



# 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.

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.

# SCBX

# 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.

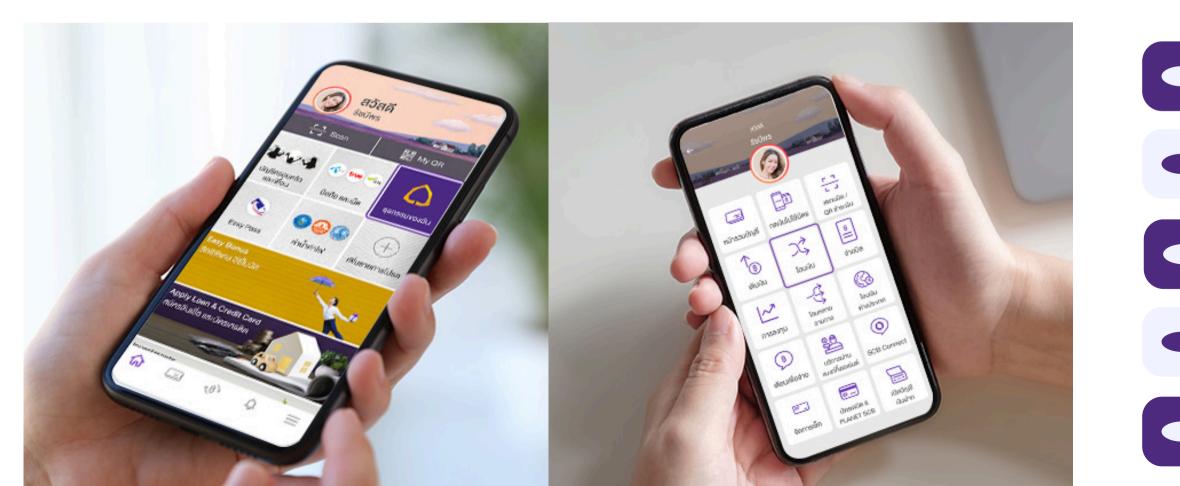


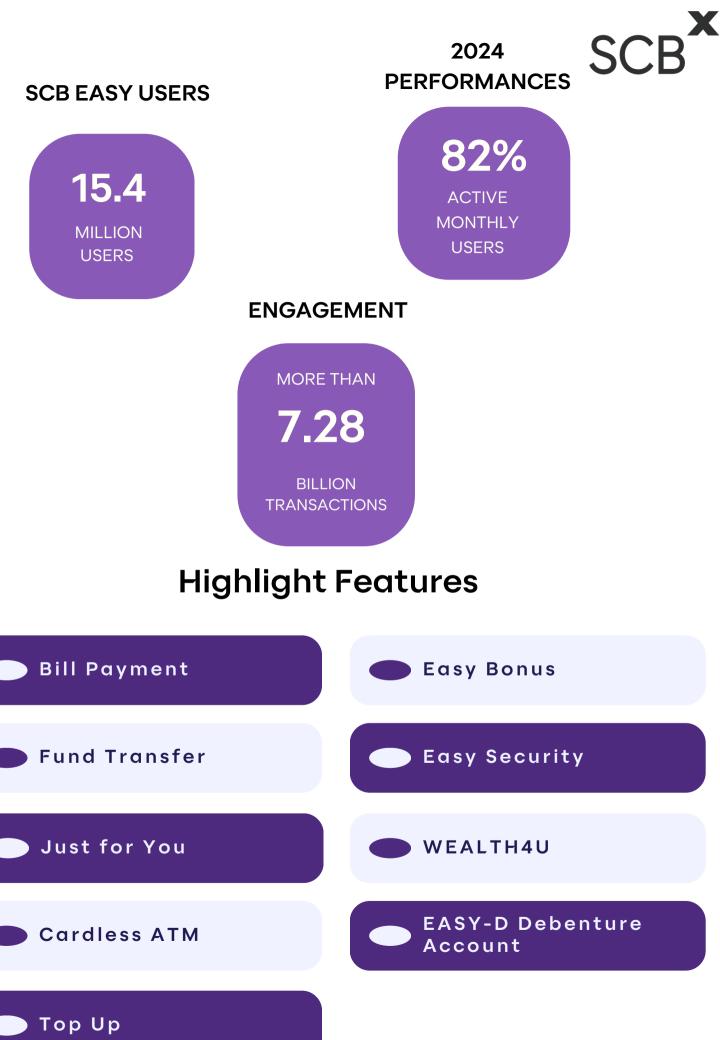


## **Championing Inclusive Financial Access**

SCB Easy, the mobile banking application developed by Siam Commercial Bank (SCB), offers a wide range of digital banking services designed to make financial transactions seamless, secure, and accessible anytime, anywhere.

SCBX Group by SCB pursues better customer experiences by ensuring seamless access to basic financial services for individual customers and small businesses. This mission is driven by continuous improvements to financial features, innovative services, and system security of SCB EASY mobile banking platform for a safe and reliable user experience.





## **2024 EXTERNAL IMPACT VALUE**

#### **IMACT from SCB EASY**

The offered digital financial service application, SCB EASY application, helps encourage financial inclusion in remote or underserved areas, supporting social and communal sustainability and reduce transportation cost by eliminating physical visits to banks, increased access to financial service without incurring travel costs.

Input	Activity	Output	Impact
<ul> <li>Costs for app development and maintenance</li> <li>Costs for marketing</li> <li>Personnel costs and hours</li> </ul>	<ul> <li>Development and maintenance of digital platform</li> <li>Marketing efforts</li> <li>Organizing financial literacy awareness raising campaigns</li> </ul>	15.4 million distinct retail customer who have transaction in 2024	Social impact: Avoided travel costs f lost approximately 29 THB.

Remarks

- It was found that a typical 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, a 10% value was chosen to maintain a conservative approach.
- According to the interview, the cost of travel can be estimated using the rates for available transportation services. One trip of transportation, including local public bus, taxi, BTS, MRT, etc., typically costs around 8-25 Baht. The cost of 8 Baht was chosen to maintain a conservative approach for this evaluation. It is also estimated that within a year, the customer must visit the bank at least 1 time a month as a baseline scenario. Therefore, it is calculated as a travel expense of 192 Baht per person per year.



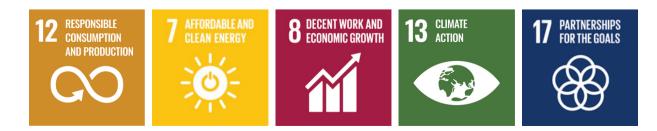


# **Sustainable Finance**

52,274 million Baht of approved loans (18.5% of total approved loans for corporate clients) **20** corporate clients

### Creating a sustainable society

As a financial intermediary to mobilize funds for economic and social development, SCBX Group by SCB recognizes the essence of overseeing risks and seizing opportunities in sustainable finance-which not only serves as a critical tool for addressing urgent global and national challenges but also aligns the Bank's growth strategy with a rapidly evolving business landscape. SCBX remains steadfast in its commitment to assisting Thai businesses-from small and medium-sized enterprises (SMEs) to large corporations-and empowering individuals in the transition to a low-carbon economy and society, while fostering opportunities for inclusive growth.





### 930 million Baht of approved loans (1.3% of total approved loans for clients) 191 SMEs and SSMEs clients

## Achieved **96%** of the **150,000** million goal set for 2025

2024 **Performances** 

## 2024 External Impact Value

#### **IMPACT from SCB Sustainable Finance**

Our renewable energy loans for corporate customers as part of Sustainable Finance contribute to positive environmental and social impacts. We promote renewable energy businesses by supporting loans for investment in the production and transmission of electricity from renewable energy sources both domestically and internationally. Financing these renewable energy sources will not only help mitigate negative climate impacts to society, businesses, and supply chain, but also improve quality of life for people living rural and remote areas who lack of access to traditional electricity

Input	Activity	Output	Impact
<ul> <li>Costs of Fund</li> <li>Costs for marketing</li> <li>Personnel costs and hours</li> </ul>	<ul> <li>Client engagement</li> <li>Marketing efforts</li> <li>SCB EIC research</li> </ul>	6,849 MW of renewable installed capacity financed via sustainable finance which have already achieved commercially operational (Accumulation from 2022- 2024) (approx. GHG emission avoided 8,893,325 tCO2e) Financed renewable energy consists of Solar – 1,490 MW Wind – 1,677 MW Hydro – 3,682 MW	Environmental impact: Social cost of carbon av approximately 59 billion (Accumulation from 202

- Remarks
- GHG emissions reduction (avoided) was estimated following T-VER-S-METH-01-01, Version 2 methodology by Thailand Greenhouse Gas Management Organization (TGO)
- Capacity factor for renewable energy power plant are referenced from "Capacity factors for electrical power generation from renewable and nonrenewable sources", Natanael Bolsona, Pedro Prieto, and Tadeusz Patzeka, Edited by Alexis Bell, University of California, Berkeley, CA; received March 28, 2022; accepted August 18, 2022
- Social cost of carbon at 190 USD/tCO<sub>2</sub>e is referenced from EPA Report on the Social Cost of Greenhouse Gases: Estimates Incorporating Recent Scientific Advances, November 2023





## 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.



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