

Consumer Banking/

Wealth Management

Consumer Banking/Wealth Management provides individual customers with a diverse range of banking and related financial services.

AWARDS

Retail Banker INTERNATIONAL

- Retail Bank of the Year, Asia-Pacific



- Best Wealth Manager in Asia

PRIVATE BANKER INTERNATIONAL

- Most Innovative Business Model, Global
- Outstanding Private Bank, Asia-Pacific



- Best Private Bank in Use of Technology, Global



- Asia's Best Mobile Bank

CARDS & ELECTRONIC PAYMENTS INTERNATIONAL

- Debit Card Product of the Year, Asia-Pacific

Enhancing the banking experience for our six million customers continued to be the priority of Consumer Banking/Wealth Management (CBG) in 2014. We did this by increasing the number of access points for customers and by improving the quality of their interaction with us. We made our customers' experience more interactive and intuitive. At the same time, we remained committed to providing solutions and services that met customers' needs at every stage of life; from saving at a young age to buying a home as they start their own families, to investing for retirement.

CBG's total income rose 14% to SGD 2.88 billion, led by broad-based growth across customer deposits, investment products, housing loans and other secured lending. Wealth management customer segment income rose 19% to SGD 1.10 billion as we expanded the affluent client base by 9% and deepened relationships with them. Total CBG loans grew 16% to SGD 82 billion while non-interest income from investment product sales rose 21% to SGD 608 million. Despite increased competition for deposits, we maintained our 52% market share for retail savings balances in Singapore, a testament to the convenience we offer customers to carry out a range of daily transactions both physically and electronically.

GREATER CONVENIENCE, REDUCED WAITING TIMES

With more than 2,300 physical touchpoints including branches and self-service machines, we already have the largest network in Singapore. We boosted our presence with another 170 touchpoints during the year by forming partnerships with two popular retail chains, Guardian pharmacy and Sheng Siong supermarket, giving our customers additional avenues to withdraw cash.

While technology has empowered customers to carry out transactions electronically, branch visits are still sometimes necessary.

We used technology to make visits less time consuming. Our mobile banking app was enhanced to give customers a live view of traffic at specific branches, enabling customers to determine how busy the branch they were planning to visit was. We also piloted a system that enabled customers to obtain, through a short message service (SMS) on their mobile phones, a queue number and an estimate of the waiting time before their turn. This enabled customers to arrive at the branch just ahead of their turn, saving them needless waiting time.

USING TECHNOLOGY TO ENHANCE THE CUSTOMER EXPERIENCE

The number of customers using our internet and mobile banking platforms increased to more than 2.7 million and 1 million respectively, with over 24 million internet and 11 million mobile transactions on average each month. Our digital channels are increasingly becoming the preferred channel for our customers to transact, engage and buy products and services from us, especially as we continue to advance the use of analytics to provide our customers with the most relevant offers at the most relevant time.

In Singapore, we launched an SMS banking service that allowed customers to carry out banking transactions such as checking account balances or paying credit card bills even if they did not have internet access. This freed up as much as 15,000 hours of automated teller machine (ATM) usage time every month for customers to perform other transactions on ATMs.

We also rolled out a mobile phone wallet called DBS PayLah!. It enabled customers to send and receive funds from contacts listed in their mobile phone directory. Since its launch in May, more than 200,000 customers have registered for the service and are accounting for more than 60,000 payments each month, making it the most popular mobile wallet in Singapore.

In addition, we rolled out mobile banking across China, Taiwan and India in Q4 2014, and are already seeing significant customer sign-ups and activity.

In China, we were the first foreign bank to launch online unit trust trading services, with customers now able to subscribe for, redeem, switch and transact unit trusts online.

We also expanded our overseas remittance service that provides same-day fund transfers at low costs. Previously available for India and Indonesia, it now includes Hong Kong and the Philippines. With greater convenience and attractive fees, the number of remittances doubled over the previous year.

In Singapore and Taiwan, we have provided our relationship managers (RMs) with tablets that come with specially designed apps such as "Your Financial Profile". This has not only improved RM mobility, enabling our RMs to serve customers at the place of their choosing, it has also significantly improved the quality of our conversations with customers and the overall customer experience.

In Hong Kong, we launched a tablet version of "mobile loan centre" to provide customers with the flexibility to apply for a loan online, via mobile or tablet. The online loan centre was recognised as "Asia's Best Mobile Banking" service in the IDC Financial Insights Innovation Award 2014.

ACCESS TO BETTER PRODUCT OFFERINGS AND TIMELY ADVICE

We continued to broaden our value proposition in line with the needs of our customers across our markets.

In Singapore, we partnered organisations such as the People's Association and SAFRA to offer credit and debit cards that combine payment convenience, rewards and membership benefits. By carrying just one card, customers can enjoy multiple functionalities and use the same piece of plastic for transport as well as payments.

It is not uncommon for banks to take a siloed product view when dealing with customers.

Through the Multiplier programme, DBS takes a holistic view of our customers' relationships and rewards them with higher interest rates for their deposits when they increase their engagement with us.

In India, we launched home loan solutions for our customers with a unique flexi loan concept, whereby customers have the flexibility to reduce their mortgage interest payments by increasing the balance in their linked current account. We also launched home loans in Indonesia with a specific focus on Treasures customers.

In Hong Kong, we moved quickly to introduce a holistic suite of RMB-linked products, helping customers capture opportunities arising from the increasing internationalisation of the currency. When the Hong Kong Monetary Authority scrapped the daily RMB-conversion limit of 20,000 yuan, we were one of the first banks to launch new RMB-linked products such as CNH Premium Deposits, which were previously unavailable to Hong Kong investors. We also introduced product bundles that made it easier for customers to benefit from a more varied range of investment options and enjoy potentially higher returns.

PROTECTING AND GROWING CUSTOMERS' WEALTH

Apart from supporting customers in their day-to-day banking needs, we also offer products to protect and grow their wealth, as well as to proactively plan for their retirement years. In 2014, we rolled out several initiatives across Singapore, Hong Kong and Taiwan to help customers actively plan for their retirement. For example, in Hong Kong, we launched "New Chapter Wealth Planning" to help customers fulfil their aspirations post retirement, whether it is to pursue a second career, embark on new adventures or spend quality time with the family. Using asset allocation tools and the "New Chapter" calculator, we are able to help our customers attain their dreams. Regular reviews ensure that this is a dynamic process. The service won an award in the 2014 Asia-Pacific SABRE Awards - Consumer Marketing (New Product) category.

In October, DBS successfully acquired Societe Generale's private banking business in Asia (SGPB Asia). SGPB Asia's business is highly complementary to ours. With the transaction, our high net worth clients now have access to an expanded product suite, including more tailored structured products. SGPB Asia's clients who have migrated over to DBS in turn enjoy our universal banking platform including consumer, corporate and investment banking.

In the wealth space, we partnered IBM to deploy Watson cognitive computing to provide better advice to our customers. This is in line with our broader strategy to leverage big data to provide more precise, customised and actionable insights that meet our customers' needs. With Watson, DBS' RMs will have access to targeted insights and recommendations based on Watson's analyses of large volumes of complex, unstructured and structured data. This includes research reports, product information and specific customer profiles and needs. We intend to progressively roll out the Watson capability across other customer segments to enable highly contextual and relevant interactions and service for our clients at all times.

PRIORITIES FOR 2015

- Make banking simpler and seamless for customers
- Continue to lead in digital banking and payments
- Strengthen wealth proposition and cross-border connectivity

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POSB Neighbours first, bankers second

Nurturing savers for generations.

Since 1877, we have been imparting the value of saving, as well as supporting parents with savings plans for their most precious ones. And today, we are deeply honoured to be appointed by the Ministry of Social and Family Development as your Child Development Account (CDA) bank.

As managing agent of the Child Development Account, POSB will be able to help parents maximise savings for their children.

POSB Neighbours first, bankers second

Retirement should not need \$millions.

From just **\$S\$10** per day you can be on your way to a more rewarding and secure retirement.

So set an appointment to talk to us now: www.posb.com.sg/retirement

POSB helps customers actively plan for their retirement years. To better serve the silver-haired, the bank has also launched a financial literacy programme for them.



The POSB PAssion Run for Kids has benefitted more than 75,000 children in Singapore.



DBS Singapore Country Head Sim S. Lim greets POSB customers during Chinese New Year.

Serving generations of Singaporeans since 1877, POSB has played a key role in the development of the nation. In the years after Singapore's independence, the bank played a significant role in mobilising national savings, which laid the foundation for modern Singapore. Today, POSB continues to stay true to its mission of being the "People's Bank", bringing value to all segments of the population, whether it is the young, families, seniors or the community at large. With this in mind, we embarked on rejuvenating the POSB brand to ensure it continues to remain highly relevant to all Singaporeans, as it has for prior generations.

FOR KIDS AND FAMILIES

Children have a special place in the heart of POSB and we partner local community associations to organise programmes that inculcate the value of thrift and the habit of regular savings among young people. To encourage better money management behaviours among less privileged kids and their families, POSB partnered Community Development Councils (CDCs) in Singapore to launch the Young Savers Programme. In 2014, we extended this partnership from the North East CDC to the North West and South West CDCs, reaching out to more than 8,000 children altogether.

Since 2009, POSB has organised the POSB PAssion Run for Kids. In 2014, the run attracted over 10,000 participants, making it the largest charity family run in Singapore. It also raised SGD 1.1 million for the POSB PAssion Kids Fund, bringing the total amount raised to date to SGD 3.7 million. Over 75,000 children have benefitted from the Fund.

POSB has been appointed a managing agent for the Child Development Account (CDA) by the Ministry of Social and Family Development. From 2015, parents who open a CDA for their newborn will benefit from dollar-for-dollar matching of deposits they make by the government. POSB will offer an attractive rate to enable parents to maximise the returns on their savings for their children's development.

FOR SENIORS

To better serve the active agers who are an important part of our community, POSB has launched a financial literacy programme for them. With this programme, seniors are able to pick up financial management skills as well as other practical knowledge including how to execute a lasting power of attorney.

POSB's Active Neighbours Programme is now into its sixth year. More than 80 seniors are employed as part-time bank staff, in line with our commitment to promote active ageing. Our silver-haired

staff assist customers, especially their peers, with their banking transactions and encourage the use of self-service banking services. This service has proven very popular among our customers.

FOR THE COMMUNITY AT LARGE

In January 2014, we launched the PAssion POSB Debit Card. The card is the first community debit card in Singapore that offers both payment functionalities as well as lifestyle and community privileges such as discounts at Community Clubs and premium National Library membership. It has been extremely popular, and is currently the fastest growing card in Singapore with over 150,000 cardholders.

As part of our commitment to improving the level of financial literacy in the community, we have collaborated with the Singapore Exchange to organise basic investment seminars for over 800 residents.

POSB also continues to promote products such as the POSB HDB Home Loan as well as POSB Invest-Saver that offers best value to the mass segment.

For example, in the past, public housing dwellers who desire long-term rate stability could only borrow directly from the Housing Development Board (HDB), which is the statutory board responsible for such developments in Singapore. Through the POSB HDB Loan, the bank now provides these customers with a source of alternative, cheaper financing by capping the interest payable below HDB rates for eight years.

To celebrate diversity in our neighbourhoods, we also launched the POSB NeighboursFirst.sg portal. In addition to gaining fresh perspectives on people and places, customers can share their own stories on transformations and innovations that will shape Singapore's future.



The POSB PAssion Card is the fastest growing card in Singapore.



The POSB Everyday Card was named the best credit card offering in Asia by Retail Banker International.