

POLICY ON STAFF COMPENSATION

DBSH adopts a total compensation programme for rewarding its staff of Vice President and above. This comprises base pay, variable cash bonuses, and long-term incentives in the form of stock options and performance shares.

The objectives of our compensation policy are to:

- (a) foster an ownership culture within DBSH which aligns the interests of staff with the interests of shareholders
- (b) motivate staff to achieve performance standards of DBSH and their respective business units
- (c) make total compensation sufficiently competitive to recruit, motivate and retain senior executives having skills that are commensurate with DBSH's ambition to become a world-class regional financial institution.

This philosophy is extended to staff of other ranks through the Employee Share Plan.

POLICY ON DIRECTORS' FEES

The policy of DBSH on directors' fees is that such fees should be competitive with regional competitors and should also have the effect of aligning directors' interests with that of shareholders'. Directors are encouraged, but not obligated, to invest half of their fees in DBSH shares and to hold not less than 50% of those for the duration of their term.

DIRECTORS' REMUNERATION & BENEFITS

The following table shows a breakdown (in percentage terms) of the average remuneration of directors, including those appointed and resigned/retired during the year, which falls within broad bands and details of share options granted to directors, for the year ended December 31, 2001:

Remuneration bands	Salary	Bonuses	Directors'		Others	Total	Share	Exercise	Date of
			Fees	Option Grants ¹						Compensation	Option Grants	Price	Expiry
	%	%	%	%	%	%	Number ²	\$\$	
\$S1,000,000 and above									
Philippe Paillart]								
Jackson Tai	]	16	73	1	7	3	100	175,000	Mar 14, 2011
John T. Olds ³]								
\$S250,000 to \$S999,999									
		-	-	-	-	-	-	-	-
Below \$S250,000									
Alan Chan Heng Loon ⁴]								
Bernard Chen Tien Lap]								
Fock Siew Wah]								
Gail D. Fosler (Ms)]								
Robert Montgomery Howe	]	-	-	96	-	4	100	-	-
Tommy Koh Thong-Bee]								
Moses Lee Kim Poo]								
Ng Kee Choe ⁵]								
S Dhanabalan]								
Yeo Ning Hong]								

1 Valuation based on Black-Scholes Model and at date of grant.

2 Refers to the number of unissued DBSH ordinary shares of par value \$S1.00 each under the DBSH Share Option Plan.

3 Resigned on May 12, 2001.

4 Resigned on Mar 31, 2001.

5 Resigned on Jan 22, 2001.