



2Q21 Financial Results

Analyst Meeting Presentation

22 July 2021



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Today's agenda

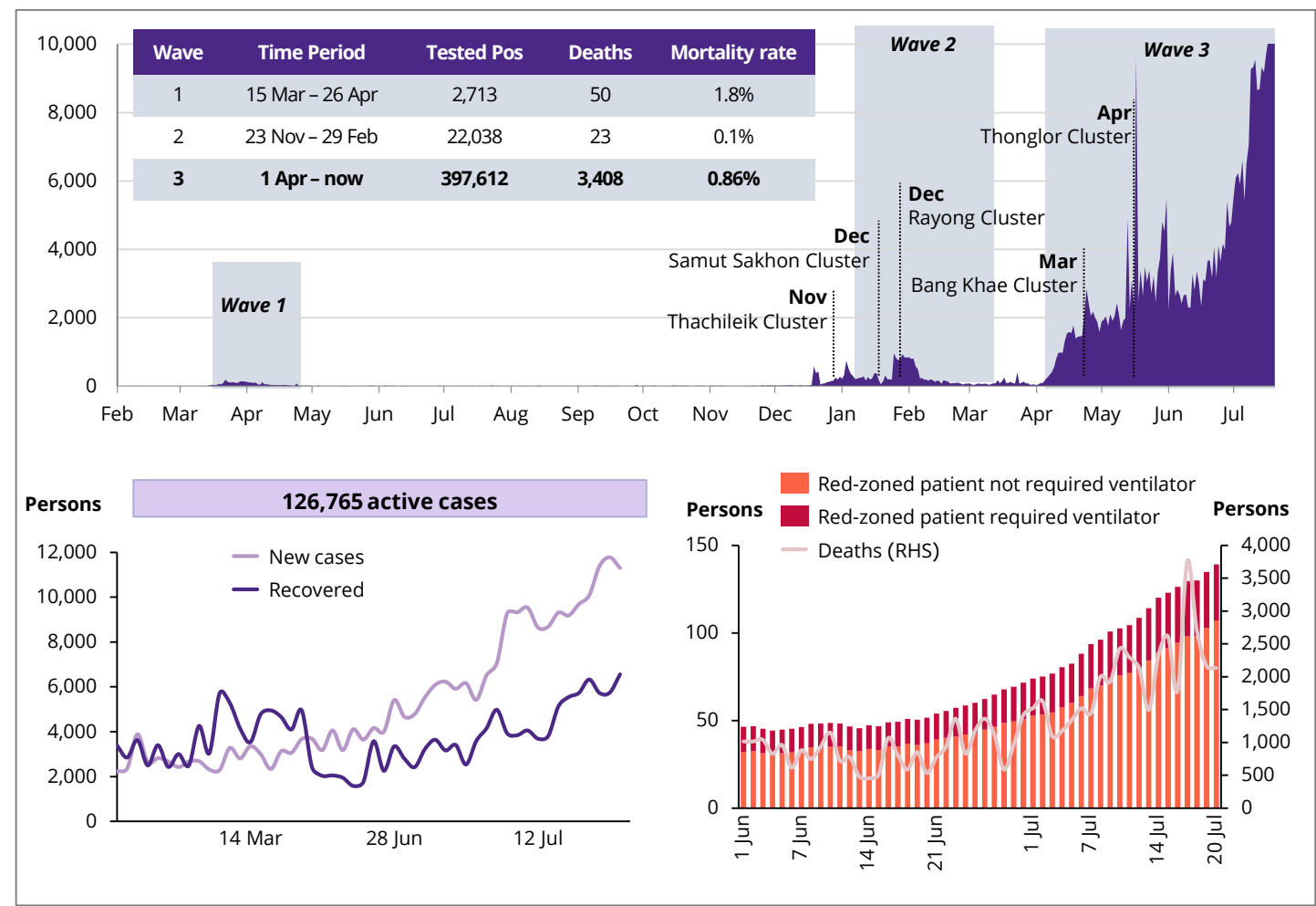
- 1 Economic update**
- 2 Key highlights**
- 3 Review of 2Q21/1H21 results**
- 4 Strategy update**

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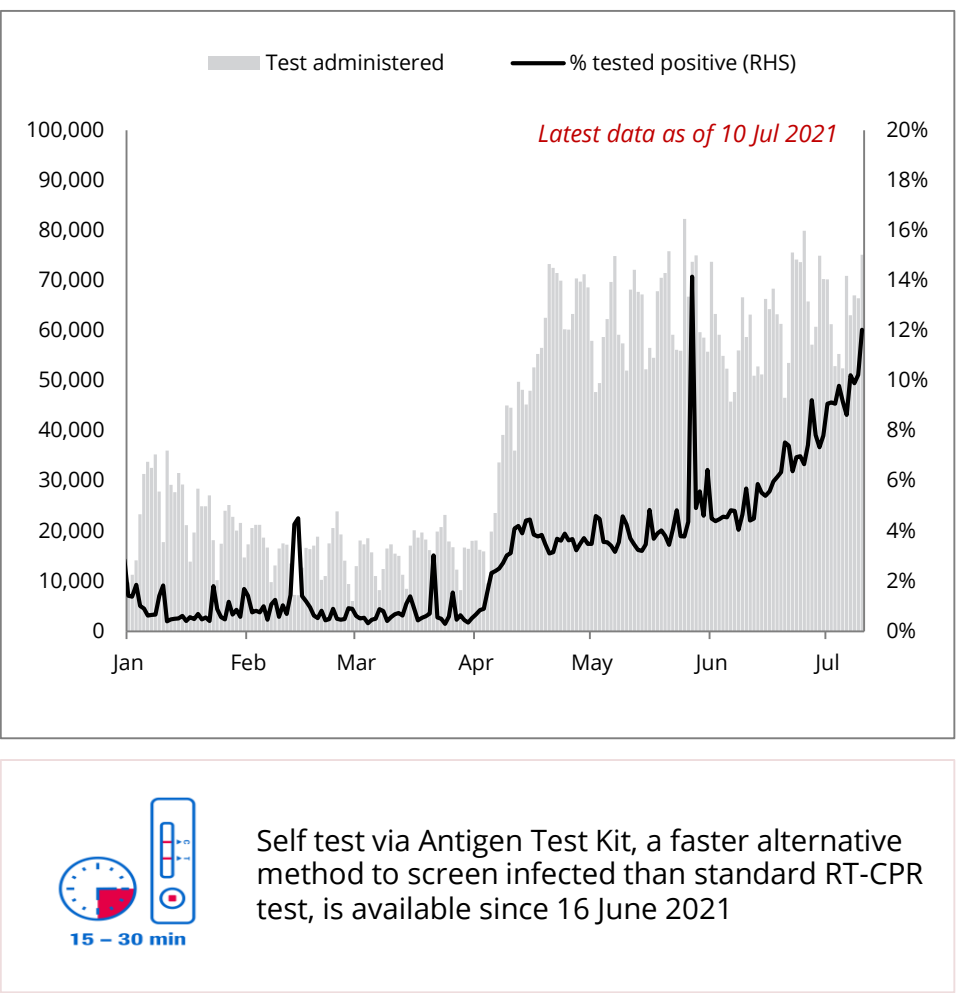
Economic update

The number of daily Covid-19 cases in Thailand has increased rapidly, due to more transmissible Delta variant. Meanwhile, public health system is facing significant challenges both in testing and treatment.

Daily new cases



Number of test administered and % tested positive



Source: EIC analysis based on data from the Center for COVID-19 Situation Administration (CCSA), Department of Medical Science, and Oxford University

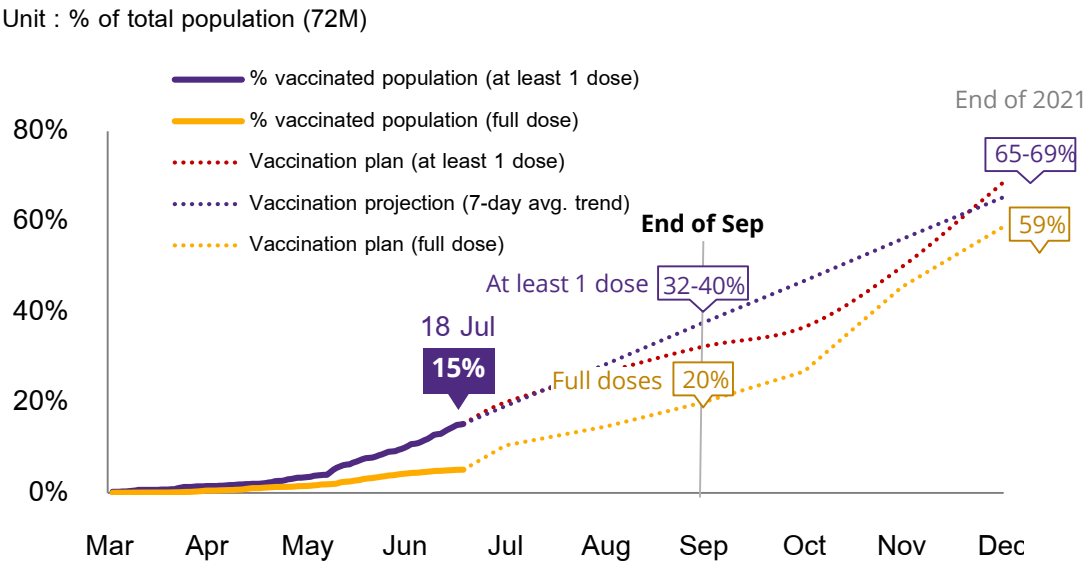
Government revised its vaccination plan to fight against Delta variant by mixing vaccine doses, ordering more mRNA vaccines as well as targeting vulnerable and key economic groups

Vaccine purchase plan (Updated: 19 Jul 2021) Total 79.5M doses (prev. plan 105.5M)

Primary Vaccine	Feb-May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Sinovac	6M	3M	3M	3M	3M	2M			19.5M
AstraZeneca	117k	4.7M	5M	5M	5M	5M	5M	5M	35M
Pfizer/BioNTech						20M			20M
J&J						5M			5M
Alternative vaccine				Donated vaccine					
Sinopharm		(Jun-Jul 21 - 2M)		Sinovac from China			(Jun-Jul 21 - 1M)		
Moderna		(4Q21 – 3.9M)		AZ from Japan			(Jul 21 – 1.05M)		
				Pfizer from US			(Jul 21 - 1.5M)		
Urgency	Vaccine allocation (Jul 2021)								
Urgent (30%)	<ul style="list-style-type: none">High-risk provinces (Maximum and strict controlled areas)Tourism provinces (such as Phuket)								
Immediate (25%)	<ul style="list-style-type: none">Border provinces and highly controlled areasTourism, industrial, or economic border provinces								
Priority (45%)	<ul style="list-style-type: none">The rest of Thailand (35%) / Reserved (10%)								

Source: EIC analysis based on data from CCSA and Department of Medical Science

Vaccination plan



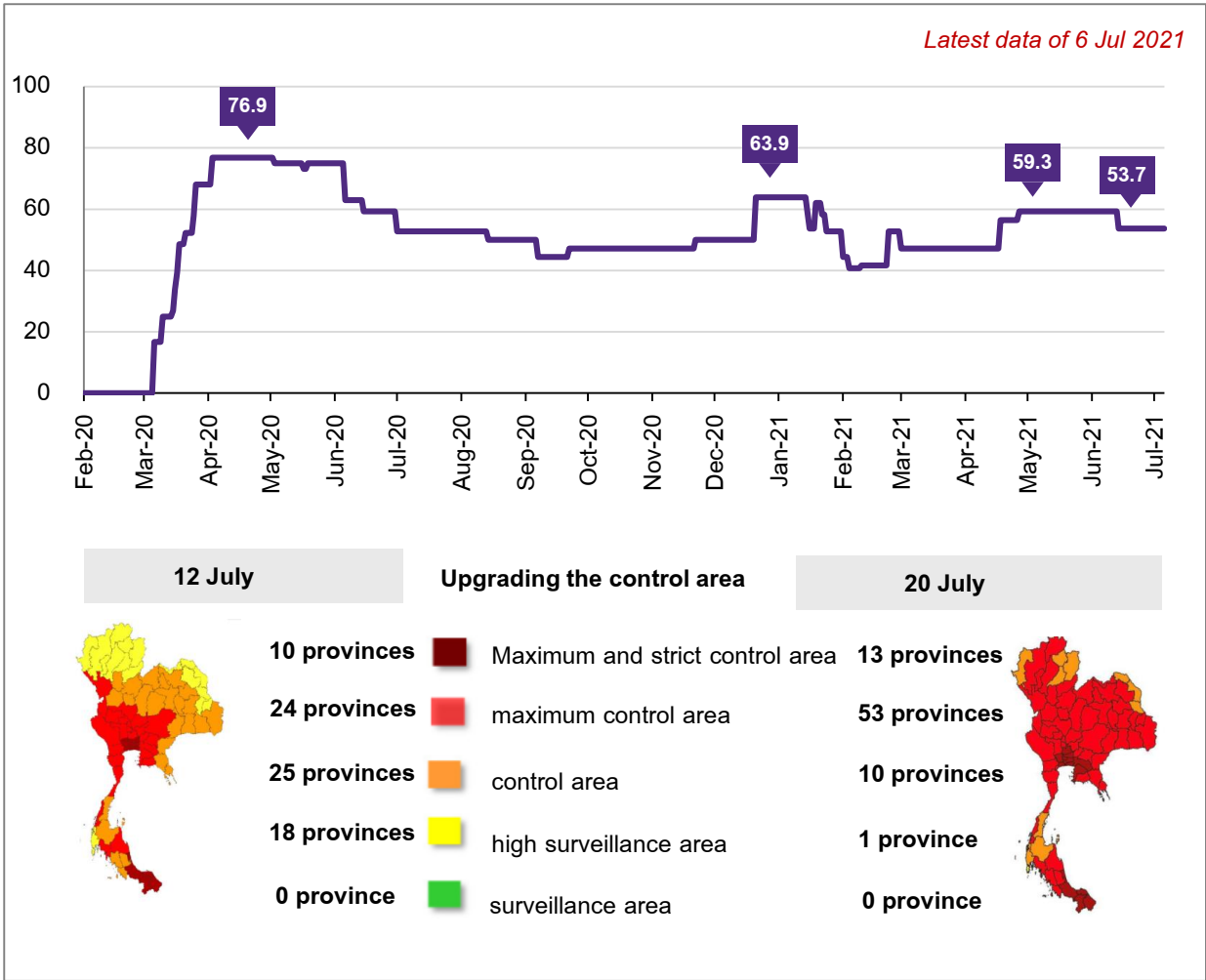
Government's vaccination plan against delta variant

- Proposed to use mix-and-match vaccine.** The first dose is Sinovac, followed by the second dose of AstraZeneca at 3-4 weeks interval, which may boost the immune system against the delta variant faster.
- Proposed a booster dose to people who have been fully vaccinated with Sinovac.** The booster dose, including either AstraZeneca or mRNA vaccine, is initially used by medical workers first.

Note: Vaccination plan is subject to change by manufacturer ability to produce and deliver.

Government tighten restriction measures in maximum and strict control areas. The measures are similar to measures taken to prevent the 1st outbreak, but so far try to avoid countrywide lockdown.

Oxford Stringency Index (100 = Strictest)



Epidemic control measures are effective for 14 days starting 20 Jul 21

Maximum and strict control area 13 provinces

Bangkok, Nakhon Pathom, Nonthaburi, Pathum Thani, Samut Prakan, Samut Sakhon, Chachoengsao, Chonburi, Ayutthaya, Narathiwat, Pattani, Yala and Songkhla.

- The night-time curfew between 21.00-04.00. Inter-provincial travel is prohibited

- Public servants and state enterprise employees are asked to fully WFH. School classes are fully online.

- All eateries to close at 8pm. Delivery only.

- Department stores are allowed to open until 8pm, and only for supermarkets, pharmacies and medical supplies.

- Convenience stores and night markets closed from 8pm to 4am.

- No gatherings of more than five people

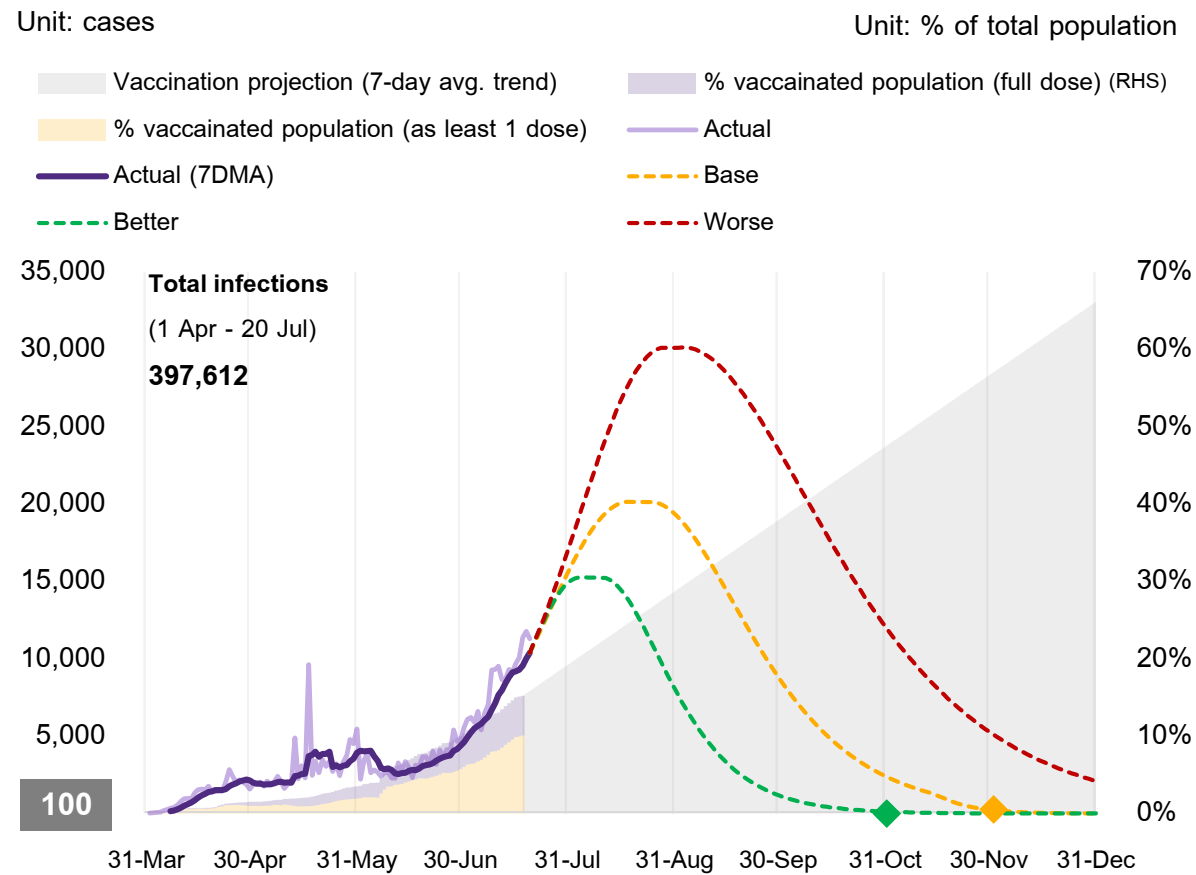
Businesses allowed to operate under preventive measures

Hospitals, pharmacies, general stores, factories, securities businesses, banks, telecommunication businesses. postage and parcels businesses, pet shops, tool and construction equipment shops, cooking gas shops, gas stations, food delivery services, and a la carte restaurants.

Source: EIC analysis based on data from Center for Covid-19 Situation Administration (CDC) and the University of Oxford.

EIC expects in the Base case that the 3rd round of COVID-19, beginning in April, to be contained within the end of November for a total of 8 month period.

3rd wave of daily COVID cases forecast*



Note: SIR model is employed to forecast COVID cases

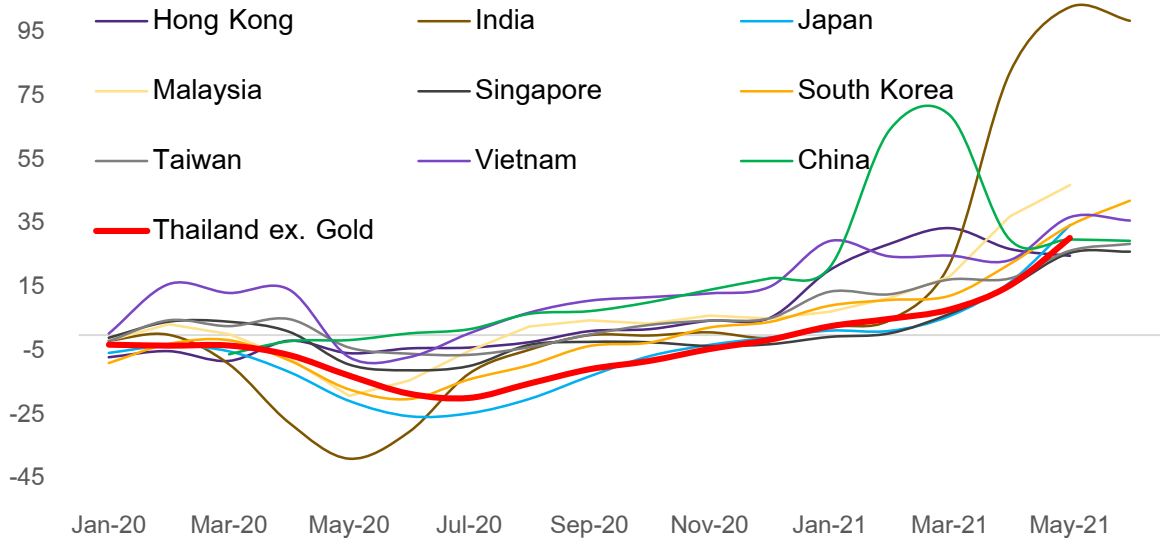
Source : EIC's analysis based on data from Department of disease control, Globalrt.live

	Better	Base	Worse
Assumption lockdown and public health measures efficiency	Effective	Partially effective	Less effective
Period (<100 cases/day)	◆ End of Oct (7 months)	◆ End of Nov (8 months)	Early 2022 (10-12 months)
Peak of infections (7-day average trend)	15,000	20,000	30,000
Est. infected case (3 rd round)	1.08M	1.75M	3.08M

Exports are continued to expand well and broad based in line with global trade expansion.

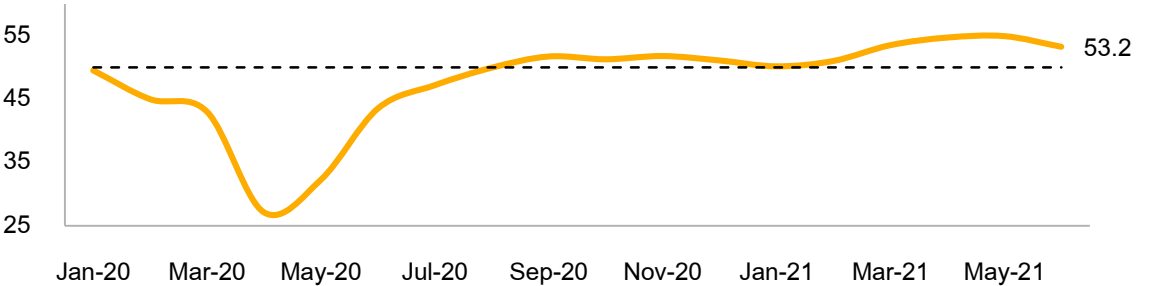
Key export by countries

Unit : %YOY, 3MMA



Global PMI: export orders

Unit : Index, >50 means better than previous month, seasonally adjusted



Key export by products

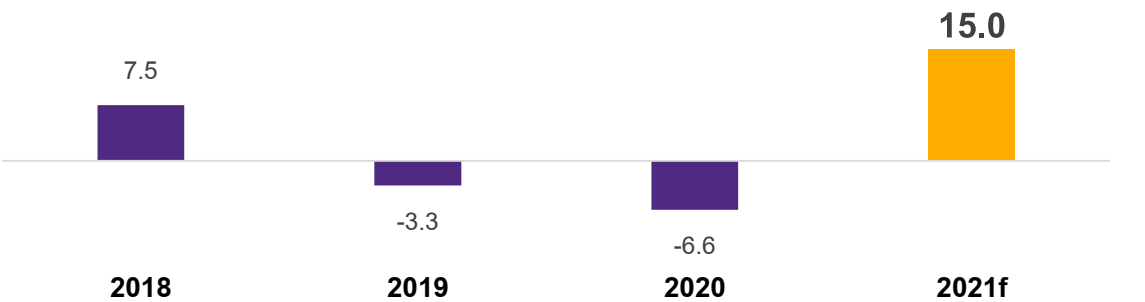
Unit : %YOY

(Share in 2020)

	4Q20	1Q21	Mar-21	Apr-21	May-21	YTD
Total (100%)	-2.0%	2.1%	8.3%	13.1%	41.6%	10.8%
Total (ex. gold) (94.3%)	-1.6%	8.1%	13.7%	28.9%	48.8%	18.6%
Electrical appliances (10.2%)	10.9%	14.8%	20.9%	45.2%	60.3%	27.1%
Auto & parts (9.2%)	0.1%	23.8%	43.1%	135.9%	170.3%	51.6%
Agriculture (9.1%)	4.8%	12.9%	11.5%	11.4%	20.5%	14.3%
Chemical & plastics (8.1%)	-0.3%	20.6%	34.4%	44.0%	58.5%	31.9%
Agro-industry (7.8%)	-11.5%	-2.7%	0.5%	1.4%	5.5%	-0.2%
Computer & parts (8.1%)	3.8%	8.4%	4.3%	28.7%	44.5%	18.5%
Rubber products (5.2%)	15.5%	32.4%	50.2%	55.5%	54.7%	40.1%
Integrated Circuit (IC) (3.1%)	-1.9%	13.9%	18.9%	6.5%	29.8%	15.4%

Export value forecast

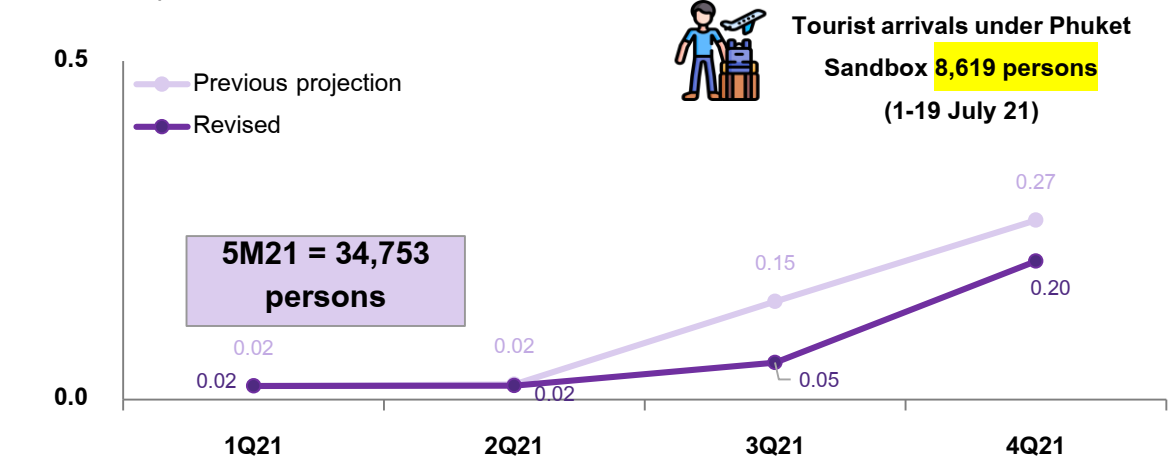
Unit : %YOY



EIC revised tourist arrivals forecast in 2021 to 0.3 million due to current COVID-19 situation in Thailand and strict travel restrictions in many countries to prevent new virus variants.

Tourist arrivals

Unit: million person



Assumptions

Vaccination	Most advanced economies vaccinated approximately 50% of their population			Advanced countries achieved herd immunity to the original COVID-19 strain	
Covid-19 situation in Thailand	Covid-19 wave 2	Covid-19 : Wave 3			
Thailand's border reopening policy	14 days quarantine for all international arrivals	7,10 Days quarantine	14 days quarantine for international arrivals (May – Aug 21)	7,10 days quarantine for international arrivals (Sep – Dec 21)	
			Phuket Sandbox (1 July 21) Samui Plus model (15 July 21)	No quarantine for international arrivals that meet defined criteria (9 tourist spots)	

Source: EIC analysis based on data from the Center for COVID-19 Situation Administration (CCSA)

Outbound travel policy

Many countries remain cautious to allow citizens to travel abroad as they could be reinfected by the new virus strain

Tourists returning to the UK from Thailand need to 10 days home-quarantine and take 2 PCR tests

15 July, the European Union removed Thailand from White List for travel

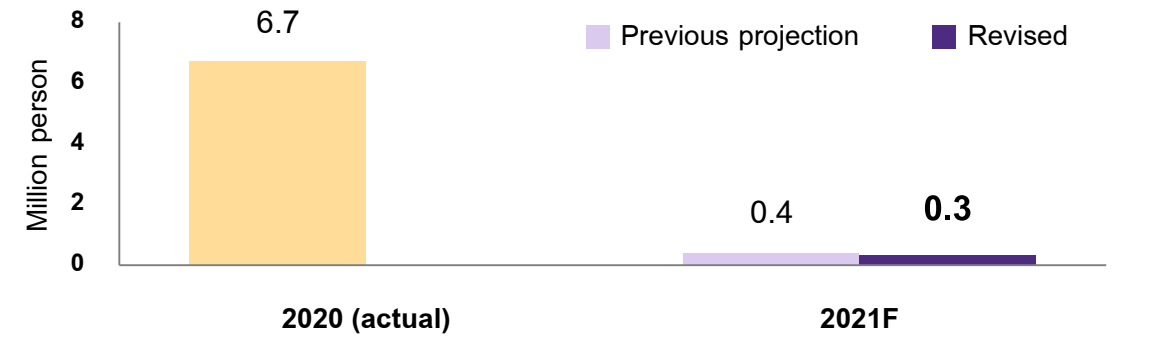
Thailand's inbound travel policy

Thailand plans to relax inbound travel policy for fully vaccinated tourists from COVID-19 low risk countries starting from 2H21 onwards

Phuket Sandbox and Samui Plus Model (July 2021)

Quarantine-free travel for international tourists who meet criteria in 9 tourist spots (4Q21)

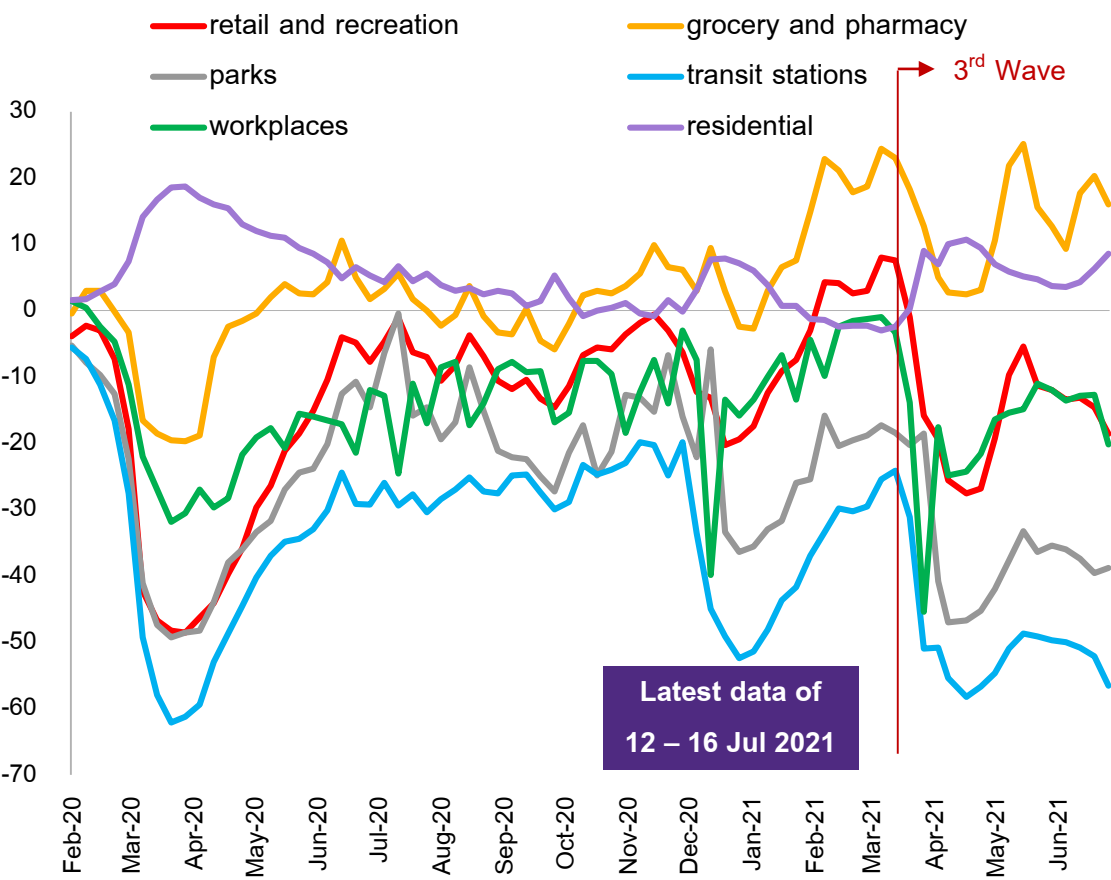
International tourists allowed throughout Thailand (1Q22 onwards)



High frequency data indicate that the impact on economic activities from 3rd outbreak seemed to be more severe than the 2nd outbreak. Moreover, the impact is likely to last longer than the 1st round.

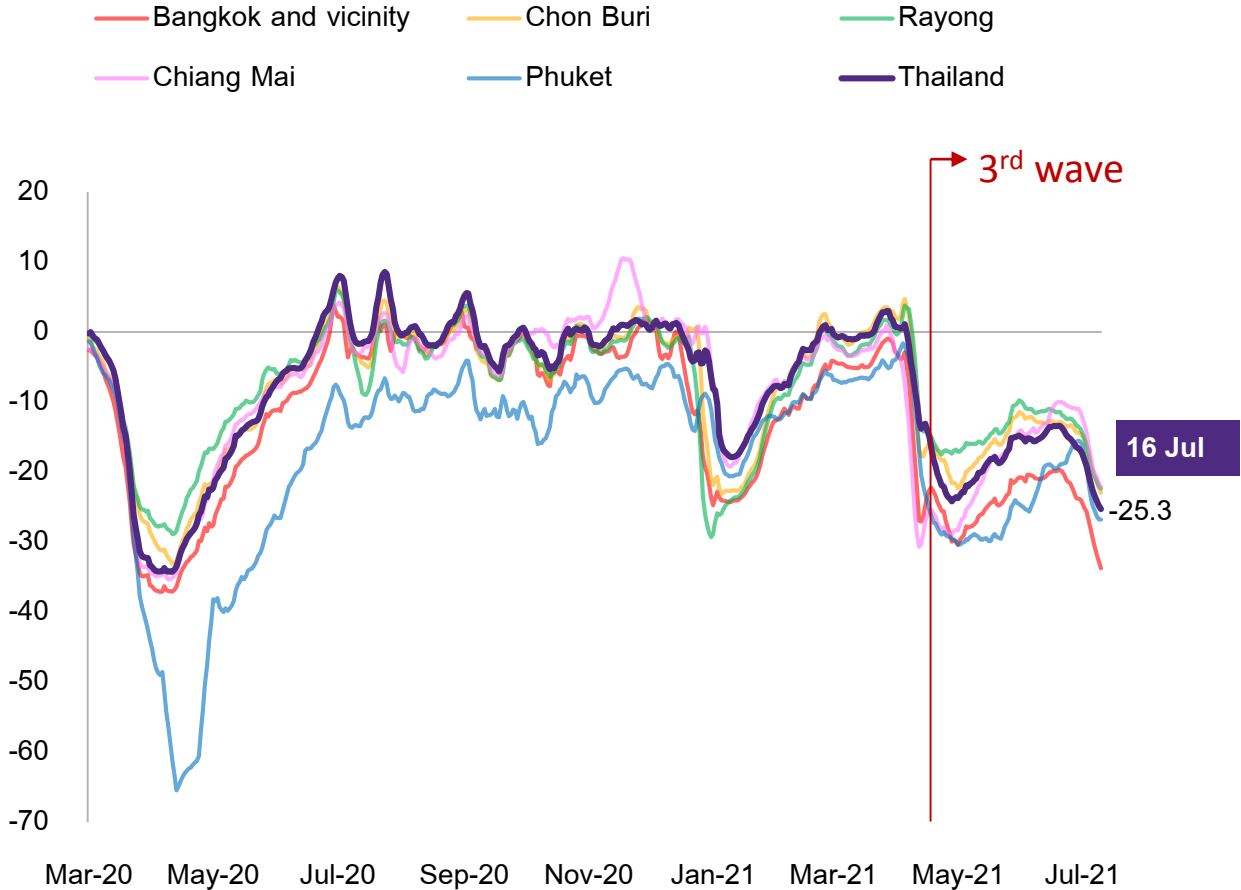
Google mobility report

Unit :% change from baseline (Jan-Feb 2020), weekly average



Facebook Movement Range Index

Unit: % change from baseline (February 2020), 7DMA

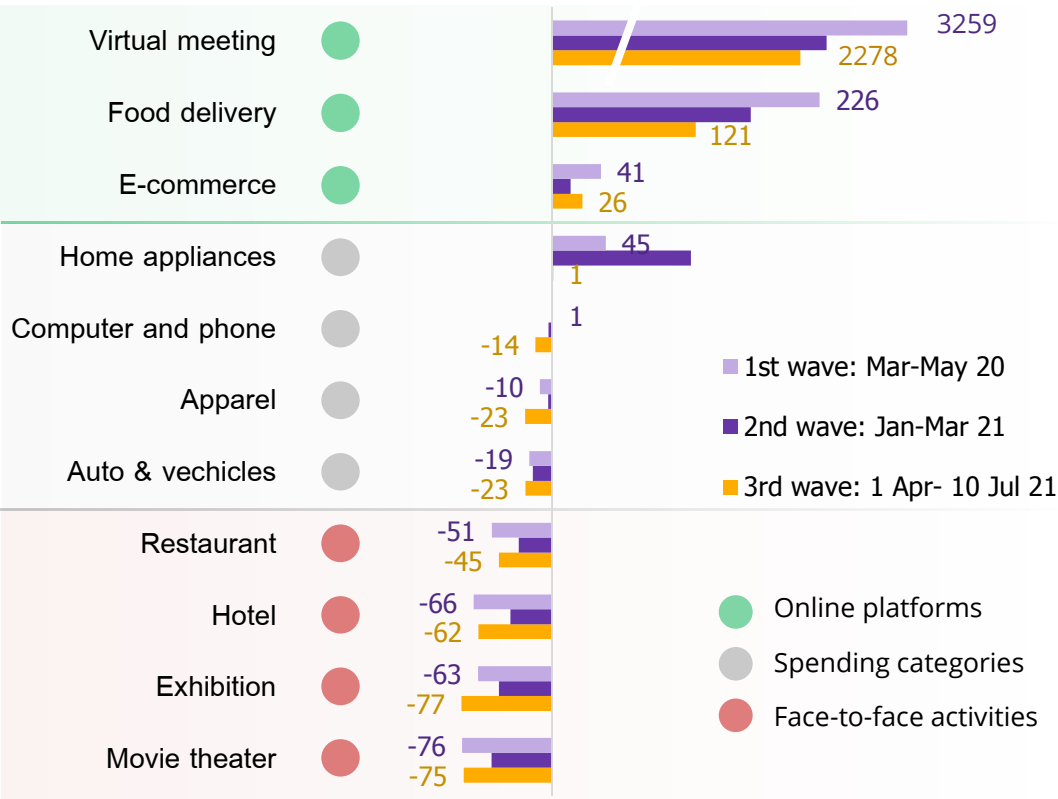


Source: EIC analysis based on data from Google and Facebook

Uneven recovery can be witnessed among economic sectors, with e-commerce and online activities continued to surge during each outbreak.

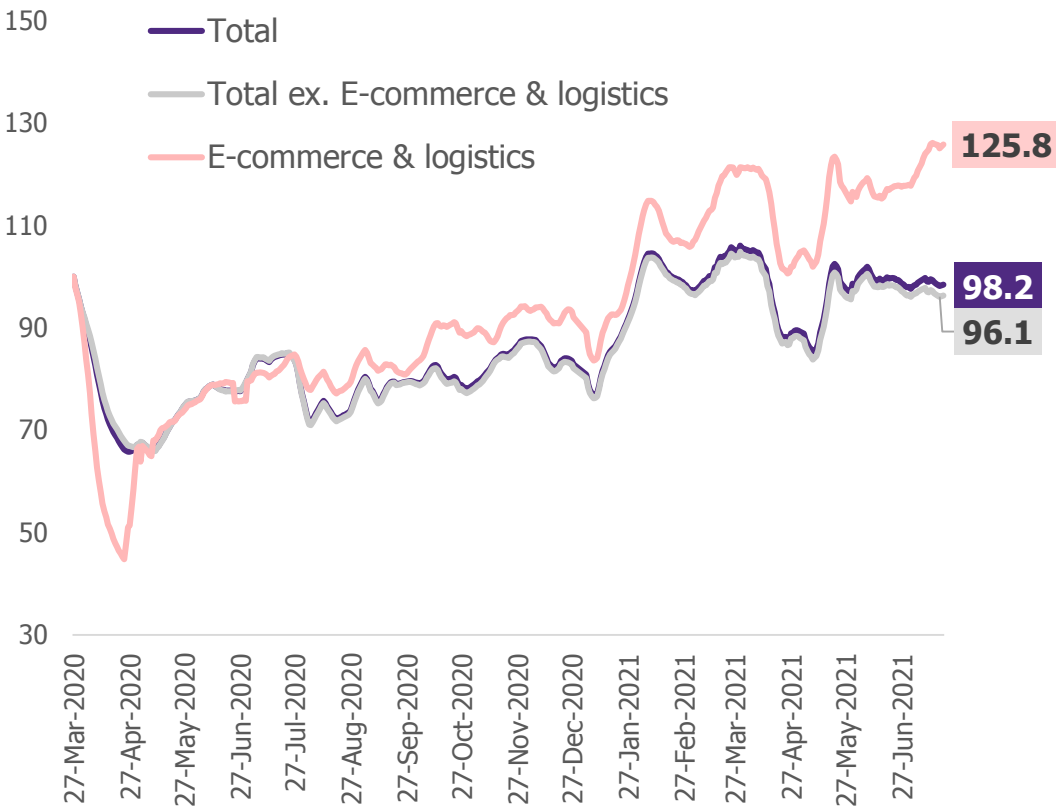
Google Trends

Unit: % change from the same period in 2019



Job posting via JobsDB.com

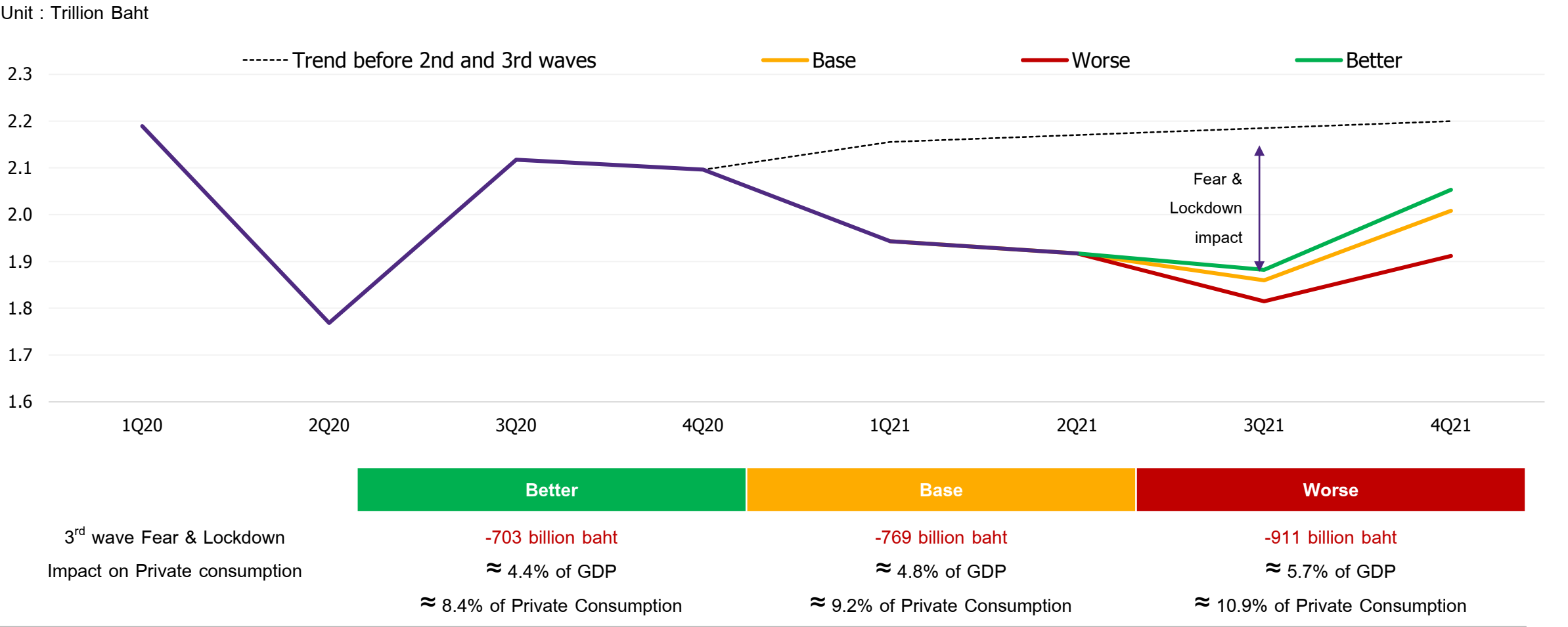
Unit : index average of last week of March 2020 = 100



Source: EIC analysis based on data from Google and OIE

Lockdown measures, fear factor about the pandemic & uncertainty, and loss of income caused by the third wave of infections will diminish private consumption by as much as 770 billion baht in base scenario.

Private Consumption Values, *not including government stimulus*



Source: EIC analysis

Government stimulus packages with play pivotal role in supporting the economy this year

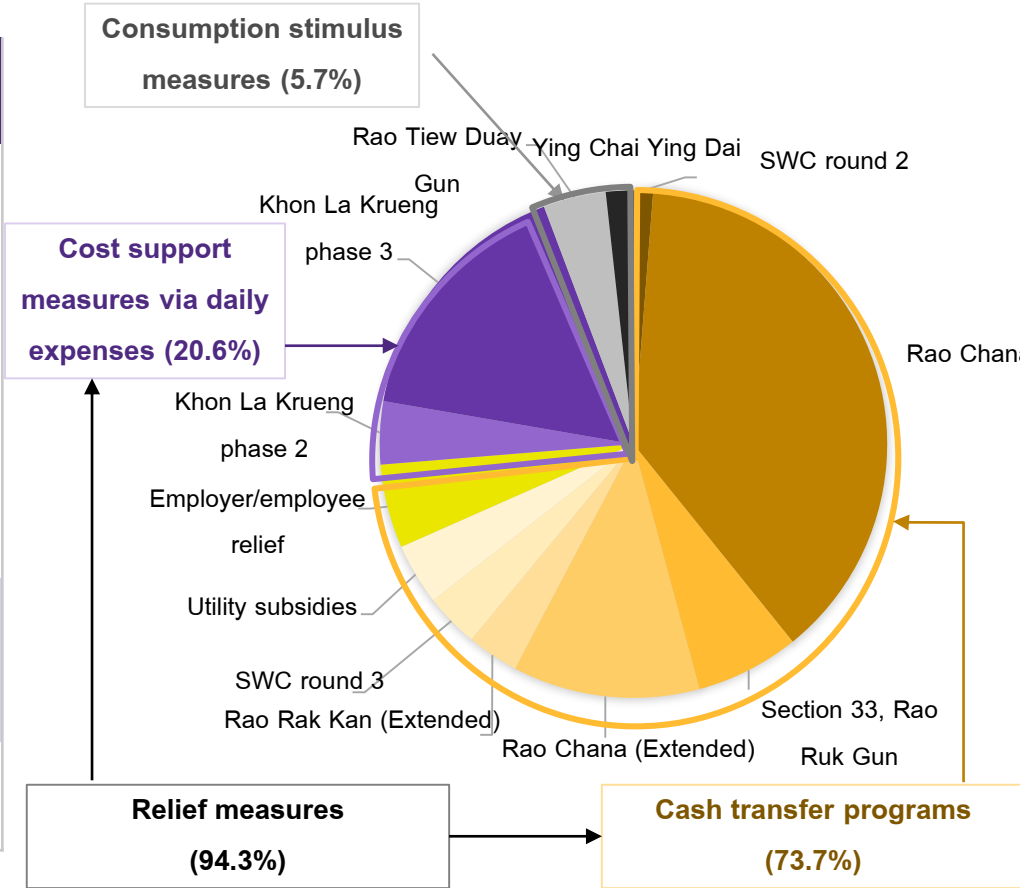
Measures	Budget (Million Baht)	1Q21	2Q21	3Q21	4Q21
Rao Tiew Duay Gun	22,400				
Khon La Krueng phase 2	22,500				
Social welfare card round 2	7,000				
Rao Chana	213,242				
Section 33, Rao Ruk Gun	37,080				
Utility subsidies	10,000				
Rao Chana (Extended)	67,000				
Rao Rak Kan (Extended)	18,500				
Social welfare card round 3	19,320				
Khon La Krueng phase 3	93,000				
Ying Chai Ying Dai	9,800				
Utility subsidies	12,000				
Employer/employee relief*	30,000				

- Measure to relief 2nd outbreaks with budget over 3 hundred billion baht
- Measure to relief 3rd outbreaks with budget over 2.6 hundred billion baht

- Government recently approved employer/employee relief measure in locked-down provinces and utility subsidy with budget of 42 billion baht under THB 0.5 trillion Emergency Decree.
- EIC projects the government to inject the additional 150 billion baht this year. (Total 200 bn will be disbursed under 500-bn royal decree this year)**

Note: *The cabinet approved employer/employee reliefs in provinces on 20 June 2021. However, budget size is not decided yet. Thus, the data here only represent relief in 10

Source: EIC analysis based on data from the Government House of Thailand and various news.



EIC revises down 2021 GDP forecast from 1.9% to 0.9% due to severe domestic COVID-19 spread, which leads to stricter lockdown, deeper economic scars, and more downside risks

2021 forecast	Unit	Jun-21	Jul-21 Base
GDP	%YOY	1.9	0.9
Private Consumption	%YOY	1.9	0.1
Public Consumption	%YOY	4.3	4.3
Private Investment	%YOY	4.9	2.0
Public Investment	%YOY	8.7	5.8
Exports of goods & services	%YOY	5.2	4.6
Imports of goods & services	%YOY	10.0	8.1
Exports value (USD BOP basis)	%YOY	15.0	15.0
Imports value (USD BOP basis)	%YOY	20.7	17.9
Number of Tourists	millions	0.4	0.3
	%YOY	-94.0	-95.5
Headline Inflation	%YOY	1.3	1.3
Brent oil price	USD/Brl.	66	66
Policy rate (end-period)	%	0.50	0.50

Source: EIC analysis

Negative factors (compare to previous forecast)

- **Worsened domestic COVID-19 spread** – EIC now expects 8 months (from Apr) to contain the outbreak, revising from 4-5 months previously. This will lower private consumption via lockdown, people's fear factor, and deeper economic scars.
- **Foreign tourists revised down to 0.3 from 0.4 million** due to worsened domestic COVID-19 situation and many countries' cautious entry-exit policy.
- **Private and public construction** will be disrupted from closing labor camp measure.







Supportive factors (compare to previous forecast)

- **EIC expects the government will inject more stimulus**, using about 200 bn (vs 100 bn previously) in this year under 500-bn royal decree.
- **Exports value continues to expand well in line with AE robust GDP growth.**

Risk factors

- Delay of vaccination, longer time to contain the outbreak, and other new variants of COVID-19
- Supply disruption that might stem from factory closure due to COVID-19
- Surging COVID cases in trading partners might affect Thai exports and tourism
- Government might inject the money less than our expectation

Recent worsened COVID-19 spread in Thailand will cost a huge impact on Thai economy especially damage on private consumption. Then, we expect the economy to grow slower than previous anticipation.

Recent development and outlook						Economic outlook		
Unit: %YoY, except for policy rate (% per annum) and exchange rate (THB/USD)						2019	2020	2021f
 GDP growth (Thailand)	1Q20	2Q20	3Q20	4Q20	1Q21	2019	2020	2021f
	-2.1	-12.1	-6.4	-4.2	-2.6	2.3	-6.1	0.9
 Export growth (USD BOP)	1.3	-17.7	-8.2	-1.5	5.0	-3.3	-6.6	15.0
 Loan growth (Banking sector)	4.1	5.0	4.5	5.1	3.8	2.0	5.1	1 to 3
 Deposit growth (Banking sector)	9.0	10.9	9.2	9.6	4.1	4.1	9.6	4 to 6
 Policy rate (end period)	0.75	0.50	0.50	0.50	0.50	1.25	0.50	0.50
 THB/USD (end period)	32.7	30.9	31.7	30.0	31.2	30.1	30.0	32-33

Note: Green/Red indicate increase/decrease from the previous period

Source: SCB EIC (July 2021)

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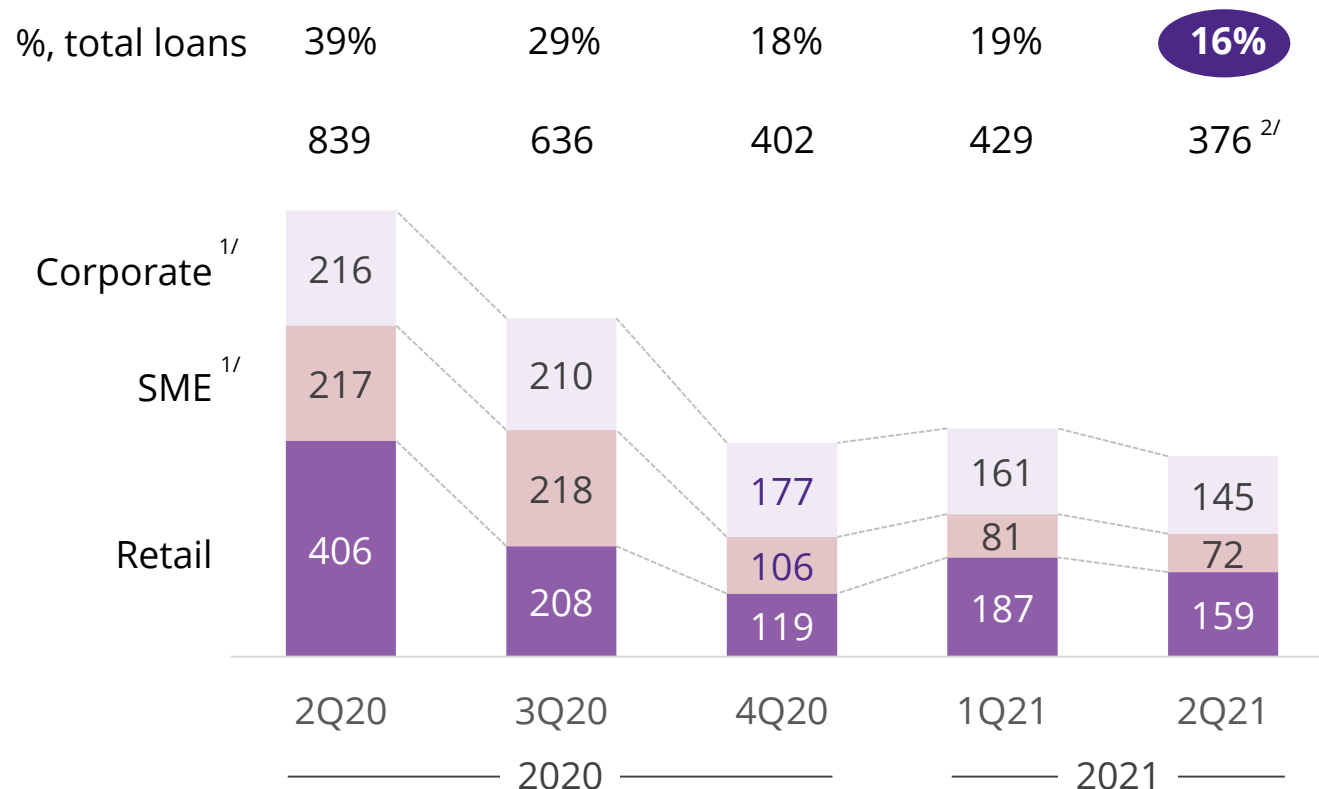
Key highlights

Key Highlights

- Loans under relief program lower QoQ
- Customers being transitioned to comprehensive debt restructuring to increase long-term survival
- Maintaining provisions at above-normal level for now
- Focusing on fee income resilience and cost control
- Continue to leverage digital capabilities and seek inorganic opportunities
- Cautiously optimistic about managing asset quality, despite a new wave of the pandemic

In 2Q21, relief program declined to 16% of total loans with improved payment

Loans under the relief program (Baht billion)





- In 2Q21, the relief program declined qoq across all segments.
- QoQ improvement came following holiday payments ended (esp. in housing & auto) in 2Q21 and lower new entry/re-entry volume
- Payment profile slightly improved QoQ following a transition from debt holiday to comprehensive debt restructuring for certain retail customers and a recovery in export-oriented SMEs.
- Over 60% of exiting customers repaid according to terms set by the bank. Overall, ~ 90% still made payment upon program exit in 2Q21.
- We are monitoring the latest BOT's retail/SME debt moratorium in high-risk zones.

^{1/} Based on exposures at the customer level which is higher than the account level under the relief program

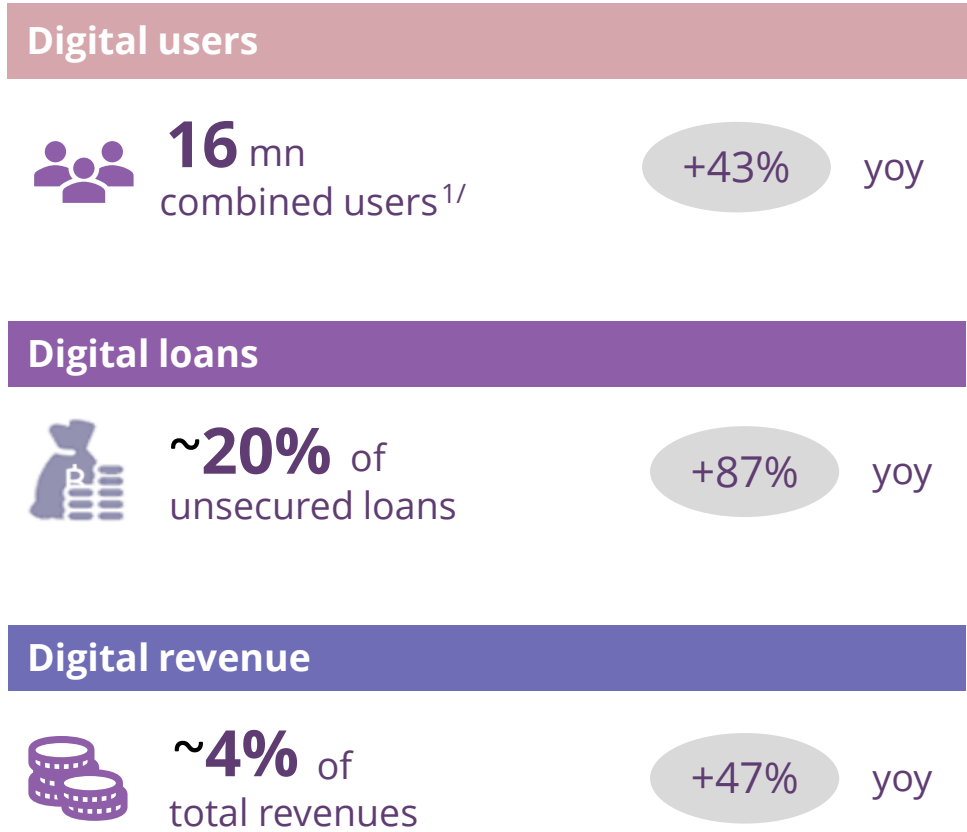
^{2/} Including loans under the comprehensive debt restructuring plan

Framework for the comprehensive debt restructuring

	For customers 	For bank 
Our key principles	<ul style="list-style-type: none">• Migration of the affected customers in all segments towards long-term solutions to increase customer survival• Tailored packages (e.g. tenor extension, installment reprofile, step-up/lower rate), based on customer's risk profile, new cash flow, and sector/industry recovery trajectory	<ul style="list-style-type: none">• Segregation of customers in different risk buckets to determine the level of restructuring requirements• Temporary relaxation of underwriting criteria• Classification and provisioning for debt restructuring in accordance with regulators' guidelines
Expected outcomes	<ul style="list-style-type: none">• Cash flow stabilization under the new business environment• Reduced default risk with improving debt servicing ability and financial cushion	<ul style="list-style-type: none">• New NPL formation under control• NII impact will be outweighed by provision savings given the comfortable level of LLR and management overlay
Monitoring & Control	<ul style="list-style-type: none">• Active monitoring of the restructured loans and changes in credit risk to ensure prudent provisioning• Dynamic adjustment of the program according to changing business conditions• Management overlay as buffer against a potential deterioration of the restructured loans	

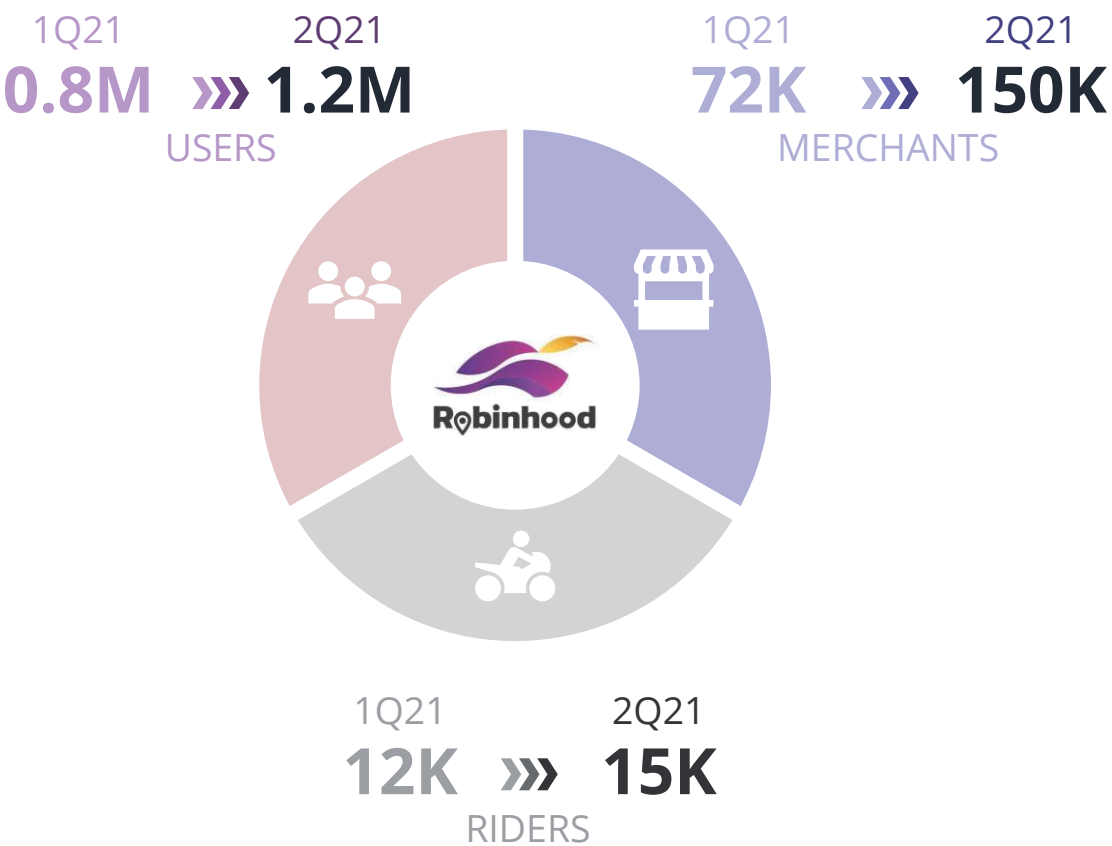
Continue to forge ahead with digital banking

Rise of digital – 1H21



^{1/} Combined users of major digital platforms (SCB EASY, ROBINHOOD, SHOPDEAL, MONIX, ABACUS)

Robinhood update





3



Review of 2Q21/1H21 results

2Q21 financial summary – Strong 1Q21 momentum partly offset by weaker 2Q21

1. **Pre-provision operating profit** grew 5% yoy despite challenging business environment in 2Q21 (3rd wave of COVID-19)
 - Resilient **Non-NII** growth (+4% yoy) and strong **recurring Non-NII** growth (+27% yoy) with bancassurance and wealth management as a key growth driver (50% of total non-NII)
 - **NII** remained under pressure (-1% yoy) from a lower interest rate environment and flight to quality loans (+7% yoy) despite a slight qoq uptick in NIM
 - **Expenses** were well-managed (-5% yoy); **Cost to income** stayed at low 40s
2. Lower **credit costs** (175 bps) from the peak level last year, though remain elevated
3. **New NPL** formation rose yoy but declined qoq due to proactive recognition since 2H20
4. Strong **capital** position (e.g. CET1 ratio at 17%) and high LLR to total loan >6%

Financial highlights

 INCOME/ COST	(Consolidated)	2Q21	1H21
	Total income growth (yoy)	+1%	+0.4%
	NII growth (yoy)	-1%	-5%
	Non-NII growth (yoy)	+4%	+12%
	Cost/Income ratio	42%	41%
	Pre-provisions operating profit	+5%	+6%
 PROFITABILITY	Net profit growth (yoy)	+5%	+7%
	ROE	8.4%	9.1%
	ROA	1.1%	1.2%

 LOANS/ ASSET QUALITY		2Q21	1H21
	Total loan growth (yoy)	+7%	+7%
	Net Interest Margin (NIM)	3.04%	3.01%
	Loan/Deposit ratio	97%	97%
	NPL ratio	3.79%	3.79%
	Coverage ratio	142%	142%
 CAPITAL	Credit cost (bps)	175	176
	CAR	17.9%	17.9%
	CET1/ Tier 1	16.8%	16.8%

2Q21 and 1H21 financial results

Baht billion (Consolidated)	2Q21	QoQ	YoY	1H21	YoY
Total income	36.5	-3%	+1%	74.2	+0.4%
- Net interest income (NII)	23.5	+0.4%	-1%	46.9	-5%
- Non-NII	13.0	-10%	+4%	27.4	+12%
a. Recurring	10.6	-5%	+27%	21.9	+18%
b. Non-recurring & Others	2.4	-24%	-43%	5.5	-7%
Operating expenses	15.4	+2%	-5%	30.5	-6%
Pre-provision operating profit	21.1	-7%	+5%	43.7	+6%
Provisions	10.0	+0.2%	+3%	20.0	+3%
Tax and others	2.3	-	-	4.8	-
Net profit	8.8	-13%	+5%	18.9	+7%

NIM improved slightly qoq given the Bank's efforts to improve balance sheet efficiency against decline in asset yields



Net Interest Income
(Baht billion)

23.8

23.7

23.6

23.4

23.5

QoQ

+0.4%

YoY

-1%



Yield on loans (%)

5.16

5.01

4.84

4.65

4.61

QoQ
(bps)

-4



Net interest margin (NIM, %)^{1/}

3.20

3.12

3.02

3.01

3.04

+3



Cost of deposits (%)^{1/}

0.85

0.76

0.71

0.66

0.64

-2

2Q20

3Q20

4Q20

1Q21

2Q21

- Yield on EA - Mix impact (+5 bps)
- Yield on EA - Pricing impact (-4 bps)
- Funding cost reduction (+2 bps)

Yield on earning assets (%)

3.93

3.76

3.63

3.57

3.59

+2

Cost of funds (%)^{1/}

0.86

0.75

0.70

0.66

0.64

-2

Policy rate (%)

0.50

0.50

0.50

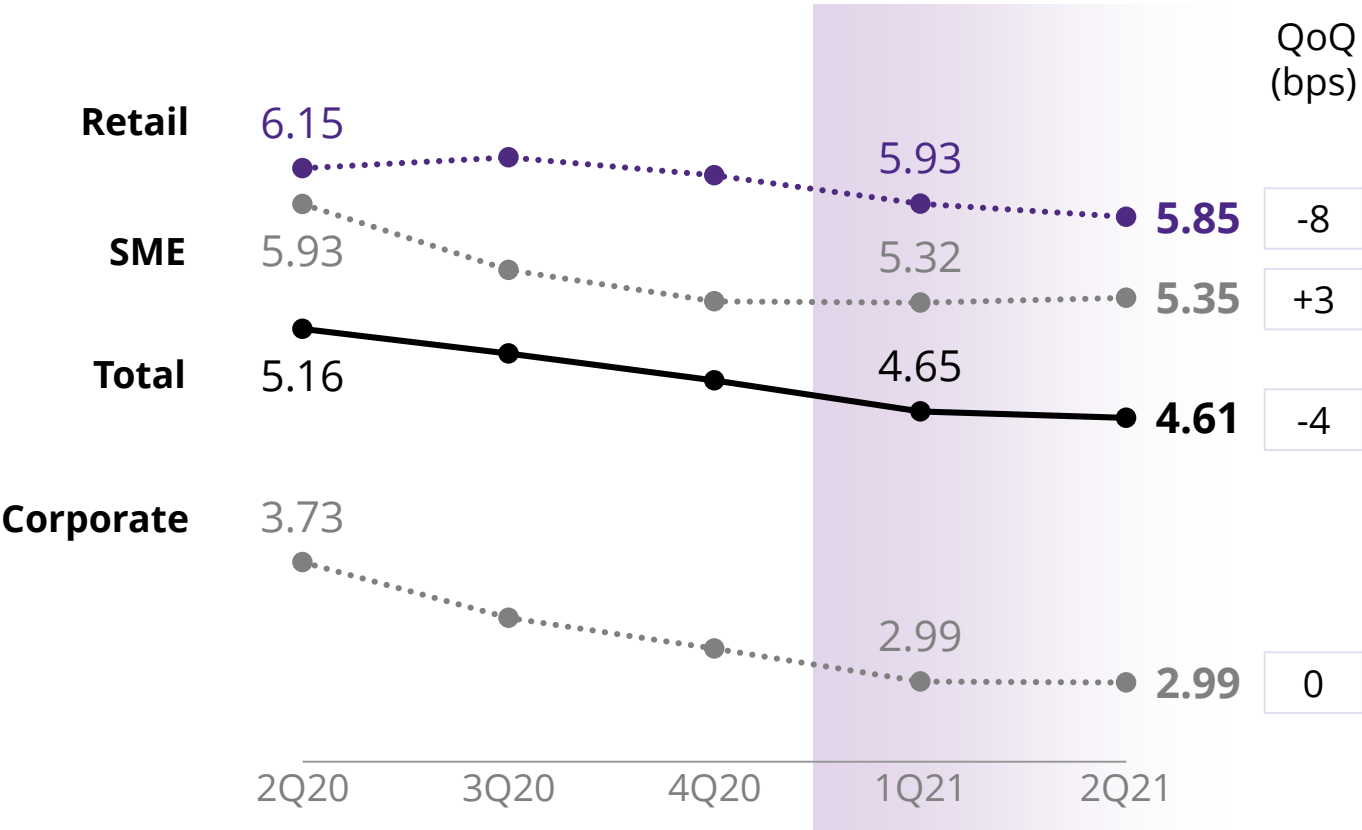
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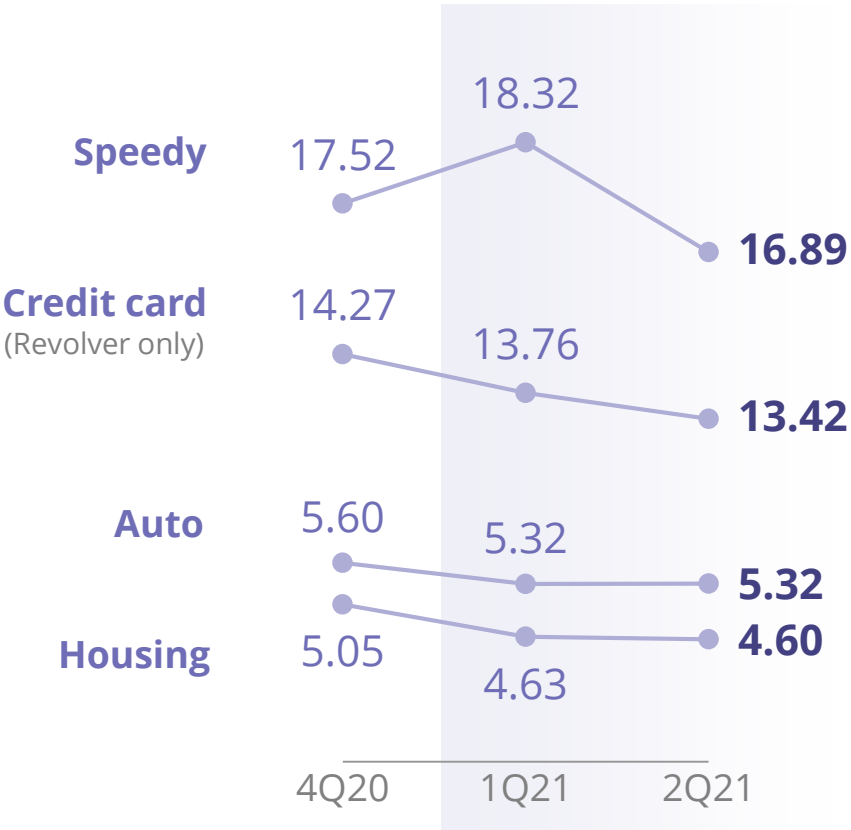
^{1/} Including impact of FIDF fee reduction to 0.23% p.a. (1 Jan 2020 – 31 Dec 2021)

Yield on loans remains under pressure given a flight-to-quality strategy and rising competition for high-quality loans

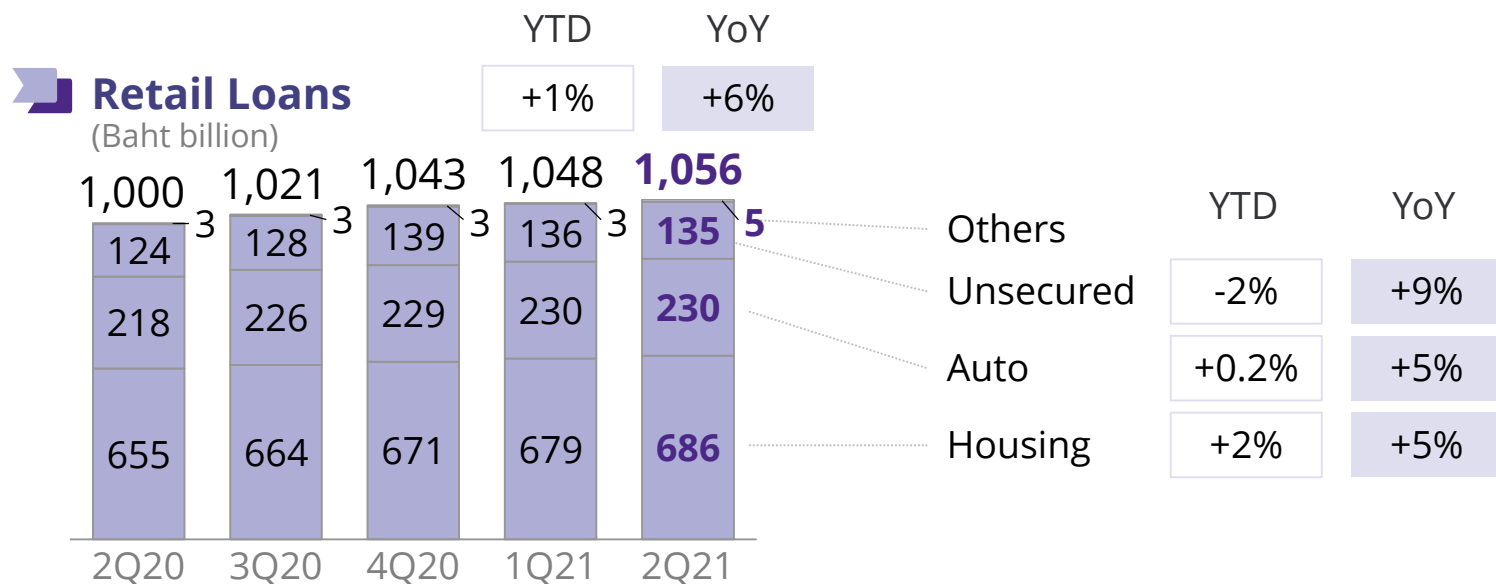
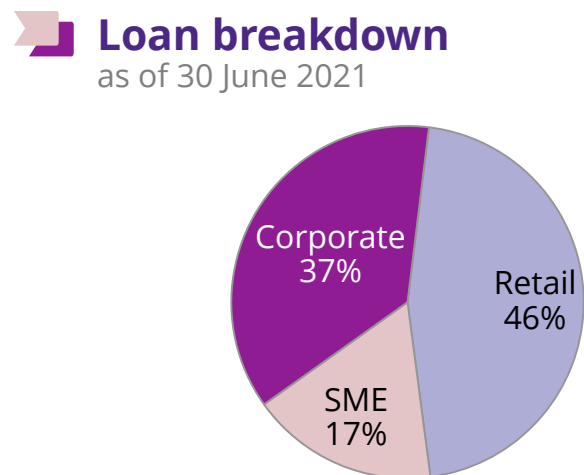
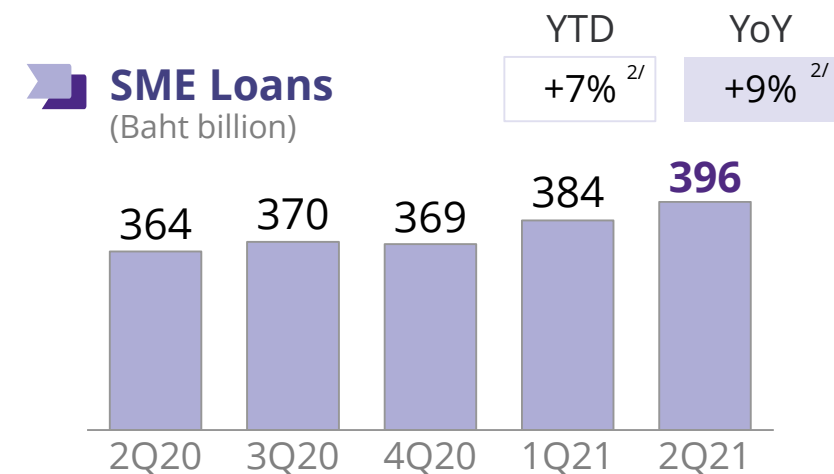
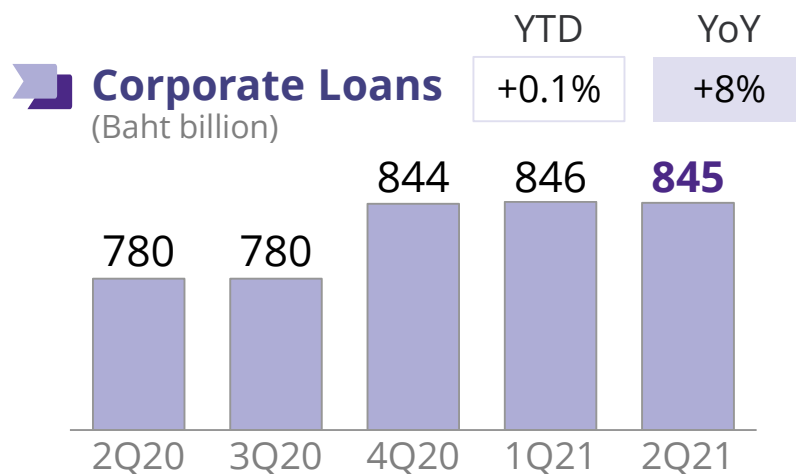
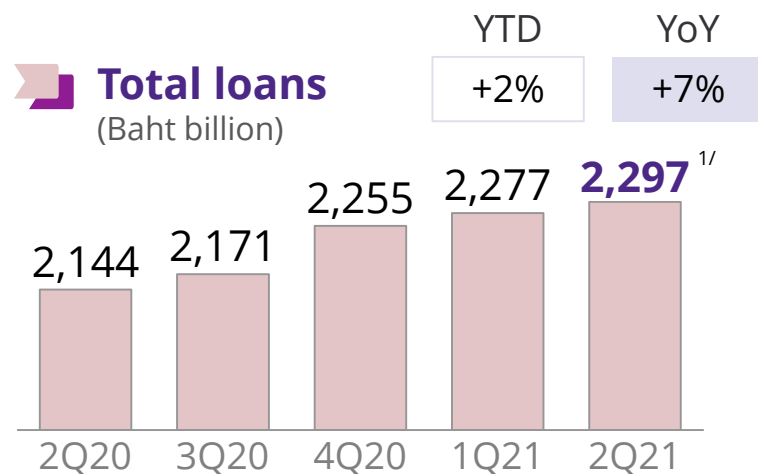
Yield on loans by segment (%)



Yield on loans by Retail products (%)



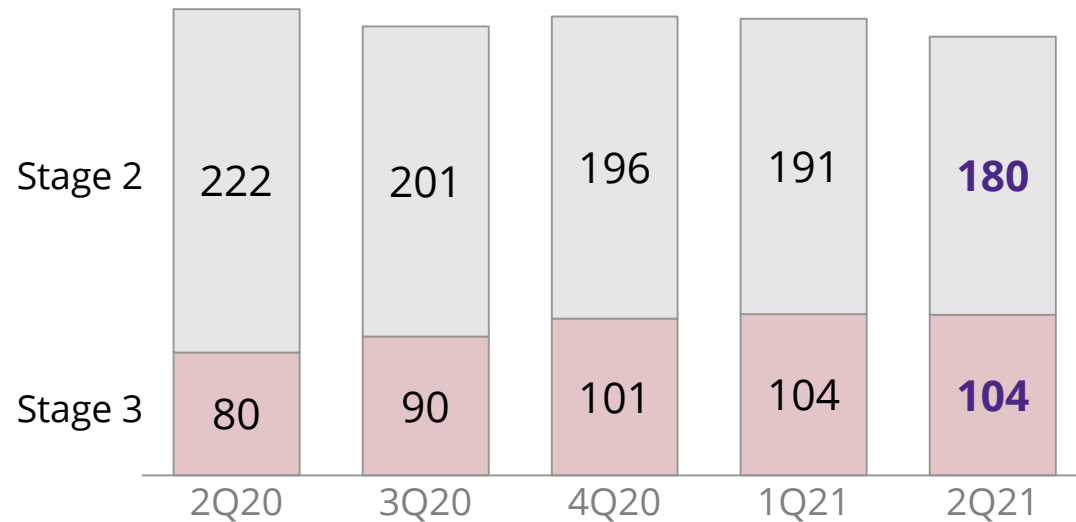
Loan growth was slow (+2% ytd) following a shift toward high quality loans and additional soft loans to help business customers



^{1/} Including soft loans to business customers (48 billion); ^{2/} If excluded soft loans, SME loan growth in 2Q21 would be 7% YTD and 5% YoY

Stable NPL qoq reflected the Bank's proactive NPL management efforts, including qualitative loan downgrades since 2H20

Loan stage 2 & 3 (Baht billion)



New NPL (Baht billion)

11.9 19.8 20.7 14.6 **12.1**

Green / Red fonts indicate decrease / increase from the previous period.

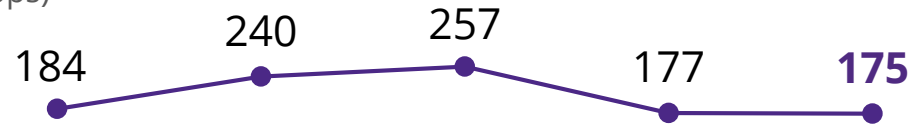
		2Q20	3Q20	4Q20	1Q21	2Q21
Total Loans	NPL%	3.05%	3.32%	3.68%	3.79%	3.79%
	New NPL%	0.45%	0.73%	0.75%	0.53%	0.44%
Corporate	NPL%	3.44%	3.86%	3.99%	3.89%	3.87%
	New NPL%	0.14%	0.51%	0.51%	0.08%	0.01%
SME	NPL%	7.22%	9.13%	11.47%	11.59%	11.51%
	New NPL%	0.85%	2.46%	2.90%	1.21%	1.14%
Housing Loans	NPL%	3.21%	3.36%	3.22%	3.17%	2.97%
	New NPL%	0.55%	0.75%	0.54%	0.80%	0.43%
Auto Loans	NPL%	1.86%	1.46%	1.49%	1.50%	1.15%
	New NPL%	0.25%	0.10%	0.45%	0.52%	0.49%

Note: The Bank started the qualitative loan reclassification since 3Q20

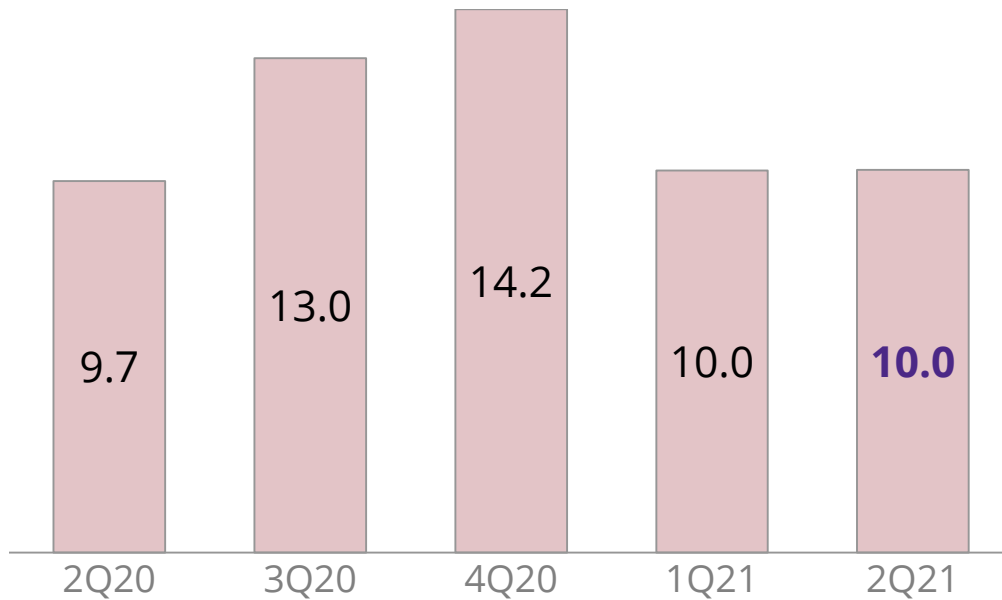
Current credit cost level is adequate given peak last year and high total allowance

2021 Target Credit cost < 200 bps
NPL coverage ≥ 130%

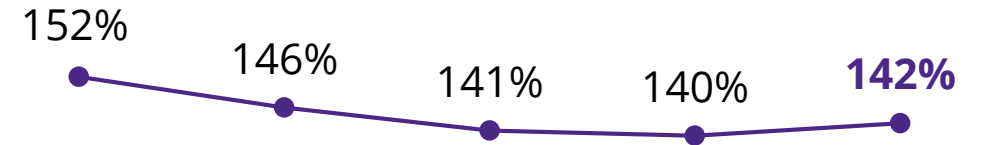
 **Credit cost**
(bps)



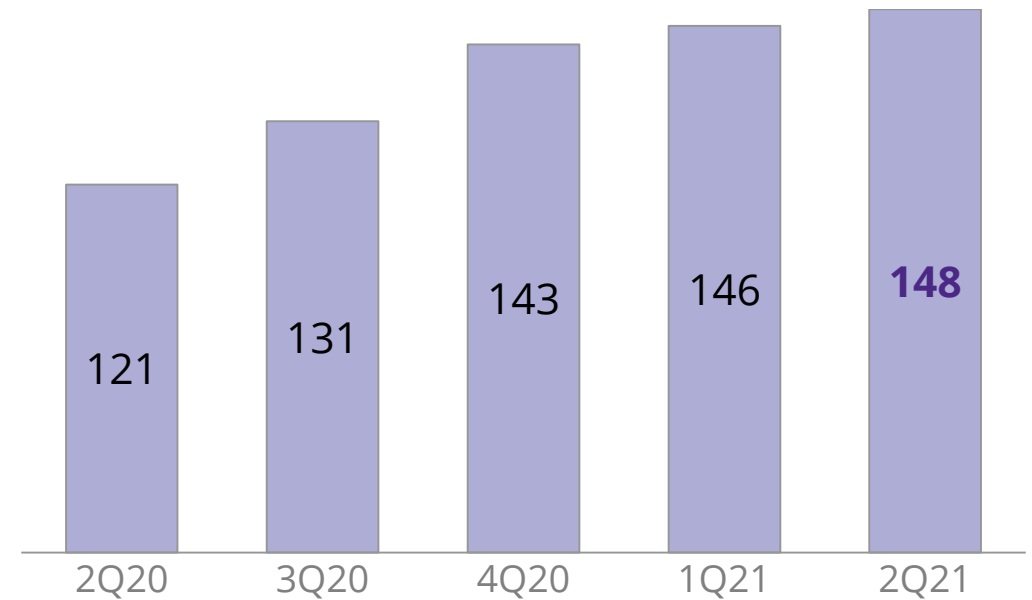
 **Provisions**
(Baht billion)



 **Coverage ratio** (Total allowance to NPLs)



 **Total allowance**
(Baht billion)



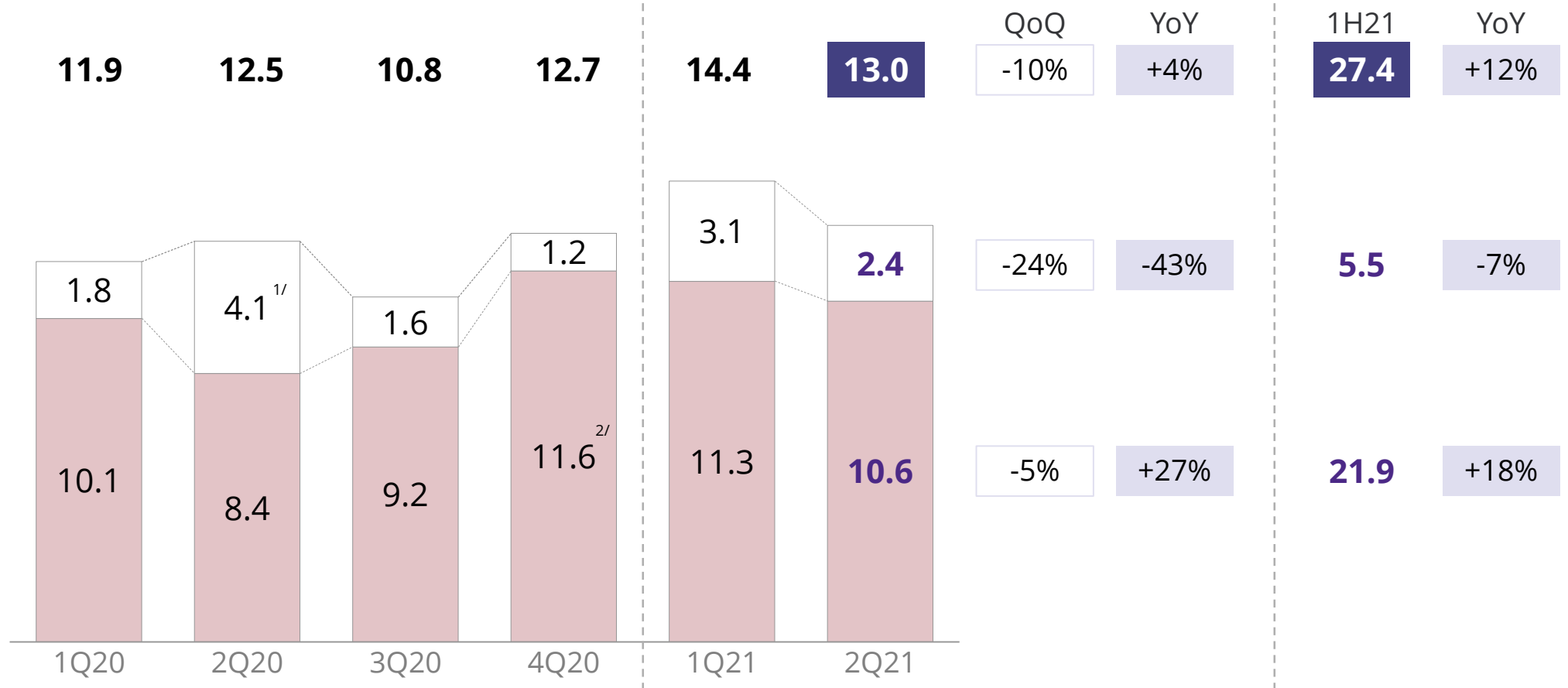
Non-NII dipped qoq following 3rd Covid-19 outbreak in 2Q21 and high non-recurring items in 1Q21; 1H21 growth was +12% yoy



Non-NII
(Baht billion)

**Non-recurring
and others**

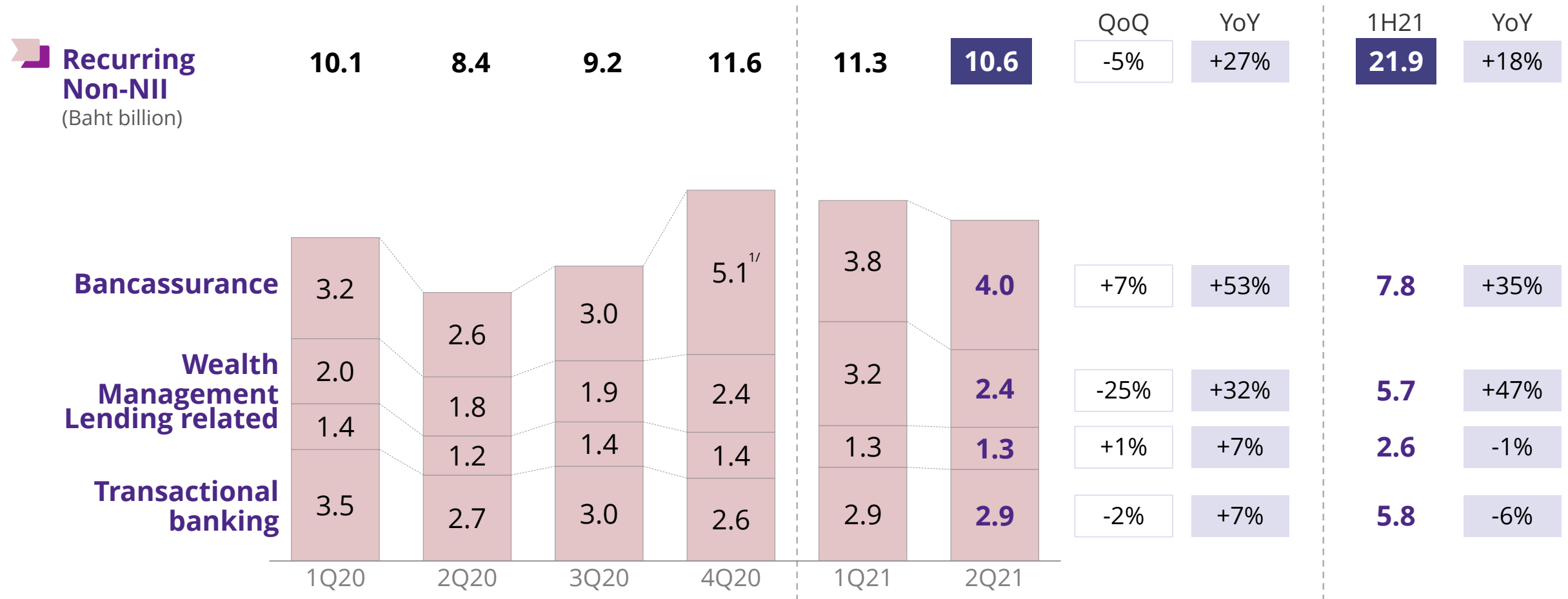
Recurring



^{1/} Largely due to higher net gain on trading & FX transactions and gain on sale of unsecured loans which have been written off

^{2/} Including a recognition of the annual performance-linked compensation for bancassurance in the last quarter

Bancassurance and wealth management continued to drive strong recurring non-NII growth in the first half despite a weaker second quarter

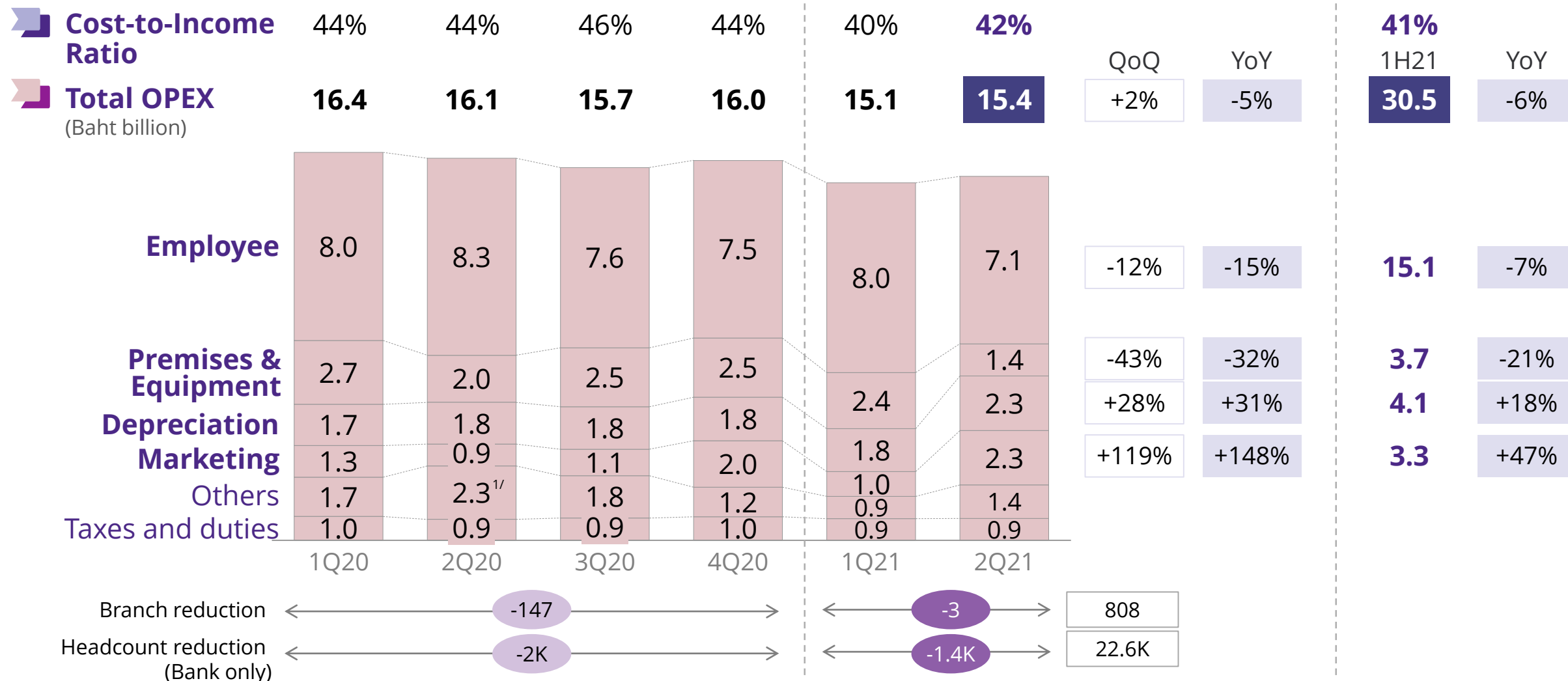


^{1/} Including the annual performance-linked compensation for bancassurance (booking in the last quarter)

OPEX declined yoy from reduced cost base while investment in talents and new digital initiatives continues

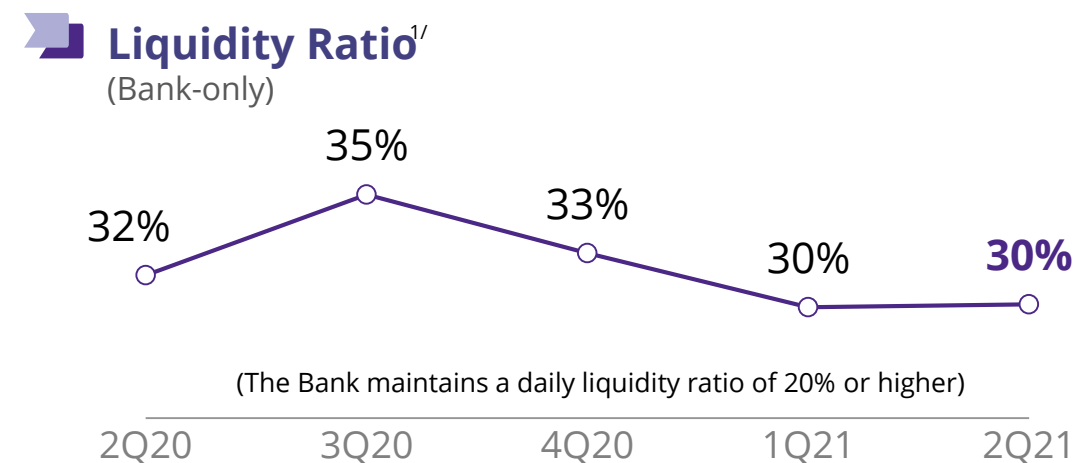
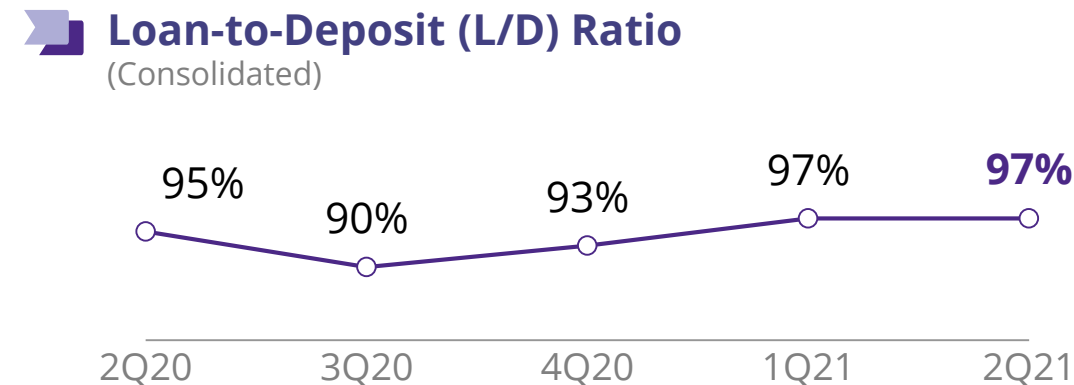
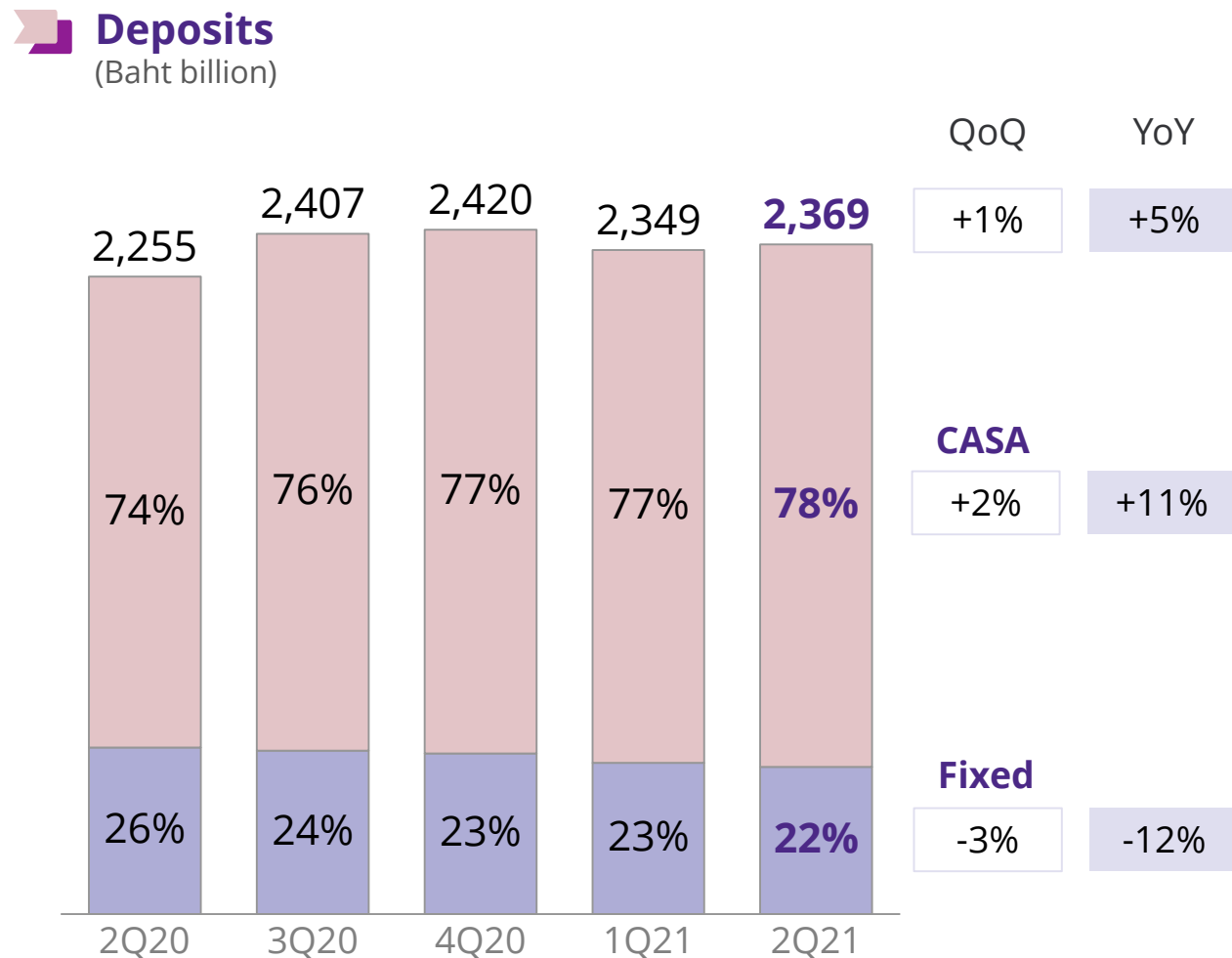
Expenses

2021 Target 
C/I ratio
Low-to-mid 40s



^{1/} Including higher NPA impairment

High liquidity position with increasing CASA proportion



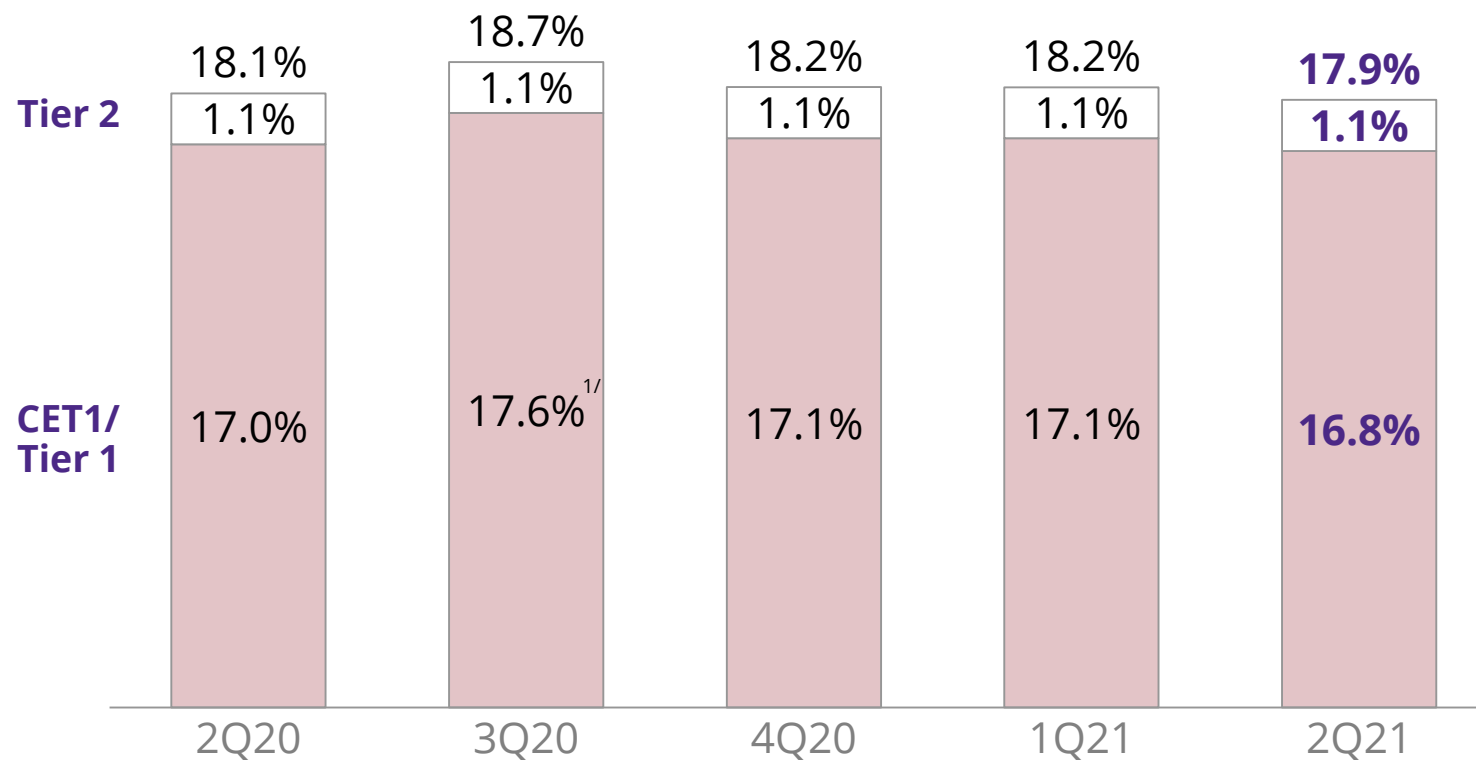
^{1/} Liquid assets primarily comprise cash, bank's deposits, net interbank, bilateral repo with the Bank of Thailand and investment in government securities

Strong capital position amid challenging business environment

Capital Adequacy Ratio (CAR) (Consolidated)




Regulatory Minimum

CAR	12.0%
Tier 1	9.5%
CE Tier 1	8.0%



^{1/} Including appropriation of 1H20 net profit

2021 Financial Targets – unchanged

		2020 Actual	2021 Targets	1H21 Actual
 LOANS/ NIM	Total loan growth (yoy)	6.7%	3-5%	7%
	Net interest margin	3.23%	3.0-3.2%	3.01%
 INCOME/ COST	Non-NII growth (yoy)	12%	Flat growth	+12%
	Cost/Income ratio	44%	Low-to-mid 40s	41%
 ASSET QUALITY	NPLs (gross)	3.68%	4.0-4.5%	3.79%
	Credit cost (bps)	214	< 200	176
	Coverage ratio	141%	≥ 130%	142%

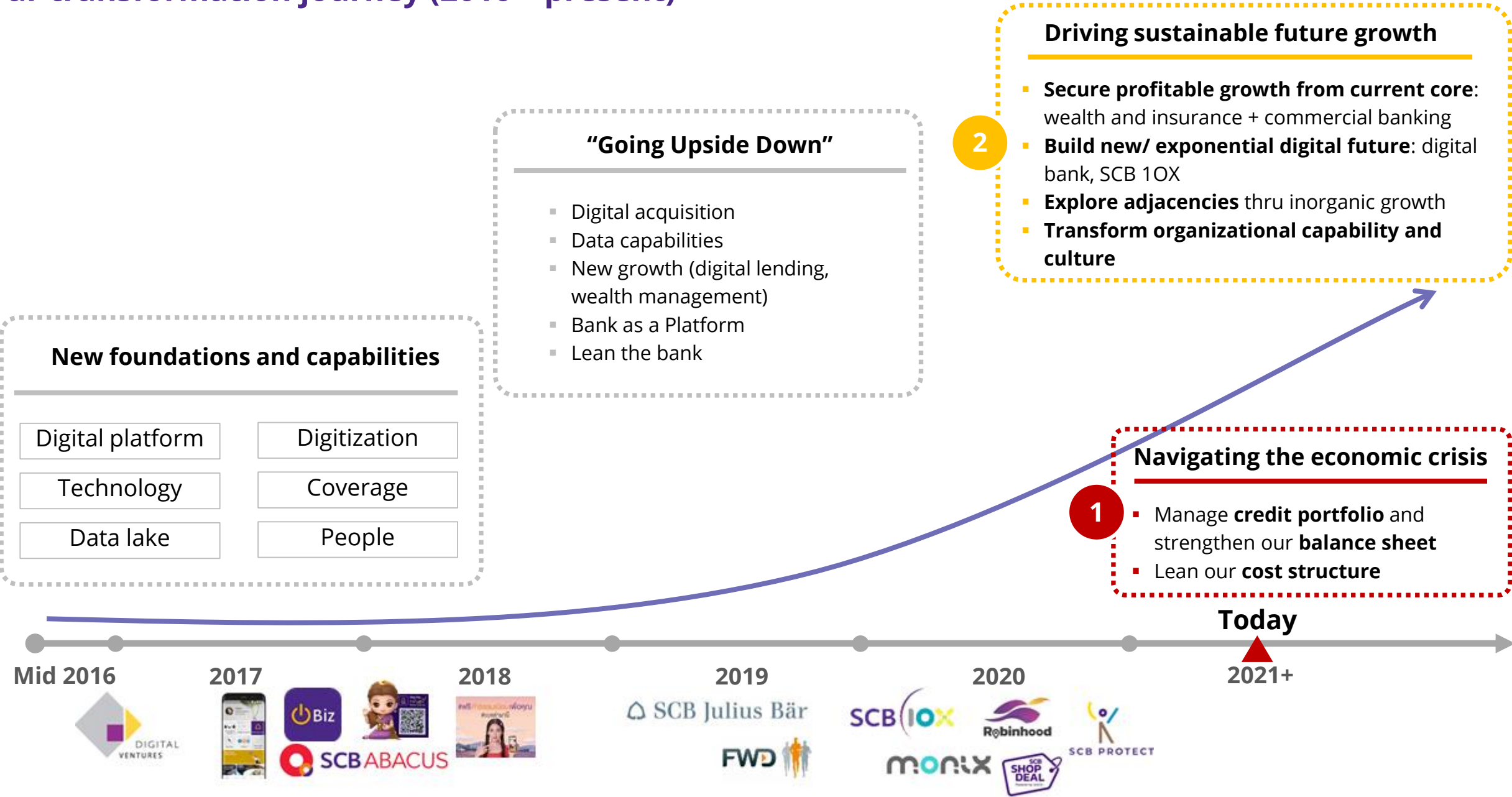
IMPORTANT DISCLAIMER:

The above financial targets are based on the Bank's preliminary estimates that may change due to the economic conditions and other unforeseen circumstances that may affect the operational environment.

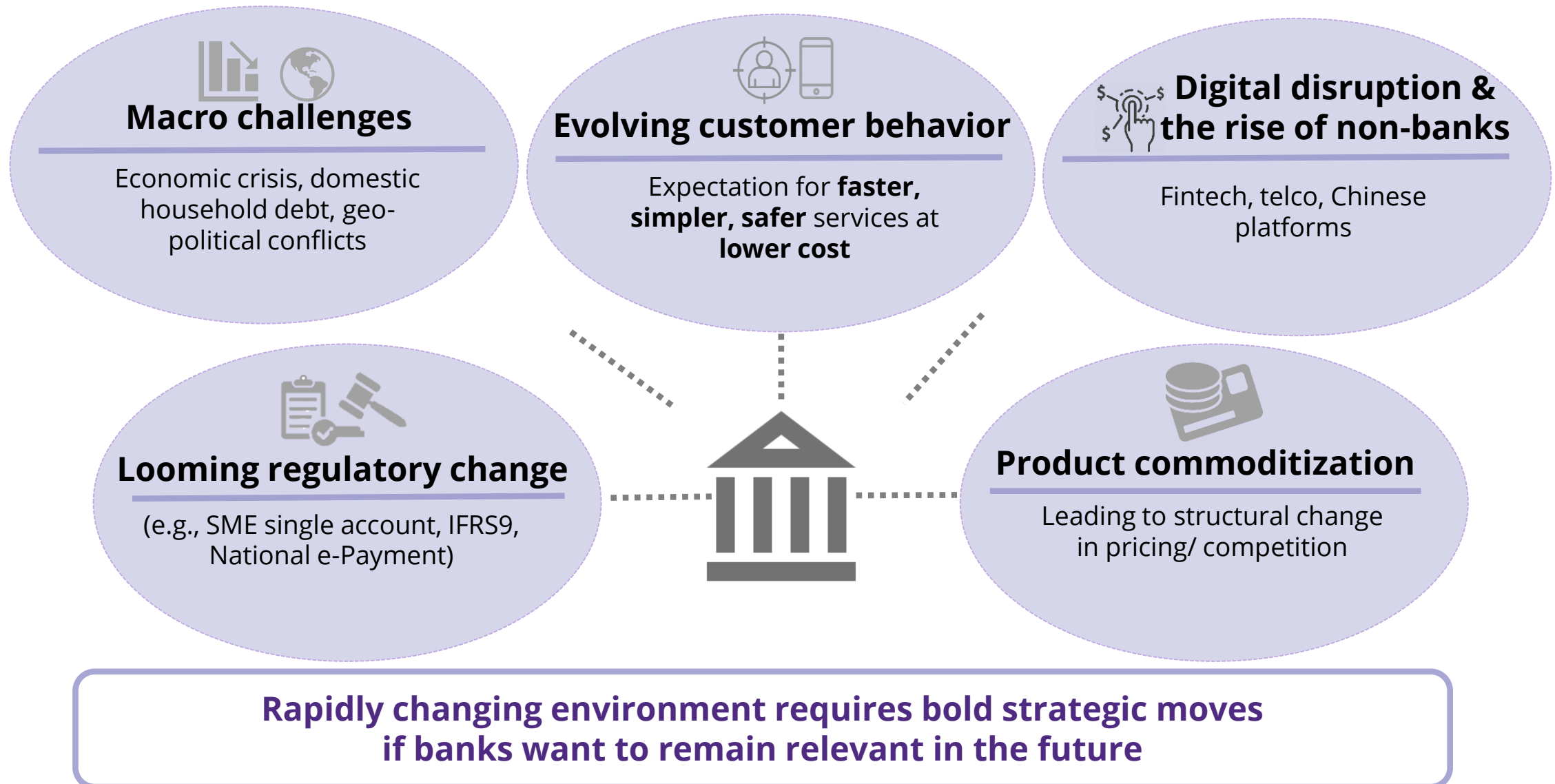
4

Strategy update

Our transformation journey (2016 – present)



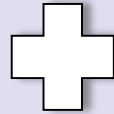
Paradigm shifts in the banking industry



2021 strategic priorities

Immediate – Survive Crisis

- Customer relief and prudent risk management
- Drive wealth and insurance as the key growth engine
- Manage cost restructuring



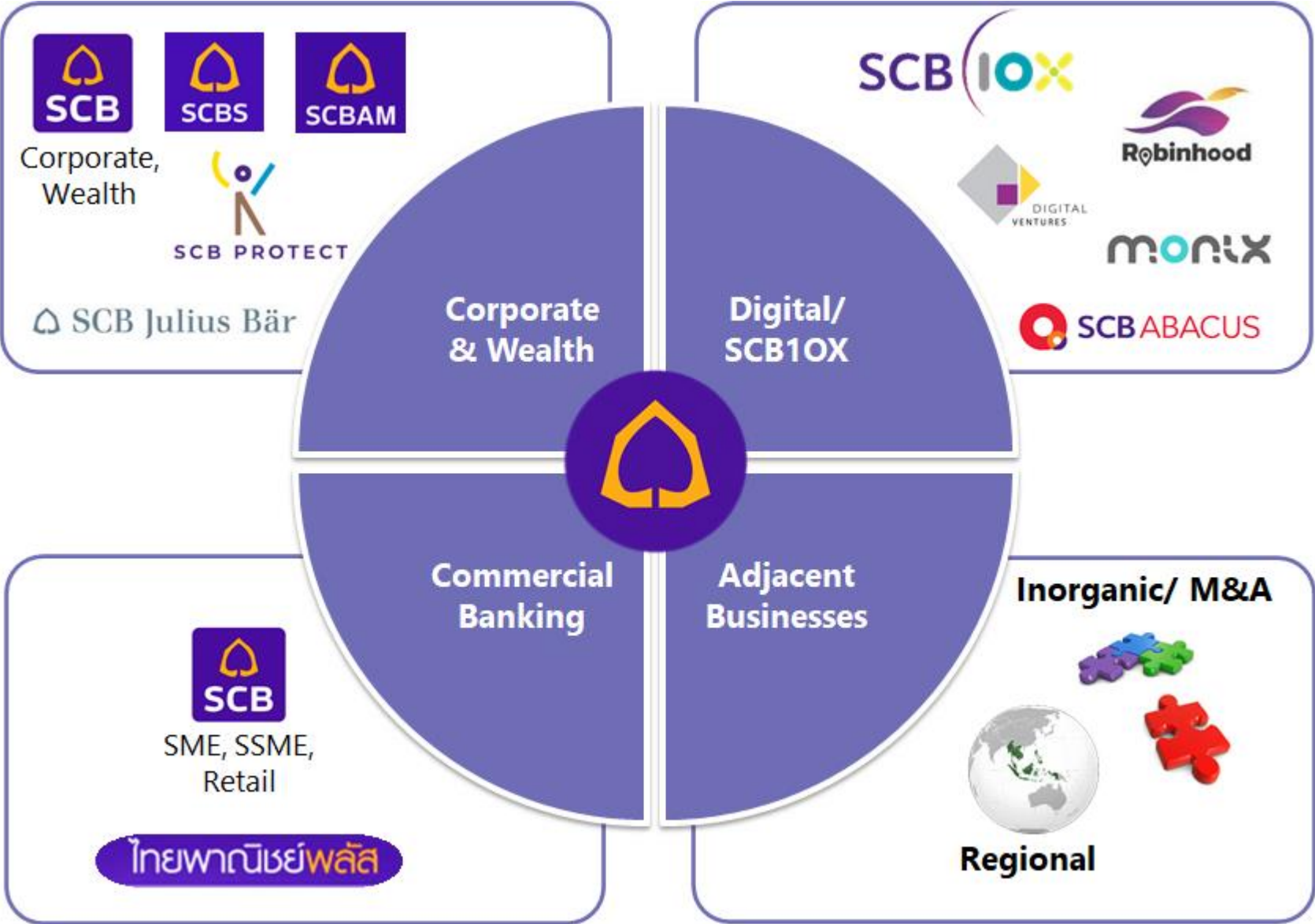
Build Foundation for Future Growth

- Drive new D-Bank along with ecosystems
- Further enhance technological capabilities
- Change culture and mindset

Drive delta growth across four business clusters

(Wholesale & wealth, digital, commercial, and adjacent businesses)

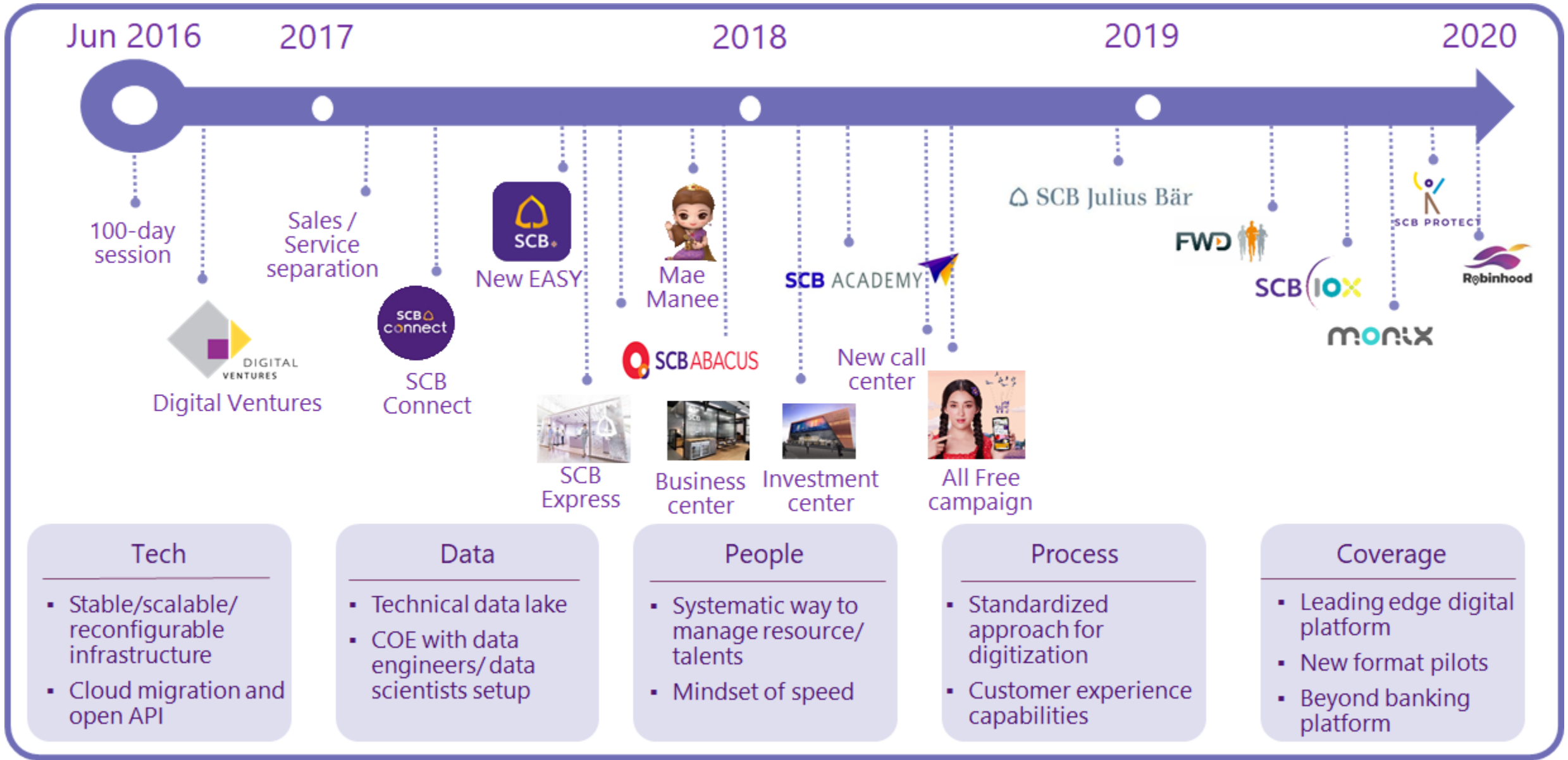
Going forward, our strategy is to drive sustainable future growth through four core businesses and growth engines



We need to ensure critical enablers are put in place to support execution of our strategy



Over the past years, we put significant efforts in building foundation and capabilities for the future

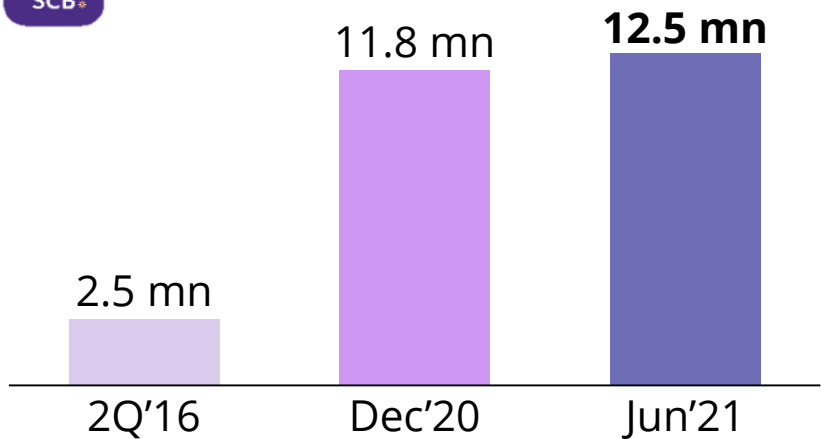


We have successfully onboarded and engaged larger digital customers throughout our transformation journey

Sizable digital customers



No. of SCB EASY users



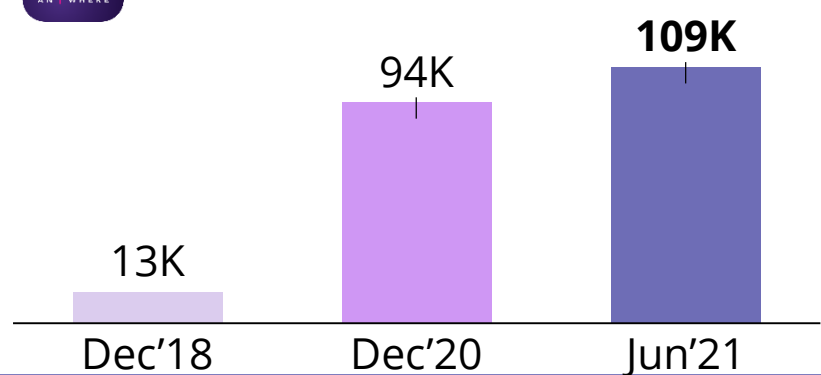
75% Penetration

80% Monthly Active

Avg. 30 Monthly TXN /users

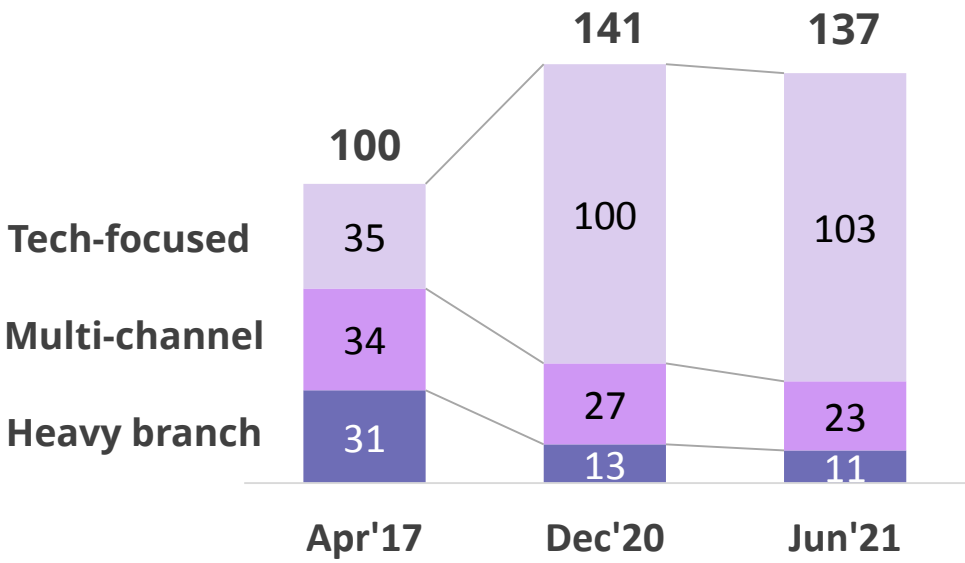


No. of Biz Anywhere users



Customers becoming less reliant on branches

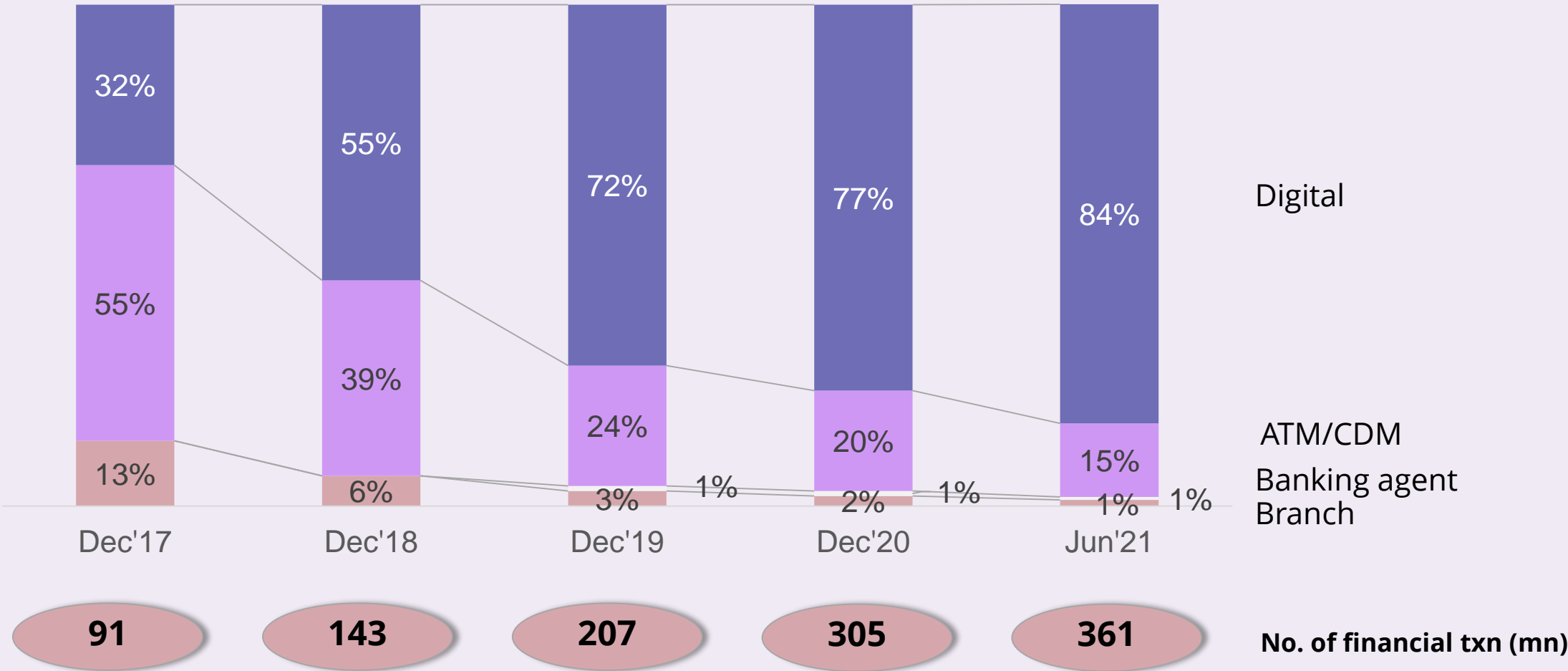
(Index, no. of total individual active customers as of April 2017 = 100)



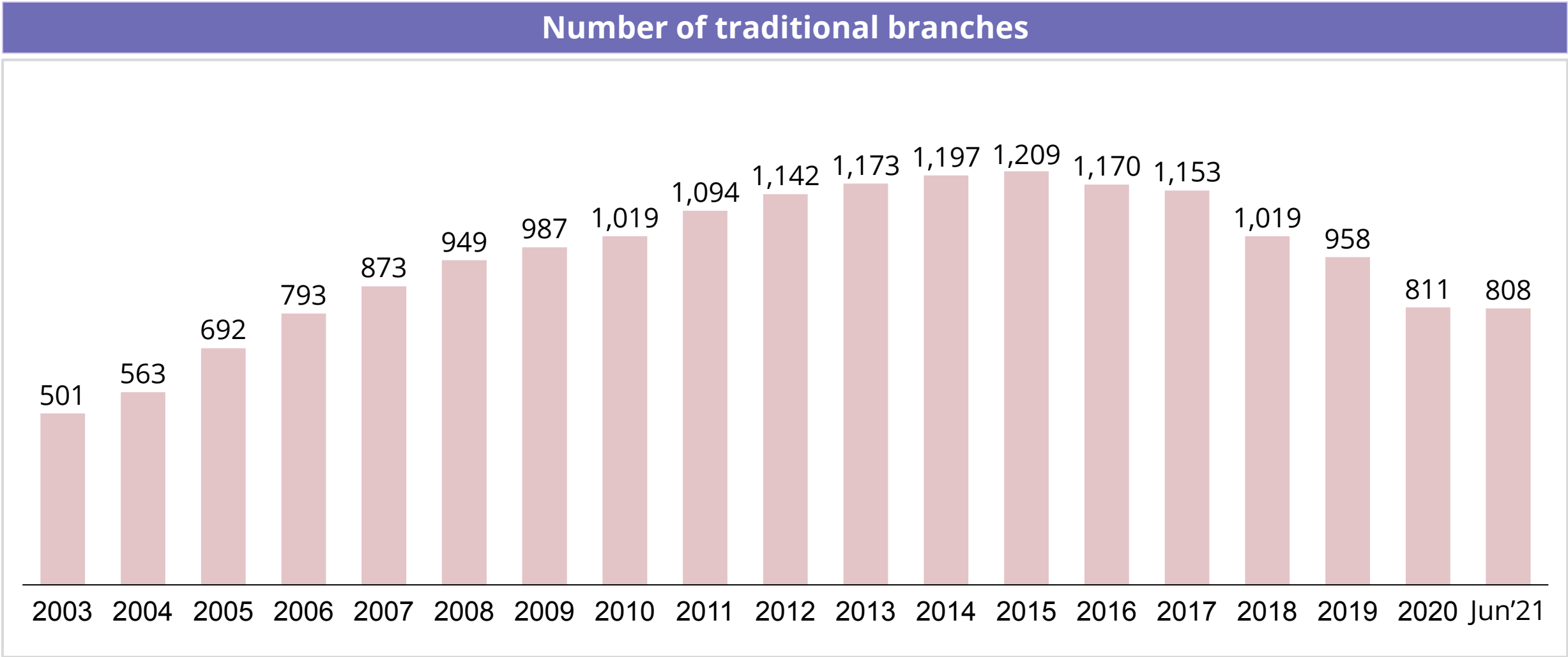
Heavy branch user: Visit branch every 1-2 weeks
Multi-channel user: Visit branch 2-3 times / quarter, otherwise use digital channel
Tech-focused user: Use digital channel for most transactions, visit branch 1-2 times / year

Customers have shifted their banking transactions to digital in a big way

SCB's monthly transaction volume mix

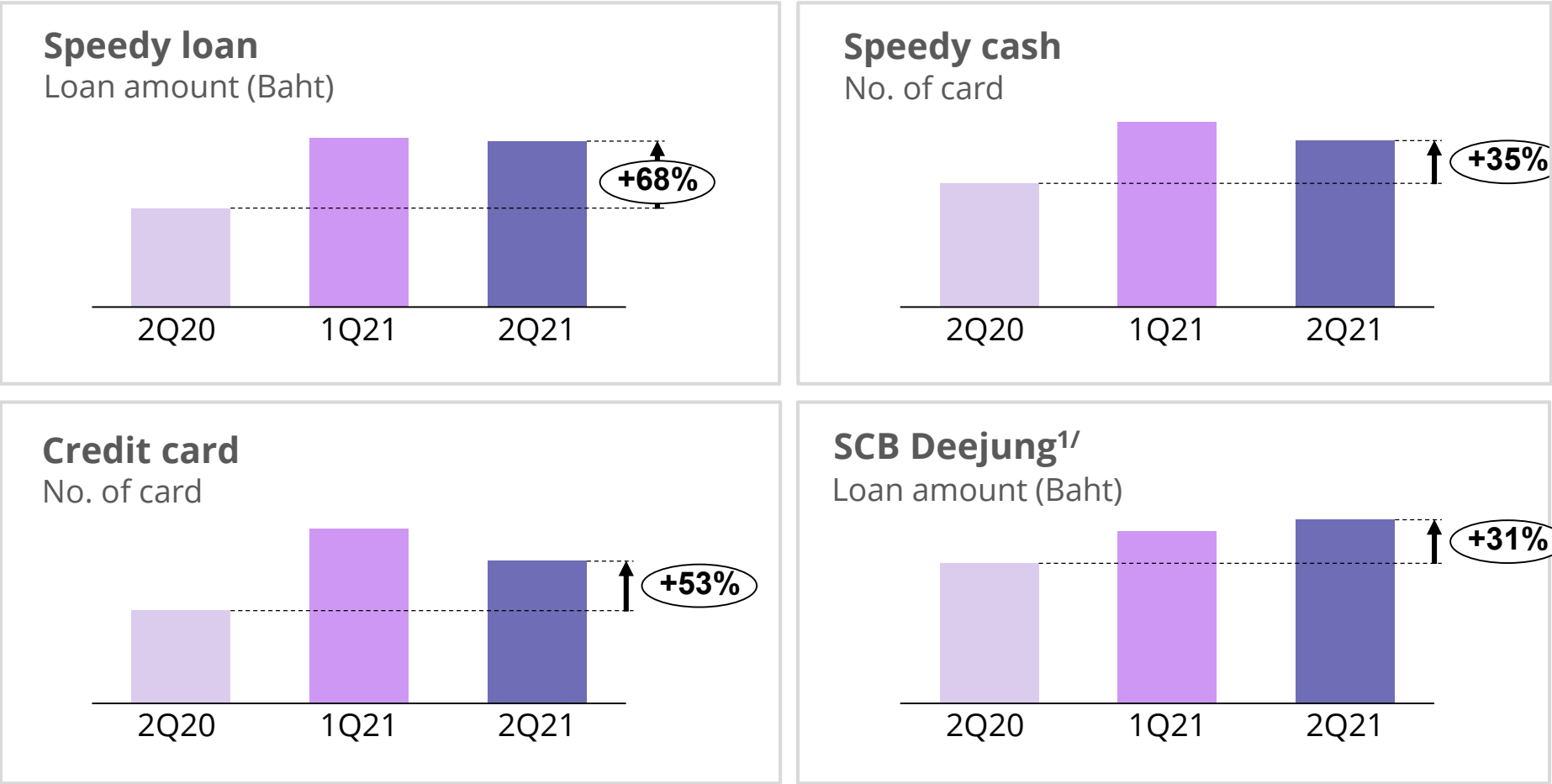


Along with digital migration, we have continuously reduced branch network



Digital lending: Our customer acquisition through SCB EASY successfully continues with double digit growth YoY

Digital sales through SCB EASY (Monthly average comparison)



1/ Deejung includes (a) Cash advance services which customers can get a cash advance from SCB credit card/ speedy cash card via SCB Easy and pay back the full amount, minimum amount, or in installments (b) Deejung transfer which customer can convert amount left in credit limit into cash which will transfer to customer account and pay back the full amount, minimum amount, or in installments. (c) Deejung installment which customer can convert payment amount to monthly installment at a special interest rate

Digital wealth: Good traction in insurance sale largely from COVID-19 related products while slowdown momentum in mutual fund purchase due to unfavorable market condition

Digital wealth thru digital channel

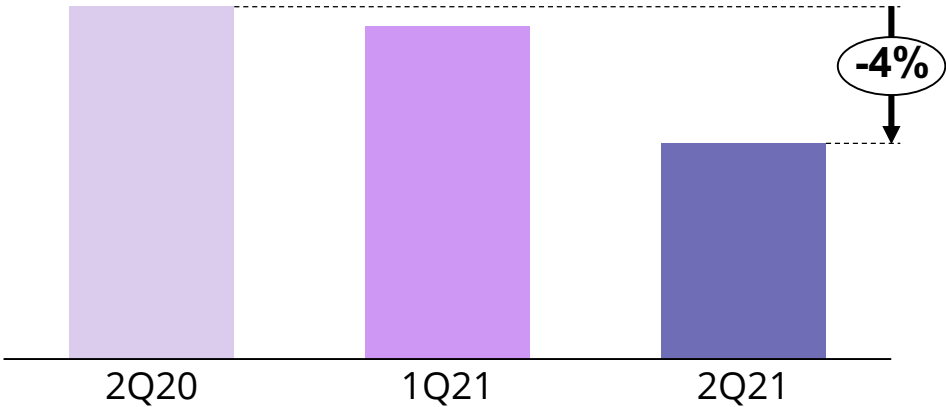


Account opening



Manage your portfolio conveniently

Mutual fund purchase^{1/} thru SCB Easy (Baht)



^{1/}Values include New purchase and Switch-in

Available insurance products on SCB Easy^{2/}



Travel



Home



Auto



Personal accident



Life (Tax-saving)



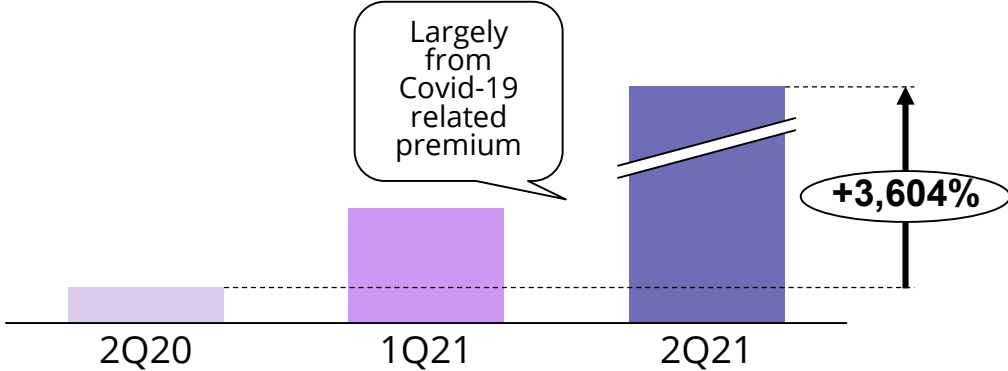
Health

Insurance



CHUBB

Insurance sale premium thru SCB Easy (Baht)



^{2/} Home insurance has been available since Mar'19
Personal accident insurance has been available since May'19
Life insurance has been available since Sep'19
Auto insurance has been available since Nov'19
Covid-19 was available in Mar'20

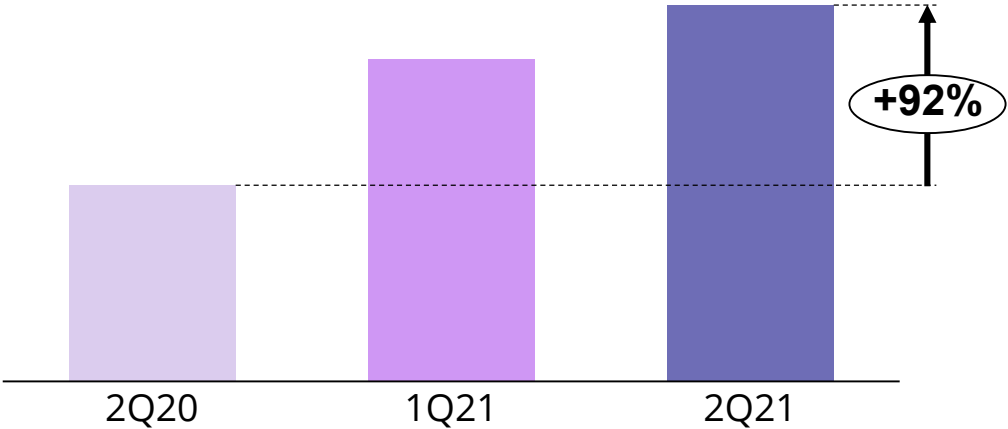
Digital payment: Online payment through SCB Easy continues impressively growing

Digital payment thru digital channel

Online payment



Payment transaction^{1/} through SCB Easy
(No .of txn.)



1/ Payment transaction includes bill payment, QR payment and e-wallet

International money transfer

Allow SCB to deliver seamless global payment experience with the use of Blockchain technology






Offer competitive exchange rates with **4 currencies available and 12 countries**
- GBP,USD,EUR,SGD



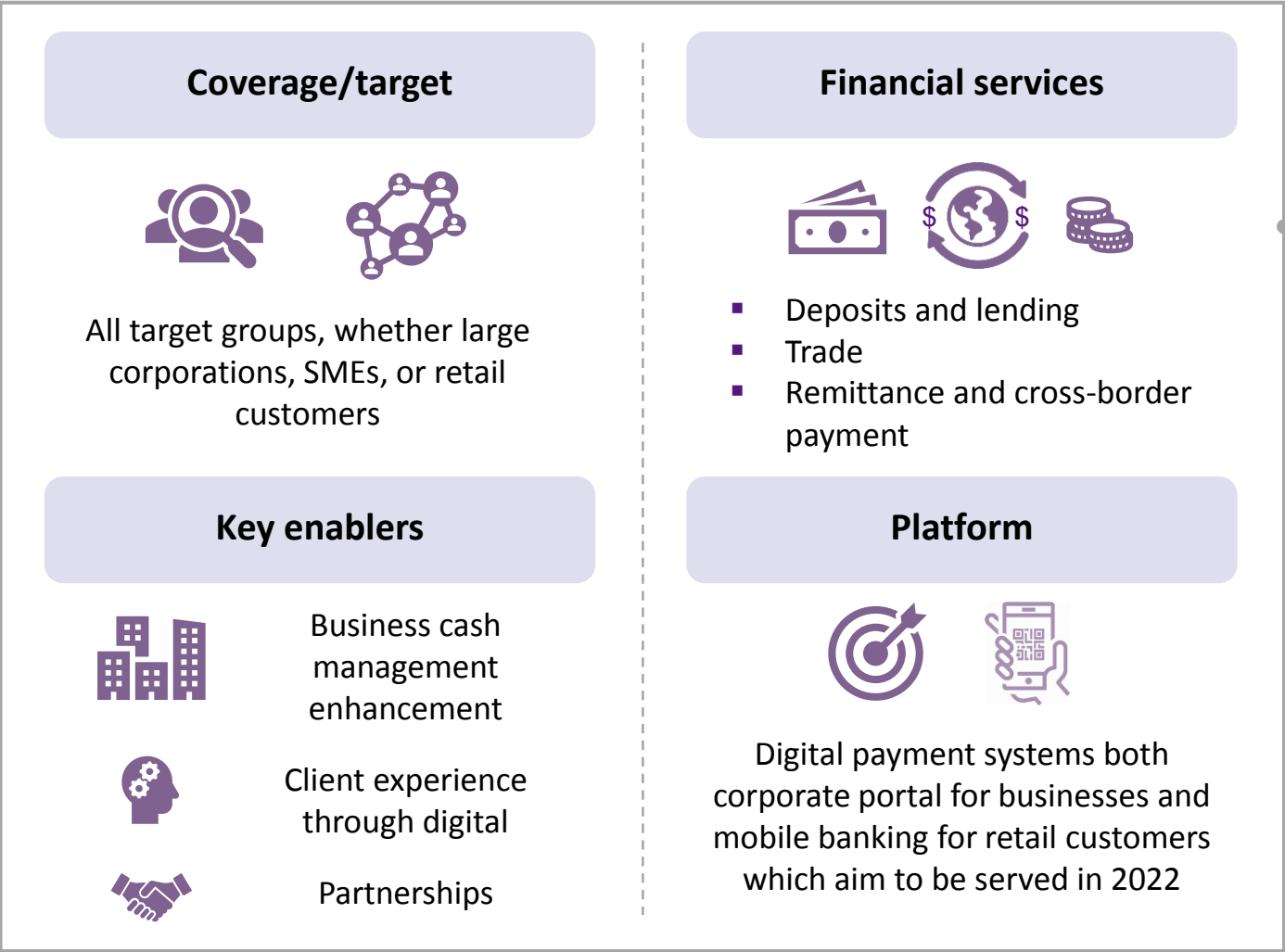
Available 24 hours a day through **SCB EASY App**

Wealth and insurance business is the core growth engine, which we will put continued effort in uplifting capabilities

3-Year Business Core Foundation Uplifting			
... Uplift to the next level from 3 core spheres			
	Coverage Model	Completed coverage and uplifting distribution capability	
		Wealth RM	Branch SCB Protect
	Collaboration with Partners	Comprehensive & innovative product and service	
		Innovative Product	AI-Enabled Underwriting Digital Claim
	Ecosystem Leveraging	Leveraging ecosystem through digital platform	
		New Lead Generation	New Cross Sell/Upsell Preferential Pricing

Siam Commercial Bank Myanmar, our new overseas network strategic expansion for CLMV+2 countries

To bring every aspect of the Bank’s financial experience and capabilities, particularly technology advancement by connecting businesses in Myanmar to build new capabilities and lead every customer group to success



In commercial banking, we are assisting SMEs find the right business mix for post-pandemic success

SCB has developed a “Manee Business Booster” to help businesses assess their market readiness by offering personalized advice, including potential business partners to leverage SMEs competitiveness



The “**Manee Business Booster**” is an on-line tool assisting business owners in finding the right ingredients for business to help top up SMEs competitiveness in every perspective

Manee Business Booster objectives to assist SMEs



Cost Reduction from zero transaction fee on digital platforms



Boosting Sales through QR payment, Google my business and Robinhood



Business Expansion from quickly loan approval via SCB Easy



Shop management system



Online marketing



E-Commerce



Logistics



Packaging

Inorganic growth and strategic partnership will enable us to create strong value-added propositions to customers and drive delta growth

Key delta growth

Inorganic growth and strategic partnership

Private banking partnership

Julius Bär

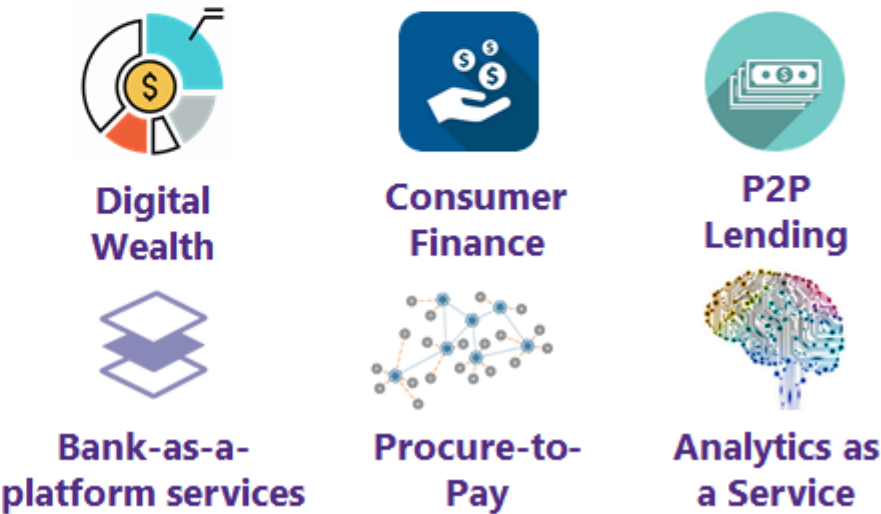
Insurance partnership



Ecosystem partnership



Inorganic/ M&A (to be explored)



SCB10X continues driving moonshot mission to create new growth and uplift ROE for the Group through venture building, venture capital, and strategic investment & partnership



Venture Building



Venture Capital



Strategic investment & partnership



SCB 10X continues expanding businesses and investments



New investment

SCB 10X's latest significant investment is in Flash Group, a leading Thai full-service e-commerce solution provider and the parent company of express delivery provider, Flash Express.



The strategic investment and partnership will strengthen both SCB Group and Flash Group as they join hands to develop digital lending and payment solutions to promote financial inclusion as well as other services in the future

New business with strategic partners



Samawat Health

A new investment in health tech company (a Samitivej group's subsidiary) providing telemedicine, drug delivery, e-commerce services launched in Jan 2021

TREX Venture

A new JV between Traveloka and SCB 10X launched in Mar 2021 as to develop financial services and solutions to serve new generation of travelers



The 1st tele-derma platform with AI for image analysis in Southeast Asia

New subsidiaries



Token X

A new established company to provide a digital token offering system (ICO Portal) launched in Jan 2021

Technology-driven platforms are launched to serve customer needs in the digital lifestyle ecosystem

Platform
under SCB
10X



SCB Shop Deal

“Platform for SME to sell deal/voucher”



No fee/ commission



Marketplace platform (B2C)

Platform
under SCB
10X
subsidiaries



By  SCB ABACUS

Money Thunder

“AI-powered lending platform”



Apply via
SCB EASY



Fast
approval
process

Robinhood



“Food Delivery platform”

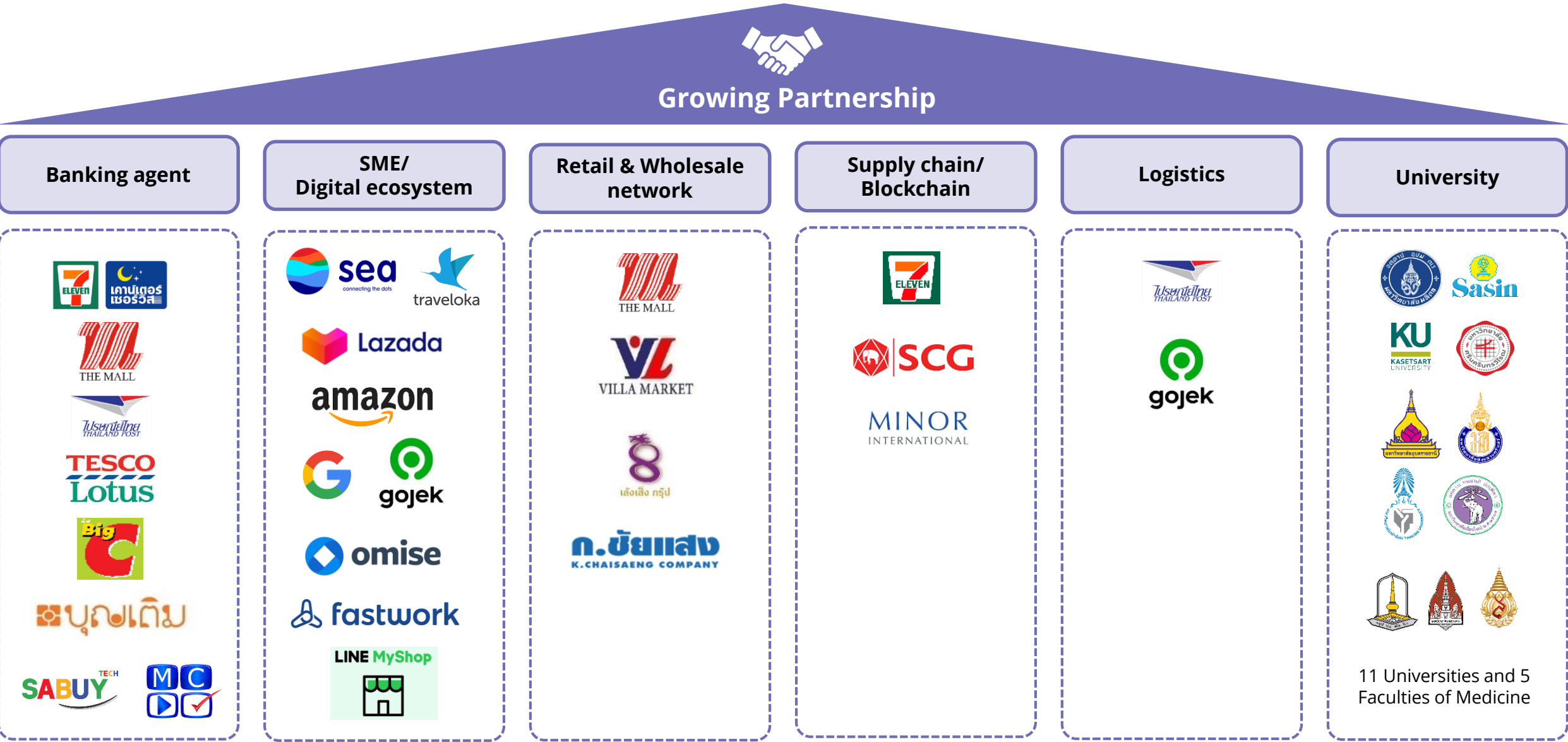


No application fee and GP



Opportunities for SMEs
to access loan for
business expansion

In partnership banking, we keep continue building our strategic partnership network to create value-added ecosystems

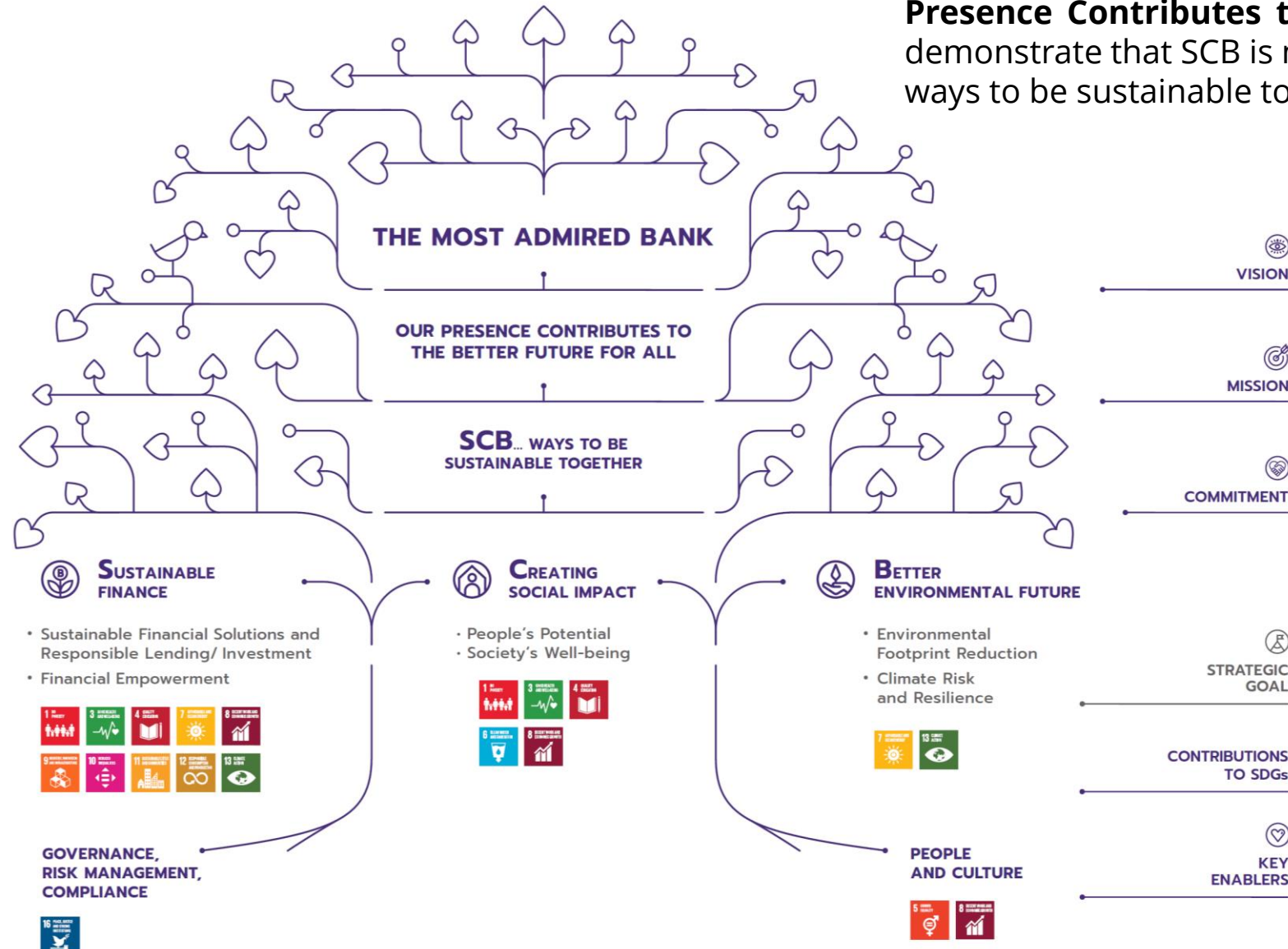


Appendix

ESG

FRAMEWORK

SCB's journey to sustainability is driven by its commitments to strengthening economic stability and creating value for society while conserving the environment. A sustainability policy and strategic framework were then established upon the three pillars of **"Sustainable Finance, Creating Social Impact, and Better Environmental Future"** under the mission **"Our Presence Contributes to the Better Future for All."** These components demonstrate that SCB is not only the name of the first Thai bank but also the ways to be sustainable together.



Sustainability Governance Structure

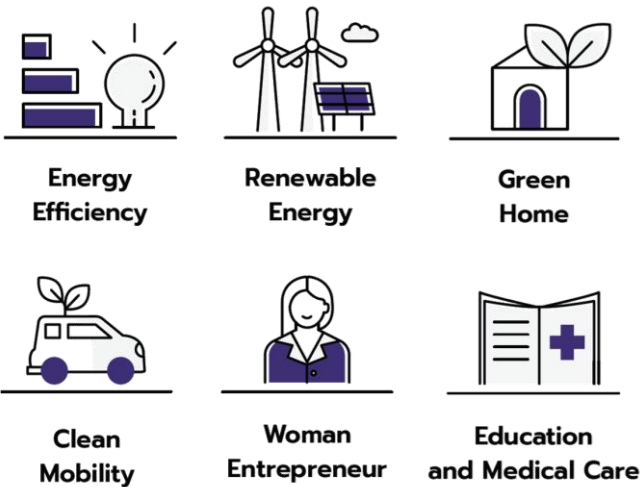




SUSTAINABLE FINANCE

Incorporating ESG considerations into core processes while continuously improving financial accessibilities and literacy to customers and the general public.

SUSTAINABLE FINANCIAL SOLUTIONS AND RESPONSIBLE LENDING/ INVESTMENT



100%
of SCB supported project finance
passed the ESG risk assessment

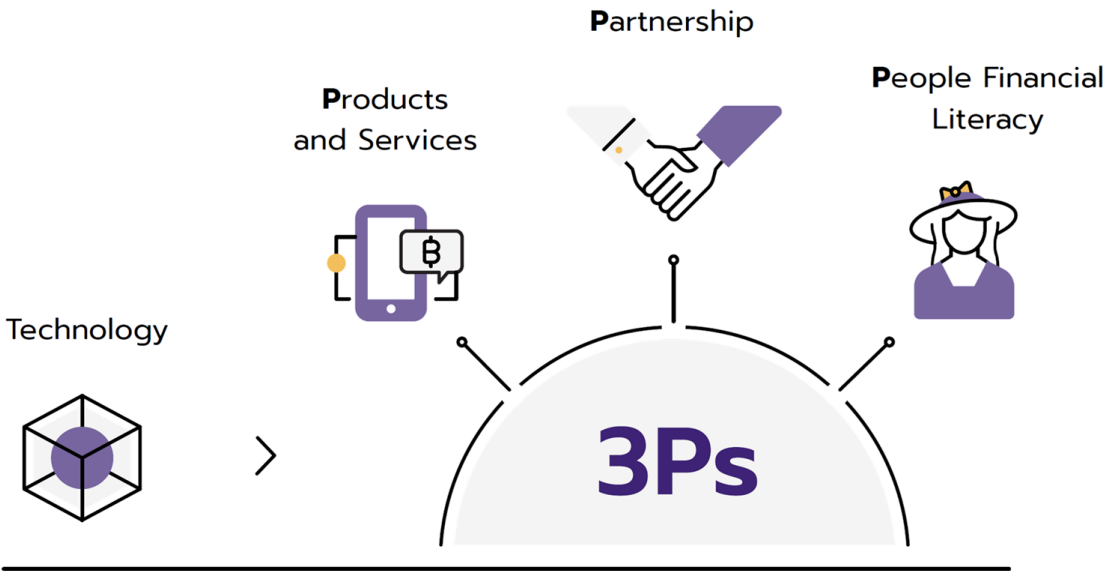
116.8 billion baht
of sustainable finance
raised and funded

Over **10%**
of the Bank's Portfolio

27.6 billion baht
of sustainable
investment products

14%
of total AUM

FINANCIAL EMPOWERMENT



82,600
SSME, gig workers and
low-income group
supported

10,400
people benefited from
financial education
programs



CREATING SOCIAL IMPACT

Creating internal and external initiatives aimed at building the 21st century skills while promoting well-being to support inclusive growth and help lower inequality without leaving anyone behind.

PEOPLE'S POTENTIAL

Center of Excellence

- Data Analytics
- Customer Centricity
- Lean and Agile
- Digital Transformation



Leadership

220 Business Data Analytics Coaches and Champions	150+ Lean Coaches and Leaners	4,000+ SCB Future Leaders
100 Design Thinkers	9,000+ Digital Leaners	49 Hours of Employee Average Training Hours

SOCIETY'S WELL-BEING



520M THB CSR spending in 2020	280,000+ children and local communities participated and benefited from 75 CSR initiatives	22,000+ hours of employee volunteering in CSR activities
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BETTER ENVIRONMENTAL FUTURE

Leveraging SCB's capabilities in managing environmental initiatives and its operational efficiency throughout the value chain to tackle climate change and mitigate environmental impacts resulted from the Bank's operations.

CLIMATE RISK & RESILIENCE



SCB is in the process of assessing impacts due to climate change. The assessment results will be embedded into the Bank's risk management system and inform the Bank's future corporate strategy and business plan.



Board of Directors

Responsible for an overall sustainability direction



SCB Sustainability Steering Committee

Supports policy implementation and provides guidance for continuous improvement while monitoring and assessing performance against targets



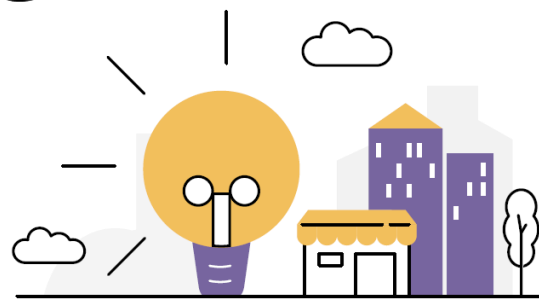
SCB Climate Risk Assessment Taskforce

Study and assess climate change risks upon the Bank's portfolio and systematically integrating as part of bank-wide risk management system

ENVIRONMENTAL FOOTPRINT REDUCTION



Energy



Reduced 24% from 2019



Waste



Reduced 22% from 2019



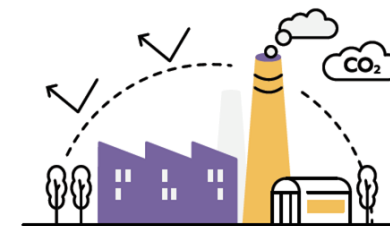
Water



Reduced 30% from 2019



Greenhouse Gas Emissions



Reduced 13% for Scope 1 and 26% for Scope 2 from 2019

Remark: data as of 31 December 2020

AWARDS AND RECOGNITIONS

MEMBER OF
**Dow Jones
Sustainability Indices**



In collaboration with a RobecoSAM brand

Selected as a member of DJSI for the World Index and the Emerging Markets Index in the Bank sector for **the 3rd consecutive year**



Rated "AA"
on ESG Performance
in the Banking Category



Rated "B"
on Climate Change
Management Assessment



FTSE4Good

Selected a member of
FTSE4Good Index Series in the
FTSE4Good Emerging Index

Asia Sustainability Reporting Awards

Asia's Best Sustainability
Report (Stand-alone)

BRONZE 2020



Listed in the Thailand
Sustainability Investment
(THSI)



Certified as a member of
Collective Action Coalition
Against Corruption (CAC) since
2017