



**SCBX GROUP
IMPACT VALUATION
REPORT 2024**



OUR APPROACH

Impact valuation is a cornerstone of SCBX's commitment to sustainability, showcasing its dedication to societal progress, environmental stewardship, and the advancement of sustainable finance. This commitment is in harmony with international sustainability objectives and bolsters SCBX's commitment as a pioneer in sustainable practices. The valuation process is pivotal for pinpointing opportunities to amplify externalities either positive or negative ones, thereby fostering sustainable development and exemplifying responsible corporate conduct.

The methodology for impact valuation is structured around four principal stages: Frame, Scope, Measure & Value, and Apply. This approach is aligned with the Natural Capital Protocol, Social Capital Protocol, and Impact Reporting and Investment Standards (IRIS), facilitating the identification of potential environmental and social impacts, encompassing both direct and indirect effects.

Given that impact valuation is a relatively nascent concept, SCBX has initiated pilot case on FINNIX Bewinged, a nano finance product by MONIX, to apply and refine this valuation process.

By adopting this framework, SCBX not only solidifies its understanding on stakeholders' impact but also aligns with global sustainability benchmarks, affirming its resolve to generate enduring value for all stakeholders.

IMPACT VALUATION PROCESS

FRAME

Identify risks and opportunities for external stakeholders resulting from the relationships with natural, social and human capital together with the positive/negative impact on external stakeholders from materiality analysis and explore how an assessment would be relevant to decision making.

SCOPE

Identify the objective of the assessment and conduct a materiality process to select the most relevant impacts and dependencies from the perspective

Measure and Value

Use relevant approaches to measure and quantitative value the costs and benefits resulting from material impacts and dependencies on natural and social capital.

APPLY

Interpret, validate and verify the assessment process and results and integrate them into existing business processes to inform decision-making.

The logo for MONIX, featuring the word "MONIX" in a bold, sans-serif font. The letter "O" is highlighted in a teal color, while the other letters are in a dark grey.The logo for FINNIX, featuring a square icon with diagonal lines in blue and orange, followed by the word "FINNIX" in a bold, sans-serif font. The letters "F", "I", and "N" are in orange, while "N", "I", and "X" are in blue.The logo for SCBX, featuring the letters "SCBX" in a bold, sans-serif font, with a small "x" superscripted to the right.

920,000
underserved customers,
a 42%
increase from 2022

NPL ratio below
1%

9,577
million Baht
of total lending,
66%
increase from 2022

with a total of
4.65
million transactions





'FINNIX' by MONIX

MONIX is a joint venture company of SCBX and China's fintech unicorn Abakus Group with a vision to 'create opportunities for people to prosper and enjoy life.' With a mission to promote financial inclusivity, MONIX offers AI-lending as nano finance credit within 100,000 THB via the 'FINNIX' application. The target customers are individuals with monthly incomes starting from 8,000 THB and those without pay slips, aiming to help the underserved gain legal access to amortized loans at a fair interest rate. To ensure the financial well-being of the customers, the app also offers other features such as FINNIX Coin that help shape better financial behavior, FINNIX Deals and Jobs that help customers earn extra income and reduce the expense in their daily life, and FINNIX financial literacy edutaining contents that help them build a strong foundation of their financial life.

2023 VALUE CREATION OF 'FINNIX BEWINGED' SCB^x

	Impact 1	Impact 2
Material Issue for External Stakeholders	Financial inclusion and Literacy	Climate Action and Net Zero Emission
Category	Society and Community Relations	Climate Transition & Physical Risks
Cause of the Impact	Products/Services	Products/Services
External stakeholder(s)/ impact area(s) evaluated	<ul style="list-style-type: none"> • Society • Consumer/end-user 	<ul style="list-style-type: none"> • Environment • Society • Consumer/end-user
Topic relevance on external stakeholders	Providing access to nano finance helps underserved groups avoid stress and stress-related health issues caused by debt traps and financial burdens.	The offered digital lending application helps reduce transportation emissions by eliminating physical visits to banks, supporting sustainable environmental practices.
Output Metric	Total Target Stakeholder Spending	GHG Emission Avoided
Impact Valuation	Health costs caused/avoided	Social cost caused/avoided
Impact Metric	Reduction of health costs by 2,663 million THB	Social cost of carbon avoided: 860 million THB

2023 EXTERNAL IMPACT VALUE FROM 'FINNIX BEWINGED' ACTIVITIES

Input	Activity	Output	Impact	SDGs	IRIS Metric
<ul style="list-style-type: none"> Costs for app development and maintenance Costs for marketing Personnel costs and hours 	<ul style="list-style-type: none"> Development and maintenance of digital platform (FINNIX) Marketing efforts Organizing financial literacy awareness raising campaigns 	<p>159,634 customers can reduce stress and improve mental health (20% of 798,170 customers)*</p> <p>9.65 million online transactions (including repayments and disbursements), eliminating the need to travel to a physical location. This reduces fuel consumption and greenhouse gas (GHG) emissions from both personal and public transportation.</p>	<p>Social impact: The reduction in stress are experienced by customers who have access to emergency funds compared to those without any financial support. This help reduce the health cost from stress or other health issues from stress at average of 16,680 THB/person/year or approximately 2,663 million THB in total.</p> <p>Natural impact: Social cost of carbon reduced from avoiding traveling to physical location is approximately 860 million THB.</p>	   	<ul style="list-style-type: none"> IRIS, 2021. Target Stakeholder Spending: Total (PI9626). v5.2. IRIS, 2021. Greenhouse Gas Emissions: Total (OI1479). v5.2.

Note: From collecting data, it was found that a typical initiative project could impact 10-30% of the population. These citations are based on reports from UN Global Compact, BSR, and other corporate social responsibility organizations, which often cite impact figures from this period. However, in this evaluation, the average value of 20% was selected.

DISCLAIMER

It is important to note that while efforts have been made to ensure the accuracy and reliability of the data used, the results should be interpreted with caution. The impact valuation is based on available data and assumptions that may not fully capture all variables or potential outcomes. The findings and conclusions presented in this report are subject to change as more information becomes available or as methodologies evolve.

The impact assessment is intended to provide a general understanding of potential benefits and drawbacks and should not be considered definitive or exhaustive. Stakeholders are encouraged to consider these findings as one part of a broader decision-making process and to seek additional information and perspectives where necessary.