

How we create value – our business model

Our business model seeks to create value for stakeholders in a sustainable way.



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Brand
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Customer relationships
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Intellectual capital
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Employees
- 

Financial
- 

Physical infrastructure
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Natural resources
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Societal relationships

Our strategy

Our strategy is predicated on megatrends such as Asia's strong growth and rising intra-regional trade, rapid technological advancements and the digitalisation of industries and economies, as well as the shift towards building a sustainable future.

We seek to intermediate trade and capital flows as well as support wealth creation in Asia. Our established and growing presence in Greater China, South Asia and Southeast Asia makes us a compelling Asian bank of choice.

We are a full-service commercial bank in Singapore and Hong Kong and are scaling up these capabilities in India and Taiwan. We engage individuals and SMEs through digital and ecosystem strategies in Indonesia and China (including the Greater Bay Area).

We leverage digital technologies and data to create differentiated customer and employee experiences. We keep abreast of and invest in emerging technologies that could reshape current banking practices.

We have made wide-ranging commitments to a more sustainable future. They encompass the way we do business, sustainable practices in our operations, as well as our role in the communities we are a part of.

Making Banking Joyful

We seek to "Make Banking Joyful" by leveraging digital technologies and embedding ourselves seamlessly into our customers' lives. We deliver simple, fast and contextual banking solutions and differentiated customer experiences by managing through journeys.

We architect our most critical customer processes horizontally and leverage data-driven operating models. This helps break silo-thinking and foster joint accountability across cross-functional teams. We deploy artificial intelligence/machine learning and experiment iteratively to achieve superior customer and business outcomes.

Read more about our strategy on pages 8 to 11.

We periodically review our strategy, taking into account emerging megatrends, the operating environment and what our stakeholders are telling us. These are material matters that can impact our ability to create value.

Read more about our material matters and stakeholder engagement on pages 77 to 79.

Our businesses

We have three core business segments:

- Institutional Banking
- Consumer Banking/ Wealth Management
- Treasury Markets

Read more about our businesses on pages 36 to 41.

Banking the Asian Way

We marry the professionalism of a best-in-class bank with an understanding of Asia's cultural nuances.

Asian relationships

We recognise that relationships have swings and roundabouts and stay by our clients through down cycles.

Asian service

Our service ethos is to be Respectful, Easy to deal with and Dependable.

Asian insights

We know Asia better; we provide unique Asian insights and create bespoke Asian products.

Asian innovation

We constantly innovate new ways of banking as we strive to make banking faster and simpler, while delivering contextualised and relevant Asian products and services.

Asian connectivity

We work in a collaborative manner across geographies and businesses, supporting our customers as they expand across Asia.

Technology and infrastructure

Over the years, we have invested in our people and skills, and re-architected our technological backbone to be digital to the core (i.e. microservices, cloud-native, resilient and scalable). We continue to strengthen our focus on change management, system resilience/ recovery, incident management, as well as technology risk and oversight to ensure service reliability.

To respond to rapidly changing customer demands with agility and at scale, we have re-engineered our business and technology teams towards a platform operating model where business and technology work together in an agile manner toward shared KPIs. We have also embraced design thinking to deliver customer-centric front-end applications.

Nimbleness and agility

We are of a "goldilocks" size – big enough to have meaningful scale yet nimble enough to quickly act on opportunities. We pivoted to managing through journeys and working in horizontal organisations to drive outcomes. This allows us to embed customer centricity, drive agility and increase internal collaboration by embracing experimentation, entrepreneurship and innovation.

Our strategy is clear and simple. It defines the businesses that we will do and will not do. We use our resources to build competitive advantages. We have put in place a governance framework to ensure effective execution and risk management. Further, we have a balanced scorecard to measure our performance and align compensation to desired behaviours.

Read more about how we use our resources on pages 70 to 75.

Our stakeholders

Governing ourselves

Competent leadership

A strong, well-informed and fully engaged board provides strategic direction to management. Management executes on strategy and drives performance and organisational synergies. A matrix reporting structure drives joint ownership between regional function heads and local country heads.

Read more about our leaders on pages 4 to 7.

Our PRIDE! values

Our PRIDE! values of Purpose-driven, Relationship-led, Innovative, Decisive and Everything Fun! define what we stand for, and anchor how we do business and work with one another.

We have translated these values into a set of 12 behaviours. These behaviours guide how we do business and how we interact with the community.

Effective internal controls

Our internal controls framework covers financial, operational, compliance and information technology controls, as well as risk management policies and systems.

Three lines of defence guard our operational excellence: identification and management of risks by units, independent oversight exercised by control functions, and independent assurance by Group Audit.

Read more about our internal controls on pages 59 to 63.

Building a Sustainable Franchise

We aim to build a company that is here for the long term, based on responsible banking, responsible business practices, and impact beyond banking. Rooted in our culture is a sense of purpose and an innovative drive to create social value and achieve meaningful impact, while balancing our risk and compliance responsibilities.

Read more about our sustainability efforts on pages 72 to 75, 102 to 105, and in our Sustainability Report.

We leveraged technology and data to strengthen and augment our risk management processes and systems. We further created our own data governance framework setting out clear regulatory, legal and ethical boundaries to ensure that we use data in a respectful and responsible manner.

Read more about our governance efforts on pages 32 to 33.

Measuring ourselves

Balanced scorecard

We use a balanced scorecard approach to assess our performance, track the progress we have made in executing our strategy and determine remuneration.

The scorecard is divided into three parts and is balanced in the following ways:

- Between financial and non-financial performance indicators. Almost one-quarter of the total weighting is focused on control and compliance metrics. We have key performance indicators (KPIs) to track progress made on our transformation agenda and our shift toward managing through journeys.
- Across multiple stakeholders
- Between current year targets and long-term strategic outcomes

The scorecard is updated yearly and approved by the Board before being cascaded throughout the organisation, ensuring that the goals of every business, country and support function are aligned to those of the Group.

Performance is assessed against the scorecard to determine remuneration, providing a clear line of sight between employee goals and organisational imperatives. We have achieved a well-established rhythm towards performance monitoring and our rewards are closely linked to scorecard outcomes.

Read more about our balanced scorecard on pages 26 to 31.

Read more about our remuneration policy on pages 65 to 69.



Shareholders



Customers



Employees



Society



Regulators and policy makers