



OVERSEA-CHINESE BANKING CORPORATION LIMITED

(Incorporated in Singapore)
Company Registration Number: 193200032W

LETTER TO SHAREHOLDERS DATED 5 APRIL 2021 IN RELATION TO

- (1) THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE; AND**
- (2) THE PROPOSED ADOPTION OF THE OCBC DEFERRED SHARE PLAN 2021**

Contents

Letter to Shareholders

1. Introduction	1
2. The Proposed Renewal of the Share Purchase Mandate	1
3. The Proposed Adoption of the OCBC Deferred Share Plan 2021	8
4. Directors' and Substantial Shareholders' Interests	19
5. Directors' Recommendations	20
6. Abstentions from Voting	20
7. Inspection of Documents	20
8. Directors' Responsibility Statement	20

Appendix

Rules of the OCBC Deferred Share Plan 2021	21
--	----

Letter To Shareholders

Oversea-Chinese Banking Corporation Limited
(Incorporated in Singapore)
Company Registration Number: 193200032W

Directors:

Ooi Sang Kuang (*Chairman, Non-Executive and Non-Independent Director*)
Samuel N. Tsien (*Group CEO, Executive and Non-Independent Director*)
Christina Hon Kwee Fong (Christina Ong) (*Independent Director*)
Chua Kim Chiu (*Independent Director*)
Andrew Khoo Cheng Hoe (*Independent Director*)
Koh Beng Seng (*Independent Director*)
Lee Tih Shih (*Non-Executive and Non-Independent Director*)
Pramukti Surjaudaja (*Non-Executive and Non-Independent Director*)
Tan Ngiap Joo (*Independent Director*)
Tan Yen Yen (*Independent Director*)
Wee Joo Yeow (*Independent Director*)

Registered Office:

63 Chulia Street #10-00
OCBC Centre East
Singapore 049514

5 April 2021

To: The Shareholders of
Oversea-Chinese Banking Corporation Limited (**OCBC** or the **Bank**)

Dear Sir/Madam

1. Introduction

1.1 **Background.** We refer to:

- (a) the Notice of the Eighty-Fourth Annual General Meeting (**AGM**) of the Bank dated 5 April 2021 (the **Notice**), convening the Eighty-Fourth AGM of the Bank to be held on 29 April 2021 (the **2021 AGM**);
- (b) Ordinary Resolution 10 relating to the proposed renewal of the Share Purchase Mandate (as defined in paragraph 2.1 below), as proposed in the Notice; and
- (c) Ordinary Resolution 11 relating to the proposed adoption of the OCBC Deferred Share Plan 2021 (the **OCBC DSP 2021**), as proposed in the Notice.

1.2 **Letter to Shareholders.** The purpose of this Letter is to provide shareholders of the Bank (**Shareholders**) with information relating to Ordinary Resolutions 10 and 11 proposed in the Notice (the **Proposals**).

1.3 **SGX-ST.** The Singapore Exchange Securities Trading Limited (the **SGX-ST**) takes no responsibility for the accuracy of any statements or opinions made or reports contained in this Letter.

1.4 **Legal Adviser.** Allen & Gledhill LLP is the legal adviser to the Bank in relation to the Proposals.

1.5 **Advice to Shareholders.** Shareholders who are in any doubt as to the course of action they should take should consult their stockbroker, bank manager, solicitor, accountant or other professional advisers immediately.

2. The Proposed Renewal of the Share Purchase Mandate

2.1 **Background.** Shareholders had approved the renewal of a mandate (the **Share Purchase Mandate**) to enable the Bank to purchase or otherwise acquire its issued ordinary shares (**Ordinary Shares**) at the AGM of the Bank held on 18 May 2020 (the **2020 AGM**). The authority and limitations on the Share Purchase Mandate were set out in the Letter to Shareholders dated 26 April 2020 (the **2020 Letter**) and Ordinary Resolution 10 set out in the Notice of the 2020 AGM.

The Share Purchase Mandate was expressed to take effect on the date of the passing of Ordinary Resolution 10 at the 2020 AGM and will expire on the date of the forthcoming 2021 AGM to be held on 29 April 2021. Accordingly, Shareholders' approval is being sought for the renewal of the Share Purchase Mandate at the 2021 AGM.

2.2 **Rationale for the Share Purchase Mandate.** The Share Purchase Mandate will accord OCBC the opportunity and flexibility to undertake share repurchases at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force. The rationale for the Bank to undertake the purchase or acquisition of its Ordinary Shares is as follows:

- (a) the Share Purchase Mandate will give OCBC the flexibility to adjust its capital structure. With a Share Purchase Mandate, the Bank could achieve a more efficient capital mix to lower its cost of equity and improve return on equity (**ROE**);

Letter To Shareholders

Oversea-Chinese Banking Corporation Limited
(Incorporated in Singapore)
(Company Reg. No: 193200032W)

- (b) the Share Purchase Mandate will provide the Bank with greater flexibility in managing its surplus capital. To the extent that the Bank has surplus capital and funds which are in excess of its requirements, the Share Purchase Mandate will facilitate the return of surplus cash in an expedient and cost efficient manner; and
- (c) the Bank will have the flexibility to purchase or acquire Ordinary Shares for the purposes of meeting delivery obligations pursuant to its employee share schemes.

The purchase or acquisition of Ordinary Shares will only be undertaken if it can benefit the Bank and Shareholders. No purchase or acquisition of Ordinary Shares will be made in circumstances which would have or may have a material adverse effect on the liquidity and capital adequacy positions of the Bank and its subsidiaries (the **Group**) and the Bank and/or the financial condition of the Group and/or affect the status of the Bank as a public limited company listed on the SGX-ST.

- 2.3 **Authority and Limitations on the Share Purchase Mandate.** The authority and limitations placed on the Share Purchase Mandate, if renewed at the 2021 AGM, are substantially the same as were previously approved by Shareholders at the 2020 AGM, and are summarised below:

2.3.1 *Maximum Number of Ordinary Shares*

The total number of Ordinary Shares which may be purchased or acquired by the Bank pursuant to the Share Purchase Mandate is limited to that number of Ordinary Shares representing not more than 5% of the issued Ordinary Shares of the Bank as at the date of the 2021 AGM at which the renewal of the Share Purchase Mandate is approved. Treasury shares and subsidiary holdings (as defined in the listing manual of the SGX-ST (the **Listing Manual**))⁽¹⁾ will be disregarded in the computation of the 5% limit.

As at 8 March 2021 (the **Latest Practicable Date**), the Bank had 900,445 treasury shares and no subsidiary holdings.

Purely for illustrative purposes, on the basis of 4,476,149,646 Ordinary Shares in issue as at the Latest Practicable Date, and disregarding 900,445 Ordinary Shares held in treasury as at the Latest Practicable Date, and assuming that on or prior to the 2021 AGM:

- (a) no further Ordinary Shares are issued pursuant to the exercise of exercisable options to acquire new Ordinary Shares granted pursuant to the OCBC Share Option Scheme 2001 (**OCBC ESOS**);
- (b) no further Ordinary Shares are issued pursuant to the acquisition of Ordinary Shares under the OCBC Employee Share Purchase Plan (**OCBC ESPP**);
- (c) no further Ordinary Shares are purchased or acquired by the Bank and no Ordinary Shares purchased or acquired by the Bank are held as treasury shares; and
- (d) no Ordinary Shares are held as subsidiary holdings,

not more than 223,762,460 Ordinary Shares (representing 5% of the Ordinary Shares in issue (disregarding the Ordinary Shares held in treasury) as at that date) may be purchased or acquired by the Bank pursuant to the proposed Share Purchase Mandate.

2.3.2 *Duration of Authority*

Purchases or acquisitions of Ordinary Shares may be made, at any time and from time to time, on and from the date of the 2021 AGM, at which the renewal of the Share Purchase Mandate is approved, up to:

- (a) the date on which the next AGM of the Bank is held or required by law to be held;
- (b) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied; or
- (c) the date on which purchases and acquisitions of Ordinary Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated,

whichever is the earliest.

⁽¹⁾ "Subsidiary holdings" is defined in the Listing Manual to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act, Chapter 50 of Singapore.

2.3.3 **Manner of Purchases or Acquisitions of Ordinary Shares**

Purchases or acquisitions of Ordinary Shares may be made by way of:

- (a) on-market purchases (**Market Purchases**) effected on the SGX-ST, or on any other stock exchange on which the Ordinary Shares may for the time being be listed or quoted, through one or more duly licensed dealers appointed by the Bank for the purpose; and/or
- (b) off-market purchases (**Off-Market Purchases**) effected otherwise than on a stock exchange, in accordance with an equal access scheme.

The Directors of the Bank (the **Directors**) may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the Listing Manual and the Companies Act, Chapter 50 of Singapore (the **Companies Act**), as they consider fit in the interests of the Bank in connection with or in relation to any equal access scheme or schemes.

An Off-Market Purchase must, however, satisfy all the following conditions:

- (i) offers for the purchase or acquisition of Ordinary Shares shall be made to every person who holds Ordinary Shares to purchase or acquire the same percentage of their Ordinary Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (iii) the terms of all the offers shall be the same, except that there shall be disregarded (1) differences in consideration attributable to the fact that offers may relate to Ordinary Shares with different accrued dividend entitlements and (2) differences in the offers introduced solely to ensure that each person is left with a whole number of Ordinary Shares.

If the Bank wishes to make an Off-Market Purchase in accordance with an equal access scheme, it will issue an offer document containing at least the following information:

- (I) terms and conditions of the offer;
- (II) period and procedures for acceptances; and
- (III) information required under Rules 883(2), (3), (4), (5) and (6) of the Listing Manual.

2.3.4 **Purchase Price**

The purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) to be paid for an Ordinary Share will be determined by the Directors. The maximum price (**Maximum Price**) to be paid for the Ordinary Shares as determined by the Directors must not exceed, in the case of both Market Purchases and Off-Market Purchases, 105% of the Average Closing Price of the Ordinary Shares, excluding related expenses of the purchase or acquisition.

For the above purposes:

Average Closing Price means the average of the last dealt prices of an Ordinary Share for the five consecutive market days on which the Ordinary Shares are transacted on the SGX-ST or, as the case may be, such stock exchange on which the Ordinary Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Bank or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action which occurs during the relevant five-day period and the date of the Market Purchase by the Bank or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase; and

date of the making of the offer means the date on which the Bank announces its intention to make an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Ordinary Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

- 2.4 **Status of Purchased Ordinary Shares.** The Ordinary Shares purchased or acquired by the Bank shall be deemed cancelled immediately on purchase or acquisition, and all rights and privileges attached to those Ordinary Shares will expire on cancellation, unless such Ordinary Shares are held by the Bank as treasury shares. Accordingly, the total number of issued Ordinary Shares will be diminished by the number of Ordinary Shares purchased or acquired by the Bank, which are cancelled and are not held as treasury shares.

Letter To Shareholders

Oversea-Chinese Banking Corporation Limited
(Incorporated in Singapore)
(Company Reg. No: 193200032W)

2.5 **Treasury Shares.** Ordinary Shares purchased or acquired by the Bank may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

2.5.1 **Maximum Holdings**

The number of Ordinary Shares held as treasury shares⁽²⁾ cannot at any time exceed 10% of the total number of issued Ordinary Shares.

2.5.2 **Voting and Other Rights**

The Bank cannot exercise any right in respect of treasury shares. In particular, the Bank cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Bank shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Bank's assets may be made, to the Bank in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

2.5.3 **Disposal and Cancellation**

Where Ordinary Shares purchased or acquired by the Bank are held as treasury shares, the Bank may at any time but subject always to the Singapore Code on Take-overs and Mergers (the **Take-over Code**):

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to any share scheme, whether for employees, directors or other persons;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

Under Rule 704(28) of the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as the date of the sale, transfer, cancellation and/or use of such treasury shares, the purpose of such sale, transfer, cancellation and/or use of such treasury shares, the number of treasury shares which have been sold, transferred, cancelled and/or used, the number of treasury shares before and after such sale, transfer, cancellation and/or use, the percentage of the number of treasury shares against the total number of issued shares (of the same class as the treasury shares) which are listed on the SGX-ST before and after such sale, transfer, cancellation and/or use, and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

2.6 **Source of Funds.** The Bank may purchase or acquire its Ordinary Shares out of capital, as well as from its distributable profits.

The Bank intends to use its internal sources of funds to finance its purchase or acquisition of Ordinary Shares. The Directors do not propose to exercise the Share Purchase Mandate in such a manner and to such extent that the liquidity and capital of the Group would be materially adversely affected.

2.7 **Financial Effects.** The financial effects on the Group and the Bank arising from purchases or acquisitions of Ordinary Shares which may be made pursuant to the proposed Share Purchase Mandate will depend on, *inter alia*, whether the Ordinary Shares are purchased or acquired out of capital or profits of the Bank, the number of Ordinary Shares purchased or acquired, the price at which such Ordinary Shares were purchased or acquired and whether the Ordinary Shares purchased or acquired are held in treasury or cancelled. The financial effects on the Group and the Bank based on the audited financial statements of the Group and the Bank for the financial year ended 31 December 2020 are based on the assumptions set out below.

⁽²⁾ For these purposes, "treasury shares" shall be read as including shares held by a subsidiary under Sections 21(4B) or 21(6C) of the Companies Act, Chapter 50 of Singapore.

2.7.1 **Purchase or Acquisition out of Capital or Profits**

Under the Companies Act, purchases or acquisitions of Ordinary Shares by the Bank may be made out of the Bank's profits and/or capital so long as the Bank is solvent.

Where the consideration paid by the Bank for the purchase or acquisition of Ordinary Shares is made out of profits, such consideration will correspondingly reduce the amount available for the distribution of cash dividends by the Bank.

Where the consideration paid by the Bank for the purchase or acquisition of Ordinary Shares is made out of capital, the amount available for the distribution of cash dividends by the Bank will not be reduced.

2.7.2 **Maximum Price Paid for Ordinary Shares Purchased or Acquired**

Based on the existing issued Ordinary Shares as at the Latest Practicable Date (and disregarding the Ordinary Shares held in treasury), the purchase by the Bank of 5% of its issued Ordinary Shares will result in the purchase or acquisition of 223,762,460 Ordinary Shares.

In the case of both Market Purchases and Off-Market Purchases by the Bank and assuming that the Bank purchases or acquires the 223,762,460 Ordinary Shares at the Maximum Price of S\$11.82 for one Ordinary Share (being the price equivalent to 5% above the Average Closing Price of the Ordinary Shares traded on the SGX-ST for the five consecutive market days immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 223,762,460 Ordinary Shares is approximately S\$2,644.87 million.

2.7.3 **Whether the Ordinary Shares are Cancelled or Held in Treasury**

The financial effects on the Group and the Bank arising from purchases or acquisitions of Ordinary Shares will also depend on whether the Ordinary Shares purchased or acquired are cancelled or held in treasury.

2.7.4 **Illustrative Financial Effects**

For illustrative purposes only, on the basis of the assumptions set out above as well as the following:

- (a) the Share Purchase Mandate had been effective on 1 January 2020;
- (b) 1,573,183 Ordinary Shares delivered for a total consideration of S\$14.57 million pursuant to the exercise of share options granted under the OCBC ESOS between 1 January 2021 and the Latest Practicable Date had been delivered on 1 January 2020 against the transfer of 1,573,183 Ordinary Shares held in treasury;
- (c) 7,607 Ordinary Shares delivered for a total consideration of S\$0.09 million pursuant to the acquisition of Ordinary Shares made pursuant to the OCBC ESPP between 1 January 2021 and the Latest Practicable Date had been delivered on 1 January 2020 against the transfer of 7,607 Ordinary Shares held in treasury;
- (d) no Ordinary Shares were purchased between 1 January 2021 and the Latest Practicable Date; and
- (e) the purchase consideration is funded by the Bank from excess funds hitherto deployed in the interbank market with an average effective yield of 0.34% before tax and the tax rate is assumed to be 17%.

the financial effects on the audited financial statements of the Group and the Bank for the financial year ended 31 December 2020 would have been as follows:

Market Purchases or Off-Market Purchases of up to 5% at 105% of the Average Closing Price

(i) Pro-forma financial effects on the Group and the Bank

	GROUP		BANK	
	Before Share Purchase	After Share Purchase	Before Share Purchase	After Share Purchase
Total Shareholders' Equity (S\$'000)	49,636,363	46,983,944	34,899,311	32,246,892
Ordinary Shareholders' Equity (S\$'000)	48,438,822	45,786,403	33,701,770	31,049,351
Number of Ordinary Shares ('000)	4,475,249	4,251,487	4,475,249	4,251,487
Weighted average number of Ordinary Shares ('000)	4,421,755	4,197,993	4,421,755	4,197,993
Net profit attributable to Shareholders (S\$'000) ⁽¹⁾	3,585,855	3,578,308	2,346,143	2,338,596

Note:

⁽¹⁾ The lower net profit attributable to Shareholders after a share purchase is because the Bank would no longer earn interest on the excess funds used for the purchase of its Ordinary Shares, which, in the above illustration, is accorded an average effective yield of 0.34% per annum before tax of 17%. However, the ROE will increase.

Letter To Shareholders

Oversea-Chinese Banking Corporation Limited
(Incorporated in Singapore)
(Company Reg. No: 193200032W)

(ii) Pro-forma effects on financial ratios of the Group

	Before Share Purchase	After Share Purchase
Net Asset Value per Ordinary Share (S\$)	10.82	10.77
EPS (S\$)	0.80	0.84
ROE (%)	7.5	7.9
Common Equity Tier 1 CAR (%) ⁽²⁾	15.2	13.9
Tier 1 CAR (%) ⁽²⁾	15.8	14.5
Total CAR (%) ⁽²⁾	17.9	16.5

Note:

⁽²⁾ The capital adequacy ratios are computed based on the requirements of the Monetary Authority of Singapore's Notice 637 "Notice on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore".

Shareholders should note that the financial effects set out above are based on the audited financial statements of the Group and the Bank for the financial year ended 31 December 2020 and are for illustration only. The results of the Group and the Bank for the financial year ended 31 December 2020 may not be representative of future performance.

Although the Share Purchase Mandate would authorise the Bank to purchase or acquire up to 5% of the issued Ordinary Shares (excluding treasury shares and subsidiary holdings), the Bank may not necessarily purchase or acquire or be able to purchase or acquire the entire 5% of the issued Ordinary Shares (excluding treasury shares and subsidiary holdings). In addition, the Bank may cancel or hold in treasury all or part of the Ordinary Shares purchased or acquired.

The Bank will take into account both financial and non-financial factors (for example, stock market conditions and the performance of the Ordinary Shares) in assessing the relative impact of a share purchase before execution.

- 2.8 **Listing Status of the Ordinary Shares.** The Listing Manual requires a listed company to ensure that at least 10% of the total number of issued shares (excluding treasury shares, preference shares and convertible equity securities) in a class that is listed is at all times held by public shareholders. As at the Latest Practicable Date, approximately 72.2% of the issued Ordinary Shares (excluding Ordinary Shares held in treasury) are held by public Shareholders. Accordingly, the Bank is of the view that there is a sufficient number of Ordinary Shares in issue (excluding Ordinary Shares held in treasury) held by public Shareholders which would permit the Bank to undertake purchases or acquisitions of its Ordinary Shares through Market Purchases up to the full 5% limit pursuant to the proposed Share Purchase Mandate without affecting the listing status of the Ordinary Shares on the SGX-ST, causing market illiquidity or affecting orderly trading.
- 2.9 **Shareholding Limits.** The Banking Act, Chapter 19 of Singapore (the **Banking Act**) provides, *inter alia*, that, on or after 18 July 2001:
- no person shall become a substantial shareholder of a designated financial institution without first obtaining the approval of the Minister charged with the responsibility for the Banking Act (the **Minister**);
 - no person shall enter into any agreement or arrangement, whether oral or in writing and whether express or implied, to act together with any person with respect to the acquisition, holding or disposal of, or the exercise of rights in relation to, their interests in voting shares of an aggregate of 5% or more of the total votes attached to all voting shares in a designated financial institution (the **5% Limit**), without first obtaining the approval of the Minister; and
 - no person shall become a 12% controller or a 20% controller of a designated financial institution without first obtaining the approval of the Minister.

For the purposes of the Banking Act:

designated financial institution means (i) a bank incorporated in Singapore; or (ii) a financial holding company;

substantial shareholder of a designated financial institution means a person who has a substantial shareholding in the designated financial institution. A person has a substantial shareholding in a designated financial institution if (i) he has an interest or interests in one or more voting shares in the designated financial institution; and (ii) the total votes attached to that share, or those shares, is not less than 5% of the total votes attached to all the voting shares in the designated financial institution;

12% controller means a person, not being a 20% controller, who alone or together with his associates, (i) holds not less than 12% of the total number of issued shares in the designated financial institution; or (ii) is in a position to control voting power of not less than 12% in the designated financial institution; and

20% controller means a person who, alone or together with his associates, (i) holds not less than 20% of the total number of issued shares in the designated financial institution; or (ii) is in a position to control voting power of not less than 20% in the designated financial institution.

The shareholding percentage of a holder of Ordinary Shares (whose Ordinary Shares were not the subject of a share purchase or acquisition by the Bank) in the issued share capital of the Bank immediately following any purchase or acquisition of Ordinary Shares will increase should the Bank cancel the Ordinary Shares purchased or acquired by the Bank.

Similarly, the percentage of voting rights of a holder of Ordinary Shares (whose Ordinary Shares were not the subject of a share purchase or acquisition by the Bank) in the issued share capital of the Bank immediately following any purchase or acquisition of Ordinary Shares will increase should the Bank hold in treasury the Ordinary Shares purchased or acquired by the Bank.

The Bank wishes to draw the attention of Shareholders to the following consequences of a purchase or acquisition of Ordinary Shares by the Bank pursuant to the Share Purchase Mandate, if the renewal of the Share Purchase Mandate is approved by Shareholders:

A purchase or acquisition of Ordinary Shares by the Bank may inadvertently cause the interest in the Ordinary Shares of any person to reach or exceed the 5% Limit or cause any person to become a substantial shareholder, a 12% controller or a 20% controller.

Shareholders whose shareholdings are close to the limits set out in the Banking Act **are advised to ensure that they are in compliance with the requirements of the Banking Act and take such action as may be necessary, including seeking the prior approval of the Minister** to continue to hold, on such terms as may be imposed by the Minister, such number of Ordinary Shares in excess of any of such limits, as a consequence of a purchase or acquisition of Ordinary Shares by the Bank. Shareholders who are in any doubt as to the action that they should take should consult their professional adviser.

2.10 **Take-over Implications.** Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Bank of its Ordinary Shares are set out below:

2.10.1 **Obligation to Make a Take-over Offer**

If, as a result of any purchase or acquisition by the Bank of its Ordinary Shares, the proportionate interest in the voting capital of the Bank of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or a group of Shareholders acting in concert with a Director could obtain or consolidate effective control of the Bank and become obliged to make an offer under Rule 14 of the Take-over Code.

2.10.2 **Persons Acting in Concert**

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company.

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert with each other:

- (a) the following companies:
 - (i) a company;
 - (ii) the parent company of (i);
 - (iii) the subsidiaries of (i);
 - (iv) the fellow subsidiaries of (i);
 - (v) the associated companies of any of (i), (ii), (iii) or (iv);
 - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and
 - (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights; and
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts).

Letter To Shareholders

Oversea-Chinese Banking Corporation Limited
(Incorporated in Singapore)
(Company Reg. No: 193200032W)

The circumstances under which the Shareholders, including the Directors and persons acting in concert with them respectively, will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Ordinary Shares by the Bank are set out in Appendix 2 of the Take-over Code.

2.10.3 Effect of Rule 14 and Appendix 2

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Bank purchasing or acquiring Ordinary Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or in the event that such Directors and their concert parties hold between 30% and 50% of the Bank's voting rights, if the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six months. In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Bank purchasing or acquiring its Ordinary Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Bank's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

Based on the interests of substantial Shareholders as recorded in the Register of Substantial Shareholders as at the Latest Practicable Date, none of the substantial Shareholders would become obliged to make a take-over offer for the Bank under Rule 14 of the Take-over Code as a result of the purchase or acquisition by the Bank of the maximum limit of 5% of its issued Ordinary Shares (excluding treasury shares) as at the Latest Practicable Date.

Shareholders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of any purchase or acquisition of Ordinary Shares by the Bank should consult the Securities Industry Council and/or their professional advisers at the earliest opportunity.

- 2.11 **Listing Rules.** Rule 886(1) of the Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (a) in the case of a Market Purchase, on the market day following the day of purchase or acquisition of any of its shares and (b) in the case of an Off-Market Purchase under an equal access scheme, on the second market day after the close of acceptances of the offer. Such announcement must include, *inter alia*, the maximum number of shares authorised for purchase, the date of the purchase, the total number of shares purchased, the number of shares cancelled, the number of shares held as treasury shares, the purchase price per share or the highest and lowest prices paid for such shares (as applicable), the total consideration (including stamp duties and clearing charges) paid or payable for the shares, the number of shares purchased as at the date of announcement (on a cumulative basis), the number of issued shares excluding treasury shares and subsidiary holdings after the purchase, the number of treasury shares held after the purchase and the number of subsidiary holdings after the purchase.

While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, the Bank will not undertake any purchase or acquisition of Ordinary Shares pursuant to the proposed Share Purchase Mandate at any time after a price or trade sensitive development has occurred or has been the subject of a decision until the price or trade sensitive information has been publicly announced. In particular, the Bank will not purchase or acquire any Ordinary Shares through Market Purchases during the period of one month immediately preceding the announcement of the Bank's half-year and full-year financial statements. The Bank will also not purchase or acquire any Ordinary Shares through Market Purchases during the period of two weeks immediately preceding the announcement of the Bank's voluntary results updates for the first and third quarters of each financial year.

- 2.12 **No Previous Purchases.** As at the Latest Practicable Date, the Bank had not purchased or acquired any of its Ordinary Shares, whether by way of Market Purchases or Off-Market Purchases, pursuant to the Share Purchase Mandate approved by Shareholders at the 2020 AGM.

3. The Proposed Adoption of the OCBC Deferred Share Plan 2021

- 3.1 **Existing Share Plans.** The Bank currently has in place the OCBC ESOS, the OCBC ESPP and the OCBC Deferred Share Plan (**OCBC DSP**) (the OCBC ESOS, the OCBC ESPP and the OCBC DSP, together, the **Existing Share Plans**):

- (a) The OCBC ESOS was implemented in 2001, and extended for a period of 10 years from 2011 to 2021 with the approval of Shareholders at an extraordinary general meeting of the Bank held in April 2011. The OCBC ESOS sought to inculcate in participants a stronger and long-term sense of identification with the Group, and to incentivise participants to achieve higher standards of performance. The OCBC ESOS is due to expire on 2 August 2021, and is not intended to be renewed.

No further options may be granted by the Bank under the OCBC ESOS following its expiry. However, such expiry will not affect the options which have been granted and accepted before the expiry, whether such options have been exercised (whether fully or partially) or not.

- (b) The OCBC ESPP was implemented in 2004, and extended for a period of 10 years from 2014 to 2024 with the approval of Shareholders at an extraordinary general meeting of the Bank held in April 2014. The OCBC ESPP is a savings-based share ownership plan pursuant to which employees can acquire Ordinary Shares through monthly contributions made via deductions from payroll and/or CPF funds.
- (c) The OCBC DSP was implemented in 2003⁽³⁾. The OCBC DSP aims to increase the performance-orientation and retention factor in compensation packages of employees, and to foster an ownership culture within the organisation. No new Ordinary Shares may be issued under the OCBC DSP.

The Bank is proposing to adopt the new OCBC DSP 2021, which will, *inter alia*, allow the Bank to issue new Ordinary Shares to participants, to replace the existing OCBC DSP. The existing OCBC DSP will be terminated following the adoption of the new OCBC DSP 2021. However, such termination will not affect the awards which have been granted, whether such awards have been released (whether fully or partially) or not.

3.2 **Existing Share Options/Rights/Awards.** Details of outstanding share options, rights and awards granted, and Ordinary Shares delivered, under the Existing Share Plans as at the Latest Practicable Date are set out below:

3.2.1 **OCBC ESOS: Share Options**

As at the Latest Practicable Date:

- (a) there are outstanding options (**Share Options**) in respect of 31,200,410 Ordinary Shares (representing approximately 0.70% of the issued Ordinary Shares (excluding treasury shares) as at the Latest Practicable Date) granted under the OCBC ESOS; and
- (b) an aggregate of 127,898,996 Ordinary Shares (representing approximately 2.86% of the issued Ordinary Shares (excluding treasury shares) as at the Latest Practicable Date) have been delivered since the commencement of the OCBC ESOS.

Details of the outstanding Share Options as at the Latest Practicable Date are as follows:

Date of Grant	Exercise Period	Acquisition Price (\$)	Number of Ordinary Shares comprised in Share Options	Number of Participants
14/03/2011	15/03/2012 to 13/03/2021	9.093	60,181	5
14/03/2012	15/03/2013 to 13/03/2022	8.556	1,228,321	36
14/03/2013	15/03/2014 to 13/03/2023	10.018	3,898,277	55
14/03/2014	15/03/2015 to 13/03/2024	9.169	2,858,795	53
16/03/2015	16/03/2016 to 15/03/2025	10.378	4,359,472	97
30/06/2015	30/06/2016 to 29/06/2025	10.254	31,779	1
16/03/2016	16/03/2017 to 15/03/2026	8.814	5,547,969	101
23/03/2017	23/03/2018 to 22/03/2027	9.598	7,034,128	175
04/08/2017	04/08/2018 to 03/08/2027	11.378	18,943	1
29/12/2017	29/12/2018 to 28/12/2027	12.316	5,673	1
22/03/2018	22/03/2019 to 21/03/2028	13.340	6,156,872	255

No Share Options have been granted to controlling shareholders of the Bank or associates of such controlling shareholders, under the OCBC ESOS.

Save as disclosed in this Letter and as provided in the rules of the OCBC ESOS, the Share Options outstanding as at the Latest Practicable Date are not subject to any material conditions.

⁽³⁾ The OCBC DSP was implemented with the approval of the Board of Directors and does not come within the purview of Chapter 8 of the Listing Manual because it allowed for the use of treasury shares before Rule 255 (now Rule 801) of the Listing Manual (which provides that Chapter 8 will apply to an issue of shares out of treasury) was introduced in December 2007.

Letter To Shareholders

Oversea-Chinese Banking Corporation Limited
(Incorporated in Singapore)
(Company Reg. No: 193200032W)

3.2.2 OCBC ESPP: Acquisition Rights

As at the Latest Practicable Date:

- (a) there are outstanding rights (**Acquisition Rights**) to acquire:
- (i) 5,860,498 Ordinary Shares (representing approximately 0.13% of the issued Ordinary Shares (excluding treasury shares) as at the Latest Practicable Date) at S\$11.32 per Ordinary Share granted to 4,681 participants under the fourteenth offering (which commenced on 1 July 2019 and which will expire on 30 June 2021) under the OCBC ESPP; and
 - (ii) 11,847,771 Ordinary Shares (representing approximately 0.26% of the issued Ordinary Shares (excluding treasury shares) as at the Latest Practicable Date) at S\$8.98 per Ordinary Share granted to 7,333 participants under the fifteenth offering (which commenced on 1 July 2020 and which will expire on 30 June 2022) under the OCBC ESPP; and
- (b) an aggregate of 62,559,995 Ordinary Shares (representing approximately 1.4% of the issued Ordinary Shares (excluding treasury shares) as at the Latest Practicable Date) have been delivered since the commencement of the OCBC ESPP.

No Acquisition Rights have been granted to controlling shareholders of the Bank or associates of such controlling shareholders, under the OCBC ESPP.

Save as disclosed in this Letter and as provided in the rules of the OCBC ESPP, the Acquisition Rights outstanding as at the Latest Practicable Date are not subject to any material conditions.

3.2.3 OCBC DSP: Share Awards

As at the Latest Practicable Date:

- (a) there are outstanding awards (**Share Awards**) in respect of 22,666,117 Ordinary Shares (representing approximately 0.51% of the issued Ordinary Shares (excluding treasury shares) as at the Latest Practicable Date) granted under the OCBC DSP; and
- (b) an aggregate of 56,106,897 Ordinary Shares (representing approximately 1.25% of the issued Ordinary Shares (excluding treasury shares) as at the Latest Practicable Date) have been delivered since the commencement of the OCBC DSP.

Details of the outstanding Share Awards as at the Latest Practicable Date are as follows:

Date of Grant	Number of Unvested Ordinary Shares comprised in Share Awards	Number of Participants
22/03/2018	2,759,810	1,191
02/05/2018	107,704	1
31/12/2018	4,677	1
19/03/2019	8,169,232	1,036
30/04/2019	60,167	20
30/04/2019	374,061	1
03/06/2019	2,514	1
02/07/2019	3,662	1
30/09/2019	20,781	1
02/01/2020	20,083	1
17/03/2020	10,703,659	1,249
17/03/2020	9,517	1
19/05/2020	430,250	1

Save as disclosed in this Letter and as provided in the rules of the OCBC DSP, and save for the prescribed time-based and/or other conditions attached to the Share Awards, the Share Awards outstanding as at the Latest Practicable Date are not subject to any material conditions.

No Share Awards have been granted to controlling shareholders of the Bank or associates of such controlling shareholders, under the OCBC DSP.

3.2.4 Grants to Director

Details of Share Options, Acquisition Rights and Share Awards granted to Directors of the Bank holding office as at the Latest Practicable Date are as follows:

Name of Plan/Director	Date of Grant	Number of Ordinary Shares comprised in Share Options/ Acquisition Rights/ Share Awards	Number of Ordinary Shares Delivered*
OCBC ESOS	14/03/2008	250,000	250,000
Samuel N. Tsien	16/03/2009	257,075	257,075
	15/03/2010	205,660	205,660
	14/03/2011	209,709	209,709
	14/03/2012	227,871	227,871
	14/03/2013	978,595	–
	14/03/2014	666,227	–
	16/03/2015	744,867	–
	16/03/2016	1,024,798	–
	23/03/2017	772,350	–
	22/03/2018	409,643	–
OCBC ESPP	01/07/2008	8,706	8,706
Samuel N. Tsien	01/07/2010	4,114	–
	01/07/2011	3,908	3,908
	01/07/2012	4,147	4,147
	01/07/2013	3,730	3,730
	01/07/2014	3,862	–
	01/07/2015	3,515	3,515
	01/07/2016	4,260	4,260
	01/07/2017	3,342	3,342
	01/07/2018	3,103	–
	01/07/2019	3,180	–
	01/07/2020	4,008	–
OCBC DSP	14/03/2008	25,167	28,359
Samuel N. Tsien	16/03/2009	73,529	82,958
	15/03/2010	28,835	32,093
	14/03/2011	63,290	69,319
	14/03/2012	110,169	123,207
	26/04/2013	169,263	192,265
	25/04/2014	238,347	270,763
	29/04/2015	246,063	271,629
	25/04/2016	318,541	349,705
	02/05/2017	220,000	241,000
	02/05/2018	189,135	102,608
	30/04/2019	339,880	–
	19/05/2020	409,894	–

* In relation to the OCBC DSP, includes Ordinary Shares from adjustments made to Share Awards before vesting.

3.3 **Definitions.** For the purposes of paragraphs 3.4 to 3.8 below and in relation to the OCBC DSP 2021, the following expressions shall have the following meanings:

Award means a contingent award of Ordinary Shares granted under the OCBC DSP 2021;

Award Date means, in relation to an Award, the date on which the Award is granted pursuant to the OCBC DSP 2021;

Award Letter means a letter in such form as the Committee shall approve confirming an Award granted to a Grantee by the Committee;

Letter To Shareholders

Oversea-Chinese Banking Corporation Limited
(Incorporated in Singapore)
(Company Reg. No: 193200032W)

Committee means a committee comprising Directors of the Bank, duly authorised and appointed by the Board of Directors of the Bank to administer the OCBC DSP 2021;

Grantee means a Group Executive who has been granted an Award;

Group means the Bank and its subsidiaries;

Group Executive means any current or former employee of the Group (including any Group Executive Director) selected by the Committee to participate in the OCBC DSP 2021; and

Group Executive Director means a director of the Bank and/or any of its subsidiaries, as the case may be, who performs an executive function.

- 3.4 **Rationale.** The new OCBC DSP 2021 is intended to replace the existing OCBC DSP, under which *no* new Ordinary Shares may be issued. By implementing the new OCBC DSP 2021, which *will permit* new Ordinary Shares to be issued, the Bank will have greater flexibility in its methods for delivery of Ordinary Shares, as this can be effected through an issue of new Ordinary Shares, in addition to a transfer of existing Ordinary Shares (including treasury shares). This is the main difference between the existing OCBC DSP and the new OCBC DSP 2021. The OCBC DSP 2021 also contains provisions which are necessary to comply with the relevant provisions of the Listing Manual, as well as some general updates.

The objectives of the new OCBC DSP 2021 are otherwise the same as those for the existing OCBC DSP, which is to align the interests of Group Executives with the sustained business performance of the Bank by way of awards of deferred shares as part of variable performance bonus already earned for the previous year. Accordingly, and as is the case under the existing OCBC DSP, under the new OCBC DSP 2021, Awards are currently intended to be granted annually to eligible Group Executives who are paid variable performance bonuses exceeding a minimum threshold amount for the previous year, with such Awards forming 20% to 40% of their total variable performance bonus for that year. The intention is that 50% of the deferred shares will vest after two years, with the remaining 50% vesting at the end of three years.

As stated in paragraph 3.1 above, the Bank also has in place the OCBC ESPP. In contrast with the performance-based objectives of the proposed OCBC DSP 2021, the OCBC ESPP is a savings-based plan that is open to employees at all staff levels of the Group, thus giving them the opportunity to participate in the OCBC ESPP and have a personal interest in the Group's long-term prosperity. Under the OCBC ESPP, participants can increase their equity interest in the Bank by acquiring Ordinary Shares at an acquisition price that is determined at the commencement of the relevant offering period and paying for such acquisitions through payroll and/or CPF deductions. The OCBC ESPP and OCBC DSP 2021 therefore serve different purposes and complement each other.

Also as stated in paragraph 3.1 above, the OCBC ESOS is due to expire on 2 August 2021, and is not intended to be renewed.

- 3.5 **Listing of New Shares.** The SGX-ST has granted in-principle approval for the listing and quotation of the new Ordinary Shares to be issued pursuant to the OCBC DSP 2021, subject to, *inter alia*, compliance with the SGX-ST's listing requirements and guidelines and independent Shareholders' approval being obtained for the adoption of the OCBC DSP 2021. The SGX-ST's in-principle approval is not to be taken as an indication of the merits of the OCBC DSP 2021, the new Ordinary Shares, the Bank and/or its subsidiaries.
- 3.6 **Summary of Rules.** The following is a summary of the principal rules of the OCBC DSP 2021. The detailed rules of the OCBC DSP 2021 are set out in the Appendix to this Letter.

3.6.1 Eligibility

The following persons, unless they are also controlling shareholders (as defined in the Listing Manual) of the Bank or associates (as defined in the Listing Manual) of such controlling shareholders, shall be eligible to participate in the OCBC DSP 2021 at the absolute discretion of the Committee:

- (a) Group Executives who are current employees of the Group, have attained the age of 21 years and hold the rank of, or a position equivalent to the rank of, Assistant Manager (or such other rank as may be designated by the Committee from time to time) or higher; and
- (b) Group Executives who (A) had retired from the Group during the period of 12 months immediately preceding the proposed date of grant of any Award to such Group Executives; and (B) prior to retirement, had attained the age of 21 years and held the rank of, or a position equivalent to the rank of, Assistant Manager (or such other rank as may be designated by the Committee from time to time) or higher.

As mentioned in paragraph 3.4 above, deferred share awards are intended to represent part of a Grantee's variable performance bonus *already earned* for the previous year. The inclusion of retirees in sub-paragraph (b) above as eligible participants is to cater to that small group of Group employees who retire during the performance year in question, or

quite soon after, and who are no longer Group employees as at the date of grant. Such retirees would have already earned a variable performance bonus for either a pro-rated portion or the whole of the performance year in question, depending on when they retire. The rationale for granting deferred share awards to such retirees is therefore to ensure that they are treated like Group employees to the extent that bonuses earned by them for the performance year in question are subject to the same internal policies and guidelines on the deferral of remuneration as are applicable for Group employees, notwithstanding that such retirees are technically no longer in the employment of the Group at the date of grant of the relevant award.

3.6.2 **Awards**

Awards represent the right of a Grantee to receive fully paid Ordinary Shares, their equivalent cash value or combinations thereof, free of charge, upon expiry of the prescribed vesting periods.

3.6.3 **Grantees**

The selection of a Grantee and the number of Ordinary Shares which are the subject of each Award to be granted to a Grantee in accordance with the OCBC DSP 2021 shall be determined at the absolute discretion of the Committee, which shall take into account such criteria as it considers fit, including (but not limited to) his rank, job performance, years of service, potential for future development and his contribution to the success and development of the Group.

3.6.4 **Details of Awards**

The Committee, in its absolute discretion, shall decide in relation to each Award:

- (a) the Award Date;
- (b) the number of Ordinary Shares which are the subject of the Award;
- (c) the prescribed vesting period(s);
- (d) the release schedule setting out the extent to which the Ordinary Shares, which are the subject of that Award, shall be released at the end of each prescribed vesting period; and
- (e) any other condition which the Committee may determine in relation to that Award.

3.6.5 **Timing**

The Committee has the discretion to grant Awards at any time during the period when the OCBC DSP 2021 is in force. However, as stated in paragraph 3.4 above, the current intention is for Awards to be granted to eligible Group Executives annually as part of the deferred shares component of variable performance bonus already earned for the previous year. An Award Letter confirming the Award and specifying, *inter alia*, the number of Ordinary Shares which are the subject of the Award, the vesting period(s) and the release schedule, will be sent to each Grantee as soon as is reasonably practicable after the making of an Award. The grant of an Award must be accepted by the Grantee within 30 days from the Award Date, failing which it will automatically lapse and become null, void and of no effect.

3.6.6 **Events Prior to Vesting**

Special provisions for the vesting and lapsing of Awards apply in certain circumstances including the following:

- (a) where a Grantee who had been an employee of the Group at the time of the grant ceases at any time to be in the employment of any company within the Group for any reason whatsoever (other than as specified in sub-paragraphs (d) and (f) below);
- (b) an order is made or a resolution is passed for the winding-up of the Bank on the basis, or by reason, of its insolvency;
- (c) the bankruptcy of a Grantee or the happening of any other event which results in his being deprived of the legal or beneficial ownership of an Award;
- (d) where a Grantee who had been an employee of the Group at the time of the grant ceases at any time to be in the employment of any company within the Group by reason of:
 - (i) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);

Letter To Shareholders

Oversea-Chinese Banking Corporation Limited
(Incorporated in Singapore)
(Company Reg. No: 193200032W)

- (ii) redundancy;
- (iii) retirement at or after the retirement age for the time being applicable;
- (iv) retirement before the retirement age for the time being applicable with the consent of the Committee;
- (v) the company by which he is employed ceasing to be a company within the Group, or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group; or
- (vi) any other event approved by the Committee;
- (e) any other event approved by the Committee;
- (f) the death of a Grantee; or
- (g) a take-over, reconstruction or amalgamation of the Bank or an order being made or a resolution passed for the winding-up of the Bank (other than as provided in sub-paragraph (b) above or for amalgamation or reconstruction).

Upon the occurrence of any of the events specified in sub-paragraphs (a) and (b) above, an Award then held by a Grantee shall, as provided in the rules of the OCBC DSP 2021 and to the extent not yet released, immediately lapse without any claim whatsoever against the Bank and/or the Group.

Upon the occurrence of any of the events specified in sub-paragraphs (c), (d) and (e) above, the Committee may, in its absolute discretion, determine whether an Award then held by such Grantee, to the extent not yet released, shall lapse or that all or any part of such Award shall be preserved. If the Committee determines that an Award shall lapse, then such Award shall lapse without any claim whatsoever against the Bank and/or the Group. If the Committee determines that all or any part of an Award shall be preserved, the Committee shall decide as soon as reasonably practicable following such event either to vest some or all of the Ordinary Shares which are the subject of the Award or to preserve all or part of the Award until the end of each vesting period and subject to the provisions of the OCBC DSP 2021. In exercising its discretion, the Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Grantee.

Upon the occurrence of the event specified in sub-paragraph (f) above, where the Grantee held any Award not yet released at the date of his death, such Award shall be preserved, and all of the Ordinary Shares which are the subject of such Award shall vest, in accordance with the release schedule specified in respect of the Award to his executor or personal representative to hold for his estate.

Upon the occurrence of any of the events specified in sub-paragraph (g) above, the Committee may, in its absolute discretion but shall not be obliged to, release any Award. If the Committee decides to release any Award, then in determining the number of Ordinary Shares to be vested in respect of such Award, the Committee will have regard to the proportion of the vesting period(s) which has (have) elapsed.

3.6.7 **Malus and Clawback**

It is a condition of the grant and vesting of each Award to a Grantee (including, for the avoidance of doubt, the rights to receive Ordinary Shares pursuant to such Award) that none of the following exceptional circumstances had occurred or will occur at any time prior to the last day of the period of 6 years following the vesting of an Award (the **Clawback Period**):

- (a) that the grant of such Award had been based (in whole or in part) on materially inaccurate financial statements (irrespective of when such inaccuracy was discovered); and/or
- (b) that such Grantee (or any subordinate over whom such Grantee had, at the material time, oversight responsibilities) had, at any time, engaged in conduct that:
 - (i) has directly or indirectly caused, resulted in and/or contributed to, or is likely (in the view of the Committee) to cause, result in and/or contribute to (whether directly or indirectly):
 - (1) any financial loss or reputational harm to the Bank and/or the Group; and/or
 - (2) the need for a restatement of the financial results or financial statements of the Bank and/or the Group; and/or
 - (3) any adverse change in the risk profile or rating of the Bank and/or the Group; or
 - (ii) is otherwise detrimental to the Bank and/or the Group and/or the business conducted by any member of the Group; and/or

- (c) that such Grantee had, at any time, engaged in any gross misconduct or committed any misfeasance, fraud or breach of trust or duty in relation to the Group or any member of the Group; and/or
- (d) that there had been, at any time, a material breach by the Group or any member of the Group (or any entity, division or section thereof) of any laws, regulations, directions, guidelines or requirements imposed by any competent authority applicable to the Group or any member of the Group; and/or
- (e) that there had been, at any time, a material failure in any of the risk management procedures and/or functions of the Group or any member of the Group; and/or
- (f) that there had been, at any time, a deterioration in the financial performance of the Bank or any member of the Group.

If, before the vesting date in respect of any Award, the Committee in its absolute discretion determines that any of the exceptional circumstances in sub-paragraphs (a) to (f) above has or had occurred, then the Committee may in its absolute discretion cancel all or part of that Award. Each Grantee represents and agrees that he may not, and will not, utilise any personal hedging strategies and/or compensation-related and/or liability-related insurances to undermine or seek to undermine the risk alignment effect of this rule, notwithstanding that such hedging strategies or insurances may be expressed to be for an unrelated purpose. If the Committee determines that a Grantee has breached this rule, the Committee may at its absolute discretion cancel all or part of any Award that has been granted to the Grantee.

If, after the vesting date in respect of any Award and at any time within the Clawback Period, the Committee in its absolute discretion determines that any of the exceptional circumstances in sub-paragraphs (a) to (e) above has or had occurred in respect of the Award or a Grantee to whom the Award has been granted (in each case, such Award, the **Relevant Award**), then the Bank may, in its absolute discretion, exercise its right to clawback the aggregate market value (as at the relevant vesting date) of some or all of the Ordinary Shares delivered following the vesting of the Relevant Award. In the event that the release of the Relevant Award has been made (wholly or partly) in the form of cash rather than Ordinary Shares under the OCBC DSP 2021, the amount of cash received by the Grantee following the vesting of the Relevant Award would also be subject to clawback by the Bank.

3.6.8 **Operation of the OCBC DSP 2021**

Subject to the prevailing legislation and the rules of the Listing Manual, the Bank will have the flexibility to deliver Ordinary Shares under the OCBC DSP 2021 by way of:

- (a) an issue of new Ordinary Shares; and/or
- (b) the delivery of existing Ordinary Shares (including treasury shares).

In determining whether to issue new Ordinary Shares or to deliver existing Ordinary Shares under the OCBC DSP 2021, the Bank will take into account factors such as (but not limited to) the number of Ordinary Shares to be delivered, the number of Ordinary Shares held by the Bank as treasury shares, the prevailing market price of the Ordinary Shares and the cost to the Bank of either issuing new Ordinary Shares or delivering existing Ordinary Shares (including treasury shares).

The financial effects of the above methods are discussed in paragraph 3.8 below.

The Bank has the flexibility, and if circumstances require, to approve the release of an Award, wholly or partly, in the form of cash rather than Ordinary Shares.

New Ordinary Shares allotted and issued, and existing Ordinary Shares transferred or procured by the Bank for transfer pursuant to or for the purposes of the OCBC DSP 2021 shall rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Ordinary Shares, the record date for which is on or after the relevant vesting date, and shall in all other respects rank *pari passu* with other existing Ordinary Shares then in issue.

3.6.9 **Size and Duration**

The total number of new Ordinary Shares that can be issued pursuant to the OCBC DSP 2021 on any date, when added to the total number of new Ordinary Shares issued and issuable pursuant to:

- (a) Awards granted under the OCBC DSP 2021;
- (b) options granted under the OCBC ESOS; and
- (c) rights to acquire Ordinary Shares granted under the OCBC ESPP,

Letter To Shareholders

Oversea-Chinese Banking Corporation Limited
(Incorporated in Singapore)
(Company Reg. No: 193200032W)

shall not exceed 10% of the total number of issued Ordinary Shares (excluding treasury shares and subsidiary holdings (as defined in the Listing Manual)) on the date preceding the date of the relevant Award.

The maximum limit of 10% will provide for sufficient Ordinary Shares to support the use of Awards in the Bank's overall long-term compensation strategy. In addition, it will provide the Bank with the means and flexibility to grant Awards in a meaningful and effective manner to encourage staff retention and to align Grantees' interests more closely with those of Shareholders.

Although the rules of the OCBC DSP 2021 provide for a maximum limit of 10%, the Bank will be seeking Shareholders' approval for a lower limit of 5%, as the Bank does not anticipate that it will require a higher limit before the next AGM.

The Bank may also deliver Ordinary Shares pursuant to Awards granted under the OCBC DSP 2021 in the form of existing Ordinary Shares purchased from the market or from Ordinary Shares held in treasury. Such methods will not be subject to any limit as they do not involve the issuance of any new Ordinary Shares.

The OCBC DSP 2021 shall continue in force at the discretion of the Committee, subject to a maximum period of 10 years commencing on the date on which the OCBC DSP 2021 is adopted by the Bank in general meeting, provided always that the OCBC DSP 2021 may continue beyond the above stipulated period with the approval of Shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.

Notwithstanding the expiry or termination of the OCBC DSP 2021, Awards made to Grantees prior to such expiry or termination will continue to remain valid.

3.6.10 **Adjustments**

If a variation in the share capital of the Bank (whether by way of a bonus or rights issue, reduction, subdivision, consolidation, distribution or otherwise) shall take place, then the Committee may, in its sole discretion, determine whether:

- (a) the class and/or number of Ordinary Shares which are the subject of an Award to the extent not yet vested; and/or
- (b) the class and/or number of Ordinary Shares in respect of which future Awards may be granted under the OCBC DSP 2021,

shall be adjusted and if so, the manner in which such adjustments should be made.

In the event that the Bank declares any dividends or other distributions in respect of the Ordinary Shares, then the number of Ordinary Shares which are the subject of an Award to the extent not yet vested may, if the Committee in its absolute discretion deems appropriate, be adjusted and, if adjusted, in such manner as the Committee may, in its absolute discretion, determine to be appropriate.

Unless the Committee, in its absolute discretion, considers an adjustment to be appropriate, the issue of securities as consideration for an acquisition or a private placement of securities, or upon the exercise of any options or conversion of any loan stock or any other securities convertible into Ordinary Shares or subscription rights of any warrants, or the cancellation of issued Ordinary Shares purchased or acquired by the Bank by way of a Market Purchase of such Ordinary Shares undertaken by the Bank on the SGX-ST during the period when a Share Purchase Mandate granted by Shareholders (including any renewal of such mandate) is in force, shall not normally be regarded as a circumstance requiring adjustment.

Any adjustment (except in relation to a bonus issue) must be confirmed in writing by the auditors of the Bank (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable, unless waiver from such requirement has been obtained from the SGX-ST and, where any such waiver is granted subject to conditions, these conditions have been satisfied. Further, any adjustment must be made in such a way that a Grantee will not receive a benefit that a holder of Ordinary Shares does not receive.

3.6.11 **Modifications**

The OCBC DSP 2021 may be modified and/or altered at any time and from time to time by a resolution of the Committee, in its absolute discretion, subject to the prior approval of the SGX-ST and such other regulatory authorities as may be necessary.

However, no modification or alteration shall alter adversely the rights attached to any Award granted prior to such modification or alteration except with the consent in writing of such number of Grantees who, if their Awards were released to them upon the expiry of the vesting periods applicable to their Awards, would become entitled to not less than three-quarters in number of all the Ordinary Shares which would fall to be vested upon release of all outstanding Awards upon the expiry of all the vesting periods applicable to all such outstanding Awards.

No modification or alteration shall be made to the rules of the OCBC DSP 2021 which relate to matters contained in Rules 844 to 849 and Rules 853 to 854 of the Listing Manual to the advantage of Grantees except with the prior approval of Shareholders in general meeting.

3.6.12 **Disclosures in Annual Reports**

The Bank will make such disclosures or appropriate negative statements (as applicable) in its annual report for so long as the OCBC DSP 2021 continues in operation as from time to time required by the Listing Manual including the following (where applicable):

- (a) the names of the members of the Committee administering the OCBC DSP 2021;
- (b) in respect of the following Grantees of the OCBC DSP 2021:
 - (i) Directors of the Bank; and
 - (ii) Grantees (other than those in sub-paragraph (i) above) who have received Ordinary Shares pursuant to the release of Awards granted under the OCBC DSP 2021 and/or who have been granted options and rights to acquire Ordinary Shares under the OCBC ESOS and the OCBC ESPP which, in aggregate, represent 5% or more of the aggregate of (1) the total number of new Ordinary Shares available under the OCBC DSP 2021, the OCBC ESOS and the OCBC ESPP, and (2) the total number of existing Ordinary Shares delivered pursuant to the OCBC DSP 2021, the OCBC ESOS and the OCBC ESPP,

the following information:

- (aa) the name of the Grantee;
- (bb) Awards granted during the financial year under review (including terms);
- (cc) aggregate Awards granted since commencement of the OCBC DSP 2021 to the end of the financial year under review;
- (dd) the following particulars relating to Awards released under the OCBC DSP 2021 since commencement of the OCBC DSP 2021 to the end of the financial year under review:
 - (1) the number of new Ordinary Shares issued to such Grantee; and
 - (2) the number of existing Ordinary Shares transferred to such Grantee; and
- (ee) aggregate Awards outstanding as at the end of the financial year under review; and
- (c) in relation to the OCBC DSP 2021, the following particulars:
 - (i) the aggregate number of Ordinary Shares comprised in Awards granted under the OCBC DSP 2021 since the commencement of the OCBC DSP 2021 to the end of the financial year under review;
 - (ii) the aggregate number of Ordinary Shares comprised in Awards which have been released under the OCBC DSP 2021 during the financial year under review and in respect thereof, the proportion of:
 - (1) new Ordinary Shares issued; and
 - (2) existing Ordinary Shares transferred and, where existing Ordinary Shares were purchased for delivery, the range of prices at which such Ordinary Shares have been purchased,upon the release of Awards granted under the OCBC DSP 2021; and
 - (iii) the aggregate number of Ordinary Shares comprised in Awards granted under the OCBC DSP 2021 which have not been released as at the end of the financial year under review.

3.7 **Role and Composition of the Committee.** The Remuneration Committee will be designated as the Committee responsible for the administration of the OCBC DSP 2021. The Remuneration Committee currently comprises Mr Tan Ngiap Joo, Ms Christina Hon Kwee Fong (Christina Ong), Mr Ooi Sang Kuang, Mr Koh Beng Seng, Ms Tan Yen Yen and Mr Wee Joo Yeow, all of whom are non-executive and independent Directors of the Bank, except for Mr Ooi who is a non-executive and non-independent Director.

Letter To Shareholders

Oversea-Chinese Banking Corporation Limited
(Incorporated in Singapore)
(Company Reg. No: 193200032W)

In compliance with the requirements of the Listing Manual, a Grantee of the OCBC DSP 2021 who is a member of the Remuneration Committee shall not be involved in its deliberations in respect of Awards to be granted to or held by that member of the Remuneration Committee.

- 3.8 **Financial Effects.** Singapore Financial Reporting Standards (International) 2, Share-based payment (**SFRS(I) 2**), prescribes the accounting treatment for share-based payment transactions. Grantees may receive Ordinary Shares or their equivalent cash value, or combinations thereof. In the event that the Grantees receive Ordinary Shares, the Awards would be accounted for as equity-settled share-based transactions, as described in the following paragraphs.

The fair value of employee services received in exchange for the grant of the Awards would be recognised as a charge to the profit and loss account over the period between the grant date and the vesting date of an Award. The total amount of the charge over the vesting period is determined by reference to the fair value of each Award granted at the grant date and the number of Ordinary Shares vested at the vesting date, with a corresponding credit to reserve account.

The amount charged to the profit and loss account would be the same whether the Bank settles the Awards using new Ordinary Shares or existing Ordinary Shares. There would be no charge to the profit and loss account if the Awards do not ultimately vest.

The following sets out the financial effects of the OCBC DSP 2021.

3.8.1 **Share Capital**

The OCBC DSP 2021 will result in an increase in the Bank's issued ordinary share capital only if new Ordinary Shares are issued to Grantees. The number of new Ordinary Shares issued will depend on, *inter alia*, the size of the Awards granted under the OCBC DSP 2021. In any case, the OCBC DSP 2021 provides that the total number of new Ordinary Shares that can be issued pursuant to the OCBC DSP 2021 on any date, when added to the total number of new Ordinary Shares issued and issuable pursuant to Awards granted under the OCBC DSP 2021, options granted under the OCBC ESOS and rights to acquire Ordinary Shares granted under the OCBC ESPP, shall not exceed 10% of the total number of issued Ordinary Shares (excluding treasury shares and subsidiary holdings) on the date preceding the date of the relevant Award. If, instead of issuing new Ordinary Shares to Grantees, existing Ordinary Shares are delivered to Grantees on vesting, the OCBC DSP 2021 will have no impact on the Bank's issued ordinary share capital.

3.8.2 **Net Tangible Assets**

As described below in the paragraph on Earnings per Share, the OCBC DSP 2021 is likely to result in a charge to the Bank's profit and loss account over the period from the grant date to the vesting date of the Awards. The amount of the charge will be computed in accordance with SFRS(I) 2. If new Ordinary Shares are issued under the OCBC DSP 2021, there would be no effect on net tangible assets (**NTA**). However, if instead of issuing new Ordinary Shares to Grantees, existing Ordinary Shares are purchased from the market and delivered to Grantees or the Bank pays the equivalent cash value, the NTA would decrease by the cost of the existing Ordinary Shares delivered or the cash payment, respectively.

Nonetheless, it should be noted that the delivery of Ordinary Shares to Grantees under the OCBC DSP 2021 will generally be contingent upon the Grantees meeting prescribed service conditions.

3.8.3 **Earnings Per Share**

The OCBC DSP 2021 is likely to result in a charge to earnings over the period from the grant date to the vesting date, computed in accordance with the accounting method as stated above.

Nonetheless, it should again be noted that the delivery of Ordinary Shares to Grantees under the OCBC DSP 2021 will generally be contingent upon the Grantees meeting prescribed service conditions.

3.8.4 **Dilutive Impact**

It is expected that the dilutive impact of the OCBC DSP 2021 on the NTA per share and earnings per share will not be significant.

4. Directors' and Substantial Shareholders' Interests

4.1 **Directors' Interests.** The interests of the Directors in the Ordinary Shares, as extracted from the Register of Directors' Shareholdings, as at the Latest Practicable Date, are set out below:

	Number of Ordinary Shares			% of Issued Ordinary Shares ⁽¹⁾
	Direct Interest	Deemed Interest ⁽²⁾	Total Interest	
Ooi Sang Kuang	54,397	—	54,397	nm ⁽³⁾
Samuel N. Tsien	2,025,154	—	2,025,154	0.05
Christina Hon Kwee Fong (Christina Ong)	24,829	—	24,829	nm ⁽³⁾
Chua Kim Chiu	14,391	—	14,391	nm ⁽³⁾
Andrew Khoo Cheng Hoe	7,167	—	7,167	nm ⁽³⁾
Koh Beng Seng	1,543	—	1,543	nm ⁽³⁾
Lee Tih Shih	11,503,106	—	11,503,106	0.26
Pramukti Surjaudaja	79,050	—	79,050	nm ⁽³⁾
Tan Ngiap Joo	1,400,251	—	1,400,251	0.03
Tan Yen Yen	—	—	—	—
Wee Joo Yeow	76,527	4,892	81,419	nm ⁽³⁾

Number of Ordinary Shares Comprised in Options/Rights/Awards Held

Samuel N. Tsien	5,515,683 ⁽⁴⁾
-----------------	--------------------------

Notes:

⁽¹⁾ Based on 4,475,249,201 issued Ordinary Shares as at the Latest Practicable Date (this is based on 4,476,149,646 Ordinary Shares in issue as at the Latest Practicable Date and disregarding 900,445 Ordinary Shares held in treasury as at the Latest Practicable Date).

⁽²⁾ This represents Ordinary Shares held by spouse.

⁽³⁾ "nm" means not meaningful.

⁽⁴⁾ Comprises: (i) options to acquire 4,596,480 Ordinary Shares granted under the OCBC ESOS; (ii) rights to acquire 7,188 Ordinary Shares granted under the OCBC ESPP; and (iii) 912,015 unvested Ordinary Shares granted under the OCBC DSP.

4.2 **Substantial Shareholders' Interests.** The interests of the substantial Shareholders in the Ordinary Shares, as extracted from the Register of Substantial Shareholders, as at the Latest Practicable Date, are set out below:

	Number of Ordinary Shares			% of Issued Ordinary Shares ⁽¹⁾
	Direct Interest	Deemed Interest	Total Interest	
Lee Foundation	189,310,098 ⁽²⁾	31,835,411 ⁽³⁾	221,145,509	5.13
Selat (Pte) Limited	481,399,533 ⁽⁴⁾	45,153,163 ⁽⁵⁾	526,552,696	12.20

Notes:

⁽¹⁾ Based on the total number of issued Ordinary Shares (excluding treasury shares) as at the date of the latest notification given by the relevant substantial shareholder under the Securities and Futures Act, Chapter 289 of Singapore (SFA).

⁽²⁾ Does not include Ordinary Shares acquired pursuant to OCBC's Scrip Dividend Scheme in October 2019 and October 2020. As the acquisitions did not result in any overall percentage level changes in Lee Foundation's total interest in OCBC, no notification of the changes were required to be given under the SFA.

⁽³⁾ Represents Lee Foundation's deemed interest in (a) the 29,222,140 Ordinary Shares held by Lee Pineapple Company (Pte) Limited, and (b) the 2,613,271 Ordinary Shares held by Peninsula Plantations Sendirian Berhad (Peninsula Plantations). Lee Foundation has, however, informed the Bank in writing that it has ceased to have a deemed interest in the Ordinary Shares held by Peninsula Plantations following a corporate restructuring exercise but that, as the cessation did not result in an overall percentage level change in Lee Foundation's total interest in OCBC, no notification of the change was required to be given under the SFA.

⁽⁴⁾ Does not include Ordinary Shares acquired pursuant to OCBC's Scrip Dividend Scheme in October 2019 and October 2020. As the acquisitions did not result in any overall percentage level changes in Selat (Pte) Limited's (Selat) total interest in OCBC, no notification of the changes were required to be given under the SFA. Selat has also informed the Bank in writing that it has reduced its direct interest in OCBC following a corporate restructuring exercise but that, as the reduction did not result in an overall percentage level change in Selat's total interest in OCBC, no notification of the change was required to be given under the SFA.

⁽⁵⁾ Represents Selat's deemed interest in the 45,153,163 Ordinary Shares held by Herald Investment Pte Ltd (Herald Investment). Selat has, however, informed the Bank in writing that its deemed interest in the Ordinary Shares held by Herald Investment has increased following a corporate restructuring exercise but that, as the increase did not result in an overall percentage level change in Selat's total interest in OCBC, no notification of the change was required to be given under the SFA.

Letter To Shareholders

Oversea-Chinese Banking Corporation Limited
(Incorporated in Singapore)
(Company Reg. No: 193200032W)

5. Directors' Recommendations

- 5.1 **The Proposed Renewal of the Share Purchase Mandate.** The Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the best interests of the Bank. Accordingly, they recommend that Shareholders vote in favour of Ordinary Resolution 10, being the Ordinary Resolution relating to the renewal of the Share Purchase Mandate to be proposed at the 2021 AGM.
- 5.2 **The Proposed Adoption of the OCBC DSP 2021.** The Directors are of the opinion that the proposed adoption of the OCBC DSP 2021 is in the best interests of the Bank. Accordingly, they recommend that Shareholders vote in favour of Ordinary Resolution 11, being the Ordinary Resolution relating to the adoption of the OCBC DSP 2021 to be proposed at the 2021 AGM.

6. Abstentions from Voting

Any Shareholder who is eligible to participate in the OCBC DSP 2021 must abstain from voting his Ordinary Shares on Ordinary Resolution 11 relating to the proposed adoption of the OCBC DSP 2021, and the Bank will disregard any votes cast by such Shareholder in respect of his Ordinary Shares on Ordinary Resolution 11. The Chairman of the 2021 AGM will accept appointment as proxy for any other Shareholder to vote in respect of Ordinary Resolution 11, where such Shareholder has given specific instructions in a validly completed and submitted Proxy Form as to voting, or abstentions from voting, in respect of Ordinary Resolution 11.

7. Inspection of Documents

The Annual Report of the Bank for the financial year ended 31 December 2020 and the 2020 Letter may be accessed at the URL <https://www.ocbc.com/group/investors/annual-report-and-agm.page>.

8. Directors' Responsibility Statement

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Letter and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Letter constitutes full and true disclosure of all material facts about the Proposals, and the Bank and its subsidiaries which are relevant to the Proposals, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading. Where information in this Letter has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in this Letter in its proper form and context.

Yours faithfully
for and on behalf of the Board of Directors of
OVERSEA-CHINESE BANKING CORPORATION LIMITED

OOI SANG KUANG
Chairman

Appendix

Rules of the OCBC Deferred Share Plan 2021



THE OCBC DEFERRED SHARE PLAN 2021
(ADOPTED BY ORDINARY RESOLUTION ON 29 APRIL 2021)

Rules of the OCBC Deferred Share Plan 2021

Oversea-Chinese Banking Corporation Limited
(Incorporated in Singapore)
(Company Reg. No: 193200032W)

1. NAME OF THE PLAN

The Plan shall be called the “OCBC Deferred Share Plan 2021”.

2. DEFINITIONS

2.1 In the Plan, unless the context otherwise requires, the following words and expressions shall have the following meanings:

Act	The Companies Act, Chapter 50 of Singapore.
Adoption Date	The date on which the Plan is adopted by the Bank in general meeting.
Auditors	The auditors of the Bank for the time being.
Award	A contingent award of Shares granted under Rule 5.
Award Date	In relation to an Award, the date on which the Award is granted pursuant to Rule 5.
Award Letter	A letter in such form as the Committee shall approve confirming an Award granted to a Grantee by the Committee.
Bank	Oversea-Chinese Banking Corporation Limited, a company incorporated in Singapore.
CDP	The Central Depository (Pte) Limited.
Committee	A committee comprising Directors of the Bank, duly authorised and appointed by the Board of Directors of the Bank to administer the Plan.
Communication	An Award, including the Award Letter, and/or any correspondence made or to be made under the Plan (individually or collectively).
Constitution	The Constitution of the Bank, as amended from time to time.
Depository Agent	Has the meaning given to it in the Securities and Futures Act, Chapter 289 of Singapore.
Grantee	A Group Executive who has been granted an Award.
Group	The Bank and its subsidiaries.
Group Executive	Any current or former employee of the Group (including any Group Executive Director) selected by the Committee to participate in the Plan in accordance with Rule 4.
Group Executive Director	A director of the Bank and/or any of its subsidiaries, as the case may be, who performs an executive function.
Listing Manual	The Listing Manual of the Singapore Exchange.
Market Day	A day on which the Singapore Exchange is open for trading in securities.
Market Value	In relation to a Share, on any day: (a) the average of the last dealt price of the Shares on the Singapore Exchange over the five (5) consecutive Trading Days immediately preceding that day, as determined by the Committee by reference to the daily official list or any other publication published by the Singapore Exchange; or (b) if the Committee is of the opinion that the Market Value as determined in accordance with (a) above is not representative of the value of a Share, such price as the Committee may determine, such determination to be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

OCBC ESPP	The OCBC Employee Share Purchase Plan, as the same may be modified or altered from time to time.
OCBC SOS 2001	The OCBC Share Option Scheme 2001, as the same may be modified or altered from time to time.
Plan	The OCBC Deferred Share Plan 2021, as the same may be modified or altered from time to time.
Record Date	The date fixed by the Bank for the purposes of determining entitlements to dividends or other distributions to, or rights of, holders of Shares.
Release	In relation to an Award, the release, at the end of each Vesting Period, of the Shares to be released on such date and, to the extent that any Shares which are the subject of the Award are not released pursuant to the Plan, the Award in relation to those Shares shall lapse accordingly and Released shall be construed accordingly.
Release Schedule	In relation to an Award, a schedule in such form as the Committee shall approve, in accordance with which Shares which are the subject of that Award shall be Released at the end of each Vesting Period.
Released Award	An Award which has been released in full or in part in accordance with Rule 8.
Security Device	Any smartcard, digital certificate, digital signature, encryption device, electronic key, logon identifier, password, personal identification number, and/or other code or any access procedure incorporating any one or more of the foregoing, designated by the Bank for use in conjunction with the Plan.
Shares	Ordinary shares of the Bank.
Singapore Exchange	The Singapore Exchange Securities Trading Limited.
Trading Day	A day on which the Shares are traded on the Singapore Exchange.
Vesting	In relation to Shares which are the subject of a Released Award, the absolute entitlement to all or some of the Shares which are the subject of a Released Award and Vest and Vested shall be construed accordingly.
Vesting Date	In relation to Shares which are the subject of a Released Award, the date (as determined by the Committee and notified to the relevant Grantee) on which those Shares are to be Vested pursuant to Rule 8.
Vesting Period	In relation to an Award, each period, the duration of which is to be determined by the Committee on the Award Date, after the expiry of which the relevant number of Shares which are subject to the applicable period shall be Vested to the relevant Grantee on the relevant Vesting Date, subject to Rule 8.
year	Calendar year, unless otherwise stated.
\$	Singapore dollar.
%	Per centum or percentage.

- 2.2 Words importing the singular number shall, where applicable, include the plural number and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter gender.
- 2.3 Any reference to a time of a day in the Plan is a reference to Singapore time.
- 2.4 Any reference in the Plan to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or any statutory modification thereof and not otherwise defined in the Plan and used in the Plan shall have the meaning assigned to it under the Act or any statutory modification thereof, as the case may be.

Rules of the OCBC Deferred Share Plan 2021

Oversea-Chinese Banking Corporation Limited
(Incorporated in Singapore)
(Company Reg. No: 193200032W)

3. OBJECTIVES OF THE PLAN

The Plan is a share incentive plan. The Plan is proposed on the basis that it is important to retain staff whose contributions are essential to the well-being and prosperity of the Group and to give recognition to outstanding Group Executives, who have contributed to the growth of the Group. The Plan will give Grantees an opportunity to have a personal equity interest in the Bank and will help to achieve the following positive objectives:

- (a) to align the interests of Group Executives with the interests of the shareholders of the Bank;
- (b) to retain key Group Executives whose contributions are essential to the long-term growth and profitability of the Group;
- (c) to instill loyalty to, and a stronger identification by Group Executives with the long-term prosperity of, the Group;
- (d) to attract potential Group Executives with relevant skills to contribute to the Group and to create value for the shareholders of the Bank; and
- (e) to motivate the Grantee to optimise his performance standards and efficiency and to maintain a high level of contribution to the Group.

4. ELIGIBILITY OF GRANTEES

The following persons, unless they are also controlling shareholders (as defined in the Listing Manual) of the Bank or associates (as defined in the Listing Manual) of such controlling shareholders, shall be eligible to participate in the Plan at the absolute discretion of the Committee:

- (i) Group Executives who are current employees of the Group, have attained the age of twenty-one (21) years and hold the rank of, or a position equivalent to the rank of, Assistant Manager (or such other rank as may be designated by the Committee from time to time) or higher; and
- (ii) Group Executives who (A) had retired from the Group during the period of 12 months immediately preceding the proposed date of grant of any Award to such Group Executives; and (B) prior to retirement, had attained the age of twenty-one (21) years and held the rank of, or a position equivalent to the rank of, Assistant Manager (or such other rank as may be designated by the Committee from time to time) or higher.

5. GRANT AND ACCEPTANCE OF AWARDS

- 5.1 Subject as provided in Rule 9, the Committee may grant Awards to eligible Group Executives, as the Committee may select, in its absolute discretion, at any time during the period when the Plan is in force.
- 5.2 The number of Shares which are the subject of each Award to be granted to a Grantee in accordance with the Plan shall be determined at the absolute discretion of the Committee, which shall take into account such criteria as it considers fit, including (but not limited to) his rank, job performance, years of service, potential for future development and his contribution to the success and development of the Group.
- 5.3 The Committee, in its absolute discretion, shall decide in relation to an Award:
 - (a) the Grantee;
 - (b) the Award Date;
 - (c) the number of Shares which are the subject of the Award;
 - (d) the Vesting Period(s);
 - (e) the Release Schedule; and
 - (f) any other condition which the Committee may determine in relation to that Award.
- 5.4 The Committee may amend or waive the Vesting Period(s), the Vesting Date(s), the Release Schedule and/or any other condition in respect of any Award at any time, in its absolute discretion, including in the event of:
 - (a) a take-over offer being made for the Shares;

- (b) a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Bank or its amalgamation with another company or companies being approved by shareholders of the Bank and/or sanctioned by the court under the Act or other applicable statute; or
- (c) an order being made or a resolution passed for the winding-up of the Bank (other than as provided in Rule 6.1(b) or for amalgamation or reconstruction),

and shall notify the Grantees of such amendment or waiver.

5.5 As soon as reasonably practicable after making an Award, the Committee shall send, or cause to be sent, to each Grantee an Award Letter confirming the Award and specifying in relation to the Award:

- (a) the Award Date;
- (b) the number of Shares which are the subject of the Award;
- (c) the Vesting Period(s);
- (d) the Release Schedule; and
- (e) any other condition which the Committee may determine in relation to that Award.

5.6 Grantees are not required to pay for the grant of Awards.

5.7 An Award or Released Award shall be personal to the Grantee to whom it is granted and, prior to the allotment and/or transfer to the Grantee of the Shares to which the Released Award relates, shall not be transferred (other than to a Grantee's personal representative, on the death of that Grantee), charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the prior approval of the Committee and if a Grantee shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award or Released Award that Award or Released Award shall immediately lapse.

5.8 The grant of an Award under this Rule 5 shall be accepted by the Grantee within 30 days from the Award Date of that Award and, in any event, not later than 5.00 p.m. on the 30th day from such Award Date by completing, signing and returning to the Bank an acceptance form in or substantially in such form as the Committee may from time to time determine.

5.9 If a grant of an Award is not accepted in the manner as provided in Rule 5.8, such grant shall, upon the expiry of the 30 day period, automatically lapse and become null, void and of no effect.

6. EVENTS PRIOR TO THE VESTING DATE

6.1 An Award shall, to the extent not yet Released, immediately lapse without any claim whatsoever against the Bank and/or the Group in the following events:

- (a) subject to Rules 6.2 and 6.3, where a Grantee who had been an employee of the Group at the time of the grant ceases at any time to be in the employment of any company within the Group for any reason whatsoever; or
- (b) where an order is made or a resolution is passed for the winding-up of the Bank on the basis, or by reason, of its insolvency.

For the avoidance of doubt, no Award shall lapse pursuant to this Rule 6.1(a) in the event of the transfer of employment of a Grantee between companies within the Group.

6.2 In any of the following events, namely:

- (a) the bankruptcy of a Grantee or the happening of any other event which results in his being deprived of the legal or beneficial ownership of an Award;
- (b) where a Grantee who had been an employee of the Group at the time of the grant ceases at any time to be in the employment of any company within the Group by reason of:
 - (i) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);
 - (ii) redundancy;

Rules of the OCBC Deferred Share Plan 2021

Oversea-Chinese Banking Corporation Limited
(Incorporated in Singapore)
(Company Reg. No: 193200032W)

- (iii) retirement at or after the retirement age for the time being applicable;
 - (iv) retirement before the retirement age for the time being applicable with the consent of the Committee;
 - (v) the company by which he is employed ceasing to be a company within the Group, or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group; or
 - (vi) any other event approved by the Committee; or
- (c) any other event approved by the Committee,

the Committee may, in its absolute discretion determine whether an Award then held by such Grantee, to the extent not yet Released, shall lapse or that all or any part of such Award shall be preserved. If the Committee determines that an Award shall lapse, then such Award shall lapse without any claim whatsoever against the Bank and/or the Group. If the Committee determines that all or any part of an Award shall be preserved, the Committee shall decide as soon as reasonably practicable following such event either to Vest some or all of the Shares which are the subject of the Award or to preserve all or part of the Award until the end of each Vesting Period and subject to the provisions of the Plan. In exercising its discretion, the Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Grantee.

6.3 Where a Grantee dies before the expiry of any Vesting Period and, at the date of his death held an Award or Awards not yet Released, such Award or Awards shall be preserved, and all of the Shares which are the subject of such Award or Awards shall Vest, in accordance with the Release Schedule specified in respect of the Award or Awards to his executor or personal representative to hold for his estate.

6.4 Without prejudice to the provisions of Rule 5.4, if before the Vesting Date, any of the following occurs:

- (a) a take-over offer for the Shares becomes or is declared unconditional;
- (b) a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Bank or its amalgamation with another company or companies being approved by shareholders of the Bank and/or sanctioned by the court under the Act or other applicable statute; or
- (c) an order being made or a resolution passed for the winding-up of the Bank (other than as provided in Rule 6.1(b) or for amalgamation or reconstruction),

the Committee may, in its absolute discretion but shall not be obliged to, Release any Award. If the Committee decides to Release any Award, then in determining the number of Shares to be Vested in respect of such Award, the Committee will have regard to the proportion of the Vesting Period(s) which has (have) elapsed. Where Awards are Released, the Committee will, as soon as reasonably practicable after the Awards have been Released, procure the allotment or transfer to each Grantee of the Shares so determined, such allotment or transfer to be made in accordance with Rule 8. If the Committee so determines, the Release of Awards may be satisfied in cash as provided in Rule 8.

6.5 Each Grantee represents and agrees that he may not, and will not, utilise any personal hedging strategies and/or compensation-related and/or liability-related insurances to undermine or seek to undermine the risk alignment effect of Rule 7.2, notwithstanding that such hedging strategies or insurances may be expressed to be for an unrelated purpose. Whether any hedging strategy or insurance falls within this Rule 6.5 shall be determined by the Committee in its absolute discretion and, if the Committee determines that a Grantee has breached the provisions of this Rule 6.5, the Committee may at its absolute discretion cancel all or part of any Award that has been granted to the Grantee.

7. MALUS AND CLAWBACK

7.1 Notwithstanding anything to the contrary contained in any provision of the Plan or any Award Letter, it is a condition of the grant and Vesting of each Award to a Grantee (including, for the avoidance of doubt, the rights to receive Shares pursuant to such Award) that none of the following exceptional circumstances had occurred or will occur at any time prior to the last day of the Clawback Period (as defined in Rule 7.3) of such Award:

- (a) that the grant of such Award had been based (in whole or in part) on materially inaccurate financial statements (irrespective of when such inaccuracy was discovered); and/or
- (b) that such Grantee (or any subordinate over whom such Grantee had, at the material time, oversight responsibilities) had, at any time, engaged in conduct that:

- (i) has directly or indirectly caused, resulted in and/or contributed to, or is likely (in the view of the Committee) to cause, result in and/or contribute to (whether directly or indirectly):
 - (1) any financial loss or reputational harm to the Bank and/or the Group; and/or
 - (2) the need for a restatement of the financial results or financial statements of the Bank and/or the Group; and/or
 - (3) any adverse change in the risk profile or rating of the Bank and/or the Group; or
 - (ii) is otherwise detrimental to the Bank and/or the Group and/or the business conducted by any member of the Group; and/or
- (c) that such Grantee had, at any time, engaged in any gross misconduct or committed any misfeasance, fraud or breach of trust or duty in relation to the Group or any member of the Group; and/or
- (d) that there had been, at any time, a material breach by the Group or any member of the Group (or any entity, division or section thereof) of any laws, regulations, directions, guidelines or requirements imposed by any competent authority applicable to the Group or any member of the Group; and/or
- (e) that there had been, at any time, a material failure in any of the risk management procedures and/or functions of the Group or any member of the Group; and/or
- (f) that there had been, at any time, a deterioration in the financial performance of the Bank or any member of the Group.
- 7.2 If, before the Vesting Date in respect of any Award, the Committee in its absolute discretion determines that any of the exceptional circumstances in Rule 7.1(a) to 7.1(f) has or had occurred, then the Committee may in its absolute discretion cancel all or part of that Award. For the avoidance of doubt, none of such exceptional circumstances shall be deemed to have occurred as a result of any matter occurring prior to the date that the Grantee first became a Group Executive.
- 7.3 If, at any time within the period of 6 years following the Vesting of an Award (the **Clawback Period**), the Committee in its absolute discretion determines that any of the exceptional circumstances in Rule 7.1(a) to 7.1(e) has or had occurred in respect of the Award or a Grantee to whom the Award has been granted (in each case, such Award, the **Relevant Award**), then the Shares delivered to the Grantee and/or, where the Release of the Relevant Award had been made (wholly or partly) in the form of cash rather than Shares pursuant to Rule 8.4, the amount of cash received by the Grantee, following the Vesting of the Relevant Award are subject to clawback by the Bank in accordance with Rule 7.4. For the avoidance of doubt:
- (a) none of such exceptional circumstances shall be deemed to have occurred as a result of any matter occurring prior to the date that the Grantee first became a Group Executive; and
 - (b) the Bank may exercise its right of clawback under this Rule 7.3 in respect of a Relevant Award more than once, provided that each such exercise of the right of clawback by the Bank is in respect of a different event constituting or giving rise to an exceptional circumstance as set out in Rule 7.1(a) to 7.1(e).
- 7.4 The Bank's right of clawback under Rule 7.3 may be exercised, in the absolute discretion of the Bank, in respect of some or all of the Shares delivered to the Grantee and/or, as the case may be, some or all of the cash received by the Grantee in lieu of Shares, following the Vesting of the Relevant Award as follows:
- (a) the Bank shall notify the Grantee to whom such Relevant Award was granted of the following:
 - (i) its determination to exercise its right of clawback; and
 - (ii) the number of Shares in respect of which such right of clawback is exercised (the **Relevant Shares**) and the aggregate Market Value of such Relevant Shares on the Vesting Date of such Relevant Shares (the **Relevant Amount**); and
 - (b) such Grantee shall forthwith pay to the Bank in cash upon demand (which demand may, but need not be, issued at the same time and/or as part of the notification referred to in sub-paragraph (a) above) by the Bank without any right of dispute, set-off, deduction or withholding, the Relevant Amount.

Rules of the OCBC Deferred Share Plan 2021

Oversea-Chinese Banking Corporation Limited
(Incorporated in Singapore)
(Company Reg. No: 193200032W)

8. RELEASE OF AWARDS

8.1 Vesting Period(s)

- 8.1.1 (a) In relation to a Grantee whose eligibility to participate in the Plan falls under Rule 4(i), provided that the relevant Grantee has continued to be a Group Executive from the Award Date up to the end of the relevant Vesting Period, upon the expiry of each Vesting Period in relation to an Award, the Bank shall Release to the relevant Grantee the Shares to which his Award relates in accordance with the Release Schedule specified in respect of his Award on the Vesting Date.
- (b) In relation to a Grantee whose eligibility to participate in the Plan falls under Rule 4(ii), upon the expiry of each Vesting Period in relation to an Award, the Bank shall Release to the relevant Grantee the Shares to which his Award relates in accordance with the Release Schedule specified in respect of his Award on the Vesting Date.
- 8.1.2 Shares which are the subject of a Released Award shall be Vested to a Grantee on the Vesting Date, which shall be a Market Day falling as soon as reasonably practicable after the last day of the relevant Vesting Period and, on (or as soon as reasonably practicable after) the Vesting Date, the Committee, in its absolute discretion, will procure the allotment or transfer to each Grantee of the number of Shares (which may, in the case of a transfer of Shares and to the extent permitted by law, include Shares held by the Bank as treasury shares) so determined.

8.2 Release of Award

- 8.2.1 Where new Shares are allotted pursuant to or for the purposes of the Plan, the Bank shall, as soon as practicable after such allotment, apply to the Singapore Exchange for permission to deal in and for quotation of such Shares.
- 8.2.2 Shares which are allotted or transferred to a Grantee pursuant to the Release of any Award shall be issued in the name of, or transferred to, CDP to the credit of the securities account of that Grantee maintained with CDP or the securities sub-account of that Grantee maintained with a Depository Agent, in each case, as designated by that Grantee. Until such allotment or transfer of such Shares has been effected, that Grantee shall have no voting rights nor any entitlements to dividends or other distributions declared or recommended in respect of any Shares which are the subject of the Award granted to him.

8.3 Ranking of Shares

New Shares allotted and issued, and existing Shares transferred or procured by the Bank for transfer pursuant to or for the purposes of the Plan shall:

- (a) be subject to all the provisions of the Constitution; and
- (b) rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which is on or after the relevant Vesting Date, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

8.4 Cash Awards

The Committee, in its absolute discretion, may determine to make a Release of an Award, wholly or partly, in the form of cash rather than Shares, in which event the Grantee shall receive on (or as soon as reasonably practicable after) the Vesting Date, in lieu of all or part of the Shares which would otherwise have been Released to him on Release of his Award, the aggregate Market Value of such Shares on the Vesting Date.

9. LIMITATION ON THE SIZE OF THE PLAN

- 9.1 The aggregate number of new Shares that can be issued pursuant to the Plan on any date, when added to the total number of new Shares issued and issuable pursuant to:
- (a) Awards granted under the Plan;
- (b) options granted under the OCBC SOS 2001; and
- (c) rights to acquire Shares granted under the OCBC ESPP,

shall not exceed 10% of the total number of issued Shares (excluding treasury shares and subsidiary holdings (as defined in the Listing Manual)) on the date preceding the date of the relevant Award.

- 9.2 Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Committee under the Plan.

10. ADJUSTMENT EVENTS

- 10.1 If a variation in the share capital of the Bank (whether by way of a bonus or rights issue, reduction, subdivision, consolidation, distribution or otherwise) shall take place, then the Committee may, in its sole discretion, determine whether:
- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet Vested; and/or
 - (b) the class and/or number of Shares in respect of which future Awards may be granted under the Plan,
- shall be adjusted and if so, the manner in which such adjustments should be made.
- 10.2 In the event that the Bank declares any dividends or other distributions in respect of the Shares, then the number of Shares which are the subject of an Award to the extent not yet Vested may, if the Committee in its absolute discretion deems appropriate, be adjusted and, if adjusted, in such manner as the Committee may, in its absolute discretion, determine to be appropriate.
- 10.3 Unless the Committee, in its absolute discretion, considers an adjustment to be appropriate, the issue of securities as consideration for an acquisition or a private placement of securities, or upon the exercise of any options or conversion of any loan stock or any other securities convertible into Shares or subscription rights of any warrants, or the cancellation of Shares purchased or acquired by the Bank by way of a market purchase of such Shares undertaken by the Bank on the Singapore Exchange during the period when a share purchase mandate granted by shareholders of the Bank (including any renewal of such mandate) is in force, shall not normally be regarded as a circumstance requiring adjustment.
- 10.4 Notwithstanding the provisions of Rules 10.1 and 10.2:
- (a) any adjustment (except in relation to a bonus issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable, unless waiver from such requirement has been obtained from the Singapore Exchange and, where any such waiver is granted subject to conditions, these conditions have been satisfied; and
 - (b) the adjustment must be made in such a way that a Grantee will not receive a benefit that a holder of Shares does not receive.
- 10.5 Upon any adjustment required to be made pursuant to this Rule 10, the Committee shall notify the Grantee (or his duly appointed personal representatives where applicable) in writing and deliver to him (or his duly appointed personal representatives where applicable) a statement setting forth the class and/or number of Shares which are the subject of the adjusted Award. Any adjustment shall take effect upon such written notification being given or on such date as may be specified in such written notification.

11. ADMINISTRATION OF THE PLAN

- 11.1 The Plan shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board of Directors of the Bank, provided that no member of the Committee shall participate in any deliberation or decision in respect of Awards to be granted to him or held by him.
- 11.2 The Committee, in its absolute discretion, shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with the Plan) for the implementation and administration of the Plan as it thinks fit. Any matter pertaining or pursuant to the Plan and any dispute and uncertainty as to the interpretation of the Plan, any rule, regulation or procedure thereunder or any rights under the Plan shall be determined by the Committee in its absolute discretion.
- 11.3 Neither the Plan nor the grant of Awards under the Plan shall impose on the Bank or the Committee or any of its members any liability whatsoever in connection with:
- (a) the lapsing of any Awards pursuant to any provision of the Plan;
 - (b) the failure or refusal by the Committee to exercise, or the exercise by the Committee of, any discretion under the Plan; and/or
 - (c) any decision or determination of the Committee made pursuant to any provision of the Plan.
- 11.4 Any decision or determination of the Committee made pursuant to any provision of the Plan (other than a matter to be certified by the Auditors) shall be final, binding and conclusive (including for the avoidance of doubt, any decisions pertaining to disputes as to the interpretation of the Plan or any rule, regulation or procedure hereunder or as to any rights under the Plan). The Committee shall not be required to furnish any reasons for any decision or determination made by it.

Rules of the OCBC Deferred Share Plan 2021

Oversea-Chinese Banking Corporation Limited
(Incorporated in Singapore)
(Company Reg. No: 193200032W)

12. NOTICES AND COMMUNICATIONS

- 12.1 Any notice required to be given by a Grantee to the Bank shall be sent or made to the registered office of the Bank or such other addresses (including electronic mail addresses) or facsimile numbers, and marked for the attention of the Committee, as may be notified by the Bank to him in writing.
- 12.2 Any notices or documents required to be given to a Grantee or any correspondence to be made between the Bank and the Grantee shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Bank and shall be:
- (a) delivered to him by hand or sent to him at his Singapore address, electronic mail address or facsimile number according to the records of the Bank or the last known Singapore address, electronic mail address or facsimile number of the Grantee; and/or
 - (b) published on an electronic page, site or environment designated by the Committee (or such person(s) as aforesaid) which is accessible only through the use of the Security Device,
- as the Committee (or such person(s) as aforesaid) may in its absolute discretion elect.
- 12.3 Any notice or other communication from a Grantee to the Bank shall be irrevocable, and shall not be effective until received by the Bank. Any other notice or communication from the Bank to a Grantee shall be deemed to be received by that Grantee, when left at the address specified in Rule 12.2 or, if sent by post, on the day following the date of posting or, if sent by electronic mail or facsimile transmission, on the day of despatch or, if published on an electronic page, site or environment designated by the Committee (or such person(s) as aforesaid), on the day of publication.
- 12.4 A Communication may be communicated electronically through the use of the Security Device, or through an electronic page, site or environment designated by the Committee which is accessible only through the use of the Security Device.
- 12.5 The Bank may accept and act upon any Communication issued and/or transmitted through the use of the Grantee's Security Device pursuant to Rule 12.4 (whether actually authorised by the Grantee or not) as his authentic and duly authorised Communication (and which shall be deemed to have been sent by the designated holder of such Security Device) and the Bank shall be under no obligation to investigate the authenticity or authority of persons effecting the Communication or to verify the accuracy and completeness of the Communication and the Bank may treat the Communication as valid and binding on the Grantee, notwithstanding any error, fraud, forgery, lack of clarity or misunderstanding in the terms of such Communication.
- 12.6 All Communications issued and/or transmitted through the use of the Grantee's Security Device pursuant to Rule 12.4 (whether authorised by the Grantee or not) are irrevocable and binding on the Grantee upon transmission to the Bank and the Bank shall be entitled to effect, perform or process such Communications without the Grantee's further consent and without any further reference or notice to the Grantee.
- 12.7 It shall be the Grantee's sole responsibility to ensure that all information contained in a Communication is complete, accurate, current, true and correct.
- 12.8 The Grantee shall ensure (and shall take all necessary precautions to ensure) that:
- (a) he complies with the Bank's procedural and/or operational guidelines relating to Security Devices;
 - (b) all Security Devices of the Grantee are kept completely confidential and secure; and
 - (c) there is no unauthorised use or abuse of the Grantee's Security Devices.
- 12.9 The Grantee shall notify and/or contact the Bank immediately (**Security Notification**) if he becomes aware, has reason to believe, or suspects that:
- (a) the security or integrity of any Security Device may have been compromised;
 - (b) such Security Device has become known or been revealed to any other person;
 - (c) there has been unauthorised use of the Security Device; and/or
 - (d) such Security Device is lost, damaged, defective or stolen,

(Compromised Security Device) and the Grantee shall immediately cease to use such Compromised Security Device until further notice from the Bank. The Grantee shall be bound by all Communications and transactions resulting from any Communications made which are referable to any Compromised Security Device until such time as the Bank has received the Security Notification from the Grantee.

- 12.10 The Bank's records of the Communications, and its record of any transactions maintained by any relevant person authorised by the Bank relating to or connected with the Plan, whether stored in electronic or printed form, shall be binding and conclusive on the Grantee and shall be conclusive evidence of such Communications and/or transactions. All such records shall be admissible in evidence and the Grantee shall not challenge or dispute the admissibility, reliability, accuracy or the authenticity of the contents of such records merely on the basis that such records were incorporated and/or set out in electronic form or were produced by or are the output of a computer system, and the Grantee waives any of his rights (if any) to so object.
- 12.11 Any provision in the Plan requiring a Communication to be signed by a Grantee may be satisfied in the case of an electronic Communication, by the execution of any on-line act, procedure or routine designated by the Bank to signify the Grantee's intention to be bound by such Communication.

13. MODIFICATIONS TO THE PLAN

- 13.1 Any or all of the provisions of the Plan may be modified and/or altered at any time and from time to time by resolution of the Committee, in its absolute discretion, except that:
- (a) no modification or alteration shall alter adversely the rights attached to any Award granted prior to such modification or alteration except with the consent in writing of such number of Grantees who, if their Awards were Released to them upon the expiry of the Vesting Periods applicable to their Awards, would become entitled to not less than three-quarters in number of all the Shares which would fall to be Vested upon Release of all outstanding Awards upon the expiry of all the Vesting Periods applicable to all such outstanding Awards;
 - (b) the definitions of **Committee, Grantee, Group, Group Executive, Group Executive Director** and **Vesting Period** and the provisions of Rules 4, 5, 6, 8, 9, 10, 11 and this Rule 13 shall not be altered to the advantage of Grantees except with the prior approval of the Bank's shareholders in general meeting; and
 - (c) no modification or alteration shall be made without the prior approval of the Singapore Exchange and such other regulatory authorities as may be necessary.

For the purposes of Rule 13.1(a), the opinion of the Committee as to whether any modification or alteration would adversely alter the rights attached to any Award shall be final, binding and conclusive. For the avoidance of doubt, nothing in this Rule 13.1 shall affect the right of the Committee under any other provision of the Plan to amend or adjust any Award.

- 13.2 Notwithstanding anything to the contrary contained in Rule 13.1, the Committee, in its absolute discretion, may at any time by resolution (and without other formality, save for the prior approval of the Singapore Exchange) amend or alter the Plan in any way to the extent necessary to cause the Plan to comply with, or take into account, any statutory provision (or any amendment or modification thereto, including amendment of or modification to the Act) or the provision or the regulations of any regulatory or other relevant authority or body (including the Singapore Exchange).
- 13.3 Written notice of any modification or alteration made in accordance with this Rule 13 shall be given to all Grantees.

14. TERMS OF EMPLOYMENT UNAFFECTED

The terms of employment of a Grantee (being an employee of the Group at the time of the grant) shall not be affected by his participation in the Plan, which shall neither form part of such terms nor entitle him to take into account such participation in calculating any compensation or damages on the termination of his employment for any reason.

15. DURATION OF THE PLAN

- 15.1 The Plan shall continue to be in force at the discretion of the Committee, subject to a maximum period of ten (10) years commencing on the Adoption Date, provided always that the Plan may continue beyond the above stipulated period with the approval of the Bank's shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.
- 15.2 The Plan may be terminated at any time by the Committee or, at the absolute discretion of the Committee, by ordinary resolution of the Bank in general meeting, subject to all relevant approvals which may be required and if the Plan is so terminated, no further Awards shall be granted by the Committee hereunder.

Rules of the OCBC Deferred Share Plan 2021

Oversea-Chinese Banking Corporation Limited
(Incorporated in Singapore)
(Company Reg. No: 193200032W)

- 15.3 The expiry or termination of the Plan shall not affect Awards which have been granted prior to such expiry or termination, whether such Awards have been Released (whether fully or partially) or not.

16. TAXES

All taxes (including income tax payable by the Grantee) arising from the grant or Release of any Award granted to any Grantee under the Plan shall be borne by that Grantee.

17. COSTS AND EXPENSES OF THE PLAN

- 17.1 Each Grantee shall be responsible for all fees of CDP relating to or in connection with the allotment and issue or transfer of any Shares pursuant to the Release of any Award in CDP's name and, where applicable, the deposit of share certificate(s) for the Shares with CDP, the Grantee's securities account with CDP, or the Grantee's securities sub-account with a Depository Agent.
- 17.2 Save for the taxes referred to in Rule 16 and such other costs and expenses expressly provided in the Plan to be payable by the Grantees, all fees, costs and expenses incurred by the Bank in relation to the Plan including but not limited to the fees, costs and expenses relating to the allotment and issue, or transfer, of Shares pursuant to or for the purposes of the Plan shall be borne by the Bank.

18. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained, the Committee and the Bank, and the Bank's Directors and employees, shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to the Bank's delay in issuing, or procuring the transfer of, the Shares or applying for or procuring the listing of new Shares on the Singapore Exchange in accordance with Rule 8.2.1.

19. DISCLOSURES IN ANNUAL REPORT

The Bank will make such disclosures or appropriate negative statements (as applicable) in its annual report for so long as the Plan continues in operation as from time to time required by the Listing Manual including the following (where applicable):

- (a) the names of the members of the Committee administering the Plan;
- (b) in respect of the following Grantees of the Plan:
- (i) Directors of the Bank; and
 - (ii) Grantees (other than those in sub-paragraph (i) above) who have received Shares pursuant to the Release of Awards granted under the Plan and/or who have been granted options and rights to acquire Shares under the OCBC SOS 2001 and the OCBC ESPP which, in aggregate, represent 5% or more of the aggregate of (1) the total number of new Shares available under the Plan, the OCBC SOS 2001 and the OCBC ESPP, and (2) the total number of existing Shares delivered pursuant to the Plan, the OCBC SOS 2001 and the OCBC ESPP,

the following information:

- (aa) the name of the Grantee;
- (bb) Awards granted during the financial year under review (including terms);
- (cc) aggregate Awards granted since commencement of the Plan to the end of the financial year under review;
- (dd) the following particulars relating to Awards Released under the Plan since commencement of the Plan to the end of the financial year under review:
 - (1) the number of new Shares issued to such Grantee; and
 - (2) the number of existing Shares transferred to such Grantee; and
- (ee) aggregate Awards outstanding as at the end of the financial year under review; and

- (c) in relation to the Plan, the following particulars:
- (i) the aggregate number of Shares comprised in Awards granted under the Plan since the commencement of the Plan to the end of the financial year under review;
 - (ii) the aggregate number of Shares comprised in Awards which have been Released under the Plan during the financial year under review and in respect thereof, the proportion of:
 - (1) new Shares issued; and
 - (2) existing Shares transferred and, where existing Shares were purchased for delivery, the range of prices at which such Shares have been purchased,upon the Release of Awards granted under the Plan; and
 - (iii) the aggregate number of Shares comprised in Awards granted under the Plan which have not been Released as at the end of the financial year under review.

20. COLLECTION, USE AND DISCLOSURE OF PERSONAL DATA

For the purposes of implementing and administering the Plan, and in order to comply with any applicable laws, listing rules, take-over rules, regulations and/or guidelines, the Bank will collect, use and disclose the personal data of the Grantees, as contained in each Award Letter and/or any other notice or communication given or received pursuant to the Plan, and/or which is otherwise collected from the Grantees (or their authorised representatives). By participating in the Plan, each Grantee consents to the collection, use and disclosure of his personal data for all such purposes, including disclosure of data to related corporations of the Bank and/or third parties who provide services to the Bank (whether within or outside Singapore), and to the collection, use and further disclosure by such parties for such purposes. Each Grantee also warrants that where he discloses the personal data of third parties to the Bank in connection with this Plan, he has obtained the prior consent of such third parties for the Bank to collect, use and disclose their personal data for the abovementioned purposes, in accordance with any applicable laws, regulations and/or guidelines. Each Grantee shall indemnify the Bank in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the Grantee's breach of this warranty.

21. DISPUTES

Any disputes or differences of any nature arising hereunder shall be referred to the Committee and its decision shall be final and binding in all respects.

22. GOVERNING LAW

The Plan shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Grantees, by accepting grants of Awards in accordance with the Plan, and the Bank submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

23. EXCLUSION OF THE CONTRACTS (RIGHTS OF THIRD PARTIES) ACT

No person other than the Bank or a Grantee shall have any right to enforce any provision of the Plan or any Award by virtue of the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.