

UOB extends US\$200 million sustainability-linked loan to Wilmar in support of agricultural sustainability in Asia

Singapore, 15 September 2020 – United Overseas Bank Limited (UOB) is supporting Wilmar International Limited (Wilmar), a leading agribusiness group in Asia, in its ongoing efforts to advance its sustainability agenda through a two-year US\$200 million sustainability-linked loan¹.

In structuring the sustainability-linked loan, UOB worked with Wilmar to identify a list of performance indicators in areas including corporate governance, carbon emissions, land use and biodiversity, community relations and supply chain practices. The performance indicators will help in ensuring that Wilmar's operations are socially and environmentally responsible, as the company furthers its commitment to meeting the global demand for food without causing a drain on resources. This is especially important given that the global population is expected to increase to close to 10 billion by 2050².

The interest rate on the loan will be pegged to Wilmar's achievement of the pre-determined targets that have been set based on the list of performance indicators. Sustainalytics, a global independent provider of environmental, social and governance (ESG) research and ratings will conduct the assessment of whether Wilmar has achieved those targets on an annual basis.

Mr Charles Loo, Wilmar's Chief Financial Officer, said, "In building a responsible business, Wilmar believes that the pursuit of our sustainability goals must encompass all aspects of our operations including seeking sustainable financing solutions at the corporate level. We are very pleased to have UOB's support with this sustainability-linked loan which aligns our sustainability and corporate financing strategies. It is important to Wilmar that we continue to improve our ESG performance as the business grows."

¹ Sustainability-linked loans are loan instruments and/or contingent facilities (such as bonding lines, guarantee lines or letters of credit) which incentivise the borrower's achievement of predetermined sustainability performance objectives. Source: Asia Pacific Loan Market Association. <https://www.aplma.com/en/gsl/41>

² According to data from the United Nations. Source: <https://www.un.org/development/desa/en/news/population/world-population-prospects-2019.html>

Ms Lim Chen Chen, Head of Group Structured Trade and Commodity Finance, UOB, said, “At UOB, we are committed to supporting clients in their ESG efforts through our deep sector knowledge and suite of sustainable financing solutions. Through our sustainability-linked loan to Wilmar, we are able to help them in their efforts to improve the sustainability of their operations and to meet the present needs of society without compromising the ability for future generations to enjoy the resources we have today. We believe that with our understanding of how businesses can achieve growth more sustainably, we will be able to support more companies in the commodity sector in their efforts to achieve positive outcomes for the environment and society.”

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About Wilmar International Limited

Wilmar International Limited, founded in 1991 and headquartered in Singapore, is today Asia’s leading agribusiness group. Wilmar is ranked amongst the largest listed companies by market capitalisation on the Singapore Exchange.

Wilmar’s business activities include oil palm cultivation, oilseed crushing, edible oils refining, sugar milling and refining, manufacturing of consumer products, specialty fats, oleochemicals, biodiesel and fertilisers as well as flour and rice milling. At the core of Wilmar’s strategy is an integrated agribusiness model that encompasses the entire value chain of the agricultural commodity business, from cultivation, processing, merchandising to manufacturing of a wide range of agricultural products. It has over 500 manufacturing plants and an extensive distribution network covering China, India, Indonesia and some 50 other countries and regions. The Group has a multinational workforce of about 90,000 people.

Wilmar’s portfolio of high quality processed agricultural products is the preferred choice of consumers and the food manufacturing industry. Its consumer-packed products have a leading share in many Asian and African countries. Through scale, integration and the logistical advantages of its business model, Wilmar is able to extract margins at every step of the value chain, thereby reaping operational synergies and cost efficiencies. Wilmar is a firm advocate of sustainable growth and is committed to its role as a responsible corporate citizen.

For more information, please visit www.wilmar-international.com

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 Investors Service and AA- by both S&P Global Ratings 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.

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