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

How we create value

Our stakeholders

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

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.

We marry the professionalism of a best-in-class bank with an understanding of Asia's cultural

Asian relationships

We recognise that relationships have swings and roundabouts and stay by our clients through down

Asian service

Our service ethos is to be Respectful, Easy to deal with and Dependable.

We know Asia better; we provide unique Asian insights and create bespoke Asian products.

we strive to make banking faster and simpler, products and services.

Asian connectivity

Technology and infrastructure

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

Competent leadership

Governing ourselves

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

Read more about our governance efforts on pages 32

Balanced scorecard

Measuring ourselves

A strong, well-informed and fully-engaged board 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 onequarter 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.



Shareholders

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Customers



Employees





Regulators and policy makers



Physical infrastructure

Customer

relationships

Intellectual

Employees

capital



Natural resources



Societal relationships

Banking the Asian Way

Differentiating ourselves

nuances.

Asian insights

Asian innovation

We constantly innovate new ways of banking as while delivering contextualised and relevant Asian

We work in a collaborative manner across geographies and businesses, supporting our customers as they expand across Asia.

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

and increase internal collaboration by embracing experimentation, entrepreneurship and innovation.