

Annual General Meeting

30 March 2021



Live more,
Bank less

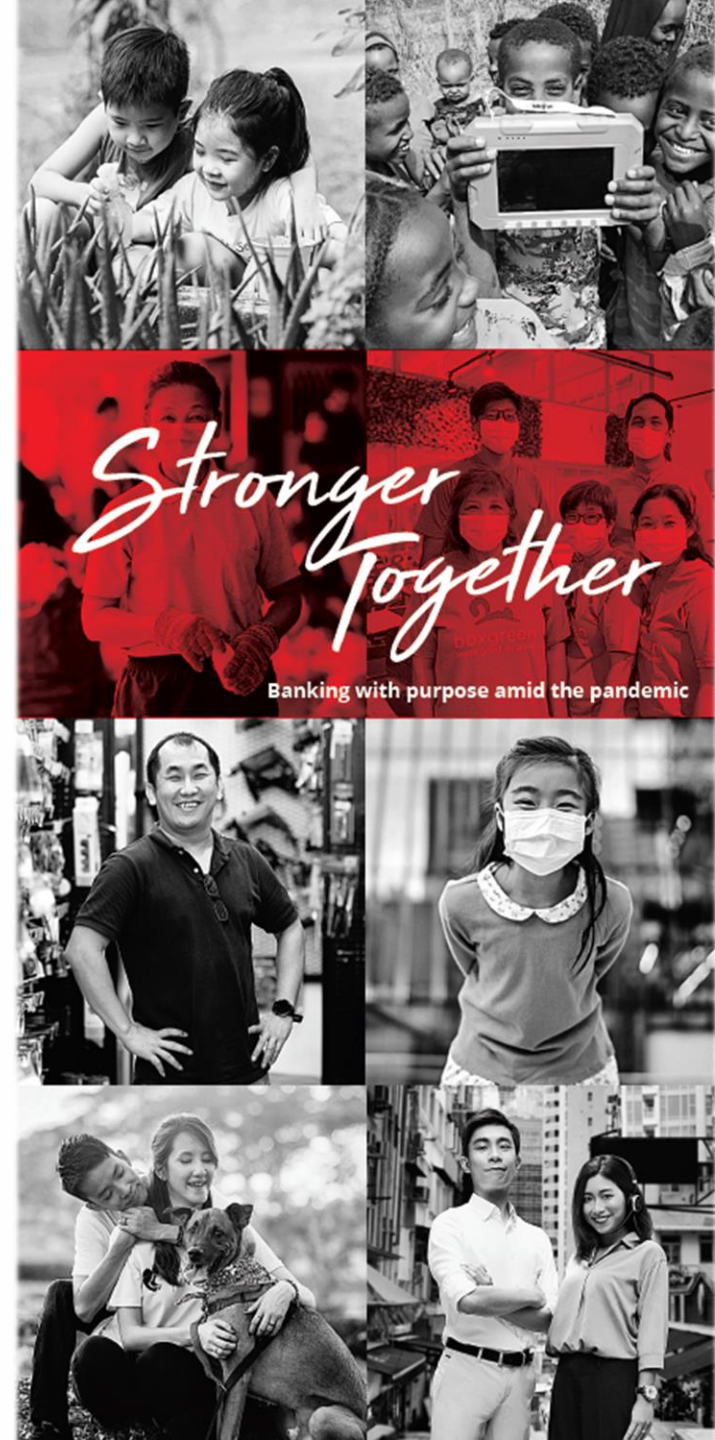
Piyush Gupta
Chief Executive Officer



Live more,
Bank less

Agenda

1. We Navigated the Crisis Well
2. 2020: A Resilient Performance
3. Looking Ahead



We navigated the crisis well with...



Our



Employees



Our



Customers



Our



Community

Our tech expertise enabled us to pivot quickly

- Seamless and safe remote working for up to 90% of our employees
- Enhanced cyber security measures and employed Site Reliability Engineering practices for monitoring and scaling of increased volume across online channels
- Prioritised well being of our employees with care packages, consultation with virtual doctors, complimentary medical webinars and wellness programmes
- Upskilled our employees - trained over 18,000 employees with relevant cutting-edge skills in data management

Supported our retail customers

- **Retail loan moratoriums** granted to 7,200 homeowners in Singapore and Hong Kong
- **Offered free Covid-19 insurance** to all Singaporeans of which >1 million signed up
- **Enabled customers to continue with their everyday lives from the safety of their homes with our digital offerings**

Account Opening and Investments

- Improved retail account opening via DBS Digibank - Fastest in Singapore
- Offered TeleAdvisory consultations with Wealth Planning Managers

Payments

- Expanded DBS PayLah! strategic partnerships
- DBS Remit: Fund transfers to 49 markets in 17 currencies near real-time or within the same day

Other Activities

- DBS NAV Planner¹: Delivered more than 30 million financial planning insights to customers

- Digital channel share of consumer products

▲ **12% pts**
Deposits

▲ **24% pts**
Auto
Loans

▲ **27% pts**
General
Insurance

▲ **31% pts**
Mortgage



[^] DBS NAV Planner is an advanced financial planning tool that leverages technology like artificial intelligence and predictive analytics to help users better manage their money and grow their wealth

Supported our corporate customers

- Approved **\$11bn in loan moratoriums** for companies in Singapore and Hong Kong
- Disbursed **\$5bn in government risk-sharing loans** for SMEs in Singapore
- **Enabled customers to continue with their business functions in a stable and safe manner with our digital offerings**

Account Opening and Loans

- Improved SME onboarding and loan application processes
- Digital relief packages to help corporates build online presence
- Government relief loans – 60% processed via online platform

Payments & Collections

- First bank in Asia to offer real time tracking of cross border collections
- DBS MAX[^] – Seamless and safe QR cash collections

Other Commercial Activities

- RAPID APIs: Seamless access to digital trade and cash management tools
- Expanded digital financing ecosystems to support large anchor customers and their suppliers
- DBS Digidocs enabled online submission of onboarding and trade documents



[^] DBS Max is a QR payment collection solution that enables merchants to collect from their clients digitally through a mobile app

Made a difference to the community



Responsible Banking

- Assisted government bodies to fast-track \$31.3bn in relief grants to Singaporeans
- Opened 60,000 bank accounts for migrant workers in 3 months
- Launched the World's first Sustainable and Transition Finance Framework and Taxonomy
- Closed \$9.6bn (▲ 81% yoy) in sustainability financing transactions



Responsible Business Practices

- Created and protected jobs – hired over 2,000 people in Singapore
- 21% of electricity consumption from renewable energy sources
- Committed to net zero operational carbon by 2022

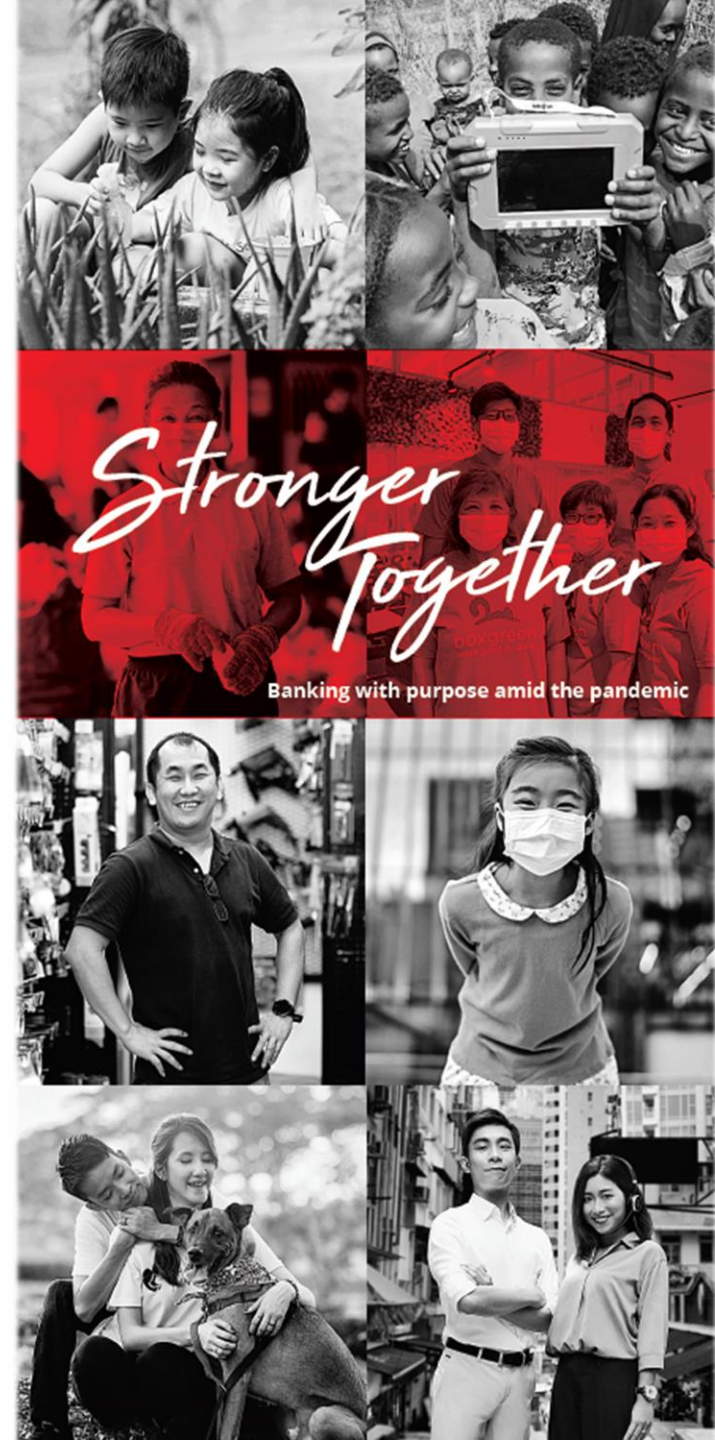


Creating Social Impact

- Supported hard-hit communities with \$10.5m DBS Stronger Together fund
- Disbursed record \$9m (\$2m grants: DBS Foundation) to social enterprises
- Completed 57,000 hours of employee volunteering

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Resilient performance and momentum in 2020

- Total income remained stable at \$14.6bn as healthy business momentum offset lower net interest margin
- Record operating profit of \$8.4bn

		FY20 (\$m)	YoY (\$m)	YoY (%)
Total income	Stable	14,592	48	0
Net interest income		9,076	(549)	(6)
Non-interest income		5,516	597	12
Expenses		6,158	(100)	(2)
Operating profit	Record	8,434	148	2
Total Allowances		3,066	2,363	>100
GP	Conservative	1,713	1,771	NM
SP	\$1.1bn in excess of model-based reserves	1,353	592	78
Net profit		4,721	(1,670)	(26)
Net interest margin (%)		1.62	-	(27bps)
Cost-income ratio (%)		42	-	(1%pt)
ROE (%)	Above most peers	9.1	-	(4.1%pt)
Loans^ (\$bn)		371	16	4
Deposits^ (\$bn)		465	61	15

Mitigated income impact from low interest rate environment

- Lower interest rates set back full-year net interest income by \$1.8bn
- Income impact offset primarily by
 - Growth from loans, deposits and wealth management fees
 - Strong Treasury Markets performance
 - Gains from investment securities
- Expenses 2% lower at \$6.16bn as costs were tightly managed
 - General expenses such as for travel and advertising declined
 - Staff costs were little changed with increase in base salaries from higher headcount offset by lower bonus and government grants
 - Senior management's remuneration was cut
 - CEO bonus ▼27%
 - Other Senior Management median bonus ▼17%

Consumer Banking

- **Deposits:** ▲7% to \$264bn, NIM impact led to lower revenues
- **Cards:** Income impacted by a drop in retail and travel-related spending
- **Investment products:** Income from investment products increased ▲13% to \$1.9bn
- **Digital solutions drove momentum**
 - DBS Remit: Volumes ▲38%
 - DBS PayLah!: Transaction volumes increased by >30%
 - Intelligent banking capabilities: >13 million customised insights to customers

(\$m)	FY20	YoY %
Total income	5,767	(8)
Loans and deposits	3,016	(19)
Investment products	1,944	13
Cards	730	(8)
Others	78	27
AUM (\$bn)	264	7
SGD savings (\$bn)	139	19

Institutional Banking

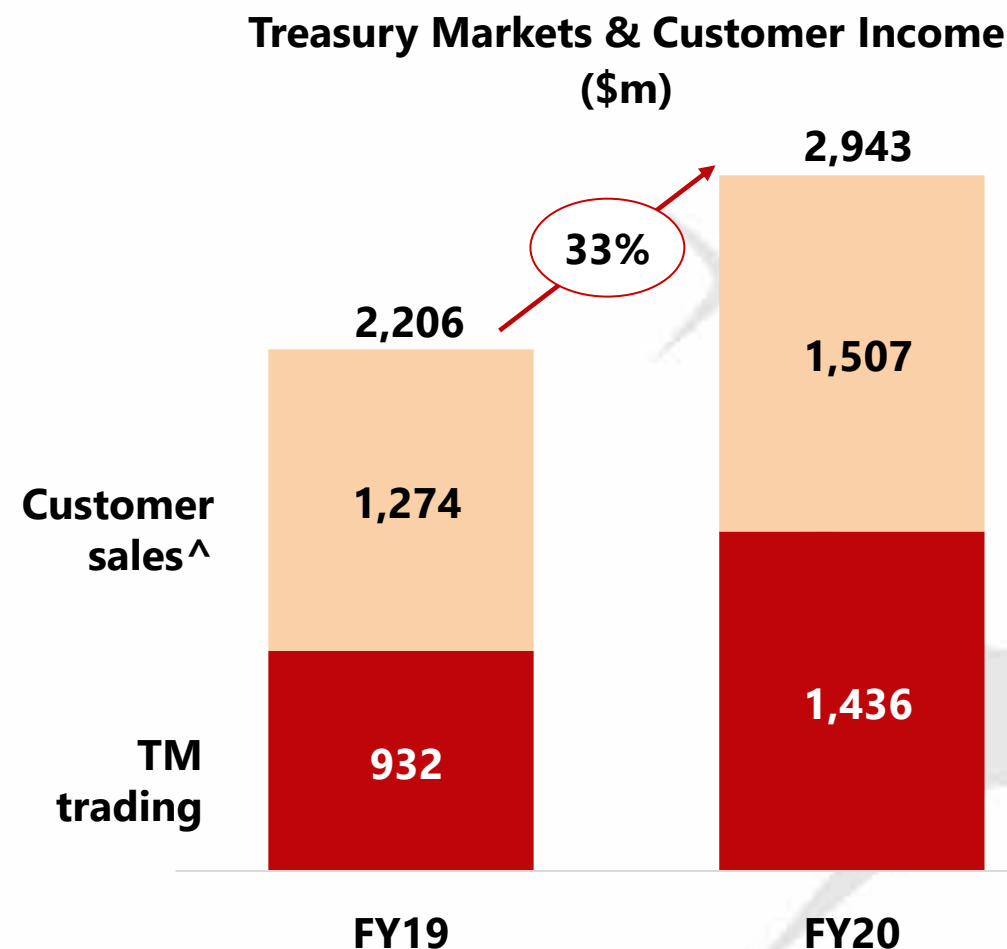
- **Deposits:** CASA ▲ 51%, NIM impact led to cash/ SFS revenue decline
- **Investment banking:** Income weaker from fall in equity capital market activity but mitigated by record fixed income fees
- **Loans:** Strong income and volume growth
- **Treasury:** Higher income driven by interest rate products
- **Digital solutions drove momentum**
 - DBS MAX: Total digital collections increased four times
 - RAPID APIs: Call volumes increased five times
 - Onboarding for suppliers: Increased > six times

(\$m)	FY20	YoY %
Total income	5,745	(5)
Loans	3,027	13
Trade	719	8
Cash / SFS [^]	1,200	(39)
Treasury	677	13
Investment banking	122	(30)
Assets (\$bn)	293	5
CASA (\$bn)	128	51

[^] SFS: Securities and Fiduciary Services

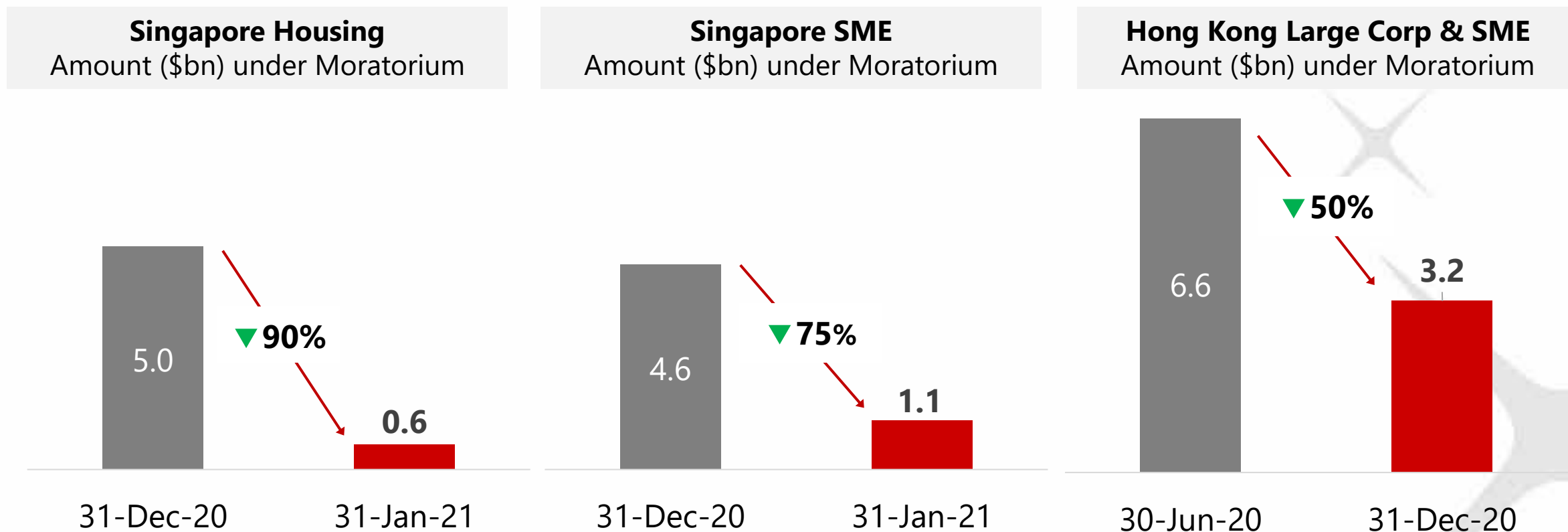
Treasury Markets

- **Total full year income:** ▲33%, aided by improved digital pricing capabilities, enhanced processes and application resiliency
- **Trading:** Income ▲54% to \$1.4bn as market volatility created opportunities for trading
- **Customer sales:** Income ▲18% to \$1.5bn



Allowances and moratoriums

- Loans from moratorium have declined significantly from respective peaks. Delinquencies have been low



- Total allowances over 2020-2021 likely to be in the middle of the \$3bn-\$5bn range
- More definitive view towards mid-year with seasoning of extended moratoriums

Strong balance sheet

Strong allowance reserves

GP reserves of \$4.3bn

\$1.1 bn above modelled GP for FY2020;
\$1.3 bn (or 42%) above MAS requirement;
\$1.5 bn beyond Tier-2 eligibility[^]

Total allowance reserves of
\$7.3bn

NPA coverage of 110% and of 206% including
collateral

Strong capital

CET-1: 13.9%

Above management operating range and
regulatory requirements

Strong liquidity

LCR: 136%

NSFR: 125%

LDR: 80%

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



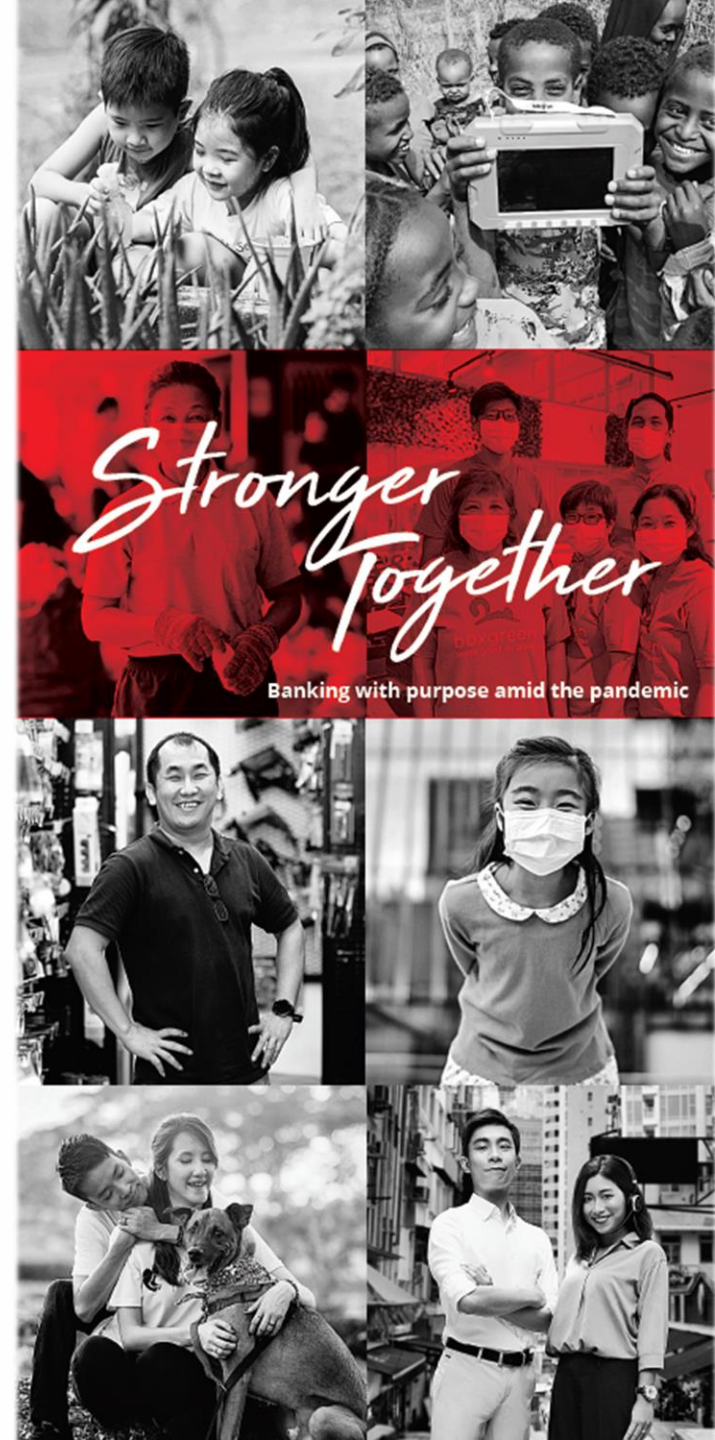
[^]Surplus GP reserves act as a buffer for the total capital adequacy ratio.

Full-year dividend at 87 cents per share

- 4Q dividend at 18 cents per share, in line with MAS's call for local banks to moderate their dividend. Dividend for the financial year totalled 87 cents per share
- Await MAS' next guidance on dividend expected by July

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Looking ahead...

- Lower for longer interest rate environment likely to remain a challenge
- Explored and identified opportunities:



Accelerate existing business



New engines of growth



Drive our sustainability agenda



Redefine future of work

Accelerate existing business



- **Continue investing in digitally-led businesses**

- Retail wealth management
- Supply chain digitalisation

- **Double down on growth markets:**

China:

- Participate in capital markets opening through Securities Joint Venture
- Establish deeper GBA presence especially with supply chains
- Expand into consumer finance, including leveraging joint venture with Postal Savings Bank of China

India:

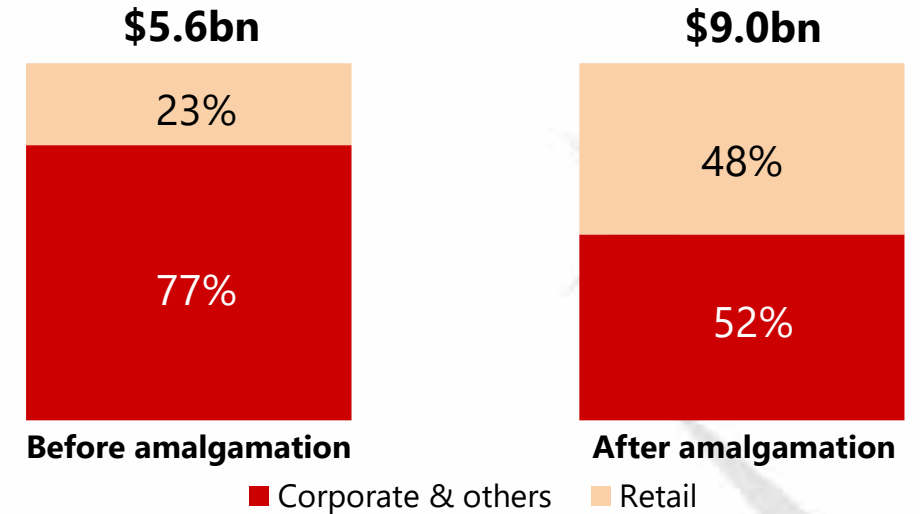
- Leverage Lakshmi Vilas Bank (LVB) amalgamation to expand India franchise

LVB amalgamation accelerates DBS India strategy

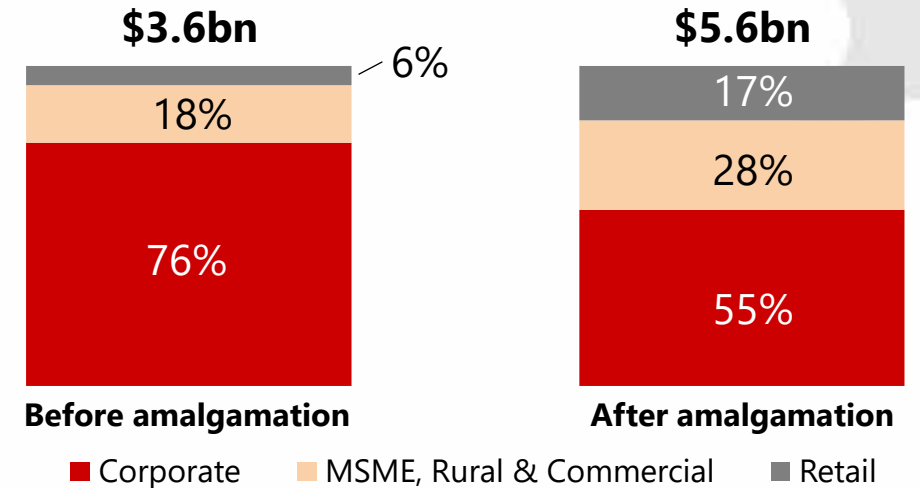


- Overlay DBS' digital capabilities with LVB's customer base and network to accelerate businesses:
 - SME:** Scale up asset-backed lending
 - Retail:** Scale up CASA and personal loans
 - Wealth:** Extend DBS Treasures proposition
- Expand product offerings - gold loans and loans against property
- Niche Non-Resident Indian (NRI) propositions

Deposits



Net advances: MSME, Rural and Commercial



New engines of growth

- Launch of Digital Exchange
- Leveraging blockchain to enhance efficiency of wholesale payments
- Growth capital solutions



Drive our sustainability agenda



- Focus on transition finance to help companies transit to greener business models
- Actively push new “green” financing, for example, electric cars and renewable energy deals
- Raised our sustainable finance target to \$50bn by 2024

Redefine future of work



- Flexible remote working
- Job-sharing scheme
- Reskilling and upskilling employees





The early downpayment we made in digital transformation, our broad-based franchise and focus on being a purpose-driven bank, position us well to ride these challenging times.

With the grit and gumption of our people, and the support of you – our shareholders – and customers, we are confident of emerging from this storm as one of the winners.

*Stronger
Together*



Live more,
Bank less

Best Bank in the World

Global Finance

Responsible Business Awards: Purpose Driven Communications (Global)

Reuters/ Ethical Corporation

Outstanding Crisis Leadership: Overall Excellence – Bank (Global)

Global Finance

Best Bank for Corporate Responsibility, Asia

Euromoney

Excellence in Leadership in Asia (during the Covid-19 pandemic)

Euromoney

Most Distinctive in Helping to Mitigate Impact of Covid-19 (Asia)

Greenwich Associates

#1 for Sustainability among Financial Institutions in Asia

CampaignAsia

Best Bank for Corporate Responsibility, Singapore

Asiamoney

Best Bank for Corporate Responsibility, Hong Kong

Asiamoney

Sustainable Business – Non-SME (Apex Winner), Singapore Apex Corporate Sustainability Awards

Global Compact Network Singapore

Champion of Good, Singapore

National Volunteer & Philanthropy Centre

Volunteer Partner Award

Community Chest Singapore



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