

**NOT FOR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OR TO ANY U.S. PERSONS EXCEPT TO QUALIFIED INSTITUTIONAL BUYERS (WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT)**

## **UOB successfully prices Singapore's first sustainability bond offering**

*Bank's dual tranche issuance received a resounding response from sustainability-focused investors*

**Singapore, 8 April 2021** – UOB has successfully priced the first sustainability bond<sup>1</sup> offering from Singapore. The US dollar-denominated issuance (Notes) represents the first dual tranche senior (Senior Notes) and Tier 2 instrument (Subordinated Notes) in sustainability format globally from a bank issuer. It achieved a comprehensive investor reach and participation across Asia Pacific, Europe and the US.

The Senior Notes and the Subordinated Notes have been priced at a fixed coupon rate of 1.25 per cent and 2.00 per cent per annum respectively. In aggregate, UOB raised US\$1.50 billion, with a final orderbook of US\$2.75 billion. The debut sustainability format of the dual tranche issuance benefitted from the strong support from sustainability-focused investors<sup>2</sup>, who contributed 60 per cent to the final orderbook.

The deal is the Bank's inaugural issuance under the UOB Sustainable Bond Framework launched in March 2021<sup>3</sup>. This framework is part of the Bank's larger sustainability agenda that is embedded into its business strategy and integrated into its lending policy. The proceeds will be used to finance or to refinance eligible businesses and/or projects in areas such as green buildings and renewable energy, as well as eligible social assets. These include COVID-19-related temporary bridging loans extended to small businesses in Singapore to help them sustain employment and to tide over the challenges from the pandemic.

Mr Wee Ee Cheong, Deputy Chairman and Chief Executive Officer, UOB, said, "Our progressive sustainable financing solutions are integral to how we help businesses across the region advance responsibly. This structured approach is driven by our sustainable finance frameworks, which encourage

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<sup>1</sup> Different from a green bond, the proceeds from a sustainability bond will go toward financing and/or refinancing a mix of eligible green assets and eligible social assets.

<sup>2</sup> Refer to Socially Responsible Investment (SRI) investors with dedicated and specific environmental, social and governance (ESG) investment portfolios, as well as those with ESG criteria embedded into their overall investment guidelines.

<sup>3</sup> The UOB Sustainable Bond Framework is available at <https://www.uobgroup.com/investor-relations/capital-and-funding-information/group-sustainable-bond.html>.

the development of smart cities, green buildings and the circular economy<sup>4</sup>, in alignment with ASEAN governments' focus on addressing rapid urbanisation and increasing infrastructure demand.

“Through our inaugural sustainability bond offering, we are also leveraging our extensive capital markets access to connect global investors with opportunities to channel their capital to support organisations and projects that can make a meaningful impact to the region’s development. In particular, the resounding response from sustainability-focused investors is an affirmation of our role as a catalyst and enabler in forging a sustainable future for all.”

The issue date of the Notes is expected to be 14 April 2021. The Senior Notes are expected to receive ratings of ‘Aa1’ from Moody’s Investors Service and ‘AA-’ from both S&P Global Ratings and Fitch Ratings, while the Subordinated Notes are expected to be rated ‘A2’ by Moody’s Investors Service, ‘BBB+’ by S&P Global Services and ‘A’ by Fitch Ratings.

UOB’s sustainability bond offering will be issued under its US\$15 billion Global Medium Term Note (GMTN) Programme. BNP Paribas, HSBC, Societe Generale and UOB are joint lead managers of this transaction, with Bank of China as co-manager.

The UOB Sustainable Bond Framework is in line with The International Capital Market Association’s Green Bond Principles, Social Bond Principles and the Sustainability Bond Guidelines, as well as the ASEAN Green Bond Standards, Social Bond Standards and Sustainability Bond Standards. Sustainalytics, an independent environmental, social and governance and corporate governance research, ratings and analytics firm, provided the Second-Party Opinion on the UOB Sustainable Bond Framework.

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<sup>4</sup> The sustainable finance frameworks are UOB Smart City Sustainable Finance Framework, UOB Real Estate Sustainable Finance Framework and the UOB Green Circular Economy Framework. For more information, please refer to <https://www.uobgroup.com/industry-insights/uob-sustainable-city-solutions.page>

## Appendix

The principal terms of the Notes are as follows:

*In respect of the Senior Notes,*

<b>Issue Size:</b>	<b>US\$750 million</b>
<b>Issue Price:</b>	<b>99.585% of the principal amount of the Senior Notes</b>
<b>Coupon:</b>	<b>1.25% per annum payable semi-annually in arrear</b>
<b>Currency:</b>	<b>United States Dollars</b>
<b>Maturity:</b>	<b>14 April 2026</b>

*In respect of the Subordinated Notes,*

<b>Issue Size:</b>	<b>US\$750 million</b>
<b>Issue Price:</b>	<b>99.555% of the principal amount of the Subordinated Notes</b>
<b>Interest:</b>	<b>2.00% per annum payable semi-annually in arrear</b>

If the Subordinated Notes are not redeemed or purchased and cancelled on the First Call Date, the interest payable on the Subordinated Notes from (and including) the First Call Date to (but excluding) the Maturity Date shall be reset to a fixed rate per annum equal to the then-prevailing 5-year U.S Treasury Rate plus the Initial Spread of 1.23%.

<b>Currency:</b>	<b>United States Dollars</b>
<b>First Call Date:</b>	<b>14 October 2026</b>
<b>Maturity Date:</b>	<b>14 October 2031</b>

The Subordinated Notes are intended to qualify as Tier 2 regulatory capital of the Bank. The Subordinated Notes may be written down (in whole or in part) and any accrued and unpaid interest may be cancelled in respect of each Subordinated Note, by the Bank upon the occurrence of a Loss Absorption Event. The Loss Absorption Event is the earlier of the Monetary Authority of Singapore (the "MAS") notifying the Bank in writing that it is of the opinion that a write down is necessary or of its decision to make a public sector injection of capital (in each case without which the Bank would become non-viable as determined by MAS).

An application will be made to the Singapore Exchange Securities Trading Limited (the "SGX-ST") for the listing and quotation of the Notes on the SGX-ST. The SGX-ST assumes no responsibility for the correctness of any of the statements made or opinions expressed or reports contained herein. Admission to the Official List of the SGX-ST and quotation of the Notes on the SGX-ST is not to be taken as an indication of the merits of the Bank, its subsidiaries, its associated companies, the GMTN Programme or such Notes.



## **About UOB**

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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