

DBS GROUP HOLDINGS LTD

20th Annual General Meeting

25 April 2019



Piyush Gupta
Chief Executive Officer

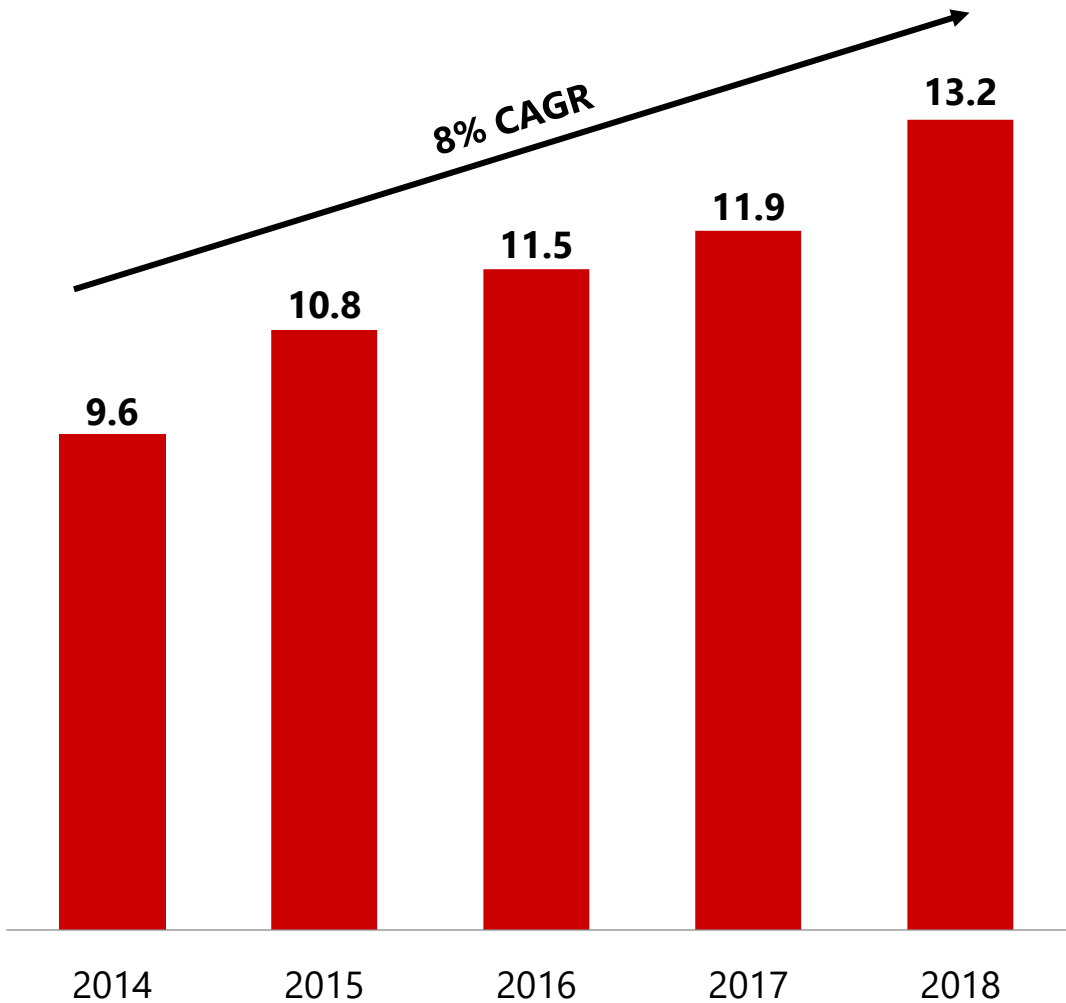


Record performance

2018 Financial Performance

Record performance despite heightened economic uncertainty and financial market volatility

Income (\$bn)



RECORD income

\$13.2bn ▲ 11% YoY

RECORD net profit

\$5.6bn ▲ 28% YoY

DECADE-HIGH ROE

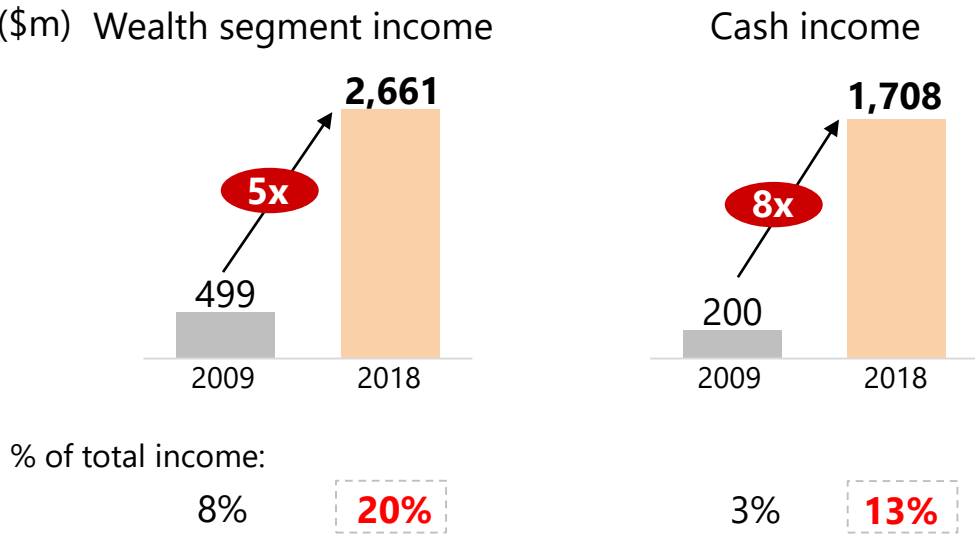
12.1% ▲ 2.4ppt YoY

2018 Financial Performance

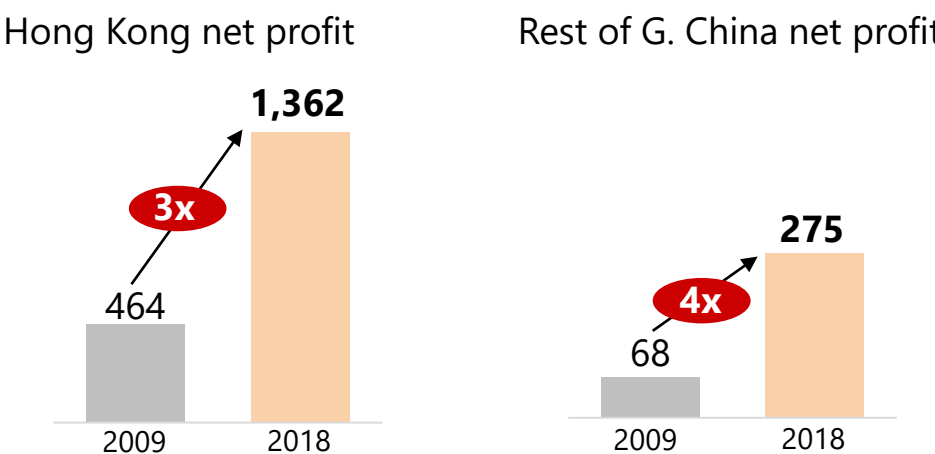
Fundamental transformation of our franchise led to a lift in ROE to decade-high 12.1%

Structural transformation

1. Greater proportion of high-returns businesses



2. Significant lift from North Asia



3. Making solid progress in digital transformation

One of the most comprehensive digital transformation programmes:

- Being digital to the core
- Journey thinking
- Culture change
- A measurement methodology to quantify the impact of digital transformation on bottom-line

Recognised as the best globally

>20 global bank awards

DBS concurrently named "Best Bank in the World" by Global Finance and "Bank of the Year – Global" by the Banker, a first for a bank anywhere in the world



Best Bank in the World



Bank of the Year – Global



World's Best Digital Bank



World's Best Bank for SMEs



SME Bank of the Year – Global



**Cash Management
Global Best Service – Overall: #1**



**#1 Post Login
Experience
(iWealth)**



**Best Private Bank
for Innovation**



**Best Private Bank
for Entrepreneurs – Global**



Our 2018 Priorities

Balanced scorecard used to measure how successfully we are serving multiple stakeholders and driving the execution of our long-term strategy

Balanced scorecard approach

Traditional Key Performance Indicators (KPIs) (40%)

Shareholders Achieve sustainable growth	Customers Position DBS as bank of choice	Employees Position DBS as employer of choice
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Making Banking Joyful KPIs (20%)

Digital Transformation Ecosystems Acquire Transact Engage	Capturing value created from digitalisation Being a data-driven company	Reimagining customer and employee experiences Creating a Startup Culture
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Areas of Focus (40%)

Regional Businesses	Geographic Mix	Enablers	Regulators	Society
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CBG/ WM and IBG achieved record income

Growth Drivers

Record income achieved in Consumer Bank/ Wealth Management and Institutional Banking

Consumer Bank/ Wealth Management



Solid performance

52%

Savings deposits market share*

31%

Housing loans market share*

25%

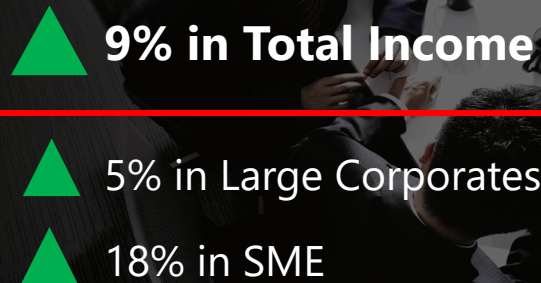
Increase in cards income to \$0.8bn

#1

Bancassurance market share*

Maximising value from ANZ's retail and wealth business across 5 markets

Institutional Banking



Strong traction

12%

Non-trade loan growth

55%

Increase in cash management income to \$1.7bn

Top 10

AxJ USD bond issuances

#1

Equity*

* In Singapore

Geographic Mix

Continued to focus on growth across the region, including China, Indonesia and India



Singapore

- Total income ▲ 5% to \$8.2 billion
- Driving cashless agenda: DBS Paylah! and DBS MAX with integrated partners
- Embedding ourselves in our customers' lives: Car, Property and Electricity Marketplaces, GoJek, Carousell etc



South & Southeast Asia (excluding Singapore)

- Total income ▲ 14% to \$792 million
- Continued digibank growth in Indonesia and India; 1.2 million customers added in 2018
- Established wholly-owned subsidiary in India, added 9 branches



Greater China (including Hong Kong)

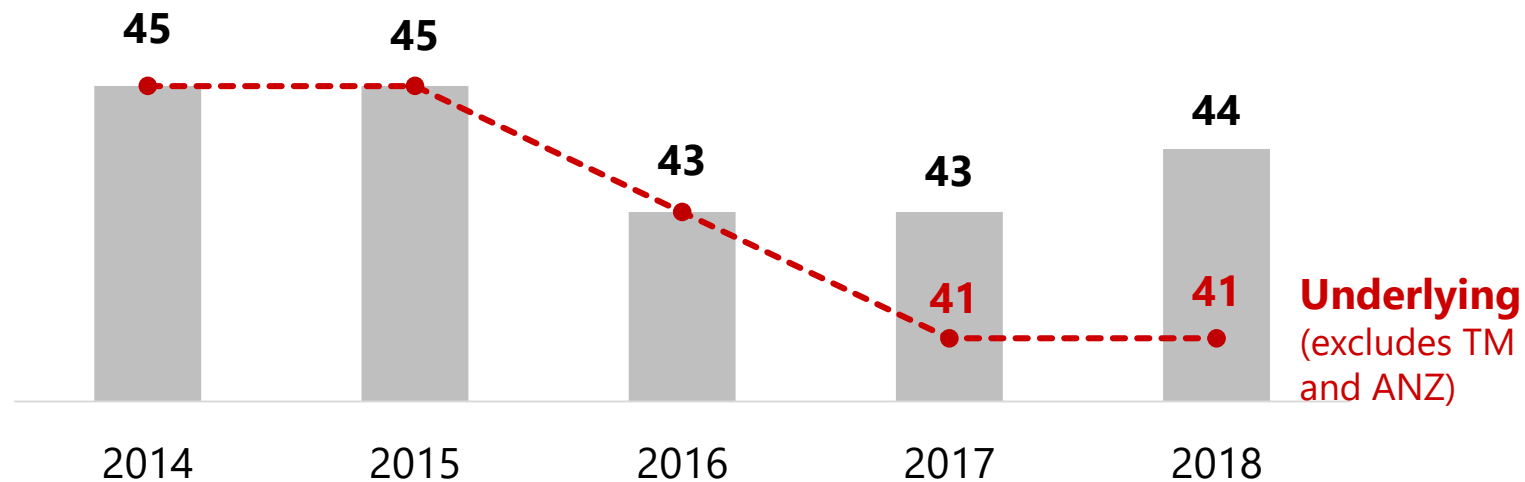
- Total income ▲ 25% to \$3.9 billion
- Record performance in Hong Kong
- Leveraged Hong Kong–China connectivity; #1 foreign bank for loan syndication

Underlying cost-income ratio maintained

Expenses

Excluding ANZ and Treasury Markets business, cost-income ratio was stable

Cost-income ratio (%)

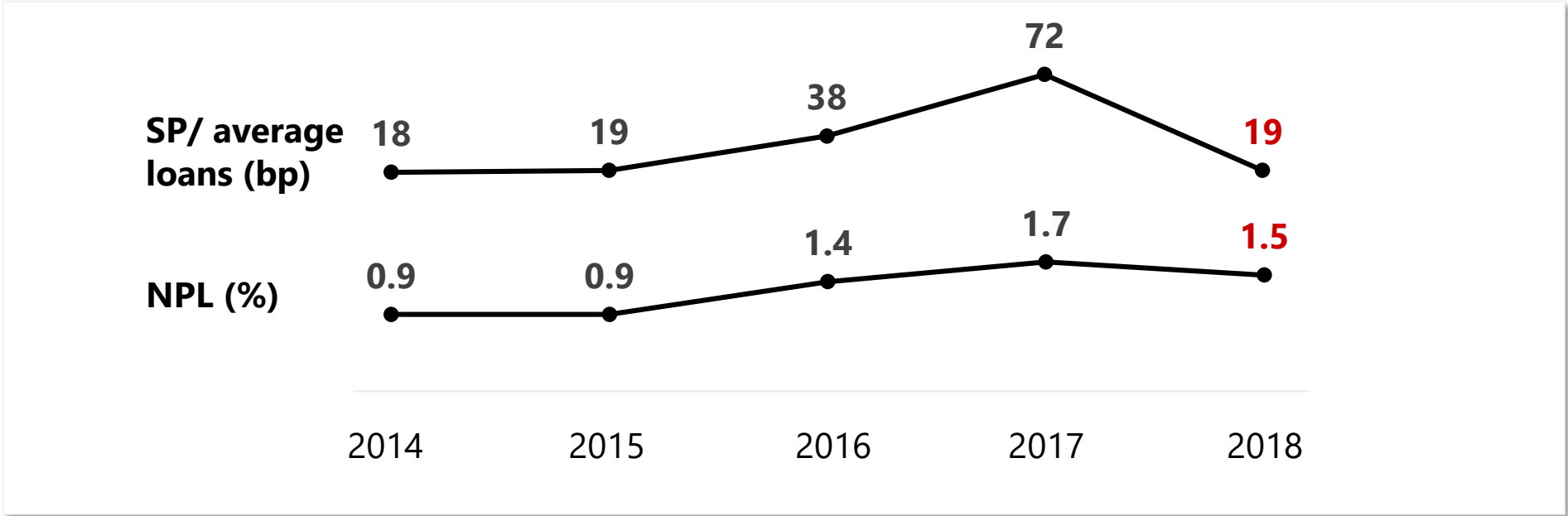


- Cost-income ratio of TM and ANZ was a drag
 - Treasury Markets business had exceptionally weak performance
 - ANZ's cost-income ratio at 52%
- This masked the improvement from the digital segment where CIR improved two percentage points to 34%

Asset Quality

Exercised prudence in client selection and credit underwriting criteria amid macroeconomic uncertainties

Overall portfolio healthy



- NPAs fell 6% YoY and NPL ratio improved to 1.5%
- Asset quality improved with SP/ average loans at 19bp

Customer KPIs



Top across all industries,
in Forrester's inaugural
Singapore customer
experience index



Best Bank for
customer satisfaction²



4.29 Wealth Management
Customer Engagement Score ¹ ▲
vs. 4.22 in 2017



4.21 Consumer Bank
Customer Engagement Score ¹ ▲
vs. 4.12 in 2017



4.27 SME Bank
Customer Engagement Score ¹
vs. 4.07 in 2017



4th Large Corporates
Market Penetration Ranking ¹
Maintained – only Asian bank in
top 5

(1) Scale: 1 = worst; 5 = best. Source: Scorpio partnership and Ipsos Customer Satisfaction Survey (CSS) for Wealth Management, Ipsos CSS for CBG and Aon Hewitt SME Survey. Large corporates penetration ranking was from Greenwich for 2018
(2) The Euromoney cash management survey was conducted with over 25,000 clients participating globally

Employee KPIs

 Aon

BESTEMPLOYERS

ASIA PACIFIC 2018

Asia Pacific Regional
Best Employer

"Best of the Best
Employer" in Singapore
and Best Employer in
India

Employee Engagement

82%

Maintained (vs 2017: 82%)

Awarded Regional Best Employer in Asia Pacific
Ranked among the top 13% employers in the world

People Development

28%

of positions
filled
internally ⁽¹⁾

Maintained (vs 2017: 28%)

Enabled our people to broaden their exposure across
businesses, functions and markets

Employee Attrition

14.7%



1.7% (vs 2017: 13%)

Comparable to peers in other countries except
Indonesia, where ANZ integration contributed to
a higher turnover

(1) Excluding ANZ integration headcount

Senior-level organisational changes

Growing our own timber

Underscoring our commitment to groom talent from within, we announced several senior-level organisational changes



Derrick Goh
Audit



Jimmy Ng
Deputy Head,
Technology & Operations



Tan Teck Long
Chief Risk Officer



Tan Su Shan
Institutional Banking



Sim S Lim
Consumer Banking



Shee Tse Koon
Singapore



Han Kwee Juan
Strategy & Planning

Digital Transformation

Grew and deepened ecosystem partnerships to accelerate digital customer acquisition and improve product offerings

Ecosystems

Remained among the largest banking API platforms in the world

>350

APIs published doubled from previous year

>90

partners


>3,500


registered API developers


Formed partnerships



Acquire

 **79%**

 **98%**

 **32%**

Continued momentum in acquiring **SME** customers digitally

38%

of **Wealth** customers acquired digitally

>1.2 million

digibank IN, ID customers added in 2018

2.7 million customers since launch

CBG products		2018
Deposits	53%	▲
Cards	64%	▲
General Insurance	60%	▲



Transact

21%

of processes completely automated across corporate & consumer banking in SG



JIM – Jobs Intelligence Maestro

75%

reduction in candidate screening time using JIM, our virtual recruitment bot

> 140,000

Market rates – digitised the daily identification of rate anomalies

Engage

15%

increase in social media fanbase to 9 million

60%

increase in readership of research articles on iWealth

> 23

co-creation workshops conducted with corporates to deliver bespoke solutions

23%

increase in campaign revenues for CBG in Singapore through contextual marketing

Digital Transformation continued...

Reduced manual efforts by driving end-to-end straight-through processing and instant fulfilment

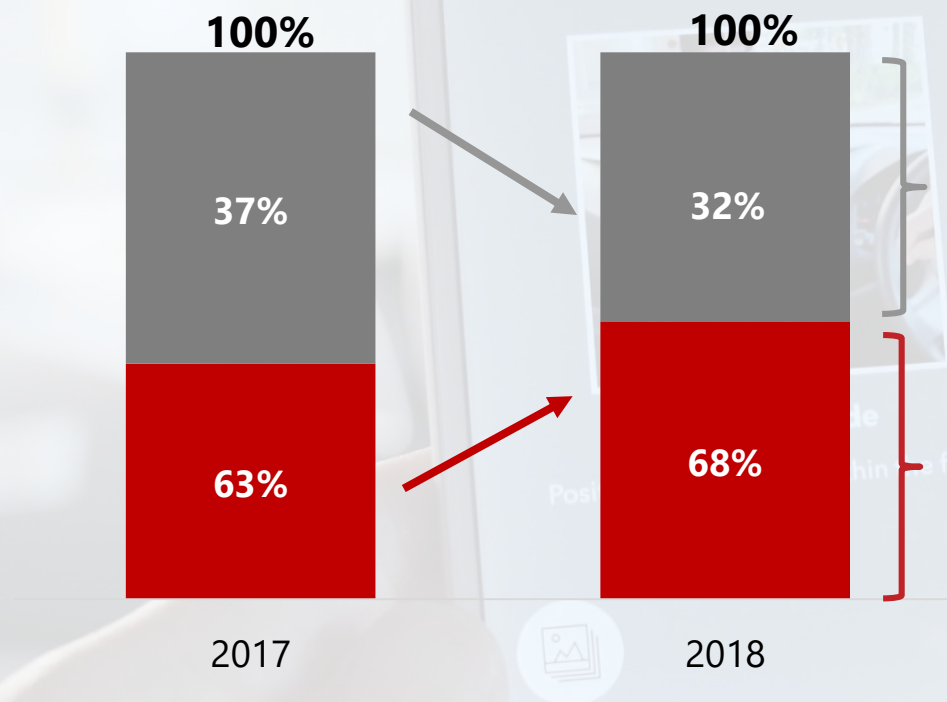
Drove "sticky" customer behaviour and cross-buy through contextual marketing

Digital increasingly material and valuable

Capturing value created from digitalisation

Grew the number of digital customers and increased income from digitally engaged customers

Income from Consumer and SME segments in SG and HK



TRADITIONAL

- Income -1% YoY
- ROE 23%
- 3.2 million customers⁽¹⁾

DIGITAL

- Income +27% YoY
- ROE 32%
- 2.9 million customers⁽¹⁾

Income from digital customer = **2x** income from traditional customer

(1) A digital customer has either (within the past 12 months):

- made a product purchase or segment upgrade via a digital channel
- done more than 50% of financial transactions via digital channels; or
- done more than 50% of non-financial transactions via digital channels

Reimagining customer & employee experiences

Continued to focus on customer journeys, leveraging customer science and data analytics to make banking joyful



Focusing on customer journeys

600

journeys across the bank

+150

new journeys added in 2018



Driving a data-first culture

> 10,000

employees, including >900 senior managers educated on being data-driven

> 200

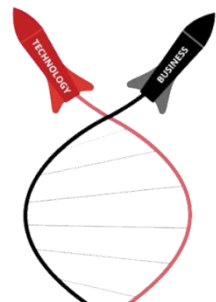
analytics projects across the bank

PURE framework

(**P**urposeful, **U**nsurprising, **R**espectful and **E**xplainable) to govern responsible data usage

Creating a Startup Culture

Embracing a spirit of experimentation and innovation



Business
=
Technology

Technology
=
Business

Driving the platform operating model

33 platforms co-owned by business & technology
Joint goals, business strategy and execution roadmap



Continued focus on experimentation and innovation

300+
events held at DAX

250+
talents hired through Hack-to-Hire



Redesigned offices to foster collaboration and ideation

400,000 sq ft of JoySpace

Corporate Governance

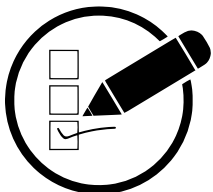
DBS has an active board that is conscious of the diverse needs of our stakeholders and has put in place robust mechanisms to ensure that corporate governance principles are embedded in our corporate culture



Singapore Corporate Awards: **Special Recognition Award**

First company to clinch top award in all five categories

Best Managed Board, Best Investor Relations, Best Annual Report, Best CEO and Best CFO



Institutional Investor Poll: **Among the top two banks in Asia**

For CEO, CFO, investor relations, corporate governance, and ESG metrics categories



Rank	Company	Score
1	DBS Bank Ltd	88.5
2	UOB	87.5
3	Oversea-Chinese Banking Corp Ltd	86.5
4	Bank of China	85.5
5	Industrial Bank of Japan	84.5
6	Bank of Communications	83.5
7	Bank of China	82.5
8	Bank of China	81.5
9	Bank of China	80.5
10	Bank of China	79.5

Singapore Governance and Transparency Index: **Second**

Up a rank from 2017



SIAS Investors' Choice Awards: **Runner-up**

For corporate governance, large-cap companies' category

Three sustainability pillars

Sustainability

Creating long-term value for stakeholders in a sustainable way, and making a difference beyond banking



Bloomberg Gender-Equality Index



FTSE4Good
Global Sustainability Index



Responsible Banking

> \$2.4 bn

Sustainable financing
(green loans, performance linked loans, renewable financing)

1st Singapore bank
to be certified with **Data Protection Trustmark**



Responsible Business Practices

2nd consecutive year
in the **Bloomberg Gender-Equality Index**

1st Singapore bank
included in **FTSE4Good Global Index**, a global sustainability index



Creating Social Impact

Awarded **\$1.25m**
in **grants** to 12 social enterprises

> 65,000 hours
engaged in **volunteering** initiatives

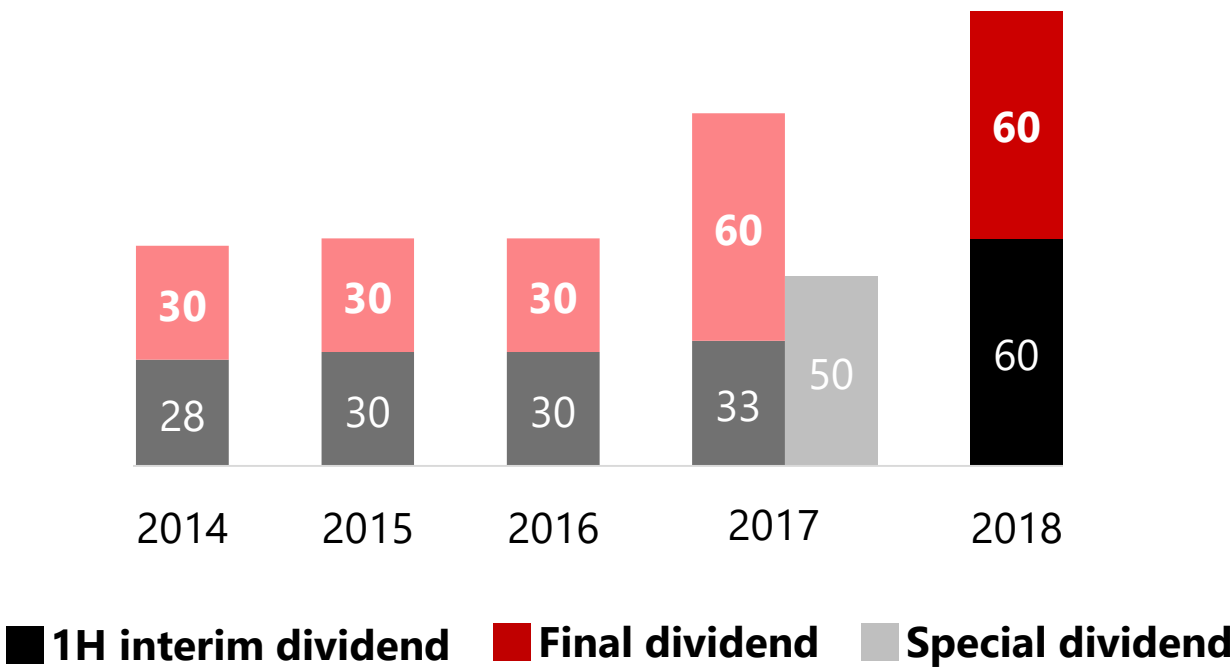
Debut of standalone DBS sustainability report

Dividends

Our dividend policy is to pay sustainable dividends while maintaining capital ratios consistent with regulations and the expectations of rating agencies, investors and other stakeholders

Sustainable dividends

- The Board has proposed a final dividend of **60 cents per share** for approval
 - Brings full-year ordinary dividend to **120 cents per share** (increase of 29%)



BANK OF THE YEAR – GLOBAL
The Banker

BEST BANK IN THE WORLD
Global Finance

WORLD'S BEST DIGITAL BANK
Euromoney

WORLD'S BEST BANK FOR SMEs
Euromoney

SME BANK OF THE YEAR – GLOBAL (PLATINUM WINNER)
Global SME Finance (International Finance Corporation)

CASH MANAGEMENT GLOBAL BEST SERVICE – OVERALL: #1
Euromoney

#1 BEHIND THE LOGIN EXPERIENCE
MyPrivateBanking

BEST PRIVATE BANK FOR INNOVATION
PWM/ The Banker

BEST PRIVATE BANK FOR ENTREPRENEURS – GLOBAL
Global Finance

