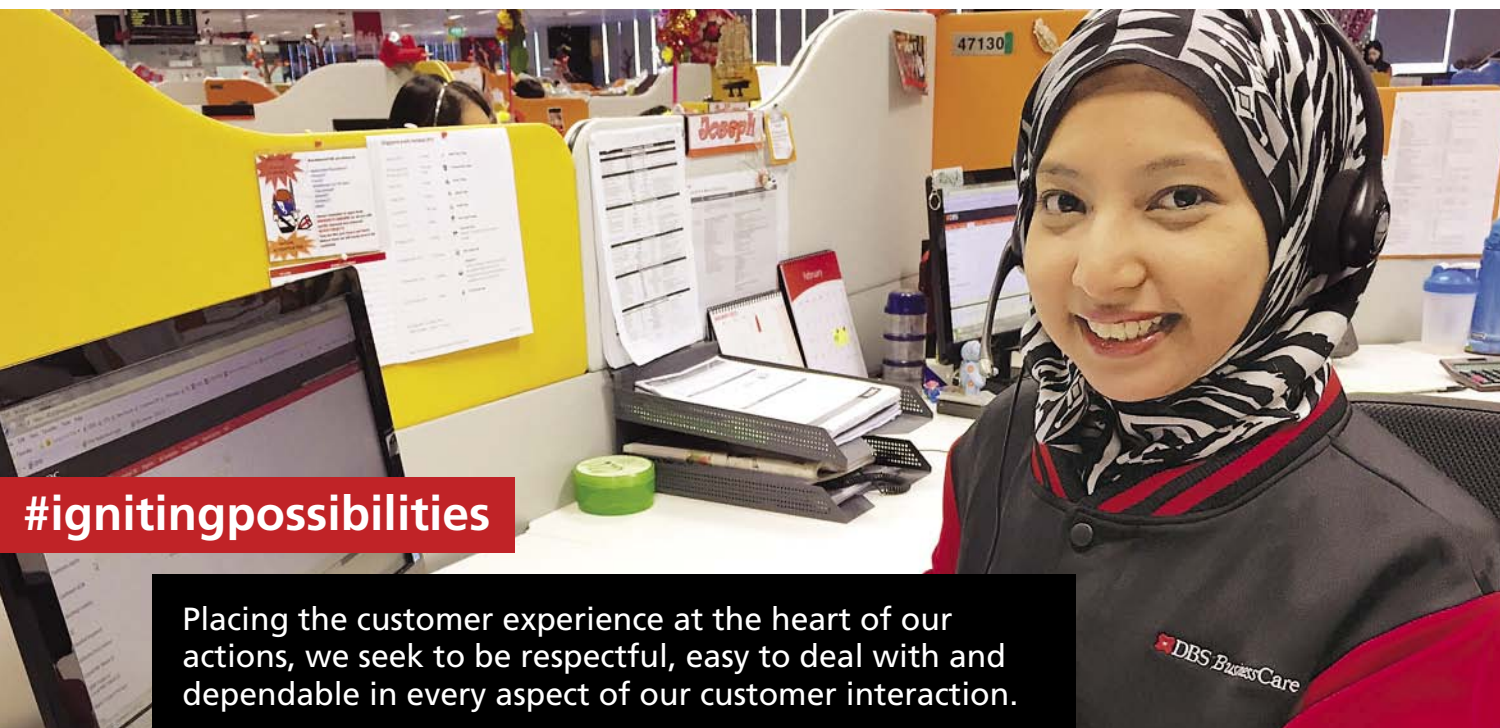


Customers



Placing the customer experience at the heart of our actions, we seek to be respectful, easy to deal with and dependable in every aspect of our customer interaction.

AWARDS

DELIVERING SUPERIOR CUSTOMER EXPERIENCE



- Excellence in Service Innovation, Asia



- Asia's Best Branch Banking



- Customer Satisfaction Index of Singapore, 1st for Banks

Placing the customer experience at the heart of our actions, we seek to be respectful, easy to deal with and dependable in every aspect of our customer interaction. Instead of tinkering at the edges, we are re-designing our processes and re-engineering our backroom to bring about changes in the way we deliver our products and services. Most crucially, we have an unwavering commitment to doing right by customers by enshrining fair dealing into our code of conduct.

MAKING BANKING JOYFUL FOR CUSTOMERS

We started with a clean slate. We placed ourselves in customers' shoes and focused on their experience or journey with us. A customer's journey encompasses his experience from beginning to end rather than at a single point of transaction. We then adopted human-centred design, a discipline of developing solutions based on our customers' perspective rather than the limitations imposed by our current systems and processes. Human-centred design seeks to answer three questions regarding a journey:

- Who are our customers and what jobs are they trying to get done?
- Do we know what they are currently experiencing and saying to others?
- Do we know how they will respond to our proposed concepts?

The process of seeking answers enables us to build empathy with our customers, understand the highs and lows of their experience with us, and rectify the underlying causes of a customer problem rather than merely the symptoms. Only then are we able to design journeys that customers expect or desire.

Our approach has been delivering results. Customer satisfaction has improved across all customer segments. To underscore the importance we place on it, customer satisfaction metrics are in our Group's balanced scorecard.

We have both expanded and further integrated our physical and electronic distribution channels to enable customers to transact seamlessly across multiple touchpoints. We continued to increase the number of physical outlets during the year for customers to perform transactions such as cash withdrawals. We created new mobile apps enabling individuals to carry out cashless transactions with other individuals or with businesses, and extended our corporate internet banking platform to mobile devices so that executives of our corporate and small and medium enterprise (SME) clients can bank on the go. With these enhancements, our customers can now retrieve updated account balances, make immediate payments securely and approve payments at their fingertips wherever they are, whenever they wish.

CUSTOMER KPIs

INCREASE CUSTOMER SATISFACTION

2014 Priority: Increase customer satisfaction

Outcome: Improved customer satisfaction in Institutional Banking and Consumer Banking based on customer surveys

Customer Satisfaction Scores*

	2013	2014
Wealth Management Customer Engagement Score	4.02	4.04
Consumer Bank Customer Engagement Score	3.86	3.93
SME Bank Customer Engagement Score	4.05	4.09

* Customer engagement scores (1=worst; 5=best based on surveys to measure customers' satisfaction with DBS across markets).

DOING THE RIGHT THING BY CUSTOMERS

Always doing the right thing by our customers is what will sustain the relationships we have built. Across the organisation – starting with our Chairman, Board and senior management – we are committed to transparency in the way we interact with customers and in delivering fair dealing outcomes.

In applying fair dealing principles, we commit to:

- Only selling products and services that are suitable for our customers
- Ensuring our sales staff are thoroughly trained and equipped with the knowledge and skills to provide quality information to our customers
- Being clear and transparent to our customers
- Being responsive to our customers' needs and requests, and attending to complaints promptly and effectively

Fair dealing is integral to our culture. We have:

- Strengthened our sales process, expanded the customer fact-finding process, enhanced product risk disclosures and instituted additional customer-product suitability checks
- Rolled out 'mystery shopping' and 'health check' exercises to ensure that our

sales practices are aligned to our fair dealing commitment

- Ensured that staff remuneration is based on a balanced scorecard approach, which takes into account sales and non-sales performance indicators such as the quality of the advisory and sales process, the suitability of product recommendations and customer satisfaction

In addition, all employees complete training modules on fair dealing every year. Sales staff also undergo comprehensive training on the bank's product suite and compliance guidelines and we test them on their product knowledge and skills regularly.

We are also committed to conducting our business ethically, based on trust and integrity, without the use of corrupt practices, acts of bribery or illicit means. We take a zero-tolerance approach towards bribery and corruption. While no rulebook can anticipate every situation, we have a staff code of conduct that sets out the principles and standards of behaviour that we expect of all our staff. These principles define us and are the standards by which we deal with our customers, business associates, other stakeholders and each other. All our staff are required to read and acknowledge the code of conduct on an annual basis, as well as familiarise themselves with anti-money laundering and combating financing of terrorism policies.

BRINGING "ONE BANK" TO CUSTOMERS

To comprehensively serve customers' needs, we created a 'one bank' model. We built multiple linkages within the bank between customer segments (consumer, wealth, corporate, SME) and our product groups (treasury, transaction banking, capital markets and research). This enables us to offer the most relevant products and services to every customer. By breaking down product and customer segment silos, we are able to manage customer relationships holistically. We seamlessly serve customers who are both a business owner and an affluent individual with the most suitable range of products for his personal and business needs. For individual customers, we consider their banking requirements at each life stage and offer the most relevant solutions. We also design bespoke solutions for corporates to help them grow and manage their financial risks.

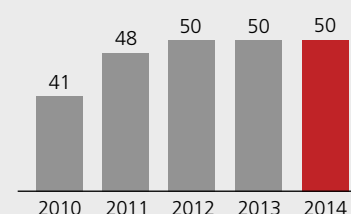
CUSTOMER KPIs

INCREASE WALLET SHARE

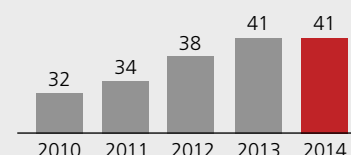
2014 Priority: Deepen wallet share of individual and corporate customers

Outcome: Institutional Banking (IBG) non-loan to total income ratio and Consumer Banking/Wealth Management (CBG) non-interest income ratio were maintained

IBG Non-loan Income Ratio (%)



CBG Non-interest Income Ratio (%)



Regional Business

KPIs

We seek to build regional franchises in Wealth, Small and Medium Enterprise (SME) Banking, Transaction Banking and Treasury Customer business as we grow in Asia.

REGIONAL BUSINESS KPIs

1. BUILD A LEADING SME BANKING BUSINESS

2014 Priority: Grow SME franchise by driving client acquisition and deepening existing relationships to offer a differentiated client experience

Outcome: Against the backdrop of an uncertain economic climate, we treaded cautiously in growing our SME business. As such, our SME income growth of 8%* was below target.

SME Banking Income (SGD m)



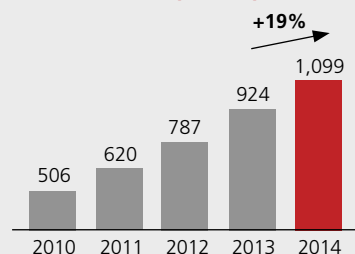
* Up 8% on comparable basis that excludes the impact of customer up-tiering

2. STRENGTHEN WEALTH PROPOSITION

2014 Priority: Grow Wealth franchise by driving client acquisition and assets under management market share, and leveraging digital innovation to offer a differentiated client experience

Outcome: Wealth income was at a record. While acquiring new customers proved more challenging than expected, we more than made up for it by deepening customer relationships.

Wealth Income (SGD m)



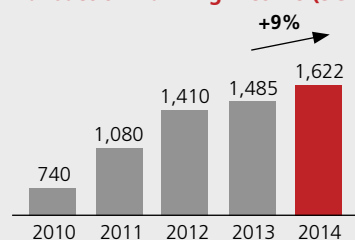
3. BUILD OUT TRANSACTION BANKING AND TREASURY CUSTOMER BUSINESS

2014 Priority: Leverage our trade, cash and treasury expertise to offer customers differentiated financial solutions

Outcome: Transaction banking income was at a record. Despite lower China-related trade volumes, our franchise was sufficiently broad-based and we grew in areas such as import financing, guarantees and open account trade. Our cash and custody business across the region also continued to expand.

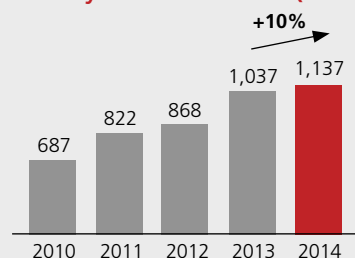
Treasury customer income achieved a new high. While RMB volatility affected demand for RMB-related products, we continued to grow treasury customer flows in other areas including debt capital market activities.

Transaction Banking Income (SGD m)*



* Includes income from trade, cash management and security and fiduciary services

Treasury Customer Income (SGD m)



% of total Treasury income 36% → 51%

Institutional

Banking

We bank over 200,000 institutional clients, including large corporates, small and medium enterprises (SMEs) and institutional investors.

AWARDS



- Best Transaction Bank for Securities Services, Global
- Best Transaction Bank for Supply Chain Finance, Global
- Best Transaction Bank in Asia-Pacific



- Singapore Loan House



- Specialist Award: Best for SMEs, Asia-Pacific
- Editor's Triple Star – Working Capital Advisory, Asia-Pacific
- Best Debt House, Asia
- Best REIT House, Asia
- Best in Working Capital & Trade Finance in Southeast Asia



- Regional Derivatives House of the Year



- Best Invoice Discount Management, Global
- Best Foreign Exchange Provider, Southeast Asia

We place the customer at the centre of all we do, and offer a complete suite of products and services to help institutional clients with their financial needs.

We are focused on building a sustainable annuity business to supplement our core lending business and have continued to drive initiatives to add value to our customers in various ways.

PROVIDING ACCESS TO CAPITAL

It is often said that in banking, the top 20% of customers contribute 80% of income. This incentivises some financial institutions to bank only the biggest corporates. Not DBS. We have consistently demonstrated a willingness to support SMEs so that they have the financing to expand. In 2014, working with Spring Singapore, a government statutory body, we made the highest number of loans under SGD 50,000 to companies incorporated less than three years and with fewer than 10 employees.

At the other end of the spectrum, we also made financing a reality for corporates whose scale require large loans. With our consistent performance and track record in syndicated finance, DBS stayed on top of the market across Asia (ex Japan), arranging USD 14.9 billion from 158 deals. DBS also topped the league tables for mandated arrangers in Southeast Asia and Singapore, collectively accounting for 47% of Asia (ex Japan) volumes. Some of these deals include:

- Universal Group Holdings' SGD 1.15 billion syndicated credit facilities. DBS was the sole financial advisor, joint underwriter and original mandated lead arranger (MLA), and bookrunner.
- Ford Automotive Finance (China) and Ford Motor Group's RMB 2 billion syndicated loan. This was the company's first onshore syndicated loan and DBS was an active MLA and bookrunner.

Despite the slowing of intra-regional trade growth in late 2014, we continued to expand our guarantee and import financing business and our open account trade platform. The open account trade presents us with huge opportunities in trade financing. For example, we launched several innovative client-centric solutions in supply chain financing, including multi-bank supply chain programmes, open account oil payment financing and supply chain finance lease programmes.

By utilising our fixed income capabilities, we assisted our clients to optimise their balance sheet management and lower funding costs by accessing the most efficient debt market. As more Asian corporates seek to make fixed income securities a bigger component of their capital structure, we redoubled efforts to raise the profile of Asian issuers to attract global investors, thus helping to accelerate the deepening of Asian debt markets. We also made further strides in the offshore RMB bond market, where we were ranked fourth in the Bloomberg league table, up from 20th in 2012 and 10th in 2013. We were the first to bring an offshore RMB bond to the market in 2014. We also completed the first offshore RMB deal with a direct guarantee from a China-incorporated guarantor after the State Administration of Foreign Exchange's relaxation on cross-border guarantee regulations, and launched a triple-tranche Formosa/Lion City bond.

We used our origination expertise and ability to reach a wide investor base to assist corporates to tap equity capital markets and diversify their funding base. We helped companies raise USD 10.2 billion through 30 new equity issuances comprising initial public offerings, rights issues and share placements in Asia. This included USD 2.1 billion raised in 17 new equity issuances, which accounted for 33% of the Singapore equity market.

ENABLING CASH FLOW OPTIMISATION

DBS launched a unique working capital advisory programme to help companies analyse their key financial metrics against industry benchmarks. This enabled them to improve their cash conversion cycles, better utilise internal liquidity and reduce financing costs. Companies can make use of DBS' proprietary advisory services and diagnostic tools to identify opportunities to drive working capital management improvements across their commercial and financial processes. The working capital advisory programme is the latest addition to our growing suite of integrated cash, trade and treasury management solutions available across Asia-Pacific.

In late 2014, DBS became the first Southeast Asian bank to partner SAP, an enterprise application software provider, to help companies connect their treasury and payment systems with the bank. Our corporate customers' financial and treasury functions are able to automate financial transactions, reduce rejected payments and gain greater visibility and control over their cash balances.

On the payments front, we have successfully embedded FAST (Fast and Secure Transfers) into our retail payment capabilities, which enables corporate customers to benefit from an expanded consumer receivables solution suite to manage their collections. DBS is also leading in offering merchants an Internet Direct Debit service in Singapore, which allows corporate customers to use the eNets debit gateway to collect payments directly from consumers.

As a result of our efforts, DBS was ranked fifth in Asia-Pacific at the recent Asiamoney Cash Management Poll in all three corporate segments, reinforcing the strength of our franchise and capabilities.

HELPING CUSTOMERS MANAGE FINANCIAL RISKS

We used our expertise in structuring treasury products to help customers hedge their risks. We have particular expertise in interest rates and Asian currencies. The scale and organisation structure of our Treasury & Markets business give us the nimbleness to respond quickly to market developments. Our balance sheet strength, ready access to funding and high credit ratings are also advantages enabling us to serve our customers well.

Foreign exchange hedging costs were rising in the run-up to the general elections in India and Indonesia, making it expensive for customers who wanted to hedge against tail risks. We created a 'compound forex option' for customers to hedge against any catastrophic short-term downside in the rupee and rupiah at an affordable cost.

MAKING BANKING EASIER

We rolled out several initiatives to make banking easier for our corporate clients. We launched the mobile app for DBS IDEAL™, our corporate internet banking platform, across the region. The app is intuitive, user-friendly and allows customers to get instant access to account balances, make secure payments and gain better control of their cashflow on the go, anytime, anywhere. We also released a new supply chain finance

module on IDEAL™, providing financing visibility to the suppliers and buyers of DBS' customers. This enables them to transact promptly with DBS across the region.

We introduced an online corporate account opening initiative for business owners in Singapore to complete the opening of a bank account in five minutes; a process that previously took up to two hours. The online service now accounts for about one-third of the number of corporate bank accounts opened.

Our corporate banking website was re-designed to make it easier for customers to find information. We re-wrote it in plain English and kept jargon to the bare minimum. We also added tools such as working capital and loan calculators. Web traffic has doubled across the region in the year after its re-launch.

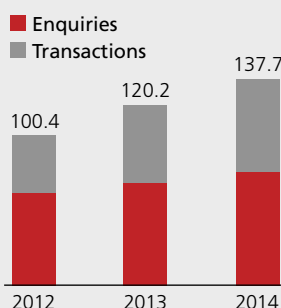
Deal Online, our online treasury platform, is used by 4,600 corporate customers in Singapore, double the number in 2013. We began signing up customers in Hong Kong, China, Indonesia and India after extending the platform to the rest of the region. The platform was also used by financial institution clients to trade spot, swap, forward and non-deliverable forward contracts.

Our electronic distribution of treasury products will be progressively expanded from foreign exchange to bonds and equities. Over time, customers will be able to navigate seamlessly from news and analysis to execute trades across multiple asset classes at any time and place.

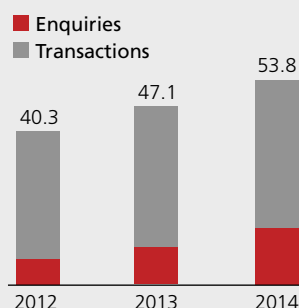


IDEAL™ is accessed globally across
120 countries

Companies on IDEAL™ (in thousands)



Number of Enquiries & Transactions (in millions)



"Accountants fall prey to using the same old statistics, possibly inherited from a decade or two ago. I think the DBS approach is **dynamic. What is also enlightening and useful is the comparison between one's results against that of companies in the same industry. We have certainly benefitted from the exercise."**

— Eugene Tan Ying San, Chief Financial Officer, Pokka Corporation (Singapore) Pte Ltd



Entrepreneurs can seek advice from industry experts, investors and fellow entrepreneurs such as Darius Cheung, serial entrepreneur and founder of property search start-up 99.co; Zechariah Chan, partner at Lee & Lee; and Chan Li Han, co-founder of award-winning optical hardware start-up, DynaOptics, via the DBS BusinessClass mobile app.

FACILITATING REGIONAL CONNECTIVITY

Our extensive network and in-depth knowledge of Asian markets put us in good stead to connect corporates with opportunities in Asia and help them expand across borders, both organically and inorganically.

For example, with 6,000 Indian companies now operating in Singapore, we recently established an India desk to help them expand into the rest of Southeast Asia or China. Likewise, to support Chinese companies looking to grow offshore, our China desks in Singapore and Hong Kong provide specialised advice on connectivity.

We introduced and made the investment case to Alibaba, the world's most valuable e-commerce company, to take a stake in SingPost. The transaction was strategically important for both companies as it provided Alibaba with a logistics fulfilment network in Southeast Asia while accelerating SingPost's transformation into a regional leader in e-fulfilment. DBS showcased SingPost's e-commerce fulfilment capabilities across Asia and its business plans to Alibaba, which was more familiar with SingPost as a traditional postal operator.

UNLOCKING SHAREHOLDER VALUE

We worked with clients to unlock shareholder value. In many cases, their market capitalisation rose significantly after

the transaction. DBS advised on the merger of China Everbright Water Investments, a subsidiary of China Everbright International, and Hankore, another water treatment company, creating the largest water treatment company to be listed on the Singapore Exchange. In another example, we were able to leverage our expertise in corporate takeovers by advising Temasek Holdings in its general offer for Olam, a Singapore-listed commodities company. Olam subsequently traded above the offer price for a considerable length of time.

GROWING RELATIONSHIPS WITH INSTITUTIONAL INVESTORS

Assets under management are growing in Asia as rising affluence and deregulation spur investment flows into and within the region. Institutional investors, including insurance companies, private banks, fund managers and sovereign wealth funds (SWFs), value banks like DBS with strong balance sheets, credit ratings, Asian insights and the ability to tailor products to capitalise on regional market conditions. Our long-dated interest rate and structured products were well-received by investors seeking asset yield enhancement. With our strength in the offshore RMB market, we are able to offer RMB-linked products. We added more central banks, SWFs and multilateral development banks as customers during the year as they sought well rated and Asia based counterparties.

CONNECTING BUSINESS OWNERS WITH INDUSTRY EXPERTS

We inaugurated the DBS BusinessClass programme to connect entrepreneurs to the brightest business minds in Asia and around the world. Entrepreneurs can use the mobile app to confer with industry experts, investors, fellow entrepreneurs and DBS bankers. More than 7,000 entrepreneurs have signed up as members and 30 seasoned industry veterans have so far signed up as advisers.

PRIORITIES FOR 2015

- Continue to deepen client relationships and connectivity by placing customers at the heart of the banking experience
- Scale up Western MNC and institutional investor businesses
- Use digital innovation as a differentiator to grow regional SME franchise
- Build out global transaction cross-sell business

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
BANKING

- Asia's Best Mobile Bank

CARDS & ELECTRONIC PAYMENTS INTERNATIONAL

Asia Trailblazer Awards 2014

- 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

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.



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.



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

PHOTO BY: JAMES ANG

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.

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



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.

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.

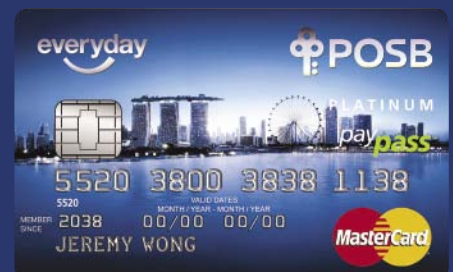
POSB also continues to promote products such as the POSB HDB Home Loan as well as POSB Invest-Saver that offers best value to the mass segment.

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.

Countries

Asia's financial centres of Singapore and Hong Kong anchor our regional network, which also encompasses our growth markets of China, Taiwan, India and Indonesia.

INCOME

SGD 5.95 bn

AWARDS

SINGAPORE



Best Wealth Manager



Best Bank



Best Cash Management Bank

SINGAPORE

ENTRECH LEADERSHIP IN SINGAPORE

2014 Priority: Maintain leadership across customer segments and products, build digital capabilities and introduce innovative products and services to create a differentiated and seamless customer experience

Outcome: Achieved record income and net profit

The performance of our Singapore franchise was strong in 2014. Despite the low interest rate environment, income and net profit for our core domestic franchise (excluding the regional trading income booked in Singapore) achieved new highs. In a competitive market, we maintained our lead in savings accounts, large corporate banking and capital markets. In addition, we gained market share in the consumer banking and small and medium enterprise (SME) segments.

To efficiently serve our 4.5 million customers, our branches have been transformed from being pure service channels to sales outlets offering home loans, insurance and investment products. Through strategic partnerships with retailers, we have expanded our cash withdrawal points. Importantly, with Singapore having one of the highest penetrations of internet and mobile device ownership, we have made digital banking innovation a key priority. This includes enabling individual customers to make everyday cash transfers using a mobile phone and SME customers to open business accounts online.

As a gateway to Asia, Singapore is a prime location for the regional headquarters of companies and banks. To serve these Asian and Western MNCs, we set up dedicated country desks to provide a one-stop offering to them.

INCOME

SGD 1.90 bn

AWARDS

HONG KONG



Best Overall Cross-border Cash Management Bank as Voted by Small, Medium and Large Corporates

HONG KONG

CONTINUE TO EXPAND THE HONG KONG FRANCHISE

2014 Priority: Focus on profitability, leverage innovation and digital technologies to grow our market position across large corporate, SME and wealth segments, and intermediate Greater China flows

Outcome: While we achieved revenue growth of 4%*, a tad short of our internal target, we exceeded our net profit internal target with 9%* growth

* Excludes property disposal gains

We continued to grow our Hong Kong franchise by focusing on the domestic market and on capturing China-related flows. The resilience of our franchise enabled us to successfully navigate a challenging macro environment and achieve record net profit. While RMB volatility impacted treasury customer flows, we more than made up for this through our corporate banking, SME and wealth management businesses and our ability to capture Hong Kong-China connectivity flows.

AWARDS

HONG KONG



Best SME Bank
and Best Wealth
Management

In the domestic market, we maintained our leadership among SME customers. New SME client acquisition increased almost 30%, underpinned by the banking solutions we offered as well as our expanded online banking and SME branch network. We achieved solid growth in wealth management, expanding our customer base with enhanced wealth advisory and product offerings. We sought to redefine the banking experience with a series of innovations, including the first-to-market “DBS Loans” app, which offers financing solutions via digital channels.

We used our regional network, product expertise and reputation for consistent customer support through business cycles to deepen relationships with Chinese enterprises that have cross-border operations. With these clients, we offered not just credit facilities, but also strategic advisory, capital market and treasury solutions. In particular, we doubled fee income from debt capital market activities and achieved double-digit growth in the equity market activities.

INCOME

SGD 1.42 bn

GROWTH MARKETS

REBALANCE GEOGRAPHIC MIX OF OUR BUSINESS

2014 Priority: Build out our franchises in growth markets of China, Taiwan, India and Indonesia to achieve a more balanced geographic mix

Outcome: Made headway in growth markets with income from China and Taiwan at new highs; underperformed in India and Indonesia due to the challenging macroeconomic environment

AWARDS

CHINA



Best Corporate Bank
(Foreign)

TAIWAN



Best Overall Domestic
Cash Management
Services as Voted by
Small, Medium &
Large Corporates

INDIA



Best Structured
Trade Finance

INDONESIA



Best Wealth Manager

We continued to build out our franchises with large corporates, SMEs, institutional investors and affluent individuals in our growth markets of China, Taiwan, India and Indonesia. These four markets combined recorded 14% income growth and contributed to 15% of the Group's income, up from 11% in 2009.

CHINA

China's growth slowed as it continued with a structural transformation of its economy. Despite a challenging environment, income of our China franchise grew more than 30% to a multi-year high as we captured the intra-Asia business and investment business of Chinese corporates. We have built strong relationships with about 700 leading corporates by supporting their expansion overseas. Today, we are the fifth-largest foreign bank in China. A robust client selection process has ensured that our loan book remained healthy. To expand into consumer finance, we inked a joint venture with the Postal Savings Bank of China in early 2015.

TAIWAN

In Taiwan, one of Asia's most competitive banking markets, we are the fourth largest foreign bank. Income grew 19% to a record. Our treasury and cash management capabilities helped cement our position as the second largest SME franchise among foreign banks. Our wealth management business achieved strong growth in customer acquisition and assets under management. We are also leveraging our regional strength in offshore RMB to offer timely products to our customers.

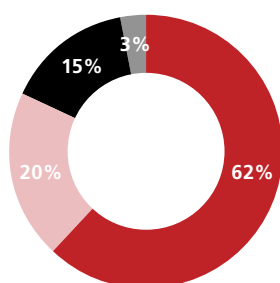
INDIA

There were weaknesses in India's economy which impacted our business, particularly in the mid-cap portfolio. As non-performing loans increased, net interest income was affected. We took steps to address the weakness in our portfolio and strengthen our franchise, and are now ready for growth. We remain optimistic about India's growth prospects and see potential for expansion, including under the wholly-owned subsidiary framework.

INDONESIA

We are the sixth largest foreign bank in Indonesia with a top-five position in wealth management. With macroeconomic headwinds during the year, growth was subdued. However, our franchise remained resilient and we gained further market recognition for our trade, treasury, cash and wealth capabilities. We believe Indonesia's economy will fare better in the coming year.

Income by Geography



- Singapore
- Hong Kong
- China, Taiwan, India and Indonesia
- Rest of the world

(38% of income derived outside Singapore)

Employees

#greatplacetowork



Our people bring DBS' purpose to life. They are instrumental in making banking joyful, from the innovative products they create to the services they provide to our customers. Engaged employees who feel good about what they do and why they do it create greater value for customers and shareholders.

AWARDS

AMONG WORLD'S BEST FOR PEOPLE DEVELOPMENT

Aon Hewitt Top Companies for Leaders 2014

2014 Aon Hewitt Top Companies for Leaders

Recognised as one of the world's top 25 companies for leaders by Aon Hewitt. Ranked 18th, for the strength of our leadership practices and culture.



Gallup Great Workplace Award

Won this award, given to approximately 30 companies in the world, for two consecutive years. Recognised for creating a great workplace culture with highly engaged employees.

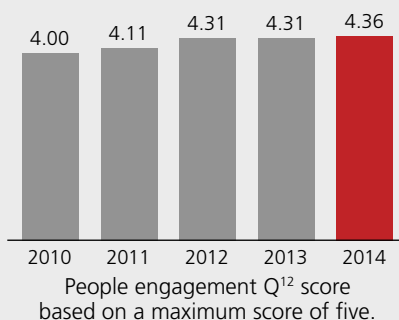
We want to be an employer of choice. The ability to continuously attract, retain and develop talent is the key to our success. At DBS, we believe in developing our people by growing our own timber. Our aim is to be a 'university' of banking talent, a place where our people can learn and grow, while making a difference at work. We are committed to developing our 21,000 people, empowering them and building a strong values-led culture with them.

EMPLOYEE KPIs

Employee Engagement Score

Our engagement score has increased steadily over the years, and is at a world-class level. We further improved in 2014, and are placed at the 95th percentile of all companies surveyed by Gallup globally.

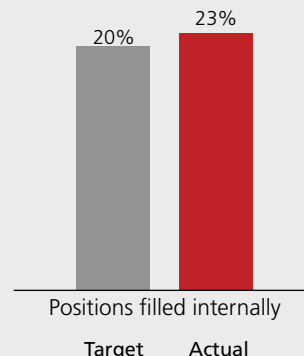
DBS Q¹² grand mean score



People Development

We provide our people with development opportunities for professional and personal growth. Through our internal mobility programme, we enable our staff to broaden their exposure across businesses and markets as they grow with us. About a quarter of our positions were filled internally in 2014.

Mobility: positions filled internally



A 'UNIVERSITY' OF BANKING TALENT

People are at the heart of DBS and we are committed to their development. Our holistic Triple E framework creates an impactful learning environment for our people and to help them progress in their careers.

OUR TRIPLE E APPROACH TO PEOPLE DEVELOPMENT

E ducation	E xperience	E xposure
Integrated learning experiences including role plays, simulations, mobile and social learning, and hackathons.	Cross-country and cross-functional assignments, international mobility, participation in strategic task forces and short-term rotations.	Systematic networking with senior leaders as well as mentoring and coaching.

Education: Enabling Our People to Build Skill-Sets

Tapping on in-house expertise and general practitioners, the DBS Academy delivers training courses, which include industry-accredited programmes for Treasury & Markets and Wealth Management professionals.

To offer focused and relevant learning solutions to our people, Learning Councils across the region ensure that we prioritise and align learning to strategic priorities and business needs. Employees are able to map out their own training to foster their professional development.

We inculcate an innovative mindset by embracing new ways of learning, including hackathons, peer-based learning, and learning events with interactive booths and games. Leveraging digital platforms to facilitate learning on the go, we launched innovative solutions such as the mLearning application to provide employees with tools that enrich their learning agenda, anytime and anywhere.

In 2014, employees underwent an average of 45.6 hours of training.

Experience: Nurturing Talent from Within

Experience is also an important element in broadening our people's skill-sets across businesses and geographies. To enable our people to take on larger roles as they grow with us, we advocate internal mobility, job rotations, cross-functional projects and other experiential learning opportunities across the bank.

Our internal mobility programme is structured such that employees holding corporate ranks up to Assistant Vice-President, who have worked two years in their current role, can seek to be placed in a new role with two months' notice. For more senior employees, the corresponding periods are three years and three months. In 2014, about a quarter of our positions were filled by internal transfers.

Exposure: Coaching, Mentoring and Networking

The best way to expand the horizons of our people is to give them the exposure to learn from the collective experience of peers and seniors at work and through interactions with leaders.

We introduced a mentoring and coaching system where our people can ask and

receive responses to their questions on leadership and career management. This is a key feature of our online career portal, which also comes with individualised profiling assessments, customised training roadmaps, and a library of resources on leadership and development, all specially designed to empower employees to take charge of their careers. We also introduced blogs and facilitated online groups to encourage sharing and learning.

Driving People's Performance

Each year, we engage all employees with three performance conversations, from goal setting to mid and end year reviews. This performance management process also focuses on their career aspirations and development opportunities.

We employ a balanced scorecard approach that links strategy to performance, thereby allowing our people to align their goals with the bank's current year's key performance indicators and strategic agenda.

➤ For more information on our 2014 priorities, see page 27.



Our Technology and Operations Graduate Associates



GROWING OUR OWN TIMBER, THE NEXT GENERATION OF LEADERS

Our senior leaders are committed to building a strong leadership culture at DBS and taking an active role in nurturing talent. We have put in place a talent development programme to build a pipeline of potential leaders from entry-level hires to senior management. As part of the developmental journey, talents across all levels participate in annual talent conferences and workshops specially designed to accelerate their development, develop their strategic insights and strengthen their leadership skills.

Senior-level high potential talents will be tasked to lead key strategic projects or offered rotation stints with various businesses or countries. To sharpen their strategic thinking and broaden their exposure to the Board and the executive team, they are also invited to participate in the Board and senior management offsites. In 2014, one-third were given new job assignments or expanded roles.

To broaden the exposure of our talents, we have assigned specific mentors from other talent cohorts to provide coaching to these individuals. We also organise networking sessions to help them build their networks across the bank.

Over the course of the year, we added over 200 young talents, hired fresh from school, to the existing talent pool. The success of this programme can be measured by the lower than average turnover rate of these young talents, underscoring the fact that they value the development opportunities at DBS.



NURTURING A DIGITAL MINDSET IN OUR TALENTS

In 2014, we ran the DBS Digital Mindset Masterclass and Hackathon Conferences for our talents. Talents across the bank came together, formed teams to focus on a problem and collaboratively develop a solution. They seized the opportunity to look at things from a customer's perspective and worked with start-ups to develop digital solutions to the business challenge posed to them, all within 72 hours.



An innovative way of learning: DBS Hackathon Conference to inculcate a digital mindset

MAKING DBS A GREAT PLACE TO WORK AT

We engage our people through our shared values, people programmes and open communication channels. Our aim is to ensure that our people are connected to the bank's purpose, feel valued by the bank and are given opportunities to make a difference.

Engaging Our Employees in Defining Values

A strong workplace culture builds the foundation for success. We developed our organisational values, PRIDE!, over an 18-month journey to redefine the values that are important at DBS and to guide behaviors. It was the culmination of numerous conversations, focus groups and brainstorming with staff and leaders. We held 16 workshops across our six priority markets involving over 300 participants. We also conducted surveys to assess the pulse on the ground and received over 1,000 responses. Leveraging digital technologies, we held virtual jam sessions

for our most senior 250 leaders to discuss, debate and determine the actions that will drive us forward.

Open Communication

We believe in consistent, clear and open communication to enable our people to understand the bigger picture and how their roles contribute to organisational goals.

Our CEO holds quarterly staff briefings, and hosts open forums where he responds to questions and takes feedback from all employees, at times leading to changes in policies and practices. In addition, he shares regular updates through an internal blog. Country, functional and department heads also engage employees through various channels such as informal lunches, networking sessions and teambuilding workshops. Our internal staff magazine as well as other regular internal communications, to which employees are encouraged to contribute content, allows our people to be in tune with the pulse of the bank.



Launch of PRIDE! at the Taiwan staff town hall



Our PRIDE! values

WEAVING PRIDE! INTO THE FABRIC OF OUR BANK

Championing Change

Leadership conferences, quarterly conference calls and workshops for leaders to catalyse change in their functions and countries

Open Communications Channels

- Digital channels including vlogs and live chat sessions with our CEO
- Physical roadshows, townhalls and department meetings
- Networking sessions with CEO, country, functional and department heads

Aligning to Values

Redesigned and aligned our people processes to our values, including:

- Onboarding
- Performance management
- Development
- Recruitment and selection
- Compensation decisions
- Promotions

Empowering People

We empower our people by giving them the autonomy to introduce changes to improve the customer experience. They do this through experimentation, innovation and by incorporating human-centred design thinking in process improvement events and customer journey workshops. Our people work collaboratively across functions to design and test concepts, and are given the resources and authority to introduce innovations that will benefit the customer.

➤ For more information on customer experience, please refer to page 34 of the customer section



Empowering our employees to drive change in our human-centred design lab



Mapping our customer journey – iWEALTH

We **empower** our people by giving them the autonomy to introduce changes to improve the customer experience.

BEING A PEOPLE'S COMPANY

We believe in being there for our people. In addition to traditional benefits such as health insurance and leave, we also support them by creating a flexible and family-friendly environment. We understand that our staff may have different needs depending on the stage of life they are at.

With the bank's diversified workforce comprising various employee demographics, a one-size-fits-all work environment will no longer meet employees' needs. We have a Flexible Work Arrangements programme in place to provide greater flexibility at work to help staff better manage their time and balance their professional and personal needs. We also offer them the autonomy to choose from a basket of flexible benefits through iFlex@DBS.

We value our employees and have a DBS Cares programme in place. Via this programme, we give gifts of appreciation to our people throughout the year.

RECOGNISING OUR PEOPLE

We have a strong programme to recognise role models in the bank. Every year, we present highly coveted Banking the Asian Way Awards to teams and individuals who exhibit our values. We also present individuals who have gone beyond the call of duty with Spot Awards throughout the year. Employees who exemplify what the bank stands for, are also featured on our intranet.

BEING AN EMPLOYER OF CHOICE

Our people are our best ambassadors. Over 40% of new hires were based on our employees' referrals. Our retention rate has improved year-on-year, with more people choosing to grow their careers with DBS, making us one of the best-in-class compared to our industry peers. We are proud that we continue to be an employer of choice.



We are building a culture of fun into our DNA. From time off for teambuilding, to celebrations together, we seek to spark joy for our people.

OVERCOMING ADVERSITY TOGETHER



Yuria Tantonio's nascent career with DBS took a traumatic turn when an unfortunate traffic accident in October 2008 left her paralysed from the waist down and hospitalised for six months. She did not stay down for long but has continued to contribute and was promoted to Senior Associate in 2014. She benefitted from the Flexible Work Arrangements programme which allowed her to work mostly from home and come to the office about one or two days a week.

EMBRACING DIVERSITY



As we expand across Asia, we seek to build a multi-cultural and diverse organisation that is aligned to the Group's strategy and business needs. We harness the multiplicity of perspectives and views across nationalities, cultures, backgrounds and disciplines to co-create greater value.

- Added to the diversity of our 21,000-strong workforce, representing over 40 nationalities
- Hired people from diverse disciplines e.g. finance, arts, design, engineering, science engineering and the sciences
- Women represent 57% of our workforce and more than one-third of our leadership positions; over a third of our Group Management Committee members are women
- Tapped on non-traditional hiring channels to connect to a new generation of talents e.g. LinkedIn, Facebook, YouTube and Twitter

In a first for the bank, we gave a special **appreciation award** of SGD 1,000 to every employee ranked Vice President and below to acknowledge the commitment and contribution of our people, mark the bank's milestone in reaching SGD 50 billion in market capitalisation, and celebrate Singapore's 50th birthday.

Regulators

#dialogue

Given our Asian footprint, DBS has extensive interaction with regulators around the region. We recognise our obligation to deliver value to this important constituent, and seek to accomplish this through various ways.

FINANCIAL SYSTEM STABILITY

The 2008 financial crisis was a sobering lesson that brought the extensive damage which weak financial systems could inflict into stark focus. It had also unleashed an unprecedented global regulatory response, the more significant elements being the Basel III reforms that recalibrated rules on the quality and quantity of capital, along with new requirements on liquidity and financial leverage. DBS understands that its financial strength has important implications on the overall macroeconomic stability of its key markets, and generates externalities beyond the immediate commercial interests of its stakeholders. As such, we have always adhered to the spirit of the prudential objectives underpinning the regulations we observe: reflecting our regulatory philosophy, it is noteworthy that DBS is already in compliance with the Basel III capital and liquidity requirements well before the transition schedules specified by the Basel Committee on Banking Supervision, and is well-positioned to comply with the forthcoming leverage ratio.

Aside from prudential concerns, what the financial crisis had also made apparent were financial misconduct and market manipulation activities. Such erroneous behavior is the precipitate of weak governance and a misaligned incentive structure. At DBS, we address these issues at the root, consciously nurturing a corporate mindset and

remuneration philosophy that collectively reinforces a culture anchored on a belief in responsible and fair financial intermediation. This governs how we interact with our banking counterparties and customers.

We remain vigilant in identifying, monitoring and managing emerging threats that could impact financial stability, and regularly engage our regulators in dialogue on developing issues. In response to the heightened risk of cyber attacks, we have strengthened our cyber security framework, controls and surveillance. Another area where we have devoted additional resources is the mitigation of financial crime risk.

STRONG COMPLIANCE CULTURE

Our compliance culture is anchored on transparency, responsiveness and an emphasis on respecting both the letter and spirit of the law and regulations in the countries we operate in.

Frequent interaction with regulators facilitate effective information exchange, allowing us to hear prudential concerns while keeping regulators updated on DBS' strategies and priorities. The chairmen of the Audit Committee and Board Risk Management Committee, who are both independent Directors, also attend meetings with our regulators periodically to share their views and insights. We participate actively in supervisory college meetings involving supervisors in the

region where DBS has sizeable operations. These meetings provide a forum for the Monetary Authority of Singapore and host supervisors to exchange views and assessments of DBS' cross-border activities.

CREDIBLE INDUSTRY LEADER PLAYING PIVOTAL ROLE IN SHAPING DEVELOPMENT OF POLICIES

Members of our senior management team are actively engaged in regulatory and industry forums. We believe our insights from operating in the region can contribute to the formulation of robust prudential rules and regulations.

DBS hosted the 2014 International Institute of Finance (IIF) Asia-Pacific CEO Summit, which was held for the first time in Singapore. This event brought together senior executives, officials and financial experts to discuss pertinent issues impacting Asian financial players, ranging from the health of Asian markets to the implications of the global regulatory reform agenda on Asia. The highlight was an illuminating dialogue between Mr Piyush Gupta (CEO) and Deputy Prime Minister Tharman Shanmugaratnam, centred on the opportunities and challenges facing the region. Our CEO (also a director of IIF) called for an Asian voice in global rule-setting forums and a regional platform to be created for closer co-operation between the private sector and regulators.

Society

At DBS, we believe that banking has a far-reaching purpose and have embedded a strong sense of **social consciousness** in the way we do business.

#onewiththecommunity



DBS Marina Regatta, Singapore's largest water sports festival, attracted over 10,000 athletes and spectators in 2014.

With our roots as the Development Bank of Singapore, we believe that banking has a far-reaching purpose and have embedded a strong sense of social consciousness in the way we do business. It is also the reason we dedicate resources to community outreach and ensure that we do our part for the environment.

DOING GOOD IN THE NORMAL COURSE OF BUSINESS

In Singapore, DBS/POSB banks more than 4.5 million customers. Within the POSB franchise, we have a large segment of customers to whom we provide subsidised banking services. Fees are waived for many, including the young, silver-haired and national servicemen. We also make it easy for foreign workers to open a banking account and to remit funds home in a cost effective manner. This is because as custodians of Singapore's most loved bank, we are committed to being inclusive and providing banking services to everyone in the community. We see this as part of our social mission as the "People's Bank".

The low-cost banking we do extends beyond individuals to small and medium enterprises (SMEs). DBS' banking package for start-ups contains a slew of fee waivers and

preferential charges. SMEs are the backbone of the economy, and as Singapore evolves in the next 50 years, private enterprises need to drive the nation's growth. As a large SME player, we are committed to nurturing the start-up and SME sector. This includes incubating start-ups, giving them opportunities to partner with us through hackathons, and ensuring that promising firms have access to financing such as venture debt.

To make banking convenient and accessible, we have set up branches within community centres, and introduced all-day banking to cater to working people. We also recently launched an SMS queue system – known as the SMS 'Q' – at our branches. The service allows customers to request for a queue number via SMS prior to visiting DBS/POSB branches. By not having to wait in line, customers can save time. We will also be replacing traditional standing queues with seats so customers may await their turn in comfort.

SOCIAL ENTERPRISES

Social enterprises (SEs) play an important role in fostering inclusive economic and social development. As social support needs increase with rising income inequality, SEs are emerging as an important avenue for

reinforcing social safety nets across the region. Our roots as a development bank and our expertise in supporting SMEs put us in a strong position to help SEs develop themselves into self-sustaining businesses.

Cultivating the SE Landscape for Growth

While social entrepreneurship has been around for decades, there is still limited understanding of these businesses. To address this, DBS is focused on creating a thriving SE ecosystem via advocacy and awareness building. We work in partnership with like-minded organisations, as well as the public and social sectors, to promote the development of social entrepreneurship. In 2014, we supported close to 20 prominent SE-related events covering almost 10,000 participants in the region.

We worked with National University of Singapore (NUS) Enterprise to launch the DBS-NUS Social Venture Challenge Asia. The Challenge seeks to identify new ventures that have the potential to generate scalable and sustainable social impact in Asia. Response to the inaugural challenge was very encouraging with more than 400 entries from 1,200 youth entrepreneurs across 20 countries. The winning teams received seed funding for their social ventures.



DBS Hong Kong gave HKD 2 million in grants to 12 SEs, enabling the grantees to help different groups, including the blind, elderly, ex-convicts and ethnic minorities.

In addition, we have created Asia's first online platform for showcasing social enterprises. In 2015, this channel will give SEs more visibility across Asia.

Financing SEs

SEs need financial support especially during their early stages of growth. However, financing is often lacking when they are just starting up. DBS supports SEs by funding them so that they can become viable businesses.

In 2014, we granted funds to 46 SEs across our key markets of Singapore, Hong Kong, China, India and Taiwan. We worked with partners such as the Tata Institute of Social Sciences in India, YouChange Foundation in China and the Hong Kong Council of Social Service in Hong Kong to identify promising SEs worthy of support.

SEs which have benefitted include India's Krishi Naturals, which has empowered 1,000 marginalised farmers through organic farming and market linkages, and Bharat Calling, which supports 20,000 marginalised students each year across 150 schools. Five years ago, we launched the DBS Social Enterprise Package and it remains the only banking package tailored to the needs of SEs in all our focus markets.



The inaugural DBS-NUS Social Venture Challenge Asia drew over 400 SEs from across Asia. The finalists' ideas, covering areas such as health, tourism and disaster relief, were diverse and inspiring.



DBS provided a grant to India-based SE Apni Shala, enabling it to start a school programme for students from low-income families. The programme aims to develop life skills and build positive behaviours in students through storytelling, books, role plays and film.



About 650 DBS Hong Kong staff contributed towards community projects that benefitted more than 1,400 elderly persons and underprivileged children.



In Singapore, close to 1,000 DBS/ POSB employees touched the lives of 500 senior citizens.

Earlier this year, we announced the formation of DBS Foundation, the only corporate foundation in Asia dedicated to championing social entrepreneurship. With a SGD 50 million fund, DBS Foundation will work further with SEs to support their growth. Activities will range from basic training and workshops to intensive incubation and skilled mentoring, project grant support and knowledge sharing.

Providing Social and Intellectual Capital

A large part of building SEs' potential includes supporting them in non-financial areas such as strategy development, financial planning, marketing and product refinement. Together with financial capital, this social and intellectual capital can help SEs scale up and improve their chances of attracting larger size investments and support from institutional investors. Employees with relevant skills are paired with SEs, especially early-stage ones, to support them in areas that funding alone cannot address. These DBS staff volunteers give their time to share relevant knowledge with SEs, resulting in a transfer of expertise and skills for social good. In 2014, over 160 of our employees devoted more than 2,800 hours to serve as skilled volunteers to SEs.

CONNECTING WITH THE COMMUNITY

Giving Back through Active Volunteerism

DBS' volunteerism movement, known as "People of Purpose", rallies colleagues to make a difference in the communities that the bank operates in. In 2014, approximately 3,500 of our employees contributed 16,000 hours of volunteer work.

In Singapore, close to 1,000 DBS/POSB employees touched the lives of 500 senior citizens, including those living alone. Home visitations were conducted to give household necessities to seniors. Staff also hosted the elderly to an outing to an aquarium.

In Hong Kong, our employees continued to give their time to underprivileged children and the elderly. Teams of volunteers were engaged in sustainable and recurring community projects, including elderly visitations and outings with children from low income families. Some went the extra mile to become mentors to students, while others brought their own families to join in. In recognition of their passion and generosity, five of our most committed volunteers in Hong Kong were recognised with long service awards by the Hong Kong Government's Social Welfare Department.

The same spirit to give back was evident in China, where volunteers from six branches contributed nearly 1,000 hours in community projects that benefitted 800 people. In Taiwan, in collaboration with six social enterprises, our employees' volunteerism efforts benefitted 2,200 people, including the homeless and teenagers with disabilities. Deep into the mountainous east of Taiwan, volunteers built book houses for disadvantaged children.

DBS Indonesia staff volunteers rebuilt a pre-school in the suburbs of Jakarta and mentored high-school students through social enterprise workshops. In India, 500 staff came together to collect books, clothes, medicine and funds for various charities. Volunteers also visited a home for the elderly and spruced up the garden of an orphanage, touching lives across all age groups.

Enriching Lives through Community Initiatives

In Singapore, we sponsored the DBS Marina Regatta, Singapore's largest water sports festival, which attracted close to 2,500 dragon boaters from 140 international and local teams. Our monthly outdoors movies event "DBS Movies by the Bay" screened 18 blockbusters and attracted 800 visitors every month to the bay. In 2014, DBS also donated SGD 25 million to the National



DBS' Movies by the Bay screened blockbusters monthly, and attracted thousands of people to the Bay last year.

Gallery Singapore to support and celebrate the story of Singapore told through creative visual arts. The gift is the largest single cash donation by a corporate body to an arts institution. Finally, we presented the Singapore Slammers, an elite team of eight tennis greats including Serena Williams and Andre Agassi, at the inaugural International Premier Tennis League that featured over 20 world-class tennis players.

ENVIRONMENT

We are committed to doing our part for the environment. One of the ways in which we do so is by ensuring that our offices have sustainable designs and practices. As part of our environmental responsibility efforts, we strengthened the level of Green Mark certifications for all our office buildings in Singapore.

In 2014, DBS Hong Kong took steps to ensure that our staff work in a conducive environment by obtaining certification in indoor air quality for four of our office buildings. DBS Hong Kong was also awarded certification for the disposal of waste for three office buildings. In India, we were recognised for our waste paper and toner recycling. DBS India works with an SE to exchange the waste paper generated for usable notebooks.

Effective energy saving initiatives are in place to ensure optimal use of energy. Timers are installed at lighted signages to cut back on the use of electricity. In addition, we have motion sensors for stairwell lighting and the central air-conditioning is tuned to +/-24 degrees.

We encourage our employees to do their part to be green. We raised the awareness of our staff with 'green' tips and held forums to share how best to dispose of waste and optimise recycling efforts. We continued to observe "Earth Hour", the global awareness programme on climate change, and across Asia, turned off lighting in the office as well as bank signages to indicate our support.

Earlier this year, we announced the formation of **DBS Foundation**, the only corporate foundation in Asia dedicated to championing social entrepreneurship.