

# How we create value – our business model

**Our business model seeks to create value for stakeholders in a sustainable way.**

Our strategy is clear and simple. It defines the businesses that we will do and will not do. We use our resources to build competitive advantages. We have put in place a governance framework to ensure effective execution and risk management.

Further, we have a balanced scorecard to measure our performance and align compensation to desired behaviours.

*Read more about “How we use our resources” on page 24.*

## Our resources

-  **Brand**
-  **Customer relationships**
-  **Innovation and digital banking**
-  **Capital**
-  **Funding**
-  **Employees**
-  **Society and other relationships**
-  **Technology and physical infrastructure**
-  **Natural resources**

## How we create value

### Our strategy

**Asian-focused strategy**  
Our strategy is predicated on Asia’s megatrends, including the rising middle class, growing intra-regional trade, urbanisation, and the rapid adoption of technology that is fuelling new innovations.

We seek to intermediate trade and capital flows as well as support wealth creation in Asia. Our established and growing presence in Greater China, South Asia and Southeast Asia makes us a compelling Asian bank of choice.

In Singapore, we serve all customer segments. Outside Singapore, we traditionally focus on affluent individuals, corporates and institutional investors.

**Making Banking Joyful**  
Going forward, we hope to leverage digital technologies to extend our reach to individuals and SMEs outside Singapore.

Our vision in the next phase of growth is to “Make Banking Joyful”. We seek to transform ourselves into a 22,000-person start-up, able to respond and innovate quickly to deliver simple, fast and contextual banking in the digital age.

*Read about our digital transformation journey from pages 8 to 10.*

We periodically review our strategy, taking into account emerging megatrends, the operating environment and what our stakeholders are telling us. These are material matters that can impact our ability to create value.

*Read about our stakeholders and material matters on pages 28 and 30.*

### Our businesses

**We have 3 core business segments:**

- Institutional Banking
- Consumer Banking/ Wealth Management
- Treasury

*Read about our businesses from pages 42 to 47 and 174 to 175.*

### Differentiating ourselves

**Banking the Asian Way**  
We marry the professionalism of a best-in-class bank with an understanding of Asia’s cultural nuances.

**Asian relationships**  
We recognise that relationships have swings and roundabouts, and stay by our clients through down cycles.

**Asian service**  
Our service ethos is to be **R**espectful, **E**asy to deal with and **D**ependable.

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

**Asian innovation**  
We constantly innovate new ways of banking as we strive to make banking faster and simpler, while delivering contextualised and relevant Asian products and services.

**Asian connectivity**  
We work in a collaborative manner across geographies and businesses, supporting our customers as they expand across Asia.

**Technology and infrastructure**  
Over the years, we have built a solid technological backbone that is standardised, resilient and scalable. Today, we have a common platform of services and APIs that enables us to integrate best-in-breed technologies, including open source systems. We have embraced the practices of global technology companies in design and technology – adopting agile methodology, user interface and human-centred designs to develop front-end applications.

The bank is leveraging microservices, cloud technology and automation of technology development, which will enable us to be nimbler, more fintech-like and faster to market in delivering cutting-edge solutions.

**Nimbleness and agility**  
We are of a “goldilocks” size – big enough to have meaningful scale yet nimble enough to quickly identify and act on opportunities. We are also creating a start-up culture to embed customer centricity and drive internal collaboration by embracing experimentation, entrepreneurship and innovation.

### Governing ourselves

**Competent leadership**  
A strong, well-informed and fully engaged board provides strategic direction to management. Management executes on strategy and drives performance and organisational synergies. A matrix reporting structure drives joint ownership between regional function heads and local country heads.

*Read about our leaders from pages 4 to 7.*

**Effective internal controls**  
Three lines of defence guard our operational excellence: identification and management of risks by units, corporate oversight exercised by control functions and independent assurance by Group Audit.

*Read about our internal controls from pages 59 to 60.*

**Values-led culture**  
Our PRIDE! values shape the way we do business and work with each other: **P**urpose-driven, **R**elationship-led, **I**nnovative, **D**ecisive, **E**verything Fun!

Rooted in our DNA is a role beyond short-term profit maximisation: doing real things for real people to create social value in the long run, while ensuring that DBS is a joy to deal with.

*Read about our sustainability efforts on page 108.*

### Measuring ourselves

We use a balanced scorecard approach to assess our performance, track the progress we have made in executing our strategy and determine remuneration.

*Read about our balanced scorecard on page 38.*

## Our stakeholders

-  **Shareholders**
-  **Customers**
-  **Employees**
-  **Regulators**
-  **Society**