DBS Group Holdings Ltd
Annual Report 2022

Live more, Bank less

A Different Kind of Bank

About us

DBS is a leading financial services group in Asia with a presence in 19 markets. Headquartered and listed in Singapore, DBS is in the three key Asian axes of growth: Greater China, Southeast Asia and South Asia. The bank's "AA-" and "Aa1" credit ratings are among the highest in the world.

Recognised for its global leadership, DBS has been named "World's Best Bank" by Global Finance, "World's Best Bank" by Euromoney and "Global Bank of the Year" by The Banker. The bank is at the forefront of leveraging digital technology to shape the future of banking, having been named "World's Best Digital Bank" by Euromoney and the world's "Most Innovative in Digital Banking" by The Banker. In addition, DBS has been accorded the "Safest Bank in Asia" award by Global Finance for 14 consecutive years from 2009 to 2022.

About this report

This Annual Report is prepared in accordance with the following regulations, frameworks and guidelines:

- The Financial Holding Companies (Corporate Governance of Designated Financial Holding Companies with Bank Subsidiary) Regulations 2022, the Banking (Corporate Governance) Regulations 2005, and all material aspects of the Code of Corporate Governance 2018, and the Guidelines on Corporate Governance for Designated Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers issued in November 2021 by the Monetary Authority of Singapore (MAS).
- Singapore Exchange Securities Trading Limited (SGX-ST) Listing Rules.
- The Task Force on Climate-related Financial Disclosures (TCFD) recommendations by the Financial Stability Board (updated October 2021).
- The Global Reporting Initiative (GRI) Standards 2021 (updated July 2021).
- The Financial Institutions Climate-related Disclosure Document under the Monetary Authority of Singapore (MAS)-convened Green Finance Industry Taskforce (GFIT) (published May 2021).
- The Guidelines on Responsible Financing issued in October 2015 by the Association of Banks in Singapore (revised June 2018).
- The International Integrated Reporting Framework by the International Integrated Reporting Council (issued December 2014).
- The Sustainability Accounting Standards Board (SASB) standards based on the three SICS industries within the Financials sector most aligned with our mix of businesses: Commercial Banks (FN-CB), Consumer Finance (FN-CN), and Mortgage Finance (FN-MF).

Scan here to view our
Sustainability Report

Contents

Overview

This section provides information on who we are and our leadership team. It also contains a joint message from the Chairman and CEO.

Reflections from the top

This section contains the CEO's thoughts on some pertinent matters and recaps the year's performance through the lens of our senior leaders.

Governance, Risk Management and Sustainability

This section details our commitment to sound and effective governance, risk management and sustainability.

Financial and other reports

Financial Reports

Annexure

Shareholder Information

Our achievements

2022 saw DBS win a slew of prestigious accolades. Global wins included "World's Best Bank" from Global Finance and "Digital Workplace of the Year: Cutting Edge Award" from Digital Workplace Group. DBS was also featured in the "100 Best Workplaces for Innovators" ranking from Fast Company.

- **World's Best Bank**
- **Digital Workplace of the Year: Cutting Edge Award**
- **100 Best Workplaces for Innovators**

Key industry citations:

> *"Rough seas make good sailors. The banking industry faces an ongoing pandemic, regional conflicts with global effects and increasing inflation for the foreseeable future. Add to that the growing economic and humanitarian impact of climate change, and these trends separate the best banks from their rivals. DBS navigated these waters admirably while broadening its product portfolio, growing its business and investing in sustainability."*
>
> World's Best Bank, Global Finance

> *"The powerful set of capabilities that make up the DBS Bank digital workplace is underpinned by ambitious and creative strategic vision, multilevel governance in which business and technology have an equal voice, as well as thoughtful and comprehensive user engagement."*
>
> Digital Workplace of the Year: Cutting Edge Award, Digital Workplace Group

> *"Businesses need to transform themselves in order to compete in today's fast-changing markets. Through my numerous conversations with DBS' executives, what came across very strongly were the digital and purpose-focused elements of the transformation and how these permeated every level of the organisation."*
>
> Professor Ranjay Gulati, Harvard Business School

Our commitment to advancing the sustainability agenda was also recognised. DBS received the global award for "Financial Leadership in Sustaining Communities". We were also recognised among leading examples of stewardship excellence in Asia-Pacific by Stewardship Asia. In addition, the National Volunteer and Philanthropy Centre in Singapore acknowledged our efforts as a purpose-driven bank with the "President's Volunteerism & Philanthropy" award.

Shee Tse Koon, DBS Singapore Country Head (top row, extreme left), in a group photo with winners of the President's Volunteerism & Philanthropy Awards 2022.

Who we are

DBS is one of Asia's leading banks, operating in the most dynamic region of the world. We are focused on leveraging digital technology to reimagine banking to provide our customers a full range of services in consumer banking, wealth management and institutional banking. We also see a purpose beyond banking and are committed to supporting our customers, employees and the community towards a sustainable future.

Business Highlights

Income (SGD)
16.5 billion

Total assets (SGD)
743 billion

Over
280,000
Institutional Banking customers

Net profit (SGD)
8.19 billion

Return on equity
15%

Over
12 million
Consumer Banking/ Wealth Management customers

Sustainability Highlights

Provided
SGD 20.5 billion
in sustainable financing loans

Set aside
SGD 5.6 million
to fund programmes by the new Community Impact Chapter of DBS Foundation

Engaged in
> 140,000 hours
of employee volunteerism activities

Committed
SGD 480 million
of transition loans to support our clients' transition journey

Engaged
1 million
customers through LiveBetter, a digital platform on DBS digibank designed to empower users to make more sustainable lifestyle choices

Enabled
> 1,300 tonnes
of food impact such as food waste reduced and recycled, or food redistributed

Board of Directors

The Board is committed to helping the Group achieve long-term success. The Board provides direction to management by setting the Group's strategy and overseeing its implementation. It ensures risks and rewards are appropriately balanced.

Highly-experienced

Two-thirds of the Board are seasoned bankers, while the rest have extensive experience in other related industries.

Award-winning

Received the Gold award for "Best Managed Board" at the Singapore Corporate Awards 2022 for all-round excellence in corporate governance.

Independent

Majority of our Board comprise independent and non-executive directors.

Diverse

Good mix of nationalities, gender and backgrounds.

Read more about the Board of Directors on page 190.

Group Management Committee

The Group Management Committee executes the strategy and long-term goals of the Group. It drives business performance and organisational synergies. It is also responsible for protecting and enhancing our brand and reputation.


Piyush Gupta*,
Chief Executive Officer


Chng Sok Hui*,
Chief Financial Officer


Ginger Cheng,
China


Lam Chee Kin,
Legal & Compliance


Lee Yan Hong,
Human Resources


Lim Chu Chong,
Indonesia


Karen Ngui, Strategic
Marketing & Communications


Sebastian Paredes*,
Hong Kong


Sanjoy Sen,
Consumer Banking

One in four of our Group Management Committee members are women.

Group Management Committee members have more than 30 years of experience on average.


Eng-Kwok Seat Moey,
Capital Markets


Philip Fernandez,
Corporate Treasury


Derrick Goh,
Audit


Han Kwee Juan*,
Strategy & Planning


Lim Him Chuan,
Taiwan


Sim S Lim*, Consumer
Banking/ Wealth Management


Andrew Ng*,
Treasury & Markets


Jimmy Ng*,
Chief Information Officer


Shee Tse Koon*,
Singapore


Surojit Shome,
India


Soh Kian Tiong*,
Chief Risk Officer


Tan Su Shan*,
Institutional Banking

*Those marked by * are also in the Group Executive Committee.*

Read more about the Group Management Committee on page 195.

Letter from the Chairman & CEO

DBS' decade-long structural transformation continues to pay off. In a challenging year for the global economy, the bank turned in a solid performance.

The global economy faced multiple threats in 2022 – escalating geopolitical tensions, stubbornly high inflation, stalling growth and roiling financial markets.

Supply chain disruptions – an issue amid the Covid pandemic of the last two years – were further exacerbated by the Ukraine war. This contributed to rising food, commodities and energy prices.

To fight decades-high inflation, the US Federal Reserve embarked on its most aggressive monetary tightening since the early 1980s. Altogether, it hiked rates seven times in 2022, raising short-term borrowing costs by 425 basis points to 4.25-4.50%, the highest level in 15 years. Many major central banks around the world similarly followed suit. These moves had a chilling effect on equity and bond markets.

DBS' key markets Singapore and Hong Kong – being small, open economies – were impacted by slowing external demand. Singapore's economy grew 3.6% in 2022, from 8.9% the year before. Hong Kong's economy shrank by 3.5%. With its strict zero-Covid policy and property market slump, China remained in the doldrums.

Against this backdrop, we had yet another excellent year, with solid financial performance and continued delivery against key scorecard goals.

DBS also continued to cement its global standing, being named by Global Finance as "World's Best Bank". This made it the fifth consecutive year we had been lauded as the best in the world.

A banner year

For the year, DBS delivered record total income of SGD 16.5 billion. Net profit rose 20% to an all-time high of SGD 8.19 billion. Return on equity (ROE), at 15%, was not just a record, but also significantly higher when compared to previous highs around the 12-13% range.

Earnings were propelled by tailwinds from a rising interest rate environment, with net interest margin increasing after three years of decline. Notwithstanding the rise in borrowing costs for corporates and individuals, loans grew 4% in constant-currency terms to SGD 415 billion. Overall, net interest income rose 30% to SGD 10.9 billion.

Non-interest income, however, was a drag, declining 3% to SGD 5.56 billion. While card fees increased 20% with travel spending gradually returning to pre-pandemic levels, this was more than offset by lower wealth management and investment banking fees amid the uncertain market environment.

DBS' solid financial performance reflects structural shifts made to our franchise in the last decade, whether the buildout of higher-return business lines or the pervasive digital transformation we embarked on starting 2014, and which carry through till today.

"2022 was a breakout year for DBS, with ROE significantly surpassing previous records. This was the result of structural changes made over the years to transform the franchise. We have demonstrated over the past decade a track record of solid performance. In an increasingly fractured and unpredictable world, DBS will continue to be a different kind of bank – one that is trusted, purpose-driven and innovation-led so our customers can *Live more, Bank less.*"

Consumer Banking/ Wealth Management had a solid year, with total income up 25% to a record SGD 6.65 billion. Wealth Management customer segment income rose 20% as higher interest rates benefitted deposit income, more than offsetting a decline in investment product sales. Assets under management increased by 3% in constant currency terms to SGD 297 billion, boosted by a doubling of net new monies to SGD 24 billion. Our consumer banking franchise also did well.

Institutional Banking, which saw income rise 28% to a record SGD 7.69 billion, was buoyed by corporate lending, cash management and treasury customer sales. Growth in non-trade loans was broad-based across industries and geographies. Our early investment in digital transactional capabilities continued to pay off, as we won over 800 cash management mandates in 2022. Corporate operating balances also rose significantly. Income from Treasury Markets normalised from the previous year's exceptional levels to SGD 1.17 billion.

Across the franchise, asset quality remained resilient, with the non-performing loan ratio at 1.1%, from 1.3% previously. During the year, we did a range of stress tests under conservative assumptions. These included stress-testing oil at USD 200 a barrel, interest rates at 6-7% for our SME portfolio and a deep recession impacting the cashflow of our customers by 30%. Across most of these situations, we are confident that asset quality is robust.

In a turbulent time for the global economy, DBS continued to be recognised for our safety, and liquidity was healthy. Underlining the solidity of our franchise, DBS was named by Global Finance as "Safest Bank in Asia" for the 14th consecutive year.

Cementing our Asia franchise

As an Asia-centric bank, in the long term, DBS needs to be more deeply embedded in one or more of our four markets outside of Singapore and Hong Kong, which include China, India, Indonesia and Taiwan.

In 2022, notwithstanding the China-US trade tensions and China's zero-Covid policy, DBS continued to make headway in growing its Greater Bay Area (GBA) franchise. Since launching our GBA strategy in 2018, our large-corporate business targeting companies in China's strategic industries including high-end manufacturing, technology and the new economy, has seen robust growth. Our SME business in the GBA region has also performed well. In the wealth space, DBS Bank (Hong Kong) now provides investment products and solutions to customers from DBS China, Postal Savings Bank of China and Shenzhen Rural Commercial Bank. This makes DBS the only bank with three Southbound Wealth Management Connect partners.

Following the amalgamation of Lakshmi Vilas Bank (LVB) with DBS India in late 2020, all efforts have been focused on integrating both franchises smoothly. In 2022, this involved optimising the combined DBS/ LVB branch network, rebranding the LVB branches, and migrating all former LVB customers to DBS technology systems and operating platforms. With our enlarged presence of over 520 branches across 350 locations, 2.5 million retail customers and 15,000 corporate customers, we now have a strong platform from which to accelerate growth. Strategic partnerships including those with Bajaj Finserv to launch our first-ever credit card in India and with ODeX to provide straight-through credit solutions to freight forwarders, continued to scale well. These initiatives helped deliver stronger consumer and SME assets growth, as well as higher income and profitability.

In Taiwan, where DBS agreed to acquire Citi's consumer banking business, we are on track to complete and integrate the acquisition by August 2023. The acquisition will accelerate DBS Taiwan's growth by at least 10 years, making it Taiwan's largest foreign bank by assets. Material synergies will be realised from the combined entity's enlarged scale.

SGD 16.5 BILLION

Total income
Total income crossed SGD 16 billion for the first time.

SGD 8.19 BILLION

Net profit
Net profit rose 20% to a record SGD 8.19 billion, as we benefitted from higher interest rates and reaped the rewards of structural changes made over the years.

SGD 2.00

Dividend
The Board proposed a final dividend of 42 cents per share, and a special dividend of 50 cents per share, bringing the full-year dividend to SGD 2.00 per share.

15.0%

Return on equity
Return on equity climbed from 12.5% to a new high of 15.0%.

In November, DBS opened a representative office in Bangladesh, bringing the bank's international presence to 19 markets globally. Bangladesh is an attractive investment destination for companies in various sectors, such as power, energy, and transport and logistics. The establishment of DBS Dhaka will provide further impetus to the bank's activities and enable greater market connectivity to DBS' customers globally.

A new way of working

While DBS was ahead of the curve in transforming digitally, we recognise that digitalisation has become table stakes at most banks. However, there are three areas in which we have invested that continue to be differentiating.

The first is the industrialisation of artificial intelligence (AI)/ machine learning (ML) and data analytics usage across the bank. Our 260 use cases span customer-facing businesses such as consumer and SME banking, and support functions including Legal and Compliance, and Human Resources. For example, DBS sends 45 million hyper-personalised nudges each month to customers across the region with suggestions on how to make their money work harder. In the SME space, AI/ ML is used to provide businesses with early warning signals of potential credit stress. In 2022, the revenue uplift from our AI/ ML initiatives was about SGD 150 million, more than double that from the previous year.

The second is our ecosystem strategy, which has allowed us to scale up our business in the large Asian markets without high customer acquisition costs. DBS nearly doubled our ecosystem-led consumer finance lending in 2022. This was made possible through our partnerships with companies such as ByteDance, Ctrip, Home Credit and Kredivo in markets like China and Indonesia. In institutional banking, we also had good traction in onboarding large platform companies, and through our API suite, financing their extensive supply chains digitally.

The third is in the way we manage. While technology is an enabler, companies need to focus on the customer and speed to market to win. This requires a workforce that is agile, nimble, experimental, learning and willing to take risks. A big focus at DBS has been on enabling this internally.

Previously, we had programmed change within the organisation such that our employees are trained to put the customer at the heart of all we do. In the past two years, we took this up a notch with the introduction of a new operating model "Managing through Journeys" (MtJs). With MtJ, we re-architected our most important customer processes – such as those around credit cards, wealth management, consumer finance, transactional foreign exchange and SMEs – horizontally. Through the formation of cross-functional squads which are guided by data-driven control towers, we have become more agile in delivering new products, and responding to customer pain points and needs. This has translated to improved customer satisfaction, faster turnaround times and positive revenue impact.

Our sustainability commitments

Our conviction has always been that our net-zero commitment, made in October 2021, must be supported by a clear and detailed roadmap and plan.

In September 2022, DBS unveiled this plan, which is one of the most comprehensive in scope in the global banking industry. Specifically, we set 2030 interim decarbonisation targets – that are aligned with science-informed decarbonisation glidepaths – for seven sectors. These are power, oil and gas, automotive, aviation, shipping, steel and real estate. Data coverage targets were also set for two sectors, food and agribusiness, and chemicals. The nine sectors represent the most carbon-intensive institutional banking segments financed by DBS and constitute the vast majority of the Institutional Banking Group's (IBG's) financed emissions.

As part of the implementation roadmap, DBS will proactively partner our customers with advisory and financial solutions to accelerate their transition to a lower-carbon future. We are confident that many will be willing to come along with us on the journey. This confidence is borne out by our fast-growing sustainable finance book. We had originally set a target to do SGD 50 billion in sustainable finance loans by 2024. As at end-2022, our sustainable finance portfolio was SGD 61 billion, exceeding our target well ahead of 2024.

In line with efforts to embed sustainability in our business practices and operations, we refurbished an old office in Newton into Singapore's first net-zero building by a bank. We also launched an in-house café at our headquarters that minimises the bank's carbon footprint and gives new life to food waste. These efforts contributed towards DBS achieving carbon neutrality in our operations as at end-2022.

On the social agenda, the new Community Impact chapter of DBS Foundation aims to foster a more equitable and inclusive society. A total of SGD 5.6 million was committed towards 10 inaugural programmes across our core markets of Singapore, China, Hong Kong, India, Indonesia and Taiwan.

One such programme is in partnership with Haqdarshak Empowerment Solutions, which will provide digital and financial literacy courses, and access to social welfare schemes, to 200,000 marginalised individuals in India.

For DBS' commitment to sustainability, the bank was recognised by Global Finance as the global winner for "Financial Leadership in Sustaining Communities". DBS was also named to the Bloomberg Gender Equality Index and the FTSE4Good Developed Index for the sixth consecutive year.

Board and management changes

We would like to express our gratitude to Ho Tian Yee, who is stepping down as a board member in March 2023, for his invaluable contributions. Since joining the DBS Board in 2011, Tian Yee has served in several capacities including as Lead Independent Director and Chairman of the Nominating Committee. We have benefitted greatly from his wisdom and insights through the years.

DBS is the only bank with three Southbound Wealth Management Connect partners.

DBS CEO Piyush Gupta (second from left) announcing the bank's decarbonisation targets.

Underscoring our deep bench strength, we are pleased that we were able to fill two Country Head roles from our slate of internal candidates when the incumbents retired.

Veteran banker Ginger Cheng succeeded Neil Ge when he retired as Country CEO of DBS China. A Chinese citizen, Ginger has had a distinguished 20-year career in DBS spanning Hong Kong and China. Under her leadership, DBS' IBG business in China had grown exponentially, with increased connectivity across the region.

Lim Chu Chong, a career DBS banker, took over as President Director of PT Bank DBS Indonesia, succeeding Paulus Sutisna. A seasoned corporate banker, Chu Chong has held various roles in DBS including Regional Head of SME Banking, Head of IBG in China and Chief Operating Officer of IBG. Between 2011 and 2016, he was also non-Independent Commissioner of DBS Indonesia.

Dividends

Given the record profit and strong capital base, the Board has proposed a final dividend of 42 cents per share and a special dividend of 50 cents a share, bringing the full-year dividend to SGD 2.00 per share. Barring unforeseen circumstances, the annualised dividend going forward will be SGD 1.68 per share.

Going forward

While uncertainties remain, macroeconomic conditions are improving. Global inflation is expected to decline this year. China's reopening paves the way for a rebound in economic activity. The IMF recently upgraded its growth forecast for 2023 from 2.7% to 2.9%, though this is still below 3.4% in 2022.

Although we remain watchful, we take heart that our loan pipeline looks healthy. If animal spirits return to markets, we should also see some upside to fee income. Barring any unexpected shocks to the global economy, DBS' ROE will comfortably be above 15%.

Despite the collapse in market and fintech valuations, our ambition to become more like a technology company also remains intact. This reflects a belief that the future of finance will be underpinned by technology. As we look ahead, we will continue to cement our digital banking leadership, while strategically placing our bets in emerging technologies. It is also imperative that we remain focused on advancing the sustainability agenda and executing on our net-zero commitments.

2022 was a breakout year for DBS, with ROE significantly surpassing previous records. This was the result of structural changes made over the years to transform the franchise. We have demonstrated over the past decade a track record of solid performance. In an increasingly fractured and unpredictable world, DBS will continue to be a different kind of bank – one that is trusted, purpose-driven and innovation-led so our customers can *Live more, Bank less*.

Peter Seah
Chairman
DBS Group Holdings

Piyush Gupta
Chief Executive Officer
DBS Group Holdings

More like a startup, less like a bank

Since 2014, DBS has focused on inculcating a pervasive startup culture bank-wide. Encouraging a spirit of innovation, equipping our employees with important digital skills and reimagining the way we work continue to be key tenets of building an organisation that is nimble and agile.

1

Redesigning the way we work – Managing through Journeys

Some years back, to ensure we put the customer at the heart of the banking experience, we trained our people in customer journey thinking which encompassed elements like customer discovery and customer science. More recently, we took this up a notch and reorganised the way we work by Managing through Journeys (MtJs). MtJs enable the bank to function as a Horizontal Organisation, with cross-functional teams across the bank collaborating to deliver value and enhanced customer experiences. These efforts have resulted in improved customer satisfaction in consumer and SME banking. Employee engagement has also risen, with DBS continuing to be Kincentric's Best Employer in Singapore and across Asia-Pacific.

2

Industrialising innovation

We seek to industrialise innovation throughout the organisation. Through a proprietary Innovation Pyramid framework, we explore and exploit propositions that are new to bank, new to industry and new to the world. For instance, to be future-ready, we take bets on technologies that may mature only in a few years. High-profile new businesses such as DBS Digital Exchange and Partior are examples of such bets. We challenge business teams to conceptualise innovations, or "moonshot solutions", that do not currently exist. Product teams are also tasked with elevating existing propositions to exceed customer expectations. Finally, to awaken the innovation DNA in all employees, we often run internal campaigns to crowdsource the best ideas from the bank.

3

Cultivating a future-ready workforce through training and development

Recognising that our people are the driving force behind DBS' transformation, we place significant focus on training and development. DBS' Tech Academy builds technical expertise through in-house curriculums developed by subject matter experts. Since 2021, over 9,000 employees have taken upskilling courses in data and artificial intelligence, while 7,000 have attended site reliability engineering training. We also launched our DBS Sustainability Learning Campus to provide learning opportunities for all employees on sustainability.

4

Diversifying our tech workforce

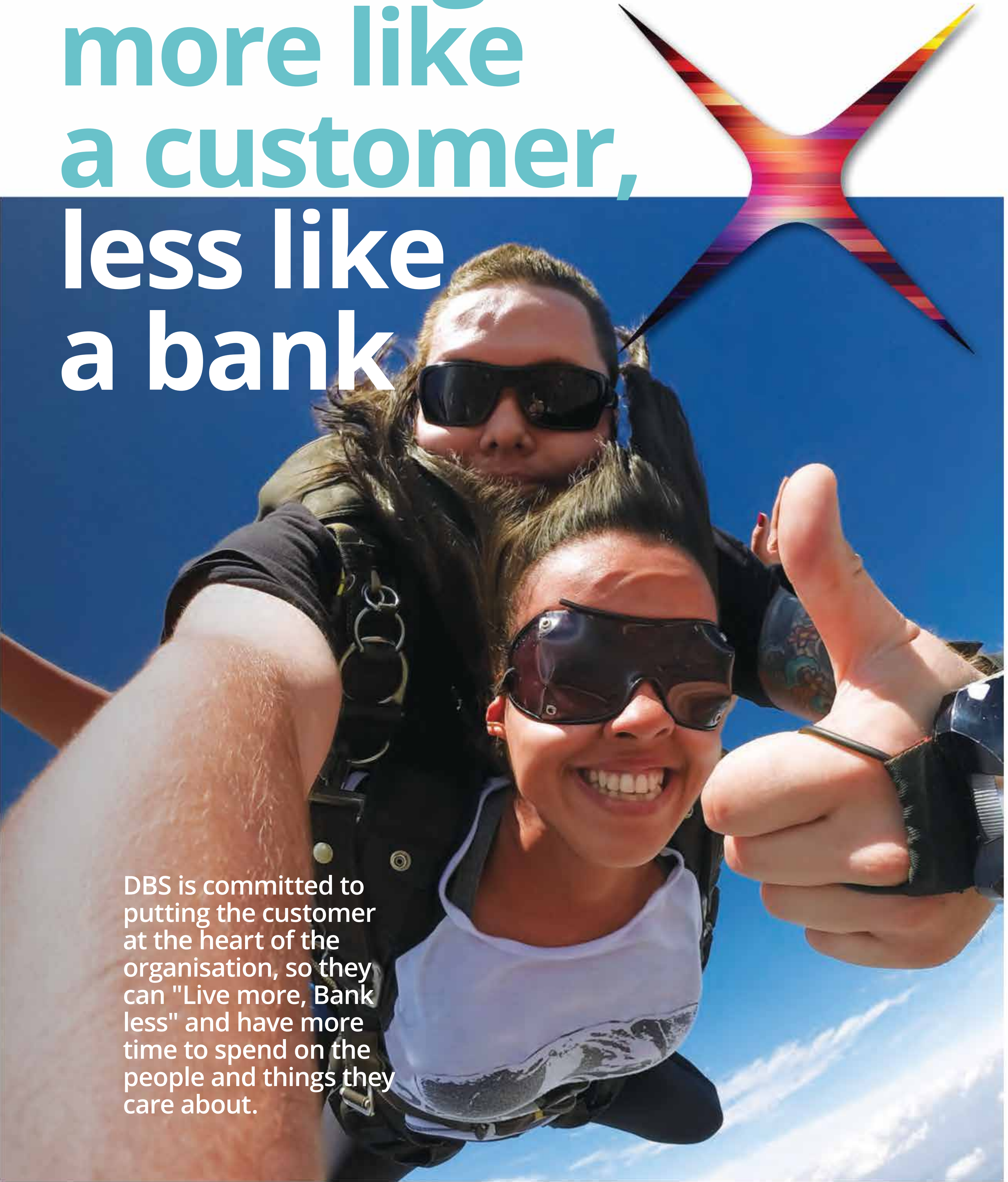
We incorporated an innovation triangle – comprising three technological hubs – in Singapore, India and China, to grow our own timber. Our technology hubs in Singapore sit under DBS Tech Singapore, while DBS Asia Hub 2 in Hyderabad has been rebranded as DBS Tech India. DBS Tech China will be launched in Guangzhou in mid-2024. These hubs will facilitate continual innovation, provide diversity, and hone our talents as they learn from each other.

5

Transforming our workspaces for optimal hybrid working

With hybrid work practices, DBS employees now spend three days in the office and two days working from home. To ensure that their time in the office is conducive to ideation, collaboration and social connections, we continue to experiment with design of spaces. We have done a series of experiments to drive creative thinking with flexible furniture, immersive lighting and writable surfaces. The insights gathered from employee feedback are being used to design and curate productive workspaces for the future.

Thinking more like a customer, less like a bank



DBS is committed to putting the customer at the heart of the organisation, so they can "Live more, Bank less" and have more time to spend on the people and things they care about.

1 Leveraging AI/ ML to help customers make better financial decisions

DBS' AI/ ML models generate hyper-personalised nudges that guide customers to make better investment decisions and do financial planning. Every month, we send out 45 million nudges to some five million customers across the region to aid their financial decisions.

2 Meeting unmet working capital needs among micro and small businesses

To help small businesses navigate the rising interest rate and inflationary environment, DBS proactively reached out to pre-identified customers to offer almost instant access to financing of up to SGD 300,000. Through hyper-personalised AI and data analytics, the "DBS Quick Finance" application process was reduced to just one minute to apply, one second to approve, and in some instances, even instant disbursement, with no additional paperwork.

3 Unlocking wealth management opportunities for GBA investors

DBS Bank (Hong Kong) partnered Shenzhen Rural Commercial Bank to provide qualified Greater Bay Area (GBA) mainland investors with Wealth Management Connect (WMC) Southbound services. The combined expertise of the two banks will help customers manage their wealth and provide them with access to customised diversified investment products, services and digital banking capabilities. DBS Hong Kong is the only bank with three Southbound partners under the WMC scheme.

4 Introducing on-demand digital trade financing solutions

DBS Hong Kong, in partnership with GS1 Hong Kong, introduced an on-demand digital trade financing solution powered by alternative data. By leveraging GS1 Hong Kong's EzTRADE data and DBS' digital capabilities, SMEs are able to access working capital and funding with minimal hassle. This solution redefines the trade financing journey for SMEs by streamlining the credit assessment process.

5 Helping customers navigate rising living costs

DBS was the first bank in Singapore to launch a fight inflation package in August, equipping those earning less than SGD 2,500 a month with a suite of solutions to stretch their dollar. We raised interest rates for our bank-and-earn solution Multiplier, making it easier for customers to earn more rebates on their everyday spend so they can get more cashback. We were also the only bank that offered a competitive Housing Development Board housing loan that is on par with HDB's concessionary loan rate. More recently, we announced that we would subsidise five million hawker meals over a 12-month period until January 2024.

More like a sustainability champion, less like a bank

DBS continued to advance the sustainability agenda across our three pillars of responsible banking, responsible business practices and impact beyond banking.

1 First bank in Southeast Asia to announce landmark set of decarbonisation commitments

In our journey to be net-zero in our financed emissions by 2050, we were the first bank in Southeast Asia to announce a landmark set of decarbonisation commitments. These commitments are covered in our report *"Our Path to Net Zero – Supporting Asia's Transition to a Low-carbon Economy"*. The report details our decarbonisation and data coverage targets across nine sectors, including power, oil and gas, shipping and real estate. With the range of sectors covered, DBS' commitment is among the most comprehensive and ambitious among global banks.

2 Harnessing technology to unlock access to credit

A partnership between DBS India and Home Credit India provides joint-financing solutions to help unlock access to credit for underserved borrowers. Technology enables a better customer experience via an automated and paperless process. Approximately 41,500 loans have been disbursed.

3 First net-zero building by a bank

We opened Singapore's first net-zero building by a bank, DBS Newton Green. By retrofitting the 30-year-old building, we extended its lifespan. New technologies and creative design strategies were deployed to reduce energy consumption as much as possible while maximising the building's capacity to generate its own renewable energy.

4 New café concept to entrench sustainability ethos among employees

We unveiled DBS Better World café, an employee café which aims to inspire Team DBS to do their part for a more sustainable world. The café incorporates a host of sustainability features in the fabric of its operations. These include a sustainable kitchen which uses locally-sourced ingredients, the hiring of disadvantaged individuals and the deployment of food composting stations for employees to dispose of their food scraps.

5 DBS Foundation new grant awardees

DBS Foundation committed SGD 3 million in grants to 15 social enterprises and eight SMEs, enabling them to create greater impact across social and environmental areas. The 23 awardees aim to impact two million lives, reduce greenhouse gas emissions by 319 tonnes and reduce 132,000 tonnes of food waste.

6 DBS Foundation commits SGD 5.6 million to foster a more inclusive society

The new Community Impact chapter of DBS Foundation aims to foster a more equitable and inclusive society. A total of SGD 5.6 million was committed towards 10 inaugural programmes across DBS' core markets of Singapore, China, Hong Kong, India, Indonesia and Taiwan. Signature programmes include those which will equip beneficiaries with digital and financial literacy skills.

CEO reflections

Piyush Gupta shares his views on key issues driving the coming year's performance.

Q1 What is the outlook for the coming year?

It is clear the global economy is slowing because of the aggressive tightening by the US Fed, which has occurred alongside ongoing geopolitical tensions and supply chain disruptions. The IMF has projected 2023 global economic growth to be at 2.9%, which would be lower than the 3.4% for 2022.

I expect US interest rates to increase to around 5% and stay there in 2023. The latest core Personal Consumption Expenditures price index of more than 4% is still above the Fed's target. At the same time, job creation in the US remains strong, with the unemployment rate of 3.4% in January 2023, the lowest since 1969.

But several green shoots are emerging.

First, inflation is moderating. Energy prices have declined due to a warmer northern winter and the availability of replacements for Russian oil and gas. At the same time, supply chain constraints have eased significantly as port backlogs are cleared. With interest rates already in restrictive territory, financial markets have started to price in the end of the rate upcycle. If inflation continues to ease and a mild recession ensues in the developed economies, we will end up with a soft landing.

Second, China's reopening will provide a substantial boost to economic activity, particularly in Asia. We have seen how other countries' reopening in the past year created a resurgence in travel and tourism, which are major economic sectors. China is bigger than other countries in the region. I expect consumption to substantially increase and energies unleashed across the region in the coming year now that the short-term pain from China's reopening appears to have passed.

Domestically, China has also corrected course on policies that clamped down on what it saw as excesses in key sectors. In the property sector, it has now provided liquidity support, including for the weakest companies. I do not foresee any property crisis there. In the technology sector, it has allowed major companies to release new games, sign up new customers and carry out new fundraising.

Third, geopolitical tensions have started to ease, although spats could occur from time to time. The tone has softened since Presidents Joe Biden and Xi Jinping met in Bali in November. China has subsequently appointed its ambassador to the US, who customarily spoke in more measured tones than his wolf warrior foreign ministry colleagues, as foreign minister. High-level exchanges with the US have resumed, with both sides' foreign and finance ministers meeting in recent months. Relations with Australia have similarly improved with the resumption of senior government exchanges as well as the easing of trade bans, including for coal, a major export.

One consequence of these improvements will be the return of animal spirits to financial markets – well before their effects are felt in the real economy. Since the start of the year, financial assets led by equities and bonds globally have clawed back some of the losses incurred in 2022. I believe Asian markets, having underperformed US markets over the past two years, will lead the upturn.

The macroeconomic and geopolitical backdrop bodes well for our operating outlook in the coming year. A sustained level of high interest rates is beneficial to our established Casa deposit franchise. Our latest net interest margin is now running at more than 2%, which is the highest in more than a decade. The higher rates, together with structural improvements from transformation initiatives, will enable us to sustain a ROE of more than 15% in the foreseeable future. At the same time, the restored confidence in financial markets will lead to a significant recovery in our wealth management fee income, which was the major drag on our performance in 2022. These factors will more than make up for any potential increase in credit costs. Although idiosyncratic risks cannot be ruled out, our ongoing stress tests indicate that asset quality will remain benign in the coming year.

Q2 Can ROE be sustained above 15%?

Our ROE reached a new high of 17% in the second half of 2022. Higher interest rates were a big tailwind, but the record profitability was also driven by significant improvements we made to the franchise.

If we look back to 2006-2007, when interest rates (and allowance charges) were at similar levels to the second half of 2022, our ROE was 12-13%. So there has been a four percentage point structural improvement in ROE.

The key to the improvement has been our digital transformation. In 2017, we laid out our thesis that digitalisation would enable us to increase wallet share with lower marginal costs.

In the consumer and SME businesses in Singapore and Hong Kong, where the benefits of digitalisation are most visible, we grew the proportion of digitally-engaged customers from 42% in 2017 to 60% in 2022. Over the past five years, these customers brought in more than twice the income on average than non-digital customers. They were also more cost efficient to serve. As a result, the ROE they generated was a significant 15 percentage points more than non-digital ones. The growing proportion of digital customers enabled operating profit of the consumer and SME businesses in these locations to grow at a compounded annual rate of 7% with ROE rising from 23% to 37%.

We also extended the digital transformation to other parts of the bank. In private banking, it enabled relationship managers to deliver hyper-personalised services to customers, resulting in more customer transactions. In corporate banking, the integration of our services directly into customers' supply chains and networks using application programming interface software (or APIs) resulted in higher volumes at lower costs. In Treasury Markets, the full business process – from distribution to structuring to risk warehousing – was digitalised, enabling us to handle higher volumes with greater speed.

The results are clear. Our assets under management grew at an 8% compounded annual rate since 2017, outpacing the market in Asia. Transaction services fees also increased at an 8% compounded annual rate, while GTS deposits rose almost 40%. Treasury Markets income growth and returns for the past five years surpassed the performance of global peers that we track. Wealth management, transaction services and treasury customer sales – which are low-capital-usage and high-return businesses – now make up a greater proportion of income compared to five years ago, resulting in higher ROE for the group.

We have also improved credit processes through the use of data and artificial intelligence for underwriting, early warning and portfolio management, which we expect to drive lower cost of credit going forward. In our key growth markets, we are scaling up organically and through acquisitions.

The announced increase in quarterly dividend payout to 42 cents per share and special dividend of 50 cents per share are part of our ongoing efforts to bring our CET1 ratio closer to the target and benefit ROE.

To be sure, there will be a cyclical impact to ROE from changes in interest rates. If interest rates peak in the coming year, part of the ROE improvement so far will come off, but the structural gains will remain. We expect that as our digital transformation becomes more pervasive, an ROE of 15% is sustainable if interest rates do not return to the unusually low levels seen during most of the past decade.

Q3 Will the collapse of technology valuations and crypto asset prices in particular have any bearing on your strategy?

2022 saw a major sell-off in the market, particularly of technology stocks and crypto assets. However, this has little bearing on technology as a continued driver of the global economy. The dot.com crash at the turn of the century testifies to that. Between March 2000 and October 2002, the Nasdaq Composite Index fell by more than 75%. Twenty years on, more than 60% of the global population are Internet users. Social media is a cultural phenomenon. Mobile and online technology have fundamentally reshaped business models.

The fact is that valuations are not necessarily the best indicator of the underlying promise of a technology. Indeed, some technologies we see today have the potential to be truly game-changing.

For example, digital technology is here to stay because it has fundamentally altered the way we live, work and play.

As for artificial intelligence (AI)/ machine learning (ML), it is already a big part of our lives today. We use conversational AI through our interactions with Siri or Alexa, and AI-powered recommendation engines in our Spotify and Netflix selections. With ChatGPT taking the world by storm recently, 2023 is set to be a year of generative AI.

Blockchain/ distributed ledger technology allows us to reimagine workflows, such as those pertaining to clearing and settlements. This could dramatically change back-office operations by reducing costs and boosting overall efficiency and effectiveness. Tokenisation and digital monies will also be a part of our future.

Against this backdrop, our fundamental thesis is that DBS needs to be a technology leader. We have been building our technological prowess over the years, and will continue to do so in two ways:

- Internally, DBS has more than 10,000 technologists, as well as two tech centres in Singapore and India today. A third centre will be established in China in mid-2024, giving us access to new tech talent even as we continue to train thousands of our people in AI/ ML and other new technologies. We will continue to invest in strengthening our technological muscle in areas such as cloud computing and site reliability engineering so as to improve scalability, automation and speed to market, while enhancing system resiliency at reduced costs. We will also build on our AI/ ML capabilities, adding to the 260 use cases we have to improve productivity, streamline work processes and offer hyper-personalised insights and nudges to customers.
- Externally, the bank has sponsored several new businesses, such as Partior and Climate Impact X (CIX). Leveraging blockchain technology, Partior seeks to streamline inefficiencies in cross-border clearing and settlement, while CIX enables the trading of high-quality carbon credits. We have also established DBS Digital Exchange (DDEx) and FIX Marketplace. DDEx is a bank-backed crypto trading exchange, while FIX Marketplace is Asia's first fully digital and automated fixed income execution platform. These initiatives not only provide valuable insights into emerging technologies but are also medium-term bets on the future of finance.

At the same time, we continue to trial new initiatives. In 2022, DBS collaborated with the Monetary Authority of Singapore on two applications. The first involved using programmable money and retail central bank digital currencies to distribute purpose-bound vouchers. The second experimented with the trading of tokenised assets. Both pilots allowed us to test new capabilities including the use of smart contracts and the integration of traditional finance with decentralised finance.

In an ironic way, the collapse in valuations is also helpful to us as it reduces unsustainable market competition. With cheap money flooding markets in recent years, a lot of tech companies had been competing irrationally. The latest correction makes for a more rational marketplace. We may also find that as tech valuations become more reasonable, there may be opportunities to enhance our capabilities.

The financial services industry is on the cusp of being reshaped by technology, and we must continue to be at the forefront of change for the benefit of customers and society-at-large.

Piyush Gupta
Chief Executive Officer
DBS Group Holdings

CFO statement

We achieved another record performance, with ROE climbing to 15%. The results reflected the pervasive digital transformation we have been making for more than a decade.

Record performance amidst macroeconomic uncertainty and financial market volatility reflects fruits of pervasive transformation

We achieved another record performance in 2022 as net profit rose 20% from a year ago to SGD 8.19 billion. Return on equity climbed to 15%, pulling away from previous highs clustered around 12-13%. The results were driven by a 16% increase in total income to SGD 16.5 billion, which passed the SGD 16 billion mark for the first time.

Underpinning the growth was a 30% increase in net interest income to SGD 10.9 billion, boosted by a higher net interest margin as interest rates rose, as well as loan growth. Non-interest income was 3% lower than the previous year's record due to financial market volatility. Lower wealth management and investment banking fees as well as gains on investment securities were offset by growth in other fee income activities and net trading income.

The significant jump in our results reflected the pervasive digital transformation we have been making to our franchise for more than a decade. Average interest rates for the year were closer to the years before they were cut to near-zero over the previous two years, enabling the results of the transformation to become more apparent.

Our digital transformation has become more entrenched since we first spoke about it in 2017. For wealth management and retail customers, we have been enhancing our digital platforms and increasingly using data and artificial intelligence to provide them with the tools and insights to manage wealth on their own. We have also made it more convenient for them to carry out payments for everyday activities. For corporates, which already use our cash management platforms for collections and payments, we have employed application programming interfaces (APIs) to embed ourselves into customer flows and scale up supply chain financing. In Treasury Markets, digitalisation has enabled us to handle higher volumes with faster turnaround times, improve trading efficiency and strengthen risk management.

The upshot of all this has been even stickier and deeper customer relationships, greater income per customer and lower unit cost of serving them. A few specific outcomes of the transformation were pertinent to the year's performance.

First, by cementing our status as customers' primary bank, we were able to attract – and, crucially, retain – low-cost current and savings account (Casa) deposits. During the period of quantitative easing in 2020-21, our Casa deposits had risen by 60% or SGD 143 billion to SGD 381 billion, a significantly higher percentage growth than peers despite starting from a much larger base. While Casa deposits did flow out in the second half as expected as interest rates rose, half of the earlier inflows did stay with us, and we ended 2022 with Casa deposits of SGD 318 billion. The expanded Casa base enabled us to enjoy higher leverage to rising rates than in prior years, which contributed to the strong total income growth.

Second, several fee income activities were structurally larger. Credit and debit card billings rose by double-digit percentage terms for a second consecutive year, reaching new highs as our consumer payments platforms captured the post-pandemic spending recovery. Transaction service fees were propelled by higher domestic and cross-border payment volumes as well as new customer mandates. Compared to 2017, fee income from cards and from transaction services were around 50% bigger. Even wealth management fees, which declined 26% in 2022 due to financial market volatility, remained two-fifths larger than five years ago. The cumulative five-year growth rates of these fee income activities were above peers.

Third, the Treasury Markets business delivered both strong growth and higher returns over the past five years. Income from trading and customer sales was two-fifths larger than in 2017.

The digitalisation of our business also meant greater operating leverage as an incremental dollar of income could be generated with lower incremental unit cost. The full-year cost-income ratio improved three percentage points from a year ago to 43%. The second-half underlying ratio was 41%, in line with the longer-term target of around 40% that we had indicated several years ago.

Sustained business momentum augmented by higher net interest margin in 2022

During the year, net interest income and net interest margin increased at an accelerated pace as the year progressed. Net interest income grew 11% in the first half and 48% in the second half compared to the year-ago period, resulting in a full-year increase of 30% to SGD 10.9 billion.

Net interest margin rose 30 basis points to 1.75%, with majority of the increase occurring in the second half when the impact of interest rate increases was more fully felt. The biggest quarterly increase in net interest margin occurred in the third quarter as cumulative Casa outflows and higher deposit costs moderated the increase in the fourth quarter. The deposit beta – or the increase in overall deposit costs relative to market interest rates – rose progressively during the year to 32% by year-end. Still, net interest margin was 2.05% in the fourth quarter, significantly above the 1.75% for the full year.

The reported net interest income and net interest margin were affected by a drag from Treasury Markets due to higher funding costs for non-interest-bearing and marked-to-market assets as well as net interest margin compression for fixed-income instruments. (The drag is neutralised by gains in other non-interest income and so does not affect its overall income and earnings.) Net interest income for the Commercial book, which excludes Treasury Markets, rose 40% while its net interest margin increased 48 basis points to 2.11%, with its fourth-quarter net interest margin significantly higher at 2.61%. In addition, net interest income and net interest margin did not benefit yet from the repricing of SGD 180 billion of fixed-rate assets, which will take place in the coming years.

Loans grew 4% in constant-currency terms during the year to SGD 415 billion. Growth in the first nine months was moderated by a slight decline in the fourth quarter. While underlying demand continued to be healthy in the last three months, some corporates shifted their borrowing to cheaper financing options or repaid opportunistic borrowing, and wealth management customers reduced margin loans.

Non-trade corporate loans rose 5% or SGD 13 billion to SGD 248 billion. Like the previous year, the growth was diversified across countries and sectors. By region, Singapore and Hong Kong accounted for half the growth, with the rest from elsewhere in the region and from our international centres. By industry, the growth was led by real estate, energy, and technology, media and telecoms. We carried out 156 sustainable loan transactions with a disbursement amount of SGD 20 billion, comparable to the previous year.

Trade loans rose 4% or SGD 2 billion to SGD 44 billion, with an increase in the first half partially offset by a decline in the second half due to unattractive pricing.

Housing loans rose 4% or SGD 3 billion to SGD 81 billion. While bookings were below the previous year's record in line with the lower number of market transactions, they were still healthy for new launches, resale activity and refinancing.

Other consumer loans fell 7% or SGD 3 billion to SGD 43 billion as wealth management loans declined with lower risk appetite amidst volatile financial markets.

Deposits grew 7% or SGD 33 billion in constant-currency terms to SGD 527 billion. In contrast to the previous two years, all of the growth was in fixed deposits, mostly in foreign currencies. These deposits were used to fund foreign-currency loan growth, replace more expensive commercial paper, and replace Casa outflows. Growing foreign-currency fixed deposits enabled us to maintain our surplus Singapore Casa deposits, whose returns progressively rose with interest rates. The ample liquidity resulted in a liquidity coverage ratio of 140% and net stable funding ratio of 117%, well above regulatory requirements.

Net fee income declined 12% to SGD 3.09 billion. Wealth management fees fell 26% to SGD 1.33 billion as market volatility resulted in lower investment product sales. Bancassurance sales were moderately lower. The weaker market conditions also affected investment banking fees, which fell 44% to SGD 121 million.

Other fee activities continued to grow. Card fees rose 20% to SGD 858 million. The increase picked up as the year progressed and card fees surpassed pre-pandemic levels in the second half. Overall annual card spending rose to a second consecutive record with travel spending continuing to recover towards pre-pandemic levels. Transaction service fees were stable at SGD 929 million as growth led by cash management was moderated by lower brokerage commissions from institutions. Loan-related fees rose 11% to SGD 459 million.

Other non-interest income grew 11% to SGD 2.47 billion. Increases in Treasury Markets non-interest income as well as treasury customer sales to both corporate and wealth management customers were moderated by lower investment gains.

By business unit, Consumer Banking/ Wealth Management income rose 25% to SGD 6.65 billion as higher interest rates more than offset the impact of lower wealth management investment product sales. Wealth Management customer segment income increased 20% as higher interest rates more than offset lower fee income from investment sales. Assets under management grew 3% in constant-currency terms to a new high of SGD 297 billion, underpinned by record net new money inflows of SGD 24 billion. Institutional Banking income rose 28% to SGD 7.69 billion. The growth was led by a more than doubling of cash management income as a result of higher interest rates. Income from treasury customer sales was also higher. These gains were moderated by weaker capital markets activity. Treasury Markets income declined 22% from the previous year's exceptional levels to a more normalised SGD 1.17 billion.

By region, Singapore income rose 20% to SGD 10.6 billion from higher interest rates and loan growth. Net interest margin increased as loans repriced in line with higher interest rates. Partially offsetting the higher net interest income was lower fee income from wealth management and investment banking fees. Hong Kong income rose 16% in constant-currency terms to SGD 2.92 billion from higher interest rates and higher trading gains, which were partially offset by lower fee income. Rest of Greater China income was stable at SGD 1.16 billion as higher net interest income and trading income were offset by lower fee income. South and Southeast Asia income rose 5% to SGD 1.18 billion from higher net interest income.

Expenses rose 10% to SGD 7.09 billion, led by higher staff costs. The positive jaw of six percentage points resulted in a three percentage-point improvement in the cost-income ratio to 43%. Profit before allowances rose to a new high of SGD 9.41 billion.

Balance sheet remains strong

Asset quality was resilient throughout the year. Non-performing assets fell 12% to SGD 5.13 billion while the NPL ratio improved from 1.3% to 1.1%. New non-performing asset formation remained low and was offset by repayments and write-offs. Specific allowances amounted to eight basis points of loans or SGD 335 million, moderately below the 12 basis points a year ago.

General allowances of SGD 98 million were written back during the year due to transfers to NPA, upgrades and repayments. Total allowance reserves amounted to SGD 6.24 billion, comprising general allowance reserves of SGD 3.74 billion and specific allowance reserves of SGD 2.51 billion. Allowance coverage was at 122% and at 215% when collateral was considered.

Our Common Equity Tier 1 ratio rose to 14.6%. The leverage ratio of 6.4% was more than twice the regulatory requirement of 3%.

Total shareholder returns

We delivered total shareholder returns of 8%, comprising share price gains of 4% and the dividend paid out during the calendar year of SGD 1.44 per share (comprising the final 2021 dividend and the dividends for the first three quarters of 2022, each of which was 36 cents per share).

Increase in quarterly dividend and a special dividend

The Board proposed a final dividend of 42 cents per share, an increase of six cents from the previous payout, and a special dividend of 50 cents per share. The combined payout of 92 cents per share reflects our robust earnings profile and strong capital position. Together with the ordinary dividends of 36 cents per share for each of the first three quarters, the total dividend payout for the financial year rose to SGD 2.00 per share, a 67% increase from the SGD 1.20 per share for financial year 2021.

Barring unforeseen circumstances, the annualised dividend will rise to SGD 1.68 per share.

Outlook

At time of writing, macroeconomic conditions are improving. Inflation, while still high, is moderating. China's reopening will boost confidence and economic activity in the region. The IMF recently upgraded its global growth forecast for 2023 from 2.7% to 2.9%, although it would still be below the 3.4% in 2022.

The better environment will support business momentum in the coming year. We expect loans to grow by mid-single-digit percentage terms. Fee income should grow by double digits as the return of animal spirits to financial markets enables wealth management to recover from the declines in 2022, and as travel resumption boosts card spending further.

Our full-year net interest margin will be significantly higher due to base effects as well as net benefits from further interest rate increases at least in the first few months of the year.

Our current stress tests indicate that asset quality will remain benign, with specific allowance charges likely to be below our through-the-cycle average of around 20 basis points.

If these forecasts hold for the year, we expect to deliver another record performance in 2023.

Chng Sok Hui
Chief Financial Officer
DBS Group Holdings

(A) Digitalisation

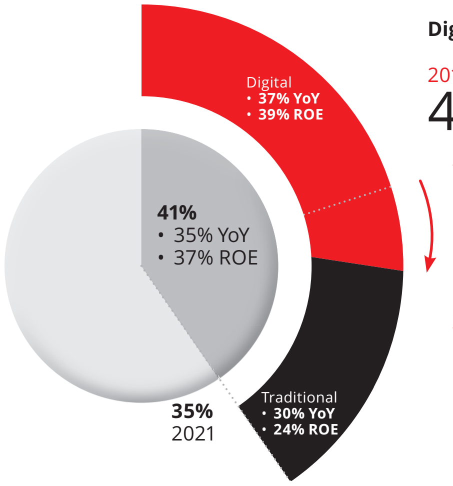
We continued to make significant progress in our digital transformation for the Consumer and SME businesses in Singapore and Hong Kong. Our drive for deeper digital engagement resulted in the number of digital customers more than doubling from 1.9 million in 2015, when we first tracked customers' digital adoption, to 4.1 million in 2022. The proportion of digital customers rose by 27 percentage points over the seven years to 60%, delivering on our targets.

The share of income from digital customers rose 33 percentage points over the seven years to 82% in 2022. The digital segment continued to be more valuable due to stickier, deeper and broader customer relationships. With more diverse product holdings and number of transactions, digital customers consistently generated more than twice the income on average than traditional ones.

The reported cost-income ratio of the overall business improved by 11 percentage points from the previous year to 40% on the back of higher rates and volumes. On an underlying basis, which normalises for changes in net interest margin, the cost-income ratio was 44%, an improvement of one percentage point from the previous year. The underlying cost-income ratio improved five percentage points since 2015 even as we continued to invest to sustain our advantage over peers.

The ROE for the overall business in 2022 was 37%, with the digital segment at 39% compared to 24% for the traditional segment.

2022 income



Digital share of income

2015
49%

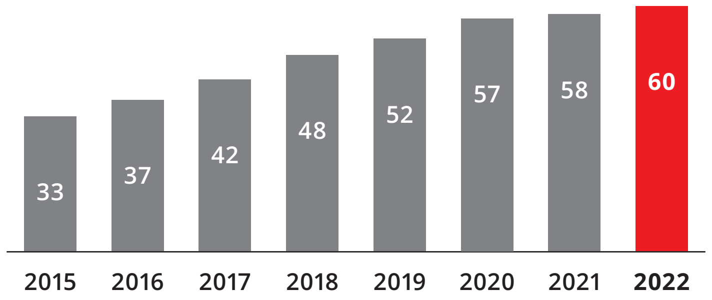
2019
72%

2021
81%

2022
82%

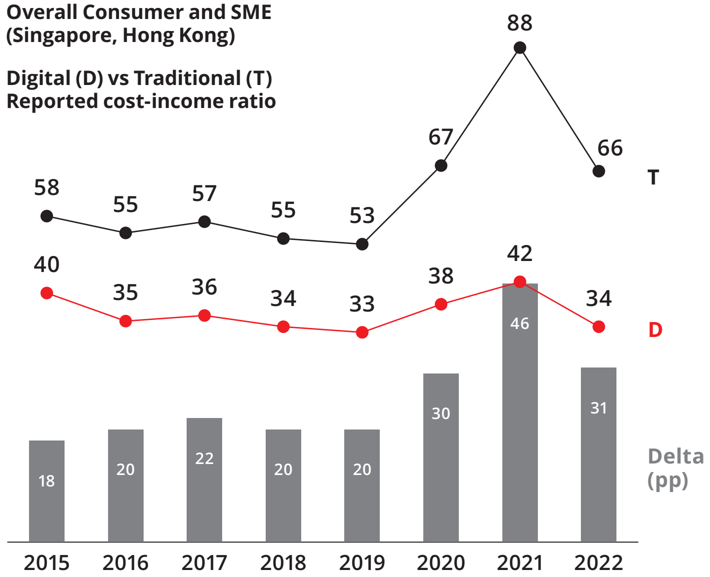
- The overall consumer and SME businesses in Singapore and Hong Kong contributed 41% of Group income compared to 35% a year ago, boosted by higher rates and volumes.
- The digital segment continued to be material, with the proportion of digital customers reaching 60% in 2022, delivering the target we had set for ourselves in 2017.
- Digital customers are consistently more valuable with an increasing share of income, sustained higher income per customer, better efficiency and higher returns compared to the traditional segment.

Digital share of customers (%)

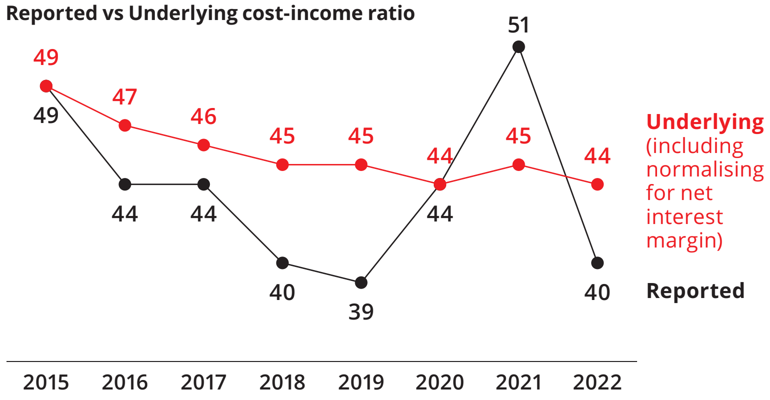


Cost-income ratio (%)
Overall Consumer and SME (Singapore, Hong Kong)

Digital (D) vs Traditional (T) Reported cost-income ratio



Reported vs Underlying cost-income ratio



- Underlying cost-income ratio improved one percentage point over last year while delivering a five percentage point improvement over a seven year period.

- Cost-income ratios in 2022 moderated towards pre-Covid levels.
- The digital segment fared better over the Covid period due to its income resilience from a more diversified product base. As interest rates rose, the traditional segment benefitted disproportionately from its larger share of Casa base, contributing to a steeper improvement in cost-income ratio.

(B) Business unit performance

Consumer Banking/ Wealth Management total income grew 25% to SGD 6.65 billion. Net interest income rose 68% to SGD 4.27 billion from a higher net interest margin and growth in loan and deposit volumes. Non-interest income fell 14% to SGD 2.38 billion on lower fee income from investment product sales and bancassurance. Expenses increased 13% to SGD 3.80 billion. Total allowances increased by SGD 112 million to SGD 158 million due mainly to higher general allowances. Profit before tax increased by 40% to SGD 2.69 billion.

Institutional Banking total income rose 28% to SGD 7.69 billion from higher net interest income, increased loan-related activities and stronger treasury customer flows, offset by lower capital market activities. Expenses increased 8% to SGD 2.25 billion. Total allowances declined by SGD 345 million to a write-back of SGD 204 million. Profit before tax rose 50% to SGD 5.64 billion.

Treasury Markets total income normalised to SGD 1.17 billion mainly due to lower contributions from equity derivatives and interest rate activities, partially offset by foreign exchange and credit activities. Expenses fell 4% to SGD 619 million from lower operating costs partially offset by higher staff costs. Profit before tax fell 34% to SGD 569 million.

The Others segment encompasses the results of corporate decisions that are not attributed to business segments. It includes earnings on capital deployed into high quality assets, earnings from non-core asset sales and certain other head office items such as centrally raised allowances. DBS Vickers is also included in this segment.

	Commercial book				
(SGD million)	Consumer Banking/ Wealth Management	Institutional Banking	Others	Treasury Markets	Total
Year 2022					
Net interest income	4,270	5,569	880	222	10,941
Net fee and commission income	1,783	1,293	15	–	3,091
Other non-interest income	601	826	91	952	2,470
Total income	**6,654**	**7,688**	**986**	**1,174**	**16,502**
Expenses	3,803	2,254	414	619	7,090
Total allowances	158	(204)	293	(10)	237
Share of profits/ losses of associates and JVs	–	–	203	4	207
Profit before tax	**2,693**	**5,638**	**482**	**569**	**9,382**
Year 2021					
Net interest income	2,548	3,999	1,110	783	8,440
Net fee and commission income	2,186	1,282	56	–	3,524
Other non-interest income	588	703	207	726	2,224
Total income	**5,322**	**5,984**	**1,373**	**1,509**	**14,188**
Expenses [1]	3,353	2,086	383	647	6,469
Total allowances	46	141	(130)	(5)	52
Share of profits/ losses of associates and JVs	–	–	109	–	109
Profit before tax	**1,923**	**3,757**	**1,229**	**867**	**7,776**

(1) Excluding one-time items

(C) Net interest income

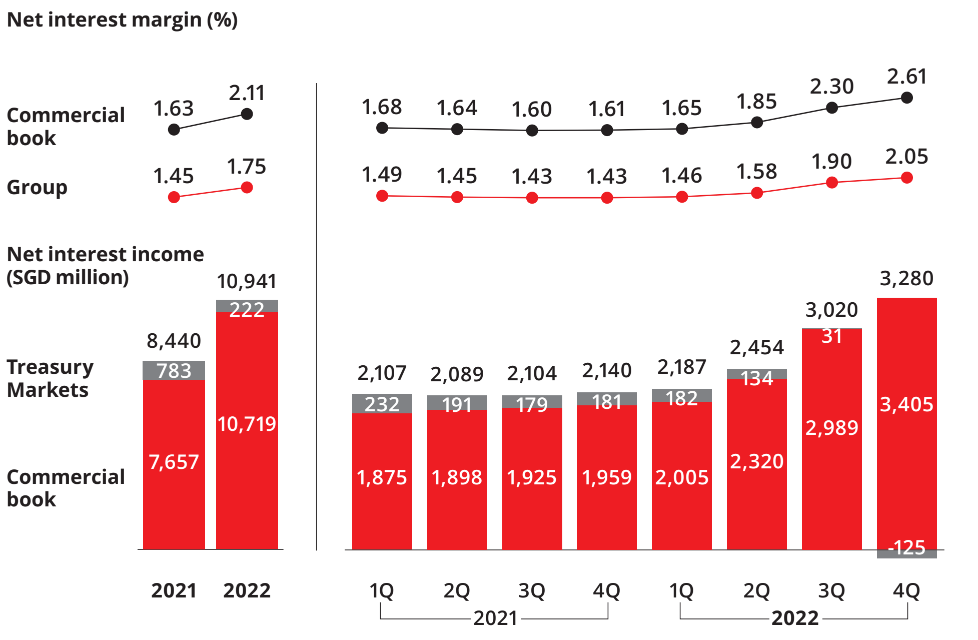
Commercial book net interest income, which excludes Treasury Markets, rose 40% to SGD 10.7 billion. Its full-year NIM rose 48 basis points to 2.11% from higher interest rates. The fourth-quarter NIM was significantly higher at 2.61%, having risen 100 basis points from fourth-quarter 2021.

The increase in Commercial book net interest income was offset by a 72% decline in Treasury Markets net interest income to SGD 222 million due to higher funding costs for its operations. The drag in its net interest income is generally offset by gains in the non-interest income line.

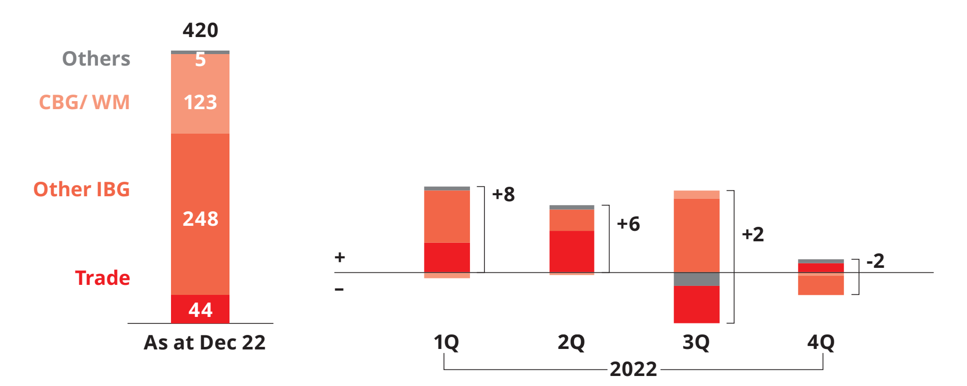
As a result, overall net interest income grew 30% to SGD 10.9 billion.

Gross loans grew 4% or SGD 14 billion in constant-currency terms to SGD 420 billion. Non-trade corporate loans increased 5% or SGD 13 billion from broad-based growth across countries and sectors. Trade loans rose 4% or SGD 2 billion, with an increase in the first half partially offset by a decline in the second half due to unattractive pricing. Housing loans grew 4% or SGD 3 billion, with the majority of the growth occurring in the second half. Other consumer loans fell 7% or SGD 3 billion as wealth management loans declined.

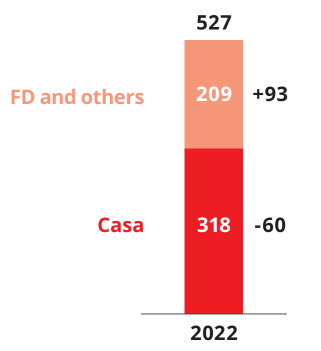
Deposits rose 7% or SGD 33 billion in constant-currency terms to SGD 527 billion as fixed deposit growth more than offset current and savings account outflows. Our market share of Singapore savings deposits rose 0.7 percentage points during the year to slightly more than 53%.


Net interest margin (%)

Net interest income (SGD million)


Gross loans (SGD billion)

Constant-currency change


Deposits (SGD billion)

	2022	2021
Ratios (%)		
Casa/ total deposits	**60**	76
LDR	**79**	81
LCR	**140**	135
NSFR	**117**	123

(D) Non-interest income

Net fee income fell 12% to SGD 3.09 billion. Wealth management fees declined 26% to SGD 1.33 billion as weaker market conditions led to lower investment product sales. Investment banking fees were also lower, by 44% to SGD 121 million, as capital market activities slowed.

Fee income

(SGD million)	2022	2021	YoY%
Investment banking	**121**	218	(44)
Transaction services[1]	**929**	925	0
Loan-related	**459**	413	11
Cards	**858**	715	20
Wealth management[2]	**1,330**	1,786	(26)
Fee and commission income	**3,697**	4,057	(9)
Less: Fee and commission expense	**606**	533	14
Total net fee and commission income	**3,091**	3,524	(12)

(1) Includes trade & remittances, guarantees and deposit-related fees

(2) Net of interchange fees paid

Other fee activities continued to grow. Card fees rose 20% to a new high of SGD 858 million as overall card spending reached a record and travel spending progressively recovered. Loan-related fees increased 11% to SGD 459 million. Transaction service fees were stable at SGD 929 million as higher cash management and trade fees were offset by lower brokerage commissions from institutional clients.

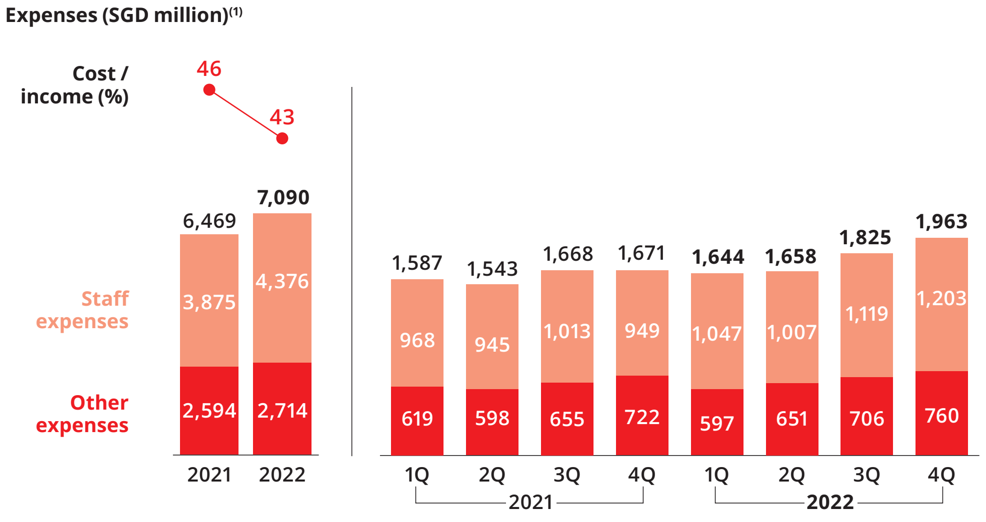
Other non-interest income rose 11% to SGD 2.47 billion, which was due mainly to Treasury Markets activities.

Other non-interest income

(SGD million)	2022	2021	YoY%
Net trading income	**2,313**	1,791	29
Net income from investment securities	**115**	387	(70)
Others (include rental income and gain on fixed assets)	**42**	46	(9)
Total	**2,470**	2,224	11
Commercial book	**1,518**	1,498	1
Treasury Markets	**952**	726	31
Total	**2,470**	2,224	11

(E) Expenses

Expenses rose 10% to SGD 7.09 billion. The increase was led by a 13% increase in staff costs. Other costs also increased due to higher computerisation expenses.


Expenses (SGD million)[1]

(1) Excluding one-time item

(F) Asset quality

Non-performing assets fell 12% to SGD 5.13 billion. New non-performing asset formation was more than offset by repayments and write-offs as well as currency effects. The NPL ratio improved from 1.3% to 1.1%.

Specific allowances fell 33% to SGD 335 million or eight basis points of loans. There was a general write-back of SGD 98 million from transfers to NPA, upgrades and repayments.

Allowance reserves continued to be high. General allowance reserves amounted to SGD 3.74 billion, which included SGD 2.05 billion of general allowance overlays. Together with specific allowance reserves of SGD 2.51 billion, total allowance reserves amounted to SGD 6.24 billion. Allowance coverage of non-performing assets was at 122% and at 215% when collateral was considered.

(SGD million)	2022	2021
NPAs at start of period	**5,849**	**6,686**
IBG and others	**(464)**	**(872)**
New NPAs	1,157	1,006
Upgrades, settlements and recoveries	(1,002)	(1,345)
Write-offs	(619)	(533)
CBG/ WM	**(112)**	**(47)**
Translation	**(148)**	**82**
NPAs at end of period	**5,125**	**5,849**
NPL ratio (%)	1.1	1.3
SP/ loans (bp)	8	12
Cumulative general and specific allowances as % of:		
NPA	122	116
Unsecured NPA	215	214

Our 2022 priorities

We use a balanced scorecard approach to measure how successfully we are serving stakeholders and executing our long-term strategy. Our scorecard, which is based on our strategy, is used to set objectives, drive behaviours, measure performance and determine the remuneration of our people, making this a living tool.

Traditional Key Performance Indicators (40%)

Shareholders

Achieve sustainable growth

Measure financial outcomes and risk related KPIs to ensure that growth is balanced against the level of risk taken, including compliance and control.

Read more about this on page 27.

Customers

Position DBS as bank of choice

Drive progress in customer satisfaction, depth of customer relationships and strength of brand positioning.

Read more about this on page 27 and 28.

Employees

Position DBS as employer of choice

Assess advancement in being an employer of choice, including employee engagement and people development.

Read more about this on page 28.

Transform the Bank – Make Banking Joyful (20%)

Transforming toward managing through customer journeys

Design improvement in journey architecture for Managing through Journeys (MtJs)

Improve and build capabilities for managing through customer journeys.

Deliver differentiated customer experiences and superior outcomes

Broaden the adoption of the new way of managing to additional customer journeys across the organisation, further leverage Artificial intelligence (AI)/ Machine learning (ML) and experimentation, and deepen focus on customer obsession to deliver differentiated customer experience, superior financial outcome, and joyful employee experience.

Read more about this on page 29.

Areas of focus (40%)

Continue our transformation journey

Scale the implementation of Horizontal Organisation and Data-Driven Operating Model (DDOM) across the rest of the bank, and incorporate effective hybrid working and transformational leadership practices.

Industrialise use of AI/ ML and innovate at scale with continued investments in next-generation technology.

Read more about this on page 30.

Accelerate existing business

Scale and drive value across the Group with strategic expansions and segment strategies across markets.

Read more about this on page 30.

Become a technology company

Explore new income streams and opportunities for growth by leveraging our digital capabilities and emerging technology trends.

Read more about this on page 31.

Build a sustainable franchise

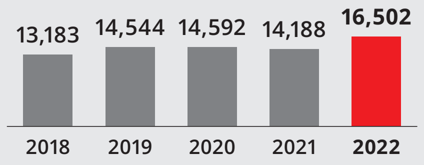
Strengthen our risk and compliance framework, improve the resiliency of our systems, and champion efforts in responsible banking, responsible business practices and impact beyond banking.

Read more about this on page 31.

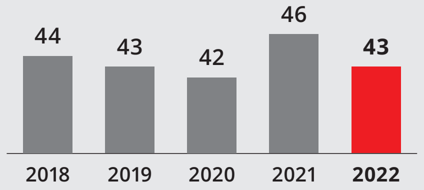
Traditional KPIs

	KPI/ Target	Outcome
Shareholders *Read more about this on pages 20 to 25 in "CFO statement"*	Deliver consistent income growth	Total income rose 16% to SGD 16.5 billion, crossing the SGD 16 billion mark for the first time. A higher net interest margin and loan growth of 4% more than offset a decline in wealth management and investment banking fee income.
	Be cost efficient while investing for growth, with cost-income ratio improving over time	The cost-income ratio improved by three percentage points to 43%. Expenses rose 10% to SGD 7.09 billion, led by higher staff costs.
	Grow exposures prudently, aligned to risk appetite	Asset quality was resilient. Non-performing assets (NPA) fell 12% as new NPA formation was low and more than offset by recoveries and write-offs. The NPL ratio improved from 1.3% to 1.1%. Specific allowances declined to eight basis points of average loans. General allowances of SGD 98 million were written back compared to a write-back of SGD 447 million a year ago.
	Deliver consistent return on equity (ROE)	ROE rose to a record 15.0%, above previous highs clustered around 12-13%, reflecting structural improvements in the franchise as average interest rates rose to more normalised levels.
Customers	Achieve broad-based increase in customer satisfaction across markets and segments	Customer satisfaction and CSISG scores rose among Consumer Banking customers, driven by enhancements to our digital platforms, increased product variety, and deeper engagement through leveraging data and personalised alerts. However, volatile market conditions affected portfolio performance, impacting customer engagement amongst Wealth Management clients. We retained our overall 2nd rank in market penetration across core markets for Large Corporates, and SME regional CE scores increased four years in a row. We also had a record haul of awards including "Best Bank for Real Estate", "World's Best Bank for SMEs" as well as first global wins for DBS IDEAL as the "World's Best Integrated Corporate Banking Site".

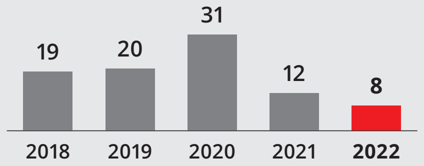
Income (SGD million)



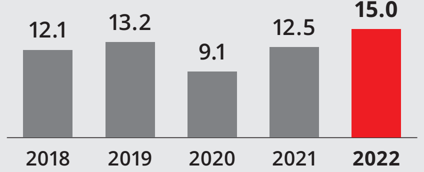
Cost/Income (%)



Specific allowances/ average loans (bp)



Return on equity (%)



Customer engagement score(1)

	2022	2021
CES for Consumer Banking	**4.31**	4.27
CES for Wealth Management	**4.26**	4.27
CES for SME Banking	**4.45**	4.41
Asia-based Large Corporates Market Penetration Ranking	**2nd**	2nd
CSISG(2), Finance and Insurance Sector ratings	**74.9**	73.8
CSISG, Finance and Insurance Sector rankings	**2nd**	5th

(1) Scale: 1 = worst and 5 = best. Based on Customer Satisfaction Survey (CSS) conducted by Aon Hewitt, Ipsos and Qualtrics for Wealth Management; and Kantar and Qualtrics for Consumer Banking. Based on Aon Hewitt for SME banking and Greenwich Associates for large corporates market penetration ranking.

(2) Customer Satisfaction Index of Singapore, jointly developed by the Institute of Service Excellence at Singapore Management University and the Singapore Workforce Development Agency. The Banking CSISG Study is run in the fourth quarter every year.

Traditional KPIs

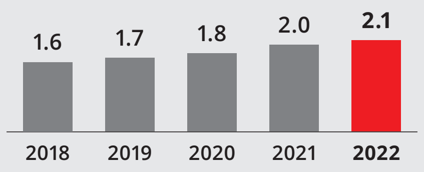
KPI/ Target | **Outcome**

Customers

Deepen wallet share of individual and corporate customers

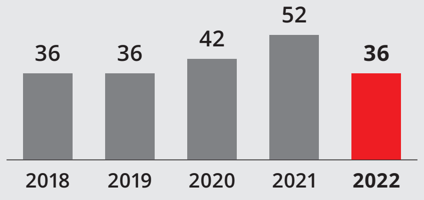
IBG non-interest income increased 7% to SGD 2.1 billion on the back of broad-based growth in loan fees and treasury customer sales, partly offset by lower capital market activities.

IBG non-interest income (SGD billion)



CBG non-interest income ratio decreased to 36%, reflecting higher net interest income on deposit margin expansion in an elevated rate environment, coupled with lower income from bancassurance and investment products due to market uncertainties.

CBG non-interest income ratio (%)



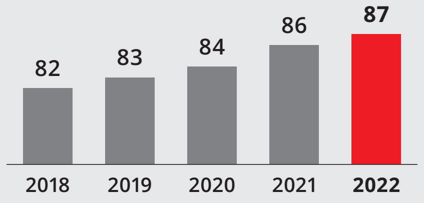
Employees

Maintain employee engagement levels

With the easing of Covid-19 restrictions, our employees transited seamlessly into hybrid working arrangements. Whilst doing so, our engagement score continued to improve to 87% (+1%), bringing us from 91st percentile in 2021 to 93rd percentile in 2022 against a global benchmark. Dimensions with notable improvements include enabling productivity, customer focus and brand. We continued to receive the accolade of Kincentric Best Employer in Singapore and across APAC for the seventh year, and were certified as Best Employer in eight other markets.

To maintain high employee engagement levels, we will continue to focus on workload as well as rewards and recognition to improve on survey follow-up.

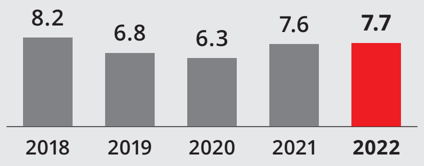
My Voice employee engagement score (%)



Provide our people with opportunities for internal mobility to enhance professional and personal growth

We are committed to building the long-term careers of our people by providing them with various career opportunities within the organisation. In 2022, we launched iGROW, an AI/ ML-powered personal career companion, to help employees identify future career aspirations and the skills required to reach these goals. iGROW brings together our various people programmes to empower employees in driving their own career growth. Our internal mobility rate improved slightly from 7.6% in 2021 to 7.7% in 2022.

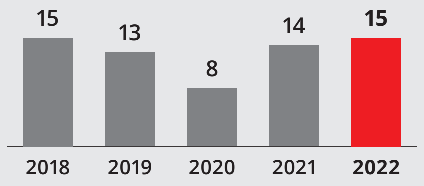
Mobility: internal mobility rate (%)



Maintain or reduce voluntary turnover

Our group-wide voluntary attrition rate increased from 13.7% in 2021 to 14.7% in 2022, comparable to pre-Covid (2018-2019) rates. This was largely due to an improvement in business conditions in 2022 compared to the Covid period. That said, our attrition rates across each core market were lower than the market average.

Turnover (%)



Transform the Bank – Make Banking Joyful

KPI/ Target | **Outcome**

Transforming toward managing through journeys

Design improvement in journey architecture for managing through journeys (MtJs)

To better manage through journeys (MtJs), we established overall principles and approaches for systems and workflows that facilitate collaboration between different teams. Business and technology teams have been aligned with MtJs, ensuring common technology prioritisation across units.

By implementing a framework to align performance management of the cross-functional teams under MtJs, we provided clarity and accountability over key drivers and business and customer outcomes. As a result, we have seen significant positive impact from the new way of managing our businesses.

Deliver differentiated customer experiences and superior outcomes

We made good progress in our Consumer Banking journeys.

In our Cards and Consumer Finance businesses, we developed new capabilities, strengthened customer value propositions, and optimised application journeys through customer immersions, use of AI/ ML, and experimentation. In our Consumer Finance business, we onboarded new ecosystem partners and transformed the unsecured lending experience across the region through data and digital capabilities. These initiatives resulted in high customer service scores in Singapore, Hong Kong and India.

In our Treasures business, we expanded the use of AI/ ML-driven contextual nudges to relationship managers (RMs) as well as to customers through digital channels. This led to increased customer engagement by 27% through RMs and 10% through digital channels. Our efforts to continuously identify and resolve customer pain points led to improvements in service response time in most markets. Beyond our Cards, Consumer Finance and Treasures businesses, we also scaled journey thinking across the rest of our consumer banking product and retail segments.

Our digital acquisition channel shares for Cards and Treasures remained flat, while that for Consumer Finance saw an increase led by growth in Singapore and India. In both these countries, almost all loan origination is now fully digital.

Digital Acquisition Channel Share	2021	**2022**
Credit Card	88%	**87%**
Consumer Finance (Unsecured lending)	76%	**83%**
Treasures	57%	**56%**

We enhanced and expanded our Institutional Banking journeys by working in horizontal teams and using AI/ ML and experimentation.

In our global supply chain business, we improved the transaction journey for suppliers and distributors. This resulted in strong growth in the number of suppliers and distributors to almost 6,500. We also saw significant growth in assets (57%) and revenue (23%) as well as a strong customer satisfaction score of 4.51 out of 5.

In our SME business, our new way of working led to strong revenue growth as well as improvements in customer service scores in Singapore and Hong Kong. Embedding data-driven decisions into the daily fabric of our businesses helped drive Singapore SME CASA market share and reduced Hong Kong servicing call volumes by 20%.

Our transactional foreign exchange (FX) business saw our Treasury Markets, Global Transaction Services, and technology teams working horizontally, enabling greater nimbleness in responding to customers' needs and innovating with new products, services and experiences. We also used AI/ ML to enable continuous engagement with customers based on their activities and market movements. Our FX business saw a 15% growth in revenues and a customer satisfaction score of 4.47 out of 5.

Read more about this in the Letter from the Chairman and CEO on page 8.

Selected Areas of Focus

	KPI/ Target	Outcome
Continue our transformation journey	Scale the implementation of Horizontal Organisation and Data-Driven Operating Model (DDOM) across the rest of the bank, and incorporate effective hybrid working and transformational leadership practices	Through working horizontally and using AI/ ML operating models, support units such as HR, Finance, Risk, Legal & Compliance, and Audit have improved the effectiveness and speed of decision-making. For example, our Finance team uses data control towers on deposit repricing to balance funding needs with marginal deployment rates, market conditions, and net interest income sensitivity impact in a timely manner. We implemented an effective 60:40 hybrid work environment and enabled productivity through streamlining of our processes and extensive use of technology tools. We also further reduced employee toil in our reporting journeys. These initiatives resulted in a Hybrid Working Effectiveness Score of 88% in the Kincentric My Voice survey 2022, 17 percentage points above that of APAC Financial Services Institutions and three percentage points above that of APAC Best Employers. Our Enabling Productivity scores also stood at 88%, four percentage points higher than last year. We improved employee well-being with better benefits and deepened our efforts to equip our managers with transformational leadership capabilities through close to 200 team effectiveness workshops and small-group mentoring sessions. We received positive feedback from employees on the revised benefits, and our manager effectiveness and psychological safety scores improved to 91%.
	Industrialise use of AI/ ML and innovate at scale with continued investments in next-generation technology	We made meaningful progress in driving exponential use of AI/ ML across the bank, delivering significant economic impact. In addition, we enhanced our data platform's system performance and stability, and achieved a 30% reduction in deployment time of AI/ ML models. We enhanced our Responsible Data Use (RDU) framework by expanding the scope of models covered under AI governance. We successfully executed our public cloud strategy, including leveraging public cloud to scale workloads in seconds. Our in-house platform Evolve PavedCloud has enabled a significant increase in public cloud adoption over the last four years and reduced the time taken for applications to be onboarded securely onto public cloud by over 40%. CloudOps, our technology marketplace, automates complex services for our private cloud operations. ***Read more about this in the Letter from the Chairman and CEO on page 8 and CIO Statement on page 34.***
Accelerate existing businesses	Scale and drive value across the Group with strategic expansions and segment strategies across markets	We further entrenched our digital bank leadership position in Singapore across both retail and SME segments. 95% of our retail customers are now onboarded digitally and we continued to drive holistic financial planning through DBS NAV Planner, which has three million users. We also deepened customer engagement through PayLah!, which saw a 24% growth in transactions. For SME customers, we launched DBS 110 Quick Finance offering instant application, underwriting and loan disbursement, contributing to our growth in micro-SME loan market share. Continued Covid lockdowns in China resulted in limited progress in Hong Kong – Greater Bay Area (GBA) Wealth Connect and slower ECM & DCM deal activities in our Securities Joint Venture (SJV). Despite the challenges in the operating environment, our GBA business grew by 20% largely on the back of 67% growth in Open Account Trade (OAT) balances. We successfully integrated Lakshmi Vilas Bank with DBS India. Our enlarged presence of over 520 branches across 350 locations, 2.5 million retail customers and 15,000 corporate customers provides a strong platform for the various businesses to accelerate growth. We continued to scale by leveraging strategic partnerships including those with Bajaj Finserv, to launch our first-ever credit card in India, and with ODeX to provide straight-through credit solutions to freight forwarders. These initiatives helped deliver stronger consumer and SME assets growth, as well as higher income and profitability. DBS Taiwan will become the largest foreign bank in Taiwan when fully integrated with the consumer banking business of Citibank Taiwan in 2023. The acquisition will enable us to offer full-service commercial bank capabilities and accelerate growth with enlarged customer base and potential cross-sell opportunities. We deepened and expanded ecosystems partnerships in Indonesia, resulting in growth of lending volume and revenue by 148% and 145% respectively. Profitability of digibank remains challenged despite improved new and existing customer quality and increased AUM levels. We continue to focus on the emerging affluent segment, driving growth by leveraging on AI/ ML and continuous experimentation to improve profitability. ***Read more about this in Letter from the Chairman and CEO on page 8 and Head of Consumer Banking/ Wealth Management Statement on page 38.***

Selected Areas of Focus

	KPI/ Target	Outcome
Become a technology company	Explore new income streams and opportunities for growth by leveraging our digital capabilities and emerging technology trends	Despite a risk-off environment for crypto, we saw an increase in quantity of coins traded on DBS Digital Exchange (DDEx) as well as coins under custody in DBS. In addition, we enabled self-directed buying and selling of cryptocurrencies for accredited investors through our digibank app in Q3 2022. Our other joint ventures also made encouraging progress. Partior won the Bank of International Settlement (BIS) G20 Techsprint Challenge 2022 with its solution that enables connectivity and interoperability for a multi-Central Bank Digital Currency (CBDC) network. Climate Impact X (CIX) successfully completed an auction with carbon finance business Respira to sell 250,000 tonnes of high-quality blue carbon removal credits, which were generated by the world's largest mangrove restoration project. The auction settled at a 40% premium to spot prices for other similar credits of the same 2021 vintage. ***Read more about this in Letter from the Chairman and CEO on page 8, Head of Institutional Banking Statement on page 36, and CIO statement on page 34.***
Build a sustainable franchise	Strengthen our risk and compliance framework and champion efforts in responsible banking, responsible business practices and impact beyond banking	We strengthened our technology resiliency with the implementation of improved technology change and outsourcing management. This includes Site Reliability Engineering (SRE) practices relating to third-party vendors for our critical applications. We also continued to progress on our technology systems testing regime. We extensively applied AI/ ML models to our transaction and fraud surveillance operations. Through these capabilities, we improved our effectiveness and efficiency in detection of AML bad actors. In addition, we also enhanced investigation capabilities and improved monitoring of customers' activities to bolster our fraud surveillance. This resulted in higher saved rates for our customers from fraud attempts. We established a new Board Sustainability Committee to improve board oversight and engagement on our sustainability agenda and sharpened our focus on sustainability and climate-related matters. We achieved carbon neutrality in our own operations through our four-lever approach: reduce consumption, generate renewable energy, procure green energy, and purchase high quality Renewable Energy Certificates (RECs) and carbon credits to offset residual emissions. We published our report on '*Our Path to Net Zero - Supporting Asia's Transition to a Low Carbon Economy*', which details our science-based decarbonisation pathways and interim 2030 decarbonisation targets across seven key sectors as well as ESG data coverage targets for two sectors. This set of decarbonisation targets marks our commitment to align our lending and financing activities with net-zero emissions by 2050. Our committed sustainable finance transactions(3) in 2022 reached SGD 20.5 billion, exceeding our cumulative SGD 50 billion target two years ahead of our timeline of 2024. We engaged 1 million customers on our LiveBetter platform and further enhanced our suite of sustainable products and services. We launched a carbon calculator which tracks our customers' carbon footprint based on purchases made with DBS cards and offered customers the opportunity to offset their carbon footprint by purchasing high quality carbon credits. Beyond deepening DBS Foundation's efforts in supporting social enterprises and other meaningful businesses to create impact beyond banking, we also expanded the Foundation's scope and scale to prepare communities for the future as we pave the way forward for a more equitable society. With the easing of pandemic restrictions, our employees volunteered over 140,000 hours, almost 40% higher than the previous year. Our efforts to promote Zero Food Waste also saw strong traction as we achieved more than 1,300 tonnes of food impact, more than double that of the previous year. ***Read more about this in the CIO statement on page 34, Head of Institutional Banking Statement on page 36, and Sustainability Report.***

(3) Sustainable financing comprises-

- *Green loans: Loans made exclusively to finance eligible green projects in energy efficiency, pollution prevention and others*
- *Renewable energy loans (Project Finance related loans): Project finance related loans made to finance renewable and clean energy projects such as solar, wind and others. Project finance refers to those that cover advisory and arrangement of non/ limited-recourse financing*
- *Sustainability-linked loans: Loans that are structured to enable customers to pay variable interest depending on their achievement of a set of pre-agreed ESG performance targets which are validated by an independent ESG rating agency or verification party*
- *Transition loans: Loans to facilitate decarbonisation in line with companies' net-zero strategies. They can be structured as KPI-linked or use-of-proceeds*
- *Others: Others include sustainable loans, which are made exclusively to finance or refinance eligible social (provision of affordable basic infrastructure and access to essential services for vulnerable populations) and green (biodiversity conservation, green building) projects, and social loans, which are made exclusively to finance eligible social projects for affordable infrastructure for target populations, access to basic services, and others*

CRO statement

Asset quality was resilient despite the rising economic headwinds; nevertheless, we remained vigilant given the uncertain outlook in 2023.

Top and emerging risks

The Board and senior management drive a robust process to identify and monitor our top and emerging risks.

As the global economy started to recover post pandemic, new challenges arose from the Russia-Ukraine conflict, escalating US-China tensions, and headwinds from elevated inflation and rising interest rates. We stayed vigilant and our portfolios remained resilient and asset quality stable.

In 2022, we continued to identify and monitor top and emerging risks across various areas, including (i) credit and portfolio management, (ii) environmental, social and governance (ESG) risks, (iii) market and liquidity risks, (iv) new business risks, (v) technology risk, (vi) financial crime risk, (vii) data governance risk, and (viii) cyber security and data protection.

Our robust risk management efforts were recognised when DBS was awarded the "Best Risk Management" award at the 2022 Singapore Corporate Awards.

Credit risk and portfolio management

In 2022, the Russia-Ukraine conflict resulted in a slowdown of economic growth and increased inflationary pressures across the commodities complex, including oil, gas, and food. Portfolio reviews were conducted in light of these developments. Many sectors, especially for industries with inelastic demand, were able to pass on the higher costs to their customers. While there were no immediate concerns, DBS continued to monitor for potential downstream effects.

As inflationary pressures persisted, central banks began raising interest rates in response. We evaluated our portfolios taking into account the potential impacts of higher interest rates, slower economic growth, and depreciation of multiple currencies against the USD. While the SMEs were assessed to be the most vulnerable, our SME portfolio had been well-tested in previous years and was mostly on a secured basis. Notwithstanding these headwinds, DBS' overall consumer credit quality remained stable. Residential mortgages, which were primarily in Singapore and Hong Kong, were mainly for owner-occupation and well-secured with low loan-to-value ratios. Unsecured consumer credit loans represented less than 2% of the bank's total loan exposure.

Despite the challenges posed by China's zero-Covid policy and liquidity issues in the Chinese real estate market, our portfolio remained resilient as our corporate exposure was mainly to top industry players, and consumer exposure was limited. Our Chinese real estate exposures were mainly to larger and investment-grade names, with the remaining exposure generally well-secured. As contagion risks stayed elevated, we remained cautious and closely monitored our exposures.

We saw heightened US-China tensions with increasing military activity, trade restrictions, and the US chip ban. While there was no immediate impact to our portfolio, we continued to closely monitor the situation as it evolved.

We closely monitored our portfolios in Indonesia and India, which primarily consisted of lending to large corporates, to ensure that there was no deterioration in the portfolio amid rising interest rates and currency depreciation.

As headwinds in the macroeconomic and geopolitical environment are expected to persist, we will maintain a prudent approach in client selection and credit underwriting criteria to mitigate potential challenges.

To improve the quality of our risk management, we also made investments in our internal tools, such as the credit risk data infrastructure and workflow management system for our Institutional Banking business. This has brought our relationship and risk managers together on a common platform, allowing us to continue to refine and streamline our end-to-end credit processes.

We also used artificial intelligence (AI)/ machine learning (ML) techniques to enhance our credit underwriting and early warning capabilities for our consumer and SME businesses. This was achieved by training and deploying our credit models, emphasising increasing efficiency and speed, and incorporating external data from our partnerships. By doing so, we were able to expand our customer base, improve customer experience and increase model predictiveness to drive business success and strengthen risk management.

Environmental, social and governance (ESG) risks

We recognise that climate change has risk implications on our portfolio and lending to high-risk sectors will in turn have an impact on the pace of climate change. Enhancing ESG risk capabilities and in particular integrating climate risk into our risk identification, assessment and management therefore continues to be a top priority.

In 2022, we incorporated environmental risk into our Risk Appetite Statement, focusing on managing portfolio exposures to material climate transition and physical risks, and decarbonisation strategies. To further strengthen our ESG risk management, we developed (i) quantitative methodologies to assess climate-related transition and physical risks for our Institutional Banking Group lending portfolio, and (ii) a counterparty ESG risk scoring mechanism which forms part of our credit risk management framework.

Additionally, we launched comprehensive training programmes with climate risk specific modules to build bank-wide expertise and deepen knowledge in the field.

Read more about "Responsible financing" in the Sustainability Report.

Market and liquidity risks amidst market volatility

2022 was a year of heightened macroeconomic uncertainty and volatility. We actively adjusted our market risk exposures and rebalanced hedges during the year. Regular and adhoc stress tests were conducted to evaluate the potential implications to our portfolios in the face of elevated interest rates.

As interest rates rose to levels not seen in the past decade, customer funds shifted from our current and savings accounts to fixed deposits and other investments, including government securities. We took measures to maintain our deposit base and continued to do so through active re-pricing and customer engagement. Our liquidity profile remains healthy and well-diversified, with multiple avenues to access further wholesale funding whenever necessary.

New business risks

In January 2022, DBS announced the acquisition of Citi's consumer banking business in Taiwan. The integration process is in progress and is expected to be completed in 2023. We do not anticipate any significant impact on the consumer banking portfolio with the acquisition.

The integration of Lakshmi Vilas Bank has proceeded as expected. To effectively manage the risks associated with the new products and expanded network, we have deepened the expertise of our risk management team. We have also strengthened processes for existing products to ensure effective management over a larger footprint. The final stage of system integration into DBS India Limited was successfully completed in December 2022.

Technology risk

Our technology risk management framework is based on a three-pronged approach of risk evaluation, response and governance. As part of risk evaluation, we identify and analyse the risks, define the risk metrics and monitor the issues, risk events and key risk indicators. Responses are made through risk-based decisions taking into account risk control and mitigation measures. Updates on our technology risk profiles are provided regularly to the various risk committees. Following an independent review on the November 2021 digital disruption in Singapore, we have taken remedial measures to improve the resilience of our services and incident response.

As the bank continues with the pace of technology advancement, we instituted initiatives and measures with focus on change management.

Read more about how we balance resiliency with technology innovation in the "CIO statement" on page 34.

Financial crime risk

As part of our ongoing efforts to combat financial crime, we have enhanced our risk mitigation programme by utilising technology and data analytics. We implemented a variety of AI/ ML tools to enhance our surveillance capabilities at the transaction, customer, and country level. Our customer due diligence process was further refined with dynamic analytical reviews based on changes in static data or transactional behaviour. We continued to place strong emphasis on public-private sector collaboration, actively participating in initiatives between financial institutions and law enforcement agencies, including the planned Project COSMIC (Collaborative Sharing of Money Laundering / Terrorism Financing Information & Cases) to be launched in Singapore.

In 2022, we intensified our efforts to address the risks posed by geopolitical developments, particularly those related to sanctions and attempts to evade them. We also enhanced controls to combat digital payment scams, which have been successful in protecting potential victims. In addition, we have been deploying new capabilities to detect money laundering and sanctions risks related to digital assets, such as blockchain-based tokens. Such capabilities allow us to better identify and mitigate risks across a wider range of digital assets.

Data governance risk

We recognise that responsible practices around data governance are key for customer and stakeholder trust. Our data governance framework was developed along the following three prisms: (i) a baseline prism encompassing data security, data quality, and legal and regulatory compliance, (ii) an ethical prism – PURE (Purposeful, Unsurprising, Respectful and Explainable) – for the responsible use of data, and (iii) a model governance prism, covering regulated and AI models and their performance over time.

Cyber security and data protection

We faced a deteriorating cyber threat environment as geopolitical tensions escalated and cyber criminals and threat actors sought to target our customers and staff. To combat these threats, we strengthened our control environment to protect our people, information, network, equipment and applications. We stepped up security awareness campaigns and alerted our customers to emerging frauds and scams through timely security advisories. Despite these threats, we made significant progress in addressing phishing scams in partnership with the regulators and authorities. Amid rising geopolitical tensions, we will remain vigilant and continue to enhance our control environment to stay ahead of the cyber threat curve.

Soh Kian Tong
Chief Risk Officer
DBS Group Holdings

2023 FOCUS AREAS

- Further streamline end-to-end credit processes and controls across all markets
- Undertake proactive risk monitoring on emerging economic challenges and continue to strengthen portfolio management capabilities
- Enhance climate risk management and stress testing capabilities
- Mitigate financial crime risk through controls, systems and analytics
- Continue to strengthen multi-layered cyber security defence
- Enhance IT resilience and technology change management

CIO statement

Our investment in our people and building a strong technological foundation have enabled us to be a different kind of bank. Our rallying call is to optimise our technology stack, scale outputs, and provide all-rounded customer and employee experiences that transform business outcomes.

Introduction

Amid growing geopolitical uncertainty and an increasingly challenging business climate, DBS continued focusing on innovation to retain our competitive advantage. We adopted a barbell strategy that spurs innovation and experimentation with new technologies on one end, while keeping a vigilant eye on resilience and risks on the other.

Driving innovation

Digitalisation has become table stakes for financial institutions, and many digital initiatives we embarked on over the past few years are now par for the course. To retain our lead and widen the gap between us and our competitors, we must continue creating differentiated technology innovations.

Our artificial intelligence (AI)/ machine learning (ML) business use cases increased by seven times to 260, enabling us to achieve about SGD 150 million in revenue in 2022. We aspire to achieve SGD 1 billion in the next five years.

Our AI deployments made it possible to deliver tailored customer experiences. About 3 million customers from NAV Planner, our intuitive digital advisory tool, benefitted from hyper-personalised nudges.

These capabilities are enabled by our in-house designed solutions including ADA, a data analytics platform, ALAN, an award-winning AI knowledge management hub, and our hybrid, multi-cloud infrastructure. ADA and ALAN shorten the time required to build and deploy AI models, improving our operations and decision-making.

Evolve PavedCloud, our DBS designed public cloud solution, enables public cloud adoption, and allows developers to deploy and manage applications securely and consistently. Public cloud adoption has increased over 17 times in the last four years. CloudOps, a self-service technology marketplace, automates and enhances the efficiency of private cloud operations, and offers platform visualisation.

Evolve PavedCloud and CloudOps have garnered strong market interest, especially among financial institutions and government bodies embarking on their own cloud transformation journeys.

FIX Marketplace, Asia's first digital and automated fixed-income execution platform, directly connects issuers with investors. This promotes synergy, democratises capital allocation, and results in cost benefits and time efficiencies. Over 80 trades, amounting to SGD 16 billion of issuances in various currencies have been executed.

Riding on the successes of our blockchain-based businesses DBS Digital Exchange, Climate Impact X and Partior, we are developing commercial use cases with new financial engagement models and distributed ledger technology. Project Orchid, in collaboration with Open Government Products, uses tokenised SGD to facilitate live transactions with selected merchants, while Project Guardian tests the feasibility of Decentralised Finance (DeFi) trading for tokenised securities against tokenised cash. In Project Dunbar, we are exploring a common platform for Central Bank Digital Currencies (CBDCs) to enable greater efficiency for wholesale cross-border payments.

We are continuously exploring metaverse use cases to provide value-added services to our customers. DBS is the first bank in Singapore to partner The Sandbox – one of the largest metaverses on the Ethereum blockchain – and launch DBS BetterWorld, where we will demonstrate how technology can be used as a force for good. Technology & Operations (T&O) was also the first in the bank to hold our townhall in the metaverse, setting the stage for further metaverse experiments across the bank.

Balancing innovation with resilience

Even as we innovate, we continue being vigilant in building resilience and identifying potential technology threats. The evolving risk landscape makes Site Reliability Engineering (SRE) more vital than ever.

These changes occur against a backdrop of cutbacks in technology companies which enabled us to opportunistically acquire technology talents. We have doubled our efforts to diversify our technology workforce as we maintain continuity and tribal knowledge within technology teams.

DBS was one of the first banks in Asia to set up an SRE practice. This enabled a secure acceleration of our release cadence, which increased by 50 times to 64,000 releases a month. Our Centre of Excellence creates software development toolkits which are embedded with SRE principles and will be plugged into our development process to increase resilience.

Our multi-year application transformation programme to modernise the bank's applications not only increases customer confidence in DBS' systems, but also reduces employee toil. Through it, we have achieved faster time to market, sustainable efficiency, and automated recovery.

With a hybrid-work future, cybersecurity efforts must be strengthened to address the larger attack surface and potential gaps in work processes. Our multi-layered defence includes micro-segmentation of our networks, and multi-factor authentication.

To safeguard customers from fraud, we deployed AI technology to detect and take prompt actions against phishing or scam attempts, with real-time pre-transaction blocking. We worked with the authorities and partners to implement new solutions, such as registering with the SMS Sender ID Registry to provide a secure banking experience.

We are growing our own timber and deepening our innovation DNA across three technological hubs in Asia. Our technology hubs in Singapore sit under DBS Tech Singapore, while DBS Asia Hub 2 has been rebranded as DBS Tech India. DBS Tech China, our third technological hub will open in Guangzhou in mid-2024 and entrench our expanded presence in the Greater Bay Area. These hubs will facilitate continuous innovation, provide diversity, and hone our talents as they learn from each other.

While we innovate at scale, it must be done in a safe and reliable manner. Our multi-year effort to re-engineer operations has resulted in a unified data-driven control tower, integrated workflows and workbenches. We have eliminated manual work and improved connectivity, efficiency and resiliency, and are able to manage operational risks with greater control, and provide insights for pre-emptive actions. Supporting this journey are our reusable digital assets, and automation, which have elevated customer and employee experiences.

Cultivating a diverse, future-ready workforce

We reorganised the way we work through Managing through Journeys, where Technology, Business, Operations, and Support Units work together in cross-functional teams and share technology prioritisation, goals and KPIs. This drives alignment, accelerates the cross-pollination of knowledge and skills, and leads to greater business impact.

Apart from redesigning the way we work, we recognise that our people are the driving force behind DBS' transformation, and have implemented initiatives to foster a culture of innovation, growth, and customer centricity through life-long learning. Tech Academy further builds technical expertise through in-house curriculums developed by our subject matter experts. Since 2021, employees have completed 178,000 sessions across 82 modules. The Distinguished Engineers (DE) Programme offers an alternative career path to the management track, and sees conferred engineers sharing their deep tech expertise with fellow colleagues. Separately, over 9,000 employees have taken data and AI upskilling courses, while 7,000 have attended our SRE Training Programme. Our Operations team is equally zealous in their efforts, with more than 4,400 of them learning to re-engineer our operations.

Equal emphasis is placed on leadership skills. Through Transformational Leadership Circle sessions, over 90 T&O leaders learned how to provide psychological safety, and push for a growth mindset, collaboration, feedback, and courageous conversations. They are on track to impact 1,200 more employees.

We are actively nurturing the next generation of talents. The DBS Fintech Apprenticeship Programme prepares polytechnic students for technology roles in the bank through masterclasses and mentorship by the DE engineers. We have groomed nearly 700 graduates with less than two years of work experience to become technologists through the Skill Enhancement Education and Development (SEED) programme. In addition, we helped over 300 mid-career Singaporeans build lasting fintech careers through the Technology in Finance Immersion Programme.

Banking sustainably for a better world

We continue delivering positive impact towards a more sustainable future. We achieved our net-zero operational carbon emissions goal across the markets we operate in, and are on track for our operations in Singapore to solely rely on renewable energy by 2030. DBS Newton Green, Singapore's first net-zero building by a bank, achieved net zero within three months of its opening.

To educate customers about their carbon footprint, we launched a Carbon Calculator in digibank. This industry-first initiative in Singapore enables customers to monitor and offset their carbon footprint, which is calculated through tracking their credit and debit card purchases. Carbon Calculator impacted 430,000 unique customers within the first eight months of its launch, and has offset 740 tonnes of carbon.

In closing

Our digital transformation investments over the last decade have equipped us well for the journey ahead. We are strongly positioned with multiple world-class digital platforms, a capacity for continuous innovation, and a future-ready workforce that entrenches us as a different kind of bank.

We continue experimenting with new technologies such as human-like conversational AI, digital twins, and 5G, which could revolutionise banking. We are also keeping a pulse on the next wave of breakthroughs in areas such as human/machine interfaces, and augmented and virtual reality technologies.

We expect these technologies to converge and bring forth extraordinary use cases. As we further tune our digital operations for greater agility, and deploy cutting-edge technologies in our offerings, we remain steadfast in our focus on our customers. We are strengthening an exceptional banking ecosystem that they trust and rely on, while delivering truly differentiated customer experiences that set us apart from the rest.

Jimmy Ng
Chief Information Officer
DBS Group Holdings

2023 FOCUS AREAS

- Strengthen our technology infrastructure to maintain our lead
- Dial up on technology architecture, and building internal expertise for third-party software and services, systems recovery, and incident management
- Drive improved developer journeys to enhance technology productivity
- Build operational resilience by re-engineering operations through technology and dial up on workbenches and workflows
- Transition to an AI-fuelled Bank to achieve SGD 1 billion in revenue
- Innovate in blockchain and design additional Distributed Ledger Technology use cases
- Continue experimenting with new technologies and seek opportunities through DeFi, Web 3.0 and beyond

Institutional Banking

Our IBG business executed to strategy, enabled by our pervasive digital transformation that deepened customer relationships and ecosystems partnerships, while accelerating net zero transition through comprehensive and measurable actions.

2022 overview

2022 saw many unexpected challenges including headwinds from geopolitical tensions, deflationary forces giving way to strong inflation, coupled with high volatility in global markets and commodity prices. We also saw large and rapid interest rate rises from rock-bottom rates.

Despite this, the Institutional Banking Group (IBG) business executed to strategy and deepened client relationships. It reported solid financial performance, boosted by higher net interest margin, as well as higher loan growth from increased client activities and demand. Through credit vigilance and consistent proactive monitoring of our portfolio, allowances remained low. The digital acceleration at the start of the pandemic in 2020 continued, and our pervasive digital transformation yielded stickier and deeper customer relationships as we embedded our solutions into customer and industry ecosystems.

Robust financials despite macro challenges

IBG's total income rose 28% to a record SGD 7.69 billion. Net interest income grew 39% from improved net interest margin as interest rates rose, as well as from increased client activities and loan demand.

Non-interest income grew 7% to a record high of SGD 2.12 billion. Our focus on cementing our position as customers' primary operating bank, coupled with cash mandates won, resulted in strong cash management performance. Growth in fees from cash management and loan-related activities offset declines in investment banking income. Treasury customer income rose 15% as customers took advantage of market volatility opportunities.

Allowances fell below pre-pandemic levels to a net writeback of SGD 204 million. Profit before tax grew 50% to SGD 5.64 billion, driven by a higher interest rate environment, increased productivity and a lower cost-income ratio of 29% compared to 35% in FY2021.

Broad-based growth across industries and markets

There was broad-based growth across industry segments from our focus around Energy Renewables and Infrastructure (ERI), Financial Institutions (FI), Real Estate and Telecoms, Media and Technology.

The ERI industry group saw growth momentum in the renewables sector with investments in energy security and diversification into alternative energy sources driving advisory and financing opportunities. Demonstrating our leadership position in the APAC renewables arena, DBS was sole financial advisor to Taiya Renewable Energy, in forming a joint venture with EDF Renewables to bid for the development of a 440 megawatt offshore wind farm in Taiwan.

We grew our FI key accounts and participated in their increased deal flows in Asia. Revenues from the FI group grew 45% with deposit income strengthened by new cash application programming interface (API) mandates, as we capitalised on the private capital flows to Asia.

We continued to execute well across our various key markets. Our business in India saw good momentum as revenues grew 22%. This was bolstered by our expanded network across India with the integration of Lakshmi Vilas Bank which gave us the foundation to expand and deepen relationships with corporate customers. In Southeast Asia, Vietnam led the growth in our international markets with a 64% increase in revenue.

In Greater China, customers saw the value of our cash management and treasury and market solutions. Our Greater Bay Area strategy continued to capture business flows, resulting in a 24% increase in income.

Harnessing digital capabilities to deliver on ecosystem strategy and Global Transaction Services

Our Global Transaction Services (GTS) business continues to be a strategic priority and a strong contributor to IBG, delivering over 40% of wholesale banking revenue. Our Trade & Supply Chain business continued to deliver strong asset growth, particularly with an increase of 13% in supply chain finance assets. GTS also saw a 28% increase in payment volumes and over 800 new Cash Management mandate wins.

We executed on key ecosystem partnerships, embedding sustainability and supply chain financing solutions into our clients' ecosystems. As a result, our Open Account Trade revenues rose to new highs, growing 15%. Through our innovative partnerships with customers like Cainiao, we leveraged alternative data and API connectivity to create seamless financing journeys for our small and medium enterprise (SME) customers, while also fulfilling working capital needs. Across the various ecosystem partnerships, we saw a 30% increase in customers.

SGD million	2022	2021	YoY%
Total income	**7,688**	5,984	28
• Corporate	**5,638**	4,595	23
• SME	**2,050**	1,389	48
Expenses	**2,254**	2,086	8
Profit before allowances	**5,434**	3,898	39
Allowances	**(204)**	141	NM
Profit before tax	**5,638**	3,757	50

Our API calls more than tripled year-on-year, as customers put our digital solutions to business use.

Deepening engagement of mid-cap clients through industry expertise; rolling out AI/ ML solutions at scale for small enterprises

We applied our industry expertise across different sectors to deepen engagement and support for our mid-sized corporate clients. This proved successful as revenues from the segment increased by 27%, with non-interest income growing at a robust 15%.

Revenues from SME banking grew a record 48%. Our leading digital capabilities enabled us to serve micro and small SME customers with speed and scale, while emerging technologies were used to help micro and small enterprises manage their credit risk.

To help SMEs navigate the inflationary environment and rising interest rates, we rolled out 'DBS Quick Finance' in Singapore, enabling almost instant access to financing of up to SGD 300,000. Through artificial intelligence (AI), machine learning (ML) and data analytics, the lending process has been reduced to just a minute to apply, a second to approve and in some instances, instant disbursement.

DBS has been proactively engaging SMEs identified by our AI/ ML models at the earliest signs of trouble. Over 80% of identified at-risk borrowers averted risk.

Overall, digital engagement with SME clients tripled year-on-year.

All this earned the SME Banking business two global accolades - "World's Best Bank for SMEs" by Euromoney and "Best SME Bank" by Global Finance.

Leading the industry in sustainable financing and solutions

DBS is the first bank in Southeast Asia to announce sectoral targets that are aligned with science-based decarbonisation glidepaths in our report – "*Our Path to Net Zero – Supporting Asia's Transition to a Low-carbon Economy*".

DBS' commitment is one of the most comprehensive among global banks and our solutions span products and services, from loans, trade financing, capital markets to strategic advisory. Transition financing and structured solutions to help our clients execute their decarbonisation plans form key parts of what we have to offer.

We introduced green renovation loans to support SMEs looking to retrofit their commercial or industrial premises to more energy efficient fittings; rolled out campaigns and special pricing packages to finance commercial electric vehicle fleets; and worked with DBS Foundation on the SME Kickstarter Grant to promote sustsainable business practices.

Our sustainability portfolio grew to SGD 61 billion, exceeding our SGD 50 billion target well ahead of 2024.

Leading Asian bond and equity markets

To facilitate the development of Asian bond markets at a faster and more cost-efficient pace, DBS continued to gain momentum on its fully digital and automated fixed income execution platform, FIX Marketplace. It was awarded "Global Financial Innovation of the Year 2022" by Euromoney. DBS also continued to dominate the SGD bond market in pole position with more than 30% market share.

As the leading equity house in the region, we took pride in spearheading the market development and introduction of the Special Purpose Acquisition Company (SPACs) framework in the Singapore market.

During the consideration period, DBS listed Singapore's first SPAC backed by Temasek - Vertex Technology Acquisition Corporation Ltd. It also managed the Novo Tellus Alpha Acquisition initial public offering listing on the Singapore Stock Exchange.

New way of working: Managing through Journeys

In recent years, the comprehensive digitalisation of workflows has given us the opportunity to dial up client centricity efforts. We started using design thinking, analytics, AI/ ML and agile practices to introduce a new way of working called 'Managing through Journeys' (MtJs). Through MtJs, we are redesigning our processes, constantly experimenting and working horizontally with subject matter competencies to deepen client engagement and produce better business outcomes.

We have seen success in the form of increased foreign exchange transaction volumes, total product holdings per client and customer satisfaction scores.

Looking ahead

We enter the coming year with leverage from rising interest rates and good business momentum. We plan to build on our leadership in sustainability and redirect capital towards more sustainable outcomes.

We will also capitalise on more supply chain resiliency investments as we see outbound investments looking towards alternative supply sources and production bases in South and Southeast Asia.

We are optimistic that these initiatives will bode well for our business and will continue to focus on serving clients through our regional connectivity capabilities and industry expertise.

Whilst there will be continued geopolitical and inflationary risks leading to volatile markets, we plan to mitigate these through combining the use of predictive analytic tools with robust processes, to continue being proactive and vigilant in our risk management.

Tan Su Shan
Institutional Banking
DBS Group Holdings

2023 FOCUS AREAS

- Differentiate DBS as a leader in sustainable finance
- Through deeper investments in our GTS solutions and technology, capture more cross-border trade flows and deepen ecosystem relationships
- Continue to lead in digital leadership from API, connectivity, and ecosystem solutions
- Enhance credit vigilance, know-your-customer and anti-money laundering and credit processes

Consumer Banking/ Wealth Management

Digitalisation is now the baseline. The real test for the bank is how we leverage our scale, assets, digital capabilities and people to create innovative solutions that help our customers grow and protect their wealth.

2022 overview

Amid a volatile macro environment, Consumer Banking/ Wealth Management achieved a robust set of results and maintained a healthy balance sheet. We benefitted from the tailwinds that came through higher interest rates, although growth was moderated by market uncertainty which impacted wealth management fee activities. Business momentum was sustained by record-high net new money flows into the region and the expansion of our consumer finance business. We further bolstered our efforts to use artificial intelligence (AI) and machine learning (ML) capabilities to deepen customer engagement, which also yielded good results. We will continue to expand our business footprint and advance our digital solutions to deliver seamless and differentiated customer experiences.

Consumer Banking/ Wealth Management: Strong interest income growth cushions macro impact

We delivered solid earnings, driven by higher interest income. Our total income rose 25% to SGD 6.65 billion, due to substantial net interest margin expansion and growth in loan and deposit volumes. With an improved cost-income ratio, net profit before tax grew 40% to SGD 2.69 billion.

Net interest income rose 68% to SGD 4.27 billion, driven by Fed rate hikes, stronger deposit earnings, and loan volume growth in most of our markets. This was partially offset by intensifying competition and accelerated refinancing of home loans. Nonetheless, we maintained our market share lead in Casa deposits and the mortgage loan space in Singapore.

Non-interest income fell 14% to SGD 2.38 billion as investments and bancassurance faced headwinds from market uncertainty. These declines were however offset by growth in card and loan-related fees. Card fees rose 20% to SGD 858 million, as travel spending returned to pre-pandemic levels in most markets. Despite soft consumer demand, the bancassurance business maintained its lead in Singapore for new business market share.

Wealth Management: Sustained growth buoyed by net new money

Our wealth franchise continued its strong performance, with total wealth management income increasing 20% to SGD 3.27 billion. Net new money inflows more than doubled to a record SGD 24 billion, with assets under management (AUM) climbing 3% in constant-currency terms to SGD 297 billion.

Growing client interest in succession planning and wealth preservation fuelled the growth of our Family Office business. Of the 700 Single Family Offices set up in Singapore, DBS Private Bank onboarded more than one-third of them. Our Family Office AUM more than doubled in the last two years. For the third consecutive year, DBS Trustee saw record fund inflows in excess of SGD 1 billion.

More clients shifted to sustainable investments that have MSCI ESG ratings of BBB and above. Today, they make up more than 60% of our AUM. With DBS Foundation and private equity firm Heritas Capital, we launched the Asia Impact First Fund to drive impact-first investing and support promising social enterprises.

We rolled out self-directed crypto trading via DBS digibank, enabling accredited investors to trade cryptocurrencies on DBS Digital Exchange (DDEx), one of the world's first bank-backed digital exchanges. Today, nine in 10 trades are executed digitally.

The wealth management business continued to be recognised globally. We clinched the top honour of "Asia's Best Bank for Wealth Management" from Euromoney and were once again named "Most Innovative Private Bank in the World" by Global Finance. We were also accorded "Best Wealth Manager Asia" by The Asset for the sixth consecutive year. DBS digibank (Wealth), our digital wealth management platform, was also named "Best Digital Portal for Wealth Clients" by Cutter Research for the fifth year running.

Consumer Banking: Leveraging AI/ ML and ecosystem partnerships to deepen engagement

One of our biggest differentiators is how we use data analytics and AI/ ML to better serve our customers. Every month, we leverage our AI/ ML models to generate 45 million hyper-personalised nudges that are sent to some five million customers across the region to guide them towards better investment and financial planning decisions.

SGD million	2022	2021	YoY%
Total income	**6,654**	5,322	25
• Retail	**3,382**	2,593	30
• Wealth Management	**3,272**	2,729	20
Expenses	**3,803**	3,353	13
Profit before allowances	**2,851**	1,969	45
Allowances	**158**	46	> 100
Profit before tax	**2,693**	1,923	40

Some one million nudges have also been delivered to our bankers so they can provide more informed and personalised advisory. DBS NAV Planner, our AI-powered digital financial planning tool, has improved our customers' financial health. The average AUM of DBS NAV Planner users is 59% higher than non-users. Of the three million NAV Planner users, more than one-third are active users every month.

DBS PayLah! usage continues to grow with more than 25 million logins a month, where users book tickets and rides, pay bills, and scan and pay at more than 180,000 points in Singapore. Every month, we record more than one million scan-to-pay transactions at some 12,000 hawker stalls – six times the number in 2019. We also partnered UnionPay and PromptPay so customers can use DBS Paylah! beyond Singapore in 45 markets.

To help customers better manage their finances, DBS partnered Mastercard and Pine Labs to offer a "Buy Now Pay Later" option to some two million DBS/ POSB credit cardholders in Singapore, Indonesia and Hong Kong. This enables them to enjoy interest-free instalments with flexible repayment periods in physical and e-commerce stores.

We strengthened our presence overseas by scaling our ecosystem partnerships. In markets where we do not have a large physical distribution network, we were able to expand our consumer finance business by working with nine ecosystem partners such as ByteDance and Ctrip (China), Home Credit and CRED (India) and Kredivo (Indonesia) to offer lending solutions to their customers.

The volume of loans DBS disbursed across these markets grew 30 times between 2019 and 2022 to SGD 1.7 billion. These partnerships enabled us to acquire customers digitally, leverage data to augment our AI/ ML models, and increase customer engagement. In India, we partnered an India-based finance and investment services firm, IIFL, to scale the gold loans business. We grew this portfolio by 33% year-on-year and gold loan gains contributed about 40% of DBS' sales volume growth in India in 2022.

The amalgamation of Lakshmi Vilas Bank (LVB) into DBS Bank India Limited has enabled us to accelerate our growth. Consumer banking revenue in India has grown by 50% between 2021 and 2022. We partnered Bajaj Finance to launch our first co-branded credit card in some 120 cities in India.

We are deepening our footprint in the Greater Bay Area (GBA) through the Wealth Management Connect (WMC) scheme. DBS Bank (Hong Kong)'s first two partnerships were with the Postal Savings Bank of China, one of the largest retail banks in China, and with DBS Bank (China). We recently announced in May our third partnership with the Shenzhen Rural Commercial Bank, making DBS Bank (Hong Kong) the only bank with three WMC Southbound service partnering banks.

We are on track to complete the integration of Citi Taiwan's consumer banking business into DBS Taiwan in August 2023. When completed, the transaction will accelerate DBS Taiwan's growth by at least 10 years to become the market's biggest foreign bank.

Bolstering agility to better serve customers

We have expedited our transformation to a data-driven, agile organisation that puts our customers at the heart of everything we do. This new way of working, what we call Managing through Journeys (MtJs), galvanises technologists, relationship managers and business teams to leverage our data and digital capabilities to deliver new offerings more quickly. Across our markets, we operationalised MtJs performance cells in key consumer finance products and customer segments. We made good progress, launching features such as a new online client onboarding process for personal loans in Taiwan and smart fee waivers in Singapore.

Helping our customers live sustainably and fight inflation

We continued to encourage customers to adopt sustainable living habits with our green offerings.

DBS LiveBetter, a one-stop digital sustainability platform in DBS digibank, is now available in Singapore and Hong Kong. To date, more than one million customers engaged with the platform such as accessing eco-friendly tips; tracking and offsetting their carbon footprint with the industry's first autonomous carbon calculator. Some 1,000 tonnes of carbon emissions have been offset. DBS LiveBetter users have also invested some SGD 8 million in green funds and donated over SGD 700,000 towards environmental and social causes.

Amid persistently high inflation and rising cost of living, we were the first bank in Singapore to launch a 'Fight Inflation' package last August, equipping those earning less than SGD 2,500 a month with solutions to stretch their dollar. They included rebates and cashback offers on their everyday spend. We were also the only bank that offered a competitive HDB loan that is on par with HDB's concessionary loan rate.

As a small gesture of encouragement to the community amid inflationary times, DBS launched an initiative to subsidise five million hawker meals over 12 months in Singapore.

What we look forward to

We believe that digitalisation has become the baseline, and the real litmus test for the bank will be how we leverage data and technology to create innovative solutions that can help our customers protect and grow their wealth, and secure their financial wellness. It is now more critical than ever to help customers navigate these uncertain times with confidence. Our scale, assets, digital capabilities and people will be the essential levers of positive impact that can foster a more equitable and inclusive society.

Sim S Lim
Consumer Banking/
Wealth Management
DBS Group Holdings

2023 FOCUS AREAS

- Continue to bolster our 'phygital' strategy by expanding AI/ ML capabilities and transforming our physical touchpoints to better engage with customers
- Sustain the wealth business growth momentum by capturing inflows and delivering sustainable fee income stream from the region, including the GBA
- Accelerate our consumer finance business overseas by onboarding new ecosystem partners
- Further entrench our MtJs transformation to empower more people to embrace agile journey thinking and deliver better customer outcomes

POSB Highlights in 2022

Neighbours first, bankers second

As Singapore's oldest and most loved bank, POSB takes pride in serving generations of Singaporeans from all walks of life since our founding in 1877. While our neighbourhoods and lifestyles have changed with the times, we stayed true to our mission of being the "People's Bank" that provides pioneering solutions that cater to the evolving needs of all segments of the population. They include children, young adults, families, seniors and the community at large. By widening our reach in the community through various initiatives, we remain committed to bringing value to Singaporeans.

For children and families

POSB Smart Buddy Programme

We continued to expand the world's first integrated in-school savings and payments programme to more schools. The POSB Smart Buddy programme, which was launched in 2017, creates a contactless payments ecosystem within the school environment to help cultivate sensible savings and spending habits among young students in an interactive, engaging manner. These students are then better equipped to achieve financial wellness when they transition to the next stage of their lives.

We were the first bank to sign a Memorandum of Understanding with the Ministry of Education (MOE) to install a digital payment infrastructure in more than **330** primary, secondary schools, junior colleges/ Millennia Institute and special education (SPED) schools within three years. Under the partnership, we will also provide up to **400,000** students with smartwatches and cards for payments.

Today, some **70,000** students in more than **100** schools are using Smart Buddy smartwatches and cards for digital payments. The programme also supports needy students under the MOE Financial Assistance Scheme. To date, about **60** Smart Buddy schools are administering meal subsidies to some **5,000** students via POSB Smart Buddy.

POSB PAssion Run for Kids

Singapore's largest charity kids run organised a hybrid race, which included a virtual race and onsite sustainability-themed activities. Our beach clean-up and tree planting activity entered the Singapore Book of Records as the Largest Mass Plogging event and raised over **SGD 930,000**.

To date, we have raised **SGD 11.6 million**, with more than **790,000** children benefitting from **198** programmes. One of the marquee programmes included a "EcoHeroes@Home" programme to encourage children and their families to reduce energy consumption at home.

Financial literacy workshops for kids and working adults

We partnered community partners, SPED schools and social service agencies to organise **70** financial literacy workshops for more than **2,600** kids and those with special needs. These sessions included bank branch visits to familiarise participants with banking services.

Together with the Singapore Stock Exchange and People's Association (PA), we organised over **13** virtual and physical workshops for more than **3,000** working adults to raise their awareness of retirement, estate planning and investment.

For seniors

POSB digital literacy workshops

We stepped up our digital literacy programmes for seniors, which included a newly created anti-scam and cybersecurity workshop that was co-developed with the Singapore Police Force, National Crime Prevention Council and Cyber Security Agency of Singapore. In 2022, we organised more than **130** virtual and physical workshops, engaging some **5,300** seniors.

Besides deepening collaborations with agencies such as the Infocomm Media Development Authority (IMDA), the Council for Third Age and PA, we worked with new partners such as TOUCH Community Services to empower more seniors. We were a key partner of IMDA's inaugural Digital for Life Festival, which involved more than **65,000** participants and visitors.

For the community

The DBS Foundation contributed **SGD 1 million**, which includes the government's dollar-for-dollar matching, to the Digital for Life movement and stepped up our volunteer participation to bolster digital inclusion efforts in Singapore. The broad-based support, through our strategic collaboration with IMDA, includes jointly launching community programmes and organising workshops to raise digital and financial literacy. Through our People of Purpose movement, our employees in Singapore will run the workshops. We aim to reach **100,000** Singaporeans and residents across various community segments, such as youths, persons with disabilities, seniors and hawkers over the next two years.

POSB remains the only bank to work with the Migrant Workers' Centre and Centre for Domestic Employees to set up banking accounts for more than **640,000** migrant workers and foreign domestic workers. More than 70% of them use the POSB digibank app to conduct their banking transactions today. In 2022, remittance volumes for work permit holder accounts grew by 25% year-on-year.

Corporate governance

Awards

We received several accolades for our corporate governance in 2022, including but not limited to the following Gold awards at the Singapore Corporate Awards 2022 (For companies with SGD 1 billion and above in market capitalisation):

i) Best Managed Board; and
ii) Best Risk Management.

Governance framework

Our governance framework is anchored on competent leadership, effective internal controls, a strong risk culture and accountability to stakeholders. Our Board plays a key role in setting our governance standards to meet our stakeholders' expectations, and our leadership model ensures an appropriate balance of power, accountability and independence in decision-making across our various functional and geographic units.

Our corporate governance practices comply with the Banking (Corporate Governance) Regulations 2005 (Banking Regulations) and the Financial Holding Companies (Corporate Governance of Designated Financial Holding Companies with Bank Subsidiary) Regulations 2022 (FHC Regulations) (together with the Banking Regulations, the Regulations). We also comply, in all material aspects, with the Guidelines on Corporate Governance for Designated Financial Holding Companies, Banks, Direct Insurers, Reinsurers and Captive Insurers issued by the Monetary Authority of Singapore (MAS) on 9 November 2021 (Revised CG Guidelines), which comprise:

i) the Code of Corporate Governance 2018 (2018 Code); and
ii) the additional guidelines added by the MAS to take into account the unique characteristics of the business of banking, given the diverse and complex risks undertaken by financial institutions (Additional Guidelines).

The expectations in the Revised CG Guidelines that relate to disclosures are effective from 1 January 2022 and will apply to financial institutions' annual reports covering financial years commencing from 1 January 2022.

We have described our corporate governance practices for our financial year ended 31 December 2022 with specific reference to the 2018 Code and the Additional Guidelines. A summary disclosure of our compliance with the express disclosure requirements in the 2018 Code and the Additional Guidelines, have been provided on pages 108 to 110.

Competent leadership

Our board

Key Information on our Directors

Chairman

Mr Peter Seah

Our Chairman, Mr Peter Seah, sits on all Board committees (other than the recently established Board Sustainability Committee) and also chairs the Board Executive Committee (EXCO). Mr Seah performs a key role as an ambassador for DBS in our dealings with various stakeholders as well as in ensuring effective communication with our shareholders. He guides the Board through its decision-making process and ensures that the Board operates effectively as a team.

Board

10 Members	Mr Peter Seah Mr Piyush Gupta **Mr Olivier Lim***	Mr Chng Kai Fong Dr Bonghan Cho Mr Ho Tian Yee	Ms Punita Lal Ms Judy Lee Mr Anthony Lim Mr Tham Sai Choy

The Board directs DBS in the conduct of its affairs and provides sound leadership to management. We have 10 Board members (including two female directors) with a broad range of experience and deep industry expertise. The make-up of our Board reflects diversity of gender, nationality, age, skills and knowledge. Independent Directors form the majority of the Board, and there are no alternate Directors on our Board.

***Lead Independent director**

The Lead Independent director, Mr Olivier Lim, had regular private sessions with the other independent Directors in the course of the year and provided feedback to the Chairman where necessary.

Chairman, Board and CEO

There is a very positive and constructive working relationship between our Chairman, Mr Peter Seah and CEO, Mr Piyush Gupta. Mr Gupta oversees the execution of DBS' strategy and is responsible for managing the day-to-day operations. Other than the CEO, none of the other Directors is a former or current employee of DBSH or its subsidiaries.

The table below sets out key information on our Directors, the number of meetings which our Directors attended during 2022 as well as the remuneration for each Director for financial year ended 31 December 2022 (FY2022). The remuneration of Non-Executive Directors (including the Chairman) does not include any variable component. Please refer to pages 56 to 57 for more details on the Non-Executive Directors' fee structure for FY2022.

Director **Independence status**	**Meetings attendance record (1 January to 31 December 2022)**									**Total Directors' remuneration for FY2022 (SGD)**		
	BOD(1)	**NC(2)**	**EXCO(3)**	**AC(4)**	**BRMC(5)**	**CMDC(6)**	**AGM**	**Offsite(7)**	**BSC(8)**	**Directors' fees(a) (SGD)**	**Share-based remuneration(b) (SGD)**	**Others(c) (SGD)**
	No. of meetings held in 2022											
	5	**5**	**12**	**4**	**5**	**4**	**1**	**1**	**2**			
Mr Peter Seah, 76 Non-Executive and Non-Independent Chairman	5	5	12	4	5	4	1	1	–	**Total: 1,946,901.41**		
- Chairman since 1 May 10 - Board member since 16 Nov 09 - Last re-elected on 30 Apr 20										**1,329,300**	**569,700**	**47,901.41**
Dr Bonghan Cho, 58 Non-Executive and Independent Director	5	5	–	4	–	4	1	1	–	**Total: 299,000**		
- Board member since 26 Apr 18 - Last re-elected on 31 Mar 22										**209,300**	**89,700**	–
Mr Ho Tian Yee, 70 Non-Executive and Non-Independent Director	5	–	–	–	5	–	1	1	–	**Total: 214,000**		
- Board member since 29 Apr 11 - Last re-elected on 30 Apr 20 - Stepped down as Lead Independent Director on 29 Apr 20										**149,800**	**64,200**	–
Mr Olivier Lim, 58 Non-Executive and Lead Independent Director	5	5	12	–	5	–	1	1	–	**Total: 429,000**		
- Board member since 7 Nov 17 - Last re-elected on 31 Mar 22 - Lead Independent Director since 29 Apr 20										**300,300**	**128,700**	–
Mr Tham Sai Choy, 63 Non-Executive and Independent Director	5	5	–	4	5	–	1	1	2(d)	**Total: 407,782**		
- Board member since 3 Sep 18 - Last re-elected on 31 Mar 22										**285,447.40**	**122,334.60**	–
Ms Punita Lal, 60 Non-Executive and Independent Director	5	5	–	4	–	4	1	1	–	**Total: 293,500**		
- Board member since 1 Apr 20 - Last re-elected on 30 Mar 21										**205,450**	**88,050**	–
Mr Anthony Lim, 64 Non-Executive and Independent Director	5	–	12	–	5	4	1	1	–	**Total: 369,500**		
- Board member since 1 Apr 20 - Last re-elected on 30 Mar 21										**258,650**	**110,850**	–
Mr Chng Kai Fong, 44 Non-Executive and Non-Independent Director	5	4	–	4	–	–	1	1	2(e)	**Total: 292,282**		
- Board member since 31 Mar 21 - Last re-elected on 31 Mar 22										**292,282**	–	–

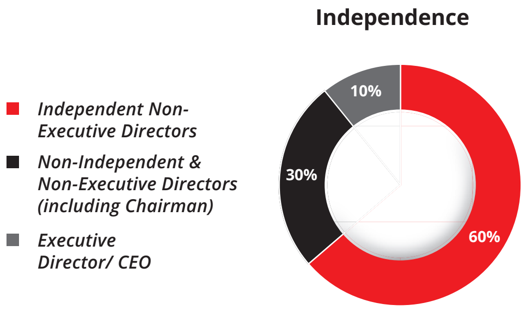
Director Independence status	Meetings attendance record (1 January to 31 December 2022)									Total Directors' remuneration for FY2022 (SGD)		
	BOD(1)	NC(2)	EXCO(3)	AC(4)	BRMC(5)	CMDC(6)	AGM	Offsite(7)	BSC(8)	Directors' fees(a) (SGD)	Share-based remuneration(b) (SGD)	Others(c) (SGD)
	No. of meetings held in 2022											
	5	5	12	4	5	4	1	1	2			
Ms Judy Lee, 55 Non-Executive and Independent Director • Board member since 4 Aug 21 • Last re-elected on 31 Mar 22	5	–	–	4	5	4	1	1	2(f)	**Total: 365,282**		
										255,697.40	109.584.60	–
Mr Piyush Gupta, 63 Executive Director/ CEO • Board member since 9 Nov 09 • Last re-elected on 30 Mar 21	5	5#	12#	4#	5#	4#	1	1	2(g)	**Please refer to the Remuneration Report on page 63 for details on the CEO's compensation**		

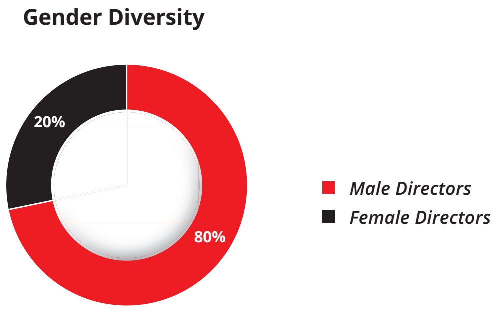
• Appointment Dates
 # Mr Gupta attended these meetings at the invitation of the respective committees.

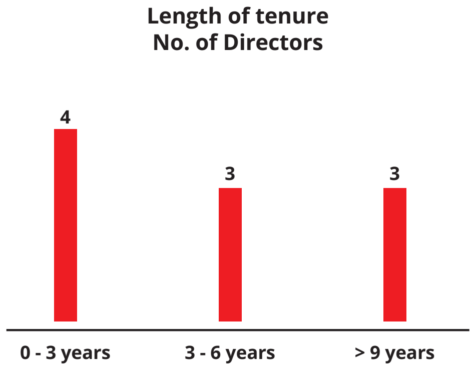
(1) Board of Directors (BOD)
(2) Nominating Committee (NC)
(3) Board Executive Committee (EXCO)
(4) Audit Committee (AC)
(5) Board Risk Management Committee (BRMC)
(6) Compensation and Management Development Committee (CMDC)
(7) This is our annual board strategy offsite
(8) Board Sustainability Committee (BSC)
(a) Fees payable in cash, in 2023, for being a Director in 2022. This is 70% of each Director's total remuneration and is subject to shareholders' approval at the 2023 AGM.
(b) This is 30% of each Director's total remuneration and shall be paid in the form of DBSH ordinary shares. The actual number of DBSH's ordinary shares to be awarded will be rounded down to the nearest share, and any residual balance will be paid in cash. This is subject to shareholders' approval at the 2023 AGM.
(c) Represents non-cash component and comprises for Mr Peter Seah: car and driver.
(d) Mr Tham Sai Choy was appointed as member of the BSC on 11 February 2022.
(e) Mr Chng Kai Fong was appointed as member of the BSC on 11 February 2022. Director's remuneration payable to Mr Chng Kai Fong will be paid fully in cash to a government agency, the Directorship and Consultancy Appointments Council.
(f) Ms Judy Lee was appointed as member of the BSC on 11 February 2022.
(g) Mr Gupta was appointed as chairman of the BSC on 11 February 2022.

(Note: Directors are also paid attendance fees for Board and Board committee meetings, as well as for attending the AGM and the annual Board offsite.)

2022 board composition







Board and Board Committee Composition and Key Responsibilities

Members	Composition requirements	Key Responsibilities
Board	In compliance with the Regulations, the Board comprises a majority of directors who are independent and who are Singapore citizens or permanent residents.	• Sets the strategic direction and long-term goals of DBS, and ensures that adequate resources are available to meet these objectives. • Monitors the responsibilities delegated to the Board committees to ensure proper and effective oversight and control of DBS' activities. • Establishes a framework for risks to be assessed and managed. • Reviews management performance. • Determines DBS' values and standards (including ethical standards) and ensures that obligations to its stakeholders are understood and met. • Ensures that corporate responsibility and ethical standards underpin the conduct of DBS' business. • Develops succession plans for the Board and CEO. • Considers sustainability issues (including environmental and social factors) as part of DBS' strategy.

Board meetings and activities

Board and Board committee meetings are scheduled well in advance of each year in consultation with the Directors. There are five scheduled Board meetings each year. Ad-hoc meetings are also held when necessary. Please refer to the Board highlights – 2022 section on pages 49 to 50 for more information on the key focus areas of the Board in 2022.

Before each Board meeting, the Chairman oversees the setting of the agenda of Board meetings, in consultation with the CEO, to ensure that there is sufficient information and time to address all agenda items.

The agenda also allows for flexibility when needed. Directors are provided with complete information related to agenda items in a timely manner. All materials for Board and Board committee meetings are uploaded onto a secure portal which can be accessed on tablet devices provided to the Directors.

During every quarterly Board meeting:

- the Chairperson of each Board committee provides an update on significant matters discussed at the Board committee meetings which are typically scheduled before the quarterly Board meeting;
- the CFO presents the financial performance for that the quarter/ applicable period and significant financial highlights;
- the CEO gives an update on certain aspects of the Group's business and operations and/ or a macro perspective on industry trends and developments;
- the Board holds a private session for Directors; and
- the Lead Independent Director holds a private session with the other independent Directors.

In addition to the quarterly Board meetings, a Board meeting is typically scheduled in December each year where the CEO gives the Board an update on DBS' performance against the balanced scorecard for that financial year. In addition, the CEO and CFO will present the Group's budget for the next financial year to the Board for approval.

The Chairman promotes open and frank debates by all Directors at every Board meeting. If there is a conflict of interest, the Director in question will recuse himself or herself from the discussions and abstain from participating in any Board decision. When exigencies prevent a Director from attending a Board or Board committee meeting in person, that Director can participate by telephone or video-conference.

Directors have the discretion to engage external advisers. External professionals or in-house subject matter experts may also be invited to present key topics to the Board as well as updates on corporate governance, risk management, capital, tax, accounting, listing and other regulations, which may have an impact on DBS' affairs.

Members	Composition requirements	Key Responsibilities
		Directors have independent access to the Group Secretary. The Group Secretary attends all Board meetings and minutes are prepared to record key deliberations and decisions taken during the meetings. The Group Secretary facilitates communication between the Board, its committees and management, and generally assists Directors in the discharge of their duties. The Group Secretary helps with the induction of new Directors. The appointment and removal of the Group Secretary require the approval of the Board. **Annual Board strategy offsite** Each year, the Board and our senior executives attend a strategy offsite held in one of our markets, which allows them to: • focus on DBS' long-term strategy apart from the regular agenda at the quarterly Board meetings; • engage in dynamic and in-depth strategic discussions to promote deeper understanding of our business environment and our operations, and refine our strategy; and • engage with our stakeholders in the host country (such as regulators, media, customers including CEOs and CFOs of our corporate clients and staff in the local franchise). The 2022 Board strategy offsite was held in the third week of September 2022. Please refer to the Board highlights – 2022 section on page 49 for more information on the discussions during the 2022 Board strategy offsite. **Frequent and effective engagement** Directors have ongoing interactions across various levels, functions and countries within DBS. In addition, some Directors also sit on the boards of our overseas subsidiaries; this arrangement gives the Board access to first-hand insight on the activities of these subsidiaries. The CFO provides the Board with detailed financial performance reports monthly. Directors also have various opportunities to interact with members of the Group Management Committee (GMC) (for instance, at quarterly Board-hosted dinners and during the annual board strategy offsite). **Delegation by the Board to the Board committees** The Board has delegated authority to various Board committees to enable them to oversee certain specific responsibilities based on their terms of reference. The terms of reference of each Board committee set out the responsibilities of the Board committee, conduct of meetings including quorum, voting requirements and qualifications for Board committee membership. All our Board committees (other than the BSC) comprise non-executive Directors only. Any change to the terms of reference for any Board committee requires Board approval. The minutes of Board committee meetings, which records the key deliberations and decisions taken during these meetings, are circulated to all Board members for their information.
Nominating Committee (NC) • **Mr Tham Sai Choy (Chairperson)** • **Mr Olivier Lim (Lead Independent Director)** • **Dr Bonghan Cho** • **Ms Punita Lal** • Mr Peter Seah • Mr Chng Kai Fong	In accordance with the requirements of the Regulations, a majority (four out of six members of the NC including the NC Chairperson) are Non-Executive and Independent Directors (INED). The Lead Independent Director is a member of the NC. All NC members are required to be re-appointed by the Board annually. Under the Regulations, every NC member shall hold office until the next annual general meeting following that member's appointment, and shall be eligible for re-appointment. The appointment and re-appointment of NC members require the prior approval of MAS.	• Regularly reviews the composition of the Board and Board committees, and independence of Directors; • Identifies, reviews and recommends Board appointments for approval by the Board, taking into account the industry knowledge, skills, background, experience, professional qualifications, age and gender of the candidate and the needs of the Board; • Conducts an annual evaluation of the performance of the Board, the Board committees and the Directors; • Implements the Board Diversity Policy and reviews its effectiveness; • Exercises oversight of the induction programme and continuous development programme for Directors, and ensures that first-time directors with no prior experience as a director of a listed company in Singapore undergo relevant training; • Reviews and recommends to the Board the re-appointment of each Director having regard to his/ her performance, commitment and ability to contribute to the Board as well as his/ her age and skillset; • Assesses annually whether each Director has sufficient time to discharge his/ her responsibilities; and • Reviews the Board's succession plans for Directors.

Members	Composition requirements	Key Responsibilities
Board Executive Committee (EXCO) • Mr Peter Seah (Chairperson) • **Mr Olivier Lim** • **Mr Anthony Lim**	In accordance with the requirements of the Regulations, a majority (two out of three members of the EXCO) are INEDs.	• Approves certain matters specifically delegated by the Board such as acquisitions and divestments up to a certain material limit, credit transactions, investments, capital expenditure and expenses that exceed the limits that can be authorised by the CEO; • Reviews weak credit cases on a quarterly basis; • Oversees the governance of strategic risks such as technology, artificial intelligence and data (including data privacy and appropriate use of data); and • Reviews and provides recommendations on matters that will require Board approval, including acquisitions and divestments exceeding certain material limits.
Audit Committee (AC) • **Mr Tham Sai Choy (Chairperson)** • **Dr Bonghan Cho** • **Ms Punita Lal** • **Ms Judy Lee** • Mr Peter Seah • Mr Chng Kai Fong	In accordance with the requirements of the Regulations, a majority (four out of the six members of the AC including the AC Chairperson) are INEDs. Mr Tham possesses an accounting qualification and was formerly the managing partner and Head of Audit of KPMG, Singapore. All members of the AC are non-executive directors, and have recent and relevant accounting or related financial management expertise or experience.	**Financial reporting and disclosure matters** • Monitors the financial reporting process, significant financial reporting issues and judgements to ensure the integrity of the Group's consolidated financial statements; • Reviews the Group's consolidated financial statements, other financial disclosures (including Basel Pillar 3 disclosures) and any announcements relating to the Group's financial performance prior to submission to the Board; and • Provides oversight of external disclosure governance. **Internal controls** • Reviews (in parallel with the Board Risk Management Committee) the adequacy and effectiveness of internal controls, such as financial, operational, compliance and information technology controls, as well as risk management systems; • Receives updates on significant incidents of non-compliance with laws and regulations, and reviews management's investigations of such incidents; • Reviews and monitors remedial action plans to address significant internal control deficiencies identified by management, Group Audit, the external auditor and/ or regulators; • Ensures that there are policies and arrangements in place by which DBS staff and any other persons may, in confidence, raise concerns about possible improprieties in matters of financial reporting or other matters and ensures that arrangements are also in place for such concerns to be independently investigated and for appropriate follow-up action to be taken; • Reviews the significant matters raised through the whistle-blowing channel; and • Reviews all material related party transactions (including interested person transactions) and keeps the Board informed of such transactions, and the findings and conclusions from its review. **Internal audit** • Reviews at least annually, the independence, adequacy and effectiveness of the Group's internal audit function (Group Audit) and processes, and ensures that Group Audit is adequately resourced and set up to carry out its functions, including approving its budget; • Reviews Group Audit's audit plans, the proposed areas of audit focus, and results of audits; • Ensures that an internal quality assurance review (QAR) of Group Audit is conducted annually, and that an independent QAR is conducted at least once every five years; and • Approves the hiring, removal, resignation, evaluation and compensation of the Head of Group Audit.

Members	Composition requirements	Key Responsibilities
		External auditor • Determines the criteria for selecting, monitoring and assessing the external auditor, and makes recommendations to the Board on the appointment, re-appointment and removal of the external auditor; • Approves the remuneration and terms of engagement of the external auditor; • Reviews and discusses the key audit matters (identified by the external auditor pursuant to auditing standards) with the external auditor and management, and ascertains if these matters are presented appropriately; • Reviews the scope and results of the external audits and the independence, adequacy and objectivity of the external auditor; • Ensures that the external auditor promptly communicates to the AC, any information regarding internal control weaknesses or deficiencies, and that significant findings and observations regarding weaknesses are promptly rectified; and • Reviews the assistance given by management to the external auditor. The AC has the authority to investigate any matter within its terms of reference, and has full access to and cooperation from management.
Board Risk Management Committee (BRMC) • **Mr Olivier Lim (Chairperson)** • **Mr Tham Sai Choy** • **Mr Anthony Lim** • **Ms Judy Lee** • Mr Peter Seah • Mr Ho Tian Yee	All BRMC members are non-executive Directors, which exceeds the requirements of the Regulations. All BRMC members are appropriately qualified to discharge their responsibilities, and have the relevant technical and financial expertise in risk disciplines or businesses.	• Supports the Board and management in setting the tone from the top so as to embed and maintain appropriate risk culture; • Guides the development of, and recommends for the Board's approval, the risk appetite for various types of risk, and exercises oversight on how this is operationalised into individual risk appetite limits; • Approves the Group's overall and specific risk governance frameworks; • Has direct oversight of the CRO (jointly with the CEO); • Oversees the risk assessment framework established to manage the Group's financial crime, cybersecurity, fair dealing and regulatory risks; • Oversees an independent risk management system, and the adequacy and appropriateness of resources to identify and evaluate risks; • Reviews the risks arising from new business activities, and the associated risk management and governance approach; • Reviews (in parallel with the Audit Committee) the adequacy and effectiveness of the Group's internal controls framework; • Monitors market developments, such as macro-economic and country risks, financial and operational risks, risk concentrations, and stress tests related to these developments; • Monitors risk exposures and profile against relevant risk thresholds, and risk strategy in accordance with approved risk appetite and/ or guidelines; • Discusses risk reporting requirements and reviews the risk dashboard to keep track of major risk positions and risk developments; • Monitors the quarterly portfolio reviews of total exposures as well as large exposures and asset quality; • Discusses large risk events and subsequent remedial action plans; • Oversees the risk models governance approach, including approving risk models used for capital computation and monitoring the performance of previously approved models; • Exercises oversight of the Internal Capital Adequacy Assessment Process (ICAAP) including approval of stress scenarios and commensurate results for capital, risk- weighted assets, profit and loss and liquidity; • Approves the Business Continuity Management attestation and Group Recovery Plan; and • Exercises oversight of regulatory requirements relating to risk management.
Compensation and Management Development Committee (CMDC) • **Mr Anthony Lim (Chairperson)** • **Dr Bonghan Cho** • **Ms Punita Lal** • **Ms Judy Lee** • Mr Peter Seah	In accordance with the requirements of the Regulations, a majority (four out of the five members of the CMDC including the CMDC Chairperson) are INEDs.	• Exercises supervisory oversight of the overall principles, parameters and governance of DBS' remuneration policy and ensures the alignment of compensation with prudent risk taking to build a long-term sustainable business; • Oversees the remuneration of senior executives and Directors, including making recommendations to the Board on the remuneration of executive directors; and • Exercises oversight on management development and succession planning of the Group and ensures that robust plans are in place to deepen core competencies and bench strength as well as strengthen leadership capabilities and talent pipeline for the continued success of the Group.
Board Sustainability Committee (BSC) • Mr Piyush Gupta (Chairperson) • **Mr Tham Sai Choy** • **Ms Judy Lee** • Mr Chng Kai Fong • Dr Ben Caldecott (Non-Director member)	There are currently no specific composition requirements prescribed under Singapore regulations.	• Oversees DBS' plans and approves strategies, goals, and targets in relation to the Group's sustainability pillars: Responsible Banking, Responsible Business Practices, and Impact Beyond Banking; • Reviews and approves the Group's Sustainability Report, including approaches to meet disclosure requirements such as regulatory specifications or listing obligations; • Reviews and approves the Group's climate-related disclosures, including business and financial implications, which may arise from climate-related stress tests, and consider viability of proposed responses; • Exercises oversight of the Group's Board and Management governance framework on sustainability matters (e.g., Group Sustainability Council), taking into account regulatory expectations, including those for material operating subsidiaries; and • Oversees emerging sustainability issues and the strategies and outreach programmes for engaging our key stakeholder groups.

* *Names denoted in red are INEDs.*

Highlights of Board and Board Committees – 2022

Board highlights – 2022

Focus on Strategy
The Board had comprehensive and rigorous discussions in the course of 2022 on how DBS could create value for all stakeholders by (i) leveraging on its technology strengths to build new engines of growth; (ii) accelerating growth in various Asian markets; (iii) increasing and entrenching our market-leading sustainability efforts; and (iv) formulating a strategy for entrenching our Singapore market leadership by leveraging on digitalisation and technology. During the annual Board strategy offsite (which was held in September 2022), the Board actively deliberated on, *inter alia*:

- geopolitical developments on global supply chains and Asian businesses, and macroeconomics;
- our Greater China strategy;
- evolution and future landscape of the digital finance space and our competitive advantage;
- view and current expectations of traditional, institutional and venture-capitalist/ growth investors as well as our communication outreach; and
- sustainability issues.

Technology, Risks and Resiliency Improvement Plan
The Board had an in-depth discussion on the independent technology review remediation conducted by KPMG and our Resiliency Improvement Plan updates. In particular, the KPMG independent technology review provided important observations and recommended opportunities for improvement in key areas surrounding DBS' digital banking processes. The updates on our Resiliency Improvement Plan are organised into several pillars to address key technology risks and included uplifting of certain critical applications and runtimes, focusing on technology architecture, third party software and services and system recovery. It also enhances the governance and structure for incident and crisis management. In addition, the Board was updated on the establishment of a resiliency project steering committee, tasked with the objectives of heightening resiliency, reducing incident occurrence, mitigating incident impact and improving recovery speed.

Sustainability
Environmental, social and governance (ESG) issues were a significant focus area for the Board during 2022. The Board engaged with external subject matter experts and leading business leaders on various matters, including (i) the impact of the current energy crisis, views of the path to Net Zero by 2050 and the future of energy, (ii) key learnings about the energy situation over the last 20-30 years, (iii) industry best practices on sustainability matters where there is currently no consensus on the data capture or metrics to be used, and (iv) the role of intermediaries such as banks, in helping companies manage trade-offs and facilitating a just transition.

People and Culture
People and culture were another area of focus for the Board in 2022. The CEO updated the Board on the 2022 employee survey, "MyVoice" and noted that (i) the Group saw an improvement in the MyVoice engagement score, with improvements across most dimensions (including enabling productivity, wellbeing and hybrid working), and (ii) most of our core markets recorded an increase in employee engagement and outperformed the respective country financial services industry scores.

The Board discussed people and leadership matters, including the need to focus on employee and to provide clear career paths for employees and to drive gender, inter-generational and foreign talent diversity and inclusion. The Board was also updated on (i) feedback from overseas business units, in particular the positive feedback received from the employees and union of the Citi's Taiwan consumer banking business, (ii) efforts relating to culture and employee experience and integration of the workforce of Lakshmi Vilas Bank (LVB), and (iii) the Group's focus on continuously refreshing leaders, and promoting internal successors with strong innovative, collaborative and growth mindsets.

Pursuing inorganic acquisitions and new business initiatives
The Board reviewed and deliberated on several inorganic acquisitions and new business initiatives, including the (i) establishment of an offshore technology development centre and the setting up of a proprietary development hub in China, to expand our technology capabilities; (ii) establishment of certain variable capital companies to support and expand DBS' wealth management initiatives and product suites; and (iii) commencement of a software business to offer solutions to support enterprises' digital transformation. The Board closely monitored the progress of the (i) acquisition of Citi's Taiwan consumer banking business in the course of 2022; and (ii) progress of the continuing integration process of LVB's business with DBS Bank India (DBIL). The Board also deliberated on the risks arising from new business initiatives and ensured that appropriate risk management and governance policies and procedures were put in place to manage these risks.

Board Renewal
Board renewal is a key focus for us. In 2022, the Nominating Committee (NC) continued the search for potential candidates who could be lined up for appointment as Directors of DBS Group Holdings Ltd (DBSH) and DBS Bank Ltd (DBS Bank). New Directors will be introduced gradually so that the Board and Board committees have a smooth transition period.

Diversity in, *inter alia*, gender and skillsets were one of the key considerations in the board renewal process to ensure that (i) the Board is appropriately balanced to support the long-term success of DBS and (ii) the skillsets of the retiring Directors are replaced and/ or the collective skillsets of the Directors is supplemented, and different perspectives are brought to the Board. Other key considerations included (i) whether the candidate would fit in with our Board's culture and diversity; (ii) the independence status of the candidate; and (iii) whether the candidate would be able to commit sufficient time to fulfil the duties of a Director. A skills matrix is used to assess if the skills and experience of a candidate complement those of the existing Board members. Potential candidates are informed of the level of contribution and commitment expected of a DBS Director.

As part of the Board renewal process:

- Mr Ho Tian Yee will be stepping down from the Board at the conclusion of our forthcoming Annual General Meeting (2023 AGM), having served on the Board for more than 11 years. The Board and Management of DBS would like to express their gratitude to Mr Ho for his invaluable contributions to the DBS Group over the years.
- With Mr Ho's impending retirement and the proposed appointment of an Independent Director: (i) the Board is expected to remain at 10 members; (ii) the proportion of Independent Directors is expected to increase from 6 to 7; and (iii) DBS will benefit from the proposed Independent Director's experience in China, being one of DBS' core market.
- The Board has also taken steps in FY2023 to: (i) effect the appointment of said Independent Director that possesses the relevant experience in the financial industry and in jurisdictions including China and the United States; and (ii) obtain regulatory approval for this appointment.

CEO Updates to the Board
In 2022, the CEO updated the Board on, *inter alia*,

(i) the entrenchment of our Singapore market leadership;
(ii) the progress and impact of our digitalisation efforts in Singapore;
(iii) bringing our Singapore business to the next level with ecosystem partnerships and data and Artificial Intelligence (AI)/ Machine Learning (ML);
(iv) DBIL's performance and 2023 outlook, as well as the integration of the business of LVB with DBIL;
(v) the acquisition of Citi's Taiwan consumer banking businesss;
(vi) progress on the Group scorecard and performance;
(vii) the employee engagement survey results and focus areas;
(viii) the continuation of our transformation journey, by re-architecturing the construct of our support units in 2022 to make them more horizontally driven;
(ix) updates on the Group's business strategy in the Greater Bay Area, India and Indonesia;
(x) driving future growth of our business;
(xi) macro-overview of our core markets;
(xii) various new business initiatives; and
(xiii) 2023 key priorities.

Nominating Committee (NC)

> *"The NC continued its effort to enhance the diversity, gender mix, skills, and experience of the Board. In this respect, we have revised our Board Diversity Policy to adopt a 30% female representation target by 2030 and identified an excellent independent director candidate, who is expected to join our Board after our AGM in 2023, and would complement the existing skillsets and experience of the Board.*
>
> *The NC also appointed an internationally-recognised sustainable finance expert, Dr Ben Caldecott, as a non-director member to the Board Sustainability Committee, who adds valuable expertise and fresh perspectives to the BSC."*
>
> ***Tham Sai Choy,***
> ***NC Chairman***

Highlights of NC's activities in 2022

Board renewal process
Please refer to the Board highlights – 2022 section on pages 49 to 50.

Selection criteria and nomination process for Directors
Before a new Director is appointed, suitable candidates are identified from various sources. Thereafter, the NC conducts an assessment to:

- review the candidate (including qualifications, attributes, capabilities, skills, age, past experience) to determine whether the candidate is fit and proper in accordance with the fit and proper guidelines issued by the MAS; and
- ascertain whether the candidate is independent from DBSH's substantial shareholder and/ or from management and business relationships with DBS.

The NC then interviews the short-listed candidates and makes its recommendations to the Board. All Board appointments are based on merit, taking into account the contributions the candidates can bring to the Board to enhance its effectiveness. Upon the appointment of a new Director, the NC will recommend to the Board his or her appointment to the appropriate Board committee(s) after matching the Director's skillset to the needs of each Board committee.

Induction and Training for Directors
The NC oversees the onboarding of new Directors. All new Directors go through our induction programme, which covers the duties and obligations of a Director and the responsibilities of and work carried out by the Board committees. We provide a Director's pack, which acts as an aide memoire for the information covered by the induction programme. We have briefing sessions for Directors given by members of senior management on the various businesses of DBS and its supporting functions. The NC is also responsible for ensuring that new Directors with no prior experience as a director of a listed company in Singapore undergo training in the roles and responsibilities of a director of a listed company.

To equip Directors with the relevant sustainability knowledge, all Directors have completed their mandatory sustainability training in 2022 by attending the sustainability course, "Environmental, Social and Governance Essentials" conducted by the Singapore Institute of Directors.

Annual review of Directors' independence
The NC reviews and determines annually whether each Director is independent in accordance with the stringent standards required of financial institutions prescribed under the Regulations. Under the Regulations, an "independent director" is defined to mean a Director who is:

- independent from any management and business relationship with DBS;
- independent from any substantial shareholder of DBS; and
- has not served on the Board of DBS for a continuous period of nine years or longer.

The NC assessed and concluded that (i) all Directors are considered to be independent from business relationships with DBS; (ii) with the exception of Mr Piyush Gupta, all Directors are considered to be independent from management relationships with DBS; (iii) with the exception of Mr Chng Kai Fong, all Directors are considered to be independent from DBSH's substantial shareholder, Temasek Holdings (Private) Limited (Temasek). Mr Chng, who is the Second Permanent Secretary for The Smart Nation and Digital Government Group, Prime Minister's Office (PMO), Singapore, and concurrently the Second Permanent Secretary for the Ministry of Communications and Information and Cybersecurity, PMO, is considered not independent of Temasek as the Singapore government is its ultimate owner; and (iv) Mr Peter Seah and Mr Ho Tian Yee are Non-Independent directors as they have served on the Board for more than nine years. Based on the NC's assessment, the Independent Directors are Dr Bonghan Cho, Ms Punita Lal, Ms Judy Lee, Mr Olivier Lim, Mr Anthony Lim and Mr Tham Sai Choy.

Although Mr Piyush Gupta, Mr Ho Tian Yee, Ms Judy Lee, Mr Olivier Lim, Mr Anthony Lim, Mr Peter Seah and Mr Tham Sai Choy are on the boards of companies that have business relationships with DBS, and are also directors of companies in which Temasek has investments (Temasek portfolio companies), the NC considers these Directors (i) independent of business relationships as the revenues arising from such relationships are not material; and (ii) independent of Temasek as their appointments on the boards of Temasek portfolio companies are non-executive in nature and they are not involved in the day-to-day conduct of the businesses of the Temasek portfolio companies. In addition, none of these Directors sit on any of the boards of the Temasek portfolio companies as a representative of Temasek and they do not take instructions from Temasek in acting as Directors.

Board performance and evaluation
The NC makes an assessment at least once a year to determine whether the Board and Board committees are performing effectively and identifies steps for improvement. The NC believes that it is important to obtain an independent perspective on the Board's performance periodically, and to gain insights on the Board's performance against peer boards and best practices. An external evaluator was last engaged to conduct the Board performance evaluation for the financial year ended 2021.

In 2022, the NC considered the results and key action items from the 2021 Board evaluation and decided to use substantially the same evaluation questionnaire for 2021 for benchmarking purposes. The questionnaire included questions on Board composition, Board information, Board processes/ culture, Board accountability, Capital/ risk, Management, Standards of Conduct, Board relationships and effectiveness of Board committees. Each Director was asked to complete the questionnaire and submit it directly to the Group Secretary who collated the responses and produced a summary report for the NC. The NC analysed the report and submitted its findings to the Board. The Board noted the findings of the evaluation and discussed the comments received from several directors.

In addition to the annual Board evaluation exercise, the NC also conducts an annual review of each Director to determine whether each Director remains qualified for office. In making its determination, the NC will take into account (i) the Director's age, track record, experience, skills and capabilities; (ii) whether each Director is able to and has been adequately carrying out his/ her duties as a Director, including the contributions and performance of each Director; and (iii) whether each Director has committed sufficient time to his/ her duties as a director of DBS. The Board is satisfied that each Director has diligently discharged his or her duties as a Director of DBS and has contributed meaningfully to DBS.

Directors' time commitment

The meeting attendance records of all Directors as well as a list of their directorships of listed companies and their principal commitments are fully disclosed in our Annual Report. The NC assesses each Director's ability to commit time to DBS' affairs in accordance with internal guidelines which take into account the number of other board and committee memberships a Director holds, as well as the size and complexity of the companies in which he/ she is a board member. Additionally, each Director is required to complete an annual self-assessment of his/ her time commitments.

While the Board has not set a maximum number of listed company board representations a Director may hold, all Directors appreciate the high level of commitment required of a Director. All Directors have met the requirements under the NC's guidelines. Based on the recent individual Director self-assessment for FY2022, and attendance of Board and Board Committee meetings during the year, the NC was satisfied that where a Director had other listed company board representations, and/ or other principal commitments, the Director was able and had been adequately carrying out his/ her duties as a director of DBS.

Directors' tenure

The NC members believe that it is in the interests of DBS for the Board to be comprised of some Directors with long tenure who have a deep understanding of the banking industry, as well as Directors with shorter tenures who can bring fresh ideas and perspectives. There are currently three Directors who have served for more than 11 years, and this is balanced by the progressive refreshing of the Board where six long-serving Directors have stepped down and seven new Directors have been appointed since November 2017 (when we commenced the refreshing process). In addition, one of the long-serving Director (being Mr Ho Tian Yee) will step down after the conclusion of the 2023 AGM.

The NC specifically considered the skillsets and contributions of two long-serving Directors who will be remaining on the Board (being Mr Peter Seah and Mr Piyush Gupta). The NC deliberated and agreed that it is in DBS' interests for these Directors to continue serving on the Board of DBS for the following reasons:

i) it is important that Mr Peter Seah remains as the Board Chairman to provide leadership and continuity. Mr Seah is a veteran former banker with wide industry experience, and he has been instrumental in the growth and transformation of DBS over the past 13 years. From a strategic perspective, the next few years continue to be critical as DBS continues to execute on its digital transformation, growth and sustainability strategies (especially with the prevailing macro-economic and geo-political headwinds and enhance its franchise in the Greater Bay Area, China, Taiwan, India and Indonesia; and

ii) as CEO, Mr Piyush Gupta should remain as a Director to provide the Board with insights into the business.

Re-election of Directors

Under the Constitution of DBSH, one-third of Directors who are longest-serving since their last re-election are required to retire from office and, if eligible, stand for re-election at each AGM. Based on this rotation process, each Director is required to submit himself or herself for re-election by shareholders at least once every three years. In addition, new Directors (who are appointed in between AGMs) are required under DBSH's Constitution to stand for re-election at the first AGM after their appointment. The NC reviews and recommends to the Board the rotation and re-election of Directors at the AGM.

Prior to each AGM, Group Secretariat informs the NC which Directors are required to retire at that AGM. The NC will then review the composition of the Board and decide whether to recommend to the Board the re-election of these Directors, after taking into account factors such as their attendance, participation, contribution, expertise and competing time commitments.

At the 2023 AGM, Mr Peter Seah, Mr Ho Tian Yee, Ms Punita Lal and Mr Anthony Lim will be retiring by rotation. At the recommendation of the NC and as approved by the Board, Mr Peter Seah, Ms Punita Lal and Mr Anthony Lim will be standing for re-election at the 2023 AGM, while Mr Ho Tian Yee (who has served on the Board for more than 11 years) will be retiring at the conclusion of the 2023 AGM.

Review of composition of Board Committees

The NC regularly reviewed the size and composition of the Board committees in 2022 to ensure that all independence requirements continue to be met, and that the Board committees are of an appropriate size and comprise the appropriate balance of skills, knowledge and experience, as well as diversity of nationality, age and gender.

Continuous development programme for all Directors

The NC monitors the frequency and quality of the Board training sessions, which are conducted either by external professionals or by management. The NC selects topics which are relevant to the Group's activities. Board members also contribute by highlighting areas of interests and possible topics.

The topics presented to the Board in 2022 as part of the continuous development programme included: (i) training sessions on DBS' country risk management and fundamental review of the trading book, (ii) insights from external experts on (a) climate risk management, as well as (b) managing ransomware and supply chain cyber risks from the regulators' perspective.

Board diversity

We recognise that diversity is not merely limited to gender or any other personal attributes. We adopted a Board Diversity Policy which recognises the importance of having an effective and diverse Board, and states that the NC is responsible for setting the relevant objectives that promote and achieve diversity on the Board. In discharging its duties, the NC shall give due regard to the benefits of all aspects of diversity and strive to ensure that the Board is appropriately balanced to support the long-term success of DBS.

The main objective of the Board Diversity Policy is to continue to maintain the appropriate balance of perspectives, skills and experience on the Board to support the long-term success of DBS. The Board Diversity Policy provides that the NC shall endeavour to ensure that female candidates are included for consideration when identifying candidates to be appointed as new directors, with the aim of having not less than two female directors on the Board, and will target to achieve 30% female Board representation by 2030. Currently, two out of 10 directors on the Board (20% of the Board) are female.

The NC is responsible for developing a framework to identify the skills that the Board collectively needs in order to discharge the Board's responsibilities effectively, taking into account the complexity of DBS' existing risk profile, business operations and future business strategy. The NC has put in place a skills matrix which classifies skills, experience and knowledge of Directors into the following broad categories (i) Industry knowledge and experience; (ii) Financial and commercial acumen; (iii) Governance; (iv) Leadership; (v) Digital Transformation; and (vi) Sustainability.

The NC believes that there is an appropriate balance of industry knowledge, skills, background, experience, professional qualifications, age and gender on the Board, and is satisfied that the objectives of the Board Diversity Policy continue to be met.

Board Executive Committee (EXCO)

"In 2022, the Board EXCO continued to serve as a sounding board to Management on significant issues, including potential acquisitions and divestments, large transactions and material initiatives, and large credit and country limit reviews in markets that the Group has a presence in."

Peter Seah
Chairman, Board EXCO

Highlights of EXCO's activities in 2022

- The EXCO assists the Board to enhance the business strategies and strengthen core competencies of DBS. The EXCO meets frequently (12 meetings in 2022) and is able to offer greater responsiveness in the decision-making process of DBS.
- In addition to its quarterly review of weak credit cases, matters discussed and/ or endorsed at the EXCO meetings in 2022 included (i) Russia-Ukraine war and energy price impact on DBS' portfolio; (ii) renewal of the credit programmes in Singapore and Hong Kong for SMEs; (iii) annual reviews of country (transfer risk) limits; (iv) the expansion of the Group's wealth management business and product suites with the establishment of several variable capital companies catering to retail customers, private banking and Treasures private clients; (v) the establishment of a software business leveraging on the Group's expertise in technology; (vi) additional investment in our Climate Impact X joint venture with Temasek Holdings, SGX and Stanchart; and (vii) various acquisition and investment/ divestment opportunities.

Audit Committee (AC)

"In 2022, the AC focused on key audit matters highlighted by the external auditors as well as areas where management has applied judgement in the preparation of the Group's financial statements.

It also conducted a thorough review of reports from Group Audit and Legal and Compliance, as part of its assessment of the adequacy and effectiveness of the Group's internal controls, and determined that the Group's internal controls remain adequate and effective.

The AC reviewed forthcoming developments that may impact the Bank, including the Base Erosion and Profit Shifting Project, as well as new business and accounting initiatives. To ensure we continue to maintain high levels of compliance with sustainability reporting standards and industry best practices, the AC will continue to monitor developments in this area as the industry finalises the relevant standards."

Tham Sai Choy
Chairman, AC

Highlights of AC's activities in 2022

Oversight of financial reporting and disclosure matters

In response to the risk-based approach to quarterly reporting that was adopted by the Singapore Exchange Regulation (SGX RegCo) from 7 February 2020, the Group transitioned to a semi-annual reporting regime that is complemented by trading updates between the half-yearly financial reports. The trading updates, which comprise the profit and loss account, key balance sheet items, financial ratios and business commentary, are intended to provide investors with continued line of sight on the Group's ongoing performance.

The AC reviewed the Group's trading updates and half-yearly financial statements, and recommended these to the Board for approval. The AC also took into account the assurances provided by the CEO and CFO that the financial statements are properly drawn up in accordance with the provisions of the Singapore Banking Act, Singapore Companies Act and Singapore Financial Reporting Standards (International) (SFRS(I)), and that the Group's financial risk management and internal control systems are adequate and effective.

The AC members were kept updated on changes to accounting standards and significant accounting matters involving the exercise of judgement. During the course of the financial year, the AC reviewed the following areas:

- Asset quality and the adequacy of provisions in light of the ongoing Russia-Ukraine war as well as recession concerns amid high inflation and interest rate environment, giving due consideration to the application of the SFRS(I) ECL requirements as well as guidance provided by international regulators and the MAS;
- Valuation matters, including assessing the adequacy of valuation reserves and the carrying value of goodwill;
- Impact of the Base Erosion and Profit Shifting (BEPS) Project on DBS Group and our engagement with the authorities with respect to BEPS; and
- Accounting issues and developments on integration of Citi's Taiwan consumer banking business.

The AC reviewed the Group's audited consolidated financial statements for FY2022 and discussed with management and the external auditor the significant matters which involved management judgement.

Please refer to the table on page 54 for further information on these significant matters. These matters are also discussed in the independent auditor's report on pages 116 to 121.

The AC is of the view that the Group's consolidated financial statements for FY2022 are fairly presented in conformity with the relevant SFRS(I) in all material aspects. The Board has been notified that the Group's external auditor, PricewaterhouseCoopers LLP (PwC), has read and considered the other information (i.e. other than the financial statements and auditor's report thereon) in the annual report, whether financial or non-financial, in accordance with the Singapore Standard on Auditing 720. For the financial year ended 31 December 2022: (i) no material inconsistencies between the other information, the financial statements and PwC's knowledge obtained in the audit; and (ii) no material misstatements of the other information, have been reported.

AC commentary on key audit matters

Significant matters	How the AC reviewed these matters
Specific allowances for loans and advances	The AC reviewed the significant non-performing credit exposures periodically and considered management's judgments, assumptions and methodologies used in the determination of the level of specific allowances required. The AC noted that major weak credits are reviewed by the Board Executive Committee quarterly and presented to the AC. The AC was apprised of the external auditor's work over credit, which included sampling across performing, watch-list and non-performing portfolios to assess the appropriateness of the loan ratings and classification, as well as the adequacy of specific allowances where applicable. Additionally, the AC considered the results from Group Audit's independent assessment of the Group's credit portfolios across key markets and credit risk management process. The AC is of the view that the specific allowances that have been set aside for non-performing credit exposures are appropriate.
General allowances for credit losses	The AC reviewed the governance arrangements, including the matters considered by the Expected Credit Loss (ECL) Review Committee, as well as the key drivers of the quarterly movements in Stage 1 and Stage 2 ECL (General Allowances). These included the changes in portfolio asset quality, prevailing economic and geopolitical conditions, as well as modelled overlays to reflect management's assessment of these factors. The AC noted that ECL models are validated by the Model Validation Team, which also monitors the models' performance, and approved by the Group Credit Risk Models Committee. The AC took into account the external auditor's observations, which included a review of selected portfolios by credit specialists, along with assessments of the Group's methodologies (including the reasonableness of certain forward-looking economic inputs), processes and controls. The AC, on the back of these reviews, considers the General Allowances to be within a reasonable range.
Goodwill	The AC reviewed the methodology and key assumptions driving the cash flow projections that are used in the determination of the value-in-use of the DBS Bank (Hong Kong) Ltd's franchise, including the macroeconomic outlook. It assesses the sensitivities of the value-in-use to reasonably possible changes in the valuation parameters. The AC was apprised of the external auditor's observations from its review of management's goodwill impairment assessment, and concurs that there is no impairment as at 31 December 2022.
Valuation matters	The AC reviewed the governance arrangements, including the deliberations of the Group Valuation Committee, as well as the fair value hierarchy of financial instruments held at fair value, the quarterly movements in valuation reserves, the appropriateness of the Group's valuation methodology in light of industry developments, and the overall adequacy of valuation reserves. The AC was apprised of the external auditor's observations from its assessment of the Group's controls over the valuation process, as well as its conclusion, based on the result of its independent estimates, that the valuation of financial instruments held at fair value was within a reasonable range of outcomes. The AC considers the valuation process, policies and estimates as adopted and disclosed in the financial statements to be appropriate.

Oversight of Group Audit

The AC has direct oversight of Group Audit. The AC receives reports from Group Audit at each quarterly AC meeting, which provide the AC with an update on (i) the overall control environment (based on the results of the audit reviews in the preceding quarter); (ii) the key findings from audit reviews and the remediation actions which have been, or will be, taken to address these findings; (iii) an overview of the audit issues (including re-aged and past due issues) and audit reports issued during the preceding quarter; and (iv) any changes to the audit plan for AC approval.

Please refer to page 59 for details on Group Audit's key responsibilities and processes.

In addition to the findings from the routine audits conducted by Group Audit in 2022, the AC was also apprised of the findings from other reviews initiated by Group Audit. These reviews covered new businesses such as the Digital Asset Ecosystem and the variable capital companies established to support and expand DBS' wealth management initiatives and product suites. The AC was also updated on the audits that focused on the Bank's IT cybersecurity and resiliency that includes the results of the cyber red team simulation conducted to assess DBS' cyber security posture across all locations which covered external attack scenarios, insider threats and IT systems hosted in the cloud.

The AC assessed the adequacy, effectiveness and independence of Group Audit, and is of the view that Group Audit is independent, effective and adequately resourced. Group Audit understands the risks that the Group faces and has aligned its work to review these risks.

There is at least one scheduled private session annually for the Head of Group Audit to meet the AC. The Chair of the AC meets the Head of Group Audit regularly to discuss the audit plans, current work, key findings and other significant matters of Group Audit regularly to discuss the audit plans, current work, key findings and other significant matters.

Reviewing performance, objectivity and independence of the external auditor

The AC has unfettered access to the external auditor. Separate sessions were held during each of the four quarterly AC meetings in 2022 for the AC to meet with the external auditor without the presence of management to discuss matters that might have to be raised privately. The planned transition of the PwC partner in charge of the audit from Antony Eldridge to Yura Mahindroo was smooth.

The AC monitors the performance, objectivity and independence of the external auditor. For this purpose, the AC takes into account the Audit Quality Indicators Disclosure Framework issued by the Accounting and Corporate Regulatory Authority (ACRA); the guidance provided in Practice Guidance 10 of the 2018 Code, as well as the principles outlined by the Basel Committee on Banking Supervision in its document "The External Audits of Banks".

The total fees due to PwC for the financial year ended 31 December 2022 and the breakdown of the fees for audit and non-audit services, are set out in the table below. The AC reviewed the non-audit services provided by the external auditor during the financial year and the associated fees. The AC is satisfied that the independence and objectivity of the external auditor have not been impaired by the provision of those services.

Fees relating to PwC services for FY2022	SGD (million)
For audit and audit-related services	10.3
For non-audit services	1.1
Total	**11.4**

The AC considered the following matters in its review of the external auditor's performance and when formulating its recommendation on the re-appointment of the external auditor:

- the performance of the external auditor against industry and regulatory standards;
- the scope of the audit plan and areas of audit focus as agreed with the external auditor;
- the quality of audit services rendered, and reports and findings presented, by the external auditor during the year;
- feedback received from various functions/ geographical locations, through an annual structured internal survey, on the adequacy and quality of the audit team's resources, the level of independence and scepticism exercised in carrying out its work, and its overall efficiency and effectiveness;
- the Audit Quality Indicators data of the external auditor; and
- the external auditor's self-assessment, including the confirmation of its independence, to the AC.

Based on these considerations, the AC has recommended, and the Board has endorsed, the re-appointment of PwC for shareholders' approval at the 2023 AGM. The Group has complied with Rule 712 and Rule 715 of the SGX Listing Manual in relation to its external auditor.

Board Risk Management Committee (BRMC)

"In 2022, the BRMC continued to oversee DBS' risk governance approach and monitor all key risk areas. In addition to our ongoing risk management efforts, the BRMC also considered the impact of the rapidly changing macro environment on our portfolio.

During the year, we reviewed many areas, including cybersecurity, scams, integration risk of our acquisitions, financial crimes efforts, as well as initiatives to improve our technology resiliency.

Setting the tone from the top to embed a strong risk culture is critical to DBS' success and remains a focus for the BRMC."

Olivier Lim
Chairman, BRMC

Highlights of BRMC's activities in 2022

The BRMC's approach continued to be underpinned by a philosophy that risk management in complex and large organisations is best served by holistically integrating governance, culture, talent, structure and processes.

The BRMC convened at least quarterly to review the bank's risk profile, risk dashboards and other reports through a structured and consistent agenda format. The BRMC monitored global political and economic events, the impact of interest rate hikes, and other factors that might have material consequences for our business.

In 2022, the BRMC discussed the findings and the impact arising from scenario analyses and portfolio reviews conducted on certain countries and specific sectors, including:

- Inflationary pressures prompting significant rate hikes by central banks resulting in slower economic growth/ recession
- Russia-Ukraine conflict and the impact on supply chain, commodity/ energy prices and key exports from the two countries
- Defaults of major Chinese real estate developers triggering a property sector downturn in China and other contagion effect

The scenario analyses are in addition to the reviews of various regulatory and internal stress testing exercises.

The BRMC also reviewed management's assessment of the impact arising from the following events:

- Elevated US-China-Taiwan tensions, in particular, areas such as capital market restrictions, export bans and trade tariffs
- Slowdown in China's economy, including weak domestic consumption and RMB depreciation
- Strong USD against the developing/ emerging markets currencies (e.g., INR and IDR).

The BRMC was updated on the liquidity risk profile and discussed the impact of customer funds switching out from current/ savings accounts to fixed deposits. It was kept informed of the utilisation of market risk (for both banking and trading books) and liquidity risk (in all major currencies and legal entities) limits, as well as the key operational risk profiles of the Group.

The BRMC endorsed the incorporation of environmental risk in the Group's risk appetite statement, with a focus on managing exposures with material climate transition and physical risks. The BRMC was updated on the risk and controls of new businesses (e.g., Digital Asset Ecosystem) as well as the integration progress of LVB and Citi's Taiwan consumer banking business. It was also regularly updated on the initiatives to improve our technology resiliency in the course of 2022.

The BRMC was advised on the key operational risk profiles of the Group and the continued focus on global trends on financial crime (such as anti-money laundering, countering the financing of terrorism, and digital scams), fair dealing and conduct risks as well as the cyber security environment. In view of the worsening geopolitical tensions, the BRMC was updated on the increased efforts taken to address the risks arising from sanctions evasion and cyber security.

The BRMC reviewed and approved the risk models governance framework, which covers the development, approval and ongoing performance monitoring. The BRMC received regular updates on risk appetite and economic capital utilisation, and was apprised of regulatory feedback and developments (such as approaches for risk models and capital computation) and Basel requirements. In addition, the BRMC was updated on the action plans following the internal group-wide risk and control culture survey conducted in 2021.

Please refer to the section on 'Risk Management' in this Annual Report for more information on the BRMC's activities.

Compensation and Management Development Committee (CMDC)

"In 2022, the CMDC continued to focus on reviewing the strength of human capital in DBS that is required to drive our business outcomes. This included a rigorous assessment of our succession plans for senior leadership roles and an evaluation of how our High Potentials (HIPOs) have been identified, developed, compensated and progressed in their career with the Bank. 21.0% of our HIPOs took on a new role while 36.4% have an enlarged role.

Given DBS' heavy investment in the development of our people, the CMDC ensured that robust plans have been put in place to drive leadership development at all levels, and also continuous upskilling and reskilling of our people so that they remain future-ready. In 2022, 99.6% of our employees have undergone training, with 8,339 employees in the process of going through upskilling and reskilling.

The CMDC also ensured that the Group's remuneration remained competitive with the right compensation benchmarks being considered, in the context of the Bank's performance, productivity and market conditions."

Anthony Lim
Chairman, CMDC

Highlights of CMDC's activities in 2022

Group remuneration policy and annual variable pay pool

Please refer to the Remuneration Report on pages 63 to 67 for details on the remuneration of the CEO and DBS' remuneration strategy.

The CMDC reviews and approves DBS' remuneration policy and the annual variable pay pool, which are also endorsed by the Board. The CMDC provides oversight of the remuneration principles of the CEO, senior executives and control functions to ensure that they are in line with the Financial Stability Board's guidelines. As part of the review of the annual variable pay pool as well as the remuneration of the CEO and senior executives, the CMDC appraises how well DBS has performed against the balanced scorecard for each year.

During the year, the CMDC reviews market trends to ensure that the Group's remuneration remains competitive in the context of our performance and productivity.

The following changes were also reviewed for implementation effective for grants from 2023: (i) increase deferral rates to at least 40% for Material Risk Personnel to be in line with the Additional Guidelines on Code of Corporate Governance, (ii) vest deferred awards for bonus eligible employees equally over 4 years in line with market practice, and (iii) change vesting of Special Award from 4 years to 3 years to enhance talent retention.

DBS also has a robust disciplinary framework linked to individual compensation. The CMDC was apprised of the impact of disciplinary actions on individuals' compensation when approving the annual variable compensation pool and noted that (i) the Group's risk management and internal control systems are adequate and effective, and (ii) the 2022 Risk & Culture score from the Kincentric My Voice survey increased to 92%. DBS' score is better than the APAC Financial Services Industry and APAC Best Employer benchmarks by 8% and 1% respectively.

Talent Review and Succession Planning

The CMDC reviews the state of talent and the strength of the human capital in DBS in support of its business. This includes a review of the business strategy of the business, the target operating model, and talent bench strength required to drive our business outcomes.

The CMDC also reviews the succession plans for CEO and GMC members. Succession Planning is a rigorous process in DBS which includes inputs from the respective Country and Group Functional Heads, followed by detailed reviews with the CEO. The CMDC evaluates the succession plans of CEO and the GMC members based on DBS' proprietary "Key Success Factors" framework, which comprises four dimensions of a DBS senior leader success profile: (i) domain knowledge, (ii) critical experiences, (iii) leadership competencies and (iv) leadership traits. Potential successors for GMC are evaluated against these four dimensions to assess their readiness, and development plans to address their leadership gaps are put in place to prepare them for succession.

In reviewing our talent bench strength, the CMDC evaluates how our High Potentials (HIPOs) have been identified, developed, compensated and progressed in their career with the Bank. We follow a robust HIPO identification process based on the "3P framework", namely Performance, PRIDE! and Potential. The assessment of potential is based on one's ability, aspiration and engagement. Identified HIPOs are developed through a comprehensive "Triple-E Development Framework" which focuses on actionable development activities around education (conferences and leadership programs), exposure (mentoring, coaching and networking) and experience (new or stretched roles, cross country and cross function assignments), all designed to accelerate their growth and groom them for potential succession to key leadership roles in the future. This disciplined process ensures that the Bank builds a robust succession pipeline deeper down the organisation for resilience.

Non-executive directors' fee structure for FY2022 (unchanged from FY2021)

Basic annual retainer fees	SGD
Board	**100,000**
Lead Independent Director	**75,000**
Additional Chairman fees for:	
Board	**1,450,000**
Audit Committee	**90,000**
Board Risk Management Committee	**90,000**
Board Sustainability Committee	**65,000**
Compensation and Management Development Committee	**65,000**
Executive Committee	**75,000**
Nominating Committee	**45,000**
Additional committee member fees for: ***(Note: Board committee chairpersons do not get these fees)***	
Audit Committee	**60,000**
Board Risk Management Committee	**60,000**
Board Sustainability Committee	**42,000**
Compensation and Management Development Committee	**35,000**
Executive Committee	**60,000**
Nominating Committee	**30,000**

Learning and Leadership

DBS places heavy investment in the development of our people as guided by our Triple-E Development Framework. Areas of learning focus are determined by reviewing market trends and relevant skills needed to drive our business. Campaigns are launched to promote a strong learning culture, and the introduction of bite-sized e-learning modules promotes accessibility to learning for our employees. We have seen an increase in learning consumption during the pandemic years. In 2022, we launched an AI-powered personalised career companion (iGrow) to help every DBS employee identify future career aspirations, skills required to reach these goals and provide relevant learning and role exposure opportunities.

The CMDC is kept apprised on our year-on-year learning metrics including average learning places per employee, average learning hours per employee and training expenses as a percentage of budget. It also reviews how we ensure our employees receive learning in relevant skills for the business.

In 2022, 35,943 active employees (99.6% of total headcount) have undergone training and the average learning places per employee was 40.5. We also identified 8,339 employees for upskilling and reskilling, of which 87.3% have completed or are in-progress with their learning roadmaps.

Our DBS Transformational Leadership Plan continues to gain traction. Through our internally-designed and facilitated leadership workshops such as our T-Sprints and T-Circles, and also our signature leadership development programmes such as Building Great Managers and Making Great Decisions, we work to embed our DBS Transformational Leadership attributes into our leaders and our leadership teams. Our average Manager Effectiveness score has improved to 91%.

Recruitment

The CMDC reviews the recruitment trends, such as the year-on-year hiring numbers, job families or roles which the Bank hires for.

In 2022, we experienced a surge in hiring, mainly into technology and revenue generating roles.

In 2023, we expect the hiring pace to slow down in line with the macro environment.

The CMDC also reviews the efficacy of our recruitment strategy including how sourcing is done through various channels such as campus recruitment, career sites, social media, internal mobility, staff referrals etc, and how candidates are assessed and selected using a combination of tools including AI, assessments tests and interviews.

It is kept apprised of the data-driven approach in which the recruitment team uses to drive and track business outcomes such as productivity of recruiters, speed to hire, quality of hires, hiring managers' and candidates' satisfaction level etc.

Remuneration of Non-Executive Directors

Please refer to pages 43 to 44 for details of remuneration of each Non-Executive Director (including the Chairman) for FY2022.

The CMDC reviews and recommends a framework to the Board for determining the remuneration of all non-executive Directors. The remuneration of non-executive Directors, including the Chairman, has been benchmarked against global and local financial institutions. Unless otherwise determined by the Board, non-executive Directors receive 70% of their fees in cash and the remaining 30% in share awards.

The share awards are not subject to a vesting period, but are subject to a selling moratorium whereby each non-executive Director is required to hold the equivalent of one year's basic retainer fees for his or her tenure as a Director and for one year after the date he or she steps down. The fair value of share grants to the non-executive Directors are based on the volume-weighted average price of the ordinary shares of DBSH over the 10 trading days immediately prior to (and excluding) the date of the AGM. The actual number of ordinary shares to be awarded are rounded down to the nearest share, and any residual balance is paid in cash. Other than these share awards, the non-executive Directors do not receive any other share incentives or securities under the DBSH Share Plan.

The table on page 56 sets out the annual fee structure for the non-executive Directors for FY2022. There is no change to the annual fee structure from FY2021. Non-executive Directors are also paid attendance fees for attending Board and Board committee meetings. Shareholders are entitled to vote on the remuneration of non-executive Directors at the 2023 AGM.

Although the non-executive Directors' fee structure for FY2022 remains unchanged from the previous year, the amount of non-executive Directors' remuneration for FY2022 is approximately 8.2% higher than that for FY2021. The higher remuneration for FY2022 is mainly attributable to the following reasons: (i) Higher attendance fees due to the increased number of physical meetings in 2022 (as opposed to virtual); (ii) the establishment of the BSC; and (iii) an increase in the number of AC members.

In addition, Mr Peter Seah (who is also the Chairman of DBS Bank (Hong Kong) Limited) received director's fees of HKD 1,096,000 for FY2022, and Mr Tham Sai Choy (who sits on the board of DBS Bank (China) Limited) received director's fees of CNY 540,000 in FY2022.

None of the Group's employees was an immediate family member of a Director with remuneration exceeding SGD 100,000 in 2022.

Board Sustainability Committee (BSC)

"In 2022, we established the BSC to build on our sustainability agenda and net-zero commitment. This underscores the growing importance of sustainability as a strategic imperative for us and the additional Board-level oversight it warrants.

The BSC provides additional governance and oversight of material ESG matters in respect of our three sustainability pillars, including climate-related matters and our annual sustainability disclosures.

We also welcomed Dr Ben Caldecott to the BSC in June 2022, where his expertise in sustainable finance is a valuable asset to the BSC and the Group.

The BSC will continue to oversee the complex and extensive work done in driving the transition to net zero, as we further weave ESG into the fabric of our business in 2023."

Piyush Gupta,
Chairman, BSC

Highlights of BSC's activities in 2022

Appointment of Dr Ben Caldecott

The BSC has benefited from the appointment of Dr Caldecott as a non-Director member of the BSC in June 2022. He is an internationally-recognised sustainable finance expert who is the founding Director of the Oxford Sustainable Finance Group at the University of Oxford Smith School of Enterprise and the Environment. At the University of Oxford, he is the inaugural Lombard Odier Associate Professor of Sustainable Finance, the first ever endowed professorship of sustainable finance. In addition, he serves on the Adaptation Committee of the UK Climate Change Committee and is co-head of the Transition Plan Taskforce established by HM Treasury in 2022 to advise on net zero transition plans.

Oversight of sustainability reporting and climate-related disclosure matters

In response to tracking our disclosures following our public commitment to join the Net Zero Banking Alliance, the BSC reviewed and approved the publication of a set of targets for our Scope 3 financed emissions that will guide us on strategically channeling financing away from high-emitting activities towards low-carbon alternatives.

In addition, in order to elevate our commitments and enhance our disclosures on the social agenda, the BSC reviewed and approved the publication of policies relating to human rights and diversity, equity and inclusion, as well as enhanced disclosures related to our approach to human rights due diligence.

Oversight of Group Sustainability Council

The BSC has direct oversight of the Group Sustainability Council, which is chaired by the Chief Sustainability Officer and comprises senior members from key business and support units across DBS. The BSC received reports from the Chief Sustainability Officer, who chairs the Group Sustainability Council, which provided the BSC with an update on all material sustainability efforts such as progress on the operationalisation of our net zero commitments, and enhanced sustainability disclosures, among other matters.

Oversight of other emerging sustainability issues

The BSC also discussed on key developments, such as climate finance and adaptation, addressed at the 27th Conference of the Parties of the United Nations Framework Convention on Climate Change (COP27), and the corresponding risks, opportunities, and impacts to the bank.

Announcement of Decarbonisation Commitments

As part of DBS' commitment to being net zero in its financed emissions by 2050, the BSC was actively involved in reviewing and approving a report setting out sectoral targets for nine sectors, and aligned with science-based decarbonisation glidepaths. This report was announced in September 2022. The BSC will review the targets periodically and any updates on DBS' progress will be provided annually in the Sustainability Report.

Please refer to the Governance chapter in the Sustainability Report 2022 for more details on the sustainability-related governance structure.

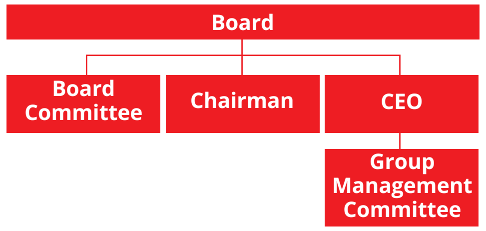
Effective controls

Group Approving Authority

The Group Approving Authority (GAA) is an integral part of our corporate governance framework and was updated in August 2022. The Board's responsibilities are well defined in the GAA. The Board is the decision-making body for matters with significant impact to DBS as a whole; these include matters with strategic, financial or reputational implications or consequences. The specific matters that require board approval under the GAA include:

- Group's annual and interim financial statements;
- investments and divestments exceeding certain material limits;
- Group's annual budget;
- capital expenditures and expenses exceeding certain material limits;
- capital-related matters including capital adequacy objectives, capital structure, capital issuance and redemption;
- dividend policy; and
- risk strategy and risk appetite statement.

Scope of delegation of authority in the GAA



The GAA ensures that appropriate controls and decision-making are consistently applied throughout DBS. Under the GAA, the Board has delegated to the CEO the responsibility to ensure that the Group's businesses and operations are operated in accordance with Board-approved strategies and standards, which include responsibilities for the internal control framework within DBS. On matters where authority has been delegated to him, the CEO may further delegate his responsibilities and authorities to any GMC member or members and may empower them to, in turn, delegate their responsibilities and authorities to other executives and committees of the Group.

The GAA covers internal authority only and does not override any specific provisions arising from statutory, regulatory, exchange listing requirements, or the DBSH's Constitution. The GAA is regularly reviewed and updated to accommodate changes in the scope and activities of DBS' business and operations. The Board approves the GAA and any change to it.

Internal controls framework

Our internal controls framework covers financial, operational, compliance and information technology controls, as well as risk management policies and systems. The Board, supported by the AC and BRMC, oversees the Group's system of internal controls and risk management. DBS adopts the Three Lines Model for risk management, where each line has clear roles and responsibilities.

First line

Our business and support units are our first line. Their responsibilities include the identification and management of risks arising from and relating to their respective areas of responsibilities, and ensuring that our operations remain within approved boundaries of our risk appetite and policies. DBS has an established incident notification protocol that sets out processes for the escalation of incidents according to the level of severity. In this way, appropriate levels of management are made aware of such incidents and can take action accordingly. There are also well-defined procedures for the escalation, investigation and follow up of any reported wrong-doing by a DBS employee, customer, vendor or third party.

Second line

Risk Management Group, Group Legal and Compliance and parts of Group Technology & Operations and Group Finance form the second line. They are responsible for the development and maintenance of risk management policies and processes and they provide objective review and challenge on the activities undertaken by business and support units.

Third line

Group Audit forms the third line. It provides an independent assessment and assurance on the reliability, adequacy and effectiveness of our system of internal controls, risk management, governance framework and processes.

Board, CEO and Senior Management	**Provides oversight of the three lines model**		
	First line	**Second line**	**Third line**
Role	Own and manage risks in respective areas of responsibility	Provide independent risk oversight, monitoring and reporting	Provide independent assurance
Unit	Business and support units	Risk Management, Legal and Compliance	Internal Audit

Group Audit

Key responsibilities and processes

Group Audit is independent of the activities it audits. Its objectives, scope of authority and responsibilities are defined in the Audit Charter, which is approved by the AC. Group Audit reports functionally to the Chairperson of the AC and administratively to the CEO. Group Audit's responsibilities include:

- evaluating the reliability, adequacy and effectiveness of the Group's system of internal controls, risk management, governance framework and processes;
- providing an objective and independent assessment of the Group's credit portfolio quality, the execution of approved credit portfolio strategies and control standards relating to credit management processes;
- reviewing whether DBS complies with laws and regulations and adheres to established policies; and
- reviewing whether management is taking appropriate steps to address control deficiencies.

Group Audit adheres to the DBS Code of Conduct and is guided by the Mission Statement in the Audit Charter. It adopted the Code of Ethics and aligned its practices with the International Professional Practices Framework established by the Institute of Internal Auditors (IIA). In addition, it has embedded IIA's 10 Core Principles for the Professional Practice of Internal Auditing into its activities.

Group Audit has unfettered access to the AC, the Board and management, as well as the right to seek information and explanation. Group Audit has an organisational and strategic alignment to the Group. The Head of Group Audit has a seat in the GMC and attends all the business reviews and strategic planning forums. The respective heads of audit in each of the five key locations outside Singapore are part of that location's management team.

Group Audit adopts a risk-based approach in its auditing activities. An annual audit plan is developed using a structured risk and control assessment framework through which the inherent risk and control effectiveness of each auditable entity in the Group are assessed. This risk assessment methodology and approach are aligned with that of the Group, including the risk taxonomy.

The assessment also covers risks arising from new lines of business, new products and emerging risks from DBS' operating environment. Audit projects are planned based on the results of the assessment, with priority given to auditing higher risk areas and as required by regulators.

Audit reports containing identified issues and corrective action plans are reported to the AC and senior management. Progress of the corrective action plans is monitored, and past due action plans are included in regular reports to the senior management and the AC. In all routine audits, Group Audit evaluates the control environment and management's control awareness which incorporates risk culture as guided by the Financial Stability Board's Guidance on Sound Risk Culture.

Group Audit apprises regulators and external auditors of all relevant audit matters. It works closely with external auditors to coordinate audit efforts.

Quality assurance and key developments

In line with leading practices, Group Audit has a quality assurance and improvement programme (QAIP) that covers its audit activity and conforms to the International Standards for the Professional Practice of Internal Auditing. As part of the QAIP, internal quality assurance reviews (QAR) are conducted quarterly and external QAR are carried out at least once every five years by qualified professionals from an external organisation. From 2019 to 2021, the internal QAR was contracted to an independent assessor, Protiviti.

Based on Protiviti's assessment, Group Audit leads the industry in the use of Agile Auditing approach and digital audit tools. These tools incorporate both rule-based and predictive analytics, enabling continuous risk monitoring. For 2021, in Protiviti's capability maturity model, Group Audit was rated the highest level for Reporting in addition to audit planning, agile auditing, dynamic risk assessment, and data analytics. For independence, objectivity and transparency, Group Audit appointed Ernst & Young in 2022 as the new independent assessor for the internal QAR.

In 2022, Group Audit implemented Audit Xchange, a workbench to institutionalise and digitise its Data Driven Operating Model and Agile practices to improve its audit process. We also enhanced on our dynamic risk assessment and continuous monitoring capabilities to improve the speed of risk identification and response. The increased use of analytical tools and data driven approach, coupled with DBS' suite of remote working technologies, has helped Group Audit to be more effective in providing audit assurance.

Dealings in securities

Although the Group has transitioned to a semi-annual reporting regime, the trading updates that are provided for the first and third quarters of each financial year are, for the purpose of the "black-out" policies prescribed under Rule 1207(19) of the SGX Listing Rules, deemed to constitute "financial statements". Accordingly, Directors and employees are prohibited from trading in DBS' securities (i) one month before the release of the full-year financial statements; and (ii) two weeks before the release of its quarterly financial statements for the first, second and third quarters of each financial year.

In addition, business units and subsidiaries engaging in proprietary trading are restricted from trading in DBS' securities during the black-out period. Group Secretariat informs all Directors and employees of each black-out period ahead of time. Directors and employees are prohibited at all times from trading in DBS' securities if they are in possession of material non-public information.

GMC members are only allowed to trade in DBS' securities within specific window periods (15 market days immediately following the expiry of each black-out period) subject to pre-clearance. GMC members are also required to obtain pre-approval from the CEO before any sale of DBS' securities. Similarly, the CEO is required to seek pre-approval from the Chairman before any sale of DBS' securities. As part of our commitment to good governance and the principles of share ownership by senior management, the CEO is expected to build up and hold at least the equivalent of three times his annual base salary as shareholding over time.

DBS has put in place a personal investment policy which prohibits employees with access to price-sensitive information in the course of their duties from trading in securities in which they possess such price-sensitive information. Such employees are also required to seek pre-clearance before making any personal trades in securities, and may only trade through the Group's stockbroking subsidiaries and bank channels for securities listed in Singapore and Hong Kong. The personal investment policy discourages employees from engaging in short- term speculative trading.

Related Party Transactions and Interested Person Transactions

DBS has embedded procedures to comply with regulations governing related party transactions and interested party transactions.

For related party transactions, we are required to comply with regulations prescribed by the MAS which set out the definition, scope and general principles governing such transactions, along with the responsibilities of banks to maintain oversight and control so as to mitigate the risk of abuse arising from conflicts of interest.

We have established a Board-approved framework to give effect to these regulatory requirements. This, along with material related party transactions, is reviewed by the Board regularly.

All new Directors are briefed on relevant provisions that affect them. If necessary, existing credit facilities to related parties are adjusted prior to a Director's appointment, and all credit facilities to related parties are continually monitored.

With respect to interested party transactions, we have established processes to comply with the requirements outlined in Chapter 9 of the SGX-ST Listing Manual. The aggregate contract values of DBS' interested person transactions entered into in 2022 are set out in the table on page 60.

DBS entered into various interested person transactions with Temasek and its associates on arm's length commercial terms and for the purpose of carrying out day-to-day operations (such as leasing of premises, telecommunication/ data services, IT systems and related services, redemption of air miles by DBS/ POSB credit card holders, logistics and security services).

In FY2022, our contracts with Temasek Holdings (Private) Limited Group amounted to an aggregated SGD 79.0 million. This accounted for less than 0.15% of DBS' audited net tangible assets.

Material contracts

Save for the transactions disclosed in the table on page 60 and via SGXNET, there were no material contracts involving the interest of any Director or controlling shareholder of DBS entered into by DBS or any of its subsidiary companies, which are either still subsisting at the end of the financial year, or if not then subsisting, entered into since the end of the previous financial year.

Assessing the effectiveness of internal controls

DBS has a risk management process that requires all units to perform a half-yearly risk and control self-assessment (RCSA) to assess the effectiveness of their internal controls. In addition, all units of the Group are required to submit quarterly attestations on their controls relating to the financial reporting process, and annual attestations on their compliance with the overall internal controls framework. Based on the RCSA and the quarterly and annual attestations, the CEO and the key management personnel responsible for risk management and internal control systems provide an annual attestation to the AC relating to the adequacy and effectiveness of DBS' risk management and internal control systems.

Group Audit performs regular independent reviews to provide assurance on the adequacy and effectiveness of DBS' internal controls on risk management, control and governance processes. The overall adequacy and effectiveness of DBS' internal controls framework is reviewed by the AC and BRMC.

Rule 720(1) Undertaking

In compliance with Rule 720(1) of the Listing Manual, we have procured undertakings from all of our Directors and executive officers to use their best endeavours to (a) comply with the relevant provisions of the Listing Manual; and (b) procure that DBS complies with the relevant provisions of the Listing Manual.

Name of interested person	Aggregate contract value of all interested person transactions in 2022 (excluding transactions less than SGD 100,000) (SGD million)
Transactions entered into with Temasek Holdings (Private) Limited ("Temasek") Group (including Joint Ventures) and DBS	
Temasek Group	**79.0(1)**
Transactions entered into with associates of Temasek	
Capitaland Investment Limited Group	**2.4**
Certis CISCO Security Pte Ltd Group	**25.0**
Mapletree Investments Pte Ltd Group	**0.2**
SATS Ltd Group	**1.4**
Singapore Airlines Limited Group (SIA)	**194.6(2)**
Singapore Technologies Telemedia Pte Ltd Group	**0.2**
Singapore Telecommunications Limited Group (Singtel Group)	**197.7(3)**
SMRT Corporation Ltd Group	**8.5**
Starhub Ltd Group	**26.7**
Surbana Jurong Private Limited Group	**4.2**
Total	**539.9**

1. *This value is the aggregate amount of transactions with Temasek Group (including investments in and certain joint venture entities with shareholders other than the Temasek Group) and DBS. It also includes a 5-year co-brand credit and debit card partnership with an associate of Temasek.*
2. *This includes a renewal of an existing air miles contract with SIA for a further 3 years.*
3. *This includes a 2-year commitment with a SingTel subsidiary to establish an offshore technology development centre in Guangzhou Knowledge City.*

Board's commentary on adequacy and effectiveness of internal controls

The Board has received assurance from the CEO and CFO that as at 31 December 2022, the Group's financial records have been properly maintained, and the financial statements give a true and fair view of DBS Group's operations and finances.

The Board has also received assurance from the CEO and the key management personnel responsible for risk management and internal control systems that, as at 31 December 2022, the Group's risk management and internal control systems were adequate and effective to address financial, operational, compliance and information technology risks which the Group considers relevant and material to its operations. In particular, but without limiting the foregoing, the Board noted that:

(i) in relation to the two-day digital disruption in November 2021 in Singapore, management has completed the remedial plans arising from an external independent review. Initiatives to strengthen DBS' technology resilience will continue in 2023; and

(ii) the systems integration of LVB was completed in December 2022, and post-implementation reviews are currently in progress.

Based on the internal controls established and maintained by the Group, work performed by internal and external auditors, reviews performed by management and various Board committees, as well as assurances received from and mitigation and remedial actions undertaken by management, the Board, with the concurrence of the AC is of the opinion that the Group's internal controls and risk management systems were adequate and effective as at 31 December 2022 to address financial, operational, compliance risks and information technology risks which the Group considers relevant and material to its operations.

The Board notes that the internal controls and risk management systems provide reasonable, but not absolute, assurance that the Group will not be affected by any event that could be reasonably foreseen as it strives to achieve its business objectives. In this regard, the Board also notes that no system can provide absolute assurance against the occurrence of material errors, poor judgement in decision-making, human error, fraud or other irregularities.

Strong culture

Effective safeguards

We believe that effective safeguards against undesired business conduct have to go beyond a "tick-the-box" mentality. In DBS, other than relying on published codes of conduct, we also advocate the following organisational safeguards to maintain a strong risk and governance culture.

- **Tone from the top:** The tone set by the Board and senior management is vital; it is equivalent to the moral compass of the organisation. In addition to having in place comprehensive policies, we conduct a robust self-assessment on the Group's risk culture. Please refer to the risk culture section on this page for more information.
- **Aligning strategies and incentives via the balanced scorecard:** Please refer to the section on "Our 2022 priorities" on pages 26 to 31 for more information.
- **Respecting the voice of control functions:** We believe that respect for the voice of control functions is a key safeguard. We ensure that control functions are well integrated into our organisational structure so that they can properly discharge their responsibilities.
- **Risk ownership:** Please refer to page 58 for details on our three lines of defence.
- **Having established escalation protocols:** We designed a notification protocol that makes it mandatory for staff to report significant incidents. This means that the organisation is prepared to receive bad news and take necessary remedial actions without shooting the messengers.
- **Encouraging constructive challenges at all levels:** Fundamentally, we inculcate a culture that encourages constructive challenges and debate, where all views are evaluated for decision-making. We also operate a culture where we actively engage the Board for their views early.
- **Reinforcing cultural alignment:** Finally, we conscientiously reinforce our cultural norms by rewarding right behaviours and censuring wrong ones.

Risk Culture

Risk Culture is closely intertwined with our corporate values and it encompasses the general awareness, attitudes and behaviour of our employees towards risks. The results of our Risk Culture and Conduct Survey conducted in 2022 indicated a satisfactory risk culture bank-wide.

In 2022, we continued to monitor our risk culture pulse with a risk culture and conduct dashboard, comprising multi-faceted indicators. Creating awareness remained a key focus as we continue to reinforce a strong culture of risk and control across all levels within the organisation. We leveraged digital communication channels to share culture-related content and conducted training with case studies to aid managers in strengthening the "Tone from the Middle" and to enhance employee risk sensing and judgement. We continue to place emphasis on conduct as part of our compensation evaluation process.

The DBS Code of Conduct (Code of Conduct)

The Code of Conduct sets out the principles and standards of behaviour that are expected of employees of the Group (including part-time and temporary employees) when dealing with customers, business associates, regulators and colleagues. The principles covered in the Code of Conduct include professional integrity, confidentiality, conflicts of interests, fair dealings with customers and whistle-blowing. It also defines the procedures for employees of DBS to report incidents and provides protection for those staff for these disclosures.

All employees of DBS are required to read and acknowledge the Code of Conduct on an annual basis. Members of the public may access the Code of Conduct on DBS' website at the following URL: https://go.dbs.com/CodeOfConduct. The Code of Conduct encourages employees of DBS to report their concerns to DBS' dedicated, independent investigation team within Group Compliance which handles whistle-blowing cases according to a well-defined protocol. Alternatively, in case of actual or potential conflict of interest or fear of retribution, employees of DBS may write in confidence to Human Resources, Group Audit, or even the CEO or the Chairman. In addition, employees of DBS have the option of using the DBS Speak Up service.

Whistle-blowing policy

DBS Speak Up is a hotline service run by an independent external party that gives employees of the Group the opportunity to speak up on misconduct and/ or wrong-doing by a DBS employee, customer, vendor or third party.

DBS Speak Up service includes:

- a dedicated hotline number, website, email address, fax number and postal address for reporting of suspected incidents of misconduct and wrongdoing;
- specialist call centre operators with knowledge of individual organisations;
- expert forensic investigators to analyse reports;
- timely reporting of incidents to dedicated representatives within an organisation; and
- recommendations on corrective action.

Accountability to our shareholders

Shareholder rights

DBS promotes fair and equitable treatment of all shareholders. All shareholders enjoy specific rights under the Singapore Companies

Act and DBSH's Constitution. These rights include, among others, the right to participate in profit distributions and the right to attend and vote at general meetings. Ordinary shareholders are entitled to attend and vote at general meetings in person or by proxy. Indirect investors who hold DBSH shares through a nominee company or custodian bank or through a CPF agent bank ("Relevant Intermediaries") may attend and vote at general meetings by requesting their Relevant Intermediaries to appoint them as proxies.

DBS respects the equal information rights of all shareholders and is committed to the practice of fair, transparent and timely disclosure. All price-sensitive information is publicly released prior to any sessions with individual investors or analysts.

The Board provides shareholders with regular financial reports, which aim to give shareholders a balanced assessment of the Group's financial performance and position. The Board also ensures timely and full disclosure of material corporate developments to shareholders.

Engagement with shareholders

Our investor relations activities promote regular, effective and fair communication with shareholders. Separate briefing sessions were conducted for the media and analysts when quarterly results were released. All press statements and quarterly financial statements have been published on our website and the SGX website. A dedicated investor relations team supports the CEO and the CFO in maintaining a close and active dialogue with investors. The DBS website provides contact details for investors to submit their feedback and raise any questions.

During the year, we held over 450 meetings with equity investors and over 100 meetings with debt investors. We participated in 27 investor conferences and road shows. These engagements were conducted through in-person or virtual meetings. These meetings provide a forum for management to explain DBS' strategy and financial performance, and solicit analysts' and investors' perceptions of DBS.

In addition, to ensure Directors are kept updated on analysts' views on DBS Group's performance, the Board is updated annually on, *inter alia*, the following, a summary of analysts' views, feedback and recommendations, share price performance and total shareholders' return.

We have a disclosure policy to ensure that all disclosures of material information are timely, complete and accurate. The policy sets out how material information should be managed to prevent selective disclosure. Our Group Disclosure Committee (GDC) assists the CEO and the CFO in implementing the disclosure policy. The GDC's objectives are to: (a) periodically review DBS' disclosure policy and update it as needed, (b) ensure that all material disclosures are appropriate, complete and accurate, and (c) ensure selective or inadvertent disclosure of material information is avoided.

Conduct of shareholder meetings

DBS encourages and values shareholder participation at its general meetings and was one of the first large market capitalisation companies to incorporate live voting and live question & answer functions at its fully virtual AGM in March 2022.

The Chairman plays a pivotal role in fostering constructive dialogue between shareholders, Board members and management at general meetings. Resolutions requiring shareholders' approval are tabled separately for adoption at general meetings unless they are closely related and are more appropriately tabled together.

DBS puts all resolutions at general meetings to a vote by electronic poll and announces the results by showing the number of votes cast for and against each resolution and the respective percentages. DBS appoints an independent external party as scrutineer for the electronic poll voting process. Prior to the commencement of a general meeting, the scrutineer would review the proxies and the electronic poll voting system as part of the proxy verification process. At the general meeting, handsets are provided for poll voting and the results of the electronic poll voting are announced immediately after each resolution has been put to a vote. DBS maintains an audit trail of all votes cast at the general meeting. The outcome of the general meeting (including detailed results of the poll vote for each resolution) is promptly disclosed on SGXNET within the same day after the conclusion of that meeting.

Annual General Meetings (AGMs) provide shareholders with the opportunity to share their views and to interact with the Board, including the chairpersons of the Board committees and certain members of senior management. Our external auditor is available to answer shareholders' queries. At each AGM, DBS' financial performance for the preceding year is presented to shareholders.

The Company Secretary prepares minutes of general meetings, which incorporate substantial and relevant comments or queries from shareholders relating to the agenda of the meeting and responses from the Board and management. These minutes may be assessed via our website.

Conduct of 2023 AGM

With the improving COVID-19 situation in Singapore, we will be holding a wholly physical AGM in 2023.

Where to find key information on each Director?
In this Annual Report:

- *Pages 43 to 44– Directors' independence status, appointment dates, meeting attendance and remuneration details*
- *Pages 190 to 194 – Directors' length of directorship, academic and professional qualifications and present and past directorships*
- *Pages 214 to 217 – Additional Information on Directors seeking re-election at the Annual General Meeting to be held on 31 March 2023*

At our website (www.dbs.com): Directors' biodata

Remuneration report

We believe that our long-term success depends in large measure on the contributions of our employees. Our remuneration framework is designed to be consistent with market best practices, drive business strategy and create long-term shareholder value. Remuneration policies and practices as set out in the following report are governed by a set of sound principles which are in compliance with various regulatory requirements.

1 Objectives of DBS remuneration strategy

DBS' remuneration policy, which is applicable to DBS Bank and all our subsidiaries and overseas offices, seeks to ensure that we are able to attract, motivate and retain employees to deliver long-term shareholder returns, taking into consideration risk management principles and standards set out by the Financial Stability Board (FSB) and the Code of Corporate Governance.

When formulating our remuneration strategy, consideration was given to aligning our remuneration approach with DBS PRIDE!* values in order to drive desired behaviours and achieve the objectives set out in our balanced scorecard.

The following shows the three main thrusts of our remuneration strategy and how they are implemented within DBS:

Main thrusts	Details
Pay for performance as measured against balanced scorecard	• Instill and drive a pay-for-performance culture • Ensure close linkage between total compensation and our annual and long-term business objectives as measured by our balanced scorecard • Calibrate mix of fixed and variable pay to drive sustainable performance that is aligned to DBS PRIDE! values, taking into account both "what" and "how" key performance indicators (KPIs) are achieved
Provide market competitive pay	• Benchmark our total compensation against other organisations of similar size and standing in the markets we operate in • Drive performance differentiation by benchmarking total compensation for top performing employees against the upper quartile or higher in each market
Guard against excessive risk-taking	• Focus on achieving risk-adjusted returns that are consistent with prudent risk and capital management, as well as emphasise long-term sustainable outcomes • Design payout structure to align incentive payments with the long-term performance of the Group through deferral and clawback arrangements • Design sales incentive plans to encourage the right sales behaviour

** Read more on DBS PRIDE! values on page 69.*

2 Summary of current total compensation elements

The table below provides a description of total compensation elements, their purpose and implementation:

Elements	Purpose	Details
Salary	• Attract and retain talent by ensuring our fixed pay is competitive vis-à-vis comparable institutions	• Set at an appropriate level, taking into account market dynamics as well as the skills, experience, responsibilities, competencies and performance of the employee • Typically reviewed annually
Cash bonus and deferred awards	• Provide a portion of total compensation that is performance-linked • Focus employees on the achievement of objectives which are aligned to value creation for our shareholders and multiple stakeholders • Align to time horizon of risk	• Based on DBS, business or support unit, and individual performance • Measured against a balanced scorecard which is agreed to at the start of the year • A Group-wide deferral approach is applicable for all employees. Awards in excess of a certain threshold are subject to a tiered deferral rate with a minimum deferred quantum • For Senior Management (SM) and Material Risk Personnel (MRP i.e. employees whose actions have a material impact on the risk exposure of the bank), awards are generally deferred by a minimum of 40% if it exceeds a certain threshold subject to local regulatory requirements

3 Determination of variable pay pool

The variable pay pool is derived from a combination of a bottom-up and top-down approach. It is underpinned by our aim to drive a pay-for-performance culture which is aligned to our risk framework.

Process	Details
Determining total variable pay pool	• A function of our overall balanced scorecard and benchmarked against market. The scorecard includes substantial risk and control metrics designed and evaluated by the control functions such as Audit, Compliance and Risk. Control functions therefore have a direct role in determining the size of the variable pay pool. The variable pay pool is further calibrated against the following prisms: – Risk adjustment through review of Return on Risk-Adjusted Capital (RoRAC) – Appropriate distribution of surplus earnings (after cost of equity) between employees and shareholders
Allocating pool to business units	• Pool allocation takes into account the relative performance of each unit against their balanced scorecard as evaluated by the CEO • Inputs from control functions are sought • Country Heads are also consulted in the allocation process
Determining individual award	• Unit heads cascade their allocated pool to their teams and individuals • Individual variable pay determined based on performance against goals and DBS PRIDE! values • Employees with disciplinary warning meted out may have their variable pay impacted

The performance of control functions are assessed independently from the business units they support to prevent any conflicts of interests. The remuneration of the Chief Risk Officer (CRO) and Group Head of Audit are endorsed by the Chairman of Board Risk Management Committee and Audit Committee respectively and subsequently approved by the Board.

Sales employees are incentivised to promote the development of mutually beneficial long-term relationships with their customers, rather than a sole focus on short-term gains. Non-financial metrics such as customer satisfaction and compliance with fair dealing principles are incorporated into their KPIs.

4 Deferred remuneration

Plan objectives	Details
• Foster a culture that aligns employees' interests with shareholders • Enable employees to share in DBS' performance • Help in talent retention	• Deferred remuneration is paid in restricted shares (DBSH Share Plan) except for SM and MRPs, where it is paid in restricted shares (DBSH Share Plan) and cash • Deferred remuneration comprises two elements: the main award and retention award • The retention award constitutes 15% of the main award and is designed to retain talent and compensate staff for the time value of deferral • Deferred awards vest over four years, and will lapse immediately upon termination of employment (including resignation) except in the event of ill health, injury, disability, redundancy, retirement or death

Vesting schedule	Malus of unvested awards and clawback of vested awards
Main Award • 25% vest on each anniversary after grant date **Retention Award** • 100% vest four years after grant date	Malus and/ or clawback will be triggered by • Material violation of risk limits • Material losses due to negligent risk-taking or inappropriate individual behaviour • Material restatement of DBS' financials due to inaccurate performance measures • Misconduct or fraud Vested and unvested awards are subject to clawback within seven years from the date of grant

Employees on sales incentive plans whose incentives exceed a certain threshold are also subject to deferrals which vest over three years and a 15% retention award.

Special Award is awarded to selected individuals as part of talent retention, and it is subject to three-year vesting period, with 33% vesting on the first and second anniversaries of grant and 34% on the third anniversary.

Read more about the Share Plan on page 113.

5 Summary of 2022 remuneration outcomes

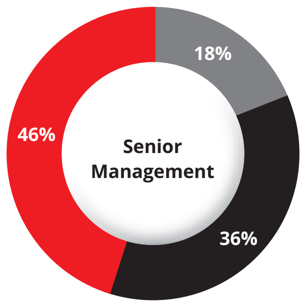
Our remuneration is linked to how we perform against our balanced scorecard (see pages 26 to 31) which is aligned to long-term value creation for our stakeholders in a sustainable way (see pages 68 to 69). As our scores improved in the current financial year, our variable pay pool was better than the previous year. The Compensation and Management Development committee (CMDC) evaluated and approved the variable pay pool which was subsequently endorsed by the Board of Directors (Board).

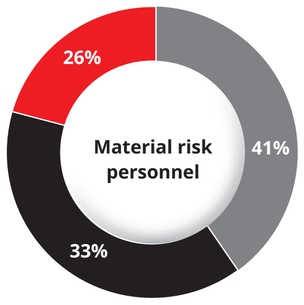
In 2022, an external compensation consultant, McLagan, was engaged to provide an independent review of the Group's compensation system and processes to ensure compliance with the FSB Principles for Sound Compensation Practices. McLagan and its consultants are independent and not related to us or any of our Directors. The results of the review showed that we are in compliance with the FSB Principles for Sound Compensation Practices.

Senior management and material risk personnel

In line with the principles set out by FSB, a substantial portion of remuneration for our Senior Management as well as Material Risk Personnel are variable. Their variable remuneration is subject to deferral, thus ensuring alignment to the time horizon of risks.

The following charts show the mix of fixed and variable pay for both groups for performance year 2022:





Note:
We do not provide any other forms of fixed and variable remuneration aside from those disclosed in this section

Our Senior Management's aggregate total remuneration in 2022 amounted to SGD 90.4 million, including the CEO's remuneration of SGD 15.4 million. Excluding the CEO's remuneration which has been separately disclosed, the median increase in total remuneration of the Senior Management who were members of the Group Management Committee for both 2021 and 2022 was 10.7%.

While corporate governance guidelines recommend that at least the top five key executives' remuneration be disclosed, the Board believes that it would be disadvantageous for us to do so because of the constant battle for talent in a highly competitive industry. This is consistent with banking industry practice in the local market. However, we do provide additional information on the median increase in remuneration of our Senior Management in the year as detailed above.

Breakdown of deferred remuneration awards

Category	SM (1)	MRPs (2)
Total outstanding deferred remuneration(3):		
Cash	0.9%	
Shares and share-linked instruments	99.1%	
Other forms of remuneration	–	
Total	**100.0%**	
Outstanding deferred and retained remuneration(3) (4):		
Of which exposed to ex-post adjustments		
Cash	0.9%	
Shares and share-linked instruments	99.1%	
Other forms of remuneration	–	
Total	**100.0%**	
Total amendment during the year due to ex-post explicit adjustments(5):		
Cash	–	–
Shares and share-linked instruments	–	–
Other forms of remuneration	–	–
Total	–	–
Total amendment during the year due to ex-post implicit adjustments(5):		
Cash	–	–
Shares and share-linked instruments(6)	4.5%	(3.3%)
Other forms of remuneration	–	–
Total		
Total deferred remuneration paid out in the financial year:	**35.3%**	**29.0%**
Headcount	**21**	**315**

(1) Senior Management (SM) is defined as the CEO and members of the Group Management Committee who have the authority and responsibility for DBS' overall direction and executing to strategy
(2) In 2022, we also reviewed our criteria used to identify material risk takers to align with the definition of MRPs, in accordance to MAS's Individual Accountability & Conduct Guidelines. MRPs are defined as employees whose duties require them to take on material risk on our behalf in the course of their work and/ or employees who can cause harm to a significant segment of customers or other stakeholders. These can be either individual employees or a group of employees who may not pose a risk to DBS' financial soundness on an individual basis, but may present a material risk collectively
(3) Due to data confidentiality, the total amount of deferred and retained remuneration for SM and MRPs have been aggregated for reporting
(4) Retained remuneration refers to shares or share-linked instruments that are subject to a retention period under a share retention policy
(5) Examples of explicit ex-post adjustments include malus, clawbacks or similar reversal or downward revaluations of awards. Examples of implicit ex-post adjustments include fluctuations in the value of DBSH ordinary shares or performance units
(6) [No. of unvested DBSH ordinary shares as at 31 Dec 22 x share price as at 31 Dec 22] / [No. of unvested DBSH ordinary shares as at 31 Dec 21 x share price as at 31 Dec 21] -1

Guaranteed bonuses, sign-on bonuses and severance payments

Category	SM	MRPs
Number of guaranteed bonuses	0	0
Number of sign-on bonuses	0	8
Number of severance payments	0	0
Total amounts of above payments made during the Financial Year (SGD '000)	**0**	**1,661**

Other provisions

We do not allow accelerated payment of deferred remuneration except in cases such as death in service or where legally required. There are no provisions for:

- Special executive retirement plans;
- Golden parachutes or special executive severance packages; and/ or
- Guaranteed bonuses beyond one year.

Chief Executive Officer

Since becoming CEO in November 2009, Piyush Gupta has transformed DBS into a leading bank with multiple engines of growth, solid digital leadership, and a pervasive culture of innovation

Despite 2022 being a challenging year marked by high inflation, slow growth and bearish markets, DBS had a breakout year financially. 2022 net profit was a record SGD 8.19 billion, up 20%. Notably, return on equity, at 15%, significantly surpassed previous records.

DBS' sterling financial performance reflected the benefit of higher interest rates, the strength of a broad-based franchise and multi-year transformation efforts. In particular, the bank's strengthened current and savings account base enabled it to enjoy higher leverage to rising interest rates than in previous years, contributing to strong total income. Diversified engines of growth also helped to mitigate the drag from lower wealth management and investment banking fee income.

In 2022, DBS continued to make headway in growing its Asia franchise. In India, with the successful integration of Lakshmi Vilas Bank, DBS India now has an enlarged platform that encompasses 2.5 million retail and 15,000 corporate customers. Income and profit rose for the year. Notwithstanding China-US tensions, DBS' Greater Bay Area franchise also saw robust growth. In Taiwan, DBS is on track to complete the integration of Citi's consumer banking business by August 2023.

Solid progress was also made in cementing a new way of working. A multi-year effort in industrialising artificial intelligence/ machine learning continued to deliver not just value to the customer but also revenue uplift to the bank. Ecosystem partnerships enabled the bank to further scale its customer base outside Singapore without high acquisition costs. "Managing through Journeys", which involves cross-functional squads working horizontally to ensure the bank is truly customer-first, gained in maturity.

DBS also continued to advance the sustainability agenda. The bank's net-zero roadmap is one of the most comprehensive in scope among global banks. On the social impact front, DBS Foundation's new Community Impact Chapter committed SGD 5.6 million towards 10 programmes to help foster a more equitable and inclusive society.

Finally, DBS was named by Global Finance as "World's Best Bank". This is the seventh global best bank award DBS has won in the past five years. The bank was also the only Singapore-headquartered company to be recognised as one of the "100 Best Workplaces for Innovators" by US-based Fast Company.

In recognition of Mr Gupta's 2022 performance, his present-year remuneration is as outlined below:

Breakdown of remuneration for performance year 2022 (1 January – 31 December)

	Salary remuneration SGD	Cash bonus(1) SGD	Deferred remuneration(2) SGD	Others(3) SGD	Total(4) SGD
Mr Piyush Gupta	**1,500,000**	**5,765,000**	**8,035,000**	**80,529**	**15,380,529**

(1) The amount has been accrued in 2022 financial statements
(2) Of the deferred remuneration, about 17.2% will be in cash, while the remaining will be in the form of shares.
At DBS, ordinary dividends on unvested shares do not accrue to employees. For better comparability with other listed companies, this figure excludes the estimated value of retention award amounting to SGD 1,205,250, which serve as a retention tool and compensate staff for the time value of deferral. This is also similar in nature to practices in those companies which provide accrual of dividends/ interest equivalents for deferred awards
(3) Represents non-cash component and comprises club, car and driver
(4) Refers to performance remuneration for 2022 – includes fixed pay in 2022, cash bonus received in 2023 and DBSH ordinary shares granted in 2023

How we create value – our business model

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

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 73.

Our resources

- **Brand**
- **Customer relationships**
- **Intellectual capital**
- **Employees**
- **Financial**
- **Physical infrastructure**
- **Natural resources**
- **Societal relationships**

How we create value

Our strategy

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 fosters 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 75 to 81.

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 and 180.

Differentiating ourselves

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).

To further think and behave like big technology companies where we can respond to rapidly changing consumer demands with agility and scale, we have re-engineered our business and technology towards a platform operating model where business and technology work together with shared KPIs in an agile manner.

In addition, we have 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 manage through journeys to drive outcomes. This allows us to embed customer centricity, drive agility and increase internal collaboration by embracing experimentation, entrepreneurship and innovation.

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 58 to 61.

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 70 and 73, pages 104 to 107, and in our Sustainability Report.

We leverage technology and data to strengthen and augment our risk management processes and systems. We further create 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 digital transformation agenda and the value created from digitalisation
- 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 63 to 67.

Our stakeholders

- **Shareholders**
- **Customers**
- **Employees**
- **Society**
- **Regulators and policy makers**

How we develop and use our resources

We utilise and enhance our resources to differentiate ourselves and maximise value creation for our stakeholders in the long run. Read more about how we distribute the value created to our stakeholders on page 74.

Resources	Indicators	2022	2021	Key highlights
Brand A strong brand is an important business driver and allows us to compete not just locally, but also regionally.	Brand value according to "Brand Finance Banking 500" report	**USD 10.5 bn** as of Jan 2023	**USD 8.7 bn** as of Feb 2022	In 2022, DBS was named "World's Best Bank" by Global Finance. This marked the fifth consecutive year that the bank was recognised as the best bank globally, with previous wins from Global Finance (2018, 2020, 2022), Euromoney (2019, 2021), and The Banker (2018, 2021). DBS was also featured in Fast Company's list of the "100 Best Workplaces for Innovators" in 2022 – ranking 29th out of 100 – as we continued to gain global recognition as a leader in innovation. For 14 consecutive years (2009 to 2022), DBS has been accorded the "Safest Bank in Asia" award by Global Finance as well. DBS also retained the title of ASEAN's Most Valuable Bank Brand in Brand Finance's 2023 Banking 500 report. *Read more about this on page 2.*
Customer relationships Putting customers at the heart of what we do helps differentiate ourselves in an industry as commoditised as banking, enabling us to build lasting relationships and deepen our wallet share.	**Customers** Institutional Banking	**>280,000**	**> 340,000**	For our Institutional Banking Group (IBG) business, our customer base reflected a decrease due to a reclassification of about 64,000 accounts to the Consumer Banking Group (CBG) arm of Lakshmi Villas Bank (LVB). For our CBG business, as we continue to build our franchise footprint and expand our ecosystem and partnership plays, the growth of our customer base is moderated by our continuous focus on the rationalisation of inoperative accounts in LVB and digibank accounts in Indonesia and India. Despite volatile market conditions and economic uncertainty impacting customers, we maintained strong customer engagement scores across segments by actively listening to the voice of our customers, ensuring that customer journeys are improved alongside digital platform enhancements. Our SME regional customer engagement scores increased year on year and we retained our overall second rank in market penetration across core markets for Large Corporates. *Read more about this on pages 36 to 41.*
	Consumer Banking/ Wealth Management	**> 12.0m**	**> 11.8 m**	
	Customer engagement measures (1) Institutional (1=worst, 5=best)			
	– Wealth Management	**4.26**	**4.27**	
	– Consumer Banking	**4.31**	**4.27**	
	– SME Banking	**4.45**	**4.41**	
	– Large Corporates Market Penetration ranking	**2nd**	**2nd**	

Resources	Indicators	2022	2021	Key highlights
Intellectual capital One key type of intellectual capital pertains to how we digitalise our business. Our digital transformation encompasses technology, customer journey thinking and a startup culture.	Number of data and analytics experts	**> 1,000**	**> 900**	Driven by our vision to be an artificial intelligence (AI)-fuelled bank, we have been building our data analytics talent aggressively over the past few years. As such, despite the higher turnover rate in the tech industry in general, we retained our strong pipeline of data talent and software engineers due to our strategy of accelerating hiring to support technology advancements as we navigate through any headwinds. Having a large and continually growing repository of models that teams can rapidly leverage and deploy is key to creating value and improving efficiency. This repository and other analytics assets that have been developed across the bank, called ALAN after Alan Turing, are used by teams to rapidly identify models that can address their use cases for swifter deployment. To date we have over 620 models (up 88% from 2021) and more are being added regularly.
	Number of software engineers(2)	**> 9,500**	**> 7,300**	
	Number of models developed	**> 620**	**> 330**	
Employees An agile and engaged workforce enables us to be nimble and react quickly to opportunities.	Employees (3)	**~ 36,000**	**~ 33,000**	We continue to see a steady improvement in our overall engagement scores over the years as we remain committed to helping our people thrive by preparing them for the future and availing multiple career growth opportunities. The decrease in training hours is due to functional training courses becoming shorter in terms of duration, while retaining efficacy. Many employees had also completed their mandatory leadership and upskill/ reskill training programmes in the year before. While our group-wide voluntary attrition rate increased between 2021 and 2022, this remained comparable to pre-Covid times (2018-2019). This is largely attributed to an improvement in business conditions in 2022. In general, our attrition rates across our core markets were lower than the market average. *Read more about "Developing Our People" in the Sustainability Report.*
	Employee engagement score	**87%**	**86%**	
	Voluntary attrition rate	**15%**	**14%**	
	Training hours per employee	**35.3**	**39.2**	

Resources	Indicators	2022	2021	Key highlights
Financial Our strong capital base and diversified funding sources allow us to support our customers through good and bad times, and enable us to provide banking solutions competitively.	Common Equity Tier-1 ratio (CET-1)	**14.6%**	**14.4%**	Shareholders' funds were stable from a year ago as profit accretion was offset by dividend distributions and a decline in fair value and cash flow hedge reserves due to higher interest rates. Funding and liquidity also remained healthy as we grew customer deposits and maintained diversified wholesale funding. ***Read more about the Group's financials in the CFO Statement on page 20.***
	Liquidity Coverage Ratio (LCR)	**117%**	**123%**	
	Net Stable Funding Ratio (NSFR)	**140%**	**135%**	
Infrastructure Our best-in-class digital and physical infrastructure allows us to be nimble and resilient.	**Digital infrastructure:** Rolling four-year cumulative build-and-operate expenditure	**SGD 5.4 bn**	**SGD 4.8 bn**	Our investment in our people and building a strong technological foundation have enabled us to be a different kind of bank. Our rallying call is to optimise our technology stack, scale outputs, and provide all-rounded customer and employee experiences that transform business outcomes. Our focus continues to be on driving innovation, balancing innovation with resilience and cultivating a diverse, future-ready workforce. ***Read more about this on pages 34.***
	– Including new build spending	**SGD 2.4 bn**	**SGD 2.1 bn**	
Natural resources We impact the natural environment directly through our operations, as well as indirectly through the financing of our customers.	**Sustainable financing:** – Loans (4)	**SGD 20.5 bn**	**SGD 21.7 bn(5)**	We empower our customers on their sustainability journey through a wide range of sustainable financing offerings, which can be deployed principally through loans and bonds. ***Read more about "Responsible Financing" and "Managing Our Environmental Footprint" in the Sustainability Report.***
	– Bonds (6)	**SGD 23.9 bn**	**SGD 23.5 bn**	

Resources	Indicators	2022	2021	Key highlights
Societal relationships It is our belief that our responsibility to shareholders is complemented by our responsibility to society at large.	Cumulative number of Social Enterprises (SEs) banked	**> 1,000**	**> 800**	DBS Foundation is focused on creating impact, improving lives, and enabling change by empowering businesses and communities. It comprises two chapters, the Business for Impact Chapter, and a new Community Impact Chapter established in 2022. In 2022, we introduced grants for SMEs, in addition to SEs to kickstart their sustainability journey and impact the broader sphere of businesses. Working with like-minded organisations, our employees continued to address communities' pressing needs and reached out to more beneficiaries in spite of Covid restrictions. This was done through a hybrid of digital and in-person service- and skills-based volunteering programmes. We committed a total funding of SGD 5.6 million towards our inaugural Community Impact programmes, which focused on equipping communities with future ready skills, such as financial and digital literacy, to support those who may find themselves being displaced by technological or economic disruptions. As part of our commitment to a climate-resilient future and a strong focus on sparking collective action, we started a regional movement in 2020 to galvanise multiple stakeholders into action towards zero food waste. We stepped up efforts in 2022 to engage the community, including our employees, to help reduce food waste through a myriad of initiatives. Our concerted efforts led us to cross the 1,000 tonnes mark in terms of food impact created in 2022. ***Read more about "DBS Foundation", "Employee Volunteerism" and "Towards Zero Food Waste" in the Sustainability Report.***
	Value of SE/ small and medium enterprises (SMEs) grants awarded	**SGD 3.0 m**	**SGD 3.0 m**	
	Employee volunteering hours	**> 140,000**	**> 100,000**	
	Value of Community Impact funding committed	**SGD 5.6 m**	**NA**	
	Food impact (in terms of food waste reduced and recycled, or food redistributed)	**> 1,300 tonnes**	**600 tonnes**	

(1) Scale: 1 = worst and 5 = best. Source: Based on Customer Satisfaction Survey conducted by Aon Hewitt, Ipsos, and Qualtrics for Wealth Management; Ipsos and Qualtrics for Consumer Banking; Aon Solutions Singapore for SME banking, and Coalition Greenwich for Large Corporates Market Penetration ranking.

(2) The total number of software engineers includes resources on DBS' payroll and external service providers.

(3) This figure refers to the total permanent, contract/ temporary employee headcount on DBS' payroll.

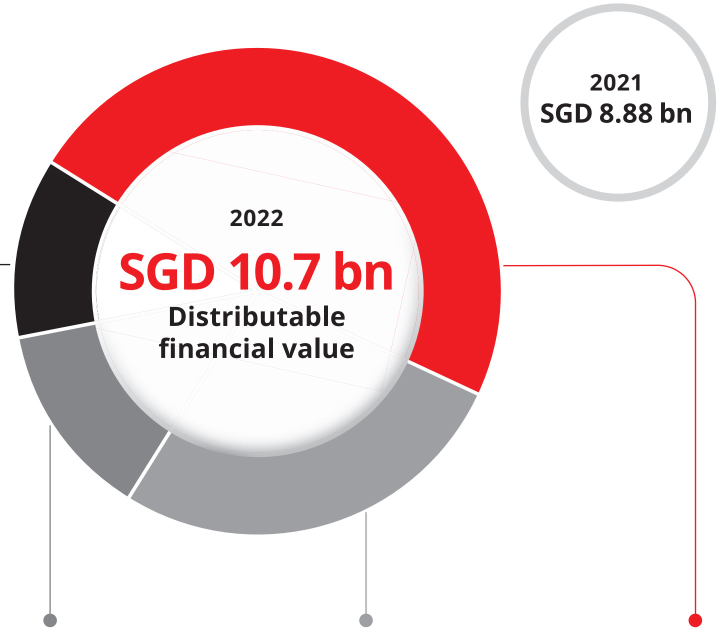
(4) This includes the total amount of sustainability-linked loans as well as use-of-proceeds loans (such as green, social and sustainable loans) concluded in the year.

(5) The 2021 sustainable financing amount is restated due to the retrospective inclusion of 8 sustainable financing transactions into the full year figure for 2021, which amounted to SGD 1.2 billion in the year.

(6) This includes the total amount of green bonds, social bonds, sustainable bonds, transition bonds, and sustainability-linked bonds where DBS is involved in as active bookrunner.

How we distribute value created

Distributable financial value



12%
Employees
Discretionary bonus granted for the year to employees through variable cash bonus and long-term incentives

13%
Society
Contributions to society through direct and indirect taxes and community investments including donations and investment of funds in the broader community

27%
Retained earnings
Retained for business growth

48%
Shareholders
Dividends declared for the year to ordinary shareholders

We distribute value to our stakeholders in several ways: some in financial value, others in intangible benefits.

We define distributable financial value as net profit before discretionary bonus granted for the year, taxes (direct and indirect) and community investments.

In 2022, our distributable financial value amounted to SGD 10.7 billion (2021: SGD 8.88 billion).

In addition, we distribute non-financial value to our stakeholders in the following ways.

Customers

Delivering suitable financial products and services to support our customers' transition towards lower carbon business models, enhance their access to environmental, social and governance (ESG) investments, and deliver customised retail solutions to meet their specific needs.

Read more about this on pages 80 to 81.

Employees

Creating the right workspaces and building the right behaviours to shape joyful work culture, while fostering an inclusive culture with equal opportunities.

Read more about "Building a Great Corporate Culture" and "Driving Diversity, Equity, and Inclusion" in the Sustainability Report.

Society

Nurturing the growth of Social Enterprises in Asia and fostering a more equitable and inclusive society where the underprivileged are equipped to thrive and grow.

Read more about "DBS Foundation" in the Sustainability Report.

Regulators

Engaging with local and global regulators and policy-makers on reforms and new initiatives that help to maintain the integrity of the banking industry.

Read more about this on pages 80 to 81.

Material matters

Material matters have the most impact on our ability to create long-term value as a bank. These matters influence how the Board and senior management steer the bank.

Identify

matters that may impact the execution of our strategy. This is a group-wide effort considering input from all business and support units, and incorporating feedback from stakeholders.

Read more about our stakeholder engagement on pages 80 and 81.

Prioritise

matters that most significantly impact our ability to successfully execute our strategy in delivering long-term value and influencing the decisions of key stakeholders.

Integrate

matters that are material to value creation into our balanced scorecard to set objectives, drive behaviours, measure performance and determine the remuneration of our people.

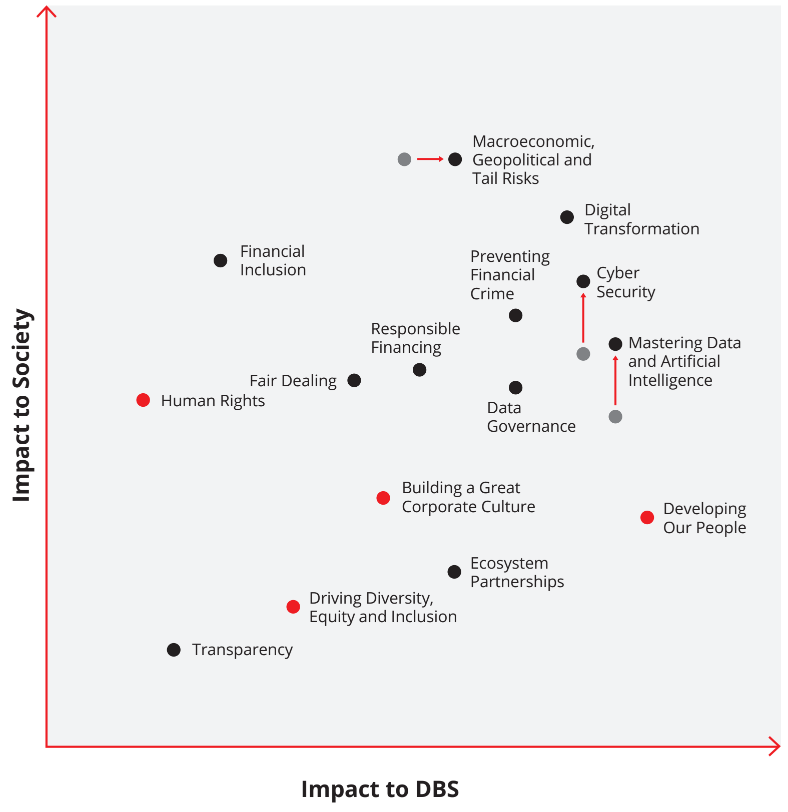
Read more about our balanced scorecard approach under "Our 2022 priorities" on pages 26 to 31.

In 2022, we reviewed the findings of our last formal materiality assessment, which had been completed in the prior year. We also conducted a new analysis, which included desktop research of external trends, data analysis, and regular dialogues with our key stakeholders through various platforms and feedback channels to gain new insights and identify matters of key relevance to them.

It was concluded that last year's outcome of the materiality assessment remained broadly in line. However, based on various engagements with our key stakeholder groups, we included "Human Rights" as a new material matter to better reflect how we uphold the responsibility to respecting human rights in everything we do. Additionally, we made a clearer distinction across "Building a Great Corporate Culture", "Developing Our People" and "Driving Diversity, Equity and Inclusion", as we view these matters to be of increasing importance. Our refined approach responds to the changing needs of our stakeholders and the increasing importance of responsible business practices.

Read more about material ESG matters in our Sustainability Report.

DBS 2022 Materiality Matrix



Material matters	What are the risks?	Where do we see the opportunities?	What are we doing about it?
Macroeconomic, geopolitical and tail risks	High inflationary environment driven by energy and food prices, and supply chain disruptions have driven central banks to hike interest rates at an unprecedented pace, creating headwinds to economic growth. In addition, we continued to face a difficult geopolitical situation, with tensions remaining elevated between the superpowers.	Higher interest rates will benefit banks at an early stage of the economic cycle, especially as long as credit costs and losses remain under control. Investments and consumption have picked up in Asia after two years of economic uncertainty due to the pandemic, especially due to the reopening of China via trade and tourism.	Our broad-based franchise and nimble execution enabled us to capture regional opportunities despite the macroeconomic uncertainty and financial market volatility. Our income was also boosted by a higher net interest margin. We took another step in scaling up our presence in growth markets with our acquisition of the Citi consumer banking business in Taiwan. ***Read more in the "Letter from Chairman and CEO" on page 8 and in the "CFO statement" on page 20***
Digital transformation	A new wave of operational and systemic risks may be created as digital banking transformation programmes become more deeply embedded in the banking industry, all the while as customers and industry players become increasingly digitally savvy. The challenges are compounded against a backdrop of higher workforce attrition and labour shortages in the tech space.	Banks that are able to consistently deliver differentiated technological innovations with robust, reliable and resilient systems will provide a more seamless and secure user experience and gain customer confidence and a competitive advantage. Attracting, developing and retaining tech talents will ensure the vitality of the driving force behind our transformation to be a leader in digital banking.	We are developing and scaling robust systems through Site Reliability Engineering (SRE). We also strengthened our cybersecurity capabilities to address a larger attack surface and potential gaps in work processes as companies scale their remote working arrangements and support hybrid working. We also made efforts to diversify and upskill our tech workforce while maintaining continuity within technology teams. As we balance resilience and innovation, we will keep experimenting with emerging technologies that could revolutionise banking and give us a first-mover's advantage as use cases become clear. ***Read more in the "CIO statement" on page 34, and "Our 2022 priorities" on page 26***
Mastering data and artificial intelligence (AI)	As banks rise to the challenge of meeting consumer demand for banking experiences that are intuitive, they will need to re-architect legacy technology and their data stack. The ethics of using AI algorithms is also coming under strict scrutiny, especially in the areas of accountability, transparency, and data bias. Inability to manage both the transition and ethical issues, as well as leverage benefits from AI technologies will result in a loss of trust, competitiveness and market share.	Unlocking the value of data in our business operating model will help drive greater economic value through: (i) delivering tailored customer experiences and employee journeys; (ii) developing greater operational efficiencies and lowering costs through higher automation; (iii) accelerating deployments by improving operations and decision-making; and (iv) adopting emerging technologies to create new products/ services through rapid innovations.	As an AI-fuelled bank, we have made AI central to our core strategy, and incorporated AI technologies into our management and operation processes. To build trust through fair, ethical and responsible use of data and AI, we continually enhance our DBS PURE (Purposeful, Unsurprising, Respectful, Explainable) framework and AI governance processes and controls. Industrialising AI throughout the bank has enabled us to power differentiated customer experiences and achieve hyper-personalised services for customers. ***Read more in "CIO statement" on pages 34.***
Data governance	Rapid digitisation has intensified data collection and analytics, which are used to drive new business initiatives. This has led to greater demands for enhanced standards of data protection and privacy. A weak data governance framework for data capturing, data quality, and data use will increase the risk of non-compliance, financial losses, regulatory fines, and reputational damage.	Strong data governance programmes will deliver faster and sharper insights for decision-making, and enhance risk and fraud management to deliver positive business outcomes as we scale the use of data and analytics across the bank. As we place privacy at the heart of our products and services design, we uphold the trust of our customers and deepen our relationship with them.	***Read more in the "CRO statement" on page 32 and "Data Governance" in the Sustainability Report.***
Human rights	Insufficient integration of human rights principles and human rights due diligence in our business operations may expose us to unintended and unforeseen legal, financial, and reputational risks.	Respecting human rights in everything we do reaffirms the critical role we play to positively contribute to society as a bank and as an employer. By integrating human rights related policies and procedures in our lending and business operations, we promote economic inclusion and empower marginalised communities, allowing us to tap into new markets and create new business opportunities.	We established a Human Rights policy to formalise our consistent efforts to respect human rights, which among others stipulates a strong commitment to the United Nations' Guiding Principles on Business and Human Rights ***Read more in "Human Rights" in the Sustainability Report.***
Building a great corporate culture	The pandemic has permanently changed the way we live, learn and work and raised awareness of the importance of mental well-being for our people. Companies that are unable to adapt their work practices and pay greater attention to employee well-being will face challenges in engaging and retaining their talent.	Redesigning the workplace and building the right behaviours empower employees to thrive and drive more impactful customer outcomes. A strong corporate culture which is open, collaborative, and with a focus on employees' holistic wellbeing will help organisations attract and retain the best talent and drive business performance.	***Read more in "Building a Great Corporate Culture" in the Sustainability Report.***
Driving diversity, equity & inclusion (DEI)	Being an organisation that operates in 19 different markets, failure to embrace diversity, equity and inclusion will run us the risk of not being effective in the communities that we operate in. It also affects our global brand and ability to retain diverse talent to drive our businesses.	Fostering an inclusive culture attracts and retains the best talent for our workforce. Strong, diverse teams are critical in enabling innovation, objective decision-making and robust problem-solving.	***Read more in "Driving Diversity, Equity and Inclusion" in the Sustainability Report.***

Material matters	What are the risks?	Where do we see the opportunities?	What are we doing about it?
Developing our people	We will continue to see jobs being disrupted in the post pandemic world. Companies need to invest in upskilling and reskilling of their employees so as to be well-equipped in capturing and realising new growth areas for the business.	Companies that actively equip their employees with the right education, skills and opportunities will benefit from a future-ready workforce that can embrace and thrive with new ways of working.	***Read more in "Developing Our People" in the Sustainability Report.***
Ecosystem partnerships	The acceleration of digital adoption is changing the way consumers and corporates behave, with increasing consumer engagement on digital platforms and businesses moving into direct-to-consumer models. The role of financial institutions as intermediaries is evolving as emerging technologies change the ways market participants interact. As a result, financial services revenue pools are being disrupted and redistributed to new challengers.	Our data insights, digital capabilities and strength in innovation enable us to disrupt the existing financial markets and orchestrate ecosystems, which allow our partners and customers to engage and transact seamlessly on our platforms. Additionally, with an extensive suite of application programming interfaces (APIs), DBS is well positioned to embed our services on our partners' platforms to acquire and distribute at scale.	We are scaling existing and building new ecosystem partnerships to extend our reach, create a differentiated customer experience and avail our services to customers in the right context. We are investing in blockchain and AI technologies to develop commercial applications for our banking businesses and to reimagine financial market infrastructure ecosystems. ***Read more in "Our 2022 Priorities" on page 26.***
Responsible financing	Insufficient integration of environmental, social and governance (ESG) considerations into our business operations would expose the bank to various emerging risks such as climate-related physical and transition risks. It would also increase the probability of missing new business opportunities, such as those related to the investment and financing needs of our clients arising from their transition to lower carbon lifestyles or business models.	The investment needs to transition our economies to a net-zero future are very significant. As estimated by the Intergovernmental Panel on Climate Change in 2021, this investment would amount to an additional USD 3.5 trillion annually. This provides an opportunity to support clients with advisory services and financing solutions.	We committed to aligning our lending and financing activities with net-zero by 2050. Additionally, we established science-informed decarbonisation strategies and set 2030 decarbonisation targets for a large number of sectors. To date, this is among the most comprehensive and ambitious sets of decarbonisation targets among banks globally. We seek to leverage this work in our client interactions in order to support them in their transition. We also incorporated environmental risks into our Risk Appetite statement and our overall risk governance and processes. ***Read more in "Responsible Financing" in the Sustainability Report.***
Financial inclusion	Global macroeconomic headwinds such as high inflation and interest rates as well as high food and energy costs have widened the income and social inequity gap, further marginalising parts of society, which makes it harder for them to access formal banking services. A widening income gap can further weaken societal cohesion and undermine prospects for an inclusive and just transition.	Technology is making banking more inclusive and levelling the playing field for small businesses, while scaling up essential financial services and digital literacy to help communities achieve financial health and well-being.	We continue democratising wealth by creating an enabling environment for the underbanked and addressing the financing gap for small local businesses. ***Read more about "Consumer Banking/ Wealth Management" on page 38 and "Financial Inclusion" in the Sustainability Report.***
Preventing financial crime	Geopolitical developments have complicated issues of compliance and integrity in financial practices, such as sanctions and sanction evasion. The rapid emergence of digital assets also increases the risks of money laundering and sanction evasion.	A strong governance framework and comprehensive data analytics and systems capability prevents financial crimes and protects our customers.	***Read more in the "CRO statement" on page 32 and "Preventing Financial Crime" in the Sustainability Report.***
Cyber security	The cyber risk landscape has worsened as cyber criminals and threat actors exploit a fractious environment instigated by heightened geopolitical tensions, to target our customers and staff with increasingly sophisticated attacks.	A robust cyber security strategy and governance builds confidence and differentiates us in an increasingly digital space.	***Read more in "CRO statement" on page 32 and "Cyber Security" in the Sustainability Report.***
Fair dealing	Customers expect us to put their interests first by providing relevant and accurate information, and appropriate recommendations in conducting our business.	Fair dealing is foundational to our business, and we believe customers are more likely to bank with us when they trust that we are fair and transparent.	***Read more about "Fair Dealing" in the Sustainability Report.***
Transparency	Transparency in disclosure promotes good governance, builds trust and drives better decision-making. Failure to adequately disclose may give rise to regulatory and reputational risks, and cause us to not meet external expectations.	Greater transparency builds trust with customers, which helps grow our wallet share. It will also improve the speed of dispute resolution with customers and protect the reputation of the bank.	***Read more about "Corporate governance" on page 42.***

What our stakeholders are telling us

An ongoing dialogue and collaboration with our key stakeholders provide us with insights into matters of relevance to them.

Our key stakeholders are those who impact our strategy the most or are directly impacted by it. They comprise our investors, customers, employees, society, regulators and policy-makers.

Regular stakeholder engagements provide us with an understanding of the material matters they are most concerned with. These matters help us define our strategic priorities and guide our initiatives.

	Investors We provide timely and detailed disclosures to enable investors to make informed investment decisions with DBS. We also seek their perspectives on our financial performance and strategy.	**Customers** We interact with customers to better understand their requirements so that we can propose the right financial solutions for them.	**Employees** We communicate with our employees using multiple channels to ensure they are aligned with our strategic priorities. This also allows us to remain up to date with their concerns.	**Society** We engage the community to better understand the role we can play to address societal needs and gaps.	**Regulators and policy-makers** We strive to be a good corporate citizen and advocate by providing input to and supporting the implementation of public policies. Additionally, we seek to be a strong representative voice for Asia in global industry forums.
How did we engage?	• Quarterly results briefings. • One-on-one and group meetings with over 550 investors, conducted either online or in-person, including conferences and roadshows in London and New York.	• Multiple channels, including digital banking, call centres and branches. • Regular engagements via relationship managers and subject matter specialists, where appropriate. • Active interaction and prompt follow-up to queries/ feedback received via social media platforms such as Facebook, LinkedIn, and Twitter, as well as online communities on our corporate websites. • Regular customer interactions via satisfaction surveys and immersions to continuously iterate journey roadmaps.	• "Tell Piyush" – an online forum where over 540 employee questions and feedback items were conveyed to the CEO, an increase of almost 40% compared to last year. • "DBS Open" – quarterly group-wide townhall hosted by the CEO. • Regular department townhalls and events held by senior management. • DBS Cares Community Forums – employees learn and share more about taking care of their personal well-being. • Regular surveys such as our annual "MyVoice" employee engagement survey.	• Engagement with social enterprises (SEs) to understand specific challenges arising from the pandemic, and facilitating regional industry knowledge sharing and dialogues. • Speaking engagements with community partners and social service agencies. • Connection with government bodies and associations, including Singapore Centre for Social Enterprise and Community Chest. • Strong partnerships with academia to jointly tackle real-world sustainability challenges. • Community engagement within the public housing estates (heartlands) and our neighbours through POSB.	• Regular engagement sessions with regulators, governments/ government bodies, and public agencies in one-on-one or group meetings. • Sharing insights with and advising public agencies as an industry leader, including via the participation in relevant committees. • Providing insights and thought leadership in support of regulators' efforts towards ensuring financial stability. • Active participation in local, regional, and international industry forums on financial regulation.

What are the key topics raised and feedback received?	• Impact on business outlook and credit quality from rising interest rates, geopolitical uncertainty, and pressures from China's real estate sector.
	• High Common Equity Tier 1 (CET-1) level and the prospect for higher dividends.
	• Environment, social and governance (ESG) commitments and our progress towards targets. Specifically, interest in our commitment to aligning lending and financing activities with net-zero by 2050 and how we engage with customers on their decarbonisation strategies.
		• Many small and medium enterprise (SME) customers requested for working capital solutions to support them during the pandemic.
		• Many retail customers experienced better digital stability, speed, and user experience. They continued to seek greater product variety and efficient service experiences as well as more investment guidance amidst volatile market conditions.
		• On sustainability: Growing interest in sustainable financing solutions among corporate and SME customers, and ESG investing solutions among private banking clients.
			• Questions and feedback raised via "Tell Piyush" covered topics across corporate strategy, culture, technology and workplace management, employee compensation, benefits and welfare as well as customer experience.
			• In our annual employee engagement survey, our best-performing indicators were reflected in the areas of Diversity and Inclusion, Learning and Development, and Managerial Effectiveness even as DBS transitions to a permanent hybrid work model.
				• Challenges in adapting to new forms of digital interactions continued as physical, in-person volunteering remained a challenge with pandemic restrictions in place across more markets. The needs of the communities had also grown to include social and emotional aspects, in addition to the immediate economic and medical challenges, particularly among the elderly.
				• More support for both SMEs and SEs was needed, as both were keen to adopt more sustainable business models but are often held back by operational matters and may lack the bandwidth or resources to kickstart their transition journey. They sought catalytic capital and strong partners to enable them to scale up their businesses and deepen their positive social and environment impact.
					• Challenges in ensuring business resilience and continue providing innovative financial services to maintain stability of the financial system.
					• Key regulatory and reporting issues surrounding the banking industry included:
					  • Cyber security
					  • Preventing financial crime
					  • Data governance
					  • Fair dealing and conduct
					  • Sustainability
					• Regulatory risks, and new regulatory requirements because of new growth opportunities such as fintech/ tech platforms, carbon markets, and climate-related disclosures.
					• Approach to our commitment to aligning lending and financing activities with net-zero by 2050, including sector- and market-specific targets and decarbonisation plans.

How did we respond?	• We provided detailed disclosures and commentary on business outlook, financial performance and credit quality. • We reiterated our policy to pay sustainable dividends that grow progressively with earnings and indicated that we would reviewing our payout at year-end. We also affirmed our CET-1 target range. • We responded to investor queries through various engagements – both online and in-person meetings – and highlighted our sustainability strategy centred around our three-pillars: Responsible Banking, Responsible Business Practices, and Impact Beyond Banking. We also provided details on how we aim to operationalise our net-zero commitment, and how we manage climate risks. ***Read more in "CFO statement" on page 20 and "Stakeholder engagement" and "Selected ESG-related awards, indices and ratings" in the Sustainability Report.***	• We approved over 5,000 loans totalling SGD 900 million to SMEs, with over 98% of the loans going to micro and small businesses. • We expanded our product offerings through ecosystem partnerships and reinforced Respectful, Easy to Deal With, Dependable (RED) service standards to harmonise customer experience across DBS. We harnessed our data capabilities to drive deeper engagement through personalised content and continued to enhance customers' digital experience. Strong momentum in adoption of customer obsession cultures helped to ensure we continuously improve our banking journeys. • We provided corporate customers with guidance on new financial products and services in support of their decarbonisation journey. Some examples include sustainable debt instruments (green- and sustainability-linked loans, sustainable bonds), and a suite of ESG-investment funds. We also empowered clients to integrate a sustainability lens to their investments while we continually curate and avail more impact-focused sustainable portfolios. ***Read more in "Institutional Banking" on page 36, "Consumer Banking/ Wealth Management" on page 38, "Responsible Financing", "Sustainable Living", and "Financial Inclusion" in the Sustainability Report.***	• Piyush personally addressed all questions and comments raised. Employees were also engaged regularly through quarterly pulse surveys to identify areas of concerns and/ or pain points. Where applicable, all issues and suggestions raised, and insights received, were directed to relevant departments and COO offices for follow-up. • After an extensive study by our Future of Work taskforce, DBS embraced a permanent hybrid work model to maximise the benefits of both Work-In-Office and Work-From-Home arrangements. We have also dramatically transformed the way we work through the implementation of an Horizontal Organisation to drive greater collaboration. ***Read more in "Building a Great Corporate Culture" in the Sustainability Report.***	• We scale our volunteerism footprint by encouraging our employees to embrace new creative ways of volunteering through a hybrid of in-person and virtual volunteering. In transcending limitations and geographical constraints, we redefined volunteering. • We committed SGD 3 million in grant funding to 23 awardees (15 SEs and 8 SMEs) through the 2022 DBS Foundation Grant Programme, via which we introduced a new category to support SMEs looking to kickstart their transformation journey, while continuing to deepen our support for SEs. ***Read more about "POSB" on page 40, "DBS Foundation" and "Employee Volunteerism" in the Sustainability Report.***	• We accelerated the implementation of key controls and experimentation of innovative solutions to address the incremental risk of remote working and enhanced our data usage surveillance to provide a high-fidelity detection of the removal information from our critical data stores. We deployed digital solutions to facilitate physical, contact free banking for our customers. • We continued to invest in our cyber defence capabilities, and leverage off technology, data analytics and the use of AI/ ML to combat money-laundering risks to protect our customers from scams. We also made further strides in our data governance capabilities and our financial advisory processes to ensure that the interests of our customers remain protected. • Riding on the successes of blockchain-based businesses, DDEx, and Partior, we continued to drive technology-enabled business solutions, partnering with relevant regulators and industry players as necessary to innovate with new financial engagement models and distributed ledger technologies, such as the Open Government Products. • We engaged proactively with regulators and policy-makers across our core markets following the publication of 'Our Path to Net Zero', where we described in great detail how we selected science-informed decarbonisation pathways and set interim 2030 decarbonisation targets for a large number of sectors. The aim of this was to share insights and lessons learned to expedite knowledge exchange and support a system-wide net-zero transition. ***Read more about "Risk management" on page 82, "Cyber Security", "Preventing Financial Crime", "Data Governance" and "Fair Dealing" in the Sustainability Report.***

Risk management

The sections marked by a grey line in the left margin form part of the Group's audited financial statements. Please refer to Pillar 3 and Other Regulatory Disclosures for other risk disclosures.

1 Risk overview

Business and strategic risk

Overarching risk arising from adverse business and economic changes materially affect DBS' long-term objectives. This risk is managed separately under other governance processes.

Read more about this on page 75.

Credit risk

Risk arising from borrowers or counterparties failing to meet their debt or contractual obligations.

Read more about this on page 84.

Market risk

Risk arising from adverse changes in interest rates, foreign exchange rates, equity prices, credit spreads and commodity prices, as well as related factors.

Read more about this on page 91.

Liquidity risk

Risk that arises if DBS is unable to meet financial obligations when they are due.

Read more about this on page 93.

Operational risk

Risk arising from inadequate or failed internal processes, people or systems, or from external events. It includes legal risk, but excludes strategic and reputational risk.

Read more about this on page 96.

Reputational risk

Risk that arises if our shareholder value (including earnings and capital) is adversely affected by any negative stakeholder perception of DBS' image. This influences our ability to establish new relationships or services, service existing relationships and have continued access to sources of funding. Reputational risk usually occurs when the other risks are poorly managed.

Read more about this on page 98.

2 Risk-taking and our business segments

Our risks are diversified across different business segments. The chart below provides an overview of the risks arising from our business segments. The asset size of each business segment reflects its contribution to the balance sheet, and the risk-weighted assets (RWA) offer a risk-adjusted perspective.

Refer to Note 46.1 to the financial statements on page 180 for more information about DBS' business segments

SGD million	Consumer Banking/ Wealth Management	Institutional Banking	Treasury Markets	Others[a]	Group
Assets[b]	126,394	326,469	204,972	80,193	738,028
Risk-weighted assets	42,117	224,637	41,566	38,575	346,895

% of RWA	Consumer Banking/ Wealth Management	Institutional Banking	Treasury Markets	Others[a]	Group
Credit risk	79	95	52	56	84
Market risk	0	0	42	13	6
Operational risk	21	5	6	31	10

(a) Encompasses assets/ RWA from capital and balance sheet management, funding and liquidity activities, DBS Vickers Group and The Islamic Bank of Asia Limited
(b) Before goodwill and intangibles

3 Risk governance

The Board oversees DBS' affairs and provides sound leadership for the CEO and management. Authorised by the Board, various Board committees oversee specific responsibilities based on clearly defined terms of reference.

Under our risk management approach, the Board, through the Board Risk Management Committee (BRMC), sets our Risk Appetite, oversees the establishment of enterprise-wide risk management policies and processes, and establishes risk appetite limits to guide DBS' risk-taking.

The BRMC also oversees the identification, monitoring, management and reporting of credit, market, liquidity, operational and reputational risks. To facilitate the BRMC's risk oversight, the following risk management committees have been established.

Risk management committees	
Risk Executive Committee (Risk EXCO)	As the overall executive body regarding risk matters, the Risk EXCO oversees DBS' risk management.
Group Credit Risk Committee (GCRC) Group Credit Risk Models Committee (GCRMC) Group Market and Liquidity Risk Committee (GMLRC) Group Operational Risk Committee (GORC) Group Scenario and Stress Testing Committee (GSSTC)	Each of the committees reports to the Risk EXCO, and serves as an executive forum to discuss and implement DBS' risk management. Key responsibilities: • Assess and approve risk-taking activities • Oversee DBS' risk management infrastructure, which includes frameworks, decision criteria, authorities, people, policies, standards, processes, information and systems • Approve risk policies such as model governance standards, stress testing scenarios, and the evaluation and endorsement of risk models • Assess and monitor specific credit concentration • Recommend stress-testing scenarios (including macroeconomic variable projections) and review the results The members in these committees comprise representatives from the Risk Management Group (RMG) as well as key business and support units.
Product Approval Committee (PAC)	The PAC provides group-wide oversight and direction for the approval of new product and outsourcing initiatives. It evaluates new product and outsourcing initiatives to ensure that they are in line with the DBS' strategy and risk appetite.

Most of the above committees are supported by local risk committees in all major locations, where appropriate. These local risk committees oversee the local risk positions for all businesses and support units, ensuring that they keep within limits set by the Group risk committees. They also approve location-specific risk policies.

The Chief Risk Officer (CRO), who is a member of the Group Executive Committee and reports to the Chairman of the BRMC and the CEO, oversees the risk management function. The CRO is independent of business lines and is actively involved in key decision-making processes. He often engages with regulators to discuss risk matters, enabling a more holistic risk management perspective.

Working closely with the risk and business committees, the CRO is responsible for the following:

- Management of DBS' risks, including systems and processes to identify, approve, measure, monitor, control and report risks
- Engagement with senior management about material matters regarding all risk types
- Development of risk controls and mitigation processes
- Ensuring DBS' risk management is effective, and the Risk Appetite established by the Board is adhered to

4 Risk Appetite

DBS' Risk Appetite is set by the Board and governed by the Risk Appetite Policy, which articulates the risks that we are willing to accept. It also serves to reinforce our risk culture by setting a clear message from the 'tone from the top'. A strong organisational risk culture, complemented with a balanced incentive framework (refer to "Remuneration Report" section on page 63), helps to further embed our Risk Appetite.

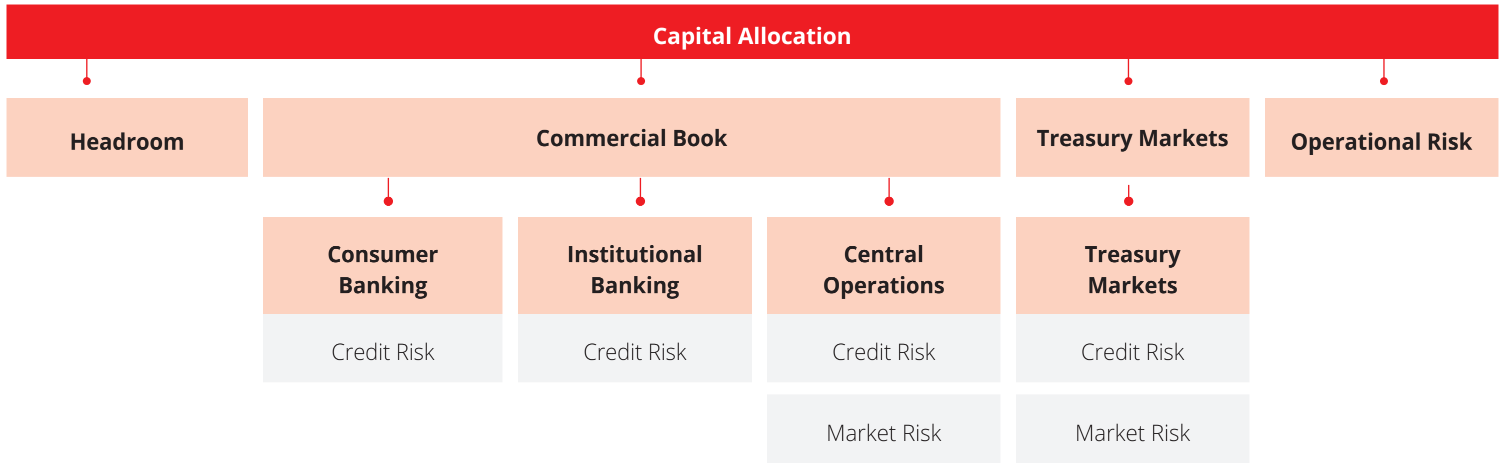
4.1 Risk thresholds and economic capital usage

Our Risk Appetite takes into account a spectrum of risk types and is implemented using thresholds, policies, processes and controls.

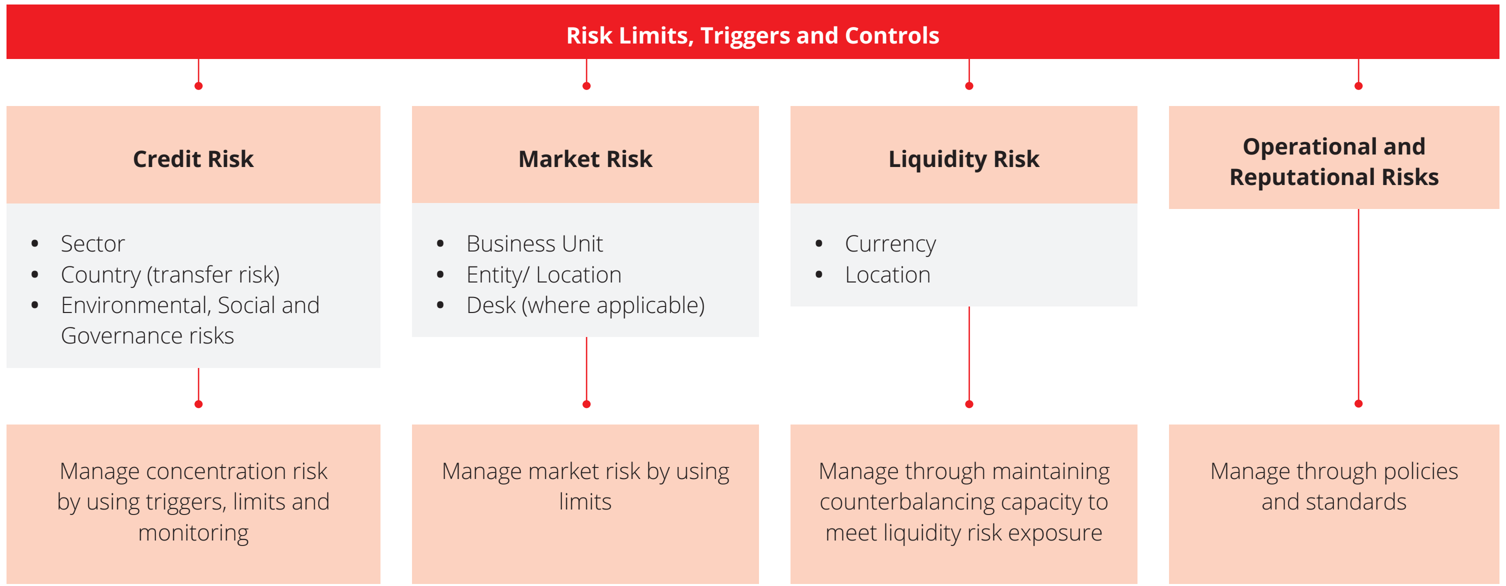
Setting thresholds is essential in making DBS' Risk Appetite an intrinsic part of our businesses as they help to keep all our risks within acceptable levels. Portfolio risk limits for the quantifiable risk types are established top down, and these are implemented using frameworks. As for the non-quantifiable risk types, these are managed using qualitative principles.

To ensure that the thresholds pertaining to our Risk Appetite are completely risk sensitive, we adopted both economic capital (EC) and regulatory capital (RC) as our risk metrics. Additionally, both EC and RC are assessed as part of our Internal Capital Adequacy Assessment Process (ICAAP).

Our capital allocation structure monitors credit, market and operational risks by assessing regulatory capital utilisation at the business unit level. The diagram below shows how they are managed along the various dimensions. A buffer is also maintained for other risks, such as country, reputational, model risks, etc.



Other quantitative or qualitative controls are used to manage the other risks at granular levels. The following chart provides a broad overview of how our Risk Appetite permeates throughout DBS. Refer to Sections 5 through 9 for more information about each risk type.



4.2 Stress testing

Stress testing is an integral part of our risk management process. It includes both sensitivity and scenario analyses, and is conducted regularly. In particular, the ICAAP (a group-wide exercise spanning different risk types) is performed annually. In addition, stress tests are carried out in response to microeconomic and macroeconomic conditions, or portfolio developments. Every stress test is documented and the results are reviewed by senior management and/or the BRMC.

Stress testing alerts senior management to our potential vulnerability to exceptional but plausible adverse events. As such, stress testing enables us to assess capital adequacy and identify potentially risky portfolio segments as well as inherent systematic risks. This then allows us to develop the right contingency plans, exit strategies and mitigating actions beforehand.

The ICAAP ensures our business plans are consistent with our Risk Appetite. This is done by comparing the projected demand for capital to the projected supply of capital under various scenarios, including severe macroeconomic stress.

5 Credit risk

The most significant measurable risk DBS faces - credit risk - arises from our daily activities in our various businesses. These activities include lending to retail, corporate and institutional customers. It includes the risk of lending, pre-settlement and settlement risk of foreign exchange, derivatives and securities.

Refer to Note 43.1 to the financial statements on page 172 for details on DBS' maximum exposure to credit risk.

5.1 Credit risk management at DBS

DBS' approach to credit risk management comprises the following building blocks:

- **Policies**
- **Risk methodologies**
- **Processes, systems and reports**

Policies

The dimensions of credit risk and the scope of its application are defined in the Group Credit Risk Management Policy. Senior management sets the overall direction and policy for managing credit risk at the enterprise level.

The Group Core Credit Risk Policies (CCRPs) established for Consumer Banking/ Wealth Management and Institutional Banking set forth the principles by which DBS conducts its credit risk management and control activities. These policies, supplemented by a number of operational standards and guides, ensure consistency in identifying, assessing, underwriting, measuring, reporting and controlling credit risk across DBS, and provide guidance in the formulation of business-specific and/ or location-specific credit risk policies and standards.

The operational standards and guides are established to provide greater details on the implementation of the credit principles within the Group CCRPs and are adapted to reflect different credit environments and portfolio risk profiles. The CCRPs are approved by the Group Chief Credit Officer.

Risk methodologies

Credit risk is managed by thoroughly understanding our wholesale customers - the businesses they are in, as well as the economies in which they operate. It is also managed through statistical models and data analytics for retail customers.

The assignment of credit risk ratings and setting of lending limits are integral parts of DBS' credit risk management process, and we use an array of rating models for our wholesale and retail portfolios. Most of these models are built internally using DBS' loss data, and the limits are driven by DBS' Risk Appetite Statement and the Target Market and Risk Acceptance Criteria (TM-RAC).

Wholesale borrowers are assessed individually, and further reviewed and evaluated by experienced credit risk managers who consider relevant credit risk factors in the final determination of the borrower's risk. For some portfolios within the SME segment, DBS also uses a programme-based approach to achieve a balanced management of risks and rewards. Retail exposures are assessed using credit score models, credit bureau records as well as internally and externally available customer behaviour records supplemented by our Risk Acceptance Criteria (RAC). Credit applications are proposed by the business units, and applications outside the RAC are independently assessed by the credit risk managers.

Refer to Section 5.3 on page 88 to read more about our internal credit risk models.

Pre-settlement credit risk for traded products arising from a counterparty potentially defaulting on its obligations is quantified by evaluation of the mark-to-market value, plus potential future exposure. This is included within DBS' overall credit limits to counterparties for internal risk management.

We actively monitor and manage our exposure to counterparties for over-the-counter (OTC) derivative trades to protect our balance sheet in the event of a counterparty default. Counterparty risk exposures that may be adversely affected by market risk events are identified, reviewed and acted upon by management, and highlighted to the appropriate risk committees. Specific wrong-way risk arises when the credit exposure of a counterparty (from the traded product transaction) directly correlates with the probability of default of the counterparty. DBS has processes in place to guide the handling of specific wrong-way risk transactions, and its risk measurement metric takes into account the higher risks associated with such transactions.

Issuer default risk that may also arise from derivatives, notes and securities are generally measured based on jump-to-default computations.

Concentration risk management

For credit risk concentration, we use EC as our measurement tool as it combines the individual risk factors such as the probability of default (PD), loss given default (LGD) and exposure at default (EAD), in addition to industry correlation and portfolio concentration. EC thresholds are set to ensure that the allocated EC stays within our Risk Appetite. Concentration risk for retail is managed at two levels – product level where exposure limits are set up, and segment level to manage the growth of high-risk segments. Governance processes are in place to ensure that these thresholds are monitored regularly, and appropriate actions are taken when the thresholds are breached.

DBS continually examines and reviews how we can enhance the scope of our thresholds and approaches to manage concentration risk.

Environmental, social and governance risks

Responsible financing, covering environmental, social and governance (ESG) issues, is a topic of increasing importance that affects investing and financing decisions across the bank. DBS recognises that our financing practices have a substantial impact on society and failure of our customers to appropriately manage ESG issues can directly impact their operations and long-term economic viability, as well as the communities and environment in which they operate.

DBS considers ESG risks as critical in our pursuit of business strategies. The Board approves DBS' overall and specific risk governance frameworks and oversees an independent Group-wide risk management system. In 2022, the Board approved the incorporation of environmental risk considerations into our Risk Appetite Statement. Our Group Responsible Financing Standard documents our overarching approach to responsible financing and additional assessment required when entering into transactions with elevated ESG risks. The requirements of this Standard represent the minimum standards for DBS and we have also sought alignment, where possible, with international standards and best practices. Where significant ESG issues are identified, escalation is required to the relevant Global Industry Specialist and IBG Sustainability for further guidance prior to approval by the Credit Approving Authority.

Refer more about "Responsible financing" in the Sustainability Report.

Country risk

Country risk refers to the risk of loss due to events in a specific country (or a group of countries). This includes political, exchange rate, economic, sovereign and transfer risks.

DBS manages country risk through the requirements of the Group CCRP and the said risk is part of our concentration risk management. The way we manage transfer risk at DBS is set out in our Country Risk Management Standard. This includes an internal transfer risk and sovereign risk rating system, where assessments are made independently of business decisions. Our transfer risk limits are set in accordance with the Group Risk Appetite Policy.

Transfer risk limits for priority countries are set based on country-specific strategic business considerations as well as the acceptable potential loss according to our Risk Appetite. Management actively evaluates and determines the appropriate level of transfer risk exposures for these countries taking into account the risks and rewards and whether they are in line with our strategic intent. Limits for all other non-priority countries are set using a model-based approach.

Risk appetite for each country is approved by the BRMC, while transfer risk limits are approved by the Board EXCO and senior management.

Credit stress testing

DBS engages in various types of credit stress testing, and these are driven either by regulators or internal requirements and management. Our credit stress tests are performed at the total portfolio or sub-portfolio level, and are generally conducted to assess the impact of changing economic conditions on asset quality, earnings performance, capital adequacy and liquidity. DBS' stress testing programme is comprehensive and covers a range of risks and business areas.

DBS typically performs the following types of credit stress testing at a minimum and others as necessary:

Pillar 1 credit stress testing	DBS conducts Pillar 1 credit stress testing regularly as required by regulators. Under Pillar 1 credit stress testing, DBS assesses the impact of a mild stress scenario (at least two consecutive quarters of zero growth) on Internal Ratings-Based (IRB) estimates (i.e. PD, LGD and EAD) and the impact on regulatory capital. The purpose of the Pillar 1 credit stress test is to assess the robustness of internal credit risk models and the cushion above minimum regulatory capital.
Pillar 2 credit stress testing	DBS conducts Pillar 2 credit stress testing once a year as part of the ICAAP. Under Pillar 2 credit stress testing, DBS assesses the impact of stress scenarios, with different levels of severity, on asset quality, earnings performance as well as internal and regulatory capital. The results of the credit stress test form inputs to the capital planning process under ICAAP. The purpose of the Pillar 2 credit stress testing is to examine, in a rigorous and forward-looking manner, the possible events or changes in market conditions that could adversely impact DBS and to develop the appropriate action plan.
Industry-wide stress testing	DBS participates in the annual industry-wide stress test (IWST) conducted by the Monetary Authority of Singapore (MAS) to facilitate the ongoing assessment of Singapore's financial stability. Under the IWST, DBS is required to assess the impact of adverse scenarios, as defined by the regulator, on asset quality, earnings performance and capital adequacy, where applicable.
Sensitivity and scenario analyses	DBS also conducts multiple independent sensitivity analyses and credit portfolio reviews based on various scenarios. The intent of these analyses and reviews is to identify vulnerabilities for the purpose of developing and executing mitigating actions.

Processes, systems and reports

DBS constantly invests in systems to support risk monitoring and reporting for our Institutional Banking and Consumer Banking/ Wealth Management businesses.

The end-to-end credit process is continually being reviewed and improved through various front-to-back initiatives involving business, operations, risk management and other key stakeholders. Day-to-day monitoring of credit exposures, portfolio performance and external environmental factors potentially affecting credit risk profiles is key to our philosophy of effective credit risk management.

In addition, credit trends, which may include industry analysis, early warning alerts and significant weak credits, are submitted to the various risk committees, allowing key strategies and action plans to be formulated and evaluated. Credit control functions also ensure that any credit risk taken complies with the credit risk policies and standards. These functions ensure that approved limits are activated, credit excesses and policy exceptions are appropriately endorsed, compliance with credit standards is carried out, and covenants established are monitored.

Independent risk management functions that report to the CRO are jointly responsible for developing and maintaining a robust credit stress testing programme. These units oversee the implementation of credit stress tests as well as the analysis of the results, of which management, various risk committees and regulators are informed.

Non-performing assets

DBS' credit facilities are classified as "Performing assets" or "Non-performing assets" (NPA), in accordance with the MAS Notice to Banks No. 612 "Credit Files, Grading and Provisioning" (MAS Notice 612).

Credit exposures are categorised into one of the following five categories, according to our assessment of a borrower's ability to repay a credit facility from its normal sources of income and/ or the repayment behaviour of the borrower.

Classification grade	Description
Performing assets	
Pass	Indicates that the timely repayment of the outstanding credit facilities is not in doubt.
Special mention	Indicates that the borrower exhibits potential weaknesses that, if not corrected in a timely manner, may adversely affect future repayments and warrant close attention by DBS.
Classified or NPA	
Substandard	Indicates that the borrower exhibits definable weaknesses in its business, cash flow or financial position that may jeopardise repayment on existing terms.
Doubtful	Indicates that the borrower exhibits severe weaknesses such that the prospect of full recovery of the outstanding credit facilities is questionable and the prospect of a loss is high, but the exact amount remains undeterminable as yet.
Loss	Indicates that the outstanding credit facility is not collectable, and little or nothing can be done to recover the outstanding amount from any collateral or from the assets of the borrower generally.

A default is considered to have occurred with regard to a particular borrower when either or both of the following events have taken place:

- Subjective default: Borrower is considered to be unlikely to pay its credit obligations in full, without DBS taking action such as realising security (if held)
- Technical default: Borrower is more than 90 days past due on any credit obligation to DBS

For retail borrowers, the categorisation into the respective MAS loan grades is at the facility level and consistent with MAS Notice 612.

Credit facilities are classified as restructured assets when we grant non-commercial concessions to a borrower because its financial position has deteriorated or is unable to meet the original repayment schedule. A restructured credit facility is classified into the appropriate non- performing grade based on the assessment of the borrower's financial condition and its ability to repay according to the restructured terms.

Such credit facilities are not returned to the performing status until there are reasonable grounds to conclude that the borrower will be able to service all future principal and interest payments on the credit facility in accordance with the restructured terms and MAS Notice 612. Apart from what has been described, we do not grant concessions to borrowers in the normal course of business.

In addition, it is not within DBS' business model to acquire debts that have been restructured at inception (e.g. distressed debts).

Refer to Note 2.11 to the financial statements on page 131 for our accounting policies regarding specific and general allowances for credit losses.

In general, specific allowances are recognised for defaulting credit exposures rated substandard and below.

The breakdown of our NPA by loan grading and industry and the related amounts of specific allowances can be found in Note 43.2 to the financial statements on page 173. A breakdown of past due loans can also be found in the same note.

When required, we will take possession of all collateral and dispose them as soon as practicable. Realised proceeds are used to reduce outstanding indebtedness.

A breakdown of collateral held for NPA is shown in Note 43.2 to the financial statements on page 175.

Repossessed collateral is classified in the balance sheet as other assets. The amounts of such other assets for 2021 and 2022 were not material.

5.2 Credit risk mitigants

Collateral received

Where possible, DBS takes collateral as a secondary source of repayment. This includes, but is not limited to, cash, marketable securities, real estate, trade receivables, inventory, equipment, and other physical and/ or financial collateral. We may also take fixed and floating charges on the assets of borrowers.

Policies are in place to determine the eligibility of collateral for credit risk mitigation. Collateral is generally diversified and periodic valuations of collateral are required. Real estate constitutes the bulk of our collateral, with a significantly lower proportion in marketable securities and cash.

For derivatives, repurchase agreements (repo) and other repo-style transactions with financial market counterparties, collateral arrangements are typically covered under market-standard documentation, such as International Swaps & Derivatives Association (ISDA) Agreements and Master Repurchase Agreements.

The collateral received is marked-to-market on a frequency that DBS and the counterparties have mutually agreed upon. This is governed by internal guidelines with respect to collateral eligibility. In the event of a default, the credit risk exposure is reduced by master-netting arrangements where DBS is allowed to offset what we owe a counterparty against what is due from that counterparty in a netting-eligible jurisdiction.

Refer to Note 15 to the financial statements on page 143 for further information on financial assets and liabilities subject to netting agreement but not offset on the balance sheet.

Collateral held against derivatives generally consists of cash in major currencies and highly rated government or quasi- government bonds. Exceptions may arise in certain countries, where due to domestic capital markets and business conditions, the bank may be required to accept less highly rated or liquid government bonds and currencies. Reverse repo-transactions are generally traded with large institutions with reasonably good credit standing. DBS takes haircuts against the underlying collateral of these transactions that commensurate with collateral quality to ensure credit risks are adequately mitigated.

In times of difficulty, we will review the customers' specific situation and circumstances to assist them in restructuring their financial obligations.

However, should the need arise, disposal and recovery processes are in place to dispose the collateral held. DBS maintains a panel of agents and solicitors to assist in the disposal of non-liquid assets and specialised equipment quickly.

Collateral posted

DBS is required to post additional collateral in the event of a rating downgrade. As at 31 December 2022, for a three-notch downgrade of its Standard & Poor's Ratings Services and Moody's Investors Services ratings, DBS will have to post additional collateral amounting to SGD 11 million (2021: SGD 2 million).

Other credit risk mitigants

DBS accepts guarantees as credit risk mitigants. Internal requirements for considering the eligibility of guarantors for credit risk mitigation are in place.

5.3 Internal credit risk models

DBS adopts rating systems for the different asset classes under the Internal Ratings - Based Approach (IRBA).

There is a robust governance process for the development, independent validation and approval of any credit risk model. The models go through a rigorous review process before they are endorsed by the GCRMC and Risk EXCO. They must also be approved by the BRMC before submission for regulatory approval. The key risk measures generated by the internal credit risk rating models to quantify regulatory capital include PD, LGD and EAD. For portfolios under the Foundation IRBA, internal estimates of PD are used while the supervisory LGD and EAD estimates are applied. For portfolios under the Advanced IRBA, internal estimates of PD, LGD and EAD are used. In addition, the ratings from the credit models act as the basis for underwriting credit risk, monitoring portfolio performance and determining business strategies. The performance of the rating systems is monitored regularly and reported to the GCRMC, Risk EXCO and BRMC to ensure their ongoing effectiveness.

An independent risk unit conducts formal validations for the respective rating systems annually. The validation processes are also independently reviewed by Group Audit. These serve to highlight material deterioration in the rating systems for management attention.

5.3.1 Retail exposure models

Retail exposures are categorised into the following asset classes under the Advanced IRBA: residential mortgages, qualifying revolving retail exposures, and other retail exposures.

Within each asset class, exposures are managed on a portfolio basis. Each customer or account is assigned to a risk pool, considering factors such as borrower characteristics and collateral type. PD, EAD and LGD estimates are based on internal historical default, utilisation and realised losses within a defined period.

Product-specific credit risk elements such as underwriting criteria, scoring models, approving authorities, asset quality, and business strategy reviews, as well as systems, processes and techniques to monitor portfolio performance, are in place. Credit risk models for secured and unsecured portfolios are also used to update the risk level of each loan on a monthly basis, reflecting the broad usage of risk models in portfolio quality reviews.

5.3.2 Wholesale exposure models

Wholesale exposures are largely under the Foundation IRBA for capital computation. They include sovereign, bank and corporate. Specialised lending exposures are under IRBA using supervisory slotting criteria.

Sovereign exposures are risk-rated using internal risk-rating models. Factors related to country-specific macroeconomic risk, political risk, social risk and liquidity risk are included in the sovereign rating models to assess the sovereign credit risk in an objective and systematic manner.

Bank exposures are assessed using the bank-rating model. The model considers both quantitative and qualitative factors such as capital levels and liquidity, asset quality and management strength.

Large corporate exposures are assessed using internal rating model. Factors considered in the risk assessment process include the counterparty's financial strength and qualitative factors such as industry risk, access to funding, market standing and management strength.

SME credit rating models consider risk factors such as those relating to the counterparty's financial strength, qualitative factors, as well as account performance.

Credit risk ratings under the IRBA portfolios are, at a minimum, reviewed by designated approvers on an annual basis unless credit conditions require more frequent assessment.

5.3.3 Specialised lending exposures

Specialised lending IRBA portfolios include income-producing real estate, project finance, object finance, and commodities finance. These adopt the supervisory slotting criteria specified under Annex 7v of MAS Notice 637, which are used to determine the risk weights to calculate credit risk-weighted exposures.

5.3.4 Securitisation exposures

We arrange securitisation transactions for our clients for fees. These transactions do not involve special-purpose entities that we control. For transactions that are not underwritten, no securitisation exposures are assumed as a direct consequence of arranging the transactions. Any decision to invest in any of such arranged transactions is subject to independent risk assessment.

Where DBS provides an underwriting commitment, any securitisation exposure that arises will be held in the trading book to be traded or sold down in accordance with our internal policy and risk limits. In addition, DBS does not provide implicit support for any transactions we structure or have invested in.

We invest in our clients' securitisation transactions from time to time. These may include securitisation transactions arranged by us or with other parties.

We may also act as a liquidity facility provider, working capital facility provider or swap counterparty. Such securitisation exposures require the approval of the independent risk function and are subject to regular risk reviews. We also have processes in place to monitor the credit risk of our securitisation exposures.

5.3.5 Credit exposures falling outside internal credit risk models

DBS applies the Standardised Approach (SA) for portfolios that are expected to transit to IRBA or for portfolios that are immaterial in terms of size and risk profile. These portfolios include:

- IRBA-transitioning retail and wholesale exposures
- IRBA-exempt retail exposures
- IRBA-exempt wholesale exposures

Any identified transitioning retail and/ or wholesale exposures are expected to adopt Advanced or Foundation IRBA, subject to approval by regulators. Prior to regulatory approval, these portfolios are under SA.

The portfolios under the SA are subject to our overall governance framework and credit risk management practices. DBS continues to monitor the size and risk profile of these portfolios and will enhance the relevant risk measurement processes if these risk exposures become material.

DBS uses external ratings for credit exposures under the SA where relevant, and we only accept ratings from Standard & Poor's, Moody's and Fitch in such cases. DBS follows the process prescribed in MAS Notice 637 to map the ratings to the relevant risk weights.

5.4. Credit risk in 2022

Concentration risk

DBS' concentration risk remained well managed across geographies and industry/ business segments.

Our geographic distribution of customer loans remained stable. Growth was seen mainly in Singapore, Hong Kong and Rest of the World.

Singapore, our home market, continued to account for the largest share of our gross loans and advances to customers which contributed to 47% of our total portfolio.

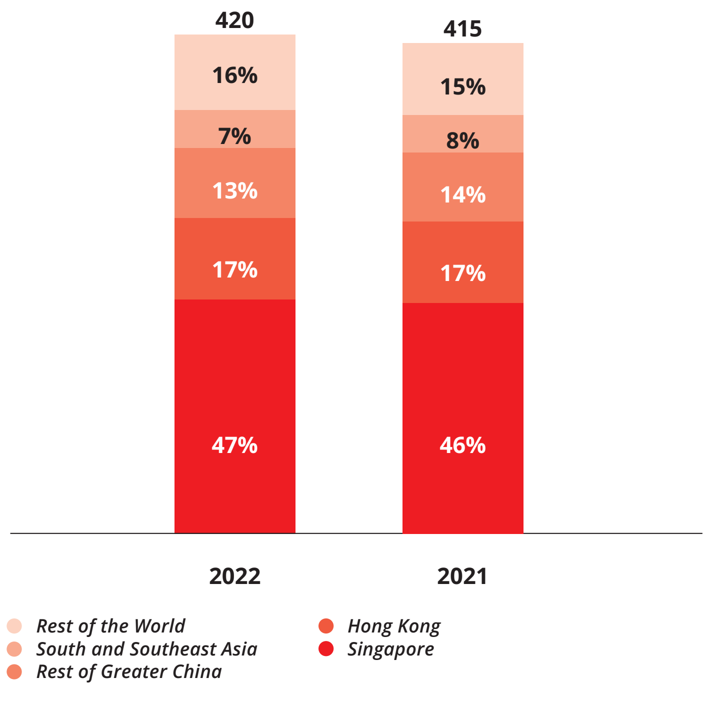
Our portfolio was well diversified across industry and business segments. Building and Construction, General Commerce and Manufacturing remained the largest contributors in the wholesale portfolio, accounting for 48% of the total portfolio.

Non-performing assets

New non-performing asset (NPA) formation was offset by recoveries and write-offs. In absolute terms, our total NPA decreased by 12% from the previous year to SGD 5.13 billion and non-performing loans (NPL) ratio dropped to 1.1% in 2022.

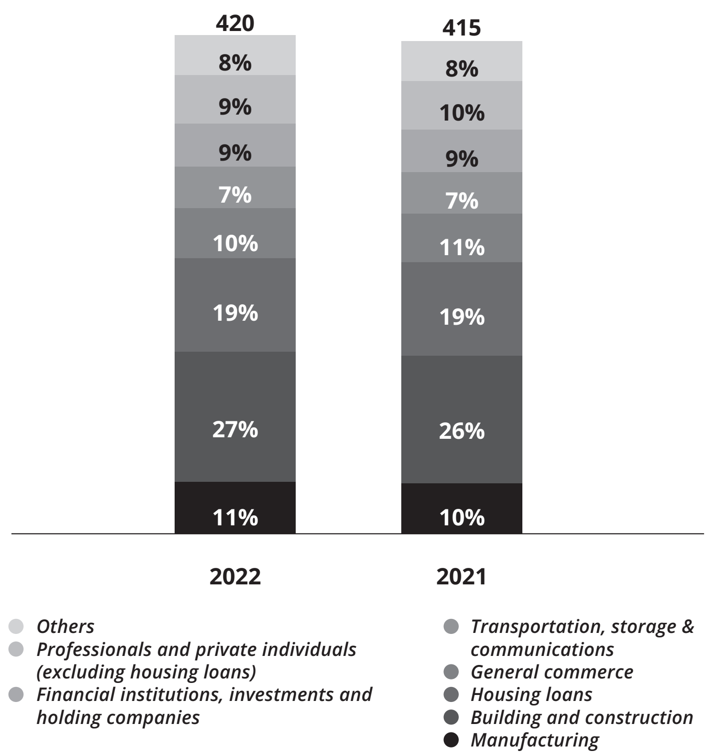
Refer to "CFO Statement" on page 20.

Geographical Concentration (SGD billion)



Above refers to gross loans and advances to customers based on country of incorporation

Industry Concentration (SGD billion)



Above refers to gross loans and advances to customers based on MAS Industry Code

Refer to Note 43.4 to the financial statements on page 176 for DBS' breakdown of credit risk concentration.

Collateral received

The tables below provide breakdowns by loan-to-value (LTV) bands for the borrowings secured by real estate and other collateral from the various market segments.

Residential mortgage loans

The LTV ratio is calculated using mortgage loans including undrawn commitments divided by the collateral value. Property valuations are determined using a combination of professional appraisals and housing price indices.

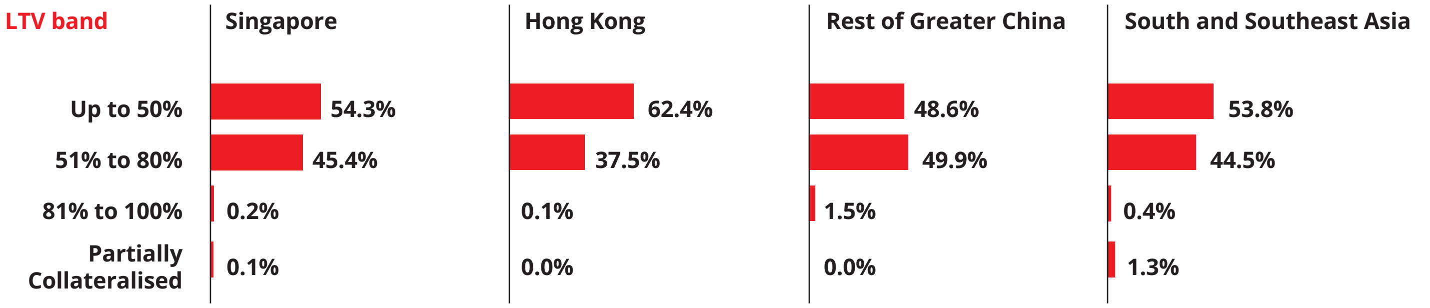
For Singapore mortgage loans, the increases in property price index for HDB and private residential properties drove a shift of 14.8% from the LTV > 50% band to up to 50% LTV band.

For Hong Kong mortgage loans, there was an approximate 25.1% increase in the proportion of mortgage exposure in the 51% to 80% LTV band, as property price index decreased by 15.2% and 12.7% for Urban and New Territory region respectively in 2022.

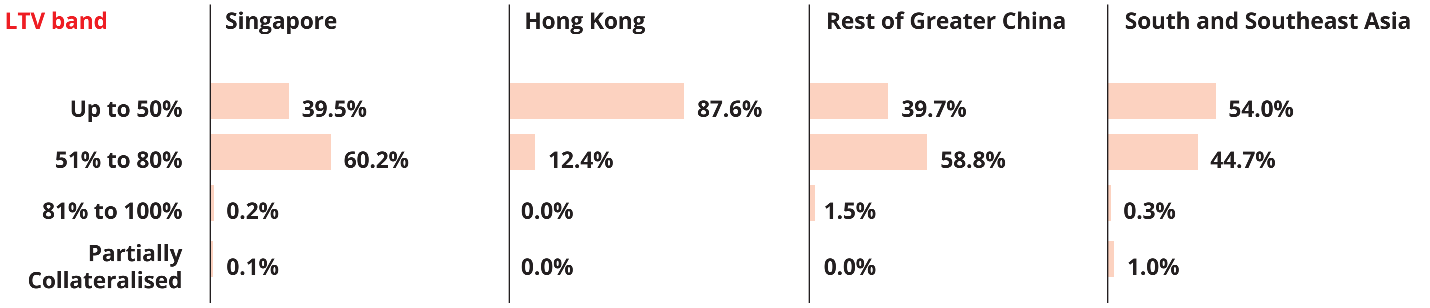
For Rest of Greater China, the shift in the proportion of mortgage exposure to the up to 50% LTV band was mainly driven by the increase in property price index for Taiwan mortgage by 15.6% in 2022.

Percentage of residential mortgage loans (breakdown by LTV band and geography)

As at 31 December 2022



As at 31 December 2021

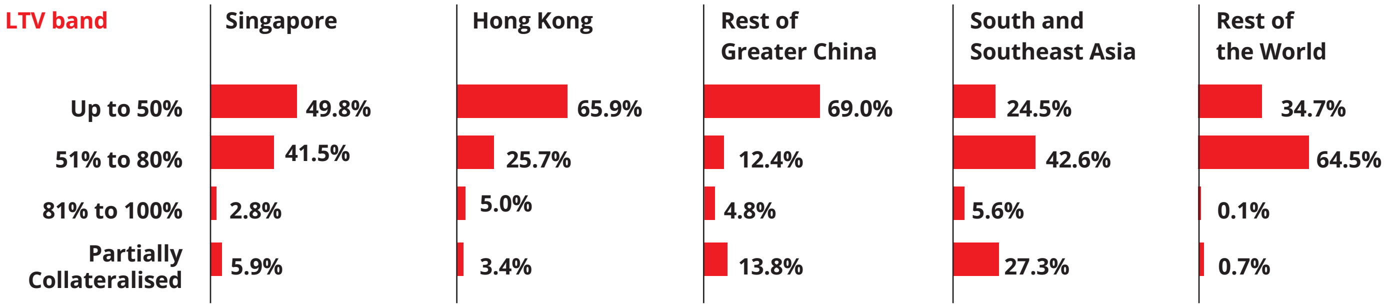


Loans and advances to corporates secured by real estate
These secured loans were extended for the purpose of acquisition and/ or development of real estate, as well as for general working capital. More than 90% of such loans were fully collateralised and majority of these loans had LTV < 80%. Our property loans were mainly concentrated in Singapore and Hong Kong, which together accounted for about 80% of the total property loans.

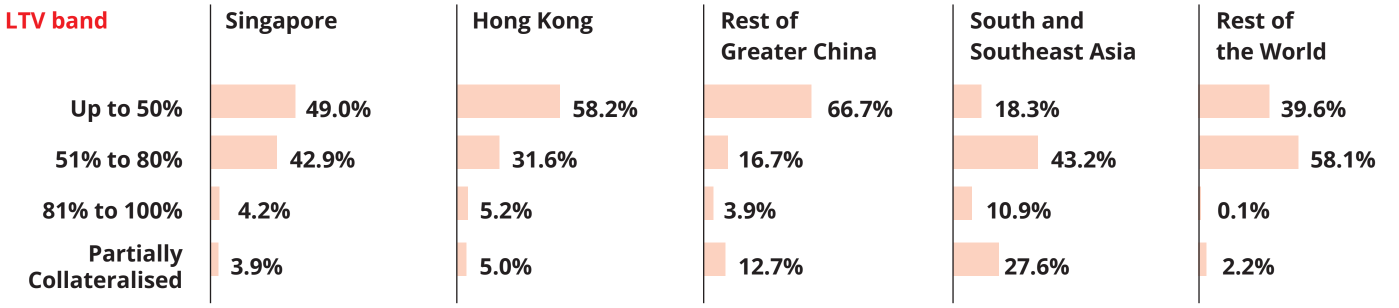
The LTV ratio is calculated as loans and advances divided by the value of collaterals that secure the same facility. Real estate forms a substantial portion of the collaterals; other collaterals such as cash, marketable securities, and bank guarantees are also included.

Percentage of loans and advances to corporates secured by real estate (breakdown by LTV band and geography)

As at 31 December 2022



As at 31 December 2021



Loans and advances to banks
In line with market convention, loans and advances to banks are typically unsecured. DBS manages the risk of such exposures by keeping tight control of the exposure tenor and monitoring of their credit quality.

Derivatives counterparty credit risk by markets and settlement methods
We continue to manage our derivatives counterparty risk exposures with netting and collateral arrangements, thereby protecting our balance sheet in the event of a counterparty default.

A breakdown of our derivatives counterparty credit risk by markets (OTC versus exchange-traded) and settlement methods (cleared through a central counterparty versus settled bilaterally) can be found below.

Notional OTC and exchange-traded products

In notional terms, SGD million	As at 31 Dec 2022
OTC derivatives cleared through a central counterparty	1,457,334
OTC derivatives settled bilaterally	1,114,144
Total OTC derivatives	**2,571,478**
Exchange-traded derivatives	28,860
Total derivatives	**2,600,338**

Please refer to Note 37 to the financial statements on page 160 for the netting arrangements impact and a breakdown of the derivatives positions held by DBS.

6 Market risk

Our exposure to market risk is categorised into:

Trading portfolios: Arising from positions taken for (i) market-making, (ii) client facilitation and (iii) benefiting from market opportunities.

Non-trading portfolios: Arising from (i) our Institutional Banking and Consumer Banking/ Wealth Management assets and liabilities, (ii) debt securities and equities comprising investments held for yield and/ or long-term capital gains, (iii) strategic stakes in entities and (iv) structural foreign exchange risk arising mainly from our strategic investments, which are denominated in currencies other than the Singapore Dollar.

We use a variety of financial derivatives such as swaps, forwards and futures, and options for trading and hedging against market movements.

6.1 Market risk management at DBS

DBS' approach to market risk management comprises the following building blocks:

Policies

Risk methodologies

Processes, systems and reports

Policies
The Group Market Risk Management Policy sets our overall approach towards market risk management. This policy is supplemented with standards and guides, which facilitate the identification, measurement, control, monitoring and reporting of market risk in a consistent manner. They also set out the overall approach, requirements and controls governing market risk stress testing across DBS.

The criteria for determining the positions to be included in the trading book are stipulated in the Trading Book Policy Statement.

Risk methodologies
DBS utilises Value-at-Risk (VaR), a statistical risk measure, to estimate the potential loss from market movements. This measure uses historical simulation based on data for the previous 12 months. It assumes that historical changes in market values reflect the distribution of potential outcomes in the immediate future.

DBS limits and monitors market risk exposures using Expected Shortfall (ES) that is VaR calculated with a one-day holding period and an expected tail-loss methodology which approximates a 97.5% confidence interval.

ES is supplemented with other risk control metrics such as sensitivities to risk factors and loss triggers for management action.

DBS conducts backtesting to verify the predictiveness of the VaR model. Backtesting compares VaR calculated for positions at the close of each business day with the profit and loss (P&L) that arises from those positions on the following business day. The backtesting P&L excludes fees and commissions, revenues from intra-day trading, non-daily valuation adjustments and time effects.

For backtesting, VaR at the 99% confidence interval and over a one-day holding period is used. We adopt the standardised approach to compute market risk regulatory capital under MAS Notice 637 and MAS Notice FHC-N637 for the trading book positions. As such, VaR backtesting does not impact our regulatory capital for market risk.

There are limitations to VaR models; for example, past changes in market risk factors may not provide accurate predictions of future market movements, and the risk arising from adverse market events may not be considered.

To monitor DBS' vulnerability to unexpected but plausible extreme market risk-related events, we conduct multiple market risk stress tests regularly. These cover trading and non-trading portfolios and follow a combination of historical and hypothetical scenarios depicting risk-factor movement.

Economic Value of Equity (EVE) and Net Interest Income (NII) variability are the specific key risk metrics used to assess our interest rate risk in the banking book (IRRBB). EVE and NII variability measure how the economic value and earnings of the bank change under both regulatory and/ or internal scenarios. Credit risk arising from loans and receivables is managed under the credit risk management framework.

IRRBB arises from mismatches in the interest rate profiles of assets, liabilities and capital instruments. Estimating IRRBB requires the use of behavioural models and assumptions on certain parameters such as loan prepayment, fixed deposits early redemption and the duration of non-maturity deposits. DBS measures IRRBB on a monthly basis.

Processes, systems and reports
Robust internal control processes and systems have been designed and implemented to support our market risk management approach. DBS reviews these control processes and systems regularly, and these reviews allow senior management to assess their effectiveness.

The RMG Market and Liquidity Risk unit - an independent market risk management function reporting to the CRO - monitors, controls and analyses DBS' market risk daily. The unit comprises risk control, risk analytics, production and reporting teams.

6.2 Market risk in 2022

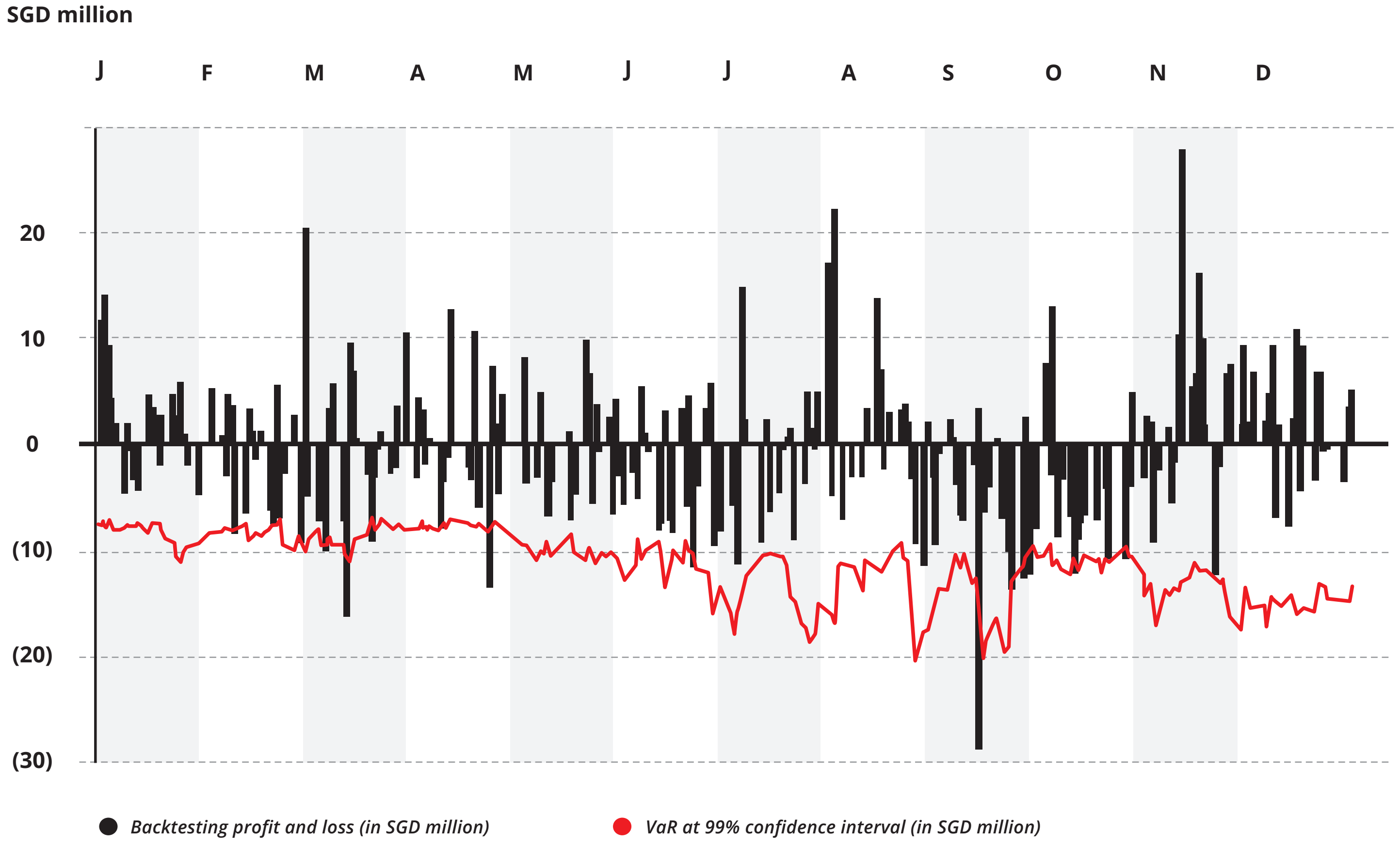
The main risk factors driving DBS' trading portfolios in 2022 were interest rates and credit spreads. The following table shows the period-end, average, high and low diversified ES, and ES by risk class for our trading portfolios. Higher ES in 2022 was due to volatile markets caused by various events such as Russia-Ukraine conflict and multiple rate hikes by major central banks.

		1 Jan 2022 to 31 Dec 2022		
SGD million	**As at 31 Dec 2022**	**Average**	**High**	**Low**
Diversified	15	11	20	7
Interest rates	18	14	27	6
Foreign exchange	6	4	8	1
Equity	2	4	8	2
Credit spread	11	9	11	5
Commodity	#	1	3	#

		1 Jan 2021 to 31 Dec 2021		
SGD million	**As at 31 Dec 2021**	**Average**	**High**	**Low**
Diversified	8	9	21	5
Interest rates	6	9	18	5
Foreign exchange	1	4	9	1
Equity	2	4	9	1
Credit spread	5	7	21	3
Commodity	#	#	1	#

 # Amount under SGD 500,000

DBS' trading portfolios experienced fourteen backtesting exceptions in 2022, which were mainly driven by a rapid increase in global interest rates that had not been observed for several decades.



In 2022, the key market risk drivers of our non-trading portfolios were interest rates (Singapore Dollar and US Dollar) and foreign exchange. The Net Interest Income (NII) of the non-trading book was assessed under various rate scenarios to determine the impact of interest rate movements on future earnings. With simulations using a 100 basis points parallel upward or downward shift in yield curves on DBS' banking book exposures, NII was estimated to increase by SGD 958 million and decrease by SGD 1,331 million respectively.

Foreign exchange risk in our non-trading portfolios was primarily from structural foreign exchange positions[(a)], arising mainly from our strategic investments and retained earnings in overseas branches and subsidiaries.

(a) Refer to Note 39.3 to the financial statements on page 166 for details on DBS' structural foreign exchange positions.

7 Liquidity risk

DBS' liquidity risk arises from our obligations to honour withdrawals of deposits, repayments of borrowed funds at maturity and our commitments to extend loans to our customers. We seek to manage our liquidity to ensure that our liquidity obligations will continue to be honoured under normal as well as adverse circumstances.

7.1 Liquidity risk management at DBS

Approach to liquidity risk management
DBS' approach to liquidity risk management comprises the following building blocks:

- **Policies**
- **Risk methodologies**
- **Processes, systems and reports**

Policies
The Group Liquidity Risk Management Policy sets our overall approach towards liquidity risk management and describes the range of strategies we employ to manage our liquidity.

These strategies include maintaining an adequate counterbalancing capacity to address potential cash flow shortfalls and having diversified sources of liquidity.

DBS' counterbalancing capacity includes liquid assets, the capacity to borrow from the money markets (including the issuance of commercial papers and covered bonds), and forms of managerial interventions that improve liquidity. In the event of a potential or actual crisis, we have in place a set of liquidity contingency and recovery plans to ensure that we maintain adequate liquidity.

The Group Liquidity Risk Management Policy is supported by standards that establish the detailed requirements for liquidity risk identification, measurement, reporting and control within DBS. The set of policies, standards and supporting guides communicate these baseline requirements to ensure a consistent application throughout DBS.

Risk methodologies

The primary measure used to manage liquidity within the tolerance defined by the Board is cash flow maturity mismatch analysis.

This form of analysis is performed on a regular basis under normal and adverse scenarios. It assesses the adequacy of our counterbalancing capacity to fund or mitigate any cash flow shortfalls that may occur as forecasted in the cash flow movements across successive time bands. To ensure that liquidity is managed in line with our Risk Appetite, core parameters such as the types of scenarios, the survival period and the minimum level of liquid assets, are pre-specified for monitoring and control on a group-wide basis. Any occurrences of forecasted shortfalls that cannot be covered by our counterbalancing capacity will be escalated to the relevant committees for evaluation and action.

Liquidity risk stress testing is performed regularly using cash flow maturity mismatch analysis, and covers adverse scenarios including general market and idiosyncratic stress scenarios. Stress tests assess our vulnerability when liability run-offs increase, asset rollovers increase and/ or liquid asset buffers decrease. In addition, ad hoc stress tests are performed as part of our recovery planning and ICAAP exercises.

Liquidity risk control measures such as liquidity-related ratios and balance sheet analysis are complementary tools for cash flow maturity mismatch analysis, and they are performed regularly to obtain deeper insights and finer control over our liquidity profile across different locations.

The liquidity risk control measures also include concentration measures regarding top depositors, wholesale borrowing and swapped funds ratios.

Processes, systems and reports

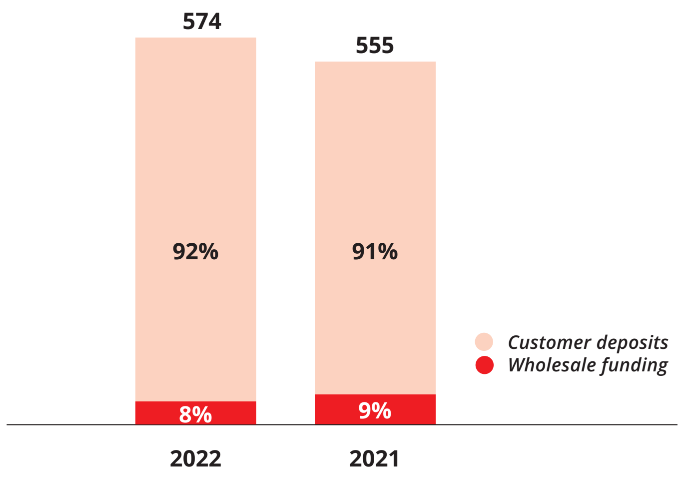
Robust internal control processes and systems support our overall approach in identifying, measuring, aggregating, controlling and monitoring liquidity risk across DBS. Continuous improvement in data and reporting platforms has allowed most elements of internal liquidity risk reporting to be centralised.

The RMG Market and Liquidity Risk unit manages the day-to-day liquidity risk monitoring, control reporting and analysis.

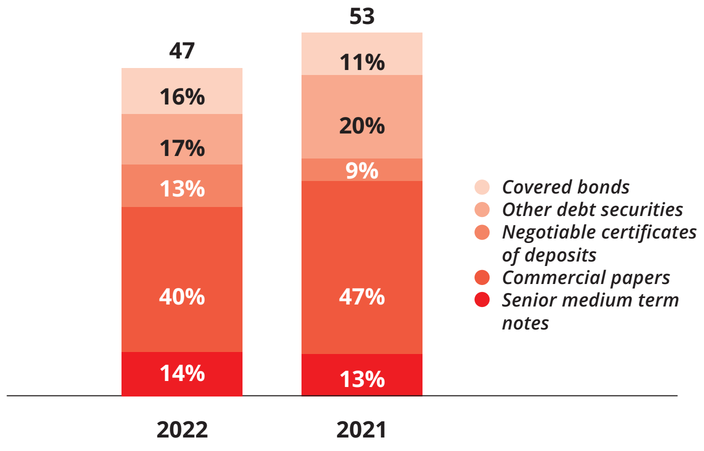
Liquidity management and funding strategy

DBS strives to develop a diversified funding base with access to funding sources across retail and wholesale channels. Our funding strategy is anchored on the strength of our core deposit franchise and is augmented by our established long-term funding capabilities.

Funding sources (SGD billion)

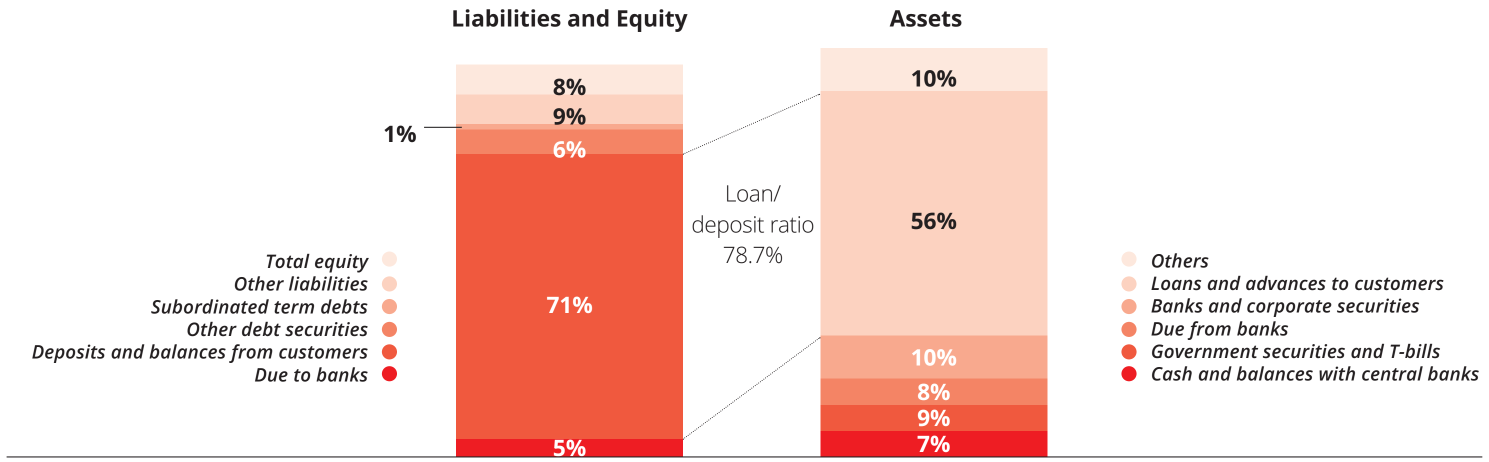


Wholesale Funding Breakdown (SGD billion)



DBS aims to maintain continuous access to the investor base for capital and senior wholesale funding to support our commercial banking activities. We seek cost efficiencies over the long term and to broaden our investor base through proactive and frequent engagement. Capital instruments are primarily issued from DBS Group Holdings Ltd (DBSH) while covered bonds originate from DBS Bank Ltd. Senior notes are issued from both DBSH and the Bank as required.

The diagrams below show our funding structure as at 31 December 2022.



Refer to Note 31 to the financial statements on page 153 for more details of our wholesale funding sources and Note 44.1 on page 178 for the contractual maturity profile of our assets and liabilities.

Growth in the regional franchise generates price, volume, currency and tenor mismatches between our assets and liabilities. To this end, where practicable and transferable without loss in value, we make appropriate use of swap markets for relevant currencies, commensurate with the liquidity of each, in the conversion and deployment of surplus funds across locations.

As these swaps typically mature earlier than loans, we are exposed to potential cash flow mismatches arising from the risk that counterparties may not roll over maturing swaps to support our ongoing funding needs.

This risk is mitigated by triggers set on the number of swaps transacted with the market and by conservative assumptions on the cash flow behaviour of swaps under our cash flow maturity gap analysis (refer to Section 7.2 on page 95).

In general, the term borrowing needs are managed centrally by the head office in consultation with our overseas locations, subject to relevant regulatory restrictions and to an appropriate level of presence and participation required by the respective local funding markets.

The Group Asset and Liability Committee and respective Location Asset and Liability Committees regularly review the composition and growth trajectories of the relevant balance sheets and refine our funding strategy according to business momentum, competitive factors and prevailing market conditions.

7.2 Liquidity risk in 2022

DBS actively monitors and manages our liquidity profile through cash flow maturity mismatch analysis.

In forecasting cash flow under the analysis, behavioural profiling is necessary in cases where a product has indeterminate maturity or the contractual maturity does not realistically reflect the expected cash flow.

Two examples are maturity-indeterminate savings and current account deposits, which are generally viewed as sources of stable funding for commercial banks. A conservative view is adopted in the behavioural profiling of assets, liabilities and off-balance sheet commitments that have exhibited cash flow patterns that differ significantly from the contractual maturity profile shown under Note 44.1 of our financial statements on page 178.

The table below shows our behavioural net and cumulative maturity mismatch between assets and liabilities over a one-year period, in a normal scenario without incorporating growth projections. DBS' liquidity was observed to remain adequate in the maturity mismatch analysis.

SGD million[(a)]	Less than 1 week	1 week to 1 month	1 to 3 months	3 to 6 months	6 months to 1 year
As at 31 Dec 2022[(b)] Net liquidity mismatch	27,278	1,126	(15,986)	23,451	10,019
Cumulative mismatch	27,278	28,404	12,418	35,869	45,888
As at 31 Dec 2021[(b)] Net liquidity mismatch	37,477	20,619	(6,556)	13,624	7,136
Cumulative mismatch	37,477	58,096	51,540	65,164	72,300

(a) *Positive indicates a position of liquidity surplus. Negative indicates a liquidity shortfall that has to be funded*

(b) *As the behavioural assumptions used to determine the maturity mismatch between assets and liabilities are updated from time to time, the liquidity mismatches may not be directly comparable across past balance sheet dates*

7.3 Liquid assets

Liquid assets are assets that are readily available and can be easily monetised to meet obligations and expenses under times of stress.

Such assets are internally defined under the governance of the relevant oversight committees, taking into account the asset class, issuer type and credit rating, among other criteria, before they are reflected as available funds through cash flow maturity mismatch analysis. DBS' Treasury function expects to be able to operationally monetise our pool of liquid assets to meet liquidity shortfalls when the need arises. These liquid assets must be unencumbered and free of any legal, regulatory, contractual or other restrictions.

In practice, liquid assets are maintained in key locations and currencies to ensure that operating entities in such locations possess a degree of self-sufficiency to support business needs and guard against contingencies. The main portion of our liquid assets is centrally maintained in Singapore to support liquidity needs in smaller overseas subsidiaries and branches. Internally, DBS sets a requirement to maintain its pool of liquid assets above a minimum level as a source of contingent funds, taking into account regulatory recommended liquid asset levels as well as internally projected stress shortfalls under the cash flow maturity mismatch analysis.

The table below shows DBS' encumbered and unencumbered liquid assets by instrument and counterparty against other assets in the same category under the balance sheet. The figures are based on the carrying amount at the balance sheet date.

	Liquid assets				Others[d]	Total
SGD million	**Encumbered**	**Unencumbered**	**Total[1]**	**Average[c]**	**[2]**	**[1] + [2]**
As at 31 Dec 2022						
Cash and balances with central banks[a]	9,690	11,761	21,451	20,519	32,719	54,170
Due from banks[b]	-	10,927	10,927	10,940	49,204	60,131
Government securities and treasury bills	10,112	54,133	64,245	64,338	750	64,995
Banks and corporate securities	3,873	58,169	62,042	59,332	13,415	75,457
Total	**23,675**	**134,990**	**158,665**	**155,129**	**96,088**	**254,753**

(a) Unencumbered balances with central banks comprise holdings that are unrestricted and available overnight. The encumbered portion represents the mandatory balances held with central banks, which includes a minimum cash balance (MCB) amount that may be available for use under a liquidity stress situation. The "Others" portion includes term placements with central banks

(b) Liquid assets comprise nostro accounts and eligible certificates of deposits

(c) Total liquid assets reflected on an average basis over the four quarters in 2022

(d) "Others" refer to assets that are not recognised as part of the available pool of liquid assets for liquidity management under stress due to (but not limited to) inadequate or non-rated credit quality, operational challenges in monetisation (e.g. holdings in physical scrips), and other considerations

7.4 Liquidity Coverage Ratio (LCR)

Under MAS Notice to Banks No. 649 "Minimum Liquid Assets (MLA) and Liquidity Coverage Ratio (LCR)" (MAS Notice 649), DBS, as a Domestic Systemically Important Bank (D-SIB) incorporated and headquartered in Singapore, is required to comply with the LCR standards. Group LCR has been maintained well above the minimum LCR requirements of 100% for both all-currency and SGD.

DBS' LCR is sensitive to balance sheet movements resulting from commercial loan/ deposit activities, wholesale inter-bank lending/ borrowing, and to the maturity tenor changes of these positions as they fall into or out of the LCR 30-day tenor. In order to meet the LCR requirements, DBS holds a pool of unencumbered High Quality Liquid Assets (HQLA) comprising predominantly cash, balances with central banks and highly rated bonds issued by governments or supranational entities.

7.5 Net Stable Funding Ratio (NSFR)

DBS is subject to the Net Stable Funding Ratio (NSFR) under MAS Notice to Banks No. 652 "Net Stable Funding Ratio (NSFR)" (MAS Notice 652). Group NSFR has been maintained consistently above the minimum regulatory requirement of 100%.

NSFR aims to improve the resiliency of banks by promoting long term funding stability. We manage our NSFR by maintaining a stable balance sheet supported by a diversified funding base with access to funding sources across retail and wholesale channels.

8 Operational risk

Operational risk is inherent in our business activities and may arise from inadequate or failed internal processes, people, systems, or from external events. DBS' objective is to keep operational risk at appropriate levels, taking into account the markets we operate in, the characteristics of the businesses as well as our economic and regulatory environment.

8.1 Operational risk management at DBS

DBS' approach to operational risk management comprises the following building blocks:

Policies

Risk methodologies

Processes, systems and reports

Policies

The Group Operational Risk Management (ORM) Policy sets our overall approach for managing operational risk in a structured, systematic and consistent manner.

There are policies, standards, tools and programmes in place to govern ORM practices across DBS. These include corporate operational risk policies and standards that are owned by the respective corporate oversight and control functions. The key policies address risk areas relating to technology, compliance, fraud, money laundering, financing of terrorism and sanctions, new product, outsourcing and ecosystem partnership.

Risk methodologies

DBS adopts the standardised approach to compute operational risk regulatory capital.

To manage and control operational risk, we use various tools, including risk and control self-assessment (RCSA), operational risk event management and key risk indicator monitoring.

DBS' Three Lines Model adopts one common risk taxonomy, and a consistent risk assessment approach to managing operational risk. RCSA is conducted by each business or support unit to identify key operational risk and assess the effectiveness of internal controls. When control issues are identified, the units develop action plans and track the resolution of the issues.

Operational risk events are classified in accordance with Basel standards. Such events, including any significant incidents that may impact DBS' reputation, must be reported based on certain established thresholds. Key risk indicators with pre-defined escalation triggers are employed to facilitate risk monitoring in a forward-looking manner.

Additional methodologies are in place to address subject-specific risks, including, but not limited to, the following:

Technology risk

Information Technology (IT) risk is managed through an enterprise technology risk management approach. This covers risk identification, assessment, mitigation, monitoring and reporting. In addition, the appropriate governance, IT policies and standards, control processes and risk mitigation programmes are in place to support the risk management approach.

Cyber security risk

Cyber security risk is a continuous focus of the bank. The Chief Information Security Officer (CISO) oversees the cyber security function and the one-stop competency centre for all cyber security related matters, such as operational risks, data protection risks and compliance with cyber security related regulations. DBS places significant emphasis to secure our people, information, network, equipment and applications in accordance with the Bank's risk appetite. The Bank continues to devote significant resources to improve our cyber hygiene and control environment to stay ahead of the cyber threat curve. The CISO office, as the second line, conducts regular assessments to validate the efficacy of our controls and obtain assurance that our control framework remains effective against emerging and evolving threats. DBS also provides relevant training to drive security awareness amongst our staff and promote a strong security culture.

Compliance risk

Compliance risk refers to the risk of DBS not being able to successfully conduct our business because of any failure to comply with laws, regulatory requirements, industry codes or standards of business and professional conduct applicable to the financial sector.

This includes, in particular, laws and regulations applicable to the licensing and conducting of banking or other financial businesses, financial crime such as anti-money laundering and countering the financing of terrorism, fraud and bribery/ corruption. We maintain a compliance programme designed to identify, assess, measure, mitigate and report on such risks through a combination of policy and relevant systems and controls.

To counter financial crime and sanctions risks, DBS established minimum standards for our business and support units to manage our actual and/ or potential risk exposures. In addition, standards aimed to provide the end-to-end management for fraud and related issues at the unit and geographical levels, are implemented through the Fraud Management Programme. We implement surveillance and compliance testing controls where necessary to obtain assurance that the control framework is operating effectively.

DBS also provides relevant training and implements assurance processes. We strongly believe in the need to promote a strong compliance culture as well, and this is developed through the leadership of our Board and senior management.

New product, outsourcing and ecosystem partnership risks

Each new product, service, outsourcing arrangement or ecosystem partnership is subject to a risk review and sign-off process, where relevant risks are identified and assessed. Variations of existing products or services and existing outsourcing arrangements and ecosystem partnerships are also subject to a similar process.

Other mitigation programmes

A robust business continuity management programme is in place to ensure that essential banking services can continue in the event of unforeseen events or business disruptions. This includes a crisis management plan to enable quick response to manage incidents. Exercises are conducted annually, simulating different scenarios to test business continuity plans and crisis management protocol. The effectiveness of these exercises as well as DBS' business continuity readiness and our alignment to regulatory guidelines are communicated and attested by senior management to the BRMC annually.

DBS' management of the Covid-19 pandemic has demonstrated the efficacy of our business continuity plans, keeping the bank in good stead. We were able to quickly adapt and adjust to the pandemic to ensure minimal impact on our customers and assure the health and safety of our employees. We dialled up our work-from home capabilities by leveraging technology and data, and proactively managed the operational risks which arose from new or revised processes as we moved towards a hybrid work arrangement.

To mitigate losses from specific risk events which are unexpected and significant, DBS effects group-wide insurance coverage under the Group Insurance Programme. These insurance policies relate to crime and professional indemnity, directors and officers liability, cyber security risk, property damage and business interruption, general liability and terrorism.

Processes, systems and reports

Robust internal control processes and systems are integral to identifying, assessing, monitoring, managing and reporting operational risk.

All units are responsible for the day-to-day management of operational risk in their products, processes, systems and activities, in accordance with the various frameworks and policies. The RMG Operational Risk unit and other corporate oversight and control functions:

- Oversee and monitor the effectiveness of operational risk management
- Assess key operational risk issues with the units
- Report and/ or escalate key operational risks to risk committees with recommendations on appropriate risk mitigation strategies

DBS has in place an integrated governance, risk and compliance system with aligned risk assessment methodology, common taxonomy, and unified processes for the three lines model. We have in place an operational risk landscape profile which provides the Board and senior management with an integrated view of DBS' operational risk profile periodically, across key operational risk areas and business lines.

8.2 Operational risk in 2022

The total operational risk losses in 2022 were SGD 12 million (0.07% of DBS' total operating income), compared with SGD 11 million (0.08%) in 2021. The losses may be categorised into the following seven Basel risk event categories:

Basel risk event types	**2022**		**2021**	
	SGD million	**%**	**SGD million**	**%**
Execution, delivery and process management (EDPM)	10.22	83%	9.56	87%
External fraud	0.83	7%	0.49	5%
Business disruptions and system failures	0.81	7%	0.70	6%
Clients, products and business practices	0.39	3%	0.19	2%
Damage to physical assets	0.07	0%	0.04	0%
Internal fraud	0.04	0%	0	0%
Employment practices and workplace safety	0.01	0%	0.01	0%
Total(a)	**12.37**	**100%**	**10.99**	**100%**

Notes
(a) Reportable operational risk events are those with net loss greater than SGD 10,000 and are reported based on the date of detection

EDPM, which comprised mainly processing errors, accounted for the highest share of our total losses in 2022 and the increase was largely attributable to one risk incident.

9 Reputational Risk

DBS views reputational risk typically as an outcome of any failure to manage risks in our day-to-day activities/ decisions, and from changes in the operating environment. These risks include:

- Financial risk (credit, market and liquidity risks)
- Inherent risk (operational and business/ strategic risks)

9.1 Reputational risk management at DBS

DBS' approach to reputational risk management comprises the following building blocks:

Policies
Risk methodologies
Processes, systems and reports

Policies
DBS adopts a four-step approach for reputational risk management, which is to prevent, detect, escalate and respond to reputational risk events.

As reputational risk is typically a consequence of the failure to manage other risk types, the definitions and principles for managing such risks are articulated in the respective risk policies. These are reinforced by sound corporate values that reflect ethical behaviours and practices throughout DBS.

At DBS, we have policies in place to protect the consistency of our brand and to safeguard our corporate identity and reputation.

Risk methodologies
Under the various risk policies, we have established a number of mechanisms for ongoing risk monitoring.

These mechanisms take the form of risk limits, key risk indicators, conduct/ culture and other operating metrics, and include the periodic risk and control self-assessment process. Apart from observations from internal sources, alerts from external parties/ stakeholders also serve as an important source to detect potential reputational risk events. In addition, there are policies relating to media communications, social media and corporate social responsibility to protect DBS' reputation. There are also escalation and response mechanisms in place for managing reputational risk.

While the respective risk policies address the individual risk types, the Reputational Risk Policy focuses specifically on our stakeholders' perception of how well DBS manages its reputational risks. Stakeholders include customers, government agencies and regulators, investors, rating agencies, business alliances, vendors, trade unions, the media, the general public, the Board and senior management, and DBS' employees.

We recognise that creating a sense of shared value through engagement with key stakeholder groups is imperative for our brand and reputation.

Read more about our stakeholder engagement on page 80.

Processes, systems and reports
Our units are responsible for the day-to-day management of reputational risk, and ensure that processes and procedures are in place to identify, assess and respond to this risk. This includes social media monitoring to pick up adverse comments on DBS. Events affecting DBS' reputational risk are also included in our reporting of risk profiles to senior management and Board-level committees.

9.2 Reputational risk in 2022

DBS' priority is to prevent the occurrence of a reputational risk event by adopting good risk attitudes and behaviours, instead of taking mitigating action when it occurs. There were no significant reputational risk incidents endangering the DBS franchise in 2022.

Capital management and planning

Objective

The Board of Directors (Board) is responsible for setting our capital management objective, which is to maintain a strong capital position consistent with regulatory requirements under the Monetary Authority of Singapore (MAS) Notice to Banks No. 637 "Notice on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore" (MAS Notice 637) and Notice to Designated Financial Holding Companies FHC-N637 on "Risk Based Capital Adequacy Requirements" (MAS Notice FHC-N637), and the expectations of various stakeholders including customers, investors and rating agencies. The Board articulates this objective in the form of capital targets. This objective is pursued while delivering returns to shareholders and ensuring that adequate capital resources are available for business growth and investment opportunities as well as adverse situations, taking into consideration our strategic plans and risk appetite.

Our dividend policy is to pay sustainable dividends that grow progressively with earnings. In line with this, the Board proposed a final dividend of 42 cents per share, an increase of six cents from the previous payout, and a special dividend of 50 cents per share. The combined payout of 92 cents per share reflects our robust earnings profile and strong capital position. Together with the ordinary dividends of 36 cents per share for each of the first three quarters, the total dividend payout for the financial year rose to SGD 2.00 per share, a 67% increase from the SGD 1.20 per share for financial year 2021. Barring unforeseen circumstances, the annualised dividend will rise to SGD 1.68 per share. The Scrip Dividend Scheme will not be applied to the final and special dividends, having been suspended since June 2021.

Process

Our capital management objective is implemented via a capital management and planning process that is overseen by the Capital Committee. The Chief Financial Officer chairs the Capital Committee. The Capital Committee receives regular updates on our current and projected capital position. A key tool for capital planning is the annual Internal Capital Adequacy Assessment Process (ICAAP) through which we assess our projected capital supply and demand relative to regulatory requirements and our capital targets. The ICAAP generally has a three-year horizon and covers various scenarios, including stress scenarios of differing scope and severity.

Capital capacity is allocated on two dimensions: by business line and by entity. Capital allocations by business line are set as part of the budget process and monitored during the year. Return on regulatory capital is one of several metrics used to measure business performance. Capital allocations by entity seek to optimise the distribution of capital resources across entities, taking into account the capital adequacy requirements imposed on each subsidiary in its respective jurisdiction. Capital is allocated to ensure that each subsidiary is able to comply with regulatory requirements as it executes its business strategy in line with our strategy.

During the course of the year, these subsidiaries did not experience any impediments to the distribution of dividends.

Capital structure

We manage our capital structure in line with our capital management objective and seek to optimise the cost and flexibility offered by various capital resources. In order to achieve this, we assess the need and the opportunity to raise or retire capital. There were no Additional Tier 1 nor Tier 2 transactions during the year.

Refer to Note 33 of the financial statements for details on the movement of share capital during the year.

Refer to Notes 32 and 34 to the financial statements as well as the Main Features of Capital Instruments document (https://www.dbs.com/investors/fixed-income/capital-instruments) for the terms of the capital instruments that are included in Eligible Total Capital.

The table below analyses the movement in Common Equity Tier 1, Additional Tier 1 and Tier 2 capital during the year.

Statement of changes in regulatory capital for the year ended 31 December 2022

	SGD million
Common Equity Tier 1 capital	
Opening amount	49,248
Profit for the year (attributable to shareholders)	8,193
Dividends paid to shareholders[1]	(3,789)
Cost of share-based payments	134
Purchase of treasury shares	(11)
Other CET1 movements, including other comprehensive income	(3,288)
Closing amount	50,487
Common Equity Tier 1 capital	50,487
Additional Tier 1 capital	
Opening amount	2,392
Other AT1 movements	1
Closing amount	2,393
Tier 1 capital	52,880
Tier 2 capital	
Opening amount	6,567
Movements in Tier 2 capital instruments	(244)
Movement in allowances eligible as Tier 2 capital	(158)
Closing amount	6,165
Total capital	59,045

Note:
(1) Includes distributions paid on capital securities classified as equity

Capital adequacy ratios

As at 31 December 2022, our Common Equity Tier 1 (CET1) capital adequacy ratio (CAR) was 14.6% which was above our target ratio of around 13.0% ± 0.5%. Our CET1 CAR, as well as Tier 1 and Total CARs, comfortably exceeded the minimum CAR requirements under MAS Notice 637, effective from 1 January 2019, of 9.0%, 10.5% and 12.5% respectively (this includes the capital conservation buffer but excludes the countercyclical capital buffer).

As at 31 December 2022, our consolidated leverage ratio stood at 6.4%, well above the 3.0% minimum ratio set by the MAS effective 1 January 2018.

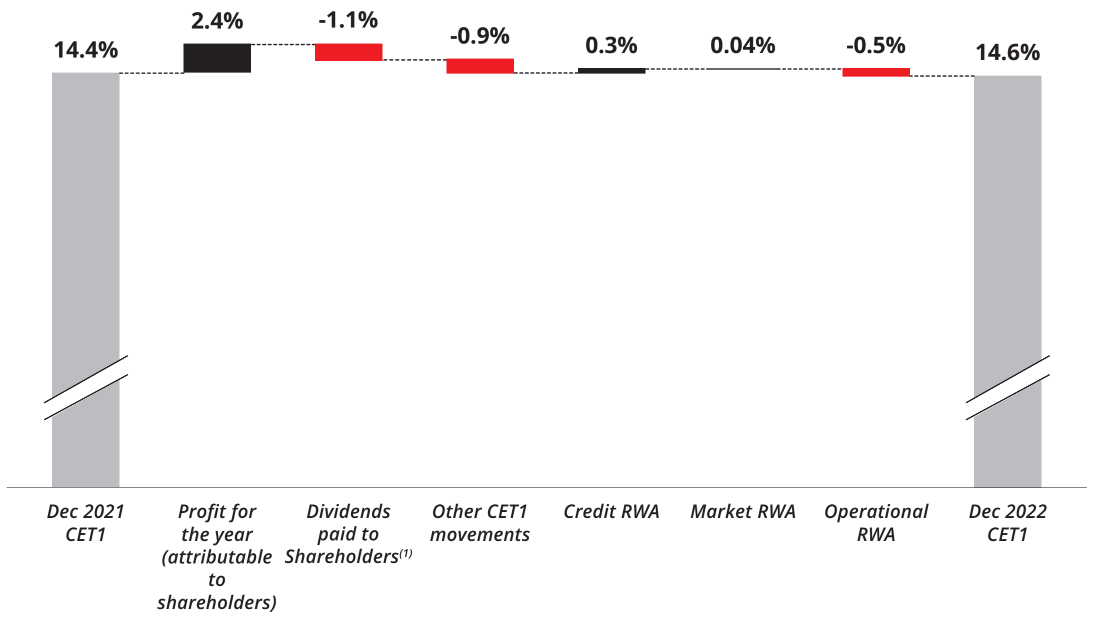
Refer to "Five-Year Summary" on page 189 for the historical trend of Tier 1 and Total CAR. Refer to DBS Group's Pillar 3 disclosures published on DBS website (https://www.dbs.com/investors/default.page) for details on our RWA.

SGD million	**2022**	**2021**
Common Equity Tier 1 capital	50,487	49,248
Tier 1 capital	52,880	51,640
Total capital	59,045	58,207
Risk-weighted assets (RWA)		
Credit RWA	288,640	294,665
Market RWA	22,505	23,448
Operational RWA	35,750	24,578
Total RWA	346,895	342,691
Capital Adequacy Ratio (CAR) (%)		
Common Equity Tier 1	14.6	14.4
Tier 1	15.2	15.1
Total	17.0	17.0
Minimum CAR including Buffer Requirements (%)[1]		
Common Equity Tier 1	9.2	9.1
Effective Tier 1	10.7	10.6
Effective Total	12.7	12.6
Of which: Buffer Requirements (%)		
Capital Conservation Buffer	2.5	2.5
Countercyclical Buffer	0.2	0.1

Note:
(1) Includes minimum Common Equity Tier 1, Tier 1 and Total CAR of 6.5%, 8.0% and 10.0% respectively

The chart below analyses the drivers of the movement in Common Equity Tier 1 (CET1) CAR during the year.

Group Common Equity Tier 1 (CET1) CAR



Note:
(1) Includes distributions paid on capital securities classified as equity

Regulatory change

The minimum CAR requirements based on MAS Notice 637 have been fully phased in from 1 January 2019 and are summarised in the table below.

From 1 January	**2019 and beyond**
Minimum CAR %	
Common Equity Tier 1 (a)	6.5
Capital Conservation Buffer (CCB) (b)	2.5
Common Equity Tier 1 including CCB (a) + (b)	9.0
Tier 1 including CCB	10.5
Total including CCB	12.5
Maximum Countercyclical Buffer [1]	2.5

Note:
(1) The countercyclical buffer is not an ongoing requirement and is only applied as and when specified by the relevant banking supervisors. The applicable magnitude will be a weighted average of the jurisdiction-specific countercyclical buffer requirements that are required by national authorities in jurisdictions to which a bank has private sector credit exposures. The Basel Committee on Banking Supervision (Basel Committee) expects jurisdictions to implement the countercyclical buffer during periods of excessive credit growth. Of the jurisdictions where we have material private sector credit exposures, Hong Kong has applied a countercyclical buffer of 2.5% from 1 January 2019, reducing to 2.0% from 14 October 2019 and 1.0% from 16 March 2020 and remained unchanged thereafter.

The MAS has designated DBS Bank as a domestic systemically important bank (D-SIB). Under the MAS' framework for identifying and supervising D-SIBs, the higher loss absorbency requirement for locally incorporated D-SIBs is met by the foregoing minimum ratios being two percentage points higher than those established by the Basel Committee. The Basel Committee has developed an indicator-based methodology for identifying global systemically important banks (G-SIBs) on which higher loss absorbency requirements will be imposed. While we are not a G-SIB, we are required to disclose the set of indicators which are included in the Group's Pillar 3 disclosures published on DBS website (https://www.dbs.com/investors/default.page).

On 19 December 2022, the MAS announced that the implementation of the final Basel III reforms in Singapore will be deferred to between 1 January 2024 and 1 January 2025. This move is to allow the industry sufficient time for proper implementation of systems needed to adopt the revised framework, and is aligned with the implementation timelines of other major jurisdictions. The MAS will finalise the implementation timeline for the final Basel III reforms (including the transitional arrangement for the output floor) by 1 July 2023.

On 7 February 2022, the MAS imposed on DBS Bank an additional capital requirement arising from the widespread unavailability of DBS Bank's digital banking services during 23 to 25 November 2021. Notwithstanding the multiplier of 1.5 times applied on DBS Bank's risk-weighted assets for operational risk, the Group's capital ratios remained robust. The additional capital requirement will be reviewed when MAS is satisfied that DBS Bank has addressed the shortcomings identified through an independent review of the incident.

With effect from 1 January 2023, MAS Notice 637 was amended to: (a) implement the revised Pillar 3 disclosure requirements for IRRBB published by the Basel Committee; (b) implement a -100bps interest rate floor on the post-shock interest rates under the standardised interest rate shock scenarios set out in Annex 10C of MAS Notice 637; (c) provide additional clarity on the application of interest rate floors, interest rate caps, and pass-through rates when computing IRRBB under the standardised interest rate shock scenarios; and (d) implement various other technical revisions.

Sustainability

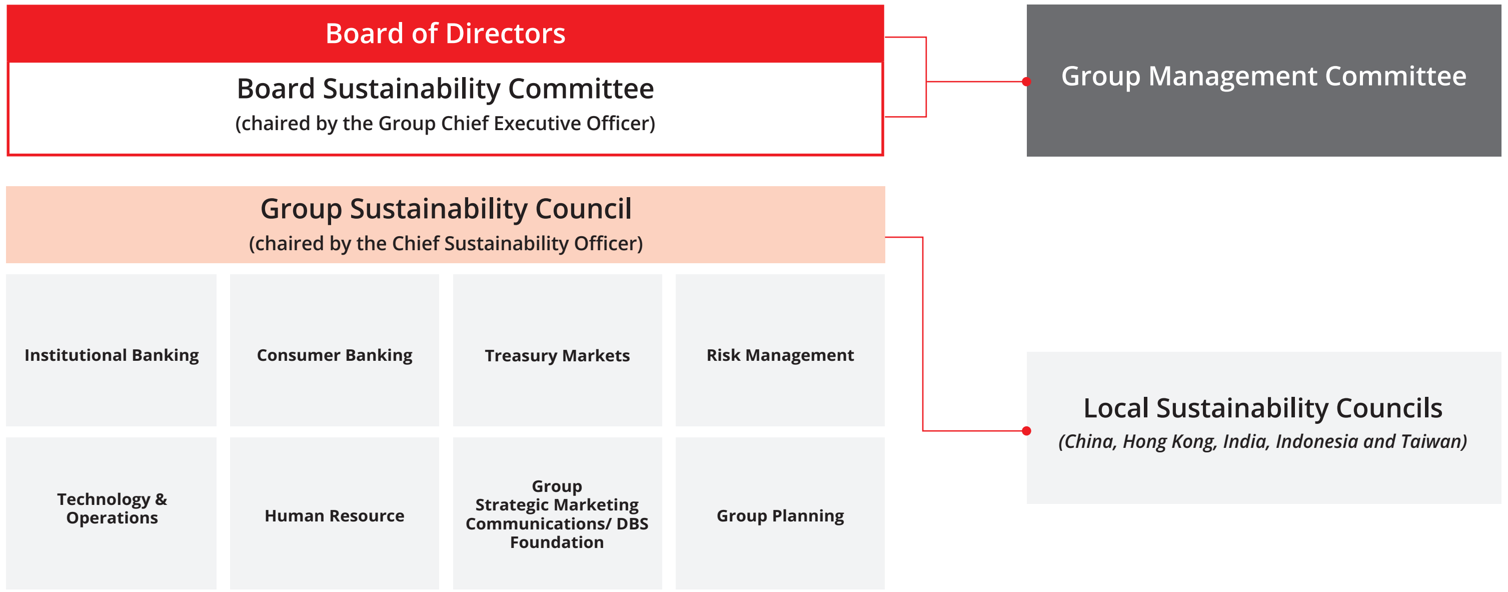
Our 2022 Sustainability Report is prepared in accordance with, and taking reference to, the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), and recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

Governance

Board statement on sustainability

> *"The Board has overall responsibility for the formulation of DBS' sustainability strategy and is guided by the overarching objective to create long-term value by managing our business in a balanced and responsible way. Our aim is to increase our focus on climate-related matters and weave environmental and social factors more deeply into the fabric of our business. As a commitment to creating a sustainable future, we established a new Board Sustainability Committee in February 2022 and appointed an international sustainable finance expert, Dr Ben Caldecott, to the BSC in June 2022."*
>
> *DBS Group Board of Directors*

Sustainability governance structure at DBS



Board of Directors

Board Sustainability Committee
(chaired by the Group Chief Executive Officer)

Group Management Committee

Group Sustainability Council
(chaired by the Chief Sustainability Officer)

Institutional Banking
Consumer Banking
Treasury Markets
Risk Management
Technology & Operations
Human Resource
Group Strategic Marketing Communications/ DBS Foundation
Group Planning

Local Sustainability Councils
(China, Hong Kong, India, Indonesia and Taiwan)

Key sustainability awards

- Outstanding Leadership in Transition/ Sustainability-linked Bonds (Global)
- Financial Leadership in Sustaining Communities (Global)
- Best Green Initiative (Global)
- Steward Leadership 25 (Regional)
- Outstanding Leadership in Green Bonds (Asia-Pacific)
- Best Private Bank for ESG Investing (Singapore)

External ESG Ratings

MSCI	2022 ESG rating AA	2021: AA 2020: AA *Scale: AAA to CCC*
Sustainalytics	2022 Score 20.2 (medium risk)	2021:19.9 (Low risk) 2020: 20.7 (Medium risk) *Scale: 0 to 100, with 100 being the highest risk*
CDP *(formerly Climate Disclosure Project)*	2022 Grade B	2021: B 2020: B- *Scale: A+ to F, with A+ being the best possible score*

Highlights across our three sustainability pillars

01 Responsible banking

Our responsible banking practices support our customers' transition towards lower-carbon business models, enhance their access to ESG investments, and deliver customised retail solutions to meet their specific needs.

SGD 61 billion
committed in sustainable financing loans from 2018 to 2022, in addition to SGD 24 billion in ESG bonds raised in 2022 where DBS was involved as an active bookrunner

SGD 900 million
in unsecured loans approved to SMEs across the region to address their unmet working capital needs, with over 98% of the loans going to micro and small businesses

LiveBetter
engaged 1 million customers in Singapore, who invested SGD 8 million in green funds and donated over SGD 700,000 towards environmental and social causes

Leveraged
NAV Planner
our AI-powered digital financing planning tool to democratise wealth and improve the financial health of our customers

02 Responsible business practices

We believe in doing the right thing by our people and embedding environmental and societal factors in our business operations.

Achieved
carbon neutrality
at the end of 2022 in our own operations

Updated our
Carbon Offset guide
to further strengthen the governance and processes around the selection, purchase and use of offsets as the final lever to our operational decarbonisation strategy

Established
Human Rights and Diversity, Equity & Inclusion (DEI) policies
to formalise our consistent efforts to respect human rights and build an equitable and inclusive workforce

Launched
iGrow
a digital career coach that uses AI/ ML to help employees identify career aspirations and recommend relevant training for upskilling and reskilling

03 Impact beyond banking

We seek to be a force for good by championing social enterprises – businesses with a triple bottom line – and supporting community causes such as those that are driving positive environmental and social impact.

New SME grant award
launched to help SMEs take their first step towards transforming into businesses for impact

New Community Impact Chapter
established under DBS Foundation, with SGD 5.6 million funding committed to equip communities with future ready skills such as financial and digital literacy

> 140,000
employee volunteering hours serving the community

> 1,300 tonnes
in food impact (such as food waste reduced and recycled, or food redistributed)

Accelerating our climate agenda

Addressing climate change is one of the greatest challenges today

Our case for net-zero by 2050

> "We have chosen to prioritise climate change as the most immediate issue today given its urgency and how it is interrelated with other environmental and socio-economic concerns."

We see the case for setting net-zero targets as multi-faceted, where decarbonisation is a:

1. **Societal responsibility**
2. **Risk management imperative**
3. **Business opportunity**

Our approach to setting targets

Grounded in science

To avoid the worst climate impact, we have chosen to align with science-informed decarbonisation glidepaths

2030 interim targets

To tackle net-zero now and to focus on financing our clients' transition today, instead of a distant point in the future

Inclusive growth and prosperity

To enhance prosperity and be a driver of stronger and more inclusive growth as we aspire towards net-zero

Building partnerships

To ensure collective action and support our clients on their decarbonisation journeys

In 2022, we announced one of the most comprehensive and ambitious sets of decarbonisation targets in the global banking industry.

Taken together, our **9** priority sectors represent carbon-intensive industries, contributing to the majority of global greenhouse gases (GHG)

Our net-zero progress

Emission reduction targets				Data coverage targets	
On track	Power	On track	Aviation	On track	Food & Agribusiness
On track	Automotive	Almost on track	Steel(1)	On track	Chemicals
On track	Real Estate	Not on track	Shipping(2)		
On track	Oil & Gas				

Our climate risk management

In 2022, we developed quantitative models for 9 sectors to identify, assess, and quantify transition risks under different scenarios and their potential financial impact to our customers.

In 2022, we also expanded our climate physical risk assessment to cover major residential mortgage portfolios across three of our core markets, namely Singapore, Hong Kong, and Taiwan, building on the assessment of property-lending in Hong Kong in the previous year.

Our transition financing approach

Supports our clients' transition journeys, including the strategic GHG emission reductions of high-emitting assets

To achieve a net-zero future, we support transition activities by:

- Promote a science-informed approach through adoption of industry best practices
- Address potential trade-offs between various environmental, social, and economic/financial matters
- Highlight potential differences in how an economic activity intended as a transitional solution in Asia may differ from more developed markets
- Strengthen credibility through internal capacity building

Committed

SGD 480 million

of transition loans in 2022 to support our clients' transition journey

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(1) Our Steel portfolio was slightly above the target set, which we took reference from the Mission Possible Partnership's Tech Moratorium scenario.

(2) Our Shipping portfolio Alignment Delta was not aligned with Poseidon Principles trajectories, due to the addition of a small group of financed vessels that belong to a business segment with shorter trade routes.

For more details about our net-zero commitment and our progress against targets, read more about "Responsible Financing" in the Sustainability Report.

Summary of disclosures Corporate governance

This summary of disclosures describes our corporate governance practices with specific reference to the express disclosure requirements in the principles and provisions of the 2018 Code* pursuant to Rule 710 of the SGX Listing Manual and the Additional Guidelines*.

* defined on page 42

Express disclosure requirements in the 2018 Code and the Additional Guidelines

Principles and provisions of the 2018 Code - Express disclosure requirements	Page reference in DBS Annual Report 2022
Provision 1.2 The induction, training and development provided to new and existing Directors.	Pages 51 and 52
Provision 1.3 Matters that require Board approval.	Page 58
Provision 1.4 Names of the members of the Board committees, the terms of reference of the Board committees, any delegation of the Board's authority to make decisions, and a summary of each Board committee's activities.	Pages 46 to 58
Provision 1.5 The number of meetings of the Board and Board committees held in the year, as well as the attendance of every Board member at these meetings.	Pages 43 to 44
Provision 2.4 The board diversity policy and progress made towards implementing the board diversity policy, including objectives.	Pages 52 to 53
Provision 4.3 Process for the selection, appointment and re-appointment of Directors to the Board, including the criteria used to identify and evaluate potential new directors and channels used in searching for appropriate candidates.	Page 51
Provision 4.4 Where the Board considers a Director to be independent in spite of the existence of a relationship which may affect his or her independence, the nature of the Director's relationship and the reasons for considering him or her as independent should be disclosed.	Page 51
Provision 4.5 The listed company directorships and principal commitments of each Director, and where a Director holds a significant number of such directorships and commitments, the NC's and Board's reasoned assessment of the ability of the director to diligently discharge his or her duties are disclosed.	Pages 52, 190 to 194
Provision 5.2 How the assessments of the Board, its Board committees and each Director have been conducted, including the identity of any external facilitator and its connection, if any, with the Company or any of its Directors.	Page 51
Provision 6.4 The engagement of any remuneration consultants and their independence.	Page 65
Principle 8 Clear disclosure of remuneration policies, level and mix of remuneration, and procedure for setting remuneration, and the relationship between remuneration, performance and value creation.	Pages 63 to 67
Provision 8.1 The policy and criteria for setting remuneration, as well as names, amounts and breakdown of remuneration of (a) each individual Director and the CEO; and (b) at least the top five key management personnel (who are not Directors or the CEO) in bands no wider than SGD 250,000 and in aggregate the total remuneration paid to these key management personnel.	For the CEO and management: pages 65 to 67 For non-executive Directors: pages 43 to 44
Provision 8.2 Names and remuneration of employees who are substantial shareholders of the Company, or are immediate family members of a Director, the CEO or a substantial shareholder of the Company, and whose remuneration exceeds SGD 100,000 during the year, in bands no wider than SGD 100,000. The disclosure states clearly the employee's relationship with the relevant Director or the CEO or substantial shareholder.	Page 57
Provision 8.3 All forms of remuneration and other payments and benefits, paid by the Company and its subsidiaries to Directors and key management personnel of the Company, and also details of employee share schemes.	For non-executive Directors: pages 43, 44, 56 and 57 For key management personnel: pages 65 to 67 For employee share schemes: pages 65, 113 and 114
Provision 9.2 Whether the Board has received assurance from (a) the CEO and the CFO that the financial records have been properly maintained and the financial statements give a true and fair view of the Company's operations and finances; and (b) the CEO and the other key management personnel who are responsible, regarding the adequacy and effectiveness of the Company's risk management and internal control systems.	Pages 60 and 61
Provision 11.3 Directors' attendance at general meetings of shareholders held during the financial year.	Pages 43 to 44
Provision 12.1 The steps taken to solicit and understand the views of shareholders.	Page 62
Provision 13.2 The strategy and key areas of focus in relation to the management of stakeholder relationships during the reporting period.	Pages 80 to 81

Principles and provisions of the 2018 Code - Express disclosure requirements	Page reference in DBS Annual Report 2022
Guideline 1.17 An assessment of how the induction, orientation and training provided to new and existing Directors meet the requirements set out by the NC to equip the Board and the respective Board committees with relevant knowledge and skills in order to perform their roles effectively.	Pages 51 and 52
Guideline 4.7 The names of the Directors submitted for appointment or re-appointment are accompanied by details and information to enable shareholders and the Board to make informed decisions. Such information, which accompanies the relevant resolution, includes: (a) date of last re-appointment; (b) professional qualifications; (c) any relationships including immediate family relationships between the candidate and the Directors, the Company or its substantial shareholders; (d) a separate list of all current directorships in other listed companies; (e) details of other principal commitments; and (f) any prior experience as a director of a listed issuer or as a director of a financial institution.	Pages 214 to 217
Guideline 4.11 The resignation or dismissal of the key appointment holders.	Not applicable
Guideline 4.12 The identification of all Directors, including their designations (i.e. independent, non-executive, executive, etc.) and roles (as members or chairmen of the Board or Board committees).	Pages 45 to 49, 190 to 194
Guideline 9.9 The remuneration of any non-director with relevant expertise who has been appointed to the board risk committee.	Not applicable
Guideline 9.11 The Board's comments on the adequacy and effectiveness of the internal controls (including financial, operational, compliance and information technology controls, and risk management systems) are disclosed. A statement on whether the AC concurs with the Board's comment is disclosed. Where material weaknesses are identified by the Board or AC, the disclosure of the steps taken to address them.	Page 61
Guideline 10.19 The AC comments on whether the internal audit function is independent, effective and adequately resourced.	Page 54
Guideline 14.5 Material related party transactions.	Page 60

Financial statements

DBS Group Holdings Ltd and its Subsidiaries

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Income statement

Balance sheet: assets

Balance sheet: liabilities

Balance sheet: share capital and reserves

Off-balance sheet information

Additional information

DBS Bank Ltd

DBS Group Holdings Ltd and its Subsidiaries

Directors' statement

for the financial year ended 31 December 2022

The Directors are pleased to present their statement to the Members, together with the audited consolidated financial statements of DBS Group Holdings Ltd (the Company or DBSH) and its subsidiaries (the Group) for the financial year ended 31 December 2022 and the balance sheet of the Company as at 31 December 2022. These have been prepared in accordance with the provisions of the Companies Act 1967 (the Companies Act) and the Singapore Financial Reporting Standards (International).

In the opinion of the Directors:

(a) the consolidated financial statements of the Group and the balance sheet of the Company, together with the notes thereon, as set out on pages 122 to 182, are drawn up so as to give a true and fair view of the financial position of the Group and the Company as at 31 December 2022, and of the consolidated financial performance, changes in equity and cash flows of the Group for the financial year ended on that date; and

(b) as at the date of this statement, there are reasonable grounds to believe that the Company and the Group will be able to pay their debts as and when they fall due.

Board of Directors

The Directors in office at the date of this statement are:

Mr Peter Seah *(Chairman)*
Mr Olivier Lim *(Lead Independent Director)*
Mr Piyush Gupta *(Chief Executive Officer)*
Dr Bonghan Cho
Mr Chng Kai Fong
Mr Ho Tian Yee
Ms Punita Lal
Ms Judy Lee
Mr Anthony Lim
Mr Tham Sai Choy

Mr Peter Seah, Ms Punita Lal and Mr Anthony Lim will retire by rotation in accordance with Article 99 of the Company's Constitution at the forthcoming annual general meeting (AGM) and, being eligible, will offer themselves for re-election at the AGM.

Mr Ho Tian Yee will retire by rotation in accordance with article 99 of the Company's Constitution at the forthcoming AGM and will not offer himself for re-election at the AGM.

Directors' interests in shares or debentures

Each of the following Directors who held office at the end of the financial year had, according to the register of directors' shareholdings required to be kept under Section 164 of the Companies Act, an interest in shares of the Company and related corporations as stated below:

	Holdings in which Directors have a direct interest		**Holdings in which Directors are deemed to have an interest**	
	As at 31 Dec 2022	**As at 1 Jan 2022**	**As at 31 Dec 2022**	**As at 1 Jan 2022**
DBSH ordinary shares				
Mr Peter Seah	312,033	296,008	–	–
Mr Olivier Lim	146,672	143,122	–	–
Mr Piyush Gupta	26,400	–	1,989,046	2,023,773
Dr Bonghan Cho	10,684	8,575	–	–
Mr Ho Tian Yee	60,824	59,109	–	–
Ms Punita Lal	3,829	1,542	–	–
Ms Judy Lee	1,148	–	–	–
Mr Anthony Lim	4,872	2,048	–	–
Mr Tham Sai Choy	102,478	99,464	–	–
Share awards (unvested) granted under the DBSH Share Plan				
Mr Piyush Gupta[1]	830,431	889,442	–	–

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[1] Mr Piyush Gupta's share awards form part of his remuneration. Details of the DBSH Share Plan are set out in Note 40 of the Notes to the 2022 Company's financial statements

There was no change in any of the above-mentioned interests between the end of the financial year and 21 January 2023.

DBSH Share Plan

At the Annual General Meeting held on 25 April 2019, the DBSH Share Plan (which was first adopted on 18 September 1999) was extended for another ten years, from 18 September 2019 to 17 September 2029 (both dates inclusive). The DBSH Share Plan is administered by the Compensation and Management Development Committee (CMDC). As at the date of this statement, the members of the CMDC are Mr Anthony Lim (Chairman), Mr Peter Seah, Dr Bonghan Cho, Ms Punita Lal and Ms Judy Lee.

Under the terms of the DBSH Share Plan:

(a) Awards over DBSH's ordinary shares may be granted to Group executives who hold such rank as may be determined by the CMDC from time to time. Awards may also be granted to (amongst others) executives of associated companies of DBSH who hold such rank as may be determined by the CMDC from time to time, and non-executive Directors of DBSH;

(b) Where time-based awards are granted, participants are awarded ordinary shares of DBSH or, at the CMDC's discretion, their equivalent cash value or a combination of both as part of their deferred bonus, at the end of the prescribed vesting periods. Awards are granted under the DBSH Share Plan at the absolute discretion of the CMDC. Dividends on unvested shares do not accrue to employees;

(c) Awards under the DBSH Share Plan may be granted at any time in the course of a financial year, and may lapse by reason of cessation of employment or misconduct of the participant, except in cases such as retirement, redundancy, ill health, injury, disability, death, bankruptcy of the participant, or by reason of the participant, being a non-executive Director, ceasing to be a Director, or in the event of a take-over, winding up or reconstruction of DBSH;

(d) Subject to the prevailing legislation and the rules of the Singapore Exchange, DBSH will have the flexibility to deliver ordinary shares of DBSH to participants upon vesting of their awards by way of an issue of new ordinary shares and/ or the transfer of existing ordinary shares (which may include ordinary shares held by the Company in treasury); and

(e) The class and/ or number of ordinary shares of DBSH comprised in an award to the extent not yet vested, and/ or which may be granted to participants, are subject to adjustment by reason of any variation in the ordinary share capital of DBSH (whether by way of a capitalisation of profits or reserves or rights issue, reduction, subdivision, consolidation, or distribution) or if DBSH makes a capital distribution or a declaration of a special dividend (whether in cash or *in specie*), upon the written confirmation of the auditor of DBSH that such adjustment (other than in the case of a capitalisation issue) is fair and reasonable.

During the financial year, time-based awards in respect of an aggregate of 5,036,154 ordinary shares were granted pursuant to the DBSH Share Plan to selected employees of the Group. In addition, during the financial year, certain non-executive Directors received an aggregate of 32,672 share awards which vested immediately upon grant. These share awards formed part of their directors' fees for 2021, which had been approved by the shareholders at DBSH's annual general meeting held on 31 March 2022.

Details of the share awards granted under the DBSH Share Plan to Directors of DBSH are as follows:

Directors of the Company	**Share awards granted during the financial year under review**	**Share awards vested during the financial year under review**
Mr Peter Seah	16,025	16,025
Mr Olivier Lim	3,550	3,550
Mr Piyush Gupta	232,662(1)	291,673
Dr Bonghan Cho	2,109	2,109
Mr Ho Tian Yee	1,715	1,715
Ms Punita Lal	2,287	2,287
Ms Judy Lee	1,148	1,148
Mr Anthony Lim	2,824	2,824
Mr Tham Sai Choy	3,014	3,014

(1) The share awards granted to Mr Piyush Gupta are time-based awards which will vest over a 4-year period. The 232,662 share awards were granted in February 2022 and formed part of his remuneration for 2021.

Arrangements to enable Directors to acquire shares or debentures

Neither at the end of, nor at any time during the financial year, was the Company a party to any arrangement, the object of which is to enable the Directors to acquire benefits through the acquisition of shares in, or debentures of, the Company or any other body corporate, save as disclosed in this statement.

Audit Committee

The Audit Committee comprises non-executive Directors Mr Tham Sai Choy (Chairman), Mr Peter Seah, Dr Bonghan Cho, Ms Punita Lal, Mr Chng Kai Fong and Ms Judy Lee.

The Audit Committee performed its functions in accordance with the Companies Act, the SGX-ST Listing Manual, the Financial Holding Companies (Corporate Governance of Designated Financial Holding Companies with Bank Subsidiary) Regulations 2022, the Banking (Corporate Governance) Regulations 2005, the MAS Guidelines for Corporate Governance issued on 9 November 2021 and the Code of Corporate Governance 2018, which include, *inter alia*, the following:

(i) Review, with the external auditor, its audit plan, audit report, evaluation of the internal accounting controls of the Group and assistance given by the management to the external auditor;

(ii) Review the internal auditor's plans and the scope and results of audits;

(iii) Review the Group's consolidated financial statements and financial announcements prior to submission to the Board;

(iv) Review the adequacy, independence and effectiveness of the internal audit function;

(v) Review the adequacy, effectiveness, independence and objectivity of the external auditor; and

(vi) Review the assurance given by CEO and other key management personnel regarding the adequacy and effectiveness of the Group's internal controls.

Please refer to the Corporate Governance Report for further details on the activities of the Audit Committee during the financial year ended 31 December 2022.

The Audit Committee has considered the financial, business and professional relationships between PricewaterhouseCoopers (PwC) and the Group. It is of the view that these relationships would not affect the independence of PwC.

The Audit Committee has recommended, to the Board of Directors, the re-appointment of PwC as independent external auditor at the forthcoming AGM of the Company on 31 March 2023.

Independent Auditor

PricewaterhouseCoopers LLP has expressed its willingness to accept re-appointment as independent external auditor.

On behalf of the Directors

Mr Peter Seah

Mr Piyush Gupta

10 February 2023
Singapore

DBS Group Holdings Ltd and its Subsidiaries

Independent auditor's report

To the members of DBS Group Holdings Ltd

Report on the Audit of the Financial Statements

Our opinion

In our opinion, the accompanying consolidated financial statements of DBS Group Holdings Ltd (the "Company") and its subsidiaries (the "Group") and the balance sheet of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the financial position of the Company and the consolidated financial position of the Group as at 31 December 2022 and of the consolidated financial performance, the consolidated changes in equity and the consolidated cash flows of the Group for the financial year ended on that date.

What we have audited

The financial statements of the Company and the Group comprise:

- the consolidated income statement of the Group for the year ended 31 December 2022;
- the consolidated statement of comprehensive income of the Group for the year ended 31 December 2022;
- the balance sheets of the Group and of the Company as at 31 December 2022;
- the consolidated statement of changes in equity of the Group for the year then ended;
- the consolidated cash flow statement of the Group for the year then ended; and
- the notes to the financial statements, including a summary of significant accounting policies.

Basis for opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

Our audit approach

Overview

Materiality	Group scoping	Key audit matters
We determined the overall Group materiality based on 5% of the Group's profit before tax.	Full scope audit procedures were performed over the Singapore Operations of DBS Bank Ltd. and DBS Bank (Hong Kong) Limited ("significant components"). We identified as component entities ("other components") the branches of DBS Bank Ltd. Hong Kong, Taipei, Seoul, Tokyo and London, as well as the subsidiaries DBS Bank (China) Limited, PT Bank DBS Indonesia, DBS Bank (Taiwan) Ltd and DBS Bank India Limited. This is where certain account balances were considered to be significant in size in relation to the Group. Consequently, audit specified procedures for the significant account balances of these components were performed to obtain sufficient and appropriate audit evidence.	Specific allowances for loans and advances to customers General allowances for credit losses (Stage 1 and 2 Expected Credit Loss) Goodwill Valuation of financial instruments held at fair value

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the accompanying financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole, as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

How we determined overall Group materiality	5% of the Group's profit before tax
Rationale for benchmark applied	We chose 'profit before tax' as, in our view, it is the benchmark against which performance of the Group is most commonly measured. We selected 5% based on our professional judgement, noting that it is also within the range of commonly accepted profit-related thresholds.

In performing our audit, we allocated materiality levels to the significant components and other components of the Group. These are less than the overall Group materiality.

How we developed the audit scope

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group, the accounting processes and controls, and the industry in which the Group operates. The Group's financial reporting process is dependent on its Information Technology ("IT") systems. Our audit scope included testing the operating effectiveness of the controls over the integrity of key financial data processed through the IT systems that are relevant to financial reporting.

In establishing the overall Group audit approach, we determined the extent of audit procedures that were needed to be performed across the Group by us or by other PwC network firms, operating under our instruction, who are familiar with the local laws and regulations in each respective territory, (the "component auditors"). Where the work was performed by component auditors, we determined the level of involvement we needed to have in the procedures to be able to conclude whether sufficient and appropriate audit evidence had been obtained as a basis for our opinion on the financial statements as a whole.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year ended 31 December 2022. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Specific allowances for loans and advances to customers As at 31 December 2022, the specific allowances for loans and advances to customers of the Group was $2,299 million, the majority of which related to Institutional Banking Group ("IBG") customers. Specific allowances refer to loss allowances for credit-impaired exposures (i.e. Stage 3, per SFRS (I) 9). Expected Credit Losses ("ECL") on non-impaired exposures (i.e. Stage 1 and Stage 2) are set out under the 'General allowances for credit losses' key audit matter. We focused on this area because management assessment of impairment can be inherently subjective and involves significant judgement over both the timing and estimation of the size of such impairment. This includes: • the principal assumptions underlying the calculation of specific allowances for loans and advances to IBG customers where there is evidence of impairment losses (including the future profitability of the borrowers and the expected realisable value of collateral held); and • the classification of loans and advances in line with MAS Notice 612 ("MAS 612"). (Refer also to Notes 3 and 19 to the financial statements.)	We assessed the design and evaluated the operating effectiveness of the controls over the specific allowances for loans and advances. These controls included: • oversight of credit risk by the Group Credit Risk Committee; • timely management review of credit risk; • the watchlist identification and monitoring process; • timely identification of impairment events; • classification of loans and advances in line with MAS 612; and • the collateral monitoring and valuation processes. We determined that we could rely on these controls for the purposes of our audit. We inspected a sample of loans and advances to IBG customers to assess whether the classification of the loans and advances was in line with MAS 612 and, where there was evidence of an impairment loss, whether it had been identified in a timely manner. This included, where relevant, how forbearance had been considered. Where impairment had been identified, for a sample of loans and advances, our work included: • considering the latest developments in relation to the borrower; • examining the forecasts of future cash flows prepared by management, including key assumptions in relation to the amount and timing of recoveries; • comparing the collateral valuation and other sources of repayment to check the calculation of the impairment against external evidence, where available, including independent valuation reports; • challenging management's assumptions; and • testing the calculations. For a sample of performing loans and advances to IBG customers which had not been identified by management as potentially impaired, we evaluated management's assumptions on their classification, using external evidence where available in respect of the relevant borrower. Based on procedures performed, we have assessed that the aggregate specific allowance for loans and advances is appropriate.
General allowances for credit losses (Stage 1 and 2 Expected Credit Loss) SFRS(I) 9 *Financial Instruments* ("SFRS(I) 9") requires an ECL impairment model which takes into account forward-looking information to reflect potential future economic events. In estimating ECL over future time periods, significant judgement is required. We focused on the Group's measurement of general allowances on non-impaired exposures ($3,736 million). This covers both 'Stage 1' exposures (where there has not been a significant increase in credit risk), and 'Stage 2' exposures (where a significant increase in credit risk has been observed). The ECL framework implemented by the Group involves significant judgement and assumptions that relate to, amongst others: • adjustments to the Group's Basel credit models and parameters; • use of forward-looking and macro-economic information; • estimates for the expected lifetime of revolving credit facilities; • assessment of significant increase in credit risk; and • post model adjustments to account for limitations in the ECL models. (Refer also to Notes 3 and 11 to the financial statements.)	We critically assessed management's assumptions and estimates relating to Stage 1 and Stage 2 ECL for retail and non-retail portfolios as at 31 December 2022. This included assessing refinements in methodologies made during the year, as well as to account for changes in risk outlook. We tested the design and operating effectiveness of key controls focusing on: • involvement of governance committees, in reviewing and approving certain forward-looking macroeconomic assumptions, including post model adjustments; • completeness and accuracy of external and internal data inputs into the ECL calculations; and • accuracy and timeliness of allocation of exposures into Stage 1 and Stage 2 based on quantitative and qualitative triggers. The Group's internal experts continue to perform independent model validation of selected aspects of the Group's ECL methodologies and assumptions each year. We checked their results as part of our work. We also involved specialists to review the ECL of selected credit portfolios to assess if the methodologies and estimates are appropriate. Through the course of our work, we assessed the rationale and calculation basis of post model adjustments. We also assessed the reasonableness of certain forward-looking economic inputs, as well as the overall ECL output. Overall, we concluded that the Group's ECL on non-impaired exposures is appropriate.
Goodwill As at 31 December 2022, the Group had $5,340 million of goodwill as a result of acquisitions. We focused on this area as management makes significant judgements in estimating future cash flows when undertaking its annual goodwill impairment assessment. The key assumptions used in the discounted cash flow analyses relate to: • cash flow forecasts; • discount rate; and • long-term growth rate. (Refer also to Notes 3 and 28 to the financial statements.)	We assessed the appropriateness of management's identification of the Group's cash generating units and the process by which indicators of impairment were identified. For DBS Bank (Hong Kong) Limited's franchise (goodwill of $4,631 million as at 31 December 2022), we evaluated management's cash flow forecasts and the process by which they were developed. Together with valuation specialists in our team, we assessed discount rate and growth rate assumptions against the Group's own historical performance and available external industry and economic indicators. We checked management's sensitivity analysis over the key assumptions to determine whether any reasonably possible change in these assumptions would result in an impairment, and also performed our own stress analysis. We concur with management's assessment that goodwill balances are not impaired as at 31 December 2022.

Key audit matter	How our audit addressed the key audit matter
Valuation of financial instruments held at fair value Financial instruments held by the Group at fair value include derivative assets and liabilities, trading securities, certain debt instruments and other assets and liabilities designated at fair value. The Group's financial instruments are predominantly valued using quoted market prices ('Level 1') or market observable prices ('Level 2'). The valuations of 'Level 3' instruments rely on significant unobservable inputs. We considered the overall valuation of financial instruments (Level 1, 2 and 3) to be a key audit matter given the financial significance to the Group, the nature of the underlying products and the estimation involved to determine fair value. In determining fair value, management also make adjustments to recognise credit risk, funding costs, bid-offer spreads and, in some cases, parameter and model risk limitations. This is broadly consistent with the banking industry, albeit the methodology to calculate some of these adjustments is continuing to evolve. (Refer also to Notes 3 and 42 to the financial statements.)	We assessed the design and tested the operating effectiveness of the controls over the Group's financial instruments valuation processes. These included the controls over: • management's testing and approval of new models and revalidation of existing models; • the completeness and accuracy of pricing data inputs into valuation models; • monitoring of collateral disputes; and • governance mechanisms and monitoring over the valuation processes (including derivative valuation adjustments) by the Group Market and Liquidity Risk Committee and the Group Valuation Committee. We determined that we could rely on the controls for the purposes of our audit. In addition, we: • engaged our own specialists to use their own models and input sources to determine an independent estimate of fair value for a sample of the Group's Level 1 and Level 2 financial instruments. We compared these to the Group's calculations of fair value to assess individual material valuation differences or systemic bias; • assessed the reasonableness of the methodologies used and the assumptions made for a sample of financial instrument valuations with significant unobservable valuation inputs (Level 3 instruments); • performed procedures on collateral disputes to identify possible indicators of inappropriate valuations; • performed tests of inputs and assessed the methodology over fair value adjustments, in light of available market data and industry trends; and • considered the implications of global reforms to Interest Reference Rates ("IBOR Reform") in our assessment of fair value. Overall, we considered that the valuation of financial instruments held at fair value was within a reasonable range of outcomes.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report, and the other sections of the Annual Report ("the Other Sections") which are expected to be made available to us after that date.

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the Other Sections, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions in accordance with SSAs.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors, have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Yura Mahindroo.

Pricewaterhouse Coopers LLP

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants

Singapore, 10 February 2023

DBS Group Holdings Ltd and its Subsidiaries

Consolidated income statement

for the year ended 31 December 2022

In $ millions	**Note**	**2022**	**2021**
Interest income		**15,927**	10,185
Interest expense		**4,986**	1,745
Net interest income	4	**10,941**	8,440
Net fee and commission income	5	**3,091**	3,524
Net trading income	6	**2,313**	1,791
Net income from investment securities	7	**115**	387
Other income	8	**42**	46
Non-interest income		**5,561**	5,748
Total income		**16,502**	14,188
Employee benefits	9	**4,376**	3,875
Other expenses	10	**2,714**	2,694
Total expenses		**7,090**	6,569
Profit before allowances		**9,412**	7,619
Allowances for credit and other losses	11	**237**	52
Profit after allowances		**9,175**	7,567
Share of profits or losses of associates and joint ventures	12	**207**	213
Profit before tax		**9,382**	7,780
Income tax expense	13	**1,188**	973
Net profit		**8,194**	6,807
Attributable to:			
Shareholders		**8,193**	6,805
Non-controlling interests		**1**	2
		8,194	6,807
Basic and diluted earnings per ordinary share ($)	14	**3.15**	2.61

(see notes on pages 128 to 182 as well as the Risk Management section on pages 82 to 98 which form part of these financial statements)

DBS Group Holdings Ltd and its Subsidiaries

Consolidated statement of comprehensive income

for the year ended 31 December 2022

In $ millions	**2022**	**2021**
Net profit	**8,194**	6,807
Other comprehensive income:		
Items that may be reclassified subsequently to income statement:		
Translation differences for foreign operations	**(954)**	361
Other comprehensive income of associates	**8**	12
(Losses)/ gains on debt instruments classified at fair value through other comprehensive income		
Net valuation taken to equity	**(1,860)**	(313)
Transferred to income statement	**117**	(163)
Taxation relating to components of other comprehensive income	**125**	23
Cash flow hedge movements		
Net valuation taken to equity	**(2,355)**	(444)
Transferred to income statement	**(140)**	(227)
Taxation relating to components of other comprehensive income	**193**	65
Items that will not be reclassified to income statement:		
(Losses)/ gains on equity instruments classified at fair value through other comprehensive income (net of tax)	**(417)**	122
Fair value change from own credit risk on financial liabilities designated at fair value (net of tax)	**115**	(32)
Defined benefit plans remeasurements (net of tax)	**(1)**	(11)
Other comprehensive income, net of tax	**(5,169)**	(607)
Total comprehensive income	**3,025**	6,200
Attributable to:		
Shareholders	**3,039**	6,194
Non-controlling interests	**(14)**	6
	3,025	6,200

(see notes on pages 128 to 182 as well as the Risk Management section on pages 82 to 98 which form part of these financial statements)

DBS Group Holdings Ltd and its Subsidiaries

Balance sheets

as at 31 December 2022

In $ millions	Note	The Group 2022	The Group 2021	The Company 2022	The Company 2021
Assets					
Cash and balances with central banks	16	**54,170**	56,377	**–**	–
Government securities and treasury bills	17	**64,995**	53,262	**–**	–
Due from banks		**60,131**	51,377	**69**	85
Derivatives	37	**44,935**	19,681	**25**	98
Bank and corporate securities	18	**75,457**	69,692	**–**	–
Loans and advances to customers	19	**414,519**	408,993	**–**	–
Other assets	21	**18,303**	15,895	**16**	1
Associates and joint ventures	24	**2,280**	2,172	**–**	–
Subsidiaries	23	**–**	–	**29,540**	31,344
Properties and other fixed assets	27	**3,238**	3,262	**–**	–
Goodwill and intangibles	28	**5,340**	5,362	**–**	–
Total assets		**743,368**	686,073	**29,650**	31,528
Liabilities					
Due to banks		**39,684**	30,209	**–**	–
Deposits and balances from customers	29	**527,000**	501,959	**–**	–
Derivatives	37	**45,265**	20,318	**129**	29
Other liabilities	30	**22,747**	18,667	**64**	75
Due to subsidiaries		**–**	–	**1,120**	719
Other debt securities	31	**47,188**	52,570	**3,472**	5,670
Subordinated term debts	32	**4,412**	4,636	**4,412**	4,636
Total liabilities		**686,296**	628,359	**9,197**	11,129
Net assets		**57,072**	57,714	**20,453**	20,399
Equity					
Share capital	33	**11,495**	11,383	**11,535**	11,425
Other equity instruments	34	**2,392**	2,392	**2,392**	2,392
Other reserves	35	**(1,347)**	3,810	**37**	131
Revenue reserves	35	**44,347**	39,941	**6,489**	6,451
Shareholders' funds		**56,887**	57,526	**20,453**	20,399
Non-controlling interests		**185**	188	**–**	–
Total equity		**57,072**	57,714	**20,453**	20,399

(see notes on pages 128 to 182 as well as the Risk Management section on pages 82 to 98 which form part of these financial statements)

DBS Group Holdings Ltd and its Subsidiaries

Consolidated statement of changes in equity

for the year ended 31 December 2022

	Attributable to shareholders of the Company						
In $ millions	Share capital	Other equity instruments	Other reserves	Revenue reserves	Shareholders' funds	Non-controlling interests	Total equity
2022							
Balance at 1 January	**11,383**	**2,392**	**3,810**	**39,941**	**57,526**	**188**	**57,714**
Purchase of treasury shares	**(11)**	**–**	**–**	**–**	**(11)**	**–**	**(11)**
Draw-down of reserves upon vesting of performance shares	**123**	**–**	**(124)**	**–**	**(1)**	**–**	**(1)**
Cost of share-based payments	**–**	**–**	**134**	**–**	**134**	**–**	**134**
Dividends paid to shareholders[(a)]	**–**	**–**	**–**	**(3,789)**	**(3,789)**	**–**	**(3,789)**
Other movements	**–**	**–**	**(36)**	**25**	**(11)**	**11**	**–**
Net profit	**–**	**–**	**–**	**8,193**	**8,193**	**1**	**8,194**
Other comprehensive income	**–**	**–**	**(5,131)**	**(23)**	**(5,154)**	**(15)**	**(5,169)**
Balance at 31 December	**11,495**	**2,392**	**(1,347)**	**44,347**	**56,887**	**185**	**57,072**
2021							
Balance at 1 January	10,942	3,401	4,397	35,886	54,626	17	54,643
Purchase of treasury shares	(16)	–	–	–	(16)	–	(16)
Draw-down of reserves upon vesting of performance shares	115	–	(117)	–	(2)	–	(2)
Redemption of perpetual capital securities	–	(1,009)	–	1	(1,008)	–	(1,008)
Cost of share-based payments	–	–	134	–	134	–	134
Issue of shares pursuant to Scrip Dividend Scheme	342	–	–	(342)	–	–	–
Dividends paid to shareholders[(a)]	–	–	–	(2,392)	(2,392)	–	(2,392)
Capital contribution from non-controlling interests	–	–	3	–	3	152	155
Other movements	–	–	–	(13)	(13)	13	–
Net profit	–	–	–	6,805	6,805	2	6,807
Other comprehensive income	–	–	(607)	(4)	(611)	4	(607)
Balance at 31 December	11,383	2,392	3,810	39,941	57,526	188	57,714

(a) Includes distributions paid on capital securities classified as equity (2022: $85 million; 2021: $121 million)

(see notes on pages 128 to 182 as well as the Risk Management section on pages 82 to 98 which form part of these financial statements)

DBS Group Holdings Ltd and its Subsidiaries

Consolidated cash flow statement

for the year ended 31 December 2022

In $ millions	2022	2021
Cash flows from operating activities		
Profit before tax	**9,382**	7,780
Adjustments for non-cash and other items:		
Allowances for credit and other losses	**237**	52
Depreciation of properties and other fixed assets	**701**	669
Share of profits or losses of associates and joint ventures	**(207)**	(213)
Net gain on disposal, net of write-off of properties and other fixed assets	**50**	13
Net income from investment securities	**(115)**	(387)
Cost of share-based payments	**134**	134
Interest expense on subordinated term debts	**93**	76
Interest expense on lease liabilities	**21**	30
Profit before changes in operating assets and liabilities	**10,296**	8,154
Increase/ (Decrease) in:		
Due to banks	**10,845**	598
Deposits and balances from customers	**31,010**	33,162
Derivatives and other liabilities	**28,616**	(16,913)
Other debt securities and borrowings	**(4,727)**	9,149
(Increase)/ Decrease in:		
Restricted balances with central banks	**(705)**	(1,189)
Government securities and treasury bills	**(13,801)**	(1,168)
Due from banks	**(9,328)**	232
Bank and corporate securities	**(7,878)**	(3,277)
Loans and advances to customers	**(12,410)**	(35,518)
Derivatives and other assets	**(28,108)**	15,199
Tax paid	**(1,041)**	(698)
Net cash generated from operating activities (1)	**2,769**	7,731
Cash flows from investing activities		
Dividends from associates	**86**	42
Capital distribution from an associate	**–**	10
Acquisition of interests in associates and joint ventures	**(114)**	(1,108)
Proceeds from disposal of properties and other fixed assets	**3**	22
Purchase of properties and other fixed assets	**(669)**	(567)
Net cash used in investing activities (2)	**(694)**	(1,601)

DBS Group Holdings Ltd and its Subsidiaries

Consolidated cash flow statement

for the year ended 31 December 2022

In $ millions	2022	2021
Cash flows from financing activities		
Redemption of perpetual capital securities	**–**	(1,008)
Issue of subordinated term debts	**–**	1,000
Redemption of subordinated term debts	**–**	(257)
Interest paid on subordinated term debts	**(86)**	(64)
Purchase of treasury shares	**(11)**	(16)
Dividends paid to shareholders of the Company, net of scrip dividends(a)	**(3,789)**	(2,392)
Capital contribution by non-controlling interests	**–**	155
Net cash used in financing activities (3)	**(3,886)**	(2,582)
Exchange translation adjustments (4)	**(903)**	940
Net change in cash and cash equivalents (1)+(2)+(3)+(4)	**(2,714)**	4,488
Cash and cash equivalents at 1 January	**46,690**	42,202
Cash and cash equivalents at 31 December (Note 16)	**43,976**	46,690

(a) Includes distributions paid on capital securities classified as equity

(see notes on pages 128 to 182 as well as the Risk Management section on pages 82 to 98 which form part of these financial statements)

DBS Group Holdings Ltd and its Subsidiaries

Notes to the financial statements

for the year ended 31 December 2022

These Notes are integral to the financial statements.

The consolidated financial statements for the year ended 31 December 2022 were authorised for issue by the Directors on 10 February 2023.

1. Domicile and Activities

The Company, DBS Group Holdings Ltd, is incorporated and domiciled in the Republic of Singapore and has its registered office at 12 Marina Boulevard, Marina Bay Financial Centre Tower Three, Singapore 018982.

The Company is listed on the Singapore Exchange.

The Company is an investment holding, treasury and funding vehicle for the group. Its main subsidiary is DBS Bank Ltd. (the Bank), which is wholly owned and engaged in a range of commercial banking and financial services, principally in Asia.

The financial statements relate to the Company and its subsidiaries (the Group) and the Group's interests in associates and joint ventures.

2. Summary of Significant Accounting Policies

2.1 Basis of preparation

Compliance with Singapore Financial Reporting Standards (International) (SFRS(I))

The financial statements of the Company and the consolidated financial statements of the Group are prepared in accordance with Singapore Financial Reporting Standards (International) (SFRS(I)). As permitted by Section 201(10)(b) of the Companies Act 1967 (the Act), the Company's income statement has not been included in these financial statements.

The financial statements are presented in Singapore dollars and rounded to the nearest million, unless otherwise stated.

2.2 Significant estimates and judgement

The preparation of financial statements requires management to exercise judgement, use estimates and make assumptions in the application of policies and in reporting the amounts in the financial statements. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from these estimates. Critical accounting estimates and assumptions used that are significant to the financial statements, and areas involving a higher degree of judgement and complexity, are disclosed in Note 3.

2.3 New or amended SFRS(I) effective for 2022 year-end

The amendments effective from 1 January 2022 did not have significant impact on the Group's financial statements.

2.4 New SFRS(I) and Interpretations effective for future periods

The amendments and interpretations effective for future periods do not have a significant impact on the Group's financial statements.

A) General Accounting Policies

A summary of the significant group accounting policies is described further below starting with those relating to the entire financial statements, followed by those relating to the income statement, the balance sheet and other specific topics. This does not reflect the relative importance of these policies to the Group.

2.5 Group Accounting

Subsidiaries

Subsidiaries are entities (including structured entities) over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Subsidiaries are consolidated from the date control is transferred to the Group to the date control ceases.

The acquisition method is used to account for business combinations. Please refer to Note 2.13 for the Group's accounting policy on goodwill.

All intra-group transactions and balances are eliminated on consolidation.

Associates and Joint Ventures

Associates are entities over which the Group has significant influence but no control, where the Group generally holds a shareholding of between and including 20% and 50% of the voting rights.

Joint ventures are entities which the Group has joint control and rights to the net assets of the entity.

Investments in associates and joint ventures are initially recognised at cost. In addition, when the Group's share of the fair value of the identifiable net assets of the investment exceeds the cost of acquisition paid by the Group, the excess is recognised in profit and loss as part of the share of profit from associates and joint ventures.

Investments in associates and joint ventures are accounted for using the equity method. Under the equity method of accounting, these investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of post-acquisition profits or losses and the Group's share of other comprehensive income. Dividends received or receivable from the associates and joint ventures are recognised as a reduction of the carrying amount of the investments.

2.6 Foreign currency treatment

Functional and presentation currency

Items in the financial statements are measured using the functional currency of each entity in the Group, this being the currency of the primary economic environment in which the entity operates. The Group's financial statements are presented in Singapore dollars, which is the functional currency of the Company.

Foreign currency transactions and balances

Transactions in foreign currencies are measured using the exchange rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency of the entity undertaking the transaction at the exchange rates at the balance sheet date. Foreign exchange differences arising from this translation are recognised in the income statement within "Net trading income".

Non-monetary assets and liabilities measured at cost in a foreign currency are translated using the exchange rates at the date of the transaction.

Non-monetary assets and liabilities measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined, which is generally the balance sheet date.

Unrealised foreign exchange differences arising from non-monetary financial assets and liabilities classified as fair value through profit or loss (FVPL) are recognised in the income statement as trading income.

Non-monetary financial assets that are classified at fair value through other comprehensive income (FVOCI) relates mainly to FVOCI equities. Please refer to Note 2.9 for the accounting treatment of FVOCI equities.

Foreign operations

The results and financial position of subsidiaries, associates, joint ventures and branches or units whose functional currency is not Singapore dollars ("foreign operations") are translated into Singapore dollars in the following manner:

- Assets and liabilities are translated at the exchange rates at the balance sheet date;
- Income and expenses in the income statement are translated at exchange rates prevailing at each month-end, approximating the exchange rates at the dates of the transactions; and
- All resulting exchange differences are recognised in other comprehensive income and accumulated under foreign currency translation reserves in equity. When a foreign operation is partially or fully disposed of, or when it is liquidated, such exchange differences are recognised in the income statement as part of the gain or loss.

For acquisitions prior to 1 January 2005, the foreign exchange rates at the respective dates of acquisition were used. Goodwill and fair value adjustments arising on the acquisition of a foreign operation on or after 1 January 2005 are treated as assets and liabilities of the foreign operation and translated at the closing rate. Please refer to Note 28 for an overview of goodwill recorded.

2.7 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to management.

In preparing the segment information, amounts for each business segment are shown after the allocation of certain centralised costs, funding income and the application of transfer pricing, where appropriate. Transactions between segments are recorded within the segment as if they are third party transactions and are eliminated on consolidation.

Please refer to Note 46 for further details on business and geographical segment reporting.

B) Income Statement

2.8 Income recognition

Interest income and interest expense

Interest is accrued on all interest-bearing financial assets and financial liabilities, regardless of their classification and measurement, except for limited transactions measured at FVPL where the economics are better reflected in "Net trading income".

Interest income and interest expense are recognised on a time-proportionate basis using the effective interest method. The calculation includes significant fees and transaction costs that are integral to the effective interest rate, as well as premiums or discounts.

Fee and commission income

The Group earns fee and commission income from a diverse range of products and services provided to its customers. Fee and commission income are recognised when the Group has satisfied its performance obligation in providing the promised products and services to the customer, and are recognised based on contractual rates agreed with customers, net of expected waivers based on historical experience, and net of expenses directly related to it. The Group generally satisfies its performance obligation and recognises the fee and commission income on the following basis:

- Transaction-based fee and commission income is recognised on the completion of the transaction. Such fees include underwriting fees, brokerage fees, bancassurance sales commission and variable service fees, and fees related to the completion of corporate finance transactions.
- For a service that is provided over a period of time, fee and commission income is generally recognised on equal proportion basis over the period during which the related service is provided or credit risk is undertaken. This basis of recognition most appropriately reflects the nature and pattern of provision of these services to the customers over time. Fees for these services can be billed to customers in advance or periodically over time. Such fees include the income from issuance of financial guarantees and bancassurance fixed service fees.

The Group does not provide any significant credit terms to customers for the above products and services.

Directly related expenses typically include brokerage fees paid, card-related expenses and sales commissions, but do not include expenses for services delivered over a period (such as service contracts) and other expenses that are not specifically related to fee and commission income transactions.

Dividend income

Dividend income is recognised when the right to receive payment is established. This is generally the ex-dividend date for listed equity securities, and the date when shareholders approve the dividend for unlisted equity securities. Dividend income arising from financial assets classified as FVPL is recognised in "Net trading income", while those arising from FVOCI financial assets is recognised in "Net income from investment securities".

Allowances for credit and other losses

Please refer to Note 2.11 for the accounting policy on impairment of financial assets.

C) Balance Sheet

2.9 Financial assets

Initial recognition

Purchases and sales of all financial assets are recognised on the date that the Group enters into the contractual arrangements with counterparties. When the Group acts as a trustee or in a fiduciary capacity for assets it does not directly control or benefit from, the assets and the corresponding income belonging to a customer are excluded from the financial statements.

Financial assets are initially recognised at fair value, which is generally the transaction price.

Classification and subsequent measurement

SFRS(I) 9 categorises debt-like financial assets based on the business model within which the assets are managed, and whether the assets constitute a "basic lending arrangement" where their contractual cash flows represent solely payments of principal and interest (SPPI). Interest is defined as consideration for the time value of money, credit risk, other basic lending risks and may include a profit margin.

The classification of the financial assets and the associated accounting treatment are as follows:

- Debt instruments are measured at **amortised cost** when they are in a "hold to collect" (HTC) business model and have contractual cash flows that are SPPI in nature. The objective of a HTC business model is to collect contractual principal and interest cash flows. Sales are incidental to the objective and expected to be either insignificant or infrequent. These assets consist primarily of loans in the "Consumer Banking/ Wealth Management" and "Institutional Banking" segments as well as debt securities from the "Others" segment.
- Debt instruments are measured at **fair value through other comprehensive income** (FVOCI) when they are in a "hold to collect & sell" (HTC & S) business model and have cash flows that are SPPI in nature. Both the collection of contractual cash flows and sales are integral to achieving the objective of the HTC & S business model. Assets measured at FVOCI comprise mainly of debt securities from "Treasury Markets" and the "Others" segment.

  Unrealised gains or losses on FVOCI debt instruments are recorded in other comprehensive income and accumulated in FVOCI revaluation reserves. When they are sold, the accumulated fair value adjustments in FVOCI revaluation reserves are reclassified to the income statement as "Net income from investment securities".
- Debt instruments are measured at **fair value through profit or loss** (FVPL) when:

  i) the assets are not SPPI in nature;

  ii) the assets are not part of a "HTC" or "HTC & S" business model; or

  iii) the assets are designated at FVPL to eliminate or significantly reduce the measurement or recognition inconsistencies that would otherwise arise from measuring assets or liabilities on different bases.

  Assets measured at FVPL are mainly recorded in the "Treasury Markets" segment. Realised and unrealised gains or losses on FVPL financial assets are taken to the income statement in the period they arise.
- Subsequent changes in fair value of non-trading equity can be taken through profit or loss or comprehensive income, as elected. The Group generally elects its non-trading equity instruments to be classified as FVOCI. Other than dividend income, gains and losses on FVOCI equity instruments are recorded in other comprehensive income and accumulated in FVOCI revaluation reserves, and not reclassified to profit or loss upon derecognition.
- Derivatives (including derivatives embedded in financial liabilities but separated for accounting purposes) are also classified as held for trading unless they are designated as hedging instruments. Derivatives are classified as assets when the fair value is positive and as liabilities when the fair value is negative. Changes in the fair value of derivatives other than those designated as hedging instruments in cash flow or net investment hedges are included in "Net trading income".

Reclassification

Reclassification of financial assets are prohibited unless the Group changes its business model for managing financial assets. In practice, this is expected to be infrequent.

Determination of fair value

The fair value of financial assets is the price that would be received if the asset is sold in an orderly transaction between market participants at the measurement date. Fair value is generally estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments. Where applicable, a valuation reserve or pricing adjustment is applied to arrive at the fair value. The determination of fair value is considered a significant accounting policy for the Group and further details are disclosed in Note 42.

Offsetting

Financial assets and liabilities are presented net when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle them on a net basis, or realise the asset and settle the liability simultaneously.

Derecognition

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or when they have been transferred together with substantially all the risks and rewards of ownership.

The Group enters into certain transactions where it transfers financial assets recognised on its balance sheet but retains either all or a portion of the risks and rewards of the transferred financial assets. In such cases, the transferred financial assets are not derecognised from the balance sheet. Such transactions include repurchase agreements described in Note 2.12. They also include transactions where control over the financial asset is retained, for example, by a simultaneous transaction (such as options) with the same counterparty to which the asset is transferred. These are mainly transacted in the "Treasury Markets" segment. In such cases, the Group continues to recognise the asset to the extent of its continuing involvement which is the extent to which it is exposed to changes in the value of the transferred asset.

Please refer to Note 20 for disclosures on transferred financial assets.

2.10 Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents comprise cash on hand and non-restricted balances with central banks which are readily convertible into cash.

2.11 Impairment of financial assets at amortised cost and FVOCI

Expected Credit Losses (ECL)

ECL are recognised for all financial assets held at amortised cost, debt instruments measured at FVOCI, guarantees and undrawn credit commitments. It represents the present value of expected cash shortfalls over the residual term of a financial asset, guarantee or undrawn commitment.

At initial recognition, allowance is required for ECL resulting from possible default events that may occur within the next 12 months ('12-month ECL'). In the event of a significant increase in credit risk, allowance is required for ECL resulting from possible default events over the expected life of the instrument ('lifetime ECL').

The ECL recognised follows the three-stage model: financial instruments where 12-month ECL is recognised are considered Stage 1; financial instruments which experience a significant increase in credit risk are in Stage 2; and financial instruments with objective evidence of default or credit-impaired are in Stage 3.

- **Stage 1** – Financial instruments are classified as Stage 1 at initial recognition and will remain under Stage 1 unless they experience a significant increase in credit risk or become credit-impaired. 12-month ECL is recognised for these instruments.
- **Stage 2** – Financial instruments which experience a significant increase in credit risk (SICR) subsequent to initial recognition, but are not yet credit-impaired, will migrate from Stage 1 to Stage 2. Lifetime ECL is recognised for these instruments.

  Significant increase in credit risk (SICR): SICR is assessed by comparing the risk of default at reporting date to the risk of default at origination using a range of qualitative and quantitative factors.

  For wholesale exposures, a financial instrument is deemed to have experienced a significant increase in credit risk when:

  - the observed change in its probability of default (PD), as observed by downgrades in the Group's internal credit risk rating for this instrument between origination and reporting dates, is more than pre-specified thresholds; or
  - it is placed on certain internal credit watchlists categories for closer scrutiny of developing credit issues.

  For retail exposures, days past due is the main driver, supplemented with a PD-based criterion. In any event, all retail and wholesale exposures that are more than 30 days past due are presumed to have experienced a significant increase in credit risk, unless assessed otherwise, and are classified as Stage 2.

  Instruments in Stage 2 that no longer exhibit a significant increase in credit risk will be transferred back to Stage 1.

- **Stage 3** – Financial instruments that become credit-impaired with evidence of default, i.e. non-performing assets, are transferred to Stage 3. Please refer to Risk Management section for the definition of non-performing assets.

  Lifetime ECL is recognised for these assets. ECL for Stage 3 assets are also known as specific allowances.

  A Stage 3 exposure that is restructured can be upgraded to Stage 2 if there are reasonable grounds to conclude that the obligor is able to service future principal and interest payments in accordance with the restructured terms. Stage 3 financial assets are written-off, in whole or in part, when the Group has exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of future recoveries.

Measurement of ECL

ECL are unbiased and probability-weighted estimates of credit losses determined by evaluating a range of possible outcomes, considering past events, current conditions and assessments of future economic conditions at the reporting date. The ECL associated with a financial instrument is typically a product of its probability of default (PD), loss given default (LGD) and exposure at default (EAD) discounted using the original effective interest rate to the reporting date.

Component	Description
PD	Point-in-time (based on current conditions, adjusted to take into account estimates of future conditions that will impact PD) estimate of the likelihood of default.
LGD	Estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the Group would expect to receive, including recoveries from collaterals.
EAD	Estimate of the expected credit exposure at time of default, taking into account repayments of principal and interest as well as expected drawdowns on undrawn credit commitments and potential pay-outs on guarantees issued.

The 12-month ECL is calculated by multiplying the 12-month PD, LGD and EAD. Lifetime ECL is calculated using the lifetime PD. The 12-month and lifetime PDs represent the probability of default occurring over the next 12 months and the remaining maturity of the instrument respectively.

In most instances, expected remaining maturity is the same as the remaining contractual life which represents the maximum contractual period over which the Group is exposed to the credit risk of the borrower. However, for some revolving products (e.g. credit cards), the expected remaining maturity may exceed the contractual maturity. In such instances, behavioural expected remaining life will be used.

ECL Modelling - Point-in-Time and Forward-Looking Adjustments

The Group leverages the models and parameters implemented under the Basel II Internal Ratings-Based (IRB) framework where possible, with appropriate modifications to meet SFRS(I) 9 requirements.

Other relevant historical information, loss experience or proxies will be utilised for portfolios without appropriate Basel models and parameters, with a view to maximise the use of available information that is reliable and supportable.

For the wholesale portfolios, credit cycle indices (CCIs) have been developed for the key industries and geographies. CCIs are summary measures that depict broad-based, sector-wide changes in credit risk, which are constructed by comparing the median expected default frequency of firms within each segment against a long-run average. Expected default frequency is in turn a market-based point-in-time default risk measure driven by the market value of firms' assets, asset volatility and leverage. CCIs are then used as inputs to convert the generally more through-the-cycle PDs derived from Basel models/ parameters into the point-in-time equivalents by adding the unaccounted portion of cyclical variations, as well as to incorporate forward-looking information. LGDs are determined using historical loss data, which are adjusted for both the latest and forecasted recovery experience.

The Group relies on a Monte Carlo simulation approach to consider over 100 probability-weighted forward-looking scenarios in estimating ECL. This involves simulations of many alternative CCI scenarios to arrive at an unbiased ECL estimate that are meant to cover all possible good and bad scenarios based on known estimates.

For retail portfolios, historical loss experience is used in conjunction with the forecast loss rates which take into account relevant macroeconomic variables, such as property prices and unemployment rates.

Expert credit judgement and post model adjustments

The measurement of ECL requires the application of expert credit judgement and post model adjustments. These include:

- assignment of credit risk ratings and determination of whether exposures should be placed on credit watchlists;
- assessment of whether a significant increase in credit risk has occurred;
- selecting and calibrating the ECL models such as CCIs;
- determining the expected remaining maturity of revolving products (e.g. overdrafts and credit cards);
- determination of the forecast loss rates; and
- application of thematic overlays based on emerging risk themes where potential risks may not be fully captured in the underlying modelled ECL. Such top-down additional modelled ECL was quantified by means of applying conditional probabilities on more severe scenarios materialising from emerging risk themes.

The Group has two thematic overlays as at 31 December 2022.

In addition to the base scenarios generated by the model, the Group has incorporated a stress scenario and assigned probabilities to the scenarios, in line with management's judgement of the likelihood of each scenario. The stress scenario envisages persistence of the Russia-Ukraine conflict, as well as a sharp, broad-based global recession with a spike in risk aversion in financial markets and large capital outflows from emerging economies.

The other thematic overlay is to address pricing pressures and risks of asset stranding that the conventional energy sector could face as a result of a transition to a low-carbon economy. Probabilities were assigned to the scenarios in-line with management's judgement of the likelihood of each scenario.

Governance framework

The measurement of ECL is subject to a robust governance framework as described below.

- The Group ECL Review Committee (Review Committee) is the overarching committee for ECL related matters and comprises senior management and representatives from functions across the Group. Significant changes to ECL models and methodologies and the application of thematic overlays are subject to the oversight and approval of the Review Committee.
- The Review Committee is supported by the Group ECL Operating Committee (Operating Committee) which comprises cross functional representatives and subject matter experts. The Operating Committee recommends changes to ECL models, methodologies and thematic overlays to the Review Committee; provides oversight over system design, infrastructure and development; and establishes principles and significant policies pertaining to ECL. Group Credit Risk Models Committee oversees ECL models and credit risk models used by the Group.
- Location ECL committees are established for key overseas subsidiaries to govern and manage location-specific ECL reporting.
- ECL models are subject to independent validation by the Risk Management Group (RMG) Model Validation team, as well as independent reviews by internal and external auditors. The validation and assurance processes cover the review of the underlying ECL methodology including its logic and conceptual soundness.

Minimum Regulatory Loss Allowance

Singapore banks are required to maintain the Minimum Regulatory Loss Allowances (MRLA) of at least 1% of the gross carrying amount of selected credit exposures net of collaterals per MAS Notice 612. For periods when Stage 1 and 2 ECL fall below MRLA, the shortfall is appropriated from retained earnings in the shareholders' funds into a non-distributable Regulatory Loss Allowance Reserve (RLAR) account.

2.12 Repurchase agreements

Repurchase agreements (Repos) are arrangements where the Group sold the securities but are subject to a commitment to repurchase or redeem the securities at a pre-determined price. The securities are retained on the balance sheet as Group retains substantially all the risk and rewards of ownership and these securities are disclosed within "Financial assets pledged or transferred" (Note 20). The consideration received is recorded as financial liabilities in either "Due to banks" or "Deposits and balances from customers". Short-dated repos transacted as part of Treasury Markets activities are measured at FVPL.

Reverse repurchase agreements (Reverse repos) are arrangements where the Group purchased the securities but are subject to a commitment to resell or return the securities at a pre-determined price. The risk and rewards of ownership of the collateral are not acquired by the Group and are reflected as collateral received and recorded off-balance sheet. The consideration paid is recorded as financial assets as "Cash and balances with central banks", "Due from banks" or "Loans and advances to customers". Short-dated reverse repos transacted as part of Treasury Markets activities are measured at FVPL.

2.13 Goodwill

Goodwill arising from business combinations generally represents the excess of the acquisition cost over the fair value of identifiable assets acquired and liabilities and contingent liabilities assumed on the acquisition date. Goodwill is stated at cost less impairment losses and is tested at least annually for impairment.

At the acquisition date, any goodwill acquired is allocated to each of the cash-generating units (CGU) or group of CGUs expected to benefit from the combination's synergies.

An impairment loss is recognised when the carrying amount of a CGU, or group of CGUs, including the goodwill, exceeds the applicable recoverable amount. The recoverable amount of a CGU or CGU group is the higher of the CGU's or CGU group's fair value less cost to sell and its value-in-use. An impairment loss on goodwill is recognised in the income statement and cannot be reversed in subsequent periods.

2.14 Properties and other fixed assets

Owned properties and other fixed assets

Properties (including investment properties) and other fixed assets are stated at cost less accumulated depreciation and impairment losses.

Depreciation is calculated using the straight-line method to write down the costs of the assets to their estimated residual values over the estimated useful lives of the assets. No depreciation is recognised when the residual value is higher than the carrying amount.

Generally, the useful lives are as follows:

Leasehold land	100 years or over the remaining lease period, whichever is shorter. Leasehold land where the unexpired lease period is more than 100 years is not depreciated.
Buildings	30 to 50 years or over the remaining lease period, whichever is shorter.
Computer software	3 to 5 years
Office equipment, furniture and fittings	5 to 10 years
Leasehold improvements	Up to 20 years

Leased properties and other fixed assets

Lease liabilities are initially measured at the present value of lease payments to be made over the lease term at the lease commencement date. The measurement of the associated right-of-use assets generally approximates the lease liability.

Lease liabilities are subsequently measured at amortised cost using the effective interest method. The right-of-use assets are depreciated over the lease term on a straight-line basis.

Extension options and termination options are included in the assessment of the lease term if the options are reasonably certain to be exercised or not exercised accordingly. If the Group changes its initial assessment, adjustments are made to the carrying amounts of the lease liabilities and right-of-use assets prospectively.

The recognition exceptions for short-term leases and leases of low-value assets are applied.

Please refer to Note 27 for the details of owned and leased properties and other fixed assets.

2.15 Financial liabilities

Initial recognition, classification and subsequent measurement

Financial liabilities are initially recognised at fair value. The Group generally classifies and measures its financial liabilities in accordance with the purpose for which the financial liabilities are incurred and managed. Accordingly:

- Financial liabilities are classified as **financial liabilities at fair value through profit or loss** if they are incurred for the purpose of repurchasing in the near term (**“held for trading”**), and this may include debt securities issued and short positions in securities for the purpose of ongoing market-making or trading. Financial liabilities at fair value through profit or loss can also be designated by management on initial recognition (**“designated at fair value through profit or loss”**) if doing so eliminates or significantly reduces measurement or recognition inconsistencies that would otherwise arise, or if the financial liability contains an embedded derivative that would otherwise need to be separately recorded, or if a group of financial liabilities or financial assets and financial liabilities is managed and its performance is evaluated on a fair value basis. Financial liabilities in this classification are usually within the “Treasury Markets” segment.

Realised or unrealised gains or losses on financial liabilities held for trading and financial liabilities designated under the fair value option, except interest expense, are taken to “Net trading income” in the income statement in the period they arise.

The changes to the fair value of financial liabilities designated under the fair value option that are attributable to a reporting entity’s own credit risk are taken to revenue reserves through other comprehensive income. These amounts are not transferred to the income statement even when realised.

- Derivative liabilities are treated consistently with derivative assets. Please refer to Note 2.9 for the accounting policy on derivatives.
- Other financial liabilities are carried at **amortised cost** using the effective interest method. These comprise predominantly the Group’s “Deposits and balances from customers”, “Due to banks” and “Other debt securities”.

Where the classification and measurement of financial liabilities do not reflect the management of the financial liabilities, the Group may apply hedge accounting where permissible and relevant to better reflect the management of the financial liabilities. Please refer to Note 2.19 for details on hedging and hedge accounting.

Please refer to Note 15 for further details on the types of financial liabilities classified and measured as above.

Determination of fair value
The fair value of financial liabilities is the price that would be paid to transfer the liability in an orderly transaction between market participants at the measurement date.

Please refer to Note 42 for further fair value disclosures.

Derecognition
A financial liability is derecognised from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired.

2.16 Loan commitments, letters of credit and financial guarantees

Loan commitments
Loan commitments are not recognised on the balance sheet and are disclosed in Note 36. Upon a loan draw-down, the amount of the loan is generally recognised as “Loans and advances to customers” on the Group’s balance sheet.

Letters of credit
Letters of credit are recorded off-balance sheet as contingent liabilities upon issuance, and the corresponding payables to the beneficiaries and receivables from the applicants are recognised on the balance sheet upon acceptance of the underlying documents.

Financial guarantees
Financial guarantees are initially recognised in the financial statements at fair value on the date the guarantees are given.

Financial guarantees are subsequently measured at the higher of:

- the amount of the ECL (Note 2.11); and
- the unamortised portion of the fees that were received on initial recognition.

Please refer to Note 2.8 for the principles for recognising the fees.

Off-balance sheet credit exposures are managed for credit risk in the same manner as financial assets.

Please refer to Note 2.11 on the Group’s accounting policies on allowances for credit losses.

2.17 Provisions and other liabilities

Provisions for other liabilities of uncertain timing and amounts are recognised when:

- the Group has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate of the amount of the obligation can be made.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

2.18 Share capital and other instruments classified as equity

Ordinary shares, preference shares and other instruments which do not result in the Group having a contractual obligation to deliver cash or another financial asset, or to exchange financial assets or financial liabilities with the holder under conditions that are potentially unfavourable to the Group, are classified as equity. Distributions arising from such instruments are recognised in equity as there is no contractual obligation to pay distributions on these instruments. Incremental external costs directly attributable to the issuance of such instruments are accounted for as a deduction from equity.

When any entity within the Group purchases the Company’s ordinary shares (“treasury shares”), the consideration paid, including any directly attributable incremental cost is presented as a component within equity, until they are cancelled, sold or reissued.

When treasury shares are subsequently cancelled, the cost of the treasury shares is deducted against either the share capital account or retained earnings. When treasury shares are subsequently sold or reissued, any realised gain or loss on sale or reissue, net of any directly attributable incremental transaction costs and related income tax, is recognised in other reserves.

For ordinary and preference shares, interim dividends are recorded during the financial year in which they are declared payable. Final dividends are recorded during the financial year in which the dividends are approved by the shareholders at the Annual General Meeting.

D) Other Specific Topics

2.19 Hedging and hedge accounting

As part of the overall risk management of the Group, derivatives and other instruments are used to manage exposures to interest rate and foreign currency risks, including exposures arising from forecast transactions.

Where hedge accounting is not applied, the derivatives are treated in the same way as derivatives held for trading purposes, i.e. realised and unrealised gains and losses are recognised in “Net trading income”. The Group applies hedge accounting for economic hedge relationships that meet the hedge accounting criteria. To qualify for hedge accounting, at the inception of each hedging relationship, the Group designates and documents the relationship between the hedging instrument and the hedged item; the risk management objective for undertaking the hedge transaction; and the methods used to assess the effectiveness of the hedge. At inception and on an on-going basis, the Group also assesses and measures the effectiveness of the hedging relationship between the hedging instrument and the hedged item.

Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between hedging instrument and the hedged item. The Group designates certain derivatives as hedging instruments in respect of foreign currency risk and interest rate risk in fair value hedges, cash flow hedges, or hedges of net investments in foreign operations as described below.

- **Fair value hedge**

  For a qualifying fair value hedge, the changes in the fair value of the hedging instruments are recorded in the income statement, together with any changes in the fair value of the hedged item attributable to the hedged risk. If the hedge no longer meets the criteria for hedge accounting, the adjustment on the hedged item is amortised using the effective interest method to the income statement over its remaining maturity.

  However, where the hedged item is an equity instrument classified as FVOCI, changes in the fair value of the hedging instrument and the hedged item are both recorded in other comprehensive income and accumulated in FVOCI revaluation reserves. The amounts recorded in FVOCI revaluation reserves are not subsequently reclassified to the income statement.

- **Cash flow hedge**

  The effective portion of changes in the fair value of a derivative designated and qualifying as a cash flow hedge is recognised in other comprehensive income and accumulated under the cash flow hedge reserves in equity. This amount is reclassified to the income statement in the periods when the hedged forecast cash flows affect the income statement. The ineffective portion of the gain or loss is recognised immediately in the income statement under “Net trading income”.

  When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in the cash flow hedge reserves remains until the forecast transaction is recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss in the cash flow hedge reserves is reclassified from equity to the income statement.

- **Net investment hedge**

  Hedges of net investments in the Group’s foreign operations are accounted for in a manner similar to cash flow hedges. On disposal of the foreign operations, the cumulative gain or loss in the foreign currency translation reserves is reclassified to the income statement as part of the gain or loss on disposal.

When designating the hedging instrument, the Group may elect to exclude the valuation components of currency basis spreads and forward points from the hedge relationship on a hedge-by-hedge basis.

The forward points and currency basis spreads which are excluded and recorded in other comprehensive income are:

- reclassified to the income statement when the forecast transaction occurs; or
- amortised to the income statement over the hedging tenor for time-period hedges. The amounts recorded in other comprehensive income are not subsequently reclassified to the income statement for hedges of FVOCI equities.

The Group has elected to apply the SFRS(I) 9 hedge accounting rules in full.

Please refer to Note 39 for further details relating to hedge accounting, including fair value, cash flow and net investment hedges.

2.20 Employee benefits

Employee benefits, which include base pay, cash bonuses, share-based compensation, contribution to defined contribution plans such as the Central Provident Fund and other staff-related allowances, are recognised in the income statement when incurred.

For defined contribution plans, contributions are made to publicly or privately administered funds on a mandatory, contractual or voluntary basis. Once the contributions have been paid, the Group has no further payment obligations.

Employee entitlement to annual leave is recognised when they accrue to employees. A provision is made for the estimated liability for annual unutilised leave as a result of services rendered by employees up to the balance sheet date.

2.21 Share-based compensation

Employee benefits also include share-based compensation, namely the DBSH Share Plan, the DBSH Employee Share Plan and the DBSH Employee Share Purchase Plan (the Plans). The details of the Plans are described in Note 40.

Equity instruments granted and ultimately vested under the Plans are recognised in the income statement based on the fair value of the equity instrument at the date of grant. The expense is amortised over the vesting period of each award, with a corresponding adjustment to the share plan reserves.

A trust has been set up for the DBSH Employee Share Purchase Plan. The employer’s share of the trust fund is consolidated. The unvested DBSH shares held by the trust funds are accounted for as treasury shares, which is presented as a deduction within equity.

2.22 Current and deferred taxes

Current income tax for current and prior periods is recognised as the amount expected to be paid or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The Group considers uncertain tax positions generally at the level of the total tax liability to each tax authority for each period. The liability is determined based on the total amount of current tax expected to be paid, taking into account all tax uncertainties, using either an expected value approach or a single best estimate of the most likely outcome.

Tax assets and liabilities of the same type (current or deferred) are offset when a legal right of offset exists and settlement in this manner is intended. This applies generally when they arise from the same tax reporting group and relate to the same tax authority.

Deferred income tax is provided on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted by the balance sheet date.

The amount of deferred tax assets recognised takes into account the likelihood the amount that can be used to offset payable taxes on future profits.

Deferred tax related to fair value re-measurement of FVOCI investments, which are recognised outside profit or loss, is also recognised outside profit or loss, i.e. in other comprehensive income and accumulated in the FVOCI revaluation reserves.

3. Critical Accounting Estimates

The Group's accounting policies and use of estimates are integral to the reported amounts in the financial statements. Certain accounting estimates require management's judgement in determining the appropriate methodology for valuation of assets and liabilities. Procedures are in place to ensure that methodologies are reviewed and revised as appropriate. The Group believes its estimates for determining the valuation of its assets and liabilities are appropriate.

The following is a brief description of the Group's critical accounting estimates that involve management's valuation judgement.

3.1 Impairment of financial assets

It is the Group's policy to recognise, through charges against profit, allowances in respect of estimated and inherent credit losses in its portfolio as described in Note 2.11.

ECLs are unbiased and probability-weighted estimates of credit losses determined by evaluating a range of possible outcomes, considering past events, current conditions and assessments of future economic conditions at the reporting date. This will necessarily involve the use of judgement.

Please refer to Risk Management section for a further description of the Group's credit risk management framework, policies and procedures.

3.2 Fair value of financial instruments

The majority of the Group's financial instruments reported at fair value are based on quoted and observable market prices or on internally developed models that are based on independently sourced or verified market parameters.

The fair value of financial instruments without an observable market price in an active market may be determined using valuation models. The choice of model requires significant judgement for complex products especially those in the "Treasury Markets" segment.

Policies and procedures have been established to facilitate the exercise of judgement in determining the risk characteristics of various financial instruments, discount rates, estimates of future cash flows and other factors used in the valuation process.

Please refer to Note 42 for further details on fair valuation and fair value hierarchy of the Group's financial instruments measured at fair value.

3.3 Goodwill impairment

The Group performs an impairment review to ensure that the carrying amount of a CGU to which goodwill is allocated does not exceed the recoverable amount of the CGU. Note 28 provides details of goodwill at the reporting date.

The recoverable amount represents the present value of the estimated future cash flows expected to arise from continuing operations. Therefore, in arriving at the recoverable amount, management exercises judgement in estimating the future cash flows, growth rate and discount rate.

3.4 Income taxes

The Group has exposure to income taxes in several jurisdictions. The Group recognises liabilities for expected tax issues based on reasonable estimate of whether additional tax will be due. Where uncertainty exists around the Group's tax position, appropriate provisions are provided based on the technical assessment of the cases. Where the final tax outcome of these positions is different from the provision provided, the differences will impact the income tax and deferred tax balances in the period in which the final tax is determined. Note 22 provides details of the Group's deferred tax assets/ liabilities.

4. Net Interest Income

	The Group	
In $ millions	**2022**	**2021**
Cash and balances with central banks and Due from banks	**1,255**	419
Customer non-trade loans	**10,268**	6,947
Trade assets	**1,317**	640
Securities and others	**3,087**	2,179
Total interest income	**15,927**	10,185
Deposits and balances from customers	**3,541**	1,184
Other borrowings	**1,445**	561
Total interest expense	**4,986**	1,745
Net interest income	**10,941**	8,440
Comprising:		
Interest income from financial assets at FVPL	**629**	547
Interest income from financial assets at FVOCI	**888**	457
Interest income from financial assets at amortised cost	**14,410**	9,181
Interest expense from financial liabilities at FVPL	**(206)**	(194)
Interest expense from financial liabilities not at FVPL[a]	**(4,780)**	(1,551)
Total	**10,941**	8,440

(a) Includes interest expense of $21 million (2021: $30 million) on lease liabilities

5. Net Fee and Commission Income

	The Group	
In $ millions	**2022**	**2021**
Investment banking	**121**	218
Transaction services[a]	**929**	925
Loan-related	**459**	413
Cards[b]	**858**	715
Wealth management	**1,330**	1,786
Fee and commission income	**3,697**	4,057
Less: fee and commission expense	**606**	533
Net fee and commission income[c]	**3,091**	3,524

(a) Includes trade & remittances, guarantees and deposit-related fees
(b) Card fees are net of interchange fees paid
(c) Includes net fee and commission income of $152 million (2021: $139 million), which was derived from the provision of trust and other fiduciary services during the year. Net fee and commission income earned from financial assets or liabilities not at fair value through profit or loss was $975 million (2021: $895 million) during the year

6. Net Trading Income

	The Group	
In $ millions	**2022**	**2021**
Net trading income[a][b]	**1,852**	1,393
Net loss from financial assets designated at fair value	**(17)**	(7)
Net gain from financial liabilities designated at fair value	**478**	405
Total	**2,313**	1,791

(a) Includes income from assets that are mandatorily classified at FVPL
(b) Includes dividend income of $366 million (2021: $300 million)

7. Net Income from Investment Securities

	The Group	
In $ millions	**2022**	**2021**
Debt securities		
– FVOCI	**(46)**	140
– Amortised cost	**#**	98
Equity securities at FVOCI[a]	**161**	149
Total[b]	**115**	387
Of which: net (loss)/ gain transferred from FVOCI revaluation reserves	**(117)**	163

 # Amount under $500,000
(a) Dividend income
(b) Includes fair value impact of hedges for investment securities

8. Other Income

	The Group	
In $ millions	**2022**	**2021**
Net gain on disposal of properties and other fixed assets	**3**	17
Others[a]	**39**	29
Total[b]	**42**	46

(a) Includes net gains and losses from sale of loans carried at amortised cost and rental income from operating leases
(b) Share of profits or losses of associates and joint ventures has been reclassified from 'Other income' to a separate line on the face of Income statement. Comparatives have been restated

9. Employee Benefits

	The Group	
In $ millions	**2022**	**2021**
Salaries and bonuses[a]	**3,661**	3,251
Contributions to defined contribution plans	**208**	192
Share-based expenses[b]	**126**	130
Others	**381**	302
Total	**4,376**	3,875

(a) 2022 includes $1 million (2021: $25 million) of government grants recognised (deducted against salaries and bonuses)
(b) Excludes share-based expenses of $8 million (2021: $4 million) relating to sales incentive plan and non-executive Directors' remuneration which are reflected under other expenses

10. Other Expenses

In $ millions	The Group 2022	 2021
Computerisation expenses(a)	**1,200**	1,080
Occupancy expenses(b)	**396**	416
Revenue-related expenses	**352**	376
Others(c)(d)	**766**	822
Total	**2,714**	2,694

(a) Includes hire, depreciation and maintenance costs of computer hardware and software
(b) Includes depreciation of leased office and branch premises of $204 million (2021: $205 million) and amounts incurred in the maintenance of buildings
(c) Includes office administration expenses (e.g. printing, stationery, telecommunications, etc.), and legal and professional fees
(d) 2021 includes a $100 million Corporate Social Responsibility commitment to DBS Foundation and other charitable causes

In $ millions	The Group 2022	 2021
Depreciation expenses		
– owned properties and other fixed assets	**477**	431
– leased properties and other fixed assets	**224**	238
Hire and maintenance costs of fixed assets, including building-related expenses	**379**	379
Audit fees(a) payable to external auditors(b):		
– Auditors of the Company	**5**	5
– Associated firms of auditors of the Company	**5**	5
Non-audit related fees payable to external auditors(b):		
– Auditors of the Company	**#**	#
– Associated firms of auditors of the Company	**1**	1

 # Amount under $500,000
(a) Includes audit related assurance fees
(b) PricewaterhouseCoopers network firms

11. Allowances for Credit and Other Losses

In $ millions	The Group 2022	 2021
Specific allowances(a)(b)		
Loans and advances to customers	**323**	471
Investment securities (amortised cost)	**5**	#
Off-balance sheet credit exposures	**(2)**	8
Others	**9**	20
General allowances(c)	**(98)**	(447)
Total	**237**	52

 # Amount under $500,000
(a) Includes Stage 3 ECL
(b) Includes charge for non-credit exposures (2022: $3 million; 2021: $1 million)
(c) Refers to Stage 1 and 2 ECL

The following tables outline the changes in ECL under SFRS(I) 9 in 2022 and 2021 which are attributable to the following factors:

- Transfers between stages.
- Net portfolio changes, which are determined on an obligor basis i.e. originations with new obligors net of derecognitions of former obligors.
- Remeasurements, which include the impact of changes in model inputs or assumptions, partial repayments, additional drawdowns on existing facilities and changes in ECL following a transfer between stages.

	The Group			
	General allowances (Non-impaired)		Specific allowances (Impaired)	
In $ millions	Stage 1	Stage 2	Stage 3	Total
2022				
Balance at 1 January	**2,231**	**1,645**	**2,926**	**6,802**
Changes in allowances recognised in opening balance that were transferred to/ (from)	**186**	**(272)**	**86**	**–**
– Stage 1	**(17)**	**17**	**–**	**–**
– Stage 2	**236**	**(236)**	**–**	**–**
– Stage 3	**(33)**	**(53)**	**86**	**–**
Net portfolio changes	**99**	**(54)**	**–**	**45**
Remeasurements	**80**	**(137)**	**246**	**189**
Net write-offs(a)	**–**	**–**	**(709)**	**(709)**
Exchange and other movements	**(22)**	**(20)**	**(43)**	**(85)**
Balance at 31 December	**2,574**	**1,162**	**2,506**	**6,242**
Charge in the income statement	**365**	**(463)**	**332**	**234**
2021				
Balance at 1 January	2,507	1,805	3,014	7,326
Changes in allowances recognised in opening balance that were transferred to/ (from)	34	(191)	157	–
– Stage 1	(40)	40	–	–
– Stage 2	144	(144)	–	–
– Stage 3	(70)	(87)	157	–
Net portfolio changes	88	(63)	–	25
Remeasurements	(403)	88	341	26
Net write-offs(a)	–	–	(655)	(655)
Exchange and other movements	5	6	69	80
Balance at 31 December	2,231	1,645	2,926	6,802
Charge in the income statement	(281)	(166)	498	51

(a) Write-offs net of recoveries

The following table provides additional information on the financial instruments that are subject to ECL as at 31 December 2022 and 2021. FVPL assets and FVOCI equity instruments are not subject to ECL and therefore not reflected in the tables.

	The Group							
	Gross carrying value(d)				ECL balances			
In $ millions	**Stage 1**	**Stage 2**	**Stage 3**	**Total**	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
2022								
Assets								
Loans and advances to customers(a)								
– Retail	**121,948**	**780**	**539**	**123,267**	**612**	**110**	**142**	**864**
– Wholesale and others	**273,826**	**18,943**	**4,220**	**296,989**	**1,753**	**991**	**2,157**	**4,901**
Investment securities								
– Government securities and treasury bills(b)	**51,753**	**–**	**–**	**51,753**	**8**	**–**	**–**	**8**
– Bank and corporate debt securities(b)	**51,345**	**461**	**92**	**51,898**	**28**	**3**	**79**	**110**
Others(c)	**104,441**	**18**	**69**	**104,528**	**33**	**#**	**69**	**102**
Liabilities								
ECL on guarantees and other off-balance sheet exposures	**–**	**–**	**–**	**–**	**140**	**58**	**59**	**257**
Total ECL					**2,574**	**1,162**	**2,506**	**6,242**
2021								
Assets								
Loans and advances to customers(a)								
– Retail	122,964	724	651	124,339	528	125	144	797
– Wholesale and others	260,763	23,814	4,639	289,216	1,508	1,373	2,401	5,282
Investment securities								
– Government securities and treasury bills(b)	40,582	–	–	40,582	7	–	–	7
– Bank and corporate debt securities(b)	42,811	1,131	97	44,039	29	11	77	117
Others(c)	105,406	55	229	105,690	29	2	224	255
Liabilities								
ECL on guarantees and other off-balance sheet exposures	–	–	–	–	130	134	80	344
Total ECL					2,231	1,645	2,926	6,802

 # Amount under $500,000

(a) Stage 2 Loans and advances to customers includes special mention loans of $3,952 million (2021: $4,415 million) (See Note 43.2)

(b) Includes loss allowances of $16 million (2021: $25 million) for debt securities that are classified as FVOCI: $4 million (2021: $3 million) for Government Securities and Treasury Bills and $12 million (2021: $22 million) for Bank and Corporate Debt securities. (See Notes 17 and 18)

(c) Comprise of amounts in "Cash and balances with central banks", "Due from Banks" and "Other assets" that are subject to ECL

(d) Balances exclude off-balance sheet exposures

The table below shows the portfolio mix of the Loans and advances to customers – Wholesale and others presented in the gross carrying value table above by internal counterparty risk rating (CRR) and probability of default (PD) range:

		The Group	
In $ millions	**PD range (based on Basel 12-month PDs)(a)**	**Stage 1 exposures**	**Stage 2 exposures**
2022			
Loans and advances to customers			
– Wholesale and others		**273,826**	**18,943**
Of which (in percentage terms):			
CRR 1 – 6B	**0.01% - 0.99%**	**90%**	**43%**
CRR 7A – 7B	**1.26% - 2.30%**	**6%**	**21%**
CRR 8A – 9	**2.57% - 28.83%**	**2%**	**36%**
Others (not rated)	**NA**	**2%**	**0%**
Total		**100%**	**100%**
2021			
Loans and advances to customers			
– Wholesale and others		260,763	23,814
Of which (in percentage terms):			
CRR 1 – 6B	0.01% - 0.99%	88%	38%
CRR 7A – 7B	1.26% - 2.30%	8%	22%
CRR 8A – 9	2.57% - 28.83%	2%	39%
Others (not rated)	NA	2%	1%
Total		100%	100%

(a) Basel 12-month PDs are transformed to Point-in-Time and forward-looking PDs. Stage 2 exposures are also measured on lifetime basis

Sensitivity of ECL

The Group assessed ECL sensitivity for the wholesale and retail portfolios to changes in the allocation of exposures between Stages 1 and 2. ECL is estimated to reduce by $804 million (2021: $1,187 million) should all the exposures in Stage 2 return to Stage 1 and were assigned a lower 12-month ECL instead of lifetime ECL. The impact also reflects the higher PDs ascribed to Stage 2 exposures in addition to the recognition of lifetime instead of 12-month ECL.

As ECL estimation relies on multiple variables, no single analysis can fully demonstrate the sensitivity of the ECL to changes in macroeconomic variables.

12. Share of Profits or Losses of Associates and Joint Ventures

2021 includes a gain of $104 million recognised on completion of the acquisition of an associate, Shenzhen Rural Commercial Bank Corporation Limited (Note 26.1).

13. Income Tax Expense

In $ millions	The Group 2022	 2021
Current tax expense		
– Current year	**1,284**	1,009
– Prior years' provision	**(75)**	(96)
Deferred tax expense		
– Origination of temporary differences	**8**	52
– Prior years' provision	**(29)**	8
Total	**1,188**	973

The deferred tax expense/ (credit) in the income statement comprises the following temporary differences:

In $ millions	The Group 2022	 2021
Tax depreciation	**(46)**	19
Allowances for credit and other losses	**52**	66
Other temporary differences	**(27)**	(25)
Deferred tax (credit)/ expense charged to income statement	**(21)**	60

The tax on the Group's profit before tax differs from the theoretical amount computed using the Singapore basic tax rate due to:

In $ millions	The Group 2022	 2021
Profit before tax	**9,382**	7,780
Prima facie tax calculated at a tax rate of 17% (2021: 17%)	**1,595**	1,322
Effect of different tax rates in other countries	**21**	48
Net income not subject to tax	**(28)**	(43)
Net income taxed at concessionary rate	**(403)**	(293)
Expenses not deductible for tax	**26**	26
Others	**(23)**	(87)
Income tax expense charged to income statement	**1,188**	973

Deferred income tax relating to FVOCI financial assets and cash flow hedges of $333 million was credited (2021: $82 million) and own credit risk of $6 million was debited (2021: $2 million credited) directly to equity.

Please refer to Note 22 for further information on deferred tax assets/ liabilities.

14. Earnings Per Ordinary Share

Number of shares ('000)		The Group 2022	 2021
Weighted average number of ordinary shares in issue (basic and diluted)	(a)	**2,572,833**	2,562,334

In $ millions		The Group 2022	 2021
Profit attributable to shareholders		**8,193**	6,805
Less: Dividends on other equity instruments		**(85)**	(109)
Adjusted profit	(b)	**8,108**	6,696
Earnings per ordinary share ($)			
Basic and diluted	(b)/ (a)	**3.15**	2.61

15. Classification of Financial Instruments

In $ millions	Mandatorily at FVPL(c)	FVPL designated	Amortised cost	The Group FVOCI-Debt	FVOCI-Equity	Hedging derivatives	Total
2022							
Assets							
Cash and balances with central banks	**–**	**–**	**50,320**	**3,850**	**–**	**–**	**54,170**
Government securities and treasury bills	**13,143**	**103**	**23,591**	**28,158**	**–**	**–**	**64,995**
Due from banks	**24,674**	**–**	**33,684**	**1,773**	**–**	**–**	**60,131**
Derivatives	**42,715**	**–**	**–**	**–**	**–**	**2,220**	**44,935**
Bank and corporate securities	**21,529**	**–**	**31,581**	**20,219**	**2,128**	**–**	**75,457**
Loans and advances to customers	**28**	**–**	**414,491**	**–**	**–**	**–**	**414,519**
Other financial assets	**98**	**–**	**17,318**	**–**	**–**	**–**	**17,416**
Total financial assets	**102,187**	**103**	**570,985**	**54,000**	**2,128**	**2,220**	**731,623**
Other asset items outside the scope of SFRS(I) 9(a)							**11,745**
Total assets							**743,368**
Liabilities							
Due to banks	**12,229**	**–**	**27,455**	**–**	**–**	**–**	**39,684**
Deposits and balances from customers	**1,030**	**4,422**	**521,548**	**–**	**–**	**–**	**527,000**
Derivatives	**42,154**	**–**	**–**	**–**	**–**	**3,111**	**45,265**
Other financial liabilities	**2,301**	**–**	**19,329**	**–**	**–**	**–**	**21,630**
Other debt securities	**86**	**8,057**	**39,045**	**–**	**–**	**–**	**47,188**
Subordinated term debts	**–**	**–**	**4,412**	**–**	**–**	**–**	**4,412**
Total financial liabilities	**57,800**	**12,479**	**611,789**	**–**	**–**	**3,111**	**685,179**
Other liability items outside the scope of SFRS(I) 9(b)							**1,117**
Total liabilities							**686,296**
2021							
Assets							
Cash and balances with central banks	–	–	52,475	3,902	–	–	56,377
Government securities and treasury bills	12,587	97	22,653	17,925	–	–	53,262
Due from banks	15,447	–	34,633	1,297	–	–	51,377
Derivatives	18,821	–	–	–	–	860	19,681
Bank and corporate securities	22,813	–	26,963	16,981	2,935	–	69,692
Loans and advances to customers	1,492	25	407,476	–	–	–	408,993
Other financial assets	–	–	15,268	–	–	–	15,268
Total financial assets	71,160	122	559,468	40,105	2,935	860	674,650
Other asset items outside the scope of SFRS(I) 9(a)							11,423
Total assets							686,073
Liabilities							
Due to banks	5,429	–	24,780	–	–	–	30,209
Deposits and balances from customers	743	229	500,987	–	–	–	501,959
Derivatives	19,079	–	–	–	–	1,239	20,318
Other financial liabilities	2,695	–	14,927	–	–	–	17,622
Other debt securities	126	10,600	41,844	–	–	–	52,570
Subordinated term debts	–	–	4,636	–	–	–	4,636
Total financial liabilities	28,072	10,829	587,174	–	–	1,239	627,314
Other liability items outside the scope of SFRS(I) 9(b)							1,045
Total liabilities							628,359

(a) Includes associates and joint ventures, goodwill and intangibles, properties and other fixed assets, and deferred tax assets
(b) Includes current tax liabilities and deferred tax liabilities
(c) Includes assets and liabilities that are held for trading and debt-type financial assets that are not SPPI in nature

Financial assets and liabilities are presented net when there is a legally enforceable right to offset the recognised amounts, and there is intention to settle them on a net basis or to realise the asset and settle the liability simultaneously.

Financial assets and liabilities offset on the balance sheet

As at 31 December 2022, "Loans and advances to customers" of $10 million (2021: $18 million) were set off against "Deposits and balances from customers" of $10 million (2021: $18 million) because contractually the Group has a legally enforceable right to set off these amounts, and intends to settle the loans and the deposits simultaneously at maturity or termination dates.

Financial assets and liabilities subject to netting agreements but not offset on the balance sheet

The Group enters into master netting arrangements with counterparties where it is appropriate and feasible to do so to mitigate counterparty risk. The credit risk associated with favourable contracts is reduced by a master netting arrangement to the extent that if an event of default occurs, all amounts with the counterparty are settled on a net basis. Master netting arrangements do not result in an offset of financial assets and liabilities on the balance sheet, as the legal right to offset the transactions is conditional upon default.

These agreements include derivative master agreements (including the International Swaps and Derivatives Association (ISDA) Master Agreement), global master repurchase agreements and global securities lending agreements. The collaterals received and pledged under these agreements are generally conducted under terms that are in accordance with normal market practice. The agreements may allow rehypothecation of collateral received and there may be ongoing margin requirements to mitigate counterparty risk.

The disclosures set out in the tables below pertain to financial assets and liabilities that are not offset in the Group's balance sheet but are subject to master netting arrangements or similar agreements that cover similar financial instruments. The disclosures enable the understanding of both the gross and net amounts, as well as provide additional information on how such credit risk is mitigated.

			The Group			
				Related amounts not offset on balance sheet		
In $ millions	**Carrying amounts on balance sheet**	**Not subject to enforceable netting agreement**	**Net amounts**	**Financial instruments**	**Financial collateral received/ pledged**	**Net amounts**
2022						
Financial Assets						
Derivatives	**44,935**	**6,751**[a]	**38,184**	**32,084**[a]	**2,744**	**3,356**
Reverse repurchase agreements	**36,289**[b]	**–**	**36,289**	**–**	**36,273**	**16**
Securities borrowings	**1,359**[c]	**–**	**1,359**	**–**	**1,290**	**69**
Total	**82,583**	**6,751**	**75,832**	**32,084**	**40,307**	**3,441**
Financial Liabilities						
Derivatives	**45,265**	**8,907**[a]	**36,358**	**32,084**[a]	**1,867**	**2,407**
Repurchase agreements	**14,653**[d]	**–**	**14,653**	**–**	**14,648**	**5**
Short sale of securities	**2,301**[f]	**1,950**	**351**	**–**	**351**	**–**
Total	**62,219**	**10,857**	**51,362**	**32,084**	**16,866**	**2,412**
2021						
Financial Assets						
Derivatives	19,681	4,656[a]	15,025	12,932[a]	1,035	1,058
Reverse repurchase agreements	29,466[b]	–	29,466	–	29,444	22
Securities borrowings	64[c]	–	64	–	61	3
Total	49,211	4,656	44,555	12,932	30,540	1,083
Financial Liabilities						
Derivatives	20,318	5,601[a]	14,717	12,932[a]	1,038	747
Repurchase agreements	5,666[d]	–	5,666	–	5,665	1
Securities lendings	41[e]	–	41	–	41	–
Short sale of securities	2,695[f]	2,176	519	–	519	–
Total	28,720	7,777	20,943	12,932	7,263	748

(a) Related amounts under "Financial instruments" are prepared on the same basis as netting arrangements recognised for computation of Capital Adequacy Ratio (CAR) (unaudited). Accordingly, the amounts shown under "Not subject to enforceable netting agreement" are those where either no netting agreements exist or where the netting agreements have not been recognised for computation of CAR

(b) Reverse repurchase agreements are presented under separate line items on the balance sheet, namely "Due from banks" and "Loans and advances to customers"

(c) Cash collateral pledged under securities borrowings are presented under "Other assets" on the balance sheet

(d) Repurchase agreements are presented under separate line items on the balance sheet, namely "Due to banks" and "Deposits and balances from customers"

(e) Cash collateral received under securities lendings are presented under "Other liabilities" on the balance sheet

(f) Short sale of securities are presented under "Other liabilities" on the balance sheet

16. Cash and Balances with Central Banks

	The Group	
In $ millions	**2022**	**2021**
Cash on hand	**2,520**	2,140
Non-restricted balances with central banks	**41,456**	44,550
Cash and cash equivalents	**43,976**	46,690
Restricted balances with central banks[a]	**10,194**	9,687
Total[b]	**54,170**	56,377

(a) Mandatory balances with central banks

(b) Balances are net of ECL

17. Government Securities and Treasury Bills

	The Group	
In $ millions	**2022**	**2021**
Singapore government securities and treasury bills (Gross)	**16,744**	11,364
Other government securities and treasury bills (Gross)	**48,255**	41,902
Less: ECL[a]	**4**	4
Total	**64,995**	53,262

(a) ECL for FVOCI securities amounting to $4 million (2021: $3 million) are not shown in the table, as these securities are recorded at fair value

18. Bank and Corporate Securities

	The Group	
In $ millions	**2022**	**2021**
Bank and corporate debt securities (Gross)	**62,765**	53,883
Less: ECL[a]	**98**	95
Bank and corporate debt securities	**62,667**	53,788
Equity securities	**12,790**	15,904
Total	**75,457**	69,692

(a) ECL for FVOCI securities amounting to $12 million (2021: $22 million) are not shown in the table, as these securities are recorded at fair value

19. Loans and Advances to Customers

In $ millions	The Group 2022	 2021
Gross	**420,284**	415,072
Less: Specific allowances[(a)]	**2,299**	2,545
General allowances[(a)]	**3,466**	3,534
Net total	**414,519**	408,993
Analysed by product		
Long-term loans	**198,892**	188,483
Short-term facilities	**97,259**	105,593
Housing loans	**80,625**	78,516
Trade loans	**43,508**	42,480
Gross loans	**420,284**	415,072
Analysed by currency		
Singapore dollar	**164,110**	159,305
Hong Kong dollar	**51,043**	49,685
US dollar	**115,803**	121,691
Chinese yuan	**19,282**	19,203
Others	**70,046**	65,188
Gross loans	**420,284**	415,072

(a) Balances refer to ECL under SFRS(I) 9 (Specific allowances: Stage 3 ECL; General allowances: Stage 1 and Stage 2 ECL)

Please refer to Note 43.4 for a breakdown of loans and advances to customers by geography and by industry.

20. Financial Assets Pledged or Transferred

The Group pledges or transfers financial assets to third parties in the ordinary course of business. Transferred assets continue to be recognised in the Group's financial statements when the Group retains substantially all their risks and rewards. Among these, as set out below, are securities pledged or transferred pursuant to repurchase or securities lending or collateral swap agreements and for derivative transactions under credit support agreements.

There were no derecognised assets that were subject to the Group's partial continuing involvement as at 31 December 2022 and 31 December 2021.

Securities and Certificates of deposit

Securities transferred under repurchase, securities lending and collateral swap arrangements are generally conducted under terms in line with normal market practice. The counterparty is typically allowed to sell or re-pledge the securities but has an obligation to return them at maturity. If the securities decrease in value, the Group may, in certain circumstances, be required to place additional collateral.

For repurchase agreements, the securities pledged or transferred continue to be recorded on the balance sheet while cash received in exchange is recorded as a financial liability. The Group also pledges assets to secure its short position in securities and to facilitate settlement operations. The fair value of the associated liabilities approximates their carrying amount of $9,020 million (2021: $4,488 million), which are recorded under "Due to banks", "Deposits and balances from customers" and "Other liabilities" on the balance sheet.

For securities lending and collateral swap transactions, the securities lent continue to be recorded on the balance sheet. As the Group mainly receives other financial assets in exchange, the associated liabilities are not recorded on the balance sheet.

In addition, the Group also pledges securities for derivative transactions under credit support agreements. These assets continue to be recorded on the balance sheet. As the related derivative assets and liabilities are managed on a portfolio basis, there is no direct relationship between the securities pledged and the associated liabilities. As such, the associated liabilities are not disclosed.

In $ millions	The Group 2022	 2021
Financial assets pledged or transferred		
Singapore government securities and treasury bills	**2,773**	2,092
Other government securities and treasury bills	**7,339**	4,327
Bank and corporate debt securities	**2,641**	1,407
Equity securities	**1,232**	42
Certificates of deposit	**504**	563
Total	**14,489**	8,431

Covered bonds

Pursuant to the Bank's Global Covered Bond Programme, selected pools of residential mortgages originated by the Bank have been assigned to a bankruptcy-remote structured entity, Bayfront Covered Bonds Pte Ltd (see Notes 23.2 and 31.4). These residential mortgages continue to be recognised on the Bank's balance sheet as the Bank remains exposed to the risks and rewards associated with them.

As at 31 December 2022, the carrying value of the covered bonds in issue was $7,575 million (2021: $5,689 million), while the carrying value of assets assigned was $16,740 million (2021: $9,237 million). The difference in values is attributable to an intended over-collateralisation required to maintain the credit ratings of the covered bonds in issue, and additional assets assigned to facilitate future issuances.

21. Other Assets

In $ millions	The Group 2022	 2021
Accrued interest receivable	**2,346**	1,274
Deposits and prepayments	**711**	584
Receivables from securities business	**358**	480
Sundry debtors and others	**7,800**	9,748
Cash collateral pledged(a)	**6,201**	3,182
Deferred tax assets (Note 22)	**887**	627
Total(b)	**18,303**	15,895

(a) *Mainly relates to cash collateral pledged in respect of derivative portfolios*
(b) *Balances are net of specific and general allowances*

22. Deferred Tax Assets/ Liabilities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income taxes relate to the same tax authority. The deferred tax assets and liabilities are determined after appropriate offsetting, as shown in "Other assets" (Note 21) and "Other liabilities" (Note 30) respectively.

Deferred tax assets and liabilities comprise the following temporary differences:

In $ millions	The Group 2022	 2021
Deferred income tax assets		
Allowances for credit and other losses	**368**	449
FVOCI financial assets	**143**	12
Cash flow hedges	**197**	14
Own credit risk	**–**	3
Other temporary differences	**436**	382
Sub-total	**1,144**	860
Amounts offset against deferred tax liabilities	**(257)**	(233)
Total	**887**	627
Deferred income tax liabilities		
Allowances for credit and other losses	**61**	62
Tax depreciation	**112**	158
FVOCI financial assets	**–**	6
Cash flow hedges	**–**	7
Own credit risk	**3**	–
Other temporary differences	**137**	81
Sub-total	**313**	314
Amounts offset against deferred tax assets	**(257)**	(233)
Total	**56**	81
Net deferred tax assets	**831**	546

23. Subsidiaries and Consolidated Structured Entities

In $ millions	The Company 2022	 2021
Investment in subsidiaries(a)		
Ordinary shares	**17,682**	17,682
Additional Tier 1 instruments	**2,982**	3,025
Other equity instruments	**344**	344
	21,008	21,051
Due from subsidiaries		
Subordinated term debts	**5,859**	6,398
Other debt securities	**684**	735
Other receivables	**1,989**	3,160
	8,532	10,293
Total	**29,540**	31,344

(a) *The carrying amounts of certain investments which are designated as hedged items in a fair value hedge are adjusted for fair value changes attributable to the hedged risks*

23.1 Main operating subsidiaries

The main operating subsidiaries within the Group are listed below.

Name of subsidiary	Incorporated in	The Group Effective shareholding % 2022	 2021
Commercial Banking			
DBS Bank Ltd.	Singapore	**100**	100
DBS Bank (Hong Kong) Limited*	Hong Kong	**100**	100
DBS Bank (China) Limited*	China	**100**	100
DBS Bank (Taiwan) Limited*	Taiwan	**100**	100
PT Bank DBS Indonesia*	Indonesia	**99**	99
DBS Bank India Limited*	India	**100**	100
Other Financial Services			
DBS Vickers Securities Holdings Pte Ltd	Singapore	**100**	100
DBS Digital Exchange Pte. Ltd.(a)	Singapore	**90**	90
DBS Securities (China) Co. Ltd*	China	**51**	51

* *Audited by PricewaterhouseCoopers network firms outside Singapore*
(a) *Subsidiary held by DBS Finnovation Pte. Ltd., an investment holding company under DBS Bank Ltd.*

The Group's main subsidiaries are regulated banks and non-bank financial institutions. Statutory, contractual or regulatory requirements as well as protective rights of non-controlling interests may restrict the ability of the Company to access and transfer assets freely to or from other entities within the Group and to settle liabilities of the Group. Since the Group did not have any material non-controlling interests as at the balance sheet dates, any protective rights associated with these did not give rise to significant restrictions in 2021 and 2022.

23.2 Consolidated structured entity

The structured entity consolidated by the Group is listed below.

Name of entity	Purpose of consolidated structured entity	Incorporated in
Bayfront Covered Bonds Pte Ltd	Covered bond guarantor	Singapore

Bayfront Covered Bonds Pte Ltd is a bankruptcy-remote structured entity established in conjunction with the Bank's USD 10 billion Global Covered Bond Programme (see Note 31.4). As part of the contractual structures that are integral to this programme, the Bank provides funding and hedging facilities to it.

24. Associates and Joint Ventures

In $ millions	**The Group** **2022**	**2021**
Unquoted equity securities	**2,055**	1,932
Share of post-acquisition reserves	**225**	240
Total	**2,280**	2,172

The Group's share of income and expenses, assets and liabilities and off-balance sheet items of the associates and joint ventures at 31 December are as follows:

In $ millions	**The Group** **2022**	**2021**
Income statement		
Share of income	**605**	502
Share of expenses	**(398)**	(289)
Balance sheet		
Share of total assets	**4,437**	4,233
Share of total liabilities	**2,157**	2,061
Off-balance sheet		
Share of contingent liabilities and commitments	**3,737**	2,435

24.1 Main associates

The main associates of the Group are listed below.

Name of associate	**Incorporated in**	**The Group** **Effective shareholding %** **2022**	**2021**
Unquoted			
Central Boulevard Development Pte Ltd*	Singapore	**33.3**	33.3
Shenzhen Rural Commercial Bank Corporation Limited*(a) (Note 26.1)	China	**13.0**	13.0

* *Audited by other auditors*

(a) *The Group is able to exercise significant influence over the financial and operating policy decision through board representation*

As of 31 December 2022 and 31 December 2021, no associate and joint venture was individually material to the Group. As a non-controlling shareholder, the Group's ability to receive dividends is subject to agreement with other shareholders. The associates and joint ventures may also be subject to statutory, contractual or regulatory requirements restricting dividend payments or to repay loans or advances made.

25. Unconsolidated Structured Entities

"Unconsolidated structured entities" are structured entities, as defined by SFRS(I) 12, that are not controlled by the Group. In the normal course of business, the Group enters into transactions with these structured entities to facilitate customer transactions and for specific investment opportunities.

While the economic exposures may be the same as those to other types of entities, SFRS(I) 12 specifically requires companies to disclose such exposures arising from transactions with unconsolidated structured entities. The table below reflects exposures to third party securitisation structures where the Group holds an interest in the normal course of business.

As is the case with other types of counterparties, the carrying amount from transactions with unconsolidated structured entities have been included in the Group's financial statements.

The risks arising from such transactions are subject to the Group's risk management practices.

The table below represents the Group's maximum exposure to loss which for on-balance sheet assets and liabilities is represented by the carrying amount, and does not reflect mitigating effects from the availability of netting arrangements and financial instruments that the Group may utilise to economically hedge the risks inherent in third party structured entities, or risk-reducing effects of collateral or other credit enhancements.

In $ millions	**The Group** **2022**	**2021**
Derivatives	**25**	6
Corporate securities	**4,017**	3,704
Loans and advances to customers	**–**	9
Other assets	**3**	2
Total assets	**4,045**	3,721
Commitments	**799**	549
Maximum exposure to loss	**4,844**	4,270
Derivatives	**244**	108
Total liabilities	**244**	108

SFRS(I) 12 also requires additional disclosures where the Group acts as a sponsor to unconsolidated structured entities. The Group is deemed a sponsor of a structured entity if it plays a key role in establishing the entity, and has an on-going involvement with the structured entity or if the Group's name appears in the structured entity's name.

There are certain investment funds where the Group is the fund manager and the investors have no or limited removal rights over the fund manager. These funds are primarily subscribed by the investors. As of 31 December 2022, the Group did not hold any investment in these investment funds. The table below summarises the Group's involvement in the funds.

In $ millions	**The Group** **2022**	**2021**
Total assets of the sponsored structured entities	**476**	452
Fee income earned from the sponsored structured entities	**8**	4

26. Acquisitions

26.1 Shenzhen Rural Commercial Bank Corporation Limited

The Group announced on 20 April 2021 that it had entered into an agreement and have obtained approvals from Monetary Authority of Singapore and China Banking and Insurance Regulatory Commission, Shenzhen Office to subscribe for a 13% stake in Shenzhen Rural Commercial Bank Corporation Limited ("SZRCB") for CNY 5.3 billion ($1.1 billion) ("the Investment").The purchase consideration was adjusted to CNY 5.2 billion ($1.1 billion) following the dividend distribution of CNY 10 cents per share by SZRCB in May 2021.

The Investment is classified as an associate and applies the equity method of accounting. The Group is able to exercise significant influence over the financial and operating policy decision through board representation.

The transaction was completed in October 2021 and a gain of $104 million was recognised, being the excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of investment. The gain is included in share of profits or losses of associates during the year. The Investment is in line with the Group's strategy of investing in its core markets and accelerates its expansion in the rapidly growing Greater Bay Area.

26.2 Consumer banking business of Citigroup Inc ("Citi") in Taiwan

The Group announced on 28 January 2022 that it had agreed to acquire the consumer banking business of Citi in Taiwan ("Citi Consumer Taiwan") via a transfer of assets and liabilities, and will pay Citi cash for the net assets of Citi Consumer Taiwan plus a premium capped at $966 million (TWD 22.1 billion). The acquisition is in line with the Group's strategy to scale up its investment and accelerates its expansion in Taiwan.

Completion of the proposed acquisition is subject to customary regulatory and migration conditions. Subject to the timing of satisfying these conditions, completion and migration is tentatively set to be around third quarter of 2023.

27. Properties and Other Fixed Assets

	The Group	
In $ millions	**2022**	**2021**
Owned properties and other fixed assets		
Investment properties	**39**	40
Owner-occupied properties	**398**	423
Software[a]	**1,181**	1,042
Other fixed assets	**367**	380
Sub-total	**1,985**	1,885
Right-of-use assets		
Properties	**1,155**	1,261
Other fixed assets	**98**	116
Sub-total	**1,253**	1,377
Total	**3,238**	3,262

(a) During the year, the additions to software were $491 million (2021: $399 million), disposals/ write-offs were $51 million (2021: $21 million) and depreciation expenses were $300 million (2021: $261 million)

28. Goodwill and Intangibles

The carrying amounts of the Group's goodwill and intangibles arising from business acquisitions are as follows:

	The Group	
In $ millions	**2022**	**2021**
DBS Bank (Hong Kong) Limited	**4,631**	4,631
Others	**709**	731
Total	**5,340**	5,362

Goodwill is reviewed on an annual basis or when indicators of impairment exist.

The more material goodwill at the Group relates to DBS Bank (Hong Kong) Limited's franchise. The recoverable value of the franchise is determined based on a value-in-use calculation. The CGU's five-year projected free cash flows, after taking into account the maintenance of capital adequacy requirements at target levels, are discounted by its cost of capital to derive its present value. To derive the value beyond the fifth year, a long-term growth rate is imputed to the fifth-year cash flow and then discounted by the cost of capital to derive the terminal value. The long-term growth rate used does not exceed the historical long-term growth rate of the market the CGU operates in. The recoverable value is the sum of the present value of the five-year cash flows and the terminal value.

A growth rate of 3.5% (2021: 3.5%) and discount rate of 9.0% (2021: 9.0%) were assumed in the value-in-use calculation for DBS Bank (Hong Kong) Limited's franchise.

The process of evaluating goodwill impairment involves management judgement and prudent estimates of various factors including future cash flows as well as the cost of capital and long-term growth rates. The results can be highly sensitive to the assumptions used. Key assumptions used to determine the recoverable amounts of the CGU, including growth rate and discount rate, are tested for sensitivity by applying a reasonably possible change to those assumptions. The reasonably possible changes in key assumptions did not result in an impairment of goodwill as at 31 December 2022.

29. Deposits and Balances from Customers

	The Group	
In $ millions	**2022**	**2021**
Analysed by currency		
Singapore dollar	**213,259**	219,838
US dollar	**198,124**	174,338
Hong Kong dollar	**36,211**	31,067
Chinese yuan	**21,795**	20,995
Others	**57,611**	55,721
Total	**527,000**	501,959
Analysed by product		
Savings accounts	**186,727**	221,908
Current accounts	**130,855**	159,453
Fixed deposits	**203,545**	113,731
Other deposits	**5,873**	6,867
Total	**527,000**	501,959

30. Other Liabilities

	The Group	
In $ millions	**2022**	**2021**
Cash collateral received[a]	**4,205**	1,951
Accrued interest payable	**1,213**	286
Provision for loss in respect of off-balance sheet credit exposures	**257**	344
Payable in respect of securities business	**351**	365
Sundry creditors and others[b]	**11,914**	10,459
Lease liabilities[c]	**1,389**	1,522
Current tax liabilities	**1,061**	964
Short sale of securities	**2,301**	2,695
Deferred tax liabilities (Note 22)	**56**	81
Total	**22,747**	18,667

(a) Mainly relates to cash collateral received in respect of derivative portfolios

(b) Includes income received in advance of $864 million (2021: $960 million) arising from a 15-year regional distribution agreement entered with Manulife Financial Asia Limited, to be amortised on a straight-line basis. The regional distribution agreement was extended for one more year to 2031 via a contract addendum in 2021. The revised amortisation amounting to $96 million per annum arising from the change took effect from 2022. $96 million (2021: $107 million) of the Manulife income received in advance was recognised as fee income during the year

(c) Total lease payments made during the year amounted to $242 million (2021: $261 million)

31. Other Debt Securities

		The Group		The Company	
In $ millions	**Note**	**2022**	**2021**	**2022**	**2021**
Negotiable certificates of deposit	31.1	**5,910**	4,865	**–**	–
Senior medium term notes	31.2	**6,592**	6,540	**3,472**	5,400
Commercial papers	31.3	**19,053**	24,865	**–**	270
Covered bonds	31.4	**7,575**	5,689	**–**	–
Other debt securities	31.5	**8,058**	10,611	**–**	–
Total		**47,188**	52,570	**3,472**	5,670
Due within 1 year		**30,745**	38,056	**684**	2,119
Due after 1 year[a]		**16,443**	14,514	**2,788**	3,551
Total		**47,188**	52,570	**3,472**	5,670

(a) Includes instruments in perpetuity

31.1 Negotiable certificates of deposit issued and outstanding are as follows:

In $ millions		**The Group**	
Currency	**Interest Rate and Interest Frequency**	**2022**	**2021**
Issued by the Bank and other subsidiaries			
AUD	Zero-coupon, payable on maturity	**3,207**	3,119
CNY	Zero-coupon, payable on maturity	**2,136**	1,648
HKD	1.07%, payable on maturity	**35**	–
HKD	Zero-coupon, payable on maturity	**500**	–
INR	Zero-coupon, payable on maturity	**32**	–
TWD	0.42%, payable on maturity	**–**	98
Total		**5,910**	4,865

The outstanding negotiable certificates of deposit as at 31 December 2022 were issued between 11 January 2022 and 29 December 2022 (2021: 5 July 2021 and 30 December 2021) and mature between 4 January 2023 and 21 November 2023 (2021: 4 January 2022 and 20 October 2022).

31.2 Senior medium term notes issued and outstanding as at 31 December are as follows:

In $ millions		**The Group**		**The Company**	
Currency	**Interest Rate and Interest Frequency**	**2022**	**2021**	**2022**	**2021**
Issued by the Company					
AUD	0.85%, payable semi-annually	**268**	292	**273**	294
AUD	Floating rate note, payable quarterly	**410**	441	**410**	441
HKD	2.78% to 2.8%, payable annually	**–**	156	**–**	156
HKD	1.074%, payable semi-annually	**241**	243	**241**	243
USD	1.169% to 3.422%, payable semi-annually	**2,085**	3,184	**2,145**	3,185
USD	Floating rate note, payable quarterly	**403**	1,081	**403**	1,081
Issued by the Bank and other subsidiaries					
AUD	Floating rate note, payable quarterly	**1,460**	686	**–**	–
CNY	4.7%, payable annually	**158**	174	**–**	–
HKD	5.4%, payable quarterly	**214**	–	**–**	–
HKD	Floating rate note, payable quarterly	**232**	–	**–**	–
HKD	1.125% to 5.41%, payable semi-annually	**736**	–	**–**	–
USD	1.492% to 2.3%, payable semi-annually	**385**	283	**–**	–
Total		**6,592**	6,540	**3,472**	5,400

The outstanding senior medium term notes as at 31 December 2022 were issued between 24 January 2019 and 22 November 2022 (2021: 13 January 2017 and 22 November 2021) and mature between 3 March 2023 and 15 March 2027 (2021: 13 January 2022 and 15 March 2027).

31.3 The commercial papers were issued by the Bank under its USD 5 billion Euro Commercial Paper Programme and USD 20 billion US Commercial Paper Programme and by the Company under its USD 5 billion US Commercial Paper Programme. These are mainly zero-coupon papers. The outstanding notes as at 31 December 2022 were issued between 7 July 2022 and 31 December 2022 (2021: 6 July 2021 and 31 December 2021) and mature between 3 January 2023 and 30 June 2023 (2021: 5 January 2022 and 9 September 2022).

31.4 The covered bonds were issued by the Bank under its USD 10 billion Global Covered Bond Programme. A covered bond is a senior obligation of the Bank backed by a cover pool comprising assets that have been ring-fenced via contractual structures in a bankruptcy-remote structured entity, Bayfront Covered Bonds Pte Ltd. Bayfront Covered Bonds Pte Ltd provides an unconditional and irrevocable guarantee, which is secured by the cover pool, to the covered bond holders. Please refer to Note 20 for further details on the covered bonds.

The outstanding covered bonds as at 31 December 2022 were issued between 23 January 2017 and 12 December 2022 (2021: 23 January 2017 and 17 November 2021) and mature between 23 January 2024 and 17 March 2027 (2021: 25 October 2022 and 26 October 2026).

31.5 Other debt securities issued and outstanding as at 31 December are as follows:

	The Group	
In $ millions	**2022**	**2021**
Issued by the Bank and other subsidiaries		
Equity linked notes	**1,740**	4,929
Credit linked notes	**3,832**	2,826
Interest linked notes	**2,364**	2,809
Others	**122**	47
Total	**8,058**	10,611

The outstanding securities (excluding perpetual securities) as at 31 December 2022 were issued between 12 March 2013 and 31 December 2022 (2021: 1 March 2013 and 31 December 2021) and mature between 3 January 2023 and 22 February 2062 (2021: 3 January 2022 and 31 March 2061).

32. Subordinated Term Debts

The following subordinated term debts issued by the Company are classified as liabilities. These term debt instruments have a junior or lower priority claim on the issuing entity's assets in the event of a default or liquidation.

The subordinated term debts issued by the Company include provisions for them to be written-off if and when the Monetary Authority of Singapore notifies the Company that a write-off of the instruments, or a public sector injection of capital (or equivalent support), is necessary, without which the Company or the Group would become non-viable. These instruments qualify as Tier 2 capital under the Monetary Authority of Singapore Notice to Designated Financial Holding Companies on Risk Based Capital Adequacy Requirements (MAS Notice FHC-N637).

					The Group and The Company	
In $ millions	**Note**	**Issue Date**	**Maturity Date**	**Interest Payment**	**2022**	**2021**
Issued by the Company						
SGD 250m 3.80% Subordinated Notes due 2028 Callable in 2023	32.1	20 Jan 2016	20 Jan 2028	Jan/ Jul	**251**	256
JPY 10,000m 0.918% Subordinated Notes due 2026	32.2	8 Mar 2016	8 Mar 2026	Mar/ Sep	**101**	118
AUD 750m 3-month BBSW+1.58% Subordinated Notes due 2028 Callable in 2023	32.3	16 Mar 2018	16 Mar 2028	Mar/ Jun/ Sep/ Dec	**684**	735
EUR 600m 1.50% Subordinated Notes due 2028 Callable in 2023	32.4	11 Apr 2018	11 Apr 2028	Apr	**859**	917
CNY 950m 5.25% Subordinated Notes due 2028 Callable in 2023	32.5	15 May 2018	15 May 2028	May/ Nov	**183**	201
USD 750m 4.52% Subordinated Notes due 2028 Callable in 2023	32.6	11 Jun 2018	11 Dec 2028	Jun/ Dec	**1,007**	1,014
JPY 7,300m 0.85% Subordinated Notes due 2028 Callable in 2023	32.7	25 Jun 2018	25 Jun 2028	Jun/ Dec	**74**	86
AUD 300m 3-month BBSW+1.90% Subordinated Notes due 2031 Callable in 2026	32.8	8 Oct 2020	8 Apr 2031	Jan/ Apr/ Jul/ Oct	**274**	294
CNY 1,600m 3.70% Subordinated Notes due 2031 Callable in 2026	32.9	3 Mar 2021	3 Mar 2031	Mar/ Sep	**308**	339
USD 500m 1.822% Subordinated Notes due 2031 Callable in 2026	32.10	10 Mar 2021	10 Mar 2031	Mar/ Sep	**671**	676
Total					**4,412**	4,636
Due within 1 year					**251**	–
Due after 1 year					**4,161**	4,636
Total					**4,412**	4,636

32.1 Interest on the notes is payable at 3.80% per annum up to 20 January 2023. Thereafter, the interest rate resets to the then-prevailing five-year Singapore Dollar Swap Offer Rate plus 1.10% per annum. Interest is paid semi-annually on 20 January and 20 July each year. The notes are redeemable on 20 January 2023 or on any interest payment date thereafter. Swaps have been entered into to exchange the fixed rate payments on the notes to floating rate payments. The notes were fully redeemed on 20 January 2023.

32.2 Interest on the notes is payable semi-annually at 0.918% per annum on 8 March and 8 September each year. Swaps have been entered into to exchange the fixed rate payments on the notes to floating rate payments.

32.3 Interest on the notes is payable quarterly at 3-month Bank Bill Swap Rate (BBSW) plus 1.58% per annum on 16 March, 16 June, 16 September and 16 December each year. The notes are redeemable on 16 March 2023 or on any interest payment date thereafter.

32.4 Interest on the notes is payable at 1.50% per annum up to 11 April 2023. Thereafter, the interest rate resets to the then-prevailing five-year Euro Mid-Swap Rate plus 1.20% per annum. Interest is paid annually on 11 April each year. The notes are redeemable on 11 April 2023 or on any interest payment date thereafter.

32.5 Interest on the notes is payable semi-annually at 5.25% per annum on 15 May and 15 November each year. The notes are redeemable on 15 May 2023 or on any interest payment date thereafter.

32.6 Interest on the notes is payable at 4.52% per annum up to 11 December 2023. Thereafter, the interest rate resets to the then-prevailing five-year US Dollar Mid-Swap Rate plus 1.59% per annum. Interest is paid semi-annually on 11 June and 11 December each year. The notes are redeemable on 11 December 2023 or on any interest payment date thereafter.

32.7 Interest on the notes is payable at 0.85% per annum up to 25 June 2023. Thereafter, the interest rate resets to the then-prevailing six-month JPY London Interbank Offered Rate plus 0.74375% per annum. Interest is paid semi-annually on 25 June and 25 December each year. The notes are redeemable on 25 June 2023 or on any interest payment date thereafter. Swaps have been entered into to exchange the fixed rate payments on the notes to floating rate payments.

32.8 Interest on the notes is payable quarterly at 3-month Bank Bill Swap Rate (BBSW) plus 1.90% per annum on 8 January, 8 April, 8 July and 8 October each year. The notes are redeemable on 8 April 2026 or on any interest payment date thereafter.

32.9 Interest on the notes is payable semi-annually at 3.70% per annum on 3 March and 3 September each year. The notes are redeemable on 3 March 2026 or on any interest payment date thereafter.

32.10 Interest on the notes is payable at 1.822% per annum up to 10 March 2026. Thereafter, the interest rate resets to the then-prevailing five-year US Dollar Treasury Rate plus 1.10% per annum. Interest is paid semi-annually on 10 March and 10 September each year. The notes are redeemable on 10 March 2026 or on any interest payment date thereafter.

For more information on each instrument, please refer to the "Capital Instruments" section (unaudited) published on DBS website (https://www.dbs.com/investors/fixed-income/capital-instruments).

33. Share Capital

The Scrip Dividend Scheme ("Scheme") was re-introduced from the second-quarter interim dividend of financial year 2020. With the MAS lifting of regulatory restrictions on 28 July 2021, the Scheme was only applied to the 2021 first quarter interim dividend and ceased thereafter.

As at 31 December 2022, the number of treasury shares held by the Group is 15,454,520 (2021: 20,872,531), which is 0.60% (2021: 0.81%) of the total number of issued shares net of treasury shares.

Movements in the number of shares and carrying amount of share capital are as follows:

	The Group				The Company			
	Shares ('000)		In $ millions		Shares ('000)		In $ millions	
	2022	2021	2022	2021	2022	2021	2022	2021
Ordinary shares								
Balance at 1 January	**2,587,618**	2,575,864	**11,826**	11,484	**2,587,618**	2,575,864	**11,826**	11,484
Shares issued pursuant to Scrip Dividend Scheme	**–**	11,754	**–**	342	**–**	11,754	**–**	342
Balance at 31 December	**2,587,618**	2,587,618	**11,826**	11,826	**2,587,618**	2,587,618	**11,826**	11,826
Treasury shares								
Balance at 1 January	**(20,873)**	(25,874)	**(443)**	(542)	**(19,276)**	(24,796)	**(401)**	(516)
Purchase of treasury shares	**(315)**	(534)	**(11)**	(16)	**–**	–	**–**	–
Draw-down of reserves upon vesting of performance shares	**5,733**	5,535	**123**	115	**–**	–	**–**	–
Transfer of treasury shares	**–**	–	**–**	–	**5,287**	5,520	**110**	115
Balance at 31 December	**(15,455)**	(20,873)	**(331)**	(443)	**(13,989)**	(19,276)	**(291)**	(401)
Issued share capital at 31 December			**11,495**	11,383			**11,535**	11,425

34. Other Equity Instruments

The following perpetual capital securities issued by the Company are classified as other equity instruments. These instruments are subordinated to all liabilities of the Company and senior only to ordinary shareholders of the Company. Their terms require them to be written-off if and when the Monetary Authority of Singapore notifies the Company that a write-off of the instruments, or a public sector injection of capital (or equivalent support), is necessary, without which the Company or the Group would become non-viable. These instruments qualify as Additional Tier 1 capital under MAS Notice FHC-N637.

				The Group and The Company	
In $ millions	**Note**	**Issue Date**	**Distribution Payment**	**2022**	**2021**
Issued by the Group and the Company					
SGD 1,000m 3.98% Non-Cumulative, Non-Convertible Perpetual Capital Securities First Callable in 2025	34.1	12 Sep 2018	Mar/ Sep	**1,000**	1,000
USD 1,000m 3.30% Non-Cumulative, Non-Convertible Perpetual Capital Securities First Callable in 2025	34.2	27 Feb 2020	Feb/ Aug	**1,392**	1,392
Total				**2,392**	2,392

34.1 Distributions are payable at 3.98% per annum up to 12 September 2025. Thereafter, the distribution rate resets every 7 years to the then-prevailing seven-year Singapore Dollar Swap Offer Rate plus 1.65% per annum. Distributions are paid semi-annually on 12 March and 12 September each year, unless cancelled by the Company. The capital securities are redeemable on 12 September 2025 or on any distribution payment date thereafter.

34.2 Distributions are payable at 3.30% per annum up to 27 February 2025. Thereafter, the distribution rate resets every 5 years to the then-prevailing five-year US Dollar Treasury Rate plus 1.915% per annum. Distributions are paid semi-annually on 27 February and 27 August each year, unless cancelled by the Company. The capital securities are redeemable on 27 February 2025 or on any distribution payment date thereafter.

For more information on each instrument, please refer to the "Capital Instruments" section (unaudited) published on DBS website (https://www.dbs.com/investors/fixed-income/capital-instruments).

35. Other Reserves and Revenue Reserves

35.1 Other reserves

In $ millions	The Group 2022	The Group 2021	The Company 2022	The Company 2021
FVOCI revaluation reserves (debt)	**(1,686)**	(68)	**–**	–
FVOCI revaluation reserves (equity)	**(346)**	(56)	**–**	–
Cash flow hedge reserves	**(2,495)**	(210)	**(79)**	25
Foreign currency translation reserves	**(1,270)**	(331)	**–**	–
Share plan reserves	**116**	106	**116**	106
Others	**4,334**	4,369	**–**	–
Total	**(1,347)**	3,810	**37**	131

Movements in other reserves during the year are as follows:

In $ millions	FVOCI revaluation reserves (debt)	FVOCI revaluation reserves (equity)	Cash flow hedge reserves	Foreign currency translation reserves	Share plan reserves	Other reserves[(a)]	Total
	The Group						
2022							
Balance at 1 January	**(68)**	**(56)**	**(210)**	**(331)**	**106**	**4,369**	**3,810**
Net exchange translation adjustments	**–**	**–**	**–**	**(939)**	**–**	**–**	**(939)**
Share of associates' reserves	**–**	**(10)**	**17**	**–**	**–**	**1**	**8**
Cost of share-based payments	**–**	**–**	**–**	**–**	**134**	**–**	**134**
Draw-down of reserves upon vesting of performance shares	**–**	**–**	**–**	**–**	**(124)**	**–**	**(124)**
FVOCI financial assets and cash flow hedge movements:							
– net valuation taken to equity	**(1,860)**	**(432)**	**(2,355)**	**–**	**–**	**–**	**(4,647)**
– transferred to income statement	**117**	**–**	**(140)**	**–**	**–**	**–**	**(23)**
– taxation relating to components of other comprehensive income	**125**	**15**	**193**	**–**	**–**	**–**	**333**
Transfer to revenue reserves upon disposal of FVOCI equities	**–**	**137**	**–**	**–**	**–**	**–**	**137**
Other movements	**–**	**–**	**–**	**–**	**–**	**(36)**	**(36)**
Balance at 31 December	**(1,686)**	**(346)**	**(2,495)**	**(1,270)**	**116**	**4,334**	**(1,347)**
2021							
Balance at 1 January	385	(141)	386	(688)	89	4,366	4,397
Net exchange translation adjustments	–	–	–	357	–	–	357
Share of associates' reserves	–	2	10	–	–	–	12
Cost of share-based payments	–	–	–	–	134	–	134
Draw-down of reserves upon vesting of performance shares	–	–	–	–	(117)	–	(117)
FVOCI financial assets and cash flow hedge movements:							
– net valuation taken to equity	(313)	128	(444)	–	–	–	(629)
– transferred to income statement	(163)	–	(227)	–	–	–	(390)
– taxation relating to components of other comprehensive income	23	(6)	65	–	–	–	82
Transfer to revenue reserves upon disposal of FVOCI equities	–	(39)	–	–	–	–	(39)
Capital contribution from non-controlling interests	–	–	–	–	–	3	3
Balance at 31 December	(68)	(56)	(210)	(331)	106	4,369	3,810

(a) Other reserves mainly relate to share premium of the Bank prior to the restructuring of the Bank under the Company pursuant to a scheme of arrangement under Section 210 of the Singapore Companies Act on 26 June 1999

In $ millions	The Company Cash flow hedge reserves	The Company Share plan reserves	The Company Total
2022			
Balance at 1 January	**25**	**106**	**131**
Cost of share-based payments	**–**	**134**	**134**
Draw-down of reserves upon vesting of performance shares	**–**	**(124)**	**(124)**
Cash flow hedge movements:			
– net valuation taken to equity	**(113)**	**–**	**(113)**
– transferred to income statement	**(12)**	**–**	**(12)**
– taxation relating to components of other comprehensive income	**21**	**–**	**21**
Balance at 31 December	**(79)**	**116**	**37**
2021			
Balance at 1 January	68	89	157
Cost of share-based payments	–	134	134
Draw-down of reserves upon vesting of performance shares	–	(117)	(117)
Cash flow hedge movements:			
– net valuation taken to equity	(22)	–	(22)
– transferred to income statement	(43)	–	(43)
– taxation relating to components of other comprehensive income	22	–	22
Balance at 31 December	25	106	131

35.2 Revenue reserves

In $ millions	The Group 2022	The Group 2021
Balance at 1 January	**39,941**	35,886
Net profit attributable to shareholders	**8,193**	6,805
Other comprehensive income attributable to shareholders		
– Fair value change from own credit risk on financial liabilities designated at fair value (net of tax)	**115**	(32)
– Defined benefit plans remeasurements (net of tax)	**(1)**	(11)
– Transfer from FVOCI revaluation reserves upon disposal of FVOCI equities	**(137)**	39
Other movements	**25**	(13)
Sub-total	**48,136**	42,674
Less: Redemption of perpetual capital securities	**–**	(1)
Less: Final dividends on ordinary shares of $0.36 paid for the previous financial year (2021: $0.18 one-tier tax-exempt)	**926**	459
Interim dividends on ordinary shares of $1.08 paid for the current financial year (2021: $0.84 one-tier tax-exempt)	**2,778**	2,154
Dividends on other equity instruments	**85**	121
Balance at 31 December	**44,347**	39,941

35.3 Proposed dividends

Proposed final one-tier tax-exempt dividends on ordinary shares of $0.42 per share and one-tier tax-exempt special dividend of $0.50 per share have not been accounted for in the financial statements for the year ended 31 December 2022. This is to be approved at the Annual General Meeting on 31 March 2023.

36. Contingent Liabilities and Commitments

The Group issues guarantees, performance bonds and indemnities in the ordinary course of business. The majority of these facilities are offset by corresponding obligations of third parties.

Guarantees and performance bonds are generally written by the Group to support the performance of a customer to third parties. As the Group will only be required to meet these obligations in the event of the customer's default, the cash requirements of these instruments are expected to be considerably below their nominal amount.

	The Group	
In $ millions	**2022**	**2021**
Guarantees on account of customers	**21,006**	22,855
Letters of credit and other obligations on account of customers	**16,663**	11,224
Undrawn credit commitments[(a)]	**364,998**	330,914
Forward starting transactions	**852**	501
Undisbursed and underwriting commitments in securities	**418**	537
Sub-total	**403,937**	366,031
Capital commitments	**134**	72
Total	**404,071**	366,103
Analysed by industry (excluding capital commitments)		
Manufacturing	**60,064**	56,053
Building and construction	**33,045**	30,096
Housing loans	**7,902**	8,541
General commerce	**66,883**	55,336
Transportation, storage and communications	**20,511**	19,892
Financial institutions, investment and holding companies	**49,638**	40,027
Professionals and private individuals (excluding housing loans)	**131,631**	123,249
Others	**34,263**	32,837
Total	**403,937**	366,031
Analysed by geography[(b)] (excluding capital commitments)		
Singapore	**159,784**	145,379
Hong Kong	**65,677**	62,373
Rest of Greater China	**50,479**	47,738
South and Southeast Asia	**36,016**	29,963
Rest of the World	**91,981**	80,578
Total	**403,937**	366,031

(a) Includes commitments that are unconditionally cancellable at any time by the Group (2022: $294,168 million; 2021: $264,953 million)
(b) Based on the location of incorporation of the counterparty or borrower

37. Financial Derivatives

37.1 Trading derivatives

Most of the Group's derivatives relate to sales and trading activities. Sales activities include the structuring and marketing of derivatives to customers to enable them to take, transfer, modify or reduce current or expected risks. Trading activities are entered into principally for dealer's margin or for the purpose of generating a profit from short-term fluctuations in price.

Trading includes mainly market-making and warehousing to facilitate customer orders. Market-making involves quoting bid and offer prices to other market participants with the intention of generating revenues based on spread and volume. Warehousing involves holding on to positions in order to liquidate in an orderly fashion with timing of unwinding determined by market conditions and traders' views of markets as they evolve.

37.2 Hedging derivatives

The accounting treatment of hedging derivatives varies according to the nature of the hedge and whether the hedge meets the specified criteria to qualify for hedge accounting. Derivatives transacted for economic hedges but do not qualify for hedge accounting are treated in the same way as derivative instruments held for trading purposes. Please refer to Note 39 for more details on derivatives used for hedging.

The following table summarises the contractual or underlying principal amounts of derivative financial instruments held or issued for trading and hedging purposes outstanding at balance sheet date. They do not represent amounts at risk.

In the financial statements, trading derivative financial instruments are revalued on a gross position basis and the unrealised gains or losses are reflected as derivative assets or derivative liabilities. Derivative assets and liabilities arising from different transactions are only offset if the transactions are done with the same counterparty, a legal right of offset exists, and the parties intend to settle the cash flows on a net basis. There were no offset of derivative assets and liabilities in 2022 and 2021.

	The Group					
	2022			2021		
In $ millions	**Underlying notional**	**Assets**	**Liabilities**	**Underlying notional**	**Assets**	**Liabilities**
Interest rate derivatives						
Forward rate agreements	**2,718**	**261**	**18**	11,938	63	69
Interest rate swaps	**1,536,738**	**24,968**	**27,961**	1,328,830	9,175	9,456
Interest rate futures	**22,285**	**57**	**6**	20,306	15	3
Interest rate options	**44,881**	**1,282**	**1,146**	48,014	990	1,319
Sub-total	**1,606,622**	**26,568**	**29,131**	1,409,088	10,243	10,847
Foreign exchange (FX) derivatives						
FX contracts	**611,474**	**6,756**	**7,192**	522,921	3,515	3,609
Currency swaps	**238,615**	**9,070**	**7,324**	248,224	4,485	4,063
Currency options	**90,707**	**499**	**672**	72,669	237	288
Sub-total	**940,796**	**16,325**	**15,188**	843,814	8,237	7,960
Equity derivative contracts	**18,094**	**1,356**	**605**	22,227	795	1,243
Credit derivative contracts	**27,024**	**594**	**162**	24,265	351	222
Commodity derivative contracts	**7,802**	**92**	**179**	3,830	55	46
Gross total derivatives	**2,600,338**	**44,935**	**45,265**	2,303,224	19,681	20,318
Impact of netting arrangements recognised for computation of Capital Adequacy Ratio (CAR) (unaudited)		**(32,084)**	**(32,084)**		(12,932)	(12,932)
		12,851	**13,181**		6,749	7,386
Included in the above are derivatives held for:						
Fair value hedges						
Interest rate swaps	**16,483**	**546**	**508**	13,156	94	255
Currency swaps	**530**	**38**	**–**	425	1	17
Sub-total	**17,013**	**584**	**508**	13,581	95	272
Cash flow hedges						
Forward rate agreements	**42**	**3**	**–**	–	–	–
Interest rate swaps	**33,398**	**21**	**1,831**	17,329	9	223
FX contracts	**17,468**	**230**	**77**	6,743	69	44
Currency swaps	**20,917**	**1,242**	**647**	23,151	635	689
Sub-total	**71,825**	**1,496**	**2,555**	47,223	713	956
Net investment hedges						
FX contracts	**12,027**	**140**	**48**	7,217	43	11
Currency swaps	**–**	**–**	**–**	2,055	9	–
Sub-total	**12,027**	**140**	**48**	9,272	52	11
Total derivatives held for hedging	**100,865**	**2,220**	**3,111**	70,076	860	1,239

38. Interest Rate Benchmark Reform

In March 2021, the UK Financial Conduct Authority (FCA) announced the dates on which LIBOR would be discontinued. All GBP, CHF, EUR, JPY London Interbank Offered Rate (LIBOR) settings and the one-week and two-month USD LIBOR settings would lose representativeness or discontinue after 31 December 2021. The remaining USD LIBOR settings would lose representativeness or discontinue after 30 June 2023. In Singapore, as announced by the Steering Committee for SOR & SIBOR Transition to SORA (SC-STS) on 31 March 2021, Singapore Swap Offer Rate (SOR), which relies on USD LIBOR in its computation, would similarly be discontinued immediately after 30 June 2023 across all settings. The Singapore Interbank Offered Rate (SIBOR) would discontinue by end-2024, with 6-month SIBOR being discontinued immediately after 31 March 2022.

The Group's main interest rate benchmark exposures are USD LIBOR, SOR and SIBOR. USD LIBOR will be replaced by USD Secured Overnight Financing Rate (SOFR) while the replacement benchmark rate for SOR and SIBOR is Singapore Overnight Rate Average (SORA).

Changes in contractual cash flows of financial instruments

During the year, the Group continued to apply the practical expedients provided in SFRS(I) 9. These expedients require changes in the contractual cash flows of financial instruments that result solely from IBOR reform and are economically equivalent to be accounted for by updating the effective interest rate, rather than recognising an immediate gain or loss in the income statement.

Hedge accounting

During the year, the Group continued to apply SFRS (I) 9's hedge accounting reliefs relating to Interest Rate Benchmark Reform.

The key assumption made when performing hedge accounting is that both the hedged item and hedging instrument will be amended from existing IBORs to new Alternative Reference Rates (ARRs) at the same time. Where actual differences between those dates arise, hedge ineffectiveness will be recorded in the income statement.

How the Group is managing the transition to ARRs

A Group steering committee was established in 2019 to manage the impact of IBOR reform on the Group. The committee comprises senior representatives from Institutional Banking Group, Consumer Banking Group, Treasury Markets, Finance, Risk Management Group, Technology & Operations, Legal and Compliance and Group Strategic Marketing and Communications and is chaired by the Corporate Treasurer. The Terms of Reference of the committee are to review transition plans related to LIBOR and SOR discontinuation, SIBOR reform and other interest rate benchmark reform, to assess the Group's key risks across different scenarios, and to develop strategies to manage existing and new business in the context of these risks. Oversight of IBOR reform is provided by the Group Executive Committee and the Board Risk Management Committee.

As at 31 December 2022, changes required to systems, processes and models have been identified and have been substantially implemented. All contracts with interest rates that are pegged to GBP, CHF, EUR, JPY LIBOR or one-week and two-month tenors for USD LIBOR have been remediated. For contracts referencing SOR, SIBOR or the remaining USD LIBOR settings, the Group has begun its communication with relevant counterparties and contract remediation is ongoing.

The Group has identified that the risks arising from IBOR reform are:

- Risk of contractual disputes arising from the lack of legal clauses catering for the discontinuation of an interest rate benchmark, and its replacement with an ARR, or such clauses failing to operate as expected; and
- Risk of reputational harm due to poor customer management related to interest rate benchmark discontinuation, leading to loss of customer business.

These risks are mitigated through robust oversight by the Group steering committee. The Group will continue to identify and assess risks associated with IBOR reform.

Exposures impacted by IBOR reform

The table below provides an overview of significant IBOR-related exposure by interest rate benchmarks.

- The exposures disclosed are for positions with contractual maturities after the announced IBOR cessation dates(a).
- Non-derivative financial instruments are presented on the basis of their gross carrying amounts.
- Derivative financial instruments are presented by using their notional contract amounts and where derivatives have both pay and receive legs with exposure to IBOR reform, such as cross currency swaps, the notional contract amount is disclosed for both legs. As at 31 December 2022, there was $13,001 million (2021: $13,513 million) of cross currency swaps where both the pay and receive legs are impacted by IBOR reform.

	The Group			
In $ millions	**SGD SOR**	**SGD SIBOR**	**USD LIBOR**	**Total**
2022				
Non-derivative financial assets(b)	**10,316**	**5,723**	**21,677**	**37,716**
Non-derivative financial liabilities(c)	**254**	**–**	**1,010**	**1,264**
Derivatives (notional)	**49,907**	**–**	**388,718**	**438,625**
Of which: hedging derivatives(d)	**125**	**–**	**2,903**	**3,028**
2021				
Non-derivative financial assets(b)	20,606	8,234	25,272	54,112
Non-derivative financial liabilities(c)	256	–	1,018	1,274
Derivatives (notional)	51,312	–	376,816	428,128
Of which: hedging derivatives(d)	125	–	3,791	3,916

(a) The expected cessation date for USD LIBOR and SOR is 30 June 2023. 1-month and 3-month SIBOR will be discontinued by end of 2024

(b) Relates mainly to "Bank and corporates securities" and "Loans and advances to customers"

(c) Relates mainly to "Other debt securities" and "Subordinated term debts"

(d) Relates to derivatives that are designated for hedge accounting. The extent of the hedged risk exposure is reflected in the notional amounts of the derivatives

39. Hedge Accounting

The Group enters into hedging transactions to manage exposures to interest rate and foreign currency risks. Hedge accounting is applied to minimise volatility in earnings arising from changes in interest rate and foreign exchange rates.

Please refer to Risk Management section for more information on market risk and the Group's risk management practices and Note 2.19 for the Group's accounting policy for hedge accounting.

39.1 Fair value hedge

In accordance with the risk management strategy in place, the Group enters into interest rate swaps to mitigate the risk of changes in interest rates on the fair value of the following:

- issued fixed rate debt;
- fixed rate bonds; and
- exposures to corporate loans.

In such instances, the Group hedges the benchmark interest rate risk component which is an observable and reliably measurable component of interest rate risk. Specifically, the Group has designated fair value hedge relationships, on a hedge-by-hedge basis, to hedge against movements in the benchmark interest rate. This effectively results in the recognition of interest expense (for fixed rate liabilities), or interest income (for fixed rate assets) at floating rates. The Group also uses cross currency swaps when there is a need to hedge both interest rate and foreign exchange risks.

For risks not covered by hedge accounting, the Group manages these in accordance with its risk management strategy.

The Group assesses prospective hedge effectiveness by comparing the changes in fair value of the hedged item resulting from movements in the benchmark interest rate with the changes in fair value of the interest rate swaps used to hedge the exposure. The Group determines the hedge ratio by comparing the notional of the derivative with the principal of the debt issued or the bond asset purchased, or the loan granted.

The Group has identified the following possible sources of ineffectiveness:

- the use of derivatives as a protection against interest rate risk creates an exposure to the derivative counterparty's credit risk which is not offset by the hedged item. This risk is minimised by entering into derivatives with high credit quality counterparties;
- the use of different discounting curves when measuring the fair value of the hedged items and hedging instruments. For derivatives, the discounting curve used depends on collateralisation and the type of collateral used; and
- difference in the timing of settlement of hedging instruments and hedged items.

The Group typically uses foreign currency denominated borrowings/ deposits to fund its investments in non-SGD denominated FVOCI equity instruments. To reduce the accounting mismatch on the borrowings/ deposits and FVOCI equity instruments because of foreign exchange rate movements, the Group designates the borrowings/ deposits as the hedging instruments in fair value hedges of the FVOCI equity instruments. The hedge ratio is determined by comparing the principal of the borrowings/ deposits with the investment costs of the FVOCI equity instruments. A potential source of ineffectiveness is a decrease in the fair value of the equity instruments below their investment costs.

The following table sets out the maturity profile of the hedging instruments used in fair value hedges. The amounts shown in the table reflect the notional amounts of derivatives and the carrying amounts of borrowings and deposits. Please refer to Note 37 for the carrying values of the derivatives.

		The Group			
In $ millions	**Type of risk hedged**	**Less than 1 year**	**1 to 5 years**	**More than 5 years**	**Total**
2022					
Derivatives (notional)					
Interest rate swaps	Interest rate	**1,987**	**11,438**	**3,058**	**16,483**
Currency swaps	Interest rate & Foreign exchange	**104**	**426**	**–**	**530**
Total derivatives		**2,091**	**11,864**	**3,058**	**17,013**
Non-derivative instruments (e.g. borrowings, deposits)	Foreign exchange	**1,463**	**–**	**–**	**1,463**
Total non-derivative instruments		**1,463**	**–**	**–**	**1,463**
2021					
Derivatives (notional)					
Interest rate swaps	Interest rate	1,815	10,957	384	13,156
Currency swaps	Interest rate & Foreign exchange	94	331	–	425
Total derivatives		1,909	11,288	384	13,581
Non-derivative instruments (e.g. borrowings, deposits)	Foreign exchange	1,875	–	–	1,875
Total non-derivative instruments		1,875	–	–	1,875

The table below provides information on hedged items relating to fair value hedges.

	The Group			
	2022		2021	
In $ millions	**Carrying amounts (including hedge adjustments)**	**Fair value hedge adjustments included in carrying amounts**	**Carrying amounts (including hedge adjustments)**	**Fair value hedge adjustments included in carrying amounts**
Assets				
Loans and advances to customers	**786**	**(21)**	1,066	(1)
Government securities and treasury bills(a)	**1,204**	**(17)**	892	4
Bank and corporate securities(a)	**6,500**	**(13)**	7,531	(4)
Liabilities				
Subordinated term debts	**426**	**#**	460	7
Other debt securities	**8,451**	**(500)**	5,815	28

 # Amount under $500,000

(a) The carrying amounts of debt and equity instruments at fair value through other comprehensive income do not include fair value hedge adjustments as the hedged assets are measured at fair value. The accounting for the hedge relationship results in a transfer from other comprehensive income to the income statement for debt instruments

For the year ended 31 December 2022, the net gains on hedging instruments used to calculate hedge effectiveness was $121 million (2021: net gains of $167 million). The net losses on hedged items attributable to the hedged risk amounted to $118 million (2021: net losses of $166 million).

39.2 Cash flow hedge

The Group is predominantly exposed to variability in future cash flows due to interest rate movements and foreign currency fluctuations from the following:

- assets subject to repricing, reinvestment or refinancing risk;
- forecasted interest earnings denominated in foreign currency;
- issued floating or fixed rate foreign currency debt; and
- floating or fixed rate foreign currency bonds.

In accordance with the Group risk management strategy, the Group enters into interest rate swaps, foreign currency forwards and swaps, as well as cross currency swaps to protect against the variability of cash flows due to changes in interest rates and/ or foreign currency exchange rates.

In such instances, cash flow hedge relationships are designated. These are applied on a hedge-by-hedge basis or portfolio basis, for example:

- For cash flows from assets subject to repricing or reinvestment risk, a portfolio cash flow hedge relationship is designated using interest rate swaps. A dynamic process is applied for this hedge as the portfolio composition can change e.g. due to maturities and new originations. The portfolio cash flow hedge relationship effectively extends the duration of the assets, such that the interest cash flows are transformed from a floating rate basis to a fixed rate basis.
- Foreign currency forwards and swaps are used to hedge against variability in future cash flows arising from USD-denominated interest income, and to hedge against foreign exchange movements arising from a portfolio of foreign currency denominated assets and liabilities.
- Cross currency swaps are used to mitigate the risk of fluctuation of coupon and principal cash flows due to changes in foreign currency exchange rates of issued foreign currency debt and foreign currency bonds.
- Bond forwards are used to reduce exposures to foreign currency bonds.

For risks not covered by hedge accounting, the Group manages these in accordance with its risk management strategy.

The Group assesses hedge effectiveness by comparing the changes in fair value of a hypothetical derivative reflecting the terms of the hedged item due to movements in the hedged risk with the changes in fair value of the derivatives used to hedge the exposure.

The Group determines the hedge ratio by comparing the notional of the derivatives with the assets subject to repricing/ reinvestment/ refinancing risk or amount of forecast earnings denominated in foreign currency or the principal of the debt securities issued or purchased foreign currency bonds.

The Group has identified the following possible sources of ineffectiveness in its cash flow hedge relationships:

- the use of derivatives as a protection against currency and interest rate risk creates an exposure to the derivative counterparty's credit risk which is not offset by the hedged item. This risk is minimised by entering into derivatives with high credit quality counterparties;
- difference in tenor of hedged items and hedging instruments;
- difference in timing of settlement of the hedging instrument and hedged item; and
- designation of off-market hedging instruments.

The following table sets out the maturity profile of the hedging instruments used in cash flow hedges. The amounts shown in the table reflect the notional amounts of derivatives. Please refer to Note 37 for the carrying values of the derivatives.

		The Group			
In $ millions	**Type of risk hedged**	**Less than 1 year**	**1 to 5 years**	**More than 5 years**	**Total**
2022					
Derivatives (notional)					
Forward rate agreements	Foreign exchange	**–**	**–**	**42**	**42**
Interest rate swaps	Interest rate	**86**	**33,312**	**–**	**33,398**
FX contracts	Foreign exchange	**17,343**	**125**	**–**	**17,468**
Currency swaps	Interest rate & Foreign exchange	**8,842**	**6,830**	**5,245**	**20,917**
Total		**26,271**	**40,267**	**5,287**	**71,825**
2021					
Derivatives (notional)					
Interest rate swaps	Interest rate	–	16,314	1,015	17,329
FX contracts	Foreign exchange	6,423	320	–	6,743
Currency swaps	Interest rate & Foreign exchange	4,005	18,056	1,090	23,151
Total		10,428	34,690	2,105	47,223

The hedge ineffectiveness arising from these hedges was insignificant.

Please refer to Note 35 for information on the cash flow hedge reserves.

39.3 Net investment hedges

The Group manages currency risk of its net investment in foreign operations (or structural foreign exchange risk) using foreign currency borrowings, foreign currency forwards and swaps, as well as cross currency swaps.

Structural foreign exchange exposures are managed with the primary aim of ensuring that consolidated capital ratios are largely protected from the effect of fluctuations in foreign exchange rates against SGD.

Under the Group's hedging strategy, the carrying amount of these investments could be fully hedged, partially hedged or not hedged at all. The Group regularly reviews its hedging strategy, taking into account the long-term outlook of currency fundamentals and the impact of fluctuations in foreign exchange rates on capital adequacy ratios.

The table below analyses the currency exposure of the Group by functional currency.

		The Group	
In $ millions	**Net investments in foreign operations(a)**	**Financial instruments which hedge the net investments**	**Remaining unhedged currency exposures**
2022			
Hong Kong dollar	**10,262**	**4,451**	**5,811**
US dollar(b)	**9,331**	**5,706**	**3,625**
Chinese yuan	**4,277**	**269**	**4,008**
Taiwan dollar	**1,954**	**1,842**	**112**
Others	**5,618**	**–**	**5,618**
Total	**31,442**	**12,268**	**19,174**
2021			
Hong Kong dollar	9,934	2,298	7,636
US dollar(b)	9,829	6,150	3,679
Chinese yuan	4,424	296	4,128
Taiwan dollar	2,190	684	1,506
Others	4,276	–	4,276
Total	30,653	9,428	21,225

(a) Refers to net tangible assets of entities (e.g. subsidiaries, associates, joint ventures and overseas branches) or units with non-SGD functional currency

(b) Includes the Treasury Markets trading business in Singapore ("TM Singapore"). With effect from 1 January 2021, the functional currency of TM Singapore changed from SGD to US dollars (USD) to better reflect the increasing dominance of the USD in the business activities of TM Singapore

Please refer to Note 35 for information on the foreign currency translation reserves. Foreign currency translation reserves include the effect of translation differences on net investments in foreign entities (e.g. subsidiaries, associates, joint ventures and branches) or units with non-SGD functional currency and the related foreign currency financial instruments designated for hedge accounting.

40. Share-based Compensation Plans

As part of the Group's remuneration policy, the Group provides various share-based compensation plans to foster a culture that aligns employees' interests with shareholders', enable employees to share in the Group's performance and enhance talent retention.

Main Scheme/ Plan **Note**

DBSH Share Plan (Share Plan)

- The Share Plan is granted to Group executives as determined by the committee appointed to administer the Share Plan ("Committee") from time to time. 40.1
- Participants are awarded shares of the Company or, at the Committee's discretion, their equivalent cash value or a combination.
- Awards consist of main award and retention award (20%/ 15% of main award) for employees on bonus/ sales incentive plans respectively. Dividends on unvested shares do not accrue to employees.
- For employees on bonus plan, the main award vests from 2 to 4 years after grant i.e. 33% will vest 2 years after grant; another 33% will vest on the third year and the remaining 34% plus the retention award will vest 4 years after grant.
- For employees on sales incentive plan, the main award vests from 1 to 3 years after grant; i.e. 33% will vest 1 year after grant, another 33% will vest on the second year and the remaining 34% plus the retention award will vest 3 years after grant.
- Top performers and key employees are also awarded shares as part of talent retention. There are no additional retention awards for such shares granted. The shares are subject to the usual four-year vesting schedule.
- The awards will lapse immediately upon termination of employment, except in the event of ill health, injury, disability, redundancy, retirement or death.
- The market price of shares on the grant date is used to estimate the fair value of the shares awarded. The fair value of the shares granted includes an adjustment to exclude the present value of future expected dividends to be paid during the vesting period.
- Vested and unvested shares are subject to clawback/ malus. Conditions that trigger such clawback/ malus are in the Remuneration Report section of the Annual Report.
- Shares are awarded to non-executive Directors as part of director's remuneration. Details of these awards are disclosed in the Corporate Governance section of the Annual Report.

The Directors reviewed the changes to the vesting schedule and retention award percentage on 5 December 2022. This includes a revision to the share and cash deferral proportions for Senior Management and Material Risk Personnel to be in line with regulatory and market practices. The changes will apply to the shares grant in 2023 and do not impact the 2022 financial statements.

DBSH Employee Share Plan (ESP)

- The Committee has ceased granting shares under the ESP effective from financial year 2018 remuneration. All outstanding ESP share grants have fully vested in 2022. 40.1

DBSH Employee Share Purchase Plan (ESPP)

- The ESPP was implemented in 2019 in selective markets across the Group. All permanent employees who hold the rank of Vice President and below are eligible to participate in the scheme. 40.2
- The ESPP is a share ownership plan for eligible employees to own DBSH shares through monthly contributions via deductions from payroll or designated bank accounts.
- Participants contribute up to 10% of month salary (minimum S$50, capped at S$1,000) and the Group will match 25% of the participant's contributions to buy DBSH ordinary shares for a period of 12 months during each plan year.
- The matching shares bought from the Group's contribution will vest 24 months after the last contribution month for each plan year.
- The matching shares will lapse immediately upon termination of employment, except in the event of ill health, injury, disability, redundancy, retirement or death.

40.1 DBSH Share Plan and DBSH Employee Share Plan

The following table sets out the movements of the awards during the year.

	The Group			
	2022		2021	
Number of shares	**Share Plan**	**ESP**	**Share Plan**	**ESP**
Balance at 1 January	**17,105,292**	**145,804**	17,248,786	526,003
Granted	**5,068,826**	**–**	5,378,132	–
Vested	**(5,205,424)**	**(145,138)**	(5,209,973)	(362,363)
Forfeited/ others	**(830,274)**	**(666)**	(311,653)	(17,836)
Balance at 31 December	**16,138,420**	**–**	17,105,292	145,804
Weighted average fair value of the shares granted during the year	**$32.35**		$22.07	–

40.2 DBSH Employee Share Purchase Plan

The following table sets out the movements of the shares during the year.

	The Group	
Number of shares	**2022**	**2021**
Balance at 1 January	**1,403,440**	1,015,478
Granted	**503,737**	534,378
Vested(a)	**(446,839)**	(15,238)
Forfeited	**(140,207)**	(131,178)
Balance at 31 December	**1,320,131**	1,403,440
Weighted average fair value of the shares granted during the year	**$29.39**	$26.05

(a) *Excludes shares vested but temporarily withheld under the regulatory requirement as of the reporting date. Such shares will be reported as vested in the period the shares are released to the employees*

41. Related Party Transactions

41.1 Transactions between the Company and its subsidiaries, including consolidated structured entities, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this Note.

41.2 During the financial year, the Group had banking transactions with related parties, consisting of associates and joint ventures and key management personnel of the Group. These included the taking of deposits and extension of credit card and other loan facilities. These transactions were made in the ordinary course of business and carried out at arms-length commercial terms, and were not material.

In addition, key management personnel received remuneration for services rendered during the financial year. Non-cash benefits including performance shares were also granted.

41.3 Total compensation and fees to key management personnel(a) are as follows:

	The Group	
In $ millions	**2022**	**2021**
Short-term benefits(b)	**57**	51
Share-based payments(c)	**32**	28
Total	**89**	79
Of which: Company Directors' remuneration and fees	**19**	17

(a) *Includes Company Directors and members of the Management Committee who have authority and responsibility in planning the activities and direction of the Group. The composition and number of Directors and Management Committee members may differ from year to year*

(b) *Includes cash bonus based on amount accrued during the year, to be paid in the following year*

(c) *Share-based payments are expensed over the vesting period in accordance with SFRS(I) 2*

42. Fair Value of Financial Instruments

42.1 Valuation Process

The valuation processes within the Group are governed by the Valuation Policy, which is approved by the Board Audit Committee.

The Valuation Policy applies to all financial assets and liabilities that are measured at fair value, covering both market prices as well as model inputs. Financial assets and liabilities are marked directly using reliable and independent quoted market prices where available or by using reliable and independent market parameters (as model inputs) in conjunction with a valuation model.

Valuation models go through an assurance process carried out by the Risk Management Group (RMG), independent of the model developers. This assurance process covers the review of the underlying methodology including its logic and conceptual soundness together with the model inputs and outputs. Model assurances are conducted prior to implementation and subject to regular review or when there are significant changes arising from market or portfolio changes. Where necessary, the Group also imposes model reserves and other adjustments in determining fair value. Models are approved by the Group Market and Liquidity Risk Committee (GMLRC).

A process of independent price verification (IPV) is in place to establish the accuracy of the market parameters used when the marking is performed by the Front Office. The IPV process entails independent checks to compare traders' marks to independent sources such as broker/ dealer quotes or market consensus providers.

Where market parameters are sourced independently for the marking of financial assets and liabilities, or used as inputs into a valuation model, these are checked for reliability and accuracy, for example by reviewing large daily movements or by referencing other similar sources, or transactions.

Valuation adjustments and reserves are taken to account for close-out costs, model and market parameter uncertainty, and any other factor that may affect valuations. Valuation adjustment and reserve methodologies are approved by the GMLRC and governed by the Valuation Policy.

The valuation adjustments and reserves include but are not limited to:

Model and Parameter Uncertainty Adjustments

Valuation uncertainties may occur during fair value measurement either due to uncertainties in the required input parameters or uncertainties in the modelling methods used in the valuation process. In such situations, adjustments may be necessary to take these factors into account.

For example, where market data such as prices or rates for an instrument are no longer observable after an extended period of time, these inputs used to value the financial instruments may no longer be relevant in the current market conditions. In such situations, adjustments may be necessary to address the pricing uncertainty arising from the use of stale market data inputs.

Credit Valuation Adjustments

Credit valuation adjustments are taken to reflect the impact on fair value of counterparty credit risk. Credit valuation adjustments are based upon the creditworthiness of the counterparties, magnitude of the current or potential exposure on the underlying transactions, netting and collateral arrangements, and the maturity of the underlying transactions.

Funding Valuation Adjustments

Funding valuation adjustments represent an estimate of the adjustment to fair value that a market participant would make in incorporating funding costs and benefits that arise in relation to uncollateralised derivatives positions.

Day 1 Profit or Loss (P&L) Reserve

In situations where the market for an instrument is not active and its fair value is established using a valuation model based on significant unobservable market parameters, the Day 1 P&L arising from the difference in transacted price and end-of-day model valuation is set aside as reserves. A market parameter is defined as being significant when its impact on the Day 1 P&L is greater than an internally determined threshold. The Day 1 P&L reserve is released to the income statement when the parameters become observable or when the transaction is closed out or amortised over the duration of the transaction. At year end, the unamortised Day 1 P&L was not material.

Bid-Offer Adjustments

The Group often holds, at varying points in time, both long or short positions in financial instruments which are valued using mid-market levels. Bid-offer adjustments are then made to account for close-out costs.

42.2 Fair Value Hierarchy

The fair value hierarchy accords the highest level to observable inputs such as unadjusted quoted prices in active markets for identical assets or liabilities and the lowest level to unobservable inputs. The fair value measurement of each financial instrument is categorised in accordance with the same level of the fair value hierarchy as the input with the lowest level that is significant to the entire measurement. If unobservable inputs are deemed significant, the financial instrument will be categorised as Level 3.

Financial instruments that are valued using quoted prices in active markets are classified as Level 1 within the fair value hierarchy. These would include government and sovereign securities, listed equities and corporate debt securities which are actively traded. Derivatives contracts which are traded in an active exchange market are also classified as Level 1 of the valuation hierarchy.

Where fair value is determined using quoted market prices in less active markets or quoted prices for similar assets and liabilities, such instruments are generally classified as Level 2. In cases where quoted prices are generally not available, the Group will determine the fair value based on valuation techniques that use market parameters as inputs including but not limited to yield curves, volatilities and foreign exchange rates. The majority of valuation techniques employ only observable market data so that reliability of the fair value measurement is high. These would include corporate debt securities, repurchase, reverse repurchase agreements and most of the Group's over-the-counter (OTC) derivatives.

The Group classifies financial instruments as Level 3 when there is reliance on unobservable market parameters whether used directly to value a financial asset or liability, or used as inputs to a valuation model, attributing to a significant contribution to the instrument value. These would include all input parameters which are derived from historical data, for example, asset correlations or certain volatilities. Level 3 instruments also include unquoted equity securities which are measured based on the net asset value of the investments. In addition, Level 3 inputs include all stale quoted security prices and other approximations (e.g. bonds valued using credit default swap spreads).

The following tables present assets and liabilities measured at fair value, classified by level within the fair value hierarchy.

	The Group			
In $ millions	**Level 1**	**Level 2**	**Level 3**	**Total**
2022				
Assets				
Financial assets at FVPL				
– Government securities and treasury bills	**9,936**	**3,309**	**1**	**13,246**
– Bank and corporate securities	**16,843**	**4,516**	**170(a)**	**21,529**
– Other financial assets	**98**	**24,702**	**–**	**24,800**
FVOCI financial assets				
– Government securities and treasury bills	**25,781**	**2,377**	**–**	**28,158**
– Bank and corporate securities	**18,202**	**3,538**	**607(b)**	**22,347**
– Other financial assets	**–**	**5,623**	**–**	**5,623**
Derivatives	**70**	**44,714**	**151(c)**	**44,935**
Liabilities				
Financial liabilities at FVPL				
– Other debt securities	**–**	**8,143**	**–**	**8,143**
– Other financial liabilities	**2,300**	**17,681**	**1**	**19,982**
Derivatives	**19**	**45,245**	**1**	**45,265**

(a) Decrease in Level 3 balance was mainly due to sale of a bond which was priced using proxy valuation
(b) Increase in Level 3 balance was due to a new bond which was priced using proxy valuation
(c) Increase in Level 3 balance was due to an increase in market value of a total return swap whose underlying is illiquid

	The Group			
In $ millions	**Level 1**	**Level 2**	**Level 3**	**Total**
2021				
Assets				
Financial assets at FVPL				
– Government securities and treasury bills	8,425	4,259	–	12,684
– Bank and corporate securities	18,816	3,636	361	22,813
– Other financial assets	–	16,964	–	16,964
FVOCI financial assets				
– Government securities and treasury bills	15,811	2,114	–	17,925
– Bank and corporate securities	17,251	2,235	430	19,916
– Other financial assets	2	5,197	–	5,199
Derivatives	39	19,509	133	19,681
Liabilities				
Financial liabilities at FVPL				
– Other debt securities	–	10,726	–	10,726
– Other financial liabilities	2,626	6,469	1	9,096
Derivatives	21	20,296	1	20,318

The bank and corporate securities classified as Level 3 at 31 December 2022 comprised mainly securities which were marked using approximations, less liquid bonds and unquoted equity securities valued based on net asset value of the investments.

42.3 Own credit adjustments on financial liabilities designated at fair value through profit or loss

Changes in the fair value of financial liabilities designated at fair value through profit or loss related to the Group's own credit risk are recognised in other comprehensive income. As the Group does not hedge changes in own credit risk arising from financial liabilities, presenting the own credit movements within other comprehensive income does not create or increase an accounting mismatch in the income statement.

The change in fair value attributable to changes in own credit risk has been determined as the amount of change in fair value that is attributable to changes in funding spreads above benchmark interest rates. Fair value changes arising from factors other than the Group's own credit risk are insignificant.

The cumulative amounts attributable to changes in own credit risk for these financial liabilities as at 31 December 2022 was a gain of $66 million (2021: loss of $49 million).

Realised losses attributable to changes in own credit risk as at 31 December 2022 was a loss of $22 million (2021: loss of $22 million).

42.4 Financial assets & liabilities not carried at fair value

For financial assets and liabilities not carried at fair value in the financial statements, the Group has ascertained that their fair values were not materially different from their carrying amounts at year-end.

For cash and balances with central banks, due from banks, loans and advances to customers, as well as due to banks and deposits and balances from customers, the basis of arriving at fair values is by discounting cash flows using the relevant market interest rates for the respective currencies.

For investment debt securities, subordinated term debts and other debts issued, fair values are determined based on independent market quotes, where available. Where market prices are not available, fair values are estimated using discounted cash flow method.

The fair value of variable interest-bearing as well as short-term financial instruments accounted for at amortised cost is assumed to be approximated by their carrying amounts.

43. Credit Risk

43.1 Maximum exposure to credit risk

The following table shows the exposure to credit risk of on-balance sheet and off-balance sheet financial instruments, before taking into account any collateral held, other credit enhancements and netting arrangements. For on-balance sheet financial assets, the maximum credit exposure is the carrying amounts. For contingent liabilities, the maximum exposure to credit risk is the amount the Group would have to pay if the instrument is called upon. For undrawn facilities, the maximum exposure to credit risk is the full amount of the undrawn credit facilities granted to customers.

	The Group	
In $ millions	**2022**	**2021**
On-balance sheet		
Cash and balances with central banks (excluding cash on hand)	**51,650**	54,237
Government securities and treasury bills	**64,995**	53,262
Due from banks	**60,131**	51,377
Derivatives	**44,935**	19,681
Bank and corporate debt securities	**62,667**	53,788
Loans and advances to customers	**414,519**	408,993
Other assets (excluding deferred tax assets)	**17,416**	15,268
	716,313	656,606
Off-balance sheet		
Contingent liabilities and commitments (excluding capital commitments)	**403,937**	366,031
Total	**1,120,250**	1,022,637

The Group's exposures to credit risk, measured using the expected gross credit exposures that will arise upon a default of the end obligor are as shown in the Group's Pillar 3 Disclosures (unaudited). These exposures, which include both on-balance sheet and off-balance sheet financial instruments, are shown without taking into account any collateral held or netting arrangements.

Analysis of Collateral

Whilst the Group's maximum exposure to credit risk is the carrying amount of the assets or, in the case of off-balance sheet instruments, the amount guaranteed, committed, accepted or endorsed, the likely exposure may be lower due to offsetting collateral, credit guarantees and other actions taken to mitigate the Group's exposure.

The description of collateral for each class of financial asset is set out below.

Balances with central banks, Government securities and treasury bills, Due from banks and Bank and corporate debt securities

Collateral is generally not sought for these assets.

Derivatives

The Group maintains collateral agreements and enters into master netting agreements with most of the counterparties for derivative transactions. Please refer to Note 37 for the impact of netting arrangements recognised for the computation of Capital Adequacy Ratio (CAR).

Loans and advances to customers, Contingent liabilities and commitments

Certain loans and advances to customers, contingent liabilities and commitments are typically collateralised to a substantial extent. In particular, residential mortgage exposures are generally fully secured by residential properties. Income-producing real estate, which is a sub-set of the Specialised Lending exposure, is fully secured by the underlying assets financed.

The extent to which credit exposures are covered by Basel eligible collateral, besides real estate, after the application of the requisite regulatory haircuts, is shown in the Group's Pillar 3 Disclosures (unaudited). The amounts are a sub-set of the actual collateral arrangements entered by the Group as Basel imposes strict legal and operational standards before collateral can be admitted as credit risk mitigants. As a result, certain collateral arrangements which do not meet its criteria will not be included. Certain collateral types which are not permitted as credit risk mitigants for credit exposures under the Standardised Approach are also excluded.

43.2 Loans and advances to customers

	The Group	
In $ millions	**2022**	**2021**
Performing Loans		
– Neither past due nor impaired	**412,989**	408,018
– Past due but not impaired	**2,536**	1,764
Non-Performing Loans (impaired)	**4,759**	5,290
Total gross loans	**420,284**	415,072
Pass	**411,573**	405,367
Special Mention	**3,952**	4,415
Substandard	**2,415**	2,848
Doubtful	**1,243**	1,192
Loss	**1,101**	1,250
Total gross loans	**420,284**	415,072

Non-performing assets (NPAs)

	The Group	
In $ millions	**2022**	**2021**
Balance at 1 January	**5,849**	6,686
Institutional Banking & Others		
– New NPAs	**1,157**	1,006
– Upgrades	**(155)**	(7)
– Net repayments	**(847)**	(1,338)
– Write-offs	**(619)**	(533)
Consumer Banking/ Wealth Management (net movement)	**(112)**	(47)
Exchange differences	**(148)**	82
Balance at 31 December	**5,125**	5,849

Non-performing assets by grading and industry

	The Group							
	NPAs				Specific allowances			
In $ millions	**Sub-standard**	**Doubtful**	**Loss**	**Total**	**Sub-standard**	**Doubtful**	**Loss**	**Total**
2022								
Manufacturing	**268**	**444**	**113**	**825**	**63**	**183**	**113**	**359**
Building and construction	**320**	**111**	**91**	**522**	**29**	**67**	**91**	**187**
Housing loans	**160**	**4**	**4**	**168**	**7**	**1**	**4**	**12**
General commerce	**254**	**232**	**372**	**858**	**25**	**219**	**372**	**616**
Transportation, storage and communications	**808**	**208**	**425**	**1,441**	**211**	**177**	**425**	**813**
Financial institutions, investment and holding companies	**26**	**–**	**40**	**66**	**10**	**–**	**40**	**50**
Professional and private individuals (excluding housing loans)	**321**	**31**	**10**	**362**	**82**	**30**	**10**	**122**
Others	**258**	**213**	**46**	**517**	**33**	**61**	**46**	**140**
Total non-performing loans	**2,415**	**1,243**	**1,101**	**4,759**	**460**	**738**	**1,101**	**2,299**
Debt securities, contingent liabilities and others	**166**	**128**	**72**	**366**	**29**	**106**	**72**	**207**
Total	**2,581**	**1,371**	**1,173**	**5,125**	**489**	**844**	**1,173**	**2,506**
Of which: restructured assets	**765**	**578**	**129**	**1,472**	**225**	**303**	**129**	**657**
2021								
Manufacturing	326	364	115	805	61	196	115	372
Building and construction	309	50	86	445	40	23	86	149
Housing loans	192	3	13	208	1	1	13	15
General commerce	268	269	374	911	45	243	374	662
Transportation, storage and communications	1,006	217	569	1,792	225	177	569	971
Financial institutions, investment and holding companies	32	37	24	93	6	20	24	50
Professional and private individuals (excluding housing loans)	376	29	14	419	80	27	14	121
Others	339	223	55	617	27	123	55	205
Total non-performing loans	2,848	1,192	1,250	5,290	485	810	1,250	2,545
Debt securities, contingent liabilities and others	198	119	242	559	37	102	242	381
Total	3,046	1,311	1,492	5,849	522	912	1,492	2,926
Of which: restructured assets	953	473	146	1,572	245	265	146	656

Non-performing assets by geography[(a)]

	The Group	
In $ millions	**NPAs**	**Specific allowances**
2022		
Singapore	**2,289**	**1,222**
Hong Kong	**794**	**374**
Rest of Greater China	**538**	**175**
South and Southeast Asia	**716**	**468**
Rest of the World	**422**	**60**
Total non-performing loans	**4,759**	**2,299**
Debt securities, contingent liabilities and others	**366**	**207**
Total	**5,125**	**2,506**
2021		
Singapore	2,873	1,434
Hong Kong	686	421
Rest of Greater China	343	78
South and Southeast Asia	1,151	555
Rest of the World	237	57
Total non-performing loans	5,290	2,545
Debt securities, contingent liabilities and others	559	381
Total	5,849	2,926

(a) Based on the location of incorporation of the borrower

Non-performing assets by past due period

	The Group	
In $ millions	**2022**	**2021**
Not overdue	**1,516**	1,415
Within 90 days	**324**	390
Over 90 to 180 days	**564**	209
Over 180 days	**2,721**	3,835
Total past due assets	**3,609**	4,434
Total	**5,125**	5,849

Secured non-performing assets by collateral type

	The Group	
In $ millions	**2022**	**2021**
Properties	**990**	1,112
Shares and debentures	**42**	42
Cash deposits	**18**	9
Others	**1,175**	1,507
Total	**2,225**	2,670

Past due non-performing assets by industry

	The Group	
In $ millions	**2022**	**2021**
Manufacturing	**470**	646
Building and construction	**505**	378
Housing loans	**146**	169
General commerce	**820**	873
Transportation, storage and communications	**1,037**	1,323
Financial institutions, investment and holding companies	**61**	90
Professional and private individuals (excluding housing loans)	**138**	162
Others	**276**	472
Total non-performing loans	**3,453**	4,113
Debt securities, contingent liabilities and others	**156**	321
Total	**3,609**	4,434

Past due non-performing assets by geography[(a)]

	The Group	
In $ millions	**2022**	**2021**
Singapore	**1,751**	2,182
Hong Kong	**717**	589
Rest of Greater China	**263**	229
South and Southeast Asia	**563**	1,041
Rest of the World	**159**	72
Total non-performing loans	**3,453**	4,113
Debt securities, contingent liabilities and others	**156**	321
Total	**3,609**	4,434

(a) Based on the location of incorporation of the borrower

43.3 Credit quality of Government securities and treasury bills and Bank and corporate debt securities

The table below presents an analysis of Government securities and treasury bills and Bank and corporate debt securities for the Group by external rating bands.

Analysed by external ratings **In $ millions**	**The Group** **Singapore government securities and treasury bills (Gross)**	**Other government securities and treasury bills (Gross)**	**Bank and corporate debt securities (Gross)**
2022			
AAA	16,744	16,526	16,336
AA- to AA+	–	11,051	8,482
A- to A+	–	13,374	11,946
Lower than A-	–	7,304	9,446
Unrated	–	–	16,555
Total	16,744	48,255	62,765
2021			
AAA	11,364	8,580	16,893
AA- to AA+	–	11,631	4,859
A- to A+	–	15,466	11,356
Lower than A-	–	6,225	8,363
Unrated	–	–	12,412
Total	11,364	41,902	53,883

43.4 Credit risk by geography and industry

Analysed by geography(a) **In $ millions**	**The Group** **Government securities and treasury bills (Gross)**	**Due from banks (Gross)**	**Derivatives**	**Bank and corporate debt securities (Gross)**	**Loans and advances to customers (Gross)**	**Total**
2022						
Singapore	16,744	3,207	1,993	14,388	195,836	232,168
Hong Kong	4,486	6,402	1,700	1,569	71,845	86,002
Rest of Greater China	3,562	8,213	2,791	8,938	53,835	77,339
South and Southeast Asia	7,173	6,153	2,159	4,664	30,374	50,523
Rest of the World	33,034	36,168	36,292	33,206	68,394	207,094
Total	64,999	60,143	44,935	62,765	420,284	653,126
2021						
Singapore	11,364	5,221	1,370	15,470	191,831	225,256
Hong Kong	4,586	7,889	1,168	1,222	70,216	85,081
Rest of Greater China	4,734	9,633	1,740	7,210	59,150	82,467
South and Southeast Asia	6,225	3,648	950	4,023	30,784	45,630
Rest of the World	26,357	24,993	14,453	25,958	63,091	154,852
Total	53,266	51,384	19,681	53,883	415,072	593,286

(a) Based on the location of incorporation of the issuer (for debt securities), counterparty (for derivatives), borrower (for loans) or the issuing bank in the case of bank backed export financing

Analysed by industry **In $ millions**	**The Group** **Government securities and treasury bills (Gross)**	**Due from banks (Gross)**	**Derivatives**	**Bank and corporate debt securities (Gross)**	**Loans and advances to customers (Gross)**	**Total**
2022						
Manufacturing	–	–	462	4,065	45,758	50,285
Building and construction	–	–	624	5,114	111,605	117,343
Housing loans	–	–	–	–	80,625	80,625
General commerce	–	–	93	1,871	41,537	43,501
Transportation, storage and communications	–	–	480	4,901	31,466	36,847
Financial institutions, investment and holding companies	–	60,143	41,683	28,323	39,485	169,634
Government	64,999	–	–	–	–	64,999
Professionals and private individuals (excluding housing loans)	–	–	425	–	36,869	37,294
Others	–	–	1,168	18,491	32,939	52,598
Total	64,999	60,143	44,935	62,765	420,284	653,126
2021						
Manufacturing	–	–	341	3,604	41,831	45,776
Building and construction	–	–	645	5,366	107,633	113,644
Housing loans	–	–	–	–	78,516	78,516
General commerce	–	–	112	2,066	44,642	46,820
Transportation, storage and communications	–	–	310	4,379	30,963	35,652
Financial institutions, investment and holding companies	–	51,384	16,608	23,860	37,289	129,141
Government	53,266	–	–	–	–	53,266
Professionals and private individuals (excluding housing loans)	–	–	350	–	40,114	40,464
Others	–	–	1,315	14,608	34,084	50,007
Total	53,266	51,384	19,681	53,883	415,072	593,286

44. Liquidity Risk

44.1 Contractual maturity profile of assets and liabilities

The table below analyses assets and liabilities of the Group as at 31 December based on the remaining period as at balance sheet date to the contractual maturity date.

					The Group				
In $ millions	**Less than 7 days**	**1 week to 1 month**	**1 to 3 months**	**3 to 12 months**	**1 to 3 years**	**3 to 5 years**	**More than 5 years**	**No specific maturity**	**Total**
2022									
Cash and balances with central banks	18,714	12,149	21,106	1,690	511	–	–	–	54,170
Government securities and treasury bills	1,987	1,971	9,500	10,952	15,231	8,587	16,767	–	64,995
Due from banks	21,769	13,356	10,902	13,701	155	248	–	–	60,131
Derivatives(a)	44,935	–	–	–	–	–	–	–	44,935
Bank and corporate securities	–	851	2,447	7,757	20,012	14,181	17,419	12,790	75,457
Loans and advances to customers	30,735	65,913	53,316	56,630	82,641	46,335	78,949	–	414,519
Other assets	11,843	978	1,834	1,839	118	47	40	1,604	18,303
Associates and joint ventures	–	–	–	–	–	–	–	2,280	2,280
Properties and other fixed assets	–	–	–	–	–	–	–	3,238	3,238
Goodwill and intangibles	–	–	–	–	–	–	–	5,340	5,340
Total assets	129,983	95,218	99,105	92,569	118,668	69,398	113,175	25,252	743,368
Due to banks	18,079	9,085	5,426	5,191	1,903	–	–	–	39,684
Deposits and balances from customers	353,495	58,839	69,904	40,647	2,819	552	744	–	527,000
Derivatives(a)	45,265	–	–	–	–	–	–	–	45,265
Other liabilities	12,589	995	2,795	2,253	746	145	322	2,902	22,747
Other debt securities	1,689	5,493	14,742	8,821	8,532	4,666	1,868	1,377	47,188
Subordinated term debts	–	251	–	–	–	101	4,060	–	4,412
Total liabilities	431,117	74,663	92,867	56,912	14,000	5,464	6,994	4,279	686,296
Non-controlling interests	–	–	–	–	–	–	–	185	185
Shareholders' funds	–	–	–	–	–	–	–	56,887	56,887
Total equity	–	–	–	–	–	–	–	57,072	57,072
2021									
Cash and balances with central banks	18,190	17,173	17,904	1,973	1,137	–	–	–	56,377
Government securities and treasury bills	823	2,416	5,252	6,575	12,445	8,259	17,492	–	53,262
Due from banks	23,025	9,950	8,200	9,613	589	–	–	–	51,377
Derivatives(a)	19,681	–	–	–	–	–	–	–	19,681
Bank and corporate securities	–	885	2,161	7,989	17,097	11,247	14,409	15,904	69,692
Loans and advances to customers	39,873	66,763	38,870	62,213	80,655	49,279	71,340	–	408,993
Other assets	10,206	718	1,371	2,082	135	22	23	1,338	15,895
Associates and joint ventures	–	–	–	–	–	–	–	2,172	2,172
Properties and other fixed assets	–	–	–	–	–	–	–	3,262	3,262
Goodwill and intangibles	–	–	–	–	–	–	–	5,362	5,362
Total assets	111,798	97,905	73,758	90,445	112,058	68,807	103,264	28,038	686,073
Due to banks	12,093	7,523	3,670	2,155	4,767	1	–	–	30,209
Deposits and balances from customers	407,760	33,002	35,031	22,995	1,616	769	786	–	501,959
Derivatives(a)	20,318	–	–	–	–	–	–	–	20,318
Other liabilities	8,137	1,136	2,443	2,831	379	143	312	3,286	18,667
Other debt securities	1,277	6,648	15,840	14,291	5,090	3,795	3,406	2,223	52,570
Subordinated term debts	–	–	–	–	–	118	4,518	–	4,636
Total liabilities	449,585	48,309	56,984	42,272	11,852	4,826	9,022	5,509	628,359
Non-controlling interests	–	–	–	–	–	–	–	188	188
Shareholders' funds	–	–	–	–	–	–	–	57,526	57,526
Total equity	–	–	–	–	–	–	–	57,714	57,714

(a) Derivative financial assets and liabilities are included in the "Less than 7 days" bucket as they are mainly held for trading. Please refer to the tables in Note 39 for the maturity profile of hedging derivatives

The above table includes disclosure of the contractual maturity of financial liabilities, which approximates the same analysis on an undiscounted basis, as total future interest payments are not material relative to the principal amounts. Assets and liabilities (including non-maturing savings/current deposits) are represented on a contractual basis or in a period when it can legally be withdrawn. The cash flows of assets and liabilities may behave differently from their contractual terms.

44.2 Contingent liabilities and commitments

The table below shows the Group's contingent liabilities and commitments based on the remaining period as at the balance sheet date to contractual expiry date.

			The Group		
In $ millions	**Less than 1 year**	**1 to 3 years**	**3 to 5 years**	**Over 5 years**	**Total**
2022					
Guarantees, letters of credit and other contingent liabilities	37,669	–	–	–	37,669
Undrawn credit commitments(a) and other facilities	318,487	23,247	21,288	3,246	366,268
Capital commitments	61	32	41	–	134
Total	356,217	23,279	21,329	3,246	404,071
2021					
Guarantees, letters of credit and other contingent liabilities	34,079	–	–	–	34,079
Undrawn credit commitments(a) and other facilities	288,383	21,699	18,224	3,646	331,952
Capital commitments	16	37	19	–	72
Total	322,478	21,736	18,243	3,646	366,103

(a) Includes commitments that are unconditionally cancellable at any time by the Group

The Group expects that not all of the contingent liabilities will be called upon and not all of the undrawn credit commitments will be drawn before expiry.

45. Capital Management

The Board is responsible for setting the Group's capital management objective, which is to maintain a strong capital position consistent with regulatory requirements under the MAS Notice to Banks No. 637 "Notice on Risk Based Capital Adequacy Requirements for Banks Incorporated in Singapore" (MAS Notice 637) and MAS Notice FHC-N637, and the expectations of various stakeholders, including customers, investors and rating agencies. The Board articulates this objective in the form of capital targets. This objective is pursued while delivering returns to shareholders and ensuring that adequate capital resources are available for business growth and investment opportunities as well as adverse situations, taking into consideration the Group's strategic plans and risk appetite.

The Group's capital management objective is implemented via a capital management and planning process that is overseen by the Capital Committee. The Chief Financial Officer chairs the Capital Committee. The Capital Committee receives regular updates on the Group's current and projected capital positions. A key tool for capital planning is the annual Internal Capital Adequacy Assessment Process (ICAAP) through which the Group assesses its forecast capital supply and demand relative to regulatory requirements and internal capital targets. The ICAAP generally has a three-year horizon and covers various scenarios, including stress scenarios of differing scope and severity.

The Group is subject to and has complied with the capital adequacy requirements set out in the MAS Notice FHC-N637, which effects the Basel Committee on Banking Supervision's capital adequacy framework in Singapore, throughout the year. The Group's capital adequacy ratios as at 31 December 2022 and 2021 have been subject to an external limited assurance review, pursuant to the MAS Notice FHC-N609 "Auditor's Report and Additional Information to be submitted with Annual Accounts".

For more information, please refer to the Group's Pillar 3 disclosures (unaudited) published on DBS website (https://www.dbs.com/investors/default.page).

46. Segment Reporting

46.1 Business segment reporting

The business segment results are prepared based on the Group's internal management reporting which reflects the organisation's management structure. As the activities of the Group are highly integrated, internal allocation has been made in preparing the segment information. Amounts for each business segment are shown after the allocation of certain centralised costs, funding income and the application of transfer pricing, where appropriate. Transactions between segments are recorded within the segment as if they are third party transactions and are eliminated on consolidation.

The Group's various business segments are described below.

Consumer Banking/ Wealth Management
Consumer Banking/ Wealth Management provides individual customers with a diverse range of banking and related financial services. The products and services available to customers include current and savings accounts, fixed deposits, loans and home finance, cards, payments, investment and insurance products.

Institutional Banking
Institutional Banking provides financial services and products to institutional clients including bank and non-bank financial institutions, government-linked companies, large corporates and small and medium-sized businesses. The business focuses on broadening and deepening customer relationships. Products and services comprise the full range of credit facilities from short-term working capital financing to specialised lending. It also provides global transactional services such as cash management, trade finance and securities and fiduciary services, treasury and markets products, corporate finance and advisory banking as well as capital markets solutions.

Treasury Markets
Treasury Markets' activities primarily include structuring, market-making and trading across a broad range of treasury products.

Income from sale of treasury products offered to customers of Consumer Banking/ Wealth Management and Institutional Banking is not reflected in the Treasury Markets segment, but in the respective customer segments.

Others
The Others segment encompasses the results of corporate decisions that are not attributed to business segments. It includes earnings on capital deployed into high quality assets, earnings from non-core asset sales and certain other head office items such as centrally-managed credit allowances. DBS Vickers Securities is also included in this segment.

The following table analyses the results, total assets and total liabilities of the Group by business segment.

	The Group				
In $ millions	**Consumer Banking/ Wealth Management**	**Institutional Banking**	**Treasury Markets**	**Others**	**Total**
2022					
Net interest income	**4,270**	**5,569**	**222**	**880**	**10,941**
Net fee and commission income	**1,783**	**1,293**	**–**	**15**	**3,091**
Other non-interest income	**601**	**826**	**952**	**91**	**2,470**
Total income	**6,654**	**7,688**	**1,174**	**986**	**16,502**
Total expenses	**3,803**	**2,254**	**619**	**414**	**7,090**
Allowances for credit and other losses	**158**	**(204)**	**(10)**	**293**	**237**
Share of profits or losses of associates and joint ventures	**–**	**–**	**4**	**203**	**207**
Profit before tax	**2,693**	**5,638**	**569**	**482**	**9,382**
Income tax expense and non-controlling interest					**1,189**
Net profit attributable to shareholders					**8,193**
Total assets before goodwill and intangibles	**126,394**	**326,469**	**204,972**	**80,193**	**738,028**
Goodwill and intangibles					**5,340**
Total assets					**743,368**
Total liabilities	**282,578**	**228,827**	**118,800**	**56,091**	**686,296**
Capital expenditure	**151**	**37**	**26**	**455**	**669**
Depreciation	**33**	**4**	**3**	**661**	**701**
2021					
Net interest income	2,548	3,999	783	1,110	8,440
Net fee and commission income	2,186	1,282	–	56	3,524
Other non-interest income	588	703	726	207	2,224
Total income	5,322	5,984	1,509	1,373	14,188
Total expenses	3,353	2,086	647	483	6,569
Allowances for credit and other losses	46	141	(5)	(130)	52
Share of profits or losses of associates and joint ventures	–	–	–	213	213
Profit before tax	1,923	3,757	867	1,233	7,780
Income tax expense and non-controlling interest					975
Net profit attributable to shareholders					6,805
Total assets before goodwill and intangibles	127,268	313,180	163,554	76,709	680,711
Goodwill and intangibles					5,362
Total assets					686,073
Total liabilities	267,870	211,613	88,840	60,036	628,359
Capital expenditure	125	23	19	400	567
Depreciation	42	7	3	617	669

(a) The contribution of Lakshmi Vilas Bank (LVB), which was reflected under Others segment has been aligned with the Group's business segment definition with effect from 1 January 2022. The customer loans and deposits of $1.5 billion and $3.4 billion from LVB as at 1 January 2022 have been reclassified from the Others segment to the Consumer Banking/ Wealth Management (loans: $0.9 billion; deposits: $2.7 billion) and Institutional Banking (loans: $0.6 billion; deposits: $0.7 billion) segments. The contribution of LVB to the profit or loss of the respective segments was not material in 2021

46.2 Geographical segment reporting[(a)]

The Group's performance by geography includes net revenues and expenses from internal and external counterparties. The performance by geography is classified based on the location in which income and assets are recorded, while some items such as centrally-managed credit allowances and technology-related services are reflected in Singapore. Hong Kong comprises mainly DBS Bank (HK) Limited and DBS HK branch. Rest of Greater China comprises mainly DBS Bank (China) Ltd, DBS Bank (Taiwan) Ltd and DBS Taipei branch. South and Southeast Asia comprises mainly PT Bank DBS Indonesia, DBS Bank India Limited and DBS Labuan branch. All results are prepared in accordance with SFRS(I).

	The Group					
In $ millions	**Singapore**	**Hong Kong**	**Rest of Greater China**	**South and Southeast Asia**	**Rest of the World**	**Total**
2022						
Net interest income	6,985	1,844	768	893	451	10,941
Net fee and commission income	1,943	672	176	230	70	3,091
Other non-interest income	1,716	407	219	55	73	2,470
Total income	10,644	2,923	1,163	1,178	594	16,502
Total expenses	4,089	1,137	851	894	119	7,090
Allowances for credit and other losses	(33)	56	106	3	105	237
Share of profits or losses of associates and joint ventures	25	–	179	–	3	207
Profit before tax	6,613	1,730	385	281	373	9,382
Income tax expense and non-controlling interest	713	285	45	72	74	1,189
Net profit attributable to shareholders	5,900	1,445	340	209	299	8,193
Total assets before goodwill and intangibles	491,852	107,879	60,303	28,900	49,094	738,028
Goodwill and intangibles	5,133	29	–	178	–	5,340
Total assets	496,985	107,908	60,303	29,078	49,094	743,368
Non-current assets[(b)]	3,957	648	579	314	20	5,518
2021						
Net interest income	5,156	1,392	755	707	430	8,440
Net fee and commission income	2,228	776	202	241	77	3,524
Other non-interest income	1,520	312	207	177	8	2,224
Total income	8,904	2,480	1,164	1,125	515	14,188
Total expenses	3,789	1,057	822	781	120	6,569
Allowances for credit and other losses	(14)	7	59	80	(80)	52
Share of profits or losses of associates and joint ventures	39	–	174	–	–	213
Profit before tax	5,168	1,416	457	264	475	7,780
Income tax expense and non-controlling interest	507	226	47	60	135	975
Net profit attributable to shareholders	4,661	1,190	410	204	340	6,805
Total assets before goodwill and intangibles	449,612	106,187	58,926	26,580	39,406	680,711
Goodwill and intangibles	5,133	29	–	200	–	5,362
Total assets	454,745	106,216	58,926	26,780	39,406	686,073
Non-current assets[(b)]	3,856	688	498	365	27	5,434

(a) With effect from 2022, technology development centres will be presented under 'Singapore'. Comparatives have been restated
(b) Investments in associates and joint ventures, properties and other fixed assets

DBS Bank Ltd

Income statement

for the year ended 31 December 2022

		Bank	
In $ millions	**Note**	**2022**	**2021**
Income			
Interest income		11,984	7,117
Interest expense		4,092	1,109
Net interest income		7,892	6,008
Net fee and commission income		2,166	2,441
Net trading income		1,964	1,286
Net income from investment securities		96	320
Other income	2	331	530
Non-interest income		4,557	4,577
Total income		12,449	10,585
Employee benefits		2,675	2,366
Other expenses		1,764	1,749
Total expenses		4,439	4,115
Profit before allowances		8,010	6,470
Allowances for credit and other losses		92	(118)
Profit before tax		7,918	6,588
Income tax expense		878	713
Net profit attributable to shareholders		7,040	5,875

(see notes on pages 186 to 188 which form part of these financial statements)

DBS Bank Ltd

Statement of comprehensive income

for the year ended 31 December 2022

	Bank	
In $ millions	**2022**	**2021**
Net profit	**7,040**	5,875
Other comprehensive income:		
Items that may be reclassified subsequently to income statement:		
Translation differences for foreign operations	**(216)**	27
(Losses)/ gains on debt instruments classified at fair value through other comprehensive income:		
Net valuation taken to equity	**(1,530)**	(280)
Transferred to income statement	**117**	(97)
Taxation relating to components of other comprehensive income	**77**	17
Cash flow hedge movements		
Net valuation taken to equity	**(1,703)**	(298)
Transferred to income statement	**(100)**	(152)
Taxation relating to components of other comprehensive income	**80**	18
Items that will not be reclassified to income statement:		
(Losses)/ gains on equity instruments classified at fair value through other comprehensive income (net of tax)	**(422)**	111
Fair value change from own credit risk on financial liabilities designated at fair value (net of tax)	**115**	(32)
Other comprehensive income, net of tax	**(3,582)**	(686)
Total comprehensive income attributable to shareholders	**3,458**	5,189

(see notes on pages 186 to 188 which form part of these financial statements)

DBS Bank Ltd

Balance sheet

as at 31 December 2022

		Bank	
In $ millions	**Note**	**2022**	**2021**
Assets			
Cash and balances with central banks		**45,751**	48,688
Government securities and treasury bills		**44,946**	37,816
Due from banks		**53,653**	43,857
Derivatives		**43,517**	18,364
Bank and corporate securities		**66,063**	63,380
Loans and advances to customers		**326,983**	325,734
Other assets		**13,917**	11,532
Associates and joint ventures		**1,386**	1,272
Subsidiaries	3	**35,823**	28,545
Due from holding company		**1,119**	718
Properties and other fixed assets		**1,897**	1,806
Goodwill and intangibles		**334**	334
Total assets		**635,389**	582,046
Liabilities			
Due to banks		**32,812**	24,087
Deposits and balances from customers		**408,290**	387,824
Derivatives		**43,286**	18,880
Other liabilities		**16,668**	12,858
Other debt securities		**40,918**	45,066
Due to holding company		**7,276**	8,776
Due to subsidiaries		**36,354**	34,439
Total liabilities		**585,604**	531,930
Net assets		**49,785**	50,116
Equity			
Share capital	4	**24,452**	24,452
Other equity instruments	5	**2,396**	2,396
Other reserves	6	**(3,980)**	(425)
Revenue reserves	6	**26,917**	23,693
Shareholders' funds		**49,785**	50,116
Total equity		**49,785**	50,116

(see notes on pages 186 to 188 which form part of these financial statements)

DBS Bank Ltd

Notes to the supplementary financial statements

for the year ended 31 December 2022

The supplementary financial statements of DBS Bank Ltd (the Bank) are extracted from the Audited Statutory Financial Statements of DBS Bank Ltd and its subsidiaries (the Bank Group) for the financial year ended 31 December 2022. The statutory financial statements of the Bank and the Bank Group which contained an unqualified audit report, will be delivered to the Accounting & Corporate Regulatory Authority in accordance with the Singapore Companies Act.

1. Summary of Significant Accounting Policies

The accounting policies applied by the Bank and the Bank Group are consistent with those applied by the Group as disclosed in Note 2 of the “Notes to the financial statements” (Notes) in the Group’s Consolidated Financial Statements.

2. Other Income

Other income includes the following:

In $ millions	**2022**	**2021**
Dividends from subsidiaries	**225**	475
Dividends from associates	**65**	16
Total	**290**	491

3. Subsidiaries

In $ millions	**2022**	**2021**
Investment in subsidiaries[a]		
Ordinary shares	**13,065**	12,958
Due from subsidiaries		
Other receivables	**22,758**	15,587
Total	**35,823**	28,545

(a) The carrying amounts of certain investments which are designated as hedged items in a fair value hedge are adjusted for fair value changes attributable to the hedged risks

4. Share Capital

	Shares ('000)		**In $ millions**	
	2022	**2021**	**2022**	**2021**
Ordinary shares	**2,626,196**	2,626,196	**24,452**	24,452
Issued share capital at 31 December			**24,452**	24,452

5. Other Equity Instruments

The following perpetual capital securities issued by the Bank are classified as other equity instruments. These instruments are subordinated to all liabilities of the Bank and senior only to ordinary shareholders of the Bank. Their terms require them to be written-off if and when the Monetary Authority of Singapore notifies the Bank that a write-off of the instruments, or a public sector injection of capital (or equivalent support), is necessary, without which the Bank Group or the DBSH Group (DBSH and its subsidiaries) would become non-viable. These instruments qualify as Additional Tier 1 capital under MAS Notice 637.

In $ millions	**Issue Date**	**Distribution Payment**	**2022**	**2021**
Issued by the Bank				
SGD 1,000m 3.98% Non-Cumulative, Non-Convertible Perpetual Capital Securities First Callable in 2025	12 Sep 2018	Mar/ Sep	**1,000**	1,000
USD 1,000m 3.30% Non-Cumulative, Non-Convertible Perpetual Capital Securities First Callable in 2025	27 Feb 2020	Feb/ Aug	**1,396**	1,396
Total			**2,396**	2,396

6. Other Reserves and Revenue Reserves

6.1 Other reserves

In $ millions	**2022**	**2021**
FVOCI revaluation reserves (debt)	**(1,415)**	(79)
FVOCI revaluation reserves (equity)	**(394)**	(114)
Cash flow hedge reserves	**(1,910)**	(187)
Foreign currency translation reserves	**(261)**	(45)
Total	**(3,980)**	(425)

Movements in other reserves during the year are as follows:

In $ millions	FVOCI revaluation reserves (debt)	FVOCI revaluation reserves (equity)	Cash flow hedge reserves	Foreign currency translation reserves	Total
2022					
Balance at 1 January	**(79)**	**(114)**	**(187)**	**(45)**	**(425)**
Net exchange translation adjustments	**–**	**–**	**–**	**(216)**	**(216)**
FVOCI financial assets and cash flow hedge movements:					
– net valuation taken to equity	**(1,530)**	**(437)**	**(1,703)**	**–**	**(3,670)**
– transferred to income statement	**117**	**–**	**(100)**	**–**	**17**
– taxation relating to components of other comprehensive income	**77**	**15**	**80**	**–**	**172**
Transfer to revenue reserves upon disposal of FVOCI equities	**–**	**142**	**–**	**–**	**142**
Balance at 31 December	**(1,415)**	**(394)**	**(1,910)**	**(261)**	**(3,980)**
2021					
Balance at 1 January	281	(190)	245	(72)	264
Net exchange translation adjustments	–	–	–	27	27
FVOCI financial assets and cash flow hedge movements:					
– net valuation taken to equity	(280)	117	(298)	–	(461)
– transferred to income statement	(97)	–	(152)	–	(249)
– taxation relating to components of other comprehensive income	17	(6)	18	–	29
Transfer to revenue reserves upon disposal of FVOCI equities	–	(35)	–	–	(35)
Balance at 31 December	(79)	(114)	(187)	(45)	(425)

6.2 Revenue reserves

In $ millions	2022	2021
Balance at 1 January	**23,693**	19,952
Redemption of perpetual capital securities	**–**	6
Net profit attributable to shareholders	**7,040**	5,875
Other comprehensive income attributable to shareholders		
– Transfer from FVOCI revaluation reserves upon disposal of FVOCI equities	**(142)**	35
– Fair value change from own credit risk on financial liabilities designated at fair value (net of tax)	**115**	(32)
Sub-total	**30,706**	25,836
Less: Dividends paid to holding company	**3,789**	2,143
Balance at 31 December	**26,917**	23,693

DBS Group Holdings and its Subsidiaries

Five-year summary

Group	2022	2021	2020	2019	2018
Selected income statement items(1) ($ millions)					
Total income	**16,502**	14,188	14,592	14,544	13,183
Profit before allowances	**9,412**	7,719	8,434	8,286	7,385
Allowances	**237**	52	3,066	703	710
Profit before tax	**9,382**	7,776	5,368	7,583	6,675
Net profit excluding one-time items	**8,193**	6,801	4,721	6,391	5,625
One-time items(2)	**–**	4	–	–	(48)
Net profit	**8,193**	6,805	4,721	6,391	5,577
Selected balance sheet items ($ millions)					
Total assets	**743,368**	686,073	649,938	578,946	550,751
Customer loans	**414,519**	408,993	371,171	357,884	345,003
Total liabilities	**686,296**	628,359	595,295	527,147	500,876
Customer deposits	**527,000**	501,959	464,850	404,289	393,785
Total shareholders' funds	**56,887**	57,526	54,626	50,981	49,045
Per ordinary share ($)					
Earnings excluding one-time items	**3.15**	2.61	1.81	2.46	2.16
Earnings	**3.15**	2.61	1.81	2.46	2.15
Net asset value	**21.17**	21.47	20.08	19.17	18.12
Dividends(3)	**2.00**	1.20	0.87	1.23	1.20
Selected financial ratios (%)					
Dividend cover for ordinary shares (number of times)(3)	**1.58**	2.17	2.08	2.00	1.79
Net interest margin	**1.75**	1.45	1.62	1.89	1.85
Cost-to-income(1)(4)	**43.0**	45.6	42.2	43.0	44.0
Return on assets(4)	**1.12**	1.02	0.75	1.13	1.05
Return on equity(4)(5)	**15.0**	12.5	9.1	13.2	12.1
Loan/ deposit ratio	**78.7**	81.5	79.8	88.5	87.6
Non-performing loan rate	**1.1**	1.3	1.6	1.5	1.5
Loss allowance coverage(6)	**122**	116	110	94	98
Capital adequacy					
Common Equity Tier 1	**14.6**	14.4	13.9	14.1	13.9
Tier 1	**15.2**	15.1	15.0	15.0	15.1
Total	**17.0**	17.0	16.8	16.7	16.9

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(1) *The share of profits or losses of associates and joint ventures has been reclassified from 'Other income' to a separate line on the face of income statement. 2021 comparatives have been restated. Pre-2021 comparatives were not restated as the impact was not material*

(2) *2021 includes gain recognised on completion of Shenzhen Rural Commerical Bank acquisition and Corporate Social Responsibility commitment to DBS Foundation and other charitable causes. 2018 includes impact from remeasurement of deferred taxes due to a change in the applicable tax rate arising from the conversion of India Branch to a wholly-owned subsidiary and ANZ integration costs*

(3) *2022 includes special dividend of $0.50*

(4) *Excludes one-time items*

(5) *Calculated based on net profit attributable to the shareholders net of dividends on other equity instruments. Non-controlling interests, and other equity instruments are not included as equity in the computation of return of equity*

(6) *Computation for 2019 and 2018 includes regulatory loss allowance reserves*

Board of Directors

as at 10 February 2023

Peter Seah Lim Huat, 76

Chairman

Non-Executive and
Non-Independent Director

Bachelor of Business Administration (Honours)
National University of Singapore

Date of first appointment as Director:	16 November 2009
Date of appointment as Chairman:	1 May 2010
Date of last re-election as Director:	30 April 2020
Length of service as Director:	13 years 3 months

Present directorships:

Other listed companies

• Singapore Airlines Limited	Chairman

Other principal commitments

• DBS Bank Ltd.	Chairman
• DBS Bank (Hong Kong) Limited	Chairman
• GIC Private Limited	Director
• STT Communications Ltd	Deputy Chairman
• Fullerton Financial Holdings Pte. Ltd.	Deputy Chairman
• LaSalle College of the Arts Limited	Chairman
• National Wages Council	Chairman
• Council of Presidential Advisers	Member
• University of the Arts Singapore Ltd.	Director

Past directorships in listed companies held over the preceding five years:

Nil

Piyush Gupta, 63

Chief Executive Officer

Executive Director

Post Graduate Diploma in Management
Indian Institute of Management, Ahmedabad, India

Bachelor of Arts, Economics
University of Delhi, India

Date of first appointment as Director:	9 November 2009
Date of last re-election as Director:	30 March 2021
Length of service as Director:	13 years 3 months

Present directorships:

Other listed companies

Nil

Other principal commitments

• DBS Bank Ltd.	Chief Executive Officer & Director
• DBS Bank (Hong Kong) Limited	Vice Chairman
• Verified Impact Exchange Holdings Pte. Ltd.	Director
• Dr Goh Keng Swee Scholarship Fund	Director
• Institute of International Finance, Washington	Vice Chairman
• National Research Foundation, Singapore	Board Member
• The Association of Banks in Singapore	Vice Chairman
• The Institute of Banking & Finance, Singapore	Council Member
• Singapore Indian Development Association (SINDA)	Term Trustee
• Singapore Management University	Chairman, Board of Trustees
• MasterCard Asia Pacific Advisory Board	Board Member
• BirdLife International, UK	Co-Chairman, Global Advisory Group
• Indian Business-leaders Roundtable under Singapore Indian Development Association (SINDA)	Member, Managing Council
• Advisory Council on the Ethical Use of Artificial Intelligence (AI) and Data, Singapore	Council Member
• Council for Board Diversity, Singapore	Council Member
• Bretton Woods Committee, USA	Member, Advisory Council
• World Business Council for Sustainable Development, Switzerland	Vice Chairman, Executive Committee
• CNBC ESG Council, USA	Member
• International Business Leaders' Advisory Council for the Mayor of Shanghai (IBLAC)	Council Member
• SG Her Empowerment Limited	Special Adviser

Past directorships in listed companies held over the preceding five years:

Nil

Olivier Lim Tse Ghow, 58

Non-Executive and
Lead Independent Director

Bachelor of Engineering (First Class Honours), Civil Engineering
Imperial College, London, UK

Date of first appointment as Director:	7 November 2017
Date of appointment as Lead Independent Director:	29 April 2020
Date of last re-election as Director:	31 March 2022
Length of service as Director:	5 years 3 months

Present directorships:

Other listed companies

• PropertyGuru Group Limited	Chairman
• StarHub Ltd.	Chairman
• Raffles Medical Group Ltd	Director

Other principal commitments

• DBS Bank Ltd.	Director
• Certis CISCO Security Pte. Ltd.	Chairman
• Singapore Tourism Board	Deputy Chairman

Past directorships in listed companies held over the preceding five years:

• Banyan Tree Holdings Limited	Director

Chng Kai Fong, 44

Non-Executive and
Non-Independent Director

Sloan Masters Programme with a Master of Science in Management
Stanford University, USA

Master of Engineering and Bachelor of Arts (First Class Honours)
University of Cambridge, UK

Date of first appointment as Director:	31 March 2021
Date of last re-election as Director:	31 March 2022
Length of service as Director:	1 year 11 months

Present directorships:

Other listed companies

Nil

Other principal commitments

• DBS Bank Ltd.	Director
• The Smart Nation and Digital Government Group	Second Permanent Secretary
• Ministry of Communications and Information, Singapore	Second Permanent Secretary
• Cybersecurity, Prime Minister's Office, Singapore	Second Permanent Secretary
• Info-Communications Media Development Authority (IMDA)	Deputy Chairman
• Singapore Symphonia Company Limited	Director
• Shell Gas & Power Development B.V.	Advisory Board Member, New Energies Advisory Board
• Singapore University of Technology and Design	Member, Board of Trustees
• The Government Technology Agency of Singapore	Board Member

Past directorships in listed companies held over the preceding five years:

Nil

Bonghan Cho, 58

Non-Executive and Independent Director

Ph.D and MS in Computer Science, specialising in Artificial Intelligence
University of Southern California, USA

Bachelor of Science in Computer Science and Statistics
Seoul National University, South Korea

Date of first appointment as Director:	26 April 2018
Date of last re-election as Director:	31 March 2022
Length of service as Director:	4 years 10 months

Present directorships:

Other listed companies

Nil

Other principal commitments

• DBS Bank Ltd.	Director
• Equalkey Corporation	Founder & Chief Executive Officer

Past directorships in listed companies held over the preceding five years:

Nil

Ho Tian Yee, 70

Non-Executive and Non-Independent Director

Master of Business Administration
University of Chicago, USA

Bachelor of Arts (Honours), Economics (CNAA)
Portsmouth University, UK

Date of first appointment as Director:	29 April 2011
Date of last re-election as Director:	30 April 2020
Length of service as Director:	11 years 10 months

Present directorships:

Other listed companies

Nil

Other principal commitments

• DBS Bank Ltd.	Director
• Fullerton Fund Management Company Ltd	Chairman
• FFMC Holdings Pte. Ltd.	Chairman
• Mount Alvernia Hospital	Chairman
• Pavilion Capital Holdings Pte. Ltd.	Director
• Seviora Holdings Pte. Ltd.	Director
• Weilee Investments Pte. Ltd.	Director
• Blue Edge Advisors Pte. Ltd.	Investment Advisor
• Urban Redevelopment Authority	Member, Finance Investment Committee

Past directorships in listed companies held over the preceding five years:

• AusNet Services Ltd	Director

Punita Lal, 60

Non-Executive and Independent Director

Master of Business Administration
Indian Institute of Management, Calcutta, India

Bachelor of Arts, Economics (Honours)
St. Stephen's College, Delhi, India

Date of first appointment as Director:	1 April 2020
Date of last re-election as Director:	30 March 2021
Length of service as Director:	2 years 10 months

Present directorships:

Other listed companies

• Cipla Limited.	Director
• Carlsberg A/S	Member, Supervisory Board

Other principal commitments

• DBS Bank Ltd.	Director
• Capillary Technologies International Pte. Ltd.	Advisor

Past directorships in listed companies held over the preceding five years:

• CEAT Limited	Director

Judy Lee, 55

Non-Executive and Independent Director

Master of Business Administration
The Wharton School of the University of Pennsylvania, USA

Bachelor of Science, Finance & International Business
Stern Business School, New York University, USA

Advanced Management Program
Women on Boards – Corporate Director Program
Harvard Business School, USA

Date of first appointment as Director:	4 August 2021
Date of last re-election as Director:	31 March 2022
Length of service as Director:	1 year 6 months

Present directorships:

Other listed companies

• Commercial Bank of Ceylon PLC	Director
• Mapletree Logistics Trust Management Ltd. (the Manager of Mapletree Logistics Trust)	Director
• Alvarium Tiedemann Holdings, Inc.	Director

Other principal commitments

• DBS Bank Ltd.	Director
• Dragonfly LLC	Managing Director & Co-Founder
• Dragonfly Advisors Pte. Ltd.	Managing Director
• Dragonfly Capital Ventures LLC	Chief Executive Officer
• JTC Corporation	Board Member
• SMRT Corporation Ltd	Director
• Strides DST Pte. Ltd.	Chairperson
• Temasek Lifesciences Accelerator Pte. Ltd.	Director
• SG Her Empowerment Limited	Director
• Stern School of Business, New York University	Member, Executive Board
• Break Some Glass Inc., WomenExecs on Boards	Co-President & Director (volunteer, non-profit Harvard Business School Alumni network)

Past directorships in listed companies held over the preceding five years:

Nil

Anthony Lim Weng Kin, 64

Non-Executive and Independent Director

Bachelor of Science
National University of Singapore

Advanced Management Program
Harvard Business School, USA

Date of first appointment as Director:	1 April 2020
Date of last re-election as Director:	30 March 2021
Length of service as Director:	2 years 10 months

Present directorships:

Other listed companies

• CapitaLand Investment Limited	Director

Other principal commitments

• DBS Bank Ltd.	Director
• CapitaLand Hope Foundation	Director
• Institute of International Education (IIE) Scholar Rescue Fund	Member, Selection Committee
• Ministry of Foreign Affairs, Singapore	Non-Resident Ambassador to Colombia
• Queensway Secondary School	Member, School Advisory Committee

Past directorships in listed companies held over the preceding five years:

• CapitaLand Limited(1)	Director
• Vista Oil & Gas S.A.B. de C.V.	Director

(1) CapitaLand Limited was delisted from the official list of the Singapore Exchange Securities Trading Limited on 21 September 2021

Tham Sai Choy, 63

Non-Executive and Independent Director

Bachelor of Arts (Honours) in Economics
University of Leeds, UK

Fellow
Institute of Chartered Accountants in England and Wales
Institute of Singapore Chartered Accountants
Singapore Institute of Directors

Date of first appointment as Director:	3 September 2018
Date of last re-election as Director:	31 March 2022
Length of service as Director:	4 years 5 months

Present directorships:

Other listed companies

• Keppel Corporation Limited	Director

Other principal commitments

• DBS Bank Ltd.	Director
• DBS Bank (China) Limited	Director
• DBS Foundation Ltd.	Director
• Nanyang Polytechnic	Board Member
• Mount Alvernia Hospital	Board Member
• Singapore International Arbitration Centre	Director
• E M Services Private Limited	Chairman
• Keppel Offshore & Marine Ltd	Director

Past directorships in listed companies held over the preceding five years:
Nil

Group Management Committee

The Group Management Committee comprises 21 members, including members of the Group Executive Committee.

Piyush Gupta*

Chief Executive Officer
Piyush has been the Chief Executive Officer and Director of DBS Group since 2009. Prior to joining DBS, Piyush had a 27-year career at Citigroup, where his last position was Chief Executive Officer for Southeast Asia, Australia and New Zealand. Piyush is Chairman of the Board of Trustees of Singapore Management University, Vice-Chairman of the Institute of International Finance, Washington and Vice-Chairman of the World Business Council for Sustainable Development (WBCSD) Executive Committee. In addition, he is a member of Singapore's Advisory Council on the Ethical Use of AI and Data, and Bretton Woods Committee's Advisory Council.

Piyush sits on the boards of Singapore's National Research Foundation and the Council for Board Diversity established by Singapore's Ministry of Social and Family Development. He is a term trustee of the Singapore Indian Development Association. Previously, he was a member of the Singapore Emerging Stronger Taskforce, aimed at defining Singapore's future in a post-Covid world, the UN Secretary General's Task Force on Digital Financing of the Sustainable Development Goals, and the McKinsey Advisory Council.

Piyush was awarded the Public Service Star by the President of Singapore for his meritorious services to the nation in 2020. He is a recipient of the 2023 Pravasi Bharatiya Samman Award, the highest honour conferred by the Indian Government on the country's diaspora.

Piyush was named one of the world's top 100 best-performing chief executives in Harvard Business Review – 2019 edition of "The CEO 100". He was named Global Indian of the Year by the Economic Times in 2021, Singapore Business Awards' Outstanding Chief Executive of the Year in 2016, and Singapore Business Leader of the Year by CNBC in 2014.

Chng Sok Hui*

Chief Financial Officer
Sok Hui is the Chief Financial Officer of DBS Group. Prior to this appointment in October 2008, she was Group Head of Risk Management for six years. She is currently a Board member of DBS Bank India. She serves on the board of the Singapore Exchange (Chair of Risk Committee) as well as the Changi Airport Group (Chair of Audit Committee). Additionally, she is a member of the CareShield Life Council.

Sok Hui previously served, for six years each, on the boards of Inland Revenue Authority of Singapore, Housing & Development Board, and Accounting Standards Council. She was also the Supervisor of DBS China Board for 10 years and a past board member of the Bank of the Philippine Islands.

Sok Hui is a Chartered Financial Analyst, a Certified Financial Risk Manager, an IBF Distinguished Fellow and a Fellow Chartered Accountant of Singapore. She was the recipient of several awards including AsiaRisk's "Risk Manager of the Year" (2002), Asian Banker's inaugural "Risk Manager of the Year" (2012), "Best CFO" at the Singapore Corporate Awards (2013) and "Accountant of the Year" at the inaugural Singapore Accountancy Awards (2014). She is a member of the International Women's Forum (Singapore).

Ginger Cheng

China
Ginger is Chief Executive Officer of DBS Bank (China) Limited and a member of the DBS Group Management Committee. China is a key market for DBS, and Ginger is responsible for bringing the franchise to the next level, as the bank executes its strategy to become a leading bank in Asia.

Ginger joined DBS in 2001. Prior to this CEO appointment, she was Deputy CEO of DBS China and the Head of Institutional Banking Group, China. Ginger has nearly 30 years of experience in syndicated lending and corporate banking across China, notably in the Greater Bay Area.

Ginger was born in Beijing and received her primary and secondary education there. She holds a Bachelor's degree in Business Administration from the Chinese University of Hong Kong.

Eng-Kwok Seat Moey

Capital Markets
Seat Moey is Group Head of Capital Markets. With more than 30 years of experience in investment banking, she oversees and supervises several teams on advisory and corporate finance, as well as structuring and execution of all equity transactions including corporate equity fund raising, REITs/ Business Trusts and IPOs. Seat Moey's extensive experience also includes structuring and originating debt and equity-linked debt issues and structured finance. She is the Chair of the DBS Digital Exchange which offers trading services for various digital assets, including security tokens and cryptocurrencies. She is also a board member of the bank's award-winning securities business, DBS Vickers Securities.

Seat Moey was instrumental in the development of the REITs industry in Singapore and the region, having advised on numerous industry-first structures. She also played an integral role in growing DBS' capital markets franchise beyond Singapore through a number of regional landmark transactions. Under her leadership, DBS continues to lead the market in Singapore and Asia ex-Japan, ranking top in regional and Singapore league tables.

Philip Fernandez

Corporate Treasurer
Philip is Group Corporate Treasurer, responsible for DBS' balance sheet, capital, wholesale funding, duration management and structural FX globally. He leads DBS Group's IBOR transition programme and chairs the corresponding ABS industry workgroup for corporate loans. He became Corporate Treasurer 14 years ago and in total has more than 30 years of experience in financial services in Singapore and London. Philip was awarded the Institute of Banking and Finance's Distinguished Fellow award for Financial Markets in 2021 and was previously named "Bank Treasurer of the Year" by The Asset. Prior to heading Corporate Treasury, he was DBS' co-head of market risk for five years.

Philip is a Singaporean who holds an M.A. from Cambridge University where he studied Engineering and Management under a DBS scholarship. Previously, he was also an adjunct associate professor at the Singapore Management University for six years, where he specialised in quantitative finance.

Derrick Goh

Audit
Derrick is the Group Head of Audit, responsible for providing independent assurance of the bank's controls, risk and governance structures and processes. Prior to this, Derrick led the Treasures and Treasures Private Client Wealth Management business across the group. Before that, he was Head of POSB where he helped to deepen its community outreach. Derrick was also Regional Chief Operating Officer and Chief Financial Officer of the Institutional Banking Group and Head of Finance, Group Planning and Analytics.

Before DBS, Derrick spent 11 years at American Express in senior finance roles in Paris, London, New York and Singapore. He has over 30 years of experience in finance and banking. He currently chairs the Board Audit and Risk Committee for GovTech Singapore and serves the community as a Member of Parliament (Nee Soon Group Representative Constituency) and is also a member of the Parliament of Singapore's Public Accounts Committee.

Han Kwee Juan*

Strategy & Planning
Kwee Juan is Group Head of Strategy and Planning. In this role, he works with the Group CEO and Group Management Committee to develop strategies to drive growth and valuation for shareholders. He also oversees strategic reviews and execution of these strategies across the Group.

Kwee Juan leads the bank's transformation agenda. He develops change management programmes to deliver transformation outcomes across the Group in data and artificial intelligence, managing through journeys, customer experience, innovation and future of work.

His portfolio also encompasses responsibility for developing and driving new business models through ecosystems partnerships for corporate and retail customers; identifying and creating new joint ventures to develop new revenue streams through banking solutions; and ultimately to grow value in the Group's joint venture investments.

Lam Chee Kin

Legal & Compliance
Chee Kin oversees the legal and regulatory risk of DBS across legal entities, segments and geographies. A lawyer by profession, he has particular expertise in financial services regulation, and financial markets product and business structuring. Chee Kin has held legal and compliance portfolios in Standard Chartered, J.P. Morgan, Rajah & Tann and Allen & Gledhill. He also had a stint as Chief Operating Officer for Southeast Asia at J.P. Morgan.

Chee Kin currently serves on the Advisory Board to the Singapore Management University School of Law and the Advisory Panel to the NUS Centre for Banking and Finance Law.

Lee Yan Hong

Human Resources
Yan Hong is Managing Director and Head of Group Human Resources. Her human capital management experience spans over 30 years, across a spectrum of industries, specialisations, coverage and geographies.

At DBS, Yan Hong drives the overall strategic people agenda of the Group by setting the direction and spearheading various functions and initiatives in the organisational growth of the Bank. Critical to the success of DBS' digital transformation journey are both the people and culture agendas of which HR plays an important role by driving change from the top through transformational leadership, to nurturing a start-up culture, upskilling and equipping employees with future-ready skills, as well as delivering employee value propositions through joyful employee experiences, products and programmes. Under her leadership, DBS has won a number of global and regional accolades, including being certified by Kincentric as Regional Best Employer in Asia-Pacific, as well as Country Best Employer in Singapore and other markets for several years. For the sixth year running, DBS has been named to the Bloomberg Gender Equality Index. In addition, DBS has also been awarded by the Singapore Tripartite Alliance for Fair and Progressive Employment Practices for fair and progressive employment practices as well as empowering employees to achieve work-life excellence.

Yan Hong currently serves on the board of the Inland Revenue of Singapore and the Institute of Systems Science, National University of Singapore.

Lim Chu Chong

Indonesia
Chu Chong has been President Director of PT Bank DBS Indonesia since August 2022.

Prior to that, he was Chief Operating Officer, Institutional Banking Group (IBG), at DBS. In this role, he was responsible for facilitating business growth, particularly in strengthening policies, governance and controls, data capabilities as well as customer and employee experience.

A career DBS banker, Chu Chong has over 25 years of experience in institutional, SME and consumer banking. He began his career as a credit and marketing officer in Corporate Banking, before progressively moving up the ranks to become Regional Head of SME Banking. Between 2016 and 2019, he was Head of DBS IBG China.

He was Non-Independent Commissioner of DBS Indonesia from 2011 to 2016, and a Board member of DBS Foundation from December 2013 to November 2022.

He has a Bachelor of Arts majoring in Economics and Statistics from the National University of Singapore

Lim Him Chuan

Taiwan
Him Chuan is Chief Executive Officer of DBS Bank Taiwan. Prior to this, he was the Group Head of Product Management for DBS' Global Transaction Services, responsible for the bank's cash management and trade finance businesses. Under his leadership, the business registered robust growth with a strong focus on product digitalisation and significant improvements in the Greenwich Customer Satisfaction survey.

Prior to that, he was Chief Operating Officer for DBS' Institutional Banking Group and International Markets, leading various strategic business, customer and employee journey change programmes. He was also Head of Group Audit where he successfully transformed Group Audit into a multi-disciplinary professional services team, which won the Singapore Internal Audit Excellence Award in 2012. In recognition of his contributions to the Singapore financial services industry as well as his industry thought leadership, Him Chuan was conferred the title of Singapore Institute of Banking and Finance Fellow in 2014.

Sim S Lim*

Consumer Banking/ Wealth Management
Sim is group head responsible for leading DBS' consumer banking and wealth management business, following his appointment to the role on 1 January 2019. Prior to this, he spent eight years as DBS' first country head with dedicated oversight for Singapore, during which he focused on delivering greater synergy and value across the bank's Singapore franchise.

Sim has been in the industry for over 40 years and has assumed career responsibilities in Asia, North America and the Middle East. Before DBS, Sim was President and CEO of Nikko Citigroup Limited. During this time, he was also a board member of Nikko Citi Holdings Inc, and oversaw corporate and investment banking, institutional brokerage, as well as fixed income and equity trading for Citigroup in Japan. In his time abroad, Sim also served as chairman of Citibank Berhad Malaysia.

Presently, Sim is Chairman of DBS Vickers Securities Holdings & sits on the Board of DBS Securities (Japan). He chairs the Building and Construction Authority, and sits on the Board of Directors of ST Engineering. He also serves as Singapore's High Commissioner (Non-Resident) to the Federal Republic of Nigeria.

Andrew Ng*

Treasury & Markets
Andrew is Head of Treasury and Markets. He is also the Chairman and Director of DBS Bank Taiwan, and Director of DBS Securities (Japan) Company Limited. Andrew's experience in the treasury business spans over 35 years, comprising senior positions in Asia and Western markets. Since 2006, Andrew has been instrumental in leading DBS Treasury and Market's expansion in the region.

In addition, he helped build a pan-Asia trading platform on different asset classes and established a region-wide local currencies derivative capability for the bank. He has also expanded DBS' capabilities in generic and exotic derivatives. Prior to joining DBS, he was Executive Director at Canadian Imperial Bank of Commerce (CIBC) from 1995 to 1999, where he set up CIBC's trading platform and derivative capabilities on Asian currencies. He was also previously North Asia Head of Trading at Chase Manhattan Bank N.A. and Treasurer of Chase Manhattan Bank Taipei.

Jimmy Ng*

Chief Information Officer/ Technology & Operations
Jimmy is Group Chief Information Officer and Head of Group Technology & Operations. Managing more than 18,000 technology and operations professionals globally, he plays a leading role in the development and execution of the bank's technology strategy, which elevated DBS' standing to being recognised on a global stage.

Prior to this, Jimmy was Deputy Head of Group Technology & Operations, where he oversaw the bank's first technology development centre outside Singapore – DBS Tech India in Hyderabad. He also oversaw DBS' Middle Office Technology and Enterprise Architecture/ Site Reliability Engineering. Jimmy was also previously DBS' Group Head of Audit, and before that, Head of Singapore Consumer Banking Operations where he harnessed state of-the-art data analytics and machine-learning techniques to develop and implement new auditing approaches, and overhauled DBS' ATM/ Self-service Banking management.

Karen Ngui

Strategic Marketing & Communications
Karen is Head of Group Strategic Marketing and Communications, and Board member of the DBS Foundation. She is responsible for corporate communications, brand management, strategic marketing, internal communications and sponsorships. She also oversees the DBS Foundation and all of the bank's 'Impact beyond banking' initiatives. She leads media and issues management efforts across the DBS Group. In addition, she is responsible for managing and enhancing the bank's brand positioning across all businesses and markets where DBS is present.

She has over 30 years of experience in corporate branding, marketing and communications for financial institutions, and joined DBS in 2005 from Standard Chartered Bank where she was Global Head, Brand Management and Strategic Marketing.

Sebastian Paredes*

Hong Kong
Sebastian is Chief Executive Officer of DBS Bank (Hong Kong) and Non-Executive Director of DBS Bank (China) Limited. With over 30 years of experience in the industry, Sebastian has found much success in building franchises across various markets. His experience in laying the groundwork across regions has led him to manage complex situations during times of economic volatility. Formerly President Director of PT Bank Danamon, Indonesia, Sebastian solidified the bank's position in retail, SME and commercial banking and created opportunities for new businesses in consumer finance and micro lending. Sebastian also spent 20 years at Citigroup as Country Head of Ecuador, Honduras, Turkey and Israel, and was also the Chief Executive Officer of Sub-Saharan Africa.

Sanjoy Sen

Consumer Banking
Sanjoy is Group Head of Consumer Banking and plays a lead role in growing and deepening DBS' regional consumer banking footprint in Asia. His responsibilities include driving digital transformation, developing new ecosystem partnerships, and leveraging DBS' banking and technology capabilities to scale the consumer business regionally.

Sanjoy has over 30 years of extensive international consumer banking experience. He spent the first 22 years of his career in Citibank, before he joined ANZ Banking Group in 2012 to head its Retail, Private Banking and Wealth business in Asia. He then joined DBS in 2018, following the successful integration of ANZ's Retail & Wealth business. Sanjoy currently serves on the board of DBS Bank Taiwan and DBS Foundation. He also sits on Visa's Senior Client Council for Asia Pacific. In 2019, Sanjoy was conferred the IBF Fellow award for Consumer Banking by the Institute of Banking and Finance in Singapore.

Sanjoy is a Singaporean who holds a B.Tech degree in Electronics Engineering from Indian Institute of Technology and a Post Graduate Diploma in Business Management from Indian Institute of Management. He has also completed an executive management programme from Harvard Business School.

Shee Tse Koon*

Singapore
Tse Koon is Country Head of DBS Singapore. Prior to this, he was Group Head of Strategy and Planning.

Tse Koon has close to 30 years of banking experience and started his career at Standard Chartered Bank where he held senior positions across various markets in Asia, Middle East, and the United Kingdom. He was CEO of Indonesia prior to joining DBS, and his other roles included Head of Governance (Europe, Middle East, Africa & Americas), Chief Information Officer (Singapore), Head of Technology & Operations (Singapore) and Regional Head of Trade.

Tse Koon is currently a Board of Director of NETS Pte Ltd and the Chairman of the Association of Banks in Singapore's (ABS) Culture and Conduct Steering Group. He also sits on the Board of Governors for the Singapore International Foundation and Nanyang Polytechnic.

Tse Koon was conferred the Institute of Banking and Finance Distinguished Fellow Award (Corporate Banking) in 2021. In 2022, he was awarded the Medal of Commendation (Star) by the National Trade Union Congress for his leadership in creating a future-ready workforce at DBS.

Surojit Shome

India
Surojit has been Chief Executive Officer of DBS Bank in India since 2015. Surojit has over 35 years of banking experience across corporate and investment banking, capital markets and consumer banking. Before he joined DBS, he was CEO of Rabobank in India. Prior to that, he worked for 19 years at Citibank in various roles across consumer and wholesale banking. He subsequently headed the investment banking division at Lehman Brothers in India.

Surojit holds a post-graduate management degree in marketing and finance from Xavier School of Management, Jamshedpur, and a Bachelor of Science degree in Economics, Mathematics and Statistics from Presidency University, Kolkata. Surojit has also attended the Executive Development Program at The Wharton School in 2004 and the Rabobank Senior Leadership Program at Harvard Business School in 2011.

Soh Kian Tiong*

Chief Risk Officer
Kian Tiong is the Chief Risk Officer of DBS Group and has more than 25 years of experience in the banking and finance industry. He was previously DBS' Chief Credit Officer for the bank's Greater China operations where he oversaw credit and risk functions in Hong Kong, Mainland China and Taiwan. Prior to this, he was Group Head of DBS' Financial Institutions Group, responsible for relationships with banks and non-bank financial institutions, comprising insurance companies, funds, securities companies, supranationals and central banks, spanning US, Europe and most parts of Asia.

He also oversaw the relationship coverage of Singapore government-related entities such as GIC, Temasek and Singapore universities, among others. In recognition of his leadership and commitment in developing the financial industry, Kian Tiong was conferred the IBF Fellow award in 2017 by the Institute of Banking and Finance Singapore.

Tan Su Shan*

Institutional Banking
Su Shan is Group Head of Institutional Banking at DBS and President Commissioner for PT Bank DBS Indonesia. She was previously Group Head of Consumer Banking and Wealth Management at DBS for almost a decade.

In 2019, The Asset named Su Shan as one of six women in Asia likely to influence and feature prominently in shaping the banking and associated financial services industry in Asia. In 2018, she was nominated by Forbes Magazine as a "Top 25 Emergent Asian Woman Business Leader". In 2014, she became the first Singaporean to be recognised as the world's "Best Leader in Private Banking" by The Banker/ Private Wealth Management, a wealth publication by the Financial Times Group. She has also served as a Nominated Member of Parliament in Singapore.

Su Shan is an independent board director of CPF (The Central Provident Fund Board) and Mapletree Pan Asia Commercial Trust. On the education front, she is an advisor to Lincoln College at Oxford University. She is also the Founder President of the Financial Women's Association in Singapore, a non-profit organisation she founded and pioneered in 2001, to help develop and mentor women in the financial industry.

*Those marked by * are also in the Group Executive Committee.*

International presence

Singapore

DBS Bank Ltd ("DBS Bank")
12 Marina Boulevard
Marina Bay Financial Centre Tower 3
Singapore 018982
Tel: (65) 6878 8888

AXS Pte. Ltd.
61 Mohamed Sultan Road
#01-11 Sultan Link
Singapore 239001
Tel: (65) 6560 2727
Fax: (65) 6636 4550

27.65% owned by DBS Bank and 60.07% owned by Primefield Company Pte Ltd, a wholly-owned subsidiary of DBS Bank

DBS Nominees (Private) Limited
10 Toh Guan Road, #04-11
DBS Asia Gateway
Singapore 608838
Tel: (65) 6878 8888
Fax: (65) 6338 8936

DBS Trustee Limited
12 Marina Boulevard
Marina Bay Financial Centre Tower 3
Singapore 018982
Tel: (65) 6878 8888

DBS Vickers Securities (Singapore) Pte Ltd
12 Marina Boulevard #10-01
Marina Bay Financial Centre Tower 3
Singapore 018982
Tel: (65) 6327 2288

DBSN Services Pte. Ltd.
10 Toh Guan Road, #04-11
DBS Asia Gateway
Singapore 608838
Tel: (65) 6878 8888
Fax: (65) 6338 8936

DBS Digital Exchange Pte. Ltd.
12 Marina Boulevard
Marina Bay Financial Centre Tower 3
Singapore 018982
Tel: (65) 6878 8888

90% owned by DBS Fìnnovation Pte. Ltd., a wholly-owned subsidiary of DBS Bank

Australia

DBS Bank Australia Branch
Suite 1901, Level 19, Chifley Tower
2 Chifley Square, Sydney NSW 2000
Australia
Tel: (61 2) 8823 9300
Fax: (61 2) 8823 9301

Bangladesh

DBS Bank Dhaka Representative Office
Laila Tower, 8 Bir Uttam Mir Shawkat
Sarak, Gulshan 1, Dhaka 1212
Bangladesh
Tel: (880 2) 2266 00810

China

DBS Bank (China) Limited
Units 1301, 1306, 1701 & 1801, DBS Bank Tower
No. 1318 Lujiazui Ring Road
Pudong New Area, Shanghai 200120
People's Republic of China
Tel: (86 21) 3896 8888
Fax: (86 21) 3896 8989

DBS Securities (China) Co., Ltd.
Unit 01 – 07, 29F, BFC Block S1
600 Zhongshan No.2 Road (E)
Huangpu, Shanghai
People's Republic of China
Tel: (86 21) 3856 2888
Fax: (86 21) 6315 0977

51% owned by DBS Bank

Hong Kong

DBS Bank (Hong Kong) Limited
11th Floor, The Center
99 Queen's Road Central
Hong Kong
Tel: (852) 2290 8888

DBS Bank Hong Kong Branch
18th Floor, The Center
99 Queen's Road Central
Hong Kong
Tel: (852) 3668 1900
Fax: (852) 2596 0577

DBS Asia Capital Limited
73rd Floor, The Center
99 Queen's Road Central
Hong Kong
Tel: (852) 3668 1148
Fax: (852) 2868 0250

DBS Vickers (Hong Kong) Limited
16/F One Island East
18 Westlands Road Island East
Hong Kong
Tel: (852) 3668 3288
Fax: (852) 2523 6055

India

DBS Bank India Limited
Ground Floor Nos. 11 & 12
Capitol Point, Baba Kharak Singh Marg
Connaught Place, Delhi 110 001
India
Tel: (91 11) 6653 8888
Fax: (91 11) 6653 8899

DBS Technology Services India Private Limited
17th Floor, Skyview 20 Building, M/s. Divija
Commercial Properties Private Limited
Survey No. 83/1, Raidurg Village,
Serilingampally
Mandal, Ranga Reddy District, Hyderabad
Telangana
India
Tel: (91 40) 6752 2222

Indonesia

PT Bank DBS Indonesia
DBS Bank Tower
32nd – 37th Floor, Ciputra World 1
Jalan Prof. Dr. Satrio Kav. 3-5
Jakarta 12940
Indonesia
Tel: (62 21) 2988 5000
Fax: (62 21) 2988 5005

99% owned by DBS Bank

PT DBS Vickers Sekuritas Indonesia
DBS Bank Tower
32nd Floor, Ciputra World 1
Jalan Prof. Dr. Satrio Kav. 3-5
Jakarta 12940
Indonesia
Tel: (62 21) 3003 4900

85% owned by DBS Vickers Securities Holdings Pte Ltd ("DBSV"), a wholly-owned subsidiary of DBS Bank and 14% owned by DBS Vickers Securities (Singapore) Pte Ltd, a wholly-owned subsidiary of DBSV

Japan

DBS Bank Tokyo Branch
Otemachi First Square East Tower 15F
5-1, Otemachi 1-chome
Chiyoda-ku, Tokyo 100-0004
Japan
Tel: (81 3) 3213 4411
Fax: (81 3) 3213 4415

DBS Securities (Japan) Co., Ltd.
Otemachi First Square East Tower 15F
5-1, Otemachi 1-chome
Chiyoda-ku, Tokyo 100-0004
Japan
Tel: (81 3) 3213 4660
Fax: (81 3) 3213 4415

Korea

DBS Bank Seoul Branch
18th Floor, Seoul Finance Center
136 Sejong-daero Jung-Gu, Seoul
Republic of Korea 04520
Tel: (822) 6322 2660
Fax: (822) 732 7953

Macau

DBS Bank (Hong Kong) Limited Macau Branch
Nos. 5 a 7E da Rua de Santa Clara
Edif, Ribeiro
Loja C e D., Macau
Tel: (853) 2832 9338
Fax: (853) 2832 3711

Malaysia

DBS Bank Kuala Lumpur Representative Office
#08-01, Menara Keck Seng
203 Jalan Bukit Bintang
55100 Kuala Lumpur
Malaysia
Tel: (60 3) 2116 3888
Fax: (60 3) 2116 3901

DBS Bank Labuan Branch
Level 10 (A) Main Office Tower
Financial Park Labuan
Jalan Merdeka
87000 F.T. Labuan
Malaysia
Tel: (60 87) 595 500
Fax: (60 87) 423 376

Myanmar

DBS Bank Yangon Representative Office
No. 3/A Bogyoke Aung San Road
Level 14, Suite 52, Junction City Tower
Pabedan Township, Yangon
Myanmar
Tel: (95 1) 925 3325

The Philippines

DBS Bank Manila Representative Office
22F, The Enterprise Center, Tower 1 Ayala
Avenue corner Paseo De Roxas Makati City
The Philippines
Tel: (632) 8869 3876
Fax: (632) 7750 2144

Taiwan

DBS Bank (Taiwan) Ltd
15F & 17F
Nos. 32 & 36 Songren Road
Xinyi District, Taipei City 110
Taiwan R.O.C
Tel: (886 2) 6612 9889
Fax: (886 2) 6612 9285

DBS Bank Taipei Branch
15F Nos. 32 & 17F
No. 36 Songren Road
Xinyi District, Taipei City 110
Taiwan R.O.C
Tel: (886 2) 2722 8988
Fax: (886 2) 6638 3707

Thailand

DBS Bank Bangkok Representative Office
989 Siam Piwat Tower Building 15th Floor
Rama 1 Road, Pathumwan
Bangkok 10330
Thailand
Tel: (66 2) 658 1400-1
Fax: (66 2) 658 1402

DBS Vickers Securities (Thailand) Co., Ltd.
989 Siam Piwat Tower Building 9th
14th – 15th Floor
Rama 1 Road, Pathumwan
Bangkok 10330
Thailand
Tel: (66 2) 857 7000

United Arab Emirates

DBS Bank Ltd (DIFC Branch)
Units 608-610, Level 6, Gate Precinct
Building 5, Dubai International Financial Centre
P.O. Box 506538
Dubai, UAE
Tel: (971) 4364 1800
Fax: (971) 4364 1801

United Kingdom

DBS Bank London Branch
One London Wall
London EC2Y 5EA
UK
Tel: (44 20) 7489 6591
Fax: (44 20) 7489 5850

United States of America

DBS Bank Los Angeles Representative Office
300 South Grand Ave
Suite 3075
Los Angeles CA 90071
USA
Tel: (1 213) 627 0222
Fax: (1 213) 627 0228

DBS Vickers Securities (USA), Inc.
777 Third Ave, Suite 1701
New York, NY 10017
USA
Tel: (1 212) 826 1888

Vietnam

DBS Bank Hanoi Representative Office
Room 1404 14th Floor, Pacific Place
83B Ly Thuong Kiet Street Hanoi
Vietnam
Tel: (84 24) 3946 1688
Fax: (84 24) 3946 1689

DBS Bank Ho Chi Minh City Branch
11th Floor, Saigon Centre
65 Le Loi Boulevard District 1
Ho Chi Minh City
Vietnam
Tel: (84 28) 3914 7888
Fax: (84 28) 3914 4488

Awards and accolades won

Global

World's Best Bank
Global Finance

100 Best Workplaces for Innovators
Fast Company

Digital Workplace of the Year: Cutting Edge Award
Digital Workplace Group

Global Innovator (Gold)
Qorus-Accenture

World's Most Innovative Financial Institutions
Global Finance

Most Innovative in Digital Banking: AI and Machine Learning
The Banker

Financial Innovation of the Year (FIX Marketplace)
Euromoney

World's Best Bank for Real Estate
Euromoney

World's Best Bank for SMEs
Euromoney

Cash Management Survey: Global Best Service
Euromoney

#1 Digital Portal for Wealth Clients
Cutter Associates

CIO100 Honoree
CIO

Model Risk Manager of the Year
Celent

Financial Leadership in Sustaining Communities
Global Finance

FTSE4Good Developed Index
FTSE Russell

Sustainability Yearbook Member
S&P Global

Bloomberg Gender Equality Index
Bloomberg

Sustainability, Environment & Climate (Campaign – Brand): Bronze (SPARKS S2)
Webby Anthem

Impact Awards – Best Branded Series (Bronze)
Shorty

Intranet Design Annual Award
Nielsen Norman

Regional

Asia's Safest Bank
Global Finance

SME Financier of the Year, Asia
SME Finance Forum

Best Treasury and Cash Management Bank, Southeast Asia
The Asset

Project Finance Advisory House of the Year, Asia-Pacific
The Asset

Asia's Best Bank for Wealth Management
Euromoney

Best Asian Private Bank
Asiamoney

ESG Excellence Award, Asia-Pacific
IJGlobal

Steward Leadership 25
Stewardship Asia

In-house Legal Teams: Innovation in ESG Leadership (Asia-Pacific)
Financial Times

FTSE4Good ASEAN 5 Index
FTSE Russell

Asia-Pacific Best Employer
Kincentric

In-House Team of the Year (Communications)
PRCA Gold Standard

Singapore

Bank of the Year
The Banker

Best Bank, Singapore
Global Finance

Best Bank, Singapore
FinanceAsia

Digital Bank of the Year, Singapore
The Asset

Best Corporate and Consumer Digital Bank, Singapore
Global Finance

Most Valuable Brand in Singapore
Brand Finance

Best Transaction Bank, Singapore
The Asset

Best Loan Adviser, Singapore
The Asset

Project Finance House, Singapore
The Asset

Best Investment Bank, Singapore
Global Finance

Best Domestic Private Bank, Singapore
Asiamoney

Best Securities House, Singapore
Asiamoney

Best Managed Board (Gold)
Singapore Corporate Awards

Best Risk Management (Gold)
Singapore Corporate Awards

Best Annual Report (Silver)
Singapore Corporate Awards

Best Bank for Sustainable Finance, Singapore
Global Finance

Best Bank for CSR, Singapore
Asiamoney

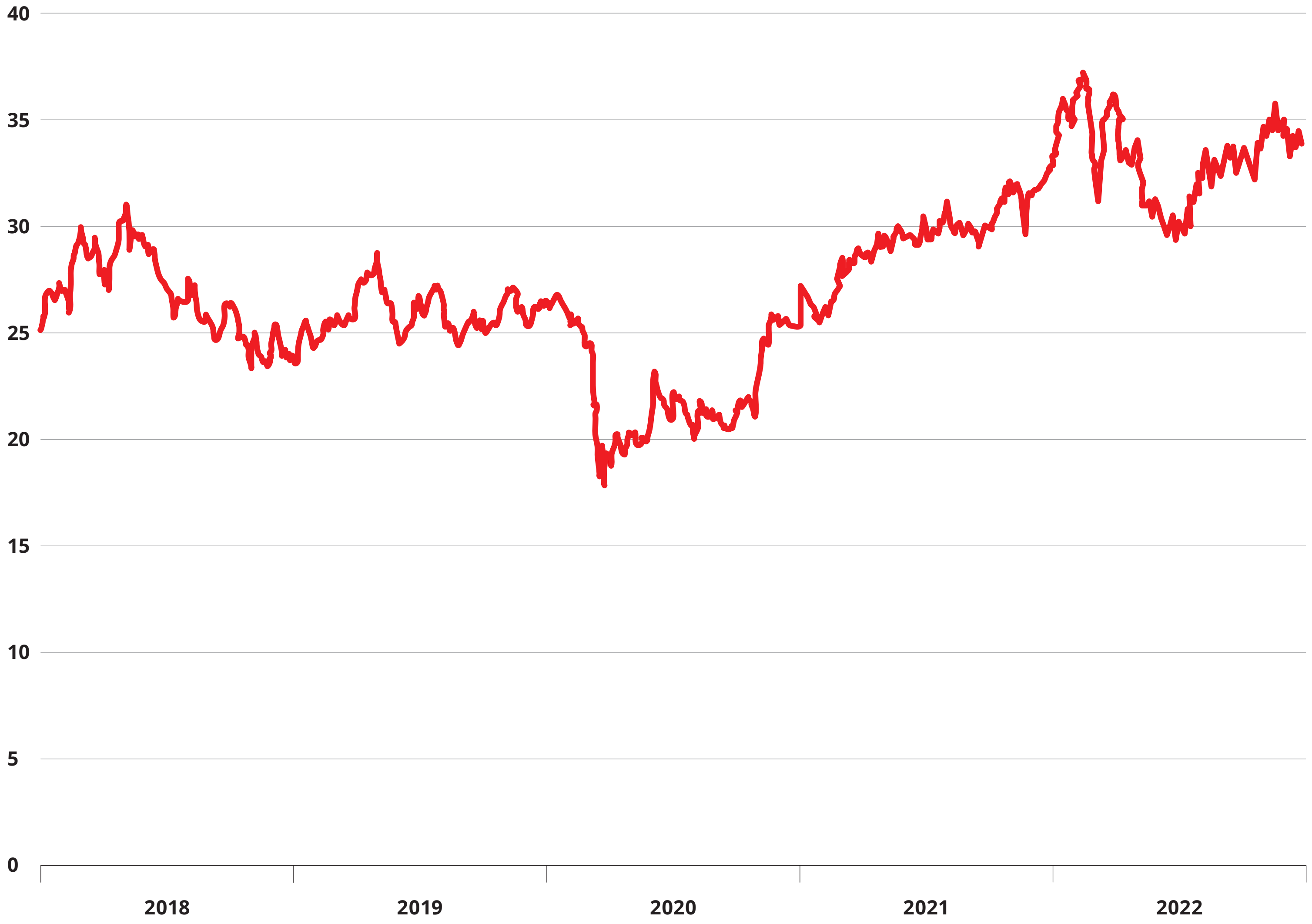
Organisation of Good (Large Enterprise)
National Volunteer and Philanthropy Centre

Champion of Good
National Volunteer and Philanthropy Centre

Charity Platinum Award
Community Chest Singapore

Best Employer, Singapore
Kincentric

Share price



Share Price (SGD)	**2018**	**2019**	**2020**	**2021**	**2022**
High	30.84	28.40	26.40	32.78	**37.25**
Low	22.80	23.09	16.88	25.04	**29.49**
Close	23.69	25.88	25.04	32.66	**33.92**
Average	26.36	25.42	21.96	29.56	**33.28**
Financial Ratios*					
Gross dividend yield (%)(1)	4.6	4.8	4.0	4.1	**4.3**
Price-to-earnings ratio (number of times)(2)	12.2	10.3	12.1	11.3	**10.6**
Price-to-book ratio (number of times)(3)	1.5	1.3	1.1	1.4	**1.6**

(1) Based on ordinary dividends declared/ recommended for the financial year
(2) Earnings exclude one-time items
(3) Based on year-end book value
** Calculated based on average share price for the calendar year*

Financial calendar

2023

13 February
2022 Full Year Results

31 March
24th Annual General Meeting

On or about 21 April
Payment date of Final Dividend and Special Dividend on Ordinary Shares for the Financial Year ended 31 December 2022*

2 May
2023 First Quarter trading update

3 August
2023 Second Quarter/ First Half Results

6 November
2023 Third Quarter trading update

2024

February
2023 Full Year Results

** Subject to shareholders' approval at the 24th Annual General Meeting*

Shareholding statistics

as at 10 February 2023

Class of Shares – Ordinary shares
Voting Rights – One vote per share
Total number of issued ordinary shares – 2,573,628,816 (excluding treasury shares)
Treasury Shares – 13,988,809 (representing 0.54% of the total number of issued ordinary shares, excluding treasury shares)

Size of Shareholdings	No. of Shareholders	%	No. of Shares	%*
1 – 99	10,814	12.27	308,685	0.01
100 – 1,000	40,219	45.63	18,899,435	0.73
1,001 – 10,000	32,405	36.77	100,335,876	3.90
10,001 – 1,000,000	4,671	5.30	155,651,994	6.05
1,000,001 & above	28	0.03	2,298,432,826	89.31
Total	88,137	100.00	2,573,628,816	100.00
Location of Shareholders				
Singapore	84,655	96.05	2,556,281,514	99.33
Malaysia	2,262	2.57	11,585,785	0.45
Overseas	1,220	1.38	5,761,517	0.22
Total	**88,137**	**100.00**	**2,573,628,816**	**100.00**

Twenty largest shareholders (as shown in the register of members and depository register)

	Name of Shareholders	No. of Shares	%*
1	CITIBANK NOMINEES SINGAPORE PTE LTD	506,573,088	19.68
2	MAJU HOLDINGS PTE. LTD.	458,899,869	17.83
3	DBSN SERVICES PTE LTD	304,505,697	11.83
4	TEMASEK HOLDINGS (PRIVATE) LIMITED	284,145,301	11.04
5	RAFFLES NOMINEES (PTE) LIMITED	229,954,978	8.94
6	HSBC (SINGAPORE) NOMINEES PTE LTD	224,771,577	8.73
7	DBS NOMINEES PTE LTD	174,360,762	6.77
8	BPSS NOMINEES SINGAPORE (PTE.) LTD.	26,200,171	1.02
9	LEE FOUNDATION	11,512,813	0.45
10	DBS VICKERS SECURITIES (SINGAPORE) PTE LTD	11,380,066	0.44
11	UNITED OVERSEAS BANK NOMINEES PTE LTD	10,018,526	0.39
12	BNP PARIBAS NOMINEES SINGAPORE PTE LTD	6,861,049	0.27
13	OCBC NOMINEES SINGAPORE PTE LTD	5,915,877	0.23
14	PHILLIP SECURITIES PTE LTD	5,496,248	0.21
15	OCBC SECURITIES PRIVATE LTD	5,374,123	0.21
16	DB NOMINEES (SINGAPORE) PTE LTD	4,844,994	0.19
17	MRS LEE LI MING NEE ONG	4,280,398	0.17
18	MERRILL LYNCH (SINGAPORE) PTE LTD	3,637,236	0.14
19	IFAST FINANCIAL PTE LTD	3,156,022	0.12
20	LOO CHOON YONG	3,056,674	0.12
	Total	**2,284,945,469**	**88.78**

* *Percentage is calculated based on the total number of issued ordinary shares, excluding treasury shares*

Substantial shareholders

	No. of Shares			%*
	Direct	Deemed	Total	
Maju Holdings Pte. Ltd.	458,899,869	–	458,899,869	17.83
Temasek Holdings (Private) Limited	284,145,301	465,846,940	749,992,241	29.14

* *Percentage is calculated based on the total number of issued ordinary shares, excluding treasury shares*

1. Maju Holdings Pte. Ltd. ("Maju") is a wholly-owned subsidiary of Temasek Holdings (Private) Limited ("Temasek").
2. Temasek, a company wholly-owned by the Minister for Finance, is deemed to be interested in all the ordinary shares held by Maju.
3. In addition, Temasek is deemed to be interested in 6,947,071 ordinary shares in which its other subsidiaries have or are deemed to have an interest pursuant to Section 4 of the Securities and Futures Act 2001.

As at 10 February 2023, approximately 70.70% of the issued ordinary shares of DBS Group Holdings Ltd are held by the public and, therefore, Rule 723 of the SGX Listing Manual is complied with.

Notice of Annual General Meeting

DBS GROUP HOLDINGS LTD
(Incorporated in the Republic of Singapore)
Company Registration No.: 199901152M

To: All shareholders of DBS Group Holdings Ltd
NOTICE IS HEREBY GIVEN that the 24th Annual General Meeting of the shareholders of DBS Group Holdings Ltd (the "Company" or "DBSH") will be held at Marina Bay Sands Expo and Convention Centre, Level 4, Roselle and Simpor Ballrooms, 10 Bayfront Avenue, Singapore 018956 on Friday, 31 March 2023 at 2.00 p.m. (Singapore time) to transact the following business:

Routine Business	Ordinary Resolution No.
To receive and adopt the Directors' Statement and Audited Financial Statements for the year ended 31 December 2022 and the Auditor's Report thereon.	Resolution 1
To declare a one-tier tax exempt Final Dividend of 42 cents per ordinary share and a one-tier tax exempt Special Dividend of 50 cents per ordinary share for the year ended 31 December 2022. (2021: Final Dividend of 36 cents per ordinary share, one-tier tax exempt)	Resolution 2
To approve the amount of SGD 4,617,248 proposed as non-executive Directors' remuneration for the year ended 31 December 2022. (2021: SGD 4,266,264)	Resolution 3
To re-appoint Messrs PricewaterhouseCoopers LLP as Auditor of the Company and to authorise the Directors to fix its remuneration.	Resolution 4
To re-elect the following Directors, who are retiring under article 99 of the Company's Constitution and who, being eligible, offer themselves for re-election:	
(a) Mr Peter Seah Lim Huat	Resolution 5
(b) Ms Punita Lal	Resolution 6
(c) Mr Anthony Lim Weng Kin	Resolution 7
Key information on Mr Seah, Ms Lal and Mr Lim can be found on pages 190, 193, 194 and 214 to 217 respectively of the 2022 Annual Report. *Mr Ho Tian Yee will also be retiring as a Director under article 99 of the Company's Constitution at the forthcoming Annual General Meeting but will not be offering himself for re-election.*	

Special Business	Ordinary Resolution No.
To consider and, if thought fit, to pass the following Resolutions which will be proposed as ORDINARY RESOLUTIONS:	
That authority be and is hereby given to the Directors of the Company to offer and grant awards in accordance with the provisions of the DBSH Share Plan and to allot and issue from time to time such number of ordinary shares of the Company ("Ordinary Shares") as may be required to be issued pursuant to the vesting of awards under the DBSH Share Plan, PROVIDED ALWAYS THAT: (a) the aggregate number of new Ordinary Shares issued and/ or to be issued pursuant to the DBSH Share Plan (including the California sub-plan to the DBSH Share Plan) shall not exceed 5% of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company from time to time; and (b) the aggregate number of new Ordinary Shares under awards to be granted pursuant to the DBSH Share Plan (including the California sub-plan to the DBSH Share Plan) during the period commencing from the date of this Annual General Meeting of the Company and ending on the date of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier, shall not exceed 1% of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company from time to time, and in this Resolution, "subsidiary holdings" has the meaning given to it in the Listing Manual of the Singapore Exchange Securities Trading Limited.	Resolution 8
That authority be and is hereby given to the Directors of the Company to offer and grant awards and to allot and issue from time to time such number of ordinary shares of the Company as may be required to be issued pursuant to the vesting of such awards, to participants who are residents of the state of California in the United States of America, in accordance with the provisions of the DBSH Share Plan and the California sub-plan to the DBSH Share Plan.	Resolution 9
That authority be and is hereby given to the Directors of the Company to: (a) (i) issue shares of the Company ("shares") whether by way of rights, bonus or otherwise; and/ or (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares, at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force, provided that: (1) the aggregate number of shares to be issued pursuant to this Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company (as calculated in accordance with paragraph (2) below), of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) shall not exceed 10% of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company (as calculated in accordance with paragraph (2) below); (2) (subject to such manner of calculation and adjustments as may be prescribed by the Singapore Exchange Securities Trading Limited ("SGX-ST")) for the purpose of determining the aggregate number of shares that may be issued under paragraph (1) above, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company at the time this Resolution is passed, after adjusting for: (i) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time this Resolution is passed; and (ii) any subsequent bonus issue, consolidation or subdivision of shares, and, in paragraph (1) above and this paragraph (2), "subsidiary holdings" has the meaning given to it in the Listing Manual of the SGX-ST; (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Constitution for the time being of the Company; and (4) (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is the earlier.	Resolution 10

Special Business	Ordinary Resolution No.
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.	Resolution 11
That: (a) for the purposes of Sections 76C and 76E of the Companies Act 1967 (the "Companies Act"), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares of the Company ("Ordinary Shares") not exceeding in aggregate the Maximum Percentage (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of: (i) market purchase(s) on the Singapore Exchange Securities Trading Limited ("SGX-ST") and/ or any other securities exchange on which the Ordinary Shares may for the time being be listed and quoted ("Other Exchange"); and/ or (ii) off-market purchase(s) (if effected otherwise than on the SGX-ST or, as the case may be, Other Exchange) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act, and otherwise in accordance with all other laws and regulations and rules of the SGX-ST or, as the case may be, Other Exchange as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "Share Purchase Mandate"); (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of: (i) the date on which the next Annual General Meeting of the Company is held; (ii) the date by which the next Annual General Meeting of the Company is required by law to be held; and (iii) the date on which purchases and acquisitions of Ordinary Shares pursuant to the Share Purchase Mandate are carried out to the full extent mandated; (c) in this Resolution: "Average Closing Price" means the average of the closing market prices of an Ordinary Share over the last five market days on which transactions in the Ordinary Shares on the SGX-ST or, as the case may be, Other Exchange were recorded, immediately preceding the date of the market purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted, in accordance with the listing rules of the SGX-ST, for any corporate action that occurs during the relevant five-day period and the date of the market purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the off-market purchase; "date of the making of the offer" means the date on which the Company announces its intention to make an offer for the purchase or acquisition of Ordinary Shares from Shareholders, stating therein the purchase price (which shall not be more than the Maximum Price calculated on the basis set out below) for each Ordinary Share and the relevant terms of the equal access scheme for effecting the off-market purchase; "Maximum Percentage" means that number of issued Ordinary Shares representing 2% of the issued Ordinary Shares as at the date of the passing of this Resolution (excluding treasury shares and subsidiary holdings (as defined in the Listing Manual of the SGX-ST)); and "Maximum Price" in relation to an Ordinary Share to be purchased or acquired, means the purchase price (excluding related brokerage, commission, applicable goods and services tax, stamp duties, clearance fees and other related expenses) which shall not exceed: (i) in the case of a market purchase of an Ordinary Share, 105% of the Average Closing Price of the Ordinary Shares; and (ii) in the case of an off-market purchase of an Ordinary Share, 105% of the Average Closing Price of the Ordinary Shares; and (d) the Directors of the Company and/ or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they, he and/ or she may consider expedient or necessary to give effect to the transactions contemplated and/ or authorised by this Resolution.	Resolution 12

By Order of the Board

Marc Tan
Group Secretary
DBS Group Holdings Ltd

9 March 2023
Singapore

Notes:

(1) The Annual General Meeting will be held, in a wholly physical format, at Marina Bay Sands Expo and Convention Centre, Level 4, Roselle and Simpor Ballrooms, 10 Bayfront Avenue, Singapore 018956 on Friday, 31 March 2023 at 2.00 p.m. (Singapore time), pursuant to the Covid-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020. ***There will be no option for shareholders to participate virtually.*** *This Notice of Annual General Meeting and the accompanying proxy form will be sent to members by electronic means via publication on the Company's website at the URL https://www.dbs.com/investors/agm-and-egm/default.page and the SGX website at the URL https://www.sgx.com/securities/company-announcements. Printed copies of this Notice of Annual General Meeting and the accompanying proxy form will not be sent to members.*

(2) Arrangements relating to attendance at the Annual General Meeting by shareholders, including CPF and SRS investors, submission of questions to the Chairman of the Meeting by shareholders, including CPF and SRS investors, in advance of, or at, the Annual General Meeting, addressing of substantial and relevant questions in advance of, or at, the Annual General Meeting, and voting at the Annual General Meeting by shareholders, including CPF and SRS investors, or (where applicable) duly appointed proxy(ies), are set out in the accompanying Company's announcement dated 9 March 2023. This announcement may be accessed at the Company's website at the URL https://www.dbs.com/investors/agm-and-egm/default.page and the SGX website at the URL https://www.sgx.com/securities/company-announcements.

(3) (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.

(b) A member who is a relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

A member can appoint the Chairman of the Meeting as his/ her/ its proxy, but this is not mandatory.

CPF and SRS investors who wish to appoint the Chairman of the Meeting as proxy to vote on their behalf at the Annual General Meeting, should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 21 March 2023.

(4) A proxy need not be a member of the Company.

(5) The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:

(a) if submitted by post, be lodged with the Company's Polling Agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or

(b) if submitted electronically, be submitted via email to the Company's Polling Agent at DBSAGM2023@boardroomlimited.com,

in each case, at least 72 hours before the time appointed for holding the Annual General Meeting.

(6) The 2022 Annual Report and the Letter to Shareholders dated 9 March 2023 (in relation to the proposed renewal of the share purchase mandate) have been published and may be accessed at the Company's website as follows:

(a) the 2022 Annual Report may be accessed at the URL https://www.dbs.com/investors/financials/group-annual-reports by clicking on the hyperlinks "A Different Kind of Bank" or "PDF" under the "2022" section of "Group Annual Reports"; and

(b) the Letter to Shareholders dated 9 March 2023 may be accessed at the URL https://www.dbs.com/investors/agm-and-egm/default.page by clicking on the hyperlink "Letter to Shareholders dated 9 March 2023" under "9 March 2023".

The above documents may also be accessed at the SGX website at the URL https://www.sgx.com/securities/company-announcements. Shareholders may request for printed copies of these documents by submitting the request via email to the Company's Share Registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.), at dbs-arrequest@sg.tricorglobal.com by 17 March 2023. To be valid, the request must:

(i) specify "Request for Printed Copies of 2022 Annual Report and Letter to Shareholders dated 9 March 2023" as the subject of the email; and

(ii) state the following:

(1) the full name of the shareholder (as per CDP, CPF, SRS and/ or scrip-based records);

(2) the mailing address of the shareholder;

(3) the telephone or mobile number of the shareholder; and

(4) the manner in which the shareholder holds shares in the Company (e.g., via CDP, CPF, SRS and/ or scrip).

By submitting such request, a shareholder agrees and acknowledges that the Company and/ or its service providers may collect, use and disclose his/ her personal data, as contained in the submitted request or which is otherwise collected from him/ her (or his/ her authorised representative(s)), for the purpose of processing and effecting his/ her request.

Personal data privacy:

By submitting an instrument appointing a proxy(ies) and/ or representative(s) to attend, speak and vote at the Annual General Meeting and/ or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents or service providers) for the purpose of the processing, administration and analysis by the Company (or its agents or service providers) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents or service providers) to comply with any applicable laws, listing rules, take-over rules, regulations and/ or guidelines (collectively, the "Purposes"); (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/ or representative(s) to the Company (or its agents or service providers), the member has obtained the prior consent of such proxy(ies) and/ or representative(s) for the collection, use and disclosure by the Company (or its agents or service providers) of the personal data of such proxy(ies) and/ or representative(s) for the Purposes; and (iii) agrees to provide the Company with written evidence of such prior consent upon reasonable request.

Explanatory notes

Routine Business

Ordinary Resolution 2: Declaration of final dividend and special dividend on ordinary shares

Resolution 2 is to approve the declaration of a final dividend of 42 cents per ordinary share and a special dividend of 50 cents per ordinary share. Please refer to page 99 of the Capital Management and Planning section in the 2022 Annual Report for an explanation of DBSH's dividend policy.

Ordinary Resolution 3: Non-executive Directors' remuneration for 2022

Resolution 3 is to approve the payment of an aggregate amount of SGD 4,617,248 as remuneration for the non-executive Directors of the Company for the year ended 31 December 2022 ("FY2022"). If approved, each of the non-executive Directors (with the exception of Mr Chng Kai Fong) will receive 70% of his or her Directors' fees in cash and 30% of his or her Directors' fees in the form of share awards granted pursuant to the DBSH Share Plan. The share awards will not be subject to a vesting period, but will be subject to a selling moratorium whereby each non-executive Director will be required to hold the equivalent of one year's basic retainer for the duration of his or her tenure as a Director, and for one year after the date he or she steps down as a Director. The actual number of shares to be awarded will be determined by reference to the volume-weighted average price of a share on the SGX-ST over the 10 trading days immediately prior to (and excluding) the date of the forthcoming Annual General Meeting, rounded down to the nearest share, and any residual balance will be paid in cash. The Director's fees for Mr Chng Kai Fong will be paid in cash to a government agency, the Directorship & Consultancy Appointments Council.

Please refer to pages 43, 44, 56 and 57 of the Corporate Governance Report in the 2022 Annual Report for more details on the non-executive Directors' remuneration for FY2022.

Ordinary Resolutions 5, 6 and 7: Re-election of Directors retiring under article 99

(a) Mr Peter Seah Lim Huat, upon re-election as a Director of the Company, will remain as Chairman of the Board and Chairman of the Board Executive Committee and as a member of each of the Audit Committee, Board Risk Management Committee, Compensation and Management Development Committee and Nominating Committee. Mr Seah is considered non-independent as he has served as a Director of the Company for more than 9 years as at 16 November 2018.

(b) Ms Punita Lal, upon re-election as a Director of the Company, will remain as a member of each of the Audit Committee, Compensation and Management Development Committee and Nominating Committee, and will be considered independent.

(c) Mr Anthony Lim Weng Kin, upon re-election as a Director of the Company, will remain as Chairman of the Compensation and Management Development Committee and as a member of each of the Board Executive Committee and Board Risk Management Committee, and will be considered independent.

Special Business

Ordinary Resolution 8: DBSH Share Plan

Resolution 8 is to empower the Directors to offer and grant awards and to allot and issue ordinary shares of the Company pursuant to the DBSH Share Plan, provided that (a) the maximum number of ordinary shares which may be issued under the DBSH Share Plan (including the California sub-plan to the DBSH Share Plan) is limited to 5% of the total number of issued shares of the Company (excluding treasury shares and subsidiary holdings) from time to time; and (b) the aggregate number of new ordinary shares under awards which may be granted pursuant to the DBSH Share Plan (including the California sub-plan to the DBSH Share Plan) from this Annual General Meeting to the next Annual General Meeting shall not exceed 1% of the total number of issued shares of the Company (excluding treasury shares and subsidiary holdings) from time to time.

Ordinary Resolution 9: California Sub-Plan to DBSH Share Plan

Resolution 9 is to empower the Directors to offer and grant awards and to allot and issue ordinary shares of the Company pursuant to the DBSH Share Plan to participants who are residents of the state of California in the United States of America, subject to the terms of the California sub-plan (the "California Sub-Plan") to the DBSH Share Plan, provided that (a) the maximum aggregate number of ordinary shares which may be issued under the California Sub-Plan is limited to 1,000,000 ordinary shares, subject to any lower limitations required under the DBSH Share Plan; (b) the California Sub-Plan will terminate on, and no further awards will be granted under the California Sub-Plan after, the tenth anniversary of its approval by the Board of Directors of the Company on 15 February 2019; and (c) the awards granted under the California Sub-Plan will be subject to adjustment upon certain changes in the capitalisation of the Company. In addition, the California Sub-Plan imposes additional restrictions on participants residing in California other than those contemplated under the DBSH Share Plan.

Ordinary Resolution 10: Share Issue Mandate

Resolution 10 is to empower the Directors to issue shares of the Company and to make or grant instruments (such as warrants or debentures) convertible into shares, and to issue shares in pursuance of such instruments, up to a number not exceeding in total 50% of the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company, of which the number of shares that may be issued other than on a *pro rata* basis to shareholders must not exceed 10% of the total number of issued shares (excluding treasury shares and subsidiary holdings).

For the purpose of determining the aggregate number of shares that may be issued, the percentage of issued shares shall be based on the total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company at the time that Resolution 10 is passed, after adjusting for (a) new shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which were issued and are outstanding or subsisting at the time that Resolution 10 is passed; and (b) any subsequent bonus issue, consolidation or subdivision of shares. As at 10 February 2023 (the "Latest Practicable Date"), the Company had 13,988,809 treasury shares and no subsidiary holdings.

Ordinary Resolution 11: DBSH Scrip Dividend Scheme

Resolution 11 is to empower the Directors, should they choose to apply the DBSH Scrip Dividend Scheme (the "Scheme") to a qualifying dividend, to issue such number of new ordinary shares of the Company as may be required to be issued pursuant to the Scheme to members who, in respect of a qualifying dividend, have elected to receive scrip in lieu of the cash amount of that qualifying dividend. If the Directors should decide to apply the Scheme to a qualifying dividend, the current intention is that no discount will be given for the scrip shares.

Ordinary Resolution 12: Renewal of the Share Purchase Mandate

Resolution 12 is to renew the mandate to allow the Company to purchase or otherwise acquire its issued ordinary shares, on the terms and subject to the conditions set out in the Resolution.

The Company may use its internal or external sources of funds or a combination of both to finance its purchase or acquisition of the ordinary shares of the Company ("Ordinary Shares"). The amount of financing required for the Company to purchase or acquire its Ordinary Shares, and the impact on the Company's financial position, cannot be ascertained as at the date of this Notice as these will depend on whether the Ordinary Shares are purchased or acquired out of capital or profits, the number of Ordinary Shares purchased or acquired and the price at which such Ordinary Shares were purchased or acquired.

Based on the existing issued and paid-up Ordinary Shares as at the Latest Practicable Date and excluding any Ordinary Shares held in treasury, the purchase by the Company of 2% of its issued Ordinary Shares will result in the purchase or acquisition of 51,472,576 Ordinary Shares.

Assuming that the Company purchases or acquires 51,472,576 Ordinary Shares at the Maximum Price, in the case of both market and off-market purchases, of SGD 37.68 for one Ordinary Share (being the price equivalent to 5% above the average closing prices of the Ordinary Shares traded on the SGX-ST over the last five market days on which transactions were recorded immediately preceding the Latest Practicable Date), the maximum amount of funds required is approximately SGD 1.9 billion.

The financial effects of the purchase or acquisition of such Ordinary Shares by the Company pursuant to the proposed Share Purchase Mandate on the financial statements of the Group and the Company for the financial year ended 31 December 2022 based on these and other assumptions are set out in paragraph 2.7 of the Letter to Shareholders dated 9 March 2023 (the "Letter").

Please refer to the Letter for further details.

Additional information on Directors seeking re-election

as at 10 February 2023

Name of Director	Peter Seah Lim Huat	Punita Lal	Anthony Lim Weng Kin
Date of appointment	**16 November 2009**	**1 April 2020**	**1 April 2020**
Date of last re-appointment (if applicable)	**30 April 2020**	**30 March 2021**	**30 March 2021**
Age	**76**	**60**	**64**
Country of principal residence	**Singapore**	**Singapore**	**Singapore**
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	Mr Seah is considered non-independent as he has served as a Director for more than nine years as at 16 November 2018. From a strategic perspective, the next few years are critical as DBS continues to execute on its digital transformation, growth and sustainability strategies (especially with the prevailing macro-economic and geo-political headwinds) and enhance its franchise in the Greater Bay Area, China, Taiwan, India and Indonesia. The Board had considered the Nominating Committee's recommendation and assessment on (i) Mr Seah's experience, skillsets, contributions and commitment in the discharge of his duties as a Director of DBS Group Holdings Ltd, as well as (ii) the size, composition and diversity of skillsets on the Board, and agreed that Mr Seah, who is a veteran former banker with wide industry experience and has been instrumental in the growth and transformation of DBS over the past 13 years, should remain as a Non-Executive Director and Chairman of the Board to provide leadership and continuity.	The Board had considered the Nominating Committee's recommendation and assessment on (i) Ms Lal's experience, skillsets, contributions and commitment in the discharge of her duties as a Director of DBS Group Holdings Ltd, as well as (ii) the size, composition and diversity of skillsets on the Board, and is satisfied that Ms Lal will continue to contribute meaningfully to the Board.	The Board had considered the Nominating Committee's recommendation and assessment on (i) Mr Lim's experience, skillsets, contributions and commitment in the discharge of his duties as a Director of DBS Group Holdings Ltd, as well as (ii) the size, composition and diversity of skillsets on the Board, and is satisfied that Mr Lim will continue to contribute meaningfully to the Board.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive	Non-Executive	Non-Executive
Job Title (e.g. Lead ID, AC Chairman, AC Member etc.)	Non-Executive and Non-Independent Chairman Chairman of the Board Executive Committee Member of the Audit Committee Member of the Board Risk Management Committee Member of the Compensation and Management Development Committee Member of the Nominating Committee	Non-Executive and Independent Director Member of the Audit Committee Member of the Compensation and Management Development Committee Member of the Nominating Committee	Non-Executive and Independent Director Chairman of the Compensation and Management Development Committee Member of the Board Executive Committee Member of the Board Risk Management Committee
Professional qualifications	Bachelor of Business Administration (Honours), National University of Singapore	Master of Business Administration, Indian Institute of Management, Calcutta, India Bachelor of Arts, Economics (Honours), St. Stephen's College, Delhi, India	Bachelor of Science, National University of Singapore Advanced Management Program, Harvard Business School, USA
Working experience and occupation(s) during the past 10 years	Mr Seah was a banker for 33 years before retiring as Vice Chairman and CEO of the former Overseas Union Bank in 2001. Mr Seah currently serves as a Director/ Chairman of various companies. Please refer to his present directorships provided below for further information.	Co-Founder / Independent Strategy and Marketing Consultant, 8ty8 Solutions – 2013 to 2018 Ms Lal currently serves as a Director of various companies. Please refer to her present directorships provided below for further information.	President (Americas), GIC Private Limited – September 2009 to December 2017 Mr Lim currently serves as a Director of various companies. Please refer to his present directorships provided below for further information.
Shareholding interest in the listed issuer and its subsidiaries	Yes 312,033 ordinary shares in DBS Group Holdings Ltd	Yes 3,829 ordinary shares in DBS Group Holdings Ltd	Yes 4,872 ordinary shares in DBS Group Holdings Ltd

Name of Director	Peter Seah Lim Huat	Punita Lal	Anthony Lim Weng Kin
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Nil	Nil	Nil
Conflict of interest (including any competing business)	Nil	Nil	Nil
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes	Yes	Yes
Other Principal Commitments* Including Directorships ** "Principal Commitments" has the same meaning as defined in the Code of Corporate Governance 2018.*			
Past (for the last 5 years)	1. Singapore Health Services Pte Ltd, Chairman	1. Airtel Payments Bank Limited, Director 2. CEAT Limited, Director 3. Life Style International Private Limited, Director	1. CapitaLand Limited, Director 2. Vista Oil & Gas S.A.B. de C.V., Director 3. Hedge Funds Standards Board, Trustee 4. Ripple Labs, Inc., Strategic Advisor 5. Teach For All, Member, Global Advisory Council
Present	**Other listed companies:** 1. Singapore Airlines Limited, Chairman **Other principal commitments:** 2. DBS Bank Ltd., Chairman 3. DBS Bank (Hong Kong) Limited, Chairman 4. GIC Private Limited, Director 5. STT Communications Ltd, Deputy Chairman 6. Fullerton Financial Holdings Pte. Ltd., Deputy Chairman 7. LaSalle College of the Arts Limited, Chairman 8. National Wages Council, Chairman 9. Council of Presidential Advisers, Member 10. University of the Arts Singapore Ltd., Director	**Other listed companies:** 1. Cipla Limited, Director 2. Carlsberg A/S, Member, Supervisory Board **Other principal commitments:** 3. DBS Bank Ltd., Director 4. Capillary Technologies International Pte. Ltd., Advisor	**Other listed companies**: 1. CapitaLand Investment Limited, Director **Other principal commitments:** 2. DBS Bank Ltd., Director 3. CapitaLand Hope Foundation, Director 4. Institute of International Education (IIE) Scholar Rescue Fund, Member, Selection Committee 5. Ministry of Foreign Affairs, Singapore, Non-Resident Ambassador to Colombia 6. Queensway Secondary School, Member, School Advisory Committee
Information required under items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual	There is no change to the responses previously disclosed by Mr Peter Seah under items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual which were all "No". The Appendix 7.4.1 information in respect of Mr Seah's appointment as Director was announced on 16 November 2009. Mr Seah was appointed as an independent Director of DBS Group Holdings Ltd and DBS Bank Ltd on 16 November 2009 ("DBS Director"). DBS is a financial institution regulated in multiple jurisdictions, and may from time to time be subject to various public or non-public regulatory actions which have different degrees of materiality. These can vary from regulatory requests for information as part of normal supervisory activity, to production orders by law enforcement, to formal regulatory investigations or penalties. To the best of Mr Seah's knowledge and belief, none of these actions which occurred since he was appointed as a DBS Director are material.	There is no change to the responses previously disclosed by Ms Punita Lal under items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual which were all "No". The Appendix 7.4.1 information in respect of Ms Lal's appointment as Director was announced on 23 March 2020. Ms Lal was appointed as an independent Director of DBS Group Holdings Ltd and DBS Bank Ltd on 1 April 2020 ("DBS Director"). DBS is a financial institution regulated in multiple jurisdictions, and may from time to time be subject to various public or non-public regulatory actions which have different degrees of materiality. These can vary from regulatory requests for information as part of normal supervisory activity, to production orders by law enforcement, to formal regulatory investigations or penalties. To the best of Ms Lal's knowledge and belief, none of these actions which occurred since she was appointed as a DBS Director are material.	There is no change to the responses previously disclosed by Mr Anthony Lim under items (a) to (k) of Appendix 7.4.1 of the SGX-ST Listing Manual which were all "No". The Appendix 7.4.1 information in respect of Mr Lim's appointment as Director was announced on 23 March 2020. Mr Lim was appointed as an independent Director of DBS Group Holdings Ltd and DBS Bank Ltd on 1 April 2020 ("DBS Director"). DBS is a financial institution regulated in multiple jurisdictions, and may from time to time be subject to various public or non-public regulatory actions which have different degrees of materiality. These can vary from regulatory requests for information as part of normal supervisory activity, to production orders by law enforcement, to formal regulatory investigations or penalties. To the best of Mr Lim's knowledge and belief, none of these actions which occurred since he was appointed as a DBS Director are material.

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Proxy form

DBS GROUP HOLDINGS LTD
(Incorporated in the Republic of Singapore)
Company Registration No.: 199901152M

Annual General Meeting

IMPORTANT:

1. *The Annual General Meeting will be held, in a wholly physical format, at Marina Bay Sands Expo and Convention Centre, Level 4, Roselle and Simpor Ballrooms, 10 Bayfront Avenue, Singapore 018956 on Friday, 31 March 2023 at 2.00 p.m. (Singapore time), pursuant to the Covid-19 (Temporary Measures) (Alternative Arrangements for Meetings for Companies, Variable Capital Companies, Business Trusts, Unit Trusts and Debenture Holders) Order 2020.* ***There will be no option for shareholders to participate virtually****. The Notice of Annual General Meeting and this accompanying proxy form will be sent to members by electronic means via publication on the Company's website at the URL https://www.dbs.com/investors/agm-and-egm/default.page and the SGX website at the URL https://www.sgx.com/securities/company-announcements. Printed copies of the Notice of Annual General Meeting and this accompanying proxy form will not be sent to members.*
2. *Arrangements relating to attendance at the Annual General Meeting by shareholders, including CPF and SRS investors, submission of questions to the Chairman of the Meeting by shareholders, including CPF and SRS investors, in advance of, or at, the Annual General Meeting, addressing of substantial and relevant questions in advance of, or at, the Annual General Meeting, and voting at the Annual General Meeting by shareholders, including CPF and SRS investors, or (where applicable) duly appointed proxy(ies), are set out in the accompanying Company's announcement dated 9 March 2023. This announcement may be accessed at the Company's website at the URL https://www.dbs.com/investors/agm-and-egm/default.page and the SGX website at the URL https://www.sgx.com/securities/company-announcements.*
3. *Please read the notes overleaf which contain instructions on, inter alia, the appointment of a proxy(ies).*
4. *This proxy form is not valid for use and shall be ineffective for all intents and purposes if used or purported to be used by CPF and SRS investors. CPF and SRS investors who wish to appoint the Chairman of the Meeting as proxy to vote on their behalf at the Annual General Meeting, should approach their respective CPF Agent Banks or SRS Operators to submit their votes by 5.00 p.m. on 21 March 2023.*
5. *By submitting an instrument appointing a proxy(ies) and/ or representative(s), the member accepts and agrees to the personal data privacy terms set out in the Notice of Annual General Meeting dated 9 March 2023.*

*I/ We ______________________________ (*NRIC/ Passport/ Co. Reg. No. ______________________________)

of ____

being a *Member/ Members of DBS Group Holdings Ltd (the "Company") hereby appoint

Name	Address	NRIC/ Passport No.	Proportion of Shareholding (%)
*and/ or			

as *my/ our proxy/ proxies to attend, speak and vote for *me/ us and on *my/ our behalf at the 24th Annual General Meeting of the Company to be held at Marina Bay Sands Expo and Convention Centre, Level 4, Roselle and Simpor Ballrooms, 10 Bayfront Avenue, Singapore 018956 on Friday, 31 March 2023 at 2.00 p.m. (Singapore time) and at any adjournment thereof in the following manner:

No.	Ordinary Resolutions	For	Against	Abstain
	Routine Business			
1	Adoption of Directors' Statement, Audited Financial Statements and Auditor's Report			
2	Declaration of Final Dividend and Special Dividend on Ordinary Shares			
3	Approval of proposed non-executive Directors' remuneration of SGD 4,617,248 for FY2022			
4	Re-appointment of PricewaterhouseCoopers LLP as Auditor and authorisation for Directors to fix its remuneration			
5	Re-election of Mr Peter Seah Lim Huat as a Director retiring under article 99			
6	Re-election of Ms Punita Lal as a Director retiring under article 99			
7	Re-election of Mr Anthony Lim Weng Kin as a Director retiring under article 99			
	Special Business			
8	Authority to grant awards and issue shares under the DBSH Share Plan			
9	Authority to grant awards and issue shares under the California Sub-Plan to the DBSH Share Plan			
10	General authority to issue shares and to make or grant convertible instruments subject to limits			
11	Authority to issue shares pursuant to the DBSH Scrip Dividend Scheme			
12	Approval of the proposed renewal of the Share Purchase Mandate			

If you wish your proxy/ proxies to cast all your votes **For** or **Against** a resolution, please tick with "√" in the **For** or **Against** box provided in respect of that resolution. Alternatively, please indicate the number of votes **For** or **Against** in the **For** or **Against** box provided in respect of that resolution. If you wish your proxy/ proxies to **Abstain** from voting on a resolution, please tick with "√" in the **Abstain** box provided in respect of that resolution. Alternatively, please indicate the number of shares that your proxy/ proxies is/ are directed to **Abstain** from voting in the **Abstain** box provided in respect of that resolution. **In any other case, the proxy/ proxies may vote or abstain as the proxy/ proxies deem(s) fit on any of the above resolutions if no voting instruction is specified, and on any other matter arising at the Annual General Meeting.**

Voting will be conducted by poll.

Dated this _____day of_______________2023.

No. of Ordinary Shares held	

____
Signature or Common Seal of Member(s)

____
Contact number/ email address of Member(s)

IMPORTANT: PLEASE READ NOTES OVERLEAF.
** delete as appropriate*

Notes:

(1) Please insert the total number of ordinary shares ("Ordinary Shares") held by you. If you have Ordinary Shares entered against your name in the Depository Register (maintained by The Central Depository (Pte) Limited), you should insert that number of Ordinary Shares. If you have Ordinary Shares registered in your name in the Register of Members (maintained by or on behalf of the Company), you should insert that number of Ordinary Shares. If you have Ordinary Shares entered against your name in the Depository Register and Ordinary Shares registered in your name in the Register of Members, you should insert the aggregate number of Ordinary Shares.

(2) (a) A member who is not a relevant intermediary is entitled to appoint not more than two proxies. Where such member's instrument appointing a proxy(ies) appoints more than one proxy, the proportion of the shareholding concerned to be represented by each proxy shall be specified in the instrument.

(b) A member who is a relevant intermediary is entitled to appoint more than two proxies, but each proxy must be appointed to exercise the rights attached to a different share or shares held by such member. Where such member's instrument appointing a proxy(ies) appoints more than two proxies, the number and class of shares in relation to which each proxy has been appointed shall be specified in the instrument.

"Relevant intermediary" has the meaning ascribed to it in Section 181 of the Companies Act 1967.

A member can appoint the Chairman of the Meeting as his/ her/ its proxy, but this is not mandatory.

(3) A proxy need not be a member of the Company.

(4) The instrument appointing a proxy(ies) must be submitted to the Company in the following manner:

(a) if submitted by post, be lodged with the Company's Polling Agent, Boardroom Corporate & Advisory Services Pte. Ltd., at 1 Harbourfront Avenue, #14-07 Keppel Bay Tower, Singapore 098632; or

(b) if submitted electronically, be submitted via email to the Company's Polling Agent at DBSAGM2023@boardroomlimited.com,

in each case, at least 72 hours before the time appointed for holding the Annual General Meeting.

(5) Completion and submission of the instrument appointing a proxy(ies) by a member will not prevent him/ her from attending, speaking and voting at the Annual General Meeting if he/ she so wishes. The appointment of the proxy(ies) for the Annual General Meeting will be deemed to be revoked if the member attends the Annual General Meeting in person, and in such event, the Company reserves the right to refuse to admit any person or persons appointed under the relevant instrument appointing a proxy(ies) to the Annual General Meeting.

(6) The instrument appointing a proxy(ies) must be under the hand of the appointer or of his/ her attorney duly authorised in writing. Where the instrument appointing a proxy(ies) is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorised.

(7) A corporation which is a member may, in accordance with Section 179 of the Companies Act 1967, authorise by resolution of its directors or other governing body such person as it thinks fit to act as its representative at the Annual General Meeting.

(8) The Company shall be entitled to reject the instrument appointing a proxy(ies) if it is incomplete, improperly completed or illegible or where the true intentions of the appointer are not ascertainable from the instructions of the appointer specified in the instrument appointing a proxy(ies) (including any related attachment). In addition, in the case of members whose Ordinary Shares are entered against their names in the Depository Register, the Company may reject any instrument appointing a proxy(ies) if such members are not shown to have Ordinary Shares entered against their names in the Depository Register as at 72 hours before the time appointed for holding the Annual General Meeting, as certified by The Central Depository (Pte) Limited to the Company.

(9) For purposes of the appointment of a proxy(ies) and/ or representative(s), the member(s)' and the proxy(ies)' or representative(s)' full name and full NRIC/ passport number will be required for verification purposes, and the proxy(ies)' or representative(s)' NRIC/ passport will need to be produced for sighting upon registration at the Annual General Meeting. This is so as to ensure that only duly appointed proxy(ies)/ representative(s) attend, speak and vote at the Annual General Meeting. The Company reserves the right to refuse admittance to the Annual General Meeting if the proxy(ies)' or representative(s)' identity cannot be verified accurately.

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Postage will be paid by addressee. For posting in Singapore only.

BUSINESS REPLY SERVICE
PERMIT NO. 09452

DBS GROUP HOLDINGS LTD
C/O BOARDROOM CORPORATE & ADVISORY SERVICES PTE. LTD.
1 HARBOURFRONT AVENUE, #14-07 KEPPEL BAY TOWER
SINGAPORE 098632

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Corporate information

Board of Directors

Peter Seah
Chairman

Piyush Gupta
Chief Executive Officer

Olivier Lim
Lead Independent Director

Chng Kai Fong

Bonghan Cho

Ho Tian Yee

Punita Lal

Judy Lee

Anthony Lim

Tham Sai Choy

Audit Committee

Tham Sai Choy
(Chairman)

Chng Kai Fong

Bonghan Cho

Punita Lal

Judy Lee

Peter Seah

Nominating Committee

Tham Sai Choy
(Chairman)

Olivier Lim
Lead Independent Director

Chng Kai Fong

Bonghan Cho

Punita Lal

Peter Seah

Board Risk Management Committee

Olivier Lim
(Chairman)

Ho Tian Yee

Judy Lee

Anthony Lim

Peter Seah

Tham Sai Choy

Board Executive Committee

Peter Seah
(Chairman)

Anthony Lim

Olivier Lim

Compensation and Management Development Committee

Anthony Lim
(Chairman)

Bonghan Cho

Punita Lal

Judy Lee

Peter Seah

Board Sustainability Committee

(Established on 11 February 2022)

Piyush Gupta
(Chairman)

Chng Kai Fong

Judy Lee

Tham Sai Choy

Ben Caldecott
(appointed as Non-Director member on 1 June 2022)

Group Secretary

Marc Tan

Group Executive Committee

Piyush Gupta
Chief Executive Officer

Chng Sok Hui
Chief Financial Officer

Han Kwee Juan
Strategy & Planning

Sim S Lim
Consumer Banking/ Wealth Management

Andrew Ng
Treasury & Markets

Jimmy Ng
Chief Information Officer

Sebastian Paredes
Hong Kong

Shee Tse Koon
Singapore

Soh Kian Tiong
Chief Risk Officer

Tan Su Shan
Institutional Banking

Group Management Committee

Includes the Group Executive Committee and the following:

Ginger Cheng
China

Eng-Kwok Seat Moey
Capital Markets

Philip Fernandez
Corporate Treasury

Derrick Goh
Audit

Lam Chee Kin
Legal & Compliance

Lee Yan Hong
Human Resources

Lim Chu Chong
Indonesia

Lim Him Chuan
Taiwan

Karen Ngui
Strategic Marketing & Communications

Sanjoy Sen
Consumer Banking

Surojit Shome
India

Registrar

Tricor Barbinder Share Registration Services
(a division of Tricor Singapore Pte. Ltd.)
80 Robinson Road, #02-00
Singapore 068898
Tel: (65) 6236 3333
Fax: (65) 6236 3405

Auditor

PricewaterhouseCoopers LLP
7 Straits View, Marina One
East Tower, Level 12
Singapore 018936

Partner in charge of the Audit

Yura Mahindroo
Appointed on 1 April 2022
(DBS Group Holdings Ltd and DBS Bank Ltd.)

Registered Office

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Tel: (65) 6878 8888
Website: www.dbs.com

Investor Relations

Email: investor@dbs.com

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Global Innovator
Qorus-Accenture

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Cutting Edge Award
Digital Workplace Group

World’s Best Bank
for Real Estate
Euromoney

World’s Best Bank for SMEs
Euromoney

Cash Management Survey:
Global Best Service
Euromoney

Model Risk Manager
of the Year
Celent

#1 Digital Portal for Wealth Clients
Cutter Associates

Bloomberg Gender
Equality Index
Bloomberg

FTSE4Good Developed Index
FTSE Russell

Sustainability Yearbook Member
S&P Global

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