Create Value

As the leading bank in Asia, DBS seeks to provide banking that is joyful and trustworthy. We help individuals prosper, enable businesses to grow and play a role in the development of Asia's financial markets.

OUR RESOURCES



FINANCIAL STRENGTH

Funds available to the Group obtained from diverse sources.



SKILLS AND KNOWLEDGE

The skills, knowledge and abilities of our people.



BRAND STRENGTH

Our brand is a key intangible asset that gives the Group a competitive advantage.



BANKING NETWORK

The licences we have that allow us to build a strong banking franchise.



TECHNOLOGY PLATFORM

Our resilient technology platform supports our operations across the region.

HOW WE USE OUR RESOURCES

Our Strategy

We are an Asian bank, seeking to make banking joyful for our customers.

We intermediate trade and investment flows across Greater China, South Asia and Southeast Asia.

In Singapore, we are a universal bank serving all customer segments.

In other markets, we have traditionally focused on affluent individuals, large corporates, small and medium enterprises (SMEs) and institutional investors. Going forward we will leverage digital technologies to extend our reach to individuals.

What We Offer

Consumer Banking/Wealth Management

We serve individuals, from mass market to affluent, at every stage of their lives: from saving at a young age to buying a home as they start their own families to investing for retirement.

We offer a diverse range of banking products and services, including deposits, loans, cards, payments, investment and insurance products.

> For more information, see page 40

Institutional Banking

We serve large corporates, SMEs and institutional investors: from helping them finance their business activities to managing their financial risks.

We offer a full range of credit facilities from short-term working capital financing to specialised lending. We also provide transaction services such as cash management, trade finance and securities and fiduciary services; treasury and markets products; capital markets and advisory solutions.

> For more information, see page 37

HOW WE DIFFERENTIATE OURSELVES

We marry the professionalism of a world-class bank with the cultural nuances that are important in Asia – what we call Banking the Asian Way.

Asian Relationships

We strive to embody the elements of what relationships are about in Asia. We recognise that relationships have swings and roundabouts, and that every transaction does not have to be profitable in its own right.

Asian Insights

We know Asia better: we provide unique Asian insights and create bespoke Asian products.

Asian Service

We are respectful, easy to deal with and dependable, with the humility to serve and the confidence to lead.

Asian Innovation

We constantly innovate new ways of banking that are appropriate to our markets as we strive to make banking more intuitive and interactive for our customers.

Asian Connectivity

We work in a collaborative manner across geographies, supporting our customers as they expand across Asia.

HOW WE MANAGE OURSELVES

Corporate Governance

We are committed to the highest standards of integrity, ethics and professionalism. To safeguard stakeholders' interests, the Board of Directors is actively engaged in providing sound leadership on the bank's direction. We believe that sound and effective corporate governance is fundamental to the Group's long-term success and sustainability.

> For more information, see page 57

Risk Management

Effective risk management is central to all parts of our organisation. The Board of Directors has overall accountability for ensuring that risk is effectively managed across the group.

> For more information, see page 87

Capital Management

As the safest bank in Asia, we maintain a strong capital position well above regulatory requirements.

> For more information, see page 118

Our Values

Our organisational values PRIDE! shape the way we do business and work within the Group.

Purpose-driven

We strive to be a long-term Asian partner, committed to making banking joyful and trustworthy, and transforming Asia for the better.

Relationship-led

We build long-lasting relationships and strong teams, and work together to find better solutions.

Innovative

We embrace change and are not afraid to do things differently.

Decisive

Our people are given the freedom to decide, take ownership and make things happen.

E! - Everything Fun!

We have fun and celebrate together!

HOW WE MEASURE OURSELVES

Our Balanced Scorecard

We use a balanced scorecard to track the progress we have made in serving the interests of our multiple stakeholders.

Our scorecard is balanced in the following ways:

- Balanced between financial and non-financial performance indicators; almost a third of the total weighting is focused on control and compliance metrics
- Balanced across multiple stakeholders, and not focused solely on shareholders
- Balanced between short-term and long-term outcomes

The scorecard is updated every year and approved by the Board. It is cascaded throughout the organisation, ensuring that the performance goals of every business, country and support function are aligned to those of the Group.

> For more information, see page 27

OUR OUTPUTS

SHAREHOLDERS

We deliver superior and sustainable returns with profits earned in a responsible manner.

> For more information, see page 28

CUSTOMERS

We provide our customers with a safe, dependable and joyful banking experience.

> For more information, see page 34

EMPLOYEES

We provide our employees with an individual professional development journey and help them progress in their careers.

> For more information, see page 46

REGULATORS

We comply with both letter and spirit of the laws and regulations in the countries we operate in.

> For more information, see page 51

SOCIETY

We have a social consciousness which is embedded into our business. Through the DBS Foundation, we are dedicated to championing social entrepreneurship across the region.

> For more information, see page 52

Our activities generate sustainable returns in a responsible manner and we seek to positively benefit the communities we operate in and deliver value to our stakeholders.

➤ For more information on the value distributed to our stakeholders, see page 56

How We Engage

Our Stakeholders

Continual dialogue and collaboration with key stakeholders provide insights into matters of relevance to them.

Our Board and senior leadership have overall responsibility for the Group's stakeholder engagement. They set the tone of engagement across businesses, countries and functions. We engage in an open and transparent manner with our stakeholders and maintain an ongoing dialogue with them.

In doing so, we derive a deeper understanding of the issues that stakeholders are most concerned with. These issues are considered when we determine the material matters that go into the formulation of our balanced scorecard.

SHAREHOLDERS

We communicate with our shareholders through quarterly disclosures and financial performance briefings as well as regular meetings with top management and senior business heads. We organise roadshows and participate in investor conferences. These avenues are used to provide investors with the requisite information to make informed investment decisions about DBS and to seek their perspectives on our financial performance and strategy.

CUSTOMERS

We engage customers through our dayto-day interactions – at branches, through call centres and through our relationship managers. We are also active on social media platforms such as Twitter, Facebook and LinkedIn.

In addition, we seek feedback on our performance through customer surveys to see where we can improve our services. In some cases, we collaborate with our customers to develop new products.

These interactions allow us to better understand our customers' needs, and help us design the right financial solutions for them.

EMPLOYEES

Effective and open communication channels across all levels of DBS give us an updated sense of what is on our employees' mind.

In addition, our senior leaders interact with staff at briefings and townhalls held across the Group on a regular basis. Our CEO hosts an online forum where employees share their ideas, views and questions.

Our employees are actively engaged in innovation programmes, for example, via our Dragons' Den initiatives where cross-functional teams tackle real business challenges.

We conduct an annual Gallup survey to obtain feedback on our employee engagement levels. Our Gallup Q12 score forms part of the employee KPIs in our balanced scorecard.

SOCIETY

Being actively engaged in the community is an effective way to hear from the people that we serve

Under our "People of Purpose" staff volunteer movement, some 3,500 of our staff across Asia reached out to over 5,800 underprivileged individuals in 2014.

We engage young adults to understand how DBS can help them build their communities' future. In Singapore, India, Indonesia and China, we work with universities and high schools by supporting their incubation programmes in social innovation and entrepreneurship. We also mentor young changemakers as they tackle difficult social issues.

Across our key markets, we work with social enterprises to help them be commercially viable as they pursue their social objectives. Such interactions help us better understand what role we can play to support them.

In Singapore, we have partnerships with Community Development Councils and People's Association which strengthen our outreach to the community.

REGULATORS

Our engagement with the regulators in the markets we operate in is broad and deep, involving our Board of Directors as well as all business and control units. In addition to frequent meetings and consultations, we provide them with reports and data to help support their roles in ensuring financial system stability.

ENGAGEMENT HIGHLIGHTS

Communicating with shareholders through:

- Quarterly briefing sessions with media and analysts
- Investor meetings
- Local and foreign investor conferences
- Non-deal roadshows

Actively seeking feedback from customers through:

- Face-to-face customer interactions by our relationship managers
- Direct feedback via branches, call centres and emails
- Customer satisfaction surveys
- Focus groups
- Daily management and monitoring of social media sentiments

Reaching out to employees

- Open culture where employees are encouraged to reach out to our senior leaders
- Staff briefings and townhalls across business functions and countries
- Blog posts and online forum hosted by CEO
- · Weekly news bulletin

Hearing from society through:

- Active volunteerism
- Supporting social enterprises
- Research and educational programmes
- Community partnerships

Interactions with regulators through:

- Frequent meetings and consultations
- Providing regular reports and data

Our 2014

Priorities

We are guided by a long-term perspective in line with the interests of our multiple stakeholders. Our balanced scorecard is used to set objectives, drive behaviours, measure performance and determine the remuneration of our people.

Our scorecard is based on our strategy, underpinned by the opportunities, risks and material matters that we have identified. The scorecard is divided into two parts of equal weighting. The first part of the scorecard comprises KPIs and strategic objectives set for the current year. The second part of the scorecard sets out the initiatives we intend to complete in the current year as part of our longer-term journey towards achieving our strategic objectives.

TRADITIONAL KPIs

SHAREHOLDERS

Achieve Sustainable Growth

Shareholder metrics measure both financial outcomes achieved for the year as well as risk-related KPIs to ensure that the Group's income growth is balanced against the level of risk taken, including control and compliance.

> For more information, see page 28

CUSTOMERS

Position DBS as Bank of Choice

Customer metrics measure the Group's achievement in increasing customer satisfaction and depth of customer relationships

> For more information, see page 35

EMPLOYEES

Position DBS as Employer of Choice

Employee metrics measure the progress made in being an employer of choice, including employee engagement and people development.

> For more information, see page 46

STRATEGIC PRIORITIES

GEOGRAPHIES

- Entrench leadership in Singapore
- Continue to expand Hong Kong franchise
- Rebalance geographic mix of our business
- > For more information, see page 44

REGIONAL BUSINESSES

- · Build a leading small and medium enterprise (SME) banking business
- Strengthen wealth proposition
- Build out transaction banking and treasury customer business
- > For more information, see page 36

ENABLERS

- · Place customers at the heart of the banking experience
- · Focus on management processes, people and culture
- Strengthen technology and infrastructure platform

OTHER AREAS OF FOCUS

- Drive digital initiative including building infrastructure to digitise the bank
- Cascade and embed our **PRIDE!** values
- Affirm expansion plans for growth markets

REGULATORS

Contribute to the stability of the financial system

> For more information, see page 51

SOCIETY

Enhance the communities we serve

> For more information, see page 52