Live more, Bank less

DBS Bank
Our Approach to Responsible Financing

March 2025

Contents

1 Introduction

Guided by our vision to be the "Best Bank for a Better World", DBS seeks to create long-term value for stakeholders in a sustainable way. Environmental and social factors are woven into the fabric of our business across three pillars: **Responsible Banking, Responsible Business Practices and Impact Beyond Banking.**

Responsible Banking

We seek to empower our clients to being more sustainable and to promote greater access to essential financial services. As part of this, we are partnering with our clients to support Asia's just transition to a low-carbon economy, integrating sustainability into financing solutions and investment opportunities, and democratising banking services to meet customers' specific needs.

Responsible Business Practices

We believe in doing the right thing by our people, building a great corporate culture and embedding environmental and social considerations in our business operations.

Impact Beyond Banking

We create impact beyond banking by uplifting the lives and livelihoods of vulnerable communities through the DBS Foundation, the DBS People of Purpose employee volunteer movement and philanthropic initiatives.

At DBS, the largest impact we create is through our lending and financing activities. We are committed to Responsible Banking practices by integrating sustainability into our risk management as well as the lending and financing solutions we offer our clients.

Within the pillar of **Responsible Banking,** we established a framework for responsible financing which focuses on how DBS assesses and manages ESG matters[1] in relation to our lending and financing activities. The objective is to manage potential credit and/or reputational risks associated with our lending and financing activities and promote international and industry ESG best practices.

The Group Responsible Financing Standard provides for this overarching framework and sets forth the principles of systematic ESG risk assessment and forms an integral part of our credit risk assessment process governed by the Group Core Credit Risk Policy. The Group Responsible Financing Standard aims to ensure alignment between our climate strategy and approach to responsible financing and credit risk management.

1.1 Scope

The scope of Our Approach to Responsible Financing applies to all corporate lending and advisory activities and capital market products and services (collectively "In Scope Activities") within DBS and its banking subsidiaries (herein referred to as the "Bank", "Group" or "DBS"). It is applied in conjunction with:

- Internal DBS Policies, Standards and Guides such as the Group Responsible Financing Standard (GRFS), Group Core Credit Risk Policy (GCCRP), Industry-specific Responsible Financing Sector Guides, Equator Principles Implementation Guide.
- The DBS IBG Sustainable Finance and Taxonomy Framework ;
- The DBS IBG Transition Finance Framework; and

[1] The ESG matters here primarily focus on environmental and social issues, and governance of these environmental and social issues. Governance related risks relating to our clients are assessed as part of credit processes and therefore, all aspects of responsible financing are embedded into our credit decisioning.

- Our Path to Net Zero[2], which sets out the Bank's science-based decarbonisation targets for our lending and financing activities.

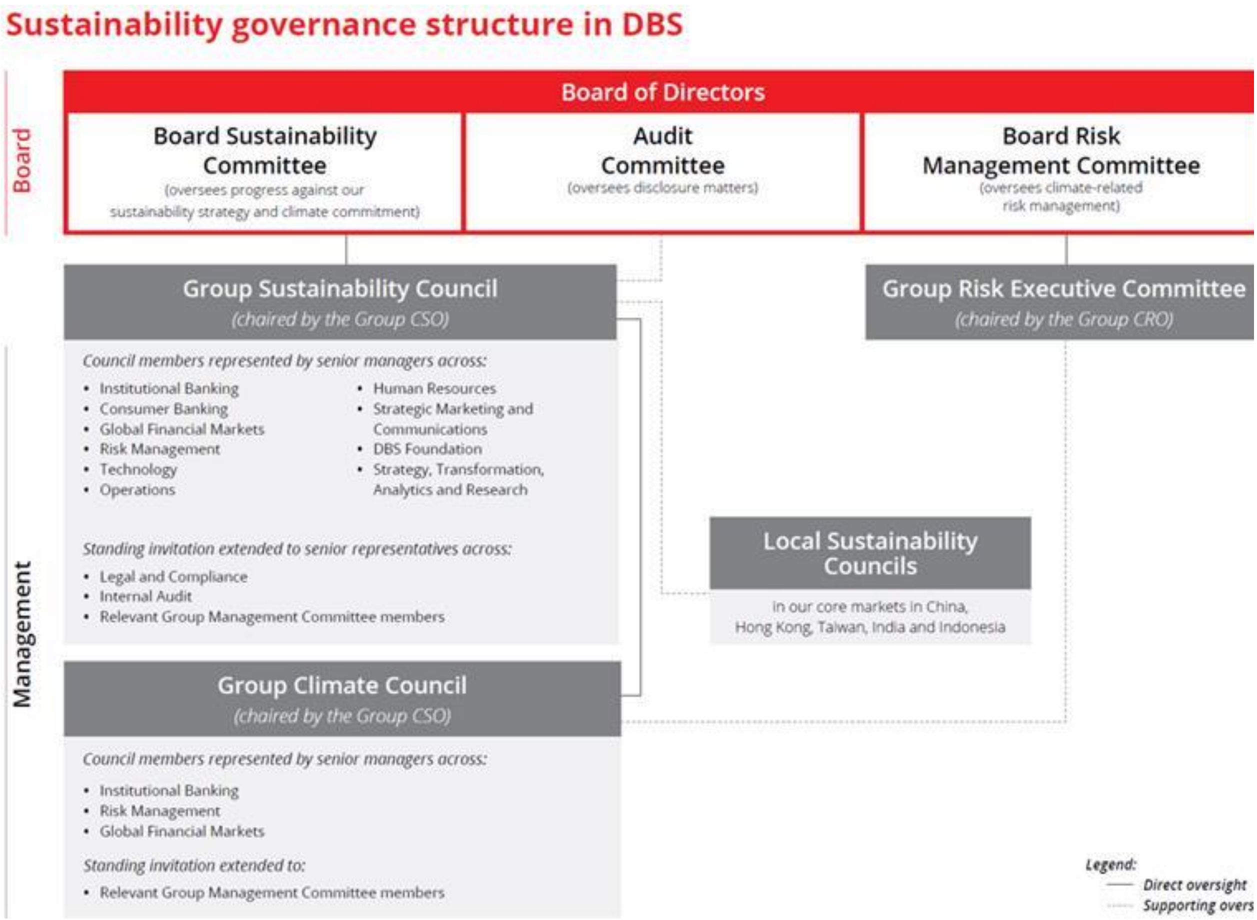
Our Approach to Responsible Financing was first published in January 2017 and shall be reviewed every two years (or sooner if needed).

1.2 Our Governance Structure

Effective governance and board oversight is crucial to ensure business resilience and drive long-term value creation. At DBS, the Board is collectively responsible for the long-term success of the bank and has ultimate responsibility of our sustainability strategy and reporting. It provides constructive challenge and strategic advice to management. The Board Sustainability Committee (BSC) supports DBS' vision to be the "Best Bank for a Better World", which underpins our efforts in empowering our own businesses as well as our clients in their transition towards a more sustainable future.

At the management level, the Group Sustainability Council (GSC) oversees the execution of sustainability initiatives across the bank. The GSC is chaired by the Group CSO and comprises of senior managers from various business and support units.

The GSC is supported by the Group Climate Council (GCC), a new sub-committee to GSC which operationalises our climate agenda, including net zero commitments, risk management and reporting. Its members comprise representatives from key units across Institutional Banking Group, Risk Management Group, Global Financial Markets and Chief Sustainability Office. The GCC's primary responsibility is to institutionalise an effective and efficient forum on all climate-related matters.



[2] https://www.dbs.com.sg/documents/1038650/382494047/Our+path+to+net+zero+full+report.pdf/14a2f05d-8fb9-7097-d463-6148a3bd8667?t=1663025537770

At a counterparty or transaction level, our frontline businesses act as our **first line of defence** and are responsible for identifying and completing relevant ESG risk assessments. Within our frontline business, the IBG Sustainability team is responsible to support relationship managers, among others by providing advisory on transactional ESG risks, and supporting sustainable finance opportunities.

The Risk Management Group ('RMG') is responsible for the overall **second line of defence.** Within RMG, the ESG Credit Risk team provides enhanced oversight and challenge for clients or transactions with elevated ESG risks to ensure business activities are conducted in compliance with Group's standards. Please refer to the ESG risk assessment process flow as shown on page 6 for more details on the roles and responsibilities of the different teams.

DBS Group Audit represents our **third line of defence** and provides independent testing and assurance of the effectiveness of controls and processes maintained by the first and second lines.

1.3 Our Principles

Our Approach to Responsible Financing is guided by the Bank's principles which include:

- The integration of ESG considerations into our decision-making process to avoid or mitigate material negative environmental and social impacts;
- The promotion of awareness and implementation of international ESG standards and best practices; and
- The aim to minimise and mitigate negative environmental and social risks arising from our lending and financing activities.

To uphold the above principles, we commit to:

- Assess, manage and monitor material ESG issues and risks arising from our lending and financing activities;
- Identify and understand high-impact sectors within our portfolio, and apply appropriate additional levels of due-diligence;
- Adhere to the voluntary standards and principles we have committed to uphold;
- Encourage our customers to establish ESG policies that align with international standards and best practices; and
- Build capacity of ESG knowledge amongst our staff.

ESG-related Prohibited Activities

In addition to the above principles, we will not knowingly finance the following activities:

- Deforestation of High Carbon Stock (HCS) and High Conservation Value (HCV) forests;
- Illegal logging;
- Land clearance by burning;
- Human rights violations, including forced or child labour;
- Violation of rights amongst local communities or activities that operate in locations of significant social conflicts;

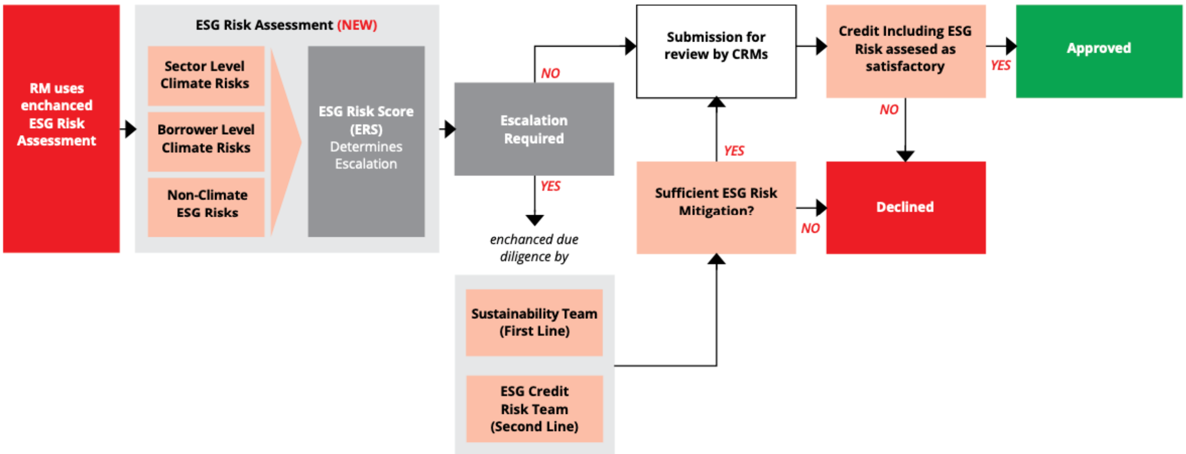
- Production and movement of weapons whose normal use violates basic humanitarian principles, and this includes anti-personnel mines, cluster munitions and weapons of mass destruction (WMD)[3];
- Trading (wholesale or retail) wildlife or wildlife products in violation of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES);
- Shark finning, trading (wholesale or retail) or serving shark fin at eateries, and deriving material revenue from such activities;
- Adverse effects on UNESCO World Heritage Sites, national or international protected areas; and
- Pure play thermal coal borrowers, except for their non-thermal coal activities or for the purpose of decarbonising such thermal coal portfolios through credible transition plans, such as for the purpose of accelerated retirement of thermal coal power plants[4] and portfolio diversification.

ESG Risk Assessment

The Bank's ESG risk assessment approach is fully integrated into our overall credit approval process, and is centred around the need to ensure that ESG issues, including climate risks and their potential impacts are considered in our lending and financing activities.

The ESG risk assessment for the Bank's customers is designed to allow an overall understanding and assessment of the counterparty's commitment, capacity and ability to manage ESG issues such as climate (physical and transition) risks associated with its business activities. The Bank, considers, among others, the counterparty's alignment with DBS' decarbonisation targets and assesses whether the counterparty's activities vis-a-vis climate and broader ESG matters could lead to credit and / or reputational risk to DBS.

An illustration of the process flow of our ESG risk assessments within our credit approval process:



An ESG risk assessment is conducted when credit applications are put up for new and existing customers, during credit reviews, when there have been negative ESG news or reports about the customer as well as for Equity Capital Market (ECM) and Debt Capital Market (DCM) transactions. The outcome from the ESG risk assessment provides guidance on whether -relevant approvals are required from the ESG Credit team and/ or the IBG Sustainability team a, before the proposal can be further processes to the appropriate credit risk manager for approval.

[3] WMD are nuclear, radiological, chemical, biological or other weapons that can kill and bring significant harm to a large number of humans or cause great damage to human-made structures (e.g. buildings), natural structures (e.g. mountains), or the biosphere.

[4] https://www.dbs.com/sustainability/responsible-banking/responsible-financing/our-approach-to-phase-out-thermal-coal-financing

Where we identify significant issues, additional due diligence is required. This may entail site visits, independent reviews or certification requirements. If any customer is suspected to be involved in undesirable ESG practices, we will promptly engage the customer. If the customer is unable or unwilling to take steps to adequately mitigate the identified risks, the Bank may decline the transaction and further reassess the banking relationship. We recognise that legacy issues may arise from business entered into force before the implementation of our ESG standards. While we will honour existing contractual commitments, there will be no expansion, revolving or renewal of these engagements.

Equator Principles (EP) Implementation

EP is a risk management framework adopted voluntarily by financial institutions to determine, assess, and manage the environmental and social risks associated with financing new projects and material expansions of existing projects globally. DBS has been a signatory to the EP since November 2019, the first bank headquartered in Southeast Asia to adopt EP. We continue to uphold EP and fulfil the commitment to report annually.

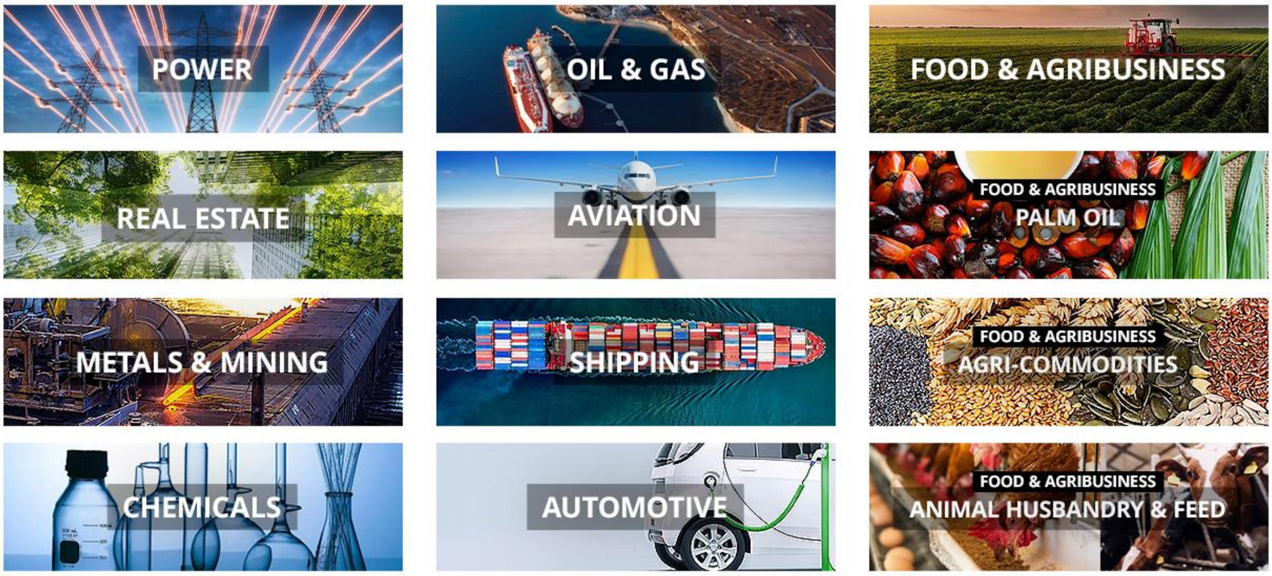
Sustainability-related Reporting

Periodic reporting of relevant and material ESG trends and metrics is made to both internal and external stakeholders. Internal stakeholders include the Board Sustainability Committee (BSC) and the Group Credit Risk Committee (GCRC). Sustainability-related communication to external stakeholders is made, among others, through our annual sustainability report[5].

[5] https://www.dbs.com/sustainability/reports-and-disclosures/sustainability-report

2 Sector Guides

Specific Sector Guides are established as a complement to our Group Responsible Financing Standard. These guides take into consideration our strategy and level of exposure to a sector. The Bank recognises that responsible financing is an evolving agenda, and to achieve maximum impact, we have prioritised the development of **general ESG requirements for all sectors and sector guides for nine priority sectors**:



DBS is committed to promote awareness amongst our clients on industry best practices and encouraging adherence to international standards. We acknowledge that these standards and best practices have varying levels of adoption in different jurisdictions and that our clients, on occasion, may encounter adoption and implementation challenges. We will work with our clients, industry practitioners and the wider ecoystem to promote these best practices and monitor emerging trends. These Sector Guides refer to certification schemes, international best practices and conventions such as the IFC Performance Standards, World Bank Environmental, Health and Safety Guidelines, International Labour Organization Conventions and Recommendations, International Council on Mining and Metals principles and position statements, Roundtable on Sustainable Palm Oil (RSPO) Principles and Criteria, The Stockholm and Rotterdam Convention for Chemicals, UNESCO World Heritage Convention and the Association of Banks in Singapore's (ABS) Haze Diagnostics Kit.

Each Sector Guide is supplemented by a sector specific ESG risk assessment template, which provides relatoinship managers and credit risk managers with a structured approach to assess risks as part of their overall financing decision.

The sector guides are reviewed regularly. The standards for specific sectors are outlined in this document.

2.1 General ESG Requirements for All Sectors

We acknowledge that ESG standards and best practices have varying levels of adoption in different jurisdictions and that our clients, on occasion, may encounter adoption and implementation challenges. We will work with our clients, industry practitioners and organisations to promote industry-recognised and internationally recognised ESG best practices and monitor emerging ESG-related trends.

From an ESG risk management perspective, we will not knowingly finance activities or projects in deliberate violation of local or national laws or are involved in operations which entail significant expansion or greenfield development without conducting an environmental and social impact assessment. Moreover, where material ESG risk is anticipated or warranted, DBS will evaluate clients in greater depth from an ESG perspective if their operations potentially involve (but not limited to):

- Any ESG-related prohibited activity;
- Significant expansion or greenfield development without conducting an environmental and social impact assessment;
- Large scale resettlement, or adverse impacts on indigenous peoples; and/or
- Impacts to critical habitat and biodiversity.
- Adversely impact UNESCO World Heritage Sites, national or international protected areas; and/or
- Human rights violations, including forced or child labour;

If any company is suspected of, or if there are credible allegations of material and adverse ESG practices, we will engage the client concerned to take immediate remedial measures or determine whether or not to continue the transaction.

2.2 Power & Utilities

Power & Utilities refers to the construction, operation and decommissioning of conventional power plants (coal & gas) and renewable energy projects (wind, solar, geothermal, hydro, waste-to-energy, biomass/biofuels), the manufacturing of power equipment, energy storage solution providers and the construction and operation of power and utilities transmission and distribution networks.

We will not knowingly finance activities or projects in deliberate violation of local or national laws.

In addition, DBS has also made a public commitment through Our Approach to Phase Out Thermal Coal Financing and is committed to the following:

- Not finance pure play thermal coal borrowers, except for their non-thermal coal activities or for the purpose of decarbonising such thermal coal portfolios through credible transition plans, such as for the purpose of accelerated retirement of thermal coal power plants[6];
- Zero thermal coal exposure by 2039; and
- The Bank shall:
  - Cease onboarding of new clients[7] who derive more than 25% of revenue from thermal coal, the threshold will be lowered as time progresses;
  - From January 2026, stop financing clients who derive more than 50% of revenue from thermal coal, except for their non-thermal coal or renewable energy activities. These will be reflected in legally binding documentation. We will stop general purpose financing which can be fungible, and threshold will be lowered as time progresses;

[6] For details on our thermal coal financing and energy transition commitments, refer to Our Approach to Phase Out Thermal Coal Financing.

[7] Onboarding is defined as any new financing to a non-borrowing entity.

- In addition to our internal sustainable and transition finance frameworks, we will also leverage other relevant regional and market taxonomies, such as the Singapore-Asia Taxonomy and the ASEAN Taxonomy 2.0 amongst others, to achieve meaningful decarbonisation in sectors which remain reliant on thermal coal. This will be conducted through engagements with customers to establish their transition strategies, and the incorporation of greenhouse gas reduction target in all applicable sustainability linked loan structures and
- Disclose our thermal coal exposure annually in our sustainability report to provide transparency on progress.

2.3 Real Estate

The Real Estate sector guide apply to the acquisition of land for the purposes of building and construction of residential, retail, office, industrial and logistics, hospitality and mixed (combination of the above five categories) and special public use buildings. It also includes hotels, real estate corporates that invest in and manage buildings as well as Real Estate Investment Trusts (REITs).

In addition to being subject to the ESG-related mandatory requirements outlined in our GCCRP and GRFS policies, we encourage our clients in the Real Estate sector to adopt industry-recognized best practices to enhance sustainability outcomes.

These best practices include implementing measures for energy efficiency and carbon reduction, such as using renewable energy sources, reducing carbon emissions, and aligning with globally recognized green building standards and certifications. Examples of these certifications include:

- LEED (US/International)
- BCA Green Mark (Singapore)
- Energy Star Certification for Buildings (US)
- BREEAM (UK)
- BEAM Plus (Hong Kong)
- China Three Star Green Building Evaluation Standard (China)
- IGBC Certification (India)
- EDGE Green Certification (International)
- CASBEE (Japan)
- NABERS (Australia)
- DGNB (Germany)
- G-SEED (Korea)

We also recommend the use of sustainable materials and resource-efficient practices, such as adopting low-carbon and zero-carbon materials, minimizing waste, promoting recycling, and conserving water resources. This includes leveraging certifications like the Singapore Green Building Product label or other recognised, green-certified products and services.

Although adopting such practices is not compulsory; by doing so, clients can contribute to a greener real estate ecosystem and align with evolving sustainability goals and regulatory expectations.

2.4 Metals & Mining

This sector guide applies to mine operators, refiners and smelters, mills and integrated players. While all players in the value chain can have negative impacts on the environment and communities, the companies involved directly in the extraction and the refinement of ores will have the most significant impact.

We will not knowingly finance activities or projects in deliberate violation of local or national laws, and will conduct enhanced due diligence on clients' activities that may involve:

- Large scale resettlement, or adverse impacts on indigenous peoples;
- Impacts to critical habitat and biodiversity;
- Violate rights of local communities or activities that operate in locations of significant social conflicts;
- Adversely impact UNESCO World Heritage Sites, national or international protected areas;
- Mining of conflict metals and minerals; and/or
- Artisanal mining operations.

In addition, DBS has also made a public commitment through Our Approach to Phase Out Thermal Coal Financing.

2.5 Chemicals

This sector guide applies to businesses which manufacture any type of chemicals including petrochemicals and specialty chemicals, but not chemical distributors and pharmaceutical players (manufacturers of drugs or active ingredients that go into drugs).

We will not knowingly finance activities or projects in deliberate violation of local or national and international laws, and will conduct enhanced due diligence on clients' activities that may involve:

- Manufacture of chemical weapons;
- Chemicals prohibited in Annex A of the Stockholm Convention, an international agreement on persistent organic pollutants (POPs);
- Chemicals listed in Annex III of the Rotterdam Convention, such as asbestos; or
- Transboundary movements, management and disposal of hazardous wastes and other wastes in contravention with the Basel Convention for Control of Transboundary Movements of Hazardous Wastes and their Disposal.

Clients are expected to have a corporate Environmental, Health & Safety Management System (EHSMS) in place. The EHSMS should be in line with international standards – for example, ISO:14001 and ISO:45001, have clear objectives and targets, and include documented procedures to mitigate, monitor and measure, on a regular basis, the environmental, human rights and health & safety impacts and risks of the business operations.

2.6 Oil & Gas

This sector guide applies to onshore and offshore exploration and production, trading, energy-related infrastructure, processing including refineries, and storage of products.

Clients within the scope of this Sector Guide for Oil & Gas Sector will be subject to our ESG-related mandatory requirements in GCCRP and GRFS (Group and country-specific, as applicable), whichever is stricter.

We will not knowingly finance activities/projects in deliberate violation of local or national laws, or have operations in:

- Frontier territories[8] which are remote areas with unconventional geology and harsh conditions and present technical challenges;
- Unconventional oil & gas exploration and production, e.g., shale resources, ultra deep-water; and/or
- Areas that impact heritage sites[9], sites which communities have customary use, or land claimed by indigenous people.

Clients will be evaluated in greater depth if their operations exhibit a lack of structured and documented Environmental, Health & Safety, and Social Management System which addresses effluent discharge, oil spill, methane leakage, occupational health and safety of workers, and community health & safety, amongst other ESG matters.

2.7 Aviation

This sector guide applies to airlines & leasing companies, aircraft and equipment manufacturers, airport operators/owners, maintenance, repair & overhaul, airport inflight catering, ground handling, gateway & airport security services.

For clients within the scope of this Sector Guide for Aviation, we will exercise our influence to motivate our clients in formulating and executing their decarbonisation strategies, as well as setting and achieving their near-term targets. For instance, near-term decarbonisation requires continued investment in improving fleet efficiency through re-fleeting and increasing the use of Sustainable Aviation Fuel (SAF), as well as the procurement of high-quality offsets.

2.8 Shipping

This sector guide applies to vessel owners / operators that own / charter in / operate vessels, port & terminal operators / landlords, shipyards, container box manufacturers & leasing companies, coastal vessel owners / operators.

We will not knowingly finance activities or projects in deliberate violation of national and international laws, and will conduct enhanced due diligence on clients' activities that:

[8] Frontier territories include the Amazon Basin, the Arctic and tar sands.

[9] Heritage sites encompass properties and sites of archaeological, historical, cultural, artistic, and religious significance. It also refers to unique environmental features and cultural knowledge, as well as intangible forms of culture embodying traditional lifestyles that should be preserved for current and future generations.

- Are not in compliance with international conventions and legislation applicable to them, e.g., the International Maritime Organisation (IMO) Conventions, the Maritime Labour Convention (2006) and the Memoranda of Understanding of Paris and Tokyo.
- Do not ensure their seafarers (including subcontracted ones) are provided with living wage, adequate accommodation, and safe working conditions.

For clients within the scope of this sector, we will collaborate with our clients to support their near-term decarbonisation efforts through the adoption of energy efficiency measures and encourage the adoption of lower emitting fuels.

2.9 Automotive

This sector guide applies to businesses across multiple parts of the automotive value chain, including automotive original equipment manufacturers (OEMs), distributors (both captive and multi-brand), captive automotive finance companies and upstream parts manufacturers, suppliers and logistics providers integrated into the automotive supply chain of the OEMs (both Electric Vehicles, or 'EV' and internal combustion engine, or "ICE").

In addition to meeting the ESG-related mandatory requirements outlined in our GCCRP and GRFS policies, we encourage our clients in the Automotive sector to consider incorporating practices that align with globally recognized sustainability standards to strengthen their long-term resilience and environmental stewardship. Such practices could include:

- Supporting Singapore's policies on Electric Vehicles (EVs) to promote cleaner transportation.
- Referring to the IEA Net Zero Emissions (NZE) framework for the transport sector as a guide for decarbonization.
- IFC Environmental, Health & Safety (EHS) Guidelines for General Manufacturing to enhance operational sustainability.
- Aligning with Drive Sustainability's initiatives for a more sustainable automotive value chain.
- Referencing EU directives on batteries and end-of-life vehicles to improve waste management practices.
- Supporting responsible material sourcing by referring to frameworks like the Responsible Minerals Initiative and Fair Cobalt Alliance, particularly for EV batteries.
- Utilising tools like the Worldwide Harmonised Light Vehicles Test Procedure (WLTP) standard to measure and reduce fuel consumption and CO2 emissions.

Adopting such practices is voluntary but can provide significant benefits by enhancing environmental performance, meeting evolving stakeholder expectations, and contributing to the broader sustainability agenda.

2.10 Food & Agri-Business

This sector guide applies to the entire value chain of Food & Agri-Business (F&A), which includes primary production of agricultural produce, food & beverage manufacturing, food & beverage distribution, retail, and services as well as trading.

Given the potentially higher environmental & social impact of specific sub-sectors, separate guidance is provided in this Sector Guide for:

- Agri-Commodities (excluding Palm Oil);
- Animal Husbandry & Feed; and
- Palm Oil.

a. **Agri-Commodities** (excluding Palm Oil)

This sector guide applies to businesses that cultivate and process agricultural products and commodities.

We will not knowingly finance agricultural commodity activities or projects in deliberate violation of local or national laws, or operations which:

- Do not demonstrate alignment with No Deforestation, No Peat, No Exploitation (NDPE);
- Involve illegal logging and/ or deforestation of High Carbon Stock (HCS) and High Conservation Value (HCV) forests;
- Impacts critical habitats and biodiversity;
- Fail to secure both the legal right and community support to use all the land involved. This can be achieved through a free, prior, informed, consent ("FPIC") process;
- Involve human rights violations, including forced or child labour within own operations or their supply chain.

We encourage our customers to align to, or adopt industry best practices, where applicable such as:

- IFC's Good Practice Handbook: Assessing and Managing Environmental and Social Risks in an Agro-Commodity Supply Chain[10];
- Soy: Round Table on Responsible Soy (RTRS)[11];
- Coffee, Cocoa, Fruits & Nuts: Rainforest Alliance[12], Fairtrade International[13];
- Sugar: Bonsucro[14];

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[10] IFC Good Practice Handbook: https://www.ifc.org/wps/wcm/connect/topics_ext_content/ifc_external_corporate_site/sustainability-at-ifc/publications/publications_handbook_agrosupplychains

[11] RTRS: https://responsiblesoy.org

[12] Rainforest Alliance: https://www.rainforest-alliance.org/for-business/2020-certification-program

[13] Fairtrade: https://www.fairtrade.net/standard

[14] Bonsucro: https://bonsucro.com/what-is-bonsucro

- Biofuels and bio-based feedstock: International Sustainability & Carbon Certification (ISCC)[15];
- Rice: Sustainable Rice Platform[16]

b. Animal Husbandry and Feed

This sector guide applies to upstream customers engaged in animal husbandry for poultry (chickens, ducks, turkey), bovine (cattle, buffalo, oxen), pigs, rabbits and other animals; poultry hatcheries management; dairy; and production of animal feed; midstream customers in processing and packaging operations; and vertically integrated entities involved in multiple aspects of the value chain.

For new lending relationships[17], we will only finance clients whose activities or projects:

- Commit to cage-free operations for poultry and egg production;
- Commit to stall-free housing for pigs and group housing for sows.

For all existing lending relationships, we encourage our customers to consider and adopt the following best practices:

- Installation of housing systems that consider animal welfare needs, protect them from physical harm, minimise psychological stress, and allow them to exhibit a degree of natural behaviour;
- Phasing out practices which violate the Five Freedoms[18] of cattle, poultry or pigs.

We encourage all our customers to align to, or adopt industry best practices, where applicable such as:

- IFC Performance Standards for the animal husbandry and animal feed sector for Mammalian Livestock Production, Meat Processing, Poultry Processing, Poultry Production, Dairy Processing, Food and Beverage Processing and Meat Processing;
- IFC's Good Practice Note in Improving Animal Welfare in Livestock Operations;
- Schemes such as GMP+FSA certification[19];
- Certified Humane by Humane Society International[20];
- Certified Animal Welfare Approved by AGW[21].

c. Palm Oil

[15] ISCC: https://www.iscc-system.org/certification

[16] SRP: https://sustainablerice.org

[17] This refers to newly onboarded clients and does not apply to new subsidiaries of an existing client.

The Five Freedoms include freedom from a) hunger or thirst, b) discomfort, c) from pain, injury or disease, d) to express normal behaviour and e) from fear and distress.

[19] GMP+FSA stands for Good Management Practices and Feed Safety Assurance, respectively.

[20] Certified Humane: https://certifiedhumane.org/our-standards.

[21] AGW: https://agreenerworld.org/certifications/animal-welfare-approved.

The palm oil sector guide applies to all palm oil plantations, mills, refiners, integrated players, processors and traders.

We will not knowingly finance activities or projects in deliberate violation of local or national laws, and will conduct enhanced due diligence on clients' activities that may:

- Do not demonstrate alignment with NDPE; or
- Fail to secure both the legal right and community support to use all the land involved. This can be achieved through a FPIC process.

As part of our public commitment on Palm Oil sector, we require the following:

- For all our lending relationships, clients to demonstrate alignment with NDPE policies. DBS recognises that NDPE commitments may pose a challenge to smallholders. We encourage clients to apply NDPE standards throughout the supply chain.
- Besides NDPE commitments, DBS also makes references to the Principles and Criteria under the Roundtable on Sustainable Palm Oil ("RSPO"). We request clients to achieve full RSPO certification within a timeframe and the time-bound action plan is communicated to DBS.
- Traders who trade primarily in fresh fruit bunches, crude palm oil, palm kernel oil and related palm-based products to work towards becoming RSPO members. Traders are encouraged to develop a process to ensure traceability of the palm oil they trade. This could be achieved through supplier selection based on environmental and social criteria.

We are aware that the supply chains for the palm oil industry are complex and multi-layered. Where we find an entity that may be in breach of the Bank's policies and standards and is under the sphere of influence as our client, the bank will investigate and hold constructive engagement to identify and resolve undesirable practices and move towards more sustainable business operations.