

**UOB-KAY HIAN HOLDINGS LIMITED**  
(Incorporated in the Republic of Singapore)  
Company Registration No. 200004464C  
("Company" and together with its subsidiaries, the "Group")

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**Responses to SGX Queries Regarding Annual Report for the financial year ended 31 December 2021**

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The Board of Directors ("**Board**") of UOB-Kay Hian Holdings Limited, in response to SGX RegCo's queries on 25 April 2022 with regard to the Company's Annual Report for the financial year ended 31 December 2021 ("**Annual Report FY2021**"), wish to provide additional information as follows:

**SGX RegCo's query 1**

Pursuant to Listing Rule 710, an issuer must comply with the principles of the Code of Corporate Governance 2018 (the "Code"). Where an issuer's practices vary from any provisions of the Code, it must explicitly explain how the practices it had adopted are consistent with the intent of the relevant principle. We note that the Company had not complied with Provision 8.1(b) of the Code which requires the Company to disclose the names, amounts and breakdown of remuneration of at least the top five key management personnel (who are not directors or the CEO) in bands no wider than S\$250,000 and in aggregate the total remuneration paid to these key management personnel.

Please explain how the practices adopted by the Company are consistent with the intent of Principle 8 of the Code which requires transparency on, amongst others, the Company's level and mix of remuneration, and the relationships between remuneration, performance and value creation.

**Company's reply**

The Company's remuneration policy is to provide compensation packages at market rates which reward successful performance and attract, retain and motivate directors and key management personnel. The Remuneration Committee ("RC") reviews all details of the remuneration packages of the executive directors and key management personnel ("KMP"), on an individual basis.

Individual remuneration is based on the performance of both the Group and the respective individual, market conditions and remuneration levels within the industry. In assessing individual performance, among other aspects, we consider contributions to short term profitability, long term objectives and risk management.

We make full disclosure of the remuneration of the Directors and Managing Director on page 23 of Annual Report FY2021. For executive directors, this includes an explicit breakdown between fixed salary and variable income. Our KMP are remunerated in a similar manner to the executive directors and their compensation generally includes a high variable component in the form of a discretionary bonus which is determined annually. For 2021, this variable component comprised approximately 78.5% of total remuneration of the KMP. Aggregate discretionary compensation has been and continues to be very closely aligned with Group profitability.

The Company has taken into careful consideration the sensitive and confidential nature of remuneration matters and believes that disclosure of the remuneration packages of the KMP would be disadvantageous to its business and its shareholders' interests given the highly competitive human resource environment that the Company operates in. This sensitivity is exacerbated by the fact that we are the only listed brokerage house in Singapore.

In addition, the Company seeks to promote a collegiate senior team culture focused on collective performance and wishes to minimise individual comparisons.

The Company is of the view that the intent of Principle 8 of the Code is met by the Company's remuneration policy and processes, the role of the RC and by the information provided.

**SGX RegCo's query 2**

Rule 715 requires an issuer to engage a suitable auditing firm for its significant foreign-incorporated subsidiaries and associated companies. With reference to Note 36 (Listing of Companies in the Group) to the financial statements, please clarify whether the following companies are significant subsidiaries and associated companies of the group; and disclose the auditors of these companies:

- PT UOB Kay Hian Sekuritas
- UOB Kay Hian Securities (Philippines), Inc.
- UOB Kay Hian (U.K.) Limited
- UOB Kay Hian (U.S.) Inc.

**Company's reply**

PT UOB Kay Hian Sekuritas is a significant subsidiary and the auditor is Paul Hadiwinata, Hidajat, Arsono, Retno, Palilingan & Rekan (a member firm of PKF International Limited).

UOB Kay Hian Securities (Philippines), Inc., UOB Kay Hian (U.K.) Limited and UOB Kay Hian (U.S.) Inc. are not significant subsidiaries.

By Order of the Board  
**UOB-Kay Hian Holdings Limited**

Josephine Goh  
Company Secretary  
26 April 2022