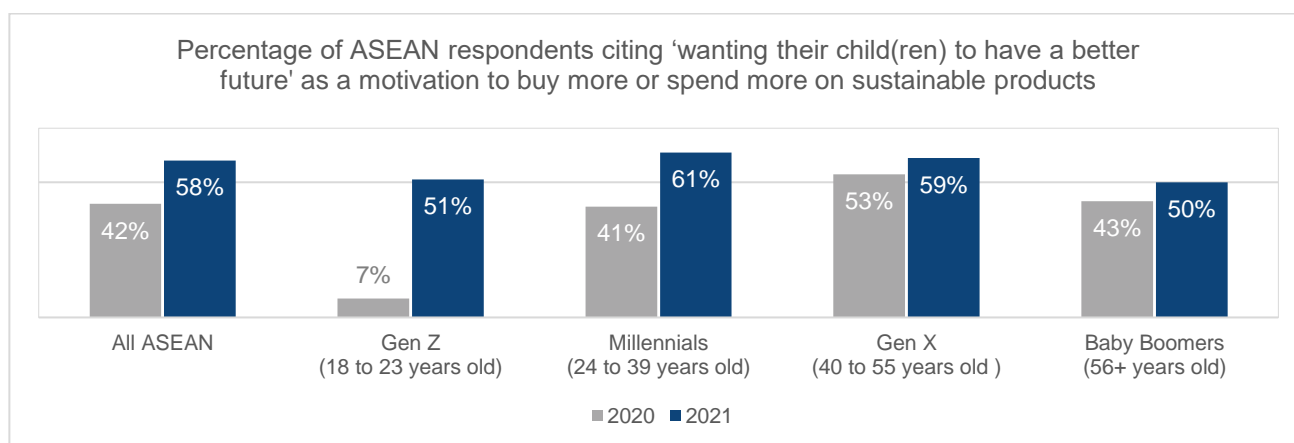


UOB study: More younger consumers in ASEAN to spend on sustainable products to ensure a better future for their children

Nine in 10 consumers also want financial institutions to offer more information and solutions on sustainable investments

Singapore, 30 December 2021 – ASEAN consumers are more influenced by sustainability issues than ever before as they recognise the impact of climate change on their children’s well-being, according to the *UOB ASEAN Consumer Sentiment Study 2021*. Driving this increased awareness of and motivation towards sustainability are the younger generations of consumers, particular Gen Z (aged 18 to 23 years old) and millennials (aged 24 to 39 years old).

One in two (51 per cent) Gen Z respondents in the region said that shaping a better future for current and future generations was a key motivation for spending more on sustainable products. This figure jumped by more than seven times from just seven per cent in 2020. The same sentiment was shared by a growing group of millennials in 2021 – 61 per cent this year compared with 41 per cent last year. In Singapore, more Gen Z (up 23 percentage points to 26 per cent in 2021) and millennial (up 17 percentage points to 45 per cent in 2021) respondents also expressed their hopes for a sustainable future.



Ms Jacquelyn Tan, Head of Group Personal Financial Services, UOB, said, “Sustainability is no longer a nice to have. At UOB, we believe that sustainability starts with consumers’ everyday choices, from where

they live and how they commute to which merchants they spend at and what they invest in. With close to nine in 10 ASEAN respondents saying they want more sustainable investment and financing options, UOB is committed to offering our customers holistic and progressive financial solutions that support them in living more sustainably.

“For example, we launched our UOB EVOL credit card earlier this year giving consumers the option to take action in the course of their everyday choices with eco-friendly deals, covering lifestyle, dining and more. We also introduced green car and home loans to help car owners and homeowners contribute towards a greener and more sustainable future. We are seeing greater interest in these green financial solutions from our millennial customers. Close to five in 10 applicants for our UOB Go Green Car Loan are below the age of 41, whereas they make up only 29 per cent for our normal car loans.”

The study also found that respondents in Singapore have been making changes to their lifestyles to live more sustainably. About one in three (31 per cent) respondents said they have been willing to pay more for sustainably-sourced goods and services, while 36 per cent have been replacing their current basket of goods and services with more sustainable alternatives.

Incentives have been highly effective in motivating respondents in Singapore to go green. Close to nine in 10 respondents (88 per cent) said they would be interested in rewards or rebates to support eco-friendly and environmentally-sustainable businesses. In particular, 81 per cent of respondents were keen on converting reward points earned on their credit cards to green credits for the adoption of renewable energy sources.

Growing appetite for sustainable investments across ASEAN

On top of the increasing interest to be more sustainable, ASEAN consumers are seeking more information and solutions on sustainable investments. Nine in 10 respondents (91 per cent) expressed their hope for financial institutions to provide more information about the benefits of sustainable investing and to offer more options in sustainable investment solutions. This was particularly prevalent in Indonesia (96 per cent), Singapore (91 per cent) and Malaysia (91 per cent).

In Singapore, 13 per cent of respondents already buy sustainable investment products, while another 61 per cent said they are considering and are interested in sustainable investment products if these matched their preferred risk profiles.

Ms Tan said. “We are encouraged by our customers’ strong interest in sustainable investing. The number of customers investing in our environmental, social and governance (ESG)-linked products grew by six times we launched them in late 2020. We expect demand to continue to grow, with more consumers looking to do good and to contribute to sustainable development. In offering more ESG-focused investment products, we are playing our role as a catalyst and enabler in steering consumers’ wealth to sustainable investments.”

The *UOB ASEAN Consumer Sentiment Study* aims to provide a better understanding of ASEAN consumers at a time when the region is undergoing deep social and economic transformation. This is the second edition of the study that was completed in July 2021. Approximately 3,500 respondents from five ASEAN countries were interviewed, including 1,000 from Singapore and more than 600 each from Indonesia, Malaysia, Thailand and Vietnam.

– Ends –

About UOB

United Overseas Bank Limited (UOB) is a leading bank in Asia with a global network of around 500 branches and 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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