	0%
MRTs and MRP	100%	100%	0%	0%	35%
Cash	6%	6%	0%	0%	2%
Shares and share-linked instruments	94%	94%	0%	0%	33%
Other forms of remuneration	0%	0%	0%	0%	0%

1. Examples of *ex post* explicit adjustments include *malus*, clawbacks or similar reversals or downward revaluations of awards.
2. Examples of *ex post* implicit adjustments include fluctuations in the value of shares or performance units.

Corporate Governance

Guaranteed bonuses, sign-on awards and severance payments in 2023

Category of Remuneration	Senior Management	MRTs and MRP
Number of guaranteed bonuses	0	0
Total guaranteed bonuses ($'000)	0	0
Number of sign-on awards	0	4
Total sign-on awards ($'000)	0	286
Number of severance payments	0	0
Total severance payments ($'000)	0	0

Top five non-director executives

Our Board has deliberated and decided not to disclose the remuneration of the Bank's top five non-director executives. Given the highly competitive market for talent, the Board is of the view that employee remuneration matters should remain confidential to support the Group's efforts to attract and retain highly-skilled individuals. Disclosure would impair our ability to compete fairly with many other banks operating in Singapore (including digital banks) that are not obliged to disclose remuneration details of their employees. Nevertheless, our RHCC, having carefully considered our remuneration structure, is satisfied that it complies substantially with the FSB P&S, and that the level and structure of remuneration are aligned with our long-term interests and risk management policies. Our BRMC is further satisfied that the remuneration structure does not incentivise excessive risk-taking.

Remuneration of immediate family members of Director, CEO or substantial shareholder

Ms Wee Jing En, the daughter of Mr Wee Ee Lim (Director), is an employee of the Bank. Her remuneration for 2023 was between $100,001 and $200,000. Our RHCC was not involved in determining her remuneration.

Particulars of the remuneration of our CEO, Mr Wee Ee Cheong, can be found on page 92.

Except as disclosed in this statement, no employee in the UOB Group was a substantial shareholder of UOB or an immediate family member of a Director or our CEO, and whose remuneration in 2023 exceeded $100,000.

Human capital management

Our people are our greatest asset. We consider the skills and expertise that are required to achieve the targets and goals, and the time horizon over which the needs will arise, and place great emphasis on ensuring that our workforce is well-prepared to meet the challenges that lie ahead, both skill-wise and mentally.

Our RHCC ensures that our talent acquisition, development and management strategy and approach can support the strategies of the Bank effectively. It also places great importance on training and equipping our workforce to remain relevant. Training, reskilling and upskilling programmes are arranged, often with specialists in various fields, and are available through the year. Employees are also encouraged to avail themselves of the carefully-curated, self-directed training programmes available on our learning portal.

Colleagues with the requisite competencies and leadership potential are nurtured as potential future leaders. Please refer to Leadership Succession on page 91. The internal talent pool is supplemented by externally-acquired candidates, who help to accelerate knowledge as well as skill acquisition and transfer.

The RHCC also reviews the schemes and benefits provided by the Bank to ensure that they are supportive of the well-being and professional and personal lives of our colleagues. In addition to such schemes and benefits, which cater to the diverse circumstances and needs of our colleagues, the Bank has policies in place to provide a safe and healthy work environment for all employees.

System of risk management and internal controls

Risk management and internal controls

Our system of risk management and internal controls comprises the following components:

- Management oversight and control: Management is responsible for ensuring that our frameworks, policies, methodologies, tools and processes for internal controls and risk management remain relevant, and are adequate and effective. We have management-level committees to address specific risk types;
- Three Lines Model: the roles of risk owners, risk oversight function and independent audit function are clearly defined; and
- An integrated governance, risk and compliance system, which facilitates information sharing, coordination and collaboration among our GA, Group Risk Management (GRM) and Group Compliance functions to provide more effective governance oversight and quicker response to issues identified.

Please refer to the Risk Management section for a detailed discussion of the risk governance, material risk types and risk management structure and approach.

Our business and support units conduct regular self-assessments on their compliance with internal controls, risk management processes and applicable regulations. The results are reviewed by management-level committees who monitor the progress made in any rectification works required. Our AC and our Head of GA review internal controls while our BRMC and our CRO review risk management processes.

The Board has additionally received assurance from our CEO, CFO and CRO, who have in turn received corresponding assurances from the respective function heads, that our system of risk management and internal controls (including credit, market, liquidity, operational, business and strategic, model, conduct and ESG) is adequate and effective. At UOB, operational risk includes banking operations, technology, regulatory compliance, legal, reputational, outsourcing, third-party non-outsourcing and fraud risks.

Based on our Board's review and with the concurrence of our AC and BRMC, the Board is of the view that our system of risk management and internal controls, including financial, operational, compliance (including AML/CFT and sanctions) and information technology controls, was adequate and effective as at 31 December 2023. As no system of risk management and internal controls can provide absolute assurance against error, loss or fraud, our system of risk management and internal controls provides reasonable but not absolute assurance that we will not be affected by any adverse event which may be reasonably foreseen.

Board Risk Management Committee

The key responsibilities of our BRMC are:

- overseeing the establishment and operation of a sound and independent risk management system to identify, to measure, monitor, control and report risks on an enterprise-wide basis;
- approving the risk and capital strategies and frameworks of our Group;
- overseeing risk culture and conduct as well as risk appetite;
- overseeing the establishment of risk measurement models and approaches;
- reviewing material credit policies, credit limits and exposure to large credits;
- reviewing related party transactions and interested person transactions;
- reviewing the adequacy of our risk management function's resources;
- guiding our Management in ensuring that our remuneration and incentive structure does not incentivise inappropriate risk-taking; and
- approving the appointment and remuneration of our CRO (subject to our Group remuneration structure) and reviewing his performance.

Our CRO is responsible for the day-to-day operations of the governance, risk management and compliance functions in the Group. He provides detailed briefings to the BRMC chair prior to each BRMC meeting.

Corporate Governance

Highlights of our BRMC's activities in 2023:

- Reviewed our approach to specific risks, and endorsed our risk appetite and the delegation of risk limits including credit limits;
- Reviewed our credit portfolio and monitored our Bank's capital and liquidity positions closely to ensure they remained healthy as we supported our customers in their post-pandemic restructuring and recovery efforts;
- Reviewed various stress test scenarios, the impact of various stress factors on our Bank and our response to those scenarios, our business continuity plans and recovery plans;
- Reviewed measures to enhance our Bank's capabilities on data security, AML/CFT and sanctions, including through the use of data analytics, machine learning, technology and industry sharing;
- Monitored risk conduct and culture risk, with particular focus on fraud risk management and fair dealing, and ensured that individual accountability is embedded in our risk management system;
- Reviewed and approved related party and interested person transactions;
- Supported our Bank's environmental risk management initiatives, which are geared towards helping customers in their transition towards more sustainable practices;
- Reviewed customer satisfaction levels in terms of complaints and compliments; and
- Reviewed the performance of our CRO and approved his remuneration.

Group Risk Management

GRM is responsible for managing the risks arising from the business activities of our Group and ensuring that these risks remain within the overall risk appetite established by our Board. In 2023, GRM's key initiatives included:

- strengthening of the Three Lines Model for robust management of credit risk of the consumer banking portfolio following the acquisition of the Citigroup consumer banking business;
- further strengthening of our knowledge in and capacity for environmental and climate risk management; and
- completion of the transition to Singapore Overnight Rate Average, Secured Overnight Financing Rate and other relevant alternative reference rates in accordance with regulatory guidelines.

Please refer to the Risk Management section for more information on the risk management initiatives introduced and implemented during the year.

Audit Committee

Our AC's main responsibilities are:

- reviewing our financial statements and any significant change in accounting policies and practices;
- reviewing at least annually, the adequacy and effectiveness of our internal accounting control systems and material internal controls;
- reviewing policies and procedures for handling whistle-blowing cases and overseeing related investigations;
- reviewing policies for detecting whistle-blowing, and arrangements by which our colleagues may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters;
- reviewing interested person transactions;
- reviewing annually, the adequacy, effectiveness and independence of our internal audit function, its audit plans, reports and results, and the budget and resources of our internal audit function;
- approving the appointment, resignation, dismissal, evaluation and remuneration of our Head of GA (subject to our Group remuneration structure); and
- approving the appointment, reappointment and removal (if necessary) of our external auditor, its audit and non-audit fees and terms of appointment, reviewing the audit plans and reports and evaluating the external auditor's performance and independence.

Our AC reviews the half- and full-year financial statements, and the voluntary financial updates of the first and third quarters. These are supported by assurances from our CEO and CFO that the financial records have been properly drawn up in accordance with the Banking Act 1970, the Companies Act 1967, relevant laws, regulations and regulatory requirements, and the Singapore Financial Reporting Standards (International), and present a true and fair view of the Group's financial position. Changes in accounting standards and policies are reviewed by our AC with our Finance team and external auditor. Technical sessions, for example, to discuss new accounting standards, may be arranged if necessary.

Both the internal and external auditors report directly to our AC, who ensures good coordination between them in their work. Every quarter, our AC meets the auditors in the absence of Management. The members also meet among themselves as required. The AC chair is briefed by the internal and external auditors before every AC meeting. The AC is authorised to investigate any matter within its terms of reference and has the full cooperation of and access to Management for this purpose.

Highlights of our AC's activities in 2023:

- Reviewed our half-year and full-year financial statements and first and third quarter financial updates and recommended them to the Board for approval;
- Reviewed our provisions to ensure they are adequate with regard to our loan portfolio and assessed whether our asset quality remained healthy;
- Reviewed audit reports submitted by internal and external auditors, and monitored the progress made on remedial works;
- Monitored progress made by GA in its strategic workforce plan and initiatives implemented, including the increased adoption of DA and enhancements to its audit methodology;
- Guided Management on accounting and assurance-related matters in connection with the acquisition and integration of the Citigroup consumer banking businesses;
- Discussed whistle-blowing reports with GA. Please refer to page 106 for more information on our whistle-blowing policy, which is administered by GA;
- Approved the engagement of the external auditor for non-audit services and the fees therefor; and
- Reviewed the adequacy and effectiveness of our audit resources across the Group and guided GA on the regional internal audit resource strategy.

External auditor

Our AC recommends the appointment or reappointment of our external auditor and approves the terms of engagement of the external auditor and its audit fees.

Our external auditor, Ernst & Young LLP, is registered with the Accounting and Corporate Regulatory Authority (ACRA). The audit partner is rotated at least once every five years.

In evaluating our external auditor for reappointment, our AC referred to the guidance in the Companies Act 1967, SGX Listing Manual, Audit Quality Indicators Disclosure Framework published by ACRA, the External Audits of Banks issued by the Basel Committee on Banking Supervision and the Audit Committee Guide published by the Singapore Institute of Directors.

Our AC has evaluated the external auditor's work and considered the related feedback from our internal auditor and Finance team. It is of the view that the external auditor has the requisite expertise and resources to perform its duties, and possesses a good understanding of our business, risk profile and operational issues.

In 2023, the non-audit fees paid or payable to the external auditor was 26 per cent of the audit fees paid to the external auditor and its affiliates. Please see Note 11 (Other Operating Expenses) to the Financial Statements for more information on the audit and non-audit fees. The AC is satisfied that the independence of the external auditor was not compromised by the non-audit fees received. Our external auditor also affirms its independence to the AC quarterly.

Having satisfied itself that our external auditor was independent, objective and effective in its audit of the Bank in 2023, our AC has recommended Ernst & Young LLP for reappointment at the 2024 AGM. Ernst & Young LLP is also the appointed external auditor of the overseas branches of our Group and subsidiaries, except for several small overseas subsidiaries who engage the services of other auditors due to local regulations and exceptional circumstances. Therefore, Rules 712 and 715 of the SGX-ST Listing Rules have been complied with.

Corporate Governance

Key Audit Matters

The table below sets out the key audit matters (KAMs) identified by our external auditor for the year under review, and our AC's comments on the KAMs. More information on the KAMs can be found in the Independent Auditor's report on pages 135 to 141.

Area of Focus	AC's comments
Purchase Price Allocation arising from acquisition of the Citigroup consumer banking business in Thailand and Malaysia	The AC was apprised by Management of the developments on the integration of the Citigroup consumer banking franchise. The EA tested Management's assessment over the identification and valuation of intangible assets, and the valuation of the assets and liabilities acquired from Citigroup on 1 November 2022 for Thailand and Malaysia. The EA's findings and results on the purchase price allocation exercise were presented to the AC.
Expected credit losses (ECL) on: (a) non-impaired credit exposures (b) Impaired credit exposures	Management updates the AC quarterly on significant changes in ECL. This includes macroeconomic developments and overlays necessary to compensate for model imperfections. The AC was apprised by both the internal auditor and the EA of Management's credit monitoring processes, controls and governance over model methodologies and assumptions and judgment applied in estimating ECL. The EA's audit test results on ECL were presented at AC meetings. The AC has assessed and reviewed these results and findings. The processes, controls and governance over impaired credit exposures were tested by the EA, who has reported their results to the AC. The EA's findings on significant non-performing loans, including the timeliness and appropriateness of classification and the adequacy of allowance made, were presented to the AC. The AC has discussed and reviewed the EA's findings and results.
Valuation of illiquid or complex financial instruments	The valuation processes, controls and governance were tested by the internal and external auditors, who have reported their findings to the AC. The EA's specialist independent validation of fair values of these financial instruments was presented to the AC. The AC has discussed and reviewed the EA's testing results on the fair value of illiquid or complex financial instruments. Where material differences have been highlighted by the EA, the AC has reviewed the valuation techniques and unobservable inputs used to determine the fair value of these instruments.
Impairment of goodwill	The EA has reviewed the goodwill impairment methodology and presented the test results, including comments from its valuation specialists and sensitivity analyses performed, to the AC. The AC was apprised of the cash flow forecasts, discount rates and growth rates used in the goodwill impairment testing, and has reviewed the test results with Management and the EA.

Our AC was satisfied that these KAMs were appropriately addressed in the Group's financial statements.

Internal auditor

Our Internal Audit Charter, which sets out the authority and responsibilities of GA, is reviewed by our AC every year. The AC approves the risk-based internal audit plan at the start of each year. During the year, our AC reviews the internal audit reports, results of the internal audits and remedial steps taken to address the findings. It also ensures that our audit resources are adequate and effective.

The Head of GA reports functionally to our AC, and administratively to our CEO. He is a member of our Management Committee, which oversees the overall performance of our Group, country corporate functions and business segments. This equips him with a good view of the material initiatives and activities of the Bank, enabling him to perform his role more effectively.

GA, which is independent from the units and activities it audits, is our Third Line. GA complies with the International Standards for the Professional Practice of Internal Auditing set by The Institute of Internal Auditors and The Internal Audit Function in Banks issued by the Basel Committee on Banking Supervision. These guidelines set out the mission and objectives of an internal audit function and the performance standards expected of internal audit activities. In performing its role, GA has unfettered access to all records, documents, property and personnel of the Bank.

To ensure it maintains its high performance standards, GA performs an internal quality assurance (QA) review and conducts a self-assessment against these standards and guidelines annually. As part of its QA review in 2023, GA also assessed the effectiveness of its risk assessment and issue validation activities. In addition, an independent external quality assurance review of our internal audit function is conducted at least once every five years. The last review on GA and all the overseas internal audit functions was completed in 2020.

The internal audit report rating in GA's methodology consists of an audit rating and a Management Governance and Oversight Rating (MGOR). The audit rating reflects the current state of the audited entity's control environment, while the MGOR provides an indicative measure of its management team in terms of:

- the effectiveness of its governance structure;
- the overall risk awareness and control consciousness; and
- the competence and willingness of its leaders when discharging their supervisory duties.

Entities with a strong MGOR and a good control environment may be subject to less frequent and/or intense audits. Conversely, a poor MGOR or a weak control environment may lead to more frequent and/or intense audits.

GA undertook the following key initiatives and activities in 2023:

- Supported Management in the integration of the acquired Citigroup consumer banking businesses to ensure a smooth transition of systems and processes;
- Supported Management in monitoring actions taken to meet Basel requirements;
- Continued to use advanced DA, including the pilot and application of a new behaviorally-informed audit approach in targeted areas;
- Continued to upskill and to deepen capabilities to keep pace with industry developments; and
- Continued to deepen engagement with internal stakeholders towards a more effective audit process.

Having reviewed the scope of internal audit for the financial year, the progress and results of the audits and the audited entities' responses to audit findings, our AC is satisfied that GA is independent, adequately resourced and effective in discharging its responsibilities.

Shareholder rights and engagement

Shareholder rights and conduct of general meetings

We hold our AGM within four months from the end of our financial year. To support shareholders' attendance and participation in decision-making at the AGM, we hold the AGM at a central location that is easily accessible by public transportation. The notice of general meeting (Notice) is issued well ahead of the AGM to provide shareholders with ample time to review the relevant documents and to appoint proxies should they wish to do so.

The Notice and proxy form will be sent to shareholders by post. The Notice, proxy form, registration process for attending the 2024 AGM and other relevant information will also be published on our website (www.UOBgroup.com) and the SGX website (www.sgx.com/securities/company-announcements). Shareholders will be informed of the publication of these documents via advertisements in the four official languages. The Notice will also be made available in *The Straits Times* and *Lianhe Zaobao*.

Corporate Governance

We table each proposal as a separate and distinct resolution and do not bundle or make them conditional on other resolutions. Relevant information relating to each resolution is provided in the Notice. Shareholders may request resolutions to be placed on the AGM agenda in accordance with the Companies Act 1967.

All shareholders are entitled to attend and vote at our general meetings. We currently do not practise absentia voting in view of the difficulties in authenticating shareholders. Shareholders who are not able to attend meetings in person may elect to vote via proxy. The rules for the appointment of proxies are set out in the Notice and proxy form. Shareholders who are not relevant intermediaries as defined in the Companies Act 1967 may appoint up to two proxies to attend and to vote on their behalf. Nominee companies and custodian banks which are relevant intermediaries may appoint more than two proxies while investors who hold shares through nominee companies or custodian banks may attend and vote as proxies of the nominee companies or custodian banks.

Duly-completed proxy forms must be deposited at the place specified in the Notice at least 72 hours before the time set for holding the general meeting. Shareholders may also choose to submit their proxy forms online to avoid any delay or loss during delivery of hard copies.

Shareholders are invited to submit questions for the Board ahead of the AGM. The responses to these questions are published ahead of the deadline for the submission of proxy forms. This is so that shareholders (including investors investing with monies from their Central Provident Fund and/or under the Supplementary Retirement Scheme) have the benefit of the responses from our Board and Management before they cast their votes. Shareholders may submit their questions by email or post. Relevant and substantial questions not answered before the proxy submission deadline will be answered during the AGM.

At each AGM, our CEO provides an update on our performance in the year under review before the resolutions are put to the vote. Our Directors, Management and external auditor are also in attendance to address shareholders' questions and feedback. Our Chairman ensures that adequate time is allocated for shareholders to ask questions or to provide feedback on substantial Bank-related matters and the resolutions to be passed.

Real-time voting is conducted via secure electronic devices or web-based systems provided by independent service providers. Shareholders and proxies are briefed on the polling procedures before the commencement of voting. After the close of votes on a resolution, the votes cast are counted and presented immediately to shareholders. Each ordinary share carries one vote. An independent scrutineer, who is in attendance at every general meeting, validates the voting results, which are announced on our website and the SGX website on the same day, after the general meeting.

At the close of general meetings, our Directors also take the opportunity to mingle with shareholders. Interaction with shareholders after the 2024 AGM will be subject to the prevailing health advisories from the relevant authorities.

The minutes of the AGM, together with the responses to the queries raised by shareholders during the meeting and voting outcomes of the resolutions, are published on our website after the AGM.

Engagement with shareholders

Our investor relations policy governs our engagement with our stakeholders, including our shareholders, institutional and retail investors, shareholder proxy advisory agencies, equity and fixed income analysts and credit rating agencies. All pertinent information is published on our website and the SGX website.

Besides updates to our shareholders at general meetings, we publish our voluntary financial updates (first and third quarters) and half-year financial reports within 45 days from the end of each of the first, second and third financial quarters, and our full-year financial statements within 60 days from the financial year-end.

Our annual report is available on our website and the SGX website within 90 days from the financial year-end. We inform shareholders and other stakeholders of the publication of our annual report on our website and the SGX website, and via newspaper notification advertisements in the four official languages. Apart from the AGM, our stakeholders may also contact our Investor Relations unit. The contact details can be found in the Corporate Information page and Investor Highlights section of this report and on our website.

The Investor Relations webpage on our website (www.UOBgroup.com/investor-relations/index.html) hosts relevant investor-related information, including financial results, annual and sustainability reports, upcoming events and share and dividend information. Interested parties may subscribe to email alerts of substantive news and information released by us.

Managing stakeholder relationships

Engagement with other stakeholders

Our other material stakeholder groups include our customers, colleagues, governments and regulators, other financial institutions and industry and trade associations, suppliers, the media, our investors and analysts, the communities we operate in and non-governmental organisations. We regularly seek our stakeholders' views and expectations through dialogues, collaboration and research.

We engage the investment community through various avenues including briefings to the media, analysts and investors following the release of the quarterly financial results. The materials presented at such briefings are published on our website and the SGX website on the same day. Corporate Day events are organised periodically to provide the investment community with insights into our businesses and key markets. Our Management shares our corporate strategy, operational performance and business outlook during investor meetings, conferences and roadshows.

We also collaborate with other agencies such as the Securities Investors' Association of Singapore to reach out to retail investors on a regular basis. During the year, we provided updates on the integration of the Citigroup consumer banking business. Through these communication initiatives, we provide investors with pertinent information to help them in their investment decisions and to address any concern they may have. Please refer to the Investor Highlights for more information on our engagement activities with the investment community.

Information of interest to our shareholders and stakeholders, including but not limited to, our announcements on the SGX website, financial results and highlights, research on global economics and research, sustainability updates and new releases, are available on our corporate website.

More details on our sustainability strategies and engagement with our material stakeholders can be found in the Sustainability Report, which is available on our website.

Culture of accountability, responsibility and ethical behaviour

Dividends

We aim to provide sustainable returns to our shareholders as we balance our long-term strategic growth opportunities and our proactive management of capital. We aim to maintain and to deliver a dividend payout ratio of 50 per cent of our net profit after tax annually, taking into consideration our assessment of the macroeconomic outlook and business environment across the region.

Interim dividends are paid within 30 days after they are declared and final dividends are paid within 30 days after they are approved by shareholders at our AGM. If the UOB Scrip Dividend Scheme is applied to any dividend, payment will be made not later than 35 market days after the record date, in compliance with the SGX-ST Listing Rules. The details of dividends recommended or declared are announced on our website and the SGX website.

Articles of Directorship

Our Articles of Directorship lay down the principles of conduct and ethics expected of our Directors. These Articles are similar to the Code of Conduct (Code) applicable to our colleagues, including part-timers and temporary employees, trainees and interns, and are reviewed for relevance every year.

Code of Conduct

Our Code is underpinned by our values of Honourable, Enterprising, United and Committed. It lays down the principles of personal, professional and ethical conduct expected of our colleagues, including the following:

- Fair dealing in the conduct of business;
- Protection of personal data and customer information in accordance with applicable policies on privacy of customer information, and data security laws and regulations;
- Equal opportunity for employees based on merit;
- Non-tolerance of discrimination, bullying or harassment on the basis of gender, race, age, religion, disability or any other legally-protected characteristic that improperly interferes with an employee's work performance or creates an intimidating, hostile, demeaning or offensive working environment;

Corporate Governance

- Maintenance of a conducive and healthy environment that contributes to the safety and well-being of our colleagues and other stakeholders;
- Compliance with applicable laws and regulations, including competition and anti-trust law;
- Zero tolerance of bribery, corruption and illegal or unethical dealings, including insider trading and facilitation payments; and
- Whistle-blowing.

New guidance is incorporated into the Code from time to time to address new considerations, including the emergence of generative AI tools and the widespread use of social media. New colleagues are introduced to the Code as part of their induction. All colleagues refresh their knowledge annually through our online self-learning programme and are assessed on how well their behaviour is aligned to our values in their annual performance appraisal. Any colleague who does not comply with the Code may be subject to disciplinary action. Investigations are conducted in accordance with neutral fact-finding processes, which are carried out with utmost objectivity and based on the principles of fairness and natural justice.

Individual Accountability and Conduct

The Bank has established a Policy on Individual Accountability and Conduct to foster a strong culture of responsibility and ethical behaviour to safeguard the interests of our customers and the Bank. The policy seeks to promote the individual accountability of senior managers, strengthen oversight of MRP and reinforce standards of proper conduct among all our colleagues. It sets out the guiding principles on the importance of the roles of senior managers, MRP and colleagues from a risk perspective, the identification criteria for senior managers and MRP and the governance framework and standards of conduct for all colleagues.

Whistle-blowing

Our whistle-blowing policy is designed to promote a culture of openness, accountability and transparency, and is grounded on best practices and regulatory guidelines. It provides for any person to report, anonymously or otherwise, any suspected or actual wrongdoing (such as fraud and breaches of the law, regulations or our policies) in confidence to our Head of GA, AC chair, CEO or Chairman. All reports received are accorded the strictest confidentiality. Our GA, which is independent, investigates all reports and submits its reports directly to our AC. Reprisal in any form against whistle-blowers who have acted in good faith is forbidden and will be subject to disciplinary actions.

The details relating to the making of whistle-blowing reports are available on our website (www.UOBgroup.com/investor-relations/corporate-governance/index.html).

Fair Dealing

The core elements of Fair Dealing – integrity, trust and respect – are deeply entrenched in our organisational culture. All colleagues have a role to play in ensuring that Fair Dealing is at the heart of everything we do, from the way we design investment products and services, to our marketing and sales strategies and approaches, and to our after-sales care. To this end, we have established policies, guidelines and best practices to guide our colleagues in our daily activities. Our colleagues undergo online training annually to refresh their understanding of Fair Dealing.

Customers and the general public may provide their feedback on our products and services via the customer service hotline or feedback form on our website. Our independent customer complaint review process ensures that complaints are reviewed and investigated independently, effectively and promptly. An independent compensation review panel reviews claims and its decisions are communicated to customers on a timely basis.

We have a customer advocacy team which champions our customer-centric approach. As part of its role, the team gathers customer insights and data, and overlays that with voice-of-the-customer benchmarking research by global consultants to gain better insights into the evolving needs and expectations of customers. To help provide customer service excellence and to foster trust from our customers, the team also collaborates with cross-functional stakeholders to review and redesign customer journeys, and monitors key performance indicators and metrics relating to customer experience across different customer segments against industry standards.

More information on our commitment to Fair Dealing can be found in the Sustainability Report.

Securities dealing

Our Directors and colleagues are guided by a code on dealing in securities, which requires them to comply with applicable laws on insider dealings at all times. Under the code, Directors and colleagues may not deal in our securities:

- on short-term considerations;
- whenever they are in possession of price-sensitive information; and
- during the period commencing two weeks before the announcement of our financial results for each of the first, second and third quarters of the financial year and one month before the announcement of the full-year financial statements.

We do not deal in our securities during these prohibited dealing periods and we inform our Directors and colleagues of such blackout periods.

Colleagues with access to price-sensitive information in the course of their duties must seek clearance before they trade in securities listed on a stock exchange. Failure to do so may result in disciplinary action.

Our Directors and CEO must disclose their interests in the securities of UOB and its related corporations within two business days after they have acquired or disposed of such interests or become aware of any change in their interests. We will announce the changes on the SGX website in compliance with the applicable regulations.

Related party transactions and interested person transactions

We have established policies, processes and guidelines for the approval of and entry into related party and interested person transactions. These policies, processes and guidelines are based on regulatory requirements, including the Banking Act 1970, the SGX-ST Listing Rules, and MAS guidelines and notices.

Our BRMC assesses whether the transactions are undertaken in the ordinary course of business, on normal commercial terms and at arm's length. Our AC will also review and provide its opinion on interested person transactions, where required under the SGX-ST Listing Rules. The BRMC comprises of a majority of independent directors while all directors in the AC are independent.

The particulars of interested person transactions entered into in 2023 are set out on the next page.

Corporate Governance

Interested Person Transactions			
Name of interested person	**Nature of relationship**	**Aggregate value of all interested person transactions during the financial year under review (excluding transactions less than $100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)**	**Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than $100,000)**
Singapore Land Group Limited	Associates of Controlling Shareholder, Estate of Wee Cho Yaw, deceased	UOB Travel Planners Pte Ltd sold travel products and services to Singapore Land Group Limited. The total value of these transactions was $101,864	Nil
UOB Kay Hian Private Limited	Associates of Controlling Shareholder, Estate of Wee Cho Yaw, deceased	UOB Travel Planners Pte Ltd sold travel products and services to UOB Kay Hian Private Limited. The total value of these transactions was $231,705	Nil
UOL Group Limited and its subsidiaries (UOL Group)	Associates of Controlling Shareholder, Estate of Wee Cho Yaw, deceased	UOB Travel Planners Pte Ltd sold travel products and services to and acted as a hotel services agent for the UOL Group. The total value of these transactions was $1,090,308	Nil
UIC Asian Computer Services Pte Ltd	Associates of Controlling Shareholder, Estate of Wee Cho Yaw, deceased	UOB and its subsidiaries purchased hardware and software from UIC Asian Computer Services Pte Ltd valued at approximately $167.62 million	Nil
Aquamarina Hotel Private Limited (Parkroyal Collection Marina Bay Singapore)	Associates of Controlling Shareholder, Estate of Wee Cho Yaw, deceased	UOB and its subsidiaries engaged MICE services from Aquamarina Hotel Private Limited (Parkroyal Collection Marina Bay Singapore). The total value of these transactions was $178,974	Nil

Material contracts

Save as may be disclosed on the SGX website or in this Report, neither UOB nor our subsidiaries has entered into any material contract involving the interest of our CEO, any of our Directors or Controlling Shareholder since the end of the previous financial year and no such contract subsisted as of 31 December 2023.

Summary of disclosures
– Express disclosure requirements in the MAS Guidelines

Provisions and Additional Guidelines – Express disclosure requirements	Page reference
Provision 1.2 The induction, training and development provided to new and existing directors.	90 and 91
Provision 1.3 Matters that require board approval.	83
Provision 1.4 Names of the members of the board committees, terms of reference, any delegation of the board's authority to make decisions, and a summary of each board committee's activities.	83 to 102 inside back cover
Provision 1.5 The number of meeting of the Board and board committees held in the year, as well as the attendance of every director at these meetings.	86
Additional Guideline 1.17 How the induction, orientation and training provided to new and existing directors meet the requirements as set out by the NC to equip the board and respective board committees with relevant knowledge and skills in order to perform their roles effectively.	90 and 91
Provision 2.4 The board diversity policy and progress made towards implementing the board diversity policy, including objectives.	87 and 88
Provision 4.3 Process for the selection, appointment and re-appointment of directors to the board, including criteria used to identify and evaluate potential new directors and channels used in searching for appropriate candidates.	90
Provision 4.4 Where the board considers a director to be independent notwithstanding the existence of a relationship between the director with the company, its related corporation, its substantial shareholders or its officers, which may affect his or her independence, such relationship and the reasons for considering him/her as independent.	not applicable
Provision 4.5 The listed company directorships and principal commitments of each director, and where a director holds a significant number of such directorships and commitments, the NC and board's reasoned assessment of the ability of the director to diligently discharge his or her duties.	11 to 15, 90
Additional Guideline 4.11 Resignation or dismissal of key appointment holders.	not applicable
Additional Guideline 4.12 Identification of all directors, including their designations (i.e., independent, non-executive, executive, etc.) and roles (as members or chairmen of the board or board committees).	11 to 15, 86, 88
Provision 5.2 How the assessment of the board, its board committees and each director has been conducted, including the identity of any external facilitator and its connection, if any, with the company or any of its directors.	87 to 90
Provision 6.4 The engagement of any remuneration consultants and their independence.	93, 96

Corporate Governance

Provisions and Additional Guidelines – Express disclosure requirements	Page reference
Provision 8.1 The policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of: (a) each individual director and the CEO; and (b) at least top five key management personnel (who are not directors or the CEO) in bands no wider than $250,000 and in aggregate the total remuneration paid to these key management personnel.	92 to 98
Provision 8.2 Names and remuneration of employees who are substantial shareholders of the company, or are immediate family member of a director, the CEO or a substantial shareholder of the company, and whose remuneration exceeds $100,000 during the year, in bands no wider than $100,000. The disclosure should state clearly the employee's relationship with the relevant director or the CEO or substantial shareholder.	98
Provision 8.3 All forms of remuneration and other payments and benefits, paid by the company and its subsidiaries to directors and key management personnel of the company, including the details of employee share schemes.	92 to 98, 213
Provision 9.2 Whether the Board has received assurance from: (a) the CEO and CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the company's operations and finances; and (b) the CEO and other key management personnel who are responsible, regarding the adequacy and effectiveness of the company's risk management and internal control systems.	99 to 100
Additional Guideline 9.9 Whether a non-director member has been appointed to the BRMC.	not applicable
Additional Guideline 9.11 The Board's comments on the adequacy and effectiveness of the internal controls (including financial, operational, compliance and information technology controls, and risk management systems) and a statement on whether the AC concurs with the Board's comment. Where material weaknesses are identified by the Board or AC, they are disclosed together with the steps taken to address them.	99
Provision 10.1(f) Whether the existence of a whistle-blowing policy and procedures for raising concerns has been publicly disclosed, and clearly communicated to employees.	106
Additional Guideline 10.19 The Audit Committee's comments on whether the internal audit function is independent, effective and adequately resourced.	103
Provision 11.3 Directors' attendance at general meetings of shareholders held during the financial year.	86
Provision 12.1 The steps to solicit and understand the views of shareholders.	104 and 105
Provision 13.2 The strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period.	105
Additional **Guideline** 14.5 Material related party transactions.	107

Risk Management

Managing risk is an integral part of our business strategy. Our risk management approach focuses on ensuring continued financial soundness and safeguarding the interests of our stakeholders, while remaining nimble to seize value-creating business opportunities in a fast-changing environment. We are committed to upholding high standards of corporate governance, sound risk management principles and robust business practices to achieve sustainable, long-term growth. We continually strengthen our risk management practices in support of our strategic objectives.

2023 Highlights

- Strengthened our Three Lines Model for robust management of credit risk of the consumer portfolio, taking into account the increase in unsecured assets from the expanded consumer portfolio following our acquisition of Citigroup's consumer business in Indonesia, Malaysia, Thailand and Vietnam. A new Risk function was formed to assist Personal Financial Services to implement and execute effective controls to manage credit risk arising from its business activities. The Bank has also accelerated the investment in an automated Credit Portfolio Management platform to more actively and dynamically manage the retail portfolio credit risk.
- Further strengthened our knowledge in and capacity for environmental and climate risk management:
  - Developed a net zero operationalisation programme to uplift our operating model across governance, risk management, business policies and processes, as well as capabilities and culture;
  - Bolstered our environmental risk appetite statement with a quantitative climate-risk related metric to better monitor and manage environmental risk in our portfolio;
  - Strengthened our approach on climate scenario analysis and stress testing, focusing on the assessment of physical risk impact and scaling up the coverage of our bottom-up assessment;
  - Launched an Environmental, Social and Governance (ESG) Adverse News Surveillance System to enhance ongoing ESG risk monitoring of our customers, leveraging on UOB's new ESG data management and analytics platform;
  - Conducted nature-related dependency and impact heatmapping of our corporate portfolio to better understand our potential exposure to nature-related risk. We further tightened our financing stance on the palm oil sector to mitigate deforestation and biodiversity risk; and
  - Fortified our capacity-building efforts through the roll-out of our in-house responsible financing e-learning programme.
- Enhanced our Trade Surveillance monitoring capabilities:
  - Increased our product scope coverage for wash trades monitoring and front running monitoring; and
  - Implemented a best execution price monitoring process for relevant products using a vendor service for customer trades, in line with regulatory requirements.
- Completed the transition of Swap Offer Rate, Singapore Interbank Offered Rate, USD London Interbank Offered Rate and other relevant benchmarks to Singapore Overnight Rate Average, Secured Overnight Financing Rate and other relevant alternative reference rates, in accordance with regulatory guidelines; and
- Continued to invest in our people, processes and technology to combat financial crime:
  - Built enhanced capabilities such as operationalised advanced data analytics to augment the Bank's Anti-money Laundering (AML) core surveillance system, identify net new risks, and contribute positively to the financial system;
  - Enhanced our AML/Countering the Financing of Terrorism governance, oversight and processes in key regional banking subsidiaries;
  - Strengthened our fraud risk management capabilities; and
  - Updated our multi-year technology roadmap.

Risk Management

Maintaining a sound risk culture

A strong risk culture is vital to the long-term sustainability of the Bank's business franchise. Specifically, risk culture refers to the norms, attitudes and behaviours related to risk awareness, risk-taking and risk management, and controls that shape decisions on risks*. Our risk culture is based on our values. A strong risk culture ensures that our decisions and actions are considered and focused on our stakeholders, and that we are not distracted by short-term gains.

UOB's Risk Culture Statement

Managing risk is integral to how we create long-term value for our customers and other stakeholders. Our risk culture is built on four principles:

- Enforcing robust risk governance;
- Balancing growth with stability;
- Ensuring accountability for all our risk-based decisions and actions; and
- Encouraging awareness, engagement and consistent behaviour in every employee.

Each of these principles is based on our distinctive set of values that guides every action we take. In entrenching our risk culture further across our franchise, we uphold our commitment to financial safety and soundness, fair outcomes and appropriate support for our stakeholders, sustainable and prudent business approach, and performance based on integrity, ethics and discipline.

Safeguarding our reputation in creating long-term value for our stakeholders

Our Risk Culture Impact

- Financial safety and soundness
- Fair outcomes and appropriate support for all stakeholders
- Sustainable and prudent approach to business
- Performance based on integrity, ethics and discipline

Maintaining a sound risk culture across our franchise

Our Risk Culture Principles / **Our Risk Culture Components**

GOVERNANCE Enforce robust governance of risk
- Comprehensive risk management frameworks, policies and processes
- Well-defined risk appetite
- Pre-emptive supervision
- Independent control functions

BALANCE Balance growth with stability in taking risk
- Open communication and collaboration
- Regular risk reviews and continual improvements

ACCOUNTABILITY Ensure accountability for risk
- Clear ownership and escalation through the Three Lines Model
- Balanced risk-reward remuneration
- Established consequences
- Individual accountability

CONSISTENCY Encourage consistent risk-focused behaviour
- Tone from above
- Leadership oversight and responsibility
- Clear articulation of principles and desired outcomes
- Frequent and regular sharing
- Ongoing training

Demonstrating our unique set of values through consistent behaviour

Our Values

Honourable | Enterprising | United | Committed

* *Basel Committee on Banking Supervision: Guidelines on Corporate Governance Principles for Banks (July 2015).*

Our risk culture is embedded in our risk management strategy across the Group, so as to facilitate ongoing effective discovery, management and mitigation of risks arising from external factors and our business activities, and use capital efficiently to address these risks. Risks are managed within levels established by senior management committees and approved by the Board and its committees. We have put in place frameworks, policies, methodologies, tools and processes that help us to identify, measure, monitor and manage the material risks faced by the Group. These enable us to focus on the fundamentals of banking and create long-term value for all our stakeholders.

Risk governance

Our risk frameworks, policies and appetite provide the principles and guidance for the Group's risk management activities. They guide our key decisions for capital management, strategic planning and budgeting, and performance management to ensure that the risk dimension is appropriately and adequately considered. Risk reports are submitted regularly to senior management committees and the Board to keep them apprised of the Group's risk profile.

We adopt the Basel Framework and observe MAS Notice 637 on Risk Based Capital Adequacy Requirements for Banks incorporated in Singapore. Please refer to the Pillar 3 Disclosure section for more information. We take a prudent and proactive approach in navigating the evolving regulatory landscape, with emphasis on sound risk management principles in delivering sustainable returns. We also adopt the Internal Capital Adequacy Assessment Process (ICAAP) to assess, on an ongoing basis, the amount of capital necessary to support our activities. We review the ICAAP periodically to ensure that the Bank remains well-capitalised, taking into account all material risks. Stress-testing is conducted to determine capital adequacy under stressed conditions.

Responsibility for risk management starts with Board oversight of UOB's governance structure, which ensures that the Group's business activities are:

- conducted in a safe and sound manner and in line with the highest standards of professionalism;
- consistent with the Group's overall business strategy and risk appetite; and
- subject to adequate risk management and internal controls.

Our Board is assisted primarily by the Board Risk Management Committee (BRMC), which reviews the overall risk appetite and level of risk capital to be maintained for the Group.

Our Chief Executive Officer (CEO) has established senior management committees to assist him in making business decisions with due consideration for risks and returns. The main senior management committees involved are the Management Executive Committee (MEC), Risk and Capital Committee (RCC), Asset and Liability Committee (ALCO), Credit Committee (CC) and Operational Risk Management Committee (ORMC). These committees also assist the Board Committees in specific risk areas.

Management and the senior management committees are authorised to delegate risk appetite limits by location, business units and/or broad product lines.

Risk management is the responsibility of every employee in the Group. We strive to instill awareness of the risks created by their actions and the accountability for the consequences of those actions in our employees. We have established frameworks to ensure appropriate oversight, accountability and management of all risk types encountered in the course of our business. The Group's governance framework also provides oversight of our overseas banking subsidiaries through a matrix reporting structure. These subsidiaries, in consultation with Group Risk Management, adapt the risk management governance structure, frameworks and policies to comply with local regulatory requirements. This ensures that the approach across the Group is consistent and sufficiently adaptable to suit local operating environments.

Our organisational control structure is based on the Three Lines Model as follows:

***First Line – The Risk Owner*:** The business and support units own and have primary responsibility for implementing and executing effective controls to manage the risks arising from their business activities. This includes establishing adequate managerial and supervisory controls to ensure compliance with risk policies, appetite, limits and controls, and highlight control breakdowns, inadequacy of processes and unexpected risk events.

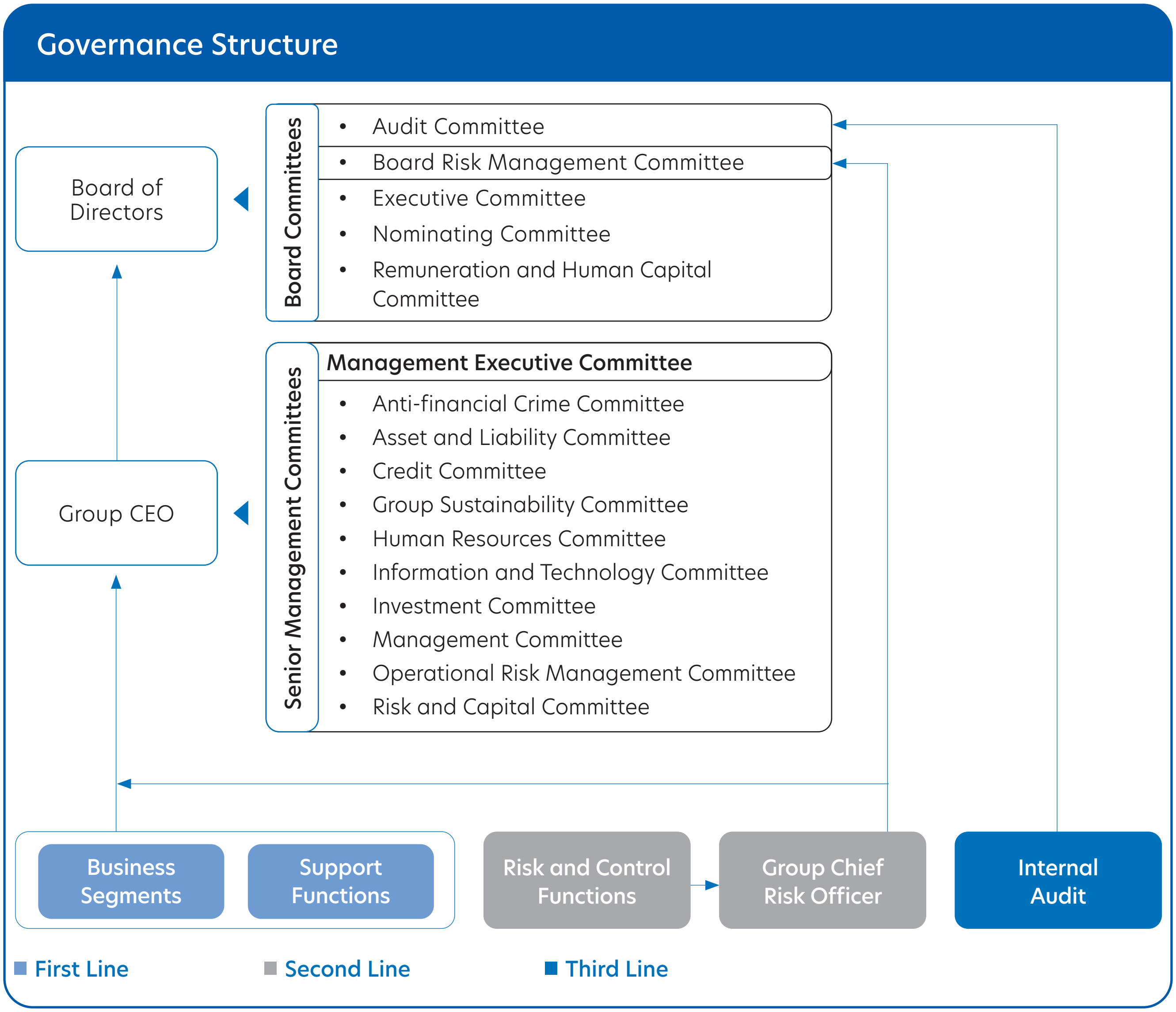
***Second Line – Risk Oversight*:** The risk and control oversight functions (i.e., Group Risk Management and Group Compliance) and the Chief Risk Officer, as the Second Line, support the Group's strategy of balancing growth with stability by establishing risk frameworks, policies, appetite and limits which the business functions

Risk Management

must adhere to and comply with in their operations. They are also responsible for the independent review and monitoring of the Group's risk profile and for highlighting any significant vulnerabilities and risk issues to the respective senior management committees.

The independence of risk and control oversight functions from business functions ensures that the necessary checks and balances are in place.

Third Line – Independent Audit: Internal auditors conduct risk-based audits covering all aspects of the First and Second Lines to provide independent assurance to the CEO, the Audit Committee (AC) and the Board on the adequacy and effectiveness of our system of risk management and internal controls. The internal auditor's overall opinion of the internal controls and risk management system is provided to the AC, BRMC and the Board annually.



Risk appetite

Our risk appetite framework defines the amount of risk we are able and willing to take in the pursuit of our business objectives. It ensures that the Group's risk profile remains within well-defined and tolerable boundaries. The framework has been formulated based on the following key criteria:

- Alignment to the Group's key business strategy;
- Relevance to the respective stakeholders, with appropriate levels of granularity;
- Practical, consistent and comprehensible metrics for communication and implementation; and
- Analytically-substantiated and measurable metrics.

Our risk appetite defines suitable thresholds and limits across the key risk areas including credit risk, country risk, market risk, liquidity risk, operational risk and conduct risk. Our risk-taking approach is focused on businesses which we understand and whose risks we are well-equipped to manage. This approach helps us to minimise earnings volatility and ensures that our high credit ratings, strong capital and stable funding base remain intact. This way, we will remain a steadfast partner to our customers through changing economic conditions and cycles.

Our risk appetite framework and risk appetite are reviewed and approved annually by the Board. Management monitors and reports the risk profiles and compliance with the Group's risk appetite to the Board on a regular basis.

Material risks

Our business strategies, products, customer profiles and operating environment expose us to a number of financial and non-financial risks. Identifying and monitoring key risks are integral to the Group's approach to risk management, enabling us to make proper assessments of these risks and mitigate them proactively across the Group. The table below summarises the key risks that could impact the achievement of the Group's strategic objectives. Details of these key risks can be found in the pages that follow.

Material risk	Definition	How risk is managed
Credit risk	The risk of loss arising from failure by a borrower or counterparty to meet its financial obligations when they are due.	Through our credit risk management framework, policies, models and limits.
Market risk	The risk of loss from movements in the market rates or prices (such as changes in interest rates, foreign exchange rates, equity prices, commodity prices and credit spreads) of the underlying asset. It includes interest rate risk in the banking book which is the potential loss of capital or reduction in earnings due to changes in the interest rates environment.	Through our market risk management framework, policies, Value-at-Risk (VaR) models and limits. Interest rate risk in the banking book is managed through the Group's balance sheet risk management framework and interest rate risk in the banking book management policies and limits.
Liquidity risk	The risk that arises from our inability to meet our obligations, or to fund increases in assets as they fall due.	Through our balance sheet risk management framework, liquidity risk management policies, ratios and limits.

Risk Management

Material risk	Definition	How risk is managed
Operational risk	The risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. Such loss may be in the form of financial loss or other damage, for example, loss of reputation and public confidence that will impact our creditability and/or ability to transact, maintain liquidity and/or obtain new business. Operational risk includes banking operations risk, technology risk, regulatory compliance risk, legal risk, reputational risk, outsourcing risk, third-party non-outsourcing risk and fraud risk but excludes strategic and business risk.	Through the respective risk management frameworks, policies and operational risk management programmes, including Key Risk and Control Self-assessments, Key Operational Risk Indicators, Incident Reporting, Management Risk Awareness, Outsourcing Risk Assessment, Third-party Non-outsourcing Risk Assessment, Product Programme and Scenario Analysis.
Conduct risk	The risk of improper employee behaviour or action that results in unfair stakeholder outcomes, negative impact on market integrity and other issues that damage the reputation of the Group.	Through a multi-faceted approach leveraging the frameworks, policies and procedures on operational risk management, whistle-blowing, employee discipline, individual accountability, code of conduct, remuneration, fair dealing and anti-financial crime.
Strategic and Business risks	Strategic risk refers to the current or prospective negative impact on earnings, capital or reputation arising from adverse strategic decisions, improper implementation of decisions or a lack of responsiveness to industry, economic or technological changes. Business risk refers to adverse impact on earnings or capital arising from changes in business parameters such as volume, margin and cost.	Through our strategic and business risk management policy.
Model risk	The risk arising from: • the use of an inappropriate model that cannot accurately evaluate market prices or that is not a mainstream model in the market (such as pricing models); or • inaccurately estimating the probability or magnitude of future losses (such as risk measurement models) and the use of those estimates.	Through the model risk governance framework and managed under the respective material risk types for which there is a quantitative model.
Environmental, Social and Governance (ESG) risk	ESG risk includes both financial risks (i.e., credit risk, market risk and liquidity risk) and non-financial risks (e.g., operational risk and reputational damage) arising from ESG issues, including climate change. While a key component of ESG risk arises indirectly from the financial services we provide to our customers, it can also result directly from our own operations.	The different aspects of ESG risk are managed through the relevant frameworks, policies and guidelines, including the Environment Risk Management Framework and Responsible Financing Policy.

Credit risk

Credit risk is the risk of loss arising from any failure by a borrower or counterparty to meet its financial obligations when they are due. It is the single largest risk that we face in our core business as a commercial bank, arising primarily from loans and other lending-related commitments to retail, corporate and institutional borrowers. Treasury and capital market operations and investments also expose the Group to counterparty and issuer credit risks.

We adopt a holistic approach towards assessing credit risk and ensure that managing credit risk is part of an integrated approach to enterprise risk management. Integral to the management of credit risk is a framework that clearly defines policies and processes relating to the identification, measurement and management of credit risk. We continually monitor the operating environment to identify emerging risks and formulate appropriate mitigating measures.

Credit risk governance and organisation

The CC supports the CEO and BRMC in managing the Group's overall credit risk exposures and serves as an executive forum for discussions on all credit-related matters. The CC also reviews and assesses the Group's credit portfolios and credit risk profiles.

The Country and Credit Risk Management division develops Group-wide credit policies and guidelines and facilitates business development within a framework that results in prudent, consistent and efficient credit risk management. It is responsible for the analysis, management and reporting of credit risk to the CC and the BRMC. The comprehensive credit risk reports cover business segments at the overall portfolio level by various dimensions including industry, product, country and banking subsidiaries.

Credit risk policies and processes

We have established credit policies and processes to manage credit risk in the following key areas:

Credit approval process

Credit origination and approval functions are segregated to maintain the independence and integrity of the credit approval process. Credit approval authority is delegated to officers based on their experience, seniority and track record. All credit approval officers are guided by credit policies and credit acceptance guidelines that are reviewed periodically to ensure their continued relevance to our business strategy and the business environment.

Counterparty credit risk

Unlike normal lending risk where the notional amount at risk can be determined with a high degree of certainty during the contractual period, counterparty credit risk exposure fluctuates with market variables. Counterparty credit risk is measured as the sum of current mark-to-market value and an appropriate add-on factor for potential future exposure (PFE). The PFE factor is an estimate of the maximum credit exposure over the remaining life of a foreign exchange (FX)/derivative transaction and it is used for limit-setting and internal risk management.

We have also established policies and processes to manage wrong-way risk, i.e., where counterparty credit exposure is positively correlated with its default risk. Transactions that exhibit such characteristics are identified and reported to the CC regularly. Separately, transactions with specific wrong-way risk are rejected at the underwriting stage.

Exposures arising from FX, derivatives and securities financing transactions are typically mitigated through agreements such as the International Swaps and Derivatives Association Master Agreements, the Credit Support Annex and the Global Master Repurchase Agreements. Such agreements help to minimise credit exposure in the event of a default by allowing us to offset what we owe to a counterparty against what is due from that counterparty.

In addition, derivative transactions are cleared through central counterparties, where possible, to reduce counterparty credit exposure further through multilateral netting and the daily margining process.

Our FX-related settlement risk is significantly reduced through our participation in the Continuous Linked Settlement system which enables transactions to be settled irrevocably on a payment-versus-payment basis.

As at 31 December 2023, UOB would have been required to post additional collateral of US$5 million if our credit rating had been downgraded by two notches.

Credit concentration risk

Credit concentration risk may arise from a single large exposure or from multiple exposures that are closely correlated. We manage such risks by setting exposure limits on borrowers, obligor groups, portfolios, industries and countries, generally expressed as a percentage of the Group's eligible capital base.

Risk Management

We manage our credit risk exposures through a robust credit underwriting, structuring and monitoring process. For example, our country risk exposures are managed within an established framework that involves setting country limits. Such limits are based on the country's risk rating, economic potential measured by its gross domestic product and the Group's business strategy. While we proactively minimise undue concentration of exposure in our portfolio, our credit portfolio remains concentrated in Singapore and Malaysia. The Group's cross-border exposure to China has increased over the years, in line with rising trade flows between China and Southeast Asia.

Our credit exposures are well-diversified across industries, except for the Singapore real estate sector, due mainly to the high home ownership rate. We remain vigilant about risks in the sector and actively take steps to manage our exposure while staying prudent in approving real estate-related loans.

We perform regular assessments of emerging risks and in-depth reviews on industry trends to provide a forward-looking view on developments that could impact the Group's portfolio. We also conduct frequent stress-testing to assess the resilience of our portfolio in the event of a marked deterioration in operating conditions.

Credit stress tests

Credit stress-testing is a core component of our credit portfolio management process. Its objectives are:

- to assess the profit and loss as well as balance sheet impact of business strategies;
- to quantify the sensitivity of performance drivers under various macroeconomic and business planning scenarios; and
- to evaluate the impact of Management's decisions on capital, funding and leverage.

We conduct stress tests to assess if our capital can withstand credit portfolio losses resulting from stress scenarios, and their impact on our profitability and balance sheet quality. Stress tests also help us to identify the vulnerability of various business units and enable us to formulate appropriate mitigating measures.

Our stress test scenarios consider potential and plausible macroeconomic and geopolitical events in varying degrees of likelihood and severity. We also consider various strategic planning scenarios, assess the impact of different business scenarios, and propose measures to manage them. These are developed in consultation with relevant business units and approved by senior management committees.

Credit risk mitigation

Our potential credit losses are mitigated through a variety of instruments such as collaterals, derivatives, guarantees and netting arrangements. We would generally not grant credit facilities solely on the basis of the collateral provided. All requests for credit facilities are assessed based on the credit standing, source of repayment and debt servicing ability of the borrower.

We take collateral whenever possible to mitigate the credit risk assumed. The value of the collateral is monitored periodically and the frequency of valuation depends on the type, liquidity and volatility of the collateral value. The collaterals are mostly in the form of properties. Cash, marketable securities, equipment, inventories and receivables may also be accepted. The collaterals have to fulfil certain criteria (such as legal certainty across relevant jurisdictions) in order to be eligible for the Internal Ratings-based Approach (IRBA) purposes. We have policies and processes to monitor collateral concentration. Haircuts that reflect the underlying nature, quality, volatility and liquidity of the collaterals would be applied to the market value of collaterals as appropriate.

When extending credit facilities to small- and medium-sized enterprises (SMEs), we often take personal guarantees to secure the moral commitment from the principal shareholders and directors. For IRBA purposes, we do not recognise personal guarantees as eligible credit risk protection. Corporate guarantees are often obtained when the borrower's creditworthiness is not sufficient to justify an extension of credit. To recognise the effects of guarantees under the Foundation Internal Ratings-based (FIRB) Approach, we adopt the Probability of Default (PD) substitution approach whereby the PD of an eligible guarantor of an exposure is used for calculating the capital requirement.

Credit monitoring and remedial management

We regularly monitor credit exposures, portfolio performance and emerging risks that may impact our credit risk profile. The Board and senior management committees are updated on credit trends through internal risk reports. The reports also provide alerts on key economic, political and environmental developments across major portfolios and countries, so that the necessary mitigating measures can be implemented promptly.

Delinquency monitoring

We closely monitor the delinquency of borrowing accounts, which is a key indicator of credit quality. An account is considered delinquent when payment has not been received by the payment due date. All delinquent accounts, including revolving credit facilities (such as an overdraft) with limit excesses, are closely tracked and managed through a disciplined process by officers from the business units and the risk management function. Where appropriate, such accounts are also subject to more frequent credit reviews.

Classification and loan loss impairment

We classify our credit portfolios according to the borrowers' ability to repay credit facilities from their normal source of income. There is an independent credit review process to ensure that the loan grading and classification are appropriate and in accordance with MAS Notice 612 on Credit Files, Grading and Provisioning.

All borrowing accounts are categorised as 'Pass', 'Special Mention' or 'Non-performing'. 'Non-performing' or impaired accounts are further sub-divided into 'Substandard', 'Doubtful' or 'Loss' in accordance with MAS Notice 612. Any account that is delinquent or past due (or in excess of the approval limit for a revolving credit facility such as an overdraft) for more than 90 days will automatically be categorised as 'Non-performing'. In addition, any account that exhibits weaknesses which are likely to affect repayment on existing terms adversely may be categorised as 'Non-performing'. The accounting definition of impaired and the regulatory definition of default are generally aligned.

Upgrading and de-classification of a 'Non-performing' account to 'Pass' or 'Special Mention' must be supported by a credit assessment of the repayment capability, cash flows and financial position of the borrower. We must also be satisfied that the account has exhibited a sustained trend of improvement.

A credit facility is restructured when a bank grants concessions (usually non-commercial) to a borrower because of a deterioration in the financial position of the borrower or the inability of the borrower to meet the original repayment schedule.

A restructured account is categorised as 'Non-performing' and placed on the appropriate classified grade based on our assessment of the financial condition of the borrower and the ability of the borrower to repay under the restructured terms. A restructured account must comply fully with the requirements of MAS Notice 612 before it can be de-classified.

We provide for impairment of our overseas operations based on local reporting requirements. Where necessary, additional impairment is provided to comply with our impairment policy and the MAS' requirements.

Group Special Asset Management

Group Special Asset Management is an independent division that manages the restructuring, workout and recovery of our wholesale/institutional non-performing asset (NPA) portfolios. Its primary objectives are:

- to restructure/nurse the NPA back to financial health, whenever possible, for transfer back to the business unit for management; and
- to maximise recovery of the NPA that we intend to exit.

Write-off policy

A non-performing account is written off when the prospect of recovery is considered poor or when all feasible avenues of recovery have been exhausted.

Internal credit rating system

We employ internal rating models to support the assessment of credit risk and the assignment of exposures to rating grades or pools. Internal ratings are used pervasively by the Group in the areas of credit approval, credit review and monitoring, credit stress-testing, limits setting, pricing and collections.

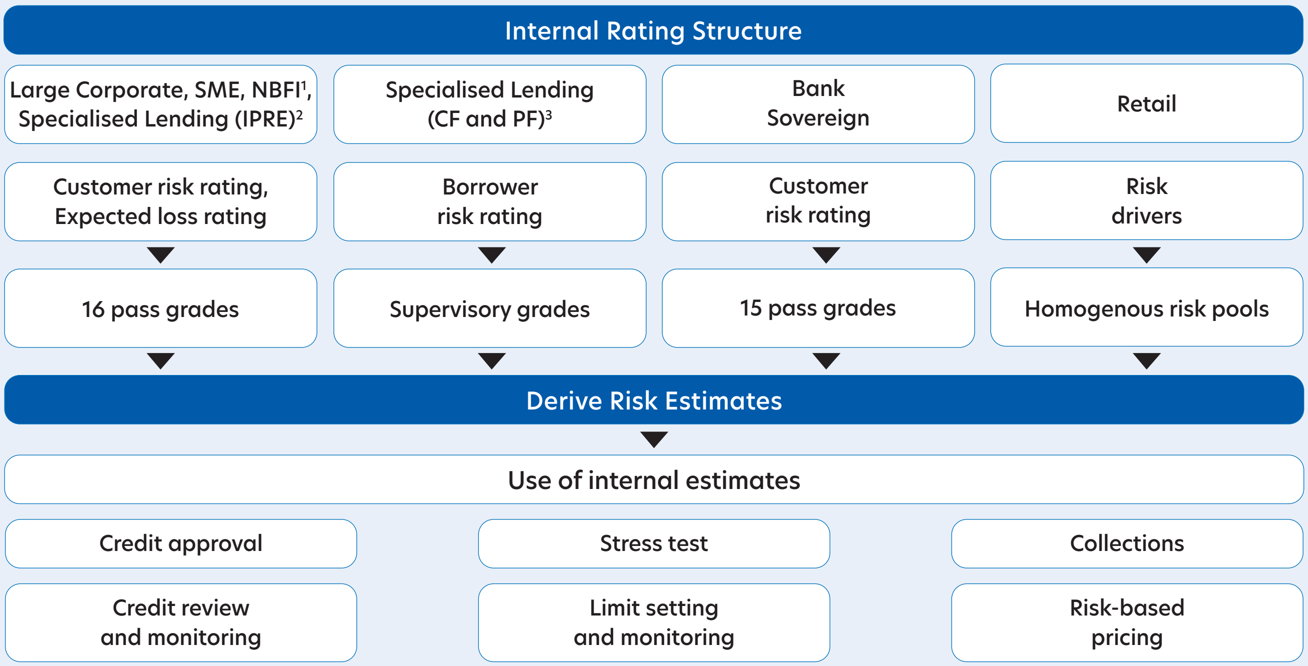
We have defined the roles and responsibilities of the various stakeholders in the credit rating process, including model development and review, model performance monitoring, annual model validation and independent reviews by Group Audit in order to ensure the reliable and consistent performance of our rating systems.

Credit risk models are validated independently before they are implemented to ensure that they are fit for purpose. We monitor the robustness of these rating models on an ongoing basis, and all models are subject to annual reviews by model owners to ascertain that the chosen risk factors and assumptions continue to remain relevant for the respective portfolios. All new models, model changes and annual reviews are approved by the CC or the BRMC, depending on the materiality of the portfolio.

Risk Management

The Group's internal rating structure is illustrated as follows:

Internal credit rating structure



1 NBFI: Non-bank Financial Institution
2 We apply a 16-rating grade structure to the Group's Income Producing Real Estate (IPRE) exposures, with the exception of our banking subsidiary in Thailand, which maps the internal risk grades to four prescribed supervisory grades.
3 CF: Commodities Finance; PF: Project Finance.

Non-retail exposures
We have adopted the FIRB Approach for our non-retail exposures. Under this approach, the internal models estimate a PD or supervisory slot for each borrower. These models cover 73.8 per cent of the Total Credit risk-weighted assets (RWA) and employ qualitative and quantitative factors to provide an assessment of the borrower's ability to meet its financial obligations. The models are calibrated to provide an estimate of the likelihood of default over a one-year time horizon. A default is considered to have occurred if:

- the obligor is unlikely to pay its credit obligations in full to the Group, without recourse by the Group to actions such as realising the security; or
- the obligor is past due for more than 90 days on any credit obligation to the Group.

Supervisory loss given default (LGD) and exposure at default (EAD) parameters prescribed by the MAS are used together with the internal credit ratings to calculate risk weights and regulatory capital requirements.

While our internal risk rating grades may show some correlation with the rating grades of External Credit Assessment Institutions (ECAIs), they are not directly comparable with or equivalent to the ECAI ratings.

Corporate portfolio
We have developed corporate models to rate Non-bank Financial Institution (NBFI), Large Corporate (LC) and SME portfolios. Credit risk factors used to derive a borrower's risk rating include the borrower's financial strength, quality of management, business risks and the industry in which it operates. The borrower risk-rating process is augmented by facility risk ratings, which take into account the type and structure of the facility, availability and type of collateral, and seniority of the exposure.

Our internal rating grade structure for the NBFI, LC and SME models consists of 16 pass grades. The models are mapped to the rating scale by calibration that takes into account the respective portfolios' long-term average default rate.

Specialised lending portfolio

We have also developed models for three Specialised Lending portfolios, namely:

- Income Producing Real Estate (IPRE);
- Commodities Finance (CF); and
- Project Finance (PF).

These models produce internal risk grades that are derived based on a comprehensive assessment of financial and non-financial risk factors.

The rating grade structure for the IPRE portfolio, like our corporate models, has 16 pass grades, with the exception of our banking subsidiary in Thailand, which maps the internal risk grades to the four prescribed supervisory categories.

Risk grades derived for the CF and PF portfolios are mapped to four prescribed supervisory categories by MAS Notice 637, which determine the risk weights to be applied to such exposures.

Sovereign portfolio

Exposures in our Sovereign portfolio are rated by our internal Sovereign model, which considers public debt levels, balance of payments, fiscal budgets and other macroeconomic, stability and political risk factors to assess sovereign credit risk in a structured and holistic manner. The model has an internal rating grade structure consisting of 15 pass grades.

Bank portfolio

Exposures in our Bank portfolio are rated by our internal Bank model, which takes into account asset quality, capital adequacy, liquidity, management, regulatory environment and robustness of the overall banking system. The model has an internal rating grade structure consisting of 15 pass grades.

Retail exposures

We adopt the Advanced Internal Rating-based (AIRB) Approach for our retail exposures, which consist of residential mortgages, qualifying revolving retail exposures and other retail exposures. Exposures within each of these asset classes are not managed individually, but as part of a pool of similar exposures that are segmented based on borrower and transaction characteristics. As the loss characteristics of retail exposures are geography and product specific, bespoke PD, LGD and EAD segmentation models are developed using empirical loss data for the respective exposures across the Group. Where internal loss data is insufficient to provide robust risk estimates, the segmentation models may incorporate internal and/or external proxies. Where necessary, the model is augmented with appropriate margins of conservatism. These models cover 7.3 per cent of the Total Credit RWA and they are regularly validated.

We use the Standardised Approach (SA) to calculate the credit risk-weighted exposure for the portfolios acquired from Citigroup in Malaysia and Thailand, and will migrate to the AIRB upon regulatory approvals from the respective regulators.

Retail Probability of Default Models

Retail PD models are based on pools of homogeneous exposures segmented by a combination of application scores, behavioural scores and other risk drivers reflecting borrower, facility and delinquency characteristics. PD pools are calibrated through-the-cycle using at least five years of historical data that covers a full economic cycle. For low default portfolios, internal and/or external proxies that are highly correlated with internal defaults are used to estimate the long-run average PD. A regulatory floor of 0.03 per cent is applied to all PD pools.

In general, the long-run observed default rates are largely lower than the PD estimates due to the model's calibration philosophy and the application of conservative overlays to account for model risk.

Retail Loss Given Default Models

Retail LGD are estimated using historical default data and the recovery experience from such defaulted cases. LGD models are segmented using material pre-default risk drivers such as facility and collateral characteristics.

LGD models are calibrated to reflect a portfolio's economic downturn experience. In addition, for residential mortgages, a LGD floor of 10.0 per cent is applied at the segment level.

Retail Exposure at Default Models

For revolving products, EAD is computed based on the current outstanding balance and the estimated potential drawdown of undrawn commitments, which is determined based on historical data. For closed-end products, the EAD is equal to the current outstanding balance. EAD models are generally segmented by material pre-default risk drivers such as facility type, limit and utilisation. EAD models are

Risk Management

calibrated to reflect the portfolio long-run averages, except for portfolios that exhibit positive correlation between LGD and PD values, in which case, these portfolios' EAD models are calibrated to reflect their economic downturn conditions. The EAD values of such portfolios must be at least equal to the current outstanding balances.

Securitisation exposures

From time to time, we arrange or invest in securitisation transactions originated by third parties which are not controlled by the Group. Any decision to invest in such transactions is subject to independent risk assessment and approval. Processes which are used to monitor the credit risk of the securitisation exposures are subject to regular review. In these transactions, we may also act as a liquidity facility provider, working capital facility provider or swap counterparty. Our securitisation positions are recognised as financial assets or undrawn credit facilities pursuant to our accounting policies and measured accordingly.

Risk weights for securitisation exposures in the banking book are computed using a hierarchy of approaches prescribed by MAS Notice 637. A majority of the exposures are subject to the Securitisation-External Ratings-Based Approach, where ECAI ratings from Fitch Ratings, Moody's Investors Service and/or S&P Global Ratings are available, or subject to Securitisation-Standardised Approach, where applicable.

Credit exposures subject to Standardised Approach

We have obtained the MAS' approval to adopt the IRBA for the majority of our portfolios, with 20 per cent of our exposures treated under AIRB and 67 per cent under FIRB. We apply the SA for the remaining portfolios which are immaterial in terms of size and risk profile and for transitioning portfolios. Portfolios on SA for Credit Risk and SA for Equity Exposures account for 9.2 per cent and 0.3 per cent respectively. We will progressively migrate our transitioning portfolios, such as the exposures from the consumer business acquired from Citigroup and our equity subscription deals to IRBA, subject to the approval from the MAS.

For exposures subject to the SA, we use approved ECAI ratings and prescribed risk weights based on asset class to compute regulatory capital.

The ECAIs used are Fitch Ratings, Moody's Investors Service and S&P Global Ratings. They are mainly in the Bank asset class. We adhere to the process prescribed in MAS Notice 637 to map ECAI ratings to the relevant risk weights.

Market risk

Market risk refers to the risk of loss from movements in the market rates or prices (such as changes in interest rates, FX rates, equity prices, commodity prices and credit spreads) of the underlying asset.

Market risk is governed by the ALCO, which meets monthly to review and provide direction on market risk matters. The Market Risk Management and Balance Sheet Risk Management (BSRM) divisions support the BRMC, RCC and ALCO with independent assessment of the market risk profile of the Group.

The Group's market risk framework comprises market risk policies, practices and governance structure with appropriate delegation of authority and market risk limits. We employ valuation methodologies that are in line with sound market practices and validate valuation and risk models independently. In addition, our Group Product/Service Programme process ensures that different risks, including market risk issues, are identified and adequately addressed prior to launch.

One of our main objectives of undertaking trading activities is to provide customer-centric products and services to support our customers' business and hedging needs. We continually review and enhance our management of derivative risks to ensure that the complexities of the Group's business are appropriately controlled.

Our overall market risk appetite is balanced with targeted revenue at the Group, Bank and business unit levels and takes into account the capital positions of the Group and the Bank. This ensures that the Group and the Bank remain well-capitalised, even under stress conditions. The risk appetite is translated into risk limits that are delegated to business units. These risk limits are set based on expected returns that are commensurate with the risks taken.

Market risk appetite is provided for all trading exposures within the Group and the Group's non-trading FX exposures. The majority of the non-trading FX exposures arises from our investments in overseas subsidiaries in Asia.

The Group currently adopts the SA for the calculation of regulatory market risk capital.

The Internal Models Approach is used to measure and control trading market risks. The financial products which are warehoused, measured and controlled with internal models include:

- FX and FX options;
- plain vanilla interest rate contracts and interest rate options;
- government and corporate bonds;
- equities and equity options; and
- commodity contracts and commodity options.

The Group estimates a daily Expected Shortfall (ES) within a 97.5 per cent confidence interval over a one-day holding period, using the historical VaR simulation method, as a control for market risk. This method assumes observed historical market movements can be used to imply possible future changes in market rates. ES is the average of the worst losses in the distribution, assuming that the losses exceed the specified percentile.

To complement the ES measure, we perform stress and scenario tests to identify the Group's vulnerability to event risk. These tests serve to provide early warnings of plausible extreme losses.

The Group's daily ES on 31 December 2023 was $12.73 million. Please refer to Note 45(f) of the Financial Statements for ES by risk class.

For backtesting purposes, the Group uses daily VaR within a 99 per cent confidence interval over a one-day holding period. VaR uses the same loss distribution as ES. The backtesting process analyses whether the exceptions are due to model deficiencies or market volatility. All backtesting exceptions are tabled to the ALCO with recommended actions and resolutions. One backtesting exception was noted for Group Trading in the year under review.

Interest Rate Risk in the Banking Book

Interest Rate Risk in the Banking Book (IRRBB) is defined as the risk of potential loss of capital or reduction in earnings due to changes in the interest rate environment.

We strive to meet customers' demands and preferences for products with various interest rate structures and maturities. Mismatches in repricing and other characteristics of assets and liabilities give rise to sensitivity to interest rate movements. As interest rates and yield curves change over time, these mismatches may result in a change in the Group's economic net worth and/or a decline in earnings. Our primary objective of managing IRRBB is to protect and enhance capital or economic net worth through adequate, stable and reliable growth in net interest earnings under a broad range of possible economic conditions.

The ALCO oversees the effectiveness of the interest rate risk management structure including approval of policies, controls and limits. The BSRM division supports the ALCO in monitoring the interest rate risk profile of the banking book. IRRBB is mainly managed by shaping the desired risk exposure and tenor profile of the banking book taking into consideration the overall balance sheet position and market outlook. Behavioral models used are independently validated and governed by approved policies. The management and mitigation of IRRBB through hedging are managed through ALCO-approved product mandates with specified currencies, tenors and limits to ensure that the risk management and hedging activities operate within an approved delegation of authority structure. Derivatives used for hedging banking book positions are designated as hedging instruments where the qualifying criteria for hedge accounting are met. Derivatives not designated in an effective hedge accounting relationship are accounted for at fair value through profit or loss.

Our banking book interest rate risk exposure is quantified on a monthly basis using dynamic simulation techniques. We employ a holistic approach towards balance sheet risk management, using an in-house enterprise risk management system to integrate liquidity risk and IRRBB into a single platform to facilitate the Group's reporting across entities in a timely manner.

Interest rate risk varies with different repricing periods, currencies, embedded options and interest rate basis. Embedded options may be in the form of loan prepayment and time deposit early withdrawal. In Economic Value of Equity (EVE) sensitivity simulations, we compute the present value for repricing cash flows, with a focus on changes in EVE under different interest rate scenarios. This economic perspective measures interest rate risks across the full maturity profile of the balance sheet, including off-balance sheet items. We estimate the potential effects of interest rate changes on Net Interest Income (NII) by simulating the possible future course of interest rates and expected changes in business activities over time. Mismatches over a longer tenor would result in greater changes in EVE than similar positions in the shorter tenor while mismatches over a shorter tenor would have a greater impact on NII. Interest rate scenarios used in simulations include the six

Risk Management

standard scenarios prescribed by the Basel Committee on Banking Supervision as well as internal scenarios covering historical interest rate movements and hypothetical scenarios. These scenarios cover changes in the shape of the yield curve, including steepener and flattener, parallel shift, as well as short rate up and down scenarios.

We also perform stress tests regularly to determine the adequacy of capital in meeting the impact of extreme interest rate movements on the balance sheet. Such tests are also performed to provide early warnings of potential extreme losses, facilitating the proactive management of interest rate risks in an environment of rapid financial market changes.

The risks arising from the trading book, such as interest rates, FX rates and equity prices are managed and controlled by the market risk framework.

Liquidity risk

Liquidity risk is the risk that arises from the Group's inability to meet its obligations, or to fund increases in assets as they fall due. We maintain sufficient liquidity to fund our day-to-day operations, to meet deposit withdrawals and loan disbursements, participate in new investments and repay borrowings. Hence, liquidity is managed in a manner that addresses known as well as unanticipated cash funding needs.

Liquidity risk is managed in accordance with a framework of policies, controls and limits approved by the ALCO. These policies, controls and limits enable us to monitor and manage liquidity risk to ensure that sufficient sources of funds are available over a range of market conditions. This is done by:

- minimising excessive funding concentration by diversifying the sources and terms of funding; and
- maintaining a portfolio of high quality and marketable debt securities.

We take a conservative stance on the Group's liquidity management by continuing to gather core deposits, and ensuring that liquidity limits are strictly adhered to and that there are adequate liquid assets to meet potential cash shortfall.

The distribution of deposits is actively managed to ensure a balance between cost-effectiveness, continued accessibility to funds and diversification of funding sources. Important factors in ensuring liquidity are competitive pricing, proactive management of the Group's core deposits and the maintenance of customer confidence.

Our liquidity risk is aligned with the regulatory liquidity risk management framework and is measured and managed on a projected cash flow basis. The Group is monitored under business-as-usual and stress scenarios. Cash flow mismatch limits are established to contain the Group's liquidity exposure. We also employ liquidity early warning indicators and trigger points to signal possible contingency situations. Our liquidity ratios, Liquidity Coverage Ratio (LCR)* and Net Stable Funding Ratio (NSFR)*, are above the regulatory requirement.

We have contingency funding plans in place to identify potential liquidity crises using a series of warning indicators. Crisis management processes and various strategies including funding and communication plans have been developed to minimise the impact of any liquidity crunch.

Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, people and systems, or from external events. Operational risk includes banking operations risk, technology risk, regulatory compliance risk, legal risk, reputational risk, outsourcing risk, third-party non-outsourcing risk and fraud risk but excludes strategic and business risk.

Our primary objective is to foster a sound reputation and operating environment. Operational risk is managed through a framework of policies and procedures to help business and support units properly identify, assess, monitor, mitigate and report their risks. The ORMC meets monthly to provide oversight of operational risk matters across the Group.

The Operational Risk Governance structure adopts the Three Lines Model. The Non-Financial Risk Management division, as part of the Second Line, provides overarching governance of operational risk through relevant frameworks, policies, programmes and systems. The division also monitors operational risk incidents, Key Risk and Control

* Key monitoring tools defined under Basel III Liquidity Risk Framework on LCR quarterly updates and NSFR semi-annual updates are available on our website at www.UOBgroup.com/investor-relations/financial/index.html

Self-assessment results, outsourcing and third-party non-outsourcing matters, Key Operational Risk Indicator breaches, product and services programme matters and operational risks identified by the First Line. Material risks are then reported to the relevant senior management committees and the Board to ensure they are promptly escalated and addressed.

Three key components of the Operational Risk Management Framework are risk identification, key risk control self-assessments and risk mitigation. These are achieved through the Group-wide implementation of a set of operational risk programmes. Several risk mitigation policies and programmes are also in place to maintain a sound operating environment.

Our business continuity and crisis management programmes ensure prompt recovery of critical business services and functions in the event of unforeseen events or business disruptions. Scenario exercises are conducted to test the effectiveness of the business continuity plans and crisis management protocol. An annual attestation is provided to the Board on the state of business continuity readiness of the Group. In 2023, we conducted an integrated crisis management desktop exercise, involving the regional subsidiaries, focusing on the theme of liquidity, capital management and business continuity management, to prepare the Bank for crises of such nature.

Our insurance programme covers crime and civil liability, cyber liability, property damage, terrorism, public liability, as well as directors' and officers' liability. The programme reduces operational losses through adequate insurance coverage.

We adopt the SA for the calculation of operational risk capital.

The subject-specific key risks that we focus on include, but are not limited to the risks discussed below.

Technology risk
Technology risk is defined as any potential adverse outcome, damage, loss, violation, failure or disruption arising from the use of or reliance on information and communication technologies. The governance of technology risk rests with the ORMC, which facilitates a holistic oversight of operational risk matters across the Group. Our Technology Risk Management Framework ensures that technology and cyber risks are managed in a systematic and consistent manner. The scope of technology risk management covers many aspects, including technology asset management, technology resiliency and the service continuity aspects of business continuity management, cybersecurity management and information security management.

The Technology Risk Management division, as part of the Second Line, has governance and oversight of technology risk management across the Group. The team works with business and support units, including the technology and information security teams, to oversee, review and strengthen their current practices in technology risk management. We adopt a risk-based approach in assessing and managing technology and cyber risks. The Board, senior management and the ORMC are briefed regularly on technology risk appetite and technology risk matters.

Regulatory compliance risk
Regulatory compliance risk refers to the risk of financial loss, damage to reputation or franchise value of the Group when it fails to comply with laws, regulations, rules, standards or industry codes of conduct applicable to the Group's business activities and operations. A change in laws and regulations can increase the cost of operations and the cost of capital for the Group, thereby impacting the Group's earnings or returns. To mitigate such risks, we identify, monitor and manage risk via the Regulatory Compliance Risk Governance Framework, supported by policies, procedures and guidelines.

Sanctions risk
Sanctions risk refers to the risk of potential threats or vulnerabilities that, if ignored or not properly handled, can lead to violations of sanctions regulations and negatively affect an organisation's reputation and business. The Group is committed to complying with the sanctions laws and regulations in the jurisdictions in which the Group entities operate. The Group entities do not engage in any activity involving sanctioned individuals, entities, countries or territories, subject to the extent permissible by sanctions laws or if these activities fall outside management tolerance. There is no material change in UOB's risk of being subject to any sanctions law.

Legal risk
Legal risk arises from unenforceable, unfavourable, defective or unintended contracts or transactions, lawsuits or claims, developments in laws and regulations, or non-compliance with applicable laws and regulations. Business and support units work with both internal and external legal counsels to ensure that legal risks are effectively managed.

Risk Management

Reputational risk

Reputational risk is the risk of adverse impact on earnings, liquidity or capital arising from negative stakeholder perception or opinion of the Group's business practices, activities and financial condition. We recognise the impact of reputational risk and manage the risk through the Group Reputational Risk Management Policy, which sets the guiding principles for risk identification, monitoring, reporting and mitigation of risk exposure, and communication with our stakeholders. There are also policies relating to media communication and social media to protect the Bank's reputation.

Outsourcing risk

Outsourcing risk is the risk of adverse financial, operational, reputational, legal and compliance impact arising from the failure of a service provider to provide the outsourced service or to comply with legal and regulatory requirements, or a service provider's breaches of security. We manage this risk through the Group Outsourcing Risk Management Framework, policy, procedures and guidelines, supported by the outsourcing module in the Governance, Risk and Compliance (GRC) system.

Third-party non-outsourcing risk

Third-party non-outsourcing risk arises from arrangements where a third party provides a product or service to us or our customers. This risk could result in adverse financial, operational, reputational, legal and compliance impact arising from the failure of a third party to provide the product or service, or the third party's breaches of security, including data leakages. We manage this risk through the Group Third-party Non-outsourcing Risk Management Policy and Guidelines, supported by the GRC system.

Conduct risk

Conduct risk is the risk of improper employee behaviour or action that results in unfair stakeholder outcomes, negative impact on market integrity and other issues that damage the reputation of the Group. We manage conduct risk through a multi-faceted approach leveraging the frameworks, policies and procedures on operational risk management, whistle-blowing, employee discipline, individual accountability, code of conduct, remuneration, fair dealing and anti-financial crime. The corporate governance oversight of conduct risk is provided by the BRMC and is supported by the ORMC.

Fraud risk

Fraud is defined as any intentional act or attempt to misrepresent, deceive, or conceal, by an individual or by a group for a personal or business gain, or to avoid a disadvantage. Fraud is not restricted to monetary or material benefits. UOB has a zero tolerance approach to internal fraud, bribery and corruption, and all other illegal or unethical dealings. We conduct our business activities in full compliance with all applicable laws and regulations. The Fraud Risk Management Committee (FRMC) provides oversight on the strategies, framework, policies, programme, and structure covering internal and external fraud risk management. This includes providing guidance on escalations of fraud risk management matters from relevant forums and working groups.

Environmental, Social and Governance risk

ESG risk includes both financial risks (i.e., credit risk, market risk and liquidity risk) and non-financial risks (e.g., operational risk and reputational damage) arising from ESG issues, including climate change. While a key component of ESG risk arises indirectly from the financial services we provide to our customers, it can also result directly from our own operations. The Group Sustainability Committee identifies and reviews ESG factors material to the Group, and ensures that sustainability factors are considered in all aspects of our operations (including day-to-day decision-making processes). The specific risk associated with each factor is monitored and managed in accordance with the respective frameworks, policies or guidelines.

Specific to our wholesale financing and capital market underwriting activities, we ensure that ESG considerations are integrated into our credit evaluation and approval processes. To this end, we have incorporated the Group Responsible Financing Policy (GRFP), approved by the CC, as part of the Group Corporate Credit Policy.

Account officers are required to conduct due diligence on all new and existing customers during the onboarding process and annual credit review. Under the GRFP, customers are assessed for material ESG risk, including alignment with the Bank's responsible financing exclusion list, as well as their capacity for, commitment to and track record in ESG risk management. Customers in the ESG-sensitive industries, defined by the ABS' Responsible Financing Guidelines, are subject to enhanced due diligence with sector-specific guidelines. All customers are classified based on the level of ESG risk in their business and are monitored on an ongoing basis for any adverse ESG-related news. Those with any known material ESG-related incidents would trigger an immediate review to address the ESG risk appropriately.

Please refer to the UOB Sustainability Report 2023 for more information.

Strategic and Business risks

Strategic risk refers to the current or prospective negative impact on earnings, capital or reputation arising from adverse strategic decisions, improper implementation of decisions or a lack of responsiveness to industry, economic or technological changes. It is the risk of not achieving our strategic goals.

Business risk refers to the adverse impact on earnings or capital arising from changes in business parameters such as volumes, margins and costs. The sources of business risk include uncompetitive products or pricing, internal inefficiencies and changes in general business conditions such as market contraction or changes in customers' expectations and demand. It is the risk of not achieving our short-term business objectives.

The Board of Directors and senior management committees are responsible for managing risks associated with the Group's business. The BRMC and Executive Committee assist the Board in relation to the management of strategic and business risks. The CEO, supported by senior management committees, oversees the day-to-day management of the Group and makes business decisions within the Group's risk appetite. The Group's strategy is translated into annual financial targets, taking into account the macroeconomic environment and cascaded to specific business units for development and implementation.

Capital Management

Our capital management objectives

Our capital management objectives are:

- to maintain an optimal level of capital to support our business growth strategies and investment opportunities, and to meet regulatory requirements;
- to maintain an efficient capital structure, keeping our overall cost of capital low and delivering sustainable dividend returns to our shareholders; and
- to maintain the strong credit ratings that our stakeholders, including our depositors and investors, expect of us.

Our approach

We adopt a proactive approach in the management of our capital position over the medium term through the Group's Internal Capital Adequacy Assessment Process (ICAAP). This comprehensive assessment includes:

- setting capital targets for the Group, taking into account foreseeable regulatory changes and stakeholder expectations;
- forecasting capital consumption for material risks based on the Group's risk appetite. The forecast is evaluated across all business segments and banking entities against projected capital levels, taking into consideration the impact of mitigating actions under adverse economic conditions; and
- determining capital issuance requirements and reviewing the maturity profile of existing capital securities.

Our capital planning and assessment process is governed by two committees. The Board Risk Management Committee (BRMC) assists the Board in its oversight of the management of risks arising from the businesses of the Group, while the Risk and Capital Committee (RCC), comprising senior management, manages the Group's ICAAP, overall risk profile and capital adequacy. The BRMC and RCC review the Group's capital positions quarterly, and our capital management and contingency capital plans annually. Material capital management decisions are approved by the Board.

We are the primary provider of capital to the entities in the Group. Investments in these entities are substantially funded by our internally-generated capital, comprising retained earnings and externally-raised capital issuances. Our banking subsidiaries outside Singapore are expected to manage their own capital positions to support their planned business growth and are also required to comply with their local regulatory requirements. Capital generated by our subsidiaries in excess of planned requirements is returned to us by way of dividends, subject to local regulations. There was no significant impediment to the payment of dividends by our subsidiaries during the year.

Regulatory requirements

We are one of the Domestic Systemically Important Banks (D-SIBs) in Singapore, and hence are subjected to stricter regulatory measures imposed by the Monetary Authority of Singapore (MAS). As a D-SIB, we are required to maintain, at a minimum, Common Equity Tier 1 (CET1), Tier 1 and Total Capital Adequacy Ratio (CAR) of 6.5 per cent, 8 per cent and 10 per cent respectively at the Bank and Group levels.

The CAR requirements include the following capital-related buffers:

- Capital conservation buffer (CCB) of 2.5 per cent, to be maintained in the form of CET1 capital. This is to ensure adequate capital buffer is accumulated outside periods of stress. Upon application of the full CCB requirement, the regulatory CET1, Tier 1 and Total CAR will increase to 9 per cent, 10.5 per cent and 12.5 per cent respectively; and
- Countercyclical buffer (CCyB) of up to 2.5 per cent, to be maintained in the form of CET1 capital. The CCyB is applied on a discretionary basis by banking regulators in certain jurisdictions to limit excessive credit growth in their economies. The Group will be subjected to CCyB requirements when we have credit exposures to the private sectors in these jurisdictions.

In June 2023, the MAS announced that the final Basel III reforms in Singapore would come into effect from 1 July 2024, except for market risk and credit valuation adjustments standards for capital adequacy and disclosure requirements, which will be effective from 1 January 2025.

Capital transactions

- We redeemed our HK$700 million 3.19 per cent fixed rate Subordinated Notes in August 2023 and US$650 million 3.875 per cent Perpetual Capital Securities in October 2023.
- We issued $850 million 5.25 per cent Perpetual Capital Securities in January 2023.

The table below shows the consolidated capital position of the Group as at 31 December 2023 and 31 December 2022.

	2023 $ million	2022 $ million
Common Equity Tier 1 Capital		
Share capital	**5,004**	5,077
Disclosed reserves/others	**37,906**	34,951
Regulatory adjustments	**(5,834)**	(5,623)
Common Equity Tier 1 Capital	**37,076**	34,405
Additional Tier 1 Capital		
Perpetual capital securities/others	**2,751**	2,780
Tier 1 Capital	**39,827**	37,185
Tier 2 Capital		
Subordinated notes	**4,539**	4,621
Provisions/others	**1,301**	1,558
Eligible Total Capital	**45,667**	43,364
Risk-weighted Assets (RWA)		
Credit risk	**244,745**	233,045
Market risk	**10,406**	7,824
Operational risk	**20,779**	18,229
Total RWA	**275,930**	259,098
Capital Adequacy Ratios (%)		
CET1	**13.4**	13.3
Tier 1	**14.4**	14.4
Total	**16.6**	16.7
Leverage exposure	**581,130**	563,583
Leverage Ratio (%)	**6.9**	6.6

Pillar 3 Disclosure

In compliance with the requirements under Basel Pillar 3 and the Monetary Authority of Singapore (MAS) Notice 637 on Public Disclosure, various additional quantitative and qualitative disclosures have been included in the Annual Report under the sections on Capital Management, Risk Management, Remuneration, Pillar 3 Disclosure, and Notes to the Financial Statements. The disclosures are to facilitate the understanding of the Group's risk profile and assessment of its capital adequacy.

Scope of Application

In accordance with the accounting standards for financial reporting, all subsidiaries in the Group are fully consolidated from the date the Group obtains control until the date such control ceases. The Group's investments in associates and joint ventures are accounted for using the equity method from the date the Group obtains significant or joint influence over these investments until the date such influence ceases. For the purpose of regulatory capital computation at the Group level, the investment in an insurance subsidiary has been excluded from the consolidated financial statements of the Group in accordance with MAS Notice 637.

The transfer of funds or regulatory capital within the Group is generally subject to regulatory approval.

Please refer to UOB's website at www.UOBgroup.com/investor-relations/financial/index.html for the Pillar 3 Disclosure Report as at 31 December 2023.

United Overseas Bank Limited
(Incorporated in Singapore)
and its subsidiaries
31 December 2023

Financial Report

Directors' Statement

for the financial year ended 31 December 2023

The Directors are pleased to present their statement to the members together with the audited financial statements of United Overseas Bank Limited (the Bank) and its subsidiaries (collectively, the Group) for the financial year ended 31 December 2023.

In the opinion of the Directors,

(a) the accompanying balance sheets, income statements, statements of comprehensive income, statements of changes in equity and consolidated cash flow statement together with the notes thereto are drawn up so as to give a true and fair view of the state of affairs of the Bank and of the Group as at 31 December 2023, the results of the business and changes in equity of the Bank and the Group and cash flows of the Group for the financial year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Bank will be able to pay its debts as and when they fall due.

Directors

The Directors of the Bank in office are:

Wong Kan Seng *(Chairman)*
Wee Ee Cheong *(Deputy Chairman and Chief Executive Officer)*
Michael Lien Jown Leam
Wee Ee Lim
Steven Phan Swee Kim
Chia Tai Tee
Tracey Woon Kim Hong
Dinh Ba Thanh
Teo Lay Lim
Ong Chong Tee

Arrangements to Enable Directors to Acquire Shares or Debentures

The UOB Share Plan (previously known as the UOB Restricted Share Plan) (Plan) commenced on 7 August 2007 and was initially set to expire on 6 August 2017. On 21 April 2016 at the Bank's Annual General Meeting (AGM), shareholders approved the extension of the expiry to 6 August 2027. At the Bank's AGM on 21 April 2022, shareholders approved amendments to the Rules of the Plan. This included an amendment to allow non-executive Directors to participate in the Plan such that grants of fully paid shares could be made to eligible non-executive Directors as part payment of their directors' fees in lieu of cash. The Plan only allows for the delivery of shares which are held by the Bank as treasury shares and does not involve the issuance of new shares.

Other than as disclosed in this Directors' Statement, neither at the end of nor at any time during the financial year was the Bank a party to any arrangement whose objects are, or one of whose objects is, to enable the Directors of the Bank to acquire benefits by means of the acquisition of shares or debentures of the Bank or any other body corporate.

Directors' Interests in Shares or Debentures

The following Directors, who held office at the end of the financial year, had interests in shares and debentures of the Bank or its related corporations as stated below:

	Direct interest		Deemed interest	
	At 31.12.2023	At 1.1.2023 or date of appointment	**At 31.12.2023**	At 1.1.2023 or date of appointment
The Bank				
Ordinary shares				
Wong Kan Seng	**49,000**	31,800	**1,970**	670
Wee Ee Cheong	**3,281,455**	3,181,455	**173,701,487**	173,701,487
Wee Ee Lim	**1,831,903**	1,831,903	**173,280,943**	173,280,943
Steven Phan Swee Kim	**–**	–	**7,500**	3,500
Chia Tai Tee	**5,900**	2,600	**–**	–
Tracey Woon Kim Hong	**4,400**	1,000	**–**	–
Dinh Ba Thanh	**1,300**	100	**–**	–
Teo Lay Lim	**2,000**	–	**1,263**	1,263
3.58% perpetual capital securities				
Wong Kan Seng	**$1,000,000**	$1,000,000	**–**	–
4.25% perpetual capital securities				
Chia Tai Tee	**$500,000**	$500,000	**–**	–

There was no change in any of the above interests between the end of the financial year and 21 January 2024.

Audit Committee

The Audit Committee comprises four members, all of whom are independent directors. The members of the Audit Committee are:

Steven Phan Swee Kim *(Chairman)*
Chia Tai Tee
Tracey Woon Kim Hong
Teo Lay Lim

The Audit Committee has reviewed the financial statements, the internal and external audit plans and audit reports, the external auditor's evaluation of the system of internal accounting controls, the scope and results of the internal and external audit procedures, the adequacy of internal audit resources, the cost effectiveness, independence and objectivity of the external auditor and the significant findings of internal audit investigations. The reviews were made with the internal and external auditors, the Chief Financial Officer and/or other senior management staff, as appropriate.

Directors' Statement

for the financial year ended 31 December 2023

Auditor

The Audit Committee has nominated Ernst & Young LLP for reappointment as auditor of the Bank and Ernst & Young LLP has expressed its willingness to be reappointed.

On behalf of the Board of Directors,

Wong Kan Seng
Chairman

Wee Ee Cheong
Deputy Chairman and Chief Executive Officer

Singapore
21 February 2024

Independent Auditor's Report

for the financial year ended 31 December 2023

To the Shareholders of United Overseas Bank Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of United Overseas Bank Limited (the Bank) and its subsidiaries (collectively, the Group), set out on pages 142 to 236, which comprise the balance sheets of the Bank and the Group as at 31 December 2023, the income statements, the statements of comprehensive income, and the statements of changes in equity of the Bank and the Group and consolidated cash flow statement of the Group for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements of the Group and the balance sheet, income statement, statement of comprehensive income and statement of changes in equity of the Bank, are properly drawn up in accordance with the provisions of the Companies Act 1967 (the Act) and Singapore Financial Reporting Standards (International) (SFRS(I)s) so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Bank as at 31 December 2023 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group, and of the financial performance and changes in equity of the Bank for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing (SSAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority (ACRA) *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* (ACRA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter, including any commentary on the findings or outcome of our procedures, is provided in that context.

We have fulfilled our responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Independent Auditor's Report

for the financial year ended 31 December 2023

<table>
<tr><th>Areas of focus</th><th>How our audit addressed the risk factors</th></tr>
<tr><td>

Purchase Price Allocation arising from acquisition of Citigroup's consumer banking franchise in Thailand and Malaysia

Refer to Notes 37 and 47 to the consolidated financial statements.

On 1 November 2022, the Group completed the acquisition of Citigroup's consumer banking businesses comprising its unsecured and secured lending portfolios, wealth management and retail deposit businesses in Thailand and Malaysia. The Group engaged an independent professional valuer to complete the identification and valuation of intangible assets acquired at their respective fair values for the Purchase Price Allocation (PPA) exercise, which led to the resultant recognition of goodwill after taking into consideration the fair value of the other assets and liabilities acquired. As at 31 December 2023, the PPA exercise had been completed.

The identification of such intangible assets and their measurement at fair value is inherently judgemental, thus we considered this area to be a key audit matter.

</td><td>

We focused our work on the identification and valuation of the intangible assets and the other assets and liabilities acquired from Citigroup's consumer banking businesses on 1 November 2022 for Thailand and Malaysia.

We involved our internal valuation specialists to assist us in performing the following procedures:

- assessed the competence, capabilities and objectivity of the independent professional valuer engaged by the Group;
- obtained an understanding of the valuation performed by the independent professional valuer;
- assessed the intangible assets identified and valued in accordance with the identification and recognition criteria set out in SFRS(I) 1-38 - *Intangible Assets*;
- verified the underlying inputs used in the valuation models to derive the valuation of intangible assets identified; and
- assessed the valuation methodologies used by management in the fair valuation and the key assumptions used, such as:
  - (i) useful life of intangible assets;
  - (ii) corporate tax rate;
  - (iii) discount rate;
  - (iv) contributory asset charges;
  - (v) equity charges; and
  - (vi) comparable companies.

We also performed the following:

- read the Business Transfer Agreements (BTA) and identified critical terms with accounting impact, including the purchase consideration;
- assessed the Group's identification and determination of the fair value of the other assets and liabilities having regard to the completeness of assets and liabilities identified, including contingent liabilities and the reasonableness of any underlying assumptions in their respective valuations and the consideration given;
- checked that the accounting treatment is in accordance with SFRS(I) 3: *Business Combinations*; and
- reviewed the financial statement disclosures in relation to the acquisition.

Based on the results of our audit procedures, the key assumptions and methodologies used for the intangible assets identified, the fair value of the intangible assets as well as other assets and liabilities acquired were within a reasonable range of expectations.

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</table>

Areas of focus	How our audit addressed the risk factors
Expected credit losses *Refer to Notes 2(d)(vi), 3(i), 12, 21(b), 25, 27(b), 28(d), 30(b) and 31 to the consolidated financial statements.* The Group applies SFRS(I) 9: *Financial Instruments* requirements to calculate the expected credit loss (ECL) for its credit exposures. The credit exposures are categorised into non-impaired credit exposures and impaired credit exposures. *a) <u>Non-impaired credit exposures</u>* The ECL calculation for non-impaired credit exposures involves significant judgements and estimates. Areas we have identified which have greater levels of management judgement are: • the economic scenarios used, and the probability weightages applied to them to measure ECLs on a forward-looking basis, reflecting management's view of potential future economic scenarios; • the significant increase in credit risk (SICR) criteria; • the model assumptions; and • the adjustments to the model-driven ECL results to address model limitations or emerging trends.	*a) <u>Non-impaired credit exposures</u>* We assessed the design and evaluated the operating effectiveness of the key controls over the Group's ECL on non-impaired credit exposures computation processes with a focus on: • the completeness and accuracy of the data inputs into the ECL calculation system; • the validation of models; • the selection and implementation of economic scenarios and probabilities; • the staging of credit exposures based on the Group's SICR criteria and early warning indicators; and • the governance over post-model adjustments, including the effect of the acquired Citigroup's consumer banking businesses. We involved our internal modelling specialists to assist us in performing the following procedures on a sampling basis: • independently reviewed the appropriateness of ECL model methodologies; • assessed the reasonableness of the probabilities of default (PD), loss given default (LGD) and exposure at default (EAD) models by performing sensitivity analyses, benchmarking or back-testing; and • reviewed the Group's assessment of its SICR criteria. We also reviewed the Group's approach for the selection of economic scenario to assess the reasonableness of the economic scenarios and corresponding weightages applied by the Group, as well as inspected the Group's SFRS(I) 9 Working Group decisions to assess the appropriateness of management's rationale over the post model adjustments and performed a recalculation, where applicable.

Independent Auditor's Report

for the financial year ended 31 December 2023

Areas of focus	How our audit addressed the risk factors
b) <u>Impaired credit exposures</u> As at 31 December 2023, the Stage 3 ECL for impaired credit exposures of the Group was $1,590 million, out of which 76% pertained to the Group Wholesale Banking (GWB) portfolio. We focused on the Stage 3 ECL for the GWB portfolio as the identification and estimation of impairment within this portfolio can be inherently subjective and requires significant judgements.	b) <u>Impaired credit exposures</u> We assessed the design and evaluated the operating effectiveness of the key controls over the Stage 3 ECL estimation process for the GWB portfolio. These controls included: • collateral valuation and monitoring; • identification of impairment indicators; and • MAS Notice 612 credit grading. We considered the magnitude of the credit exposures, macroeconomic factors and industry trends in our audit sampling to focus on customers that were assessed to be of higher risk and for our selected sample of impaired loans, we performed the following procedures: • assessed management's forecast of recoverable cash flows, including the basis for the amounts and timing of recoveries. Where possible, we compared key assumptions to external evidence, e.g. independent valuation reports of the collaterals; considered and corroborated the borrowers' latest developments through adverse news search and/or publicly available information; • checked that underlying data was accurate by agreeing to source documents such as loan agreements; and • assessed the reasonableness and tested the calculation of the Stage 3 ECL. Overall, the results of our evaluation of the Group's ECL were within a reasonable range of expectations.

<table>
<tr><th>Areas of focus</th><th>How our audit addressed the risk factors</th></tr>
<tr><td>Valuation of illiquid or complex financial instruments

Refer to Notes 2(d)(ii), 3(ii) and 19(b) to the consolidated financial statements.

At 31 December 2023, 4% ($5 billion) of the Group's total financial instruments that were carried at fair value were classified as Level 3.

The Level 3 instruments mainly comprised unquoted equity investments and funds, long dated equity derivatives, callable interest rate swaps and debt securities.

We focused on the financial instruments that are measured at fair value using valuation techniques based on inputs which involve a higher degree of complexity and estimates made by management. The determination of certain Level 3 prices is considerably more subjective as it may require the exercise of judgement by management or the use of complex models and assumptions given the lack of availability of market-based data.</td><td>We assessed the design and evaluated the operating effectiveness of the key controls over the Group's Level 3 financial instruments valuation processes. These controls included:

• model validation and approval;
• observability, completeness and accuracy of pricing inputs;
• independent price verification, including stale price checks; and
• monitoring of collateral disputes.

In addition, with the assistance of our internal valuation specialists, we assessed the reasonableness of the valuation methodologies, assumptions and inputs used by management for a sample of financial instruments with significant unobservable inputs.

The results of our assessment of the Group's valuation of illiquid or complex financial instruments were within the range of expected outcomes.</td></tr>
<tr><td>Impairment of goodwill

Refer to Notes 2(i), 3(iii) and 37 to the consolidated financial statements.

As at 31 December 2023, the Group's balance sheet included goodwill of $5 billion. The goodwill is allocated to the respective CGUs defined by the Group's operating segments.

This was a key area of focus for our audit because the goodwill impairment test relies on the calculation of the value-in-use (VIU) of each CGU, which involves significant management judgement and assumptions about the future cash flows of the CGUs and the discount rates applied.</td><td>We focused on material CGUs with a low headroom or significantly reduced headroom. Our work included the following:

• reviewed the appropriateness of the CGU segmentation and goodwill allocation to the CGUs;
• evaluated the forecasting process by reviewing historical achievement of projections;
• assessed the reasonableness of key assumptions used in the forecasts, including the continued uncertainty of the future macroeconomic environment;
• compared the long-term growth rates and discount rates used by management to our ranges, which were determined using external market data and calculations performed by our internal valuation specialists; and
• performed sensitivity analyses to determine the impact of a reasonably possible change in the key assumptions to the VIU calculations to identify any CGU with a risk of impairment.

Based on the results of our audit procedures, the assumptions used by management in its goodwill impairment tests were within a reasonable range of expectations.</td></tr>
</table>

Independent Auditor's Report

for the financial year ended 31 December 2023

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the annual report (Other Sections), which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors and take appropriate actions in accordance with SSAs.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Bank and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Woo Siew Wah.

ERNST & YOUNG LLP
Public Accountants and Chartered Accountants
Singapore

21 February 2024

Income Statements

for the financial year ended 31 December 2023

		The Group		The Bank	
In $ millions	Note	**2023**	2022	**2023**	2022
Interest income	4	**22,242**	12,862	**17,740**	9,494
Less: Interest expense	5	**12,563**	4,519	**10,907**	3,610
Net interest income		**9,679**	8,343	**6,833**	5,884
Net fee and commission income	6	**2,235**	2,143	**1,525**	1,538
Dividend income		**50**	40	**121**	110
Rental income		**99**	110	**73**	85
Net trading income	7	**1,600**	1,064	**1,203**	781
Net gain/(loss) from investment securities	8	**90**	(235)	**(18)**	(85)
Other income	9	**179**	110	**414**	308
Non-interest income		**4,253**	3,232	**3,318**	2,737
Total operating income		**13,932**	11,575	**10,151**	8,621
Less: Staff costs	10	**3,553**	3,001	**2,267**	1,969
Other operating expenses	11	**2,664**	2,280	**1,633**	1,399
Total operating expenses		**6,217**	5,281	**3,900**	3,368
Operating profit before allowance and amortisation		**7,715**	6,294	**6,251**	5,253
Less: Amortisation of intangible assets	37	**24**	3	**–**	–
Allowance for credit and other losses	12	**921**	603	**362**	360
Operating profit after allowance and amortisation		**6,770**	5,688	**5,889**	4,893
Share of profit of associates and joint ventures		**93**	97	**–**	–
Profit before tax		**6,863**	5,785	**5,889**	4,893
Less: Tax	13	**1,138**	1,202	**912**	856
Profit for the financial year		**5,725**	4,583	**4,977**	4,037
Attributable to:					
Equity holders of the Bank		**5,711**	4,573	**4,977**	4,037
Non-controlling interests		**14**	10	**–**	–
		5,725	4,583	**4,977**	4,037
Earnings per share ($)	14				
Basic		**3.34**	2.69		
Diluted		**3.33**	2.68		

The accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Comprehensive Income

for the financial year ended 31 December 2023

	The Group		The Bank	
In $ millions	**2023**	2022	**2023**	2022
Profit for the financial year	**5,725**	4,583	**4,977**	4,037
Other comprehensive income that will not be reclassified to income statement				
Net loss on equity instruments at fair value through other comprehensive income	**(165)**	(263)	**(194)**	(252)
Fair value changes on financial liabilities designated at fair value due to the Bank's own credit risk	**(14)**	(3)	**(15)**	#
Remeasurement of defined benefit obligation	**(3)**	5	**#**	#
Related tax on items at fair value through other comprehensive income	**#**	11	**3**	8
	(182)	(250)	**(206)**	(244)
Other comprehensive income that may be subsequently reclassified to income statement				
Currency translation adjustments	**(380)**	(798)	**9**	(75)
Net gain/(loss) on debt instruments classified at fair value through other comprehensive income and cash flow hedge:				
Net valuation taken to equity	**730**	(1,338)	**558**	(1,196)
Transferred to income statement	**(78)**	98	**(29)**	124
Change in allowance for expected credit losses	**15**	(16)	**12**	(13)
Related tax	**(41)**	66	**(15)**	33
	246	(1,988)	**535**	(1,127)
Change in share of other comprehensive income of associates and joint ventures	**(19)**	1	**–**	–
Other comprehensive income for the financial year, net of tax	**45**	(2,237)	**329**	(1,371)
Total comprehensive income for the financial year, net of tax	**5,770**	2,346	**5,306**	2,666
Attributable to:				
Equity holders of the Bank	**5,753**	2,352	**5,306**	2,666
Non-controlling interests	**17**	(6)	**–**	–
	5,770	2,346	**5,306**	2,666

Amount less than $500,000

The accounting policies and explanatory notes form an integral part of the financial statements.

Balance Sheets

as at 31 December 2023

In $ millions	Note	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Equity					
Share capital and other capital	15	**7,752**	7,855	**7,752**	7,855
Retained earnings	16	**31,800**	28,925	**23,363**	21,192
Other reserves	17	**6,674**	6,586	**8,429**	8,084
Equity attributable to equity holders of the Bank		**46,226**	43,366	**39,544**	37,131
Non-controlling interests		**242**	240	**–**	–
Total equity		**46,468**	43,606	**39,544**	37,131
Liabilities					
Deposits and balances of:					
Banks		**32,371**	24,537	**27,385**	20,572
Customers	20	**385,469**	368,553	**303,300**	289,024
Subsidiaries		**–**	–	**13,590**	17,130
Bills and drafts payable		**900**	788	**702**	622
Derivative financial liabilities	40	**11,768**	16,218	**10,433**	14,669
Other liabilities	21	**8,842**	8,803	**6,570**	5,948
Tax payable		**909**	802	**825**	650
Deferred tax liabilities	22	**513**	360	**284**	239
Debts issued	23	**36,280**	40,593	**34,146**	38,320
Total liabilities		**477,052**	460,654	**397,235**	387,174
Total equity and liabilities		**523,520**	504,260	**436,779**	424,305
Assets					
Cash, balances and placements with central banks	24	**52,350**	49,419	**46,044**	43,549
Singapore government treasury bills and securities		**13,322**	12,056	**13,322**	12,056
Other government treasury bills and securities	25	**24,958**	19,822	**11,144**	7,802
Trading securities	26	**4,260**	4,606	**2,913**	3,642
Placements and balances with banks	27	**35,093**	35,410	**27,230**	24,917
Loans to customers	28	**317,005**	315,355	**246,336**	245,859
Placements with and advances to subsidiaries		**–**	–	**17,765**	22,985
Derivative financial assets	40	**9,707**	13,802	**8,412**	12,463
Investment securities	30	**46,533**	35,183	**43,043**	32,163
Other assets	31	**8,782**	7,690	**6,419**	5,246
Deferred tax assets	22	**752**	560	**154**	121
Investment in associates and joint ventures	32	**1,266**	1,258	**308**	309
Investment in subsidiaries	33	**–**	–	**6,980**	6,671
Investment properties	35	**726**	746	**804**	749
Fixed assets	36	**3,782**	3,453	**2,723**	2,591
Intangible assets	37	**4,984**	4,900	**3,182**	3,182
Total assets		**523,520**	504,260	**436,779**	424,305

The accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Changes in Equity

for the financial year ended 31 December 2023

	The Group					
	Attributable to equity holders of the Bank					
In $ millions	Share capital and other capital	Retained earnings	Other reserves	Total	Non-controlling interests	Total equity
2023						
Balance at 1 January	**7,855**	**28,925**	**6,586**	**43,366**	**240**	**43,606**
Profit for the financial year	**–**	**5,711**	**–**	**5,711**	**14**	**5,725**
Other comprehensive income for the financial year	**–**	**(24)**	**66**	**42**	**3**	**45**
Total comprehensive income for the financial year	**–**	**5,687**	**66**	**5,753**	**17**	**5,770**
Transfers	**–**	**(28)**	**28**	**–**	**–**	**–**
Change in non-controlling interests	**–**	**–**	**–**	**–**	**(5)**	**(5)**
Dividends	**–**	**(2,783)**	**–**	**(2,783)**	**(10)**	**(2,793)**
Shares re-purchased – held in treasury	**(145)**	**–**	**–**	**(145)**	**–**	**(145)**
Share-based compensation	**–**	**–**	**64**	**64**	**–**	**64**
Shares issued under share-based compensation plan	**71**	**–**	**(70)**	**1**	**–**	**1**
Perpetual capital securities issued	**850**	**–**	**–**	**850**	**–**	**850**
Redemption of perpetual capital securities	**(879)**	**(1)**	**–**	**(880)**	**–**	**(880)**
Balance at 31 December	**7,752**	**31,800**	**6,674**	**46,226**	**242**	**46,468**
2022						
Balance at 1 January	7,391	26,431	8,811	42,633	228	42,861
Profit for the financial year	–	4,573	–	4,573	10	4,583
Other comprehensive income for the financial year	–	19	(2,240)	(2,221)	(16)	(2,237)
Total comprehensive income for the financial year	–	4,592	(2,240)	2,352	(6)	2,346
Transfers	–	(18)	18	–	–	–
Change in non-controlling interests	–	(1)	–	(1)	28	27
Dividends	–	(2,079)	–	(2,079)	(10)	(2,089)
Share-based compensation	–	–	60	60	–	60
Shares issued under share-based compensation plan	64	–	(63)	1	–	1
Perpetual capital securities issued	400	–	–	400	–	400
Balance at 31 December	7,855	28,925	6,586	43,366	240	43,606
Note	15	16	17			

The accounting policies and explanatory notes form an integral part of the financial statements.

Statements of Changes in Equity

for the financial year ended 31 December 2023

	The Bank			
In $ millions	**Share capital and other capital**	**Retained earnings**	**Other reserves**	**Total equity**
2023				
Balance at 1 January	**7,855**	**21,192**	**8,084**	**37,131**
Profit for the financial year	**–**	**4,977**	**–**	**4,977**
Other comprehensive income for the financial year	**–**	**(22)**	**351**	**329**
Total comprehensive income for the financial year	**–**	**4,955**	**351**	**5,306**
Dividends	**–**	**(2,783)**	**–**	**(2,783)**
Shares re-purchased – held in treasury	**(145)**	**–**	**–**	**(145)**
Share-based compensation	**–**	**–**	**64**	**64**
Shares issued under share-based compensation plan	**71**	**–**	**(70)**	**1**
Perpetual capital securities issued	**850**	**–**	**–**	**850**
Redemption of perpetual capital securities	**(879)**	**(1)**	**–**	**(880)**
Balance at 31 December	**7,752**	**23,363**	**8,429**	**39,544**
2022				
Balance at 1 January	7,391	19,224	9,468	36,083
Profit for the financial year	–	4,037	–	4,037
Other comprehensive income for the financial year	–	9	(1,380)	(1,371)
Total comprehensive income for the financial year	–	4,046	(1,380)	2,666
Transfers	–	1	(1)	–
Dividends	–	(2,079)	–	(2,079)
Share-based compensation	–	–	60	60
Shares issued under share-based compensation plan	64	–	(63)	1
Perpetual capital securities issued	400	–	–	400
Balance at 31 December	7,855	21,192	8,084	37,131
Note	15	16	17	

The accounting policies and explanatory notes form an integral part of the financial statements.

Consolidated Cash Flow Statement

for the financial year ended 31 December 2023

In $ millions	2023	2022
Cash flows from operating activities		
Profit for the financial year	**5,725**	4,583
Adjustments for:		
Allowance for credit and other losses	**921**	603
Amortisation of intangible assets	**24**	3
Fair value change in other debts issued	**23**	(301)
Share of profit of associates and joint ventures	**(93)**	(97)
Tax	**1,138**	1,202
Depreciation of assets	**597**	534
Net gain on disposal of assets	**(895)**	(7)
Share-based compensation	**64**	61
Operating profit before working capital changes	**7,504**	6,581
Change in working capital:		
Deposits and balances of banks	**8,143**	9,643
Deposits and balances of customers	**18,812**	18,868
Bills and drafts payable	**118**	(180)
Other liabilities	**(2,889)**	13,347
Restricted balances with central banks	**(520)**	(680)
Government treasury bills and securities	**(6,901)**	(10,471)
Trading securities	**1,022**	1,062
Placements and balances with banks	**(48)**	2,724
Loans to customers	**(4,994)**	(8,609)
Investment securities	**(11,289)**	(8,519)
Other assets	**2,887**	(12,685)
Cash generated from operations	**11,845**	11,081
Income tax paid	**(1,079)**	(977)
Net cash provided by operating activities	**10,766**	10,104
Cash flows from investing activities		
Capital injection into associates and joint ventures	**–**	(4)
Distribution from associates and joint ventures	**45**	54
Net proceeds/(cash outflow) from acquisition of consumer business (Note 47)	**148**	(3,093)
Purchase of properties and other fixed assets	**(872)**	(704)
Disposal of properties and other fixed assets	**34**	35
Net cash used in investing activities	**(645)**	(3,712)
Cash flows from financing activities		
Perpetual capital securities issued	**850**	400
Redemption of perpetual capital securities	**(890)**	–
Issuance of debts issued (Note 23)	**33,415**	45,691
Redemption of debts issued (Note 23)	**(37,999)**	(38,181)
Shares re-purchased – held in treasury	**(145)**	–
Change in non-controlling interests	**(5)**	28
Dividends paid on ordinary shares	**(2,681)**	(2,010)
Distribution on perpetual capital securities	**(118)**	(81)
Dividends paid to non-controlling interests	**(10)**	(10)
Lease payments	**(104)**	(100)
Net cash (used in)/provided by financing activities	**(7,687)**	5,737
Currency translation adjustments	**32**	164
Net increase in cash and cash equivalents	**2,466**	12,293
Cash and cash equivalents at beginning of the financial year	**43,265**	30,972
Cash and cash equivalents at end of the financial year (Note 24)	**45,731**	43,265

The accounting policies and explanatory notes form an integral part of the financial statements.

Notes to the Financial Statements

for the financial year ended 31 December 2023

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. Corporate Information

United Overseas Bank Limited (the Bank) is a limited liability company incorporated and domiciled in Singapore and listed on the Singapore Exchange. The registered office of the Bank is at 80 Raffles Place, UOB Plaza, Singapore 048624.

The Bank is principally engaged in the business of banking in all its aspects. The principal activities of its major subsidiaries are set out in Note 33 to the financial statements.

2. Summary of Significant Accounting Policies

(a) Basis of Preparation

The financial statements of the Bank and its subsidiaries (collectively, the Group) have been prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)s) as required by the Companies Act 1967 (the Act) and International Financial Reporting Standards (IFRS).

Except as otherwise stated, the financial statements have been prepared under the historical cost convention and are presented to the nearest million in Singapore Dollars.

(b) Changes in Accounting Policies

(i) Changes During the Financial Year

The Group adopted the following financial reporting standards during the financial year which had no significant effect on the financial statements of the Group:

- Amendments to SFRS(I) 1-1: Disclosure of Accounting Policies
- Amendments to SFRS(I) 1-8: Definition of Accounting Estimates
- Amendments to SFRS(I) 1-12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to SFRS(I) 1-12: International Tax Reform – Pillar Two Model Rules

The amendments to SFRS(I) 1-12 International Tax Reform – Pillar Two Model Rules provide a mandatory temporary exception from accounting for deferred taxes arising from implementation of the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD). The amendments also require separate disclosure of current tax expense/income related to Pillar Two income taxes, and qualitative and quantitative information about exposure to Pillar Two income taxes in periods in which the Pillar Two legislation is enacted or substantially enacted but not yet in effect in annual reporting periods beginning on or after 1 January 2023.

As the Pillar Two legislation in the countries in which the Group operates are only effective after 31 December 2023, there is no tax impact for the year ended 31 December 2023.

Other than the above, the accounting policies applied by the Group in the financial year were consistent with those adopted in the previous financial year.

2. Summary of Significant Accounting Policies (continued)

(b) Changes in Accounting Policies (continued)

(ii) *Changes Subsequent to the Financial Year*

The following SFRS(I)s that are in issue will apply to the Group for the financial years as indicated:

Effective for the financial year beginning on or after 1 January 2024:

- Amendments to SFRS(I) 16: Lease Liability in a Sale and Leaseback
- Amendments to SFRS(I) 1-1: Classification of Liabilities as Current or Non-current
- Amendments to SFRS(I) 1-1: Non-current Liabilities with Covenants
- Amendments to SFRS(I) 1-7 and SFRS(I) 7: Supplier Finance Arrangements

Effective for the financial year beginning on or after 1 January 2025:

- Amendments to SFRS(I) 1-21: Lack of Exchangeability

Effective for a financial year beginning on or after a date to be determined:

- Amendments to SFRS(I) 10 and SFRS(I) 1-28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Application of the SFRS(I)s listed above is not expected to have a significant impact on the Group's financial statements.

(c) Interests in Other Entities

(i) *Subsidiaries*

Subsidiaries are entities over which the Group has control. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

The Group applies the acquisition method to account for business acquisitions. Consideration for an acquisition includes the fair value of the assets transferred, liabilities incurred, equity interests issued and any contingent consideration. Identifiable assets acquired and liabilities and contingent liabilities assumed are, with limited exceptions, measured at their fair values at the acquisition date. Non-controlling interests are measured at fair value or the proportionate share of the acquiree's net identifiable assets at the acquisition date, determined on a case-by-case basis. Acquisition-related costs are expensed off when incurred. Goodwill is determined and accounted for in accordance with Note 2(i).

Subsidiaries are consolidated from the date the Group obtains control until the date such control ceases. Intra-group balances and income and expenses are eliminated on consolidation. Adjustments are made to align the accounting policies of the subsidiaries to those of the Group. The portion of profit or loss and net assets of subsidiaries that belong to the non-controlling interests is disclosed separately in the consolidated financial statements. Gain or loss arising from changes of the Bank's interest in subsidiaries is recognised in the income statement if they result in loss of control in the subsidiaries, otherwise, in equity.

In the Bank's separate financial statements, investment in subsidiaries is stated at cost less allowance for impairment, if any, determined on an individual basis.

Notes to the Financial Statements

for the financial year ended 31 December 2023

2. Summary of Significant Accounting Policies (continued)

(c) Interests in Other Entities (continued)

(ii) Associates and Joint Ventures

Associates are entities in which the Group has significant influence but not control or joint control. This generally coincides with the Group having 20% or more of the voting power of the investees. Joint ventures are entities in which the Group and its joint venturers have joint control and rights to the net assets of the investees.

The Group's investment in associates and joint ventures is accounted for using the equity method from the date the Group obtains significant influence or joint control over the entities until the date such significant influence or joint control ceases. Unrealised gains on transactions with associates and joint ventures are eliminated to the extent of the Group's interest in the entities. Unrealised losses are also eliminated unless they relate to impairment of the assets transferred. Adjustments are made to align the accounting policies of the associates and joint ventures to those of the Group.

Under the equity method, the Group's investment in associates and joint ventures is carried in the balance sheet at cost (including goodwill on acquisition), plus post-acquisition changes in the Group's share of net assets of the associates and joint ventures, less allowance for impairment, if any, determined on an individual basis. The Group recognises its share of the results of operations and changes in other comprehensive income of the associates and joint ventures in the consolidated income statement and in equity respectively. Where the share of losses of an associate or joint venture exceeds the Group's interest in the associate or joint venture, such excess is not recognised in the consolidated income statement.

Upon loss of significant influence over the associates or joint control over the joint ventures, any resulting gain or loss is recognised in the income statement and the related share of reserves is accounted for in the same manner as if the associates or joint ventures have directly disposed of the related assets and liabilities. Any retained investment is measured at its fair value.

In the Bank's separate financial statements, investment in associates and joint ventures is stated at cost less allowance for impairment, if any, determined on an individual basis.

(iii) Joint Operations

Joint operations are arrangements over which the Group and its joint operators have joint control and rights to the assets, and obligations for the liabilities, relating to the arrangements.

The Bank and the Group account for joint operations by taking their share of the relevant assets, liabilities, income and expenses of the joint operations accordingly.

(d) Financial Instruments

(i) Classification

Financial assets and financial liabilities are classified as follows:

Held for Trading

Financial instruments within a held for trading (HFT) business model are classified and measured at fair value through profit or loss (mandatorily at FVPL). Derivatives are classified as held for trading unless they are designated as effective hedging instruments.

2. Summary of Significant Accounting Policies (continued)

(d) Financial Instruments (continued)

(i) Classification (continued)

Non-Trading Debt Assets
Non-trading debt assets with contractual cash flows that represent solely payments of principal and interest are classified and measured as follows:

- at amortised cost (AC) if they are held within a business model whose objective is to collect contractual cash flows from the assets;
- at fair value through other comprehensive income (FVOCI) if the objective of the business model is both for collection of contractual cash flows and for sale; or
- at fair value through profit or loss (designated as FVPL) if so designated to eliminate or reduce accounting inconsistency.

All other non-trading debt assets are mandatorily classified and measured at fair value through profit or loss (mandatorily at FVPL).

Non-Trading Equity Instruments
Non-trading equity instruments are classified and measured at FVPL unless elected at inception to be classified and measured at FVOCI.

Non-Trading Financial Liabilities
Non-trading financial liabilities are classified and measured at AC. They may be designated as FVPL at initial recognition if they meet the following criteria:

- the designation eliminates or significantly reduces the inconsistent treatment that would otherwise arise from measuring the assets or liabilities on a different basis;
- the assets and liabilities are managed on a fair value basis in accordance with a documented risk management or investment strategy; or
- the financial instrument contains an embedded derivative that would otherwise require bifurcation.

For financial liabilities with embedded derivatives, if the economic characteristics and risks of the embedded derivative is not closely related to the host, the embedded derivative is bifurcated and accounted for separately unless the entire instrument is measured at FVPL. If the embedded derivative is closely related to the host, the financial liability is accounted for in its entirety based on the host's classification.

(ii) Measurement

Initial Measurement
Financial instruments are recognised initially at their fair value which is generally the transaction price, reduced by loss allowance for financial assets at amortised cost. Directly attributable transaction costs are included as part of the initial cost for financial instruments that are not measured at FVPL.

2. Summary of Significant Accounting Policies (continued)

(d) Financial Instruments (continued)

(ii) Measurement (continued)

Subsequent Measurement

Financial instruments designated as FVPL and mandatorily at FVPL are remeasured at fair value with fair value changes recognised in the income statement; as an exception fair value changes attributable to own credit risk of financial liabilities that are designated as FVPL are taken into other comprehensive income unless this would create an accounting mismatch, in which case such fair value changes are taken to the income statement. Any such gains or losses on own credit risk recognised in other comprehensive income are not reclassified to the income statement upon derecognition, but are transferred to retained earnings.

Financial instruments classified as FVOCI are remeasured at fair value with fair value changes taken to the fair value reserve. For debt assets, the fair value change in the fair value reserve is taken to the income statement upon disposal or impairment of the assets. For equity instruments elected to be classified as FVOCI, only dividend income is recognised in the income statement. Gains or losses recognised in the fair value reserve are not reclassified to the income statement upon derecognition, but are transferred to retained earnings.

All other financial instruments are measured at AC using the effective interest method, and for financial assets, less allowance for impairment. Any gain or loss on derecognition is recognised in the income statement.

Interest and dividend income on all non-derivative financial instruments at FVPL are recognised separately from fair value changes, except for interest expense on structured liabilities at FVPL which is included with other fair value changes in trading income. The effective interest rate applied to performing financial assets is on their gross carrying amount. For non-performing financial assets the effective interest rate is applied to the net carrying amount.

Fair Value Determination

Fair values of financial assets and financial liabilities with active markets are determined based on the market bid and ask prices respectively at the balance sheet date. For financial instruments with no active markets, fair values are established using valuation techniques such as making reference to recent transactions or other comparable financial instruments, discounted cash flow method and option pricing models. Valuation inputs include spot and forward prices, volatilities, correlations and credit spreads.

(iii) Recognition and Derecognition

Financial instruments are recognised when the Group becomes a party to the contractual provisions of the instruments. All regular way purchases and sales of financial assets that require delivery within the period generally established by regulation or market convention are recognised on the settlement date.

Financial instruments are derecognised when the contractual rights to cash flows and risks and rewards associated with the instruments are substantially transferred, cancelled or expired.

(iv) Offsetting

Financial assets and financial liabilities are offset and presented net in the balance sheet if there is a current, unconditional and legally enforceable right and intention to settle them simultaneously or on a net basis.

2. Summary of Significant Accounting Policies (continued)

(d) Financial Instruments (continued)

(v) Modification

A financial instrument may be exchanged for another, or the terms of its contractual cash flows may be modified. Where the terms are substantially different, the existing instrument is derecognised and the new one recognised. In all other cases, the existing instrument continues to be recognised and its carrying amount is adjusted to reflect the present value of the cash flows of the modified instrument, discounted at the original effective interest rate.

(vi) Impairment

Loans, debt assets, undrawn loan commitments and financial guarantees that are not measured at FVPL are subject to credit loss provisioning which is made on an expected loss basis, point-in-time, forward-looking and probability-weighted. Where there is no significant increase in credit risk since initial recognition, expected credit loss (ECL) representing possible default for the next 12 months is required (Stage 1). Lifetime ECL is required for non-credit-impaired financial assets with significant increase in credit risk since initial recognition (Stage 2) and credit-impaired financial assets (Stage 3).

The Group considers a range of qualitative and quantitative parameters to assess whether a significant increase in credit risk since initial recognition has occurred. Parameters such as changes in credit risk ratings, delinquency, special mention, behavioural scores and non-investment grade status are considered where available and relevant. Exposures are considered credit-impaired if they are past due for 90 days or more or exhibit weaknesses which are likely to jeopardise repayments on existing terms. The definition of default is consistent with that used for risk management purposes.

Exposures with significant increase in credit risk are transferred from Stage 1 to Stage 2. Exposures are transferred back to Stage 1 when they no longer meet the criteria for a significant increase in credit risk. Exposures that are credit-impaired are classified as Stage 3 and could be upgraded to Stage 1 or Stage 2 if supported by repayment capability, cash flows and financial position of the borrower and when it is unlikely that the exposure will be classified again as credit-impaired in the future.

Although the Group leverages its Basel credit risk models and systems, modifications are required to ensure that outcomes are in line with SFRS(I) 9 ECL requirements. Such modifications include transforming regulatory probabilities of default (PD), loss given default (LGD) and exposure at default (EAD), considering forward-looking information, discount rate and discounting period. Macro-economic variables considered include interest rates, property price indices, unemployment rates, consumer price indices, gross domestic products and equity price indices.

The Group determines ECL using macro-economic probability-weighted scenarios which are derived from internal economic risk models. Scenarios to be used and probability-weighting assigned is determined by the Group's SFRS(I) 9 Working Group and, where judged to be appropriate, use of a management overlay.

ECL is computed by discounting the product of PD, LGD and EAD to the reporting date at the original effective interest rate or an approximation thereof. The ECL is adjusted with a management overlay where considered appropriate.

Notes to the Financial Statements

for the financial year ended 31 December 2023

2. Summary of Significant Accounting Policies (continued)

(d) Financial Instruments (continued)

(vi) Impairment (continued)

Financial assets in Stage 1 and Stage 2 are assessed for impairment collectively while exposures in Stage 3 are individually assessed. Those collectively assessed are grouped based on similar credit risks and assessed on a portfolio basis. ECL is recognised in the income statement.

Financial assets are written off when the prospect of recovery is considered poor or when all avenues of recovery have been exhausted.

Minimum Regulatory Loss Allowance

Monetary Authority of Singapore (MAS) Notice 612 Credit Files, Grading and Provisioning requires Singapore-incorporated Domestic Systemically Important Banks to maintain a Minimum Regulatory Loss Allowance (MRLA) equivalent to 1% of the gross carrying amount of the selected credit exposures net of collaterals. Where the loss allowance provided for under SFRS(I) 9 for the selected credit exposures falls below the MRLA, an additional loss allowance is required to be maintained in a non-distributable Regulatory Loss Allowance Reserve (RLAR) through an appropriation of retained earnings.

(e) Financial Derivatives

Financial derivatives are recognised and measured at fair value initially and subsequently. Derivatives with positive and negative fair values are presented under assets and liabilities in the balance sheet respectively. Fair value changes of derivatives are recognised in the income statement unless they are designated as hedging instruments and accounted for in accordance with Note 2(f).

Financial derivatives embedded in non-financial host contracts are bifurcated and accounted for separately if their economic characteristics and risks are not closely related to those of the host contracts and the combined contracts are not carried at FVPL.

(f) Hedge Accounting

The Group applies the requirements of SFRS(I) 9 for hedge accounting.

(i) Fair Value Hedge

A fair value hedge is a hedge of changes in the fair value of an asset, liability or a firm commitment.

For a fair value hedge of an equity instrument designated at FVOCI, fair value changes of the hedging instrument are recognised in other comprehensive income and transferred to retained earnings when the hedge is terminated.

For other fair value hedges, fair value changes of the hedging instrument are recognised in the income statement, together with fair value changes of the hedged item attributable to the hedged risk. The adjustment made to the carrying amount of the hedged item is amortised over the expected life of the hedged item when the hedge is terminated and taken to income statement upon disposal of the hedged item.

2. Summary of Significant Accounting Policies (continued)

(f) Hedge Accounting (continued)

(ii) Cash Flow Hedge

A cash flow hedge is a hedge of the variability in the cash flows of an asset, liability or highly probable forecast transaction.

Fair value changes of the hedging instrument relating to the effective portion of the hedge are recognised in other comprehensive income and taken to the hedge reserve under equity while those relating to the ineffective portion are recognised in the income statement. If the hedge transaction subsequently results in the recognition of a non-financial item, the amount accumulated in the hedge reserve is transferred and included in the initial carrying amount of the hedged item.

For other cash flow hedges, the amount in the hedge reserve is transferred to the income statement at the same time the cash flow of the hedged item is recognised in the income statement or immediately when the forecasted hedged item is no longer expected to occur.

(iii) Hedge of Net Investment in a Foreign Operation

A hedge of a net investment in a foreign operation is a hedge of foreign exchange rate fluctuation on the net assets of a foreign operation.

Fair value changes of the hedging instrument relating to the effective portion of the hedge are recognised in other comprehensive income and taken to the foreign currency translation reserve under equity while those relating to the ineffective portion are recognised in the income statement. The amount taken to the reserve is transferred to the income statement upon disposal of the foreign operation.

(iv) Economic Relationship and Hedge Ineffectiveness

For the purpose of the prospective effectiveness assessment, the economic relationship between the hedging instrument and hedged item may be assessed qualitatively, by comparing that critical terms match or closely match, or by quantitative methods. The hedge ratio is determined by aligning the principal amount of the hedging instrument with that of the hedged item.

The hedge ineffectiveness of a hedging relationship is derived by comparing the fair value change of the hedging instrument with the fair value change of the hedged item. The sources of hedge ineffectiveness include differences in the timing of cash flows of the hedging instrument and the hedged item, and the change in fair value due to the credit risk of the hedging instrument.

Notes to the Financial Statements

for the financial year ended 31 December 2023

2. Summary of Significant Accounting Policies (continued)

(g) Investment Properties and Fixed Assets

Investment properties and fixed assets are stated at cost less accumulated depreciation and impairment allowance.

Investment properties are properties held for rental income and/or capital appreciation while owner-occupied properties are for office use.

Freehold land and leasehold land with remaining leases of 100 years or more are not depreciated. Other leasehold land is depreciated on a straight-line basis over the lease period. Buildings are depreciated on a straight-line basis over 50 years or the lease period, whichever is shorter. Other fixed assets are depreciated on a straight-line basis over their expected useful lives of three to ten years. The expected useful life, depreciation method and residual value of investment properties and fixed assets are reviewed annually.

Investment properties and fixed assets are reviewed for impairment when events or changes in circumstances indicate that their recoverable amounts, being the higher of fair value less cost to sell and value in use, may be below their carrying amounts.

Investment properties and fixed assets are derecognised upon disposal and the resulting gain or loss is recognised in the income statement.

(h) Leases as a Lessee

As a lessee, at the commencement date of a lease contract a right-of-use asset (representing the right to use the underlying leased asset) and a lease liability (representing the obligation to make lease payment) is recognised for all leases unless they are short-term or of low value. Lease payments of short-term leases and leases of low-value assets are recognised in the income statement on a straight-line basis over the lease term.

Right-of-use assets are stated at cost less accumulated depreciation and impairment allowance, and adjusted for any remeasurement of lease liabilities.

Lease liabilities are measured at amortised cost using the effective interest method. The carrying amount of lease liabilities is remeasured for modifications to the lease contract or changes in expected lease obligations.

2. Summary of Significant Accounting Policies (continued)

(i) Intangible Assets

(i) Goodwill

Goodwill in a business combination represents the excess of (a) the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previously held equity interest in the acquiree over (b) the net fair value of the identifiable assets acquired and liabilities and contingent liabilities assumed. Where (b) exceeds (a) and the measurement of all amounts has been reviewed, the gain is recognised in the income statement. Goodwill is measured at cost less accumulated impairment allowance, if any.

Goodwill is reviewed for impairment annually or more frequently if the circumstances indicate that its carrying amount may be impaired. At the date of acquisition, goodwill is allocated to the cash-generating units (CGU) expected to benefit from the synergies of the business combination. The Group's CGU correspond with the business segments reported in Note 44(a). Where the recoverable amount, being the higher of fair value less cost to sell and value in use, of a CGU is below its carrying amount, the impairment allowance is recognised in the income statement and subsequent reversal is not allowed.

(ii) Other Intangible Assets

Intangible assets of the Group include separately identifiable intangible items with finite useful lives that are acquired in business combinations and are stated at cost, being their fair value at the date of acquisition less accumulated amortisation and impairment allowance. These intangible assets are amortised on a straight-line basis over their estimated useful lives of ten years. The estimated useful life, amortisation method and residual value of intangible assets are reviewed annually.

Intangible assets are reviewed for impairment when events or changes in circumstances indicate that their recoverable amounts, being the higher of fair value less cost to sell and value in use, may be below their carrying amounts. Impairment allowance is recognised in the income statement and subsequent reversal is permitted when there is indication that the impairment loss recognised in prior periods no longer exist or may have decreased.

Intangible assets are derecognised upon disposal or when no future economic benefits are expected from their use or disposal. The resulting gain or loss upon derecognition is recognised in the income statement.

(j) Foreign Currencies

(i) Foreign Currency Transactions

On initial recognition, transactions in foreign currencies are recorded in the respective functional currencies of the Bank and its subsidiaries at the exchange rate at the transaction date. Subsequent to initial recognition, monetary assets and monetary liabilities denominated in foreign currencies are translated at the closing rate of exchange at the balance sheet date. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the initial transaction. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined.

Notes to the Financial Statements

for the financial year ended 31 December 2023

2. Summary of Significant Accounting Policies (continued)

(j) Foreign Currencies (continued)

(i) Foreign Currency Transactions (continued)

Exchange differences arising on the settlement of monetary items or on translating monetary items at balance sheet date are recognised in the income statement. Exchange differences arising from monetary items that form part of the net investment in foreign operations, or on foreign currency borrowings that provide a hedge against a net investment in a foreign operation, are recognised initially in the foreign currency translation reserve in the consolidated balance sheet, and subsequently in the consolidated income statement on disposal of the foreign operation.

(ii) Foreign Operations

Income and expenses of foreign operations are translated into Singapore Dollars at the exchange rate prevailing at each respective month-end which approximates the exchange rate at the transaction date. Foreign operations' assets and liabilities are translated at the exchange rate as at the balance sheet date. All resultant exchange differences are recognised in the foreign currency translation reserve, and subsequently to the consolidated income statement upon disposal of the foreign operations. In the case of a partial disposal without loss of control of a subsidiary, the proportionate share of the accumulated exchange differences is not recognised in the income statement but re-attributed to the non-controlling interests. For partial disposal of an associate or joint venture, the proportionate share of the accumulated exchange differences is reclassified to income statement.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are recorded in the functional currency of the foreign operations and translated at the exchange rate at the balance sheet date. For acquisitions prior to 1 January 2005, goodwill and fair value adjustments were recorded in Singapore Dollars at the exchange rate prevailing at the date of acquisition.

(k) Tax

(i) Current Tax

Current tax is measured at the amount expected to be recovered from or paid to the tax authorities. The tax rate and tax law applied are those that have been enacted or substantively enacted by the balance sheet date. The Group will account for any additional income taxes arising from the Pillar Two model rules as current tax when it is incurred.

(ii) Deferred Tax

Deferred tax is provided on temporary differences between the tax bases and carrying amounts of assets and liabilities. Deferred tax is measured at the tax rate that is expected to apply when the assets are realised or the liabilities are settled, based on the tax rate and tax law that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is not provided for temporary differences arising from (a) initial recognition of goodwill, (b) initial recognition of an asset or liability in a transaction that is not a business combination, that does not affect accounting or taxable profit at the time of the transaction, and that does not give rise to equal taxable and deductible temporary differences at the time of the transaction, (c) taxable temporary differences related to investments in subsidiaries, associates and joint ventures where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future and (d) income taxes that may arise from implementation of the OECD Pillar Two model rules under the mandatory temporary exception.

2. Summary of Significant Accounting Policies (continued)

(k) Tax (continued)

(ii) Deferred Tax (continued)

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences can be utilised. Where gains and losses are recognised directly in equity, the related deferred tax is also taken to equity.

(iii) Offsetting

Current and deferred tax assets are offset with current and deferred tax liabilities respectively if (a) there is a legally enforceable right and intention to settle them simultaneously or on a net basis, (b) they are of the same tax reporting entity or group and (c) they relate to the same tax authority.

(l) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events and an outflow of resources to settle the obligation is probable and can be reliably estimated. Provisions are recognised at the best estimate of the amount required to settle the obligation. When an outflow of resources to settle the obligation is no longer probable, the provision is reversed.

(m) Financial Guarantees

Financial guarantees are recognised initially at their fair value which is generally the fees received. The fees are recognised on a straight-line basis over the contractual terms. Subsequent to initial recognition, the financial guarantees are measured at the higher of: (a) their carrying amount, being the amount initially recognised less the cumulative amount amortised to profit or loss, and (b) the loss allowance determined in accordance with Note 2(d)(vi) under SFRS(I) 9.

(n) Undrawn Credit Facilities

Undrawn credit facilities (both revocable and irrevocable) are recorded under commitments and the amount is adjusted for subsequent drawdowns.

(o) Contingent Liabilities

Contingent liabilities are (a) possible obligations arising from past events, whose existence will be confirmed only by uncertain future events or (b) present obligations arising from past events where no provision is recognised either because an outflow of economic benefits is not probable or the amount required to fulfil the obligation cannot be reliably measured.

(p) Revenue Recognition

Interest income is recognised using the effective interest method.

Dividend income is recognised when the right to receive it is established.

Fee and commission income is recognised when the Group has satisfied its performance obligation in providing the promised products and services to the customer. For services that are provided over a period of time, fee and commission income is recognised over the service period.

Rental income is recognised on a time proportion basis.

Notes to the Financial Statements

for the financial year ended 31 December 2023

2. Summary of Significant Accounting Policies (continued)

(q) Employee Compensation/Benefits

Base salaries, cash bonuses, allowances, commissions and defined contributions under regulations are recognised in the income statement when incurred. Leave entitlements are recognised when they accrue to employees based on contractual terms of employment.

Cost of share-based compensation, being the fair value of the equity instrument at grant date, is expensed to the income statement over the vesting period with a corresponding adjustment to the share-based compensation reserve. The cost is reviewed and adjusted accordingly at each balance sheet date to reflect the number of equity instruments expected to vest ultimately.

(r) Dividend Payment

Dividends are accounted for as an appropriation of retained earnings. Interim dividends on ordinary shares and dividends on preference shares are recorded when declared payable while final dividends on ordinary shares are recognised upon approval of equity holders.

(s) Treasury Shares

Ordinary shares of the Bank reacquired are accounted for as treasury shares. Consideration paid, including directly attributable costs, is presented as a deduction from equity. Subsequent cancellation, sale or reissuance of treasury shares is recognised as changes in equity.

3. Critical Accounting Estimates and Judgements

Preparation of the financial statements involves making certain assumptions and estimates. This often requires management's judgement for the appropriate policies, assumptions, inputs and methodologies to be used. As judgements are made based on information available at the time the financial statements are prepared, the ultimate results could differ from those disclosed in the statements due to subsequent changes in the information. The following are the Group's critical accounting estimates that involve judgement:

(i) Allowance for Impairment of Financial Assets

Allowance for impairment of financial assets is determined in accordance with Note 2(d)(vi). This requires management's experience and significant judgement. The process involves assessing various factors such as economic indicators, business prospects, timing and amount of future cash flows and liquidation proceeds from collateral.

(ii) Fair Valuation of Financial Instruments

Fair value of financial instruments is determined in accordance with Notes 2(d)(ii) and 19(a). Valuation of financial instruments that are not quoted in the market or with complex structures requires considerable judgement of management in selecting the appropriate valuation models and data inputs.

(iii) Goodwill and Other Intangible Assets

The fair value of other intangible assets acquired is determined using valuation methodologies that include (a) discounted cash flow model and management's best estimate of future cash flows, and (b) multi-period excess earnings method for customer relationships. Useful lives of these intangible assets are based on management's best estimates of periods over which value from the intangible assets will be realised.

Management reassesses the estimated useful lives at each financial year end, taking into account the period over which the intangible assets are expected to generate future economic benefit.

3. Critical Accounting Estimates and Judgements (continued)

(iii) Goodwill and Other Intangible Assets (continued)

Goodwill and other intangible assets are reviewed for impairment in accordance with Notes 2(i) and 37(c). The process requires management's assessment of key factors such as future economic growth, business forecasts and discount rates.

(iv) Income Taxes

Income taxes are provided in accordance with Note 2(k). The Group is subject to income taxes in various jurisdictions. Provision for these taxes involves interpretation of the tax regulations on certain transactions and computations. In cases of uncertainty, provision is estimated based on the technical merits of the situation.

4. Interest Income

	The Group		The Bank	
In $ millions	**2023**	2022	**2023**	2022
Loans to customers	**16,529**	10,150	**12,813**	7,373
Placements and balances with banks	**3,163**	1,367	**2,930**	1,200
Government treasury bills and securities	**1,005**	624	**569**	303
Trading and investment securities	**1,545**	721	**1,428**	618
	22,242	12,862	**17,740**	9,494
Of which, interest income on:				
Financial assets measured at amortised cost	**19,929**	11,575	**15,901**	8,626
Financial assets measured at FVPL	**589**	330	**498**	260
Financial assets measured at FVOCI	**1,724**	957	**1,341**	608

5. Interest Expense

	The Group		The Bank	
In $ millions	**2023**	2022	**2023**	2022
Deposits of customers	**10,096**	3,447	**8,602**	2,634
Deposits and balances of banks and debts issued	**2,460**	1,069	**2,301**	974
Lease payables	**7**	3	**4**	2
	12,563	4,519	**10,907**	3,610
Of which, interest expense on:				
Financial liabilities measured at amortised cost	**12,494**	4,487	**10,843**	3,580
Financial liabilities measured at FVPL	**69**	32	**64**	30

6. Net Fee and Commission Income

In $ millions	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Credit card [1]	**940**	628	**535**	456
Fund management [2]	**203**	222	**#**	–
Wealth management [2]	**595**	573	**439**	441
Loan-related [3]	**644**	695	**543**	587
Service charges [2]	**144**	141	**124**	126
Trade-related [4]	**307**	326	**199**	211
Others [2]	**6**	10	**10**	14
Fee and commission income	**2,839**	2,595	**1,850**	1,835
Fee and commission expenses	**(604)**	(452)	**(325)**	(297)
	2,235	2,143	**1,525**	1,538
Of which, fee and commission from:				
Financial assets not measured at FVPL	**500**	551	**431**	475
Provision of trust and other fiduciary services	**#**	12	**–**	12

Amount less than $500,000

(1) Credit card fees are net of interchange fees paid.
(2) With effect from 1 January 2023, wealth-related income previously reported under fund management, services charges and others has been reclassified to wealth management income to better align to market practice. Comparatives have been reclassed accordingly.
(3) Loan-related fees include fees earned from corporate finance activities.
(4) Trade-related fees include trade, remittance and guarantees related fees.

7. Net Trading Income

In $ millions	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Net gain/(loss) from:				
Foreign exchange	**1,287**	821	**907**	619
Interest rate and others	**523**	68	**506**	(14)
Financial liabilities designated at FVPL	**(210)**	175	**(210)**	176
	1,600	1,064	**1,203**	781

8. Net Gain/(Loss) from Investment Securities

In $ millions	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
FVOCI	**106**	(64)	**67**	(89)
Amortised cost	**3**	2	**(17)**	2
Mandatorily at FVPL	**(19)**	(173)	**(68)**	2
	90	(235)	**(18)**	(85)

9. Other Income

In $ millions	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Net gain/(loss) from:				
Disposal of investment properties	**22**	13	**22**	13
Disposal of fixed assets	**1**	2	**#**	#
Disposal/Liquidation of subsidiaries, associates or joint ventures	**(4)**	(4)	**1**	(3)
Intra-group service recovery income	**–**	–	**311**	249
Others	**160**	99	**80**	49
	179	110	**414**	308

Amount less than $500,000

10. Staff Costs

In $ millions	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Salaries, bonuses and allowances	**2,781**	2,388	**1,780**	1,566
Employer's contribution to defined contribution plans	**220**	201	**132**	129
Share-based compensation	**68**	62	**55**	50
Others	**484**	350	**300**	224
	3,553	3,001	**2,267**	1,969
Of which:				
The Bank's directors' remuneration	**16**	14	**16**	14

Notes to the Financial Statements

for the financial year ended 31 December 2023

11. Other Operating Expenses

	The Group		The Bank	
In $ millions	**2023**	2022	**2023**	2022
Revenue-related	**1,027**	729	**441**	384
Occupancy-related	**363**	319	**216**	204
IT-related	**1,006**	770	**744**	651
Others	**268**	462	**232**	160
	2,664	2,280	**1,633**	1,399
Of which:				
Directors' fees	**5**	5	**3**	3
Depreciation of fixed assets and investment properties	**500**	444	**363**	338
Depreciation of right-of-use assets	**96**	89	**66**	63
Auditors' remuneration paid/payable to:				
Auditors of the Bank	**5**	4	**4**	3
Affiliates of auditors of the Bank	**3**	3	**1**	1
Other auditors	**#**	#	**#**	#
Non-audit fees paid/payable to:				
Auditors of the Bank	**1**	1	**1**	1
Affiliates of auditors of the Bank	**1**	1	**1**	1
Other auditors	**#**	#	**#**	#
Expenses on investment properties	**57**	47	**38**	33
Fee expenses arising from financial liabilities not at FVPL	**131**	92	**35**	27
One-off expenses related to acquisition of consumer business (1)	**394**	255	**–**	–

\# *Amount less than $500,000*

(1) Includes stamp duty paid of $176 million in 2022.

12. Allowance for Credit and Other Losses

	The Group		The Bank	
In $ millions	**2023**	2022	**2023**	2022
Stage 1 and 2 ECL allowance/(write-back)	**111**	(154)	**61**	(83)
Stage 3 ECL allowance/(write-back) for:				
Loans (Note 28(d))	**807**	694	**318**	365
Others	**6**	15	**(2)**	2
(Write-back)/Allowance for other losses	**(3)**	48	**(15)**	76
	921	603	**362**	360

13. Tax

The tax charge to the income statements comprises the following:

In $ millions	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
On profit for the financial year				
Current tax	**1,243**	1,268	**934**	861
Deferred tax	**(89)**	(60)	**(2)**	11
	1,154	1,208	**932**	872
(Over)/Under-provision of prior years				
Current tax	**(28)**	(26)	**(20)**	(15)
Deferred tax	**(3)**	1	**–**	(1)
Share of tax of associates and joint ventures	**15**	19	**–**	–
	1,138	1,202	**912**	856

The tax charge on profit for the financial year differs from the theoretical amount computed using Singapore corporate tax rate due to the following factors:

In $ millions	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Operating profit after allowance	**6,770**	5,688	**5,889**	4,893
Prima facie tax calculated at tax rate of 17% (2022: 17%)	**1,151**	967	**1,001**	832
Effects of:				
Income taxed at concessionary rates	**(200)**	(88)	**(198)**	(87)
Different tax rates in other countries	**181**	262	**116**	113
Income not subject to tax	**(55)**	(22)	**(31)**	(30)
Expenses not deductible for tax	**88**	94	**63**	45
Others	**(11)**	(5)	**(19)**	(1)
Tax expense on profit for the financial year	**1,154**	1,208	**932**	872

Pillar Two Global Anti-Base Erosion model rules

OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting published the Pillar Two model rules designed to address the tax challenges arising from the digitalisation of the global economy.

As at 31 December 2023, the Pillar Two legislation was enacted but not yet effective in the following jurisdictions in which the Group operates:

(i) France: the Income Inclusion Rule (IIR) and Qualified Domestic Minimum Top-up Tax (QDMTT) with effect from accounting periods beginning on or after 31 December 2023 and the Undertaxed Payments Rule (UTPR) with effect from accounting periods beginning on or after 31 December 2024;

(ii) Japan: the IIR with effect from accounting periods beginning on or after 1 April 2024;

(iii) Malaysia: the IIR and QDMTT with effect from accounting periods beginning on or after 1 January 2025;

(iv) South Korea: the IIR with effect from accounting periods beginning on or after 1 January 2024 and the UTPR with effect from accounting periods beginning on or after 1 January 2025;

(v) United Kingdom: the IIR and QDMTT with effect from accounting periods beginning on or after 31 December 2023; and

(vi) Vietnam: the IIR and QDMTT with effect from accounting periods beginning on or after 1 January 2024.

Notes to the Financial Statements

for the financial year ended 31 December 2023

13. Tax (continued)

Pillar Two Global Anti-Base Erosion model rules (continued)

As the Pillar Two legislation above is effective after 31 December 2023, there is no tax impact for the year ended 31 December 2023.

The Pillar Two legislation will apply to the operations of the Group from 1 January 2024 in France, South Korea, United Kingdom and Vietnam. The Group has performed an assessment of the Group's potential exposure to Pillar Two income taxes in 2024. The assessment of the potential exposure to the Pillar Two income taxes is based on the most recent tax filings, country-by-country reporting and financial statements for the relevant Constituent Entities of the Group. Based on the assessment, the Group does not expect a material exposure to Pillar Two taxes in France, South Korea, United Kingdom and Vietnam on the basis that the Group's Constituent Entities in France, South Korea, United Kingdom and Vietnam are expected to qualify for the transitional safe harbour rule under the relevant Pillar Two legislation.

A number of jurisdictions in which the Group operates, other than France, Japan, Malaysia, South Korea, United Kingdom and Vietnam, have announced the implementation of the Pillar Two legislation in the future, but as at 31 December 2023, have not substantively enacted (or issued relevant legislation on) the Pillar Two model rules. The potential exposure, if any, to the Pillar Two income taxes beyond 2024 is currently not known or reasonably estimable. The Group will continue monitoring the implementation of the Pillar Two legislation in other jurisdictions where the Group operates and make further assessments of the impact of the rules on the Group in due course.

14. Earnings Per Share

Basic and diluted earnings per share (EPS) are determined as follows:

	The Group	
In $ millions	**2023**	2022
Profit attributable to equity holders of the Bank	**5,711**	4,573
Distribution on perpetual capital securities	**(114)**	(76)
Adjusted profit	**5,597**	4,497
Weighted average number of ordinary shares ('000)		
In issue	**1,674,126**	1,673,952
Adjustment for potential ordinary shares under share-based compensation plan	**6,814**	6,629
Diluted	**1,680,940**	1,680,581
EPS ($)		
Basic	**3.34**	2.69
Diluted	**3.33**	2.68

15. Share Capital and Other Capital

(a)

	2023		2022	
	Number of shares '000	**Amount $ millions**	Number of shares '000	Amount $ millions
Ordinary shares				
Balance at 1 January and 31 December	**1,685,923**	**5,351**	1,685,923	5,351
Treasury shares				
Balance at 1 January	**(11,314)**	**(273)**	(13,933)	(337)
Shares re-purchased – held in treasury	**(5,100)**	**(145)**	–	–
Shares issued under share-based compensation plan	**2,929**	**71**	2,619	64
Balance at 31 December	**(13,485)**	**(347)**	(11,314)	(273)
Ordinary share capital	**1,672,438**	**5,004**	1,674,609	5,078
3.875% non-cumulative non-convertible perpetual capital securities issued on 19 October 2017		**–**		879
3.58% non-cumulative non-convertible perpetual capital securities issued on 17 July 2019		**749**		749
2.25% non-cumulative non-convertible perpetual capital securities issued on 15 January 2021		**150**		150
2.55% non-cumulative non-convertible perpetual capital securities issued on 22 June 2021		**599**		599
4.25% non-cumulative non-convertible perpetual capital securities issued on 4 July 2022		**400**		400
5.25% non-cumulative non-convertible perpetual capital securities issued on 19 January 2023		**850**		–
Share capital and other capital of the Bank and the Group		**7,752**		7,855

(b) The ordinary shares have no par value and are fully paid. The holders of ordinary shares (excluding treasury shares) have unrestricted rights to dividends, return of capital and voting.

(c) During the financial year, the Bank issued 2,929,000 (2022: 2,619,000) treasury shares to participants of the share-based compensation plan.

Notes to the Financial Statements

for the financial year ended 31 December 2023

15. Share Capital and Other Capital (continued)

(d) The 3.875% non-cumulative non-convertible perpetual capital securities were issued by the Bank on 19 October 2017. The capital securities were perpetual securities and redeemed by the Bank on 19 October 2023. As a Basel III capital instrument, the principal of the capital securities can be written down in full or in part upon notification of non-viability by the MAS.

The capital securities bear a fixed distribution rate of 3.875% per annum, subject to a reset on 19 October 2023 (and every five years thereafter) to a rate equal to the prevailing five-year United States Dollar Swap Rate plus the initial spread of 1.794%. Distributions are payable semi-annually on 19 April and 19 October of each year, unless cancelled by the Bank at its sole discretion or unless the Bank has no obligation to pay the distributions.

The capital securities constitute direct, unsecured and subordinated obligations of the Bank and rank pari passu without preference among themselves.

(e) The 3.58% non-cumulative non-convertible perpetual capital securities were issued by the Bank on 17 July 2019. The capital securities are perpetual securities but may be redeemed at the option of the Bank on 17 July 2026 or any distribution payment date thereafter or upon the occurrence of a tax event or certain redemption events. As a Basel III capital instrument, the principal of the capital securities can be written down in full or in part upon notification of non-viability by the MAS.

The capital securities bear a fixed distribution rate of 3.58% per annum, subject to a reset on 17 July 2026 (and every seven years thereafter) to a rate equal to the prevailing seven-year Singapore Dollar Swap Offer Rate (SOR) plus the initial margin of 1.795%. Distributions are payable semi-annually on 17 January and 17 July of each year, unless cancelled by the Bank at its sole discretion or unless the Bank has no obligation to pay the distributions.

The capital securities constitute direct, unsecured and subordinated obligations of the Bank and rank pari passu without preference among themselves.

(f) The 2.25% non-cumulative non-convertible perpetual capital securities were issued by the Bank on 15 January 2021. The capital securities are perpetual securities but may be redeemed at the option of the Bank on 15 January 2026 or any distribution payment date thereafter or upon the occurrence of a tax event or certain redemption events. As a Basel III capital instrument, the principal of the capital securities can be written down in full or in part upon notification of non-viability by the MAS.

The capital securities bear a fixed distribution rate of 2.25% per annum, subject to a reset on 15 January 2026 (and every five years thereafter) to a rate equal to the prevailing five-year Singapore Overnight Rate Average Overnight Indexed Swap (SORA OIS) plus the initial margin of 1.81%. Distributions are payable semi-annually on 15 January and 15 July of each year, unless cancelled by the Bank at its sole discretion or unless the Bank has no obligation to pay the distributions.

The capital securities constitute direct, unsecured and subordinated obligations of the Bank and rank pari passu without preference among themselves.

15. Share Capital and Other Capital (continued)

(g) The 2.55% non-cumulative non-convertible perpetual capital securities were issued by the Bank on 22 June 2021. The capital securities are perpetual securities but may be redeemed at the option of the Bank on 22 June 2028 or any distribution payment date thereafter or upon the occurrence of a tax event or certain redemption events. As a Basel III capital instrument, the principal of the capital securities can be written down in full or in part upon notification of non-viability by the MAS.

The capital securities bear a fixed distribution rate of 2.55% per annum, subject to a reset on 22 June 2028 (and every seven years thereafter) to a rate equal to the prevailing seven-year SORA OIS plus the initial margin of 1.551%. Distributions are payable semi-annually on 22 June and 22 December of each year, unless cancelled by the Bank at its sole discretion or unless the Bank has no obligation to pay the distributions.

The capital securities constitute direct, unsecured and subordinated obligations of the Bank and rank pari passu without preference among themselves.

(h) The 4.25% non-cumulative non-convertible perpetual capital securities were issued by the Bank on 4 July 2022. The capital securities are perpetual securities but may be redeemed at the option of the Bank on 4 October 2027 or any distribution payment date thereafter or upon the occurrence of a tax event or certain redemption events. As a Basel III capital instrument, the principal of the capital securities can be written down in full or in part upon notification of non-viability by the MAS.

The capital securities bear a fixed distribution rate of 4.25% per annum, subject to a reset on 4 October 2027 (and every five years thereafter) to a rate equal to the prevailing five-year SORA OIS plus the initial margin of 1.47%. Distributions are payable semi-annually on 4 January and 4 July of each year, unless cancelled by the Bank at its sole discretion or unless the Bank has no obligation to pay the distributions.

The capital securities constitute direct, unsecured and subordinated obligations of the Bank and rank pari passu without preference among themselves.

(i) The 5.25% non-cumulative non-convertible perpetual capital securities were issued by the Bank on 19 January 2023. The capital securities are perpetual securities but may be redeemed at the option of the Bank on 19 January 2028 or any distribution payment date thereafter or upon the occurrence of a tax event or certain redemption events. As a Basel III capital instrument, the principal of the capital securities can be written down in full or in part upon notification of non-viability by the MAS.

The capital securities bear a fixed distribution rate of 5.25% per annum, subject to a reset on 19 January 2028 (and every five years thereafter) to a rate equal to the prevailing five-year SORA OIS plus the initial margin of 2.393%. Distributions are payable semi-annually on 19 January and 19 July of each year, unless cancelled by the Bank at its sole discretion or unless the Bank has no obligation to pay the distributions.

The capital securities constitute direct, unsecured and subordinated obligations of the Bank and rank pari passu without preference among themselves.

Notes to the Financial Statements

for the financial year ended 31 December 2023

16. Retained Earnings

(a)

In $ millions	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Balance at 1 January	**28,925**	26,431	**21,192**	19,224
Profit for the financial year attributable to equity holders of the Bank	**5,711**	4,573	**4,977**	4,037
Net (loss)/gain on equity instruments at FVOCI	**(21)**	14	**(22)**	9
Fair value changes on financial liabilities designated at fair value due to the Bank's own credit risk	**#**	#	**#**	#
Redemption of perpetual capital securities	**(1)**	–	**(1)**	–
Remeasurement of defined benefit obligation	**(3)**	5	**#**	#
Transfer (to)/from other reserves	**(28)**	(18)	**–**	1
Change in non-controlling interests	**–**	(1)	**–**	–
Dividends				
Ordinary shares				
Final dividend of 75 cents (2022: 60 cents) tax-exempt per share paid in respect of prior financial year	**(1,258)**	(1,005)	**(1,258)**	(1,005)
Interim dividend of 85 cents (2022: 60 cents) tax-exempt per share paid in respect of the financial year	**(1,423)**	(1,005)	**(1,423)**	(1,005)
3.875% non-cumulative non-convertible perpetual capital securities issued on 19 October 2017	**(29)**	(30)	**(29)**	(30)
3.58% non-cumulative non-convertible perpetual capital securities issued on 17 July 2019	**(23)**	(23)	**(23)**	(23)
2.25% non-cumulative non-convertible perpetual capital securities issued on 15 January 2021	**(3)**	(3)	**(3)**	(3)
2.55% non-cumulative non-convertible perpetual capital securities issued on 22 June 2021	**(13)**	(13)	**(13)**	(13)
4.25% non-cumulative non-convertible perpetual capital securities issued on 4 July 2022	**(15)**	–	**(15)**	–
5.25% non-cumulative non-convertible perpetual capital securities issued on 19 January 2023	**(19)**	–	**(19)**	–
	(2,783)	(2,079)	**(2,783)**	(2,079)
Balance at 31 December	**31,800**	28,925	**23,363**	21,192

Amount less than $500,000

(b) The retained earnings are distributable reserves except for an amount of $737 million (2022: $688 million), being the Group's share of revenue reserves of associates and joint ventures which is distributable only upon realisation by way of dividend from or disposal of investment in the associates and joint ventures.

(c) In respect of the financial year ended 31 December 2023, the directors have proposed a final tax-exempt dividend of 85 cents per ordinary share amounting to $1,421 million. The proposed dividend will be accounted for in Year 2024 financial statements upon approval of the equity holders of the Bank.

17. Other Reserves

(a)

In $ millions	Fair value reserve	Cash flow hedge reserve	Foreign currency translation reserve	Share-based compensation reserve	Merger reserve	Statutory reserve	General reserve	Share of reserves of associates and joint ventures	Others	Total
	The Group									
2023										
Balance at 1 January	**(903)**	**(4)**	**(2,287)**	**95**	**3,056**	**755**	**6,213**	**71**	**(410)**	**6,586**
Other comprehensive income for the financial year	**471**	**3**	**(387)**	**–**	**–**	**–**	**–**	**(21)**	**–**	**66**
Transfers	**–**	**–**	**–**	**–**	**–**	**28**	**–**	**–**	**–**	**28**
Share-based compensation	**–**	**–**	**–**	**64**	**–**	**–**	**–**	**–**	**–**	**64**
Shares issued under share-based compensation plan	**–**	**–**	**–**	**(59)**	**–**	**–**	**–**	**–**	**(11)**	**(70)**
Balance at 31 December	**(432)**	**(1)**	**(2,674)**	**100**	**3,056**	**783**	**6,213**	**50**	**(421)**	**6,674**
2022										
Balance at 1 January	533	–	(1,500)	93	3,057	735	6,213	84	(404)	8,811
Other comprehensive income for the financial year	(1,436)	(4)	(787)	–	–	–	–	(13)	–	(2,240)
Transfers	–	–	–	–	(1)	20	–	–	(1)	18
Share-based compensation	–	–	–	60	–	–	–	–	–	60
Shares issued under share-based compensation plan	–	–	–	(58)	–	–	–	–	(5)	(63)
Balance at 31 December	(903)	(4)	(2,287)	95	3,056	755	6,213	71	(410)	6,586

Notes to the Financial Statements

for the financial year ended 31 December 2023

17. Other Reserves (continued)

(a) (continued)

	The Bank								
In $ millions	**Fair value reserve**	**Cash flow hedge reserve**	**Foreign currency translation reserve**	**Share-based compensation reserve**	**Merger reserve**	**Statutory reserve**	**General reserve**	**Others**	**Total**
2023									
Balance at 1 January	**(866)**	**(4)**	**(170)**	**95**	**3,056**	**328**	**5,720**	**(75)**	**8,084**
Other comprehensive income for the financial year	**341**	**5**	**5**	**–**	**–**	**–**	**–**	**–**	**351**
Share-based compensation	**–**	**–**	**–**	**64**	**–**	**–**	**–**	**–**	**64**
Shares issued under share-based compensation plan	**–**	**–**	**–**	**(59)**	**–**	**–**	**–**	**(11)**	**(70)**
Balance at 31 December	**(525)**	**1**	**(165)**	**100**	**3,056**	**328**	**5,720**	**(86)**	**8,429**
2022									
Balance at 1 January	435	–	(95)	93	3,057	328	5,720	(70)	9,468
Other comprehensive income for the financial year	(1,301)	(4)	(75)	–	–	–	–	–	(1,380)
Transfers	–	–	–	–	(1)	–	–	–	(1)
Share-based compensation	–	–	–	60	–	–	–	–	60
Shares issued under share-based compensation plan	–	–	–	(58)	–	–	–	(5)	(63)
Balance at 31 December	(866)	(4)	(170)	95	3,056	328	5,720	(75)	8,084

(b) Fair value reserve contains cumulative fair value changes of FVOCI financial assets and changes attributable to own credit risk. The cumulative amount attributable to own credit risk is an unrealised loss of $16 million (2022: $2 million) for the Group and unrealised loss of $14 million (2022: unrealised gain of $1 million) for the Bank.

(c) Cash flow hedge reserve represents the effective portion of the change in fair value of derivatives designated as hedging instruments in cash flow hedges. The amount in reserve is reclassified to the income statement when the underlying hedged item affects profit or loss or when a forecast transaction is no longer expected to occur.

(d) Foreign currency translation reserve represents differences arising from the use of year-end exchange rates versus historical rates in translating the net assets of foreign operations, net of the effective portion of the fair value changes of related hedging instruments.

(e) Share-based compensation reserve reflects the Bank's and the Group's commitments under the share-based compensation plan.

(f) Merger reserve represents the premium on shares issued in connection with the acquisition of Overseas Union Bank Limited.

(g) Statutory reserve includes regulatory loss allowance reserve and reserve maintained in accordance with the provisions of applicable laws and regulations.

(h) General reserve has not been earmarked for any specific purpose.

(i) Share of reserves of associates and joint ventures comprises the Group's share of associates' and joint ventures' reserves, other than retained earnings. These reserves are non-distributable until they are realised by way of dividend from or disposal of investment in the associates and joint ventures.

(j) Other reserves are maintained for capital-related transactions such as transactions associated with non-controlling interests, business combination and bonus share issuance by subsidiaries.

18. Classification of Financial Assets and Financial Liabilities

(a)

In $ millions	The Group Mandatorily at FVPL	Designated as FVPL	FVOCI	AC	Total
2023					
Cash, balances and placements with central banks	**1,644**	**–**	**616**	**50,090**	**52,350**
Singapore government treasury bills and securities	**359**	**–**	**7,661**	**5,302**	**13,322**
Other government treasury bills and securities	**1,022**	**–**	**18,752**	**5,184**	**24,958**
Trading securities	**4,260**	**–**	**–**	**–**	**4,260**
Placements and balances with banks	**11,535**	**–**	**3,836**	**19,722**	**35,093**
Loans to customers	**3,744**	**–**	**34**	**313,227**	**317,005**
Derivative financial assets	**9,707**	**–**	**–**	**–**	**9,707**
Investment securities					
Debt	**5**	**–**	**30,848**	**13,154**	**44,007**
Equity	**857**	**–**	**1,669**	**–**	**2,526**
Other assets	**3,458**	**–**	**3**	**5,156**	**8,617**
Total financial assets	**36,591**	**–**	**63,419**	**411,835**	**511,845**
Non-financial assets					**11,675**
Total assets					**523,520**
Deposits and balances of banks and customers	**2,692**	**2,292**	**–**	**412,856**	**417,840**
Bills and drafts payable	**–**	**–**	**–**	**900**	**900**
Derivative financial liabilities	**11,768**	**–**	**–**	**–**	**11,768**
Other liabilities	**1,023**	**215**	**–**	**6,252**	**7,490**
Debts issued	**–**	**2,809**	**–**	**33,471**	**36,280**
Total financial liabilities	**15,483**	**5,316**	**–**	**453,479**	**474,278**
Non-financial liabilities					**2,774**
Total liabilities					**477,052**

18. Classification of Financial Assets and Financial Liabilities (continued)

(a) (continued)

	The Group				
In $ millions	Mandatorily at FVPL	Designated as FVPL	FVOCI	AC	Total
2022					
Cash, balances and placements with central banks	1,660	–	2,450	45,309	49,419
Singapore government treasury bills and securities	307	–	6,447	5,302	12,056
Other government treasury bills and securities	1,252	–	13,605	4,965	19,822
Trading securities	4,606	–	–	–	4,606
Placements and balances with banks	8,638	–	3,509	23,263	35,410
Loans to customers	2,778	–	20	312,557	315,355
Derivative financial assets	13,802	–	–	–	13,802
Investment securities					
Debt	46	–	21,707	10,669	32,422
Equity	932	–	1,829	–	2,761
Other assets	2,770	–	2	4,770	7,542
Total financial assets	36,791	–	49,569	406,835	493,195
Non-financial assets					11,065
Total assets					504,260
Deposits and balances of banks and customers	2,273	1,690	–	389,127	393,090
Bills and drafts payable	–	–	–	788	788
Derivative financial liabilities	16,218	–	–	–	16,218
Other liabilities	1,828	931	–	4,705	7,464
Debts issued	–	2,461	–	38,132	40,593
Total financial liabilities	20,319	5,082	–	432,752	458,153
Non-financial liabilities					2,501
Total liabilities					460,654

18. Classification of Financial Assets and Financial Liabilities (continued)

(a) (continued)

	The Bank				
In $ millions	Mandatorily at FVPL	Designated as FVPL	FVOCI	AC	Total
2023					
Cash, balances and placements with central banks	**1,467**	**–**	**30**	**44,547**	**46,044**
Singapore government treasury bills and securities	**359**	**–**	**7,661**	**5,302**	**13,322**
Other government treasury bills and securities	**608**	**–**	**9,544**	**992**	**11,144**
Trading securities	**2,913**	**–**	**–**	**–**	**2,913**
Placements and balances with banks	**10,509**	**–**	**2,610**	**14,111**	**27,230**
Loans to customers	**3,470**	**–**	**–**	**242,866**	**246,336**
Placements with and advances to subsidiaries	**1,423**	**–**	**–**	**16,342**	**17,765**
Derivative financial assets	**8,412**	**–**	**–**	**–**	**8,412**
Investment securities					
Debt	**459**	**–**	**28,303**	**12,760**	**41,522**
Equity	**258**	**–**	**1,263**	**–**	**1,521**
Other assets	**2,626**	**–**	**2**	**3,722**	**6,350**
Total financial assets	**32,504**	**–**	**49,413**	**340,642**	**422,559**
Non-financial assets					**14,220**
Total assets					**436,779**
Deposits and balances of banks, customers and subsidiaries	**2,408**	**1,466**	**–**	**340,401**	**344,275**
Bills and drafts payable	**–**	**–**	**–**	**702**	**702**
Derivative financial liabilities	**10,433**	**–**	**–**	**–**	**10,433**
Other liabilities	**960**	**210**	**–**	**4,360**	**5,530**
Debts issued	**–**	**2,788**	**–**	**31,358**	**34,146**
Total financial liabilities	**13,801**	**4,464**	**–**	**376,821**	**395,086**
Non-financial liabilities					**2,149**
Total liabilities					**397,235**

Notes to the Financial Statements

for the financial year ended 31 December 2023

18. Classification of Financial Assets and Financial Liabilities (continued)

(a) (continued)

	The Bank				
In $ millions	Mandatorily at FVPL	Designated as FVPL	FVOCI	AC	Total
2022					
Cash, balances and placements with central banks	1,660	–	1,607	40,282	43,549
Singapore government treasury bills and securities	307	–	6,447	5,302	12,056
Other government treasury bills and securities	763	–	6,033	1,006	7,802
Trading securities	3,642	–	–	–	3,642
Placements and balances with banks	7,040	–	2,304	15,573	24,917
Loans to customers	2,537	–	–	243,322	245,859
Placements with and advances to subsidiaries	1,180	–	–	21,805	22,985
Derivative financial assets	12,463	–	–	–	12,463
Investment securities					
Debt	36	–	19,855	10,442	30,333
Equity	337	–	1,493	–	1,830
Other assets	1,681	–	–	3,500	5,181
Total financial assets	31,646	–	37,739	341,232	410,617
Non-financial assets					13,688
Total assets					424,305
Deposits and balances of banks, customers and subsidiaries	2,072	1,477	–	323,177	326,726
Bills and drafts payable	–	–	–	622	622
Derivative financial liabilities	14,669	–	–	–	14,669
Other liabilities	1,723	168	–	2,932	4,823
Debts issued	–	2,459	–	35,861	38,320
Total financial liabilities	18,464	4,104	–	362,592	385,160
Non-financial liabilities					2,014
Total liabilities					387,174

(b) Certain financial derivatives were designated as hedging instruments for fair value hedges and cash flow hedges as set out in Note 41.

(c) For the financial instruments designated as FVPL, the amounts payable at maturity are as follows:

	The Group		The Bank	
In $ millions	**2023**	2022	**2023**	2022
Financial liabilities				
Deposits and balances of banks and customers	**2,298**	1,736	**1,474**	1,493
Debts issued	**3,183**	2,877	**3,145**	2,875
Other liabilities	**184**	951	**173**	168
	5,665	5,564	**4,792**	4,536

19. Fair Values of Financial Instruments

(a) The valuation process adopted by the Group is governed by the valuation, market data, and valuation adjustment policies. These policies set the methodologies and controls for the valuation of financial assets and liabilities where mark-to-market or mark-to-model is required. These policies apply to all assets and liabilities classified as FVPL and FVOCI. The valuation processes incorporating the market rates, the methodologies and models, including the analysis of the valuation are regularly reviewed by Group Risk Management. Processes and controls are also subject to periodic reviews by internal auditors.

The valuation inputs are independently verified by checking against information from market sources. These are applicable to products or instruments with liquid markets or those traded on an exchange. Where market prices are not liquid, additional techniques will be used such as historical estimation or available proxies as additional reasonableness checks. Where products or instruments are complex, the Group utilises approved valuation models. All valuation models are independently validated by Group Risk Management.

Fair value for instruments classified as Level 2 use inputs such as yield curves, volatilities and market prices which are observable and of high reliability.

When unobservable inputs are used in the valuation models for Level 3 financial assets or liabilities, apart from utilising market proxies, other valuation techniques such as cash flow, profit and loss or net asset value in financial statements are used as a reasonableness check.

The valuation process is supplemented by valuation adjustments for valuation uncertainties. Valuation adjustment methodologies and adjustments are approved by the Group Asset and Liability Committee (ALCO).

The valuation adjustments include bid/offer rate adjustments, illiquidity adjustments and other adjustments such as Day 1 profit adjustments, where applicable. Adjustments are also considered for use of proxies, models or estimated parameters.

For financial instruments carried at amortised cost, their fair values are expected to approximate the carrying amounts and determined as follows:

- Cash, balances, placements and deposits of central banks, banks and subsidiaries, deposits of customers with short-term or no stated maturity, as well as interest and other short-term receivables and payables are short-term in nature or subject to frequent re-pricing;

- Loans to customers are substantially subject to frequent re-pricing;

- Fair values of investment debt securities and non-subordinated debts issued are estimated based on independent broker quotes; and

- Fair values of subordinated notes issued are determined based on quoted market prices.

Notes to the Financial Statements

for the financial year ended 31 December 2023

19. Fair Values of Financial Instruments (continued)

(b) The Group classifies financial instruments carried at fair value by level following the fair value measurement hierarchy:

- Level 1 – Unadjusted quoted prices in active markets for identical financial instruments
- Level 2 – Inputs other than quoted prices that are observable either directly or indirectly
- Level 3 – Inputs that are not based on observable market data

	The Group					
	2023			2022		
In $ millions	**Level 1**	**Level 2**	**Level 3**	Level 1	Level 2	Level 3
Cash, balances and placements with central banks	**1,242**	**1,018**	**–**	1,615	2,495	–
Singapore government treasury bills and securities	**8,020**	**–**	**–**	6,754	–	–
Other government treasury bills and securities	**18,146**	**1,628**	**–**	13,049	1,808	–
Trading securities	**198**	**3,710**	**352**	1,075	3,502	29
Placements and balances with banks	**–**	**15,371**	**–**	–	12,147	–
Loans to customers	**–**	**3,778**	**–**	–	2,798	–
Derivative financial assets	**439**	**8,844**	**424**	227	13,131	444
Investment securities						
Debt	**3,341**	**25,528**	**1,984**	2,618	17,515	1,620
Equity	**979**	**–**	**1,547**	985	–	1,776
Other assets	**3,084**	**377**	**–**	2,305	467	–
	35,449	**60,254**	**4,307**	28,628	53,863	3,869
Total financial assets carried at fair value			**100,010**			86,360
Deposits and balances of banks and customers	**–**	**4,984**	**–**	–	3,963	–
Derivative financial liabilities	**477**	**11,096**	**195**	223	15,761	234
Other liabilities	**357**	**881**	**–**	196	2,563	–
Debts issued	**–**	**2,809**	**–**	–	2,461	–
	834	**19,770**	**195**	419	24,748	234
Total financial liabilities carried at fair value			**20,799**			25,401

19. Fair Values of Financial Instruments (continued)

(b) (continued)

	The Bank					
	2023			2022		
In $ millions	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
Cash, balances and placements with central banks	**479**	**1,018**	**–**	772	2,495	–
Singapore government treasury bills and securities	**8,020**	**–**	**–**	6,754	–	–
Other government treasury bills and securities	**9,875**	**277**	**–**	6,455	341	–
Trading securities	**188**	**2,715**	**10**	1,075	2,563	4
Placements and balances with banks	**–**	**13,119**	**–**	–	9,344	–
Loans to customers	**–**	**3,470**	**–**	–	2,537	–
Placements with and advances to subsidiaries	**–**	**1,423**	**–**	–	1,180	–
Derivative financial assets	**46**	**7,952**	**414**	54	11,965	444
Investment securities						
Debt	**2,662**	**24,429**	**1,671**	2,618	16,025	1,248
Equity	**784**	**–**	**737**	814	–	1,016
Other assets	**2,606**	**22**	**–**	1,658	23	–
	24,660	**54,425**	**2,832**	20,200	46,473	2,712
Total financial assets carried at fair value			**81,917**			69,385
Deposits and balances of banks, customers and subsidiaries	**–**	**3,874**	**–**	–	3,549	–
Derivative financial liabilities	**249**	**9,998**	**186**	174	14,261	234
Other liabilities	**357**	**813**	**–**	197	1,694	–
Debts issued	**–**	**2,788**	**–**	–	2,459	–
	606	**17,473**	**186**	371	21,963	234
Total financial liabilities carried at fair value			**18,265**			22,568

Notes to the Financial Statements

for the financial year ended 31 December 2023

19. Fair Values of Financial Instruments (continued)

(c) The following table presents the changes in Level 3 instruments for the financial year ended:

	The Group							
		Fair value gains or losses						
In $ millions	Balance at 1 January	Income statement	Other comprehensive income	Purchases	Settlements	Transfer in/(out)	Balance at 31 December	Unrealised gains or losses included in income statement
2023								
Assets								
Trading securities	**29**	**–**	**–**	**344**	**(29)**	**8**	**352**	**–**
Derivative financial assets	**444**	**(20)**	**–**	**–**	**–**	**–**	**424**	**(20)**
Investment securities – debt	**1,620**	**–**	**(3)**	**929**	**(297)**	**(265)[1]**	**1,984**	**–**
Investment securities – equity	**1,776**	**(11)**	**(149)**	**156**	**(225)**	**–**	**1,547**	**(11)**
Liabilities								
Derivative financial liabilities	**234**	**(39)**	**–**	**–**	**–**	**–**	**195**	**(40)**
2022								
Assets								
Trading securities	201	–	–	16	(192)	4	29	–
Derivative financial assets	95	349	–	–	–	–	444	349
Investment securities – debt	1,182	(1)	(38)	1,245	(30)	(738)[1]	1,620	(1)
Investment securities – equity	2,080	(64)	(127)	140	(145)	(108)[2]	1,776	(64)
Liabilities								
Derivative financial liabilities	51	183	–	–	–	–	234	183

	The Bank							
		Fair value gains or losses						
In $ millions	Balance at 1 January	Income statement	Other comprehensive income	Purchases	Settlements	Transfer out	Balance at 31 December	Unrealised gains or losses included in income statement
2023								
Assets								
Trading securities	**4**	**–**	**–**	**10**	**(4)**	**–**	**10**	**–**
Derivative financial assets	**444**	**(30)**	**–**	**–**	**–**	**–**	**414**	**(30)**
Investment securities – debt	**1,248**	**–**	**(1)**	**824**	**(141)**	**(259)[1]**	**1,671**	**–**
Investment securities – equity	**1,016**	**(7)**	**(176)**	**1**	**(97)**	**–**	**737**	**(7)**
Liabilities								
Derivative financial liabilities	**234**	**(48)**	**–**	**–**	**–**	**–**	**186**	**(48)**
2022								
Assets								
Trading securities	153	–	–	–	(149)	–	4	–
Derivative financial assets	98	346	–	–	–	–	444	346
Investment securities – debt	657	–	(28)	1,023	–	(404)[1]	1,248	–
Investment securities – equity	1,182	(6)	(128)	56	(88)	–	1,016	(6)
Liabilities								
Derivative financial liabilities	51	183	–	–	–	–	234	183

(1) Investment securities – debt were transferred out from Level 3 during the year due to an increased contribution of observable inputs to their valuation.
(2) Investment securities – equity were transferred out from Level 3 during the year as unquoted securities were listed on an exchange.

19. Fair Values of Financial Instruments (continued)

(d) *Effect of changes in significant unobservable inputs*

At 31 December 2023, financial instruments measured with valuation techniques using significant unobservable inputs (Level 3) included unquoted equity investments and funds, debt securities, long dated equity derivatives, equity derivatives with basket underlying and callable interest rate swaps with multiple calls, summarised as follows:

In $ millions	The Group 2023	The Group 2022	Classification	Valuation technique	Unobservable inputs
Assets					
Trading securities – debt	**352**	29	FVPL	Discounted Cash Flow	Credit Spreads
Derivative financial assets	**424**	444	FVPL	Option Pricing Model	Volatilities and Correlations
Investment securities – debt	**1,984**	1,620	FVOCI/FVPL	Discounted Cash Flow and Option Pricing Model	Credit Spreads, Volatilities and Correlations
Investment securities – equity	**1,547**	1,776	FVOCI/FVPL	Multiples, Net Asset Value and Recent Transaction Price	Net Asset Value, Earnings and Financial Ratio Multiples
Liabilities					
Derivative financial liabilities	**195**	234	FVPL	Option Pricing Model	Volatilities and Correlations

In estimating significance, the Group performed sensitivity analyses based on methodologies applied for fair value adjustments. These adjustments reflect the values which the Group estimates to be appropriate to reflect uncertainties in the inputs. The methodologies used can be statistical or based on other relevant approved techniques.

The effect on fair value arising from reasonably possible changes to the significant unobservable inputs is assessed to be insignificant.

20. Deposits and Balances of Customers

In $ millions	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Fixed deposits	**180,019**	175,965	**141,618**	140,525
Savings deposits	**98,689**	88,979	**72,003**	61,977
Current accounts	**89,949**	86,152	**73,439**	69,648
Others	**16,812**	17,457	**16,240**	16,874
	385,469	368,553	**303,300**	289,024

Notes to the Financial Statements

for the financial year ended 31 December 2023

21. Other Liabilities

(a)

In $ millions	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Accrued interest payable	**2,078**	1,173	**1,821**	1,009
Accrued operating expenses	**1,908**	1,675	**1,153**	930
ECL allowance (Note 21(b))	**313**	222	**166**	117
Lease liabilities (Note 21(c))	**264**	254	**192**	189
Sundry creditors	**2,526**	4,363	**1,815**	2,825
Others	**1,753**	1,116	**1,423**	878
	8,842	8,803	**6,570**	5,948

(b) *Movements in ECL allowance for commitments and contingent liabilities*

In $ millions	The Group Stage 1	The Group Stage 2	The Group Stage 3	The Group Total
2023				
Balance at 1 January	**156**	**48**	**18**	**222**
Transfers between Stages	**9**	**(9)**	**#**	**–**
Remeasurement [1]	**(8)**	**20**	**1**	**13**
Changes in models [2]	**20**	**(1)**	**–**	**19**
Charge/(Write-back) to income statement	**28**	**32**	**(8)**	**52**
Currency translation and other adjustments [3]	**7**	**1**	**(1)**	**7**
Balance at 31 December	**212**	**91**	**10**	**313**
2022				
Balance at 1 January	203	78	12	293
Transfers between Stages	27	(27)	#	–
Remeasurement [1]	(18)	14	7	3
Changes in models [2]	(30)	(5)	–	(35)
Write-back to income statement	(19)	(10)	(2)	(31)
Currency translation adjustments	(7)	(2)	1	(8)
Balance at 31 December	156	48	18	222

\# *Amount less than $500,000*

(1) Remeasurement relates to the changes in ECL following a transfer between Stages.
(2) Changes in models include the changes in model inputs or assumptions such as changes in the forward-looking macroeconomic variables.
(3) Includes the impact on allowance arising from the exposures of acquisition of consumer business.

21. Other Liabilities (continued)

(b) *Movements in ECL allowance for commitments and contingent liabilities (continued)*

In $ millions	The Bank Stage 1	Stage 2	Stage 3	Total
2023				
Balance at 1 January	**87**	**26**	**4**	**117**
Transfers between Stages	**3**	**(3)**	**#**	**–**
Remeasurement [1]	**(3)**	**11**	**–**	**8**
Changes in models [2]	**20**	**#**	**–**	**20**
Charge/(Write-back) to income statement	**13**	**10**	**(1)**	**22**
Currency translation adjustments	**(1)**	**#**	**–**	**(1)**
Balance at 31 December	**119**	**44**	**3**	**166**
2022				
Balance at 1 January	133	28	1	162
Transfers between Stages	2	(2)	#	–
Remeasurement [1]	(2)	6	#	4
Changes in models [2]	(24)	(2)	–	(26)
(Write-back)/Charge to income statement	(21)	(4)	2	(23)
Currency translation adjustments	(1)	#	1	#
Balance at 31 December	87	26	4	117

\# *Amount less than $500,000*

(1) Remeasurement relates to the changes in ECL following a transfer between Stages.
(2) Changes in models include the changes in model inputs or assumptions such as changes in the forward-looking macroeconomic variables.

(c) *Contractual maturity for lease liabilities*

In $ millions	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Maturity for lease liabilities				
Within 1 year	**82**	68	**58**	51
Over 1 to 5 years	**172**	169	**133**	134
Over 5 years	**10**	17	**1**	4
	264	254	**192**	189

Notes to the Financial Statements

for the financial year ended 31 December 2023

22. Deferred Tax

(a) Deferred tax comprises the following:

In $ millions	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Deferred tax liabilities on:				
Unrealised gain on FVOCI financial assets	**34**	8	**13**	11
Accelerated tax depreciation	**279**	245	**267**	234
Unrealised gain on financial instruments at FVPL	**167**	106	**–**	–
Depreciable assets acquired in business combination	**34**	36	**20**	21
Others	**95**	42	**72**	47
	609	437	**372**	313
Amount offset against deferred tax assets	**(96)**	(77)	**(88)**	(74)
	513	360	**284**	239
Deferred tax assets on:				
Allowance for impairment	**329**	296	**135**	107
Unrealised loss on FVOCI financial assets	**26**	40	**22**	32
Unrealised loss on financial instruments at FVPL	**188**	104	**–**	–
Others	**305**	197	**85**	56
	848	637	**242**	195
Amount offset against deferred tax liabilities	**(96)**	(77)	**(88)**	(74)
	752	560	**154**	121
Net deferred tax assets/(liabilities)	**239**	200	**(130)**	(118)

(b) Movements in deferred tax during the financial year are as follows:

In $ millions	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Balance at 1 January	**200**	79	**(118)**	(143)
Currency translation adjustments/others	**(16)**	(19)	**(2)**	(6)
Depreciable assets acquired in business combination	**–**	5	**–**	–
Credit/(Charge) to income statement	**92**	59	**2**	(10)
(Charge)/Credit to equity	**(37)**	76	**(12)**	41
Balance at 31 December	**239**	200	**(130)**	(118)

The Group has not recognised deferred tax assets in respect of tax losses of $30 million (2022: $27 million) which can be carried forward to offset against future taxable income, subject to meeting certain statutory requirements of the relevant tax authorities. These tax losses have no expiry date except for an amount of $14 million (2022: $11 million) which will expire between the years 2024 and 2032 (2022: 2024 and 2030).

23. Debts Issued

(a)

In $ millions	Note (b)	Issue/ Maturity date	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Subordinated notes						
HKD700 million 3.19% notes callable in 2023	(i)	26 Aug 2016/ 26 Aug 2028	**–**	118	**–**	118
SGD750 million 3.50% notes callable in 2024	(ii)	27 Feb 2017/ 27 Feb 2029	**748**	734	**748**	734
USD600 million 3.75% notes callable in 2024	(iii)	15 Apr 2019/ 15 Apr 2029	**783**	779	**783**	779
USD600 million 1.75% notes callable in 2026	(iv)	16 Sep 2020/ 16 Mar 2031	**734**	724	**734**	724
USD750 million 2.00% notes callable in 2026	(v)	14 Apr 2021/ 14 Oct 2031	**904**	891	**904**	891
CNH650 million 4.50% notes callable in 2027	(vi)	6 Apr 2022/ 6 Apr 2032	**121**	125	**121**	125
USD1 billion 3.863% notes callable in 2027	(vii)	7 Apr 2022/ 7 Oct 2032	**1,249**	1,250	**1,249**	1,250
RM600 million 4.80% notes callable in 2023	(viii)	25 Jul 2018/ 25 Jul 2028	**–**	182	**–**	–
RM750 million 3.00% notes callable in 2025	(ix)	3 Aug 2020/ 2 Aug 2030	**216**	228	**–**	–
RM1 billion 4.91% notes callable in 2027	(x)	27 Oct 2022/ 27 Oct 2032	**287**	305	**–**	–
THB13.735 billion 4.07% notes callable in 2027	(xi)	7 Jun 2022/ 7 Jun 2032	**532**	538	**–**	–
THB5 billion 4.00% notes callable in 2029	(xii)	19 Sep 2022/ 19 Sep 2034	**39**	39	**–**	–
THB12 billion 5.10% notes callable in 2028	(xiii)	23 May 2023/ Perpetual	**1**	–	**–**	**–**
IDR100 billion 9.40% notes	(xiv)	25 Nov 2016/ 25 Nov 2023	**–**	9	**–**	–
IDR500 billion 9.25% notes	(xv)	17 Oct 2017/ 17 Oct 2024	**43**	43	**–**	–
IDR100 billion 9.85% notes	(xvi)	5 Jul 2019/ 5 Jul 2026	**8**	9	**–**	–
IDR650 billion 9.25% notes	(xvii)	13 Nov 2019/ 13 Nov 2026	**56**	56	**–**	–
IDR100 billion 8.00% notes	(xviii)	8 Mar 2022/ 8 Mar 2029	**8**	8	**–**	–
CNY1 billion 4.80% notes callable in 2024	(xix)	19 Nov 2019/ 19 Nov 2029	**176**	183	**–**	–
Total subordinated notes			**5,905**	6,221	**4,539**	4,621

Notes to the Financial Statements

for the financial year ended 31 December 2023

23. Debts Issued (continued)

(a) (continued)

In $ millions		The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Other debts	**Note (c)**				
Commercial papers	(i)	**12,790**	17,078	**12,790**	17,078
Covered bonds	(ii)	**6,561**	7,456	**6,561**	7,456
Equity-linked notes	(iii)	**349**	60	**349**	60
Fixed rate notes	(iv)	**4,058**	3,288	**3,310**	2,617
Floating rate notes	(v)	**4,157**	4,089	**4,157**	4,089
Interest rate-linked notes	(vi)	**911**	834	**911**	834
Others	(vii)	**1,549**	1,567	**1,529**	1,565
Total other debts		**30,375**	34,372	**29,607**	33,699
Total debts issued		**36,280**	40,593	**34,146**	38,320
Of which, fair value hedge gain:					
Subordinated notes		**(212)**	(328)	**(214)**	(328)
Other debts		**(497)**	(775)	**(496)**	(775)

(b) *Subordinated notes*

Subordinated notes are redeemable at par at the option of the issuers, in whole but not in part, or at the occurrence of a tax event or change of qualification event, subject to the prior approval of the relevant regulators and other redemption conditions. As a Basel III capital instrument, the subordinated notes can be written off in whole or in part if the issuer was determined by the regulators to be non-viable.

(i) Issued by the Bank with interest payable quarterly at a fixed rate of 3.19% per annum up to but excluding 26 August 2023. From and including 26 August 2023, the interest rate shall be reset to a fixed rate equal to the prevailing five-year Hong Kong Dollar Swap Rate plus 1.95%. The notes were redeemed on 26 August 2023.

(ii) Issued by the Bank with interest payable semi-annually at a fixed rate of 3.50% per annum up to but excluding 27 February 2024. From and including 27 February 2024, the interest rate shall be reset to a fixed rate equal to the prevailing five-year Singapore Dollar SOR plus 1.08%.

(iii) Issued by the Bank with interest payable semi-annually at a fixed rate of 3.75% per annum up to but excluding 15 April 2024. From and including 15 April 2024, the interest rate shall be reset to a fixed rate equal to the prevailing five-year United States Treasury Rate plus the Initial Spread of 1.50%.

(iv) Issued by the Bank with interest payable semi-annually at a fixed rate of 1.75% per annum up to but excluding 16 March 2026. From and including 16 March 2026, the interest rate shall be reset to a fixed rate equal to the prevailing five-year United States Treasury Rate plus the Initial Spread of 1.52%.

(v) Issued by the Bank with interest payable semi-annually at a fixed rate of 2.00% per annum up to but excluding 14 October 2026. From and including 14 October 2026, the interest rate shall be reset to a fixed rate equal to the prevailing five-year United States Treasury Rate plus the Initial Spread of 1.23%.

(vi) Issued by the Bank with interest payable semi-annually at a fixed rate of 4.50% per annum.

23. Debts Issued (continued)

(b) *Subordinated notes (continued)*

(vii) Issued by the Bank with interest payable semi-annually at a fixed rate of 3.863% per annum up to but excluding 7 October 2027. From and including 7 October 2027, the interest rate shall be reset to a fixed rate equal to the prevailing five-year United States Treasury Rate plus the Reset Spread of 1.455%.

(viii) Issued by United Overseas Bank (Malaysia) Bhd with interest payable semi-annually at 4.80% per annum. The notes were redeemed on 25 July 2023.

(ix) Issued by United Overseas Bank (Malaysia) Bhd with interest payable semi-annually at 3.00% per annum. The notes are redeemable on 1 August 2025 or at any interest payment date thereafter.

(x) Issued by United Overseas Bank (Malaysia) Bhd with interest payable semi-annually at 4.91% per annum. The notes are redeemable on 27 October 2027 or at any interest payment date thereafter.

(xi) Issued by United Overseas Bank (Thai) Public Company Limited with interest payable quarterly at a fixed rate of 4.07% per annum. The notes are redeemable on 7 June 2027 or at any interest payment date thereafter.

(xii) Issued by United Overseas Bank (Thai) Public Company Limited with interest payable quarterly at a fixed rate of 4.00% per annum. The notes are redeemable on 19 September 2029 or at any interest payment date thereafter. THB4 billion of the notes were subscribed by the Bank.

(xiii) Issued by United Overseas Bank (Thai) Public Company Limited with interest payable quarterly at a fixed rate of 5.10% per annum. The notes are perpetual with no maturity date. The notes are redeemable on 23 May 2028 or at any interest payment date thereafter. THB11.960 million of the notes were subscribed by the Bank.

(xiv) Issued by PT Bank UOB Indonesia with interest payable quarterly at a fixed rate of 9.40% per annum. The notes were redeemed on 25 November 2023.

(xv) Issued by PT Bank UOB Indonesia with interest payable quarterly at a fixed rate of 9.25% per annum.

(xvi) Issued by PT Bank UOB Indonesia with interest payable quarterly at a fixed rate of 9.85% per annum.

(xvii) Issued by PT Bank UOB Indonesia with interest payable quarterly at a fixed rate of 9.25% per annum.

(xviii) Issued by PT Bank UOB Indonesia with interest payable quarterly at a fixed rate of 8.00% per annum.

(xix) Issued by United Overseas Bank (China) Limited with interest payable annually at a fixed rate of 4.80% per annum.

Notes to the Financial Statements

for the financial year ended 31 December 2023

23. Debts Issued (continued)

(c) *Other debts*

(i) The commercial papers were issued by the Bank between 21 August 2023 and 15 December 2023, and mature between 4 January 2024 and 1 July 2024. Interest rates of the papers ranged from 5.48% to 5.66% per annum (2022: 4.04% to 5.06% per annum).

(ii) As at 31 December 2023, there were five covered bonds outstanding comprising:

EUR500 million fixed rate covered bonds issued by the Bank on 16 January 2018 at 99.412 with maturity on 16 January 2025. Interest is payable annually at a fixed rate of 0.50% per annum.

EUR1 billion fixed rate covered bonds issued by the Bank on 1 December 2020 at 101.553 with maturity on 1 December 2027. Interest is payable annually at a fixed rate of 0.01% per annum.

EUR750 million fixed rate covered bonds issued by the Bank on 25 May 2021 at 99.809 with maturity on 25 May 2029. Interest is payable annually at a fixed rate of 0.10% per annum.

GBP850 million floating rate covered bonds issued by the Bank on 21 September 2021 at 103.52 with maturity on 21 September 2026. Interest is payable quarterly at a compounded daily Sterling Overnight Index Average (SONIA) plus 1.00% per annum.

EUR1,500 million fixed rate covered bonds issued by the Bank on 17 March 2022 at par value with maturity on 17 March 2025. Interest is payable annually at a fixed rate of 0.387% per annum.

(iii) The equity-linked notes, with embedded equity derivatives, were issued at par with maturities ranging from 5 January 2024 to 3 April 2025. The periodic payments and payouts of the notes at maturity are linked to the closing value of certain underlying equities or equity indices.

(iv) The fixed rate notes comprise notes issued by the Group with maturities ranging from 16 January 2024 to 20 July 2026. Interest is payable semi-annually and annually at a fixed rate as follows:

Currency notes	Interest rate
AUD	4.64% per annum
CNY	2.88% per annum
HKD	0.64% to 5.03% per annum
IDR	5.65% per annum
THB	0.97% to 2.99% per annum
USD	1.21% to 3.06% per annum

(v) The floating rate notes comprise mainly notes issued at par with maturities ranging from 14 February 2024 to 24 February 2027. Interest is payable quarterly at a floating rate.

(vi) The interest rate-linked notes, with embedded interest rate derivatives, were issued at par with maturities ranging from 9 October 2030 to 16 September 2052. The periodic payouts and redemptions of the notes are linked to the interest rate indices.

(vii) Others comprise currency, credit and commodity-linked notes issued by the Group.

23. Debts Issued (continued)

(d) *Changes in liabilities arising from financing activities*

	The Group				
		Cash flows		Non-cash changes	
In $ millions	Balance at 1 January	Issuance	Redemption	Foreign exchange movement/Others	Balance at 31 December
2023					
Debts issued	**40,593**	**33,415**	**(37,999)**	**271**	**36,280**
2022					
Debts issued	34,056	45,691	(38,181)	(973)	40,593

24. Cash, Balances and Placements with Central Banks

	The Group		The Bank	
In $ millions	**2023**	2022	**2023**	2022
Cash on hand	**854**	995	**588**	690
Non-restricted balances with central banks	**44,877**	42,270	**40,245**	38,237
Cash and cash equivalents	**45,731**	43,265	**40,833**	38,927
Restricted balances with central banks	**6,620**	6,157	**5,211**	4,623
ECL allowance	**(1)**	(3)	**#**	(1)
	52,350	49,419	**46,044**	43,549

\# *Amount less than $500,000*

25. Other Government Treasury Bills and Securities

	The Group		The Bank	
In $ millions	**2023**	2022	**2023**	2022
Other government treasury bills and securities (1)	**24,959**	19,823	**11,144**	7,802
ECL allowance	**(1)**	(1)	**#**	#
	24,958	19,822	**11,144**	7,802

\# *Amount less than $500,000*

(1) Includes ECL allowance on other government treasury bills and securities at FVOCI of $8 million (2022: $6 million) for the Group and $1 million (2022: $1 million) for the Bank.

26. Trading Securities

	The Group		The Bank	
In $ millions	**2023**	2022	**2023**	2022
Quoted securities				
Debt	**2,262**	955	**1,471**	739
Equity	**116**	948	**116**	948
Unquoted securities				
Debt	**1,882**	2,703	**1,326**	1,955
	4,260	4,606	**2,913**	3,642

Notes to the Financial Statements

for the financial year ended 31 December 2023

27. Placements and Balances with Banks

(a)

In $ millions	The Group		The Bank	
	2023	2022	**2023**	2022
Placements and balances with banks [1]	**35,122**	35,429	**27,252**	24,930
ECL allowance (Note 27(b))	**(29)**	(19)	**(22)**	(13)
	35,093	35,410	**27,230**	24,917

(1) Includes ECL allowance on placements and balances with banks at FVOCI of $2 million (2022: $1 million) for the Group and $1 million (2022: $0.3 million) for the Bank.

(b) *Movements in ECL allowance for placements and balances with banks*

In $ millions	The Group		
	Stage 1	Stage 2	Total
2023			
Balance at 1 January	**18**	**1**	**19**
Charge to income statement	**10**	**#**	**10**
Currency translation adjustments	**(1)**	**1**	**#**
Balance at 31 December	**27**	**2**	**29**
2022			
Balance at 1 January	25	3	28
Write-back to income statement	(6)	(2)	(8)
Currency translation adjustments	(1)	#	(1)
Balance at 31 December	18	1	19

In $ millions	The Bank		
	Stage 1	Stage 2	Total
2023			
Balance at 1 January	**12**	**1**	**13**
Charge to income statement	**9**	**1**	**10**
Currency translation adjustments	**(1)**	**#**	**(1)**
Balance at 31 December	**20**	**2**	**22**
2022			
Balance at 1 January	12	#	12
(Write-back)/Charge to income statement	(1)	1	#
Currency translation adjustments	1	#	1
Balance at 31 December	12	1	13

Amount less than $500,000

28. Loans to Customers

(a)

In $ millions	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Gross loans to customers	**321,150**	319,663	**248,515**	248,186
ECL allowance (Note 28(d))	**(4,145)**	(4,308)	**(2,179)**	(2,327)
	317,005	315,355	**246,336**	245,859
Comprising:				
Trade bills	**4,665**	4,327	**2,438**	1,885
Advances to customers	**312,340**	311,028	**243,898**	243,974
	317,005	315,355	**246,336**	245,859

(b) *Gross loans to customers analysed by industry*

In $ millions	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Transport, storage and communication	**14,175**	14,482	**11,674**	12,176
Building and construction	**86,658**	87,178	**79,438**	80,169
Manufacturing	**21,451**	22,123	**12,954**	13,396
Financial institutions, investment and holding companies	**40,456**	37,949	**36,335**	34,605
General commerce	**32,857**	36,530	**21,591**	25,019
Professionals and private individuals	**29,294**	28,970	**16,475**	17,037
Housing loans	**77,629**	76,807	**55,241**	53,754
Others	**18,630**	15,624	**14,807**	12,030
	321,150	319,663	**248,515**	248,186

(c) *Gross loans to customers analysed by currency*

In $ millions	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Singapore Dollar	**139,031**	138,553	**138,903**	138,362
United States Dollar	**56,940**	62,212	**52,502**	57,793
Malaysian Ringgit	**29,155**	30,645	**–**	–
Thai Baht	**23,868**	22,223	**–**	–
Indonesian Rupiah	**5,514**	5,653	**–**	–
Others	**66,642**	60,377	**57,110**	52,031
	321,150	319,663	**248,515**	248,186

Notes to the Financial Statements

for the financial year ended 31 December 2023

28. Loans to Customers (continued)

(d) *Movements in ECL allowance for loans to customers*

	The Group			
In $ millions	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
2023				
Balance at 1 January	**1,391**	**1,197**	**1,720**	**4,308**
New loans originated or purchased	**138**	**–**	**–**	**138**
Loans derecognised or repaid	**(80)**	**(52)**	**(420)**	**(552)**
Transfers to Stage 1	**107**	**(85)**	**(22)**	**–**
Transfers to Stage 2	**(26)**	**69**	**(43)**	**–**
Transfers to Stage 3	**(4)**	**(42)**	**46**	**–**
Remeasurement (1)	**(84)**	**164**	**277**	**357**
Changes in models (2)	**73**	**16**	**–**	**89**
(Write-back)/Charge for existing loans	**(344)**	**126**	**1,234**	**1,016**
Bad debts recovery	**–**	**–**	**(265)**	**(265)**
Net (write-back)/charge to income statement	**(220)**	**196**	**807**	**783**
Unwind of discounts	**–**	**–**	**(90)**	**(90)**
Net write-off	**–**	**–**	**(862)**	**(862)**
Currency translation and other adjustments (3)	**20**	**2**	**(16)**	**6**
Balance at 31 December	**1,191**	**1,395**	**1,559**	**4,145**
2022				
Balance at 1 January	1,416	1,146	1,525	4,087
New loans originated or purchased	306	–	–	306
Loans derecognised or repaid	(87)	(39)	(298)	(424)
Transfers to Stage 1	134	(122)	(12)	–
Transfers to Stage 2	(119)	132	(13)	–
Transfers to Stage 3	(5)	(65)	70	–
Remeasurement (1)	(176)	(25)	350	149
Changes in models (2)	(119)	(44)	–	(163)
(Write-back)/Charge for existing loans	(1)	164	750	913
Bad debts recovery	–	–	(153)	(153)
Net (write-back)/charge to income statement	(67)	1	694	628
Unwind of discounts	–	–	(81)	(81)
Net write-off	–	–	(433)	(433)
Currency translation and other adjustments (3)	42	50	15	107
Balance at 31 December	1,391	1,197	1,720	4,308

(1) Remeasurement relates to the changes in ECL following a transfer between Stages.
(2) Changes in models include the changes in model inputs or assumptions such as changes in the forward-looking macroeconomic variables.
(3) Includes the impact on allowance arising from the exposure of acquisition of consumer business.

28. Loans to Customers (continued)

(d) *Movements in ECL allowance for loans to customers (continued)*

	The Bank			
In $ millions	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
2023				
Balance at 1 January	**742**	**541**	**1,044**	**2,327**
New loans originated or purchased	**98**	**–**	**–**	**98**
Loans derecognised or repaid	**(60)**	**(35)**	**(125)**	**(220)**
Transfers to Stage 1	**44**	**(38)**	**(6)**	**–**
Transfers to Stage 2	**(18)**	**30**	**(12)**	**–**
Transfers to Stage 3	**(1)**	**(15)**	**16**	**–**
Remeasurements [(1)]	**(39)**	**118**	**161**	**240**
Changes in models [(2)]	**76**	**38**	**–**	**114**
(Write-back)/Charge for existing loans	**(145)**	**(84)**	**347**	**118**
Bad debts recovery	**–**	**–**	**(63)**	**(63)**
Net (write-back)/charge to income statement	**(45)**	**14**	**318**	**287**
Unwind of discounts	**–**	**–**	**(66)**	**(66)**
Net write-off	**–**	**–**	**(347)**	**(347)**
Currency translation adjustments	**(3)**	**(2)**	**(17)**	**(22)**
Balance at 31 December	**694**	**553**	**932**	**2,179**
2022				
Balance at 1 January	849	457	945	2,251
New loans originated or purchased	68	–	–	68
Loans derecognised or repaid	(64)	(19)	(87)	(170)
Transfers to Stage 1	36	(35)	(1)	–
Transfers to Stage 2	(11)	12	(1)	–
Transfers to Stage 3	(1)	(34)	35	–
Remeasurements [(1)]	(23)	28	235	240
Changes in models [(2)]	(92)	(18)	–	(110)
(Write-back)/Charge for existing loans	(14)	153	206	345
Bad debts recovery	–	–	(22)	(22)
Net (write-back)/charge to income statement	(101)	87	365	351
Unwind of discounts	–	–	(57)	(57)
Net write-off	–	–	(203)	(203)
Currency translation adjustments	(6)	(3)	(6)	(15)
Balance at 31 December	742	541	1,044	2,327

(1) Remeasurement relates to the changes in ECL following a transfer between Stages.
(2) Changes in models include the changes in model inputs or assumptions such as changes in the forward-looking macroeconomic variables.

(e) *Sensitivity of ECL*

The Group assessed ECL sensitivity for financial instruments not measured at FVPL with reference to the probability weightage of base and downside scenarios. Should a 100% weightage be applied on a downside scenario, ECL allowance is estimated to increase by $735 million (2022: $750 million).

29. Financial Assets Transferred

The Group transfers financial assets to third parties in the ordinary course of business. Transferred assets where the Group retains substantially all the risks and rewards of the transferred assets continue to be recognised on the Group's balance sheet.

(a) *Assets pledged or transferred*

Assets transferred under repurchase agreements (repo) are conducted under terms and conditions that are usual market practice. The counterparty is typically allowed to sell or to re-pledge the securities but has an obligation to return them. Assets pledged or transferred are summarised below:

	The Group		The Bank	
In $ millions	**2023**	2022	**2023**	2022
Singapore government and central bank treasury bills and securities	**1,068**	1,008	**1,068**	1,008
Other government and central bank treasury bills and securities	**6,640**	2,524	**4,467**	2,077
Investment securities	**7,385**	6,865	**7,237**	6,815
	15,093	10,397	**12,772**	9,900

The amount of the associated liabilities approximates the carrying amount of the assets pledged.

(b) *Collateral received*

Assets the Group received as collateral for reverse repurchase agreements (reverse repo) are summarised below:

	The Group		The Bank	
In $ millions	**2023**	2022	**2023**	2022
Assets received for reverse repo transactions, at fair value	**16,667**	12,180	**11,224**	7,548
Of which, sold or re-pledged	**4,105**	2,305	**4,105**	2,305

(c) *Repo and reverse repo transactions subject to netting agreements*

The Bank and the Group enter into global master repurchase agreements with counterparties where it is appropriate and practicable to mitigate counterparty credit risk. Such agreements allow the Bank and the Group to settle outstanding amounts with the counterparty on a net basis in the event of default. These agreements also allow the Bank and the Group to further reduce its credit risk by requiring periodic mark-to-market of outstanding positions and posting of collateral when pre-established thresholds are exceeded. The counterparty that receives non-cash collateral is typically allowed to sell or re-pledge such collateral in accordance with the terms of these agreements.

29. Financial Assets Transferred (continued)

(c) *Repo and reverse repo transactions subject to netting agreements (continued)*

The table below shows the Bank's and the Group's repo and reverse repo transactions that are not offset in the balance sheet but are subject to enforceable netting agreements:

In $ millions	**2023** Reverse repo	**2023** Repo	2022 Reverse repo	2022 Repo
The Group				
Carrying amount on the balance sheet subject to netting agreements [1]	**15,963**	**15,315**	11,826	9,732
Amount nettable [2]	**(1,187)**	**(1,187)**	(1,791)	(1,791)
Financial collateral	**(14,768)**	**(14,126)**	(10,021)	(7,938)
Net amounts	**8**	**2**	14	3
The Bank				
Carrying amount on the balance sheet subject to netting agreements [1]	**10,704**	**13,056**	7,244	9,248
Amount nettable [2]	**(1,187)**	**(1,187)**	(1,791)	(1,791)
Financial collateral	**(9,513)**	**(11,867)**	(5,439)	(7,454)
Net amounts	**4**	**2**	14	3

(1) The carrying amount of reverse repo is presented under "Cash, balances and placements with central banks", "Placements and balances with banks" and "Loans to customers" while repo is under "Deposits and balances of banks and customers" on the balance sheet.
(2) Amount that could be netted under the netting agreements.

(d) *Covered bonds*

Pursuant to the Bank's USD15 billion Global Covered Bond Programme, selected pools of residential mortgages that were originated by the Bank have been assigned to a bankruptcy-remote structured entity, Glacier Eighty Pte Ltd. These residential mortgages continue to be recognised on the Bank's balance sheet as the Bank remains exposed to the risks and rewards associated with them.

As at 31 December 2023, there were five (2022: seven) covered bonds outstanding, comprising four EUR fixed rate covered bonds and one GBP floating rate covered bonds, with assigned residential mortgages of approximately $11,809 million (2022: $15,541 million).

30. Investment Securities

(a)

In $ millions	The Group **2023**	The Group 2022	The Bank **2023**	The Bank 2022
Quoted securities				
Debt [1]	**20,948**	13,836	**18,836**	13,056
Equity	**979**	985	**784**	814
Unquoted securities				
Debt [2]	**23,099**	18,609	**22,720**	17,292
Equity	**1,547**	1,776	**737**	1,016
ECL allowance (Note 30(b))	**(40)**	(23)	**(34)**	(15)
	46,533	35,183	**43,043**	32,163

(1) Includes ECL allowance on quoted debt securities at FVOCI of $16 million (2022: $7 million) for the Group and $15 million (2022: $6 million) for the Bank.
(2) Includes ECL allowance on unquoted debt securities at FVOCI of $22 million (2022: $21 million) for the Group and $10 million (2022: $9 million) for the Bank.

Notes to the Financial Statements

for the financial year ended 31 December 2023

30. Investment Securities (continued)

(b) *Movements in ECL allowance for investment securities*

	The Group		
In $ millions	**Stage 1**	**Stage 2**	**Total**
2023			
Balance at 1 January	**13**	**10**	**23**
Transfers between Stages	**4**	**(4)**	**–**
Remeasurement [(1)]	**(5)**	**(1)**	**(6)**
Changes in models [(2)]	**1**	**1**	**2**
Charge to income statement	**11**	**10**	**21**
Currency translation adjustments	**#**	**#**	**#**
Balance at 31 December	**24**	**16**	**40**
2022			
Balance at 1 January	17	4	21
Transfers between Stages	#	#	–
Remeasurement [(1)]	–	3	3
Changes in models [(2)]	(2)	#	(2)
(Write-back)/Charge to income statement	(1)	3	2
Currency translation adjustments	(1)	#	(1)
Balance at 31 December	13	10	23

	The Bank		
In $ millions	**Stage 1**	**Stage 2**	**Total**
2023			
Balance at 1 January	**11**	**4**	**15**
Transfers between Stages	**#**	**#**	**–**
Remeasurement [(1)]	**–**	**#**	**#**
Changes in models [(2)]	**#**	**1**	**1**
Charge to income statement	**7**	**10**	**17**
Currency translation adjustments	**1**	**#**	**1**
Balance at 31 December	**19**	**15**	**34**
2022			
Balance at 1 January	16	4	20
Changes in models [(2)]	(2)	–	(2)
Write-back to income statement	(3)	#	(3)
Balance at 31 December	11	4	15

\# Amount less than $500,000

(1) Remeasurement relates to the changes in ECL following a transfer between Stages.
(2) Changes in models include the changes in model inputs or assumptions such as changes in the forward-looking macroeconomic variables.

30. Investment Securities (continued)

(c) *Investment securities analysed by industry*

In $ millions	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Transport, storage and communication	**1,885**	1,984	**1,557**	1,578
Building and construction	**2,241**	1,521	**2,035**	1,341
Manufacturing	**1,418**	1,227	**1,130**	1,224
Financial institutions, investment and holding companies	**25,146**	17,374	**22,935**	15,619
General commerce	**1,231**	1,111	**1,061**	990
Others	**14,612**	11,966	**14,325**	11,411
	46,533	35,183	**43,043**	32,163

(d) *Equity investments designated at FVOCI*

Equity investments designated at FVOCI comprise ordinary shares and funds, mainly held for yield enhancement or strategic purposes.

In 2023, the related dividend income was $31 million (2022: $27 million) at the Group and $28 million (2022: $22 million) at the Bank.

During the year, equity investments of $153 million (2022: $361 million) at the Group and $78 million (2022: $233 million) at the Bank were realised. Related net loss recognised within equity was $21 million (2022: net gain of $9 million) at the Group and $22 million (2022: net gain of $10 million) at the Bank.

31. Other Assets

In $ millions	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Sundry debtors	**2,359**	2,881	**1,283**	1,726
Interest receivable	**2,774**	2,077	**2,254**	1,509
Foreclosed properties	**91**	94	**–**	–
Allowance for impairment	**(76)**	(76)	**(1)**	#
ECL allowance	**(19)**	(43)	**(5)**	(3)
Others	**3,653**	2,757	**2,888**	2,014
	8,782	7,690	**6,419**	5,246

\# *Amount less than $500,000*

32. Investment in Associates and Joint Ventures

(a)

In $ millions	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Material associate:				
UOB-Kay Hian Holdings Limited	**660**	639	**67**	67
Other associates and joint ventures	**621**	634	**365**	385
	1,281	1,273	**432**	452
Allowance for impairment (Note 34)	**(15)**	(15)	**(124)**	(143)
	1,266	1,258	**308**	309
Fair value of quoted investments at 31 December	**417**	432	**417**	432

Name of associate	Principal activities	Country of incorporation	Effective equity interest of the Group 2023 %	Effective equity interest of the Group 2022 %
Quoted				
UOB-Kay Hian Holdings Limited	Stockbroking	Singapore	**35**	35

(b) Aggregate information about the Group's share of investments in associates and joint ventures that were not individually material is as follows:

In $ millions	The Group 2023	The Group 2022
Profit for the financial year	**23**	47
Other comprehensive income	**(11)**	(15)
Total comprehensive income	**12**	32

(c) The summarised financial information in respect of UOB-Kay Hian Holdings Limited, based on its financial statements, and a reconciliation with the carrying amount of the investment in the consolidated financial statements are as follows:

In $ millions	2023	2022
Statement of comprehensive income		
Operating income	**592**	486
Profit for the financial year	**155**	86
Other comprehensive income	**(5)**	6
Total comprehensive income	**150**	92

32. Investment in Associates and Joint Ventures (continued)

(c) (continued)

In $ millions	2023	2022
Balance sheet		
Current assets	**3,770**	7,463
Non-current assets	**180**	84
Total assets	**3,950**	7,547
Current liabilities	**2,018**	5,731
Non-current liabilities	**36**	6
Total liabilities	**2,054**	5,737
Net assets	**1,896**	1,810
Group's ownership interest	**35%**	35%
Group's share of net assets	**660**	639

Dividends of $19 million (2022: $28 million) were received from UOB-Kay Hian Holdings Limited.

33. Investment in Subsidiaries

(a)

	The Bank	
In $ millions	**2023**	2022
Quoted investments	**45**	45
Unquoted investments	**7,235**	6,926
	7,280	6,971
Allowance for impairment (Note 34)	**(300)**	(300)
	6,980	6,671
Fair value of quoted investments at 31 December	**212**	230

33. Investment in Subsidiaries (continued)

(b) Major subsidiaries of the Group as at the balance sheet date are as follows:

Name of subsidiary	Country of incorporation	Effective equity interest of the Group 2023 %	2022 %
Commercial Banking			
United Overseas Bank (Malaysia) Bhd	Malaysia	**100**	100
United Overseas Bank (Thai) Public Company Limited	Thailand	**99.7**	99.7
PT Bank UOB Indonesia	Indonesia	**99**	99
United Overseas Bank (China) Limited	China	**100**	100
United Overseas Bank (Vietnam) Limited	Vietnam	**100**	100
Financial Services			
United Overseas Insurance Limited	Singapore	**58**	58
Asset Management/Investment Management			
UOB Asset Management Ltd	Singapore	**100**	100
UOB Asset Management (Malaysia) Berhad	Malaysia	**70**	70
UOB Asset Management (Thailand) Co., Ltd	Thailand	**100**	100
UOB Capital Management Pte Ltd	Singapore	**100**	100
UOB Global Capital LLC (1)	United States	**70**	70
UOB Holdings (USA) Inc. (2)	United States	**100**	100
UOB Venture Management (Shanghai) Co., Ltd	China	**100**	100
UOB Venture Management Private Limited	Singapore	**100**	100
United Private Equity Investments (Cayman) Limited (2)	Cayman Islands	**100**	100
Property Investment Holding			
Industrial & Commercial Property (S) Pte Ltd	Singapore	**100**	100
PT UOB Property	Indonesia	**100**	100
UOB Property Investments China Pte Ltd	Singapore	**100**	100
UOB Property Investments Pte Ltd	Singapore	**100**	100
UOB Realty (USA) Ltd Partnership (2)	United States	**100**	100
Others			
UOB International Investment Private Limited	Singapore	**100**	100
UOB Travel Planners Pte Ltd	Singapore	**100**	100

Except as indicated, all subsidiaries incorporated in Singapore are audited by Ernst & Young LLP, Singapore and those incorporated overseas are audited by member firms of Ernst & Young Global Limited.

(1) Audited by other auditors.
(2) Not required to be audited.

33. Investment in Subsidiaries (continued)

(c) *Interest in subsidiaries with material non-controlling interest (NCI)*

Only United Overseas Insurance Limited has NCI that is material to the Group:

Principal place of business	Proportion of ownership interest held by NCI %	Profit allocated to NCI during the reporting period $ million	Accumulated NCI at the end of reporting period $ million	Dividends paid to NCI $ million
2023				
Singapore	**42**	**9**	**179**	**5**
2022				
Singapore	42	7	172	6

(d) *Summarised financial information [(1)] about United Overseas Insurance Limited*

In $ millions	2023	2022
Statement of comprehensive income		
Operating income	**36**	42
Profit before tax	**27**	22
Less: Tax	**6**	5
Profit for the financial year	**21**	17
Other comprehensive income	**6**	(31)
Total comprehensive income	**27**	(14)
Balance sheet		
Total assets	**577**	616
Total liabilities	**148**	202
Net assets	**429**	414
Other information		
Net cash flows from operations	**21**	5
Acquisition of property, plant and equipment	**1**	5

(1) Including consolidation adjustments but before inter-company eliminations.

(e) *Consolidated structured entities*

The Group has established a USD15 billion Global Covered Bond Programme to augment its funding programmes. Under the Programme, the Bank may from time to time issue covered bonds (the Covered Bonds). The payments of interest and principal under the Covered Bonds are guaranteed by the Covered Bond Guarantor (the CBG), Glacier Eighty Pte Ltd. The Covered Bonds issued under the Programme will be backed by a portfolio of Singapore residential mortgages transferred by the Bank to the CBG when certain conditions are met.

Notes to the Financial Statements

for the financial year ended 31 December 2023

33. Investment in Subsidiaries (continued)

(f) *Interests in unconsolidated structured entities*

The Group has interests in certain investment funds where the Group is the fund manager and the investors have no or limited removal rights over the fund manager. These funds are primarily financed by the investors. The table below summarises the Group's involvement in the funds.

	The Group	
In $ millions	**2023**	2022
Total assets of structured entities [(1)]	**18,038**	17,766
Maximum exposure to loss – Investment in funds	**308**	328
Fee income	**174**	189
Net loss from investment securities	**(#)**	(52)

\# *Amount less than $500,000*

(1) Based on the latest available financial reports of the structured entities.

34. Movements in Allowance for Impairment on Investment in Associates, Joint Ventures and Subsidiaries

	The Group Investment in associates and joint ventures	
In $ millions	**2023**	2022
Balance at 1 January	**15**	18
Amounts written off	**–**	(3)
Balance at 31 December	**15**	15

	The Bank			
	Investment in associates and joint ventures		Investment in subsidiaries	
In $ millions	**2023**	2022	**2023**	2022
Balance at 1 January	**143**	140	**300**	240
(Credit)/Charge to income statement	**(19)**	3	**–**	60
Balance at 31 December	**124**	143	**300**	300

35. Investment Properties

In $ millions	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Balance at 1 January	**746**	829	**749**	902
Currency translation adjustments	**(6)**	(17)	**#**	(1)
Additions	**#**	3	**#**	1
Disposals	**(10)**	(2)	**(10)**	(1)
Depreciation charge	**(18)**	(14)	**(13)**	(14)
Write-back of/(Allowance for) impairment	**#**	(2)	**1**	(1)
Transfers	**14**	(51)	**77**	(137)
Balance at 31 December	**726**	746	**804**	749
Represented by:				
Cost	**1,062**	1,068	**1,061**	988
Accumulated depreciation	**(334)**	(320)	**(256)**	(238)
Allowance for impairment	**(2)**	(2)	**(1)**	(1)
Net carrying amount	**726**	746	**804**	749
Freehold property	**386**	387	**501**	429
Leasehold property	**340**	359	**303**	320
	726	746	**804**	749
Fair value hierarchy				
Level 2	**308**	240	**304**	236
Level 3	**2,479**	2,486	**2,029**	1,946
	2,787	2,726	**2,333**	2,182

\# *Amount less than $500,000*

The valuations of investment properties were performed by external valuers with professional qualifications and experience, taking into account market prices and rentals of comparable properties using a market comparison approach or using a combination of comparable sales and investment approaches.

Fair values for properties under Level 2 of the fair value hierarchy are determined based on a market comparison approach using comparable price transactions as significant observable inputs. Fair values for properties under Level 3 of the fair value hierarchy are determined using a combination of market comparison and investment methods. The key unobservable inputs used in these valuations are the capitalisation rates and rental yields.

Notes to the Financial Statements

for the financial year ended 31 December 2023

36. Fixed Assets

In $ millions	2023 Owner-occupied properties	2023 Others	2023 Right-of-use assets	2023 Total	2022 Owner-occupied properties	2022 Others	2022 Right-of-use assets	2022 Total
The Group								
Balance at 1 January	**1,231**	**1,972**	**250**	**3,453**	1,242	1,764	176	3,182
Currency translation adjustments	**(19)**	**(19)**	**(6)**	**(44)**	(44)	(28)	(4)	(76)
Additions	**2**	**870**	**138**	**1,010**	55	646	198	899
Disposals	**#**	**(24)**	**(23)**	**(47)**	(17)	(6)	(30)	(53)
Depreciation charge	**(29)**	**(453)**	**(97)**	**(579)**	(26)	(404)	(90)	(520)
Write-back of/(Allowance for) impairment	**3**	**–**	**–**	**3**	(30)	–	–	(30)
Transfers	**(14)**	**–**	**–**	**(14)**	51	–	–	51
Balance at 31 December	**1,174**	**2,346**	**262**	**3,782**	1,231	1,972	250	3,453
Represented by:								
Cost	**1,711**	**5,045**	**457**	**7,213**	1,752	4,498	449	6,699
Accumulated depreciation	**(509)**	**(2,699)**	**(195)**	**(3,403)**	(488)	(2,526)	(199)	(3,213)
Allowance for impairment	**(28)**	**–**	**–**	**(28)**	(33)	–	–	(33)
Net carrying amount	**1,174**	**2,346**	**262**	**3,782**	1,231	1,972	250	3,453
Freehold property	**929**				979			
Leasehold property	**245**				252			
	1,174				1,231			
Fair value hierarchy								
Level 2	**1,185**				1,231			
Level 3	**3,244**				3,292			
	4,429				4,523			

 # Amount less than $500,000

36. Fixed Assets (continued)

In $ millions	2023 Owner-occupied properties	2023 Others	2023 Right-of-use assets	2023 Total	2022 Owner-occupied properties	2022 Others	2022 Right-of-use assets	2022 Total
The Bank								
Balance at 1 January	**963**	**1,445**	**183**	**2,591**	833	1,336	118	2,287
Currency translation adjustments	**#**	**(1)**	**#**	**(1)**	#	#	(2)	(2)
Additions	**#**	**577**	**69**	**646**	8	421	133	562
Disposals	**#**	**(20)**	**#**	**(20)**	–	(3)	(3)	(6)
Depreciation charge	**(14)**	**(336)**	**(66)**	**(416)**	(15)	(309)	(63)	(387)
Transfers	**(77)**	**–**	**–**	**(77)**	137	–	–	137
Balance at 31 December	**872**	**1,665**	**186**	**2,723**	963	1,445	183	2,591
Represented by:								
Cost	**1,177**	**3,691**	**308**	**5,176**	1,266	3,302	323	4,891
Accumulated depreciation	**(305)**	**(2,026)**	**(122)**	**(2,453)**	(303)	(1,857)	(140)	(2,300)
Net carrying amount	**872**	**1,665**	**186**	**2,723**	963	1,445	183	2,591
Freehold property	**721**				810			
Leasehold property	**151**				153			
	872				963			
Fair value hierarchy								
Level 2	**256**				280			
Level 3	**2,580**				2,644			
	2,836				2,924			

\# *Amount less than $500,000*

The valuations of owner-occupied properties were performed by external valuers with professional qualifications and experience, taking into account market prices and rentals of comparable properties using a market comparison approach or using a combination of comparable sales and investment approaches.

Fair values for properties under Level 2 of the fair value hierarchy are determined based on a market comparison approach using comparable price transactions as significant observable inputs. Fair values for properties under Level 3 of the fair value hierarchy are determined using a combination of market comparison and investment methods. The key unobservable inputs used in these valuations are the capitalisation rates and rental yields.

Fixed assets-others comprise mainly computer equipment, software and furniture and fittings.

Right-of-use assets comprise mainly properties, computer equipment and motor vehicles.

Notes to the Financial Statements

for the financial year ended 31 December 2023

37. Intangible Assets

(a)

In $ millions	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Goodwill	**4,767**	4,703	**3,182**	3,182
Other intangible assets [1]	**217**	197	**–**	–
	4,984	4,900	**3,182**	3,182
Represented by:				
Goodwill	**4,767**	4,703	**3,182**	3,182
Other intangible assets, at cost	**241**	200	**–**	–
Accumulated amortisation for other intangible assets	**(24)**	(3)	**–**	–
Net carrying amount	**4,984**	4,900	**3,182**	3,182

(1) Other intangible assets relate to Citigroup's consumer business customer relationships and core deposits.

(b) *Movements in goodwill*

In $ millions	The Group 2023	The Group 2022	The Bank 2023	The Bank 2022
Balance at 1 January	**4,703**	4,145	**3,182**	3,182
Addition [1]	**106**	570	**–**	–
Currency translation adjustments and others	**(42)**	(12)	**–**	–
Balance at 31 December	**4,767**	4,703	**3,182**	3,182

(1) Goodwill from acquisition of Citigroup's consumer businesses in Indonesia and Vietnam of $106 million has been recognised on a provisional basis. Refer to Note 47 for further details.

(c) *Impairment tests for goodwill*

Goodwill was allocated on the date of acquisition to the reportable business segments expected to benefit from the synergies of business combination. The recoverable amount of the business segments is based on their value in use, computed by discounting the expected future cash flows of the segments. The key assumptions in computing the value in use include the discount rates and growth rates applied. Discount rates are estimated based on current market assessments of time value of money and risks specific to the Group as a whole and to individual countries such as Thailand, Indonesia and Malaysia. The growth rates used do not exceed the historical long-term average growth rate of the major countries. Cash flow projections are based on the most recent five-year financial forecasts provided by key business segments and approved by management. These cash flows are derived based on the outlook of macroeconomic conditions from external sources, in particular, interest rates and foreign exchange rates, taking into account management's past experience on the impact of such changes to the cash flows of the Group. Long-term growth rate is imputed on fifth-year cash flow and then discounted to determine the terminal value. Key assumptions are as follows:

	Discount rate 2023	Discount rate 2022	Growth rate 2023	Growth rate 2022
Singapore	**7.73**	7.71	**2.92**	2.94
Thailand	**8.35**	9.62	**1.97**	1.93
Indonesia	**10.73**	12.23	**4.23**	4.24
Malaysia	**8.68**	–	**4.11**	–

Impairment is recognised in the income statement when the carrying amount of a business segment exceeds its recoverable amount. Management believes that any reasonably possible change in the key assumptions would not cause the carrying amount of the business segments to exceed their recoverable amount.

38. Contingent Liabilities

In the normal course of business, the Bank and the Group conduct businesses involving guarantees, performance bonds and indemnities. The bulk of these liabilities are backed by the corresponding obligations of the customers. No assets of the Bank and the Group were pledged as security for these contingent liabilities at the balance sheet date.

In $ millions	The Group		The Bank	
	2023	2022	**2023**	2022
Direct credit substitutes	**4,185**	4,618	**2,920**	3,225
Transaction-related contingencies	**15,439**	15,028	**10,696**	10,386
Trade-related contingencies	**10,936**	11,715	**8,963**	9,640
Others	**208**	213	**1**	3
	30,768	31,574	**22,580**	23,254

39. Commitments

(a)

In $ millions	The Group		The Bank	
	2023	2022	**2023**	2022
Undrawn credit facilities	**204,052**	195,755	**158,245**	152,532
Spot/Forward contracts	**1,232**	541	**1,157**	1,053
Trade commitments	**2,539**	2,944	**1,520**	1,656
Capital commitments	**627**	518	**555**	483
Lease commitments	**26**	23	**8**	3
Others	**498**	451	**350**	328
	208,974	200,232	**161,835**	156,055

(b) *Minimum lease receivable*

The Group leases out investment properties typically on three-year leases based on market rental rates. These leases may contain options to renew at prevailing market rates.

In $ millions	The Group		The Bank	
	2023	2022	**2023**	2022
Within 1 year	**79**	75	**56**	54
Over 1 to 5 years	**156**	166	**95**	104
Over 5 years	**17**	40	**4**	13
	252	281	**155**	171

Notes to the Financial Statements

for the financial year ended 31 December 2023

40. Financial Derivatives

Financial derivatives, such as forwards, swaps, futures and options, are instruments whose values change in response to the change in prices of the underlying instruments.

In the normal course of business, the Bank and the Group transact in customised derivatives to meet specific needs of their customers. The Bank and the Group also transact in these derivatives for proprietary trading purposes, as well as to manage their assets, liabilities and structural positions. Risks associated with the use of derivatives and policies for managing these risks are set out in Note 45.

(a) The table below shows the Bank's and the Group's financial derivatives and their fair values at the balance sheet date. These amounts do not necessarily represent future cash flows and amounts at risk of the derivatives.

In $ millions	2023 Notional amount	2023 Positive fair value	2023 Negative fair value	2022 Notional amount	2022 Positive fair value	2022 Negative fair value
The Group						
Foreign exchange contracts						
Forwards	**90,041**	**1,155**	**1,097**	81,517	1,164	1,157
Swaps	**299,112**	**2,515**	**3,175**	269,915	2,840	3,503
Options purchased	**7,010**	**67**	**–**	8,189	120	–
Options written	**6,434**	**–**	**78**	7,494	–	117
Interest rate contracts						
Swaps	**465,473**	**5,179**	**6,249**	551,568	9,106	10,674
Futures	**163**	**#**	**2**	2,408	4	2
Options purchased	**2,812**	**58**	**–**	2,715	66	–
Options written	**6,833**	**–**	**122**	5,829	–	138
Equity-related contracts						
Swaps	**33**	**–**	**1**	677	2	5
Options purchased	**1,144**	**39**	**–**	1,205	60	–
Options written	**1,601**	**–**	**45**	1,247	–	64
Credit-related contracts						
Swaps	**749**	**21**	**12**	815	52	2
Others						
Forwards	**1,150**	**161**	**142**	1,587	86	75
Swaps	**15,317**	**74**	**375**	12,459	78	261
Futures	**6,781**	**438**	**470**	6,222	222	219
Options purchased	**227**	**#**	**–**	56	2	–
Options written	**67**	**–**	**#**	50	–	1
	904,947	**9,707**	**11,768**	953,953	13,802	16,218

\# *Amount less than $500,000*

40. Financial Derivatives (continued)

(a) (continued)

In $ millions	2023 Notional amount	2023 Positive fair value	2023 Negative fair value	2022 Notional amount	2022 Positive fair value	2022 Negative fair value
The Bank						
Foreign exchange contracts						
Forwards	**89,183**	**1,080**	**1,224**	76,878	1,064	1,178
Swaps	**240,719**	**2,079**	**2,538**	208,876	2,190	2,529
Options purchased	**5,467**	**47**	**–**	5,319	65	–
Options written	**5,234**	**–**	**63**	4,743	–	78
Interest rate contracts						
Swaps	**411,739**	**4,827**	**5,883**	507,046	8,767	10,304
Futures	**152**	**#**	**1**	2,408	4	2
Options purchased	**2,621**	**60**	**–**	2,465	68	–
Options written	**6,611**	**–**	**123**	5,616	–	138
Equity-related contracts						
Swaps	**33**	**–**	**1**	677	2	5
Options purchased	**1,152**	**40**	**–**	1,208	60	–
Options written	**1,690**	**–**	**46**	1,309	–	64
Credit-related contracts						
Swaps	**739**	**21**	**12**	804	51	2
Others						
Forwards	**1,099**	**178**	**142**	1,541	119	75
Swaps	**14,552**	**58**	**374**	11,896	53	258
Futures	**1,427**	**22**	**26**	1,469	19	35
Options purchased	**228**	**#**	**–**	47	1	–
Options written	**67**	**–**	**#**	46	–	1
	782,713	**8,412**	**10,433**	832,348	12,463	14,669

\# *Amount less than $500,000*

Notes to the Financial Statements

for the financial year ended 31 December 2023

40. Financial Derivatives (continued)

(b) *Financial derivatives subject to netting agreements*

The Bank and the Group enter into derivative master netting agreements (such as the International Swaps and Derivatives Association Master Agreement) with counterparties where it is appropriate and practicable to mitigate counterparty credit risk. Such agreements allow the Bank and the Group to settle outstanding derivative contracts' amounts with the counterparty on a net basis in the event of default. These agreements also allow the Bank and the Group to further reduce its credit risk by requiring periodic mark-to-market of outstanding positions and posting of collateral when pre-established thresholds are exceeded. The counterparty that receives non-cash collateral is typically allowed to sell or re-pledge such collateral in accordance with the terms of these agreements.

The table below shows the Bank's and the Group's financial derivatives that are not offset in the balance sheet but are subject to enforceable netting agreements.

	2023		2022	
In $ millions	**Positive fair value**	**Negative fair value**	Positive fair value	Negative fair value
The Group				
Carrying amount on the balance sheet	**9,707**	**11,768**	13,802	16,218
Amount not subject to netting agreements	**(792)**	**(952)**	(1,488)	(2,492)
Amount subject to netting agreements	**8,915**	**10,816**	12,314	13,726
Amount nettable [(1)]	**(7,250)**	**(7,250)**	(10,663)	(10,663)
Financial collateral	**(511)**	**(1,785)**	(1,077)	(1,395)
Net amounts	**1,154**	**1,781**	574	1,668
The Bank				
Carrying amount on the balance sheet	**8,412**	**10,433**	12,463	14,669
Amount not subject to netting agreements	**(919)**	**(1,044)**	(1,616)	(2,556)
Amount subject to netting agreements	**7,493**	**9,389**	10,847	12,113
Amount nettable [(1)]	**(6,290)**	**(6,290)**	(9,848)	(9,848)
Financial collateral	**(297)**	**(1,691)**	(806)	(1,250)
Net amounts	**906**	**1,408**	193	1,015

(1) Amount that could be netted under the netting agreements.

41. Hedge Accounting

The impact of the hedging instruments and hedged items on the balance sheet as at 31 December is as follows:

	The Group					
	Carrying amount		Changes in fair value	Type of risk hedged	Notional amount	Maturity profile of hedging instruments
In $ millions	Assets	Liabilities				
2023						
Hedging instruments						
Fair value hedge						
Derivatives – Interest rate swaps	**260**	**904**	**208**	**Interest rate**	**26,666**	**Less than 10 years**
Customer deposits	**–**	**53**	**#**	**Foreign exchange**	**–**	**Within 1 year**
Cash flow hedge						
Derivatives – Interest rate swaps	**3**	**1**	**5**	**Interest rate**	**750**	**Less than 5 years**
Derivatives – Currency swaps	**618**	**636**	**(25)**	**Interest rate and foreign exchange**	**3,402**	**Less than 10 years**
Net investment hedge						
Customer deposits	**–**	**5,889**	**70**	**Foreign exchange**	**–**	
Hedged items relating to fair value hedges						
Assets						
Debt securities	**12,335**	**–**	**211**			
Equity securities at FVOCI	**53**	**–**	**#**			
Liabilities						
Certificates of deposit	**–**	**34**	**#**			
Subordinated debts	**–**	**4,868**	**(106)**			
Other debts issued	**–**	**7,935**	**(309)**			
2022						
Hedging instruments						
Fair value hedge						
Derivatives – Interest rate swaps	308	1,152	(873)	Interest rate	20,067	Less than 10 years
Customer deposits	–	67	3	Foreign exchange	–	Within 1 year
Cash flow hedge						
Derivatives – Interest rate swaps	–	4	(4)	Interest rate	200	Less than 5 years
Derivatives – Currency swaps	–	72	(70)	Interest rate and foreign exchange	1,860	Less than 5 years
Net investment hedge						
Customer deposits	–	4,787	141	Foreign exchange	–	
Hedged items relating to fair value hedges						
Assets						
Debt securities	5,182	–	(289)			
Equity securities at FVOCI	67	–	(3)			
Liabilities						
Customer deposits	–	–	#			
Certificates of deposit	–	34	1			
Subordinated debts	–	5,143	358			
Other debts issued	–	8,890	768			

\# *Amount less than $500,000*

Notes to the Financial Statements

for the financial year ended 31 December 2023

41. Hedge Accounting (continued)

	The Bank					
	Carrying amount		Changes in fair value	Type of risk hedged	Notional amount	Maturity profile of hedging instruments
In $ millions	Assets	Liabilities				
2023						
Hedging instruments						
Fair value hedge						
Derivatives – Interest rate swaps	**255**	**903**	**205**	Interest rate	**26,027**	Less than 10 years
Customer deposits	**–**	**53**	**#**	Foreign exchange	**–**	Within 1 year
Cash flow hedge						
Derivatives – Interest rate swaps	**3**	**1**	**5**	Interest rate	**750**	Less than 5 years
Derivatives – Currency swaps	**618**	**631**	**(19)**	Interest rate and foreign exchange	**2,941**	Less than 10 years
Net investment hedge						
Customer deposits	**–**	**5,330**	**59**	Foreign exchange	**–**	
Hedged items relating to fair value hedges						
Assets						
Debt securities	**12,335**	**–**	**211**			
Equity securities at FVOCI	**53**	**–**	**#**			
Liabilities						
Certificates of deposit	**–**	**34**	**#**			
Subordinated debts	**–**	**4,419**	**(102)**			
Other debts issued	**–**	**7,743**	**(310)**			
2022						
Hedging instruments						
Fair value hedge						
Derivatives – Interest rate swaps	301	1,152	(871)	Interest rate	19,228	Less than 10 years
Customer deposits	–	67	3	Foreign exchange	–	Within 1 year
Cash flow hedge						
Derivatives – Interest rate swaps	–	4	(4)	Interest rate	200	Less than 5 years
Derivatives – Currency swaps	–	72	(70)	Interest rate and foreign exchange	1,860	Less than 5 years
Net investment hedge						
Customer deposits	–	4,778	141	Foreign exchange	–	
Hedged items relating to fair value hedges						
Assets						
Debt securities	5,182	–	(289)			
Equity securities at FVOCI	67	–	(3)			
Liabilities						
Customer deposits	–	–	#			
Certificates of deposit	–	34	1			
Subordinated debts	–	4,496	357			
Other debts issued	–	8,696	767			

 # Amount less than $500,000

The ineffectiveness arising from these hedges was insignificant.

42. Share-based Compensation Plan

As approved by shareholders at the Annual General Meeting on 21 April 2016, the UOB Restricted Share Plan will be in force up to (and including) 6 August 2027. The UOB Restricted Share Plan only allows the delivery of UOB ordinary shares held as treasury shares by the Bank.

In 2018, following a review of the total compensation model, the Remuneration and Human Capital Committee (RHCC) approved, inter alia, a revised variable pay deferral framework for senior employees and Material Risk Takers. Under this framework, a portion of variable pay is deferred as restricted shares (RS) under the UOB Restricted Share Plan. Such deferred RS vest over a minimum three-year period, subject to local regulatory requirements, and the fair value of the RS were estimated at grant date using the Trinomial valuation methodology. Following the approval from the RHCC in 2020, the fair value of RS awarded from 2021 are computed using market value instead and with it, dividends on unvested RS awards are accrued to participating employees at the same rate as those declared on ordinary shares.

Participating employees who leave the Group before the RS vest will forfeit their rights unless otherwise decided by the RHCC.

At the Annual General Meeting on 21 April 2022, the UOB Restricted Share Plan was approved by shareholders to be renamed the UOB Share Plan and to allow for eligible non-executive directors to be granted share awards in the form of UOB ordinary shares under the UOB Share Plan.

Movements and outstanding balances of the plan are as follows:

	The Group Number of restricted shares	
	2023 **'000**	2022 '000
Balance at 1 January	**6,629**	7,074
Granted	**2,849**	2,115
Adjustments or Dividends on unvested awards	**371**	179
Forfeited/Cancelled	**(136)**	(144)
Vested	**(2,900)**	(2,595)
Balance at 31 December	**6,813**	6,629

Year granted	Expiry date	Fair value per grant at grant date $	Number of outstanding grants **2023** **'000**	 2022 '000
2020	15 Apr 2022, 15 Apr 2023 and 15 Apr 2024	18.88 and 18.05	**5**	2,250
2021	15 Mar 2023, 15 Mar 2024 and 15 Mar 2025	25.41	**1,585**	2,199
2022	15 Mar 2024, 15 Mar 2025 and 15 Mar 2026	29.60	**2,251**	2,180
2023	15 Mar 2025, 15 Mar 2026 and 15 Mar 2027	28.87	**2,972**	–
			6,813	6,629

Prior to 2021, fair values of the RS were estimated at the grant date using the Trinomial valuation methodology. From 2021, fair values of the RS are estimated using market value.

Notes to the Financial Statements

for the financial year ended 31 December 2023

43. Related Party Transactions

Related parties cover the Group's subsidiaries, associates, joint ventures and their subsidiaries, and key management personnel and their related parties.

Key management personnel refers to the Bank's directors and members of its Management Executive Committee.

All related party transactions of the Group were done in the ordinary course of business and at arm's length. In addition to the information disclosed elsewhere in the financial statements, other related party transactions include the following:

(a)

	The Group		The Bank	
In $ millions	**2023**	2022	**2023**	2022
Interest income				
Subsidiaries	**–**	–	**646**	359
Associates and joint ventures	**20**	9	**19**	9
Interest expense				
Subsidiaries	**–**	–	**457**	285
Associates and joint ventures	**63**	31	**59**	28
Dividend income				
Subsidiaries	**–**	–	**42**	27
Associates and joint ventures	**–**	–	**44**	51
Rental and other expenses				
Subsidiaries	**–**	–	**93**	69
Associates and joint ventures	**13**	31	**20**	19
Fee and commission and other income				
Subsidiaries	**–**	–	**354**	290
Associates and joint ventures	**3**	3	**#**	#
Placements, securities, loans and advances				
Subsidiaries	**–**	–	**18,388**	23,140
Associates and joint ventures	**272**	423	**256**	423
Deposits				
Subsidiaries	**–**	–	**13,590**	17,130
Associates and joint ventures	**1,417**	2,281	**1,211**	2,062
Off-balance sheet credit facilities (1)				
Subsidiaries	**–**	–	**47**	55
Associates and joint ventures	**561**	406	**561**	406

Amount less than $500,000

(1) Includes guarantees issued by the Group of $4 million (2022: $4 million) and the Bank of $46 million (2022: $24 million).

During the financial year, the Group had banking transactions with key management personnel-related entities and personnel of the Group. These transactions were not material.

43. Related Party Transactions (continued)

(b)

	The Bank	
In $ millions	**2023**	2022
Compensation of key management personnel		
Short-term employee benefits	**32**	27
Long-term employee benefits	**4**	3
Share-based compensation	**25**	22
	61	52

44. Segment Information

(a) *Business segments*

Business segment performance reporting is prepared based on the Group's organisation structure. Business segments' results include all applicable revenue, expenses, internal fund transfer price and cost allocations associated with the activities of the business. Transactions between business segments are operated on an arm's length basis in a manner similar to third party transactions and they are eliminated on consolidation.

The Banking Group is organised into three major business segments – Group Retail, Group Wholesale Banking and Global Markets. Others include non-banking activities and corporate functions.

Group Retail (GR)

GR segment covers individual customers.

Customers have access to a diverse range of products and services, including deposits, insurance, card, wealth management, investment, and loan products which are available across the Group's global branch network.

Group Wholesale Banking (GWB)

GWB encompasses corporate and institutional client segments which include small, medium and large enterprises, local and multi-national corporations, financial institutions, government-linked entities, financial sponsors and property funds.

GWB provides customers with a broad range of products and services, including loans, trade services, cash management, capital markets solutions and advisory and treasury products.

Global Markets (GM)

GM provides a comprehensive suite of treasury products and services across multi-asset classes which include foreign exchange, interest rate, credit, commodities, equities and structured investment products to help customers manage market risks and volatility. GM also engages in market making activities and management of funding and liquidity.

Income from products and services offered to customers of Group Retail and Group Wholesale Banking are reflected in the respective client segments.

Others

Others includes corporate support functions, decisions not attributable to business segments mentioned above and other activities, which comprise property, insurance and investment management.

44. Segment Information (continued)

(a) *Business segments (continued)*

Selected income statement items

	The Group				
In $ millions	**GR**	**GWB**	**GM**	**Others**	**Total**
2023					
Net interest income	**4,080**	**5,493**	**(511)**	**617**	**9,679**
Non-interest income	**1,423**	**1,581**	**925**	**324**	**4,253**
Operating income	**5,503**	**7,074**	**414**	**941**	**13,932**
Operating expenses	**(2,838)**	**(1,681)**	**(261)**	**(1,437)**	**(6,217)**
Amortisation of intangible assets	**(24)**	**–**	**–**	**–**	**(24)**
(Allowance for)/Write-back of credit and other losses	**(302)**	**(850)**	**(21)**	**252**	**(921)**
Share of profit/(loss) of associates and joint ventures	**(2)**	**1**	**–**	**94**	**93**
Profit/(Loss) before tax	**2,337**	**4,544**	**132**	**(150)**	**6,863**
Tax					**(1,138)**
Profit for the financial year					**5,725**
Other information:					
Additions to fixed assets	**47**	**49**	**–**	**914**	**1,010**
Depreciation of assets	**64**	**48**	**12**	**473**	**597**
2022					
Net interest income	2,918	4,662	150	613	8,343
Non-interest income	1,135	1,550	410	137	3,232
Operating income	4,053	6,212	560	750	11,575
Operating expenses	(2,233)	(1,539)	(259)	(1,250)	(5,281)
Amortisation of intangible assets	(3)	–	–	–	(3)
(Allowance for)/Write-back of credit and other losses	(79)	(140)	10	(394)	(603)
Share of profit/(loss) of associates and joint ventures	–	26	–	71	97
Profit/(Loss) before tax	1,738	4,559	311	(823)	5,785
Tax					(1,202)
Profit for the financial year					4,583
Other information:					
Additions to fixed assets	40	48	1	813	902
Depreciation of assets	64	45	12	413	534

44. Segment Information (continued)

(a) *Business segments (continued)*

Selected balance sheet items

In $ millions	The Group GR	GWB	GM	Others	Total
2023					
Segment assets	**109,875**	**231,274**	**172,876**	**3,245**	**517,270**
Intangible assets	**2,019**	**2,221**	**657**	**87**	**4,984**
Investment in associates and joint ventures	**1**	**208**	**–**	**1,057**	**1,266**
Total assets	**111,895**	**233,703**	**173,533**	**4,389**	**523,520**
Total liabilities	**193,425**	**196,567**	**67,635**	**19,425**	**477,052**
Other information:					
Gross customer loans	**109,344**	**210,000**	**1,712**	**94**	**321,150**
Non-performing assets	**1,138**	**3,566**	**22**	**220**	**4,946**
2022					
Segment assets	108,397	230,398	158,322	985	498,102
Intangible assets	1,934	2,222	657	87	4,900
Investment in associates and joint ventures	8	206	–	1,044	1,258
Total assets	110,339	232,826	158,979	2,116	504,260
Total liabilities	173,161	203,225	68,309	15,959	460,654
Other information:					
Gross customer loans	108,241	210,650	736	36	319,663
Non-performing assets	1,165	3,685	25	252	5,127

Notes to the Financial Statements

for the financial year ended 31 December 2023

44. Segment Information (continued)

(b) *Geographical segments*

The following geographical segment performance reporting is prepared based on the location where the transactions or assets are booked. The information is stated after elimination of inter-segment transactions.

	The Group						
In $ millions	**Singapore**	**Malaysia**	**Thailand**	**Indonesia**	**Other Asia Pacific**	**Rest of the world**	**Total**
2023							
Net interest income	**5,615**	**917**	**1,159**	**453**	**977**	**558**	**9,679**
Non-interest income	**2,286**	**553**	**375**	**161**	**698**	**180**	**4,253**
Operating income	**7,901**	**1,470**	**1,534**	**614**	**1,675**	**738**	**13,932**
Operating expenses	**(3,271)**	**(756)**	**(997)**	**(483)**	**(643)**	**(67)**	**(6,217)**
Amortisation of intangible assets	**–**	**(4)**	**(17)**	**(#)**	**(3)**	**–**	**(24)**
(Allowance for)/Write-back of credit and other losses	**(86)**	**(98)**	**(356)**	**(52)**	**(213)**	**(116)**	**(921)**
Share of profit/(loss) of associates and joint ventures	**95**	**–**	**–**	**–**	**#**	**(2)**	**93**
Profit before tax	**4,639**	**612**	**164**	**79**	**816**	**553**	**6,863**
Total assets before intangible assets	**311,003**	**46,587**	**32,890**	**13,566**	**89,879**	**24,611**	**518,536**
Intangible assets	**3,182**	**134**	**1,318**	**322**	**28**	**–**	**4,984**
Total assets	**314,185**	**46,721**	**34,208**	**13,888**	**89,907**	**24,611**	**523,520**
2022							
Net interest income	4,737	900	814	450	997	445	8,343
Non-interest income	1,921	382	263	153	524	(11)	3,232
Operating income	6,658	1,282	1,077	603	1,521	434	11,575
Operating expenses	(2,841)	(745)	(690)	(377)	(564)	(64)	(5,281)
Amortisation of intangible assets	–	(1)	(2)	–	–	–	(3)
(Allowance for)/Write-back of credit and other losses	(99)	(223)	(111)	(115)	(61)	6	(603)
Share of profit/(loss) of associates and joint ventures	103	(#)	–	–	(2)	(4)	97
Profit before tax	3,821	313	274	111	894	372	5,785
Total assets before intangible assets	295,494	48,603	31,570	11,597	90,409	21,687	499,360
Intangible assets	3,182	146	1,342	225	5	–	4,900
Total assets	298,676	48,749	32,912	11,822	90,414	21,687	504,260

\# *Amount less than $500,000*

45. Financial Risk Management

The Group's business activities involve the use of financial instruments, including derivatives. These activities expose the Group to a variety of financial risks, mainly credit risk, foreign exchange risk, interest rate risk, equity risk, commodity risk and liquidity risk.

The Group's financial risks are centrally managed by the various specialist committees within the authority delegated by the Board of Directors. These various specialist committees formulate, review and approve policies and limits to monitor and manage risk exposures under their respective supervision. The major policy decisions and proposals approved by these committees are subject to further review by the Group Board Risk Management Committee (BRMC).

The Group Risk Management Sector assumes the independent oversight of risks undertaken by the Group, and takes the lead in the formulation and approval of risk policies, controls and processes. The Group Market Risk and Product Control within the Group Risk Management Sector monitor Global Markets's compliance with trading policies and limits. This is further enhanced by the periodic risk assessment audit carried out by Group Audit.

The main financial risks that the Group is exposed to and how they are managed are set out below:

(a) Credit risk

Credit risk is the risk of loss arising from any failure by a borrower or counterparty to meet its financial obligations when they are due.

The Group Credit Committee (CC) supports the CEO and BRMC in managing the Group's overall credit risk exposures and serves as an executive forum for discussions on all credit-related matters. The CC also reviews and assesses the Group's credit portfolios and credit risk profiles.

Credit risk exposures are managed through a robust credit underwriting, structuring and monitoring process. The process includes monthly review of all non-performing and special mention loans, ensuring credit quality and the timely recognition of asset impairment. Past due exposures and credit limit excesses are tracked and analysed by business and product lines.

Country risk is the risk of loss due to specific events in a country that the Group has exposure to. These events include political and economic events, social unrest, nationalisation and expropriation of assets, government repudiation of external indebtedness, and currency depreciation or devaluation.

Climate risks are complex and transverse in nature and may potentially translate into known financial risk types for banks including credit risk, market risk, liquidity risk and operational risk. The Group has assessed the various climate risk transmission channels and considered potential credit risk impact to be the most material.

Climate risk is identified, assessed, managed and monitored through our Group Environmental Risk Management (ENRM) Framework, which is approved by the BRMC. In 2023, no material climate-related financial losses were incurred through our corporate lending activities.

Refer to Risk Management section of the annual report (Environmental, Social and Governance Risk) and UOB Sustainability Report 2023 for more information.

45. Financial Risk Management (continued)

(a) Credit risk (continued)

(i) Credit exposure

The Group's maximum exposure to credit risk of on-balance sheet and off-balance sheet financial instruments, before taking into account any collateral held, other credit enhancements and netting arrangements, is shown in the table below:

In $ millions	The Group 2023	2022
Balances and placements with central banks	**51,496**	48,424
Singapore government treasury bills and securities	**13,322**	12,056
Other government treasury bills and securities	**24,958**	19,822
Trading debt securities	**4,144**	3,658
Placements and balances with banks	**35,093**	35,410
Loans to customers	**317,005**	315,355
Derivative financial assets	**9,707**	13,802
Investment debt securities	**44,006**	32,422
Others	**5,133**	4,959
	504,864	485,908
Contingent liabilities	**30,768**	31,571
Commitments (excluding lease and capital commitments)	**208,321**	199,691
	743,953	717,170

As a fundamental credit principle, the Group generally does not grant credit facilities solely on the basis of the collateral provided. All credit facilities are granted based on the credit standing of the borrower, source of repayment and debt servicing ability.

Collateral is taken whenever possible to mitigate the credit risk assumed. The value of the collateral is monitored periodically. The frequency of valuation depends on the type, liquidity and volatility of the collateral value. The collaterals are mostly properties while other types of collateral taken by the Group include cash, marketable securities, equipment, inventories and receivables. Policies and processes are in place to monitor collateral concentration.

In extending credit facilities to small- and medium-enterprises, personal guarantees are often taken as a form of moral support to ensure moral commitment from the principal shareholders and directors.

Corporate guarantees are often obtained when the borrower's creditworthiness is not sufficient to justify an extension of credit.

Exposures arising from foreign exchange, derivatives and securities financing transactions are typically mitigated through agreements such as the International Swaps and Derivatives Association Master Agreements, the Credit Support Annex and the Global Master Repurchase Agreements. Such agreements help to minimise credit exposure by allowing us to offset what we owe to a counterparty against what is due from that counterparty in the event of a default.

In addition, derivative transactions are cleared through Central Counterparties, where possible, to reduce counterparty credit exposure further through multilateral netting and the daily margining processes.

45. Financial Risk Management (continued)

(a) Credit risk (continued)

(ii) Major on-balance sheet credit exposures

The exposures are determined based on country of incorporation/operation for non-individuals and residence for individuals.

In $ millions	The Group Loans to customers (gross)	Government treasury bills and securities	Placements and balances with banks	Debt securities	Total
Analysed by geography					
2023					
Singapore	**157,903**	**13,325**	**940**	**10,852**	**183,020**
Malaysia	**31,692**	**10,660**	**2,450**	**2,504**	**47,306**
Thailand	**25,364**	**3,476**	**2,582**	**1,562**	**32,984**
Indonesia	**9,670**	**2,190**	**1,969**	**270**	**14,099**
Greater China	**49,177**	**1,897**	**12,649**	**8,779**	**72,502**
Others	**47,344**	**6,732**	**14,503**	**24,183**	**92,762**
	321,150	**38,280**	**35,093**	**48,150**	**442,673**
2022					
Singapore	160,426	12,066	953	7,564	181,009
Malaysia	33,274	8,553	3,994	2,926	48,747
Thailand	23,488	2,332	4,113	255	30,188
Indonesia	10,043	2,312	1,957	190	14,502
Greater China	48,623	2,163	10,838	7,584	69,208
Others	43,809	4,452	13,555	17,561	79,377
	319,663	31,878	35,410	36,080	423,031

Notes to the Financial Statements

for the financial year ended 31 December 2023

45. Financial Risk Management (continued)

(a) Credit risk (continued)

(ii) Major on-balance sheet credit exposures (continued)

	The Group				
In $ millions	Loans to customers (gross)	Government treasury bills and securities	Placements and balances with banks	Debt securities	Total
Analysed by industry					
2023					
Transport, storage and communication	**14,175**	**–**	**–**	**2,198**	**16,373**
Building and construction	**86,658**	**–**	**–**	**2,121**	**88,779**
Manufacturing	**21,451**	**–**	**–**	**1,357**	**22,808**
Financial institutions, investment and holding companies	**40,456**	**–**	**35,093**	**27,556**	**103,105**
General commerce	**32,857**	**–**	**–**	**1,126**	**33,983**
Professionals and private individuals	**29,294**	**–**	**–**	**–**	**29,294**
Housing loans	**77,629**	**–**	**–**	**–**	**77,629**
Government	**–**	**38,280**	**–**	**–**	**38,280**
Others	**18,630**	**–**	**–**	**13,792**	**32,422**
	321,150	**38,280**	**35,093**	**48,150**	**442,673**
2022					
Transport, storage and communication	14,482	–	–	2,228	16,710
Building and construction	87,178	–	–	1,312	88,490
Manufacturing	22,123	–	–	1,630	23,753
Financial institutions, investment and holding companies	37,949	–	35,410	18,681	92,040
General commerce	36,530	–	–	997	37,527
Professionals and private individuals	28,970	–	–	–	28,970
Housing loans	76,807	–	–	–	76,807
Government	–	31,878	–	–	31,878
Others	15,624	–	–	11,232	26,856
	319,663	31,878	35,410	36,080	423,031

45. Financial Risk Management (continued)

(a) Credit risk (continued)

(iii) Major off-balance sheet credit exposures

The exposures are determined based on country of incorporation/operation for non-individuals and residence for individuals.

	The Group			
	2023		2022	
In $ millions	Contingent liabilities	Commitments [1]	Contingent liabilities	Commitments [1]
Analysed by geography				
Singapore	**14,866**	**93,054**	14,489	88,901
Malaysia	**3,131**	**21,249**	3,248	20,930
Thailand	**2,017**	**25,331**	1,891	24,414
Indonesia	**1,631**	**9,812**	1,851	6,680
Greater China	**5,274**	**34,604**	5,698	35,085
Others	**3,849**	**24,271**	4,394	23,681
	30,768	**208,321**	31,571	199,691
Analysed by industry				
Transport, storage and communication	**1,921**	**8,173**	1,999	8,227
Building and construction	**9,793**	**31,902**	10,196	31,894
Manufacturing	**4,047**	**28,229**	4,217	27,774
Financial institutions, investment and holding companies	**2,789**	**29,129**	3,102	28,401
General commerce	**8,506**	**48,627**	8,959	43,651
Professionals and private individuals	**221**	**44,674**	228	39,983
Housing loans	**–**	**5,030**	–	6,839
Others	**3,491**	**12,557**	2,870	12,922
	30,768	**208,321**	31,571	199,691

(1) Excluding lease and capital commitments.

Notes to the Financial Statements

for the financial year ended 31 December 2023

45. Financial Risk Management (continued)

(a) Credit risk (continued)

(iv) *Credit quality*

i. Non-trading gross loans are graded in accordance with MAS Notice 612 as follows:

	The Group			
In $ millions	Stage 1	Stage 2	Stage 3	Total
2023				
Pass	**292,976**	**14,262**	**–**	**307,238**
Special mention	**–**	**5,298**	**–**	**5,298**
Substandard	**–**	**–**	**3,143**	**3,143**
Doubtful	**–**	**–**	**922**	**922**
Loss	**–**	**–**	**805**	**805**
	292,976	**19,560**	**4,870**	**317,406**
2022				
Pass	300,955	7,597	–	308,552
Special mention	–	3,273	–	3,273
Substandard	–	–	3,185	3,185
Doubtful	–	–	796	796
Loss	–	–	1,079	1,079
	300,955	10,870	5,060	316,885

ii. Non-trading government treasury bills and securities and debt securities

The table below presents an analysis of non-trading government treasury bills and securities and debt securities that are neither past due nor impaired for the Group by rating agency designation as at 31 December:

	The Group			
	Singapore government treasury bills and securities	Other government treasury bills and securities	Debt securities	
In $ millions	Stage 1	Stage 1	Stage 1	Stage 2
2023				
External rating:				
Investment grade (AAA to BBB-)	**12,963**	**23,556**	**34,125**	**393**
Non-investment grade (BB+ to C)	**–**	**68**	**–**	**–**
Unrated	**–**	**313**	**9,032**	**478**
	12,963	**23,937**	**43,157**	**871**
2022				
External rating:				
Investment grade (AAA to BBB-)	11,749	18,403	19,321	56
Non-investment grade (BB+ to C)	–	6	–	–
Unrated	–	168	12,841	193
	11,749	18,577	32,162	249

45. Financial Risk Management (continued)

(a) Credit risk (continued)

(iv) Credit quality (continued)

iii. Non-trading other assets

In $ millions	The Group Stage 1	Stage 2	Total
2023			
Cash, balances and placements with central banks	**50,647**	**60**	**50,707**
Placements and balances with banks	**23,193**	**394**	**23,587**
Other assets	**4,893**	**266**	**5,159**
	78,733	**720**	**79,453**
2022			
Cash, balances and placements with central banks	47,718	44	47,762
Placements and balances with banks	26,478	313	26,791
Other assets	4,542	230	4,772
	78,738	587	79,325

iv. Loan commitments and contingents, excluding non-financial guarantees

In $ millions	The Group Stage 1	Stage 2	Stage 3	Total
2023				
Pass	**216,186**	**5,231**	**–**	**221,417**
Special mention	**–**	**584**	**–**	**584**
Substandard	**–**	**–**	**36**	**36**
Doubtful	**–**	**–**	**–**	**–**
Loss	**–**	**–**	**7**	**7**
	216,186	**5,815**	**43**	**222,044**
2022				
Pass	211,360	3,405	–	214,765
Special mention	1	396	–	397
Substandard	–	–	27	27
Doubtful	–	–	1	1
Loss	–	–	14	14
	211,361	3,801	42	215,204

Notes to the Financial Statements

for the financial year ended 31 December 2023

45. Financial Risk Management (continued)

(a) Credit risk (continued)

(v) Ageing analysis of past due but not impaired loans

	The Group			
In $ millions	**< 30 days**	**30 - 59 days**	**60 - 90 days**	**Total**
Analysed by geography [1]				
2023				
Singapore	**1,380**	**275**	**94**	**1,749**
Malaysia	**655**	**290**	**159**	**1,104**
Thailand	**446**	**145**	**86**	**677**
Indonesia	**96**	**36**	**18**	**150**
Greater China	**810**	**68**	**7**	**885**
Others	**753**	**164**	**26**	**943**
	4,140	**978**	**390**	**5,508**
2022				
Singapore	1,258	328	87	1,673
Malaysia	688	289	146	1,123
Thailand	614	159	71	844
Indonesia	63	24	15	102
Greater China	242	33	182	457
Others	396	9	36	441
	3,261	842	537	4,640

(1) By borrower's country of incorporation/operation for non-individuals and residence for individuals.

	The Group			
In $ millions	**< 30 days**	**30 - 59 days**	**60 - 90 days**	**Total**
Analysed by industry				
2023				
Transport, storage and communication	**183**	**9**	**5**	**197**
Building and construction	**619**	**185**	**30**	**834**
Manufacturing	**482**	**79**	**8**	**569**
Financial institutions, investment and holding companies	**926**	**37**	**1**	**964**
General commerce	**319**	**113**	**40**	**472**
Professionals and private individuals	**593**	**212**	**114**	**919**
Housing loans	**803**	**328**	**177**	**1,308**
Others	**215**	**15**	**15**	**245**
	4,140	**978**	**390**	**5,508**

45. Financial Risk Management (continued)

(a) Credit risk (continued)

(v) Ageing analysis of past due but not impaired loans (continued)

	The Group			
In $ millions	**< 30 days**	**30 - 59 days**	**60 - 90 days**	**Total**
Analysed by industry (continued)				
2022				
Transport, storage and communication	209	4	3	216
Building and construction	390	37	215	642
Manufacturing	300	85	16	401
Financial institutions, investment and holding companies	541	1	–	542
General commerce	372	67	34	473
Professionals and private individuals	582	236	100	918
Housing loans	752	392	159	1,303
Others	115	20	10	145
	3,261	842	537	4,640

(vi) Ageing analysis of non-performing assets

	The Group					
In $ millions	**Current**	**< 90 days**	**90 - 180 days**	**> 180 days**	**Total**	**Stage 3 ECL**
Analysed by geography [1]						
2023						
Singapore	**351**	**112**	**192**	**705**	**1,360**	**431**
Malaysia	**124**	**74**	**96**	**806**	**1,100**	**374**
Thailand	**155**	**110**	**176**	**382**	**823**	**301**
Indonesia	**95**	**36**	**45**	**292**	**468**	**154**
Greater China	**40**	**10**	**86**	**410**	**546**	**154**
Others	**173**	**56**	**77**	**267**	**573**	**146**
Non-performing loans	**938**	**398**	**672**	**2,862**	**4,870**	**1,560**
Debt securities, contingent items and others	**45**	**2**	**7**	**22**	**76**	**30**
	983	**400**	**679**	**2,884**	**4,946**	**1,590**
2022						
Singapore	274	205	64	1,027	1,570	492
Malaysia	225	123	76	804	1,228	427
Thailand	201	154	151	324	830	281
Indonesia	221	127	30	236	614	227
Greater China	7	14	154	281	456	200
Others	11	175	1	175	362	93
Non-performing loans	939	798	476	2,847	5,060	1,720
Debt securities, contingent items and others	39	19	–	9	67	35
	978	817	476	2,856	5,127	1,755

(1) By borrower's country of incorporation/operation for non-individuals and residence for individuals.

Notes to the Financial Statements

for the financial year ended 31 December 2023

45. Financial Risk Management (continued)

(a) Credit risk (continued)

(vi) Ageing analysis of non-performing assets (continued)

	The Group					
In $ millions	**Current**	**< 90 days**	**90 - 180 days**	**> 180 days**	**Total**	**Stage 3 ECL**
Analysed by industry						
2023						
Transport, storage and communication	**82**	**50**	**18**	**74**	**224**	**84**
Building and construction	**327**	**45**	**180**	**925**	**1,477**	**323**
Manufacturing	**229**	**12**	**104**	**388**	**733**	**285**
Financial institutions, investment and holding companies	**1**	**12**	**7**	**140**	**160**	**76**
General commerce	**64**	**107**	**69**	**402**	**642**	**243**
Professionals and private individuals	**69**	**48**	**149**	**71**	**337**	**149**
Housing loans	**130**	**118**	**127**	**474**	**849**	**182**
Others	**36**	**6**	**18**	**388**	**448**	**218**
Non-performing loans	**938**	**398**	**672**	**2,862**	**4,870**	**1,560**
Debt securities, contingent items and others	**45**	**2**	**7**	**22**	**76**	**30**
	983	**400**	**679**	**2,884**	**4,946**	**1,590**
2022						
Transport, storage and communication	56	120	18	208	402	131
Building and construction	174	236	140	595	1,145	299
Manufacturing	286	136	37	381	840	356
Financial institutions, investment and holding companies	13	4	–	34	51	20
General commerce	101	69	57	649	876	352
Professionals and private individuals	99	35	126	88	348	115
Housing loans	180	189	94	459	922	209
Others	30	9	4	433	476	238
Non-performing loans	939	798	476	2,847	5,060	1,720
Debt securities, contingent items and others	39	19	–	9	67	35
	978	817	476	2,856	5,127	1,755

45. Financial Risk Management (continued)

(a) Credit risk (continued)

(vii) Security coverage of non-performing assets

In $ millions	Collateral/Credit enhancement Properties	Fixed deposits	Others	Unsecured credit exposure	Total
The Group					
2023					
Loans to customers	**2,394**	**6**	**142**	**2,328**	**4,870**
Debt securities	**–**	**–**	**–**	**14**	**14**
Others (including commitments and contingents)	**21**	**3**	**–**	**38**	**62**
Of which:					
Credit-impaired assets with nil ECL due to collateral/ credit enhancement	**634**	**1**	**80**	**–**	**715**
2022					
Loans to customers	2,532	5	165	2,358	5,060
Debt securities	–	–	–	15	15
Others (including commitments and contingents)	11	3	–	38	52
Of which:					
Credit-impaired assets with nil ECL due to collateral/ credit enhancement	703	2	17	–	722

Collaterals possessed to settle outstanding loans were immaterial.

(b) Foreign exchange risk and equity risk

Foreign exchange risk is the risk to earnings and economic value of foreign currency assets, liabilities and financial derivatives caused by fluctuations in foreign exchange rates.

The Group's foreign exchange exposures comprise trading and banking (non-trading and structural) foreign exchange exposures. Non-trading foreign exchange exposures are principally derived from investments and funding activities and customer businesses. Structural foreign currency exposures are represented by the net asset values of overseas branches and subsidiaries, share of the net asset values of overseas associates and joint ventures, intangible assets attributable to overseas subsidiaries, and long-term investment in overseas properties used for banking purposes, which are strategic in nature. The Group utilises foreign currency contracts and foreign exchange derivatives to hedge its foreign exchange exposures.

Foreign exchange risk is managed through policies and market risk limits approved by the Group Asset and Liability Committee (ALCO). The limits are independently monitored by Group Market Risk and Product Control.

At 31 December 2023, banking book foreign currency Expected Shortfall (ES) inclusive of structural foreign currency ES was $19.9 million (2022: $27.5 million).

Notes to the Financial Statements

for the financial year ended 31 December 2023

45. Financial Risk Management (continued)

(b) Foreign exchange risk and equity risk (continued)

Equity risk in the banking book arises from equity investments held for long-term strategic reasons. At the end of the reporting period, if the equity prices of these investments had been 1% higher/lower with all other variables held constant, the Group's other comprehensive income would have been $35.6 million (2022: $37.9 million) higher/lower as a result of an increase/decrease in the fair value of equity investments classified as FVOCI.

(c) Interest rate risk in the banking book

Interest rate risk is the impact to earnings and economic value of the Group due to fluctuations in interest rates. Interest rate exposure arises from differences in the maturity and repricing dates of assets, liabilities and off-balance sheet items. These mismatches are actively monitored and managed as part of the overall interest rate risk management process which is conducted in accordance with the Group's policies as approved by the ALCO.

The Group's interest rate risk sensitivity is measured as changes in economic value of equity (EVE) or net interest income (NII) based on Basel Interest Rate Risk in the Banking Book (IRRBB) requirements.

Changes in EVE is the simulated change of present value of assets less present value of liabilities of the Group, computed based on repricing cash flow of principal and interests including commercial margin and discounted using risk free rate. Changes in NII is the simulated change in the Group's net interest income over a one year time horizon. Interest rate flooring effects according to revised MAS Notice 637 requirements are taken into consideration. The repricing profile of loans is generally based on the earliest possible repricing dates, taking into account the notice period to be served to the customers. Loan prepayment, time deposit early withdrawals rates and future drawdown of undrawn commitments are estimated based on past statistics and trends where possible and material. The average repricing maturity of non-maturity deposits is determined through empirical studies following the two step approach per Basel IRRBB guideline. Behavioural assumptions based on historical trends or expert judgements are applied where appropriate. As of 31 December 2023, average and longest repricing maturity assigned to non-maturity deposits (NMDs) are 8 and 36 months. Total changes in EVE and NII are summation of changes in EVE and NII of each currency with significant exposures and other currencies on aggregated basis. There may be some differences in the assumptions across geographical locations due to variation in local conditions.

The table below shows the Group's changes in EVE and NII under various interest rate scenarios specified in IRRBB Standard published by Basel Committee in 2016.

In $ millions	The Group 2023
Changes in EVE under standardised interest rate shock scenarios [(1)]	
Parallel up	**(1,577)**
Parallel down	**1,989**
Steepener	**(1,726)**
Flattener	**1,390**
Short rate up	**536**
Short rate down	**(569)**
Maximum	**(1,726)**
Changes in NII under standardised interest rate shock scenarios [(1)]	
Parallel up	**1,012**
Parallel down	**(1,561)**
Maximum	**(1,561)**

(1) This information is disclosed for the first time for 2023. Comparative numbers will be provided from 2024 onwards.

45. Financial Risk Management (continued)

(d) Interest rate benchmark reform

The Group has established a Project Steering Committee (PSC) with taskforces and business unit programme managers in order to manage, monitor and address the impact of the replacement of various interest rate benchmarks globally. The key risks being managed arise from pricing risk on amending existing contracts; operational risk from updating systems and processes; and conduct risk – ensuring we treat our clients fairly when we update existing contracts.

The PSC is co-chaired by Group Chief Risk Officer (CRO) and Head of Group Global Markets and comprises senior representatives from functions across the Bank including the client-facing teams, Finance, Operations and Technology, Data Management Office and Group International Management. The PSC provides regular updates to the BRMC.

The Group successfully managed the transition of SOR, London Interbank Offered Rate (LIBOR) and Thai Baht Interest Rate Fixing (THBFIX), and has in place detailed plans, processes and procedures to support the transition of Singapore Interbank Offered Rate (SIBOR) and other benchmarks in accordance with regulatory timelines.

As at 31 December 2023, the Bank's and Group's exposure to significant interest rate benchmarks subject to reform is not significant and no hedge accounting relationship is affected by interest rate benchmark reform.

(e) Liquidity risk

Liquidity risk is the risk that the Group is unable to meet its financial obligations as and when they fall due, such as upon maturity of deposits and draw-down of loans.

The Group manages liquidity risk in accordance with the liquidity framework approved by the ALCO. This framework comprises policies, controls and limits. These controls and policies include setting of cash flow mismatch limits, monitoring of liquidity early warning indicators, stress-test analysis of cash flows in liquidity crisis scenarios and establishment of a comprehensive contingency funding plan. The Group is also required by the respective local regulators to maintain a certain percentage of its liability base in the form of cash and other liquid assets as a buffer against unforeseen liquidity requirements. The main objectives are honouring all cash outflow commitments on an ongoing basis, satisfying statutory liquidity and reserve requirements, and avoiding raising funds at market premiums or through forced sale of assets.

The following table shows the cash flow analysis of the Group's assets and liabilities by remaining contractual maturities on an undiscounted basis. Actual maturity dates may differ from contractual maturity dates due to behavioural patterns such as prepayment of loans. In particular, the Group has a significant amount of "core deposits" of customers which are contractually at call (included in the "Up to 7 days" time band) but historically have been a stable source of long-term funding for the Group.

Notes to the Financial Statements

for the financial year ended 31 December 2023

45. Financial Risk Management (continued)

(e) Liquidity risk (continued)

	The Group							
In $ millions	Up to 7 days	Over 7 days to 1 month	Over 1 to 3 months	Over 3 to 12 months	Over 1 to 3 years	Over 3 years	No specific maturity	Total
2023								
Cash, balances and placements with central banks	13,387	15,358	13,983	3,030	–	–	7,055	52,813
Securities	355	813	4,507	14,214	28,546	53,837	2,536	104,808
Placements and balances with banks	7,881	7,099	9,858	7,756	638	2,153	146	35,531
Loans to customers	16,649	36,372	30,817	57,252	81,800	161,001	32	383,923
Investment in associates and joint ventures	–	–	–	–	–	–	1,266	1,266
Goodwill and intangible assets	–	–	–	–	–	–	4,984	4,984
Derivative financial assets	–	–	–	–	–	–	9,707	9,707
Others	80	88	169	130	5	5,283	4,933	10,688
Total assets	38,352	59,730	59,334	82,382	110,989	222,274	30,659	603,720
Deposits and balances of customers	196,128	43,003	58,709	86,721	4,321	1,257	(53)	390,086
Deposits and balances of banks, and bills and drafts payable	15,327	11,535	3,843	2,149	382	202	8	33,446
Debts issued	1,032	2,497	6,840	9,298	13,458	9,284	(1,130)	41,279
Derivative financial liabilities	–	–	–	–	–	–	11,768	11,768
Others	3,125	164	311	519	318	171	4,719	9,327
Total liabilities	215,612	57,199	69,703	98,687	18,479	10,914	15,312	485,906
Equity attributable to:								
Equity holders of the Bank	–	38	–	70	1,112	1,956	43,478	46,654
Non-controlling interests	–	–	–	–	–	–	242	242
Total equity	–	38	–	70	1,112	1,956	43,720	46,896
Net on-balance sheet position	(177,260)	2,493	(10,369)	(16,375)	91,398	209,404	(28,373)	
Net off-balance sheet position	(59,860)	(1,175)	(1,233)	(952)	(462)	(2,514)	(74)	
Net maturity mismatch	(237,120)	1,318	(11,602)	(17,327)	90,936	206,890	(28,447)	

45. Financial Risk Management (continued)

(e) Liquidity risk (continued)

	The Group							
In $ millions	Up to 7 days	Over 7 days to 1 month	Over 1 to 3 months	Over 3 to 12 months	Over 1 to 3 years	Over 3 years	No specific maturity	Total
2022								
Cash, balances and placements with central banks	9,964	12,712	15,999	3,792	450	1,139	5,713	49,769
Securities	330	1,016	3,914	9,551	22,457	43,238	2,388	82,894
Placements and balances with banks	10,675	5,932	7,424	6,225	860	4,513	114	35,743
Loans to customers	17,068	37,384	27,228	51,770	84,375	162,325	2,412	382,562
Investment in associates and joint ventures	–	–	–	–	–	–	1,258	1,258
Goodwill and intangible assets	–	–	–	–	–	–	4,900	4,900
Derivative financial assets	–	–	–	–	–	–	13,802	13,802
Others	84	208	372	1,112	160	6,484	3,061	11,481
Total assets	38,121	57,252	54,937	72,450	108,302	217,699	33,648	582,409
Deposits and balances of customers	183,574	37,063	59,808	84,436	6,747	410	(84)	371,954
Deposits and balances of banks, and bills and drafts payable	10,177	5,908	5,900	1,156	2,255	144	(19)	25,521
Debts issued	1,089	2,676	10,331	8,248	10,234	11,388	(1,552)	42,414
Derivative financial liabilities	–	–	–	–	–	–	16,218	16,218
Others	4,359	23	14	226	234	805	3,194	8,855
Total liabilities	199,199	45,670	76,053	94,066	19,470	12,747	17,757	464,962
Equity attributable to:								
Equity holders of the Bank	–	15	–	956	125	4,190	38,402	43,688
Non-controlling interests	–	–	–	–	–	–	240	240
Total equity	–	15	–	956	125	4,190	38,642	43,928
Net on-balance sheet position	(161,078)	11,567	(21,116)	(22,572)	88,707	200,762	(22,751)	
Net off-balance sheet position	(66,098)	(1,596)	(913)	(915)	(729)	(2,880)	(83)	
Net maturity mismatch	(227,176)	9,971	(22,029)	(23,487)	87,978	197,882	(22,834)	

The Group is subject to liquidity requirements to support calls under outstanding contingent liabilities and undrawn credit facility commitments as disclosed in Notes 38 and 39(a) respectively. These have been incorporated in the net off-balance sheet position for financial years ended 31 December 2023 and 2022. The total outstanding contractual amounts of these items do not represent future cash requirements since the Group expects many of these contingent liabilities and commitments (such as direct credit substitutes and undrawn credit facilities) to expire without being called or drawn upon, and many of the contingent liabilities (such as letters of credit) are reimbursable by customers.

Notes to the Financial Statements

for the financial year ended 31 December 2023

45. Financial Risk Management (continued)

(f) Expected Shortfall

The Group adopts a daily Expected Shortfall (ES) to estimate market risk within a 97.5% confidence interval over a one-day holding period, using the historical simulation method for its trading book. This entails the estimation of tail loss based on the most recent historical data. This methodology does not make assumptions on the distribution of returns and the correlations between risk classes. It assumes that possible future changes in market rates may be implied by observed historical market movements. ES is the average portfolio loss, assuming that the loss is greater than the specified percentile of the loss distribution.

The table below shows the trading book ES profile by risk classes.

	The Group			
In $ millions	**Year end**	**High**	**Low**	**Average**
2023				
Interest rate	**4.51**	**6.61**	**2.42**	**3.78**
Foreign exchange	**2.36**	**6.36**	**0.90**	**2.32**
Equity	**0.18**	**1.22**	**0.08**	**0.34**
Commodity	**0.47**	**2.10**	**0.32**	**0.70**
Credit (2)	**4.48**	**6.22**	**1.55**	**3.90**
Volatility (2)	**0.83**	**1.56**	**0.56**	**1.03**
Total ES (1)	**12.73**	**15.50**	**7.18**	**10.89**
2022				
Interest rate	3.63	6.56	1.76	2.75
Foreign exchange	3.68	6.26	0.56	2.49
Equity	0.27	1.09	0.13	0.57
Commodity	0.53	11.71	0.19	0.55
Total ES (1)	9.07	16.92	5.00	8.37

(1) Total ES includes jump-to-default risk component (refers to the risk that a financial instrument where the mark-to-market value directly depends on the credit quality of one or more reference underlying, may experience sudden price changes due to an unexpected default of one of these reference underlying).
(2) For the Credit and Volatility ES, the comparative data for 2022 is not readily available.

46. Capital Management

The Group seeks to maintain an optimal level of capital to support its business growth strategies and investment opportunities, while meeting regulatory requirements and maintaining a strong credit rating. The Group's capital position is proactively managed over the medium term through the Internal Capital Adequacy Assessment Process which includes setting capital targets, forecasting capital consumption for material risks and determining capital issuance requirements. The Group, including the Bank and its overseas banking entities, have complied with all externally-imposed regulatory capital requirements throughout the financial year.

The Group is subject to the Basel III capital adequacy standards, as prescribed in the MAS Notice 637. The Group's Common Equity Tier 1 capital comprises mainly paid-up ordinary share capital and disclosed reserves. Additional Tier 1 capital includes eligible non-cumulative non-convertible perpetual capital securities while Tier 2 capital comprises subordinated notes and excess of accounting provisions over MAS Notice 637 expected loss. Risk-weighted assets include both on-balance sheet and off-balance sheet exposures adjusted for credit, market and operational risks.

	The Group	
In $ millions	**2023**	2022
Common Equity Tier 1 capital (CET1)	**37,076**	34,405
Additional Tier 1 capital	**2,751**	2,780
Tier 1 capital	**39,827**	37,185
Tier 2 capital	**5,840**	6,179
Eligible total capital	**45,667**	43,364
Risk-weighted assets (RWA)	**275,930**	259,098
Capital adequacy ratios (CAR) (%)		
CET1	**13.4**	13.3
Tier 1	**14.4**	14.4
Total	**16.6**	16.7

47. Acquisition of Consumer Business

On 1 November 2022, the Group completed the acquisition of Citigroup's consumer banking business in Malaysia and Thailand. The initial accounting and disclosures in the financial year ended 31 December 2022 were prepared on a provisional basis based on preliminary completion accounts and a draft purchase price allocation. The final completion payment was made, and the purchase price allocation was finalised in the financial year ended 31 December 2023. There were no significant adjustments to the provisional amounts disclosed in the prior financial year.

The Group also completed the acquisition of Citigroup's consumer banking business in Vietnam and Indonesia on 1 March 2023 and 18 November 2023, respectively. Goodwill of $106 million has been recognised on a provisional basis, pending the finalisation of the completion accounts, purchase price allocation and intangible asset valuations, by first half of 2024. Goodwill is mainly attributable to the synergies expected to arise within the Group after acquisition. Other intangible assets relate to Citigroup's consumer business customer relationships and core deposits. The provisional goodwill as at the acquisition date has been allocated to Group Retail CGU (refer to Note 44(a)) and was determined as follows:

Notes to the Financial Statements

for the financial year ended 31 December 2023

47. Acquisition of Consumer Business (continued)

In $ millions	The Group 2023
Loans to customers	**938**
Other assets	**34**
Total assets	**972**
Deposits and balances of customers	**1,187**
Other liabilities	**45**
Total liabilities	**1,232**
Net liabilities acquired	**(260)**
Goodwill and other intangible assets	**125**
Proceeds from acquisition	**(135)**
Less: Cash and cash equivalents acquired	**13**
Proceeds from acquisition of consumer business, net of cash acquired	**(148)**

The contribution to the Group's revenue and net profit from the consolidation of the acquired Consumer Business in Vietnam and Indonesia for the period between the date of acquisition to 31 December 2023 was not material.

48. Authorisation of Financial Statements

The financial statements were authorised for issue by the Board of Directors on 21 February 2024.

United Overseas Bank Limited
(Incorporated in Singapore)
and its subsidiaries
31 December 2023

Additional Information

International Network

as at 1 March 2024

Banking

Singapore

United Overseas Bank Limited
80 Raffles Place
UOB Plaza
Singapore 048624
Phone: (65) 6222 2121
Fax: (65) 6536 7712
SWIFT: UOVBSGSG
Website: www.UOBgroup.com

United Overseas Bank Limited has 57 branches in Singapore.

Australia

UOB Melbourne Office
350 Collins Street, Level 7
Melbourne VIC 3000, Australia
Phone: (61)(3) 9642 4788
Fax: (61)(3) 9642 4877
Chief Executive Officer, Australia and New Zealand: John Liles

UOB Sydney Branch
32 Martin Place, Level 9
United Overseas Bank Building
Sydney NSW 2000, Australia
Phone: (61)(2) 9221 1924
Fax: (61)(2) 9221 1541
SWIFT: UOVBAU2S
Email: UOB.Sydney@UOBgroup.com
Chief Executive Officer, Australia and New Zealand: John Liles

Brunei

UOB Brunei Branch
Impiana Jaya Complex
Unit 1, Ground Floor
1st Floor and 2nd Floor
Simpang 116-34, Jalan Jame' Asr
Kampung Kiulap, Gadong B
Bandar Seri Begawan BE1518, Brunei
Phone: (673) 222 5477/222 2210/ 222 0380
Fax: (673) 224 0792
SWIFT: UOVBBNBB
Email: UOB.Brunei@UOBgroup.com
Country Manager:
Howard Low Boon Keng

Canada

UOB Calgary Office
888, 3rd Street South West, Suite 1000
10th Floor Banker Hall West
Calgary, Alberta
Canada T2P 3N4
Phone: (1)(587) 702 5800
Fax: (1)(403) 716 3637
Country Manager: Robert Dyck

UOB Toronto Office
120 Adelaide Street West, Suite 2500
Toronto, Ontario
Canada M5H 1T1
Phone: (1)(416) 644 1208
Fax: (1)(604) 662 3356
Country Manager: Robert Dyck

UOB Vancouver Branch
650 West Georgia Street, Suite 2400
Vancouver, British Columbia
Canada V6B 4N9
Phone: (1)(604) 662 7055
Fax: (1)(604) 662 3356
SWIFT: UOVBCA8V
Email: UOB.Vancouver@UOBgroup.com
Country Manager: Robert Dyck

Hong Kong

UOB Main Branch
28th Floor, Three Garden Road
Champion Tower
Central, Hong Kong
Phone: (852) 2910 8888
Fax: (852) 2910 8899
SWIFT: UOVBHKHH
Email: UOB.HongKong@UOBgroup.com
Chief Executive Officer:
Christine Yeung See Ming
(Mrs Christine Ip)

UOB Causeway Bay Branch
6th Floor, Lee Garden Two
28 Yun Ping Road
Causeway Bay, Hong Kong
Phone: (852) 2292 3988
Fax: (852) 2910 8899
Email: UOB.HongKong@UOBgroup.com
Chief Executive Officer:
Christine Yeung See Ming
(Mrs Christine Ip)

India

UOB Mumbai Branch
3 North Avenue,
Maker Maxity Bandra (East)
3rd Floor, Units 31, 32 and 37
'C' Wing Bandra – Kurla Complex
Mumbai 400 051, India
Phone: (91)(22) 4247 2828/4247 2829
Fax: (91)(22) 2659 1022
SWIFT: UOVBINBB
Email: UOB.Mumbai@UOBgroup.com
Country Manager: PV Ananthakrishnan

Indonesia

PT Bank UOB Indonesia
(a subsidiary)
UOB Plaza
Jalan M.H. Thamrin No. 10
Jakarta Pusat 10230, Indonesia
Phone: (62)(21) 2350 6000
Fax: (62)(21) 2993 6632
SWIFT: BBIJIDJA
Website: www.UOB.co.id
President Director: Hendra Gunawan

PT Bank UOB Indonesia has 131 branches.

Japan

UOB Tokyo Branch
13F, Sanno Park Tower
2-11-1 Nagatacho, Chiyoda-ku
Tokyo 100-6113, Japan
Phone: (81)(3) 3596 7200
Fax: (81)(3) 3596 7201
SWIFT: UOVBJPJT
Email: UOB.Tokyo@UOBgroup.com
Country Manager: Ho Chai Seng

Mainland China

United Overseas Bank (China) Limited
(a subsidiary)
116-128 Yincheng Road
Pudong New Area
Shanghai 200120, China
Phone: (86)(21) 6061 8888
Fax: (86)(21) 6886 0908
SWIFT: UOVBCNSH
Email: CustomerExperience.UOBC@UOBgroup.com
Website: www.UOBChina.com.cn
President and Chief Executive Officer:
Peter Foo Moo Tan

United Overseas Bank (China) Limited has 16 branches/sub-branches.

Malaysia

United Overseas Bank Limited Labuan Branch
Level 6A, Main Office Tower
Financial Park Labuan Complex
Jalan Merdeka
87000 Labuan F.T., Malaysia
Phone: (60)(87) 424 388
Fax: (60)(87) 424 389
SWIFT: UOVBMY2L
Email: GMUOBLabuan@UOBgroup.com
Branch Manager:
Conrad Ng Swee Seng

United Overseas Bank (Malaysia) Bhd
(a subsidiary)
UOB Plaza 1 Kuala Lumpur
7 Jalan Raja Laut
50350 Kuala Lumpur, Malaysia
Phone: (60)(3) 2612 8121
Fax: (60)(3) 2691 0281
SWIFT: UOVBMYKL
Email: UOBcustomerservice@UOB.com.my
Website: www.UOB.com.my
Chief Executive Officer: Ng Wei Wei

United Overseas Bank (Malaysia) Bhd has 55 branches.

Myanmar

UOB Yangon Branch
Units #12-01/02/03
Junction City Tower
Bogyoke Aung San Road
Pabedan Township 11143
Yangon, Myanmar
Phone: (95)(1) 9253 774
Fax: (95)(1) 9253 770
SWIFT: UOVBMMMY
Email: UOB.Yangon@UOBgroup.com
Country Manager: Loi Kai Cheow

Philippines

UOB Manila Branch
17th Floor, Pacific Star Building
Sen. Gil Puyat Avenue Corner
Makati Avenue
1200 Makati City, Philippines
Phone: (63)(2) 8548 6400
Fax: (63)(2) 8811 5603
SWIFT: UOVBPHMM
Email: UOB.Manila@UOBgroup.com
Country Manager:
Arthur Vincent D. Chung

South Korea

UOB Seoul Branch
136 Sejong-daero
3(A)F, Seoul Finance Center
Jung-gu, Seoul 04520
South Korea
Phone: (82)(2) 739 3916/739 3919
Fax: (82)(2) 730 9570
SWIFT: UOVBKRSE
Email: UOB.Seoul@UOBgroup.com
Country Manager:
George Tung Hing Yin

Taiwan

UOB Taipei Branch
68 Zhongxiao East Road Section 5
30th Floor, Cathay Landmark
Xinyi District
Taipei City 110, Taiwan
Phone: (886)(2) 2722 3838
Fax: (886)(2) 2722 2322
Email: UOB.Taipei@UOBgroup.com
Country Manager:
Grace Wang Chih-Hua

Thailand

United Overseas Bank (Thai) Public Company Limited
(a subsidiary)
UOB Plaza Bangkok
690 Sukhumvit Road,
Khlong Tan, Khlong Toei
Bangkok 10110, Thailand
Phone: (66)(2) 343 3000
Fax: (66)(2) 287 2973/287 2974
SWIFT: UOVBTHBK
Website: www.UOB.co.th
President and Chief Executive Officer: Tan Choon Hin

United Overseas Bank (Thai) Public Company Limited has 147 branches and 46 sales centres.

United Kingdom

UOB London Branch
50 Cannon Street
London EC4N 6JJ, United Kingdom
Phone: (44)(20) 7448 5800
Fax: (44)(20) 7628 3433
SWIFT: UOVBGB2L
Email: UOB.London@UOBgroup.com
Country Manager: Michael Liu

United States of America

UOB Los Angeles Agency
777 South Figueroa Street, Suite 518
Los Angeles, California 90017
United States of America
Phone: (1)(213) 623 8042
Fax: (1)(213) 623 3412
Email: UOB.LosAngeles@UOBgroup.com
Country Manager and Agent/
General Manager: Bert De Guzman

UOB New York Agency
592 Fifth Avenue
10th Floor, UOB Building
New York, NY 10036
United States of America
Phone: (1)(212) 382 0088
Fax: (1)(212) 382 1881
SWIFT: UOVBUS33
Email: UOB.NewYork@UOBgroup.com
Country Manager and Agent/
General Manager: Bert De Guzman

International Network
as at 1 March 2024

Vietnam

United Overseas Bank (Vietnam) Limited
(a subsidiary)
1st Floor, Central Plaza Office Building, 17 Le Duan Boulevard
District 1, Ho Chi Minh City
Vietnam
Phone: (84)(28) 3825 1424
Fax: (84)(28) 3825 1423
SWIFT: UOVBVNVX
Email: UOBV.CustomerService@UOBgroup.com
Website: www.UOB.com.vn
Chief Executive Officer: Victor Ngo

United Overseas Bank (Vietnam) Limited has 5 branches.

Correspondents
In all principal cities of the world

Related financial services

E-commerce

Vietnam

VUI Vietnam Trading LLC
(an associated company)
25th Floor, TNR Building
180-192 Nguyen Cong Tru Street
Nguyen Thai Binh Ward
District 1, Ho Chi Minh City
Vietnam
Phone: (84)(28) 3820 8664
Fax: (84)(28) 3820 8665
Email: info@taptap.com.vn
Website: www.taptap.com.vn
Chief Executive Officer:
Vu Anh Duy

Financial Leasing

Singapore

ORIX Leasing Singapore Limited
(an associated company)
331 North Bridge Road
#19-01/06 Odeon Towers
Singapore 188720
Phone: (65) 6339 3622
Fax: (65) 6339 3966
Email: genenquiries@ols.com.sg
Website: www.ols.com.sg
Managing Director: Joanne Liau

Insurance

Singapore

United Overseas Insurance Limited
(a subsidiary)
146 Robinson Road
#02-01 UOI Building
Singapore 068909
Phone: (65) 6222 7733
Fax: (65) 6327 3869/6327 3870
Email: ContactUs@UOI.com.sg
Website: www.UOI.com.sg
Chief Executive Officer:
Andrew Lim Chee Hua

Myanmar

United Overseas Insurance Limited Myanmar Representative Office
Room 1401, 14th Floor
Olympic Tower
Corner of Maharbandoola Street and Bo Aung Kyaw Street
Kyauktada Township
Yangon, Myanmar
Phone: (95)(1) 8392 917
Fax: (95)(1) 8392 916
Representative:
Myat Myat Lwin @ Jessie

Investment Management

Singapore

United Hampshire US REIT Management Pte. Ltd.
(an associated company)
80 Raffles Place
#28-21 UOB Plaza 2
Singapore 048624
Phone: (65) 6797 9010
Fax: (65) 6223 0377
Website: www.uhreit.com
Chief Executive Officer: Gerald Yuen

UOB Asset Management Ltd
(a subsidiary)
80 Raffles Place
#03-00 UOB Plaza 2
Singapore 048624
Phone: (65) 6532 7988
1800 22 22 228 (Local toll-free)
(65) 6222 2228 (International)
Fax: (65) 6535 5882
Email: UOBAM@UOBgroup.com
Website: www.UOBAM.com.sg
Group Chief Executive Officer:
Thio Boon Kiat

UOB Venture Management Private Limited
(a subsidiary)
80 Raffles Place
#30-20 UOB Plaza 2
Singapore 048624
Phone: (65) 6598 4013
Fax: (65) 6538 2569
Email: InvestorRelations.UOBVM@UOBgroup.com
Managing Director and Chief Executive Officer: Seah Kian Wee

Brunei

UOB Asset Management (B) Sdn Bhd
(a subsidiary)
Unit FF03-FF05, 1st Floor
The Centrepoint Hotel
Jalan Gadong
Bandar Seri Begawan BE3519, Brunei
Phone: (673) 242 4806
Fax: (673) 242 4805
General Manager:
Kamal Haji Muhammad

France

UOB Global Capital SARL
(a subsidiary)
40 rue la Pérouse
75116 Paris, France
Phone: (33)(1) 5364 8400
Fax: (33)(1) 5364 8409
Email: mlandau@UOBGlobal.com
Managing Director: Michael Landau

Indonesia

PT UOB Asset Management Indonesia
(a subsidiary)
UOB Plaza, 42nd Floor, Unit 2
Jalan M.H. Thamrin No. 10
Jakarta 10230, Indonesia
Phone: (62)(21) 2929 0889
Fax: (62)(21) 2929 0809
Website: www.UOBAM.co.id
Chief Executive Officer: Ari Adil

UOB Venture Management Private Limited Representative Office
Menara BCA, 50th Floor
Jalan M.H. Thamrin No. 1
Jakarta Pusat 10310, Indonesia
Phone: (62)(21) 2358 5754/2358 5753
Email: InvestorRelations.UOBVM@UOBgroup.com
Chief Representative:
Patria Adhi Pradana

Japan

UOB Asset Management (Japan) Ltd
(a subsidiary)
13F, Sanno Park Tower
2-11-1 Nagatacho, Chiyoda-ku
Tokyo 100-6113, Japan
Phone: (81)(3) 3500 5981
Fax: (81)(3) 3500 5985
Chief Executive Officer:
Hideaki Mochizuki

Mainland China

SZVC-UOB Venture Management Co., Ltd
(an associated company)
No. 1066 Haide 3rd Road
52/F Shenzhen Capital Group Plaza
Nanshan District
Shenzhen 518054, China
Phone: (86)(755) 8899 3888
Fax: (86)(755) 8291 2880
Email: InvestorRelations.UOBVM@UOBgroup.com
Director: Jean Thoh

UOB Investment (China) Limited
Building 6, Fu Cheng Garden
No. 89 Bei Si Huan East Road
Chaoyang District
Beijing 100101, China
Email: InvestorRelations.UOBVM@UOBgroup.com
Contact: Vivian Fu

UOB Venture Management (Shanghai) Limited
(a subsidiary)
Room 3307, United Plaza
1468 Nanjing Road West
Shanghai 200040, China
Phone: (86)(21) 8028 0999
Email: InvestorRelations.UOBVM@UOBgroup.com
Managing Director and Chief Executive Officer: Seah Kian Wee

Malaysia

UOB Asset Management (Malaysia) Berhad
(a subsidiary)
Level 20, UOB Plaza 1
No. 7 Jalan Raja Laut
50350 Kuala Lumpur, Malaysia
Phone: (60)(3) 2732 1181
Fax: (60)(3) 2164 8188
Email: UOBAMCustomerCareMY@UOBgroup.com
Website: www.UOBAM.com.my
Chief Executive Officer: Lim Suet Ling

UOB Islamic Asset Management Sdn Bhd
(a subsidiary)
Level 20, UOB Plaza 1
No. 7 Jalan Raja Laut
50350 Kuala Lumpur, Malaysia
Phone: (60)(3) 2732 1181
Fax: (60)(3) 2164 8188
Email: UOBAMCustomerCareMY@UOBgroup.com
Chief Executive Officer:
Suhazi Reza bin Selamat

Taiwan

UOB Asset Management (Taiwan) Co., Ltd
(a subsidiary)
109 Minsheng East Road Section 3
16th Floor, Union Enterprise Plaza
Taipei 10544, Taiwan
Phone: (886)(2) 2719 7005
Fax: (886)(2) 2545 6591
Email: UOBAMTW@UOBgroup.com
Website: www.UOBAM.com.tw
Chief Executive Officer: William Wang

International Network

as at 1 March 2024

Thailand

UOB Asset Management (Thailand) Co., Ltd.

(a subsidiary)
23A, 25th Floor, Asia Centre Building
173/27-30, 32-33 South Sathon Road
Thungmahamek, Sathon
Bangkok 10120, Thailand
Phone: (66)(2) 786 2000
Fax: (66)(2) 786 2377
Email: thUOBAMwealthservice@UOBgroup.com
Website: www.UOBAM.co.th
Chief Executive Officer: Vana Bulbon

United States of America

UOB Global Capital LLC

(a subsidiary)
592 Fifth Avenue
Suite 602, UOB Building
New York, NY 10036
United States of America
Phone: (1)(212) 398 6633
Fax: (1)(212) 398 4030
Email: dgoss@UOBGlobal.com
Managing Director: David Goss

Vietnam

UOB Asset Management (Vietnam) Fund Management Joint Stock Company

(a subsidiary)
7th Floor, Central Plaza
17 Le Duan Boulevard
Ben Nghe Ward
District 1, Ho Chi Minh City, Vietnam
Phone: (84)(28) 3910 3757
Fax: (84)(28) 3910 3794
Email: vn-UOBAM-bd@UOBgroup.com
Website: www.UOBAM.com.vn
Chief Executive Officer:
Thieu Thi Nhat Le

Stockbroking

Singapore

UOB-Kay Hian Holdings Limited

(an associated company)
8 Anthony Road #01-01
Singapore 229957
Phone: (65) 6535 6868
Fax: (65) 6532 6919
Website: www.uobkayhian.com
Managing Director: Wee Ee Chao

Travel

Singapore

UOB Travel Planners Pte Ltd

(a subsidiary)
480 Lorong 6 Toa Payoh
#20-01, HDB Hub East Wing
Singapore 310480
Phone: (65) 6252 2322
Fax: (65) 6252 9188
Email: UOBTravelPlanners@UOBgroup.com
Website: www.UOBtravel.com
Executive Director - Head of Travel:
Steven Ler

Venture Debt

Singapore

Innoven Capital SEA Pte. Ltd.

(an associated company)
3 Fraser Street
#20-28 DUO Tower
Singapore 189352
Phone: (65) 6532 2416
Email: contact_sg@innovencapital.com
Partners: Ben Cheah
Paul Ong

India

Innoven Triple Blue Capital Advisors LLP

(an associated company)
805-A, 8th Floor, The Capital
G-Block, Bandra Kurla Complex
Mumbai 400 051, India
Phone: (91)(22) 6744 6500
Email: contact@innovencapital.com
Managing Partner: Ashish Sharma

Mainland China

Shanghai Innoven Private Fund Management Co. Ltd

(an associated company)
1 Guanghua Road
Beijing Kerry Centre
29/F North Tower
Chaoyang District, Beijing, China
Phone: (86)(10) 6506 1883
Email: contact_cn@innovencapital.com
Managing Partner: Cao Yingxue

Statistics of Shareholdings

as at 26 February 2024

Distribution of Shareholdings

Size of shareholdings	No. of shareholders	%	No. of shares (excluding treasury shares and subsidiary holdings)	%
1 – 99	5,314	8.68	163,312	0.01
100 – 1,000	27,739	45.32	14,961,821	0.89
1,001 – 10,000	24,366	39.81	75,904,552	4.54
10,001 – 1,000,000	3,738	6.11	149,601,290	8.95
1,000,001 and above	50	0.08	1,431,807,085	85.61
Total	**61,207**	**100.00**	**1,672,438,060**	**100.00**

Treasury shares, subsidiary holdings and public float

As at 26 February 2024, the Company had 13,485,231 treasury shares, constituting 0.81 per cent of the total number of issued shares in the capital of the Company, and no subsidiary holdings. Based on information available to the Company as at 26 February 2024, approximately 76 per cent of the issued shares of the Company was held by the public and therefore, Rule 723 of the Listing Manual had been complied with.

Twenty largest shareholders *(as shown in the Register of Members and Depository Register)*

Name of shareholders	No. of shares	%*
Citibank Nominees Singapore Pte Ltd	297,725,471	17.80
Raffles Nominees (Pte.) Limited	170,282,768	10.18
DBSN Services Pte. Ltd.	167,482,008	10.01
HSBC (Singapore) Nominees Pte Ltd	153,255,317	9.16
Wee Investments (Pte) Limited	133,278,368	7.97
Wah Hin and Company Private Limited	86,676,076	5.18
Tai Tak Estates Sendirian Berhad	68,800,000	4.11
DBS Nominees (Private) Limited	65,184,613	3.90
UOB Kay Hian Private Limited	43,504,529	2.60
C. Y. Wee & Company Private Limited	37,781,750	2.26
Haw Par Investment Holdings Private Limited	22,832,059	1.37
Estate of Wee Cho Yaw, deceased	21,599,798	1.29
Pickwick Securities Private Limited	20,469,962	1.22
Straits Maritime Leasing Private Limited	16,696,298	1.00
BPSS Nominees Singapore (Pte.) Ltd.	11,797,648	0.71
United Overseas Bank Nominees (Private) Limited	9,035,304	0.54
UOB Nominees (2006) Private Limited	8,301,914	0.50
Tee Teh Sdn Berhad	8,000,487	0.48
CGS International Securities Singapore Pte. Ltd.	7,931,651	0.47
Haw Par Equities Pte Ltd	7,541,628	0.45
Total	**1,358,177,649**	**81.20**

* Percentage was calculated based on the total number of issued ordinary shares, excluding treasury shares and subsidiary holdings, of the Company.

Statistics of Shareholdings

as at 26 February 2024

Ordinary shares

Substantial shareholders *(as shown in the Register of Substantial Shareholders)*

Substantial shareholder	Shareholdings registered in the name of substantial shareholders No. of shares	Other shareholdings in which substantial shareholders were deemed to have an interest No. of shares	Total interest No. of shares	Total interest %*
Lien Ying Chow Private Limited	–	86,686,453[1]	86,686,453	5.18
Wah Hin and Company Private Limited	86,676,076	10,377	86,686,453	5.18
Estate of Wee Cho Yaw, deceased	21,599,798	287,113,587[2]	308,713,385	18.46
Wee Ee Cheong	3,381,455	173,663,415[2]	177,044,870	10.59
Wee Ee Chao	160,231	137,847,174[2]	138,007,405	8.25
Wee Ee Lim	1,831,903	173,266,519[2]	175,098,422	10.47
Wee Investments (Pte) Limited	133,278,205	194,119	133,472,324	7.98

* Percentage was calculated based on 1,672,438,060 issued shares, being the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company.

Notes:
(1) Lien Ying Chow Private Limited was deemed to have an interest in the 86,686,453 UOB shares in which Wah Hin and Company Private Limited has an interest.
(2) The Estate of Wee Cho Yaw, deceased, Wee Ee Cheong, Wee Ee Chao and Wee Ee Lim were each deemed to have an interest in Wee Investments (Pte) Limited's total direct and deemed interests of 133,472,324 UOB shares.

Five-Year Ordinary Share Capital Summary

		Number of ordinary shares		
Year	Particulars	Issued	Held in treasury	In circulation
2019	Balance at beginning of year	1,680,541,468	(14,834,064)	1,665,707,404
	Shares issued under share-based compensation plans		2,626,791	
	Balance at end of year	1,680,541,468	(12,207,273)	1,668,334,195
2020	Shares issued under scrip dividend scheme	3,374,391		
	Shares issued under share-based compensation plans		2,099,495	
	Shares re-purchased and held in treasury		(993,300)	
	Balance at end of year	1,683,915,859	(11,101,078)	1,672,814,781
2021	Shares issued under scrip dividend scheme	2,007,432		
	Shares issued under share-based compensation plans		2,068,240	
	Shares re-purchased and held in treasury		(4,900,000)	
	Balance at end of year	1,685,923,291	(13,932,838)	1,671,990,453
2022	Shares issued under share-based compensation plans		2,618,765	
	Balance at end of year	1,685,923,291	(11,314,073)	1,674,609,218
2023	**Shares issued under share-based compensation plans**		**2,928,842**	
	Shares re-purchased and held in treasury		**(5,100,000)**	
	Balance at end of year	**1,685,923,291**	**(13,485,231)**	**1,672,438,060**

Additional Information on Directors Seeking Re-election

(Information as at 1 March 2024)

Name of Director	Wong Kan Seng	Michael Lien Jown Leam	Dinh Ba Thanh
Date of appointment	27 July 2017	27 July 2017	1 December 2021
Age	77	60	66
Country of principal residence	Singapore	Singapore	Vietnam
The Board's comments on this appointment (including rationale, selection criteria, and the search and nomination process)	Having considered Mr Wong Kan Seng's performance on and contributions to the Board and Board Committees, the Board agreed with the Nominating Committee's (NC) recommendation on the re-election of Mr Wong as an independent director and chairman of the Board. Mr Wong continues to provide leadership and contributes meaningfully to the Board, especially in a rapidly developing industry.	Having considered Mr Michael Lien's performance on and contributions to the Board and Board Committees, the Board agreed with the NC's recommendation on the re-election of Mr Lien as a non-independent director. Mr Lien has used his extensive experience in the financial sector to bring valuable insights to the Board.	Having considered Mr Dinh Ba Thanh's performance on and contributions to the Board, the Board agreed with the NC's recommendation on the re-election of Mr Dinh as an independent director. Mr Dinh continues to bring valuable insights to the Board with his experience in the areas of marketing and branding, and the Vietnam market.
Whether appointment is executive, and if so, the area of responsibility	Non-executive	Non-executive	Non-executive
Job title (e.g., Lead ID, AC Chairman, AC Member, etc.)	• Independent Chairman • Chairman of Executive Committee (Exco) • Member of Audit Committee • Member of Board Risk Management Committee • Member of NC • Member of Remuneration and Human Capital Committee	• Non-executive and non-independent Director • Member of Exco • Member of NC	Independent Director
Working experience and occupation(s) during the past 10 years	• Member of Parliament (December 1984 to August 2015)	• Chief Investment Officer, Sandstone Capital (2013 to present) • Executive Chairman, Wah Hin and Company (2012 to present)	Chairman and Chief Executive Officer, DatVietVAC Group Holdings (1993 to present)
Shareholding interest in the listed issuer and its subsidiaries	Direct interest: 49,400 UOB ordinary shares Indirect interest: 1,970 UOB ordinary shares	Nil	Direct interest: 1,300 UOB ordinary shares
Familial relationship with any director and/or substantial shareholders of the listed issuer or of any of its principal subsidiaries	Nil	Mr Michael Lien Jown Leam is the Executive Chairman of Wah Hin and Company, a substantial shareholder of UOB.	Nil

Name of Director	Wong Kan Seng	Michael Lien Jown Leam	Dinh Ba Thanh
Conflict of interest (including any competing business)	Nil	Nil	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
Other Directorships# #These fields are not applicable for announcement of appointments pursuant to Listing Rule 704(9)			
Past (for the last five years)	• Singapore-Sichuan Investment Holdings (Chairman)	• National University of Singapore (Trustee) • Temasek Holdings (Director)	• The Nam Khang (Chairman) • Thi Nam Phuong (Director)
Present	• CapitaLand Group (Chairman) • CLA Real Estate Holdings (Chairman) • Bo'ao Forum for Asia (Director)	• Fundamental Capital Advisors (Director) • Fundamental Capital International (Director) • Leap Philanthropy (Founder and Chairman) • Lien Properties (Director) • Lien Ying Chow (Director) • Sandstone Capital (Director and Chief Investment Officer) • Wah Hin and Company (Executive Chairman)	• Ai ACTIV (Chairman) • ANTS Corporation – Board of Management (Member) • Bridge & Poker Sport (Chairman) • DatVietMEDIA (Chairman) • DatVietOOH (Chairman) • DatVietVAC Digital Ventures (Chairman) • DatVietVAC Group Holdings (Chairman and Chief Executive Officer) • DatVietVAC M&E (Chairman) • Dong Tay Promotion (Chairman) • Karisma Looks (Chairman) • Nguoi Dan Dau (Chairman) • Nomad Management Vietnam (Chairman) • TKL (Chairman) • TKL Media (Chairman) • Vie CHANNEL (Chairman) • Vie DIGITAL (Chairman) • Vie NETWORK (Chairman) • Vie Studio (Chairman) • VieON (Chairman) • VieZ (Chairman)

Additional Information on Directors Seeking Re-election

(Information as at 1 March 2024)

Name of Director		Wong Kan Seng	Michael Lien Jown Leam	Dinh Ba Thanh
Information required Disclose the following matters concerning an appointment of director, chief executive officer, chief financial officer, chief operating officer, general manager or other officer of equivalent rank. If the answer to any question is "yes", full details must be given.				
(a)	Whether at any time during the last 10 years, an application or a petition under any bankruptcy law of any jurisdiction was filed against him or against a partnership of which he was a partner at the time when he was a partner or at any time within 2 years from the date he ceased to be a partner?	No	No	No
(b)	Whether at any time during the last 10 years, an application or a petition under any law of any jurisdiction was filed against an entity (not being a partnership) of which he was a director or an equivalent person or a key executive, at the time when he was a director or an equivalent person or a key executive of that entity or at any time within 2 years from the date he ceased to be a director or an equivalent person or a key executive of that entity, for the winding up or dissolution of that entity or, where that entity is the trustee of a business trust, that business trust, on the ground of insolvency?	No	No	No
(c)	Whether there is any unsatisfied judgment against him?	No	No	No
(d)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving fraud or dishonesty which is punishable with imprisonment, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such purpose?	No	No	No
(e)	Whether he has ever been convicted of any offence, in Singapore or elsewhere, involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or has been the subject of any criminal proceedings (including any pending criminal proceedings of which he is aware) for such breach?	No	No	No
(f)	Whether at any time during the last 10 years, judgment has been entered against him in any civil proceedings in Singapore or elsewhere involving a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere, or a finding of fraud, misrepresentation or dishonesty on his part, or he has been the subject of any civil proceedings (including any pending civil proceedings of which he is aware) involving an allegation of fraud, misrepresentation or dishonesty on his part?	No	No	No

Name of Director		Wong Kan Seng	Michael Lien Jown Leam	Dinh Ba Thanh
(g)	Whether he has ever been convicted in Singapore or elsewhere of any offence in connection with the formation or management of any entity or business trust?	No	No	No
(h)	Whether he has ever been disqualified from acting as a director or an equivalent person of any entity (including the trustee of a business trust), or from taking part directly or indirectly in the management of any entity or business trust?	No	No	No
(i)	Whether he has ever been the subject of any order, judgment or ruling of any court, tribunal or governmental body, permanently or temporarily enjoining him from engaging in any type of business practice or activity?	No	No	No
(j)	Whether he has ever, to his knowledge, been concerned with the management or conduct, in Singapore or elsewhere, of the affairs of:			
	(i) any corporation which has been investigated for a breach of any law or regulatory requirement governing corporations in Singapore or elsewhere; or	No	No	No
	(ii) any entity (not being a corporation) which has been investigated for a breach of any law or regulatory requirement governing such entities in Singapore or elsewhere;	No	No	No
	(iii) any business trust which has been investigated for a breach of any law or regulatory requirement governing business trusts in Singapore or elsewhere; or	No	No	No
	(iv) any entity or business trust which has been investigated for a breach of any law or regulatory requirement that relates to the securities or futures industry in Singapore or elsewhere,	No	No	No
	in connection with any matter occurring or arising during that period when he was so concerned with the entity or business trust?			
(k)	Whether he has been the subject of any current or past investigation or disciplinary proceedings, or has been reprimanded or issued any warning, by the Monetary Authority of Singapore or any other regulatory authority, exchange, professional body or government agency, whether in Singapore or elsewhere?	No	No	No

Corporate Information

Board of Directors
Wong Kan Seng *(Chairman)*
Wee Ee Cheong *(Deputy Chairman and Chief Executive Officer)*
Michael Lien Jown Leam
Wee Ee Lim
Steven Phan Swee Kim
Chia Tai Tee
Tracey Woon Kim Hong
Dinh Ba Thanh
Teo Lay Lim
Ong Chong Tee

Audit Committee
Steven Phan Swee Kim *(Chairman)*
Chia Tai Tee
Tracey Woon Kim Hong
Teo Lay Lim

Board Risk Management Committee
Chia Tai Tee *(Chairman)*
Wong Kan Seng
Wee Ee Cheong
Wee Ee Lim
Tracey Woon Kim Hong
Ong Chong Tee

Executive Committee
Wong Kan Seng *(Chairman)*
Wee Ee Cheong
Michael Lien Jown Leam
Steven Phan Swee Kim
Teo Lay Lim
Ong Chong Tee

Nominating Committee
Steven Phan Swee Kim *(Chairman)*
Wong Kan Seng
Wee Ee Cheong
Michael Lien Jown Leam
Chia Tai Tee

Remuneration and Human Capital Committee
Tracey Woon Kim Hong *(Chairman)*
Wong Kan Seng
Wee Ee Lim
Steven Phan Swee Kim

Chairman Emeritus and Honorary Adviser
Wee Cho Yaw

Secretaries
Beh Ean Lim
Theresa Sim Kwee Soik

Share Registrar
Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Ave
Keppel Bay Tower #14-07
Singapore 098632
Phone: (65) 6536 5355
Fax: (65) 6536 1360

Internal Auditor
Vincent Cheong
Head, Group Audit
United Overseas Bank Limited
One Raffles Place
Tower 1 #15-02
Singapore 048616

External Auditor
Ernst & Young LLP
One Raffles Quay
North Tower Level 18
Singapore 048583
Partner-in-charge: Wilson Woo Siew Wah
(appointed on 5 June 2020)

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Singapore 048624
Company Registration Number: 193500026Z
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1800 222 2121 *(within Singapore)*
Fax: (65) 6536 7712
SWIFT: UOVBSGSG
Website: www.UOBgroup.com

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Right By You

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