Upland's Next Chapter

An open letter to our shareholders from the President and Chief Executive Officer of Upland Software, Inc. (the "Company" or "Upland"), Sean Nathaniel

Dear Fellow Shareholders,

Just under 90 days ago, I stepped into the role of President and CEO. Reflecting on these first months at Upland, I am deeply encouraged by our direction and confident in the path ahead. That confidence rests in three specific observations. First, we are already inside the enterprise, and that access is a scarce asset in the AI era. Second, we are directing investment where I believe we have a demonstrated right to win. And third, we are actively demonstrating our ability to convert our AI advantage into both revenue growth and operating margin expansion that we expect will ultimately increase shareholder value.

Since starting my role, I have spent my time getting close to our people, our products, and our customers. I have sat with leaders across our portfolio, listened to the enterprises that depend on us every day, and pressure-tested where our real advantage lies.

Two things became clear. First, I believe Upland's products are mission critical tools. They sit inside the daily workflows of the enterprises that use them, managing knowledge, automating content, and running vertical-specific processes that would be expensive and disruptive to replace. That is a rare foundation, and one I don't take for granted. Second, we had previously organized ourselves more around our own acquisition-driven history than around our customers, with layers that slowed decisions without adding proportional value. I believe this inhibited our ability to both deliver the customer value of which we are capable through our entrenched position and deliver that value with efficiency and pace.

Today, I'm making a commitment to refocus on what Upland does best and reorganize to enable both efficiency and speed in executing against the opportunity ahead. Enterprises are not looking to rip out the workflows and institutional knowledge that they have built over decades in order to adopt AI. Instead, I believe they are looking to activate what they already have. That is exactly what we do for our customers and what we expect to continue to do with clearer financial discipline. As we execute this strategy, we plan to focus on our core principles of deleveraging our balance sheet and expanding margins.

We believe we have something that most AI entrants do not: an installed base of more than 1,100 enterprise customers whose governed, regulated content already lives inside our products. That is a distribution and trust advantage that is typically expensive and slow for anyone else to build from scratch. Capitalizing on this moment is not just about adopting AI internally or AI-enabling our product portfolio. It's about where we choose to deploy AI first, and why that sequencing is a deliberate bet. Capturing this opportunity to build on our advantage comes down to three clear priorities:

1. **Winning the AI land-grab inside existing accounts, led by our Knowledge & Contact Center Management solutions.** Most AI vendors are fighting to get inside the enterprise, but we already have an established customer base. That means our cost to deploy AI into a live account is likely a fraction of what it costs a new entrant to win the account in the first place and that every workflow we upgrade makes the existing relationship harder to displace. This is also where we believe the market narrative and our reality diverge most, as knowledge management and contact centers are often assumed to be casualties of AI, when in the case of our accounts, we believe this is where AI creates the most immediate, defensible value. We expect to concentrate that advantage first where the AI tailwind is strongest: surfacing the right information, powering agent efficiency, and enabling self-service. For example, with one customer, we addressed an underperforming AI chatbot by connecting, preparing, and exposing the right content in context. That effort reduced hallucinations, decreased client tax inquiries, and improved consultant productivity. The fact that our value-add can occur inside an account we already own, at near-zero acquisition cost, is how we intend to win.

2. **Concentrating capital where we can actually win, not spreading it evenly.** Not every part of our portfolio has the same right to win in an AI-powered market. We intend to reorganize so that capital and go-to-market investment follow the businesses with the clearest AI-driven advantage and growth potential. This streamlined approach further allows us to more efficiently and effectively deliver value to our customers, with decisions made closer to the customer. Drawing on our years of domain expertise and a track record of successful customer implementations, we intend to pursue new logos with high conviction in the specific verticals where we believe we have a proven differentiator and right to win. One of the go-to-market paths we expect to focus on is healthcare, where patient medical forms arrive from a range of sources and formats. Our AI can help cut the training and testing this process typically requires by identifying the form type, extracting the data fields, and routing each one – up to millions of pages annually – for review before release into line-of-business and EMR systems. This is a market where the advantage is real and worth pursuing.

3. **Converting AI into pricing power, not just cost savings – most visible today in our Content Lifecycle Automation solutions.** The easy version of this story is "AI made us

more efficient." The version that actually creates value is that AI-powered capability becomes something customers pay more for, not just something that lowers costs. In content authoring and content-lifecycle management, customers creating content up to 85% faster are not just saving time but also cost. We believe these savings are the basis for a renewal conversation with a higher close rate, and likely even an expansion conversation into capability we have not sold them yet. This is where we expect to concentrate near-term investment, because we believe it is the fastest path from AI capability to customer and shareholder value, not just operating margin.

Each of the priorities listed above is now owned by a general manager with direct accountability for their customers, spanning three operating groups: Knowledge & Contact Center Management, Content Lifecycle Automation, and the newly formed Vertical Solutions Group. We believe that sharper alignment gives each group a clearer mandate and puts decision-making closer to the customer.

I've also strengthened our leadership team to match the opportunity at hand. Austin Woody, a long-tenured Upland leader who brings deep institutional knowledge to our strategic execution, has been elevated to Chief Strategy Officer and Group General Manager, which was effective July 1, 2026. I'm also glad to welcome Jennifer Simon as our new Chief Financial Officer, effective August 17, 2026. She brings more than 20 years of software and finance leadership experience.

Alongside these changes, we also plan to sharpen how we allocate capital, guided by two distinct disciplines. First, we plan to invest to grow and win market share where our products have a demonstrated right to win in an AI-powered market, as highlighted by our three priorities above. Second, across the rest of the organization, we are and plan to continue using AI to run leaner, eliminating non-value added central and shared services, pushing decision-making and cost structure closer to the customer, and driving efficiency across all functions. As a result, we hope to achieve better customer outcomes and to restore the margin discipline and profitability profile that built this business, ultimately supporting de-leveraging and a stronger balance sheet. This isn't theoretical; it's already in practice. Consider a typical R&D project that would normally take nine to twelve months. Using AI internally, our team completed it in roughly eight days, improving product performance while reducing a six-figure operational expense.

None of this changes our near-term commitments. We expect to report full second quarter results consistent with previously issued guidance ranges, along with an updated outlook for the third quarter and full year, by mid-August.

I will continue to spend my time in the months ahead with our customers, our teams, and our partners, turning this vision into results. I look forward to keeping you updated on our progress and thank you for your continued confidence in Upland.

Sean Nathaniel
President & Chief Executive Officer
Upland Software, Inc. (Nasdaq: UPLD)

Forward-Looking Statements

Certain matters within this letter are discussed using forward-looking language as specified in the Private Securities Litigation Reform Act of 1995, and, as such, may involve known and unknown risks, uncertainties and other factors that may cause the actual results or performance to differ from those projected in the forward-looking statements. These forward-looking statements include, among others, statements relating to the Company's financial outlook expectations regarding full second quarter results, the Company's strategic direction and the anticipated benefits of its AI strategy, including its expected impact on the Company's growth, profitability and shareholder value. For a description of factors that may cause the Company's actual results or performance to differ from its forward-looking statements, please review the information under the heading "Risk Factors" included in the Company's most recent Annual Report on Form 10-K for the year ended December 31, 2025, the Company's Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2026, and the Company's other filings with the SEC, which are accessible on the SEC's website at www.sec.gov. Undue reliance should not be placed on the forward-looking statements in this press release, which are based on information available to the Company on the date hereof. The Company undertakes no duty to update this information unless required by law.