

**ANNUAL GENERAL MEETING TO BE HELD ON 31 MARCH 2022
RESPONSES TO ADDITIONAL SUBSTANTIAL AND RELEVANT QUESTIONS
RECEIVED FROM SHAREHOLDERS**

31 March 2022 – DBS Group Holdings Ltd (“**DBSH**”) would like to thank DBSH’s shareholders for submitting their questions in advance of DBSH’s 23rd Annual General Meeting which will be convened and held by electronic means on Thursday, 31 March 2022 at 2:00pm (“**2022 AGM**”).

Responses to questions submitted by shareholders up till 25 March 2022

Please refer to the responses which were published on our corporate website¹ and SGXNet on 28 March 2022.

Responses to additional questions submitted by shareholders

We have set out in the Appendix our responses to the additional questions received up till **2pm on Monday, 28 March 2022**.

¹ <https://www.dbs.com/investors/agm-and-egm/default.page>

APPENDIX

RESPONSES TO ADDITIONAL QUESTIONS RECEIVED FROM SHAREHOLDERS

Sustainability:

- 1. Please state when you expect to introduce short- and medium- term targets for financed emissions with minimum reliance on Carbon Capture and Storage (CCS), covering both lending and underwriting.**

We plan to publish a white paper with medium- (e.g. 2030) and long-term (2050) decarbonisation targets for nine priority sectors in our portfolio in the second half of this year.

In determining the scope of our net-zero coverage, we aim to include financed emissions associated with our lending and syndicated finance business. The coverage may vary by sector depending on the materiality of the sector in our overall emissions profile.

We aim to reach net-zero targets through a variety of measures in an “action hierarchy”.

For example, in the power sector, we will support as many conventional power generation clients towards a credible net-zero plan, principally through a shift to renewable energy. We will support initiatives on commercialisation of carbon capture, utilisation and storage (CCUS) or co-firing with hydrogen by around 2040. However, this by no means relies on CCUS as the primary solution to reach net-zero targets.

- 2. Please state when you expect to introduce short- and medium- term targets for stronger sector specific Paris-aligned pathways, with explicit minimum standards for financing and capital market activities that include:**

- **For oil and gas, policy with clear restrictions on new exploration**
- **For coal, policy that covers coal-related infrastructure and services**
- **For coal, policy prohibiting current clients from investing in new coal plants**

As a supporter of the Net Zero Banking Alliance (NZBA) since October 2021, we are obliged to report our interim targets and plans within 18 months of joining as the exercise to measure and account for greenhouse gas emissions and set up sector-specific targets takes time. Notwithstanding that timeline, we are currently working on establishing credible science-based pathways for all nine priority sectors to set nearer term financed emission targets for our portfolio. We plan to publish a white paper in the second half of this year with medium- and long-term decarbonisation targets for these select sectors, including for oil and gas and power generation.

Specific policy restrictions will form part of our sector-specific strategies to reach our net-zero ambition.

Per NZBA's guidance, by the time net-zero is achieved, all material attributable emissions should be covered. At present, NZBA advises that off-balance sheet activities, including facilitated capital markets activities, will be considered in the next version of the UNEP FI Guidelines for Climate Target Setting for Banks. DBS plans to include capital markets activities for target setting at a later stage when the accounting methodology for the banking industry reaches a consensus. Moreover, DBS already considers the climate and broader ESG impacts of our on- and off-balance sheet activities, and evaluates our participation accordingly.

3. Please state when you expect to introduce ongoing reporting that covers:

- **Performance against financed emissions targets**
- **Summary reporting for client engagement on approaches to transition**

We are committed to continually improving our disclosures. As such, we will provide regular updates, for instance as part of our TCFD reporting, on (i) our performance against financed emissions targets, and (ii) our client engagement on approaches to transition. As a first step, we also plan to publish a white paper in the second half of this year, which will comprise with medium- and long-term decarbonisation targets for the select sectors.

Financials/Business-related:

4. Two significant full repayment of non-performing assets had been full repaid in Q4. What is the total loan amount? What is the amount of write-back on specific allowance?

The two non-performing assets totalled close to SGD 500 million. As they were largely secured, specific allowances amounting to around 10% of the amount had been taken earlier and were written back on their full repayment.

5. Does DBS provide crypto currencies trading/derivatives to customers?

The DBS Digital Exchange is a members-only exchange (for institutional and accredited investors) that offers a secure spot trading service between four fiat currencies (SGD, USD, HKD and Japanese Yen) and four crypto coins (Bitcoin, Bitcoin Cash, Ripple, Ethereum). At this point, we do not offer crypto derivative trading services.

Eagle Hospitality Trust:

6. (a) Please refer to DBS Annual Report 2021 as well as company announcement on 29 Mar 2021 regarding “Annual General Meeting to be held on 30 March 2021. Responses to substantial and relevant questions received from: (1) the Securities Investors Association (Singapore); and (2) DBS shareholders”. The response to Q1 under “Others” section in the said 29 Mar 2021 company announcement merely stated that “DBS’s aggregate equity exposure to EHT is SGD 34 million”, hence it did not fully answer my question (Q1) last year. Please share the number of units DBS had at time of Eagle Hospitality Trust (EHT) IPO, when its listing unit price was US\$0.78/unit. (Note: Please kindly provide the response in units; NOT USD or SGD.)
- (b) Please share the number of units DBS had at time of trading halt of EHT, when market unit price was US\$0.137/unit. (Note: Please kindly provide the response in units; NOT USD or SGD.)
- (c) Have MAS and SGX RegCo approached DBS to render assistance in the investigations of failure of US\$677 million (S\$0.93 billion) EHT IPO?
- (d) Given the losses suffered from its equity exposure by DBS, what mistakes have the Board and Audit Committee each made in taking up equity exposure in EHT?
- (e) Can the Board and Management confirm that DBS has not approached CapitaLand for help?
- (f) Did DBS opt out to release the Released Parties?
- (g) Please share the aggregate debt exposure DBS had at time of EHT IPO (Note: Please provide the response in USD instead of SGD.)
- (h) Please share the aggregate debt exposure DBS had at time of trading halt of EHT (Note: Please provide your response in USD instead of SGD.)
- (i) Have MAS and SGX RegCo approached DBS to render assistance in the investigations with regards to its debt exposure of as much as US\$341 million in EHT?
- (j) Given the losses suffered from its debt exposure, what mistakes have the Board and Audit Committee each made in taking up debt exposure in EHT (e.g. becoming a part of the loan syndication)?

Debt and Equity Exposures to EHT

We had stated in 2021 that DBS has equity and debt exposures to EHT.

DBS’ equity exposure comes from underwriting the EHT IPO and proprietary investments. At the time of the voluntary trading suspension of EHT in March 2020, DBS held 37 million EHT stapled securities at a cost of SGD34 million.

DBS had a debt exposure of the principal amount of USD36 million. DBS participated in the USD341 million secured syndicated loan facilities granted to EHT at the time of the IPO and its debt exposure remained unchanged at the time of the filing by EHT for insolvency protection under Chapter 11 of the US Bankruptcy Code .

DBS' debt and equity exposures to EHT were undertaken as part of DBS' ordinary course of business. All exposures have been appropriately accounted for and impairment taken, where necessary. All decisions were taken by DBS senior management pursuant to the authority delegated by the DBS Board.

Other Queries

- (a) Regarding investigations, DBS will co-operate fully with any investigations conducted by regulatory authorities. Investigations conducted by regulatory authorities are however confidential and DBS does not comment on them.
- (b) Regarding entities EHT approached to solicit interest in the restructuring and recapitalisation of EHT, EHT had stated in the Circular for the Extraordinary General Meeting held in December 2020, that Moelis & Company had contacted more than 180 qualified parties. The qualified parties included real estate focused asset managers, global multi-strategy asset managers, publicly traded REITs, high net-worth investors, sovereign wealth funds, and private equity investors primarily in the US and Asia.
- (c) Regarding the opt-out under the Chapter 11 Plan, DBS Bank Ltd did not opt out of giving releases in favour of the Released Parties as defined in the Chapter 11 Plan. For the avoidance of doubt, "Released Parties" does not include Urban Commons LLC and its affiliates, including Taylor Woods and Howard Wu.