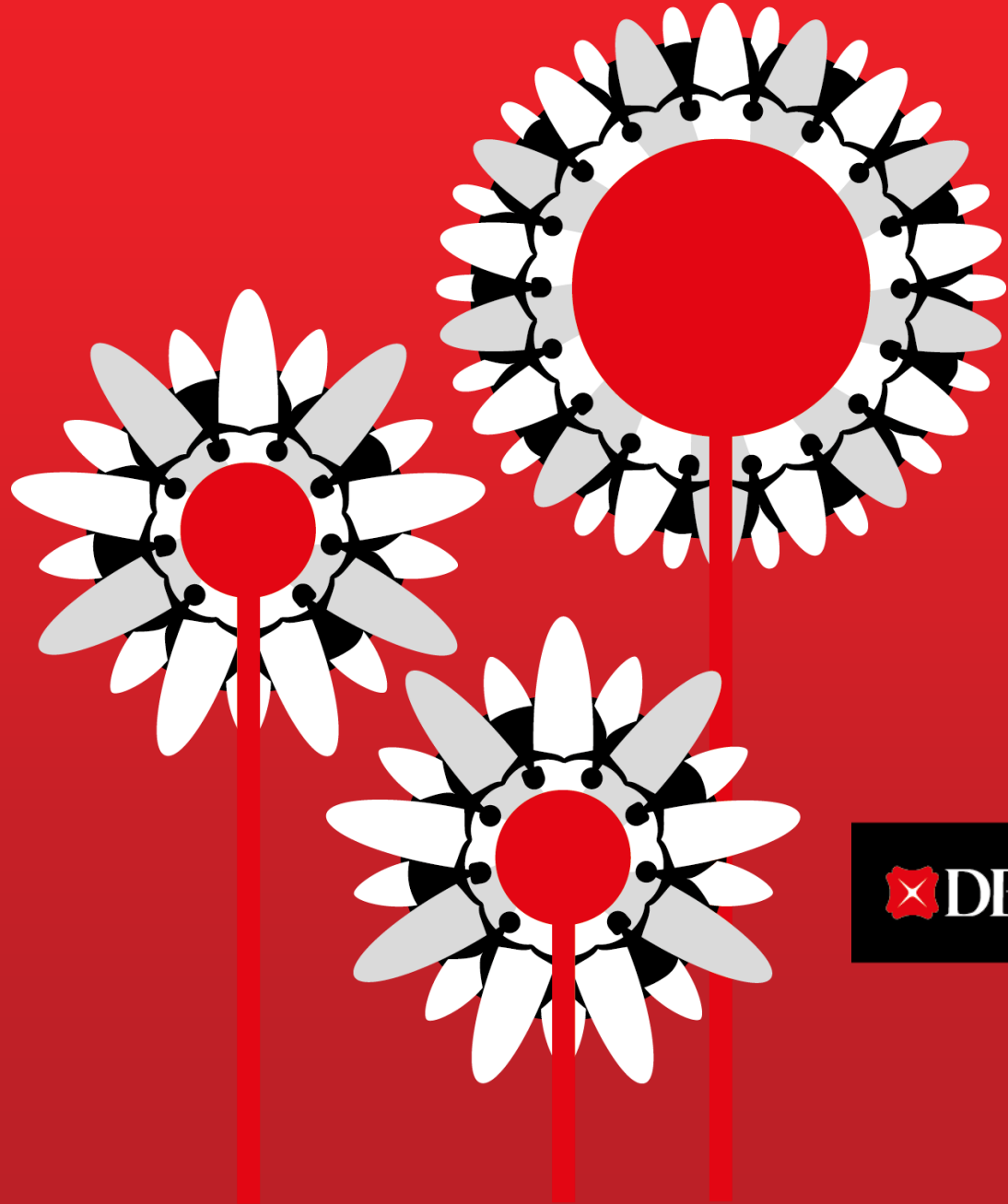


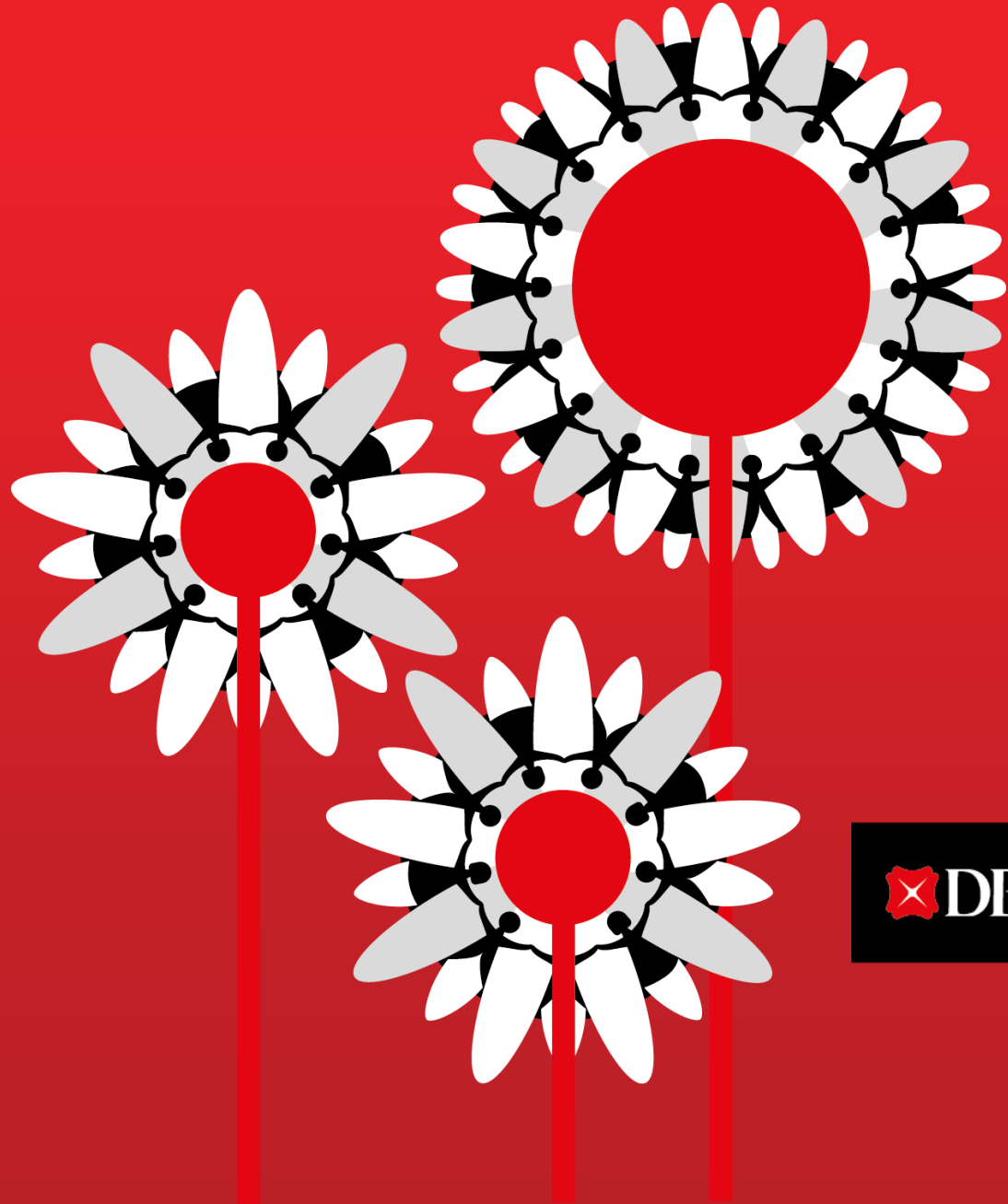
Annual General Meeting

30 Apr 2020



Live more,
Bank less

Piyush Gupta
Chief Executive Officer



Live more,
Bank less

Agenda

1. Navigating the COVID-19 Crisis
2. Lookback at 2019
3. Outlook: Business, Credit and Dividends

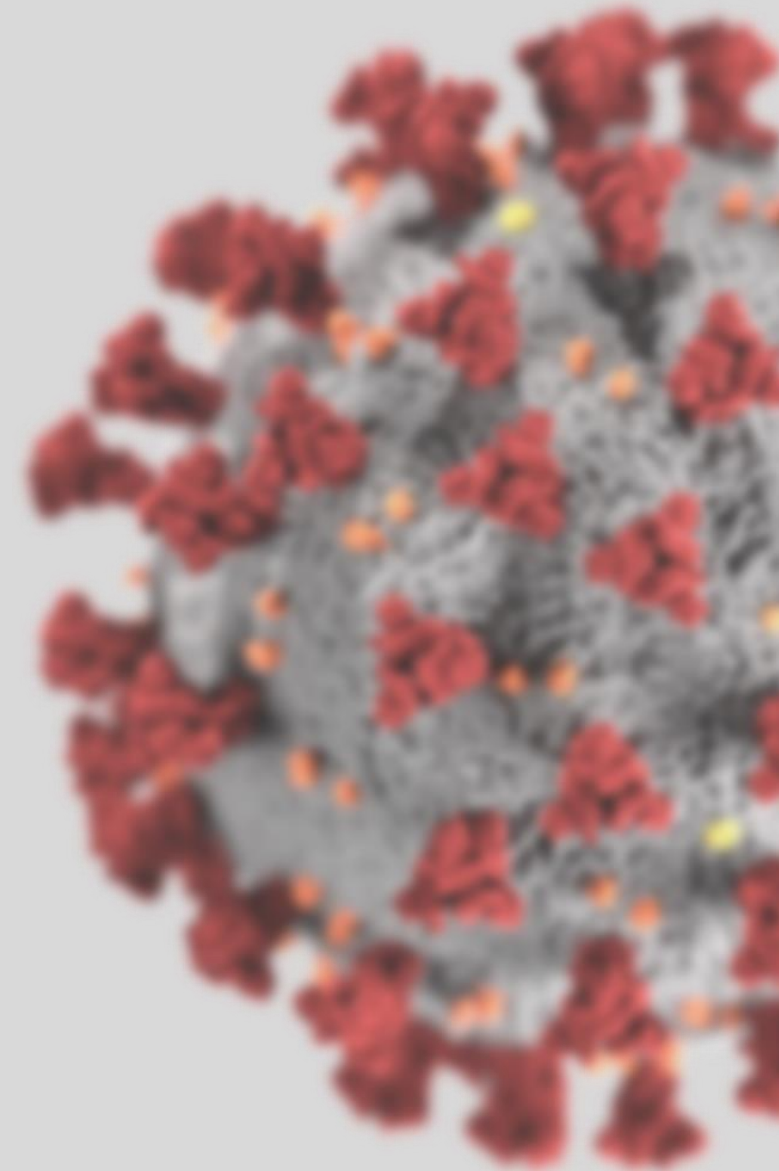


COVID-19 is a global health crisis

The global death toll has topped 210,000, entire economies are at a standstill, mass unemployment is a very real prospect, and the hope of a vaccine remains uncertain.

In such times, more than ever,

We all have a part to play in helping each other



FOR RETAIL

Providing Support To Our Retail Customers

Close to 8,000 mortgage principal and interest payment applications deferred, representing **\$4.7 billion** in loans outstanding

Providing free COVID-19 insurance for close to **1.2 million** customers and their families

Allowing eligible SG consumers to convert their credit card and cash line outstandings to term loans at a reduced interest rate

FOR CORPORATES

Providing Cash Flow Support To Our Corporate Customers

Providing loan moratoriums for **> 1,800**
corporate facilities representing
> \$3.4 billion in loans outstanding

Availed **\$3.2 billion** in loan facilities
to SG SMEs under government relief
programme

Prudent lending to large corporates to
help ease liquidity needs

FOR CUSTOMERS

**Leveraging
our digital
solutions to
help
customers**

Enhanced account opening to ensure corporates and individuals meet demand: Record **>35,000** accounts opened digitally for migrant workers in < 2 weeks

Enabled **contact free banking services** - from tele-advisory for financial planning to allowing online trade documentation uploads

Guided conversations via Chatbot for COVID-19 relief measures and assistance

FOR EMPLOYEES

Standing together with our employees

No retrenchment across all markets

Care packages for all staff (including masks, hand sanitisers and vitamins)

Still **hiring judiciously**; internships and graduate programs to continue

Launched **TOGETHER Campaign** to boost employee morale

FOR COMMUNITIES

Doing our part for the community

\$10.5 million DBS Stronger Together Fund supporting people affected by COVID-19 regionally

4.5 million meals and care packs to vulnerable communities; fund medical equipment and supplies

Special loans & grants for social enterprises supported by the DBS Foundation



Operational resilience

Business volumes are strong, with no loss in productivity

Seamless remote working:

~90% RMs and **>70%** traders WFH

~99% of developers and **>50%** of operations WFH

Digital capabilities served us well for contact tracing and managing office occupancy



Telecommuting at scale

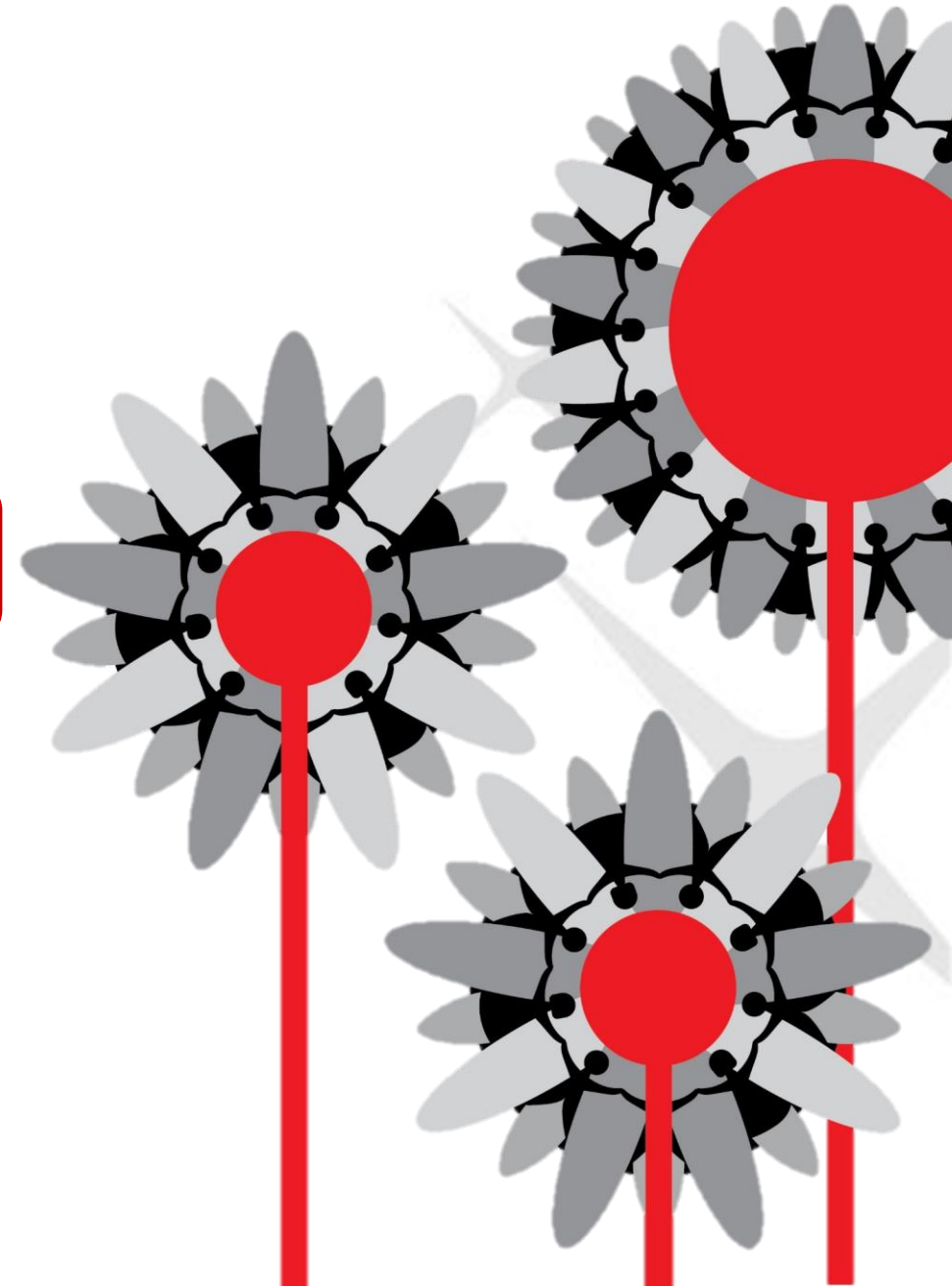
> **1.2 million** virtual meetings in April, a 9x increase

> **50** eTownhalls attended by > **20,000** staff

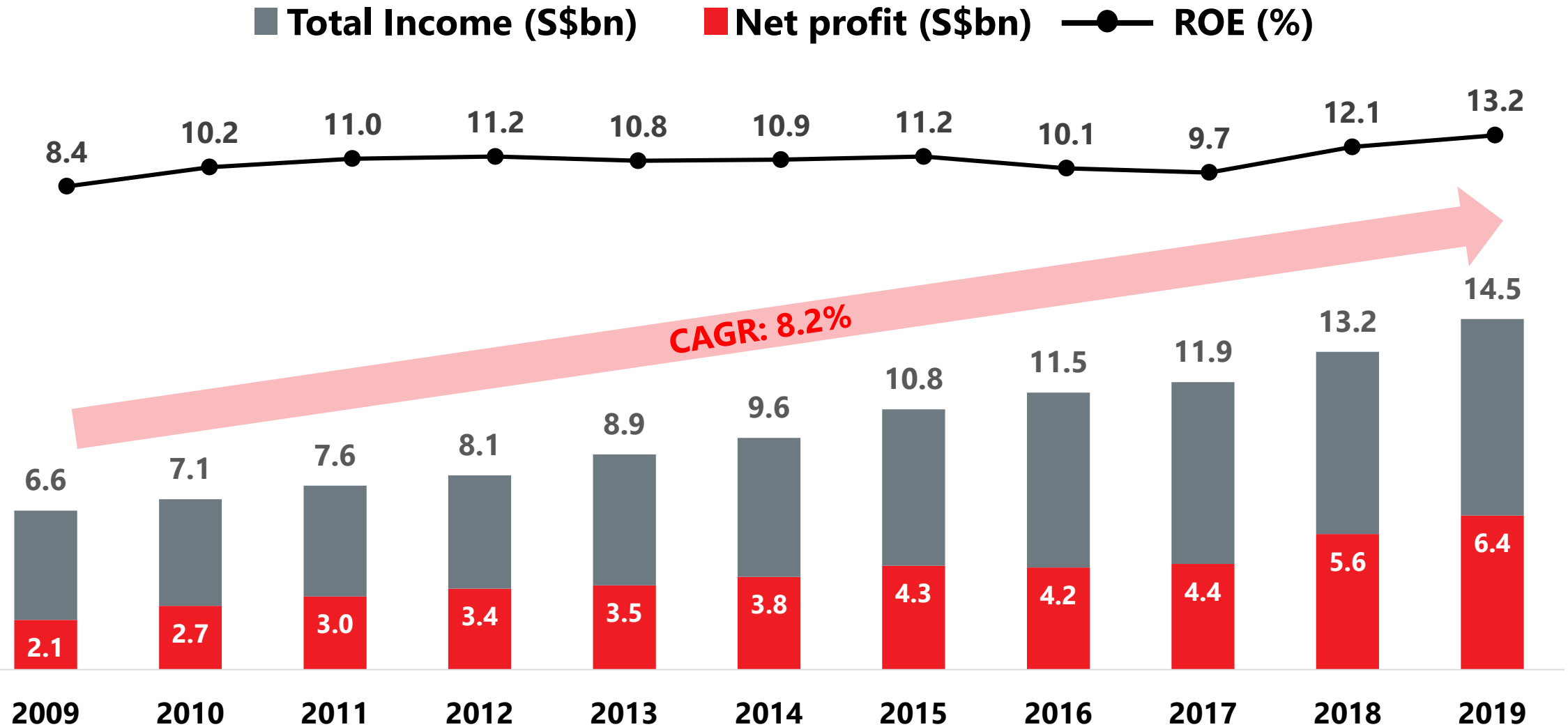
> **100** training courses conducted online, benefitting > **15,000** staff

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A decade of strong performance



Strong financial performance in 2019

Underscoring the success of our strategy to structurally improve the profitability of our franchise

(S\$m)		FY19	YoY (S\$)	YoY (%)
Total income	Record →	14,544	1,361	10
Net interest income		9,625	670	7
Non interest income		4,919	691	16
Expenses		6,258	460	8
Operating profit	Record →	8,286	901	12
Allowances		703	(7)	(1)
Net profit	Record →	6,391	766	14
Return on equity (%)	Record →	13.2	-	1ppt
Net interest margin (%)		1.89	-	4bp
Cost-income ratio (%)		43	-	(1)ppt

Broad-based business momentum

Attesting to a resilient franchise that is able to navigate market volatility and capture opportunities

Institutional Banking Group: Total Income \$6.07 billion

▲ **5% in Total Income**

▲ *5% in Large Corporates*

▲ *6% in SME*

66% ▲

Investment
banking fees

14% ▲

Cash
management
income

60% ▲

Sustainable
finance
transactions

> 40k

new customers
acquired

Consumer Banking Group / Wealth Management: Total Income \$6.30 billion

▲ **11% in Total Income**

▲ *8% in Retail*

▲ *16% in Wealth*

53%

Maintained pole
position on SGD
deposits

11% ▲

Credit Card fees

11% ▲

Wealth AUM

> 800k

new customers
acquired

Strong balance sheet

Strong capital

CET-1: 14.1%

Above management operating range and regulatory requirements

Strong total allowance reserves

Allowance coverage: 94%
With collateral: 191%

General allowances (\$2.5 bn) account for half of our total allowance reserves

Strong liquidity

LCR: 136%
NSFR: 110%
LDR: 89%

Regulatory ratios well above requirements, ample liquidity to support business operations in stressed funding conditions

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Business outlook

1Q profit before allowances growth of 20% provides head start for year

- Full-year profit before allowances to be around 2019 levels after factoring in declines for rest of year
- Provides capacity to absorb expected increase in allowances

Interest rates are main pressure to earnings

- 1Q NIM does not reflect impact of recent interest rate cut
- Impact to be felt from 2Q as benchmark rates driving NIM decline

Business outlook

Business volume holding up

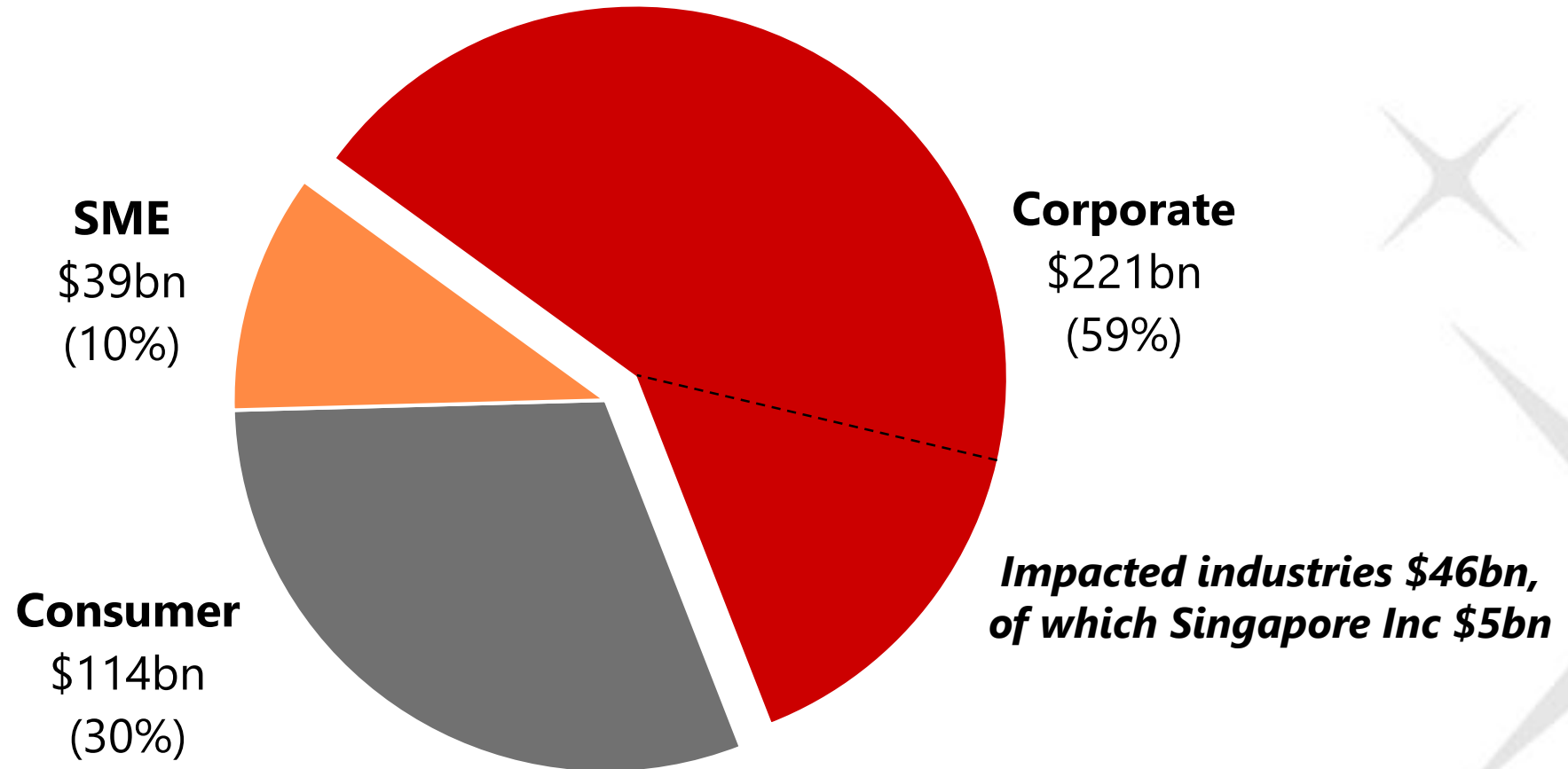
- Loan growth resilient
 - Healthy non-trade corporate loan pipeline from top-end customers
 - Trade loans affected by lower global trade volumes
 - Housing and consumer loans expected to be little changed
- Record deposit inflows from flight to safety, expected to continue
- Fee income likely lower but mitigated by diversified fee income streams
- Other non-interest income provides upside

Business outlook

Expenses to be tightened

- No retrenchments or pay cuts, but hiring judiciously
- Discretionary non-staff costs (e.g. travel) reduced
- Investments to be prioritised
- Bonuses will be aligned to earnings

Loan composition



Credit costs to rise

Credit costs to rise to between \$3bn-5bn (80-130bp) cumulatively over two years

- Two scenarios used to derive estimates
 - Base scenario
 - Lockdowns in major economies until mid-2020
 - Gradual recovery in 2H20, muted growth in 2021
 - Financial market correction of 20% in 2020
 - Stress scenario
 - Lockdowns in major economies until end-3Q20
 - Gradual recovery from end-2020, economic activity in 2021 still materially below 2019 levels
 - Financial market correction of 50% in 2020
- Results comparable to 2002-03 recession and 2008-09 GFC

Consumer

Housing

- Loan size of \$75bn
- Minimal losses expected, as in past crises
- Prudent regulations on LTV limits and debt servicing ratios
- Average LTV of 55% in Singapore and 32% in Hong Kong
- Loans principally for owner-occupation

Unsecured credit

- Loan size of \$11bn, 3% of group loans
- In Singapore, borrowing limits have been progressively tightened since 2015

SME

- Loan size of \$39 billion
- Almost 90% of SME exposure in Singapore and Hong Kong
- Predominantly secured against property
- Lending criteria tightened over past two years
- 10% to highly impacted industries such as hotels, food and beverage, and retailers
- Hong Kong portfolio already been through prolonged stress

Large corporates

- Identified eight industries more directly impacted by slowdown – Oil and gas, Aviation, Hotels, Gaming/cruise ships, Tourism, Retail, Food and beverage and Shipping
- Total loans of \$46bn, of which oil and gas is biggest sector with \$23bn
- Carried out review using name-by-name review based on stress test assumptions according to industry
- Identified about 20% for close monitoring

Entering slowdown with strong balance sheet

Strong capital

CET-1: 13.9%

Above management operating range and regulatory requirements

Strong general allowance reserves

GP: \$3.2bn

GP reserves include management overlays of around \$1bn

Strong liquidity

LCR: 133%
NSFR: 112%
LDR: 83%

Regulatory ratios well above requirements, ample liquidity to support business operations in stressed funding conditions

1Q dividend maintained at 33 cents per share

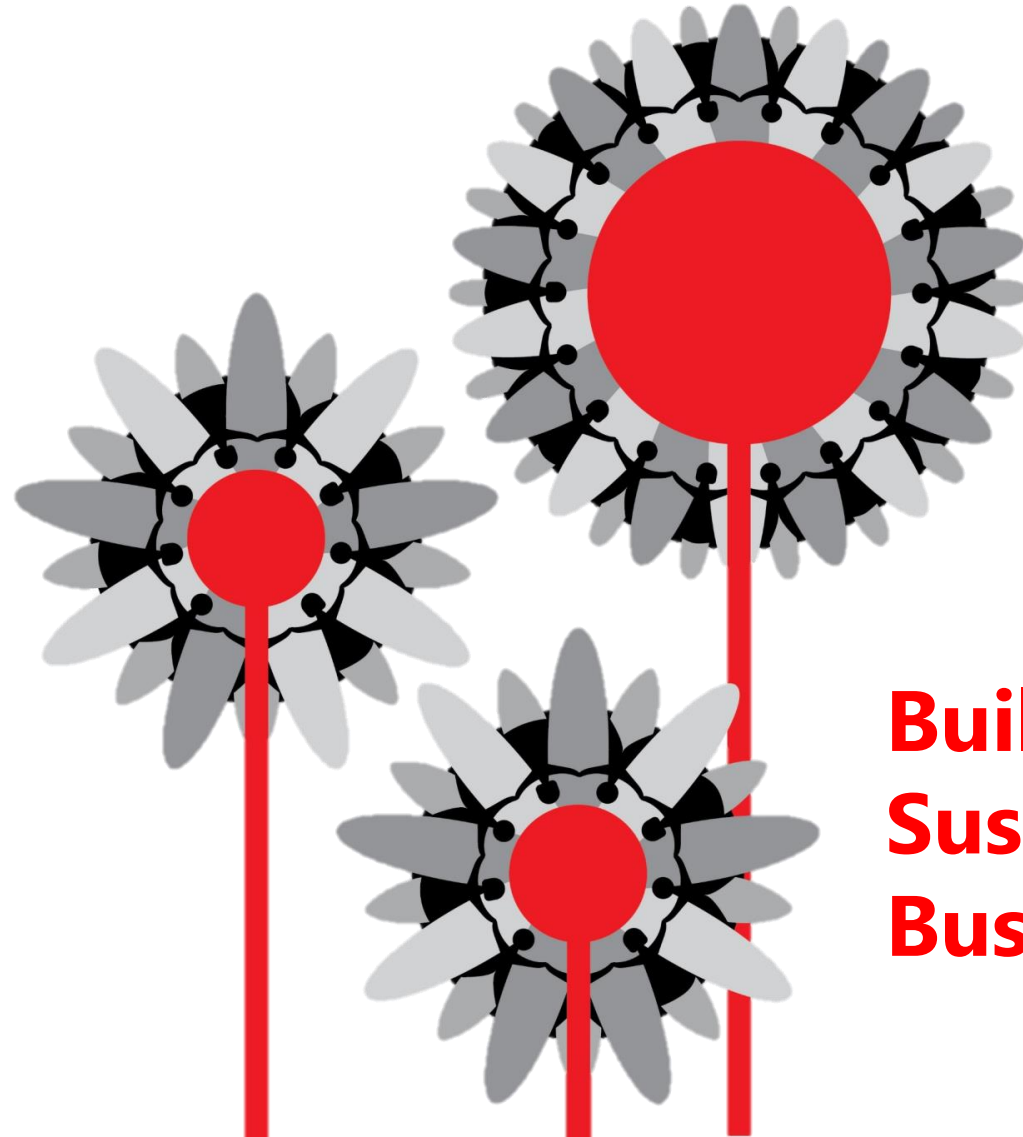
- Earnings generation currently expected to be sufficient for maintaining quarterly DPS at 33 cents
- Barring significant macroeconomic worsening, CET-1 envisaged not to dip significantly below target operating range of 12.5-13.5%
- Will continue to assess prospective impact of COVID-19 crisis on financial performance, credit costs and capital ratios, and adjust dividend policy as appropriate

We Will Remain Focussed On Our Strategies

**Being Digital
to the Core**

**Capturing
Opportunities
in Asia**

**Building a
Sustainable
Business**



We are pitching in.

Banks have an integral role to play in helping people, economies and sharing the pain.

During these headwinds, we will continue to be sensible about credit and expenses while we navigate this crisis with our customers.

We will continue building on our future for our stakeholders: shareholders, employees, customers and the community.



World's Best Bank

Euromoney, 2019

Bank of the Year – Global

The Banker, 2018

Best Bank in the World

Global Finance, 2018

Top 10 Business Transformations of the Last Decade

Harvard Business Review, 2019

Bloomberg Gender-Equality Index

Bloomberg, 2018-2020

FTSE4Good Global Index

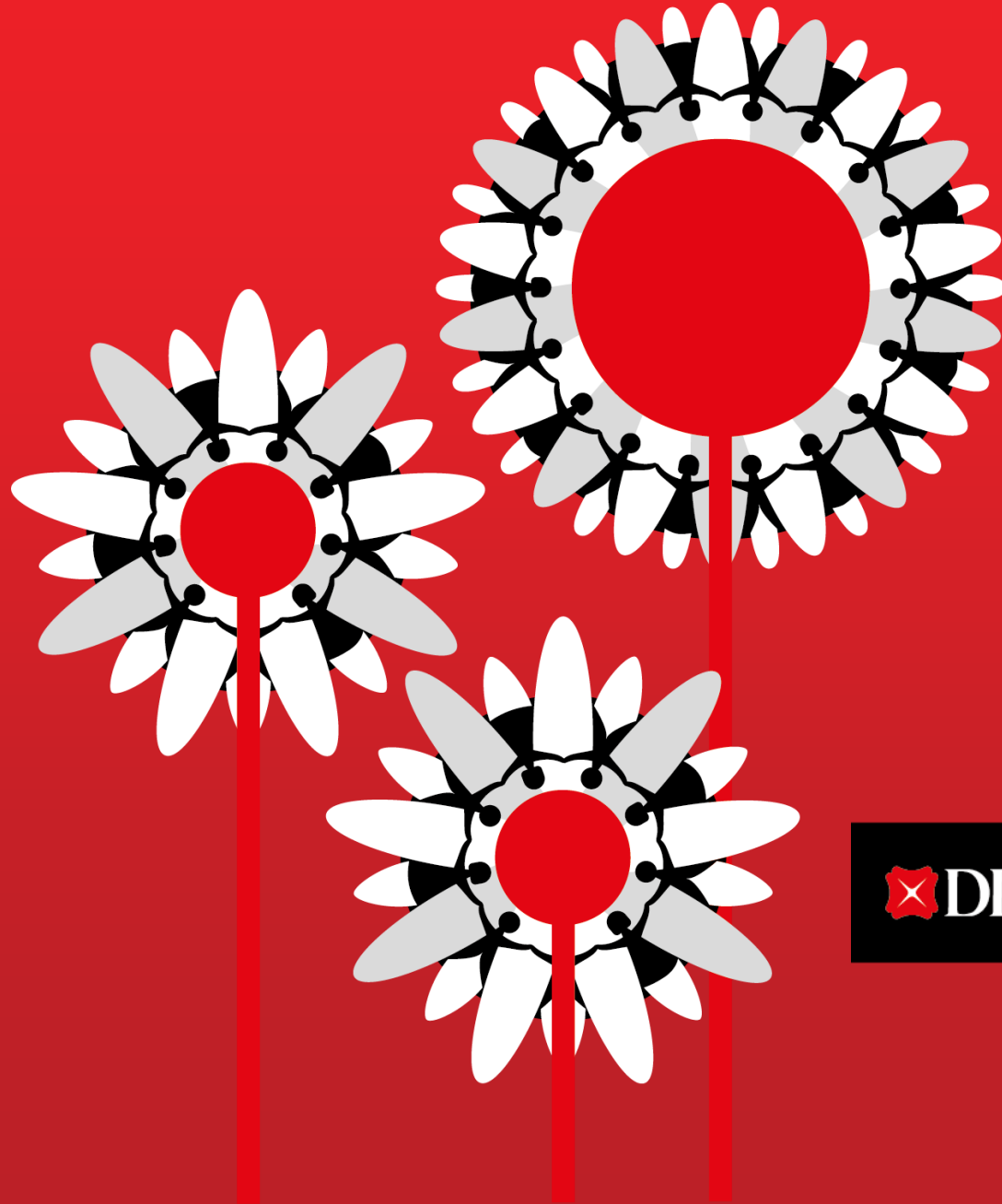
FTSE Russell, 2017-2019

Dow Jones Sustainability Index (Asia-Pacific)

S&P Dow Jones Indices/ RobecoSAM, 2018-2019

Social Enterprise Champion of the Year (Corporation)

President's Challenge/ raiSE, 2019



Live more,
Bank less