

SCB^x

SCB^x Group

**SUSTAINABILITY
POLICY**

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Our Sustainability Mission

**OPPORTUNITIES
FOR EVERYONE,
POSSIBILITIES
EVERYDAY**

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SCBX Group Sustainability Policy

1. Rationale

SCB X Public Company Limited ("SCBX"), as the parent company of the SCB X financial group ("SCBX Group"), envisions becoming "The Most Admired Regional Financial Technology Group." The Company is committed to conducting its business by integrating environmental, social, and governance (ESG) considerations into strategy formulation, risk management, and business decision-making. The Company has also established its sustainability mission to drive sustainable business growth while creating positive change for customers, society, and the planet.

SCBX Group is committed to creating long-term value through responsible business practices, taking into consideration the need to maintain a balance between business operations and the management of environmental and social impacts, as well as applicable sustainability-related laws, regulations, standards, and practices, to support the achievement of the United Nations Sustainable Development Goals (SDGs) and the goals of the Paris Agreement.

2. Scope

This Sustainability Policy applies to the business operations of SCBX Group, comprising SCB X Public Company Limited, its subsidiaries, associated companies and joint ventures over which SCBX exercises control (hereinafter collectively referred to as the "Group Companies" for subsidiaries, associates, and joint ventures over which SCBX has control), as well as all directors, executives, and employees of SCBX Group. The Group Companies may apply the principles of this Policy as appropriate and in accordance with their respective business contexts.

3. Objective

This Policy establishes a framework for sustainability management within SCBX Group, providing the basis for managing material sustainability issues and for systematically and effectively monitoring and reporting progress against them. The Group Companies are responsible for appropriately managing and overseeing their respective sustainability matters in accordance with their authorities, responsibilities, and governance structures, to support performance in line with SCBX Group's sustainability strategies and targets.

4. Sustainability Governance

To ensure that the management of matters across SCBX Group is carried out in accordance with this Policy and with systematic continuity, SCBX has established the following sustainability governance structure:

Board of Directors

- Considers and approves the sustainability policy, strategic framework and direction, and annual sustainability reports

- Oversees and monitors SCBX Group's overall sustainability exposure and performance, to ensure alignment with its business strategy and direction

Sustainability Committee

- Reviews and endorses the policy, including the sustainability strategic framework and direction, prior to submission to the Board of Directors for approval
- Reviews and endorses the annual sustainability report prior to submission to the Board of Directors for approval
- Approves targets, plans, and budgets aligned with the Sustainability Policy
- Approves other sustainability-related reports, such as climate change reports
- Establishes the structure and oversees the sustainability management processes of SCBX Group, including approving the appointment of working groups to drive sustainability policies, strategies, and targets across the relevant sustainability pillars

Strengthens organizational culture and promotes the development of sustainability knowledge and expertise among executives and employees at all levels, to support the successful management of SCBX Group's material sustainability issues

Executive Committee

- Considers and provides opinions and recommendations on policies, as well as the sustainability strategy framework and direction, where such proposed policies or changes thereto may have a material impact on business strategy and operations.

Management Committee

- Reviews and provide views on the policy, including the sustainability strategic framework and direction, prior to submission to the Sustainability Committee or other relevant committees for endorsement
- Monitors and evaluates sustainability performance against key sustainability targets, considers corrective actions where performance falls short of targets, and reports to the Sustainability Committee at least twice a year
- Oversees and drives the implementation of sustainability policies, strategies, and targets to ensure consistency across SCBX Group

Sustainability Function

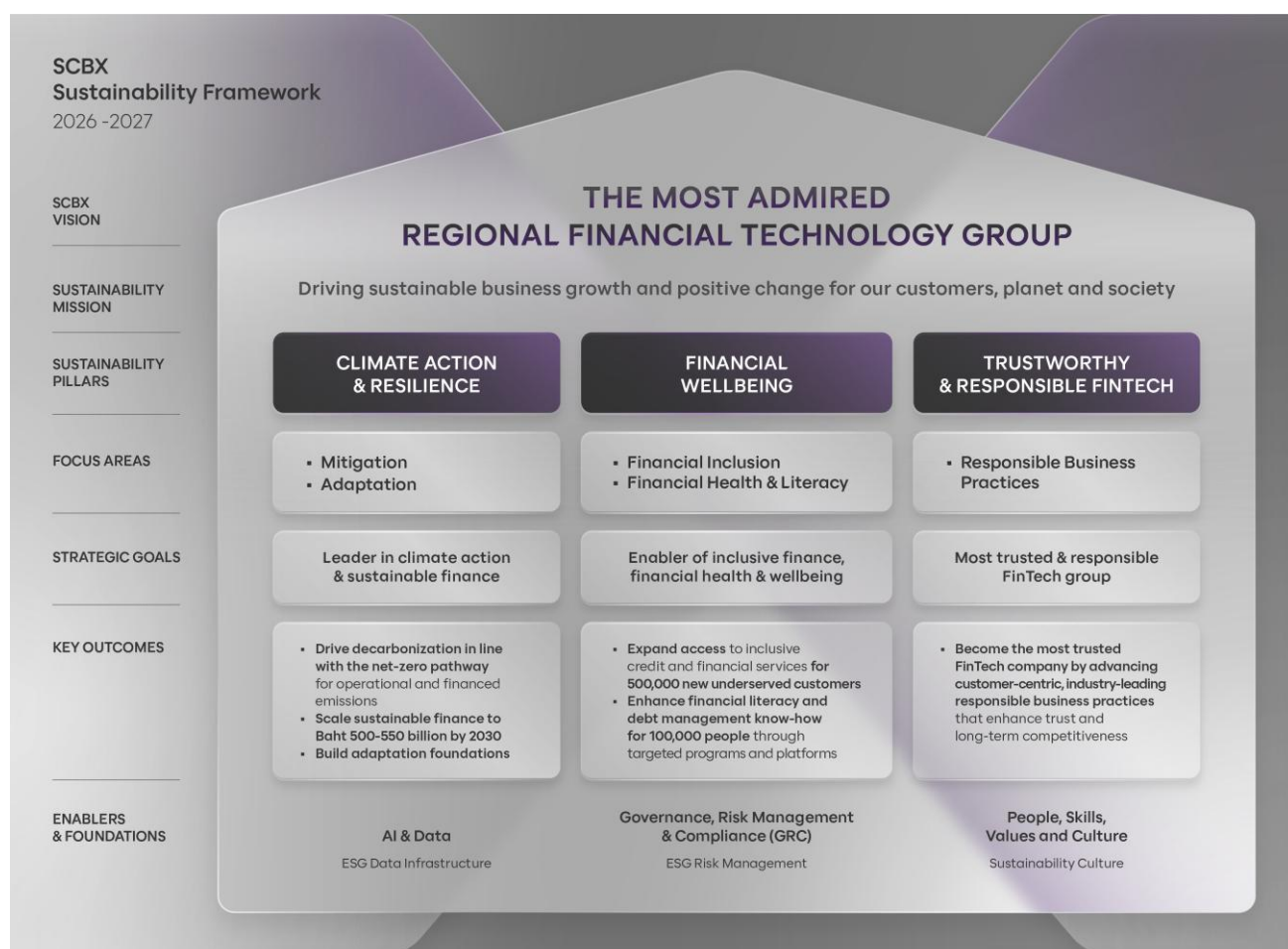
- Supports the Sustainability Committee in the performance of its duties, with the Chief Sustainability Officer serving as Secretary to the Sustainability Committee by virtue of position
- Has overall responsibility for coordinating and driving SCBX Group's sustainability policy, strategic framework, targets, and sustainability performance in line with the defined direction
- Coordinates and supports the development of sustainability targets and plans together with relevant units and subsidiaries, prior to submission to the Management Committee for views and recommendations
- Coordinates and supports Group-level sustainability initiatives through relevant mechanisms and working groups, such as the Sustainability Working Group, and works with relevant units to review and improve sustainability policies, strategies, and approaches

- Monitors, analyzes, and consolidates sustainability performance against targets, develops observations and recommendations to support performance improvement, and reports progress to relevant committees on a defined schedule
- Prepares the annual sustainability report and other related sustainability disclosures in accordance with the requirements of regulators, reporting standards, and other relevant international ESG rating and disclosure frameworks
- Promotes the development of sustainability-related knowledge, skills, and expertise within the organization, and provides advice, insights, and recommendations to relevant units to support the direction and management of SCBX Group's material sustainability issues

5. Sustainability Management Approach

- **Materiality Assessment:** SCBX Group assesses risks and impacts on economic, environmental, social and governance aspects to identify the sustainability issues material to its business activities. The assessment informs the development of SCBX Group's sustainability strategy and business plans.
- **Stakeholder Engagement:** SCBX Group provides relevant stakeholders with opportunities to share views and raise concerns through appropriate channels and processes. This input is used to inform the development of policies and management approaches, taking into account stakeholder impacts and expectations.
- **Innovation and Collaboration:** SCBX Group develops financial innovations and digital technologies that support its sustainability objectives, while working in partnership with government agencies, industry representatives, business partners, and related organizations and networks at the national, regional, and international levels to help drive positive change.
- **Disclosure and Transparency:** SCBX Group continues to strengthen the quality and management of its ESG data to support complete, accurate, and reliable disclosure through its annual report and sustainability report. Disclosure is aligned with regulatory requirements, the Global Reporting Initiative (GRI) Standards, and other relevant international sustainability disclosure standards and indicator requirements applicable to each material issue.

6. Sustainability Commitment & Framework



SCBX Group is committed to driving sustainable business growth by integrating ESG considerations into its business strategy and risk management, to support long-term business growth alongside the appropriate management of Environmental, Social, and Governance impacts, and the creation of value for customers, stakeholders, and society.

To this end, SCBX Group has established a Sustainability Strategic Framework that reflects its commitment to strengthening trust and supporting sustainable business growth. This strategic framework comprises three Sustainability Pillars:

Climate Action and Resilience

SCBX Group recognizes its role in supporting Thailand's transition to a low-carbon economy and in building the resilience of the Thai economy to climate-related risk exposure. SCBX Group has therefore set a strategic target to strengthen its role in supporting climate action and sustainable finance, with a focus on mobilizing capital and developing financial solutions and innovations to address customer needs in climate change mitigation and adaptation across the economy, as well as strengthening SCBX Group's climate risk management capabilities.

- **Climate Change Mitigation:** SCBX Group recognizes its important role in supporting the transition to a low-carbon economy and is committed to achieving Net Zero Operational Emissions from SCBX Group's operations by 2030 and Net Zero Financed Emissions by 2050, in alignment with the Paris Agreement. SCBX Group has undertaken

initiatives to support climate change action through key business activities, including the development of Sustainable Finance products, the allocation of capital to green economic activities and activities that support the transition (Green and Transition Finance), as well as supporting customers in managing Transition Risk and reducing greenhouse gas emissions from their business operations. These efforts contribute to reducing greenhouse gas emissions across the Thai economy and advancing the country toward its Net Zero emissions target.

- **Climate Change Adaptation:** SCBX Group recognizes that climate change gives rise to Physical Risk that may affect business operations, as well as the broader economy and society. Accordingly, SCBX Group places importance on integrating climate-related risks into its enterprise risk management framework and supports Group Companies in enhancing their capabilities to assess and manage such risks appropriately, taking into consideration each company's business model and level of readiness. In addition, SCBX Group encourages customers and businesses to prepare for potential impacts by exploring and considering opportunities to provide financing and investment support, and to promote new approaches and technologies that support climate change adaptation, with due consideration given to customers' risk levels, needs, and readiness.

In this regard, SCBX Group recognizes the important role of financial institutions in driving the transition toward a low-carbon economy and an economy that is resilient to climate-related risks. SCBX Group uses sustainable finance as a key mechanism for allocating capital through various forms, such as lending and investment, in accordance with the roles and business models of each Group Company, under the SCBX Group Sustainable Finance Framework¹ to support sustainable growth and the achievement of climate objectives at both national and international levels.

Financial Wellbeing

SCBX Group recognizes the importance of financial inclusion and financial health, which are key factors contributing to wellbeing at both the individual and societal levels. As a supporter of inclusive access to financial and digital financial services, and as a promoter of financial wellbeing, SCBX Group leverages its technological capabilities and service channels to promote financial inclusion, particularly for underserved groups, while working to strengthen the financial health and resilience of its customers and society at large.

- **Financial Inclusion:** Access to financial services in Thailand remains unequal, with certain population groups still underserved and informal workers lacking sufficient tools to build economic resilience. SCBX Group is committed to addressing such limitations through the development of products, services, and financial channels, including loans, deposits, insurance, and digital financial services, in accordance with the roles and scope of business operations of each Group Company. In doing so, SCBX Group takes into consideration the needs and suitability of customer segments and their debt repayment capacity, in accordance with the responsible lending principles and relevant risk management guidelines. In addition, SCBX Group is also committed to

¹ Details of the scope and criteria for Sustainable Finance activities are set out in the SCBX Sustainable Finance Framework and the SCBX Green, Blue and Social Finance Framework.

using data responsibly and leveraging digital technologies to expand access to financial services for target groups, including individuals, micro-entrepreneurs, and small businesses that remain underserved by financial services, while promoting financial management capabilities and strengthening the financial resilience of these target groups.

- **Financial Health and Literacy:** Beyond access to financial services, strengthening financial wellbeing also requires the knowledge, skills, and tools needed to make financial decisions and manage finances appropriately at each stage of life. SCBX Group is committed to promoting financial knowledge and skills tailored to the needs of each target group, covering financial planning, sustainable debt management, protection against fraud and financial scams, digital financial literacy, and financial planning and advisory tools, strengthening decision-making capacity and long-term financial risk management. SCBX Group uses technology and digital platforms to broaden access to financial knowledge and tools for target groups across different life stages and contexts, including students, working adults, retirees, customers, and SCBX Group's own employees.

Trustworthy and Responsible FinTech

Trustworthiness is a fundamental basis for SCBX Group's business operations and long-term growth. SCBX Group is committed to becoming Thailand's most trusted and responsible financial technology group, by placing customers at the center, complying with relevant laws, regulations, standards, and practices, and appropriately managing impacts on stakeholders, in order to maintain trust, confidence, and long-term competitiveness.

- **Responsible Business Practices:** SCBX Group considers responsible business conduct a key principle underpinning its operations, grounded in good governance and business ethics based on integrity, accountability, transparency, and auditability. This covers the use of artificial intelligence (AI) and the protection of personal data, strict responsible lending and customer service practices, robust cybersecurity and digital fraud and scam management, fair customer treatment, anti-bribery and anti-corruption measures, and comprehensive ESG risk management. Responsible business conduct helps maintain and build the trust of all stakeholders, including customers, partners, regulators, and the public, thereby strengthening SCBX Group's reputation and long-term competitiveness.

Enablers & Foundations

Effectively achieving SCBX Group's sustainability mission and objectives depends on three key enabling factors:

- **AI & Data:** Data and AI are powerful enablers in achieving SCBX Group's sustainability mission. SCBX Group continues to strengthen its ESG data infrastructure to support reliable measurement, monitoring and disclosure of sustainability performance, including investment in data quality, data analytics, decision-support reporting systems, and transparent stakeholder communication. SCBX Group also places importance on overseeing the ethical and responsible use of AI and data in the development of financial products and services, to ensure fair treatment of customers and maximize benefits for customers.

- **Governance, Risk Management and Compliance (GRC):** Governance, risk management and compliance form an essential foundation for SCBX Group's responsible business conduct. SCBX Group has integrated these principles into its business governance and management, covering the identification, assessment, and management of ESG risk exposure, such as climate risk and human rights risk, under its enterprise risk management framework. This is grounded in business ethics, applicable laws, regulations, and standards, including environmental and social risk management standards. The Equator Principles are incorporated into the project finance credit assessment process, together with clearly defined processes and responsibilities for relevant parties to ensure rigorous monitoring and verification and to ensure that operations are aligned with and comply with such principles. SCBX Group also regularly reviews and enhances its practices to ensure continued alignment with changes in laws, regulations, standards, and the business context.
- **People, Values, Culture and Skills:** Driving sustainability requires people with the necessary knowledge and skills, supported by values and an organizational culture grounded in sustainable development. SCBX Group places importance on developing human capital alongside strengthening a strong sustainability culture, focusing on building the skills needed for responsible business conduct in the future, in both digital and climate-related capabilities. This includes instilling SCBX Group's core values and responsible practices at every level of the organization through ongoing sustainability and climate-related education and training, alongside promoting diversity, equity, and inclusion, as well as fostering a work environment that supports well-being and respects human dignity. SCBX Group seeks to enhance employees' capabilities to contribute to the achievement of SCBX Group's sustainability objectives.

7. Policy Review

This Sustainability Policy has been approved by the Board of Directors and shall be reviewed at least once a year, or whenever changes occur that may affect its material provisions.

For material policy amendments, the Sustainability Function must submit the proposed amendment to the Management Committee for its views and recommendations. Where such an amendment may have a significant impact on the business, it must also be submitted to the Executive Committee for its views and recommendations, prior to submission to the Sustainability Committee for endorsement and to the Board of Directors for approval.

For non-material policy amendments, the Sustainability Committee is authorized to approve such amendments under authority delegated by the Board of Directors, and shall report the outcome to the Board of Directors for acknowledgment.

8. Relevant Policies

- Environmental, Social and Governance (ESG) Risk Management Policy
- Corporate Governance Policy
- SCBX Financial Group Code of Conduct
- Climate Change and Environmental Stewardship Policy
- Human Rights Policy
- Financial Inclusion and Financial Health Policy
- Occupational Health and Safety Policy



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