

THE BANK OF CHOICE



SUSTAINABILITY REPORT 2014

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THE BANK OF CHOICE



A CUSTOMER'S CHOICE

WE OFFER WORLD-CLASS PRODUCTS
AND SERVICES THAT FIT THE NEEDS
OF EACH CUSTOMER.



A SHAREHOLDER'S CHOICE

WE PROVIDE SUSTAINABLE
LONG-TERM INVESTMENT RETURNS.



THE BANK OF CHOICE



AN EMPLOYEE'S CHOICE

WE OFFER ALL OUR
EMPLOYEES OPPORTUNITIES FOR
CAREER PROGRESSION.



A COMMUNITY'S CHOICE

WE ARE COMMITTED TO SUPPORTING
THE QUALITY OF LIFE OF OUR LOCAL
COMMUNITIES AND SOCIETY.

MESSAGE FROM THE BOARD OF DIRECTORS



DR. VICHIT SURAPHONGCHAI

MR. ANAND PANYARACHUN

MRS. KANNIKAR CHALITAPORN

For the second consecutive year, we are pleased to publish our Sustainability Report as a companion document to the more traditional 2014 Annual Report. Whereas the Annual Report is centered on financial performance, this report presents performance in terms of a sustainability perspective, namely, economic, environmental, social, and governance factors.

In a capitalistic economy, financial institutions have a pivotal role as the main provider of financial products and services – a critical need for both individuals and businesses. Along with the usual risk-reward measurements, large financial institutions have an overarching corporate obligation; extending from the facilitation of sustainable economic growth to the nurturing of the quality of life for the community as a whole. It is in this broad context that this report is presented.

Established in January 1907, SCB is proud of its heritage as the first Thai bank and for the unique role it has had in the development of the Thai economy for well over a century. Over the past two decades or so, the Bank has also led the industry in terms of implementing policies that entrench a high standard of corporate governance and corporate social responsibility at all levels within the organization. The emphasis, in this context, has been on adhering to the principles of sustainable development.

The innate sustainability philosophy of the Board is anchored on the principles of Sufficiency Economy. These principles—moderation, self-immunity, reasonableness together with knowledge and integrity—not only enhance Thailand's future prospects, but also inform SCB's commercial undertakings every working day.

A current area of critical importance to Thailand has been the measures taken to eradicate corruption. In 2013, SCB joined the Collective Action Coalition Against Corruption, an initiative of the Thai Institute of Directors (IOD). In 2014, the Bank implemented a new anti-corruption policy. Further, with the release of this sustainability report, Siam Commercial Bank will be certified as having met the CSR and anti-corruption progress indicators requirements developed by the Thaipat Institute and supported by the Securities Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

For this report, the Bank conducted a series of materiality screening seminars in order to determine the Bank's key sustainability indicators for this period. The result has been the adoption of a more focused and useful set of benchmarks which will have much value in the future.

In terms of sustainability measurement and reporting, we are but at the start of a long journey. We remain committed to the continuous improvement in achieving greater levels of sustainability for Siam Commercial Bank and its stakeholders.



Mr. Anand Panyarachun
Chairman of the Board



Dr. Vichit Suraphongchai
Chairman of the Executive Committee



Mrs. Kannikar Chalitaporn
President

OUR VISION

**TO BE THE BANK OF CHOICE FOR
OUR CUSTOMERS, SHAREHOLDERS, EMPLOYEES
AND COMMUNITY**

OUR MISSION

TO BE THE BEST UNIVERSAL BANK IN THAILAND

ABOUT THIS REPORT

This is SCB's second Sustainability Report to describe its engagement with and commitment to its environmental, social, and governance obligations. Following last year's first steps in adopting sustainability indicators to shed light on SCB's operations, 2014 was a year of refining policies and initiating changes to help SCB measure its contribution to the creation of long-term value for all of its stakeholders.

In this report, SCB collates data and commentary compliant with the Global Reporting Initiative (GRI) while highlighting its corporate alignment with Thai values and traditions for good business practice.

SCB's 2014 Sustainability Report, covering the 2014 fiscal year, spells out SCB's engagement with its core stakeholders – customers, shareholders, employees, communities, and the environment. The report format follows the disclosure recommendations of the Global Reporting Initiative G4 guidelines.

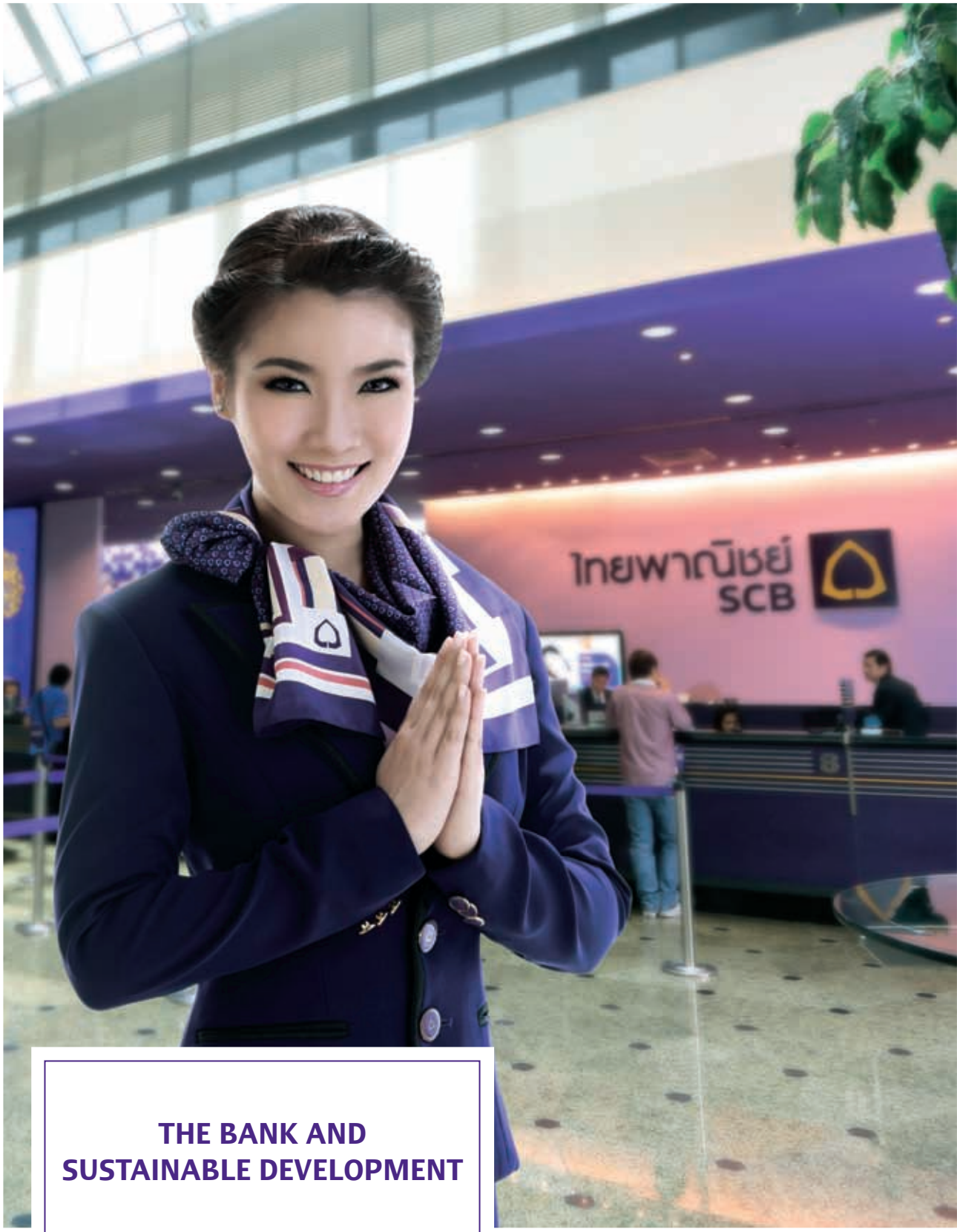
The report is influenced by the GRI-G4 'Core' option for both the General and Specific Standard Disclosures for the Financial Services sector. The 'Core' option contains the essential elements of a sustainability report and a background discussion encapsulating SCB's economic, environmental, social, and governance performance during the reporting period.

As disclosure guidelines, the GRI-G4 Content Index and Financial Services Supplement are attached. It should be noted that the boundary of this report limits coverage to SCB offices and branches in Thailand.

The executive management have formally reviewed and approved the contents, and the report has been endorsed by the Board. Finally, an external party has assured the selected data (see page 73-74)

The report's organization follows an intuitive logic, beginning with a brief internal overview that culminates with a description of the Bank's stakeholders. The report then develops the key themes underlying SCB's approach to responsible banking in some details, broken down into a discussion of its values, its products, and its people. From there the report moves on to the social and environmental perspectives, closing with a concise summary and a hint of the future.

* For more details, please see supplement for About This Report



**THE BANK AND
SUSTAINABLE DEVELOPMENT**

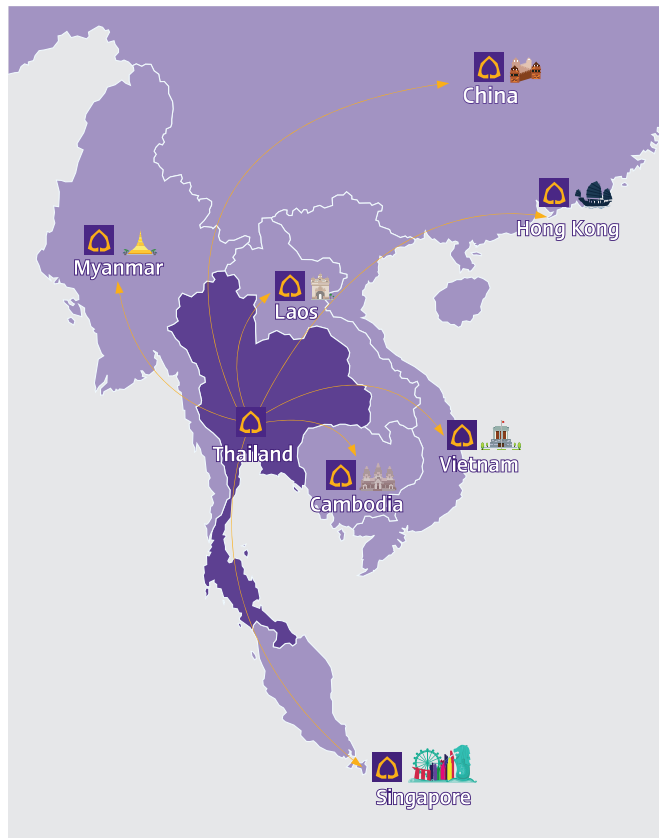
Bank of Choice

Siam Commercial Bank PCL is one of Thailand's leading universal banks. Established by Royal Charter in 1906 as the first Thai bank, it has the highest market capitalization among Thai financial institutions as of December 31, 2014 (Baht 619 billion). It has the largest distribution network in Thailand, with 1,197 branches along with 109 exchange booths and 9,537 ATM installations. In addition, SCB has a small network of overseas branches, an affiliated bank, a joint venture bank, and representative offices spread across major regions of Asia which are beyond the boundaries of this report. SCB's customers comprise a diverse

range of corporate, SME, private, and retail customers nationwide. SCB's total asset size was Baht 2.7 trillion as at December 31, 2014.

As a universal bank, SCB provides a full range of financial services. Among these services are transactional banking product, corporate and personal lending, retail and wholesale banking, foreign currency transactions, international trade financing, cash management, custodial services, credit and charge card facilities, and investment banking. With an innovative spirit and an abiding commitment to all its stakeholders, SCB has a mission to be the best universal bank in Thailand.

SCB at a Glance



as at December 31, 2014.

Awards of Pride



Financial Performance and Management Excellence Awards

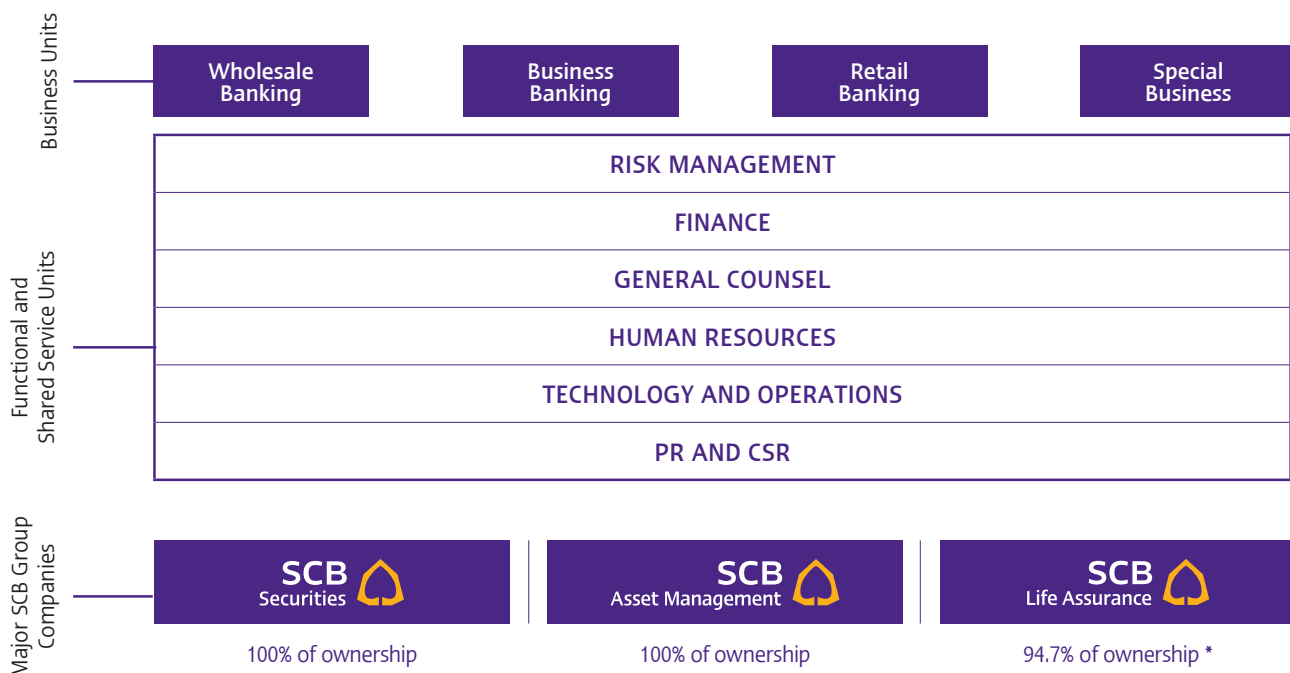
'Best Bank in Thailand' (2011-2014) from *Euromoney* (U.K.), 'Best Bank in Thailand' (2006-2014) from *Global Finance* (U.S.A.), 'Best Bank in Thailand' (2008-2014) from *The Asset* (Hong Kong), 'Best Bank in Thailand' (2011-2014) from *FinanceAsia* (Hong Kong), 'Best Domestic Bank in Thailand' 7 years from *Asiamoney* (Hong Kong), 'Best Bank in Thailand' from *Alpha Southeast Asia* (Hong Kong), first rank among Thai commercial banks in *Forbes* magazine's "Forbes Global 2000" 7 consecutive years (2008-2014)

Corporate Social Responsibility And Corporate Governance Awards

'CSR Recognition' from Stock Exchange of Thailand, 'Honoring Outstanding Achievement in the Category of Human Resource Management Excellence' and 'Product and Services Excellence' from Thailand Management Association, 'Best Investor Relations' (2012-2014) and 'Asian Company Secretary of the Year' (2013-2014) from *Corporate Governance Asia*

Management Structure

Management Structure ————— EXECUTIVE MANAGEMENT ————— Audit and Compliance
As of January 1, 2015 Change Program



* On February 18, 2015, the Bank held 99.03% shares in SCB Life Assurance after making a voluntary tender offer to minority shareholders.

SCB Milestones

The Siam Commercial Bank was established as the "Book Club" in 1904 under the visionary leadership of Prince Mahisara Rajaharudaya (brother of His Majesty King Chulalongkorn Rama V) as a small pilot project and as a precursor for a national bank, which the Prince perceived as essential for developing Thailand's economy and benefiting its people. Following the success of this venture, the Bank was established by Royal Charter. The first Thai bank grew to become a major institution that supported the country's development, overcoming over a century of historic events, including world wars, economic crises, and global changes while sustaining and flourishing under a leadership that was characterized by integrity, vision, and innovation. The milestones illustrated here give a quick view of its journey of sustainability -- the ability to recognize changes and adapt to them through pursuing a long-term perspective.

At SCB, moderated change management helps it to be sustainable. The Change Program, established in 2001 to facilitate fundamental change within SCB in a structured and fully supported manner, has been the backbone of transformational change for more than a decade, providing a platform for developing new work processes as well as systems and strategies to create competitive advantage. The Change Program creates synergy across different parts of the Bank by providing clear KPIs to a change team and a complete break from the responsibilities of their normal job. The Change Program has budget management authority, so new projects that represent bank-wide transformational change can be consolidated, managed, and assessed by the Change Program Management Steering Committee (CPSC). A new change project begins with a dialogue within a business unit, which proposes the idea to the Change Program Steering Committee for approval, execution, and oversight.

There have been more than 130 projects in the Change Program over the past 13 years. As a result of embedding cultural changes across the organization, SCB people have expanded their understanding of -- and adaptability to -- change.

In 2014, the Change Program coordinated 17 projects involving process improvement and innovation, compliance and governance, and customer focus issues. To be the ultimate 'bank of choice', SCB welcomes change by preparing itself to grow its business and to improve processes, products, and services to meet customer needs and stakeholder expectations.

Sustainability Strategy

SCB aims to provide sustainable banking services to its customers. Surely, its 108 year-history is an indicator of sustainability. Yet, it is mindful that past successes provide no meaningful assurance of similar successes in the future. Although the elements of best practices and responsibility have always been apparent in its organizational mindset, sustainable banking practices must be clearly updated, planned, implemented, and measured in order to respond to long-term stakeholder needs.

SCB is still early in its sustainability journey, at the point where it must integrate internal units while at the same time engage with new external stakeholders. In 2014, SCB formally initiated cross-unit brainstorming sessions to discuss the sustainability strategy, and specifically how to engage stakeholders such as business partners and suppliers.

2015 will mark two years of effort on benchmarking the Bank to international standards in the financial sector starting with sustainability reporting, including anti-corruption practices and supply chain management.

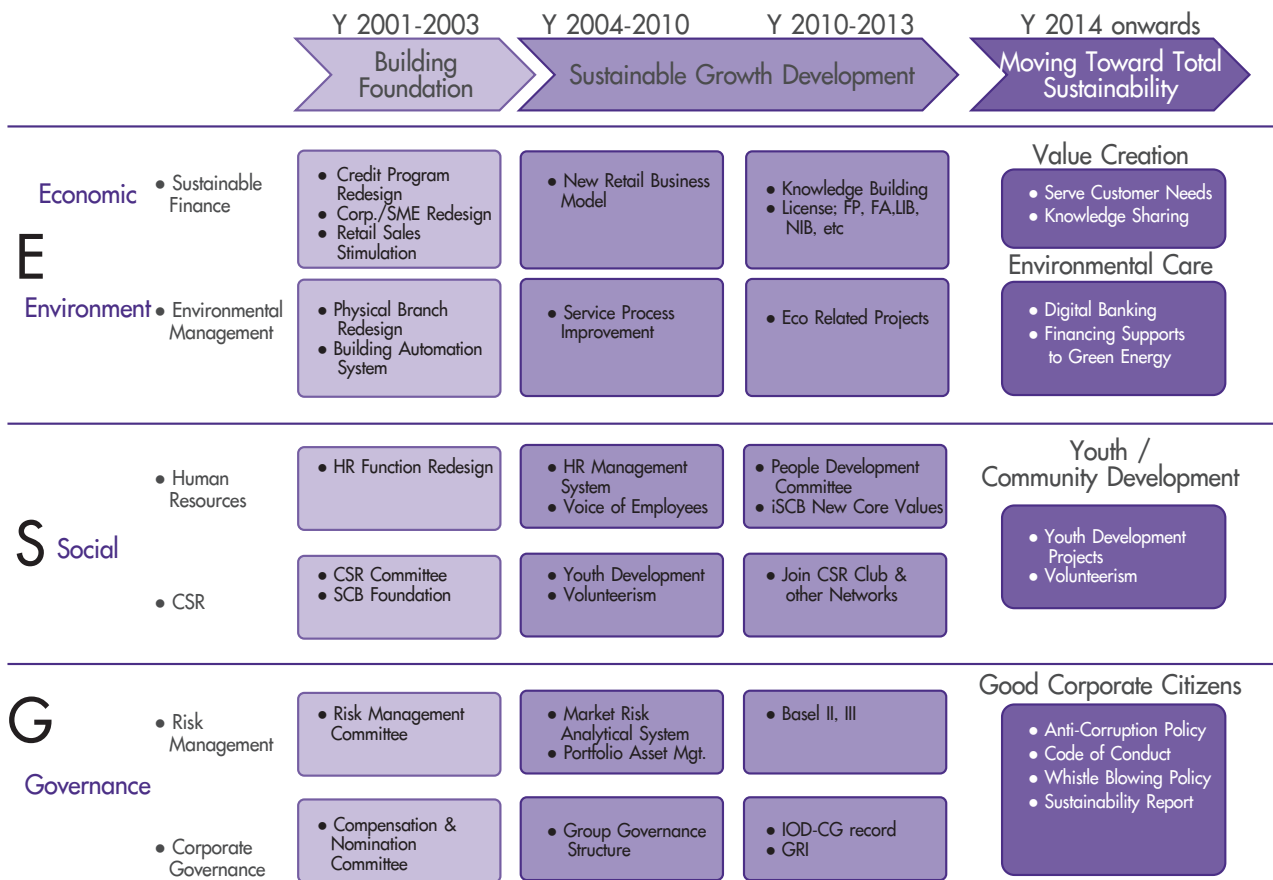
For the long term, from a social perspective, the Bank is strengthening its human resources development plan with the aim to become the bank of choice for talented professionals. It is also placing more importance on using its core competencies in community outreach programs and environmental projects outside SCB. It supports and encourages the spread of competencies such as financial literacy, knowledge management, and network development among its employees, customers, suppliers, and communities in order to have a positive impact on society as a whole.

Also in 2015, from an environmental perspective, the Bank is working both internally and externally with other stakeholders on integrating its operational resources management policy with respect to energy use, carbon emissions, paper use, and procurement practices.

For more information on SCB Sustainability, please contact

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SUSTAINABILITY ROADMAP



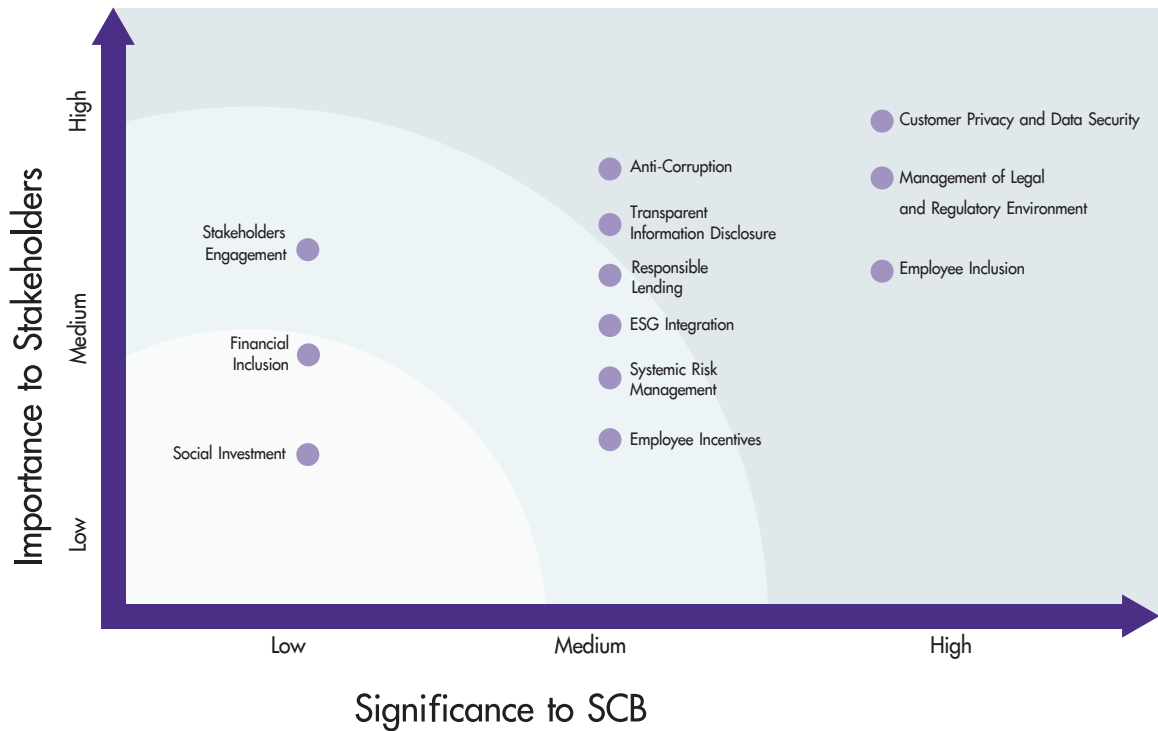
Materiality

Sustainability is unique for each corporation and requires a custom methodology and analysis in determining what is material in its corporate context. SCB conducted a materiality assessment for this sustainability report by applying the GRI Reporting Principles for Defining Report Content, which included the following:

1. SCB corporate strategy priorities
2. Analysis of market trends along with long-term environmental, social, and governance risks and opportunities
3. Multi-level materiality analysis by executives and managers in two workshops, referencing relevant sustainability issues in the financial sector, and factoring in stakeholder expectations
4. Employee surveys and HR plans
5. Customer feedback

Going forward, SCB is committed to continuous development through external assessment and verification of external stakeholder expectations. Below is SCB's 2014 materiality matrix to provide a snapshot of material impact issues mapped against stakeholder expectations.

SCB Materiality Matrix 2014



Material Aspects and Aspect Boundary Setting

Sustainability Issues	GRI Aspects	Section in this Report
Customer Privacy and Data Security	Customer Privacy	Responsible Banking
Management of the Legal and Regulatory Environment	Compliance	Responsible Banking
Employee Inclusion	Diversity and Equal Opportunity	Responsible People
Anti-Corruption	Anti-Corruption	Responsible Banking
Transparent Information Disclosure	Product and Service Labeling	Responsible Banking
Responsible Lending	Compliance	Responsible Banking
Integration of Environmental, Social and Governance Risk Factors in Services and Lending	Governance	Strategy/Responsible Banking
Systemic Risk Management	Governance	Responsible Banking
Employee Incentives	Employment	Responsible People
Stakeholder Engagement	Stakeholder Engagement	Stakeholder Engagement
Financial Inclusion	Local Communities	Responsible Banking
Social Investment	Product Portfolio	Responsible Products and Services

STAKEHOLDERS

Providing long-term stakeholder value is critical in the pursuit of sustainability. SCB's main stakeholder groups are its customers, shareholders, employees, business partners and competitors, creditors, suppliers, society, and the environment. In 2014, SCB initiated a program of stakeholder dialogue around sustainability, and in the next few years it will be working on the concerns voiced in order to capitalize on stakeholder feedback.



SCB's Impact on Stakeholder-Associated Challenges and Opportunities

Economic

SCB's growth and success come with rewards, opportunities, and risks. In terms of economic value creation, it relies on recognizing customer needs and responding to them through innovative products and services. Essential to this is its human resource development and knowledge management, while improving the work-life balance of its employees. In terms of its customers, the opportunities for competitive advantage lie in overcoming the challenges in listening, understanding, meeting and exceeding customer needs and expectations. For both customers and employees, communication, analysis, and responsiveness are the key.

Social

After over a century of banking, SCB is committed to providing reliable and secure financial services to Thai society. Its financial services are delivered with integrity and precision – innovating, whenever possible, in order to best serve the stakeholders. Joining efforts against corruption, refining its code of conduct, and implementing and assessing a whistleblower policy are the basis upon which the Bank will ensure value to society notwithstanding the ups and downs and global challenges that lie ahead.

Environmental

SCB is working towards improving the energy efficiency of its operations and optimizing the use of resources. In order to do this, it will adopt new and emerging technologies (such as digital banking and greener data systems) and initiate cultural change to be able to encourage the entire organization to conserve, reduce, measure, and collect data on resource usage. SCB will be engaging both internal and external stakeholders, such as suppliers and partner organizations, in assessing cross-business unit initiatives for implementing new systems and raising awareness internally and externally. It is also moving into more green energy financing. To optimize its service as a lender and financial advisor requires continuous learning of trends, risks, and stakeholder issues associated with the energy and natural resource sector in general. Moreover, outside its operations, SCB continues to support environmental conservation projects and education as well as management of quality of life through various partner organizations. To maximize long-term impact, SCB is increasingly emphasizing the sustainability of initiatives, rather than the level of financial support or number of projects. Thus, the key factor in environmental programs is the ability to measure impact against the targets that are set.

Stakeholder Engagement

Stakeholders	Method of Engagement	Stakeholder Expectations	SCB Response
Customers	<ul style="list-style-type: none"> • Face-to-face meetings • Feedback surveys • Call center • Training programs • Standardized procedures 	<ul style="list-style-type: none"> • Quality products and services • Impartial treatment • Protection of customer data • Trust and confidence in financial position • Participation in SCB's social activities 	<ul style="list-style-type: none"> • Develop new innovative products and services to meet customer expectations • Customer data protection procedures and measures • Training to enhance customer financial knowledge • Community service activities open to customer participation
Shareholders	<ul style="list-style-type: none"> • Annual General Meeting (AGM) • Annual report • Press releases • Quarterly financial announcements • Meetings/conferences • Calls with investors and equity analysts • General meetings with equity analysts • Investor conferences and global road shows • Audit system and risk management process 	<ul style="list-style-type: none"> • Maintain management excellence to ensure above average performance • Impartial treatment • Internal control and audit systems • Efficient risk management system 	<ul style="list-style-type: none"> • Appropriate dividend yield • Transparent and timely information disclosure over and above regulatory minimum
Employees	<ul style="list-style-type: none"> • Town-halls, meetings, conferences and social activities • Performance surveys • Satisfaction surveys • Engagement surveys • Employee development programs • Recognition awards • HR Call Center 	<ul style="list-style-type: none"> • Appropriate employee welfare arrangement • Employee competence development plan • Career advancement and security 	<ul style="list-style-type: none"> • Respect human rights and treat employees impartially • Employee development program • Employee engagement activities
Regulators	<ul style="list-style-type: none"> • Regular meetings with supervisors • Attend meetings and hearings on regulatory approach • Attend forums on regulatory compliance matters • Obtain review and assessment feedback from regulatory bodies • Request comments and guidelines for regulatory compliance 	<ul style="list-style-type: none"> • Legal and regulatory compliance • Establish and update relevant policies and procedures 	<ul style="list-style-type: none"> • Strictly comply with laws and regulations • Implement recommendations from regulatory bodies to improve policies and operations • Maintain good relationship with regulators & authorities

Stakeholders	Method of Engagement	Stakeholder Expectations	SCB Response
Business Partners and Competitors	<ul style="list-style-type: none"> Inter-banking agreements and transactions Meetings with the Joint Standing Committee on Commerce, Industry and Banking (JSCCIB), the Thai Bankers' Association (TBA), Securities and Exchange Commission Thailand (SEC), and the Thai Chamber of Commerce (TCC) SCB Economic Intelligence Center 	<ul style="list-style-type: none"> Treat trade partners and rivals fairly Maintain confidentiality under laws and regulations concerned Refrain from seeking data of trade partners and rivals dishonestly and unfairly 	<ul style="list-style-type: none"> Code of ethics for running business transparently and under fair competition Employee Code of Conduct
Creditors	<ul style="list-style-type: none"> Seminars and meetings Events Online resources 	<ul style="list-style-type: none"> Strictly comply with terms and conditions provided to all types of creditors 	<ul style="list-style-type: none"> Have regulations that are fair and responsible to creditors Make loan repayments as scheduled
Suppliers	<ul style="list-style-type: none"> Seminars and meetings Events Vendor dialogues 	<ul style="list-style-type: none"> Enjoy sustainable growth together and treat trade partners fairly and responsibly 	<ul style="list-style-type: none"> Make service payments as scheduled Provide supplier code of conduct
Society and Environment	<ul style="list-style-type: none"> Initiatives implemented and/or supported by SCB and the Siam Commercial Foundation in knowledge management and various programs involving SCB staff Focus on youth development, volunteerism and quality of life and environmental management Conservation of natural resources through awareness-raising campaigns Programs to educate and engage staff, business partners, customers, and other CSR networks in volunteer activities Promoting energy efficiency through upgraded lighting and electronic systems Paper use reduction through paperless practices resulting in carbon emissions reduction Carbon emissions consulting and carbon credits 	<ul style="list-style-type: none"> Conduct business with social responsibility, particularly concerning public benefits Promote and participate in activities that benefit communities and the whole society Compliance with human rights principles and anti-corruption practices by conducting business with social responsibility Strictly comply with regulations and law governing environment protection Attentive to safety, health, and the environment 	<ul style="list-style-type: none"> Volunteer staff participate in activities that benefit communities and society Support appropriate public charities Implement effective internal audit Training for employees on anti-corruption practices Promote natural resources and environmental conservation projects Hold volunteerism-based activities and programs for employees, business partners, clients, and youth Improve energy efficiency

BANKING AND RESPONSIBILITY

As noted in the introductory overview, SCB is sensitive to its role in contributing to the long-term economic stability of Thailand, and to stakeholder value

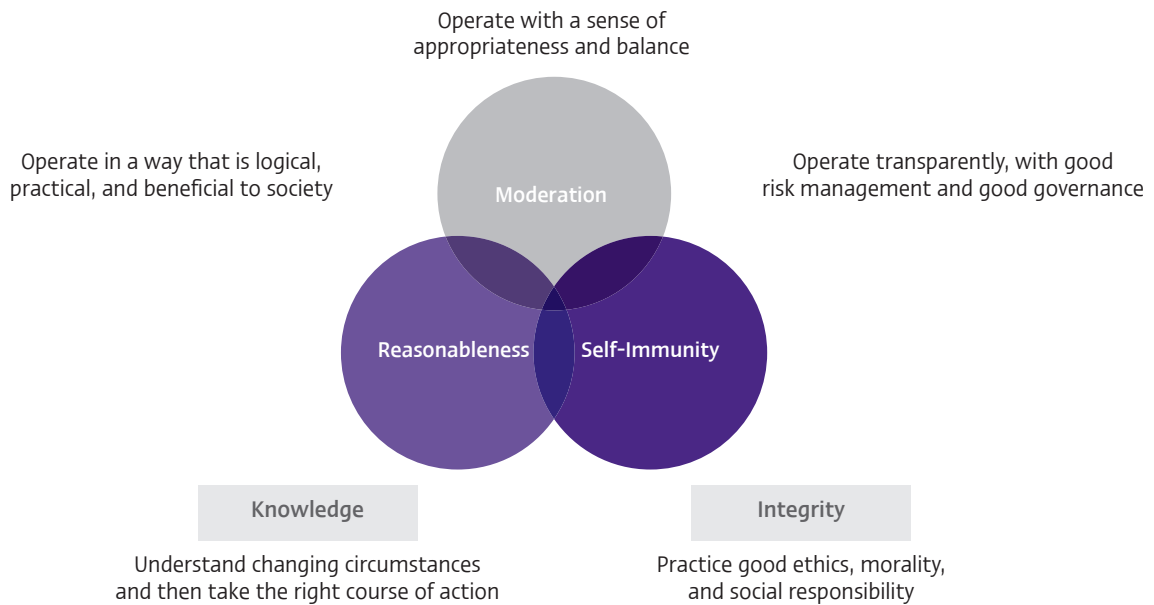
SCB's operational framework derives from its core values, symbolized by "iSCB," which refers to the four core values: **innovation; social responsibility; customer focus; and building our people**. While this expression of core values is unique to SCB, it is firmly grounded in traditional Thai beliefs and practices which have been codified in modern times under the Sufficiency Economy Philosophy espoused by His Majesty King Bhumibol Adulyadej, based upon the Buddhist concept of mindfulness.

The dual themes of being mindful of the way services are provided and how risks are managed is embedded in the SCB vision and mission. Excellence in these two areas is assured when a company's culture is aligned with the principle of attentiveness or purpose. Guided by the precepts of this philosophy, an efficient and effective risk management system leads the Bank's operations to focus more on long term, sustainable growth rather than short term profit.

Consistent with the long-view outlook inherent in the Sufficiency Economy perspective, SCB pursues sustainable and robust long-term growth over short-term gains. SCB is mindful to develop an appropriate growth strategy, as this enables it to create shared value for business and society. The care it takes is reflected in its steady expansion within the retail banking sector, originally entered years ago with housing loans to help customers meet basic needs. Later, the Bank took on riskier but more profitable product areas such as automobile loans.

The mindset nurtured by an appreciation of the Sufficiency Economy Philosophy provides the inspiration and impetus driving much of SCB's operations. One of the prime activities that directly reflects this ethos is an effective governance framework.

Sufficiency Economy Philosophy (SEP)



Whether SCB is conceptualizing new financial products, responding to customer inquiries, or engaging employees, the Sufficiency Economy Philosophy offers a decision-making framework that ensures due consideration for rational practice, moderation, resilience, knowledge management, and integrity.

Responsible Banking

SCB is committed to responsible banking. It conducts its work based upon a time-tested, efficient, and effective risk management system. All the products and services it offers are designed to fulfill customer needs and create long-term value for stakeholders.

Risk Management

Risk management is at the core of SCB's operations. A systematized risk management approach assures the stability of the institution and provides confidence to customers, shareholders, and other stakeholders. Over time, the nature of some inherent risks to SCB will change. The risk management approach is adapted accordingly. As a result, SCB devotes considerable resources to develop and maintain best-in-class risk management systems to identify, monitor, and mitigate these risks.

SCB's Risk Management System



- Resilience is one of the pillars of the Sufficiency Economy Philosophy. It is used as the ethos for developing risk management systems to provide clear guidance for sustainable growth and profitability. This pillar can be further strengthened by the integrity, knowledge, and professionalism of SCB employees.
- Business strategies must comply with risk management policies and operate at an acceptable risk level
- SCB pursues a competitive strategy aimed at expanding its business opportunities. While doing so, it aims to provide a challenging and rewarding professional environment for employees, simultaneously expanding relationships with new customers and strengthening those with existing customers. Over the past few years the outcome has been superior returns for shareholders. At the same time, growth has not been at the expense of quality, nor will it compromise prudent risk management policies.
- The risk management framework enhances the effectiveness and efficiency of credit procedures. The Bank's main assets are credit facilities. The Bank diversifies risks by covering every industry and every segment ranging from large corporates to SMEs and consumers in order to maintain stability and ensure consistent returns in the long run.
- The Bank constantly upgrades operational standards to fit with changing government regulations and international best practices.

Risk management is crucial for the banking industry. We have built risk management culture around these guiding principles to ensure sustainability :

- Long term competitiveness NOT short term problem solving
- Same objectives NOT different objectives
- Better risk acceptance NOT risk avoidance
- Culture NOT model
- Everyone's task NOT risk manager alone

Mr. Yokporn Tantisawetrat
Chief Risk Officer, Risk Management Group

For more details on risk management, please see the Risk Management and Risk Factors section in the Annual Report 2014.

Corporate Governance

SCB is recognized by the market as a responsible financial institution. Its operations are guided by the twin objectives of transparency and good governance. SCB has developed an oversight framework that serves to ensure that both these objectives can be met:

Corporate Governance Structure

BOARD OF DIRECTORS

Board Committees

EXECUTIVE COMMITTEE
AUDIT COMMITTEE
NOMINATION, COMPENSATION, AND CORPORATE GOVERNANCE COMMITTEE
CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Management Committees

MANAGEMENT COMMITTEE
PEOPLE DEVELOPMENT COMMITTEE
CHANGE PROGRAM STEERING COMMITTEE
RISK MANAGEMENT COMMITTEE
ASSETS AND LIABILITIES MANAGEMENT COMMITTEE
EQUITY INVESTMENT MANAGEMENT COMMITTEE

For more details, please see the Corporate Governance Report in the Annual Report 2014.

To conform to good governance practice, SCB has established a bank-wide Code of Conduct to govern stakeholder engagement practices. There are separate Codes of Conduct for the Board of Directors and for employees. The overall objective of both is to ensure effective guidance for all directors and employees. This guidance encompasses measures, practices, and procedures that are aligned with international best practices on corporate governance, including transparency and avoidance of any forms of corruption.

Human Rights

SCB recognizes that the most important element contributing to its success is committed and capable employees working to the best of their ability. As a result, it does all it can to care for all employees, to respect their human rights, and to respond to their needs. SCB supports the Universal Declaration of Human Rights and other internationally accepted human rights standards such as the United Nations Global Compact Principles.

In 2014, SCB initiated a Supplier Code of Conduct for vendors and suppliers. The new Code was introduced to about 100 out of 500 suppliers in November, marking the initiation of SCB's formal supplier stakeholder engagement program.

This Supplier Code, modeled on the UN Global Compact, reinforces the Thai government's Labor Protection Act which requires that SCB suppliers treat employees fairly throughout the supply chain and, at all times, respect their human rights.

2014 Supplier Code of Conduct emphasizes

- Human rights
- Anti-corruption
- Compliance
- Environmental and social impact
- Labor practices

Over the past year, there have been no reports of human rights infringement or related issues, including any concerning indigenous people and/or child labor.

Ethics and Integrity

Ethics and integrity are lynchpins of SCB's employee inclusion effort. Failing to meet high ethical standards will be an impediment to achieving its target as a sustainable financial institution. Equally, encouraging whistle-blowing on wrongdoing or unethical behavior within SCB, whether known or suspected, is essential for sound business conduct. The Bank encourages employees to report any suspect behavior, whether it is a complaint, possible fraud, potential non-compliance, or unfair treatment. The Whistleblower Policy, established in 2013, set guidelines for all SCB employees. It exemplifies SCB's respect for the principles of transparency and responsible governance.

Whistleblower Policy

SCB's Whistleblower Policy provides a channel through which employees can report complaints, fraud or noncompliance with Bank regulations, rules, and code of conduct as well as unfair treatment. The aim is to ensure the Bank's adherence to principles of transparency and good corporate governance.



SCB fights corruption. The Bank has instituted an Anti-Corruption and Bribery Policy, and is a member of the Collective Action Coalition Against Corruption (CAC), Thailand's private-sector watchdog group.

Anti-Corruption

SCB has a zero-tolerance policy regarding corruption and bribery. One of SCB core values described earlier is to act, at all times, as a socially responsible corporate citizen. Any corruption or bribery attempt in SCB's business dealings and transactions is inconsistent with this core value and, therefore, totally unacceptable. This is clearly enunciated in the SCB Codes of Conduct prescribed for directors and employees.

In 2010, SCB signed the Declaration of "Private Sector Collective Action Coalition Against Corruption" (CAC) in support of anti-corruption in the private sector and of ethical behavior in all business activities.

In 2013, SCB established a working group to prepare a certification process for joining CAC. The working group included the Audit and Compliance Group, the Human Resources Group, the General Counsel Group, the Risk Management Group, the Corporate Communications, and the Board Secretariat and Shareholder Service.

In 2014, SCB adopted an Anti-Corruption and Bribery Policy which was submitted to the Thai Institute of Directors for certification. This policy extends to all SCB business dealings and transactions, regardless of jurisdiction, including subsidiaries and affiliates at home and abroad. The Bank also applied for CAC membership, receiving approval in the third quarter.

SCB directors and employees are required to comply with this newly established Anti-Corruption and Bribery Policy. Specifically, the policy prohibits SCB directors and employees, subsidiaries, and affiliates from:

- (i) abusing entrusted power or authority for private gain, including bribery, extortion, fraud, deception, collusion, forming cartels, embezzlement, money laundering or other similar activities, and
- (ii) offering, promising, giving, accepting or soliciting an advantage, in any form, as an inducement for an action which is illegal or in breach of a person's fiduciary responsibilities.

This Policy articulates the minimum requirements for countering corruption and bribery. A higher standard may be imposed by specific legislation, or through regulation in a given jurisdiction for certain types of business transactions, or by the SCB Code of Conduct.

SCB is also in the process of embedding these requirements in the risk control self-assessment (RCSA) process of every unit to ensure implementation of anti-corruption measures throughout the organization.

To support its subsidiary operation in Cambodia in fighting and preventing corruption, SCB this year arranged to translate to the Cambodian language the e-learning tools relating to anti-money laundering (AML).

Financial Literacy



A sustainable society prospers when there are employment opportunities for all, fair distribution of wealth, and financial literacy. Not only do citizens require access to financial products and services, they also need the skills to make financial decisions in everyday life. As a leading financial institution, SCB leverages its market presence to help enhance financial literacy among all stakeholders and thus engender sustainable long term economic development of the country.





SCB has developed selected new products and services that not only provide financial access to persons in need, but also educate society on personal financial management. Several of its products and services – for instance, 'Up2 Me' and 'My Home My Cash' mortgage loans – help customers to set their financial goals and/or to receive specific issue-based financial guidance.

"We've created the 'Never Say No' campaign to bring relevant solutions to our clients. We help clients find financial solutions by taking their unique circumstances into account, by helping them improve their financial discipline, and by easing their financial burden."

Pikun Srimahunt
Head of the Mortgage Business Division

Promoting Financial Literacy Through Training and Seminars

	Event	Description	Target	Frequency
 Wholesale Banking Group	Bank Payment Obligation (BPO) Efficiency Briefing	Seminar on a new settlement solution providing faster and more effective trade finance	Corporate clients	One-time
	Challenges, Opportunity and Risk Management in International Trade	Seminar on the risk of and opportunities from international trade and introduction of new innovative payment systems for domestic and international trade	Business Banking Group clients	One-time
 Retail Banking Group	Investment Symposium	Seminar on economic and investment strategy	500 wealth management clients and general investors	Twice a year
	SCB FIRST Seminar: AEC Myanmar In-depth 360°	Seminar featuring expert speakers from Thailand and Myanmar as well as several successful Thai business owners in Myanmar. The discussion topics covered 360° views on many aspects of doing business in Myanmar that Thai business owners and investors need to know in order to be among the 'first' to expand in this market.	500 SCB FIRST customers and local entrepreneurs	One-time
	Professional Portfolio Adjustment Seminar	Seminar on investment strategy and portfolio adjustment by investment experts for sustainable asset allocation	500 SCB Private Banking and SCB FIRST Privilege Banking customers	One-time
	Luncheon Talk: Impact and investment strategy during the period of political disturbance	Luncheon talk on investment strategy during political turmoil in 1H14 organized by SCB FIRST and Branch Network units. The talk featured a 2014 economic analysis and portfolio management strategy for Q3/2014.	Surawong area customers	One-time
	Happy Retirement, Happy Life Seminar	SCB FIRST organized a seminar on preparation for sustainable retirement by professionals.	Recently retired TOT PCL employees	One-time
	SCB PRIVATE BANKING: Visioning Phuket in 2020	SCB organized "Visioning Phuket in 2020" forum to provide opportunities for public and private sectors to discuss their vision for Phuket and its competitiveness in the context of ASEAN Economic Community.	SCB Private Banking clients	One-time

	Event	Description	Target	Frequency
 Business Banking Group	SCB IEP Entrepreneurial Training	In cooperation with Chulalongkorn University, SCB organized training on the theme of "SCB SME Intelligent Entrepreneur Program: IEP." The program aimed to hone business management and problem solving skills for SMEs while helping nurture a self-sustaining SME business network.	100 SCB SME business owners above age 35	Twice a year
	SCB YEP	In cooperation with Thammasat University's College of Innovation, SCB organized an "SCB Young Entrepreneur Program: YEP" to promote management skills and encourage budding entrepreneurs to participate in and eventually take over the reins of their family businesses.	80 SCB SME customers who will inherit family businesses	Twice a year
	SCB "SME Success"	SCB SME Success seminar brought together three highly successful entrepreneurs who have built multi-million baht businesses in order to share the secrets of their successes and to inspire small and medium-size enterprise owners to "Seize the Opportunity, Become a Millionaire."	2,000 SME entrepreneurs	Annually
 Economic Intelligence Center (EIC)	EIC Annual Seminar	As Thailand gears up for a period of major reforms, the SCB Economic Intelligence Center (SCB EIC) annual conference explored how the nation and its industries can overcome the structural impediments that have slowed GDP growth to sub-par levels over the past eight years. Titled "Thailand in Transformation," the event featured top executives and experts in the fields of banking, economics, and business.	500 SCB customers	Annually
 SCB Securities (SCBS)	Market Strategy Seminar	Seminar on investment strategy and stock exchange market trends	250 SCBS customers with trading accounts	Twice a year
	Listed Company Seminar	Seminar on information regarding listed companies on the Stock Exchange of Thailand	50 – 60 domestic institutional investors	10 – 12 times annually
	SCBS Infinite Wealth Program	In collaboration with Bangkok University's Creative Entrepreneurship Development Institute (CEDI), SCBS organized an "SCBS Infinite Wealth Program" which featured business experts, executives, and professional investors who shared their intensive knowledge on successful investment as well as hands-on experience in the real investment world.	40 new members of the quality investor generation aged 25-40	Annually
 Media Relations	Equity Market Literacy Seminar	In collaboration with <i>Thun Hoon</i> magazine, SCB organized a seminar to promote an understanding of investments through the stock market.	500 general investors	Quarterly
	Money Saving and Investment Training	In collaboration with Thai Journalists Association, SCB organized a training program in money saving and investment. Many professionals from SCB spoke at the event. The event also involved personal financial advice by knowledgeable SCB staff.	Members of Thai Journalists Association	Annually



SCB publishes economic research to help portfolio investors and businesses plan the right moves.

Responsible Lending and Financial Services

The financial sector plays a significant role in driving Thailand towards future economic prosperity through loans to both public and private businesses. SCB offers lending services for qualified business or individual purposes based on an effective risk management process. The Bank maintains the quality of its loan portfolios in order to avoid undue risk and the consequent growth of non-performing loans.

SCB has a rigorous review framework for loans to sensitive businesses where there may be political risks or potential corporate governance issues. Before approving credit in these situations, SCB officers are required to follow the "Guidelines for Proposing Sensitive Issues." All such cases must be routed through the Credit Committee for consideration and recommendation before approval. The guiding principle is that the loan must be in the public interest.

Furthermore, SCB enforces private sector anti-corruption practices through the terms for financing government-related projects. It does not support multiple entities under the control of one party bidding for the same government project. This is consistent with international standards of transparency and anti-corruption.

On the environmental side, SCB supports projects that create minimal environmental footprints. Any credit request that might adversely impact biodiversity or the environment must be accompanied by third-party expert assessments on the environmental impact of the proposed project. SCB also requires that the loan proposal does not violate local laws, decrees, rules, and regulations in any way.

SCB has established a Guideline for Employing Independent Consultants for credit inspection of complicated financial vehicles used for infrastructure project financing or foreign lending. Independent consultants help to provide technical guidance which may be outside the area of expertise of SCB. This enhances the risk management mechanism at SCB as well as provides assurance on the bona fides of the loan request.

Responsible Products and Services

SCB strives to offer products and services that have a high standard of excellence and serve customer needs effectively through all three of its banking groups.

Retail Banking Group	Business Banking Group	Wholesale Banking Group
Competence and excellence in service are the key goals. RBG designs and develops products that fit with a customer's life cycle stage. The aim is to provide relevant products for all individuals and business owners from initiation to maturity	SCB believes that small and medium enterprises are the backbone of the Thai economy. Further, SME networks can be a major force in driving prosperity. SCB tries to be responsive to every aspect of customer financial needs in a way best characterized by its slogan, "Together, we can".	SCB relies upon the strengths of the large corporations and conglomerates it serves to drive Thailand's economy on sustainable terms.

SCB motivates all business units to offer cutting-edge products and services to its customers. This way, SCB believes that it will remain the bank of choice and financial partner for its customers.

Customer Satisfaction Level TRI*M
index¹
96



Siam Commercial Bank received an award as "Thailand's Top Corporate Brand Value 2014" in the financial services industry. Brand equity research by Chulalongkorn University Business School has ranked SCB first in its sector for five years in a row.

1. TRIM Customer Satisfaction Survey of Retail Banking (as of October 2014) – measured within a global database where 100 is the maximum score

Innovation

SCB is committed to continually innovating financial products and services to meet fast-changing customer needs. Innovation is part of the iSCB core values. The Bank-wide innovation effort is facilitated by iOffice, a new unit established to support and develop innovative employee ideas for work processes, products, and services.

The key success factors in implementing innovation lie in developing the mindset that nurtures innovative thinking throughout the organization. This starts with encouraging new ideas and the willingness to introduce changes to improve products and services.

iContest is a platform set up specifically to encourage staff to submit ideas via an innovation contest or to vote for their favorite ideas. It is a vehicle to stimulate the whole organization to participate in generating new ideas. In essence, the goal of the iContest is to initiate and sustain the conversation within SCB about how to constantly innovate and improve the way we work and the way we serve.

Follow Up

Time consuming loan transactions have led to the development of a mobile application for monitoring the progress of loan applications and facilitating the submission of relevant documents through mobile phones. The innovative mobile application will enhance performance efficiency and service to customers and be used with working units under the supervision of the Retail Loan Group, such as mortgage loans and auto loans, by 2015.

Palm Vein

To cope with rampant transaction forgery by criminal groups, SCB has introduced Palm Vein Technology, an advanced state-of-the-art personal verification innovation that is even more secure than the use of signature or finger scanning. This innovative technology has already been adopted for safe deposit box verification at SCB Head Office.



Employee ingenuity drives SCB's development of new products and services. The Bank has held two editions of its Innovation Contest to stimulate creativity in-house.

975

Ideas generated for the Innovation Contest in 2014

How we define innovation:

- Innovativeness
- Business benefit
- Implementability

Feedback

SCB interacts with its customers through both the call center and social media such as Facebook. The SCB Call Center responds to more than two million calls a month, including inquiries, service requests, complaints, and suggestions. The underlying system equips the customer service operator with accurate and fast information that enables them to respond to customers. The Bank also offers a service assessment opportunity to customers following every call. These results show that customer satisfaction through the Call Center is higher than that of the Bank's competitors, confirming the Bank's success in delivering quality service.

To continually improve the customer response process, SCB has a Complaint Committee to monitor how the Bank responds and resolves customer complaints. The Complaint Committee records the speed and quality of the response, including delegation within the Bank to responsible units and how quickly the customer is advised of progress in resolving the complaint. SCB is confident that every customer complaint and suggestion will be resolved or taken into consideration for improving service and satisfaction.

2 million

Number of calls
to
SCB Call Center 02-777-7777



Responsiveness to customer complaints helped SCB win the "Outstanding Customer Call Center Award" from the Office of the Consumer Protection Board and the Management System Certification Institute (Thailand). The SCB Call Center leads the Bank's continual efforts to raise service standards.

Data Security

As a financial institution, customer information is one of the most valued assets of the Bank. In a business environment where most of the critical data is in electronic format, information security is especially important and with the increasing use of the internet and mobile channels new threats have arisen with alarming frequency.

The Bank does not compromise the security of its customer's data. It has an established information security policy, which is regularly communicated throughout the organization, as well as supportive practices, measures, and procedures. Employee awareness helps ensure that the policies are observed both in spirit and in form.

The Information Security Policy also requires all employees to adhere to intellectual property laws and accepted standards. The Bank maintains rigorous standards for zero infringement of intellectual property, ensuring that, to its knowledge, there is no use of unlicensed software in any part of its operations.

Retail Banking

Retail banking at SCB entails serving customers throughout their lives by providing meaningful financial products, services, and expertise that fit various life stages and demographic groups. SCB offers products and services for a wide range of customers, from school-going children to the elderly, as can be seen below:

Customer Group	Children	Teenagers	Adults	Retirees
Objective	Promoting a savings discipline	Preparation for higher education and entering employment	Building and maintaining financial security	Financially secure retirement and estate planning
Typical products	Smart Kids Savings	SCB UP2ME Education loan	Mortgage loans Deposit products Contractual savings Auto loans Personal loans Credit cards Stocks Bonds Mutual funds	SCB Life Assurance Mutual Funds Deposit products

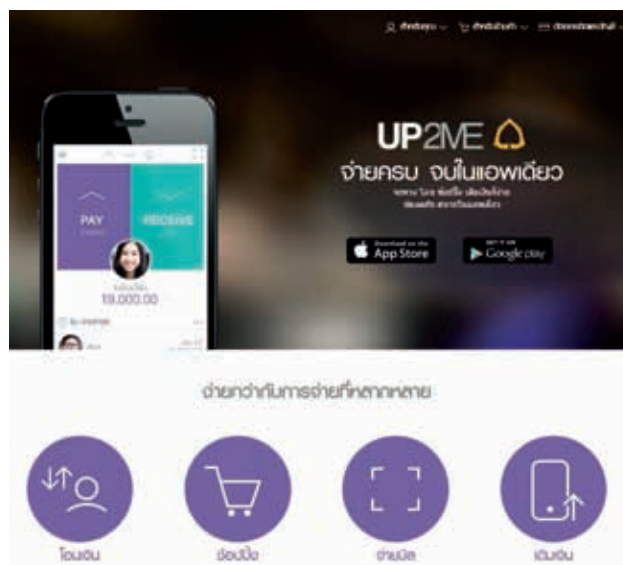
Serving Customer Needs

SCB UP2ME

SCB continuously develops innovative products and services in response to ever-changing customer needs. "SCB UP2ME" is a breakthrough financial product on a mobile platform. The product keeps up with the smartphone era which has forever changed the way people communicate and spend time.

SCB UP2ME has substantially boosted the growth of SCB's young generation customer segment who have grown up with mobile phone technology. The product provides digital payments, including peer-to-peer transfers. It also helps customers who are in their first jobs set financial goals such as future car and home purchases.

In 2014, the Bank updated the SCB UP2ME application process to provide a fresher look with a better user experience. It expects SCB UP2ME to become a 'cashless banking' platform, bringing both security and convenience to customers.



Branches and ATMs

SCB ATMs provide banking services to customers 24 hours a day, 7 days a week. The Bank has also started to expand the number of branches in remote areas to support the growth of border trade with neighboring countries – Laos, Cambodia, and Myanmar. Furthermore, ATM kiosks installed in the border provinces provide screen instructions in the language used by neighboring countries.

SCB ATMs are equipped with lighting and security cameras for the higher level of customer safety. The interface also cautions customers and any ATM users to be on guard against ATM fraud and theft.

A deadly accident involving another Bank's ATM in 2014 highlighted safety issues surrounding ATM use. For the protection of its customers, SCB uses only equipment installed to strict international safety standards.

Customer at Heart

At SCB, customers come first. Walk into any SCB branch, any time of the day, and one can feel the customer-centric environment. SCB trains staff at every branch to respond to different customer needs and offer the ideal product to match individual requirements. Advisory-based selling is an approach used at SCB to deliver higher value services with a better focus on each individual customer.

SCB's strong and steady customer satisfaction track record attests to its customer focus. SCB has commissioned an independent service provider (TRIM) to assess customer satisfaction with the help of a systematic survey at all branches. In 2014, the overall index score remained steady at an average of 90 out of maximum score of 100.

Business Banking

SCB Business Banking serves Thai SMEs who represent the majority of businesses in Thailand. SCB supports the whole range of SME customers, whether at the startup stage, the growth stage, or the mature stage. The Bank also provides financial management expertise to customers through seminars, networking events, online channels, and through *Biz Circle*, a quarterly SME magazine and *Kla Ruay*, a semi-annual SME magazine.



SCB Smart ATMs do more. Over 9,000 SCB bank machines nationwide help customers speed up transfers by saving the six account numbers most recently used. Menus offer four foreign languages: Burmese, Chinese, English and Japanese.



SCB Supports Local Entrepreneurs

SCB provides financial support to One Tambon One Product (OTOP) entrepreneurs through several types of loans. It also provides opportunities for customers registered as OTOP entrepreneurs to gain access to capital for both internal cash flow and expansion purposes. This helps to deliver more flexibility, higher income security, and greater self-reliance.

In 2014, SCB organized the 3rd OTOP Festival at the SCB Head Office for local OTOP entrepreneurs to promote and sell their products. At the same time, the event was intended to inspire new entrepreneurs in Thailand.



SCB Young Entrepreneur Program (SCB YEP)

A special training program in collaboration with the College of Innovation, Thammasat University, designed for next-generation members of the SME community, including coaching on business management and focusing on family business issues.

SCB Intelligent Entrepreneur Program (SCB IEP)

An intensive training program organized in collaboration with the Faculty of Commerce and Accountancy, Chulalongkorn University, for business entrepreneurs aiming to hone management and problem solving skills necessary for SMEs while also forging a SME business network.

"SCB is my bank of choice because it helps us to breathe more easily by marching in-step with us every step of the way. I see SCB as a very giving and reliable partner."

Vichien Chentrakulroj,
Owner of Srifah Bakery



To raise funds for bicycles for needy students at Border Patrol Police Schools, members of the SCB Intelligent Entrepreneur Program sold logo tee shirts.



SCB's Young Entrepreneur Program helps beginning business owners develop their skills. On hand to commend graduates of the SCB YEP's 17th class was Anand Panyarachun, chairman of the Bank's Board of Directors.

Bai Po Business Award

Small and medium-size enterprises are the backbone of the Thai economy, and the best of them often perform, in relative terms, as well as or better than larger businesses. To recognize this, Siam Commercial Bank and the Sasin Graduate Institute of Business Administration of Chulalongkorn University annually organize the Bai Po Business Awards to honor successful SME entrepreneurs who through their performance help to raise standards for the overall sector. This Award program encourages SMEs to realize the importance of raising their standards in every way, and of keeping abreast of evolving challenges and prevailing market conditions in order to maintain competitiveness.

Award winners must meet primary evaluation criteria and demonstrate distinction in selected qualifications critical to competitiveness:

- Customer focus
- Innovation
- Quality
- Adaptability to change
- Value creation
- Branding
- Efficiency
- Leadership & team building
- Social responsibility
- Entrepreneurship



Competition in Thailand's vibrant SME sector results in many local companies developing products and services that are truly world-class. The Bank applauds these firms by sponsoring the Bai Po Business Awards organized by Sasin Insitute. The five winners of the 9th edition were Eureka Design PCL, Union Auction PCL, Doi Kham Food Products Co., Infinite Corporation Co. and Hexa Ceram Co.



The winning five SMEs in the 10th Bai Po Business Awards by Sasin were President Automobile Industries Co., Kanomthai Kaopeenong Co., Thai Agriculture Machinery Co., Thai Central Mechanics Co., and Srichand United Dispensary Co.

Wholesale Banking

Financial institutions are major contributors to the economic prosperity of Thailand largely through the financing they offer to the private sector. This financing leads to the creation of new jobs, often promotes investment and international trade, and helps drive economic growth and a rising income level. SCB products and services facilitate growing businesses, public infrastructure, clean and renewable energy systems, and transportation systems.

SCB realizes that alternative energy is essential for the sustainable energy security of Thailand. The Bank provides financial support for several investments in alternative energy projects. SCB's teams of experts work collaboratively with customers to provide them with financial advisory services and best-in-class financial solutions.

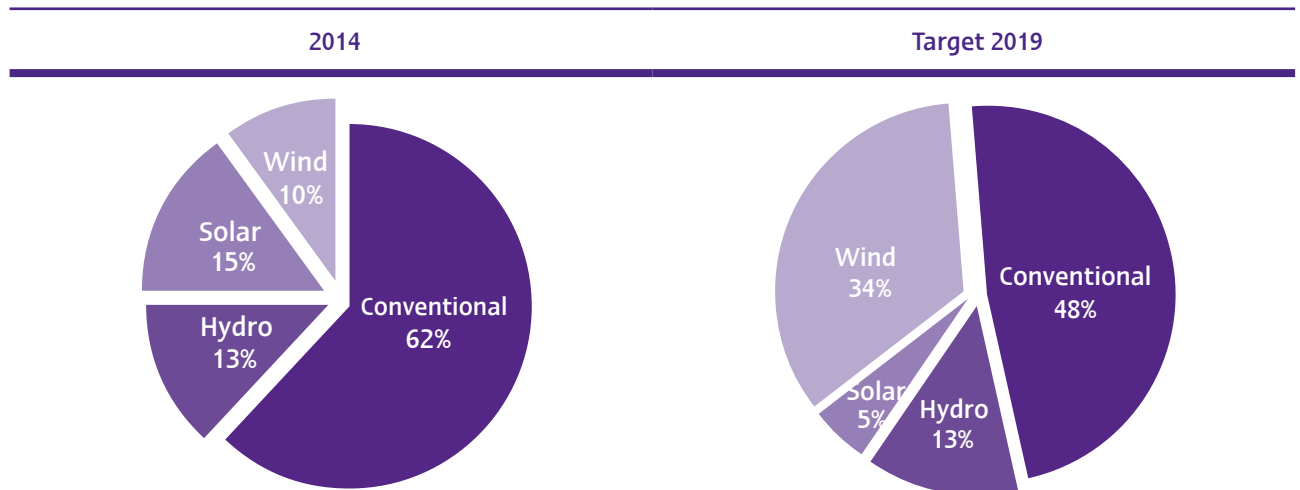
At SCB, the energy sector accounts for 9% of the total credit portfolio of the Wholesale Banking Group (WBG). SCB has begun to support green energy and work on setting up an Environmental, Social, and Governance (ESG) assessment as a part of credit approval criteria. In 2014, SCB did not approve any loan financing to coal or nuclear power plants.

The latest service launched by SCB, portfolio financing, provides financial service and support to customers investing in several projects with varying risk levels. By combining several projects and binding them into a single loan contract, clients can save time in negotiating loans for different projects and better manage cash flow for projects in the same portfolio.

In the past four to five years, alternative energy entrepreneurs in Thailand have developed both technical expertise and innovative practices. With well-defined government policies and private sector capacity, SCB is at the forefront of providing financial support for sustaining Thailand's energy security.

For large energy financing projects, SCB encourages customers to become involved in appropriate and responsive community engagement. This helps to lower project financing risks in the long term for all stakeholders. For example, when establishing a new power plant, it helps ensure stakeholder understanding and engagement.

SCB Energy Loan Portfolio



"SCB fully supports the alternative energy industry sector, especially in the present time when clean energy innovation has become a necessity for a sustainable society."

Kannikar Chalitaporn
President



Example of Clean Energy Financing

SCB supports the energy sector's emissions reduction through alternative energy financing. In 2014, it was appointed to act as a financial advisor and arranger for Energy Absolute PCL, also known as E@, for its fundraising efforts to finance two solar power plants and three wind power plants worth Baht 26 billion. This financing is SCB's first and largest portfolio financing for power plants using alternative energy sources.



In Thailand's biggest-ever portfolio financing for green electricity, SCB helped Energy Absolute PCL raise Baht 26 billion in project loans and equity for two solar plants and three wind power stations with capacity of 306 megawatts.

Responsible People

The key to an organization's sustainable growth rests with its people. SCB's human resources vision is to provide a great workplace where people's futures get built. SCB strives to be the employer of choice, and the goal is reflected in how it continuously uplifts the quality of life of its people through the creation of an environment which nurtures professional growth, while at the same time, achieving a good balance between an employee's work and personal life. At the heart of SCB's human resources strategy are its core values, iSCB, that it aspires to embed in both the daily work and the personal lives of the Bank's employees.



What is iSCB?

iSCB represents the SCB core values and the identity of its corporate culture. iSCB guides everyday actions by the Bank to uphold responsibility to SCB's stakeholders.

i – Innovation

SCB strives to be an innovative service provider by encouraging its staff to 'think outside the box' and to turn new ideas into action. Innovation can start anywhere, including developing, improving, and implementing products, services, or work processes. By serving customers in innovative ways, SCB differentiates itself, and maintains a competitive advantage in the banking sector.

S – Social Responsibility

SCB's social responsibility is an obligation to society at large. Being responsible to society provides a 'license to operate,' not as a permit from governing authorities but as social acceptance from communities where SCB offices and branches are located. Because social responsibility starts from internal work processes and extends to products, services, and community outreach, the Bank's employees play a crucial role in determining the organization's contribution to both short-term and long-term socio-economic development in the wider context.

C – Customer Focus

Customer focus is how SCB develops products and services to respond to and anticipate customer needs. The Bank focuses on building strong partnership with its customers, so it is essential that SCB employees are in tune with the varying customer needs at different stages in their life-cycles or business growth cycles.

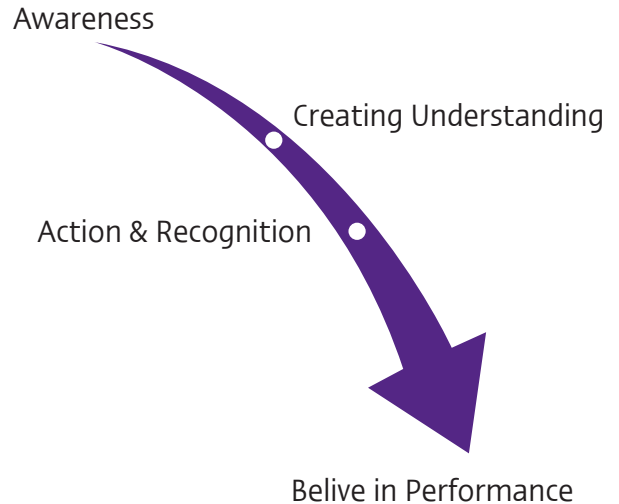
B – Building Our People

SCB aims to develop its employees so that they are able to respond quickly in a dynamic and competitive environment. It also approaches the well-being of its employees holistically. Personal and professional development of staff is key to aligning with the Bank's progress and to its ability to adapt to external changes.

How SCB Is Transforming Its Workforce With iSCB

Launched in late 2012, SCB aims to embed iSCB in its employee DNA and this is reflected in its commitment to create iSCB awareness and understanding among all employees, supporting and enabling them to apply iSCB in their daily actions and recognizing those who emerge as iSCB role models.

In 2014, the Bank focused on enabling and empowering its employees to embed iSCB in their daily actions by encouraging each business unit to come up with new ways to embed iSCB in their work and non-work life and be recognized for putting these values into practice. SCB believes that deeply embedding iSCB in the organization culture will result in a workforce with a strong vision and heightened strategic responsiveness to the changes that come. The Bank embeds iSCB in employee DNA through the following three approaches:

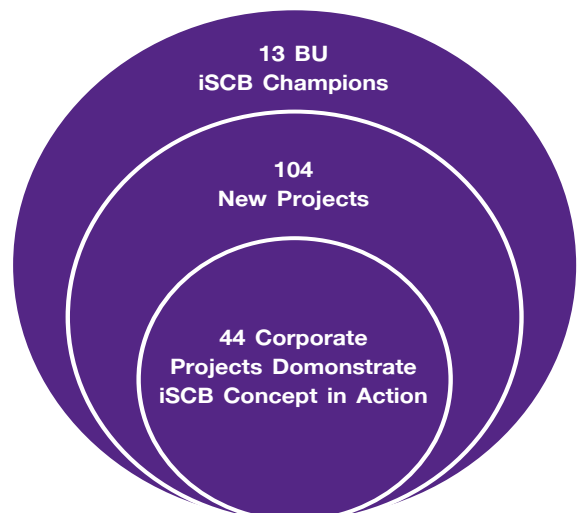


<p>1. Bank-wide communication, engagement, and participation</p>	<p>SCB promotes iSCB understanding and encourages employees to put iSCB into practice through showcasing and sharing of "real-life" examples of how people put iSCB into their everyday actions, via traditional and innovative internal communication channels as well as participation programs. Formal recognition of iSCB role models and sharing their stories through iSCB Role Model Videos and roadshows inspire employees to be creative and passionate in abiding with the core values.</p>
<p>2. Building iSCB champions and change agents</p>	<p>Recognizing that change can arise at every level through effective employee engagement, SCB set up an iSCB champion network to empower champions and change agents to drive change in each business unit. iSCB champions are encouraged to embed the iSCB theme in all activities and meetings, include iSCB as criteria in business units' recognition awards and initiate projects to creatively engage employees to put iSCB into their work and non-work actions. Regular sharing and exchanging of iSCB ideas and lessons learned by iSCB champions nurture more new ideas and synergies.</p>
<p>3. Driving iSCB through business units</p>	<p>SCB promotes iSCB in collaboration with different departments and units within the Bank such as the Change Program Management Office, the Innovation office (i-OFFICE), and Corporate Communications (the unit responsible for SCB's corporate social responsibility).</p>

In 2014, SCB promoted employees to share iSCB actions, both in their work and daily life, through "iSCB Shoot & Share" campaign with Jay the Rabbit, a popular mascot in Thailand's social media. The campaign, through sharing of real-life examples in the form of photos and captions, aimed to persuade SCB employees to adapt iSCB in their daily routine and work processes. 1,385 employees from across the Bank shared 3,703 photos reflecting iSCB actions, in terms of 'innovation,' 'social responsibility,' 'customer focus,' and 'building our people' via Instagram and the SCB intranet.

In 2014, thirteen iSCB Champions from different business units initiated 104 iSCB projects to engage employees to jointly embed iSCB within their respective business units. 44 of these projects directly transform the way of work within various business units.

Recognition of role models helps to transform employees' mindset and behaviors and develop them to become future role models. Quarterly bank-wide iSCB recognition awards were given to exceptional iSCB role models by the Chairman of the Executive Committee. At the business unit level, iSCB recognition awards are given by Group Heads to those employees who demonstrated exceptional iSCB behaviors. Sharing of our iSCB role model stories and celebrating their contributions provide the inspiration for employees to follow by example.





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Working at SCB

SCB is proud to be recognized as one of Thailand's leading financial institutions and, as a result, it needs to compete by providing a great workplace. SCB strives to be the bank of choice for employees at every level: new hire, mid-career, and senior executives. The Bank provides equal opportunities to join and advance within the organization. It fosters a healthy and high standard of working conditions in order to provide meaningful career progression for employees. SCB works to create a collaborative learning environment so that its employees can develop and prosper, as well as nurture their wellness and sense of belonging as a part of "SCB family".

Upon joining SCB, new employees go through orientation training and are provided with opportunities to demonstrate and develop their competencies. Evaluation and mentoring are provided to develop skills and leadership qualities that lead to promotion and advancement throughout one's career at SCB. Moreover, employees who perform well are eligible for continuing education grants and scholarships, both locally and internationally.



Engaging With the Future Workforce

As finding new talent is essential to the Bank, SCB has been seeking innovative approaches to create attractive internship programs that differentiate SCB from other employers. This year, it collaborated with major universities in Thailand to launch an internship program offering students an opportunity to explore SCB in depth, including experience of actual projects with mentoring by managers and executives.

- In collaboration with Chulalongkorn University, SCB participates in an internship program called CUTalent, through which students can gain experience at different companies. As one of the program's yearly participants, SCB offers exposure to its regional banking operations to interns, including experience at Cambodian Commercial Bank (an SCB subsidiary) and other activities under SCB's

core values, iSCB, such as building eco-friendly adobe mud libraries for remote communities in Thailand.

- As part of an interdisciplinary learning program, SCB's HR department collaborates with Mahidol University's College of Management to provide management interns with experience at consulting projects in both human resources development and retail banking.

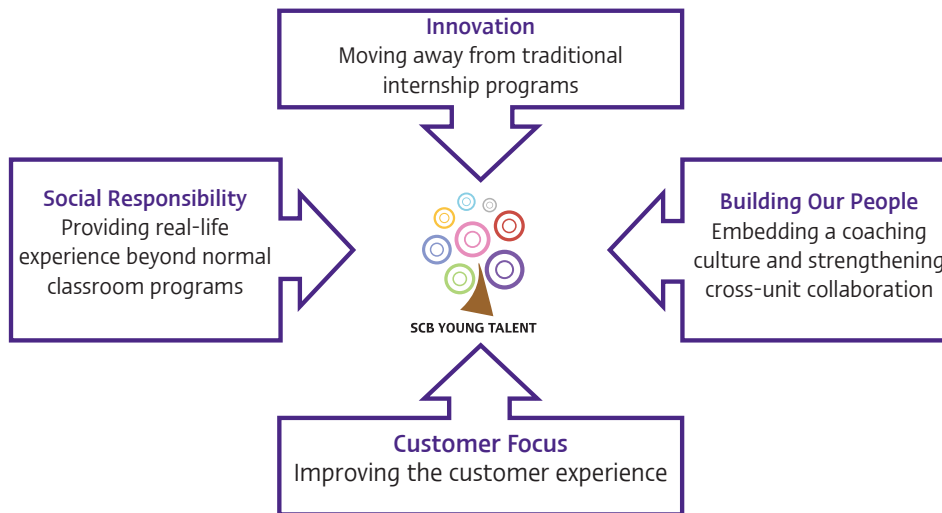
Running a creative internship program benefits both students and SCB employees, as it fosters a coaching culture among SCB staff. As student coaches, staff are able to apply and uplift their coaching skill and put the "Building Our People" value into practice.

"The best learning happens when it gets translated into action."

Worawat Suvagondha
Group Head
Human Resources Group

SCB HIP Program "A joint HR-IT initiative"

In 2014, SCB started the HIP Program, an intensive 3-month "interactive everyday learning" internship where student teams are assigned real life digital/mobile banking projects, and SCB's IT and HR staff coach them throughout the project development and final presentations of application prototypes to senior executives at SCB. The SCB HIP program helps to identify future candidates with IT related talent over the next 1-3 years by providing a stage for young students to demonstrate their potential and at the same time, experience the SCB working environment.



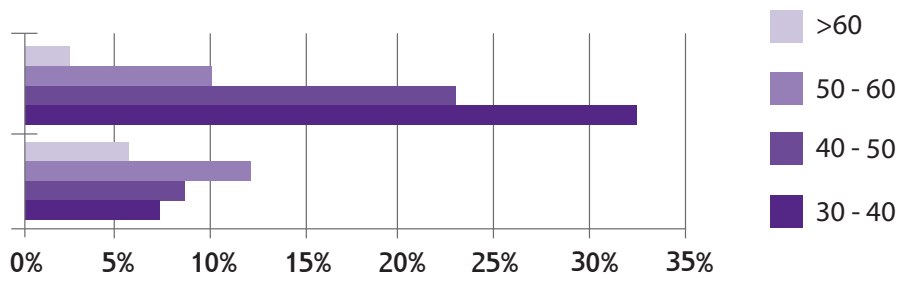
Becoming Part of the SCB Family

SCB places special attention on orientating new graduates just entering the SCB workforce with the Bank's corporate culture. New employees attend orientation programs to learn SCB's history, culture, and staff experiences, while making new friends and familiarizing themselves with the environment, events, and engagement activities at SCB. Underlying these integration and understanding processes is the building of commitment to the core values of iSCB. In 2015, SCB plans to extensively apply iSCB as the central theme for all orientation programs to allow new employees to better understand as well as contribute new ideas on how SCB people live iSCB in their everyday actions.

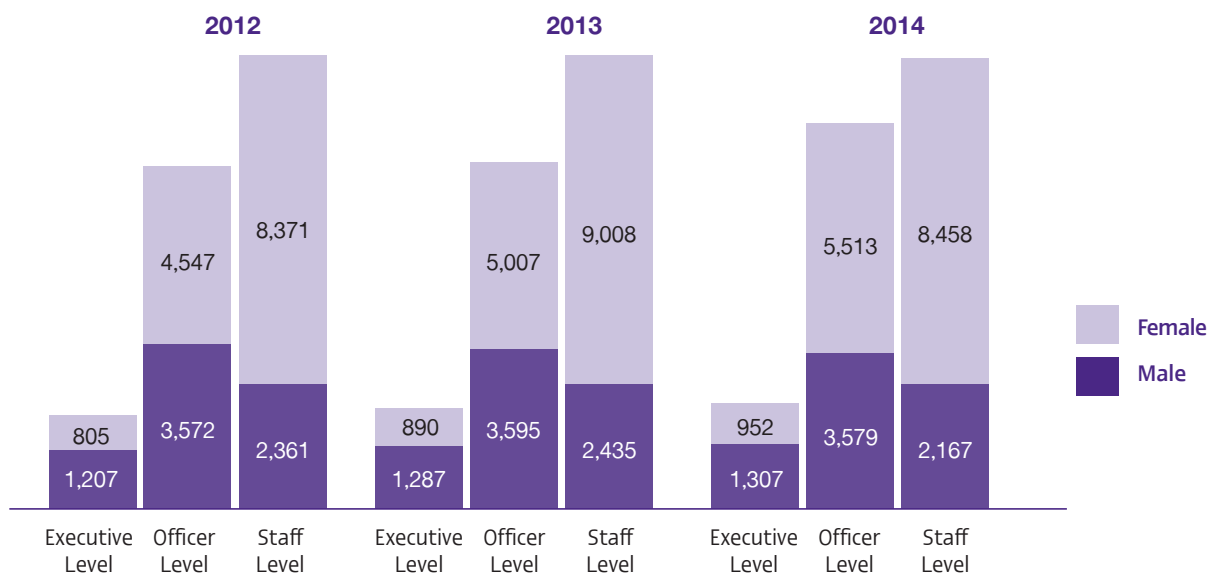
Diversity and Inclusion

SCB is committed to the fair treatment of employees, including compliance with all labor laws and human rights standards. SCB rules and regulations cover all business units and functions without exception, including all staff levels from senior executives to operating staff. In addition, SCB respects employee rights by promoting freedom of expression, gender equality, and the fair treatment of indigenous minorities and people with disabilities. As of December 2014, SCB has a total of 21,789 employees – a 1.11% decrease from December 2013. Two out of three employees at SCB are female. This proportion reflects the reality in the Thai banking sector as a whole, in which the majority of employees are female.

Employees by Age



Employees by Level and Gender



Total Workforce by Region and Gender

	Male	Female	Total
Northern	289	601	890
Northwestern	429	1,197	1,626
Central (excluding Bangkok)	917	2,899	3,816
Eastern	237	1,114	1,351
Western	116	359	475
Southern	439	1,339	1,778
Bangkok	4,626	7,414	12,040
Grand Total	7,053	14,923	21,976

It is important to SCB that its workforce is representative of the community as a whole. Accordingly, employees are recruited from every province of Thailand. In 2014, 10.3% of senior management staff located at provincial locations are from the local community.

SCB attempts to have a diverse workforce. In 2014, there were five employees with disabilities. To a large extent this was due to the limited number of disabled staff with the capability and/or desire to apply for positions in banking. As this number is below what Thai law requires, SCB compensated by contributing Baht 21.8 million to a government fund dedicated to develop the quality of life for the disabled in Thailand. In this past year, SCB carried out an assessment of the usability of SCB facilities for persons with disabilities at the Head Office. The findings will be used for improvement of access in the future.

Building Our People's Future

Employees are the single most valuable resource of SCB. The Bank strives to maximize its people's potential and to provide them with a fulfilling career. To align human resources development with organizational strategy, SCB established a People Development Committee (PDC) since 2010 where SCB top management regularly meet to actively drive people development policies. In addition, the concept is also cascaded to business group and division levels to empower executives to promote and take ownership of the development of employees they have responsibility for.

Career Roadmap

A rewarding career path is essential for human resources development. In 2014, SCB continued to work on strengthening the career roadmap infrastructure and development tools that include competency assessment, performance target setting and evaluation, Individual Development Plan (IDP), action learning projects, rotation, and mentoring programs. Central to employees' career roadmap development is the alignment of individual aspirations with SCB organization goals.

In the past year, SCB performed a pilot test of career development tools with several business or functional units, including the Branch Network, the Human Resources Group, and the Information Technology Group to ensure practical and effective application in terms of career progression. The Bank will continue to roll out the career roadmap program to cover all business and functional units.

SCB's human resources development includes domestic and international master's degree scholarships, training programs, and learning tools at every level. SCB develops employees by utilizing different methodologies aligned to career roadmaps in order to nurture skills and capabilities. SCB people development tools and techniques encompass individual training plans, classroom time, e-learning, coaching, job rotation, self-learning, special projects, mentoring, special programs, and talent development. All of these have been successfully implemented in 2014 and will be further developed in the future.

Baht 239 Million Investment for Employee Development

Training

To ensure sustainable growth, SCB places a priority on providing high quality human resource development programs and learning activities for employees at all levels. SCB encourages employees to pursue their career interests and develop capabilities. In 2014, more than 1,309,467 hours were dedicated to training and development. On average, each employee received 7.4 days of training. Fully 97.6% of them received regular feedback on performance and career development.

Further, in support of the newly redefined policy on anti-corruption practices, SCB's training in anti-money laundering from the Anti-Money Laundering Office (AMLO) covered 98% of the SCB employees in 2014.

1,309,467 Hours Total Training Hours for Employee Development

Average Training Hours

Executive Level	33 hours
Officer Level	60 hours
Staff Level	65 hours

Average Training Hours per Employee per Year

60 Hours

7.4 Days

Average Training Hours per Employee per Year by Gender



7.3 Days



7.5 Days

Iplearn Sharing: Making Learning Fun Anywhere



Iplearn stands for I + Play + Learn and was developed with the objective of creating a fun learning environment for employees where people can comfortably share their knowledge and experience. Through the use of edutainment forums, SCB's executives as well as the top executives from renowned organizations shared their passions, knowledge and experience in terms of the iSCB core values with employees.

In 2014, Iplearn conducted 7 edutainment forums with 2,200 employees attending these live events, and the video recordings were actively shared with employees through SCB's intranet.

Leadership Development Program

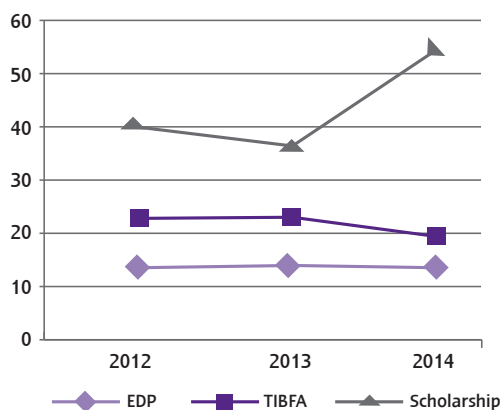
SCB provides special training opportunities to executives as part of the Leadership Development Program. SCB partners with eight leading institutions, including organizations such as the Capital Market Academy, the National Defense College, and the Thai Listed Companies Association.

The Leadership Development Program for SCB executives consists of three programs, namely:

- 1 The Executive Development Program for Executive Vice Presidents (EVP) and higher levels, offered on campus by major universities such as Harvard, Stanford, INSEAD, IMD, Columbia, and the Kellogg School of Management.
- 2 The Senior Executive Program for executives ranked Senior Vice President (SVP) to First Senior Vice President (FSVP), conducted by the Wharton School of the University of Pennsylvania.
- 3 The Management Development Program for executives ranked Assistant Vice President (AVP) and Vice President (VP), conducted by Duke Corporate Education of Duke University.

Selected SCB senior management members also participate each year in training programs at the Thai Institute of Banking and Finance Association (TIBFA).

Number of staff in training program



CEO Insights Forum:

In 2014, SCB invited top executives and industry experts to share their visions, leading-edge insights as well as success stories with executives and managers. The panel discussion-style forum also provided participants with the opportunity to strengthen their business network and cross-functional teamwork.

Scholarships

As part of the Bank's policy to develop its people, SCB provides scholarships for master's degree studies at leading Thai universities, such as the Sasin Graduate Institute of Business Administration of Chulalongkorn University and Bangkok University, as well as globally renowned education institutions such as the Massachusetts Institute of Technology (MIT), the University of Pennsylvania, and the University of California, Berkeley. In 2014, SCB funded more than Baht 12 million in scholarships to employees.

SCB provides support for continuing education throughout the career of Bank staff, both in Thailand and overseas:

- Full scholarships for graduate degrees at the Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Full scholarships for graduate degrees at Bangkok University
- Full scholarships for overseas graduate degrees
- 60% support for other domestic graduate degrees

Life at SCB

SCB has long recognized the importance of workplace safety and environmental conditions, and has established an Occupational Safety, Health, and Work Environment Committee at each of its main sites, including the Ratchayothin, Chidlom, Chaeng Wattana, Chiang Mai and Lampang offices. At each location, the Committee sets policies, guidelines, and action plans to be followed during working hours and beyond. The Committee is also responsible for proposing guidelines and standards on workplace safety and hygiene.

SCB has formed a Welfare Committee at several of its locations to advise management on determining employee welfare requirements and to make recommendations regarding

appropriate benefits. The Bank organizes meetings for delegates from the Occupational Safety, Health and Work Environment Committees and the Welfare Committees on a quarterly basis. The meetings enable the Committees to report on their progress and action plans so that management is informed of progress and the results are communicated to all employees.

Building a Learning and Healthy Work Environment

SCB aims to maintain good working conditions for its workforce. This includes nurturing both physical health and a healthy corporate culture.

- The "SCB Association" is a sports and recreation community for employees and their families offering football, basketball, tennis, table tennis, golf, badminton, running, water sports, bicycling, painting, music, photography, blood donating, Dharma, and meditation.
- "Learning Centers" are located at all regions of Thailand for employee training and development.
- The "SCB V FIT" is a fitness center for employees and their families.
- The "Whistleblower Policy and Purple Talk" provides a communication platform for ethical conduct, labor rights and accountability.



Providing Good Welfare

SCB provides a full-range of benefits to support staff well-being from first recruitment all the way to retirement, including:

- Medical care, dental care, and health check-ups
- Educational support and scholarships for staff and family
- A disaster support allowance
- A Provident Fund
- Loans for housing, cars, computers, wedding, and emergencies at attractive interest rates
- A retirement allowance
- A savings cooperative



Facilities

SCB provides an excellent working environment for employees, which include the following. For employee health and well-being, the Saranrom health and living facilities located at the SCB Head Office offer SCB staff many activities:

- First aid room
- Reading room
- Internet corner
- Salon and barber
- Multi-purpose function room for aerobics, seminars, parties, etc.
- Meditation and yoga room
- Fitness
- Snooker and table tennis room
- Karaoke room
- Aerobic and yoga classes
- Meeting point
- Mom's corner



Caring for Our People's Health

SCB promotes the idea of work-life balance throughout the whole organization using a campaign titled "Healthy+ Work+," a proactive approach for personal health.

- "The Knowledge Program," in which more than 1,200 employees participated in 2014, includes topics such as Sleeplessness, Knowing about Cancer, and Ergonomics in Work Life.
- "The Medical Check-up Program," joined by 1,376 employees in 2014, provides employee screening services for breast and cervical cancer.
- "The Vaccine Program," which 2,825 employees availed for vaccinations for influenza and HPV during 2014.



Engaging and Caring for Employees' Families

SCB encourages improving the quality of life of the families of employees. The Bank funds the education of children of employees with scholarship programs for those who qualify and for those who study in remote areas. In 2014, SCB provided Baht 3.11 million to 708 students.

- The Bank organizes English camps to expose employee offspring to foreign languages and cultures. In 2014, there were two classes for 200 children.



Scholarships for Family Members




Level	Scholarships	Amount granted (Baht)	Total (Baht)
Primary school	319	3,000	957,000
Secondary school	148	4,000	592,000
High school	164	5,000	820,000
High vocational school	6	6,000	36,000
Undergraduate school	71	10,000	710,000
Grand Total			3,115,000

Planning for Retirement

SCB prepares staff for life after retirement, both financially and non-financially. The Bank organizes an annual event for SCB retirees, where they share their experience with younger employees.



SCB believes in offering a best-in-class work-life balance with support for employees who are starting a family. Mothers are entitled to 90 days of paid maternity leave (45 days paid by welfare support from Social Security Office and 45 days additional support by SCB). The number of employees that took parental leave increased slightly in 2014, and 99.34% of employees returned to work after their parental leave ended, with an 87.61% retention rate 12 months later.

	2012	2013	2014
 Number of employees who took maternity leave	578	670	599
 Average sick leave days per employee	2.6	2.6	2.5
 Turnover rate (percent)	14.6	13.7	13.0

Financial Support for Employees

As a major financial institution, the Bank provides assistance for its employees facing unexpected financial difficulties. SCB grants financial aid to employees suffering from natural disasters or unexpected adverse situations up to a maximum of Baht 40,000 per person. It also provides special interest rate loans for property renovation and for medical care as a result of unexpected natural disasters.

Employee Performance

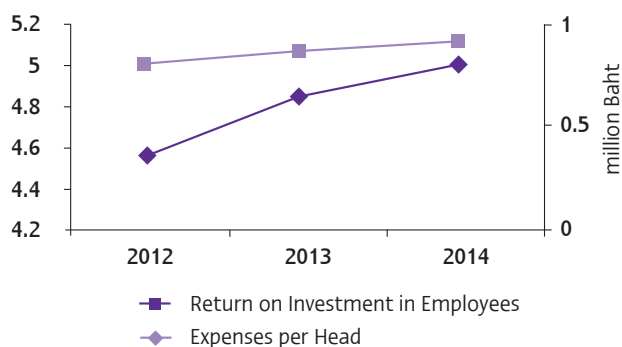
SCB attempts to coordinate employee development, employee benefits, employee engagement, and employee productivity. In 2014 the Bank's expenditure per employee slightly increased from 2013 (from Baht 0.86 million to Baht 0.87 million). Human Capital Return on Investment continued to increase in 2014 from 4.85 to 4.86 in 2013.

Succession Plan

With the aim of identifying and developing key personnel to maintain continuity in the leadership of SCB, the Board assigns the Nomination, Compensation and Corporate Governance Committee responsibility for succession planning to ensure continuity in each key management position:

1. Succession plan for the positions of the Chairman of the Executive Committee and the President

The Nomination, Compensation and Corporate Governance Committee is responsible for addressing and reviewing the selection process of the Chairman of the Executive Committee and the President. The Committee manages this succession plan to provide future stability in management.



2. Succession plan for senior management and key personnel

The Nomination, Compensation and Corporate Governance Committee is responsible for considering and endorsing the search approach and the succession plan for senior executives and key management positions as proposed by management. The objective of succession planning is to maintain human resource adequacy in both qualitative and quantitative terms while ensuring appropriate management and business continuity for those key positions with a high impact on the Bank.

SCB management has the following succession procedure for senior executives and key personnel positions:

- Identify key positions to be covered in the succession plan;
- Formulate policies and criteria for the selection of key personnel, including required knowledge, skills, and competence;
- Select potential successors and assess candidates based on knowledge, skills, readiness, and qualifications needed for each key position;
- Formulate individual development plans for candidates nominated in the succession plan; and
- Monitor the development plan, periodically reassess candidate readiness, and consider career advancement opportunities.



SCB efforts to promote good labor relations and employee wellbeing won a best workplace award from the Department of Labor Protection and Welfare.

THE BANK AND CORPORATE SOCIAL RESPONSIBILITY



SCB fully supports and participates in the sustainable development of Thai society, with a focus on three main areas: youth development and promotion of learning, establishment of volunteer networks, and development of quality of life and the environment.

The Bank undertakes its efforts both directly and through annual budget support for the Siam Commercial Foundation (SCBF) to continuously drive a variety of projects in youth development and learning promotion. These include establishment of youth development networks, so that young people can lead social progress. We work through budget support and collaboration with network partners that have clear and specific action plans.

In 2014, SCB's budget for corporate social responsibility (CSR) activities was allocated 47% toward youth development projects, 13% for activities by volunteer networks and 40% for projects in development of quality of life and the environment.

In the area of youth development and learning promotion, SCB and SCBF focus on developing young generations' skills and good character to support the nation's long-term social, economic and cultural progress. CSR projects undertaken in this area include SCB Challenge, a series of creativity competitions for students at all levels; SCB and 3 Qualities, a youth development program focusing on both IQ and EQ led by SCB volunteers; nationwide Let's Do Good campaigns that promote volunteerism and civic awareness; and support for schools to apply the Sufficiency Economy Philosophy and to become Sufficiency Economy Philosophy Learning Centers that promote holistic education through projects and activities at school and application in daily life.

Along with these efforts, SCB and SCBF support and collaborate with public and private organizations to promote arts and culture for youth development and learning, ranging from music and performing arts to traditional handicrafts. In particular, we support students under the Princess Galyani Vadhana Institute of Music, Mahidol University's College of Music, the Pro Musica Ensemble and the Silpakorn Summer Music School (SSMS) under Silpakorn University's Faculty of Music. SCB provides its training center at Tawanron Beach in Chonburi Province as a venue for SSMS' summer music camp activities and Mahisorn Hall at the Bank's Head Office as a venue for concerts by young musicians from these groups.

SCB and SCBF have supported and collaborated with CSR partners and organizations as well as the Bank's own network of employee volunteers at branches nationwide to promote the value of helping and doing good for other people and society. Our key goal in the development of quality of life and the environment is to support activities that help strengthen communities and society, such as the SCB Blood Donation campaign and a project to help communities around Thailand's vast Western Forest Complex practice a way of life that is friendly to this ecologically rich but threatened habitat.

SCB is determined to support CSR activities based on the concept of creating sustainable benefits for communities and society at large. Our CSR partners are public and private organizations, including the Mae Fah Luang Foundation Under Royal Patronage, the Crown Property Bureau Foundation, the Siam Cement Foundation, the Thai Listed Companies Association's CSR Club, the Private Sector Collective Action Coalition Against Corruption, the Thailand Business Council for Sustainable Development and the Thai Bankers Association's CSR Club. Our CSR news and updates are available on SCB's website and online social networks.

Summary of CSR in 2014: Youth Development, Education, Employee Volunteerism



Overview of CSR Activities



1 Youth Development and Education



Scholarships



SCB Challenge



Art Creates Happiness



Youth Development by The Sufficiency Economy Philosophy



Youth Development in 4 Regions



The Songkhla Youth Citizenship Project



Incubate The Young IT Generation Project

2 Volunteer Network



Beach Cleaning



SCB with 3 Qualities



Seedlings

3 Development of Quality of Life and The Environment



Blood Donation



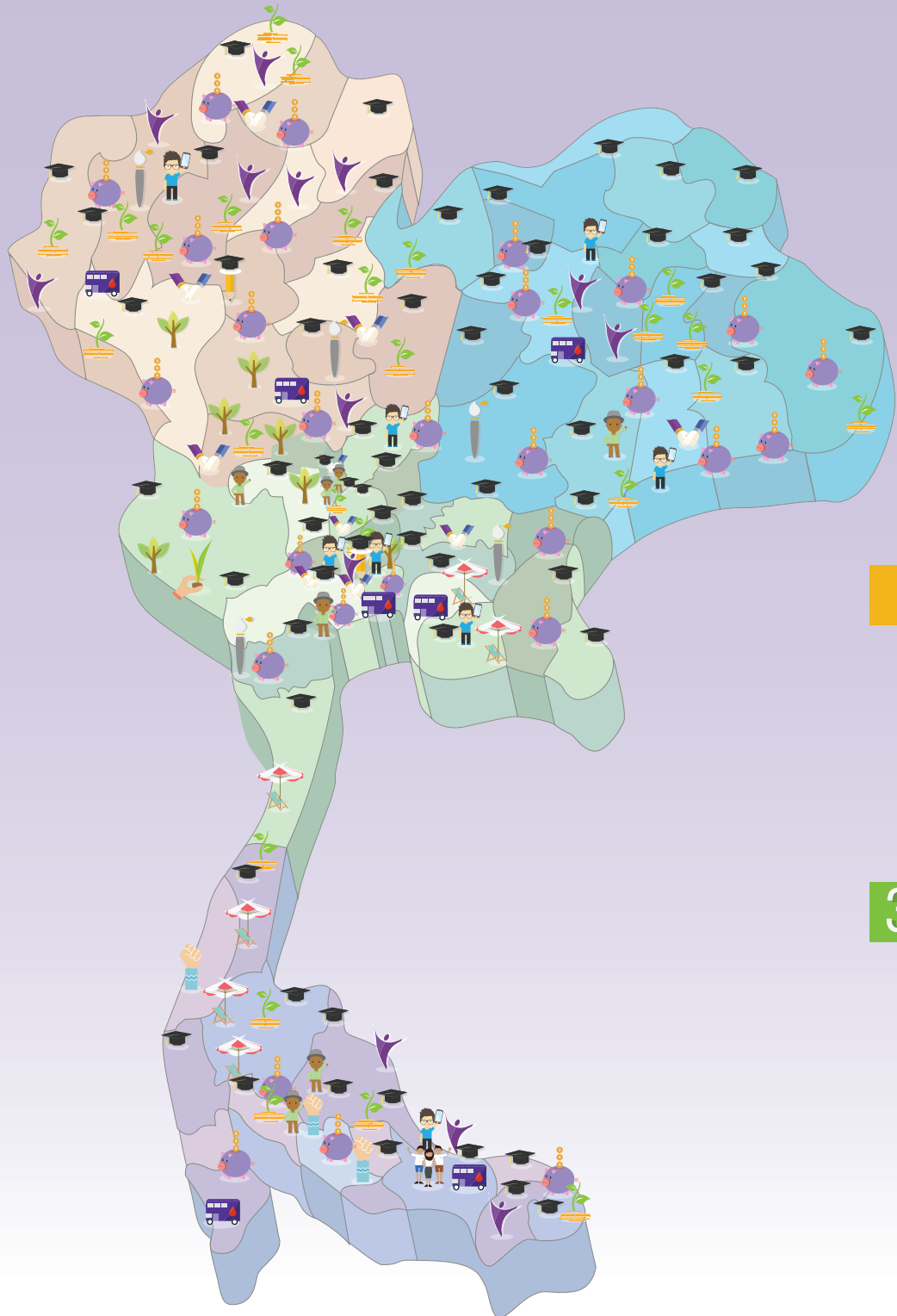
Reforestation in Honor of The King



- Local Community and the Western Forest Complex
- Setting Up Self-Administered Area in Tsunami-Hit Provinces



Setting Up Environmental Fund For Youth Development



Performance of Main CSR Activities



1 Youth Development and Education



580 Civic-Minded Citizens
13,600 Individuals in Local Communities
84,585 Students



2 Civic-Minded Network



1,440 Civic-Minded Citizens
500 Members
8,547 Meetings



3 Development of Quality of Life and The Environment



3,525 Civic-Minded Employees
159,075 Civic-Minded Citizens
5,263 Local Communities
125 Students



Education & Youth Development

SCB Challenge

To build upon our long efforts in youth development to foster capable and energetic new generations who can serve as vital human resources and advocates for national development, SCB initiated the SCB Challenge program in 2006. The SCB Challenge is an annual series of competitions stimulating students at all levels to express their ideas and creativity, and to develop their knowledge, skills, and a spirit of teamwork and volunteerism through running their own community development projects.

The SCB Challenge competitions take place at three broad age levels:

- Painting competitions for primary school students: Each team, comprising four members from different grades, shares ideas and expresses their creativity through their own group painting on a 2x3 m canvas. The theme for the 2014 competition was the nation's core values. Interpretations are determined by the children's own imagination and creativity.
- Quiz competitions for secondary and high school students: Each team, comprising three members from different grades, answers a series of questions challenging their intelligence, knowledge, understanding and reasoning in science, English and general knowledge of the ASEAN Economic Community.
- Community project competitions for undergraduates: Participating teams attend a learning camp organized by SCB prior to developing their own community project proposals. They learn about project management and approaches for collaborating with communities, so that they can use their knowledge to develop feasible and practical activities that will truly benefit people, with a focus on social responsibility, such as better quality of life and sustainable development. Many SCB Challenge community projects have gone on to win support from other organizations to further develop and extend benefits to more people.

More information is available at www.scbchallenge.com

Scholarships

Since 1973, SCB has helped students around the country with scholarships, including border areas where there are SCB branches, to expand learning opportunities for all, no matter how isolated. In 2014, SCB provided scholarships to 345 needy students at the elementary, high school, and university levels. In total, the students received scholarships worth Baht 10 million. Further, the Bank provided educational supplies, including books to 418 elementary and high schools worth Baht 2 million.

The Bank provided scholarships to students from police border patrol schools around the nation and hosted a youth development event for them at the Rama VI Camp in Petchaburi Province. The event included an educational visit to Mrigadayavan Palace, whose management team discussed how they apply Sufficiency Economy principles in running the facilities. Youngsters had the opportunity to exchange views with experts and meet SCB executives prior to returning to their hometowns. The Bank hopes that the students will help better their communities and become leaders of a new generation proud of their homeland.



For 21 consecutive years, SCB has provided scholarships to students and alumni of Border Patrol Police Schools, usually sited in remote areas. In 2014, the Bank awarded 345 scholarships.

Art Creates Happiness

SCB joined with Therapeutikum (Thailand), an organization facilitating art therapy, to develop creativity-based activities for the nation's 19 Panyanukul Schools, which provide education specifically for children with special needs, autism or impaired hearing. In the project's first stage, two Panyanukul schools in the provinces of Petchaburi and Pichit served as pilot learning centers that rolled out art therapy activities to seven other Panyanukul schools in other places. With cooperation from the Ministry of Education's Basic Education Commission, the project was expanded in 2014 to establish two additional Panyanukul schools as learning centers, in Chachoengsao Province and Nakhon Ratchasima Province, enabling them to help introduce art therapy at five Panyanukul schools elsewhere. The program will eventually cover all 19 schools.

Teach For Thailand

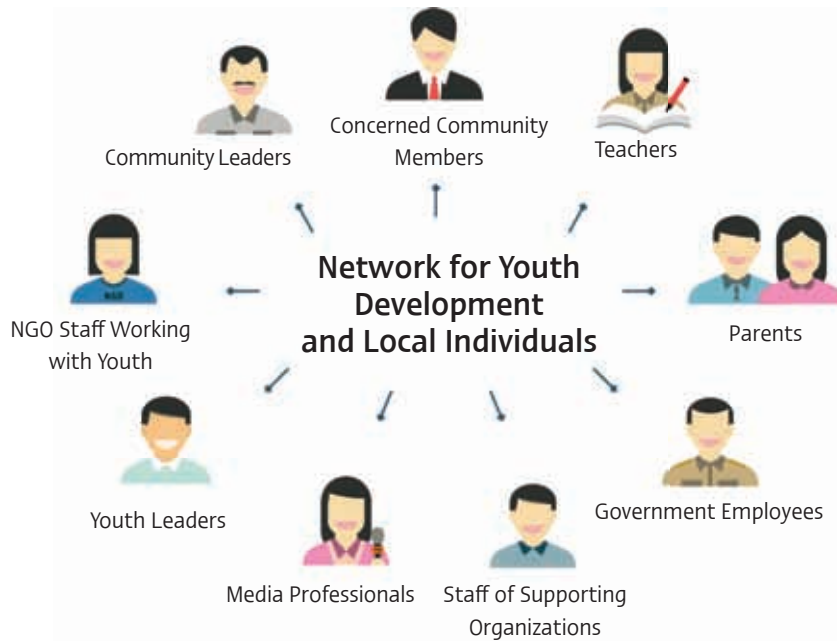
To help upgrade the quality of Thailand's public education system, the Bank supported the Teach for Thailand Foundation, which provides volunteer teaching opportunities to young people in various professions. A volunteer must hold at least a bachelor's degree and want to help an underprivileged community by working in a local school. The volunteers are given special teacher training in order to help improve the host institutions. In 2014, 33 volunteers taught in 14 Bangkok schools. The Bank contributed initial funding, and SCB Foundation provided know-how in project management and youth development

The Siam Commercial Foundation is SCB's partner in spreading and empowering change agents in the community to promote education and youth development. The change agents include parents and community leaders, teachers, NGOs, local government agencies, and youth leaders who can help young people to develop self-awareness, a spirit of volunteerism, and civic responsibilities. Each education and youth development project aims to transform people in the community into change agents, improve the way they work with youth, and inspire the youth with whom they work.

Change Agents for Youth Development

Partner(s)	Project
Ministry of Education, Crown Property Bureau NECTEC	Youth Development through Propagating Sufficiency Economy Concepts IT Programming Competition and Incubating the Young IT Generation
Enhancing Learning for Community Happiness Songkhla Forum	Community Youth Leader Development in 4 Regions of Thailand The Young Active Citizens of Songkhla
Thai Fund Foundation	Environmental Fund for Youth Development
Local Area Research Center of Samutsongkhram	Youth Learning Power in Western Thailand
Local Area Research Center of Srisaket	Good Citizen Power of Srisaket
Local Area Research Center of Nan	Capacity Building for Youth Network of Nan
Thammasat University	Volunteer Center

For more information please visit www.scbfoundation.com



SCBF works in youth development by engaging all stakeholders: parents, teachers, community leaders, government officers, NGOs and the media.

The Sufficiency Economy Learning Center School Network

Together with the Crown Property Bureau, the Siam Commercial Foundation supports the Ministry of Education in promoting King Bhumibol's Sufficiency Economy Philosophy among young Thais. The Ministry has a goal of spreading an appreciation of the Sufficiency Economy principles to 30,000 schools by 2017. In 2014 it was nearly halfway to this goal, at 14,582 schools. The Foundation also provides funding to prepare schools to become Sufficiency Economy Learning Centers, which function in turn as model schools that help surrounding schools. To date, 35 out of 167 schools that applied have become Learning Centers, and 70 more schools are in the process of developing to become Learning Centers.

In order to foster a society of life-long learners, thinkers, and doers, SCB, the SCB Foundation, and its partners perceive a great opportunity in using the Sufficiency Economy Philosophy as a basis to transform Thailand's education system and as a springboard for youth development. The guiding principles of self-knowledge, following the middle path with reason, building resilience, obtaining knowledge, and behaving ethically are universally applicable. The earlier that younger people adopt these principles, the greater the change the country will see in future generations.

The Sufficiency Economy principles can transform the way teachers teach, the way students learn, and the way parents in the community, as well as government officers and NGO members, contribute to the development of young people. For instance, an understanding of Sufficiency Economy helps teachers to change from teaching students by rote to teaching them to think, to search for knowledge by themselves, and to develop a sense of identity. The teacher's role changes from a lecturer to a resource supporting the student's learning process.

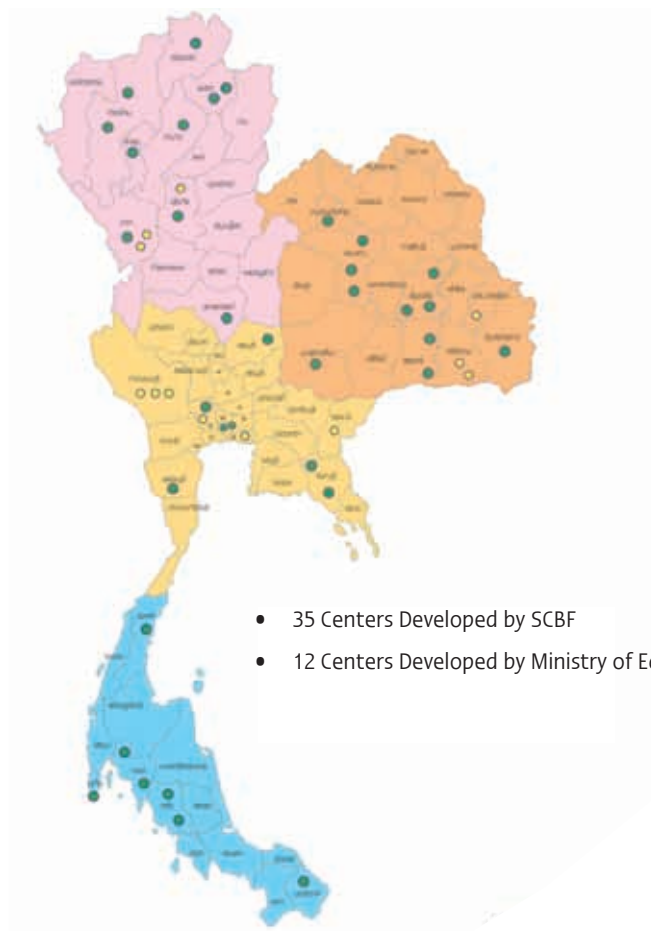
The new teaching approach also encourages students to develop a mindset of volunteerism, to be more disciplined, and to use better reasoning in making decisions. All of these attributes will reduce many common teenage problems. Also, as a result, teachers and students will develop stronger relationships and better learning outcomes.

So far, the achievements of the youth development through the Sufficiency Economy Project (SEP) include reports of lessons learned and best practices for regional schools describing how Sufficiency Economy principles have improved school management and teaching techniques. The report of best practices in diffusing SEP in education will be passed on to the Foundation for Virtuous Youth, the Bank's collaborator in 2015.



SCB helps government efforts to teach the Sufficiency Economy Philosophy in 30,000 schools nationwide. Student volunteers at Streemandapitak School in Chanthaburi Province apply this philosophy in community projects.

Universities, Network Schools, and Sufficiency Economy Learning Centers



Youth Development in 4 Regions

The goal of the three-year project for local youth development is to develop human resources at the sub-district level (Subdistrict Administrative Organization or Or Bor Tor) to promote youth development. The project is a good joint collaboration with the Siam Commercial Foundation and the Crown Property Bureau Foundation.

The KPIs of the project are as shown:

Sub-district (SAO) Management	<ul style="list-style-type: none"> - Owns and understands the youth development challenge - Establishes a local human resources center - Develops budgets for project work - Assigns responsible personnel
SAO Officers	<ul style="list-style-type: none"> - Engage with the community - Engage youth - Adapt the work approach as required
Cooperation between parents, local hospital, school, temple	<ul style="list-style-type: none"> - Promotes cooperation - Linked to budget
Youth leaders	<ul style="list-style-type: none"> - Work within a network, developing each batch of resources with a focus on continuity
Method of youth development	<ul style="list-style-type: none"> - Activities - Student projects - Community projects

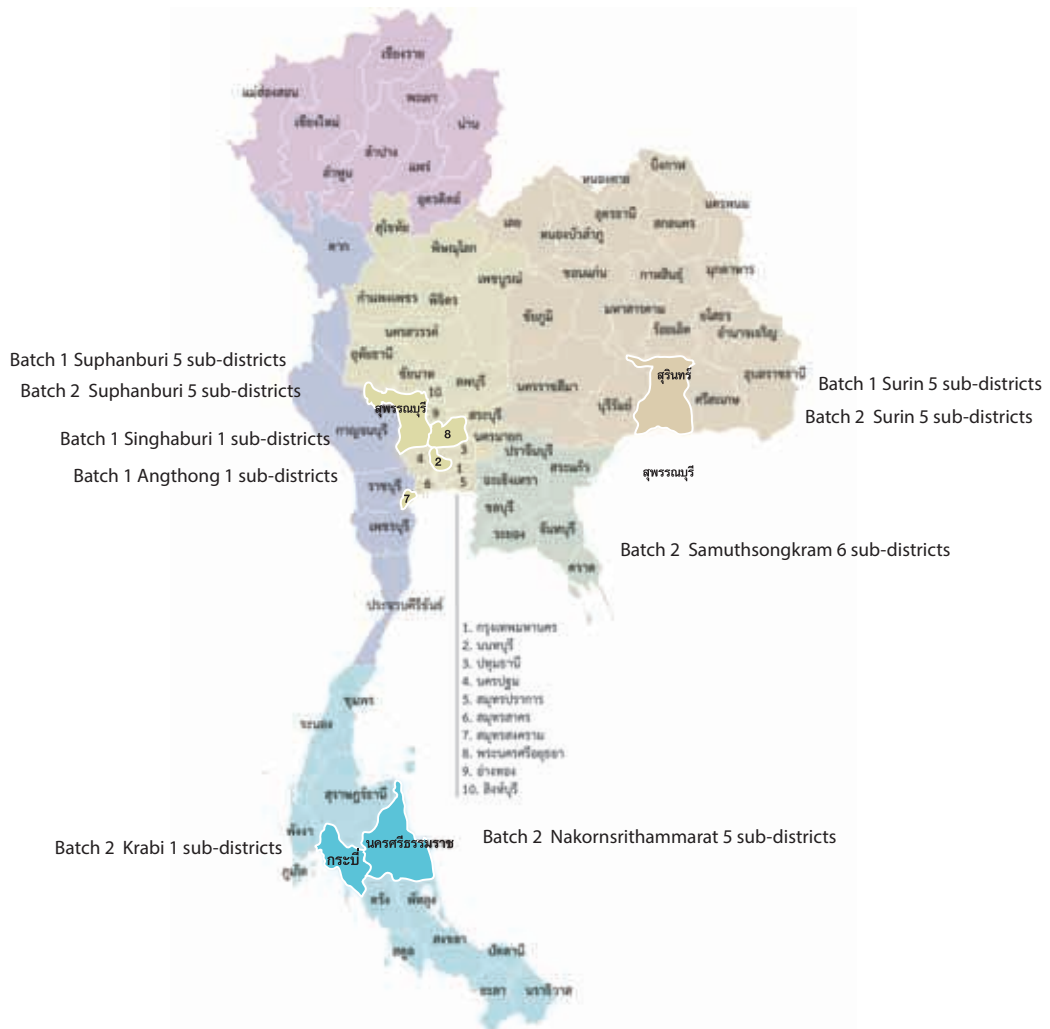


The project, managed by the Enhancing Learning for Community Happiness and the Samutsongkram Research Forum, develops sub-district personnel into 'community connectors.' The map below illustrates the first (2013) and second batches (2014) of community connectors throughout Thailand.

Village officials learn to catalyze youth development, under a skills-building project done in dozens of sub-districts across Thailand's four regions. The SCB-backed project helps grass-roots officials become "community connectors" to increase dialogue and cooperation.

Community Connectors 2013-14

Batch 1 (12 sub-districts) and Batch 2 (22 sub-districts)



Capacity Building for Three Organizations

SCB and the Siam Commercial Foundation support youth capacity building carried out by three organizations as follows: The Young Active Citizens of Songkhla Project by Songkhla Forum, Incubate the Young IT Generation Project by NECTEC and Environmental Fund for Youth Development Project by Thai Fund Foundation.

The Young Active Citizens of Songkhla Project

SCB and Siam Commercial Foundation work with the Songkhla Forum to encourage youth citizenship in four provinces: Songkhla, Samutsakorn, Nan, and Srisaket. Started in 2014, the three-year project aims to strengthen the capacity of youth development organizations in terms of management, budgeting, and youth education.



Youngsters in Songkhla Province developed a proposal for sustainable conservation of Samila Beach. It was one of many "youth citizenship" projects involving hundreds of volunteers in a three-year program across four provinces initiated by Songkhla Forum with SCB support.

Progress	Impact
<p>Four months into the project, the Songkhla Forum has been able to:</p> <ul style="list-style-type: none"> Establish a platform for managers and officers from various organizations to meet and determine a common vision for youth development and project planning; Establish key performance indicators. 	<ul style="list-style-type: none"> Batch 1 Youth Leaders (110 persons and 22 projects) Batch 2 Youth Leaders (120 persons and 24 projects) Coaches: 43 Youth Citizenship Network Youth interest aroused in waste management, beach area conservation, and a proposal for a constitutional bill submitted to the Songkhla Municipality A youth fund with an efficient network and knowledge management, including mentoring and a communication platform



"I study community development and after surveying our community, we found that many adults spend a lot of time gambling, leaving children to watch television and experiment with drugs, and even become drug dealers. So we came up with a brief to develop life skills and stimulate awareness and character building among children in the community. I first thought community development was about how to make a community prosper, but by participating in this project I have come to understand what my professor meant by saying that development only comes with developing people and helping them to understand and resolve problems. Even if the community doesn't cooperate, helping children in the community to learn, solve problems, and become good citizens is not hard. It's more about us wanting to do something for the common good, which begins with ourselves. You can't put values in others' hearts, but good values can come from being inspired from within."

Siriwan Masae, Songkhla Rajabhat University student



Elderly patients with foot problems benefit from a diagnostic innovation by a Mahidol University student. The award-winning optical scanner and software were developed in an IT incubator program for youth supported by SCB, SCBF and SCB volunteers.

Incubate the Young IT Generation Project

SCB and the Siam Commercial Foundation, with others, support the National Electronics and Computer Technology Center (NECTEC) in fostering IT development among youth and IT personnel. The project has seen two batches of young IT developers in 2014; 14 youths in the first batch with 7 projects and 35 youths in the second batch with 13 projects. The IT youth developers enter a programming competition and receive mentoring from employee volunteers representing the seven participating organizations, covering user interface and experience design, IT project management, and business planning. Employee volunteers from SCB include marketing experts and business plan advisors from the Business Alliance Development. In parallel, the Siam Commercial Foundation provides the funding for the IT Incubator, offers human resources development assistance, and provides coordination among the many experts who support the IT youth program.

This IT Incubator has taken many applications to market as illustrated below : Zombio is a free application for Android devices for grade 10-12 students, providing chemistry and molecular biology content, virtual lab testing, and evaluation. The St. Francis Xavier Convent student team who developed it competed as the Thailand representative at Asia Pacific ICT Awards in November 2014. BadGreen, developed by students at Rayong Wittayakhom School, is an iOS game application to stimulate interest in environmental conservation from age 15 onwards. Personal Health Assistant is an application to record health data, including meals, sleeping hours, and exercise. It analyses a person's data and is particularly useful for diabetics to share with their physicians in order to monitor their condition and adjust behavior accordingly. The application has been tested by doctors at Songklanagarind Hospital and will soon be used at other hospitals. The Podogram Analyzer was developed to be a better way of detecting the risk of falling among elderly people. Typically, this is done with an ink stamp of the foot to see the opacity of weight distribution. The Podogram Analyzer is a better device, especially for elderly diabetics, because it uses a laser scan to develop a customized shoe or inner sole design for each patient.



Salawin Bermuda Grass is a project run by youth in Mae Hong Son Province to help village kids learn about forest conservation and traditions of the local Karen people. It is supported by the Thai Fund Foundation, an environmental endowment backed by SCB and SCBF.

Environmental Fund for Youth Development Project

Similarly, SCB and the Siam Commercial Foundation support the initiative of the Thai Fund Foundation, which is a three-year project to establish an environmental fund for youth development. The project has been running for over two years, and the outcomes are as follows:

Outcomes	Environmental impacts
<ul style="list-style-type: none"> • 2 batches of youth leaders in the community of 117 people with the skills and roles in conservation and natural resource management and environmental planning in the community. <ul style="list-style-type: none"> • Batch 1 Youth Leaders: 54 persons and 18 projects • Batch 2 Youth Leaders: 63 persons and 21 projects • Coaches: 39 persons who have the skills to understand their roles and support youth projects in the community 	<ul style="list-style-type: none"> • An Environmental Fund for Youth Development to be invested in mentoring, network management, and as a communication platform • Environmental conservation, rehabilitation, management, and conflict resolution in 30 areas in four regions of Thailand. For example: <ul style="list-style-type: none"> • Agreement in Tambon Maesamlaeb, Amphur Sobmeuy, Maehongson Province that the forest area water resources must be protected as a food resource for the local community • Helping Nonghaew Community, Tambon Nafai, Amphur Nampad, Uttaraditt Province to utilize community forest data for more effective community forest management

Volunteer Network

Let's Do Good

'SCB Let's Do Good' is the Bank's ongoing initiative to instill values and a culture of sharing. The major goal is to encourage volunteerism within SCB's employees (and the Thai public in general) to take part in planning and implementing activities that are "good" both through continuing current projects and through initiating new ones. Sustainability and community engagement are the essential focuses of the SCB Let's Do Good initiative that is carried out under the following 3 major themes:

1. Good for Kids are activities to promote education and youth development.
2. Good for Community are activities that contribute to community development.
3. Good for Environment are activities to protect the environment.

In 2014, a team of more than 130 executives and staff of Siam Commercial Bank's Markets Operations Division participated in "Vinythai Collaboration in Cultivating 80,000 Coral Branches for His Majesty the King" project. Initiated by the Marine Science Activity and Conservation Foundation and supported by SCB's client, Vinythai PCL, the volunteers collaborated to build six PVC pipe structures. These structures will propagate 84 coral branches on a floating raft in the coastal area of Wiharn Luang Phor Dum, Wat Chong Samaesarn, Sattahip District, Chonburi Province. As illegal and unregulated fishing has destroyed many coral reefs in the recent years, the restoration of the marine environment is a priority in order to maintain the bio-diversity of the marine life close to its shores and protect beach areas against erosion.

In another example, volunteer staff of the SCB Branch Office joined a beach cleaning activity with others from SCB group companies, state agencies including Paknam Langsuan and Napaya Subdistrict Municipalities, as well as teachers and students of Wat Amphawat School. The activity was aimed at improving the environment and protecting the natural habitat of Koh Khao Beach, a key tourist site of 1.5 kilometers in Chumphon Province's Langsuan District. At the same time, the team cleaned the Replica Warship of Kromluang Chumphon Khet Udomsak, a major tourist destination for local people.

SCB with 3 Qualities

SCB encourages employees to engage in social responsibility activities all year round. In 2014, SCB launched the "SCB With 3 Qualities" project, which focuses on quality of life, quality of mind and quality of habits in personal finance.

Quality of life – Volunteers helped improve basic infrastructure in schools, especially as regards hygiene and sanitation, such as water purifiers, tooth brushing areas and toilets. These renovations helped improve the quality of life for all students. Volunteers also helped improve the landscaping and gardening around the school to make it more healthy and tidy.

Quality of mind – Volunteers helped improve school libraries such as by arranging books, creating teaching materials, setting up an art corner and setting up computer rooms equipped with educational software.

Quality of habits in personal finance – Volunteers helped kids develop their financial literacy through simple activities. The project included lessons on how to save money, how to spend wisely and how to do good for other people. The goal was to teach students how managing their money wisely will help them build better lives.



The SCB, Let's Do Good campaign encourages Bank staff to volunteer for projects to help children, the environment and local communities in need.

In past years, SCB with 3 Qualities was carried out at 94 schools by civic-minded SCB staff focusing on quality of life and quality of mind. In 2014, volunteers introduced the financial literacy program at 9 schools, including 8 upcountry and 1 in Bangkok. In each region there are at least 5 civic-minded SCB staff handling these projects. In 2015, we plan to expand the financial literacy lessons to 12 upcountry schools.



SCB staff volunteered to teach students about good financial habits, in a new program begun at 10 high schools nationwide called "SCB with 3 Qualities" which also helped improve classroom facilities and learning materials.

One Day In One Year

"One Day in One Year" is a project that the Bank organizes to offer activities encouraging youngsters to do good things for society. The three themes are "sharing what we have, sharing ideas and sharing our strengths." Currently some 20,000 youngsters participate in our various activities. For example, children from orphanages join our field trips to go plant tree seedlings in forests. We organize an online campaign to help blind readers by getting volunteers to key in the contents of interesting books for printing in Braille. "Read for the Blind" is another activity via the Thailand Service Co-Operative of the Blind whereby volunteers can make audio recordings of their narration of books, magazines and articles.

In 2014, SCB recycled 2,900 cardboard boxes and 1,500 plastic water bottles. Gift for Giving is an activity for SCB employees and other volunteers who collaborated to make 50 book shelves, 50 chairs, and 50 decorative curtains for libraries in needy schools at Ayuthaya Province.

For details, please visit www.1day1year.com



Gift for Giving, part of SCB's One Day in a Year Sharing project, rallied SCB staff and volunteers to craft shelves, chairs and curtains from discarded plastic bottles and cardboard boxes, for donation to needy rural schools.

Environmental Management and the Quality of Life

SCB supports society and the environment by raising awareness of problems and suggesting actions for better environmental conservation, improving the quality of life for everyone. It does this by donating financial management expertise in support of natural resource conservation. It also funds online 'edutainment' to raise environmental awareness among the younger generation. Moreover, the Bank is the largest private-sector blood donor organization in the country.

Blood Donation

SCB leads nationwide efforts to support the Thai Red Cross Society's blood collection campaign by hosting regular blood donation events. In 2014, it collected over 60 million cc of blood – up 8 million cc from 2013. The 2015 target is to increase blood donations to over 60 million cc of blood in honor of H.R.H. Princess Maha Chakri Sirindhorn's 60th birthday anniversary. H.R.H. Princess Maha Chakri Sirindhorn is the patron of the Thai Red Cross.

To achieve this target, the Bank will expand its fleet of blood collection buses from six to ten vehicles. By 2015 it will have mobile blood donation centers not only in Bangkok, but also in Chiang Mai, Phuket, Chonburi, Songkhla, Khon Kaen, and Nakhon Sawan.

In addition, the Bank supports Chulalongkorn University and Kasetsart University in operating their veterinary hospitals and mobile units for canine blood donation. In 2014, these two institutions collected 470,000 cc of canine blood. The two mobile units can also be used as veterinary ambulances.

Uniform Fabric Recycling

All SCB employees receive new uniforms every four years. As part of the One Day in One Year campaign, SCB collects and recycles leftover fabric from old uniforms into blankets and winter wear that are donated to communities in need in northern Thailand. Also, in 2014, the Bank cooperated with the Royal Thai Air Force to deliver over 2,000 blankets made from old uniforms to villagers suffering from the cold in Chiang Rai Province.

Financial and Organizational Management for Western Forest Conservation

SCB collaborates with the Seub Nakhasathien Foundation in supporting sustainable community development in Thailand's Western Forest Area which runs alongside the Myanmar border. This area covers about 12 million acres, consisting of 11 national parks, with 129 communities, and encompasses about 13,772 households. The collaboration is a part of the efforts to develop responsible resource management, eliminate confrontations between officials and the community, and remove the need for forest encroachment through vocational training such as weaving, growing organic herbs, and vegetable farming.



SCB supports numerous efforts to improve quality of life, protect the environment and provide humanitarian aid. These include blood drives, disaster relief and ecological education.

Progress & Outcome 2010-2014:

Learning Communities



Learning Centers: 10
 Learning Households: 34
 Average household income: 170,000 baht/year

Organic Herbs



Members: 200 households
 Average household income: 12,000 baht/year

Cloth Weaving



Members: 151 households
 Average additional household income: 1,125 baht/year

Five Years Plan and Targets (2015-2519)

Seub Nakhasathien Foundation



Officers change role to vocational coordinators + Assist in developing products and marketing skills

Community



Develop community leaders for community-based enterprises + Develop communities and products for a sustainable quality of life in the natural habitat

Self-Reliant Social Entrepreneurs



Socio-environmental enterprises become more self-reliant and develop resilience and financial skills

Community Enterprise



Community gains from environmentally-conscious business models



Community contributes to the environmental conservation fund



SCB Eco Mission is an edutainment Facebook game designed to raise environmental awareness among children. In the game, the player is on a bicycle riding around town, interacting with various opportunities and risks, and the decisions made lead

to predetermined consequences. Eco Mission has introduced more than 850,000 members of the younger generation to the importance of resource conservation using the 3Rs: Reuse, Reduce, Recycle. There are more than 12,000 players at the moment.



The Bank plays a leading role in supporting art, culture and music in Thailand, with a focus on local traditions. Among the performing groups aided are the royal khon dance troupe and the Joe Louis traditional puppet theatre. The Bank aims to help sustain these arts and make them accessible to youth all around the nation.

BANKING AND THE ENVIRONMENT

Although banking is not a resource-heavy industry with significant environmental impact, banks rely on energy and resources for both daily operations and transportation. The Bank's use of water, paper, data servers, computers, and various other equipment and products cannot avoid impacting the environment. SCB is committed to managing this environmental impact of its operations countrywide.

In 2014, SCB began a partnership with Kasetsart University to calculate its carbon footprint for the four administrative offices in Bangkok where more complete data is available. SCB administrative offices include the Head Office*, the Chidlom building, the Chaengwattana building. The charts under Energy

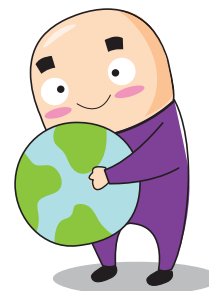


SCB is analyzing its carbon emissions and planning countermeasures after joining a pilot project under the government's Thailand Greenhouse Gas Management Organization.

Consumption and Carbon Emission below show energy consumption converted into kilograms of carbon dioxide following GRI guidelines (Scope I and II). This does not include air and ground travel as the Bank is still developing an organization-wide data collection system.

With the large number of locations in Thailand, the challenge remains to consolidate the utilities data of all 1,197 branches as efficiently as has been done for the administrative offices in Bangkok. SCB recognizes that resource conservation in its daily operations countrywide requires integrated data collection and an organizational strategy linking the Bank's office building, procurement, branch network, HR, IT, and CSR functions. Equally important is the organizational mindset of conservation, which should be strengthened and maintained with effective communication and awareness-raising. The Bank is working towards redefining its environmental policy, establishing a committee, and implementing changes in 2015.

The following charts show energy consumption, carbon emissions from energy consumption of the Head Office*, the Chidlom complex, the Chaengwattana complex and where applicable, the Data Center. The energy consumption and carbon emission of the four Bangkok offices are based on actual consumption in kilowatt-hours. Water consumption is based on the water bill converted to volume in cubic meters.



Energy Consumption (kWh)

	2013	2014
Head Office, Chidlom, Chaengwattana, Data Center	56,010,000	52,845,000

GHGs

Head Office

Type of Emission	Unit	2014	Data Source	GHGs (Kg)
Scope I				1,339.15
Diesel (reserve)	L	4,080.29	invoice	
Scope II				14,476,695.20
Electricity	kWh	24,904,000	invoice	
Total				14,478,094.35

Chidlom

Type of Emission	Unit	2014	Data Source	GHGs (Kg)
Scope I				328.20
Diesel (reserve)	L	1,000	invoice	
Scope II				4,166,177.10
Electricity	kWh	7,167,000	invoice	
Total				4,166,505.30

* Head Office and the Data Center.

Chaengwattana:

Type of Emission	Unit	2014	Data Source	GHGs (Kg)
Scope I				1,312.80
Diesel (reserve)	L	4,862	invoice	
Scope II				7,626,656.00
Electricity	kWh	13,120,000	invoice	
Total				7,627,968.80

Data Center

Type of Emission	Unit	2014	Data Source	GHGs (Kg)
Scope I				-
Diesel (reserve)	L	-	invoice	
Scope II				4,449,270.20
Electricity	kWh	7,654,000	invoice	
Total				4,449,270.20

Water

SCB facilities consume only municipal water supplies. The central water management scheme consists of a high quality water automation system for toilets and a wastewater treatment system that together have reduced water consumption by 30%. At the Head Office compound alone, about 30 cubic meters of water a day is reused for landscaping maintenance. This represents about 6,000 cubic meters of recycled water a year or two percent of the Bangkok offices' total water use.

Year	Water Withdrawal (Cu.m)
2011	292,668
2012	341,633
2013	473,806
2014	368,216

Environmental Management at Operations

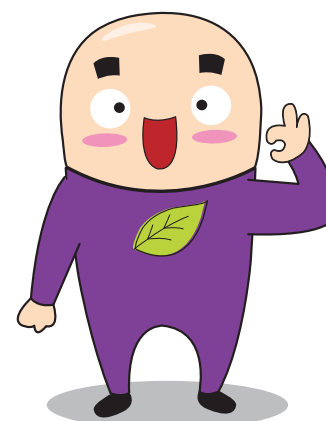
As mentioned under the Banking & Responsibility section above, SCB has numerous channels for receiving and responding to stakeholder inquiries and concerns. However, it aims to further improve communication channels and coordination in order to be able to listen better and respond faster.

SCB's Procurement and Our Suppliers

Banking operations depend on a long supply chain for services and products, most of which impact the environment. SCB is increasingly emphasizing resource efficiency and more responsible supply chain



At its first-ever Vendor Community Day, SCB explained its new Supplier Code of Conduct covering human rights, corruption, the environment and labor practices.



management to minimize waste and reduce the risk of non-compliance, corruption, human rights violations, and environmental degradation. In 2014, the procurement unit introduced the "Supplier Code of Conduct" (see further details in Banking & Responsibility, above) which will be the basis for continued efforts to improve supply chain transparency and monitoring.

SCB has an e-procurement system for selected products which streamlines the buying process, reducing both time and waste. It also has partnerships with various suppliers for the proper disposal of products such as old printing cartridges.

A large portion of the material used in banking service is paper. SCB has been using more and more green products over the years, including paper with 80% recycled content, paper with 60% rice straw and 40% corn content, and now, 100% recyclable paper (SCG Idea Paper Eco-Value).

The procurement divisions select outsourcing partners based upon the alignment of their business strategies with those of SCB, notably competitiveness, business continuity, customer protection, and demonstrated risk management. SCB's commitments to suppliers and outsourced partners are governed by its Code of Conduct.

SCB selects service providers based upon the following criteria:

- Technical capability
- Expertise and experience
- Financial status
- Business reputation
- Records of complaints and litigation
- Service policy
- Risk from serving multiple clients

In 2014, SCB worked with 500 suppliers, 70% of which were SMEs. This reflects the Bank's commitment to supporting the Thai economy through promoting SMEs, which has a positive impact on employment and wealth distribution. Moreover, this year SCB held its first "Vendor Meeting" to initiate a dialogue with its suppliers to share SCB's sustainability direction and collect feedback for improvement.

Carbon Offsetting

Paper Recycling

SCB outsources paper recycling and data destruction to InfoZafe under Thai British Security Printing PCL. This is the seventh year of participating in the "Shred2Share" program, where confidential documents are safely destroyed and the paper is recycled into new paper as well as paper furniture.

The Bank is still developing a stock management system for paper use company-wide. Without this system, SCB is able to show only the total annual procurement of paper and percentage of recycling through InfoZafe's statistics. The chart below also shows how much carbon dioxide, coal, and water it was able to save through recycling paper.

Carbon Credit

With Kasetsart University as its partner and advisor on carbon emissions from our operations, in 2014 SCB participated for the first time in a voluntary carbon offset program through South Pole Carbon Asset Management Ltd. Our carbon credit allowed us to offset 1,586 kg CO₂, which is 10% of SCB's total emissions.

	2012	2013	2014
Recycled (tons)	419.68	382.69	776.55
CO2 offset (Kg CO2)	109,117	99,469.69	201,902.73
Coal offset (Kg CO2)	46,165	42,094.75	85,420.39
Water offset (m3)	20,984	19,133.98	38,827.45



SCB's second year of sustainability reporting has come accompanied by capacity building in the management level in terms of strengthening the understanding and the vision of sustainable banking. Essential to this on-going process is cross-unit teamwork for transforming the organizational mindset at every level, devising new systems to collect integrated data, and increasing stakeholder engagement.

Change management through SCB's internal collaborative Change Program is a key platform driving this type of cross-unit cooperation. For the past thirteen years, sustainability initiatives have been incubated under this program and then expanded throughout the organization. Especially important today is the challenge of change management, because in 2015 SCB is entering a period of transition in its executive management. SCB's sustainability transformation – the way it will plan and adapt to changes in order to succeed in the long term by attending to stakeholder values – is at the top of the agenda.

In terms of bringing about a mindset for sustainable banking organization-wide, iSCB represents the foundation which will anchor SCB's sustainability transformation. Once this outlook is part of the DNA of SCB staff, it will attract new talent, inspire the workforce, and strengthen the SCB brand. Much depends on SCB's human resource management in the long term. Starting now, SCB is determined to maintain its status as the bank of choice for all its stakeholders.

Throughout the years, SCB has worked to raise environmental awareness among all its stakeholders and to foster a conservation mindset regarding Thailand's natural resources, including those used for its operations. Through the exercise of reporting on sustainability under the guidelines of the Global Reporting Initiative, the entire organization is gradually awakening to the need for a sustainability strategy interwoven with the Bank's economic objectives.

SCB is developing a clear set of sustainability-savvy policies and is coming up with methods to measure the impact of these policies. More importantly, the reporting structure the Bank is following offers the framework for quantifying resource consumption and setting targets for carbon emission, offsetting requirements, and data collection gaps. SCB is increasingly working towards electronic banking, energy-efficient data centers, and improving overall operations during the next few years.

Over time, SCB will accomplish in the social and environmental realms what it has worked for in the economic sphere: an equitable and just apportionment of the impact and resources that is net positive, paving the way to an economically sound banking sector based upon timeless yet uniquely Thai principles of governance.

Siam Commercial Bank has published a sustainability report every year since 2013.

Financial data disclosed in this report contain the results of the various operations of SCB, including subsidiaries and associated companies, to comply with the SCB Annual Report 2014. For social data, it covers only the data of SCB branches in Thailand (non-consolidated subsidiaries and associated companies). The environmental data only cover major SCB office buildings (Head Office*, Chidlom Building and Chaengwattana Building).

Reporting Scope

The reporting period for the information in this report is 1 January 2014 to 31 December 2014. This 2014 sustainability report is based on the Global Reporting Initiative, or GRI G4 “Core.”

Reporting Assurance

The financial data have been obtained from financial management systems similar to those presented in the SCB Annual Report 2014 and is verified by independent auditor. To assure the integrity and the transparency of environmental and social data in this report, SCB has requested an external party to verify and assess the data against GRI-G4 criteria (see details on page 73,74).

Reporting principles for environmental and social data

Environmental and social data from SCB’s Head Office and all branches in Thailand are included in the report (non-consolidated subsidiaries and associated companies). The environmental data only cover SCB’s major office buildings (Head Office, Chidlom Building and Chaengwattana Building). The selection of information included is based on what is determined by SCB’s management to be relevant and of value for its stakeholders in assessing sustainability performance.

Environment

The environmental data cover those activities that, based on an overall environmental assessment as determined by SCB management, could have a significant impact on the environment. The environmental data are obtained from various sources, including invoices, meter readings and estimates based on basic ground rules.

Energy

Total energy consumption includes all electrical power used in operations in bank branches and offices, as well as diesel fuel used by power generators. The amounts are collected from vendor invoices and meter readings.

Greenhouse Gas Emissions (GHGs)

Emissions of greenhouse gases mean the amount of greenhouse gas emissions from operations of the Bank calculated to reveal the Guideline on Carbon Footprint Organization, Thailand Greenhouse Gas Management Organization (Public Organization) (TGO) Revision 1 October 2013 and WRI / WBCSD The Greenhouse Gas Protocol:

1. Operational boundary

1.1 Direct GHG emissions (Scope 1): GHG emissions occur from SCB’s use of vehicles that are controlled by SCB for travel in the banking business and the use of power generators. For GHG occurring from vehicles that are controlled by SCB (Scope 1), data will be reported in the future.

1.2 Indirect GHG emissions (Scope 2): GHG emissions occurring from purchased energy

* Head Office consists of Head Office Building and Data Center Building

2. Inventory

2.1 Scope 1 GHG emissions are calculated based on fuel consumption x emission factors as set by the Thailand Greenhouse Gas Management Organization (Public Organization)

2.2 Scope 2 GHG emissions are calculated from electricity consumption to refer to emission factors by suppliers.

3. Reporting of GHG emissions : The types of GHG emissions to be reported include CO₂, CH₄ and N₂O converted to the universal unit of measurement by Global Warming Potential (GWP) as CO₂ equivalent. The GWP factors are defined by IPCC.

The greenhouse gas emissions from vehicles under the control of the Bank (Scope 1) will be reported in the future.

Water

Water withdrawal is the volume of water from various sources used in the Bank’s operations, measured using invoices and meter readings. The water resource is tap water.

Social

Employees are the key to sustainable development. SCB has invested in the development of staff through training programs. These programs will help to improve individuals’ performance and organizational performance. SCB employees are full-time workers under SCB employment contract. (Not including outsourced staff and temporary staff).

Training

SCB has a system to record training data for all personnel via computer network. Training is divided into two levels: executives and employees. The types of training programs are:

1. Internal training by the Bank
2. External training conducted by an outside organization
3. Specific training programs depend on job-related responsibilities, such as training, health and safety, etc.

$$\text{Average training hours per employee} = \frac{\text{Total number of training hours provided to employees}}{\text{Total number of employees}}$$

$$\text{Average training hours per female} = \frac{\text{Total number of training hours provided to female employees}}{\text{Total number of female employees}}$$

$$\text{Average training hours per employee category} = \frac{\text{Total number of training hours provided to each category of employees}}{\text{Total number of employees in category}}$$

Parental Leave

Parental leave refers to permission to take leave from work granted to a female employee when giving birth to a child. Maternity leave is permitted only to female employees.

Rights of Maternity Leave

A female employee has the right to take a 90-day maternity leave and is entitled to receive wages for up to 45 days of this period. Maternity leave can be taken either before or after a child's birth but is limited to 90 days in total. Any days beyond this limit is deemed as leave without pay and will not be counted toward working days.

The maternity leave period is counted starting from the first day of absence continuing through the ninetieth day of absence. The count includes all non-business days.

Data Collection Process

The Bank has a computerized system called My HR Space, which is the My HR Space module used to record an employee's maternity leave. Procedures are as follows:

1. Notice of birth schedule is recorded via My HR Space and in advance to an employee's seniors. Starting and returning dates must be specified.

2. Once a maternity leave is officially approved, the information will be communicated to both the Human Resource Department and the relevant employees by email.

3. An administrator will record the information in the My HR Space. If there is a change in date, whether starting date or return date, a memo must be issued and sent to the HR Department.

4. After the employee has returned to work, confirmation must issued via My HR Space.

Calculation of Maternity Leave

The Bank uses data from the My HR Space to calculate an employee's date of return to work and the rate of retention of employees after maternity leave. The calculation formula is as follows.

$$\text{Return to work rate} = \frac{\text{Total number of employees who did return to work after parental leave}}{\text{Total number of employees due to return to work after taking parental leave}} \times 100$$

$$\text{Retention rate} = \frac{\text{Total number of employees retained 12 months after returning to work following a period of parental leave}}{\text{Total number of employees returning from parental leave in the prior reporting period(s)}} \times 100$$

GRI CONTENT INDEX

G4 Indicator

General Standard Disclosures		AR	SR
		Page number/reference	
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G4-1	Provide a statement from the most senior decision-maker of the organization (such as CEO, chairman, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability	8-11	4-5
G4-2	Provide a description of key impacts, risks, and opportunities	55-56	11-14
2. Organization Profile			
G4-3	Report the name of the organization	29	9
G4-4	Report the primary brands, products, and services	29-42	9
G4-5	Report the location of the organization's headquarters	237	11
G4-6	Report the number of countries where the organization operates, and names of countries where either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report	234	9
G4-7	Report the nature of ownership and legal form	204-207	9
G4-8	Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries)	29-42	9,26-31
G4-9	Report the scale of the organization, including: total number of employees, operations, net sales or net revenues, total capitalization broken down in terms of debt and equity, quantity of products or services provided	23,77	9
G4-10	Report the total number of employees by employment contract and gender Report the total number of permanent employees by employment type and gender Report the total workforce by employees and supervised workers and by gender Report whether a substantial portion of the organization's work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries)	104-108	36
G4-11	Report the percentage of total employees covered by collective bargaining agreements	NR	NR
G4-12	Describe the organization's supply chain	-	11
G4-13	Report any significant changes during the reporting period	10,23	-
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization	43-51	20
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	29	17
G4-16	List memberships of associations (such as industry associations) and national or international advocacy	-	45
3. Identified Material Aspects and Boundaries			
G4-17	List all entities included in the organization's consolidated financial statements or equivalent documents	104-114	-
G4-18	Explain the process for defining the report content and the Aspect Boundaries. Explain how the organization has implemented the Reporting Principles for Defining Report Content	-	12-13
G4-19	List all the material Aspects identified in the process for defining report content.	-	13
G4-20	For each material Aspect, report the Aspect Boundary within the organization	-	12-13
G4-21	For each material Aspect, report the Aspect Boundary outside the organization	-	13
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements	-	13
G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries	-	13
4. Stakeholder Engagement			
G4-24	Provide a list of stakeholder groups engaged by the organization	55-56	14
G4-25	Report the basis for identification and selection of stakeholders with whom to engage	55-56	14-16
G4-26	Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process	55-56	15-16
G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics	55-56	14
5. Report Profile			
G4-28	Reporting period (such as fiscal or calendar year) for information provided	-	7
G4-29	Date of most recent previous report (if any)	-	7
G4-30	Reporting cycle (such as annual, biennial)	-	7
G4-31	Provide the contact point for questions regarding the report or its contents	-	11
G4-32	Report the 'in accordance' option the organization has chosen Report the GRI Content Index for the chosen option Report the reference to the External Assurance Report, if the report has been externally assured. GRI recommends the use of external assurance but it is not a requirement to be 'in accordance' with the Guideline	-	7,65
G4-33	Report the organization's policy and current practice with regard to seeking external assurance for the report	-	7,65

NR = Not Relevance NA = Not Available

General Standard Disclosures		AR	SR
		Page number/reference	
6. Governance			
G4-34	Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts	45-47	19
G4-35	Report the process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees	64-65	19
G4-36	Report whether the organization has appointed an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body	58-62	17-19
G4-37	Report processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics. If consultation is delegated, describe to whom and any feedback processes to the highest governance body	55-56	18-19
G4-38	Report the composition of the highest governance body and its committees by: Executive or non-executive	58-59	18-19
G4-39	Report whether the Chair of the highest governance body is also an executive officer (and, if so, his or her function within the organization's management and the reasons for this arrangement).	58	18-19
G4-40	Report the nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members, including: whether and how diversity is considered, whether and how independence is considered.	61-62	18-19
G4-41	Report processes for the highest governance body to ensure conflicts of interest are avoided and managed. Report whether conflicts of interest are disclosed to stakeholders,	58	18-19
G4-42	Report the highest governance body's and senior executives' roles in the development, approval, and updating of the organization's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts.	45-46,53	19,45
G4-43	Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	70,74	18-19
G4-44	Report the processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics.	62-63	19
G4-45	Report the highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes.	58-62	18-20
G4-46	Report the highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics	51	19,45
G4-47	Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities	66-67	-
G4-48	Report the highest committee or position that formally reviews and approves the organization's sustainability report and ensures that all material Aspects are covered	61	7
G4-49	Report the process for communicating critical concerns to the highest governance body	52	14
G4-50	Report the nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them	52	14
G4-51	Report the remuneration policies for the highest governance body and senior executives, senior executives, and all other employees.	65	42-43
G4-52	Report the process for determining remuneration. Report whether remuneration consultants are involved in determining remuneration and whether they are independent of management. Report any other relationships which the remuneration consultants have with the organization.	65	42
G4-53	Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals.	54	14
G4-54	Report the ratio of the annual total compensation for the organization's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country.	67	-
G4-55	Report the ratio of percentage increase in annual total compensation for the organization's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees.	NA	NA
7. Ethics and Integrity			
G4-56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	8,51	6,19-20
G4-57	Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines.	51	19-20
G4-58	Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	56	19-20

NR = Not Relevance NA = Not Available

Specific Standard Disclosures Overview		AR	SR
		Page number/reference	
G4-DMA	Generic Disclosures on Management Approach Report why the Aspect is material, report the impacts that make this Aspect material, report how the organization manages the material Aspect or its impacts, report the evaluation of the management approach	-	13
1. Economic			
Economic Performance			
EC1	Direct economic value generated and distributed.	26-27	-
EC2	Financial implications and other risks and opportunities for the organization's activities due to climate change.	-	14
EC3	Coverage of the organization's defined benefit plan obligations.	29	42
EC4	Financial assistance received from government	NR	NR
Market Presence			
EC5	Ratio of standard entry level wage by gender compared to local minimum wage at significant locations of operation.	based on leading industry standard and higher than local minimum wage	
EC6	Proportion of senior management at significant locations of operation that are hired from the local community at significant locations of operation	-	37
Indirect Economic Impacts			
EC7	Development and impact of infrastructure investments and services supported	-	30
EC8	Significant indirect economic impacts, including the extent of impacts	-	28,63
Procurement Practices			
EC9	Proportion of sending of local suppliers at significant locations of operation	-	63
2. Environment			
Materials			
EN1	Materials used by weight or volume	-	63
EN2	Percentage of materials used that are recycled input materials.	-	63
Energy			
EN3	Energy consumption within of the organization*	-	61
EN4	Energy consumption outside of the organization	-	NR
EN5	Energy intensity	-	61-62
EN6	Reduction of energy consumption	-	NA
EN7	Reductions in energy requirements of products and services	-	NA
Water			
EN8	Total water withdrawn by sources*	-	62
EN9	Water sources significantly affected by withdrawal of water	-	62
EN10	Percentage and total volume of water recycled and reused	-	62
Biodiversity			
EN11	Operational sites owned, leased managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	-	NR
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value outside protected areas	-	NR
EN13	Habitat protected or restored	-	56
EN14	Total number of IUCN red list species and national conservation list species with habitats in areas affected by operations, by level of extinction risk	-	NR
Emissions			
EN15	Direct greenhouse gas (GHG) emissions (Scope 1)	-	61
EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	-	61-62
EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	-	NA
EN18	Greenhouse gas (GHG) emissions intensity	-	NA
EN19	Reduction of greenhouse gas (GHG) emissions	-	NA
EN20	Emissions of ozone-depleting substances (ODS)	-	NA
EN21	NOX, SOX, and other significant air emissions	-	NA
Effluents and Waste			
EN22	Total water discharge by quality and destination	-	62
EN23	Total weight of waste by type and disposal method	-	63
EN24	Total number and volume of significant spills	-	NR
EN25	Weight of transported, imported, exported, or treated waste deemed hazardous under the terms of the Basel Convention ² annex i, ii, iii, and viii, and percentage of transported waste shipped internationally	-	NR
EN26	Identity, size, protected status, and biodiversity value of water bodies and related habitats significantly affected by the organization's discharges of water and runoff	-	NR

NR = Not Relevance NA = Not Available * External Assurance

Specific Standard Disclosures Overview			AR	SR
			Page number/reference	
Products and Services				
EN27	Extent of impact mitigation of environmental impacts of products and services	-	-	NR
EN28	Percentage of products sold and their packaging materials that are reclaimed by category	-	-	NR
Compliance				
EN29	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	-	-	NR
Transport				
EN30	Benefits provided to full-time employees that are not provided to temporary or parttime employees, by significant locations of operation	-	-	63
Overall				
EN31	Total environmental protection expenditures and investments by type	-	-	47
Supplier Environment Assessment				
EN32	Percentage of new suppliers that were screened using environmental criteria	-	-	19
EN33	Significant actual and potential negative environmental impacts in the supply chain and actions taken	-	-	NA
Environmental Grievance Mechanisms				
EN34	Number of grievances about environmental impacts filed, addressed, and resolved through formal grievance mechanisms	-	-	63
3. Social				
Employment				
LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	-	-	35-36
LA2	Benefits provided to full-time employees that are not provided to temporary or parttime employees, by significant locations of operation	-	-	39-43
LA3	Return to work and retention rates after parental leave, by gender*	-	-	42
Labor/Management Relations				
LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	-	-	NA
Occupational Health and Safety				
LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programs	-	-	39
LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	-	-	42
LA7	Workers with high incidence or high risk of diseases related to their occupation	-	-	NA
LA8	Health and safety topics covered in formal agreements with trade unions	-	-	NA
Training and Education				
LA9	Average hours of training per year per employee by gender, and by employee category*	-	-	38
LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	-	-	38
LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	-	-	37
Diversity and Equal Opportunity				
LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, minority group membership, and other indicators of diversity	-	-	36
Equal Remuneration for Women and Men				
LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	-	-	NA
Supplier Assessment for Labor Practices				
LA14	Percentage of new suppliers that were screened using labor practices criteria	-	-	19,63
LA15	Significant actual and potential negative impacts for labor practices in the supply chain and actions taken	-	-	NA
Labor Practices Grievance Mechanisms				
LA16	Number of grievances about labor practices filed, addressed, and resolved through formal grievance mechanisms	-	-	NA
4. Human Rights				
Investment				
HR1	Total number and percentage of significant investment agreements and contracts that include human rights clauses or that underwent human rights screening	-	-	19
HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	-	-	19
Non-discrimination				
HR3	Total number of incidents of discrimination and corrective actions taken	-	-	19

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Specific Standard Disclosures Overview		AR	SR
		Page number/reference	
Freedom of Association and Collective Bargaining			
HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk, and measures taken to support these rights	-	19
Child Labor			
HR5	Operations and suppliers identified as having significant risk for incidents of child labor, and measures taken to contribute to the effective abolition of child labor	-	19
Forced or Compulsory Labor			
HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labor, and measures to contribute to the elimination of all forms of forced or compulsory labor	-	19
Security Practices			
HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations	-	19
Indigenous Rights			
HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	-	19
Assessment			
HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	-	19
Supplier Human Rights Assessment			
HR10	Percentage of new suppliers that were screened using human rights criteria	-	19
HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	-	19
Human Rights Grievance Mechanisms			
HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	-	19
5. Society			
Local Communities			
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	-	16,51
SO2	Operations with significant actual and potential negative impacts on local communities	-	NA
Anti-corruption			
SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	-	20
SO4	Communication and training on anti-corruption policies and procedures	-	20
SO5	Confirmed incidents of corruption and actions taken	-	20
Public Policy			
SO6	Total value of political contributions by country and recipient/beneficiary	-	NR
Anti-competitive Behavior			
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	-	16
Compliance			
SO8	Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with laws and regulations	-	19
Supplier Assessment for Impacts on Society			
SO9	Percentage of new suppliers that were screened using criteria for impacts on society	-	19
SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken	-	19
Grievance Mechanisms for Impacts on Society			
SO11	Number of grievances about impacts on society filed, addressed, and resolved through formal grievance mechanisms	-	NA
6. Product Responsibility			
Customer Health and Safety			
PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	-	24-25
PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	-	NA
Product and Service Labeling			
PR3	Type of product and service information required by the organization's procedures for product and service information and labeling, and percentage of significant product and service categories subject to such information requirements	-	26
PR4	total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	-	NA

NR = Not Relevance NA = Not Available

Specific Standard Disclosures Overview		AR	SR
		Page number/reference	
PR5	Results of surveys measuring customer satisfaction	36	24,27
Marketing Communications			
PR6	Sale of banned or disputed products	29	27
PR7	Total number of incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship, by type of outcomes	NA	NA
Customer Privacy			
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	-	26
Compliance			
PR9	Monetary value of significant fines for non-compliance with laws and regulations concerning the provision and use of products and services	-	No incident

Specific Standard Disclosures : Financial Services Sector		AR	SR
		Page number/reference	
Specific Standard Disclosures Related to Sector Specific Aspects			
1. Product Portfolio			
FS1	Policies with specific environmental and social components applied to business lines	45-50	27
FS2	Procedures for assessing and screening environmental and social risks in business lines	45-50	23
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	45-50	23
FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	34-36	16,23
FS5	Interactions with clients/investees/business partners regarding environmental and social risks and opportunities	34-37	15-16
FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/ large) and by sector	34-37	15-16
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	34-37	
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	-	31
2. Audit			
FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	NA	NA
3. Active Ownership			
FS10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	NA	NA
FS11	Percentage of assets subject to positive and negative environmental or social screening	NA	NA
FS12	Voting polic(ies) applied to environmental or social issues for shares over which the reporting organization holds the right to vote shares or advises on voting	NA	NA
Specific Standard Disclosures Related to G4 Aspects			
1. Local Communities			
FS13	Access points in low-populated or economically disadvantaged areas by type	36	27
FS14	Initiatives to improve access to financial services for disadvantaged people	36	27
2. Product and Service Labeling			
FS15	Policies for the fair design and sale of financial products and services	29	25
FS16	Initiatives to enhance financial literacy by type of beneficiary	-	20-26



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INDEPENDENT LIMITED ASSURANCE REPORT ON SUSTAINABILITY REPORT 2014

To **President**
The Siam Commercial Bank Public Company Limited

Scope of our work

The Siam Commercial Bank Public Company Limited ("the Bank") have engaged Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. ("we" or "us") to perform limited assurance procedures on selected subject matter ("the Subject Matter") for the year ended December 31, 2014 presented in the Sustainability report 2014 ("the Sustainability Report") in accordance with the reporting criteria ("the Criteria").

Subject Matter

The selected Subject Matter chosen by the Bank comprises:

- a) Environmental dimension performance indicators expressed numerically
 - o Energy consumption (kilowatt-hour) (page 61)
 - o Water withdrawal (cubic meters) (page 62)
- b) Social dimension performance indicators
 - o Average hours of training per year per employee (page 38)
 - o Return to work and retention rates after parental leave (%) (page 42)

Criteria

The selected Subject Matter above included in the Sustainability Report has been assessed according to the reporting principle prepared by the Bank "Supplement to About This Report" (page 65-66) which has been influenced by the Sustainability Reporting Guidelines version 4 - Core issued by the Global Reporting Initiative (GRI-G4).

Basis of our work and level of assurance

We carried out limited assurance in accordance with International Standard on Assurance Engagements 3000 ("ISAE 3000") "Assurance Engagements other than Audits or Reviews of Historical Financial Information"

To achieve limited assurance ISAE 3000 require that we review the process and systems used to compile the areas on which we provide assurance. It does not include detailed testing of source data or the operating effectiveness of processes and internal controls. Therefore, the work for a limited assurance engagement is less detailed than for a reasonable assurance engagement.

Inherent limitation

Inherent limitation exists in all assurance engagements due to the selective testing of the information being examined. Therefore fraud, errors or non-compliance may occur and not be detected. Additionally, non-financial data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating and estimating such data.

Key assurance procedures

Considering the risk of material error, we planned and performed the work to obtain all the information and explanations considered necessary to provide sufficient evidence to support our assurance conclusion.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited, a UK private company limited by guarantee ("DTTL"), its network of member firms, and their related entities. DTTL and each of its member firms are legally separate and independent entities. DTTL also referred to as "Deloitte Global" does not provide services to clients. Please see www.deloitte.com/TA/about for a more detailed description of DTTL and its member firms.

The assurance procedures included the following work:

- interviewing management at the Bank and those with operational responsibility for performance in the areas we are report on
- visiting SCB's Head office
- completing analytical procedures
- reviewing the appropriateness of management review and reporting processes
- performing testing of selected data on sampling basis, and
- reviewing the process for consolidating data at a bank level

As a limited assurance engagement generally comprises of making enquiries, primarily of management, and applying analytical procedures and the work for a limited assurance engagement is less detailed than for a reasonable assurance engagement.

Respective responsibilities of the Management and Independent assurance provider

The management of the Bank is responsible for the preparation of the Sustainability Report which is accordance with the Sustainability Reporting Guidelines version 4 - Core issued by the Global Reporting Initiative (GRI-G4), where relevant and determining the adequacy of the Criteria to meet the reporting needs of the Bank. Management's responsibility also includes designing, implementing and maintaining of internal control system relevant to the preparation and fair presentation of the selected Subject Matter that is free from material misstatement, whether due to fraud or error.

Our responsibility is to independently express conclusions, in accordance with ISAE 3000 on the selected Subject Matter.

Limitation of Use

This report has been prepared in accordance with our engagement terms, solely for the Board of Director as a body, for the purpose of reporting on the selected Subject Matter within the Sustainability Report. To the fullest extent permitted by the law, we do not accept or assume responsibility to anyone other than the Board of Director for our work or for this report, or for any other purpose other than that for which this report was prepared.

Our assurance opinion

Based on the work described above, nothing has come to our attention that causes us to believe that the selected Subject Matter for the year ended December 31, 2014 included in the Sustainability Report 2014 has not been prepared, in all material respects, in accordance with the Criteria.



Suwatchai Meakhaamnouychai
Partner
Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.

Bangkok, Thailand
March 11, 2015

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