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# **Our 2017** priorities

We use a balanced scorecard approach to measure how successfully we are serving multiple stakeholders and driving the execution of our long-term strategy. Our scorecard is based on our strategy and is used to set objectives, drive behaviours, measure performance and determine the remuneration of our people, making this a living tool.

# **Traditional Key Performance Indicators (KPIs) (40%)**

#### **Shareholders**

#### Achieve sustainable growth

Shareholder metrics measure both financial outcomes achieved for the year as well as risk-related KPIs to ensure that growth is balanced against the level of risk taken. including compliance and control.

Read more about this on page 39.

#### Customers

#### Position DBS as bank of choice

Customer metrics measure DBS' achievement in increasing customer satisfaction and depth of customer relationships.

Read more about this on page 39 and pages 42

### **Employees**

### Position DBS as employer of choice

Employee metrics measure the progress made in being an employer of choice, including employee engagement and people development.

Read more about this on page 40 and pages

# "Making Banking Joyful" KPIs (20%)

#### **Digital transformation**

### **Ecosystems**

Measure the progress made in developing meaningful relationships with ecosystem partners.

#### Acquire

Measure the progress made in leveraging digital channels to acquire new customers with increased digital channel share.

#### Transact

Measure the reduction in manual efforts by driving straight-through processing and instant fulfilment.

Measure the progress made in growing customers' digital engagements with the bank.

Read more about this on pages 40 to 41.

#### Capturing value created from digitalisation

Measure the progress made in driving digital behaviours of our consumer and SME customers in Singapore and Hong Kong and increasing the income from digital customers.

Our hypothesis is that digital customers give us higher income, better cost-income ratio and higher return on equity (ROE) vs. traditional customers.

Read more about this on pages 36 to 37 and

### Reimagining customer and employee experiences

Measure the progress in embedding ourselves in the customer and employee journey to deliver superior experiences.

Read more about this on page 41.

### **Creating a start-up culture**

Measure the progress in re-wiring mindsets to be a 24,000-person start-up anchored on our PRIDE! values.

Read more about this on page 41.

### Areas of focus (40%)

#### **Regional businesses**

Grow our regional businesses in Consumer Banking/ Wealth Management (CBG) and Institutional Banking (IBG).

Read more about this on pages 42 to 47.

#### **Geographic mix**

Scale our growth in our priority markets of China, India, Indonesia and Taiwan to rebalance our geographic mix.

Read more about this on page 34.

#### **Enablers**

Strengthen management processes, technology and infrastructure platform.

Read more about cyber security and fair dealing on pages 99 to 100.

Read more about our technology on page 20 and pages 22 to 23.

# Regulators

Contribute to the stability of the financial system.

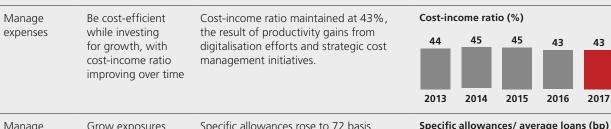
Read more about this on page 29.

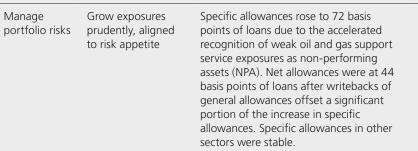
### Society

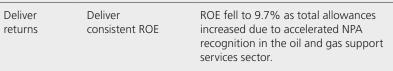
Enhance the communities we serve, driving sustainable outcomes.

Read more about this on page 29 and pages 97

#### **Traditional KPIs KPI Target Outcome Shareholders** Grow income Deliver consistent 4% income growth to SGD 11.9 billion Income (SGD million) 11,489 11,924 income growth driven by broad-based loan growth and Read more 10,801 fee income about this 8,927 on pages 30 to 37 "CFO statement" 2013 2014 2015 2016









19

18

2013 2014 2015

18

72

38

2016 2017

# Customers

Increase customer satisfaction Achieve broadbased increase in customer satisfaction across markets and segments

Improved customer satisfaction in Consumer Banking. We were also awarded the inaugural CSISG Award(1), presented to the top performing company in the Finance and Insurance sector over the last decade.

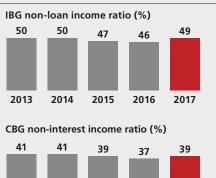
For Institutional Banking, we won the Gold award for Best Customer Experience Organisation at the Customer Experience Asia Excellence Awards 2017<sup>(2)</sup>.

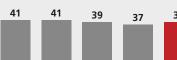
#### Customer engagement score (3) 2016 2017 **Wealth Management** 4.17 4.22 **Consumer Banking** 4.09 4.12 **SME Banking** 4.10 4.07 Large corporates market 4th 4th penetration ranking

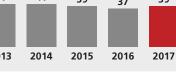
- (1) The CSISG Award is awarded by the Institute of Service Excellence at Singapore Management University
- (2) The Customer Experience Asia Excellence Awards is awarded by the International Quality and Productivity Centre (1 = worst; 5 = best) from Ipsos Customer Satisfaction Survey (CSS) for Wealth Management, Scorpio Partnership
- CSS for Consumer Banking and Nielsen SME Survey. Large corporates penetration ranking from Greenwich

Deepen customer relationships Deepen wallet share of individual and corporate customers

IBG non-loan income ratio was higher as a decline in treasury flows was mitigated by strong growth in cash management. CBG non-interest income ratio increased on the back of higher investment income.







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#### **Traditional KPIs (continued) KPI Target** Outcome My Voice employee engagement score (%) **Employees** Employee Improve employee Ranked among top quartile in Aon engagement levels; Hewitt My Voice survey; score increased engagement 81 82 79 top quartile of My by one percentage point. In 2017, Voice engagement Aon recognised us as "Asia Pacific BESTEMPLOYERS peer group Regional Best Employer". We were also named "Best of the Best Employer" in 2015 2016 2017 Singapore, Indonesia and Taiwan. Mobility: positions filled internally (%) Enabled our people to broaden their People Provide our people development with opportunities exposure across businesses, functions for internal and markets; 28% of positions were mobility to filled by internal candidates in 2017<sup>(4)</sup>. enhance (4) Excluding ANZ integration headcount professional and 2013 2014 2015 2016 2017 personal growth Turnover Maintain or reduce The voluntary attrition rate remained Turnover (%) voluntary attrition; relatively stable; in 2017, DBS' turnover 14.1 13.2 11.8 13.0 top quartile in all was best-in-class vs. peer group key markets in Singapore and India. 2013 2014 2015 2016 2017

# "Making Banking Joyful" KPIs

fulfilment

	KPI	Target	Outcome		
Digital Transformation	Ecosystems Grow ecosystem partnerships	Leverage ecosystems and our digital footprint to grow digital interactions with customers	We launched the world's largest banking application programming interface (API) developer platform, making available a wide array of APIs for external partners to plug into. We have since published over 180 APIs and connected with more than 60 partners. We grew our digital footprint, broadened access to customers, increased our social media fanbase by 15% to 8 million and grew engagements by 12 million through the SPARKS mini-series.		
	Acquire Grow number of customers acquired digitally	Grow digital acquisition of customers and increase digital channel share	Channel share of retail products sold digitally <sup>(5)</sup> 43%  52%  2016  2017  (5) Includes digitally-assisted channels for bancassurance  Channel share of wealth customers acquired digitally  25%  37%  2016  2017	Growth in digibank India  Classification Customers acquired since launch  Channel share of SMEs acquired digitally in Singapore  64%  80%  2016  2017	
	Transact Reduce manual efforts by driving straight- through processing and instant	Reduce current efforts in targeted manual transacting processes		by driving straight-through processing and instar- initiated transactions through digital channels Digital channel share of customers' financial transactions (SME, Singapore and Hong Kong)	

2017

2016

2017

2016

# "Making Banking Joyful" KPIs (continued)

	KPI	Target	Outcome
	Engage Grow customers' digital engagements with the bank	Drive engagement of customers through digital channels	The use of big data analytics and models has allowed us to better engage customers in contextual marketing, resulting in a double-digit increase in campaign revenues for CBG in Singapore and allowing us to garner incremental deposits in the SME space.
			We improved the user experience in our retail digital platforms, resulting in higher usage rates and better user ratings. Digital customers are more engaged. For example, users of our OMNI credit card companion app in Hong Kong grew more than 50% year-on-year (yoy) with users spending 2.5 times more than non-users.
			We offer differentiated insights on key Asian economies and industries via our Asian Insights platform across our digital channels. The traffic to our Asian Insights content continues to grow. We observed a 59% increase in monthly page views yoy as a greater number of customers value our depth of insights and advice.
Capturing value created from digitalisation	Grow digital customers (Consumer and SME, Singapore and Hong Kong)		The number of digital customers increased from 2.2 million in 2016 to 2.5 million in 2017 <sup>(6)</sup> .
			(6) A digital customer has either (within the past 12 months): (i) made a product purchase or segment upgrade via a digital channel; (ii) done more than 50% of financial transactions via digital channels; (iii) done more than 50% of non-financial transactions via digital channels
	Drive digital customers' income (Consumer and SME, Singapore and Hong Kong)		The income from digital customers increased 21% yoy. In addition, the income of a digital customer was two times the income of a traditional customer.
Reimagining customer and employee experiences	Drive journey thinking and demonstrate outcomes from journeys started in 2016		448 journeys across the bank, with 71% of them delivering or having delivered outcomes during the year. In total, 1.1 million customer hours and 327,000 employee hours were saved. Many of these journeys leverage data analytics to make banking joyful for both customers and employees.
Creating a start-up culture	Inculcate a start-up culture and mindset		We made good progress, with many of our people embracing a spirit of experimentation and innovation through immersion programmes, experiential learning platforms and ecosystem partnerships.
			During the year, over 15,000 employees were involved in immersion programmes such as hackathons, incubators, accelerators and partnerships with the fintech community.
			We are seeing progress in changing the way we work to be more agile and nimble. Increasing pockets of the bank are adopting agile @ work across business and support units. We drove the use of data and analytics, increased data resources embedded with the business and support units, and pioneered a new meeting culture to increase meeting effectiveness.
			We expanded our JoySpace programme, investing in transforming spaces to build a start-up culture, foster collaboration and ideation, and enable the future way of working. Close to 300,000 square feet of JoySpace has been created through the programme in 2017, impacting over 4,000 staff in the region.
			The organisation is now on Office365, a cloud-based collaborative platform. During the year, we further drove its adoption and usage.