

UOB investment arms sign up to the United Nations-supported Principles for Responsible Investment

UOB Asset Management, UOB Venture Management and UOB Global Capital affirm their commitment to pursue responsible investments

Singapore, 5 January 2020 – United Overseas Bank Limited (UOB) today announced that its investment management subsidiaries, namely UOB Asset Management Ltd (UOBAM), UOB Venture Management Private Limited (UOBVM) and UOB Global Capital LLC (UOBGC)¹, are now signatories of the United Nations (UN)-supported Principles for Responsible Investment (PRI)². The move is testament to UOB's commitment to responsible investing, integrating environmental, social and governance (ESG) considerations into its investment policies, processes and practices and its objective to develop sustainable investment solutions for clients.

The UN-supported PRI is an international network of investors working together to put the six Principles for Responsible Investment³ into practice. By upholding the Principles, UOB will:

1. Incorporate ESG issues into its investment analysis and decision-making processes;
2. Be active owners and incorporate ESG considerations into its ownership policies and practices;
3. Seek appropriate disclosure on ESG issues by the entities in which it invests;
4. Promote the acceptance and implementation of the Principles within the investment industry;
5. Work to enhance its effectiveness in implementing the Principles; and
6. Report on the activities and progress of its investment firms towards implementing the Principles.

Mr Eric Lim, Head of UOB Group Finance and the Chairperson of the Bank's ESG Committee, said, "Sustaining growth responsibly is a key pillar of UOB's sustainability strategy. As such, we consider and manage the ESG risks, challenges, impact and opportunities in all that we do, including our investing activities. With our investment management subsidiaries adopting and implementing the UN-supported PRI, we are underscoring the growing importance of responsible investments and our commitment to advocating for more sustainable financial industry practices."

¹ UOBAM, UOBVM and UOBGC are principally third-party fund management companies.

² Please refer to <https://www.unpri.org/download?ac=6303> for more information on the PRI.

³ Please refer to <https://www.unpri.org/pri/an-introduction-to-responsible-investment/what-are-the-principles-for-responsible-investment> for details on the six Principles.

As at end September 2019, there were more than 2,600 PRI signatories globally, representing US\$89 trillion of assets under management. In Asia, the number of signatories increased 23 per cent in the 12 months prior, with a total of 26 signatories in Singapore⁴. UOB is the first Singapore bank to have its investment companies sign up to the PRI.

MS Fiona Reynolds, CEO of PRI, said, “We are very pleased to welcome United Overseas Bank Limited’s investment management subsidiaries as PRI signatories. The move highlights their commitment to integrate ESG factors into the subsidiaries’ investment strategies and practices.”

UOBAM is one of first regional asset management firms⁵ in Singapore to join the PRI

Since 2017, UOBAM has been progressively incorporating ESG factors in its investment research and securities evaluation and approval processes and is expected to complete the implementation for all asset classes in 2020.

Mr Thio Boon Kiat, Group CEO of UOBAM, said, “Sustainable investing goes hand in hand with our fiduciary duties to investors. As we invest for the future, it is necessary to address the social and environmental issues facing the world today. UOBAM is committed to providing responsible investment solutions for investors across Asia and we use a structured risk management approach to creating sustainable, long-term returns for them. We will continue to enhance our ESG evaluation process by tapping fundamental analysis and technology, such as the use of artificial intelligence, and engage our portfolio companies to help improve their ESG practices. By investing in training our people on relevant regulatory, industry and product trends and developments, we can also offer more ESG-focused funds that will align to the UN Sustainable Development Goals⁶.”

UOBVM signs up to two globally-recognised sustainable investment standards

As UOB’s private equity fund management arm, UOBVM has been actively pursuing responsible and impact investments over many years. In 2004, UOBVM started to integrate ESG considerations into its investment process through the ASEAN China Investment Fund series, which focuses on private, growth

⁴ From end-September 2018 to end-September 2019. Source: *PRI Update, Q4 2019*, PRI.

⁵ UOBAM is 100 per cent owned by UOB, with the shareholdings held in Singapore.

⁶ For more information on the UN Sustainable Development Goals, please refer to <https://www.un.org/sustainabledevelopment/sustainable-development-goals/>.

companies in Southeast Asia and China. In 2015, UOBVM launched its first Asia Impact Investment Fund to invest in companies in Southeast Asia and China that aimed to improve the lives of low-income communities in commercially-sustainable ways. As a result of the efforts by the fund's investee companies, more than 10 million low-income individuals have benefitted from higher income, financial inclusion or better access to affordable quality products and services. The second fund of the Asia Impact Investment Fund series will be launched this month to institutional and high-net-worth investors.

Mr Seah Kian Wee, CEO of UOB Venture Management, said, "In September 2019, UOBVM became the first Singapore signatory to the International Finance Corporation's (IFC) Operating Principles for Impact Management⁷, which aims to provide clear standards for managing and measuring impact investments. By also becoming a signatory to the UN-supported PRI, we are reaffirming our commitment to doing good and to doing well to achieve meaningful social impact and financial returns."

UOBGC affirms commitment to help contribute to sustainable development

Founded in 1998, UOBGC has been tapping UOB's regional expertise in Asia and monitoring economic and market trends closely to offer investment solutions that are suited to the various needs of different types of institutional investors globally. These solutions span various asset classes, from listed equities and fixed income to private equity and real estate.

Mr Howard Berkenfeld, Principal at UOBGC, said, "At UOBGC, we recognise our integral role in the virtuous investment cycle to help bring about economic, environmental and social development. Signing up to the PRI demonstrates our focus on working with our strategic partners within and outside the UOB Group to create and to provide responsible and sustainable investment solutions that can contribute to the long-term progress of local economies and communities."

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About United Overseas Bank

United Overseas Bank Limited (UOB) is a leading bank in Asia with a global network of more than 500 offices in 19 countries and territories in Asia Pacific, Europe and North America. Since its incorporation in 1935, UOB has grown organically and through a series of strategic acquisitions. UOB is rated among the world's top banks: Aa1 by Moody's and AA- by both Standard & Poor's

⁷ Please refer to <https://www.impactprinciples.org/new-signatoriesannouncement> for the list of the signatories.



and Fitch Ratings. In Asia, UOB operates through its head office in Singapore and banking subsidiaries in China, Indonesia, Malaysia, Thailand and Vietnam, as well as branches and representative offices across the region.

Over more than eight decades, generations of UOB employees have carried through the entrepreneurial spirit, the focus on long-term value creation and an unwavering commitment to do what is right for our customers and our colleagues.

We believe in being a responsible financial services provider and we are committed to making a difference in the lives of our stakeholders and in the communities in which we operate. Just as we are dedicated to helping our customers manage their finances wisely and to grow their businesses, UOB is steadfast in our support of social development, particularly in the areas of art, children and education.

About UOB Asset Management

UOB Asset Management Ltd (UOBAM) is a wholly-owned subsidiary of United Overseas Bank Limited. Established in 1986, UOBAM has been managing collective investment schemes and discretionary funds in Singapore for more than 30 years. We currently manage 56 unit trusts in Singapore and are one of the largest unit trust managers in terms of assets under management. As at 30 November 2019, UOBAM and our subsidiaries manage about S\$36.2 billion (US\$26.4 billion) in clients' assets⁸.

UOBAM has an extensive presence in Asia with regional business and investment offices in Brunei, Indonesia, Japan, Malaysia, Singapore, Taiwan and Thailand. Our network includes UOB Alternative Investment Management Pte. Ltd and UOB Islamic Asset Management Sdn Bhd in Malaysia. We have two joint ventures: Ping-An Fund Management Company Limited (China) and UOB- SM DS Asset Management Pte Ltd (Singapore). In addition, we forged strategic alliances with UTI International (India) and Wellington Management Singapore.

About UOB Venture Management

UOB Venture Management Private Limited (UOBVM) is a wholly-owned subsidiary of United Overseas Bank Limited. Since 1992, UOBVM has provided financing to more than 100 privately-held companies through direct equity investment, mainly in Southeast Asia and Greater China. UOBVM advocates responsible investing through making impact investments and integrating ESG considerations into its investment process. As at 30 November 2019, UOBVM has more than S\$1.8 billion in committed capital⁹.

About UOB Global Capital

UOB Global Capital LLC, a global asset management subsidiary of United Overseas Bank Limited, is an originator and distributor of private equity, hedge and real estate products. Founded in 1998, UOB Global Capital has US\$2.9 billion in assets under management¹⁰ as at 30 November 2019. It operates from offices in New York and Paris, with representation at UOB's headquarters in Singapore. In this way, the firm can conduct its activities and meet investors' needs across the Americas,

^{8, 9, 10} The assets under management/committed capital reported by UOBAM, UOBVM and UOBGC may include amounts that are managed concurrently by more than one entity.





Europe, the Middle East and Asia. UOB Global Capital is backed by the resources from UOB, which has acted as co-investor and provided seed capital for a number of its investment funds and products.

For media queries, please contact:

Kelyn Tan

Group Strategic Communications and Brand

Email: Kelyn.TanSW@UOBGroup.com

Tel: (65) 6539 3967

