

**DBS GROUP HOLDINGS LTD**  
(Incorporated in the Republic of Singapore)

Minutes of the Nineteenth Annual General Meeting (hereinafter referred to as the “AGM” or the “Meeting”) of DBS Group Holdings Ltd ( hereinafter referred to as “the “Company”; where reference is made to the Company and its consolidated subsidiaries, the term “DBS” is used) held at Marina Bay Sands Expo and Convention Centre, Level 5, Sands Grand Ballroom, 10 Bayfront Avenue, Singapore 018956 on Wednesday, 25 April 2018 at 2.00 pm.

<b>Present:</b>		
<p><b><u>Board of Directors</u></b> Mr Peter Seah (Chairman) Mr Piyush Gupta Dr Bart Broadman Ms Euleen Goh Mr Ho Tian Yee Mr Nihal Kaviratne CBE Mr Olivier Lim Mrs Ow Foong Pheng Mr Andre Sekulic Mr Danny Teoh</p> <p><b><u>By Invitation:</u></b> Dr Bonghan Cho (Director-designate)</p>	<p><b><u>Group Executive Committee</u></b> Mrs Chng Sok Hui Ms Tan Su Shan Mr Andrew Ng</p> <p><b><u>Company Secretaries</u></b> Mr Goh Peng Fong Ms Teoh Chia-Yin Ms Khuza Suparto</p>	<p><b><u>Auditor</u></b> PricewaterhouseCoopers: Mr Melvin Poon Ms Karen Loon</p> <p><b><u>Independent Scrutineer</u></b> Tricor Evatthouse Corporate Services</p>

AGM/1/2018    Quorum

- (1) A quorum being present, the Chairman called the AGM to order.

AGM/2/2018    Notice of Meeting

- (2) With the consent of the Meeting, the notice convening the AGM (“Notice”) was taken as read.
- (3) The Chairman introduced the Board of Directors and the Group Secretary. In addition, the Chairman welcomed Dr Bonghan Cho, who will be appointed as a Director of the Company with effect from 26 April 2018. The announcement on the appointment of Dr Cho as an Independent Director was released on 24 April 2018.
- (4) On behalf of the Company, the Chairman thanked Dr Bart Broadman, who will be retiring at the conclusion of the AGM, for his unwavering commitment and invaluable contributions. The announcement on the cessation of Dr Broadman's services as a Director was released on 28 March 2018.
- (5) The Chairman invited the Group Secretary to explain the poll voting process. Poll voting was conducted via an electronic voting system.
- (6) The Chairman informed the Meeting that as some shareholders have appointed him as their proxy to vote on their behalf, he shall

be voting "For" and/or "Against" certain motions to be voted on at this AGM according to such shareholders' instructions and, as Chairman of the meeting and proxy, he will be proposing most of the resolutions.

- (7) The Chairman invited shareholders to raise questions before each resolution was put to vote by way of poll.

## Ordinary Business

AGM/3/2018

### Resolution 1 – Directors' Statement and Audited Financial Statements for the year ended 31 December 2017 ("FY2017") and the Auditors' Report

- (8) Before proceeding with this resolution, the Chairman invited the Chief Executive Officer ("CEO"), Mr Piyush Gupta, to present DBS' financial results and strategy.
- (9) Mr Gupta outlined how DBS had performed against the scorecard priorities, as well as its 2017 financial performance. DBS' record performance in 2017 despite weaker trading income and lower Net Interest Margin ("NIM") underscores the quality of the Bank's customer franchise.
- (10) Mr Gupta briefed the meeting on DBS' priorities in 2017 as set out in the balanced scorecard, which is used to measure how successfully DBS is serving multiple stakeholders and driving the execution of the Bank's long-term strategy. The scorecard includes both traditional key performance indicators ("KPI"), "Making Banking Joyful" KPIs as well as specific areas of focus. Mr Gupta elaborated on the key elements of DBS' digital transformation agenda, the Bank's efforts towards capturing value created from digitalisation, various initiatives on re-imagining customer and employee experiences as well as creating a start-up culture.
- (11) Mr Gupta highlighted DBS' commitment to strong corporate governance and the Bank's sustainability agenda. Mr Gupta shared that in addition to being recognised as the World's Best Digital Bank at Euromoney Awards for Excellence in 2016, DBS was labelled by Euromoney as "the top of the digital class" in 2017.
- (12) Mr Gupta concluded his presentation by highlighting DBS' dividend policy which is to pay sustainable dividends while maintaining capital ratios consistent with regulations and the expectations of rating agencies, investors and other stakeholders.
- (13) Responding to a shareholder who mentioned that some charities may be "fake" and the Bank should be wary of them when making charity donations, the Chairman said that he welcomed the feedback and invited the shareholder to provide more information to Management after the Meeting.
- (14) Mr Gupta went on to provide a detailed explanation to address another shareholder's question on the impact of Federal funds

rate hikes on the Singapore Interbank Offered Rate (“SIBOR”). In summary, while SIBOR will rise when there is a Federal funds rate hike, the rate which it increases is dependent on other factors such as the strength of the Singapore dollar. In general, when SIBOR rates go up, there is a positive impact on the Bank’s earnings.

- (15) Responding to that shareholder’s question on DBS’ strategy in view of the current macroeconomic situation, Mr Gupta shared that while the global and regional outlook is rather positive, there are a couple of uncertainties to look out for. For example, a trade war between Donald Trump’s administration and China may have adverse effects on the global supply chain. Secondly, Mr Gupta referred to the shareholder’s earlier comment on the Federal funds rate hikes and added that a sharp increase in rates will put pressure on companies which need to borrow money.
- (16) Responding to that shareholder’s question on how the new Financial Reporting Standards (“FRS”) requirements on provisions will affect DBS, Mr Gupta explained that while most banks around the world may have to set aside more provisions, DBS on the other hand, had set aside a much higher level of provisions compared to the new requirements. Hence, this was one of the contributing factors that allowed DBS to accelerate recognition of exposures in the Oil and Gas support service sector in 2017.
- (17) A shareholder commended DBS’ stellar performance and the proposed special dividend payout for FY2017. The shareholder said that he attended the annual general meeting of another local bank and noted that it had incurred significant expenses (approximately \$1.2b) on technology architecture and regulatory compliance in 2017. The shareholder wanted to find out more on DBS’ technology expenditures, and how the Bank allocates and measures its return of investments. Mr Gupta shared that DBS’ approach on the technology piece is to look at the Bank’s overall improvement in returns as opposed to single investments. While DBS had spent slightly lesser on technology related expenses in 2017 (approximately \$1 to \$1.1b) compared to the aforementioned local bank, Mr Gupta emphasized that the Bank has spent approximately \$1b every year for the last 7 to 8 years to support its digital transformation journey. In the beginning, 75% was spent on building the technology infrastructure and 25% was spent on digital transformation. In 2017, the split was 50-50. DBS has been able to change its technology architecture and the cost of running the Bank is coming down. Mr Gupta said that DBS’ share of technology expenses is relatively higher than most companies out there. Mr Gupta elaborated that technology is imperative in today’s world, and to be a truly digital bank, DBS must be willing to embrace technology and drive change to achieve customer outcomes and cost efficiency.
- (18) Mr Gupta addressed that shareholder’s question on competition from fintechs. Mr Gupta shared that as customer acquisition tends to be difficult for small fintechs, most of them will end up collaborating with DBS instead of posing a big threat to its business. On the other hand, technology giants such as AliBaba,

TenCent, Amazon and Google are a bigger challenge. Nevertheless, when they come to South-east Asia, DBS is quite competitive. For example, in the transfer of money, DBS can do it in three seconds across 11 markets.

- (19) Mr Gupta went on to respond to another shareholder's question on blockchain (which is largely similar to a question he had addressed in detail at the Bank's AGM held in 2017). In summary, Mr Gupta shared that while blockchain is a powerful idea, it is also very expensive and currently there is no single protocol. Having said that, recognising that there are benefits to be reaped, DBS is experimenting with blockchain.
- (20) In response to that shareholder's question on the implication of a trade war, Mr Gupta shared that based on current position whereby isolated tariffs are being imposed on certain areas, the impact on the Bank is likely to be minimal. However, if the situation culminates to a full-on trade war such that the entire global supply chain is disrupted, then DBS will inevitably be affected as Singapore is a trading country and trade is an important part of the Bank's business.
- (21) Another shareholder commended DBS on achieving a higher market share of the credit card business. He added that more could be done to improve the Bank's processes. For example, he questioned why he must submit certain documents to the Bank by mail when he lives close to a branch, and prefers to do so in person. The shareholder also questioned why despite being a customer for 30 years, his credit limit was recently reduced by the Bank after providing his updated income statement. He said that another local bank was able to provide a credit limit increase after he provided the same documents. The Chairman welcomed the feedback and invited the shareholder to provide more information to Management after the Meeting. Mr Gupta added that there are various channels for customers and members of the public to reach out to the Bank. For example, there is a dedicated page on DBS' website where customers can submit their feedback. Customers can also contact the Bank's Investor Relations team via their e-mail address which is provided on DBS' website and its Annual Report. Mr Gupta highlighted that he runs a customer feedback committee in the Bank which meets quarterly and through this forum, senior management has purview of all the complaints and feedback received.
- (22) Another shareholder congratulated DBS for the strong performance in 2017. Responding to that shareholder's comments on the increase of Non-Performing Loans ("NPL") from 1.4% in 2016 to 1.7% last year, Mr Gupta highlighted that in view of the structural challenges in the Oil and Gas support service sector, the Bank accelerated the recognition of its residual weak cases as NPLs. The Bank also took a conservative stance of recognising NPLs that were current or fewer than 90 days overdue in the third quarter of 2017, minimising the risk of additional NPLs.
- (23) The shareholder also commented on the Bank's returns compared to its local competitors. On the shareholder's

comments on whether Return of Equity (“ROE”) of 13% is achievable, Mr Gupta said it is a doable target over time if the Bank’s overall underlying business performance, cost-to-income ratio, credit performance and capital management continues to improve. The Chairman echoed Mr Gupta’s sentiments, and added that the Bank looks to the continued support of its shareholders as it progresses.

- (24) Another shareholder commended DBS for its strong performance last year and noted the launch of digibank in India went relatively well. In response to that shareholder’s concern on the complexity of operating in India, firstly, Mr Gupta explained that to support the long-term growth of the Bank, it needs to have one or two major markets outside of Singapore. Hence, other than India, DBS also has ambition to grow in China and Indonesia. Mr Gupta acknowledged the shareholder’s comments and added that since he grew up in India and can speak its local language, hopefully it will be of some advantage. Even so, Mr Gupta said that he is aware of the complexities involved and the Bank takes appropriate steps to navigate them. On the Bank’s expansion plans in India, Mr Gupta elaborated that while a pure digital bank can be very cost effective, for DBS to have multiple franchises it must be equipped to meet the needs of various customers such as small and medium businesses as well as large corporates by having a physical presence and a distribution network.
- (25) Another shareholder thanked the Bank for the special dividend declared for FY2017. Responding to the shareholder’s question on the digital landscape in China and India, Mr Gupta responded that on the technology front, China is currently ahead of India, and Chinese technology companies such as AliBaba and TenCent have advanced capabilities. Given these factors, DBS decided to launch its digital expansion in India first instead of China, which is harder to penetrate. In China, the Bank’s strategy is to look for niche opportunities and it has been able to do so. With the launch of digibank in India and Indonesia, DBS can enter the main markets and grow its business.
- (26) Mr Gupta agreed with a shareholder’s observation that in the past, technology companies which also offer financial products or services had an advantage over banks as they were not subject to the same rigour of regulatory scrutiny. However, this has started to change as regulators are putting more focus on the activities of the technology companies. Responding to that shareholder’s question on how DBS can compete with technology companies, Mr Gupta shared that Banks have its own unique strengths such as liquidity management know-how and vast experience in dealing with market and credit risks as well as familiarity with clearing and settlement systems around the world. To capitalise on these strengths, the Bank is learning from technology companies on how to be as nimble on the technology front.
- (27) A shareholder said that due to frequent changes of relationship managers (“RM”), she was unable to get hold of her RM and could not do a foreign exchange trade in time for the rate she wanted. The shareholder added that in the past, the Bank’s counter staff

used to greet her with a smile, but she felt that the new counter staff were not as friendly. The shareholder also said she noticed more foreign counter staff recently. The Chairman said that a majority of the DBS counter staff are locals. On staffing, DBS also face turnover issues from time to time, as does the industry. The Chairman thanked the shareholder for the comments and invited her to provide more information to Management after the meeting.

- (28) Another shareholder said that the chief executive of a global bank headquartered in the US had announced that the said bank is able to achieve ROE of 17%, and asked if DBS can also achieve the said targeted returns. In response, Mr Gupta said that generally, US banks have higher ROEs because they enjoy higher NIM of over 3% while banks in Singapore and Asia get around half of that, or 1.7% to 1.8%. Mr Gupta also explained that while NIM is a big driver of returns, the higher capital requirement of Asian and Singapore banks is another key factor.
- (29) Responding to another shareholder's comment on higher returns of Australian banks because they have a higher loan to deposit ratio ("LDR") of 120%, Mr Gupta pointed out that in addition to having a much higher NIM compared to local banks, Australian banks are also reliant on wholesale funding. On the other hand, the Bank is of the view that its LDR of approximately 90% is appropriate in view of stringent regulatory requirements on liquidity, amongst other factors.
- (30) Another shareholder asked whether the Bank's customer acquisition costs has come down in view of its digital expansion. Mr Gupta said that while he does not have the exact numbers at hand, he is able to share that for digibank in India for example, the acquisition cost per customer has reduced from approximately \$70 to under \$20. Responding to that shareholder's question on whether DBS has plans for another acquisition like ANZ which is rather successful for the Bank, Mr Gupta highlighted that DBS is focused on digital expansion as an alternative to inorganic expansion and this will continue to be the Bank's strategy in the short and medium term.
- (31) There being no further questions or comments, Chairman put the motion to vote by poll.
- (32) The result of the poll on this motion was as follows:
- Votes FOR the resolution: 1,800,024,257 votes or 99.93%.
  - Votes AGAINST the resolution: 1,242,950 votes or 0.07%.
- (33) The Chairman declared the resolution carried.
- (34) RESOLVED THAT the Directors' Statement and Audited Financial Statements for FY2017 and the Auditors Report, be received and adopted.

AGM/4/2018

Resolution 2 - Declaration of Final Dividend and Special Dividend on Ordinary Shares

- (35) There being no questions or comments, the Chairman put the motion to vote by poll.
- (36) The result of the poll on this motion was as follows:
- Votes FOR the resolution: 1,801,577,198 votes or 99.99%.
  - Votes AGAINST the resolution: 170,011 votes or 0.01%.
- (37) The Chairman declared the resolution carried.
- (38) RESOLVED THAT a one-tier tax-exempt final dividend of 60 cents per ordinary share and a one-tier tax exempt special dividend of 50 cents per ordinary share be declared for FY2017.

AGM/5/2018

Resolution 3 - Approval of Directors' remuneration of \$3,637,702 for FY2017

- (39) In response to a shareholder's question on how the CEO's compensation is determined, the Chairman highlighted that there are rigorous processes put in place to determine the CEO's compensation such as peer comparison and industry benchmarking against local and global companies including banks and other institutions. The CEO's compensation is reviewed by the Compensation and Management Development Committee which provides its recommendations to the Board. Before making its decision, the Board members meet to have a robust discussion on the CEO's performance which is measured not only based on financials but qualitative factors such as the Bank's balanced scorecard is also considered. The Chairman highlighted that in line with DBS' remuneration strategy, a substantial portion of the CEO's compensation is deferred in shares over four years. The Chairman added that this approach is not commonly practiced.
- (40) There being no further questions or comments, the Chairman called for a proposer for Resolution 3 as it relates to the Directors' remuneration. The Chairman highlighted that Non-executive Directors who are also shareholders would abstain from voting on this resolution.
- (41) A shareholder proposed Resolution 3. Thereafter, the Chairman put the motion to vote by poll.
- (42) The result of the poll on this motion was as follows:
- Votes FOR the resolution: 1,711,885,700 votes or 95.08%.
  - Votes AGAINST the resolution: 88,676,821 votes or 4.92%.
- (43) The Chairman declared the resolution carried.
- (44) RESOLVED THAT the amount of \$3,637,702 as Directors' remuneration for FY2017 be approved.

AGM/6/2018

Resolution 4 - Re-appointment of PricewaterhouseCoopers LLP as Auditor of the Company and authorisation for Directors to fix its remuneration

- (45) There being no questions or comments, the Chairman put the motion to vote by poll.
- (46) The result of the poll on this motion was as follows:
- Votes FOR the resolution: 1,795,494,138 votes or 99.72%.
  - Votes AGAINST the resolution: 5,049,666 votes or 0.28%.
- (47) The Chairman declared the resolution carried.
- (48) RESOLVED THAT PricewaterhouseCoopers be re-appointed as Auditor of the Company and that the Directors be authorised to fix its remuneration.

AGM/7/2018

Resolution 5 - Re-election of Mr Peter Seah Lim Huat as a Director retiring under Article 99

- (49) The Chairman informed the Meeting that all directors who were standing for re-election at the Meeting, would abstain from voting on their respective re-elections.
- (50) Mr Peter Seah handed over the Chair to Ms Euleen Goh as the proceedings for Resolution 5 relates to his own re-election.
- (51) Ms Euleen Goh conducted the proceedings for Resolution 5.
- (52) There being no questions or comments, the Chairman put the motion to vote by poll.
- (53) The result of the poll on this motion was as follows:
- Votes FOR the resolution: 1,786,905,091 votes or 99.33%.
  - Votes AGAINST the resolution: 12,017,410 votes or 0.67%.
- (54) The Chairman declared the resolution carried.
- (55) Ms Euleen Goh handed the Chair back to Mr Peter Seah.
- (56) RESOLVED THAT Mr Peter Seah be re-elected as Director of the Company.

AGM/8/2018

Resolution 6 - Re-election of Mr Piyush Gupta as a Director retiring under Article 99

- (57) There being no questions or comments, the motion was put to vote by poll.
- (58) The result of the poll on this motion was as follows:
- Votes FOR the resolution: 1,795,231,543 votes or 99.79%.



- Votes AGAINST the resolution: 3,692,378 votes or 0.21%.

- (59) The Chairman declared the resolution carried.
- (60) RESOLVED THAT Mr Piyush Gupta be re-elected as a Director of the Company.

AGM/9/2018

Resolution 7 - Re-election of Mr Andre Sekulic as a Director retiring under Article 99

- (61) There being no questions or comments, the motion was put to vote by poll.
- (62) The result of the poll on this motion was as follows:
- Votes FOR the resolution: 1,796,438,617 votes or 99.86%.
  - Votes AGAINST the resolution: 2,557,140 votes or 0.14%.
- (63) The Chairman declared the resolution carried.
- (64) RESOLVED THAT Mr Andre Sekulic be re-elected as a Director of the Company.

AGM/10/2018

Resolution 8 - Re-election of Mr Olivier Lim Tse Ghow as a Director retiring under Article 105

- (65) There being no questions or comments, the Chairman put the motion to vote by poll.
- (66) The result of the poll on this motion was as follows.
- Votes FOR the resolution: 1,791,965,948 votes or 99.6%.
  - Votes AGAINST the resolution: 7,171,796 votes or 0.4%.
- (67) The Chairman declared the resolution carried.
- (68) RESOLVED THAT Mr Olivier Lim Tse Ghow be re-elected as a Director of the Company.

**Special Business**

AGM/11/2018

Resolution 9 - Authority to grant awards and issue shares under the DBSH Share Plan

- (69) The Chairman informed the Meeting that all Directors of the Company would abstain from voting on Resolution 9 relating to the authority to grant awards and issue shares under the DBSH Share Plan.
- (70) There being no questions or comments, the Chairman put the motion to vote by poll.
- (71) The result of the poll on this motion was as follows:

- Votes FOR the resolution: 1,717,270,674 votes or 95.41%.
- Votes AGAINST the resolution: 82,549,297 votes or 4.59%.

(72) The Chairman declared the resolution carried.

(73) RESOLVED THAT authority be given to the Directors to grant awards and issue shares under the DBSH Share Plan, AND THAT the resolution as set out in the Notice be approved.

AGM/12/2018

Resolution 10 - General authority to issue shares and to make or grant convertible instruments subject to limits

(74) There being no questions or comments, the Chairman put the motion to vote by poll.

(75) The result of the poll on this motion was as follows:

- Votes FOR the resolution: 1,584,997,274 votes or 88%.
- Votes AGAINST the resolution: 216,050,125 votes or 12%.

(76) The Chairman declared the resolution carried.

(77) RESOLVED THAT the resolution granting authority to the Directors to issue shares and to make or grant convertible instruments subject to limits, as set out in the Notice be approved.

AGM/13/2018

Resolution 11 - Authority to issue shares pursuant to the DBSH Scrip Dividend Scheme

(78) There being no questions or comments, the Chairman put the motion to vote by poll.

(79) The result of the poll on this motion was as follows:

- Votes FOR the resolution: 1,794,780,770 votes or 99.67%.
- Votes AGAINST the resolution: 5,884,139 votes or 0.33%.

(80) The Chairman declared the resolution carried.

(81) RESOLVED THAT authority be and is hereby given to the Directors of the Company to allot and issue from time to time such number of new ordinary shares of the Company as may be required to be allotted and issued pursuant to the DBSH Scrip Dividend Scheme.

AGM/14/2018

Resolution 12 – Renewal of the Share Purchase Mandate

(82) There being no questions or comments, the Chairman put the motion to vote by poll.

(83) The result on the poll on this motion was as follows:

- Votes FOR the resolution: 1,799,491,607 votes or 99.92%.

- Votes AGAINST the resolution: 1,529,916 votes or 0.08%.

(84) The Chairman declared the resolution carried.

(85) RESOLVED THAT the resolution to renew the Share Purchase Mandate, as set out in the Notice and the Letter to Shareholders dated 28 March 2018, be approved.

AGM/15/2018

Closure

(86) There being no other business, Chairman thanked shareholders for their attendance and closed the meeting at 3.45 p.m.

Approved by:

Peter Seah  
Chairman  
DBS Group Holdings Ltd