

Customers



**Live
simple**

New digital technologies (mobile, social, big data) are powerful tools available to banks today. But we are not enamoured with technology for its own sake. Instead, we are focused on how we can create joyful banking experiences for customers. To do this, we place ourselves in their shoes, focus on their needs and ensure we know what the real “customer job to be done” is. We look at their journey with us from beginning to end, and apply human-centred design to develop relevant solutions. We believe that embedding ourselves in the customer journey and embracing digital form a potent combination that will make banking increasingly simple and seamless.

51%

SME customers in Singapore who open accounts online

**over
90%**

Remittances done digitally

We seek to seamlessly integrate banking into customers' everyday lives so that banking becomes simpler and they have more time to spend on people or things they care about.

At the start of the banking relationship

Today, retail, wealth and corporate customers can open accounts with us through their mobile devices, anytime, anywhere. We are digitalising our customer on-boarding processes to be simple and intuitive, by simplifying forms, pre-populating fields on behalf of customers, and automating the entire process so that starting a bank relationship can be done almost instantaneously.

The strategy is paying off and we are increasingly acquiring new customers digitally in SME, credit card and unsecured banking. Even in private banking, which is a high-touch business, the digital option has been well-received. In 2015, 16% of new wealth customers opened accounts with us digitally. 51% of SME customers in Singapore did the same through our Online Account Opening Service. Online account opening saves them significant time, with the process now taking 15 minutes compared to the industry average of one or two hours.

Day-to-day payments and transactions

We are investing in capabilities to simplify day-to-day banking. We are re-designing our operations to drive straight-through processing and instant fulfilment for customers. This also results in lower costs for us.

Simplifying day-to-day banking for customers is an ongoing journey, but we are already seeing success with some of our recent initiatives. For example, with DBS Remit, customers can instantly send funds across markets while on the go. This service has gained popularity and, today, over 90% of remittances are done digitally.

With DBS PayLah!, customers are able to make payments to friends and merchants easily with a few simple clicks on the phone. Our digital services allow customers to get instant approval for credit cards or receive an unsecured loan approval on-the-spot. In a first-of-its-kind service, SME owners are also able to apply for up to 11 types of loan products with no signatures required. They

can track the application in real time and obtain instant notifications on the progress of their loan application.

Stronger digital engagement to help customers with their decisions

We seek to seamlessly integrate banking into our customers' everyday lives so that banking becomes simpler, and they have more time to spend on people or things they care about.

With the DBS HomeConnect app, we engage customers during their house hunting process, giving them information such as the last transacted price, rentals and the nearest amenities, on their phones. The app contains a loan calculator to help customers work out the financing required. They can also contact a DBS loan specialist via the app.

SMEs in Singapore are able to access an online business community through our DBS BusinessClass app. The app connects them to 15,000 members and the brightest business minds in Asia. It also links them with tech start-ups to facilitate the adoption of new technologies to enhance productivity. We are currently regionalising the app to facilitate cross-border connections and support mass-scale virtual events.



DBS employees brainstorming on how to make banking simpler for customers



SMEs access an online business community through the DBS BusinessClass app

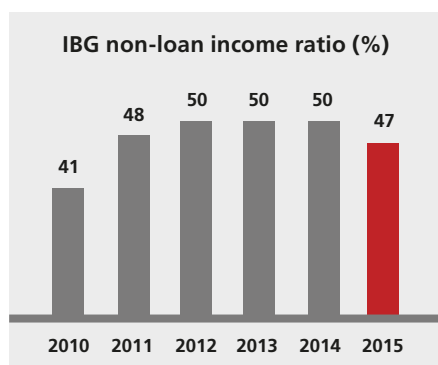
Institutional Banking

Institutional Banking Group (IBG) performed well in 2015, despite the macroeconomic headwinds in the second half of the year. The performance is testament to the strength and resilience of the franchise as IBG reaped the fruits of investments in product capabilities, industry knowledge, networks and cross-border expertise.

We place the customer at the centre of all we do, and are committed to help institutional clients and investors with their financial needs. We aim to build a sustainable annuity business to supplement our core lending business and have continued to drive initiatives to add value to our customers.

Financial performance

IBG's total income rose 7% to SGD 5.3 billion as net interest income grew 9% from improved net interest margin. Income from loans grew 14% to SGD 2.5 billion, largely from Singapore and Hong Kong customers for investments and corporate restructurings. Income from trade finance declined 14% due to the slowdown in China and depressed commodities pricing. Our focus on building quality deposits, coupled with cash mandates won in the year, resulted in strong cash management performance.



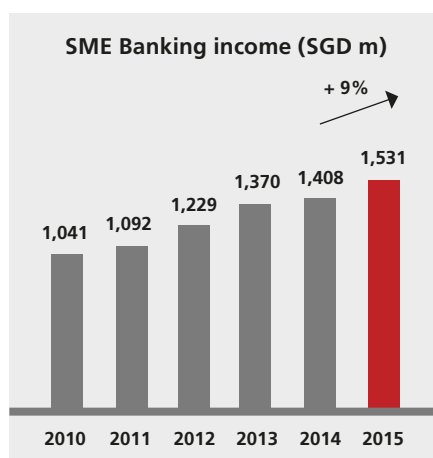
Non-interest income grew 3% to SGD 1.8 billion. Growth in fees from cash management and loan-related activities

was offset by declines in trade and investment banking income. Treasury customer income rose 4%. IBG's non-loan to total income ratio declined to 47%.

Allowances rose SGD 18 million to SGD 558 million as higher specific allowances were partially offset by lower general allowances.

IBG continued to deepen our wallet share with customers. Our relationship teams, organised by industry segments, are able to understand our customers' business and risks better. Our insights into the region have also helped us foster deeper conversations and relationships with clients. In a survey of more than 500 companies by Greenwich, a market intelligence provider, the number of large corporates in Asia using DBS as a core bank rose from 20% in 2014 to 25%.

Building a leading SME banking franchise by leveraging digital innovation to drive client acquisition and deepen existing relationships continued to be a focus area in 2015. Income from SME banking grew 9% to a record SGD 1.53 billion as growth in transaction deposits and fees offset the impact of lower treasury customer flows. We also acquired 17% more SME customers across the region.



Providing access to capital

We had another fruitful year working with our regional clients to raise new capital for investments and refinancing. We remained among the top three arrangers for syndicated loans across Asia (ex-Japan), with our involvement in 123 deals amounting

to USD 74.8 billion. DBS also topped the league tables for arrangers in Southeast Asia and Singapore, collectively accounting for 36% of Asia (ex-Japan) volumes.

In debt capital markets, we employed our extensive capabilities to assist clients to issue bonds in the most efficient market to minimise their funding costs. We successfully worked with several first-time issuers, such as Huawei, a global networking and telecommunications solutions provider, which successfully completed a 10-year USD 1 billion issue. We also led benchmark-sized deals for leading regional companies such as Lenovo, Bank of China and Stats ChipPAC in the USD, SGD and offshore RMB bond markets. In Asia ex-Japan bonds, we made an impressive leap and were ranked fourth compared to 10th in 2014. Despite intense competition, we widened our lead in the SGD bond market as our share grew from 35% to 41%.

We continued to be the leading equity and REIT house in Singapore, retaining our pole position in the league tables. We played a key role in milestone transactions such as Keppel Infrastructure Trust's maiden equity fund raising, which was for its merger with Cityspring Infrastructure Trust. We also successfully listed BHG Retail REIT, the only initial public offering on the mainboard of the Singapore Exchange in 2015. It is the first Chinese enterprise-sponsored retail REIT to be listed offshore.

Our expertise and knowledge of the market allowed us to secure roles as the sole financial advisor and/or underwriter in multiple transactions, where we supported Singapore-listed entities' equity fund raising for cross-border acquisitions and other expansion plans. Despite volatile market conditions, we strengthened our position and more than doubled our participation in Singapore transactions from 33% to 72%.

At the other end of the spectrum, we launched DBS mLoan, an innovative short term working capital loan for small businesses, which are often unable to access financing because a lack of audited accounts or personal income statements prevents banks from carrying out credit assessments. We use their electronically verifiable cash flows, such as card payments, and measure them against a payment and collection model to assess creditworthiness.



DBS Chairman Peter Seah, Singapore's High Commissioner to Australia Burhan Gafoor and DBS CEO Piyush Gupta at a client luncheon in Sydney to officially launch DBS' new Australia branch.

We are one of the first banks to offer a venture debt solution for tech start-ups at the growth stage of their life cycle. They can use it for working capital, fixed asset acquisitions and project financing, minimising dilution to their equity base.

Enabling cash flow optimisation

In 2015, global transaction banking income was little changed at SGD 1.6 billion. Our cash management, securities and fiduciary services and open account trade businesses all delivered strong double digit growth, offsetting a decline in documentary trade. Within trade, the shift towards open account trade resulted in higher margins and helped to mitigate the market driven decline seen in trade finance volumes.

Corporate treasurers seeking to improve the liquidity of their balance sheets tapped into our supply chain financing and account receivable purchasing solutions, which grew 24% in 2015. Our IDEAL digital platform made it easy for clients, their suppliers and buyers to integrate and take advantage of these facilities.

Our working capital management programme integrates our expertise in cash management and trade finance, providing advisory services to help clients improve working capital management and minimise funding costs. Our working capital advisory services provide clients with industry benchmarks, supply chain diagnostics

and solutions to achieve best-in-class working capital management practices. We worked on close to 40 mandates in 2015.

Helping customers manage financial risks

Treasury customer sales income from IBG customers increased 4% to SGD 829 million, despite the drop in RMB-related activities in the second half.

We helped clients structure treasury products to hedge their risks. In the offshore RMB market particularly, DBS has the infrastructure and capability to offer a wide range of products, enabling clients to minimise foreign exchange risk, manage investments denominated in RMB and gain access to a broad range of financing solutions.

Making banking easier

Our digital initiatives were well received by customers as more of them transacted online or on the go. We added 16,000 new accounts to our corporate banking mobile app IDEAL.

The number of corporate subscribers to DealOnline increased almost 30% from the previous year. DealOnline is our full-fledged electronic foreign exchange online platform, which offers auto pricing and dealing in foreign exchange, swaps, forwards and non-deliverable forward contracts.

SME customers in Singapore and Hong Kong can now apply for a business account online in just 15 minutes, while in India, they can open an account within the day. We are also the only bank in Singapore to offer virtual account opening for customers to complete the account opening process via a simple voice or video call without having to step into a branch.

SME customers in Hong Kong are able to apply for loans via a mobile app and receive in-principle approval within an hour. In Singapore, SMEs can apply for up to 11 types of loan products online. They can track the application in real time and obtain instant notifications on the progress of their loan application.

Facilitating regional connectivity

Our extensive network in Asia, as well as our presence in Japan, Korea, United Arab Emirates, United Kingdom and United States, enables us to connect corporates with opportunities in Asia. In 2015, we opened an office in Sydney to facilitate Australia-Asia business and investment flows.

We have completed several landmark cross-border transactions such as Bank of China's multi-currency, multi-market, first of its kind USD3.55 billion bond, in conjunction with China's One Belt One Road initiative.

Others included Formosa Group's USD 510 million bridge loan and USD 1.5 billion syndicated term loan to fund investments in Vietnam. We also provided a comprehensive financing solution to support the USD 1.8 billion acquisition of Singapore-based STATS ChipPac by Jiangsu Changjiang Electronics Technology.

Unlocking shareholder value

As companies seek to grow in new markets or diversify their revenue sources, they look for domestic or cross-border M&A opportunities. In addition to helping them structure comprehensive financing solutions to support their acquisitions, DBS also served as financial advisor in several M&A transactions that have unlocked shareholder value. These include the acquisition of Keppel Land by Keppel Corporation, the acquisition of Biosensors International Group by CITIC Private Equity, the merger of Ascendas and Jurong International with

SingBridge and Surbana, and the merger of Cityspring Infrastructure Trust with Keppel Infrastructure Trust, which created the largest infrastructure trust in Singapore.

Placing customers at the heart of the banking experience

We redesigned more than 30 customer experiences based on human-centred design principles. For example, we redesigned our transaction banking organisational structure with inputs from customers.

Through the DBS BusinessClass programme, an online social network for SMEs, we have facilitated more than 400 conversations and 20 networking events among the member base of 15,000 SMEs. The network also linked SMEs with tech start-ups to facilitate the adoption of new technologies to enhance productivity.



- Invest in enhancing our product and people capabilities. This includes deepening our industry coverage and scaling up our business with institutional investors, who value banks like DBS with strong balance sheets, credit ratings, Asian insights and the ability to tailor products to capitalise on regional market conditions
- Continue to use technology to acquire new customers, simplify the way customers transact and enhance the customer experience. Experiments underway include the use of data analytics to detect fraud in trade finance, the commercial adoption of distributed ledger technology to transmit electronic documents in place of physical documents, more options for SME owners to bank on the go, and a digital platform for the real-time distribution of structured investment products
- Accelerate our cash management business, which includes expanding the range of global cash management solutions such as domestic and international liquidity management and next-generation commercial cards
- Focus on growth markets such as forging strategic alliances in India and Indonesia; capturing China connectivity opportunities including financial liberalisation, "One Belt One Road" and overseas expansion by Chinese companies



Key 2015 awards



- Best Transaction Bank for Trade Finance Services, Global
- Most Innovative Investment Bank, Asia-Pacific



- Best Regional Specialist Awards, Supply Chain Solutions, Asia-Pacific
- Best REIT House, Asia



- Regional House of the Year



- Singapore Loan House



- Best Invoice Discount Management Deal, Global
- Best Debt Bank, Asia Pacific
- Best Corporate Digital Bank, Singapore



- Best Asia Commercial Bank
- Best Asia Investment Bank



- Best Transaction Services House, Asia

Consumer Banking

The performance of our consumer banking franchise was strong despite a challenging business environment in the second half of the year, speaking to the resilience of the franchise.



Key 2015 awards



- Best Retail Bank, Singapore



- Best Mortgage-Lending Bank, Singapore

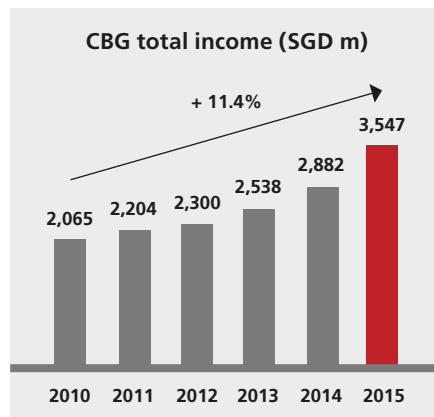


- Best Mobile Banking Experience, Asia-Pacific
- Best Digital Payment Experience, Asia-Pacific
- Best Digital Wallet Platform, Asia-Pacific



- Best App Content by a Consumer Brand (Gold), Southeast Asia
- Best User Experience (Gold), Southeast Asia

Financial performance



Consumer Banking Group's (CBG) total income rose 23% to SGD 3.5 billion, led by broad-based growth across wealth management, customer deposits, housing loans and other secured lending. Net interest income grew by 28%. Non-interest income from investment and bancassurance product sales grew at a strong 19%. We also continued to improve our cost-income ratio from 67% to 64%. Allowances grew in line with loan growth, and profit before tax was SGD 1.17 billion, 34% higher than a year ago.

In Singapore, we continued to win market share and are the leading player in customer deposits, housing loans and cards. Despite increased competition for deposits, we maintained our 53% market share for retail savings accounts in Singapore. In the bancassurance business, we grew 20%, making us one of the top players in the market.

In Hong Kong, total income increased 27% with strong broad-based growth across wealth management, bancassurance, cards and unsecured loans. We gained good traction in building sticky deposits with current and savings account balances growing at 25%. We also further strengthened our market position in the cards and unsecured loans business. In 2015, card sales increased 10%, ahead of market growth rates. Similarly, our unsecured loan portfolio grew at a healthy 17%.

We also continued to make good progress across growth markets, delivering strong double-digit income growth in Indonesia and Taiwan.

Accelerating digital innovation

As the pace of digital adoption increases, we are sparing no effort to deliver world class digital capabilities to our customers. We are upping the ante on not just the breadth of our digital offerings, but also on the holistic customer experience as they use our platforms. For example, we are one of the first banks in the region to build in-house design and user experience capabilities, which we incorporate as an integral part of our digital offerings.

Onboarding our customers digitally

We continue to see strong growth in our online and mobile banking customers. In Singapore, we have the largest base of online banking customers with over 2.5 million iBanking users and 1.25 million mBanking users. Our mobile activity continued to lead the industry in Singapore and mobile accounted for over 60% of our daily logins of over 400,000. Close to 70% of financial transactions took place through digital channels, across the region.

We launched digital account opening for new customers. This breakthrough initiative means new-to-bank customers can open accounts at their convenience, without having to visit a branch. We accelerated our digital acquisition initiative. In Singapore, almost 38% of credit card customers came through digitally, from 27% in the previous year. We also revamped our equity trading capabilities to deliver a more user-friendly trading experience for customers in Singapore and Hong Kong.

We also enhanced our mobility platform which allowed our relationship managers to access their sales management tools on the go. The deployment of a unique customer onboarding feature in Singapore and Taiwan has made the onboarding journey not only paperless, but also more seamless and efficient.



The launch of DBS Omni in Hong Kong offers our customers an innovative, yet simple and intuitive digital solution, enabling them to perform credit card transactions on the go, with the convenience of their mobile devices.

Transacting with us made easier

We continued to enhance our P2P payment capabilities through our mobile wallet DBS PayLah!, where we have a growing base of over 300,000 users. We were the first bank in Singapore to enable verification using thumbprint technology and brought the app to Apple Watch, making us the first wearable bank.

We revamped international remittances over the past few years. Our digital remittance services not only lead the market for convenience and speed, they also offer the most competitive pricing. Our focus on the end-to-end customer digital experience has led this business to grow from 320,000 annual transactions three years ago, to almost 2.1 million overseas remittance transactions in 2015.

We also continue to push our digital capabilities in our growth markets. We offer customers both mobile and internet banking capabilities in China, India and Taiwan, making it easier for them to transact on our platforms. We are continuing to see good digital traction among our Treasures customers and increased usage of our digital capabilities for forex transactions and unit trust purchases.

Engaging our customers

While we are seeing good traction and feedback on our digital capabilities, we are not standing still. We revamped iBanking and improved mBanking to provide relevant and customised offerings to our customers. Our Online Recommendation Engine allows us to target customer needs more accurately to provide more relevant offers. Complex rules and data points such as customer profiles, preferences and transaction patterns are used to improve relevance and productivity.

In September 2015, we piloted DBS FasTrack, a first-of-its-kind app to be

introduced by a bank in Singapore and more crucially, to help food and beverage businesses tackle many of their current challenges. DBS FasTrack provides a seamless ordering and payments solution for businesses while eliminating or drastically shortening customers' wait time. Businesses in turn can use the app to help enhance productivity and reduce manpower costs.

In Hong Kong, we launched the first-of-its-kind credit card app, DBS Omni. This revolutionary app has several market leading innovations, from budgeting, analysis of spends, to real-time reward redemption.

Focus on delivering an exceptional customer experience

While we innovate on our digital offerings, we understand our customers' need to continue to access our physical locations and have provided new and innovative ways for them to do so. We were the first bank in Singapore to roll out an SMS queue management system across our branches. Customers simply request for a queue number via SMS prior to visiting branches and receive notifications when their turn comes up. This gives them better flexibility to use the time they would otherwise have spent waiting in line. We also removed traditional queues and provided seats for our customers, making branch visits more comfortable.

During the year, we partnered popular retail chains in Singapore such as Cold Storage, Market Place, Jasons and Giant stores to increase our cash withdrawal points in addition to previously formed partnerships. Together with our ATM network, this brings our cash withdrawal touchpoints in Singapore to close to 2,000 – the most for any bank.

To meet the higher demand for new notes during the Lunar New Year season, we were the first bank to introduce pop-up ATMs. DBS placed 29 specially-configured pop-up ATMs at 10 community clubs islandwide to dispense new notes. The initiative was well-received by our customers, who took the opportunity to withdraw new notes outside branch operating hours.

Fulfilling customers' retirement and insurance needs

We officially announced our 15-year regional bancassurance partnership with Manulife Financial Asia at the beginning of 2016, making Manulife DBS' key provider of bancassurance solutions. Under the agreement, there will be a payment by Manulife to DBS of SGD 1.6 billion that will be accrued over the life of the partnership.

Through this partnership, DBS' customers will gain access to Manulife's best-in-class suite of life and health solutions. DBS and Manulife have also agreed to co-invest up to SGD 100 million over the next 15 years in digital technology and innovation enhancements. This joint fund will enable us to focus on developing innovative solutions to serve Asia's fast-growing consumer base, and help customers fulfil their retirement and insurance needs.

- Continue to make significant improvement in customer experience across all our markets and customer segments
- Drive customer acquisition and deepen share of wallet, leveraging analytics and needs-based solutions and conversations
- Accelerate pace of digitisation – delivering real progress in acquisition, payments, mobile, analytics, wealth management, customer engagement and operating leverage
- Provide superior advice and planning to our customers in wealth planning, protection, and retirement needs
- Remain vigilant and be nimble to market changes

Wealth Management

The growth of our wealth management business continues, fuelled by the organic growth of emerging Asian new wealth and also by our successful execution of a wealth continuum, where we upgrade and segment our clients as they grow their wealth.



Key 2015 awards



- Best Private Bank for Innovation, Global



- Most Innovative Private Bank in the World



- Most Innovative Business Model, Global



- Best Asian Private Bank

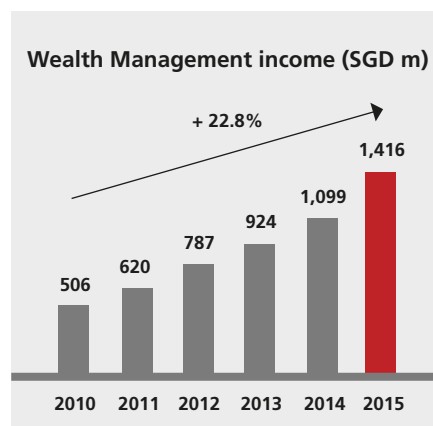


- Best Wealth Manager, Asia

Financial performance

The development of our wealth continuum continues at a healthy pace with income growing 29% to SGD 1.42 billion. The business now constitutes 40% of our consumer bank and 13% of the Group by income.

We expanded our affluent client base by 10%, with total wealth customer assets under management (AUM) at SGD 146 billion.



We are the only Asian bank among the top eight leading wealth managers in Asia by AUM. We are committed to growing our wealth business and as the safest bank in Asia, we are in a prime position to further capture market share.

Significant growth in high net worth client segment

We completed the acquisition of Societe Generale's Asian private banking business and select parts of its trust business in Singapore and Hong Kong in late 2014. With access to new clients and strong, experienced teams, the acquisition brought our business to greater heights and enabled us to access products and capabilities beyond Asia.

We enhanced the international dimension of our wealth business by including Societe Generale's expertise in structured products and strength in European research. Combined with DBS' robust investment advisory platform, full suite of banking facilities and deep insights into the Asian markets, we deliver a unique proposition

to our clients. This was reflected in a strong showing in our private banking segment which grew 30%.

Our Treasures Private Client business, which caters to high net worth individuals with investible assets of SGD 1.5 – 5 million, saw exponential growth of more than 40% and is the fastest growing wealth segment.

Focus on digital to enhance the customer experience

Our 2015 digital strategy was focused on enhancing the wealth customer experience. We are committed to delivering a next-generation client experience both in our advisory services and through the enhancement of our best-in-class digital wealth platform, iWealth. With the enhancement of our digital platforms, we were able to acquire more than 10,000 new clients online.

We deployed many new features on iWealth. These include eAppointment and Live Chat functionalities, and new capabilities such as real-time multi-currency transactions and Online Equity Trading. We received global recognition by MyPrivateBanking Research for having the best mobile app strategy and portfolio for the third year in a row. Online acquisitions through iWealth doubled during the year, with the platform now a significant contributor to the growth of new-to-bank wealth customers.

- Provide customers with industry-leading digital capabilities
- Focus on client acquisition and deepening of wallet share
- Stay ahead of the curve in a changing regulatory environment

POSB

Neighbours first, bankers second



As Singapore's oldest and most loved bank, POSB takes pride in serving generations of Singaporeans from all walks of life.

Today, POSB continues to stay true to its mission of being the "People's Bank", bringing value to all segments of the population – the young, families, seniors and the community at large.

POSB is deeply woven into the fabric of Singapore, and as our nation celebrated its 50th birthday in 2015, we rolled out a series of initiatives to engage our customers and members of the community to celebrate SG50.



For children and families



We brought back the iconic POSB National School Savings Campaign in conjunction with SG50. The original campaign, which was introduced in 1969 and ran through the 1970s and 80s, is remembered fondly by many customers. The deposits generated then helped fund the economic growth of Singapore, while cultivating values of saving and thrift among the youth.

We designed the new campaign to be fun and interactive. Within months of the launch, we achieved 100% participation from all primary schools in Singapore and received positive feedback.



To help parents plan for their children's future, we offered them an attractive interest rate of 2% p.a. on their Child Development Accounts. In addition, we introduced a joint POSBkids account, as well as a POSB Baby Bonus NETS Card, which allow them to enjoy discounts and privileges at various online, retail and dining merchants. All babies born in 2015 also received a limited edition "POSB Smiley Gift Bag" from the bank.



POSB and the People's Association (PA) marked their strong partnership with the seventh edition of POSB PAssion Run For Kids. A total of SGD 1.1 million was raised for the POSB PAssion Kids Fund, bringing the total amount raised to date to SGD 4.78 million. Over 126,000 children have benefitted. A deeper joint commitment was also made to enhance programmes to help children in Singapore achieve their aspirations. POSB and PA,

with the support of the National Library Board and the Ministry of Culture, Community & Youth, launched a book – "Our Homeland in 2065: Musings from Singapore's Children". The book contains stories written by children aged six to 13 to mark their aspirations, hopes and dreams for the nation in the next 50 years. These stories were collected through the "POSB PAssion KidsWrite Campaign" which received over 5,000 submissions.



For seniors



As the "People's Bank", our purpose goes beyond profits and this is embodied in the spirit of treating our customers as "Neighbours First, Bankers Second". POSB launched a financial literacy programme with community clubs to teach seniors basic financial management skills and how to access our digital banking services. One example was the North East Eldersurf Intergen Bootcamp, where we partnered the Infocomm Development Authority of Singapore and the North East Community Development Council to teach seniors about social media and email, as well as how to use self-service banking and SMS banking services among others.

To facilitate banking at POSB by the elderly, we hired over 80 active agers as part of the POSB Active Neighbours Programme. These seniors are employed on a part-time basis to assist their peers with banking transactions and encourage the use of self-service banking services. This programme has been well-received by our customers. It also gives our senior hires a sense of purpose as they are able to pick up new skills, interact with customers at work and bring value to the community they live in.



For the community



We continue to bring value to Singaporeans by offering them products and services to help them stretch their dollar.

In July 2015, POSB partnered EZ-Link and Transit Link to launch the "Fare Free Friday" campaign, offering commuters unlimited free MRT, LRT and bus rides every Friday till the end of the year. Commuters simply had to link EZ-Link's automatic top-up facility service to their all-in-one POSB Everyday Credit Card or PAssion POSB Debit Card.

Both the POSB Everyday Card and PAssion POSB Debit Card are the most popular cards in Singapore, with over a million cards issued in total. The POSB Everyday Card leads the way in partnering well-known brands to bring exciting and relevant offers. The PAssion POSB Debit Card is the first community debit card in Singapore that offers community and lifestyle benefits at community clubs, grocery stores and libraries, in addition to payment functionalities.



We also aim to build a more inclusive society by ensuring that our services are easy to use while taking into account the diverse needs of our customers. A recently launched initiative was the "POSB Talking ATM" in Singapore. Enhancements to 86 ATMs across our network enabled us to provide braille instructions and audio guidance to aid our visually impaired and elderly customers, helping them perform basic ATM transactions independently. As part of our initiative to upgrade our ATM user interfaces, we have also added new functionalities such as having additional language options and larger font sizes for easier reading.

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

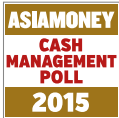


- Best SME Bank

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

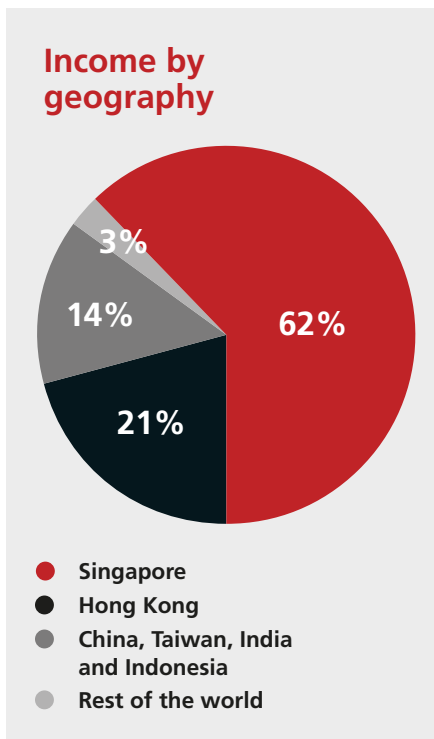
India's macroeconomic turnaround took a little longer than expected. Even though we have taken steps to grow our customer franchise, total income was little changed. Having addressed credit weaknesses in our portfolio and taken steps to strengthen our management and franchise capability over the past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