DBS BANK LTD.

(Incorporated in Singapore. Registration Number: 196800306E)

AND ITS SUBSIDIARIES

FINANCIAL STATEMENTS

For the financial year ended 31 December 2022

Financial Statements
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DBS Bank Ltd. and its Subsidiaries

Directors' Statement
for the financial year ended 31 December 2022

The Directors are pleased to present their statement to the Member, together with the audited consolidated financial statements of DBS Bank Ltd. (the Bank) and its subsidiaries (the Bank Group) and the financial statements of the Bank for the financial year ended 31 December 2022. These have been prepared in accordance with the provisions of the Companies Act 1967 (the Companies Act) and the Singapore Financial Reporting Standards (International).

In the opinion of the Directors:

(a) the consolidated financial statements of the Bank Group, consisting of the Bank and its subsidiaries, and the financial statements of the Bank, together with the notes thereon, as set out on pages 1 to 81, are drawn up so as to give a true and fair view of (i) the financial position of the Bank Group and Bank, as at 31 December 2022, and (ii) the financial performance and changes in equity of the Bank Group and Bank, and cash flow statement of the Bank Group, for the financial year ended on that date; and

(b) as at the date of this statement, there are reasonable grounds to believe that the Bank Group and the Bank will be able to pay their debts as and when they fall due.

Board of Directors

The Directors in office at the date of this statement are:

Mr Peter Seah *(Chairman)*
Mr Olivier Lim *(Lead Independent Director)*
Mr Piyush Gupta *(Chief Executive Officer)*
Dr Bonghan Cho
Mr Chng Kai Fong
Mr Ho Tian Yee
Ms Punita Lal
Ms Judy Lee
Mr Anthony Lim
Mr Tham Sai Choy

Mr Peter Seah, Ms Punita Lal and Mr Anthony Lim will retire by rotation in accordance with article 95 of the Bank’s Constitution at the forthcoming annual general meeting (AGM) and, being eligible, will offer themselves for re-election at the AGM.

Mr Ho Tian Yee will retire by rotation in accordance with article 95 of the Bank’s Constitution at the forthcoming AGM and will not offer himself for re-election at the AGM.

Directors' interests in shares or debentures

Each of the following Directors, who held office at the end of the financial year had, according to the register of directors' shareholdings required to be kept under Section 164 of the Companies Act, an interest in shares of the Bank and related corporations as stated below:

	Holdings in which Directors have a direct interest		Holdings in which Directors are deemed to have an interest	
	As at 31 Dec 2022	As at 1 Jan 2022	As at 31 Dec 2022	As at 1 Jan 2022
DBS Group Holdings Ltd ("DBSH") ordinary shares				
Mr Peter Seah	312,033	296,008	-	-
Mr Olivier Lim	146,672	143,122	-	-
Mr Piyush Gupta	26,400	-	1,989,046	2,023,773
Dr Bonghan Cho	10,684	8,575	-	-
Mr Ho Tian Yee	60,824	59,109	-	-
Ms Punita Lal	3,829	1,542	-	-
Ms Judy Lee	1,148	-	-	-
Mr Anthony Lim	4,872	2,048	-	-
Mr Tham Sai Choy	102,478	99,464	-	-
Share awards (unvested) granted under the DBSH Share Plan				
Mr Piyush Gupta [1]	830,431	889,442	-	-

(1) Mr Piyush Gupta's share awards form part of his remuneration. Details of the DBSH Share Plan are set out in Note 39 of the Notes to the 2022 Bank Group's financial statements.

There was no change in any of the above-mentioned interests between the end of the financial year and 21 January 2023.

DBSH Share Plan

At the Annual General Meeting of DBSH held on 25 April 2019, the DBSH Share Plan (which was first adopted on 18 September 1999) was extended for another ten years, from 18 September 2019 to 17 September 2029 (both dates inclusive). The DBSH Share Plan is administered by the Compensation and Management Development Committee (CMDC). As at the date of this statement, the members of the CMDC are Mr Anthony Lim (Chairman), Mr Peter Seah, Dr Bonghan Cho, Ms Punita Lal and Ms Judy Lee.

Under the terms of the DBSH Share Plan:

(a) Awards over DBSH's ordinary shares may be granted to Bank Group executives who hold such rank as may be determined by the CMDC from time to time. Awards may also be granted to (amongst others) executives of associated companies of DBSH who hold such rank as may be determined by the CMDC from time to time, and non-executive Directors of DBSH;

(b) Where time-based awards are granted, participants are awarded ordinary shares of DBSH or, at the CMDC's discretion, their equivalent cash value or a combination of both as part of their deferred bonus, at the end of the prescribed vesting periods. Awards are granted under the DBSH Share Plan at the absolute discretion of the CMDC. Dividends on unvested shares do not accrue to employees;

(c) Awards under the DBSH Share Plan may be granted at any time in the course of a financial year, and may lapse by reason of cessation of employment or misconduct of the participant, except in cases such as retirement, redundancy, ill health, injury, disability, death, bankruptcy of the participant, or by reason of the participant, being a non-executive Director, ceasing to be a Director, or in the event of a take-over, winding up or reconstruction of DBSH;

(d) Subject to the prevailing legislation and the rules of the Singapore Exchange, DBSH will have the flexibility to deliver ordinary shares of DBSH to participants upon vesting of their awards by way of an issue of new ordinary shares and/ or the transfer of existing ordinary shares (which may include ordinary shares held by DBSH in treasury); and

(e) The class and/ or number of ordinary shares of DBSH comprised in an award to the extent not yet vested, and/ or which may be granted to participants, are subject to adjustment by reason of any variation in the ordinary share capital of DBSH (whether by way of a capitalisation of profits or reserves or rights issue, reduction, subdivision, consolidation, or distribution) or if DBSH makes a capital distribution or a declaration of a special dividend (whether in cash or *in specie*), upon the written confirmation of the auditor of DBSH that such adjustment (other than in the case of a capitalisation issue) is fair and reasonable.

During the financial year, time-based awards in respect of an aggregate of 5,036,154 ordinary shares were granted pursuant to the DBSH Share Plan to selected employees of the Bank Group. In addition, during the financial year, certain non-executive Directors received an aggregate of 32,672 share awards which vested immediately upon grant. These share awards formed part of their directors' fees for acting as Directors of DBSH in 2021.

Details of the share awards granted under the DBSH Share Plan to Directors of the Bank are as follows:

Directors of the Bank	Share awards granted during the financial year under review	Share awards vested during the financial year under review
Mr Peter Seah	16,025	16,025
Mr Olivier Lim	3,550	3,550
Mr Piyush Gupta	232,662[1]	291,673
Dr Bonghan Cho	2,109	2,109
Mr Ho Tian Yee	1,715	1,715
Ms Punita Lal	2,287	2,287
Ms Judy Lee	1,148	1,148
Mr Anthony Lim	2,824	2,824
Mr Tham Sai Choy	3,014	3,014

(1) The share awards granted to Mr Piyush Gupta are time-based awards which will vest over a 4-year period. The 232,662 share awards were granted in February 2022 and formed part of his remuneration for 2021.

Arrangements to enable Directors to acquire shares or debentures

Neither at the end of, nor at any time during the financial year, was the Bank a party to any arrangement, the object of which is to enable the Directors to acquire benefits through the acquisition of shares in, or debentures of, the Bank or any other body corporate, save as disclosed in this statement.

Independent Auditor

PricewaterhouseCoopers LLP has expressed its willingness to accept re-appointment as independent external auditor.

On behalf of the Directors

Mr Peter Seah

Mr Piyush Gupta

10 February 2023
Singapore

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DBS BANK LTD.

Report on the Audit of the Financial Statements

Our opinion

In our opinion, the accompanying consolidated financial statements of DBS Bank Ltd. (the "Bank") and its subsidiaries (the "Bank Group") and the balance sheet, income statement, statement of comprehensive income and statement of changes in equity of the Bank are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Bank Group and the financial position of the Bank as at 31 December 2022 and of the consolidated financial performance, the consolidated changes in equity and the consolidated cash flows of the Bank Group, and of the financial performance and changes in equity of the Bank for the financial year ended on that date.

What we have audited

The financial statements of the Bank Group and the Bank comprise:

- the income statements of the Bank Group and the Bank for the year ended 31 December 2022;
- the statements of comprehensive income of the Bank Group and the Bank for the year ended 31 December 2022;
- the balance sheets of the Bank Group and of the Bank as at 31 December 2022;
- the consolidated statement of changes in equity of the Bank Group for the year then ended;
- the statement of changes in equity of the Bank for the year then ended;
- the consolidated cash flow statement of the Bank Group for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

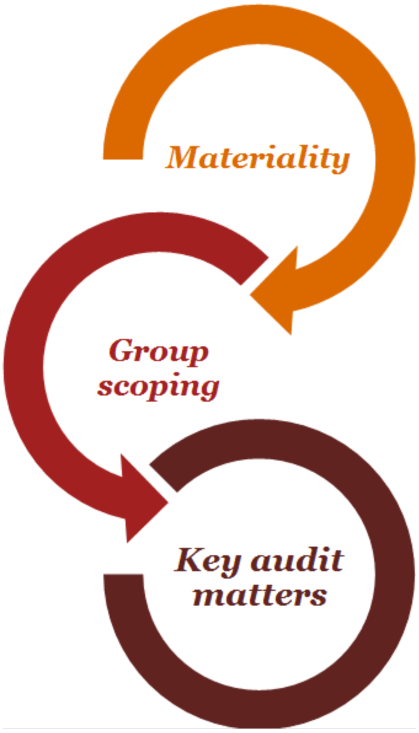
Independence

We are independent of the Bank Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF DBS BANK LTD. (continued)

Our audit approach

Overview



Materiality

- We determined the overall Bank Group materiality based on 5% of the Bank Group's profit before tax.

Group scoping

- Full scope audit procedures were performed over the Singapore Operations of DBS Bank Ltd. and DBS Bank (Hong Kong) Limited ("significant components").
- We identified as component entities ("other components") the branches of DBS Bank Ltd. Hong Kong, Taipei, Seoul, Tokyo and London, as well as the subsidiaries DBS Bank (China) Limited, PT Bank DBS Indonesia, DBS Bank (Taiwan) Ltd and DBS Bank India Limited. This is where certain account balances were considered to be significant in size in relation to the Bank Group. Consequently, audit specified procedures for the significant account balances of these components were performed to obtain sufficient and appropriate audit evidence.

Key audit matters

- Specific allowances for loans and advances to customers
- General allowances for credit losses (Stage 1 and 2 Expected Credit Loss)
- Goodwill
- Valuation of financial instruments held at fair value

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF DBS BANK LTD. (continued)

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Bank Group materiality for the consolidated financial statements as a whole, as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

How we determined overall Bank Group materiality	5% of the Bank Group's profit before tax
Rationale for benchmark applied	• We chose 'profit before tax' as, in our view, it is the benchmark against which performance of the Bank Group is most commonly measured. • We selected 5% based on our professional judgement, noting that it is also within the range of commonly accepted profit-related thresholds.

In performing our audit, we allocated materiality levels to the significant components and other components of the Bank Group. These are less than the overall Bank Group materiality.

How we developed the audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Bank Group, the accounting processes and controls, and the industry in which the Bank Group operates. The Bank Group's financial reporting process is dependent on its Information Technology ("IT") systems. Our audit scope included testing the operating effectiveness of the controls over the integrity of key financial data processed through the IT systems that are relevant to financial reporting.

In establishing the overall Bank Group audit approach, we determined the extent of audit procedures that were needed to be performed across the Bank Group by us or by other PwC network firms, operating under our instruction, who are familiar with the local laws and regulations in each respective territory, (the "component auditors"). Where the work was performed by component auditors, we determined the level of involvement we needed to have in the procedures to be able to conclude whether sufficient and appropriate audit evidence had been obtained as a basis for our opinion on the financial statements as a whole.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF DBS BANK LTD. (continued)

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 December 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

<table>
<tr><th>Key audit matter</th><th>How our audit addressed the key audit matter</th></tr>
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Specific allowances for loans and advances to customers

As at 31 December 2022, the specific allowances for loans and advances to customers of the Bank Group was $2,299 million, the majority of which related to Institutional Banking Group ("IBG") customers. Specific allowances refer to loss allowances for credit-impaired exposures (i.e. Stage 3, per SFRS (I) 9). Expected Credit Losses ("ECL") on non-impaired exposures (i.e. Stage 1 and Stage 2) are set out under the 'General allowances for credit losses' key audit matter.

We focused on this area because management assessment of impairment can be inherently subjective and involves significant judgement over both the timing and estimation of the size of such impairment. This includes:

- the principal assumptions underlying the calculation of specific allowances for loans and advances to IBG customers where there is evidence of impairment losses (including the future profitability of the borrowers and the expected realisable value of collateral held); and
- the classification of loans and advances in line with MAS Notice 612 ("MAS 612").

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We assessed the design and evaluated the operating effectiveness of the controls over the specific allowances for loans and advances. These controls included:

- oversight of credit risk by the Group Credit Risk Committee;
- timely management review of credit risk;
- the watchlist identification and monitoring process;
- timely identification of impairment events;
- classification of loans and advances in line with MAS 612; and
- the collateral monitoring and valuation processes.

We determined that we could rely on these controls for the purposes of our audit.

We inspected a sample of loans and advances to IBG customers to assess whether the classification of the loans and advances was in line with MAS 612 and, where there was evidence of an impairment loss, whether it had been identified in a timely manner. This included, where relevant, how forbearance had been considered.

Where impairment had been identified, for a sample of loans and advances, our work included:

- considering the latest developments in relation to the borrower;
- examining the forecasts of future cash flows prepared by management, including key assumptions in relation to the amount and timing of recoveries;

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Key audit matter	How our audit addressed the key audit matter
(Refer also to Notes 3 and 18 to the financial statements.)	• comparing the collateral valuation and other sources of repayment to check the calculation of the impairment against external evidence, where available, including independent valuation reports; • challenging management's assumptions; and • testing the calculations. For a sample of performing loans and advances to IBG customers which had not been identified by management as potentially impaired, we evaluated management's assumptions on their classification, using external evidence where available in respect of the relevant borrower. Based on procedures performed, we have assessed that the aggregate specific allowance for loans and advances is appropriate.
General allowances for credit losses (Stage 1 and 2 Expected Credit Loss) SFRS(I) 9 *Financial Instruments* ("SFRS(I) 9") requires an ECL impairment model which takes into account forward-looking information to reflect potential future economic events. In estimating ECL over future time periods, significant judgement is required. We focused on the Bank Group's measurement of general allowances on non-impaired exposures ($3,736 million). This covers both 'Stage 1' exposures (where there has not been a significant increase in credit risk), and 'Stage 2' exposures (where a significant increase in credit risk has been observed). The ECL framework implemented by the Bank Group involves significant judgement and assumptions that relate to, amongst others:	We critically assessed management's assumptions and estimates relating to Stage 1 and Stage 2 ECL for retail and non-retail portfolios as at 31 December 2022. This included assessing refinements in methodologies made during the year, as well as to account for changes in risk outlook. We tested the design and operating effectiveness of key controls focusing on: • involvement of governance committees, in reviewing and approving certain forward-looking macroeconomic assumptions, including post model adjustments; • completeness and accuracy of external and internal data inputs into the ECL calculations; and • accuracy and timeliness of allocation of exposures into Stage 1 and Stage 2 based on quantitative and qualitative triggers. The Bank Group's internal experts continue to perform independent model validation of selected aspects of the Bank Group's ECL methodologies and assumptions each year. We checked their results as part of our work.

Key audit matter	How our audit addressed the key audit matter
• adjustments to the Bank Group's Basel credit models and parameters; • use of forward-looking and macro-economic information; • estimates for the expected lifetime of revolving credit facilities; • assessment of significant increase in credit risk; and • post model adjustments to account for limitations in the ECL models. (Refer also to Notes 3 and 11 to the financial statements.)	We also involved specialists to review the ECL of selected credit portfolios to assess if the methodologies and estimates are appropriate. Through the course of our work, we assessed the rationale and calculation basis of post model adjustments. We also assessed the reasonableness of certain forward-looking economic inputs, as well as the overall ECL output. Overall, we concluded that the Bank Group's ECL on non-impaired exposures is appropriate.
Goodwill As at 31 December 2022, the Bank Group had $5,340 million of goodwill as a result of acquisitions. We focused on this area as management makes significant judgements in estimating future cash flows when undertaking its annual goodwill impairment assessment. The key assumptions used in the discounted cash flow analyses relate to: • cash flow forecasts; • discount rate; and • long-term growth rate. (Refer also to Notes 3 and 27 to the financial statements.)	We assessed the appropriateness of management's identification of the Bank Group's cash generating units and the process by which indicators of impairment were identified. For DBS Bank (Hong Kong) Limited's franchise (goodwill of $4,631 million as at 31 December 2022), we evaluated management's cash flow forecasts and the process by which they were developed. Together with valuation specialists in our team, we assessed discount rate and growth rate assumptions against the Bank Group's own historical performance and available external industry and economic indicators. We checked management's sensitivity analysis over the key assumptions to determine whether any reasonably possible change in these assumptions would result in an impairment, and also performed our own stress analysis . We concur with management's assessment that goodwill balances are not impaired as at 31 December 2022.
Valuation of financial instruments held at fair value Financial instruments held by the Bank Group at fair value include derivative assets and liabilities, trading securities, certain debt instruments and other	We assessed the design and tested the operating effectiveness of the controls over the Bank Group's financial instruments valuation processes. These included the controls over: • management's testing and approval of new models and revalidation of existing models;

Key audit matter	How our audit addressed the key audit matter
assets and liabilities designated at fair value. The Bank Group's financial instruments are predominantly valued using quoted market prices ('Level 1') or market observable prices ('Level 2'). The valuations of 'Level 3' instruments rely on significant unobservable inputs. We considered the overall valuation of financial instruments (Level 1, 2 and 3) to be a key audit matter given the financial significance to the Bank Group, the nature of the underlying products and the estimation involved to determine fair value. In determining fair value, management also make adjustments to recognise credit risk, funding costs, bid-offer spreads and, in some cases, parameter and model risk limitations. This is broadly consistent with the banking industry, albeit the methodology to calculate some of these adjustments is continuing to evolve. (Refer also to Notes 3 and 41 to the financial statements.)	• the completeness and accuracy of pricing data inputs into valuation models; • monitoring of collateral disputes; and • governance mechanisms and monitoring over the valuation processes (including derivative valuation adjustments) by the Group Market and Liquidity Risk Committee and the Group Valuation Committee. We determined that we could rely on the controls for the purposes of our audit. In addition, we: • engaged our own specialists to use their own models and input sources to determine an independent estimate of fair value for a sample of the Bank Group's Level 1 and Level 2 financial instruments. We compared these to the Bank Group's calculations of fair value to assess individual material valuation differences or systemic bias; • assessed the reasonableness of the methodologies used and the assumptions made for a sample of financial instrument valuations with significant unobservable valuation inputs (Level 3 instruments); • performed procedures on collateral disputes to identify possible indicators of inappropriate valuations; • performed tests of inputs and assessed the methodology over fair value adjustments, in light of available market data and industry trends; and • considered the implications of global reforms to Interest Reference Rates ("IBOR Reform") in our assessment of fair value. Overall, we considered that the valuation of financial instruments held at fair value was within a reasonable range of outcomes.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Bank Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Bank Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF DBS BANK LTD. (continued)

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF DBS BANK LTD. (continued)

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Bank and by those subsidiary corporations incorporated in Singapore of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Yura Mahindroo.

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore, 10 February 2023

DBS Bank Ltd. and its subsidiaries
Income Statements
For the Year Ended 31 December 2022

		The Group		Bank	
In $ millions	Note	**2022**	**2021**	**2022**	**2021**
Interest income		**15,939**	10,190	**11,984**	7,117
Interest expense		**5,023**	1,755	**4,092**	1,109
Net interest income	4	**10,916**	8,435	**7,892**	6,008
Net fee and commission income	5	**3,091**	3,526	**2,166**	2,441
Net trading income	6	**2,308**	1,774	**1,964**	1,286
Net income from investment securities	7	**115**	387	**96**	320
Other income	8	**42**	46	**331**	530
Non-interest income		**5,556**	5,733	**4,557**	4,577
Total income		**16,472**	14,168	**12,449**	10,585
Employee benefits	9	**4,376**	3,875	**2,675**	2,366
Other expenses	10	**2,707**	2,680	**1,764**	1,749
Total expenses		**7,083**	6,555	**4,439**	4,115
Profit before allowances		**9,389**	7,613	**8,010**	6,470
Allowances for credit and other losses	11	**237**	52	**92**	(118)
Profit after allowances		**9,152**	7,561	**7,918**	6,588
Share of profits or losses of associates and joint ventures	12	**207**	213	**-**	-
Profit before tax		**9,359**	7,774	**7,918**	6,588
Income tax expense	13	**1,181**	967	**878**	713
Net profit		**8,178**	6,807	**7,040**	5,875
Attributable to:					
Shareholders		**8,155**	6,781	**7,040**	5,875
Non-controlling interests		**23**	26	**-**	-
		8,178	6,807	**7,040**	5,875

(see notes on pages 7 to 81 which form part of these financial statements)

DBS Bank Ltd. and its subsidiaries
Statements of Comprehensive Income
For the Year Ended 31 December 2022

In $ millions	The Group 2022	The Group 2021	Bank 2022	Bank 2021
Net profit	**8,178**	6,807	**7,040**	5,875
Other comprehensive income:				
Items that may be reclassified subsequently to income statement:				
Translation differences for foreign operations	**(997)**	378	**(216)**	27
Other comprehensive income of associates	**8**	12	**-**	-
(Losses)/ gains on debt instruments classified at fair value through other comprehensive income				
Net valuation taken to equity	**(1,860)**	(313)	**(1,530)**	(280)
Transferred to income statement	**117**	(163)	**117**	(97)
Taxation relating to components of other comprehensive income	**125**	23	**77**	17
Cash flow hedge movements				
Net valuation taken to equity	**(2,241)**	(424)	**(1,703)**	(298)
Transferred to income statement	**(128)**	(183)	**(100)**	(152)
Taxation relating to components of other comprehensive income	**172**	43	**80**	18
Items that will not be reclassified to income statement:				
(Losses)/ gains on equity instruments classified at fair value through other comprehensive income (net of tax)	**(417)**	122	**(422)**	111
Fair value change from own credit risk on financial liabilities designated at fair value (net of tax)	**115**	(32)	**115**	(32)
Defined benefit plans remeasurements (net of tax)	**(1)**	(11)	**-**	-
Other comprehensive income, net of tax	**(5,107)**	(548)	**(3,582)**	(686)
Total comprehensive income	**3,071**	6,259	**3,458**	5,189
Attributable to:				
Shareholders	**3,106**	6,212	**3,458**	5,189
Non-controlling interests	**(35)**	47	**-**	-
	3,071	6,259	**3,458**	5,189

(see notes on pages 7 to 81 which form part of these financial statements)

DBS Bank Ltd. and its subsidiaries
Balance Sheets as at 31 December 2022

		The Group		Bank	
In $ millions	**Note**	**2022**	**2021**	**2022**	**2021**
Assets					
Cash and balances with central banks	15	**54,170**	56,377	**45,751**	48,688
Government securities and treasury bills	16	**64,995**	53,262	**44,946**	37,816
Due from banks		**60,062**	51,292	**53,653**	43,857
Derivatives	36	**45,063**	19,706	**43,517**	18,364
Bank and corporate securities	17	**75,457**	69,692	**66,063**	63,380
Loans and advances to customers	18	**414,519**	408,993	**326,983**	325,734
Other assets	20	**18,287**	15,894	**13,917**	11,532
Associates and joint ventures	23	**2,280**	2,172	**1,386**	1,272
Subsidiaries	22	**-**	-	**35,823**	28,545
Due from holding company		**1,120**	719	**1,119**	718
Properties and other fixed assets	26	**3,238**	3,262	**1,897**	1,806
Goodwill and intangibles	27	**5,340**	5,362	**334**	334
Total assets		**744,531**	686,731	**635,389**	582,046
Liabilities					
Due to banks		**39,684**	30,209	**32,812**	24,087
Deposits and balances from customers	28	**527,000**	501,959	**408,290**	387,824
Derivatives	36	**45,291**	20,416	**43,286**	18,880
Other liabilities	29	**22,690**	18,594	**16,668**	12,858
Other debt securities	30	**43,781**	46,901	**40,918**	45,066
Due to holding company		**8,425**	10,252	**7,276**	8,776
Due to subsidiaries		**-**	-	**36,354**	34,439
Total liabilities		**686,871**	628,331	**585,604**	531,930
Net assets		**57,660**	58,400	**49,785**	50,116
Equity					
Share capital	31	**24,452**	24,452	**24,452**	24,452
Other equity instruments	32	**2,396**	2,396	**2,396**	2,396
Other reserves	33	**(5,662)**	(600)	**(3,980)**	(425)
Revenue reserves	33	**35,355**	30,987	**26,917**	23,693
Shareholders' funds		**56,541**	57,235	**49,785**	50,116
Non-controlling interests	34	**1,119**	1,165	**-**	-
Total equity		**57,660**	58,400	**49,785**	50,116

(see notes on pages 7 to 81 which form part of these financial statements)

DBS Bank Ltd. and its subsidiaries
Consolidated Statement of Changes in Equity
For the Year Ended 31 December 2022

The Group	Attributable to shareholders of the Bank						
In $ millions	**Share capital**	**Other equity instruments**	**Other reserves**	**Revenue reserves**	**Shareholders' funds**	**Non-controlling interests**	**Total equity**
2022							
Balance at 1 January	**24,452**	**2,396**	**(600)**	**30,987**	**57,235**	**1,165**	**58,400**
Redemption of preference shares issued by a subsidiary	**-**	**-**	**-**	**-**	**-**	**(243)**	**(243)**
Issue of perpetual capital securities issued by a subsidiary	**-**	**-**	**-**	**-**	**-**	**243**	**243**
Dividends paid to holding company[(a)]	**-**	**-**	**-**	**(3,789)**	**(3,789)**	**-**	**(3,789)**
Dividends paid to non-controlling interests	**-**	**-**	**-**	**-**	**-**	**(22)**	**(22)**
Other movements	**-**	**-**	**(36)**	**25**	**(11)**	**11**	**-**
Net profit	**-**	**-**	**-**	**8,155**	**8,155**	**23**	**8,178**
Other comprehensive income	**-**	**-**	**(5,026)**	**(23)**	**(5,049)**	**(58)**	**(5,107)**
Balance at 31 December	**24,452**	**2,396**	**(5,662)**	**35,355**	**56,541**	**1,119**	**57,660**
2021							
Balance at 1 January	24,452	4,209	(38)	26,360	54,983	976	55,959
Redemption of perpetual capital securities	-	(1,813)	-	6	(1,807)	-	(1,807)
Dividends paid to holding company[(a)]	-	-	-	(2,143)	(2,143)	-	(2,143)
Dividends paid to non-controlling interests	-	-	-	-	-	(23)	(23)
Capital contribution from non-controlling interests	-	-	3	-	3	152	155
Other movements	-	-	-	(13)	(13)	13	-
Net profit	-	-	-	6,781	6,781	26	6,807
Other comprehensive income	-	-	(565)	(4)	(569)	21	(548)
Balance at 31 December	24,452	2,396	(600)	30,987	57,235	1,165	58,400

(a) Includes distributions paid on capital securities classified as equity (2022: $85 million; 2021: $152 million)

(see notes on pages 7 to 81 which form part of these financial statements)

DBS Bank Ltd. and its subsidiaries
Statement of Changes in Equity
For the Year Ended 31 December 2022

Bank **In $ millions**	**Share capital**	**Other equity instruments**	**Other reserves**	**Revenue reserves**	**Total equity**
2022					
Balance at 1 January	**24,452**	**2,396**	**(425)**	**23,693**	**50,116**
Dividends paid to holding company[(a)]	**-**	**-**	**-**	**(3,789)**	**(3,789)**
Net profit	**-**	**-**	**-**	**7,040**	**7,040**
Other comprehensive income	**-**	**-**	**(3,555)**	**(27)**	**(3,582)**
Balance at 31 December	**24,452**	**2,396**	**(3,980)**	**26,917**	**49,785**
2021					
Balance at 1 January	24,452	4,209	264	19,952	48,877
Redemption of perpetual capital securities	-	(1,813)	-	6	(1,807)
Dividends paid to holding company[(a)]	-	-	-	(2,143)	(2,143)
Net profit	-	-	-	5,875	5,875
Other comprehensive income	-	-	(689)	3	(686)
Balance at 31 December	24,452	2,396	(425)	23,693	50,116

(a) Includes distributions paid on capital securities classified as equity (2022: $85 million; 2021: $152 million)

(see notes on pages 7 to 81 which form part of these financial statements)

DBS Bank Ltd. and its subsidiaries
Consolidated Cash Flow Statement
For the Year Ended 31 December 2022

	The Group	
In $ millions	**2022**	**2021**
Cash flows from operating activities		
Profit before tax	**9,359**	7,774
Adjustments for non-cash and other items:		
Allowances for credit and other losses	**237**	52
Depreciation of properties and other fixed assets	**701**	669
Share of profits or losses of associates and joint ventures	**(207)**	(213)
Net gain on disposal, net of write-off of properties and other fixed assets	**50**	13
Net income from investment securities	**(115)**	(387)
Interest expense on lease liabilities	**21**	30
Profit before changes in operating assets and liabilities	**10,046**	7,938
Increase/ (Decrease) in:		
Due to banks	**10,845**	598
Deposits and balances from customers	**31,010**	33,162
Derivatives and other liabilities	**28,912**	(16,913)
Other debt securities and borrowings	**(2,465)**	7,528
Due to holding company	**(2,228)**	2,971
(Increase)/ Decrease in:		
Restricted balances with central banks	**(705)**	(1,189)
Government securities and treasury bills	**(13,801)**	(1,168)
Due from banks	**(9,344)**	266
Bank and corporate securities	**(7,878)**	(3,277)
Loans and advances to customers	**(12,410)**	(35,518)
Derivatives and other assets	**(28,255)**	15,265
Tax paid	**(1,033)**	(696)
Net cash generated from operating activities (1)	**2,694**	8,967
Cash flows from investing activities		
Dividends from associates	**86**	42
Capital distribution from an associate	**-**	10
Acquisition of interests in associates and joint ventures	**(114)**	(1,108)
Proceeds from disposal of properties and other fixed assets	**3**	22
Purchase of properties and other fixed assets	**(669)**	(567)
Net cash used in investing activities (2)	**(694)**	(1,601)
Cash flows from financing activities		
Redemption of perpetual capital securities	**-**	(1,807)
Redemption of preference shares issued by a subsidiary	**(243)**	-
Issue of perpetual capital securities issued by a subsidiary	**243**	-
Dividends paid to holding company[(a)]	**(3,789)**	(2,143)
Dividends paid to non-controlling interests	**(22)**	(23)
Capital contribution by non-controlling interests	**-**	155
Net cash used in financing activities (3)	**(3,811)**	(3,818)
Exchange translation adjustments (4)	**(903)**	940
Net change in cash and cash equivalents (1)+(2)+(3)+(4)	**(2,714)**	4,488
Cash and cash equivalents at 1 January	**46,690**	42,202
Cash and cash equivalents at 31 December (Note 15)	**43,976**	46,690

(a) Includes distributions paid on capital securities classified as equity

(see notes on pages 7 to 81 which form part of these financial statements)

These Notes are integral to the financial statements.

The consolidated financial statements for the year ended 31 December 2022 were authorised for issue by the Directors on 10 February 2023.

1. Domicile and Activities

DBS Bank Ltd. (the Bank) is incorporated and domiciled in the Republic of Singapore and has its registered office at 12 Marina Boulevard, Marina Bay Financial Centre Tower Three, Singapore 018982. It is a wholly-owned subsidiary of DBS Group Holdings Ltd (DBSH).

The Bank is principally engaged in a range of commercial banking and financial services, principally in Asia.

The financial statements relate to the Bank and its subsidiaries (the Group) and the Group's interests in associates and joint ventures.

2. Summary of Significant Accounting Policies

2.1 Basis of preparation

Compliance with Singapore Financial Reporting Standards (International) (SFRS(I))

The financial statements of the Bank and the consolidated financial statements of the Group are prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)).

The financial statements are presented in Singapore dollars and rounded to the nearest million, unless otherwise stated.

2.2 Significant estimates and judgement

The preparation of financial statements requires management to exercise judgement, use estimates and make assumptions in the application of policies and in reporting the amounts in the financial statements. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from these estimates. Critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving a higher degree of judgement and complexity, are disclosed in Note 3.

2.3 New or amended SFRS(I) effective for 2022 year-end

The amendments effective from 1 January 2022 did not have significant impact on the Group's financial statements.

2.4 New SFRS(I) and Interpretations effective for future periods

The amendments and interpretations effective for future periods do not have a significant impact on the Group's financial statements.

A) General Accounting Policies

A summary of the significant group accounting policies is described further below starting with those relating to the entire financial statements followed by those relating to the income statement, the balance sheet and other specific topics. This does not reflect the relative importance of these policies to the Group.

2.5 Group Accounting

Subsidiaries
Subsidiaries are entities (including structured entities) over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are consolidated from the date control is transferred to the Group to the date control ceases.

The acquisition method is used to account for business combinations. Please refer to Note 2.13 for the Group's accounting policy on goodwill.

All intra-group transactions and balances are eliminated on consolidation.

Associates and Joint Ventures
Associates are entities over which the Group has significant influence but no control, where the Group generally holds a shareholding of between and including 20% and 50% of the voting rights.

Joint ventures are entities which the Group has joint control and rights to the net assets of the entity.

Investments in associates and joint ventures are initially recognised at cost. In addition, when the Group's share of the fair value of the identifiable net assets of the investment exceeds the cost of acquisition paid by the Group, the excess is recognised in profit and loss as part of the share of profit from associates and joint ventures.

Investments in associates and joint ventures are accounted for using the equity method. Under the equity method of accounting, these investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of post-acquisition profits or losses and the Group's share of other comprehensive income. Dividends received or receivable from the associates and joint ventures are recognised as a reduction of the carrying amount of the investments.

2.6 Foreign currency treatment

Functional and presentation currency
Items in the financial statements are measured using the functional currency of each entity in the Group, this being the currency of the primary economic environment in which the entity operates. The Group's financial statements are presented in Singapore dollars, which is the functional currency of the Bank.

Foreign currency transactions and balances
Transactions in foreign currencies are measured using the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency of the entity undertaking the transaction at the exchange rates at the balance sheet date. Foreign exchange differences arising from this translation are recognised in the income statement within "Net trading income".

Non-monetary assets and liabilities measured at cost in a foreign currency are translated using the exchange rates at the date of the transaction.

Non-monetary assets and liabilities measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined, which is generally the balance sheet date.

Unrealised foreign exchange differences arising from non-monetary financial assets and liabilities classified as fair value through profit or loss (FVPL) are recognised in the income statement as trading income.

Non-monetary financial assets that are classified at fair value through other comprehensive income (FVOCI) relates mainly to FVOCI equities. Please refer to Note 2.9 for the accounting treatment of FVOCI equities.

Foreign operations
The results and financial position of subsidiaries, associates, joint ventures and branches or units whose functional currency is not Singapore dollars ("foreign operations") are translated into Singapore dollars in the following manner:

- Assets and liabilities are translated at the exchange rates at the balance sheet date;

- Income and expenses in the income statement are translated at exchange rates prevailing at each month-end, approximating the exchange rates at the dates of the transactions; and

- All resulting exchange differences are recognised in other comprehensive income and accumulated under foreign currency translation reserves in equity. When a foreign operation is partially or fully disposed of, or when it is liquidated, such exchange differences are recognised in the income statement as part of the gain or loss.

For acquisitions prior to 1 January 2005, the foreign exchange rates at the respective dates of acquisition were used. Goodwill and fair value adjustments arising on the acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of the foreign operation and translated at the closing rate. Please refer to Note 27 for an overview of goodwill recorded.

2.7 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to management.

In preparing the segment information, amounts for each business segment are shown after the allocation of certain centralised costs, funding income and the application of transfer pricing, where appropriate. Transactions between segments are recorded within the segment as if they are third party transactions and are eliminated on consolidation.

Please refer to Note 48 for further details on business and geographical segment reporting.

B) Income Statement

2.8 Income recognition

Interest income and interest expense
Interest is accrued on all interest-bearing financial assets and financial liabilities, regardless of their classification and measurement, except for limited transactions measured at FVPL where the economics are better reflected in "Net trading income".

Interest income and interest expense are recognised on a time-proportionate basis using the effective interest method. The calculation includes significant fees and transaction costs that are integral to the effective interest rate, as well as premiums or discounts.

Fee and commission income
The Group earns fee and commission income from a diverse range of products and services provided to its customers. Fee and commission income are recognised when the Group has satisfied its performance obligation in providing the promised products and services to the customer, and are recognised based on contractual rates agreed with customers, net of expected waivers based on historical experience, and net of expenses directly related to it. The Group generally satisfies its performance obligation and recognises the fee and commission income on the following basis:

- Transaction-based fee and commission income is recognised on the completion of the transaction. Such fees include underwriting fees, brokerage fees, bancassurance sales commission and variable service fees, and fees related to the completion of corporate finance transactions.

- For a service that is provided over a period of time, fee and commission income is generally recognised on equal proportion basis over the period during which the related service is provided or credit risk is undertaken. This basis of recognition most appropriately reflects the nature and pattern of provision of these services to the customers over time. Fees for these services can be billed to customers in advance or periodically over time. Such fees include the income from issuance of financial guarantees and bancassurance fixed service fees.

The Group does not provide any significant credit terms to customers for the above products and services.

Directly related expenses typically include brokerage fees paid, card-related expenses and sales commissions, but do not include expenses for services delivered over a period (such as service contracts) and other expenses that are not specifically related to fee and commission income transactions.

Dividend income
Dividend income is recognised when the right to receive payment is established. This is generally the ex-dividend date for listed equity securities, and the date when shareholders approve the dividend for unlisted equity securities. Dividend income arising from financial assets classified as FVPL is recognised in "Net trading income", while those arising from FVOCI financial assets is recognised in "Net income from investment securities".

Allowances for credit and other losses
Please refer to Note 2.11 for the accounting policy on impairment of financial assets.

C) Balance Sheet

2.9 Financial assets

Initial recognition
Purchases and sales of all financial assets are recognised on the date that the Group enters into the contractual arrangements with counterparties. When the Group acts as a trustee or in a fiduciary capacity for assets it does not directly control or benefit from, the assets and the corresponding income belonging to a customer are excluded from the financial statements.

Financial assets are initially recognised at fair value, which is generally the transaction price.

Classification and subsequent measurement
SFRS(I) 9 categorises debt-like financial assets based on the business model within which the assets are managed, and whether the assets constitute a "basic lending arrangement" where their contractual cash flows represent solely payments of principal and interest (SPPI). Interest is defined as consideration for the time value of money, credit risk, other basic lending risks and may include a profit margin.

The classification of the financial assets and the associated accounting treatment are as follows:

- Debt instruments are measured at **amortised cost** when they are in a "hold to collect" (HTC) business model and have contractual cash flows that are SPPI in nature. The objective of a HTC business model is to collect contractual principal and interest cash flows. Sales are incidental to the objective and expected to be either insignificant or infrequent. These assets consist primarily of loans in the "Consumer Banking/ Wealth Management" and "Institutional Banking" segments as well as debt securities from the "Others" segment.

- Debt instruments are measured at **fair value through other comprehensive income** (FVOCI) when they are in a "hold to collect & sell" (HTC & S) business model and have cash flows that are SPPI in nature. Both the collection of contractual cash flows and sales are integral to achieving the objective of the HTC & S business model. Assets measured at FVOCI comprise mainly of debt securities from "Treasury Markets" and the "Others" segment.

  Unrealised gains or losses on FVOCI debt instruments are recorded in other comprehensive income and accumulated in FVOCI revaluation reserves. When they are sold, the accumulated fair value adjustments in FVOCI revaluation reserves are reclassified to the income statement as "Net income from investment securities".

- Debt instruments are measured at **fair value through profit or loss** (FVPL) when:

  i) the assets are not SPPI in nature;
  ii) the assets are not part of a "HTC" or "HTC & S" business model; or
  iii) the assets are designated at FVPL to eliminate or significantly reduce the measurement or recognition inconsistencies that would otherwise arise from measuring assets or liabilities on different bases.

  Assets measured at FVPL are mainly recorded in the "Treasury Markets" segment. Realised and unrealised gains or losses on FVPL financial assets are taken to the income statement in the period they arise.

- Subsequent changes in fair value of non-trading equity can be taken through profit or loss or comprehensive income, as elected. The Group generally elects its non-trading equity instruments to be classified as FVOCI. Other than dividend income, gains and losses on FVOCI equity instruments are recorded in other comprehensive income and accumulated in FVOCI revaluation reserves, and not reclassified to profit or loss upon derecognition.

- Derivatives (including derivatives embedded in financial liabilities but separated for accounting purposes) are also classified as held for trading unless they are designated as hedging instruments. Derivatives are classified as assets when the fair value is positive and as liabilities when the fair value is negative. Changes in the fair value of derivatives other than those designated as hedging instruments in cash flow or net investment hedges are included in "Net trading income".

Reclassification
Reclassification of financial assets are prohibited unless the Group changes its business model for managing financial assets. In practice, this is expected to be infrequent.

Determination of fair value
The fair value of financial assets is the price that would be received if the asset is sold in an orderly transaction between market participants at the measurement date. Fair value is generally estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. Where applicable, a valuation reserve or pricing adjustment is applied to arrive at the fair value. The determination of fair value is considered a significant accounting policy for the Group and further details are disclosed in Note 41.

Offsetting
Financial assets and liabilities are presented net when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle them on a net basis, or realise the asset and settle the liability simultaneously.

Derecognition
Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or when they have been transferred together with substantially all the risks and rewards of ownership.

The Group enters into certain transactions where it transfers financial assets recognised on its balance sheet but retains either all or a portion of the risks and rewards of the transferred financial assets. In such cases, the transferred financial assets are not derecognised from the balance sheet. Such transactions include repurchase agreements described in Note 2.12. They also include transactions where control over the financial asset is retained, for example, by a simultaneous transaction (such as options) with the same counterparty to which the asset is transferred. These are mainly transacted in the "Treasury Markets" segment. In such cases, the Group continues to recognise the asset to the extent of its continuing involvement which is the extent to which it is exposed to changes in the value of the transferred asset.

Please refer to Note 19 for disclosures on transferred financial assets.

2.10 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand and non-restricted balances with central banks which are readily convertible into cash.

2.11 Impairment of financial assets at amortised cost and FVOCI

Expected Credit Losses (ECL)
ECL are recognised for all financial assets held at amortised cost, debt instruments measured at FVOCI, guarantees and undrawn credit commitments. It represents the present value of expected cash shortfalls over the residual term of a financial asset, guarantee or undrawn commitment.

At initial recognition, allowance is required for ECL resulting from possible default events that may occur within the next 12 months ('12-month ECL'). In the event of a significant increase in credit risk, allowance is required for ECL resulting from possible default events over the expected life of the instrument ('lifetime ECL').

The ECL recognised follows the three-stage model: financial instruments where 12-month ECL is recognised are considered Stage 1; financial instruments which experience a significant increase in credit risk are in Stage 2; and financial instruments with objective evidence of default or credit-impaired are in Stage 3.

- **Stage 1** - Financial instruments are classified as Stage 1 at initial recognition and will remain under Stage 1 unless they experience a significant increase in credit risk or become credit-impaired. 12-month ECL is recognised for these instruments.

- **Stage 2** - Financial instruments which experience a significant increase in credit risk (SICR) subsequent to initial recognition, but are not yet credit-impaired, will migrate from Stage 1 to Stage 2. Lifetime ECL is recognised for these instruments.

  Significant increase in credit risk (SICR): SICR is assessed by comparing the risk of default at reporting date to the risk of default at origination using a range of qualitative and quantitative factors.

  For wholesale exposures, a financial instrument is deemed to have experienced a significant increase in credit risk when:
  - the observed change in its probability of default (PD), as observed by downgrades in the Group's internal credit risk rating for this instrument between origination and reporting dates, is more than pre-specified thresholds; or
  - it is placed on certain internal credit watchlists categories for closer scrutiny of developing credit issues.

  For retail exposures, days past due is the main driver, supplemented with a PD-based criterion. In any event, all retail and wholesale exposures that are more than 30 days past due are presumed to have experienced a significant increase in credit risk, unless assessed otherwise, and are classified as Stage 2.

  Instruments in Stage 2 that no longer exhibit a significant increase in credit risk will be transferred back to Stage 1.

- **Stage 3** - Financial instruments that become credit-impaired with evidence of default, i.e. non-performing assets, are transferred to Stage 3. Please refer to Note 43 for the definition of non-performing assets.

  Lifetime ECL is recognised for these assets. ECL for Stage 3 assets are also known as specific allowances.

  A Stage 3 exposure that is restructured can be upgraded to Stage 2 if there are reasonable grounds to conclude that the obligor is able to service future principal and interest payments in accordance with the restructured terms. Stage 3 financial assets are written-off, in whole or in part, when the Group has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of future recoveries.

Measurement of ECL
ECL are unbiased and probability-weighted estimates of credit losses determined by evaluating a range of possible outcomes, considering past events, current conditions and assessments of future economic conditions at the reporting date. The ECL associated with a financial instrument is typically a product of its probability of default (PD), loss given default (LGD) and exposure at default (EAD) discounted using the original effective interest rate to the reporting date.

Component	Description
PD	Point-in-time (based on current conditions, adjusted to take into account estimates of future conditions that will impact PD) estimate of the likelihood of default.
LGD	Estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, including recoveries from collaterals.
EAD	Estimate of the expected credit exposure at time of default, taking into account repayments of principal and interest as well as expected drawdowns on undrawn credit commitments and potential pay-outs on guarantees issued.

The 12-month ECL is calculated by multiplying the 12-month PD, LGD and EAD. Lifetime ECL is calculated using the lifetime PD. The 12-month and lifetime PDs represent the probability of default occurring over the next 12 months and the remaining maturity of the instrument respectively.

In most instances, expected remaining maturity is the same as the remaining contractual life which represents the maximum contractual period over which the Group is exposed to the credit risk of the borrower. However, for some revolving products (e.g. credit cards), the expected remaining maturity may exceed the contractual maturity. In such instances, behavioural expected remaining life will be used.

ECL Modelling - Point-in-Time and Forward-Looking Adjustments
The Group leverages the models and parameters implemented under the Basel II Internal Ratings-Based (IRB) framework where possible, with appropriate modifications to meet SFRS(I) 9 requirements.

Other relevant historical information, loss experience or proxies will be utilised for portfolios without appropriate Basel models and parameters, with a view to maximise the use of available information that is reliable and supportable.

For the wholesale portfolios, credit cycle indices (CCIs) have been developed for the key industries and geographies. CCIs are summary measures that depict broad-based, sector-wide changes in credit risk, which are constructed by comparing the median expected default frequency of firms within each segment against a long-run average. Expected default frequency is in turn a market-based point-in-time default risk measure driven by the market value of firms' assets, asset volatility and leverage. CCIs are then used as inputs to convert the generally more through-the-cycle PDs derived from Basel models/ parameters into the point-in-time equivalents by adding the unaccounted portion of cyclical variations, as well as to incorporate forward-looking information. LGDs are determined using historical loss data, which are adjusted for both the latest and forecasted recovery experience.

The Group relies on a Monte Carlo simulation approach to consider over 100 probability-weighted forward-looking scenarios in estimating ECL. This involves simulations of many alternative CCI scenarios to arrive at an unbiased ECL estimate that are meant to cover all possible good and bad scenarios based on known estimates.

For retail portfolios, historical loss experience is used in conjunction with the forecast loss rates which take into account relevant macroeconomic variables, such as property-prices and unemployment rates.

Expert credit judgement and post model adjustments
The measurement of ECL requires the application of expert credit judgement and post model adjustments. These include:

- assignment of credit risk ratings and determination of whether exposures should be placed on credit watchlists;
- assessment of whether a significant increase in credit risk has occurred;
- selecting and calibrating the ECL models such as CCIs;
- determining the expected remaining maturity of revolving products (e.g. overdrafts and credit cards);
- determination of the forecast loss rates; and
- application of thematic overlays based on emerging risk themes where potential risks may not be fully captured in the underlying modelled ECL. Such top-down additional modelled ECL was quantified by means of applying conditional probabilities on more severe scenarios materialising from emerging risk themes.

The Group has two thematic overlays as at 31 December 2022.

In addition to the base scenarios generated by the model, the Group has incorporated a stress scenario and assigned probabilities to the scenarios, in line with management's judgement of the likelihood of each scenario. The stress scenario envisages persistence of the Russia-Ukraine conflict, as well as a sharp, broad-based global recession with a spike in risk aversion in financial markets and large capital outflows from emerging economies.

The other thematic overlay is to address pricing pressures and risks of asset stranding that the conventional energy sector could face as a result of a transition to a low-carbon economy. Probabilities were assigned to the scenarios in-line with management's judgement of the likelihood of each scenario.

Governance framework
The measurement of ECL is subject to a robust governance framework as described below.

- The Group ECL Review Committee (Review Committee) is the overarching committee for ECL related matters and comprises senior management and representatives from functions across the Group. Significant changes to ECL models and methodologies and the application of thematic overlays are subject to the oversight and approval of the Review Committee.

- The Review Committee is supported by the Group ECL Operating Committee (Operating Committee) which comprises cross functional representatives and subject matter experts. The Operating Committee recommends changes to ECL models, methodologies and thematic overlays to the Review Committee; provides oversight over system design, infrastructure and development; and establishes principles and significant policies pertaining to ECL. Group Credit Risk Models Committee oversees ECL models and credit risk models used by the Group.

- Location ECL committees are established for key overseas subsidiaries to govern and manage location-specific ECL reporting.

- ECL models are subject to independent validation by the Risk Management Group (RMG) Model Validation team, as well as independent reviews by internal and external auditors. The validation and assurance processes cover the review of the underlying ECL methodology including its logic and conceptual soundness.

Minimum Regulatory Loss Allowance
Singapore banks are required to maintain the Minimum Regulatory Loss Allowances (MRLA) of at least 1% of the gross carrying amount of selected credit exposures net of collaterals per Monetary Authority of Singapore Notice to Banks No. 612 “Credit Files, Grading and Provisioning” (MAS Notice 612). For periods when Stage 1 and 2 ECL fall below MRLA, the shortfall is appropriated from retained earnings in the shareholders’ funds into a non-distributable Regulatory Loss Allowance Reserve (RLAR) account.

2.12 Repurchase agreements

Repurchase agreements (Repos) are arrangements where the Group sold the securities but are subject to a commitment to repurchase or redeem the securities at a pre-determined price. The securities are retained on the balance sheet as Group retains substantially all the risk and rewards of ownership and these securities are disclosed within “Financial assets pledged or transferred” (Note 19). The consideration received is recorded as financial liabilities in either “Due to banks” or “Deposits and balances from customers”. Short-dated repos transacted as part of Treasury Markets activities are measured at FVPL.

Reverse repurchase agreements (Reverse repos) are arrangements where the Group purchased the securities but are subject to a commitment to resell or return the securities at a pre-determined price. The risk and rewards of ownership of the collateral are not acquired by the Group and are reflected as collateral received and recorded off-balance sheet. The consideration paid is recorded as financial assets as “Cash and balances with central banks”, “Due from banks” or “Loans and advances to customers”. Short-dated reverse repos transacted as part of Treasury Markets activities are measured at FVPL.

2.13 Goodwill

Goodwill arising from business combinations generally represents the excess of the acquisition cost over the fair value of identifiable assets acquired and liabilities and contingent liabilities assumed on the acquisition date. Goodwill is stated at cost less impairment losses and is tested at least annually for impairment.

At the acquisition date, any goodwill acquired is allocated to each of the cash-generating units (CGU) or group of CGUs expected to benefit from the combination’s synergies.

An impairment loss is recognised when the carrying amount of a CGU, or group of CGUs, including the goodwill, exceeds the applicable recoverable amount. The recoverable amount of a CGU or CGU group is the higher of the CGU’s or CGU group’s fair value less cost to sell and its value-in-use. An impairment loss on goodwill is recognised in the income statement and cannot be reversed in subsequent periods.

2.14 Properties and other fixed assets

Owned properties and other fixed assets
Properties (including investment properties) and other fixed assets are stated at cost less accumulated depreciation and impairment losses.

Depreciation is calculated using the straight-line method to write down the costs of the assets to their estimated residual values over the estimated useful lives of the assets. No depreciation is recognised when the residual value is higher than the carrying amount.

Generally, the useful lives are as follows:

Leasehold land	100 years or over the remaining lease period, whichever is shorter. Leasehold land where the unexpired lease period is more than 100 years is not depreciated.
Buildings	30 to 50 years or over the remaining lease period, whichever is shorter.
Computer software	3 to 5 years
Office equipment, furniture and fittings	5 to 10 years
Leasehold improvements	Up to 20 years

Leased properties and other fixed assets
Lease liabilities are initially measured at the present value of lease payments to be made over the lease term at the lease commencement date. The measurement of the associated right-of-use assets generally approximates the lease liability.

Lease liabilities are subsequently measured at amortised cost using the effective interest method. The right-of-use assets are depreciated over the lease term on a straight-line basis.

Extension options and termination options are included in the assessment of the lease term if the options are reasonably certain to be exercised or not exercised accordingly. If the Group changes its initial assessment, adjustments are made to the carrying amounts of the lease liabilities and right-of-use assets prospectively. The recognition exceptions for short-term leases and leases of low-value assets are applied.

Please refer to Note 26 for the details of owned and leased properties and other fixed assets.

2.15 Financial liabilities

Initial recognition, classification and subsequent measurement
Financial liabilities are initially recognised at fair value. The Group generally classifies and measures its financial liabilities in accordance with the purpose for which the financial liabilities are incurred and managed. Accordingly:

- Financial liabilities are classified as **financial liabilities at fair value through profit or loss** if they are incurred for the purpose of repurchasing in the near term (**"held for trading"**), and this may include debt securities issued and short positions in securities for the purpose of ongoing market-making or trading. Financial liabilities at fair value through profit or loss can also be designated by management on initial recognition (**"designated at fair value through profit or loss"**) if doing so eliminates or significantly reduces measurement or recognition inconsistencies that would otherwise arise, or if the financial liability contains an embedded derivative that would otherwise need to be separately recorded, or if a group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis. Financial liabilities in this classification are usually within the "Treasury Markets" segment.

  Realised or unrealised gains or losses on financial liabilities held for trading and financial liabilities designated under the fair value option, except interest expense, are taken to "Net trading income" in the income statement in the period they arise.

  The changes to the fair value of financial liabilities designated under the fair value option that are attributable to a reporting entity's own credit risk are taken to revenue reserves through other comprehensive income. These amounts are not transferred to the income statement even when realised.

- Derivative liabilities are treated consistently with derivative assets. Please refer to Note 2.9 for the accounting policy on derivatives.

- Other financial liabilities are carried at **amortised cost** using the effective interest method. These comprise predominantly the Group's "Deposits and balances from customers", "Due to banks" and "Other debt securities".

Where the classification and measurement of financial liabilities do not reflect the management of the financial liabilities, the Group may apply hedge accounting where permissible and relevant to better reflect the management of the financial liabilities. Please refer to Note 2.19 for details on hedging and hedge accounting.

Please refer to Note 14 for further details on the types of financial liabilities classified and measured as above.

Determination of fair value
The fair value of financial liabilities is the price that would be paid to transfer the liability in an orderly transaction between market participants at the measurement date.

Please refer to Note 41 for further fair value disclosures.

Derecognition
A financial liability is derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

2.16 Loan commitments, letters of credit and financial guarantees

Loan commitments
Loan commitments are not recognised on the balance sheet and are disclosed in Note 35. Upon a loan draw-down, the amount of the loan is generally recognised as "Loans and advances to customers" on the Group's balance sheet.

Letters of credit
Letters of credit are recorded off-balance sheet as contingent liabilities upon issuance, and the corresponding payables to the beneficiaries and receivables from the applicants are recognised on the balance sheet upon acceptance of the underlying documents.

Financial guarantees
Financial guarantees are initially recognised in the financial statements at fair value on the date the guarantees are given.

Financial guarantees are subsequently measured at the higher of:
- the amount of the ECL (Note 2.11); and
- the unamortised portion of the fees that were received on initial recognition.

Please refer to Note 2.8 for the principles for recognising the fees.

Off-balance sheet credit exposures are managed for credit risk in the same manner as financial assets.

Please refer to Note 2.11 on the Group's accounting policies on allowances for credit losses.

2.17 Provisions and other liabilities

Provisions for other liabilities of uncertain timing and amounts are recognised when:
- the Group has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate of the amount of the obligation can be made.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

2.18 Share capital and other instruments classified as equity

Ordinary shares, preference shares and other instruments which do not result in the Group having a contractual obligation to deliver cash or another financial asset, or to exchange financial assets or financial liabilities with the holder under conditions that are potentially unfavourable to the Group, are classified as equity. Distributions arising from such instruments are recognised in equity as there is no contractual obligation to pay distributions on these instruments. Incremental external costs directly attributable to the issuance of such instruments are accounted for as a deduction from equity.

For ordinary and preference shares, interim dividends are recorded during the financial year in which they are declared payable. Final dividends are recorded during the financial year in which the dividends are approved by the shareholder at the Annual General Meeting.

D) Other Specific Topics

2.19 Hedging and hedge accounting

As part of the overall risk management of the Group, derivatives and other instruments are used to manage exposures to interest rate and foreign currency risks, including exposures arising from forecast transactions.

Where hedge accounting is not applied, the derivatives are treated in the same way as derivatives held for trading purposes, i.e. realised and unrealised gains and losses are recognised in "Net trading income". The Group applies hedge accounting for economic hedge relationships that meet the hedge accounting criteria. To qualify for hedge accounting, at the inception of each hedging relationship, the Group designates and documents the relationship between the hedging instrument and the hedged item; the risk management objective for undertaking the hedge transaction; and the methods used to assess the effectiveness of the hedge. At inception and on an on-going basis, the Group also assesses and measures the effectiveness of the hedging relationship between the hedging instrument and the hedged item.

Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between hedging instrument and the hedged item. The Group designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in fair value hedges, cash flow hedges, or hedges of net investments in foreign operations as described below.

- **Fair value hedge**

  For a qualifying fair value hedge, the changes in the fair value of the hedging instruments are recorded in the income statement, together with any changes in the fair value of the hedged item attributable to the hedged risk. If the hedge no longer meets the criteria for hedge accounting, the adjustment on the hedged item is amortised using the effective interest method to the income statement over its remaining maturity.

  However, where the hedged item is an equity instrument classified as FVOCI, changes in the fair value of the hedging instrument and the hedged item are both recorded in other comprehensive income and accumulated in FVOCI revaluation reserves. The amounts recorded in FVOCI revaluation reserves are not subsequently reclassified to the income statement.

- **Cash flow hedge**

  The effective portion of changes in the fair value of a derivative designated and qualifying as a cash flow hedge is recognised in other comprehensive income and accumulated under the cash flow hedge reserves in equity. This amount is reclassified to the income statement in the periods when the hedged forecast cash flows affect the income statement. The ineffective portion of the gain or loss is recognised immediately in the income statement under "Net trading income".

  When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in the cash flow hedge reserves remains until the forecast transaction is recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss in the cash flow hedge reserves is reclassified from equity to the income statement.

- **Net investment hedge**

  Hedges of net investments in the Group's foreign operations are accounted for in a manner similar to cash flow hedges. On disposal of the foreign operations, the cumulative gain or loss in the foreign currency translation reserves is reclassified to the income statement as part of the gain or loss on disposal.

When designating the hedging instrument, the Group may elect to exclude the valuation components of currency basis spreads and forward points from the hedge relationship on a hedge-by-hedge basis.

The forward points and currency basis spreads which are excluded and recorded in other comprehensive income are:
- reclassified to the income statement when the forecast transaction occurs; or
- amortised to the income statement over the hedging tenor for time-period hedges. The amounts recorded in other comprehensive income are not subsequently reclassified to the income statement for hedges of FVOCI equities.

The Group has elected to apply the SFRS(I) 9 hedge accounting rules in full.

Please refer to Note 38 for further details relating to hedge accounting, including fair value, cash flow and net investment hedges.

2.20 Employee benefits

Employee benefits, which include base pay, cash bonuses, share-based compensation, contribution to defined contribution plans such as the Central Provident Fund and other staff-related allowances, are recognised in the income statement when incurred.

For defined contribution plans, contributions are made to publicly or privately administered funds on a mandatory, contractual or voluntary basis. Once the contributions have been paid, the Group has no further payment obligations.

Employee entitlement to annual leave is recognised when they accrue to employees. A provision is made for the estimated liability for annual unutilised leave as a result of services rendered by employees up to the balance sheet date.

2.21 Share-based compensation

Employee benefits also include share-based compensation, namely the DBSH Share Plan, the DBSH Employee Share Plan and the DBSH Employee Share Purchase Plan (the Plans). The details of the Plans are described in Note 39.

Equity instruments granted and ultimately vested under the Plans are recognised in the income statement based on the fair value of the equity instrument at the date of grant. The expense is amortised over the vesting period of each award.

2.22 Current and deferred taxes

Current income tax for current and prior periods is recognised as the amount expected to be paid or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Group considers uncertain tax positions generally at the level of the total tax liability to each tax authority for each period. The liability is determined based on the total amount of current tax expected to be paid, taking into account all tax uncertainties, using either an expected value approach or a single best estimate of the most likely outcome.

Tax assets and liabilities of the same type (current or deferred) are offset when a legal right of offset exists and settlement in this manner is intended. This applies generally when they arise from the same tax reporting group and relate to the same tax authority.

Deferred income tax is provided on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted by the balance sheet date.

The amount of deferred tax assets recognised takes into account the likelihood the amount that can be used to offset payable taxes on future profits.

Deferred tax related to fair value re-measurement of FVOCI investments, which are recognised outside profit or loss, is also recognised outside profit or loss, i.e. in other comprehensive income and accumulated in the FVOCI revaluation reserves.

3. Critical Accounting Estimates

The Group's accounting policies and use of estimates are integral to the reported amounts in the financial statements. Certain accounting estimates require management's judgement in determining the appropriate methodology for valuation of assets and liabilities. Procedures are in place to ensure that methodologies are reviewed and revised as appropriate. The Group believes its estimates for determining the valuation of its assets and liabilities are appropriate.

The following is a brief description of the Group's critical accounting estimates that involve management's valuation judgement.

3.1 Impairment of financial assets

It is the Group's policy to recognise, through charges against profit, allowances in respect of estimated and inherent credit losses in its portfolio as described in Note 2.11.

ECLs are unbiased and probability-weighted estimates of credit losses determined by evaluating a range of possible outcomes, considering past events, current conditions and assessments of future economic conditions at the reporting date. This will necessarily involve the use of judgement.

Please refer to Note 43 for a further description of the Group's credit risk management framework, policies and procedures.

3.2 Fair value of financial instruments

The majority of the Group's financial instruments reported at fair value are based on quoted and observable market prices or on internally developed models that are based on independently sourced or verified market parameters.

The fair value of financial instruments without an observable market price in an active market may be determined using valuation models. The choice of model requires significant judgement for complex products especially those in the "Treasury Markets" segment.

Policies and procedures have been established to facilitate the exercise of judgement in determining the risk characteristics of various financial instruments, discount rates, estimates of future cash flows and other factors used in the valuation process.

Please refer to Note 41 for further details on fair valuation and fair value hierarchy of the Group's financial instruments measured at fair value.

3.3 Goodwill impairment

The Group performs an impairment review to ensure that the carrying amount of a CGU to which goodwill is allocated does not exceed the recoverable amount of the CGU. Note 27 provides details of goodwill at the reporting date.

The recoverable amount represents the present value of the estimated future cash flows expected to arise from continuing operations. Therefore, in arriving at the recoverable amount, management exercises judgement in estimating the future cash flows, growth rate and discount rate.

3.4 Income taxes

The Group has exposure to income taxes in several jurisdictions. The Group recognises liabilities for expected tax issues based on reasonable estimate of whether additional tax will be due. Where uncertainty exists around the Group's tax position, appropriate provisions are provided based on the technical assessment of the cases. Where the final tax outcome of these positions is different from the provision provided, the differences will impact the income tax and deferred tax balances in the period in which the final tax is determined. Note 21 provides details of the Group's deferred tax assets/ liabilities.

4. Net Interest Income

	The Group		Bank	
In $ millions	**2022**	**2021**	**2022**	**2021**
Cash and balances with central banks and Due from banks	**1,254**	418	**1,164**	365
Customer non-trade loans	**10,282**	6,953	**7,618**	4,814
Trade assets	**1,317**	640	**919**	337
Securities and others	**3,086**	2,179	**2,283**	1,601
Total interest income	**15,939**	10,190	**11,984**	7,117
Deposits and balances from customers	**3,565**	1,186	**2,534**	474
Other borrowings	**1,458**	569	**1,558**	635
Total interest expense	**5,023**	1,755	**4,092**	1,109
Net interest income	**10,916**	8,435	**7,892**	6,008
Comprising:				
Interest income from financial assets at FVPL	**629**	547	**501**	452
Interest income from financial assets at FVOCI	**888**	457	**650**	335
Interest income from financial assets at amortised cost	**14,422**	9,186	**10,833**	6,330
Interest expense from financial liabilities at FVPL	**(206)**	(194)	**(188)**	(158)
Interest expense from financial liabilities not at FVPL[(a)]	**(4,817)**	(1,561)	**(3,904)**	(951)
Total	**10,916**	8,435	**7,892**	6,008

(a) Includes interest expense of $21 million (2021: $30 million) and $5 million (2021: $9 million) on lease liabilities for the Group and Bank respectively

5. Net Fee and Commission Income

	The Group		Bank	
In $ millions	**2022**	**2021**	**2022**	**2021**
Investment banking	**121**	220	**89**	183
Transaction services[(a)]	**929**	924	**652**	626
Loan-related	**459**	413	**348**	313
Cards[(b)]	**858**	715	**659**	525
Wealth management	**1,330**	1,786	**872**	1,193
Fee and commission income	**3,697**	4,058	**2,620**	2,840
Less: fee and commission expense	**606**	532	**454**	399
Net fee and commission income[(c)]	**3,091**	3,526	**2,166**	2,441

(a) Includes trade & remittances, guarantees and deposit-related fees
(b) Card fees are net of interchange fees paid
(c) Includes net fee and commission income of $152 million (2021: $139 million) and $133 million (2021: $119 million) for the Group and Bank respectively, which was derived from the provision of trust and other fiduciary services during the year. Net fee and commission income earned from financial assets or liabilities not at fair value through profit or loss was $975 million (2021: $895 million) and $734 million (2021: $657 million) during the year for the Group and Bank respectively

6. Net Trading Income

	The Group		Bank	
In $ millions	**2022**	**2021**	**2022**	**2021**
Net trading income[(a)(b)]	**1,847**	1,376	**1,486**	884
Net loss from financial assets designated at fair value	**(17)**	(7)	**(20)**	(2)
Net gain from financial liabilities designated at fair value	**478**	405	**498**	404
Total	**2,308**	1,774	**1,964**	1,286

(a) Includes income from assets that are mandatorily classified at FVPL
(b) Includes dividend income of $366 million (2021: $300 million) for the Group and $364 million (2021: $299 million) for the Bank

7. Net Income from Investment Securities

	The Group		Bank	
In $ millions	**2022**	**2021**	**2022**	**2021**
Debt securities				
- FVOCI	**(46)**	140	**(61)**	78
- Amortised cost	**#**	98	**#**	97
Equity securities at FVOCI[(a)]	**161**	149	**157**	145
Total[(b)]	**115**	387	**96**	320
Of which: net (loss)/ gain transferred from FVOCI revaluation reserves	**(117)**	163	**(117)**	97

\# Amount under $500,000
(a) Dividend income
(b) Includes fair value impact of hedges for investment securities

8. Other Income

	The Group		Bank	
In $ millions	**2022**	**2021**	**2022**	**2021**
Net gain on disposal of properties and other fixed assets	**3**	17	**#**	5
Others[(a)(b)]	**39**	29	**331**	525
Total[(c)]	**42**	46	**331**	530

\# Amount under $500,000
(a) Includes net gains and losses from sale of loans carried at amortised cost and rental income from operating leases for both the Group and Bank
(b) Includes dividend income from subsidiaries and associates of $290 million (2021: $491 million) for the Bank
(c) Share of profits or losses of associates and joint ventures has been reclassified from 'Other income' to a separate line on the face of Income statement. Comparatives have been restated

9. Employee Benefits

	The Group		Bank	
In $ millions	**2022**	**2021**	**2022**	**2021**
Salaries and bonuses[(a)]	**3,661**	3,251	**2,369**	2,047
Contributions to defined contribution plans	**208**	192	**136**	127
Share-based expenses[(b)]	**126**	130	**98**	101
Others	**381**	302	**72**	91
Total	**4,376**	3,875	**2,675**	2,366

(a) 2022 includes $1 million (2021: $25 million) of government grants recognised (deducted against salaries and bonuses) for both the Group and Bank
(b) Excludes share-based expenses of $7 million (2021: $3 million) for the Group and $3 million (2021: $1million) for the Bank relating to sales incentive plan which are reflected under other expenses.

10. Other Expenses

In $ millions	The Group 2022	The Group 2021	Bank 2022	Bank 2021
Computerisation expenses[(a)]	**1,200**	1,080	**1,015**	876
Occupancy expenses[(b)]	**396**	416	**183**	205
Revenue-related expenses	**351**	369	**202**	201
Others[(c)(d)]	**760**	815	**364**	467
Total	**2,707**	2,680	**1,764**	1,749

(a) Includes hire, depreciation and maintenance costs of computer hardware and software
(b) Includes depreciation of leased office and branch premises of $204 million (2021: $205 million) for the Group, and $84 million (2021: $92 million) for the Bank and amounts incurred in the maintenance of buildings
(c) Includes office administration expenses (e.g. printing, stationery, telecommunications, etc.), legal and professional fees
(d) 2021 includes a $100 million Corporate Social Responsibility commitment to DBS Foundation and other charitable causes for both the Group and Bank

In $ millions	The Group 2022	The Group 2021	Bank 2022	Bank 2021
Depreciation expenses				
- owned properties and other fixed assets	**477**	431	**336**	284
- leased properties and other fixed assets	**224**	238	**100**	107
Hire and maintenance costs of fixed assets, including building-related expenses	**379**	379	**277**	264
Audit fees[(a)] payable to external auditors[(b)]:				
- Auditors of the Bank	**5**	4	**4**	4
- Associated firms of auditors of the Bank	**5**	5	**1**	1
Non-audit related fees payable to external auditors[(b)]:				
- Auditors of the Bank	**#**	#	**#**	#
- Associated firms of auditors of the Bank	**1**	1	**#**	#

Amount under $500,000
(a) Includes audit related assurance fees
(b) PricewaterhouseCoopers network firms

11. Allowances for Credit and Other Losses

In $ millions	The Group 2022	The Group 2021	Bank 2022	Bank 2021
Specific allowances[(a)(b)]				
Loans and advances to customers	**323**	471	**152**	143
Investment securities (amortised cost)	**5**	#	**#**	(4)
Off-balance sheet credit exposures	**(2)**	8	**(1)**	4
Others	**9**	20	**(1)**	10
General allowances[(c)]	**(98)**	(447)	**(58)**	(271)
Total	**237**	52	**92**	(118)

Amount under $500,000
(a) Includes Stage 3 ECL
(b) Includes charge of $3 million (2021: charge of $1 million) for the Group and write-back of $1 million (2021: write-back of less than $500,000) for the Bank for non-credit exposures
(c) Refers to Stage 1 and 2 ECL

The following tables outline the changes in ECL under SFRS(I) 9 in 2022 and 2021 which are attributable to the following factors:

- Transfers between stages.
- Net portfolio changes, which are determined on an obligor basis i.e. originations with new obligors net of derecognitions of former obligors.
- Remeasurements, which include the impact of changes in model inputs or assumptions, partial repayments, additional drawdowns on existing facilities and changes in ECL following a transfer between stages.

	The Group			
	General allowances (Non-impaired)		Specific allowances (Impaired)	Total
In $ millions	Stage 1	Stage 2	Stage 3	
2022				
Balance at 1 January	**2,231**	**1,645**	**2,926**	**6,802**
Changes in allowances recognised in opening balance that were transferred to/ (from)	**186**	**(272)**	**86**	**-**
-Stage 1	**(17)**	**17**	**-**	**-**
-Stage 2	**236**	**(236)**	**-**	**-**
-Stage 3	**(33)**	**(53)**	**86**	**-**
Net portfolio changes	**99**	**(54)**	**-**	**45**
Remeasurements	**80**	**(137)**	**246**	**189**
Net write-offs[(a)]	**-**	**-**	**(709)**	**(709)**
Exchange and other movements	**(22)**	**(20)**	**(43)**	**(85)**
Balance at 31 December	**2,574**	**1,162**	**2,506**	**6,242**
Charge/ (Write-back) in the income statement	**365**	**(463)**	**332**	**234**
2021				
Balance at 1 January	2,507	1,805	3,014	7,326
Changes in allowances recognised in opening balance that were transferred to/ (from)	34	(191)	157	-
-Stage 1	(40)	40	-	-
-Stage 2	144	(144)	-	-
-Stage 3	(70)	(87)	157	-
Net portfolio changes	88	(63)	-	25
Remeasurements	(403)	88	341	26
Net write-offs[(a)]	-	-	(655)	(655)
Exchange and other movements	5	6	69	80
Balance at 31 December	2,231	1,645	2,926	6,802
Charge/ (Write-back) in the income statement	(281)	(166)	498	51

(a) Write-offs net of recoveries

	Bank			
	General allowances (Non-impaired)		Specific allowances (Impaired)	Total
In $ millions	**Stage 1**	**Stage 2**	**Stage 3**	
2022				
Balance at 1 January	**1,849**	**1,358**	**2,268**	**5,475**
Changes in allowances recognised in opening balance that were transferred to/ (from)	**197**	**(275)**	**78**	**-**
-Stage 1	**(14)**	**14**	**-**	**-**
-Stage 2	**217**	**(217)**	**-**	**-**
-Stage 3	**(6)**	**(72)**	**78**	**-**
Net portfolio changes	**59**	**(38)**	**-**	**21**
Remeasurements	**93**	**(94)**	**73**	**72**
Net write-offs[(a)]	**-**	**-**	**(553)**	**(553)**
Exchange and other movements	**(7)**	**(6)**	**(22)**	**(35)**
Balance at 31 December	**2,191**	**945**	**1,844**	**4,980**
Charge/ (Write-back) in the income statement	**349**	**(407)**	**151**	**93**
2021				
Balance at 1 January	1,963	1,515	2,351	5,829
Changes in allowances recognised in opening balance that were transferred to/ (from)	82	(148)	66	-
-Stage 1	(30)	30	-	-
-Stage 2	118	(118)	-	-
-Stage 3	(6)	(60)	66	-
Net portfolio changes	73	(42)	-	31
Remeasurements	(269)	33	87	(149)
Net write-offs[(a)]	-	-	(275)	(275)
Exchange and other movements	#	#	39	39
Balance at 31 December	1,849	1,358	2,268	5,475
Charge/ (Write-back) in the income statement	(114)	(157)	153	(118)

(a) Write-offs net of recoveries
Amount under $500,000

The following table provides additional information on the financial instruments that are subject to ECL as at 31 December 2022 and 2021. FVPL assets and FVOCI equity instruments are not subject to ECL and therefore not reflected in the tables.

	The Group							
	Gross carrying value[d]				ECL balances			
In $ millions	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
2022								
Assets								
Loans and advances to customers[a]								
- Retail	**121,948**	**780**	**539**	**123,267**	**612**	**110**	**142**	**864**
- Wholesale and others	**273,826**	**18,943**	**4,220**	**296,989**	**1,753**	**991**	**2,157**	**4,901**
Investment securities								
- Government securities and treasury bills[b]	**51,753**	**-**	**-**	**51,753**	**8**	**-**	**-**	**8**
- Bank and corporate debt securities[b]	**51,345**	**461**	**92**	**51,898**	**28**	**3**	**79**	**110**
Others[c]	**105,492**	**18**	**69**	**105,579**	**33**	**#**	**69**	**102**
Liabilities								
ECL on guarantees and other off-balance sheet exposures	**-**	**-**	**-**	**-**	**140**	**58**	**59**	**257**
Total ECL					**2,574**	**1,162**	**2,506**	**6,242**
2021								
Assets								
Loans and advances to customers[a]								
- Retail	122,964	724	651	124,339	528	125	144	797
- Wholesale and others	260,763	23,814	4,639	289,216	1,508	1,373	2,401	5,282
Investment securities								
- Government securities and treasury bills[b]	40,582	-	-	40,582	7	-	-	7
- Bank and corporate debt securities[b]	42,811	1,131	97	44,039	29	11	77	117
Others[c]	106,039	55	229	106,323	29	2	224	255
Liabilities								
ECL on guarantees and other off-balance sheet exposures	-	-	-	-	130	134	80	344
Total ECL					2,231	1,645	2,926	6,802

\# Amount under $500,000
(a) Stage 2 Loans and advances to customers includes special mention loans of $3,952 million (2021: $4,415 million) (See Note 43.2)
(b) Includes loss allowances of $16 million (2021: $25 million) for debt securities that are classified as FVOCI: $4 million (2021: $3 million) for Government Securities and Treasury Bills and $12 million (2021: $22 million) for Bank and Corporate Debt securities. (See Notes 16 and 17)
(c) Comprise of amounts in "Cash and balances with central banks", "Due from Banks" and "Other assets" that are subject to ECL
(d) Balances exclude off-balance sheet exposures

	Bank							
	Gross carrying value(d)				ECL balances			
In $ millions	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
2022								
Assets								
Loans and advances to customers(a)								
- Retail	**99,611**	**628**	**253**	**100,492**	**424**	**62**	**55**	**541**
- Wholesale and others	**212,316**	**15,603**	**3,123**	**231,042**	**1,595**	**829**	**1,614**	**4,038**
Investment securities								
- Government securities and treasury bills(b)	**33,818**	**-**	**-**	**33,818**	**2**	**-**	**-**	**2**
- Bank and corporate debt securities(b)	**44,924**	**461**	**59**	**45,444**	**25**	**3**	**59**	**87**
Others(c)	**110,917**	**10**	**60**	**110,987**	**29**	**#**	**60**	**89**
Liabilities								
ECL on guarantees and other off-balance sheet exposures	**-**	**-**	**-**	**-**	**116**	**51**	**56**	**223**
Total ECL					**2,191**	**945**	**1,844**	**4,980**
2021								
Assets								
Loans and advances to customers(a)								
- Retail	100,469	351	315	101,135	347	78	57	482
- Wholesale and others	204,498	19,961	3,451	227,910	1,340	1,141	1,865	4,346
Investment securities								
- Government securities and treasury bills(b)	27,726	-	-	27,726	2	-	-	2
- Bank and corporate debt securities(b)	38,786	1,131	59	39,976	28	11	59	98
Others(c)	104,263	43	215	104,521	24	#	213	237
Liabilities								
ECL on guarantees and other off-balance sheet exposures	-	-	-	-	108	128	74	310
Total ECL					1,849	1,358	2,268	5,475

\# Amount under $500,000
(a) Stage 2 Loans and advances to customers includes special mention loans of $2,648 million (2021: $3,019 million)
(b) Includes loss allowances of $12 million (2021: $22 million) for debt securities that are classified as FVOCI. $1 million (2021: $1 million) for Government Securities and Treasury Bills and $11 million (2021: $21 million) for Bank and Corporate Debt securities. (See Notes 16 and 17)
(c) Comprise of amounts in “Cash and balances with central banks”, “Due from Banks” and “Other assets” that are subject to ECL
(d) Balances exclude off-balance sheet exposures

The table below shows the Group's portfolio mix of the Loans and advances to customers – Wholesale and others presented in the gross carrying value table above by internal counterparty risk rating (CRR) and probability of default (PD) range:

		The Group	
In $ millions **2022**	**PD range** **(based on Basel 12-month PDs)[(a)]**	**Stage 1** **exposures**	**Stage 2** **exposures**
Loans and advances to customers – Wholesale and others		**273,826**	**18,943**
Of which (in percentage terms):			
CRR 1 – 6B	**0.01% - 0.99%**	**90%**	**43%**
CRR 7A – 7B	**1.26% - 2.30%**	**6%**	**21%**
CRR 8A – 9	**2.57% - 28.83%**	**2%**	**36%**
Others (not rated)	**NA**	**2%**	**0%**
Total		**100%**	**100%**

In $ millions **2021**	**PD range** **(based on Basel 12-month PDs)[(a)]**	**Stage 1** **exposures**	**Stage 2** **exposures**
Loans and advances to customers – Wholesale and others		260,763	23,814
Of which (in percentage terms):			
CRR 1 – 6B	0.01% - 0.99%	88%	38%
CRR 7A – 7B	1.26% - 2.30%	8%	22%
CRR 8A – 9	2.57% - 28.83%	2%	39%
Others (not rated)	NA	2%	1%
Total		100%	100%

(a) Basel 12-month PDs are transformed to Point-in-Time and forward-looking PDs. Stage 2 exposures are also measured on lifetime basis

Sensitivity of ECL

The Group assessed ECL sensitivity for the wholesale and retail portfolios to changes in the allocation of exposures between Stages 1 and 2. ECL is estimated to reduce by $804 million (2021: $1,187 million) should all the exposures in Stage 2 return to Stage 1 and were assigned a lower 12-month ECL instead of lifetime ECL. The impact also reflects the higher PDs ascribed to Stage 2 exposures in addition to the recognition of lifetime instead of 12-month ECL.

As ECL estimation relies on multiple variables, no single analysis can fully demonstrate the sensitivity of the ECL to changes in macroeconomic variables.

12. Share of Profits or Losses of Associates and Joint Ventures

2021 includes a gain of $104 million recognised on completion of the acquisition of an associate, Shenzhen Rural Commercial Bank Corporation Limited (Note 25.1) for the Group.

13. Income Tax Expense

In $ millions	The Group 2022	The Group 2021	Bank 2022	Bank 2021
Current tax expense				
- Current year	**1,277**	1,001	**999**	767
- Prior years' provision	**(75)**	(96)	**(76)**	(96)
Deferred tax expense				
- Origination/ (Reversal) of temporary differences	**8**	54	**(15)**	35
- Prior years' provision	**(29)**	8	**(30)**	7
Total	**1,181**	967	**878**	713

The deferred tax (credit)/ expense in the income statement comprises the following temporary differences:

In $ millions	The Group 2022	The Group 2021	Bank 2022	Bank 2021
Tax depreciation	**(46)**	19	**(44)**	20
Allowances for credit and other losses	**52**	66	**17**	16
Other temporary differences	**(27)**	(23)	**(18)**	6
Deferred tax expense charged to income statement	**(21)**	62	**(45)**	42

The tax on the Group's profit before tax differs from the theoretical amount computed using the Singapore basic tax rate due to:

In $ millions	The Group 2022	The Group 2021	Bank 2022	Bank 2021
Profit before tax	**9,359**	7,774	**7,918**	6,588
Prima facie tax calculated at a tax rate of 17% (2021: 17%)	**1,591**	1,322	**1,346**	1,120
Effect of different tax rates in other countries	**21**	48	**(2)**	22
Net income not subject to tax	**(31)**	(47)	**(61)**	(105)
Net income taxed at concessionary rate	**(403)**	(293)	**(403)**	(293)
Expenses not deductible for tax	**26**	26	**17**	24
Others	**(23)**	(89)	**(19)**	(55)
Income tax expense charged to income statement	**1,181**	967	**878**	713

Deferred income tax relating to FVOCI financial assets and cash flow hedges of $312 million was credited (2021: $60 million) and own credit risk of $6 million was debited (2021: $2 million credited) directly to equity for the Group.

Deferred income tax relating to FVOCI financial assets and cash flow hedges of $172 million was credited (2021: $29 million) and own credit risk of $6 million was debited (2021: $2 million credited) directly to equity for the Bank.

Please refer to Note 21 for further information on deferred tax assets/ liabilities.

14. Classification of Financial Instruments

	The Group						
In $ millions	**Mandatorily at FVPL[(c)]**	**FVPL designated**	**Amortised cost**	**FVOCI-Debt**	**FVOCI-Equity**	**Hedging derivatives**	**Total**
2022							
Assets							
Cash and balances with central banks	**-**	**-**	**50,320**	**3,850**	**-**	**-**	**54,170**
Government securities and treasury bills	**13,143**	**103**	**23,591**	**28,158**	**-**	**-**	**64,995**
Due from banks	**24,674**	**-**	**33,615**	**1,773**	**-**	**-**	**60,062**
Derivatives	**42,761**	**-**	**-**	**-**	**-**	**2,302**	**45,063**
Bank and corporate securities	**21,529**	**-**	**31,581**	**20,219**	**2,128**	**-**	**75,457**
Loans and advances to customers	**28**	**-**	**414,491**	**-**	**-**	**-**	**414,519**
Other financial assets	**98**	**-**	**17,318**	**-**	**-**	**-**	**17,416**
Due from holding company	**-**	**-**	**1,120**	**-**	**-**	**-**	**1,120**
Total financial assets	**102,233**	**103**	**572,036**	**54,000**	**2,128**	**2,302**	**732,802**
Other asset items outside the scope of SFRS(I) 9[(a)]							**11,729**
Total assets							**744,531**
Liabilities							
Due to banks	**12,229**	**-**	**27,455**	**-**	**-**	**-**	**39,684**
Deposits and balances from customers	**1,030**	**4,422**	**521,548**	**-**	**-**	**-**	**527,000**
Derivatives	**42,209**	**-**	**-**	**-**	**-**	**3,082**	**45,291**
Other financial liabilities	**2,301**	**-**	**19,284**	**-**	**-**	**-**	**21,585**
Other debt securities	**86**	**8,057**	**35,638**	**-**	**-**	**-**	**43,781**
Due to holding company	**-**	**-**	**8,425**	**-**	**-**	**-**	**8,425**
Total financial liabilities	**57,855**	**12,479**	**612,350**	**-**	**-**	**3,082**	**685,766**
Other liability items outside the scope of SFRS(I) 9[(b)]							**1,105**
Total liabilities							**686,871**
2021							
Assets							
Cash and balances with central banks	-	-	52,475	3,902	-	-	56,377
Government securities and treasury bills	12,587	97	22,653	17,925	-	-	53,262
Due from banks	15,447	-	34,548	1,297	-	-	51,292
Derivatives	18,866	-	-	-	-	840	19,706
Bank and corporate securities	22,813	-	26,963	16,981	2,935	-	69,692
Loans and advances to customers	1,492	25	407,476	-	-	-	408,993
Other financial assets	-	-	15,267	-	-	-	15,267
Due from holding company	-	-	719	-	-	-	719
Total financial assets	71,205	122	560,101	40,105	2,935	840	675,308
Other asset items outside the scope of SFRS(I) 9[(a)]							11,423
Total assets							686,731
Liabilities							
Due to banks	5,429	-	24,780	-	-	-	30,209
Deposits and balances from customers	743	229	500,987	-	-	-	501,959
Derivatives	19,127	-	-	-	-	1,289	20,416
Other financial liabilities	2,695	-	14,871	-	-	-	17,566
Other debt securities	126	10,600	36,175	-	-	-	46,901
Due to holding company	-	-	10,252	-	-	-	10,252
Total financial liabilities	28,120	10,829	587,065	-	-	1,289	627,303
Other liability items outside the scope of SFRS(I) 9[(b)]							1,028
Total liabilities							628,331

(a) Includes associates and joint ventures, goodwill and intangibles, properties and other fixed assets, and deferred tax assets
(b) Includes current tax liabilities and deferred tax liabilities
(c) Includes assets and liabilities that are held for trading and debt-type financial assets that are not SPPI in nature

In $ millions	Mandatorily at FVPL[c]	FVPL designated	Amortised cost	Bank FVOCI-Debt	FVOCI-Equity	Hedging derivatives	Total
2022							
Assets							
Cash and balances with central banks	**-**	**-**	**44,415**	**1,336**	**-**	**-**	**45,751**
Government securities and treasury bills	**11,026**	**103**	**17,577**	**16,240**	**-**	**-**	**44,946**
Due from banks	**23,427**	**-**	**28,984**	**1,242**	**-**	**-**	**53,653**
Derivatives	**41,419**	**-**	**-**	**-**	**-**	**2,098**	**43,517**
Bank and corporate securities	**18,650**	**-**	**29,266**	**16,102**	**2,045**	**-**	**66,063**
Loans and advances to customers	**28**	**-**	**326,955**	**-**	**-**	**-**	**326,983**
Other financial assets	**98**	**-**	**13,585**	**-**	**-**	**-**	**13,683**
Due from subsidiaries	**405**	**-**	**22,353**	**-**	**-**	**-**	**22,758**
Due from holding companies	**-**	**-**	**1,119**	**-**	**-**	**-**	**1,119**
Total financial assets	**95,053**	**103**	**484,254**	**34,920**	**2,045**	**2,098**	**618,473**
Other asset items outside the scope of SFRS(I) 9[a]							**16,916**
Total assets							**635,389**
Liabilities							
Due to banks	**8,460**	**-**	**24,352**	**-**	**-**	**-**	**32,812**
Deposits and balances from customers	**1,030**	**2,811**	**404,449**	**-**	**-**	**-**	**408,290**
Derivatives	**40,808**	**-**	**-**	**-**	**-**	**2,478**	**43,286**
Other financial liabilities	**1,854**	**-**	**13,889**	**-**	**-**	**-**	**15,743**
Other debt securities	**86**	**8,056**	**32,776**	**-**	**-**	**-**	**40,918**
Due to holding company	**-**	**-**	**7,276**	**-**	**-**	**-**	**7,276**
Due to subsidiaries	**1**	**-**	**36,353**	**-**	**-**	**-**	**36,354**
Total financial liabilities	**52,239**	**10,867**	**519,095**	**-**	**-**	**2,478**	**584,679**
Other liability items outside the scope of SFRS(I) 9[b]							**925**
Total liabilities							**585,604**
2021							
Assets							
Cash and balances with central banks	-	-	47,116	1,572	-	-	48,688
Government securities and treasury bills	9,994	97	16,991	10,734	-	-	37,816
Due from banks	14,215	-	28,345	1,297	-	-	43,857
Derivatives	17,616	-	-	-	-	748	18,364
Bank and corporate securities	20,632	-	25,715	14,184	2,849	-	63,380
Loans and advances to customers	1,492	25	324,217	-	-	-	325,734
Other financial assets	-	-	11,483	-	-	-	11,483
Due from subsidiaries	229	-	15,358	-	-	-	15,587
Due from holding companies	-	-	718	-	-	-	718
Total financial assets	64,178	122	469,943	27,787	2,849	748	565,627
Other asset items outside the scope of SFRS(I) 9[a]							16,419
Total assets							582,046
Liabilities							
Due to banks	3,009	-	21,078	-	-	-	24,087
Deposits and balances from customers	743	131	386,950	-	-	-	387,824
Derivatives	17,752	-	-	-	-	1,128	18,880
Other financial liabilities	2,106	-	9,961	-	-	-	12,067
Other debt securities	126	10,598	34,342	-	-	-	45,066
Due to holding company	-	-	8,776	-	-	-	8,776
Due to subsidiaries	38	-	34,401	-	-	-	34,439
Total financial liabilities	23,774	10,729	495,508	-	-	1,128	531,139
Other liability items outside the scope of SFRS(I) 9[b]							791
Total liabilities							531,930

(a) Includes investments in subsidiaries, associates and joint ventures, goodwill and intangibles, properties and other fixed assets, and deferred tax assets
(b) Includes current tax liabilities and deferred tax liabilities
(c) Includes assets and liabilities that are held for trading and debt-type financial assets that are not SPPI in nature

Financial assets and liabilities are presented net when there is a legally enforceable right to offset the recognised amounts, and there is intention to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets and liabilities offset on the balance sheet

As at 31 December 2022, “Loans and advances to customers” of $10 million (2021: $18 million) were set off against “Deposits and balances from customers” of $10 million (2021: $18 million) for the Group because contractually the Group has a legally enforceable right to set off these amounts, and intends to settle the loans and the deposits simultaneously at maturity or termination dates.

Financial assets and liabilities subject to netting agreements but not offset on the balance sheet

The Group enters into master netting arrangements with counterparties where it is appropriate and feasible to do so to mitigate counterparty risk. The credit risk associated with favourable contracts is reduced by a master netting arrangement to the extent that if an event of default occurs, all amounts with the counterparty are settled on a net basis. Master netting arrangements do not result in an offset of financial assets and liabilities on the balance sheet, as the legal right to offset the transactions is conditional upon default.

These agreements include derivative master agreements (including the International Swaps and Derivatives Association (ISDA) Master Agreement), global master repurchase agreements and global securities lending agreements. The collaterals received and pledged under these agreements are generally conducted under terms that are in accordance with normal market practice. The agreements may allow rehypothecation of collateral received and there may be ongoing margin requirements to mitigate counterparty risk.

The disclosures set out in the tables below pertain to financial assets and liabilities that are not offset in the Group's and Bank's balance sheets but are subject to master netting arrangements or similar agreements that cover similar financial instruments. The disclosures enable the understanding of both the gross and net amounts, as well as provide additional information on how such credit risk is mitigated.

			The Group	Related amounts not offset on balance sheet		
In $ millions	**Carrying amounts on balance sheet**	**Not subject to enforceable netting agreement**	**Net amounts**	**Financial instruments**	**Financial collateral received/ pledged**	**Net amounts**
2022						
Financial Assets						
Derivatives	**45,063**	**6,752**[(a)]	**38,311**	**32,110**[(a)]	**2,744**	**3,457**
Reverse repurchase agreements	**36,289**[(b)]	**-**	**36,289**	**-**	**36,273**	**16**
Securities borrowings	**1,359**[(c)]	**-**	**1,359**	**-**	**1,290**	**69**
Total	**82,711**	**6,752**	**75,959**	**32,110**	**40,307**	**3,542**
Financial Liabilities						
Derivatives	**45,291**	**8,908**[(a)]	**36,383**	**32,110**[(a)]	**1,866**	**2,407**
Repurchase agreements	**14,653**[(d)]	**-**	**14,653**	**-**	**14,647**	**6**
Short sale of securities	**2,301**[(f)]	**1,950**	**351**	**-**	**351**	**-**
Total	**62,245**	**10,858**	**51,387**	**32,110**	**16,864**	**2,413**
2021						
Financial Assets						
Derivatives	19,706	4,656[(a)]	15,050	12,957[(a)]	1,035	1,058
Reverse repurchase agreements	29,466[(b)]	-	29,466	-	29,444	22
Securities borrowings	64[(c)]	-	64	-	61	3
Total	49,236	4,656	44,580	12,957	30,540	1,083
Financial Liabilities						
Derivatives	20,416	5,601[(a)]	14,815	12,957[(a)]	1,038	820
Repurchase agreements	5,666[(d)]	-	5,666	-	5,665	1
Securities lendings	41[(e)]	-	41	-	41	-
Short sale of securities	2,695[(f)]	2,176	519	-	519	-
Total	28,818	7,777	21,041	12,957	7,263	821

(a) Related amounts under "Financial instruments" are prepared on the same basis as netting arrangements recognised for computation of Capital Adequacy Ratio (CAR) (unaudited). Accordingly, the amounts shown under "Not subject to enforceable netting agreement" are those where either no netting agreements exist or where the netting agreements have not been recognised for computation of CAR
(b) Reverse repurchase agreements are presented under separate line items on the balance sheet, namely "Due from banks" and "Loans and advances to customers"
(c) Cash collateral pledged under securities borrowings are presented under "Other assets" on the balance sheet
(d) Repurchase agreements are presented under separate line items on the balance sheet, namely "Due to banks" and "Deposits and balances from customers"
(e) Cash collateral received under securities lendings are presented under "Other liabilities" on the balance sheet
(f) Short sale of securities are presented under "Other liabilities" on the balance sheet

	Bank					
				Related amounts not offset on balance sheet		
In $ millions	Carrying amounts on balance sheet	Not subject to enforceable netting agreement	Net amounts	Financial instruments	Financial collateral received/ pledged	Net amounts
2022						
Financial Assets						
Derivatives	**43,517**	**3,340**[(a)]	**40,177**	**32,788**[(a)]	**2,744**	**4,645**
Reverse repurchase agreements	**35,773**[(b)]	**-**	**35,773**	**-**	**35,759**	**14**
Securities borrowings	**1,359**[(c)]	**-**	**1,359**	**-**	**1,290**	**69**
Total	**80,649**	**3,340**	**77,309**	**32,788**	**39,793**	**4,728**
Financial Liabilities						
Derivatives	**43,286**	**6,208**[(a)]	**37,078**	**32,788**[(a)]	**1,969**	**2,321**
Repurchase agreements	**19,814**[(d)]	**-**	**19,814**	**-**	**19,813**	**1**
Total	**63,100**	**6,208**	**56,892**	**32,788**	**21,782**	**2,322**
2021						
Financial Assets						
Derivatives	18,364	2,517[(a)]	15,847	13,384[(a)]	1,076	1,387
Reverse repurchase agreements	29,293[(b)]	-	29,293	-	29,271	22
Securities borrowings	64[(c)]	-	64	-	61	3
Total	47,721	2,517	45,204	13,384	30,408	1,412
Financial Liabilities						
Derivatives	18,880	3,470[(a)]	15,410	13,384[(a)]	1,131	895
Repurchase agreements	6,221[(d)]	-	6,221	-	6,220	1
Securities lendings	41[(e)]	-	41	-	41	-
Total	25,142	3,470	21,672	13,384	7,392	896

(a) Related amounts under “Financial instruments” are prepared on the same basis as netting arrangements recognised for computation of Capital Adequacy Ratio (CAR) (unaudited). Accordingly, the amounts shown under “Not subject to enforceable netting agreement” are those where either no netting agreements exist or where the netting agreements have not been recognised for computation of CAR
(b) Reverse repurchase agreements are presented under separate line items on the balance sheet, namely “Due from banks”, “Loans and advances to customers” and “Subsidiaries”
(c) Cash collateral pledged under securities borrowings are presented under “Other assets” on the balance sheet
(d) Repurchase agreements are presented under separate line items on the balance sheet, namely “Due to banks”, “Deposits and balances from customers” and “Due to subsidiaries”
(e) Cash collateral received under securities lendings are presented under “Other liabilities” on the balance sheet

15. Cash and Balances with Central Banks

In $ millions	The Group 2022	The Group 2021	Bank 2022	Bank 2021
Cash on hand	**2,520**	2,140	**2,252**	1,834
Non-restricted balances with central banks	**41,456**	44,550	**36,087**	39,139
Cash and cash equivalents	**43,976**	46,690	**38,339**	40,973
Restricted balances with central banks[(a)]	**10,194**	9,687	**7,412**	7,715
Total[(b)]	**54,170**	56,377	**45,751**	48,688

(a) Mandatory balances with central banks
(b) Balances are net of ECL

16. Government Securities and Treasury Bills

	The Group		Bank	
In $ millions	**2022**	**2021**	**2022**	**2021**
Singapore government securities and treasury bills (Gross)	**16,744**	11,364	**16,743**	11,363
Other government securities and treasury bills (Gross)	**48,255**	41,902	**28,204**	26,454
Less: ECL[(a)]	**4**	4	**1**	1
Total	**64,995**	53,262	**44,946**	37,816

(a) ECL for FVOCI securities amounting to $4 million (2021: $3 million) for the Group and $1 million (2021: $1 million) for the Bank are not shown in the table, as these securities are recorded at fair value

17. Bank and Corporate Securities

	The Group		Bank	
In $ millions	**2022**	**2021**	**2022**	**2021**
Bank and corporate debt securities (Gross)	**62,765**	53,883	**53,439**	47,657
Less: ECL[(a)]	**98**	95	**76**	77
Bank and corporate debt securities	**62,667**	53,788	**53,363**	47,580
Equity securities	**12,790**	15,904	**12,700**	15,800
Total	**75,457**	69,692	**66,063**	63,380

(a) ECL for FVOCI securities amounting to $12 million (2021: $22 million) for the Group and $11 million (2021: $21 million) for the Bank are not shown in the table, as these securities are recorded at fair value

18. Loans and Advances to Customers

	The Group		Bank	
In $ millions	**2022**	**2021**	**2022**	**2021**
Gross	**420,284**	415,072	**331,562**	330,562
Less: Specific allowances[(a)]	**2,299**	2,545	**1,669**	1,922
General allowances[(a)]	**3,466**	3,534	**2,910**	2,906
Net total	**414,519**	408,993	**326,983**	325,734
Analysed by product				
Long-term loans	**198,892**	188,483	**147,712**	143,898
Short-term facilities	**97,259**	105,593	**81,631**	89,711
Housing loans	**80,625**	78,516	**68,737**	66,172
Trade loans	**43,508**	42,480	**33,482**	30,781
Gross loans	**420,284**	415,072	**331,562**	330,562
Analysed by currency				
Singapore dollar	**164,110**	159,305	**164,075**	159,207
Hong Kong dollar	**51,043**	49,685	**17,645**	21,413
US dollar	**115,803**	121,691	**98,300**	104,768
Chinese yuan	**19,282**	19,203	**4,792**	4,621
Others	**70,046**	65,188	**46,750**	40,553
Gross loans	**420,284**	415,072	**331,562**	330,562

(a) Balances refer to ECL under SFRS(I) 9 (Specific allowances: Stage 3 ECL; General allowances: Stage 1 and Stage 2 ECL).

Please refer to Note 43.4 for a breakdown of loans and advances to customers by geography and by industry.

19. Financial Assets Pledged or Transferred

The Group pledges or transfers financial assets to third parties in the ordinary course of business. Transferred assets continue to be recognised in the Group's financial statements when the Group retains substantially all their risks and rewards. Among these, as set out below, are securities pledged or transferred pursuant to repurchase or securities lending or collateral swap agreements and for derivative transactions under credit support agreements.

There were no derecognised assets that were subject to the Group's partial continuing involvement as at 31 December 2022 and 31 December 2021.

Securities and Certificates of deposit

Securities transferred under repurchase, securities lending and collateral swap arrangements are generally conducted under terms in line with normal market practice. The counterparty is typically allowed to sell or re-pledge the securities but has an obligation to return them at maturity. If the securities decrease in value, the Group may, in certain circumstances, be required to place additional collateral.

For repurchase agreements, the securities pledged or transferred continue to be recorded on the balance sheet while cash received in exchange is recorded as a financial liability. The Group also pledges assets to secure its short position in securities and to facilitate settlement operations. The fair value of the associated liabilities approximates their carrying amount of $9,020 million (2021: $4,488 million) for the Group and $7,363 million (2021: $4,114 million) for the Bank, which are recorded under "Due to banks", "Deposits and balances from customers" and "Other liabilities" on the balance sheet.

For securities lending and collateral swap transactions, the securities lent continue to be recorded on the balance sheet. As the Group mainly receives other financial assets in exchange, the associated liabilities are not recorded on the balance sheet.

In addition, the Group also pledges securities for derivative transactions under credit support agreements. These assets continue to be recorded on the balance sheet. As the related derivative assets and liabilities are managed on a portfolio basis, there is no direct relationship between the securities pledged and the associated liabilities. As such, the associated liabilities are not disclosed.

	The Group		Bank	
In $ millions	**2022**	**2021**	**2022**	**2021**
Financial assets pledged or transferred				
Singapore government securities and treasury bills	**2,773**	2,092	**2,773**	2,092
Other government securities and treasury bills	**7,339**	4,327	**6,653**	4,649
Bank and corporate debt securities	**2,641**	1,407	**1,308**	310
Equity securities	**1,232**	42	**1,232**	42
Certificates of deposit	**504**	563	**66**	73
Total	**14,489**	8,431	**12,032**	7,166

Covered bonds

Pursuant to the Bank's Global Covered Bond Programme, selected pools of residential mortgages originated by the Bank have been assigned to a bankruptcy-remote structured entity, Bayfront Covered Bonds Pte Ltd (see Notes 22.2 and 30.4). These residential mortgages continue to be recognised on the Bank's balance sheet as the Bank remains exposed to the risks and rewards associated with them.

As at 31 December 2022, the carrying value of the covered bonds in issue was $7,575 million (2021: $5,689 million), while the carrying value of assets assigned was $16,740 million (2021: $9,237 million) for both the Group and Bank. The difference in values is attributable to an intended over-collateralisation required to maintain the credit ratings of the covered bonds in issue, and additional assets assigned to facilitate future issuances.

20. Other Assets

In $ millions	The Group 2022	The Group 2021	Bank 2022	Bank 2021
Accrued interest receivable	**2,346**	1,274	**1,768**	867
Deposits and prepayments	**711**	584	**285**	229
Receivables from securities business	**358**	480	**-**	-
Sundry debtors and others	**7,800**	9,747	**5,685**	7,371
Cash collateral pledged[a]	**6,201**	3,182	**5,945**	3,016
Deferred tax assets (Note 21)	**871**	627	**234**	49
Total[b]	**18,287**	15,894	**13,917**	11,532

(a) Mainly relates to cash collateral pledged in respect of derivative portfolios
(b) Balances are net of specific and general allowances

21. Deferred Tax Assets/ Liabilities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same tax authority. The deferred tax assets and liabilities are determined after appropriate offsetting, as shown in “Other assets” (Note 20) and “Other liabilities” (Note 29) respectively.

Deferred tax assets and liabilities comprise the following temporary differences:

In $ millions	The Group 2022	The Group 2021	Bank 2022	Bank 2021
Deferred income tax assets				
Allowances for credit and other losses	**368**	449	**46**	66
FVOCI financial assets	**143**	12	**98**	9
Cash flow hedges	**181**	14	**83**	6
Own credit risk	**-**	3	**-**	3
Other temporary differences	**436**	382	**116**	81
Sub-total	**1,128**	860	**343**	165
Amounts offset against deferred tax liabilities	**(257)**	(233)	**(109)**	(116)
Total	**871**	627	**234**	49
Deferred income tax liabilities				
Allowances for credit and other losses	**61**	62	**11**	11
Tax depreciation	**112**	158	**68**	113
FVOCI financial assets	**-**	6	**-**	-
Cash flow hedges	**-**	2	**-**	2
Own credit risk	**3**	-	**3**	-
Other temporary differences	**137**	81	**47**	27
Sub-total	**313**	309	**129**	153
Amounts offset against deferred tax assets	**(257)**	(233)	**(109)**	(116)
Total	**56**	76	**20**	37
Net deferred tax assets	**815**	551	**214**	12

22. Subsidiaries and Consolidated Structured Entities

In $ millions	Bank 2022	2021
Investment in subsidiaries[(a)]		
Ordinary shares	**13,065**	12,958
Due from subsidiaries		
Other receivables	**22,758**	15,587
Total	**35,823**	28,545

(a) The carrying amounts of certain investments which are designated as hedged items in a fair value hedge are adjusted for fair value changes attributable to the hedged risks

22.1 Main operating subsidiaries

The main operating subsidiaries within the Group are listed below.

Name of subsidiary	Incorporated in	The Group Effective shareholding % 2022	2021
Commercial Banking			
DBS Bank (Hong Kong) Limited*	Hong Kong	**100**	100
DBS Bank (China) Limited*	China	**100**	100
DBS Bank (Taiwan) Limited*	Taiwan	**100**	100
PT Bank DBS Indonesia*	Indonesia	**99**	99
DBS Bank India Limited*	India	**100**	100
Other Financial Services			
DBS Vickers Securities Holdings Pte Ltd	Singapore	**100**	100
DBS Digital Exchange Pte Ltd[(a)]	Singapore	**90**	90
DBS Securities (China) Co. Ltd*	China	**51**	51

* Audited by PricewaterhouseCoopers network firms outside Singapore
(a) Subsidiary held by DBS Finnovation Pte Ltd, an investment holding company under DBS Bank Ltd.

The Group's main subsidiaries are regulated banks and non-bank financial institutions. Statutory, contractual or regulatory requirements as well as protective rights of non-controlling interests may restrict the ability of the Bank to access and transfer assets freely to or from other entities within the Group and to settle liabilities of the Group. Since the Group did not have any material non-controlling interests as at the balance sheet dates, any protective rights associated with these did not give rise to significant restrictions in 2021 and 2022.

Please refer to Note 34 for information on non-controlling interests.

22.2 Consolidated structured entity

The structured entity consolidated by the Group is listed below.

Name of entity	Purpose of consolidated structured entity	Incorporated in
Bayfront Covered Bonds Pte Ltd	Covered bond guarantor	Singapore

Bayfront Covered Bonds Pte Ltd is a bankruptcy-remote structured entity established in conjunction with the Bank's USD 10 billion Global Covered Bond Programme (see Note 30.4). As part of the contractual structures that are integral to this programme, the Bank provides funding and hedging facilities to it.

23. Associates and Joint Ventures

In $ millions	The Group 2022	The Group 2021
Unquoted equity securities	**2,055**	1,932
Share of post-acquisition reserves	**225**	240
Total	**2,280**	2,172

In $ millions	Bank 2022	Bank 2021
Unquoted equity securities	**1,386**	1,272

The Group's share of income and expenses, assets and liabilities and off-balance sheet items of the associates and joint ventures at 31 December are as follows:

In $ millions	The Group 2022	The Group 2021
Income statement		
Share of income	**605**	502
Share of expenses	**(398)**	(289)
Balance sheet		
Share of total assets	**4,437**	4,233
Share of total liabilities	**2,157**	2,061
Off-balance sheet		
Share of contingent liabilities and commitments	**3,737**	2,435

23.1 Main associates

The main associates of the Group are listed below.

		The Group	
		Effective shareholding %	
Name of associate	**Incorporated in**	**2022**	**2021**
Unquoted			
Central Boulevard Development Pte Ltd*	Singapore	**33.3**	33.3
Shenzhen Rural Commercial Bank Corporation Limited* [(a)] (Note 25.1)	China	**13.0**	13.0

* Audited by other auditors
(a) The Group is able to exercise significant influence over the financial and operating policy decision through board representation

As of 31 December 2022 and 31 December 2021, no associate and joint venture was individually material to the Group. As a non-controlling shareholder, the Group's ability to receive dividends is subject to agreement with other shareholders. The associates and joint ventures may also be subject to statutory, contractual or regulatory requirements restricting dividend payments or to repay loans or advances made.

24. Unconsolidated Structured Entities

"Unconsolidated structured entities" are structured entities, as defined by SFRS(I) 12, that are not controlled by the Group. In the normal course of business, the Group enters into transactions with these structured entities to facilitate customer transactions and for specific investment opportunities.

While the economic exposures may be the same as those to other types of entities, SFRS(I) 12 specifically requires companies to disclose such exposures arising from transactions with unconsolidated structured entities. The table below reflects exposures to third party securitisation structures where the Group holds an interest in the normal course of business.

As is the case with other types of counterparties, the carrying amount from transactions with unconsolidated structured entities have been included in the Group's financial statements.

The risks arising from such transactions are subject to the Group's risk management practices.

The table below represents the Group's and Bank's maximum exposure to loss which for on-balance sheet assets and liabilities is represented by the carrying amount, and does not reflect mitigating effects from the availability of netting arrangements and financial instruments that the Group may utilise to economically hedge the risks inherent in third party structured entities, or risk-reducing effects of collateral or other credit enhancements.

	The Group		Bank	
In $ millions	**2022**	**2021**	**2022**	**2021**
Derivatives	**25**	6	**25**	6
Corporate securities	**4,017**	3,704	**3,364**	3,201
Loans and advances to customers	**-**	9	**-**	9
Other assets	**3**	2	**2**	1
Total assets	**4,045**	3,721	**3,391**	3,217
Commitments	**799**	549	**799**	549
Maximum exposure to loss	**4,844**	4,270	**4,190**	3,766
Derivatives	**244**	108	**244**	108
Total liabilities	**244**	108	**244**	108

SFRS(I) 12 also requires additional disclosures where the Group acts as a sponsor to unconsolidated structured entities. The Group is deemed a sponsor of a structured entity if it plays a key role in establishing the entity,and has an on-going involvement with the structured entity or if the Group's name appears in the structured entity's name.

There are certain investment funds where the Group is the fund manager and the investors have no or limited removal rights over the fund manager. These funds are primarily subscribed by the investors. As of 31 December 2022, the Group did not hold any investment in these investment funds. The table below summarises the Group's and Bank's involvement in the funds.

	The Group and Bank	
In $ millions	**2022**	**2021**
Total assets of the sponsored structured entities	**476**	452
Fee income earned from the sponsored structured entities	**8**	4

25. Acquisitions

25.1 Shenzhen Rural Commercial Bank Corporation Limited

The Group announced on 20 April 2021 that it had entered into an agreement and have obtained approvals from Monetary Authority of Singapore and China Banking and Insurance Regulatory Commission, Shenzhen Office to subscribe for a 13% stake in Shenzhen Rural Commercial Bank Corporation Limited (“SZRCB”) for CNY 5.3 billion ($1.1 billion) (“the Investment”).The purchase consideration was adjusted to CNY 5.2 billion ($1.1 billion) following the dividend distribution of CNY 10 cents per share by SZRCB in May 2021.

The Investment is classified as an associate and applies the equity method of accounting. The Group is able to exercise significant influence over the financial and operating policy decision through board representation.

The transaction was completed in October 2021 and a gain of $104 million was recognised, being the excess of the Group’s share of the net fair value of the identifiable assets and liabilities over the cost of investment. The gain is included in the Group’s share of profits or losses of associates during the year. The Investment is in line with the Group’s strategy of investing in its core markets and accelerates its expansion in the rapidly growing Greater Bay Area.

25.2 Consumer banking business of Citigroup Inc (“Citi”) in Taiwan

The Group announced on 28 January 2022 that it had agreed to acquire the consumer banking business of Citi in Taiwan (“Citi Consumer Taiwan”) via a transfer of assets and liabilities, and will pay Citi cash for the net assets of Citi Consumer Taiwan plus a premium capped at $966 million (TWD 22.1 billion). The acquisition is in line with the Group’s strategy to scale up its investment and accelerates its expansion in Taiwan.

Completion of the proposed acquisition is subject to customary regulatory and migration conditions. Subject to the timing of satisfying these conditions, completion and migration is tentatively set to be around third quarter of 2023.

26. Properties and Other Fixed Assets

	The Group		Bank	
In $ millions	**2022**	**2021**	**2022**	**2021**
Owned properties and other fixed assets				
Investment properties	**39**	40	**31**	31
Owner-occupied properties	**398**	423	**54**	57
Software[(a)]	**1,181**	1,042	**978**	849
Other fixed assets	**367**	380	**226**	218
Sub-total	**1,985**	1,885	**1,289**	1,155
Right-of-use assets				
Properties	**1,155**	1,261	**542**	603
Other fixed assets	**98**	116	**66**	48
Sub-total	**1,253**	1,377	**608**	651
Total	**3,238**	3,262	**1,897**	1,806

(a) During the year, the additions to software were $491 million (2021: $399 million) for the Group and $411 million (2021: $333 million) for the Bank; disposals/ write-offs were $51 million (2021: $21 million) for the Group and $48 million (2021: $16 million) for the Bank; and depreciation expenses were $300 million (2021: $261 million) for the Group and $234 million (2021: $193 million) for the Bank

27. Goodwill and Intangibles

The carrying amounts of the Group's and Bank's goodwill and intangibles arising from business acquisitions are as follows:

	The Group		Bank	
In $ millions	**2022**	**2021**	**2022**	**2021**
DBS Bank (Hong Kong) Limited	**4,631**	4,631	**-**	-
Others	**709**	731	**334**	334
Total	**5,340**	5,362	**334**	334

Goodwill is reviewed on an annual basis or when indicators of impairment exist.

The more material goodwill at the Group relates to DBS Bank (Hong Kong) Limited's franchise. The recoverable value of the franchise is determined based on a value-in-use calculation. The CGU's five-year projected free cash flows, after taking into account the maintenance of capital adequacy requirements at target levels, are discounted by its cost of capital to derive its present value. To derive the value beyond the fifth year, a long-term growth rate is imputed to the fifth-year cash flow and then discounted by the cost of capital to derive the terminal value. The long-term growth rate used does not exceed the historical long-term growth rate of the market the CGU operates in. The recoverable value is the sum of the present value of the five-year cash flows and the terminal value.

A growth rate of 3.5% (2021: 3.5%) and discount rate of 9.0% (2021: 9.0%) were assumed in the value-in-use calculation for DBS Bank (Hong Kong) Limited's franchise.

The process of evaluating goodwill impairment involves management judgement and prudent estimates of various factors including future cash flows as well as the cost of capital and long-term growth rates. The results can be highly sensitive to the assumptions used. Key assumptions used to determine the recoverable amounts of the CGU, including growth rate and discount rate, are tested for sensitivity by applying a reasonably possible change to those assumptions. The reasonably possible changes in key assumptions did not result in an impairment of goodwill as at 31 December 2022.

28. Deposits and Balances from Customers

	The Group		Bank	
In $ millions	**2022**	**2021**	**2022**	**2021**
Analysed by currency				
Singapore dollar	**213,259**	219,838	**212,821**	219,293
US dollar	**198,124**	174,338	**154,528**	134,759
Hong Kong dollar	**36,211**	31,067	**7,325**	4,847
Chinese yuan	**21,795**	20,995	**2,993**	2,115
Others	**57,611**	55,721	**30,623**	26,810
Total	**527,000**	501,959	**408,290**	387,824
Analysed by product				
Savings accounts	**186,727**	221,908	**150,734**	173,173
Current accounts	**130,855**	159,453	**107,843**	131,888
Fixed deposits	**203,545**	113,731	**146,083**	77,773
Other deposits	**5,873**	6,867	**3,630**	4,990
Total	**527,000**	501,959	**408,290**	387,824

29. Other Liabilities

	The Group		Bank	
In $ millions	**2022**	**2021**	**2022**	**2021**
Cash collateral received[(a)]	**4,205**	1,951	**3,848**	1,772
Accrued interest payable	**1,170**	236	**894**	95
Provision for loss in respect of off-balance sheet credit exposures	**257**	344	**223**	310
Payable in respect of securities business	**351**	365	**-**	-
Sundry creditors and others[(b)]	**11,912**	10,453	**8,220**	7,029
Lease liabilities[(c)]	**1,389**	1,522	**704**	755
Current tax liabilities	**1,049**	952	**905**	754
Short sale of securities	**2,301**	2,695	**1,854**	2,106
Deferred tax liabilities (Note 21)	**56**	76	**20**	37
Total	**22,690**	18,594	**16,668**	12,858

(a) Mainly relates to cash collateral received in respect of derivative portfolios
(b) Includes income received in advance of $864 million (2021: $960 million) and $560 million (2021: $730 million) for the Group and Bank respectively arising from a 15-year regional distribution agreement entered with Manulife Financial Asia Limited, to be amortised on a straight-line basis. The regional distribution agreement was extended for one more year to 2031 via a contract addendum in 2021. The revised amortisations amounting to $96 million and $62 million per annum arising from the change for the Group and Bank respectively took effect from 2022. $96 million (2021: $107 million) and $62 million (2021: $81 million) of the Manulife income received in advance was recognised as fee income during the year for the Group and Bank respectively
(c) Total lease payments made during the year amounted to $242 million (2021: $261 million) and $110 million (2021: $121 million) for the Group and Bank respectively

30. Other Debt Securities

		The Group		Bank	
In $ millions	**Note**	**2022**	**2021**	**2022**	**2021**
Negotiable certificates of deposit	30.1	**5,910**	4,865	**3,207**	3,217
Senior medium term notes	30.2	**3,185**	1,141	**3,027**	967
Commercial papers	30.3	**19,053**	24,595	**19,053**	24,595
Covered bonds	30.4	**7,575**	5,689	**7,575**	5,689
Other debt securities	30.5	**8,058**	10,611	**8,056**	10,598
Total		**43,781**	46,901	**40,918**	45,066
Due within 1 year		**30,066**	35,937	**27,361**	34,276
Due after 1 year [(a)]		**13,715**	10,964	**13,557**	10,790
Total		**43,781**	46,901	**40,918**	45,066

(a) Includes instruments in perpetuity

30.1 Negotiable certificates of deposit issued and outstanding as at 31 December are as follows:

In $ millions		The Group		Bank	
Currency	**Interest Rate and Interest Frequency**	**2022**	**2021**	**2022**	**2021**
Issued by the Bank and other subsidiaries					
AUD	Zero-coupon, payable on maturity	**3,207**	3,119	**3,207**	3,119
CNY	Zero-coupon, payable on maturity	**2,136**	1,648	**-**	-
HKD	1.07%, payable on maturity	**35**	-	**-**	-
HKD	Zero-coupon, payable on maturity	**500**	-	**-**	-
INR	Zero-coupon, payable on maturity	**32**	-	**-**	-
TWD	0.42%, payable on maturity	**-**	98	**-**	98
Total		**5,910**	4,865	**3,207**	3,217

The outstanding negotiable certificates of deposit as at 31 December 2022 were issued between 11 January 2022 and 29 December 2022 (2021: 5 July 2021 and 30 December 2021) and mature between 4 January 2023 and 21 November 2023 (2021: 4 January 2022 and 20 October 2022).

30.2 Senior medium term notes issued and outstanding as at 31 December are as follows:

In $ millions		The Group		Bank	
Currency	Interest Rate and Interest Frequency	2022	2021	2022	2021
Issued by the Bank and other subsidiaries					
AUD	Floating rate note, payable quarterly	**1,460**	686	**1,460**	686
CNY	4.7%, payable annually	**158**	174	**-**	-
HKD	5.4%, payable quarterly	**214**	-	**214**	-
HKD	Floating rate note, payable quarterly	**232**	-	**232**	-
HKD	1.125% to 5.41%, payable semi-annually	**736**	-	**736**	-
USD	1.492 to 2.3%, payable semi-annually	**385**	281	**385**	281
Total		**3,185**	1,141	**3,027**	967

The outstanding senior medium term notes as at 31 December 2022 were issued between 24 March 2021 and 22 November 2022 (2021: 13 September 2019 and 26 October 2021) and mature between 3 March 2023 and 1 March 2027 (2021: 13 September 2022 and 26 October 2026).

30.3 The commercial papers were issued by the Bank under its USD 5 billion Euro Commercial Paper Programme and USD 20 billion US Commercial Paper Programme. These are mainly zero-coupon papers. The outstanding notes as at 31 December 2022 were issued between 7 July 2022 and 31 December 2022 (2021: 6 July 2021 and 31 December 2021) and mature between 3 January 2023 and 30 June 2023 (2021: 5 January 2022 and 9 September 2022).

30.4 The covered bonds were issued by the Bank under its USD 10 billion Global Covered Bond Programme. A covered bond is a senior obligation of the Bank backed by a cover pool comprising assets that have been ring-fenced via contractual structures in a bankruptcy-remote structured entity, Bayfront Covered Bonds Pte Ltd. Bayfront Covered Bonds Pte Ltd provides an unconditional and irrevocable guarantee, which is secured by the cover pool, to the covered bond holders. Please refer to Note 19 for further details on the covered bonds.

The outstanding covered bonds as at 31 December 2022 were issued between 23 January 2017 and 12 December 2022 (2021: 23 January 2017 and 17 November 2021) and mature between 23 January 2024 and 17 March 2027 (2021: 25 October 2022 and 26 October 2026).

30.5 Other debt securities issued and outstanding as at 31 December are as follows:

	The Group		Bank	
In $ millions	2022	2021	2022	2021
Issued by the Bank and other subsidiaries				
Equity linked notes	**1,740**	4,929	**1,738**	4,925
Credit linked notes	**3,832**	2,826	**3,832**	2,826
Interest linked notes	**2,364**	2,809	**2,364**	2,809
Others	**122**	47	**122**	38
Total	**8,058**	10,611	**8,056**	10,598

The outstanding securities (excluding perpetual securities) as at 31 December 2022 were issued between 12 March 2013 and 31 December 2022 (2021: 1 March 2013 and 31 December 2021) and mature between 3 January 2023 and 22 February 2062 (2021: 3 January 2022 and 31 March 2061).

31. Share Capital

	The Group and Bank			
	Shares ('000)		In $ millions	
	2022	2021	2022	2021
Ordinary shares	**2,626,196**	2,626,196	**24,452**	24,452
Issued share capital at 31 December			**24,452**	24,452

32. Other Equity Instruments

The following perpetual capital securities issued by the Bank are classified as other equity instruments. These instruments are subordinated to all liabilities of the Bank and senior only to ordinary shareholders of the Bank. Their terms require them to be written-off if and when the Monetary Authority of Singapore notifies the Bank that a write-off of the instruments, or a public sector injection of capital (or equivalent support), is necessary, without which the Group or the DBSH Group (DBSH and its subsidiaries) would become non-viable. These instruments qualify as Additional Tier 1 capital under the MAS Notice to Banks No. 637 “Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore” (MAS Notice 637).

In $ millions	Note	Issue Date	Distribution Payment	The Group and Bank 2022	2021
Issued by the Group and Bank					
SGD 1,000m 3.98% Non-Cumulative, Non-Convertible Perpetual Capital Securities First Callable in 2025	32.1	12 Sep 2018	Mar/ Sep	**1,000**	1,000
USD 1,000m 3.30% Non-Cumulative, Non-Convertible Perpetual Capital Securities First Callable in 2025	32.2	27 Feb 2020	Feb/ Aug	**1,396**	1,396
Total				**2,396**	2,396

32.1 Distributions are payable at 3.98% per annum up to 12 September 2025. Thereafter, the distribution rate resets every 7 years to the then-prevailing seven-year Singapore Dollar Swap Offer Rate plus 1.65% per annum. Distributions are paid semi-annually on 12 March and 12 September each year, unless cancelled by the Bank. The capital securities are redeemable on 12 September 2025 or on any distribution payment date thereafter.

32.2 Distributions are payable at 3.30% per annum up to 27 February 2025. Thereafter, the distribution rate resets every 5 years to the then-prevailing five-year US Dollar Treasury Rate plus 1.915% per annum. Distributions are paid semi-annually on 27 February and 27 August each year, unless cancelled by the Bank. The capital securities are redeemable on 27 February 2025 or on any distribution payment date thereafter.

33. Other Reserves and Revenue Reserves

33.1 Other reserves

	The Group		Bank	
In $ millions	**2022**	**2021**	**2022**	**2021**
FVOCI revaluation reserves (debt)	**(1,686)**	(68)	**(1,415)**	(79)
FVOCI revaluation reserves (equity)	**(344)**	(54)	**(394)**	(114)
Cash flow hedge reserves	**(2,422)**	(242)	**(1,910)**	(187)
Foreign currency translation reserves	**(1,273)**	(334)	**(261)**	(45)
Other reserves	**63**	98	**-**	-
Total	**(5,662)**	(600)	**(3,980)**	(425)

Movements in other reserves for the Group during the year are as follows:

	The Group					
In $ millions	**FVOCI revaluation reserves (debt)**	**FVOCI revaluation reserves (equity)**	**Cash flow hedge reserves**	**Foreign currency translation reserves**	**Other reserves**	**Total**
2022						
Balance at 1 January	**(68)**	**(54)**	**(242)**	**(334)**	**98**	**(600)**
Net exchange translation adjustments	**-**	**-**	**-**	**(939)**	**-**	**(939)**
Share of associates' reserves	**-**	**(10)**	**17**	**-**	**1**	**8**
FVOCI financial assets and cash flow hedge movements:						
- net valuation taken to equity	**(1,860)**	**(432)**	**(2,241)**	**-**	**-**	**(4,533)**
- transferred to income statement	**117**	**-**	**(128)**	**-**	**-**	**(11)**
- taxation relating to components of other comprehensive income	**125**	**15**	**172**	**-**	**-**	**312**
Transfer to revenue reserves upon disposal of FVOCI equities	**-**	**137**	**-**	**-**	**-**	**137**
Other movements	**-**	**-**	**-**	**-**	**(36)**	**(36)**
Balance at 31 December	**(1,686)**	**(344)**	**(2,422)**	**(1,273)**	**63**	**(5,662)**
2021						
Balance at 1 January	385	(139)	312	(691)	95	(38)
Net exchange translation adjustments	-	-	-	357	-	357
Share of associates' reserves	-	2	10	-	-	12
FVOCI financial assets and cash flow hedge movements:						
- net valuation taken to equity	(313)	128	(424)	-	-	(609)
- transferred to income statement	(163)	-	(183)	-	-	(346)
- taxation relating to components of other comprehensive income	23	(6)	43	-	-	60
Transfer to revenue reserves upon disposal of FVOCI equities	-	(39)	-	-	-	(39)
Capital contribution from non-controlling interests	-	-	-	-	3	3
Balance at 31 December	(68)	(54)	(242)	(334)	98	(600)

Movements in other reserves for the Bank during the year are as follows:

	Bank				
In $ millions	**FVOCI revaluation reserves (debt)**	**FVOCI revaluation reserves (equity)**	**Cash flow hedge reserves**	**Foreign currency translation reserves**	**Total**
2022					
Balance at 1 January	**(79)**	**(114)**	**(187)**	**(45)**	**(425)**
Net exchange translation adjustments	**-**	**-**	**-**	**(216)**	**(216)**
FVOCI financial assets and cash flow hedge movements:					
- net valuation taken to equity	**(1,530)**	**(437)**	**(1,703)**	**-**	**(3,670)**
- transferred to income statement	**117**	**-**	**(100)**	**-**	**17**
- taxation relating to components of other comprehensive income	**77**	**15**	**80**	**-**	**172**
Transfer to revenue reserves upon disposal of FVOCI equities	**-**	**142**	**-**	**-**	**142**
Balance at 31 December	**(1,415)**	**(394)**	**(1,910)**	**(261)**	**(3,980)**
2021					
Balance at 1 January	281	(190)	245	(72)	264
Net exchange translation adjustments	-	-	-	27	27
FVOCI financial assets and cash flow hedge movements:					
- net valuation taken to equity	(280)	117	(298)	-	(461)
- transferred to income statement	(97)	-	(152)	-	(249)
- taxation relating to components of other comprehensive income	17	(6)	18	-	29
Transfer to revenue reserves upon disposal of FVOCI equities	-	(35)	-	-	(35)
Balance at 31 December	(79)	(114)	(187)	(45)	(425)

33.2 Revenue reserves

	The Group		Bank	
In $ millions	**2022**	**2021**	**2022**	**2021**
Balance at 1 January	**30,987**	26,360	**23,693**	19,952
Redemption of perpetual capital securities	**-**	6	**-**	6
Net profit attributable to shareholders	**8,155**	6,781	**7,040**	5,875
Other comprehensive income attributable to shareholders				
- Fair value change from own credit risk on financial liabilities designated at fair value (net of tax)	**115**	(32)	**115**	(32)
- Defined benefit plans remeasurements (net of tax)	**(1)**	(11)	**-**	-
- Transfer from FVOCI revaluation reserves upon disposal of FVOCI equities	**(137)**	39	**(142)**	35
Other movements	**25**	(13)	**-**	-
Sub-total	**39,144**	33,130	**30,706**	25,836
Less: Dividends paid to holding company	**3,789**	2,143	**3,789**	2,143
Balance at 31 December	**35,355**	30,987	**26,917**	23,693

34. Non-controlling Interests

The following instruments issued by subsidiaries of the Group are classified as non-controlling interests. These instruments have a deeply subordinated claim on the issuing entity's assets in the event of a liquidation.

In $ millions	Note	Issue Date	Liquidation Preference	Distribution Payment	The Group 2022	The Group 2021
Issued by Heedum Pte Ltd S$344m 1.6% Perpetual Subordinated Loan		12 Nov 2015		Nov	**344**	344
Issued by DBS Bank (Taiwan) Ltd TW$8,000m 2.279% Non-Cumulative and Perpetual Preferred Shares	34.1	20 Jan 2015			**350**	391
Issued by DBS Bank (Hong Kong) Limited HK$1,400m 3.9% Non-Cumulative Preference Shares		13 Oct 2016	HK$ 10,000,000	Mar	**-**	243
Issued by DBS Bank (Hong Kong) Limited HK$1,400m 2.86% Perpetual Securities		13 Jan 2022		Jan	**241**	-
Non-controlling interests in Subsidiaries					**184**	187
Total					**1,119**	1,165

34.1 The preferred shares have an annual dividend rate of 4.0% from 20 January 2015 to (but excluding) 20 January 2020, and 2.279% from 20 January 2020.

35. Contingent Liabilities and Commitments

The Group issues guarantees, performance bonds and indemnities in the ordinary course of business. The majority of these facilities are offset by corresponding obligations of third parties.

Guarantees and performance bonds are generally written by the Group to support the performance of a customer to third parties. As the Group will only be required to meet these obligations in the event of the customer's default, the cash requirements of these instruments are expected to be considerably below their nominal amount.

	The Group		Bank	
In $ millions	**2022**	**2021**	**2022**	**2021**
Guarantees on account of customers	**21,006**	22,855	**20,548**	22,327
Letters of credit and other obligations on account of customers	**16,663**	11,224	**14,733**	8,625
Undrawn credit commitments[(a)]	**364,998**	330,914	**296,727**	270,813
Forward starting transactions	**852**	501	**1,541**	941
Undisbursed and underwriting commitments in securities	**418**	537	**413**	491
Sub-total	**403,937**	366,031	**333,962**	303,197
Capital commitments	**134**	72	**87**	63
Total	**404,071**	366,103	**334,049**	303,260
Analysed by industry (excluding capital commitments)				
Manufacturing	**60,064**	56,053	**44,891**	43,318
Building and construction	**33,045**	30,096	**26,867**	24,971
Housing loans	**7,902**	8,541	**7,500**	8,140
General commerce	**66,883**	55,336	**54,867**	43,429
Transportation, storage and communications	**20,511**	19,892	**16,078**	16,256
Financial institutions, investment and holding companies	**49,638**	40,027	**46,539**	37,362
Professionals and private individuals (excluding housing loans)	**131,631**	123,249	**108,296**	100,372
Others	**34,263**	32,837	**28,924**	29,349
Total	**403,937**	366,031	**333,962**	303,197
Analysed by geography[(b)] (excluding capital commitments)				
Singapore	**159,784**	145,379	**159,760**	145,206
Hong Kong	**65,677**	62,373	**32,807**	32,200
Rest of Greater China	**50,479**	47,738	**24,662**	24,896
South and Southeast Asia	**36,016**	29,963	**29,951**	25,685
Rest of the World	**91,981**	80,578	**86,782**	75,210
Total	**403,937**	366,031	**333,962**	303,197

(a) Include commitments that are unconditionally cancellable at any time by the Group (2022: $294,168 million; 2021: $264,953 million) and Bank (2022: $232,199 million; 2021: $210,248 million)
(b) Based on the location of incorporation of the counterparty or borrower

36 Financial Derivatives

36.1 Trading derivatives

Most of the Group's derivatives relate to sales and trading activities. Sales activities include the structuring and marketing of derivatives to customers to enable them to take, transfer, modify or reduce current or expected risks. Trading activities are entered into principally for dealer's margin or for the purpose of generating a profit from short-term fluctuations in price.

Trading includes mainly market-making and warehousing to facilitate customer orders. Market-making involves quoting bid and offer prices to other market participants with the intention of generating revenues based on spread and volume. Warehousing involves holding on to positions in order to liquidate in an orderly fashion with timing of unwinding determined by market conditions and traders' views of markets as they evolve.

36.2 Hedging derivatives

The accounting treatment of hedging derivatives varies according to the nature of the hedge and whether the hedge meets the specified criteria to qualify for hedge accounting. Derivatives transacted for economic hedges but do not qualify for hedge accounting are treated in the same way as derivative instruments held for trading purposes. Please refer to Note 38 for more details on derivatives used for hedging.

The following table summarises the contractual or underlying principal amounts of derivative financial instruments held or issued for trading and hedging purposes outstanding at balance sheet date. They do not represent amounts at risk.

In the financial statements, trading derivative financial instruments are revalued on a gross position basis and the unrealised gains or losses are reflected as derivative assets or derivative liabilities. Derivative assets and liabilities arising from different transactions are only offset if the transactions are done with the same counterparty, a legal right of offset exists, and the parties intend to settle the cash flows on a net basis. There were no offset of derivative assets and liabilities in 2022 and 2021.

	The Group					
	2022			2021		
In $ millions	**Underlying notional**	**Assets**	**Liabilities**	**Underlying notional**	**Assets**	**Liabilities**
Interest rate derivatives						
Forward rate agreements	**2,718**	**261**	**18**	11,938	63	69
Interest rate swaps	**1,540,327**	**25,061**	**27,967**	1,333,736	9,185	9,550
Interest rate futures	**22,285**	**57**	**6**	20,306	15	3
Interest rate options	**44,881**	**1,282**	**1,146**	48,014	990	1,319
Sub-total	**1,610,211**	**26,661**	**29,137**	1,413,994	10,253	10,941
Foreign exchange (FX) derivatives						
FX contracts	**612,352**	**6,763**	**7,212**	523,880	3,518	3,613
Currency swaps	**238,740**	**9,098**	**7,324**	248,350	4,497	4,063
Currency options	**90,707**	**499**	**672**	72,669	237	288
Sub-total	**941,799**	**16,360**	**15,208**	844,899	8,252	7,964
Equity derivative contracts	**18,094**	**1,356**	**605**	22,227	795	1,243
Credit derivative contracts	**27,024**	**594**	**162**	24,265	351	222
Commodity derivative contracts	**7,802**	**92**	**179**	3,830	55	46
Gross total derivatives	**2,604,930**	**45,063**	**45,291**	2,309,215	19,706	20,416
Impact of netting arrangements recognised for computation of Capital Adequacy Ratio (CAR) (unaudited)		**(32,110)**	**(32,110)**		(12,957)	(12,957)
		12,953	**13,181**		6,749	7,459
Of which: derivatives with holding company	**4,593**	**127**	**25**	5,991	25	98

	The Group					
	2022			2021		
In $ millions	**Underlying notional**	**Assets**	**Liabilities**	**Underlying notional**	**Assets**	**Liabilities**
Included in the above are derivatives held for:						
Fair value hedges						
Interest rate swaps	**15,923**	**546**	**505**	11,398	64	255
Currency swaps	**530**	**38**	**-**	425	1	17
Sub-total	**16,453**	**584**	**505**	11,823	65	272
Cash flow hedges						
Forward rate agreements	**42**	**3**	**-**	-	-	-
Interest rate swaps	**36,427**	**110**	**1,837**	20,477	19	287
FX contracts	**17,468**	**230**	**77**	6,743	69	44
Currency swaps	**20,815**	**1,242**	**619**	23,034	635	677
Sub-total	**74,752**	**1,585**	**2,533**	50,254	723	1,008
Net investment hedges						
FX contracts	**11,677**	**133**	**44**	6,739	43	9
Currency swaps	**-**	**-**	**-**	2,055	9	-
Sub-total	**11,677**	**133**	**44**	8,794	52	9
Total derivatives held for hedging	**102,882**	**2,302**	**3,082**	70,871	840	1,289

	Bank					
	2022			2021		
In $ millions	**Underlying notional**	**Assets**	**Liabilities**	**Underlying notional**	**Assets**	**Liabilities**
Interest rate derivatives						
Forward rate agreements	**1,938**	**256**	**16**	11,450	57	68
Interest rate swaps	**1,301,504**	**24,701**	**27,229**	1,080,798	8,623	8,837
Interest rate futures	**20,365**	**53**	**6**	20,096	14	3
Interest rate options	**44,685**	**1,282**	**1,146**	47,919	990	1,319
Sub-total	**1,368,492**	**26,292**	**28,397**	1,160,263	9,684	10,227
Foreign exchange (FX) derivatives						
FX contracts	**573,365**	**5,995**	**6,486**	478,444	3,059	3,028
Currency swaps	**231,751**	**8,777**	**6,926**	239,117	4,239	3,917
Currency options	**77,538**	**427**	**533**	62,062	193	199
Sub-total	**882,654**	**15,199**	**13,945**	779,623	7,491	7,144
Equity derivative contracts	**17,991**	**1,355**	**604**	22,203	795	1,243
Credit derivative contracts	**26,332**	**579**	**161**	23,737	339	220
Commodity derivative contracts	**7,816**	**92**	**179**	3,891	55	46
Gross total derivatives	**2,303,285**	**43,517**	**43,286**	1,989,717	18,364	18,880
Impact of netting arrangements recognised for computation of Capital Adequacy Ratio (CAR) (unaudited)		**(32,788)**	**(32,788)**		(13,384)	(13,384)
		10,729	**10,498**		4,980	5,496
Of which: derivatives with subsidiaries and holding company	**112,654**	**2,025**	**776**	92,685	856	585
Included in the above are derivatives held for:						
Fair value hedges						
Interest rate swaps	**14,729**	**529**	**501**	10,512	57	245
FX contracts	**1,539**	**3**	**27**	589	-	5
Currency swaps	**530**	**38**	**-**	425	1	17
Sub-total	**16,798**	**570**	**528**	11,526	58	267
Cash flow hedges						
Forward rate agreements	**42**	**3**	**-**	-	-	-
Interest rate swaps	**31,158**	**110**	**1,360**	15,278	19	225
FX contracts	**13,972**	**171**	**44**	4,381	69	14
Currency swaps	**19,012**	**1,116**	**537**	21,007	550	618
Sub-total	**64,184**	**1,400**	**1,941**	40,666	638	857
Net investment hedges						
FX contracts	**8,396**	**128**	**9**	6,150	43	4
Currency swaps	**-**	**-**	**-**	2,055	9	-
Sub-total	**8,396**	**128**	**9**	8,205	52	4
Total derivatives held for hedging	**89,378**	**2,098**	**2,478**	60,397	748	1,128

37 Interest Rate Benchmark Reform

In March 2021, the UK Financial Conduct Authority (FCA) announced the dates on which LIBOR would be discontinued. All GBP, CHF, EUR, JPY London Interbank Offered Rate (LIBOR) settings and the one-week and two-month USD LIBOR settings would lose representativeness or discontinue after 31 December 2021. The remaining USD LIBOR settings would lose representativeness or discontinue after 30 June 2023. In Singapore, as announced by the Steering Committee for SOR & SIBOR Transition to SORA (SC-STS) on 31 March 2021, Singapore Swap Offer Rate (SOR), which relies on USD LIBOR in its computation, would similarly be discontinued immediately after 30 June 2023 across all settings. The Singapore Interbank Offered Rate (SIBOR) would discontinue by end-2024, with 6-month SIBOR being discontinued immediately after 31 March 2022.

The Group's main interest rate benchmark exposures are USD LIBOR, SOR and SIBOR. USD LIBOR will be replaced by USD Secured Overnight Financing Rate (SOFR) while the replacement benchmark rate for SOR and SIBOR is Singapore Overnight Rate Average (SORA).

Changes in contractual cash flows of financial instruments

During the year, the Group continued to apply the practical expedients provided in SFRS(I) 9. These expedients require changes in the contractual cash flows of financial instruments that result solely from IBOR reform and are economically equivalent to be accounted for by updating the effective interest rate, rather than recognising an immediate gain or loss in the income statement.

Hedge accounting

During the year, the Group continued to apply SFRS(I) 9's hedge accounting reliefs relating to Interest Rate Benchmark Reform.

The key assumption made when performing hedge accounting is that both the hedged item and hedging instrument will be amended from existing IBORs to new Alternative Reference Rates (ARRs) at the same time. Where actual differences between those dates arise, hedge ineffectiveness will be recorded in the income statement.

How the Group is managing the transition to ARRs

A Group steering committee was established in 2019 to manage the impact of IBOR reform on the Group. The committee comprises senior representatives from Institutional Banking Group, Consumer Banking Group, Treasury Markets, Finance, Risk Management Group, Technology & Operations, Legal and Compliance and Group Strategic Marketing and Communications and is chaired by the Corporate Treasurer. The Terms of Reference of the committee are to review transition plans related to LIBOR and SOR discontinuation, SIBOR reform and other interest rate benchmark reform, to assess the Group's key risks across different scenarios, and to develop strategies to manage existing and new business in the context of these risks. Oversight of IBOR reform is provided by the Group Executive Committee and the Board Risk Management Committee.

As at 31 December 2022, changes required to systems, processes and models have been identified and have been substantially implemented. All contracts with interest rates that are pegged to GBP, CHF, EUR, JPY LIBOR or one-week and two-month tenors for USD LIBOR have been remediated. For contracts referencing SOR, SIBOR or the remaining USD LIBOR settings, the Group has begun its communication with relevant counterparties and contract remediation is ongoing.

The Group has identified that the risks arising from IBOR reform are:

- Risk of contractual disputes arising from the lack of legal clauses catering for the discontinuation of an interest rate benchmark, and its replacement with an ARR, or such clauses failing to operate as expected; and

- Risk of reputational harm due to poor customer management related to interest rate benchmark discontinuation, leading to loss of customer business.

These risks are mitigated through robust oversight by the Group steering committee. The Group will continue to identify and assess risks associated with IBOR reform.

Exposures impacted by IBOR reform

The table below provides an overview of significant IBOR-related exposure by interest rate benchmarks.

- The exposures disclosed are for positions with contractual maturities after the announced IBOR cessation dates[(a)].
- Non-derivative financial instruments are presented on the basis of their gross carrying amounts.
- Derivative financial instruments are presented by using their notional contract amounts and where derivatives have both pay and receive legs with exposure to IBOR reform, such as cross currency swaps, the notional contract amount is disclosed for both legs. As at 31 December 2022, there was $13,001 million (2021: $13,513 million) for the Group and $12,929 million (2021: $13,440 million) for the Bank of cross currency swaps where both the pay and receive legs are impacted by IBOR reform.
- Only transactions with parties that are not part of the DBS Group are reflected in the table below.

The Group **In $ millions**	**SGD SOR**	**SGD SIBOR**	**USD LIBOR**	**Total**
2022				
Non-derivative financial assets[(b)]	**10,316**	**5,723**	**21,677**	**37,716**
Non-derivative financial liabilities[(c)]	**3**	**-**	**3**	**6**
Derivatives (notional)	**49,907**	**-**	**388,718**	**438,625**
Of which, hedging derivatives[(d)]	**-**	**-**	**4,447**	**4,447**
2021				
Non-derivative financial assets[(b)]	20,606	8,234	25,272	54,112
Non-derivative financial liabilities[(c)]	-	-	4	4
Derivatives (notional)	51,312	-	376,816	428,128
Of which, hedging derivatives[(d)]	-	-	5,345	5,345

Bank **In $ millions**	**SGD SOR**	**SGD SIBOR**	**USD LIBOR**	**Total**
2022				
Non-derivative financial assets[(b)]	**10,316**	**5,723**	**18,584**	**34,623**
Non-derivative financial liabilities[(c)]	**3**	**-**	**3**	**6**
Derivatives (notional)	**49,807**	**-**	**377,396**	**427,203**
Of which, hedging derivatives[(d)]	**-**	**-**	**4,222**	**4,222**
2021				
Non-derivative financial assets[(b)]	20,606	8,234	23,339	52,179
Non-derivative financial liabilities[(c)]	-	-	4	4
Derivatives (notional)	51,211	-	364,883	416,094
Of which, hedging derivatives[(d)]	-	-	5,118	5,118

(a) The expected cessation date for USD LIBOR and SOR is 30 June 2023. 1-month and 3-month SIBOR will be discontinued by end of 2024
(b) Relates mainly to “Bank and corporate securities” and “Loans and advances to customers”
(c) Relates mainly to “Other debt securities”
(d) Relates to derivatives that are designated for hedge accounting. The extent of the hedged risk exposure is reflected in the notional amounts of the derivatives

38. Hedge Accounting

The Group enters into hedging transactions to manage exposures to interest rate and foreign currency risks. Hedge accounting is applied to minimise volatility in earnings arising from changes in interest rate and foreign exchange rates.

Please refer to Note 44 for more information on market risk and the Group's risk management practices and Note 2.19 for the Group's accounting policy for hedge accounting.

38.1 Fair value hedge

In accordance with the risk management strategy in place, the Group enters into interest rate swaps to mitigate the risk of changes in interest rates on the fair value of the following:

- issued fixed rate debt;
- fixed rate bonds; and
- exposures to corporate loans.

In such instances, the Group hedges the benchmark interest rate risk component which is an observable and reliably measurable component of interest rate risk. Specifically, the Group has designated fair value hedge relationships, on a hedge-by-hedge basis, to hedge against movements in the benchmark interest rate. This effectively results in the recognition of interest expense (for fixed rate liabilities), or interest income (for fixed rate assets) at floating rates. The Group also uses cross currency swaps when there is a need to hedge both interest rate and foreign exchange risks.

For risks not covered by hedge accounting, the Group manages these in accordance with its risk management strategy.

The Group assesses prospective hedge effectiveness by comparing the changes in fair value of the hedged item resulting from movements in the benchmark interest rate with the changes in fair value of the interest rate swaps used to hedge the exposure. The Group determines the hedge ratio by comparing the notional of the derivative with the principal of the debt issued or the bond asset purchased, or the loan granted.

The Group has identified the following possible sources of ineffectiveness:

- the use of derivatives as a protection against interest rate risk creates an exposure to the derivative counterparty's credit risk which is not offset by the hedged item. This risk is minimised by entering into derivatives with high credit quality counterparties;
- the use of different discounting curves when measuring the fair value of the hedged items and hedging instruments. For derivatives, the discounting curve used depends on collateralisation and the type of collateral used; and
- difference in the timing of settlement of hedging instruments and hedged items.

The Group typically uses foreign currency denominated borrowings/ deposits to fund its investments in non-SGD denominated FVOCI equity instruments. To reduce the accounting mismatch on the borrowings/ deposits and FVOCI equity instruments because of foreign exchange rate movements, the Group designates the borrowings/ deposits as the hedging instruments in fair value hedges of the FVOCI equity instruments. The hedge ratio is determined by comparing the principal of the borrowings/ deposits with the investment costs of the FVOCI equity instruments. A potential source of ineffectiveness is a decrease in the fair value of the equity instruments below their investment costs.

The following table sets out the maturity profile of the hedging instruments used in fair value hedges. The amounts shown in the table reflect the notional amounts of derivatives and the carrying amounts of borrowings and deposits. Please refer to Note 36 for the carrying values of the derivatives.

In $ millions	Type of risk hedged	The Group Less than 1 year	1 to 5 years	More than 5 years	Total
2022					
Derivatives (notional)					
Interest rate swaps	Interest rate	**1,663**	**11,202**	**3,058**	**15,923**
Currency swaps	Interest rate & Foreign exchange	**104**	**426**	**-**	**530**
Total derivatives		**1,767**	**11,628**	**3,058**	**16,453**
Non-derivative instruments (e.g. borrowings, deposits)	Foreign exchange	**1,463**	**-**	**-**	**1,463**
Total non-derivative instruments		**1,463**	**-**	**-**	**1,463**
2021					
Derivatives (notional)					
Interest rate swaps	Interest rate	645	10,369	384	11,398
Currency swaps	Interest rate & Foreign exchange	94	331	-	425
Total derivatives		739	10,700	384	11,823
Non-derivative instruments (e.g. borrowings, deposits)	Foreign exchange	1,875	-	-	1,875
Total non-derivative instruments		1,875	-	-	1,875

In $ millions	Type of risk hedged	Bank Less than 1 year	1 to 5 years	More than 5 years	Total
2022					
Derivatives (notional)					
Interest rate swaps	Interest rate	**1,595**	**10,170**	**2,964**	**14,729**
Currency swaps	Interest rate & Foreign exchange	**104**	**426**	**-**	**530**
FX Contracts	Foreign exchange	**1,350**	**189**	**-**	**1,539**
Total derivatives		**3,049**	**10,785**	**2,964**	**16,798**
Non-derivative instruments (e.g. borrowings, deposits)	Foreign exchange	**1,463**	**-**	**-**	**1,463**
Total non-derivative instruments		**1,463**	**-**	**-**	**1,463**
2021					
Derivatives (notional)					
Interest rate swaps	Interest rate	645	9,584	283	10,512
Currency swaps	Interest rate & Foreign exchange	94	331	-	425
FX Contracts	Foreign exchange	589	-	-	589
Total derivatives		1,328	9,915	283	11,526
Non-derivative instruments (e.g. borrowings, deposits)	Foreign exchange	1,875	-	-	1,875
Total non-derivative instruments		1,875	-	-	1,875

The table below provides information on hedged items relating to fair value hedges.

	The Group		Bank	
In $ millions	Carrying amounts (including hedge adjustments)	Fair value hedge adjustments included in carrying amounts	Carrying amounts (including hedge adjustments)	Fair value hedge adjustments included in carrying amounts
2022				
Assets				
Loans and advances to customers	**786**	**(21)**	**786**	**(21)**
Government securities and treasury bills[(a)]	**1,204**	**(17)**	**30**	**-**
Bank and corporate securities[(a)]	**6,500**	**(13)**	**6,500**	**(13)**
Subsidiaries	**-**	**-**	**1,539**	**(73)**
Liabilities				
Other debt securities	**7,172**	**(431)**	**7,172**	**(431)**
Due to holding company	**1,148**	**(65)**	**1,148**	**(65)**
2021				
Assets				
Loans and advances to customers	1,066	(1)	1,033	(2)
Government securities and treasury bills[(a)]	892	4	-	-
Bank and corporate securities[(a)]	7,531	(4)	7,531	(4)
Subsidiaries	-	-	589	28
Liabilities				
Other debt securities	2,320	24	2,320	24
Due to holding company	1,237	(3)	1,237	(3)

(a) The carrying amounts of debt and equity instruments at fair value through other comprehensive income do not include fair value hedge adjustments as the hedged assets are measured at fair value. The accounting for the hedge relationship results in a transfer from other comprehensive income to the income statement for debt instruments

At the Group, for the year ended 31 December 2022, the net gains on hedging instruments used to calculate hedge effectiveness was $143 million (2021: net gains of $205 million). The net losses on hedged items attributable to the hedged risk amounted to $140 million (2021: net losses of $205 million).

At the Bank, for the year ended 31 December 2022, the net gains on hedging instruments used to calculate hedge effectiveness was $268 million (2021: net gains of $196 million). The net losses on hedged items attributable to the hedged risk amounted to $265 million (2021: net losses of $196 million).

38.2 Cash flow hedge

The Group is predominantly exposed to variability in future cash flows due to interest rate movements and foreign currency fluctuations from the following:

- assets subject to repricing, reinvestment or refinancing risk;
- forecasted interest earnings denominated in foreign currency;
- issued floating or fixed rate foreign currency debt; and
- floating or fixed rate foreign currency bonds.

In accordance with the Group risk management strategy the Group enters into interest rate swaps, foreign currency forwards and swaps as well as cross currency swaps to protect against the variability of cash flows due to changes in interest rates and/ or foreign currency exchange rates.

In such instances, cash flow hedge relationships are designated. These are applied on a hedge-by-hedge basis or portfolio basis, for example:

- For cash flows from assets subject to repricing or reinvestment risk, a portfolio cash flow hedge relationship is designated using interest rate swaps. A dynamic process is applied for this hedge as the portfolio composition can change e.g. due to maturities and new originations. The portfolio cash flow hedge relationship effectively extends the duration of the assets, such that the interest cash flows are transformed from a floating rate basis to a fixed rate basis.

- Foreign currency forwards and swaps are used to hedge against variability in future cash flows arising from USD-denominated interest income, and to hedge against foreign exchange movements arising from a portfolio of foreign currency denominated assets and liabilities.

- Cross currency swaps are used to mitigate the risk of fluctuation of coupon and principal cash flows due to changes in foreign currency exchange rates of issued foreign currency debt and foreign currency bonds.

- Bond forwards are used to reduce exposures to foreign currency bonds.

For risks not covered by hedge accounting, the Group manages these in accordance with its risk management strategy.

The Group assesses hedge effectiveness by comparing the changes in fair value of a hypothetical derivative reflecting the terms of the hedged item due to movements in the hedged risk with the changes in fair value of the derivatives used to hedge the exposure.

The Group determines the hedge ratio by comparing the notional of the derivatives with the assets subject to repricing/ reinvestment/ refinancing risk or amount of forecast earnings denominated in foreign currency or the principal of the debt securities issued or purchased foreign currency bonds.

The Group has identified the following possible sources of ineffectiveness in its cash flow hedge relationships:
- the use of derivatives as a protection against currency and interest rate risk creates an exposure to the derivative counterparty's credit risk which is not offset by the hedged item. This risk is minimised by entering into derivatives with high credit quality counterparties;
- difference in tenor of hedged items and hedging instruments;
- difference in timing of settlement of the hedging instrument and hedged item; and
- designation of off-market hedging instruments.

The following table sets out the maturity profile of the hedging instruments used in cash flow hedges. The amounts shown in the table reflect the notional amounts of derivatives. Please refer to Note 36 for the carrying values of the derivatives.

		The Group			
In $ millions	**Type of risk hedged**	**Less than 1 year**	**1 to 5 years**	**More than 5 years**	**Total**
2022					
Derivatives (notional)					
Forward rate agreements	Foreign exchange	**-**	**-**	**42**	**42**
Interest rate swaps	Interest rate	**2,135**	**34,292**	**-**	**36,427**
FX contracts	Foreign exchange	**17,343**	**125**	**-**	**17,468**
Currency swaps	Interest rate & Foreign exchange	**8,842**	**6,728**	**5,245**	**20,815**
Total		**28,320**	**41,145**	**5,287**	**74,752**
2021					
Derivatives (notional)					
Interest rate swaps	Interest rate	-	19,462	1,015	20,477
FX contracts	Foreign exchange	6,423	320	-	6,743
Currency swaps	Interest rate & Foreign exchange	4,005	17,939	1,090	23,034
Total		10,428	37,721	2,105	50,254

		Bank			
In $ millions	**Type of risk hedged**	**Less than 1 year**	**1 to 5 years**	**More than 5 years**	**Total**
2022					
Derivatives (notional)					
Forward rate agreements	Foreign exchange	**-**	**-**	**42**	**42**
Interest rate swaps	Interest rate	**2,135**	**29,023**	**-**	**31,158**
FX contracts	Foreign exchange	**13,972**	**-**	**-**	**13,972**
Currency swaps	Interest rate & Foreign exchange	**8,828**	**5,473**	**4,711**	**19,012**
Total		**24,935**	**34,496**	**4,753**	**64,184**
2021					
Derivatives (notional)					
Interest rate swaps	Interest rate	-	14,263	1,015	15,278
FX contracts	Foreign exchange	4,201	180	-	4,381
Currency swaps	Interest rate & Foreign exchange	3,732	16,754	521	21,007
Total		7,933	31,197	1,536	40,666

The hedge ineffectiveness arising from these hedges was insignificant.

Please refer to Note 33 for information on the cash flow hedge reserves.

38.3 Net investment hedge

The Group manages currency risk of its net investment in foreign operations (or structural foreign exchange risk) using foreign currency borrowings, foreign currency forwards and swaps, as well as cross currency swaps.

Structural foreign exchange exposures are managed with the primary aim of ensuring that consolidated capital ratios are largely protected from the effect of fluctuations in foreign exchange rates against SGD.

Under the Group's hedging strategy, the carrying amount of these investments could be fully hedged, partially hedged or not hedged at all. The Group regularly reviews its hedging strategy, taking into account the long-term outlook of currency fundamentals and the impact of fluctuations in foreign exchange rates on capital adequacy ratios.

The tables below analyse the currency exposures by functional currency.

The Group

In $ millions	Net investments in foreign operations[(a)]	Financial instruments which hedge the net investments	Remaining unhedged currency exposures
2022			
Hong Kong dollar	**10,021**	**4,210**	**5,811**
US dollar[(b)]	**9,331**	**5,706**	**3,625**
Chinese yuan	**4,277**	**269**	**4,008**
Taiwan dollar	**1,604**	**1,492**	**112**
Others	**5,618**	**-**	**5,618**
Total	**30,851**	**11,677**	**19,174**
2021			
Hong Kong dollar	9,691	2,055	7,636
US dollar[(b)]	9,829	6,150	3,679
Chinese yuan	4,424	296	4,128
Taiwan dollar	1,799	293	1,506
Others	4,276	-	4,276
Total	30,019	8,794	21,225

(a) Refers to net tangible assets of entities (e.g. subsidiaries, associates and joint ventures and overseas branches) or units with non-SGD functional currency
(b) Includes the Treasury Markets trading business in Singapore ("TM Singapore"). With effect from 1 January 2021, the functional currency of TM Singapore changed from SGD to US dollars (USD) to better reflect the increasing dominance of the USD in the business activities of TM Singapore

Bank

In $ millions	Net investments in foreign operations[(c)]	Financial instruments which hedge the net investments	Remaining unhedged currency exposures
2022			
Hong Kong dollar	**2,632**	**2,472**	**160**
US dollar[(d)]	**9,165**	**5,706**	**3,459**
Taiwan dollar	**323**	**218**	**105**
Others	**2,840**	**-**	**2,840**
Total	**14,960**	**8,396**	**6,564**
2021			
Hong Kong dollar	2,312	2,055	257
US dollar[(d)]	9,701	6,150	3,551
Taiwan dollar	362	-	362
Others	1,536	-	1,536
Total	13,911	8,205	5,706

(c) Refers to net tangible assets of overseas branches or units with non-SGD functional currency
(d) Includes the Treasury Markets trading business in Singapore ("TM Singapore"). With effect from 1 January 2021, the functional currency of TM Singapore changed from SGD to US dollars (USD) to better reflect the increasing dominance of the USD in the business activities of TM Singapore

Please refer to Note 33 for information on the foreign currency translation reserves. Foreign currency translation reserves include the effect of translation differences on net investments in foreign entities (e.g. subsidiaries, associates, joint ventures and branches) or units with non-SGD functional currency, and the related foreign currency financial instruments designated for hedge accounting.

39. Share-based Compensation Plans

As part of the Group's remuneration policy, the Group provides various share-based compensation plans to foster a culture that aligns employees' interests with shareholders', enable employees to share in the Group's performance and enhance talent retention.

Main Scheme/ Plan	Note
DBSH Share Plan (Share Plan)	
• The Share Plan is granted to Group executives as determined by the committee appointed to administer the Share Plan ("Committee") from time to time. • Participants are awarded shares of DBSH or, at the Committee's discretion, their equivalent cash value or a combination. • Awards consist of main award and retention award (20%/ 15% of main award) for employees on bonus/ sales incentive plans respectively. Dividends on unvested shares do not accrue to employees. • For employees on bonus plan, the main award vests from 2 to 4 years after grant i.e. 33% will vest 2 years after grant; another 33% will vest on the third year and the remaining 34% plus the retention award will vest 4 years after grant. • For employees on sales incentive plan, the main award vests from 1 to 3 years after grant i.e. 33% will vest 1 year after grant; another 33% will vest on the second year and the remaining 34% plus the retention award will vest 3 years after grant. • Top performers and key employees are also awarded shares as part of talent retention. There are no additional retention awards for such shares granted. The shares are subject to the usual four-year vesting schedule. • The awards will lapse immediately upon termination of employment, except in the event of ill health, injury, disability, redundancy, retirement or death. • The market price of shares on the grant date is used to estimate the fair value of the shares awarded. The fair value of the shares granted includes an adjustment to exclude the present value of future expected dividends to be paid during the vesting period. • Vested and unvested shares are subject to clawback/ malus. Conditions that trigger such clawback/ malus are in the Remuneration Report section of DBSH's Annual Report. • Shares are awarded to non-executive Directors as part of director's remuneration. Details of these awards are disclosed in the Corporate Governance section of DBSH's Annual Report.	39.1
The Directors reviewed the changes to the vesting schedule and retention award percentage on 5 December 2022. This includes a revision to the share and cash deferral proportions for Senior Management and Material Risk Personnel to be in line with regulatory and market practices. The changes will apply to the shares grant in 2023 and do not impact the 2022 financial statements.	
DBSH Employee Share Plan (ESP)	
• The Committee has ceased granting shares under the ESP effective from financial year 2018 remuneration. All outstanding ESP share grants have fully vested in 2022.	39.1
DBSH Employee Share Purchase Plan (ESPP)	
• The ESPP was implemented in 2019 in selective markets across the Group. All permanent employees who hold the rank of Vice President and below are eligible to participate in the scheme. • The ESPP is a share ownership plan for eligible employees to own DBSH shares through monthly contributions via deductions from payroll or designated bank accounts. • Participants contribute up to 10% of month salary (minimum S$50, capped at S$1,000) and the Group will match 25% of the participant's contributions to buy DBSH ordinary shares for a period of 12 months during each plan year. • The matching shares bought from the Group's contribution will vest 24 months after the last contribution month for each plan year. • The matching shares will lapse immediately upon termination of employment, except in the event of ill health, injury, disability, redundancy, retirement or death.	39.2

39.1 DBSH Share Plan and DBSH Employee Share Plan

The following table sets out the movements of the awards during the year.

	The Group			
	2022		2021	
Number of shares	Share Plan	ESP	Share Plan	ESP
Balance at 1 January	**17,105,292**	**145,804**	17,248,786	526,003
Granted	**5,068,826**	**-**	5,378,132	-
Vested	**(5,205,424)**	**(145,138)**	(5,209,973)	(362,363)
Forfeited/ others	**(830,274)**	**(666)**	(311,653)	(17,836)
Balance at 31 December	**16,138,420**	**-**	17,105,292	145,804
Weighted average fair value of the shares granted during the year	**$32.35**	**-**	$22.07	-

	Bank			
	2022		**2021**	
Number of shares	**Share Plan**	**ESP**	**Share Plan**	**ESP**
Balance at 1 January	**13,314,486**	**76,480**	13,579,818	280,797
Granted	**3,816,502**	**-**	4,058,380	-
Vested	**(4,091,313)**	**(76,139)**	(4,228,842)	(194,624)
Transferred	**(26,006)**	**123**	92,808	(751)
Forfeited/ others	**(542,869)**	**(464)**	(187,678)	(8,942)
Balance at 31 December	**12,470,800**	**-**	13,314,486	76,480
Weighted average fair value of the shares granted during the year	**$32.35**	**-**	$22.01	-

39.2 DBSH Employee Share Purchase Plan

The following table sets out the movements of the shares during the year.

	The Group		**Bank**	
Number of shares	**2022**	**2021**	**2022**	**2021**
Balance at 1 January	**1,403,440**	1,015,478	**1,055,854**	764,052
Granted	**503,737**	534,378	**373,641**	401,323
Vested[(a)]	**(446,839)**	(15,238)	**(336,797)**	(9,405)
Transferred	**-**	-	**(175)**	(951)
Forfeited	**(140,207)**	(131,178)	**(108,018)**	(99,165)
Balance at 31 December	**1,320,131**	1,403,440	**984,505**	1,055,854
Weighted average fair value of the shares granted during the year	**$29.39**	$26.05	**$29.39**	$26.05

(a) Excludes shares vested but temporarily withheld under the regulatory requirement as of the reporting date. Such shares will be reported as vested in the period the shares are released to the employees.

40. Related Party Transactions

40.1 Transactions between the Bank and its subsidiaries, including consolidated structured entities, associates and joint ventures which are related parties of the Bank, are disclosed in Notes 40.4 to 40.6.

40.2 During the financial year, the Group had banking transactions with related parties, consisting of subsidiaries, associates and joint ventures and key management personnel of the Group. These included the taking of deposits and extension of credit card and other loan facilities. These transactions were made in the ordinary course of business and carried out at arms-length commercial terms, and were not material.

In addition, key management personnel received remuneration for services rendered during the financial year. Non-cash benefits including performance shares were also granted.

40.3 Total compensation and fees to key management personnel[(a)] are as follows:

	The Group		**Bank**	
In $ millions	**2022**	**2021**	**2022**	**2021**
Short-term benefits[(b)]	**54**	48	**42**	37
Share-based payments[(c)]	**30**	27	**26**	24
Total	**84**	75	**68**	61
Of which: Bank Directors' remuneration and fees	**14**	13	**14**	13

(a) Includes Bank Directors and members of the Management Committee who have authority and responsibility in planning the activities and direction of the Group. The composition and number of Directors and Management Committee members may differ from year to year
(b) Includes cash bonus based on amount accrued during the year, to be paid in the following year
(c) Share-based payments are expensed over the vesting period in accordance with SFRS(I) 2

40.4 Income received from and expenses paid to related parties

In addition to the related party information shown elsewhere in the financial statements, the following transactions took place between the Bank and related parties during the financial year on terms agreed by the parties concerned.

In $ millions	The Group 2022	2021	Bank 2022	2021
Income received from:				
- Holding company	**14**	7	**14**	7
- Subsidiaries	**-**	-	**690**	847
- Associates and joint ventures	**41**	31	**106**	47
Total	**55**	38	**810**	901
Expenses paid to:				
- Holding company	**229**	156	**178**	129
- Subsidiaries	**-**	-	**962**	724
- Associates and joint ventures	**102**	111	**102**	111
Total	**331**	267	**1,242**	964

40.5 Amounts due from and to related parties

In $ millions	Bank 2022	2021
Amounts due from:		
- Holding company	**1,119**	718
- Subsidiaries (Note 22)	**22,758**	15,587
- Associates and joint ventures	**1,059**	1,070
Total	**24,936**	17,375
Amounts due to:		
- Holding company	**7,276**	8,776
- Subsidiaries	**36,354**	34,439
- Associates and joint ventures	**149**	147
Total	**43,779**	43,362

40.6 Guarantees issued to and received from related parties

Guarantees issued to and received from subsidiaries amounted to $2,840 million (2021: $2,927 million) and $572 million (2021: $800 million) respectively.

The Bank also finances customer through discounting bills issued by related parties. As at 31 December 2022, outstanding amount of such bills was $25 million (2021: $2 million).

41. Fair Value of Financial Instruments

41.1 Valuation Process

The valuation processes within the Group are governed by the Valuation Policy which is approved by the Board Audit Committee.

The Valuation Policy applies to all financial assets and liabilities that are measured at fair value, covering both market prices as well as model inputs. Financial assets and liabilities are marked directly using reliable and independent quoted market prices where available, or by using reliable and independent market parameters (as model inputs) in conjunction with a valuation model.

Valuation models go through an assurance process carried out by the Risk Management Group (RMG), independent of the model developers. This assurance process covers the review of the underlying methodology including its logic and conceptual soundness together with the model inputs and outputs. Model assurances are conducted prior to implementation and subject to regular review or when there are significant changes arising from market or portfolio changes. Where necessary, the Group also imposes model reserves and other adjustments in determining fair value. Models are approved by the Group Market and Liquidity Risk Committee (GMLRC).

A process of independent price verification (IPV) is in place to establish the accuracy of the market parameters used when the marking is performed by the Front Office. The IPV process entails independent checks to compare traders' marks to independent sources such as broker/ dealer quotes or market consensus providers.

Where market parameters are sourced independently for the marking of financial assets and liabilities, or used as inputs into a valuation model, these are checked for reliability and accuracy, for example by reviewing large daily movements or by referencing other similar sources, or transactions.

Valuation adjustments and reserves are taken to account for close-out costs, model and market parameter uncertainty, and any other factor that may affect valuations. Valuation adjustment and reserve methodologies are approved by the GMLRC and governed by the Valuation Policy.

The valuation adjustments and reserves include but are not limited to:

Model and Parameter Uncertainty Adjustments
Valuation uncertainties may occur during fair value measurement either due to uncertainties in the required input parameters or uncertainties in the modelling methods used in the valuation process. In such situations, adjustments may be necessary to take these factors into account.

For example, where market data such as prices or rates for an instrument are no longer observable after an extended period of time, these inputs used to value the financial instruments may no longer be relevant in the current market conditions. In such situations, adjustments may be necessary to address the pricing uncertainty arising from the use of stale market data inputs.

Credit Valuation Adjustments
Credit valuation adjustments are taken to reflect the impact on fair value of counterparty credit risk. Credit valuation adjustments are based upon the creditworthiness of the counterparties, magnitude of the current or potential exposure on the underlying transactions, netting and collateral arrangements, and the maturity of the underlying transactions.

Funding Valuation Adjustments
Funding valuation adjustments represent an estimate of the adjustment to fair value that a market participant would make in incorporating funding costs and benefits that arise in relation to uncollateralised derivatives positions.

Day 1 Profit or Loss (P&L) Reserve
In situations where the market for an instrument is not active and its fair value is established using a valuation model based on significant unobservable market parameters, the Day 1 P&L arising from the difference in transacted price and end-of-day model valuation is set aside as reserves. A market parameter is defined as being significant when its impact on the Day 1 P&L is greater than an internally determined threshold. The Day 1 P&L reserve is released to the income statement when the parameters become observable or when the transaction is closed out or amortised over the duration of the transaction. At year end, the unamortised Day 1 P&L was not material.

Bid-Offer Adjustments
The Group often holds, at varying points in time, both long or short positions in financial instruments which are valued using mid-market levels. Bid-offer adjustments are then made to account for close-out costs.

41.2 Fair Value Hierarchy

The fair value hierarchy accords the highest level to observable inputs such as unadjusted quoted prices in active markets for identical assets or liabilities and the lowest level to unobservable inputs. The fair value measurement of each financial instrument is categorised in accordance with the same level of the fair value hierarchy as the input with the lowest level that is significant to the entire measurement. If unobservable inputs are deemed significant, the financial instrument will be categorised as Level 3.

Financial instruments that are valued using quoted prices in active markets are classified as Level 1 within the fair value hierarchy. These would include government and sovereign securities, listed equities and corporate debt securities which are actively traded. Derivatives contracts which are traded in an active exchange market are also classified as Level 1 of the valuation hierarchy.

Where fair value is determined using quoted market prices in less active markets or quoted prices for similar assets and liabilities, such instruments are generally classified as Level 2. In cases where quoted prices are generally not available, the Group will determine the fair value based on valuation techniques that use market parameters as inputs including but not limited to yield curves, volatilities and foreign exchange rates. The majority of valuation techniques employ only observable market data so that reliability of the fair value measurement is high. These would include corporate debt securities, repurchase, reverse repurchase agreements and most of the Group's over-the-counter (OTC) derivatives.

The Group classifies financial instruments as Level 3 when there is reliance on unobservable market parameters, whether used directly to value a financial asset or liability, or used as inputs to a valuation model, attributing to a significant contribution to the instrument value. These would include all input parameters which are derived from historical data, for example, asset correlations or certain volatilities. Level 3 instruments also include unquoted equity securities which are measured based on the net asset value of the investments. In addition, Level 3 inputs include all stale quoted security prices and other approximations (e.g. bonds valued using credit default swap spreads).

The following tables present assets and liabilities measured at fair value, classified by level within the fair value hierarchy.

	The Group							
	2022				2021			
In $ millions	**Level 1**	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets								
Financial assets at FVPL								
- Government securities and treasury bills	**9,936**	**3,309**	**1**	**13,246**	8,425	4,259	-	12,684
- Bank and corporate securities	**16,843**	**4,516**	**170(a)**	**21,529**	18,816	3,636	361	22,813
- Other financial assets	**98**	**24,702**	**-**	**24,800**	-	16,964	-	16,964
FVOCI financial assets								
- Government securities and treasury bills	**25,781**	**2,377**	**-**	**28,158**	15,811	2,114	-	17,925
- Bank and corporate securities	**18,202**	**3,538**	**607(b)**	**22,347**	17,251	2,235	430	19,916
- Other financial assets	**-**	**5,623**	**-**	**5,623**	2	5,197	-	5,199
Derivatives	**70**	**44,842**	**151(c)**	**45,063**	39	19,534	133	19,706
Liabilities								
Financial liabilities at FVPL								
- Other debt securities	**-**	**8,143**	**-**	**8,143**	-	10,726	-	10,726
- Other financial liabilities	**2,300**	**17,681**	**1**	**19,982**	2,626	6,469	1	9,096
Derivatives	**19**	**45,271**	**1**	**45,291**	21	20,394	1	20,416

(a) Decrease in Level 3 balance was mainly due to sale of a bond which was priced using proxy valuation
(b) Increase in Level 3 balance was due to a new bond which was priced using proxy valuation
(c) Increase in Level 3 balance was due to an increase in market value of a total return swap whose underlying is illiquid

	Bank							
	2022				2021			
In $ millions	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Financial assets at FVPL								
- Government securities and treasury bills	**8,006**	**3,122**	**1**	**11,129**	6,955	3,136	-	10,091
- Bank and corporate securities	**16,408**	**2,072**	**170[(a)]**	**18,650**	18,358	1,924	350	20,632
- Other financial assets	**98**	**23,455**	**-**	**23,553**	-	15,732	-	15,732
FVOCI financial assets								
- Government securities and treasury bills	**15,694**	**546**	**-**	**16,240**	10,163	571	-	10,734
- Bank and corporate securities	**16,206**	**1,426**	**515[(b)]**	**18,147**	16,217	471	345	17,033
- Other financial assets	**-**	**2,578**	**-**	**2,578**	2	2,867	-	2,869
Due from subsidiaries	**-**	**405**	**-**	**405**	-	229	-	229
Derivatives	**66**	**43,301**	**150[(c)]**	**43,517**	39	18,194	131	18,364
Liabilities								
Financial liabilities at FVPL								
- Other debt securities	**-**	**8,142**	**-**	**8,142**	-	10,724	-	10,724
- Other financial liabilities	**1,862**	**12,292**	**1**	**14,155**	2,108	3,880	1	5,989
Due to subsidiaries	**-**	**1**	**-**	**1**	-	38	-	38
Derivatives	**19**	**43,267**	**-**	**43,286**	21	18,859	-	18,880

(a) Decrease in Level 3 balance was mainly due to sale of a bond which was priced using proxy valuation
(b) Increase in Level 3 balance was due to a new bond which was priced using proxy valuation
(c) Increase in Level 3 balance was due to an increase in market value of a total return swap whose underlying is illiquid

The bank and corporate securities classified as Level 3 at 31 December 2022 comprised mainly securities which were marked using approximations, less liquid bonds and unquoted equity securities valued based on net asset value of the investments.

41.3 Own credit adjustments on financial liabilities designated at fair value through profit or loss

Changes in the fair value of financial liabilities designated at fair value through profit or loss related to the Group's own credit risk are recognised in other comprehensive income. As the Group does not hedge changes in own credit risk arising from financial liabilities, presenting the own credit movements within other comprehensive income does not create or increase an accounting mismatch in the income statement.

The change in fair value attributable to changes in own credit risk has been determined as the amount of change in fair value that is attributable to changes in funding spreads above benchmark interest rates. Fair value changes arising from factors other than the Group's own credit risk are insignificant.

The cumulative amounts attributable to changes in own credit risk for these financial liabilities as at 31 December 2022 was a gain of $66 million for the Group and the Bank (2021: loss of $49 million).

Realised losses attributable to changes in own credit risk as at 31 December 2022 was a loss of $22 million (2021: loss of $22 million).

41.4 Financial assets & liabilities not carried at fair value

For financial assets and liabilities not carried at fair value in the financial statements, the Group has ascertained that their fair values were not materially different from their carrying amounts at year-end.

For cash and balances with central banks, due from banks, loans and advances to customers, as well as due to banks and deposits and balances from customers, the basis of arriving at fair values is by discounting cash flows using the relevant market interest rates for the respective currencies.

For investment debt securities and other debts issued, fair values are determined based on independent market quotes, where available. Where market prices are not available, fair values are estimated using discounted cash flow method.

The fair value of variable interest-bearing as well as short-term financial instruments accounted for at amortised cost is assumed to be approximated by their carrying amounts.

42. Risk Governance

The Group Board oversees the Group's affairs and provides sound leadership for the CEO and management. Authorised by the Group Board, various Board committees oversee specific responsibilities based on clearly defined terms of reference.

Under the Group's risk management approach, the Group Board, through the Board Risk Management Committee (BRMC), sets the Group's risk appetite, oversees the establishment of enterprise-wide risk management policies and processes, and establishes risk appetite limits to guide risk-taking within the Group.

The BRMC also oversees the identification, monitoring, management and reporting of credit, market, liquidity, operational and reputational risks. To facilitate the BRMC's risk oversight, the following risk management committees have been established:

1. Risk Executive Committee (Risk EXCO);
2. Group Credit Risk Committee (GCRC);
3. Group Credit Risk Models Committee (GCRMC);
4. Group Market and Liquidity Risk Committee (GMLRC);
5. Group Operational Risk Committee (GORC);
6. Group Scenario and Stress Testing Committee (GSSTC); and
7. Product Approval Committee (PAC)

As the overall executive body regarding risk matters, the Risk EXCO oversees the risk management of the Group.

Each of the committees reports to the Risk EXCO, and serves as an executive forum to discuss and implement the Group's risk management.

Key responsibilities:
- Assess and approve risk-taking activities;
- Oversee the Group's risk management infrastructure, which includes frameworks, decision criteria, authorities, people, policies, standards, processes, information and systems;
- Approve risk policies such as model governance standards, stress testing scenarios, and the evaluation and endorsement of risk models;
- Assess and monitor specific credit concentration; and
- Recommend stress-testing scenarios (including macroeconomic variable projections) and review the results.

The members in these committees comprise representatives from the Risk Management Group (RMG) as well as key business and support units.

The PAC provides group-wide oversight and direction for the approval of new product and outsourcing initiatives. It evaluates new product and outsourcing initiatives to ensure that they are in line with the Group's strategy and risk appetite.

Most of the above committees are supported by local risk committees in all major locations, where appropriate. These local risk committees oversee the local risk positions for all businesses and support units, ensuring that they keep within limits set by the Group risk committees. They also approve location-specific risk policies.

The Chief Risk Officer (CRO), who is a member of the Group Executive Committee and reports to the Chairman of the BRMC and the CEO, oversees the risk management function. The CRO is independent of business lines and is actively involved in key decision-making processes. He often engages with regulators to discuss risk matters, enabling a more holistic risk management perspective.

Working closely with the risk and business committees, the CRO is responsible for the following:

- Management of the Group's risks, including systems and processes to identify, approve, measure, monitor, control and report risks;
- Engagement with senior management about material matters regarding all risk types;
- Development of risk controls and mitigation processes; and
- Ensuring the Group's risk management is effective and the Risk Appetite established by the Group Board is adhered to.

43. Credit Risk

The most significant measurable risk the Group faces - credit risk - arises from the Group's daily activities in various businesses. These activities include lending to retail, corporate and institutional customers. It includes the risk of lending, pre-settlement and settlement risk of foreign exchange, derivatives and securities.

Credit Risk Management
The Group's approach to credit risk management comprises the following building blocks:

- **Policies**
  The dimensions of credit risk and the scope of its application are defined in the Group Credit Risk Management Policy. Senior management sets the overall direction and policy for managing credit risk at the enterprise level.

  The Group Core Credit Risk Policies (CCRPs) established for Consumer Banking/ Wealth Management and Institutional Banking set forth the principles by which the Group conducts its credit risk management and control activities. These policies, supplemented by a number of operational standards and guides, ensure consistency in identifying, assessing, underwriting, measuring, reporting and controlling credit risk across the Group, and provide guidance in the formulation of business-specific and/ or location-specific credit risk policies and standards.

  The operational standards and guides are established to provide greater details on the implementation of the credit principles within the Group CCRPs and are adapted to reflect different credit environments and portfolio risk profiles. The CCRPs are approved by the Group Chief Credit Officer (GCCO).

- **Risk Methodologies**
  Credit risk is managed by thoroughly understanding the Group's wholesale customers – the businesses they are in, as well as the economies in which they operate. It is also managed through statistical models and data analytics for retail customers.

  The assignment of credit risk ratings and setting of lending limits are integral parts of the Group's credit risk management process, and it uses an array of rating models for the Group's wholesale and retail portfolios. Most of these models are built internally using the Group's loss data, and the limits are driven by the Group's Risk Appetite Statement and the Target Market and Risk Acceptance Criteria (TM-RAC).

  Wholesale borrowers are assessed individually, and further reviewed and evaluated by experienced credit risk managers who consider relevant credit risk factors in the final determination of the borrower's risk. For some portfolios within the small and medium-sized enterprises (SME) segment, the Group also uses a programme-based approach to achieve a balanced management of risks and rewards. Retail exposures are assessed using credit score models, credit bureau records, as well as internally and externally available customer behaviour records supplemented by the Group's Risk Acceptance Criteria (RAC). Credit applications are proposed by the business units, and applications outside the RAC are independently assessed by the credit risk managers.

  Pre-settlement credit risk for traded products arising from a counterparty potentially defaulting on its obligations is quantified by evaluation of the mark-to-market value, plus potential future exposure. This is included within the Group's overall credit limits to counterparties for internal risk management.

  The Group actively monitors and manages its exposure to counterparties for OTC derivative trades to protect its balance sheet in the event of a counterparty default. Counterparty risk exposures that may be adversely affected by market risk events are identified, reviewed and acted upon by management, and highlighted to the appropriate risk committees. Specific wrong-way risk arises when the credit exposure of a counterparty (from the traded product transaction) directly correlates with the probability of default of the counterparty. The Group has processes in place to guide the handling of specific wrong-way risk transactions, and its risk measurement metric takes into account the higher risks associated with such transactions.

  Issuer default risk that may also arise from derivatives, notes and securities are generally measured based on jump-to-default computations.

Concentration Risk Management
For credit risk concentration, the Group uses Economic Capital (EC) as its measurement tool as it combines the individual risk factors such as the probability of default (PD), loss given default (LGD) and exposure at default (EAD), in addition to industry correlation and portfolio concentration. EC thresholds are set to ensure that the allocated EC stays within the Group's Risk Appetite. Concentration risk for retail is managed at two levels – product level where exposure limits are set up and segment level to manage the growth of high-risk segments. Governance processes are in place to ensure that these thresholds are monitored regularly, and appropriate actions are taken when the thresholds are breached.

The Group continually examines and reviews how it can enhance the scope of its thresholds and approaches to manage concentration risk.

Environmental, Social and Governance Risks
Responsible financing, covering environmental, social and governance (ESG) issues, is a topic of increasing importance that affects investing and financing decisions across the Group. The Group recognises that its financing practices have a substantial impact on society and failure of its customers to appropriately manage ESG issues can directly impact their operations and long-term economic viability, as well as the communities and environment in which they operate.

The Group considers ESG risks as critical in its pursuit of business strategies. The Group Board approves the Group's overall and specific risk governance frameworks and oversees an independent Group-wide risk management system. In 2022, the Group Board approved the incorporation of environmental risk considerations into its Risk Appetite Statement. The Group Responsible Financing Standard documents its overarching approach to responsible financing and additional assessment required when entering into transactions with elevated ESG risks. The requirements of this Standard represent the minimum standards for the Group and it has also sought alignment, where possible, with international standards and best practices. Where significant ESG issues are identified, escalation is required to the relevant Global Industry Specialist and IBG Sustainability for further guidance prior to approval by the Credit Approving Authority.

Country risk
Country risk refers to the risk of loss due to events in a specific country (or a group of countries). This includes political, exchange rate, economic, sovereign and transfer risks.

The Group manages country risk through the requirements of the Group CCRP and the said risk is part of the Group's concentration risk management. The way the Group manages transfer risk at the Group is set out in its Country Risk Management Standard. This includes an internal transfer risk and sovereign risk rating system, where assessments are made independently of business decisions. The Group transfer risk limits are set in accordance with the Group Risk Appetite Policy.

Transfer risk limits for priority countries are set based on country-specific strategic business considerations as well as the acceptable potential loss according to the Group's Risk Appetite. Management actively evaluates and determines the appropriate level of transfer risk exposures for these countries taking into account the risks and rewards and whether they are in line with the Group's strategic intent. Limits for all other non-priority countries are set using a model-based approach.

Risk Appetite for each country is approved by the BRMC, while transfer risk limits are approved by Group Board EXCO and senior management.

Credit stress testing
The Group engages in various types of credit stress testing, and these are driven either by regulators or internal requirements and management.

The Group's credit stress tests are performed at the total portfolio or sub-portfolio level, and are generally conducted to assess the impact of changing economic conditions on asset quality, earnings performance, capital adequacy and liquidity. The Group's stress testing programme is comprehensive and covers a range of risks and business areas.

The Group typically performs the following types of credit stress testing at a minimum and others as necessary:

Pillar 1 credit stress testing	The Group conducts Pillar 1 credit stress testing regularly as required by regulators. Under Pillar 1 credit stress testing, the Group assesses the impact of a mild stress scenario (at least two consecutive quarters of zero growth) on Internal Ratings-Based (IRB) estimates (i.e. PD, LGD and EAD) and the impact on regulatory capital. The purpose of the Pillar 1 credit stress test is to assess the robustness of internal credit risk models and the cushion above minimum regulatory capital.
Pillar 2 credit stress testing	The Group conducts Pillar 2 credit stress testing once a year as part of the Internal Capital Adequacy Assessment Process (ICAAP). Under Pillar 2 credit stress testing, the Group assesses the impact of stress scenarios, with different levels of severity, on asset quality, earnings performance, as well as internal and regulatory capital. The results of the credit stress test form inputs to the capital planning process under ICAAP. The purpose of the Pillar 2 credit stress testing is to examine, in a rigorous and forward-looking manner, the possible events or changes in market conditions that could adversely impact the Group and to develop the appropriate action plan.
Industry-wide stress testing	The Group participates in the annual industry-wide stress test (IWST) conducted by the Monetary Authority of Singapore (MAS) to facilitate the ongoing assessment of Singapore's financial stability. Under the IWST, the Group is required to assess the impact of adverse scenarios, as defined by the regulator, on asset quality, earnings performance and capital adequacy, where applicable.
Sensitivity and scenario analyses	The Group also conducts multiple independent sensitivity analyses and credit portfolio reviews based on various scenarios. The intent of these analyses and reviews is to identify vulnerabilities for the purpose of developing and executing mitigating actions.

- **Processes, Systems and Reports**
  The Group constantly invests in systems to support risk monitoring and reporting for its Institutional Banking and Consumer Banking/ Wealth Management businesses.

  The end-to-end credit process is continually being reviewed and improved through various front-to-back initiatives involving business, operations, risk management and other key stakeholders. Day-to-day monitoring of credit exposures, portfolio performance and external environmental factors potentially affecting credit risk profiles is key to its philosophy of effective credit risk management.

In addition, credit trends, which may include industry analysis, early warning alerts and significant weak credits, are submitted to the various risk committees, allowing key strategies and action plans to be formulated and evaluated. Credit control functions also ensure that any credit risk taken complies with the credit risk policies and standards. These functions ensure that approved limits are activated, credit excesses and policy exceptions are appropriately endorsed, compliance with credit standards is carried out, and covenants established are monitored.

Independent risk management functions that report to the CRO are jointly responsible for developing and maintaining a robust credit stress testing programme. These units oversee the implementation of credit stress tests as well as the analysis of the results, of which management, various risk committees and regulators are informed.

Non-performing assets
The Group's credit facilities are classified as "Performing assets" or "Non-performing assets" (NPA), in accordance with the MAS Notice 612.

Credit exposures are categorised into one of the following five categories, according to the Group's assessment of a borrower's ability to repay a credit facility from its normal sources of income and/ or the repayment behaviour of the borrower.

Classification grade	Description
Performing assets	
Pass	Indicates that the timely repayment of the outstanding credit facilities is not in doubt.
Special mention	Indicates that the borrower exhibits potential weaknesses that, if not corrected in a timely manner, may adversely affect future repayments and warrant close attention by the Group.

Classification grade	Description
Classified or NPA	
Substandard	Indicates that the borrower exhibits definable weaknesses in its business, cash flow or financial position that may jeopardise repayment on existing terms.
Doubtful	Indicates that the borrower exhibits severe weaknesses such that the prospect of full recovery of the outstanding credit facilities is questionable and the prospect of a loss is high, but the exact amount remains undeterminable as yet.
Loss	Indicates that the outstanding credit facility is not collectable, and little or nothing can be done to recover the outstanding amount from any collateral or from the assets of the borrower generally.

A default is considered to have occurred with regard to a particular borrower when either or both of the following events have taken place:

- Subjective default: Borrower is considered to be unlikely to pay its credit obligations in full, without the Group taking action such as realising security (if held)
- Technical default: Borrower is more than 90 days past due on any credit obligation to the Group

For retail borrowers, the categorisation into the respective MAS loan grades is at the facility level and consistent with MAS Notice 612.

Credit facilities are classified as restructured assets when the Group grants non-commercial concessions to a borrower because its financial position has deteriorated or is unable to meet the original repayment schedule. A restructured credit facility is classified into the appropriate non-performing grade based on the assessment of the borrower's financial condition and its ability to repay according to the restructured terms.

Such credit facilities are not returned to the performing status until there are reasonable grounds to conclude that the borrower will be able to service all future principal and interest payments on the credit facility in accordance with the restructured terms and MAS Notice 612. Apart from what has been described, the Group does not grant concessions to borrowers in the normal course of business.

In addition, it is not within the Group's business model to acquire debts that have been restructured at inception (e.g. distressed debts).

Please refer to Note 2.11 for the Group's accounting policies regarding specific and general allowances for credit losses.

In general, specific allowances are recognised for defaulting credit exposures rated substandard and below.

The breakdown of the Group's NPA by loan grading and industry and the related amounts of specific allowances can be found in Note 43.2. A breakdown of past due loans can also be found in the same note.

When required, the Group will take possession of all collateral and dispose them as soon as practicable. Realised proceeds are used to reduce outstanding indebtedness. A breakdown of collateral held for NPA is shown in Note 43.2.

Repossessed collateral is classified in the balance sheet as other assets. The amounts of such other assets for 2021 and 2022 were not material.

Credit Risk Mitigants

Collateral received

Where possible, the Group takes collateral as a secondary source of repayment. This includes, but is not limited to cash, marketable securities, real estate, trade receivables, inventory, equipment, and other physical and/ or financial collateral. The Group may also take fixed and floating charges on the assets of borrowers.

Policies are in place to determine the eligibility of collateral for credit risk mitigation. Collateral is generally diversified and periodic valuations of collateral are required. Real estate constitutes the bulk of the Group's collateral, with a significantly lower proportion in marketable securities and cash.

For derivatives, repurchase agreements (repo) and other repo-style transactions with financial market counterparties, collateral arrangements are typically covered under market-standard documentation, such as International Swaps & Derivatives Association (ISDA) Agreements and Master Repurchase Agreements.

The collateral received is marked-to-market on a frequency that the Group and the counterparties have mutually agreed upon. This is governed by internal guidelines with respect to collateral eligibility. In the event of a default, the credit risk exposure is reduced by master-netting arrangements where the Group is allowed to offset what it owes a counterparty against what is due from that counterparty in a netting-eligible jurisdiction.

Please refer to Note 15 for further information on financial assets and liabilities subject to netting agreement but not offset on the balance sheet.

Collateral held against derivatives generally consists of cash in major currencies and highly rated government or quasi-government bonds. Exceptions may arise in certain countries, where due to domestic capital markets and business conditions, the Group may be required to accept less highly rated or liquid government bonds and currencies. Reverse repo-transactions are generally traded with large institutions with reasonably good credit standing. The Group takes haircuts against the underlying collateral of these transactions that commensurate with collateral quality to ensure credit risks are adequately mitigated.

In times of difficulty, the Group will review the customers' specific situation and circumstances to assist them in restructuring their financial obligations.

However, should the need arise, disposal and recovery processes are in place to dispose the collateral held. The Group maintains a panel of agents and solicitors to assist in the disposal of non-liquid assets and specialised equipment quickly.

Other credit risk mitigants

The Group accepts guarantees as credit risk mitigants. Internal requirements for considering the eligibility of guarantors for credit risk mitigation are in place.

43.1 Maximum exposure to credit risk

The following table shows the exposure to credit risk of on-balance sheet and off-balance sheet financial instruments, before taking into account any collateral held, other credit enhancements and netting arrangements. For on-balance sheet financial assets, the maximum credit exposure is the carrying amounts. For contingent liabilities, the maximum exposure to credit risk is the amount the Group would have to pay if the instrument is called upon. For undrawn facilities, the maximum exposure to credit risk is the full amount of the undrawn credit facilities granted to customers.

	The Group	
In $ millions	**2022**	**2021**
On-balance sheet		
Cash and balances with central banks (excluding cash on hand)	**51,650**	54,237
Government securities and treasury bills	**64,995**	53,262
Due from banks	**60,062**	51,292
Derivatives	**45,063**	19,706
Bank and corporate debt securities	**62,667**	53,788
Loans and advances to customers	**414,519**	408,993
Other assets (excluding deferred tax assets)	**17,416**	15,267
Due from holding company	**1,120**	719
	717,492	657,264
Off-balance sheet		
Contingent liabilities and commitments (excluding capital commitments)	**403,937**	366,031
Total	**1,121,429**	1,023,295

The Group's exposures to credit risk, measured using the expected gross credit exposures that will arise upon a default of the end obligor are as shown in the Group's Pillar 3 Disclosures (unaudited). These exposures, which include both on-balance sheet and off-balance sheet financial instruments, are shown without taking into account any collateral held or netting arrangements.

Analysis of Collateral

Whilst the Group's maximum exposure to credit risk is the carrying amount of the assets or, in the case of off-balance sheet instruments, the amount guaranteed, committed, accepted or endorsed, the likely exposure may be lower due to offsetting collateral, credit guarantees and other actions taken to mitigate the Group's exposure.

The description of collateral for each class of financial asset is set out below.

Balances with central banks, Government securities and treasury bills, Due from banks and Bank and corporate debt securities
Collateral is generally not sought for these assets.

Derivatives
The Group maintains collateral agreements and enters into master netting agreements with most of the counterparties for derivative transactions. Please refer to Note 36 for the impact of netting arrangements recognised for the computation of Capital Adequacy Ratio (CAR).

Loans and advances to customers, Contingent liabilities and commitments
Certain loans and advances to customers, contingent liabilities and commitments are typically collateralised to a substantial extent. In particular, residential mortgage exposures are generally fully secured by residential properties. Income-producing real estate, which is a sub-set of the Specialised Lending exposure, is fully secured by the underlying assets financed.

The extent to which credit exposures are covered by Basel-eligible collateral, besides real estate, after the application of the requisite regulatory haircuts, is shown in the Group's Pillar 3 Disclosures (unaudited). The amounts are a sub-set of the actual collateral arrangements entered by the Group as Basel imposes strict legal and operational standards before collateral can be admitted as credit risk mitigants. As a result, certain collateral arrangements which do not meet its criteria will not be included. Certain collateral types which are not permitted as credit risk mitigants for credit exposures under the Standardised Approach are also excluded.

43.2 Loans and advances to customers

In $ millions	The Group 2022	2021
Performing Loans		
- Neither past due nor impaired	**412,989**	408,018
- Past due but not impaired	**2,536**	1,764
Non-Performing Loans (impaired)	**4,759**	5,290
Total gross loans	**420,284**	415,072
Pass	**411,573**	405,367
Special Mention	**3,952**	4,415
Substandard	**2,415**	2,848
Doubtful	**1,243**	1,192
Loss	**1,101**	1,250
Total gross loans	**420,284**	415,072

Non-performing assets (NPAs)

Non-performing assets by grading and industry

	The Group							
	NPAs				Specific allowances			
In $ millions	Sub-standard	Doubtful	Loss	Total	Sub-standard	Doubtful	Loss	Total
2022								
Manufacturing	**268**	**444**	**113**	**825**	**63**	**183**	**113**	**359**
Building and construction	**320**	**111**	**91**	**522**	**29**	**67**	**91**	**187**
Housing loans	**160**	**4**	**4**	**168**	**7**	**1**	**4**	**12**
General commerce	**254**	**232**	**372**	**858**	**25**	**219**	**372**	**616**
Transportation, storage and	**808**	**208**	**425**	**1,441**	**211**	**177**	**425**	**813**
Financial institutions, investment and holding companies	**26**	**-**	**40**	**66**	**10**	**-**	**40**	**50**
Professional and private individuals (excluding housing loans)	**321**	**31**	**10**	**362**	**82**	**30**	**10**	**122**
Others	**258**	**213**	**46**	**517**	**33**	**61**	**46**	**140**
Total non-performing loans	**2,415**	**1,243**	**1,101**	**4,759**	**460**	**738**	**1,101**	**2,299**
Debt securities, contingent liabilities and others	**166**	**128**	**72**	**366**	**29**	**106**	**72**	**207**
Total	**2,581**	**1,371**	**1,173**	**5,125**	**489**	**844**	**1,173**	**2,506**
Of which: restructured assets	**765**	**578**	**129**	**1,472**	**225**	**303**	**129**	**657**
2021								
Manufacturing	326	364	115	805	61	196	115	372
Building and construction	309	50	86	445	40	23	86	149
Housing loans	192	3	13	208	1	1	13	15
General commerce	268	269	374	911	45	243	374	662
Transportation, storage and	1,006	217	569	1,792	225	177	569	971
Financial institutions, investment and holding companies	32	37	24	93	6	20	24	50
Professional and private individuals (excluding housing loans)	376	29	14	419	80	27	14	121
Others	339	223	55	617	27	123	55	205
Total non-performing loans	2,848	1,192	1,250	5,290	485	810	1,250	2,545
Debt securities, contingent liabilities and others	198	119	242	559	37	102	242	381
Total	3,046	1,311	1,492	5,849	522	912	1,492	2,926
Of which: restructured assets	953	473	146	1,572	245	265	146	656

Non-performing assets by geography[(a)]

In $ millions	The Group NPAs	Specific allowances
2022		
Singapore	**2,289**	**1,222**
Hong Kong	**794**	**374**
Rest of Greater China	**538**	**175**
South and Southeast Asia	**716**	**468**
Rest of the World	**422**	**60**
Total non-performing loans	**4,759**	**2,299**
Debt securities, contingent liabilities and others	**366**	**207**
Total	**5,125**	**2,506**
2021		
Singapore	2,873	1,434
Hong Kong	686	421
Rest of Greater China	343	78
South and Southeast Asia	1,151	555
Rest of the World	237	57
Total non-performing loans	5,290	2,545
Debt securities, contingent liabilities and others	559	381
Total	5,849	2,926

(a) Based on the location of incorporation of the borrower

Non-performing assets by past due period

In $ millions	The Group 2022	2021
Not overdue	**1,516**	1,415
Within 90 days	**324**	390
Over 90 to 180 days	**564**	209
Over 180 days	**2,721**	3,835
Total past due assets	**3,609**	4,434
Total	**5,125**	5,849

Secured non-performing assets by collateral type

In $ millions	The Group 2022	2021
Properties	**990**	1,112
Shares and debentures	**42**	42
Cash deposits	**18**	9
Others	**1,175**	1,507
Total	**2,225**	2,670

43.3 Credit quality of Government securities and treasury bills and Bank and corporate debt securities

The table below presents an analysis of Government securities and treasury bills and Bank and corporate debt securities for the Group by external rating bands.

	The Group		
Analysed by external ratings **In $ millions**	**Singapore government securities and treasury bills (Gross)**	**Other government securities and treasury bills (Gross)**	**Bank and corporate debt securities (Gross)**
2022			
AAA	**16,744**	**16,526**	**16,336**
AA- to AA+	**-**	**11,051**	**8,482**
A- to A+	**-**	**13,374**	**11,946**
Lower than A-	**-**	**7,304**	**9,446**
Unrated	**-**	**-**	**16,555**
Total	**16,744**	**48,255**	**62,765**
2021			
AAA	11,364	8,580	16,893
AA- to AA+	-	11,631	4,859
A- to A+	-	15,466	11,356
Lower than A-	-	6,225	8,363
Unrated	-	-	12,412
Total	11,364	41,902	53,883

43.4 Credit risk by geography and industry

	The Group					
Analysed by geography[(a)] **In $ millions**	**Government securities and treasury bills (Gross)**	**Due from banks (Gross)**	**Derivatives**	**Bank and corporate debt securities (Gross)**	**Loans and advances to customers (Gross)**	**Total**
2022						
Singapore	**16,744**	**3,207**	**2,121**	**14,388**	**195,836**	**232,296**
Hong Kong	**4,486**	**6,402**	**1,700**	**1,569**	**71,845**	**86,002**
Rest of Greater China	**3,562**	**8,213**	**2,791**	**8,938**	**53,835**	**77,339**
South and Southeast Asia	**7,173**	**6,153**	**2,159**	**4,664**	**30,374**	**50,523**
Rest of the World	**33,034**	**36,099**	**36,292**	**33,206**	**68,394**	**207,025**
Total	**64,999**	**60,074**	**45,063**	**62,765**	**420,284**	**653,185**
2021						
Singapore	11,364	5,221	1,395	15,470	191,831	225,281
Hong Kong	4,586	7,889	1,168	1,222	70,216	85,081
Rest of Greater China	4,734	9,633	1,740	7,210	59,150	82,467
South and Southeast Asia	6,225	3,648	950	4,023	30,784	45,630
Rest of the World	26,357	24,908	14,453	25,958	63,091	154,767
Total	53,266	51,299	19,706	53,883	415,072	593,226

(a) Based on the location of incorporation of the issuer (for debt securities), counterparty (for derivatives), borrower (for loans) or the issuing bank in the case of bank backed export financing.

	The Group					
Analysed by industry **In $ millions**	**Government securities and treasury bills (Gross)**	**Due from banks (Gross)**	**Derivatives**	**Bank and corporate debt securities (Gross)**	**Loans and advances to customers (Gross)**	**Total**
2022						
Manufacturing	**-**	**-**	**462**	**4,065**	**45,758**	**50,285**
Building and construction	**-**	**-**	**624**	**5,114**	**111,605**	**117,343**
Housing loans	**-**	**-**	**-**	**-**	**80,625**	**80,625**
General commerce	**-**	**-**	**93**	**1,871**	**41,537**	**43,501**
Transportation, storage and communications	**-**	**-**	**480**	**4,901**	**31,466**	**36,847**
Financial institutions, Investment and holding companies	**-**	**60,074**	**41,810**	**28,323**	**39,485**	**169,692**
Government	**64,999**	**-**	**-**	**-**	**-**	**64,999**
Professionals and private individuals (excluding housing loans)	**-**	**-**	**426**	**-**	**36,869**	**37,295**
Others	**-**	**-**	**1,168**	**18,491**	**32,939**	**52,598**
Total	**64,999**	**60,074**	**45,063**	**62,765**	**420,284**	**653,185**
2021						
Manufacturing	-	-	341	3,604	41,831	45,776
Building and construction	-	-	645	5,366	107,633	113,644
Housing loans	-	-	-	-	78,516	78,516
General commerce	-	-	112	2,066	44,642	46,820
Transportation, storage and communications	-	-	310	4,379	30,963	35,652
Financial institutions, Investment and holding companies	-	51,299	16,633	23,860	37,289	129,081
Government	53,266	-	-	-	-	53,266
Professionals and private individuals (excluding housing loans)	-	-	350	-	40,114	40,464
Others	-	-	1,315	14,608	34,084	50,007
Total	53,266	51,299	19,706	53,883	415,072	593,226

44. Market Risk

The Group's exposure to market risk is categorised into:

- Trading portfolios: Arising from positions taken for (i) market-making, (ii) client facilitation, and (iii) benefiting from market opportunities.

- Non-trading portfolios: Arising from (i) the Group's Institutional Banking and Consumer Banking/ Wealth Management assets and liabilities, (ii) debt securities and equities comprising investments held for yield and/ or long-term capital gains, (iii) strategic stakes in entities, and (iv) structural foreign exchange risk arising mainly from the Group's strategic investments, which are denominated in currencies other than the Singapore Dollar.

The Group uses a variety of financial derivatives such as swaps, forwards and futures, and options for trading and hedging against market movements.

Market Risk Management

The Group's approach to market risk management comprises the following building blocks:

- **Policies**
  The Group Market Risk Management Policy sets the Group's overall approach towards market risk management. This policy is supplemented with standards and guides, which facilitate the identification, measurement, control, monitoring and reporting of market risk in a consistent manner. They also set out the overall approach, requirements and controls governing market risk stress testing across the Group.

  The criteria for determining the positions to be included in the trading book are stipulated in the Trading Book Policy Statement.

- **Risk Methodologies**
  The Group utilises Value-at-Risk (VaR), a statistical risk measure, to estimate the potential loss from market movements. This measure uses historical simulation based on data for the previous 12 months. It assumes that historical changes in market values reflect the distribution of potential outcomes in the immediate future.

  The Group limits and monitors market risk exposures using Expected Shortfall (ES) that is VaR calculated with a one-day holding period and an expected tail-loss methodology which approximates a 97.5% confidence interval.

  ES is supplemented with other risk control metrics such as sensitivities to risk factors and loss triggers for management action.

  The Group conducts backtesting to verify the predictiveness of the VaR model. Backtesting compares VaR calculated for positions at the close of each business day with the profit and loss (P&L) that arises from those positions on the following business day. The backtesting P&L excludes fees and commissions, revenues from intra-day trading, non-daily valuation adjustments and time effects.

  For backtesting, VaR at the 99% confidence interval and over a one-day holding period is used. The Group adopts the standardised approach to compute market risk regulatory capital under MAS Notice 637 for the trading book positions. As such, VaR backtesting does not impact the Group's regulatory capital for market risk.

  There are limitations to VaR models; for example, past changes in market risk factors may not provide accurate predictions of future market movements, and the risk arising from adverse market events may not be considered.

  To monitor the Group's vulnerability to unexpected but plausible extreme market risk-related events, it conducts multiple market risk stress tests regularly. These cover trading and non-trading portfolios and follow a combination of historical and hypothetical scenarios depicting risk-factor movement.

  Economic Value of Equity (EVE) and Net Interest Income (NII) variability are the specific key risk metrics used to assess interest rate risk in the banking book (IRRBB). EVE and NII variability measure how the economic value and earnings of the Group change under both regulatory and/ or internal scenarios. Credit risk arising from loans and receivables is managed under the credit risk management framework.

  IRRBB arises from mismatches in the interest rate profiles of assets, liabilities and capital instruments. Estimating IRRBB requires the use of behavioural models and assumptions on certain parameters such as loan prepayment, fixed deposits early redemption and the duration of the non-maturity deposits. The Group measures IRRBB on a monthly basis.

- **Processes, Systems and Reports**
  Robust internal control processes and systems have been designed and implemented to support the Group's market risk management approach. The Group reviews these control processes and systems regularly, and these reviews allow senior management to assess their effectiveness.

  The RMG Market and Liquidity Risk unit – an independent market risk management function reporting to the CRO – monitors, controls and analyses the Group's market risk daily. The unit comprises risk control, risk analytics, production and reporting teams.

Market Risk

The main risk factors driving the Group's trading portfolios in 2022 were interest rates and credit spreads. The following table shows the period-end, average, high and low diversified ES, and ES by risk class for the Group's trading portfolios. Higher ES in 2022 was due to volatile markets caused by various events such as the Russia-Ukraine conflict and multiple rate hikes by major central banks.

		The Group		
		1 Jan 2022 to 31 Dec 2022		
In $ millions	**As at 31 Dec 2022**	**Average**	**High**	**Low**
Diversified	**15**	**11**	**20**	**7**
Interest Rates	**18**	**14**	**27**	**6**
Foreign Exchange	**6**	**4**	**8**	**1**
Equity	**2**	**4**	**8**	**2**
Credit Spread	**11**	**9**	**11**	**5**
Commodity	**#**	**1**	**3**	**#**

		1 Jan 2021 to 31 Dec 2021		
In $ millions	**As at 31 Dec 2021**	**Average**	**High**	**Low**
Diversified	8	9	21	5
Interest Rates	6	9	18	5
Foreign Exchange	1	4	9	1
Equity	2	4	9	1
Credit Spread	5	7	21	3
Commodity	#	#	1	#

\# Amount under $500,000

The Group's trading portfolios experienced fourteen backtesting exceptions in 2022, which were mainly driven by a rapid increase in global interest rates that had not been observed for several decades.

In 2022, the key market risk drivers of the Group's non-trading portfolios were interest rates (Singapore Dollar and US Dollar) and foreign exchange. The Net Interest Income (NII) of the non-trading book was assessed under various rate scenarios to determine the impact of interest rate movements on future earnings. With simulations using a 100 basis points parallel upward or downward shift in yield curves on the Group's banking book exposures, NII is estimated to increase by $957 million and decrease by $1,330 million respectively.

Foreign exchange risk in the Group's non-trading portfolios was primarily from structural foreign exchange positions, arising mainly from the Group's strategic investments and retained earnings in overseas branches and subsidiaries.

Please refer to Note 38.3 for more information on the Group's structural foreign exchange positions.

45. Liquidity Risk

The Group's liquidity risk arises from its obligations to honour withdrawals of deposits, repayments of borrowed funds at maturity, and its commitments to extend loans to its customers. The Group seeks to manage its liquidity to ensure that its liquidity obligations will continue to be honoured under normal as well as adverse circumstances.

Liquidity Risk Management

Approach to Liquidity Risk Management
The Group's approach to liquidity risk management comprises the following building blocks:

- **Policies**
  The Group Liquidity Risk Management Policy sets its overall approach towards liquidity risk management and describes the range of strategies the Group employs to manage its liquidity.

  These strategies include maintaining an adequate counterbalancing capacity to address potential cash flow shortfalls and having diversified sources of liquidity.

  The Group's counterbalancing capacity includes liquid assets, the capacity to borrow from the money markets (including the issuance of commercial papers and covered bonds), and forms of managerial interventions that improve liquidity. In the event of a potential or actual crisis, the Group has in place a set of liquidity contingency and recovery plans to ensure that it maintains adequate liquidity.

  The Group Liquidity Risk Management Policy is supported by standards that establish the detailed requirements for liquidity risk identification, measurement, reporting and control within the Group. The set of policies, standards and supporting guides communicate these baseline requirements to ensure a consistent application throughout the Group.

- **Risk Methodologies**
  The primary measure used to manage liquidity within the tolerance defined by the Group Board is cash flow maturity mismatch analysis.

  This form of analysis is performed on a regular basis under normal and adverse scenarios. It assesses the adequacy of the Group's counterbalancing capacity to fund or mitigate any cash flow shortfalls that may occur as forecasted in the cash flow movements across successive time bands. To ensure that liquidity is managed in line with the Group's Risk Appetite, core parameters such as the types of scenarios, the survival period and the minimum level of liquid assets, are pre-specified for monitoring and control on a group-wide basis. Any occurrences of forecasted shortfalls that cannot be covered by the Group's counterbalancing capacity will be escalated to the relevant committees for evaluation and action.

  Liquidity risk stress testing is performed regularly using cash flow maturity mismatch analysis, and covers adverse scenarios including general market and idiosyncratic stress scenarios. Stress tests assess the Group's vulnerability when liability run-offs increase, asset rollovers increase and/ or liquid asset buffers decrease. In addition, ad hoc stress tests are performed as part of the Group's recovery planning and ICAAP exercises.

  Liquidity risk control measures such as liquidity-related ratios and balance sheet analysis are complementary tools for cash flow maturity mismatch analysis, and they are performed regularly to obtain deeper insights and finer control over the Group's liquidity profile across different locations.

  The liquidity risk control measures also include concentration measures regarding top depositors, wholesale borrowing and swapped funds ratios.

- **Processes, systems and reports**
  Robust internal control processes and systems support the Group's overall approach in identifying, measuring, aggregating, controlling and monitoring liquidity risk across the Group. Continuous improvement in data and reporting platforms has allowed most elements of internal liquidity risk reporting to be centralised.

  The RMG Market and Liquidity Risk unit manages the day-to-day liquidity risk monitoring, control reporting and analysis.

Liquidity Management and Funding Strategy
The Group strives to develop a diversified funding base with access to funding sources across retail and wholesale channels. The Group's funding strategy is anchored on the strength of its core deposit franchise and is augmented by its established long-term funding capabilities.

Growth in the regional franchise generates price, volume, currency and tenor mismatches between the Group's assets and liabilities. To this end, where practicable and transferable without loss in value, the Group makes appropriate use of swap markets for relevant currencies, commensurate with the liquidity of each, in the conversion and deployment of surplus funds across locations.

As these swaps typically mature earlier than loans, the Group is exposed to potential cash flow mismatches arising from the risk that counterparties may not roll over maturing swaps to support the Group's ongoing funding needs. This risk is mitigated by triggers set on the number of swaps transacted with the market and by conservative assumptions on the cash flow behaviour of swaps under its cash flow maturity gap analysis.

In general, the term borrowing needs are managed centrally by the head office in consultation with the Group's overseas locations, subject to relevant regulatory restrictions and to an appropriate level of presence and participation required by the respective local funding markets.

The Group Asset and Liability Committee and respective Location Asset and Liability Committees regularly review the composition and growth trajectories of the relevant balance sheets and refine the Group's funding strategy according to business momentum, competitive factors and prevailing market conditions.

Liquidity risk in 2022

The Group actively monitors and manages its liquidity profile through cash flow maturity mismatch analysis.

In forecasting cash flow under the analysis, behavioural profiling is necessary in cases where a product has indeterminate maturity or the contractual maturity does not realistically reflect the expected cash flow.

Two examples are maturity-indeterminate savings and current account deposits, which are generally viewed as sources of stable funding for commercial banks. A conservative view is adopted in the behavioural profiling of assets, liabilities and off-balance sheet commitments that have exhibited cash flow patterns that differ significantly from the contractual maturity profile shown under Note 45.1.

45.1 Contractual maturity profile of assets and liabilities

The table below analyses assets and liabilities of the Group as at 31 December based on the remaining period as at balance sheet date to the contractual maturity date.

The Group In $ millions	Less than 7 days	1 week to 1 month	1 to 3 months	3 to 12 months	1 to 3 years	3 to 5 years	More than 5 years	No specific maturity	Total
2022									
Cash and balances with central banks	**18,714**	**12,149**	**21,106**	**1,690**	**511**	**-**	**-**	**-**	**54,170**
Government securities and treasury bills	**1,987**	**1,971**	**9,500**	**10,952**	**15,231**	**8,587**	**16,767**	**-**	**64,995**
Due from banks	**21,700**	**13,356**	**10,902**	**13,701**	**155**	**248**	**-**	**-**	**60,062**
Derivatives[(a)]	**45,063**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**45,063**
Bank and corporate securities	**-**	**851**	**2,447**	**7,757**	**20,012**	**14,181**	**17,419**	**12,790**	**75,457**
Loans and advances to customers	**30,735**	**65,913**	**53,316**	**56,630**	**82,641**	**46,335**	**78,949**	**-**	**414,519**
Other assets	**11,843**	**978**	**1,834**	**1,839**	**118**	**47**	**40**	**1,588**	**18,287**
Associates and joint ventures	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,280**	**2,280**
Properties and other fixed assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,238**	**3,238**
Goodwill and intangibles								**5,340**	**5,340**
Due from holding company	**-**	**403**	**-**	**717**	**-**	**-**	**-**	**-**	**1,120**
Total assets	**130,042**	**95,621**	**99,105**	**93,286**	**118,668**	**69,398**	**113,175**	**25,236**	**744,531**
Due to banks	**18,079**	**9,085**	**5,426**	**5,191**	**1,903**	**-**	**-**	**-**	**39,684**
Deposits and balances from customers	**353,495**	**58,839**	**69,904**	**40,647**	**2,819**	**552**	**744**	**-**	**527,000**
Derivatives[(a)]	**45,291**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**45,291**
Other liabilities	**12,594**	**982**	**2,780**	**2,236**	**746**	**145**	**322**	**2,885**	**22,690**
Other debt securities	**1,689**	**5,493**	**14,742**	**8,142**	**7,119**	**3,351**	**1,868**	**1,377**	**43,781**
Due to holding company	**571**	**7**	**17**	**690**	**1,551**	**-**	**5,589**	**-**	**8,425**
Total liabilities	**431,719**	**74,406**	**92,869**	**56,906**	**14,138**	**4,048**	**8,523**	**4,262**	**686,871**
Non-controlling interests	-	-	-	-	-	-	-	**1,119**	**1,119**
Shareholders' funds	-	-	-	-	-	-	-	**56,541**	**56,541**
Total equity	-	-	-	-	-	-	-	**57,660**	**57,660**
2021									
Cash and balances with central banks	18,190	17,173	17,904	1,973	1,137	-	-	-	56,377
Government securities and treasury bills	823	2,416	5,252	6,575	12,445	8,259	17,492	-	53,262
Due from banks	22,940	9,950	8,200	9,613	589	-	-	-	51,292
Derivatives[(a)]	19,706	-	-	-	-	-	-	-	19,706
Bank and corporate securities	-	885	2,161	7,989	17,097	11,247	14,409	15,904	69,692
Loans and advances to customers	39,873	66,763	38,870	62,213	80,655	49,279	71,340	-	408,993
Other assets	10,206	718	1,371	2,082	135	22	23	1,337	15,894
Associates and joint ventures	-	-	-	-	-	-	-	2,172	2,172
Properties and other fixed assets	-	-	-	-	-	-	-	3,262	3,262
Goodwill and intangibles	-	-	-	-	-	-	-	5,362	5,362
Due from holding company	-	-	-	-	719	-	-	-	719
Total assets	111,738	97,905	73,758	90,445	112,777	68,807	103,264	28,037	686,731
Due to banks	12,093	7,523	3,670	2,155	4,767	1	-	-	30,209
Deposits and balances from customers	407,760	33,002	35,031	22,995	1,616	769	786	-	501,959
Derivatives[(a)]	20,416	-	-	-	-	-	-	-	20,416
Other liabilities	8,139	1,121	2,429	2,807	379	143	312	3,264	18,594
Other debt securities	1,277	6,492	15,840	12,328	2,864	3,552	2,325	2,223	46,901
Due to holding company	673	3	6	1,085	2,087	270	6,128	-	10,252
Total liabilities	450,358	48,141	56,976	41,370	11,713	4,735	9,551	5,487	628,331
Non-controlling interests	-	-	-	-	-	-	-	1,165	1,165
Shareholders' funds	-	-	-	-	-	-	-	57,235	57,235
Total equity	-	-	-	-	-	-	-	58,400	58,400

(a) Derivative financial assets and liabilities are included in the "Less than 7 days" bucket as they are mainly held for trading. Please refer to the tables in Note 38 for the maturity profile of hedging derivatives

The above table includes disclosure of the contractual maturity of financial liabilities, which approximates the same analysis on an undiscounted basis, as total future interest payments are not material relative to the principal amounts. Assets and liabilities (including non-maturing savings/ current deposits) are represented on a contractual basis or in a period when it can legally be withdrawn. The cash flows of assets and liabilities may behave differently from their contractual terms.

45.2 Contingent liabilities and commitments

The table below shows the Group's contingent liabilities and commitments based on the remaining period as at the balance sheet date to contractual expiry date.

	The Group				
In $ millions	**Less than 1 year**	**1 to 3 years**	**3 to 5 years**	**Over 5 years**	**Total**
2022					
Guarantees, letters of credit and other contingent liabilities	**37,669**	**-**	**-**	**-**	**37,669**
Undrawn credit commitments[(a)] and other facilities	**318,487**	**23,247**	**21,288**	**3,246**	**366,268**
Capital commitments	**61**	**32**	**41**	**-**	**134**
Total	**356,217**	**23,279**	**21,329**	**3,246**	**404,071**
2021					
Guarantees, letters of credit and other contingent liabilities	34,079	-	-	-	34,079
Undrawn credit commitments[(a)] and other facilities	288,383	21,699	18,224	3,646	331,952
Capital commitments	16	37	19	-	72
Total	322,478	21,736	18,243	3,646	366,103

(a) Includes commitments that are unconditionally cancellable at any time by the Group

The Group expects that not all of the contingent liabilities will be called upon and not all of the undrawn credit commitments will be drawn before expiry.

46. Operational Risk

Operational risk is inherent in the Group's business activities and may arise from inadequate or failed internal processes, people, systems, or from external events. The Group's objective is to keep operational risk at appropriate levels, taking into account the markets it operates in, the characteristics of the businesses as well as its economic and regulatory environment.

Operational Risk Management

The Group's approach to operational risk management comprises the following building blocks:

- **Policies**
  The Group Operational Risk Management (ORM) Policy sets its overall approach for managing operational risk in a structured, systematic and consistent manner.

  There are policies, standards, tools and programmes in place to govern ORM practices across the Group. These include corporate operational risk policies and standards that are owned by the respective corporate oversight and control functions. The key policies address risk areas relating to technology, compliance, fraud, money laundering, financing of terrorism and sanctions, new product, outsourcing and ecosystem partnership.

- **Risk Methodologies**
  The Group adopts the standardised approach to compute operational risk regulatory capital.

  To manage and control operational risk, the Group uses various tools, including risk and control self-assessment (RCSA), operational risk event management and key risk indicator monitoring.

  The Group's Three Lines Model adopts one common risk taxonomy, and a consistent risk assessment approach to managing operational risk. RCSA is conducted by each business or support unit to identify key operational risk and assess the effectiveness of internal controls. When control issues are identified, the units develop action plans and track the resolution of the issues.

  Operational risk events are classified in accordance with Basel standards. Such events, including any significant incidents that may impact the Group's reputation, must be reported based on certain established thresholds. Key risk indicators with pre-defined escalation triggers are employed to facilitate risk monitoring in a forward-looking manner.

  Additional methodologies are in place to address subject-specific risks, including, but not limited to, the following:

  Technology risk
  Information Technology (IT) risk is managed through an enterprise technology risk management approach. This covers risk identification, assessment, mitigation, monitoring and reporting. In addition, the appropriate governance, IT policies and standards, control processes and risk mitigation programmes are in place to support the risk management approach.

Cyber security risk
Cyber security risk is a continuous focus of the Group. The Chief Information Security Officer (CISO) oversees the cyber security function and the one-stop competency centre for all cyber security related matters, such as operational risks, data protection risks and compliance with cyber security related regulations. The Group places significant emphasis to secure its people, information, network, equipment and applications in accordance with the Group's risk appetite. The Group continues to devote significant resources to improve its cyber hygiene and control environment to stay ahead of the cyber threat curve. The CISO office, as the second line, conducts regular assessments to validate the efficacy of the Group's controls and obtain assurance that the Group's control framework remains effective against emerging and evolving threats. The Group also provides relevant training to drive security awareness amongst its staff and promote a strong security culture.

Compliance risk
Compliance risk refers to the risk of the Group not being able to successfully conduct its business because of any failure to comply with laws, regulatory requirements, industry codes or standards of business and professional conduct applicable to the financial sector.

This includes, in particular, laws and regulations applicable to the licensing and conducting of banking or other financial businesses, financial crime such as anti-money laundering (AML) and countering the financing of terrorism (CFT), fraud and bribery/ corruption. The Group maintains a compliance programme designed to identify, assess, measure, mitigate and report on such risks through a combination of policy and relevant systems and controls.

To counter financial crime and sanctions risks, The Group established minimum standards for the Group's business and support units to manage the Group's actual and/ or potential risk exposures. In addition, standards aimed to provide the end-to-end management for fraud and related issues at the unit and geographical levels, are implemented through the Fraud Management Programme. The Group implements surveillance and compliance testing controls where necessary to obtain assurance that the control framework is operating effectively.

The Group also provides relevant training and implements assurance processes. The Group strongly believes in the need to promote a strong compliance culture as well, and this is developed through the leadership of its Board and senior management.

New product, outsourcing and ecosystem partnership risks
Each new product, service, outsourcing arrangement or ecosystem partnership is subject to a risk review and sign-off process, where relevant risks are identified and assessed. Variations of existing products or services and existing outsourcing arrangements and ecosystem partnerships are also subject to a similar process.

Other mitigation programmes
A robust business continuity management programme is in place to ensure that essential banking services can continue in the event of unforeseen events or business disruptions. This includes a crisis management plan to enable quick response to manage incidents. Exercises are conducted annually, simulating different scenarios to test business continuity plans and crisis management protocol. The effectiveness of these exercises as well as the Group's business continuity readiness and its alignment to regulatory guidelines are communicated and attested by senior management to the BRMC annually.

The Group's management of the Covid-19 pandemic has demonstrated the efficacy of the Group's business continuity plans, keeping the Group in good stead. The Group was able to quickly adapt and adjust to the pandemic to ensure minimal impact on its customers and assure the health and safety of its employees. The Group dialled up the work-from-home capabilities by leveraging technology and data, and proactively managed the operational risks which arose from new or revised processes as the Group moved towards a hybrid work arrangement.

To mitigate losses from specific risk events which are unexpected and significant, the Group effects group-wide insurance coverage under the Group Insurance Programme. These insurance policies relate to crime and professional indemnity, directors and officers liability, cyber security risk, property damage and business interruption, general liability and terrorism.

- **Processes, Systems and Reports**
  Robust internal control processes and systems are integral to identifying, assessing, monitoring, managing and reporting operational risk.

  The Group's units are responsible for the day-to-day management of operational risk in their products, processes, systems and activities, in accordance with the various frameworks and policies. The RMG Operational Risk unit and other corporate oversight and control functions:
  - Oversee and monitor the effectiveness of operational risk management;
  - Assess key operational risk issues with the units; and
  - Report and/ or escalate key operational risks to risk committees with recommendations on appropriate risk mitigation strategies.

  The Group has in place an integrated governance, risk and compliance system with aligned risk assessment methodology, common taxonomy, and unified processes for the three lines model. The Group has in place an operational risk landscape profile which provides the Group Board and senior management with an integrated view of the Group's operational risk profile periodically, across key operational risk areas and business lines.

47. Capital Management

The Group Board is responsible for setting the Group's capital management objective, which is to maintain a strong capital position consistent with regulatory requirements under MAS Notice 637 and the expectations of various stakeholders, including customers, investors and rating agencies. The Group Board articulates this objective in the form of capital targets. This objective is pursued while delivering returns to shareholders and ensuring that adequate capital resources are available for business growth and investment opportunities as well as adverse situations, taking into consideration the Group's strategic plans and risk appetite.

The Group's capital management objective is implemented via a capital management and planning process that is overseen by the Capital Committee. The Chief Financial Officer chairs the Capital Committee. The Capital Committee receives regular updates on the Group's current and projected capital positions. A key tool for capital planning is the annual Internal Capital Adequacy Assessment Process (ICAAP) through which the Group assesses its forecast capital supply and demand relative to regulatory requirements and internal capital targets. The ICAAP generally has a three-year horizon and covers various scenarios, including stress scenarios of differing scope and severity.

The Group is subject to and has complied with the capital adequacy requirements set out in the MAS Notice 637, which effects the Basel Committee on Banking Supervision's capital adequacy framework in Singapore, throughout the year. The Group's capital adequacy ratios as at 31 December 2022 and 2021 have been subject to an external limited assurance review, pursuant to the MAS Notice 609 "Auditors' Reports and Additional Information to be submitted with Annual Accounts".

48. Segment Reporting

48.1 Business segment reporting

The business segment results are prepared based on the Group's internal management reporting which reflects the organisation's management structure. As the activities of the Group are highly integrated, internal allocation has been made in preparing the segment information. Amounts for each business segment are shown after the allocation of certain centralised costs, funding income and the application of transfer pricing, where appropriate. Transactions between segments are recorded within the segment as if they are third party transactions and are eliminated on consolidation.

The Group's various business segments are described below.

Consumer Banking/ Wealth Management
Consumer Banking/ Wealth Management provides individual customers with a diverse range of banking and related financial services. The products and services available to customers include current and savings accounts, fixed deposits, loans and home finance, cards, payments, investment and insurance products.

Institutional Banking
Institutional Banking provides financial services and products to institutional clients including bank and non-bank financial institutions, government-linked companies, large corporates and small and medium-sized businesses. The business focuses on broadening and deepening customer relationships.
Products and services comprise the full range of credit facilities from short-term working capital financing to specialised lending. It also provides global transactional services such as cash management, trade finance and securities and fiduciary services, treasury and markets products, corporate finance and advisory banking as well as capital markets solutions.

Treasury Markets
Treasury Markets' activities primarily include structuring, market-making and trading across a broad range of treasury products.

Income from sale of treasury products offered to customers of Consumer Banking/ Wealth Management and Institutional Banking is not reflected in the Treasury Markets segment, but in the respective customer segments.

Others
The Others segment encompasses the results of corporate decisions that are not attributed to business segments. It includes earnings on capital deployed into high quality assets, earnings from non-core asset sales and certain other head office items such as centrally-managed credit allowances. DBS Vickers Securities is also included in this segment.

The following table analyses the results, total assets and total liabilities of the Group by business segment.

	The Group				
In $ millions	Consumer Banking/ Wealth Management	Institutional Banking	Treasury Markets	Others	Total
2022					
Net interest income	**4,270**	**5,569**	**222**	**855**	**10,916**
Net fee and commission income	**1,783**	**1,293**	**-**	**15**	**3,091**
Other non-interest income	**601**	**826**	**952**	**86**	**2,465**
Total income	**6,654**	**7,688**	**1,174**	**956**	**16,472**
Total expenses	**3,803**	**2,254**	**619**	**407**	**7,083**
Allowances for credit and other losses	**158**	**(204)**	**(10)**	**293**	**237**
Share of profits or losses of associates and joint ventures	**-**	**-**	**4**	**203**	**207**
Profit before tax	**2,693**	**5,638**	**569**	**459**	**9,359**
Income tax expense and non-controlling interest					**1,204**
Net profit attributable to shareholders					**8,155**
Total assets before goodwill and intangibles	**126,395**	**326,469**	**204,972**	**81,355**	**739,191**
Goodwill and intangibles					**5,340**
Total assets					**744,531**
Total liabilities	**282,578**	**228,827**	**118,800**	**56,666**	**686,871**
Capital expenditure	**151**	**37**	**26**	**455**	**669**
Depreciation	**33**	**4**	**3**	**661**	**701**
2021					
Net interest income	2,548	3,999	783	1,105	8,435
Net fee and commission income	2,186	1,282	-	58	3,526
Other non-interest income	588	703	726	190	2,207
Total income	5,322	5,984	1,509	1,353	14,168
Total expenses	3,353	2,086	647	469	6,555
Allowances for credit and other losses	46	141	(5)	(130)	52
Share of profits or losses of associates and joint ventures	-	-	-	213	213
Profit before tax	1,923	3,757	867	1,227	7,774
Income tax expense and non-controlling interest					993
Net profit attributable to shareholders					**6,781**
Total assets before goodwill and intangibles	127,268	313,180	163,554	77,367	681,369
Goodwill and intangibles					5,362
Total assets					686,731
Total liabilities	267,870	211,613	88,840	60,008	628,331
Capital expenditure	125	23	19	400	567
Depreciation	42	7	3	617	669

(a) The contribution of Lakshmi Vilas Bank (LVB), which was reflected under Others segment has been aligned with the Group's business segment definition with effect from 1 January 2022. The customer loans and deposits of $1.5 billion and $3.4 billion from LVB as at 1 January 2022 have been reclassified from the Others segment to the Consumer Banking/ Wealth Management (loans: $0.9 billion; deposits: $2.7 billion) and Institutional Banking (loans: $0.6 billion; deposits: $0.7 billion) segments. The contribution of LVB to the profit or loss of the respective segments was not material in 2021.

48.2 Geographical segment reporting[(a)]

The performance by geography is classified based on the location in which income and assets are recorded, while some items such as centrally-managed credit allowances and technology-related services are reflected in Singapore. Hong Kong comprises mainly DBS Bank (HK) Limited and DBS HK branch. Rest of Greater China comprises mainly DBS Bank (China) Ltd, DBS Bank (Taiwan) Ltd and DBS Taipei branch. South and Southeast Asia comprises mainly PT Bank DBS Indonesia, DBS Bank India Limited and DBS Labuan branch. All results are prepared in accordance with SFRS(I).

	The Group					
In $ millions	**Singapore**	**Hong Kong**	**Rest of Greater China**	**South and Southeast Asia**	**Rest of the World**	**Total**
2022						
Net interest income	**6,960**	**1,844**	**768**	**893**	**451**	**10,916**
Net fee and commission income	**1,943**	**672**	**176**	**230**	**70**	**3,091**
Other non-interest income	**1,711**	**407**	**219**	**55**	**73**	**2,465**
Total income	**10,614**	**2,923**	**1,163**	**1,178**	**594**	**16,472**
Total expenses	**4,082**	**1,137**	**851**	**894**	**119**	**7,083**
Allowances for credit and other losses	**(33)**	**56**	**106**	**3**	**105**	**237**
Share of profits or losses of associates and joint ventures	**25**	**-**	**179**	**-**	**3**	**207**
Profit before tax	**6,590**	**1,730**	**385**	**281**	**373**	**9,359**
Income tax expense and non-controlling interest	**728**	**285**	**45**	**72**	**74**	**1,204**
Net profit attributable to shareholders	**5,862**	**1,445**	**340**	**209**	**299**	**8,155**
Total assets before goodwill and intangibles	**493,015**	**107,879**	**60,303**	**28,900**	**49,094**	**739,191**
Goodwill and intangibles	**5,133**	**29**	**-**	**178**	**-**	**5,340**
Total assets	**498,148**	**107,908**	**60,303**	**29,078**	**49,094**	**744,531**
Non-current assets[(b)]	**3,957**	**648**	**579**	**314**	**20**	**5,518**
2021						
Net interest income	5,151	1,392	755	707	430	8,435
Net fee and commission income	2,230	776	202	241	77	3,526
Other non-interest income	1,503	312	207	177	8	2,207
Total income	8,884	2,480	1,164	1,125	515	14,168
Total expenses	3,775	1,057	822	781	120	6,555
Allowances for credit and other losses	(14)	7	59	80	(80)	52
Share of profits or losses of associates and joint ventures	39	-	174	-	-	213
Profit before tax	5,162	1,416	457	264	475	7,774
Income tax expense and non-controlling interest	525	226	47	60	135	993
Net profit attributable to shareholders	4,637	1,190	410	204	340	6,781
Total assets before goodwill and intangibles	450,270	106,187	58,926	26,580	39,406	681,369
Goodwill and intangibles	5,133	29	-	200	-	5,362
Total assets	455,403	106,216	58,926	26,780	39,406	686,731
Non-current assets[(b)]	3,856	688	498	365	27	5,434

(a) With effect from 2022, technology development centres will be presented under 'Singapore'. Comparatives have been restated
(b) Investments in associates and joint ventures, properties and other fixed assets