

Announcement

Co. Reg. No. 193500026Z

ANNUAL GENERAL MEETING (AGM) TO BE HELD ON 17 APRIL 2026 RESPONSES TO QUESTIONS RECEIVED FROM THE SECURITIES INVESTORS ASSOCIATION (SINGAPORE)

6 April 2026, Singapore – United Overseas Bank Limited (UOB or the Bank) would like to thank the Securities Investors Association (Singapore) (SIAS) for submitting their questions in advance of UOB's AGM to be held at Marina Bay Sands Expo and Convention Centre, Level 4 Roselle and Simpor Ballrooms, 10 Bayfront Avenue, Singapore 018956 on Friday, 17 April 2026 at 3:00pm.

The Bank's responses to the questions are set out below.

- 1. In 2025, the group marked its 90th anniversary since its founding in 1935, having evolved from a single branch at Bonham Building into a regional bank with an established presence across Southeast Asia.**

In the chief executive officer's report, he noted that growth opportunities are increasingly concentrated within the region and reiterated the ambition to become the leading trade bank in Southeast Asia, leveraging its regional connectivity and cross-border capabilities. This ambition is supported by a refined 10-year strategic plan anchored on Southeast Asia's long-term structural growth.

- (i) Considering the group's sharpened focus on Southeast Asia, how does the board view the strategic role of China within the overall portfolio? What changes have been made, or are being contemplated, regarding capital allocation and risk appetite between China and Southeast Asian markets?**

Our strategic focus remains to help our clients grow by expanding within ASEAN and capturing business connectivity opportunities with Greater China, and with the rest of the world. Our Wholesale Bank achieves this through sector specialisation, leveraging ecosystem partnerships and our integrated trade and financial supply chain management platform. Our Retail Bank focuses on the affluent consumer and the growing wealth opportunity.

For UOB, ASEAN remains a critical growth engine, anchored by solid economic fundamentals. The realignment of supply chains is boosting intra-regional trade, creating opportunities for ASEAN exports, particularly for Malaysia and Singapore in artificial intelligence (AI) and electronics.

Similarly, China remains strategically important as a connectivity engine, facilitating ASEAN-China trade, investment and supply-chain flows. China's economic momentum is expected to moderate steadily, supported by domestic consumption and government investments.

Our strategic plan focuses on ASEAN as the core platform and Greater China as a key corridor market that amplifies the Group's regional growth opportunities. Incremental capital deployment is prioritised toward Southeast Asia, where long-term structural growth and rising affluence offer superior risk-adjusted returns. For Greater China, the emphasis will directionally move towards capital-light growth, favouring connectivity-driven businesses.

Our integrated platforms in payments, trade and cash management make banking seamless across ASEAN and the Greater China–ASEAN corridor, supported by strong sector expertise and local insight that deliver one-stop solutions and build long-term relationships. We continue to build best-in-class capabilities in trade finance, financial supply chain management (FSCM), digital payments and collections solutions to meet rising customer demand.

As the world becomes more multipolar and supply chains realign, significant opportunities are created in ASEAN. Regional integration is deepening across trade, the digital economy and energy security. The region remains a top foreign direct investment destination, attracting over US\$225 billion in investments in 2024. This momentum is set to accelerate as ASEAN becomes a more integrated bloc with deeper connectivity to China and the rest of the world.

(ii) Wealth management has become a major strategic priority for other banking peers. What specific role does wealth management play within the group's long-term business model? How does the group assess its competitive positioning in this segment?

Our strategic priority is on reshaping our business model towards a more diversified and fee-driven revenue mix, leveraging our regional scale and connectivity. A competitive wealth management offering is key to achieving these objectives.

Wealth management is a core pillar which is structurally aligned with ASEAN's long-term growth story, supported by rising consumer affluence.

The successful integration of the Citi consumer portfolios has accelerated scale and funding depth, expanding UOB's addressable wealth base and strengthening its position in emerging ASEAN wealth markets.

Our holistic One Bank model and growing advisory strength position us well to support customers' wealth needs. In 2025, wealth assets under management grew 6 per cent and wealth income rose 14 per cent year-on-year.

Rising consumer affluence across the region continued to fuel demand for wealth solutions. We strengthened our ability to capture this growth by differentiating ourselves through our advisory excellence and integrated digital wealth solutions. Across Wealth Banking, Privilege Banking and Private Bank, our CIO-led insights, scalable digital capabilities and disciplined advisory framework supported clients in building and managing their wealth. We will continue to strengthen our Private Bank by expanding advisory talent and investing in technology to serve our customers.

As clients' needs become more sophisticated, our Private Bank deepens this commitment through differentiated advisory and portfolio management. Our Discretionary Portfolio Management (DPM) offering remains a hallmark of our advisory excellence, recognised at the Euromoney Private Banking Awards 2025, where we were named Asia's and Singapore's Best Private Bank for DPM. Driven by our strategic market allocations and well-researched investment choices, our fixed income and equities mandates have performed well. Our disciplined and client-first approach continues to deepen client trust, resulting in high retention, increased client referrals and positive DPM AUM growth of 42 per cent year on year.

The expansion of UOB TMRW digital wealth into Indonesia and Malaysia marked a significant milestone in enabling clients across four markets to access more than 100 funds and to manage their portfolios end-to-end on a single platform. Digital channels remained a key acquisition engine, accounting for one in two new-to-wealth clients, while UOB TMRW contributed 63 per cent of total wealth transactions.

Such examples demonstrate the resilience and scalability of our wealth franchise and reinforce our commitment to being the trusted advisor for clients across every stage of their wealth journey.

A key milestone in 2025 was the completion of the integration of Citigroup's consumer banking businesses in Malaysia, Thailand, Indonesia and Vietnam into the group.

(iii) With integration now completed, how does the board assess the realised performance against the original investment thesis across the four markets? Which value drivers have exceeded expectations, and where have integration challenges, synergy shortfalls or execution risks become apparent?

The Citi acquisition was underpinned by three clear objectives, which are to achieve scale, strengthen regional capabilities and deliver attractive risk-adjusted returns from a high-quality portfolio. Overall, the acquisition thesis has largely played out as intended.

First, scale has been achieved. Following the successful completion of integration, our regional retail franchise now serves more than 8.5 million customers. We retained the Citi customer base, and importantly, customer spending has almost doubled, indicating higher engagement with the Bank. In 2025, UOB was named ASEAN's Best Bank for Consumers by Euromoney, reflecting the strength and resilience of our consumer franchise.

Our expanded customer base strengthens our ability to partner lifestyle providers and deliver more differentiated experiences for our customers. We have reinforced our leadership position as the top Visa and Mastercard card issuer in ASEAN, ranking first in consumer credit card billings for three consecutive years.

The scale and funding depth from this acquisition will also expand UOB's potential customer base for wealth management cross-sell. In FY2025 CASA penetration increased to 66 per cent, while wealth penetration rose to 38 per cent.



2. **Over the past decade, the group's cost-to-income ratio has remained broadly stable, fluctuating within a range of approximately 43% to 46%, despite total assets increasing by about 80% over the same period. For FY2025, the cost-to-income ratio was 44.6%, largely in line with the 10-year average of 44.5%.**

Management has attributed this to continued investments in strategic initiatives, talent, and technology, aimed at enhancing productivity, digital capabilities, regional connectivity and operating infrastructure.

- (i) **What financial and non-financial metrics does the board use to assess the effectiveness of these strategic investments, particularly in terms of productivity gains, cost efficiency, and return on invested capital?**

We are making strategic investments in our technology capabilities to drive future revenue growth (for example, enhancing our digital wealth platform), meet regulatory and risk management requirements (including AML, fraud and scam prevention), and manage technology obsolescence. A key area of focus is the scaling of AI initiatives across the Group.

In assessing the effectiveness of these investments, the Board reviews both financial and non-financial metrics, including:

Revenue related outcomes, such as revenue growth and improved customer engagement from digital and AI enabled capabilities;

Productivity and operational efficiency metrics, including reductions in manual effort, faster processing and turnaround times, and reallocation of resources for higher value work;

Risk and control effectiveness indicators, including improvements in detection, accuracy and risk mitigation outcomes in areas such as AML, fraud and conduct risk.

The Board also recognises that successful value realisation from AI investments depends on people as much as technology. Workforce adoption and capability development are monitored through structured programmes such as the UOB Innovation Academy, which supports responsible and effective use of AI across the Bank.

To strengthen the assessment of return on invested capital, the Group has engaged an independent third party to support the development of a structured framework and measurement tools to attribute investment outlay to measurable impacts and value uplift. This work is underway and will progressively enhance the rigour and transparency of how returns from strategic technology and AI investments are evaluated.

Relative to peers, the group's cost-to-income appears somewhat elevated, with some peers demonstrating a declining trend in recent years.

- (ii) **How is the board guiding management towards achieving better cost-to-income outcomes after a prolonged investment phase? Does the board expect a structural improvement in the cost-to-income ratio towards the 40% level (or below)?**

The Group remains disciplined in cost management. In 2025, total operating expenses declined 2 per cent year-on-year, while the cost-to-income ratio of 44.6 per cent reflected revenue pressures from net interest margin compression amid lower benchmark rates.

Over the medium term, the Group aims to improve the cost-to-income ratio towards the low-40 per cent range through a combination of targeted cost initiatives and revenue growth. This includes optimising support functions, managing discretionary spending and further digitalising front-, middle- and back-office workflows, alongside continued progress towards a more capital-light, fee-driven business mix.

(iii) How does the board benchmark the group's cost efficiency against relevant peers, and what specific initiatives are in place to ensure that the group remains cost competitive while continuing to invest for growth?

Cost efficiency versus relevant peers can be calibrated in both financial and operating cost metrics. Our philosophy is to pace cost growth in tandem with revenue growth while remaining committed to implementing necessary investments in technology capabilities. Our strategic cost initiatives are intended to deliver tangible cost savings to help the group remain cost competitive while continuing to invest for growth.

3. As the group positions itself for its next chapter of growth towards its centenary milestone (UOB100), both the chairman and CEO have emphasised the continuity of the group's core values of honour, enterprise, unity and commitment. In this context, board composition, leadership renewal and succession planning take on heightened strategic importance.

(Note: The matters raised by SIAS in this Question 3 (i) to (iii) actually fall within the purview of UOB's Nominating Committee rather than Remuneration and Human Capital Committee (RHCC). Accordingly they are addressed in the Bank's responses below.)

(i) Does the board/ RHCC see a need to further deepen technology and digital expertise at the board level, given the accelerating pace of technology reshaping banking business models? How is this reflected in the current board skills matrix and future director appointments?

The Board recognises the increasing importance of technology and digital developments shaping the banking industry. The adequacy of the Board's collective skills, including technology-related competencies, is reviewed regularly through the Board skills map and annual evaluation process, as disclosed in the Annual Report.

Oversight of technology initiatives and technology-related risks is exercised by the Board and its committees. In addition, the Board draws on external expertise through its Technology Advisory Panel to support informed oversight. While this approach has served the Bank well, the Board remains open to the potential establishment of a Board-level Technology Committee in the future.

Future director appointments will continue to be considered holistically, based on the Bank's needs and the candidate's skills, qualifications, experience and time commitment.

The current board has an average age 67 years, ranging from 62 to 79, and eight out of the ten directors falling within a relatively narrow age band of 62 to 69.

(ii) What is the RHCC's perspective on generational diversity as a strategic contributor to board effectiveness and future-proofing?

The Board recognises that diversity of perspectives provides broader insights and perspectives and is an important contributor to effective governance and long-term sustainability. The Nominating Committee considers Board composition holistically, taking into account skills, experience, tenure, independence and other diversity dimensions, including age, as part of its ongoing review and succession planning processes. Board renewal is managed in an orderly manner to balance continuity and renewal, ensuring that the Board remains effective and well-positioned to meet the Bank's long-term strategic and governance needs.

(iii) Could the RHCC provide greater clarity on the succession planning process for the roles of board chairman and CEO? What criteria, such as leadership attributes, banking experience, and regional exposure, are being prioritised in identifying and developing potential successors?

The Board and the Nominating Committee regularly review Chairman succession as part of the Bank's ongoing board succession planning process.

A robust succession planning process is in place to identify and develop talent for senior management positions, including the Group CEO, to ensure long-term leadership continuity. In addition to the necessary skills and experience, the Bank places strong emphasis on leadership qualities, teamwork and a values-based culture. The right candidate must provide stability while guiding the Group through a rapidly changing global environment.

By Order of the Board

Jeffrey Beh
Company Secretary