

Financing the Future of food

Global Food Security & Sustainability Summit

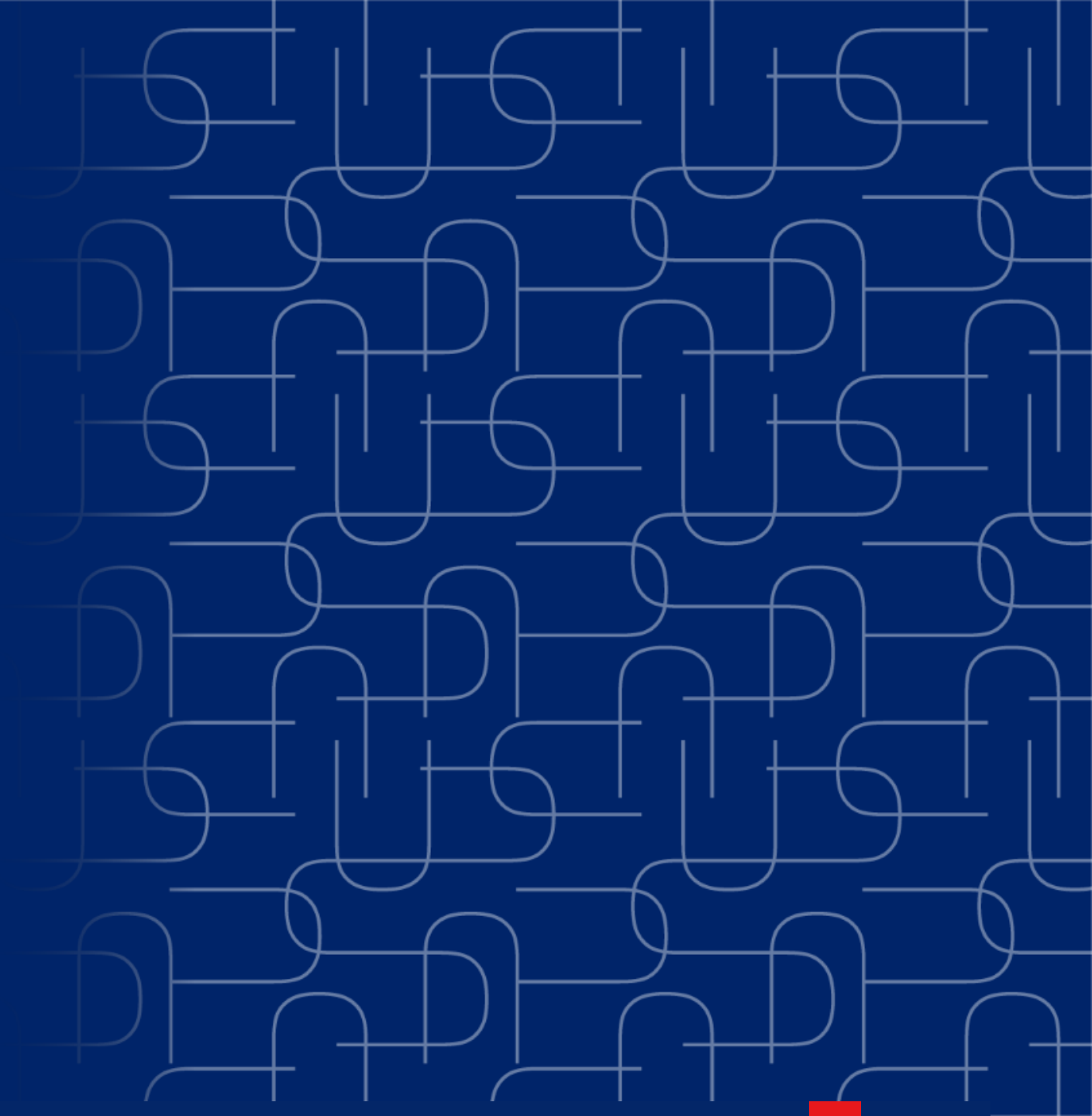
Tan Ernest

Head of Agribusiness & Animal Protein, Sector Solutions Group

17 September 2021



The Future of Food



Challenges in the Asia food and agriculture sector

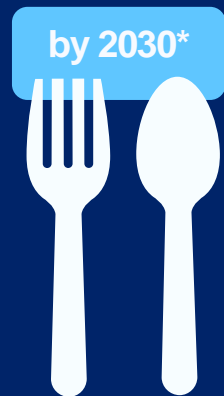
Asia will more than double its total spend on food...



2019

from

S\$4 trillion



by 2030*

to more than

S\$8 trillion

The food and agriculture industry in Asia face **3 key challenges**

Food Security



With 1/5 of the world's arable land, **Asia will have 65% of global middle class by 2030**

Food Safety



Trust level about quality and safety of domestic agricultural remains low

Sustainability



Social license to operate and to address environment, social and animal welfare



Continuation of traditional agriculture practices via **linear modernisation will not** address the supply-demand gap, food safety concerns and sustainability issues

Innovation across the industry is needed to meet this challenge

Adoption and deployment of agri-food tech to enhance food security, improve food safety and address sustainability across the food value chain in the region, e.g.:



Food Security

- Controlled Environment Agriculture
- Aquaculture
- Alternative Proteins



Food Safety

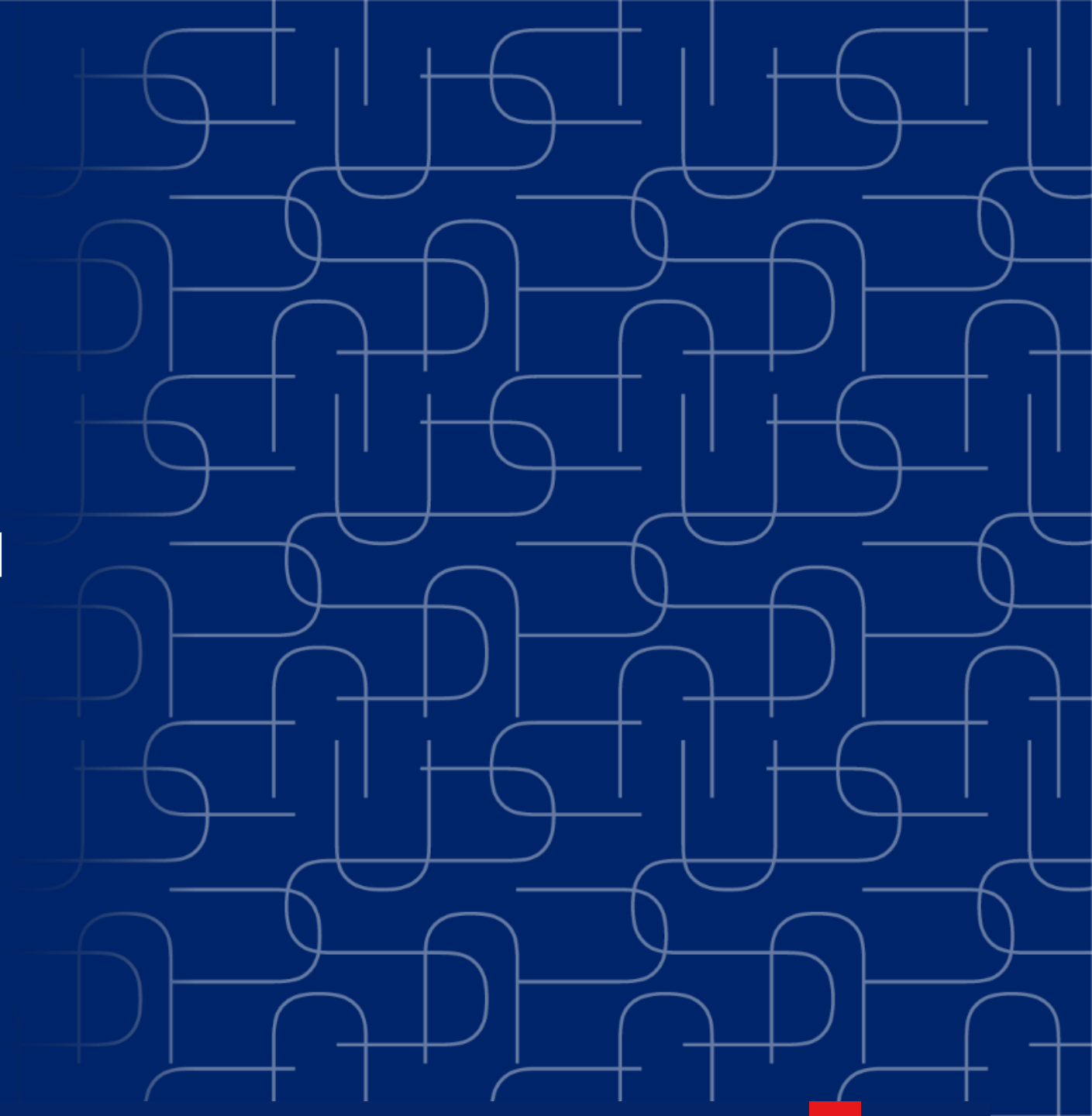
- Internet of Things (IoT) monitoring of inputs
- Digitalisation for traceability
- Cold Chain Logistics



Sustainability

- Alternative feed ingredients
- Sustainable Production
- Food waste reduction

Financing the Future of Food



Leverage on UOB's industry insights



Combining data and sector insights for tailored sector solutions



Construction & Infrastructure



Consumer Goods



Industrials



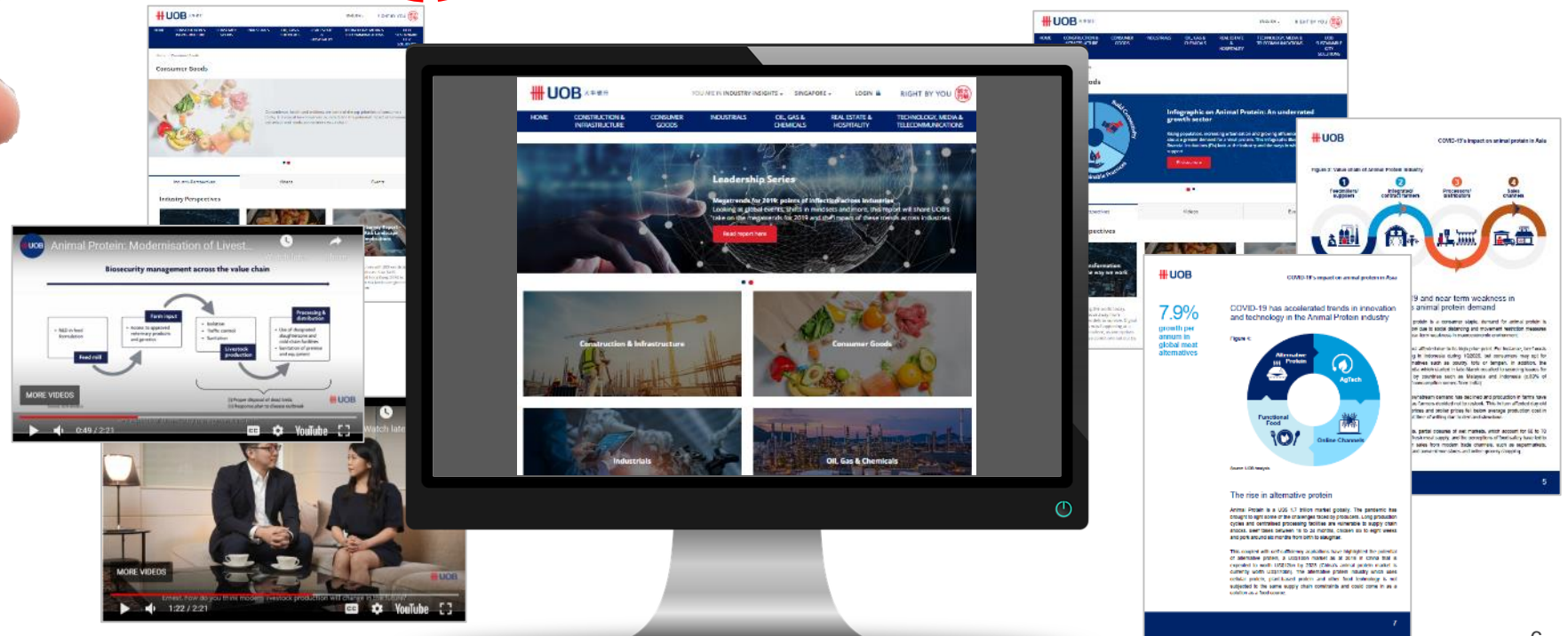
Oil, Gas & Chemicals



Real Estate & Hospitality



Technology, Media & Telecommunications



The collage features a desktop monitor displaying the UOB Industry Insights website with a 'Leadership Series' article. A tablet shows a 'Consumer Goods' article. Several infographics are overlaid, including: 'Animal Protein: Modernisation of Livestock Production', 'Biosafety management across the value chain', '7.9% growth in global most alternatives', 'COVID-19's impact on animal protein in Asia', and 'The rise in alternative protein'.

Beyond banking services: UOB FDI Advisory



1st regional bank to set up a FDI Advisory unit in 2011 to serve as a one-stop service for foreign companies looking to set up regional operations



Dedicated team of local FDI Advisers across 10 FDI centres¹, who are able to provide in-market insights to help you unlock the region's potential



Complete ecosystem of strategic partnership to provide seamless and integrated market entry support



China Desks set up in Singapore, Indonesia, Malaysia, Thailand and Vietnam to support Chinese enterprises' internationalisation

Four UOB Green Umbrella Frameworks

Frameworks and solution suites are applicable across all sectors



Real Estate Sustainable Finance Framework

Advised by KPMG

- Covers both green and sustainability linked financing for global real estate financing across 7 asset classes:



Smart City Sustainable Finance Framework

Framework was supported by MAS
GSLs and Carbon Trust provided SPO

- Supports companies contributing to the creation of sustainable and smart cities through the following:

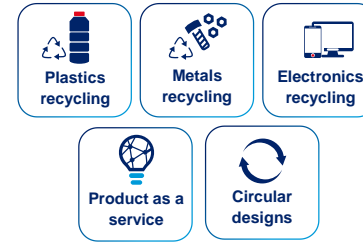


Green Circular Economy Framework

Vigeo Eiris provided Second Party Opinion

- Supports companies in the 3R (renew, reuse and reduce) businesses.

Potential applications:



Green and Sustainable Trade Finance Framework

Framework was supported by MAS
GSLs and Vigeo Eiris provided SPO

- Supports the needs of companies for shorter term financing (<1 year) using a 'principle based' approach

Eligibility:



Pure play green companies or green projects

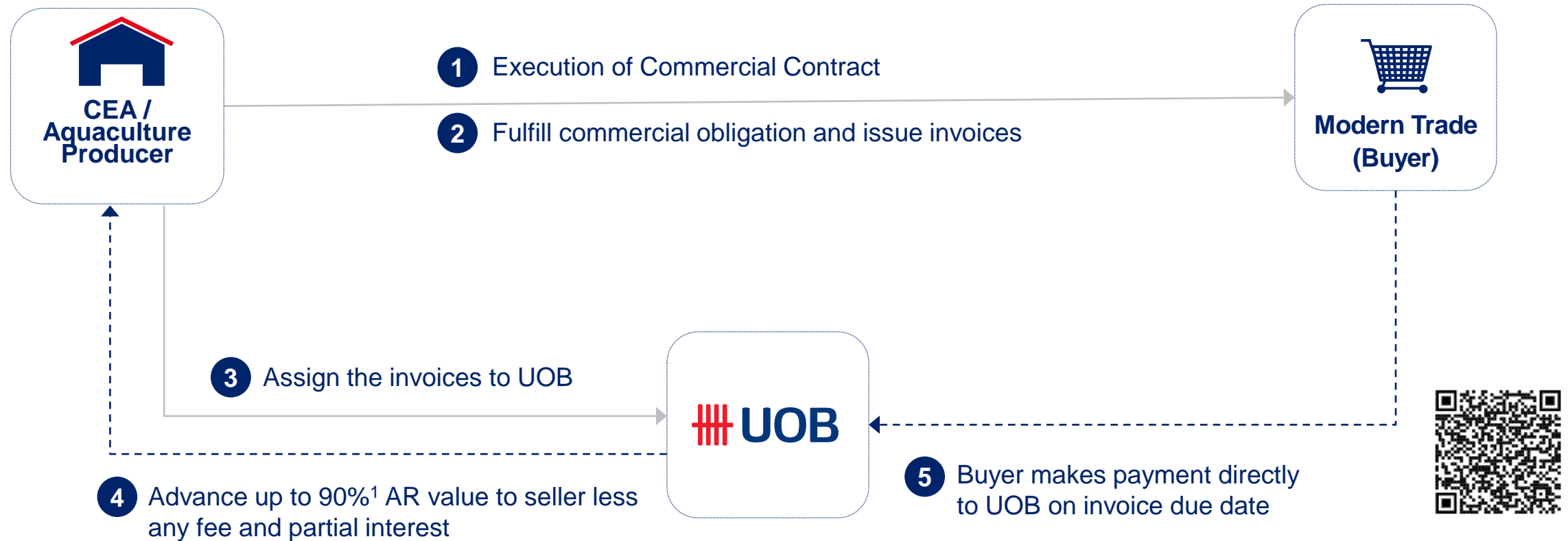


Companies with recognised, sustainable industry certifications.

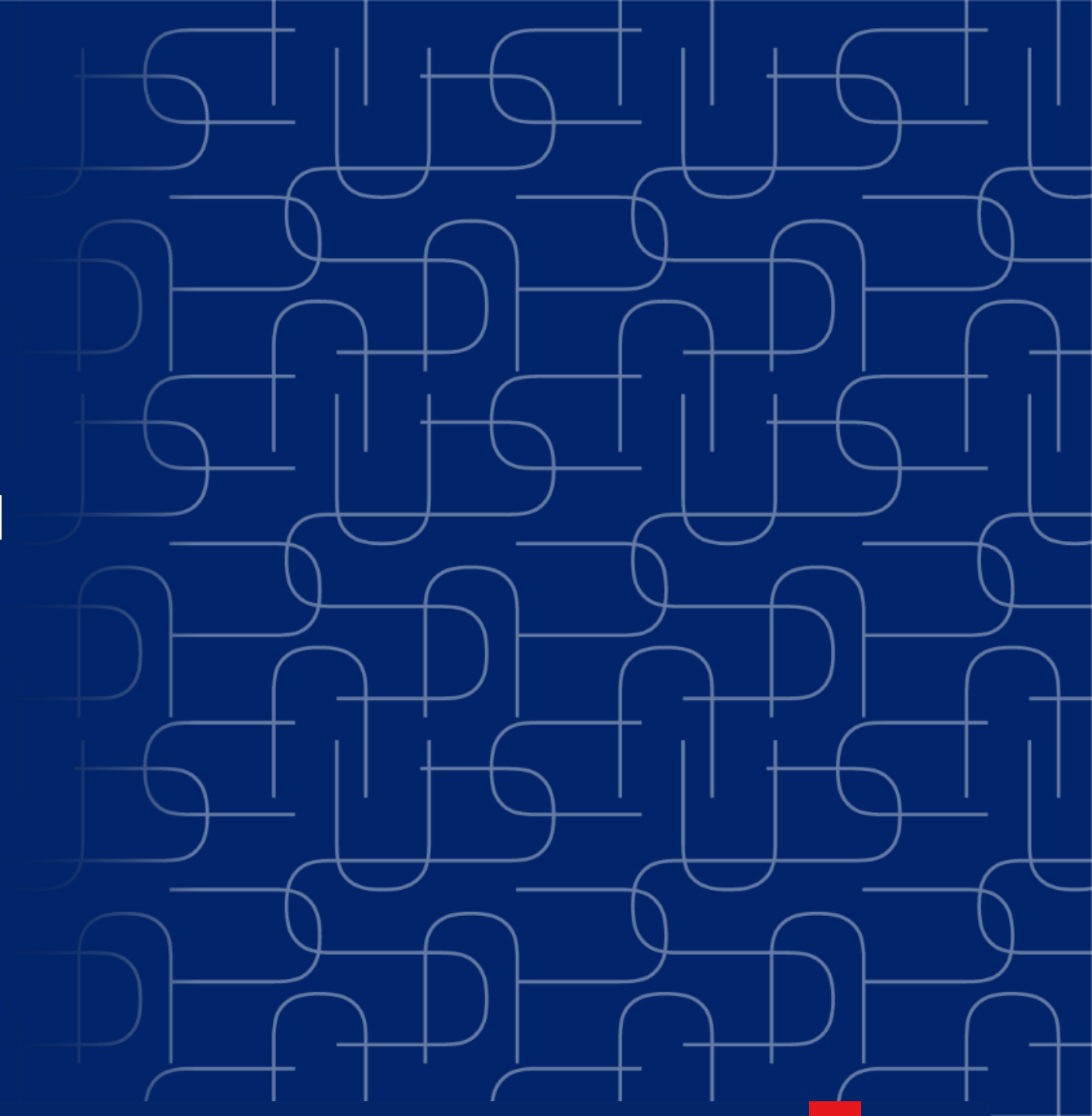


Increasing liquidity through financial supply chain management

Illustration



Financing the Future of Food (Case Studies)



Supporting technology adoption and digitalisation by traditional businesses



Singapore Poultry Hub Pte Ltd



Boong Group



Financing Singapore's poultry industry's first smart and green factory

- Modern factory will employ smart technologies such as robotics, Industry 4.0 and industrial IoT
- Increased capacity by 70% and productivity by 26%
- Waste management system that reduces waste generated by poultry processors



Our support of Singapore Poultry Hub is another example of how we are helping SMEs to transform their business and to seize opportunities from trends such as Industry 4.0.

Mr. Eric Tham

Head of Group Commercial Banking, UOB

Digitalising a traditional business

- The poultry industry has traditionally been driven by exchange of cash and cheques for payment
- App-based collection to reduce cash handling and immediate collection into accounts
- Integration to accounting backend to reduce manual reconciliation



We call it renewing their business model. Leveraging on technology is very crucial to help them grow their business and that is very important.

Ms. So Lay Hua

Head of Group Transaction Banking, UOB

Increasing local food production capabilities



Sky Greens



Barramundi Group



Engineering the Future of Farming

- Urban agriculture solutions to allow more sustainable production with higher yields
- Patented design and technology are being exported to micro-farms in Thailand, China, Vietnam and even Canada through a franchise system
- Supported regional expansion and growth to accelerate scaling up

Sky Greens has now started producing quality vegetables with regular supply to local super markets. Sky Greens has grown into a company with ability to expand overseas with their IP.

Mr. Eric Tham
Head of Group Commercial Banking, UOB

Forging a sustainable future

- World-class aquaculture technology and sustainable fish farming practices
- Focus on sustainable production and sourcing
- Extended first green trade finance facility with the goal of helping sustainable initiatives and strengthen supply chain resilience

Food security and sustainability – these are two focal topics today. We see significant potential in this industry and are well-positioned to connect our clients to such business opportunities in the region

Mr. Leong Yung Chee
Head of Corporate Banking, UOB

&ever: Bringing producers into the region



- German indoor vertical farming company setting up its next mega-farm in Singapore
- Awarded funding under SFA's '30×30 express' grant in October 2020 to ramp up local food production over the next six to 24 months
- UOB provided guidance on various government agencies and real estate options in Singapore leading to successful setting up of its global R&D centre in Singapore



Market consultancy



Guide on setting up a business



Regional HQ and Financial
Treasury Centres (FTC) advisory



Share information on
incentives and grants



Connect with local business
communities and government agencies

**Supported by our
eco-partners**



Tax advisory



Legal and regulatory advisory

UOB. Simplifying sustainability for business.



Sustainable Financing

Simplifying sustainability for business

Integrating sustainability into your business strategy can be complex. Let us be your partner in forging a sustainable future by simplifying sustainability for you.



Access industry insights and **make informed decisions** with reports and videos

Browse sustainable finance frameworks that guide you on **accessing sustainable financing**

Learn more about how UOB's sustainable financing solutions **simplify implementation** of sustainable practices



Visit our website www.UOBgroup.com/sustainable-financing or email us at sustainable-financing@uobgroup.com to find out more.

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