

Material ESG Factor	Boundary	Priority	Our Strategic Objectives	Our Value Creation
Drive Growth Sustainably				
Economic contributions	▲	Critical	<ul style="list-style-type: none"> Contribute economically to the progress of our communities 	<ul style="list-style-type: none"> Paying our fair share of taxes Creating jobs in communities Delivering consistent returns for our investors Facilitating trade and industry, and building the financial resilience of our stakeholders
Risk-focused organisational culture	■	Critical	<ul style="list-style-type: none"> Embed ESG risk in our approach to risk management 	<ul style="list-style-type: none"> Maintaining a robust risk management framework to protect the interests of our stakeholders Ensuring that we remain nimble to seize business opportunities as they arise
Responsible financing	■	Very Important	<ul style="list-style-type: none"> Integrate social and environmental considerations into our credit evaluation and approval processes 	<ul style="list-style-type: none"> Addressing ESG issues when making lending decisions
Climate change transition and opportunities	■	Very Important	<ul style="list-style-type: none"> Support our customers in their transition to a lower-carbon and climate-resilient economy 	<ul style="list-style-type: none"> Managing the risks and opportunities related to climate change and global warming Collaborating with our stakeholders to limit global warming Helping our customers take steps toward becoming more resilient to the expected effects of climate change
Supporting customers in sustainable development	■	Very Important	<ul style="list-style-type: none"> Develop and provide sustainable financing and impact investment solutions 	<ul style="list-style-type: none"> Helping customers to identify and to address sustainability-related risks and opportunities in their businesses Supporting new and viable business opportunities that contribute to one or more of the 17 UN SDGs Connecting customers to investment opportunities that create a positive impact
Keep Customers at the Centre				
Information security and data privacy	■	Critical	<ul style="list-style-type: none"> Protect customer data and privacy through secure and robust systems and practices 	<ul style="list-style-type: none"> Ensuring the confidentiality and security of our customers' information through comprehensive policies and processes Protecting our customers from cyber threats through robust risk management systems and processes
Fair Dealing	▲	Critical	<ul style="list-style-type: none"> Ensure Fair Dealing 	<ul style="list-style-type: none"> Treating customers fairly based on the principles of integrity, trust and respect
Customer experience	▲	Critical	<ul style="list-style-type: none"> Create intuitive and impactful customer experiences 	<ul style="list-style-type: none"> Anticipating our customers' needs and wants and offering them safe, reliable and relevant products to meet their preferences
Innovative digital banking products	■	Very Important	<ul style="list-style-type: none"> Make banking simpler, smarter and safer through ethical use of technology and data 	<ul style="list-style-type: none"> Introducing and transforming digital banking products to meet customers' demand for greater convenience and seamlessness
Financial inclusion	■	Very Important	<ul style="list-style-type: none"> Make banking more accessible and inclusive Support businesses across all stages of growth 	<ul style="list-style-type: none"> Making banking products and services accessible and affordable to diverse segments of society to meet their needs and expectations Encouraging innovation and enterprise, and nurturing start-ups and small- and medium-sized enterprises

▲ Impact Outside the Organisation ■ Impact Within and Outside the Organisation ● Impact Within the Organisation

Interested Stakeholders

How We Responded to Stakeholder Expectations in 2019



- Published a Responsible Tax Management Statement on our Group website
- Created jobs for more people by increasing hiring across the Group by seven per cent in comparison with 2017
- Distributed \$7.6 billion in payments that flowed to our stakeholders including colleagues, suppliers, investors, authorities and local communities. This represented a more than nine per cent increase compared with 2018



- Implemented a Group Risk Culture and Conduct Risk Framework
- Incorporated risk culture into the UOB Code of Conduct mandatory e-learning module



- Discontinued new financing of coal-fired power plant projects and prohibited the project financing of greenfield thermal coal mines
- Discontinued new financing of greenfield palm oil plantations to address the risk of deforestation and loss of biodiversity
- Developed, in collaboration with The Association of Banks in Singapore and the World Wide Fund for Nature (WWF), an industry-wide e-learning module on responsible financing for our colleagues



- Pledged our support for the Taskforce on Climate-related Financial Disclosures (TCFD)
- Conducted qualitative identification and assessment of climate change-related risks in our loan portfolio
- Developed a roadmap towards enhancing our climate change-related disclosures in alignment with the recommendations of the TCFD



- Increased financing for renewable energy, energy efficiency, green transport infrastructure, water and waste management by 94 per cent compared with the previous year
- Launched U-Solar, Asia's first integrated solar energy platform, across Southeast Asia
- Launched The Unlimited to help companies in Singapore identify and hire more persons with disabilities
- UOB Venture Management (UOBVM) became Singapore's first signatory to the International Finance Corporation's Operating Principles for Impact Management



- Deepened our cyber security capabilities and enhanced our operating models to strengthen our cyber defence
- Actively collaborated with the Monetary Authority of Singapore on the Veritas Framework to promote ethical best practices when employing artificial intelligence and data analytics
- Established framework and guidelines to govern cross-border transfers of personal data between UOB Group companies worldwide
- Formed the Enterprise Data Ethics team to ensure responsible use of data



- Recognised colleagues who uphold and fulfil our customer commitments at the UOB Customer Commitments Awards
- Conducted a Fairness, Ethics, Accountability and Transparency (FEAT) and Fair Dealing Workshop for teams from across the region to reinforce the culture of Fair Dealing



- Launched an integrated telephony system and chat service for our Contact Centre to reduce navigation time for and to enhance engagement with customers in Singapore



- Enhanced UOB Mighty with more features, such as Mighty Insights for better customer experience
- Launched TMRW in Thailand, ASEAN's first mobile-only digital bank in Thailand for the digitally-savvy customers in the region



- Conducted digital clinics to help members of the public, particularly the elderly, learn about the benefits of using digital banking services
- Invested in PT Amarta Mikro Fintek, a peer-to-peer lending start-up in Indonesia that seeks to support women micro-entrepreneurs in rural areas
- Tapped our credit underwriting engine to assess and to approve loan applications from SMEs in Vietnam more effectively and efficiently



Customers



Investors and Analysts



Colleagues



Governments and Regulators



Suppliers



NGOs



Community

Material ESG Factor	Boundary	Priority	Our Strategic Objectives	Our Value Creation
Develop Professionals of Principle				
Attracting, developing and retaining talent	●	Critical	<ul style="list-style-type: none"> 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 	<ul style="list-style-type: none"> Investing in training and career development for our colleagues Treating our colleagues with care and respect Providing our colleagues with the time and opportunity to give back to the community Conducting annual staff engagement surveys and responding to feedback
Workplace safety, health and well-being	●	Very Important	<ul style="list-style-type: none"> Ensure workplace health, safety and well-being 	<ul style="list-style-type: none"> Providing our colleagues with a safe and conducive work environment
Diverse and inclusive workforce	■	Very Important	<ul style="list-style-type: none"> Embrace diverse abilities and strengths 	<ul style="list-style-type: none"> Ensuring equal opportunity across diverse cultural backgrounds, age groups, gender and abilities
Uphold Corporate Responsibility				
Strong governance	■	Critical	<ul style="list-style-type: none"> Maintain highest standards of governance and risk culture 	<ul style="list-style-type: none"> Upholding robust corporate governance policies, processes and practices to safeguard our stakeholders' interests Embedding our risk culture across our franchise to ensure continued financial soundness and business viability
Regulatory compliance	■	Critical	<ul style="list-style-type: none"> Ensure compliance with all laws and regulations in the jurisdictions in which we operate 	<ul style="list-style-type: none"> Observing the letter and spirit of all applicable laws, rules, regulations and standards
Preventing corruption, fraud and money laundering	■	Critical	<ul style="list-style-type: none"> Protect the financial system against abuse 	<ul style="list-style-type: none"> Adopting a zero tolerance approach to bribery and corruption and ensuring transparency and accountability Collaborating with regulators and industry peers in preventing cybercrime, money laundering, funding of terrorism and dealing with sanctioned persons
Sustainable procurement	▲	Important	<ul style="list-style-type: none"> Incorporate sustainability principles into our procurement practices 	<ul style="list-style-type: none"> Engaging with suppliers to ensure that our sustainable procurement principles are upheld
Managing our direct environmental footprint	■	Important	<ul style="list-style-type: none"> Encourage environmental stewardship through efficient resource use and waste management 	<ul style="list-style-type: none"> Managing energy, water and resource consumption more efficiently, reducing greenhouse gas emissions and minimising waste
Community development	▲	Important	<ul style="list-style-type: none"> Champion social development in art, children and education 	<ul style="list-style-type: none"> Helping the young, the underprivileged, those with special needs and budding talent to realise their full potential

▲ Impact Outside the Organisation

■ Impact Within and Outside the Organisation

● Impact Within the Organisation

Interested Stakeholders

How We Responded to Stakeholder Expectations in 2019



- Invested \$31 million in employee training, a 19 per cent increase year-on-year
- Launched our Group-wide 'Better U' learning and development programme to broaden our colleagues' soft skills, digital and data skills
- Improved the onboarding experience for new colleagues and employed robotic process automation for background screening



- Established the Corporate Real Estate Services (CRES) Office Design Guidelines to promote environmental sustainability and employee wellness at the workplace and at office communal spaces
- Provided \$17 million of HEAL benefits to our colleagues, a close to 10 per cent increase over 2017



- Joined the Financial Women's Association of Singapore as a new corporate member
- Offered re-employment contracts to 166 colleagues eligible for retirement, of whom 96 were women
- Provided 22 additional nursing pods to support women returning to the workplace after their maternity leave
- Continued to employ people with different abilities, including people with autism and deaf employees, at UOB Scan Hub



- Continued to evaluate and to revise our governance approach to ensure that it remains relevant and aligned with best practices and responsive to change



- Continued active monitoring of regulatory and industry developments, and engagement with regulators, policymakers and standards-setting bodies
- Provided regular updates on regulatory trends and developments to the Board and senior management committees



- Launched an updated mandatory online anti-corruption training module for employees
- Updated customer terms and conditions concerning financial crimes to improve anti-bribery and corruption provisions
- Collaborated with a regulatory technology company to enhance our anti-money laundering surveillance abilities



- Launched the Group Supplier Sustainability Principles (GSSP)



- Awarded Green Mark Platinum certification for our two-tower block building, UOB Phetkasem in Bangkok, Thailand



- Established a Group Corporate Social Responsibility Policy to ensure that our philanthropic activities, community partnerships and volunteering are carried out responsibly
- Increased monetary contributions by 6 per cent to \$5.4 million in 2019 to promote social development in art, children and education
- Organised six eco-excursions in 2019 to educate children and colleagues about environmental sustainability
- Offered more opportunities to our colleagues to give back to the community and increased our average volunteer hours per employee by 10 per cent to 2.2 hours in 2019



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