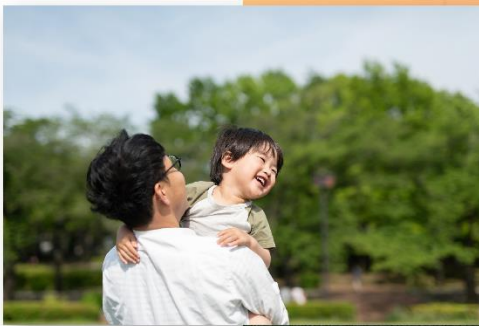




SCB... WAYS TO BE SUSTAINABLE TOGETHER



SUSTAINABILITY POLICY

**Siam Commercial Bank Public Company Limited
And Its Financial Subsidiary**

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RATIONALE

Established over a hundred years ago as the first Thai bank, Siam Commercial Bank (SCB) is committed to conducting business responsibly for the benefit of society, and aims to strengthen the financial and banking system of the country while helping drive the economy to stability and prosperity, uplifting the nation's quality of life.

SCB understands that its longevity and stability is a result of dedication from employees, trust from customers, collaboration from partners and support from stakeholders. These are essential force that lead to Bank to remained committed to conducting business responsibly and continued to create values to society.

For SCB, sustainability and responsibility to society not only mean delivering satisfactory returns to shareholders, but also harnessing the ability to effectively respond to customer needs, taking care of employees, supporting partners and suppliers while improving the well-being of society and the environment, in hope to create inclusive growth.

Nevertheless, a constantly changing world, an increasingly global economy, rapid technological developments, the transition to a digital economy, changes in consumer behaviors, climate change, and shifts in regulations have all led the Bank to reexamine its business model and approach in order to prepare, adapt, and operate in the new context while maintaining its commitments to creating value for all parties, leveraging the Bank's ability to compete in the long run and become Bank of the Future.

The abovementioned economic challenges, social change and environmental degradation, and issues relating to governance all impact the Bank's sustainability. The Bank has then adopted a sustainability policy to guide its business approach and operations and its treatment of employees in order to become 'Most Admired Bank' by ensuring inclusive growth as well as to help support the United Nations Sustainable Development Goals (SDGs).

SCOPE

This Policy and its implementation apply to SCB and its financial subsidiaries. Nevertheless, the financial subsidiaries can apply and adopt the policy as deemed appropriate.

SUSTAINABILITY GOVERNANCE

To ensure adherence to the policy with systematic deployment, the Bank has specified the following governance structure:

Board of Directors are responsible for the overall direction toward sustainability, with the role and responsibility to approve the Bank's sustainability policy and strategic direction.

The Executive Committee, chaired by the Chief Executive Officer, is tasked with the following roles and responsibilities:

- 1) Endorsing policy and strategy and proposing them to the Board of Directors for approval.
- 2) Overseeing the Bank's sustainability policy, plans and implementation.
- 3) Endorsing sustainability performance before reporting to the Board of Directors, at least on an annual basis.

The Sustainability Steering Committee, chaired by the President, is tasked with the following responsibilities:

- 1) Reviewing the Policy and strategic direction before presenting them to the Executive Committee or other relevant committees.
- 2) Supporting policy implementation and providing guidance for improvement.
- 3) Monitoring and assessing performance against targets on a quarterly basis and reporting to the Executive Committee at least twice a year.
- 4) Appointing special task forces to manage new and emerging sustainability issues as appropriate.

The Corporate Sustainability Division under the Strategy Group is responsible for coordinating and driving performance.

SUSTAINABILITY COMMITMENT

SCB's journey to sustainability is driven by its commitment to strengthening economic stability and creating value for society while conserving the environment. Accordingly, the Bank has established a sustainability mission under an 'Our Presence Contributes to a Better Future for All' concept, steered by three key pillars: Sustainable Finance, Creating Social Impact, and a Better Environmental Future. These components demonstrate that **SCB** is not only the name of the first Thai bank, but also the ways to be sustainable together.

Sustainable Finance

- **Sustainable financial solutions, responsible lending, and investment** The Bank will integrate environmental, social, and governance considerations into key product and service development, including lending and investment processes, in order to respond to the distinct needs of its customers while managing environmental and social impacts.
- **Financial empowerment:** The Bank will promote inclusive financial accessibility as well as build financial skills for customers and the general public, particularly for vulnerable groups. At the same time, the Bank will continue to build a financial ecosystem which aids sustainable development to help alleviate economic division, improve the well-being of the nation's people, and build inclusive growth.

Creating Social Impact

- **People's potential:** While placing importance on creativity and life-long learning, the Bank will uplift and equip employees and Thai people with the readiness to upskill, reskill, and develop technological skills with flexibility and resilience. These skills are fostered through the SCB new way of learning and working, which prepares employees to be ready for career advancement whilst adding value to the business and its society.
- **Society's well-being:** The Bank will place importance on holistic community and social development by concentrating efforts on providing age-appropriate learning, maintaining good health, and career and income security with good livelihoods amid a good environment. Efforts also include procuring assistance to help alleviate suffering caused by disasters. This is accomplished by working with different organizations and partnerships on the basis of meaningful engagement with the community and employees in order to create sustainable value for society.

Better Environmental Future

- **Risk management and climate resilience:** The Bank will perform an analysis of climate change risks and their impact upon the Bank's portfolio while developing products and services that incentivize adaptation to climate change in order to create balance in risk management and business opportunities, while at the same time supporting the transition to becoming a low-carbon society.
- **Reducing environmental footprints:** The Bank will improve energy efficiency, environmental resource consumption, and waste management by adopting the 3R principles (Reduce, Reuse, Recycle). At the same time, the Bank will also seek to reduce energy consumption and sources of pollution caused by transportation and commuting while working with vendors in improving their environmental performance and promoting sustainable procurement, as appropriate.

The Bank believes that the journey to sustainability must be on the basis of ethics and integrity, and engagement and responsibility, by conducting business and strengthening the foundation of in two following dimensions.

- **People and Culture:** SCB will promote the equal and fair management of human resources while fostering people engagement that supports sustainable development by concentrating its efforts on building a customer-centric culture, innovation, speed, and risk management as guided by SCB core values.
- **Governance, Risk Management and Compliance (GRC):** The Bank will continuously communicate and promote group-wide compliance with policies and procedures, such as the SCB Financial Group Code of Conduct, the Corporate Governance Policy, Anti-Corruption and Bribery Policy, Human Rights Policy, as well as other relevant laws and regulations.

POLICY IMPLEMENTATION

To promote and support the implementation adhering to Sustainability Policy, the Bank has laid out the following '5C' approach:

- **Compliance:** Conducting business and performing assigned duties in compliance with guidelines specified in the Bank's code of conduct, regulations and procedures, and important notices, as well as laws and guidelines, specifically those enacted to regulate the conduct of financial institutions or those aligned with global practices.
- **Capability Development:** Organizing training and learning in different forms to build awareness and communicate the importance of conducting business responsibly among employees. SCB hopes to build its employees' knowledge, understanding, and capability in order to support the Bank's operations in terms of sustainability, while adhering to global sustainability practices.
- **Customer and Stakeholder Engagement:** Building meaningful engagement with customers and relevant stakeholders through designing products and developing processes, products, services and other activities to meet the needs of customers and create value for stakeholders while continuously improving the Bank's operations.
- **Collaborative Partnership and Public Policy:** Initiating partnerships in order to develop an inclusive and sustainable financial ecosystem and supporting public policy implementation for economic, social, and governance issues impacting the finance and banking industry.
- **Communications:** Monitoring and reporting progress to executives and relevant committees while communicating to employees and the general public the policies, targets, approaches, initiatives, and performance as specified in the sustainability policy.

POLICY REVIEW

To maintain alignment with the Bank's current and future strategy as well as implementation, this sustainability policy will be reviewed at least on an annual basis. The Board of Directors has delegated the approval authority to the Executive Committee to review and approve the policy. Nevertheless, significant change to the policy will be presented to the Board of Directors for approval.

RELEVANT POLICIES

The Bank's sustainability commitments are also demonstrated through various management policies, such as:

- SCB Financial Group Code of Conduct
- Corporate Governance policy
- Anti-Corruption and Bribery Policy
- Anti-Money Laundering, Counter-Terrorism and Proliferation of Weapon of Mass Destruction Financing Policy
- Human Rights Policy
- Environmental Management Policy
- SCB Supplier Code of Conduct
- Responsible Investment Advisory Policy