

A background image showing a series of concentric ripples on a light-colored surface, likely water. A single, small, dark sphere is positioned at the center of the ripples, appearing to have just fallen or about to fall. The ripples are most prominent in the center and fade out towards the edges.

ANNUAL GENERAL MEETING

28 MARCH 2024

Agenda

1. Reflections on 2023
2. Significant multi-year outperformance through structural transformation
3. The way forward

Agenda

1. Reflections on 2023

Record year in 2023

- Total income of \$20.2 billion, net profit of \$10.3 billion and ROE of 18% all at records
- Driven by higher NIM, rebound in fee income and record treasury customer sales
- Underlying cost-income ratio at 39%
- Asset quality resilient, specific allowances at 11 bp of loans, below cycle average

		FY2023 (\$m)	FY2022 (\$m)	YoY (%)
Total Income	Record →	20,180	16,502	22
Expenses		8,056	7,090	14
Profit before allowances	Record →	12,124	9,412	29
Total allowances		590	237	>100
Net profit	Record →	10,286	8,193	26
Net profit incl one-time item		10,062	8,193	23
ROE (%)	Record →	18.0	15.0	3pt
Group NIM (%)		2.15	1.75	40 bp
Loans (\$bn)		416	415	1
Deposits (\$bn)		535	527	3

Key revenue drivers: Institutional Banking Group

- A** Total income up 22% to record \$9.36bn
- B** Increase led by cash management income, partially offset by decline in trade income

(\$m)		FY2023	FY2022	YoY (%)
Total Income	A	9,357	7,688	22
Cash / SFS	B	4,329	2,499	73
Loans		3,373	3,445	(2)
Treasury		893	892	0
Trade		666	764	(13)
Investment banking		96	88	9
Expenses		2,489	2,254	10
Profit before allowances		6,868	5,434	26

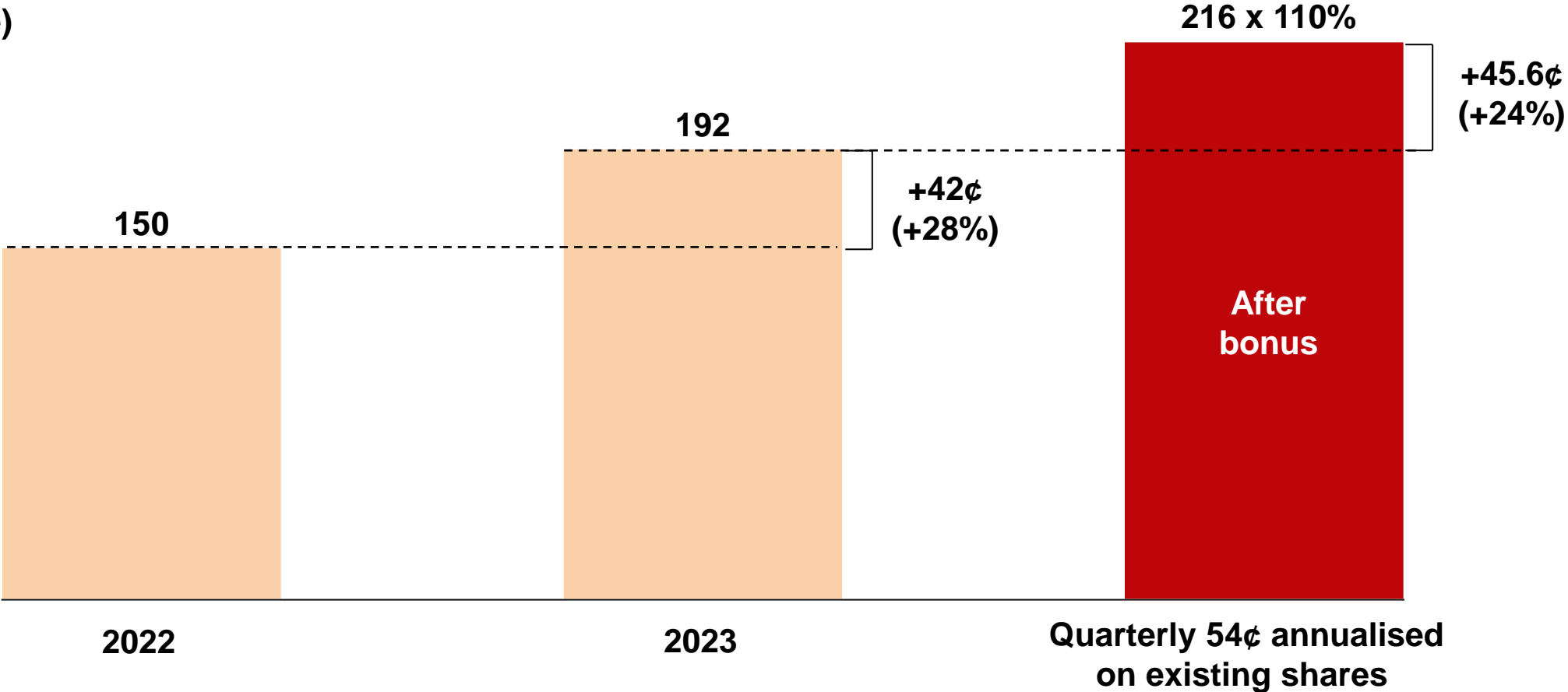
Key revenue drivers: Consumer Banking Group

- A** Total income up 35% to record \$8.96bn
 - Customer base up 6 million to 18 million
- B** Strong growth in deposits and investment product income
- C** Wealth management AUM increased 23% to record \$365bn

(\$m)		FY2023	FY2022	YoY (%)
Total Income	A	8,957	6,654	35
Loans and deposits	B	6,045	3,999	51
Investment products		2,141	1,815	18
Cards		702	717	(2)
Others		69	123	(44)
Expenses		4,412	3,803	16
Profit before allowances		4,545	2,851	59
AUM (\$bn)	C	365	297	23

Ordinary dividend increase of 28% for 2023. Another 24% after 1-for-10 bonus with dividend yield of 6.5%

(S¢ per share)



Dividend yield based on 27 March 2024 share price

Other key achievements in 2023



Geographic strategy bearing fruit

- Citi Taiwan integration successfully completed
- Strong growth in Indonesia and India franchises



Digital strategies continue apace

- Economic outcomes from artificial intelligence more than doubled to \$370m
- Continued digitalisation of Wealth, T&M, GTS businesses



Strong customer satisfaction

- #1 in Asia-based large corporate market penetration (Coalition Greenwich Survey)
- #1 in SG retail customer satisfaction (CSISG¹, Finance and Insurance Sector Survey)



Strong employee satisfaction

- Record employee engagement scores, significantly above financial services industry average



Being recognised as a force for good

- World's Best Bank for Corporate Responsibility awarded by Euromoney
- Inaugural \$100 million set aside as part of ten-year \$1 billion CSR commitment

We have made good progress in improving technology resiliency

Progress made

Customers can expect

System Resiliency

- Provided greater payments/ transaction certainty to customers
- Eliminating single points of failure for key services by Q1 2024
- Simplified system architecture and supplemented active-active configuration with hot standby for key systems

Change management

- Tightened software development process: tighter control gates
- Near-live production assurance test environment by Q1 2024 for FAST/ PayNow payments and account enquiry
- Enhanced vendor engagement for critical systems for faster response

Incident Management

- Improved real-time monitoring at infrastructure, application and customer journey levels
- Streamlined process by centralising multiple first level command centres and tightening escalation protocol

Tech Risk Governance & Oversight

- Instituted dedicated board-level oversight of technology risk management
- New CIO joining in May
- Strengthened independent tech risk function with senior hires
- Reinforcing tech risk control mindset and behaviour

- **Greater service availability**
- **Alternate channels for payments and account enquiries should issues occur**
- **Faster full recovery of services**
- **Greater payments/ transaction certainty for payer and recipient**

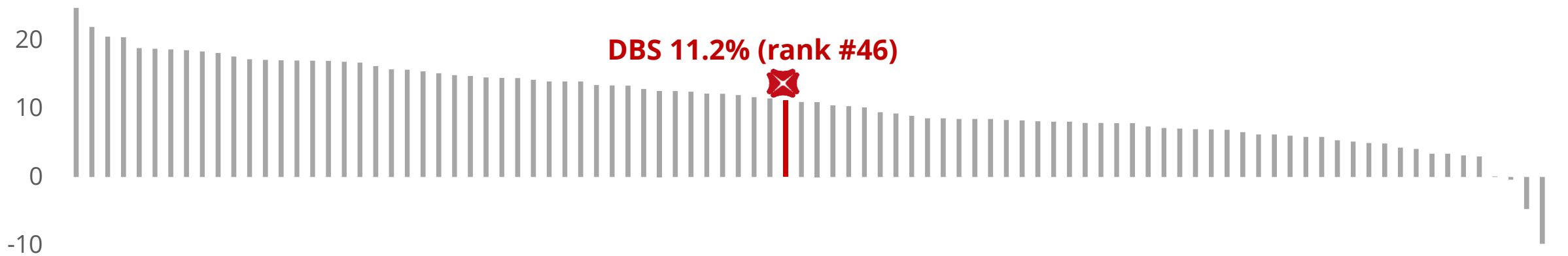
Agenda

2. Significant multi-year outperformance through structural transformation

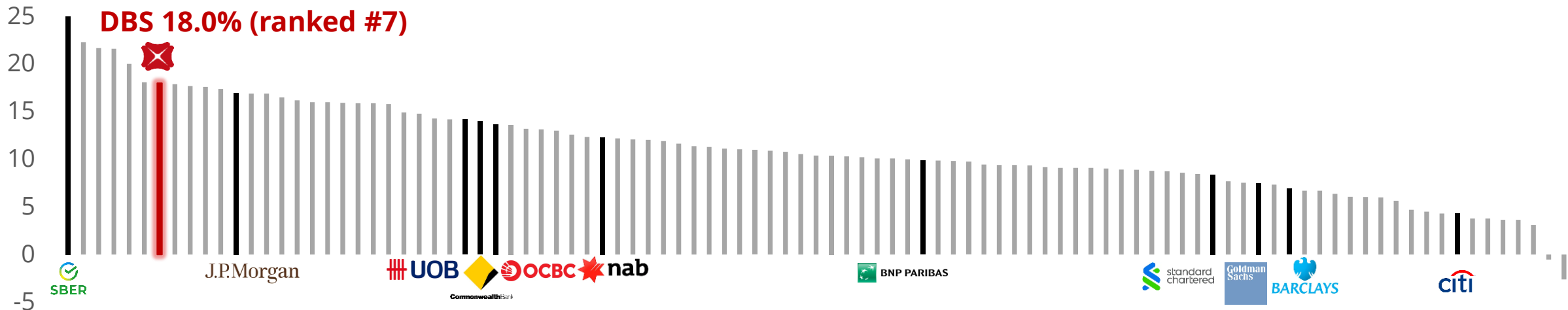
Return on equity in top decile of largest 100 banks


Rose from middle of the pack to among highest in industry

2015









2023



 Source: Bloomberg. Note: Global peer universe comprises the 100 largest banks by assets. Unlisted banks are omitted from the chart. ROE based on latest available financial full-year or period.

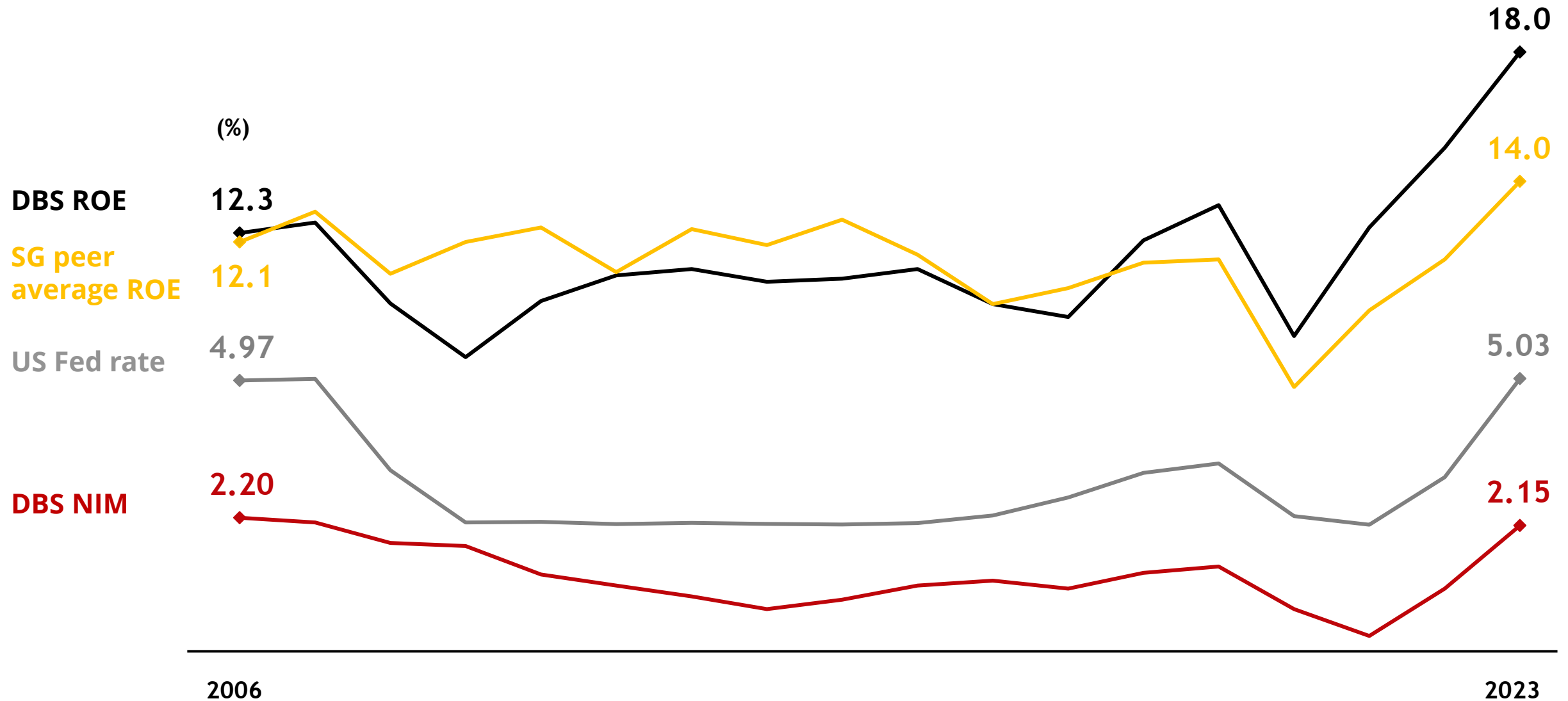
ROE outperformance not due to NIM environment

Singapore banking sector NIMs are below major developed markets and in the bottom 15th percentile globally, based on a 20-year average

Country	Bank NIMs
 United States	3.4
 Canada	2.1
 Hong Kong	1.9
 Australia	1.9
 United Kingdom	1.8
 Singapore	1.7

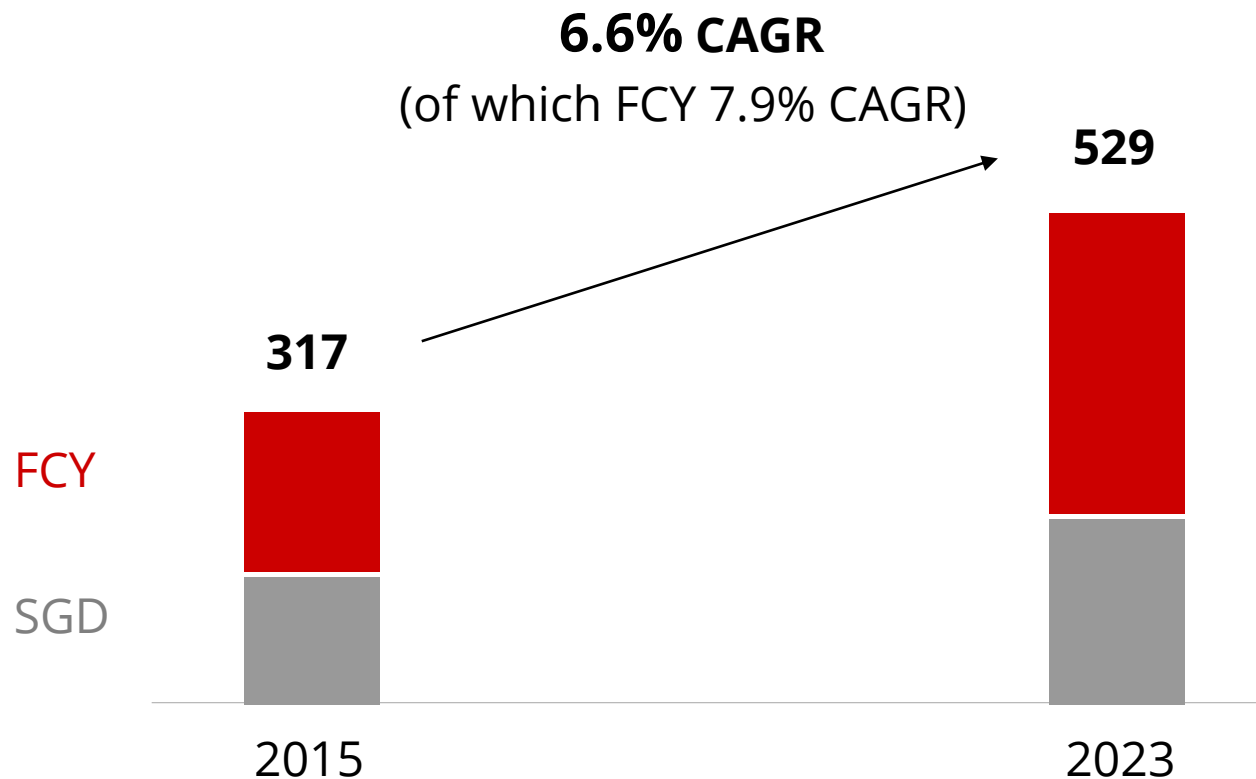
Note: Based on World Bank data (2002-2021)

Record ROE driven by structural improvements



Deposit franchise strengthened by digital capabilities

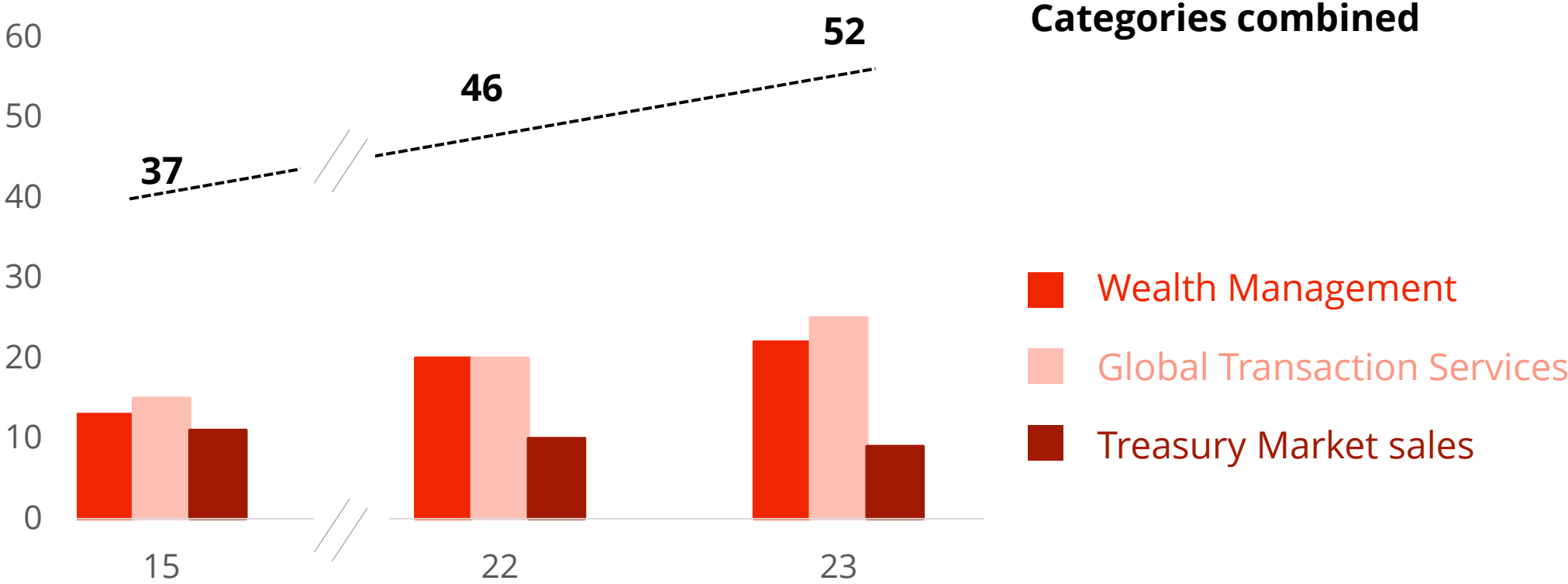
Deposits (quarterly average, \$bn)



- Total deposit CAGR exceeded Singapore peers by 1.3%pt since 2015, equivalent to \$50bn in additional deposits
- Foreign currency (FCY) deposits grew faster than SGD deposits

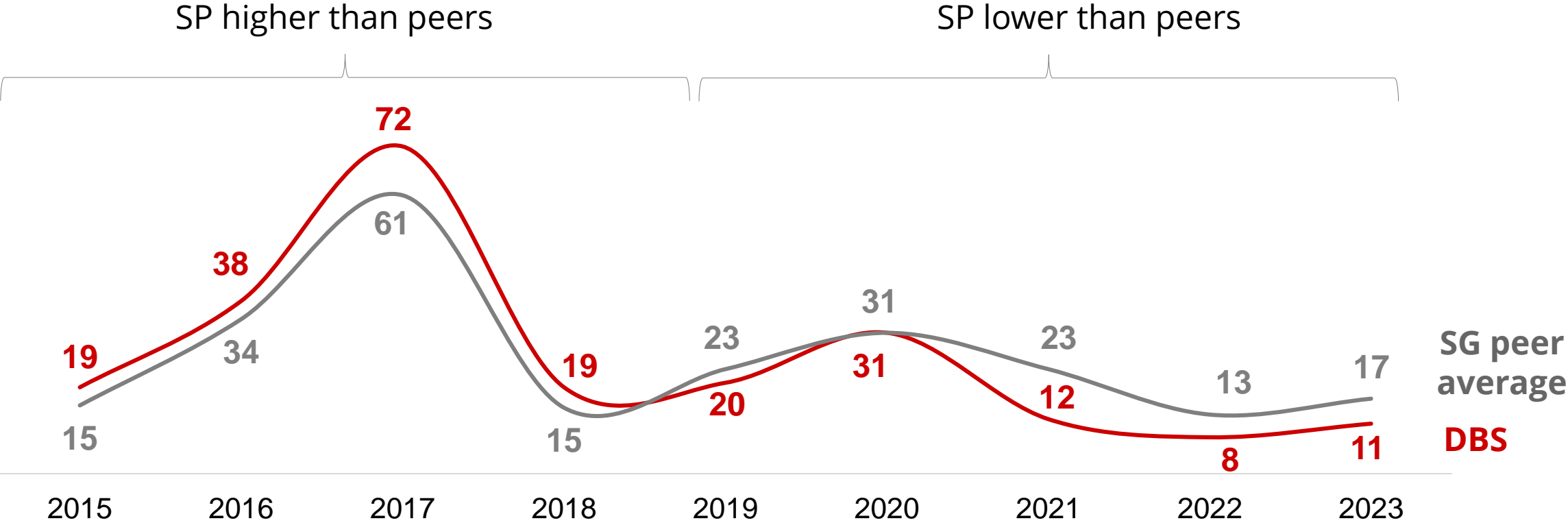
Increasing contribution from high ROE businesses

Income (as % of group)



Structurally lower credit costs from enhanced risk management

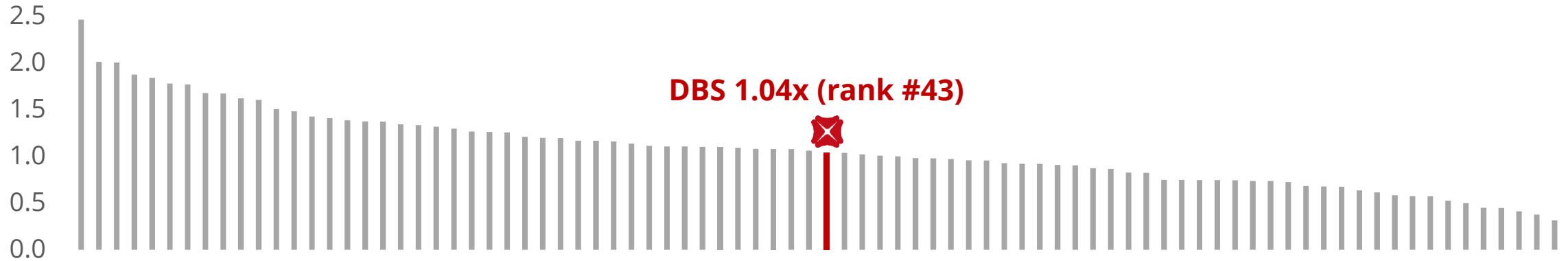
Specific allowances (SP) / loans (bp)



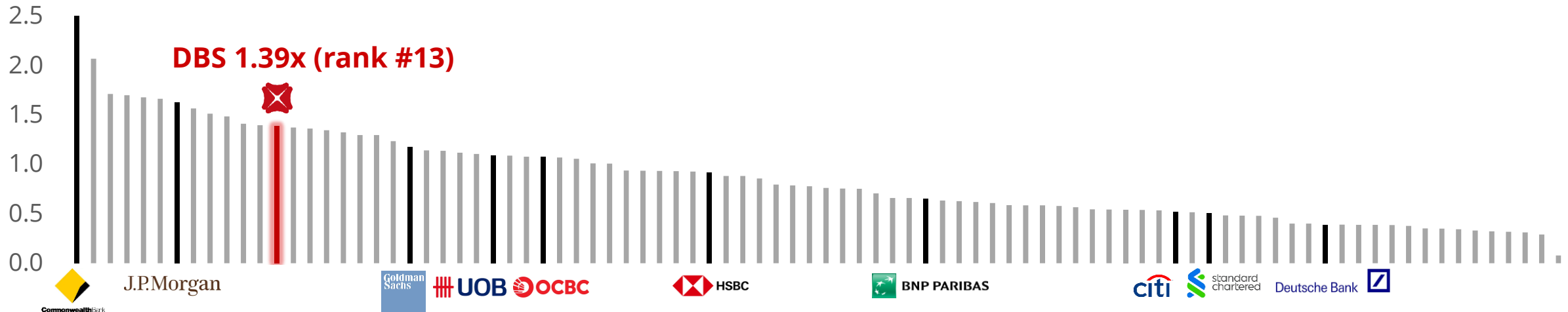
Price-to-book among the highest globally

From the middle of the range to the top end

2015



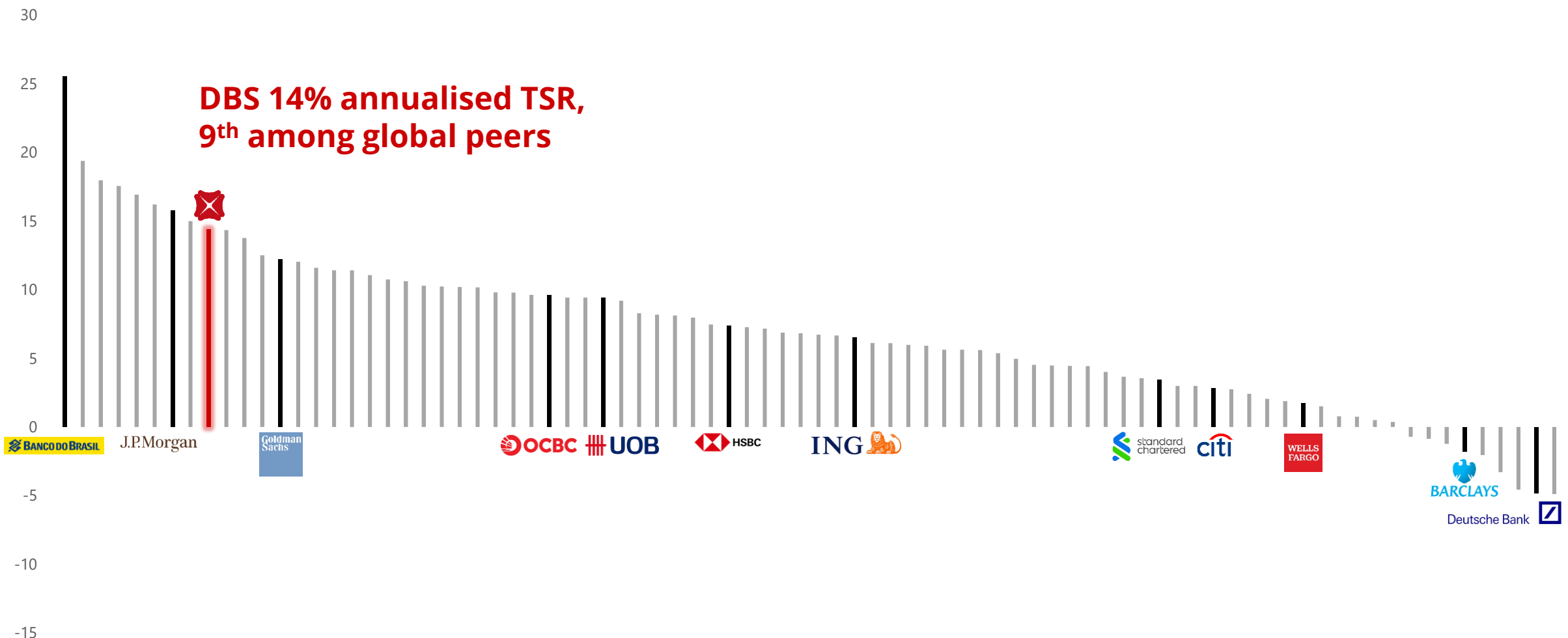
2023




Source: Bloomberg. Note: Global peer universe comprises the 100 largest banks by assets. Unlisted banks are omitted from the chart. PB based on latest available net book value.

Top decile in total shareholder returns since end-2015

4-5 %pt higher than SG peers



 Source: Bloomberg. Note: Global peer universe comprises the 100 largest banks by assets. Unlisted banks are omitted from the chart. Data as at 31 December 2023.

Agenda

3. The way forward

The world is changing rapidly

- Geopolitical tensions and macroeconomic shifts
- Social inequity and demographic changes approaching tipping point
- Technology advancing at an accelerating pace
- Climate change an existential threat
- Decline in societal trust

Charting the path forward amid a changing world

1

**Banking on
the right
strategies**

2

**Agility in
execution
(leveraging
technology)**

3

**Being a
trusted,
purpose-
driven bank**

1 Banking on the right strategies



The Asia Wave

- Focused on Asia and rode the wave when China was opening up
- Asia remains the fastest growing region

The Digital Wave

- Rode the digitalisation and transformation wave by creating a competitive moat
- New inflection point due to Generative AI

The Sustainability Wave

- Tackling the issues around sustainability
- Creating new business opportunities whilst solving for problems of planet and people

② Agility in execution

Changing the way we manage to deliver differentiated outcomes

- Managing through **customer journeys**
- Shifting from vertical to **horizontal management**

Continuing to leverage technology to maintain competitive advantage while balancing resiliency with innovation

- Harnessing potential of new technologies such as **Generative AI** and **blockchain**

③ Being a trusted, purpose-driven bank

Making Banking Joyful

- **Enriching lives** and **transforming businesses** by providing amazing solutions and experiences in a sustainable way

Creating Impact Beyond Banking

- Since our inception as the Development Bank of Singapore, DBS has been guided by a **strong sense of purpose**
- Building on the impact created by the DBS Foundation over the past decade, committed up to **SGD1 billion** over the next 10 years to **improve lives and livelihoods** of the low-income and underprivileged

The way forward

- 1 Banking on the right strategies**
- 2 Agility in execution (leveraging technology)**
- 3 Being a trusted, purpose-driven bank**

We are confident of achieving medium term ROE of 15-17% despite normalisation of interest rates and credit costs as well as changing tax regimes

Thank You

World's Most Innovative Banks
Global Finance

Digital Workplace Team of the Year
Digital Workplace Group

Evident AI Index
Evident Insights

Best Innovation and Transformation
(Corporate/ Institutional Digital Banks)
Global Finance

Cash Management Survey: Global Best
Service (Non-FI)
Euromoney

World's Best Bank for Corporate
Responsibility
Euromoney

Bloomberg Gender-Equality Index
Bloomberg

FTSE4Good Developed Index
FTSE Russell

The Sustainability Yearbook
S&P Global

Asia's Safest Bank (15th consecutive year)
Global Finance

