

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.



Singapore awards



- Best Bank



- Best Retail Bank



- Best Corporate Digital Bank

Hong Kong awards



- Best e-Bank



- Best Retail Bank



Singapore

Entrench leadership in Singapore

2015 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, reflecting the strength of our franchise

Our Singapore franchise turned in a strong performance. Helped by higher interest rates, our core domestic franchise achieved new highs in total income and net profit. Despite intense competition, we maintained our lead in saving accounts, housing loans, auto loans, credit cards, large corporate banking and capital markets. We also gained share in the bancassurance, unsecured loans and SME segment. These gains resulted from a relentless focus on customer experience and from efforts to expand our physical channels and digital offerings.

We focused on delivering an exceptional customer experience that is simple and relevant. We were the first bank to roll out an SMS queue management system across branches so that our customers need not spend time waiting in line. We also expanded our partnerships with retailers to increase cash withdrawal points to supplement our ATM network, giving

us the most number of cash withdrawal points in Singapore.

We enhanced our digital presence. We utilised data to provide relevant offers to our online banking customers. The payment capabilities of our mobile wallet DBS Paylah! were expanded and included the use of thumbprint technology for user verification for mobile devices. We were also the first to offer SME and retail customers the option of completing their account opening process remotely without stepping into a branch.

As a gateway to Asia, Singapore is the regional headquarters of leading companies and banks. We have dedicated country desks to support Asian and western multinationals as they expand into the region. We have also put to use our leadership in capital markets to enable them to raise funds through equity and debt offerings.



Hong Kong

Continue to expand the Hong Kong franchise

2015 Priority: Focus on profitability, leverage innovation and digital technologies to grow our market position across large corporate, SME and wealth segments, intermediate Greater China flows

Outcome: Double-digit income and net profit growth to record highs amid a challenging operating environment

Our Hong Kong franchise achieved another year of strong growth, demonstrating its resilience amid challenging conditions and volatile markets, which included a depreciation of the RMB and a slowdown in RMB trade activities.

Our nimbleness enabled us to capture opportunities in the domestic market and China-related flows in the corporate, SME and wealth management businesses. We were able to mitigate the decline in trade loans with growth in other businesses, including cash management,

syndicated finance, and investment and insurance products.

Wealth management income grew 30% during the year, boosted by favourable market conditions in the first half. Wealth customers grew in double-digit percentage terms. While treasury sales to corporates were affected by RMB depreciation, the decline was offset by higher sales to retail customers.

We further redefined the customer experience to distinguish ourselves in a



- Best SME Bank

Other market awards



- Best Consumer Bank (Foreign), China



- Best Foreign Cross-Border Cash Management Services in Taiwan as voted by small-, medium- and large-sized corporates



- Best Overall Treasury & Cash Management Bank, India
- Best Wealth Manager, Indonesia

highly competitive market. We launched a credit card app that allows customers to track their personal finances in a timely manner via mobile phones and instantly redeem cash rebates at selected merchants globally. SME customers can save significant time by opening accounts and accessing financial solutions online. We were the first bank in Hong Kong to launch a fintech accelerator programme and have continued to work with start-ups to introduce

innovative solutions to the market. We leveraged our network, product range and research to capitalise on the Chinese government's initiatives to encourage companies to expand outside China. We deepened relationships with Chinese enterprises that have cross-border operations, offering credit facilities as well as strategic advisory, capital market and treasury solutions, enabling us to achieve double-digit income growth from this segment.



Growth markets

Rebalance geographic mix of our business

2015 Priority: Build out our franchises in growth markets of China, Taiwan, India and Indonesia to achieve a more balanced geographic mix. Leverage growth and network countries to drive connectivity, supporting our customers as they expand across Asia

Outcome: In a challenging macroeconomic environment where credit costs increased, we underperformed in China and Indonesia, made some headway in Taiwan and started to see a turnaround in our India franchise.

Our growth markets of China, Taiwan, India and Indonesia, which accounted for 14% of the Group's income, grew a combined 4% in challenging macroeconomic conditions.

SME, and CBG/Wealth Management businesses. Our position as the foreign bank with the largest SME franchise has been helped by our extensive treasury and cash management capabilities.

China

China's growth slowed as it continued with efforts to transform the economy and liberalise the financial sector. As a result, total income from our China franchise was little changed. While trade loans and net interest margin fell, we compensated for this with growth in non-interest income from treasury, cash management and wealth management activities. We deepened relationships with leading corporates while pacing the growth of our SME business. While we set aside more allowances during the year, our prudent client selection process has ensured that our loan book remained healthy.

India

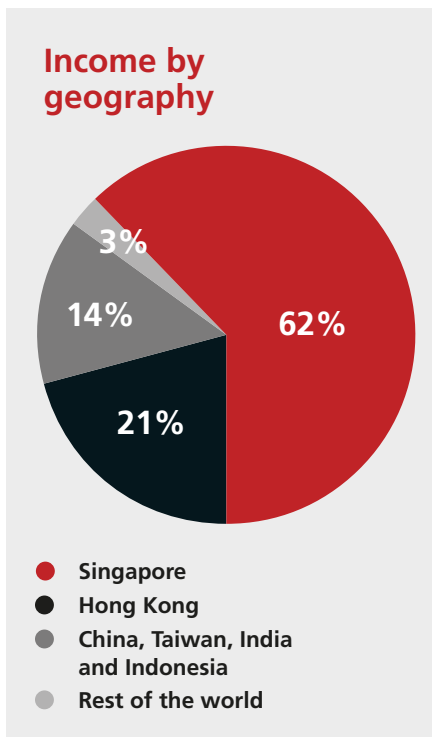
India's macroeconomic turnaround took a little longer than expected. Even though we have taken steps to grow our customer franchise, total income was little changed. Having addressed credit weaknesses in our portfolio and taken steps to strengthen our management and franchise capability over the past two years, we are now well positioned for growth.

Indonesia

The end of the commodity super cycle has affected many corporates in Indonesia. It contributed to a decline in total income and an increase in allowances during the year. Nevertheless, our Indonesia franchise remained resilient and we made headway in the trade, cash and wealth businesses. We are now the fifth largest foreign bank in the country.

Taiwan

Taiwan's economy was affected by falling domestic demand and exports. Despite the slowdown, we grew income by 13% as we continued to expand our corporate,



Other markets

During the year, we scaled up our London business, focusing on institutional investors, western MNCs and the private banking segments. We also set up a branch in Australia to intermediate business, trade and investment flows between Australia and Asia. Our franchises in South Korea and Japan continued to grow on the back of increased business activities.