

SCB X Public Company Limited

SCB^x



OUR
NEW JOURNEY
BEGINS

Annual Report 2022

SCB^x



1% BETTER EVERY DAY CAN LEAD TO BIG CHANGES.

By Gymaholic



Better Bank

Digitized, higher quality loan book

Higher fee contribution

Leaner cost

The banking business will continue to play a vital role in funding the Group's growth journey in the years ahead. Our Better Bank strategy will improve and lean the Bank along three lines: 1. A more digital bank: We will build on our market leadership in digital banking by offering a more complete range of products and services via our mobile and web platforms, with a simple customer journey. 2. A higher quality loan book: We will continue to tighten our risk-return assessment to optimize our risk-weighted assets. 3. Higher fee income contribution: We will improve our margin by earning a higher share of income from fees, with a focus on Bancassurance and Wealth.





THE MOST SIMPLE THINGS CAN BRING THE MOST HAPPINESS.

By Izabella Scorupco



Inclusive Consumer Finance

Make finance simple, accessible, and affordable

More than half of Thailand's households are denied access to credit. Our strategy is to empower them by using new digital platforms to unlock the opportunity for underserved, lower-income segments. To successfully target these higher-margin segments, we tighten our control of credit risk through technology, which means building AI-enabled models for underwriting and collections. By leveraging alternative sources of user data, our new underwriting models can outperform traditional bank methods in identifying credit-worthy, lower-income customers that can and will repay. Similarly, we use AI-based predictive models to strengthen collections capabilities, from early-stage to post-delinquency.





LIFE IS BETTER WHEN WE ARE TOGETHER.



Purposeful Digital Ecosystem

**Become part of consumers' daily lives
for deeper digital engagement**

Digital has been inevitably woven into our everyday life. We will build broad ecosystems that serve daily needs of our consumers. This will strengthen our engagement with customers and unlock their income potential. One flagship digital platform is Robinhood, a lifestyle super app that provides all kinds of everyday services: food delivery, travel booking, and express delivery. Soon Robinhood will offer ride-hailing service.





THE BEST WAY TO PREDICT THE FUTURE IS TO CREATE IT.

By Abraham Lincoln



Future Finance

Use emerging technologies to future-proof our business

The emergence of a new digital economy will be built around blockchain technology. In the decade ahead, new use cases will reach their maturity and disrupt the financial service industry. Tech paradigms keep evolving, so we cannot achieve exponential growth by thinking in the same old box. A whole new box is needed, because tech transformation has the potential to disrupt our traditional products and services.







ONE PLANET, ONE CHANCE




Sustainable Climate Tech

Net Zero by 2050

Build a new growth engine by providing climate tech solutions and financing as well as a new subscription platform for electric vehicles

As the pressure to transition towards Net Zero accelerates, corporates around the world are seeking ways to achieve decarbonisation and energy transition. We are already committed to reaching Net Zero in our own operations by 2030, and in our lending and investment activities by 2050. These are bold and ambitious commitments, and we are determined to achieve them. Our ultimate aim is to build Climate Tech as a new growth engine, offering technology services and financing support to help customers in their Net Zero journey, thereby creating a unique value proposition.



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2022 Highlights

Total income

Baht

154.4

billion
(+2.7% yoy)

Net profit

Baht

37.5

billion
(+5.5% yoy)

Cost-to-income
ratio

45%

Non-performing
loan (NPL) ratio

3.3%

NPL coverage

160%



Digital users

25

million users*
(+26% yoy)



Net zero commitment

Own operations by

2030

Lending and
investment activities by

2050



Gross merchandise
value (GMV)

of Purple
Ventures

Baht

8.5

billion
(+71% yoy)

* Combined users of all digital platforms under SCBX Group

Message from the Board of Directors



Dear Shareholders,

Following the incorporation of SCB X Public Company Limited in September 2021 and the completion of the share swap process which received impressive support from shareholders with 99.06 percent of SCB shares being swapped into SCBX shares in mid-April 2022, the Company obtained regulatory approvals to operate as a parent company of SCBX Group and to list on the Stock Exchange of Thailand in late April 2022.

The Company has since pressed ahead with its plan towards the vision of becoming “The Most Admired Regional Financial Technology Group.” One of the Board’s top priorities is to establish sound corporate governance structures and policies for SCBX and companies in SCBX Group to effectively direct the businesses of all subsidiaries and associate companies and to monitor business operations and management of its portfolio companies with an aim to preserve the Company’s best interest. At the same time, the Board is committed to driving all companies in SCBX Group to operate with effective

management systems, corporate governance practices, solid business strategies and plans, and rigorous risk management standards. In 2022, the Board deliberated on new domestic and regional fintech investments and business expansion initiatives of companies in SCBX Group in a prudent manner and directed the implementation of investment exit strategies when precarious events are anticipated.

The business landscape in which SCBX Group currently operates is characterized by challenges from rapid changes in digital technology trends, cybersecurity and regulatory rules, and intense competition from existing and new players. Nonetheless, the Board is confident that, with strong support from the shareholders and all stakeholders as well as the Company’s prudent operations, the established business direction will lead to the Company’s success in creating long-term business value and SCBX Group’s standing as a valuable corporate citizen.



Dr. Vichit Suraphongchai

Chairman of the Board of Directors

Letter to Shareholders from CEO

I am excited to see that SCB X PCL is now fully operational following last year's successful share swaps and business transfers, which established SCBX as the mothership of the SCBX Group. I and my management team place great emphasis on communicating the strategy and vision of SCBX to ensure full support from all stakeholders, including regulators, shareholders, staff, customers, business partners and the general public.

SCBX has set its sight on becoming a leader in technology innovation for our rapidly changing society. As chief executive of the group, I will make sure that SCBX lays down the right foundation and infrastructure to sustain competitiveness and respond swiftly to future change.

Why SCBX?

Many people have asked me, "Why SCBX?" When I became CEO of SCB Bank in 2016, I initiated a digital transformation program for the Bank to become more digitalized and innovative. The Group has completed several successful initiatives during its seven years of transformation so far. We overhauled the SCB Easy App to make it one of the most popular mobile banking apps in the country. And we launched several fintech and digital platforms: Robinhood, under Purple Ventures; FINNIX under MONIX; and Money Thunder under SCB Abacus; while SCB 10X has risen to become one of the leading tech venture capital funds in the Southeast Asia.

To further increase Group competitiveness on a sustainable basis and unlock shareholder return, I strongly believe that we need this new setup

positioning SCBX as an investment holding company that seeks to:

- Actively allocate capital to achieve optimum capital efficiency,
- Set a proper governance system as well as value-based incentive schemes to allow portfolio companies to operate with an entrepreneurial mindset,
- Rigorously evaluate performance of portfolio companies, and
- Ensure global regulatory compliance.

Our DNA

I have set the vision for SCBX to be "the most admired fintech group in the region" with a base of 200 million customers and Baht 1 trillion market cap within five years. I do not think that we can get there without changing the DNA of our staff from top to bottom. I aim to cultivate a leading tech company-style DNA throughout the organization, measuring our success by the size of our customer base. The new mindset will be to step out of our comfort zone and experiment with new ideas within a well-defined scope. This will be the key to attract global talent that will help build a new competitive edge for the Group, as well as changing the work style of current employees to be more agile. SCBX as a Group is not just a financial service intermediary but rather a platform that links financial solutions to customers. I am in discussion with leading research institutes and universities to set up a joint innovation lab overseas in order to develop tech solutions that can be applied to the business world.

Our purpose

SCBX sets out to address three global pain points.

- 1. Income inequality:** Our first purpose is to empower the underserved (Financial inclusion). SCBX's digital lending companies leverage advanced data analytics starting from customer acquisition through underwriting and collections, which empowers the low-income segment to gain access to financial products at lower cost.
- 2. Disruptive technology:** I continue to see the emergence of blockchain technology as a major disruptive force in the financial services industry. I want to make sure that SCBX as a Group is ready for this future. The Group's focus will be on the evolution of banking and capital market services using this new digital infrastructure for real use cases, but not direct investment in digital assets.
- 3. Environmental solutions:** Amid pressure to transition toward Net Zero, corporates around the world are seeking ways to achieve decarbonization and energy transition. My plan is to go beyond the Net Zero commitment by 2050 and build a new growth engine by incubating and investing in global solutions to support customers to achieve their transition.

Financial inclusion and environmental concerns are two interlinking pillars. SCBX will address both through our Robinhood platform, a lifestyle super app that will soon introduce a ride hailing service and electric vehicle (EV) subscriptions. Robinhood has a plan to transition all of the riders' vehicles in its ecosystem to EVs in the future. In addition, the EV subscription model will open up significant job opportunities for riders and customers who will be able to own a motorbike without incurring long-term debt.

Execution with prudence

Under the vision to expand and do many new things, I have carefully guided the team to build business with strict financial discipline and be ready to adjust its plans as the environment changes. New investments must be in line with the Group's strategy and quickly add earnings to ensure steady financial performance for the whole Group. The execution will be in three phases.

Phase 1: Building tech foundations (1st and 2nd years)

SCBX has focused on building its core tech and data capabilities and orchestrating synergies to enable and accelerate its portfolio companies through three Centers of Excellence: for Data & AI, Cloud, and Cyber Security. As SCBX adds more companies to its portfolio, these centralized COEs will help support the setup of new or smaller companies to align with Group infrastructure without having to incur high upfront cost. For the banking business, we will continue to advance our strategy of "To Be a Better Bank" that starts to bear positive outcome.

I also put great emphasis on data analytics to create a holistic, 360-degree view of the Group's customers. No matter where the touch points are, customers will receive a consistently pleasant experience throughout the various platforms within the Group, with a single sign-on function.

Phase 2: Delivering growth through scale (2nd and 3rd years)

This is about delivering growth from digital lending businesses to ensure an earnings growth profile for the whole Group. SCBX's regular portfolio company review process is in place to monitor risks associated with the consumer finance segment, in order not to take excessive risk during growth initiatives.

Phase 3: Monetization (4th and 5th years)

The final phase of the five-year plan will see clear strategic changes in banking business and Gen 2 business to bear fruit. I expect that by this time each portfolio company will operate with a solid foundation and high business discipline to achieve high customer satisfaction.

ESG

SCBX is determined to balance economic, social and environmental sustainability factors; guide customers through transitions using all available opportunities and possibilities; enable a quality of life for all; and engage all parties in creating positive impacts on the ecosystem for sustainability. Shareholders may not be aware of the fact that SCB was the first Thai bank to be a signatory of the Equator Principles that apply high standards of environmental and social impact management to project financing. In 2022, the Group has achieved a total value of Baht 121 billion in sustainable finance.

I realized the urgent need to act under the global initiative to reduce greenhouse gas emissions to zero (Net Zero) by 2030 for the Group's own internal operations and by 2050 for all credits and investments. In this regard, the Company has commenced the following operations to achieve the goals of the Net Zero Plan.

- Conduct energy audit for scope 1 & 2 emissions of greenhouse gas emissions
- Prepare GHG Accounting to measure greenhouse gas emissions via loans and investments in each industry (Scope 3)
- Provide financial support to businesses and activities that reduce environmental impact.
- Initiate and support private sector projects (e.g., forest conservation and green area expansion) to build carbon credits.

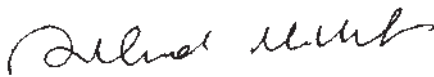
2023 Outlook

I am positive about the prospect for improvement in return on equity in 2023. The banking business, or Gen 1, should continue to deliver solid net profit based on the "to be a better bank" strategy, which has three pillars: digital wealth, loan optimization, and cost leaning. And the ongoing tourism recovery is supportive of the Bank's business.

The two main companies in the Gen 2 group; namely CardX and AutoX, should start to deliver meaningful contributions to the Group's bottom line. CardX's performance for this year will be driven by efficiency improvement, and not so much by growth of the loan book. AutoX, as a new business of SCBX, will drive growth by acquiring a customer base that can grow the loan book under prudent risk measures.

Last, but not least, the 60% dividend payout from 2022 operations that the Board of Directors is proposing to shareholders for approval is to improve capital efficiency under the SCBX structure.

I am grateful for the support you have shown for SCBX.



Mr. Arthid Nanthawithaya

Chief Executive Officer

Board of Directors and Executives

Board of Directors



Mr. Vichit Suraphongchai

Chairman of the Board and
Chairman of the Corporate Social
Responsibility Committee



**Air Chief Marshal
Satitpong Sukvimol**

Director and Member of the
Corporate Social Responsibility
Committee



**Police Colonel
Thumnithi Wanichthanom**

Director and Member of the
Executive Committee



Mr. Apisak Tantivorawong

Independent Director and
Chairman of the Executive
Committee



Mr. Prasan Chuaphanich

Director, Chairman of the Risk
Oversight Committee and
Member of the Technology
Committee



Mr. Kan Trakulhoon

Independent Director, Chairman of
the Nomination, Compensation and
Corporate Governance Committee
and Member of the Executive
Committee



Mr. Pailin Chuchottaworn

Independent Director, Chairman of the Technology Committee and Member of the Executive Committee



Mr. Winid Silamongkol

Independent Director and Chairman of the Audit Committee



Mr. Thaweesak Koanantakool

Independent Director, Member of the Technology Committee and Member of the Nomination, Compensation and Corporate Governance Committee



Mr. Weerawong Chittmittrapap

Director and Member of the Nomination, Compensation and Corporate Governance Committee



Miss Jareeporn Jarukornsakul

Director, Member of the Technology Committee and Member of the Corporate Social Responsibility Committee



Mrs. Pantip Sripimol

Director and Member of the Corporate Social Responsibility Committee



Mr. Chairat Panthuraamphorn, M.D.

Independent Director, Member of the Technology Committee and Member of the Nomination, Compensation and Corporate Governance



Mrs. Kulpatra Sirodom

Independent Director, Member of the Audit Committee Member of the Risk Oversight Committee



Mrs. Nuntawan Sakuntanaga

Independent Director and Member of the Audit Committee



Miss Kulaya Tantitemit

Director and Member of the Risk Oversight Committee



Mr. Arthid Nanthawithaya

Director, Member of the Executive Committee, Member of the Risk Oversight, Member of the Technology Committee and Chief Executive Officer

Executives



Dr. Arak Sutivong
Deputy Chief Executive Officer



Mr. Anucha Laokwansatit
Chief Risk Officer



Mr. Manop Sangiambut
Chief Finance & Strategy Officer



Mr. Nipat Wattanatittan
Chief Business Development Officer



Mrs. Patraporn Sirodom
Chief People Officer



Mrs. Wallaya Kaewrungruang
Chief Legal Officer and
Chief Compliance Officer



Mr. Sutirapan Sakkawattra
Chief Marketing Officer



Mr. Dennis Thorsten Trawnitschek
Chief Technology Officer



Mr. Sathian Leowarin
Chief Sustainability Officer

List of CEOs of Portfolio Companies

	Company	Name	Job title
1.	Siam Commercial Bank Public Company Limited	Mr. Kris Chantanotoke	Chief Executive Officer
2.	Card X Company Limited	Mr. Sarut Ruttanaporn	Chief Executive Officer
3.	Innovest X Company Limited	Mr. Arak Sutivong	Chief Executive Officer
4.	Auto X Company Limited	Mrs. Apiphan Charoenanusorn	Chief Executive Officer
5.	SCB Tech X Company Limited	Mr. Trirat Suwanprateeb	Chief Executive Officer
6.	SCB 10X Company Limited	Miss Mukaya Panich	Chief Executive Officer
7.	Token X Company Limited	Miss Jittinun Chatsiharach	Chief Executive Officer
8.	SCB Abacus Company Limited	Miss Sutapa Amornvivat	Chief Executive Officer
9.	SCB DataX Company Limited	Mr. Yizhak Idan	Chief Executive Officer
10.	MONIX Company Limited	Mr. Qinbin (Jimmy) Fan	Chief Executive Officer
11.	Digital Ventures Company Limited	Mr. Orapong Thien-Ngern	Chief Executive Officer
12.	ALPHA X Company Limited	Mr. Wasin Saiyawan	Chief Executive Officer
13.	Purple Ventures Company Limited*	Mr. Srihanath Lamsam	Chief Executive Officer

* Mr. Kaweewut Temphuwapat was appointed as CEO with effect from February 21, 2023.

5-Year: Key Financial Statistics

Financial Status (Consolidated)

As of December 31,

Unit: Baht billion

	After restructuring		Before restructuring		
	2022	2021	2020	2019	2018
Total assets	3,454.5	3,314.6	3,278.4	2,963.7	3,187.3
Loans	2,377.2	2,301.8	2,255.2	2,113.8	2,140.6
Total liabilities	2,987.8	2,872.0	2,866.6	2,562.9	2,806.4
Deposits	2,555.8	2,467.5	2,420.5	2,159.4	2,159.6
Total shareholders' equity	466.6	442.6	411.8	400.8	381.0

Financial Results (Consolidated)

For the year ended December 31,

Unit: Baht billion

	After restructuring		Before restructuring		
	2022	2021	2020	2019	2018
Total operating income	154.4	150.3	144.8	166.1	138.2
Total operating expenses	69.9	63.6	64.3	70.5	64.6
Operating profit	84.5	86.8	80.4	95.6	73.6
Expected credit loss/ impairment loss of loans and debt securities	33.8	42.0	46.6	36.2	24.0
Income tax and non-controlling interests	13.2	9.2	6.6	18.9	9.5
Net profit (attributable to shareholders of the Company)	37.5	35.6	27.2	40.4	40.1

Remark: The figures from 2020 onward are based on TFRS 9

Key Financial Ratios (Consolidated)

Unit: Percent

	After restructuring	Before restructuring			
	2022	2021	2020	2019	2018
Profitability ratio					
Return on assets (ROA)	1.1	1.1	0.9	1.3	1.3
Return on equity (ROE)	8.3	8.4	6.7	10.4	10.8
Net interest margin (NIM)	3.3	3.0	3.2	3.3	3.2
Non-interest income to total income	30.1	36.7	33.1	40.2	30.3
Efficiency ratio					
Cost to income ratio	45.2	42.3	44.4	42.5	46.8
Loans to deposits	93.0	93.3	93.2	97.9	99.1
Capital adequacy ratio^{1/}					
Total capital funds to total risk-weighted assets	18.9	18.7	18.2	18.1	17.1
Total tier 1 capital to total risk-weighted assets	17.8	17.6	17.1	17.0	15.1
Total tier 2 capital to total risk-weighted assets	1.1	1.1	1.1	1.1	2.0
Asset quality ratio					
Non-performing loans to total loans	3.34	3.79	3.68	3.41	2.85
Total allowance to non-performing loans (Coverage ratio)	159.7	139.4	140.8	134.1	146.7
Allowance for expected credit loss/doubtful accounts on loans to total loans	6.3	6.6	6.2	5.4	4.8

Share Information

	After restructuring	Before restructuring			
	2022	2021	2020	2019	2018
Earnings per share - EPS (Baht)	11.12	10.47	8.01	11.90	11.79
Book value per share (Baht)	136.98	129.74	121.04	117.78	111.80
Dividend per share ^{2/} (Baht)	6.69	4.06	2.30	6.25	5.50
Market capitalization (Baht Billion)	360	432	297	415	454
Number of shares (Million)	3,367	3,399	3,399	3,399	3,399

Remark: The figures from 2020 onward are based on TFRS 9

^{1/} Figures are disclosed under Basel III framework.

^{2/} Dividend per share in 2022 as proposed to the Annual General Meeting of Shareholders in April 2023. (Interim dividend = Baht 1.50 per share)

Awards and Recognitions in 2022

Under SCBX Group, SCB Bank was named the Best Bank of The Year in Asia-Pacific, being the first and only Thai bank selected for the prestigious award. SCB Bank also received the Best Bank of The Year in Thailand Award 2022 for the 3rd consecutive year in the past 5 years. The awards were given by The Banker, a provider of in-depth economic and financial information and a member of the global media outlet The Financial Times. In 2022, SCB Bank was bestowed awards from leading institutions including:

Best Bank of the Year Awards

- Best Bank of the Year for Asia Pacific region and Thailand (The Banker)
- Best Domestic Bank 2022 (Asiamoney)

Sustainability Awards

- A member of Dow Jones Sustainability Indices (DJSI) in the World Index and the Emerging Markets Index groups for the 5th consecutive year
- Sustainability Award 2022 - Silver Class (S&P Global)
- SET Awards 2022 - Commended Sustainability Excellence Category (The Stock Exchange of Thailand)



Global Economy in 2022 and Outlook for 2023

The global economy
grew only

3.0% in 2022

on multiple negative shocks

In 2023, the global
economy will
continue to face
several risk factors

which could further
slow down global growth





The global economy grew at a slower pace in 2022 due to many unexpected factors. The global economy grew only 3.0% on multiple negative shocks starting from the beginning of the year when the rapid outbreak of the COVID-19 Omicron variant forced many countries to reimpose lockdowns. Then, the world was shaken by the Russia-Ukraine conflict that exacerbated global supply chain disruptions and resulted in higher global energy and commodity prices. Businesses accordingly adjusted their production process and mapped out a plan to relocate manufacturing bases for supply chain security in the future. Pressures from cost-push inflation driven by these shocks forced central banks around the world to aggressively tighten monetary policy in a bid to tame inflation. The negative factors caused a slowdown in global economic activity, and some major economies such as the United Kingdom and some European countries tend to slide into recession by the end of 2022 while the U.S. is expected to follow suit in the second half of 2023 due to the prolonged tightening cycle. In addition, global economic uncertainties and major economies' economic policies throughout the year added volatility to the financial market and put pressure on liquidity. Investors became risk-off and the dollar index went up.

In 2023, the global economy will continue to face several risk factors which could further slow down global growth, despite recent recovery-supporting developments that eased global recession fears. Economic indicators showed some resilience in economic activity; for example, the purchasing managers' index in many major economies recovered from a trough while the energy crisis in Europe turned out to be less severe than expected thanks to energy price drops and a mild winter. Meanwhile, the faster than expected lifting of the Zero COVID policy in China will support the global economy. Nonetheless, global uncertainty will remain high in 2023. The COVID-19 outbreak in China could prompt the country to reimpose stringent lockdown measures while geopolitical tensions may intensify. Going forward, economic decoupling between the U.S. and China may accelerate as the U.S. aims to maintain the same old international order, resulting in growing self-reliance between these economies and their allies.

Global inflation accelerated in 2022 and gradually slowed down since the third quarter following an ease in supply chain disruptions, a lower pressure on global commodity prices, and slowing demand-pull inflationary pressures. Even when the headline inflation is falling, **global inflation is expected to remain above central banks' targets in most economies** as food and energy prices will remain above the pre COVID-19 level. Core inflation tends to be more sluggish. This will prompt central banks in major economies to maintain a tight monetary policy stance in 2023. The pace of rate hikes will be slower than last year but interest rates will remain high until inflation falls back within targets. However, the size of interest rate hike will be smaller than last year. As a result, the financial conditions will slightly tighten further. Globally, fiscal policy will play a lesser role in stimulating the economy and will shift towards fiscal sustainability after a spike in public debt due to the COVID-19 crisis.

Thai Economy in 2022 and Outlook for 2023

The Thai economy
expanded by

2.6% in 2022

following recovery in
the tourism sector, private
consumption, and private
investment

The Thai economy
is expected to
maintain its recovery
momentum at

3.9%* growth in 2023

driven mainly by tourism
and private consumption



*estimated as of March 17, 2023

The Thai economy in 2022 expanded by 2.6% following recovery in the tourism sector, private consumption and private investment after the country's reopening with relaxation in COVID-19 measures in July. The number of tourist arrivals to Thailand was higher than expected, at 11.2 million. Private consumption grew as economic activity was on path to resume its normalcy, with support from the labor market that saw the unemployment rate drop for four consecutive quarters to 1.2% in the fourth quarter close to the pre-COVID-19 level, in line with improving labor income, especially in the tourism and service sectors. In addition, farm income increased significantly due to high agricultural prices. However, the recovery was uneven as merchandise exports, formerly a key driver of the Thai economy, plunged late in the year following a slowdown in global demand. Meanwhile, the government stimulus subsided after the full disbursement of special COVID-19 loans. **Headline inflation in 2022 accelerated to 6.1% due to high energy and food prices and peaked in the third quarter of 2022 after a slowdown in global energy prices.** However, high inflation impacts extended to other goods and services with increasing signs of cost pass-through to consumer prices. As a result, core inflation sped up, adding more pressure on some households whose income grew slower than expenses with high debt.

The Thai economy in 2023 is expected to maintain its recovery momentum at 3.9%* growth, driven mainly by tourism and the recovery in private consumption and public investment. The number of foreign tourists is expected to reach 30 million in 2023 with a more balanced base when compared with pre-COVID time. Thanks to China's lifting of Zero-COVID measures at least 4.8 million Chinese tourists are expected to visit Thailand this year, which is in any case still far below the pre-COVID-19 level. In addition, domestic tourism is expected to be near the pre-COVID-19 level, supporting buoyant consumption. However, the outlook of merchandise exports is not that bright in line with global economic slowdown. As a result, the value of Thai merchandise exports may grow

slightly at only 1.2%. Meanwhile, government spending may decline following a smaller size of budget deficit. After the economic recovery from COVID-19, the government will scale down its role in stimulating the economy.

Thai inflation in 2023 will gradually decline in line with energy prices, especially the price of fuel. Headline inflation is expected to be 2.7%*, However, the cost will pass through to consumer price more due to better economic recovery which may pressure core inflation to remain high. At the same time, labor income will face high uncertainty as the labor market has not yet returned to normal. Hence, the real income of private-sector employees will grow slowly. **Going forward, businesses will recover unevenly.** Companies that support domestic consumption recovery or satisfy global trends will recover fast. In contrast, some businesses will face risks and slow recovery due to global downturn or disruptions from new mega trends such as climate change, innovative technology and aging society.

Thailand's monetary policy tightening was undertaken later than other countries with a start in policy rate hikes in the second half of 2022. The MPC gradually raised the policy rate four times from 0.5% to 1.5% as of January 2023. **For the rest of 2023, the policy rate is expected to be hiked 2 times to reach 2% by the end of the year.** Such gradual normalization approach would align the monetary policy stance with Thailand's long-term economic growth path, which is expected to return to its potential level by the end of next year. In addition, the end of a temporary cut in financial institutions' contributions to the Financial Institutions Development Fund (FIDF fees) and the quick appreciation of Thai baht compared to regional currencies will contribute to more tightening financial conditions in 2023. On the exchange rate, the Thai baht will appreciate in line with the depreciation of the U.S. dollar, benefits from China's reopening, and improvement in Thai economic fundamentals such as current account surplus and capital inflows to the Thai financial market. Hence, the baht is expected to appreciate and end 2023 at 32–33 baht per U.S. dollar.

*estimated as of March 17, 2023

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Structure and Business Operations

Who we are



Remark: The percentage represents SCBX ownership.

* As of the end of January 2023, SCBX held a 99.53% stake in SCB Bank.

* As of the end of February 2023, SCBX held a 57.01% stake in MONIX.

SCBX background

SCBX is the mothership company of SCBX Group, one of the leading financial groups in Thailand. The Company was incorporated on September 15, 2021 as a public company limited and was listed on the Stock Exchange of Thailand on April 27,

2022 via a public share swap for SCB Bank shares, at a 1:1 ratio. SCB Bank was delisted on the same day. SCBX is an investment vehicle seeking sustainable returns for shareholders. The SCB Bank, with 116-year-old history, is the largest subsidiary of SCBX.

Nature of Business

Product and service offering

SCBX has portfolio companies operating in three main segments; namely, commercial bank (Gen 1), consumer finance (Gen 2), and digital platform and technology services (Gen3). The SCB Bank and its subsidiaries offer a wide range of financial services, deposit taking, wealth management, corporate loans, SME loans, secured consumer loans, payment, foreign currency exchanges, etc. In the consumer finance segment, SCBX's portfolio companies offer services covering secured and unsecured digital and non-digital consumer lending to the retail segments not covered by the Bank. Companies in Gen 3 are engaged in traditional investment (stocks and bonds) and investment in digital assets; financial asset trading platform, tokenization service, and venture capital investment; lifestyle platform; and technology and data businesses. SCBX's key responsibility is to seek investment opportunities that fit the Group's business strategy and efficiently manage the Group's capital for sustainable financial returns.

Our journey

In September 2021, the SCB Bank announced a major restructuring under the "SCB Reimagined" project. In November 2021, it called for an extraordinary shareholder meeting to seek shareholders' approval of a restructuring that involved the establishment of SCBX as the mothership company and transfer of certain subsidiaries to SCBX for greater flexibility and business growth. After obtaining the shareholders' approval, the restructuring was kicked off and completed in 2022. It started with SCBX announcing a tender offer for SCB Bank shares (by swapping 1 SCB Bank share for 1 SCBX share) and the plan to list itself on the stock exchange and delist SCB Bank concurrently. The tender offer was overwhelmingly successful as SCB Bank's shareholders agreed to swap 99.06% of their shares to SCBX shares. SCBX officially became the Group's mothership company. In September 2022, as part of the restructuring, SCB Bank received regulatory approval to make a one-time special dividend payment of Baht 61 billion, and SCBX used the proceeds to invest in subsidiaries. The process was completed in 2022.

Businesses under SCBX are grouped into three generations based on risks, returns and growth potential profile. Each business generation has different goals and operational approaches but shares the same Group vision. Each portfolio company operates independently under a different business model.

Gen 1: Core banking services

Under SCB Bank, this business generation involves the integrated banking services, from deposit taking, secured consumer credit, business loans, payments and foreign currency exchange to wealth-management, chiefly targeting upper middle-income earners. Key subsidiaries under the Bank include SCB Asset Management, SCB Julius Baer, and SCB Protect.

Gen 2: Consumer finance and digital financial services

This business generation involves consumer lending and digital financial services but, unlike Gen 1, has distinct business models that satisfy different customer groups. Gen 2 strives to reach lower middle-income earners whose needs are not fully met by commercial banks and the ultra-high segment with complex demands and distinct preferences. Differentiated financial services and customer groups are expected to deliver Gen 2 flexibility in creating business models and processes more suitable to its targets. Servicing models can be quickly adjusted in light of rapid changes in the business environment. CardX is a spinoff entity from SCB Bank operating credit card and unsecured personal loan businesses with a key objective to expand into untapped markets. AutoX is a newly established auto-title lending company. AlphaX is a 50:50 joint-venture company of SCBX and Millennium Group to offer ultra-high net worth customers with hire purchase for luxury vehicles. MONIX and SCB Abacus are digital nano-credit lending startups owned 58% by SCBX, MONIX has Abacus Group, a fintech company from China, as another shareholder. SCB Abacus with its own proprietary tech stack and credit model is 45% owned by SCBX and the rest by other financial investors.

Gen 3: Digital platform and technology services

This business generation will leverage SCBX Group technology capabilities in creating new businesses under the quest to become a leader in financial technology. SCB TechX and SCB DataX are two accelerators helping other portfolio companies launch businesses at speed with economies of scale. SCB TechX supports the Group on technology capabilities while SCB DataX manages and enhances data capabilities for the Group. Purple Ventures operates the Robinhood digital platform, started less than three years ago as a food-delivery application, which has expanded to cover lifestyle services, e.g., hotel booking and mart and now working on expansion into ride-hailing and electric vehicle subscription services. Robinhood aspires to become Thailand's lifestyle super app to further extend the Group's customer base with a focus on cost management, particularly for new services. InnovestX, SCB 10X and Token X share the goal to establish digital asset investment platforms, to lead the Group towards a new investment paradigm with supporting technology for digital asset businesses.

Our purpose

SCBX is established to unlock SCBX Group's business value by venturing into new territories with clearer and more flexible business models and capturing tech growth opportunities in Thailand and the region under the vision to become "The Most Admired Regional Financial Technology Group" and the mission to make finance simple, accessible and affordable for all through the power of technology and innovation. To achieve that, we are going beyond banking and beyond Thailand with value-driven objectives. Our investments are spanning global markets and asset classes. Our portfolio companies are allowed to run businesses independently with a group-wide prudent framework and supervision. Investment funds will be funneled by SCBX for maximum efficiency, and investment decisions will be prudent based on performance assessment and monitoring.

SCBX shapes investment themes under three global mega trends

- 1) Income inequality: SCBX aspires to close the gap by providing financial inclusion opportunities for unbanked/unbankable customers via technology-enabled products and services. Using alternative data, SCBX will reach out to the customer groups with limited access to finance and deliver them more efficient and accessible services.
- 2) Technology disruption: SCBX believes technology will drive a swift paradigm shift in financial services. Traditional financial intermediary businesses are forced to transform or be replaced by platforms. SCBX is therefore investing in technology capabilities in support of digital platforms, data utilization and the creation of infrastructure for new ecosystems like the digital asset ecosystem. Notably, SCBX is not pursuing speculative investment or short-term returns.
- 3) Environmental concerns: Amid global efforts like the Net Zero goal to replenish the environment, SCBX sets its own target to ensure SCBX Group's net zero emissions by 2050. In the meantime, new business initiatives will be explored to drive SCBX Group customers towards Net Zero.

Our aspiration

SCBX believes in the Group's capability in growing value-added and achieving business sustainability. The Group has set five-year business targets as follows:

- From bank to fintech group
- From branch-based intermediary services to platforms in multiple ecosystems
- From 16 million customers to 200+ million customers
- From Thailand to region

Our strategy

SCBX outlines five investment strategic priorities for the execution in three phases as follows:

Five key strategic priorities

- Better bank: SCB Bank will strike a balance of loan portfolio for maximum cost effectiveness and minimum risks. The Bank will not pursue aggressive growth but drive profitability via digitizing operating models, cost restructuring and expansion in non-interest income particularly from wealth management businesses. SCB Bank sets to strengthen its wealth management capabilities via 1) offering holistic services to match customer needs, 2) upgrading skills of relationship managers and leveraging digital advisory tools, and 3) forging partnerships to be able to offer and extended range of wealth management services.
- Digital lending: SCBX is investing more in digital lending businesses under the Group's mission to make finance simple, accessible and affordable to the lower middle-income group with support from technology and data.
- Digital ecosystems: SCBX is investing more in digital ecosystems as the way to be part of consumers' daily life and increase customer touchpoints, for bigger data and more interactions with customers. The Group wants to have a 360 view of customer data and be able to engage more efficiently with customers across different platforms.
- Digital assets economy: SCBX is studying and exploring possibilities to venture into digital assets businesses, believed to be the business of the future following technology disruption. Our investments will be geared towards digital asset infrastructure, not for speculative or short-term returns.
- Climate technology: Climate technology is still in its infancy. While SCBX targets to achieve Net Zero by 2050, the Company aims to explore business solutions that will assist customers' path towards Net Zero. Meanwhile, Purple Ventures, one of the Group's portfolio companies, plans to kickstart an electric vehicle subscription service on the Robinhood application.

Three investment phases

While we set aggressive growth plans, we will carry out our strategy in three measured steps.

Phase 1 (1–2 years): Building investments in core technology and data capabilities

In Phase 1, our current focus, we transform ourselves into a tech group, building our core tech & data capabilities and orchestrating synergies to enable and accelerate our portfolio companies. First, we enable the transformation by bundling capabilities in areas that allow for group synergies, improved access to capabilities or managing group risk better – our three wave 1 CoE of Data & AI, Cloud and Cyber

- The Data & AI CoE sets the strategic direction on how the Group will leverage data and analytics, defining our data governance to ensure we observe all privacy protection and client confidentiality requirements, as well as remain compliant with all relevant regulations
- The Cloud CoE will support Cloud deployment for portfolio companies, allowing them to scale fast and optimize their unit economics, saving costs for the whole Group
- Finally, the Cyber CoE will safeguard the whole Group from any form of cybersecurity threat and set overall cybersecurity governance across portfolio companies.

Second, we have set up two standalone subsidiaries, to play the role of growth accelerators and provide operational capabilities to deliver the COE and develop group technology and capabilities for our portfolio companies:

- DataX will enable the operational capabilities for the Group to collect, use and enhance data holistically across the Group while managing regulatory compliance and the responsible use of AI. It has ingested over 90% of Group customer data and is building a robust customer 360 view that can be leveraged across the Group
- TechX, in turn, provides our portfolio companies with mature tech development capabilities, technology assets, and technology talent to

accelerate our technology transformation at scale while keeping overall costs under control. The Robinhood app is a good example: TechX did not only build this app from concept to go-live in just four months, it also designed its underlying technology architecture.

Finally, as the SCBX ecosystem continues to expand, we offer unique learning opportunities for tech talent to advance professionally. With our diverse set of challenges and exposure across portfolio companies, we are uniquely positioned to attract and retain a new generation of top-tier tech talent in Thailand and the region.

Phase 2 (2–3 years): Deliver growth with scale and synergy

In Phase 2, we will deliver financial results from our digital lending businesses, critical for our growth strategy's success. Over the next two to three years, we expect our digital lending businesses to show fast earnings growth to ensure a steady earnings growth profile for the whole Group.

By 2025, our digital lenders should be delivering:

- Higher, double-digit margins, given their focus on lower income segments and the corresponding ability to offer products at higher margin while controlling risks through AI-based scoring and collections,
- A growing contribution to our business with a higher ROE, and
- Some of our IPO aspirations for selected companies such as CardX, on top of other fundraising plans.

Phase 3 (3–5 years): Monetization and exponential growth

The final phase of our five-year plan focuses on monetization and value realization of our Gen 3 businesses.

In this phase:

- Robinhood achieves profitability, with target breakeven in 2026 after launching additional verticals with more immediate monetization strategies and scaling back subsidies currently in place to achieve scale.

- Our digital asset cluster begins its path towards exponential growth, as digital asset use cases mature.
- We continue to realize equity value, through further IPOs and fundraising rounds with CardX and InnovestX IPOs in 2025 and AutoX IPO in 2027.
- We expect certain startup firms in our portfolio to reach unicorn valuation status.

Finally, it is in Phase 3 when we will achieve regional scale and establish leading positions in selected markets across ASEAN.

Performance of portfolio companies



SCBX is an investment holding company with portfolio companies in three business generations: 1) banking services 2) consumer loans and financial services and 3) technology and digital platforms.

Gen 1: Core banking services

Core banking services, led by SCB Bank, are the main revenue and profit contributor to SCBX Group. In 2022, Gen 1 delivered 82% of the Group's revenue with particularly high net profit which was mainly due to improved margin, lower credit cost, and gains from sales of subsidiaries and business transfer to SCBX.

Going forward, Gen 1 business targets quality growth with technology-aided products and services to better serve customers in the digital era; loan optimization; increases in non-interest income through bancassurance and wealth management; and leaning operating costs.

Gen 2: Consumer finance and financial services

Gen 2 businesses are separated from Gen 1 for greater focus and flexibility in devising business models to answer the needs of customer groups unaddressed by SCB Bank. For example, AutoX offers auto title loan to unbankable customers. Abacus and MONIX provide digital lending to low-income customers. As a result, Gen 2 rapidly expanded its customer base, achieved loan growth and contributed 13% of revenue to the SCBX Group.

However, Gen 2's profit in 2022 was small due to costs bearing from business set up and operation at the beginning stage. In 2023, Gen 2 businesses aim for economy of scale and credit quality control to drive profitability. They are also geared for competitive edges and prudent expansion of customer bases with financial technology, data analytics and AI.

Gen 3: Digital platform and technology services

Gen 3 businesses are SCBX Group's long-term growth accelerator using data and technology capabilities. Their profit contribution to the SCBX Group in 2022 was in negative territory.

Purple Ventures will start implementing monetization strategy and expand its business scope to capture more customers and improve profitability. In 2023, we expect the net loss from Gen 3 to narrow.

Business Overview and Competition

Gen 1: Core banking services

Background

SCB Bank remains the core engine for SCBX. It is positioned to deliver satisfying returns while establishing a sustainable profit base. Continually striving to "Be a Better Bank," SCB Bank plans to become "the number one digital bank in wealth management, ready to deliver a seamless service experience across channels." Loan book optimization with rigid

risk-return discipline and cost leaning will continue to be the key focus. In times of rising interest rates and a volatile economy, the Bank will give preference to its highest quality customers. The Bank's operations, including customer service and internal management, will prioritize sustainability practices.

Overview of Thailand Commercial Banking Sector

(Unit : Baht billion)

Consolidated	Thai Commercial Banking Sector*					CAGR** (2018-2022)	% yoy (2021-2022)
	2022	2021	2020	2019	2018		
Assets	21,749	20,908	19,804	17,946	17,539	5.5%	4.0%
Gross loans	14,526	14,109	13,307	12,353	12,129	4.6%	3.0%
Deposits	15,297	14,786	14,079	12,475	12,082	6.1%	3.5%
Net profits	203	183	138	209	203	0%	10.9%

Remarks: * The Thailand commercial banking sector consists of companies in the financial industry group classified in the banking sector listed on the Stock Exchange of Thailand.

**CAGR denotes "Compound Annual Growth Rate"

In 2022, the commercial banking sector's aggregate net profits increased 10.9% yoy, in line with the economic recovery after the easing of COVID-19 infections. Loan growth was rather subdued at 3% yoy due mainly to loan growth in the corporate and retail sectors. The earnings growth in 2022 was mostly driven by lower loan-loss provisions, compared to the high levels set aside during the COVID-19 crisis. The sector's operating profits rose 3% yoy as loan growth and policy rate hikes boosted interest income. In the year, the Bank of Thailand raised the policy rate three times to 1.25%.

Performance of SCB Bank in 2022

Thailand's reopening and relaxing of COVID-19 measures in July 2022 led to a recovery in tourism, consumption, private investment and growth in the commercial banking sector. Nevertheless, with uneven and fragile economic growth prospects, the banking sector continued to face grave challenges.

Throughout 2022, the Bank was determined to help customers overcome crises, including the COVID-19 pandemic and surging energy costs and interest rates. The Bank's objectives were to help customers quickly resume normal operations and expand business. We transitioned most of the customers under the short-term debt relief program to the more sustainable comprehensive debt restructuring program under the Bank of Thailand's framework. At the end of 2022, the loans under the Blue Scheme comprehensive debt restructuring program stood at 12% of total loans. The Bank has taken a proactive and prudent approach in ensuring asset quality within the regulatory framework.

In 2022, SCB Bank's consolidated net profit totaled Baht 54.2 billion, up 52% yoy, primarily due to gain from sales of subsidiaries and business transfers, increasing interest rate margin, strictly cost control and reduction of provisions. The net interest income increased to Baht 106.5 billion boosted by wider net interest margins from lower incremental debt restructuring, the upward interest rate trend,

strict pricing discipline, as well as effective liquidity management. However, non-interest income (excluding gains on divestitures and business transfers) was pressured by lower wealth management fees and lower investment gains in light of unfavorable market conditions. Operating expenses were well managed, with cost-to-income ratio (excluding extraordinary items) at 42% for the year.

With a focus on quality growth, the Bank was able to optimize returns within its risk tolerance. Loan growth in 2022 was largely driven by housing loans and corporate loans. The non-performing loan (NPL) ratio in 2022 improved yoy to 3.3%, largely as a result of NPL sales. At the end of 2022, the NPL coverage ratio remained as high as 151.2%.

The number of SCB EASY App users rose 8% yoy to 14.2 million at the end of 2022. Furthermore, SCB EASY App monthly active users stood at 82% of total SCB EASY App users while the number of traditional branches and express service points fell from 792 in 2021 to 766 in 2022.

Business plan and key performance targets for 2023

In 2023, SCB Bank is set to "Be a Better Bank," aspiring to be the digital bank that offers the best wealth management services and seamless customer experiences within three years. Highlights of the Bank's agenda are as follows:

- Undertaking full-fledged digital transformation to uplift the operational efficiency and stability through the development of digital products and services; seamless connectivity between customer service points in the digital and physical space; and the upgrading and modernizing of infrastructure for greater flexibility and wider service coverage. The Bank aims to increase the proportion of digital transactions to 90% of total transactions.

- Strengthening wealth management capabilities for all customer segments to offer a comprehensive range of wealth management services under three strategic pillars which are: 1) offering holistic services to match customer needs with incorporation of personal wealth management and business aspects, 2) improving the quality of financial advisory services by upgrading the skills of relationship managers and leveraging digital advisory tools, and 3) forging

partnerships in various fields to enable the offering of a complete range of wealth management services.

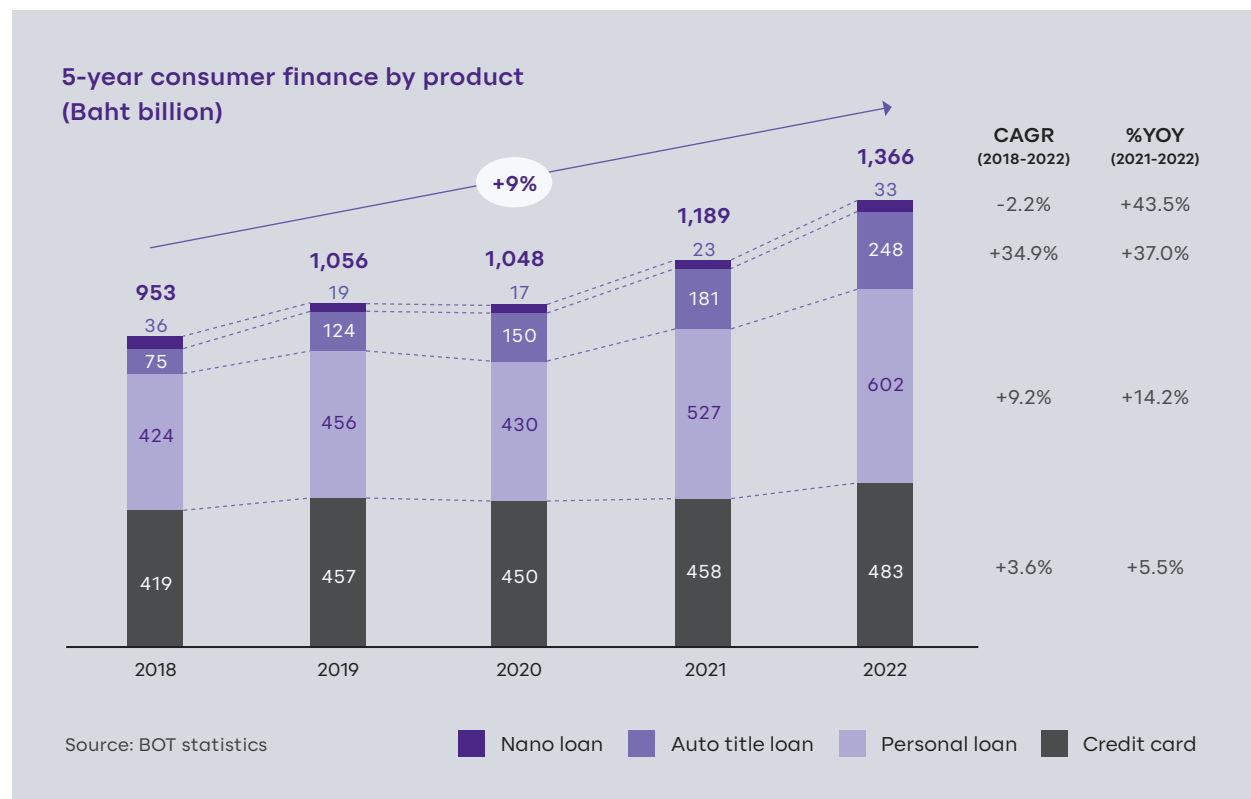
- Balancing loans and risk-adjusted returns to deliver satisfactory returns under prudent risk control as well as disciplined cost management. The Bank targets to achieve the cost-to-income ratio of 40%.

Gen 2: Consumer finance and digital financial services

Background

Gen 2 businesses focus on consumer finance and digital lending that enable SCBX to primarily serve lower-mass segments whose needs have not yet been fulfilled by existing banking products and services. Gen 2 businesses also deploy data analytics and digital channels, where appropriate, to make finance simpler, more accessible and more affordable.

Consumer finance business landscape



Thailand's consumer finance market has continued to expand 9% per year on average since 2018 with a significant surge after COVID-19 began to subside in 2021. The growth momentum was driven by a sharp increase in personal loans (9.2%) and auto title loan (34.9%), indicating high growth potential of personal loans. Credit card loan growth stabilized at 3.6% over the past five years while nano finance under supervision for micro businesses and freelancers was significantly affected during the two years of the outbreak. Nano loan growth resumed following economic recovery in 2021.

Performance of Gen 2 companies in 2022

Main businesses goals of Card X Co., Ltd. in 2022 were to plan for a smooth process and minimize impacts of unsecured lending business transfer from SCB Bank as well as to build technology foundation for future business plans. On December 10, 2022, the unsecured lending business was successfully transferred from the SCB Bank to CardX with total portfolio loan size of Baht 115 billion and 2 million customers.

Auto X Co., Ltd. entered the auto title loan market and offered differentiated products under the "Ngern Chaiyo" brand to the unbankable segment in July 2022. AutoX opened 1,200 outlets and acquired 60,000 customers, of which more than 80% were new to SCBX Group. Outstanding loans increased substantially to Baht 7.5 billion and achieved good delinquency control with NPL ratio at 0.1% at the end of 2022.

MONIX Co., Ltd. successfully expanded its loan customer base to 650,000 customers and expanded the lending portfolio from Baht 3.7 billion in 2021 to Baht 5.9 billion in 2022, or 59% growth despite unfavorable market conditions. Due to efficient loan quality management, its NPL ratio was as low as 0.7%. In addition, MONIX efficiently managed its operating cost and became profitable in 2022 with a small-sized balance sheet.

SCB Abacus Co., Ltd. successfully grew outstanding loans by 292% to Baht 5.1 billion. In 2022, it raised Baht 700 million in Series B funding from leading regional venture capital investors, which solidified the company's position as one of Thailand's top funded digital lending platforms.

Alpha X Co., Ltd. provides hire-purchase loans, leasing, and asset backed financing for ultra-high net worth customers involving premium and luxury vehicles including cars, yachts, river boats and big bikes. Starting service in December 2021, the company witnessed substantial growth in outstanding loans, at Baht 3.8 billion at the end of 2022. AlphaX efficiently managed the asset quality, resulting in zero NPLs.

Business plan and key performance targets for 2023

Major tasks of CardX in 2023 are to continue on data migration of the transferred business from the SCB Bank and implement new IT operating systems and collection business model. CardX also plans to adopt more-advanced alternative data and AI to the underwriting and collection models in order to improve asset quality and business cost structure especially credit cost. The company also plans to introduce a Buy-Now-Pay-Later (BNPL) financing product to capture new customers; and to work with strategic partners in improving customer journey.

AutoX targets to grow its loan book to Baht 35 billion in 2023 and will focus on business growth by maximizing reach and coverage and enhancing customer experience. The company plans to have 2,000 outlets by end-2023 and add new secured loan as well as non-life insurance products. A strong salesforce and intelligence system will play a role in driving this year's growth. Beside growth, AutoX will ensure asset quality with a target NPL ratio of less than 2% through the combination of in-house debt collection initiatives and a world-class collection system.

MONIX is set to grow its loan portfolio to Baht 10 billion in 2023 through a marketing communication strategy to reach the middle-income earner group. MONIX is also keen to enhance loan management efficiency by enhancing the capability of its loan underwriting model with databases and AI, adopting a predictive dialer model and improving debt-collection efficiency. MONIX raised a pre-IPO funding from SCBX and a new financial investor, to support business expansion.

SCB Abacus is focusing on cost base optimization along with sustainable balance sheet growth to ensure that the company is on track to achieve 2023 profitability and beyond. The company also prioritizes expansion of its innovative loan and financial product suite to meet diverse customer needs, in addition to continuous enhancements of its in-house developed credit decisioning system – Abacus Core Technology (ACT) Engine – and utilization of alternative data to maintain best-in-class service quality for Thailand’s financially underserved segment.

AlphaX seeks to target ultra-high net worth clients. Tailored-made products to fit customer expectations and diverse lifestyles will introduce them to new experiences, which will open up new opportunities for the company. The company plans to push its lending portfolio to Baht 10 billion in 2023 with little or zero credit risk.

Gen 3: Digital platforms and technology services

Purple Ventures

Background

The digital transition and the COVID-19 pandemic accelerated digital adoption. Amid these changes, the Robinhood platform was created by Purple Ventures Co., Ltd. under SCBX’s strategy to develop a digital lifestyle ecosystem. Robinhood started out with the mission to build a home-grown food delivery ecosystem in

support of small people such as food vendors and riders during the crisis. Launched in October 2020, Robinhood has been growing and became one of the leading food delivery platforms in the country. In 2022, Robinhood delivered more than 45 million meals from 300,000 food merchants with best-in-class delivery service by 30,000 riders for 3.5 million consumers.

To fulfill consumer needs and strengthen their engagement with the digital ecosystem, Robinhood is expanding its range of services and geared to become a lifestyle super app. With multiple lifestyle services such as Mart, Express, Travel and soon-to-be-launched Ride-Hailing, Robinhood will be well positioned to be a top of mind super app for daily life.

One of Robinhood’s secret sauces is its strong connection and synergy with SCBX Group. Consequently, Robinhood has been able to build a solid customer base without significant cash burning that typical start up firms would need to incur.

Performance in 2022

Robinhood successfully increased the number of active users and healthily grow the GMV (gross merchandise value) to reach Baht 8.5 billion at the end of the year. Robinhood also began to monetize high-quality customer portfolio by reducing the food delivery subsidy rate by 48% without significant impact to the transaction volume and expanding high GP (Gross Profit) businesses in Mart service. At the end of 2022, the number of customers stood at 3.5 million.

Business plan for 2023

The theme for 2023 is to accelerate monetization. Robinhood plans to further reduce subsidy for food delivery order by collaborating with selected merchants. Robinhood also keeps track of growing customer base and strengthening their engagement with Robinhood by offering multiple lifestyle services; namely, Mart, Express, Travel, and soon-to-be-launched Ride-Hailing. These new services offering not only fulfills customer’s 360° needs that will lead Robinhood to be well

positioned to become a top-of-mind daily lifestyle super app, but also boost revenue generation capabilities. Moreover, with strong data analytics capabilities, Robinhood will start to leverage our wealth of behavioral insight data to support its business partners to better reach the customer base through Robinhood Digital Ads service. Robinhood will soon introduce digital lending business enabled by a best-in-class loan engine migrated from the now-dissolved AISCB.

Lastly, in line with SCBX Group's mission to become a net-zero financial technology group by 2050, Robinhood will launch a subscription-based model electric vehicle service to serve all the riders and drivers within its ecosystem. These strategic moves will generate a new S-curve in 2023 and beyond. As such, Robinhood intends to limit operating loss not over than the previous year and expects to be profitable in 2026.

InnovestX

Background


The evolution of the internet and rising digital adoption, together with emerging local and international investment opportunities, has accelerated the transformation in financial and investment industry landscapes. To respond


to such shift, InnovestX Securities Co., Ltd., formerly known as SCB Securities Co., Ltd., has launched its new strategies under the concept of "Future of Finance Reimagined." The strategy is to leverage the power of best-in-class technology in developing essential infrastructure with the business savvy and customer understanding in the financial and investment sectors. InnovestX strives to become a leading provider of comprehensive digital investment and financial services in the region.

Performance in 2022

To provide and engage new generations of investors, InnovestX has introduced Thailand's first super app that traverses the investment universe, pooling together both domestic and international equities, mutual funds, bonds and digital assets. The application was designed based on the knowledge of the diverse demands of customers and aimed to accommodate both experienced investors and amateur investors. For example, the "Intelligent Portfolios" service helps new investors manage their portfolio with automated intelligence technology (Digital RM), offering investment personalization based on their appetites. This includes Guru portfolio, Goal-based portfolio or Thematic portfolio.

Investment Reimagined






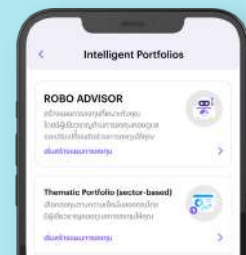
Thailand's First Ever Universal Investment SUPER-APP

Unites all assets in one app

- Thai stocks
- International stocks
- Thai funds
- International funds
- Bonds
- Digital Assets

Investing made easier

- Automated Intelligent Portfolios
- Consolidated portfolio view
- Personalized notification
- User-friendly UI

In 2022, InnovestX had successfully acquired and activated digital asset broker and exchange licenses, making InnovestX the only securities company in Thailand that possesses traditional securities broker, digital assets broker and digital asset exchange licenses, along with other digital asset related licenses, such as ICO portal through SCBX subsidiaries, with an aspiration to uplift the industry, lay a platform for future growth of the financial ecosystem and provide secure and transparent services. Through collaboration with the SCBX Group and under close work with regulators, this is to assure the highest service quality for all customers.

Business plan for 2023

With the universal investment super app, InnovestX plans to intensely expand its digital business, enhancing its advanced digital advisory with personalization and educating amateur investors with the best investment solution among all market conditions with an aim to uplift Thailand's underpenetrated investment market. Also, InnovestX, together with SCBX Group, will play a significant role in shaping tokenization ecosystem, educating investors with useful information while building core infrastructure, to be ready for the new era of the capital market evolution.

SCB 10X

Background

SCB 10X is a holding company under SCBX with a "moonshot mission" to create long-term value through exponential technologies, innovations, investments in venture capital companies, and venture building services.

Performance in 2022

SCB 10X has successfully engaged more than 50 investments, in 15 countries around the globe. A significant portion of the investments were co-invested with tier-1 venture capital funds and institutions. Since the launch in 2020, SCB 10X Corporate Venture Capital (CVC) fund has delivered top quartile (top 25%) performance in returns, compared to venture capital globally. In February 2022, CB Insights ranked SCB 10X

in 2nd place in their global top CVCs in 2021 list. SCB 10X focuses its investment on disruptive technologies in areas of blockchain, digital assets, metaverse, web 3.0, and deep tech.

2022 was a tough year for investment due to the ongoing crypto winter, series of crypto giant collapses, and strong inflation followed by rapid increase of interest rates. However, SCB 10X's portfolio maintained zero direct exposure to crypto and the portfolio was diversified so that the investment in digital asset related companies accounted for only approximately one-fifth of the total AUM. At the end of 2022, SCB 10X had total AUM of USD 470 million or Baht 16 billion and registered the Deployed Capital IRR above 30%.

As for the startup incubation business, the acquisition of home-grown Ape Board by Nansen has proven to be a key success. Ape Board is a cross-chain decentralized finance (DeFi) dashboard for tracking portfolio assets and activities across multiple chains and protocols, which SCB 10X invested in since the seed round. Nansen is the web 3.0 analytic platform that SCB 10X also co-invested in Series B. The acquisition will bring strategic synergy value to both Nansen and Ape Board in terms of user acquisition, product enhancement, and funding for Ape Board's further development.

In November 2022, SCB 10X has opened a web 3.0 collaborative space, District X, aiming to incubate web 3.0 startups and potentially create unicorns. Furthermore, SCB 10X has actively held a series of networking events for the blockchain developer community such as Redefine Tomorrow, BlockCamp, and Metathon.

Business plan for 2023

In 2023, SCB 10X is shifting from a corporate VC model to a GP model, in collaboration with CP Group by introducing a new JV fund. SCB 10X will also expand its focus to deep tech, in addition to the existing portfolio of blockchain and blockchain-adjacent technologies. SCB 10X will emphasize a regional presence in Southeast Asia, while continuing its global partnership strategy.

Investment Philosophy and Governance

At SCBX, we take calculated risks through our investments, always starting with manageable investment amounts before scaling up. We have a robust, end-to-end investment evaluation and execution process with a dedicated team of investment professionals, key executives and outside experts who scrutinize each investment decision before proposing to the respective levels authorized for approval. Post-deal monitoring ensures that each investment adheres to SCBX's strategy.

Group-level policies and committees including risk management policies & framework and Group Risk Oversight Committee and Audit Committee all work together to contribute to effective compliance, governance and oversight.

While each portfolio company maintains high degree of freedom to execute its strategy, SCBX exercises governance through its representation in portfolio company's boards ensuring that we are able to execute a coherent Group strategy and drive synergy realization from the center. For significant portfolio companies, we typically have majority control in the boards of directors as well as rights to appoint key executives. For others where we hold minority stakes, we often have board representation and hold regular meetings with key management to drive strategic collaboration of mutual interest as part of ongoing portfolio monitoring and risk management.

Investment Approach

SCBX's investments are geared towards growth opportunities to achieve our vision to become the most admired regional financial technology group. Our investment consideration is based on rigid risk-return criteria as well as strategic alignment with our long-term vision. In addition, we place great emphasis on technology foundation and the potential to work with management and key talents of invested companies. We generally aim to secure management control or formulate strategic partnership from our investments, beyond pure financial returns. In 2022, our investment was primarily to fund the business and asset transfers from SCB Bank, with a significant amount allocated to Gen 2 business (digital and consumer finance). We invest in Gen 3 (digital platform, digital assets, and climate tech) with a more gradual approach keeping in mind profit growth that will come at a later stage. While we set a bold long-term vision, we avoid taking excessive risk or investing in ventures or assets that do not show a clear path to profitability.

Digital and Consumer Finance Lending

SCBX Group is a major provider of digital financial services to promote financial inclusion primarily in Thailand where the underbanked population is more than half. Our five digital and consumer finance lenders — CardX, AutoX, MONIX, SCB Abacus, and AlphaX — offer different products to different customer segments for different needs. SCBX will continue its investment in promising fintech companies, enhancing our organic growth, and pursuing M&As and partnerships to expand our regional footprint.

Blockchain and Digital Assets

We believe the application of blockchain and related technologies will have tremendous growth and become major disruptive forces to

the financial services industry in the long term. SCBX sets its sight to become future-ready and seize relevant opportunities in this arena. Having built a self-reinforcing digital asset cluster comprising InnovestX, SCB 10X, Token X, we will further look out for available opportunities in emerging technologies across the globe. While we see opportunities arising amid the current market downturn, we will proceed with caution.

Digital Ecosystem

Through unwavering efforts to deliver seamless customer experience, SCBX has established a name synonymous with trust, stability and progressiveness. Robinhood, our all-encompassing lifestyle super app, aims to fulfil diverse needs as users go about their daily lives with services from food delivery and travel booking, to express, mart and soon-to-be-launched ride-hailing and electric vehicle subscription services. It is the latter two new services that will bring Robinhood to a path to profitability by 2026.

Climate Tech

Few disruptions are more threatening to human wellbeing and the planet's health than climate change. As the world moves towards decarbonization, we are not only committed to Net Zero but also determined to be a catalyst for change. We will spearhead and support solutions that enable the transition to a low carbon economy. We are seeking investment and partnership initiatives to capture the vast opportunities offered by Climate Tech in search of solutions that can support our customers on the pathways towards Net Zero.

Investments of SCB X Public Company Limited in Affiliated Companies

SCBX financial group holds shares directly and indirectly in 25 affiliates; the information as of December 31, 2022 is as follow:

No.	Company name and address	Type of business	Type of shares	Issued and paid-up capital (Baht)	Paid-up shares	Percentage of ownership
Group 1 Companies under SCBX						
1	SIAM COMMERCIAL BANK PUBLIC COMPANY LIMITED SCB Park Plaza Bldg., 9 Rutchadaphisek Rd., Jatujak, Jatujak, Bangkok 10900 Tel: 0-2544-1000	Banking	Ordinary and preferred	33,991,921,980	3,399,192,198	99.06%
2	AUTO X CO., LTD. SCB Park Plaza Bldg., Tower West A, 6th Floor, 18 Rutchadaphisek Rd., Jatujak, Jatujak, Bangkok 10900 Tel: 0-2937-9220	Auto title loan and insurance brokerage	Ordinary	4,000,000,000	400,000,000	100.00%
3	CARD X CO., LTD. SCB Park Plaza Bldg., 18 th Floor, 9 Rutchadaphisek Rd., Jatujak, Jatujak, Bangkok 10900 Tel: 0-2999-3000	Credit card and personal lending	Ordinary	23,500,000,000	2,350,000,000	100.00%

No.	Company name and address	Type of business	Type of shares	Issued and paid-up capital (Baht)	Paid-up shares	Percentage of ownership
4	CARD X ASSET MANAGEMENT CO., LTD. ⁽²⁾ SCB Park Plaza Bldg., Tower East D, 5 th Floor, 19 Rutchadaphisek Rd., Jatujak, Jatujak, Bangkok 10900 Tel: 0-2999-3000	Distressed asset management	Ordinary	25,000,000	2,500,000	100.00%
5	DIGITAL VENTURES CO., LTD. Rutchadaphisek Corner Property Bldg. (RCP), 2 nd Floor, 101 Rutchadaphisek Rd., Jatujak, Jatujak, Bangkok 10900 Tel: 0-2061-6166	Financial technology	Ordinary	103,750,000	1,037,500	100.00%
6	INNOVEST X CO., LTD. SCB Park Plaza Bldg., Tower 3, 2 nd , 20 th -21 st Floor, 19 Rutchadaphisek Rd., Jatujak, Jatujak, Bangkok 10900 Tel: 0-2949-1000	Securities	Ordinary	3,315,000,000	331,500,000	100.00%
7	PURPLE VENTURES CO., LTD. SCB Park Plaza Bldg., Tower 3 East, 22 nd Floor, 19 Rutchadaphisek Rd., Jatujak, Jatujak, Bangkok 10900 Tel: 0-2795-1114	Lifestyle superapp platform	Ordinary	5,000,000,000	50,000,000	100.00%
8	SCB 10X CO., LTD. One FYI Center Tower, 3 rd Floor, Unit 1/301-1/305, 2525 Rama 4 Rd., Klong Toie, Bangkok 10110 Tel: 0-2795-7828	Venture capital and venture builder	Ordinary	21,000,000,000	210,000,000	100.00%

No.	Company name and address	Type of business	Type of shares	Issued and paid-up capital (Baht)	Paid-up shares	Percentage of ownership
9	SCB DATAX CO., LTD. SCB Park Plaza Bldg., Tower West B, 7 th Floor, 18 Rutchadaphisek Rd., Jatujak, Jatujak, Bangkok 10900 Tel: 0-2795-1636	Data analytics as a service	Ordinary	1,460,000,000	146,000,000	100.00%
10	TOKEN X CO., LTD. One FYI Center Tower, 3 rd Floor, Unit 1/301-1/305, 2525 Rama 4 Rd., Klong Toie, Bangkok 10110	Initial coin offering portal	Ordinary	220,800,000	3,300,000	100.00%
11	SCB TECH X CO., LTD. SCB Park Plaza Bldg., Tower West A, 2 nd Floor, 18 Rutchadaphisek Rd., Jatujak, Jatujak, Bangkok 10900	Specialized technology services provider	Ordinary	510,000,000	51,000,000	60.00%
12	AISCB CO., LTD. ⁽³⁾ SCB Park Plaza Bldg., Tower 3, 22 nd Floor, 19 Rutchadaphisek Rd., Jatujak, Jatujak, Bangkok 10900 Tel: 0-2030-1919	Digital lending	Ordinary	600,000,000	6,000,000	100.00%
13	MONIX CO., LTD. Training Center Tower, 2 nd Floor, 9 Rutchadaphisek Rd., Jatujak, Jatujak, Bangkok 10900 Tel: 0-2098-9507	Digital lending	Ordinary	688,306,900	6,883,069	57.53%
14	SCB ABACUS CO., LTD. SCB Park Plaza Bldg., Tower 3, 22 nd Floor, 19 Rutchadaphisek Rd., Jatujak, Jatujak, Bangkok 10900 Tel: 0-2544-6566	Digital lending	Ordinary	546,256,680	54,625,668	44.85%

No.	Company name and address	Type of business	Type of shares	Issued and paid-up capital (Baht)	Paid-up shares	Percentage of ownership
15	ALPHA X CO., LTD. 888 Latphrao 112, (Iam Somboon), Phlapphla, Wang Thonglang, Bangkok 10310 Tel: 0-2009-5200	Luxury vehicle hire purchase, leasing, and refinancing	Ordinary	750,000,000	75,000,000	50.00%
16	ALPHA X PLUS CO., LTD. ⁽²⁾ 888 Latphrao 112, (Iam Somboon), Phlapphla, Wang Thonglang, Bangkok 10310 Tel: 0-2009-5200	Personal lending and insurance brokerage	Ordinary	50,000,000	5,000,000	100.00%

Group 2 Companies in SCBX Financial Group under Siam Commercial bank

17	THE SIAM COMMERCIAL BANK MYANMAR LTD. Sule Square Office Tower, Unit No.18-06/07, 221 Sule Pagoda Rd., Kyauktada Township, Yangon, Myanmar Tel: +95-9-774-555559, +95-9-773-999919	Banking	Ordinary	USD 150,000,000	1,500,000	100.00%
18	CAMBODIAN COMMERCIAL BANK LTD. 26 Monivong Rd., Sangkat Phsar Thmei 2, Khan Daun Penh, Phnom Penh, Kingdom of Cambodia Tel: +855 (23) 426-145, 213-601-2	Banking	Ordinary	USD 75,000,000	750,000	100.00%
19	SCB-JULIUS BAER SECURITIES CO., LTD. 108 Sukumvit Rd., North Klongton, Wattana, Bangkok 10110 Tel: 0-2098-9999	Private banking	Ordinary	2,650,000,000	265,000,000	60.00%

No.	Company name and address	Type of business	Type of shares	Issued and paid-up capital (Baht)	Paid-up shares	Percentage of ownership
20	SCB PROTECT CO., LTD. G Tower Grand Rama 9, 20 th Floor, 9 Rama 9 Rd., Huai Khwang, Huai Khwang, Bangkok 10310 Tel: 0-2037-7899	Insurance broker	Ordinary	513,800,000	83,000,000	100.00%
21	SCB TRAINING CENTRE CO., LTD. 9 Rutchadaphisek Rd., Jatujak, Jatujak, Bangkok 10900 Tel: 081-847-9297	Training center	Ordinary	549,000,000	5,490,000	100.00%
22	SCB ASSET MANAGEMENT CO., LTD. SCB Park Plaza Bldg., Tower 1, 7 th - 8 th Floor, 18 Rutchadaphisek Rd., Jatujak, Jatujak, Bangkok 10900 Tel: 0-2949-1500	Asset management	Ordinary	100,000,000	20,000,000	100.00%
23	MAHISORN CO., LTD. ⁽²⁾ SCB Park Plaza, 18-19 Rutchadaphisek Rd., Jatujak, Jatujak, Bangkok 10900 Tel: 0-2937-5400	Property management	Ordinary	66,949,000	669,490	100.00%
24	RUTCHAYOTHIN ASSETS MANAGEMENT CO., LTD. 9 Rutchadaphisek Rd., Jatujak, Jatujak, Bangkok 10900 Tel: 0-2795-4131	Asset management	Ordinary	25,000,000	2,500,000	100.00%

No.	Company name and address	Type of business	Type of shares	Issued and paid-up capital (Baht)	Paid-up shares	Percentage of ownership
25	SCB PLUS CO., LTD. G Tower Grand Rama 9, 12 th and 14 th Floor, 9 Rama 9 Rd., Huai Khwang, Huai Khwang, Bangkok 10310 Tel: 0-2792-3900	Collection	Ordinary	1,000,000	100,000	100.00%

Remarks

- ⁽¹⁾ Company held jointly by SCBX and an SCBX affiliate in which the SCBX holds more than 30% of shares. (The figures depict the aggregate percentage of shareholding and value of investment of SCBX and its affiliate(s). (under Section 258 of Securities and Exchange Act))
- ⁽²⁾ Company held by a SCBX affiliate in which the SCBX holds more than 30% of shares. (The figures depict the percentage of shareholding and value of investment of SCBX affiliate(s). (under Section 258 of Securities and Exchange Act))
- ⁽³⁾ Discontinued operations, or in process of dissolution or liquidation.
- ⁽⁴⁾ Debt restructuring investment.

Investments of SCB X Public Company Limited in Other Companies

SCBX financial group holds shares at least 10% in total of 24 companies; the information as of December 31, 2022 is as follow:

No.	Company name and Address	Type of business	Type of shares	Issued and paid-up capital (Baht)	Paid-up shares	Percentage of ownership
Non-Financial Group Companies						
1	WELAB SKY LIMITED ⁽²⁾ Units 05-12, 22/F, K11 Atelier King Rd., 728 King Road, Quarry Bay, Hong Kong	Holding company	Ordinary	USD 188,000,000	403,647,780	12.39%
2	THAI ODAYASHI CORP., LTD. ⁽²⁾ O-NES Tower, 9 th Floor, 6 Soi Sukhumvit 6, Sukhumvit Rd., Klong Toei, Klong Toei, Bangkok 10110 Tel: 0-2252-5200	Construction	Ordinary	10,000,000	20,000	10.00%
3	SCB-JULIUS BAER (SINGAPORE) PTE. LTD. ^{(2) (3)} 9 Straits View, #08-10A, Marina One West Tower, Singapore 018937 Tel: +65-6973-2020	Securities	Ordinary	SGD 16,700,000	16,700,000	100.00%
4	BCI (THAILAND) CO.,LTD. ⁽²⁾ 5/13 Moo 3, 4 th Floor, Chaengwattana Rd., Klongkluea, Pakkret, Nonthaburi 11120 Tel: 088-597-4790	Blockchain platform	Ordinary	530,000,000	53,000,000	22.17%

No.	Company name and Address	Type of business	Type of shares	Issued and paid-up capital (Baht)	Paid-up shares	Percentage of ownership
5	NATIONAL ITMX CO., LTD. ⁽²⁾ 5/13 Moo 3, Chaengwattana Rd., Klongkluea, Pakkret, Nonthaburi 11120 Tel: 0-2558-7555	Payment system service provider	Ordinary	50,000,000	500,000	22.85%
6	ESSE COMPLEX LIMITED ⁽²⁾ Suite 5508, 55 th Floor, Central Plaza 18 Harbour Rd., Wanchai, Hong Kong.	Property investment	Ordinary	USD 3,800,000	3,800,000	10.00%
7	RUAMRUDEE ABOVE LIMITED ⁽²⁾ Suite 5508, 55 th Floor, Central Plaza 18 Harbour Rd., Wanchai, Hong Kong.	Property investment	Ordinary	USD 3,500,000	3,500,000	10.00%
8	SAHAVIRIYA STEEL INDUSTRIES PCL ⁽²⁾⁽⁴⁾ Prapawit Bldg., 2 nd -3 rd Floor, 28/1 Surasak Rd., Silom, Bangrak, Bangkok 10500 Tel: 0-2238-3063-82	Steel industry	Ordinary	11,113,018,280	11,113,018,280	40.22%
9	SIAM SAT NETWORK CO., LTD. ^{(2) (3)} SCB Park Plaza Bldg., Tower 2 West, 21 st Floor 18 Rutchadaphisek Rd., Jatujak, Jatujak, Bangkok 10900	Satellite Service	Ordinary	112,500,000	11,250,000	81.62%
10	SIAM TECHNOLOGY SERVICE CO., LTD. ^{(2) (3)} SCB Park Plaza Bldg., Tower 1 West, 18 Rutchadaphisek Rd., Jatujak, Jatujak, Bangkok 10900	Consultant	Ordinary	30,000,000	3,000,000	75.00%

No.	Company name and Address	Type of business	Type of shares	Issued and paid-up capital (Baht)	Paid-up shares	Percentage of ownership
11	SIAM MEDIA AND COMMUNICATION CO., LTD. ^{(2) (3)} SCB Park Plaza Bldg., Tower 2 West, 17 th - 22 nd Floor, 18 Rutchadaphisek Rd., Jatujak, Jatujak, Bangkok 10900	Holding company	Ordinary	700,000,000	7,000,000	33.34%
12	SUPERNAP (THAILAND) CO., LTD. ⁽²⁾ Sindhorn Tower 3 Bldg. 18 th Floor, 130-132 Wittayu Rd. Lumpini, Pathumwan, Bangkok 10330 Tel: 0-3312-5100	Data center	Ordinary	2,000,000,000	200,000,000	10.00%
13	THAI U.S. LEATHER CO., LTD. ^{(2) (3)} 39/98 Rama II Rd., Banghrachao, Muang, Samutsakhon 74000 Tel: 034-490-082-7	Leather industry	Ordinary	193,750,000	25,000,000	10.00%
14	NAVUTI CO., LTD. ⁽²⁾ 920/4 Moo7, Mae Fah Luang, Mae Fah Luang, Chiang Rai 57110 Tel: 053-767-015 (HO.Chiang Rai), 02-252-7114	Agribusiness	Ordinary	60,000,000	600,000	10.00%
15	GUNKUL GODUNGFAIFAA PLATFORM CO., LTD. ⁽²⁾ 1177 Pearl Bangkok Building, 8 th Floor, Phaholyothin Road, Phayathai Phaya Thai, Bangkok 10400	Internet retail sale	Ordinary	50,000,000.00	500,000	40.00%

No.	Company name and Address	Type of business	Type of shares	Issued and paid-up capital (Baht)	Paid-up shares	Percentage of ownership
16	SAMAWAT HEALTH CO., LTD. ⁽²⁾ 488 Srinakarin Road, Suanluang, Suanluang, Bangkok 10250	Telemedicine services platform	Ordinary	50,000,000.00	500,000	40.00%
17	SWOPMART CO., LTD. ⁽²⁾ 433 Sukhonthasawat Road, Ladprao, Ladprao, Bangkok 10230	E-marketplace	Ordinary	50,000,000.00	500,000	40.00%
18	T POP INCORPORATION CO., LTD. ⁽²⁾ 99 Moo 2, Bang Poon, Muang, Pathum Thani 12000	Entertainment activities	Ordinary	150,000,000.00	1,500,000	40.00%
19	RAKKAR DIGITAL CO., LTD. ⁽²⁾ 77/1 Baan Klang Muang Ratchayothin, Phaholyothin 34 Street, Senanikom, Chatuchak, Bangkok 10900	Data processing	Ordinary	330,000.00	33,000	40.00%
20	RAKKAR DIGITAL HOLDINGS PTE. LTD. ⁽²⁾ 141 Middle Road, #05-06,GSM Building, Singapore 188976	Holding company	Ordinary	1,382,496.00	40,000	40.00%
21	DAOSURV PTE. LTD. ⁽²⁾ 150 Cecil Street, #03-02, Singapore 069543	Blockchain and AI based analytics and processing	Ordinary	62,385,131.31	8,333	40.00%
22	SYNQA CO., LTD. ⁽²⁾ 12 th Floor, Tokyo Square Garden, 3-1-1 Kyobashi, Chuo-ku, Tokyo	Online payment services	Preferred	3,557,933,507.36	5,901,173	17.33%
23	SBI DIGITAL MARKETS PTE. LTD. ⁽²⁾ 12 Marina View, Asia Square Tower 2 #06-03, Singapore 018961	Digital and commodity asset solutions provider	Ordinary	577,186,076.29	7,200,002	16.67%

No.	Company name and Address	Type of business	Type of shares	Issued and paid-up capital (Baht)	Paid-up shares	Percentage of ownership
24	THE LIVINGOS PTE. LTD. ⁽²⁾ 8 Marina Boulevard, #05-02, Marina Bay Financial Center, Singapore 018981	Smart Residential Solutions	Preferred	351,174,963.38	16,510,987	12.34%

Remarks

⁽¹⁾ Company held jointly by the SCBX and a SCBX affiliate in which the SCBX holds more than 30% of shares. (The figures depict the aggregate percentage of shareholding and value of investment of SCBX and its affiliate(s). (under Section 258 of Securities and Exchange Act))

⁽²⁾ Company held by a SCBX affiliate in which the SCBX holds more than 30% of shares. (The figures depict the percentage of shareholding and value of investment of SCBX affiliate(s). (under Section 258 of Securities and Exchange Act))

⁽³⁾ Discontinued operations, or in process of dissolution or liquidation.

⁽⁴⁾ Debt restructuring investment.

Business Assets

Main Fixed Assets for Business Operations

Premises and equipment, net

As at December 31, 2022 and 2021, the net premises and equipment were as follows:

(in million Baht)

(Consolidated)	31-Dec-22	31-Dec-21
Land	23,752	23,749
Premises and building improvements	28,040	27,684
Equipment	19,513	19,224
Others	507	175
Right-of-use assets	4,507	2,987
Total	76,319	73,819
<u>Less</u> Accumulated depreciation	(29,736)	(28,505)
Allowance for impairment	(126)	(118)
Premises and equipment, net	46,457	45,196

Right-of-use assets

The Company and its subsidiaries record lease as a right-of-use assets under TFRS 16.

Capital Structure

Securities

Registered capital, as of December 31, 2022, stood at Baht 33,992 million and comprised:

3,399,192,198 ordinary shares with a par value of Baht 10

Paid-up capital, as of December 31, 2022, stood at Baht 33,671 million and comprised:

3,367,107,286 ordinary shares with a par value of Baht 10 and one voting right per share

Details of Securities

SCBX's securities listed on the Stock Exchange of Thailand (SET) are comprised of ordinary shares:

Ordinary shares

Amount	3,367,107,286 shares as of December 9, 2022
Issuer	SCB X Public Company Limited
Registrar	Thailand Securities Depository Company Limited
Trading	Traded on both main board and foreign board: - Using the symbol SCB on the main board - Using the symbol SCB-F on the foreign board

It should be noted that the Extraordinary General Meeting of Shareholders of The Siam Commercial Bank Public Company Limited ("the Bank") No. 1/2021, which was held on November 15, 2021, resolved to approve the SCB Financial Group Restructuring Plan whereby the Bank arranged to establish SCB X Public Company Limited ("SCBX") to be the parent company of the companies in

the financial group. In this respect, SCBX made a tender offer for all of the Bank's securities to the shareholders of the Bank by issuing new shares and offering such newly issued ordinary shares in exchange for the Bank's ordinary shares and preferred shares, at a swap ratio of 1 ordinary share of the Bank for 1 ordinary share of SCBX, and 1 preferred share of the Bank for 1 ordinary share of SCBX. After the completion of the tender offer for the securities of the Bank, the securities of SCBX were listed on the SET, in place of the securities of the Bank, which were delisted from the SET on the same day.

Future Share Issuance Obligation

SCBX has no future share issuance obligation.

Shareholding through Thai NVDR Co., Ltd. (NVDR)

As of December 9, 2022, SCBX had 3,367,107,286 registered and paid-up shares outstanding, of which 206,801,253 shares (or 6.14% of total shares) were held through Thai NVDR Co., Ltd., which has announced that it will abstain from attending and voting at shareholder meetings, except in cases that involve stock delisting from the SET. Investors can obtain the number of SCBX's shares held through NVDR directly from the Stock Exchange of Thailand at www.set.or.th/nvdr.

Note: Thai NVDR Co., Ltd. (NVDR) is a juristic person holding shares on behalf of foreign investors by issuing and selling non-voting depositary receipts, also known as "NVDR instruments," to interested foreign investors. The main purpose of NVDR instruments is to stimulate trading activity and liquidity in the Thai stock market. This mechanism allows foreign investors to invest in Thai securities without foreign limit restriction under applicable laws in Thailand.

Policy on Rights Issuance

SCBX has no plan to issue new shares to existing shareholders.

Shareholders

Principal shareholders (as of December 9, 2022)

No.	Name	Total ordinary shares	Percentage of shares
1	His Majesty King Maha Vajiralongkorn Phra Vajiraklaochaoyuhua	793,832,359	23.58
2	VAYUPAK MUTUAL FUND 1	785,298,200	23.32
3	THAI NVDR COMPANY LIMITED	206,801,253	6.14
4	STATE STREET EUROPE LIMITED	130,102,367	3.87
5	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	105,291,381	3.13
6	SOCIAL SECURITY OFFICE	89,984,440	2.67
7	THE BANK OF NEW YORK MELLON	46,752,557	1.39
8	BNY MELLON NOMINEES LIMITED	43,854,142	1.30
9	STATE STREET BANK AND TRUST COMPANY	33,128,173	0.98
10	SOUTH EAST ASIA UK (TYPE A) NOMINEES LIMITED	26,573,637	0.79
11	OTHERS	1,105,488,777	32.83
TOTAL ISSUED AND PAID-UP SHARES		3,367,107,286	100.00
THAI SHAREHOLDERS		2,772,461,129	82.34
FOREIGN SHAREHOLDERS		594,646,157	17.66

Remark: Based on issued and paid-up shares.

Dividend Policy

SCBX's Dividend Policy

SCBX has a policy to pay dividends at the rate of not less than 30 percent of its annual net profit based on the consolidated financial statements, which are payable in any year of positive profits net of all legal reserves and other reserve requirements, provided that there is no accumulated loss and the Company maintains sufficient capital to meet legal requirements and future business needs.

At the 2022 AGM, the meeting resolved to approve omission of the dividend payment from the Company's 2021 operating results and approved the omission of the allocation of net profit to the statutory reserve because the Company was in the early stage of the business and had not yet earned operating income, which resulted in an operating loss in 2021. However, after the restructuring of SCBX Group was finished in April 2022, SCBX became the shareholder of Siam Commercial Bank, holding 99.06% of the Bank's shares and started to realize income from dividends from the Bank. Subsequently, SCBX Board of Directors resolved to pay an interim dividend of the year 2022 to the shareholders at the rate of Baht 1.50 per share, equivalent to a total of Baht 5,051 million. Meanwhile, SCBX is proposing a dividend payment from its 2022 operating results to the 2023 AGM, to held in April 2023, at the rate of Baht 6.69 per share, equivalent to a dividend payment ratio at 60% of the Company's consolidated net profit, in order to improve capital efficiency on a sustainable basis.

Dividend Policies of Subsidiaries

For a subsidiary over which SCBX has full control and which is not publicly listed, dividends shall be paid at the maximum amount of net profits after appropriation for legal reserves or at an appropriate level given the subsidiary's business requirements.

In the case of a subsidiary being a publicly listed company or a company over which SCBX does not have full control, dividend payments will be based on the individual company's dividend policy and shall comply with applicable laws, rules and regulations.

Debt Securities

At the end of 2022, SCBX has no outstanding debt securities.

Risk Management System

Effective implementation of a well-designed risk management process is key to the good corporate governance and long-term business sustainability of SCBX. The Group is committed to continuously develop and strengthen its enterprise risk management system across its subsidiaries to be prepared for ongoing and future challenges. As the parent company, SCBX serves as the Center of Excellence for the Group's risk management. SCBX must therefore have a comprehensive understanding and awareness of the risk exposure of each portfolio company and the Group as a whole.

To ensure the adequacy and effectiveness of Group risk management activities, SCBX takes the risk oversight role by establishing minimum risk management and governance standards and frameworks that the portfolio companies must comply with, while still allowing the portfolio companies to set up their own risk management policies and processes to ensure business agility to compete effectively within the risk parameters approved by their respective boards of directors. SCBX fosters a strong risk culture across the Group and requires each of its portfolio companies to have a proper risk governance structure and adopt the Three Lines of Defense risk management approach. Portfolio companies are responsible for managing their own risks and are expected to have adequate resources and capabilities across the Three Lines of Defense to ensure that risk assessment and control always play a part in major decisions.

Risk Governance Structure

The governance structure of SCBX comprises the following:

1. Board of Directors

The Board of Directors has the responsibility to review and approve the Group's material risks, Group Risk Appetite Statements and Group Risk Management Policy. The Group Risk Appetite Statements serve as a guideline for decision-making to take risks and to monitor the Group's risk level so that SCBX can manage various risks and the stability of the capital position at the Group level and Bank level as deemed appropriate. Each portfolio company must ensure that the risk appetites proposed to its board of directors for approval are aligned with the Group's Risk Appetite Statements. The Group Risk Management Policy sets out the risk management and governance frameworks for all risks that are identified as material to the Group. The portfolio companies must comply to and adopt these frameworks as minimum standards for setting risk management policies and governance for the material risks that are specific to their businesses and obtain approval from their respective boards of directors. Such policies shall be designed according to the business model, risk profile, operating environment and development stage of each company, and to comply with relevant laws and regulatory requirements. Any material inconsistencies with the Group Risk Appetite Statements and the Group Risk Management Policy must be approved by the SCBX Board of Directors prior to implementation.

2. Committees with Significant Roles in Risk Management

The Board of Directors has the responsibility to delegate roles and responsibilities, as well as approval authority, to sub-board committees and other management committees. The committees with significant roles in risk management have been categorized into two levels as specified below:

2.1 Sub-board committees

The Board of Directors has delegated its risk management duties to the following sub-board committees:

2.1.1 Executive Committee is responsible for reviewing and/or approving matters related to the businesses of the SCBX and SCBX Group, including but not limited to business strategies and plans, capital allocation, investments, mergers & acquisitions and borrowing. When making these business decisions, the Committee must ensure that they are within the risk parameters set out by the Group Risk Appetite Statements and Group Risk Management Policy. The Committee may propose revision to the risk appetites for consideration by the Board of Directors as may be appropriate to a changing operating environment, market opportunities, new regulations, or developments in the SCBX Group's financial condition.

2.1.2 Risk Oversight Committee membership must comprise directors, executives or company advisors in at least half of the member seats, with the Chairperson being an independent or non-executive director. The Committee is responsible for reviewing the adequacy and efficiency of overall risk management policies, frameworks, strategies, risk appetites and tolerances, and resources and tools for SCBX, as well as at the SCBX Group level, and make recommendations to the Board of Directors to revise risk appetites and policies as needed. The

oversight of portfolio companies' risk management is done primarily through risk dashboards and a major incident escalation process. Major incidents, key risk trends and material emerging risks are discussed by the Committee to provide guidance to the management to improve or formulate strategies to control, manage and mitigate these events and trends. The Committee also advises the Board of Directors on strategy to cultivate strong risk culture throughout the Group and setting the right "tone from the top."

2.1.3 Audit Committee comprises independent directors who are responsible for reviewing the adequacy of the Company's internal control as well as the effectiveness of risk management implementation of the SCBX Group. The Committee provides the Board of Directors independent assessment and guidance regarding the Group's risk processes, internal control systems and risk management practices to ensure that they are operating effectively as intended and are in compliance with the Group Risk Management Policy.

2.1.4 Technology Committee is responsible for providing support to the Board of Directors to oversee holistically the Group's technology strategy and technology infrastructure build to keep pace with the new global context. The Committee also reviews and gives guidance on Center of Excellence (COE) development roadmaps for the Cloud Computing COE, Data Analytics and Artificial Intelligence COE, and Cyber Security COE, as well as on SCBX's technology research & development program, to mitigate technology risks and threats to the Group.

2.2 Management committees involved in risk management

In addition to the above-mentioned sub-board committees, the following management

committees have also been set up to oversee the risk management processes:

2.2.1 Risk Management Committee is responsible for developing SCBX risk management strategies to be in line with the risk management policies and frameworks. The Committee also manages the overall risk exposure of the SCBX Group by monitoring and/or supervising the utilization of risk limits, quantification of risks, major incidents, risk trends and risk management effectiveness of portfolio companies. The Committee reviews and approves scenarios and assumptions used for stress tests, business continuity plans, incident and crisis management, disaster recovery, and supervisory capital adequacy assessment and recovery plans, as well as their respective results and action plans.

2.2.2 Management Committee is responsible for considering and approving matters related to businesses of the SCBX Group, including providing recommendations on Group Risk Appetite Statements to make sure that the strategic direction and business plans are aligned with risk appetites.

3. Chief Risk Office

The SCBX Chief Risk Office, under the Chief Risk Officer (CRO), who reports directly to the Chief Executive Officer and the Risk Oversight Committee, is responsible for setting Group risk management strategies, making recommendations on all risk management matters, as well as reporting and monitoring major types of risk of the SCBX and the SCBX Group. The Chief Risk Office is responsible for continuously enhancing the SCBX Group's risk management practices up to global best-practice standards and for ensuring that SCBX and portfolio companies have enterprise risk management processes and capabilities that are suitable to their business and stage of development. The Office will also act as a Center of Excellence to provide advice to portfolio

companies on risk management and governance best practices. It is also responsible for coordinating and consolidating stress testing, capital adequacy assessment, and recovery plan exercises of group companies and consolidating group risk dashboards and monitoring major incidents to highlight risk hotspots of the SCBX Group for review and discussion by risk committees and the Board of Directors, as applicable. For tail risks, the CRO coordinates with the Chief Financial Officer and in consultation with the insurance broker to design insurance coverage for the SCBX Group, including cyber risk insurance, to mitigate any potential impact from large financial loss caused by major incidents.

4. Chief Compliance Office

The Compliance Function is responsible for providing regulatory advice, clarifications, and recommendations to other related functions to ensure that the SCBX Group understand and comply with laws, regulations and internal rules. The Compliance Function identifies and reports any material legal and compliance risks to senior management and related committees and supports business units to implement policies and controls to ensure effective compliance risk management.

5. Chief Internal Audit Office

The Internal Audit function performs independent assurance and consulting, so that the organization's internal processes are implemented with sound governance, risk management and internal control. As the Third Line of Defense, the Internal Audit Function evaluates the governance, risk management and control processes of the SCBX Group and suggests improvements to risk practices as necessary. The Internal Audit Function also considers the root cause of findings as well as risks found during audits.

The Compliance and Internal Audit functions report directly to the Audit Committee on a regular basis and follow up on corrective actions to ensure that issues are solved.

The aforementioned governance structure ensures that the risk management of the SCBX

and the SCBX Group will be efficiently managed and conducted in the best interest of its shareholders.

Risk Management Process

1. Risk Identification

As the parent company, SCBX has identified key material risks to the SCBX Group as elaborated under the Risk Factors section in this Annual Report. SCBX will review business operations and strategies across the entire Group on a regular basis and gain a comprehensive understanding of business landscapes to assess any emerging risk that could become material to the SCBX Group. The establishment and the revision of the SCBX and the SCBX Group's material risks shall be approved by the Board of Directors.

The material risks assessment is also conducted at the portfolio company level. Such material risk identification at the portfolio company is approved by that portfolio company's board of directors and endorsed by the SCBX Chief Risk Officer.

2. Risk Assessment and Measurement

Each business and operating unit within the portfolio companies must perform their risk self-assessment to identify the likelihood and potential severity of impact of the risks in their function. To assess and measure each type of risk, a wide range of quantitative and qualitative methods are used based on internal models and approaches as deemed appropriate. For example:

- **For strategic risk**, SCBX primarily uses qualitative risk factors and quantitative financial ratios to ensure that the performance of each portfolio company is aligned with its strategic plans and that its financial position remains strong and resilient.
- **For market risk**, the measurements include both statistical tools, such as value at risk (VaR), and non-statistical methods, including risk-factor sensitivity analysis, position measures and stress testing, especially for the trading book exposures of the SCBX Bank.
- **For credit risk**, the risk arises from the SCBX Group's lending subsidiaries. The measures include corporate borrower credit risk ratings to gauge the probability of default (PD) and credit scoring, such as application scores and behavioral scores to assess risk profiles of retail clients and small SMEs. In addition, risk models are used to estimate loss given default (LGD) and exposure at default (EAD) to derive an expected credit loss (ECL) as required under TFRS9.
- **For investment risk**, measurements include various quantitative and qualitative measures in various perspectives including country-wise and product-wise. SCBX's Portfolio Management team is responsible for regular assessment of management and financial performance of subsidiaries and investees to make sure there is no earnings surprise, unforeseen impairment, or unplanned financial assistance required from SCBX.

To implement forward-looking risk management, SCBX Group also performs stress tests to assess market risk, credit risk, liquidity risk and operational risk under adverse conditions to make sure that the SCBX Group has adequate capital and liquidity to withstand such events.

3. Risk Control and Monitoring

The SCBX Group has established Group Risk Appetite Statements that are aligned with the long-term strategic direction of SCBX Group to guide its overall risk-taking decisions and its design of effective risk controls and treatment plans. SCBX and its portfolio companies shall establish key risk indicators and risk limits to control and monitor the pre-specified material risks with plans to manage and mitigate the risk impacts from breaching the approved risk appetites. Group companies must regularly report the risk levels through the risk dashboard to SCBX for the SCBX Group's monitoring of consolidated risk exposures. In case there is any risk or incident that could significantly affect the business and reputation of the portfolio company and/or the SCBX Group, such portfolio company must report to SCBX Chief Risk Office in a timely manner.

Risk Factors

SCBX is a strategic investment holding company focused on financial services. SCBX has identified the risk factors discussed below as being material to the SCBX Group. The material risks as described do not cover all risks that SCBX and its portfolio companies might face, and operations might be negatively affected by unforeseen events, circumstances, uncertainties, and global economic and geopolitical situations that could amplify other risk factors that SCBX currently consider to be immaterial.

1. Strategic Risk

SCBX Group is evolving beyond its mainstay business of universal banking in Thailand, which has been facing intense competition from both Thai banking peers as well as from new platforms, online digital financial service providers, and various other alternative operating models. This rising competition has curtailed the growth and pricing power of Thailand's traditional commercial banks. SCBX has responded to this challenge by establishing its new holding company structure to allow the leadership team at the holding company to focus on finding and exploring new technologies, operating models, and strategic investment opportunities instead of being saddled with the management responsibilities and issues of legacy systems in the operating companies.

This new structure will allow SCBX to be more agile in venturing into higher growth financial service segments and experimenting with new technologies and business models. SCBX's current strategic focus to address income inequality, explore disruptive technologies and environmental businesses will lead to both opportunities and new kinds of risks, which are explained below.

Investments into these strategic areas, at least in the foreseeable future, will be funded principally by dividends from the Siam Commercial Bank as well as debt leverage at the SCBX level. A risk that the Bank's performance might not allow dividends to be paid to SCBX as planned, or that SCBX might not be able to tap the debt capital market for funding needs, could jeopardize the execution of the strategic plans. SCBX will monitor the performance of portfolio companies closely to ensure that there is no major surprise in their operating results so that funding plans can be managed on a timely basis. SCBX also intends to maintain a resilient and strong balance sheet with an investment-grade credit rating so that SCBX can readily access the debt market.

2. Credit Risk

As a financial conglomerate, the SCBX Group still relies on loans and credit for more than 70% of revenue generation and assets. SCBX assesses and oversees credit risks using disciplined underwriting practices and regular monitoring. A borrower's credit standing may be supplemented by other credit-enhancing support, such as collateral, cashflow assignment or a third-party guarantee. SCBX determines a customer's credit score by both credit underwriting models and other qualitative factors to provide a best estimate of a loan's probability of default and expected credit loss (ECL). SCBX approaches new credit products or new market segments having little credit history or data by testing them through product programs before they are approved for full launch. The SCBX Group closely monitors loan portfolios so that deterioration of credit quality beyond certain thresholds can be remedied on a timely basis. Credit and collection models and strategies

are also regularly reviewed and recalibrated as needed to improve effectiveness. It is the SCBX Group's policy to make prudent provision for expected credit loss (ECL) and to provide an appropriate management overlay to compensate for any known shortcomings of the models and methodologies and for any anticipated macroeconomic factors not already captured in the provisioning. Sudden unfavorable economic conditions or events, or an unexpected large default by a corporate borrower, would lead to a large extra ECL provision and/or write-off. As SCBX Group expands credit business to the lower-mass segment with title loans and nano-finance products, SCBX Group expects that the higher credit costs in this segment will be more than offset by much larger net interest margins and a lower cost-to-income ratio achieved through digital channels. A failure to control credit costs or improve loan recovery through better collection, or to use digital mobile technology to achieve scale in this segment, could adversely impact the profitability and growth plan of SCBX's Group Gen 2 business.

3. Investment Risk

SCBX Group will concentrate future investment in Gen 3 businesses, particularly in fintech, digital platforms, climate tech and digital asset ecosystems. These are businesses where SCBX Group does not have as much deep knowledge and expertise as in banking. Many of these investments will be made outside Thailand in countries where SCBX might not be familiar with the local market and regulatory environments. As the technologies, market scale requirements and business models in some of these businesses are still evolving and they might not prove successful or might take many years before generating positive net cash flow. Mergers and acquisitions of strategic businesses involve risks including deal closure; regulatory clearance retention of key personnel and customers; culture clash; integration of accounting, operations and systems; and potential unknown liabilities not discovered during due diligence.

SCBX also needs to improve organizational health with investments in technology, governance, risk management and control, data analytics and cybersecurity. These investments might not lead to immediate direct revenue generation but are necessary to meet regulatory requirements as well as for operational resiliency and security. Our Consolidated earnings might be subject to higher cost-to-income ratio, increased volatility and loss impairments on these investments, as well as on tangibles and intangibles, including goodwill. To help mitigate the risk, SCBX will limit the size of investment in start-ups and early-stage companies and will only do follow-on investments based on their performance progress. Diversification is important for Gen 3 investments, as it not only helps us to experiment and learn about new technologies and operating models, but it also is a key to managing investment risk. For digital assets, which presently face unfavorable market conditions and regulatory uncertainties, SCBX is limiting investments to not more than 3% of the capital. SCBX does not allow investment in crypto currency for speculation or for purposes other than to support crypto exchange business.

4. Liquidity Risk

Liquidity risk arises from inability to meet financial obligations from normal operations as well as from unforeseen events or disruption. It is often the result of gaps in maturity of assets and liabilities. The risk is especially significant at the Bank, where a failure to meet deposit withdrawals could lead to widespread panic. Both the SCB Bank and SCBX maintain a Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) at levels well above regulatory requirements. Nevertheless, maintaining too much liquidity buffer can negatively impact earnings. The SCBX Bank has been running behavior models on customer deposit withdrawals to manage this risk more efficiently. SCBX also maintains liquidity buffer through cash balance and committed credit facility to meet sudden or unexpected short-term demands by portfolio companies.

5. Market Risk

As a holding company, SCBX's primary function is to hold equity security investments in portfolio companies. The SCB Bank's equity investments in non-bank related businesses have been, or are in the process of being, sold to SCBX. The SCB Bank continues to have market risk exposure on fixed income (available for sales and trading) portfolios; foreign exchange and derivatives positions; some offshore fixed income, equity and alternative assets funds; and equity securities as investments and as collateral for credit extension. Investments in early-stage companies are principally managed and held through SCB10X, while strategic investments in Gen 2 and Gen 3 businesses are principally held directly by SCBX.

Subsidiaries' and associated companies' financial performances are consolidated with SCBX for financial reporting and are not subject to risk of fair-value valuation volatility, except for impairments forced by significant and persistent deterioration in operation and financial performance. Nevertheless, with the intention to eventually seek public listing of portfolio companies, SCBX could be exposed to large market risk on these investments once dilutions reach certain thresholds. Fair values of securities holdings and other positions, including foreign exchange and derivatives, as well as investments in portfolio companies, could experience significant fluctuations caused by underlying fundamentals, macro-economic environment, geo-political situations, natural disasters and pandemics, and market sentiment, among other potential factors. A significant decrease in value of these investments could adversely impact our profitability, statutory ratios and credit rating, and would likely lead to a large decline of the stock price.

6. Technology & ICT Risk

Sustained investment in technology is crucial to maintaining competitive advantage, whether in business of banking or in Gen 2 and Gen 3 growth journeys. SCBX invests in information and communication technology (ICT) platforms to support scalability and agility to offer new

products and services at low operating costs and using artificial intelligence (AI) to provide better customer insight and engagement. If SCBX is not able to acquire, develop, adopt, deploy and protect intellectual property right around new technologies, SCBX might find at competitive disadvantage, which could lead to lower operating and financial results. The SCBX Bank plans to transfer most legacy systems onto cloud infrastructure by 2025. All of the SCBX Group's future core systems, by default, must be cloud-native. Despite all efforts to upgrade hardware, software, systems and network infrastructure, they might still not be sufficient to ensure systems stability or prevent service interruptions, given the exponential increase in mobile application adoption and electronic transactions seen across SCBX Group. The systems have been interrupted by human error and processes such as wrong coding, system misconfiguration, inadequate user acceptance tests (UATs), inadequate penetration tests, and/or poor architectural design. SCBX continues to experience external threats, including failures of third-party interconnected systems, distributed denial-of-service attacks, cyber intrusions, network outages, and delays by technology vendors, which can result in disruptions of our systems and operations. SCBX is setting up a Cloud Center of Excellence (COE) and a Cyber Risk COE to establish best practices and minimum requirements and coordinate activities among portfolio companies for cloud infrastructure and migration, and for cyber and technology risk management, respectively.

SCBX's business depends greatly on trust. Theft, misuse or loss of data, especially customer data, could be detrimental to the business. These incidents could lead to operational disruption, reputational damage, loss of customers and business partners, regulatory reprimands and fines, litigation and significant financial loss. SCBX plans to maintain the SCBX Group's data zone at DataX, which will also serve as the SCBX Group's Data COE for data sharing, data governance, data analytics and personal data protection. Although SCBX has developed governance, systems and processes to protect

personal data from security and misuse breaches, there is no assurance that these measures will always effectively prevent such incidents.

7. Operational Risk

Each of operating subsidiaries is subject to both internal and external factors that may adversely affect their operations. Sources of internal operating failures mainly involve people, processes and systems. Human error is usually the result of inadequate training or supervision; incompetence; lack of task “ownership”; overwork and stressful work environment; and complicated procedures or manual processes.

Process flaws involve poor product design; inadequate change management or project management; lack of process review and update; and ineffective controls. System stability is often affected by poor maintenance and update of software; weak architectural design; lack of redundancy and back-up systems; insufficient network capacity; and failure of third-party interconnected systems. Operations could also be negatively disrupted by various other external factors including cyber-attack, natural disaster, accident, fraud, new regulations, terrorism and supply chain disruption. SCBX Group Risk Management Policy requires all portfolio operating companies to do risk and control assessments and have business continuity plans for their critical functions as well as crisis management plans for major incidents, with clear targets regarding recovery time. The plans are tested and reviewed on a regular basis. The SCBX Group also maintains comprehensive insurance policies, including cyber risk insurance, to cover the tail risk of large financial loss.

8. Legal and Compliance Risk

As a financial services group with a large customer base, SCBX Group is subject to a number of unique regulations including Anti-Money Laundering (AML), Combating The Financing of Terrorism and Weapon of Mass Destruction (CFT), Know Your Customer (KYC), Foreign Account Tax

Compliance, Basel III and various other laws and rules imposed by the Bank of Thailand, Securities Exchange of Thailand, Office of Insurance Commission, and National Credit Bureau for our banking, asset management, securities, brokerage, insurance and custodial businesses. To ensure financial system stability and respond to financial market crises, these regulations are constantly evolving. Last year, the Personal Data Protection Act became effective in Thailand, following enactment of similar laws around the world, such as the European General Data Protection Right (GDPR). As SCBX ventures into businesses involving new technologies, SCBX Group will be exposed to new regulations related to e-commerce, advertising, artificial intelligence, retailing, fair competition, consumer protection, intellectual property, employment practices and others. Regulators are playing catch-up in many areas we are exploring, such as digital platforms, virtual banking, digital assets, non-fungible tokens and the metaverse. Moreover, as we expand overseas, SCBX Group will face diverse, unfamiliar foreign legal and compliance environments. Non-compliance could lead to reputational damage; difficulty in acquiring or retaining customers and business partners; boycott; government investigation; litigation; claims; regulatory fines; criminal charges; and even forced suspension of business and revocation of license. New and evolving regulations could adversely disrupt the business and operating models, and increased compliance costs could significantly impact our earnings.

9. Reputational Risk

With over 116 years of history, financial services business can only achieve continued success based upon the deep trust by customers, regulators and other stakeholders. Board of Directors, senior management and employees are expected to adhere to the highest standards of conduct, ethics and risk culture. SCBX requires portfolio companies to diligently monitor events and incidents that could negatively affect their reputation and that of the SCBX Group, and to ensure a timely process of escalation to SCBX. Strategic operating companies must undertake

scenario planning, backed by clearly defined incident response processes, communication strategies, and roles and responsibilities. SCBX will inform regulators of major incidents on a timely basis, especially instances that could have a risk of contagion to the rest of the industry. Employees are required to take regular mandatory training on code of ethics, market conduct, AML/CFT/KYC, data protection and cyber security.

10. People Risk

Because SCBX Group recently restructured operations to become a premier regional financial technology group by establishing SCBX as our strategic investment holding company, SCBX Group depends heavily on a few key leaders and personnel to set strategy, to invest and to allocate capital to drive and achieve this vision. SCBX Group also relies on qualified and competent personnel at the operating companies to effectively execute the business plans and respond to the changing environment with agility. Any sudden loss of certain key executives could impede operations in some critical areas. The boards of SCBX and portfolio companies therefore place high importance on succession planning for key senior management and on development of internal talent. To be successful in digital transformation of Gen 1 and Gen 2 businesses, and in entering Gen 3 ventures, SCBX Group also must be able to attract new talent and technology staff and avoid culture clash between the new generation of workers and personnel at traditional businesses. Many of existing workers need to be retrained in digital proficiency, agility, design thinking, data analytics and new ways of working. Inability to recruit, retrain and retain qualified and competent executives and staff could adversely affect the business and financial results of the portfolio companies, as well as of SCBX.

11. Model and Artificial Intelligence (AI) Risk

As SCBX Group digitizes more and more of processes; acquire new customers via digital channels; cooperate with business partners; and

gain access to big data, operating companies are developing various new models to capitalize on data to gain competitive advantage, better manage risks and improve customer experience. These models include models for credit underwriting, collection, propensity, marketing, audit, fraud detection and statutory capital requirement. With the availability of big data, SCBX Group is also experimenting with and utilizing AI and machine learning in model development to enhance the predictive powers and accuracy of our models. Given the increasing reliance on models for faster decision-making and sometimes automated execution, all operating companies that use models for critical business activities must have a model risk management policy and process in place. Although AI has generated a lot of benefits to customers and value to the business, it could also come with unwanted consequences caused by algorithm errors or data misuse. This could result in privacy violations, discrimination, accidents or situations that embarrass customers. Regulations on AI and machine learning are still evolving, and future regulations might rule out certain aspects of AI use and negatively impact our operating models. Wrongful use of models or model errors could result in reputational damage, regulatory reprimands, loss of customers, and lower operating results.

To mitigate some of the risks of AI, SCBX Group commits to the principles of Responsible AI as follows:

- Fairness – AI should treat all people fairly
- Reliability & Safety – AI systems should perform reliably and safely
- Privacy & Security – AI should be secure and respect privacy
- Inclusiveness – AI should empower everyone, engage people and be socially beneficial
- Transparency – AI should be understandable
- Accountability – People should be accountable for AI systems

12. Environmental, Social and Governance (ESG) Risk

Over the past few years, awareness and perceptions of ESG risks have increased

considerably across the world as stakeholders and the general public focus more on sustainability. SCBX Group we has elevated ESG risk to a material risk rather than treat it as an emerging risk because good ESG practice is not only critical for corporate sustainability but ESG factors in investment and credit extension decision-making can have significant positive impacts in shaping a sustainable environment, society and economy. As a major financial group, SCBX Group has an important role in channeling funds toward sustainable projects and influencing investees and borrowers to transform their businesses and adopt good ESG practice. Doing nothing is not an option, and SCBX choose to start addressing ESG risks and create positive impacts in every little way we can now rather than later. If SCBX 's strategies and efforts to tackle ESG risks are seen as materially inadequate, investors who adopt ESG investing principles could assign a lower value to SCBX and make it more costly to access capital and financial markets. This might also lower reputational standing and negatively affect relationship with customers, business partners, potential investees and regulators, leading to lower operating results.

SCBX Group has been included in the Dow Jones Sustainability Indices (DJSI) World Index for the past four years, and SCBX's score ranked third in the latest World Index ranking. In January 2022, SCB Bank became the first Thai bank to adopt the Equator Principles to ensure that the projects we finance are developed in a socially responsible manner and reflect sound environmental management practices. ESG factors also play an important role in shaping the three strategic focuses of SCBX to address income inequality, technology disruption and the environment. widening wealth and income gaps can lead to social and political unrest if not attended. New technology, alternative data credit underwriting, and digital channels have significantly reduced bank operating costs and make nano consumer loans and micro-business financing economically feasible. This has opened up large market opportunities for Gen 2 businesses, which aim to help reduce income inequality. Purple Ventures' Robinhood project started out as a CSR effort

to assist street food vendors and small restaurants affected by the COVID-19 pandemic. It was launched as a mobile application in 2021 and has since been growing exponentially as a major digital platform covering food delivery, grocery delivery, and hotel and travel booking. Soon, it will add a general delivery service. It has more than 3.5 million registered users, 30,000 riders and 300,000 merchants. While helping these vendors and riders to avoid the high commission costs charged by other delivery apps, Robinhood has been gathering data on transactions and consumer spending behavior that will allow us to develop credit models to help meet financing needs of the platform's users, especially the self-employed, small business owners, and workers in the fast-growing "gig economy." Investments in blockchain technology, digital asset infrastructure, and tokenization reflect that these technologies will lead to financial and capital market disintermediation that will greatly reduce the cost of, and increase transparency in, accessing capital and credit, especially for small players. SCBX's environmental initiative will focus on new technologies that revolutionize the way SCBX combats climate change and conserve the environment. SCBX is starting by investing through global green tech funds to gain knowledge of environmental technologies and monitor their evolution.

Emerging Risks

SCBX Group's business is constantly exposed to risks from external and unpredictable events, including geopolitical conflicts, political instability and civil unrest, drastic change in macroeconomic factors, natural disasters, terrorist acts, cyber-attacks, pandemics and supply chain disruptions. SCBX Group constantly manage these risks through scenario and stress testing, as well as business continuity planning and drills, as part of the normal enterprise risk management process. SCBX Group considers emerging risks to be risks from evolving events or issues that could significantly disrupt operations and business models over a medium- or long-term period. The emerging risks described below are based on the current knowledge and internal

assessment. The list should not in any way be treated as exhaustive, and additional risks might appear that could adversely affect the SCBX Group's businesses. The mitigations are developing to manage and control these emerging risks might not be effective in materially reducing or controlling these risks, and SCBX Group will continue to monitor developments and improve our mitigation measures over time.

1. Quantum Computing

As innovation and technology development in quantum computing advances over the next five to ten years, along with opportunities there will be increasing risks to the global financial technology sector. Quantum computing could affect cyber security and disrupt SCBX Group's current operating models. Quantum computing has the potential, when used maliciously, to break the systemically important cryptographic underpinnings of the infrastructure on which enterprises and the wider digital economy rely. For example, encryption methods widely used within the critical infrastructure sector will be at risk. This also holds true for new, innovative applications of cryptography, such as blockchain. The calculating ability of a sufficiently powerful and error-corrected quantum computer could be so large that our underlying central data protection capability and public key cryptography would no longer be secured. The key exchanges, encryption and digital signatures that protect the SCBX Group's financial transactions, secure communications, e-commerce, and personal data all rely on mechanisms that would become outmoded in such a scenario. Ultimately, this could put all of our data at risk. Information that the SCBX Group obtains from customers must be secured as long as it has value and to satisfy regulatory and legal requirements. This is especially the case where sensitive data and systems currently being rolled out have long lifespans.

SCBX has invested in quantum computing ventures, such as 1Qbit through SCB10X, to keep abreast of developments in this emerging

technology and understand the new risks it brings. Digital signatures and key algorithms are areas of research aimed at ensuring secure encryption in the post-quantum future. Additionally, given the level of change that quantum computing will bring, SCBX Group is constantly updating the security systems and enhancing the cyber maturity. The security diligence extends to partners and third-party service providers as well.

SCBX is establishing an SCBX Technology Research & Development Program to continuously improve competitiveness by leveraging innovation, to integrate new technology and new business models, to discover advanced technology trends and to stay ahead of new consumer demands. The aim is to establish an innovation culture as a core competency of SCBX and its subsidiaries. SCBX will attract talent and researchers to create new innovations and address issues such as the risks posed by quantum computing.

2. Cybercrime, Cyber Terrorism, and State-Sponsored Activity

As new technology platforms and advanced capabilities, criminals, terrorists, and other trans-national threat actors are adapting to group-wide technology upgrades. SCBX Bank operates a financial crime and fraud prevention division that safeguards account holders around the clock. Nevertheless, financial crime teams have seen a steady rise in technology-enabled fraud and cybercrimes as industry moves ahead in creating new digital channels for finance.

Additionally, the SCBX Bank along with some portfolio companies make up part of Thailand's critical infrastructure (i.e., the finance sector); therefore risk map includes national security considerations. In their most recent Global Risk Survey, the World Economic Forum (WEF) has ranked geo-economic confrontation as the third-most severe risk over the next two years, and it is featured as the top risk in many East and Southeast Asian countries. The weaponization of this element of national power "economics" between countries highlights our critical financial sector vulnerabilities against well-funded

weapons-grade, state-sponsored cyber-attacks. We continue to work closely with the Bank of Thailand, which regulates our financial services critical infrastructure sector, to ensure that the required security measures and resilience baselines are in order.

SCBX is creating a Cyber COE, which will enable SCBX Group with advanced tools, knowledge, and training to build skills and abilities. Cyber COE will offer opportunities to collaborate across the regional financial infrastructure sector and other critical sectors on issues such as cybercrime and advanced cyber protection to promote SCBX Group's resilience in the face of these expanding threats. The goal is to balance risk versus reward as SCBX applies technology innovations to also ensure that this new capability does not enable proliferation of technology-enabled crimes, terrorism, human trafficking, and so on.

having a clear business policy with appropriate short-term and medium-term strategies, along with clear annual financial targets.

In addition, since the proportion of shares held by the SCBX two largest shareholders is quite large, shareholders face the risk that major shareholders might materially reduce their position, which could significantly depress the share price. In such an event, SCBX would nevertheless expect the effect to be short-term, given the SCBX's high market capitalization and inclusion in the SET50 index, making the stock highly liquid, with a high trading volume.

Risks to Shareholders

Shareholders are subject to the risk that expected returns from their investments, whether in the form of dividend income or capital gains, might not materialize. Dividend income is directly linked to the profits. According to SCBX dividend policy, shareholders should expect to receive dividend income at a rate of not less than 30% of the consolidated annual net profit.

Capital gains are determined solely by SCBX's share price, which is influenced by a variety of factors, such as the SCB Bank's performance, performance of portfolio companies, domestic and global economic trends, domestic political stability, capital market sentiment, and foreign fund inflows and outflows as well as natural disasters and epidemics, most of which are beyond the SCBX's control.

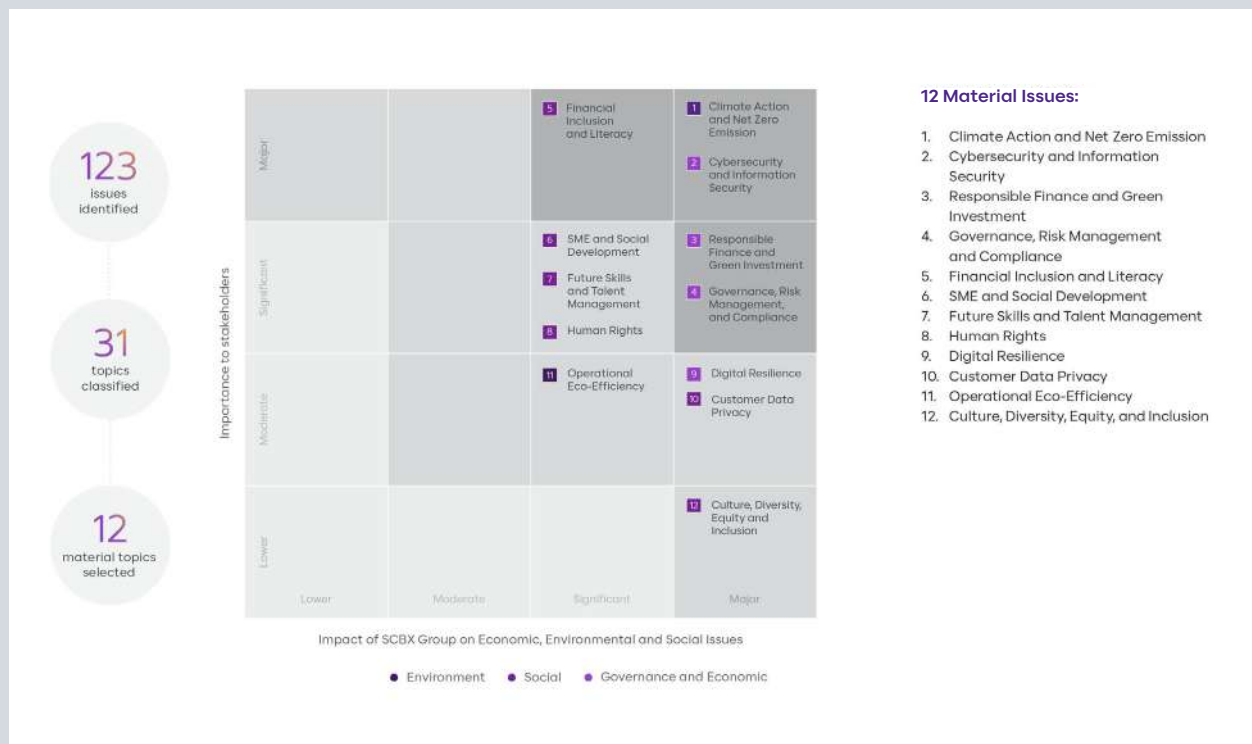
At the beginning of each year, SCBX provides broad guidance on its financial targets, and shareholders face the risk that these financial targets might not be met in a particular year. Another potential risk is new or revised regulation from the related regulators, which would affect both dividends and share price. SCBX mitigates these risks by

Business for Sustainability

Becoming one of the most sustainable organizations is SCBX Group's ultimate goal. SCBX is determined to balance economic, social and environmental sustainability factors; guide customers through transitions with all available opportunities and possibilities; enable a quality of life for all; and engage all parties in creating positive impacts on the ecosystem for sustainability.

SCBX Group's path towards sustainability starts from the analysis of economic, social and environmental impacts from business activities, to identify the direct and indirect, negative and

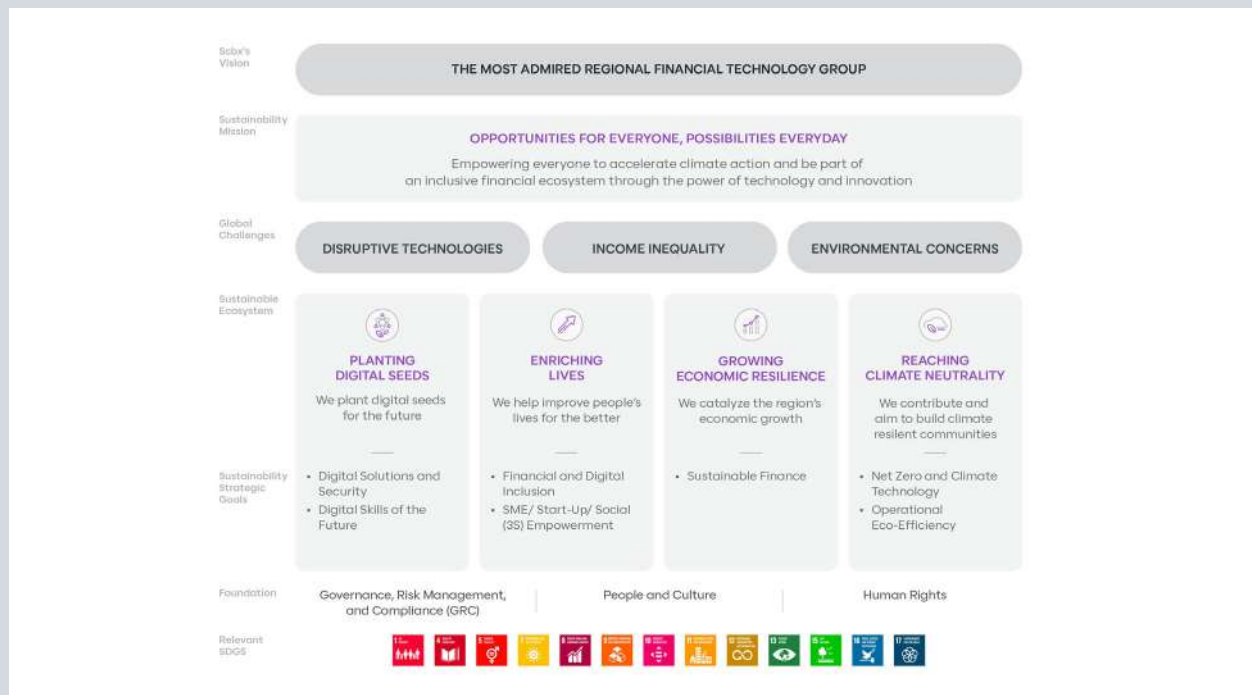
positive aspects in the short and long terms. The identification is the first step of Materiality Assessment under the Global Reporting Initiative (GRI) Standards, that involves internal and external stakeholders including customers, investors, regulators and business partners. In 2022, SCBX identified a total of 123 material sustainability issues, categorized into 31 topics. Of all topics, 12 were considered significant, and SCBX Group formulated the sustainability strategy framework based on these materiality topics. Under this framework, SCBX will drive efficient and effective sustainability operations across the SCBX Group.



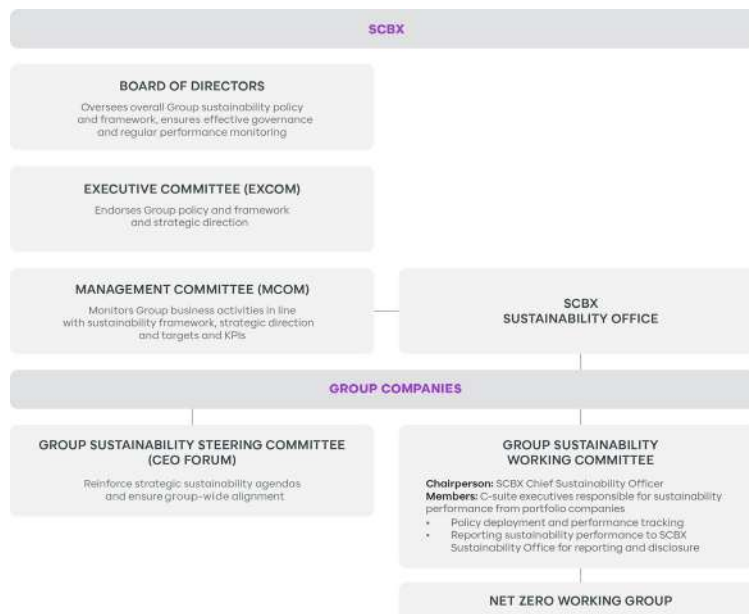
Sustainability Policy and Framework

In 2022, SCBX devised a sustainability policy and strategic framework consisting of four pillars — Planting Digital Seeds, Enriching Lives, Growing Economic Resilience and Reaching Climate Neutrality — as guided by the sustainability mission of “Opportunities for Everyone, Possibilities Everyday.” The Group-level sustainability

governance structure was developed to guide all business entities under the SCBX umbrella towards the creation of an inclusive financial ecosystem. Meanwhile, SCBX Group aims to empower all parties in accelerating their climate actions in support of the Ten Principles of the United Nations Global Compact, the United Nations Sustainable Development Goals (SDGs) and the Paris Agreement.



Sustainability Governance Structure



Sustainability Management in Economic, Social and Environment Dimensions

SCBX Group steered sustainability operations in alignment with its strategic sustainability framework consisting of four pillars: Planting Digital Seeds, Enriching Lives, Growing Economic Resilience and Reaching Climate Neutrality. The four pillars encompassed all material issues throughout the business value chain. The management approaches and 2022 performance can be summarized as follows:



Planting Digital Seeds

SCBX Group is committed to taking part in building a sustainable digital ecosystem on which businesses and individuals can thrive amid technology disruption. Under this sustainability pillar, two strategic goals were identified:

Digital Solutions and Security

SCBX Group is committed to leveraging its capabilities in technology and data, including big data, AI & ML, blockchain, IoT, and cloud computing to innovate and invest in future technologies. The goal is to build **alternatives** conducive for an inclusive and sustainable digital ecosystem on the back of strengthened cybersecurity and data protection. Key performance in 2022 included:

1. **Establishment of Centers of Excellence (CoEs) for technology**, specifically Cloud, AI, and Cybersecurity in uplifting digital and data capabilities and fostering synergies within the SCBX Group.
2. **Development of comprehensive digital solutions for all customer groups** involving innovative financial solutions and services as well as in purple — from digital banking, digital lending and digital



ecosystem to digital asset products and technology of the future — that meet the needs of retail and corporate customers.

Some innovations and new initiatives

Help businesses in Thailand to successfully venture into the digital world: Launched **TKX Chain Solutions**, an integrated blockchain solution aimed to help corporate customers quickly and conveniently jumpstart their journey into the world of digital assets. In addition, TokenX also developed **ColleX**, an NFT solution for business.

Strengthen financial health of Thai people and push Thai capital market towards sustainable growth: Introduced **InnovestX**, the first Thai super app that puts all securities in one place from domestic and international equities, mutual funds and bonds to digital assets, to broaden access to various investment alternatives.

Broaden access to finance through nano and micro financing: Launched micro finance service through **MoneyThunder** app and nano finance credit through **FINNIX** app, while providing opportunities for additional income and financial knowledge.

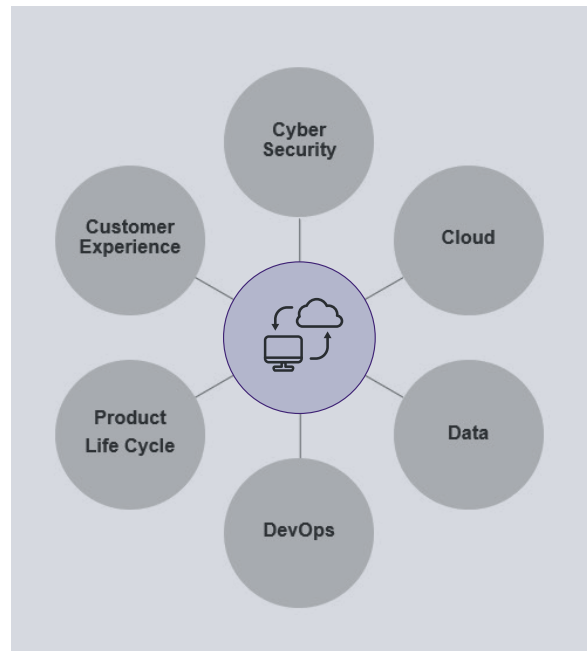
Create better experience throughout the customer journey: Launched **PointX**, a new platform for reward point accumulation that allows purchase payments with the reward points instead of cash at any shop displaying the PointX logo or at X Store. Point sharing is also possible.

Improved features on **SCB Connect** to be more than just transaction notifier with 1) Notification services, 2) "Just4U" – summary of monthly expenses service and 3) Balance checking service.

3. **Cybersecurity risk management** through organization-wide policies, communications, and standardization of information technology security practices along with provision of year-round training and awareness activities. In 2022, SCBX Group, by SCB Bank, performed at least 6 cyber readiness tests and has been certified for ISO/IEC 27001: 2013 for Information Security Management System since 2005.

Digital Skills of the Future

SCBX Group continues to reinforce the digital capabilities of employees and future workforce in order to drive long-term economic growth, employment opportunities and well-being. SCB Academy is tasked to design learning journey, to uplift technology and data capabilities appropriate for employees and each business unit. In parallel, SCB Academy forms partnerships with external organizations in fostering skills crucial for the digital era for Thai people through various digital learning platforms. SCBX is planning to establish a special unit to support the goal to raise the number of tech talents.



Enriching Lives

SCBX Group is ready to support small business and entrepreneurs. The adoption of technology combined with the SCBX Group and partners' expertise will lead to innovation and new initiatives that will help address income inequality, increase accessibility to social opportunities and strengthen the grassroots economy's self-reliance, under two strategic goals:

Financial and Digital Inclusion

SCBX Group has continually strived to make finance simple and accessible for all through the development of digital finance platforms and the adoption of AI and ML technologies in analyzing data. Alternative data is used in the credit approval process to predict a customer's ability and willingness to pay. This approach seeks to help address the issue of loan sharks.

In addition to the promotion of financial accessibility through SCB Easy App, SCBX Group seeks to expand its reach to the underserved group through different platforms and services.



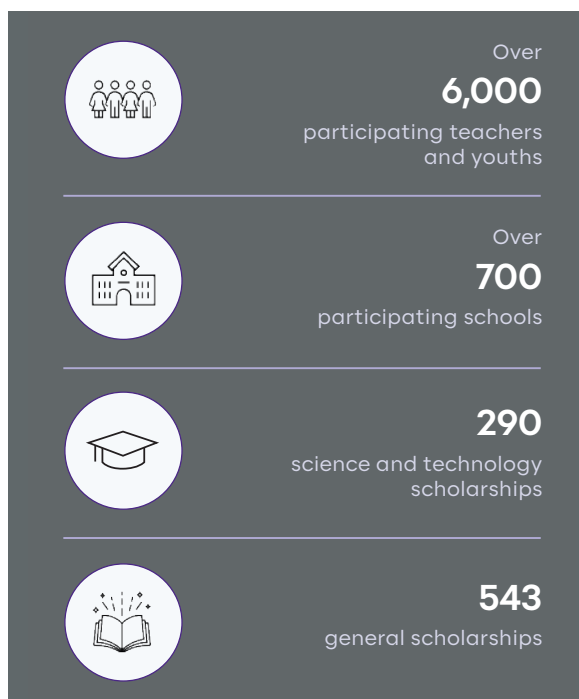
SME - Startup

Social (3S) Empowerment

SCBX Group aims to enable small and medium-size businesses, start-ups, communities, and society to reach their full potential by creating and connecting individuals with opportunities to access and make use of digital technology, finance, knowledge and necessary skills for their preparedness for change and alignment with UN Sustainable Development Goals (SDGs). Key performance in 2022 included:

- Supported small-business entrepreneurs through Robinhood platform that started in 2020 as a Zero-GP food delivery app. The platform created jobs for riders through Robinhood Rider Application that comes with the Robinhood EV bike model. In 2022, the Robinhood Travel was added with an online travel agent feature to assist local tourism operators with its commitments to zero commission. Robinhood Mart was later introduced for goods delivery from convenience stores or special shops with the lowest GP of not over 15% of purchase value.

- Incubated potential start-ups through SCB 10X DISTRICTX, a community for innovators and global partners specialized in blockchain and Web 3.0 that seeks to foster collaboration, networking and unlimited prosperity.
- Supported the accessibility of youth to 21st century education and skills, for a strong foundation of the country's development. In 2022, SCBX Group, via SCB proceeded with various projects such as SCB Challenge, CONNEXTED, scholarships and financial literacy initiatives.



- Supported community accesses to quality water source for consumption and agriculture through the implementation of "Water Source Development Project" in collaboration with Utopakat Foundation under the Royal Patronage of H.M. the King and HydroInformatics Institute; "Network of Community Natural Disaster Alert" in support of the Friends in Need (of "PA") Volunteers Foundation; "Water for a Better Life Project" in collaboration with the Royal Thai Air Force Disaster Mitigation Center; and "Clean Drinking

Water Project" in collaboration with Mae Fah Luang Foundation under Royal Patronage.

In 2022, the initiatives contributed benefits to:



Growing Economic Resilience

SCBX Group aspires to bridge every commitment towards the transition to a low-carbon economy and promote social resilience through sustainable finance to tackle climate impacts and foster sustainable economic growth.

Sustainable Finance

SCBX is integrating Environmental, Social, and Governance (ESG) principles across the lending and investment portfolios as well as the development and delivery of comprehensive financial products and services to serve diverse customer needs and concurrently create more positive environmental and social outcomes. Key performance in 2022 included:

- A Signatory to the Equator Principles (EP): SCB became the first Thai bank to adopt the EP standard for environmental and social risk management of project finance.
- Offered various sustainable financial solutions for all customer groups.



- Promoted sustainability investment by offering over 138 Green/ESG funds with assets under management (AUM) totaling Baht 41,712 million or 7.3% of total AUM.



Reaching Climate Neutrality

SCBX Group makes efforts in leveraging financial and technological capabilities in managing climate risks and seizing opportunities linked with climate change, that encompasses support to customers' transition towards a low-carbon economy and net zero emissions. At the same time, the SCBX Group manages environmental impacts across the value chain to maintain the balance of natural resources and the environment which are the primary economic and social capital for economic and social sustainable development. Under this pillar, two strategic goals were identified:

Net Zero and Climate Technology

SCBX Group is aware of the urgency in pushing the global efforts to limit global warming to less than 2 degrees Celsius, preferably closer to 1.5 Celsius, by 2030 in alignment with the Paris Agreement. In 2022, SCBX Group thus announced the Net Zero Commitment 2030 within its own operations and 2050 within the lending and investing portfolios.

- **Conducted energy audit for scope 1 & 2 emissions** to review its energy management approach, the efficiency of machines and equipment as well as data on energy consumption and greenhouse gas emissions from office buildings and branch network for the preparation of the SCBX Group's Operational Net Zero Roadmap.
- **Prepared GHG accounting to measure greenhouse emissions of loans and investments to each industry (Scope 3)** according to the Global GHG Accounting and Reporting Standard for the Financial Industry, by the Partnership for Carbon Accounting Financials (PCAF) and then develop effective strategies towards Net Zero.
- **Announced fossil fuel financing statement** as an operational guideline during the transition from fossil fuel energy to alternative fuels.
- **Provided environmental financing** to businesses or activities that seek to mitigate climate impacts and build climate resilience through financial instruments like green/ sustainability loan, green/ sustainability bonds and climate funds.

- **Launched actions on forest conservation and green area expansions** in order to help absorb greenhouse gases and cultivate environmental awareness among employees, communities and the general public. The action was executed through the "Forest Care Project" in collaboration with Mae Fah Luang Foundation under Royal Patronage. The project concerns the maintenance of 1,386 rai of forest areas in Wiang Chiang Rung and Mae Fah Luang districts in Chiang Rai; and the growing of 5,800 trees under "Our Khung BangKachao Project" and "Trees for the World Project".

Operational Eco-Efficiency

SCBX Group seeks to optimize its energy and natural resource utilization and waste management according to the 3R principles: Reduce, Reuse, and Recycle. SCBX Group also embrace digital technologies in work processes and promote green supply chain practices to strike a balance of natural resources and the environment which are the capital in driving economic and social development today and tomorrow.

Compared to 2019's baseline performance, in 2022 SCBX Group achieved:



Reduced energy consumption by

28.67%



Reduced indirect greenhouse gas emissions by

28.75%



Reduced water consumption by

25.71%



Reduced waste generation by

45.49%

3-Year Financial Statement and Ratio

Statement of financial position (Consolidated)

(Unit: Baht thousand)	31 December		
	After restructuring	Before restructuring	
	2022	2021	2020
Assets			
Cash	47,253,581	50,420,799	51,631,543
Interbank and money market items, net	522,055,609	618,268,620	547,504,036
Financial assets measured at fair value through profit or loss	62,326,524	68,707,387	28,032,542
Derivative assets	66,084,005	57,579,088	86,829,862
Investments, net	390,671,195	222,634,338	311,795,715
Investments in subsidiaries, associates and joint venture, net	1,205,738	781,207	-
Loans to customers and accrued interest receivables, net	2,247,848,045	2,165,455,869	2,130,308,123
Properties for sale, net	22,440,808	18,200,943	16,136,334
Investment properties, net	495,336	511,094	-
Premises and equipment, net	46,456,883	45,196,041	40,308,637
Goodwill and other intangible assets, net	20,478,683	18,384,743	18,566,173
Deferred tax assets	3,225,430	3,681,058	4,505,357
Other assets, net	23,910,500	44,743,711	42,765,197
Total assets	3,454,452,337	3,314,564,898	3,278,383,519
Liabilities			
Deposits	2,555,799,805	2,467,495,380	2,420,455,426
Interbank and money market items	181,347,492	180,961,455	198,491,004
Liabilities payable on demand	11,429,091	10,539,176	10,266,910
Financial liabilities measured at fair value through profit or loss	38,755	5,750	3,771

(Unit: Baht thousand)	31 December		
	After restructuring	Before restructuring	
	2022	2021	2020
Derivative liabilities	60,632,010	49,200,116	79,271,805
Debt issued and borrowings	71,996,494	74,921,623	67,234,660
Provisions	19,373,480	20,342,267	17,896,778
Deferred tax liabilities	928,726	887,849	132,018
Other liabilities	86,294,601	67,605,190	72,802,099
Total liabilities	2,987,840,454	2,871,958,806	2,866,554,471
Shareholders' equity			
Share capital			
Authorised share capital			
Preferred shares	-	35,826,672	35,827,259
Common shares	33,991,922	34,173,338	34,172,741
Issued and paid-up share capital			
Preferred shares	-	35,429	36,015
Common shares	33,671,073	33,956,503	33,955,907
Premium on share capital			
Premium on preferred shares	-	13,855	14,085
Premium on common shares	11,019,190	11,110,336	11,110,106
Other reserves	21,954,695	22,837,505	16,906,997
Retained earnings			
Appropriated			
Legal reserve	3,400,000	7,000,000	7,000,000
Unappropriated	391,186,687	366,043,734	342,406,796
Total owners of the company	461,231,645	440,997,362	411,429,906
Non-controlling interests	5,380,238	1,608,730	399,142
Total shareholders' equity	466,611,883	442,606,092	411,829,048
Total liabilities and shareholders' equity	3,454,452,337	3,314,564,898	3,278,383,519

Statement of profit or loss and other comprehensive income (Consolidated)

(Unit: Baht thousand)	For the year ended 31 December		
	After restructuring	Before restructuring	
	2022	2021	2020
Interest income	126,992,632	112,176,572	118,370,775
Interest expenses	19,127,399	17,005,762	21,471,857
Net interest income	107,865,233	95,170,810	96,898,918
Fee and service income	48,143,055	50,355,543	45,621,229
Fee and service expenses	10,995,510	10,157,495	9,034,920
Net fee and service income	37,147,545	40,198,048	36,586,309
Net gain on financial instruments measured at fair value through profit or loss	6,669,367	11,090,364	7,664,129
Net gain on investments	54,233	145,987	1,700,659
Share of profit (loss) from investment in associates and joint venture	272,600	556,560	(78,147)
Dividend income	149,083	166,035	155,445
Other operating income	2,262,274	3,014,245	1,840,401
Total operating income	154,420,335	150,342,049	144,767,714
Other operating expenses			
Employee expenses	31,218,904	30,006,793	31,452,934
Directors' remuneration	273,819	111,658	116,654
Premises and equipment expenses	11,511,344	10,848,501	12,625,740
Taxes and duties	4,399,628	3,611,083	3,846,614
Other expenses	22,469,961	18,977,721	16,288,283
Total operating expenses	69,873,656	63,555,756	64,330,225
Expected credit loss	33,828,761	42,024,476	46,649,468
Profit from operation before income tax expenses	50,717,918	44,761,817	33,788,021
Tax expenses	13,592,494	9,375,857	6,794,329
Net profit	37,125,424	35,385,960	26,993,692

(Unit: Baht thousand)	For the year ended 31 December		
	After restructuring	Before restructuring	
	2022	2021	2020
Other comprehensive income (loss)			
<i>Items that will be reclassified subsequently to profit or loss</i>			
Loss on investments in debt instruments at fair value through other comprehensive income	(231,896)	(912,382)	(423,251)
Gain (loss) arising from translating the financial statements of a foreign operation	(305,035)	113,218	2,993
Change in hedge reserve	(6,125)	-	-
Income tax relating to components of other comprehensive income (loss) will be reclassified subsequently to profit or loss	47,604	182,476	84,650
	(495,452)	(616,688)	(335,608)
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Gain (loss) on investments designated at fair value through other comprehensive income	10,892	(391,865)	178,859
Gain on revaluation of assets	-	8,960,197	(29,895)
Gain on remeasurements of defined benefit plans	1,724,369	493,992	(1,779,674)
Income tax relating to components of other comprehensive income (loss) will not be reclassified subsequently to profit or loss	(347,052)	(1,786,714)	326,142
	1,388,209	7,275,610	(1,304,568)
Total other comprehensive income (loss), net of income tax	892,757	6,658,922	(1,640,176)
Total comprehensive income	38,018,181	42,044,882	25,353,516
Net profit (loss) attributable to:			
Owners of the company	37,546,011	35,589,987	27,217,602
Non-controlling interests	(420,587)	(204,027)	(223,910)
Total comprehensive income (loss) attributable to:			
Owners of the company	38,422,921	42,245,935	25,574,896
Non-controlling interests	(404,740)	(201,053)	(221,380)

Statement of Cash Flows (Consolidated)

(Unit: Baht thousand)	For the year ended 31 December		
	After restructuring	Before restructuring	
	2022	2021	2020
Cash flows from operating activities			
Profit from operating before income tax expense	50,717,918	44,761,817	33,788,021
<i>Adjustments to reconcile profit from operating before income tax expense to cash receipts (payments) from operating activities</i>			
Depreciation and amortisation	9,070,387	9,489,865	10,171,344
Expected credit loss	37,750,714	45,115,421	49,907,274
Impairment loss on properties for sale	220,968	648,522	1,566,315
(Reverse of) impairment loss on premises and equipment	7,664	(225,123)	241,220
Impairment loss on intangible assets	96,658	-	-
Provisions expense	1,891,486	2,457,296	4,035,725
Share-based payment transactions	40,389	-	-
Gain from sale of properties for sale	(1,368,289)	(1,167,399)	(1,013,599)
(Gain) loss on sale of premises and equipment	(1,783)	4,812	(6,547)
Loss from write-off of premises and equipment	14,273	139,752	218,038
Loss from write-off of intangible assets	1,369	14,559	619
Loss on revaluation of investment properties	-	34,413	-
Net gain on financial instruments	(33,730,678)	(31,458,881)	(11,410,464)
Net gain on investments	(54,233)	(145,987)	(1,700,659)
Share of profit from investments in associates and joint venture	<u>(272,600)</u>	<u>(556,560)</u>	<u>78,147</u>
	64,384,243	69,112,507	85,875,434
Net interest income	(107,865,233)	(95,170,810)	(96,898,918)
Dividend income	(149,083)	(166,035)	(155,445)
Proceeds from interest	125,230,423	111,765,649	107,140,204
Interest paid	(19,166,429)	(17,936,395)	(26,768,443)
Proceeds from dividend	297,153	237,681	155,693
Income tax paid	(10,247,065)	(11,103,076)	(20,660,020)

(Unit: Baht thousand)	For the year ended 31 December		
	After restructuring	Before restructuring	
	2022	2021	2020
Profit from operating before changes in operating assets and liabilities	52,484,009	56,739,521	48,688,505
<i>(Increase) decrease in operating assets</i>			
Interbank and money market items	96,388,290	(70,766,620)	(114,012,703)
Derivative assets	(10,138,841)	33,887,176	(18,397,660)
Investment in short-term securities	40,111,541	(8,827,364)	18,116,200
Loans to customers	(125,223,302)	(87,728,120)	(167,327,124)
Properties for sale	8,150,143	7,322,125	7,226,425
Other assets	20,978,612	(441,178)	(16,958,366)
<i>Increase (decrease) in operating liabilities</i>			
Deposits	88,304,425	47,039,954	261,030,230
Interbank and money market items	386,037	(17,529,549)	52,646,807
Liabilities payable on demand	889,915	272,266	(1,529,307)
Financial liabilities measured at fair value through profit or loss	(33,005)	1,979	(14,564)
Derivative liabilities	11,425,769	(30,071,689)	17,178,497
Short-term debt issued and borrowings	(2,620,551)	4,187,823	(12,653,133)
Other liabilities	9,301,595	(2,581,649)	(13,041,593)
Net cash from (used in) operating activities	190,404,637	(68,495,325)	60,952,214
Cash flows from investing activities			
Acquisition of instruments measured at fair value through other comprehensive income	(209,161,324)	(267,494,078)	(424,564,645)
Proceeds from sale of instruments measured at fair value through other comprehensive income	244,383,595	355,401,640	393,056,095
Acquisition of instruments at amortised cost	(209,614,138)	(1,254,306)	(554,756)
Proceeds from redemption of instruments at amortised cost	2,207,570	959,156	1,053,903
Payment for investments in subsidiaries, associates and joint venture	(510,763)	(164,888)	-
Proceeds from disposal of investments in subsidiaries and associate	50,003	-	-

(Unit: Baht thousand)	For the year ended 31 December		
	After restructuring	Before restructuring	
	2022	2021	2020
Proceeds from liquidation of subsidiaries	-	-	28,612
Acquisition of premises and equipment	(1,183,185)	(712,727)	(902,014)
Proceeds from sale of premises and equipment	2,720	22,603	59,824
Acquisition of intangible assets	(5,611,128)	(5,380,768)	(3,121,083)
Net cash (used in) from investing activities	(179,436,650)	81,376,632	(34,944,064)
Cash flows from financing activities			
Proceeds from long-term debt issued	16,211,000	-	192,025
Repayment of long-term debt issued	(14,880,000)	(1,031,865)	(3,051,982)
Proceeds from long-term borrowings	-	3,533	7,270
Repayment of long-term borrowings	(67,021)	(99,048)	(89,864)
Payment of lease liabilities	(1,280,584)	(1,704,553)	(3,038,045)
Issued share capital	-	10	-
Dividend paid to equity holders of the Bank	(8,939,875)	(12,678,987)	(16,146,163)
Dividend paid to equity holders of the Company	(5,050,661)	-	-
Dividend paid to non-controlling interests of the Bank	(623,905)	-	-
Capital contribution from non-controlling interests of the subsidiaries	947,652	-	-
Payment to owners to redeem the entity's shares	(10)	-	-
Payment to a non-controlling interests from liquidation of subsidiary	(146,766)	1,305,641	132,000
Net cash from (used in) financing activities	(13,830,170)	(14,205,269)	(21,994,759)
Gain (loss) arising from translating the financial statements of a foreign operation	(305,035)	113,218	2,993
Net increase (decrease) in cash	(3,167,218)	(1,210,744)	4,016,384
Cash at 1 January	50,420,799	51,631,543	47,615,159
Cash at 31 December	47,253,581	50,420,799	51,631,543

Key Financial Ratios

	After restructuring	Before restructuring	
	2022	2021	2020
LIQUIDITY RATIO			
Liquidity ratio ⁽¹⁾ (Bank-only)	35%	33%	33%
PROFITABILITY RATIO			
Operating profit margin ⁽²⁾	80%	81%	79%
Net profit margin	24%	24%	19%
Return on equity	8.3%	8.4%	6.7%
Yield on earning assets ⁽³⁾	4.45%	3.92%	4.43%
Cost of funds ⁽⁴⁾	0.69%	0.63%	0.84%
Spread ⁽⁵⁾	3.76%	3.29%	3.58%
Net interest margin	3.29%	3.00%	3.23%
EFFICIENCY RATIO			
Cost income ratio	45.2%	42.3%	44.4%
Return on assets	1.1%	1.1%	0.9%
Asset turnover ratio (times)	0.05	0.05	0.05
FINANCIAL RATIO			
Loan to borrowing ratio	90.1%	90.2%	90.3%
Loan to deposit ratio	93.0%	93.3%	93.2%
Deposit to liability ratio	85.5%	85.9%	84.4%
Debt to equity ratio ⁽⁶⁾	0.25	-	-
Dividend payout ⁽⁷⁾	60%	39%	29%
Capital adequacy ratio	18.9%	18.7%	18.2%
LEVERAGE RATIO			
Interest coverage ratio (times) ⁽⁸⁾	49.5	-	-

	After restructuring	Before restructuring	
	2022	2021	2020
ASSET QUALITY RATIO			
Coverage ratio ⁽⁹⁾	160%	139%	141%
Allowance for expected credit loss/doubtful accounts on loans to loan and accrued interest receivables	6.1%	6.3%	6.0%
Credit cost ⁽¹⁰⁾	1.45%	1.84%	2.14%
% Non-performing loans to total loans ⁽¹¹⁾	3.3%	3.8%	3.7%
Accrued interest receivables to loan and accrued interest receivables	0.8%	0.6%	0.6%

Remark:

⁽¹⁾ Liquidity ratio (Bank-only) = Liquid assets ÷ total deposits

⁽²⁾ Operating profit margin = (Net interest income + net fee income + net insurance premium - tax and duties) ÷ (total interest income + gross fee income + gross insurance premium)

⁽³⁾ Yield on earning assets = Total interest income ÷ (avg. loans + avg. interbank and money market assets)

⁽⁴⁾ Cost of funds = Total interest expense ÷ (avg. deposits + avg. borrowings + avg. liability payable on demand + avg. interbank and money market liabilities)

⁽⁵⁾ Spread = Yield on earning assets - Cost of funds

⁽⁶⁾ Debt to equity ratio = (Debt issued and borrowings + interbank and money market items (company only)) ÷ total shareholders' equity

⁽⁷⁾ Dividend payment in 2022 was Baht 6.69 per share as proposed to the Annual General Meeting of Shareholders in April 2023. (Interim dividend Baht 1.50 per share)

⁽⁸⁾ Interest coverage ratio = (Net profit + tax expenses + depreciation and amortization + expected credit loss + interest expense of debt issued and borrowings + interest expense of Interbank Liabilities (company only)) ÷ (interest expense of debt issued and borrowings + interest expense of interbank liabilities (company only))

⁽⁹⁾ Coverage ratio = Allowance for doubtful account/Allowance for expected credit loss ÷ NPLs

⁽¹⁰⁾ Credit cost = Provision ÷ avg. loans

⁽¹¹⁾ % Non-performing loans to total loans used the guidelines specified in the BoT's notification

Management Discussion and Analysis

For the year ended December 31, 2022

2022 marked another key milestone for SCBX. The Group completed the restructuring process under the fintech mothership strategy as SCB X PCL was listed on the Stock Exchange of Thailand on April 27, 2022 and major business and asset transfer transactions were executed by the end of 2022. SCBX recorded full year net profit of Baht 37.5 billion, representing an increase of 5.5% yoy, following a robust NII growth and lower provisions which more than offset weak investment income and higher operating expenses. Asset quality remained under control with an improvement in NPLs and the NPL coverage ratio. Profit contribution was almost all from banking business for the year 2022 while we continued to build foundations to grow business under Gen 2 and Gen 3. The outlook for 2023 should be supported by continued economic recovery and improved capital market conditions. We expect solid banking performance to continue and Gen 2 business performance to accelerate, while prudently looking for new investment opportunities.

On a journey to become a tech company

The quest to be a tech company with a vision to become “The Most Admired Regional Financial Technology Group” began with the completion of tender offer with a 99.06% acceptance rate, followed by an approval of a one-time dividend to SCBX in the amount of Baht 61 billion to facilitate and fund related business transfers to complete the restructuring process.

In September 2022, SCBX used part of the proceeds to acquire shares of subsidiaries from the Bank and SCB 10X Company Limited and invest in SCBX’s subsidiaries. The credit card and

personal loan business was transferred to CardX in early December 2022. In 2022, several of our portfolio companies made progress in building growth foundations. AutoX’s foray into the auto title loan market under “Ngern Chaiyo” brand was successful in quickly expanding its customer base, and the company had extended Baht 7.5 billion worth of loans at the end of December 2022, after the launch in 3Q22. Meanwhile, InnovestX unveiled the first investment super app in Thailand that combines trading of traditional and digital securities into a unified platform. Moreover, InnovestX Securities collaborates with Goldman Sachs in developing investment products for the Thailand market, broadening Thai investors’ access to a vast array of investment solutions. Robinhood platform has secured a ride-hailing service license and fully transformed into a super app with the inclusion of online travel agent service, mart service and express service.

In 2022, SCBX Group made several offshore strategic investments. The first was a USD 50 million indirect strategic investment in Bank Jasa Jakarta (an Indonesian commercial bank) with plans to re-platform into a digital bank backed by Welab and Astra Group. This investment is a strategic move to set a strong footprint in digital banking regionally. Initially, it will capture the growth opportunities in the digital banking business in Indonesia. The second was a USD 100 million strategic investment in AKULAKU, Indonesian leading digital consumer finance platform. This investment fits within our regional goal of serving an underserved market using digital financial solutions. The third was a USD 10 million investment in RakkaR Digital, an institutional-grade digital asset custody platform for institutions, made through SCB 10X.

RakkaR Digital will help provide digital asset custody and related services to clients across ASEAN. Also, we have made a USD 180 million investment in FWD, a leading Pan-Asian life insurer with a customer-led, legacy-light and digital-first model, in 2021 as FWD is a fast-growing life insurer with a strong focus in Southeast Asia and a key strategic partner of SCBX.

The Company has set a bold vision to be “the most admired regional financial technology group” but will prudently execute the plan to realize our vision in 3 phases. In Phase 1, we will transform ourselves into a Tech Group, a process that needs core tech and data capabilities to enable and accelerate the companies in our portfolio. In Phase 2, or over the next 2-3 years, we expect our digital lending businesses to show fast earnings growth and support the Group’s steady earnings growth profile. In Phase 3, or in the next 3-5 years, the focus is placed on monetization and value realization of our Gen 3 businesses.

For more information on SCBX strategy, please visit www.scbx.com/en/investor-relations/scbx-strategy-day-2022.html or this QR code.



2022 Operating performance

SCBX reported full-year net profit of Baht 37.5 billion, up 5.5% from the previous year, thanks to higher net interest income (NII) from loan growth and upward interest rate trend and lower expected credit losses. Nevertheless, SCBX reported higher operating expenses due to increased business activities and the Group restructuring cost. Cost-to-income ratio rose marginally to 45.2%. Fee-based income declined in the year as fees from wealth management products dropped along with investment and trading income.

SCBX Group’s loan growth in 2022 was 3.3% yoy. The growth was driven mainly by SCB Bank’s housing loans and loans provided by digital lending portfolio companies. Asset quality was well under control, with NPL ratio at 3.34% and strong improvement in coverage ratio. Expected credit losses declined yoy to Baht 33,829 million or 145 bps

of total loans following prudent measures in the previous years coupled with the Bank’s proactive debt restructuring under Bank of Thailand’s blue scheme.

At the end of 2022, the number of digital users grew 25% yoy to 25 million. Digital loans expanded briskly at a rate of 73% yoy to Baht 65 billion. As a result, digital revenue almost doubled yoy and contributed 5% of total income in 2022.

(Note: Financial information presented for prior periods is retrospectively adjusted to furnish comparative information following the Financial Group restructuring whereby separate entities were created under common control.)

2023 Outlook and guidance

The COVID-19 pandemic took a toll on the Thai economy, the tourism sector in particular, in the past few years. As Thailand fully reopened in 3Q22, our EIC forecasts GDP growth for 2023 at 3.4%, up from 2.6% in 2022, driven by a solid rebound in tourism. EIC anticipates the return of 30 million tourist arrivals in 2023.

In light of economic recovery, SCBX (consolidated level) plans to grow the overall loan book by approximately 5-8% while maintaining its focus on quality growth within an acceptable risk/return level. Loan growth from Gen 1 (Banking service) is around 5% while loan growth from Gen 2 companies (Digital Lending) should be above 40%. As interest rates tend to rise further (EIC expects BOT to raise the policy rate by another 75 bps in 2023 after 75 bps increase in 2022) coupled with the asset optimization plan, we expect NIM to expand above 3.5%, with NIM for Gen 1 at around 3.0% and NIM for Gen 2 in the mid teens.

Total revenue is expected to grow more than 10%, to be contributed mainly by NII from upward interest rate and greater contribution from Gen 2 businesses as well as investment income, bancassurance, wealth and transactional activities that will also play a key role in driving fee income in light of economic recovery. Meanwhile, investment income is expected to grow but

remains subject to capital market factors. Regarding the Company's subsidiaries that are in their early stage, cost discipline will continue to be a key focus in 2023. The Company expects the cost-to-income ratio (C/I ratio) in the mid-40s: around 40% for Gen 1 and High 40s for Gen 2.

Following the Bank's proactive measures and prudent risk management framework, the Company anticipates normalization in its credit cost to a 120-140 bps range. This guidance provided by the Company is subject to change due to economic uncertainties and unforeseen events in the future.

Moreover, SCBX Group plans to increase the customer base to 35 million which will be from Gen 1, around 18 million, Gen 2, around 13 million and Gen 3, around 4 million.

Action plan and targets for 2023 SCB Bank

As part of the 2025 aspiration to be the No. 1 digital bank in wealth management, offering seamless experience across all channels to customers, Gen 1's action plans for 2023 are as follows:

- **Digitalize end-to-end process** to level up the Bank's efficiency and stability. In doing so, the Bank's strategy is to create digital products and services, while enhancing seamless interactions across critical touchpoints both digitally and physically. In addition, infrastructure is to be modernized to improve resiliency and scalability.
- **Strengthen wealth management** to provide end-to-end wealth management solutions. The strategies can be divided into three aspects. First, holistic wealth solution will be tailored to fit customers' needs both on personal wealth and business. Next, advice service quality will be improved by upskilling relationship managers and enhancing digitalized advisory tools. Lastly, a wide range of partners will support the Bank

to provide comprehensive wealth management services.

- **Loan and risk adjusted return optimization to balance the portfolio** and focus on the good quality segment of customers are the Bank's strategy to improve asset quality amid rising interest rates and high economic uncertainties.

Gen 1's segment business strategy riding on tourism upside

With tourism recovery in Thailand, the Bank has developed strategies for each business segment to ride on tourism upside opportunities which are summarized as follows:

- **Wholesale and SME segment** aims to encourage customers who have excess cash to repay debt early corresponding to the recovery in hotel and tourism-related business. In addition, with customers' increase in financial support needs for business operation, renovation, or expansion, the group will continue to support working capital and new investment for high quality customers.
- **Retail segment's** strategy to cope with increasing payment transactions from inbound tourists is to build payment solutions and promote usage of cross-border QR payment for inbound tourists. Furthermore, the Bank also will enhance cross-border QP payment features in response to increasing international spending from outbound tourists.
- **Insurance segment's** strategy on the back of surging outbound tourism is to increase travel insurance sales on digital platforms. In addition, while growing health concerns and rising uncertainties boost demand for insurance, the Bank will launch new product-bundled saving with health protection and create a proactive strategy to sell health insurance products. The Bank also will approach business owners in tourism supply chain on group insurance for

their employees given that the improving economic situation raises their ability to pay and reduces business concerns over long term commitment to pay insurance premiums.

CardX

The business transfer from SCB Bank was completed in December 2022, and CardX is now ready to execute business plans designed to make lending simple and accessible for everyone with pioneering AI technology. In 2023, we aim to ensure the best and most seamless experience for customer migration following the business transfer. Risk management capabilities will also be elevated with dedicated focus and a dynamic operating model. In addition, we will implement a new collection operating model to maximize prevention and recovery and at the same time deploy AI/ML technology across the end-to-end journey from acquisition and underwriting to collection and cost optimization. Lastly, we plan to launch Buy-Now-Pay-Later (BNPL) with a joint venture by the middle of this year. We are on track to deliver our three-year business aspiration of becoming a top 3 unsecured consumer finance player in Thailand in terms of brand strength and profitability. CardX targets to achieve 3.8 million customers (from 3.2 million customers) with a loan growth target of around 15% in 2023.

InnovestX

InnovestX announced a major rebranding together with the launch of Thailand's first all-asset-class investment platform in October 2022. The company is gearing toward becoming a leading digital investment platform operator in ASEAN by equipping new technology to be able to respond to a variety of needs of customers. Action plans in 2023 are to digitize traditional business to lower cost and improve customer experience, expanding the customer base, and strengthening customer engagement through differentiated investment super app offerings. Additionally, one of the major tasks of InnovestX is to scale up digital asset business for the SCBX Group and accelerate Thailand's capital market evolution and pave the way for regional financial service

disruptions through blockchain and digital asset services such as tokenization. This will be executed with thorough consideration amid financial market turbulence and regulatory uncertainties. For 2023, InnovestX targets to have more than 1 million registered users and around Baht 4–5 billion revenue.

Purple Ventures

Purple Ventures operates Thailand's Robinhood App which has evolved beyond being just a food-delivery app towards becoming Thailand's most admired super app. The company has already added additional services to the app including OTA and mart & express. For 2023, the company plans to launch new important lifestyle services including ride-hailing, electronic vehicle (EV) subscription, as well as financial products (digital lending and insurance). The company continues to focus on both expanding the customer base and monetizing the businesses. Expansion of customer base will be driven by new product expansion while business monetization will be driven by ride-hailing, digital advertisement, subsidy reduction in food-delivery business, and revenue generation from OTA business. For 2023, the company targets to achieve 4.5 million registered users and Baht 11 billion GMV (+40% yoy).

AutoX

AutoX launched the auto title loan business under the brand "Ngern Chaiyo" in July 2022. The outstanding loans have reached Baht 7.5 billion with 1,200 outlets nationwide. In 2023, AutoX will continue to focus on the expansion of outlets and products. The company plans to have 2,000 outlets by the end of this year, and lending products will better serve customers with a variety of collateral types as well as non-life insurance. The growth will be supported by productivity enhancement driven by a strong sales force and intelligence system. Besides the focus on growth, AutoX will ensure asset quality with target NPLs of less than 2% through in-house collection model initiatives and nationwide outsource agencies together with a world-class collection system.

Table 1: 2023 targets by Gen

2023 Targets	SCBX (Consolidated)	Gen 1 Banking Services	Gen 2 Consumer & Digital Financial Services	Gen 3 Platforms & Digital Assets
Loan Growth	5-8%	< 5%	> 40%	-
Net Interest Margin (NIM)	> 3.5%	~ 3%	Mid teens	-
Income Growth	> 10%	-	-	-
Cost to Income Ratio	Mid 40s	~ 40%	High 40s	-
Credit cost (bps)	120-140bps	~ 100bps	600-650bps	-
No. of Customer (million)	35 million	18 million	13 million	4 million

SCBX Performance in 2022 (consolidated)

SCBX reported (audited) consolidated net profit of Baht 37,546 million for 2022, a 5.5% yoy increase from Baht 35,590 million in 2021. The increase was mainly from a robust growth of net interest

income (NII) and lower expected credit loss, which was partly offset by higher operating expenses (OPEX), lower investment and trading income and lower fee and others.

Table 2: Net Profit and Total Comprehensive Income

Consolidated Unit: Baht million	After restructuring	Before restructuring	% yoy
	2022	2021	
Net interest income	107,865	95,171	13.3%
Fee and others	44,866	47,101	-4.7%
Investment and trading income	1,689	8,070	-79.1%
Total operating income	154,420	150,342	2.7%
Operating expenses	69,874	63,556	9.9%
Pre-provision operating profit	84,547	86,786	-2.6%
Expected credit loss	33,829	42,024	-19.5%
Income tax	13,592	9,376	45.0%
Non-controlling interests	(421)	(204)	NM
Net profit (attributable to shareholders of the Company)	37,546	35,590	5.5%
Other comprehensive income (loss)	877	6,656	-86.8%
Total comprehensive income	38,423	42,246	-9.0%
ROAE	8.3%	8.4%	
ROAA	1.1%	1.1%	

NM denotes "not meaningful"

Income statement for the year ended December 31, 2022 (Consolidated basis)

Table 3: Net interest income

Consolidated Unit: Baht million	After restructuring	Before restructuring	% yoy
	2022	2021	
Interest income	126,993	112,177	13.2%
Loans	106,671	94,976	12.3%
Interbank and money market	3,978	2,611	52.4%
Hire purchase	11,339	12,050	-5.9%
Investments	4,870	2,495	95.2%
Others	135	45	200.6%
Interest expenses	19,127	17,006	12.5%
Deposits	9,600	9,556	0.5%
Interbank and money market	1,405	816	72.2%
Borrowings	1,859	890	108.9%
Contribution to the Deposit Protection Agency & FIDF	6,057	5,734	5.6%
Others	206	10	2011.1%
Net interest income	107,865	95,171	13.3%

Net interest income in 2022 increased 13.3% yoy to Baht 107,865 million, driven by a combination

of selective loan growth of 3.3% yoy and NIM expansion of 29 bps.

Table 4: Yield and cost of funding

Consolidated Unit: Percentage	After restructuring	Before restructuring
	2022	2021
Net interest margin	3.29%	3.00%
Yield on earning assets	3.87%	3.53%
Yield on loans	5.04%	4.70%
Yield on interbank and money market	0.70%	0.45%
Yield on investment	1.31%	0.79%
Cost of funds ^{1/}	0.69%	0.63%
Cost of deposits ^{2/}	0.62%	0.62%

Note Profitability ratios use the average of the beginning and ending balances as the denominator.

^{1/} Cost of funds = Interest expenses (including contributions to DPA & FIDF) / Average interest-bearing liabilities.

^{2/} Cost of deposits includes contributions to the Deposit Protection Agency and FIDF fees.

In 2022, NIM expanded by 29 bps to 3.29% largely due to higher yield on investment (+52 bps), higher loan yields (+34 bps) and higher yield on interbank (+25 bps) despite higher funding cost (+6 bps). The increase in yield was a result of policy rate

hikes in 2H22 (3 times) and the Bank's 2 times increase in benchmark rates, a smaller volume of debt restructuring compared to last year as well as pricing discipline on new bookings.

Table 5: Fee and others

Consolidated Unit: Baht million	After restructuring	Before restructuring	% yoy
	2022	2021	
Transactional banking *	13,699	11,964	14.5%
Lending related **	5,612	5,261	6.7%
Wealth management ***	7,838	10,891	-28.0%
Bancassurance	15,125	15,154	-0.2%
Others	2,593	3,831	-32.3%
Fee and others	44,866	47,101	-4.7%

* Including transactional fees, trades, FX income, and others

** Including loan related fees and credit cards

***Including income from fund management, securities business, and others

Fee and others decreased 4.7% yoy to Baht 44,866 million in 2022 largely due to a slowdown in the wealth management business under the prevailing investment sentiments, despite a rebound in the

transactional banking fees following the country's reopening as well as lower other income from lower gains on the sale of written-off unsecured loans.

Table 6: Investment and trading income

Consolidated Unit: Baht million	After restructuring	Before restructuring	% yoy
	2022	2021	
Gain (loss) on investment	1,778	7,622	-76.7%
Trading income	(89)	448	NM
Investment and trading income	1,689	8,070	-79.1%

NM denotes "not meaningful"

Investment and trading income decreased significantly 79.1% yoy to Baht 1,689 million in 2022

largely due to unrealized losses from the investment portfolio and FX loss from investment revaluation.

Table 7: Operating expenses

Consolidated Unit: Baht million	After restructuring	Before restructuring	% yoy
	2022	2021	
Employee expenses	31,219	30,007	4.0%
Premises and equipment expenses	11,511	10,849	6.1%
Taxes and duties	4,400	3,611	21.8%
Directors' remuneration	274	112	145.2%
Other expenses	22,470	18,978	18.4%
Total operating expenses	69,874	63,556	9.9%
Cost to income ratio	45.2%	42.3%	

Operating expenses increased 9.9% yoy to Baht 69,874 million in 2022 largely due to higher marketing campaigns and promotion of the portfolio companies, higher set up cost for new portfolio companies and IT-related expenses.

For 2022, the cost-to-income ratio was at 45.2% in line with Company's full-year guidance. The Company cost discipline will continue to be a key focus.

Table 8: Expected credit loss (ECL)

Consolidated Unit: Baht million	After restructuring	Before restructuring	% yoy
	2022	2021	
Expected credit loss	33,829	42,024	-19.5%
Credit cost (bps)	145	184	

In 2022, **expected credit losses** declined to Baht 33,829 million (145 bps of total loans) following higher provisions in the previous years coupled with the Bank's proactive debt restructuring under the blue scheme, resulting in a high coverage ratio of

159.7%. This amount not only reflected the procyclicality of forward-looking Expected Credit Loss (ECL) models as required by the TFRS 9 framework, but also included management overlay given the current uncertain economic environment.

Balance sheet as of December 31, 2022 (Consolidated basis)

As of December 31, 2022, the Company's total assets rose 4.2% yoy to Baht 3,454 billion from higher investments and loan growth of 3.3% yoy.

Details on the consolidated balance sheet are provided in the following sections:

Table 9: Loans by segment

Consolidated Unit: Baht million	After restructuring	Before restructuring	% yoy
	Dec 31, 22	Dec 31, 21	
Corporate	857,260	828,200	3.5%
SME	407,355	403,165	1.0%
Retail	1,112,599	1,070,469	3.9%
Housing loans*	729,555	696,046	4.8%
Auto loans	188,765	219,261	-13.9%
Unsecured loans	43,271	22,384	93.3%
Other loans	14,354	8,145	76.2%
Loans under subsidiaries	136,654	124,633	9.6%
CardX **	114,520	117,349	-2.4%
AutoX	7,495	-	NM
Other subsidiaries	14,639	7,284	101.0%
Total loans	2,377,215	2,301,834	3.3%

* Including all home mortgage loans, some of which are from segments other than retail.

** Data as of December 2021 was restated to furnish comparative information.

NM denotes "not meaningful"

Total loans increased 3.3% yoy at the end of December 2022. Changes in loan volume by customer segment are as follows:

- **Corporate** loans increased 3.5% yoy due to demand from large corporates with high credit quality.
- **SME** loans grew 1.0% yoy. The yoy increase was from targeted lending to existing high-quality small SMEs.
- **Retail** loans (including loans under subsidiaries) increased 3.9% yoy. Below are details of changes in loan volume by sub-segment.
 - **Housing loans** increased 4.8% yoy given continued demand in high-end housing developments.
 - **Auto loans** fell 13.9% yoy largely from loan repayments.

- **Unsecured loans** of the Bank (personal loans and credit card receivables) increased 93.3% yoy reflecting higher economic activity as a result of country re-opening as well as high demand for personal loans.
- **Loans under subsidiaries**, including loans extended by MONIX, SCB Abacus, InnovestX, AutoX and CardX increased by 9.6% yoy to Baht 136,654 million.
 - **AutoX loans** increased 150.9% qoq to Baht 7,495 million, after the launch in 3Q22.
 - After the completion of business transfer in early December 2022, **CardX loans** (personal loans and credit card receivables) stood at Baht 114,520 million at the end of 2022.

Table 10: Deposits breakdown

Consolidated Unit: Baht million	After restructuring	Before restructuring	% yoy
	Dec 31, 22	Dec 31, 21	
Demand	122,346	118,954	2.9%
Savings	1,984,751	1,840,043	7.9%
Fixed	448,703	508,498	-11.8%
Less than 6 months	95,626	108,205	-11.6%
6 months and up to 1 year	140,843	157,551	-10.6%
Over 1 year	212,234	242,742	-12.6%
Total deposits	2,555,800	2,467,495	3.6%
CASA - Current & Savings Accounts (%)	82.4%	79.4%	
Gross loans to deposits ratio	93.0%	93.3%	
Liquidity ratio (Bank-only)	34.6%	33.0%	

As of December 31, 2022, total **deposits** increased 3.6% yoy driven by higher saving and demand deposits. As a result, CASA mix rose to 82.4% at the end of December 2022 from 79.4% at the end of last year. Given larger deposit growth than loans, the gross loans to deposits ratio fell slightly to 93.0% from 93.3% at the end of December 2021.

The Bank's daily liquidity ratio of 34.6%, as measured by total liquid assets to total deposits (at a bank-only level), was well above the 20% minimum threshold.

Table 11: Investment Classification

Consolidated Unit: Baht million	After restructuring	Before restructuring	% yoy
	Dec 31, 22	Dec 31, 21	
Investments			
Financial assets measured at FVTPL	62,326	68,707	-9.3%
Investments in debt securities measured at amortised cost	211,019	7,548	2695.7%
Investments in debt securities measured at FVOCI	178,016	213,450	-16.6%
Investments in equity securities measured at FVOCI	1,636	1,636	0.0%
Net investment *	390,671	222,634	75.5%
Investment in associates	1,206	781	54.3%
Total	454,203	292,123	55.5%

* Net investments comprise investments measured at amortized cost and measured at FVOCI

Investments at the end of December 2022 increased significantly by 55.5% yoy. The yoy

increase was mainly from higher government bonds measured at amortized cost.

Statutory Capital

The new entity, SCBX Group, is subject to the same regulations as the Bank, namely the BOT's consolidated supervision guidelines, and must maintain the same minimum capital requirements including additional buffers. The required additional buffers consist of a 2.5%

conservation buffer to be held in CET1 and a 1% Domestic Systemically Important Banks (D-SIBs) buffer. Details of minimum regulatory capital requirements for both the Bank and SCBX Group as prescribed by the BOT are shown in table 12.

Table 12: Minimum regulatory capital ratios including capital buffers

Minimum regulatory capital requirements	
Common Equity Tier 1 (CET1 ratio)	4.50%
Tier 1 Capital	6.00%
Total Capital	8.50%
Capital buffer	
Capital Conservation Buffer	2.50%
D-SIBs Buffer	1.00%
Total minimum regulatory capital requirements	
Common Equity Tier 1 (CET1 ratio)	8.00%
Tier 1 Capital	9.50%
Total Capital	12.00%

SCBX Group follows the same prudent approach to capital management as the Bank by maintaining capital well above the minimum regulatory requirements and ensuring adequate loan loss provisions. This additional cushion allows SCBX Group to better handle unforeseen events and

absorb any emerging risks that may arise from new businesses in the future.

Capital positions of SCBX Group and the Bank at the end of December 2022 under the Basel III framework are shown in the below table.

Table 13: Total Regulatory Capital

Unit: Baht million, %	SCBX (Consolidated)		SCB Bank (Bank-only)	
	Dec 31, 22	Dec 31, 21	Dec 31, 22	Dec 31, 21
Statutory Capital				
Common Equity Tier 1	408,287	399,566	344,932	397,032
Tier 1 capital	409,359	399,566	344,932	397,032
Tier 2 capital	25,548	24,669	24,250	24,612
Total capital	434,907	424,235	369,182	421,644
Risk-weighted assets	2,306,339	2,265,443	2,220,000	2,238,352
Capital Adequacy Ratio	18.9%	18.7%	16.6%	18.8%
Common Equity Tier 1	17.7%	17.6%	15.5%	17.7%
Tier 1 capital	17.8%	17.6%	15.5%	17.7%
Tier 2 capital	1.1%	1.1%	1.1%	1.1%

Consolidated common equity Tier 1/Tier 1 capital of SCBX Group increased yoy at the end of December 2022 mainly from appropriation of net profit which was partly offset by a dividend payment of Baht 5.1 billion (Baht 1.50 per share). A strong capital position not only provides an additional cushion against current economic uncertainty but also enables SCBX to assist customers during the post-pandemic recovery. On the Bank-only basis, common equity Tier 1/Tier 1 capital decreased significantly yoy to 15.5% due mainly to a one-off dividend payment of Baht 61 billion from retained earnings of the Bank to shareholders. The dividend payment from SCB Bank to SCBX for funding purposes is considered an intra-group transaction and thus will only affect the capital position of the Bank but not of SCBX.

The Group believes that its strong capital position, which is currently well above the minimum regulatory requirement, in combination with high loan loss provisions will enable the Group and the Bank to withstand unforeseen adverse shocks and pursue any growth opportunities within the BOT's regulatory boundary.

Asset Quality

At the end of December 2022, **gross NPLs** (on a consolidated basis) decreased 12.6% yoy to Baht 95.3 billion. **Gross NPL ratio** decreased yoy to 3.34%. The yoy improvement was primarily driven by effective NPL management through NPL sales.

At the end of December 2022, the Company's **coverage ratio** increased to 159.7%, up 20.3% from the end of 2021 largely from a significant decline in NPLs. The Company's total loan loss reserve as a percentage of total loans (%LLR) remained strong at 6.3%.

Table 14: Asset quality

	After restructuring	Before restructuring
Unit: Baht million, %	Dec 31, 22	Dec 31, 21
SCBX (Consolidated)		
Non-Performing Loans (Gross NPLs)	95,329	109,114
Gross NPL ratio	3.34%	3.79%
Total allowance*	152,265	152,111
Total allowance to NPLs (Coverage ratio)	159.7%	139.4%
Credit cost (bps)	145	184
SCB Bank (Bank-only)		
Non-Performing Loans (Gross NPLs)	90,550	108,051
Gross NPL ratio	3.25%	3.77%

* Total allowance includes loans, interbank and money market and loan commitments, and financial guarantee contracts.

Loan Classification and Allowance for Expected Credit Losses

Under TFRS 9, loans are classified into 3 stages based on changes in credit quality since initial recognition. Loans and allowance for expected

credit losses at the end of December 2022 and December 2021 were classified as follows:

Table 15: Loans and allowances for expected credit losses by stages

Consolidated Unit: Baht million, %	After restructuring Dec 31, 22		Before restructuring Dec 31, 21	
	Loans and interbank	ECL*	Loans and interbank	ECL*
Stage 1 (Performing)	2,584,089	45,792	2,576,432	46,600
Stage 2 (Underperforming)	178,753	48,646	189,930	42,920
Stage 3 (Non-performing)	95,329	57,827	109,114	62,592
Total	2,858,171	152,265	2,875,476	152,111

* Including ECL for loans, interbank and loan commitments, and financial guarantee contracts.

Sources and Uses of Funds

As of December 31, 2022, deposits accounted for 74.0% of the Company's funding base. Other major sources of funds were: 13.5% from shareholders' equity, 5.2% from interbank borrowings, and 2.1%

from debt issuance. Uses of funds for this same period were: 68.8% for loans, 15.1% for interbank and money market lending, 13.1% for investments in securities, and 1.4% held in cash.

Segment Performance

2022 Operational Performance after business restructuring

Unit: Baht billion	Total operating income	% portion	Net profit (loss)	% portion	Total loans
Gen 1 - Banking Services*	141.8	82%	51.9**	101%	2,307
Gen 2 - Consumer & Digital Financial Services*	21.8	13%	0.1	0%	133
Gen 3 - Platforms & Digital Assets*	8.2	5%	(0.7)	-1%	4
Inter Transaction and others	(17.4)		(13.8)		(66)
Total	154.4		37.5		2,377

* Before deducting intercompany transactions

** Including gain from sale of subsidiaries and business transfer, net of income tax

Gen 1 - Banking Services

The Bank continued with its growth with quality strategy. Even though its loan growth was below the industry average, the Bank was able to optimize returns within its risk tolerance. Loan growth of 3.0% yoy was driven by housing loans, corporate loans and unsecured loans. Deposits increased in line with the loan growth which were mainly contributed from CASA.

At the end of December 2022, loans under the CDR program (blue scheme only) stood at Baht 277 billion or 12% of total loans and the payments profile of involved customers has been well within expectations.

Non-performing loans improved yoy to 3.3% at the end of December 2022 from 3.8% at the end of 2021 mainly driven by NPL sales. At the end of December 2022, the Bank's coverage ratio remained high at 151.2%

2022 Performance

- **Net interest income** in 2022 increased to Baht 91.4 billion, driven by a combination of selective loan growth and NIM expansion from lower volume of debt restructuring, the upward interest rate trend and pricing discipline.
- **Non-interest income** (excluding gain from sale of subsidiaries and business transfer) was under pressure from lower wealth management fees and lower investment gains from weak market sentiment. However, bancassurance and wealth businesses were still the key drivers for non-NII of Gen 1.
- **Total operating income** stood at Baht 141.8 billion mainly driven by a robust NII, although non-NII was weak as mentioned above.
- **OPEX** was under control. The Bank's cost discipline will continue to be a key focus, resulting in a cost to income ratio (excluding one-time gain) of 41% in 2022.

Gen 2 – Consumer & Digital Financial Services

Gen 2 companies aim to penetrate “high-risk, high-return” consumer lending and digital financial services markets, which we believe will contribute to the Group’s growth and ROE. We will expand into the areas that offer promising growth potential with reasonable risk-adjusted returns. Gen 2 companies include MONIX and SCB Abacus, which have been active players in the digital lending area. CardX is the Bank’s spin-off that operates credit card and unsecured lending business. CardX has already completed business transfer in early December 2022. AutoX operates a car title loan business under the brand “Ngern Chaiyo.”

2022 Performance

- Total operating income was Baht 21.8 billion, of which NII accounted for over 80% due to digital and consumer loan growth.
- Given the early stage of these businesses, total operating costs were relatively high.
- With the high-risk high-return, nature of the unsecured lending business Gen 2 provision was at a high level compared to the banking business. Gen 2 registered a net profit of Baht 0.1 billion in 2022.
- SCBX expects an improvement in net profit contribution from Gen 2 next year following new product launches, fast business scale-up, and efficiency improvement by using technology capability.
- Total loans for Gen 2 increased significantly mainly from digital lending as well as AutoX loan growth of 151% qoq after the launch in 3Q22.

Gen 3 – Platforms & Digital Assets

Gen 3 companies will penetrate game-changing businesses with exponential growth profiles. This includes platforms and digital assets as well as investments in high-growth, tech-focused businesses and venture capital. Below are the key highlights of companies under Gen 3:

- **Robinhood (Purple Ventures)** aims to be a super app for food delivery, online travel (OTA), online mart and express services. Covering Bangkok, Pattaya and Chiangmai, the services now have over 3.5 million registered users, close to 300,000 merchants, and 30,000 riders. Robinhood also introduced a new service on the platform called ride-hailing.
- **SCB 10X** is the venture investment arm of SCBX Group with a “moonshot mission” to create long-term value through exponential technologies, innovations, investments in venture capital companies and venture building services.
- **InnovestX** is one of the keys to make SCBX Group the most admired regional financial technology group, as the Group is expanding the financial and investment business to the ASEAN market and accelerating growth through technology and innovations. InnovestX has forged new strategies to drive the future of finance, investment and digital assets. The company is introducing “Innovest X”, a super app that traverses the investment universe, creating a new ecosystem to accommodate transforming contexts. InnovestX is determined to make it easier for everyone to enter broader and all comprehensive investment and financial markets.

2022 Performance

- Amid weak market sentiment, total operating income was Baht 8.2 billion, mostly contributed from fee and investment income. However, total operating income declined yoy from lower investment gain compared to a year earlier.
- With the weak revenue stream coupled with high OPEX at this early stage of the business operations/restructuring, cost to income ratio was at a relatively high level.
- In 2022, Gen 3 reported a net loss of Baht 0.7 billion as a result of high OPEX.

Credit Ratings

Credit Ratings of SCB X Public Company Limited		December 31, 2022
Moody's Investors Service		
Issuer Rating (Local and Foreign Currency)		Baa2
Outlook		Stable
Fitch Ratings		
Long Term Issuer Default Rating		BBB
Short Term Issuer Default Rating		F3
Outlook		Stable
Viability Rating		bbb
Government Support Rating		bbb-

Additional Financial Information

Consolidated Unit: Baht million, %	After restructuring	Before restructuring	% yoy
	Dec 31, 2022	Dec 31, 2021	
Total loans	2,377,215	2,301,834	3.3%
Add Accrued interest receivables and undue interest receivables	19,523	15,031	29.9%
Total loans and accrued interest receivables and undue interest receivables	2,396,738	2,316,865	3.4%
Less Unamortised modification losses	3,336	5,756	-42.1%
Less Allowance for expected credit loss	145,554	145,653	-0.1%
Total loans and accrued interest receivables, net	2,247,848	2,165,456	3.8%
Loans by Sector	2,377,215	2,301,835	3.3%
Agricultural and mining	9,217	13,598	-32.2%
Manufacturing and commercial	661,375	631,750	4.7%
Real estate and construction	168,275	178,177	-5.6%
Utilities and services	426,641	408,177	4.5%
Housing loans ^{1/}	597,404	576,413	3.6%
Other loans	514,303	493,719	4.2%
Debt issued and borrowings	71,996	74,922	-3.9%
Debentures	51,824	63,442	-18.3%
Structured notes	21,628	8,213	163.3%
Others	50	117	-57.3%
Hedge accounting adjustment	(1,506)	3,150	NM
Share Information			
EPS (Baht)	11.12	10.47	6.2%
BVPS (Baht)	136.98	129.74	5.6%
Closing price (Baht)	107.00	127.00	-15.7%
Shares outstanding (Million shares)	3,367	3,399	-0.9%
Market capitalization (Baht billion)	360.3	431.7	-16.5%

^{1/} Classified by sector/product and excludes retail loans where customers use their home as collateral. (These loans are classified under "Other loans" in accordance with regulatory guidelines). Elsewhere in this report, all housing loans are aggregated under mortgage loans and the balance of these loans at the end of December 31, 2022, and December 31, 2021, was Baht 730 billion, and Baht 696 billion, respectively.

NM denotes "not meaningful"

Consolidated Unit: Baht million, %	After restructuring	Before restructuring
	2022	2021
Yield on loans by segment		
Yield on loans	5.04%	4.70%
Corporate	3.31%	3.00%
SME	6.20%	5.68%
Retail	6.15%	5.90%
Housing loans	4.56%	4.63%
Auto loans	5.54%	5.34%
CardX ^{2/}	14.00%	-
Auto loans portfolio		
New car	59.0%	58.2%
Used car	19.6%	23.3%
My car, My cash	21.4%	18.5%
Gross NPL ratio by segment/product		
Corporate	3.0%	4.4%
SME	10.7%	11.6%
Retail	2.4%	2.4%
Housing loans	2.3%	2.8%
Auto loans	2.2%	1.5%
CardX ^{2/}	3.1%	1.4%
AutoX	0.1%	-
New NPLs by segment and by product (Bank-only)		
Total loans	1.91%	2.05%
Corporate	0.39%	0.74%
SME	2.72%	4.00%
Housing loans	1.77%	2.06%
Auto loans	6.85%	3.66%
New NPLs (Baht billion)	54.7	58.8
NPL reduction methodology		
NPL sales (Bank-only) (Baht billion)	19.2	6.9
Write off (Baht billion)	21.8	19.9

^{2/} Data for prior period were restated to furnish comparative information.

Appendix

SCB's interest rates and BOT's policy rate

SCB Interest Rates	Nov 8, 19	Feb 7, 20	Mar 24, 20	Apr 10, 20	May 25, 20	Feb 9, 21	Mar 12, 21	Oct 4, 22	Dec 7, 22
Lending rate (%)									
MLR	6.025	5.775	5.775	5.375	5.25	5.25	5.25	5.50	5.75
MOR	6.745	6.745	6.495	6.095	5.845	5.845	5.845	6.095	6.345
MRR	6.87	6.87	6.745	6.345	5.995	5.995	5.995	5.995	6.12
Deposit rate* (%)									
Savings rate	0.50	0.50	0.50	0.50	0.25	0.25	0.25	0.25	0.25
3-month deposits	0.65-0.90	0.60	0.50	0.50	0.375	0.37	0.32	0.47	0.62
6-month deposits	0.90-1.15	0.80	0.60	0.60	0.50	0.45	0.40	0.55	0.70
12-month deposits	1.15-1.40	0.90	0.65	0.65	0.50	0.45	0.40	0.70	1.00

* Excluding special campaigns, which generally offer significantly higher rates but have different terms and conditions for 3, 6 and 12 month term deposits.

	Dec 19, 18	Aug 7, 19	Nov 6, 19	Feb 5, 20	Mar 23, 20	May 20, 20	Aug 10, 22	Sep 28, 22	Nov 30, 22
Policy rate (%)	1.75	1.50	1.25	1.00	0.75	0.50	0.75	1.00	1.25

General Information and Other Important Information

Reference Information

SCB X PUBLIC COMPANY LIMITED

Type of business	<p>SCBX was established to operate business as a holding company of the financial business group and holding shares in other companies for the purpose of having the control over these companies. The Company will determine the strategies for the Group, seek for investment opportunities, and allocate funds to invest in businesses that will continuously create sustainable growth and returns for the Group. In addition, the Company will also be responsible for policies and corporate governance, business operations, risk management, and business continuity management of companies in the financial business group.</p> <p>In this regard, SCBX's business scope will be in accordance with the regulations prescribed by the Bank of Thailand.</p>
Company registration number	0107564000341
Head office	
Address:	9 Ratchadapisek Road, Jatujak, Bangkok 10900
Website:	www.scbx.com

Registrar

Ordinary Shares	<p>The Thailand Securities Depository Company Limited 93 Ratchadapisek Road, Dindaeng Dindaeng, Bangkok 10400 Tel: +66-2009-9000 Fax: +66-2009-9991</p>
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Auditor

Ms. Orawan Chunhakitpaisan or Ms. Pantip Gulsantithamrong or Ms. Thitima Pongchaiyong	<p>Certified Public Accountant (Thailand) Registration No. 6105 Certified Public Accountant (Thailand) Registration No. 4208 Certified Public Accountant (Thailand) Registration No. 10728</p>
KPMG Phoomchai Audit Ltd.	<p>Empire Tower, 50th Floor, 1 South Sathorn Road Yannawa, Sathorn Bangkok 10120, Thailand Tel: +66-2677-2000</p>

Legal Dispute

SCBX and its subsidiaries did not have any unsettled legal disputes with the potential to negatively impact its assets, with no claimed amount worth over 5% of net equity for the year ending December 31, 2022.

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Corporate Governance

SCB X Public Company Limited ("the Company" or "SCBX") was registered as a public company limited on September 15, 2021 and was listed on the Stock Exchange of Thailand ("SET") on April 27, 2022. The Company is the parent company of SCBX Financial Group and conducts business as a non-operating holding company holding shares in other companies and having Siam Commercial Bank Public Company Limited ("the Bank" or "SCB") as one of the Group's core businesses. In addition to the Company's corporate governance practices, the Board of Directors ("the Board") of the Company prioritizes the governance of portfolio companies to enhance the effectiveness and standards of all companies in the Group in terms of their management systems, corporate governance, business strategies, business plans and risk management while efficiently steering the business direction of subsidiaries and associate companies and monitoring performance of the portfolio companies for the best benefit of the Company.

1. Corporate Governance Policy

1.1 Overview of Corporate Governance Policy and Guidelines

The Board has assigned the Nomination, Compensation and Corporate Governance Committee ("the NCCG Committee") to formulate the Corporate Governance Policy based on the stipulations governing corporate governance principles of financial institutions, Corporate Governance Code for Listed Companies, and internationally-recognized corporate governance standards such as Dow Jones Sustainability Indices, Corporate Governance Report of Thai Listed Companies, and ASEAN CG Scorecard; to monitor

compliance therewith; and to regularly review and update the policy at least annually to ensure that it is in line with the said principles and standards. The Company's Corporate Governance Policy and guidelines address various dimensions relating to the Board, shareholders and stakeholders, and are supportive of the vision of the Company to be "The Most Admired Regional Financial Technology Group" and its mission to make finance simple, accessible and affordable for all through the power of technology and innovations with a view to achieving sustainable growth and returns.

- Policies and Practices Relating to the Board

The Company's Corporate Governance Policy clearly enumerates the authority, roles, duties and responsibilities of the Board; meetings of the Board; composition of the Board; term of office of directors; nomination and election of directors; director onboarding; director development; positions of directors and senior executives in other companies/entities; composition, roles and duties of the Board committees; segregation of positions between the Board Chairman and the Chief Executive Officer; remuneration of directors and executives; performance evaluation of the Board and executives; succession planning for key positions; and functions of the Company Secretary.

- Policies and Practices Relating to Shareholders and Stakeholders

- Treatment of Stakeholders: The Company

recognizes the rights of all stakeholders, i.e., shareholders, customers, employees, business partners, competitors, creditors, suppliers, society, communities and the environment. This awareness underpins the Company's vision and codes of conduct, emphasizing the Company's commitment to ensuring that each group of stakeholders can fully enjoy and exercise their rights based on the principle of fairness for sustainable growth among all. Stakeholders can directly contact the relevant units of the Company and raise suggestions, comments or make complaints to the Board and the management of the Company via multiple channels provided.

- **Equitable Treatment of Shareholders:** The Company treats all shareholders equally in terms of their basic rights, rights related to shareholder meetings, and dividend entitlements.
- **Disclosure and Transparency:** The Company sets forth a disclosure policy to ensure that its disclosures to shareholders and all groups of stakeholders are complete, appropriate, fair, and timely; and to control disclosures of confidential information and information that could affect the Company's share price.
- **Internal Controls:** The Company implements internal controls in relation to, for example, prevention against the use of inside information by directors and employees, connected transactions and conflicts of interest, reporting of conflicts of interest of directors and persons with management authority, and the Anti-Corruption and Bribery Policy which has been approved by the Board.

Details about the Company's Corporate Governance Policy are shown at www.scbx.com under the "Corporate Governance" section.

1.2 Code of Business Conduct

The Board has approved the Codes of Conduct of SCBX Group which encompass the Code of Business Conduct and the Code of Conduct for Directors, Executives and Employees that must be complied with by all directors, executives and employees.

Under its Code of Business Conduct, the Company prioritizes and monitors the following aspects: 1) Compliance with business ethics; 2) Strengthening trust of customers and stakeholders through service standards; 3) Providing resources to all employees in support of their performance efficiency; 4) Customer centricity and responsible treatment of customers demonstrated through, among others, the Company's business operations which are intended to offer quality and fair financial services in accordance with the Bank of Thailand's Market Conduct, sustainable customer relationship, and offering of products and services that are suitable for customers in light of their needs and capabilities; 5) Implementing measures to manage conflicts of interests in the course of business operations; 6) Prioritizing the confidentiality and management of information of the Company and its customers, employees and business partners through the adoption of rigorous information management practices; 7) Operating businesses in strict compliance with relevant laws, regulations, the Company's policies and rules, and corporate governance principles; 8) Operating businesses efficiently and sustainably; and 9) Operating businesses with social and environmental responsibility.

Further, the Company's Code of Conduct for Directors, Executives and Employees provides ethical standards governing: 1) Corporate governance, 2) Protecting the Company's interest, image, honor, reputation and virtue, 3) Conflicts of interest, 4) Information integrity, 5) Information confidentiality, 6) Insider trading, 7) Anti-money laundering and

combating the financing of terrorism and proliferation of weapons of mass destruction, 8) Anti-corruption and bribery, 9) Gambling, alcohol and drugs, 10) Giving and receiving gifts and entertainment, 11) Corporate assets, 12) Outside employment or other commercial activities, 13) Harassment, and 14) Whistleblower.

The Code of Business Conduct and the Code of Conduct for Directors, Executives and Employees are regularly reviewed by the Board. Details about the Codes of Conduct of SCBX Group are available at www.scbx.com under the "Corporate Governance" section.

In 2022, the Company had no breach relating to its ethical standards and codes of conduct.

1.3 Major Changes and Developments in Corporate Governance Policy, Practices and Systems in 2022

Since the Company's inception in 2021 and throughout 2022, the Board approved key policies and guidelines on corporate governance of the Company and SCBX Group and updated the Charter of the Board in relation to the nomination and election of directors to reflect the specialized expertise specific to the Company's businesses that the Board should have. To further strengthen corporate governance standards and practices across the group, the Board reviewed the SCBX Governance Model based on findings from a study conducted by Boston Consulting Group to refine the model's suitability and effectiveness.

The Company aims to adhere to both national and international corporate governance standards. However, certain practices of the Company as specified below diverge from the 2017 Corporate Governance Code for Listed Company (CG Code) announced by the Securities and Exchange Commission (SEC) and the corporate governance principles stipulated by the Thai Institute of Directors Association (IOD), due to reasons set out below:

- 1) The Board should have an appropriate number of members ranging from five to twelve.

As of December 31, 2022, the Board consisted of 16 members and the Company was undertaking a director nomination process to fill a vacancy resulting from the resignation of a director. The Company views that the number is appropriate, considering the nature and growing size of the Company's business and the complexity of the Board's responsibilities, especially in relation to the oversight of companies and businesses in the Company's wide-ranging portfolios. Given rapid technological change, it is necessary for the Company to have directors with diverse experience, knowledge and expertise so that the Board can effectively perform its duties.

- 2) Disclosed information on shareholding structure should clearly specify actual owners of the Company's shares.

The Company's shareholders include nominee companies serving as custodians of foreign investors. Such appointment of nominee companies as custodians is considered a normal practice and is beyond the Company's control.

3. The Company should include in its policy a requirement that directors and senior executives must notify the Board or designated persons of their intention to trade the Company's shares at least one day in advance of the transaction date.

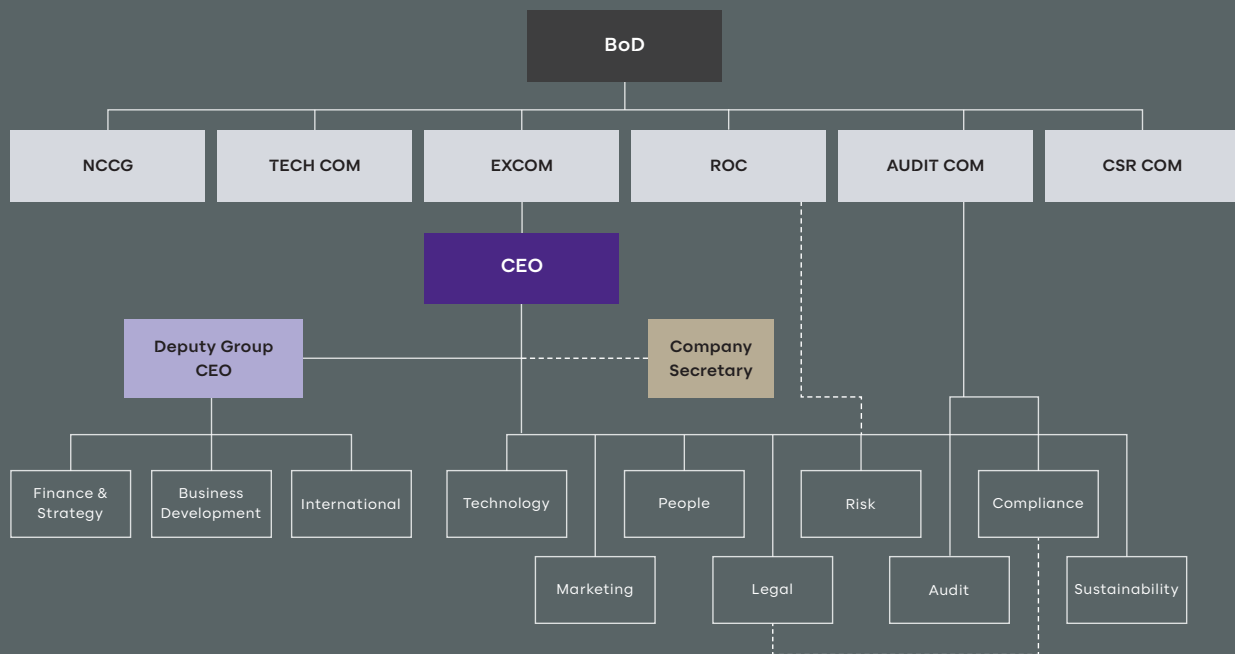
At present, there is no such requirement in the Company's policy, but the Company already has in place clear regulations to prevent insider trading. These regulations include the Code of Conduct for Directors and Employees; rules governing securities trading by directors, executives and employees; insider trading rules; guidelines on declaration of securities holding by directors, executives and employees; and non-trading period rules applicable to directors, executives and employees.

2. Corporate Governance, Important Information about the Board, the Board Committees, Executives and Employees, and Other Information

2.1 Corporate Governance Structure of the Company

The Board structure and the management structure of the Company are clearly defined and promote balance of power and

auditability. The Board oversees and monitors the management's implementation of policies, plans and strategies of the Company as well as ensures the segregation of roles, duties and responsibilities between the Board and the management. Further, the Board has appointed the Board committees to assist the Board in screening important matters. The Chief Executive Officer is the top executive of the Company.



2.2 Board of Directors

Board Composition

As of December 31, 2022, the Company had 16 directors whereby eight of them were independent directors* and four of them were women. The Board composition is characterized by diversity in terms of gender, nationality, race, age, education,

professional experience, skills, knowledge and other key attributes. Directors possess skills, knowledge and expertise in specialized fields that are relevant to the Company's business as identified in the board skills matrix. The list of the Company's directors and the board skills matrix mapping are as detailed below.

* Remark: The definition of "independent director" shall be as specified in the Bank of Thailand's Notification No. SorNorSor. 10/2561 Re: Corporate Governance of Financial Institutions and the Capital Market Supervisory Board's Notification No. TorJor. 39/2559 Re: Application and Approval for Offering of Newly Issued Shares, and/or their amendments (if any).

List of Directors (As of December 31, 2022)

Name	Position	Date of appointment	Number of years in directorship
1. Mr. Vichit Suraphongchai	- Board Chairman - Chairman of the Corporate Social Responsibility Committee	September 15, 2021	1 year 3 months
2. ACM Satitpong Sukvimol	- Director - Member of the Corporate Social Responsibility Committee	September 15, 2021	1 year 3 months
3. Pol. Col. Thumnithi Wanichthanom	- Director - Member of the Executive Committee	September 15, 2021	1 year 3 months
4. Mr. Apisak Tantivorawong	- Independent Director - Chairman of the Executive Committee	April 12, 2022	8 months
5. Mr. Prasan Chuaphanich	- Director - Chairman of the Risk Oversight Committee - Member of the Technology Committee	September 15, 2021 (disqualified as independent director on April 4, 2022)	1 year 3 months
6. Mr. Kan Trakulhoon	- Independent Director - Chairman of the Nomination, Compensation and Corporate Governance Committee - Member of the Executive Committee	September 15, 2021	1 year 3 months

Name	Position	Date of appointment	Number of years in directorship
7.. Mr. Pailin Chuchottaworn	<ul style="list-style-type: none"> - Independent Director - Chairman of the Technology Committee - Member of the Executive Committee 	September 15, 2021	1 year 3 months
8. Mr. Winid Silamongkol	<ul style="list-style-type: none"> - Independent Director - Chairman of the Audit Committee (possessing knowledge and experience required for reviewing the reliability of financial statements) 	April 12, 2022	8 months
9. Mr. Thaweesak Koanantakool	<ul style="list-style-type: none"> - Independent Director - Member of the Technology Committee - Member of the Nomination, Compensation and Corporate Governance Committee 	September 15, 2021	1 year 3 months
10. Mr. Weerawong Chittmittrapap	<ul style="list-style-type: none"> - Director - Member of the Nomination, Compensation and Corporate Governance Committee 	September 15, 2021 (disqualified as independent director on May 1, 2022)	1 year 3 months
11. Miss Jareeporn Jarukornsakul	<ul style="list-style-type: none"> - Director - Member of the Technology Committee - Member of the Corporate Social Responsibility Committee 	September 15, 2021	1 year 3 months
12. Mrs. Pantip Sripimol	<ul style="list-style-type: none"> - Director - Member of the Corporate Social Responsibility Committee 	September 15, 2021	1 year 3 months
13. Mr. Chairat Panthuraamphorn	<ul style="list-style-type: none"> - Independent Director - Member of the Technology Committee - Member of the Nomination, Compensation and Corporate Governance Committee 	April 12, 2022	8 months

Name	Position	Date of appointment	Number of years in directorship
14. Mrs. Kulpatra Sirodom	<ul style="list-style-type: none"> - Independent Director - Member of the Audit Committee (possessing knowledge and experience required for reviewing the reliability of financial statements) - Member of the Risk Oversight Committee 	June 1, 2022 (replacing Mr. Chaovalit Ekabut)	6 months
15. Mrs. Nuntawan Sakuntanaga	<ul style="list-style-type: none"> - Independent Director - Member of the Audit Committee (possessing knowledge and experience required for reviewing the reliability of financial statements) 	June 1, 2022 (replacing Mr. Pasu Decharin)	6 months
16. Mr. Arthid Nanthawithaya	<ul style="list-style-type: none"> - Director - Member of the Executive Committee - Member of the Risk Oversight Committee - Member of the Technology Committee - Chief Executive Officer 	September 15, 2021	1 year 3 months
Directors retiring by rotation or resigning in 2022			
1. Mr. Kirk Vanikkul	<ul style="list-style-type: none"> - Independent Director - Chairman of the Risk Oversight Committee 	September 15, 2021 (resigned on June 1, 2022)	8 months
2. Mr. Chakkrit Parapuntakul	<ul style="list-style-type: none"> - Director - Member of the Executive Committee - Member of the Nomination, Compensation and Corporate Governance Committee 	September 15, 2021 (resigned on June 1, 2022)	8 months
3. Mr. Pasu Decharin	<ul style="list-style-type: none"> - Independent Director - Member of the Audit Committee - Member of the Risk Oversight Committee 	September 15, 2021 (resigned on June 1, 2022)	8 months

Name	Position	Date of appointment	Number of years in directorship
4. Miss Lackana Leelayouthayotin	- Independent Director - Member of the Executive Committee	September 15, 2021 (resigned on June 1, 2022)	8 months
5. Mr. Chaovalit Ekabut	- Independent Director - Member of the Audit Committee	September 15, 2021 (resigned on June 1, 2022)	8 months
6. Miss Chunchachit Sungmai*	- Director - Member of the Nomination, Compensation and Corporate Governance Committee - Member of the Risk Oversight Committee	September 15, 2021 (resigned on October 1, 2022)	1 year

***Remark:** At the Board Meeting No. 15/2022 on November 25, 2022, the Board approved the appointment of Miss Kulaya Tantitemit as a director in replacement for Miss Chunchachit Sungmai, effective from January 18, 2023. Subsequently, at the Board Meeting No. 2/2023 on January 20, 2023, the Board approved the appointment of Miss Kulaya Tantitemit as a member of the Risk Oversight Committee, effective from January 20, 2023.

Board Skills Matrix (As of December 31, 2022)

The Board has at least one director specialized in each aspect of the Board skills matrix as summarized below.

Specialized knowledge and expertise	Knowledge, expertise, or experience in macro-level management			Knowledge, expertise, or experience specific to the Company's business						Knowledge, expertise, or experience in other fields		
	Organizational management/human resources management	Strategic planning	Risk Management	Technology	Investment and new business development	Offshore investment and business management	Accounting and finance	Economics	Laws and regulations	Corporate Governance	Sustainability (ESG)	Experience in large organization management
Total	13	14	5	7	9	8	9	8	8	16	13	11

Segregation of Positions between Chairman of the Board and Chief Executive Officer

Chairman of the Board – Pursuant to the Company's Corporate Governance Policy, the Chairman of the Board must be an independent director or a non-executive director. The Chairman of the Board is not involved in the Company's routine management. This conforms to the principle of segregation of policy-making and oversight duties from those in operations management. The key roles and responsibilities of the Chairman of the Board are: to oversee the Board's adherence to the corporate governance principles and established policies; to ensure that Board meetings are conducted effectively and matters that are essential to the Company's operations and/or performance are placed on the meeting agenda; to allocate sufficient time for the management to present clear and timely information; to allow attending Board members to fully voice their opinions and ask questions; and to ensure that Board resolutions are clear and the meeting minutes are complete and correct. The Chairman of the Board also presides over the shareholder meetings. Another key responsibility of the Chairman is to ensure that the governance of the Company and SCBX Group is effective and in compliance with established policies.

Chief Executive Officer – The Chief Executive Officer is the Company's top-ranking executive who is chiefly responsible for directing and driving the businesses and operations of the Company and SCBX Group toward the policies, strategies and goals as set forth by the Board; recommending alternatives and strategies that are fit for the evolving business environment to achieve sustainable growth; considering and approving matters according to the Company's regulations and as assigned by the Board and/or the Board committees. The Chief Executive Officer also assumes the key responsibility in building corporate culture.

▪ Duties and Roles of the Board

The Board is committed to pursuing the highest standards of ethics. The Board has the authority, duties and responsibilities to manage the Company in accordance with the objectives specified by law, the Company's Articles of Association, and the resolutions of the Board and shareholder meetings. It is also responsible for ensuring that the Company has in place effective control, supervision and audit mechanisms and for ongoing monitoring of the Company's business operations within the frameworks of ethics, transparency and responsibility towards all stakeholders in accordance with the corporate governance principles. The Board is in charge of setting vision, mission, policies and business targets which must be reviewed annually and exercising oversight to direct the management's efforts in alignment with the established policies, strategies and financial targets. Details of the Charter of the Board are available at www.scbx.com under the "Corporate Governance" section.

2.3 Board Committees

The Board has appointed six Board committees to assist the Board in deliberating on and overseeing specific matters. The meetings of each Board committee are scheduled in advance for the entire year and are arranged in accordance with the charter of each Board committee and the Corporate Governance Policy. Details of the charter of each Board committee and the Corporate Governance Policy are available at www.scbx.com under the "Corporate Governance" section. Key roles and responsibilities of each Board committee are as summarized below.

Board Committee	Key Roles and Responsibilities
1. Executive Committee	Deliberate on policies and business strategies; approve investments and business undertakings under its scope of authority; oversees operating results; and deliberate on all matters that are not within the scope of authority of other Board committees.
2. Audit Committee	Review financial reports, risk management processes, internal control, internal audit, and regulatory compliance.
3. Nomination, Compensation and Corporate Governance Committee	Screen and nominate directors and senior executives of the Company and companies in the Group as specified; endorse remuneration of directors and senior executives of the Company and companies in the Group as specified; consider and align human resources policies with business strategies; and endorse succession plans and the Corporate Governance Policy.
4. Risk Oversight Committee	Provide recommendations to the Board regarding the risk oversight framework and business continuity of the Group; exercise oversight to ensure that companies in the Group have in place adequate and appropriate risk management policies and strategies; endorse risk management policies and risk; monitor and supervise capital and liquidity management for various risk types; review the adequacy and effectiveness of risk management policies and strategies; provide recommendations on Group-wide risk culture cultivation.
5. Technology Committee	Oversee technology strategies of the Company and the Group; regularly review and provide recommendations on emerging technologies; determine technologies and technology models that should be shared among companies in the Group through the Centers of Excellence; identify digital/technology assets that should be built by the Group; oversee the technology operating model of the Group which enunciates roles and duties of companies in the Group, minimum standards and technology policies.
6. Corporate Social Responsibility Committee	Define corporate social responsibility policies and frameworks of the Company and the Group.

2.4 Executives of the Company

Executives of the Company at chief officer level and higher who are considered executives according to the SEC's definition (as of December 31, 2022)

Name	Position
1. Mr. Arthid Nanthawithaya	Chief Executive Officer
2. Mr. Arak Sutivong	Deputy Chief Executive Officer
3. Mr. Anucha Laokwansatit	Chief Risk Officer
4. Mr. Manop Sangiambut	Chief Finance and Strategy Officer
5. Mr. Nipat Wattanatittan	Chief Business Development Officer
6. Mrs. Patraporn Sirodom	Chief People Officer
7. Mrs. Wallaya Kaewrungruang	Chief Legal and Compliance Officer
8. Mr. Sutirapan Sakkawattra	Chief Marketing Officer
9. Mr. Dennis Thorsten Trawnitschek	Chief Technology Officer
10. Mr. Sathian Leowarin	Chief Sustainability Officer

Executive Remuneration

The Nomination, Compensation and Corporate Governance Committee is responsible for proposing remuneration for executives, including the Chief Executive Officer, the Chief Officers and higher, and the highest executives of the risk, compliance and audit units, to the Board for approval. The remuneration is deemed, after due consideration by the NCCG Committee, appropriate and in line with the Company's policies as well as reflects short-term and long-term corporate performance and individual performance that is evaluated and benchmarked against KPIs, which include financial indicators, customer-related indicators as well as indicators relating to work process improvement and people development to build a solid foundation for sustainable success of the Company. The remuneration

is determined based on transparent criteria, scope of responsibilities, and the Company's competitiveness as compared to other banks and leading companies in Thailand.

In 2022, the number of the Company's executives based on the SEC's definition (which means the manager or the next four executives succeeding the manager, the persons holding equivalent position to the fourth executive, inclusive of the persons holding the position of manager or equivalent and higher in the accounting or finance departments) and the executives of core business subsidiaries totaled 38 (inclusive of two executives who resigned during the year). Collectively, they received remuneration in the form of monthly salaries, bonuses, allowance and severance pay of Baht 593.85 million.

The Company's executives are entitled to welfare and other benefits similar to those offered to other employees and in accordance with the Company's regulations, such as medical benefits, annual medical check-up, life and accident insurance, welfare loans and provident fund contribution. In 2022, the Company's provident fund contribution for the 38 executives (inclusive of two executives who resigned during the year) as defined by the Bank of Thailand was Baht 18.71 million in total.

2.5 Employees and Employee Remuneration

At the end of 2022, the total number of the Company's employees was 112 and the employee and benefit expenses totaled Baht 156.22 million. These expenses included, among others, salaries, overtime pay, cost-of-living allowances, car allowances, bonuses and contributions to the social security fund and provident fund. The number of the employees of the Company and its subsidiaries totaled 29,354.

The number of the Company's employees classified by core function and level is as follows:

Core Functions	Chief Officers and Higher	Employees	Total
Finance & Strategy	1	33	34
Business Development	1	18	19
Support	8	51	59
Total	10	102	112

Remark: As the Company was incorporated and registered on September 15, 2021, there is no three-year historical record of employees.

In addition, employees of the Company and companies in the Group were encouraged to join the provident fund program. The number and proportion of employees of the Company and its core business subsidiaries who are provident fund members are as follows:

Company	Number of employees who are provident fund members	Percentage of employees who are provident fund members (%)
SCB X Public Company Limited	95	92%
Siam Commercial Bank Public Company Limited	19,740	95%
Auto X Company Limited	1,055	42%
Card X Company Limited	312	95%

2.6 Board Support Units

The Company recognizes the importance of and provides support to the following functions and their personnel who are responsible for supporting the Company's proper compliance with laws and regulations and the Board's adherence to statutory and good corporate governance practices:

(1) Audit Function

The Audit Function is an independent and business-neutral unit that has been established to improve and enhance internal control, including policies, practices and procedures with an aim of ensuring compliance of the Company and companies in SCBX Group with applicable regulations. Also, the Audit Function conducts regular audits, identifies matters requiring attention, provides advice, and makes improvement-related recommendations on internal control, risk management systems and corporate governance practices. The Audit Function is led by Miss Nipaporn Kullertprasert*, Acting Head of Audit, who is in charge of ensuring that the responsibilities of the Audit Function are effectively carried out in accordance with the aforesaid purposes and reports directly to the Audit Committee in an independent manner. The Audit Committee has the authority to consider and endorse the appointment, removal, transfer or dismissal of the Head of Audit, as well as to evaluate the merit of performance of the Head of Audit.

* Remark: At the Board Meeting No. 14/2022 on October 21, 2022, the Board approved the appointment of Mr. Nawapong Nakjang as Head of Audit as nominated by the Chief Executive Officer and the Nomination, Compensation and Corporate Governance Committee, effective from January 3, 2023.

(2) Compliance Function

The Compliance Function serves as the Company's regulatory center, providing consultation and advice pertaining to regulatory requirements and the Company's policies, rules, regulations, operating

procedures and internal controls as well as coordinating with the regulators on behalf of the Company. The Compliance Function is also in charge of formulating internal policies, rules and regulations and monitoring regulatory compliance to appropriately mitigate and manage compliance risk. Mr. Saengchart Wanichwatphibun, who has assumed the position of Senior Compliance Expert since July 16, 2022, is in charge of compliance supervision. The Senior Compliance Expert functionally reports to the Chief Legal and Compliance Officer and independently reports to the Chief Executive Officer and the Audit Committee in relation to key regulatory compliance matters.

(3) Company Secretary

The Board has appointed a Company Secretary to perform duties as stipulated by law and as assigned by the Board. Mrs. Siribunchong Uthayophas, Head of Corporate Office, has served as Company Secretary since September 22, 2021. Key roles of the Company Secretary are to support the Board in all relevant aspects, including matters related to corporate governance in the Company and the Group. Functions of the Company Secretary are shown on www.scbx.com under the "Functions of Company Secretary" section.

Profiles of the persons mentioned above are provided in this Annual Report under the "Information of the Directors and Executives of the Company" section.

3. Report on Corporate Governance Code Compliance

(A) Corporate Governance Code Compliance

SCB X Public Company Limited was registered as a public limited company on September 15, 2021 and was listed in the Stock Exchange of Thailand (SET) on April 27, 2022. Highlights of the Company's compliance with the Corporate Governance Code for Public Limited Companies and Listed Companies in 2022 were as follows:

1. Rights of Shareholders

The Company has complied with its Corporate Governance Policy to ensure that shareholders may appropriately enjoy and equitably exercise their rights, such as receiving dividends, and receiving adequate, timely and complete information about the Company through easily accessible channels such as the websites of SCBX, the Stock Exchange of Thailand and Thailand Securities Depository Company Limited. In addition, shareholders are entitled to take part in material business decisions at shareholder meetings, e.g., appointment or removal of directors, appointment of auditors, determination of audit fees, amendment to the Memorandum and Articles of Association, and approval of special transactions (e.g., capital increase or reduction, acquisition or disposal of significant assets, or connected transactions). The shareholders may cast their votes on the aforesaid matters according to details provided in the notices of the meetings of shareholders. The Company encourages all shareholders to exercise their rights to the fullest extent permissible by law and shall not violate or derogate the rights of shareholders by any means. The principles adopted by the Company in respect of the rights of shareholders are shown in detail on the Bank's website (www.scbx.com) under the sequence of menu headings "About SCBX," "Corporate Governance," "Corporate Governance Policy," and then "Rights and Treatment of Stakeholders."

1.1 Shareholders Meeting

In 2022, the Company held the Annual General Meeting of Shareholders on April 12, 2022 with the Company's founders (prior to SCBX Group's restructuring and registration with the Stock Exchange of Thailand) with the commitment to ensuring shareholders' ability to exercise their rights related to

shareholder meetings in accordance with laws and good corporate governance practices during such period as follows:

- 1) The Company sent the Notice of the shareholder meetings and accompanying documents via post on April 4, 2022 (seven days prior to the meeting date) to ensure that shareholders had sufficient time to consider agenda items of the AGM. The documents that were mailed included the Notice of the meeting and accompanying documents and the 2021 Annual Report. The Notice of the meeting contained information on the date, time and venue of the meeting; details of each agenda item and annual report including factual background, purposes, rationale, and opinions or recommendations of the Board; accompanying documents; and details of meeting procedures, voting and proxy appointments. The Company also advertised the AGM notice in Thai daily newspapers for three consecutive days. To be listed in the SET, the Company subsequently appointed Thailand Securities Depository Co., Ltd (TSD) as the Company Registrar.
- 2) The Company delivered the Proxy Form B to shareholders for the appointment of proxies to attend the meeting on their behalf in the event that they were unable to attend the shareholder meeting in person.
- 3) To facilitate attendance by all shareholders and proxy holders in an equitable manner, each of the shareholder meetings was held during business hours and on a working day. The AGM was held at the head office of Siam Commercial

Bank Public Company Limited to facilitate convenient transportation for shareholders. On the meeting day, the registration was open two hours prior to the meeting time. Meeting registration remained open to shareholders during the meeting, allowing shareholders to register and attend the meeting at any time and vote on any remaining agenda item.

- 4) The Chairman of the Board presided as the chairman of the shareholder meetings. All 17 directors of the Company attended the 2022 AGM. The Chairman of the meeting allowed shareholders to ask questions, express opinions and make recommendations, and the Company Secretary recorded the meeting minutes and the votes cast under each agenda item. Additionally, the meetings proceeded in accordance with the announced agenda, and the Company did not reorder, add or revise any agenda items, and did not modify previously issued information at the shareholder meetings nor propose any other agenda that had not been specified in the notice of each shareholder meeting.
- 5) Following the adjournment of each meeting, the Company prepared the meeting minutes of the AGM in Thai language within 14 days from the meeting and made them available on the Company's website on April 27, 2022. The minutes were also submitted to the Ministry of Commerce within the timeframe specified by law. The minutes contained the list of directors who attended the meetings, the voting procedures, and the resolutions reached, together with the number of approval, disapproval, and abstentions on each agenda item that required voting.

1.2 Dividend Payment

The Company has a policy to pay dividends at the rate of, at a minimum, 30 percent of its consolidated annual net profit with consideration to long-term return for all shareholders. Dividends will be considered when the Company records a net profit after deduction of all statutory and other reserves, provided that there is no accumulated loss and the Company is able to maintain adequate capital funds to comply with the regulatory requirements and to adequately preserve capital for its future business needs. The interim dividends and annual dividends will be paid within 30 days after approval by the Board or the shareholder meeting (as applicable). In proposing a dividend payment for approval, the Company discloses its Dividend Policy, dividend rate and amount, including rationale and other relevant information, to support the shareholders' decision making.

At the 2022 AGM, the meeting resolved to approve an omission of the dividend payment from the Company's 2021 operating results and approve an omission of allocation of net profit to the statutory reserve as the Company was in the early stage of the business and had not yet had operating income, resulting in an operating loss in 2021. However, after the restructuring of SCBX Group was finished in April 2022, the Company became the shareholder of the Bank holding 99.06% of the Bank's shares and started to realize income from dividends from the Bank. Subsequently, the Company's Board of Directors resolved to pay an interim dividend for 2022 to the Company's shareholders at the rate of Baht 1.50 per share, equivalent to a total of Baht 5,051 million. The dividend was paid on November 3, 2022.

1.3 Election of Director on an Individual Basis

Pursuant to the Company's Articles of Association, one-third of the directors shall retire by rotation at every AGM. At the 2022 AGM, six directors retired by rotation and the Company nominated to appoint three

additional directors. As part of the director election process, highlighted profiles of nominated directors are disclosed in the notice of the shareholder meeting to support the shareholders' consideration. The Company arranged for shareholders to elect directors to replace the outgoing directors by independently directing their votes toward each individual nominee as opposed to a slate director election, and the voting results for each director nominated for the election were clearly specified in the meeting minutes.

1.4 Communication Among the Bank's Shareholders

The Company does not interfere with communication among its shareholders in any way. Shareholders have complete liberty to share information among each other and may request a copy of the list of the Company's shareholders from the Department of Business Development, the Ministry of Commerce.

2. Equitable Treatment of Shareholders

As stipulated in the Company's Corporate Governance Policy, all shareholders, i.e., major, minor, institutional and foreign shareholders, are entitled to the same shareholder rights and are treated on an equitable and fair basis in accordance with the scope permissible by law. The principles of equitable treatment of shareholders adopted by the Company are provided on www.scbx.com under the sequence of menu headings "Corporate Governance," "Corporate Governance Policy," and then "Rights and Treatment of Stakeholders."

2.1 Invitation to Shareholders to Propose Agenda Items, Candidates for Directorship, and Questions Prior to the Shareholder Meeting

After being listed on the SET, the Company prepared for the AGM in 2023 with the commitment to ensure equitable treatment of all shareholders. During the period from September 1 to

November 30, 2022, which is three months before the end of the Company's accounting period, all shareholders of the Company were invited to propose questions, matters to be included in the AGM agenda, and to nominate qualified candidates for the director election by an AGM according to the explicit criteria published on the Company's website. Shareholders could submit their proposals on the agenda and candidates for directorship as well as their questions to the Company Secretary in advance of the meeting via post to the Company Secretary or via e-mail to company.secretary@scbx.com. The Nomination, Compensation and Corporate Governance Committee will contemplate the shareholders' proposals prior to submitting them to the Board for further consideration. The decisions on these proposals will be notified to the shareholders concerned for acknowledgment. Any proposals that are accepted will be included in the AGM agenda.

2.2 Proxy Appointments for Shareholder Meeting

For the 2022 AGM, the Company made available only the Form-B proxy forms as there were 15 individual shareholders.

To prepare for the 2023 AGM, the Company has made available three types of proxy forms (Form A, Form B and Form C) as determined by the Department of Business Development of the Ministry of Commerce. Conditions and documents required for the appointment of proxies are clearly described and do not cause any difficulties in the proxy appointment. As noted, only the Proxy Form B indicating specific details of a proxy

appointment was delivered to each shareholder together with the AGM notice. Meanwhile, shareholders could download Proxy Form A or Proxy Form C from the Company's website. Shareholders would have an option to appoint as their proxies one of two independent directors of the Company who do not have any conflict of interest in the relevant agenda items of the meetings. All important information about these independent directors was provided for shareholders.

2.3 Ballots for Shareholder Meeting

At the 2022 AGM, all 15 shareholders attended the meeting and the Company applied ballots for voting indicating approval and hand-raising indicating disapproval or abstention. The Company Secretary informed the meeting of the voting and vote tabulation procedures before proceeding with each meeting agenda.


3. Roles of Stakeholders

3.1 Treatment of Stakeholders


The Company recognizes the rights of all internal and external stakeholders,

such as employees, customers, investors, regulators, society, business partners, suppliers, competitors and creditors. This awareness underpins the Company's vision and codes of conduct, emphasizing the Company's commitment to ensuring that each group of stakeholders can fully enjoy and exercise their rights based on the principle of fairness and equality for sustainable growth among all. In 2022, there was no complaint or litigation against the Company with regard to the infringement of stakeholders' rights or human rights. Details about the principles governing Company's treatment of stakeholders are available at www.scbx.com under the sequence of menu headings "Corporate Governance," and then "Code of Conduct."

As SCBX is a non-operating holding company, its treatment of stakeholders is reflected in the practices of the Company itself and companies in the Group, particularly SCB Bank. Overview of the treatment of stakeholders is as summarized below.

Stakeholders	Engagement channels	Key expectations/concerns
 Customers	<ul style="list-style-type: none"> ▪ Business meetings ▪ Customer relations activities ▪ Customer satisfaction survey ▪ Customer complaint and feedback channels: customer service centers, branches and SCB Easy App ▪ Websites and social media 	<ul style="list-style-type: none"> ▪ Climate change and carbon emission reduction ▪ Sustainable finance or financing of entities or projects that are environmentally friendly and sustainable ▪ Access to financial products and services ▪ Sustainable supply chain ▪ Financial risk management ▪ Cyber security

Stakeholders	Engagement channels	Key expectations/concerns
 Employees	<ul style="list-style-type: none"> ▪ Employee engagement survey ▪ Meetings and seminars ▪ Internal communication channels ▪ Whistleblowing programs ▪ Annual performance evaluation 	<ul style="list-style-type: none"> ▪ Skill and competency development ▪ Internal job transfers and career growth ▪ Performance evaluation and compensation ▪ Work-life balance
 Investors	<ul style="list-style-type: none"> ▪ Meetings of shareholders ▪ Meetings with analysts and investors ▪ Disclosure and reporting through the websites of the Company and SET, press releases and public media 	<ul style="list-style-type: none"> ▪ Corporate governance ▪ Diversity of the Board and workforce ▪ Human capital management ▪ Right to information ▪ Supply chain management ▪ Climate change and biodiversity
 Regulators	<ul style="list-style-type: none"> ▪ Hearings about regulatory guidelines and compliance practices ▪ Regular examination by regulators ▪ Statement of opinions at forums 	<ul style="list-style-type: none"> ▪ Financing of activities and projects that are environmentally friendly ▪ Access to financial services, especially by SMEs ▪ Household debts ▪ Cyber security ▪ Risk management ▪ People capability development
 Society	<ul style="list-style-type: none"> ▪ Meetings and discussion forums ▪ Corporate social activities and projects of the Company ▪ Website and social media 	<ul style="list-style-type: none"> ▪ Dissemination of knowledge about climate change and mitigation ▪ Carbon removal/offsets ▪ Deforestation and biodiversity ▪ Stakeholder engagement ▪ Labor treatment ▪ Youth and society development
 Business partners and suppliers	<ul style="list-style-type: none"> ▪ Business meetings ▪ Communication with key contact persons ▪ Participation in activities and projects arranged by associations and organizations 	<ul style="list-style-type: none"> ▪ Digital sustainability ▪ Sustainable supply chain ▪ Environmental, social and governance (ESG) performance optimization ▪ Climate change risk preparedness and resilience
 Competitors	<ul style="list-style-type: none"> ▪ Meetings and consultation ▪ Thai Bankers' Association 	<ul style="list-style-type: none"> ▪ Fair competition ▪ Industry-level development

Stakeholders	Engagement channels	Key expectations/concerns
 Creditors	<ul style="list-style-type: none"> ▪ Creditor meetings and visits ▪ Communication via post and electronic media ▪ The Company's website ▪ Annual reports 	<ul style="list-style-type: none"> ▪ Corporate governance ▪ Satisfactory financial results ▪ Adaptability and resilience amid changes ▪ Punctual payments and repayments

3.2 Anti-Corruption

Anti-corruption practices:

- 1) The Company enforces the Anti-Corruption and Bribery Policy of SCBX which serves as anti-corruption guidelines and communicates the policy to directors, executives and employees at all levels to ensure that they recognize and understand their obligations and responsibilities in this respect and apply the policy in the workplace to the best of their abilities.
- 2) All employees are required to enroll in relevant training courses, such as e-learning courses on anti-money laundering/combating the financing of terrorism (AML/CFT), and anti-corruption and bribery. They must pass relevant tests to complete these mandatory courses and must periodically enroll in refresher courses within a specified time frame.
- 3) The Company strictly upholds the No-Gift Policy to promote a culture of transparency and integrity and to prevent corruption.
- 4) The Company and companies in the Group disseminate the Anti-Corruption and Bribery Policy to external parties and stakeholders through the Company's website and encourage suppliers, as key stakeholders of the Company, to

adopt the same principles and concepts to extend anti-corruption and bribery initiatives to a wider context. In addition, the "Supplier Code of Conduct" has been established by the Company as a guiding framework for suppliers.

- 5) The Company sets up channels, such as the Whistleblower Program, to receive complaints about wrongdoing or suspected fraud or corruption. To actively monitor and evaluate compliance with the Anti-Corruption Policy, the Company regularly assesses its corruption and bribery exposure, with the Audit Committee being responsible for overseeing the Company's internal controls to ensure that they are adequate and effective in protecting the Company from the risk of corruption and bribery as well as reporting the results to the Board.

In 2022, the Company had no breach relating to corruption.

3.3 Contact Channels for Stakeholders

Each group of stakeholders are provided with channels to directly contact the relevant units of the Company. Employees are provided with multiple channels to submit their complaints and reports of misconduct to the Company. Employees can voice their opinions and report on any unfair treatment, fraudulent activity

or suspicion of misconduct, directly to their supervisors. Additional channels are available to employees, customers and individuals in accordance with the Whistleblowing Policy which provides a channel for reporting complaints, fraud or non-compliance with the Company's regulations, rules and codes of conduct as well as acts that may cause damage to customers and companies in SCBX Group, including any unfair treatment that employees, customers or individuals might have suffered. This underlines the Company's adherence to the principles of transparency and corporate governance. There are multiple reporting channels available, e.g., via e-mail (whistleblower@scb.co.th) or via post to P.O. Box 177, Chatuchak Delivery Post Office 10900, or via telephone (at 0-2544-2000). A brief report on actions taken in this regard is presented to the Audit Committee every quarter.

It is the Company's policy to maintain strict confidentiality to protect whistleblowers and informants from retaliation or adverse consequences. An independent working team will be set up to investigate any reported issue or suspicious behavior. If there are proven grounds for a complaint, the matter will be escalated in accordance with the following procedure:

- 1) Employees, customers or individuals submit opinions, reports, grievances or complaints relating to fraud via channels provided by the Company. They can choose to remain anonymous if concerned about any potential consequences on them, but must provide adequate information and evidence to support their case. Each case will be treated as confidential.

- 2) The working team conducts a preliminary investigation. The progress will be reported to the informants if they have chosen to be identified.

- 3) The working team forwards proven cases of misconduct to relevant units in order to appoint an investigation committee according to the Company's regulations or procedures for further action.

Further, all stakeholders can raise complaints, or make suggestions or comments to the Board and the management of the Company by contacting:

Company Secretary

SCB X Public Company Limited
9 Ratchadapisek Road, Chatuchak,
Bangkok 10900
Telephone: 0-2544-4210,
Fax: 0-2937-7931
E-mail: company.secretary@scbx.com



In 2022, the Company had no whistleblowing case or complaint.

4. Disclosure and Transparency

4.1 Disclosure Policy and Practices

The Company's disclosure policy and practices are stated in the Corporate Governance Policy. Disclosure of the Company's information shall be in accordance with the following key principles:

- 1) Information to be disclosed must be accurate, adequate and clear as well as disclosed on a timely basis.
- 2) Disclosure must properly and completely comply with all applicable rules and regulations.

3) Stakeholders, including shareholders, investors, analysts and interested persons, must have equal right of access to information disclosed by the Company.

4) Information that may affect the Company's share price, influence investors' decisions, or affect the rights of shareholders must be immediately disclosed to the public through the Stock Exchange of Thailand.

4.2 Investor Relations

The Investor Relations Function is responsible for providing accurate, adequate and clear disclosure of the Company's information to investors on

a timely basis and in accordance with the Company's disclosure principles and applicable laws. In addition to its planned activities, such as meetings with investors and analysts, investor conferences and roadshows, the Investor Relations Function serves as the primary point of contact for all shareholders, analysts and fund managers. The Chief Executive Officer, the Deputy Chief Executive Officer, the Chief Finance and Strategy Officer, and senior executives of the Company regularly participate in investor relations activities.

Disclosure activities undertaken by the Investor Relations Function in 2022 are summarized below:

Activity	Frequency (times)
One-on-one meetings with investors and analysts, virtual meetings and roadshows	65
Quarterly meetings with analysts	4
Strategy day conferences	8
Investor conferences	20

Contact information of the Investor Relations Function is as follows:

Investor Relations

SCB X Public Company Limited
9 Ratchadapisek Road, Chatuchak,
Bangkok 10900
E-mail: ir@scbx.com
Website: www.scbx.com/en/investor-relations.html



4.3 Auditors

Auditors' qualifications are vetted by the Audit Committee in terms of their independence, suitability, accountability and absence of any conflict of interest with respect to the Group and its management, major shareholders or related parties. In addition, the Company's auditors must be approved by the Bank of Thailand and the Securities and Exchange Commission. The Audit Committee reviews annual audit fees based on the scope of the audit and proposes qualified auditors and appropriate audit fees to the Board

for consideration prior to proposing to the Annual General Meeting of Shareholders for approval.

In 2022, the total audit fees of the Group were Baht 46.8 million. In addition, fees for services other than statutory audits paid by the Group were: 1) audits and examination as required by regulators, i.e., special audits and examination of banking returns, 2) transfer pricing audit, 3) penetration test, 4) credit review, 5) tax services; and 6) review and consultation services relating to financial group restructuring.

Non-audit fees were Baht 32.4 million, of which Baht 14.3 million was paid in the fiscal year of 2022, while the outstanding Baht 18.1 million will be paid in 2023.

5. Responsibilities of the Board

▪ Nomination of Directors and Senior Executives

The Nomination, Compensation and Corporate Governance Committee is responsible for nominating qualified candidates whose qualifications match the Company's strategic requirements to serve as directors and members of the Board committees. Nominations are based on each candidate's knowledge, abilities, expertise and past experience in relation to each vacancy's requirements, a board skills matrix that is employed as a screening tool, and, in the case of independent directors, the independence of the candidates. The Company proceeds with its due diligence process to ensure that qualifications of nominated individuals are not contrary to relevant laws and conform to the Company's policies governing directors' holding of position in other companies. The Nomination, Compensation and Corporate Governance Committee selects

candidates for directorship from the director pool of the Thai Institute of Directors Association, the nominations proposed by each director, the directors accepting re-appointment offers, and the nominations proposed by shareholders of the Company. After thoroughly vetting each candidate's qualifications to ensure compliance with laws and regulations (where applicable), the Nomination, Compensation and Corporate Governance Committee will propose the nominations to the Board. Following the Board's endorsement of the nominations, the Company will consult with and seek endorsement from the Bank of Thailand prior to proposing the nominations to the shareholders, if applicable, for approval of the appointment.

To ensure that the director nomination and selection are in line with the Company's strategic and business directions, the Nomination, Compensation and Corporate Governance Committee has defined the qualification screening criteria, which set out three aspects of attributes and expertise that constitute desired qualifications of directors: 1) knowledge, expertise or experience in macro-level management, 2) knowledge, expertise or experience specific to the business, and 3) knowledge, expertise or experience in other fields deemed useful to the Board. For the effectiveness of the director screening and nomination, the Nomination, Compensation and Corporate Governance Committee regularly reviews and updates the board skills matrix.

In addition to the nomination of the Company's directors, the Nomination, Compensation and Corporate Governance Committee is responsible for reviewing and screening qualifications of candidates for the position of senior executives of the

Company prior to proposing the nominations to the Board for approval and subsequently to the Bank of Thailand for endorsement of the senior executive appointment. The Nomination, Compensation and Corporate Governance Committee also oversees the formulation of policies, criteria and procedures for the nomination and remuneration of directors and persons with management authority of companies in SCBX Financial Group.

The director and executive nomination, selection and appointment process and the oversight of the formulation of policies, criteria and procedures for the nomination of directors and persons with management authority of companies in SCBX Financial Group as mentioned above, are conducted by the Board, the Nomination, Compensation and Corporate Governance Committee, and the executives of relevant companies without any discrimination on race, religion, gender, marital status or physical disability.

- **Directors' Term of Office**

One-third of the total number of directors must retire by rotation at every annual general meeting of shareholders, whereby directors who have held office for the longest time shall retire. In the case that the total number of directors is not divisible by three, the number of directors to retire shall be the number closest to one-third of all directors. Directors retiring by rotation may be re-elected to continue their office. In addition, to promote transparency and compliance with good corporate governance principles and the Bank of Thailand's stipulations governing corporate governance of financial institutions, the Company has limited the office term of independent directors to nine consecutive years,

inclusive of their tenure as independent directors of companies in the Group.

Regarding the tenure of directors on the six Board committees, namely the Executive Committee, the Audit Committee, the Nomination, Compensation and Corporate Governance Committee, the Risk Oversight Committee, the Technology Committee, and the Corporate Social Responsibility Committee, their tenure shall be concurrent with their directorships.

- **Directorships in Other Companies**

The Company has established a clear policy on holding of positions by the Company's directors and senior executives in other companies. The Company's directors are not allowed to hold directorship in more than five listed companies in Thailand and other countries (namely SCBX and four other listed companies). Furthermore, holding of positions by directors, managers, persons with management authority, and advisors of the Company as a chairman and/or an executive director and/or an authorized director of other companies shall be limited to three business groups only.

In addition to the policies stated above, the Company has an internal guideline pertaining to holding of positions in other companies, which requires the Company's directors to notify the Nomination, Compensation and Corporate Governance Committee of their positions in other companies or organizations so that the Nomination, Compensation and Corporate Governance Committee may review whether such appointment is appropriate and in compliance with relevant regulations. The Company Secretary will report changes in such positions held by each director to the

Board. Information on positions held by the Company's directors in other companies, which is disclosed to shareholders in this Annual Report, indicates that holding of positions by directors and executives of the Company is in accordance with the aforesaid stipulations.

Director Orientation

The Company arranges orientation meetings for new directors. During such sessions, the Board Chairman shares with the new directors the Board's operating practices and directions while an overview of the Company's businesses is presented by the Chief Executive Officer and senior executives. Also, the new directors are provided with the Director's Manual which contain information that is important and vital for their performance as directors such as information about the Company in brief, corporate governance, strategy and business directions, summary of relevant laws and corporate governance, the Company's Articles of Association, Codes of Conduct of SBCX Group, and charters of the Board and Board committees.

- Director, Executive and Employee Development

- Director Development

The Company consistently attaches importance to director development and encourages directors to regularly participate in courses or activities to enhance their knowledge relevant to their roles and duties as members of the Board and Board committees. Directors are also encouraged to attend programs contributing to corporate governance awareness and are regularly informed of useful training courses and seminars.

Furthermore, the Board has directed the Company to arrange appropriate

training and development programs for directors on an ongoing basis to ensure that directors remain current with skills and knowledge relevant to their performance as members of the Board and Board committees. Additionally, the Company arranges workshops or seminars at least once per year as a knowledge exchange forum for directors. Details of each director's participation in development programs and training courses in 2022 are shown below.

Participation of Directors in Training Courses and Development Programs in 2022

The Company encourages its directors to attend learning and training programs that help widen and deepen their knowledge and insights about the roles and duties of directors in support of their effective performance and compliance with corporate governance principles. Training and development programs provided to directors in 2022 are as follows:

- Technology company visits in U.S.A. during May 2-9, 2022.
- Knowledge session on "Case Studies – Operating Models of Global Tech and Private Equity" facilitated by experts from McKinsey & Company (Thailand) on November 25, 2022.

Details of each director's participation in training courses are shown in this Corporate Governance Report under the "Profiles of Directors and Executive of the Company" section.

- Executive and Employee Development
- Effective organizational and human resources management is crucial for strengthening competitiveness of SCBX Group, driving operational excellence conducive to robust domestic and international investment expansions, and achieving sustainable growth in line with its vision to become "The Most Admired Regional Financial Technology Group."

The Company is therefore committed to building organizational and people readiness required for its success in effectively responding to future business needs and executing planned strategies. Anchored to the corporate strategic direction and business targets, the Company's human resources goals are to be the most admired regional company that is an employer of choice for the next-generation top talents and to maximize long-term value for stakeholders by operating within a robust governance framework and as a good role model in human resources management for all companies in the Group.

To optimize efficiency and effectiveness, SCBX Group has tailored its 2023 people development plan to the evolving business directions and undertakings based on new developments experienced in 2022. Top priorities for the Group's human resource management and development initiatives are:

1. Building new capabilities and talents

One of SCBX Group's top priorities in relation to human resources management is to build new capabilities that will enable the Company to achieve planned strategies and new progresses on its pathway to become the most admired regional financial technology Group. These include:

- Developing new skills and competencies to increase the proportion of tech talents through actional learning, experiential learning from Group activities, and sharing of opinions and feedback for continuous development.

- Proactive recruitment of talents possessing desired qualifications, competencies and skills for vacant positions, especially critical positions, based on key attributes which have been clearly defined for each position.
- Offering "Share and Learn" opportunities where all members of SCBX Group can share their ideas, practices, processes, techniques and experiences in order to learn from each other.

2. Establishing efficient operating model and structure

Recognizing that a well-designed organizational structure is indispensable for effective business management and enables employees to realize their full potentials, the Company redesigned its organizational structure by taking into account its business plan and the criticality of positions. Roles and responsibilities of each function, key performance indicators and work processes were clearly defined in order that each function operates as a center of excellence where experts in different specialized fields work together as a team to provide support and develop capabilities that are relevant to the Group's focus areas in order to efficiently deliver results, create added value, drive growth, and achieve business synergy across the Group.

3. Cultivating corporate culture and values

In pursuing its HR-related goals which encompass talent attraction and retention as well as human resource development through action learning and knowledge/ experience sharing, the Company

fosters an innovation culture in which creative ideation and experimentation conducive to continuous development are nurtured. The Company also encourages executives to be role models for others in terms of mindset and skill sets and to demonstrate behaviors that are reflective of corporate values, commitment to endless learning and self-development, and openness to different and new perspectives.

The Company also fosters shared values across the Group to attract individuals whose values align with the Company's culture, to achieve synergy within the Group which will be a driving force for new and strengthened competitive advantage and to continuously create added value for customers and stakeholders. With a view to delivering favorable experiences for employees and gaining deep insights into their expectations, the Company has regularly conducted employee engagement surveys and has continuously made improvements based on feedback gathered to make SCBX the most admired company and an employer of choice for talents.

- Board and Senior Executive Evaluation
 - Board and Board Committee Evaluation

The Board evaluation is conducted at least annually. An evaluation form is sent to each director by the Company Secretary who is also in charge of compiling and presenting the evaluation results to the Nomination, Compensation and Corporate Governance Committee. The evaluation results and recommendations gathered are subsequently presented to the

Board for acknowledgment and discussion regarding further improvement of the Board's performance. Additionally, it is the Company's policy to engage an external consulting firm possessing corporate governance expertise and experience to conduct the Board evaluation process every three years or when appropriate. In 2022, both self-evaluation and cross-evaluation were applied to the 2022 performance evaluation of the Board as detailed below.

- 1) Board evaluation – Evaluation topics were: Board composition, information management, Board processes, representation of shareholders and environmental, social and corporate governance (ESG), managing the Company's performance, Board strategy and priorities, management performance and succession planning, director development and management, and risk management.
- 2) Board committee evaluation – Key assessment topics were: performance of duties as specified in the charters of the Board committees; compliance with applicable supervisory rules, regulations and principles; promotion of open communications, participation and rigorous decision-making at Board committee meetings; frequency of Board committee meetings and time for discussion at such meetings; access to information relevant to issues discussed at the meetings; and pre-scheduled meeting calendar and regular agenda items. All directors are engaged in the evaluation of every Board committee to better reflect each Board committee's performance.

3) Board Chairman evaluation – This section evaluated the performance of the Board Chairman in relation to: 1) Effective management and facilitation of Board meetings and shareholder meetings such as setting meeting agendas, encouraging contributions and different perspectives from all directors, effectively summarizing the outcomes from the meetings, ensuring that meeting minutes are adequately detailed and disseminated in a timely manner, and demonstrating leadership, and 2) Working with directors such as facilitating clear communication between executive directors and non-executive directors, following up on the evaluation of each director to elicit useful information for performance improvements, and leading the Board to perform effectively.

4) Individual director evaluation – Key evaluation topics were: contribution, knowledge and abilities, collaboration, integrity, and support for the Board.

There were also open-ended questions designed to solicit opinions and suggestions from directors to further improve the Board's performance, especially in relation to driving the Company towards its vision of being "The Most Admired Regional Financial Technology Group."

The average rating of the four sections under the 2022 Board evaluation was "Very Good (Exceeding Expectation)." The Board worked closely with the management and was involved in the deliberation and implementation of the SCBX Group restructuring roadmap that responds to digital

transformation in the financial service industry while simultaneously fulfilling its monitoring roles. In addition, directors offered recommendations on areas for development to further enhance the Board's performance and effectiveness in various dimensions, and the Board is committed to applying the findings from the evaluation to its performance development.

□ Senior Executive Evaluation

The performance evaluation of the Chief Executive Officer is conducted by the Nomination, Compensation and Corporate Governance Committee and is referred to the Board for approval. For the senior executives at chief officer level and higher, their performance is evaluated by the Chief Executive Officer against the predetermined criteria, and the evaluation results are proposed to the Nomination, Compensation and Corporate Governance Committee and subsequently to the Board for approval. These performance evaluations are conducted annually.

▪ Succession Planning

The Board has assigned the Nomination, Compensation and Corporate Governance Committee the responsibility of succession planning to ensure that the Company has in place a succession plan that incorporates nomination, selection and training for key positions, particularly the positions of Chief Executive Officer and executives at the level of chief officers and higher. This is to ensure the continuity of the Company's management and business operations when these positions become vacant due to new appointment, job transfer, retirement, resignation or any other reason.

The Company's succession planning classifies key positions into two categories: 1) critical positions, and 2) strategic positions. Succession plans for all of these positions are systematically developed in accordance with the Company's well-defined processes.

- **Board Meetings**

The Board meeting is scheduled to be held once every month (except December), and the meeting schedule is planned in advance for the entire year. A Board meeting invitation, meeting agenda and supporting documents must be sent to all directors at least five business days prior to the meeting date, unless an urgent necessity requires

otherwise. The Chairman of the Board determines the agenda of each Board meeting. The Company also rules that at least two-thirds of all directors should be present during the voting procedure.

In 2022, there were a total of 16 physical and virtual Board meetings and the meeting attendance of every director was above 75 percent, which is in compliance with the requirement stipulated in the Charter of the Board. Details of individual directors' attendance in the meetings of the Board and Board Committees in 2022 are as summarized below.

Individual Directors' Meeting Attendance in 2022

Name*	Meetings Attended/Total Meetings							
	Board Committees							Meeting of Shareholders
	Board of Directors	Executive Committee	Audit Committee	Nomination, Compensation and Corporate Governance Committee	Risk Oversight Committee	Technology Committee	Corporate Social Responsibility Committee	
1. Mr. Vichit Suraphongchai	16/16	-	-	-	-	-	0/0	1/1
2. ACM Satitpong Sukvimol	16/16	-	-	-	-	-	0/0	1/1
3. Pol. Col. Thumnithi Wanichthanom	16/16	0/0	-	-	-	-	0/0	1/1
4. Mr. Apisak Tantivorawong	10/11	11/11	-	-	-	-	-	-
5. Mr. Prasan Chuaphanich	16/16	-	3/3	-	6/6	6/8	-	1/1
6. Mr. Kan Trakulhoon	15/16	18/18	-	12/12	-	-	-	1/1

SCB X Public Company Limited

Name*	Meetings Attended/Total Meetings							
	Board Committees							Meeting of Shareholders
	Board of Directors	Executive Committee	Audit Committee	Nomination, Compensation and Corporate Governance Committee	Risk Oversight Committee	Technology Committee	Corporate Social Responsibility Committee	
7. Mr. Pailin Chuchottaworn	16/16	15/18	-	-	-	8/8	-	1/1
8. Mr. Winid Silamongkol	11/11	-	9/9	-	-	-	-	-
9. Mr. Thaweesak Koanantakool	15/16	-	-	12/12	-	7/8	-	1/1
10. Mr. Weerawong Chittmittrapap	16/16	-	-	12/12	-	-	-	1/1
11. Miss Jareeporn Jarukornsakul	16/16	-	-	-	-	7/8	0/0	1/1
12. Mrs. Pantip Sripimol	16/16	-	-	-	-	-	0/0	1/1
13. Mr. Chairat Panthuraamphorn	11/11	-	-	1/1	-	8/8	-	-
14. Mrs. Kulpatra Sirodom	8/8	-	8/8	-	3/3	-	-	-
15. Mrs. Nuntawan Sakuntanaga	8/8	-	8/8	-	-	-	-	-
16. Mr. Arthid Nanthawithaya	16/16	18/18	-	-	5/6	8/8	-	1/1
Directors retiring by rotation or resigning in 2022								
1. Mr. Krirk Vanikkul	8/8	-	-	-	0/0	-	-	1/1
2. Mr. Chakkrit Parapuntakul	8/8	7/7	-	5/5	-	-	-	1/1
3. Mr. Pasu Decharin	8/8	-	4/4	-	0/0	-	-	1/1

Name*	Meetings Attended/Total Meetings							
	Board Committees							Meeting of Shareholders
	Board of Directors	Executive Committee	Audit Committee	Nomination, Compensation and Corporate Governance Committee	Risk Oversight Committee	Technology Committee	Corporate Social Responsibility Committee	
4. Miss Lackana Leelayouthayotin	8/8	7/7	-	-	-	-	-	1/1
5. Mr. Chaovalit Ekabut	8/8	-	4/4	-	-	-	-	1/1
6. Miss Chunchachit Sungmai	12/12	-	-	4/4	4/4	-	-	1/1

* Remark: Changes in the Board and Board committees in 2022

- Mr. Prasan Chuaphanich vacated his seat as Chairman of the Audit Committee (disqualified as an independent director) on April 4, 2022. He was appointed as Chairman of the Risk Oversight Committee (replacing Mr. Krirk Vanikkul) on May 26, 2022.
- Mr. Apisak Tantivorawong was appointed as Director on April 12, 2022 and as Chairman of the Executive Committee (replacing Mr. Arthid Nanthawithaya) on May 26, 2022.
- Mr. Winid Silamongkol was appointed as Director on April 12, 2022 and as Chairman of the Audit Committee (replacing Mr. Prasan Chuaphanich) on April 21, 2022.
- Mr. Pailin Chuchottaworn was appointed as Chairman of the Technology Committee (replacing Mr. Thaweesak Koanantakool) on May 26, 2022.
- Mr. Chairat Panthuraamphorn was appointed as Director on April 12, 2022, as Member of the Technology Committee on May 26, 2022, and as Member of the Nomination, Compensation and Corporate Governance Committee on December 1, 2022.
- Mrs. Pantip Sripimol vacated her seat as Member of the Risk Oversight Committee and was appointed as Member of the Corporate Social Responsibility Committee on May 26, 2022.
- Miss Chunchachit Sungmai was appointed as Member of the Nomination, Compensation and Corporate Governance Committee on May 26, 2022 and resigned as Director and Member of the Risk Oversight Committee on October 1, 2022.
- Mrs. Kulpatra Sirodorn was appointed as Director and Member of the Audit Committee on June 1, 2022 and as Member of the Risk Oversight Committee on August 25, 2022.
- Mrs. Nuntawan Sakuntanaga was appointed as Director and Member of the Audit Committee on June 1, 2022.
- Mr. Krirk Vanikkul resigned as Independent Director and Chairman of the Risk Oversight Committee on June 1, 2022.
- Mr. Chakkrit Parapuntakul resigned as Director, Member of the Executive Committee, and Member of the Nomination, Compensation and Corporate Governance Committee on June 1, 2022.
- Mr. Pasu Decharin resigned as Independent Director, Member of the Audit Committee, and Member of the Risk Oversight Committee on June 1, 2022.
- Miss Lackana Leelayouthayotin resigned as Independent Director and Member of the Executive Committee on June 1, 2022.
- Mr. Chaovalit Ekabut resigned as Independent Director and Member of the Audit Committee on June 1, 2022.
- Pol. Col. Thumnithi Wanichthanom resigned as Member of the Corporate Social Responsibility Committee and was appointed as Member of the Executive Committee on December 9, 2022.

- **Director Remuneration**
Article 22 of the Company's Articles of Association stipulates that "A director is entitled to receive remuneration from the Company in the form of rewards, meeting allowances, gratuities, bonuses or any other nature of benefits pursuant to the Articles of Association or as determined by the meeting of shareholders, whereby such remuneration may be fixed in an exact amount or may be subject to the criteria so laid out which may be specified from time to time or remain effective until changed. In addition, a director is also entitled to receive allowance and any welfare according to the Company's rules." Since the Company's inception in 2021 and throughout 2022, director remuneration has not yet been defined. Nonetheless, the Nomination, Compensation and Corporate Governance Committee will propose appropriate remuneration of the Board and Board Committees to the Board and subsequently the 2023 AGM in due course. The remuneration determination will be based on a policy that remuneration shall be commensurate with the functional duties of directors, who must fulfill the expectations of various groups of stakeholders and comply with applicable laws and regulations. It is thus necessary that the Company's directors possess appropriate experience and qualifications and each director's remuneration reflect his/her roles, responsibilities and risks.
- **Internal Control and Risk Management**
The Company regularly monitors its internal control system and risk management system and annually evaluates the adequacy of these systems, including the governance of connected transactions and the prevention of conflicts of interest. The monitoring and evaluation framework is based on the internal control framework developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) which encompasses five key components: 1) control environment, 2) risk assessment, 3) control activities, 4) information and communications, and 5) monitoring activities.
- **Oversight of Companies in Financial Group**
The Company, as the parent company of the financial group, attaches importance to aligning the business direction of each company in SCBX Financial Group to the Company's policies and processes, to achieve group-wide synergy and operational effectiveness through the following:
 - Directors and senior executive of the Company were appointed as directors of companies in the Group. In addition, the appointment of senior executives of these companies is subject to the consideration by the Nomination, Compensation and Corporate Governance Committee and the Board of the Company in accordance with the Subsidiaries and Associates Supervision Policy. Director remuneration criteria applicable to companies in SCBX Group are also established for the purpose of group-wide standardization.
 - Escalation procedures for key matters, including business plans and budget plans of companies in the Group, are defined and require the management team of subsidiaries to discuss such matters with the management team of SCBX.
 - The scope of authority of companies in the Group identifies matters that must be escalated to the Board or the meetings of shareholders of the Company in accordance with the Subsidiaries and Associates Supervision Policy. A playbook enunciating approval processes applicable to key matters concerning directors, executives, business development investment, strategy and finance, risk management,

governance and control, internal audit, and technology has been developed as a framework to ensure that approvals of key matters are in accordance with established policies.

- The board of directors of each company in the Group plays a key role in the corporate governance and supervision. In this connection, directors and senior executives of the Company are appointed to the boards of director of these companies for the purposes of performance monitoring and reporting.
- Business directions, targets and key policies of SCBX Group are regularly communicated at Group CEO meetings and Group Chairpersons meetings. In addition, the Company' management team communicates with the management teams of companies in the Group on a regular basis through means such as the Compliance Forum where the policies of the Group are shared by the Compliance Function.

The Board delegates the Audit Committee to oversee and monitor compliance of companies in SCBX Group with the Company's policies and review their financial statements to ensure accuracy. Also, to promote transparency and prevent conflicts of interest, the Company, as the parent company, has established intra-group transaction policies and regulations based on applicable regulatory and legal requirements to provide them with standard operational guidelines.

- Regarding the risk management framework, the companies in the Group shall use the risk management framework as a framework and minimum standards for setting their own significant risk management policies. These policies must be reviewed at least annually or upon significant changes to effectively address associated risks.

In addition, the companies in the Group must have a clear governance structure and responsible persons for risk management.

- **Prevention of Conflicts of Interest**

To manage conflicts of interest arising from its business operations, the Company implements the following measures, which are based on ethical principles:

- Adopt controlling, monitoring and preventive measures for transactions involving potential conflict of interest or inappropriate connected or related party transactions by establishing policies, procedures and processes for considering and approving such transactions. Also, disclosure and approval of connected transactions are made in compliance with applicable regulatory requirements and regulations as well as codes of conduct of companies in the Group for the best benefits of the Group and all shareholders.
- Compile reports on conflicts of interest of directors and persons with management authority. The Company requires its directors and persons with management authority to report any conflict of interest concerning themselves and their related parties to the Company through the Company Secretary on an annual basis as well as to notify the Company of any changes related to their holding of positions in other entities and any material changes to their holding of securities (ordinary shares, debentures, certificates representing the rights to purchase shares and certificates representing the rights to purchase debentures). The Company Secretary is responsible for collecting such reports and submitting the copies of the conflict-of-interest reports to the Chairman of the Board and the Chairman of the Audit Committee in compliance with the

Securities and Exchange Act B.E. 2535. This information is also used by the Company to monitor transactions between the Company and directors, persons with management authority, and/or their related parties in accordance with applicable legal requirements.

- Prevention of Misuse of Inside Information
 - Enforce the Prevention of Misuse of Inside Information to prohibit executives and employees from disclosing or using confidential information or inside information that has not yet been publicly released to seek undue benefits for themselves or others either directly or indirectly, with or without compensation. Insider trading is also prohibited.
 - Implement controlling measures applicable to securities trading and require directors, executives and employees potentially having access to inside information, and their related parties, to declare their securities trading accounts with the aim of preventing the misuse of inside information acquired in connection with their positions, duties or operations to seek undue benefits for themselves or others.
 - Require the separation of workplace locations among units whose operations might involve conflicts of interest in order to prevent information leakage.
- Related Party and Connected Transactions
 - Establish regulations governing connected transactions and a prudent consideration process to protect the best interests of the Company and its shareholders.
 - Require that related party transactions between the Company and its executives, major shareholders

and related parties shall in no way constitute the transfer of the Company's benefits to related parties.

- Prohibit directors and employees who have a stake in or are related to any transactions from participating in the consideration process of such transactions to ensure that the decisions on such transactions are fully for the benefit of the Company.
- Giving and Receiving Gifts, Entertainment, and Other Benefits
 - Giving and receiving gifts, entertainments and other benefits are intended as business courtesies and must be discreet, prudent, reasonable and appropriate in terms of value, occasion and customary practice.
 - Do not offer, respond to, or solicit bribes or any other inappropriate benefits directly or indirectly to/from customers, government agencies, private entities, or third parties, for the purpose of influencing their objectivity and discretionary decisions or performance of duty, or to gain undue benefits.

In 2022, the Company had no breach relating to conflicts of interest.

- Misuse of Inside Information for Undue Gains
The Company establishes ethical standards within the framework of prevention against conflicts of interest and misuse of inside information. In doing so, the Company lays emphasis on the confidentiality and management of information of the Company and its customers and adopts rigorous information management practices as follows:

1. Information Management

- Protect, retain, and treat non-disclosable information of customers and the Company in accordance with

laws. Collection, handling, protection and use of customers' personal information must be appropriately conducted.

- Do not disclose information of customers and the Company, unless consent is granted by customers or the Company, as applicable, or otherwise required by relevant laws.

2. Communications

- The Company aims to disclose its information to shareholders, investors, and the public in an accurate, complete, comprehensive and timely manner, and in compliance with related laws and regulations.
- Any communication, statement or release of information about the Company and its businesses and customers must be accurate and appropriate. Such communication, statement or release of information to any press or media must be conducted only by persons designated to release information on behalf of the Company.

In 2022, the Company had no breach relating to misuse of inside information.

(B) Measures for Compliance with the Corporate Governance Policy and Practices

To ensure compliance with the established Corporate Governance Policy and practices, the Company initially builds awareness in this respect among employees and executives at all levels through the dissemination of important policies and regulations that are related to corporate governance via its website. The Company also offers training courses specifically related to, for example, codes of conduct, risk management and anti-corruption. These courses are mandatory for new joiners, and all employees are required to take relevant refresher courses every year. For matters related to directors and executives, the Company assigns executives

of relevant functions, such as executives of Audit Function, Legal Function, Compliance Function and Human Resources Function, Company Secretary, and secretaries of Board committees, to provide support to the Board in order that the Board can operate in compliance with applicable legal and regulatory requirements. To that end, relevant policies must be cascaded across relevant departments and discussions with such departments about suitable practices must be regularly held. At each Board meeting, the Board monitors corporate governance matters through the reports from the Board committees.

(C) Report of the Executive Committee, Report of the Nomination, Compensation and Corporate Governance Committee, Report of the Risk Oversight Committee, Report of the Technology Committee, and Report of the Corporate Social Responsibility Committee are shown in attachment 6. Audit Committee Report is shown in attachment 5.

Internal Control and Risk Management

SCB X Public Company Limited ("the Company"), as the parent company of the SCBX Group, is committed to upholding the highest standards of corporate governance. The Company places a priority on conducting business in accordance with good corporate governance principles, applicable laws and regulations governing business operations, with the goal of elevating its level of management to be efficient, transparent and fair to all parties. This commitment will ensure that the Company can achieve the confidence of all stakeholders while enhancing its competitiveness in line with its Code of Ethics and social responsibility framework.

The Board of Directors has established a corporate governance framework and risk management policy for the SCBX Group to address a variety of risks, including business continuity management, and has determined effective oversight, monitoring and auditing measures to ensure that companies in the SCBX Group implement effective internal control and risk management systems, and comply with Bank of Thailand regulations and other applicable laws and regulations, including policies set by the Company.

In addition, the Board of Directors has delegated sub-committees to oversee internal control and risk management of the SCBX Group as follows:

- **The Executive Committee** has duties and roles in implementing strategies, policies and regulations of the SCBX Group and is responsible for considering and formulating business strategies, financial goals and plans to be presented to the Board of Directors. The Committee also considers and approves matters

related to various business areas, such as providing investment guidelines and other management as specified by the Board of Directors.

- **The Risk Oversight Committee** is responsible for reviewing the adequacy and effectiveness of the Risk Management Policy, formulating risk management strategies, and determining risk appetite to ensure that risk management is consistent with the guidelines set by the Board of Directors.
- **The Audit Committee** is responsible for overseeing corporate governance practices, risk management and internal control of the SCBX Group in order to ensure that companies in the Group comply with Group policies. The Committee is also responsible for ensuring that the SCBX Group's financial reports are accurate and adequate.
- **The Technology Committee** is responsible for supporting the Board of Directors in formulating the SCBX Group's long-term strategies, the integrity of technology services, and technology risk management and governance to ensure that the Group's technology strategies are aligned with the goals and objectives of the Company.

The Board of Directors, the Audit Committee and Management set the SCBX Group's internal controls based on the 2013 Internal Control Integrated Framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Within this framework, there are five necessary components for internal control, namely: 1) control environment; 2) risk assessment; 3) control activities; 4) information and communications; and 5) monitoring activities. The Internal Audit Function assesses the adequacy of the SCBX Group's internal control system, following the Securities and Exchange Commission's assessment form. Assessments of the internal control system are presented for the Audit Committee's consideration and endorsement before approval by the Board of Directors.

The SCBX Group's activities involving each of these components are outlined below:

Control Environment

The SCBX Group is committed to ensuring that its Group companies maintain a culture and environment of effective internal control. The Board of Directors will monitor companies in the SCBX Group to ensure they have sufficient and appropriate risk management policies and procedures to address emerging and significant risks. In addition, the Company approves the risk management policies of Group companies that are inconsistent with its risk management framework and oversees the Company's capital and liquidity management plans to cover various risks in line with the approved strategy and risk appetite.

Risk Assessment

The Board of Directors approves SCBX Group's risk management policy by establishing a risk management framework for significant risks to be adopted as a framework, and minimum standards for companies in SCBX Group to use in formulating their significant risk management policies and their own risk appetites. As the parent company, the Company communicates these policies to companies in the SCBX Group.

The SCBX Group has developed a process for assessing all significant risks, including strategic risk, credit risk, investment risk, liquidity risk, market risk, technology risk, cyber and information security risk, operational risk, legal and

compliance risk, reputation risk, people risk, model and artificial intelligence risks, and ESG risks. The Board of Directors will be presented with the Group Risk Appetite Statements and risk management framework for these important types of risk for approval. Additionally, the Company oversees its portfolio companies' annual assessment and review of their significant risks. These reviews must be approved by the Chief Risk Officer of SCBX in accordance with the governance principles under which these processes are established. The process will be reviewed annually to ensure that it is consistently and continuously executed and that risks are managed, controlled and monitored appropriately.

The SCBX Group has implemented the "Three Lines Model" to ensure that each company in SCBX Group has a suitable internal control procedure by establishing an operational risk management framework. The framework will describe key processes and establish recommendations for assessing, managing and monitoring operational risks. Because fraud is a component of operational risk, companies in the SCBX Group must establish procedures for assessing opportunities and impacts that may arise from such events, including reporting fraud that might have a substantial impact on the Group.

Control Activities

The Audit Committee reviews and provides guidance on the risk management processes established and maintained by management to ensure conformity with established procedures. The Committee also reviews and assesses the SCBX Group's internal control system as well as its compliance with the Securities and Exchange Act, Stock Exchange of Thailand regulations, and other applicable laws governing the SCBX Group's business.

Information and Communications

The SCBX Group focuses on increasing its business competitiveness in the field of information technology and communications in order to be effective and is prepared to face new challenges posed by financial technology, a changing business

environment and digitally influenced customer behavior. As data is the key to increasing business competitiveness, the SCBX Group has continuously improved the effectiveness of policy and strategic decision-making through use of in-depth data analytics.

The SCBX Group has established a comprehensive, appropriate, equitable, and timely information disclosure policy to all shareholder and stakeholder groups, including oversight of the disclosure of confidential information and information that influences the trading price of the Company's securities. Stakeholders can directly contact the relevant departments of the Company. In addition, the Company has established additional communication channels for receiving complaints, recommendations, comments and other feedback, which will be forwarded directly to the Board of Directors and management.

Monitoring System

The SCBX Group has internal control monitoring and assessment in place to ensure that the internal control system remains effective and efficient, with complete and appropriate monitoring and assessment to tackle changing risks. Monitoring will be delegated to internal functions as follows:

- **The Compliance Function** is responsible for reviewing and monitoring the operations of SCBX Group departments to ensure compliance with essential laws, legislation, rules and regulatory requirements.
- **The Audit Function** performs independent assurance and consulting service to ensure that SCBX Group's operational processes are overseen in terms of effective risk management and internal control. The Audit Function will analyze the fundamental causes of problems and various risks identified and discovered during audit engagements, which will lead to the continual and sustainable development and improvement of business operations.

The Audit Committee will consider reports from these two functions every month and follow up progress to make sure that problems are solved, rectified and improved in a timely manner.

The Board of Directors, the Audit Committee, and the SCBX Group's auditor have considered the assessment results of the adequacy of the internal control system covering five components, namely, control environment, risk assessment, control activities, information and communications, and monitoring activities, and are of the view that the SCBX Group has an internal control system that is adequate and suitable to achieving the business goals and objectives while complying with laws and relevant requirements.

Related Party Transactions

As the parent company of the SCBX Group, the Company places great emphasis on conducting businesses based on the principles of good corporate governance to prevent any potential conflict of interest and insider trading from both the Company's perspective and that of the SCBX Group companies. This is to ensure that intra-group transactions within the SCBX Group are truly transparent and fair to all stakeholders.

The Company has established policy, procedures and information disclosure processes pertaining to intra-group transactions in accordance with applicable laws, requirements and regulations of various regulatory bodies, e.g., the Securities and Exchange Commission, the Stock Exchange of Thailand, the Bank of Thailand, etc. This is to enable staff to use these documents as guidelines to avoid any conflict of interest and ensure that intra-group transactions are conducted in a fair manner based on the market price and an arm's length basis.

Furthermore, the Intra-Group Transaction Policy must be approved by the Board of Directors and reviewed annually. This policy entails risk management framework governing intra-group transactions, which cover two types of intra-group transaction, namely, credit-related transactions (loans, investments and contingent liabilities or lending-like transactions) and non-credit-related transactions (those other than loans, investments or contingent liabilities). Details can be summarized as follows:

- Any transaction conducted between entities within the SCBX Group is required to be executed without any special terms or conditions that are deemed to be materially

different from those transactions with an equivalent risk exposure. In the absence of comparable transactions, intra-group transactions must be conducted per the normal market practice with enforceable contracts, proper documentation and record-keeping as well as approval authority based on risk and its materiality.

- Pricing terms and conditions of intra-group transactions, including obligations and responsibilities of relevant functions, must be comprehensively determined with explicit approval authority and conditions of the transactions based on commercial terms and size to ensure that approval processes are in accordance with the established Policy.
- Directors and top management, who have a stake in or are related to any intra-group transaction, are prohibited from participating in the consideration or approval process of the transaction and shall record it in the meeting resolution.
- Information regarding intra-group transactions must be disclosed to the public per the prescribed conditions and processes as required by the government authorities.
- In case of intra-group transactions requiring approval from a shareholders meeting, the Company shall disclose details, rationale and opinions of the Board of Directors on these transactions to the shareholders before executing the transactions.

Related Party Transaction Trends and Policy Outlook

As the parent company of the SCBX Group, the Company stresses strict compliance practices per the intra-group transaction requirements. Entities within the SCBX Group are therefore required to adhere to the good corporate governance principles by requiring them to establish an Intra-Group Transaction Policy in accordance with the requirements of various regulatory bodies, e.g., the Stock Exchange of Thailand, the Securities and Exchange Commission, and the Bank of Thailand, as well as those local laws and regulations of the host regulators where SCBX's subsidiaries operate.

Information Disclosure

As the Company recognizes the importance of disclosing material information to the public, disclosing of information is required to be made in a timely, transparent and adequate manner per the prescribed criteria. Exploiting inside information, whether directly or indirectly, is prohibited. The Company has to disclose intra-group transactions and related party transactions per the Stock Exchange of Thailand information disclosure requirements in the notes to the financial statements of the Annual Report. Also, related party transactions are required to be reported to the Audit Committee on a quarterly basis.

In 2022, the Company did not have any related party transaction that was deemed to be material in size that needs to be disclosed per the Stock Exchange of Thailand's requirement. In any event, information pertaining to other related party transactions has been disclosed in the notes to the financial statements.

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SCB X Public Company Limited

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Financial Report 2022

Financial Report

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Report of the Board of Directors' Responsibility for the Financial Statements

The Board of Directors of SCB X Public Company Limited places utmost importance on fulfilling its duties and responsibilities in supervising the business undertakings of the Company in compliance with the Statement of Corporate Governance Principles. The Board of Directors is responsible for the Company's financial statements and the consolidated financial statements of the Company and its subsidiaries that are provided in this Annual Report. The financial statements are prepared in accordance with Thai Financial Reporting Standards, using appropriate accounting policies that are applied on a consistent basis. The financial statements are, moreover, prepared after careful consideration and, when applicable, use of appropriate estimates and judgments. All significant information related to the accounting policies and the financial statements, including the conventions and practices used for the preparation of these financial statements, is adequately disclosed in the notes to the financial statements in order to facilitate understanding and use as well as for the benefit of the shareholders and general investors. The financial statements have been audited by independent certified public accountants whose unqualified opinions are stated in the audit report.

The Board of Directors has required the management of the Company to adopt and maintain effective

internal control and risk management systems to provide reasonable assurance on the accuracy, reliability and adequacy of the Company's accounts; the safeguarding of its assets; and the prevention against fraud and irregularities which have material effects on the accuracy and reliability of the Company's financial reports.

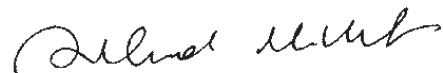
The Audit Committee, entirely comprising independent directors, has been assigned by the Board of Directors the responsibility for overseeing the quality of the Company's financial reports and internal control system. In this respect, the Audit Committee's opinion regarding such matters is stated in this Annual Report under the Audit Committee's Report.

In the context of the nature and scale of the Company's business, the Board of Directors is of the view that the Company's overall internal control system is adequate and appropriate and can provide reasonable assurance that the financial statements of the Company, including the consolidated financial statements of the Company and its subsidiaries for the year ended December 31, 2022, present fairly, and in all material respects are in accordance with, the Thai Financial Reporting Standards (TFRSs), the regulations of the Bank of Thailand and related regulations.



Dr. Vichit Suraphongchai

Chairman



Mr. Arthid Nanthawithaya

Chief Executive Officer

**SCB X Public Company Limited
and its Subsidiaries**

Financial statements for the year ended
31 December 2022
and
Independent Auditor's Report

Independent Auditor's Report

To the Shareholders of SCB X Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of SCB X Public Company Limited and its subsidiaries (the “Group”) and of SCB X Public Company Limited (the “Company”), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2022, the consolidated and separate statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2022 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs) and the regulations of the Bank of Thailand.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and the Company in accordance with *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Allowance for expected credit loss on loans to customers and accrued interest receivables	
Refer to notes 3.3.5, 4.1, 12 and 13	
The key audit matter	How the matter was addressed in the audit
<p>As at 31 December 2022, loans to customers and accrued interest receivables, recorded in the consolidated financial statements amounted to Baht 2,397 billion (approximately 69% of total assets), against which allowance for expected credit loss amounted to Baht 146 billion were provided.</p> <p>TFRS 9 and the related Bank of Thailand (“BoT”) notifications requires the Group to recognise expected credit losses (“ECL”) on certain types of financial instruments including loans to customers and accrued interest receivables. The Group has developed methods and models in determining the allowance for ECL which involves significant judgment and estimation on relevant assumptions and data.</p> <p>The areas where management applied significant judgment and estimation include, but not limited to, the following:</p> <ul style="list-style-type: none"> • Selection of criteria to assess whether the financial instruments have a significant increase in credit risk (“SICR”); • Development techniques to develop ECL model parameters, including the probability of default (“PD”), loss given default (“LGD”) and exposure at default (“EAD”); • Determination of forward looking macroeconomic variables and probability-weighted scenarios; and • Qualitative adjustments including management overlays made to incorporate identified credit risks not captured in the ECL models such as the change in trends and risks in underlying portfolios as well as the impact of the COVID-19 pandemic amongst other factors. <p>The impact of the COVID-19 pandemic, the related economic downturn and financial relief measures provided by the Group, have created higher estimation uncertainties in determining ECL.</p> <p>The carrying amount of allowance for expected credit loss on loans to customers and accrued interest receivables is considered a key audit matter due to the significance of aforementioned judgments and estimates made.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> • Performing a risk assessment by considering internal and external factors which could affect the performance of individual customers, industry sectors, customer segments, or which could influence the judgments and estimates. • Testing the design and/or operating effectiveness of relevant controls surrounding the credit and impairment process. The selected controls include but are not limited to the key controls over selection of criteria to assess SICR, ECL model risk management, determination of macroeconomics variables and the probability-weighted scenario and qualitative adjustments including the management overlay. • Testing the controls operating effectiveness over the criteria to assess whether the financial instruments have a SICR as well as improvement for credit risk consideration for those debtors under financial relief measures. • Testing a sample of credit reviews prepared by management for individual large exposures and loans to customers subject to restructuring and reschedule. I formed my own independent assessment based on the detailed review of the credit profile and other relevant information, which include but not limited to the reasonableness of the assumptions over ability to repay and collateral valuation, the appropriateness and accuracy of internal credit ratings and ECL parameters assigned for those customers. • Assessing and testing the reasonableness of the SICR and staging criteria applied by the Group for different types of loans to customers in order to evaluate whether the criteria applied are consistent with the Group credit risk management practices, requirements under TFRS 9 and related BoT notifications. • Involving my own credit specialists to assess key data, assumptions, method, models including mathematically theory to derive ECL model parameters on significant loans to customers portfolios. They also perform the test for reasonableness of macroeconomic factors used and probability-weighted multiple scenarios including the back-testing and assess methodology and data used by the management in the identification and estimation of qualitative adjustments including the management overlay.

Allowance for expected credit loss on loans to customers and accrued interest receivables	
Refer to notes 3.3.5, 4.1, 12 and 13	
The key audit matter	How the matter was addressed in the audit
	<ul style="list-style-type: none"> • Involving my own IT specialists to test reconciliations of data including ECL parameters among the underlying systems. • Testing the mathematical accuracy of the ECL calculation including qualitative adjustment on a sample basis. • Considering the adequacy of disclosures in accordance with Thai Financial Reporting Standards and BoT notifications and guidelines.

Valuation of financial instruments in the statement of financial position	
Refer to notes 3.3.1, 3.3.2, 3.13, 8, 9, 10, 27	
The key audit matter	How the matter was addressed in the audit
<p>As at 31 December 2022, financial assets measured at fair value classified as level 2 and 3 in the consolidated financial statements amounted to Baht 302 billion. Financial liabilities measured at fair value classified as level 2 and 3 in the consolidated financial statements amounted to Baht 61 billion.</p> <p>There is a risk that financial instruments classified as level 2 and level 3 in the fair value hierarchy may be mispriced in the statement of financial position because they are not based on objective external prices or, where these are not easily observable, the best estimate of what they may be.</p> <p>The valuation of financial instruments is considered a key audit matter due to the degree of complexity involved in valuing certain level 2 and 3 instruments and the significance of judgments and estimates involved.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> • Performing a risk assessment by considering the factors which could affect the fair value of financial instruments, both in terms of the inputs used for valuation and the appropriateness of valuation techniques applied. • Testing a sample of financial instruments that pricing inputs used were externally sourced and correctly input into pricing models for financial instruments, including the liquidity of prices, where applicable. Furthermore, I checked that the criteria used for determining the fair value measurement approach for financial instruments with significant unobservable inputs were appropriate. I used my own valuation specialists to assess that the models were appropriate and tested the fair value of a sample of the Group's financial instruments independently and compared their valuation to the Group's valuation. • Considering the adequacy of disclosures in accordance with Thai Financial Reporting Standards and BoT notifications and guidelines.

Emphasis of Matter

I draw attention to Note 45, which describes shareholding restructuring plan. On 22 April 2022, the Company allocated 3,367,107,286 newly issued ordinary shares, at the par value of Baht 10 per share to shareholders of the Bank who accepted the tender offer. The Company, consequently, acquired the ordinary shares and preferred shares of the Bank in the total number of 3,367,107,286 shares, at the par value of Baht 10 per share from the shareholders of the Bank who accepted the tender offer as part of the share swap. On 27 April 2022, the Company's shares were listed on the Stock Exchange of Thailand in place of the securities of the Bank, which were delisted on the same day. In addition, I draw attention to note 2 describing the effect of the business combination under common control. The consolidated statement of financial position as at 31 December 2021, a component of the audited financial statements as at 31 December 2021 including the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, which are included as comparative information have also been adjusted as described in note 2. My conclusion is not modified in respect of this matter.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



(Orawan Chunhakitpaisan)
Certified Public Accountant
Registration No. 6105

KPMG Phoomchai Audit Ltd.
Bangkok
17 February 2023

SCB X Public Company Limited

SCB X Public Company Limited and its Subsidiaries

Statement of financial position

	<i>Note</i>	After restructuring	Before restructuring	Separate financial statements	
		Consolidated financial statements	Consolidated financial statements	statements	
		31 December 2022	31 December 2021	31 December 2022	2021
Assets					
			<i>(in thousand Baht)</i>		
Cash		47,253,581	50,420,799	1,370	5
Interbank and money market items, net	7	522,055,609	618,268,620	7,411,843	-
Financial assets measured at fair value through profit or loss	8	62,326,524	68,707,387	-	-
Derivative assets	9	66,084,005	57,579,088	-	-
Investments, net	10	390,671,195	222,634,338	1,472,358	-
Investments in subsidiaries, associates and joint venture, net	11	1,205,738	781,207	508,001,341	1
Loans to customers and accrued interest receivables, net	12, 13, 14	2,247,848,045	2,165,455,869	26,328,941	-
Properties for sale, net	15	22,440,808	18,200,943	-	-
Investment properties, net		495,336	511,094	-	-
Premises and equipment, net	16	46,456,883	45,196,041	22,213	-
Goodwill and other intangible assets, net	17	20,478,683	18,384,743	-	-
Deferred tax assets	18	3,225,430	3,681,058	-	-
Other assets, net	19	23,910,500	44,743,711	1,157,659	-
Total assets		3,454,452,337	3,314,564,898	544,395,725	6

The accompanying note form an integral part of the financial statements.

SCB X Public Company Limited and its Subsidiaries

Statement of financial position

		After restructuring	Before restructuring		
		Consolidated financial statements	Consolidated financial statements	Separate financial statements	
		31 December	31 December	31 December	
Liabilities and shareholders' equity	Note	2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
Liabilities					
Deposits	20	2,555,799,805	2,467,495,380	-	-
Interbank and money market items	21	181,347,492	180,961,455	42,934,880	-
Liabilities payable on demand		11,429,091	10,539,176	-	-
Financial liabilities measured at fair value through profit or loss		38,755	5,750	-	-
Derivative liabilities	9	60,632,010	49,200,116	639,377	-
Debt issued and borrowings	22	71,996,494	74,921,623	-	-
Provisions	23	19,373,480	20,342,267	10,309	-
Deferred tax liabilities	18	928,726	887,849	-	-
Other liabilities	24	86,294,601	67,605,190	718,327	8,670
Total liabilities		2,987,840,454	2,871,958,806	44,302,893	8,670
Shareholders' equity					
Share capital					
Authorised share capital					
Preferred shares		-	35,826,672	-	-
Common shares	28	33,991,922	34,173,338	33,991,922	10
Issued and paid-up share capital					
Preferred shares		-	35,429	-	-
Common shares	28	33,671,073	33,956,503	33,671,073	10
Premium on share capital					
Premium on preferred shares		-	13,855	-	-
Premium on common shares		11,019,190	11,110,336	407,069,914	-
Other reserves	29	21,954,695	22,837,505	-	-
Retained earnings					
Appropriated					
Legal reserve	29	3,400,000	7,000,000	3,400,000	-
Unappropriated		391,186,687	366,043,734	55,951,845	(8,674)
Total owners of the company		461,231,645	440,997,362	500,092,832	(8,664)
Non-controlling interests		5,380,238	1,608,730	-	-
Total shareholders' equity		466,611,883	442,606,092	500,092,832	(8,664)
Total liabilities and shareholders' equity		3,454,452,337	3,314,564,898	544,395,725	6



(Mr. Arthid Nanthawithaya)
Chief Executive Officer

The accompanying note form an integral part of the financial statements.

SCB X Public Company Limited

SCB X Public Company Limited and its Subsidiaries
Statement of profit or loss and other comprehensive income

		After restructuring	Before restructuring	Separate financial statements	Separate financial statements
		Consolidated financial statements	Consolidated financial statements	Separate financial statements	for the period from 15 September 2021 to 31 December 2021
		for the year ended 31 December 2022	for the year ended 31 December 2021	for the year ended 31 December 2022	
	Note				
		<i>(in thousand Baht)</i>			
Interest income	36	126,992,632	112,176,572	100,589	-
Interest expenses	37	19,127,399	17,005,762	154,132	-
Net interest income		107,865,233	95,170,810	(53,543)	-
Fee and service income	38	48,143,055	50,355,543	-	-
Fee and service expenses	38	10,995,510	10,157,495	72	-
Net fee and service income	38	37,147,545	40,198,048	(72)	-
Net gain (loss) on financial instruments measured at fair value through profit or loss	39	6,669,367	11,090,364	(71,153)	-
Net gain on investments	40	54,233	145,987	-	-
Share of profit from investment in associates and joint venture		272,600	556,560	-	-
Dividend income		149,083	166,035	65,474,883	-
Other operating income		2,262,274	3,014,245	85,962	-
Total operating income		154,420,335	150,342,049	65,436,077	-
Other operating expenses					
Employee expenses		31,218,904	30,006,793	425,039	-
Directors' remuneration		273,819	111,658	126,108	-
Premises and equipment expenses		11,511,344	10,848,501	7,082	-
Taxes and duties		4,399,628	3,611,083	1,216	-
Other expenses	41	22,469,961	18,977,721	340,452	8,674
Total operating expenses		69,873,656	63,555,756	899,897	8,674
Expected credit loss	42	33,828,761	42,024,476	125,000	-
Profit (loss) from operation before income tax expenses		50,717,918	44,761,817	64,411,180	(8,674)
Tax expenses	18	13,592,494	9,375,857	-	-
Net profit (loss)		37,125,424	35,385,960	64,411,180	(8,674)

The accompanying note form an integral part of the financial statements.

SCB X Public Company Limited and its Subsidiaries
Statement of profit or loss and other comprehensive income

	After restructuring	Before restructuring		
	Consolidated financial statements	Consolidated financial statements	Separate financial statements	Separate financial statements
	for the year ended 31 December	for the year ended 31 December	for the year ended 31 December	for the period from 15 September 2021 to 31 December
Note	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Other comprehensive income (loss)				
<i>Items that will be reclassified subsequently to profit or loss</i>				
Loss on investments in debt instruments at fair value through other comprehensive income	(231,896)	(912,382)	-	-
Gain (loss) arising from translating the financial statements of a foreign operation	(305,035)	113,218	-	-
Changes in hedge reserve	(6,125)	-	-	-
Income tax relating to components of other comprehensive income (loss) will be reclassified subsequently to profit or loss	18 47,604	182,476	-	-
	<u>(495,452)</u>	<u>(616,688)</u>	<u>-</u>	<u>-</u>
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Gain (loss) on investments designated at fair value through other comprehensive income	10,892	(391,865)	-	-
Gain on revaluation of assets	-	8,960,197	-	-
Gain on remeasurements of defined benefit plans	1,724,369	493,992	-	-
Income tax relating to components of other comprehensive income (loss) will not be reclassified subsequently to profit or loss	18 (347,052)	(1,786,714)	-	-
	<u>1,388,209</u>	<u>7,275,610</u>	<u>-</u>	<u>-</u>
Total other comprehensive income (loss), net of income tax	<u>892,757</u>	<u>6,658,922</u>	<u>-</u>	<u>-</u>
Total comprehensive income (loss)	<u>38,018,181</u>	<u>42,044,882</u>	<u>64,411,180</u>	<u>(8,674)</u>
Net profit (loss) attributable to:				
Owners of the company	37,546,011	35,589,987	64,411,180	(8,674)
Non-controlling interests	(420,587)	(204,027)	-	-
Total comprehensive income (loss) attributable to:				
Owners of the company	38,422,921	42,245,935	64,411,180	(8,674)
Non-controlling interests	(404,740)	(201,053)	-	-
Earnings (loss) per share of the parent company				
Basic earnings (loss) per share <i>(in Baht)</i>	44 11.12	10.47	27.49	(8,674.00)



(Mr. Arthid Nanthawithaya)
Chief Executive Officer

The accompanying note form an integral part of the financial statements.

SCB X Public Company Limited and its Subsidiaries
Statement of changes in equity

After restructuring - Consolidated
Other reserves

Other reserves																			
Note	Gain (loss)																		
	Issued and paid-up share capital			Premium on share capital		Reserves for share-based payment		Gain (loss) on investments in debt instruments at fair value through other comprehensive income		Gain (loss) arising from translating the financial statements of a foreign operation		Changes in hedge reserve		Gain (loss) on investments designated at fair value through other comprehensive income		Changes in revaluation surplus		Total other reserves	
	Preferred shares	Common shares		Preferred shares	Common shares												Legal reserve	Unappropriated reserve	Non-controlling interests
Year ended 31 December 2022																			
Balance at 1 January 2022																			
	35,429	33,956,503	13,885	11,110,356	-	-	103,884	(418,567)	-	1,016,444	22,135,046	498	22,837,505	7,000,000	366,043,734	440,997,362	1,608,730	442,606,092	
(in thousand Baht)																			
Transactions with owners, recorded directly in equity																			
2,4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(13,990,536)	(13,990,536)	(623,905)	(14,614,441)	
	(178)	178	(69)	69	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
28	-	(10)	-	-	-	-	-	-	-	-	-	-	-	-	-	(10)	-	(10)	
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	3,721	-	-	-	-	-	3,721	-	-	3,721	2,746	6,467	
Total transactions with owners, recorded directly in equity																			
	(178)	168	(69)	69	-	3,721	-	-	-	-	-	-	92,958	-	(14,045,722)	(13,952,774)	(64,615)	(14,017,389)	
Comprehensive income (loss) for the year																			
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	37,546,011	37,546,011	(420,587)	37,125,424	
	-	-	-	-	-	-	(188,084)	(303,717)	(4,854)	8,622	-	-	(488,033)	-	1,364,943	876,910	15,847	892,757	
Total comprehensive income (loss) for the year																			
	-	-	-	-	-	-	(188,084)	(303,717)	(4,854)	8,622	-	-	(488,033)	-	38,910,954	38,422,921	(404,740)	38,018,181	
29	-	-	-	-	-	-	-	-	-	-	-	-	-	3,400,000	(3,400,000)	-	-	-	
	-	-	-	-	-	-	-	-	-	(518)	(277,844)	-	(278,362)	-	278,362	-	-	-	
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,952	47	4,999	
Balance at 31 December 2022																			
2,4	(35,251)	(285,598)	(13,786)	(91,215)	-	3,338	5,057	(9,541)	(208,227)	-	(209,373)	(7,000,000)	3,394,407	(4,240,816)	4,240,816	-	-	-	
	(35,251)	(285,598)	(13,786)	(91,215)	-	3,338	5,057	(10,059)	(486,071)	-	(487,735)	(3,600,000)	277,721	(4,235,864)	4,240,863	4,999	-	-	
Total comprehensive income (loss) for the year																			
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
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	-	-	-	-	-	-	-	-											

The accompanying note form an integral part of the financial statements.

SCB X Public Company Limited and its Subsidiaries
Statement of changes in equity

		Before restructuring - Consolidated										
		Other reserves										
Note		Issued and paid-up share capital		Premium on share capital		Gain (loss) on investments in debt instruments at fair value		Gain (loss) arising from translating the financial statements of a foreign operation		Gain (loss) on investments on investments designated at fair value		Total
		Preferred shares	Common shares	Preferred shares	Common shares	Preferred shares	Common shares	Preferred shares	Common shares	Preferred shares	Common shares	
	Year ended 31 December 2021											
	Balance at 1 January 2021	36,015	33,955,907	14,085	11,110,106	833,790	(528,799)	1,329,935	15,272,071	-	16,906,997	411,429,906
												399,142
												411,829,048
Transactions with owners, recorded directly in equity												
2.4	Dividend paid	-	-	-	-	-	-	-	-	-	-	-
	Conversion of preferred shares to common shares	(586)	586	(230)	230	-	-	-	-	-	-	(12,678,987)
	Capital contribution from a non-controlling interest of subsidiaries	-	-	-	-	-	-	-	-	-	-	-
28	Issued share capital	-	10	-	-	-	-	-	-	-	-	1,410,641
	Acquisition of non-controlling interests without a change in control	-	-	-	-	-	-	-	-	-	-	10
		-	-	-	-	-	-	-	-	-	-	498
		(586)	596	(230)	230	-	-	-	-	498	498	(12,678,479)
	Total transactions with owners, recorded directly in equity											1,410,641
												(11,267,838)
Comprehensive income (loss) for the year												
	Net profit (loss)	-	-	-	-	-	-	-	-	-	35,589,987	(204,027)
	Other comprehensive income (loss)	-	-	-	-	(729,906)	110,432	(313,491)	7,193,908	-	395,005	6,658,922
	Total comprehensive income (loss) for the year	-	-	-	-	(729,906)	110,432	(313,491)	7,193,908	-	35,984,992	42,044,882
		-	-	-	-	-	-	-	-	-	330,933	-
	Transfer to retained earnings	-	-	-	-	-	-	-	(330,933)	-	-	-
		35,429	33,956,503	13,855	11,110,336	103,884	(418,367)	1,016,444	22,135,046	498	22,837,505	440,997,362
	Balance at 31 December 2021											1,608,730
												442,006,092

The accompanying note form an integral part of the financial statements.

SCB X Public Company Limited and its Subsidiaries
Statement of changes in equity

		Separate financial statements				
Note		Issued and paid-up share capital	Premium on share capital	Retained earnings (Deficit)		Total
				Legal reserve	Unappropriated	
	Year ended 31 December 2022					
	Balance at 1 January 2022	10	-	-	(8,674)	(8,664)
	Transactions with owners, recorded directly in equity					
43	Dividend paid	-	-	-	(5,050,661)	(5,050,661)
28	Issue of ordinary shares	33,671,073	407,069,914	-	-	440,740,987
28	Capital reduction	(10)	-	-	-	(10)
	Total transactions with owners, recorded directly in equity	33,671,063	407,069,914	-	(5,050,661)	435,690,316
	Comprehensive income (loss) for the year					
	Net profit	-	-	-	64,411,180	64,411,180
	Total comprehensive income (loss) for the year	-	-	-	64,411,180	64,411,180
29	Transfer to legal reserve	-	-	3,400,000	(3,400,000)	-
	Balance at 31 December 2022	33,671,073	407,069,914	3,400,000	55,951,845	500,092,832

The accompanying notes form an integral part of the financial statements.

SCB X Public Company Limited and its Subsidiaries
Statement of changes in equity

Separate financial statements

	Note	Issued and paid-up share capital	Deficit <i>(in thousand Baht)</i>	Total
For the period from 15 September 2021 to 31 December 2021				
Issue of ordinary shares on 15 September 2021	28	10	-	10
Comprehensive income (loss) for the period				
Loss for the period		-	(8,674)	(8,674)
Total comprehensive income (loss) for the period		-	(8,674)	(8,674)
Balance at 31 December 2021		10	(8,674)	(8,664)



(Mr. Arthid Nanthawithaya)

Chief Executive Officer

The accompanying notes form an integral part of the financial statements.

SCB X Public Company Limited

SCB X Public Company Limited and its Subsidiaries

Statement of cash flows

	After restructuring	Before restructuring	Separate financial statements	Separate financial statements
	Consolidated financial statements	Consolidated financial statements	Separate financial statements	Separate financial statements
	for the year ended	for the year ended	for the year ended	for the period from
	31 December	31 December	31 December	15 September 2021
	2022	2021	2022	to 31 December
				2021
	(in thousand Baht)			
Cash flows from operating activities				
Profit (loss) from operating before income tax expenses	50,717,918	44,761,817	64,411,180	(8,674)
Adjustments to reconcile profit from operating before income tax expenses to cash receipts (payments) from operating activities				
Depreciation and amortisation	9,070,387	9,489,865	3,580	-
Expected credit loss	37,750,714	45,115,421	125,000	-
Impairment loss on properties for sale	220,968	648,522	-	-
(Reversal of) impairment loss on premises and equipment	7,664	(225,123)	-	-
Impairment loss on intangible assets	96,658	-	-	-
Provision expenses	1,891,486	2,457,296	10,309	-
Share-based payment transactions	40,389	-	-	-
Gain from sale of properties for sale	(1,368,289)	(1,167,399)	-	-
(Gain) loss on sale of premises and equipment	(1,783)	4,812	-	-
Loss from write-off of premises and equipment	14,273	139,752	-	-
Loss from write-off of intangible assets	1,369	14,559	-	-
Loss on revaluation of investment properties	-	34,413	-	-
Net gain on financial instruments	(33,730,678)	(31,458,881)	(109,687)	-
Net gain on investments	(54,233)	(145,987)	-	-
Share of profit from investments in associates and joint venture	(272,600)	(556,560)	-	-
	64,384,243	69,112,507	64,440,382	(8,674)
Net interest income	(107,865,233)	(95,170,810)	53,543	-
Dividend income	(149,083)	(166,035)	(65,474,883)	-
Proceeds from interest	125,230,423	111,765,649	23,789	-
Interest paid	(19,166,429)	(17,936,395)	(17,757)	-
Proceeds from dividend	297,153	237,681	65,474,883	-
Income tax paid	(10,247,065)	(11,103,076)	-	-
Profit (loss) from operating before changes in operating assets and liabilities	52,484,009	56,739,521	64,499,957	(8,674)
(Increase) decrease in operating assets				
Interbank and money market items	96,388,290	(70,766,620)	(7,411,070)	-
Derivative assets	(10,138,841)	33,887,176	-	-
Investment in short-term securities	40,111,541	(8,827,364)	109,687	-
Loans to customers	(125,223,302)	(87,728,120)	(26,400,000)	-
Properties for sale	8,150,143	7,322,125	-	-
Other assets	20,978,612	(441,178)	(1,135,575)	-
Increase (decrease) in operating liabilities				
Deposits	88,304,425	47,039,954	-	-
Interbank and money market items	386,037	(17,529,549)	42,934,880	-
Liabilities payable on demand	889,915	272,266	-	-
Financial liabilities measured at fair value through profit or loss	(33,005)	1,979	-	-
Derivative liabilities	11,425,769	(30,071,689)	639,377	-
Short-term debt issued and borrowings	(2,620,551)	4,187,823	-	-
Other liabilities	9,301,595	(2,581,649)	550,990	8,670
Net cash from (used in) operating activities	190,404,637	(68,495,325)	73,788,246	(4)

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SCB X Public Company Limited and its Subsidiaries

Statement of cash flows

	After restructuring	Before restructuring	Separate financial statements	Separate financial statements
	Consolidated financial statements	Consolidated financial statements	Separate financial statements	Separate financial statements
	for the year ended	for the year ended	for the year ended	for the period from
	31 December	31 December	31 December	15 September 2021
Note	2022	2021	2022	2021
	(in thousand Baht)			
Cash flows from investing activities				
Acquisition of instruments measured at fair value through other comprehensive income	(209,161,324)	(267,494,078)	-	-
Proceeds from sale of instruments measured at fair value through other comprehensive income	244,383,595	355,401,640	-	-
Acquisition of instruments at amortised cost	(209,614,138)	(1,254,306)	(1,472,358)	-
Proceeds from redemption of instruments at amortised cost	2,207,570	959,156	-	-
Payment for investments in subsidiaries, associates and joint venture	(510,763)	(164,888)	(67,260,353)	(1)
Proceeds from disposal of investments in subsidiaries and associate	50,003	-	-	-
Acquisition of premises and equipment	(1,183,185)	(712,727)	(21)	-
Proceeds from sale of premises and equipment	2,720	22,603	-	-
Acquisition of intangible assets	(5,611,128)	(5,380,768)	-	-
Net cash (used in) from investing activities	(179,436,650)	81,376,632	(68,732,732)	(1)
Cash flows from financing activities				
Proceeds from long-term debt issued	16,211,000	-	-	-
Repayment of long-term debt issued	(14,880,000)	(1,031,865)	-	-
Proceeds from long-term borrowings	-	3,533	-	-
Proceeds from short-term borrowings	-	-	1,249,999	-
Repayment of long-term borrowings	(67,021)	(99,048)	-	-
Repayment of short-term borrowings	-	-	(1,249,999)	-
Payment of lease liabilities	(1,280,584)	(1,704,553)	(3,478)	-
Issued share capital	28	10	-	10
Dividend paid to equity holders of the Bank	2.4	(8,939,875)	-	-
Dividend paid to equity holders of the Company	43	(5,050,661)	(5,050,661)	-
Dividend paid to non-controlling interests of the Bank	-	-	-	-
Capital contribution from non-controlling interests of the subsidiaries	-	-	-	-
Payment to owners to redeem the entity's shares	28	(10)	(10)	-
Payment to a non-controlling interests from liquidation of subsidiary	(146,766)	1,305,641	-	-
Net cash from (used in) financing activities	(13,830,170)	(14,205,269)	(5,054,149)	10
Gain (loss) arising from translating the financial statements of a foreign operation	(305,035)	113,218	-	-
Net increase (decrease) in cash	(3,167,218)	(1,210,744)	1,365	5
Cash at 1 January	50,420,799	51,631,543	5	-
Cash at 31 December	47,253,581	50,420,799	1,370	5



(Mr. Arthid Nanthawithaya)
Chief Executive Officer

The accompanying note form an integral part of the financial statements.

SCB X Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

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SCB X Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2022

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorized for issue by the Board of Directors on 17 February 2023.

1 General information

SCB X Public Company Limited, the (“Company”), is incorporated in Thailand and the Company’s registered office is 9 Ratchadapisek Road, Jatujak, Bangkok. Details of the Company’s subsidiaries are given in note 11.

The objective of the Company is to be a holding company of the financial business group, consisting of banking services, consumer and digital financial services, platform and digital asset services, and to invest in other businesses. Details of financial business group restructuring plan are given in note 45.

2 Basis of preparation of the financial statements

2.1 Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions, the regulations of the Bank of Thailand (BoT) and applicable rules and regulations of the Thai Securities and Exchange Commission (SEC); and presented in accordance with the BoT notification number Sor Nor Sor 21/2561 dated 31 October 2018, regarding to *Preparation and Announcement of Financial Statements of a Commercial Bank and a Holding Company that is the Parent Company of a Financial Group* and other additional BoT notification.

From 1 January 2022, the Company and its subsidiaries (“the Group”) have adopted TFRS 9 *Financial Instruments* and TFRS 7 *Financial Instruments: Disclosures* which have been amended to reflect Interbank Offer Rate (IBOR) reform - Phase 2 (Phase 2 amendments).

The Phase 2 amendments are applicable when an existing interest rate benchmark is replaced by another interest rate benchmark. The Phase 2 amendments provide a practical expedient that modifications to asset and liability values as a direct consequence of the interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis (i.e. the basis immediately preceding the change), can be accounted for by only updating the effective interest rate.

The Group applied the Phase 2 amendments and elected to apply the exceptions for not to restate comparatives for the prior periods. As a result, the Group have no impact on the opening retained earnings of 2022.

SCB X Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2022

The BoT has provided measures, which are intended to support the financial institutions and to help the borrowers and industries that are affected by COVID-19 and by Thai economic situations. Additional measures continue to be provided. In 2021, the Group applied accounting relief provided by the BoT in response to impact from the situation of COVID-19 which includes the application of the BoT optional treatments as follows:

- (1) The application of BoT circular letter number Tor Por Tor For Nor Sor (23) Wor 276/2563 dated 28 February 2020, regarding to *The relief programs for customers affected by Thai economic situations* and BoT circular letter number Tor Por Tor Kor Por Nor Wor 480/2564 dated 14 May 2021, regarding to *The assistance measures for retail customers during COVID-19 pandemic situations Phase 3* as follows:
 - Non-NPL customer can be classified as performing or stage 1 immediately if the Group believes that such customer can perform according to the restructuring plans.
 - NPL customers can be classified as performing, or stage 1, immediately if they can adhere to repayment schedule specified in the restructuring plans for 3 consecutive months or 3 consecutive periods, whichever is longer.
 - In case where the debt restructuring causes original effective interest rate (EIR) to no longer reflect the projected cashflows from the loans, the Group uses new effective interest rate to recalculate the gross carrying amount of restructured loans under the relief measures.

In 2022, the Group applied accounting relief provided by the BoT in response to impact from the situation of COVID-19 which includes the application of the BoT optional treatments as follows:

- (1) The application of BoT circular letter number Tor Por Tor For Nor Sor 2 Wor 802/2564 dated 3 September 2021, regarding to *Guidelines regarding the provision of financial assistance to the debtors affected by the COVID-19 (sustainable debt resolution)* and accounting guidelines according to the announcement from Federation of Accounting Professions letter number 37/2564 dated 3 December 2021, regarding to *Guidelines regarding the provision of financial assistance to the debtors affected by the COVID-19* as follows:
 - The Debt restructuring which aims to reduce the repayment other than term extension: Under this restructuring, the Group will have an option to apply temporary accounting relief measure for classification and provisioning. (1st form of financial assistance)
 - The Debt restructuring by term extension only: Under this restructuring, the Group are required to classify loan's staging and provisioning in accordance with relevant financial reporting standards. (2nd form of financial assistance)

The Group will provide both forms of financial assistance and have chosen to apply temporary accounting relief measures, meanwhile ensuring appropriateness of staging and provisioning to the quality and credit worthiness of the loans for the 1st form of financial assistance:

- Non-NPL customers can be classified as performing loan immediately without having to see whether they are able to comply with new restructuring plan or not if the plan is clearly specified in the modification contract and the Group believes that such customer can perform according to the restructuring plans.
- NPL customers can be classified as performing loan if they can adhere to repayment schedule specified in the restructuring plans for 3 consecutive months or 3 consecutive periods, whichever is longer.

SCB X Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2022

- New loan can be provided to customers during the restructured period as for their financial support and enhance their business liquidity. It can be classified as performing loan immediately if the Group believes that such customer can perform according to the conditions under new loan agreement.
- Loans which are more than 30 days past due or 1 month from the contract payment date will be classified as under performing loan.
- In case of restructuring where the effective interest rate (EIR) does not reflect the projected cash flows, the Group can use the current EIR as the discounting rate of restructured loan under this relief measures.

As at 31 December 2022, approximately 12% of the Group's loans to customers were under the comprehensive debt restructuring, blue scheme only (1st form of financial assistance) including various segments and industries. For non-retail customers, the amount is measured at the customer level. This includes some accounts that are not under the relief program. The Group has additional internal processes and controls when applying the relief measures regarding loan's staging classification. *(31 December 2021: 10% of the Group's loans to customers)*

The Group has closely monitored the customer's ability to repay of the loans under the comprehensive debt restructuring according to the BoT's measures to ensure that the business recovery is in line with the industry condition. The Group has also considered the credit risk and expected credit losses in addition to the economic uncertainties that may arise from external factors including any other circumstances that have impact to economic situation by providing additional provision through management overlay. As at 31 December 2022, the Group considered management overlay for specific industries and customers which are financially fragile based on behavior consideration and available data as well as uncertainties arising from Russia-Ukraine conflicts that may negatively affect credit quality.

2.2 Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's functional currency.

2.3 Use of judgments, estimates and accounting policies

The preparation of financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of the Group's accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions that described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

2.3.1 Judgments

Information about judgments made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note	2.1	The application of BoT's COVID-19 related circular on loan staging relief measures.
Note	3.3.5, 4.1 and 13	Determining the criteria for assessing if there has been a significant increase in credit risk and expected credit loss models, including the choice of inputs relating to macroeconomic variables. This also involves expert credit judgment used by management in conjunction with internal and external information; and

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Notes to the financial statements

For the year ended 31 December 2022

Note	8, 9, 10 and 27	Determining the criteria for selecting the most appropriate fair value measurement approach and technique for financial instruments with significant unobservable inputs.
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2.3.2 Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties at 31 December 2022 that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities in the next financial year is included in the following notes:

Note	3.3.5, 4.1 and 13	Impairment of financial instruments: determination of inputs into the ECL measurement models and management overlay, including key assumptions used in estimating recoverable cash flows and incorporation of forward-looking information; and
Note	8, 9, 10 and 27	Measurement of the fair value of financial instruments with significant unobservable inputs.

2.4 Restructuring plan

Comparative information

As described in note 45, the Group have implemented the business restructuring plan. The shareholding restructuring of the Bank is considered as a business combination of entities under common control. The consolidated statement of financial position as at 31 December 2021, a component of the audited financial statements as at 31 December 2021 including consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, which presented as comparative information have also been adjusted by including the consolidated financial statements of the Bank for the year ended 31 December 2021, excluding the adjustment for change in non-controlling interest.

Business combination under common control

In April 2022, the Company has recognised investment in the Bank amounting to Baht 440,741 million in the separate financial statements, calculated based on the proportion of the net book value of the owner of the Bank's shareholders equity which presented in the consolidated financial statements to reflect swap ratio for accepted the tender offer in exchange with increased ordinary shares of the Company which was equivalent to 99.06% for all of Bank's issued and paid-up ordinary shares and preferred shares. The Group adjusted non-controlling interest in the consolidated financial statements at restructuring date and presented transactions in "Adjustment non-controlling interest from business combination under common control".

In September 2022, the Company has acquired shares of subsidiaries and joint venture from the Bank and SCB 10X Co., Ltd., and has recognised investment in subsidiaries and joint venture amounting to Baht 35,564 million in the separate financial statements. The Group adjusted non-controlling interest in the consolidated financial statements at acquired shares of subsidiaries and joint venture date and presented transactions in "Adjustment non-controlling interest from business combination under common control".

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In November 2022, the Company has acquired shares of subsidiary from the Bank and has recognised investment in subsidiary amounting to Baht 300 million in the separate financial statements. The Group adjusted non-controlling interest in the consolidated financial statements at acquired shares of subsidiary date and presented transactions in “Adjustment non-controlling interest from business combination under common control”.

During the year 2022 and 2021, before restructuring, the Bank paid dividends from the performance of the year 2021 and 2020 amounting to Baht 8.94 million and Baht 12.68 million, respectively.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except those stated in note 2.1.

3.1 Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates and joint ventures.

Business combinations

The Group apply the acquisition method and the acquisition date is the date on which control is transferred to the Group, other than those with entities under common control. Expenses in connection with a business combination are recognised as incurred.

Goodwill is measured at the date of acquisition as the fair value of the consideration transferred including the recognised amount of any non-controlling interests in the acquiree, less net fair value of the identifiable assets acquired and liabilities assumed. Any gain on bargain purchase is recognised in profit or loss immediately.

Consideration transferred includes the assets transferred, liabilities incurred by the Group to the previous owners of the acquiree, any contingent consideration, and equity interests issued by the Group.

Any contingent consideration is measured at fair value at the date of acquisition and remeasured at fair value at each reporting date. Subsequent changes in the fair value are recognised in profit or loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

Transaction costs that the Group incur in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group report provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

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Step acquisition

When a business combination is achieved in stages, the Group previously held equity interest in the acquiree is remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

Acquisitions from entities under common control

Business combinations under common control are accounted for using a method similar to the pooling of interest method, by recognising assets and liabilities of the acquired businesses at their carrying amounts in the consolidated financial statements of the ultimate parent company at the moment of the transaction. The difference between the carrying amount of the acquired net assets and the consideration transferred is recognised as surplus or deficit from business combinations under common control in shareholder's equity. The surplus or discount will be transferred to retained earnings upon divestment of the businesses acquired.

The results from operations of the acquired businesses will be included in the consolidated financial statements of the acquirer from the beginning of the comparative year or the moment the businesses came under common control, whichever date is later, until control ceases.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group control an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests

At the acquisition date, the Group measure any non-controlling interests at its proportionate interest in the identifiable net assets of the acquiree.

When there is a change in the Group's interest in a subsidiary that do not result in a loss of control, any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received from the acquisition or disposal of the non-controlling interests with no change in control are accounted for as other surpluses or deficits in shareholders' equity.

Loss of control

When the Group lose control over a subsidiary, they derecognise the assets and liabilities, and any related non-controlling interests and other components of equity of the subsidiary. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

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Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and joint venture.

Associates are those entities in which the Group have significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group have joint control, whereby the Group have rights to the net assets of the arrangement.

The Group recognised investments in associates and joint venture using the equity method in the consolidated financial statements except for those interests held by, or indirectly held through an entity that is a venture capital organisation in which the Group elect to measure investments at fair value through profit or loss. Under the equity method, they are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's dividend income and share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates and joint venture are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gain, but only to the extent that there is no evidence of impairment.

3.2 Cash

Cash includes cash in hand and cash on collection.

3.3 Financial instruments

3.3.1 Recognition and initial measurement

The Group initially recognise all financial instruments (including regular-way purchases and sales of financial assets) on the trade date, which is the date on which the Group become a party to the contractual provisions of the financial instrument, except for investments in debt instruments which are recognised on the settlement date.

Financial assets or financial liabilities that are not measured at fair value through profit or loss are measured initially at fair value plus transaction costs that are directly attributable to its acquisition or issuance.

3.3.2 Classification and subsequent measurement

Classification of financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost (AMC), fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL).

A financial asset is measured at AMC if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and

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For the year ended 31 December 2022

- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes equity investments held by, or indirectly held through an entity that is a venture capital organisation and all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Business model assessment of financial assets

The Group assess the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cashflows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- how investment managers are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- the frequency, volume and timing of sales in prior years, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realised.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

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Assessment of whether contractual cash flows are Solely Payments of Principal and Interest (SPPI)

For the purposes of this assessment,

- “Principal” is defined as the fair value of the financial asset on initial recognition.
- “Interest” is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Group consider the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment the Group consider:

- contingent events that would change the amount and timing of cash flows;
- leverage features;
- terms that limit the Group’s claim to cash flows from specified assets (e.g. non-recourse loans); and
- features that modify consideration of the time value of money (e.g. periodical reset of interest rates).

Subsequent measurement and gain and loss of financial assets

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gain and loss, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit loss. Interest income, foreign exchange gain and loss and expected credit loss are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income, calculated using the effective interest method, foreign exchange gain and loss and expected credit loss are recognised in profit or loss. Other net gain and loss are recognised in OCI. On derecognition, gain and loss accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends income are recognised as income in profit or loss on the date on which the Group’s right to receive payment is established, unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gain and loss are recognised in OCI and are never reclassified to profit or loss.

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Classification, subsequent measurement and gain and loss of financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gain and loss, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gain and loss are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

The Group record their obligations to return borrowed collateral, in the form of securities for private repurchase or securities borrowing and lending transactions where these securities are used to further borrow or lend in other transactions in financial liabilities measured at FVTPL.

Reclassification

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Group change their business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

3.3.3 *Derecognition*

Derecognition of financial assets

The Group derecognise a financial asset when the contractual rights to the cash flows from the financial asset expire, or they transfer the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfer nor retain substantially all of the risks and rewards of ownership and they do not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in other comprehensive income is recognised in profit or loss.

Any cumulative gain or loss recognised in other comprehensive income in respect of equity instruments designated as at FVOCI is not recognised in profit or loss on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Group are recognised as a separate asset or liability.

The Group enter into transactions whereby they transfer assets recognised on their statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets or a portion of them. In such cases, the transferred assets are not derecognised. Examples of such transactions are securities lending and sale-and-repurchase transactions.

When assets are sold to a third party with a concurrent total rate of return swap on the transferred assets, the transaction is accounted for as a secured financing transaction similar to sale-and-repurchase transactions, because the Group retain all or substantially all of the risks and rewards of ownership of such assets.

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In transactions in which the Group neither retain nor transfer substantially all of the risks and rewards of ownership of a financial asset and it retains control over the asset, the Group continue to recognise the asset to the extent of its continuing involvement, determined by the extent to which it is exposed to changes in the value of the transferred asset.

In certain transactions, the Group retain the obligation to service the transferred financial asset for a fee. The transferred asset is derecognised if it meets the derecognition criteria. An asset or liability is recognised for the servicing contract if the servicing fee to be received is expected to be more than adequate compensation for the servicing, a servicing asset shall be recognised or a servicing liability if the fee to be received is not expected to compensate the entity adequately for performing the servicing.

Derecognition of financial liabilities

The Group derecognise a financial liability when its contractual obligations are discharged or cancelled, or expired. The Group also derecognise a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

3.3.4 Modifications of financial assets and financial liabilities (see note 2.1 for application on loans to customers subject to relief programmes)

Modifications of financial assets

If the terms of a financial asset are modified, then the Group evaluate whether the cash flows of the modified asset are substantially different.

If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value plus any eligible transaction costs. Any fees received as part of the modification are accounted for as follows:

- fees that are considered in determining the fair value of the new asset and fees that represent reimbursement of eligible transaction costs are included in the initial measurement of the asset; and
- other fees are included in profit or loss as part of the gain or loss on derecognition.

If cash flows are modified when the borrower is in financial difficulties, then the objective of the modification is usually to maximise recovery of the original contractual terms rather than to originate a new asset with substantially different terms. If the Group plan to modify a financial asset in a way that would result in forgiveness of cash flows, then it first considers whether a portion of the asset should be written off before the modification takes place. This approach impacts the result of the quantitative evaluation and means that the derecognition criteria are not usually met in such cases.

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If the modification of a financial asset measured at amortised cost or FVOCI does not result in derecognition of the financial asset, then the Group first recalculate the gross carrying amount of the financial asset using the original effective interest rate of the asset and recognises the resulting adjustment as a modification gain or loss in profit or loss. For floating-rate financial assets, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs, or fees incurred and fees received as part of the modification adjust the gross carrying amount of the modified financial asset and are amortised over the remaining term of the modified financial asset.

If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with expected credit loss. In other cases, it is presented as interest income calculated using the effective interest rate method.

Modifications of financial liabilities

The Group derecognise a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability derecognised and consideration paid is recognised in profit or loss. The consideration paid includes any non-cash assets transferred and new liabilities assumed.

If the modification of a financial liability is not accounted for as derecognition, then the amortised cost of the liability is recalculated by discounting the modified cash flows at the original effective interest rate and the resulting gain or loss is recognised in profit or loss. For floating-rate financial liabilities, the original effective interest rate used to calculate the modification gain or loss is adjusted to reflect current market terms at the time of the modification. Any costs and fees incurred are recognised as an adjustment to the carrying amount of the liability and amortised over the remaining term of the modified financial liability by re-computing the effective interest rate on the instrument.

3.3.5 *Impairment of financial assets*

The Group recognise allowance for expected credit loss (ECL) on the following financial instruments that are not measured at FVTPL:

- financial assets that are debt instruments;
- lease receivables;
- financial guarantee contracts issued; and
- loan commitments issued.

No impairment loss is recognised on equity investments.

Measurement of ECL

An expected credit loss represents the present value of expected cash shortfalls over the residual term of a financial asset, undrawn commitment or financial guarantee. A cash shortfall is the difference between the cash flows that are due in accordance with the contractual terms of the instrument and the cash flows that are expected to be received over the contractual life of the instrument.

Expected credit losses are computed as unbiased, probability-weighted amounts which are determined by evaluating a range of reasonably possible outcomes, the time value of money, and considering all reasonable and supportable information. This includes forward-looking information.

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Estimates of expected cash shortfalls are determined by multiplying the probability of default (PD) with the loss given default (LGD) with the expected exposure at the time of default (EAD).

Forward-looking macro-economic assumptions are incorporated into the PD, LGD and EAD where relevant and where they have been identified to influence credit risk, such as Gross Domestic Product (GDP), unemployment rate, private consumption expenditure, farm income index and household debt to GDP. These assumptions are determined using all reasonable and supportable information, which includes both available internal and external information and are consistent with those used for financial and capital planning.

The period over which cash shortfalls are determined is generally limited to the maximum contractual period for which the Group are exposed to credit risk where a behavioural life is estimated such as certain revolving and housing loans facilities.

The estimation of expected cash shortfalls on collateralised financial instruments reflects the expected amount and timing of cash flows from foreclosure of the collateral less the costs of obtaining and selling the collateral, regardless of whether the foreclosure is deemed probable or not.

Cash shortfalls are discounted using the effective interest rate.

When discounting the expected cash shortfalls to the present value, the following discount rates are used:

- financial assets other than purchased or originated credit-impaired (POCI) financial assets and lease receivables: the original effective interest rate of an approximation thereof;
- POCI assets: a credit-adjusted effective interest rate;
- lease receivables: the discount rate used in measuring the lease receivable;
- undrawn loan commitments and financial guarantee contracts: the approximation of the rate that reflects the current market assessment of the time value of money and the risks that are specific to the cash flows.

ECL are a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit-impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expect to receive);
- financial assets that are credit-impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows;
- undrawn loan commitments: as the present value of the difference between the contractual cash flows that are due to the Group if the commitment might be drawn down and the cash flows that the Group expect to receive; and
- financial guarantee contracts: the expected payments to reimburse the holder less any amounts that the Group expect to recover.

In order to assess the expected credit loss, models are developed based on historical repayment, default information and other information indicating default risk behaviour.

In case that the models cannot capture the risk, the management overlay principle, covering industry, model and other risks, will be applied.

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Staging (see note 2.1 for application on loans to customers subject to relief programmes)

For ECL recognition, financial assets are classified in any of the below 3 stages at each reporting date. A financial asset can move between stages during its lifetime. The stages are based on changes in credit quality since initial recognition and defined as follows:

- *Performing (Stage 1)*

Financial assets that have not had a significant increase in credit risk (SICR) since initial recognition (i.e. no stage 2 or 3 triggers apply) or debt instrument that considered to have low credit risk at each reporting date with the exception of purchased or originated credit impaired (POCI) assets. The provision for ECL is 12-month ECL. 12-month ECL are the portion of lifetime ECL that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

The Group consider government and state enterprise securities to have low credit risk when its credit risk rating is equivalent to the globally understood definition of “investment grade”. The Group do not apply the low credit risk exemption to any other financial instruments.

- *Under-performing (Stage 2)*

When financial assets have an SICR since initial recognition, expected credit losses are recognised for possible default events over the lifetime of the financial assets. The Group consider reasonable and supportable information that is relevant and available without undue cost or effort when assessing SICR. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience and expert credit assessment and including forward-looking information.

Financial assets that are more than 30 days past due and not credit-impaired will always be considered to have experienced a significant increase in credit risk.

Quantitative factors include an assessment of whether there has been a significant increase in the probability of default (PD) since origination. Increase in PD is determined from economic conditions that are relating to changes in credit risk such as internal credit rating downgrade or behaviour scoring deterioration. If the changes exceed the thresholds, the financial assets are considered to have experienced a significant increase in credit risk.

Qualitative factor assessments are part of current credit risk management processes, such as an assessment of significant deterioration in the customers’ ability to repay. Qualitative indicators include operating results, financial liquidity and other reliable indicators.

Financial assets can be transferred to stage 1 in case they have proven that their ability to repay are back to normal.

- *Non-performing (Stage 3)*

Financial assets that are credit-impaired or in default represent those that are more than 90 days past due in respect of principal and/or interest. Financial assets are also considered to be credit-impaired where the customers are unlikely to repay on the occurrence of one or more observable events that have a significant negative impact on the estimated future cash flows of the financial assets.

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Inputs into the assessment of whether a financial instrument are credit-impaired or in default and their significant change may vary over time to reflect changes in circumstances. The definition of default largely aligns with that applied by the Group for regulatory capital purposes.

The Group consider both qualitative and quantitative factors when determining a financial asset to be in default which can be evidenced by the observable data but not limited to the following events:

- The borrower is more than 90 days past due on any material credit obligation to the Group. Overdrafts are considered as being past due once the customer has breached an advised limit or been advised of a limit smaller than the current amount outstanding;
- The borrower is unlikely to repay its credit obligations to the Group in full, without considering any payment that may be received from collateral, as a result of the customer's significantly reduced creditworthiness;
- The Group consents to debt restructuring by material forgiveness or postponing principal, interest or fees as it deems that the financial condition of the debtor has deteriorated;
- The Group has filed litigation against the debtor;
- The borrower has filed for protection under bankruptcy law or other creditors have filed bankruptcy against the debtor, therefore delaying debt repayment to the Group; or
- The borrower is classified as a non-performing or a purchased or originated credit impaired asset under the BoT's notification number Sor Nor Sor 23/2561 dated 31 October 2018, regarding to *Regulations on Asset Classification and Provisioning of Financial Institutions*.

For individual qualitative consideration of large corporate loans that are credit-impaired, there will be additional procedures where the Group's Special Business Function consolidates and presents the qualitative information and/or expected credit loss to the Quality Credit Assessment Committee to review and propose to the Credit Committee for approval for such staging and/or expected credit losses.

For retail loans which comprise of a large number of loans with the shared similar characteristics, statistical estimates are used through credit scoring analysis. The retail loans are considered to be credit-impaired when they are more than 90 days past due or if the borrower has been filed for bankruptcy or the borrower ceases or closes its operations or qualitative consideration by management.

Expected credit losses of credit-impaired financial assets are determined based on the difference between the present value of the recoverable cash flows under a range of scenarios, including the realisation of any collateral held where appropriate, discounted with the financial assets' original effective interest rate, and the gross carrying value of the financial assets prior to any credit impairments.

Financial assets that are credit-impaired require a lifetime provision.

Improvement in credit risk and staging (see note 2.1 for application on loans to customers subject to relief programmes)

A period may elapse from the point at which instruments enter stage 2 or stage 3 and are reclassified back to stage 1.

For financial assets that are credit-impaired (stage 3), and have not been subject to modification, a transfer to stage 2 or stage 1 is only permitted where the instrument is no longer considered to be credit-impaired. An instrument will no longer be considered credit-impaired when there is no shortfall of cash flows compared to the original contractual terms.

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For financial assets within stage 2, these can only be transferred to stage 1 when they are no longer considered to have experienced a significant increase in credit risk.

Where significant increase in credit risk was determined using quantitative measures, the instruments will automatically transfer back to stage 1 when the transfer criteria are no longer met. Where instruments were transferred to stage 2 due to an assessment of qualitative factors, these factors must be resolved or operating results must be met by the conditions set by the Group before loans are reclassified to stage 1.

- Loans to customers under modification (see note 2.1 for application on loans to customers subject to relief programmes)

For modified loans to customers, exposures under stage 3 can be transferred to stage 2 when the customer performs under the revised terms of the contract for 3 months or 3 periods, whichever is longer. A further 9 months or 9 periods, whichever is longer monitoring is required for such customers to be transferred to stage 1 on the basis that there is no overdue balance on the account and the customer is expected to repay its remaining obligations in full. When transferring to stage 1, credit risk will be reset at the transferring date.

For modified loans to customers, exposures under stage 2 that were not previously credit-impaired can be transferred to stage 1 when the customer performs under the revised terms of the contract for 3 consecutive months or 3 periods, whichever is longer, and the customer is expected to repay its remaining obligations in full.

Financial guarantee contracts held

The Group assess whether a financial guarantee contract held is an integral element of a financial asset that is accounted for separately. The factors that the Group consider when making this assessment include whether:

- the guarantee is implicitly part of the contractual terms of the debt instrument;
- the guarantee is required by laws and regulations that govern the contract of the debt instrument;
- the guarantee is entered into at the same time as and in contemplation of the debt instrument; and
- the guarantee is given by the parent of the borrower or another company within the borrower's group.

If the Group determine that the guarantee is an integral element of the financial asset, then any premium payable in connection with the initial recognition of the financial asset is treated as a transaction cost of acquiring it. The Group consider the effect of the protection when measuring the fair value of the debt instrument and when measuring ECL.

If the Group determine that the guarantee is not an integral element of the financial asset, then it recognises an asset representing any prepayment of guarantee premium and a right to compensation for credit losses. A prepaid premium asset is recognised only if the guaranteed exposure neither is credit-impaired nor has undergone a significant increase in credit risk when the guarantee is acquired. These assets are recognised in "other assets". The Group present gain or loss on a compensation right in profit or loss in the line item "expected credit loss".

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Allowance for expected credit loss on purchased or originated credit impaired instruments (POCI)

The Group measure expected credit loss on a lifetime basis for POCI instruments. However, expected credit loss is not recognised in a separate allowance for expected credit loss on initial recognition for POCI instruments as the lifetime expected credit loss is inherent within the gross carrying amount of the instruments. The Group recognise the change in lifetime expected credit losses arising subsequent to initial recognition in the income statement and the cumulative change as allowance for expected credit loss. Where lifetime expected credit losses on POCI instruments are less than those at initial recognition, then the favourable differences are recognised as impairment gain in profit or loss and as impairment loss where the expected credit losses are greater.

Presentation of allowance for ECL in the statement of financial position

- financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;
- loan commitments and financial guarantee contracts: generally, as a provision;
- where a financial instrument includes both a drawn and an undrawn component, the Group separately present ECL of drawn component by deducting from the gross carrying amount while ECL of undrawn component is presented as a provision; and
- debt instruments measured at FVOCI: no loss allowance is recognised in the statement of financial position because the carrying amount of these assets is their fair value. However, the loss allowance is disclosed and is recognised in the other reserves.

Write-off and reversal of impairment

Loans and debt securities are written off (either partially or in full) after all the necessary procedures have been completed and the Group have decided that there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case where the Group determine that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amount subject to the write-off. The applicable portion of the gross carrying amount is written off and included as expected credit loss line item in profit or loss.

Subsequent recoveries of amounts previously written off are recognised when cash is received and recorded as a decrease in the amount of the expected credit loss in profit or loss.

If, in a subsequent period, the amount of the expected credit loss decreases and the decrease can be related objectively to an event occurring after the expected credit loss was recognised, such as an improvement in the debtor's credit rating, the previously recognised expected credit loss is reversed by adjusting the expected credit loss account. The amount of the reversal is recognised in profit or loss.

3.3.6 *Derivatives and hedge accounting*

Derivatives held for risk management purposes and hedge accounting

Derivatives held for risk management purposes include all derivative assets and liabilities that are not classified as trading assets or liabilities. Derivatives held for risk management purposes are measured at fair value in the statement of financial position.

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The Group designate certain derivatives held for risk management as well as certain non-derivative financial instruments as hedging instruments in qualifying hedging relationships. On initial designation of the hedge, the Group formally document the relationship between the hedging instruments and hedged items, including the risk management objective and strategy in undertaking the hedge, together with the method that will be used to assess the effectiveness of the hedging relationship. The Group make an assessment, both at inception of the hedge relationship and on an ongoing basis, whether the hedging instruments are expected to be effective hedge in offsetting the changes in the fair value or cash flows of the respective hedged items during the year for which the hedge is designated, and whether the actual results of each hedge are within a specific range. For a cash flow hedge of a forecast transaction, the Group make an assessment whether the forecast transaction is highly probable to occur and presents an exposure to variations in cash flows that could ultimately affect profit or loss.

These hedging relationships are described below:

Fair value hedges

When a derivative is designated as the hedging instrument in the hedge of the change in fair value of a recognised asset or liability or a firm commitment that could affect profit or loss, changes in the fair value of the derivative are recognised immediately in profit or loss. The change in fair value of the hedged item attributable to the hedged risk is recognised in profit or loss. If the hedged item would otherwise be measured at cost or amortised cost, then its carrying amount is adjusted accordingly.

If the hedging derivative expires or is sold, terminated or exercised, or the hedge no longer meets the criteria for fair value hedge accounting, or the hedge designation is revoked, then hedge accounting is discontinued prospectively.

Any adjustments up to the point of discontinuation to a hedged item, for which the effective interest method is used, is amortised to profit or loss as an adjustment to the recalculated effective interest rate of the item over its remaining life.

On hedge discontinuation, any hedging adjustment made previously to a hedged financial instrument, for which the effective interest method is used, is amortised to profit or loss by adjusting the effective interest rate of the hedged item from the date on which amortisation begins. If the hedged item is derecognised, then the adjustment is recognised immediately in profit or loss when the item is derecognised.

Cash flow hedges

When a derivative is designated as the hedging instrument in the hedge of the variability in cash flows attributable to a particular risk associated with a recognised asset or liability or highly probable forecast transaction that could affect profit or loss, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and presented in the hedging reserve within shareholders' equity. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss. The amount recognised in the hedging reserve is classified from other comprehensive income to profit or loss as a reclassification adjustment in the same year as the hedged cash flows affect profit or loss, and in the same line item in the statement of profit or loss and other comprehensive income.

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If the hedging derivative expires or is sold, terminated or exercised, or the hedge no longer meets the criteria for cash flow hedge accounting, or the hedge designation is revoked, then hedge accounting is discontinued prospectively.

If the hedged cash flows are no longer expected to occur, then the Group immediately reclassify the amount in the hedging reserve from OCI to profit or loss. For terminated hedging relationships, if the hedged cash flows are still expected to occur, then the amount accumulated in the hedging reserve is not reclassified until the hedged cash flows affect profit or loss; if the hedged cash flows are expected to affect profit or loss in multiple reporting periods, then the Group reclassify the amount in the hedging reserve from OCI to profit or loss on a straight-line basis.

Embedded derivatives

Derivatives may be embedded in another contractual arrangement (a host contract). The Group account for an embedded derivative separately from the host contract when:

- the host contract is not an asset in the scope of TFRS 9;
- the host contract is not itself carried at FVTPL;
- the terms of the embedded derivative would meet the definition of a derivative if they were contained in a separate contract; and
- the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract.

Separated embedded derivatives are measured at fair value, with all changes in fair value recognised in profit or loss unless they form a part of a qualifying cash flow or net investment hedging relationship.

3.3.7 Securities purchased under reverse sale-and-repurchase agreements / Securities sold under sale-and-repurchase agreements

The Group enter into agreements to purchase securities or to sell securities back at certain dates in the future at fixed prices. Amounts paid for securities purchased subject to a resale commitment are presented as assets under the caption of “Interbank and money market items, net (assets)” or “Loans to customers”, depending upon the type of its counterparty, in the statements of financial position, and the underlying securities are treated as collateral to such receivables. Securities sold subject to repurchase commitments are presented as liabilities under the caption of “Interbank and money market items (liabilities)” or “Debt issued and borrowings, net”, depending upon the type of its counterparty, in the statements of financial position, at the amounts received from the sale of those securities, and the underlying securities are treated as collateral. The difference between the purchase and sale considerations is recognised as interest income or expenses, as the case may be, over the transaction periods.

3.3.8 Liabilities to deliver security

Liabilities to deliver security represents the Group’s liability to return collateral, in the form of securities for private repurchase or securities borrowing and lending transactions where these securities are used to further borrow or lend in other transactions.

Gains or losses arising from securities sold short are included in determining profit or loss. Fees for borrowing and lending are recognised on an accrual basis.

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3.4 *Investments in subsidiaries, associates and joint venture*

Investments in subsidiaries, associates and joint venture in the separate financial statements are measured at cost less impairment losses (if any). On disposal of an investment, the difference between net disposal proceeds and the carrying amount is recognised in profit or loss.

The measurement of investments in subsidiaries, associates and joint venture in the consolidated financial statements is described in note 3.1.

3.5 *Properties for sale*

Properties for sale consist of movable and immovable properties, are measured at the lower of cost or net realisable value, which is determined with reference to the latest appraisal value, less estimated cost to sell in accordance with the BoT notification number Sor Nor Sor 23/2561 dated 31 October 2018, regarding to *Regulations on Asset Classification and Provisioning of Financial Institutions*. Impairment losses are recognised as expenses in profit or loss.

The Company also followed BoT notification number Sor Nor Sor 22/2552 dated 11 December 2009, regarding to *Foreclosed Properties* and Sor Nor Sor 23/2552 dated 11 December 2009, regarding to *Guidelines on Purchase or Possession of Real Estate Used as a Site for Business Operation or Employees or Workers of Financial Institutions*.

Gain or loss on sales of properties for sale are recognised as income or expenses in profit or loss based on condition stipulated in BoT notification number Sor Nor Sor 20/2561 dated 31 October 2018, regarding to *Regulations on Accounting of Financial Institutions*.

3.6 *Premises and equipment*

Recognition and measurement

Owned assets

Premises and equipment are measured at cost less accumulated depreciation and impairment losses except for land and buildings which are measured at their revalued amounts. The revalued amount is the fair value determined on the basis of the property's existing use at the date of revaluation less any subsequent accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes capitalised borrowing costs and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of premises and equipment, are recognised in profit or loss.

Revalued assets

Revaluations are performed by independent professional valuers with sufficient regularity according to guidelines prescribed by BoT to ensure that the carrying amount of these assets does not differ materially from that which would be determined using fair values at the reporting date. Any increase in value, on revaluation, is recognised in other comprehensive income and presented in the revaluation surplus in shareholders' equity unless it offsets a previous decrease in value recognised in profit or loss in respect of the same asset, the increase is recognised in profit or loss. A decrease in value is recognised in profit

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or loss to the extent it exceeds an increase previously recognised in other comprehensive income in respect of the same asset. The revaluation surplus is utilised by reference to the difference between depreciation based on the revalued carrying amount of the asset and depreciation based on the asset's original cost and transferred directly to retained earnings. Upon disposal of a revalued asset, any remaining related revaluation surplus is transferred directly to retained earnings and is not considered in calculating the gain or loss on disposal.

Reclassification to investment properties

When the use of a property changes from owner-occupied to investment property that is measured at fair value, the Group shall remeasure the property to fair value and reclassified as investment property. Any gain arising on remeasurement is recognised in profit or loss to the extent the gain reverses a previous impairment loss on the specific property, with any remaining gain recognised in other comprehensive income and presented in the revaluation surplus in equity. Any loss is recognised in other comprehensive income and presented in the revaluation surplus in equity to the extent that an amount had previously been included in the revaluation surplus relating to the specific property, with any remaining loss recognised immediately in profit or loss.

Subsequent costs

The cost of replacing a part of an item of premises and equipment is recognised in the carrying amount of the item when the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is amortised. The costs of the day-to-day servicing of premises and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on freehold land or assets under construction.

The estimated useful lives are as follows:

Premises	Appraised by independent professional appraisers 20 - 75 years
Building improvement	3 - 20 years
Furniture, fixtures, office equipment, equipment and vehicles	3 - 20 years
Others	5 - 20 years

3.7 *Investment properties*

Investment properties are measured at cost on initial recognition and subsequently at fair value prospectively, with any change recognised in profit or loss. Cost includes expenditure that is directly attributable to the acquisition of the investment property.

Differences between the proceeds from disposal and the carrying amount of investment property are recognised in profit or loss.

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3.8 Goodwill and other intangible assets

Goodwill

Goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investee, the carrying amount of goodwill is included in the carrying amount of the investment. Internally generated goodwill and brands is recognised in profit or loss as incurred.

Research and development

Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intend to and has sufficient resources to complete development and to use or sell the asset. Other development expenditure and expenditure on research activities are recognised in profit or loss as incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses. The expenditure cost includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Subsequent expenditure is capitalised only when it increases the future economic benefits.

Digital assets

Digital assets are identifiable non-monetary intangible assets that have indefinite useful life because, at the time of assessment, there is no foreseeable limit to the period over which such assets are expected to generate cash flows. The assessment of their status with indefinite useful lives is reviewed annually.

The Group initially recognises digital assets at cost, which is the fair value of the asset on the date of receipt. Following initial recognition, the assets are carried at cost using the weighted average method, less accumulated impairment losses, if any.

At the end of each reporting period, the Group performs impairment reviews for the digital assets. An impairment loss is recognised when the carrying amount of the asset is higher than its fair value at the end of the reporting period. The recoverable amount of digital assets is based on the fair value less costs of disposal, with fair value measured using the closing price at the end of the reporting period on the relevant digital assets exchange.

Digital assets are derecognised upon disposal or when no future economic benefits are expected from their use or disposal. Any difference between the fair value of the digital assets recorded upon receipt and the actual realized price upon disposal are recorded as a gain or loss on disposition of digital assets.

Digital assets excluded digital assets held on behalf of customers which are not recorded on the financial position.

Other intangible assets

Other intangible assets which are software licenses that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses. Subsequent expenditure is capitalised only when it will generate the future economic benefits.

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Amortisation

Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss. No amortization is provided on software under installation. The estimated useful lives are as follows:

Software licenses	3 - 10 years
Others	5 - 10 years

3.9 Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to shareholders' equity, in which case it is charged to shareholders' equity.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss of other non-financial assets recognised in prior year is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.10 Contract liabilities

A contract liability is the obligation to transfer services to the customer. A contract liability is recognised when the Group receive or has an unconditional right to receive non-refundable consideration from the customer before the Group recognise the related revenue.

3.11 Employee benefits

Defined contribution plans

Obligations for contributions to the Group's provident fund are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior years.

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The defined benefit obligations is discounted to the present value which performed by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in other comprehensive income. The Group determine the interest expenses on the net defined benefit liability for the year by applying the discount rate used to measure the defined benefit obligations, taking into account any changes in the net defined benefit liability during the year as a result of contributions and benefit payments. Net interest expenses and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognise gain and loss on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the year in which they arise.

Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognise costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting period, then they are discounted.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group have a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.12 Provisions

A provision is recognised if, as a result of a past event, the Group have a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

3.13 Fair value measurement

Fair value is the price that would be received to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group have access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Bank and its subsidiaries use observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measure assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determine that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

The Group recognise transfers between levels of the fair value hierarchy at the end of the reporting year during which the change has occurred.

3.14 *Share capital*

Preferred shares

Preferred shares are classified as equity if they are non-redeemable, or redeemable only at the Company's option, and any dividends are discretionary. Dividends thereon are recognised as distributions within shareholders' equity upon approval by the Company's shareholders.

Common shares

Common shares are classified as shareholders' equity. Incremental costs directly attributable to the issue of common shares are recognised as a deduction from equity, net of any tax effects.

3.15 *Interest*

Effective interest rate

Interest income and expense are recognised in profit or loss using the effective interest method. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the AMC of the financial liability.

When calculating the effective interest rate for financial instruments other than purchased or originated credit-impaired assets, the Group estimate future cash flows considering all contractual terms of the financial instrument, but not expected credit loss. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated using estimated future cash flows including expected credit loss.

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The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition or issue of a financial asset or financial liability.

The gross carrying amount of a financial asset is the AMC of a financial asset before adjusting for any expected credit loss allowance.

Calculation of interest income and expense

The effective interest rate of a financial asset or financial liability is calculated on initial recognition of a financial asset or a financial liability. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the AMC of the liability. The effective interest rate is revised as a result of periodic re-estimation of cash flows of floating rate instruments to reflect movements in market rates of interest. The effective interest rate is also revised for fair value hedge adjustments at the date amortisation of the hedge adjustment begins.

However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the AMC of the financial asset. If the financial asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

For financial assets that were credit-impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the AMC of the asset. The calculation of interest income does not revert to a gross basis, even if the credit risk of the asset improves.

3.16 Fee and service income

Fee and commission income and expense that are integral to the effective interest rate on a financial asset or financial liability are included in the effective interest rate.

Other fee and service income are recognised when a customer obtains control of the services in an amount that reflects the consideration to which the Group expect to be entitled to. In addition, judgment is required in determining the timing of the transfer of control for revenue recognition - at a point in time or over time. For the fee and service income that contain variable consideration, the Group estimate and measure the amount of variable consideration based on the method established under TFRS 15. In determining the amount of variable consideration, the Group also considers whether the extent of the amount recognised is highly probable that a significant reversal in the amount of cumulative fee and service income recognised will not occur.

Where the Group act in the capacity of an agent and it recognises the net amount of consideration as commission revenue.

3.17 Long-term advances received from customer

Long-term advances received from customer is recognised as revenue when the Group transferred control over the services to the customer.

3.18 Dividend income

Dividend income is recognised in profit or loss when the right to receive income is established.

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3.19 Net gain on financial instruments measured at FVTPL

Net gain on financial instruments comprises gain less loss related to trading, fair value changes, transfer of financial assets measured at FVTPL, foreign exchange differences or translation of assets and liabilities denominated in foreign currency into the functional currency.

3.20 Contributions to the Deposit Protection Agency and Financial Institutions Development Fund

Contributions to the Deposit Protection Agency and Financial Institutions Development Fund are recorded as expenses on an accrual basis.

3.21 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently have a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.22 Financial guarantee and loan commitments

Financial guarantees are contracts that require the Group to make specified payments to reimburse the holder for a loss that it incurs because a specified debtor fails to make payment when it is due in accordance with the terms of a debt instrument. Loan commitments are firm commitments to provide credit under pre-specified terms and conditions.

Financial guarantees issued or commitments to provide a loan at a below-market interest rate are initially measured at fair value. Subsequently, they are measured at the higher of the loss allowance determined in accordance with TFRS 9.

3.23 Income tax

Income tax expense for the year comprises current and deferred tax which are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in shareholders' equity or in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint venture to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expect, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset if there is a legally enforceable right to offset.

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A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.24 *Earnings per share*

Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year.

3.25 *Related parties*

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that are under common control or under the same significant influence as the Group; or the Group have direct or indirect control or joint control or has significant influence over the financial and managerial decision-making of a person or entity.

3.26 *Segment reporting*

Segment results that are reported to the Executive Committee (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

3.27 *Foreign currency*

Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Group at the spot exchange rates at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate announced by the BoT at the reporting date.

Non-monetary items that are measured based on historical cost in a foreign currency are translated using the spot exchange rate at the date of the transaction.

Foreign currency differences arising on translation are generally recognised in profit or loss. However, foreign currency differences arising from the translation of the following items are recognised in other comprehensive income:

- an investment in equity securities designated as at FVOCI;
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and
- qualifying cash flow hedges to the extent that the hedge is effective.

Foreign operations

The assets and liabilities of foreign operations are translated into Thai Baht at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Thai Baht at the approximating exchange rates at the dates of the transactions.

Foreign exchange differences arising on translation are recognised in other comprehensive income until disposal of the business.

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3.28 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

As a lessee

At commencement or on modification of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Group recognise a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which are recognised as expenses on a straight-line basis over the respective lease terms.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that shall be paid under the lease, discounted using the marginal funding rate to the present value. The Group derive their marginal funding rates from the average cost of funding in the prevailing market which reflects the respective terms of the lease payments.

The lease liability is measured at amortised cost using effective interest method. It is remeasured when there is a lease modification or a change in the assessment of options specified in the lease. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

At inception or on modification of a contract the Group allocates the consideration in the contract to each component on the basis of their relative standalone selling prices.

At lease inception, the Group considers to classify a lease that transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to lessees as a finance lease. A lease that does not meet this criteria is classified as an operating lease.

When the Group is an intermediate lessor, the Group classify the sub-lease either as a finance lease or an operating lease with reference to the right-of-use asset arising from the head lease. In case of a head lease is a short-term lease, the sub-lease is classified as an operating lease. Those right-of-use assets are presented as investment properties.

The Group recognise finance lease receivables or hire purchase receivables at the net investment of lease, which comprises the present value of the lease payments and any unguaranteed residual value, discounted using the interest rate implicit in the lease. Finance lease or hire purchase income is allocated to accounting years to reflect a constant periodic rate of return on the Group net investment outstanding in respect of the leases.

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The Group recognise lease payments received under operating leases in profit or loss on a straight-line basis over the lease term as part of other income. Initial direct costs incurred in arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as income in the accounting year in which they are earned.

The Group derecognise, modified cashflow and determine impairment on the finance lease receivables or hire purchase receivables as disclosed in note 3.3.3 to 3.3.5.

4 Financial risk management

Risk management framework

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established at the Group and, to the extent required, at its subsidiaries, the sub-board committees, e.g. Risk Oversight Committee, Executive Committee, Audit Committee and Technology Committee, which are collectively responsible for developing, implementing and monitoring the Group's risk management policies in specified areas.

The Company's Risk Oversight Committee is responsible for overseeing the adequacy and effectiveness of the overall risk management framework in relation to the risks faced by the Group.

The Company's Audit Committee is responsible for reviewing the adequacy of the internal control as well as the effectiveness of the Group. The Company's Audit Committee is assisted in these functions by Internal Audit. Internal Audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Company's Audit Committee.

The Company's Technology Committee is responsible for providing support to the Board of Directors to oversee holistically the Group's technology strategy and technology infrastructure build to keep pace with the new global context including to mitigate technology risks and threats to the Group.

In addition, the management committees are also established which includes Risk Management Committee, who is responsible for developing Group risk management strategies and manages the overall risk exposure of the Group, and Management Committee, who is responsible for providing recommendation on Group Risk Appetite Statements to ensure strategic direction and business plan are aligned with risk appetites.

For effective risk governance, the company fosters a strong risk culture across the Group and requires that all portfolio companies have a proper risk governance structure in place and adopting a 3 Lines of Defense risk management approach according to best practices of corporate governance

The Company has established the Group's risk management policy, identified Group's material risks and set framework for those material risks. The framework shall be applied as a minimum standard for setting risk management policies and governance at portfolio company level. Furthermore, the Company shall conduct Internal Capital Adequacy Assessment (ICAAP) and Recovery Plan to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. These policies are reviewed regularly to reflect changes in market conditions, products and services offered. The Group, through implementing and monitoring appropriate policies, procedures and measures, aim to establish an effective and efficient internal control environment, in which all employees understand their roles and obligations.

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4.1 Credit risk

Credit risk is the risk arising from a borrower and/or counterparty to financial instruments fails to meet its contractual obligations or to comply with conditions or contracts. Credit risk covers all types of financial products: transactions on-financial reporting such as loans, overdrafts, bills of exchange and other types of debts; and those off-financial reporting such as derivatives trading, letters of guarantee etc.

Credit risk arises mainly from lending subsidiaries of the Group which the Bank remained the key operating company for lending business. The Bank have significant credit risk management policies and frameworks which have been approved by the Board of Directors. For example:

- Credit Policy Guide
- Asset Classification and Provisioning for Financial Asset and Obligations that may be irrevocable and Write Off Policy
- Collateral and NPA Appraisal Policy
- Counterparty Risk Management Policy
- Country Risk Management Policy
- Model Risk Management Policy
- TFRS 9 Governance Policy

Since credit risk varies by type of credit, different risk measurement methods are applied, ranging from basic statistical tools to more advanced ones, or using individual risk assessment of expert credit judgment, to appropriately reflect the credit risk of each type of product/ transaction.

The Group requires credit risk reporting on a regular basis. The Group credit risk report, including but not limited to loan growth, credit quality, credit concentration, is presented to the Risk Management Committee, Risk Oversight Committee and/ or other Committees as deemed relevant on a monthly basis.

Credit approval/ credit review

The Group attaches great importance to proper checks and balances in credit underwriting by establishing a clear separation between business origination units and credit approval functions.

Business origination units are responsible for managing relationships to expand business, acquiring new clients, creating new markets and proposing for lending. Credit approval units provide independent advice and recommendations in accordance with the Credit Policy Guide to support authorised approvers in making credit decisions.

In addition, credit approval authority has been assigned to reflect different risk profiles and appropriate process, for instance, the three-signature rule.

For the Group's retail customers and SSMEs, credit approval will be carried out in accordance with product programs/ test programs which have been approved by the Executive Committee or the Retail Credit Committee or other Committees as deemed relevant. Credit approval authority and criteria, including exceptions, have been clearly and explicitly specified.

After a loan has been approved, the Group will monitor the customer's account regularly as well as conducting periodic customer reviews with an objective that goes beyond ex-post rationalisation. The Group focuses on forward-looking analysis to gain insight on both positive and negative changes in a specific industry or business related to each customer, as well as the customer's future financial status. This approach enables the Group to review and monitor risk of each customer in order to formulate appropriate business strategies and action plans going forward.

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Relationship manager/ Special business officer or other assigned function is responsible for conducting routine customer reviews within a specified timeframe at least once a year as well as conducting additional reviews when warranted by events that have material impacts on customers. Reports on customer reviews shall be prepared according to a specified format and submitted for approval from authorised persons.

For non-retail customers, who are mainly the Bank's customers, the Bank reviews customer risk rating to gain insight on customer behaviour and formulate an appropriate strategy for portfolio management by using an early warning system or using payment behaviour to determine the risk level via PD Pool segmentation. The review is conducted at least once a year or more frequently if warranted by material changes in customers' risk rating. For retail customers and SSMEs, the Group reviews customer risk rating by using National Credit Bureau (NCB) and payment behaviour to determine the risk level via PD pool segmentation.

COVID-19 pandemic including other factors has continued to impact the creditworthiness of the customers. The Group offers assistances to retail and business customers depending on the severity of the impact by providing restructuring programmes and additional credit lines to support liquidity (see note 2.1 for application on loans to customers subject to relief programmes). The Group has closely monitored the customer under relief measures by measuring credit risk by its characteristics e.g., industry, remaining tenor, types of measures as well as qualitative factors. In addition, the Bank has adopted both BoT's loan classification criteria and the Bank's internal criteria to ensure that loans under relief measures are classified appropriately to the loan qualities and the provision level is sufficient to cover potential credit losses. The Group also considers management overlay adjustment to the ECL models, where possible, if the risk parameters deviate and for any anticipated macroeconomic factors not already captured in the provisioning.

4.1.1 Maximum Exposure to Credit Risk

The following table presents the Group's maximum exposure to credit risk of on-financial reporting and off-financial reporting items, without taking into account of any collateral held or other credit enhancements. For on-financial reporting items, the exposure to credit risk equals their carrying amount. For contingent liabilities, the maximum exposure to credit risk is the maximum amount that the Group would have to pay if the obligations of the instruments issued are called upon. For loan commitments, the maximum exposure to credit risk is the full amount of the undrawn credit loan facilities granted to customers.

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As at 31 December 2022 and 2021, consolidated carrying amount and average maximum exposure to credit risk were summarised as follows:

	Consolidated financial statements			
	Carrying amount		Average	
	2022 (After restructuring)	2021 (Before restructuring)	2022 (After restructuring)	2021 (Before restructuring)
	<i>(in million Baht)</i>			
Credit risk exposure of on-financial reporting items*				
Interbank and money market items, net	522,056	618,269	552,797	541,057
Derivative assets	66,084	57,579	69,696	73,002
Loans to customers and accrued interest receivables, net	2,247,848	2,165,456	2,208,030	2,151,030
Government and state enterprise securities	387,299	224,448	322,019	262,129
Corporate debt instruments	6,042	7,017	7,291	7,159
Foreign debt instruments	26,378	31,602	29,742	22,269
Credit risk exposure of off-financial reporting items				
Financial guarantee contracts	270,611	247,164	260,037	234,656
Unused bank overdrafts	185,088	200,003	191,695	202,091
Loan commitments	25,068	36,057	24,520	39,430
Total maximum credit risk exposure	<u>3,736,474</u>	<u>3,587,595</u>	<u>3,665,827</u>	<u>3,532,823</u>

* The exposure to credit risk is net of allowance for expected credit loss.

4.1.2 Collateral held and other credit enhancements

The Group hold collateral and other credit enhancements against certain of its credit exposures. The main types of collateral held by the Group are land, building and financial securities. Upon granting credit decision, the Group assesses the Loss Given Default (LGD), which is dependent on loan-to-value (LTV) ratio (ratio of the gross amount of loan to the value of collateral). The value of collateral is appraised and reviewed in accordance to risk of each collateral type and staging of the borrowers. This will be appraised by either internal collateral valuation experts or external collateral valuation experts (approved by Securities Exchange Commission (SEC)) which is approved by the Collateral Appraisal Committee to ensure that the value is reliable and up to date. The collateral value used also takes into account the expected loss from legal execution and public auction, which vary based on risk of each collateral type. The Group also set up a discount rate based on collateral type to calculate LTV ratio. According to the underwriting criteria, higher the risk of the customer, higher amount of collateral will be required. It would help to offer the risk of the customers in the view of risk-return of the program, or the Group may lower the credit limit to an appropriate risk level.

Derivatives and reverse sale-and-repurchase agreements

The Group mitigate the credit risk of derivative transactions and reverse sale-and-repurchase agreements by entering into master netting agreements and the Group's counterparty collateral agreement, of which collateral are held in the form of cash or marketable securities. Quantification of the collateral arrangements relating to these transactions is disclosed in note 26.

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Residential mortgage loans

Mortgage loans is one of the types of loans, which is secured by collateral. However, the level of required collateral might be different by customer characteristics. Moreover, the BoT also considers LTV as one of the factors to calculate the Risk Weighted Asset (RWA) for Standardised Approach. The Group manages the risk of higher LTV by allowing loans to customers who have a good scorecard rating.

As at 31 December 2022, consolidated and the Group's LTV ratio of mortgage loan is approximately 71% (31 December 2021: 71%).

Loans to corporate customers

The general creditworthiness of a non-retail customer tends to be the most relevant indicator of credit quality of a loan extended to it. However, collateral provides additional creditworthiness and reduces the credit risk of this group of customers. The Group generally consider it as one of the credit enhancements tools where the collateral is in the form of a first charge over real estate, floating charges over all corporate assets and other liens and guarantees.

Since there are several types of collaterals and guarantees, the haircut of the collaterals and guarantees might be different based on the liquidity and quality of each collateral and guarantee, as reflected in the haircut in the Credit Policy Guide. This is to ensure that appropriate level of credit enhancement is considered in the credit approval and review processes.

4.1.3 Information relating to ECL

Inputs, assumptions and techniques used for estimating ECL are disclosed in note 3.3.5 and note 2.1 for application on loans to customers subject to relief programmes.

Incorporation of forward-looking information

The Group incorporate forward-looking information into the measurement of ECL.

The Group formulate three economic scenarios: a base case, which is the central scenario, developed internally, and two less likely scenarios, one upside and one downside scenario. External information considered includes economic data and forecasts published by governmental bodies, selected private-sector and academic.

The scenario probability weightings applied in the model when measuring ECL are as follows:

Consolidated financial statements						
Scenario probability weighting	2022 (After restructuring)			2021 (Before restructuring)		
	Upside	Base	Downside	Upside	Base	Downside
	20	60	20	20	60	20

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The Group have identified and documented key drivers of credit risk and credit losses for each portfolio of financial instruments and, using an analysis of historical data, by estimating relationships between macroeconomic variables, credit risk and credit losses. A broad range of forward-looking information are incorporated into the credit risk factors. The key drivers may include Gross Domestic Product (GDP), unemployment rate and private consumption expenditure, farm income index and household debt to GDP, etc. These variables and scenario probability weighting are produced by the Group's Economic Intelligence Center.

The future uncertain events from the impact of the COVID-19 are partly reflected in the forward-looking information of the Group's ECL models since this impact remains uncertain and represents a material downside risk to the economy with mitigation from government and other support measures. The Group apply long-term macroeconomic forward-looking information according to regulatory guidelines, including management overlay as a buffer against economic uncertainty.

Management Overlay

Management overlay are adjustment to the ECL balance as part of financial reporting process to reflect late updates adjustment including current market information, known model insufficiencies, expert credit judgment adjustment on forward-looking information, and economic risk.

The Group have internal governance frameworks and controls in place to assess the appropriateness and completeness of management overlay. The aim of the Group is to incorporate the management overlay adjustment to the ECL models, where possible, as part of the periodic model monitoring, model validation, and recalibration procedures.

The Group monitor the COVID-19 impact on credit risk exposures and uncertainties arising from the COVID-19 situation which could negatively affect the credit quality. As a result, management considered the impact from these uncertain events based on available information for individual customers and industry level and has recorded additional ECL as a management overlay. As 31 December 2022 and 2021, management overlay primarily covered macroeconomic downside risks and related possible future deterioration in credit risk of loans to customers.

4.1.4 Concentrations of credit risk

The Group monitor concentrations of credit risk by sector and by geographic location. An analysis of concentrations of credit risk from loans to customers is given in note 12.2 and 12.4.

4.1.5 Credit quality analysis

The Group allocate each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgment.

Credit risk grades are defined and calibrated such that the risk of default occurring accelerates as the credit risk grade deteriorates so, for example, the difference in risk of default between strong grade is smaller than the difference between higher risk grade.

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Each exposure is allocated to a credit risk grade on initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade. The monitoring typically involves use of the following data:

- Payment record - this includes overdue status as well as payment behaviour
- Existing and forecast changes in business, financial and economic conditions
- Information obtained during periodic review of customer files - e.g. audited financial statements, management accounts, budgets and projections.
- Data from credit reference agencies, press articles, changes in external credit ratings
- Actual and expected significant changes in the political, regulatory and technological environment of the borrower or in its business activities
- Internally collected data on customer behaviour e.g. historical past due information, transaction data
- Parental support and/or guarantors
- Information from National Credit Bureau (NCB)
- Credit covenants
- Requester for and granting of forbearance

Credit risk grades are a primary input into the determination of the term structure of PD for exposures. The Group collect performance and default information about its credit risk exposures analysed by jurisdiction, by type of product and borrower as well as by credit risk grading. Also, information purchased from external credit reference agencies is also used.

The Group employ statistical models to analyse the data collected and generate estimates of the remaining lifetime PD of exposures.

Credit quality is ranked from credit grades that are grouped as Strong to Impaired. This quality is used to reflect the ability for customers to meet financial obligation where:

- Strong customers are those that have a good capacity to meet financial obligations.
- Fair customers are those that have a fairly acceptable capacity to meet financial obligations.
- Weak customers are those that have uncertain capability to meet financial obligations.
- Impaired customers are those whose credit were impaired primarily from owing more than 90 days overdue payments or have other indications which reflect the inability to repay.

The following tables set out information about the credit quality as at 31 December 2022 and 2021 of loans to customers without taking into account collateral or other credit enhancement. (see note 2.1 for application and amount of loans to customers subject to relief programmes)

Consolidated financial statements				
2022				
	Stage 1	Stage 2 (After restructuring)	Stage 3	Total
	(in million Baht)			
Loans to customers				
Strong	934,141	1,616	-	935,757
Fair	916,046	19,914	-	935,960
Weak	253,187	156,982	-	410,169
Impaired	-	-	95,329	95,329
Total	2,103,374	178,512	95,329	2,377,215

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Consolidated financial statements				
2021				
(Before restructuring)				
	Stage 1	Stage 2	Stage 3	Total
	(in million Baht)			
Loans to customers				
Strong	946,468	2,536	-	949,004
Fair	803,374	46,201	-	849,575
Weak	253,265	140,876	-	394,141
Impaired	-	-	109,114	109,114
Total	2,003,107	189,613	109,114	2,301,834
Separate financial statements				
2022				
	Stage 1	Stage 2	Stage 3	Total
	(in million Baht)			
Loans to customers				
Fair	26,400	-	-	26,400
Total	26,400	-	-	26,400

4.2 Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its obligations as they fall due, because of an inability to realise assets or to cover funding requirements at an appropriate price, thus resulting in losses to the Group.

In order to manage Group's liquidity risk, the Company established the Liquidity Risk Management Framework in the Group Risk Management Policy. The Group uses decentralized liquidity risk management method. Companies under the Group are responsible for their own liquidity management, funding plan and sources of funding. The Company will support liquidity to the companies under the Group according to the Group's strategic and business plan.

The Company requires the companies under the Group to establish their Liquidity Risk Management Policy by considering their governance, roles and responsibilities to align with the company's size, type, service and organization structure and to establish their Liquidity Risk Management Guidelines and strategies in managing liquidity risk by considering laws and regulations of the countries which the companies operate in and of the regulators of the related businesses.

The Group manages and controls liquidity risk to ensure that it maintains adequate sources of liquidity in order to maintain sufficient future cash flows. The Group's policy is to maintain its Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) at the appropriate level and to monitor net cash outflows over different time horizons to ensure that the Group will be able to meet its liquidity needs on a timely basis.

Loans to deposits ratio

As at 31 December 2022, Loans to Deposits Ratio (excluding loans and deposits from financial institutions) was 93.0% in the consolidated financial statements (31 December 2021: 93.3%).

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As at 31 December 2022 and 2021, the expected cash flows to maturity counted from the date of statements of financial position (excluding derivatives contractual undiscounted cashflows which are disclosed in note 9) were summarised as follows:

Consolidated financial statements 2022 (After restructuring)							
	At call	Within 1 year	1 - 5 years	Over 5 years	Non- Performing Loans	No maturity	Total
<i>(in million Baht)</i>							
Financial assets							
Cash	-	-	-	-	-	47,254	47,254
Interbank and money market items*	22,510	498,911	-	-	-	746	522,167
Financial assets measured at FVTPL	5	1,605	2,879	6,890	-	50,948	62,327
Investments, net	-	119,075	171,025	98,935	-	1,636	390,671
Loans to customers	187,214	529,541	725,359	839,772	95,329	-	2,377,215
Accrued interest receivables and undue interest receivables	820	18,242	-	-	461	-	19,523
Total financial assets	210,549	1,167,374	899,263	945,597	95,790	100,584	3,419,157
Financial liabilities							
Deposits	2,107,097	438,184	10,519	-	-	-	2,555,800
Interbank and money market items	15,248	87,064	69,035	10,000	-	-	181,347
Debt issued and borrowings	-	22,667	32,991	16,338	-	-	71,996
Other financial liabilities	3	1,876	25	-	-	-	1,904
Total financial liabilities	2,122,348	549,791	112,570	26,338	-	-	2,811,047
Net liquidity gap	(1,911,799)	617,583	786,693	919,259	95,790	100,584	608,110

* Before deducting allowance for expected credit loss amounting to Baht 111 million.

Consolidated financial statements 2021 (Before restructuring)							
	At call	Within 1 year	1 - 5 years	Over 5 years	Non- Performing Loans	No maturity	Total
<i>(in million Baht)</i>							
Financial assets							
Cash	-	-	-	-	-	50,421	50,421
Interbank and money market items*	39,531	578,172	-	-	-	738	618,441
Financial assets measured at FVTPL	-	394	2,871	9,020	-	56,422	68,707
Investments, net	-	156,163	63,659	1,176	-	1,636	222,634
Loans to customers	178,004	552,756	746,339	715,621	109,114	-	2,301,834
Accrued interest receivables and undue interest receivables	-	14,807	-	-	224	-	15,031
Total financial assets	217,535	1,302,292	812,869	725,817	109,338	109,217	3,277,068
Financial liabilities							
Deposits	1,958,997	493,282	15,216	-	-	-	2,467,495
Interbank and money market items	21,136	124,686	24,483	10,656	-	-	180,961
Debt issued and borrowings	-	21,872	34,634	18,416	-	-	74,922
Other financial liabilities	2	2,097	38	-	-	-	2,137
Total financial liabilities	1,980,135	641,937	74,371	29,072	-	-	2,725,515
Net liquidity gap	(1,762,600)	660,355	738,498	696,745	109,338	109,217	551,553

* Before deducting allowance for expected credit loss amounting to Baht 172 million.

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	Separate financial statements 2022						Total
	At call	Within 1 year	1 - 5 years	Over 5 years	Non- Performing Loans	No maturity	
	<i>(in million Baht)</i>						
Financial assets							
Cash	-	-	-	-	-	1	1
Interbank and money market items	7,412	-	-	-	-	-	7,412
Investments, net	-	1,472	-	-	-	-	1,472
Loans to customers	-	26,400	-	-	-	-	26,400
Accrued interest receivables and undue interest receivables	-	54	-	-	-	-	54
Total financial assets	7,412	27,926	-	-	-	1	35,339
Financial liabilities							
Interbank and money market items	-	1,460	41,475	-	-	-	42,935
Other financial liabilities	-	136	-	-	-	-	136
Total financial liabilities	-	1,596	41,475	-	-	-	43,071
Net liquidity gap	7,412	26,330	(41,475)	-	-	1	(7,732)

4.3 Market risk

Market risk is the risk that the Group income and/or shareholders' equity may be affected from the fluctuations of interest rates, foreign exchange rates and equity prices. The Group classify market risk positions into Trading books and Non-Trading book. Trading books comprise trading transactions in the financial markets and short-term positions held for sale and/or trading or arbitrage, while Non-Trading book mainly comprise positions from Interest Rate Risk in Banking Book (IRRBB) and from Investment Risk Management.

The Company and its Financial Group with material market risk exposures are required to have a Market Risk Policy or Trading Book Policy or Investment Policy for managing market risk. The policies must be submitted to Boards of Directors of respective companies for approval. Any material inconsistencies with the Group Risk Management Policy must be approved by the Company's Board of Director prior to the implementation. These policies must be reviewed at least once a year, or when deemed appropriate and/or upon any significant strategy or market change and materially affect these policies' compliance. The Company and its Financial Group with material market risk exposure are required to set up an independent market risk management function which is responsible for measuring, evaluating, controlling, monitoring, and reporting market risk, as well as ensuring that market risk exposure stays below the predetermined limits.

To manage market risk exposures, the Company and its Financial Group have adopted appropriate statistical and non-statistical tools for market risk assessment which depend on individual market risk characteristics and market risk positions. These tools include Value-at-Risk (VaR), stress testing, position size, sensitivity analysis, management action trigger, and others.

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4.3.1 Interest rate risk

Interest rate fluctuation affects the Group's interest income and expenses as well as economic value of equity. Four main sub-types of interest rate risk are defined as follow:

- Repricing risk is the risk from maturity / timing mismatches of the Group's assets and liabilities, which cause interest rates at reset to differ due to yield curve movements. For example, assuming all other factors are constant, if the Group's assets can be repriced faster than liabilities (positive gap), interest margins increase when interest rates rise. On the other hand, if the Group's ability to reprice assets is slower than liabilities (negative gap), then interest margins narrow when interest rates rise.
- Yield curve risk arises from interest rates at different maturities changing differently.
- Basis risk occurs when the Group's assets and liabilities are based on different reference interest rates, e.g., fixed-deposit rates, interbank lending rates, THBFIX interest rates, etc. Therefore, any change in reference rates will affect interest rates tied with assets and liabilities differently.
- Options risk arises from implicit and explicit options in the Group's assets and liabilities and off-financial reporting items, where exercising these options might affect the Group's revenue and costs. For example, an option on three-month deposit that allows early withdrawal before maturity will, if exercised, cause the Group's costs to rise sooner than expected.

The Group adopt various tools for interest rate risk management which includes risk tolerance limits for both the Trading book and non-Trading book. For Trading book exposures, there are limits on Value-at-Risk (VaR), sensitivities to yield curve and basis shifts (basis point value), and stress testing. For Non-Trading book exposures, limits are determined based on impact assessment on Net Interest Income (NII) and Economic Value of Equity (EVE).

As at 31 December 2022 and 2021, the Group's interest rate risk exposures based on the results of the aforementioned tools are as follows:

Risk of interest rate portfolio in Trading book

	Consolidated financial statements	
	2022	2021
	(After restructuring)	(Before restructuring)
	<i>(in million Baht)</i>	
Aggregate 1-year historical Value-at-Risk (VaR)*	50.3	21.7

* With 99% confidence level and 1-day holding period (in normal market situations)

The Group has disclosed the VaR figures for interest rate risk in Trading book at the Bank level only as the VaR for interest rate risk in Trading book of the company and other subsidiaries within its Financial Group are not significant.

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Interest rate risk in Interest rate risk in Non-trading book

Impact on Net Interest Income (NII) in the event that interest rates rise by 1%

	Consolidated financial statements	
	2022	2021
	(After restructuring)	(Before restructuring)
	<i>(in million Baht)</i>	
Currency		
THB	(5,972)	(3,895)
USD	(248)	(272)
EURO and other foreign currencies	49	91
Total impact on net interest income	(6,171)	(4,076)
Change in net interest income (%)	(5.08)	(4.40)

Impact on Economic Value of Equity (EVE) in the event that interest rates rise by 1%

	Consolidated financial statements	
	2022	2021
	(After restructuring)	(Before restructuring)
	<i>(in million Baht)</i>	
Currency		
THB	(25,868)	(24,167)
USD	40	(47)
EURO and other foreign currencies	(110)	2
Total impact on economic value of equity	(25,938)	(24,212)
Change in total capital (%)	(5.96)	(5.71)

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Interest rate repricing analysis

As at 31 December 2022 and 2021, significant financial assets and liabilities classified by interest repricing periods were as follows:

Consolidated financial statements								
2022								
	(After restructuring)							
	At call	3 months	Repricing within 3 - 12 months	1 - 5 years	Reprice over 5 years	Non- Performing Loans	Non- interest bearing	Total
<i>(in million Baht)</i>								
Financial assets								
Cash	-	-	-	-	-	-	47,254	47,254
Interbank and money market items	14,159	478,718	4,478	-	-	-	24,812	522,167
Financial assets measured at FVTPL	5	35	1,570	2,879	6,890	-	50,948	62,327
Investments, net	-	73,159	69,929	147,012	98,935	-	1,636	390,671
Loans to customers	955,766	392,249	329,107	556,174	48,590	95,329	-	2,377,215
Total financial assets	969,930	944,161	405,084	706,065	154,415	95,329	124,650	3,399,634
Financial liabilities								
Deposits	2,023,025	204,387	227,138	6,819	-	-	94,431	2,555,800
Interbank and money market items	15,339	127,629	3,051	27,560	-	-	7,768	181,347
Debt issued and borrowings	-	70,653	1,293	-	-	-	50	71,996
Total financial liabilities	2,038,364	402,669	231,482	34,379	-	-	102,249	2,809,143
Difference	(1,068,434)	541,492	173,602	671,686	154,415	95,329	22,401	590,491

* Before deducting allowance for expected credit loss amounting to Baht 111 million.

Consolidated financial statements								
2021								
	(Before restructuring)							
	At call	3 months	Repricing within 3 - 12 months	1 - 5 years	Reprice over 5 years	Non- Performing Loans	Non- interest bearing	Total
<i>(in million Baht)</i>								
Financial assets								
Cash	-	-	-	-	-	-	50,421	50,421
Interbank and money market items	11,996	573,151	890	-	251	-	32,153	618,441
Financial assets measured at FVTPL	-	14	380	2,871	9,020	-	56,422	68,707
Investments, net	-	30,288	135,262	54,272	1,176	-	1,636	222,634
Loans to customers	914,294	433,860	153,831	518,996	171,739	109,114	-	2,301,834
Total financial assets	926,290	1,037,313	290,363	576,139	182,186	109,114	140,632	3,262,037
Financial liabilities								
Deposits	1,873,950	219,337	264,868	11,725	-	-	97,615	2,467,495
Interbank and money market items	13,421	100,052	35,044	24,483	656	-	7,305	180,961
Debt issued and borrowings	-	69,594	5,211	-	-	-	117	74,922
Total financial liabilities	1,887,371	388,983	305,123	36,208	656	-	105,037	2,723,378
Difference	(961,081)	648,330	(14,760)	539,931	181,530	109,114	35,595	538,659

* Before deducting allowance for expected credit loss amounting to Baht 172 million.

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2022								
	At call	3 months	Repricing within 3 - 12 months	1 - 5 years <i>(in million Baht)</i>	Reprice over 5 years	Non- Performing Loans	Non- interest bearing	Total
<i>Financial assets</i>								
Cash	-	-	-	-	-	-	1	1
Interbank and money market items *	7,412	-	-	-	-	-	-	7,412
Investments, net	-	-	1,472	-	-	-	-	1,472
Loans to customers	-	26,400	-	-	-	-	-	26,400
Total financial assets	7,412	26,400	1,472	-	-	-	1	35,285
<i>Financial liabilities</i>								
Interbank and money market items	-	41,475	1,460	-	-	-	-	42,935
Total financial liabilities	-	41,475	1,460	-	-	-	-	42,935
Difference	7,412	(15,075)	12	-	-	-	1	(7,650)

* Before deducting allowance for expected credit loss amounting to nil.

Managing interest rate benchmark reform (IBOR reform)

The Group shall monitor and manage the transition to alternative rates and provides periodic reports to management of interest rate risk and risks arising from IBOR reform.

The Group's main IBOR exposures at 31 December 2022 were indexed to LIBOR and THBFIX. The Group have finished the process of amending contractual terms for all of the LIBOR and THBFIX indexed exposures to incorporate with economically equivalent interest rate by 31 December 2023.

The Bank hold interest rate swaps for risk management purposes that are designated in fair value hedging relationships. The interest rate swaps have floating legs that are indexed to USD LIBOR. The Group's derivative instruments are governed by contracts based on the International Swaps and Derivatives Association (ISDA)'s master agreements.

The Bank monitor the progress of transition from IBOR to new benchmark rate by reviewing the total amounts of contracts that have yet to transition to an alternative benchmark rate and the amounts of such contracts that include an appropriate fallback clause.

The following table shows the total amounts of financial instruments which are subject to IBOR reform and have yet to transition to an alternative benchmark rates. The amounts of financial assets are shown at their carrying amounts and derivatives are shown at their notional amounts.

Key reference rate under the existing contracts	Consolidated financial statements	
	LIBOR	THBFIX
	<i>(in million Baht)</i>	
At 31 December 2022 (After restructuring)		
Loan to customers	42,930	82,656
Derivative	366,691	387,906

The Group has disclosed the key reference rate under the existing contracts figures for managing interest rate benchmark reform at the Bank level only as the key reference rate under the existing contracts figures for Managing interest rate benchmark reform of other subsidiaries within its Financial Group are not significant.

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4.3.2 Foreign exchange risk

Fluctuation in exchange rates affects the value of the Group foreign currency-denominated assets and liabilities. Transactions exposed to foreign exchange risk include proprietary trading transactions and money transfers as well as payments related to international trade and foreign investment, which may result in the Group net currency position being short or long at any point in time. Thai Baht appreciation against the currency in which the Group have a net long position will result in foreign exchange losses, whereas Baht depreciation will result in foreign exchange gain. On the other hand, if the Group are in a net short position, the Group will make a gain on the position when the Baht strengthens but a loss when the Baht weakens.

The Group control foreign exchange risk by setting risk limits on foreign exchange risk exposure both in terms of statistical limits, such as Value at Risk (VaR), and monetary limits, such as net open position (Intra-day Position and Overnight Position), and management action triggers, etc.

As at 31 December 2022 and 2021, the Group's foreign exchange risk based on the results of the aforementioned tools are as follows:

	Consolidated financial statements	
	2022 (After restructuring) (in million US Dollars)	2021 (Before restructuring)
Net open long (short) position (US Dollar equivalent)	(42.3)	43.3

Risk of foreign exchange rate portfolio in Trading book

	Consolidated financial statements	
	2022 (After restructuring) (in million Baht)	2021 (Before restructuring)
Aggregate 1-year historical Value-at-Risk (VaR)*	25.0	9.6

* With 99% confidence level and 1-day holding period (in normal market situations)

As at 31 December 2022 and 2021, majority of the Group's foreign currency exposures is in US Dollar.

The Group has disclosed the Net open long (short) position and VaR for foreign exchange risk at the Bank level only as the Net open long (short) position and VaR for foreign exchange risk of other subsidiaries within its Financial Group are not significant and the exposure at the consolidated level does not materially differ from the Company level.

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4.3.3 Equity price risk

Equity price risk is the risk arising from changes in the price of equities or common stock that may cause volatility in earning or fluctuations in the value of financial assets. The Group have policies to manage the risk by maintaining long-term equity investments and investing in growth potential equities and/or those intended to support the business. The Group has established the policy that only companies within the Financial Group that are engaged in the financial business with specific supervisory bodies and those permitted to engage in portfolio management can initiate action with respect to equity investments, as allowed under applicable regulations. The Group has closely managed and monitored market situations to provide information for management to monitor the risk to the Group. The Group monitors the investment in listed equity using Value-at-Risk (VaR). For investment that does not have market price, expected loss estimation from historical data used as risk measurement and for risk limit control. (Further details of equity investments are provided under note 8 and 10 and further details on fair value of equity investments and framework are provided under note 27).

4.4 Risk from digital asset business

The Group have policies on digital asset business and digital asset transactions (Digital Asset Policy) to serve as guidelines for digital asset business and digital asset transactions of the Group. Companies in the Group that operate digital asset business and involve digital asset transactions obtain approval from the Company's board of directors and comply with all relevant regulations. The company monitors and controls the proportions of investment in digital assets (Digital Asset Limit) including considering the adequacy of capital fund in accordance with relevant regulation. The Company monitors the digital asset business of the subsidiaries and reports findings to the executives and relevant committees of the Company. The subsidiaries that operate digital asset business and involve digital asset transactions have established risk management guidelines.

From operating digital asset exchange and digital asset broker, the subsidiaries are exposed to various risks including the risk from custody of clients' digital assets, the risk from security delivery both digital assets or cash transfer (Settlement Risk), the risk from the counterparty not able to deliver digital assets or pay debts according to the specified conditions. The subsidiaries have set counterparty selection processes for digital asset source exchanges and digital asset custodians. The company assigns related departments to audit partner's service and system security including reviewing the financial position of partner on regular basis.

The subsidiaries could be exposed to liquidity risk due to its holding of digital assets with value declining. Risk management, accounting and finance departments monitor liquidity levels on a daily basis to examine whether the holding digital assets are in accordance with the requirement of S.E.C. by conducting daily report to summarize the Net Capital (NC) and the Net Capital Ratio (NCR) to report related senior executives.

The subsidiaries are exposed to the volatility in value of digital assets in possession. Risk management department takes responsibility to monitor the risk and consider approval for holding digital assets and determine the acceptable risk level by consider the holding status, liquidity and volatility for each digital assets.

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5 Maintenance of capital fund

The Group maintain its capital fund in accordance with the Financial Institution Business Act B.E. 2551 by maintaining its capital fund as a proportion of risk weighted assets in accordance with the criteria, methodologies, and conditions prescribed by BoT. As announced by the BoT in circulars dated 8 November 2012 and 7 May 2019, the Group is required to calculate its Capital Fund in accordance with Basel III.

As at 31 December 2022 and 2021, the Consolidated Supervision's total capital funds were categorised as follows:

	Basel III	
	Consolidated Supervision	
	2022	2021
	<i>(in million Baht)</i>	
Tier 1 capital		
Common Equity Tier 1 (CET1)		
Issued and paid-up share capital	33,671	33,992
Premium on share capital	11,019	11,124
Legal reserve	3,400	7,000
Net profit after appropriation	360,647	347,169
Disclosed Reserves	20,670	21,459
Non-controlling interest	1,668	-
Capital deduction items on CET1	(22,788)	(21,178)
Total Common Equity Tier 1 capital	408,287	399,566
Additional Tier 1 capital		
Non-controlling interest	1,072	-
Total Tier 1 capital	409,359	399,566
Tier 2 capital		
General provisions	24,983	24,669
Non-controlling interest	565	-
Total Tier 2 capital	25,548	24,669
Total capital funds	434,907	424,235
Total risk weighted assets	2,306,339	2,265,443

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	2022		2021	
	The BoT's regulation minimum requirement*	Capital ratio of the Financial Group	The BoT's regulation minimum requirement* (%)	Capital ratio of the Financial Group
Total capital funds / Total risk-weighted assets	12.0	18.9	12.0	18.7
Total Tier 1 capital / Total risk-weighted assets	9.5	17.8	9.5	17.6
Total CET1 / Total risk-weighted assets	8.0	17.7	8.0	17.6
Total Tier 2 capital / Total risk-weighted assets		1.1		1.1

* The BoT requires the Group to maintain an additional buffer on top of minimum regulatory required Common Equity Tier 1 consists of conservation buffer of 2.50% and D-SIB buffer of 1.0%.

As at 31 December 2022 and 2021, the Group has no capital add-on arising from Single Lending Limit.

Disclosures of capital maintenance information under the BoT notification number Sor Nor Sor 5/2556 dated 2 May 2013, regarding to *Disclosure Requirement on Capital Adequacy for a Financial Group* and the BoT notification number Sor Nor Sor 14/2562 dated 7 May 2019, regarding to *Disclosure Requirement on Capital Adequacy for a Financial group (Volume 2)*, were as follows:

Location of disclosure	The Company's website under Investor Relations section at https://www.scbx.com/en/investor-relations.html
Disclosure period requirement	Within 4 months after the period end date as indicated in the BoT notification
Latest information at	30 June 2022

Capital management

The Group's policies are to maintain a strong capital base so as to provide a cushion against future uncertainties, engender market confidence in the Group's robustness and to support business growth. Furthermore, the impact of the level of capital on shareholders' returns is also considered together with the need to maintain a balance between the higher returns that might be possible with higher gearing and the advantages and security afforded by a sound capital position.

The Group complied with the BoT's imposed capital requirements throughout the period and, as noted in the table above, its capital level is well in excess of the minimum requirements.

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6 Classification of financial assets and financial liabilities

Consolidated financial statements					
2022					
(After restructuring)					
	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Investments in equity instruments designated at FVOCI	Financial instruments measured at AMC	Total
	(in million Baht)				
Financial assets					
Cash	-	-	-	47,254	47,254
Interbank and money market items, net	-	-	-	522,056	522,056
Financial assets measured at FVTPL	62,327	-	-	-	62,327
Derivative assets	66,084	-	-	-	66,084
Investments, net	-	178,016	1,636	211,019	390,671
Loans to customers and accrued interest receivables, net	-	-	-	2,247,848	2,247,848
Total	128,411	178,016	1,636	3,028,177	3,336,240
Financial liabilities					
Deposits	-	-	-	2,555,800	2,555,800
Interbank and money market items	-	-	-	181,347	181,347
Liability payable on demand	-	-	-	11,429	11,429
Financial liabilities measured at FVTPL	39	-	-	-	39
Derivatives liabilities	60,632	-	-	-	60,632
Debt issued and borrowings	-	-	-	71,996	71,996
Total	60,671	-	-	2,820,572	2,881,243

Consolidated financial statements					
2021					
(Before restructuring)					
	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Investments in equity instruments designated at FVOCI	Financial instruments measured at AMC	Total
	(in million Baht)				
Financial assets					
Cash	-	-	-	50,421	50,421
Interbank and money market items, net	-	-	-	618,269	618,269
Financial assets measured at FVTPL	68,707	-	-	-	68,707
Derivative assets	57,579	-	-	-	57,579
Investments, net	-	213,450	1,636	7,548	222,634
Loans to customers and accrued interest receivables, net	-	-	-	2,165,456	2,165,456
Total	126,286	213,450	1,636	2,841,694	3,183,066
Financial liabilities					
Deposits	-	-	-	2,467,495	2,467,495
Interbank and money market items	-	-	-	180,961	180,961
Liabilities payable on demand	-	-	-	10,539	10,539
Financial liabilities measured at FVTPL	6	-	-	-	6
Derivative liabilities	49,200	-	-	-	49,200
Debt issued and borrowings	-	-	-	74,922	74,922
Total	49,206	-	-	2,733,917	2,783,123

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Separate financial statements				
2022				
	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Investments in equity instruments designated at FVOCI AMC	Total
	<i>(in million Baht)</i>			
Financial assets				
Cash	-	-	-	1
Interbank and money market items, net	-	-	-	7,412
Investments, net	-	-	-	1,472
Loans to customers and accrued interest receivables, net	-	-	-	26,329
Total	-	-	-	35,214
Financial liabilities				
Interbank and money market items	-	-	-	42,935
Debt issued and borrowings	639	-	-	-
Total	639	-	-	43,574

7 Interbank and money market items, net (Assets)

	Consolidated financial statements		Separate financial statements
	2022 (After restructuring)	2021 (Before restructuring)	2022
	<i>(in million Baht)</i>		
Domestic items			
Bank of Thailand and Financial Institutions Development Fund	462,462	550,843	-
Commercial banks	24,204	29,138	7,411
Specialised financial institutions*	-	3,000	-
Other financial institutions**	4,749	1,419	-
Total	491,415	584,400	7,411
Add accrued interest receivables and undue interest receivables	171	79	1
Less allowance for expected credit loss	(57)	(84)	-
Total domestic items	491,529	584,395	7,412
Foreign items***			
US Dollar	25,839	28,587	-
Japanese Yen	468	455	-
Euro	89	157	-
Other currencies	4,150	4,753	-
Total	30,546	33,952	-
Add accrued interest receivables and undue interest receivables	35	10	-
Less allowance for expected credit loss	(54)	(88)	-
Total foreign items	30,527	33,874	-
Total domestic and foreign items	522,056	618,269	7,412

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- * Specialised financial institutions are financial institutions incorporated by special laws e.g. Government Savings Bank, Bank for Agriculture and Agricultural Co-operatives, Government Housing Bank, SME Bank, Islamic Bank of Thailand, Export-Import Bank of Thailand and Secondary Mortgage Corporation excluding Thai Credit Guarantee Corporation
- ** Other financial institutions represent financial institutions other than above, such as Finance companies, Securities companies, Credit foncier companies, Life insurance companies, Cooperatives, the Federation of Savings and Credit Cooperatives of Thailand Limited and the Credit Union League of Thailand Limited
- *** Certain amount under this item are under restrictions (Note 30).

8 Financial assets measured at fair value through profit or loss

	Consolidated financial statements	
	2022 (After restructuring) Fair value	2021 (Before restructuring) Fair value
	(in million Baht)	
Financial assets held for trading		
Government and state enterprise securities	4,754	4,886
Corporate debt instruments	5,655	6,521
Foreign debt instruments	26	17
Domestic equity instruments	3,903	4,895
Foreign equity instruments	8	-
Total	14,346	16,319
Others		
Corporate debt instruments	386	496
Foreign debt instruments	19,864	30,149
Domestic equity instruments	791	1,396
Foreign equity instruments	26,940	20,347
Total	47,981	52,388
Total financial assets measured at fair value through profit and loss	62,327	68,707

Financial assets measured at fair value through profit or loss includes equity instruments of certain companies held by its venture capital subsidiary. As at 31 December 2022, this subsidiary has equity instruments in these venture capital investees of Baht 3,534 million with voting rights between 16.67% to 40.00%. (31 December 2021: Baht 2,203 million with voting rights between 16.67% to 40.00%). The venture capital subsidiary also manages these investments on a fair value basis.

9 Derivatives

Derivatives are financial instruments whose characteristics are derived from fair value of underlying assets, or from interest and exchange rates or indices. The following derivatives are currently used and outstanding by the Group:

1. Forward exchange contracts which are agreements to buy or sell fixed amounts of currency at agreed rates of exchange on a specified future date.

Currency and interest rate swaps which are agreements to exchange, and on termination of the swap, re-exchange principal amounts denominated in different currencies and may also involve the exchange of related interest payments.

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2. Interest rate swaps which are agreements that involve the exchange of interest obligations for a specified period without exchanging the underlying or notional principal.
3. Equity derivatives which are agreements that determined values based on level of the underlying equity's price or price of equity group or Equity Index.
4. Commodity derivatives which are a purchase or a sale of an underlying product or the exchange of cash flow calculated from a reference volume of product multiplied by the agreed price within a period of time and conditions as agreed in the contract.

The notional amount of derivatives at the year end does not represent the risk exposure arising from derivative transactions. The risks arising from derivatives will depend on the changes in the price of each derivative type before maturity of the contract.

As at 31 December 2022 and 2021, on a consolidated basis, 100% and 100% of derivatives are over-the-counter derivative transactions. The notional amount of derivatives based on types of contracts were as follows:

Consolidated financial statements

	2022			
	(After restructuring)			
	Notional amount			
	Less than	Within	More than	Total
	1 year	1 - 5 years	5 years	
	<i>(in million Baht)</i>			
Forward exchange contracts	1,485,824	4,760	-	1,490,584
Interest rate swap contracts	787,172	966,640	439,557	2,193,369
Equity derivatives	8,813	5,518	-	14,331

Consolidated financial statements

	2021			
	(Before restructuring)			
	Notional amount			
	Less than	Within	More than	Total
	1 year	1 - 5 years	5 years	
	<i>(in million Baht)</i>			
Forward exchange contracts	1,422,086	8,909	-	1,430,995
Interest rate swap contracts	590,306	1,011,455	504,492	2,106,253
Equity derivatives	12,819	3,419	562	16,800

Separate financial statements

	2022			
	Notional amount			
	Less than	Within	More than	Total
	1 year	1 - 5 years	5 years	
	<i>(in million Baht)</i>			
Interest rate swap contracts	42,108	-	-	42,108

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9.1 Derivatives held for trading

Type of risk	Consolidated financial statements					
	2022			2021		
	(After restructuring)			(Before restructuring)		
	Fair value	Notional		Fair value	Notional	
	Assets	Liabilities	amount	Assets	Liabilities	amount
	<i>(in million Baht)</i>					
Foreign exchange rate	24,322	21,947	1,396,589	14,778	13,436	1,317,873
Interest rate	38,378	35,764	2,111,097	38,432	34,415	2,042,755
Equity derivatives	1,319	840	14,331	771	496	16,800
Total	64,019	58,551	3,522,017	53,981	48,347	3,377,428

Type of risk	Separate financial statements		
	2022		
	Fair value		Notional
	Assets	Liabilities	amount
	<i>(in million Baht)</i>		
Interest rate	-	639	42,108
Total	-	639	42,108

9.2 Derivatives held for risk management in designated of hedge relationship

Fair value hedges

The Group use interest rate swaps to hedge its exposure to changes in the fair values of fixed-rate debt issued. The designated risk being hedged is the risk of changes in interest rate risk from fixed rate to USD LIBOR 3M. As at 31 December 2022 and 2021, there were no significant ineffectiveness in these hedging relationships and there is no net gain (loss) hedging.

Fair value and notional amount classified by type of risks were as follow:

Type of risk	Consolidated financial statements					
	2022			2021		
	(After restructuring)			(Before restructuring)		
	Fair value	Notional		Fair value	Notional	
	Assets	Liabilities	amount	Assets	Liabilities	amount
	<i>(in million Baht)</i>					
Interest rate	-	1,506	51,843	3,150	-	63,498
Total	-	1,506	51,843	3,150	-	63,498

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Cash Flow hedges

The Group use interest rate swaps to hedge its exposure to variability in future cash flows attributable to movements in interest rates of investments in debt instruments. The designated risk being hedged is the risk of changes in interest rate from floating to fixed rate. Cash flow hedge reserve is cumulative amount of effective portion of fair value of hedging instruments which is recognized in other reserves. As at 31 December 2022 and 2021, there were no significant ineffectiveness in these hedging relationships and there is no net gain (loss) hedging.

Fair value and notional amount classified by type of risks were as follow:

Type of risk	Consolidated financial statements		
	2022		
	(After restructuring)		
	Fair value		Notional amount
	Assets	Liabilities	
	(in million Baht)		
Interest rate	25	31	30,429
Total	25	31	30,429

Hedge accounting is applied where economic hedging relationships meet the hedge accounting criteria. In these hedging relationships, hedge effectiveness is assessed based on the following factors:

- There is an economic relationship between the hedged item and the hedging instrument.
- The effect of credit risk does not dominate the value changes that result from the economic relationship.
- The hedge ratio of the hedging relationship is the same in the quantity.

The Group establish a hedge ratio by aligning the par amount of the fixed-rate debt issued and the notional amount of the interest rate swap designated as a hedging instrument. The Group apply a hedge ratio of 1:1.

9.3 Derivatives held for risk management not designated in a hedge relationship

Type of risk	Consolidated financial statements					
	2022			2021		
	(After restructuring)			(Before restructuring)		
	Fair value		Notional amount	Fair value		Notional amount
	Assets	Liabilities		Assets	Liabilities	
	(in million Baht)					
Foreign exchange rate	2,040	544	93,995	448	853	113,122
Total	2,040	544	93,995	448	853	113,122

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10 Investments, net

10.1 Classification by type of investments

	Consolidated financial statements	
	2022 (After restructuring) AMC	2021 (Before restructuring) AMC
	<i>(in million Baht)</i>	
<i>Investments in debt instruments measured at AMC</i>		
Government and state enterprise securities	209,111	7,052
Foreign debt instruments	2,002	524
Less allowance for expected credit loss	(94)	(28)
Total	211,019	7,548
	Consolidated financial statements	
	2022 (After restructuring) Fair value	2021 (Before restructuring) Fair value
	<i>(in million Baht)</i>	
<i>Investments in debt instruments measured at FVOCI</i>		
Government and state enterprise securities	173,499	212,510
Foreign debt instruments	4,517	940
Total	178,016	213,450
Allowance for expected credit loss	(15)	(17)
<i>Investments in equity instruments designated at FVOCI</i>		
Domestic equity instruments	1,631	1,631
Foreign equity instruments	5	5
Total	1,636	1,636
Total investments, net	390,671	222,634

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	Separate financial statements
	2022
	AMC
	<i>(in million Baht)</i>
Investments in debt instruments measured at AMC	
Foreign debt instruments	1,472
Total	1,472
Total investments, net	1,472

Dividend income from investments in equity instruments designated at FVOCI recognised in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2022 amounted to Baht 26 million. *(31 December 2021: Baht 20 million).*

10.2 Investments in which the Group hold 10% or more

	Consolidated financial statements			
	2022		2021	
	(After restructuring)		(Before restructuring)	
	Number of Companies	Fair value <i>(in million Baht)</i>	Number of Companies	Fair value <i>(in million Baht)</i>
Others *	19	4,528	16	3,735

* Includes certain investment classified as financial instruments measured through profit or loss in Note 8 and investments in Note 10.1.

10.3 Investments in companies with problems in their financial position and operating results

As at 31 December 2022, the consolidated aggregate cost of investments in companies with problems in their financial position and operating results which were reported as part of investment classified as financial instruments measured through profit or loss in Note 8 and investments in Note 10.1 amounted to Baht 486 million. These investments have zero fair value at reporting date *(31 December 2021: aggregate cost of Baht 285 million, with zero fair value).*

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11 Investments in subsidiaries, associates and joint venture, net

		Consolidated financial statements							
	Type of business	Type of share	Direct shareholding		Investment value				
					Cost method		Equity method		
			2022	2021	2022	2021	2022	2021	
			(After	(Before	(After	(Before	(After	(Before	
			restructuring)	restructuring)	restructuring)	restructuring)	restructuring)	restructuring)	
			(%)		(in million Baht)				
Direct joint venture									
Alpha X Co., Ltd. ¹	Hire purchase, leasing, and refinancing business	Common	50.0	-	375	-	313	-	
Indirect associates									
Blockchain Community Initiative (Thailand) Co., Ltd.	Blockchain platform	Common	22.2	22.2	117	117	73	85	
National ITMX Co., Ltd.	Payment system service provider	Common	22.9	22.9	104	104	820	623	
Sahaviriya Steel Industries PCL	Steel industry	Common	40.2	40.2	-	-	-	-	
Dean & DeLuca, Inc. ²	Retailer of premium gourmet and delicatessen business	Common	-	26.5	-	-	-	-	
Indirect joint venture									
Alpha X Co., Ltd. ¹	Hire purchase, leasing, and refinancing business	Common	-	50.0	-	75	-	73	
Total investments in associates and joint venture, net					596	296	1,206	781	

¹ SCB X PCL acquired all its shares from the Siam Commercial Bank PCL in September 2022.

² The Siam Commercial Bank PCL sold all its shares in Dean & DeLuca, Inc. in July 2022.

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			Separate financial statements				
	Type of business	Type of share	Direct shareholding		Investment value cost method		Dividend income for the year ended
			2022	2021	2022	2021	2022
			(%)		(in million Baht)		
Direct subsidiaries							
The Siam Commercial Bank PCL	Banking	Common and Preferred	99.1	-	440,741	-	65,475
SCB 10X Co., Ltd. ¹	Venture capital, venture builder and strategic investments	Common	100.0	-	25,478	-	-
Card X Co., Ltd.	Credit card and unsecured personal loan	Common	100.0	100.0	23,500	-	-
Purple Ventures Co., Ltd. ²	E-Commerce and digital services	Common	100.0	-	5,000	-	-
InnovestX Securities Co., Ltd. (formerly SCB Securities Co., Ltd.) ¹	Securities	Common	100.0	-	4,959	-	-
Auto X Co., Ltd.	Personal loan	Common	100.0	100.0	4,000	-	-
Data X Co., Ltd.	Data analytics and supporting business related to information technology	Common	100.0	-	1,460	-	-
SCB Tech X Co., Ltd. ¹	Specialised technology services provider	Common	60.0	-	704	-	-
AISCB Co., Ltd. ³	Digital lending	Common	100.0	-	511	-	-
SCB Abacus Co., Ltd. ²	Data Analytics and digital lending	Common	44.9	-	501	-	-
Monix Co., Ltd. ¹	Digital Lending	Common	57.5	-	441	-	-
Token X Co., Ltd. ²	Initial Coin Offering Portal (ICO Portal)	Common	100.0	-	221	-	-
Digital Ventures Co., Ltd. ²	Financial Technology	Common	100.0	-	110	-	-
Direct Joint Venture							
Alpha X Co., Ltd. ¹	Hire purchase, leasing, and refinancing business	Common	50.0	-	375	-	-
Indirect subsidiaries							
Siam Commercial Bank Myanmar Ltd. ⁴	Banking	Common	-	-	-	-	-
Cambodian Commercial Bank Ltd. ⁴	Banking	Common	-	-	-	-	-
SCB Protect Co., Ltd. ⁴	Insurance broker	Common	-	-	-	-	-
SCB Training Center Co., Ltd. ⁴	Training center	Common	-	-	-	-	-
SCB Asset Management Co., Ltd. ⁴	Asset management	Common	-	-	-	-	-
Rutchayothin Assets Management Co., Ltd. ⁴	Asset management	Common	-	-	-	-	-
SCB Plus Co., Ltd. ⁴	Collection	Common	-	-	-	-	-
SCB-Julius Baer Securities Co., Ltd. ⁵	Securities	Common	-	-	-	-	-
Card X Asset Management Co., Ltd. ⁶	Asset management from purchase and transfer of non-performing loan	Common	-	-	-	-	-
Mahisorn Co., Ltd. ⁷	Property management	Common	-	-	-	-	-
SCB-Julius Baer (Singapore) Pte. Ltd. ⁸	Securities	Common	-	-	-	-	-
Trex Ventures Co., Ltd. ⁹	Digital financial services	Common	-	-	-	-	-

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			Separate financial statements				
	Type of business	Type of share	Direct shareholding		Investment value cost method		Dividend income for the year ended
			2022	2021	2022	2021	2022
			(%)		(in million Baht)		
Indirect associates							
Blockchain Community Initiative (Thailand) Co., Ltd.	Blockchain platform	Common	-	-	-	-	-
National ITMX Co., Ltd.	Payment system service provider	Common	-	-	-	-	-
Sahaviriya Steel Industries PCL	Steel industry	Common	-	-	-	-	-
Dean & DeLuca, Inc. ¹⁰	Retailer of premium gourmet and delicatessen business	Common	-	-	-	-	-
Total investments in subsidiaries, associates and joint venture, net					508,001	-	65,475

¹ SCB X PCL acquired all its shares from the Siam Commercial Bank PCL in September 2022.

² SCB X PCL acquired all its shares from SCB 10X Co., Ltd. in September 2022.

³ SCB X PCL acquired all its shares from The Siam Commercial Bank PCL in November 2022

⁴ Subsidiary of the Siam Commercial Bank PCL (100% shareholding)

⁵ Subsidiary of the Siam Commercial Bank PCL (60% shareholding)

⁶ Subsidiary of Card X Co., Ltd. (100% shareholding)

⁷ Subsidiary of SCB Plus Co., Ltd. (100% shareholding)

⁸ Subsidiary of SCB-Julius Baer Securities Co., Ltd. (100% shareholding)

⁹ The Company completed the registration of liquidation with the Department of Business Development, the Ministry of Commerce on 17 February 2022.

¹⁰ The Siam Commercial Bank PCL sold all its shares in Dean & DeLuca, Inc. in July 2022.

All subsidiaries, associates and joint venture are registered and operated in Thailand except for the Siam Commercial Bank Myanmar Ltd., Cambodian Commercial Bank Ltd., SCB-Julius Baer (Singapore) Pte. Ltd. and Dean & DeLuca, Inc. which are registered and operated in Myanmar, Cambodia, Singapore and United States of America, respectively. The Bank, the Company's subsidiary, has branch network in Thailand, Singapore, Hong Kong, Laos, Vietnam, China and Cayman Islands.

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12 Loans to customers and accrued interest receivables, net

12.1 Classified by type of loans

	Consolidated financial statements		Separate financial statements
	2022	2021	2022
	(After restructuring)	(Before restructuring)	
		(in million Baht)	
Overdrafts	85,793	73,570	-
Loans	1,729,042	1,684,682	26,400
Bills	372,214	322,588	-
Hire purchase receivables	189,840	220,650	-
Others	326	344	-
Total loans to customers	2,377,215	2,301,834	26,400
Add accrued interest receivables and undue interest receivables	19,523	15,031	54
Total loans to customers and accrued interest receivables and undue interest receivables	2,396,738	2,316,865	26,454
Less unamortised modification loss	(3,336)	(5,756)	-
Less allowance for expected credit loss	(145,554)	(145,653)	(125)
Total	2,247,848	2,165,456	26,329

12.2 Classified by residence of customer

	Consolidated financial statements		Separate financial statements
	2022	2021	2022
	(After restructuring)	(Before restructuring)	
		(in million Baht)	
Domestic	2,290,535	2,218,776	26,400
Foreign	86,680	83,058	-
Total	2,377,215	2,301,834	26,400

12.3 Classified by stages

	Consolidated financial statements		Separate financial statements
	2022	2021	2022
	(After restructuring)	(Before restructuring)	
		(in million Baht)	
Stage 1	2,120,904	2,016,140	26,454
Stage 2	180,044	191,387	-
Stage 3	95,790	109,338	-
Total *	2,396,738	2,316,865	26,454

* Includes accrued interest receivables and undue interest receivables.

SCB X Public Company Limited and its Subsidiaries
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12.4 Classified by business types and stages

	Consolidated financial statements							
	2022				2021			
	(After restructuring)				(Before restructuring)			
	Stage 1	Stage 2	Stage 3	Total *	Stage 1	Stage 2	Stage 3	Total *
	<i>(in million Baht)</i>							
Agriculture and mining	7,550	483	1,184	9,217	8,855	975	3,768	13,598
Manufacturing and commercial	553,580	63,373	44,422	661,375	536,571	47,292	47,887	631,750
Real estate and construction	149,077	8,581	10,617	168,275	152,034	7,685	18,458	178,177
Utilities and services	389,158	24,528	12,955	426,641	357,218	37,491	13,468	408,177
Housing loans	557,973	26,415	13,016	597,404	526,856	34,336	15,221	576,413
Others	446,036	55,132	13,135	514,303	421,573	61,834	10,312	493,719
Total *	2,103,374	178,512	95,329	2,377,215	2,003,107	189,613	109,114	2,301,834

* Excludes accrued interest receivables and undue interest receivables.

	Separated financial statements			
	2022			
	Stage 1	Stage 2	Stage 3	Total *
	<i>(in million Baht)</i>			
Others	26,400	-	-	26,400
Total *	26,400	-	-	26,400

* Excludes accrued interest receivables and undue interest receivables.

12.5 Non-Performing Loans

The Group used the guidelines specified in the BoT notification number Sor Nor Sor 23/2561 dated 31 October 2018, regarding to *Regulations Asset Classification and Provisioning of a Financial Institution*, in determining Non-Performing Loans. As at 31 December 2022 and 2021, the Group have Non-Performing Loans (including loans to interbank and money market items) based on BoT's guidelines as follow:

	Consolidated financial statements	
	2022	2021
	(After restructuring)	(Before restructuring)
	<i>(in million Baht)</i>	
Non-Performing Loans* (gross)	95,329	109,114
% of Non-Performing Loans to total loans	3.3	3.8

* See note 2.1 for application on loans to customers subject to relief programmes

During the year ended 31 December 2022, the Group sold and transferred right to receive debt payments of Non-Performing Loans with a total principal amount of Baht 20,359 million (31 December 2021: Baht 6,874 million).

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12.6 Loans to customers having problems with financial position and operating results

Consolidated financial statements								
2022					2021			
(After restructuring)					(Before restructuring)			
No. of	Loans and		Allowance		No. of	Loans and	Allowance	
companies	accrued		for		companies	accrued	for	
	interest		expected			interest	expected	
	Receivables*	Collateral	credit loss			Receivables*	Collateral	credit loss
		(in million Baht)					(in million Baht)	
Listed companies								
identified for delisting	-	-	-	-	2	7,457	5,559	5,153
Delisted company	1	8,315	3,775	3,086	1	8,153	3,775	3,037

* Excludes undrawn loan commitments and financial guarantee

12.7 Hire purchase receivables

Consolidated financial statements				
2022				
(After restructuring)				
Portion due				
Within	Over			
1 year	1-5 years	5 years	Total	
				(in million Baht)
Total gross investment under hire purchase contracts	51,515	134,541	36,267	222,323
Less unearned interest income				(32,483)
Present value of minimum lease payments				189,840
Less allowance for expected credit loss				(11,738)
Hire purchase receivables, net				178,102

Consolidated financial statements				
2021				
(Before restructuring)				
Portion due				
Within	Over			
1 year	1-5 years	5 years	Total	
				(in million Baht)
Total gross investment under hire purchase contracts	60,368	159,898	36,447	256,713
Less unearned interest income				(36,063)
Present value of minimum lease payments				220,650
Less allowance for expected credit loss				(8,743)
Hire purchase receivables, net				211,907

SCB X Public Company Limited and its Subsidiaries

Notes to the financial statements

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13 Allowance for expected credit loss

	Consolidated financial statements			
	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Total
	(in million Baht)			
Interbank and money market items				
At 1 January 2022 (Before restructuring)	155	17	-	172
Changes from remeasurement of ECL	84	-	-	84
New interbank and money market items	-	12	-	12
Derecognition	(135)	(20)	-	(155)
Others	(2)	-	-	(2)
Balance as at 31 December 2022	102	9	-	111
(After restructuring)				
Investments in debt instruments				
At 1 January 2022 (Before restructuring)	45	-	-	45
Changes from remeasurement of ECL	41	-	-	41
New investments in debt instruments	131	-	-	131
Derecognition	(98)	-	-	(98)
Others	(10)	-	-	(10)
Balance as at 31 December 2022	109	-	-	109
(After restructuring)				
Loans to customers				
At 1 January 2022 (Before restructuring)	43,603	40,039	62,011	145,653
Changes from stage reclassification	23,263	(34,347)	11,084	-
Changes from remeasurement of ECL	(24,814)	42,114	25,002	42,302
New loan to customers	8,347	8,231	4,920	21,498
Derecognition	(5,702)	(11,776)	(25,026)	(42,504)
Write-off	-	-	(21,751)	(21,751)
Others	10	(8)	354	356
Balance as at 31 December 2022	44,707	44,253	56,594	145,554
(After restructuring)				
Separate financial statements				
	Performing (Stage 1)	Under- performing (Stage 2)	Non- performing (Stage 3)	Total
	(in million Baht)			
Loans to customers				
At 1 January 2022	-	-	-	-
New loan to customers	125	-	-	125
Balance as at 31 December 2022	125	-	-	125

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14 Modified loans to customers

During the year ended 31 December 2022 and 2021, the Group have modified loans that have not resulted in derecognition, while they had a loss allowance measured at an amount equal to lifetime ECL, which excluded loans to customers modified under relief program that apply temporary accounting relief measures as mentioned in note 2.1, as follows:

<i>Loans modified during the year ended 31 December</i>	Consolidated financial statements	
	2022 (After restructuring) (in million Baht)	2021 (Before restructuring) (in million Baht)
Outstanding before modification *	27,435	7,134
Net modification loss *	(412)	(302)
	27,023	6,832
<i>Loans modified since initial recognition</i>		
Outstanding of loans to customers at the end of reporting date that have previously modified for which loss allowance has changed during the year from measured amount equal to lifetime expected credit losses to an amount equal to 12-month expected credit losses	2,967	818

* In 2022, this included 2nd form of financial assistance based on sustainable debt resolution as mentioned in note 2.1

15 Properties for sale, net

	Consolidated financial statements			
	2022 (After restructuring) (in million Baht)			Ending balance
	Beginning balance	Additions/ Transfer in	Disposals/ Transfer out	
Foreclosed assets				
- Immovable assets	17,734	5,959	(2,096)	21,597
- Movable assets	384	3,858	(3,494)	748
Total foreclosed assets	18,118	9,817	(5,590)	22,345
Others	1,705	335	(421)	1,619
Total properties for sale	19,823	10,152	(6,011)	23,964
Less allowance for impairment	(1,622)	(219)	318	(1,523)
Total properties for sale, net	18,201	9,933	(5,693)	22,441

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Consolidated financial statements				
	2021			
	(Before restructuring)			
	Beginning balance	Additions/ Transfer in	Disposals/ Transfer out	Ending balance
	<i>(in million Baht)</i>			
Foreclosed assets				
- Immovable assets	15,344	4,137	(1,747)	17,734
- Movable assets	412	1,966	(1,994)	384
Total foreclosed assets	15,756	6,103	(3,741)	18,118
Others	1,877	341	(513)	1,705
Total properties for sale	17,633	6,444	(4,254)	19,823
Less allowance for impairment	(1,497)	(649)	524	(1,622)
Total properties for sale, net	16,136	5,795	(3,730)	18,201

For the year ended 31 December 2022, the Group recognised gain on sale of properties for sale in the consolidated statement of profit or loss and other comprehensive income amounting to Baht 1,368 (31 December 2021: the Group recognised gain on sale of properties for sale in the consolidated statement of profit or loss and other comprehensive income amounting to Baht 1,167 million).

At 31 December 2022, the Group have properties for sale which contain buy-back rights or first refusal rights from other debtors within the certain period and prices as specified in the debt restructuring agreements with the cost amounting to Baht 3,632 million. (31 December 2021: Baht 4,005 million).

At 31 December 2022, the Group had properties for sale transferred under the Bank of Thailand's supportive measure for debt settlement through collateral assets transfers with buy-back options (Asset Warehousing) amounting to Baht 4,458 million.

At 31 December 2022 and 2021, all of the foreclosed immovable assets were appraised by internal appraisers.

Consolidated financial statements
2022

* Appraisal values are based on valuations completed in 2021 for the Group.

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	Consolidated financial statements									
	2021					2020				
	(Before restructuring)					Accumulated depreciation				
	Beginning balance	Additions/Transfer in	Disposals/Transfer out	Transfer to Investment properties	Ending balance	Beginning balance	Depreciation	Disposals/Transfer out	Transfer to Investment properties	Ending balance
							(in million Baht)			
Land										
Cost	5,427	-	(59)	-	5,368	-	-	-	-	-
Appraisal increase*	12,287	6,136	(39)	-	18,381	-	-	-	-	-
Premises and building improvements										
Cost	20,048	335	(274)	(384)	19,725	(9,568)	(871)	259	166	(10,014)
Appraisal increase*	8,752	(472)	(23)	(298)	7,959	(3,051)	(392)	3,265	4	(174)
Equipment	18,889	674	(339)	-	19,224	(15,565)	(1,672)	297	-	(16,940)
Others	530	531	(886)	-	175	(14)	(47)	-	-	(61)
Right-of-use assets										
Office building	1,110	77	(556)	-	631	(475)	(227)	387	-	(315)
ATM	1,113	28	(895)	-	246	(741)	(302)	895	-	(148)
Vehicle	683	358	(160)	-	881	(307)	(235)	159	-	(383)
Booth	76	2	(43)	-	35	(23)	(22)	23	-	(22)
Branch	3,066	435	(2,315)	-	1,186	(1,447)	(926)	1,927	-	(446)
Others	7	1	-	-	8	(1)	(1)	-	-	(2)
Total	71,988	8,102	(5,589)	(682)	73,819	(31,192)	(4,695)	7,212	170	(28,505)
										45,196

* Appraisal values are based on valuations completed in 2021 for the Group.

The gross amount of the Group's fully depreciated premises and equipment that were still in use as at 31 December 2022 amounted to Baht 24,619 million (31 December 2021: Baht 22,230 million).

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Separate financial statements										
2022										
	Beginning balance	Cost		Ending balance	Accumulated depreciation			Ending balance	Allowance for impairment	Net balance
		Additions/Transfer in	Disposals/Transfer out		Beginning balance	Depreciation	Disposals/Transfer out			
(in million Baht)										
Right-of-use assets										
Office building	-	14	-	14	-	(2)	-	(2)	-	12
Vehicle	-	12	-	12	-	(2)	-	(2)	-	10
Total	-	26	-	26	-	(4)	-	(4)	-	22

The fair values of land and premises are determined by using the market approach for land and the replacement cost approach for premises. The fair values are appraised by independent appraisers who are qualified as professionals and have appropriate experience. The fair values of land and premises are categorised as Level 3 in the fair value hierarchy.

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17 Goodwill and other intangible assets, net

Consolidated financial statements						
2022						
	(After restructuring)		Accumulated amortisation			
	Beginning balance	Amortisation	Disposals/	Ending balance	Allowance for	Net
		(in million Baht)	Transfer out		impairment	balance
Goodwill	1,270	-	-	-	-	1,270
Software licenses	33,894	5,295	(5)	39,184	(100)	14,378
Software under installation	2,140	3,139	(523)	4,756	-	4,756
Others	119	37	-	156	-	75
Total	37,423	8,471	(528)	45,366	(100)	20,479

Consolidated financial statements						
2021						
	(Before restructuring)		Accumulated amortisation			
	Beginning balance	Amortisation	Disposals/	Ending balance	Allowance for	Net
		(in million Baht)	Transfer out		impairment	balance
Goodwill	-	-	-	-	-	1,270
Software licenses	(18,977)	(5,732)	3	(24,706)	(3)	14,914
Software under installation	-	-	-	-	-	2,140
Others	(58)	(23)	-	(81)	-	61
Total	(19,035)	(5,755)	3	(24,787)	(3)	18,385

Consolidated financial statements						
2021						
	(Before restructuring)		Accumulated amortisation			
	Beginning balance	Amortisation	Disposals/	Ending balance	Allowance for	Net
		(in million Baht)	Transfer out		impairment	balance
Goodwill	-	-	-	-	-	1,270
Software licenses	(14,020)	(4,963)	6	(18,977)	(3)	14,914
Software under installation	-	-	-	-	-	2,140
Others	(35)	(23)	-	(58)	-	61
Total	(14,055)	(4,986)	6	(19,035)	(3)	18,385

The gross amount of the Group's fully amortised intangible assets that were still in use as at 31 December 2022 amounted to Baht 10,163 million (31 December 2021: Baht 6,254 million).

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Notes to the financial statements

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18 Deferred tax

	Consolidated financial statements		
	2022	2021	
	(After restructuring)	(Before restructuring)	
	(in million Baht)		
Deferred tax assets	3,225	3,681	
Deferred tax liabilities	(929)	(888)	
Net	2,296	2,793	

	Consolidated financial statements			
	(Charged) / Credited to:			
At	Profit	Other		At
1 January	or loss	Comprehensive		31 December
2022		income		2022
(Before				(After
restructuring)				restructuring)
	(in million Baht)			
Deferred tax assets				
Financial assets measured at FVTPL	41	28	-	69
Derivative assets	48	(18)	1	31
Investments in subsidiaries, associates and joint venture	309	(264)	-	45
Loans to customers and accrued interest receivables	4,524	43	-	4,567
Properties for sale	147	44	-	191
Other intangible assets	9	14	-	23
Provisions	4,053	(785)	(345)	2,923
Other liabilities	1,483	207	-	1,690
Loss carry forward	-	335	-	335
Total	10,614	(396)	(344)	9,874
Deferred tax liabilities				
Financial assets measured at FVTPL	(963)	129	-	(834)
Investments	(271)	3	45	(223)
Loan and accrued interest receivable	-	(29)	-	(29)
Properties for sale	(24)	-	-	(24)
Investment properties	(85)	(80)	-	(165)
Premises and equipment	(6,293)	86	-	(6,207)
Other intangible assets	(3)	-	-	(3)
Other assets	(182)	89	-	(93)
Total	(7,821)	198	45	(7,578)
Net	2,793	(198)	(299)	2,296

SCB X Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2022

	Consolidated financial statements			
	(Charged) / Credited to:			
	At 1 January 2021 (Before restructuring)	Profit or loss	Other Comprehensive income	At 31 December 2021 (Before restructuring)
	(in million Baht)			
Deferred tax assets				
Financial assets measured at FVTPL	31	10	-	41
Derivative assets	47	1	-	48
Investments in subsidiaries, associates and joint venture	44	265	-	309
Loans to customers and accrued interest receivables	4,956	(432)	-	4,524
Properties for sale	129	31	(13)	147
Other intangible assets	17	(8)	-	9
Other assets	29	(29)	-	-
Provisions	3,562	590	(99)	4,053
Other liabilities	1,189	294	-	1,483
Total	10,004	722	(112)	10,614
Deferred tax liabilities				
Financial assets measured at FVTPL	(342)	(621)	-	(963)
Investments	(494)	(38)	261	(271)
Properties for sale	(24)	-	-	(24)
Investment properties	(66)	(19)	-	(85)
Premises and equipment	(4,534)	(6)	(1,753)	(6,293)
Other intangible assets	(3)	-	-	(3)
Other assets	(168)	(14)	-	(182)
Total	(5,631)	(698)	(1,492)	(7,821)
Net	4,373	24	(1,604)	2,793

Income tax recognised in profit or loss

For the year ended 31 December

Current tax expense

Current period

Deferred tax expense

Movements in temporary differences

Total income tax expense

Consolidated financial statements	
2022	2021
(After restructuring)	(Before restructuring)
<i>(in million Baht)</i>	
13,394	9,400
198	(24)
13,592	9,376

SCB X Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2022

Income tax recognised in other comprehensive income

For the year ended 31 December	Consolidated financial statements					
	2022 (After restructuring)			2021 (Before restructuring)		
	Before tax	Tax Income (expense)	Net of tax (in million Baht)	Before tax	Tax Income (expense)	Net of tax
Gain (loss) on investments in debt instruments at FVOCI	(232)	47	(185)	(912)	183	(729)
Gain (loss) on investments designated at FVOCI	11	(2)	9	(392)	78	(314)
Cash flow hedges reserve	(6)	1	(5)	-	-	-
Change in revaluation surplus	-	-	-	8,960	(1,766)	7,194
Actuarial gain (loss) on defined benefit plans	1,724	(345)	1,379	494	(99)	395
Total	1,497	(299)	1,198	8,150	(1,604)	6,546

Reconciliation of effective tax rate

For the year ended 31 December	Consolidated financial statements			
	2022 (After restructuring)		2021 (Before restructuring)	
	Rate (%)	(in million Baht)	Rate (%)	(in million Baht)
Profit before income tax expense		50,718		44,762
Income tax using the Thai corporation tax rate	20.0	10,144	20.0	8,952
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit, net		3,448		424
Total	26.8	13,592	20.9	9,376

For the year ended 31 December	Separate financial statements			
	2022		2021	
	Rate (%)	(in million Baht)	Rate (%)	(in million Baht)
Profit before income tax expense		64,411		(9)
Income tax using the Thai corporation tax rate	20.0	12,882	0.0	-
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable profit, net		(12,882)		-
Total	0.0	-	0.0	-

SCB X Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2022

19 Other assets, net

	Consolidated financial statements		Separate financial statements
	2022 (After restructuring)	2021 (Before restructuring) (in million Baht)	2022
Collateral per Credit Support Annex	3,241	16,149	-
Securities business receivables and receivables from clearing house	4,096	3,301	-
Accrued service income	2,483	10,955	-
Receivable from purchase of investment in debt securities pending for settlement	1,944	1,629	-
Prepaid expenses	2,092	1,903	253
Receivables from sale of NPL	658	723	-
Sundry receivables	277	413	-
Accrued interest on investment and interest rate derivatives	1,077	1,053	22
Others	8,042	8,618	883
Total	23,910	44,744	1,158

20 Deposits

20.1 Classified by type of deposits

	Consolidated financial statements	
	2022 (After restructuring)	2021 (Before restructuring)
	(in million Baht)	
At call	122,346	118,954
Savings	1,984,751	1,840,043
Fixed		
- Less than 6 months	95,626	108,205
- 6 months and less than 1 year	140,843	157,551
- Over 1 year	212,234	242,742
Total	2,555,800	2,467,495

20.2 Classified by currency and residence of customer

	Consolidated financial statements					
	2022 (After restructuring)			2021 (Before restructuring)		
	Domestic	Foreign	Total	Domestic	Foreign	Total
	(in million Baht)					
Baht	2,508,633	1,708	2,510,341	2,424,118	1,250	2,425,368
US Dollar	24,776	13,644	38,420	24,180	12,135	36,315
Other currencies	3,221	3,818	7,039	2,390	3,422	5,812
Total	2,536,630	19,170	2,555,800	2,450,688	16,807	2,467,495

SCB X Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

21 Interbank and money market items (Liabilities)

	Consolidated financial statements		Separate financial statements
	2022 (After restructuring)	2021 (Before restructuring) (in million Baht)	2022
Domestic items			
Bank of Thailand and Financial Institutions			
Development Fund	27,400	35,504	-
Commercial banks	69,007	60,753	1,460
Specialised financial institutions*	9,687	45,646	-
Other financial institutions**	27,153	27,448	-
Total domestic items	133,247	169,351	1,460
Foreign items			
US Dollar	43,496	5,143	41,475
Japan Yen	38	-	-
Euro	337	325	-
Chinese Yuan	2,016	3,886	-
Other currencies	2,213	2,256	-
Total foreign items	48,100	11,610	41,475
Total domestic and foreign items	181,347	180,961	42,935

* Specialised financial institutions are financial institutions incorporated by special laws e.g. Government Savings Bank, Bank for Agriculture and Agricultural Co-operatives, Government Housing Bank, SME Bank, Islamic Bank of Thailand, Export-Import Bank of Thailand and Secondary Mortgage Corporation excluding Thai Credit Guarantee Corporation.

** Other financial institutions represent financial institutions other than above, such as Finance companies, Securities companies, Credit foncier companies, Life insurance companies, Cooperatives, the Federation of Savings and Credit Cooperatives of Thailand Limited and the Credit Union League of Thailand Limited.

22 Debt issued and borrowings

			Consolidated financial statements					
			2022 (After restructuring)			2021 (Before restructuring)		
	Interest rate (%)	Year of maturity	Domestic	Foreign	Total (in million Baht)	Domestic	Foreign	Total
Debentures								
- US Dollar	2.75 - 4.40	2023 - 2029	-	51,824	51,824	-	63,442	63,442
Structured notes								
- US Dollar	2.25 - 4.20	2023	660	-	660	246	-	246
- Baht	0.25 - 16.00 and floating*	2023 - 2024	20,968	-	20,968	7,967	-	7,967
Others	-	2023 - 2028	50	-	50	117	-	117
Total			21,678	51,824	73,502	8,330	63,442	71,772
Hedge accounting adjustment			-	(1,506)	(1,506)	-	3,150	3,150
Total			21,678	50,318	71,996	8,330	66,592	74,922

* Compounded THOR BS 5 BD - 0.20%, 0.25%, 0.35%

SCB X Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

23 Provisions

	Consolidated financial statements		Separate financial statements
	2022 (After restructuring)	2021 (Before restructuring) (in million Baht)	2022
Allowance for expected credit loss of loan commitments and financial guarantee contracts	6,190	6,307	-
Employee benefit obligations	8,179	9,232	10
Reserve for reward points	4,879	4,658	-
Others	125	145	-
Total	19,373	20,342	10

Allowance for expected credit loss of loan commitments and financial guarantee contracts

As of 31 December 2022, the allowance for expected credit loss of loan commitments and financial guarantee contracts increased from the net remeasurement and new loan commitments and financial guarantee contracts of Baht 4,640 million in the consolidated financial statements, while it decreased from the derecognition of loan commitments and financial guarantee of Baht 4,757 million in the consolidated financial statements. (31 December 2021: increased from net remeasurement and new loan commitments and financial guarantee contracts of Baht 2,074 million in the consolidated financial statements, while it decreased from the derecognition of loan commitments and financial guarantee of Baht 1,166 million).

Employee benefits obligations

The Group operate a number of post-employment benefit and other long-term employee benefits. All benefit plans are unfunded.

	Consolidated financial statements		Separate financial statements
	2022 (After restructuring)	2021 (Before restructuring) (in million Baht)	2022
Severance Payment benefits scheme ("SP")	6,769	7,507	10
Other schemes ("Others")	1,410	1,725	-
Total	8,179	9,232	10

Defined benefit plan and other long-term employee benefits

The Group operate a defined benefit plan and other long-term employee benefits based on the requirement of Thai Labour Protection Act B.E 2541 (1998) and the Group's policy. These benefits will be provided once the employees fulfill the policy requirements or when employees retire based on pensionable remuneration and length of service.

The defined benefit plans and other long-term employee benefits expose actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

SCB X Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2022*****Present value of the defined benefit plan and other long-term employee benefits***

	Consolidated financial statements			
	2022		2021	
	(After restructuring) SP	Others	(Before restructuring) SP	Others
	<i>(in million Baht)</i>			
Beginning balance	7,507	1,725	7,591	1,414
Included in profit or loss:				
Current service cost	608	77	803	37
Interest on obligation	162	36	118	22
Actuarial (gain) loss	-	(5)	-	2
	770	108	921	61
Included in other comprehensive income:				
Actuarial (gain) loss				
- Demographic assumptions	(4)	-	-	-
- Financial assumptions	(1,061)	(295)	(578)	213
- Experience adjustment	(262)	(103)	(190)	61
	(1,327)	(398)	(768)	274
Others				
Benefits paid	(181)	(25)	(237)	(24)
	(181)	(25)	(237)	(24)
Ending balance	6,769	1,410	7,507	1,725

	Separate financial statements	
	2022	
	SP	Others
	<i>(in million Baht)</i>	
Beginning balance	-	-
Included in profit or loss:		
Current service cost	10	-
	10	-
Ending balance	10	-

SCB X Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2022

Principal actuarial assumptions

	Consolidated financial statements		Separate financial statements
	2022	2021	2022
	(After restructuring)	(Before restructuring)	
		(%)	
Discount rate	0.8 - 4.1	0.3 - 2.8	2.7
Future salary growth	2.0 - 11.0	2.0 - 11.0	7.0
Medical cost trend rate	5.0	5.0	-
Employee turnover	0.0 - 20.0	0.0 - 20.0	2.0 - 12.0

Assumptions regarding future mortality have been based on published statistics and mortality tables.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the employee benefit obligation by the amounts shown below.

Effect to the employee benefit obligation	Consolidated financial statements			
	1% increase in assumption		1% decrease in assumption	
	2022	2021	2022	2021
	(After restructuring)	(Before restructuring)	(After restructuring)	(Before restructuring)
	(in million Baht)			
Discount rate	(889)	(1,123)	1,063	1,365
Future salary growth	791	970	(686)	(834)

Effect to the employee benefit obligation	Separate financial statements	
	1% increase in assumption	1% decrease in assumption
	2022	2022
	(in million Baht)	
Discount rate	(1)	1
Future salary growth	1	(1)

Post-employee benefit and other long-term employee benefits expenses included in the statement of profit or loss and other comprehensive income for the year ended 31 December 2022 and 2021 were as follows:

	Consolidated financial statements		Separate financial statements
	2022	2021	2022
	(After restructuring)	(Before restructuring)	
	(in million Baht)		
Defined contribution plans	1,238	1,203	7
Defined benefit plans and other long-term employee benefits	878	982	10
Total	2,116	2,185	17

SCB X Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

24 Other liabilities

	Consolidated financial statements		Separate financial statements	
	2022 (After restructuring)	2021 (Before restructuring) (in million Baht)	2022	2021
Accrued expenses	24,810	18,664	496	9
Deferred income from Distribution Agreement	13,881	15,062	-	-
Other payable per Credit Support Annex	13,100	3,571	-	-
Other payables	7,731	12,166	-	-
Unsettled remittance transaction	5,148	4,258	-	-
Accrued interest payable	1,991	2,138	137	-
Securities business payables and payables to clearing house	3,225	2,581	-	-
Lease liabilities*	3,567	1,698	22	-
Advance received from electronic payment	5,488	1,275	-	-
Others	7,354	6,192	63	-
Total	86,295	67,605	718	9

* As at 31 December 2022, the amount recorded was calculated from total undiscounted lease liabilities of Baht 3,587 million and Baht 23 million in the consolidated and the separate financial statements, respectively (31 December 2021: Baht 1,780 million in the consolidated financial statements).

25 Advance received from electronic payment

In accordance with the BoT notification number Sor Nor Chor 7/2561 dated 16 April 2018, regarding to *Regulations on Service Business relating to Electronic Money (E-Money)* and Sor Nor Chor 2/2562 dated 20 December 2019 regarding to *Regulations on Service Business relating to Electronic Fund Transfer (EFT)*, require the Group to disclose advance received from electronic transactions. As at 31 December 2022 the Group had advances received from electronic transactions, presented as liabilities in the amount of Baht 5,488 million (31 December 2021: Baht 1,275 million).

The Group has kept advance received from electronic transactions which is a part of cash in the statements of financial position as at 31 December 2022 in the amount of Baht 6,851 million (31 December 2021: Baht 2,251 million).

SCB X Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

26 Offsetting of financial assets and financial liabilities

The Group currently hold financial instruments agreements which do not meet the criteria for offsetting in the Group's statement of financial position because such agreements are created in the way that the parties have to agree a right of set-off the agreed amounts that is enforceable only following and event of default, insolvency or bankruptcy of the Group or the counterparties or following other predetermined events. For derivatives, the rights to call collateral are agreed by both parties with specific call frequency and threshold. According to the agreements, the Group receive and give collateral in form of cash and marketable securities. The details of significant offsetting of financial assets and financial liabilities are as follow:

Consolidated financial statements					
			2022		
			(After restructuring)		
			Related amounts not offset in statement of financial position - Amount eligible for offsetting per contracts which does not meet accounting standards' conditions	Net amount	Items in statement of financial position
			(in million Baht)		Note
Financial assets					
Reverse sale-and-repurchase	385,802	-	385,802	-	Interbank and money market items, net (Assets) 7
Derivative assets	15,302	-	13,100	2,202	Derivative assets 9
Securities business receivable	8,229	(2,099)	-	6,130	Other assets, net 19
Total	409,333	(2,099)	398,902	8,332	
Financial liabilities					
Sale-and-repurchase	67,955	-	67,955	-	Interbank and money market items (Liabilities) 21
Derivative assets	11,319	-	3,235	8,084	Derivative liabilities 9
Securities business payables	4,518	(2,099)	-	2,419	Other liabilities 24
Total	83,792	(2,099)	71,190	10,503	

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SCB X Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

27 Fair value of financial assets and financial liabilities

27.1 Financial assets and financial liabilities measured at fair value

The following table analyses financial instruments measured at fair value at the reporting date, by the level in the fair value hierarchy into which the fair value measurement is categorised. The amounts are based on the values recognised in the statement of financial position. The fair values include any deferred differences between the transaction price and the fair value on initial recognition when the fair value is based on a valuation technique that uses unobservable inputs.

	Consolidated financial statements							
	2022				2021			
	(After restructuring)				(Before restructuring)			
	Fair value				Fair value			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	<i>(in million Baht)</i>							
Financial assets								
Financial assets								
measured at FVTPL	5,698	30,089	26,540	62,327	6,167	41,594	20,946	68,707
Derivative assets								
- Foreign exchange rate	-	26,362	-	26,362	-	15,226	-	15,226
- Interest rate	-	38,403	-	38,403	-	41,582	-	41,582
- Others	-	1,319	-	1,319	-	771	-	771
Total	-	66,084	-	66,084	-	57,579	-	57,579
Investments, net								
- Investments in debt instruments								
measured at FVOCI	-	178,016	-	178,016	-	213,450	-	213,450
- Investments in equity instruments								
designated at FVOCI	11	-	1,625	1,636	-	-	1,636	1,636
Total	11	178,016	1,625	179,652	-	213,450	1,636	215,086
Total financial assets	5,709	274,189	28,165	308,063	6,167	312,623	22,582	341,372
Financial liabilities								
Financial liabilities								
measured at FVTPL	39	-	-	39	6	-	-	6
Derivative liabilities								
- Foreign exchange rate	-	22,491	-	22,491	-	14,289	-	14,289
- Interest rate	-	37,301	-	37,301	-	34,415	-	34,415
- Others	-	840	-	840	-	496	-	496
Total	-	60,632	-	60,632	-	49,200	-	49,200
Total financial liabilities	39	60,632	-	60,671	6	49,200	-	49,206

Reconciliation of Level 3 fair values

27.2 Financial assets and financial liabilities not measured at fair value

	Consolidated financial statements					
	2022			2021		
	(After restructuring)			(Before restructuring)		
	Carrying amount	Fair value Level 2	Fair value Level 3	Carrying amount	Fair value Level 2	Fair value Level 3
	(in million Baht)					
Financial assets						
Investments in debt instruments						
measured at AMC	211,019	209,831	1,932	7,548	7,593	502

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SCB X Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2022

The following methods and assumptions are used in estimating fair values of financial instruments as disclosed herein:

Interbank and money market items (Assets):	<ul style="list-style-type: none"> - Fair value calculated based on present value of estimated cash flows, using the current interest rate in the money market. The fair value has no significant difference with the carrying amount.
Financial assets measured at FVTPL and investments:	<p>The following methodologies are used to determine the fair value of securities held by the Group.</p> <ul style="list-style-type: none"> - The fair value of debt securities is estimated based on the Thai Bond Market Association's last average bid price for identical or similar instruments in active markets or other inputs that are observable market data. In situations where no auction prices are available, the fair value is estimated based on the last executed price. For debt instruments with no active market price, the fair value is estimated based on the yield curve of debt securities plus a risk premium. - The fair value of listed private sector equity instruments and listed unit trust is estimated by using the bidding prices at The Stock Exchange of Thailand on the last business day of the period. - The fair value of non-marketable equity instruments is measured based on different measurement approach that is most appropriate to the investee's business i.e. current adjusted book value, latest round funding price, price multiple and other valuation models. - The fair value of non-listed unit trusts is estimated based on the net asset value at the reporting date. - The fair value of foreign debt and equity instruments listed on foreign stock exchanges is estimated by using the bid prices at such exchanges as of the last business day of the period. The fair value of non-listed foreign debt and equity instruments is determined based on values quoted by reliable international financial institutions.
Derivatives:	<ul style="list-style-type: none"> - In a liquid market, the prices quoted represent the best fair market value that are obtained from local or foreign sources announced by the independent data providers or brokers. On the other hand, fair values of derivatives in an illiquid market are an average of prices quoted from several sources. Alternatively, prices derived from a standard and reliable model (mark to model), or a benchmark price of the instrument that has a similar characteristic could also be used. In the case of derivative assets, fair values are also reflected the credit risk of counterparty.
Loans to customers and accrued interest receivables:	<ul style="list-style-type: none"> - For variable-rate loans that are repriced frequently and have no significant change in credit risk, fair values are based on carrying amount. - The fair values of other loans are estimated using discounted cash flow analyses, using market interest rates or the fair value of collateral. There is no significant difference with the carrying amount.

SCB X Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2022**

Deposits:	<ul style="list-style-type: none"> - The fair value of deposits which are payable on demand by the depositor are equal to the carrying amount. - Fair values for fixed deposits are estimated using a discounted cash flow calculation that applies interest rates currently being offered on similar deposits.
Interbank and money market items (Liabilities):	- The fair value has no significant difference with the carrying amount.
Liabilities payable on demand:	- The fair value is approximated based on its carrying amount.
Financial liabilities measured at FVTPL:	- The fair value is calculated based on valuation models using market data obtained from reliable sources.
Debt issued and borrowings:	<ul style="list-style-type: none"> - The fair value of short-term borrowings maturing within 90 days approximated its carrying amount. - Fair values of other borrowings are estimated using discounted cash flow analyses based on the subsidiary's current borrowing rates for similar types of borrowing arrangements.

28 Share capital

		2022		2021	
	Par value per share (in Baht)	Number (in thousand shares)	Amount (in thousand Baht)	Number (in thousand shares)	Amount (in thousand Baht)
Authorised shares at 31 December	10	3,399,192	33,991,922	1	10
<i>Issued and paid-up shares</i>					
At 1 January 2022 / 15 September 2021					
- ordinary shares	10	1	10	1	10
Increase of new shares	10	3,367,107	33,671,073	-	-
Reduction of shares	10	(1)	(10)	-	-
At 31 December					
- ordinary shares	10	3,367,107	33,671,073	1	10

The detail of share swap occurred in this period was disclosed in note 45.

SCB X Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2022

29 Reserves

Reserves comprise:

Appropriations of profit and/ or retained earnings

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires the Company and its subsidiaries which are public companies shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward (if any), to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered capital. The legal reserve is not available for dividend distribution.

According to the Civil and Commercial Code, subsidiaries which are private companies must appropriate to a reserve fund at each distribution of dividend at least 5% of net profit until the reserve fund not less than 10% of the registered capital of the Company. Such reserve fund is not available for distribution as dividend.

Other components of equity

Translation differences

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Fair value reserve

The fair value reserve comprises:

- the cumulative net change in the fair value of equity securities designated at FVOCI; and
- the cumulative net change in fair value of debt securities at FVOCI until the assets are derecognised or reclassified. This amount is adjusted by the amount of loss allowance.

Revaluation reserve

The revaluation reserve comprises the cumulative net change in the valuation of premises and equipment included in the financial statements at valuation until such premises and equipment are sold or otherwise disposed of.

SCB X Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2022****30 Assets pledged as collateral and under restriction**

	Consolidated financial statements	
	2022 (After restructuring)	2021 (Before restructuring)
	<i>(in million Baht)</i>	
Securities pledged as collateral	52,516	58,544
Deposits under restriction of oversea subsidiaries and branch	1,373	1,557
Others	80	81
Total	53,969	60,182

31 Contingent liabilities

	Consolidated financial statements	
	2022 (After restructuring)	2021 (Before restructuring)
	<i>(in million Baht)</i>	
Avals to bills	5,424	6,624
Guarantees of loans	1,346	538
Liability under unmatured import bills	57,271	47,976
Letters of credit	30,051	30,280
Other contingencies		
- Unused bank overdrafts	185,088	200,003
- Other guarantees	176,519	161,746
- Receivables / payables from investments	5,880	22,972
- Others	70,325	56,867
Total	531,904	527,006

32 Related parties

The Group has business transactions with related parties or persons. Interest rates for staff loans under the staff welfare scheme is charged in accordance with the Group's regulations for such loans. Interest rates and other pricing for other related parties are at the same rates as in the normal course of business with the same business conditions as general customers. For other income and expenses are charged at market price as normal business or the price as stipulated in the agreement.

SCB X Public Company Limited and its Subsidiaries
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32.1 Assets, liabilities, and contingencies

	Consolidated financial statements		Separate financial statements
	2022	2021	2022
	(After restructuring)	(Before restructuring)	
	<i>(in million Baht)</i>		
Subsidiaries			
Interbank and money market items (Assets)	-	-	7,412
Investments in subsidiaries and joint ventures	150	-	35,865
Loans*	-	-	26,454
Interbank and money market items (liabilities)	-	-	1,460
Other liabilities	-	-	30
Associates			
Loans*	8,315	8,531	-
Deposits	346	345	-
Contingencies (Notional amount)	435	555	-
Joint venture			
Loans*	3,700	-	-
Deposits	319	137	-
Major shareholders (more than 10% ownership)			
Deposits	13,629	13,955	-
Related persons and other related entities			
Loans*	28,976	28,452	-
Deposits	49,984	21,411	-
Contingencies (Notional amount)	1,459	817	-

* Before deducting allowance for expected credit loss

SCB X Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

32.2 Income and expenses

<i>For the year ended 31 December</i>	Consolidated financial statements		Separate financial statements
	2022 (After restructuring)	2021 (Before restructuring) (in million Baht)	2022
Subsidiaries			
Interest income	-	-	72
Interest expenses	-	-	13
Other expenses	-	-	32
Dividend income	-	-	65,475
Associates			
Interest income	16	39	-
Dividend income	148	72	-
Joint Venture			
Interest income	40	-	-
Major shareholders (more than 10% ownership)			
Interest expenses	119	109	-
Other expenses	27	27	-
Related persons and other related entities			
Interest income	552	437	-
Interest expenses	181	119	-
Other expenses	182	193	-

During for the year ended 31 December 2022, the Company has exchanged its and the Bank's securities with the shareholders of the Bank and purchased shares in subsidiaries and joint venture from the Bank and SCB10X Co., Ltd., according to Financial Business Group restructuring plan as given in note 11 and 45. The purchase price was determined to be higher of investment cost, net book value as of 31 December 2021 and net book value as of 31 August 2022 adjusted with new average price from the capital increased (if any).

SCB X Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2022

33 Key management personnel compensation

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group, holding the position of Executive Vice President or higher.

The Group have not paid benefits to directors and executives other than the benefits that are normally paid such as meeting allowances, reward, salary, bonus, cost of living allowance, transportation charges and fringe benefits according to the Group regulations.

<i>For the year ended 31 December</i>	Consolidated financial statements		Separate financial statements
	2022 (After restructuring)	2021 (Before restructuring) (in million Baht)	2022
Short-term employee benefits	2,504	2,073	266
Post-employment benefits and others	63	60	-
Termination benefits	79	24	-
Other long-term employee benefits	-	3	-
Total	2,646	2,160	266

34 Segment information

Information on the Group's operating model and business segments is set out in the annual report. Operating model and related segment analysis were changed after complete restructuring in December 2022 as disclosed in Note 45. Segment analysis reflected information after restructuring including change in previous year for comparative purpose. Specifically, the Group has three financial business group consisting of the Banking Services segment (Gen 1), Consumer & Digital Financial Services segment (Gen 2) and Platform & Digital Asset segment (Gen 3). Information of Gen 1 included the consolidated information of The Bank's group. Gen 2 and Gen 3 included the entity level information separated by business type.

<i>For the year ended 31 December 2022 (After restructuring)</i>	Consolidated financial statements				
	Gen 1 Banking Services	Gen 2 Consumer & Digital Financial Services	Gen 3 Platforms & Digital Assets	Inter Transactions & others	Total
					(in million Baht)
Net interest income	91,437	17,890	109	(1,571)	107,865
Fee and others	38,618	3,881	7,152	(4,685)	44,966
Investment and trading income	11,817	-	930	(11,158)	1,589
Total operating income	141,872	21,771	8,191	(17,414)	154,420
Total operating expenses	(53,439)	(11,613)	(8,110)	3,288	(69,874)
Profit before expected credit loss and income tax expense	88,433	10,158	81	(14,126)	84,546
Expected credit loss					(33,829)
Income tax expense					(13,592)
Net profit					37,125

SCB X Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2022**

<i>For the year ended 31 December 2021 (Before restructuring)</i>	Consolidated financial statements				
	Gen 1 Banking Services	Gen 2 Consumer & Digital Financial Services	Gen 3 Platforms & Digital Assets	Inter Transactions & others	Total
			(in million Baht)		
Net interest income	80,883	14,291	(3)	-	95,171
Fee and others	38,699	11,605	5,330	(8,563)	47,071
Investment and trading income	4,070	(1)	4,051	(20)	8,100
Total operating income	123,652	25,895	9,378	(8,583)	150,342
Total operating expenses	(52,946)	(10,611)	(4,760)	4,761	(63,556)
Profit before expected credit loss and income tax expense	70,706	15,284	4,618	(3,822)	86,786
Expected credit loss					(42,024)
Income tax expense					(9,376)
Net profit					35,386

	Consolidated financial statements				
	2022 (After restructuring)				
	Gen 1 Banking Services	Gen 2 Consumer & Digital Financial Services	Gen 3 Platforms & Digital Assets	Inter Transactions & others	Total
			(in million Baht)		
Loans to customers	2,306,747	132,942	3,712	(66,186)	2,377,215
Total assets	3,383,657	133,782	44,645	(107,632)	3,454,452
Total liabilities	2,952,042	113,291	13,233	(90,725)	2,987,841

	Consolidated financial statements				
	2021 (Before restructuring)				
	Gen 1 Banking Services	Gen 2 Consumer & Digital Financial Services	Gen 3 Platforms & Digital Assets	Inter Transactions & others	Total
			(in million Baht)		
Loans to customers	2,299,071	5,002	2,281	(4,520)	2,301,834
Total assets	3,323,582	6,624	36,791	(52,432)	3,314,565
Total liabilities	2,874,485	4,743	12,648	(19,917)	2,871,959

SCB X Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

35 Financial position and results of operations classified by domestic and foreign business

35.1 Financial position classified by domestic and foreign business

	Consolidated financial statements					
	2022 (After restructuring)			2021 (Before restructuring)		
	Domestic business	Foreign business	Total	Domestic business	Foreign business	Total
	<i>(in million Baht)</i>					
Non - current assets *	87,400	139	87,539	81,232	173	81,405

* Include investments in subsidiaries, associates and joint venture - net, properties for sale - net, investment properties - net, premises and equipment - net and goodwill and other intangible assets - net.

	Separate financial statements		
	2022		
	Domestic business	Foreign business	Total
	<i>(in million Baht)</i>		
Non - current assets *	508,001	-	508,001

* Include investments in subsidiaries, associates and joint venture - net, properties for sale - net, investment properties - net, premises and equipment - net and goodwill and other intangible assets - net.

35.2 Results of operations classified by domestic and foreign business

For the year ended 31 December	Consolidated financial statements							
	2022 (After restructuring)				2021 (Before restructuring)			
	Domestic business	Foreign business	Elimination	Total	Domestic business	Foreign business	Elimination	Total
	<i>(in million Baht)</i>							
Total operating income	154,542	(113)	(9)	154,420	150,955	(565)	(48)	150,342
Total operating expenses	69,183	699	(8)	69,874	62,877	727	(48)	63,556
Profit (loss) before income tax expense	51,544	(825)	(1)	50,718	46,310	(1,548)	-	44,762
Income tax expense	13,549	43	-	13,592	9,295	81	-	9,376

For the year ended 31 December	Separate financial statements							
	2022				For the period from 15 September 2021 to 31 December 2021			
	Domestic business	Foreign business	Elimination	Total	Domestic business	Foreign business	Elimination	Total
	<i>(in million Baht)</i>							
Total operating income	65,436	-	-	65,436	-	-	-	-
Total operating expenses	900	-	-	900	9	-	-	9
Profit (loss) before income tax expense	64,411	-	-	64,411	(9)	-	-	(9)
Income tax expense	-	-	-	-	-	-	-	-

SCB X Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

36 Interest income

<i>For the year ended 31 December</i>	Consolidated financial statements		Separate financial statements
	2022 (After restructuring)	2021 (Before restructuring) <i>(in million Baht)</i>	2022
Interbank and money market items	3,978	2,611	25
Investments and trading transactions	487	492	-
Investments in debt instruments	4,383	2,003	22
Loans	106,671	94,976	54
Hire purchase	11,339	12,050	-
Others	135	45	-
Total	126,993	112,177	101

37 Interest expenses

<i>For the year ended 31 December</i>	Consolidated financial statements		Separate financial statements
	2022 (After restructuring)	2021 (Before restructuring) <i>(in million Baht)</i>	2022
Deposits	9,600	9,556	-
Interbank and money market items	1,405	816	154
Contributions to Deposit Protection Agency and Financial Institutions Development Fund	6,057	5,734	-
Debt issued	1,859	890	-
Others	206	10	-
Total	19,127	17,006	154

On 8 April 2020, BoT announced a reduction in rate of contribution from financial institutions to the Financial Institutions Development Fund (FIDF) from 0.46% of deposit base to 0.23% per annum temporarily for the year 2020 to 2021 which is retrospectively effective from 1 January 2020. On 19 August 2021, BoT extend the period of a reduction in rate of contribution from FIDF to end of the year 2022 which is effective from 1 January 2022.

SCB X Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

38 Net fee and service income

<i>For the year ended 31 December</i>	Consolidated financial statements	
	2022 (After restructuring) <i>(in million Baht)</i>	2021 (Before restructuring)
Fee and service income		
- ATM cards, Debit cards, Credit cards and other banking electronic	13,122	11,137
- Acceptances, avals and guarantees	1,448	1,523
- Insurance commission and bancassurance related income	13,615	13,332
- Fund management fee	5,302	7,026
- Domestic and foreign fund transfer	4,545	5,334
- Others	10,112	12,004
Total fee and service income	48,144	50,356
Fee and service expenses	(10,996)	(10,158)
Net fee and service income	37,148	40,198

39 Net gain (loss) on financial instruments measured at fair value through profit or loss

<i>For the year ended 31 December</i>	Consolidated financial statements		Separate financial statements
	2022 (After restructuring)	2021 (Before restructuring) <i>(in million Baht)</i>	2022
Gain (loss) on trading and foreign exchange transactions			
Foreign currencies and foreign exchange derivatives	5,635	7,284	-
Interest rate derivatives	(229)	(540)	-
Debt instruments	(516)	(590)	-
Equity instruments	33	239	-
Other derivatives	838	792	-
Total	5,761	7,185	-
Gain (loss) on others			
Derivatives held for risk management not designated in a hedge relationship			
- Foreign exchange derivatives	3,059	(889)	568
- Equity derivatives	-	13	-
- Interest rate derivatives	(639)	-	(639)
Debt instruments	(1,222)	563	-
Equity instruments	(290)	4,218	-
Total	908	3,905	(71)
Total net gain (loss) on financial instruments measured at fair value through profit or loss	6,669	11,090	(71)

SCB X Public Company Limited and its Subsidiaries**Notes to the financial statements****For the year ended 31 December 2022****40 Net gain on investments**

<i>For the year ended 31 December</i>	Consolidated financial statements	
	2022 (After restructuring) <i>(in million Baht)</i>	2021 (Before restructuring)
Net gain on sale of investment in debt instruments measured at FVOCI	5	146
Net gain on sale of investments in subsidiaries	50	-
Total	55	146

41 Other expenses

<i>For the year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022 (After restructuring)	2021 (Before restructuring) <i>(in million Baht)</i>	2022	For the period from 15 September 2021 to 31 December 2021
Marketing expenses	7,730	7,121	10	-
Other service fees	4,865	3,654	286	9
Amortisation of intangible assets	5,740	4,986	-	-
Others	4,135	3,217	44	-
Total	22,470	18,978	340	9

42 Expected credit loss

<i>For the year ended 31 December</i>	Consolidated financial statements		Separate financial statement
	2022 (After restructuring)	2021 (Before restructuring) <i>(in million Baht)</i>	2022
Expected credit loss			
- Interbank and money market items	(61)	58	-
- Investment in debt instruments measured at FVOCI	(2)	(23)	-
- Investment in debt instruments measured at AMC	66	(19)	-
- Loans to customers and accrued interest receivables*	32,889	37,788	125
- Loan commitments and financial guarantee contracts	666	908	-
Modification loss	271	3,312	-
Total	33,829	42,024	125

* Net of bad debts recovery

SCB X Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2022

43 Dividends

The dividends paid by the Company to the shareholders are as follows:

	Approval date	Payment schedule	Dividend rate per share (Baht)	Amount (in million Baht)
2022				
Interim dividend 2022	3 October 2022	3 November 2022	1.50	5,051
Total			1.50	5,051

44 Basic earnings (loss) per share

	Consolidated financial statements		Separate financial statements	
	2022 (After restructuring)	2021 (Before restructuring) (in thousand Baht / thousand shares)	2022	For the period from 15 September 2021 to 31 December 2021
<i>For the year ended 31 December</i>				
Profit (loss) attributable to common shareholders of the Company (basic)	37,546,011	35,589,987	64,411,180	(8,674)
Number of common and preferred shares outstanding (weighted-average)	3,376,865	3,399,193	2,343,138	1
Earnings (loss) per share (basic) (in Baht)	11.12	10.47	27.49	(8,674.00)

45 Financial Business Group restructuring plan

At the Extraordinary General Meeting of Shareholders of Siam Commercial Bank Public Company Limited (the “Bank”) held on 15 November 2021, the resolution approved Financial Business Group Restructuring Plan of the Bank and other related processes (the “Shareholding Restructuring Plan”).

The completed phases of the Shareholding Restructuring Plan

The Company made a tender offer for all of the Bank’s securities to the shareholders of the Bank by issuing and offering newly-issued ordinary shares of the Company in exchange for the Bank’s ordinary shares and preferred shares, at a swap ratio of 1 ordinary share of the Bank for 1 ordinary share of the Company, and 1 preferred share of the Bank for 1 ordinary share of the Company (at present, the Bank’s preferred shares have the same rights as the Bank’s ordinary shares). The tender offer period ended on 18 April 2022 and the shareholder of the Bank accepted the tender offer in the total number of 3,367,107,286 shares which was equivalent to 99.06% of the total issued and paid-up shares of the Bank. On 22 April 2022, the Company allocated 3,367,107,286 newly issued ordinary shares, at the par value of Baht 10 per share to shareholders of the Bank who accepted the tender offer. The Company, consequently, acquired the ordinary shares and preferred shares of the Bank in the total number of 3,367,107,286 shares, at the par value of Baht 10 per share from the shareholders of the Bank who accepted the tender offer as part of the share swap. The Company registered for the amendment of the paid-up capital with the Department of Business Development, Ministry of Commerce on the same day.

SCB X Public Company Limited and its Subsidiaries

Notes to the financial statements

For the year ended 31 December 2022

On 27 April 2022, the Company's ordinary shares are listed securities on the Stock Exchange of Thailand (the "SET"), in place of the securities of the Bank, which were delisted from the SET on the same day.

On 2 September 2022, the BoT gave its approval to the Bank to pay dividends from retained earnings of Baht 61,000 million to its shareholders and the Board of Directors meeting of the Bank held on 5 September 2022 approved the aforementioned dividend payments. The Company received a dividend in the amount proportional to its 99.06% stake and used a portion of the aforementioned dividends to purchase shares in subsidiaries and joint venture of the Bank and of SCB10X Co., Ltd., totalling 9 companies on 29 September 2022 and 1 company on 29 November 2022 in accordance with the Financial Business Group restructuring plan (see note 11).

On 9 December 2022, Card X Company Limited and Card X Asset Management Company Limited acquired the credit card and unsecured personal loan business of the Bank after obtains relevant approvals from the BoT. These transactions are between subsidiaries in the Group.

46 Events after the reporting period

On 9 January 2023, Card X Co., Ltd., the Company's subsidiary, registered the incorporation of a new joint venture company with Streetcorner Ecommerce Limited under the name Akulaku X Co., Ltd. with the Department of Business Development, the Ministry of Commerce with the initial registered capital of Baht 100,000. The key objective is to engage in a lending business in Thailand including a personal loan business under supervision (including a digital personal loan business) and a nano finance business under supervision, through digital channel by applying digital technology and alternative data. Akulaku X Co., Ltd. is a company under the Group which Card X Co., Ltd. hold 50% and +1 share of the total issued shares.

The Extraordinary General Meeting of Shareholders No. 1/2023 held on 19 January 2023 approve the issuance and offering for sale of fixed income securities amounting not in excess of Baht 100,000 million or any other currency in its equivalent.

On 30 January 2023, the Company had a capital increase to Monix Co., Ltd. of Bath 378 million through Serie A convertible preferred shares, which was approved by the Board of Director on 9 December 2022, resulting to the change of shareholding percentage from 57.53% to 57.01%. Though, such change has no impact on the control over the subsidiary.

Confirmation of Information Accuracy

We have reviewed all information disclosed in this Annual Report (Form 56-1 One Report) with due care. We confirm that the information disclosed herein is accurate and complete without any false or missing material information. Furthermore, we would like to confirm that:

1. The financial statements and the financial information summarized in the Annual Report accurately and completely present material information concerning the financial position, performance and cash flow of the Company and its subsidiaries.
2. It is our responsibility to arrange a sound information disclosure system, so as to ensure that we have accurately and completely disclosed material information of the Company and its subsidiaries, and supervised its compliance accordingly.

3. It is our responsibility to arrange a sound internal control system, and supervise its compliance accordingly. We have reported the internal control assessment as of December 31, 2022 to the Company's auditor and the Audit Committee. The report covers deficiencies and significant changes in the internal control system, as well as any misconduct that may affect the financial reporting of the Company and its subsidiaries.

As evidenced that this documentation is the same as that confirmed by us, we have assigned Ms. Aorapin Sinthawornkul, Head of Finance to sign every page of the document. Any page without Ms. Aorapin Sinthawornkul's signature is deemed unconfirmed information.

Authorized Person

Name	Position	Signature
Mr. Arthid Nanthawithaya	Chief Executive Officer	

Proxy

Name	Position	Signature
Ms. Aorapin Sinthawornkul	Head of Finance	

Company seal - None -

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Attachment

Attachment 1 Information of Directors, Executives, Chief Financial Officer and Company Secretary

Attachment 2 Information on Directors of Subsidiaries

Attachment 3 Information of the Head of Audit

Attachment 4 Corporate Governance Policies, Guidelines, Charter and Code of Conduct

Attachment 5 Audit Committee Report

Attachment 6 Report of Board Committees

Attachment 7 Report of Holdings of SCB Ordinary Shares
by SCBX Directors and Members of Senior Management

Attachment 1

Information of Directors, Executives, Chief Financial Officer and Company Secretary

Director Information (as of December 31, 2022)**1. Mr. Vichit Suraphongchai**

Age	77 years
Current position	<ul style="list-style-type: none"> - Chairman of the Board - Chairman of the Corporate Social Responsibility Committee
Date of appointment	15 September 2021
No. of years on the board	1 year and 3 months
Education	<ul style="list-style-type: none"> - B.Sc. (Engineering), Chulalongkorn University - M.Sc. (Engineering), University of California, Berkeley, U.S.A - M.B.A. (Management), Graduate School of Management, UCLA, U.S.A - Ph.D., Graduate School of Management, UCLA, U.S.A
Training program	<ul style="list-style-type: none"> - Role of the Chairman Program, Thai Institute of Directors Association - Cyber Security and Technology Risk, The Siam Commercial Bank PCL and PwC Thailand - Exclusive Workshop for SCB Boardroom: Vision-Driven Purpose, The Siam Commercial Bank PCL and Thai Institute of Directors Association
Experience	
1997-2017	Advisor, The Crown Property Bureau
1999-2017	Director, Kempinski AG
2006-2017	Director, CPB Equity Co., Ltd.
2016-2018	Member of Advisory Board, Centre for Asian Philanthropy and Society (CAPS)
1999-2019	Director and Chairman of the Executive Committee, The Siam Commercial Bank PCL
2016-2019	Board member, International Advisory Board, The Chubb Group of Companies
2009-2021	Chairman of the Board, X-Zell Biotec Co., Ltd.

Positions in listed companies	None
Positions in non-listed companies/entities	
1999-Present	Chairman of the Board and Chairman of the Corporate Social Responsibility Committee, The Siam Commercial Bank PCL
2015-Present	Chairman of the Executive Committee, Cycling Track Management Co., Ltd.
2019-Present	Advisor, The Crown Property Bureau
2019-Present	Chairman of the Board, Siam Commercial Foundation
2021-Present	Director, X-Zell Biotec Co., Ltd.
SCBX shareholding	
▪ Number of shares held by director	None
▪ Number of shares held by related persons	None
Family relationship with director and management	None

Remark: He does not hold any current position as chairman, or executive director, or authorized director, or any of the aforementioned positions in other companies exceeding three business groups.

2. Air Chief Marshal Satitpong Sukvimol

Age	73 years
Current position	- Director - Member of the Corporate Social Responsibility Committee
Date of appointment	15 September 2021
No. of years on the board	1 year and 3 months
Education	B.A. (Mass Communication), Chiang Mai University
Training program	- Flying Training School Class N. 54-16-3, Royal Thai Air Force - Squadron Officer School Class 43 - Air Command and Staff College Class 29 - Air War College Class 27 - Customer Experience and Value Creation, The Siam Commercial Bank PCL

Experience	
2017-2018	Private Secretary to His Majesty King Maha Vajiralongkorn / Grand Chamberlain, Bureau of the Royal Household
Positions in listed companies	
2018-Present	Chairman of the Board and Member of the CSR Committee for Sustainable Development, Siam Cement PCL
Positions in non-listed companies/entities	
2018-Present	Private Secretary to His Majesty King Maha Vajiralongkorn / Lord Chamberlain, Bureau of the Royal Household
2018-Present	Chairman and Director-General, The Crown Property Bureau
2018-Present	Trustee of H.M. Private Property, H.M. Private Property Office
2018-Present	President Courtier to His Majesty King Maha Vajiralongkorn
2018-Present	Chairman of CPB Equity Co. Ltd. and its groups of companies as being assigned
2018-Present	Director and Member of the Corporate Social Responsibility Committee, The Siam Commercial Bank PCL
2021-Present	Director, Siam Commercial Foundation
2022-Present	Director, Card X Co., Ltd.
2022-Present	Director, SCG Chemicals PCL
SCBX shareholding	
▪ Number of shares held by director	None
▪ Number of shares held by related persons	None
Family relationship with director and management	
None	

Remark: He does not hold any current position as chairman, or executive director, or authorized director, or any of the aforementioned positions in other companies exceeding three business groups.

3. Police Colonel Thumnithi Wanichthanom

Age	64 years
Current position	- Director - Member of the Executive Committee
Date of appointment	15 September 2021
No. of years on the board	1 year and 3 months
Education	- B.P.A., Royal Police Cadet Academy - M.P.A., Western Kentucky University, U.S.A
Training program	Customer Experience and Value Creation, The Siam Commercial Bank PCL
Experience 1997-2017	Deputy Chamberlain, Personal Affairs Division of His Royal Highness the Crown Prince, Bureau of the Royal Household
Positions in listed companies 2018-Present 2022-Present	Director and Member of the CSR Committee for Sustainable Development, Siam Cement PCL Director, SCG Packaging PCL
Positions in non-listed companies/entities 2017-Present 2017-Present 2018-Present 2018-Present 2018-Present 2019-Present 2022-Present 2022-Present	Grand Chamberlain, Bureau of the Royal Household Director, Office of Privy Purse, Bureau of the Royal Household Director and Deputy Director-General, The Crown Property Bureau Vice Chairman, CPB Equity Co., Ltd. and its groups of companies as being assigned Director and Member of the Corporate Social Responsibility Committee ^{1/} , The Siam Commercial Bank PCL Director, Siam Commercial Foundation Director, Alpha X Co., Ltd. Director, Auto X Co., Ltd.
SCBX shareholding ▪ Number of shares held by director ▪ Number of shares held by related persons	None None
Family relationship with director and management	None

Remark: He does not hold any current position as chairman, or executive director, or authorized director, or any of the aforementioned positions in other companies exceeding three business groups.

^{1/} He has been appointed as a member of the Executive Committee and has no longer served on the Corporate Social Responsibility Committee since 17 January 2023.

4. Mr. Apisak Tantivorawong

Age	69 years
Current position	<ul style="list-style-type: none"> - Independent Director - Chairman of the Executive Committee
Date of appointment	12 April 2022
No. of years on the board	8 months
Education	<ul style="list-style-type: none"> - Bachelor of Engineering (Chemical Engineering), Chulalongkorn University - Master of Business Administration (M.B.A.) (Industrial Management), University of Tennessee, U.S.A.
Training program	Director Certification Program, Thai Institute of Directors Association
Experience	
2004-2012	President, Krung Thai Bank PCL
2007-2015	Independent Director, Thai Oil PCL
2013-2015	Independent Director, Bangkok Glass PCL
2013-2015	Independent Director, Synnex (Thailand) PCL
2013-2015	Independent Director, Indorama Ventures PCL
2013-2015	Chairman, Quality Houses PCL
2014-2015	Vice Chairman, Investment Committee, Charoen Pokphand Group Co., Ltd.
2014-2015	Director, The Siam Commercial Bank PCL
2015-2019	Minister, Ministry of Finance
Positions in listed companies	
2020-Present	Independent Director and Chairman of the Audit Committee, PTT Global Chemical PCL
2021-Present	Chairman of the Board of Directors and Independent Director, S Hotels and Resorts PCL
2022-Present	Chairman of the Board of Directors and Independent Director, T.K.S. Technologies PCL
Positions in non-listed companies/entities	
2019-Present	Advisor, Chulavadhana Co., Ltd.
2021-Present	Honorable Committee Members, Chulabhorn Royal Academy Council

SCBX shareholding

- Number of shares held by director None
- Number of shares held by related persons None

Family relationship with director and management

None

Remark: He does not hold any current position as chairman, or executive director, or authorized director, or any of the aforementioned positions in other companies exceeding three business groups.

5. Mr. Prasan Chuaphanich

Age	70 years
Current position	<ul style="list-style-type: none"> - Director - Chairman of the Risk Oversight Committee - Member of the Technology Committee
Date of appointment	15 September 2021
No. of years on the board	1 year and 3 months
Education	<ul style="list-style-type: none"> - B.Acc. (2nd Class Hons.), Chulalongkorn University - Diploma in Auditing, Chulalongkorn University - Honorary Doctorate (Accounting), Kasem Bundit University - ASEAN Chartered Professional Accountant - Certified Public Accountant - Executive Management Program, Ivey School of Business, University of Western Ontario, Canada - Leading Professional Services Firms, Harvard Business School, U.S.A
Training program	<ul style="list-style-type: none"> - Director Certification Program, Thai Institute of Directors Association - Financial Institutions Governance Program, Thai Institute of Directors Association - Board Matters and Trends, Thai Institute of Directors Association - Australian Governance Summit 2019, Thai Institute of Directors Association - Cyber Security and Technology Risk, The Siam Commercial Bank PCL and PwC Thailand - Cyber Resilience for Directors of Financial Institutions, Bank of Thailand - National Director Conference 2019, Thai Institute of Directors Association

- Bangkok Sustainable Banking Forum 2019, Bank of Thailand
- Bank's Preparations for Compliance with Personal Data Protection Act (PDPA) and Cyber Security Act, Baker & McKenzie and PwC Thailand
- Board Nomination and Compensation Program, Thai Institute of Directors Association
- Director Leadership Certification Program, Thai Institute of Directors Association
- National Director Conference 2021, Thai Institute of Directors Association
- Cyber Armor: Capital Market Board Awareness about Capital Market Threat Landscape, Securities and Exchange Commission
- Cyber Resilience Leadership 2022, Bank of Thailand

Experience

2012-2017	Expert Committee Member, General Insurance Fund, Ministry of Finance
2014-2017	President, Federation of Accounting Professions under the Royal Patronage of His Majesty the King
2014-2017	Member, Advisory Committee on Corporate Governance and Policy, Thai Institute of Directors Association
2015-2017	Director and Chairman of the Audit Committee, Thai Institute of Directors Association
2016-2019	Independent Director and Chairman of the Audit Committee, PTT Global Chemical PCL
2014-2020	Commission Member by Expertise (Accounting) and Chairman of the Audit Committee, Office of Insurance Commission
2013-2021	Independent Director, Member of the Audit Committee and Chairman of the Nomination and Remuneration Committee, Thai Solar Energy PCL
2016-2021	Commissioner, OIC Advanced Insurance Institute
2017-2021	Chairman, Thai Institute of Directors Association
2017-2021	Council Member, Thailand's Private Sector Collective Action Coalition against Corruption Council
2017-2021	Independent Director, Member of the Audit and Risk Committee and Chairman of the Sustainable Development Committee, Advanced Info Service PCL
2017-2021	Independent Director, Advanced Wireless Network Co., Ltd.
2016-2022	Member of the Mahidol University Internal Audit Committee, Mahidol University Council
2019-2022	Commissioner (Accounting), Securities and Exchange Commission

Positions in listed companies

2019-Present	Independent Director and Chairman of the Audit Committee, Kerry Express (Thailand) PCL
2022-Present	Independent Director and Chairman of the Audit Committee, Singha Estate PCL

Positions in non-listed companies/entities

2013-Present	Director, Chairman of the Executive Committee and Member of the Technology Committee, The Siam Commercial Bank PCL
2014-Present	Expert Member on Accounting, Dumping and Subsidies Committee under the Ministry of Commerce
2015-Present	Member of the Finance and Property Management Committee, King Mongkut's University of Technology Thonburi
2017-Present	Expert Member on Accounting, Public Sector Audit and Evaluation Committee
2017-Present	Chairman, Audit Advisory Panel, Advisory Committee for Fund Raising and Listed Company Oversight, Securities and Exchange Commission
2018-Present	Member, State Enterprise Director List Committee, Ministry of Finance
2018-Present	Member, State Enterprise Board Screening Committee under the Board of State Enterprise Policy Office
2018-Present	Expert Member, Board of Directors, Thailand Arbitration Center, Ministry of Justice
2020-Present	Director, State Enterprise Policy Office
2020-Present	Member, Efficiency and Performance Evaluation Steering Committee, National Research Council of Thailand
2020-Present	Expert Member, Public Organization Development and Promotion Committee
2020-Present	Member, Advisory Council to the Prime Minister, Office of the Prime Minister
2020-Present	Expert Member, Life Insurance Fund Management Committee, Ministry of Finance
2021-Present	Honorary Chairman and Advisor to the Board, Thai Institute of Directors Association
2022-Present	Expert Member (Accounting), Public Sector Audit and Evaluation Committee, Office of the Public Sector Development Commission
2022-Present	Chairman of the Board, Auto X Co., Ltd.
2022-Present	Director, SCB DataX Co., Ltd.

SCBX shareholding

- Number of shares held by director None
- Number of shares held by related persons 2,000 Shares (equivalent to 0.0001%)

Family relationship with director and management

None

Remark: He does not hold any current position as chairman, or executive director, or authorized director, or any of the aforementioned positions in other companies exceeding three business groups.

6. Mr. Kan Trakulhoon

Age	67 years
Current position	<ul style="list-style-type: none"> - Independent Director - Chairman of the Nomination, Compensation and Corporate Governance Committee - Member of the Executive Committee
Date of appointment	15 September 2021
No. of years on the board	1 year and 3 months
Education	<ul style="list-style-type: none"> - B.Eng. (Electrical Engineering) (1st Class Hons.), Chulalongkorn University - M.S. (Engineering), Georgia Institute of Technology, U.S.A - M.S. (Management), Georgia Institute of Technology, U.S.A - Honorary Doctorate (Engineering), Chulalongkorn University - Honorary Doctorate (Production Engineering), Mahasarakham University - Advanced Management Program, Harvard University, U.S.A
Training program	<ul style="list-style-type: none"> - Director Certification Program, Thai Institute of Directors Association - Exponential Manufacturing Thailand 2019, Singularity University, U.S.A - Cyber Resilience for Directors of Financial Institutions, Bank of Thailand - Exclusive Workshop for SCB Boardroom: Vision-Driven Purpose, The Siam Commercial Bank PCL and Thai Institute of Directors Association - Bangkok Sustainable Banking Forum 2019, Bank of Thailand - Bank's Preparations for Compliance with Personal Data Protection Act (PDPA) and Cyber Security Act, Baker & McKenzie and PwC Thailand - Cyber Resilience Leadership: Herd Immunity, Bank of Thailand in collaboration with the Securities and Exchange Commission and Office of Insurance Commission - National Director Conference 2021: Leadership Behind Closed Door, Thai Institute of Directors Association - BOT Digital Finance Conference 2022, Bank of Thailand
Experience	
2011-2018	Global Advisor, Kubota Corporation (Japan)
2014-2018	Member, National Competitiveness Development Committee
2015-2018	Member, National Intellectual Property Policy Committee
2015-2018	Member of the Advisory Board, Nomura Holding Inc.
2016-2018	Member, Governing Committee of Food Innopolis

2016-2018	Member, Committee for Screening Projects according to Regional Development Plan for the Strengthening and Sustainability of the Local Economy
2017-2018	Advisor, Strategic National Administration Committee
2017-2018	Member, Eastern Economic Corridor Policy Committee
2017-2018	Member, National Research and Innovation Policy Council
2017-2018	Member, Super Board on Procurement
2017-2018	Member, Committee on National Strategy Preparation for Thailand 4.0
2017-2018	Member, National Reform Committee on State Administration
2017-2018	Advisor, Subcommittee on Industrial and Digital Innovation Promotion
2017-2018	Subcommittee on Screening Projects according to the Regional Development Plan for the Strengthening and Sustainability of the Local Economy (Fiscal Year 2018)
2015-2019	Head of Private Sector for Public-Private Partnership Committee on Innovation and Digitalization
2015-2019	Head of Private Sector for Public-Private Partnership Committee on Legal Reform and Public Sector System Improvement
2015-2019	Member, Public-Private Partnership Committee on Educational Reform and Leadership Development
2015-2019	Member, Executive Board, Chulalongkorn Hospital
2017-2019	Member, Executive Board, Queen Savang Vadhana Memorial Hospital
2018-2019	Advisor to the Executive Board on Driving Value-Based Economy Towards Thailand 4.0 Policy through Innovation Hub
2017-2021	Independent Director, Chairman of the Leadership Development and Compensation Committee, Member of the Nomination and Governance Committee, Member of the Strategic and Organizational Review Committee, and Member of the Corporate Social Responsibility Committee for Sustainable Development, Intouch Holdings PCL
2020-2022	Member, National Reform Committee on State Administration
Positions in listed companies	
2006-Present	Director and Member of CSR Committee for Sustainable Development, Siam Cement PCL
2016-Present	Independent Director, Chairman of the Board, Chairman of the Leadership Development and Compensation Committee and Chairman of Sustainable Development Committee, Advanced Info Service PCL
2017-Present	Independent Director, Bangkok Dusit Medical Services PCL
2021-Present	Chairman of the Board and Independent Director, Intouch Holdings PCL

Positions in non-listed companies/entities

2013-Present	Advisor, Federation of Thai Industries
2013-Present	Honorary Advisor, Environmental Engineering Association of Thailand
2013-Present	Advisor to the Executive Committee, Mahidol University Foundation
2013-Present	Executive Board Member, Engineering Division of the Anandamahidol Foundation
2013-Present	Member, Advisory Board, Sasin Graduate Institute of Business Administration
2015-Present	Director, Advanced Wireless Network Co., Ltd.
2016-Present	Independent Director, Chairman of the Nomination, Compensation and Corporate Governance Committee, The Siam Commercial Bank PCL
2017-Present	Member, National Strategy Committee
2018-Present	Honorary Advisor, Eastern Economic Corridor Policy Committee
2019-Present	Honorary Advisor, Committee on Policy Framework, Strategy and Roadmap Drafting and Budgeting Framework Drafting for Science, Research and Innovation Initiatives, Office of National Higher Education, Science, Research and Innovation Policy Council
2019-Present	Chairman, Committee on Performance Evaluation of Secretary-General of Eastern Economic Corridor Policy Office
2019-Present	Advisor, Steering Committee on Higher Education, Science, Research and Innovation Reform
2019-Present	Member, Executive Board for Medical Services, Thai Red Cross Society
2019-Present	Chairman, Thailand Science, Research and Innovation Monitoring and Evaluation Committee
2020-Present	Director, State Enterprise Policy Office
2020-Present	Director, SCB 10X Co., Ltd.
2020-Present	Member (Science and Technology), Council of Experts, Office of National Higher Education, Science, Research and Innovation Policy Council
2020-Present	Member, Cluster Promoting Committee on Innovation Ecosystem and Statutory and Regulatory Development

SCBX shareholding

- Number of shares held by director None
 - Number of shares held by related persons None
-

Family relationship with director and management

None

Remark: He does not hold any current position as chairman, or executive director, or authorized director, or any of the aforementioned positions in other companies exceeding three business groups.

7. Mr. Pailin Chuchottaworn

Age	66 years
Current position	<ul style="list-style-type: none"> - Independent Director - Chairman of the Technology Committee - Member of the Executive Committee
Date of appointment	15 September 2021
No. of years on the board	1 year and 3 months
Education	<ul style="list-style-type: none"> - B.A. (Engineering), Chulalongkorn University - M.A. (Engineering), Tokyo Institute of Technology, Japan - Ph.D. (Engineering), Tokyo Institute of Technology, Japan
Training program	<ul style="list-style-type: none"> - Director Certification Program, Thai Institute of Directors Association - Finance for Non-finance Director, Thai Institute of Directors Association - Advanced Leadership Program, Capital Market Academy - Diploma, National Defence College, The Joint State - Private Sector Course - Corporate Governance for Directors and Senior Executives of State Enterprises and Public Organizations, King Prajadhipok's Institute - Anti-corruption Training, Thai Institute of Directors Association - Boards that Make a Difference, Thai Institute of Directors Association - IOD Chartered Director, Thai Institute of Directors Association - Bank's Preparations for Compliance with Personal Data Protection Act (PDPA) and Cyber Security Act, Baker & McKenzie and PwC Thailand - Cyber Resilience Leadership: Tone from the Top 2020, Bank of Thailand in collaboration with Securities and Exchange Commission and Office of Insurance Commission - National Director Conference 2022, "Wisdom for Future: Harmonizing the diverse boards", Thai Institute of Directors Association
Experience	
2011-2013	Director, National Science and Technology Development Agency (NSTDA)
2013-2014	Director, PTT Global Chemical PCL
2009-2015	Director, Petroleum Institute of Thailand
2009-2015	Director, Thailand Business Council for Sustainable Development, Thailand Environment Institute
2010-2015	Advisor, Technology Promotion Association (Thailand-Japan)
2010-2015	Advisor, Chulalongkorn University Engineering Alumni Association
2011-2015	Director, PTT Exploration and Production PCL
2011-2015	Director, Thai Institute of Directors
2011-2015	Vice President, Chulalongkorn University Engineering Alumni Association
2011-2015	President and Chief Executive Officer, PTT PCL
2014-2015	Chairman of the Board of Directors, IRPC PCL
2014-2015	Director, Promote Cooperation in Social Committee, Princess Maha Chakri Award

2014-2015	Advisor, Alternative Energy Institute of Thailand Foundation
2012-2017	Expert Member, Mahidol University Council, Mahidol University
2015-2017	Advisor, Sasin Graduate Institute of Business Administration
2015-2017	Chairman of VISTEC Council and Chairman of the Executive Committee, Vidyasirimedhi Institute of Science and Technology (VISTEC)
2015-2017	Chairman of the Board of Governors, Kamnoetvidya Science Academy
2015-2017	Director, Thai Institute of Directors
2016-2017	Expert Member, National Research Council of Thailand
2016-2017	Director, Faculty of Economics, Thammasat University
2016-2017	Director, Bangkok Bank PCL
2016-2017	Expert Member, Public Organization Development and Promotion Committee
2016-2017	Expert Member, Board of Commissioners, Securities and Exchange Commission
2017	Commissioner, Board of Commissioners, Digital Economy Promotion Agency
2017	Director, Power of Innovation Foundation
2017	Director, Power of Learning Foundation
2017	Member, Kasetsart University Council, Kasetsart University
2017	Member, Independent Committee for Education Reform
2017	Expert Member, Board of Directors, Ministry of Digital Economy and Society
2017	Expert Member, Committee on Education Management Development Collaboration with High-Potential Foreign Higher Education Institutions
2017-2019	Deputy Minister, Ministry of Transport
2019-2020	Advisor to the Prime Minister, Office of the Prime Minister
2020	Independent Director, Thai Airways International PCL
2020-2021	Independent Director and Chairman of the Risk Management Committee, PTT PCL
2020-2021	Director, Oman Oil Company S.A.O.C. in Oman
2019-2022	Independent Director, Member of the Executive Committee, Member of the Technology Committee, The Siam Commercial Bank PCL
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Positions in listed companies	
2019-Present	Chairman of the Board of Directors, Global Power Synergy PCL
2021-Present	Independent Director, Thai Oil PCL
2022-Present	Chairman of the Risk Management Committee, Thai Oil PCL

Positions in non-listed companies/entities

2019-Present	Chairman of the Board of Governors, Kamnoetvidya Science Academy
2019-Present	Chairman, VISTEC Council, Vidyasirimedhi Institute of Science and Technology (VISTEC)
2020-Present	Director, SCB 10X Co., Ltd.
2020-Present	Chairman of the Economic Situation Management Committee From the epidemiological result of the Coronavirus Disease 2019 (Covid-19)
2020-Present	Expert Member, Executive Board, Office of National Higher Education Science Research and Innovation Policy Council
2020-Present	Member, Advisory Council to the Prime Minister, Office of the Prime Minister
2020-Present	Member, Board of Investment
2020-Present	Director of National Electric Vehicle Policy Committee Ministry of Energy
2020-Present	Advisory Board, Devawongse Varopakarn Institute of Foreign Affairs
2021-Present	Chairman of the Board, SCB Tech X Co., Ltd
2021-Present	Chairman of the Board, VISUP Co., Ltd
2022-Present	Chairman of the Board, VISAI AI Co., Ltd
2022-Present	Expert Member of Public Sector Audit Evaluation Committee, Office of the Public Sector Development Commission
2022-Present	Chairman of the Board, SCB DataX Co., Ltd

SCBX shareholding

- Number of shares held by director None
 - Number of shares held by related persons None
-

Family relationship with director and management

None

Remark: He does not hold any current position as chairman, or executive director, or authorized director, or any of the aforementioned positions in other companies exceeding three business groups.

8. Mr. Winid Silamongkol

Age	64 years
Current position	<ul style="list-style-type: none"> - Independent Director - Chairman of the Audit Committee
Date of appointment	12 April 2022
No. of years on the board	8 months
Education	<ul style="list-style-type: none"> - Bachelor of Laws, Thammasat University - Bachelor of Accounting, Thammasat University - Master of Accounting, Thammasat University
Training program	- Director Certification Program, Thai Institute of Directors Association
Experience	
1993-2015	Director, KPMG Phoomchai Audit Limited
2016-2019	Chairman of the Board of Directors and Chief Executive Officer, KPMG Phoomchai Audit Limited
2021-2022	Independent Director and Chairman of the Audit Committee, Dusit Thani PCL
2022-2021	Independent Director and Chairman of the Audit Committee, Thaicom PCL
Positions in listed companies	
2021-Present	Independent Director and Chairman of the Board of Directors, Alla PCL
2021-Present	Independent Director, Chairman of the Audit and Risk Management, SCG Chemicals PCL
2021-Present	Independent Director, Chairman of the Audit Committee, Betagro PCL
2022-Present	Independent Director, Chairman of the Audit and Corporate Governance Committee, Central Pattana PCL
Positions in non-listed companies/entities	
2018-Present	Honorary Members, Thammasat University
2020-Present	Director and Chairman of the Auditing Profession Committee, Federation of Accounting Professions under The Royal Patronage of His Majesty the King

SCBX shareholding

- Number of shares held by director 26,000 Shares (equivalent to 0.0008%)
- Number of shares held by related persons None

Family relationship with director and management

None

Remark: He does not hold any current position as chairman, or executive director, or authorized director, or any of the aforementioned positions in other companies exceeding three business groups.

9. Mr. Thaweesak Koanantakool**Age**

69 years

Current position

- Independent Director
- Member of the Technology Committee
- Member of the Nomination, Compensation and Corporate Governance Committee

Date of appointment

15 September 2021

No. of years on the board

1 year and 3 months

Education

- B.Sc. (Electrical Engineering), Imperial College, University of London, U.K.
- Ph.D. (Electrical Engineering), Imperial College, University of London, U.K.

Training program

- Role of the Chairman Program, Thai Institute of Directors Association
- Director Certification Program, Thai Institute of Directors Association
- Cyber Security and Technology Risk, The Siam Commercial Bank PCL and PwC Thailand
- Cyber Resilience for Directors of Financial Institutions, Bank of Thailand
- Collaboration for the Future of Finance, Bank of Thailand
- National Director Conference 2019, Thai Institute of Directors Association
- Bangkok Sustainable Banking Forum 2019, Bank of Thailand
- Bank's Preparations for Compliance with Personal Data Protection Act (PDPA) and Cyber Security Act, Baker & McKenzie and PwC Thailand
- Cyber Resilience Leadership: Tone from the Top 2020, Bank of Thailand in collaboration with Securities and Exchange Commission and Office of Insurance Commission

- e-Factoring Workshop, Bank of Thailand
- Advanced Management Program, Harvard Business School
- Cyber Armor: Capital Market Board Awareness about Cybersecurity and Intelligence Threats Assessment, Securities and Exchange Commission
- BOT Digital Finance Conference 2022, Bank of Thailand

Experience

2002-2017	Vice Chairman, Member of the Executive Committee and Member of the Risk Management Committee, Internet Thailand PCL
2008-2017	Chairman of the Board, T-Net Co., Ltd.
2015-2017	Member, National Reform Steering Assembly
2016-2018	Expert Member, Khon Kaen University Council
2003-2019	Director, Internet Foundation for the Development of Thailand
2018-2019	Advisor to Chairman of the Board, Internet Thailand PCL
2017-2022	Expert Member on Information Technology, Public Sector Audit and Evaluation Committee
2017-2022	Member, National Economic Reform Committee, National Economic and Social Development Council
2019-2022	Director, InnoSpace Co., Ltd.
2019-2022	Chairman of the Mahidol University Internal Audit Committee, Mahidol University
2020-2022	Chairman of Ad-Hoc Subcommittee No. 1, Public Sector Audit and Evaluation Committee
2020-2022	Senior advisor to the President, National Science and Technology Development Agency

Positions in listed companies

2019-Present	Chairman of the Board, Internet Thailand PCL
2021-Present	Director, Member of the Audit Committee and Chairman of the Corporate Governance and Sustainable Development Committee, Betagro PCL

Positions in non-listed companies/entities

2016-Present	Expert Member of Mahidol University Council, Mahidol University
2016-Present	Director and Deputy Secretary General, Information Technology Projects Under the Initiative of H.R.H. Princess Maha Chakri Sirindhorn Foundation
2016-Present	Independent Director, Chairman of the Technology Committee, Member of the Nomination, Compensation and Corporate Governance Committee, The Siam Commercial Bank PCL

2017-Present	Member, National Economic and Social Development Council
2017-Present	Chairman, Ratanarajasuda Information Technology Award Foundation
2018-Present	Director and Member of the State Enterprise Board Screening Committee, Board of State Enterprise Policy Office
2019-Present	Chairman, Public Administration and Security System Re-Balancing and Development Committee, National Economic and Social Development Council
2019-Present	Council Member, Chitralada Technology Institute
2019-Present	Chairman of the Board, Thailand Institute of Nuclear Technology
2021-Present	Director (without management authority) and Member of the Audit Committee, InnovestX Securities Co., Ltd.
2021-Present	Member, Subcommittee on Evaluation of Outcomes and Impact of Promotion of Public Participation in Anti-Corruption Efforts
2021-Present	Honorary Member, Prince of Songkla University Council
2022-Present	Director, Card X Co., Ltd.
2022-Present	Director, SCB DataX Co., Ltd.

SCBX shareholding

- Number of shares held by director None
- Number of shares held by related persons None

Family relationship with director and management

None

Remark: He does not hold any current position as chairman, or executive director, or authorized director, or any of the aforementioned positions in other companies exceeding three business groups.

10. Mr. Weerawong Chittmittrapap

Age	64 years
Current position	<ul style="list-style-type: none"> - Director - Member of the Nomination, Compensation and Corporate Governance Committee
Date of appointment	15 September 2021
No. of years on the board	1 year and 3 months
Education	<ul style="list-style-type: none"> - LL.B., Chulalongkorn University - LL.M., University of Pennsylvania Law School, U.S.A. - Barrister-at-Law, Thai Bar Association - Barrister-at-Law, New York Bar Association
Training program	<ul style="list-style-type: none"> - Director Certification Program, Thai Institute of Directors Association - Advanced Leadership Program, Capital Market Academy - Exclusive Workshop for SCB Boardroom: Vision-Driven Purpose, The Siam Commercial Bank PCL and Thai Institute of Directors Association
Experience	
2009-2013	Independent Director, Nok Airlines PCL
2011-2013	Independent Director and Member of the Audit Committee, Minor International PCL
1996-2014	Director, WC&P Holding Company Limited
1996-2014	Chairman of the Board, Weerawong, Chinnavat & Peangpanor Company Limited
2006-2014	Independent Director and Member of the Audit Committee, GMM Grammy PCL
2009-2014	Chairman of the Audit Committee, Thai Airways International PCL
2009-2014	Independent Director and Member of the Audit Committee, Golden Land Property Development PCL
2013-2014	Independent Director, Frasers and Neave Limited (Singapore)
2008-2017	Director, National Power Supply PCL
2014-2017	Chairman of the Audit Committee, Thai Airways International PCL
2015-2017	Director, Thai Listed Companies Association
2006-2019	Director, Pitchayarat Company Limited
2005-2020	Director, Punnakhate Company Limited
2011-2020	Independent Director and Chairman of the Nomination, Compensation and Corporate Governance Committee, SCB Life Assurance PCL

2004-2021	Director, Sarasinee Co., Ltd.
2014-2022	Director and Member of the Nomination, Compensation and Corporate Governance Committee, The Siam Commercial Bank PCL
2021-2022	Director, Jouet D Art Company Limited
2013-2022	Independent Director, Frasers Property Limited (Singapore)
Positions in listed companies	
2011-Present	Independent Director, Berli Jucker PCL
2015-Present	Independent Director and Member of the Audit Committee, Bangkok Dusit Medical Services PCL
2018-Present	Independent Director and Member of the Corporate Governance Committee, Asset World Corp PCL
Positions in non-listed companies/entities	
2010-Present	Authorized Director, Yaksa Co., Ltd.
2016-Present	Independent Director, Big C Supercenter PCL
2022-Present	Director, Card X Co. Ltd.
2022-Present	Independent Director, BJC Logistics and Warehouse Company Limited
SCBX shareholding	
▪ Number of shares held by director	None
▪ Number of shares held by related persons	None
Family relationship with director and management	
	None

Remark: He does not hold any current position as chairman, or executive director, or authorized director, or any of the aforementioned positions in other companies exceeding three business groups.

11. Miss Jareeporn Jarukornsakul

Age	55 years
Current position	<ul style="list-style-type: none"> - Director - Member of the Technology Committee - Member of the Corporate Social Responsibility Committee
Date of appointment	15 September 2021
No. of years on the board	1 year and 3 months
Education	<ul style="list-style-type: none"> - B.A. (Health Science), Mahidol University - M.B.A., Bangkok University - Honorary Doctorate (Logistics and Supply Chain Management), Christian University - Honorary Doctorate (Business Administration), Western University - Doctor of Philosophy, honoris causa (Occupational Health and Safety), Mahidol University - Honorary Doctorate Degree of Arts in Entrepreneurship, Bangkok University
Training program	<ul style="list-style-type: none"> - Diploma, National Defence College, The National Defence Course - Energy Science Leadership Program, Thailand Energy Academy - Corporate Governance for Capital Market Intermediaries, Thai Institute of Directors Association - Executive Program for Senior Justice, National Justice Academy, Court of Justice - Director Accreditation Program, Thai Institute of Directors Association - Advanced Leadership Program, Capital Market Academy - Director Certification Program, Thai Institute of Directors Association - Bank's Preparations for Compliance with Personal Data Protection Act (PDPA) and Cyber Security Act, Baker & McKenzie and PwC Thailand - Cyber Resilience Leadership: Tone from the Top 2020, Bank of Thailand in collaboration with Securities and Exchange Commission and Office of Insurance Commission - Cyber Armor: Capital Market Board Awareness "Cybersecurity and Intelligence Threats Assessment", Securities and Exchange Commission - Role of the Chairman Program, Thai Institute of Directors Association

Experience

2015-2019	Director, Houay Ho Thai Co., Ltd.
2016-2019	Director, Genesis Data Center Co., Ltd.
2018-2019	Director, Gheco-One Co., Ltd.
2018-2019	Director, Supernap (Thailand) Co., Ltd.
2013-2020	Director, WHA Gunkul Green Solar Roof 1 Co., Ltd.
2013-2020	Director, WHA Gunkul Green Solar Roof 3 Co., Ltd.
2013-2020	Director, WHA Gunkul Green Solar Roof 6 Co., Ltd.
2013-2020	Director, WHA Gunkul Green Solar Roof 17 Co., Ltd.
2015-2020	Director, B. Grimm Power (WHA) 1 Co., Ltd.
2015-2020	Director, WHA Industrial Development International Co., Ltd.
2015-2020	Director, Gulf VTP Co., Ltd.
2015-2020	Director, Gulf TS4 Co., Ltd.
2015-2020	Director, Gulf Solar BV Co., Ltd.
2015-2020	Director, Gulf Solar KKS Co., Ltd.
2015-2020	Director, Gulf WHA MT Natural Gas Distribution Co., Ltd.
2015-2020	Director, Gulf NLL2 Co., Ltd.
2015-2020	Director, Gulf TS2 Co., Ltd.
2015-2020	Director, WHA International (Indonesia) Co., Ltd.
2016-2020	Director, WHA Eastern Seaboard NGD2 Co., Ltd.
2017-2020	Director, WHA Eastern Seaboard NGD4 Co., Ltd.
2018-2020	Chairman of the Board of Directors, Glow Hemaraj Wind Co., Ltd.
2018-2020	Chairman of the Board of Directors, Rayong Clean Energy Co., Ltd.
2018-2020	Director, Gulf JP NLL Co., Ltd.
2018-2020	Director, Gulf TS1 Co., Ltd.
2018-2020	Director, Gulf TS3 Co., Ltd.
2018-2020	Director, Gulf Solar Co., Ltd.
2018-2020	Director, Gulf Solar TS1 Co., Ltd.
2018-2020	Director, Gulf Solar TS2 Co., Ltd.
2018-2020	Director, WHA Corporation (Hong Kong) Co., Ltd.
2019-2020	Director, Duong River Surface Water Plant Joint Stock Company (Vietnam)
2018-2021	Chairman of the Board of Directors, Chonburi Clean Energy Co., Ltd.

2018-2021	Chairman of the Board of Directors, Eastern Seaboard Clean Energy Co., Ltd.
2019-2021	Director, WHA-JD Alliance Co., Ltd.
2019-2022	Director and Member of the Technology Committee and Member of the Corporate Social Responsibility Committee, The Siam Commercial Bank PCL
2020-2022	Director, WHA TUS Co., Ltd.

Positions in listed companies

2018-Present	Chairman of the Board of Directors, Chairman of the Executive Committee, Group Chief Executive Officer, Member of the Risk Management Committee, Member of Nomination and Remuneration Committee, Corporate Governance and Sustainable Development Committee, WHA Corporation PCL
2018-Present	Chairman of the Board of Directors, Chairman of the Executive Committee, Chairman of the Risk Management Committee, Director of Nomination and Remuneration Committee, WHA Utilities and Power PLC
2022-Present	Independent Director and Member of Governance and Nomination Committee, Siam Cement PCL

Positions in non-listed companies/entities

1993-Present	Director, S and J Holding Co., Ltd.
2003-Present	Director, WHA Alliance Co., Ltd.
2006-Present	Director, Warehouse Asia Alliance Co., Ltd.
2012-Present	Director, WHA Holding Co., Ltd.
2013-Present	Chairman of the Board of Directors, WHA KPN Alliance Co., Ltd.
2015-Present	Director, WHA Venture Holding Co., Ltd.
2015-Present	Director, WHA Eastern Industrial Estate Co., Ltd.
2015-Present	Vice Chairman of the Board of Directors, Eastern Seaboard Industrial Estate (Rayong) Co., Ltd.
2015-Present	Director, WHA Eastern Seaboard Industrial Estate Co., Ltd.
2015-Present	Director, WHA Saraburi Industrial Land Co., Ltd.
2015-Present	Director, WHA Rayong Industrial Land Co., Ltd.
2015-Present	Director, WHA Eastern Pipeline Services Co., Ltd.
2015-Present	Director, WHA Industrial Development International (BVI) Pte. Ltd.
2015-Present	Director, WHA Industrial Development Engineering Co., Ltd.
2015-Present	Director, The Park Residence Co., Ltd.

2015-Present	Director, WHA Industrial Development International (SG) Pte. Ltd.
2015-Present	Director, WHA Rayong 36 Co., Ltd.
2015-Present	Director, Eastern Seaboard Property and Marina Services Co., Ltd.
2015-Present	Director, WHA Eastern Seaboard Industrial Estate 4 Co., Ltd.
2015-Present	Director, WHA Connect Co., Ltd.
2015-Present	Chairman of the Board of Directors, WHA Water Co., Ltd.
2015-Present	Chairman of the Board of Directors, WHA Energy Co., Ltd.
2015-Present	Chairman of the Board of Directors, WHA Energy 2 Co., Ltd.
2016-Present	Director, Central WHA Alliance Co., Ltd.
2016-Present	Chairman of the Board of Directors, WHA Daiwa Logistics Property Co., Ltd.
2016-Present	Director, WHA Industrial Development International Co., Ltd.
2016-Present	Director, WHA Industrial Development (SG) Co., Ltd.
2016-Present	Chairman of the Board of Directors, WHA Industrial Zone Nghe An Joint Stock Company
2017-Present	Director, WHA Industrial Management Services Vietnam Co., Ltd.
2017-Present	Chairman of the Board of Directors, WHAUP Company International Co., Ltd.
2017-Present	Chairman of the Board of Directors, WHAUP (SG) 1 Pte. Ltd.
2017-Present	Chairman of the Board of Directors, WHAUP (SG) 2 Pte. Ltd.
2018-Present	Chairman of the Board of Directors, Chairman of the Executive Committee, WHA Industrial Development PLC
2018-Present	Chairman of the Board of Directors, WHA Industrial Estate Rayong Co., Ltd.
2018-Present	Chairman of the Board of Directors, WHA Industrial REIT Management Co., Ltd.
2018-Present	Chairman of the Board of Directors, WHAUP Nghe An Joint Stock Company
2018-Present	Chairman of the Board of Directors, WHA Solar Co., Ltd.
2019-Present	Chairman of the Board of Directors, WHA Real Estate Management Co., Ltd.
2019-Present	Chairman of the Board of Directors, WHAUP (SG) 2DR Pte. Ltd.
2019-Present	Director, WHA Industrial Development 2 (SG) Co., Ltd.
2020-Present	Director, WHA KW Alliance Co., Ltd.
2020-Present	Director, SCB 10X Co., Ltd.
2021-Present	Director, Wei Hua Guo Tai (Sanya) Business Consulting Co., Ltd.

2021-Present	Chairman of the Board of Directors, WHAUP Asia Reclamation Water Co., Ltd.
2021-Present	Director, WHA KW 2 Co., Ltd.
2021-Present	Director, WHA KW 3 Co., Ltd.
2022-Present	Director, WHA Digital Co., Ltd.
2022-Present	Chairman of the Board of Directors, WHAUP (SG) 3 Pte. Ltd.

SCBX shareholding

- Number of shares held by director None
- Number of shares held by related persons None

Family relationship with director and management None

Remark: She does not hold any current position as chairman, or executive director, or authorized director, or any of the aforementioned positions in other companies exceeding three business groups.

12. Mrs. Pantip Sripimol

Age	60 years
Current position	<ul style="list-style-type: none"> - Director - Member of the Corporate Social Responsibility Committee
Date of appointment	15 September 2021
No. of years on the board	1 year and 3 months
Education	<ul style="list-style-type: none"> - B.B.A., Ramkhamhaeng University - LL.B., Ramkhamhaeng University - M.P.A., Chulalongkorn University
Training program	<ul style="list-style-type: none"> - Role of the Nomination and Governance Committee, Thai Institute of Directors Association - Audit Committee Program, Thai Institute of Directors Association - Director Certification Program, Thai Institute of Directors Association - Tourism Management Program for Executives, TAT Academy - Capital Market Leader Program, Capital Market Academy - Energy Science Leadership Program, Thailand Energy Academy - Diploma, National Defence College, The Joint State - Private Sector Course - Politics and Governance in Democracy for Executives, King Prajadhipok's Institute - Senior Justice Administrator, Judicial Training Institute - Cyber Resilience Leadership 2022, Bank of Thailand

Experience

2012-2019	Director and Member of the Audit Committee, Krung Thai Card PCL
2014-2019	Director and Member of the Risk Management Committee, MCOT PCL
2016-2019	State Enterprise Development Advisor, State Enterprise Policy Office, Ministry of Finance
2019-2021	Deputy Permanent Secretary, Ministry of Finance
2019-2021	Director and Chairman of the Audit Committee, Tourism Authority of Thailand
2020-2021	Director and Chairman of the Screening Sub-committee, Bank for Agriculture and Agricultural Cooperatives
2021-2021	Independent Director, Esso (Thailand) PCL
2017-2022	Director, Don Muang Tollway PCL

Positions in listed companies

2021-Present	Director and Member of the Corporate Governance and Sustainability Committee, PTT Global Chemical PCL
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Positions in non-listed companies/entities

2021-Present	Director-General, State Enterprise Policy Office, Ministry of Finance
2021-Present	Director and Member of the Corporate Social Responsibility Committee, The Siam Commercial Bank PCL
2022-Present	Director, Siam Commercial Foundation

SCBX shareholding

▪ Number of shares held by director	None
▪ Number of shares held by related persons	None

Family relationship with director and management

None

Remark: She does not hold any current position as chairman, or executive director, or authorized director, or any of the aforementioned positions in other companies exceeding three business groups.

13. Mr. Chairat Panthuraamphorn, M.D.

Age	67 years
Current position	<ul style="list-style-type: none"> - Independent Director - Member of the Technology Committee - Member of the Nomination, Compensation and Corporate Governance
Date of appointment	12 April 2022
No. of years on the board	8 months
Education	<ul style="list-style-type: none"> - Bachelor of Science (Medical Science), Faculty of Science Siriraj Hospital, Mahidol University - Doctor of Medicine (M.D.), Faculty of Medicine Siriraj Hospital, Mahidol University - Diplomate Thai Board of Obstetrics and Gynaecology, Faculty of Medicine Siriraj Hospital, Mahidol University
Training program	<ul style="list-style-type: none"> - Director Certification Program, Thai Institute of Directors Association - Risk Management Program for Corporate Leaders, Thai Institute of Directors Association
Experience	
2002-2004	Deputy Hospital Director, HuaChiew Hospital
2005-2007	Deputy Hospital Director, Samitivej Sriracha Hospital
2007-2008	Deputy Hospital Director, Samitivej Srinakarin Hospital
2009-2011	Hospital Director, Samitivej Sriracha Hospital
2011-2015	Hospital Director, Samitivej Srinakarin Hospital
2012-2013	Deputy CEO, Samitivej PCL
Positions in listed companies	
2015-Present	Chairman, Thonburi Medical Centre PCL
2018-Present	Director and Chief Operating Officer, Bangkok Dusit Medical Services PCL
Positions in non-listed companies/entities	
2009-Present	Director, Samitivej Sriracha Co., Ltd.
2012-Present	Director, First Health Food Co., Ltd.
2012-Present	Director, IRVING SHERIDAN SE Co., Ltd.
2013-Present	Managing Director and CEO, Samitivej Public Co., Ltd.
2013-Present	Director, SV Holding Co., Ltd.

2014-Present	Director, BNH Medical Center Co., Ltd.
2015-Present	Director, Bio Molecular Laboratories (Thailand) Co., Ltd.
2015-Present	Director, National Healthcare Systems Co., Ltd.
2015-Present	Chairman, Samitivej Chonburi Co., Ltd.
2019-Present	Chairman, Greenline Synergy Co., Ltd.
2020-Present	Director, Digital Ventures Co., Ltd.
2020-Present	Director, SCB Protect Co., Ltd.

SCBX shareholding

- Number of shares held by director None
- Number of shares held by related persons None

Family relationship with director and management

None

Remark: He does not hold any current position as chairman, or executive director, or authorized director, or any of the aforementioned positions in other companies exceeding three business groups.

14. Mrs. Kulpatra Sirodom

Age	66 years
Current position	<ul style="list-style-type: none"> - Independent Director - Member of the Audit Committee - Member of the Risk Oversight Committee
Date of appointment	1 June 2022
No. of years on the board	6 months
Education	<ul style="list-style-type: none"> - Bachelor of Business Administration (Finance), Thammasat University - Master of Business Administration (Finance), West Virginia University, U.S.A. - Doctor of Philosophy (Finance), University of Pittsburgh, U.S.A.
Training program	<ul style="list-style-type: none"> - Director Leadership Certification Program (DLCP) No. 0/2021, Thai Institute of Directors Association - Audit Committee Program (ACP) No. 29/2009, Thai Institute of Directors Association - Director Certification Program (DCP) No. 0/2000, Thai Institute of Directors Association

Experience

2002-2018	Independent Director and Member of the Audit Committee, President Bakery PCL
2009-2018	Independent Director, Member of the Audit Committee and Member of the Corporate Social Responsibilities Committee, The Siam Commercial Bank PCL
2013-2020	Expert Member, Commission Policy on Private Participation in State Affairs
2016-2021	Independent Director and Chairperson of Risk Management Sub-committee, Thailand Clearing House Co., Ltd.
2016-2021	Independent Director, Thailand Securities Depository Co., Ltd.
2019-2022	Independent Director, Chairman of the Audit Committee, Member of the Corporate Governance Committee, TISCO Financial Group PCL
2019-2022	Independent Director, Chairman of the Audit Committee, TISCO Bank PCL

Positions in listed companies

1994-Present	Independent Director and Chairman of the Audit Committee, Thai President Foods PCL
2010-Present	Independent Director, Chairman of the Corporate Governance Committee, Chairman of the Audit Committee, Thai Wacoal PCL
2017-Present	Independent Director and Chairman of the Audit Committee, The Erawan Group PCL
2018-Present	Independent Director and Chairman of the Audit Committee, Thai Group Holdings PCL

Positions in non-listed companies/entities

2006-Present	Member of Operation Committee, The Professor Sangvian Indaravijaya Foundation
2013-Present	Expert Member, Sripatum University Council
2013-Present	Director, Southeast Bangkok College Council
2017-Present	Director and Chairman of the Audit Committee, Thai Listed Companies Association
2018-Present	Director and Chairman of the Audit Committee, Mae Fah Luang Foundation Under Royal Patronage
2018-Present	Director and Treasurer, Thailand Social Enterprise
2021-Present	Director and Member of the Audit Committee, The Stock Exchange of Thailand

SCBX shareholding

- Number of shares held by director None
- Number of shares held by related persons None

Family relationship with director and management

None

Remark: She does not hold any current position as chairman, or executive director, or authorized director, or any of the aforementioned positions in other companies exceeding three business groups.

15. Mrs. Nuntawan Sakuntanaga

Age 64 years

Current position

- Independent Director
- Member of the Audit Committee

Date of appointment 1 June 2022

No. of years on the board 6 months

Education

- B.Acc., Chulalongkorn University
- M.B.A., University of Wisconsin at Madison, Wisconsin, USA

Training program

- Director Certification Program (DCP) No. 166/2012, Thai Institute of Directors Association

Experience

2009-2010	Director-General, Department of Trade Negotiations
2010-2012	Director-General, Department of Export Promotion
2012-2013	Deputy Permanent secretary, Ministry of Commerce
2013-2015	Director-General, Department of International Trade Promotion
2015-2016	Director-General, Department of Intellectual Property
2016-2017	Director-General, Department of Internal Trade
2017-2018	Permanent secretary, Ministry of Commerce
2014-2021	Independent Director, PTT PCL

Positions in listed companies

2018-Present	Independent Director, Asset World Corp PCL
2020-Present	Independent Director, Union Pioneer PCL
2022-Present	Independent Director, Siam Cement PCL

Positions in non-listed companies/entities

2019-Present	Expert member, Securities and Exchange Commission
2019-Present	Chairman of the Board of the Gem and Jewelry Institute of Thailand (Public Organization)

SCBX shareholding

- Number of shares held by director None
- Number of shares held by related persons None

Family relationship with director and management

None

Remark: She does not hold any current position as chairman, or executive director, or authorized director, or any of the aforementioned positions in other companies exceeding three business groups.

16. Mr. Arthid Nanthawithaya

Age	55 years
Current position	<ul style="list-style-type: none"> - Director - Member of the Executive Committee - Member of the Risk Oversight - Member of the Technology Committee - Chief Executive Officer
Date of appointment	15 September 2021
No. of years on the board	1 year and 3 months
Education	<ul style="list-style-type: none"> - B.A. (Economics), Chulalongkorn University - M.B.A. (Finance), Sasin Graduate Institute of Business Administration
Training program	<ul style="list-style-type: none"> - Director Accreditation Program, Thai Institute of Directors Association - Advanced Leadership Program, Capital Market Academy - Leadership Program, Office of Justice Affairs - Energy Science Leadership Program, Thailand Energy Academy - Diploma, National Defence College, The Joint State - Private Sector Course - Cyber Security and Technology Risk, The Siam Commercial Bank PCL and PwC Thailand - Advanced Executive Program on Bangkok Metropolitan Development - Advanced Executive Program, Institute of Business and Industrial Development

- Exclusive Workshop for SCB Boardroom: Vision-Driven Purpose, The Siam Commercial Bank PCL and Thai Institute of Directors Association
- Bangkok Sustainable Banking Forum 2019, Bank of Thailand
- Bank's Preparations for Compliance with Personal Data Protection Act (PDPA) and Cyber Security Act, Baker & McKenzie and PwC Thailand

Experience

2015-2019	Director, Siam Commercial Foundation
2017-2019	Chairman of the Board, Digital Ventures Co., Ltd.
2018-2019	Director, Mrigadayavan Palace Foundation
2015-2022	Chief Executive Officer, The Siam Commercial Bank PCL

Positions in listed companies

None

Positions in non-listed companies/entities

2015-Present	Director, Member of the Executive Committee, Member of the Technology Committee, The Siam Commercial Bank PCL
2017-Present	Director, Princess Pa Foundation
2017-Present	Honorary Council Member, Vidyasirimedhi Institute of Science and Technology
2018-Present	Chairman of the Board, SCB-Julius Baer Securities Co., Ltd.
2018-Present	Director, Electronic Transactions Development Agency (Public Organization)
2020-Present	Chairman of the Board, SCB 10X Co., Ltd.
2021-Present	Director, SCB Tech X Co., Ltd.
2021-Present	Chairman of the Board, Alpha X Co., Ltd.
2021-Present	Chairman of the Board, AISCB Co., Ltd.
2022-Present	Chairman of the Board, InnovestX Securities Co., Ltd.
2022-Present	Director, SCB DataX Co., Ltd.

SCBX shareholding

- Number of shares held by director None
- Number of shares held by related persons None

Family relationship with director and management

None

Remark: He does not hold any current position as chairman, or executive director, or authorized director, or any of the aforementioned positions in other companies exceeding three business groups.

Newly Appointed Director Information (as of January 18, 2023)

Miss Kulaya Tantitemit	
Age	50 years
Current position	Director
Date of appointment	18 January 2023
No. of years on the board	-
Education	<ul style="list-style-type: none"> - Bachelor of Economics, Thammasat University - M.A., Economics, Boston University - M.S., International Economics and Finance, Brandeis University - Ph.D., International Economics and Finance, Brandeis University
Training program	<ul style="list-style-type: none"> - Ethical Leadership Program, Thai Institute of Directors Association - Directors Certification Program, Thai Institute of Directors Association - Board Matters and Trends, Thai Institute of Directors Association
Experience	
2016-2018	Inspector General, Ministry of Finance
2016-2018	Director, Director of the Board of Executive Directors and Member of the Corporate Governance and Social Responsibility Committee, Krungthai Bank PCL
2016-2018	Director, PTT International Trading Pte. Ltd.
2018-2020	Executive Director, World Bank Group
2020-2020	Inspector General, Ministry of Finance
2020-2021	Inspector General, Ministry of Finance, acting as Director of the Fiscal Policy Office
2021-2021	Director-General, The Fiscal Policy Office
2021-2021	Director, Aeronautical Radio of Thailand Ltd.
2021-2022	Director and Chairman of the Risk Management Committee, Krungthai Asset Management PCL
2021-2022	Director, Member of the Risk Oversight Committee and Member of the Corporate Governance and Social Responsibility Committee, Krungthai Bank PCL
2021-2022	Director, Bangchak Corporation PCL
Positions in listed companies	None

Positions in non-listed companies/entities

2021-Present	Comptroller-General, The Comptroller General's Department, Ministry of Finance
2022-Present	Honorary Advisor, Krungthai Asset Management PCL
2023-Present	Director, The Siam Commercial Bank PCL

SCBX shareholding

- Number of shares held by director None
- Number of shares held by related persons None

Family relationship with director and management

None

Remark: She does not hold any current position as chairman, or executive director, or authorized director, or any of the aforementioned positions in other companies exceeding three business groups.

Information of Executives of the Company as of December 31, 2022

1. Dr. Arak Sutivong	
Age	49 years
Current position	Deputy CEO
Education	<ul style="list-style-type: none"> - Bachelor of Science in Electrical & Computer Engineering, Carnegie University, U.S.A - Master of Science in Electrical & Computer Engineering, Carnegie University, U.S.A - Ph. D. in Electrical Engineering, Stanford University, U.S.A - Advanced Management Program, Wharton School, University of Pennsylvania, U.S.A - Top Executive Program in Commerce and Trade, Commerce Academy
Experience	
2017-2018	Senior Executive Vice President, Chief Strategy Officer, The Siam Commercial Bank PCL
2018-2019	Senior Executive Vice President, Chief Financial Officer and Chief Strategy Officer, The Siam Commercial Bank PCL
2019-2022	President, The Siam Commercial Bank PCL
Positions in listed companies	None
Positions in non-listed companies/entities	
2020-Present	Chairman of the Board, MONIX Co., Ltd.
2020-Present	Chairman of the Board, SCB Abacus Co., Ltd.
2021-Present	Director, Purple Ventures Co., Ltd.
2021-Present	Director/Chief Executive Officer, SCB Securities Co., Ltd.
2021-Present	Chairman of the Board, Token X Co., Ltd.
2022-Present	Director, SCB 10X Co., Ltd.
SCBX shareholding	
▪ Number of shares held by director	None
▪ Number of shares held by related persons	None
Family relationship with director and management	None

Remark: He does not hold any current position as chairman, or executive director, or authorized director, or all of the aforementioned positions in other companies exceeding three business groups.

2. Mrs. Wallaya Kaewrungruang

Age	60 years
Current position	Chief Legal Officer and Chief Compliance Officer
Education	<ul style="list-style-type: none"> - LL.B., Chulalongkorn University - Barrister-at-Law, Institute of Legal Education of Thai Bar Association - LL.M. in Business Law, Chulalongkorn University - LL.M. in International Banking Law, Boston University, U.S.A (Scholarship) - Thai Listed Companies Association, Corporate Secretary Development Program - Public Director Institute (PDI), Corporate Governance for Directors and Senior Executives of State Enterprises and Public Organizations - Thai Institute of Directors Association (IOD), Financial Institution Governance Program (FGP) - The Securities and Exchange Commission, Compliance Knowledge for Head of Compliance - National Defense College, National Defense Course for Joint State-Private Sectors (NCD) - Office of the Administrative Court, Administrative Justice for Executives Course (AJE) - The Program for Senior Executives on Justice Administration (BYS) - Anti-Corruption Strategic Management for Senior Executives
Experience	None
Positions in listed companies	None
Positions in non-listed companies/entities	
2014-2022	Senior Executive Vice President, Chief Legal and Control Officer, The Siam Commercial Bank PCL
2022-Present	Audit Committee, InnovestX Securities Co., Ltd.
2022-Present	Director, MONIX Co., Ltd.
2022-Present	Director, SCB Data X Co., Ltd.
2022-Present	Director, Auto X Co., Ltd.
SCBX shareholding	
▪ Number of shares held by director	None
▪ Number of shares held by related persons	None
Family relationship with director and management	None

Remark: She does not hold any current position as chairman, or executive director, or authorized director, or all of the aforementioned positions in other companies exceeding three business groups.

3. Mrs. Patraporn Sirodom

Age	50 years
Current position	Chief People Officer
Education	- Bachelor of Economics, Chulalongkorn University - Master of Marketing, George Washington University
Experience	
2014-2019	Head of Human Resources at TMB Bank PCL
2019	First Executive Vice President, Chief People Officer, The Siam Commercial Bank PCL
Positions in listed companies	None
Positions in non-listed companies/entities	
2020-Present	Director, SCB Protect Co., Ltd.
2020-Present	Senior Executive Vice President, Chief People Officer, The Siam Commercial Bank PCL.
SCBX shareholding	
▪ Number of shares held by director	None
▪ Number of shares held by related persons	None
Family relationship with director and management	None

Remark: She does not hold any current position as chairman, or executive director, or authorized director, or all of the aforementioned positions in other companies exceeding three business groups.

4. Mr. Manop Sangiambut

Age	50 years
Current position	Chief Finance & Strategy Officer
Education	<ul style="list-style-type: none"> - BA in Accounting Information Systems from Chulalongkorn University - MBA in Finance, Carnegie Mellon University, U.S.A
Experience	
2016-2017	Executive Vice President, China Business Division, The Siam Commercial Bank PCL
2017-2019	Executive Vice President, China Business Development, The Siam Commercial Bank PCL
2019	Executive Vice President, China Business Development Function, The Siam Commercial Bank PCL
2019-2020	Executive Vice President, China Business Function, The Siam Commercial Bank PCL
2020	First Executive Vice President, China Business Function, The Siam Commercial Bank PCL
2020	First Executive Vice President, Chief Financial Officer, The Siam Commercial Bank PCL
Positions in listed companies	None
Positions in non-listed companies/entities	
2021-2022	Senior Executive Vice President, Chief Financial Officer, The Siam Commercial Bank PCL
2019-Present	Director, SCB-Julius Baer Securities Co., Ltd.
2022-Present	Director, MONIX Co., Ltd.
SCBX shareholding	
▪ Number of shares held by director	None
▪ Number of shares held by related persons	None
Family relationship with director and management	None

Remark: He does not hold any current position as chairman, or executive director, or authorized director, or all of the aforementioned positions in other companies exceeding three business groups.

5. Mr. Sathian Leowarin

Age	58 years
Current position	Chief Sustainability Officer
Education	<ul style="list-style-type: none"> - Bachelor of Business Administration, Ramkhamhaeng University - M.B.A., Prince of Songkla University - Thailand Insurance Leadership Program, OIC Advanced Insurance Institute (OICAI) (2014) - Data Analytics for Leaders, IMD
Experience	
2017-2019	Chief Executive Officer, SCB Life Assurance PCL
2019	Senior Advisor, SCB Life Assurance PCL
2019-2022	Senior Executive Vice President, Chief Strategy Officer, The Siam Commercial Bank PCL
Positions in listed companies	None
Positions in non-listed companies/entities	None
SCBX shareholding	
▪ Number of shares held by director	None
▪ Number of shares held by related persons	None
Family relationship with director and management	None

Remark: He does not hold any current position as chairman, or executive director, or authorized director, or all of the aforementioned positions in other companies exceeding three business groups.

6. Mr. Dennis Thorsten Trawnitschek

Age	44 years
Current position	Chief Technology Officer
Education	<ul style="list-style-type: none"> - German Diploma (Master Equivalent), Business Administration Business Information System, Pforzheim Business School, Pforzheim Germany - Agile Safe, PwC - Agile Scrum master, PwC - PRINCE2 Project Manager, Ernst & Young - ITIL Foundation, Deloitte
Experience	
2015-2022	Digital Banking Leader Asia Pacific, Partner, Thailand, PricewaterhouseCoopers Consulting (Thailand) Ltd.
Positions in listed companies	None
Positions in non-listed companies/entities	
2022-Present	Director, SCB Data X Co., Ltd.
SCBX shareholding	
▪ Number of shares held by director	None
▪ Number of shares held by related persons	None
Family relationship with director and management	None

Remark: He does not hold any current position as chairman, or executive director, or authorized director, or all of the aforementioned positions in other companies exceeding three business groups.

7. Mr. Anucha Laokwansatit

Age	61 years
Current position	Chief Risk Officer
Education	<ul style="list-style-type: none"> - Bachelor of Finance, San Francisco State University, U.S.A - M.B.A. in Financial and International Business, University of Chicago, U.S.A - Director Certification Program, Thai Institute of Directors - CFA, CFA Institute
Experience	
2015-2021	Senior Executive Vice President, Chief Risk Officer The Siam Commercial Bank PCL
2021-2022	Advisor to CEO, The Siam Commercial Bank PCL
Positions in listed companies	None
Positions in non-listed companies/entities	
2022-Present	Director, SCB Data X Co., Ltd.
SCBX shareholding	
▪ Number of shares held by director	None
▪ Number of shares held by related persons	None
Family relationship with director and management	None

Remark: He does not hold any current position as chairman, or executive director, or authorized director, or all of the aforementioned positions in other companies exceeding three business groups.

8. Mr. Sutirapan Sakkawattra

Age	50 years
Current position	Chief Marketing Officer
Education	<ul style="list-style-type: none"> - B.Sc. in Industrial Chemistry, King Mongkut's Institute of Technology - MBA, International Business, University of Bristol, U.K. - MBA (Spring Term Overseas Option), Ecole Nationale Des Ponts Et Chaussees, France
Experience	
2016-2019	First Senior Vice President, Head of Marketing, The Siam Commercial Bank PCL
2019-2021	Executive Vice President, Marketing Function, The Siam Commercial Bank PCL
2022	First Executive Vice President, Marketing Function, The Siam Commercial Bank PCL
Positions in listed companies	None
Positions in non-listed companies/entities	None
SCBX shareholding	
▪ Number of shares held by director	None
▪ Number of shares held by related persons	None
Family relationship with director and management	None

Remark: He does not hold any current position as chairman, or executive director, or authorized director, or all of the aforementioned positions in other companies exceeding three business groups.

9. Mr. Nipat Wattanatittan

Age	42 years
Current position	Chief Business Development Officer
Education	<ul style="list-style-type: none"> - Bachelor of Architecture, Chulalongkorn University - Master of Philosophy in Real Estate Finance, University of Cambridge - Master of Science in Land Development, Texas A&M University, U.S.A
Experience	
2017-2020	Executive Vice President, Co-head of Investment Banking Division, The Siam Commercial Bank PCL
2020-2021	Executive Vice President, Strategic Investment Function, The Siam Commercial Bank PCL
2021	Executive Vice President, Equity Investment Function, The Siam Commercial Bank PCL
2022	First Executive Vice President, Equity Investment Function, The Siam Commercial Bank PCL
Positions in listed companies	None
Positions in non-listed companies/entities	
2020-Present	Director, Siam Commercial Bank Myanmar Limited
SCBX shareholding	
▪ Number of shares held by director	None
▪ Number of shares held by related persons	None
Family relationship with director and management	None

Remark: He does not hold any current position as chairman, or executive director, or authorized director, or all of the aforementioned positions in other companies exceeding three business groups.

Educational background, work experience and record on attending relevant training programs of personnel responsible for Board's support

1. Mrs. Siribunchong Uthayophas

Age	61 years
Current position	Head of Corporate Office and Company Secretary
Education	<ul style="list-style-type: none"> - B.A. (Hons.) in Economics, Thammasat University - M.B.A., Sasin Graduate Institute of Business Administration - Director Certification Program, Thai Institute of Directors Association - Company Secretary Program, Thai Institute of Directors Association - Financial Institutions Governance Program, Thai Institute of Directors Association
Experience	
2016-2018	Executive Vice President, Head of Corporate Office, The Siam Commercial Bank PCL
2018-2021	Executive Vice President, Corporate Office and Company Secretary Function, The Siam Commercial Bank PCL
Positions in listed companies	None
Positions in non-listed companies/entities	
2010-Present	Authorized Director, Kler Kaew Kor Kit Co., Ltd.
2015-Present	Authorized Director, Krabi Ngern Foods Co., Ltd.
2015-Present	Executive Vice President, Company Secretary, The Siam Commercial Bank PCL
SCBX shareholding	
▪ Number of shares held by director	None
▪ Number of shares held by related persons	None
Family relationship with director and management	None

Remark: She does not hold any current position as chairman, or executive director, or authorized director, or any of the aforementioned positions in other companies exceeding three business groups.

Attachment 2

Information on Directors of Subsidiaries

Positions of Directors and Executives in Subsidiary, Joint Ventures, Associate and Related Companies

Directors in Subsidiary Companies and Joint Venture

Positions of Directors and Executives in Subsidiary, Joint Ventures, Associate and Related Companies

Subsidiary, joint ventures, associate and related companies									
Name of director		Siam Commercial Bank Public Company Limited	Auto X Co., Ltd.	Card X Co., Ltd.	Card X Asset Management Co., Ltd.	Digital Ventures Company Limited	Innovest X Securities Co., Ltd.	Purple Ventures Co., Ltd.	SCB 10X Co., Ltd.
1	Dr. Vichit Suraphongchai	X							
2	Air Chief Marshal Satitpong Sukvimol	/		/					
3	Police Colonel Thumnithi Wanichthanom	/	/						
4	Mr. Prasan Chuaphanich	/	/						
5	Miss Jareeporn Jarukornsakul								/
6	Mr. Weerawong Chittmittrapap			/					
7	Mrs. Pantip Sripimol	/							
8	Mr. Apisak Tantivorawong								
9	Mr. Kan Trakulhoon	/							/
10	Mr. Winid Silamongkol								
11	Dr. Thaweesak Koanantakool	/		/			/		
12	Dr. Pailin Chuchottaworn								/
13	Mr. Chairat Panthuraamphorn								
14	Mrs. Nuntawan Sakuntanaga								
15	Dr. Kulpatra Sirodom								
16	Mr. Arthid Nanthawithaya	/					X		X
17	Dr. Arak Sutivong						/	/	/
18	Mr. Anucha Laokwansatit								

[illegible]

Subsidiary, joint ventures, associate and related companies									
Name of director		Siam Commercial Bank Public Company Limited	Auto X Co., Ltd.	Card X Co.,Ltd.	Card X Asset Management Co., Ltd.	Digital Ventures Company Limited	Innovest X Securities Co., Ltd.	Purple Ventures Co.,Ltd.	SCB 10X Co., Ltd.
19	Mrs. Wallaya Kaewrungruang		/				/		
20	Mrs. Patraporn Sirodom								
21	Mr. Manop Sangiambut								
22	Mr. Dennis Thorsten Trawnitschek								
23	Mr. Nipat Wattanatittan								
24	Mr. Sutirapan Sakkawatra								
25	Mr. Sathian Leowarin								
26	Miss Aorapin Sinthawornkul								

Note x = Chairman

/ = Director

Subsidiary companies and joint ventures											Associate & related companies			
	SCB DataX Co., Ltd.	Token X Co., Ltd.	AISCB Co., Ltd.	MONIX Co., Ltd.	SCB Abacus Co., Ltd.	SCB Tech X Co., Ltd.	SCB Protect Co., Ltd.	SCB-Julius Baer Securities Co., Ltd.	Alpha X Co., Ltd.	Alpha X Plus Co., Ltd.	Siam Commercial Bank Myanmar Ltd.	Welab Sky Limited	Ruamrudee Above Limited	Esse Complex Limited
	/			/										
							/							
				/				/						
	/													
											/	/	/	/

Directors in Subsidiary Companies and Joint Venture

Directors in Subsidiary Companies and Joint Venture											
Name of director		Siam Commercial Bank Public Company Limited	Auto X Co., Ltd.	Card X Co., Ltd.	Card X Asset Management Co., Ltd.	Digital Ventures Co., Ltd.	Innovest X Securities Co., Ltd.	Purple Ventures Co., Ltd.	SCB 10X Co., Ltd.	SCB DataX Co., Ltd.	Token X Co., Ltd.
1	Dr. Vichit Suraphongchai	x									
2	Mr. Arthid Nanthawithaya	/					x		x	/	
3	ACM. Satitpong Sukvimol	/						/			
4	Mr. Prasan Chuaphanich	/	x							/	
5	Mr. Kan Trakulhoon	/							/		
6	Mr. Krirk Vanikkul	/									
7	Dr. Thaweesak Koanantakool	/		/			/			/	
8	Pol. Col. Thumnithi Wanichthanom	/		/							
9	Dr. Pasu Decharin	/					/				
10	Mr. Chaovalit Ekabut	/									
11	Dr. Lackana Leelayouthayotin	/									
12	Mr. Chakkrit Parapuntakul	/		x							
13	Mrs. Pantip Sripimol	/									
14	Mrs. Prisana Praharnkhasuk	/									
15	Mr. Prasong Vinaiphat	/									
16	Mr. Kris Chantanotoke	/									
17	Mrs. Apiphan Charoenanusorn		/					/			
18	Mrs. Wallaya Kaewrungruang		/				/			/	
19	Mrs. Salinee Wongtal		/								
20	Pol. Gen. Manu Mekmok		/								
21	Mr. Weeradej Ackapolpanich		/								
22	Mr. Sarut Ruttanaporn			/	/						
23	Mr. Weerawong Chittmittrapap			/							

Subsidiary Companies and Joint Venture

[illegible]

Directors in Subsidiary Companies and Joint Venture											
Name of director		Siam Commercial Bank Public Company Limited	Auto X Co., Ltd.	Card X Co., Ltd.	Card X Asset Management Co., Ltd.	Digital Ventures Co., Ltd.	Innovest X Securities Co., Ltd.	Purple Ventures Co., Ltd.	SCB 10X Co., Ltd.	SCB DataX Co., Ltd.	Token X Co., Ltd.
24	Mrs. Kittiya Todhanakasem			/							
25	Police General Visanu Prasartthong-Osoth			/							
26	Mr. Kanchit Bunajinda			/							
27	Mr. Thana Thienachariya			/				x			
28	Dr. Arak Sutivong						/	/	/		x
29	Mr. Srihanath Lamsam							/			
30	Mr. Prakid Punyashtiti						/				
31	Mr. Pailin Chuchottaworn								/	x	
32	Ms. Jareeporn Jarukornsakul								/		
33	Mr. Chanond Ruangkritya								/		
34	Mr. Ning Ma								/		
35	Mr. David Anthonyjervis Roberts								/		
36	Ms. Mukaya Panich								/		
37	Mr. Manop Sangiambut										
38	Mr. Zhengchun Zhi										
39	Mr. Rui Zhang										
40	Mr. Trirat Suwanprateeb										
41	Mrs. Vilasinee Puddhikarant										
42	Mr. Songtham Phianpattanawit										
43	Mr. Punnamas Vichitkulwongsa										
44	Mr. Jonathan Allan Sharp										
45	Mr. David Michael Murphy										
46	Mr. Stephane Patrice Estryn										
47	Mr. Albert Neil Fins										
48	Mr. Wasin Saiyawan										

Subsidiary Companies and Joint Venture

[illegible]

Directors in Subsidiary Companies and Joint Venture											
Name of director		Siam Commercial Bank Public Company Limited	Auto X Co., Ltd.	Card X Co., Ltd.	Card X Asset Management Co., Ltd.	Digital Ventures Co., Ltd.	Innovest X Securities Co., Ltd.	Purple Ventures Co., Ltd.	SCB 10X Co., Ltd.	SCB DataX Co., Ltd.	Token X Co., Ltd.
49	Ms. Jerdnangpang Thamchuanviriya										
50	Mr. Sunhavut Thamchuanviriya										
51	Mr. Sanirat Ratchinda										
52	Mr. Piyathep Siwakas										
53	Ms. Teerin Ratanapinyowong					/					
54	Mr. Sittiporn Thanyarattana					/					
55	Mr. Orapong Thien-ngern					x					
56	Ms. Nichapat Ark										
57	Dr. Sutapa Amornvivat										
58	Mr. Putikarn Aurat									/	
59	Ms. Jittinun Chatsiharach									/	
60	Mr. Yizhak Idan									/	
61	Mr. Anucha Laokwansatit									/	
62	Mr. Dennis Thorsten Trawnitschek									/	
63	Mr. Kaweewut Temphuwaphat										
64	Mr. Attanan Chantanavicharn										
65	Mr. Sirote Vichayabhai				/						
66	Mr. Pakorn Matrakul				/						
67	Mr. Kamalkant Ishwarlal Agarwal										
68	M.L. Chiradej Chakrabandhu										
69	Mr. Nipat Wattanatittan										
70	Mr. Rajesh Balraj Ahuja										
71	Mr. Patiphan Lerdprasertsiri										
72	Mr. Sakda Dumnakkaew										
73	Mrs. Apiradee Symsukpermpoon										
74	Mr. Yothin Pibulkasetkij										

Subsidiary Companies and Joint Venture

[illegible]

Directors in Subsidiary Companies and Joint Venture											
Name of director		Siam Commercial Bank Public Company Limited	Auto X Co., Ltd.	Card X Co., Ltd.	Card X Asset Management Co., Ltd.	Digital Ventures Co., Ltd.	Innovest X Securities Co., Ltd.	Purple Ventures Co., Ltd.	SCB 10X Co., Ltd.	SCB DataX Co., Ltd.	Token X Co., Ltd.
75	Mrs. Patraporn Sirodom										
76	Ms. Poramasiri Manolamai										
77	Mr. Chairat Panthuraamphorn										
78	Ms. Wannarat Phanjan										
79	Mr. Ekkapol Apinun										
80	Mr. Teerapon Tansatcha										
81	Ms. Wipa Sangiamsil										
82	Mr. Yunyong Thaicharoen										
83	Mr. Chalitti Nuangchamnong										
84	Mr. Narongsak Plodmechai										
85	Ms. Lalitphat Toranavikrai										
86	Mr. Lee Kong Eng										
87	Mr. Leong Yip Lam										
88	Mr. Rajesh Manwani										
89	Mrs. Sakara Asvaraksh										
90	Ms. Chalinee Silakong										
91	Ms. Pitiporn Phanaphat										
92	Ms. Pimjai Tongmee										
93	Ms. Nathanashsorn Pummalee										
94	Miss Narasa Wiruchpun										
95	Mr. Somprawin Manprasert										
96	Mr. Jason Yi Sin Moo										
97	Mr. Kanin Rangkla										
98	Mrs. Patnarin Suwintawong										

Note x = Chairman
/ = Director

Subsidiary Companies and Joint Venture

AISCB Co., Ltd.	Monix Co., Ltd.	SCB Abacus Co., Ltd.	SCB Tech X Co., Ltd.	SCB Protect Co., Ltd.	SCB-Julius Baer Securities Co., Ltd.	Alpha X Co., Ltd.	Alpha X Plus Co., Ltd.	Siam Commercial Bank Myanmar Ltd.	Cambodian Commercial Bank Ltd.	SCB Training Center Co., Ltd.	SCB Asset Management Co., Ltd.	Rutchayothin Assets Management Co., Ltd.	SCB Plus Co.,Ltd.	Mahisorn Co.,Ltd.	SCB-Julius Baer (Singapore) Pte. Ltd.
				/											
				/											
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Attachment 3

Information of the Head of Audit

Information of the Head of Audit of the Company (as of December 31, 2022)

Miss Nipaporn Kullertprasert	
Age	46 years
Current position	Head of Audit (Acting)
Education	Bachelor in Accounting, Thammasat University
Experience	
2014-2017	Manager, Audit Development and Subsidiaries, The Siam Commercial Bank PCL
2018-2020	Senior Vice President, Audit Development and Subsidiaries, The Siam Commercial Bank PCL
2021	First Senior Vice President, Audit Process Function, The Siam Commercial Bank PCL
Positions in listed companies	None
Positions in non-listed companies/entities	
2005-Present	Director, Honda Thapra Co., Ltd
2022-Present	Executive Vice President, Head of Audit
SCBX shareholding	
▪ Number of shares held by director	None
▪ Number of shares held by related persons	None
Family relationship with director and management	None

Remark: The position of Head of Audit (Acting) was ended with effective on 31 December 2022. She does not hold any current position as chairman, or executive director, or authorized director, or any of the aforementioned positions in other companies exceeding three business groups.

Information of the Head of Audit of the Company (as of January 3, 2023)

Mr. Nawapong Nakjang	
Age	42 years
Current position	Head of Audit
Education	<ul style="list-style-type: none"> - Bachelor of Science in Computer Science, Mahidol University International College - Master of Science in Information Security, Royal Holloway University of London, U.K.
Experience	
2013-2017	AVP, Internal Audit, True Corporation PLC
2018	Head of IT Audit, Osotspa PLC
2018-2022	Director of Internal Control, True Corporation PLC
Positions in listed companies	None
Positions in non-listed companies/entities	None
SCBX shareholding	
▪ Number of shares held by director	None
▪ Number of shares held by related persons	None
Family relationship with director and management	None

Remark: He does not hold any current position as chairman, or executive director, or authorized director, or any of the aforementioned positions in other companies exceeding three business groups.

Attachment 4

Corporate Governance Policies, Guidelines, Charter and Code of Conduct

Charter of the Audit Committee

Risk Oversight Committee Charter

Charter of the Corporate Social Responsibility Committee

Charter of the Technology Committee

Internal Audit Charter

SCBX Group Supplier Code of Conduct

For Corporate Governance Policy, please visit at

<https://www.scbx.com/en/corporate-governance/corporate-governance-policy.html>

For Charter of the Board of Directors, Charter of the Nomination, Compensation and Corporate Governance Committee and Charter of the Executive Committee , please visit at <https://www.scbx.com/en/corporate-governance/charter.html>

Charter of the Audit Committee

1. Organizational Principles

1.1 Purpose

The purpose of the Audit Committee of SCBX, which is the parent company of the subsidiaries under the SCBX Group, is to provide structured, systematic oversight of the SCBX Group's governance, risk management and internal control practices. The Audit Committee of the SCBX Group takes responsibility for overseeing and monitoring business operations of companies within the SCBX Group to ensure that they have complied with the policy of the SCBX Group, as well as for reviewing the accuracy and adequacy of financial statements of the SCBX Group. The Audit Committee assists the Board of Directors and management by providing advice and guidance on the adequacy of the SCBX Group's work in:

- Values and ethics
- Governance structure
- Risk management
- Internal control framework
- Oversight of the internal audit activity, external auditors and other providers of assurance
- Financial statements

In broad terms, the Audit Committee reviews each of the items noted above and provides the Board with independent advice and guidance regarding the adequacy and effectiveness of management's practices and potential improvements to those practices.

1.2 Authority

- (1) In discharging its responsibilities, the Audit Committee will have unrestricted access to members of management, employees and relevant information it considers necessary to discharge its duties. The Audit Committee also will have unrestricted access to records, data and reports. If access to requested documents is denied due to legal or confidentiality reasons, the Audit Committee and/or the Head of Audit Function (the "Head of Audit") will follow a prescribed, Board-approved mechanism for resolution of the matter.
- (2) The Audit Committee is entitled to receive any explanatory information that it deems necessary to discharge its responsibilities. The SCBX Group's management and staff should cooperate with Audit Committee requests.
- (3) The Audit Committee may engage independent counsel and/or other advisors it deems necessary to carry out its duties.
- (4) The Audit Committee is empowered to:
 - Consider, select and propose the appointment or discharge of external auditors and their remuneration to the Board of Directors for shareholder approval at the annual general meeting of shareholders.
 - Review the performance of external auditors annually.

- Resolve any disagreements between management and the auditor regarding financial reporting and other matters.
- Seek external consultants or professional experts to provide advice and recommendations as the Audit Committee deems necessary and proper, at the cost of the SCBX Group.

1.3 Composition and qualifications

- (1) The Audit Committee is appointed by the Board of Directors and comprises at least three members. The Board of Directors shall appoint one of its members as the Chairperson.
- (2) Audit Committee members must be members of the Board of Directors who are qualified as independent directors as per the requirements of the Bank of Thailand, the Securities and Exchange Commission and the Stock Exchange of Thailand. At least one member must have significant knowledge and experience in the fields of accounting or finance.
- (3) The Audit Committee may appoint a qualified officer in addition as its secretary.

1.4 Term of Office

The term of office of Audit Committee members is as specified by the Board of Directors.

1.5 Voting rights

- (1) At each Audit Committee meeting, at least one half of the total directors shall attend the meeting to constitute a quorum.
- (2) The decisions of the Audit Committee meetings shall be made by a majority of votes, unless applicable legal requirements stipulate otherwise. A director shall have one vote and, in case of an equality of votes, the Chairperson of the meeting shall have a casting vote. Any Audit Committee member having

a direct or indirect interest in a given matter has no right to decide or vote on such matter and must refrain from participation or involvement in such matter.

2. Operational Principles

2.1 Audit Committee Values

The Audit Committee will conduct itself in accordance with the code of values and ethics of the SCBX Group, the Bank of Thailand, the Securities and Exchange Commission and the Stock Exchange of Thailand. The Audit Committee expects that management and staff of the SCBX Group will adhere to these requirements.

2.2 Communications

The Audit Committee expects that all communication with management and staff of the SCBX Group as well as with any external assurance providers will be direct, open and complete.

2.3 Meeting agenda

The Chairperson will establish agendas for Audit Committee meetings in consultation with Audit Committee members, senior management and Head of Audit.

2.4 Information Requirements

The Audit Committee will establish and communicate its requirements for information. Information should be submitted to the Audit Committee at least five business days prior to the date of each meeting, unless there is an urgent reason, so that they have sufficient time to study the information.

2.5 Executive Sessions

The Audit Committee will schedule and hold, if necessary, a private session with the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), Head of Audit, external assurance providers, and with any other executives that the Audit Committee may deem appropriate at each of its meetings.

2.6 Conflict(s) of Interest

Audit Committee members should adhere to the SCBX Group's Code of Conduct, and all values and ethics upheld by the SCBX Group. It is the responsibility of Audit Committee members to disclose any conflict of interest or appearance of conflict of interest to the Audit Committee. If there is any question as to whether an Audit Committee member should be recused from a vote, the Audit Committee should vote to determine whether the member should abstain.

2.7 Orientation and Training

Audit Committee members will receive formal orientation training on the purpose and mandate of the Audit Committee and on the SCBX Group's objectives. A process of continuing education will be established.

3. Operational Procedures

3.1 Meetings

The Audit Committee will meet at least eight times annually. The timeframe between Audit Committee meetings should not exceed four months. If deemed appropriate, the Chairperson of the Audit Committee or an individual delegated by the Chairperson of the Audit Committee may convene an electronic meeting of the Board to facilitate meeting attendance by all directors whereby the electronic meeting procedures shall be in accordance with the Company's articles of association, laws and applicable regulations.

3.2 Minutes of meeting

Minutes of the Audit Committee will be prepared in accordance with applicable laws, regulations, bylaws, policy, procedures, and/or other applicable requirements.

3.3 Required attendance

The Head of Audit is required to attend all Audit Committee meetings.

3.4 Secretariat services

The Head of Audit will act as a secretary responsible for facilitating and coordinating meetings as well as provide ancillary support to the audit committee, as time and resources permit.

4. Responsibilities

It is the responsibility of the Audit Committee to provide the Board with independent, objective advice on the adequacy of management's arrangements with respect to the following aspects of the management of the SCBX Group. In addition, the Audit Committee is responsible for encouraging cooperation among Audit Committees of subsidiaries within the SCBX Group to ensure corporate governance, adequate risk management, and appropriate and effective internal controls and internal audits. It will monitor changes so that it is well prepared to face any potential risks that may arise in the future.

4.1 Values and Ethics

To obtain reasonable assurance with respect to the SCBX Group's values and ethics practices, the Audit Committee will:

- (1) Review and assess the policies, procedures and practices established by the governing body to monitor conformance to its Code of Conduct and ethical policies by all managers and staff of the SCBX Group.
- (2) Provide oversight of the mechanisms established by management to establish and maintain high ethical standards for all of the managers and staff of the SCBX Group.
- (3) Review and provide advice on the systems and practices established by management to monitor compliance with laws, regulations, policies and standards of ethical conduct and identify and deal with any legal or ethical violations.

4.2 Corporate Governance

To obtain reasonable assurance with respect to the SCBX Group's governance process, the Audit Committee will review and provide advice on the governance process established and maintained within the SCBX Group and the procedures in place to ensure that they are operating as intended.

4.3 Risk Management

To obtain reasonable assurance with respect to the SCBX Group's risk management practices, the Audit Committee will:

- (1) Review and monitor those practices to ensure that the principles of good corporate governance have been implemented adequately and assessed risk management appropriately.
- (2) Seek consultation with the Risk Oversight Committee to ensure that financial institution risk management policies and plans include all types of risks, including emerging risks, and are implemented efficiently and effectively.

4.4 Fraud

To obtain reasonable assurance with respect to the SCBX Group's procedures for the prevention and detection of fraud, the Audit Committee will:

- (1) Oversee management's arrangements for the prevention and deterrence of fraud.
- (2) Ensure that appropriate action is taken against known perpetrators of fraud.
- (3) Challenge management and internal and external auditors to ensure that the entity has appropriate anti-fraud programs and controls in place to identify potential fraud and ensure that investigations are undertaken if fraud is detected.
- (4) Oversee the anti-bribery and corruption policy to ensure that the Company complies with its legal and ethical obligations.

4.5 Internal control

To obtain reasonable assurance with respect to the adequacy and effectiveness of the SCBX Group's controls in responding to risks within the SCBX Group's governance, operations and information systems, the Audit Committee will:

- (1) Review and evaluate whether the SCBX Group has set an appropriate and effective internal control system, including control over the information technology system, internal audits and guidelines for

communicating the importance of internal control and risk management throughout the SCBX Group.

- (2) Consider the effectiveness of the SCBX Group's control framework, including information technology security and control.
- (3) Review and provide advice on the control of the SCBX Group as a whole and its individual units.
- (4) Stay informed of reports on all matters of significance arising from work performed by other providers of financial and internal control assurance to senior management and the Board.

4.6 Regulatory compliance

The Audit Committee will:

- (1) Review the SCBX Group's compliance with Securities and Exchange Commission regulations and the laws relating to the SCBX Group's businesses.
- (2) Review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow-up (including disciplinary action) of any instances of noncompliance.
- (3) Review the observations and conclusions of internal and external auditors and the findings of any regulatory agencies.
- (4) Review the process for communicating the Code of Conduct to the SCBX Group's personnel and for monitoring compliance.
- (5) Obtain regular updates from management of the SCBX Group.

4.7 Internal Audit Activity

To obtain reasonable assurance with respect to work of the internal audit activity, the Audit Committee will provide oversight related to:

4.7.1 Internal Audit Charter and resources

- (1) Review and approve the Internal Audit Charter at least annually. The Charter should be reviewed to ensure that it accurately reflects the internal audit activity's purpose, authority

and responsibility, consistent with the mandatory guidance of the IIA's International Professional Practices Framework and the scope and nature of assurance and consulting services, as well as changes in the financial, risk management and governance processes of the SCBX Group and reflects developments in the professional practice of internal auditing.

- (2) Advise the Board about increases and decreases to the resources requested to accomplish the internal audit plan. Evaluate whether any additional resources are needed permanently or should be provided through outsourcing.

4.7.2 Evaluation of the Performance of Head of Audit

- (1) Advise the Board regarding the qualifications and recruitment, appointment, and removal of Head of Audit.
- (2) Provide input to management related to evaluating the performance of Head of Audit.
- (3) Recommend to management or the governing body the appropriate compensation of Head of Audit.

4.7.3 Internal audit strategy and plan

- (1) Review and provide input on the internal audit activity's strategic plan, objectives, performance measures and outcomes
- (2) Review and approve proposed risk-based internal audit plans and make recommendations concerning internal audit projects.
- (3) Review and approve the internal audit plan and engagements work program, including reviewing internal audit resources necessary to achieve the plan.
- (4) Review the internal audit activity's performance relative to its audit plan.

4.7.4 Internal audit engagement and follow up

- (1) Review internal audit reports and other communications to management.

- (2) Review and track management's action plans to address the results of internal audit engagements.
- (3) Review and advise management on the results of any special investigations.
- (4) Inquire of the Head of Audit whether any internal audit engagements or non-audit engagements have been completed but not reported to the Audit Committee, and, if so, inquire whether any matters of significance arose from such work.
- (5) Inquire of the Head of Audit whether any evidence of fraud has been identified during internal audit engagements and evaluate what additional actions, if any, should be taken.

4.7.5 Standards conformance

- (1) Ask the Head of Audit about steps taken to ensure that the internal audit activity conforms with the IIA's International Standards for the Professional Practice of Internal Auditing.
- (2) Ensure that the internal audit activity has a quality assurance and improvement program and that the results of these periodic assessments are presented to the Audit Committee.
- (3) Ensure that the internal audit activity has an external quality assurance review every five years.
- (4) Review the results of the independent and external quality assurance review and monitor the implementation of the internal audit activity's action plans to address any recommendations.
- (5) Advise the Board about any recommendations for the continuous improvement of the internal audit activity.

4.8 Compliance Function

To obtain reasonable assurance with respect to the work of the Compliance Function, the Audit Committee will provide oversight related to:

- (1) Review and approve the Compliance Charter, annual plan, staffing and resources required for the Compliance Function.
- (2) Consider regular updates from the Audit Function and the Compliance Function regarding compliance matters affecting the SCBX Group's operations.
- (3) Review findings/issues raised by regulators and follow up corrective actions. Report these issues to the Board of Directors.
- (4) Review the efficiency of the system for monitoring compliance with laws and regulations and the results of follow-up of corrective actions for non-compliance issues.
- (5) Review compliance with the anti-corruption policy and report it to the Board of Directors.

4.9 External Auditors

To obtain reasonable assurance with respect to work of the external assurance providers, the Audit Committee will meet with the external assurance providers during the planning phase of the engagement, the presentation of the audited financial statements, and the discussion of the results of engagements and recommendations for management. The Audit Committee will:

- (1) Review the external auditors' proposed audit scope and approach, including coordination of the external audit effort with the internal audit activity.
- (2) Review the performance of the external auditors, and exercise final approval on the appointment or discharge of auditors.
- (3) Obtain statements from the external auditors about their relationships with the organization, including non-audit services performed in the past, and discuss the information with the external auditors to review and confirm their independence.
- (4) Appoint the auditor for non-assurance services in addition to annual financial statement audits. Such responsibilities shall not compromise the auditor's

independence in conducting an audit of the annual financial statements. If the value per engagement exceeds the stated threshold outlined in Appendix 1, the Audit Committee's approval is required prior the appointment.

- (5) Have regularly scheduled exclusive meetings with external auditors to discuss any sensitive matters and hold at least one meeting per year with the external auditor without management present.
- (6) Monitor management's progress on action plans. To obtain reasonable assurance that management has acted on the results and recommendations of internal and external audit engagements, the Audit Committee will regularly review reports on the progress of implementing approved management action plans and audit recommendations resulting from completed audit engagements.

4.10 Financial Statements

The Audit Committee is responsible for oversight of the independent audit of the SCBX Group's financial statements, including but not limited to overseeing the resolution of audit findings in such areas as internal control, legal compliance, regulatory compliance and ethics. The Audit Committee will:

- (1) Review the SCBX Group's financial reporting to ensure that it is accurate and adequate. Consider the completeness of acknowledged information and the appropriateness of accounting principles applied to financial statements.
- (2) Consider the accuracy and completeness of the SCBX Group's disclosure, especially related transactions that may involve conflict of interest.
- (3) Review with management and the external auditors the results of audit engagements, including any difficulties encountered.
- (4) Review significant accounting and reporting issues, including complex or

- unusual transactions; matters requiring high professional judgement and recent announcements on professional and regulatory guidelines, and understand their impact on the financial statements.
- (5) Review the annual financial statements, and consider whether they are complete, consistent with information known to the Audit Committee members, and reflect appropriate accounting principles.
 - (6) Review other sections of the annual report and related regulatory filings and consider the accuracy and completeness of the information before it is released.
 - (7) Review with management and the external auditors all matters required to be communicated to the Audit Committee under generally accepted external auditing standards.
 - (8) Understand strategies, assumptions and estimates that management has made in preparing the financial statements, budgets and investment plans.
 - (9) Understand how management develops interim financial information and the nature and extent of internal and external auditor involvement in the process.
 - (10) Review interim financial reports with management and the external auditors before filing with regulators and consider whether they are complete and consistent with the information known to the Audit Committee members.

4.11 Other Responsibilities

In addition, the Audit Committee will:

- (1) Institute and oversee special investigations as needed.
- (2) Perform other functions as assigned by the Board of Directors with the acknowledgement of the Audit Committee.
- (3) Review roles, responsibilities and membership term of the Audit Committee members and assess the Audit Committee Charter on a regular basis. Propose changes in the Charter for approval by the Board of Directors.

- (4) Conduct self-assessment at least once a year and present the results to the Board of Directors.
- (5) The Audit Committee should discuss and investigate facts when notified by auditors about doubtful incidents related to corruption or violation of the provision of directors and executives' performances under Section 89/25 of the Securities and Exchange Act B.E. 2559 (2016). Results of such preliminary discussion and investigation shall be reported to auditors and the SEC within a period specified by the SEC.

5. Reporting

The Audit Committee will report to the Board annually, summarizing the Audit Committee's activities and recommendations. The report should also include:

- (1) A summary of the work the Audit Committee performed to fully discharge its responsibilities during the preceding year.
- (2) A summary of management's progress in addressing the results of internal and external audit reports.
- (3) An overall assessment of management's risk, control and compliance processes, including details of any significant emerging risks or legislative changes impacting the SCBX Group.
- (4) Details of meetings including the number of meetings held during the relevant period and the number of meetings each member attended.
- (5) Provide information required, if any, by new or emerging corporate governance developments.
- (6) The Audit Committee may report to the Board of Directors at any time regarding any other matter it deems of sufficient importance.
- (7) Prepare corporate governance of the Audit Committee report as part of the Annual Report.
- (8) Define the responsibilities of the Audit Committee, including all changes in

composition and significant changes in activities, in a clearly written form as approved by the Board and disclosed in the Annual Report for the shareholders' acknowledgment.

- (9) Report any doubtful incident or suspicious transaction to the Board for rectification and improvement within a reasonable time, as follows:

- Conflict of interest
- Fraud or significant internal control failure
- Violation of the Financial Institutions Businesses Act, the Securities and Exchange Act and regulations, the Bank of Thailand regulations, or any other law that relates to the business of financial institutions and securities as well as other laws. If the Board of Directors or management do not rectify the violation within the time specified by the Audit Committee, the Audit Committee shall disclose it in the Annual Report and report it to the Bank of Thailand.

6. Remuneration

The remuneration of the Audit Committee will be approved at the annual general meeting of shareholders.

(Approved by the Board of Directors Meeting No. 1/2023 on January 20, 2023)

Appendix 1

Non-Assurance Services Pre-Concurrence Guideline

Introduction

The IESBA's revised non-assurance service standard requires that all non-assurance services provided by the independent auditor to an audit client that is a public interest entity, or its direct or indirect controlling/controlled entities, should be pre-concurred by those charged with governance. This requirement is to enable those charged with governance of the public interest entity audit client to have oversight of the independence of the auditor.

Accordingly, the Audit Committee has adopted the following pre-concurrence guideline. This document sets forth procedures and conditions whereby permissible non-assurance services provided by the independent auditor will be pre-concurred for the entities within the corporate structure of SCBX (see Appendix A).

1.0 Pre-Concurrence Guideline

The Audit Committee has adopted a general guideline procedure to pre-concur non-assurance services to be provided by the independent auditor without obtaining specific pre-concurrence for each engagement.

Under this procedure, the Audit Committee pre-concurs the list of non-assurance services (see Appendix B), each having a fee of less than 10% of the total audit fee, so that they may be provided by the independent auditor without the need for the auditor to seek specific pre-concurrence from the Audit Committee.

Unless a non-assurance service shall have received such general pre-concurrence, it will require specific pre-concurrence by the Audit Committee, and the concurrence must be provided to the auditor before an engagement letter contracting the non-assurance service is signed.

The pre-concurred list of non-assurance services remains in effect until amended by the Audit Committee.

The Audit Committee hereby delegates to the Head of Audit Function the authority to confer with the external auditor to determine which non-assurance services not included in Appendix B are permissible. Each permissible service having a fee of less than 10% of the total audit fee may be provided by the independent auditor without the need for the auditor to seek specific pre-concurrence from the Audit Committee.

The term of any specific pre-concurrence is 12 months or any other agreed basis from the date of pre-concurrence, unless the Audit Committee concurs a different period.

2.0 Other public interest entities within the corporate structure of SCB X Public Company Limited

As the corporate structure has more than one public interest entity, this procedure applies to the following public interest entities:

- SCB X Public Company Limited
- The Siam Commercial Bank Public Company Limited, including Hong Kong, Singapore, Shanghai, Ho Chi Minh City, Vientiane and Cayman Islands branches
 - SCB Asset Management Co., Ltd.
 - Siam Commercial Bank Myanmar Ltd.
 - Cambodian Commercial Bank Ltd.
 - SCB-Julius Baer Securities Co., Ltd.
- InnovestX Co., Ltd.

All non-assurance services listed in Appendix B, for all public interest entities, will follow the procedure described in Section 1.0. Non-assurance services without general pre-concurrence will need each entity's audit committee to provide specific pre-concurrence. Each audit committee will be responsible for concurring its own contracted non-assurance services, including non-assurance services for its subsidiaries.

3.0 Restrictions on disclosure of information regarding non-assurance services

Restrictions due to professional standards, laws or regulations

The Audit Committee has not identified any professional standards, laws or regulations that would restrict the communication of information regarding non-assurance services to the Audit Committee by the independent auditor.

Restrictions due to sensitive or confidential information

In some circumstance, the provision of information necessary for the Audit Committee to evaluate the impact on the auditor's independence from providing a proposed service to another public interest entity within the corporate structure of SCBX may result in the disclosure of sensitive or confidential information. The Audit Committee can provide concurrence for providing the non-assurance service when:

- The auditor agrees with the Audit Committee of the entity to which the service will be provided what information can be provided to the Audit Committee of the public interest entity that needs to provide concurrence for such service.
- The auditor provides such information as it is able without breaching its legal or professional obligations.
- The auditor confirms that the provision of the service will not create a threat to its independence, or that any identified threat is at an acceptable level or, if not, will be eliminated or reduced to an acceptable level; and
- The Audit Committee does not disagree with the auditor's conclusion above.

4.0 Concurrence

Under the Pre-Concurrence Guideline, the Audit Committee understands that the provision of the non-assurance services listed in Appendix B by the auditor will not create a threat to the auditor's independence (or any such threat will be reduced to an acceptable level or the circumstance creating the threat will be eliminated by the auditor). Therefore, the independent auditor will not be required to obtain specific pre-concurrence for these services.

On a semi-annual basis, the independent auditor should inform the Audit Committee of all services provided under the general Pre-Concurrence Guideline.

All other non-assurance services not covered by this general Pre-Concurrence Guideline will require communication from the independent auditor and individual concurrence from the Audit Committee regarding:

- the provision of the non-assurance service and
- the conclusion that the provision of the non-assurance service will not create a threat to the auditor's independence, or that any identified threat is at an acceptable level or, if not, will be eliminated, or reduced to an acceptable level.

The concurrence of the Audit Committee will be formalized by email, in the meeting minutes or via letter.

Appendix A

Entities within the corporate structure that are covered by this pre-concurrence guideline:

Public Interest Entities

- SCB X Public Company Limited
- TheSiamCommercialBankPublicCompany Limited including Hong Kong, Singapore, Shanghai, Ho Chi Minh City, Vientiane and Cayman Islands branches
 - SCB Asset Management Co., Ltd.
 - Siam Commercial Bank Myanmar Ltd.
 - Cambodian Commercial Bank Ltd.
 - SCB-Julius Baer Securities Co., Ltd.
- InnovestX Co., Ltd.

Controlled entities

- SCB 10X Co., Ltd.
- Purple Ventures Co., Ltd.
- Auto X Co., Ltd.
- SCB Tech X Co., Ltd.
- Card X Co., Ltd.
- SCB Abacus Co., Ltd.
- MONIX Co., Ltd.
- Token X Co., Ltd.
- Digital Ventures Co., Ltd.
- SCB Protect Co., Ltd.
- SCB Training Center Co., Ltd.
- SCB Plus Co., Ltd.
- AISCB Co., Ltd.
- Card X Asset Management Co., Ltd.
- Mahisorn Co., Ltd.
- Data X Co., Ltd.

Appendix B

Before a non-assurance service is provided, the independent auditor must apply the conceptual framework¹ of the IESBA Code to identify, evaluate and address any threats² to independence that might be created. A non-assurance service that might create a self-review threat is not permissible

for a public interest entity audit client. The independent auditor is also prohibited from assuming a responsibility of management and will evaluate this risk.

The pre-concurred non-assurance services are listed as follows:

Regulatory compliance

- Agreed-upon procedures to comply with regulatory compliance matters such as for:
 - Interest rate risk in banking book
 - ICAAP process
 - Capital calculation under Pillar I
 - Credit reviews
 - IT outsourcing
 - BCM and BCP reviews
 - CDD review
 - Credit information system review
 - ICAS review
 - Liquidity risk management review
 - E-banking services

IT

- Benchmarking of IT security controls against industry best practice
- IT network security penetration test for application

Due diligence

- Buy side due diligence
- Sell side due diligence

Tax

- Due diligence for tax restructuring related to acquisitions and dispositions
- Tax compliance, including preparation of corporate tax returns
- Tax advisory and tax planning services only as defined in IESBA 604.12 A2
- Dealing with the tax authority on the matter related to tax examination
- Tax transfer pricing planning
- Tax health check

¹ The conceptual framework specifies an approach for a professional accountant to:

- a) Identify threats to compliance with the fundamental principles;
- b) Evaluate the threats identified; and
- c) Address the threats by eliminating or reducing them to an acceptable level.

² Threats to compliance with the fundamental principles fall into one or more of the following categories:

- a) Self-interest threat — the threat that a financial or other interest will inappropriately influence a professional accountant's judgment or behaviour;
- b) Self-review threat — the threat that a professional accountant will not appropriately evaluate the results of a previous judgment made, or an activity performed by the accountant or by another individual within the accountant's firm or organization of employment, on which the accountant will rely when forming a judgment as part of performing a current activity;
- c) Advocacy threat — the threat that a professional accountant will promote a client's or employing organization's position to the point that the accountant's objectivity is compromised;
- d) Familiarity threat — the threat that due to a long or close relationship with a client or an organization of employment, a professional accountant will be too sympathetic to their interests or too accepting of their work; and
- e) Intimidation threat — the threat that a professional accountant will be deterred from acting objectively because of actual or perceived pressures, including attempts to exercise undue influence over the accountant.

Risk Oversight Committee Charter

1. Composition and Qualifications

- 1.1 The Risk Oversight Committee is an oversight-level committee appointed by the Board of Directors of the Company, comprising no less than three members.
- 1.2 The Chairman of the Risk Oversight Committee shall be an independent director or non-executive director.
- 1.3 Every member must be a director, executive or company advisor, and at least half of the Committee memberships shall be held by independent or non-executive directors or company advisors who have the same duties as Board members.
- 1.4 At least one member must have knowledge, expertise and understanding of risks related to financial institution businesses.
- 1.5 The Risk Oversight Committee shall appoint its own secretary.

2. Membership Terms

- 2.1 The term of office of any Committee member who is a member of the Board of Directors shall be in accordance with the terms specified by the Board of Directors.
- 2.2 The term of office of any Committee member who is an executive or advisor shall be in accordance with the terms specified by the Board of Directors.

3. Duties and Responsibilities

- 3.1 Providing advice to the Board of Directors on the risk governance framework and business continuity management of SCBX Group ("Group").

- 3.2 Supervising Group companies to establish sufficient and appropriate risk management policies and strategies covering material and emerging risks, especially implementation of the Center of Excellence for cyber risk, PDPA risk and data risk, including both data usage and data governance.
- 3.3 Considering and endorsing the Group risk management policy, including risk appetite, before proposing it for approval by the Board of Directors.
- 3.4 Considering and endorsing the risk management policies of Group companies consistent with the risk management framework set by the parent company. In case any inconsistency is deemed material, the Risk Oversight Committee shall propose the issue to the Board of Directors for approval.
- 3.5 Ensuring that senior management, including the Chief Risk Officer, comply with risk management policies and strategies, including risk appetite.
- 3.6 Ensuring that the Group's capital and liquidity management strategies for various risk types are in line with approved strategies and risk appetite.
- 3.7 Reviewing the sufficiency and effectiveness of the Group's risk management policy and strategies and business continuity management, including risk appetite, at least once a year or when there is a significant change in the risk level that may affect the Group's performance or reputation. The Risk Oversight Committee should discuss and share opinions with

the Audit Committee and the Technology Committee to assess whether the Group's risk management policies and strategies cover all types of risks, including emerging risks, and implement such policies and strategies with efficiency and effectiveness.

- 3.8 Reporting to the Board of Directors the risk position, efficiency of risk management, control and monitoring systems, and compliance status of the corporate risk culture as well as significant factors, problems and matters that need to be reviewed to be in line with the Group's risk management policies and strategies.
- 3.9 Commenting on or participating in the assessment of the Chief Risk Officer's performance in terms of efficiency and effectiveness.
- 3.10 Providing advice to the Board of Directors on instilling a risk culture throughout the Group, and supervising compliance with corporate culture.

4. Meetings and Voting

- 4.1 To constitute a quorum at a Risk Oversight Committee meeting, at least half of the total number of committee members must be present.
- 4.2 The Risk Oversight Committee shall hold a meeting at least six times each year and at least once every three months. If deemed appropriate by the Chairman of the Risk Oversight Committee, the Committee meetings may be arranged electronically to facilitate the meeting attendance by all directors. The procedures of such electronic meeting shall be in accordance with applicable regulations, laws and rules.
- 4.3 Members of the Risk Oversight Committee should attend meetings in person no less than 75 percent of the total number of meetings each year unless there is any justifiable reason and necessity.

4.4 A notice of the meeting, meeting agenda and supporting documents for the Risk Oversight Committee meeting shall be sent to all directors at least five business days prior to the meeting date, unless an urgent meeting is required to protect the Company's rights or benefits, so that directors have sufficient time to study the information.

4.5 At the Risk Oversight Committee meeting, at least two-thirds of all directors should be present during the voting procedure.

4.6 Absolute decisions at a meeting of the Risk Oversight Committee shall be made by a majority of votes of all members present at the meeting unless applicable legal provisions concerning such voting stipulate otherwise. Each member shall have one vote. In case of an equality of votes, the chairman of the meeting shall exercise a casting vote.

4.7 Any member of the Risk Oversight Committee having any direct and/or indirect vested interest in a given matter shall have no right to participate in the decision-making or voting on such matter and must refrain from participation or involvement in such matter. They are also required to declare the grounds for such conflict of interest to the Board meeting prior to the meeting commencement.

Charter of the Corporate Social Responsibility Committee

1. Vision

The Corporate Social Responsibility (CSR) Committee of SCBX has set forth a CSR vision for the SCBX Group calling for good corporate governance, social responsibility, and emphasis on youth development and betterment of the quality of life and society so as to promote sustainable prosperity.

2. Composition and Qualifications

2.1 The CSR Committee and its Chairperson shall be appointed by the Board of Directors of SCBX through selection and nomination by the Nomination, Compensation and Corporate Governance Committee. The CSR Committee shall comprise at least three members.

2.2 Members of the CSR Committee shall have appropriate qualifications, expertise, experience and understanding of their functions and responsibilities.

2.3 A qualified SCBX officer shall be appointed as Secretary to the CSR Committee.

3. Term of Membership and Meetings

3.1 The term for each member of the CSR Committee shall be equal to that of members of the Board of Directors of SCBX, and shall end at the same time as the latter at the Annual General Meeting of Shareholders. Members of the CSR Committee may be re-elected. Retired members shall remain as acting members to perform their duties until a new member has been appointed, except in the case where their term of membership expires, and they are not re-elected as an SCBX director.

In case of a vacancy in the CSR Committee, the Board of Directors of SCBX shall select a qualified director who possesses no prohibited characteristics to serve as a member of the CSR Committee. The substitute member shall hold office only during the remaining term of office of the ex-member of the CSR Committee they replace.

3.2 The CSR Committee shall meet at least once a quarter. The Chairperson of the CSR Committee may call for a video conference or teleconference as deemed appropriate. Members of the CSR Committee shall attend the meeting in accordance with concerned rules, laws and regulations.

In the event that the Chairperson of the CSR Committee considers that there is an urgent need to obtain a resolution of the CSR Committee but the number of members who can attend the meeting in person is insufficient to form a quorum, the Chairperson may require that the resolution be approved by a circular meeting by having each member cast their vote via resolution document, video conference, teleconference or e-mail. Such resolution shall be documented for each member to sign as evidence thereof.

3.3 At least half of the members shall be present in order to form a quorum at a meeting of the CSR Committee.

In the event that the Chairperson of the CSR Committee is absent or is unable to chair a meeting, the members present at the meeting shall select a member to be the acting Chairperson of the meeting.

3.4 A final decision, resolution or judgment shall be made by majority vote. In the event of a tie vote, the Chairperson of the meeting shall cast a deciding vote.

4. Functions and Responsibilities

Key functions of the CSR Committee are to oversee the SCBX Group's good corporate governance and social responsibility as follows:

- 4.1 Develop an CSR policy and framework and allocate resources and budget for CSR projects and activities.
- 4.2 Provide recommendations and support for CSR projects and activities run by companies under the SCBX Group to ensure that they follow guidelines appropriate for a sustainable society.

5. Charter Review and Amendment

The CSR Committee shall review this Charter annually and recommend amendments as appropriate for endorsement by the Board of Directors of SCBX.

Charter of the Technology Committee

Purposes

The Board of Directors has mandated the Technology Committee ("TechComm") to oversee the future direction and service integrity of SCBX ("the Company") and the SCBX Group's technology to ensure alignment with business goals; strong governance; the stability, scalability and adaptability of existing business services, and to support the Board of Directors in pursuing its long-term technology strategy to keep pace with the new global context.

Such duties shall enable its management to act faster and in alignment with supporting policies and guiding principles. Key concerns will be on technology risks (awareness, management, and mitigation); reviewing, and providing guidance on transformation of the SCBX Group into becoming an innovative technology company; and other issues, including data governance and productivity enhancement while ensuring compliance (e.g., data protection law and the recently enforced GDPR).

1. Composition, Qualifications, and Terms of Membership

- 1.1. The TechComm is appointed by the Board of Directors, which consists of selected members of the Board and other persons who hold management positions at the Company or outside individuals determined by the Board. At least half of the TechComm members shall be Board or management positions at the Company. The Board of Directors shall appoint the Chairperson of the TechComm.

- 1.2. Members of the TechComm shall have appropriate expertise and experience, as well as understanding of their functions and responsibilities, and shall not possess any characteristics as prohibited by applicable laws.
- 1.3. The TechComm shall appoint its own Secretary. The Secretary should have appropriate expertise and experience in technology fields.
- 1.4. The term of office of any member of the TechComm who is on the Board of Directors shall be equal to that of the directorship unless the Board of Directors determines otherwise.
- 1.5. The term of office of any member of the TechComm who holds a management position at the Company shall be equal to the period that they remain in management of the Company, unless the Board of Directors determines otherwise.
- 1.6. The term of office of any member of the TechComm who is not a Board Director or does not hold a management position at the Company, shall be determined by the Board of Directors.

2. Duties and Responsibilities

- 2.1. Oversee the Company and SCBX Group's technology strategy and architecture to ensure alignment with the Company's goals and objectives, addressing the integrity of the technology services and managing the technology risk, while promoting technology best practices that comply with the Company's core values.

- 2.2. Review and provide guidance on technology strategies, risks, performance, and budgeting.
- 2.3. Ratify major decisions with the Board of Directors in respect to technology direction and policies, including advising the Board of implications related to technology functions.
- 2.4. Understand the use of new technological advancements which may improve fundamental technological capabilities, the quality of financial transactions, and upgrade technology capabilities within risk appetites to meet the changing behavior of consumers and new demands of technology.
- 2.5. In case the TechComm resolves or directs that a person or a group of persons be authorised to perform a task on its behalf, such authorisation may not be sub-delegated to a third person unless it is allowed in the TechComm's initial authorisation.
- 2.6. The authority to call meetings with members of the Board of Directors and management to address technology related matters.
- 2.7. Provide an annual report to the Board of Directors on the "State of Technology." Additionally, the TechComm may raise matters to the agenda to be considered by the Board of Directors, Executive Committee, Audit Committee, and Risk Oversight Committee as deemed appropriate to ensure the respective Boards are synchronized in respect to the technology.
- 2.8. Enhance the Board's understanding of information technology to the Board of Directors in order to recognize its importance.
- 2.9. Co-direct with other Board subcommittees on the transformation process and governance structure to support becoming a technology company.

3. Meetings & Voting

- 3.1. The TechComm shall hold meetings as it deems appropriate, but at least 10 times per year. The Chairperson or an individual delegated by the Chairperson may call a meeting either through a formal meeting or attendance via electronic media. The quorum shall be counted from both members' presence in person and via electronic media to facilitate all directors being able to attend meetings and express their opinions on such matters. The procedures for organizing meetings via electronic media shall be in accordance with applicable laws and regulations.
- 3.2. To constitute a quorum at each Tech Comm meeting, no fewer than half of the total members must attend.
- 3.3. TechComm members must attend at least 75 percent of the meetings held each year, either in person or via electronic media (e.g., video conference or teleconference). The Chairman of the TechComm may allow other people to attend or provide their opinions at the meeting.
- 3.4. Endorsement of TechComm resolutions may be provided via printed document or in digital form (e.g., e-mail).
- 3.5. Absolute decisions at a meeting of the TechComm shall be made by a majority of votes of all members present at the meeting. Each member shall have one vote.
- 3.6. TechComm members who have a vested interest in a particular issue must abstain from voting on that issue.
- 3.7. The Secretary to the TechComm shall be responsible for preparing minutes of the meetings and safekeeping meeting documents.

4. Standing Agenda Items

The Chairperson and Secretary of the TechComm will determine meeting schedules and agendas to ensure that all technology actions are aligned with long-term strategies and business goals. The oversight of current technology operations and the direction of technology operations of the Company and the SCBX Group shall require regular review to keep up with the new world context, with the following agenda:

- 4.1. Technology policy and strategies
 - 4.1.1. Technology architecture
 - 4.1.2. Operating model covering:
 - 4.1.2.1. Project performance
 - 4.1.2.2. System performance
 - 4.1.2.3. System security
 - 4.1.2.4. Demands and supplies
 - 4.1.2.5. Key metrics, e.g., response to user requests, system usage, and others
 - 4.1.2.6. Budget
 - 4.1.3. Technology resourcing and people
- 4.2. Technology strategies and operations for the future and important technology changes such as the linkage of Group companies, digital banking platform, fintech investment, data and monetization, and cloud strategy, etc.
- 4.3. Cybersecurity, resilience, and technology risk
- 4.4. Technology risk policy, process, and procedure refreshment
- 4.5. Compliance
- 4.6. Technology resilience and scalability
- 4.7. Future technology and technology risk updates for the Board of Directors

Internal Audit Charter

Purpose and Mission

The purpose of the Audit Function ("the Audit") of SCBX, which is the parent company of the SCBX Group, is to provide independent, objective assurance and consulting services designed to add value and improve the SCBX Group's operations. The mission is to help SCBX Group accomplish its objectives by bringing a systematic approach to evaluate and improve the effectiveness of internal control, risk management and governance processes.

Professional Internal Audit Standards

The Audit Function complies with the International Professional Practices Framework (IPPF) of the Institute of Internal Auditors (IIA), which comprises mandatory guidance on core principles, code of ethics, standards, and definition of internal auditing.

Authority

1. The Head of Audit shall independently report to the Audit Committee of the SCBX Group or and administratively to the CEO & Chairman of Executive Committee.
2. The Audit Committee shall consider and approve the appointment, dismissal, transfer and discharge of the Head of Audit, as well as performance appraisals and merit review.
3. The Audit is authorized to have full, free, and unrestricted access to any and all of the SCBX Group's records, physical properties and personnel pertinent to carrying out the planned audit engagement and must maintain and safeguard the confidentiality of information.

4. The Audit is authorized to allocate resources; select subjects; determine scopes of work; set frequencies; apply techniques required to accomplish audit objectives; and issue reports.
5. The Audit must obtain competent advice and assistance if the internal auditors lack the knowledge, skills or other competencies needed to perform all or part of the engagement.
6. All employees are responsible for providing support and cooperation to the internal audit activity in fulfilling its roles and responsibilities to achieve maximum benefits for the SCBX Group.
7. The Audit may report any matters and have free and unrestricted access to the Audit Committee.

Independence and Objectivity

1. The Audit shall be independent, and auditors must have an impartial, unbiased attitude and avoid any conflict of interest in order to be able to work according to the plan and objectives effectively and efficiently.
2. In the event that auditors have any concern regarding independence or objectivity, they shall raise such concern to the Head of Audit.
3. Auditors must refrain from assessing specific operations for which they were previously responsible. Objectivity is presumed to be impaired if an auditor provides assurance services for an activity for which the auditor had responsibility within the previous year.
4. Where The Head of Audit has, or is expected to have, any role and/or responsibility that falls outside of auditing, safeguards must be in place to limit any impairment to independence or objectivity.

5. The Head of Audit must confirm to the Board, at least annually, the organizational independence of the audit activity.
6. The Audit must be free from interference in determining the scope of auditing, performing work and communicating results. The Head of Audit must disclose such interference to the Audit Committee and discuss the implications.

Scope of Audit Activities

The Audit is responsible to provide independent, objective assurance and consulting services by evaluating the internal control, operations, reporting, risk management, and governance process of the SCBX Group. Its scope of work includes recommending, consulting and the following:

1. Evaluate the effectiveness of the SCBX Group's risk management process, including risks from operations, and provide recommendations for its improvement.
2. Review the efficiency, effectiveness and adequacy of the SCBX Group's internal control system over operations and provide recommendations for its improvement.
3. Review the reliability, integrity, accuracy, completeness and timeliness of financial reporting and management functions of the SCBX Group.
4. Evaluate the efficiency and effectiveness of the use of resources, including appropriate and adequate care, protection and maintenance of assets of the SCBX Group.
5. Review compliance with the SCBX Group's policies, including the Anti-Corruption Policy, rules, regulations and related laws.
6. Report periodically to senior management and the Audit Committee on the audit activity's purpose, authority, responsibility and performance relative to its plan and on its conformance with the code of ethics and the standards. Reporting must also include significant risk and control issues, including fraud risks, governance issues and other

matters that require the attention of senior management and/or the Audit Committee.

7. Share information, coordinate activity and consider relying upon the work of other internal and external assurance and consulting service providers to ensure proper coverage and minimize duplication of efforts.
8. Encourage the SCBX Group's audit functions to follow the same methodology established by SCBX. In terms of work planning and knowledge sharing, the Audit should meet with SCBX Group's audit functions on a regular basis. In some projects, this includes collaborating with the audit of subsidiaries, associated companies and related companies.

Responsibilities

1. Formulate an annual audit plan and submit it for the Audit Committee's approval. The audit plan shall be adjusted, when necessary, in response to changes in the organization's business.
2. Proceed with audit activities as per the approved annual audit plan, planning necessary resources to ensure that audit activities follow the annual audit plan at the internal audit quality standard, and report the progress of annual audit plan execution to the Audit Committee.
3. Report to the SCBX Group's Audit Committee and management any significant issue related to audit results and internal control of the SCBX Group's operations as well as recommendations for improvement of the process.
4. Follow up on engagement findings to ensure that all significant findings will remain in an "open issues" file until cleared.
5. Report annual summary of the efficiency, effectiveness and adequacy of the SCBX Group's internal control system.
6. Plan and coordinate with the external auditors to ensure that performance benefits are mutually shared.
7. Provide consultation, advice and related services, of which the nature and scope of

work are subject to mutual agreements made with users. The objective of such consultation, advice and related services is to add value and improve the SCBX Group's risk management, control and compliance processes without taking responsibility as management.

8. Assist management and business units in the investigation of suspected fraud incidents or operational mistakes/errors in the SCBX Group and report the results to the Audit Committee and management.
9. Perform ad-hoc assignments as assigned by the Audit Committee or management.
10. Review the Internal Audit Charter every year and propose it to the Audit Committee for approval.

Quality Assurance and Improvement Program

1. Present measurable targets and comparison with actual performance to the Audit Committee.
2. Promote compliance with international standards of the Institute of Internal Auditors (IIA) and the Information Systems Audit and Control Association.
3. Plan training and development to ensure that audit staff have sufficient knowledge, skills and professional qualifications to perform effectively. Encourage audit staff to obtain professional certification.
4. Provide internal assessment review to comply with IIA standards as well as recommendations of the Bank of Thailand and other regulatory bodies.
5. Provide an external quality assessment review every five years to develop and continuously improve performance and efficiency. Enhance internal audit activity according to international standards.

SCBX Group Supplier Code of Conduct

1. SCBX Group Philosophy and Code of Conduct

SCB X Public Company Limited ("the Company"), the parent company of the SCBX financial business group ("SCBX Group"), is committed to conducting business with integrity under good corporate governance principles along with its determination to create a balance between the economy, society, and the environment according to sustainable development guidelines, which are in line with the SCBX Group's Code of Conduct. At the same time, the Company intends to encourage its suppliers who are key stakeholders in the business operations of the SCBX Group to apply these principles and guidelines to conduct their businesses responsibly.

For this reason, the Company has established an "SCBX Group Supplier Code of Conduct" (Supplier Code of Conduct), which covers good practices for SCBX Group suppliers in four areas:

1. Business Ethics
2. Labor and Human Rights
3. Occupational Health and Safety
4. Environmental Management

In the event that a business partner fails to comply with the Supplier Code of Conduct, the SCBX Group reserves the right to take action against that partner by considering the impact and damage caused.

2. Scope

The SCBX Group Supplier Code of Conduct applies to all suppliers to SCBX Group, including SCBX Public Company Limited and all SCBX affiliates, both domestic and international.

3. Definition

"Suppliers" refers to distributors, contractors and/or service providers, including the sub-contractors of such suppliers, contractors and/or service providers for the SCBX Group

4. SCBX Group Supplier Code of Conduct (Requirements)

4.1 Business ethics

Respect and strictly comply with applicable laws, rules and regulations in the countries where suppliers operate, which include but are not limited to laws related to international trade, anti-competition, protection of confidential information, protection of intellectual property rights, and registration and/or licenses needed to conduct business as required by law.

Business integrity

Conduct business based on integrity, honesty, transparency and ethics, not committing any act that is corrupt, involves bribery or the offering or accepting of money, property, gifts, or any other advantage, including gaining an advantage over others in order to induce oneself or another person to receive an improper advantage.

Fairness

Conduct business responsibly, treat all parties with fairness and respect, take into account the interests of the persons with whom they are related and not commit any act that obstructs fair price competition.

Disclosure

Disclose information accurately and completely as required by law.

Confidentiality

Maintain, protect and prevent leakage of confidential information of the SCBX Group, including not disclosing or using confidential information of the SCBX Group, its customers and related parties or suppliers for one's benefit and/or permitting the use of confidential information for oneself or any person without their consent in any case that is contrary to the laws, rules and regulations of relevant public agencies.

Intellectual property rights

Respect the intellectual property rights of the SCBX Group and others, not infringing and/or distributing such intellectual property without permission or consent, and use intellectual property only for the purposes agreed upon in any agreement.

4.2 Labor and human rights

Non-discrimination

Treat employees with respect, equality and fairness, taking into account human dignity, and do not discriminate against employees based on their race, color, sex, gender, age, language, religion, ethnicity, education, marital status, pregnancy, disability, political opinion or social status.

Labor protection

Be responsible for and protect workers strictly as required by law, such as:

- Not employing children under the age legal for work.
- Not exposing female workers to work in a manner that is likely to endanger their health and safety. In the case of pregnant women, they must be provided with the protection and benefits required by law.
- In the case of employing foreign workers, they must be employed under the law correctly and completely.
- Not committing unfair termination: proceed with termination at each step under the labor law and comply with the rules of severance pay and other compensation related to termination at the rate specified by law.

Unforced labor

Operate business free from all forms of forced labor, including not using and/or not benefiting from forced, involuntary or slave labor, corporal punishment, coercion, incarceration, intimidation, harassment, and human trafficking, or any form of violence.

Wages and benefits

Proceed to pay wages, overtime pay and holiday pay, including proceeding according to the rights and benefits that employees are entitled to correctly and fairly, not lower than the rate specified by law, and employees must receive their pay without delay.

Duration of work

Employees are not allowed to work for any period longer than that required by law. Overtime or holiday work must be on a voluntary basis, and employees must be entitled to holidays and leave time not less than what is required by law.

4.3 Occupational health and safety

Compliance with occupational health and safety laws

Strictly comply with the laws, requirements and regulations related to occupational health and safety of each country in which the Company operates.

Safety and working environment

Organize actions for the safety of employees and those involved by providing a safe and hygienic working environment, reducing and controlling the risk of accidents, emergencies, injuries, illnesses and/or health effects that may arise from operations, transportation and services, as well as establish guidelines for controlling emergency situations to lessen losses.

Personal protective equipment

Provide adequate, appropriate, available, and risk-compliant personal protective equipment for workers and ensure that workers use the equipment properly while performing tasks.

4.4 Environmental management

Compliance with environmental laws

Strictly comply with applicable laws, requirements, rules, and regulations related to the environment, and keep current all required environmental permits, approvals, and registrations.

Environmentally responsible business operation

Operate with care for the environment by reducing environmental impacts due to business activities along with the efficient and effective use of natural resources under the 3R guidelines, as follows:

- Reduce: To reduce the use of resources.
- Reuse: To reuse used resources.
- Recycle: To reuse recycled resources.

Operate in a manner that protects the environment by making efforts to meet industry best practices and standards for the efficient use of natural resources and reduction of energy use, greenhouse gas (GHG) emissions, and waste; and seek ways to improve energy efficiency.

Sector-specific requirement

The SCBX Group is committing to achieving Net Zero in our own operations by 2030; therefore, we have established sector-specific requirements for GHG-intensive sectors to seek partnership and collaboration within our supply chain to reduce our GHG emissions and to ensure that the operations of our suppliers align with our Net Zero commitment.

Sectors with high GHG emissions, such as logistics, are expected to have an environmental policy that considers all applicable national and international environmental laws and regulations on GHG emissions reduction.

Attachment 5

Audit Committee Report

Report of The Audit Committee

The Audit Committee of SCBX, which is the parent company of the subsidiaries under the SCBX Group, was appointed to provide a structured, systematic oversight of the SCBX Group's governance, risk management and internal control practices to ensure the SCBX policy compliance, and to review the accuracy and adequacy of financial reports of the SCBX Group.

The Audit Committee comprises the following independent directors:

1. Mr. Prasan Chuaphanich
Chairman of the Audit Committee
(January–March 2022)
2. Mr. Winid Silamongkol
Chairman of the Audit Committee
(Since May 2022)
3. Mr. Chaovalit Ekabut
Member of the Audit Committee
(January–May 2022)
4. Assoc. Prof. Pasu Decharin, Ph.D.
Member of the Audit Committee
(January–May 2022)
5. Dr. Kulpatra Sirodom
Member of the Audit Committee
(Since June 2022)
6. Mrs. Nuntawan Sakuntanaga
Member of the Audit Committee
(Since June 2022)

Mr. Nawapong Nakjang, Head of Audit, has served as Secretary to the Audit Committee since January 2023. Previously, the position was served by Ms. Nipaporn Kullertprasert, Head of Audit.

In 2022, the Audit Committee held 12 meetings with management and senior executives in charge of concerned functions, in addition to regular meetings with representatives of the Audit Function and the Compliance Function. The Audit Committee also met with external auditors, both with and without management's presence at meetings. Summaries of the deliberations and recommendations of each Audit Committee meeting were presented to the Board of Directors to both inform the Board and, if appropriate, to seek direction on significant matters.

The Audit Committee placed particular emphasis on risk culture to keep the business operations of the SCBX Group in line with corporate governance, risk management systems, internal control and regulatory compliance. The Audit Committee also ensured adherence to the Three Lines Model across operating functions and business units (first line), the Compliance Function (second line), and the Audit Function (third line) for more effective and efficient operations and compliance control, and to prevent activities that are against the law or the SCBX Group's regulations, thus reducing the chance of fraud. Highlights of the Audit Committee's performance are as follows:

▪ Review of Financial Reporting

The Audit Committee reviewed the SCBX Group's quarterly, half-yearly and annual financial reports, including consolidated financial statements, related transactions and transactions prone to conflict of interest involving the SCBX Group. The financial reports were prepared in accordance with Thai Financial Reporting Standards (TFRS) and the requirements of the Bank of Thailand as well as those of the Securities and Exchange Commission.

The Audit Committee regularly met with external auditors and the SCBX Group's Finance Function executives to review material issues, such as the accuracy and completeness of financial reports; significant accounting adjustments; accounting estimates; the appropriateness of accounting policies; the scope of audits, which include key audit matters related to the SCBX Group; correct, complete and adequate information disclosure; and the independence of the external auditor. The Audit Committee received explanations from auditors and the SCBX Group's Finance Function executives to ensure that the SCBX Group's financial reports reflected financial transactions and events that were material to the SCBX Group were in accordance with legal requirements and Thai Financial Reporting Standards, and were reliable and timely, with adequate information disclosure useful for users of the financial reports.

The Audit Committee also met with auditors without management's presence to discuss the independence of audit performance, information received and the audits. This meeting particularly concerned material matters in the preparation of the SCBX Group's financial reports and any suspicious behavior indicating fraud or violation of the law related to the performance of directors and executives under Section 89/25 of the Securities and Exchange Act, B.E. 2559 (2016). In 2022, the auditors did not discover any material findings or receive reports of any suspicious behavior.

▪ Review of Risk Management

The Audit Committee held quarterly meetings with the SCBX Group's executives in charge of the Risk Management Function to acknowledge risk management guidelines and plans for risks that might affect the SCBX Group's performance and reviewed and monitored compliance with corporate governance and risk management assessment so as to ensure that they were adequate and appropriate.

The Audit Committee also held discussions with the Risk Oversight Committee to ensure that the SCBX Group's risk management policy

and strategies cover all types of risk, including emerging risks, and that the execution of the policy and strategies was effective and efficient.

▪ Review of Internal Control and Audit

Review of the effectiveness of the internal control system

The Audit Committee considered the adequacy of the internal control system following the 2013 Internal Control Integrated Framework of Committee of Sponsoring Organizations of the Treadway Commission (COSO), which covers five components: 1) control environment, 2) risk assessment, 3) control activities, 4) information and communication and 5) monitoring activities. The Audit Committee also considered management's internal control adequacy assessment following the guidelines on internal control practice, and disclosed 2022 assessment results in the annual report.

The Audit Committee placed importance on compliance with law, related regulations, and management according to the Three Lines Model. The Audit Committee considered audit reports presented by the SCBX Audit Function, and reviewed internal control adequacy assessment by management, the external auditor, the Bank of Thailand, and other regulators overseeing the SCBX Group. The Audit Committee monitored performance to ensure that corrective actions with respect to critical risk issues were completely taken by management, and root causes were fixed to prevent recurrence, particularly of high-risk issues, fraud or serious operational errors.

On a quarterly basis, the Audit Committee acknowledged a summary of complaints, mainly received through the whistle-blower channel, and assessed them for any indication of potential fraud, misconduct or corrupt practice. Further, the Audit Committee held meetings with units concerned with complaint management to ensure that the complaint management process is appropriate, transparent and relevant to changes in customer behaviors and services.

Oversight of internal auditing

In 2022, the Audit Committee considered the independence of internal audit performance, approved the review of the Internal Audit Charter, reviewed the annual strategic plan, and approved the annual audit plan. The Audit Committee followed up the SCBX Group's performance as per the plan, provided recommendations, and followed up corrective actions on significant issues raised by internal auditors and as per comments from the Bank of Thailand and other related regulators, so as to promote good corporate governance and increase the effectiveness and efficiency of audit performance.

Considering the activities discussed above, the Audit Committee concluded that the SCBX Group's overall internal control environment was appropriate and adequate for its business operations. This conclusion was in line with the opinion of the external auditor of the SCBX Group. Furthermore, the Audit Committee was of the opinion that the Head of Audit has appropriately and effectively supervised and monitored the operations of the Audit Function. An annual merit increase was based on the assessment of his performance (see the profile of the Head of Audit in attachment 3).

▪ Regulatory Compliance Review

The Audit Committee reviewed the SCBX Group's regulatory compliance with applicable laws and regulations of state regulators such as the Bank of Thailand, the Anti-Money Laundering Office, the Securities and Exchange Commission, and the Office of Insurance Commission, especially regarding the Anti-Corruption and Bribery Policy and Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) regulations, and the Personal Data Protection Act (PDPA), through monthly meetings with the executives in charge of the Compliance Function. The Audit Committee acknowledged and discussed issues to ensure effective monitoring and control over key regulatory compliance issues of the SCBX Group.

The Audit Committee reported to the Board of Directors all critical issues and significant regulatory changes that may affect the SCBX Group's operations and endorsed the annual compliance report before submission to the Bank of Thailand and the Securities and Exchange Commission.

▪ Review of Related Party Transactions and Conflicts of Interest

The Audit Committee reviewed, supervised and commented on any significant related party transactions, particularly those that may involve a conflict of interest, in line with regulatory compliance norms, before proposing such transactions to the Board of Directors and/or shareholders, as required. This is to ensure that those transactions are transparent, reasonable, and the interests of the SCBX Group and its shareholders are protected. In 2022, the SCBX Group did not have any materially connected transactions to be disclosed in accordance with the regulations of the Stock Exchange of Thailand. Information about other connected transactions is disclosed in the notes to the financial statements.

▪ Consideration of Annual External Auditor Appointment and Audit Fees

The Audit Committee considers, on an annual basis, the appointment of external auditors and audit fees. Following its recommendation and the Board's endorsement thereof, the shareholders appointed KPMG Phoomchai Audit Ltd. as the external auditor for the SCBX Group at the 2022 Annual General Meeting, except in some countries where Siam Commercial Bank has a representative office but needed to appoint another firm in accordance with the governing law in such countries.

The appointment of recommended external auditors was based on the auditor's qualifications, knowledge, capability, audit approach,

independence in accordance with ethical requirements by the Federation of Accounting Professions and the requirements of the Securities and Exchange Commission, the quality of audits over the past year, and the appropriateness of audit fees.

The Audit Committee has set criteria for considering and approving the hiring of non-audit services from the audit firm and its affiliates. In 2022, non-audit services of the audit firm and its affiliates were in accordance with the criteria set forth.

- **Others**

In 2022, the Audit Committee members undertook a self-assessment to enhance the efficiency of the Audit Committee's performance.

The Audit Committee performed its duties as assigned by the Board of Directors and in line with the responsibilities stated in the Audit Committee Charter. The Audit Committee exercised its knowledge and capabilities, and adequately adhered to the principles of integrity, prudence, transparency and independence, and provided constructive comments and recommendations for the equal benefit of stakeholders, with the SCBX Group's and stakeholders' ultimate interest as a priority.

The Audit Committee is of the opinion that the SCBX Group's financial reports have been prepared accurately and are complete, with adequate disclosure, in accordance with financial reporting standards. It is also of the opinion that the external auditor for the SCBX Group is independent and has performed all their duties professionally. The Audit Committee sees that the non-audit services other than auditing did not affect the auditor's independence in auditing the SCBX Group's financial reports. The Audit Committee notes that the SCBX Group places a high level of importance on its internal control systems, as well as ensures that risk management policies, procedures and systems are adequate and appropriate for its business operations.

Furthermore, the Audit Committee opines that the SCBX Group has sound corporate governance, adequate risk management, and appropriate and effective internal controls and internal audits. The SCBX Group has monitored change so that it is well prepared to face any potential risks that may arise in the future.



Mr. Winid Silamongkol

Chairman of the Audit Committee

Attachment 6

Report of Board Committees

Report of the Executive Committee

Report of the Nomination, Compensation and Corporate Governance Committee

Risk Oversight Committee Report

Report of the Technology Committee

Report of the Corporate Social Responsibility Committee

Report of the Executive Committee

The Executive Committee* presently consists of five directors, i.e., three independent directors, a non-executive director, and an executive director as listed here.

1. Mr. Apisak Tantivorawong
Independent Director and Chairman
of the Executive Committee
(since May 26, 2022)
2. Mr. Kan Trakulhoon
Independent Director
3. Mr. Pailin Chuchottaworn
Independent Director
4. Pol. Col. Thumnithi Wanichthanom
Director (since December 9, 2022)
5. Mr. Arthid Nanthawithaya
Chief Executive Officer
(served as the Chairman of the Executive
Committee from September 22, 2021
to May 25, 2022)

The Executive Committee's duties and responsibilities are to support the Board of Directors in relation to the review of the Company's policies, business strategy and business direction; the approval of investments and business undertakings under its scope of authority; and the governance of operations and business performance of companies in SCBX Group.

Since the Company's inception in September 2021 and throughout 2022, the Executive Committee continually undertook its responsibilities in the review of the Company's policies, business strategy and business direction prior to proposal thereof to the Board of Directors. The Executive Committee's undertakings in this respect included reviewing the operating framework for SCBX Group's strategies and investment plans, the financial targets, the implementation of SCBX Group's shareholding restructuring roadmap,

and the capital sourcing activities. Further, the Executive Committee deliberated on the Company's operating model based on a study conducted by McKinsey & Company and planned to recommend organizational changes to the Board of Directors in due course with a view to securing successful execution of strategy.

Regarding the approval of investments and business undertakings under its scope of authority, in addition to the review of investment and business development initiatives in accordance with the strategies of the Company and companies in SCBX Group, the Executive Committee considered the SCBX investment governance framework which is primarily designed for the optimization of SCBX Group's investments.

In governing the performance of companies in SCBX Group, the Executive Committee considered financial statements and management's monthly performance. To further enhance the governance of SCBX Group, the Executive Committee reviewed the SCBX governance model based on a study conducted by Boston Consulting Group consulting firm and subsequently proposed the model to the Board of Directors for consideration.

In 2022, the Executive Committee held 18 meetings.



Mr. Apisak Tantivorawong

Chairman of the Executive Committee

Remark * Mr. Chakkrit Parapuntakul and Miss Lackana Leelayouthayotin served on the Executive Committee from the date of the Company's incorporation until May 30, 2022.

Report of the Nomination, Compensation and Corporate Governance Committee

The Nomination, Compensation and Corporate Governance Committee of the Company ("the NCCG Committee") is responsible for supporting the Board's oversight of SCBX Group's compliance with corporate governance principles during the course of the restructuring of its business into a financial technology business group. Primary roles and responsibilities of the NCCG Committee encompass nominating directors and senior executives and recommending their remuneration, directing human resources and corporate culture endeavors, and overseeing compliance with international corporate governance best practices and relevant rules and regulations applicable to the Company as a listed company and the parent company of a financial business group regulated by the Bank of Thailand.

The NCCG Committee has undertaken its corporate governance responsibilities continually since the Company's inception in September 2021 and throughout 2022. During the initial phase of the Company's operations, the NCCG Committee proposed the suitable composition of the Board and the Board committees based on applicable rules and the Company's business direction and strategy. The Committee also screened and nominated candidates for directorship in light of a board skill matrix that requires that directors shall possess specialized knowledge, expertise or experience in relevant fields, which include such technologies as cyber security, financial technology, digital assets, and digital platforms, as well as overseas investment and business management. Diversity of the Board in terms of gender, nationality, race, age, education, professional experience, skills, knowledge and other key attributes is also factored into the director nomination criteria. Additionally, the

NCCG Committee conducted the performance evaluation of the Board, the Chairman of the Board, individual directors, and the Board committees at the end of 2022 with a view to further improve the Board's performance effectiveness based on the evaluation results.

The NCCG Committee directed the formulation of the Corporate Governance Policy based on stipulations governing corporate governance of financial institutions, the Corporate Governance Code for Listed Companies, and internationally recognized corporate governance standards such as the Dow Jones Sustainability Indices, Corporate Governance Report of Thai Listed Companies and ASEAN CG Scorecard. The NCCG Committee also supervised compliance with the Corporate Governance Policy, which includes but is not limited to the practice of offering the shareholders an opportunity to propose questions, items on the meeting agenda, and nominations of qualified candidates for election as directors in advance of the 2023 Annual General Meeting of shareholders.

In order to set a suitable level of compensation for directors based on their duties and responsibilities, which include the oversight of investments to achieve satisfactory business value and returns for the benefit of shareholders, the NCCG Committee assigned consultants from Willis Towers Watson to study and recommend an appropriate remuneration structure for non-executive directors based on the Company's business model as well as local, regional and global market best practices. The Committee then developed a remuneration proposal for consideration by the Board and shareholders.

Regarding the oversight of companies in SCBX Group, the NCCG Committee reviewed the appointment of directors and senior executives to the boards of directors of companies in the Group in accordance with the policy on supervision of subsidiaries and associate companies. The NCCG Committee also deliberated on the director remuneration frameworks of all companies in SCBX Group for standardization and considered remuneration of non-executive directors of companies in the Group. To further strengthen corporate governance standards and practices across the Group, the NCCG Committee reviewed the SCBX Governance Model based on findings from a study conducted by Boston Consulting Group and subsequently proposed it to the Board to refine the model's suitability and effectiveness.

In carrying out its human resource responsibilities, the NCCG Committee recommended an appropriate executive compensation structure for companies in SCBX Group in consideration of long-term and sustainable business value and directed the performance evaluation of chief executive officers and senior executives of the Company against pre-determined targets and criteria. The NCCG

Committee also reviewed management's proposals on the compensation policies and appropriate compensation and benefits for the chief executive officers and senior executives based on their assigned scope of duties and responsibilities, performance, general economic conditions and relevant industry benchmarks, prior to obtaining approval from the Board.

Presently, the NCCG Committee consists of four directors, i.e., three independent directors and one non-executive director, and is chaired by an independent director. In 2022, the NCCG Committee held 12 meetings in total.



Mr. Kan Trakulhoon

**Chairman of the Nomination, Compensation
and Corporate Governance Committee**

Risk Oversight Committee Report

1. Introduction

The Risk Oversight Committee is a Board oversight-level committee appointed by the Board of Directors. According to the Risk Oversight Committee Charter, the Committee shall comprise no less than three members, and the Chairman of the Risk Oversight Committee must be an independent or non-executive director. Every member must be a director, member of senior management, or a company advisor. At least half of the members must be independent directors, non-executive directors, or company advisors who have duties similar to those of Board members.

At present, the Risk Oversight Committee is made up of four members, comprising an independent director, Dr. Kulpatra Sirodom; two executive directors, Chief Executive Officer, Mr. Arthid Nanthawithaya, and Deputy Chief Executive Officer, Dr. Arak Sutivong; and a non-executive director, Mr. Prasan Chuaphanich, who is the Chairman of the Risk Oversight Committee. Dr. Kulpatra Sirodom and Dr. Arak Sutivong were appointed by the Board of Directors as members of the Risk Oversight Committee, effective on August 25, 2022, and September 1, 2022, respectively. Ms. Chunhachit Sungmai, a non-executive director who previously was a member of the Risk Oversight Committee, resigned on October 1, 2022.

2. Duties

The Risk Oversight Committee has the following duties:

- 2.1 Provide advice to the Board of Directors on the Group's Risk Governance Framework and business sustainability, as well as

supervise portfolio companies to establish sufficient and appropriate risk management policies and strategies covering material risks, including emerging risks.

- 2.2 Oversee the formulation of an appropriate risk conceptual framework in terms of risk identification, measurement, control and mitigation. The Committee should also monitor to ensure that the management process of each type of risk is concise, clear and easy to understand, with roles and responsibilities clearly defined.
- 2.3 Cultivate a risk culture among SCBX Group leadership teams at an appropriate level without impeding the Group's resilience in investing and operating each business.

3. Performance (January–December 2022)

The Risk Oversight Committee held six meetings with a primary focus on the Group Risk Governance Framework and Policies to serve as guidelines for development and enhancement of material risk management processes within SCBX and portfolio companies. The salient matters that were reviewed by the Risk Oversight Committee are as follows:

3.1 Establishment of the Center of Excellence

The Risk Oversight Committee endorsed the role of the Company as a Center of Excellence (CoE) in overseeing overall risks of the SCBX Group, particularly for cybersecurity risk, Personal Data Protection Act (PDPA) risk and data risk, which are

material risks that require specialization in risk management. Therefore, the Committee requested the management to study and set guidelines for establishing the CoE, including preparing a roadmap as well as reporting to the Committee on progress in establishing the Center of Excellence in various fields.

3.2 Group Risk Governance Structure

The Risk Oversight Committee reviewed the risk governance structure of SCBX Group, covering oversight of the risks, both from traditional banking business and technology-related businesses that shall be more material given the SCBX Group's vision to be "the Most Admired Financial Technology Group in ASEAN." During 2022, the Company set up the Risk Management Committee, which comprises eight senior executives of SCBX group, with Chief Executive Officer, Mr. Arthid Nanthawithaya, as Chairman of the Risk Management Committee. The Risk Management Committee is assigned to screen various material risk issues before making proposals to the Risk Oversight Committee for consideration; for instance, setting and reviewing the risk management framework and policy; monitoring risks using a risk dashboard; and reporting incidents, including technology-related and data-related incidents.

In addition, the Risk Oversight Committee considered existing governance structures of portfolio companies to be diverse, with many inconsistencies, and recommended the management to enhance risk governance structures to be more standardized, while still allowing portfolio companies the flexibility to choose a standard structure that best suits their business model.

The Committee also recognized the challenges for SCBX in monitoring and trying to consolidate key risk indicators to provide risk heat maps and a risk dashboard for the overall Group, given the diverse risk identification and assessment approaches and different risk taxonomies across the Group. To supervise portfolio companies effectively, the Risk Oversight Committee has endorsed in principle for the management to procure and develop a

system for governance, risk and compliance, or a GRC system, to be a common system for SCBX Group. This would also strengthen the Company's Three Lines of Defense process and enhance workflow efficiency.

3.3 Group Risk Appetite Statements

The Risk Oversight Committee has concurred the Risk Appetite Statements of SCBX Group as acceptable thresholds for managing various material risks of the Group. These Risk Appetite Statements would also cover new businesses of SCBX Group, namely the digital lending business, and digital platform and technology services business, to ensure that portfolio companies will operate their businesses under acceptable risks without affecting the stability of the Bank and the financial market as a whole. In defining the Risk Appetite Statements, the Company also considered the expectations of various stakeholders, e.g., shareholders, regulators, employees, customers, communities and business partners.

3.4 Risk Management on Environment, Social and Governance (ESG)

The Risk Oversight Committee is well aware of the importance of ESG, a sustainable organizational development concept that focuses on responsibilities in three main areas, namely the Environment, Social and Governance. This concept was taken into consideration to improve enterprise risk management in several agendas. The Risk Oversight Committee has concurred with the designation of ESG risk as an additional material risk of SCBX Group and with the Company's risk appetites for ESG risks. In addition, the Risk Oversight Committee did emphasize that the management should communicate with portfolio companies in order to set guidelines for their operational practices. Moreover, the management was asked to propose quantitative measures for continuous monitoring of ESG risk.

3.5 Technology Risk Management

The Risk Oversight Committee considers technology risk as the most critical risk, given SCBX Group's vision to be a leader in financial technology.

The Technology Committee has the responsibility to set long-term strategy including enhancing technological capabilities for the Group, while the Risk Oversight Committee performs the oversight roles and sets requirements for portfolio companies to report incidents related to technology risks to the Chief Risk Office, the Risk Management Committee and the Risk Oversight Committee of SCBX, respectively. In addition, the Risk Oversight Committee and the Technology Committee will work together to exchange views on various technology matters, evaluate the policy and technology risk exposures through the risk dashboard, as well as define the Group's risk management strategy covering emerging risks.



Mr. Prasan Chuaphanich

Chairman of the Risk Oversight Committee

Report of the Technology Committee

With the inception of SCBX in 2022, and a new Group mission and vision, it was a year of major change. SCBX's vision is to become a leading regional financial services technology company, expanding across Southeast Asia to serve over 200 million users within the next five years. In this transformation, technology will play a new, pivotal role as the core of the business strategy, which requires changes to the governance of technology.

SCBX was listed on the Stock Exchange of Thailand in 2022 via a share-swap to support the new business model. SCBX will function as the hub of a Group having a diverse set of subsidiaries. Under this structure, the SCBX Group's Technology Committee will play a new role in coexistence with technology committees of the subsidiaries.

The role of the SCBX technology team has advanced beyond simply facilitating the banking business to become the core of the SCBX Group business. The 2022–2024 business strategy of SCBX focuses on establishing the technology foundations needed to deliver the growth and diversification planned for the future.

Within this broader transformation roadmap, the Technology Committee has changed its focus. The Committee now shares its technology oversight role with the Risk Oversight Committee, whereby the Technology Committee will focus on forward-looking technology governance and oversight. This forward-looking governance includes the evaluation of new technologies and technology-driven business models and their impact on SCBX business. The Committee will therefore expand its responsibilities to identify the technology capabilities needed to support the SCBX Group's goals, while overseeing the design and operation

of three specialized "Centers of Excellence" helping facilitate SCBX's Group technology work.

In shifting its focus, the Technology Committee will transfer the backward-looking governance responsibilities to the Risk Oversight Committee. These backward-looking governance duties include monitoring incidents, technology risk management, and risk-related policies. By enabling the Risk Oversight Committee to oversee technology risk together with other risks, the new framework strengthens SCBX Group risk governance and allows the two committees to work side by side.

The Technology Committee is composed of the following members having strong expertise in technology and business:

- (1) Dr. Pailin Chuchottaworn
Chairman
- (2) Dr. Thaweesak Koanantakool
Member
- (3) Mr. Prasan Chuaphanich
Member
- (4) Miss Jareeporn Jarukornsakul
Member
- (5) Mr. Chairat Panthuraamphorn
Member
- (6) Mr. Arthid Nanthawithaya
Member
- (7) Dr. Arak Sutivong
Member
- (8) Dr. Yizhak Idan
Member
- (9) Mr. Dennis Thorsten Trawnitschek
Member and Secretary to the Committee

Mr. Dennis Trawnitschek, the Chief Technology Officer of SCBX, serves as Member and Secretary of the Technology Committee

After the SCBX business model was restructured in March, the Technology Committee held a total of eight meetings. It must be noted that this number is below the 10 meetings required by the Charter; however, the Technology Committee held monthly meetings for the remaining period of the year after the change in the business model.

Performance

The focus of the Technology Committee in 2022 was to facilitate the Bank's transition to a financial services technology group. The Committee oversaw the impact on governance, technology operating model and change in technology capabilities in the new group structure. The initial effort was focused on restructuring the overall governance structure of SCBX to reflect the group holding structure; the separation of technology strategy from technology risk management; and group-level technology capabilities. The Committee also focused on building a governance structure that supports a forward-looking technology strategy.

For the new group structure, the Technology Committee defined the group-controlled capabilities and related governance areas. However, it delegated technology oversight within the individual subsidiaries to their respective boards of directors. Each subsidiary's board will make decisions regarding that company's individual architecture, major technology programs and performance oversight, as long as these decisions follow SCBX Group policies and directions. Any subsidiary's exception to the Group policy must be approved by the Committee to ensure technology integrity and resilience across the SCBX Group and to stay in line with the rules and regulation of the Bank of Thailand and other regulators.

The Technology Committee also formulated and oversaw execution of SCBX's technology strategy as the foundation for SCBX Group capabilities. The Committee chose the initial

focus areas for Centers of Excellence according to SCBX Group risk exposure, group synergies and access to capabilities to ensure world-class technological performance. This involves strengthening capabilities to manage increasing cyber threats and deliver technology efficiently for the SCBX Group and its subsidiaries.

The three Centers of Excellence that will provide services from SCBX to the individual subsidiaries are the Data and AI Center of Excellence, Cloud Center of Excellence, and Cyber Security Center of Excellence. In each of these three areas, the focus was on selecting the right build approach, sourcing and partner.

For the Data and AI Center of Excellence, SCBX set up a new subsidiary called DataX, which will deliver these operational capabilities on behalf of SCBX. For the Cloud Center of Excellence, the sourcing strategy selected was to work with a world-class partner following a build, operate and transfer approach. The mission of the Cloud Center of Excellence is to drive SCBX to become a "cloud-first" group utilizing cloud technologies at a level of at least 70% within three years. For the Cyber Center of Excellence, a partner-driven insourcing approach has been selected, which will allow SCBX to benefit initially from a world-class partner organization before quickly taking over the operations and further enhancing the SCBX Group's cyber capabilities.

As a group-level initiative in 2023, SCBX will continue its efforts to provide a common identity service for all SCBX customers across all subsidiaries. This service will enhance customer onboarding experience, streamline technical operations, and reduce identity-related operational burdens for each subsidiary while enhancing cybersecurity protection by centralizing customer identity data. It will allow SCBX Group to better secure and manage sensitive information, reducing the risk of cyber-attacks and data breaches, while also deriving more insights from customer data to improve products and services across all subsidiaries. This initiative reflects SCBX commitment to leveraging technology to drive growth and value for both customers and shareholders.

In order to allow SCBX to advance beyond its existing technologies, the Technology Committee also oversaw the SCBX Group's technology research and development strategy and its execution in 2022. As part of that strategy, the Committee oversaw the initial partnership-driven approach to research and development that, for example, formalized a relationship with a world-class educational institution, namely, the Massachusetts Institute of Technology and its Industrial Liaison Program.

The Technology Committee also oversaw the development of SCBX Group technology dashboard to measure the SCBX Group's progress and effectiveness in adoption of the technology strategy.

The focus of fiscal year 2023 will be governing the implementation of these changes and executing the technology-centric strategy to facilitate the business vision.

Within the new group structure, technology has become a fundamental factor in the success of SCBX. In 2022, SCBX shaped the technology strategy to ensure success around five key components of delivery and reflect the new, core importance of technology in the SCBX Group.

Centers of Excellence

While SCBX is giving each subsidiary the autonomy needed to build its own agility and customer-focused technology, SCBX is also developing technology Centers of Excellence (CoE) for the SCBX Group. The focus of each CoE is to advise and support the subsidiaries. The CoEs also ensure that SCBX fulfills its regulatory requirements. The following criteria determined which specializations SCBX would select for developing CoEs:

Group Risk: Due to the interconnectivity within the SCBX Group, there is a potential risk impact at a cross-company level and vis-a-vis regulations. Therefore the SCBX Group must develop groupwide capabilities to manage risk and ensure compliance across subsidiaries.

Synergies: Some needs across the SCBX Group can be bundled so as to utilize a single supply source, thereby gaining efficiency and economies of scale. This will benefit internally provided services and improve external costing.

Access to capabilities: There is a worldwide shortage of tech skills and capabilities, yet our new subsidiaries are increasingly dependent on technology talents. Bundling those skills and capabilities at the SCBX level will improve access.

Technology Foundations - Wave 1

The strategic CoE that SCBX has committed to deliver covers three key areas that address the points above. The focus in 2022 was to identify the right areas to build CoEs and the best delivery approach

Data and AI CoE — The data that flow across the Group are an asset. In order to maximize the use of data assets, specialized capabilities are required to deliver good outcomes. The Data CoE strategy is two-fold: the CoE focuses on providing both world-class data and the analytics capabilities needed to work with this data. The Data CoE has started implementation in 2022 and will go live in an initial set of subsidiaries in the first quarter of 2023.

Cloud CoE — SCBX as a group has set a clear commitment to move all legacy businesses to the cloud, and all new businesses are being developed in the cloud from their inception, thereby increasing stability and agility for future technology build. The objective of the Cloud CoE is to deliver world-class cloud services to all subsidiaries and enable the migration of core banking and other on-premises workloads to the cloud. The Technology Committee worked throughout 2022 to understand the best approach and strategy for the cloud CoE and select the right partners. Implementation will start in the first quarter of 2023.

Cyber CoE — Cyber security and technology risk are increasing threats and are integral in management of SCBX Group risk. The Cyber

CoE will enable the subsidiaries to tap into world-class cyber security capabilities; provide oversight over the SCBX Group; and manage risk, controls and standards. The Cyber CoE strategy and delivery approach has been agreed in 2022 and delivery will start in 2023.

Tech Accelerators

SCBX has built two technology accelerators that will drive the SCBX Group's transformation into a financial services technology company.

SCB TechX

SCB TechX is SCBX Group's internal system integrator, established through a partnership between SCBX and a leading global technology firm. The purpose and mission of TechX is to support the SCBX Group with system integration work and reduce dependency on external parties while reducing the cost of delivering technology to the SCBX Group. In 2022, TechX delivered more than 60% of the overall technology work required by the SCBX Group.

DataX

DataX is SCBX Group's data and analytics company. The mission and vision of DataX is to provide the operational capabilities to support the Data CoE and help SCBX manage data in a compliant way moving forward. DataX started building the technical and operational capabilities in 2022 and will go live when the subsidiaries are onboarded in 2023.

The focus in 2023 will be implementation and expansion of the technology strategy set in 2022.



Dr. Pailin Chuchottaworn

Chairman of the Technology Committee

Report of the Corporate Social Responsibility Committee

Introduction

The Corporate Social Responsibility (CSR) Committee of SCBX is appointed by the Board of Directors and comprises at least three members, whose terms of office are equivalent to their period of directorship. As of December 31, 2022, the CSR Committee consists of four members, namely Dr. Vichit Suraphongchai (Chairman of the CSR Committee), Air Chief Marshal Satitpong Sukvimol (Director), Ms. Jareeporn Jarukornsakul (Director), and Mrs. Pantip Sripimon (Director).

Mission

The primary duties and responsibilities of the CSR Committee of SCBX include ensuring that the SCBX Group is a good corporate citizen and socially responsible by establishing a policy, implementing a framework and supporting resource and budget allocation for the social projects and activities. These projects prioritize youth development and quality of life improvement, while the CSR Committee also advises, supports and oversees the implementation of social activities of SCBX Group in accordance with the applicable guidelines to promote the nation's sustainable growth.

Important Corporate Social Activities in 2022

SCBX's CSR operations are overseen by Siam Commercial Bank, (SCB Bank) one of its group companies, with an emphasis on youth development, learning enhancement, and improving the quality of life for people throughout society in two major areas:



Youth Development and Education

The SCBX Group recognizes the importance of empowering young people with a talent for science and technology and those who lack educational opportunities or the resources to polish their abilities in order to face the challenges of the digital age with confidence, foresight and integrity. Additionally, the SCBX Group has acknowledged the importance of developing the potential of educational personnel and institutions that play an instrumental role in disseminating knowledge beneficial to youth and supporting the potential development of Thai youth so that they are prepared to take the next step toward success and become an important force in the further development of the country. Among the most significant initiatives for youth education and development are:

1. Scholarship Programs

As an SCBX subsidiary, SCB Bank offers post-secondary scholarships to a number of select students who have shown extraordinary potential in the fields of science and technology, paving the way for them to pursue careers as scientists and academic researchers. These professions are crucial to Thailand's long-term competitiveness and will be a driving force in the future. To pave the path for these gifted students, SCB Bank collaborates with the Vidyasirimedhi Institute of Science and Technology (VISTEC) and the National Science and Technology Development Agency (NSTDA). To support children with outstanding

academic achievement and behavior, but lacking funds for access to higher education, SCB Bank also offers scholarships for students from secondary to higher education, as well as vocational education, through projects, organizations and educational institutions across the country.

2. The 17th SCB Challenge

The SCB Challenge is an annual event designed to encourage young people to develop crucial 21st-century skills, including critical thinking, collaboration, communication and creativity through participation in age-appropriate team competitions. Elementary school students compete in an art contest showcasing their imaginative abilities, while high school and vocational students work on projects that use science, technology and innovation to address social issues or improve local communities.

3. Financial Literacy Project

The Financial Literacy Project has been launched to help students and teachers across a network of schools develop competence in money management and savings. The Project's activities are meant to motivate and educate participants about "Sufficiency Finance," and to educate them on how to apply the sufficiency economy concept to financial management in order to better control their behavior and set aside more money for the future. These events take place both virtually and in the classroom setting.



Quality of Life Improvement

The SCBX Group is dedicated to enhancing the quality of life and living conditions of people throughout society and assisting those in need by delivering timely relief to victims of natural disasters via the following key projects:

1. SCB Blood Donation Project

For more than 27 years, SCB Bank has co-operated with the National Blood Center of the Thai Red Cross Society to promote and facilitate blood supplies. In 2022, 60 million ccs of blood were donated by 150,000 blood donors. In honor of the 90th birthday of the Queen Mother

Her Majesty Queen Sirikit, SCB Bank presented the National Blood Service Center with two fully equipped, four-bed blood donation mobile units.

2. SCB Disaster Relief Project

SCB Bank partners with provincial agencies, organizations and alliance networks to assist victims of natural disasters with both immediate assistance and long-term rehabilitation efforts by providing survival bags and blankets to alleviate hardship, sending encouragement, and boosting their morale, all while assisting them in getting back on their feet as soon as possible.

3. Water Sources Management and Development for Consumption and Agriculture

SCB Bank supports the "Sustainable Community Water Resource Management and Development Project" of the Utoakat Foundation under Royal Patronage and the Hydro Informatics Institute (Public Organization). The Project embraces the use of science and technology to produce water network maps and spot connections between them to provide a reliable water supply as well as water storage locations to prevent or alleviate flooding and drought in a sustainable manner. It will aid in the expansion of water storage areas for agricultural usage and the development of household water supply systems. Siam Commercial Bank also supports the "Consumption Water Supply Project to Enhance the Quality of Life" in collaboration with the Royal Thai Air Force's Disaster Relief Center and collaborates with the Friends in Need (of "PA") Volunteers Foundation under the Thai Red Cross Society to implement the Community Disaster Warning Network Project in order to assist communities in surveillance and preparation for inundation.

Dr. Vichit Suraphongchai

Chairman of the Corporate Social Responsibility Committee

Attachment 7

Report of Holdings of SCB Ordinary Shares by SCBX Directors and Members of Senior Management

Report of Holdings of SCB Ordinary Shares by SCBX Directors and Members of Senior Management

Name	as at Dec 31, 2022			as at Dec 31, 2021*			Change: increase / (decrease)
	Number of shares held by a director or a senior management member	Number of shares held by (a) related person(s)**	Total	Number of shares held by a director or a senior management member	Number of shares held by (a) related person(s)**	Total	
1. Dr. Vichit Suraphongchai Chairman of the Board and Chairman of the Corporate Social Responsibility Committee	-	-	-	-	-	-	-
2. ACM. Satitpong Sukvimol Director and Member of the Corporate Social Responsibility Committee	-	-	-	-	-	-	-
3. Pol. Col. Thumnithi Wanichthanom*** Director and Member of the Executive Committee	-	-	-	-	-	-	-
4. Mr. Apisak Tantivoravong Independent Director and Chairman of the Executive Committee	-	-	-	-	-	-	-
5. Mr. Prasan Chuaphanich Director, Chairman of the Risk Oversight Committee, and Member of the Technology Committee	-	2,000	2,000	-	-	-	-
6. Mr. Kan Trakulhoon Independent Director, Chairman of the Nomination, Compensation and Corporate Governance Committee, and Member of the Executive Committee	-	-	-	-	-	-	-
7. Dr. Pailin Chuchottaworn Independent Director, Chairman of the Technology Committee, and Member of the Executive Committee	-	-	-	-	-	-	-
8. Mr. Winid Silamongkol Independent Director and Chairman of the Audit Committee	26,000	-	26,000	-	-	-	-

Name	as at Dec 31, 2022			as at Dec 31, 2021*			Change: increase / (decrease)
	Number of shares held by a director or a senior management member	Number of shares held by (a) related person(s)**	Total	Number of shares held by a director or a senior management member	Number of shares held by (a) related person(s)**	Total	
9. Dr. Thaweesak Koanantakool Independent Director, Member of the Technology Committee, and Member of the Nomination, Compensation and Corporate Governance Committee	-	-	-	-	-	-	-
10. Mr. Weerawong Chittmittrapap Director and Member of the Nomination, Compensation and Corporate Governance Committee	-	-	-	-	-	-	-
11. Miss Jareeporn Jarukornsakul Director, Member of the Technology Committee, and Member of the Corporate Social Responsibility Committee	-	-	-	-	-	-	-
12. Mrs. Pantip Sripimol Director and Member of the Corporate Social Responsibility Committee	-	-	-	-	-	-	-
13. Mr. Chairat Panthuraamphorn Independent Director and Member of the Technology Committee, and Member of the Nomination, Compensation and Corporate Governance Committee	-	-	-	-	-	-	-
14. Dr. Kulpatra Sirodom Independent Director, Member of the Audit Committee, and Member of the Risk Oversight Committee	-	-	-	-	-	-	-
15. Mrs. Nuntawan Sakuntanaga Independent Director and Member of the Audit Committee	-	-	-	-	-	-	-
16. Mr. Arthid Nanthawithaya Director, Chief Executive Officer, Member of the Executive Committee, Member of the Risk Oversight Committee, and Member of the Technology Committee	-	-	-	-	-	-	-

Name	as at Dec 31, 2022			as at Dec 31, 2021*			Change: increase / (decrease)
	Number of shares held by a director or a senior management member	Number of shares held by (a) related person(s)**	Total	Number of shares held by a director or a senior management member	Number of shares held by (a) related person(s)**	Total	
17. Dr. Arak Sutivong Deputy Chief Executive Officer	-	-	-	-	-	-	-
18. Mrs. Wallaya Kaewrungruang Chief Legal Officer and Chief Compliance Officer	-	-	-	-	-	-	-
19. Mr. Anucha Laokwansatit Chief Risk Officer	-	-	-	-	-	-	-
20. Mr. Manop Sangiambut Chief Finance and Strategy Officer	-	-	-	-	-	-	-
21. Mrs. Patraporn Sirodom Chief People Officer	-	-	-	-	-	-	-
22. Mr. Nipat Wattanatittan Chief Business Development Officer	-	-	-	-	-	-	-
23. Mr. Sutirapan Sakkawattra Chief Marketing Officer	-	-	-	-	-	-	-
24. Mr. Dennis Thorsten Trawnitschek Chief Technology Officer	-	-	-	-	-	-	-
25. Mr. Sathian Leowarin Chief Sustainability Officer	-	-	-	-	-	-	-

Remarks * SCB X Public Company Limited was registered as a public limited company on September 15, 2021 and was listed in the Stock Exchange of Thailand (SET) on April 27, 2022.

** Related person(s) of directors or senior management members include(s):

(1) Spouse or a minor child of a director or senior management member.

(2) A juristic person in which aggregate shareholding by a director or senior management member and (1) exceeds 30 percent of the total number of voting rights of such juristic person.

(3) A juristic person in which aggregate shareholding by a director or senior management member and (1) and (2) exceeds 30 percent of the total number of voting rights of such juristic person.

(4) A juristic person in which a person described under (3) holds its shares and its shareholders in all levels of downward shareholding, beginning from the shareholder in the juristic person under (3), providing that shareholding in each level exceeds 30 percent of the total number of voting rights of the juristic person in the immediate lower level.

*** Pol. Col. Thumnithi Wanichthanom holds 50 shares (or 0.0%) of Siam Commercial Bank PCL. which is SCBX's subsidiary.