

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).



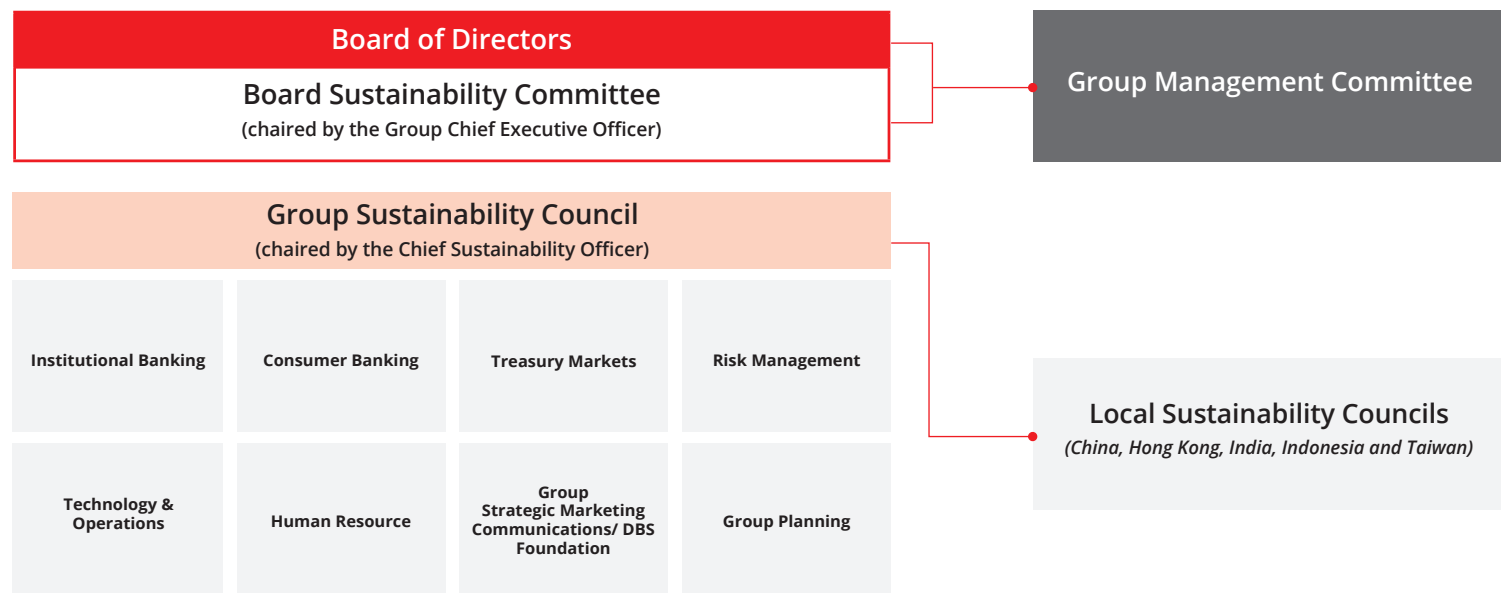
Governance

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



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)
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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.	02 Responsible business practices We believe in doing the right thing by our people and embedding environmental and societal factors in our business operations.	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.
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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

Achieved **carbon neutrality** at the end of 2022 in our own operations

New SME grant award
launched to help SMEs take their first step towards transforming into businesses for impact

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

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

New Community Impact Chapter
established under DBS Foundation, with SGD 5.6 million funding committed to support communities with future ready skills such as financial and digital literacy

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

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

> 140,000 employee volunteering hours serving the community

Leveraged **NAV Planner**
our AI-powered digital financing planning tool to democratise wealth and improve the financial health of our customers

Launched **iGrow**
a digital career coach that uses AI/ML to help employees identify career aspirations and recommend relevant training for upskilling and reskilling

> 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

⁽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.