

## EXECUTION VERSION

**MiFID II product governance / Professional investors and ECPs only target market** – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

**UK MIFIR product governance / Professional investors and ECPs only target market** – Solely for the purposes of the manufacturer's product approval process, the target market assessment in respect of the Covered Bonds has led to the conclusion that: (i) the target market for the Covered Bonds is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook, and professional clients, as defined in Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**UK MiFIR**"); and (ii) all channels for distribution of the Covered Bonds to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Covered Bonds (a "**distributor**") should take into consideration the manufacturer's target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK MiFIR Product Governance Rules**") is responsible for undertaking its own target market assessment in respect of the Covered Bonds (by either adopting or refining the manufacturer's target market assessment) and determining appropriate distribution channels.

**PROHIBITION OF SALES TO EEA RETAIL INVESTORS** – The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (the "**Insurance Distribution Directive**") where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Covered Bonds or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

**PROHIBITION OF SALES TO UK RETAIL INVESTORS** – The Covered Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) No 2017/565 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 ("**EUWA**"); or (ii) a customer within the meaning of the provisions of the FSMA and any rules or regulations made under the FSMA to implement the Insurance Distribution Directive, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) No 600/2014 as it forms part of domestic law by virtue of the EUWA. Consequently no key information document required by the PRIIPs Regulation as it forms part of domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the Covered Bonds or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the

Covered Bonds or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.

**Notification under Section 309B(1)(c) of the Securities and Futures Act 2001 of Singapore, as modified or amended from time to time (the “SFA”)** - In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the “**CMP Regulations 2018**”), the Issuer has determined the classification of the Covered Bonds as capital markets products other than prescribed capital markets products (as defined in the CMP Regulations 2018) and Specified Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

### **Pricing Supplement dated 9 March 2022**

**UNITED OVERSEAS BANK LIMITED (the “Issuer”)**  
*(incorporated with limited liability in the Republic of Singapore)*  
**(Company Registration Number 193500026Z)**

Legal Entity Identifier: IO66REGK3RCBAMA8HR66

### **Issue of €1,500,000,000 0.387 per cent. Covered Bonds due 2025**

unconditionally and irrevocably guaranteed as to payments of interest and principal by

**Glacier Eighty Pte. Ltd. (“CBG”)**

*(incorporated with limited liability in the Republic of Singapore)*

*(Company Registration Number 201531119W)*

under the U.S.\$8,000,000,000 Global Covered Bond Programme

## **PART A – CONTRACTUAL TERMS**

Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Offering Circular dated 6 April 2021 (the “**Offering Circular**”). This document constitutes the Pricing Supplement of the Covered Bonds described herein and must be read in conjunction with the Offering Circular. Full information on the Issuer, the CBG and the offer of the Covered Bonds is only available on the basis of the combination of this Pricing Supplement (including Annex 1) and the Offering Circular. The Offering Circular has been published on the website of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”).

Where interest, discount income, prepayment fee, redemption premium or break cost is derived from any of the Covered Bonds by any person who is not resident in Singapore and who carries on any operations in Singapore through a permanent establishment in Singapore, the tax exemption available for qualifying debt securities (subject to certain conditions) under the Income Tax Act 1947 of Singapore (the “**Income Tax Act**”), shall not apply if such person acquires such Covered Bonds using the funds and profits of such person’s operations through a permanent establishment in Singapore. Any person whose interest, discount income, prepayment fee, redemption premium or break cost derived from the Covered Bonds is not exempt from tax (including for the reasons described above) shall include such income in a return of income made under the Income Tax Act.

- |   |                              |                                    |
|---|------------------------------|------------------------------------|
| 1 | (i) Issuer:                  | United Overseas Bank Limited       |
|   | (ii) Covered Bond Guarantor: | Glacier Eighty Pte. Ltd.           |
|   | (iii) Calculation Agent:     | Deutsche Bank AG, Hong Kong Branch |
| 2 | (i) Series Number:           | 11                                 |

	(ii) Tranche Number:	1
	(iii) Date on which the Covered Bonds become fungible:	Not Applicable
3	Specified Currency or Currencies:	EUR/€/euro
4	Aggregate Nominal Amount:	€1,500,000,000
5	Issue Price:	100.00 per cent. of the Aggregate Nominal Amount
6	(i) Specified Denominations:	€100,000 and integral multiples of €1,000 in excess thereof
	(ii) Calculation Amount:	€1,000
7	(i) Issue Date:	17 March 2022
	(ii) Interest Commencement Date	Issue Date
8	(i) Maturity Date:	17 March 2025
	(ii) Extended Due for Payment Date of Guaranteed Amounts corresponding to the Final Redemption Amount under the Covered Bond Guarantee:	Applicable Interest Payment Date falling on or nearest to 17 March 2026
9	Interest Basis:	For the period from the Issue Date up to but excluding the Maturity Date:  0.387 per cent. per annum Fixed Rate payable annually in arrear (further particulars specified below)  <i>(see paragraph 14 below)</i>  For the period from and including the Maturity Date up to but excluding the Extended Due for Payment Date:  1 Month EURIBOR plus 0.186 per cent. per annum payable monthly in arrear (further particulars specified below)  <i>(see paragraph 15 below)</i>
10	Redemption/Payment Basis:	Subject to any purchase and cancellation or early redemption, the Covered Bonds will be redeemed on the Maturity Date at 100 per cent. of their nominal amount.
11	Change of Interest:	Applicable, see paragraph 9 above
12	Put/Call Options:	Not Applicable
13	Covered Bond Swap:	
	(i) Covered Bond Swap Provider:	United Overseas Bank Limited

- (ii) Nature of Covered Bond Swap: Forward Starting (i.e. entered into on the Issue Date but no cashflows will be exchanged under such Covered Bond Swap unless and until service of a Notice to Pay on the CBG)

**PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE**

- 14 Fixed Rate Covered Bond Provisions: Applicable from and including the Issue Date to but excluding the Maturity Date
- (i) Rate of Interest: 0.387 per cent. per annum payable annually in arrear on each Interest Payment Date
- (ii) Interest Payment Date(s): 17 March in each year commencing on the Interest Payment Date falling on 17 March 2023 and ending on the Maturity Date
- (iii) Fixed Coupon Amount(s): €3.87 per Calculation Amount
- (iv) Broken Amount(s): Not Applicable
- (v) Day Count Fraction: Actual/Actual (ICMA)
- (vi) Determination Dates: 17 March in each year
- 15 Floating Rate Covered Bond Provisions: Applicable from and including the Maturity Date to but excluding the Extended Due for Payment Date
- (i) Interest Period(s): The period beginning on and including the Maturity Date and ending on but excluding the first Specified Interest Payment Date and each successive period beginning on and including a Specified Interest Payment Date and ending on but excluding the next succeeding Specified Interest Payment Date, subject to adjustment in accordance with the Business Day Convention set out in (v) below
- (ii) Specified Interest Payment Dates: The 17th calendar day of each month commencing on but excluding the Maturity Date and ending on the Extended Due for Payment Date, subject to adjustment in accordance with the Business Day Convention set out in (v) below
- (iii) Interest Period Date: Specified Interest Payment Date
- (iv) First Specified Interest Payment Date: 17 April 2025
- (v) Business Day Convention: Modified Following Business Day Convention
- (vi) Business Centre(s): London, Singapore, TARGET 2
- (vii) Manner in which the Rate(s) of Interest is/are to be determined: Screen Rate Determination

(viii) Party responsible for calculating the Rate(s) of Interest and/or Interest Amount(s) (if not the Agent):	Not Applicable
(ix) Screen Rate Determination:	
– Reference Rate:	1 month EURIBOR
– Index Determination:	Not Applicable
– Interest Determination Date(s):	The day falling two TARGET Business Days prior to the first day of the Interest Accrual Period
– Relevant Screen Page:	The display page designated EURIBOR01 on Reuters at 11.00 a.m. (Brussels time) on the Interest Determination Date
– Observation Method:	Not Applicable
– "p":	Not Applicable
(x) ISDA Determination:	Not Applicable
(xi) Margin(s):	+0.186 per cent. per annum
(xii) Minimum Rate of Interest:	Not Applicable
(xiii) Maximum Rate of Interest:	Not Applicable
(xiv) Day Count Fraction:	Actual/360
(xv) Fall back provisions, rounding provisions, denominator and any other terms relating to the method of calculating interest on Floating Rate Covered Bonds, if different from those set out in the Conditions:	Benchmark Replacement (General) (Condition 4(c)(i)) is applicable
– Lookback/Suspension Period:	Not Applicable

#### **PROVISIONS RELATING TO REDEMPTION**

16	Call Option	Not Applicable
17	Put Option	Not Applicable
18	Final Redemption Amount of each Covered Bond:	€1,000 per Calculation Amount
19	Early Redemption Amount:	
	Early Redemption Amount(s) per Calculation Amount payable on redemption for taxation reasons or on event of default or other early redemption:	€1,000 per Calculation Amount

20 Details relating to redemption by Instalments: amount of each instalment (“**Instalment Amount**”), date on which each payment is to be made (“**Instalment Date**”): Not Applicable

**PROVISIONS RELATING TO UOB SUSTAINABLE COVERED BONDS**

21 UOB Sustainable Covered Bonds: Not Applicable

**GENERAL PROVISIONS APPLICABLE TO THE COVERED BONDS**

22 Form of Covered Bonds: **Registered Covered Bonds:**  
Regulation S Global Covered Bond  
(€1,500,000,000 nominal amount) registered in the name of a nominee for a common depository for Euroclear and Clearstream, Luxembourg

23 Financial Centre(s): London, Singapore, TARGET 2

24 Talons for future Coupons to be attached to Definitive Covered Bonds (and dates on which such Talons mature): Not Applicable

Signed on behalf of United Overseas Bank Limited:

By:   
.....  
Duly authorised

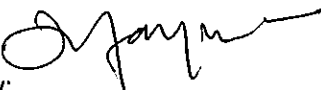
Signed on behalf of Glacier Eighty Pte. Ltd.:

By: .....  
Duly authorised

Signed on behalf of United Overseas Bank Limited:

By: .....  
Duly authorised

Signed on behalf of Glacier Eighty Pte. Ltd.:

  
By: .....  
Duly authorised  
Sophia LIM Siew Fay



## PART B – OTHER INFORMATION

### 25 LISTING AND ADMISSION TO TRADING

- (i) Admission to trading: Application is expected to be made by the Issuer (or on its behalf) for the Covered Bonds to be admitted to trading on SGX-ST with effect from one business day after issuance.

### 26 RATINGS

- Ratings: The Covered Bonds to be issued are expected to be rated:  
S&P: AAA  
Moody's: Aaa

### 27 INTERESTS OF NATURAL AND LEGAL PERSONS INVOLVED IN THE ISSUE/OFFER

Save for any fees payable to the Managers, so far as the Issuer is aware, no person involved in the offer of the Covered Bonds has an interest material to the offer. The Managers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform other services for, the Issuer and the CBG and their affiliates in the ordinary course of business.

### 28 *Fixed Rate Covered Bonds only* – YIELD

- Indication of yield: 0.387 per cent.  
The yield is calculated at the Issue Date on the basis of the Issue Price. It is not an indication of future yield.

### 29 OPERATIONAL INFORMATION

- ISIN: XS2456884746  
Common Code: 245688474  
CMU Instrument Number: Not Applicable  
Any clearing system(s) other than Euroclear Bank SA/NV, Clearstream Banking, S.A., the CMU and CDP and the relevant identification number(s): Not Applicable  
Delivery: Delivery against payment  
Names and addresses of additional Paying Agent(s) (if any): Not Applicable  
The aggregate principal amount of Covered Bonds in the Currency issued has been translated into U.S. dollars at the rate of €1.00 = U.S.\$1.085 producing a sum of: U.S.\$1,627,500,000

30 **DISTRIBUTION**

- (i) Method of distribution: Syndicated
- (ii) If syndicated:
- (A) Names of Managers: Lead Managers  
BNP Paribas  
HSBC Continental Europe  
Société Générale  
UBS AG London Branch  
United Overseas Bank Limited
- Co-Manager  
Landesbank Hessen-Thüringen Girozentrale
- (collectively, the “**Managers**”)
- (B) Stabilisation Manager(s) (if any): BNP Paribas
- (iii) If non-syndicated, name of Dealer: Not Applicable
- (iv) US Selling Restrictions: Reg. S Compliance Category 2;  
TEFRA not applicable
- (v) Prohibition of Sales to EEA Retail Investors: Applicable
- (vi) Prohibition of Sales to UK Retail Investors: Applicable

## ANNEX 1

### SUPPLEMENTARY INFORMATION

*The Offering Circular is hereby supplemented with the following information, which shall be deemed to be incorporated in, and to form part of, the Offering Circular. Save as otherwise defined herein, terms defined in the Offering Circular have the same meaning when used in this Annex 1.*

*The Issuer accepts responsibility for the information contained in this Annex 1. The Issuer, having made all reasonable enquiries, confirms that the information contained in this Annex 1 is in accordance with the facts and does not omit any material information likely to affect the import of such information.*

*To the fullest extent permitted by law, none of the Managers accepts any responsibility for the contents of this Annex 1, for the information incorporated by reference into the Offering Circular, or for any other statement, made or purported to be made by any of the Managers or on their behalf in connection with the Issuer or the issue and offering of the Covered Bonds. Each Manager accordingly disclaims all and any liability whether arising in tort or contract or otherwise which it might otherwise have in respect of this Annex 1 or any such statement.*

#### **1 RISK FACTORS**

- 1.1** In the sub-section “*Risk Factors – Risk Relating to the Group – Political instability, economic downturns, civil unrest, cross-border tensions, terrorist attacks, natural calamities and outbreak of communicable diseases around the world could lead to disruptions and/or higher volatility in the international financial markets, which may materially and adversely affect the Group’s business, financial condition, results of operations and asset quality.*” of the Offering Circular, the following words:

“The geopolitical risks in the Middle East have continued to emerge sporadically, particularly in relation to Iran’s nuclear capabilities. Any of these events could, individually or cumulatively, pose greater volatility to foreign exchange and financial markets and result in another global or regional financial crisis.”

shall be deemed to be replaced with:

“Further, geopolitical risks have continued to emerge globally in relation to the incursion of Ukraine by Russia, leading to rising tensions and increased military activity in the Baltic Sea, the increased nuclear capabilities of Iran and North Korea, the maritime claims in the South and East China Seas, and China-Taiwan tensions. Any of these risks could result in a global economic slowdown, higher inflation, financial and commodity market volatilities and capital flight from emerging markets.”;

- 1.2** The section titled “*Risk Factors*” on page 10 of the Offering Circular shall be amended by inserting the following after the risk factor titled “*The Group may face significant challenges in achieving the goals of its business strategy.*” on page 13 of the Offering Circular:

***“The Group is exposed to risks relating to growth and expansion, as well as risks in connection with past, ongoing and future acquisitions, joint ventures and strategic partnerships.*”**

The Group’s future operating results may depend on, among other things, the Group’s management’s ability to manage its growth. Historically, the Group had acquired assets and businesses in order to expand its operations. Recently, the Group announced its plans in respect of the Proposed Transaction (as defined herein). Acquisitions, joint ventures, strategic partnerships, and reorganisations entail risks resulting from completion, the integration of employees, processes, technologies, and products. Such transactions may give rise to

substantial administrative and other expenses, and may also be subject to regulatory oversight, governmental or other approvals. See also “– *The Group may not successfully complete the Proposed Transaction.*” and “– *The Group may not realise the expected benefits of the Proposed Transaction and the future prospects will depend on the Group’s ability to integrate the Target and manage other challenges.*”.

As part of its business strategy, the Group may, when a viable opportunity arises, continue to acquire assets or businesses, or enter into joint ventures or strategic partnerships. There is no certainty however that the Group will be able to identify suitable assets or businesses and to acquire them or enter into joint ventures or strategic partnerships on favourable terms. There is also a risk that not all material risks in connection with any such acquisition, or the establishment of a joint venture, or strategic partnership will be identified in the due diligence process and will or could not be sufficiently taken into account in the decision to acquire an asset or business and in the sale and purchase agreement, or the decision to enter into a joint venture and the joint venture agreement. These risks could materialise only after such acquisition has been completed or a joint venture or strategic partnership has been entered into and may not be covered by the warranties and indemnities in the sale and purchase agreement or the joint venture agreement and/or by insurance policies. This may result in delays, increases in costs and expenses, disputes and/or proceedings, or other adverse consequences for the Group. Any of these factors could have a material adverse effect on the Group’s businesses, financial position and results of operations.”

***The Group may not successfully complete the Proposed Transaction.***

To effect the Proposed Transaction, certain members of the Group entered into a series of agreements. The completion of the Proposed Transaction as contemplated under the aforementioned agreement, remain subject to various conditions precedent, including amongst others, obtaining relevant regulatory approvals from the MAS, Bank Negara Malaysia/Vesting Order, Bank of Thailand, State Bank of Vietnam and Indonesia’s Financial Services Authority (*Otoritas Jasa Keuangan*) as well as any further local approvals required for the transfer and/or migration of the Target’s Consumer Business (as defined herein). The Group cannot provide assurances that it will be able to successfully complete the Proposed Transaction on the terms or within the timeline expected, or at all. The Group’s failure to complete the Proposed Transaction on terms and within a time frame acceptable to it may have an adverse effect on its business, financial condition, results of operations and prospects.

***The Group may not realise the expected benefits of the Proposed Transaction and the future prospects will depend on the Group’s ability to integrate the Target and manage other challenges.***

The success of the Proposed Transaction and the Group’s future prospects will depend, in part, on the Group’s ability to integrate the Target’s (as defined herein) business and operations with the Group’s existing businesses. The integration process may be complex, costly and time consuming. The difficulties of integrating the business include, amongst others:

- (a) failure to implement the Group’s business plan for the combined business;
- (b) unanticipated issues in integrating the Group’s logistics, information, accounting, communications and other systems;
- (c) inconsistencies in standards, controls, procedures and policies between the Target and the Group’s business;
- (d) unanticipated changes in applicable laws and regulations;

- (e) failure to integrate, motivate and retain as well as ability to attract or recruit, on a timely basis, key employees;
- (f) failure to transfer all of the customers in the Target's Consumer Business and to enter into agreements with the service providers and counterparties currently engaged in relation to the Target's Consumer Business;
- (g) operating risks inherent in the Target's business and in the Group's business; and
- (h) unanticipated issues, expenses and liabilities.

The Group may not be able to maintain the levels of revenue, earnings or operating efficiency that the Group's business and the Target, respectively, have achieved or might achieve separately. In addition, the Group may not accomplish the integration of the Group's business smoothly, successfully or within the anticipated costs or timeframe or achieve the projected revenue and costs synergies related to the Proposed Transaction. If the Group experiences difficulties with the integration process, the anticipated benefits of the Proposed Transaction may not be realised fully, or at all, or may take longer to realise than expected. While the Proposed Transaction is expected to further strengthen and deepen the Group's ASEAN franchise and is expected to be accretive in the immediate term to the Group's earnings per share and return on equity, there can be no assurance that the anticipated benefits of the Proposed Transaction will be realised.”;

- 1.3** In the sub-section “*Risk Factors – Risk Relating to the Group – Legal and regulatory environment is subject to change, and violations could result in penalties and other regulatory actions*” the following words:

“The Monetary Authority of Singapore (Resolution of Financial Institutions) (Amendment No. 2) Regulations 2021 commenced on 1 November 2021 and will enhance the resolution regime for financial institutions in Singapore and support related resolution provisions in the MAS Act through (i) effecting provisions relating to contractual recognition of temporary stays (as more fully described in the section “*Regulation and Supervision – Temporary Stay of Termination Rights*”); and (ii) extending existing regulations that safeguard set-off and netting arrangements in the event of a compulsory transfer of business during resolution, to reverse and onward transfers of business.”

shall be deemed to be inserted immediately before the following words appearing on page 18 of the Offering Circular:

“Severe supervisory actions taken against the Group by the MAS or other regulatory and enforcement authorities in each jurisdiction in which the Group operates may have an adverse impact on the Group's reputation, operations and business and may, in certain circumstances, adversely affect the rights of a Covered Bondholder against the Issuer.”;

- 1.4** In the sub-section “*Risk Factors – Risk Relating to the Group – The Issuer may face pressure on its capital and liquidity requirements*” the following words appearing on page 18 of the Offering Circular:

“SIBs are required to meet capital adequacy requirements under MAS Notice 637 Risk-Based Capital Adequacy Requirements for Banks incorporated in Singapore dated 14 September 2012 (last revised on 23 September 2020) (“MAS Notice 637”), that are higher than the standards set by the BCBS. D-SIBs shall, at all times in the periods specified under MAS Notice 637, maintain at both standalone and consolidated levels

(referred to as “Solo” and “Group” levels in MAS Notice 637), the following minimum capital adequacy ratio (“CAR”) requirements:”

shall be deemed to be replaced with:

“SIBs are required to meet capital adequacy requirements under MAS Notice 637 Risk-Based Capital Adequacy Requirements for Banks incorporated in Singapore dated 14 September 2012 (last revised on 2 December 2021) (“**MAS Notice 637**”), that are higher than the standards set by the BCBS. D-SIBs shall, at all times in the periods specified under MAS Notice 637, maintain at both standalone and consolidated levels (referred to as “Solo” and “Group” levels in MAS Notice 637), the following minimum capital adequacy ratio (“**CAR**”) requirements:”;

- 1.5** In the sub-section “*Risk Factors – Risk Related to the CBG – Impact of Section 62A of the Banking Act*” the following words appearing on page 39 of the Offering Circular:

“Section 62A of the Banking Act (“Section 62A”) provides that notwithstanding any written law or rule of law relating to the winding-up of companies, in the event of the winding-up of a bank in Singapore, a liquidator shall first set-off a depositor’s liabilities to the bank (whether or not incurred in the Asian Currency Unit of the bank) against any deposit of the depositor placed with the bank other than the Asian Currency Unit of the bank. As such, the amount owing by the depositor under the Loans could then be set-off against any deposit of the depositor placed with the bank other than the Asian Currency Unit of the Seller, possibly reducing the amount recoverable under the Loans. This section is intended to protect depositors. Without such set-off, the depositor would have to pay the full extent of its liabilities to the bank and may possibly only receive a dividend or partial payment in respect of deposits of the depositor placed with the bank, in the case of insolvency of the Seller where a liquidator is appointed.”

shall be deemed to be replaced with:

“Section 62A of the Banking Act (“**Section 62A**”) provides that notwithstanding any written law or rule of law relating to the winding-up of companies, in the event of the winding-up of a bank in Singapore, a liquidator shall first set-off a depositor’s liabilities to the bank against any deposit of the depositor placed with the bank that is accepted (a) in Singapore dollars; or (b) on terms under which the deposit may be repaid by the bank in Singapore dollars. As such, the amount owing by the depositor under the Loans could then be set-off against any deposit of the depositor placed with the bank that is accepted (a) in Singapore dollars; or (b) on terms under which the deposit may be repaid by the bank in Singapore dollars, possibly reducing the amount recoverable under the Loans. This section is intended to protect depositors. Without such set-off, the depositor would have to pay the full extent of its liabilities to the bank and may possibly only receive a dividend or partial payment in respect of deposits of the depositor placed with the bank, in the case of insolvency of the Seller where a liquidator is appointed.”;

- 1.6** In the sub-section “*Risk Factors – Risk Related to the CBG – Impact of Section 62A of the Banking Act*” the following words appearing on page 40 of the Offering Circular shall be deleted in their entirety:

“On 31 August 2015, the MAS released a consultation paper entitled “Removing the DBU-ACU Divide – Implementation Issues” in relation to the proposed removal of the DBU-ACU divide (see page 231 of this document for further details). If the proposed

amendments are introduced, amendments will also be made to section 62A of the Banking Act to the effect that in the event of the winding up of a bank in Singapore, a liquidator shall first set-off each of a depositor's liabilities to the bank against any Singapore dollar deposit of the depositor placed with the bank. However, the exact form of the amendment has not been confirmed.”;

## 2 DESCRIPTION OF THE BUSINESSES OF THE GROUP

The section titled “*Description of the Businesses of the Group*” on page 190 of the Offering Circular shall be amended by inserting the following after the sub-section titled “*Overview*”:

### “Recent Developments

#### ***Proposed Transaction***

On 14 January 2022, UOB announced that certain of its subsidiaries have entered into agreements for the transfer of Citigroup’s (the “**Target**”) consumer banking businesses comprising its unsecured and secured lending portfolios, wealth management and retail deposit businesses (the “**Target’s Consumer Business**”) in Indonesia, Malaysia, Thailand and Vietnam (the “**Proposed Transaction**”).

The Proposed Transaction seeks to advance UOB as a leading regional bank and further strengthening and deepening its ASEAN franchise. With its increased commitment to Southeast Asia, UOB aims to continue riding on the region’s long-term growth potential and the Proposed Transaction affords UOB a strategic fit that augments existing product streams with superior returns from high quality and resilient portfolio and with a complementary base of customers, people and capabilities. In addition, the Proposed Transaction reinforces UOB’s retail strategy of tapping the rising affluence in Southeast Asia, acquiring and serving customers through its digital banking platform, “TMRW”, and meeting their financial needs through its omni-channel approach and the Proposed Transaction is expected to double UOB’s existing retail customer base in the markets of Indonesia, Malaysia, Thailand and Vietnam, and thereby accelerating its customer base target ahead of time.

The total cash consideration for the Proposed Transaction will be calculated based on an aggregate premium equivalent to approximately S\$915 million plus the net asset value of the Target’s Consumer Business as at completion. The Proposed Transaction is expected to be financed through excess capital and while this is expected to reduce UOB’s CET1 ratio, any effect to the CET1 ratio is not expected to be material and will be well within regulatory requirements. As part of the Proposed Transaction, UOB intends to bring onboard the employees in the Target’s Consumer Business.

Completion of the Proposed Transaction in each of Indonesia, Malaysia, Thailand and Vietnam will be conditional on obtaining regulatory approvals from the MAS, Bank Negara Malaysia/Vesting Order, Bank of Thailand, State Bank of Vietnam and Indonesia’s Financial Service Authority (*Otoritas Jasa Keuangan*) as well as any further local approvals required for the transfer and/or migration of the Target’s Consumer Business. It is estimated that completion of the Proposed Transaction will take place between mid-2022 and early 2024, subject to the progress and outcome of the relevant regulatory approval process.”.

## 3 REGULATION AND SUPERVISION

- 3.1 The sub-section “*Regulation and Supervision – COVID-19 Temporary Measures*” appearing on pages 220 and 221 of the Offering Circular shall be deleted in its entirety and substituted therefor with the following:

“On 7 April 2020, the MAS announced that it would adjust selected regulatory requirements and supervisory programmes to enable financial institutions to focus on dealing with issues related to the COVID-19 pandemic and supporting their customers during this difficult period. The MAS announced that it would take the following regulatory and supervisory measures: (a) adjust banks’ capital and liquidity requirements, to help sustain their lending activities; (b) allow financial institutions to take into account the government’s fiscal assistance and banks’ relief measures in setting more realistic accounting loan loss allowances; (c) defer institutions’ implementation of the final set of Basel III reforms, margin requirements for non-centrally cleared derivatives, and other new regulations and policies, to ease the financial institutions’ operational burden; (d) provide financial institutions with more latitude on submission timelines for regulatory reports and defer non-urgent industry projects; and (e) suspend regular onsite inspections and supervisory visits till further notice.

For instance, in an effort to enhance banks’ capacity to lend, MAS Notice 637 was amended to allow full recognition of balances maintained in the RLAR account as Tier 2 Capital between 31 March 2020 and until 30 September 2021 (both dates inclusive).

In addition, MAS Notice 652 was amended with effect from 8 April 2020 to (a) lower the required stable funding factors for all loans from a D-SIB or an internationally active bank to non-financial corporates, retail customers and small business customers, that have a residual maturity of less than six months, from 50 per cent. to 25 per cent. for the period between 8 April 2020 and 30 September 2021 (both dates inclusive); and (b) gradually phase back the required stable funding factors in (a) from 25 per cent. to 50 per cent. by 1 April 2022.

Further, on 15 March 2021, the MAS introduced MAS Notice 612A Credit Files, Grading and Provisioning – COVID- 19 (“**MAS Notice 612A**”) (last revised on 29 June 2021) which sets out the credit grading treatment, for credit facilities granted support measures by banks in response to the COVID-19 outbreak, for the period beginning on 1 January 2021 and ending on 31 December 2021 (both dates inclusive). During the COVID-19 outbreak, the banks have granted some borrowers extended loan repayment moratoriums. This was in recognition that the default risk for borrowers who faced only shorter-term liquidity issues could be lowered if such borrowers were given more time to resume loan repayments as economic activity recovers. A longer adjustment period for creditworthy borrowers would be helpful towards the broader economic recovery and overall loan quality. MAS Notice 612A clarifies that a bank is not required to classify a credit facility of a borrower, just because the borrower is granted extended credit support measures. Banks should instead holistically assess a borrower’s ability to fully repay its credit facilities, taking into consideration the impact of the support provided by the bank to the borrower in response to COVID- 19. On 15 March 2021, MAS also amended MAS Notice 612 to stipulate that the credit grading treatment of credit facilities as set out in MAS Notice 612 is not applicable to credit facilities that fall under the purview of MAS Notice 612A.

The MAS announced in a media release on 29 July 2020 that it has called on locally incorporated banks headquartered in Singapore to cap their total dividends per share (“**DPS**”) for financial year ended 2020 at 60 per cent. of financial year ended 2019’s DPS, and offer shareholders the option of receiving the dividends to be paid for financial year ended 2020 in scrip in lieu of cash. The dividend restriction was a pre-emptive measure to bolster the banks’ ability to continue to support the credit needs of businesses and consumers given the significant uncertainties of the business environment at that time. On 28 July 2021, the MAS announced in a media release that this dividend restriction would not be extended.

The summary of the laws, subsidiary legislation, notices, directives, circulars and guidelines relating to the regulation and supervision of banks stated below and elsewhere in this



Offering Circular should be read subject to such adjustments and measures, and any further adjustments and measures, as may be announced by the MAS from time to time.”;

**3.2** In the sub-section “*Regulation and Supervision – The Regulatory Environment – Capital Adequacy Ratios*” the following words appearing on page 221 of the Offering Circular:

“Where a SIB issues covered bonds (as defined in MAS Notice 648 Issuance of Covered Bonds by Banks Incorporated in Singapore dated 31 December 2013 (last revised on 15 October 2020) (“**MAS Notice 648**”)), the SIB must continue to hold capital against its exposures in respect of the assets included in a cover pool (as defined in MAS Notice 648) in accordance with MAS Notice 637. In the case where the SIB uses a special purpose entity to issue covered bonds or where the cover pool is held by a special purpose entity, the SIB is required to apply a “look through” approach for the purpose of computing its capital requirements under MAS Notice 637. Under the “look through” approach, the SIB and the special purpose entity will be treated as a single entity for the purposes of MAS Notice 637.”

shall be deemed to be replaced with:

“Where a SIB issues covered bonds (as defined in MAS Notice 648 Issuance of Covered Bonds by Banks Incorporated in Singapore dated 31 December 2013 (last revised on 27 September 2021) (“**MAS Notice 648**”)), the SIB must continue to hold capital against its exposures in respect of the assets included in a cover pool (as defined in MAS Notice 648) in accordance with MAS Notice 637. In the case where the SIB uses a special purpose entity to issue covered bonds or where the cover pool is held by a special purpose entity, the SIB is required to apply a “**look through**” approach for the purpose of computing its capital requirements under MAS Notice 637. Under the “**look through**” approach, the SIB and the special purpose entity will be treated as a single entity for the purposes of MAS Notice 637.”;

**3.3** In the sub-section “*Regulation and Supervision – The Regulatory Environment – Capital Adequacy Ratios*” the following words appearing on page 222 of the Offering Circular:

“MAS Notice 637 was amended on 17 October 2016 to implement requirements for SIBs that are consistent with the final standards issued by the Basel Committee on Banking Supervision (the “**Basel Committee**”) in relation to: (a) capital requirements for banks’ equity investments in funds, (b) the Basel Committee’s standardised approach for measuring counterparty credit risk exposures (“**SA-CCR**”), (c) capital requirements for bank exposures to central counterparties, and (d) revised Pillar 3 disclosure requirements. The amendments enhance the risk capture of banks’ equity exposures and counterparty credit risk exposures, while the revised Pillar 3 disclosure requirements will improve comparability and consistency of disclosures and enable market participants to better assess a bank’s capital adequacy. Revisions have also been made to align the regulatory capital treatment for investments in unconsolidated major stake entities that are not financial institutions, and for private equity and venture capital investments, with the treatment of significant investments in commercial entities under the Basel capital framework. The amendments generally took effect from 1 January 2017. Transitional arrangements were provided for amendments relating to the SA-CCR and capital requirements for bank exposures to central counterparties.”

shall be deemed to be replaced with:

“MAS Notice 637 was amended on 17 October 2016 to implement requirements for SIBs that are consistent with the final standards issued by the Basel Committee on Banking

Supervision (the “**Basel Committee**”) in relation to: (a) capital requirements for banks’ equity investments in funds, (b) the Basel Committee’s standardised approach for measuring counterparty credit risk exposures (“**SA-CCR**”), (c) capital requirements for bank exposures to central counterparties, and (d) revised Pillar 3 disclosure requirements. The amendments enhance the risk capture of banks’ equity exposures and counterparty credit risk exposures, while the revised Pillar 3 disclosure requirements will improve comparability and consistency of disclosures and enable market participants to better assess a bank’s capital adequacy. Revisions have also been made to align the regulatory capital treatment for investments in unconsolidated major stake entities that are not financial institutions, and for private equity and venture capital investments, with the treatment of significant investments in commercial entities under the Basel capital framework. The amendments generally took effect from 1 January 2017. Transitional arrangements were provided for amendments relating to the SA-CCR and capital requirements for bank exposures to central counterparties (“**Transitional Arrangements**”), but these Transitional Arrangements have ceased on 31 December 2021 and SIBs are now expected to comply with the requirements relating to SA-CCR and capital requirements for banks exposures to central counterparties set out in MAS Notice 637.”;

**3.4** In the sub-section “*Regulation and Supervision – The Regulatory Environment – Other Key Prudential Provisions*” the following words appearing on page 224 of the Offering Circular:

“MAS Notice 649 sets out the MLA framework and the LCR framework. A bank in Singapore need only comply with the requirements under the LCR framework under MAS Notice 649 if it has been notified by the MAS that it is a D-SIB or an internationally active bank (as defined in MAS Notice 649).”

shall be deemed to be replaced with:

“MAS Notice 649 (as last revised on 27 September 2021) sets out the MLA framework and the LCR framework. A bank in Singapore need only comply with the requirements under the LCR framework under MAS Notice 649 if it has been notified by the MAS that it is a D-SIB or an internationally active bank (as defined in MAS Notice 649).”;

**3.5** Paragraphs 10 to 22 of the sub-section “*Regulation and Supervision – Other Key Prudential Provisions*” appearing on pages 224 to 228 of the Offering Circular shall be deleted in their entirety and substituted therefor with the following:

“Under Section 29 of the Banking Act, the MAS may, by written notice to any bank in Singapore, or any class of banks in Singapore, impose requirements that are necessary or expedient for the purposes of:

- (a) identifying any person or class of persons, where exposure of the bank, or a bank within the class of banks, to the person or class of persons may result in concentration risk to the bank; or
- (b) limiting the exposure of the bank, or a bank within the class of banks, to any person or class of persons, where the exposure may result in concentration risk to the bank.

For the purposes of this paragraph “**exposure**” means the maximum loss that a bank may incur as a result of the failure of a counterparty to meet any of its obligations, where “counterparty”, in relation to a bank, means a person (i) who has an obligation to the bank

as a result of the bank's contractual or other arrangements or (ii) in relation to whom the bank is at risk as a result of the bank's contractual or other arrangements or investments.

MAS issued MAS Notice 656 Exposures to Single Counterparty Groups for Banks Incorporated in Singapore on 14 August 2019 (last revised on 14 June 2021) ("**MAS Notice 656**"), which took effect from 1 July 2021. The notice sets out limits on exposures of SIBs to a single counterparty group, the type of exposures to be included in or excluded from those limits, the basis for computation of exposures, the eligible credit risk mitigation techniques and the approach for aggregation of exposures. These requirements take into account relevant aspects of the "Supervisory framework for measuring and controlling large exposures" published by the Basel Committee in April 2014, and are intended to strengthen the regulatory framework for addressing concentration of exposures to counterparties and limiting the maximum loss that a bank faces in the event of a sudden counterparty default. Amongst others, MAS Notice 656 provides that, subject to certain exceptions, a SIB must not permit:

- (a) at the Solo level, the aggregate of its exposures to any single counterparty group to exceed 25 per cent. of its Tier 1 capital; and
- (b) at the Group level, the aggregate of exposures of the SIB and its banking group entities to any counterparty, any director group, any substantial shareholder group or any connected party group to exceed 25 per cent. the Tier 1 capital of the SIB and its banking group entities.

Every bank in Singapore shall make provisions for bad and doubtful debts and, before any profit or loss is declared, ensure that such provision is adequate.

A bank in Singapore is prohibited from carrying on or entering into any partnership, joint venture or other arrangement with any person to carry on, whether in Singapore or elsewhere, any business except: (a) banking business; (b) business which is regulated or authorised by the MAS; (c) business which is incidental to (a) or (b); (d) business or a class of business prescribed by the MAS; or (e) any other business approved by the MAS. Under the Banking Regulations and for the purposes of (d) above, the MAS has prescribed that a bank may, amongst other things, carry on the business of purchasing and selling assets, subject to the conditions set out therein. In addition, a SIB is permitted to carry on property management services in relation to, inter alia, investment properties that are acquired or held by any entity in its bank group (i.e. the bank, every subsidiary of the bank, every branch of the bank and every other entity that is treated as part of the bank's group of entities for accounting purposes according to the Accounting Standards) or properties that have been foreclosed by its bank group.

A SIB can hold any beneficial interest in the share capital of a company (and such other investment, interest or right as may be prescribed by the MAS) ("**equity investment**") so long as the value of such equity investment does not exceed in the aggregate 2 per cent. of the capital funds of the bank or such other percentage as the MAS may prescribe. Such a restriction on a bank's equity investment does not apply to any interest held by way of security for the purposes of a transaction entered into in the ordinary course of the bank's business or to any shareholding or interest acquired or held by a bank in the course of satisfaction of debts due to the bank, where such interest is disposed of at the earliest suitable opportunity or any major stake approved by the MAS under section 32 of the Banking Act. In addition, under the Banking Regulations, the restriction will not apply, during the specified period, in respect of any equity investment in a single company acquired or held by a bank when acting as a stabilising bank

(within the meaning of Regulation 6B of the Banking Regulations) in relation to an offer of securities issued by the company in certain conditions.

Under section 32 of the Banking Act, a bank in Singapore cannot hold or acquire, directly or indirectly, a major stake in any entity without first obtaining the approval of the MAS. An “**entity**” means any body corporate or unincorporated, whether incorporated, formed or established in or outside Singapore. A “**major stake**” means: (a) any beneficial interest exceeding 10 per cent. of the total number of issued shares (or, in the case of an umbrella VCC (as defined in section 2(1) of the Variable Capital Companies Act 2018 of Singapore), either exceeding 10 per cent. of the total number of issued shares in the umbrella VCC that are not in respect of any of its sub-funds, or exceeding 10 per cent. of the total number of issued shares in the umbrella VCC in respect of any one of its sub-funds) or such other measure corresponding to shares in a company as may be prescribed; (b) control of over more than 10 per cent. of the voting power (or, in the case of an umbrella VCC, either more than 10 per cent. of the voting power in the umbrella VCC that is not in respect of any of its sub-funds, or more than 10 per cent. of the voting power in the umbrella VCC in respect of any one of its sub-funds) or such other measure corresponding to voting power in a company as may be prescribed; or (c) any interest in an entity, by reason of which the management of the entity is accustomed or under an obligation, whether formal or informal, to act in accordance with the bank’s directions, instructions or wishes, or where the bank is in a position to determine the policy of the entity.

No SIB shall hold or acquire interests in or rights over immovable property, wherever situated, the value of which exceeds in the aggregate 20 per cent. of the capital funds of the bank or such other percentage as the MAS may prescribe. The MAS has further prescribed that the property sector exposure of a bank in Singapore shall not exceed 35 per cent. of the total eligible assets of that bank.

Under MAS Notice 648, SIBs are permitted to issue covered bonds subject to the conditions thereunder. The aggregate value of assets in the cover pools for all covered bonds issued by the bank itself, through special purpose vehicles or both the bank and special purpose vehicles, and residential mortgage loans and assets eligible for inclusion in cover pools (but which have not been included) and which are transferred to special purpose vehicles, must not exceed 10 per cent. of the value of the total assets of the SIB at all times. The total assets of a SIB for the purpose of MAS 648 include the assets of the overseas branches of the SIB but exclude (i) the assets of its subsidiaries, whether in Singapore or overseas and (ii) the assets which the SIB uses to meet specified regulatory requirements.”;

- 3.6** The sub-section “*Regulation and Supervision – Corporate Governance Regulations and Guidelines*” appearing on pages 228 to 230 of the Offering Circular shall be deleted in its entirety and substituted therefor with the following:

“The Banking (Corporate Governance) Regulations 2005 define what is meant by an independent director and set out the requirements for the composition of the board of directors and board committees, such as the Nominating Committee, Remuneration Committee, Audit Committee and Risk Management Committee.

On 9 November 2021, the MAS issued the “Guidelines on Corporate Governance for Designated Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers which are Incorporated in Singapore” (the “**Guidelines**”) which superseded and replaced the Guidelines on Corporate Governance for Financial Holding Companies, Banks, Direct Insurers, Reinsurers, and Captive Insurers which are incorporated in Singapore that was issued on 3 April 2013. The Guidelines comprise, amongst other things, the principles and

provisions set out in the Code of Corporate Governance 2018 (the “**Corporate Governance Code**”) for companies listed on the SGX-ST and additional guidelines added by MAS to take into account the unique characteristics of the business of banking and insurance, given the diverse and complex risks undertaken by these financial institutions and their responsibilities to depositors, policyholders and other customers. The guidelines that relate to disclosures are effective from 1 January 2022 and will apply to the annual reports covering financial years commencing from that date, with the bulk of the other guidelines becoming effective from 1 April 2022.

The Corporate Governance Code sets out, amongst other things, the principles that there should be (i) a clear division of responsibilities between the leadership of the board of directors and the executive responsibilities of a company’s business, and no one individual has unfettered powers of decision-making and (ii) an appropriate level of independence and diversity of thought and background in the composition of the board of directors of the company, to enable it to make decisions in the best interests of the company. The Corporate Governance Code also requires the separation of the roles of Chairman and Chief Executive Officer.

To further enhance the corporate governance of banks, the Banking Act:

- (a) requires a SIB to seek the MAS’ approval before it appoints certain key appointment holders (including directors and chief executive officers), and in doing so, the MAS has the power to prescribe the duties of the appointment holders and to specify the maximum term of each appointment. A SIB must also immediately inform the MAS if a key appointment holder is (in accordance with the Guidelines on Fit and Proper Criteria (last revised on 1 July 2021)) no longer a fit and proper person to hold the appointment;
- (b) empowers the MAS to remove key appointment holders of banks if they are found to be not fit and proper;
- (c) empowers the MAS to direct banks to remove their external auditors if they have not discharged their statutory duties satisfactorily, and protects banks’ external auditors who disclose, in good faith, information to the MAS in the course of their duties from any liability that may arise from such disclosure; and
- (d) empowers the MAS to prohibit, restrict or direct a bank to terminate any transaction that the bank enters into with its related parties if it is deemed to be detrimental to depositors’ interests.

Section 29A of the Banking Act allows the MAS to, by written notice, impose on any bank in Singapore, or any class of banks in Singapore, requirements that are reasonably necessary for the purposes of monitoring and controlling the risk of conflict between the interests of the bank in Singapore or a bank within the class of banks in Singapore, and the interests of any person, branch, entity or head office mentioned in section 27(2)(a), (b), (c), (d), (e), (f), (h), (i) or (j), by (A) identifying any credit facility from the bank or any branch or entity in its bank group to, any exposure of the bank or any branch or entity in its bank group to, or any transaction of the bank or any branch or entity in its bank group with, any person, branch, entity or head office mentioned in section 27(2)(a), (b), (c), (d), (e), (f), (h), (i) or (j) or (B) monitoring, limiting or restricting such credit facilities, exposures and transactions mentioned in (A). The persons mentioned in section 27(2)(a), (b), (c), (d), (e), (f), (h), (i) or (j) are:

- (a) any person in a director group of the bank;
- (b) in the case of a SIB, any person in a substantial shareholder group of the bank;

- (c) any entity in a major stake entity group of the bank;
- (d) any branch, entity or head office in a related corporation group of the bank;
- (e) any person in a senior management group of the bank;
- (f) any person in a key credit approver group of the bank;
- (h) any person whose duties or interests are in conflict with the interests of the bank, as determined by the bank in accordance with a manner and process specified by the MAS by written notice to the bank;
- (i) any person specified by the MAS by written notice to the bank whose duties or interests are, in the opinion of the MAS, in conflict with the interests of the bank; and
- (j) any other person or class of persons that is prescribed.

For the purposes of this above paragraph, “bank group”, “director”, “director group”, “exposure”, “key credit approver group”, “major stake entity group”, “related corporation group”, “senior management group”, “substantial shareholder group” and “transaction” have the meanings given to them in the Fifth Schedule of the Banking Act.

Under MAS Notice 643 (last revised on 28 June 2021) which has taken effect from 1 July 2021, a bank in Singapore is also required to obtain the approval of a special majority of three-fourths of its board and ensure that every branch and entity in its bank group obtains the approval of a special majority of three-fourths of that entity’s board before entering into related party transactions that pose material risks to the bank or writing off any exposures to any of the bank’s related parties (unless otherwise exempt), in order to provide more effective oversight over banks’ related party transactions.”;

**3.7** The sub-section “*Regulation and Supervision – Other Significant Regulations*” appearing on pages 230 and 231 of the Offering Circular shall be deleted in its entirety and substituted therefor with the following:

“The MAS issues licenses under the Banking Act to banks to transact banking business in Singapore. Such licenses may be revoked if the MAS is satisfied, amongst other things, that (1) the bank: (a) is carrying on its business in a manner likely to be detrimental to the interests of the depositors of the bank or has insufficient assets to cover its liabilities to its depositors or the public; (b) is contravening or has contravened any provision of the Banking Act or the MAS Act or any direction issued by the MAS under the MAS Act; or (c) has been convicted of any offence under the Banking Act or any of its directors or officers holding a managerial or executive position has been convicted of any offence under the Banking Act or (2) it is in the public interest to do so.

Section 48AA of the Banking Act imposes, inter alia, a duty on a bank in Singapore to immediately inform MAS of any development that has occurred or is likely to occur which the bank has reasonable grounds to believe has materially and adversely affected, or is likely to materially and adversely affect its financial soundness or reputation, its ability to conduct its businesses, or such other matters as MAS may prescribe. A SIB must immediately inform MAS of any development that has occurred or is likely to occur which the bank has reasonable grounds to believe has materially and adversely affected, or is likely to materially and adversely affect the financial soundness or reputation of any entity in the bank group of the bank or any entity or trust in the financial holding company group of the designated financial holding company of the bank (if applicable), or the ability of any entity in the bank group of the bank or any entity

or trust in the financial holding company group of the designated financial holding company of the bank (if applicable) to conduct its business, or such other matters as MAS may prescribe.

In the event of the winding-up of a bank, section 62 of the Banking Act provides that the liabilities in Singapore of the bank shall, amongst themselves, rank in the following order of priority: (a) firstly, any premium contributions due and payable by the bank under the Deposit Insurance and Policy Owners' Protection Schemes Act 2011 of Singapore (the "**Deposit Insurance Act**"); (b) secondly, liabilities incurred by the bank in respect of insured deposits, up to the amount of compensation paid or payable out of the Deposit Insurance Fund by the Agency (as defined in the Deposit Insurance Act) under the Deposit Insurance Act in respect of such insured deposits; (c) thirdly, deposit liabilities incurred by the bank with non-bank customers other than those specified in (b) above, which are incurred (i) in Singapore dollars or (ii) on terms which the deposit liabilities may be discharged by the bank in Singapore dollars; (d) fourthly, deposit liabilities incurred by the bank with non-bank customers other than liabilities referred to in (b) and (c) above; and (e) fifthly, any sum claimed by the trustee of a resolution fund from the bank under the MAS Act. As between liabilities of the same class referred to in each of (a) to (e) above, such liabilities shall rank equally between themselves. The liabilities described above shall have priority over all unsecured liabilities of the bank other than the preferential debts specified in section 203(1) of the Insolvency, Restructuring and Dissolution Act 2018 of Singapore.

With effect from 1 July 2021, banks in Singapore no longer have to maintain separate accounting units for Singapore dollar transactions (the Domestic Banking Unit or "**DBU**") and foreign currency transactions (the Asian Currency Unit or "**ACU**"). In conjunction with this, the MAS issued an updated MAS Notice to Banks No. 610 "Submission of Statistics and Returns" (the "**Updated MAS Notice 610**"), with revisions to facilitate the removal of the distinction between DBU and ACU, which took effect from 1 July 2021.

Unless otherwise provided in the Banking Act, customer information shall not, in any way, be disclosed by a bank in Singapore or any of the officers to any other person.

SIBs that are listed on the SGX-ST, are required to apply SFRS(I) 9 in the preparation of their financial statements for reporting periods beginning on or after 1 January 2018 in accordance with sections 201 or 373 of the Companies Act. SFRS(I) 9 introduces a new approach for the estimation of allowance for credit losses based on ECL, which includes more forward-looking information. MAS has revised MAS Notice 637 and MAS Notice 612 in light of the changes in the recognition and measurement of allowance for credit losses introduced in SFRS(I) 9. The revised MAS Notice 612 requires banks to adhere to the principles and guidance set out in the "Guidance on credit risk and accounting for expected credit losses" issued by the Basel Committee in December 2015. In addition, locally incorporated D-SIBs are subject to a minimum level of loss allowance equivalent to the Minimum Regulatory Loss Allowance. Where the accounting loss allowance (which is the ECL on the selected credit exposures determined and recognised by the D-SIB in accordance with the Accounting Loss Allowance) falls below the Minimum Regulatory Loss Allowance, the D-SIB shall maintain the additional loss allowance in a non-distributable RLAR account through an appropriation of its retained earnings. When the sum of the Accounting Loss Allowance and the additional loss allowance exceeds the Minimum Regulatory Loss Allowance, the D-SIB may transfer the excess amount in the RLAR to its retained earnings.";

- 3.8** In the sub-section "*Regulation and Supervision – Examinations and Reporting Arrangements for Banks*" the following words appearing on pages 231 and 232 of the Offering Circular:

“The MAS conducts on-site examinations of banks. Banks are also subject to annual audit by an external auditor approved by the MAS, who, aside from auditing the accounts of the bank and (in the case of a SIB) making a report in respect of its latest financial statements or consolidated financial statements (as the case may be), must report to the MAS immediately if, in the course of the performance of his duties as an auditor of the bank, he is satisfied that:

- (a) there has been a serious breach or non-observance of the provisions of the Banking Act or that otherwise a criminal offence involving fraud or dishonesty has been committed;
- (b) losses have been incurred which reduce the capital funds of the bank by at least 50 percent;
- (c) serious irregularities have occurred, including irregularities that jeopardise the security of the creditors of the bank; or
- (d) he is unable to confirm that the claims of creditors of the bank are still covered by the assets.

As a consequence of the impending removal of the DBU-ACU divide, MAS has proposed to introduce a new reporting benchmark wherein the auditor must report to the MAS immediately if he becomes aware of any development that has occurred or is likely to occur which he has reasonable grounds to believe has materially affected adversely, or is likely to materially affect adversely, the financial soundness of the bank. With the new reporting benchmark, limb (b) above would no longer apply to all banks, but only to SIBs. The substance of these proposed changes have been included in the Banking Amendment Act 2020. As of the date of this Offering Circular, the relevant section under the Banking Amendment Act 2020 effecting such amendments has not come into force.”

shall be deemed to be replaced with:

“The MAS conducts on-site examinations of banks. Banks are also subject to annual audit by an external auditor approved by the MAS, who, aside from auditing the accounts of the bank and (in the case of a SIB) making a report in respect of its latest financial statements or consolidated financial statements (as the case may be), must report to the MAS immediately if, in the course of the performance of his duties as an auditor of the bank, he is satisfied that:

- (a) there has been a serious breach or non-observance of the provisions of the Banking Act or that otherwise a criminal offence involving fraud or dishonesty has been committed;
- (b) in the case of a SIB, losses have been incurred which reduce the capital funds of the bank by at least 50 per cent.;
- (c) serious irregularities have occurred, including irregularities that jeopardise the security of the creditors of the bank;
- (d) he is unable to confirm that the claims of creditors of the bank are still covered by the assets; or
- (e) any development has occurred or is likely to occur which has materially and adversely affected, or is likely to materially and adversely affect, the financial soundness of the bank.”;



- 3.9** The following sub-section shall be deemed to be inserted immediately before the sub-section “*Regulation and Supervision – Resolution of Banks in Singapore*” appearing on pages 232 of the Offering Circular:

*“Inspection and Investigative Powers*

The MAS has introduced a new Financial Services and Markets Bill (“**FSM Bill**”) in the Singapore Parliament as a new omnibus Act for the financial sector aimed at enhancing MAS’ agility and effectiveness in addressing financial sector-wide risks. The FSM Bill will, amongst others, introduce a harmonized and expanded power for the MAS to issue prohibition orders against persons who are not fit and proper from engaging in financial activities regulated by the MAS or performing any key roles of functions in the financial industry that are prescribed, in order to protect a financial institution’s customers, investors and the financial sector. This broadens the categories of persons who may be subject to prohibition orders and will allow the MAS to apply a consistent sector-wide approach when taking enforcement action against misconduct. These powers will apply to persons working in banks (including SIBs) once passed.

- 3.10** In the sub-section “*Regulation and Supervision – Resolution of Banks in Singapore*” the following words:

“The Monetary Authority of Singapore (Resolution of Financial Institutions) (Amendment No. 2) Regulations 2021 commenced on 1 November 2021 and will enhance the resolution regime for financial institutions in Singapore and support related resolution provisions in the MAS Act through (i) effecting provisions relating to contractual recognition of temporary stays (as more fully described below, in the section “Temporary Stay of Termination Rights”); and (ii) extending existing regulations that safeguard set-off and netting arrangements in the event of a compulsory transfer of business during resolution, to reverse and onward transfers of business.”

shall be deemed to be inserted immediately after the following words appearing on page 232 of the Offering Circular:

“Under the resolution regime for financial institutions in Singapore, the MAS has resolution powers in respect of Singapore licensed banks. Broadly speaking, in relation to SIBs, the MAS has the power to (a) impose moratoriums, (b) apply for court orders against winding-up or judicial management of the bank, against commencement or continuance of proceedings by or against the bank in respect of any business of the bank, against commencement or continuance of execution, distress or other legal processes against any property of the bank, or against enforcement of security, (c) apply to court for the winding-up of the bank, (d) order compulsory transfers of business or transfers of shares, (e) order compulsory restructurings of share capital, (f) to bail-in eligible instruments, (g) temporarily stay termination rights of counterparties, (h) impose requirements relating to recovery and resolution planning and (i) give directions to significant associated entities of a bank. In addition, the MAS has powers under the Banking Act to assume control of a bank. Under the resolution regime, there are also provisions for cross-border recognition of resolution actions, creditor safeguards in the form of a creditor compensation framework and resolution funding.”;

- 3.11** In the sub-section “*Regulation and Supervision – Statutory Bail-in*” the following words appearing on pages 232 of the Offering Circular:

“Under the statutory bail-in regime, MAS will be empowered to bail-in eligible instruments of banks, whose terms have not been triggered prior to entry into resolution, and are issued or contracted on or after 29 November 2018.”

shall be deemed to be replaced with:

“Under the statutory bail-in regime, MAS is empowered to bail-in eligible instruments of banks, whose terms have not been triggered prior to entry into resolution, and are issued or contracted on or after 29 November 2018”;

- 3.12** The sub-section “*Regulation and Supervision – Temporary Stay of Termination Rights*” appearing on page 233 of the Offering Circular shall be deleted in its entirety and substituted therefor with the following:

“MAS also has the power to temporarily stay termination rights of counterparties under section 84 of the MAS Act. Contracts which are subject to such powers include contracts where one of the parties is a pertinent financial institution (as defined in Regulation 5 of the Monetary Authority of Singapore (Resolution of Financial Institutions) Regulations 2018) that is the subject or a proposed subject of a resolution measure. Any entity that is part of the same group as a within-scope pertinent financial institution is also caught to the extent the obligations of that entity under the relevant contract are guaranteed or otherwise supported by such pertinent financial institution and such contract has a termination right that is exercisable if the pertinent financial institution becomes insolvent or is in a certain financial condition. UOB qualifies as a pertinent financial institution.

In addition, subject to certain exceptions, a qualifying pertinent financial institution (i.e. a SIB to which a direction has been issued under section 43(1) of the MAS Act (concerning directions for recovery planning and implementation)), or any subsidiary of the qualifying pertinent financial institution, must include a provision in each specified contract to which the qualifying pertinent financial institution or subsidiary is a party, the effect of which is that the parties to the contract agree to be bound by section 83 of the MAS Act (which prevents parties from terminating certain contracts on the basis of the occurrence of a resolution measure or events which are directly linked to resolution provided that the substantive obligations of the relevant contract continue to be performed by the parties to the contract) and by any suspension of a termination right in the contract made by the MAS under section 84 of the MAS Act, where (a) the qualifying pertinent financial institution or subsidiary enters into the specified contract on or after 1 November 2024; or (b) the qualifying pertinent financial institution or subsidiary executes any transaction under the specified contract on or after 1 November 2024. A “specified contract” means a contract that (a) is a financial contract; (ii) is governed by any law other than Singapore law; and (iii) contains a termination right, the exercise of which may be suspended, or the applicability of which may be disregarded, under the MAS Act if the contract had been governed by the laws of Singapore. In rationalizing this contractual recognition requirement, the MAS has stated that the provisions in the contract expressly recognising MAS’ authority to temporarily stay termination rights under section 84 of the MAS Act provides greater legal certainty and serves to support an orderly resolution. The contractual recognition requirement will also ensure that the parties to the contract agree to be bound by section 83 of the MAS Act, such that any resolution action taken by MAS would not trigger termination rights under the contract only because of the resolution measure, even if the contract is governed by foreign laws.”;

#### **4 REGULATION/LEGAL ASPECTS OF THE SINGAPORE RESIDENTIAL MORTGAGE MARKET**

- 4.1** In the sub-section “*Regulation/Legal Aspects of the Singapore Residential Mortgage Market – Regulation Aspects of the Singapore Residential Mortgage Market*” the following words appearing on page 237 of the Offering Circular:

“In addition, the MAS introduced a TDSR framework for all property loans granted by banks to individuals (including sole proprietorships and vehicles set up solely for the purchase of property) pursuant to MAS Notice 645 on Computation of Total Debt Servicing Ratio for Property Loans and the Guidelines thereto. The TDSR framework requires banks to take into consideration borrowers’ other outstanding debt obligations when granting property loans. Banks are required to compute the TDSR, or the percentage of monthly total debt obligations to gross monthly income, on a consistent basis. The MAS expects property loans granted by a bank to not exceed a TDSR threshold of 60 per cent., that is to say, the individual’s monthly total debt obligations must not exceed 60 per cent. of his gross monthly income. Property loans in excess of the TDSR threshold of 60 per cent. should only be granted on an exceptional basis and banks should clearly document the basis for such loans. In addition, processes should be in place to subject exceptional cases to enhanced credit evaluation and reporting to the MAS. The MAS has stated that it will monitor and review the 60 per cent. threshold over time. The MAS has also capped the mortgage servicing ratio for housing loans granted by banks for the purchase of HDB flats and executive condominium units where the minimum occupancy period of the executive condominium has not expired at 30 per cent. of a borrower’s gross monthly income. The TDSR framework was fine-tuned as of 1 September 2016 to allow borrowers more flexibility in managing their debt obligations. In particular, refinements were introduced for refinancing of loans owing to feedback from borrowers who are unable to refinance their existing property loans owing to the application of the TDSR threshold of 60 per cent. From 11 March 2017, the TDSR framework was disappplied to credit facilities otherwise secured by property (including refinancing facilities) where the aggregate of the amount to be granted under the credit facility and the balance outstanding under any other credit facility or refinancing facility granted by any person for the purchase of that property or otherwise secured by that property does not exceed 50 per cent. of the current market valuation of the property. This latest disapplication does not apply to credit facilities and refinancing facilities for the purchase of property.”

shall be deemed to be replaced with:

“In addition, the MAS introduced a TDSR framework for all property loans granted by banks to individuals (including sole proprietorships and vehicles set up solely for the purchase of property) pursuant to MAS Notice 645 on Computation of Total Debt Servicing Ratio for Property Loans and the Guidelines thereto. The TDSR framework requires banks to take into consideration borrowers’ other outstanding debt obligations when granting property loans. Banks are required to compute the TDSR, or the percentage of monthly total debt obligations to gross monthly income, on a consistent basis. With effect from 16 December 2021, the MAS expects property loans granted by a bank to not exceed a TDSR threshold of 55 per cent., that is to say, the individual’s monthly total debt obligations must not exceed 55 per cent. of his gross monthly income. Property loans in excess of the TDSR threshold of 55 per cent. should only be granted on an exceptional basis and banks should clearly document the basis for granting such loans in excess of the TDSR threshold. This revised TDSR threshold will apply to loans for the purchase of Residential Properties where the option to purchase has been granted on or after 16 December 2021. In addition, processes should be in place to subject exceptional cases to enhanced credit evaluation and reporting to the MAS. The MAS has stated that it will monitor and review the 55 per cent. threshold over time. The MAS has also capped the mortgage servicing ratio for housing loans granted by banks for the purchase of HDB flats and executive condominium units where the minimum

occupancy period of the executive condominium has not expired at 30 per cent. of a borrower's gross monthly income. The TDSR framework was fine-tuned on 1 September 2016 to allow borrowers more flexibility in managing their debt obligations. In particular, refinements were introduced for refinancing of loans owing to feedback from borrowers who are unable to refinance their existing property loans owing to the application of the TDSR threshold of 60 per cent. From 11 March 2017, the TDSR framework was disappplied to credit facilities otherwise secured by property (including refinancing facilities) where the aggregate of the amount to be granted under the credit facility and the balance outstanding under any other credit facility or refinancing facility granted by any person for the purchase of that property or otherwise secured by that property does not exceed 50 per cent. of the current market valuation of the property. This disapplication does not apply to credit facilities and refinancing facilities for the purchase of property.”;

**4.2** In the sub-section “*Regulation/Legal Aspects of the Singapore Residential Mortgage Market – Regulation Aspects of the Singapore Residential Mortgage Market*” the following words:

“The LTV% limit for Residential Property loans granted by banks currently stands at 75%. With effect from 16 December 2021, the MAS has tightened the LTV% limit for loans extended by HDB from 90% to 85%. However, this revised LTV% limit does not apply to Residential Property loans granted by banks.”

shall be deemed to be inserted immediately after the following words appearing on page 238 of the Offering Circular:

“where the aggregate of (i) the amount granted under the credit facility, (ii) the balance outstanding under any other credit facility granted by any MAS regulated financial institution or moneylender in respect of that Residential Property or otherwise secured by that Residential Property; and (iii) the balance outstanding under any loan granted by the vendor to the borrower for the purchase of that Residential Property exceeds the “Relevant Amount” as defined in MAS Notice 632 (which is derived from a formula which takes into account, among other things, the adjusted purchase price or current market valuation of the property, the LTV% and/or the Cash%).”;

**5 DESCRIPTION OF THE SINGAPORE COVERED BOND REGIME**

In the section “*Description of the Singapore Covered Bond Regime*” the following words appearing on page 247 of the Offering Circular:

“The issuance of covered bonds is subject to requirements prescribed by the MAS, as set out in MAS Notice 648, which was issued on 31 December 2013 and last revised on 15 October 2020.”

shall be deemed to be replaced with:

“The issuance of covered bonds is subject to requirements prescribed by the MAS, as set out in MAS Notice 648, which was issued on 31 December 2013 and last revised on 27 September 2021.”;

**6 TAXATION**

**6.1** In the sub-section “*Taxation – Singapore Taxation – Interest and Other Payments*” the following words appearing on page 329 of the Offering Circular:

“The applicable rate for non-resident individuals is currently 22 per cent. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade,

business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15 per cent. The rate of 15 per cent. may be reduced by applicable tax treaties.”

shall be deemed to be replaced with:

“The applicable rate for non-resident individuals is currently 22 per cent. and is proposed to be increased to 24 per cent. from the year of assessment 2024 pursuant to the Singapore Budget Statement 2022. However, if the payment is derived by a person not resident in Singapore otherwise than from any trade, business, profession or vocation carried on or exercised by such person in Singapore and is not effectively connected with any permanent establishment in Singapore of that person, the payment is subject to a final withholding tax of 15 per cent. The rate of 15 per cent. may be reduced by applicable tax treaties.”;

- 6.2** The sub-section “*Taxation – Singapore Taxation – Withholding Tax Exemption on Qualifying Payments by Specified Entities*” appearing on page 329 of the Offering Circular shall be deleted in its entirety and substituted therefor with the following:

“Pursuant to Section 45I of the ITA, payments of income which are deemed under Section 12(6) of the ITA to be derived from Singapore and which are made by a specified entity shall be exempt from withholding tax if such payments are liable to be made by such specified entity for the purpose of its trade or business under a debt security which is issued during the period from 17 February 2012 to 31 December 2026 (both dates inclusive). Notwithstanding the above, permanent establishments in Singapore of non-resident persons are required to declare such payments in their annual income tax returns and will be assessed to tax on such payments (unless specifically exempt from tax).

A specified entity includes a bank or merchant bank licensed under the Banking Act.”;

- 6.3** In the sub-section “*Taxation – Singapore Taxation – Qualifying Debt Securities Scheme*” the following words appearing on page 331 of the Offering Circular:

“The term “related party”, in relation to a person, means any other person who, directly or indirectly, controls that person, or is controlled, directly or indirectly, by that person, or where he and that other person, directly or indirectly, are under the control of a common person.”

shall be deemed to be replaced with:

“The term “related party”, in relation to a person (A), means any other person who, directly or indirectly, controls A, or is controlled, directly or indirectly, by A, or where A and that other person, directly or indirectly, are under the control of a common person.”; and

## **7 SUBSCRIPTION AND SALE**

In the sub-section “*Subscription and Sale – Singapore*” the following words appearing on page 338 of the Offering Circular:

“to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Sections 275(1)(A) or 276(4)(i)(B) of the SFA;”

shall be deemed to be replaced with:

“to an institutional investor under Section 274 of the SFA or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Sections 275(1)(A) or 276(4)(c)(ii) of the SFA;”.