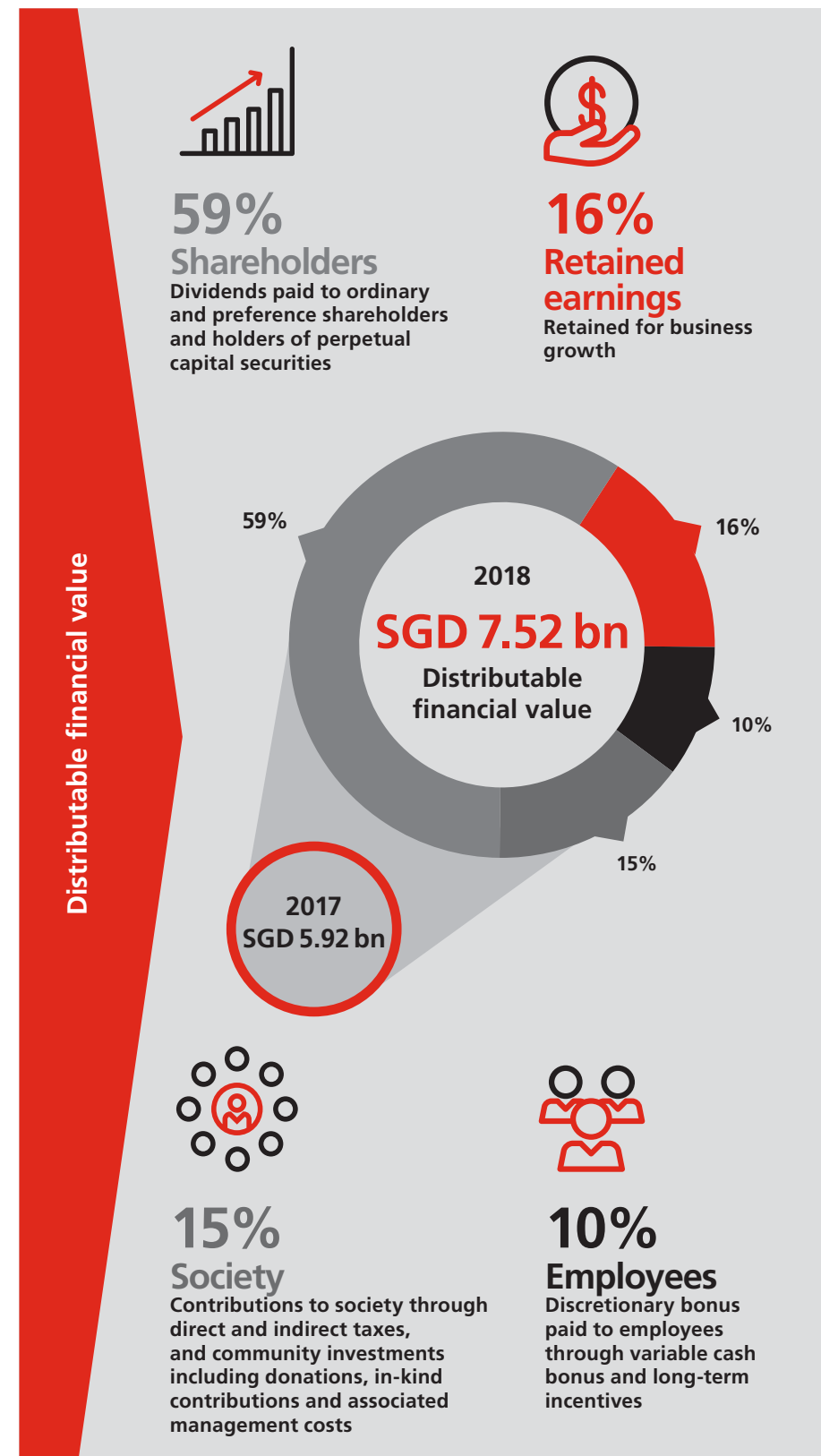


How we distribute value created



We distribute value to our stakeholders in several ways. Some manifest themselves in financial value while others bring about intangible benefits.

We define distributable financial value as net profit before discretionary bonus, taxes (direct and indirect) and community investments. In 2018, the distributable financial value amounted to SGD 7.52 billion (2017: SGD 5.92 billion).

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

Customers
Delivering suitable products in an innovative, easily accessible and responsible way.
Read more about this on pages 36 to 41.

Employees
Training, enhanced learning experiences as well as health and other benefits for our employees.
Read more about "Talent management and retention" in the sustainability report.

Society
Supporting social enterprises, promoting financial inclusion, investing in and implementing environmentally-friendly practices.
Read more about "Social entrepreneurship" in the sustainability report.

Regulators
Active engagement 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 page 71.

Material matters

Identify

We identify matters that may impact the execution of our strategy. This is a group-wide effort taking into account input from all business and support units and incorporating feedback from stakeholders.
Read more about our stakeholder engagement on pages 70 to 71.

Prioritise

From the list of identified matters, we prioritise those that most significantly impact our ability to successfully execute our strategy and deliver long-term value to our stakeholders.

Integrate

Those matters that are material to value creation are integrated into our balanced scorecard, which is used to set objectives, drive behaviours, measure performance and determine the remuneration of our people.
Read more about our balanced scorecard on page 26.

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

We review our material matters annually for relevance and prioritisation. Our material matters reflect external factors that can influence our business.

In 2018, "Data governance" and "Transparency" have been included. They have always been important but were subsumed in other material matters in previous years.

"Climate change" and "Talent management and retention" have been elevated in materiality.

Read more about material ESG matters in the sustainability report.

Materiality matrix

