DBS Group Holdings Ltd
Sustainability Report 2023

From Ambition to *Action*

Building a Sustainable Advantage

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Introduction

About us

DBS is a leading financial services group in Asia with a presence in 19 markets. Headquartered and listed in Singapore, DBS is in the three key Asian axes of growth: Greater China, Southeast Asia and South Asia. The bank's "AA-" and "Aa1" credit ratings are also among the highest in the world.

Recognised for its global leadership, DBS has been named "World's Best Bank" by Global Finance, "World's Best Bank" by Euromoney and "Global Bank of the Year" by The Banker. The bank is at the forefront of leveraging digital technology to shape the future of banking and has been named "World's Best Digital Bank" by Euromoney and the world's "Most Innovative in Digital Banking" by The Banker. In addition, DBS has been accorded the "Safest Bank in Asia" award by Global Finance for 15 consecutive years from 2009 to 2023.

About this report

This Sustainability Report is approved by the Board and prepared in accordance with, and taking reference to, the following regulations, standards, and guidelines:

- Singapore Exchange Securities Trading Limited (SGX-ST) Listing Rules 711A and 711B on Sustainability Report, and Practice Note 7.6 Sustainability Reporting Guide (updated January 2022)
- The Task Force on Climate-related Financial Disclosures (TCFD) recommendations by the Financial Stability Board (updated October 2021)
- The Global Reporting Initiative (GRI) Standards 2021 (updated July 2021)
- The Financial Institutions Climate-related Disclosure Document under the Monetary Authority of Singapore (MAS)-convened Green Finance Industry Taskforce (published May 2021)
- The Guidelines for Climate Target Setting for Banks by the UN Environment Programme – Finance Initiative (issued April 2021)
- The Guidelines on Responsible Financing issued in October 2015 by the Association of Banks in Singapore (revised June 2018)
- The Sustainability Accounting Standards Board (SASB) standards based on the three SICS industries within the Financials sector most aligned with our mix of businesses: Commercial Banks (FN-CB), Consumer Finance (FN-CF), and Mortgage Finance (FN-MF)

We are a signatory to the United Nations (UN) Global Compact and are committed to the 10 Principles.

Coverage

This report covers the environmental, social, and governance (ESG) principles, initiatives and performance of our operations across our core markets. It contains information for the financial year 1 January to 31 December 2023, unless otherwise stated. In 2023, DBS completed the acquisition of Citigroup Inc.'s consumer banking business in Taiwan (Citi Consumer Taiwan). The scope of this report includes Citi Consumer Taiwan for employee-related data, and selected initiatives, but excludes operational environmental data as integration of reporting systems is still underway. Our sustainability reporting processes are subjected to internal review, with selected indicators also subjected to external assurance as detailed on pages 109 to 110. The report is to be read in conjunction with the Annual Report 2023 and other sustainability-related disclosures on our website.

Feedback

We welcome feedback on this report and any aspect of our sustainability performance. Please address all feedback to DBS Group Sustainability at sustainability@dbs.com.

CEO Message

"We materially expanded our client engagement with large corporate customers on climate to deliver on the bold commitments we made in 2022… Apart from offering advisory services related to our clients' net zero transition journeys, we translated this engagement into finance solutions. Our sustainable financing (for loans and trade finance) commitments, net of repayments, was around SGD 70 billion as of December."

Piyush Gupta, CEO DBS Group Holdings

2023 was a year of many struggles but also accomplishments, and it underscored how the virtues of hard work and perseverance give rise to hope.

Challenges were abundant. The war between Russia and Ukraine raged on, additional armed conflicts broke out, most notably between Israel and Hamas, and tensions between the superpowers remained high. All these complicated geopolitics further and contributed to economic headwinds. While inflation eased after global central banks aggressively hiked rates, it persisted at elevated levels. Consequently, both consumers and businesses continued to face significant strain.

Despite this, a hard landing of the global economy was avoided. In particular, most of Asia's economies remained robust. China and India, the two most populous economies of the world, both ended the year with a higher growth rate than in 2022. And the outlook for Southeast Asian economies improved, as the electronics export cycle bottomed out and travel and tourism continued to recover.

On the climate front, we witnessed an unprecedented number of new records this past year. June to December were the warmest months on record. Ocean temperatures were the hottest ever measured. All of this has been exacerbated by the start of El Niño, a natural climate shift that tends to raise global temperatures. But the science is clear, the trajectory of global warming can only be changed if we reduce historically high atmospheric carbon dioxide concentrations at speed and scale.

Tragically, the impacts from climate change on the economy and society are becoming ever more evident. Studies have shown that insured and uninsured economic losses resulting from extreme climate-related weather conditions in 2023 were significantly higher than recent averages. The number of people directly impacted by these calamities reached new highs, with the poor disproportionately affected, worsening social inequalities.

Encouragingly, governments and regulators around the world have implemented an increasing number of meaningful policies that support the transition to net zero, which is being complemented by significant efforts of the private sector to transform global industries and supply chains.

Globally, investments in clean energy overtook spending on fossil fuel at a ratio of 1.7:1, according to the International Energy Agency. Just five years ago, this ratio stood at 1:1. Additionally, 118 countries pledged at the COP28 climate summit to triple the world's renewable energy capacity by 2030. The electrification of transport has greatly accelerated across markets, and battery production has been scaling up. Nearer to home, ASEAN ramped up its efforts to decarbonise and aims to create green corridors. China's decarbonisation efforts have been astounding. For example, in 2023 it installed over half of the world's total renewable power generation capacity, grew to become the world's largest electric vehicle market and exporter, and planted more trees than any other country in the world.

From ambition to action

Against this backdrop, we further refined our approach and leveraged the increased capacity we had built in previous years to double down on various strategic initiatives.

Our sustainability strategy remains centred around embedding environmental and social considerations into the fabric of our business via three pillars: (1) Responsible Banking that seeks to empower our clients to being more sustainable and to promote greater access to essential financial services, (2) Responsible Business Practices that focuses on how we conduct ourselves as an organisation, and (3) Impact Beyond Banking that supports social enterprises and community causes, as well as employee volunteerism.

In our Responsible Banking pillar, we materially expanded our client engagement with large corporate customers on climate to deliver on the bold commitments we made in 2022 when we published 'Our Path to Net Zero – Supporting Asia's Transition to a Low Carbon Economy'. Apart from offering advisory services related to our clients' net zero transition journeys, we translated this engagement into finance solutions. Our sustainable financing commitments (for loans and trade finance), net of payments,

> ***"We committed up to SGD 1 billion over the next 10 years to improve lives and livelihoods of the low-income and underprivileged, and foster a more inclusive society"***
>
> **Piyush Gupta, CEO DBS Group Holdings**

stood at around SGD 70 billion as of December, up from SGD 51 billion in the previous year. We also facilitated close to SGD 18 billion of ESG bond issuances in 2023.

We supported global efforts related to the managed and early phase out of coal in Asia. Asia has around 5,000 operational coal power plants. It will be critical to shut them down well ahead of the end of their operating lives to meet the goals of the Paris Agreement. This endeavour is very complex, especially given the socio-economic context in Asia and the imperative to accomplish this in a just manner. To this end, we have supported and collaborated in initiatives with research and advocacy efforts to foster an ecosystem approach. For example, we co-led work related to the public consultation and final report of the Glasgow Financial Alliance for Net Zero ('GFANZ') on 'Financing the Managed Phaseout of Coal-Fired Power Plants in Asia Pacific'. Furthermore, we have acted as financial advisor to the Indonesian Investment Authority ('INA') related to such transactions. During COP28, INA and various partners signed a framework agreement and conditionally agreed to shorten the operating life of Cirebon-1, a 660 MW coal-fired power plant located on Java, by around seven years.

In addition to our focus on large corporates, we doubled down on our efforts to help SMEs in their sustainability efforts. Last year, we established several strategic partnerships with industry leaders to provide more comprehensive solutions to SMEs. One example is our new collaboration with H&M Group, which seeks to accelerate the adoption of green initiatives across the fashion supply chain. In Hong Kong, we partnered CLP Power to support SMEs' low-carbon transition. Additionally, we signed partnerships with a number of solutions providers such as Keppel Corp, Schneider Electric and Reset Carbon, among others. Furthermore, we engaged over 1,000 SMEs through various sustainability training courses and programmes to develop their capability and capacity in the field.

Next to all these efforts on client engagement, we also further strengthened our ESG risk management capabilities. We enhanced relevant processes and our ESG data architecture, created new analytical tools, and formed a new management position, the Head of ESG Credit Risk.

In our Consumer Banking Group, we continued our efforts to provide customers with financial planning and an array of investment and financing solutions aimed at helping them to live more sustainably. For example, we enhanced and expanded our offerings on LiveBetter, our one-stop digital sustainability platform, which we had launched in 2021. It is now available in Singapore, Hong Kong and Indonesia. To date, more than SGD 21 million has been invested through Invest Better in green funds and ETFs, and over SGD 2 million donated through Give Better for environmental and social causes.

Financial inclusion, banking the under-banked and nurturing healthy financial planning, has always been a core focus area for us. Last year, we approved over 4,400 unsecured loans totalling SGD 665 million to micro and small businesses to support their working capital needs. Furthermore, we developed a personal finance guidance, the DBS Financial Planning Portal, to achieve holistic financial wellness across the key life stages.

In our Responsible Business Practices pillar, we established the Employee Experience Council to drive four key employee journeys, namely employee well-being, workload, assimilation of new hires and rewards & recognition. We also launched our flagship Women Leadership Programme which is specifically designed to build, support, and sustain a robust community of senior women leaders and strengthen our pipeline for senior leadership in the bank. In our procurement, we uplifted our Sustainable Sourcing Principles to encourage suppliers to adopt a socially and environmentally restorative approach in supply of products and services. Furthermore, we implemented a cloud-based data management platform to improve the end-to-end environmental data management. This will enable us to further sharpen our strategy focused on reducing the environmental footprint of our own operations. Additionally, we materially expanded our sustainability learning campus to deepen knowledge of and empower employees to support our agenda and strategic initiatives. As one example, we trained over 1,800 relationship managers and credit risk managers to empower them with necessary climate-related knowledge.

Finally, in our Impact Beyond Banking pillar, we committed up to SGD 1 billion over the next 10 years to improve lives and livelihoods of the low-income and underprivileged, and foster a more inclusive society. In addition, our workforce committed to over 1.5 million volunteer hours over the next decade to give back to society. In 2023, the DBS Foundation awarded SGD 3.7 million in grant funding to 24 SMEs and social enterprises across the region through its Business for Impact Chapter. The DBS Foundation also committed another SGD 5.6 million to support 11 new programmes to build future-ready skills and food security among vulnerable segments through its Community Impact Chapter.

Recognising our role in society and pursuing our Vision

Last year, DBS marked our 55th anniversary. With roots as the Development Bank of Singapore, established with the express intent to help Singapore's industrialisation, the idea of being sustainable, being relevant to society, doing real things for real people, and therefore having a purpose, has been deeply rooted in our DNA.

While we are a different kind of bank today, we have always maintained our strong sense of purpose, and developed our Vision to be the Best Bank for a Better World. This means taking action now to create a more prosperous, inclusive and sustainable future for generations to come.

The path ahead is formidable and there is still much to be done. I am grateful for the hard work and perseverance of DBS employees, as well as our clients and partners, on this journey. I am confident that our collective efforts and dedication will allow us to accelerate action at scale and speed, to support a future in Asia which is greener, and just.

Piyush Gupta
CEO
DBS Group Holdings

Highlights

Summary of performance against our climate targets

Emission reduction targets	
On track	Power
On track	Automotive
On track	Real Estate
On track	Oil & Gas
On track	Aviation
Almost on track	Steel
Not on track	Shipping

Data coverage targets	
On track	Food & Agribusiness
On track	Chemicals

The summary of performance against our climate targets tracks the annual variance against the science-informed decarbonisation pathways we have chosen to guide us towards our interim 2030 targets and net zero 2050 targets for each of our priority sectors. We have observed good progress in five out of seven sectors, and they track well against the relevant science-informed decarbonisation pathways. However, we recognise that in very hard-to-abate sectors, such as Steel (almost on track) and Shipping (not on track), there are dependencies and structural challenges that require long-term changes. Addressing these will often need broader ecosystem partnerships across the public and private sectors. We remain committed to working with our clients and fostering partnerships to enable an economy-wide transition to net zero that is orderly and just.

Read more about our sustainability achievements and initiatives in the following chapters of our Sustainability Report.

01 Responsible Banking

Committed
SGD 70 billion
in sustainable financing, net of repayments and facilitated SGD 18 billion in ESG bond issuances as an active bookrunner

Established
Powerful ecosystem partnerships
with H&M Group and CLP Power, among others, to better service our customers' sustainability needs

Approved
> 4,400 unsecured loans
in Singapore, totalling SGD 665 million, as part of our wider regional support for the working capital needs of micro and small businesses in Asia

Facilitated
> SGD 21 million
investments in green funds and ETFs through LiveBetter platform since November 2021

02 Responsible Business Practices

Established
Employee Experience Council
to drive better employee journeys in DBS

Launched
Women Leadership Programme
to build, support, and sustain our community of senior women leaders

Enhanced
Sustainability Learning Campus
to further build bank-wide sustainability capabilities

Achieved
Green Mark Platinum for > 80%
of manned retail branches in Singapore

03 Impact Beyond Banking

Committed up to
SGD 1 billion
over 10 years to improve lives and livelihoods of the low-income and underprivileged

Awarded
SGD 3.7 million
in grant funding through DBS Foundation Business for Impact Grant Award

Committed
SGD 5.6 million
to programmes on future-ready skills and food security for vulnerable segments

Delivered
> 200,000 employee volunteering hours
reaching >150,000 beneficiaries

Subsidised
4.67 million meals
through DBS PayLah! weekly hawker meal initiative

Approach

Our sustainability strategy

Guided by our vision to be the "Best Bank for a Better World", DBS seeks to create long-term value for stakeholders in a sustainable way. We do this by using our resources to build competitive advantages that unlock new business opportunities for sustainable value creation.

Our Vison

Best Bank for a Better World

Environmental and social factors are woven into the fabric of our business across three pillars to create sustainable outcomes for our stakeholders.

01 Responsible Banking

We are supporting our clients to be more sustainable and transition towards lower-carbon business models, integrating sustainability into financing solutions and investment opportunities, and democratising banking services to meet our customers' specific needs.

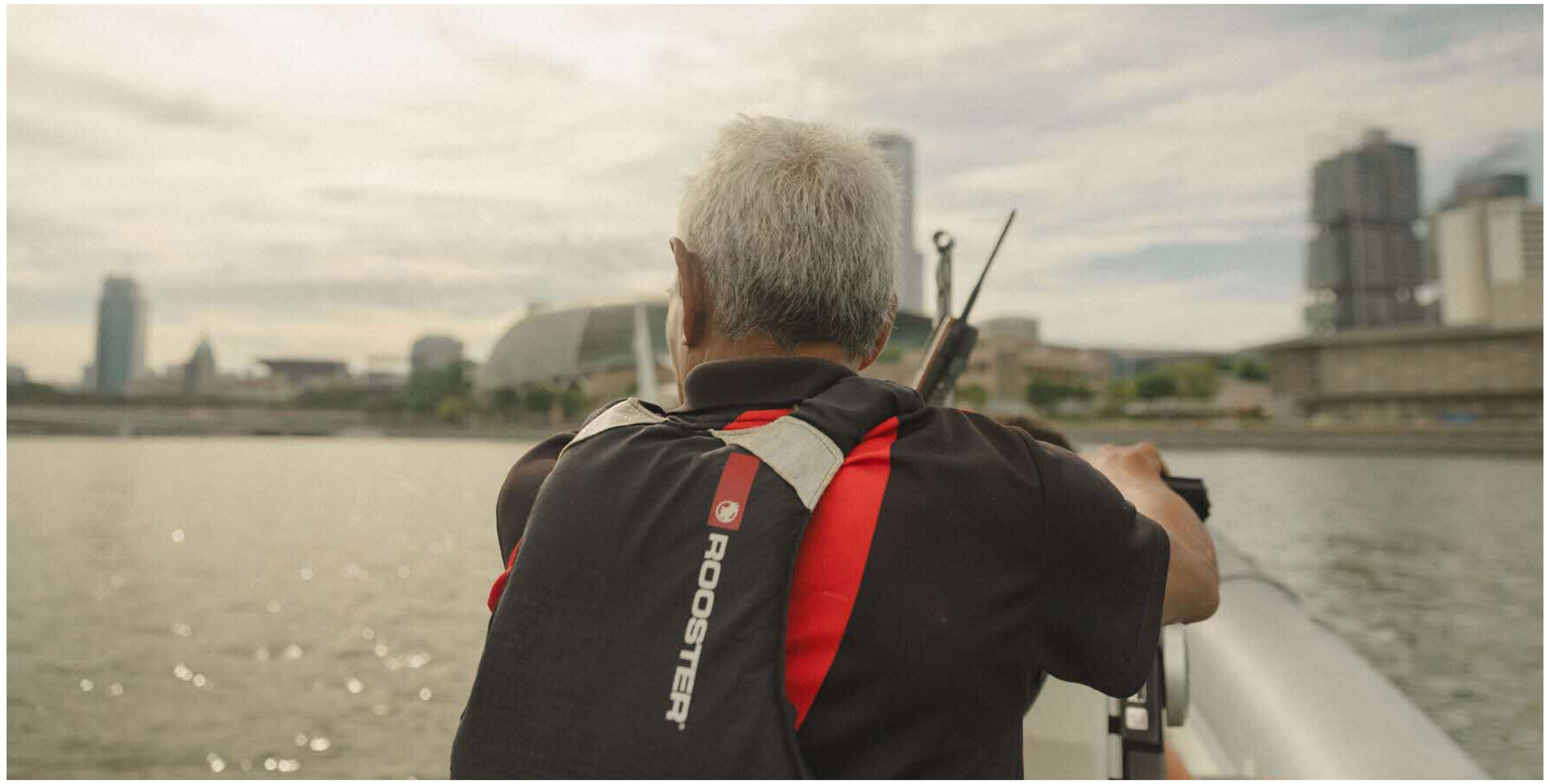
02 Responsible Business Practices

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 businesses for impact and uplifting vulnerable communities to catalyse positive environmental and social impact.

We see sustainability as an active value driver that offers new opportunities, builds resilience against ESG risks and strengthens trust with our stakeholders. Across the three pillars of our sustainability strategy, we have set metrics and targets, and developed initiatives to drive sustainable outcomes. We report on our approach and performance against our material ESG factors in the following chapters of this report.



Supporting sustainable development

As a member of the United Nations Global Compact, we have a role to play in promoting sustainable development. We are committed to drive progress towards achieving the sustainable development goals (SDGs). All 17 interrelated goals represent an ambitious sustainability agenda by 2030. We have chosen to focus on the following six SDGs which we believe we can make the most meaningful contributions to, taking into account the markets in which we operate.

Read more about how we are contributing to the SDGs in the chapters that follow.

Governance of sustainability

Effective governance and board oversight is crucial to ensure resilience and drive long-term value creation. At DBS, the Board is collectively responsible for the long-term success of the bank and has ultimate responsibility of our sustainability strategy and reporting. It provides constructive challenge and strategic advice to management.

Board and Board Committees

In 2022, the Board established our Board Sustainability Committee (BSC) to provide greater governance and oversight on our sustainability agenda, including our net zero commitment, which is a strategic priority for the bank.

The BSC is chaired by DBS Group CEO Piyush Gupta. Its members come from different business backgrounds and bring together complimentary skills and experience. The BSC members who are also DBS Board members, include Chng Kai Fong, Judy Lee, Tham Sai Choy and David Ho, who was newly appointed to the bank's Board of Directors in April 2023. In addition to DBS Board members, the BSC also comprises of a non-director member and sustainability expert, Dr. Ben Caldecott, the founding Director of the Oxford Sustainable Finance Group at the University of Oxford Smith School of Enterprise and the Environment.

Read more about the profiles of our Board of Directors in our Annual Report.

In 2023, the BSC met quarterly and discussed several topics related to sustainability, including, but not limited to:

- Global themes relevant to DBS and our sustainability strategy.
- Sustainability-related developments within DBS.
- Climate risk considerations including physical and transition risks, and enhancements to our ESG risk assessments.
- Client engagement on transition planning, as well as green and sustainable financing solutions.
- DBS' approach to disclosures, including adherence to new sustainability-and climate-related reporting standards and frameworks.

The Board receives regular updates on key sustainability matters arising from these quarterly BSC meetings.

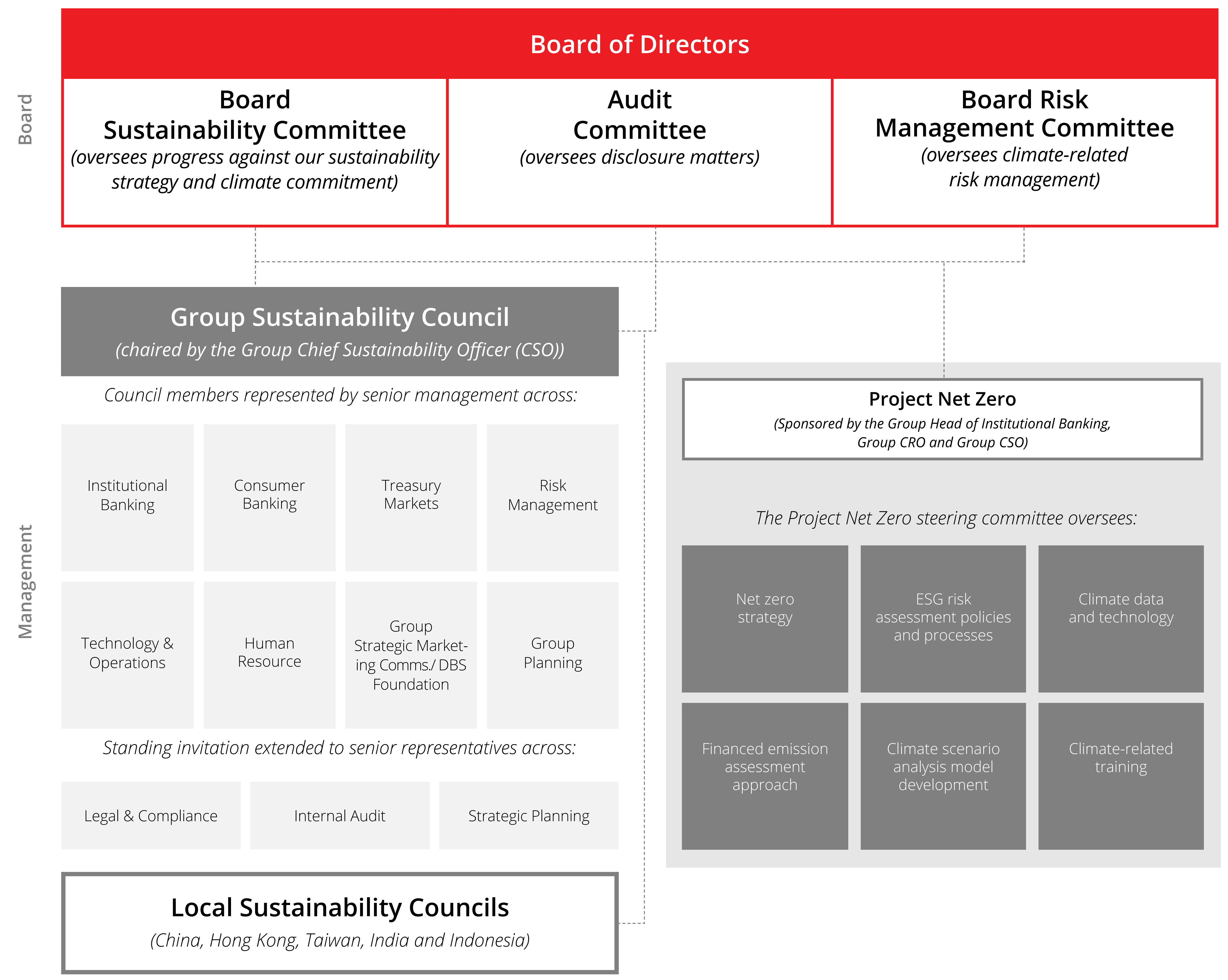
At DBS, we take an integrated approach to governance of sustainability and climate-related risks and opportunities. The Audit Committee (AC) and the Board Risk Management Committee (BRMC) also have oversight responsibilities for sustainability-related activities. In 2023, the AC received regular updates on sustainability-related disclosure requirements, while the BRMC discussed and reviewed climate considerations as part of the wider risk management processes.

Board statement on sustainability

"The Board has overall responsibility for the formulation of DBS' sustainability strategy. The Board provides oversight on DBS' sustainability agenda and directs its efforts in managing material ESG factors, guided by the objective to create long-term value by managing our business in a balanced and responsible way. In 2023, the Board Sustainability Committee (BSC) oversaw the update of our material ESG factors, as well as the continued progress to weave social and environmental factors into the fabric of our business, with a greater focus on climate-related matters."

DBS Group Board of Directors

Sustainability governance structure



Executive management

At the management level, the Group Sustainability Council (GSC) oversees the execution of sustainability initiatives across the bank. The GSC is chaired by the Group CSO and comprises of senior managers from various business and support units. In 2023, the GSC met quarterly.

Given the increasing regulatory and legal relevance of ESG matters, Internal Audit and Legal & Compliance attend GSC meetings as observers. This supports a more comprehensive approach to risk management and regulatory compliance, and deeper ethical considerations as we navigate a dynamic and complex sustainability landscape.

The GSC – through the Chief Sustainability Office – coordinates and collaborates sustainability efforts with the five Local Sustainability Councils (LSCs) established in our core markets outside of Singapore (China, Hong Kong, Taiwan, India and Indonesia). In addition to the GSC, the LSCs serve as executive forums for discussions and operational decision-making on sustainability matters.

In 2023, we established a cross-functional steering committee called Project Net Zero, which drives the operationalisation of our climate agenda across our net zero commitment, risk management and reporting. Sponsored by the Group Head of Institutional Banking, Group CRO and Group CSO, the steering committee is responsible for the implementation of multiple workstreams that involve different business and support units across the bank. The Project Net Zero Steering Committee provides quarterly updates to the BSC as one of the key standing agenda items.

At the start of 2023, the bank established a new ESG Credit Risk team under Risk Management Group along with a new management position – Head of ESG Credit Risk – to provide leadership and expertise to further strengthen our Climate and ESG risk management capabilities.

Embedding sustainability into performance management and remuneration

We use a balanced scorecard approach to measure how successful we are in serving our key stakeholders and executing our long-term strategy. Sustainability and climate-related targets are incorporated into our Group Scorecard and cascaded across the relevant units' scorecards, which are used to evaluate performance. Progress made against these targets is then used to determine the compensation for both our management and relevant executing teams, which in turn drives the overall management of sustainability performance across the bank.

Management targets cover key sustainability and climate-related themes such as:

- Governance, processes and reporting systems
- Climate progress under Project Net Zero
- Sustainable, green and social products, solutions and services
- Financial inclusion, financial literacy and digital inclusion
- Regenerative technology and spaces
- Talent and people, including talent retention, diversity & inclusion and employee engagement
- Impact beyond banking through DBS Foundation

To further strengthen the governance of sustainability at DBS, in 2023 we conducted a holistic review of our sustainability governance processes. As a result, we have refined our approach including:

- Establishing an Environmental and Social Incident Management Guide to ensure timely and appropriate response to any reports of environmental and social incidents.
- Establishing a Consumer Banking Governance Guide for Sustainability Labelled Products and Services to ensure that a robust governance framework and internal controls are in place for products and services, to which a sustainability label is attached.
- Uplifting our Sustainable Sourcing Principles (SSP) to further promote the principles of restorative procurement amongst our suppliers.

Read more about "Our 2023 priorities", "Corporate governance" and "Remuneration report" in the Annual Report.

Elevating sustainability knowledge and skills

Sustainability is a dynamic field and the sustainability context within which we operate is constantly evolving. The Board receives regular briefings on sustainability matters, including from external sustainability experts. In addition, we ensure that our Board and Board committees stay informed about key developments and possess the knowledge and skills to advise on a wide spectrum of sustainability and climate-related risks and opportunities. Training on ESG matters is provided for all new Board members.

To further embed sustainability into every aspect of our business and build the capacity of our people, in 2023 we identified three key sustainability learning priorities and enhanced the DBS Sustainability Learning Campus, considering different target audiences within the bank.

For senior leaders

To further our senior management understanding of the business imperatives arising from sustainability risks and opportunities, and support the integration of ESG risks and opportunities into strategic decision making, we collaborated with Cambridge University's Institute for Sustainability Leadership to conduct a full day senior leadership workshop. The interactive workshop included cases on sustainability best practices and challenging dilemmas, with an emphasis on solving real world problems.

For all staff

To create greater understanding of the relevance of sustainability for the bank across all employees, a suite of sustainability-related training modules was launched in April 2023. The modules cover a variety of sustainability concepts, as well as communicating DBS' sustainability commitments and progress, and how everyone can participate in this journey.

Read more about our bank-wide learning programme in "Developing our people" on page 49.

For role-based specialised functions

To enable a more structured learning journey based on domain expertise, we have also customised several learning modules for specific departments within the banks. For example, to operationalise our net zero commitments and build competencies on climate-related risks and opportunities, we conducted climate activation training for our Relationship managers (RMs) and Credit Risk Managers (CRMs).

Read more about our specialised training in "Responsible financing" on page 16.

Stakeholder engagement

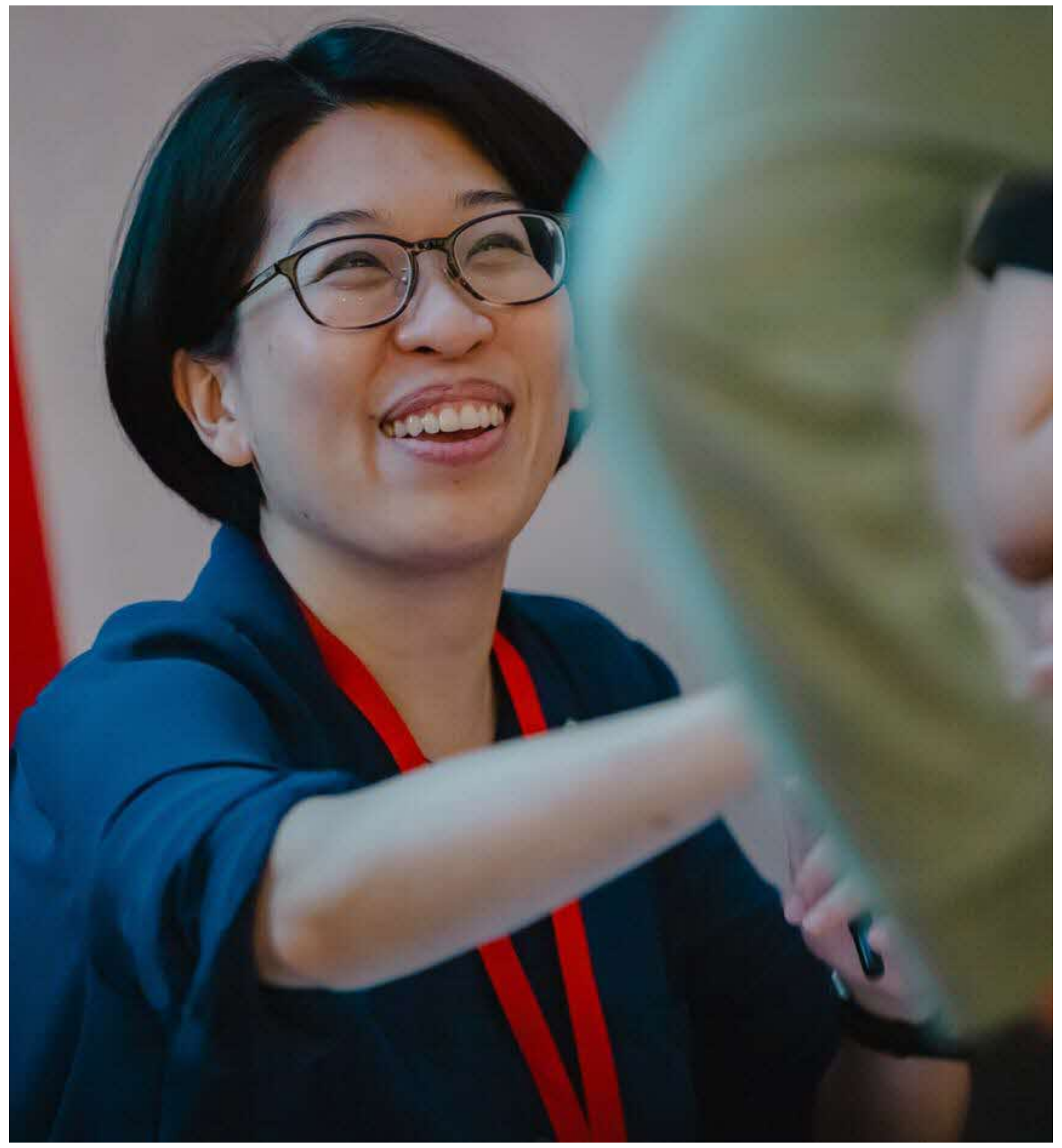
We have ongoing dialogue and closely collaborate with our key stakeholders, which helps us to continuously refine our business strategy and strengthens our ability to create long-term value.

We define our key stakeholders as those who are most impacted by our business activities, as well as those with the greatest ability to influence them. They include our investors, customers, employees, society, as well as regulators and policy makers. We proactively engage with these key stakeholders through a variety of channels to both understand and respond to their concerns and interests.

The outcomes of the stakeholder engagement inform our understanding of the ESG factors that are material to our business, which helps to define our strategic priorities and guide the development and implementation of our initiatives.

	Investors We provide timely and detailed disclosures to enable investors to make informed investment decisions with DBS. We also seek their perspectives on our financial performance and strategy, including sustainability matters.	**Customers** We interact with customers to better understand their requirements so that we can provide the right financial solutions for them.	**Employees** We communicate with our employees via multiple channels to ensure that our employees feel purposeful, feel connected, feel invested in, feel valued and feel cared for.	**Society** We engage the community to better understand the role we can play to address societal needs and gaps.	**Regulators and policy makers** We strive to be a good corporate citizen and advocate by providing input to and supporting the implementation of relevant local and global laws, regulations, guidelines, and public policies. Additionally, we seek to be a strong representative voice for Asia and Asian financial services at local and global industry forums.
How did we engage?	• Quarterly result briefings. • Investor Day 2023, which drew physical participation from 45 firms and was well-received by analysts and fund managers who attended in person. • One-on-one and group meetings with over 550 investors, conducted either online or in-person, including conferences.	• Multiple service channels, including digital banking, call centres and branches. • Regular engagements via relationship managers and subject matter specialists, where appropriate. • Active interaction and prompt follow-up to queries/ feedback received via social media platforms such as Facebook, LinkedIn, and Twitter, as well as our corporate websites. • Regular satisfaction surveys. • Participation in conferences, masterclasses, and events bringing together partners and industry leaders for networking and knowledge sharing.	• "Tell Piyush" – an online forum where over 550 employee questions and feedback items were conveyed to the CEO. • "DBS Open" – quarterly group-wide townhall hosted by the CEO. • Regular department townhalls and events held by senior management. • Annual "My Voice" Employee Engagement survey and quarterly Employee Experience surveys. • Employee Experience Council – drive iconic employee journeys to enhance employee experience. • Culture Builders – more than 1200 employees engage fellow employees to gather feedback.	• Regular events and conversations with Businesses for Impact, community partners and social service agencies to understand the social landscape and how DBS can partner to create impact. • Connection with government bodies and associations, including Singapore Centre for Social Enterprise and Community Chest. • Strong partnerships with academia to jointly tackle real-world sustainability challenges. • Community engagement within the public housing estates (heartlands) and our neighbours through POSB.	• Regular engagement sessions with regulators, government bodies and public agencies in one-on-one or group meetings. • Sharing insights and expertise with, and providing feedback to, regulators, government bodies, and public agencies as an industry leader, including actively participating in regulator or government-led working groups, committees or forums. • Actively participating in local, regional, and international industry forums on financial regulation. • Actively responding to, or providing feedback on Consultation Papers, draft regulations or guidelines, or policy statements or papers.

What are the key topics raised and feedback received?	• Impact on business outlook and credit quality from peaking interest rates, geopolitical uncertainty, slowing economic growth and pressures from China's real estate sector.
	• Prospect for higher dividends given high Common Equity Tier 1 (CET 1) level and Return on Equity.
	• Environmental, social and governance (ESG) commitments and our progress towards targets. Specifically, climate change, corporate governance, technology resilience, and other social issues such as human capital management and rising inequality are highlighted as priorities to manage.
		• Retail customers are seeking greater stability and security, alongside growing demand for digital services. They also prefer greater product variety and features to enable seamless user experiences.
		• Many retail customers are also expecting stronger customer protection amid the fast-evolving scam and fraud tactics, to prevent scammers from fraudulently logging into their banking accounts.
		• Many small and medium enterprise (SME) customers continue to have working capital requirements to support them as they pivot in a post pandemic, escalating inflation environment.
		• There is growing interest amongst corporate and SME customers to embrace sustainability as part of their business strategy. Many are seeking to strengthen internal capabilities, collaboration and new partnership establishments to enhance their sustainability and decarbonisation efforts.
			• Questions and feedback raised via "Tell Piyush" covered topics such as corporate strategy, culture, technology and workplace management, employee compensation, benefits and welfare as well as customer experience.
			• Through the annual employee engagement survey and quarterly employee experience survey, the key areas of concern raised by employees are around wellbeing (work-related stress), and rewards and recognition.
				• A growing number of SMEs and social enterprises (SEs) are open to adopt more sustainable business models, but are often held back by operational matters and may lack the bandwidth or resources to kickstart their transition journey. They seek catalytic capital and strong partners to enable them to scale up their businesses and deepen their positive social and environment impact.
				• An uneven post-pandemic economic recovery and stubbornly high inflation have exacerbated the plight of the financially vulnerable with some segments of society facing acute challenges in making ends meet.
					• Ensure business resilience and continue providing innovative financial services to maintain stability of the financial system.
					• Key regulatory and reporting topics being discussed and introduced in the banking industry include:
					  • Technology and cyber security
					  • Money laundering and terrorism financing
					  • Artificial intelligence applications
					  • Climate change
					• New regulatory and legal requirements, as well as new global or market standards in new growth areas such as fintech/ tech platforms, carbon markets, sustainable financing, green taxonomies, and climate and nature-related reporting and disclosures.



	Investors	Customers	Employees	Society	Regulators and policy makers
	We provide timely and detailed disclosures to enable investors to make informed investment decisions with DBS. We also seek their perspectives on our financial performance and strategy, including sustainability matters.	We interact with customers to better understand their requirements so that we can provide the right financial solutions for them.	We communicate with our employees via multiple channels to ensure that our employees feel purposeful, feel connected, feel invested in, feel valued and feel cared for.	We engage the community to better understand the role we can play to address societal needs and gaps.	We strive to be a good corporate citizen and advocate by providing input to and supporting the implementation of relevant local and global laws, regulations, guidelines, and public policies. Additionally, we seek to be a strong representative voice for Asia and Asian financial services at local and global industry forums.

How did we respond?	• We provided detailed disclosures and commentary on business outlook, financial performance, and credit quality.
	• We held an investor day to provide further details on how digitalisation has structurally improved our franchise and provided a medium-term ROE target range.
	• We reiterated our policy to pay sustainable dividends that grow progressively with earnings and committed to raising baseline dividend per share by 24 cents per year. We also affirmed our CET-1 target range and guided to return excess capital.
	• We responded to the ESG queries and highlighted key information about our sustainability strategy through email correspondence, as well as both online and in-person meetings. We also provided details on how we are operationalising our net zero commitment, including how we engage with customers on their decarbonisation strategies.
	
	Read more in the "CFO statement" in our Annual Report and our Investor Day on our website.
		• To improve service reliability, we established a comprehensive roadmap that will strengthen technology resiliency and recovery. We reinforced our Respectful, Easy to Deal With, Dependable (RED) service standards by developing an extensive empathy training programme to enhance our ability to solve the root causes of negative experiences. We continue to adopt a customer-obsessed culture and improve banking journeys.
		• We also developed new anti-malware security measures, including access restrictions to online banking apps when potential security risks are detected and a suite of self-managed security controls to empower customers to proactively safeguard themselves.
		• We approved over 4,400 unsecured loans totalling SGD 665 million to micro and small businesses and continued to harness our data capabilities to proactively reach out to our SME customers to address their working capital requirements.
		• We intensified our client engagement on their net zero and transition strategies to empower our clients on their sustainability planning and decarbonisation journeys. In 2023, we established several partnerships to connect our clients with a network of solution providers and accelerated innovative financing solutions through the Business for Impact (BFI) Banking Package to SMEs with sustainable business models, among others.
		• We also advocated for sustainability capability and capacity building. For example, we partnered with SkillsFuture Singapore, a Singapore government agency, to upskill SMEs and help strengthen their sustainability skills through the DBS SME Skills Booster programme.
		
		Read more in "Technology resilience" on page 67, "Responsible financing" on page 16, "Sustainable living" on page 37, and "Financial inclusion" on page 40.
			• Piyush personally addressed all questions and comments raised. Employees were also engaged regularly through quarterly pulse surveys to identify areas of concerns and/ or pain points. Where applicable, all issues and suggestions raised, and insights received, were directed to relevant departments and COO offices for follow-up.
			• DBS has continually improved our employee experience in response to employee feedback, resulting in more impactful outcomes such as improved employee advocacy, retention and motivation. In 2023, we established the Employee Experience Council to prioritise four focus areas: employee well-being, workload, assimilation of new hires, and rewards & recognition.
			
			Read more about " Enhancing employee engagement and culture" on page 46.
				• We awarded SGD 3.7 million in grant funding to 24 awardees across the region through the 2023 DBS Foundation Business for Impact Grant Award. This programme is to recognise, reward and support both SMEs and SEs to scale their business model and deepen their social and/ or environmental impact.
				• We continued to scale our volunteerism footprint by encouraging employees to embrace new creative ways of volunteering, incorporating a hybrid of in-person and virtual approaches. In transcending limitations and geographical constraints, we successfully redefined the concept of volunteering.
				• In August 2023, we announced a commitment of up to SGD 1 billion over the next 10 years to improve lives and livelihoods of the low-income and underprivileged, and foster a more inclusive society.
				
				Read more about "DBS foundation" on page 82 and "Employee volunteerism" on page 87.
					• Following the technology incidents in 2023, we have laid out a comprehensive roadmap to further enhance our resilience and enhance stakeholder's confidence and trust. To reinforce governance and oversight of technology risk, we established the Board Technology Risk Committee.
					• We partnered regulators, industry peers, and enforcement agencies to address the risk of mobile malware and respond to the evolving online scams targeting our banking customers.
					• We collaborated with regulators and industry peers to plan and execute an industry-wide cyber security exercise to test and improve the industry readiness to respond to a wide scale cyber security affecting the banking ecosystem.
					• We contributed to various regulatory consultations and discussions, as well as industry working groups including (amongst others):
					  • The Singapore-Asia Taxonomy by MAS
					  • MAS Consultation Papers on Transition Planning Guidelines
					  • ASIFMA's White Paper on Upscaling Carbon Markets Across APAC
					  • Creating a national ESG data utility for SMEs
					  • The Green Skills Future Committee, set up by the Ministry of Trade and Industry in partnership with SkillsFuture Singapore
					
					Read more about "Technology resilience" on page 67, "Preventing financial crime" on page 74, and "Responsible financing" on page 16.

Material ESG factors

Materiality is an important principle that we use to ensure we remain focused on the sustainability-related risks and opportunities that support our resiliency and ability to create long-term value.

Our material ESG factors influence how the Board and management steer the bank. They inform our approach to governance, risk management, strategy and reporting.

In the context of our reporting on sustainability, materiality helps to make sure that our disclosures are responsive and relevant to our stakeholders.

Our materiality assessment process

We review our material ESG factors annually following a four-step process :

1. Identify → **2. Assess & prioritise** → **3. Validate** → **4. Integrate**

1. Identify the sustainability-related impacts, risks and opportunities relevant for DBS across our value chain by:

- Incorporating feedback from stakeholder engagements, with a focus on gathering investor views on materiality
- Research into industry developments and benchmarking against global peers
- Referencing relevant sector standards and frameworks, such as those from GRI and SASB

Read more about our stakeholder engagement on page 10.

2. Assess & prioritise the identified ESG factors based on a "double materiality" approach, which considers:

- Impact materiality: Significance of our outward impacts on the economy, environment, and people
- Financial materiality: Significance of the ESG factor for our ability to drive long-term value creation

3. Validate the prioritised list of material ESG factors included discussion with key business and support units, before being reviewed by:

- Group Sustainability Council
- Group Chief Executive Officer
- Board Sustainability Committee

4. Integrate the resulting material ESG factors into governance structures, risk management processes, strategy development and our reporting to stakeholders.

Where relevant, metrics and targets on our material ESG factors are included in our balanced scorecard to set objectives, drive behaviours, measure performance and determine the remuneration of our people

Read more about our balanced scorecard approach under "Our 2023 priorities" in our Annual Report.

Our Material ESG factors

In 2023, we updated our annual review of our material ESG factors, following our four-step process. As a result, we amended two material ESG factors to provide a clearer description of their associated impacts, risks and opportunities. Responsible financing was changed to climate change, and building a great corporate culture was changed to employee engagement and culture. We also created a new topic on the overall resilience of technology at DBS, which includes the previous topic of cyber security. For all the ESG factors listed below, we confirmed their ongoing importance. Finally, we have updated how we present our material ESG factors, which are now classified into two categories:

Strategic ESG priorities

These form the focus of our strategy for sustainable value creation. They represent the greatest business opportunities for differentiation and our business-critical risk areas. They are also the areas where we believe we can have the greatest positive impact on sustainable development.

- **Climate change**
- **Technology resilience (incl. cyber security)**
- **Developing our people**
- **Data governance**
- **Financial crime prevention**
- **Financial inclusion**

ESG fundamentals

These form the foundation of sustainability at DBS and underpin our ability to drive long-term value creation and ensure we operate as a responsible and sustainable business.

- **Diversity, equity and inclusion**
- **Employee engagement and culture**
- **Employee volunteerism**
- **Fair dealing**
- **Human rights**
- **Operational environmental footprint**
- **Responsible tax**
- **Sustainable procurement**
- **Supporting social enterprises and the community**

Human rights

At DBS, we believe that every individual has human rights as enshrined in the United Nations' Universal Declaration on Human Rights. We also recognise that today the world faces considerable social and human rights challenges that require collaboration between all members of society to overcome.

In our capacity as a leading financial institution in Asia, we are committed to respecting human rights across all aspects of our business. Our approach has been designed to acknowledge the economic, legal, social, cultural, historical and religious context in Asia where we operate.

Governance of human rights

In 2022, we established a Human Rights Policy, which was approved by our Board Sustainability Committee (BSC) and formalised our commitment to respect human rights. Our Chief Sustainability Officer has oversight of our policy and approach to respect human rights, and works closely with other members of our management team to embed human rights due diligence across our business. Responsibility and resources for day-to-day implementation of human rights due diligence sits with our business units and support functions where appropriate.

Our Human Rights Policy forms part of a set of policies and frameworks that work to embed human rights due diligence and enable remediation of any adverse human rights impacts across our business.

The Human Rights Policy

Sets out our overarching approach to human rights, and includes our commitment to the United Nations Guiding Principles on Businesses and Human Rights.

Read more about our Human Rights Policy.

The Group Responsible Financing Standard

Documents our approach to responsible financing, covering ESG issues, which expressly includes human rights. It outlines ESG-related prohibited transactions, which includes finance activities associated with forced labour, child labour, and violation of the rights of local communities. It is supplemented by nine Sector Guides which provide more sector-specific guidance in sectors with elevated human rights risks. Our sector guides provide our Relationship Managers and Credit Risk Managers a structured approach to assessing human rights risks.

Read more about our approach in our Responsible financing chapter on page 23.

The Group Code of Conduct and Diversity, Equity and Inclusion Policy

Articulates the professional, ethical and legal principles DBS is committed to and the highest standards of behaviour expected of everyone working at DBS, including no tolerance for discrimination and harassment, and encouraging employees who witness inappropriate behaviour to speak up without fear of retribution so as to build an equitable and inclusive workplace for all.

Read more about our approach in our Driving diversity, equity and inclusion chapter on page 52.

Sustainable Sourcing Principles

Outlines our strategy for the purchasing of goods and services to meet DBS' requirements for human rights, safety and health, environmental sustainability, and business ethics and integrity. All new suppliers are asked to agree to these principles upon contracting with us.

Read more about our approach in our Sustainable procurement chapter on page 66.

Our approach to embedding human rights due diligence

1. Identifying salient[(1)] human rights issues

In 2023, we conducted a review to update our understanding of the most significant human rights risks across our business activities and relationships. This review included internal discussions and an analysis of our existing policies and practices, which are informed by various industry and regulatory led initiatives. It was supplemented by desk-based research into relevant human rights risks for banks and benchmarking against leading global peers.

Human rights risks	Relevance to our business			
	Institutional banking clients	Consumer banking customers	Our employees	Our suppliers
Forced labour	✓			✓
Child labour	✓			✓
Workers' rights[(2)]	✓			✓
Community rights[(3)]	✓			✓
Discrimination and harassment			✓	
Customer privacy		✓		
Customer indebtedness and financial health		✓		

(1) Refers to human rights issues that are at risk of the most severe negative impacts through our activities or business relationships.
(2) Workers' rights include fair wages, reasonable working hours, safe working conditions, as well as freedom of association and collective bargaining.
(3) Community rights include cultural, land and resource related rights.

2. Assessing and addressing human rights impacts

As a bank, we recognise that we can contribute to human rights across different areas of our business. We aim to respect human rights in our roles:

As a lender and services provider: for more details on our approach, see sections on Responsible financing, Data governance and Fair dealing.

As an employer in our workplace: for more details on our approach, see sections Driving diversity, equity and inclusion as well as Enhancing employee engagement and culture.

As a partner in our supply chains: for more details on our approach, see section on Sustainable procurement.

3. Grievance mechanisms

We are committed to taking appropriate measures to address actual and potential human rights impacts identified by our due diligence process. If we have caused any actual adverse impact, DBS will take appropriate remedial actions.

In each market where we operate, DBS maintains multiple channels of communication for our stakeholders, including customers, employees, and suppliers, to share their concerns with us. In addition to these communication channels, DBS Speak Up is our whistleblowing programme, run by an independent third party. It provides a safe environment for internal and external parties to raise genuine concerns on potential misconduct on the part of DBS, its staff, suppliers or third parties relating to DBS.

Read more about the DBS Speak Up programme in our Preventing financial crime chapter on page 74.

4. Responding to human rights concerns

To ensure timely and appropriate response to any reports of environmental and social incidents, including adverse human rights impacts, we developed an Environmental & Social Incident Management Guide, which complements existing DBS controls. The guide was tabled and discussed by our Board Sustainability Committee (BSC) in 2023 and will be implemented in 2024.

The guide sets out a process flow chart that provides flexibility for multiple pathways for resolution, to ensure that the most appropriate action can be taken. The process includes:

- The establishment of a cross-departmental working group to manage the incident
- Escalation, management and resolution procedures
- A post-incident review to identify lessons learnt and incorporate changes into existing processes to improve our approach
- Record keeping to preserve relevant information

5. Tracking the effectiveness of our human rights due diligence processes

DBS is committed to continuously improving our approach to respecting human rights. A post-incident review is conducted following the resolution of a human rights incident to identify lessons learnt and incorporate changes into existing processes to improve our approach.

An ESG dashboard that includes any material human rights incidents is reported to the BSC on a quarterly basis. In 2023, we also held two sessions with the BSC on ESG risks, including human rights risks arising from grievances and litigation examples related to the banking industry. DBS is committed to continuously improving our approach to respecting human rights.

6. Reporting and communication

We are committed to reporting on internal policy developments and the work we do in relation to human rights, including the evaluation of human rights risks, and our response to human rights impacts.

We believe that greater transparency builds trust, and as we refine our approach to human rights in the coming years, we will report on our progress as well as the challenges and trade-offs we face. Our ambition in our human rights journey is to understand the impact that DBS has through our business. We will raise awareness through enhanced disclosures and continual and robust engagement with our stakeholders: our employees, clients, and business partners.

Our Modern Slavery Statement

Published annually since 2016 and highlights the steps we have taken to address the risks of modern slavery in our organisation, financing practices and supply chains.

Read more about our Modern Slavery Statement.

PILLAR 1

Responsible Banking

- Responsible financing
- Sustainable living
- Financial inclusion

Responsible financing

Supporting Asia's transition to a low-carbon economy

As a bank, the largest impact we create is through our financing activities. It is critical that we continually strengthen our capabilities to support a more sustainable, just and prosperous society.

A key priority is accelerating climate action, given its urgency and how it is linked to other environmental and socio-economic challenges. Tackling climate change is a global imperative. We are already witnessing the impacts of a changing climate, and unless urgent action is taken to decarbonise our economies, these impacts will worsen.

At DBS, we have made significant progress in translating our climate ambition into action. Since becoming a signatory of the Net Zero Banking Alliance (NZBA) in October 2021, we announced our net zero commitments and established our very first set of science-informed decarbonisation targets for our Scope 3 financed emissions in 2022. Our 2030 and 2050 climate targets guide and direct our lending and financing efforts to support the economy-wide transformation.

"Sustainability continues to be high on national and corporate agendas, as a growing urgency for climate action raises the stakes for a just energy transition. Asia will be where the climate battle is won or lost. We continue to channel capital towards sustainable activities, finding a right balance between economic growth and inclusive development for all".

Su Shan TAN, Group Head of Institutional Banking

Our climate strategy

To operationalise our climate strategy and commitment to net zero, we have established a dedicated steering committee which provides oversight across policies, processes and platforms. We are also committed to reporting our progress on an annual basis, and to review our targets and approach at least every five years.

Read more about our governance of climate change in the Governance on sustainability chapter on page 9.

Our ambition

To achieve a net zero future while recognising our social responsibility to foster a just and inclusive transition

Our priorities

Our lending and financing			Our operations
Business opportunity		Risk management	
Providing ***advisory and financial solutions*** to support our clients in their decarbonisation and transition plans	Forging new ***partnerships*** to provide supply chain and related financing	Integrating ***climate considerations*** into our risk management processes to ensure the short, medium and long-term resilience of our business	Managing our ***operational emissions*** ***Read more on how we are managing our environmental footprint on page 59.***

Our enablers

- Developing **analytical** tools and improving climate **data analytics**
- Engaging with **industries and policymakers**
- Ensuring robust **governance** processes
- Reskilling and empowering our **people**

Client engagement

As part of our client engagement strategy, we **integrate climate mitigation and adaptation** considerations into our sector strategies and account planning process. We embed our ambition and commitment to net zero in our client engagement, while recognising limitations and challenges different sectors face in their business operations. This allows us to group clients into archetypes, based on their level of maturity in their sustainability journey, and offer financing solutions and advice tailored to their needs.

How we help our clients:

- **Financing solutions** to support their pipeline of investment measures, including the establishment of sustainable finance frameworks;
- **Advisory** on mitigation of their emissions across their value chain; and
- **Sharing insights** on key industry ESG considerations, including climate-related risks and opportunities for their sector.

We have engaged our most carbon-intensive clients on net zero planning. These conversations help us to understand where our clients are on their net zero journey and how DBS could partner with them in their decarbonisation efforts.

We are encouraged that the vast majority of our top emitting clients already possess a net zero plan. However, we recognise that many of our clients face these common challenges in their transition to net zero:

1. Certain key technologies for decarbonisation remain nascent and the sectoral ecosystems that support the deployment of these technologies are currently not mature enough for alternatives to become commercially viable. For example, in 2022, production of Sustainable Aviation Fuel (SAF) comprised only 0.1%[(1)] of overall volume of jet fuel used. Scaling SAF production in a competitive market requires an expansion of the feedstock mix, and support from industry players to drive down prices.
2. Supply chain constraints such as labour shortages or scarcity of raw materials. For example, the lack of scrap metals in Asia for a less carbon-intensive process of steel production.
3. The lack of government incentives to support the adoption of low-carbon solutions including electric vehicles and charging stations, which impede their affordability especially in emerging markets.

In our next phase, we will continue to refine our client engagement approach on climate mitigation to further evaluate the feasibility and robustness of their transition plans.

We will also continue to roll out innovative financing solutions, especially through new strategic ecosystem partnerships.

Read more in the next section on "Business opportunities".

We identified and actively engaged at least the top 10 emitters from each of our priority sectors

Oil & Gas | Power | Shipping | Aviation | Steel | Automotive | Real Estate

Does the client have any transition plans?

Yes

- Is their decarbonisation/ transition plan 1.5°C aligned?
- Which reference scenario does the client use (if any)?
- What are the challenges faced by the client?
- How can DBS help?

No

- What are the reasons for not having a transition plan?
- How can DBS help?

Almost 90% of the top emitting clients that we have engaged have a net zero plan

Enabling our relationship management teams to effectively engage clients

Our approach to steering portfolios towards net zero is driven by robust internal processes and digital tools:

1. **Regular cadence with sector teams to monitor performance**
   A central team of sustainable finance experts maintains active dialogue with sector coverage teams across all our core markets and where we have a sizable international presence. This ensures ESG considerations and clients' decarbonisation plans are at the forefront of our Relationship Managers' (RM) minds. To help teams stay abreast of industry developments, market trends, government legislations, and technological advancements, we invite knowledge partners, industry associations, or governance bodies to conduct learning sessions for our RMs and Credit Risk Managers (CRMs).
2. **Leverage ESG Risk Questionnaire (ERQ) to engage clients**
   We have progressively enhanced our ERQ, which guides RMs to evaluate ESG risks and opportunities consistently, forming the basis for more informed client engagements. This enables the bank to gain clearer insights on our customers' risk management measures as well as financing and transition needs.
3. **Actively manage portfolio with digital tools**
   Since establishing our net zero targets, we focused on developing tools to support our RMs to understand our clients' position on climate change and forecast their future climate change performance using scenario analysis. Our Climate Analytics Tool (CAT) generates insights on the simulated emissions performance trends of a client over the short, medium and long-term. This facilitates more in-depth and forward-looking conversations to guide our clients in operationalising their decarbonisation plans more effectively.

   Additionally, a portfolio management function helps industry and segment heads, as well as with senior leaders within the bank simulate how various factors could impact a sector's emissions performance. This includes potential new businesses, loan rundowns, or changes in customer operating models. The CAT has been tailored for our priority sectors, covering Power, Oil & Gas, Real Estate, Steel, and Aviation, with plans for the other sectors to be completed in 2024.

(1) S&P Global Commodity Insights (Platts), IATA Sustainability & Economics (1 September 2023)

Industry and policy engagement

Engagement with industry and policymakers is one of the key enablers in our climate strategy. We contribute our views on industry and policy matters through regular participation in various industry or government-led working groups, technical committees, forums, and one-on-one meetings. We seek to promote the development and adoption of policies, frameworks, and guidance that accelerate action on climate change both in the markets we operate in and globally.

Below are some examples of our industry and policy engagements in 2023:

Supporting the Transition

Monetary Authority of Singapore (MAS)

DBS actively participated in several MAS projects and working groups, such as on managed coal phase out. We have committed to being a partner in the MAS-convened project, the Transition Credits Coalition (TRACTION). The project aims to explore the creation of credible, high-integrity transition credits to support the managed and early phase out of coal power plants.

Glasgow Financial Alliance for Net Zero (GFANZ)

DBS co-led a workstream as part of the GFANZ guidance paper on 'Financing the Managed Phaseout of Coal-Fired Power Plants in Asia Pacific'.

Skills and Jobs

Green Skills Committee (GSC)

DBS is a member of the GSC, which is convened by the Singapore Ministry of Trade and Industry (MTI). The GSC aims to support the development of skills in line with evolving industry needs, as Singapore moves towards a sustainable, lower-carbon economy.

Reporting and Disclosure

Green Finance Industry Taskforce (GFIT)

DBS was the co-chair in the disclosure workstream of the MAS-convened GFIT. The taskforce comprises of representatives from financial institutions, corporates, non-governmental organisations, and financial industry associations which aims to (i) develop a taxonomy; (ii) improve disclosures; (iii) foster green finance solutions; and (iv) enhance environmental risk management practices of financial institutions.

Sustainability Reporting Advisory Committee (SRAC)

DBS is a member of the SRAC, which was jointly set up by Singapore's Accounting and Corporate Regulatory Authority (ACRA) and the Singapore Exchange Regulation (SGX RegCo). The committee is responsible for developing a sustainability reporting roadmap for Singapore-incorporated companies, including the adoption of the International Financial Reporting Standards' (IFRS) sustainability standards.

Global Reporting Initiative (GRI) Technical Committee

DBS sits on the GRI technical committee and supports the development of the banking standard, which will be one of three standards (banking, insurance and capital markets) developed for the financial services sector. DBS is the sole representative from Asia Pacific.

World Business Council for Sustainable Development (WBCSD)

DBS is a member of WBCSD and participates in several project groups including the working group on Redefining Value, which helps companies address the link between sustainability efforts and valuation.

Read more about our Commitments and memberships on page 107.

Business opportunities

Providing innovative financing solutions

We provide practical and innovative financing solutions for our clients to implement their sustainability strategies. Our sustainable financing offerings are deployed principally through (i) loans and trade financing, and (ii) bonds.

(i) Loans and trade financing

With increasing momentum around the need to create positive environmental and social impact, **our sustainable financing commitment, net of repayments, was around SGD 70 billion as of December 2023**, up from more than SGD 51 billion from the previous year end.

To help accelerate clients' decarbonisation efforts, especially those in hard-to-abate sectors, it is critical that we provide financing for climate mitigation solutions. In addition to financing green and renewable energy projects, enabling financing for the transition to lower carbon alternatives in hard-to-abate sectors is equally important to achieve a just and orderly transition.

Case Study 1: DBS structured the first Sustainability-Linked Loan for global semiconductor company Nexperia as the Sole Original Mandated Lead Arranger, Bookrunner and Sustainability Coordinator.

The USD 800 million loan utilised environmental and social key performance indicators (KPIs) relating to greenhouse gas emissions and gender diversity with a focus on including more women in management positions. The proceeds are earmarked towards refinancing, general corporate and working capital purposes.

Nexperia issued its first Sustainability Report in 2023 and announced its target of achieving carbon neutrality by 2035. The KPIs used are a reaffirmation of their commitment.

Case Study 2: Supporting Indonesia's transition to low-carbon transportation (electric vehicles (EV)) through Green Trade Finance.

DBS provided a USD 16 million (IDR 244 billion) Green Trade Finance facility to PT Indomobil Sukses Internasional Tbk (Indomobil), an integrated automotive business group. This landmark transaction represents Indomobil Group's first green trade finance facility and DBS' first such facility in Indonesia. To meet increasing demand for low-carbon vehicles, Indomobil plans to utilise the facility to grow its fleet of EV assets. The proceeds of the facility are used to finance the purchase of battery electric vehicles and electric vehicle auto-parts in Indonesia. The transaction aligns with the Indonesian government's sustainability goals to expand the domestic EV ecosystem, as part of the nation's decarbonisation agenda.

Case Study 3: DBS acted as the financial advisor, lead arranger, facility and security agent, account bank, green loan advisor of a USD 100 million syndicated green loan to China Electric Power Equipment and Technology Co. Ltd. (CET) for supporting PLN's Advanced Metering Infrastructure (AMI) service.

Through this relatively low-cost solution to generate remote and automated real-time readings to the energy supplier – it cuts down manpower and logistic costs, identify service issues quickly resulting in improved uptime and energy conservation as well as informing strategies to improve energy efficiency. For example, users can access pricing data so they can utilise smart tariffs[2] by using excess renewable energy when available and accelerating the transition journey

Case Study 4: Providing loans to individuals to buy affordable housing through HDFC of up to USD 750 million.

DBS acted as one of the Joint Social Loan Coordinators to execute a USD 750 million syndicated social loan for Housing Development Finance Corporation (HDFC) Ltd, India's largest housing finance company. Proceeds of the facility are utilised for financing of affordable housing in accordance with HDFC's Social Financing Framework. Affordable housing is defined as a housing project using at least 50% of the Floor Area Ratio/Floor Space Index for dwelling units with carpet area of not more than 60 square meters.

In addition to the above sustainable financing solutions, we also facilitate the accelerated phase out of high-emitting assets, such as the early and managed phase-out (MPO) of coal-fired power plants in Asia, among others. Coal-fired power plants in Asia are among the youngest in the world. Although accelerating their early retirement will be complex and costly given the socio-economic context in Asia, it is key towards meeting the goals of the Paris Agreement and achieving a low-carbon future. To this end, we are supportive of the global efforts related to the early and MPO of coal in Asia, and have collaborated in initiatives with research and advocacy efforts to foster an ecosystem approach. Furthermore, we recognise that such financing (for example, the early retirement of coal-fired power plants) would impact our near-term financed emissions reduction progress. However, we see this as a strategic move in supporting the longer-term climate positive outcome. This will be conducted with reference to regulatory recommendations, industry standards and best practices prevailing at that time.

As we are concluding our advisory mandate for the Indonesian Investment Authority (INA) and reaching financial close for the Energy Transition Mechanism (ETM) programme in Indonesia, we will disclose the positions of our Power portfolio's emissions with and without the additional emissions arising from the early retirement of coal power assets in Asia.

Read more about our approach to phase out thermal coal financing on page 22.

Case Study 5: The early retirement of a coal-fired power plant in Indonesia, the first under Asian Development Bank's Energy Transition Mechanism (ETM) – Cirebon-1, a 660-MW coal-fired power plant.

In 2022, DBS was engaged as the sole financial advisor to the Indonesia Investment Authority's (INA) Energy Transition Mechanism (ETM), a pioneering initiative to achieve the early retirement of the 660MW Cirebon-1 power plant and accelerate Indonesia's energy transition. DBS advised on various matters, such as debt and equity capital structuring, selection of international impact investor(s), market sounding for the debt, and structuring of the platform with PT Sarana Multi Infrastructure, among others, to better identify target projects and scale the ETM programme. The signing of a non-binding Framework Agreement between the Asian Development Bank, PT Perusahaan Listrik Negara, PT Cirebon Electric Power and INA during the 28th Conference of Parties (COP28) in December 2023 was a testament to DBS' advisory capability.

This partnership aligns with the Indonesian government's sustainability goals to achieve significant emission reductions through a scalable model that can be applied to other integrated power players in Indonesia and beyond.

Under this advisory mandate, the power purchase agreement for the 660-MW Cirebon-1 plant is slated to end around seven years earlier than scheduled.

Financing infrastructure projects for climate adaptation

Climate adaptation measures are often assessed and embedded in infrastructure projects that we finance, including financings related to toll roads, sanitation, waste, and run-of-the-river hydroelectric projects, among others. Additionally, clients have started including climate adaptation plans in their construction designs. Selected clients that we have worked with are highlighted below.

In 2022, DBS was the sole green structuring advisor to the Ministry of Finance (MOF) Singapore in defining Singapore's Green Bond framework, which reopened its Singapore Sovereign Green Bond issuance in August 2023. The additional SGD 2.8 billion tap issue allowed the government to raise additional funds using the same terms as the original issuance. Some of the proceeds were allocated to coastal defence and nature-based solutions aimed at strengthening climate adaptation.

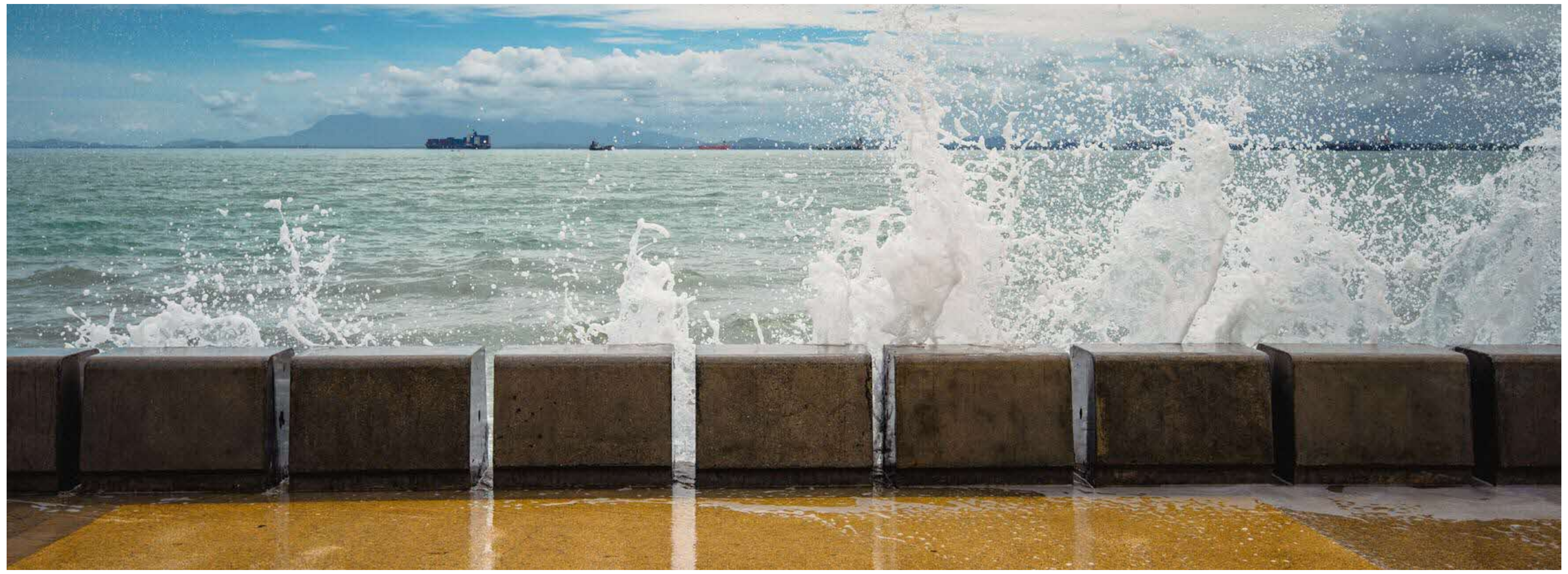
These solutions include:

- Coastal and inland flood resilience by taming storm water and protecting against the threat of rising sea levels.
- Measures to mitigate the Urban Heat Island ("UHI") effect through urban planning and building design optimised for shade and wind flow, and integrating urban greenery to reduce heat absorption.

DBS advised and co-developed PSA Singapore's Green Finance Framework, which was launched in June 2023.

Some of these green eligible projects include:

- Investments in the port infrastructure to make it adaptive to climate risks.
- Adaptation to existing PSA quays to protect against the threat of rising sea levels and manage flooding risks through more efficient drainage systems.



(2) A smart tariff is a type of energy tariff that varies depending on the time of day or the amount of energy used. This means that consumers can save money by using energy at off-peak times, when demand is lower.

(ii) Bonds
Capital markets activity was muted in 2023. Despite this, DBS continued to maintain pole position in the SGD bond markets, while also gaining market share across regional bond markets. During the year, we facilitated close to **SGD 18 billion of ESG bond issuances** for our clients, most of which are in the form of green and sustainable bonds.

Some of the notable ESG bond transactions, where DBS was involved as an active bookrunner during the year, include the following:

- **China Power International Limited**
  In February 2023, DBS Securities (China) Limited – our securities joint venture in China – assisted China Power with the issuance of a RMB 800 million green bond, in the first green and technology innovation dual-labelled Panda bond transaction, as sole lead manager. In November 2023, DBS partnered China Power in a RMB 1.2 billion green panda bond issuance. This also marked the first-ever onshore corporate green bond where net proceeds were used to support projects under the Belt-and-Road Initiative.
- **CapitaLand Integrated Commercial Trust (CICT)**
  DBS helped CICT, one of the largest Real Estate Investment Trusts (REITs) in Singapore, issue its first Singapore dollar-denominated green bond in June 2023, following a successful Hong Kong dollar-denominated green bonds issuance in March. The issuances were made under CICT's green finance framework which DBS, as sole structuring advisor, helped to set up in 2022 to facilitate fundraising for the company's green projects.
- **Green Singapore Government Securities (SGS) (Infrastructure) Bonds**
  We continue to play our part to advance Singapore's national agenda on sustainable development. We were re-appointed last year as joint bookrunner and sole retail coordinator for the reopening of the 50-year Green SGS (Infrastructure) bonds by the Government of Singapore. A total of SGD 2.8 billion additional issuance was successfully executed in this fundraising exercise, which continued to see strong demand and support from investors. The proceeds from this issuance will be used to finance expenditures in support of the Singapore Green Plan 2030, including the Jurong Region Line and the Cross Island Line.

Forging new strategic partnerships

Besides the need for financing, companies also need to build their sustainability capabilities and capacity. Based on engagement with our clients, we understand that many companies that are just starting out on their sustainability journey may lack specific skillsets in areas such as measuring and monitoring carbon emissions, certifications, or sustainability disclosures.

Having identified the common pain points our clients face, we have begun to establish and grow our ecosystem partnerships to address the key challenges faced by our clients and broaden our product offerings to support them on their sustainability journeys.

With our expanding network of partners, we are able to provide advice on decarbonisation solutions relevant to our customers' needs across industry sectors, provide financing to fund those solutions, and offer business-matching opportunities.

Some notable partnerships we have established in 2023 include:

H&M Group

DBS partnered with the apparel group to establish collaborative financing solutions to accelerate the necessary decarbonisation of fashion supply chains. Through the programme, suppliers get access to sustainable financing from DBS and technical support from sustainability consultant, Guidehouse, to embark on factory upgrades to help them improve their energy efficiency.

Unlike traditional banking solutions which seek to encourage such green activities indirectly, this programme provides direct funding with highly favourable terms to suppliers for specific GHG emission reduction activities, as approved by H&M Group. The first successful transaction was completed in 2023, with a manufacturer in India to fund capital expenditures to reduce their carbon emissions. This partnership is the first-of-its-kind green loan programme in the apparel sector.

CLP Power

In late 2022, DBS Hong Kong partnered CLP Power to provide SMEs with opportunities to invest in energy efficiency upgrade. These opportunities were closely tied to CLP Power's energy-as-a-service business. The successful partnership was further expanded in June 2023, where we announced the launch of a new "SME Low-carbon Rewards" programme. This programme is tailored to further support Hong Kong SMEs in their transition to a low-carbon economy, while supporting the development of local renewable energy and promoting digital payment services adoption. The partnership also enables more SMEs to tap into the energy saving services offered by CLP to reduce operating expenses that would not be possible without.

The programme also offers banking service privileges to eligible SME customers who successfully setup auto-pay for CLP bills with their DBS accounts, or through the setup of an electronic billing service directly with CLP. Our DBS banking privileges on offer include preferential deposit rate and business account opening fee waiver, among others.

Risk management

Climate change continues to be an important systemic risk that has an impact across various key risk types, such as credit, reputation, market, liquidity, operational, and compliance. Building our climate and ESG risk management capabilities and integrating climate risk considerations into our overall enterprise risk management processes continues to be a top priority.

Ensuring robust risk management processes

Strengthening second line role for ESG

At the start of 2023, the bank established a **new ESG Credit Risk team** under Risk Management Group along with a new management position – Head of ESG Credit Risk – to provide leadership and expertise to further build our Climate and ESG risk management capabilities. This new team presents an additional layer of review as illustrated in our enhanced ESG risk assessment process, where they act as the second line of control after our sustainability and business teams.

Enhancing ESG risk assessment

ESG due diligence remains an integral part of our lending and capital market approval process. It entails assessing and monitoring our customers in reference to Our Approach to Responsible Financing, our sector policies and corresponding sector guides, as well as evaluating their ESG risk profiles when taking lending and investment decisions. It also allows us to engage customers on environmental and social topics while promoting responsible financing through agreed mitigating measures.

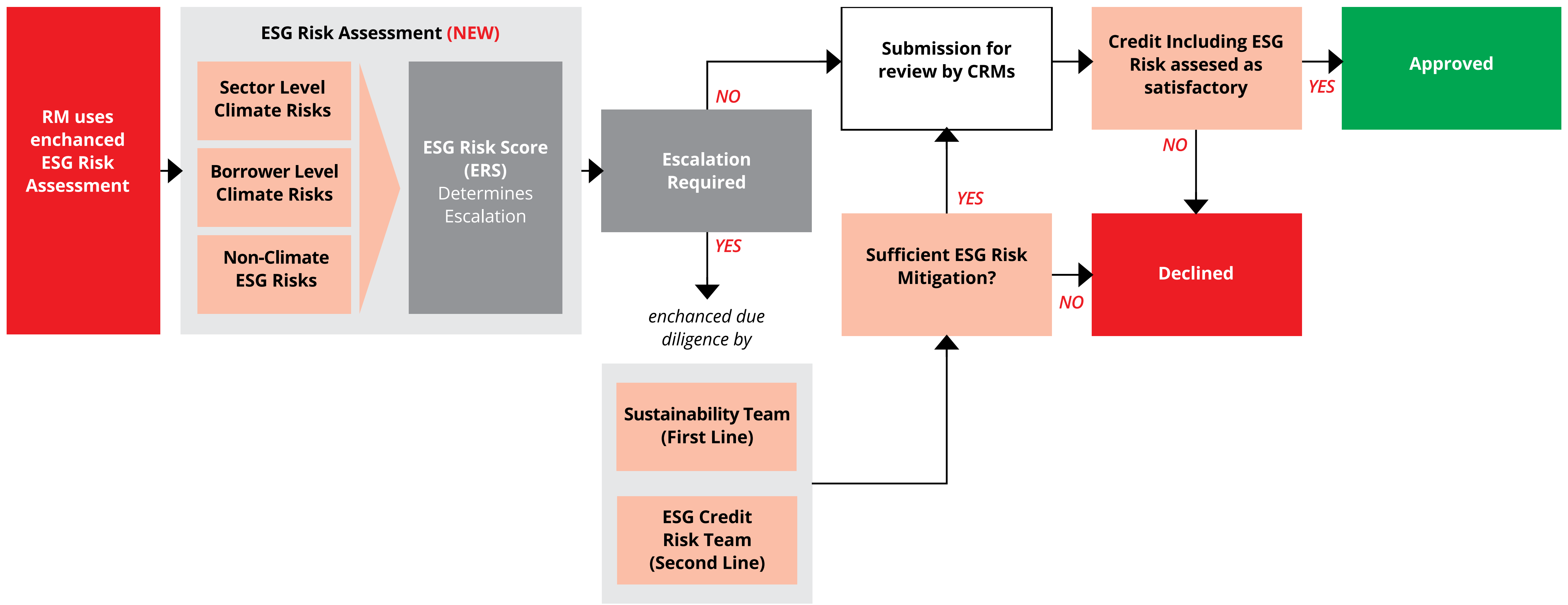
In July 2023, we strengthened our ESG risk assessment for our borrowing customers through the introduction of an enhanced ESG Risk Questionnaire (ERQ). The ERQ is based on the Association of Banks in Singapore (ABS) Environmental Risk Questionnaire, which has been adapted to include additional questions covering key ESG topics relevant to assessing the risks and adaptability of our customers. The ERQ facilitates our data collection for customers' climate risk disclosures, and is used as a customer engagement tool to understand customers' transition plans, and explore financing and facilitation opportunities to support their transition to lower carbon businesses.

Responses obtained from the ERQ are combined with sector-level inputs from our climate stress testing exercise to provide an assessment of sector-level climate risk, individual borrower-level climate risk and other non-climate related ESG risks. These factors are aggregated to provide an **overall ESG risk score** for our customer. Factors that contribute to higher ESG risk scores may include significant climate risks (physical or transition), inadequate ESG governance processes, such as the lack of human rights and modern slavery policies, among others.

As depicted in Figure 1, our enhanced ESG risk assessment and customer-specific ESG risk scores are embedded within our credit approval process. Where necessary, higher ESG risk scores are escalated for enhanced due diligence and additional support from the Institutional Banking Group (IBG) Sustainability team (first line) and ESG Credit Risk team (second line) may be required. Once these teams have established that sufficient ESG risk mitigation is available, the credit application progresses along the credit approval chain. However, in scenarios where the identified ESG concerns are not sufficiently mitigated, or may present material credit and/ or reputational risks to DBS, the credit application will be declined. Where warranted, this could lead to a further reassessment of the overall customer relationship.

Defined by our internal control framework, our first line business teams and risk functions have clearly defined roles and responsibilities in the new ESG risk assessment process. Our RMs continue to act as the first line by conducting an ESG risk assessment on the customer, supported by the Sustainability team which reviews escalated transactions and recommends ESG-related terms and conditions to mitigate such risks where necessary. As part of the second line, the ESG Credit Risk team further reviews customers with higher ESG risk scores before transactions are submitted to and assessed by our CRMs. Group Audit serves as the third line of control through periodic audit reviews on the effectiveness of ESG risk management.

Figure 1: An illustration of the process flow of our enhanced ESG risk assessments within our credit approval process



As one of our key enablers to continually deliver and operationalise our climate agenda, we prioritise reskilling and empowering our people on the subject matter. For example, extensive training sessions are provided to RMs and CRMs to enhance skillsets that will allow them to better assess the ESG risks of our customers. Since inception in July 2023, DBS completed the enhanced ESG risk assessments for over 7,000 customers, representing almost 60% of our total IBG lending exposure as of December 2023. We will continue to monitor the effectiveness of our ESG risk assessment process and scoring methodology for our customers and further refine and update our approach based on emerging best practices.

Reviewing our financing policies and standards

To ensure our ESG governance and processes are both robust and fit-for-purpose, we regularly review our financing policies and update relevant standards and policy documents. Our Group Responsible Financing Standard and Group Core Credit Risk Policy are updated to ensure alignment between our climate strategy and our approaches to responsible financing and credit risk management. Sector Guides, which provide a more structured approach to assess ESG risks as part of our overall financing decisions, are also updated for our priority sectors, taking into consideration mandatory requirements and emerging best practices.

Update to our approach to phase out thermal coal financing

Asia accounts for around half of global greenhouse gas emissions[3]. About a third of this arises from its approximately 5,000 operational coal-fired power plants[4]. Furthermore, coal accounts for almost 60% of power generation in Asia, with energy demand in this region expected to double by 2050, driven by strong population and economic growth[4].

If all of Asia's existing coal-fired power plants alone were to run until the end of their operational lifespan we will exhaust about two-thirds of the carbon budget we have left to keep global temperature rise to below 1.5ºC as compared to pre-industrial levels. Additionally, even if the deployment of clean tech solutions and renewable energy at scale and speed are maximised, which we must, the world will not be able to accomplish the goals of the Paris Agreement, unless we drastically reduce the number of operational coal power plants in Asia.

Managing the phase-out of coal requires support from relevant government and regulatory bodies, the finance and private sectors, as well as affected communities. Our approach is guided by the GFANZ guidance paper on 'Financing the Managed Phaseout of Coal-Fired Power Plants in Asia Pacific', which includes three main steps:

- Step A: Ensuring credibility of relevant energy transition and coal phaseout commitments and plans
- Step B: Optimising 'meaningful' impact across climate impact, financial viability and socioeconomic considerations
- Step C: Achieving transparency and accountability for coal phaseout plans in line with the GFANZ Net Zero Transition Plan framework

Therefore, our updated thermal coal phase out approach will consist of the following:

- We cease onboarding new customers who derive more than 25% of their revenue from thermal coal. The threshold will be lowered as time progresses;
- From January 2026, we will stop financing existing customers who derive more than 50% of revenue from thermal coal, except for their non-thermal coal or renewable energy activities. These will be reflected in legally binding documentation. We will stop general purpose financing which can be fungible. The threshold will be lowered as time progresses;
- In addition to our internal sustainable and transition finance frameworks, we will also leverage other relevant regional and market taxonomies, such as the Singapore-Asia Taxonomy and the ASEAN Taxonomy 2.0, among others, to achieve meaningful decarbonisation in sectors which remain reliant on thermal coal. This will be conducted through engagements with customers to establish their transition strategies, and the incorporation of emissions reduction target in all applicable sustainability-linked loan structures; and
- We will disclose our thermal coal exposure annually in our Sustainability Report.

Since 2019, we have ceased the financing of any new thermal coal mining or thermal power assets, and have progressively phased down our exposures to thermal coal year on year. As of December 2023, our exposure to thermal coal was SGD 1.8 billion, down from SGD 2.2 billion in 2022 and SGD 2.7 billion in 2021.

We are committed to reaching zero thermal coal exposure (encompassing loans to mining and power generation) latest by 2039. This timeline has been determined considering the final maturity of our existing long-tenor thermal coal exposure grandfathered from previous financing commitments, which would have run off by then.

(3) WEF, April 2023. Accelerating Asia's Advantage: A Guide to Corporate Climate Action.
(4) GFANZ, December 2023. Financing the Managed Phaseout of Coal-Fired Power Plants in Asia Pacific.
(5) The Equator Principles ("EP") is a voluntary environmental and social risk management framework, adopted by financial institutions, for determining, assessing, and managing environmental and social risk in project financing. It is primarily intended to provide a minimum standard for due diligence to support responsible risk decision-making.

Embedding human rights due diligence into our financing approach

Social considerations are a fundamental aspect of our overall ESG risk assessment process. Among others, the following social related issues are considered in our financing decisions: 1) forced and child labour; 2) worker rights, including fair wages, reasonable working hours, safe working conditions, as well as freedom of association and collective bargaining; and 3) community rights, including cultural, land and resource related rights.

We conduct ESG risk assessments as part of all new credit applications, annual credit reviews, or in the event there are negative ESG news or reports regarding our customers. Our ESG risk assessments are carried out using the ERQ, which was developed based on the profile of our institutional customer segments and referenced to our Sector Guides.

In 2023, we further enhanced the ERQ, which already covered social risks, to specifically assess our customers on human rights issues including forced labour, child labour, labour practices and community rights. We also enhanced a supporting document to provide RMs and CRMs with more detailed guidance on assessing human rights risks. These updates will be rolled-out in 2024.

As a signatory to the Equator Principles (EP)[5], for in-scope project-related finance transactions, we apply the risk identification, assessment, management, and reporting requirements of the principles to eligible projects. Human rights requirements, such as environmental and social assessment, stakeholder engagement and the grievance mechanism are specifically outlined in Principles 2, 5 and 6 respectively.

Where a project has the potential to cause adverse human rights impacts, an assessment of such impacts shall be conducted.

We conduct our own internal review of project documentation during the due diligence and monitoring phases, and for higher risk projects an independent consultant will be appointed to conduct the due diligence process on behalf of the bank. An action plan may also be negotiated with the borrower to address gaps identified and ensure compliance with the EP requirements. In addition to environmental issues, critical human rights issues and the tracking of any required remediation are embedded in our due diligence and post-transaction monitoring.

Read more about our reporting on the Equator Principles on page 36, and more about our approach to human rights due diligence on page 13.

Establishing Environmental and Social Incident Management Guide

Adverse environmental and social impacts that occur within our value chain pose a substantial risk to the bank and impacting the credit profile of our customers and the bank's reputation. With rising awareness of environmental and social issues amongst our stakeholders and strengthening legal frameworks, we anticipate a corresponding rise in queries, complaints and legal action related to environmental and social issues in Asia, as they have in other parts of the world.

In 2023 we developed an Environmental and Social (E&S) Incident Management Guide. The guide sets out a protocol for managing E&S Incidents, complementing existing internal DBS controls. An E&S incident is defined as an event with actual or potential adverse environmental or social impacts caused by DBS Group's operations, products or services. It applies to all units, branches and subsidiaries within the DBS Group. The E&S Incident Management Guide formalises our approach to E&S incidents, to maintain consistency across the bank and ensure timely and appropriate response.

Stress testing and climate scenario analysis

Climate change has the potential to impact our customers' future credit worthiness, as well as the financial stability of the broader economy. At DBS, we recognise the importance of climate scenario analysis as a vital tool to assess climate-related risks and opportunities, as well as elucidate the potential implications of climate change for our strategy and business model over the short-, medium- and long-term.

One of our priorities under our climate strategy is to integrate climate considerations into our risk management processes to ensure the short, medium and long-term resiliency of our business. In 2023, we further strengthened our climate and ESG risk management capabilities through the development of a centralised data repository for more effective and efficient data and analytics.

Our approach to climate scenario analysis includes:

Transition risk analysis is conducted using a suite of Climate Scenario Analysis (CSA) models. The CSA translates the effects of policy and regulation changes, technology development and changes in consumer preferences, as defined by a set of standard climate scenarios, into impact to key financial drivers identified for each sector. In 2023, we further refined our models to include the latest Network for Greening the Financial System (NGFS) scenarios.

To date, we have conducted transition risk scenario analyses for our nine priority sectors, selected based on their significance within the IBG portfolio and carbon emissions contribution. These include Power, Oil & Gas, Automotive, Aviation, Shipping, Real Estate, Steel, Chemicals, as well as Food & Agribusiness. Looking ahead, we will continue to systematically deploy scenario analysis models to enhance our risk management processes.

Physical risks analysis is conducted through forward-looking models that assess the physical effects of climate change on our clients' assets and operations over the short, medium and long-term, based on scenarios from the Intergovernmental Panel on Climate Change (IPCC) Shared Socioeconomic Pathways (SSPs). In our analysis, we consider:

- **Acute risks** resulting from increased severity of extreme weather events such as cyclones, droughts and floods.
- **Chronic risks** resulting from longer-term shifts in precipitation and temperature, increased variability in weather patterns, or rise in sea levels.

In 2023, we enhanced geo-location data coverage for our portfolio and expanded our climate physical risk assessment to cover more hazards (e.g., tropical cyclones, flooding, among others). We also commenced a pilot study in the Real Estate sector to further refine our approach to assessing climate-related physical risk across our portfolios. We are also in the process of expanding the assessment of physical risk on other credit exposures within the nine priority sectors.

Read more about our methodologies to climate scenario analysis modelling on page 105.

Summary of our climate scenario analysis in the Real Estate sector

In 2023, we further expanded our pilot to assess the climate-related transition risks and physical risks in the Real Estate sector. This sector was chosen for our pilot due to its materiality to the bank's portfolio and the connection between transition risk and physical risk on this physical asset-based sector.

This pilot assessment allows us to gain a better understanding on data challenges, as well as obtain additional insights into our portfolio as we continue to enhance our methodology. We aim to expand our assessment to other markets and sectors, as well as our collateral base. We will also continue to invest in improving data gathering methods and data quality to better assess exposure to physical risk.

Transition Risk

The sector comprises real estate operators, property developers and investment managers, and is characterised by its relatively low emissions intensity compared with other priority sectors during its operational phase. It should be noted that emissions embodied in building materials could contribute considerably to climate change. However, data availability continues to be a limitation.

Based on the NGFS Net Zero scenario, climate transition risk to the real estate sector was assessed to be immaterial. Given the generally low emission intensities in all scopes of emissions as reported by our customers at baseline compared to other priority sectors, the proportion of carbon costs is likely to be relatively low as compared to the total operating costs, resulting in minimal financial impacts arising from climate transition risk.

Physical Risk

Physical risks can impact the financial strength of our borrowers through damage to property and disruption to operations. We analysed our Real Estate portfolio with their underlying property assets to understand the potential impact our borrowers may face.

We leveraged on data from an external data provider for the forward-looking hazard assessments based on future climate change scenarios; Representative Concentration Pathways and Shared Socioeconomic Pathways, developed by the Intergovernmental Panel on Climate Change (IPCC). We selected a **High Climate Change Scenario (SSP[6] 5 – 8.5)**, which is the low mitigation scenario in which total greenhouse gas emissions triple by 2075 and global average temperatures rise by 3.3 – 5.7°C by 2100, over a **2050-time horizon**.

We focused on the respective geographical locations that are material to our portfolio and the corresponding hazards as follow:

(a) Flooding (coastal and fluvial) for assets in Singapore (Figure 2)

(b) Tropical Cyclones for assets in Hong Kong (Figure 3)

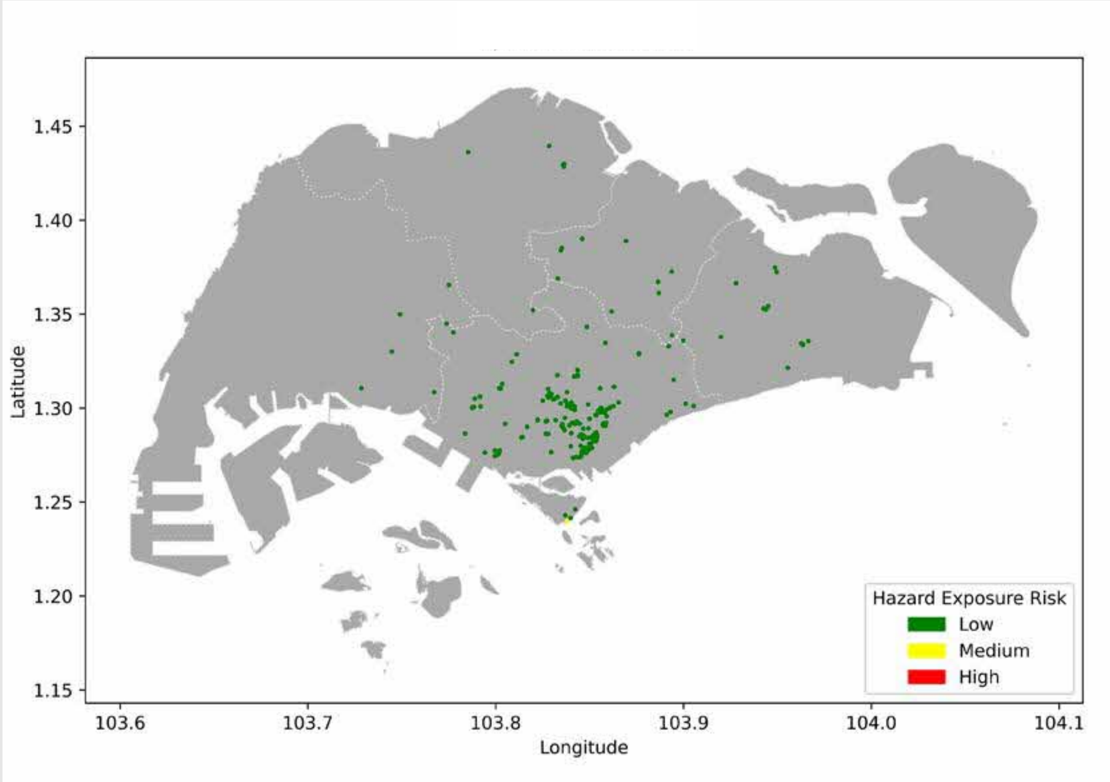


Figure 2: Heatmap of assets in Singapore, showing physical risk levels from coastal/ fluvial flooding

Singapore

Initial insights show that there is minimal impact from coastal and fluvial flooding to our borrowers' portfolios, on a 2050-time horizon.

Hong Kong

The analysis showed that most properties in our borrower's properties will face minimal impact by tropical cyclones, with an immaterial exposure to borrowers with properties facing moderate physical risk by 2050.

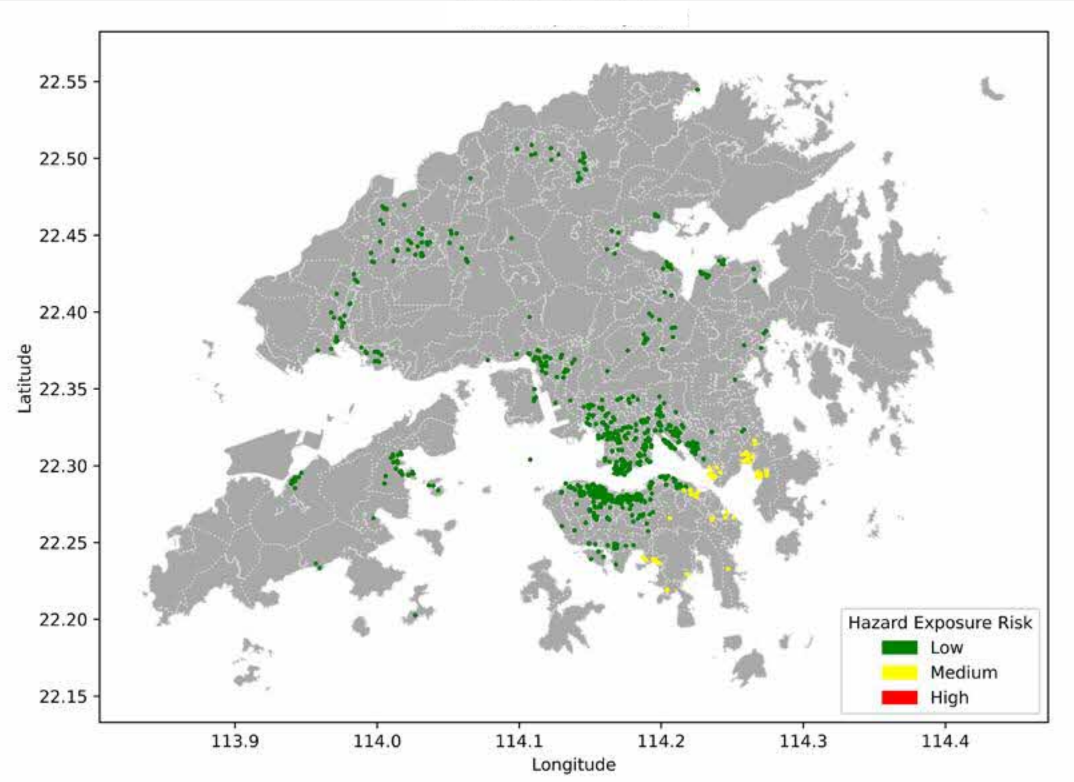


Figure 3: Heatmap of assets in Hong Kong, showing physical risk levels from tropical cyclones

Upskilling and empowering our people

Achieving our net zero targets and managing climate risks require continual upskilling and reskilling, especially for our frontline RMs and second line CRMs.

Since 2018, we have rolled out **mandatory Responsible Financing e-Learning training** to all RMs and CRMs to ensure alignment with our ESG policies and standards. Newly hired RMs and CRMs are assigned this training during onboarding, while a refresher training is assigned to existing colleagues every two years. Amongst RMs and CRMs assigned to this mandatory training in 2023, 87% had completed the training as of October 2023[7]. We also held a series of green and sustainable trade financing trainings for RMs to learn how to identify relevant opportunities and provide advisory and financial solutions to better support our customers.

In parallel to establishing our net zero targets in 2022, we also developed an inaugural **Climate-Activation Training** that was progressively rolled out in the first half of 2023 for over 1,800 RMs and CRMs to empower them with the necessary climate-related knowledge to meaningfully engage customers in their decarbonisation and transition journeys.

In the latter half of 2023, we designed **industry-specific "clinic sessions"** to ensure our colleagues are able to apply the knowledge from the climate activation training effectively. These sessions serve as a platform for our colleagues to delve deeper into climate-related concerns specific to their industry, utilise live cases for practical learning and explore effective approaches to engage customers.

(6) Shared Socio-economic pathway (SSPs) are climate change scenarios of projected socioeconomic global changes up to 2100 as defined by Inter-governmental Panel on Climate Change (IPCC).

(7) This refers to the number of employees assigned the Responsible Financing e-Learning training within 2023 only. Please note that if employees are reassigned the training towards the end of the year, they are not required to complete it till early part of the following year.

Metrics and targets

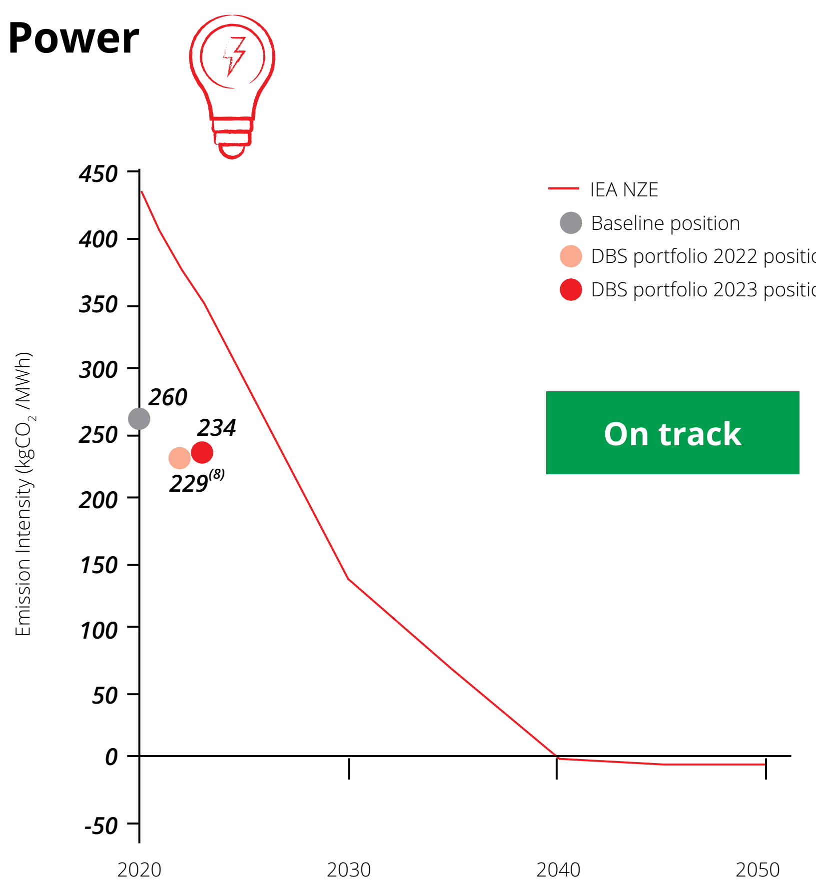
Net zero portfolio alignment

To fulfil our commitment as a signatory to the NZBA, we are committed to monitoring and reporting our progress against our sectoral targets annually. In September 2022, we established two sets of targets. The first set consists of seven Scope 3 emissions reduction targets, while the second set is made up of two data coverage targets. Collectively, our commitment covers a total of nine priority sectors (Power, Oil & Gas (O&G), Automotive, Aviation, Shipping, Steel, Real Estate, Food & Agribusiness (F&A) and Chemicals). Altogether, these nine priority sectors are recognised as some of the most carbon-intensive sectors in the real economy and collectively account for a majority of global GHG emissions.

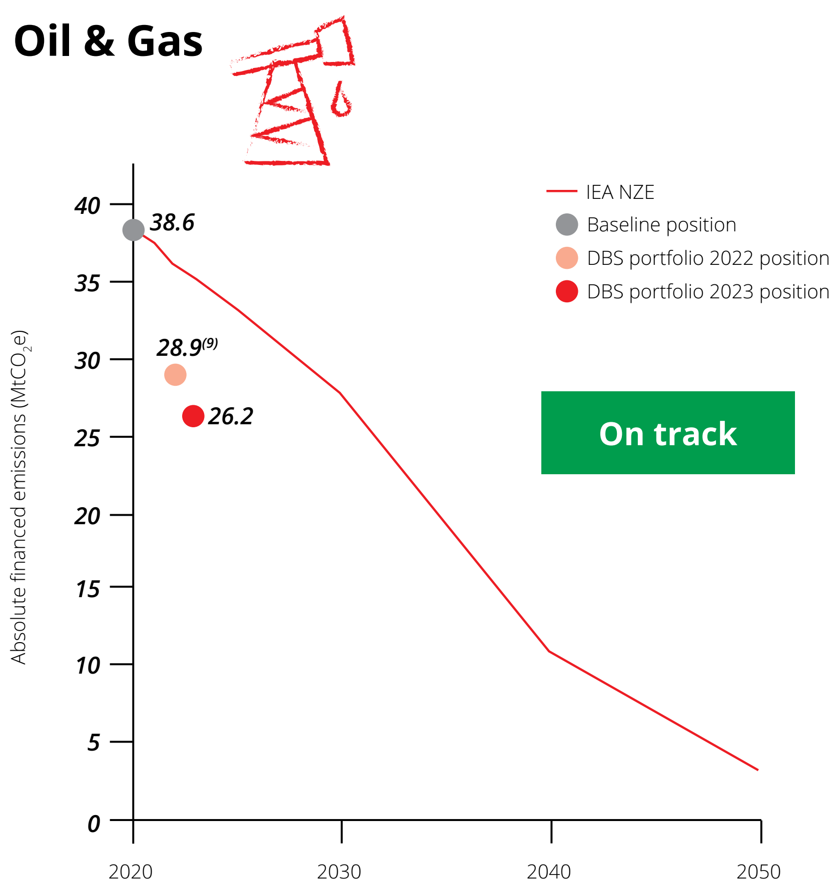
Table 1 summarises the coverage of our priority sectors for our Scope 3 financed emissions, reference scenarios and 2050 targets, while Table 2 outlines our latest position for the reporting year 2023.

The summary of our decarbonisation performance on the right tracks the annual variance against the science-informed decarbonisation pathways we have chosen to guide us towards our interim 2030 targets and net zero 2050 targets for each of our priority sectors (Figure 4). We have observed good emissions reduction progress in five out of seven sectors, and they track well against the relevant science-informed decarbonisation pathways. However, we recognise that in very hard-to-abate sectors, such as Steel (almost on track) and Shipping (not on track), there are dependencies and structural challenges that require long-term changes. Addressing these will often need broader ecosystem partnerships across the public and private sectors. We remain committed to working with our clients and fostering partnerships to enable an economy-wide transition to net zero that is orderly and just.

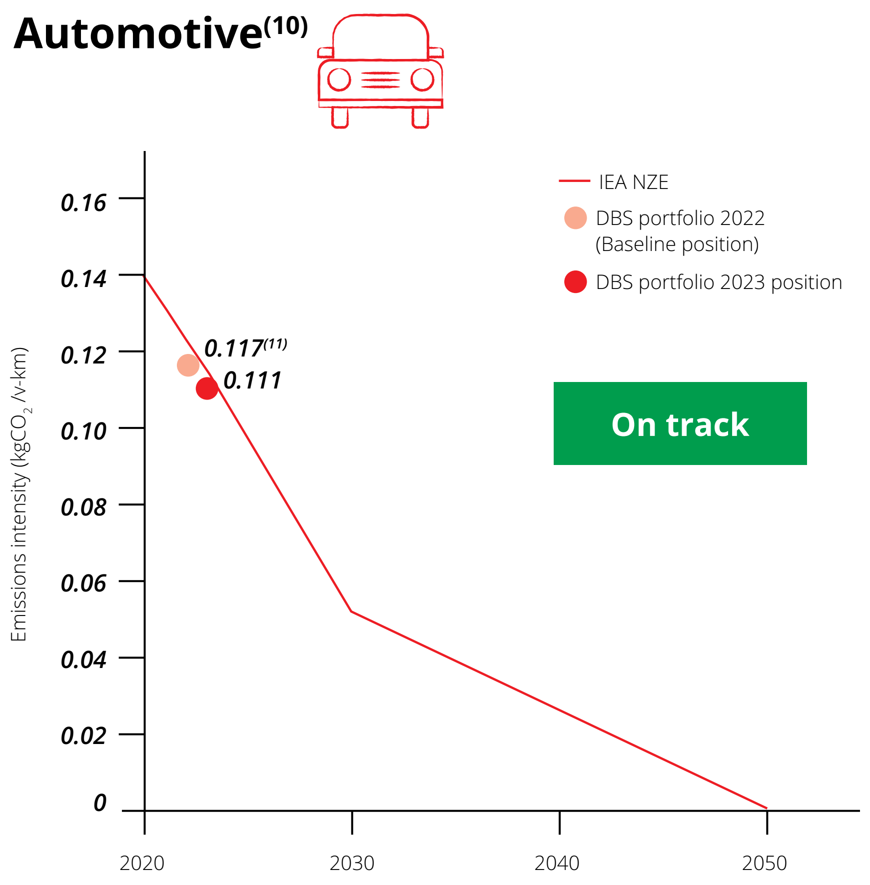
Figure 4: Summary of our decarbonisation and data coverage performance against targets set for our nine priority sectors.



(8) Adjusted upwards from 227 $kgCO_2/MWh$ to include Integrated Power Producers (IPP) and calculation method refined for conglomerates & IPPs to reasonably approximate the contribution of our financing of in-scope businesses.

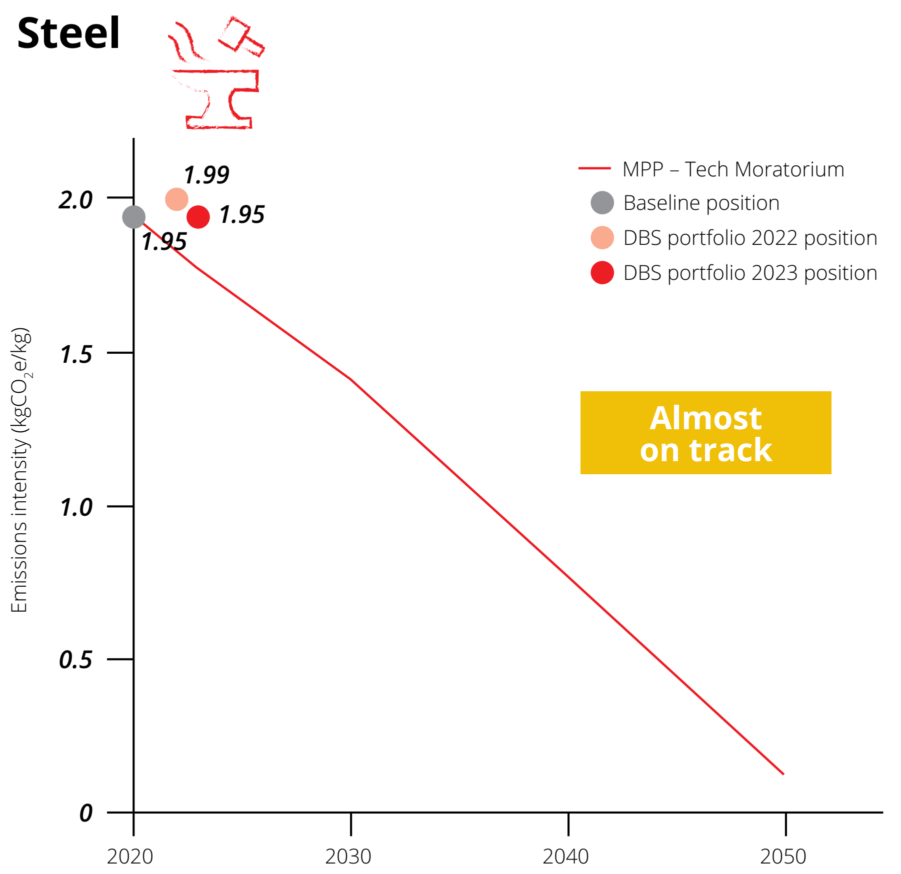


(9) Adjustment of 2022 results downwards from 35.6 $MtCO_2e$. Enterprise Value and emissions data was updated.



(10) Since the shift to using WLTP in 2022, our initial NEDC baseline figure is no longer used. The glidepath has been adjusted to reflect the WLTP approach.

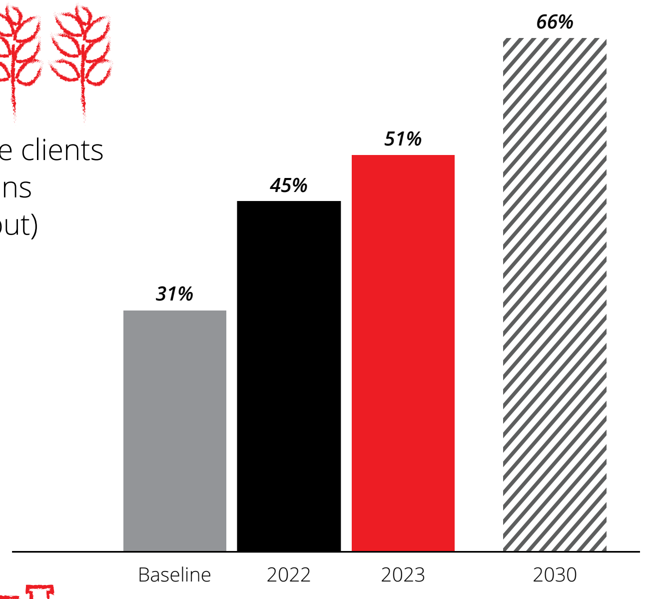
(11) Baseline has been adjusted to 2022's results based on the WLTP approach

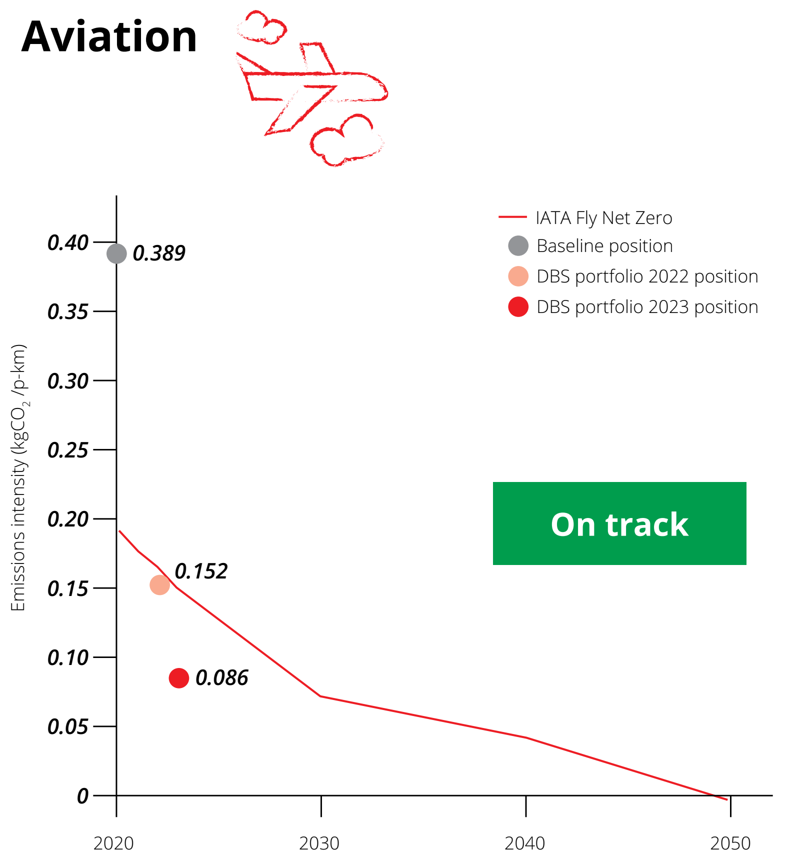


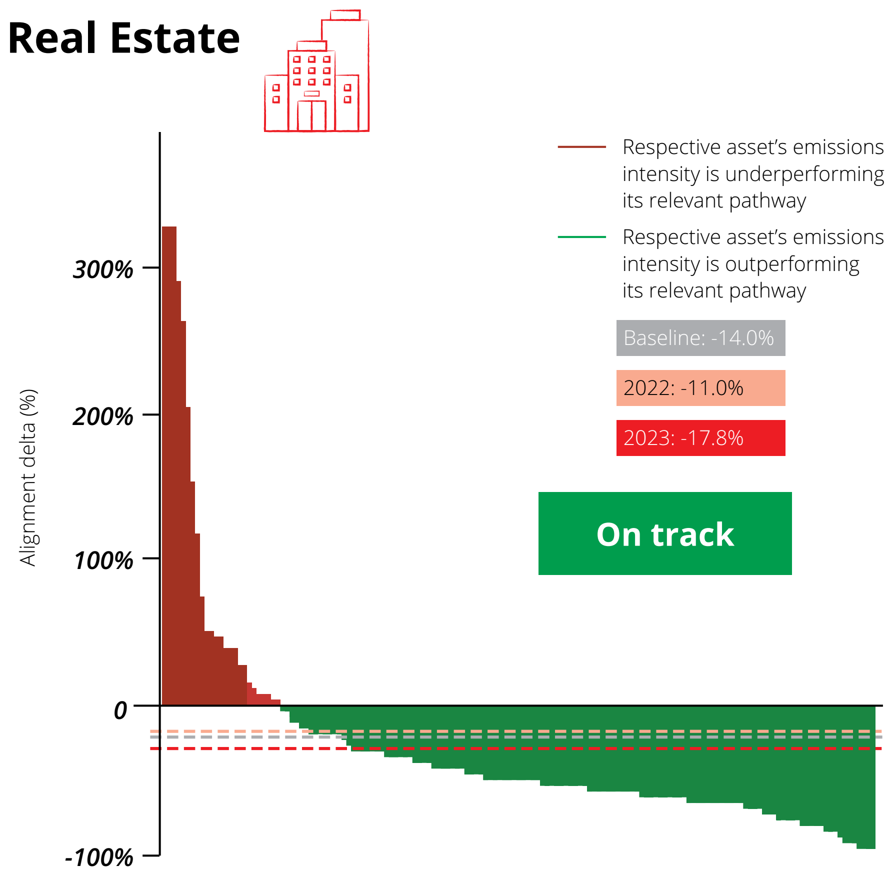
Food & Agribusiness

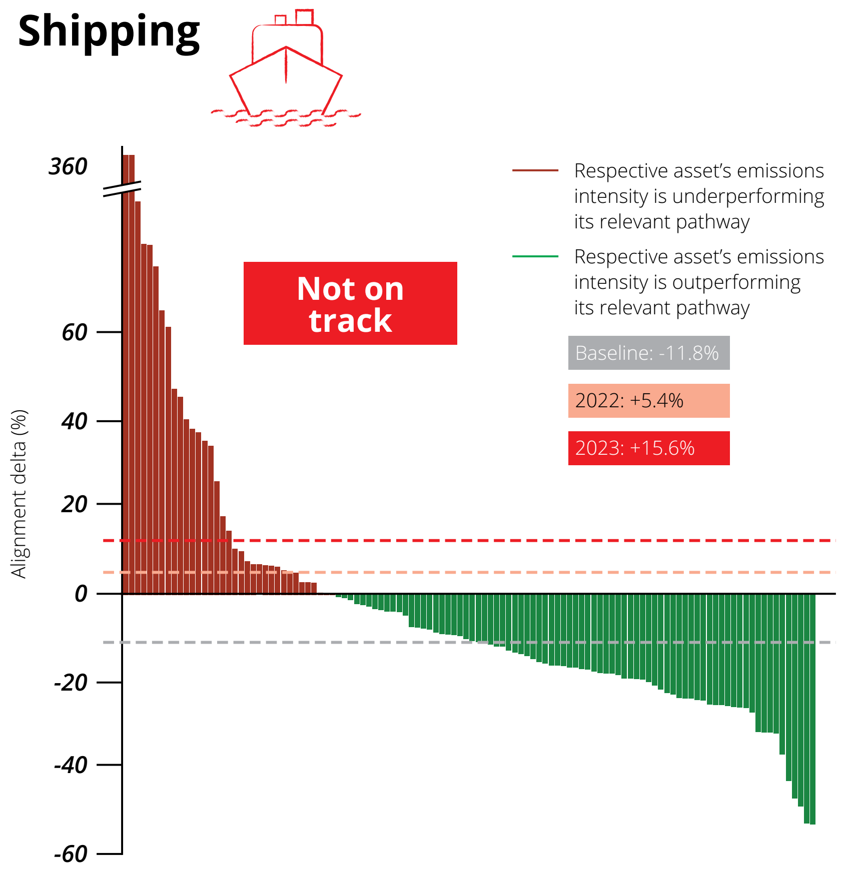
Data coverage (% large corporate clients reporting emissions and physical output)

On track









Chemicals

Data coverage (% large corporate clients reporting emissions and physical output)

On track

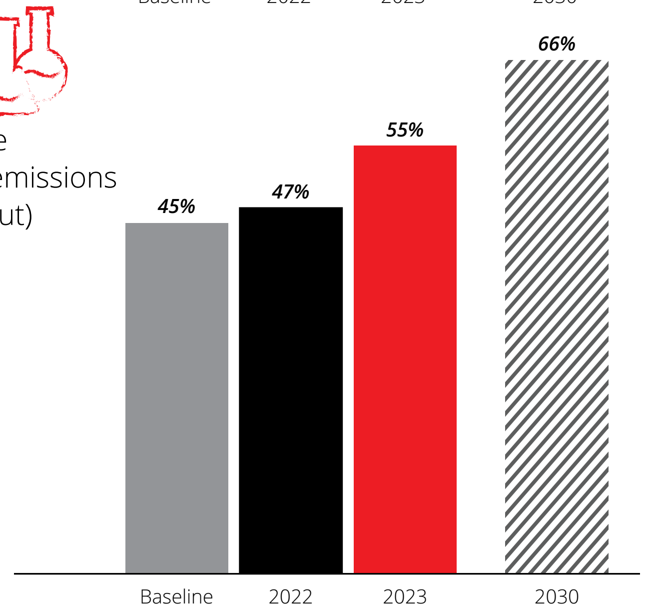


Table 1: Summary of our 2050 net zero financed emissions and data coverage targets set for our nine priority sectors

Sector	Sub-sectors & types of financings included	Emission scopes included	Reference scenario	Target metric	2050 target (reduction vs. baseline)
Power	• Power generation • Power equipment manufacturers	• Scope 1 (generation) • Scope 3 (equipment)	IEA NZE	Emissions intensity ($kgCO_2$/MWh)	0 (-100%)
Oil & Gas	• Upstream • Downstream • Integrated	• Scope 1-3	IEA NZE	Absolute financed emissions ($MtCO_2e$)	3.0 (-92%)
Automotive	• Automotive OEMS • Captive automotive finance companies • Automotive distributors • Dedicated powertrain manufacturers	• Scope 3 (tailpipe emissions of passenger vehicles)	IEA NZE	Emissions intensity ($kgCO_2$/vehicle-km)	0 (-100%)
Steel	• Steel production	• Scope 1-2	Mission Possible Partnership – Tech Moratorium Scenario	Emissions intensity ($kgCO_2e$/kg)	0.14 (-93%)
Aviation	• Airlines • Aircraft leasing companies • Secured aircraft financing	• Scope 1 for airlines and secured aircraft financing • Scope 3 for aircraft leasing companies	IATA Fly Net Zero (-100%)	Emissions intensity ($kgCO_2$/p-km)	0 (-100%)
Real Estate	• Real estate owner-operators • Real estate special purpose vehicles • Real Estate Investment Trusts (REITs)	• Scope 1-2 (operating emissions)	Carbon Risk Real Estate Monitor – Global Decarbon-isation Pathways	Alignment delta (%)	≤0% (-95%)
Shipping	• Secured vessel financing	• Scope 1	International Maritime Organisation – Poseidon Principles	Alignment delta (%)	≤0% (-71%)
Food & Agribusiness	• Primary growers, producers and processors • Integrated agribusiness companies • Food and beverage manufacturers • Food retail • Animal protein and feed producers	N/A	N/A	Data coverage (% large corporate clients reporting emissions and physical output)	N/A
Chemicals	• Petrochemicals • Commodity & diversified Chemicals • Industrial gases • Specialty chemicals • Fertilisers & agrichemicals	N/A	N/A	Data coverage (% large corporate clients reporting emissions and physical output)	N/A

Table 2: Summary of our 2023 financed emissions and data coverage results

Sector	Target metric	2021 Baseline (and reference start-point)	2022	2023	2030 target (reduction vs. baseline)
Power	Emissions intensity ($kgCO_2$/MWh)	260 (438)	229[12]	234	138 (-47%)
Oil & Gas	Absolute financed emissions ($MtCO_2e$)	38.6 (N/A)	28.9[13]	26.2	27.7 (-28%)
Automotive	Emissions intensity ($kgCO_2$/vehicle-km)	2022: 0.117 (0.123)[14]	0.117	0.111	0.052 (-57%)
Steel	Emissions intensity ($kgCO_2e$/kg)	1.95 (1.90)	1.99	1.95	1.42 (-27%)
Aviation	Emissions intensity ($kgCO_2$/p-km)	2020: 0.389 (0.191) 2019: 0.088 (0.107)[15]	0.152	0.086	0.074 (-16%)
Real Estate	Alignment delta (%)	-14.0%	-11.0%	-17.8%	≤0% (-42%)
Shipping	Alignment delta (%)	-11.8%	+5.4%	+15.6%	≤0% (-23%)
Food & Agribusiness	Data coverage (% large corporate clients reporting emissions and physical output)	31% (N/A)	45%	51%	≥66%
Chemicals	Data coverage (% large corporate clients reporting emissions and physical output)	45% (N/A)	47%	55%	≥66%

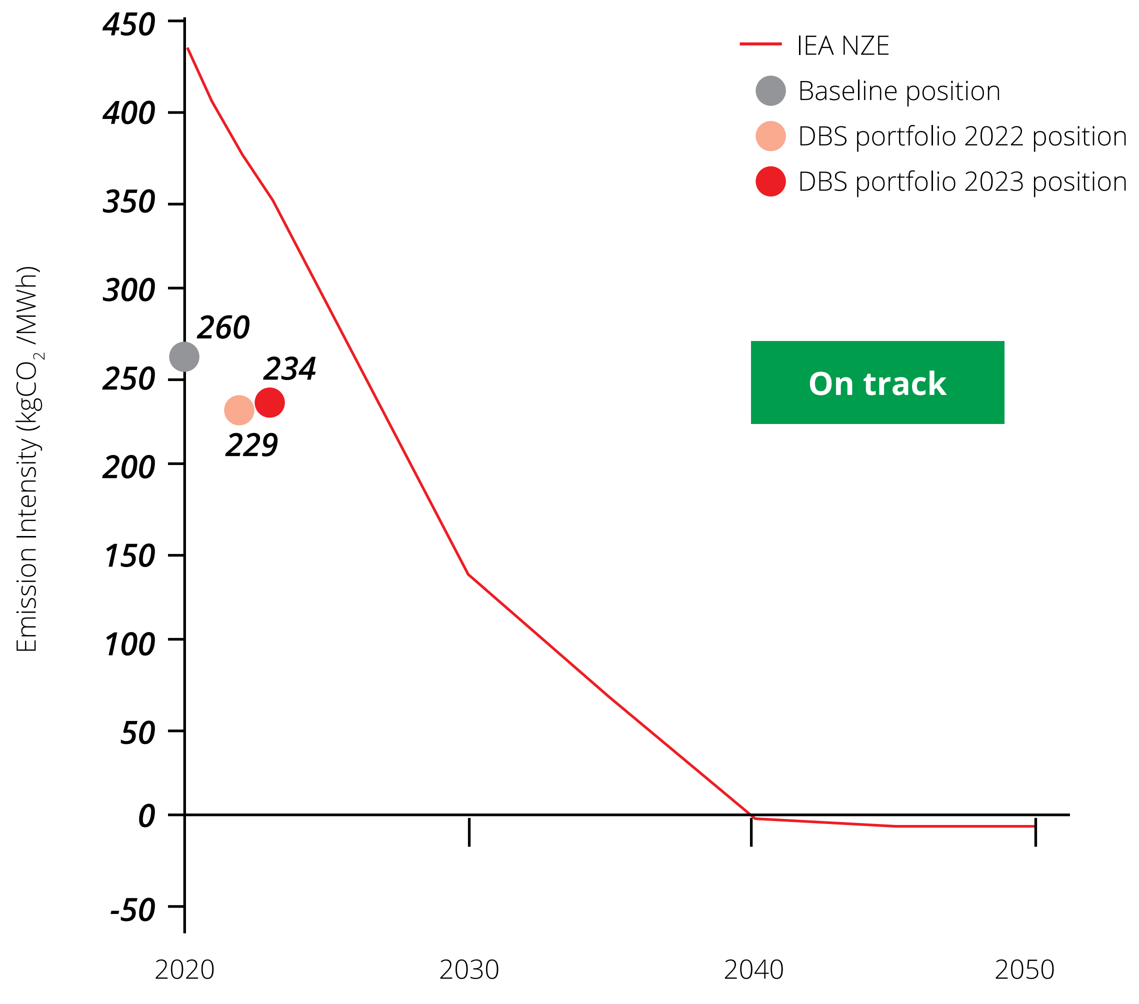
In 2023, our total in-scope[16] nine priority sectors (Power, O&G, Automotive, Steel, Aviation, Real Estate, Shipping, Food & Agribusiness and Chemicals) represent 31% of the IBG loan book (loans and loan equivalents).

As climate-related reporting practices are rapidly evolving, we acknowledge the need to revise our estimates and assumptions, which may lead to restatements. In our annual stocktake of emissions performance to demonstrate our progression towards interim 2030 and 2050 net zero targets, we have utilised a range of data sources, reference scenarios and methodologies. Our reporting will align to best practices as data quality continues to improve and become more granular, while reference scenarios and methodologies are continually refined.

In our 2023 financed emissions update, we have not yet considered the PCAF guidance on facilitated emissions, as it was published in December 2023. Therefore, we maintained the methodology for ECM and DCM underwritings in this round of updates. We calculated our attributable Scope 3 financed emissions by taking the full amount that DBS underwrote for a period of one year after the issuance, which differs from the latest PCAF guidance of accounting for only one-third of the underwriting amount.

(12) Adjusted upwards from 227 $kgCO_2$/MWh. Please see more details in the Power sector.
(13) Adjustment of 2022 results downwards from 35.6 $MtCO_2e$. Please see more details in the Oil & Gas sector.
(14) Both baseline and glidepath have been adjusted to 2022's results based on the WLTP approach
(15) 2019 data is used as reference start-point for the Aviation sector. As IATA Fly Net Zero does not have data for 2019, the IEA NZE was used as reference instead.
(16) In-scope sectors included in our financed emission calculations refer to the sub-sectors and types of financings that apply only to relevant value chains of the respective sectors due to the different nature of activities.

Power



Decarbonising the Power sector is critical for the global economy to achieve net zero by 2050. At DBS, we are committed to decarbonising our Power sector and achieving net zero by 2040. We continue to help our clients chart their own pathways and make progress towards our interim 2030 targets.

2023 performance

To further improve the coverage of our target, we expanded our in-scope customers in 2023 by adding a new category, "Integrated Power Producers". With this new category, we further refined our methodology to more accurately reflect the nature of business for some of our customers, including those that were previously out of scope, such as customers categorised under transmission and distribution. As vertically integrated power players are active throughout the entire electricity value chain, customers in this category typically generate higher emissions intensity compared to corporates that solely invest in power generation assets. The marginal increase in our recalculated 2022 emission intensity to 229 $kgCO_2$/MWh (from 227 $kgCO_2$/MWh originally) stems from this expansion of in-scope customers.

After the aforementioned expansion of in-scope customers, the final 2023 emissions intensity result shows a marginal increase to 234 $kgCO_2$/MWh (from 229 $kgCO_2$/MWh in 2022). This increase is a result of expanding the in-scope clients to include critical power and utility players that contribute to energy security within the APAC region. Under the original methodology, the 2023 emissions intensity result for the Power sector would have shown a decrease to 226 $kgCO_2$/MWh (from 227 $kgCO_2$/MWh originally in 2022).

Although the emissions intensity for the Power sector increased marginally from 2022, we expanded our client coverage and product expertise within the renewables space (as further elaborated on how we are managing our Renewable Energy Portfolio on the right). As a result, the overall performance for the Power sector remains in a downward trajectory, with a decrease of approximately 10% since the baseline. We are pleased to report that our 2023 financed emissions for the Power sector remain significantly below the IEA NZE reference scenario of 378 $kgCO_2$/MWh for the same year.

Challenges and opportunities

While we continue to grow our Renewable Energy Portfolio and phase out thermal coal financing, DBS also recognises the importance of energy security in the region. Several ASEAN countries have announced ambitious targets to reach carbon neutrality. However, they continue to face challenges in deploying the capital required to build up grid infrastructure and scale up a stable supply of renewable energy. As such, some countries may still need to rely on conventional power sources, such as gas, to provide a stable baseload supply of power and minimise any disruptions to economic activities.

The transition for the Power sector depends not only on financial institutions but also on governmental policies and support, as well as technological advancements to improve commercial viability. Changes in legislation and policies would be required, including increased regional cooperation, to (i) drive more resources towards quicker deployment of low-carbon technologies and (ii) attract more capital from foreign investors and financial institutions.

DBS is also collaborating with the Indonesia Investment Authority (INA) on their Energy Transition Mechanism for the early retirement of thermal coal plants. While we are already working on a potential pilot financing transaction, we recognise that the MPO of coal-fired power plants is still in its early stages in the market. The scalability of such financing will take time, given multiple factors to consider and stakeholders to engage.

Read more on how we are providing innovative financing solutions on page 19, and our approach to phase out thermal coal financing on page 22.

Next steps

We have been engaging with clients to encourage the adoption of lower-carbon fuel mix for power generation and to explore areas that DBS can support them beyond financing. Examples include providing ESG and financial advisory services, as well as forming strategic partnerships with equipment or digital solution providers, to better support their transition efforts.

By utilising our in-house developed analytics tools, we will be able to monitor and simulate potential emissions trends based on different economic and environmental scenarios. This will help us to better understand our clients' needs and advise them on the various available transition and financing solutions that are suitable for their consideration.

The Power sector's financed emissions reduction is on track to meet our 2030 target and has been performing below the IEA NZE reference scenario. We are encouraged by the progress made to date, but there is still much work to be done to continue this trajectory. We remain committed to supporting our clients in the Power sector in their efforts to achieve net zero by 2040, which is crucial in decarbonising the other industry sectors to achieve net zero by 2050.

Managing our Renewable Energy Portfolio

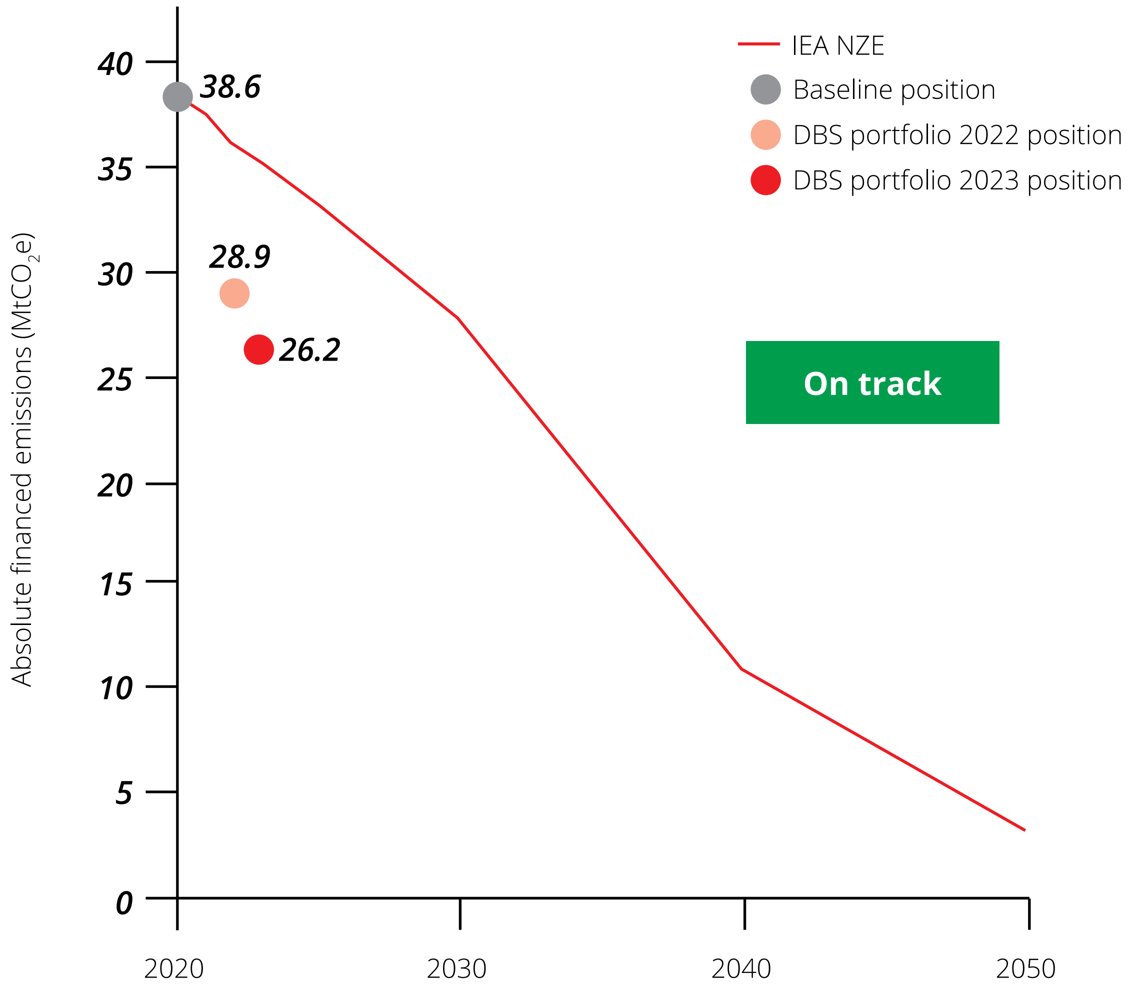
Our renewable energy financing increased from over SGD 7 billion in 2022 to SGD 10 billion in 2023. This growth was driven by new loans granted to our key clients across the markets we operate in. Examples of our renewable energy financing activities include a first-of-its-kind solar project financing in Bangladesh for a Chinese-led consortium and advising and arranging the financing for a Singaporean energy client acquiring renewable energy assets in Vietnam.

Our Power sector's overall positive performance can be attributed to two factors: (i) our efforts to systematically support our clients as they build or acquire more renewable energy assets and (ii) our focus on advising and supporting our clients in their transition journey as they pivot towards low-carbon technology and solutions.

As part of our ongoing efforts to drive decarbonisation in the real economy, we are collaborating with various governmental agencies and power industry players to facilitate a just transition in the MPO of coal-fired power plants.

In line with our commitment set in 2018 to progressively phase out both thermal coal power and mining financing by 2039, our exposure to thermal coal in 2023 was SGD 1.8 billion. This represents a decrease from SGD 2.2 billion in the previous year and SGD 2.7 billion the year before.

Oil & Gas (O&G)



2023 performance

The absolute financed emissions for our O&G sector decreased year-on-year and now stands at 26.2 $MtCO_2e$, reflecting a steady decline towards our interim 2030 and 2050 net zero targets. Our 2023 emissions also remain below the International Energy Agency's (IEA) Net Zero Emissions by 2050 (NZE) reference scenario for the same year.

During the year, our outstanding exposure to the entire in-scope O&G portfolio decreased by about 10%. This decrease was attributed to several factors, including the intentional reduction of our overall exposure to O&G business activities, as well as lower drawdowns under existing committed facilities. Our financed emissions and methodological choices are also influenced by the availability of customer data and are subject to refinement when data quality improves[17].

Challenges and opportunities

One of the key drivers to significantly accelerate the decarbonisation of the O&G sector and meet the 1.5ºC-aligned 2030 and 2050 net zero targets is to ensure substantial emissions reductions across the entire value chain (Scopes 1, 2 and 3) through the adoption of new energy and technologies. Consequently, many O&G companies are increasingly exploring and harnessing the potential of low-carbon fuel alternatives (such as biofuels, green hydrogen, green ammonia and their related derivatives), and exploring the application of Carbon Capture, Utilisation and Storage (CCUS) solutions to conventional fossil fuel-based processes. However, widespread adoption of these alternatives remains limited today, partly due to the challenges of large-scale commercial adoption driven by factors such as affordability, feedstock availability and scalability issues, among others.

That said, DBS is committed to our goals to drive transition in our O&G portfolio. We will continually and proactively engage our clients to explore low-carbon fuel alternatives solutions in our region, with the aim of developing innovative structuring solutions to enhance the bankability and scalability of such opportunities. However, financial institutions cannot achieve this alone. Governmental policy support and intervention will play a critical role in the decarbonisation of the O&G Sector.

Read more about our Industry & policy engagement on page 18 to accelerate our climate agenda.

Furthermore, we recognise the key limitations in the current approach in quantifying our absolute financed emissions for the O&G sector. In line with the Partnership for Carbon Accounting Financials (PCAF), the absolute financed emissions per client attributable to our O&G sector is calculated by dividing our financing to the client by the client's company value and then multiplying by the client's emissions:

$$\text{Financed Emissions} = \sum_{c} \text{Company Emissions}_c \times \frac{\text{Outstanding Amount}_c}{\text{Company Value}_c}$$

DBS, along with many other banks, uses this PCAF methodology to calculate absolute financed emissions. As methodologies evolve, we will continue to review and reassess our approach accordingly.

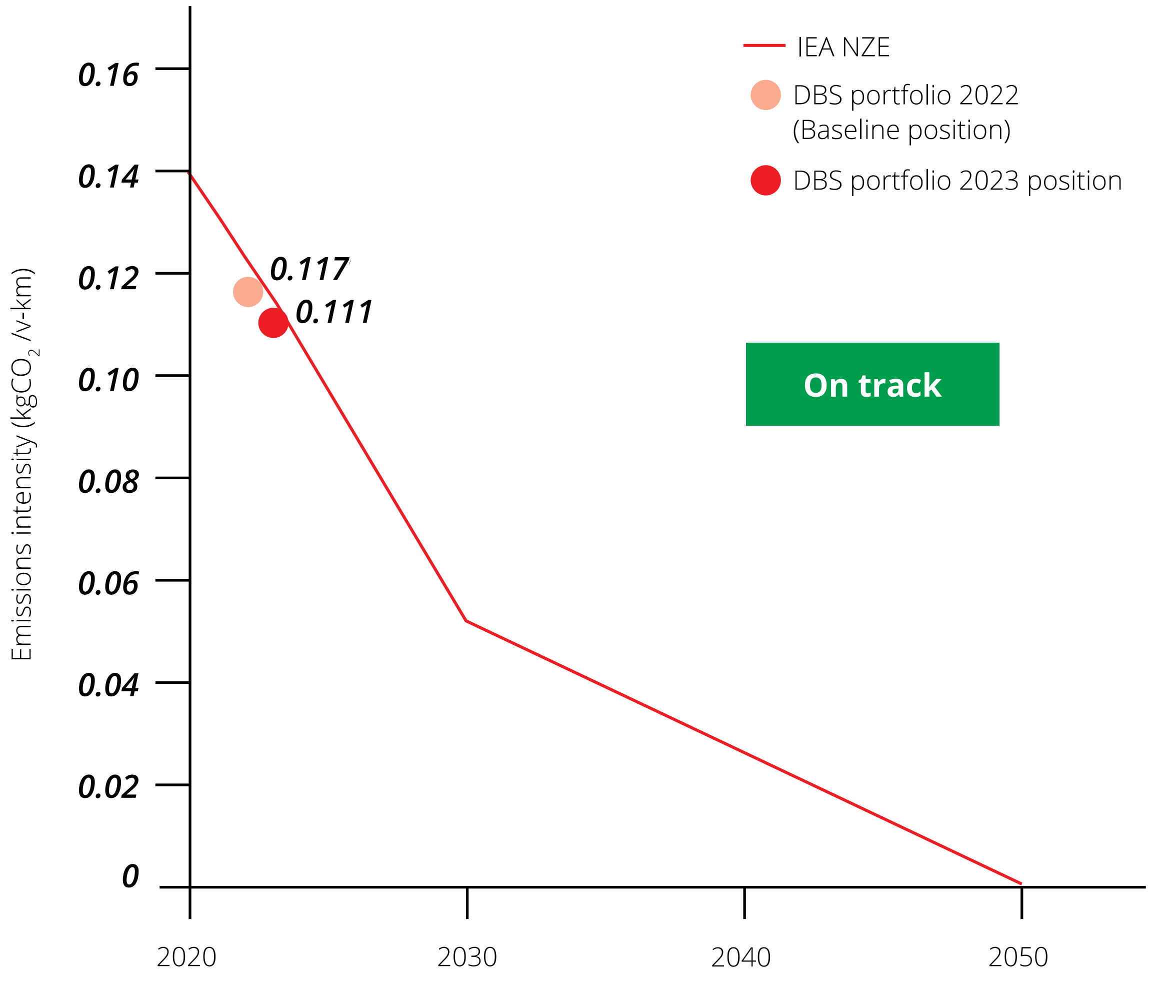
Next steps

Our O&G sector's absolute financed emissions are tracking well against our interim 2030 target. While we are encouraged by the progress made to date, we remain cautious and mindful that much more needs to be done to continue this trajectory.

By utilising our in-house developed analytics tools, we will be able to monitor and simulate potential emissions trends based on different economic and environmental scenarios. This will enable us to better understand our clients' needs and advise them on the various available transition and financing solutions suitable for their consideration.

(17) As part of our ongoing data refinement process these improvements have led to a recalculation of our emissions for the previous year, 2022, from 35.6 $MtCO_2e$ to 28.9 $MtCO_2e$.

Automotive



2023 performance

Our 2023 emissions intensity result for the Automotive sector has improved to 0.111 $kgCO_2$/v-km, down from 0.117 $kgCO_2$/v-km in 2022. It remains below the reference scenario of 0.114 $kgCO_2$/v-km(18). This reduction in our portfolio emissions intensity can be attributed to increased financing activities across the electric vehicle (EV) value chain and efforts undertaken by our Automotive clients in transitioning towards EVs in response to growing demand.

Challenges and opportunities

DBS continues to support the industry's transition to electrification by financing large gigafactories and cross-border trade flows across major markets. For example, we financed the gigafactory of a key Asian client into Hungary in 2023 to support the European EV demand as well as the trade financing associated with the battery flows from China and Korea to Europe and the United States. We expect to see such investments increase in our core markets, such as India and Indonesia, where governments are announcing commitments to decarbonise the transport sector.

We believe that these efforts will have a positive impact on our financed emissions over time as more internal combustion engine (ICE) vehicles are replaced. As we progress towards our interim 2030 and net zero 2050 targets, the pace of electrification will be a key consideration that is dependent on several critical factors:

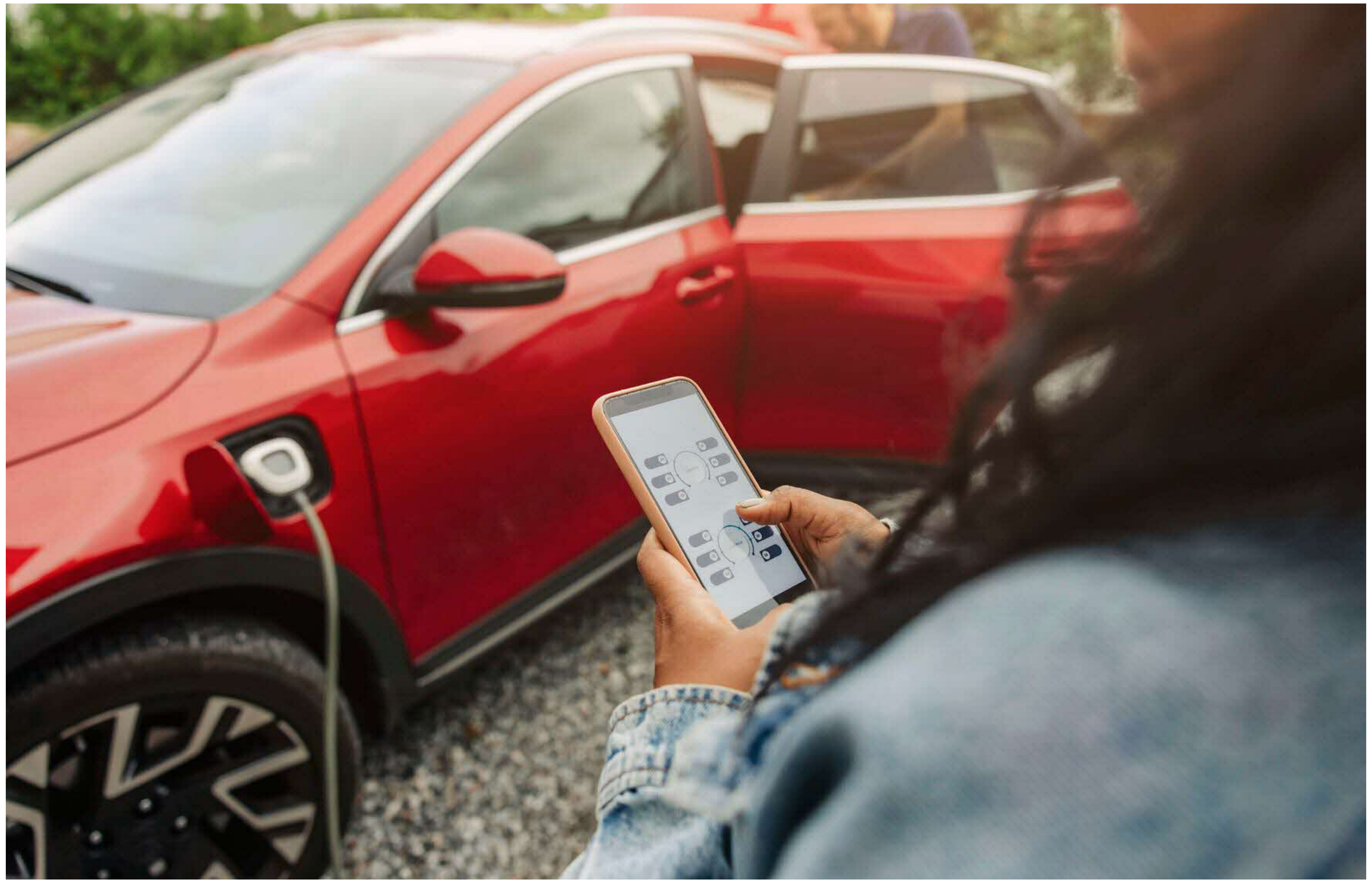
- Price parity of EVs vs ICEs, which largely depends on battery pack prices;
- Accelerated rollout of more affordable EV models globally;
- Development of comprehensive charging infrastructure; and/ or
- Government and policy support.

Next steps

Geopolitics and industry-related factors could impact the pace of electrification in the short-term. However, the longer-term direction for the Automotive industry is towards an electrified future. DBS remains committed to supporting our clients in their efforts towards a net zero pathway for themselves and the broader sector.

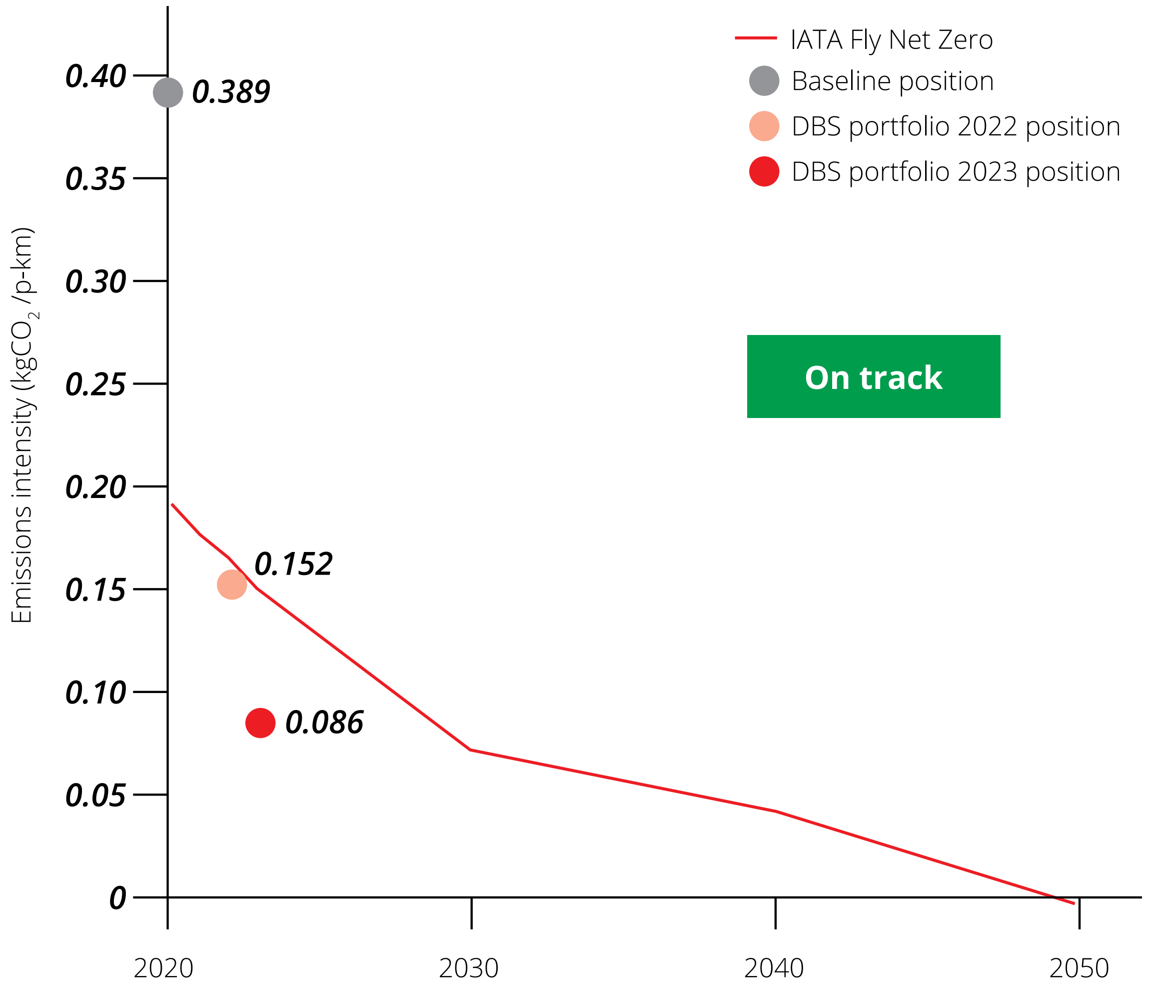
We will continue to engage with our top-emitting clients and support them in achieving decarbonisation by providing advisory services and financing for their pipeline of investments.

Additionally, as we seek to further increase our financing across the EV value chain, we will also seek to engage with more clients to understand where they are on their net zero journey and what their financing needs may be.



(18) In 2022, we increased the robustness of our emissions calculations for the Automotive Sector through methodology updates. Among these updates, the biggest impact has been the change from the New European Driving Cycle (NEDC) to Worldwide Harmonised Light Vehicle Test Procedure (WLTP) as the standard of measurement for emissions intensity. The industry has recognised WLTP as a more robust measurement with longer driving cycle which is closer to actual driving conditions. As a result, emissions intensity measurements are generally higher under WLTP compared to NEDC. Using the WLTP approach results in greater pressure to reach our interim 2030 emissions intensity target. Nonetheless, we have opted to stay committed to achieving the target we initially set.

Aviation



2023 performance

Our 2023 emissions intensity result for the Aviation sector is 0.086 $kgCO_2$/p-km, a significant improvement from 0.152 $kgCO_2$/p-km in 2022. Our portfolio position is also within the reference scenario and is on track to meeting our interim 2030 target.

This performance was driven primarily by the increase in passenger load factor for airline clients from 2022 to 2023, as countries lifted travel restrictions and the demand for international air travel recovered almost back to pre-COVID (2019) levels.

Challenges and opportunities

Airlines remain heavily dependent on fossil fuels, with the majority of emissions in the Aviation sector coming from fuel burned during flight. To ensure that our portfolio is able to meet the IATA Fly Net Zero trajectory, our strategy includes supporting our clients' financing needs in their re-fleeting exercise and facilitating their adoption of sustainable aviation fuels (SAF). However, these drivers for decarbonisation pose several challenges.

Aircraft have a long useful life and can remain in service for 20 – 30 years[19]. Fleet renewal to more efficient aircraft could span many years even when newer aircraft models have been introduced. This is compounded by the fact that aircraft have lengthy development times[19]. For example, the time taken to research and develop a new aircraft model incorporating the latest technology and obtaining airworthiness certificates could take up to 10 years. Furthermore, limited supply and the high cost of SAF often make it less economical for use by operators vis-à-vis conventional jet fuel, resulting in lower quantity used compared to what the decarbonisation trajectory requires.

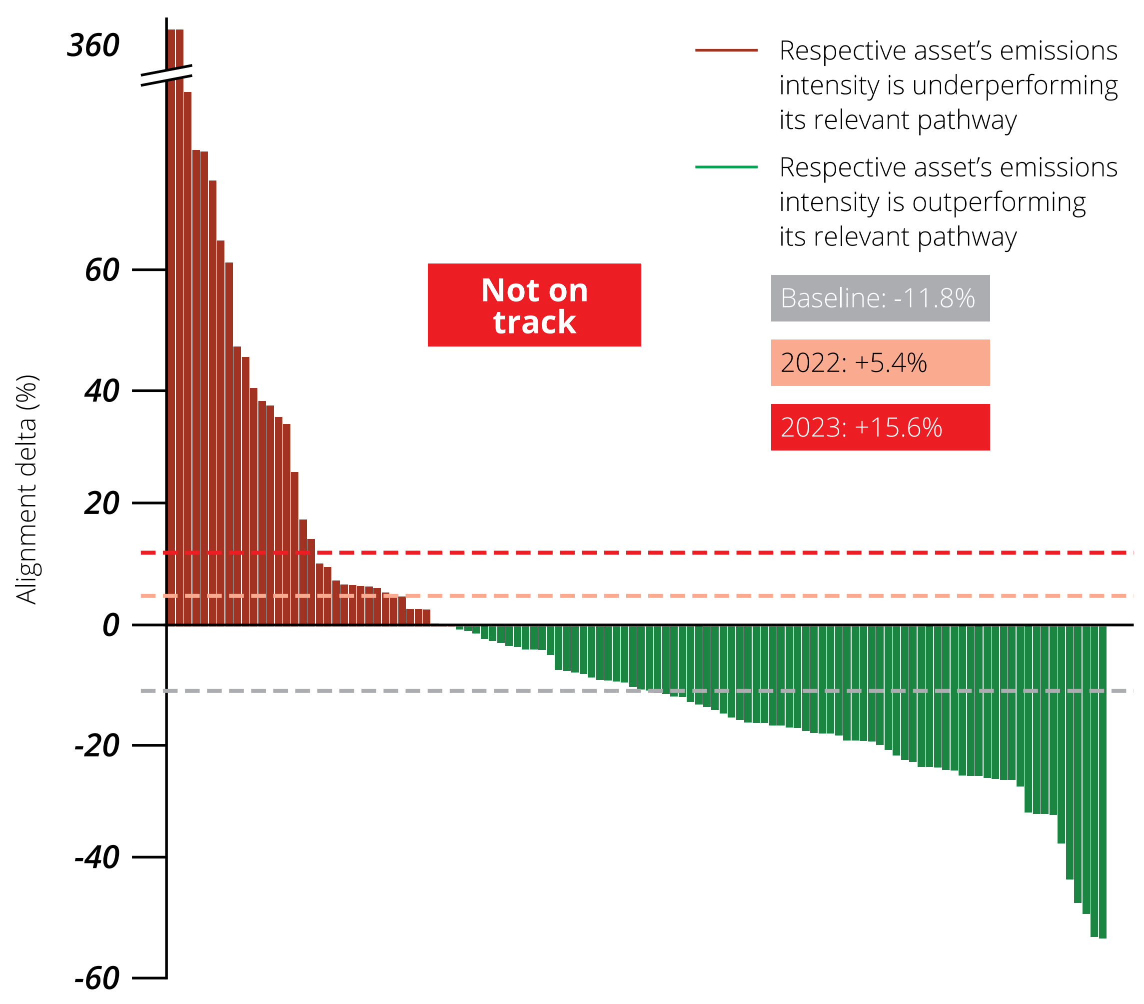
Next steps

We will continue to engage with our clients on their transition plans and support them through:

- Financing their re-fleeting to more fuel efficient aircraft;
- Facilitating the adoption of SAF, including working with our clients and other stakeholders across the Aviation value chain;
- Financing investments in novel aviation technologies, as they come to market (likely post 2030); and/ or
- Helping clients to access high-quality offsets for their residual emissions after other decarbonisation efforts are exhausted.

(19) IATA Net Zero Roadmaps Executive Summary (June 2023)

Shipping



2023 performance

The 2023 International Maritime Organisation (IMO) GHG Strategy[20] on the reduction of GHG emissions from ships highlighted the increased ambitions to achieve net zero emissions from international shipping "by or around" 2050. To this end, we will evaluate our financed emissions assessment parameters for our Shipping sector against this new benchmark.

In 2023, we continue to report our performance against the Poseidon Principles trajectory that is aligned with the 2018 IMO GHG Strategy. This, in turn, is based on a 50% reduction in emissions in 2050 compared to 2008 levels, which we refer to as the *50% CO_2 reduction trajectory*.

The 2023 Alignment Delta (AD) of our Shipping sector widened from the *50% CO_2 reduction trajectory*, with a higher alignment score of +15.6% compared to +5.4% in 2022.

(20) 2023 IMO Strategy on Reduction of GHG Emissions from Ships

This was primarily due to additional drawdowns on facilities used to finance shuttle tankers. These facilities were already committed before DBS set its sectoral decarbonisation targets, which were announced in September 2022. Notably, the shuttle tankers segment is disadvantaged regarding the computation of the AD due to the nature of their trade patterns and operational requirements, which consequently led to an outsized contribution to a higher alignment score. If we exclude the shuttle tankers segment entirely, our Shipping portfolio would align with the *50% CO_2 reduction trajectory*.

Challenges and opportunities

Shipping is a hard-to-abate sector. The key decarbonisation drivers include:

- higher vessel efficiency and
- adoption of low-carbon fuels.

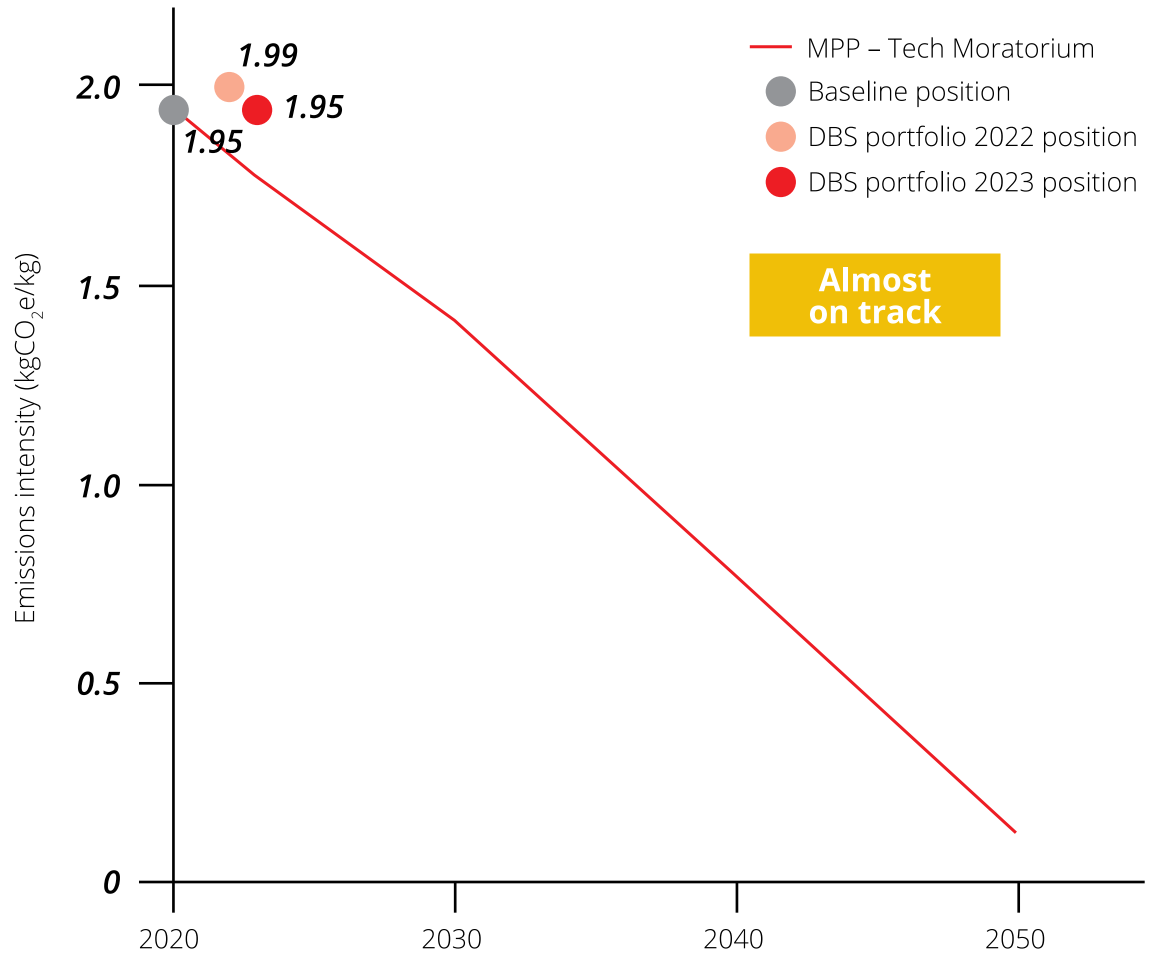
Examples of low-carbon fuels, such as clean ammonia, clean hydrogen, clean methanol and biofuels, offer promising alternatives to existing maritime fuels. However, there are trade-offs associated with each of these alternatives, and none has emerged as the clear dominant fuel for the sector going forward.

The higher cost of investments in more efficient ships and equipment, along with the uncertainties around the supply and cost of lower-carbon emitting fuels, are some of the ongoing challenges that ship owners face today. In addition, the prevailing uncertainties relating to regulations, technologies, and passthrough of costs continue to undermine the pace of transition.

Next steps

Achieving decarbonisation in the Shipping sector would require medium to longer-term strategies. We will continue to engage with our clients on their transition journey and help facilitate the adoption of lower-carbon emitting technologies and fuels. Furthermore, we will need to direct our financing toward more efficient ships to improve our portfolio's alignment score.

Steel



2023 performance

The Steel industry is one of the largest contributors of global emissions, accounting for about 7% of global emissions[21]. There are two primary technologies used in current steel production: the Blast Furnace – Basic Oxygen Furnace (BF-BOF) and the scrap-based Electric Arc Furnace (EAF). The BF-BOF technology is a carbon intensive integrated process of iron smelted in a coal-fired blast furnace and refined into steel in a basic oxygen furnace. It remains the predominant method of steel production, accounting for 71%[22] of global steel production and approximately 90% in Asia. In contrast, the EAF uses primary raw materials such as steel scrap, direct reduced iron (DRI) and/ or hot metal and electricity. It is relatively less carbon intensive and accounts for the remaining 29% of global steel production[22].

In 2023, our emissions intensity result for the Steel sector improved to 1.95 $kgCO_2e/kg$ steel, compared to 1.99 $kgCO_2e/kg$ steel in the previous year. This is marginally above the reference scenario determined under the Mission Possible Partnership's Tech Moratorium scenario (1.83 $kgCO_2e/kg$ steel). Our 2023 performance has excluded upstream mining companies of iron ore and metallurgical coal from a financier's Scope 3 emissions, which is in line with the Sustainable STEEL Principles (SSP) and practices of our peer banks. If we had retained the original scope to include the upstream mining companies, our portfolio's financed emissions would have been 1.97 $kgCO_2e/kg$ steel.

The actual pace of decarbonisation in the Steel sector is slower than anticipated and we will need to strike a balance between honouring our existing commitments to clients and approaching our net zero goal.

Nonetheless, improvements in the financed emissions of our Steel sector can be attributed to our ongoing client engagement efforts. These include financing the use of higher quality iron ores and fuel mix optimisation in their predominant BF-BOF technologies, recycling scrap to produce secondary steel to gradually shift towards the relatively lower carbon-emitting EAF route, exploring the use of green hydrogen-based DRI production and developing alternative technologies for Carbon Capture, Utilisation, and Storage (CCUS), among others.

In 2023, DBS has been increasingly focusing on extending sustainable financing (such as Transition and Green Loans) to steel mills in Taiwan and India. We have also been providing sustainable trade facilities and structuring digital solutions for our Steel clients to issue Letters of Credit to International Council on Mining and Metals (ICMM) members. We believe these efforts will have a positive impact on the financed emissions of our Steel sector over time as these get progressively reflected into our client's emissions data in the future.

Challenges and opportunities

The capital expenditure requirements in the Steel industry are significant. In particular, the long asset life makes it challenging to adopt more sustainable technologies and infrastructure in the short to medium term. To achieve the goal of decarbonisation of the Steel sector, it will have to rely heavily on electrification, which fundamentally requires a change in the way steel is produced, as well as a clean grid.

Despite our Steel portfolio being predominantly Asia-centric, the more carbon-intensive BF-BOF steel production technology remains dominant – reflecting the global steel production composition. Most of the production capacity is relatively new and not due for retirement any time soon. Furthermore, government policies and regulations in Asia to drive the EAF adoption lag behind those in more developed markets. Coupled with the structural shortage of scrap steel supply in Asia, the shift from BF-BOF to EAF has been hindered by the lack of transparency in the current pricing mechanism.

DBS will continue to incentivise our clients by extending Sustainability-Linked Loans (SLL) by setting specific targets/ covenants to bring down the client's emission data. We will also continue to fine-tune our client selection criteria to focus on clients with lower carbon footprints and clearer roadmaps for decarbonisation.

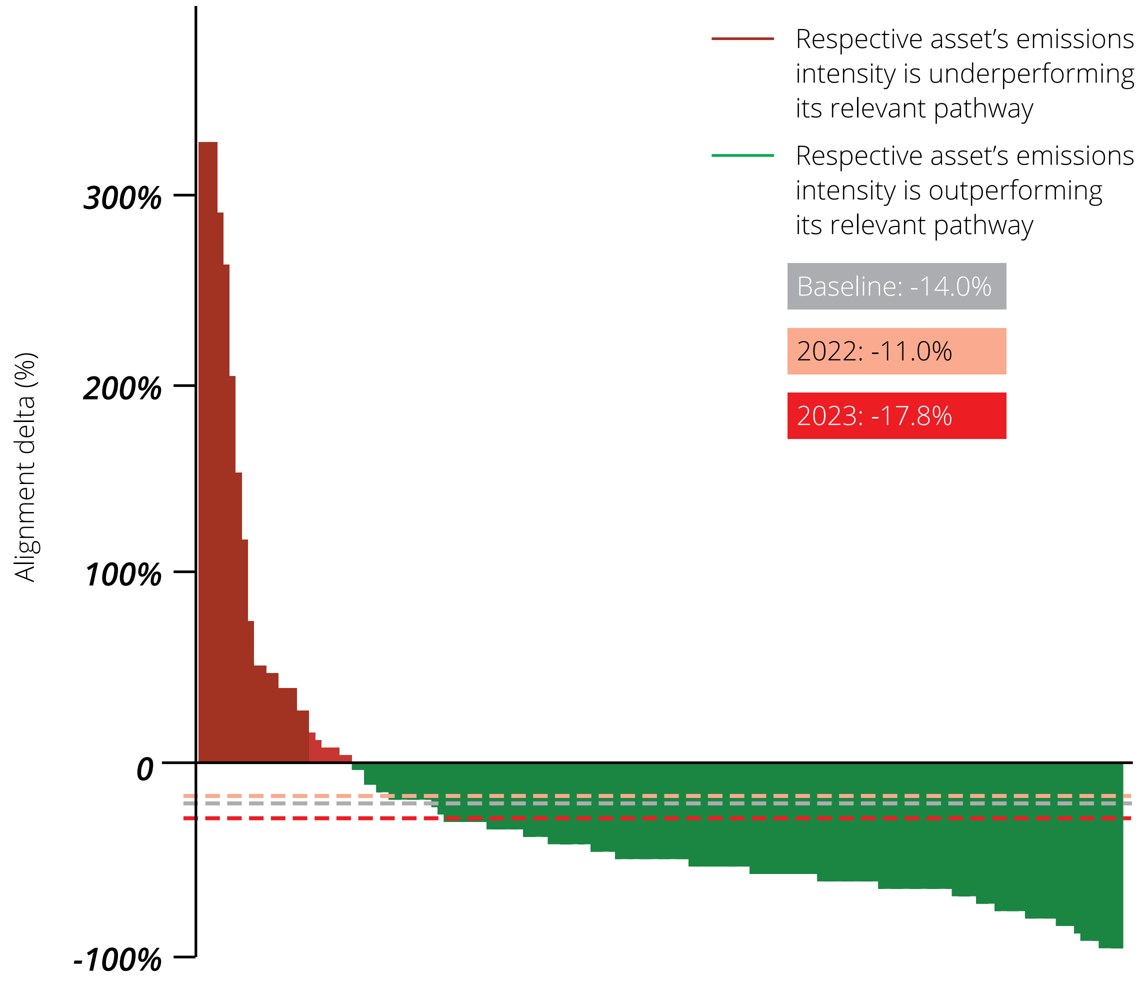
Next steps

We are assessing the feasibility of adopting a regional reference scenario more suited to our clients' profile and host countries' status of economic development, compared to the global version used to date.

(21) *Mission Possible Partnership – Net-Zero Steel Sector Transition Strategy (2021) https://www.energy-transitions.org/publications/the-net-zero-steel-sector-transition-strategy/*

(22) *World Steel Association https://worldsteel.org/wp-content/uploads/worldsteel-book-final-2022-1.pdf*

Real Estate



2023 performance

In 2023, the overall portfolio performance of our clients by Alignment Delta[23] ("AD") is -17.8% below the CRREM reference scenarios, demonstrating a lower alignment score from -11.0% in 2022. The improvement is attributed to more companies adopting greater energy efficiency measures for their buildings' operations and higher quality sustainability reporting that adheres to the elevated disclosure standards across the industry.

The 2023 AD of our Real Estate sector remains well below the CRREM reference scenarios, reflecting our continual efforts to maintaining our portfolio of sustainable buildings across key markets.

Challenges and opportunities

We continue to engage with property developers and real estate investment trusts (REITs) to encourage the reduction of emissions and we have observed a notable improvement in their commitment and initiatives to accelerate the process of decarbonisation.

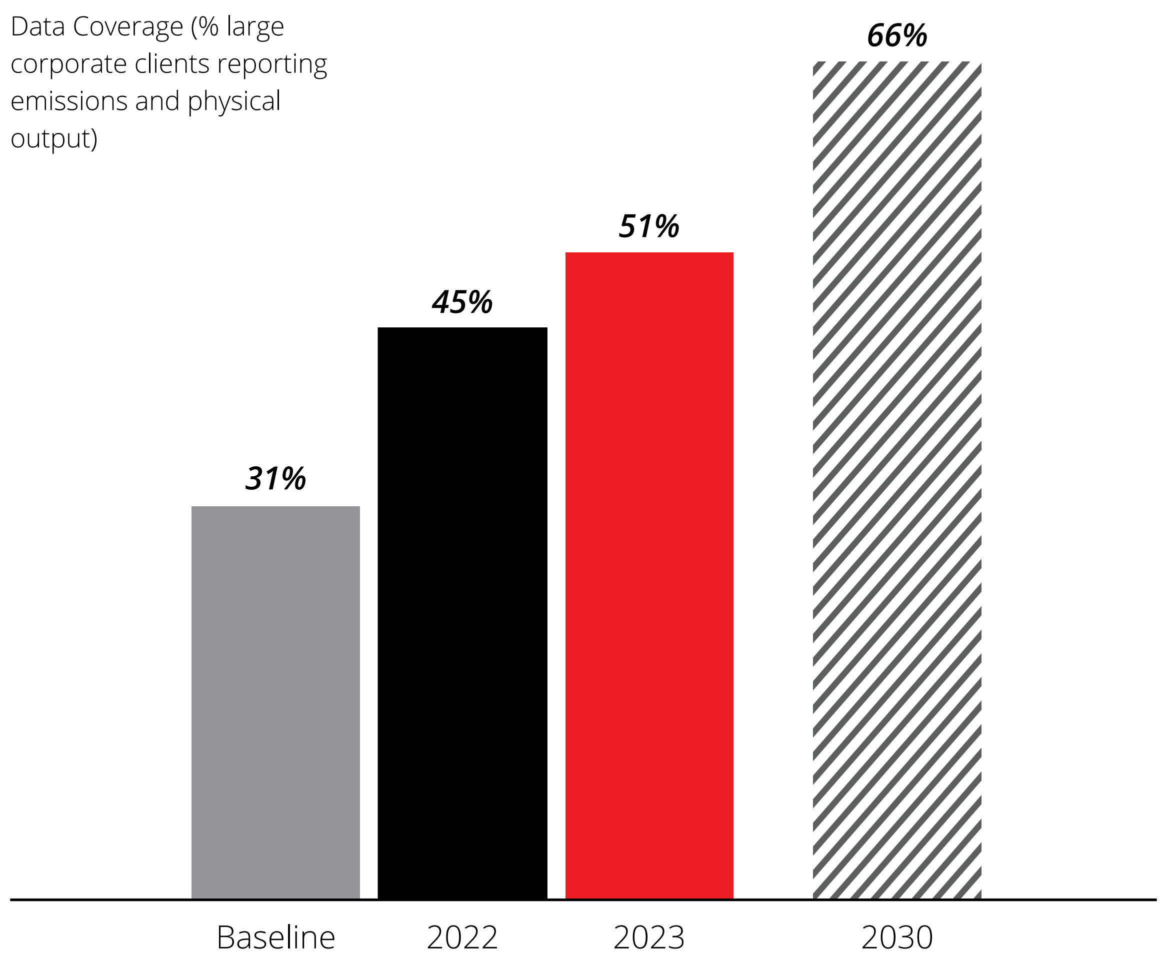
Decarbonisation in the Real Estate sector is primarily dependent on the grid and driven by adopting the highest green certification standards, promoting renewable energy generation and utilisation, and implementing energy-efficient retrofits for buildings. Accessible, accurate and automated building energy data is fundamental for understanding energy performance in decarbonisation efforts. Scaling this across a complex mix of Real Estate portfolio and facilities across different regions poses a challenge, which can usually be overcome with the support and collaboration among governments, policymakers, and industry participants.

Next steps

We will continue to engage with our clients and support them in achieving decarbonisation by providing advisory services and financing for their pipeline of investments.

(23) This Alignment Delta (AD) measures how our clients, constituents in sectors made up of varying asset types and activities, compared to a range of diverse underlying benchmarks. Real estate, made up of commercial, residential, hospitality and other assets, is an important sector in our Institutional Banking Group (IBG) portfolio. This AD method has allowed us to include a much wider range of property types and countries in our Real Estate targets than what other banks have announced thus far.

Food & Agribusiness (F&A)



2023 performance

We remain focused on encouraging our corporate clients to measure, monitor and report their emissions and physical output. In 2023, data coverage for our F&A sector increased from 45% to 51%. We are encouraged by this improvement and will continue to support clients who are in the earlier stages of measuring and reporting emissions.

Challenges and opportunities

Tangible decarbonisation requires large-scale concerted efforts from all stakeholders across the value chains from primary growers, producers, processers, transporters and distributors to government and regulatory bodies.

There are currently limited supply-side decarbonisation levers that can significantly reduce emissions from the high high-emitting segments of the value chain at a commercially viable scale, while also meeting the growing demand for food. Moreover, addressing land-use change related emissions from farming is critical and requires government policy support to incentivise smallholder farmers to adopt environmentally friendly technologies. On the demand side, shifting consumer behaviour towards more sustainable diets also requires time.

Next steps

While good progress is being made towards achieving our interim data coverage target, it remains challenging to set a single emissions reduction target for the entire F&A sector. The sector is extremely diversified with emissions intensities varying materially across different agricultural produce and segments of the value chain. While there have been recent developments in establishing decarbonisation pathways including the Science Based Target initiative's Forest, Land, and Agriculture (FLAG) guidance, such pathways have not yet been widely adopted by the industry and do not cover the entire F&A value chain.

We will keep abreast of industry developments and, in the absence of a single emissions target for the entire sector, will consider setting decarbonisation targets for material sub-sectors within F&A once an industry consensus on the applicable pathway emerges.

Managing our Palm Oil Portfolio

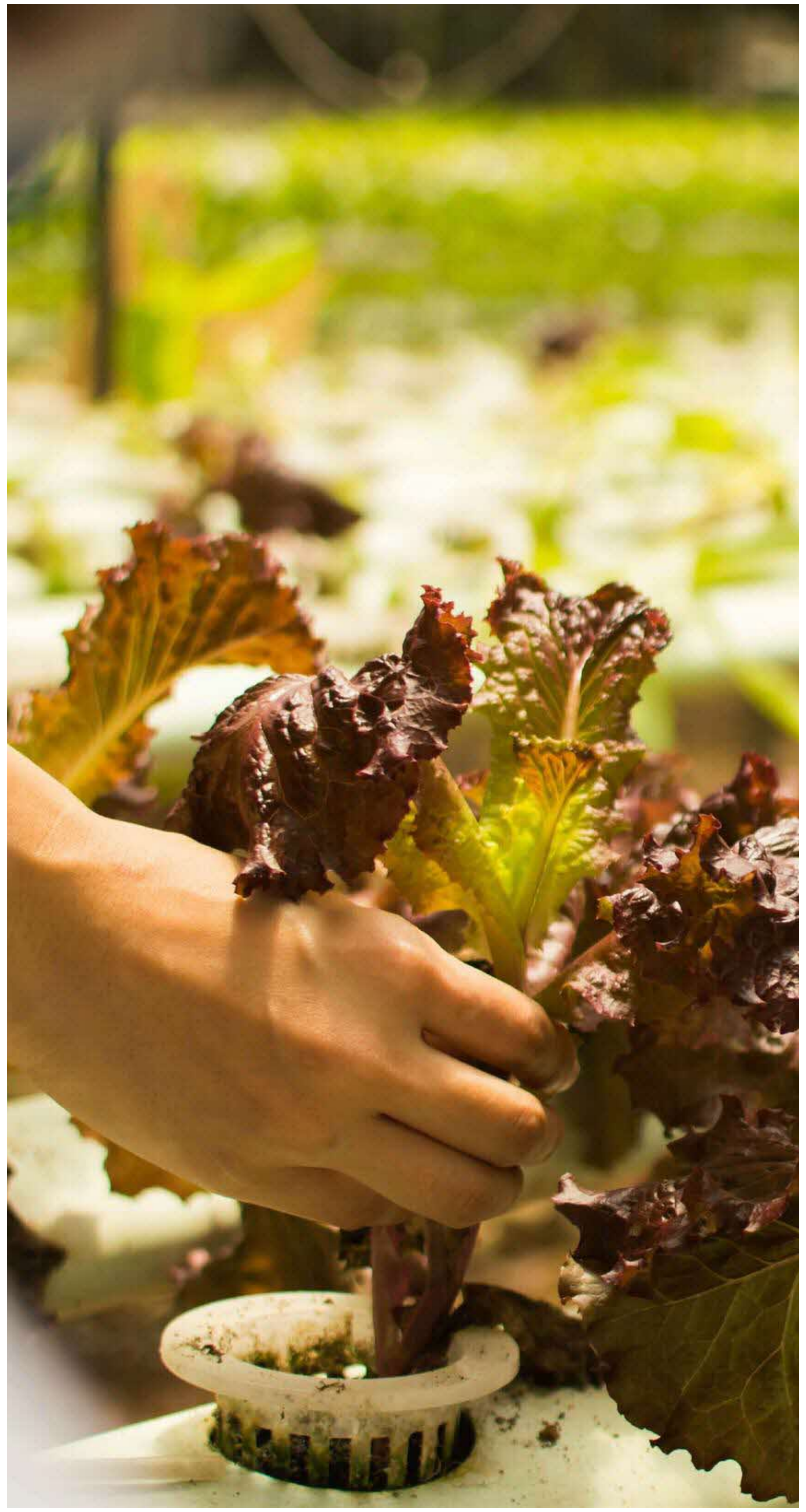
Within our F&A portfolio, DBS continues to monitor the sustainability performance of our palm oil customers (both existing and new) to assess their alignment with our policies and standards, including our palm oil financing policy. Our palm oil customers include those who have either aligned with or have committed to working towards aligning themselves to the principles of No Deforestation, No Peat, No Exploitation (NDPE) and/ or the principles and criteria of the Roundtable on Sustainable Palm Oil (RSPO).

We continue to engage our palm oil customers on addressing their sustainability challenges and support them by progressively making their supply chains more sustainable, addressing community rights and having better access to grievance mechanisms. Our RMs also conduct site visits where possible to farms, plantations, local communities, and processing facilities that we finance. Where there are gaps identified in aligning with our standards, the sustainability team, alongside the RM and relevant credit teams will engage the customer to address them.

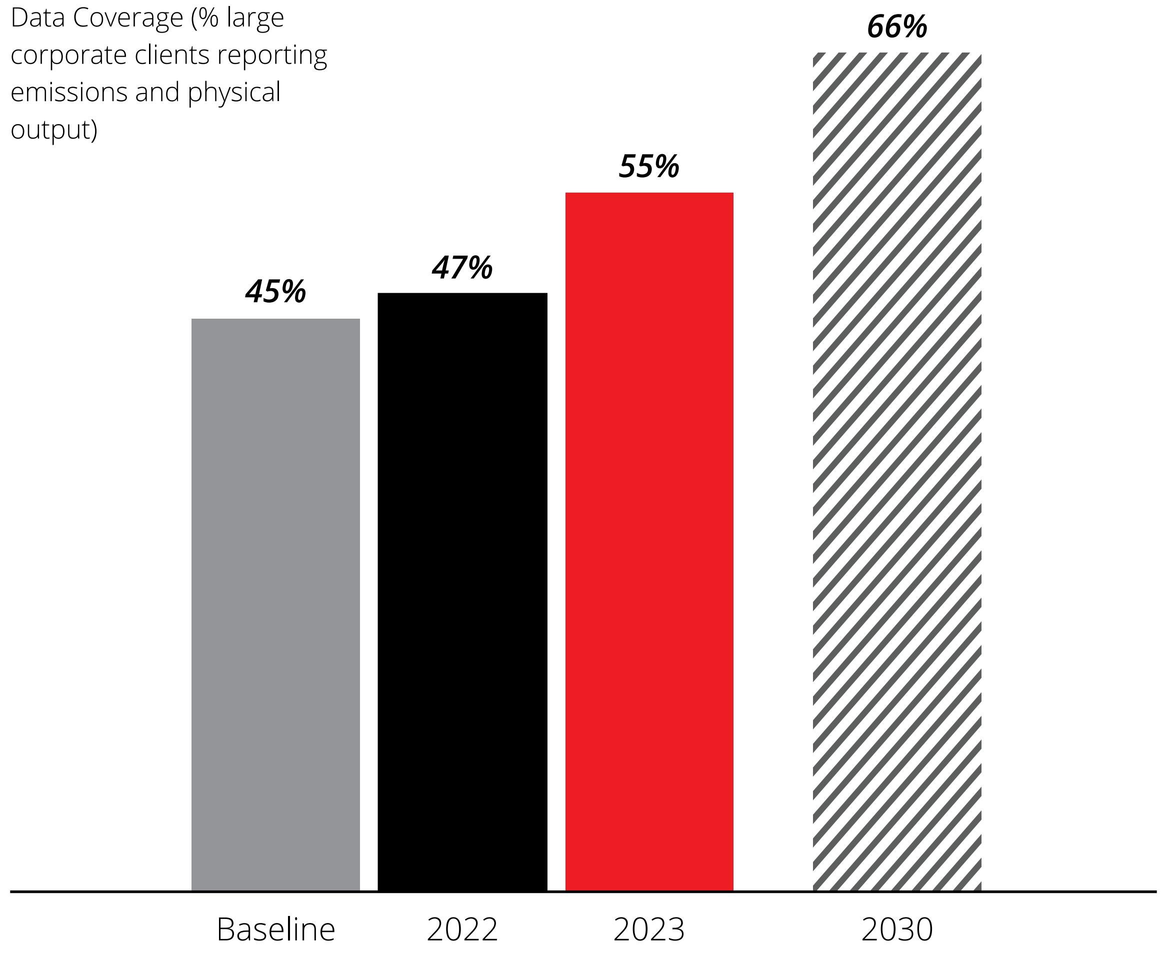
As of December 2023, our exposure to the Palm Oil sector was SGD 1.1 billion (2022: SGD 1 billion), representing no more than 0.2% of our total IBG exposure.

Thematic capacity building for RMs to keep abreast of industry developments

As the Agriculture, Food, and other Land Use (AFOLU) sector evolves, we are continually upskilling and reskilling our RMs, including the relevant topical trends and related regulatory requirements, among others. For example, when the European Deforestation-free Regulation was rolled out in July 2023, we ran an internal training session for RMs to stay abreast of its material business impacts for client engagement around their sustainable financing opportunities. In the same year, we also organised a thematic workshop on sustainable protein transition that was conducted by industry practitioners to upskill our RMs on industry developments.



Chemicals



2023 performance

We remain focused on encouraging our corporate clients to quantify, monitor and report their emissions and physical output. In 2023, data coverage for our Chemicals sector increased from 47% to 55%. We are encouraged by this improvement and will continue to support clients who are in the earlier stages of measuring and reporting emissions.

Challenges and opportunities

Decarbonising the sector is challenging. In the near term, improvements will largely be driven by enhancing process and resource efficiencies across the value chain, for example, by switching from coal to gas fuel for power. In the longer term, nascent low-carbon technologies like Green Hydrogen and CCUS can contribute to deeper GHG reductions when they are available at a commercial scale. However, the applicability and impact of decarbonisation options will vary significantly across the wide spectrum of chemicals. Strong regulatory and economic frameworks will remain crucial for emissions reduction in the industry.

Next steps

The Chemicals sector is extremely heterogenous; companies often make a wide array of chemicals, each with different levels of emissions intensities depending on the process and use of the chemicals. While good progress is being made towards achieving our interim data coverage target, available sector reference scenarios (such as IEA NZE 2050) vary significantly in their starting points and trajectories due to varying inclusions across Scopes 1, 2 and 3 emissions and the types of chemicals. Hence, it remains difficult to set a single emissions reduction target for the entire Chemicals sector.

We will keep abreast of industry developments and, in the absence of a single emissions target for the entire sector, will consider setting decarbonisation targets for material sub-sectors within Chemicals once an industry consensus on the applicable pathway emerges.

Equator Principles reporting

Since becoming a signatory to the Equator Principles[24] (EP) in November 2019, we have adopted a risk management framework for determining, assessing, and managing environmental and social risks in applicable transactions. We review the outcomes from the environmental and social due diligence processes to mitigate and manage any material risks identified. In addition, training sessions are held for RMs and CRMs on EP and how it is being implemented across the bank including its workflow as part of our enhanced process for ESG risk assessment.

In 2023, DBS was mandated to provide two Project Finance Advisory Services in the Asia Pacific region (see Table 3).

Over the same period, a total of six transactions achieved Financial Close[26], including one project-related corporate loan and five project finance transactions to which the Equator Principles were applicable. Table 4 provides an overview of these transactions. There are no applicable Project-related Refinance which achieved Financial Close in 2023 (Table 5).

Table 3: Project Finance Advisory Services mandated in 2023

Number of Project Finance Advisory Services	Sector	Region	Country Designation[25]
2	Power	Asia Pacific	Non-Designated

Table 4: Equator Principles applicable Project Finance and Project-related Corporate Loans in 2023

Project Name	Financial Product	Sector	Region	Country Designation	Independent review	Categorisation[27]
Eastern Steel Phase I	Project-related Corporate Loan	Mining	Asia Pacific	Non-Designated	Yes	A
Hai Long	Project Finance	Power	Asia Pacific	Non-Designated	Yes	A
Project Orbit	Project Finance	Power	Asia Pacific	Non-Designated	Yes	B
Emerald 3	Project Finance	Power	Asia Pacific	Non-Designated	Yes	B
Project Panda	Project Finance	Power	Asia Pacific	Non-Designated	Yes	C
Project Zen	Project Finance	Power	Asia Pacific	Non-Designated	Yes	C

Table 5: Equator Principles-applicable Project-related Refinance in 2023

Project Name	Financial Product	Sector	Region	Country Designation	Independent review	Categorisation
Not Applicable						

(24) The Equator Principles ("EP") is a voluntary environmental and social risk management framework, adopted by financial institutions, for determining, assessing, and managing environmental and social risk in project financing. It is primarily intended to provide a minimum standard for due diligence to support responsible risk decision-making.

(25) According to the Equator Principles (2020), Designated Countries are those countries deemed to have robust environmental and social governance, legislation systems and institutional capacity designed to protect their people and the natural environment. As a proxy, the Equator Principles Association requires that a country must be both a member of the OECD and appear on the World Bank High Income Country list to qualify as a Designated Country.

(26) Financial Close is defined as the date on which all conditions precedent to initial drawing of the debt have been satisfied or waived.

(27) According to the Equator Principles (2020), Category A Projects are those with "potential significant adverse environmental and social risks and/or impact that are diverse, irreversible or unprecedented". Category B Projects are those with "potential limited adverse environmental and social risks and/or impact that are few in number, generally site-specific, largely reversible and readily addressed through mitigation measures". Category C Projects are those with "minimal or no adverse environmental and social risks and/or impacts".

Sustainable living

Enabling a more sustainable lifestyle in the community

Our approach

To empower more sustainable lifestyles, we are continually enhancing our sustainability-focused banking and wealth management offerings to meet the ever-changing needs and expectations of our customers.

Through a comprehensive end-to-end banking journey we are:

- **Driving greater sustainability awareness**
  To provide information and insights that enable customers to make more sustainable lifestyle choices.
- **Enhancing financial planning and wealth democratisation**
  To provide accessible solutions for holistic financial planning across all stages of our customers' lives.
- **Supporting sustainable and ESG investment**
  To provide accessible investment products that incorporate ESG considerations, are highly competitive, are easy to adopt and lead to more sustainable outcomes.

Key initiatives

Providing information and insights to drive greater sustainability awareness

We aim to encourage sustainable lifestyle choices amongst our customers with information and insights on sustainable living and financial wellbeing. We also provide platforms that facilitate greater adoption of sustainable lifestyle choices.

DBS LiveBetter was first introduced on digibank in November 2021 as a one-stop digital sustainability platform. The innovative platform provides our customers with end-to-end banking solutions and services to fulfil financial transaction needs while supporting more sustainable outcomes for the environment and society. Through LiveBetter, customers have access to a range of resources to build their own awareness of and capacity for sustainable living.

Following the success and positive feedback received in Singapore and Hong Kong, in 2023 we rolled out the LiveBetter in Indonesia to reach even more retail customers in the region.

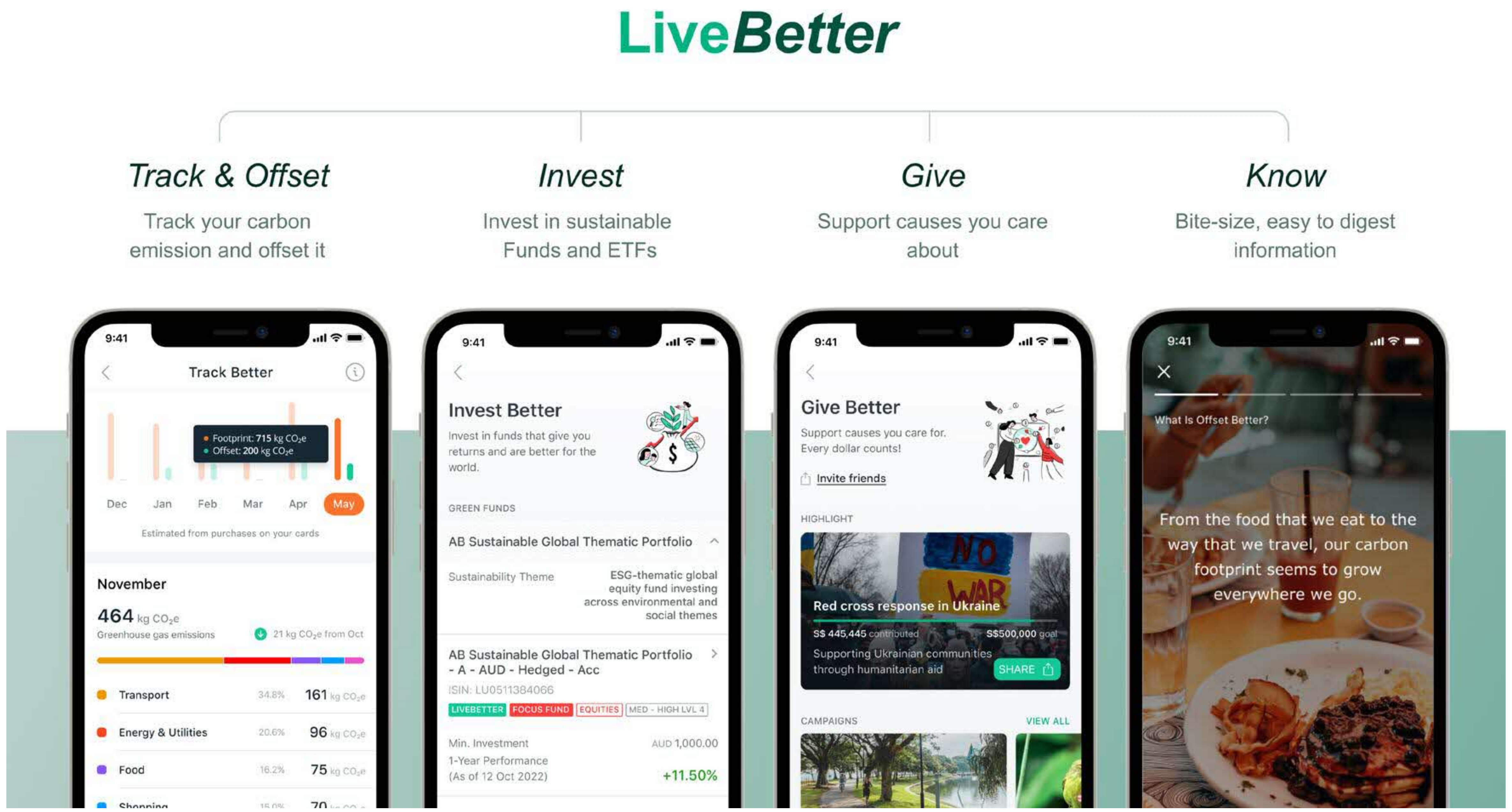
Since launching LiveBetter in November 2021, across all three markets we have seen:

> 1.7 million customers engaged
through LiveBetter

> SGD 2.3 million contributed
by customers to environmental and social causes through Give Better

> SGD 21 million investments
in green funds and ETFs through Invest Better

> 2,800 tonnes of CO_2e
offset by customers through the purchase of carbon credits via Offset Better



We are continually exploring more innovative solutions to help our customers adopt sustainable lifestyles more easily. Through **Spend Better** we are partnering with small and local merchants that offer more sustainable products and services, and rewarding customers with discounts when they use DBS or POSB cards at our selected merchants. This not only gives our customers more choices for sustainable living, but also gives greater visibility to local SMEs and MSMEs that may not always have the ability to reach out to customers through big marketing campaigns.

Enhancing financial planning through wealth democratisation

We aim to democratise wealth through the following three-pronged approach:

- **Raising awareness of the need for financial and digital literacy for all**
  Empowering everyone with the skills and knowledge required to navigate the financial world in this digital age
- **Leveraging digital and analytical tools to empower financial planning**
  Serving our customers through our artificial intelligence (AI)-powered financial planning tool
- **Availing products and solutions to all to strengthen financial resilience**
  Creating relevant products for our customers to achieve their financial goals

Raising awareness of the need for financial and digital literacy for all

Financial literacy and planning are essential for managing finances wisely and navigating the various life challenges and opportunities that arise. We believe those who are empowered with the necessary knowledge will be better placed in making more informed decisions to achieve financial wellness.

As such, we are committed to enhancing financial accessibility, democratising wealth, and promoting financial planning and literacy for all. We aim to be a one-stop solution to the financial needs of our customers, particularly those who would otherwise not have access to dedicated wealth relationship managers.

To this end, we have developed a personal finance guidance on our public website, **DBS Financial Planning Portal**. This guide offers a myriad of relevant articles, events and platforms to assess suitable financial products and services, which are categorised into six key themes that reflect six major milestones in life.

The six key themes are:

Financial Planning	Budgeting & Debt	Protection
Investing	My Home	Retiring & Estate

In the portal, concise finance and investment articles, primarily presented as short-form content, are systematically categorised. This ensures easy accessibility and relevance for our time-constrained visitors who seek to empower themselves with enhanced financial knowledge.

We also produced animated videos and organised in-person seminars and workshops to appeal to different segments of our audiences on various financial topics, such as budgeting, investing, insurance and planning for retirement. Almost 1,900 people attended in-person seminars in 2023 alone, of which over 20 were held in collaboration with other agencies such as the Singapore Exchange, Workforce Singapore, and the National Library Board.

In order to better understand the changing needs of the general public and provide more insightful guidance on the portal, DBS makes use of insights from its extensive customer base and customer immersion programmes.

Read more about how we strengthen financial and digital support in the wider community in our Financial inclusion chapter on page 40.

Leveraging digital and analytical tools to empower financial planning

The year 2023 marked the fourth year that we have embarked on our advocacy efforts of financial planning and wellbeing. We remain committed to creating innovative solutions that can help our customers navigate major milestones in life, such as buying their first homes, building emergency funds, saving for children, and preparing for retirement, among others.

During the year, we have further enhanced our holistic artificial intelligence (AI)-powered financial planning tool through **Plan** on our digiBank app to improve our customers' banking experience. Formerly known as DBS NAV Planner, Plan is able to customise each customer's interaction according to their financial needs, risk profile, transaction behaviour and specified financial objectives, leveraging AI and machine learning (ML) to critically enable deeper engagement.

Plan delivers real-time, intuitive, unintrusive, and hyper-personalised financial planning insights through action insights or "nudges", for our customers. Some examples of these automated nudges include spending alerts and saving reminders to help our customers manage their cashflows, savings, and budgeting plans. Since launch, over 3 million customers in Singapore have engaged with Plan nudges.

Furthermore, our data analytics showed that customers who have used Plan saved at least 80% more than non-users. They also invested over four times more and were insured twice as much as non-users. We also observed a strong interest in retirement planning with more than a two-fold increase in our customers setting retirement goals.

Besides enhancing Plan on our digiBank app, we also launched our open architecture **DBS Healthcare Marketplace** in 2023. DBS Healthcare Marketplace is an aggregator site with comparator and filter functions so customers can conveniently and frictionlessly browse Integrated Shield Plans and CareShield Life Supplements across multiple providers, and take action to close their healthcare protection gaps to extend their hospitalisation coverage and long-term disability care costs. The Healthcare Marketplace is being progressively updated to offer a wider variety of product solutions.

Availing products and solutions to all to strengthen financial resilience

Finally, to ensure as many financial product solutions as possible are priced within the reach of the median income households in Singapore, we have both curated products, as well as collaborated extensively with strategic partners, to offer high quality solutions at accessible price ranges in the wealth management space.

Taking a principles-based approach, we have developed the following product solution suite at accessible price points to further strengthen financial resilience:

- **Save – to build a strong financial foundation**
  An example includes our regular savings plan, **Invest Saver**, where customers can automate their investments in low-cost exchange traded funds.
- **Protect – to address the rising healthcare costs**
  We also developed, **ProtectFirst**, a micro insurance starting from SGD 5 monthly that offers customers the benefit of protection in three areas – personal accident, critical illness and life.
  An example includes the **Dementia Caregiver Protect**, which was launched in partnership with Chubb Insurance as a first-in-market insurance solution that provides support for dementia caregivers and care recipients. Specifically designed to address the gaps in insurance available to caregivers of people suffering from dementia, we hope to offer some respite for caregivers as we move towards building a dementia-inclusive society.
- **Invest – to recalibrate investments for flexibility**
  As part of the wider 'life stage investing' that we currently offer within our digibank app, we launched **Retirement Portfolio** in partnership with J.P. Morgan Asset Management to better preserve the wealth accumulated in the earlier stages of life. One key feature, for example, includes the individualised retirement glidepath portfolio integrated into Plan with digiBank app. Here, customers can indicate their desired retirement age at the point of purchase, and the portfolio will automatically 'glide' from growth to stability as the customer approaches retirement.

Promoting retirement readiness amidst an aging society

According to the Ministry of Health, Singapore became an aged society in 2017 and is set to become a "super-aged" society, with one in four citizens aged 65 and above by 2026.

With an aging population, coupled with volatile economic cycles and various global trends, we recognise that retirement plans may be disrupted and there will be a need for recalibration. To this end, there is mounting urgency for Singapore's residents to plan ahead for financial adequacy in retirement, through personal savings and holdings in government schemes such as CPF LIFE and their Supplementary Retirement Scheme (SRS) accounts.

In 2023, we kickstarted several initiatives and introduced a number of new products and tools to enable adequate financial planning for our customers amidst the imminent shift in the demographic transition.

In partnership with Manulife, we ran a retirement campaign from May to September 2023 to better prepare our customers and their retirement plans. The campaign aimed to raise awareness of the importance of planning ahead and emphasised how small, cumulative actions today can make a significant difference in financial adequacy during the later years.

We recognise that financial needs change over time, as such the composition of our investment portfolios should correspondingly evolve to reflect our changing circumstances, responsibilities, and future needs for our funds. Moreover, gaining a comprehensive and complete view of our financial health as we approach retirement can help identify and address any potential gaps early, as part of a more holistic financing planning journey.

Get the right advice
Receive personalised advice to maximise your money or spot financial gaps.

+

Pick the right solution
Pick from a diverse range of solutions to grow your savings and add to your income.

→

Live Confident
Be sure of tomorrow, so you can live the way you want today.

Supporting sustainable and ESG investing

We are seeing increasing interest in investment products guided by ESG principles, particularly amongst the next generation of clients, as awareness of sustainability issues increases and more clients seek to invest in ways compatible with their values. As such, we are committed to assisting more clients in doing good while also doing well by enhancing sustainable and ESG investment opportunities.

In December 2020, **DBS Private Bank** had targeted to have more than 50% of AUM in sustainable investments[(1)] by 2023, which we achieved by the end of 2021 and have maintained since. In 2023, we updated our methodology to include all investment products, as we previously excluded products that did not have any ESG ratings such as structured products, digital assets, among others. Under this new methodology, our sustainable investment AUM against total investment AUM was 55.6%[(2)] as of December 2023.

In addition to integrating ESG considerations into investment strategies for competitive returns, we are also providing opportunities for those who want to take an impact-first approach, an investment philosophy and approach that prioritises impact over financial returns.

Looking ahead, we continue to strengthen our sustainable investment product suite and introduce new climate-themed products to our offerings for clients.

Helping clients understand the climate-related impact of their portfolios

For clients looking to understand the climate-related impact of their portfolio, we have partnered with MSCI to provide access to carbon-related datapoints, which is now internally available for our relationship managers to offer better advice on portfolio management. This will form the bedrock for establishing visibility and awareness of carbon exposures within client's investment holdings and support clients' investment decision-making through the lens of carbon risk.

Launch of the Asia Impact First Fund

In March 2023, we announced the first close of the Asia Impact First Fund, which we launched together with Heritas Capital to support innovative and high-growth social enterprises across Asia to scale.

We raised over USD 20 million. As the anchor investor, DBS committed 50% of the initial fund raise, alongside other like-minded and impact-focused parties or clients.

(1) Sustainable investments are defined as investment products (bonds, equity and funds) that have MSCI ESG ratings of BBB and above.
(2) Based on our updated methodology sustainable investment AUM was 56.6% as of December 2022.

Financial inclusion

Democratising banking services for all

Our approach

Across Asia, there remains a significant number of underbanked individuals and businesses. Access to affordable and appropriate financial services is crucial for addressing rising inequality, supporting livelihoods and enabling inclusive economic growth.

At DBS, we see an opportunity to meet these underserved needs through innovative financial services that make banking more inclusive and accessible.

We aim to democratise banking services by:

- **Uplifting lives and livelihoods in our communities**
  To expand our reach and provide financial access to serve the underbanked who are typically excluded from traditional banking services.
- **Boosting the playing field for micro, small and medium enterprises**
  To proactively address working capital requirements and strengthen capacity building in sustainability through strategic partnerships.
- **Strengthening financial and digital support towards empowerment and self-reliance**
  To further educate the community at large in making and executing better financial decisions while adopting good cyber hygiene practices online.

Key Initiatives

Uplifting lives and livelihoods in our communities

Lower-income and underprivileged families in Singapore

High inflation, elevated interest rates, and prolonged economic uncertainty globally are intensifying cost-of-living pressures. This affects the overall financial health and wellness of many, especially the most vulnerable in society. Against this backdrop, helping our customers deal with the rising cost of living is of paramount importance to DBS, as we work ever more closely with governments, businesses and community groups in a collective effort.

In 2023, DBS committed SGD 40 million to help lower-income households in Singapore ease the rising cost-of-living pressures. Our support includes:

Defraying daily expenses

DBS 5 Million Hawker Meals – weekly SGD 3 hawker meal subsidies given to the first 100,000 users in Singapore through DBS PayLah! App

Reducing mortgage payments

POSB home loan package – concessionary home loan rate at 2.6% p.a., this is available to lower income individuals (defined as having a monthly income of SGD 2,500 and lower), as well as new homeowners wishing to refinance their mortgages

Bolstering savings

DBS Multiplier high-yield savings programme – higher savings interest rate of 1.8% on higher balances are offered to lower income individuals and gig-workers

Participating hawkers and residents and our DBS 5 Million Hawker Meals initiatives in 2023

From February 2023, Singapore residents could enjoy cashback of up to SGD 3 if they are among the first 10,000 to use our DBS PayLah! app to scan and pay for their meals in hawker centres, every Friday. As of December 2023, almost 4.67 million meals have been redeemed.

Due to the overwhelming response and positive feedback received, we have extended the year-long initiative until July 2024, and we are projecting to subsidise a total of 7.5 million meals over the entire 18-month period.

These measures are in addition to our announcement to commit up to SGD 1 billion over the next 10 years to drive programmes that support lives and livelihoods of the low-income and underprivileged across our core markets. As a purpose-driven bank, we believe that we can play a part in uplifting vulnerable and disadvantaged families and fostering a more inclusive society.

Read more about our SGD 1 billion commitment in the DBS Foundation chapter on page 82.

Work permit holders in Singapore

Recognising that work permit holders (WPH), including migrant workers and migrant domestic workers, are among the most vulnerable residents in Singapore, POSB remains committed to onboard WPH into the formal banking system. We continue to be the only bank in Singapore to do so, in collaboration with the Ministry of Manpower. Today, the bank holds over 70% market share of the overall WPH accounts, and the number of accounts opened in 2023 have grown 18% year-on-year, mainly for the purpose of salary payment.

In our pursuit of strengthening the financial stability of WPH, we delved deep into their digital banking journey, identified various obstacles and developed potential solutions that became foundational to our mission.

One of the key challenges was the apparent digital and financial literacy gap faced by many WPH. In response, the bank organised and rolled out several new and tailored initiatives during the year, which ranged from providing


Training workshops catered for our work permit holders

after-hours support, interactive training workshops, and empowerment programmes for the self-starters to further expand our support and offerings.

- **We tailored our digital literacy training offerings** to cater to the different needs of WPH. For example, to break down the language barrier and ensure more effective communications, we developed instructional videos with more animated elements and provided native-language voiceovers. To further encourage active participation and build more self-confidence, the training workshops are modified to bring about a more immersive and interactive experience.
- In collaboration with the Migrant Workers' Centre, we launched the inaugural **'MiDigi Ambassador Programme,'** an initiative to help migrant workers overcome language barriers in picking up digital skills. As of December 2023, around 30 migrant workers have signed up to become digital ambassadors through this programme. They are trained to offer enhanced support to their peers in dormitories or workplaces, fostering a stronger sense of community.
- We also rolled out a **bi-monthly dedicated help desk** at one of the key recreation centres for migrant workers, the Terusan Recreation Centre, to provide additional banking assistance beyond our normal banking hours.


DBS sailboat rides organised for our work permit holders

Besides enhancing digital literacy, we have also organised events and outings for our WPH to places that are special and unique in Singapore, such as the National Art Gallery and DBS sailboat rides. We strongly believe these initiatives help foster a stronger sense of belonging and enjoyment within our community and underscore our dedication to uplifting the lives and livelihoods of the diverse communities we serve.

Priority sectors in India

As part of our larger focus on responsible banking, our India franchise – DBS Bank India Limited (DBIL) – has increased lending to specific sectors and categories of borrowers that are typically underserved when it comes to accessing formal credit. With dedicated efforts in the past few years, DBIL has been making a positive impact in the following areas:

- **Agriculture** – Lending to farmers including women in rural India for allied agriculture activities and for improving sanitation.
- **Small business sector** – Lending to Micro, Small and Medium-sized enterprises (MSMEs)
- **Water sanitation and hygiene** – Lending to rural and semiurban locations

The portfolio across these categories has reached SGD 3 billion in 2023, an increase of about 30% over the previous year.

With the specific goal of empowering women in rural India, we embarked on our journey of on-lending to micro-finance institutions (MFIs) in 2020. These MFIs provide targeted financing to women in the rural areas specialised in income-generation activities such as allied agriculture, handicrafts, small businesses, among others. They also provide loans for the construction of toilets and piped water connections to improve sanitation and the quality of life and health in the remote rural hinterlands of India.

The MFI on-lending portfolio exceeded SGD 400 million in December 2023, doubling the amount from the previous year. To date, we have successfully supported about half a million women to achieve financial independence and their entrepreneurial aspirations.


Durga (second from left) and our DBIL colleagues posting for a photo after the new toilet construction was completed

Case study 1: Water Sanitation & Hygiene (WASH) loans

Water Sanitation and Hygiene (WASH) is a priority area for India and DBIL aims to play a pivotal role in building the required capabilities and making sure that dedicated capital is available to finance this sector through our partner institutions. To achieve this, we have entered into an agreement with Water.org, a leading non-profit organisation, to support our partner Micro Finance Institutions to develop financial products and also provide technical training for WASH loans. To date, DBIL has partnered with seven such institutions with an overall disbursement of SGD 8.7 million, supporting over 20,000 families.

Durga, a 45-year-old lady, lives in her village Gokul Nagar, Karnataka along with her two sons and husband. Durga came to know about WASH loans offered by IIFL Samasta, one of the partner financial institutions of the bank. She obtained a loan of SGD 400 to construct a toilet with piped water connection which, as an exception to the norm, was not dependent on any governmental welfare scheme.

Referring to her new toilet, Durga says, "My family has immensely benefitted from the access to clean water and toilet; it has also supported me in my dairy business". Taking inspiration from her, other homes in her community are also looking to leverage these WASH loans to improve their water sanitation and hygiene.

Case study 2: Reliance Industries Limited and DBS Bank India collaborate to promote Compressed Biogas (CBG) project

India produces a significant amount of agricultural residue which is usually burnt in the absence of adequate processing infrastructure and logistical support. The agricultural residue supply chain in India has traditionally been unorganised as farmers and aggregators have not been adequately incentivised and financed. Compressed Biogas (CBG), a purified compressed bio-gas that has similar calorific value and other properties to compressed natural gas (CNG), is carbon neutral and increasingly being utilitsed as a green renewable automotive fuel.

In addition to being an alternative fuel that could align with the global shift towards cleaner energy product while meeting the growing domestic demand for gas, CBG also benefits the local agricultural economy of India. In particular, the production of CBG can provide farmers with an additional revenue stream and help them avoid heavy penalties linked to the burning of their agricultural wastes.

Reliance Industries Limited ("Reliance"), identifying this as an important element in their net zero road map, has plans to invest across the country to produce CBG as an alternative to imported CNG and other fossil fuels making India a prominent source of bio-fuel.

In 2023, DBS collaborated with Reliance to develop a supply chain financing programme in this regard. The CBG industry is highly fragmented in nature and predominantly dependent on agriculture that is affected by seasonal variations. These modalities required DBS Bank India to introduce significant customisations to the standard supply chain financing model to meet the requirements of the project. The financing provided by DBS enabled the development of the ecosystem for vendor partners to aggregate agricultural residue as inputs for CBG production plants across India. The funding structure also ensured that the logistics are designed in a way that the CBG project could remain competitive and achieve enhanced commercial scale.

Reliance plans to set-up around 100 CBG plants over the next 5 years that would consume more than 5.5 million tonnes per annum of agricultural residue and organic waste, resulting in an estimated reduction of about 2 million tonnes of carbon dioxide emissions annually.

Soumya Dutta, Head of Treasury, Reliance Industries Limited said, "As a company, Reliance Industries has accelerated plans to deploy bioenergy projects and we are proud to have DBS Bank India partner with us in our larger goal of sustainable development and in the clean energy transition of our nation. DBS Bank is renowned for its expertise in supply chain financing and goes beyond traditional banking to enable responsible solutions for large enterprises, their supplier networks as well as small and medium businesses by empowering them to streamline operations for enhanced efficiency. The bank's extensive Asian network and deep expertise in customising sustainable solutions enable businesses to mitigate risks and seize growth opportunities."

Boosting the level playing field for micro small, and medium enterprises (MSMEs)

Addressing working capital requirements among MSMEs

The post-pandemic era has been significantly more challenging than most had initially hoped. Heightened geopolitical tensions, supply chain disruptions, the energy complex causing a spike in inflation, and extreme weather events are just among the many global challenges experienced in the past year. Despite being the backbone of many economies, MSMEs often face the brunt of such turbulence.

As MSMEs pivot in a post-pandemic era, they continue to have unmet working capital requirements to sustain themselves. In 2023, we have approved over 4,400 unsecured loans totalling SGD 665 million to MSMEs in Singapore, which consisted of both government risk share and commercial unsecured loans.

DBS has also doubled down on efforts in addressing the unmet working capital requirements of our SME customers in our core markets across Asia. For example, DBS HK is an active lender to the HK SME financing scheme, which was jointly launched by the Hong Kong Government and HKMC Insurance, to enhance cashflow support for local SMEs and help them obtain financing for their business needs. In India, DBIL launched an exclusive outreach programme for empowering SMEs through knowledge sharing and focused events targeted at financing SMEs.

Building strategic and sustainability capabilities through partnerships

Besides addressing the limited access to financing, the feedback from many SMEs is that they are seeking support to strengthen internal capabilities, as well as opportunities to collaborate and establish stronger partnerships. DBS remains committed to focus on supporting SME owners to build capabilities, upskill their employees and empower them on their sustainability journey.

In 2023, we launched a comprehensive suite of programmes to support SMEs in sustainability around four strategic pillars:

Learn Better
Educating SMEs on sustainability through various channels

Connect Better
Connecting SMEs with key stakeholders in the sustainability ecosystem

Finance Better
Financing SMEs with financing and banking solutions to enable their transition

Track Better
Providing toolkits for SMEs to monitor and track their carbon emission and assessment of their sustainability maturity stages journey

Learn Better: DBS SME Skills Booster programme

To help SMEs transform from the ground up and future-proof their workforce through skills development, we have partnered SkillsFuture Singapore under the SkillsFuture Queen Bee (SFQB) initiative to launch the DBS SME Skills Booster programme in July 2022. After a successful first year, we have renewed the programme for another two years. DBS is the only bank in the SFQB network.

In 2023, the programme pivoted to focus on sustainability, with the aim to boost sustainability capability and capacity of SMEs, in response to the growing interest amongst our SME customers to embrace sustainability as part of their business strategy. Taking a holistic approach to strengthen overall business resilience, the programme offers support in areas of business growth, banking and finance, digital transformation and cyber wellness.

As of December 2023, the bank has completed the training programme for over 160 companies in partnership with training providers such as UN Global Compact Network Singapore, Singapore Environment Council, and the National Centre of Excellence for Workplace Learning (NACE) Led by Nanyang Polytechnic.

Testament to the efforts we have made in upskilling and reskilling the SME community, and going beyond developing capabilities of DBS staff, DBS received the recognition as a SkillsFuture Queen Bee and was awarded the SkillsFuture Employer Award (Gold) in October 2023.

Connect Better: Partnering for Sustainable Outcomes

We have established several new strategic partnerships to bring together our SME customers and an extensive network of sustainability solution providers, industry leaders, government agencies, among others. Through the network we have curated, our SME customers can tap into a wider range of programmes from our partners, including:

- **Schneider Electric**: Thought-leadership and mentorship for SMEs to kickstart their sustainability journey and build capabilities to decarbonise.
- **TÜV SÜD**: A sustainability certification programme that supports SMEs to meet customer and regulatory requirements in key areas such as environmental health and safety, data and information security and food safety, amongst others.
- **Keppel Corporation**: Sustainable urbanisation and digitalisation solutions for energy intensive companies in industries such as healthcare, hospitality, and commercial and industrial real estate.
- **A sustainability playbook** for SMEs to identify net-zero opportunities and transform their business models while helping the economy to decarbonise through three focus areas: (i) transport decarbonisation and fleet electrification, (ii) renewable energy and green buildings and (iii) circularity and resource efficiency

To further support SMEs scale and improve their digital capabilities to become more competitive, productive and resilient, DBS launched the **Start Digital 2.0 programme** with IMDA & Enterprise SG in September 2022. This initiative pushes affordable tech-driven solutions to our SMEs by subsidising easy-to-deploy digital solutions such as accountancy software, workplace collaboration tools, payment solutions and human resource applications, among others. As of December 2023, we received over 500 companies sign-ups and successfully enrolled close to 1,000 solutions with our partners. These solutions include accounting software that helps to synchronise different modes of payment and reduce overhead cost and platforms that enhance brand credibility leading to higher conversion of leads.

Finance Better: Supporting positive environmental and social impact

Business for Impact (BFI) Banking Package

To better support local businesses that drive positive social and environmental impact, we have also developed new financing solutions dedicated for SMEs with sustainable business models. In 2023, DBS SME Banking and DBS Foundation collaborated to develop the Business for Impact (BFI) Banking Package, our first banking product customised for SMEs with a sustainable business model in Singapore.

The package recognises SMEs who continue to demonstrate a social and environmental commitment, such as those that are raiSE (Singapore Centre for Social Enterprise) members, certified with B Corporation by B Lab Global, or participants in DBS Foundation's impact programmes. Designed to meet their unique growth needs, the BFI Banking Package comprises of a suite of solutions, including multi-currency account with fee waivers, working capital loans, insurance with preferential rates and access to our programmes that support SMEs in digital tools adoption, skills training and sustainability. The package is currently launched in Singapore.

Since the launch, over 160 SME customers have converted to our new Business for Impact multi-currency business account, allowing us to better service them through the suite of accompanying financial products, especially the enabling learning programme offerings for SMEs (such as Start Digital, SME Skills Booster).

Eco-renovate loan

In late 2023, we introduced the DBS Eco Renovate Loan. The loan is designed to encourage SMEs to use eco-friendly solutions or materials when renovating their office spaces or industrial facilities. To be eligible, SMEs must use materials, fixtures and equipment from a pre-qualified checklist. The loan can cover renovation activities, including but not limited to:

1. Indoor air quality: certified low or no VOC paints, non toxic flooring
2. Lighting: energy efficient LED lighting
3. Thermal & Acoustic Comfort: Solar film, double glazed window
4. Green Energy & Electrification: Solar panels, EV charger, Smart meters
5. Waste and wastewater Treatment: Wastewater treatment & reuse system
6. Others: Rainwater collection system, products and materials bearing the Singapore Green Building Product (SGBP) logo

We recognise this is a first step in raising awareness among our SME customers on the sustainable practices through the renovation process, and we are encouraged by the positive feedback from customers and industry players.

Track Better: Leveraging easy-to-use toolkits to manage environmental footprint

To help SMEs' measure, manage and report on their sustainability progress, DBS and our market-leading sustainability partners are providing a range of easy-to-use tools for SMEs. For example:

- To get them started on their sustainability journeys, we are co-developing a digital self-assessment tool exclusively designed for SMEs. The tool enables businesses to review and evaluate their sustainability efforts and recommend actions for progress across their approach to governance, strategy, risk management, and setting meaningful metrics and targets.
- To help SMEs kickstart their decarbonisation journey, we are partnering with several carbon management platform providers to offer simplified online platforms for SMEs to input and assess their direct carbon emission and datasets.

More initiatives under the Track Better pillar will be progressively rolled out from 2024 as we continue to accelerate the sustainability journeys of our SME customers.

Strengthening financial and digital support towards empowerment and self-reliance

Young people

POSB has been promoting the importance of savings and encouraging the habit of being thrifty among young Singaporeans for generations. One of the ways we have been doing so is through the **POSB Smart Buddy** programme, which was launched in 2017 as the world's first integrated in-school savings and payments programme.

The programme provides a free wearable device to teach school-going children about cashless payments and prepare them for the digital economy of the future. Following the Memorandum of Understanding with the Ministry of Education (MOE) signed in April 2022, we are on track to install an e-payment infrastructure in more than 330 primary, secondary schools and all junior colleges/ Millennia Institute by 2025.

In 2023, we have successfully enabled some 170 schools onto the Smart Buddy programme with about 160,000 students using our **Smart Buddy smartwatches** and/ or smart cards for digital payments, up from approximately 70,000 students from more than 100 participating schools a year ago. The programme also supports close to 17,000 needy students covered under MOE's Financial Assistance Scheme (FAS), where the number of students receiving meal subsidies through the **Smart Buddy's School Subsidy System** has more than tripled as compared to 2022.

School-going children can also accumulate allowance savings through the Smart Buddy programme. Their daily or weekly allowance savings can be aggregated monthly into the child's savings account linked to the programme, thereby encouraging the habits of thriftiness and promoting the growth of financial savings over time. In 2023, students using our Smart Buddy smartwatches/ cards have saved about SGD 8 million of their Smart Buddy allowances and these savings were automatically aggregated back into the child's linked savings account with Smart Buddy, an increase of about 65% as compared to 2022.

Finally, as part of the bank's continual support to help ease the rising cost-of-living pressures and in conjunction with our DBS PayLah! hawker meal subsidy initiative, we also provided school allowance subsidies of up to SGD 2 every week as part of our **Smart Buddy Back-to-School Allowance** campaign. This campaign ran from June to November 2023, which supported close to 21,000 eligible students receiving almost SGD 530,000 worth of subsidies to cover in and out-of-school expenses such as school canteen meals, stationery and school textbooks.

Seniors and elderly

To forge a more inclusive digital society, DBS/ POSB has been providing financial and digital literacy training to the less-digitally savvy, including seniors who have had to grapple with the increasing prevalence of digital platforms in our everyday life. We believe they will have more confidence and resilience to adapt and navigate the rapidly digitalising world when they are equipped with the right digital skills and know-how.

To ensure that no one is left behind in Singapore's digitalisation journey, in partnership with DBS Foundation and the Singapore Digital Office we committed SGD 1 million in November 2022 to support the national Digital for life (DfL) movement. This broad-based support will benefit close to 100,000 Singaporeans through grants for digital inclusion projects, and digital banking and payments workshops over the next two years. In 2023, we pioneered a new series of edutainment roadshows, incorporating digital literacy workshops infused with elements of *Getai* – a form of vernacular entertainment involving live performances of music, song, and dance – to better attract and engage our seniors.

With the growing threat of online phishing scams in recent times, we believe a strong digital literacy is imperative. We recognise that seniors are more likely to need help when it comes to adopting safe cyber security practices. To this end, we partnered with the Cyber Security Agency of Singapore (CSA) – in collaboration with the Singapore Police Force (SPF) and Infocomm Media Development Authority (IMDA) – and co-developed an anti-scam and cyber security quiz under the SG Cyber Safe Seniors Programme.

In 2023, we engaged over 16,800 seniors who participated in our digital literacy workshops, including the IMDA digital payment learning journeys where anti scam security tips make up the foundational training before embarking on the cashless learning journeys.

Rest of the community

In line with our priority to help the community gain more awareness on digital banking services and achieve financial wellness, we also partnered several organisations, such as Central Provident Fund, National Library Board, the Institute of Technical Education (ITE) among others, to organise physical and virtual digital and financial literacy workshops.

For example, the ITE X DBS Financial Literacy Programme, which is a mandatory curriculum, was renewed in August 2022 for the next three years to focus on imparting foundational financial management knowledge in a structured classroom-style setting. In 2023, over 28,000 students have taken part and completed the financial literacy curriculum. Additional workshops and seminars that cover topics on investments, savings, and retirements are also offered to students and the wider working adult community, including gig workers, who are interested in financial planning for the different stages of life.

Read more about how we continually strengthen the financial and digital support in our community in the POSB Highlights in our Annual Report.

PILLAR 2

Responsible Business Practices

- Enhancing employee engagement and culture
- Developing our people
- Driving diversity, equity and inclusion
- Managing our environmental footprint
- Sustainable procurement
- Technology resilience (including cyber security)
- Data governance
- Preventing financial crime
- Fair dealing
- Responsible tax management

Enhancing employee engagement and culture

Enhancing employee experience through iconic journeys

Our approach

At DBS, our employee value proposition is to enable our employees to **Live Fulfilled: Be the Best, Be the Change and Be the Difference**.

All our people practices and programmes are designed to help employees feel purposeful, feel connected, feel invested in, feel valued and feel cared for through the following ways:

- We transform the way we work through the implementation of Managing through Journeys (MtJ) and Horizontal Organisation (HO) where we break down silos, align team members to a common customer journey where every touchpoint and process is equally valued, and have team members own shared outcomes. Such an approach drives better business outcomes and enables us to make work more purposeful for our employees.
- We help our employees feel connected via collaborative work practices and building networks through communities such as our Culture Builders, T-Circles and Lean In Circles. We also put in place several channels to give our employees direct access to our senior leadership. These include our quarterly bank-wide employee townhall DBS Open, featuring a Q&A segment hosted by CEO Piyush Gupta and joined by other Group Management Committee leaders. Additionally, our senior leadership regularly conducts office visits across markets to engage directly with employees.
- Furthermore, we consistently invest in our employees and provide an array of developmental opportunities to help them grow in their careers. We offer a comprehensive suite of employee benefits, rewards and recognition, underscoring our commitment to valuing and caring for our employees. Read more about our key initiatives in the Employee Well-being and Rewards & Recognition sections below

Over the years, DBS has continuously improved our employee experience across different touch points. What began as an effort to address employee pain points evolved to encompass holistic aspects of the employee life cycle to achieve more impactful outcomes such as employee advocacy, retention and motivation.

In 2023, the **Employee Experience Council** was established to drive four iconic employee journeys:

- Employee wellbeing
- Workload
- Assimilation of new employees
- Rewards and recognition

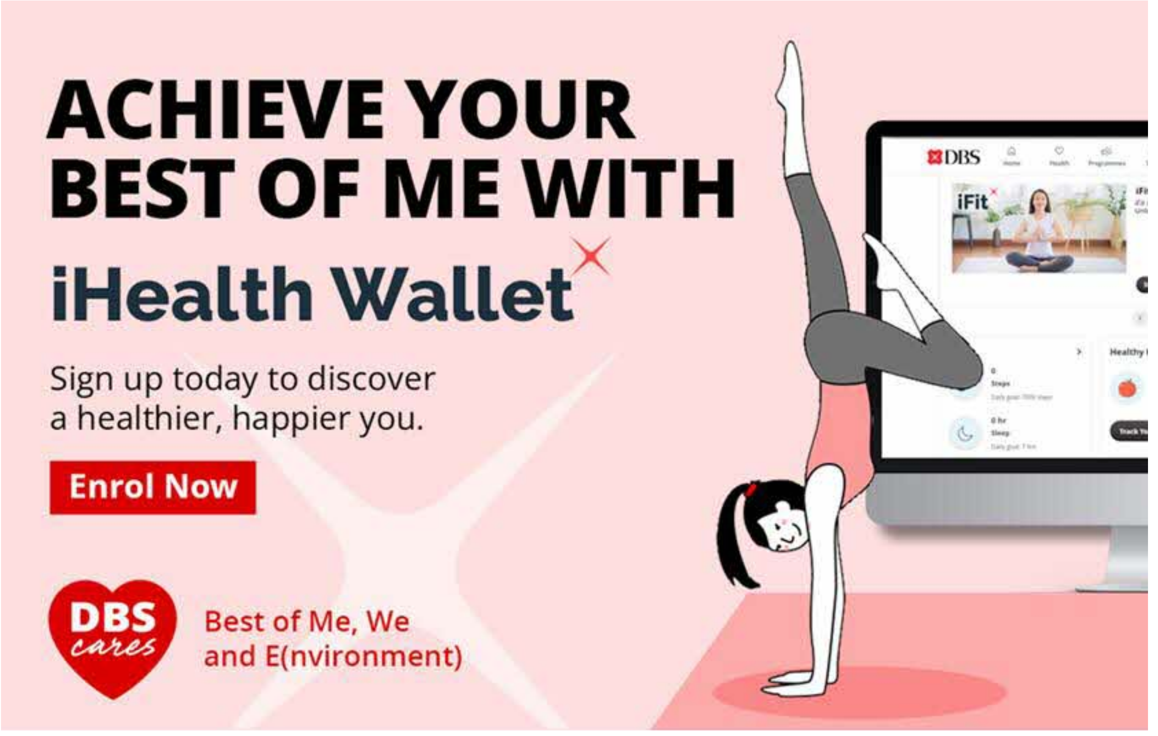
Over 1,200 employees were appointed as **Culture Builders** across the bank to communicate, gather feedback and organise programmes in support of the four iconic employee experience journeys, drive employee engagement and build culture.

Key initiatives

Employee well-being

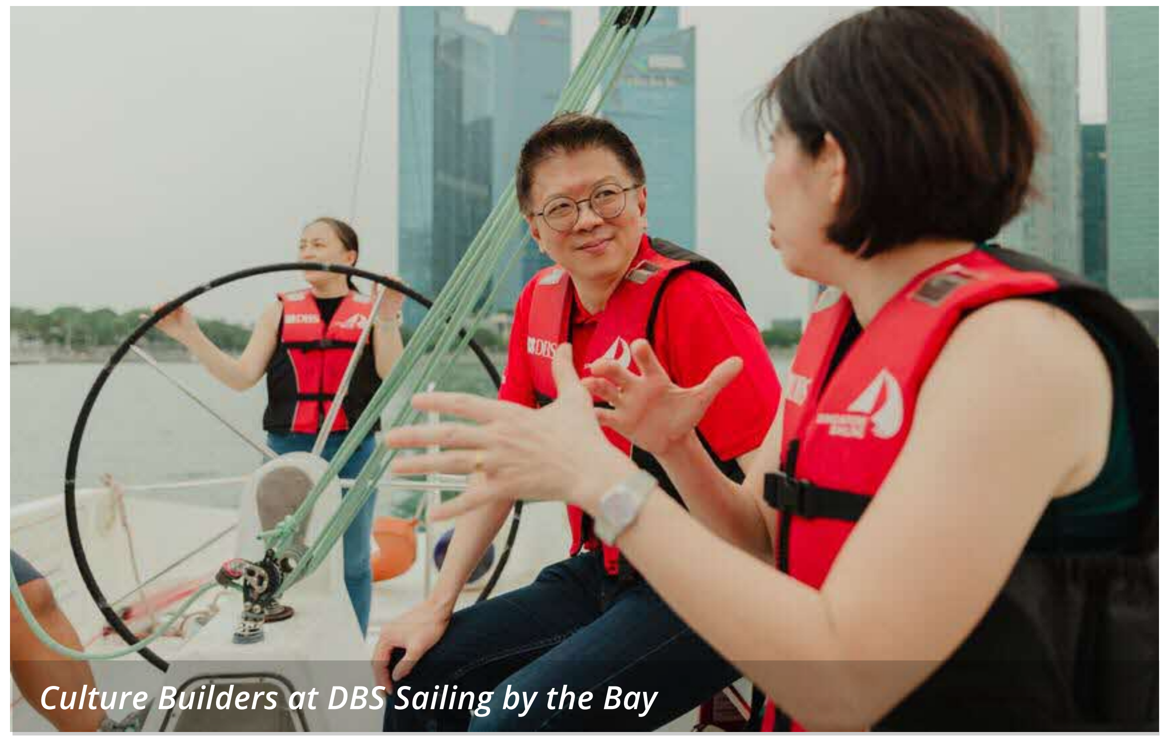
To create a sustained impact on employee well-being, it is essential to adopt a holistic and comprehensive approach, focusing on three key pillars: building self-mastery, fostering healthy relationships, and nurturing a healthy work culture. These principles are encapsulated in DBS' employee well-being framework **"Best of ME, Best of WE and Best of Environment"**, which was launched in April 2023.

Our key initiatives under the Best of ME, WE and Environment framework include:



Best of ME

- To enhance career well-being, we provide **iGrow** as a personalised career coach leveraging Machine Learning and Artificial Intelligence to assist employees in identifying future career aspirations and the skills required to reach these goals. Read more in the next chapter on Developing Our People.
- To promote physical well-being, we launched the **iHealth Wallet** in July 2023. iHealth is a personal health platform providing employees with insights on their health and recommendations of personalised wellness tips. It includes **iFit**, a health programme that provides cash incentives to employees when they complete their health screening and are within healthy ranges for Body Mass Index (BMI) and Blood Pressure (BP).
- To support mental well-being, our **iOK** programme offers our employees and dependents access to professional psychologists and counsellors round-the-clock to support them on work and life issues. We also provide knowledge-building sessions to equip employees with skills to enrich their mental, physical, career and financial well-being.


Culture Builders at DBS Sailing by the Bay


iHealth Wallet launch


Some of our Culture Builders in Singapore

Best of WE

- We believe that enhancing managerial capability is a key enabler in fostering healthy relationships and well-being among our employees. Our signature **Building Great Managers** programme trains our managers on how to manage workload of teams, show care and build psychological safety.
- Employees are also encouraged to build connections with colleagues from other departments through social communities, such as our **Well-being Champions Network** and **Lean In Circles**. More than 350 employees have signed up to be Well-being Champions to promote well-being in their teams and drive engagement activities. Additionally, over 600 employees are part of our Lean In Circles which serve as safe spaces for colleagues to meet regularly, mentor and support one another in achieving their personal and professional goals.

Best of Environment

- Under the **Joyspace** initiative which incorporates feedback gleaned from employee surveys and focus groups, DBS continues to transform and repurpose its offices into open and conducive workspaces that facilitate collaboration and enable cohesion among colleagues. In 2023, we launched seven ideation rooms and seven wellness spaces in Singapore to support employee productivity and well-being. In comparison to typical meeting rooms, users reported an increase in productivity when brainstorming in ideation rooms.
- We nurture a psychologically safe and open culture via **Anytime Feedback**, encouraging employees to give and receive feedback all year round, **Meeting MOJO** rituals to ensure inclusive meeting participation, and **Wreckoon**, our psychological safety tool for employees to offer alternative views for consideration during discussions.

Ensuring workplace safety and health

To care for our employees and ensure a safe working environment, DBS has implemented a Workplace Safety & Health (WSH) framework to manage physical workplace safety in compliance with Singapore Ministry of Manpower's WSH Act requirement. Across all DBS offices, a network of WSH coordinators assist with safety, emergency and facilities matters in their respective premises.

The WSH framework covers:

- Roles and responsibilities of WSH coordinators
- Common workplace hazards
- Ergonomic and manual handling
- Risk assessment and how to mitigate risk
- Emergency plan and responses
- First aid provision
- Continuous safety enhancement

In addition, all risk coordinators adopted an annual checklist to check off the responsibilities required of them.

Workload

Toggling multiple systems, inconsistent information and manual handling of tasks can impact employee workload and overall well-being. As such, we have further enhanced our workflows and workbenches to orchestrate for ease of work and effective collaboration.

Our key initiatives to reduce toil in workload and enhance productivity include:

- Implementing automated dashboards and control towers to boost efficiency through automating and eliminating internal reports, streamlining tasks and operations tracking.
- Connecting workflows across employees and providing visibility of information and progress. Currently, majority of our workflows are already automated or digitised. We also have dedicated role-based workbenches for an integrated and seamless end-to-end customer and employee experience.
- Empowering employees with the relevant knowledge and skills on prioritisation through masterclasses and workshops.

Day one orientation in Hong Kong


Launch of iRewards


Discussions on workflows and workbenches to reduce toil and workload

Assimilation of new employees

To help our new employees thrive at work, we have reimagined their first-year employee journey at the bank so that they feel connected and cared for by their manager, team members and the broader DBS community.

Our key initiatives for assimilating new hires include:

- Revamped Day One Orientation programme with opportunities to engage with Senior Leaders and networking with their respective cohorts through activities.
- A 90-day on-the-job training programme which comprises of 3 core components – "Do the Job", "Know the People" and "Grow in DBS" for all new employees.
- Buddy network and bank-wide communications showcasing how fellow employees can support new hires in assimilating into the bank to increase employee awareness and cultivate an inclusive culture.

Rewards & recognition

At DBS, our approach is to provide holistic total rewards for our employees which includes compensation, benefits and learning opportunities. Many of these benefits programmes are designed with flexibility and choice in mind, so that employees are empowered to make optimal decisions for themselves.

Our key initiatives this year include:

- **Enhancement of our employee benefits** including more iFlex dollars (flexible spending wallet), enhanced health insurance and shortened vesting period for grant of Special Award (Shares).
- **Pay rebalancing** which enhances the guaranteed compensation in the pay mix. 40% of our employees benefited from this exercise that was carried out in the first quarter of 2023.
- Launch of **iRewards** which is a personalised dashboard that shows employees' Total Rewards at a glance.
- **Total Rewards employee roadshows** held in conjunction with **staff appreciation week** to showcase our total rewards programme.
- Our **iTQ** (I Thank You) and **WeTQ** (We Thank You) **recognition programmes** which allow our employees to express gratitude to their colleagues throughout the year.

Read more about how we care for and invest in our employees on the "Benefits and Learning" page of our public website.

Engagement scores

We continue to see an improvement in our overall employee engagement score, reaching a record 90% in our 2023 Kincentric My Voice survey. All of our core markets outperformed their respective market benchmarks for best employers.

This can be attributed to intentional efforts over the years to finetune our employee experience. The improvement in the survey follow-up dimension speaks of our employee-centric approach as we actively listened to employee feedback, implemented measures and monitored outcomes. We also transparently communicated the improvements and showed appreciation to our employees for their contributions.

Furthermore, we saw an improvement in the wellbeing and rewards & recognition dimensions, which are testament to our dedicated efforts in helping our employees feel cared for and valued. Our commitment to driving learning & development and diversity & inclusion (which are elaborated upon in the next two chapters) have also been well-recognised by our employees.

Awards

We have once again been awarded the Regional Best Employer in Asia Pacific for 2023 by Kincentric for the 8th consecutive year. Additionally, we were recognised as Kincentric's Best Employer in all of our core markets (Singapore, China, Hong Kong, India, Indonesia, Taiwan) and International Centres (Australia, South Korea, Thailand, Vietnam, United Kingdom, United States).

Across our core markets, we received over 20 awards conferred by local government agencies, professional bodies and media agencies, recognising us for our people programmes and practices, as well as being an employer of choice.

Additional employment statistics

Total number of employees and voluntary attrition rate

In 2023, our employee base expanded through the successful integration of Citi Consumer Taiwan.

Our group-wide voluntary attrition rate decreased from 14.7% in 2022 to 8.8% in 2023. This decline can be attributed to external job market conditions and our initiatives focused on enhancing employee engagement and retention. Our attrition rates also remain lower than the market average in all our core markets.

Table 1. My Voice Survey results over the years

My Voice Survey	2023	2022	2021
Employee Engagement	90%	87%	86%
Survey Follow-Up	89%	82%	84%
Wellbeing	89%	87%	-
Rewards & Recognition	81%	75%	75%
Learning & Development	93%	91%	90%
Diversity & Inclusion	93%	92%	91%

Table 2. Total number of employees and voluntary attrition rate over the years

	2023	2022	2021	2020	2019
Total number of employees	40,770	36,073	33,011	29,148	28,526
Voluntary attrition rate	8.8%	14.7%	13.7%	7.7%	12.8%

(1) The rates exclude involuntary termination contract and agency employee attrition

Developing our people

Our greatest asset to driving success

Our approach

We empower our people to build fulfilling long-term careers and Be the Best, Be the Change and Be the Difference to create impactful outcomes for our customers and communities.

Against a backdrop of global uncertainties and a fast-changing landscape, we are committed to helping our people thrive in the future of work:

- **Investing in building functional skills**
  Foster a culture of continuous skills development to build a relevant and future-ready workforce to drive the future of banking
- **Developing our talent**
  Build resilience in our talent bench strength
- **Advancing our leadership development**
  Drive efforts to build great leaders, great teams and an empowering culture

Key initiatives

Investing in building functional skills

At DBS, we develop our people through our **"Triple E" framework** — Education, Exposure and Experience. We provide a comprehensive suite of opportunities to help our people learn, grow and build a fulfilling career.

Education

Across all our business units and support units, we curate **structured learning roadmaps** and **certification programmes** to ensure our workforce is equipped with robust functional knowledge and up-to-date expertise required for their roles. We have over 30 comprehensive learning roadmaps that span a wide range of skills, such as credit assessment, data and digital, product sales, risk and control and sustainability.

Additionally, employees can access educational courses from a library of more than 10,000 curated courses on our learning portal, **Learning Hub**. Collectively, our employees have completed 1.4 million training courses.

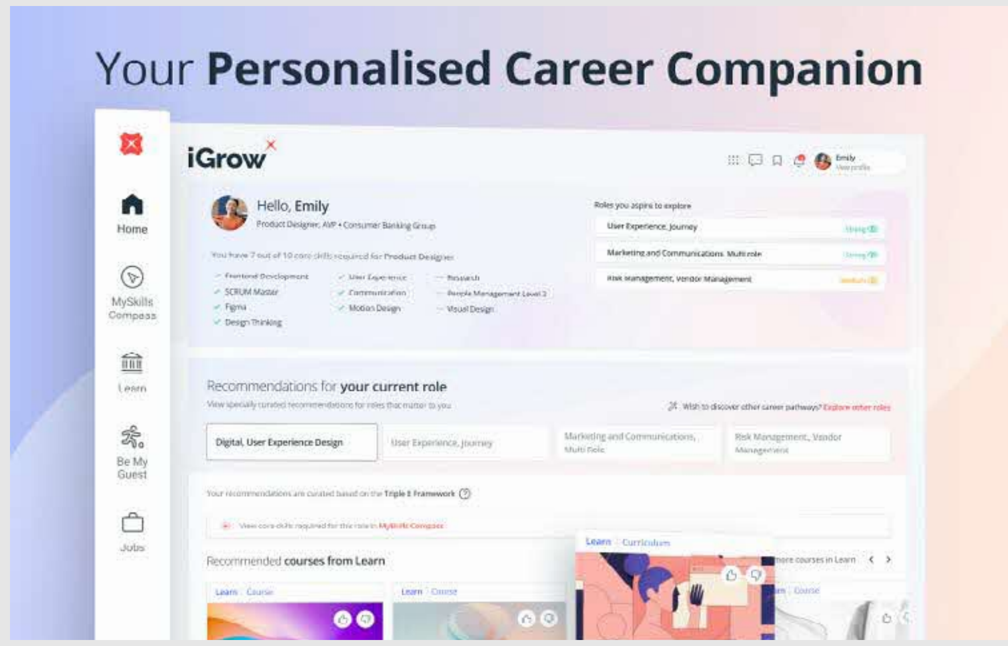
Exposure

We provide exposure opportunities through the **Be My Guest** programme, which saw employees participating in more than 4,300 job shadowing, meeting exposures and projects outside their respective departments.

Experience

Employees can also participate in **Internal Mobility** to take on new roles and grow in their careers. In 2023, about 30% of jobs were filled by internal candidates. This increases to 40% if we exclude entry level roles where we hire mainly fresh graduates, or niche roles in technology that which require more specialised skillsets.

iGrow



Recognising the diverse aspirations and career trajectories of our employees, we launched **iGrow** in 2022 as a personalised career coach for each employee. iGrow leverages Artificial Intelligence and Machine Learning to assist employees in identifying the skills needed for their career goals and recommends the relevant education, exposure and experience opportunities for them.

Having successfully rolled out iGrow in Singapore, Hong Kong and India (DTI) in 2022, we expanded its reach to other core markets such as China and India (DBIL) in 2023. This expansion ensures that our employees across various regions can benefit from personalised development plans, aligning their skills with their career ambitions.

DBS Future Forward Week

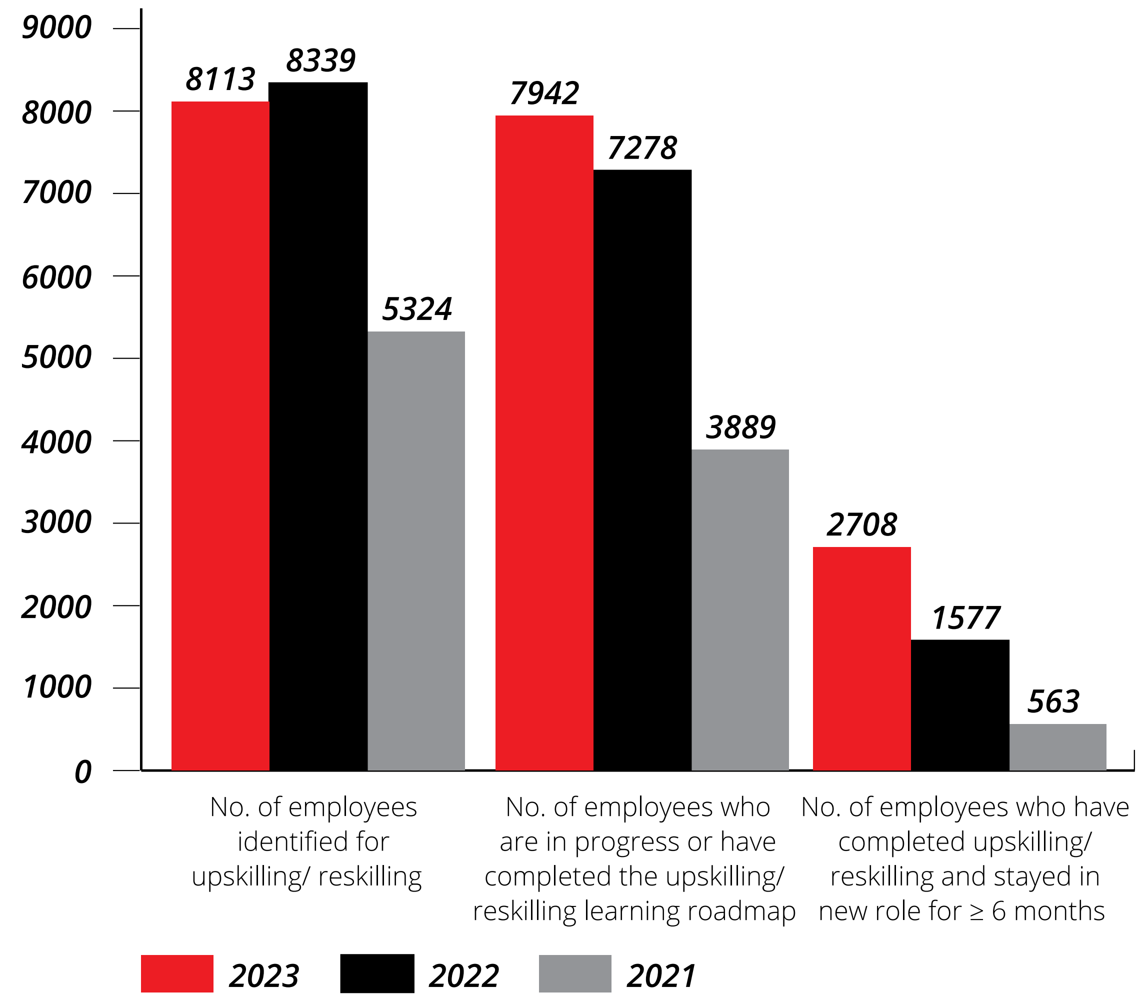
2023 DBS Future Forward Week

Given the ongoing job disruptions amid global economic shifts and technological advances, we continue to accelerate efforts to build a resilient and future-ready workforce. To foster continuous learning, we hosted a suite of learning festivals and social learning activities designed to boost career resilience.

DBS Future Forward Week is our annual learning week where more than 18,000 employees boosted their career well-being through a medley of workshops, talks and activities that were designed to help them adopt a growth mindset, take charge of their career and embrace new challenges.

Dr Tan See Leng, Singapore Minister for Manpower and Second Minister for Trade and Industry, opened the learning festival with a keynote address where he highlighted the importance of continuous learning and active upskilling to keep pace with accelerating changes. He affirmed DBS as an excellent employer that empowers employees, builds a good working culture and creates the best work environment, so that our people can achieve their Best of ME, WE and Environment.

As part of our efforts to future-proof our workforce, we continued our efforts to redesign jobs, **upskill and reskill employees**, and prepare our people for new and enhanced roles. We have identified more than 8,100 employees across various markets and functions who are set to transition into evolved roles in the coming years. To facilitate the transition, we are providing them with training through more than 30 **structured learning roadmaps**. Over 97% of these identified employees have already commenced or successfully completed their respective learning roadmaps.



In addition, we have also begun equipping our employees with **Generative AI (Gen AI) skills** to enhance their work. The skilful utilisation of Gen AI technology allows for increased efficiency and productivity as routine and time-consuming tasks can be automated, freeing up valuable time for more strategic and higher-value work. We also train our employees to identify and mitigate risks, ensuring appropriate oversight and supervision in the use of Gen AI.

Since the launch of the **DBS Sustainability Learning Campus**, we have expanded sustainability learning opportunities for employees at all levels. These opportunities provide them with a solid understanding of our purpose-driven vision for sustainability, fundamental sustainability concepts and the role everyone can play in our sustainability efforts.

Read more in our Governance and Responsible financing chapter.

Developing our talent

Annually, we conduct a comprehensive bank-wide talent review to assess the strength of our human capital in DBS, which takes into consideration our business strategy, the target operating model and the talent bench strength required to drive our business outcomes.

The review extends to succession plans for our senior leadership positions. It is a meticulous and rigorous process which includes inputs from the respective Country and Group Functional Heads, followed by detailed reviews with the CEO.

To ensure a fair and measured evaluation of potential successors' readiness, they are assessed against the four dimensions of a DBS senior leader success profile: (i) domain knowledge, (ii) critical experiences, (iii) leadership competencies, and (iv) leadership traits. Bespoke development plans are then formulated to address their leadership gaps and prepare them for succession.

To build the pipeline of future leaders, we also have a **High Potential (HIPO)** identification process based on the "3P" framework of Performance, PRIDE! and Potential. Potential is assessed by one's ability, aspiration and engagement.

All identified HIPOs undergo an accelerated growth and development programme based on the comprehensive Triple "E" framework of education, exposure and experience:

- Education: conferences and bespoke leadership programmes
- Exposure opportunities: mentoring, coaching and networking with senior leaders
- Experiences: new or expanded roles across different functions or countries

To develop future general managers with diverse critical experiences, we have also scaled up our **Strategic Talent Assignment & Rotation (STAR)** Programme, a curated 2-year development programme that broadens the experience of HIPOs through a robust training curriculum and cross-country or cross-functional rotations.

Our commitment to developing our talents has paid off. In 2023, our HIPO attrition was 5.9% and 19% of our HIPOs took on a new role, while 34% took on an expanded role.

2023 Singapore HIPO Connect Event


2023 DBS-NUS Business Leaders Programme

Advancing our leadership development

In 2023, we organised the **DBS-NUS Business Leaders Programme** with the theme 'Thriving in a New World Order'. This is our apex leadership programme for senior leaders, providing a diverse array of insightful perspectives from academic faculty, thought leaders and our Group Management Committee to hone capabilities that are essential to successful leadership of our country and business franchises.

Since 2019, DBS has embarked on a **Transformational Leadership** master plan with the goal of building a more progressive leadership cadre.

As part of the master plan, we have introduced a robust set of initiatives for leadership capability development. To drive leadership effectiveness, we have embedded the six transformational leadership tenets – growth mindset, psychological safety, feedback culture, courageous conversations, collaboration and decision making – into our leadership culture through our flagship managerial training, **Building Great Managers**.

T-Sprint workshop

Another T-Sprint Workshop

To further entrench our transformational leadership culture, we conducted **Transformational Sprints**, a series of structured, experiential workshops that has led to improved collaboration and greater team effectiveness, and **T-Circles**, which are social learning communities where experienced senior leaders mentor next-generation leaders in leadership best practices. We firmly believe that our leaders are crucial to culture-building and remain committed to developing our leaders.

Engagement scores

Our employees have strong positive perception of the bank investing in their growth and development.

Additional employment statistics

I. Average training hours[1] per year per employee by gender and employee category

The average training hours for permanent employees was 32.5 hours in 2023. The trend of decreasing training hours over the years is a result of our continuous efforts to develop and deliver more concise and impactful learning modules, ensuring effectiveness without compromising the quality of training.

The most significant decrease in training hours is among employees who are Senior Officers and below. This is due to a shift in focus to on-the-job training for our employees who are part of the Skill Enhancement Education & Development (SEED) programme in India.

II. Percentage of positions filled internally

We are committed to building the long-term careers of our people by providing them with various career opportunities within the organisation.

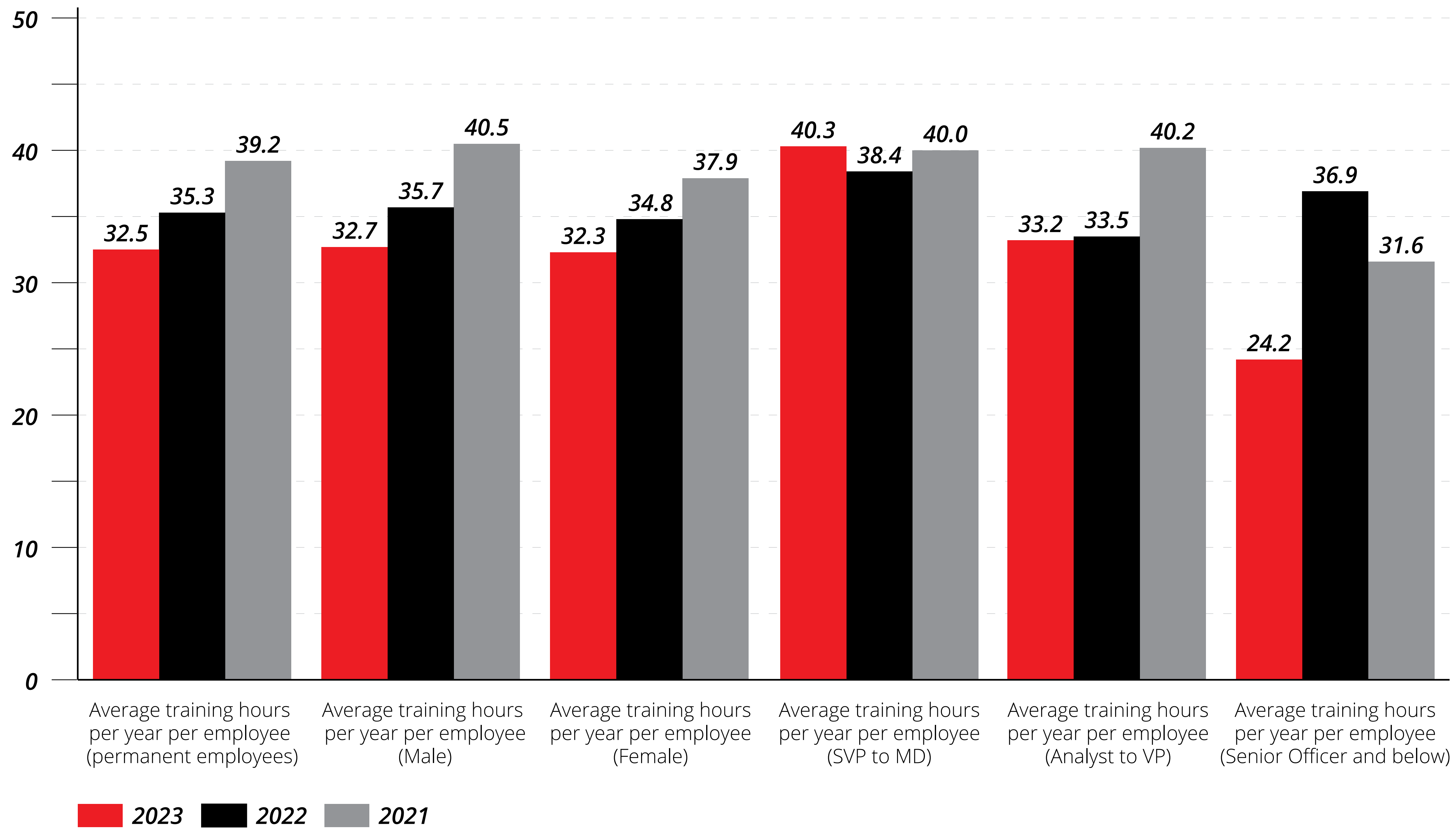
In 2023, about 30% of jobs were filled by internal candidates. This increases to 40% if we exclude entry level roles where we hire mainly fresh graduates, or niche roles in technology that require more specialised skillsets.

III. Percentage of employees who receive regular career development reviews

100% of employees received regular career development reviews in 2023 and 2022.

Table 1. My Voice Survey results in 2023

My Voice Survey Dimension	2023	vs APAC Best Employers	vs APAC Financial Services Industry
Career Opportunities Score	93%	+11	+15
Learning & Development Score	93%	+5	+13



(1) Excludes informal learning methods such as community-based learning and exposure opportunities such as immersion programmes including customer and employee journeys.

Driving diversity, equity and inclusion

Fostering an inclusive culture with equal opportunities

Our approach

At DBS, we embrace diversity, equity and inclusion to enable us to attract the best people, build the best teams and produce the best work.

Recognising the diversity of our workforce, we are intentional about providing equitable opportunities and building an inclusive culture where all are empowered to grow to their fullest potential, drive change and make a positive difference to others. We are committed to ensuring a workplace free of disrespectful behaviour or harassment, where employees are treated with dignity and respect.

Our commitment to driving diversity, equity and inclusion across our people programmes and practices is formalised in the Diversity, Equity and Inclusion Policy that we have published.

Read the full policy on the Diversity, Equity and Inclusion page of our public website.

We help our employees Live Fulfilled by advocating the following:

- **Embracing diversity at all levels**
  Welcoming diverse talent and cultivating a workplace where all can thrive
- **Promoting equal opportunity**
  Ensuring fairness and equity across all our people programmes and practices
- **Building an inclusive culture**
  Promoting an open and psychologically safe environment for diverse employees to connect and support one another

Key initiatives

Embracing diversity at all levels

At the highest levels of leadership in DBS, women make up **27% of our Group Management Committee** and **20% of our Board** respectively. We have set a target to achieve 30% female Board representation by 2030. The Nominating Committee will continue to work towards this target by identifying suitable candidates with complementary skillsets and experience to our existing Board.

Overall, women comprise **half of our workforce, 41% of our senior management (SVP to MD)** and drive some of our largest businesses and functions across the bank.

The table below illustrates women representation across various categories.

Women in our workforce	2023	2022
Percentage of women in total workforce	50%	48%
Percentage of women among new hires	53%	40%
Percentage of women attrition	44%	43%
Percentage of women in IT/ Engineering roles	30%	29%
Percentage of women by rank		
SVP to MD	41%	40%
Analyst to VP	49%	48%
Senior Officer and below	55%	52%
Percentage of women among all people managers		
Percentage of women among all people managers	**40%**	**39%**
SVP to MD	40%	40%
Analyst to VP	41%	38%
Percentage of women among all non-people managers	**52%**	**50%**

Across all our core markets and International Centres, the ratio of women is generally balanced, with more than 50% in all markets except in India.

	Core Markets						International Centres
	Singapore	Hong Kong	Mainland China	Taiwan	India	Indonesia	International Centres
Percentage of women	52%	52%	68%	69%	30%	53%	54%

Our progress in boosting female representation in India

We have declared a target to reach 35% female representation in India by 2026. To get there, our India DEI council was established to drive a strategy of intentional acquisition, customised development and continuous engagement. Along with setting up **gender-diverse interview panels** to mitigate hiring bias, we also have a **dedicated referral program** to bring in suitable female talent. To support women re-entering the workforce after career breaks, we also partnered with Women in Banking and Sales communities as part of our **Reimagine** programme to engage this target group. As a testament to our efforts to increase female representation, our percentage of women among fresh graduate hiring in 2023 is an encouraging 48%.

To develop mid-career women in DBS, **MyPersona**, which is in the fourth year running, equips women with core leadership and business concepts, and opportunities for industry mentoring and networking with leaders. Women leaders are also invited to participate in external leadership development programs such as **upSurge**, in collaboration with the Xavier School of Management (XLRI).

DBS Bank India's dedication to gender inclusivity has garnered national recognition, notably being named the **Best Organization for Women in 2023** by The Economic Times. Additionally, for the eighth consecutive year, DBS Bank India has been honoured as **one of the 100 Best Companies for Women in India (BCWI)** by India's most comprehensive gender study for corporates. Furthermore, DBS Bank India has secured a place on Kelp HR's list of **25 Safest Workplaces for Women** for three consecutive years.

Launch of Women in Banking Communities with Aspire for Her


Launch of 2023 MyPersona Development Program

2023 Women Leadership Programme

We embrace diversity of new hires and **hire based on merit** (e.g., skills, experience or ability to perform the job), regardless of age, race, gender, religion, marital status, family responsibilities or disability. In all markets that we operate in, we adhere to the market best practices in fair employment.

Our endeavours to increase women representation in technology have yielded positive results, with the proportion of female fresh graduate hires in our **Singapore Skill Enhancement Education & Development (SEED) programme** rising from 24% in 2022 to 38% in 2023. This progress is attributed to our deliberate efforts to showcase female DBS technology representatives in our publicity efforts and outreach events, as well as collaborating with Women in Technology interest groups in universities to promote awareness of our SEED programme. Our female technologists are also active mentors and mentees in **inter-industry mentoring programmes** such as IMDA MentorConnect which gathers women in technology across the private and public sector.

Moreover, to enhance the diversity of our workforce, DBS is actively pursuing initiatives aimed at cultivating a more inclusive and varied talent pool. Our **Back to Work programme** is dedicated to reintegrating individuals who have been away from the workforce for a period. This initiative is designed to support mothers, caregivers and individuals seeking to return to work after a career break by empowering them with career development tools, flexible working arrangements and a comprehensive suite of employee benefits.

At DBS, we advance women representation in senior leadership through a multi-faceted approach. For key roles at senior positions, we are committed to ensuring a **gender-diverse slate of candidates** with at least one female candidate. We also launched our flagship **Women Leadership Programme** this year. The Women Leadership Programme is specifically designed to build, support and sustain a robust community of senior women leaders and strengthen our pipeline for senior leadership in the bank.

Promoting equal opportunity

We are committed to providing equitable opportunities for our employees. To drive enduring change, we adopt a data-driven approach and ensure that all our systems and processes are designed to promote equal opportunity across all touchpoints of our employee experience.

Promotion & talent development

Our promotion and talent review processes are fairly conducted and data-driven. This approach safeguards against unconscious bias, ensuring that all employees have an equal and unbiased opportunity to progress in their careers. We also have clear promotion guidelines and criteria that is socialised with our employees.

Women have consistently made up about half of the promotee cohort over the past five years.

	2023	2022	2021	2020	2019
Percentage of women among total promotees	48%	48%	49%	53%	51%

Pay equity

The overall gender pay gap of our six core markets, adjusted for ranks across business and support units, is 1.4%. We adopted the adjusted pay gap approach so as to ensure a like-for-like comparison within the same market, business and support unit, and rank.

As part of our continuous effort to ensure pay equity, we regularly conduct pay audits and review our compensation practices.

Supporting employees through life stage transitions

Recognising the unique needs that arise during the transition to parenthood, we support employees in a holistic manner ranging from parental and childcare leave to financial reimbursement to help defray medical costs and childcare expenses. Employees with a newborn or a newly adopted child, or those who need to care for family members recovering from critical illness or injury are able to work from home fully for up to six months.

With effect from 1 January 2024, we will be increasing paternity leave and the corresponding adoption leave for new fathers from 2 weeks to 4 weeks. This initiative acknowledges the shared responsibility of parenting, promotes gender equality and provides more flexibility for parents to share new responsibilities and celebrate the formative moments together with their new bundle of joy.

To ensure that parental leave does not adversely affect employees' performance ratings, any drop in rating from their past performance rating will require justification.

In 2023, the retention rate of women returning to work from parental leave stood at 92%. This is testament of our robust support to help our employees thrive professionally and live fulfilled.

Building an inclusive culture

We are committed to nurturing an inclusive culture in DBS where all employees feel valued, cared for and invested in. We build communities and support employees in creating a safe and inclusive workplace.

Raising awareness of diversity and inclusion

To foster an inclusive workplace, we educate our employees about diversity and their role in cultivating a safe and respectful work environment through training programmes. This includes equipping our employees and managers with the skills to recognise, understand and manage hidden biases across various diversity dimensions through **unconscious bias training**.

Moreover, all employees are mandated to undergo annual refresher training and attest to our Code of Conduct yearly.

2023 DBS International Women's Day

This year, we have enhanced the **Respect at Work segment of our mandatory refresher training** to equip employees to identify behaviours constituting workplace discrimination and harassment (such as verbal, physical, sexual harassment) and learn strategies to prevent, intervene and speak up when facing or witnessing such behaviours in the workplace.

To deepen awareness and understanding, we also organised bankwide events such as **DBS International Women's Day** which featured a keynote speech by Minister Shanmugam of the Singapore Ministry of Home Affairs and Law highlighting the mindset shifts that must occur for further progress in women's development. DBS CEO Piyush Gupta and Group Head of Institutional Banking Tan Su Shan joined Minister Shanmugam on an interactive panel discussion about inclusive leadership and gender equity in the workplace, moderated by Stefanie Yuen-Thio who is the chairperson of non-profit organisation SG Her Empowerment (SHE).

Building networks of support and learning

In collaboration with Lean In, a global community dedicated to fostering workplace inclusion and advancing diverse leadership, we launched the **DBS Lean In Circles**. These

DBS Lean In Circle Leaders gathering to share and learn from one another

communities are a safe space for colleagues to meet regularly to mentor and support one another in achieving their personal and professional goals.

In 2023, the Circles have gained momentum across our core markets, reaching over 600 participants. Women and men have supported one another in goals like advancing one's career, managing work & family, building professional confidence and honing skills such as personal branding. Many also appreciate the opportunity to connect with colleagues from different departments and learn from the diversity of experiences. Acknowledging the value of building networks, we also facilitated networking opportunities for our Circle leaders and members to meet professionals from external organisations via our corporate membership in the Financial Women's Association of Singapore and partnering with the Temasek Women's Network.

This year, our Circle participants also volunteered their time to share their diverse career experiences with underprivileged girls through events like DBS x SHE Sneak Peek Human Library. Our technology colleagues actively volunteered their skills and time to nurture young girls' interest in STEM through volunteering programmes with schools and community partners like Daughters of Tomorrow and launching DBS Tech For Girls.

DBS Lean In Circle participants volunteering at DBS x SHE Sneak Peek Human Library

Deepening foreign-local integration

In Singapore, over 90% of our workforce are Singaporeans and we remain committed to building a strong pipeline of local talent. That being said, we also welcome foreign talent for roles where supply of local talent is limited.

With the support of National Integration Council (Singapore Ministry of Community, Culture and Youth) since 2021, we have been running our **Singapore Immersion Programme** for new and tenured foreign hires to give participants a deeper understanding of Singapore and build a sense of belonging. The programme consists of immersive lectures, networking sessions and experiential walking trails in local neighbourhoods, facilitated by experts. Foreign staff who are new to Singapore are paired with a local buddy to ensure they receive support to understand cultural nuances and facilitate their integration into the local community.

This year, we also trained DBS staff to become trail facilitators and share from their own experiences of integration into new environments. These DBS facilitators are a mix of foreign and local staff who volunteered after attending past


Singapore Immersion Programme Trail Facilitator Training


Singapore Immersion Programme Immersive Lecture

year modules.

Many attendees of the Singapore Immersion Programme have also been inspired to actively volunteer in the local community by contributing their skills and time to various causes such as mentoring tertiary youths, equipping seniors with digital literacy skills and educating students with financial literacy skills.

Tracking progress via our balanced scorecard

We adopt a balanced scorecard approach to set objectives, drive behaviours, measure performance and determine remuneration of our people, including our executives.

Within our balanced scorecard, we track key performance indicators around employee engagement (including Diversity and Inclusion), people development and being an employer of choice.

Read more on our balanced scorecard approach under "Our 2023 priorities" in our Annual Report.

Engagement scores

Our employees have rated the bank positively for our inclusive working environment.

We have also seen steady improvement in the areas related to our inclusive work environment across the years.

Awards

In recognition of our efforts in driving gender diversity, we were included in the 2023 Bloomberg Gender-Equality Index, marking the sixth consecutive year we have been listed since its inception in 2018. The global index recognises companies devoted to transparently reporting gender-related data and implementing best-in-class practices to promote gender equality.

In addition to being awarded the #1 position in the LinkedIn Top Companies list for Singapore, we were also awarded the LinkedIn Talent Awards Diversity Champion which acknowledges companies who initiate and inspire meaningful conversations around diversity, inclusion, belonging and equity on the platform.

Table 1. My Voice survey results in 2023

My Voice Survey Dimension	2023	vs APAC Best Employers	vs APAC Financial Services Industry
Diversity & Inclusion Score	93%	+5	+13
Psychological Safety Score	92%	+4	+13

My Voice Survey	2023	2022	2021
DBS has a work environment that is accepting of diverse backgrounds and ways of thinking	93%	92%	91%
I can report an instance of unethical conduct without fear of retribution from anyone	94%	92%	90%

Table 2. Total number of employees by contract type and gender

Type of Contract	2023			2022			2021		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Permanent of which:	19,638	19,993	39,631	16,743	18,213	34,956	15,630	16,097	31,727
Full time	19,467	19,971	39,438	16,552	18,193	34,745	15,423	16,076	31,499
Part time	171	22	193	191	20	211	207	21	228
Contract[1]	616	523	1,139	618	499	1,117	612	672	1,284
Total	**20,254**	**20,516**	**40,770**	**17,361**	**18,712**	**36,073**	**16,242**	**16,769**	**33,011**

(1) Include only headcount on DBS' payroll.

Table 3. Total number of employees by geography and gender

Geography	2023			2022			2021		
	Female	Male	Total	Female	Male	Total	Female	Male	Total
Singapore	7,495	6,945	14,440	7,278	6,604	13,882	6,835	5,750	12,585
Hong Kong	2,450	2,233	4,683	2,387	2,193	4,580	2,352	2,143	4,495
Rest of Greater China(2)	5,153	2,328	7,481	2,835	1,392	4,227	2,713	1,306	4,019
South and Southeast Asia(3)	4,980	8,780	13,760	4,702	8,313	13,015	4,193	7,375	11,568
Rest of the World(4)	176	230	406	159	210	369	149	195	344
Total	**20,254**	**20,516**	**40,770**	**17,361**	**18,712**	**36,073**	**16,242**	**16,769**	**33,011**

Table 4. Total number of employees by geography and contract type

Type of Contract	2023				2022				2021			
	Permanent		Contract	Total	Permanent		Contract	Total	Permanent		Contract	Total
	Full Time	Part Time			Full Time	Part Time			Full Time	Part Time		
Singapore	14,317	66	57	14,440	13,748	76	58	13,882	12,416	82	87	12,585
Hong Kong	4,661	1	21	4,683	4,544	1	35	4,580	4,460	2	33	4,495
Rest of Greater China	7,205	0	276	7,481	4,062	0	165	4,227	3,954	0	65	4,019
South and Southeast Asia	12,874	123	763	13,760	12,043	133	839	13,015	10,346	143	1,079	11,568
Rest of the World	381	3	22	406	348	1	20	369	323	1	20	344
Total	**39,438**	**193**	**1,139**	**40,770**	**34,745**	**211**	**1,117**	**36,073**	**31,499**	**228**	**1,284**	**33,011**

(2) Rest of Greater China includes Mainland China and Taiwan.
(3) South and Southeast Asia includes India, Indonesia, Malaysia, Vietnam, Thailand, Myanmar, the Philippines and Bangladesh.
(4) Rest of the World includes Australia, South Korea, Japan, United Arab Emirates, United States of America and United Kingdom.

Table 5. Total number and rates of new employee hires and voluntary attrition by age group, gender, and geography

2023	Headcount	Work force mix	No. of new hires(5)	New hire rate(6)	No. of voluntary attrition	Voluntary attrition rate(7)
By age group (x = age)						
x < 30	7,708	19%	3,642	47%	931	14%
30 ≥ x ≤ 50	28,307	69%	5,662	20%	2,148	8%
x > 50	4,755	12%	594	12%	177	4%
By gender						
Female	20,254	50%	5,228	26%	1,438	8%
Male	20,516	50%	4,670	23%	1,818	10%
By geography						
Singapore	14,440	35%	1,833	13%	916	6%
Hong Kong	4,683	12%	760	16%	521	11%
Rest of Greater China	7,481	18%	4,057	54%	346	6%
South and Southeast Asia	13,760	34%	3,182	23%	1,450	12%
Rest of the World	406	1%	66	16%	23	6%
Total	40,770	100%	9,898	24%	3,256	9%

(5) Headcount and new hires include permanent and direct employees and excludes agency employees. In 2023, our employee base expanded through the successful integration of Citi Consumer Taiwan. From this integration, 73% of the employees are female and 27% are male. In terms of rank, 52% are Senior Officer and below, 47% Analyst to VP, and 1% are SVP to MD. In terms of age, 17% are <30, 67% are ≥30 to ≤ 50, and 16% are >50.
(6) New hire rate is computed based on number of new hires divided by total permanent and direct contract employees as of December 2023.
(7) Voluntary attrition rate is computed based on number of voluntary attrition divided by monthly average headcount for permanent employees only.

Table 5. Total number and rates of new employee hires and voluntary attrition by age group, gender, and geography

2022

	Headcount	Work force mix	No. of new hires	New hire rate	No. of voluntary attrition	Voluntary attrition rate
By age group (x = age)						
x < 30	7,170	20%	4,443	62%	1,388	23%
30 ≥ x ≤ 50	24,925	69%	4,841	19%	3,283	14%
x > 50	3,978	11%	144	4%	215	6%
By gender						
Female	17,361	48%	3,786	22%	2,080	13%
Male	18,712	52%	5,642	30%	2,806	16%
By geography						
Singapore	13,882	38%	3,286	24%	1,760	13%
Hong Kong	4,580	13%	1,048	23%	811	18%
Rest of Greater China	4,227	12%	830	20%	431	11%
South and Southeast Asia	13,015	36%	4,203	32%	1,858	16%
Rest of the World	369	1%	61	17%	26	8%
Total	36,073	100%	9,428	26%	4,886	15%

2021

	Headcount	Work force mix	No. of new hires	New hire rate	No. of voluntary attrition	Voluntary attrition rate
By age group (x = age)						
x < 30	5,870	18%	2,576	44%	1,347	28%
30 ≥ x ≤ 50	23,427	71%	2,970	13%	2,298	12%
x > 50	3,714	11%	111	3%	144	5%
By gender						
Female	16,242	49%	2,338	14%	1,644	12%
Male	16,769	51%	3,319	20%	2,145	16%
By geography						
Singapore	12,585	38%	1,969	16%	1,439	12%
Hong Kong	4,495	14%	888	20%	706	16%
Rest of Greater China	4,019	12%	611	15%	466	12%
South and Southeast Asia	11,568	35%	2,125	18%	1,152	17%
Rest of the World	344	1%	64	19%	26	8%
Total	33,011	100%	5,657	17%	3,789	14%

Table 6. Breakdown of employees by employee category according to gender and age group

2023

	SVP to MD	Analyst to VP	Senior Officer and Below[8]	Total
Headcount	3,573	27,876	9,321	40,770
By gender				
Female	41%	49%	55%	50%
Male	59%	51%	45%	50%
By age group (x = age)				
x < 30	0%	17%	33%	19%
30 ≥ x ≤ 50	72%	73%	58%	69%
x > 50	28%	10%	9%	12%

2022

	SVP to MD	Analyst to VP	Senior Officer and Below	Total
Headcount	3,169	24,623	8,281	36,073
By gender				
Female	40%	48%	52%	48%
Male	60%	52%	48%	52%
By age group (x = age)				
x < 30	0%	17%	37%	20%
30 ≥ x ≤ 50	73%	74%	54%	69%
x > 50	27%	9%	9%	11%

2021

	SVP to MD	Analyst to VP	Senior Officer and Below	Total
Headcount	2,850	22,306	7,855	33,011
By gender				
Female	40%	49%	54%	49%
Male	60%	51%	46%	51%
By age group (x = age)				
x < 30	0%	16%	26%	18%
30 ≥ x ≤ 50	74%	74%	63%	71%
x > 50	26%	10%	11%	11%

(8) Includes all permanent and direct contract employee headcount under DBS' payroll

Managing our environmental footprint

Redesign, rebuild and rethink for a better world

Our approach

At the heart of our operations lies a steadfast dedication to managing our environmental footprint with a focus on long-term sustainability. We continue to advance our sustainability agenda through a proactive and multifaceted approach that focuses on minimising negative environmental impact rather than relying on reactive measures like purchasing offsets.

By adopting a life-cycle perspective, we strive to identify and address environmental challenges at every stage of our operations. To address our carbon, energy, water and waste footprint, we have developed a four-lever approach to systematically drive progress based on prioritising our efforts in the following order:

- **Lever 1: Reduce consumption of resources**
- **Lever 2: Generate renewable energy**
- **Lever 3: Purchase green products and energy**
- **Lever 4: Purchase Renewable Energy Certificates (RECs) and carbon offsets**

Note on data quality and coverage

To improve our data quality, we are continually enhancing our data governance, systems, and processes. This includes conducting internal quarterly data reviews and exploring new technology to enhance data collection, management, and visualisation.

Across our locations, our operational environmental data is collated from different sources, including metered data, utility bills, and landlord statements, amongst others. Improving the reliability of data, particularly from third party vendors, is an area we are focused on continuously improving. All operational environmental data disclosures in this report is subject to rigorous internal checking and review, with selected indicators also subject to external assurance as detailed on pages 97 to 101.

In 2023, DBS completed the acquisition of Citigroup Inc.'s consumer banking business in Taiwan (Citi Consumer Taiwan). However, the integration of Citi Consumer Taiwan's environmental data is still underway and is therefore excluded from the scope of our reporting on operational environmental footprint.

Key initiatives

Reducing consumption of resources

Our first priority is to reduce resource consumption and increase operational efficiency in our operations (e.g., office buildings, bank branches, energy systems, etc.).

Energy reduction and management approach

We reduce our energy consumption through a series of operational energy reduction and efficiency initiatives. In 2023, we successfully converted four branches in India to operate at a net-zero-energy level, namely, T Nagar, Dindigul (Branch Premises), Vashi and Nagapattinam branches. We have designed net-zero-energy retrofits for these and other offices in our portfolio, and we are assessing implementation of these retrofits. We also consistently install occupancy sensors for lights and cooling in all new spaces whenever feasible, in line with our principle of using energy only where necessary. At present, over 80% of our manned retail branches in Singapore are certified Green Buildings.

In 2023, our operational energy consumption was 121,357 MWh and our carbon emissions were 53,446 tCO_2e. While this marks an increase from the previous year, we have continued to neutralise our carbon footprint through investing in high-quality carbon offset projects that are independently verified and certified. While offsetting, our strategy remains to prioritise efforts that improve energy efficiency, increase the production and use of renewables, and implementing sustainable practices across our operations to minimise our footprint.

Read more about our approach to carbon offsetting on page 62.

Green Mark Platinum certification for over 80% of our manned retail bank branches

Since 2017, we have been pursuing opportunities to redesign our branches to be more resource-efficient and carbon-light by:

- Integrating intelligent occupancy-based lighting and air-conditioning systems to minimise energy consumption.
- Implementing water-efficient fittings and dedicated meters to minimise and monitor water consumption.
- Introducing green features and innovation such as video teller machines that are equipped with energy-saving light dimmers and sensor controls to enhance efficiency and customer service.

We will continue to integrate environmentally conscious practices at every level as much as possible such as supply chain sustainability, waste reduction and management initiatives through materials and fittings used in the design of the space.

In 2023, 33 out of the bank's 41 manned branches were certified Green Mark Platinum which is a pinnacle rating under Singapore's Building and Construction Authority (BCA) Green Mark, an internationally recognised green building certification scheme.

Our target is to have 100% of our branches certified Green Mark Platinum in Singapore by the end of 2024.

Table 1: Our energy and carbon footprint[1]

	2023							
	Singapore	Hong Kong	China	Taiwan	India	Indonesia	International Centres	Total
Energy								
Total energy consumption (MWh)[2]	65,832	10,041	5,480	6,394	19,313	12,670	1,627[3]	121,357
Energy intensity by total income (MWh/ SGD million)	4.91	3.12	8.88	11.69	29.76	19.37	1.90	6.09
a) From non-renewables (MWh)[4]	64,816	10,041	5,480	6,331	19,135	12,408	1,627	119,838
b) From renewables production (MWh)	1,016	0	0	63	178	262	0	1,519
Purchased Renewable Energy Certificates (MWh)[5]	0	10,100	5,500	0	19,200	13,000	0	47,800
Carbon[6]								
Total carbon emissions, market-based (tCO_2e)[7] = [a + b(ii) + c]	37,402	2,299	2,180	3,245	3,886	3,084	1,350	53,446
Total carbon emission intensity, market-based, by total income[8] (tCO_2e/ SGD million)	2.79	0.72	3.53	5.93	5.99	4.72	1.57	2.68
a) Scope 1 (tCO_2e)[9]	217	22	0	0	147	196	0	582
b) Scope 2 (tCO_2e)[10]								
i. Gross (location-based)	16,265	4,980	2,068	2,653	11,852	7,185	794	45,797
ii. Net (market-based)	16,265	0	0	2,653	0	0	794	19,712
c) Operational Scope 3 (tCO_2e)[11]	20,920	2,277	2,180	592	3,739	2,888	556	33,152
i. Data centres (tCO_2e)	10,690	1,195	1,289	569	1,729	2,520	0	17,992
ii. Storage facility energy (tCO_2e)	179	0	0	0	0	0	0	179
iii. Waste (tCO_2e)	302	82	16	23	49	31	0	503
iv. Business flights (tCO_2e)	8,902	943	870	0	1,383	0	556	12,654[12]
v. Ground transport (tCO_2e)	841	57	0	0	578[13]	337	0	1,813
vi. EV shuttlebus (tCO_2e)	6	0	5	0	0	0	0	11

	2023							
	Singapore	Hong Kong	China	Taiwan	India	Indonesia	International Centres	Total
Carbon								
Purchased carbon offsets (tCO_2e)								55,000
Total carbon equivalent net of carbon offsets purchased, market-based (tCO_2e) = [a + b(ii) + c – Purchased carbon offsets]								-1,554

Water reduction and management approach[14][15]

We manage our water consumption in our bank branches and offices in Singapore by adhering to building standards, such as the BCA Green Mark. In three of our Singaporean buildings, DBS Asia Hub (DAH), DBS Newton Green (DNG), and DBS Asia Central (DAC), we maintain an efficient water management system in place that uses waste condensate water reclamation. Condensate water is also collected and used for cleaning at DAH and DAC as well as irrigation at Newton and DAH.

Table 2: Water consumption data

	2023							
	Singapore	Hong Kong	China	Taiwan	India	Indonesia	International Centres	Total
Water								
Total water consumption (m^3)[16]	58,306	12,556	5,679	40,475	27,798	35,909	-	180,724
Total water consumption intensity by total income (m^3/ SGD million)	4.35	3.91	9.20	73.99	42.83	54.90	-	9.06
a) Municipal water consumption from water stressed regions (m^3)[17]	0	0	4,403	0	25,648	3,320	-	33,371
b) Municipal water consumption from non-water stressed regions (m^3)	58,306	12,556	1,276	40,475	2,150	25,442	-	140,206
c) Well water consumption from water stressed regions (m^3)	0	0	0	0	0	2,215	-	2,215
d) Well water consumption from non-water stressed region (m^3)	0	0	0	0	0	4,932	-	4,932

Waste reduction and management approach(1)(14)(18)

We track and divert waste from landfills and incinerators in addition to managing waste at the source through managed procurement. In 2023, we started regular waste audits in primary food service areas as well as our pantry areas. We also installed AI based recycling-help-systems and monitors in several areas to test the efficacy of machine-based behaviour feedback for waste and recycling.

We continue to implement eWaste tracking across all markets, and eWaste collection points for employees in several markets. In our DAH cafeteria, an AI-food waste tracking and reduction system is being deployed to record how and what foods are being wasted through smart meter technology attached to food waste bins. This real-time data is used to analyse trends and better anticipate production quantity in a bid to decrease overall waste.

Table 3: Waste data

	2023							
	Singapore	Hong Kong	China	Taiwan	India	Indonesia	International Centres	Total
Waste								
Total waste generated (tonnes)	719.4	209.2	60.8	75.5	121.8	124.8	-	1,311.5
a) Total composted (tonnes)	34.3	1.6	21.0	0	15.1	22.8	-	94.8
b) Total recycled (tonnes)	109.5	52.1	9.3	32.3	14.0	44.8	-	262.0
c) Total incinerated (tonnes)	575.6	0	0	43.2	0	38.7	-	657.5
d) Total landfilled (tonnes)	0	155.5	30.5	0	92.7	18.5	-	297.2

Notes:

(1) Operational environmental footprint data does not include Citi Consumer Taiwan's portfolio as the integration of environmental data is still underway at the point of publication.

(2) Energy consumption includes purchased electricity, purchased chilled water cooling to buildings and outsourced data centres, and combusted energy on site in India. It also includes LPG consumed in one Singapore kitchen and genset power in Singapore, India, Indonesia, and energy from petrol owned vehicle in Singapore. The total energy consumption is 436,880 GJ.

(3) Electricity use for International Centres is included in this report. These international offices are located in Malaysia, Myanmar, the Philippines, South Korea, Thailand, Vietnam, the United Kingdom, Japan, and Australia. Energy was estimated for our offices in US, UAE and Myanmar.

(4) Energy from fuels included LPG in Singapore, diesel and petrol gensets in India, diesel gensets in Indonesia, diesel and UCO biodiesel gensets in Singapore; and one owned petrol vehicle in Singapore, converted to energy. The total energy from fuels was 1,200 GJ.

(5) Purchased RECs are shared across China and Hong Kong, which are part of the same renewable electricity market.

(6) Follows the requirements of GHG Protocol Corporate Standard and GHG Corporate Value Chain Standard and uses operational control to consolidate GHG emissions.

(7) As with previous years, we report Scope 2 emissions based on both location-based and market-based approaches. Under the market-based approach, our Scope 2 emissions were reduced from purchased RECs in Hong Kong, China, India, and Indonesia.

(8) Carbon emission intensity is reported as tCO2e/S$M in total income.

(9) Scope 1 emissions include direct carbon emissions from backup diesel and petrol generators, LPG from kitchens, and fugitive emissions from fire retardants and refrigerants including FM200, SF6, R-410a, R-22, R-134a, R132, R-32, and NOVEC-1230 – all converted to CO2 equivalent. We also included both fossil fuel diesel, UCO biodiesel genset fuel, and LPG for cooking in Singapore. UCO biodiesel was expanded to all gensets in Singapore owned by DBS.

(10) Scope 2 emissions include purchased electricity, purchased chilled water energy – converted using efficiencies from the central chilled water suppliers, and energy for cooling offices and branches. Energy data streams are converted to CO2 equivalents using emission factors in "International Energy Agency: CO2 Emissions from Fuel Combustion 2023-Year 2021" for Australia, Bangladesh, China, India, Indonesia, Japan, Malaysia, Myanmar, Philippines, South Korea, Thailand, United Arab Emirates, United Kingdom, United States of America and Vietnam, average of emission factors in "HK Electric Carbon Calculator" and "CLP Group 2022 Climate-related Disclosures Report" for Hong Kong, "Energy Market Authority Chapter 2: Energy Transformation" for Singapore, and "Energy Administration Ministry of Economic Affairs R.O.C. 2021 Electricity Carbon Emission Factor" for Taiwan.

(11) Scope 3 emissions include outsourced shuttle bus travel, inter-office mail transport for Singapore, limousine service, cash loading transport, executive transport, carbon equivalent from electric vehicle transport in China, electric vehicle transport for facilities management (new in 2022), employee air travel as arranged by travel agencies Ctrip and Egencia, energy used in outsourced data centres, carbon equivalent from waste disposal (in Singapore, Hong Kong, China, Indonesia, Taiwan, and India minus waste from Lakshmi Vilas Bank (LVB) coverage area) including incineration, landfilling, composting, general recycling, and e-waste recycling; carbon equivalents from storage facilities in Singapore. We did not include employee ground transport emissions from the LVB portfolio in India. We do not include any carbon footprint from items that were repurposed, gifted, or sold. Currently our scope 3 does not include any other upstream carbon from operational procurement.

(12) This figure refers to scope 3 emissions of business flights attributed to Singapore, Taiwan, Indonesia, and China; based on aggregated source data provided by our travel agencies, CTrip (for China) and Egencia (for the remainder). This figure also includes carbon emissions from our courier DHL, for the first time this year.

(13) Employee ground transport data from LVB is not included in scope. We will work to incorporate these indicators in the future.

(14) Our International Centres (ICs) are mostly single offices in office buildings in their respective cities, and we do not yet have access to landlord water and waste data. The water and waste footprint of our ICs is not material to our overall consumption figures. We do not include water and waste data from our ICs.

(15) In 2023, we included LVB water use indicator data into these tables under the India market, in addition to electricity consumption, diesel genset consumption, petrol genset consumption, and PV production disclosed since LVB's incorporation in 2022.

(16) All water consumption reported is considered freshwater according to GRI 303; 1,000 cubic metres (m3) is equivalent to one megalitre.

(17) Water stress was assessed using WRI.org tool 'aqueduct water risk atlas' where "stressed" - ">40% at risk".

(18) Waste data from LVB is not included in scope. We will work to incorporate these indicators in the future.

Generating renewable energy

As our second priority, we aim to generate renewable energy to replace more carbon intensive energy sources.

Our total renewable energy production rose from 1,362 MWh in 2022 to 1,519 MWh in 2023.

In 2023, we grew our renewable energy production with an additional solar installation on CK street in India. This added 15 kW of capacity. Looking ahead, we endeavour to continue to scale our renewable energy production and consumption.

Purchasing RECs and carbon offsets

Despite our efforts to reduce consumption, as well as generating and purchasing renewable energy, gross carbon emissions still persist in our operations. While we explore future opportunities to avoid, reduce and replace these residual carbon emissions, we continue to compensate for them through the purchase of RECs and carbon credits.

In 2023, we strengthened our approach to purchasing RECs and carbon credits by updating our Carbon Offset Guide, improving the governance and processes around the selection and purchase of Energy Attribute Certificates (e.g., RECs) and carbon credits. We applied the enhanced processes to mitigate all residual emissions in our operations after our energy reduction and renewable energy initiatives.

RECs: We purchased a total of 47,800 MWh of RECs to compensate for all 100% of grid electricity consumption across our core markets outside of Singapore and Taiwan.

Carbon credits: We purchased 55,000 tCO_2e of high-quality carbon avoidance credits from a nature-based project. These projects deliver positive climate impacts but also support important social and economic development opportunities for local communities, further contributing to the United Nations Sustainable Development Goals.

Read more on our data on energy and carbon emission on page 60.

DBS' approach to carbon credits

Carbon credits can be an efficient tool to unlock capital required to transition our global economies to a net-zero future. There are various nature- and technology-based solutions that facilitate the avoidance, reduction, or removal of GHG from the atmosphere, all of which can generate carbon credits to support the net-zero transition.

We recognise that carbon credits can be controversial. There is fear that carbon credits from poorly managed carbon-bearing projects can overstate the offsetting activity, and by so doing, reduce the pressure for gross decarbonisation. The Voluntary Carbon Markets ('VCMs') have also faced various challenges this year such as allegations of fraudulent credits which has undermined confidence in the market. Nonetheless, there were positive developments such as the establishment and release of standards for high-integrity carbon credits, as well as guidance for companies who use them.

In 2022, we updated our Carbon Offset Guide, which covers our general approach to carbon credits and provides a governance framework related to the purchase of carbon credits for the purpose of offsetting remaining operational gross emissions at DBS. In 2023, we further updated our guide to strengthen our due diligence approach, clarify our selection criteria and widen the scope of eligible registries we look at, taking into consideration market developments. Specifically, we have included reputable third parties such as carbon-credit rating agencies and CIX into our selection process and decision tree. We will leverage the expertise of these organisations to understand the level of risks faced by the projects we are looking at.

As part of our overall process, we are committed to use the best available information at the time of purchase to ensure that we select high quality and impactful carbon credits from meaningful projects. Given the rapidly developing landscape in global VCMs, we will continually review our Carbon Offset Guide to ensure it remains sufficiently robust.

Example of carbon offsetting project:

Project name	Katingan Peatland Restoration and Conservation Project
Project synopsis	The Katingan Restoration and Conservation Project protects and restores 149,800 hectares of peatland ecosystems, to offer local communities sustainable sources of income, and to tackle global climate change. The project lies within the districts of Katingan and Kotawaringin Timur in Central Kalimantan Province and covers one of the largest remaining intact peat swamp forests in Indonesia.
Type of project	REDD+
Carbon avoided / removed	Avoided
Carbon standard	Verified Carbon Standard
Location of project	Central Kalimantan, Indonesia
Total volume of credits purchased (tCO_2e)	55,000

Case study highlights

1. DBS Giving Tree

Christmas is a time for celebrations and giving, but it also comes with an unwelcomed guest: waste. All over the world, the festive season generates a significant amount of waste, from discarded wrapping paper, to gift bags and even food waste.

This year, we're raising awareness on gifting sustainably through online gameplay and physical engagement – from the choice of raw materials, combining them into meaningful gifts, to wrapping them with eco-friendly materials.

Educational digital gameplay

The digital gameplay brings gamers through three mini games to learn how to manage in their waste this festive season by composting, creating and wrapping eco-friendly gifts for the festive season.

Physical giving tree in our own spaces

The DBS Giving Tree is made in collaboration with local partner Triple Eyelid, using discarded industrial waste such as pine wood and mahogany reclaimed from pallets.

The wooden décor are toys assembled by our DBS colleagues from wood pallets provided by local non-profit Ground-Up Initiative (GUI). After the festive season, these toys will benefit children in need, under TOUCH Community Services.

After Christmas, this tree will be repurposed into functional high tables around DBS.

DBS Giving Tree

Educational digital gameplay for employees

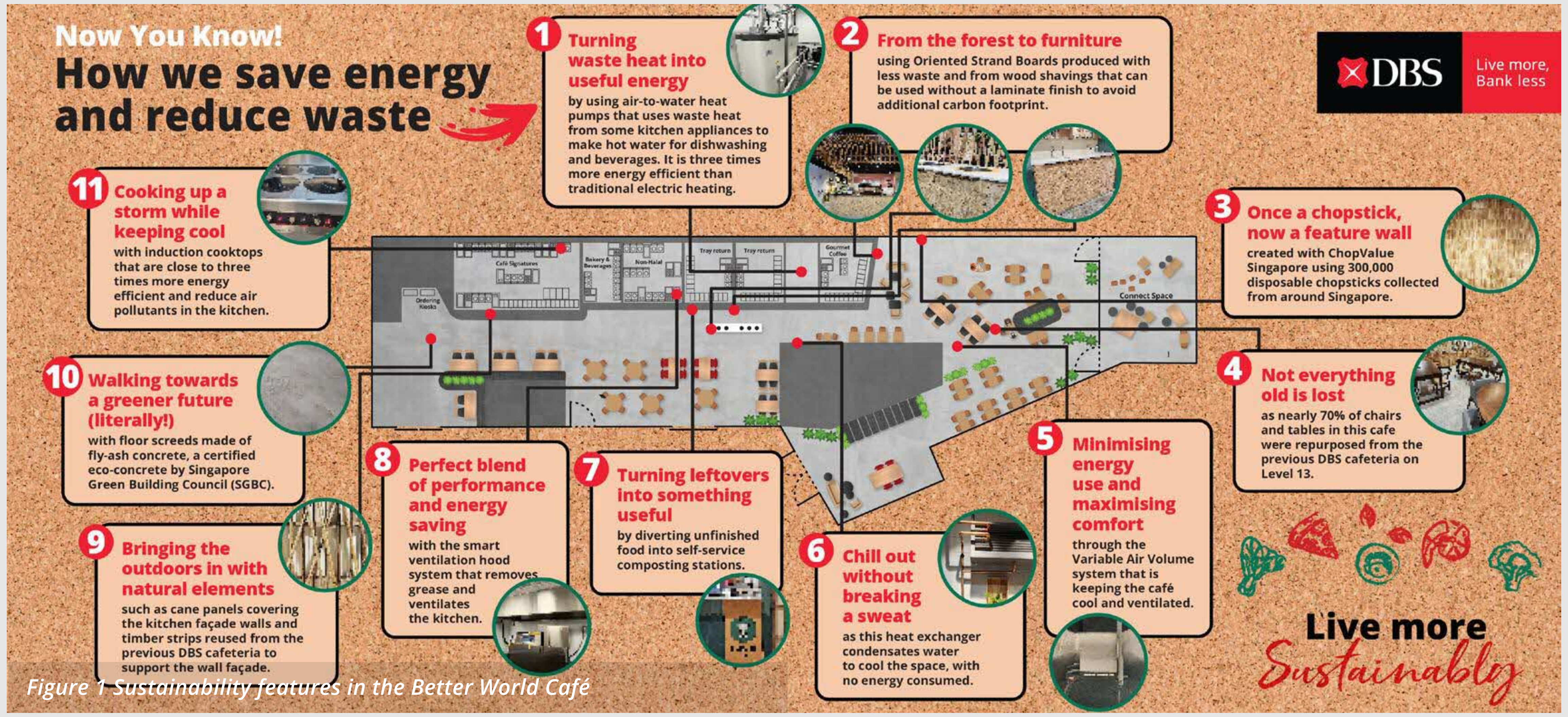


Figure 1 Sustainability features in the Better World Café

2. Better World Café

We continue enhancing the sustainability features of our Better World Café, with a primary focus on conserving energy and minimising waste. Here are some initiatives that exemplify our ongoing efforts in 2023 to further advance the café's sustainability journey:

- Introduced incentive to encourage colleagues to bring their own cups when taking away drinks.
- Introduced the Reusable Mug Library, which allows visitors or colleagues to borrow mugs when they order takeaway drinks, instead of using single-use cups. Mugs are crowdsourced from DBS staff.
- Switched out our melamine crockery to wares made from rice husks. These wares composed of rice husks and starch, can be kept within the biological cycle at the end of the wares' useful life.
- Shortened receipts issued at ordering kiosks by almost 50% to reduce our paper use.

3. Sustainable Transport

DBS aimed to reduce emissions from our employee transportation services by converting to more sustainable modes of transportation.

DBS Tech India (DTI)

In 2023, DTI progressively switched from cabs to buses throughout the year. In total, 106 cabs were removed while 22 buses were added to the fleets. As a result, total fuel consumption from the conversion dropped by 63% from 55,112 L to 20,358 L as well as a reduction in total distance travelled from 673,000 km to 61,000 km thereby reducing fuel consumption too.

DBS Newton Green (DNG)

In line with our commitment towards net zero operations, we introduced an electric shuttle bus at DNG in August 2023.

Sustainable procurement

Managing our supply chain sustainably

Our approach

As a leading financial services group in Asia, we purchase a diverse range of products and services, including professional, software, real estate, and corporate services. Guided by our Vision to be the Best Bank for a Better World, we integrate environmental and social considerations into procurement decision-making, alongside financial factors.

Our procurement activities are managed in accordance with our formal policies and processes:

Group Procurement Policy
Outlines our strategy for the purchasing of goods and services to meet DBS' requirements while minimising risks and maximising value

Group Procurement Sourcing Guide
Supplements the Group Procurement Policy and Standard documents

Group Procurement Standard
Extends throughout the procurement cycle, from identification and specification of requirements to the awarding of contracts to suppliers

Sustainable Sourcing Principles (SSP)
Outlines the expectations we have of our suppliers in upholding health and safety, environmental sustainability, business integrity and ethics, as well as in complying with DBS Human Rights Policy

Our supply chain management programme includes:

- **Accelerating a restorative enterprise**
  To grow restorative procurement together with our ecosystem partners
- **Adopting a risk management approach**
  To utilise a comprehensive set of processes and tools in an iterative manner to manage our supply base
- **Investing in capacity building for a more resilient supply chain**
  To ensure a diverse and efficient supply base that is continually supported through supplier engagement and training

Key initiatives

Accelerating a restorative enterprise

Since 2021, the Restorative Procurement Framework ("Framework") has guided our partnerships with suppliers, as we work towards building a restorative enterprise. The Framework brings together various sustainability aspects – circularity, carbon, biodiversity, and the broader social agenda. We integrate these restorative principles directly into our procurement processes, including our SSP and approach to screening, prioritising, assessing and engaging our suppliers. This promotes not only "doing less harm" but also "doing more good" across our supply chain.

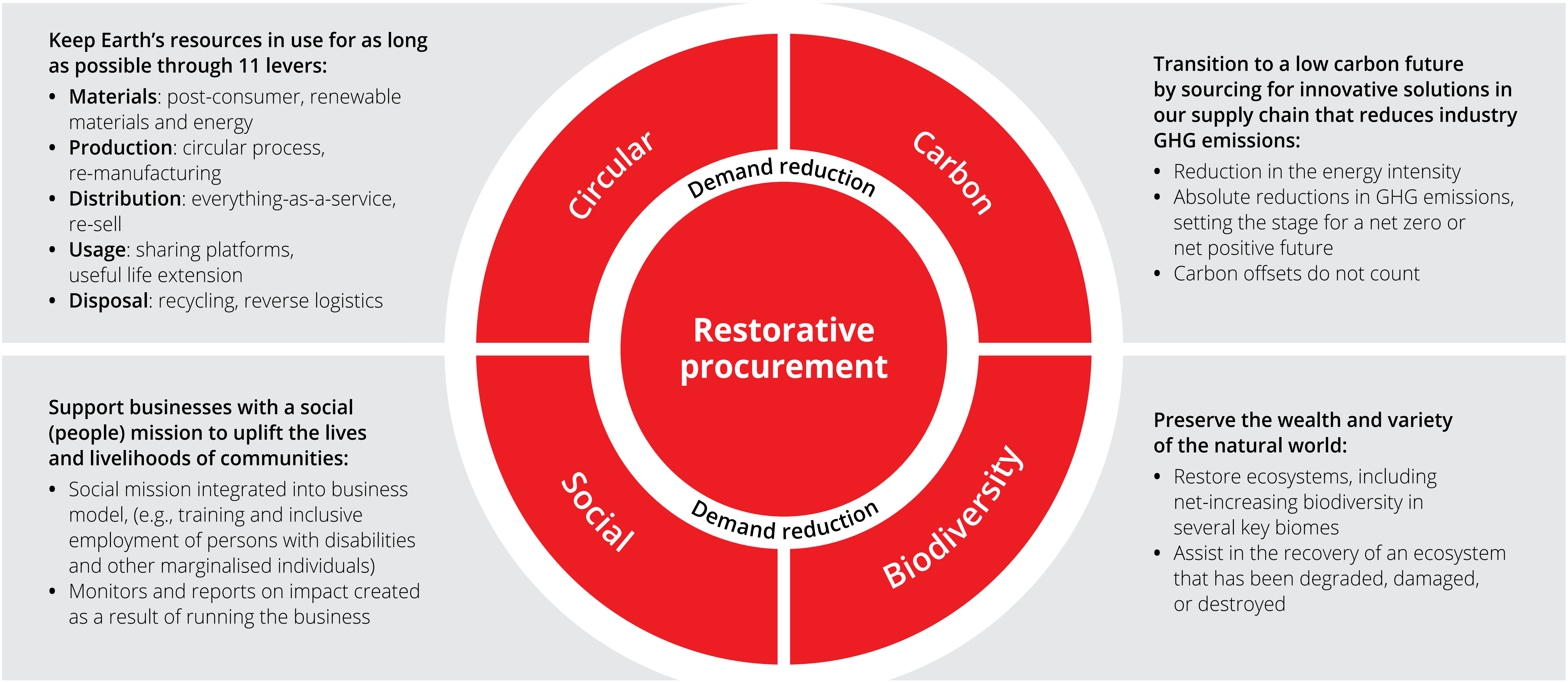


Figure 1: An illustrative framework of how DBS conducts restorative procurement

Restorative approach in action

During the recent closure of multiple premises in Indonesia due to branch relocations or mergers, we successfully collected over 100 pieces of security equipment, including CCTV cameras and keypad readers. Instead of discarding these items, we adopted a restorative approach by reusing them for new installations, ongoing projects or as replacements for damaged items in existing branches. This not only reduced use of resources, but also resulted in cost savings of over SGD 10,000.

Adopting a risk management approach

At DBS, we conduct due diligence on our supplier base and adopt a risk-based approach to the governance of sustainability in our supply chains (see Figure 2). We utilise a comprehensive set of processes and tools in an iterative manner to govern our supplier base, which consists of thousands of regional suppliers across diverse spend categories.

Screening:

This year, as part of a pilot programme, we have introduced additional ESG parameters to the sustainability criteria embedded within our supplier evaluation metrics. This enhancement enables us to evaluate suppliers on their commitment to internationally recognised responsible and sustainable business practices, including specific factors such as environmental and workplace health and safety standards, project specific carbon footprint, employee diversity and development metrics and supply chain governance.

To enhance objectivity, fairness and transparency within the sustainability criteria during supplier evaluations, we have also crafted the criteria to be more quantifiable and verifiable. This reduces the risks of subjective interpretation. We have rolled this out through a pilot programme, which specifically targets higher risk category items with higher value contracts. This pilot programme allows us to test and refine the effectiveness of the expanded sustainability criteria within a focused scope, prior to its official implementation.

We also continued to employ our SSP as the primary screening mechanism for all new suppliers as part of the onboarding process. **In 2023, we successfully onboarded close to 800 suppliers across our core markets, with more than 99% of new suppliers aligned with our enhanced SSP**. Going forward, onboarded suppliers who do not commit to align with the SSP will be enrolled into our sustainability ratings exercise, which will help us to mitigate any potential risks and monitor the sustainability performance of these suppliers.

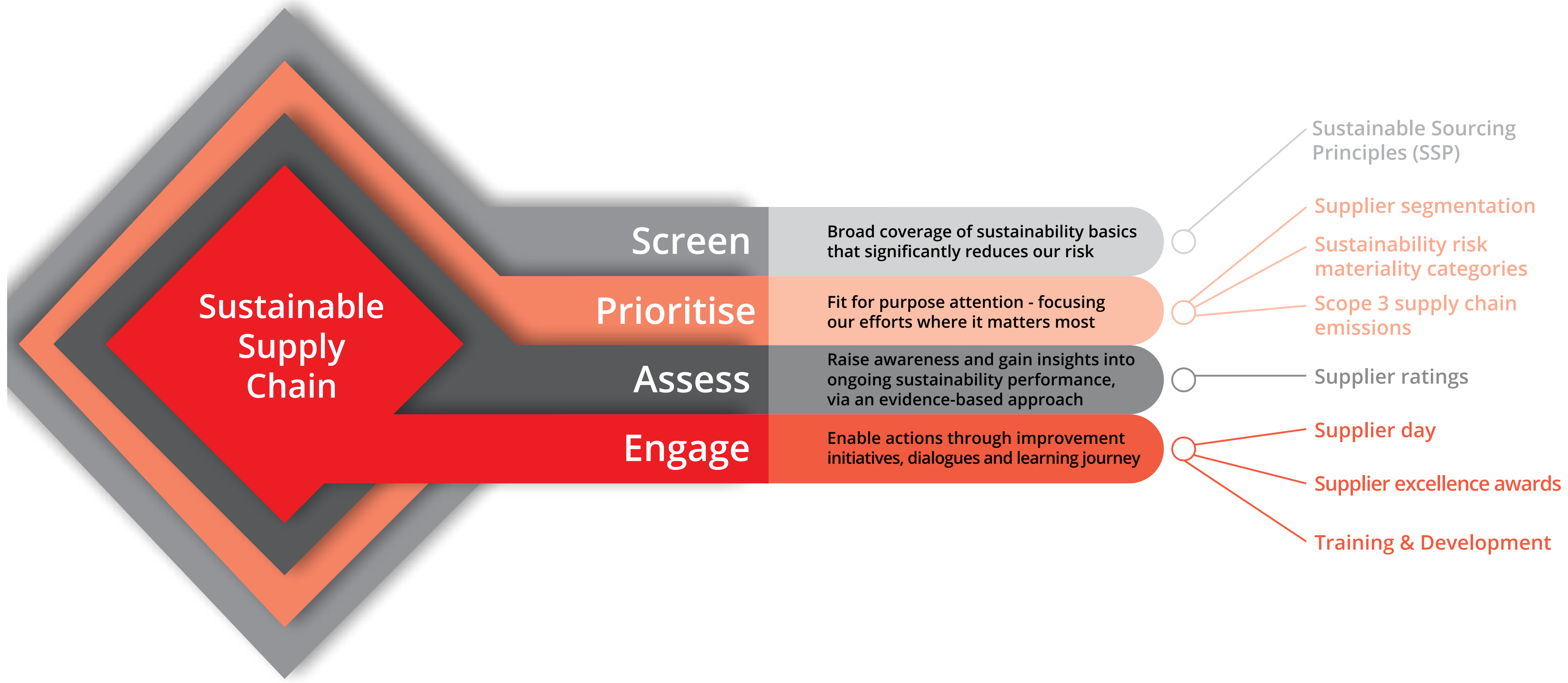


Figure 2: Our approach to govern sustainability in our supply chains

Uplifting our Sustainable Sourcing Principles

As part of our ongoing uplift of our SSP, we made significant strides to further promote the principles of restorative procurement amongst our suppliers. We require suppliers to implement appropriate programmes or policies to manage their environmental impact. We have also added a clause to encourage suppliers to go beyond doing less harm and adopt restorative approaches that create a net zero or net positive impact on the environment and society.

To address human rights, we have incorporated enhancements to secure commitments from our suppliers for the equitable remuneration and health and safety of workers, and the well-being of local communities.

Additionally, we emphasise our requirement for suppliers to take appropriate measures to remediate any adverse human rights and environmental impacts that may result from their products or services. This commitment extends further to include a grievance mechanism for addressing and resolving any human rights impacts that may arise in our supply chain.

These enhancements underscore our dedication to advancing sustainability and ethical business practices within our procurement processes. We encourage our suppliers to actively share DBS' SSP with their next-tier suppliers and business partners to create a broader impact and foster alignment with responsible practices throughout the supply chain.

As part of our supplier engagement initiatives, we actively work to enhance the capabilities of our suppliers and fortify our partnerships to build a restorative enterprise. In our recent sustainability workshops for suppliers, we underscored the significance of our SSP, highlighted forthcoming modifications, and offered our suppliers the chance to seek clarifications. This proactive approach prepares suppliers for upcoming enhancements and fosters more collaborative partnerships.

Read more about how we are embedding human rights due diligence in our procurement practices on the next page.

Prioritise and assess:

With thousands of suppliers in our supply base, we need to prioritise and focus our attention on the most important areas. We do this by taking a risk-based approach to our supplier segmentation analysis. We derive suppliers' risk levels based on our aggregate spending with the suppliers, suppliers' country of operations and the category of goods and services provided by the supplier.

Since 2022, we have partnered with a global sustainability ratings provider, EcoVadis, to assess high risk suppliers. Suppliers are evaluated based on their commitments to environment, labour and human rights, ethics, and sustainable procurement. Evaluated suppliers receive a scorecard detailing an appropriate corrective action plan and areas for improvement.

As a recognition of their efforts, DBS has extended the acknowledgement period for suppliers achieving a Silver, Gold, or Platinum EcoVadis medal beyond the standard one-year validity stipulated by EcoVadis. Our network on the EcoVadis platform now consists of over 200 DBS suppliers with scorecards adhering to the validity period defined by DBS. By expanding our supplier network on the platform, we enhance transparency in our supply chain sustainability performance. This supports our commitment to fostering a responsible and resilient business ecosystem.

Embedding human rights due diligence in our procurement practices

We are committed to doing business with respect for human rights through our sustainable procurement practices. Our first line of defence is the requirement for all new suppliers to be screened by our SSP. As part of our SSP uplift mentioned on page 65, we have incorporated enhancements to the human rights clauses within the principles by drawing on standards and guidance set by leading international frameworks, including those established by the United Nations (UN) and the International Labour Organization (ILO).

Specifically, our enhanced SSP require that suppliers:

- Champion human rights by prohibiting human trafficking, slavery, harassment and abuse
- Prohibit child labour
- Promote diversity and inclusion
- Protect the health and safety of workers
- Uphold fair and equitable remuneration of workers
- Respect employees' rights to associate freely and collective bargaining
- Act ethically, prohibit bribery, corruption, practice transparency and accountability

We also emphasise the requirement for suppliers to take appropriate measures to remediate any adverse human rights impacts that may result from their products or services.

As a second layer of defence, we continue to perform annual supplier assessments on suppliers identified as high risk, through our partner EcoVadis, on multiple aspects including human rights, labour practices, and ethics.

As part of our supplier engagement initiatives, we actively work to enhance the capabilities of our suppliers on sustainability matters.

Read more on our approach to screening, prioritising, assessing and engaging suppliers on page 65, and about our overall approach to human rights at DBS on page 13.

Engage:

We view engagement as an integral part of our ongoing collaboration with suppliers. As part of our engagement strategy, we aim to support and work with our suppliers to improve their sustainability performance.

In 2023, we issued corrective action plans to eight suppliers falling within EcoVadis' lowest sustainability performance level. Additionally, we actively seek to improve the sustainability of our supply chain by enrolling suppliers who are assessed as high risk to participate in our sustainability training workshops.

Investing in capacity building for a more resilient supply chain

In 2023, we held a sustainability training workshop on restorative procurement, covering essential topics such as circular procurement, life cycle analysis, DBS' sustainability approach as well as addressing the upcoming revisions to our SSP and sustainability evaluation criteria. With participation from over 25 suppliers and 70 DBS employees from group procurement services, including sourcing managers, this training workshop highlighted our commitment to promoting sustainability across our supply chain. Moving ahead, we will continue our approach of engaging and training suppliers to adapt to the market's evolving sustainability requirements. This remains key for us in managing potential risks and improving the overall transparency of our supply chain.

To protect us against supply chain disruptions amidst uncertainties from geopolitical and economic situations, in 2022 we established a hardware resiliency framework to drive visibility, agility and resilience in supply chain processes. Through this framework, we focus on proactively engaging key vendors to gain insights into their delivery lead times and supply risk mitigation strategies. This enables us to better detect any potential risks of delivery delays and work with our stakeholders to source for alternate solutions. In addition, we also continue to improve our processes to meet market standards and ensure adherence to our delivery commitments. We are committed to continuously update the framework based on evolving vendor structures and relationships influenced by globalisation. This comprehensive approach underscores our dedication to maintaining operational excellence and delivering exceptional service to our customers.

Technology resilience (including cyber security)

Fortifying resilience and security

Our approach

Technology is critical to our business strategy and processes. It enables a seamless banking experience for our customers and is at the heart of our strategy to drive growth. However, the growing complexity of our technology stack and network infrastructure, coupled with rising cyber threats, present a growing risk for our business.

In 2023, the occurrence of digital disruptions that interrupted our service served as a catalyst for further enhancing our resilience. To improve service reliability and ensure the resiliency of our technology infrastructure, we embarked on a comprehensive roadmap in May 2023 through the Technology Risk Management Uplift Programme (T-Up) which is chaired by the CEO. This roadmap will culminate in improved service availability and reliability.

In addition, DBS remains resolute in our commitment to fortify our cyber security capabilities against the ever-evolving landscape of cyber threats, ensuring the delivery of safe and secure banking services to our customers. The ongoing targeting of our customer base by cyber threat actors who employ sophisticated tactics like social engineering, phishing scams, and mobile malware, coupled with the escalating risk of cyberattacks on our online banking services and technology infrastructure amid geopolitical tensions, underscores the imperative for us to continue to invest in and explore the latest advancements in cyber security technologies.

In light of this, we are not only building security and resiliency into the architecture, design and deployment of technology, but we are also building it into our culture, ensuring this is factored into every decision we make.

Through T-Up, we are improving and tightening our processes in:

- Change management
- System resilience
- Incident management
- Technology risk governance

We also continue to maintain robust cyber security governance and approaches to ensure overall technology resilience.

Key initiatives

Change management

DBS has a microservices architecture, which is supported together via a number of third-party systems. While this is the preferred architecture for most modern technology companies, the one challenge it poses is that a bug in one part of the ecosystem could result in previously unknown problems elsewhere. This underscores the importance of doing more rigorous and comprehensive testing before we put any software into production. We have since tightened our change management controls and created a near-production test environment to allow for more robust testing of key services before going live with new changes or releases.

System resilience

We recognise that customers expect to have access to key services such as balance enquiry and digital payments in an uninterrupted manner. To ensure that these services have minimal downtime, for critical applications, we have now built a hot standby capability to supplement existing active-active configurations. Additionally, today, some of our services are delivered through common/ shared systems, which can potentially result in single points of failure. To prevent this, we are decoupling these shared systems at both the front and back ends so that key services are always available on at least one channel. This will be completed by Q1 2024.

To complement our engagement with vendors, we have established 10 Centres of Excellence (COEs) that house expertise across different domains. The COEs will drive standardisation of architecture and reuse of assets, uphold quality service delivery, and develop competency for shared application and services.

Our mobile applications have been enhanced to detect and remove the presence of malware. Our cyber security control environment is regularly tested and attained the highest tier of preparedness for the Cyber Trust mark.

Incident management

When incidents arise, we have to recover services more quickly. Having early warning indicators, and a process to review internal alerts proactively, enables us to take preventive actions in a timely manner. In the last year, having built comprehensive diagnostic capabilities, real-time monitoring data and alerts are now being leveraged as part of our incident management process. This encompasses a comprehensive view starting with the end-to-end customer journey through the applications and infrastructure levels to detect and drill down issues in real time and identify solutions swiftly. We have centralised our command centre to enable faster identification, triaging, and initiation of recovery protocols. Playbooks for technology operations teams and Crisis Situation Managers have been updated with a sharper focus on rapid restoration of alternate systems to minimise interruption of our digital services. These capabilities are available in Singapore and will be rolled out across all our markets in 2024.

Technology risk governance

To strengthen technology risk governance and oversight, effective 1 November 2023, the bank formed a new sub-committee of the Board Risk Management Committee (BRMC) called the BRMC Technology Risk Committee. The bank also transferred the Technology Risk Management team to the Risk Management Group, reporting to the Chief Risk Officer, to enhance independent checks and balances. We also bolstered our Site Reliability Engineering team with new leadership and established a dedicated Quality Assurance function, the latter which serves as an independent layer of checks on change management within Group Technology.

Cyber security

Cyber security remains a cornerstone of our technology resilience approach as we continue to digitalise our business and operations.

We continue to achieve external verifications and certifications that underscore our dedication to maintaining high standards of information security. This underscores our comprehensive approach to establishing and maintaining effective information security practices and technology risk management. Some of our 2023 highlights are:

Achieved ISO27001 certification for information security management systems

Achieved Singapore Cyber Trust Mark (CTM) certification at the Advocate level

Our robust data protection policies and practices are also certified by TÜV SÜD, an external independent certification body

In 2023, we continued to improve our cyber security capabilities through:

Investing in our cyber defence capabilities

We enhanced our cyber defence capabilities through the following:

- Enhanced and secured our mobile applications using solutions such as Runtime Application Self-Protection (RASP), ensuring a continued safe banking experience for customers. The enhanced control detects the presence of malware, prevents unauthorised access on compromised devices, and guides DBS customers to remove malicious mobile applications.
- Implemented secure file transfer technologies to facilitate secure collaboration with external parties, and established secure storage of sensitive data for our developers.
- Reviewed our key cyber security technology stack to identify opportunities for improvement, ensuring alignment with the evolving cyber threat landscape. This led to the refreshment of our:
  - Web isolation to enhance our network's resilience against sophisticated web-borne threats.
  - Data protection controls to strengthen overall data protection framework and ensure compliance with regulatory standards.
  - Application security testing technologies to identify and remediate vulnerabilities in the early stages of the development lifecycle.
- Expanded the implementation of key controls, such as data monitoring and application whitelisting, to further safeguard our critical and key systems. This targeted expansion broadens the protective scope against potential threats, enhances our detection and response capabilities, and ensures the integrity and availability of essential systems.
- Continued investment in machine learning and automation to enable our security operation centre to adequately handle the year-on-year increase in the volume of security events and alerts. Our security operation centre monitors cyber-attacks and incidents including data breaches.

Strengthening cyber incident response

In addition to investing in cyber security controls, we equally prioritise the development of robust cyber incident response and recovery capabilities. In 2023, we:

- Implemented deep packet inspection of our web traffic to detect and prevent sophisticated and evasive cyber-attack tactics and techniques.

- Validated more cyber defences and controls against the MITRE ATT&CK framework, simulating the modus operandi of 262 threat actors and 915 cyber-attack techniques. This ensures that our incident response capabilities are aligned with the latest threat intelligences and are adapted to the emerging and ever-changing cyber exploits.
- Continued to expand the scope of our monitoring as we expanded the adoption of public cloud and new cloud technologies, automated the response and investigation of cyber security events and alerts, and enhanced the use cases for our cyber security incident detection and mitigation.
- Validated the efficacy of our incident detection and response capabilities in our adversarial attack simulation exercise where the attack attempts were promptly detected and neutralised.

Staying vigilant through knowledge sharing and ecosystem partnerships

The interconnected nature of cyber threats and their contagion effect necessitates a comprehensive and collective response from the financial industry and the wider ecosystem. Collaboration with industry partners, peer banks, regulators, law enforcement, and government agencies is integral to tackling prevailing cyber threats.

In view of mobile malware targeting our customers, we participated in an industry effort to share best practices in mobile application security. For example, we implement and operate Runtime Application Self-Protection (RASP) to safeguard our mobile applications against malware.

Under the leadership of the Monetary Authority of Singapore (MAS), the industry is actively working to establish an information-sharing platform (Project COSMIC). This platform aims to facilitate timely communication and swift responses to emerging financial crimes, including money laundering and terrorism financing.

Read more about Project COSMIC in our Preventing financial crime chapter.

In addition, in collaboration with MAS and peer banks, we planned and conducted an industry wide cyber security incident response and recovery exercise which simulated a ransomware attack on key trading systems and the subsequent disruption to our trading and settlement operations. The exercise provided the opportunity for our business, technology and operations colleagues to test and validate their respective incident response, communication and recovery plans and refine our incident response protocols. This will allow us to enhance our preparedness and effectively mitigate real-world cyber threats.

DBS is also committed to fostering a robust security awareness and culture among our employees. We established a Security Awareness Cybrfit Programme to reinforce adherence to the Bank's policies, standards, and cyber security best practices. Implemented across the entire organisation, it features phishing simulations, cyber security training including specialised training for developers within the Bank, and an enhanced annual cyber security gamification campaign. The programme garnered participation from over 24,000 staff members. Additionally, DBS hosted its annual Application Security Conference with attendance from developers. This event underscores our dedication to staying informed and proactive in tackling dynamic cyber security challenges linked to emerging technologies.

Enhancing cyber security governance

Our robust cyber security capabilities and management are underpinned by strong governance and oversight. Cyber security is included in the scope of governance of the newly created BRMC Technology Risk Committee. Additionally, cyber security will attain enhanced independent oversight as part of the Technology Risk Management team’s transfer to the Risk Management Group.

In response to the Cyber security Code of Practice issued by the Cyber security Agency of Singapore, we have aligned our internal control measures and practices to ensure compliance to the guideline. We enhanced the risk awareness of our technology staff by implementing a targeted technology and cyber risk training curriculum. This was delivered through a combination of online eLearning modules and in-person seminars across our six core markets. The training covered a range of technology risk management and cyber security topics. This ensures that technology teams are familiar with the evolving cyber threat landscape, industry technology and cyber security risk management regulatory regimes and the Bank’s control measures and practices. We further hosted the application security conference which was attended by 875 participants. This platform provided an opportunity to update our developers on key advancements in the areas of software testing and Generative AI.

#CyberWellness programme for the community

The DBS #CyberWellness programme leverages the bank’s expertise to empower employees of social enterprises and charities in the aspect of cyber security awareness. Through the comprehensive training provided, participants are equipped with knowledge to identify and effectively respond to cyber threats, thereby contributing to a safer digital environment.

Since the programme's inception in 2019, we have successfully trained 14,622 participants from charities, social enterprises, SMEs and institutes of higher learning. Delivered through an online platform, participants can access essential security content at their convenience, with 6,421 participants enrolled in 2023. This is a year-on-year increase of 36%.

Driven by the commitment of our DBS People of Purpose volunteers, we have extended this skills-based volunteering initiative to Hong Kong, with 13 social enterprises signing up for the programme in 2024. The #CyberWellness initiative stands as a testament to DBS’ commitment to fostering a safer digital environment, thereby making a tangible impact on the community by equipping a diverse range of participants with crucial cyber security skills.

Data governance

Protecting and being responsible with data

Our approach

At DBS, fostering trust in the way we use and safeguard data remains a critical governance imperative. With the rapid development in Generative Artificial Intelligence (Gen AI) capabilities, responsible use of data is more important than ever. We are very cognisant of the delicate balance of harnessing AI's vast potential benefits while addressing its ethical dilemmas.

To ensure the responsible management of data and AI adoption, DBS is committed to:

- **Keeping data safe and secure**
  To strengthen our data protection capabilities, data access controls, and dial up data surveillance to reduce the risk of data leakage and misuse.
- **Using data responsibly**
  To build trust through fair, ethical, and responsible use of data and Artificial Intelligence (AI) by continuously enhancing our DBS PURE (Purposeful, Unsurprising, Respectful, Explainable) framework and AI Governance processes and controls.
- **Upholding trust through our privacy posture**
  To place privacy at the heart of our product design and services, we rigorously safeguard the confidentiality and security of data.

Key initiatives

Keeping data safe and secure

Keeping data safe and secure in 2023, we continued to build on our core data access and security capabilities:

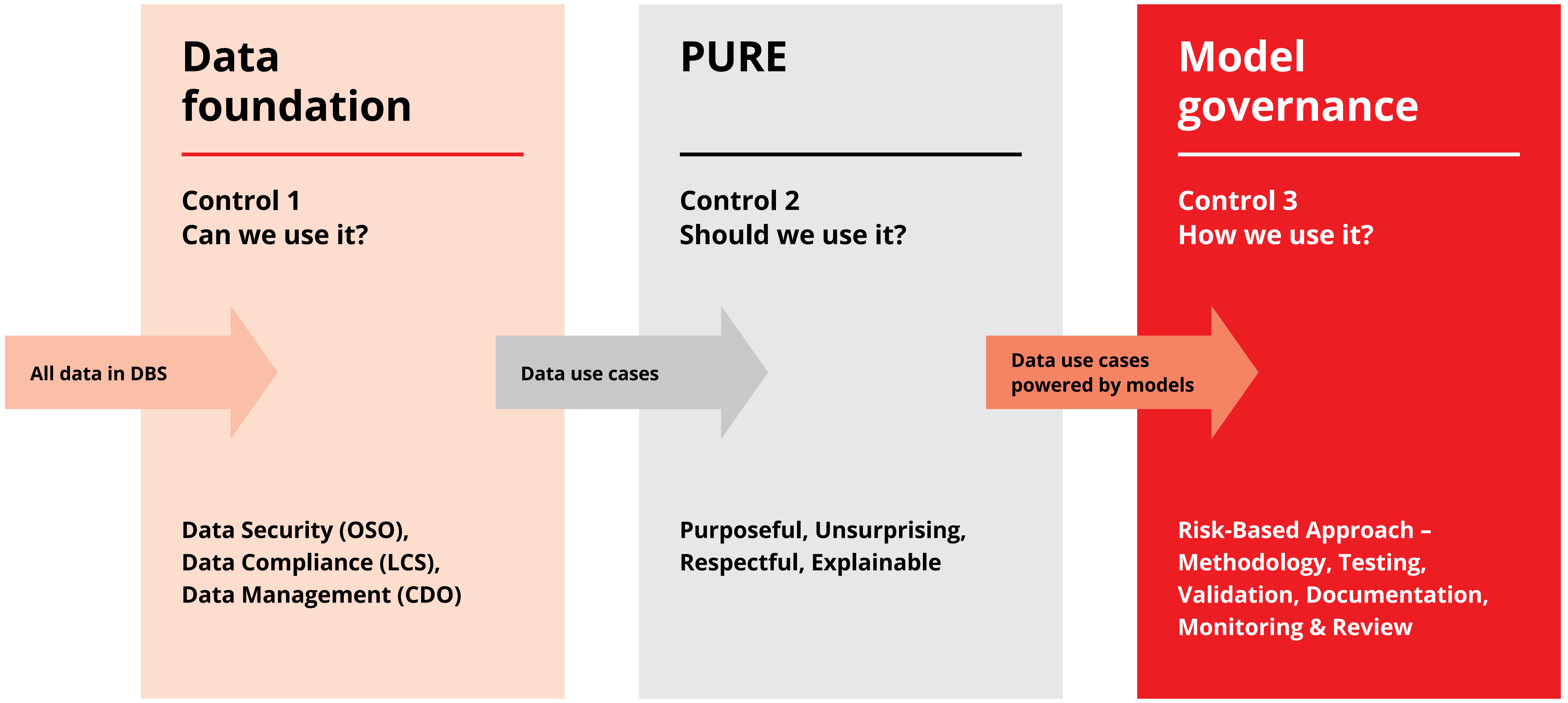
- **Enterprise Data Security Framework (EDSF)** provides a platform agnostic data-security-as-a-service that can be leveraged by any application requiring data security. EDSF is continually enhanced with new features.
- **Arculus** is our next-generation in-house built data policy engine. It serves as a data security layer that controls access to data in our Enterprise Data Platform. Arculus has been designed to be scalable and enable regional expansion whilst enhancing data security and privacy engineering capabilities.

  Arculus is able to orchestrate the dynamic protection of sensitive data using certified encryption methodologies to safeguard our most important data. Furthermore, it enables data access at a persona-level, with datasets fully secured and instantly accessible to analytics users based on the profile of their personas. This enables the secure delivery of accurate data to the right individuals at the right time. Another critical feature of Arculus is its increased ability to capture logging information of data accessed by analytics users as well as the contents of the queries performed. These enable us to significantly uplift our surveillance capabilities with more sophisticated use cases. In 2023:

  - We expanded Arculus data access controls to our hybrid-cloud environments, facilitating analytics use-cases that can leverage the capabilities of public clouds, including Gen AI
  - We introduced new features in Arculus, including the option to generate regional data views through our self-service portal, thereby enhancing the efficiency of specific regional analytics teams
  - We successfully conducted a proof-of-concept exercise for a new privacy engineering technique known as synthetic data. This method creates a 'synthetic twin' of a real dataset, replacing all personal information with artificial values while preserving key statistical properties. Consequently, privacy is significantly enhanced, while the data's utility for specific analytics use-cases is maintained
- Looking ahead, we will continue to build out new components, such as an Arculus Control Room which will provide real-time anomaly detection capabilities, proactive support, self-healing and enhanced surveillance features

Using data responsibly

Our Responsible Data Use (RDU) framework is a core pillar of the Bank's overall Data Management approach, ensuring our use of data and Artificial Intelligence (AI) is lawful, ethical and fair. The framework addresses three core questions, can we use it, should we use it and how we use it.



Key initiatives and messages of the RDU framework

Data Foundations – Can we use it?

The use of data and AI systems is becoming more pervasive and embedded across various industries and sectors. Equally, data related risks are growing and require attention at senior management and Board level. Our policy framework provides a robust approach to the foundational elements of data management such as data privacy, data sovereignty, data quality and data security. The goal is to ensure that any potential use of data strictly adheres to relevant laws and regulations. Our governance architecture ensures that data related risks are managed at an operational, senior management and Board level.

In 2023, we enhanced our governance architecture to better align key committees overseeing data-related risks. Specifically, our Data Governance Committee (DGC) and Responsible Data Use (RDU) Committees will now become sub-committees of Group Operational Risk Committee (GORC) and Group Risk Executive Committee respectively. In turn, data-related risk will be escalated to the Board Risk Management Committee (BRMC) via these sub-committees in 2024. This governance structure increases the awareness and oversight of data related risks from an operational level through to Board Level.

DBS PURE Framework – Should we use it?

It is imperative for us to consistently address the ethical dimensions of our use of data to ensure we remain aligned with the Bank's core values.

Our DBS PURE framework continues to serve as the Bank's ethical compass in ensuring that our use of data is **(P)**urposeful, **(U)**nsurprising, **(R)**espectful and **(E)**xplainable. To uphold the PURE principles amid evolving regulations, changing customer expectations, and societal norms, we have enhanced our PURE portal to ensure automatic notifications to all relevant parties when data use cases are due for review.

We furthered our commitment to training and awareness by introducing the digital PURE practitioner module. The move to digital based content increased the accessibility of the training to our DBS colleagues across our core markets. Furthermore, we have also included a PURE learning component to our new joiner curriculum to underline the importance of responsible data use to all DBS employees, irrespective of their role.

The PURE process ensures we continuously strive to build trust with our customers, employees, stakeholders and the communities we live and operate in.

Model Governance (e.g., Artificial Intelligence) - How we use it?

We are dedicated to strengthening our governance practices in the development and deployment of advanced AI-based systems, ensuring fairness, transparency, interpretability, and accountability in our use of artificial intelligence and machine learning (AI/ ML). The recent rise of Gen AI capabilities has introduced new risks and heightened existing areas of concern. To address this, we are implementing additional guardrails and controls as we gradually explore, test, and adopt these emerging technologies.

At DBS, our AI adoption is guided by three principles: data safety, responsible utilisation and stringent privacy. The bank has engineered two in-house solutions: Advancing DBS with AI (ADA) for unified data governance, and ALAN[1], an award- winning AI protocol for scalable and rapid AI deployment.

- ADA centralises data, ensuring governance and quality
- ALAN accelerates AI model creation and deployment
- ADA and ALAN, when used together, enable our teams to swiftly build and deploy AI models, enhancing our operations and decision-making capabilities. This results in a higher degree of hyper-personalisation in the services we offer to customers

ADA and ALAN incorporate specific governance requirements and stringent controls (e.g., data classification, data reconciliation, approval workflows, etc.) to ensure essential governance considerations are addressed throughout the development lifecycle.

Overall, responsible AI and data use are guided by the RDU Framework and a cross-functional RDU committee. We also continue to work closely with regulators and industry bodies to gradually enhance our overall approach and strengthen core governance controls.

Generative Artificial Intelligence (Gen AI)

The rapid emergence and evolution of Gen AI in late 2022 have garnered global attention, spanning Governments, Academia, Corporates, Regulators, and the general public. Predictably, the response and approaches to the introduction of this powerful new technology were diverse. Initial enthusiasm was quickly met with a series of restrictions, lawsuits and national bans on Gen AI solution deployment, conflicting perspectives from notable figures and entities, and the early implementation of Gen AI guidance and regulations across numerous jurisdictions. By the end of 2023, a more robust consensus emerged regarding the responsible utilisation of Gen AI, emphasising the optimisation of the technology's capabilities and benefits while effectively addressing any inherent risks.

At DBS, we believe that embracing Gen AI has the potential to benefit not only our customers and employees but also society at large, aligning with our commitment to help people 'Live more, Bank less'. Specifically, the exciting opportunities presented by Gen AI, such as simplifying and supporting everyday tasks, as well as creating new content, services, and products, are applicable across all industries. Nevertheless, we are mindful of the novel risks and the potential exacerbation of existing ones linked to Gen AI.

In embracing Gen AI solutions, DBS follows a cautious and measured approach. Our initial experiments and pilots with Gen AI are primarily internal and designed with high levels of human oversight and incremental progression. This approach allows us to explore the potential of Gen AI while identifying possible risks and ensuring that we have the necessary safeguards and controls to mitigate these risks.

As an added layer of protection, we have also:

- Established a cross functional Responsible AI (RAI) Taskforce comprising senior and experienced subject matter experts from across many of our core functions, including cyber security, legal and compliance, data science, technology and infrastructure, data management, and risk management. This ensures that we can leverage the appropriate expertise to thoroughly evaluate our use case pilots and provide guidance on mitigating any potential risks.
- Utilised our existing PURE and AI/ ML governance frameworks to ensure our use cases are ethical, lawful, regulatory compliant, aligned with the Bank's core values and are appropriately owned, approved, and managed.
- Ensured each of our Gen AI use pilots have also been evaluated and approved by our Responsible Data Use (RDU) Committee as well as our RAI Taskforce. This gives added assurance that Gen AI use cases have been holistically assessed and approved by senior management and subject matter experts prior to any measurable deployment.
- Implemented a Gen AI programme structure with a focus on developing bank-wide capabilities essential for scaling the use of Gen AI. Emphasis is placed on areas such as people and change management, building enterprise capabilities, value realisation, responsible AI, and technology enablement. A regular cadence has also been established with Group Management Committee (GMC) members to ensure senior management direction and oversight.

(1) ALAN was awarded 'Best in Future of Intelligence' at the IDC Future Enterprise Awards (Singapore) in 2021.

AI/ ML Governance

Despite significant focus on exploring the opportunities of Gen AI, we continued to enhance our governance efforts and controls in managing our more traditional AI/ ML solutions. Building on the progress we have made in previous years, enhanced fairness controls for higher materiality models and use cases have been operationalised. This leverages much of the guidance and toolkit developed as part of the MAS FEAT[2] (Fairness, Ethics, Accountability and Transparency), and Veritas[3] project which DBS has been proud to participate in since inception. To supplement this, we have also provided enhanced fairness practitioner training to our data science teams as part of the rollout.

We have also introduced Model Monitoring guidelines and requirements, focused on ensuring ongoing model performance across various dimensions, including model accuracy, output stability, data quality, fairness, and data drift. Rollout and adoption will be incremental and will focus initially on higher materiality models and all new models in 2024.

As part of the Project Veritas book of work, an additional document 'From Methodologies to Integration' was published. This paper provides an overview of practical challenges and lessons learned from the seven lead consortium members of the project, including DBS, on implementing and integrating the Veritas methodology on Responsible AI within their organisation and governance processes. It serves as a useful reference for other Financial Institutions (FIs) as well as non-FIs who are also working towards developing their own AI Governance approaches. DBS remains enthusiastic about engaging in and contributing to collaborative initiatives aimed at fostering ongoing improvements in responsible AI, with the goal of benefiting all stakeholders.

Training our people

Consistent with previous years, we have continued to focus on building data management awareness and capability through investing in training our people. We now have seven Novice and eight practitioner modules on our DBS DigiFY platform. In 2023 alone, more than 36,000 modules have been completed by 26,000 employees. Since the launch of our first Data Management Training module back in 2019, over 118,000 modules have been successfully completed (excluding employees who have since left the Bank).

Upholding trust through our privacy posture

Data Protection Trustmark certification

Our Data Protection Trustmark certification (DPTM) from the Infocomm Media Development Authority of Singapore (IMDA) underscores our commitment to privacy. It is an independent external validation that we have robust data protection policies and practices in place, and this gives further assurance to our customers and stakeholders that they can confidently trust us with their data.

Upholding our Privacy Posture

We are committed to not taking the trust placed in us lightly and to always take an emphatic and respectful approach towards data privacy. This commitment is reflected in how we collect, use, and disclose personal data, and entrenched in the following principles:

- **Ensuring Transparency**
  We limit our collection, use and disclosure of personal data to what is reasonably necessary for our services. This is illustrated through our openness about our data processing, which has been detailed in our Privacy Policy that is published on our website. Our Privacy Policy is updated regularly to provide timely notification of developments or for consistency with any changes in laws and regulations.
- **Respecting the privacy of our stakeholders**
  We are reasonable in our use of personal data. We will only process personal data in accordance with applicable data protection laws. This includes ensuring that there is always a legitimate basis for the collection, use and disclosure of personal data.
- **Intentionally embedding data protection impact assessments**
  We have embedded data protection impact assessments in our governance review processes before the launch of new products and services, or when sharing these data via outsourcing and procurement arrangements. These assessments are designed to evaluate relevant data protection risks and implement necessary controls. Contractual obligations are also imposed on recipients of personal data to ensure that they are obligated to protect and limit the use of the personal data shared.
- **Adhering to established data breach management processes**
  We have implemented data breach management standards and processes to ensure the prompt identification, escalation, and management of data breach incidents. Notifications are provided to the relevant authorities and affected data subjects as required, in accordance with applicable laws and requirements.
- **Training employees regularly**
  Employees, including new hires and contract staff, undergo regular training to reinforce sensitivities around the proper management of personal data. This training emphasises strict compliance with established handling protocols and processes for personal data.

Regulatory & industry engagement

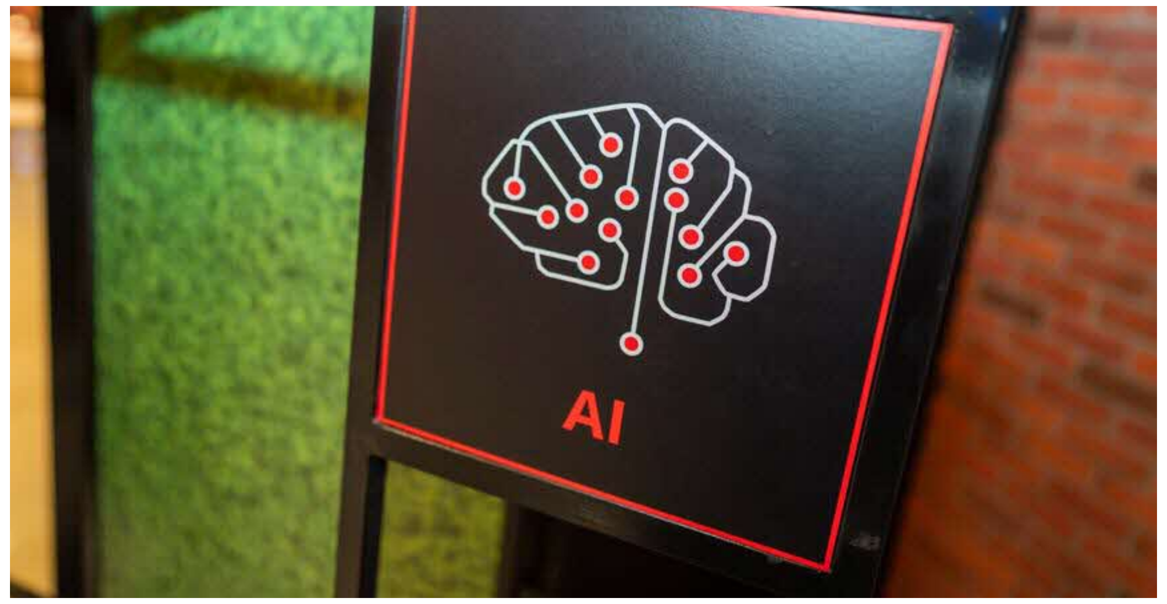
As the regulatory landscape evolves to address the increasing awareness of privacy concerns and advancements in technologies, we uphold the perspective that privacy and data protection regimes across jurisdictions are interconnected. It is crucial that we stay agile in adapting to new trends and requirements while carefully recalibrating our privacy policies and practices as necessary.

While monitoring emerging regulatory requirements and developments, we remain vigilant about significant changes to data governance risk themes and updates to data protection standards or controls implementation. These updates are communicated to the Group Operational Risk Committee, Risk Executive Committee (Exco) and our Board committee.

Furthermore, we continue to lend our voice to help shape regulatory thinking in the formulation of data protection and privacy legislation, as well as development of data governance themes.

(2) MAS FEAT is a set of principles covering the four dimensions to promote ethical and responsible use of Artificial Intelligence and data analytics in finance.
(3) Veritas is a MAS-led multi-phased collaborative project that aims to enable financial institutions to evaluate their Artificial Intelligence for Document Automation (AIDA)-driven solutions against the MAS FEAT principles.

- Our CEO remains a member of Singapore's Advisory Council on the Ethical Use of AI and Data. The Advisory Council advises and collaborates with the Singapore Government on the responsible development and deployment of AI, aiding the Government in formulating ethics standards, reference governance frameworks, and publishing advisory guidelines, practical guides, and codes of practice for voluntary industry adoption.
- In 2023, we actively supported the IMDA's efforts in its promotion of its DPTM programme. We recognised its significance in expanding the community of organisations independently certified in the safeguarding and handling of personal data, and in turn broadening the base and strengthening trust within our society.



Project MindForge

In early 2023, the Monetary Authority of Singapore (MAS) initiated an industry-focused Gen AI Project to drive innovation and responsible use of Gen AI for the financial service industry. Project MindForge explores the risks and opportunities of Gen AI and aims to develop a clear and concise framework for the responsible use of Gen AI within the financial sector. The objective is to address common industry-wide challenges and bolster risks management through the strategic utilisation of Gen AI. MAS established a consortium of financial industry companies, leading technology providers and consultancies to drive this initiative.

The successful conclusion of phase one of the project will culminate in the publication of a white paper. This document will delve into the benefits of Gen AI within the banking context, present a comprehensive Gen AI risk framework tailored for the financial services industry and assess the application of existing FEAT principles and Veritas methodology to effectively address Gen AI risks. It also intends to provide guidance on infrastructure considerations when implementing Gen AI enabled solutions.

This is an important first step for the industry in terms of providing a starting point to better understand the potential application and risks associated with Gen AI at such an early stage of evolution.

Moving forward, Project MindForge may consider opportunities to broaden its scope by engaging financial institutions from the insurance and asset management sectors. This expansion aims to ensure comprehensive and full coverage of the Gen AI risk framework within the entire financial industry. The consortium may also expand the thematic scope of Gen AI experiments to include areas such as anti-money laundering, sustainability, and cyber security.

Project MindForge was showcased at the Singapore Fintech Festival in November 2023, where an executive summary of the whitepaper was released for the event. The complete whitepaper is anticipated to be published in early 2024, serving as valuable framework for the broader industry venturing into Gen AI adoption.

Following the model of MAS FEAT and MAS Veritas, DBS welcomes the opportunity to collaborate with regulatory and industry partners in advancing more resilient and sustainable responsible SAI practices.

Preventing financial crime

Protecting customers from financial crime

Our approach

The risks of financial crimes are rising in Asia, impacting individuals and businesses across the region. As a leading financial institution, we recognise our responsibilities towards financial crime prevention. We play a vital role in maintaining the integrity of the financial system and safeguarding its users within the broader ecosystem. We fulfil these responsibilities through a holistic approach that emphasises robust risk governance, vigilant surveillance, and effective control measures. This ensures the protection of our businesses, partners, and customers from financial crime. As part of our approach, we leverage data analytics and technology to continuously drive and improve our risk management effectiveness.

We are fully committed to conducting our businesses professionally and in accordance with all applicable laws, rules, regulations, and the highest ethical standards. Our commitment is embodied in our Group Code of Conduct, and supported by:

- **Robust governance and oversight on financial crime matters**
- **Leveraging data and technology to enhance surveillance**
- **Tight execution of controls**
- **Collaborative partnerships with the wider industry**

Key initiatives

Robust governance and oversight on financial crime matters

Financial crime prevention is a longstanding organisational priority. Our Group Operational Risk Committee regularly reviews metrics and reports on financial crime risks, with material issues and emerging trends reported to the Risk Executive Committee and Board Risk Management Committee. Our Group Financial Crime and Security Services team (Group FCSS) is responsible for and oversees the financial crime compliance activities for the Group, including fraud investigations and financial crime advisory.

Our governance framework incorporates training, advisory, enforcement, and compliance with bank-wide policies and standards covering anti-money laundering (AML), combating the financing of terrorism (CFT), proliferation financing, sanctions, fraud, bribery, and corruption. We continually strengthen our governance framework to safeguard our businesses and customers against financial crime. Our framework, policies, and standards are regularly reviewed to ensure robustness and compliance with regulatory requirements, with clear guidance and requirements around various Know-Your-Customer (KYC) aspects including Customer Due Diligence (CDD) process requirements, risk assessment matrices, document, and record keeping guidance.

AML, CFT and Sanctions Policy and Standard

Our Risk Management Framework provides clear guidance to staff on aspects including, but not limited to, customer due diligence, enterprise-wide risk assessment, customer screening, transaction screening and monitoring, suspicious activity reporting, and training. As part of this framework, our AML and CTF policies and standards provide specific guidance on prevention and detection of money laundering, terrorist financing, sanctions evasions, and proliferation financing risks. This guidance encompasses:

a. Compliance with Applicable Sanctions Laws and Regulations such as MAS Sanctions & US Sanctions, and the prohibition of relationship or transactions with designated persons or jurisdictions

b. Identification of higher-risk businesses, including those related to arms and virtual asset service providers

c. Definition and handling of complex corporate structures, along with indicators of shell company red flags

d. Requirements for suspicious transaction reporting, accompanied by examples of suspicious transactions

e. Extra due diligence procedures for exceptional scenarios, such as significant cash transactions and non-face-to-face verification

f. Completion timeframes and necessary approval levels for CDD reviews

g. Time periods for the retention of KYC documentation

Anti-Fraud Policy and Standard

Our Fraud Management Programme underscores our dedication to effectively safeguarding our organisation, customers, shareholders, and staff against fraud, a persistent and significant risk within the realm of financial crime. Our framework focuses on the following elements: Identification and Assessment of Fraud Risks, Fraud Controls and Monitoring, Investigation, Remediation, and Reporting and Analysis. Senior management also maintains meticulous oversight on fraud matters.

The Anti-Fraud Policy and Standard aims to advise on various aspects of the Bank's Anti-Fraud framework, including, but not limited to:

a. Roles and responsibilities with the Group's various lines of defence

b. Strategy and governance in our Fraud Management Programme

c. Definition of internal versus external fraud

Anti-Bribery and Corruption Policy and Standard

Our Anti-Bribery and Corruption Programme embodies risk assessment, due diligence, controls and monitoring, gifts and entertainment requirements, and reporting. Bribery and corruption can take many forms, including the provision or acceptance of kickbacks, political contributions, and charitable contributions amongst others.

We provide clear guidance on the bank's stance through the Policy and Standard, such as:

a. Definition and examples of bribery and corruption

b. Definition of prohibited actions, including actions such as promising payment to induce an individual to provide an improper advantage

c. Due diligence requirement on Business Associates and Intermediaries

d. Training requirements for new employees

DBS Speak Up

DBS Speak Up is our whistleblowing programme. It provides a safe environment for both internal and external parties to raise genuine concerns on potential misconduct on the part of DBS, its staff, suppliers or third parties relating to DBS.

DBS Speak Up services include:

- A dedicated hotline number, website, email address, fax number and postal address for the reporting of suspected incidents of misconduct and wrongdoing
- Specialist call centre operators with knowledge of individual organisations
- Expert forensic investigators to analyse reports
- Timely reporting of incidents and their corrective actions to dedicated representatives

Any report made is treated with the strictest confidence and every effort will be made to maintain confidentiality. Retaliation against anyone who, in good faith, seeks advice, raises a concern of misconduct, or cooperates in an investigation is strictly prohibited.

The bank adopts a zero-tolerance approach towards bribery and corruption in connection with any of our business dealings.

Leveraging data and technology to enhance surveillance

Our financial crime risk mitigation programme employs a variety of artificial intelligence and machine learning (AI/ ML) capabilities to complement rules-based engines. This approach establishes a multi-layered surveillance strategy aimed at safeguarding our customers from financial crime. Customer due diligence has been further enhanced with dynamic analytical reviews based on changes in static data or transactional behaviour.

Read more about our approach to ethical AI governance in our Data governance chapter.

Improving risk surveillance and controls execution

Money launderers and terrorist networks constantly evolve their methodology and tactics to conceal their illicit transactions and activities. Our risk surveillance systems are tuned to effectively detect them from micro to macro levels, through an extensive suite of risk surveillance tools. These surveillance tools have been enhanced and augmented through data analytics and AI/ ML over the years to enable more robust detections of suspicious transactions and identification of bad actors.

We have incorporated the Macro Payment Flow Dashboard into our processes in recent years, enabling us to concentrate on the trends of significant payment flows or those displaying unusual patterns. The platform enables a holistic overview of fund flows at both geographical and bank level. Suspicious flows undergo data analytics to identify customer networks and transaction patterns, facilitating thorough analysis and scrutiny. This approach enables the detection and mitigation of bad actors at scale, surpassing the capabilities of traditional monitoring. In conjunction with our comprehensive suite of Financial Crime Dashboards, we conduct monitoring across multiple sets of metrics, including KYC operations, customer portfolio distribution, and key risk typologies. This approach ensures the prompt identification and addressing of any emerging risks.

Since initiating our phased deployment of the Dynamic Review Assessment (DRA) in 2021, full operationalisation has been achieved for the corporate banking and private banking segments in Singapore. DRA leverages data analytics to analyse changes in customer profiles, transactional patterns and account activity, allowing a risk-based approach to conduct customer due diligence. This has enabled a highly efficient way of allocating resources, allowing analysts to focus on customers with behavioural red flags and changes in a timelier and more targeted manner.

The various dynamic sanctions regimes prevalent in the current global landscape require a robust and balanced approach to sanctions risk management. We continually evaluate our risk appetite and control measures to ensure full compliance with relevant regulations and sanctions. We leverage data and AI/ ML tools to enhance our sanctions risk monitoring, utilising tools like the Macro Payment Flow Dashboard to identify potential sanctions evasion flows. This enables us to improve the efficiency of transaction screening, allowing for more effective resource allocation.

Protecting our customers from scams

Amidst the rising adoption of digital payment channels, scams persist as a threat in Singapore. As part of our commitment to combat scam and protect customers, we employ a multi-prong approach, ensuring a secure banking environment for our customers and bolstering confidence in digital payments.

We continue to evolve and strengthen our fraud prevention measures in response to the ever-changing modus operandi of fraudsters. The use of AI/ ML enhances our fraud surveillance capabilities. This includes the deployment of a machine learning model for improved detection of fraudulent transactions and the utilisation of behavioural biometrics to uncover unauthorised mobile banking activities.

In September 2023, we announced new anti-malware security measures aimed at enhancing customer protection amid fast-evolving scam typologies and fraud tactics. When a customer logs into DBS/ POSB digibank on their mobile device, the tool will restrict access to the banking application if it detects the presence of malware or malicious applications downloaded from unverified sources. Additionally, access is limited if there is ongoing screen-sharing on the device.

Tight execution of controls

While technology and data analytics continue to drive greater effectiveness and efficiency in financial crime prevention, training and awareness continues to be instrumental. We equip our employees with the knowledge to identify financial crime risks and empower them to take the necessary actions to mitigate such risks. Appropriate escalation channels are also set up to facilitate timely intervention on complex issues.

All new hires, including part-time and contract staff, must undergo mandatory training on financial crime prevention. This training covers areas such as AML and Sanctions, Anti-Fraud, Anti-Bribery & Corruption and the Code of Conduct. It includes relevant case studies to cultivate effective risk management and decision-making skills. Similarly, existing employees also need to complete mandatory training[(1)]. Every bank employee is required to annually attest that they understand, observe, and will promote compliance with both the spirit and letter of our Code of Conduct. In 2023, we also included an anti-bribery and corruption pack as part of the induction exercise for new board members.

As part of our financial crime programme, we conduct regular quality assurance testing and audits to ensure proper execution of our AML/ CFT controls. Quality assurance testing is conducted on customer due diligence, transaction monitoring, and customer screening reviews to evaluate whether these controls are executed in accordance with established protocols.

(1) All existing employees are mandated to complete the refresher training, unless they are granted exemption due to valid reasons such as, but not limited to extended leave (e.g., medical leave, maternity leave, sabbatical leave), and employee resignation.

Collaborative partnerships with the wider industry

Financial crime prevention requires the collective effort of regulators, the financial industry, consumers, and law enforcement agencies. We actively engage in public-private sector collaborations between financial institutions and law enforcement agencies, contributing our expertise. Additionally, we maintain ongoing collaborations with our ecosystem partners to defend the integrity of the financial system.

Some of our key partnerships and collaborations include:

- **AML/ CFT Industry Partnership (ACIP)** – a private-public collaboration which brings together financial institutions, regulators, and law enforcement agencies to address key and emerging money laundering and terrorism financing risks in Singapore.
- **MAS-led Project COSMIC[(2)]** – a digital platform facilitating the sharing of key customer and transaction information on bad actors amongst financial institutions, where we are one of the six participating banks. This accelerates the detection and disruption of key financial crime activities by bridging the information gaps between financial institutions, which are abused by criminals for money laundering purposes.
- **DBS digiVault** – allows customers to set aside and "lock up" a certain amount of funds that cannot be transferred out digitally. Launched in November 2023, DBS digiVault reinforces the bank's commitment to protecting our customers. For example, a one-month joint operation with the Singapore Police Force in June and July 2023 disrupted more than 1,400 active scam cases and mitigated over SGD 20 million in potential scam losses. This was achieved through a proactive and victim-centric approach that utilised technology and data tracing to identify scam victims and alert them promptly.

Harnessing data analytics for a holistic scam management strategy

The scale and sophistication of scams in Singapore continue to grow significantly, further compounded by the rising issue of money mules. Scam prevention and money mules hunting have become increasingly intertwined, requiring a holistic strategy and dedicated effort along both lines.

We have invested significantly in enhancing our proprietary fraud surveillance engine over the years and continue to do so. In 2022, we successfully incorporated an AI/ ML model into our fraud surveillance systems to uplift effectiveness in fraud detection and continued to refine the model in 2023.

Our approach to scam management utilises data systematically to monitor fraud trends and emerging typologies. This allows our fraud surveillance systems to be subjected to a rigorous regime of continual calibrations and enhancements. Our dedicated Anti-Scam Team (AST) operates round the clock to help customers manage potential fraud transactions. As the first bank to co-locate an AST staff with the Singapore Police Force's Anti-Scam Command (ASC) in 2021, we have expanded our collaboration by adding two more members between 2022 and 2023. This augmentation strengthens our partnership with ASC in the ongoing efforts to combat scams and perform loss recovery actions.

In 2023, we accelerated the use of our data analytical approach to identify money mule networks and clusters by analysing fund flows, addresses, and common login devices. This enables the detection and swift action against money mules at scale and speed. We heightened our efforts in identifying money mules through various fronts, such as expanding our fraud surveillance system to monitor mule activities and utilising transaction data to identify and flag suspicious behaviour related to money mulling. The Anti-Mules Team (AMT) was established in 2023 to complement the AST and mitigate fraud risk holistically. The AMT is dedicated to detecting and disrupting money mule activities, leveraging our extensive array of data tools and applying effective mitigating controls.

In our ongoing efforts to combat scams, we emphasise the importance of vigilance and surveillance. Additionally, we are committed to enhancing digital and human interactions through public engagement and supporting scam victims. The introduction of advanced security features like DBS digiVault further empowers our customers to protect themselves against fraudsters.

(2) Project COSMIC – Collaborative Sharing of Money Laundering/ Terrorism Financing Information & Cases

Fair dealing

Driving good conduct and fair outcomes

Our approach

Fair dealing is the foundation of our business. Our customers trust us to put their interest first when we conduct business and interact with them.

At DBS, we adopt a customer-centric approach to continuously improve the way we deliver our products and services. We consistently do the right things at the highest level of integrity to uphold our customers' trust and confidence in us. We strongly believe in inculcating a culture of fair dealing among our employees to ensure that we operate in a transparent and ethical manner with our customers. We accomplish this through the following:

- **Embedding fair dealing principles in our governance framework**
- **Consistent delivery of fair dealing outcomes**
- **Empowering employees to deliver quality customer experience**

Key initiatives

Embedding fair dealing principles in our governance framework

Our board and senior management set the tone from the top to instil a strong culture of fair dealing across the Group. We believe that a robust governance framework with a strong focus on fair dealing and conduct is essential to inculcate a keen sense of trust in the organisation.

The Group Fair Dealing and Conduct Committee (FDCC) is chaired by the Group CEO and oversees fair dealing and conduct matters across the Group. The FDCC deliberates relevant issues and topics for decision-making, including relevant governance metrics, to ensure consistent delivery of fair dealing and conduct outcomes. The FDCC submits reports to the Board Risk Management Committee every quarter to keep the board apprised of our strategy in driving fair dealing and good conduct among our employees.

The Culture and Conduct Dashboard is a key tool for our board and senior management to effectively discharge their responsibilities in promoting and embedding the desired fair dealing and conduct outcomes. The Culture and Conduct Dashboard provides appropriate information to gauge the culture of the organisation and the potential conduct risks we are exposed to. This helps the board and senior management determine whether our framework and controls are effective. For example, the number of Fair Dealing-related complaints across core markets are tabled regularly at the FDCC forum to identify any adverse trends or systemic concerns. We take appropriate actions in response to incidents or trends to ensure that we drive good fair dealing and conduct outcomes and maintain our customers' trust.

Consistent delivery of fair dealing outcomes

We play a vital role in supporting our customers to make sound financial decisions. Our customers rely on us for relevant information, quality advice and appropriate recommendations. By focusing on acting in the best interest of our customers, we are committed to conducting our business in a responsible manner. We demonstrate this through our interactions with our customers:

- Communicating with our customers in a clear and transparent manner
- Understanding our customers' risk profile and financial needs to tailor quality advice accordingly
- Ensuring the suitability of financial products and services for target customer segments
- Responding promptly and honestly to our customers' requests and feedbacks

We subject the range of financial products we distribute to a rigorous due diligence process. A comprehensive approval and governance framework is put in place to oversee the suitability of our products and services for our customers. This includes ensuring that pricing and customer engagement practices are in line with regulatory standards and industry best practices. Our product due diligence involves a wide team of experts including legal, compliance and operational personnel. Formal management approval for the financial product would be obtained prior to the distribution to the appropriate customer segments.

Digital banking has become an integral part of daily life and we believe in providing a smooth digital banking experience to all customers. We evaluate our products and services with a commitment to financial inclusion, ensuring that every customer is accorded the fair level of banking experience they deserve. This includes enhancing our digital banking user interfaces to improve readability and accessibility for demographic groups such as the elderly and the visually impaired. At the same time, we are also a part of the initiative providing Limited Purpose Bank Accounts (LPBA) to ex-offenders and persons under investigations or facing charges since 2022. This is done in the spirit of fairness and financial inclusion, allowing such individuals to meet basic banking needs such as receiving salaries and paying bills, whilst we deploy enhanced monitoring measures to mitigate risks of abuse.

Empowering employees to deliver quality customer experience

We consider it crucial to provide our employees with training that enables them to establish strong relationships with our customers. This includes providing training to relevant staff involved in the sale of financial products, ensuring they are well-versed in customer suitability and assessment requirements, and ensuring they are duly licensed for conducting financial planning. Fair Dealing is also included in the mandatory Bankwide Refresher Training Curriculum, to regularly remind all staff on the importance of delivering Fair Dealing outcomes to customers. The bank's success depends on our customers and enabling our employees to deliver consistent and quality customer experience is a critical component of this success.

We value our customers' feedback and strive to improve our customers' banking experience by reviewing and re-evaluating all highlighted areas of concern. We believe these are valuable indicators of potential issues which deserve attention. We ensure that customer feedback is handled effectively and resolved in a fair and consistent manner. Service standards are put in place for complaints handling and resolution, including appropriate timeframes to acknowledge complaints and thorough investigations of misconduct. As such, we devote appropriate resources to resolve our customers' concerns promptly, without compromising the quality of review. At the same time, we strive to maintain open and transparent communication channels with our customers in the spirit of fair dealing.

In the unfortunate event of disagreement or complaints, both our staff and their supervisors are also trained on how to exercise empathy to better understand the emotions of our customers. We constantly maintain a close partnership with the Financial Industry Dispute Resolution Centre, which enables us to strive towards reaching mutually beneficial outcomes during any conflict resolution with our customers.

As the world navigates aftermath of the pandemic, scams have become a new challenge, especially with the increased prevalence of digital banking, particularly in Singapore. When a customer becomes a victim of fraud, our employees are trained to handle their concerns professionally and sympathetically. In cases where customers faced severe financial hardship due to the loss of their life savings, we have extended financial assistance to help them navigate through this challenging period.

Banking Trust Index for Singapore (BTIS)

The BTIS is commissioned by the Association of Banks in Singapore to understand consumers' level of trust in banks. The annual survey allows participating banks to monitor shifts in public sentiment, solicit feedback and identify areas for improvement. The results released in February 2023 reaffirmed consumers' trust in Singapore's banking industry, with scores increasing for a second straight year since the survey was first conducted in 2020. 74% of the respondents had high trust in the banks, attributing their trust to the resilience of banks during the pandemic.

For the third consecutive year, DBS has consistently outperformed the industry, with all trust pillars scoring significantly above the industry average. The respondents recognised DBS in a broad range of areas, including our financial stability and resilience, our efforts in raising customers' awareness on scams, and our ability to deliver high quality products. The positive results indicate our ongoing commitment to continuous improvement, ensuring that we consistently meet the evolving needs of our customers. Trust is earned through earnest efforts, and we are committed to continue serving our customers with integrity, fairness, and transparency.

Consumer Banking Governance Guide for Sustainability Labelled Products and Services

In 2023, we implemented a new Governance Guide for Sustainability Products and Services for our Consumer Banking business. The Guide aims to ensure that a robust governance framework and internal controls are in place for products and services, to which a sustainability label is attached. Products and services with a sustainability label must fairly represent their sustainability attributes, in compliance with relevant legal and regulatory requirements, and following industry best practices.

We are conscious that our products can have different impacts on environmental, social and economic matters, depending on how they are structured. This new Guide supports our aim to being transparent around this by establishing rules on how to choose and use sustainability labels for CBG products, and how we communicate these to clients.

The Guide is jointly owned by the Chief Sustainability Office and Consumer Banking. It covers all products and services within Consumer Banking, in all our locations.

The Guide is part of our broader policy architecture, and provides guidance on:

1. Our approach to sustainability in Consumer Banking
2. Definitions of sustainability labels
3. The governance related to sustainability products, including:
    - Eligibility criteria for Consumer Banking sustainability products and their related labels
    - The approval, monitoring and escalation processes
    - Maintenance of records
4. Roles and responsibilities

Responsible tax management

Supporting a fair and transparent tax system

Our approach

We believe that maintaining a fair and transparent approach to tax management is the foundation of responsible business practices. This underpins our continual commitment to pay our fair share of taxes in the locations where we operate and comply with all relevant tax laws and regulations. We do so by:

- **Conducting our business in an ethical and professional manner**
  We adopt ethical and professional business practices and ensure that our tax policy and tax risk management framework are effectively implemented.
- **Strengthening relationships based on the principles of transparency and fairness**
  Build and enhance trust with tax authorities based on strong tax governance and transparency.
- **Actively contributing to industry efforts on tax rules development**
  Participate in industry feedback on key tax regulations and policies, with the intent of achieving the policy objectives and intended outcomes.

Key initiatives

Tax governance

The Board of Directors' responsibility for sustainability includes responsible tax management, with the Board Audit Committee reviewing tax matters. The Group Chief Financial Officer ("CFO"), supported by the Head of Group Tax, oversees the tax function, which is responsible for tax compliance and the management of tax risks and exposures.

DBS has low tolerance for tax risk and adopts a clearly defined tax risk management framework that promotes transparency, fairness and accountability. This is implemented through our Group Tax Policy, which is approved by the Group CFO. The Policy is further supplemented by standards and guides to ensure continued adherence with the framework.

Risk management framework

Our tax risk management framework is based on the following principles:

- We only undertake transactions which are underpinned by strong commercial motivations that can withstand public scrutiny.
- We carefully consider the potential tax sensitivity of transactions and are guided by a set of established escalation and approval procedures.
- We have sufficient skilled employees in the locations where we have significant operations, and we will seek independent advice on transactions with significant tax uncertainty.
- We take our tax compliance responsibilities seriously and fulfil all our obligations as a responsible taxpayer.

These principles allow us to align our tax contributions with the values created in any tax jurisdiction. Our approach to transactions with clients is guided by our Tax Sensitive Transactions Standard. We will not knowingly engage in tax structures that aim to evade tax. In addition, we have processes in place to ensure that transactions that may lead to tax avoidance are escalated and reviewed by risk and control functions as and when required.

Evolving tax landscape

The global tax landscape continues to transform rapidly, with greater focus on tax transparency and governance. The OECD/G20 Base Erosion and Profit Shifting ("BEPS") Project delivered a BEPS package in 2015 that contains 15 actions to tackle tax avoidance, improve the coherence of international tax rules and ensure a more transparent tax environment. This is followed by the BEPS 2.0 Project to address the tax challenges arising from the digitalisation of the economy. DBS operates in a highly regulated industry. We maintain economic substance and conduct businesses in places where we have physical presence[1]. As domestic tax laws and international tax standards continue to evolve, we will continue to discharge our role as a responsible and compliant taxpayer through consistent implementation of the BEPS measures.

BEPS 2.0

Since the implementation of the BEPS Project, the OECD has continued its work on addressing the tax challenges arising from digitalisation of the economy with a Two-Pillar Solution, expected to take effect over 2024 and 2025. As of December 2023, 140 member jurisdictions have agreed to the OECD/ G20 Inclusive Framework on the BEPS Two-Pillar Solution.

Pillar One seeks to reallocate some profits and in turn, taxes, from where the economic activities are conducted to where the markets are. Under Pillar One, certain industries, including the regulated financial services sector are scoped out. Based on the current design and scope as set out in the Amount A - final Multilateral Convention, and Amount B - public consultation documents released by OECD, Pillar One would likely not have a material impact on DBS Group.

Pillar Two introduces a minimum effective tax rate of 15% via Global Anti-Base Erosion ("GloBE") Model Rules for in-scope Multinational Enterprises ("MNE") Groups[2]. In addition to the GloBE Model Rules and Commentary, the OECD continues to release further Administrative Guidance periodically. The progress on Pillar Two implementation varies from jurisdiction to jurisdiction. We remain an active participant in the ongoing engagement on Pillar Two through feedback to the local tax authorities and various industry forums.

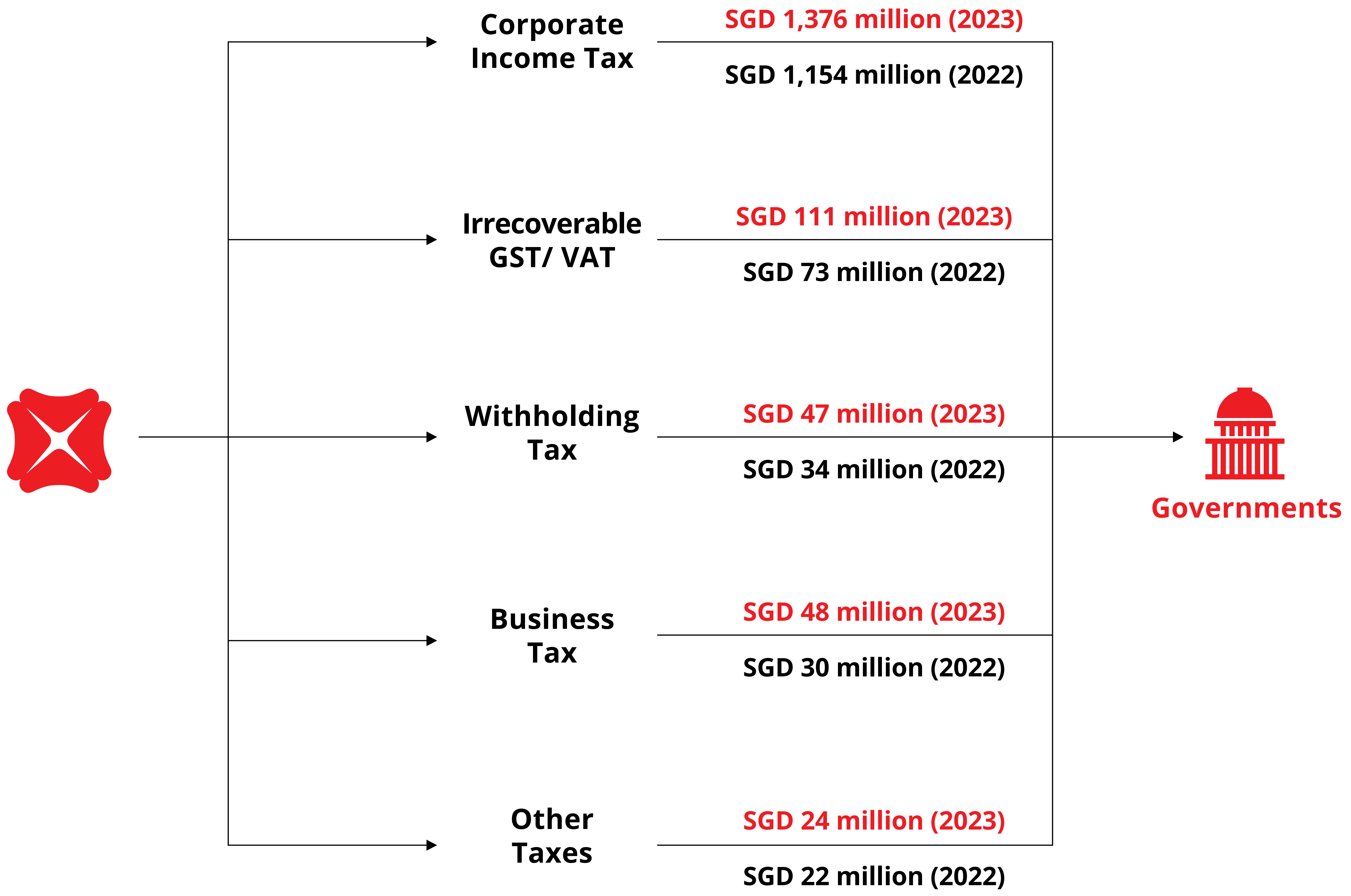
With effect from 2023, DBS is required to make indicative disclosures of qualitative and quantitative information about its exposure to Pillar Two income taxes in its audited financial statements. The key disclosures for 2023 are as follows and further details are available in the 2023 DBS Group Annual Report:

- DBS has no related tax exposure for 2023 as the Pillar Two legislation was not effective as at the reporting date of 31 December 2023.
- The Singapore jurisdiction may be liable to pay a top-up tax for the difference between the GloBE effective tax rate and the 15% minimum rate when the Pillar Two legislation comes into effect. The impact for the other jurisdictions is expected to be immaterial. DBS is in the process of assessing its Pillar Two exposure.

(1) Where tax incentives are offered, we applied for them, fulfilling the conditions set out by the relevant Authorities.
(2) MNE Groups are in scope if the revenue in their consolidated financial statements exceeds EUR 750m. The test is based on 2 of the 4 fiscal years immediately preceding the tested fiscal year.

Our tax contributions

As shown below, our total tax contribution for 2023 was SGD 1.6 billion.



Additional notes on our tax contributions

- Corporate Income Tax refers to tax expenses accrued on the profits made by DBS's Group of companies.
- Irrecoverable GST/ VAT refers to business input taxes which are not claimable from the relevant tax authorities.
- Withholding Tax refers to the tax withheld and paid to the relevant tax authorities on certain payments to non-resident institutions or persons.
- Business Tax refers to taxes levied on the sale of goods or provision of services to our customers, or for the conduct of business operations in certain locations.
- Other taxes include but are not limited to Property Tax, Stamp Duties, Motor Vehicle Tax and Surcharges.

PILLAR 3

Impact Beyond Banking

- DBS Foundation
- Employee volunteerism
- Towards Zero Food Waste

DBS Foundation

Creating impact, improving lives and enabling change

The DBS Foundation (DBSF) is committed to uplifting lives and livelihoods by igniting change in businesses and communities. Our vision is to spark collective action, together with our partners and DBS People of Purpose, to help build a better world for generations today and tomorrow.

In 2014, the Bank established DBSF with SGD 50 million focusing on championing social entrepreneurship. In 2022, the Bank committed an additional SGD 100 million to further its efforts in creating positive societal impact. This went towards growing the work of DBSF, which includes expanding its scope with the formation of the Community Impact chapter, and supporting the Bank's various philanthropic efforts. The Community Impact chapter was launched to dial up efforts for underserved communities by equipping them with digital and financial literacy skills to face the future with confidence and enabling them to be more food secure and resilient.

In 2023, we created new platforms and partnerships to bring the wider community together, fostering collective action for a better world.

DBS Foundation Outdoor Theatre at Esplanade, Singapore

DBS and Esplanade – Theatres on the Bay announced a strategic partnership, centred around a common vision to uplift the community and foster a more inclusive and socially-conscious Singapore. As part of the new partnership, DBS donated SGD 3.5 million in support of the full range of free programmes at the DBS Foundation Outdoor Theatre at Esplanade. DBS also launched "DBS Perspectives" at the DBS Foundation Outdoor Theatre, offering the public a range of programmes, including sustainable fashion shows, a zero food waste cooking battle, and community sing-along sessions. These programmes have attracted an estimated audience engagement of over 300,000[(1)].

In 2023, the Bank pledged to give up to SGD 1 billion over the next 10 years to improve lives and livelihoods of the low-income and underprivileged, and foster a more inclusive society. The bank will deploy up to SGD 100 million each year in Singapore and its other key markets with effect from 2024. In addition, the bank will commit over 1.5 million volunteer hours over the next decade to give back to society. This commitment builds on the bank and DBSF's community initiatives, addressing the immediate needs, providing vital life skills and strengthening emotional and mental resilience of vulnerable families.

EUROMONEY AWARDS FOR EXCELLENCE 2023 GLOBAL BEST BANK FOR CORPORATE RESPONSIBILITY

> *"DBS is this year's World's Best Bank for Corporate Responsibility, making it the first in Singapore to receive this award since the category's inception in 2014.*
>
> *Being a responsible corporate citizen is a core tenet of who DBS is, with the group having embedded corporate responsibility principles in its group-level sustainability strategy.*
>
> *In 2022, the bank continued to step up on efforts to give back to the community, with initiatives aimed at equipping the underserved with digital and financial literacy skills, and ensuring food security and resilience."*
>
> *Louise Bowman, Editor of Euromoney*

Better Park, Taiwan

DBS announced a three-year adoption plan for Dagangqian Park in Taiwan. A strategically located space designed to foster a sense of purpose and community cohesion through events like urban farming towards zero food waste, bazaars showcasing impactful businesses, competitions and festivals sparking collective action. Through this partnership, we will join hands with employee volunteers, social enterprises and partners in the sustainability ecosystem to actively develop a park that embodies the principles and spirit of sustainability, while meeting the recreational needs of its citizens.

DBS Better World on Metaverse

DBS Better World is a gamified adventure on the metaverse. In this experience, players engage in activities to complete missions and learn more about sustainability issues. The spotlight is on innovative approaches to reduce food waste and enhance food resilience inspired by five businesses for impact supported by DBSF. Among these businesses are Brewerkz, a craft beer maker based in Singapore. They upcycle brewers' spent grains, a by-product of beer-making often discarded in the industry, into food products. Another featured business for impact (BFI) is Green Price, a retail chain based in Hong Kong. They specialise in selling food items that are close to or just past their "best before" date, thereby reducing food waste while enhancing accessibility for low-income households.


DBS Foundation Outdoor Theatre at Esplanade


Booth at Better Park, Taiwan


Showcase of DBS Better World on Metaverse


Showcase of DBS Better World on Metaverse

(1) *Estimated figures as reported by partners for period ending December 2023.*

1. Business for Impact Chapter

The Business for Impact (BFI) chapter aims to catalyse the growth of innovative, purpose-driven businesses, including small and medium enterprises (SMEs) that tackle pressing social and environmental issues. Our goal is to create long-lasting and sustainable impact, and to inspire all businesses to create positive change.

Our approach:

- **Advocate**: We advocate for businesses that are not only for profit but also for purpose – to inspire others to join the journey.
- **Nurture**: We nurture purpose driven businesses and provide them with support needed to scale up their solutions for a better world.
- **Integrate**: We integrate businesses for impact into our culture and operations, identifying synergies for their growth by leveraging DBS' resources and expertise.

ADVOCATE: Driving awareness of the double bottom line to inspire more businesses to become Businesses for Impact

In 2023, we reached out to over 380K stakeholders including customers, SMEs, social enterprises, students and partners through a variety of engagements and partnerships.

DBS Disrupt - The Future of Sustainability", Singapore organised by DBS SME Banking, the initiative convened over 350 BFIs, partners, subject matter experts and industry leaders to support SMEs as they transition and capitalise on opportunities towards a more sustainable future. DBSF showcased solutions from enterprises such as UKL Enterprise (TW), SSID (HK) and Ento Industries (SG) to inspire others to join the journey. Pictured on the right is Sustainable & Secure Information Disposal (SSID) (HK) and UKL Enterprise (TW) showcasing their solutions.

DBS Business Class FoundED, India is an engagement forum to celebrate and encourage innovative entrepreneurship. It aims to educate and better equip entrepreneurs through a series of networking sessions with startup founders, venture capitalists, incubators, and other ecosystem players. Trestle Labs, a 2021 grant awardee of DBSF, shared about their growth journey and impact mission to build an inclusive society for people who are visually challenged.

Partnership with Singapore Management University for their new "Sustainable Societies" Second Major

DBSF signed an MOU with Singapore Management University (SMU) with the goal of developing next generation talent for the sustainability sector through the newly launched Second Major in Sustainable Societies offered by the SMU School of Social Sciences. DBSF aims to provide students with valuable exposure to real-life problem statements, expert speakers, internships, and learning opportunities.

Live Better Market in Hong Kong, a sustainability-themed weekend bazaar held at a popular mall, showcased many of our impactful businesses and opened doors for them to bring their products to a wider audience.

(2) Estimated figures as reported by the grant awardee

NURTURE: Supporting our Business for Impact community in scaling their business and impact through financial support, opening doors and markets and building capacity.

In 2023, 24 social enterprises and SMEs across Asia were awarded approximately SGD 3.7 million to scale their business and deepen their social and/ or environmental impact. Since 2014, DBSF has awarded grants of approximately SGD 17 million to about 140 BFIs. Beyond grants, the Asia Impact First Fund, with DBS as the anchor investor, also reached first close of USD 20 million and made its first investment in 2023.

A glimpse into the impact created by DBSF grant awardees in 2023

Ento Industries, Singapore

From successful pilot to scaling impact

Ento Industries is a biotech company that uses black soldier flies to process food waste and by-products left behind from the food manufacturing process. The DBSF grant funding supported their successful pilot facility. Moving forward, they plan to set up a commercial-scale facility to scale their impact in reducing food waste.

Ecozen, India

Uplifting livelihoods and reducing waste

Ecozen has developed Ecofrost, an on-farm solar powered cold storage to reduce energy usage and minimise perishable food waste throughout the Farm-To-Fork value chain. The DBSF grant enabled them to expand their operations in India, leading to a 20% reduction in agri-produce waste for farmers and positively impacting the lives of over 170,000 smallholder farmers[2].

Shenzhen Link Accessibility, China

Enabling persons with disability to access digital platforms

Shenzhen Link Accessibility develops apps and digital solutions that enable millions of disabled individuals to access digital platforms. The DBSF grant enabled them to use their technology platform to improve accessibility and usability of digital platforms, empowering more elderly and people with disabilities to access information.

Sense Innovation, Taiwan

Empowering persons with severe disabilities to communicate... with their eyes

Sense Innovation specialises in using eye-tracking assistive technology to empower persons with severe disabilities to communicate with ease. The DBSF grant supported the roll-out of a new SenseAeye platform, the first online platform to integrate educational materials with eye-tracking technology, enabling more than 1,000 individuals[2] with severe disabilities.

Waste4Change, Indonesia

Uplifting livelihoods of the informal sector

Waste4Change provides services in responsible waste management, working towards a zero-waste Indonesia. The DBSF grant fund enhanced their quantity and quality of waste collection and uplifted the livelihoods of those in the informal sector network.

Asia Impact First Fund (AIFF)

AIFF is an impact-first investment fund, managed by Heritas Capital, that provides patient catalytic capital to innovative and high-growth social enterprises committed to addressing significant social and environmental challenges in Asia. AIFF had a successful first close with over USD 20 million raised. DBS serves as the anchor investor with a commitment of USD 10 million, alongside liked-minded investors such as Tsao Family Office, IMC Group, and other impact investors. AIFF made its first investment of SGD 2 million in Bettr Group. This supports Bettr's business expansion plans and social programmes, with the aim of tripling the number of beneficiaries annually.

Learning and networking as a community

The DBSF community consists of impact makers across the bank's key markets who have much to share and are passionate about learning together, with a common goal of helping one another to create greater societal impact.

Community Connect, Singapore

More than 100 impact makers, including investors, community partners, and BFIs, gathered in Singapore to celebrate a year of impact, share learnings and work together for greater impact.

Impact Makers Meetup, Indonesia

This quarterly event fosters meaningful conversations, and catalyses positive change for small businesses in their journey towards sustainability.

DBSF Impact Ecosystem, Taiwan

This newly launched programme provides resources and connections to both SEs and SMEs committed to generating positive impact and undergoing a sustainability transformation. It offers a variety of discussions on current trends, peer learning sessions, and tools to assist businesses in assessing and enhancing their Environmental, Social, and Governance (ESG) performance.

Yangtze River Delta Innovation Symposium, China

More than 150 BFIs and partners gathered to learn and exchange ideas about innovative paths to sustainable development. The platform was also used to award the 2022 Business for Impact Grant Awardees and recognise the new cohort in the community.

Techtonic TZFW Accelerator, India

This accelerator programme, initiated in collaboration with Social Alpha, support startups in the food and agriculture sector with financial grants, acceleration mentoring, business advisory services, and networking support, with the aim of facilitating greater scale and impact.

INTEGRATE: Embedding Businesses for Impact into DBS' culture and operations

In 2023, more than 13,000 DBS employees engaged in different DBSF programmes, with many volunteering their time and skills to cultivate a stronger sense of purpose in being a part of DBS. DBSF also partnered with business units such as SME Banking and Wealth Banking to drive collective impact.

Employee engagement

We want to help build a purpose-driven culture in DBS by creating opportunities for employees to join DBSF's programmes. For example, more than 550 employees volunteered their skills as grant evaluators and provided consultations to the BFIs.

Read more in our Employee volunteerism chapter on page 87.

"Little Green Ranger's solutions were very relevant to some of my auto sector clients; it is very fulfilling to see how business and impact can come together."

DBS Institutional Banking Group Relationship Manager who volunteered consulting time

Launch of the Business for Impact Banking Package, Singapore

DBS SME Banking is the first and only bank in Singapore to offer the Business for Impact Banking Package to businesses that are creating impact, including social enterprises, certified B Corporations, and SMEs. This is designed to address the needs of businesses that drive social and environmental impact by offering preferential banking solutions, including a Multi-Currency Account, Working Capital loan, Select+ insurance for office contents and public liability coverage, and access to programmes like Start Digital and Skill Booster.

Engaging DBS Private Banking clients

DBS Foundation, in collaboration with DBS Private Bank, has actively engaged the next generation of clients and impact-focused family offices. Through the Future Leaders Programme, next-generation clients have the opportunity to ideate and pitch their best solution to Business for Impact entrepreneurs. Through organised visits to social enterprises, family offices and clients were able to gain a deeper understanding of the impact these organisations have on the underprivileged communities. We will continue to strengthen our engagement with impact-focused clients and foster collaborative impact and action.

2. Community Impact Chapter

Empowering communities to face the future with confidence

Established in 2022, the Community Impact chapter aims to empower communities, especially the underserved, to face the future with confidence. We do this by:

- Equipping communities with future-ready skills like financial and digital literacy, and mental resilience
- Enabling communities to be more food secure and resilient

We join forces with like-minded strategic partners and mobilise DBS People of Purpose as volunteers to collectively uplift underserved communities.

Uplifting underserved communities through our inaugural programmes

In 2022, a total of SGD 5.6 million in funding was committed to support 10 inaugural programmes across all our core markets (Singapore, Hong Kong, China, Taiwan, India, and Indonesia). Within a year of operation, these programmes have positively impacted the lives of over 4 million beneficiaries and created more than 2 million kg of food impact (food waste reduced, recycled or excess food redistributed[(3)]. The case studies that follow showcase the impact achieved and the beneficiaries uplifted.

Future-ready skills

Financial literacy

We partnered **Haqdarshak Empowerment Solutions** to provide the marginalised in rural and semi-rural areas with financial literacy programmes and access to social welfare schemes and entitlements. Haqdarshak has since built five training centres, onboarded over 500 Haqdarshak agents and impacted more than 84,000 beneficiaries[(3)].

Haqdarshak has previously received the DBSF Business for Impact Grant Award in 2018, and the DBSF Business Transformation and Improvement Grant in 2020.

Lakshmi comes from a low-income family. She has two young children and her husband is a daily wage labourer. After the agent training, Lakshmi conducted door-to-door sessions on financial literacy in the rural village and has since helped 100 other beneficiaries. She now earns an income as a Haqdarshak agent and has gained respect from the community. As a result, this has boosted her confidence immensely.

India

Digital literacy

We partnered **Infocomm Media Development Authority (IMDA)** to drive digital literacy and inclusion in Singapore, in particular for seniors, youth, persons with disabilities, and hawkers, through workshops and projects funded through the national Digital for Life Fund. The programme has since benefited over 59,000 people through over 400 sessions[(3)].

Fong Kee was aware of the convenience of cashless payments but was extremely apprehensive of the technology. A DBS volunteer patiently guided him to set up his account and taught him the necessary skills to go digital - he now confidently goes cashless at his family's favourite hawker stalls while staying vigilant against scams.

Singapore

(3) *Estimated figures as reported by partners for period ending December 2023.*

Food security

Food bank

We partnered **Jen Ji Shiang Social Service Institute** to help expand its food bank network and redistribution efforts. Jen Ji Shiang Social Service Institute has since upgraded their storage capacity with two newly built food bank branches in Hualien and Pingtung which supports 1 million beneficiaries and creates over 500,000 kg of food impact[4].

During a recent typhoon, road closures along a major highway disrupted food supplies to mountainous areas and families living nearby. The food bank quickly gathered resources at the newly built Hualien branch. This allowed the community to travel down from the mountains to collect and distribute food to those in need.

Taiwan

Youth challenge on food waste solutions

We partnered **National Environment Agency (NEA)** to launch the "Hungry for Change Challenge" aimed at empowering Singapore's youth to develop innovative solutions for reducing food waste. Five winning teams were chosen from submissions received from youth across 15 institutes of higher learning. The winning teams received funding totalling SGD 125,000 from DBSF, along with mentorship from DBS People of Purpose and consultation with NEA, to pilot their solutions – which include upcycling food waste into new food products, and leveraging technology to prevent food waste.

tHEMEat Company is one of five winners of the inaugural Hungry for Change Challenge 2022. The team, from the National University of Singapore, developed valorisation technology to manufacture VEME™ (Vegan Heme), which produces meat-identical flavours in alternative proteins.

Singapore

Scaling impact with new partners in 2023

In 2023, we committed an additional SGD 5.6 million in funding to support 11 new programmes to further build future-ready skills , as well as scale our efforts to help build food security among vulnerable segments.

Below is a summary of the 2023 programmes jointly developed with strategic partners across the region.

Future-ready skills

Financial/ Digital literacy

Junior Achievement Hong Kong
Promote financial awareness and capability among teenagers to develop good financial skills and habits.

SG Enable
Equip persons with disability (across disability types) and their caregivers with customised financial and digital financial literacy curriculum.

Vox Nativa Taiwan
Build resilience among indigenous students through future-ready skills to enable better retention in school.

Mental wellness

Shanghai Jushan Charity Store
Equip youth in urban and rural areas with mental wellness skills through community workshops focusing on autonomy, belonging and competence.

The Hong Kong Federation of Youth Groups
Provide low-income families with nutritious meals and strengthen mental resilience through education, assessment and specialised services.

Beatitudes Elderly Service
Provide comprehensive consulting support to seniors and caregivers from low-income families in rural areas for overall mental wellbeing.

Pley School
Equip students (through train-the-teachers approach) with cyber wellness skills to build mental resilience.

Limitless
Provide therapy support for underprivileged youth facing mental health issues, and engage in outreach efforts to equip students with peer support skills.

Food security

Food redistribution

The Conservancy Association
Scale food rescue and redistribution efforts while educating schools and neighbourhood estates.

Yayasan Daur Pangan Nusantara (FoodCycle Indonesia)
Redistribute surplus food from hotels to underprivileged communities, and process organic waste into fertilisers for urban farms.

Solution development

National Environment Agency
Empower youth to develop and pilot solutions to address food and food packaging waste challenges.

Collective action to empower communities to face the future with confidence

Altogether, the 11 new programmes launched in 2023 and 10 programmes launched in 2022 aim to uplift the lives of over **7 million beneficiaries** and create over **5 million kg of food impact** to address food insecurity by 2026.

Through these programmes, we look forward to creating impact, improving lives, and enabling change for the underserved communities via collective action with our strategic partners and DBS People of Purpose.

Employee volunteerism

Placing purpose at the heart of what we do

2023 at A Glance

>200,000 volunteering hours (42% increase)

55% increase in skills-based volunteering hours

> 150,000 beneficiaries

At DBS, we recognise the power of collective action. We encourage our employees to volunteer their time and skills to make meaningful contributions to the communities we live and work in so as to truly embody what it means to be People of Purpose.

Our approach

People of Purpose (PoP) is DBS' employee volunteer movement that brings our values to life. We aim to inculcate a spirit of volunteerism and all our employees are provided with two official volunteer-leave days per year.

Working with like-minded partners in our key markets, we've developed meaningful employee volunteerism programmes, to effectively reach the most vulnerable and address some of the most pressing needs facing society.

In 2023, we continued to focus on:

- **Scaling up our impact through volunteering**
  Broadening reach and deepening support across our focus areas (education, the elderly, and the environment)
- **Dialling up our skills-based volunteering[1] efforts**
  Further leveraging our employees' skills and expertise to make meaningful contributions
- **Driving employee engagement within the bank**
  Engaging and inspiring our employees to make a difference through purposeful volunteering experiences

Key initiatives

Scaling up our impact through volunteering

Broadening our reach through regional programmes

In 2023, we boosted our collective impact through scaling initiatives to other markets in the region. Our annual marquee programme, #TeamDBSGives, saw close to 2,000 employees from our core markets coming together to donate, pack and distribute food and necessities to communities in need, benefitting close to 3,000 households.

Deepening our impact in our focus areas

We continued to deepen our efforts in supporting three key areas – education, the elderly, and the environment (including food waste).

> *"The workshop was very meaningful as it helped the young students to learn the latest Generative AI tools. They were able to express themselves by creating many pretty, yet insightful artworks."*
>
> *Sandie NG, Group Strategic and Planning, DBS Hong Kong*

Education

The importance of accessing technology and related devices in education has increased more than before, exacerbated by the pandemic that made home-based learning the norm. We rolled out programmes across our markets to donate our employees' decommissioned computers and laptops to those in need, giving our laptops a second lease of life. In 2023, more than 3,000 computers and laptops were donated, refurbished and redistributed by our employees to the needy in Singapore, Hong Kong and China.

Next-Gen AI-Imagenation: Empowering youth through learning and access to technology

Hong Kong

- In collaboration with Share for Good, Adobe and New World Development, we launched the initiative in 2023 to support underprivileged secondary school students.
- More than 100 DBS volunteers were involved with the installation of essential software and guided the students in the learning process.
- 200 students received laptops along with Generative AI and Adobe Firefly software to help enhance their digital skills.

Financial literacy: Empowering the next generation with financial education

Singapore

- We scaled up financial literacy education for youth with various community partners such as special education schools in Singapore, as well as children and youth supported by the Ministry of Community, Culture and Youths (MCCY) and TOUCH Community Services.
- More than 1,000 DBS employees volunteered their time to run over 150 financial literacy workshop and learning journeys to our bank branches.

(1) *Beyond service-based volunteering, skills-based volunteering leverages on the experience, expertise and networks of its employees.*

Elderly

Inflationary pressures affect significantly the elderly segment, especially those who are from the lower income bracket, and we recognise that extra care must be taken to ensure they are not left behind.

Supermarket shopping with seniors

Singapore

- To reach more seniors and enable them to buy necessities, we scaled up our curated supermarket shopping sessions in collaboration with the Ministry of Culture, Community and Youth (MCCY).
- As part of the supermarket shopping sessions, we also incorporated the sharing of anti-scam tips from our consumer banking team with the seniors, to better equip them with foundational skills to protect themselves from scams which are becoming more prevalent and complex.
- More than 3,000 seniors were supported through over 100 sessions.

Befriending vulnerable seniors

Taiwan

- We partnered with HuaShan Social Welfare Foundation to address the food scarcity challenge among the elderly in Taipei.
- Our volunteers made home visits, meal deliveries and befriended vulnerable seniors.
- During special festivals and holidays, our volunteers also rallied to craft thoughtful gifts,
  such as hats and gloves for the Lunar New Year,
  and backpacks during Mid-Autumn Festival.
- More than 360 DBS volunteers supported over 1,000 seniors who are helped by HuaShan Social Welfare Foundation in 2023.
- Going forward, we plan to expand our support and reach beyond Taipei.

Environment

We have been ramping up volunteering engagements in the environment space, including programmes that support our Towards Zero Food Waste agenda.

Miyawaki plantation project: Afforestation at Hyderabad University Campus

India (Hyderabad)

- Over 530 DBS volunteers were engaged for the implementation of the Miyawaki method of afforestation, as part of the Miyawaki Plantation Project.
- More than 6,000 native tree saplings across more than 40 species were planted.

#MakanTanpaSisa: A Movement to Reduce Food Waste

Indonesia

- In partnership with Food Cycle, Surplus Foundation and Wonder Food Indonesia, our volunteers conducted food drives for the elderly and children to promote #MakanTanpaSisa while sharing about the importance of reducing our food waste.
- More than 500 volunteers participated in the food drives which reached over 700 beneficiaries.

Dialling up our skills-based volunteering efforts

We leveraged our employees' skills to contribute meaningfully to the community, which gained momentum in 2023 across our core markets. Skills-based volunteering programmes included financial and digital literacy programmes for the underserved, mentoring programmes with youth and adults, as well as programmes curated by DBS Foundation (DBSF) to support businesses for impact.

Leveraging our employees' skills in financial and digital literacy

Financial and digital literacy education for youth, the elderly, and marginalised segments in the community, such as lower-income families, remains a key focus area of our volunteering efforts. The DBSF's Community Impact Chapter seeks to equip underserved segments of the community with the necessary knowledge and future-ready skills to remain resilient in an ever-changing world.

Read more in DBS Foundation chapter.

To drive awareness of CyberWellness in the community, our DBS #CyberWellness programme trains employees of charities and social enterprises to effectively respond to cyber threats. The program leverages our internal training content and the expertise of our DBS volunteers.

Read more about this initiative in Technology resilience (incl. cyber security) chapter.

Kedai Belajar: Financial & Digital Literacy for SME Practitioners

Indonesia

- In collaboration with Komerce, guidance on topics such as Financial Management, Sustainability Financing, and Cyber security were made available to SMEs practitioners to improve the Indonesian community's Financial & Digital Literacy and support the upskilling of businesses.
- In 2023, Kedai Belajar DBS was held in two Indonesian cities, Makassar in South Sulawesi and Balikpapan in East Borneo.
- The programmes were supported by 8 DBS Indonesia speakers, who volunteered their time, skills, and knowledge to share their insights and experience with more than 200 SME Practitioners.

Reaching the underserved communities with financial literacy

India (Mumbai)

- Working with Haqdarshak, financial literacy workshops were conducted for students pursuing vocational courses and skills development programmes, which included women and differently abled individuals from rural underserved communities.
- More than 24 financial literacy workshops were conducted both virtually and in-person to reach more than 1,200 participants.

Journeying with the next generation through mentoring

Mentoring programmes in DBS tap on the life experiences and knowledge of our DBS employees and enable them to share these with the next generation. Our volunteers in turn gain and learn from their mentees, creating a virtuous cycle of learning and support.

Mentorship for the next generation

Singapore

- We recognise the wealth of experiences among our employees and how this can empower the next generation. In partnership with higher learning institutions such as Institute of Technical Education (ITE), Singapore Polytechnic as well as the Singapore Management University, our DBS volunteers dedicated their time to be mentors to the next generation.
- Before the commencement of the mentorship programme, mentors were trained by our partners, to be equipped for the mentorship journey.
- More than 200 employees in Singapore dedicated more than 1,700 hours to be mentors for the next generation.

"Letters of Confidence for the Future"

China

- In partnership with Tomoroe Education, a 2018 DBS Foundation Grantee in China, more than 85 DBS employees participated in the #AskByChildren initiative, where DBS volunteers took time to answer challenging questions from middle school students aged 11 to 15 years old from rural schools who asked their questions via handwritten letters.
- More than 190 letters from the students were answered, which helped to address the students' anxieties about their studies and the future.

Leveraging employees' skills to support Businesses for Impact

Our employees also contributed their skills and expertise to helping social enterprises and other businesses supported by DBS Foundation's 'Business for Impact' chapter.

Read more in DBS Foundation on chapter.

DBS Foundation Business for Impact Grant Award

Regional

- As part of the evaluation process for the DBS Foundation Business for Impact Grant Award, employees volunteered as evaluators or advisors for the business' pitching process.
- Over 500 employees from across the bank in all our core markets volunteered over 4,000 hours.

Done In A Day

Singapore

- Done in a Day is a full-day "hackathon" where DBS volunteers utilised their knowledge and expertise to help solve existing business challenges faced by businesses for impact supported by the DBS Foundation.
- Employee volunteers teamed up to help solve existing challenges faced by **13 businesses for impact** in two runs of the programme this year.

"Through Done in A Day, I realised that businesses are capable of making a positive change in the community too. By helping them to solve business problems, I'm indirectly creating a bigger impact with them."

Ryan Goh, Group Strategic Marketing and Communications

Driving employee engagement

With purpose at the heart of what we do, our employees are key to our efforts to create impact beyond banking.
We continue to focus on fostering a culture of giving back, by engaging and inspiring our employees in meaningful ways, and by making their volunteering journey seamless and fruitful.

Inaugural PoP Awards

In 2023, we have also launched the inaugural PoP Awards in all our core markets to celebrate and recognise DBS employees and their teams who have gone above and beyond to make a difference and create impact in the community. All of them have shown passion, dedication and outstanding commitment to volunteering. A total of 63 employees were recognised in all our core markets in recognition of their contribution to the community.

"My motivation to volunteer came from my positive experience I had last year as part of DBS People of Purpose when I first joined the bank. Volunteering is an opportunity for new joiners like me to understand the bank more, its culture and traditions. When I volunteer, I realise that the skills I have, which I thought was very basic, comes in very handy to bless and guide the less privileged amongst us."

~ Keng Mun CHAN, PoP Star of the Year (Overall) – Gold winner (SG)

Enhancing the volunteer journey

We are always looking for ways to enhance the volunteering journey for our employees, such that it is simple, seamless and accessible for all.

We continued to make enhancements to PoP Connect, our central digital volunteering platform where volunteering programmes are listed for employees to search and sign up for the ones that resonate most with them. This year, more than 1,000 programmes were listed on PoP Connect, and it saw a 46% increase in the number of users.

Inspiring through storytelling

To showcase the collective impact created by our employee volunteers, we took on a more focused storytelling approach, leveraging different channels to share stories of impact. One of these is our new content series "After Hours" which showcases community stories on our social media platforms. Within the bank, in-depth stories of our volunteers were featured on Life@DBS which saw a 39% increase in views in 2023. These stories showcase the difference made in the lives of the community, and allow us to recognise and celebrate our employees' contributions, thus inspiring others to join the journey.

As a purpose-driven bank, we seek to encourage and cultivate a workforce that thinks and operates with purpose amidst an ever-changing world.

Through the commitment and dedication of our employees, we collectively contributed more than 200,000 volunteering hours and reached over 150,000 beneficiaries across our core markets in 2023. This marked our highest ever number of volunteering hours, which was a 42% increase from 2022.

Snapshots from After Hours

Towards Zero Food Waste

Globally, 13% of food is lost between harvest and retail, with an estimated 17% wasted in households, food service, and retail combined, as reported by the UN Food and Agriculture Organisation. Food waste and food loss contribute almost 10% of global greenhouse gas (GHG) emissions, according to the United Nation Environment Programme Food Waste Index Report 2021. If food waste were a country, it would be the third-largest GHG emitter in the world, according to the UN Food and Agriculture Organisation (UNFAO).

As a bank that is dedicated to building a sustainable and climate-resilient future, DBS launched the Towards Zero Food Waste (TZFW) movement in 2020. Over the past three years, this regional initiative has significantly progressed, highlighting the bank's commitment to sparking collective action for a sustainable future. Our concerted efforts led us to achieve more than 22,000 tonnes of food impact in 2023 alone, encompassing reductions in food waste, recycling and redistribution. In 2023, we strengthened our partnership with S4S Technologies, resulting in the sharp increase in our food impact numbers.

Our TZFW initiative seeks to create sustainable impact by spurring change in mindsets and behaviours through a three-pronged approach:

i. **Advocate** - Building awareness of the issue and inspiring action to reduce food loss and waste
ii. **Activate** - Rallying employees to take action and work towards reducing food waste in our own operations
iii. **Ally** - Partnering with like-minded organisations to scale impact and reduce food waste

Advocate – Changing mindsets and behaviour

Our TZFW initiative adopts a holistic approach, addressing both the symptoms and root causes of food waste through raising awareness and understanding. To accomplish this goal and promote more sustainable consumption habits, we form partnerships and develop engaging content tailored to diverse target audiences.

China

In China, we partnered Xishi Magic Bag, a 2022 DBS Foundation Grant Programme finalist, and Xiaohongshu, China's lifestyle-focused social media platform, on a campaign promoting sustainable consumption among the youth. The campaign engaged 30 Key Opinion Leaders (KOLs) and incentivised purchase of food that would have otherwise been wasted thus creating over 300 tonnes of food impact.

Indonesia

To commemorate World Food Day on October 16th, DBS Indonesia launched the 'Live More, Waste Water & Food Less' campaign, which supports the Government's National Food Agency agenda. The campaign educates people on reducing food waste and saving water through three main activities supported by our partners: donating and distributing food, offering a digital platform for food rescue, and promoting 'Stop Boros Pangan' and 'Belanja Bijak' campaigns.

Taiwan

In Taiwan, we launched our "Sustainability of the Day" campaign together with Social Enterprise Insights at DBS Better Park. The campaign aims to raise awareness and encourage a sustainable lifestyle through sharing tips on using recyclable materials and reducing food waste while encouraging participants to build an inclusive community. Participants engaged in personalised challenges where they commit to creating zero food waste for a week with the results reported back to us. Within a month of launch, the campaign has attracted over 1,300 participants and have generated approximately 3 tonnes of food impact.

Activate – Engaging our employees

As a purpose-driven bank, we believe it is important to bring our employees on board this meaningful journey Towards Zero Food Waste. Across our offices, we are rallying our colleagues to donate surplus food and participate in volunteer activities, redistributing excess food to vulnerable communities throughout the year.

Singapore

In alignment with International World Food Day, DBS Singapore employees were invited to participate in the "Recycle More, Waste Less" initiative. This included a three-day challenge to promote proper waste sorting. More than 500 employees were engaged in online quizzes designed to raise awareness about reducing food waste and ensuring proper waste sorting.

Hong Kong

In Hong Kong, our "Be A Real Foodie" programme aimed at fostering employee engagement towards reducing food waste and encouraging them to reduce food waste at its source. As part of this campaign, food waste from designated recycling bins was transformed into compost which was used to grow organic vegetables on the rooftop farm of DBSHK office. The harvested produce is then donated to local food banks. This initiative aims to drive a cultural shift towards more sustainable practices within the organisation.

Ally – Partnering for impact

With a strong belief in collective action to scale our impact, we launched several impactful and innovative programmes in partnership with close to 40 like-minded organisations from the private, public and people sectors.

China

In China, we created 220 tonnes of food impact through our partnership with HotMaxx, a discount grocery retail chain selling short-dated and excess products. In this "Romance More, Waste Less" campaign, we introduced a new approach by hosting a live sale of discounted coupons on Douyin (China's version of TikTok), which coincided with the celebration of Valentine's Day. Beyond addressing short-dated food concerns, this campaign enhanced engagement and built affinity with the next generation.

Hong Kong

In Hong Kong, our partnership with Foodpanda incentivises DBS cardholders to embrace sustainable dining. Through our partnership, the number of restaurant outlets which offer a "less rice" and "less noodle" option doubled, increasing from 330 to 640. As an added incentive, DBS cardholders who choose "less rice" or "less noodles" for takeaway orders will be given a HKD 20 voucher. Additionally, we doubled donations to Foodlink through the app, which significantly magnifies the impact on food waste.

DBS Foundation

In 2023, DBS Foundation, through its Business for Impact chapter and Community Impact chapter, enhanced and intensified our efforts towards reducing food waste. The Business for Impact Chapter continued to support social enterprises and businesses focused on reducing food waste through grants and capacity-building. Whereas the Community Impact chapter focuses on reducing food waste and enhancing food security for underprivileged communities across the region. Our vision is to spark collective action with our partners and DBS People of Purpose to build a better world for current and future generations.

Read more about DBS Foundation on page 82.

Leveraging Technology to Reduce Food Loss

DBS India continues the transformative collaboration and partnership with S4S Technologies, a social enterprise supported by the DBS Foundation. This initiative harnesses cutting-edge freeze-drying technology from S4S Technologies to dehydrate, package and sell dried surplus fruit and vegetables at farm level, saving over 20,000 tonnes of crops from being wasted in 2023 and directly benefitting low wage farmers.

In addition, the programme empowers women in rural villages, creating a powerful multiplier effect that extends far beyond agriculture. This programme not only tackles the pressing issue of food loss and waste, but also catalyses positive social change where women in these communities are equipped with transferable skills which helps them unlock economic opportunities. Through this programme, almost 900 dehydration units were installed in 2023, thus empowering women microentrepreneurs to create long-term income for their families.

Additional Disclosures
Summary of performance and targets

Section	Description	Target	Target date	2023 progress
Pillar 1				
Responsible financing	To achieve a net-zero future while recognising our social responsibility to foster a just and inclusive transition	Interim 2030 targets and net zero 2050 targets for our nine priority sectors	2030 and 2050[1]	All on track, except for: Steel (almost on track) Shipping (not on track)
Sustainable living	Setting customers on the path of sustainable living	Develop tailored sustainable solutions for all retail customers for more sustainable lifestyles	Long term	On track
	Nurturing healthy savings and investment habits	Democratise wealth and expand financial literacy resources and tools to consumers	Long term	On track
	Empowering sustainable and ESG investing	Grow sustainable investment[2] AUM to >50% by 2024	2023	Achieved 2023: 55.6%
Financial inclusion	Creating an enabling environment for the underbanked	Meet the financial inclusion objectives under the PSL guidelines of the RBI	Annual	On track: 2023: SGD 3 billion
	Addressing the financing gap of small local businesses	Help customers start their investment journey	Ongoing	On track
Pillar 2				
Enhancing employee engagement and culture	Our employees are our greatest asset to drive success	Position ourselves as an employer of choice	Ongoing	On track
		Improve employee journeys and shape the future of work	Ongoing	On track
Developing our people	Our talent is our greatest asset to drive success	Drive the people, leadership and culture agenda	Ongoing	On track
		Complete the upskill and reskill of 8,000 employees	2024	On track Over 97% of identified employees have commenced upskilling/ reskilling

Section	Description	Target	Target date	2023 progress
Pillar 2				
Driving diversity, equity and inclusion	Building an inclusive culture	Deepen efforts to drive diversity, equity and inclusion	Ongoing	On track
		Achieve 35% female representation in India	2026	On track Currently at 30%
		Achieve 30% female Board representation	2030	Currently at 20%
Managing our environmental footprint	Generating renewable energy to achieve the sustainable management and efficient use of natural resources	100% renewable energy in our operations for Singapore under our RE100 commitment	2030	On track
Sustainable procurement	Screening of new suppliers in alignment with DBS' Sustainable Sourcing Principles (SSP)	Commit 100% of new suppliers to DBS' SSP standards	Annual	Almost on track* (2023: >99%) *For suppliers that do not commit to our SSP, we conduct additional due diligence on their social and environmental policies to ensure we are comfortable continuing a business relationship with them.
Data governance	Keeping data safe and secure	Achieve no material instances of data breaches during the year	Ongoing	On track
	Driving bank-wide awareness on data management	Drive data management-related training and awareness	Ongoing	On track
	Maturing our approach to managing AI and model risk	Ensure 100% compliance to baseline governance requirements for all deployed AI solutions	Ongoing	On track

(1) Please note that for the Power sector, our net zero target is by 2040
(2) Sustainable investments are defined as investment products (bonds, equity and funds) that have MSCI ESG ratings of BBB and above.

Section	Description	Target	Target date	2023 progress
Fair dealing	A strong risk culture and good conduct is necessary to deliver fair dealing outcomes for our clients	Achieve no material instances of non-compliance concerning fair dealing during the year* *Fair dealing matters would include product due diligence and marketing communications	Ongoing	On track
Preventing financial crime	Protecting our customers and businesses from financial crime	Achieve no material instances of non-compliance concerning financial crime prevention during the year.	Ongoing	On track
Technology resilience (incl. cyber security)	Fortifying resilience and security	Achieve a zero-tolerance mindset for operational risk, including cyber security	Ongoing	On track
Pillar 3				
DBS Foundation	Empowering businesses and communities for impact	Deepening our social and environmental impact through the programmes of DBS Foundation (through the Business for Impact & Community Impact chapters)	Ongoing	On track
Employee volunteerism	Placing purpose at the heart of what we do	Contribute 150,000 volunteer hours across our six markets to promote a culture of employee volunteerism	2023	Achieved 2023: >200,000 hours
		DBS commits to over 1.5 million employee volunteering hours over the next decade	2034	On track

10 Principles of UN Global Compact

Principles		Report section	Page no.
Human Rights			
Principle 1	Businesses should support and respect the protection of internationally proclaimed human rights	• Human rights • Responsible financing • Driving diversity, equity and inclusion • Sustainable procurement	13 16 52 64
Principle 2	Make sure that they are not complicit in human rights abuses		
Labour			
Principle 3	Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	See 2-30, Collective bargaining agreements, under the GRI Content Index	98
Principle 4	Elimination of all forms of forced and compulsory labour	• Responsible financing • Sustainable procurement	16 64
Principle 5	Effective abolition of child labour		
Principle 6	Elimination of discrimination in respect of employment and occupation	• Driving diversity, equity and inclusion • Sustainable procurement	52 64
Environment			
Principle 7	Businesses should support a precautionary approach to environmental challenges	• CEO Message • Responsible financing • Managing our environmental footprint • Sustainable procurement • Commitments and memberships	4 16 59 64 107
Principle 8	Undertake initiatives to promote greater environmental responsibility		
Principle 9	Encourage the development and diffusion of environmentally friendly technologies		
Anti-corruption			
Principle 10	Businesses should work against corruption in all its forms, including extortion and bribery	Preventing financial crime	74

GRI Content index

The content of this report follows the GRI standards reporting principles.

Accuracy
The organisation shall report information that is correct and sufficiently detailed to allow an assessment of the organisation's impacts

Balance
The organisation shall report information in an unbiased way and provide a fair representation of the organisation's negative and positive impacts

Clarity
The organisation shall present information in a way that is accessible and understandable

Comparability
The organisation shall select, compile, and report information consistently to enable an analysis of changes in the organisation's impacts over time and an analysis of these impacts relative to those of other organisations

Completeness
The organisation shall provide sufficient information to enable an assessment of the organisation's impacts during the reporting period.

Sustainability context
The organisation shall report information about its impacts in the wider context of sustainable development.

Timeliness
The organisation shall report information on a regular schedule and make it available in time for information users to make decisions.

Verifiability
The organisation shall gather, record, compile, and analyse information in such a way that the information can be examined to establish its quality.

Statement of use	DBS has reported in accordance with the GRI standards for the period 1 Jan to 31 Dec 2023
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI sector standard(s)	Not applicable

Disclosure requirements		Reference & response	External assurance
Human rights			
2-1	Organisational details • Legal name • Ownership and legal form • Location of headquarter • Countries of operation	• DBS Group Holdings Ltd • Public limited company listed on the Singapore Exchange • Back cover, page 111 • Who we are, Annual Report, page 3	
2-2	Entities included in the organisation's sustainability reporting	Subsidiaries and consolidated structured entities, Annual Report, page 147	
2-3	Reporting period, frequency and contact point	Sustainability and financial reporting period: 1 Jan to 31 Dec 2023 Publication date: 6 March 2024 Contact point: sustainability@dbs.com	
2-4	Restatements of information	–	
2-5	External assurance	Assurance statement, page 109	
Activities and workers			
2-6	Activities, value chain and other business relationships	• Who we are, Annual Report, page 3 • International presence, Annual Report, page 197 • Financial statements, Annual Report, page 109 • There were no significant changes to our organisational profile and supply chain during the reporting period	
2-7	Employees	Driving diversity, equity and inclusion, page 52	✓
2-8	Workers who are not employees	In 2023, the total number of workers by headcount who are not employees was 6,607, and they are made up of 3,415 professional contractors (i.e., provision of resource where DBS decides on the rate of a contractor and pays the additional agreed overhead cost to the vendor) and 2,652 agency contractors (i.e., provision of resource where DBS pays a flat/ fixed rate to vendors for providing a contractor with a specialised skill set).	✓

Disclosure requirements		Reference & response	External assurance
Governance			
2-9	Governance structure and composition	Corporate governance, Annual Report, page 42 Governance of sustainability, page 8	
2-10	Nomination and selection of the highest governance body	Corporate governance, Annual Report, page 42	
2-11	Chair of the highest governance body		
2-12	Role of the highest governance body in overseeing the management of impacts	Corporate governance, Annual Report, page 42 Governance of sustainability, page 8	
2-13	Delegation of responsibility for managing impacts		
2-14	Role of the highest governance body in sustainability reporting		
2-15	Conflicts of interest	Corporate governance, Annual Report, page 42	
2-16	Communication of critical concerns	Corporate governance, Annual Report, page 42	
2-17	Collective knowledge of the highest governance body	Corporate governance, Annual Report, page 42 Governance of sustainability, page 8	
2-18	Evaluation of the performance of the highest governance body		
2-19	Remuneration policies	Remuneration report, Annual Report, page 65	
2-20	Process to determine remuneration		
2-21	Annual total compensation ratio	We do not disclose against this metric due to confidentiality constraints.	
Strategy, policies and practices			
2-22	Statement on sustainable development strategy	• CEO message, page 4 • Governance of sustainability, page 8 • Board statement on sustainability, page 8 • Human rights, page 13	
2-23	Policy commitments	Corporate governance, Annual Report, page 42 Human rights, page 13 Governance of sustainability, page 8 Responsible financing, page 16 Sustainable procurement, page 64 Driving diversity, equity and inclusion, page 52 Preventing financial crime, page 74	
2-24	Embedding policy commitments		

Disclosure requirements		Reference & response	External assurance
Strategy, policies and practices			
2-25	Processes to remediate negative impacts	Human rights, page 13 Responsible financing, page 16 Sustainable procurement, page 64 Preventing financial crime, page 74	
2-26	Mechanisms for seeking advice and raising concerns	Stakeholder engagement, page 10 Preventing financial crime, page 74	
2-27	Compliance with laws and regulations	There were no material instances of non-compliance with laws and regulators in this context during the year.	
2-28	Membership associations	Commitments and memberships, page 107	
Stakeholder engagement			
2-29	Approach to stakeholder engagement	Stakeholder engagement, page 10	
2-30	Collective bargaining agreements	Our house union in Singapore, the DBS Staff Union, is an affiliate of the National Trades Union Congress (NTUC). As of 31 December 2023, 595 of our employees are eligible for collective bargaining under the Memorandum of Understanding between DBS and DBS Staff Union. In addition, there were no employees who are officers and below in Agreement between DBS Vickers and The Singapore Manual and Mercantile Workers' Union. In addition, there were no employees who are officers and below in the Collective Agreement between DBS Vickers and The Singapore Manual and Mercantile Workers' Union. The working conditions and terms of employment based on the collective bargaining agreements are applicable for all employees of the organisation. The DBS Bank India Employee's Union is a registered Trade Union under The Trade Unions Act, 1926. It is affiliated to NCBE (National Confederation of Bank Employees). As of 31 December 2023 a total of 1,004 employees are members of this Union. The working conditions and terms of employment are generally common for staff covered by the collective bargaining agreement between DBS Bank India Ltd and the DBS Bank India Employee's Union and other permanent staff. Overall, there are 1,599 (4%) employees covered under unions.	✓

Disclosure requirements		Reference & response	External assurance
Disclosures on material topics			
GRI 3: Material topics 2021			
3-1	Process to determine material topics	Material ESG factors, Annual Report, page 77 Material ESG factors, page 12 Human rights, page 13	
3-2	List of material topics	Material ESG factors, Annual Report, page 77 Material ESG factors, page 12	
3-3	Management of material topics	Please refer to respective chapters of material topics Human rights, page 13	

Material topics

Disclosure requirements		Reference & response	External assurance
Economic performance			
GRI 3: Material topics 2021/ GRI 201 Economic performance 2016			
3-3	Management of material topics	CFO statement, Annual Report, page 20 How we create value – our business model, Annual Report, page 70 How we allocate financial value created, Annual Report, page 76. In 2023, SGD 100 million was set aside from our profits as part of our commitment of SGD 1 billion over the next ten years to community contributions was expensed off in the Consolidated income statement and a provision was recognised in the Balance sheet as at 31 December 2023. Refer to pages 120 and 122 in the Annual Report for more information. The provision will be utilised progressively when DBS contributes to the community in the coming years. Note 46.2, Geographical segment reporting (Profit before tax), Annual Report, page 179 Responsible Financing, page 16 Responsible tax management, page 79	
201-1	Direct economic value generated and distributed		✓
201-2	Financial implications and other risks and opportunities due to climate change		
Indirect economic impact			
GRI 3: Material topics 2021/ GRI 203 Indirect economic impact 2016			
3-3	Management of material topics	Sustainable living, page 37 Financial inclusion, page 40 DBS Foundation, page 82	
203-2	Significant indirect economic impact		

GRI Standard	Disclosure requirements	Reference & response	External assurance
Anti-Corruption			
GRI 3: Material topics 2021/ GRI 205 Anti-Corruption 2016			
3-3	Management of material topics	Preventing financial crime, page 74 Sustainable procurement, page 64	
205-1	Operations assessed for risks related to corruption		
205-2	Communication and training about anti-corruption policies and procedures		✓
205-3	Confirmed incidents of corruption and actions taken		
Tax			
GRI 3: Material topics 2021/ GRI 207 Tax 2019			
3-3	Management of material topics	Responsible tax management, page 79	
207-1	Approach to tax		
207-2	Tax governance, control and risk management		
207-3	Stakeholder engagement and management of concerns related to tax		
207-4	Country-to-country reporting	Refer to Financial statement Note 45.2 for the geographical segment reporting of our tax position as reported in accordance with Singapore Financial Reporting Standards (International). Additional narrative on our tax contributions (the taxes we pay and collect as we do business) are also provided in our tax chapter, Responsible tax management, on page 79	

GRI Standard	Disclosure requirements	Reference & response	External assurance
Energy			
GRI 3: Material topics 2021/ GRI 302 Energy 2016			
3-3	Management of material topics	Managing our environmental footprint, page 59	
302-1	Energy consumption within the organisation		✓
302-3	Energy intensity		
302-4	Reduction of energy consumption		
Water and effluents			
GRI 3: Material topics 2021/ GRI 303 Water and Effluents 2018			
3-3	Management of material topics	Managing our environmental footprint, page 59	
303-1	Interactions with water as shared resource		
303-3	Water withdrawal		✓
Emissions			
GRI 3: Material topics 2021/ GRI 305 Emissions 2016			
3-3	Management of material topics	Managing our environmental footprint, page 59	
305-1	Direct (Scope 1) GHG emissions		✓
305-2	Energy indirect (Scope 2) GHG emissions		✓
305-3	Other indirect (Scope 3) GHG emissions		✓
305-4	GHG emissions intensity		
Waste			
GRI 3: Material topics 2021/ GRI 306 Waste 2020			
3-3	Management of material topics	Managing our environmental footprint, page 59	
306-1	Waste generation and significant waste-related impacts		
306-2	Management of significant waste-related impacts	Managing our environmental footprint, page 59	
306-3	Waste generated		✓
Supplier environmental assessment			
GRI 3: Material topics 2021/ GRI 308 Supplier Environmental Assessment 2016			
3-3	Management of material topics	Sustainable procurement, page 64	
308-1	New suppliers that were screened using environmental criteria		✓
308-2	Negative environmental impacts in the supply chain and actions taken		
Employment			
GRI 3: Material topics 2021/ GRI 401 Employment 2016			
3-3	Management of material topics	Enhancing employee engagement and culture, page 46	
401-1	New employee hires and employee turnover	Driving diversity, equity and inclusion, page 52	✓
401-3	Parental leave	Enhancing employee engagement and culture, page 46	
Training and education			
GRI 3: Material topics 2021/ GRI 404 Training and Education 2016			
3-3	Management of material topics	Developing our people, page 49 Driving diversity, equity and inclusion, page 52	
404-1	Average hours of training per year per employee		✓
404-2	Programs for upgrading employee skills and transition assistance programs		
404-3	Percentage of employees receiving regular performance and career development reviews		✓

GRI Standard	Disclosure requirements	eference & response	External assurance
Diversity & equal opportunity			
GRI 3: Material topics 2021/ GRI 405 Diversity & equal opportunity 2016			
3-3	Management of material topics	Driving diversity, equity and inclusion, page 52 Corporate governance, Annual Report, page 42 Board of directors, Annual Report, pages 188	
405-1	Diversity of governance bodies and employees		✓
405-2	Ratio of basic salary and remuneration of women to men		
Local communities			
GRI 3: Material topics 2021/ GRI 413 Local communities 2016			
3-3	Management of material topics	DBS Foundation, page 82 Employee volunteerism, page 87	
413-1	Operations with local community engagement, impact assessments, and development programs		
Supplier social assessment			
GRI 3: Material topics 2021/ GRI 414 Supplier social assessment 2016			
3-3	Management of material topics	Sustainable procurement, page 64	
414-1	New suppliers that were screened using social criteria		✓
414-2	Negative social impacts in the supply chain and actions taken		
Public policy			
GRI 3: Material topics 2021/ GRI 415 Public policy 2016			
3-3	Management of material topics	Preventing financial crime, page 74	
415-1	Political contributions		

GRI Standard	Disclosure requirements	Reference & response	External assurance
Marketing & labelling			
GRI 3: Material topics 2021/ GRI 417 Marketing & labelling 2016			
3-3	Management of material topics	Fair dealing, page 77	
417-1	Requirements for product and service information and labelling		
417-2	Incidents of non-compliance concerning product and service information and labelling		
417-3	Incidents of non-compliance concerning marketing communications		
Customer privacy			
GRI 3: Material opics 2021/ GRI 418 Customer privacy 2016			
3-3	Management of material topics	Technology resilience (incl. cyber security), page 67 Data governance, page 70	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		
Socioeconomic compliance			
GRI 103: Management approach 2016/ GRI 419: Socioeconomic compliance 2016			
103-1	Explanation of material topic and its boundary	Preventing financial crime, page 74 Responsible tax management, page 79	
103-2	The management approach and its components		
103-3	Evaluation of the management approach		
419-1	Non-compliance with laws and regulations in the social and economic area	There were no material instances of non-compliance with laws and regulators in this context during the year.	

SASB standards

In line with our assessment of material ESG factors, our disclosures are based on the Sustainability Accounting Standards Board (SASB) standards that are most aligned with our mix of businesses: Commercial Banks (FN-CB), Consumer Finance (FN-CF), and Mortgage Finance (FN-MF).

It is our commitment to develop disclosures that are relevant, useful, and meaningful to our investors over time. We do not report in conformance with all disclosures in the aforementioned standards, as some are deemed to be irrelevant or sensitive to be disclosed. We will continue to review developments in the SASB standards and will evolve our reporting against them. Unless otherwise noted, all information included in the SASB disclosure is presented for DBS Group and our subsidiaries.

SASB code	Topic	Accounting metrics	Response & references	Source
Across multiple standards				
FN-CB-230a.2	Data security	Description of approach to identifying and addressing security risks	Refer to "Our approach" under pillar 2, Technology resilience and our Data governance chapters	Sustainability Report, pages 67 to 73
FN-CF-230a.3				
Commercial banks				
FN-CB-240a.1	Financial inclusion & capacity building	Number and amount of loans outstanding qualified to programs designed to promote small business and community development	Refer to POSB in the Annual Report	Annual Report, page 40
			Refer to "Key Initiatives" under pillar 1, Financial inclusion	Sustainability Report, page 40
FN-CB-240a.3		Number of no-cost retail checking accounts provided to previously unbanked or underbanked customers	Refer to POSB in the Annual Report	Annual Report, page 40
FN-CB-240a.4		Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	Refer to "Key Initiatives" under pillar 1, Financial inclusion	Sustainability Report, page 40
FN-CB-410a.1	Incorporation of Environmental, Social, and Governance factors in credit analysis	Commercial and industrial credit exposure, by industry	Refer to financial statement Note 42.4 for Credit risk by geography and industry – analysed by industry	Annual Report, page 173
FN-CB-410a.2		Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	Refer to "Ensuring robust risk management processes" under pillar 1, Responsible financing	Sustainability Report, page 21
FN-CB-510a.1	Business ethics	Description of whistle-blower policies and procedures	Refer to pillar 2, Preventing financial crime	Sustainability Report, page 74
FN-CB-550a.1	Systemic risk management	Global Systemically Important Bank (G-SIB) score, by category	Refer to financial statement Note 44 Capital management	Annual Report, page 176
FN-CB-550a.2		Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities		
FN-CB-000.A	Activity metric	(1) Number and (2) Value of checking and savings accounts by segment: (a) Personal and (b) Small business	Refer to financial statement Note 28 Deposits and Balances from Customers – analysed by product. We do not disclose this information by segments	Annual Report, page 151
FN-CB-000.B		(1) Number and (2) Value of loans by segment: (a) Personal, (b) Small business and (c) Corporate	Refer to financial statement Note 18 Loans and advances to customer – analysed by product. We do not disclose this segment.	Annual Report, page 144

Consumer finance				
FN-CF-270a.1	Selling practices	Percentage of total remuneration for covered employees that is variable and linked to amount of products and services sold	Refer to Determination of variable pay pool, under Remuneration report of the Annual Report	Annual Report, page 66
Mortgage finance				
FN-MF-270a.4		Description of remuneration structure of loan originators	Remuneration structure of loan originators follow the same structure as other employees in the bank. Refer to Summary of current total compensation elements, and Determination of variable pay pool under Remuneration report of the Annual Report	Annual Report, page 66
FN-MF-000.A	Activity Metric	(1) Number and (2) value of mortgages originated by category: (a) residential and (b) commercial	Refer to financial statement Note 42.4 for Credit risk by geography and industry – analysed by industry, specifically home loans. We do not disclose this information by segments or origination and purchase	Annual Report, page 173
FN-MF-000.B		(1) Number and (2) value of mortgages purchased by category: (a) residential and (b) commercial		

Mapping to TCFD

	Recommended Disclosures	Response & Reference	Source
Governance	a. Describe the organisation's governance around climate related risks and opportunities	Refer to Governance of sustainability	Sustainability Report, page 8
	b. Describe management's role in assessing and managing climate-related risks and opportunities	Refer to Governance of sustainability Refer to "Ensuring robust risk management processes" in Responsible financing	Sustainability Report, pages 8, 21
Strategy	a. Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term b. Describe the impact of climate-related risks and opportunities on the organisation's business, strategy and financial planning c. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios, including a 2oC or lower scenario	Refer to Our sustainability strategy Refer to "Ensuring robust risk management processes" in Responsible financing	Sustainability Report, pages 7, 21
Risk Management	a. Describe the organisation's process for identifying and assessing climate-related risks b. Describe the organisation's process for managing climate-related risks	Refer to "Ensuring robust risk management processes" in Responsible financing	Sustainability Report, page 21
	c. Describe how the process for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management	Refer to "Ensuring robust risk management processes" in Responsible financing Refer to "Credit risk management at DBS" in Risk management	Sustainability Report, page 21 Annual Report, page 83
Metrics and Targets	a. Disclose the metrics used by the organisation to assess climate-related risks and opportunities in line with strategy and risk management process	Refer to "Metrics and Targets, Net Zero portfolio alignment" in Responsible financing	
	b. Disclose Scope 1, Scope 2, and if appropriate, Scope 3 GHG emissions and related risks	Scope 1, 2 & 3 operational GHG emissions: Refer to Managing our environmental footprint Scope 3: Refer to "Metrics and targets, net zero portfolio alignment" in Responsible financing	Sustainability Report, page 59 Sustainability Report, page 25
	c. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets	Refer to "Metrics and targets, net zero portfolio alignment" in Responsible financing and Summary of performance and targets in Additional Disclosures	Sustainability Report, page 25 Sustainability Report, page 94

Methodology for climate scenario analysis modelling

Transition risk

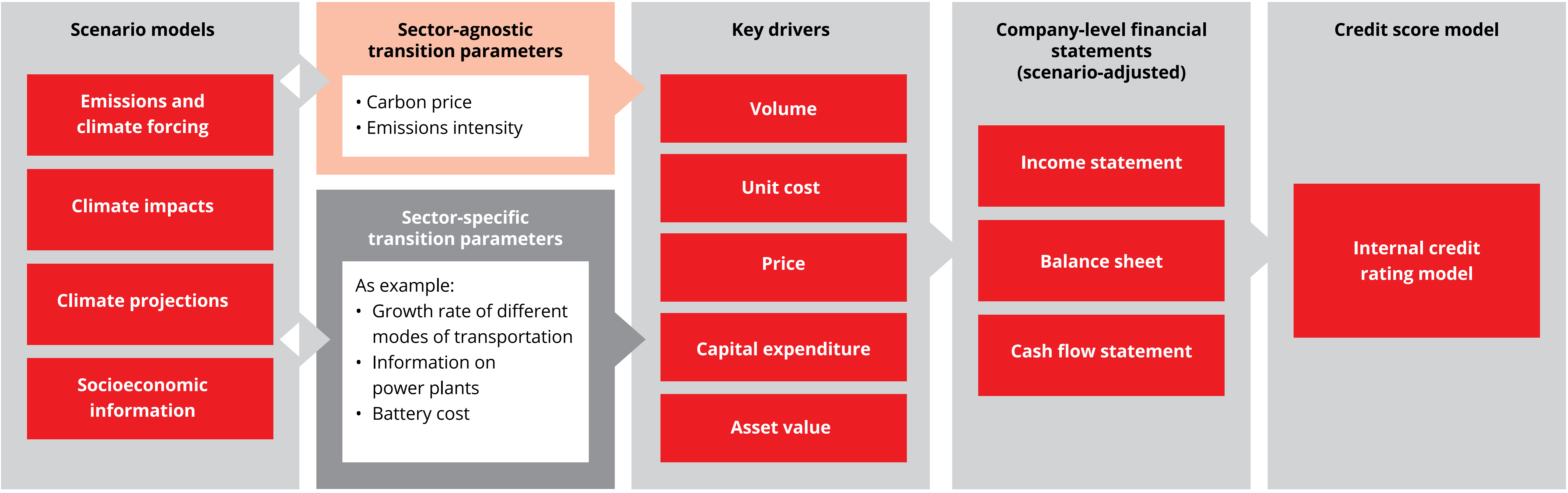
Transition risk scenario analysis is conducted in DBS using a suite of Climate Scenario Analysis (CSA) models. The CSA translates the effects of policy and regulation changes, technology development and changes in consumer preferences as defined by a set of standard climate scenarios (for example, from the Network of Greening the Financial System (NGFS)) into impacts to key financial drivers identified for each sector.

The CSA is based on a bottom-up approach where relevant company and industry information such as company financials and emissions data are used to determine the impact on the company's credit rating, leveraging on the NGFS scenarios.

Scenario data include, for example, primary, secondary, and final energy consumption, emissions data, carbon price, price indices for key energy variables. The data used are sector-specific and may be further expanded to capture key dynamics of specific sectors. A total of nine sectors selected based on their significance within the IBG portfolio and carbon emissions contribution were included in the transition risk scenario analyses. These include Power, Oil and Gas, Automotive, Aviation, Shipping, Real Estate, Steel, Chemicals, as well as Food and Agribusiness.

We used relevant company financials and industry-specific data to perform the bottom-up modelling for each company. The methodology identifies and assesses how key drivers such as production volume, unit cost of production, selling price, capital expenditure and asset value, impact the financial statements of companies and consequently changes to credit ratings over the forecast horizon.

To assess the rest of the portfolio not covered by the CSA models, a top-down analysis was conducted whereby companies were selected based on their materiality, data availability and representativeness of the sector. Key insights



derived from these companies in the bottom-up analysis were then extrapolated to the rest of the corporate lending portfolio.

Physical risk

The forward-looking physical risk analysis is conducted based on the Intergovernmental Panel on Climate Change (IPCC) Shared Socioeconomic Pathways (SSP)[1] as described below:

- **Very high climate change scenario (SSP5-8.5)**: Low mitigation scenario in which total greenhouse gas emissions triple by 2075 and global average temperatures rise by 3.3-5.7 °C by 2100.
- **High climate change scenario (SSP3-7.0)**: Limited mitigation scenario in which total greenhouse gas emissions double by 2100 and global average temperatures rise by 2.8-4.6 °C by 2100.
- **Intermediate climate change scenario (SSP2-4.5)**: Strong mitigation scenario in which total greenhouse gas emissions stabilise around current levels until 2050 and then decline but not reaching net zero by 2100. This scenario is expected to result in global average temperatures rising by 2.1-3.5 °C by 2100.
- **Low climate change scenario (SSP1-2.6)**: Aggressive mitigation scenario in which total greenhouse gas emissions reduce to net zero by 2050, resulting in global average temperatures rising by 1.3-2.4 °C by 2100.

Limitations

Climate risk scenario analysis is an important tool to assess the resilience of a bank's business models and strategies to a range of plausible climate related pathways, and to determine the impact of climate-related risk drivers on overall risk profile. Outcome of scenario analysis can also be used to assess the risk implications of various decarbonisation pathways and deviations therefrom.

Meanwhile, since the area of climate scenario analysis and the associated modelling is still evolving and an industry standard has yet to emerge, it is important that the uncertainties and limitations associated with climate scenario analysis are understood to ensure that the results are interpreted and used appropriately:

1) **Climate scenarios**: With the growth in scenario analysis use cases, and as industry practitioners and regulators gain more insights therefrom, ongoing updates and improvements of the scenarios are expected and noted on NGFS scenarios. Users will need to understand the implications and adjust the models accordingly.
2) **Extended horizon**: Time horizon of over 30 years is typical of scenario analysis (e.g., transition risk analysis typically goes to at least 2050 to align with net zero goal horizon, while physical risk analysis can be of longer horizon). This is much longer than typical business planning horizon, with uncertainties arising from technological development, demographic change, and climate tipping point events, among others.
3) **Data**: Bottom-up firm level analysis requires granular data such as absolute emissions or intensity for various scope of a firm's activities, which currently varies in terms of availability, granularity, and accuracy.
4) **Methodology**: Modelling practices are still evolving in the absence of market standards, in particular on physical risk modelling due to the heavy reliance on good quality location-specific data and hazard estimates. With the ongoing improvement of data availability and updates in scenarios and tools available in the market, it is expected that the methodology of modelling the transmission mechanism of climate related financial risks be further fine-tuned over time.

With the focus on climate risk scenario analysis by the industry and regulators, it is expected that continuous effort will be invested to address such limitations over the next couple of years.

(1) Source: IPCC AR6 Report

Selected ESG-related Awards, Indices and Ratings

Selected sustainability awards

Global / Regional

- Euromoney - World's Best Bank for Corporate Responsibility
- Global Finance – Outstanding Leadership in Transition/ Sustainability-linked Loans
- S&P Global Sustainability Yearbook Member
- ASEAN Rural Development and Poverty Eradication (RDPE) Leadership Awards
- Bloomberg Gender Equality Index
- Steward Leadership 25

Singapore and Domestic markets

Singapore

- **Best Sustainable Bank,** FinanceAsia Awards
- **Best Bank for ESG, Best Bank Awards,** Asiamoney
- **Best ESG Private Bank, Private Capital Awards,** The Asset
- **Singapore Corporate Governance Award,** Securities Investors Association of Singapore (SIAS)

China

- **Best Green Foreign Financial Institution Award 2022** Yangcheng Evening News
- **Best Green Loan, Country Awards for Sustainable Finance,** The Asset
- **2023 Best Practice, 2023 Best cases for Green Finance,** Green Finance forum of 60
- **Best ESG Solutions – Trade Finance, Treasurise Awards,** The Asset

Hong Kong

- **Best Bank for Sustainable Finance, Country Awards for Sustainable Finance,** The Asset
- **International Biggest ESG Impact, FinanceAsia Awards,** FinanceAsia
- **ESG Sustainability of the Year, Financial Institutions Awards,** Bloomberg
- **Best ESG Private Bank, Private Capital Awards,** The Asset

Indonesia

- **Best Green Loan, Country Awards for Sustainable Finance,** The Asset
- **Best Sustainability-linked Loan, Country Awards for Sustainable Finance,** The Asset
- **Best Leader for Sustainability, Indonesia Financial Top Leader Awards,** Warta Ekonomi
- **CNBC Green Business Rating,** CNBC Indonesia

Taiwan

- **Best Blue Loan, Country Awards for Sustainable Finance** The Asset
- **Gender Equity Awards,** Ministry of Labour
- **Taiwan Corporate Sustainability Award,** Taiwan Institute for Sustainable Energy
- **ESG Award for Foreign Company,** Global Views Magazine

India

- **Social Impact, BrandWagon Ace Awards** The Financial Express
- **Best Organisations for Women, ET Best Brands,** The Economic Times
- **100 Best Hall of fame, Best companies for Women in India,** Avtar and Seramount
- **Exceptional Employee Experience, ET Human Capital Experience Awards,** The Economic Times

External ESG Ratings

B. ESG Indices

Bloomberg Gender Equality Index Constituent (2018 – 2023)

FTSE4Good

FTSE4Good Developed Index and FTSE4Good ASEAN 5 Index (2017 – 2023)

C. Ratings

CDP (Formerly the Carbon Disclosure Project)	For the Climate Change assessment, DBS received the following scores: • **B in Feb 2024** • B in December 2022 • B in December 2021
RobecoSAM Corporate Sustainability Assessment	DBS received the following overall scores and rankings in the Banking industry: • **53/ 100 | 88th percentile in 2023** • 63/ 100 | 72th percentile in 2022 • 64/ 100 | 80th percentile in 2021
MSCI	In the MSCI ESG Ratings assessment[1] (on a scale of AAA-CCC), DBS received thefollowing ratings: • **A in September 2023** • AA in December 2022 • AA in December 2021
Sustainalytics	DBS was assessed by Sustainalytics[2] and received the following ESG Risk Ratings and rankings in the Banking industry: • **18.5 | (Low risk) | 20th percentile in November 2023** • 20.2 (Medium risk) | 22nd percentile in December 2022 • 19.9 (Low risk) | 18th percentile in October 2021

(1) The use by DBS Bank Ltd of any MSCI ESG Research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of DBS Bank Ltd by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided "as-is" and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

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Commitments and memberships

Name	Description
Supporting the transition	
Net-Zero Banking Alliance (NZBA)	DBS is a signatory of the industry-led, UN-convened NZBA. As part of our commitment, DBS conducts annual reporting on our performance against our decarbonisation targets in accordance with NZBA guidelines.
Disclosure and Transparency	
Monetary Authority of Singapore's Green Finance Industry Taskforce (GFIT)	DBS was the co-chair in the disclosure workstream of the MAS-convened GFIT. The taskforce comprises representatives from financial institutions, corporates, non-governmental organisations, and financial industry associations which aims to (i) develop a taxonomy; (ii) improve disclosures; (iii) foster green finance solutions; and (iv) enhance environmental risk management practices of financial institutions.
GRI Technical Committee	DBS sits on the global GRI Technical Committee and supports the development of the banking standard, which will be one of three standards (banking, insurance and capital markets) developed for the financial services sector. DBS is the sole representative from Asia Pacific.
Sustainability Reporting Advisory Committee (SRAC)	DBS is a member of the SRAC, which was jointly set up by Singapore's Accounting and Corporate Regulatory Authority (ACRA) and the Singapore Exchange Regulation (SGX RegCo). The committee is responsible for developing a sustainability reporting roadmap for Singapore-incorporated companies, including the adoption of the International Financial Reporting Standards' (IFRS) sustainability standards.
Taskforce for Climate-related Financial Disclosures (TCFD)	DBS reports in line with the recommendations by the task force. Refer to Responsible Financing, TCFD Index and Methodology for TCFD.
Taskforce for Nature-related Financial Disclosures (TNFD) Forum	DBS is a member of the TNFD Forum whose members support the work of the taskforce by providing technical expertise and practical experience.
Sustainability Risk Management	
Equator Principles (EP)	DBS is a signatory of the EP. Please refer to the Responsible Financing chapter for our related disclosures
Green Investment Principles for the Belt and Road (GIP)	DBS has adopted the voluntary principles to promote green investment in projects in the Belt and Road countries.

Name	Description
Sustainable Development	
China Green Finance Committee	The GFC was established in 2015, under the guidance and support of the People's Bank of China. The GFC and its members support policy research and facilitate international cooperation on green finance. DBS Bank China joined the GFC as an official member in 2022.
Global Compact Network Singapore (GCNS)	DBS is signatory to the GCNS.
Glasgow Financial Alliance for Net Zero (GFANZ)	DBS co-led a workstream as part of the GFANZ guidance paper on 'Financing the Managed Phaseout of Coal-Fired Power Plants in Asia Pacific'.
Green Skills Committee	DBS is a member of the Green Skills Committee (GSC), which is convened by the Ministry of Trade and Industry (MTI). The GSC aims to support the development of skills in line with evolving industry needs, as Singapore moves towards a sustainable, lower-carbon economy
Monetary Authority of Singapore (MAS)	DBS actively participated in several MAS projects and working groups, such as on managed coal phase out. We have committed to being a partner in the MAS-convened project, the Transition Credits Coalition (TRACTION). The project aims to explore the creation of credible, high-integrity transition credits to support the managed and early phase out of coal power plants.
United Nations Global Compact (UNGC)	DBS is signatory to the UNGC.
World Business Council for Sustainable Development (WBCSD)	DBS is a member of WBCSD and participates in several project groups including the working group on Redefining Value, which helps companies address the link between sustainability efforts and valuation. Our CEO, Mr. Piyush Gupta, was elected to the Executive Committee in 2020, and is the vice-chair of WBCSD appointed as of October 2021.
Digital-related	
Green Digital Finance Alliance (GDFA)	Our CEO, Mr. Piyush Gupta, is part of the Advisory Board.
IMDA Advisory Council on Ethical Use of Artificial Intelligence and Data	Our CEO, Mr. Piyush Gupta, is a council member.
Monetary Authority of Singapore's Project Greenprint	DBS is an active participant in the MAS-led initiative to enhance the ESG data ecosystem within Singapore with the aim of creating a national ESG data utility for SMEs. On November 2023, MAS launched Gprint (pronounced "Greenprint"), an integrated digital platform that harnesses technology to simplify how the financial sector and real economy collect, access and act upon environmental, social and governance (ESG) data to support their sustainability initiatives.

Name	Description
Operational	
RE100	DBS is a member of the RE100, our commitment can be found in the Managing Our Environmental Footprint chapter.
Others	
Asia Securities Industry & Financial Markets Association (ASIFMA)	DBS is a member of ASIFMA. Andrew Ng, our Head of Treasury and Markets, is Co-Vice Chair of the Board of Directors, and a member of the Executive Committee.
Association of Banks in Singapore (ABS)	DBS is a governing member of the Association of Banks in Singapore. Our CEO, Mr. Piyush Gupta, is a council member. DBS participates in the Public Policy Committee, the Sustainable Finance Committee, the Carbon Markets Working Group, and the Transition Planning & Finance Working Group.
Industry Advisory Panel (IAP)	DBS is represented by our CSO as a co-chair of the working group on disclosures and leads a new workstream on data for disclosures
International Capital Markets Association (ICMA)	DBS is a member of ICMA and is a member (underwriter) of ICMA's Green Bond Principles and ICMA's Social Bond Principles.
International Swaps and Derivatives Association (ISDA)	DBS is a member of ISDA. Andrew Ng, our Head of Treasury and Markets, sits on the Board of Directors of ISDA. DBS participates in the APAC ESG Working Group, the Energy, Commodities and Developing Products Asia Pacific Group, and the APAC Legal and Regulatory Committee (South Asia).
The Institute of Banking and Finance Singapore (IBF)	The IBF Council provides guidance on the strategic direction of IBF to ensure that it remains relevant and adds value to the financial industry. Our CEO, Mr Piyush Gupta, is Vice Chairman of the IBF Council.
Institute of International Finance (IIF)	DBS is a member institution and participates in the IIF sustainable finance working group.

Independent limited assurance report on sustainability information

To the Board of Directors of DBS Group Holdings Ltd

We have been engaged by DBS Group Holdings ("the Company" or "DBS") to undertake a limited assurance engagement in respect of the selected sustainability information from the 2023 Sustainability Report of the Company described below for the year ended 31 December 2023 ("the Identified Sustainability Information").

Identified Sustainability Information

The respective Identified Sustainability Information for the year ended 31 December 2023 is set out below:

1. GRI 2-7: Employees
2. GRI 2-8: Workers who are not employees
3. GRI 2-30: Collective bargaining agreements
4. GRI 201-1: Direct economic value generated and distributed
5. GRI 205-2: Communication and training about anti-corruption policies and procedures
6. GRI 302-1: Energy consumption within organization
7. GRI 303-3: Water withdrawal
8. GRI 305-1: Direct (Scope 1) GHG emissions
9. GRI 305-2: Energy indirect (Scope 2) GHG emissions
10. GRI 305-3: Other indirect (Scope 3) GHG emissions
11. GRI 306-3: Waste generated
12. GRI 308-1: New suppliers that were screened using environmental criteria
13. GRI 401-1: New employee hires and employee turnover
14. GRI 404-1: Average hours of training per year per employee
15. GRI 404-3: Percentage of employees receiving regular performance and career development reviews
16. GRI 405-1: Diversity of governance bodies and employees
17. GRI 414-1: New suppliers that were screened using social criteria

Our assurance engagement was with respect to the year ended 31 December 2023. We have not performed any procedures with respect to (i) earlier periods and (ii) any other elements included in the Company's 2023 Sustainability Report, and in the Annual Report, website and other publications, and therefore do not express any conclusion thereon.

Reporting Criteria

The Identified Sustainability Information has been assessed against the Global Reporting Initiative ("GRI") Sustainability Reporting Standards 2021 ("the Reporting Criteria").

Management's Responsibility for the Identified Sustainability Information

Management of the Company is responsible for the preparation of the Identified Sustainability Information in accordance with the Reporting Criteria. The responsibility includes designing, implementing and maintaining internal control relevant to the preparation of Identified Sustainability Information that is free from material misstatement, whether due to fraud or error.

Practitioner's Independence and Quality Management

We have complied with the independence and other ethical requirements of the Accounting and Corporate Regulatory Authority (ACRA) Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (ACRA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Our firm applies Singapore Standard on Quality Management 1 which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Practitioner's Responsibility

Our responsibility is to express a limited assurance conclusion on the Identified Sustainability Information based on the procedures we have performed and the evidence we have obtained. We performed our limited assurance engagement in accordance with Singapore Standard on Assurance Engagements 3000 (Revised) – Assurance Engagements other than Audits or Reviews of Historical Financial Information and, in respect of greenhouse gas emissions included in the Identified Sustainability Information, Singapore

Standard on Assurance Engagements 3410 – Assurance Engagements on Greenhouse Gas Statements (collectively, the "Standards"). These Standards require that we plan and perform our work to form the conclusion about whether the Identified Sustainability Information is free from material misstatement. The extent of our procedures depends on our professional judgment and our assessment of the engagement risk.

A limited assurance engagement involves assessing the suitability in the circumstances of the Company's use of the Reporting Criteria as the basis for the preparation of the Identified Sustainability Information, assessing the risks of material misstatement of the Identified Sustainability Information whether due to fraud or error, responding to the assessed risks as necessary in the circumstances, and evaluating the overall presentation of the Identified Sustainability Information. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

The procedures selected included inquiries, observation of processes performed, inspection of documents, analytical procedures, evaluating the appropriateness of quantification methods and reporting policies, and agreeing or reconciling with underlying records. Given the circumstances of the engagement, we also performed the following:

- interviewed management and personnel in Group Procurement Services, Group Human Resources, and Corporate Real Estate Strategy & Administration in relation to the Identified Sustainability Information;
- obtained an understanding of how the Identified Sustainability Information is gathered, collated and aggregated internally;
- performed limited substantive testing, on a selective basis, of the Identified Sustainability Information (i) to verify the assumptions, estimations and computations made in relation to the Selected Sustainability Information; and (ii) to check that data had been appropriately measured, recorded, collated and reported, to the extent we considered necessary and appropriate to provide sufficient evidence for our conclusion; and
- assessed the disclosure and presentation of the Identified Sustainability Information.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Accordingly, we do not express a reasonable assurance opinion about whether the Company's Identified Sustainability Information has been prepared, in all material respects, in accordance with the Reporting Criteria.

Inherent Limitations

In designing these procedures, we considered the system of internal controls in relation to the Identified Sustainability Information and reliance has been placed on internal controls where appropriate. Because of the inherent limitations in any accounting and internal control system, errors and irregularities may nevertheless occur and not be detected.

The absence of a commonly used generally accepted reporting framework or a significant body of established practice on which to draw to evaluate and measure subject matter allows for different, but acceptable, measurement techniques that can affect comparability between entities.

The quantification of the greenhouse gas emissions data underlying the Identified Sustainability Information is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases, and the estimation uncertainty from the measurement and calculation processes used to quantify emissions within the bounds of existing scientific knowledge. This can affect the ability to draw meaningful comparison of the Company's greenhouse gas emissions over time.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Identified Sustainability Information for the year ended 31 December 2023 is not prepared, in all material respects, in accordance with the Reporting Criteria.

Purpose and Restriction on Distribution and Use

This report, including our conclusion, has been prepared solely for the Company in accordance with the letter of engagement between us. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company for our work or this report.

Yours faithfully

PricewaterhouseCoopers LLP

PricewaterhouseCoopers LLP
Public Accountants and Chartered Accountants
Singapore
5 March 2024

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

12 Marina Boulevard, Marina Bay Financial Centre Tower 3, Singapore 018982
Tel: (65) 6878 8888 www.dbs.com Co. Reg. No. 199901152M

@dbs.sg @dbsbank DBS Bank