CORPORATE GOVERNANCE REPORT

INTRODUCTION

DBS Group Holdings Ltd (the "Group" or "DBSH") considers good corporate governance to be the cornerstone of a well-managed organisation. Good corporate governance goes beyond the output of transparent, timely and full financial disclosures and includes matters such as board composition, decision-making powers, internal governance and corporate culture.

The Group aspires to the highest standards of corporate governance. The promotion of corporate transparency, fairness and accountability is led by a qualified and independent Board aided by a seasoned and experienced management team. The Group considers good corporate governance to be essential to strengthening the foundation of its long-term economic performance and ensuring that the interests of all stakeholders are protected.

As a financial institution, the Group is guided in its corporate governance practices by the Code of Corporate Governance 2005 (the "Code"); the Guidelines on Corporate Governance for Banks, Financial Holding Companies and Direct Insurers which are incorporated in Singapore 2010 (the "Guidelines"); and the Banking (Corporate Governance) (Amendment) Regulations 2010 (the "MAS Regulations") issued by the Monetary Authority of Singapore. Each of the principles in this report conforms to the Guidelines. For the financial year 2011, the Group complied in all material aspects with the principles laid down by the Code, the Guidelines and the MAS Regulations. Where there is any deviation, appropriate explanation has been provided within this report. Each of the principles referred to below is laid down in the Code and, where appropriate, references are also made to the relevant MAS Regulation.

In step with the increasing focus on corporate governance and risk management by global supervisory bodies and regulatory authorities having an impact on the Group's business, the Group continued to take active measures to enhance and raise its corporate governance standards in the course of 2011. These measures will be highlighted in the course of this report.

BOARD MATTERS

THE BOARD'S CONDUCT OF ITS AFFAIRS

Principle 1

Board Responsibility
The Board directs the Group in the conduct of its affairs, exercising its fiduciary role to ensure that corporate responsibility and ethical standards are met. The Board is responsible for:

(i) Setting the strategic direction and long-term goals of the Group and ensuring that adequate resources are available to meet these objectives.
(ii) Approving and monitoring capital and financial plans to ensure that they are in line with the Group's strategic directions; the annual budget; the annual and interim financial statements; and capital expenditures and acquisitions and divestments.
(iii) Establishing a risk strategy and a framework for risks to be assessed and managed.
(iv) Monitoring and reviewing management performance.
(v) Using its wide-ranging expertise to vet corporate plans and policies as well as major decisions.
(vi) Determining the Group's values and standards (including ethical standards).
(vii) Making succession plans for itself and for the chief executive officer (the "CEO") to ensure continuity of leadership.
(viii) Considering sustainability issues (including environmental and social factors) as part of the Group's strategy.

As part of its ethical responsibilities, the Board ensures that a culture of fair dealing is embedded across the Group and the values of being Respectful, Easy to deal with and Dependable are entrenched across the Group's processes and business practices so as to place customers at the heart of the banking experience.

The Board also delegates authority and powers to Board committees to oversee specific responsibilities, such as executive leadership and strategy, financial reporting, audit, risk management, credit controls and approvals, compensation and management and leadership development. These committees enable the Board to better carry out its stewardship and fiduciary responsibilities. The Board has established an internal framework called the Group Approving Authority (the "GAA") to ensure that guidelines for the delegation of authority at various levels are consistently applied throughout the Group. The material transactions that require Board approval under the GAA include:

- Group strategy and annual budget.
- Group business plan.
- Capital expenditures, investments or divestments exceeding certain material limits.
- All capital-related matters including capital issuance and redemption.
- Dividend policy and the amount of dividends to be paid.
- Risk strategy, risk appetite and the Internal Capital Adequacy Assessment Process (“ICAAP”) Statement.

Board Committees
The Board committees and the areas delegated to each committee are as follows:

- Executive Committee (“Exco”), which reviews strategic matters such as country and business strategies, and strategic mergers and acquisitions. The Board has delegated to the Exco the authority to approve items exceeding the CEO's authorised limits (for example credit lines, non-strategic investments and capital expenditure items). The Exco reviews budget and financial plans and weak credit cases.

- Audit Committee (“AC”), which supervises the Group’s internal controls and oversees the adequacy of internal controls over financial, operational and compliance risks. The AC interacts with the external auditor to ensure compliance with regulations governing accounting standards and financial reporting.

- Nominating Committee (“NC”), which searches for Board nominees and assesses their suitability and independence. The NC also ensures that Board members commit appropriate amounts of time to discharge their duties and performs an annual evaluation of the Board’s effectiveness in performing its duties.

- Compensation and Management Development Committee (“CMDC”), which oversees compensation policies and management development and ensures that remuneration policies are in line with strategic objectives.

- Board Risk Management Committee (“BRMC”), which reviews issues such as capital adequacy and the effectiveness of risk management practices and policies.

The terms of reference for each Board committee are clearly defined. They stipulate the responsibilities of the committee, quorum and voting requirements, as well as qualifications for committee membership. Each committee has direct access to management and the power to hire independent advisers as it deems necessary.

Board Meetings And Attendance
During the financial year, there were five Board meetings. At these meetings, the Board reviewed the Group’s financial performance, annual budget, corporate strategy, business plans, potential acquisitions and significant operational matters. At each Board meeting, all non-executive directors met to discuss issues of general importance without the presence of management.

When exigencies prevent a member from attending a Board meeting in person, he or she can participate by telephone or video-conference. Board approvals for less urgent matters are obtained through written resolutions approved by circulation. The Articles of Association of DBSH (the “Articles of Association”) allow written resolutions that are signed by a quorum of members to be as effective as if they were passed at physical meetings.

During committee and Board meetings, members are updated by management on impending changes in market conditions as well as corporate governance, capital, tax, accounting, listing and other regulations, which would have an impact on the Group’s affairs.

In addition to the scheduled Board meetings, all members of the Board and key management met in a two-day closed door offsite meeting to deliberate on the Group’s strategy and action plans for future growth.

The table below sets forth the number of meetings held and attended by Board members during the financial year.

ATTENDANCE AT BOARD AND BOARD COMMITTEE MEETINGS

Name of Director	Board Meetings (Board)		Executive Committee Meetings (Exco)		Audit Committee Meetings (AC)		Board Risk Management Committee Meetings (BRMC)		Nominating Committee Meetings (NC)		Compensation and Management Development Committee Meetings (CMDC)	
	No. of Meetings Held@	Attendance	No. of Meetings Held@	Attendance	No. of Meetings Held@	Attendance	No. of Meetings Held@	Attendance	No. of Meetings Held@	Attendance	No. of Meetings Held@	Attendance
Peter Seah [1]	5	5	15	15	4	4	5	5	3	3	4	4
Piyush Gupta	5	5	15	14	–	–	–	–	–	–	–	–
Ang Kong Hua [2]	1	1	–	–	2	2	–	–	1	1	–	–
Bart Broadman	5	5	–	–	–	–	5	5	–	–	4	2
Andrew Buxton [3]	1	1	–	–	–	–	3	2	–	–	–	–
Christopher Cheng	5	5	–	–	4	4	–	–	–	–	4	4
Euleen Goh [4]	5	5	15	15	1	1	5	5	3	3	4	4
Ho Tian Yee [5]	3	3	–	–	–	–	2	2	2	2	–	–
Nihal Kaviratne CBE [6]	3	3	–	–	2	2	2	2	–	–	–	–
Kwa Chong Seng [7]	5	5	–	–	–	–	–	–	2	2	4	4
Ravi Menon [8]	1	–	–	–	1	1	–	–	1	–	–	–
John Ross [9]	1	1	–	–	–	–	3	3	1	1	–	–
Danny Teoh [10]	5	5	–	–	4	4	5	5	2	2	–	–

@ *the number of meetings held during the period the director was a member of the Board and/or relevant Committee*

1 *Assumed Chairmanship of NC on 28 April 2011*
2 *Stepped down as Chairman of AC on 2 February 2011 but remained as Member of AC, until he subsequently stepped down as Director of DBSH and DBS Bank and as Member of AC and NC on 28 April 2011*
3 *Stepped down as Director of DBSH and DBS Bank and Member of BRMC on 28 April 2011*
4 *Stepped down as Member of AC on 28 February 2011*
5 *Appointed as Director of DBSH and DBS Bank on 29 April 2011 and as Member of BRMC and NC on 23 May 2011 and 8 June 2011 respectively*
6 *Appointed as Director of DBSH and DBS Bank on 29 April 2011 and as Member of AC and BRMC on 23 May 2011*
7 *Appointed as Member of NC on 26 April 2011*
8 *Stepped down as Director of DBSH and DBS Bank and as Member of AC and NC on 31 March 2011*
9 *Stepped down as Director of DBSH and DBS Bank and Chairman of NC and Member of BRMC on 28 April 2011*
10 *Assumed Chairmanship of AC on 2 February 2011 and as Member of NC on 26 April 2011*

Appointment Of New Directors

A well-established process is in place for the NC to carry out the screening and appointment of new directors. A search process will usually commence with candidates being identified from various sources. The NC conducts an initial assessment to review a candidate's qualifications, attributes and past experience. If the initial assessment is positive, the NC will proceed to interview the candidate.

The NC considers the proposed candidate's independence, expertise and background, and determines if he or she possesses the skills required by the Board. A candidate's skills are mapped against a detailed matrix that is reviewed regularly to ensure that the Board has the requisite diversity of skills and backgrounds to perform effectively. The matrix takes into account the dynamic changes occurring within the financial services industry and local, regional and global markets.

Once appointed, a new director receives, together with his or her letter of appointment, a Directors' Handbook setting out a director's duties, responsibilities and disclosure obligations as a director of a financial institution. He or she is also briefed on key disclosure duties and statutory obligations. As part of the orientation program, the new director is given a series of detailed induction briefings by each member of senior management on the Group's various businesses and support functions. During the financial year, this induction was provided to Mr Ho Tian Yee and Mr Nihal Kaviratne CBE, which provided them with the opportunity to become familiar with the Group's management, businesses and governance practices.

Continuous Development Program ("CDP")

Sustainable high quality performance is an important factor in the proper discharge of the duties of directors. During the course of 2011, the NC continued to implement the CDP for directors to ensure that they are continually equipped with the appropriate skills and knowledge to perform their roles on the Board and the committees. These sessions ensured that all directors received regular updates on relevant new legislation, regulations and changing market conditions. The CDP is based on the Guidelines.

The CDP has the following key objectives:

(i) Augmenting the knowledge of Board members so that they can contribute effectively.
(ii) Providing ongoing training conducted by external advisors and professional trainers to ensure all directors receive the knowledge they need to effectively carry out their duties.
(ii) Ensuring that the Board is kept abreast of regulatory and legislative developments and changes across key markets.

During the financial year, the following training programmes were provided to directors:

– An update on international accounting standards.

– A presentation on current regulatory hot topics and risk issues.

– The members of the BRMC attended two internal workshops on the Group's risk appetite framework as well as the approach, implementation plans and timelines for various initiatives within the risk area.

Board members also attended three modules of training delivered by external speakers organised by MAS covering a range of topics as follows:

Module One
Key lessons learnt on board direction and oversight from bank failures and the recent financial crisis. This module focused on areas in which boards should pay greater attention in order to provide better oversight of bank operations. Financial reform proposals were also addressed with a focus on the implication for banks.

Module Two
Issues and challenges faced by bank boards; enhancing the effectiveness and performance of the board; how to strengthen the role of directors, especially independent directors; interaction between board and management, and best practices in board oversight of a bank's operation.

Module Three
Board's role in supervising banks to meet desired outcomes of MAS' supervision of banks; how boards might achieve this and discussion on how bank boards and the regulator can forge a closer working relationship in order to meet supervisory objectives more effectively.

BOARD COMPOSITION AND INDEPENDENCE

Principle 2

Terms of Appointment
The Group has a standing policy that a non-executive director will serve up to a maximum of three three-year terms. The Group considers this tenure to be appropriate for members to gain an understanding of the Group and to make an effective contribution.

The present Board comprises nine members. The Group is of the view that given the current size and geographic footprint of the Group's operations, the current Board is adequately resourced. Nevertheless, the Board through the NC continually reviews its composition, taking into account the scope and nature of the Group's growing operations, the requirements of the business and the resourcing level required at Board committees. It will seek to augment the Board's talent pool in the course of the coming financial year in order to maintain an appropriate balance of expertise, skills and perspectives, thereby enabling management to benefit from the collective breadth of experience of the directors.

Independence of Directors
Of the nine Board members, eight are non-executive, of which seven are independent. The number of non-executive and independent directors exceeds the requirements set out in the Code, the Guidelines and the MAS Regulations.

The seven members considered independent by the NC are Dr Bart Broadman, Dr Christopher Cheng, Ms Euleen Goh, Mr Ho Tian Yee, Mr Nihal Kaviratne CBE, Mr Peter Seah and Mr Danny Teoh.

The independent non-executive directors provide the Board with the knowledge, objectivity and balance that may not be available if the Board were to consist only of full-time executive members. They also ensure that the performance of executive directors and management is objectively measured against the key performance indicators established annually to measure and guide management performance.

The attributes that an independent director is required to have include: not being a former DBS executive, not being a significant customer or supplier, not being recommended or appointed on the basis of personal relationships, not being a close relative of an executive director, and not being related to any of the Group's external auditors, lawyers, consultants or service providers.

Dr Cheng, Ms Goh, Mr Kaviratne, Mr Seah and Mr Teoh are on the boards of companies that have a banking relationship with DBS but the revenues arising from such relationships are not material.

Ms Goh, Mr Kaviratne, Mr Seah and Mr Teoh are also directors of companies linked to Temasek Holdings, DBSH's substantial shareholder. As their appointments are non-executive in nature and they are not involved in the day-to-day conduct of these companies' businesses, the NC has determined that they are independent.

Mr Kwa currently sits on the board of Temasek as a director and Deputy Chairman and is accordingly considered not independent of the substantial shareholder of DBSH.
Mr Kwa is considered independent of management and business relationships.

Procedures have been instituted to manage potential conflicts of interest between a director and the Group. Such conflicts could arise, for instance, when the Group extends credit facilities or provides products or services to a director's company. An appropriate account tagging mechanism has been put in place to monitor and control the occurrences of conflicts, any of which are then escalated for aggregation purposes under the SGX-ST Listing Manual (the "SGX Listing Rules").

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Principle 3

A clear division of responsibilities between the Chairman of the Board (the "Chairman") and the CEO allows the Chairman to formally assume the role of an independent leader who chairs Board meetings and leads in its oversight of management. This separation also ensures an appropriate balance of power, increased accountability and enhanced independence in decision making. The Chairman's duties include:

(i) Leading the Board to ensure its effectiveness.
(ii) Managing the Board's business, including supervising the work in the board committees.
(iii) Setting the Board agenda and managing discussions at meetings.
(iv) Ensuring effective communication with shareholders.
(v) Encouraging constructive relations within the Board and between Board and management.
(vi) Facilitating effective contribution from non-executive directors.
(vii) Promoting high standards of corporate governance.

On the basis that the present Chairman is independent and is not part of management, the Board does not see it necessary at this point of time to appoint a lead independent director. The Chairman provides clear and distinct leadership to the Board with respect to the Group's strategic growth. The Chairman also acts as a sounding board to management on strategic and operational matters.

The CEO heads the Group Management Committee and the Group Executive Committee, which are the highest management bodies. He oversees the execution of the Group's strategy and is responsible for managing its day-to-day operations.

BOARD COMMITTEES

Principle 4

Executive Committee
The Exco comprises Mr Seah (Chairman), Ms Goh and Mr Gupta.

The Exco's responsibilities include:

(i) Reviewing the Group's strategy, business plans, annual budget and capital structure.
(ii) Reviewing strategic investments or divestments.
(iii) Reviewing the delegation of authority stipulated by the GAA.
(iv) Reviewing weak credit cases.
(v) Approving credit transactions, investments, capital expenditure and expenses that exceed the limits that can be authorised by the CEO.

In the course of the financial year, the Exco reviewed the potential impact on the Group's operations arising from changes in global market conditions to ensure that the Group's strategy remains relevant and responsive to changes in business conditions. It also reviewed several corporate actions, divestments and investments as well as the capital budget, providing an initial review prior to discussion and approval by the Board.

Nominating Committee
The NC comprises Mr Seah (Chairman), Ms Goh, Mr Ho, Mr Kwa and Mr Teoh, the majority of whom are independent directors.

The NC's responsibilities include:

(i) Reviewing the Board's succession plans for directors, in particular, the Chairman and the CEO.
(ii) Reviewing and recommending Board appointments for approval by the Board, taking into account the expertise, skills and knowledge of the candidate and the needs of the Board.
(iii) Determining annually whether each director is independent in accordance with regulatory guidelines.
(iv) Recommending the membership of various Board committees, the appointments of key business and support unit heads, and senior positions in major subsidiaries.
(v) Providing guidance on directors' appropriate time commitments and assessing whether each director can make such a commitment after considering his other obligations.

In the course of the financial year, the NC discharged various aspects of its responsibilities, details of which are set out on pages 47 and 51.

Re-election and Rotation of Directors
The Articles of Association require one-third of Board members who are longest-serving to retire from office every year at the Annual General Meeting (the "AGM"). Based on such a rotation process, each director is required to submit himself or herself for re-election by shareholders at least once every three years. A director who reaches the age of 70 is required by law to retire and stand for re-election every year.

In addition, NC members are subject to an annual assessment of their independence as prescribed by the Code, the Guidelines and the MAS Regulations. This independence assessment takes into account the NC members' business relationships with the Group, relationship with members of management and the substantial shareholder of DBSH.

Audit Committee

The AC comprises Mr Teoh (Chairman), Dr Cheng, Mr Kaviratne and Mr Seah, all of whom are independent directors. Mr Teoh possesses an accounting qualification and was the immediate past managing partner of KPMG, Singapore. Please refer to page 17 for further details on Mr Teoh's professional qualifications. All members of the AC have recent and relevant accounting or related financial management expertise or experience.

The AC's responsibilities include:

(i) Reviewing the adequacy of financial, operational, compliance and information technology controls, as well as accounting policies and systems, which are collectively known as internal controls.
(ii) Monitoring the financial reporting process and ensuring the integrity of the Group's financial statements.
(iii) Reinforcing the effectiveness of internal and external audit processes.
(iv) Reviewing the scope and results of audits, and effectiveness of the internal audit procedures, including the activities of the internal audit department.
(v) Approving the hiring of Head of Group Audit, including appointment, removal, evaluation, annual compensation and salary adjustment.
(vi) Reviewing the arrangements by which staff of the Group may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and to ensure that arrangements are also in place for independent investigation of such matters and for appropriate follow up action.
(vii) Maintaining effective communications between the Board, management and external auditors. The AC reviews internal and external auditors' plans, the effectiveness of their audits, and the independence of the external auditors.
(viii) Making recommendations to the Board on the proposals to shareholders on the appointment, re-appointment and renewal of the external auditors and approving the remuneration and terms of engagement of the external auditors.

All AC meetings are also attended by the CEO, heads of Group Audit, Finance, and Legal, Compliance and Secretariat. The AC also has full discretion to invite any director and executive to attend its meetings. Separate sessions with the external auditor are held without the presence of management after each AC meeting to discuss matters that might have to be raised privately. In addition, the AC Chairman meets the internal auditors regularly to discuss the internal audit plan, current work, key findings and other significant matters. The AC has explicit authority to investigate any matter within its terms of reference, and has full access to and cooperation by management.

In the course of the financial year, the AC carried out activities within its terms of reference and responsibilities, details of which are set out on page 58.

Board Risk Management Committee

The BRMC comprises Ms Goh (Chairman), Dr Broadman, Mr Ho, Mr Kaviratne, Mr Seah and Mr Teoh.

The BRMC's responsibilities include:

(i) Monitoring risk exposures and risk strategy in accordance with approved guidelines.
(ii) Approving the Group's overall and specific risk governance frameworks (including risk authority limits) and Basel II compliant risk models.
(iii) Overseeing an independent Group-wide risk management system and ensuring there are sufficient resources to monitor risks.
(iv) Exercising oversight of the ICAAP through stress scenario setting approval and other regular reporting.

In 2011, in addition to its regular activities, the BRMC steered the development of the Risk Appetite Statement. This will act as a compass for management in the allocation of its risk limits and capital to the various risk types, geographies, industries and individual clients. On top of this, the BRMC has instituted the risk dashboard. Discussion of this dashboard forms a standard agenda item of BRMC meetings and contains the most important macro-economic, risk and regulatory developments for the bank.

Compensation and Management Development Committee

The CMDC comprises Mr Kwa (Chairman), Dr Broadman, Dr Cheng, Ms Goh and Mr Seah.

The CMDC's responsibilities include:

(i) Overseeing the principles and framework of compensation to ensure their alignment with prudent risk-taking to build a sustainable business in the long term.

(ii) Overseeing the remuneration of senior executives including reviewing and approving the remuneration of the executive director.
(iii) Approving employee incentive schemes and reviewing their effectiveness in employee retention and the creation of long-term value for the Group.
(iv) Overseeing management development and succession planning to ensure that the Group strengthens its core competencies, bench strength and leadership pipeline.

In fulfilling its responsibilities, the CMDC ensures that the Group complies with the corporate governance practices as stipulated under the Code and the MAS Regulations. Details of these are outlined under Principles 7, 8 and 9 of this report.

In addition, the CMDC engaged an external consultant to provide an independent review of the bank's compensation system and processes to ensure compliance with the principles of Sound Compensation Practices by the Financial Stability Board ("FSB").

In 2011, succession plans for key executive positions were reviewed by the CMDC. The review focused on contingency and "ready now" successors to key roles as well as the pipeline of senior leader talent in DBS. Additionally, the CMDC reviewed the current plans in place to develop the next generation of senior leaders for the DBS Group.

BOARD PERFORMANCE

Principle 5

The NC makes an assessment at least once a year to determine whether the full Board and the various committees are performing effectively and identifies steps for improvement. The evaluation covers a range of issues including Board composition as well as the timeliness and quality of information provided to the Board.

In the course of the financial year, the Board underwent a board effectiveness evaluation moderated by an external advisor. The evaluation results were discussed with the NC and the Board, and key action steps were mapped with the goal of enhancing the workings of the Board and its various committees.

Currently, each director completes a Board evaluation questionnaire and returns it to the Chairman. The collective performance evaluation is then consolidated and presented to the Board for discussion. The Board considers the current arrangement useful as directors are given the opportunity to debate the Board's workings and processes collectively.

As a director's ability to commit time to the Group's affairs is essential for performance, the NC has formulated guidelines to assess each director's ability to make such a commitment. The guidelines consider the number of other board and committee memberships a director holds, the size and complexity of the companies in which he or she is a board member, and the frequency of meetings of those boards. All directors have met the requirements for time commitment under the guidelines. The NC has conducted a review of time commitment guidelines matching against the time expended by each director in performing his duties in 2011. The NC will continue to monitor the time commitment of directors in 2012. The Board believes that each director has to personally determine the demands of his or her competing directorships and obligations and assess how much time is available to serve on the Board effectively. Accordingly, the Board has not made a determination of the maximum number of board representations a director may hold.

ACCESS TO INFORMATION

Principle 6

Board meeting agenda are set in advance with items proposed by the CEO and management. Management provides the Board with complete and relevant information in a timely manner. Directors are entitled to request from management such additional information as needed in order to make informed and timely decisions. Directors have the discretion to engage external advisers at the expense of the Group.

Group Secretary
The Group Secretary works closely with the Chairman on setting the agenda for board meetings. She ensures that Board procedures are followed and that the Board is in compliance with applicable rules and regulations. Under the direction of the Chairman, the Group Secretary's responsibilities include ensuring a good and effective flow of information within the Board and its committees and between senior management and non-executive directors. She also facilitates director on-boarding and assists with their professional development.

The Group Secretary advises the Board on all governance matters. She provides a link between the Group and the Board on the one hand, and shareholders, government and regulatory authorities on the other. She attends all Board meetings and is responsible for the proper maintenance of the records of all Board and committee meetings and records of discussions on key issues and the decisions taken. All directors have independent access to the Group Secretary.

Under the Articles of Association, the appointment and removal of the Group Secretary require the approval of the Board.

REMUNERATION MATTERS

PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

Principle 7

The overall objective of the Group's remuneration policy is to establish a framework for attracting, retaining and motivating employees, and creating incentives for delivering long-term performance within established risk limits. The policy reinforces a culture that rewards for performance.

The Group's remuneration policy aims to be consistent with the principles and standards set out by the FSB and the relevant local regulators where it operates.

Governance

The governance of remuneration policies involves the design, implementation and ongoing review of remuneration practices.

The CMDC reviews and approves the Group's remuneration policy and the annual variable remuneration pool which are also endorsed at the Board level. It provides oversight of the remuneration of executive directors, senior executives and control functions in line with FSB guidelines. The CMDC also reviews cases where total remuneration exceeds a pre-defined threshold, or where a claw-back is implemented. Dr Broadman, Ms Goh and Mr Seah are also members of the BRMC while Dr Cheng and Mr Seah are members of the AC. Their membership in other Board committees enables them to make remuneration decisions in a more informed, holistic and independent manner.

The CMDC has direct access to senior management and works closely with the BRMC and the AC when performing its role. The Group's Finance and Risk functions are responsible for the accuracy of the financial results used in sizing and allocating the variable remuneration pool. The Human Resources, Finance and Group Planning functions are responsible for ensuring the accuracy of the Group's as well as individual business and support units' balanced scorecards, which comprise collective and individual objectives and ensure their alignment with the Group's business strategy and risk appetite. Control functions such as Risk, Audit and Compliance provide inputs on control or audit issues.

Performance measurement

The Group uses a comprehensive performance measurement framework to determine the size and allocation of the variable remuneration. The assessment is based on a balanced scorecard agreed to with the Board at the beginning of each year. The scorecard comprises financial and non-financial metrics encompassing employees, customers, shareholders, and risk and compliance objectives. The financial metrics link the variable remuneration to the Group's and the individual business unit's financial results, while the non-financial metrics capture the performance of qualitative aspects such as adherence to risk policies and client satisfaction.

Performance measures are cascaded throughout the Group to drive synergies across business units and strengthen the alignment between pay and performance.

The Group also ensures that sales staff are incentivised to promote the development of client relationships that are beneficial to the long term interests of the clients as well as the Group, rather than on short term volume growth. Non-financial metrics, such as customer satisfaction and compliance with the principles of fair dealing, are included in the assessment of sales staff.

The control functions, comprising Risk, Finance, Legal, Compliance and Audit, are measured independently from the business units that they support to prevent any conflicts of interest. An employee in a control function is assessed according to key performance indicators set by the control unit management, which are independent of the performance of the business units they support.

Remuneration structures

In line with these objectives, the Group's remuneration structure has four key features.

(i) ***Focus on total compensation:*** An employee's total compensation consists of fixed pay and discretionary variable remuneration. Total compensation is determined by the employee's roles and responsibilities, performance and contributions, and market dynamics. The Group benchmarks total remuneration against other organisations of similar size and standing with which it competes in its principal markets.

(ii) ***Differentiation of variable and fixed remuneration across employee groups:*** The Group aims to differentiate the ratio between variable and fixed remuneration according to performance, seniority and function. This is done to ensure that employee incentives remain focused on prudent risk taking and effective control, depending on the employee's role.

(iii) *Payout structures focused on aligning incentive payment with appropriate risk taking behaviour:* The payout structure is designed to incentivise employees whose decisions can have a material impact on the Group to adopt appropriate risk behaviour. These employees include senior management, key personnel at business units, and senior control staff. The Group defines this group of staff based on their roles as well as the quantum of their variable remuneration and the ratio of their variable to fixed pay, where such employees may have an impact on the risk profile of the Group.

Variable remuneration for this group of employees is subject to a tiered deferral rate that ranges from 20%-60%. All deferred remuneration is paid in restricted shares that have a vesting period of four years and comprise two elements – a main award and a retention (also known as "kicker") award. The retention award is designed to retain talent and compensate the staff for the time value of deferral. It vests at the end of four years from the grant date.

The Group also subjects deferred shares that are unvested to claw-backs. The claw-backs will be triggered by events such as a material violation of risk limits, material losses due to negligent risk taking or inappropriate individual behaviour, a material restatement of the Group's financials due to inaccurate performance measures, and misconduct or fraud.

The detailed variable remuneration pool allocation process is outlined below.

(iv) *No special payouts:* The Group does not practise accelerated payment of deferred remuneration for departing employees other than in exceptional cases, such as death in service. There is also no provision for special executive retirement plans, golden parachutes or special severance packages for executives. The Group also does not provide any guaranteed bonuses beyond one year.

Sizing and allocation of variable remuneration pool

The Group's variable remuneration pool is expressed as a percentage of profit before tax. In determining the appropriate percentage, the CMDC takes into consideration the Group's financial performance, its performance relative to peers, market benchmarks and market conditions. The results are then refined to take into account the Group's performance against various metrics contained in the balanced scorecard relating to shareholder value, client and employee performance, and the execution of various medium to long-term strategic objectives. The CMDC also ensures that the level of risk undertaken by the various businesses to achieve the Group's financial results remains appropriate. It continues to use economic profit and capital usage measures to ascertain whether the risks taken to generate earnings growth remain prudent.

After the amount of variable remuneration has been approved by the CMDC, management takes inputs from control functions such as Finance and Risk to allocate it across the business and support units according to their financial and non-financial performance. The various business and support unit heads then cascade their allocated bonus pools to their teams and individuals following a similar approach. Country heads are also consulted in the allocation process.

In determining the variable remuneration payout, the Group has adopted, as policy, the use of discretion to assess the extent to which performance has been achieved rather than applying a formulaic approach which, by its nature, may encourage inappropriate risk taking and cannot cover all scenarios.

LEVEL AND MIX OF REMUNERATION

Principle 8

Remuneration of Non-Executive Director
The compensation for non-executive directors, including the Chairman, reflects the scope of a director's responsibilities. Following a review in 2010 to benchmark non-executive directors' compensation to reflect trends in global, regional and local banking markets, the Group has implemented a new fee structure for the Board and the boards of overseas subsidiaries. Non-executive directors will receive 70% of their compensation in cash and the remaining 30% in share awards. The share awards are subject to a four-year vesting period, similar to the vesting period for employees under the DBS Share Plan (more details of which can be found on page 53). Shareholders are entitled to vote on non-executive directors' remuneration at the forthcoming AGM.

Remuneration of Executive Director
The CMDC has adopted several principles to determine the remuneration of the executive director. In particular, the remuneration structure incentivises the executive director to achieve the Group's annual as well as long-term goals and ensure that they are aligned with shareholders' interests. Performance-related criteria therefore play a significant role in determining the executive director's total remuneration. The criteria focus on using a balanced scorecard covering shareholders, customers, employees and risk and compliance objectives. The CMDC's recommendation for the executive director's remuneration has to be endorsed by the Board.

Long-term share incentives – DBSH Share Plan, DBSH Employee Share Plan and Share Ownership Scheme
As the Group seeks to foster a culture that aligns employees' interests with shareholders' as well as to enable employees to share in the Group's success, it has put in place share-based plans. There are three plans – the DBSH Share Plan ("Share Plan"), the DBSH Employee Share Plan ("ESP") and the DBSH Share Ownership Scheme ("SOS").

Prior to 2009, a DBSH Share Option Plan ("SOP") was also part of the long-term share incentives that had been put in place. The SOP expired on 19 June 2009 and it was not extended or replaced. The termination does not affect the rights of holders of outstanding existing options.

Employees holding the corporate rank of Managing Director, Senior Vice President and Vice President are eligible to participate in the Share Plan. Rewards made under the Share Plan form part of an employee's annual performance remuneration. The portion paid in shares increases with the amount of the performance remuneration.

There are vesting periods for the Share Plan, which operates like restricted share awards and comprises two elements – the main award and the retention (also known as the "kicker") award. The shares given in the retention award constitute 20% of the shares given in the main award. From 2010, the vesting period has been extended from three years to four. Under the current arrangement, 33% of the shares in the main award will vest two years after the grant date, another 33% three years after and the remaining 34% four years after, when the shares in the retention award will also vest.

The aggregate number of new DBSH ordinary shares that may be issued under the Share Plan together with the shares subject to the exercising of options under the former SOP may not at any time exceed 7.5% of the issued ordinary shares (excluding treasury shares) of the Group.

Details of the Share Plan and SOP appear on pages 157 to 159 of the Directors' Report.

The ESP caters to employees of the Group who are not eligible to participate in the Share Plan. The allocation of such awards is made selectively and is linked to an individual's contributions. There are vesting periods for the ESP. From 2010, 33% of the shares will vest two years after the date of grant, a further 33% three years after and the remaining 34% four years after.

In addition, employees who are not eligible for the Share Plan are eligible to participate in the SOS. The SOS is a market purchase plan administered by DBS Trustee Ltd, a wholly-owned subsidiary of DBS Bank Ltd. All confirmed employees with at least one year of service can participate in the scheme. Participants and the Group contribute up to 10% and 5% of monthly base salary respectively to buy units of DBSH ordinary shares.

DISCLOSURE ON REMUNERATION

Principle 9

The annual fee structure for the Board in 2011 is as follows:.

Annual Fees for the Board
Board Chairman: $500,000
Director: $ 80,000

ADDITIONAL FEES FOR MEMBERSHIP IN BOARD COMMITTEES

Type of Committee	Chairman	Member
Executive Committee	$75,000	$45,000
Audit Committee	$75,000	$45,000
Board Risk Management Committee	$75,000	$45,000
Nominating Committee	$35,000	$20,000
Compensation and Management Development Committee	$65,000	$35,000

Breakdown of Directors' Remuneration
The following table shows the composition of directors' remuneration for 2011. Directors who were appointed or who resigned or retired during the year are included in the table.

BREAKDOWN OF DBS DIRECTORS' REMUNERATION FOR PERFORMANCE YEAR 2011 (1 JAN 2011 – 31 DEC 2011) [1]

Name of Director	Salary Remuneration $	Cash Bonus [2] $	Share Plan $	Directors' Fees [3] $	Share-based Remuneration [4] $	Others $	Total $
Peter Seah	–	–	–	639,934	274,258	32,285	946,477
Piyush Gupta	1,200,000	2,985,800	3,866,200 [5]	–	–	32,189	8,084,189 [5]
Ang Kong Hua	–	–	–	62,089	–	–	62,089
Bart Broadman	–	–	–	137,900	59,100	–	197,000
Andrew Buxton	–	–	–	69,411	–	–	69,411
Christopher Cheng	–	–	–	158,620	67,980	–	226,600
Euleen Goh	–	–	–	247,992	106,282	–	354,274
Ho Tian Yee [6]	–	–	–	84,330	36,142	–	120,472
Nihal Kaviratne CBE [6]	–	–	–	114,186	48,937	–	163,123
Kwa Chong Seng	–	–	–	210,199	–	–	210,199
Ravi Menon [7]	–	–	–	38,254	–	–	38,254
John Ross	–	–	–	83,726	–	–	83,726
Danny Teoh	–	–	–	188,990	80,996	–	269,986

1 Refers to 2011 performance remuneration – includes fixed pay in 2011, cash bonus received in 2012 and shares granted in 2012
2 Based on amount accrued in 2011 financial statements. Amount finalised, approved and paid in 2012
3 Fees payable in 2012 for being an appointed Director in 2011. This is subject to shareholders' approval at the AGM on 25 April 2012
4 This is to be granted after the AGM in the form of DBSH shares over a 4-year vesting period if approved by shareholders at the AGM on 25 April 2012
5 For better comparability with other listed companies, these figures exclude the estimated value of retention shares (also known as "kicker" shares, see pg 53 for details), amounting to $773,240 which will only vest in the 4th year if the incumbent is still in the employment of the Group
6 Ho Tian Yee and Nihal Kaviratne CBE were appointed as Directors on 29 April 2011
7 Ravi Menon's Directors' fees will be paid in cash to a government agency, the Directorship & Consultancy Appointments Council

Notes:
(1) Messrs Ang Kong Hua, Andrew Buxton and John Ross who have stepped down on 28 April 2011, will receive all of their Directors' fees in cash. Mr Kwa Chong Seng, who is stepping down at the forthcoming AGM on 25 April 2012, will also receive all of his Directors' fees in cash.
(2) Directors are also paid attendance fees for Board and Board Committee meetings attended, as well as for attending the AGM and the annual Board offsite.

Senior management and material risk takers' remuneration

The following tables show the breakdown of remuneration and long-term remuneration awards for senior management and key risk takers. Senior management ("SM") is defined as the executive director and members of the Group Management Committee, who have authority and responsibility for planning the activities and the overall direction of the Group. Material risk takers ("MRTs") are defined as individual employees whose duties require them to take on material risk on behalf of the Group. These could be either individual employees or a group of employees who may not pose a risk to the financial soundness of an institution on an individual basis, but may present a material risk on a collective basis.

Table 1: Guaranteed Bonuses, Sign-on Awards and Severance Payments

Category	SM	MRTs
Number of guaranteed bonuses	0	1
Number of sign-on awards	1	6
Number of severance payments	0	0
Total amounts of above payments made during the Financial Year ($'000)	2,787	

**Due to data confidentiality, the total amount of payments for SM and MRTs have been aggregated for reporting*

Table 2: Breakdown of Remuneration Awarded in Current Financial Year

Category		SM		MRTs	
		Unrestricted %	Deferred %	Unrestricted %	Deferred %
Fixed remuneration	Cash-based	20	–	34	–
	Shares and share-linked instruments	–	–	–	–
	Other forms of remuneration	–	–	–	–
Variable remuneration	Cash–based	37	–	43	–
	Shares and share-linked instruments	–	43	–	23
	Other forms of remuneration	–	–	–	–
	Total	**100**		**100**	

Table 3: Breakdown of Long-term Remuneration Awards

Category	SM %	MRTs %
Change in deferred remuneration awarded in current financial year[1]	25[3] (12)[4]	11[3] (6)[4]
Change in amount of outstanding deferred remuneration from previous financial year[2]	-0.2[3] (-1)[4]	-0.6[3] (-3)[4]
Outstanding deferred remuneration (breakdown):		
Cash	0	0
Shares & share-linked instruments	100	100
Other forms of remuneration	0	0
Total	**100**	**100**
Outstanding deferred remuneration (performance adjustments):		
Of which exposed to ex-post adjustments	100	100
Reductions in current year due to ex-post adjustments (explicit)	0	0
Reductions in current year due to ex-post adjustments (implicit)[2]	0.2[3] (1)[4]	0.6[3] (3)[4]
Outstanding retained remuneration (performance adjustments):		
Of which exposed to ex-post adjustments	0	0
Reductions in current year due to ex-post adjustments (explicit)	0	0
Reductions in current year due-to ex-post adjustments (implicit)	0	0
Headcount	19	221

1 *Value of shares + retention shares awarded in 2011 vs. value of + retention (also known as "kicker") shares awarded in 2010. Share price taken at date of grant*
2 *[No. of unvested shares as at 31 Dec 11 x share price as at 30 Dec 11] / [No. of unvested shares as at 31 Dec 10 x share price as at 31 Dec 10]*
3 *The increase is due mainly to an increase in the number of staff in this category*
4 *The figure in the parenthesis showed the change in deferred remuneration awarded if the same population of staff that fulfills the definition of SM and MRTs for both performance year 2010 and 2011 is used*

Examples of explicit ex-post adjustments include malus, clawbacks or similar reversal or downward revaluations of awards.

Examples of implicit ex-post adjustments include fluctuations in the value of shares or performance units.

Key executives' remuneration
Although the Code and the Guidelines recommend that at least the top five key executives' remuneration be disclosed within bands of $250,000, the Board believes that such disclosure would be disadvantageous to the Group's business interests, given the highly competitive conditions in the banking industry where poaching of executives is commonplace.

ACCOUNTABILITY AND AUDIT

ACCOUNTABILITY

Principle 10

The Board provides shareholders with quarterly and annual financial reports. In presenting these statements, the Board aims to give shareholders a balanced assessment of the Group's financial performance and position. The Board also ensures timely and full disclosure of material corporate developments to shareholders.

Management provides Board members with detailed reports on the Group's financial performance and related matters prior to Board meetings every quarter. The CEO and Chief Financial Officer (the "CFO") provide the AC and the external auditors with a letter of representation attesting to the integrity of the financial statements each quarter. In addition, management provides the AC with detailed financial performance reports each month.

AUDIT COMMITTEE

Principle 11

The AC has reviewed the Group's audited financial statements with management and the external auditors and is of the view that the Group's financial statements for 2011 are fairly presented in conformity with relevant Singapore Financial Reporting Standards in all material aspects.

During the financial year, the AC carried out an annual assessment of the effectiveness of the Group Audit function and believes that it has good standing within the Group and is adequately resourced to fulfil its mandate.

The AC makes recommendations to the Board for the appointment, re-appointment and dismissal of the external auditor including the remuneration and terms of engagement. During the course of 2011, the AC's activities included:

– Quarterly reviews of the financial statements (audited and unaudited), and recommendation to the Board for approval.
– Quarterly reviews of reports from Group Audit and Legal and Compliance.
– Reviewing the Group's progress on the implementation of the Fair Dealing Outcomes across the Group, in line with the principles issued by MAS.
– Reviewing the process for quarterly affirmation of the sales process for structured products, and recommendation to the Board to approve the attestation.
– Reviewing the annual audit plan and the legal and compliance plans, approving any changes as necessary, and
– Reviewing the annual re-appointment of the external auditor and determining its remuneration, and making a recommendation for Board approval.

INTERNAL CONTROLS

Principle 12

The Group has instituted an internal controls framework covering financial, operational, compliance and technology controls, as well as risk management policies and systems. The framework defines the roles and responsibilities of both business and support units. The design and implementation of risk management and internal control systems are managed by Risk Management Group and Group Legal and Compliance. Key documentation, including delegation of authority, control processes and operational procedures are disseminated to all staff.

The Group has in place a risk management process that requires all units to perform a half-yearly Control Self Assessment ("CSA") to assess the effectiveness of their internal controls.

In addition, all units of the Group are required to submit quarterly attestations on their controls relating to the financial reporting process, and annual attestations on their compliance with the overall internal controls framework. Leveraging on the results of the CSA and the quarterly and annual attestations, the CEO and CFO would in turn provide an annual attestation to the AC relating to adequacy and effectiveness of the Group's risk management and internal control systems. Group Audit performs regular independent reviews to provide assurance on the adequacy and effectiveness of the Group's risk management and internal control systems. The AC and BRMC review the overall adequacy and effectiveness of the Group's internal controls framework.

The Board is of the view that the risk management and internal controls systems and processes that are in place up to the date of this report are adequate and effective for the current scope of operations of the Group.

Whistle-blowing policy
The Group has instituted a robust procedure for purposes of escalation and notification of incidents by employees whether on a disclosed or anonymous basis. The procedure is embedded in the Staff Code of Conduct (the "Code of Conduct") to encourage employees to speak up in the event the staff observes any actual or potential breach of the Code of Conduct, irregularity, impropriety, fraud or other inappropriate activity by a fellow employee, customer, vendor or third party. Arrangements are in place for such concerns to be raised and independently investigated and for appropriate follow up action to be taken. In the Group's Incident Management Policy, staff who have genuine reasons to fear retribution from escalating an incident may report the incident to the heads of Legal and Compliance, Human Resources or Group Audit in the first instance; or alternatively to the CEO or Chairman.

Related Party Transactions
The Group has embedded procedures to comply with all regulations governing related party transactions, including those in the Banking Act, Chapter 19 (the "Banking Act"), MAS directives and the SGX Listing Rules. The Banking Act and MAS directives impose limits on credit exposures by the Group to certain related entities and persons, while the SGX Listing Rules cover interested party transactions in general.

All new directors are briefed on all relevant provisions that affect them. If necessary, existing credit facilities to related parties are adjusted prior to a director's appointment, and all credit facilities to related parties are continually monitored. Checks are conducted before the Group enters into credit or other transactions with related parties to ensure compliance with regulations.

As required under the SGX Listing Rules, the following are details of interested person transactions in 2011:

Name of Interested Person	Aggregate value of all Interested Person Transactions during 2011 (excluding transactions less than $100,000)
Transactions for the Purchase of Goods and Services	
CapitaLand Limited Group	12,486,444
Certis CISCO Security Pte Ltd Group *	24,796,017
Mapletree Investments Pte Ltd Group	535,376
Starhub Ltd Group *	2,593,490
Singapore Telecommunications Limited Group	30,528,489
SMRT Corporation Ltd Group	1,864,833
Temasek Capital (Private) Limited Group *	300,000
Total Interested Person Transactions ($)	**73,104,649**

* *Members of the Temasek Group of Companies and for purposes of this report are considered as transactions with the same interested person*

Dealings in securities

The Group has adopted "black-out" policies as prescribed under Rule 1207(18) (C) issued by the SGX Listing Rules. DBS directors and employees are prohibited from trading in DBS securities one month before the release of the full-year results and two weeks before the release of the first, second and third quarter results. In addition, directors and officers are prohibited at all times from trading in DBS securities if they are in possession of material non-public information. Employees with access to price-sensitive information in the course of their duties must obtain prior approval to trade in all listed securities. Such employees are also instructed to trade through the Group's stock broking subsidiaries for securities listed in Singapore and Hong Kong. In addition, business units and subsidiaries engaging in proprietary trading are restricted from trading in DBS securities during the black-out period.

INTERNAL AUDIT

Principle 13

Group Audit is a function that is independent of the activities it audits. The objective, scope of authority and responsibility of Group Audit are defined in the Group Audit charter, which is approved by the AC.

In DBSH, Group Audit reports functionally to the Chairman of the AC and administratively to the CEO.

Group Audit's responsibilities include:

(i) Evaluating the adequacy and effectiveness of the Group's risk management and internal control systems, including whether there is prompt and accurate recording of transactions and proper safeguarding of assets;
(ii) Providing an independent assessment of the Group's credit management processes, portfolio strategies and portfolio quality;
(iii) Reviewing whether the Group complies with laws and regulations and adheres to established policies; and
(iv) Reviewing whether management is taking appropriate steps to address control deficiencies.

Group Audit adopts a risk-based approach in its auditing activities. An annual audit plan is developed using a structured risk and control assessment framework, where Group Audit assesses the inherent risk and control effectiveness of each auditable entity in the Group. The assessment also covers risks arising from new lines of business or product. Audit projects are planned based on the results of the assessment, with priority given to auditing higher risk areas. Appropriate resources are deployed to complete the plan, which is reviewed and approved by the AC.

Group Audit has unfettered access to the AC, the Board and senior management, as well as the right to seek information and explanation. Group Audit staff are required to adhere to the Code of Conduct as well as the Code of Ethics established by the Institute of Internal Auditors, from which the principles of objectivity, competence, confidentiality and integrity are based.

Audit reports containing identified issues and corrective action plans are reported to the AC and senior management. The progress of the corrective action plans is monitored through a centralised issue management system. Information on outstanding issues is included in regular reports to the AC, the Chairman, senior management and business and support unit heads.

Group Audit apprises the regulators and external auditors of all relevant audit matters. It works closely with the external auditors to coordinate audit efforts.

In line with leading practices, Group Audit has established a quality assurance and improvement programme that covers all aspects of its audit activity and conforms to the International Standards for the Professional Practice of Internal Auditing.

The programme includes periodic internal quality assurance reviews, self-assessments based on standards established by the Institute of Internal Auditors (IIA) and internal audit methodologies, stakeholder surveys and industry benchmarking surveys. External quality assessments are also carried out at least once every five years by qualified professionals from an external organisation. The next one will be performed in 2013.

In 2011, Group Audit participated in Singapore's inaugural Internal Audit Excellence Award, jointly organised by the Securities Investors Association of Singapore, IIA Singapore and Singapore Management University. Group Audit was recognised for its crucial role in the Group's corporate governance framework. DBS was named runner-up and was the only Singapore bank to be recognised.

COMMUNICATION WITH SHAREHOLDERS

Principle 14

The Group maintains an active dialogue with shareholders. It holds briefing sessions and conference calls with media and analysts when quarterly results are released. All press statements and quarterly financial statements are published on the DBSH and SGX websites. A dedicated investor relations team supports the CEO and the CFO in maintaining a close dialogue with institutional investors. The Group's website also has contact details for investors to address their queries.

During the year, management met more than 400 local and foreign investors at more than 360 meetings. It participated in 11 local and foreign investor conferences and non-deal road shows.

The Group is committed to the practice of fair, transparent and timely disclosures. All price-sensitive information is publicly released prior to sessions with individual investors or analysts.

SHAREHOLDERS' PARTICIPATION

Principle 15

The Group views the AGM as an opportune forum for retail investors to meet the full Board, chairpersons of the AC, NC, CMDC and certain members of senior management. Under the Articles of Association, ordinary shareholders are entitled to attend and vote at the AGMs by person or proxy. A shareholder may appoint up to two proxies, who need not be shareholders of DBSH. Before the AGM begins its formal proceedings, the CFO will present the Group's financial performance for the preceding year to shareholders. The Group's external auditor is also available to answer shareholders' queries.

In accordance with the recommendations contained in the Code and the Guidelines, resolutions requiring shareholder approval are tabled separately for adoption at the AGM unless they are closely related and are more appropriately tabled together.

At AGMs, the Chairman plays a pivotal role in fostering constructive dialogue between shareholders and the Board members. Since 2011, the Group has put all resolutions to vote by electronic poll and announces the results by showing the number of votes cast for and against each resolution and the respective percentage. The Group will continue with this practice of electronic polling.