



**THINK
OF
GIVING**

**SUSTAINABILITY
REPORT 2013**



**SIAM
COMMERCIAL
BANK**

FIRST THAI BANK

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THINK SCB

THINKING IS WHAT HAPPENS EVERY DAY
TO EVERYONE AT EVERY STAGE OF LIFE.
FROM THE DAY WE WERE BORN
WE THINK UNTIL OUR LAST BREATH.

THINK OF A DREAM
THINK OF CREATIVITY
THINK OF WHAT TO BE
THINK OF A FAMILY
THINK OF THE FUTURE
THINK OF OUR SOCIETY

THINKING IS A CREATIVE PROCESS
THAT CAN LEAD TO SOMETHING NEW,
A STARTING POINT FOR ALL OUR SUCCESSES.

What is SCB thinking?

SCB THINKS BEYOND BUSINESS. WE THINK
OF RETURNING GOOD THINGS TO SOCIETY.

THINK OF CONSERVING THE ENVIRONMENT
THINK OF CULTURE AND TRADITION
THINK OF GREEN LOGISTICS
THINK OF YOUTH DEVELOPMENT
THINK OF HUMANKIND

SCB BELIEVES EVERY THOUGHT IS VALUABLE,
NO MATTER HOW BIG OR SMALL,
WHETHER BUSINESS OR PERSONAL.
WE WILL ALWAYS BE TOGETHER WITH YOU,
SIDE BY SIDE IN EVERY STAGE OF LIFE.

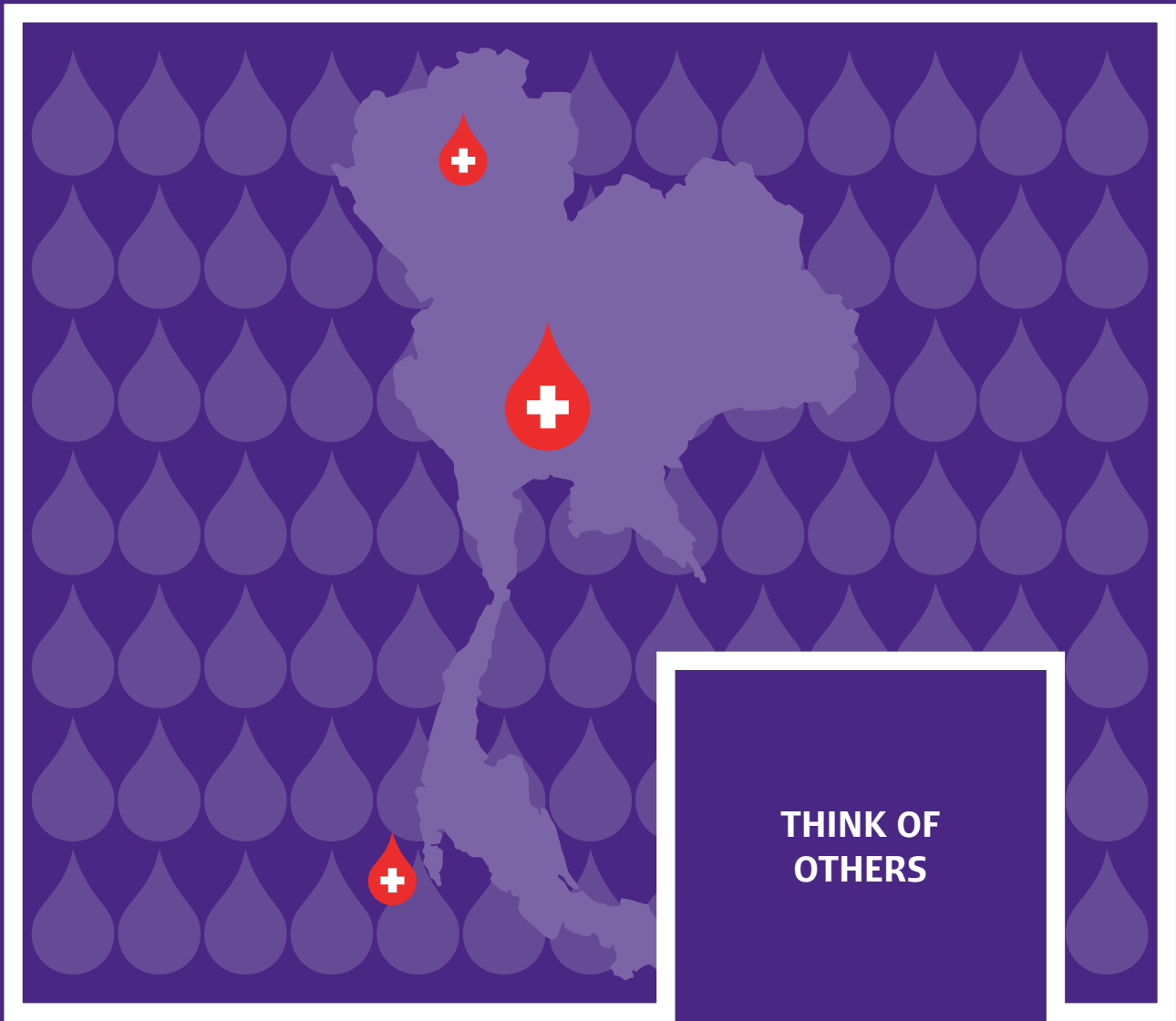
WHATEVER YOU THINK, THINK SCB.

OUR VISION

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

OUR MISSION

**TO BE THE BEST UNIVERSAL BANK
IN THAILAND**



THINK
SCB

MESSAGE FROM THE BOARD OF DIRECTORS



DR. VICHIT SURAPHONGCHAI

MR. ANAND PANYARACHUN

MRS. KANNIKAR CHALITAPORN

After a few years of buoyant credit growth, the Thai economy took a cyclical turn for the worse from mid-2013 onward. As domestic consumption fuelling economic growth overheated and stalled, and the long-anticipated fiscal spending on infrastructure mega projects never really took-off, the underlying economy slowed, with credit growth running out of steam by the year-end. The ongoing political conflict, which had simmered in the distant background since mid-2010, resurfaced with a vengeance at year-end, turning an already bad economic situation much worse than anyone could have anticipated. Adding fuel to fire, the administrative and legislative organs of the government turned rudderless. There is seemingly no acceptable solution to the political storm that has engulfed the Kingdom. Thus, the Thai economy enters 2014 with a negative outlook and the distinct possibility of a prolonged down-cycle.

The Thai Economy in 2013

Thailand's economy slowed dramatically in 2013, with GDP growth falling to a below normal level of 2.9% from 6.4% in 2012. This sharp drop resulted when domestic consumption, the economy's major driver for the past few years, plateaued and lost momentum, in part due to the expiry of the fiscal incentives that the government had propagated, particularly for first-car purchases. Concurrently, private investment was stemmed by increasingly negative business sentiment, lackluster export growth in most categories, and the absence of any impetus to rebuild factories as had occurred in early 2012 following the

devastating floods. Moreover, the long-awaited infrastructure spending was deferred due to challenges to the legality of the funding modality and, over the past few months, by the prolonged political impasse. Lastly, tourism, while exceptionally strong in the first three quarters of the year, driven by significant increases from mainland China visitors, started to experience sharp drop-offs in the last two months of the year, as the political conflict spread to central Bangkok.

2013 Financial Results

The Bank reacted with caution to the headwinds from this volatile economic climate but, at the same time, seized the available opportunities for profitable growth. As a result it ended the year retaining its coveted **#1 position** in terms of **market capitalization** and profitability across the Thai financial sector and is now ranked 2nd in terms of assets and lending, a notch higher than the previous year.

At the same time, we are honored to report that for the **fourth successive year** the Bank reported a **record-high net profit**. Net profit in 2013 reached a historic high for the Bank and the industry at Baht 50.2 billion, representing 28.0% year-on-year growth. Alongside net profit, earnings per share (**EPS**) climbed to Baht 14.78 in 2013 from Baht 11.54 in 2012. Return on average equity (**ROAE**) increased to 21.8% in 2013 from 19.7% the year before, while return on average assets (**ROAA**) rose to 2.1% from 1.9% the year preceding.

The substantial increase in net profit was attributable to: higher net interest income from continued broad-based loan growth as well as the changing mix of the lending portfolio; solid growth in net fee and insurance-premium income; exceptional gains in dividend and investment income; and higher income from trading and FX activities. These gains were partly offset by substantially higher prudential provisions (an increase of Baht 4,245 billion over 2013) despite a stable NPL ratio of 2.14% at the year-end and a higher coverage ratio of 150.8%. Also, despite a healthy dividend payout ratio, the Bank was able to maintain a solid Tier 1 capital base of 12.0%, using the new Basel III framework in determining capital adequacy.

Sustaining Profitability

The Board is pleased to present the Bank's first annual **Sustainability Report** – together with this Annual Report – setting out its engagement with stakeholders and its social and economic contributions to Thailand in 2013. In brief, the Bank's vision and commitment for sustaining profitability flows instinctively from its core values, which we have named "iSCB, comprising:

innovation – favoring innovative approach for all banking products and services;

Social Responsibility – being proactive in meeting the wider social obligations;

Customer focus – making customers feel needed and satisfied; and

Building our people – continually nurturing staff growth and capacity.

These values form the building blocks for two crucial outcomes: contributions to the real economy and assuming a leadership role in caring for the community.

The Bank's overall success has hinged on familiarity with sustainability issues and the consequent astute management of stakeholder relationships – employees and management of the Bank and its subsidiary companies, customers, creditors, business partners and competitors, and the public, all who entrust their capital or livelihood to the Bank – and outreach programs to communities, especially the younger members, which sustain the Bank's business transactions.

This steadfast regard for societal well-being has contributed most to the Bank's positive outcome in community care, which encompasses the attention the Bank pays to the environment and all its stakeholders, especially its employees. This effort aims to achieve a healthy society, one characterized by educated citizens who in turn sustain strong families and solid organizations: a society in which a rising tide of progress raises all boats. The Bank honors this goal through the efforts of both the Bank and the SCB Foundation.

While the Bank has an abiding recognition that its obligation to society is on par with its obligation to shareholders, this is the first year that it has compiled a systematic snapshot of how it meets these broader responsibilities. Writing this report has helped the Bank to uncover gaps between its aspirations and promises on the one hand, and its performance, on the other. This has encouraged the Bank to set new goals and new measurements for success at closing these gaps. In 2014, the Bank will be working to further embed these sustainability aspirations into core business practices.

Developments in Corporate Governance Practices

In 2013, the Board augmented its corporate governance best practices initiated in the prior year. These updates included:

- Completing the performance assessment of the Board, the chairman of the Board, individual directors and the Board committees by using the assessment forms revised in 2012 by an external consulting firm.
- Selecting and nominating candidates for directorship from the list of candidates proposed by shareholders and the directors, after giving due consideration to the candidates' qualifications, potential to add to diversity in terms of knowledge, competence, experience, status within the community, gender, etc.
- Arranging for the performance assessment of the chairman of the Executive Committee, the president, and senior executives against predetermined targets and performance criteria, as well as approving their compensation.

In addition, given the development in corporate governance standards (namely, the ASEAN Corporate Governance Scorecard, SET's corporate governance practices for listed companies, the Thai Institute of Directors' corporate governance report on Thai listed companies), the Board has revised certain policies and practices to meet more advanced standards, for example: the whistle blower policy, training of directors, and the limit on the number of board seats held by a director.

Changes in Board composition: At the 2013 AGM, the shareholders appointed Mr. Prasan Chuaphanich as an independent director and Pol.Gen. Adul Sangsingkeo as a director, representing the Ministry of Finance, replacing the seat vacated by the resignation of Mr. Sumate Tanthuanit and Prof. Thosaporn Sirisamphan, respectively. In addition, in July 2013, the Board appointed Mr. Apisak Tantivoravong as an advisor to the Board of Directors. The roles and responsibilities of the advisor requires attendance at meetings of the Board of Directors in order to provide advice and/or opinions on any matters assigned by the Board.

Outlook for 2014

Thailand's **political turmoil**, which commenced in late 2013, and continues through to the date of this report, has further dampened growth prospects for an already slowing Thai economy. The continued deadlock has negatively affected public investment, particularly the initiation of the infrastructure mega projects, business investment, consumer confidence, tourism arrivals in the seasonal peak in the first quarter and, potentially, foreign direct investment. If the conflict remains unresolved over the next few months, the outlook will deteriorate significantly. Assuming that the conflict will be resolved in the first half, Thailand's **GDP growth in 2014** will be in the region of 2.4%.

The only silver lining on the horizon is the improving global economic outlook in the developed markets, which should lead to export growth of about 5%. In addition, domestic spending should show moderate growth driven by an accommodative monetary policy, moderate inflationary pressure, the recent cut in personal income tax rates, and the sharp slowdown of household debt.

However, as the US Federal Reserve continues to taper its quantitative easing program, medium-to-long-term interest rates will no doubt rise, and Thailand might experience some level of capital outflows from its bond market, with consequent pressure on the Thai Baht as well as on most emerging market currencies.

This bleak economic landscape has led the Bank to rapidly adopt tactical strategies to respond to the difficult challenges in 2014. This swift response will allow the Bank to maintain its competitive edge and continue to outperform the market. These tactical thrusts in 2014 will be centered on four core themes:

- reduce the cost of deposits to bring it in line with the major competitors;
- contain growth of operating expense;
- grow the fee and insurance-premium income base; and
- accelerate the build-up of capabilities of key customer-facing personnel as the Bank further develops its wealth- management franchise.

As always, we wish to end by thanking all our shareholders and customers for making SCB their Bank of Choice. Too, we place on record the Board's gratitude to the management and staff of the SCB Group for their passion and commitment toward making SCB Thailand's best universal bank.



Mr. Anand Panyarachun
Chairman of the Board



Dr. Vichit Suraphongchai
Chairman of the Executive Committee



Mrs. Kannikar Chalitaporn
President



**THINK OF
GETTING BACK
INTO THE GAME**

**THINK
SCB**

ABOUT THIS REPORT

To reflect our firm efforts to reach global standards, in 2012 SCB started a non-financial report under the Global Reporting Initiatives (GRI) covering SCB responsibilities toward stakeholders in various sectors and society as a whole. From that beginning, the report has now emerged to become a full and proper Sustainability Report detached from the annual report.

In this report, SCB provides data and commentary compliant with global standards of corporate responsibility while highlighting our corporate alignment with Thai values and traditions for good business practice.

SCB's 2013 Sustainability Report, covering the January – December 2013 fiscal year, is a milestone for SCB in adopting sustainability indicators that will shed light on the Bank's operations and help the Bank contribute meaningfully to the creation of long-term value for all of its stakeholders.

The Bank's engagement with its core stakeholders – customers, shareholders, employees, communities and the environment are described in this report. The report format follows the recommendations of the Global Reporting Initiative G4 guidelines for disclosure.

The report is 'in accordance' with the G4's 'Core' option for both the General and Specific Standard Disclosures. The 'Core' option contains the essential elements of sustainability achievement and a background discussion whereby SCB presents its economic, environmental, social, and governance performance during the reporting period. The GRI Content Index and Financial Services Supplement are attached in the last section of this report to complete the full presentation of SCB's disclosure compliance.



THINK OF
CULTURAL
HERITAGE

THINK
SCB

THE KINGDOM'S BANK OF CHOICE

How is SCB contributing to Thailand's economic development?

Our Profile

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, 2013 (Baht 488 billion). It offers the nation's largest network of branches (1,173), exchange booths (108), and ATMs (9,142), attesting to its dominant position in the retail financial services marketplace. The Bank also has a network of overseas branches, affiliated banks, joint venture banks and representative offices spread across major regions of Asia, including Hong Kong, Singapore, Laos, Vietnam, Cambodia, Myanmar, and China. Its clientele includes a diverse range of corporate, SME, private, and retail customers nationwide. The Bank's total asset size is Baht 2,534 billion as of December 31, 2013

As a universal bank, SCB provides a full range of financial services through its Head Office and extensive branch network. Among these services are corporate and personal lending; retail and wholesale banking; foreign currency operations; international trade financing; cash management; custodial services; credit and charge card services; and investment banking. With our innovative spirit and our commitment to our stakeholders, we aim to be the best universal bank in Thailand.

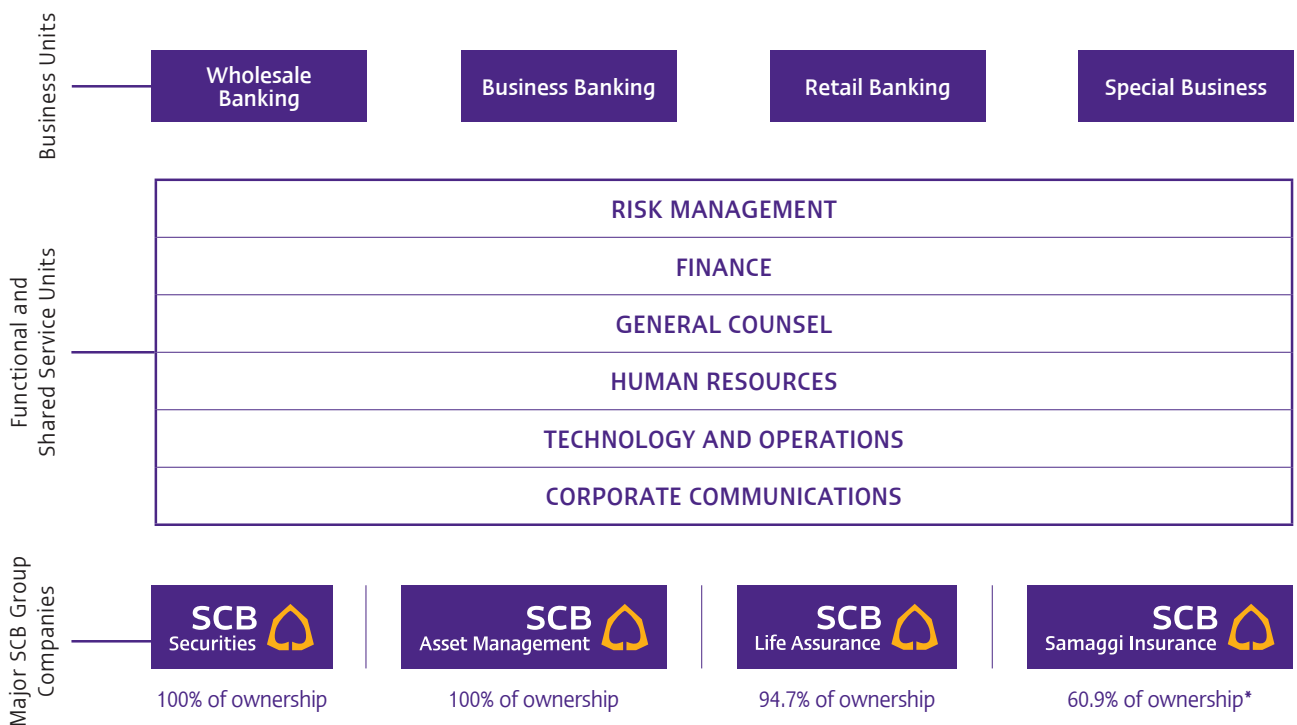
For more information about our business and operations, please refer to the Annual Report 2013.

Management Structure

As of January 1, 2014

EXECUTIVE MANAGEMENT

--- Audit and Compliance
--- Change Program



* The Bank has signed conditional agreement to sell all shares in Siam Commercial Samaggi Insurance to ACE INA International Holdings, Limited (ACE) and its affiliates which is expected to be completed in the second quarter of 2014.

Our Strategy

Like Thailand itself, SCB is experiencing a transitional period of macroeconomic, social, and political changes affecting the organization, the region, and the world. These changes call for visionary leadership and change management skills that recognize the importance of adaptability for sustainable prosperity.

SCB'S vision is to be the bank of choice for our customers, shareholders, employees, and the community. Our strategy for managing the significant economic, social and environmental impacts on our stakeholders is to conduct our banking business guided by our core values – iSCB (innovation, Social responsibility, Customer focus, and Building our people) – and guided by our corporate code of conduct.

This sustainability report incorporates our recognition of the importance of international standards for sustainability and our long-term organizational strategy and success. The Bank is using the GRI framework while maintaining awareness of other standards and indices in order to strengthen ways of doing business and developing indicators to measure progress. The aim is to benchmark against international practice in a more holistic way in the years to come, starting from today.

To integrate the sustainability mind-set in our organization, SCB is emphasizing the board's and senior management's vision of iSCB, and tying it into its daily operations and engagement with society at large.

Our Stakeholders

SCB relations and long-term stakeholder value are the touchstones of SCB's longevity. The key stakeholder groups SCB addresses are our customers, shareholders, employees, business partners, competitors, creditors and suppliers, society and environment. In this globalized era of constant change, SCB seeks to grow long-term stakeholder value and to maintain an ongoing dialogue with stakeholders.

SCB'S IMPACT ON STAKEHOLDERS ASSOCIATED CHALLENGES & OPPORTUNITIES

Economic

SCB has exceeded its financial performance targets for the past few years. The Bank is sensitive to the fact that growth comes with rewards, opportunities, and risks. It is an SCB priority to manage risks and growth with utmost awareness and financial scrutiny.

Social

SCB is determined to help individual customers achieve a sense of financial reliability and to gain financial security and supports both the public and private sectors to enhance the well-being of the society as a whole.

Environmental

In the past few years, SCB has made it a priority to upgrade operational systems, not only to keep ahead of the changing demands of today's customers by capitalizing on technological advancements, but also to improve efficiency and resource management.

ENGAGING OUR STAKEHOLDERS

	Stakeholders	Methods of engagement	Expectation	Responses
Customers	<ul style="list-style-type: none"> - Retail - SMEs - Commercial - Corporate 	<ul style="list-style-type: none"> - Feedback surveys - Call center - Training programs - Standard procedures 	<ul style="list-style-type: none"> - Introduce quality products and services - Impartial treatment - Protect clients' confidential data - Trust and confidence in financial position - Participate in the bank's activities 	<ul style="list-style-type: none"> - Develop new innovative products and services continuously to meet clients' expectations - Clients' data protection procedures and measures - Hold training to enhance financial knowledge for clients - Social contribution activities for client participation

	Stakeholders	Methods of engagement	Expectation	Responses
Shareholders	<ul style="list-style-type: none"> - Major Shareholders - Minor Shareholders 	<ul style="list-style-type: none"> - Annual General Meeting (AGM) - Annual report - Shareholder updates - Quarterly financial announcements - Meetings/conference calls with investors and equity analysts - General meetings with equity analysts - Investor conferences - Global road shows - Audit system and risk management 	<ul style="list-style-type: none"> - Manage business to ensure excellent operating performance in a regular way - All shareholders get an equal right and treatment - The internal control and audit systems are made available - The risk management system is efficient 	<ul style="list-style-type: none"> - Proper dividend yields - Disclose information transparently
Employees	<ul style="list-style-type: none"> - Permanent Employees 	<ul style="list-style-type: none"> - 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 programs - Employee engagement activities
Business Partners and Competitors	<ul style="list-style-type: none"> - Other banks in Thailand 	<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) - Economic Intelligence Center 	<ul style="list-style-type: none"> - Treat trade partners and rivals fairly - Maintain confidentiality under the regulations and laws concerned - Refrain from seeking data of trade partners and rivals dishonestly and/or unfairly 	<ul style="list-style-type: none"> - Have a code of ethics for running business transparently and adhering to the rules of fair competition - Employee Code of Conduct
Creditors and Suppliers	<ul style="list-style-type: none"> - Financial Institutes - Contractors - Vendors 	<ul style="list-style-type: none"> - Seminars - Events - Online resources 	<ul style="list-style-type: none"> - Strictly comply with terms and conditions provided to all types of creditors - Enjoy sustainable growth together and treat trade partners fairly and responsibly 	<ul style="list-style-type: none"> - Have regulations that are fair and responsible to creditors - Able to make loan repayments and other payments as scheduled

	Stakeholders	Methods of engagement	Expectation	Responses
Society	<ul style="list-style-type: none"> - Communities / Society near the branch - Remote Communities / Society 	<ul style="list-style-type: none"> - Initiatives implemented and supported by SCB and Siam Commercial Foundation through knowledge management and various programs involving SCB staff - Focus on youth development, volunteerisms, quality of life, and environmental management 	<ul style="list-style-type: none"> - Run business with social responsibility, particularly concerning public benefits - Promote and participate in activities that benefit communities and the whole society - Encourage compliance with human rights principles and anti-corruption practices under the business conduct with social responsibility 	<ul style="list-style-type: none"> - Volunteer staff participate in activities that benefit communities and society - Support reliable public charities - Hold training for employees on anti-corruption practices in all forms
Environment	<ul style="list-style-type: none"> - Natural Forests - Conserve Foundation with wildlife and forests - Ministry of Energy 	<ul style="list-style-type: none"> - 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 	<ul style="list-style-type: none"> - Strictly comply with regulations and laws governing environmental protection - Attentive to safety and the environment 	<ul style="list-style-type: none"> - Promote natural resources and environmental conservation projects - Hold volunteerism-based activities and programs for employees, business partners, clients, and people in other segments - Enhance efficiency of energy consumption

Our Market Leading Position

SCB sets the pace for many banking industry activities. In return, our rewards have been both quantifiable and qualifiable, with recognition from many organizations.

FINANCIAL PERFORMANCE AND MANAGEMENT EXCELLENCE AWARDS

Best Bank in Thailand Awards



'Best Bank in Thailand' (2011-2013) from Euromoney (UK), 'Bank of the year in Thailand' (2008, 2009, 2012) from The Banker, 'Best Bank in Thailand' (2006-2013) from Global Finance, 'Best Bank in Thailand' (2011-2013) from FinanceAsia, First rank among Thai commercial banks in Forbes magazine's "Forbes Global 2000" 6th consecutive year (2008-2013), Money & Banking Magazine (2012-2013)

CORPORATE SOCIAL RESPONSIBILITY AND CORPORATE GOVERNANCE AWARDS:



'Top Corporate Governance Report Awards' (4th year consecutive) and 'Outstanding Corporate Social Responsibility' from Stock Exchange (3th year consecutive), 'Best Investor Relations' (2012-2013) and 'Best Environmental Responsibility' from Corporate Governance Asia 2013)

SCB Going Forward

SUSTAINABILITY TRENDS AND IMPLICATIONS FOR SCB

SCB has identified several sustainability trends that are having an enduring impact on our business environment.

SHIFT IN CONSUMER BEHAVIOUR

Changes in consumer preferences and behaviour are being largely driven by rapid shifts in technology towards a more digital economy. There is more demand for instant responsiveness and proactive customer engagement through social media. The risks associated with these trends revolve around securing customer data and related issues with IT systems and partnerships. The bank is taking advantage of new opportunities to deliver innovative products as well as promoting financial literacy to our customers both on line, Smartphone applications through our website and SCB Thailand, and our social media: twitter, facebook, YouTube.

INCREASE IN DEMAND FOR WEALTH MANAGEMENT

Rising income in Thailand is driving demand for wealth management services for a growing middle class. Thailand's aging population will lead to other changing needs. These developments will lead to inherent opportunities such as customized services and investment advice for older, lifestyle-oriented customers.

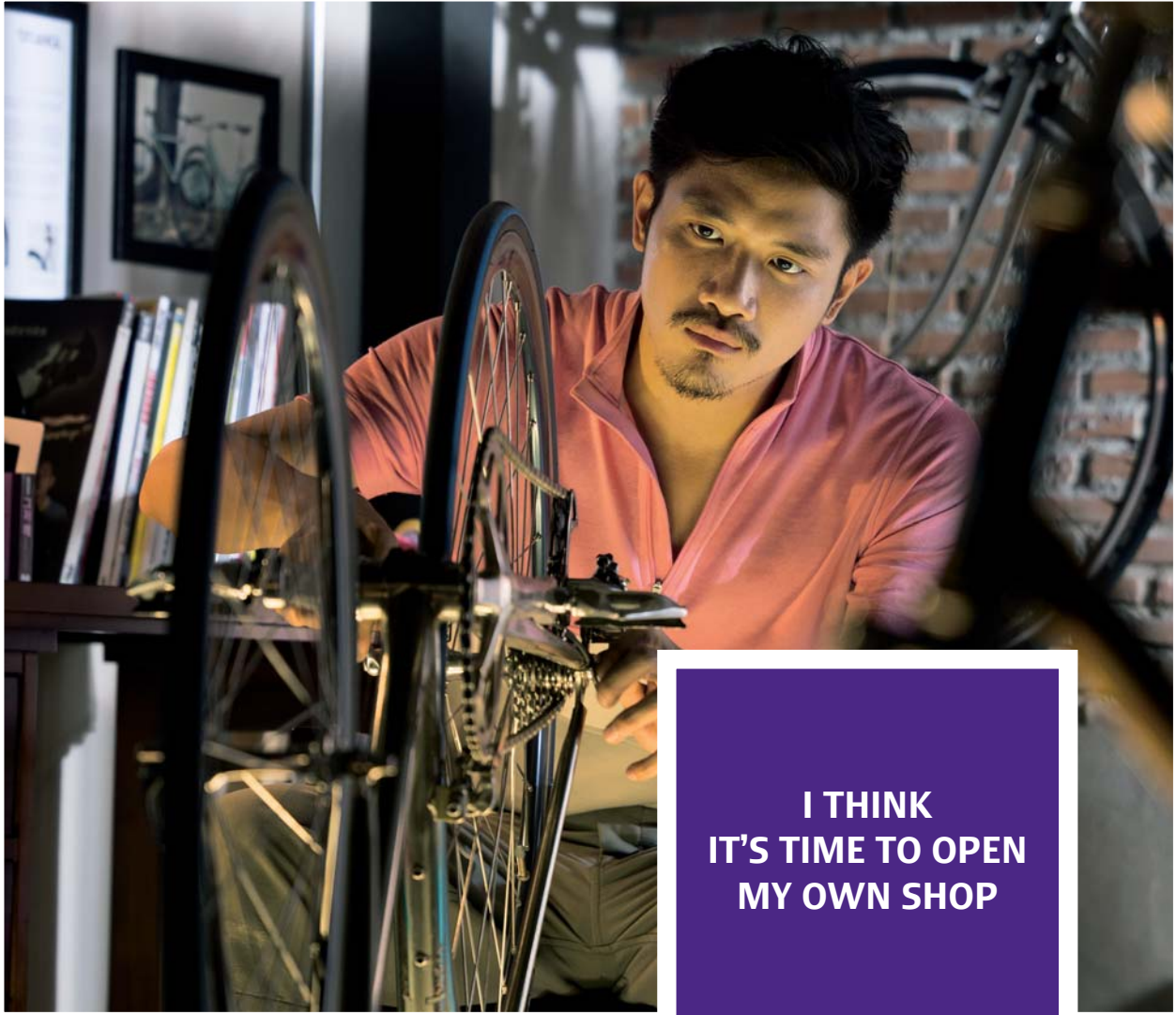
ASEAN ECONOMIC COMMUNITY (AEC) INTEGRATION

In two years, the AEC will come into being. Thailand, as a regional hub and centre of economic growth in recent decades, is to become an even more important investment destination. The Bank must prepare for regional integration to the benefit of all ASEAN countries, with appropriate financing and investment procedures. A new approach to intra-regional financial services is in the works to ensure responsible financing, cross-border compliance, and the protection of long-term stakeholder value.

INCREASING PRESSURE FROM POLICY MAKERS AND SOCIETY

Increasingly complex regulatory requirements, more stringent consumer protection laws, and growing pressure from society militate for greater care and innovation on behalf of SCB stakeholders. Some might see these expectations as obstacles: The Bank sees them as incentives to embed the concept of professionalism and shared value into our operations in order to deliver quality banking services and returns to our stakeholders.

Being able to deal with the Bank's trends presumes a solid business foundation. SCB has such a foundation, as shown in the next section: "Banking & Responsibility."



I THINK
IT'S TIME TO OPEN
MY OWN SHOP

THINK
SCB

How does SCB incorporate responsibility into its long-term strategy and day-to-day operations?

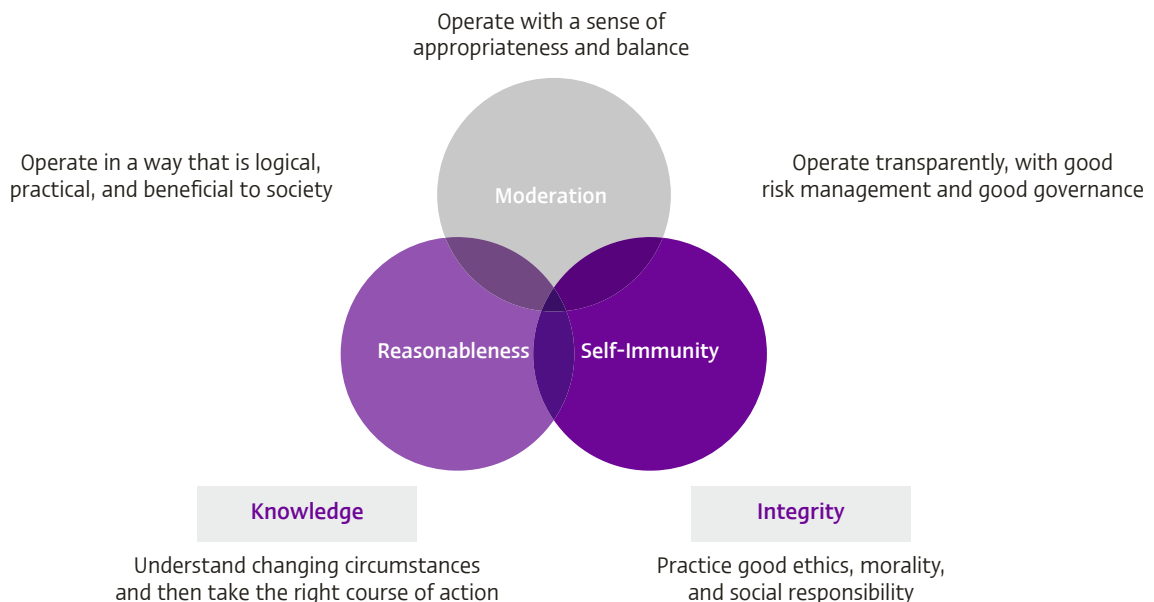
Our commitment is to be the best universal bank in Thailand. SCB prides itself on its contribution to the national well-being for the past 107 years through its financing capability and through its commitment to business development and economic growth. As a member of the financial services community, The Bank naturally believes in the importance of sustaining a high level of both economic performance and customer engagement.

To accomplish our mission as a universal bank serving the people and the nation through commercial lending, financial services, and financial intermediation, SCB has fine-tuned processes to deliver top

customer service at a reasonable cost. SCB is a leadership contender over a range of retail and wholesale products and services. Our extensive branch network and ATM system are assets in this regard.

However, SCB does not operate in a cultural vacuum. Our stakeholders, especially our employees, are the products of a unique environment, one which we will depict next.

Cultural Setting: The Sufficiency Economy Philosophy



For SCB, the themes of service and risk management dominate our business vision and mission. SCB takes view of the Sufficiency Economy as a long term. As a result SCB focuses upon sustainability growth rather the short term gains as consistantly with the Sufficiency Economy perspective.

We are mindful as we develop our growth strategy, as this enables us to create shared value for business and society. This care is reflected in our steady expansion within the retail banking sector, which we originally entered with housing loans to help customers meet basic needs before taking on riskier and more profitable niches such as automobile loans.

The mindset nurtured by an appreciation of the Sufficiency Economy Philosophy provides the inspiration and impetus driving much of our work. One of the prime activities that directly reflect our ethos is governance.

moderation in reach, reasonableness in decision-making, and concern for enterprise resilience and sustainability in practice. If we lack good governance, the Bank cannot be in alignment with Sufficiency Economy principles.

GOVERNANCE STRUCTURE

As of December 2013, SCB's Board consisted of 16 members – four women and twelve men – with nine directors independent of management and of major shareholders. The tenure of independent directors may not exceed three consecutive terms. A term is three years.

The Chairman of the Board is an Independent Director, but cannot be the Chairman of the Executive Committee or the President of SCB. Nor can the Board Chairman become involved in routine management. This ensures segregation of roles between policy formulation and day-to-day management oversight.

The Chairman of the Board formulates meeting agendas and conducts Board and shareholder meetings. The Chairman has the responsibility to advocate the long-term vision and mission of SCB. It is the Chairman's responsibility to ensure that performance is routinely on the Board's agenda.

Corporate Governance

Sufficiency Economy principles provide the cultural backdrop to SCB's approach to stakeholder interaction. These principles can also advise the metrics by which to evaluate corporate governance. In the Sufficiency Economy context, good governance implies

The Board appoints one of its members as Chairman of the Executive Committee. The Chairman of the Executive Committee manages and controls the business operations. The Bank President serves as an ex-officio member of the Executive Committee, and as a director.

The following Board Committees support the Board of Directors.

- Executive Committee
- Audit Committee
- Nomination, Compensation and Corporate Governance Committee
- Corporate Social Responsibility Committee

CONFLICT OF INTEREST

SCB has detailed regulations for managing conflicts of interest among members of the Board. For example, directors shall not hold positions in more than five other listed companies. Executive directors shall not hold positions in more than two other listed companies outside the SCB group. Board members are not allowed to trade company shares during the two weeks prior to the release of financial statements. Directors and others with decision-making authority must report on a quarterly basis their financial interests and those of their related parties. Finally, SCB regulations prevent employees from personally benefiting from knowledge of company intentions and transactions or from other material business opportunities that arise from their employment.

REMUNERATION AND BENEFITS OF BOARD MEMBERS

In 2013, the Chairman of the Board received a fixed annual remuneration of Baht 1.8 million, the same amount as in 2012. Additionally, in 2012 and 2013, the Chairman of the Board received Baht 0.44 million for his engagement in Board Committees. Board members each received, in both 2012 and 2013, fixed annual remuneration of Baht 1.2 million. Furthermore, at the 2013 Annual General Meeting shareholders approved a bonus payment to directors at maximum of 0.5 % of the dividend. By exercising its discretionary powers, the Board of Directors authorized a bonus payment of 0.4% of the dividend, or Baht 60 million.

Assessment of Directors, Senior Management, and Employees

CHAIRMAN OF THE EXECUTIVE AND THE PRESIDENT ASSESSMENT

The Nomination, Compensation and Corporate Governance Committee is responsible for the performance assessment of the Chairman of the Executive Committee, the President, and senior executives at the level of Executive Vice President and above on an annual basis. The Chairman of the Executive Committee and the President are assessed on the basis of the Bank's strategic plan and Key Performance Indicators (KPIs). Performance outcome is compared with the goals, as well as with the Bank's historical performance in order to have a long-term view of a sustainable assessment. The assessment is presented to the Board of Directors for feedback and approval.

SENIOR EXECUTIVE ASSESSMENT

Senior executives at the level of Executive Vice President and above present a strategic plan for their responsible business unit to the President, the Executive Committee, and the Board of Directors. Their performance is assessed based on their Key Performance Indicators. The Nomination, Compensation and Corporate Governance Committee is responsible for filtering the strategic plans and determining the senior executive compensation and other benefits based on the performance assessment.

Among other human resource management improvements in 2013, SCB enhanced its approach to employee performance assessments, performance rating and performance rating distribution, to attain better measurements across the Bank's different units and departments both at high executive level and non executive level.

EMPLOYEE ASSESSMENT

Employee performance assessment is carried out annually as part of the Bank's overall performance assessment, which covers strategy planning and execution, collaborative planning between superiors and subordinates (including setting KPIs and Individual Development Plans), performance monitoring, performance advisory, and tying performance to compensation and benefits. The key assessment elements for employees in sustaining a stable organization are competence, skills, individual and team development, professionalism, and ethics.

The enhanced methods cover both absolute performance ratings and relative ratings that compare individuals to group results at the same level. The enhancements have made assessment definitions more concrete, with a uniform approach for each staff level, and will help management and employees better compare performance outcomes and goals.

Human Rights

SCB supports the Universal Declaration of Human Rights and other internationally accepted human rights standards. The Bank has consulted experts to ensure that its operations are in line with international human rights standards. SCB's lending committee reviews larger lending commitments with human rights issues in mind. Should there be any issues which may be subject to rights violations, the management will alert and seek the consent from the Chairman of the Board, the Chairman of the Audit Committee and the Chairman of the Nomination, Compensation and Corporate Governance Committee.

New employees receive mandatory training and assessment via e-learning on the Code of Conduct, including human rights policies. In 2013, the Bank initiated a Whistle Blower Policy. It provides employees a channel through which they can report complaints, fraud or non-compliance, and unfair treatment. Human rights training and the Whistle Blower Policy are in place to exemplify SCB's adherence to the principles of transparency and good governance.¹

There were no reported human rights violations in 2013. This is true for the Bank's employees and, suppliers as well as for indigenous people at operation sites. The Bank's operations had neither actual nor potential negative impacts on local communities.

¹To report complaints, fraud, or non-compliance, employees can email whistleblower@scb.co.th or send a letter to the chief audit and compliance officer, Audit and Compliance Group. A collation of these complaints is submitted to the Audit Committee on a quarterly basis.

Anti-Corruption

The Bank takes a zero-tolerance approach towards any act of bribery or corruption. In 2012, SCB joined in signing the Declaration of Intent in View of Establishing Thailand's Private Sector Collective Action Coalition Against Corruption and is now actively engaged in anti-corruption efforts and in the process of obtaining relevant certification. In 2013, the Bank trained over 7,000 employees, equivalent to 35% of total staff, on anti-money laundering as part of its ongoing anti-corruption efforts.

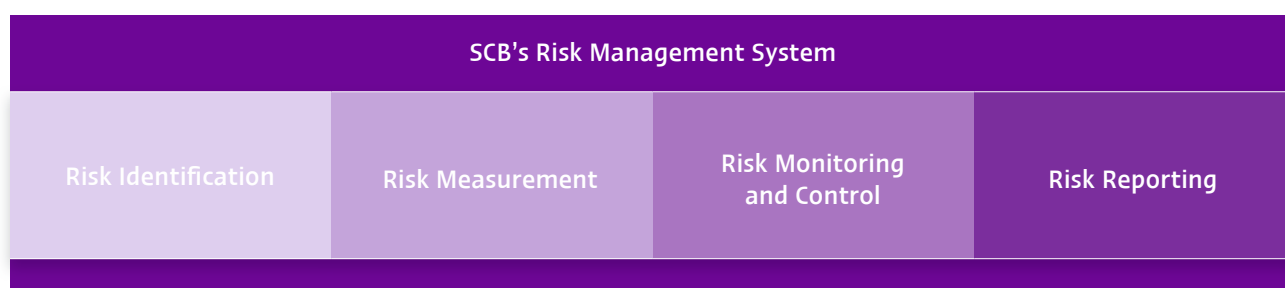
Audit and Compliance

The Audit and Compliance Group is responsible for ensuring that the Bank and the Financial Group conduct themselves in compliance with the laws and regulatory requirements as well as with our own compliance policies. Led by the chief audit and compliance officer, the Group also functions as an independent and neutral unit in auditing tasks and providing systematic advice, enhancement of internal control and risk management systems, and corporate governance. Because of the Bank's strict adherence to law and regulation, no significant fines or non-monetary sanctions for non-compliance have been imposed the year.

Good corporate governance is fundamental to risk management, to which we now turn.

Risk Management

SCB believes that one way to drive success is to hone our risk management skills and practices. This can also pave the way for sustainable growth and profitability in changing times. The Board of Directors is responsible for the establishment and oversight of the risk management framework of the Bank and its subsidiaries.



The Board of Directors has assigned three committees to deal with risk management matters as follows:

The Executive Committee is responsible for, among other matters, reviewing risk management policies and recommending them to the Board of Directors. In addition, the Executive Committee is authorized to approve loans and investments, and to administer related functions as determined by the Board of Directors.

The Audit Committee is comprised of independent members of the Board who are responsible for reviewing the adequacy of the Bank's risk management processes and policies and the effectiveness of implementation of the Bank's and SCB Financial Group's risk management systems.

The Risk Management Committee is responsible for reviewing risk management policies and recommending them to the Executive Committee and the Board of Directors; determining risk management strategies consistent with guidance by the Board of Directors; and managing overall risks of the Bank.

In addition, specific areas of risks are assigned to committees such as the Liabilities Management Committee, Equity Investment Management Committee, Credit Committee, Retail Credit Committee, Special Assets Committee, and Underwriting Risk Committee.

Mitigation of risk in banking demands close supervision of non-performing loans (NPLs) and non-performing assets (NPAs). The Special Business Group has been established accordingly to assume responsibility for managing SCB's portfolio of NPLs and NPAs. The Special Business Group is also responsible for preventing new NPLs by monitoring high risk clients during difficult business conditions.

Offering a variety of financial products, and diversifying within SCB's existing product portfolio, also safeguards SCB's exposure. From the Board of Directors to the Bank's operations staff, risk awareness permeates the organization, helping to insulate it against unacceptable losses in coming years.

The Bank has developed risk parameters for a pricing model to optimize risk-adjusted returns as well as to maintain a sufficient capital adequacy in order to absorb unexpected loss under stress test conditions.

For more details of the Risk Management, please refer to Risk Management and Risk Factors section in the Annual Report 2013.

Customer Focus

SCB serves customers and clients across Thailand in over 1,100 locations. To merit customer trust and loyalty, SCB creates products and services with an eye to integrity and long-term value, anticipating customer needs, being responsive, and providing integrated financial solutions.

CUSTOMER AT HEART

SCB does not require independent confirmation of the degree of our customer satisfaction: it is in operation daily. Walk into any branch of SCB at any time of the day and you can feel the buzz.

Nonetheless, SCB can also quantify its strong and steady customer satisfaction track record as concrete testimony to our level of customer focus. The Bank has commissioned an independent service provider to assess customer satisfaction with the help of a systematic survey at our business locations. For 2013, the Index Score on overall SCB customer satisfaction (based on retention) has averaged 90. The Index Score on customer satisfaction at SCB branches averaged just over 97.

Bank staff do everything possible and practical in the interest of customer satisfaction. Customers can make inquiries, offer suggestions, and voice complaints via multiple channels - phone, email, or social media. The nearly 9,000 complaints the Bank received in 2013 represented a decrease of 6% from 2012.

Keeping customer data secure and safeguarded against misuse is a priority. The Bank has controls in place to protect customer information, and the Bank is progressively complying with the Payment Card Industry Data Security Standard. The Bank's data centers have several layers of security to prevent hacking. And the Bank has instituted a data leak prevention system to safeguard confidential customer data.

Being customer focused is of course not confined to customer satisfaction-related issues; customers should also be empowered to make informed choices. To that end, the Bank provides customers with information about products and services via various sources, including leaflets and our webpage. Its staff is ready to provide any type of information on our products and services. In 2013, at SCB, there were no incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling. Similarly, there were no incidents of non-compliance with regulations and voluntary codes concerning marketing communications. The Bank does not sell banned or disputed products to customers. Moreover, in 2013, SCB had no significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.

FINANCIAL LITERACY

A successful and sustainable society prospers when there are employment opportunities, the perception of fair wealth distribution, and financial literacy. Not only do citizens require access to financial products and services, they also need to understand the skills for making financial decisions in everyday life. As a leading financial institution, SCB promotes financial literacy for Thailand's long-term economic development and stability. The Bank leverages its market presence to help enhance financial literacy among all stakeholders.

SCB discourages customers from taking excessive financial risks, as mentioned elsewhere. It assesses client collateral prior to making loans and advises customers to take only those loans that they are able to repay. Additionally, it preaches financial literacy. For example, the Bank regularly publishes information materials explaining savings and investment techniques, and circulates them via social media.

SCB hosts seminars to build our customers' financial literacy. In 2013, the Bank hosted two seminars for retail customers, two seminars for SMEs, three seminars for wholesale customers, and training for young entrepreneurs, women entrepreneurs, and journalists.

PROMOTING FINANCIAL LITERACY

	Event	Description	Target	Frequency
Retail Banking Group	Investment Symposium	Seminar for retail customers for general knowledge of economics and investment	Wealth Management Clients and general investors (500 persons)	2 times per year
	Seminar for Wealth Management Clients	Sub-group seminar in investment guidelines and strategy	Wealth Management Clients and general investors (20 – 500 persons)	10 – 12 times per year
Business Banking Group	Intelligent Entrepreneur Program (IEP)	In cooperation with Chulalongkorn University, organizing a seminar for business owners	Business owners who are Business Banking clients	2 times per year
	Youth Entrepreneur Program (YEP)	In cooperation with Thammasat University, organizing a seminar for family business heirs	New generation of family business owners who are Business Banking clients	2 times per year
	Cluster Seminar	In cooperation with The Federation of Thai Industries (FTI), organizing a cluster seminar	FTI members	4 times per year
Wholesale Banking Group	Seminar on "Doing Business in Myanmar"	Seminar on country business profile	50 – 70 Wholesale Banking clients	1-2 times per year
	Seminar on "Doing Business in China"	Seminar on stock exchange and investment in China	50 – 70 Wholesale Banking clients	1-2 times per year
	Seminar on "Doing Business in Cambodia"	Seminar on investment opportunities in Cambodia	50 – 70 Wholesale Banking clients	1-2 times per year

SCB Economic Intelligence Center

The Economic Intelligence Center (EIC) is a unit of SCB that provides business executives and the general public with valuable insights for financial decision making. The EIC offers an in-depth macroeconomic outlook and sectorial impact analyses based on hands-on research and dialogue with businesses. Also, EIC organizes the SCB Annual Conference on the Economy, together with distinguished executives from both public and private sectors, to share views and insights on the upcoming challenges and opportunities in a year head.

In line with Sufficiency Economy principles, EIC's in-depth information provides knowledge promoting more astute and sustainable business growth through the lenses of risk management, balance, resilience, and continuous learning.



Insight provides depth analysis of business topics as well as economic perspectives aid long-term strategic planning. Outlook is a major quarterly analysis of Thai, regional and global economic prospects. EIC reports and commentary are available at www.sceic.co.th

Innovation

At SCB, innovation is incorporated into the core values of the organization. The Bank sees it as a means to competitive advantage in the industry. SCB leverages the latest technological developments to improve operational efficiency and the banking experience of our customers. This has ancillary benefits such as reducing resource use and preserving the environment. Internally, we hold an "Innovation Competition" to solicit creative service solutions for the Bank and for our customers.

RETAIL BANKING GROUP

At SCB, several innovative products and services are part of the retail activities:

- Slipless process
- SCB Tid Tid
- SCB Smart Kids Saving
- SCB UP2ME

SLIPLESS PROCESS

With the aim to upgrade the service and sales experience across our branch network, SCB launched the slipless process at the counter by elimination of handwritten forms for 80% of branch transactions e.g. cash deposit, cash withdrawals and transfers. This new process provides a hassle-free experience, improved service cycle time and increased productivity.

SCB TID TID

The most recent outcome of the Bank's "Innovation Contest" has been SCB Tid Tid, which won first prize in the first innovation contest. SCB Tid Tid is a service that allows customers to generate a quick response (QR) code themselves via smart phones, replacing manual fill-in slips for common banking transactions such as deposits, withdrawals, money transfers and bill payment. With special lanes in selected branches, SCB Tid Tid helps shorten the waiting time in branches, minimize human error at the counter, improve customer satisfaction at branches, and engage tech-savvy customers.



SCB UP2ME is a new suite of financial services and products accommodating the lifestyles of internet-savvy young people, with a mobile application to track savings and spending.

SCB SMART KIDS SAVING

SCB Smart Kids Savings is a savings account for children under the age of 15. It is aimed at cultivating good savings habits and financial discipline.

SCB UP2ME

Up2Me is a new product range targeted at the younger generation. Up2Me encourages young customers to set financial goals, save money, and keep track of their success. It is an integration of new technologies that makes financial matters fun for today's connected generation.

Up2Me offers a Smartphone application, a web-based account, and a credit card. The package incorporates three innovative solutions: SCB Easy Pay, for online and Smartphone transactions; UP2ME for saving Card, for ATM, debit, and credit needs; and My Goal My Savings;

BUSINESS BANKING GROUP

SCB supports the development of small and medium enterprises, an important sector of the Thai Economy.

The dynamism and strength of small and mid-scale entrepreneurs are the driving forces of the country's wealth and well-being. SCB SME is designed to offer the services most needed by SME customers. Being Customer Centric, SCB understands that small and mid-sized businesses develop in stages; starting up, growing, or stabilizing. The Bank positions as a partner of entrepreneurial customers, working closely with them to serve their different needs. It believes firmly that if Thai SMEs thrive, SCB thrives, and Thailand thrives.

The Bank supports SME development through:

- Online support for SME customers
- Sponsorship of the Bai Po Business Awards

WEBSITE FOR SME CUSTOMERS

SCBSME.com is a portal for the new generation of business entrepreneurs who increasingly turn to online services. The portal is a source of knowledge and networking for SME entrepreneurs to share potential business partners and information concerning different types of business ventures.

SCB has developed a website (www.scbsme.com), an **SME community site embracing the idea "We Share"** to be a center for the SME community. There, it offers useful tools for visitors and clients to assess their financial status. Too, it make it easy for customers to find the most suitable products from SCB for their business and personal needs.



www.scbsme.com is an online community where Thai entrepreneurs can chat, share ideas and information, and gain inspiration toward SME success.

BAIPO BUSINESS AWARDS

SCB celebrates innovative small businesses in Thailand with the annual Bai Po Business Awards co-organized with the Sasin Graduate Institute of Business Administration of Chulalongkorn University. Each year, these awards honor Thailand's top SMEs and reflect the strong potential and high quality of local SMEs. The awards aim to inspire local business operators to be more active in steadily building capacity while becoming role models for other SMEs. Winning companies are judged on various aspects, including customer focus, innovation, quality, adaptability to change, value creation, branding, efficiency, leadership & team building, social responsibility and entrepreneurship. They become promoters of shared values and creativity among Thailand's SMEs.

WHOLESALE BANKING GROUP

SCB BANK PAYMENT OBLIGATION (BPO)

The BPO is an alternative means of international payment settlement. It can be linked to an electronic letter of credit (L/C) with payment obligation by the importer's bank. Unlike conventional systems, BPO uses an automated computer system for export data verification. This can help reduce mistakes made during manual entry, and save on transaction times. It enables exporters and importers to undertake financial transactions more efficiently, with confirming payment obligations by the importer's bank similar to those that take place with an L/C.

GREEN ENERGY PROJECTS

In the long run, Thailand's well-being depends not only on economic growth, political stability, and the integrity of the financial system, but also on energy security. To establish sustainable energy production in Thailand, a green infrastructure is vital. SCB finances a number of green energy projects, all related to solar power. These investments vary in amounts from Baht 200 million to Baht 5 billion, and total well over Baht 10 billion.



SCB is an investment banking leader known for its comprehensive services and products and many landmark deals.

RESPONSIBLE INVESTMENT

The Bank promotes sustainable credit practices for both wholesale and retail customers. Additionally, it invests in green energy projects. These are two of the ways it contributes to a greener and more sustainable future.

CREDIT PRACTICE

The Bank is committed to responsible lending. SCB has an obligation to market products and services responsibly and in conformity with stakeholder expectations. This principle underpins its commitment to corporate responsibility, to sustainable practice, and to its daily business dealings. When faced with opportunities whose technical ramifications exceed its own capacity, the Bank immediately consults outside, independent experts to help keep the Bank on track.

REPUTATIONAL RISK

The Bank is sensitive to the need to protect SCB's reputation from risks associated with sensitive political or social entanglements. As a consequence, it has established a reputational risk management framework in accordance with accepted risk materiality assessment guidelines as endorsed by the Internal Capital Adequacy Assessment

Process (ICAAP). The format provides for identification, assessment, monitoring and reporting, and reviewing of all potential risk factors.

The Bank categorizes transactions that could be reputational-sensitive into one of five classifications:

- Hostile takeover loans
- Credit for politicians or political parties
- Credit for businesses which harm the environment
- Credit for businesses associated with potentially divisive social issues
- Credit for enterprises practicing unacceptable business methods like using child labor

The Bank's Management Committee is fully responsible for approval of any reputational sensitive transactions, with agreement from the Chairman of the Board, Chairman of the Audit Committee and Chairman of the Nomination, Compensation and Corporate Governance Committee.

Being competent in the field of financial services is what you would expect from a bank. Another skill set altogether is necessary if the bank is to be adept at handling the impact of the many activities it undertakes the next challenge.



SCB co-sponsors the Bai Po Business Awards to recognize outstanding Thai SMEs. 2013 was the 8th year of the contest, run by Sasin Graduate Institute of Business Administration of Chulalongkorn University.



I THINK
I'M READY
TO TEACH

THINK
SCB

How does SCB empower its internal and external stakeholders?

The outcome of SCB's business success translates into value creation for its shareholders and employees, its communities, and for Thai society. Internally, the Bank's people related strategy is to encourage lifelong employment through providing a great workplace. As a means to contribute to society's knowledge and resilience, the Bank dedicates its social engagement efforts towards youth development, promoting volunteerism and environmental protection.

There is much to be learned from working with people from other organizational divisions of the Bank on tasks that are unfamiliar to all. Community work helps to build character in younger employees, and to broaden skill sets in more senior staff. This is why SCB endeavors to engage its employees in community outreach programs, which also adds a sense of purpose to and pride in working at SCB. This helps develop talent acquisition, retention, and development related goals.

Internal Stakeholders

Personal and professional development of the Bank's staff is a priority. In 2010 the Bank set up the People Development Committee to formulate and review policies and strategies regarding human resource management. Employees are the very essence of the Bank, which is why it provide benefits and working conditions that exceed legal requirements and help ensure that working at SCB always remains an enriching experience. Training and development programs enable the SCB workforce to quickly respond to economic changes in a way that will satisfy rising

customer expectations. These efforts combined have helped to maintain SCB's status as an employer of choice.

DIVERSITY & INCLUSION

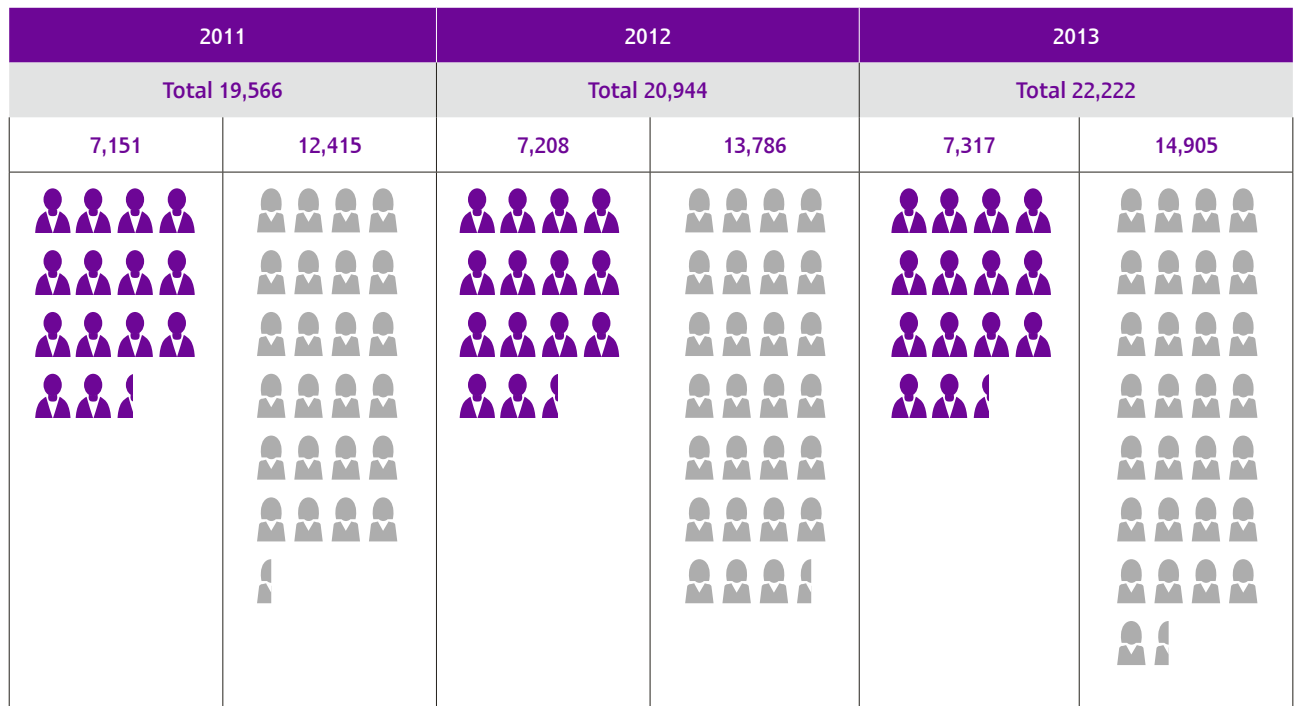
It is important to SCB that its workforce is representative of the community. The most visible example of its commitment to equal opportunity is the fact that SCB's past two presidents have been women. As of December 2013, SCB has a total of 22,222 employees – up 5.85% from December 2012. Two out of three employees are female. This proportion reflects the reality that in the Thai banking sector, the majority of employees are female. Furthermore, the ratio of male to female staff at executive level (Assistant Vice President to President) is 1 to 1.43. On the Board of Directors, the Bank has four female members out of a total of sixteen directors.

As for age diversity, the number of employees aged 55 and above increased steadily in the past two years from 396 in 2012 to 428 in 2013.

While SCB provides support and career opportunities for persons with disabilities, SCB currently employs only five disabled employee². Clearly this is an area where the Bank must try and do better in future.

Furthermore, in an effort to promote gender equality, SCB promotes equal pay between male and female employees and is nearing that mark. As of December 2013, the ratio of the average salary between male and female employees has been 1.04 to 1.0 at the executive level, 1.2 to 1.0 at the operational level, and 1.1 to 1.0 at the staff level. With time, the Bank expects that there will be parity across both genders.

EMPLOYEE PROFILE



Male employees
 Female employees

(1 icon represents 500 employees)

²Thai government regulations call for one percent of the workforce to be disabled. Failing that, a company must pay into a special welfare fund benefiting the disabled.

DIVERSITY

	2011	2012	2013
Ratio of male to female staff at executive level (Assistant Vice President - President)	1.54	1.49	1.43
Number of employees aged 55 and above	347	396	428
Number of employees with disabilities	5	5	5

2013 WORKFORCE BREAKDOWN (FULL TIME EMPLOYEES)

	2013
Retail Banking Group	15,879
Business Banking Group	1,126
Wholesale Banking Group	1,013
Special Business Group	261
Support Groups	3,943

STAFF RECRUITMENT

In 2013, SCB recruited 4,441 new employees, bringing in talent from diverse backgrounds and skill sets. At the same time, the Bank is working closely with various universities, including graduate schools, to contribute to students' development and their readiness for future demands of the job market. SCB executives serve as guest lecturers, developing 'real life' case studies and projects for

students to learn, participate in, and contribute to. In addition, we have recently launched "SCB Young Talent Camps" with major universities to provide third-year students a learning experience that includes social activities, consulting project competitions, training, and visits to SCB facilities.

RECRUITMENT IN 2013

	2013
Ratio of male to female staff at executive level (Assistant Vice President - President)	1.00
Ratio of male to female staff at non-executive level (Below Assistant Vice President)	0.66
Ratio of male to female staff (Total)	0.21

CAREER DEVELOPMENT

	2013
Number of in-house training courses	180
Number of e-learning courses	23
Number of training courses offered by formal training institutes from Thailand	97
Number of training courses offered by formal training institutes from abroad	12
Total number of training courses	312
Total number of training days per annum (male employees)	6.1
Total number of training days per annum (female employees)	7.9

Career development helps employees to fulfill their potential while enhancing their motivation. The Bank does its best to match roles to strengths and to counsel employees with timely feedback on their performance. 100% of the employees go through merit-based annual performance evaluations and review cycles. Starting in 2013, managers will be required to confirm online that they have discussed evaluations with their subordinates. This will enable the Bank to monitor the number of employees who receive regular feedback on their performance and career development.

SCB has both classroom and online training to develop employees. In 2013, each person recorded on average 7.3 days of training – up slightly from 7.1 days in 2012. The Bank invested Baht 282 million in training programs – up by 13.7% over 2012.

SCB staff receive training in house and attend external courses and seminars. In the future, SCB intends to increase the use of actual SCB case studies and pay more attention to monitoring the outcome of its efforts in order to assess the degree to which trainees are able to apply their newly acquired skills and knowledge. The Bank

is developing training roadmaps tailored to individual units in order to offer clearer and more attractive career paths to the workforce.

Currently, SCB endorses mentoring, has developed guidance, but has no formal program. In October 2013, the Bank launched the first "Coach Day" to promote a coaching culture as well as to select and train master coaches. In 2014, under the "Building Our People" part of the iSCB core values, the Bank will continue to cultivate a coaching culture throughout the organization.

UNIVERSITY STUDIES

The Bank sponsors opportunities for advanced study at universities in Thailand and abroad. Employees can apply for degree scholarships at leading universities in Thailand such as the Asian Institute of Technology, Sasin Graduate Institute of Business Administration of Chulalongkorn University, and Mahidol University as well as globally renowned universities such as the Massachusetts Institute of Technology (MIT), University of Pennsylvania, and University of California, Berkeley. In 2013, the Bank invested Baht 16.3 million in various scholarship programs for its employees.

EXECUTIVE TRAINING

SCB provides special training opportunities for its executives as part of the Management and Leadership Development Programs. It collaborates with 12 leading institutes (such as Capital Market Academy and the Thai Listed Companies Association) on 13 structured training courses.

The Leadership Development Program for SCB's executives consists of three programs, namely;

- Executive Vice President (and higher) Management Development Program offered on campus by major universities such as Harvard, Stanford, INSEAD, IMD, Columbia University, and the Kellogg School of Management.
- Senior Executive Program for executives ranked SVP to FSVP, conducted by the Wharton Business School
- Management Development Program for executives ranked AVP to Vice President VP, run by Duke Corporate Education of Duke University

Selected SCB senior management also participate each year in training programs at the Thai Institute of Banking and Finance Association:

- Financial Executive Development Program (FINEX) for SVP to FSVP level, focusing on management capabilities required by financial institutions
- Modern Banking Executive Development Program (MOBEX) for VP level, focusing on leadership and development in the banking business
- Young Banker's Executive Development Program (YOBEX) for AVP level, focusing on general knowledge required within the banking business

EMPLOYEE VOLUNTEERISM

Promoting and instilling ethical and social responsibility through volunteering for social purposes is an integral part in the Bank's efforts to contribute to the development of its employees – both at a personal and professional level. SCB actively encourages employee to volunteer to foster personal development by instilling the value of sharing and caring for others. SCB offers various types of volunteer activities under two core programs, "One Day in a Year" and "SCB, Let's Do Good" (see more details in the External Stakeholder section), to provide opportunities for individuals to perform community support deeds and to take part in public service.

In an effort to contribute unique strengths to the Bank's social activities, every Business Unit incorporates community stewardship into its annual plan. Thus, each Business Unit leverages its strengths to make a contribution to "SCB, Let's Do Good" campaign. For example, both the Information Technology Group and Finance Group apply their core strengths to provide basic computer and English learning courses for elementary school students at Wat Tal Jed Chor School, Ang Thong province over the past seven years – the school has a large number of children from underprivileged families. The Human Resources Group supports the Foundation for Children in organizing recreational projects to develop sports and art skills for children. By embedding social responsibility in the DNA of each Business Unit, the activities reinforce the bank-wide people development efforts.

BENEFITS

By offering benefits that surpass those required by Thai law, the Bank attracts and retains a motivated workforce and promotes well-being among its employees.

Every employee receives flexible life and accidental insurance as well as health care coverage. At the Head Office, SCB has a clinic that provides basic medical services for our staff members. Additionally, as part of the "Your Health, We Care" program, SCB offers annual health check-ups for its employees. In 2013, 80% of the employees made use of this program.

In 2013, SCB paid an employer's contribution of Baht 1.3 billion to its provident fund. All 59 employees who retired in 2013 received benefits from this fund. SCB matches the amount each employee chooses to contribute to the program. Further, each employee has the opportunity to choose a personalized provident fund investment program. This gives employees the opportunity to choose an individual level of risk for their pension fund, which could result in higher returns.

SCB provides support to retired employees for medical expenses. SCB also sponsors an alumni club that promotes communication and joint activities among retirees. In SCB, retired employees can extend their valuable professional contribution through the "Purple Diamond" program where retired employees are engaged as trainers and advisors on a contract basis.

Another benefit that employees can avail of are loans at interest rates lower than market rates. In 2013, 65% of the Bank's workforce took advantage of this benefit.

SCB seeks to retain employees who are starting families. Mothers are entitled to 90 days of paid maternity leave (after 45 days they receive additional welfare support from the Thai government). 556 employees took maternity leave in 2013. All but 30 employees resumed their careers at SCB after their maternity leave ended.

In addition, SCB also awarded 657 scholarships for employees' children as part of the employee engagement program in 2013. In collaboration with Kasetsart University in Bangkok and Chiang Mai University, the Bank arranges English language programs for the children of employees. Over six hundred children of employees participated in English language programs in 2013.

WELL-BEING

ABSENTEEISM/TURNOVER

Well-being is an essential aspect of staff motivation. SCB monitors employee working conditions with a view to improving them on a continuing basis through employees' welfare, health and safety policies. Both the Welfare Committee and the Safety, Health & Work Environment Committee are equally represented by representatives from the company and its employees. 50% of committee members are elected by staff. The Committees, with 2 year terms, monitor, gather employees' suggestions and propose recommendations to improve both employees' welfare, health and safety measures and the working environment. In addition, the Building Management Team regularly conducts test³ on air quality and lighting sufficiency throughout SCB facilities. Adequate restrooms and access to clean drinking water are also ensured through regular checks and monitors. In 2013, the Bank switched to LED lights in an effort to better control work station lighting and concurrently conserve energy. Over recent years, the Bank has refurbished work stations and common areas to enhance the overall workplace ambience.

SCB takes employees' hygiene and work safety seriously and ensures none of the employees work in a hazardous work environments. For example, additional accidental insurance is provided for operational staff who are required to undertake frequent work-related travel on motorcycles. In 2013, there was no work-related fatality at SCB.

Sports facilities such as fitness centers and football fields are being added to meet the growing demand and health consciousness of our employees. Absenteeism has remained constant at 2.6 days per employee from 2012 to 2013. The Bank had experienced an improvement in staff turnover rate from 14.6% to 13.7% in 2013 much of this among entry level staff at branches who decide to pursue attractive careers after a period of time. The Bank's efforts to enhance the well-being and motivation of its employees have helped retention over the long term: the number of employees who remained employed at SCB for more than 20 years increased from 3,653 in 2012 to 4,143 in 2013.

	2011	2012	2013
Turnover rate (percentage)	11.4	14.6	13.7
Number of employees employed at SCB more than 20 years	3,222	3,653	4,143
Average sick leave days per employee	2.8	2.6	2.6

EMPLOYEE ENGAGEMENT

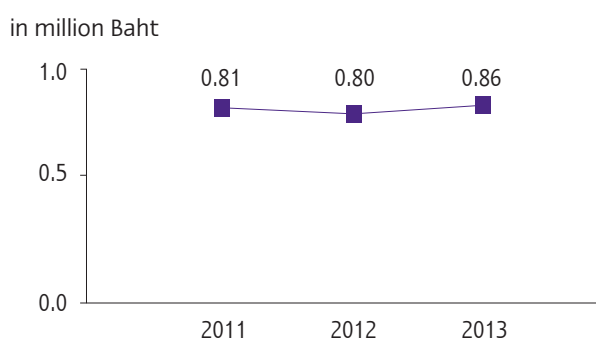
SCB uses different types of communication tools to facilitate employee engagement. To reach out to over 22,000 employees across Thailand, the Bank uses Intranet, email, SMS, and town hall meetings. The communication between SCB and its employees is based on respect and reciprocity. Employees provide feedback and voice complaints via the HR Call Center; the SCB web board; and Purple People Talk (a channel to anonymously voice opinions) or through confidential emails. Employees can also voice concerns regarding potential fraud, human rights and working conditions via the anonymous Whistle Blower mechanism. In 2013, all cases reported via Purple People Talk and Whistle Blower program were addressed and resolved.

According to the results of the latest employee engagement survey conducted by a leading HR consulting firm, SCB employee engagement stood at 89% in March 2013 and 91% in September 2013 and scored in the 90th percentile among all companies surveyed worldwide.

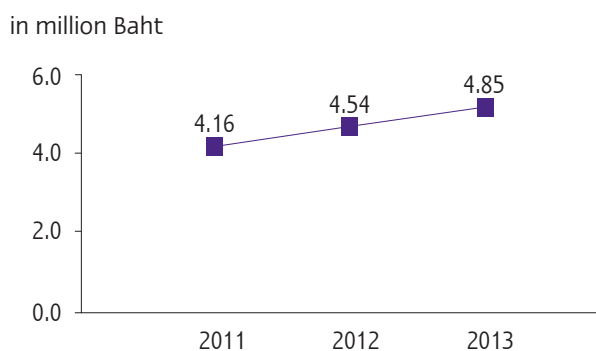
EMPLOYEE PERFORMANCE

The Bank has seen a clear link between its continuous efforts for employee development, improving employee benefits and well-being, and employee engagement to tangible business benefits. While the Bank's expenditure per employee slightly increased between 2012 and 2013 (from 0.80 million Baht to 0.86 million Baht), the return on investment from employees increased even faster³. Thus, the return on investment from employees improved from 4.54 times in 2012 to 4.85 times in 2013.

Staff Costs per Employee



Return on Investment in Employee



³The return on investment in employees is calculated by: total revenue minus expenditure on employees divided by expenditure on employees.

SUCCESSION PLAN

With the aim of identifying and developing key personnel so that the Bank's operations are uninterrupted, the Board of Directors has delegated to the Nomination, Compensation and Corporate Governance Committee the responsibility for developing and maintaining the succession plan.

SUCCESSION PLAN FOR THE CHAIRMAN OF THE EXECUTIVE COMMITTEE AND THE PRESIDENT

The Nomination, Compensation and Corporate Governance Committee is responsible for identifying and selecting suitable candidates for the positions of Chairman of the Executive Committee and the President. The Committee, through Board meeting discussions and other meetings, constantly manages the succession plan to provide future stability of management and the Bank's operations.

SUCCESSION PLAN FOR SENIOR EXECUTIVES AND KEY PERSONNEL

The Nomination, Compensation and Corporate Governance Committee considers the senior executive and key personnel selection and succession plan proposed by management with the objective of ensuring both the quality and quantity of senior executives and key personnel to maintain continuity of the Bank's management.

The management of the Bank has the following succession planning procedure for senior executives and key personnel positions:

- Identify critical positions to be covered in the succession plan;
- Formulate policies and criteria for the selection of key personnel, including required knowledge, skills, and competencies;
- Select and assess successor candidates based on readiness, strengths and areas for improvement;
- Create Individual Development Plans for candidates nominated within the succession plan;
- Continuously monitor the development plan, reassess the candidates' readiness, and consider, where warranted, career advancement.



SCB continually helps staff develop their potential, so they can provide outstanding service to customers and build the Bank's future success.



Annual SCB Family Day gathers SCB staff and their families for fun activities celebrating the New Year at the Head Office. The theme in 2013 was "SCB Loves the Earth."



Teams of SCB executives regularly play friendly football matches, strengthening relationships throughout the Bank.

External Stakeholders

The Corporate Social Responsibility Committee (made up of members of the Board of Directors) sets SCB's goals and priorities in terms of discharging the Bank's social obligations. At the heart of the Bank's social engagement is the desire to lay a foundation for strong and robust communities. In this regard, the Bank believes these actions to be most important: **developing youth through education; spreading social responsibility by promoting volunteer activities; and promoting environmental management and the quality of life of all residents.** All these actions help to strengthen communities by providing opportunities for individual self-fulfillment and the potential to act as change agents for society.

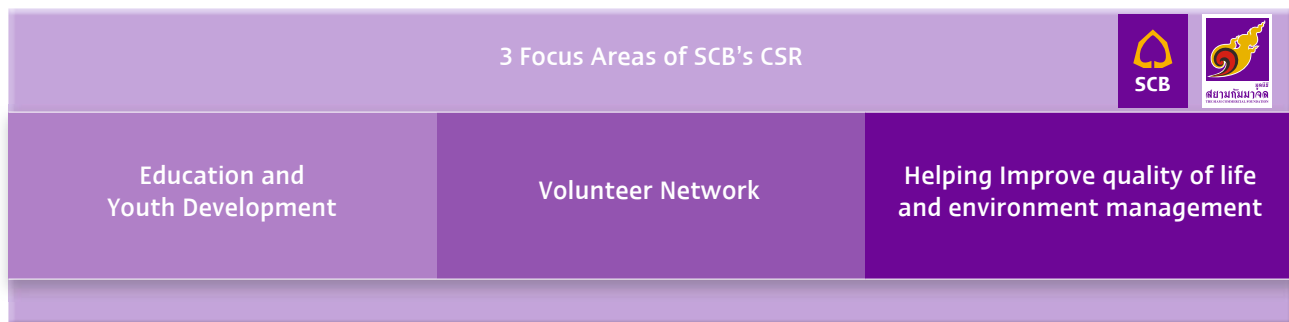
A main thrust of the Bank's social engagement rests with character building. Youth development efforts aim to create civic-mindedness among Thailand's next generation. Further, the Bank mobilizes its employees, business partners, clients, and community members to support these social activities. By collaborating with various stakeholders in social engagement activities, the Bank forges closer ties with all interest groups to harness collective strengths to achieve good for society.

SCB shares its commitment for contributing to society with its employees, customers, and the rest of society through programs for education, youth development, and promoting volunteerism.

The Bank works to improve the communities it serves through an annual CSR budget set aside from net profit. In 2013, more than 44% of the social development budget went to youth development, 32% to the volunteer network and the remaining 24% of the budget went to efforts to enhance the quality of life and environmental management.

While SCB assumes responsibility for providing seed finance for selected community projects, the Siam Commercial Foundation supports partners and change agents at the grassroots level in the field of youth development specific actions taken depend on the needs of the Bank's partners. The Foundation supports and finances projects that can be regarded as social labs which help to expand understanding of best practices for youth development.

To support the work of the Foundation, SCB allocates an annual budget. The Foundation's objective is to instill values, promote volunteerism, and encourage active citizenship, as well as help in building character and skills among Thai youth, all in support of the country's long-term development. To reach these goals, the Foundation supports existing partners while expanding its network. Among its partner organizations, the Foundation supports development in the fields of knowledge management, database management, working processes, human resources management, management systems, and networking.



THEMED PROJECTS

1) EDUCATION & YOUTH DEVELOPMENT

Occasionally the Bank receives queries from service organizations concerning the Bank's priorities. One even asked why SCB devotes such a large portion of its community budget to youth-centered activities.

It is obvious that the nation's youth are the future of the country. Specifically, they are not only the future leaders, but also the future customers, the future employees, and the future investors of the Bank. There can be no more rewarding payback – personally or for a business – than to be able to help change a life through education. As the youth will largely determine the long-term development of the country, the Bank tries to strengthen both formal knowledge of young people and to foster character building and integrity. In doing so, the Bank hopes to develop future leaders of Thailand who will contribute with integrity and creativity to Thailand's development. In order to advance education & youth development in Thailand, the Bank supports projects with the following goals:

- Mainstreaming the Sufficiency Economy Philosophy in high school education
- Providing a stage for the youth in knowledge and community development
- Enabling socially-disadvantaged children, adolescents, and teachers to access education
- Supporting change agents to promote youth development

MAINSTREAMING THE SUFFICIENCY ECONOMY PHILOSOPHY IN HIGH SCHOOL EDUCATION

The principles of the Sufficiency Economy Philosophy provide guidance for living and tools for problem-solving and effective management. Consisting of moderation, the awareness of cause and effect, and risk management on the basis of sufficient knowledge and integrity, the principles help individuals to achieve sustainable success through consideration of the community and its environment. Instilling these values in youth is key for promoting a peaceful and progressive Thai society.

The Sufficiency Economy Learning Center School Network

Through joint collaboration with the Siam Commercial Foundation, the Crown Property Bureau and the Ministry of Education, the Bank assists to spread the Sufficiency Economy Philosophy to schools throughout the country. The Foundation supports schools as they transition into Sufficiency Economy Learning Centers. Teachers receive a hands-on approach to designing curriculum in order to build a "sufficiency" attitude among students. The Centers also help school managers to build a network for knowledge exchange, and database management. The Centers function as network points that promote practical application of the principles of the Sufficiency Economy Philosophy in school curriculum among the network schools.

With the aim of fostering the ongoing mobilization of Sufficiency Economy practitioners in local areas, the Foundation engages local universities to help coordinate and support schools that have the potential to become Sufficiency Economy Learning Centers.



Students at Sufficiency Economy Learning Centers

In the past four years, 31 Sufficiency Economy Learning Centers have been established. Another 53 high schools are being assessed for becoming learning centers for human resources development under the Sufficiency Economy Philosophy. This project ensures that education developers are able to apply the principles of the philosophy in teaching techniques and help in character building through participatory learning, knowledge management, and education network expansion.

PROVIDING A STAGE FOR THE YOUTH IN KNOWLEDGE AND COMMUNITY DEVELOPMENT

SCB Challenge

The SCB Challenge is an annual event that provides talented youth with a platform to exhibit their capabilities and potential and to make a social impact later on in life. It provides young people a platform for talent, creativity, and team building, where participants compete in different fields related to knowledge and social engagement. Competitions, as part of the Challenge, cover painting, general knowledge quizzes, and community projects such as:

- Painting competition for primary school students: Teams compete to express their imagination and creativity through oil paintings. Each team comprises four members, one each from Grade 1 to 6, who compete to create a story based on a given theme and to represent the story on a canvas, with a time limit.
- Quiz competition for middle school and high school students: In this competition, four-member teams are challenged with quizzes covering both academic and general knowledge, judged for both correctness and wit.
- Community project competition for undergraduates: Competing for a royal trophy donated by Her Royal Highness Princess Maha Chakri Sirindhorn, teams from universities and colleges nationwide apply their academic learning to benefit local communities through various practical initiatives. Selected teams receive seed money plus workshops and guidance from the Bank employees. SCB chooses three winners on the basis



of project management performance, integration with the Sufficiency Economy Philosophy, and the ability of the projects to be sustained independent of outside support.

Apart from rewarding SCB Challenge winners, each year the Bank also organizes a youth development program for final round students. This program helps to put into practice what has been learned in the classroom. It also establishes student networks to further learning, share experiences, and promote thoughtful consideration for the welfare of communities. The Siam Commercial Foundation is the prime catalyst in arranging these programs.

The SCB Challenge helps to promote knowledge development and social responsibility among Thailand's youth. It also enables SCB to seek and recruit new talent.

More information is available at www.scbchallenge.com



Primary school students



high school students



undergraduates

The 8th SCB Challenge organized contests in painting for primary school students, a knowledge quiz for high school kids, and a community project for university students.

ENABLING SOCIALLY-DISADVANTAGED CHILDREN, ADOLESCENTS, AND TEACHERS TO ACCESS EDUCATION

SCB supports a number of initiatives to enable socially disadvantaged children and adolescents, and teachers to obtain better access to education.

Scholarships

SCB offers educational opportunities to Thai students since 1973. SCB scholarships are awarded to students in need nationwide through the Bank's branch network in coordination with local schools and universities. Scholarships for students in Border Patrol Police Schools were initiated on the occasion of the Bank's 100th anniversary in 2006. This effort helps to extend educational opportunities to students in remote areas so that more young people can pursue education to the highest level they aspire.

During 2013, SCB provided scholarships to 365 needy students at the elementary, high school, and university levels to promote equal access to education. In total, the students received scholarships worth Baht 9.7 million. Further, SCB provided educational supplies, including books, to 446 elementary and high schools worth Baht 1.1 million.

In addition to providing scholarships, SCB organized an outing for the scholarship recipients that included a visit to the "Art of the Kingdom" exhibition at the Ananta Samakhom Throne Hall, the Princess Mother Memorial Park. Apart from the outing, scholarship recipients had a chance to learn from leading academics and other respected individuals how to set life goals and become successful in the future. Additional activities were initiated to raise awareness of their home communities. The ultimate goal of SCB scholarships is building capabilities of the youth to support sustainable development. SCB hopes that these students will help develop local communities and act as role models for the younger generation with awareness and appreciation of their roots.

"Teach For Thailand"

In 2013 SCB and the Siam Commercial Foundation supported the "Teach for Thailand" project by the Teach for Thailand Foundation in order to enhance the effectiveness of Thailand's education system and, at the same time, prepare new graduates for a future career over a two-year period or more. Following the approach used by "Teach for America", Teach for Thailand recruits civic-minded fresh graduates to teach at schools in socially-disadvantaged areas. Volunteers develop skills in the fields of teaching, education management, and leadership to act as change agents in the schools, and to enhance the quality of education. The project's volunteer recruitment and training will kick off in 2014 at five schools under the Bangkok Metropolitan Administration. SCB supports the project with seed money and the Foundation will share its experience in project management and knowledge in youth development to enhance the project's effectiveness.

"Art Creates Happiness"

Art can be an effective way of providing access to education for children with special needs. Since 2010, SCB has sponsored "Art Creates Happiness," a project initiated by a team of students participating in the SCB Challenge. "Art Creates Happiness" started as a supplementary art therapy learning course for children with special needs at Petchaburi Panyanukul School. The project aims to boost child development and creativity.

In 2012, SCB joined hands with Therapeutikum (Thailand), a non-profit group specializing in art therapy for kids, to implement the project on a broader, more effective and lasting basis. Volunteering through the Bank's "Let's Do Good" project, SCB staff organized activities and donated financial support to build a dedicated classroom at the Petchburi Panyanukul School. In 2013, the Ministry of Education's Bureau of Special Education Administration designated SCB as an official collaborator to make the Art Creates Happiness program a part of the curriculum of



SCB supported art therapy training for teachers of the mentally disabled. Held nationwide at the Panyanukul schools for pupils with special needs, the project empowers educators to help kids improve their mental and physical abilities.

all 19 Panyanukul schools. The Petchburi school, as well as one in Pichit Province, will serve as hubs from which to roll out the project. In 2014 and 2015, the program will expand to include the Panyanukul schools in the provinces of Chacheongsao, Nakhon Rachasima and Chaing Mai, for a total of seven hubs in the initial phase.

Supporting Foundations and NGOs for Youth Development

In addition to the projects SCB manages for youth development, it contributes to several foundations and non-governmental organizations which are active in youth empowerment in Thailand:

- The CCF Foundation under the Patronage of Her Royal Highness Princess Maha Chakri Sirindhorn
- The Promotion of Academic Olympiad and Development of Science Education Foundation established under the patronage of Her Royal Highness Princess Galyani Vadhana Krom Luang Naradhiwas Rajanagarindra
- UNICEF
- The Universal Foundation for persons with disabilities

SUPPORTING CHANGE AGENTS TO PROMOTE YOUTH DEVELOPMENT

SCB engages in a selection of activities to support change agents to promote youth development.

The Songkhla Youth Citizenship Project

The Siam Commercial Foundation supported youth development in the southern province of Songkhla under an initiative called the Songkhla Forum. The project let civic-minded young people get together to discuss local issues and collaborate in solving

community problems. The Forum aims to develop a strong network of dynamic people in the area to help youth development expand and endure into the future.

Youth Development in 4 Regions

The Siam Commercial Foundation has supported the Learning Empowerment Institute, a project in collaboration Department of Local Administration, Ministry of Interior, to develop a mechanism to strengthen youth capabilities through training courses, "Community Weaver"

The project teaches personnel at Local Administrative Offices about the processes involved in developing the potential of young people. The Institute also helps local officers improve their own project management and leadership skills.

The project helps Local Administrative Offices learn how to collaborate with outside groups to host youth forums. The Institute explains how to effectively manage a forum. The Institute's ultimate goal is to help Thai youth become good citizens and civic-minded leaders who can act as forces for progress within their own communities. Since 2013, the project will continue for three years, and is open to interested personnel at 20 Local Administrative Offices each year.

The Princess Galyani Vadhana Teacher Award

The Princess Galyani Vadhana Teacher Award was initiated by the compassion of Her Royal Highness the Princess Mother Project to promote awareness of the devotion of teachers working in remote areas. Dedicated teachers in remote areas play an important part in developing the younger generation to be decent and contributing citizens. SCB has been providing support for the awards since 2009.

SCB annually honors nine dedicated teachers with the Princess Galyani Vadhana Teacher Awards. The awards target prominent teachers at the Border Patrol Police Schools, volunteer teachers at community learning centers for the hill tribe people, the Office of the Basic Education Commission, and the Office of the Non-Formal and Informal Education in remote provinces. Awardees receive Baht 10,000 in prize money for their schools plus Baht 30,000 in cash and three years' health and accident insurance policies. Additionally, SCB promotes sharing of good practices of the award recipients through the Siam Commercial Foundation.

The award recipients devote themselves to improving living conditions of underprivileged children in remote areas and sustainable development in their communities. They deserve praise for their virtue and with the awards they are recognized as role models that other teachers, students and community members may follow in the future.

2) VOLUNTEER NETWORK

To promote the value of helping and doing good for other people and society, SCB emphasizes the development of strong networks of volunteers among its staff, young recruits, and fellow community members. Volunteer activities are promoted through websites and social networks. The Bank also promotes the values of sharing and caring and promotes civic awareness and the spirit of volunteering among SCB staff. SCB implements a pair of key campaigns to enhance volunteer activities among partners and society:

- "SCB, Let's Do Good"
- "One Day in a Year Sharing Project"

"SCB, Let's Do Good"

Started in 2008, the "SCB, Let's Do Good" campaign aims to promote civic awareness among SCB staff, who were encouraged to spend some of their free time for benefit of communities where they live. Employees are encouraged to make contributions to community development, based on the basic requirements of each community, while taking into account the consistency and sustainability of each project. The Bank's volunteer activities follow the three core goals of youth development, public service, and environmental care. To reach these goals, employees engage in activities such as:

- Youth development: offering basic computer and English courses as well as courses on financial literacy to children, and giving talks on personal finance and business management.
- Public service: blood donation, and school or park renovation.
- Environmental projects such as beach clean-ups, coral reef and forest conservation work.

In the field of financial literacy, basic computer skills and sport activities, in 2013, the voluntary work of the SCB employees benefitted 2,400 children. Furthermore, these actions under the "SCB, Let's Do Good" campaign were integrated within the Bank's employee teambuilding activities. In 2013, almost 7,800 (roughly one-third) of the employees participated in activities under the "SCB, Let's Do Good" campaign. Next year, the Bank aims to increase the number of participants to 11,000 employees – almost half of the employee base.



"SCB, Let's Do Good" supports dozens of projects for SCB staff who want to contribute their free time toward charitable work helping local communities in need.

“One Day in a Year Sharing Project”

SCB launched its “One Day in a Year Sharing Project” to introduce young people to community stewardship. SCB invites young people to share good things or to use their talents and energy ‘one day in a year’ to contribute to community development under three themes: “Share Your Stuff; Share Your Ideas; and Share Your Energy.” By participating, SCB employees promote a volunteer spirit among young people. This year, the initiative received a warm welcome from over 20,000 volunteers.

“Share Online”, part of the “One Day in a Year Sharing Project”, enables young people to apply their passion for technology to help society through activities such as e-card to the border patrol

police, Special Forces units and patients at Children Hospital and translating books into Braille. Over 4,000 volunteers converted 120 fiction and textbooks to Braille in 2013.

This year, Thai Samsung Electronics and the Bank launched “Read for the Blind” under SCB, Let’s Do Good to expand the “One Day in a Year Sharing” project activity. Volunteers read and record books, magazines or articles as audio files for the blind, encouraging passion for knowledge and literature and helping to mitigate the impact of their vision impairment. (More information is available at www.1day1year.com)



Volunteers helped plant seedlings in the forest, at the Natural Agriculture Center in Ban Tung Nang Kruang, Kanchanaburi Province.

3) ENHANCING QUALITY OF LIFE AND ENVIRONMENTAL MANAGEMENT

Promoting environmental management and quality of life are activities essential to enable current and future generations to build strong communities and maintain a high quality of life.

ENHANCING QUALITY OF LIFE

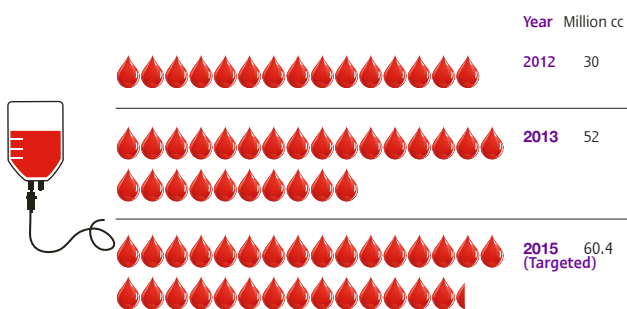
Two main activities that help enhance the quality of life are the annual blood donation and annual and adhoc relief for victims of natural disasters.

Blood Donation

How better to improve lives than by offering health in the form of a life-saving blood supply? SCB supports the blood donation campaign of the Thai Red Cross Society by hosting regular blood donor events. In fact, SCB is the largest private sector blood donor organization in Thailand.

In 2013, the Bank collected over 52 million cc of blood – up almost 70% from 2012. The Bank’s 2015 target is to increase blood donations to over 60 million cc of blood in honor of Her Royal Highness Princess Maha Chakri Sirindhorn’s 60th Birthday Anniversary.

(1 drop represents 2 million cc)



SCB donated mobile blood donation units for use outside Bangkok, to meet growing needs upcountry. The Bank also helped sponsor a veterinary ambulance equipped to collect canine blood donations, operated by Kasetsart University.

The Bank plans to increase its fleet of blood collection buses to ten vehicles and, by 2015, the mobile blood donation will expand to Chiangmai, Phuket, Chonburi, Songkhla, KhonKaen and Nakhon Sawan.

In an effort to broaden our blood donation efforts, SCB supports Chulalongkorn University and Kasetsart University animal hospitals with one mobile blood donation unit. By doing so, it helps to overcome the lack of animal blood donations and to help animals in emergency situations.

Relief for Victims of Natural Disasters

Asian tsunami devastated six southern provinces in late 2004, the Bank set up and publicized a special savings account to securely receive donations from people nationwide.

With generous public donations totaling 62.3 million Baht, the Bank established a fund named "SCB for Disaster Victims" to provide both emergency relief on an immediate basis and assistance toward long-term recovery. The recovery effort focused on projects for the sustainability of local communities, in collaboration with three agencies, Population and Community Development Association (PDA), Sustainable Development Foundation and Foundation for Children.

After these efforts were completed in 2012, the remaining balance of 20 million Baht in public donations was given to the Community-based Research Institute Foundation to arrange a self-managed community project in affected areas. Its objectives are to promote the sharing of knowledge and encourage individual volunteerism and teamwork to solve problems in 11 communities in the provinces of Ranong, Trang and Satun. The project is guided by the following principles:

- Research: Do research to identify ideas and information that can help solve community problems.
- Development: Take action to achieve real and beneficial change.
- Movement: Mobilize collaboration among community members to achieve goals shared by all.

The project's most important aim is to produce concrete, measurable outcomes. Already, participants have made substantial progress. The local groups are solving community problems step-by-step, and, at the same time, developing their own approaches to effective self-management of projects.



SCB Relief Fund supported tsunami-recovery projects in Ranong, Trang and Satun provinces. Managed by local people themselves, the projects strengthened both group and individual capacities, so communities can better cope with challenges on their own.

In addition, SCB remains prepared to provide rapid disaster relief for disaster-stricken communities by mobilizing aid for victims of natural disasters in Thailand and elsewhere. SCB has the following core action plans:

- **Emergency Relief:** With stocks of relief supplies provided by its clients, SCB is ready to mobilize aid immediately to those in need through its network of branches and CSR partners.
- **Mid-term Recovery Assistance:** Following disastrous events, SCB continues assistance for victims including home repair, school renovation, the procurement of hardware, and school supplies. SCB also provides other forms of recovery assistance in cooperation with other public and private organizations and charitable organizations including the Friends in need (of "PA") Volunteer Foundation, the Royal Thai Air Force and Habitat for Humanity Thailand.

PROMOTING ENVIRONMENTAL MANAGEMENT

SCB supports the following initiatives to enhance environmental management:

- Environmental Fund for Youth Development
- Forest Conservation
- Eco Mission
- ScrapLab and Waste to Wealth
- Uniform Recycling

Environmental Fund for Youth Development

In partnership with the Thai Fund Foundation, the Siam Commercial Foundation supports projects that give youngsters the chance to monitor and solve environmental problems in their own communities. The projects let young people learn about conservation by doing actual fieldwork and witnessing the outcomes. In 2013, Siam Commercial Foundation supported over 20 such projects for youth.

Forest Conservation

In the interest of forest conservation, SCB supports sustainable community development in Thailand's Western Forest Complex, which spans the Myanmar border. For four years in a row, SCB has supported the Seub Nakhasathien Foundation's project in collaboration with the Department of National Parks, Wildlife and Plant Conservation. As part of its engagement with local forest communities, it encourages them to live by Sufficiency Economy Principles. The Bank introduced professions with minimal impact on forests such as cloth weaving along with organic herb and vegetable farming. Approximately, 18,300 families in 265 'e-communities' from the Western Forest Complex have benefited in 2013 directly or indirectly from the Bank's efforts to promote sustainable community forest development. The area of the Western Forest Complex that the Bank helped to conserve consists of 1.9 million hectares.

"I knew the forest but never paid attention to it. I just liked the beauty of the orchids, but the hikes with experts helped me to learn about more than 50 types of orchids. I got to learn that there are herbal medicinal qualities, too, so I became more interested in the forest and discovered that there's so much benefit that we can gain from our forests."

Youth in Yapragsalawin,
Amphoe Sobmoey, Maehongson

Eco Mission

SCB offers a Facebook game, Eco Mission, to raise awareness among the young about the need for resource conservation. Eco Mission has introduced more than 12,000 members of the younger generation to the importance of resource conservation. Similar to "Share Online", Eco Mission is another example of how technology can be used to inspire the younger generation.



SCB's Eco Mission is an online application that encourages young people to conserve nature and the environment.

ScrapLab and Waste to Wealth

SCB has long emphasized the importance of conserving the environment. Since 2008, the Bank has sponsored Kasetsart University's ScrapLab, which conducts research and teaching in re-use of waste materials. Design students there learn to develop commercially viable products from recycled or reclaimed items. In 2012, the Lab collaborated with the National Science and Technology Development Agency in a project called Waste to Wealth that let Thai entrepreneurs consult students and teachers on using discarded materials in new products. These two projects help to raise awareness of resources wasted.



SCB gave financial support to the Scrap Lab, a "green" design teaching center at Bangkok's Kasetsart University, which gives students hands-on experience in developing environmentally friendly products using reclaimed and recycled materials.

Uniforms Recycling

In recognition of the importance of promoting the three R's (Reduce, Reuse, Recycle), SCB collects old staff uniforms. From the material of these uniforms, eco-friendly blankets are produced. In 2013, SCB provided 12,000 blankets for those suffering from cold weather in Mae Hong Son, Phitsanulok, Ubon Ratchathani, and Udon Thani provinces.

4) AREAS OF SUPPORT THROUGH DONATION AND OTHER MEANS (BUDGETARY SUPPORT FOR SOCIAL PARTNERS)

SCB actively supports and takes part in philanthropic activities of other public charity groups. It also welcomes and supports community stewardship of other public and private foundations and organizations. In 2013, the Bank allocated 40% of the budget for public services and charitable organizations to carry out activities and projects that benefit society. Budgetary support covers music, religious ceremonies, art and culture, quality of living, and environmental improvement.

SUPPORTING RELIGIOUS ACTIVITIES

Religion is an important institution that nurtures faith, good deeds, a peaceful mind, and unity. SCB has supported the following religious activities

Katin

For more than 28 years, the Bank has held an annual katin, or Buddhist merit-making ceremony, joined by SCB Board members, executives and staff. Each year the event raises funds to help a different temple construct or refurbish buildings or undertake new programs of spiritual teachings. In 2013, the Bank held a katin at Suan Pueng temple in Ratchaburi Province. Total proceeds of 1.6 million Baht were used to build a chanting hall and kuti, cabins for resident monks.

Wat Benchamabophit Dusitvanaram's summer novice ordination program

Every April, the Benchamabophit Dusitvanaram temple hosts a summer novice ordination program that enables boys aged 11-17 to study Buddhism during their school break. SCB supports the program annually. Children of some SCB staff members also participate in the program.

Procurement of Muslim prayer time clocks

Since 2004, SCB supported the procurement of Muslim prayer time clocks under a "Bring Peace to the South" project of the Royal Thai Army and the Media Production Center for Thai Muslims.

Restoration of Phra Phuttasirimaravichai Buddha statue and construction of Phra Phuttasirimaravichai Hall

On the occasion of Her Majesty the Queen's 60th birthday in 1992, the Department of Fine Arts, in cooperation with the Sukhothai provincial administration and SCB, commissioned the restoration of a Buddha statue to present to Her Majesty. After the restoration was complete, their Majesties the King and Queen presided over the consecration of the Buddha statue and named it Phra Phuttasirimaravichai, and laid the foundation stone for the construction of the hall housing the Buddha. In 2013, Her Royal Highness Princess Maha Chakri Sirindhorn proceeded to the Sukhothai Historical Park in Sukhothai province to represent Her Majesty the Queen in opening the Phra Phuttasirimaravichai Hall.



SCB, the Ministry of Culture's Department of Fine Arts and Sukhothai Province joined to refurbish an important Buddha image, Phra Phuttasirimaravichai Buddha, and the chapel enshrining it. Located in Sukhothai's UNESCO World Heritage Site, the chapel has been dedicated to Her Majesty the Queen.

SUPPORTING ART AND CULTURE

In order to support art and culture, SCB provides funding for numerous Foundations:

SUPPORT Foundation

Since 2009, SCB has supported annual Khon performances by the Promotion of Supplementary Occupations and Related Techniques Foundation (SUPPORT Foundation). This effort seeks to implement Her Majesty the Queen's wish that the younger generation carries on Thailand's art and cultural heritage from the Ayuddhaya Period. Khon is the Thai classical masked dance based on the Ramayana epic, which integrates branches of art and culture, including literature, dance, music, and craftsmanship.

Sala Chalermkrung Foundation

Since 1997, SCB has supported the Sala Chalermkrung Foundation to maintain this legendary venue for art and cultural performances.

Chakrabhand Foundation

Since 2009, SCB has supported the Chakrabhand Foundation. Founded by Chakrabhand Posayakrit, a renowned veteran artist, the Foundation has continued the art of Thai traditional marionette-making and performance.

Nattayasala Hun Lakorn Lek Foundation

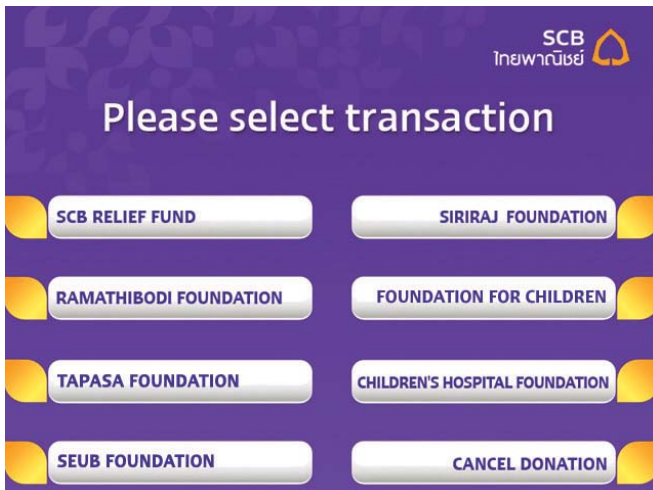
The Nattayasala Hun Lakorn Lek Foundation under the patronage of Her Royal Highness Princess Galyani Vadhana runs the Joe Louis Puppet Theater that works to preserve the art of Thai puppetry, and has achieved fame among foreigner visitors. Since 2007, SCB has supported the foundation's costume making and performances.

Supporting young musicians

Music can make an important contribution to youth development. SCB supports young musical talent by helping music students and talented young people at every level to hone their skills. SCB offers Mahisorn Hall at its Head Office as a venue for annual concerts by the Princess Galyani Vadhana Institute of Music, Faculty of Music of Silpakorn University and by Siam Sinfonietta. SCB also made available the SCB Training Center at Tawanron Beach in Chonburi as a venue for the faculty's summer music camp. The Bank supports young musical talent and provides them opportunities to develop their creativity as well as leadership skills under the supervision of music instructors and experts.



SCB strongly supports culture and the arts, especially for their value to young people and future



SCB acts as a link between charitable foundations and the public, such as by collecting donations via ATMs and sending staff to answer phones during TV pledge campaigns.

SUPPORTING SOCIAL WORK IN OTHER FORMS

SCB provides support for public charities run by other organizations as well as areas for exhibitions to raise fund. SCB helps by offering fund raising through use of its ATM network and SCB Reward point redemption. The Bank employees also help to receive donations by phone in special fund raising TV programs. SCB makes budget allocations to support activities of foundations that are active in the areas of medical services and public health.



Rather than acting independently, SCB forms partnerships with other organizations so as to help communities improve on a sustainable basis.

5) NETWORKING FOR FUTURE

SCB is committed to promoting and supporting community engagement under a consistent framework that benefits communities and society at large in a sustainable way.

SCB offers various types of volunteer activities to provide opportunities for individuals to do good and to take part in public service. The Bank's activities are intended to promote the importance of sharing with and caring for others. SCB has broadened these efforts to collaborate with partners in the public and private sector, including CSR-focused corporate networks such as the Mae Fah Luang Foundation, Crown Property Bureau Foundation, SCG Foundation, Thai Listed Companies Association's CSR Club, Private Sector Collective Action Coalition Against Corruption, Thailand Business Council for Sustainable Development, and the Thai Bankers' Association's CSR Club. Volunteer activities were promoted through websites and social networks.

Much of the Bank's community work centers on youth development and is focused on resource conservation in addition to character and skills building. In the next chapter the focus is on how the Bank itself manages the physical environment.



THINK OF
THE ENVIRONMENT

THINK
SCB

How does SCB conserve resources and manage logistics responsibly?

Unlike heavy industry, SCB's daily business activities do not have a major impact on the physical environment. But there is no such thing as a business completely lacking in impact, and when you dig a little deeper, it becomes clear that many of the Bank's significant impact may go unnoticed because of the dispersal effect (supply chain; ATM encashment trucks; etc.) or because proper records are not being kept.

SCB actively supports the wise use of the world's limited resources, including water and energy, and endeavors to minimize its impact on the environment. As a financial services provider, its environmental

impacts derive primarily from electricity and water consumption; paper use; and transport-related carbon emissions. In 2013, SCB implemented a group-wide program to overhaul its operations backbone in an effort to create a leaner operations environment incorporating scalability and end-to-end services quality.

In Bangkok, SCB administrative offices include the Head Office at SCB Park, Chidlom building, Chaengwattana building, and the Ratchayothin Data Center. Also, SCB has the most locations of any bank in Thailand with 1,173 branches



THE LONG-TERM TARGETS

The long-term targets for resources and logistics management are:

- To systematically raise workforce awareness of company-wide resource management;
- To continue to upgrade electricity systems for improved energy efficiency;
- To further reduce printing and paper usage by 20% at each of its branches;
- To continue to sponsor an annual Big Cleaning Day to enhance the workplace environment; and
- To systematically record energy consumption at the Head Office and branches nationwide for SCB and contracted services alike.

RESOURCE USAGE

Energy

The SCB facilities management team targets energy efficiency, responsible use of resources, and minimization of waste.

The building management team controls all the lighting, electricity, and air conditioning systems for SCB facilities around the country from the Bangkok Head Office. The Building Automation System controls electricity, lighting, and temperature based on an occupancy schedule. This moderates building energy consumption within a specified range, varying during peak hours. The Bank sets the temperature at all branches to 25 degrees (23 degrees at building entrances) in order to balance energy efficiency with workplace comfort.

When the SCB Head Office was built in 1995, it was one of the most energy-efficient buildings in Thailand through the use of an ice storage chiller system. On a daily basis, the building management team will make ice during off-peak hours at night and use it during the day to reduce energy consumption for air conditioning.



SCB created its own cartoon mascot to encourage employees to conserve energy and the environment. The character is named Nong Ma Muang, or "Little Mango."

SCB's greenhouse gas (GHG) emissions from electricity consumption at Bangkok offices and branches around the country are calculated as 85,000 tons CO₂ based on an approximate total of 170,000 mWh for the year 2013. The GHG emissions intensity ratio for branches around the country is estimated at 4.3 tons CO₂/staff and 3.1 tons CO₂/staff for the Bangkok offices.

Lighting

From 2011 to the present, the Bank has reduced its energy use 30% by installing bright and energy-efficient T5 fluorescent light fixtures. In 2013, SCB took the additional step of replacing 95% of the Head Office lighting with light-emitting diode (LED) lamps, which are expected to generate far higher electricity savings than the fluorescent upgrades. The Bank also started to install LED lighting in a handful of other Bangkok locations.

SCB branches that now use 100% LED lighting include the Big C Samutprakarn Branch and all 13 SCB First branches. Citywide, Bangkok branches use approximately 90% T5 fluorescent lighting and 10% LED lighting. Provincial branches use about 10% LED lighting.

By the end of 2013, all 1,100-plus SCB branches displayed exterior signage which required lighting. The signs and related lighting are only in use when needed in order to save energy. The breakdown of electricity usage is as follows:

In shopping malls around Thailand, the approximately 1,300 ATM machines (including Cash Deposit and Update Passbook) are on sleep mode 11 hours a day, between 22:30 – 9:30.

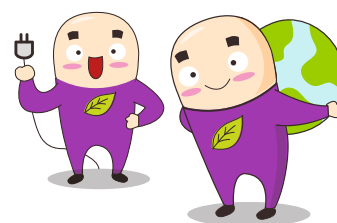
The stand-alone Fascia signs and billboards are on for only three hours a day, between 18:00 – 21:00.

The rooftop, vertical, and Easy Bank signs are on only at night, between 18:00 – 06:00.

While the Bank saves energy with sleep mode for most activities during the night, the CCTV systems ensure customer safety at all SCB ATM machines 24 hours a day, year-round.

Water

SCB facilities consume only municipal water supplies. The central water management scheme at the Head Office complex 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 complex alone, the Bank recycles about 30 cubic meters of water a day for maintenance of landscaping. This represents about 6,000 cubic meters of recycled water a year or two percent of the Bangkok Offices total water use.



Energy intensity (mWh per employee)	2011	2012	2013
Branches	9.3	9.6	10.2
Bangkok offices (Head Office, Chidlom building and Chaengwattana building)	5.7	5.8	5.8

Water consumption (Cu.m per employee)	2011	2012	2013
Branches	36.2	41.4	54.7
Bangkok offices (Head Office, Chidlom building and Chaengwattana building)	17.1	18.4	18.7



Paper and IT

According to Thai regulations, copies of financial records must be printed and archived. However, SCB is working towards keeping on hand the minimum amount of paper possible. In 2013, SCB branches reduced the printing of financial reports from an average of 51 sheets to 22 sheets – over 50% reduction – at each branch. Approximately, this resulted in saving 822 trees, 74,050 kg CO₂, and 2,285 cubic meters of water.

Paper Reduction Target 2014

Printing, save 20% at all branches and Head office.

For the sixth consecutive year, SCB together with Thai British Security Printing, PCL participated in the "Shred2Share" paper recycling program whereby confidential documents are safely destroyed with the paper recycled into new paper and paper furniture.

Paper Recycling	2011	2012	2013
Total procurement * (tons)	10,112	13,423	16,006
Recycled (tons)	351	420	383
% Recycled	3.5%	3.1%	2.4%

* Including Head Office and branches

SCB encourages staff at all branches and offices to recycle paper daily and to re-organize their work and file storage areas periodically on Big Cleaning Day. A countrywide contest calls for the most dramatic 'before' and 'after' pictures of the office and storage room, making recycling and reorganizing a fun team effort.

The Bank has held Big Cleaning Day every one or two years. The goal going forward is to make it an annual routine and to aim for more engagement from the branches in order to yield more recycling and greater need-awareness.

IT Disposal

Depending on the model/user, SCB replaces computers every five to eight years. In 2013, about 90% of old computers were donated to temples, schools, and government offices around the country.

Emissions

Transport

To optimize efficiency and minimize emissions, SCB's policy for ground transport requires vehicles to be replaced in three to five years, depending on the purpose of the vehicles. The Bank outsources money trucks and staff transport, including a shuttle service that runs between the Head Office and major nearby mass transit system points which helps save on fuel consumption and reduces carbon emissions.

Since SCB is primarily Thailand-based, nearly all air travel is domestic. In 2013, the Bank estimated 13,000 round-trip flights at an average of 1,000 miles, calculated as approximately 3710.63 tons CO₂.

Eco-packaging

Every year, SCB and the Crown Property Bureau jointly host five food fairs. Since 2012, SCB has been using Bio-Chanaoy's biodegradable food packaging made of bagasse, a by-product of sugarcane cultivation. Bio-Chanaoy's eco-food packaging is non-toxic, carcinogen free, microwave and oven safe, and breaks down in 45 days in nature. It replaces polystyrene foam packaging whose disposal leads to greenhouse gases, contributing to climate change. Also, SCB has stopped wrapping New Year gifts for a number of years and recommended eco-packaging for all its corporate gifts.



SCB promotes green practices via a campaign encouraging food vendors to use biodegradable packaging, at a popular quarterly food fair at the Head Office.

Supplier Procurement and Outsourcing

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 seven criteria:

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

By using these criteria, the Bank upholds its commitment to uncompromising service quality which in turns helps to minimize business and reputational risks.

In 2013, SCB had contracts with 464 suppliers, 75% of which were SMEs. This is reflective of the support for local businesses. In pursuing continuous improvement in the supply chain, SCB began a dialogue to obtain feedback from a small sampling of suppliers. The Terms of Reference of the Bank and long-term contracts also served to help communicate SCB's sustainability objectives to suppliers.

SCB recognizes the importance of sourcing from reputable businesses that adhere to human rights. It tries to ensure that suppliers treat their employees fairly and observe applicable laws and regulations. (There have been no cases of human rights abuses reported among the Bank's suppliers.)

For special occasions and traditional festivals throughout the year, the Bank has a procurement program for corporate gifts. To achieve economies of scale, SCB procures corporate gifts in bulk and distributes them from the Head Office. The Bank also sources through various foundations and social enterprises in order to support product from hill tribes, people with disabilities, and the socially-disadvantaged.



SCB's "Save Paper, Save Trees" campaign encourages ATM users to omit receiving a paper transaction slip. SCB has Thailand's largest network of ATMs, so the campaign helps save thousands of trees each year.

GRI CONTENT INDEX

G4 Indicator

General Standard Disclosures		AR	SR
		Page number/reference	
1. Strategy and Analysis			
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	7-9	7-9
G4-2	Provide a description of key impacts, risks, and opportunities	56	12
2. Organization Profile			
G4-3	Report the name of the organization	29	11
G4-4	Report the primary brands, products, and services	29-42	11
G4-5	Report the location of the organization's headquarters	234	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	233	11
G4-7	Report the nature of ownership and legal form	204-206	15
G4-8	Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries)	29-42	11, 22-24
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, 75	27
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)	-	27-28
G4-11	Report the percentage of total employees covered by collective bargaining agreements	-	NR
G4-12	Describe the organization's supply chain	-	NA
G4-13	Report any significant changes during the reporting period	8, 23	11
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization	45-51	
G4-15	List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses	29	15
G4-16	List memberships of associations (such as industry associations) and national or international advocacy	-	41
3. Identified Material Aspects and Boundaries			
G4-17	List all entities included in the organization's consolidated financial statements or equivalent documents	98-108	-
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	-	9
G4-19	List all the material Aspects identified in the process for defining report content.	NA	NA
G4-20	For each material Aspect, report the Aspect Boundary within the organization	NA	NA
G4-21	For each material Aspect, report the Aspect Boundary outside the organization	NA	NA
G4-22	Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements	-	no incident
G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries	-	-
4. Stakeholder Engagement			
G4-24	Provide a list of stakeholder groups engaged by the organization	56-57	12-14
G4-25	Report the basis for identification and selection of stakeholders with whom to engage	56-57	12-14
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	56-57	12-14
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	56-57	12-14
5. Report Profile			
G4-28	Reporting period (such as fiscal or calendar year) for information provided	-	9
G4-29	Date of most recent previous report (if any)	-	9
G4-30	Reporting cycle (such as annual, biennial)	-	9
G4-31	Provide the contact point for questions regarding the report or its contents	-	cover page
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		9
G4-33	Report the organization's policy and current practice with regard to seeking external assurance for the report	-	NA

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	45-46, 60-62, 72	17-18
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	17-18
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	60-62	17-18
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	57	17-18
G4-38	Report the composition of the highest governance body and its committees by: Executive or non-executive	58	17-18
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	17-18
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	17-18
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	17-18
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, 60-62, 68, 72	18, 32
G4-43	Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	66	17-18
G4-44	Report the processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics.	61-62	18
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	-
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
G4-47	Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities	61-62	-
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	60-61	18
G4-49	Report the process for communicating critical concerns to the highest governance body	51	19
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	51	50
G4-51	Report the remuneration policies for the highest governance body and senior executives, senior executives, and all other employees.	58-59	18
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.	58	18
G4-53	Report how stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals.	55	18
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.	58-59	-
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, 45	6, 12 SCB Code of Conduct www.scb.co.th
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.	45	11-12
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	30

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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	-	5-7
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.	-	NR
EC3	Coverage of the organization's defined benefit plan obligations.	29	-
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	-	NA
Indirect Economic Impacts			
EC7	Development and impact of infrastructure investments and services supported	-	24
EC8	Significant indirect economic impacts, including the extent of impacts	-	15
Procurement Practices			
EC9	Proportion of sending of local suppliers at significant locations of operation	-	46
2. Environment			
Materials			
EN1	Materials used by weight or volume	-	44
EN2	Percentage of materials used that are recycled input materials.	-	45
Energy			
EN3	Energy consumption within of the organization.	-	44
EN4	Energy consumption outside of the organization.	-	NR
EN5	Energy intensity	-	44
EN6	Reduction of energy consumption	-	44
EN7	Reductions in energy requirements of products and services	-	44
Water			
EN8	Total water withdrawn by sources	-	44
EN9	Water sources significantly affected by withdrawal of water	-	44
EN10	Percentage and total volume of water recycled and reused	-	44
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	-	NA
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)	-	NR
EN16	Energy indirect greenhouse gas (GHG) emissions (Scope 2)	-	45
EN17	Other indirect greenhouse gas (GHG) emissions (Scope 3)	-	45
EN18	Greenhouse gas (GHG) emissions intensity	-	45
EN19	Reduction of greenhouse gas (GHG) emissions	-	45
EN20	Emissions of ozone-depleting substances (ODS)	-	NR
EN21	NOX, SOX, and other significant air emissions	-	NR
Effluents and Waste			
EN22	Total water discharge by quality and destination	-	NR
EN23	Total weight of waste by type and disposal method	-	NR
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

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	-	44
Overall			
EN31	Total environmental protection expenditures and investments by type	-	NA
Supplier Environment Assessment			
EN32	Percentage of new suppliers that were screened using environmental criteria	-	NA
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	-	NR
3. Social			
Employment			
LA1	Total number and rates of new employee hires and employee turnover by age group, gender and region	-	30
LA2	Benefits provided to full-time employees that are not provided to temporary or parttime employees, by significant locations of operation	-	29
LA3	Return to work and retention rates after parental leave, by gender	-	30
Labor/Management Relations			
LA4	Minimum notice periods regarding operational changes, including whether these are specified in collective agreements	-	SCB complies with Thai law
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	-	SCB complies with Thai law
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	-	30
LA7	Workers with high incidence or high risk of diseases related to their occupation	-	no incident
LA8	Health and safety topics covered in formal agreements with trade unions	-	NR
Training and Education			
LA9	Average hours of training per year per employee by gender, and by employee category	-	28
LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	-	29
LA11	Percentage of employees receiving regular performance and career development reviews, by gender and by employee category	-	29
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	-	29
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	-	27
Supplier Assessment for Labor Practices			
LA14	Percentage of new suppliers that were screened using labor practices criteria	-	NA
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	-	SCB Code of Conduct www.scb.co.th
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, 28
Non-discrimination			
HR3	Total number of incidents of discrimination and corrective actions taken	-	30

NR = Not Relevance NA = Not Available

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	-	SCB Code of Conduct www.scb.co.th
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	-	25
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	-	25
Security Practices			
HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations	-	25
Indigenous Rights			
HR8	Total number of incidents of violations involving rights of indigenous peoples and actions taken	-	no incident
Assessment			
HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments	-	NA
Supplier Human Rights Assessment			
HR10	Percentage of new suppliers that were screened using human rights criteria	-	NA
HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken	-	NA
Human Rights Grievance Mechanisms			
HR12	Number of grievances about human rights impacts filed, addressed, and resolved through formal grievance mechanisms	-	NA
5. Society			
Local Communities			
SO1	Percentage of operations with implemented local community engagement, impact assessments, and development programs	-	38
SO2	Operations with significant actual and potential negative impacts on local communities	-	17, 20
Anti-corruption			
SO3	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified	-	NA
SO4	Communication and training on anti-corruption policies and procedures	-	19
SO5	Confirmed incidents of corruption and actions taken	-	19
Public Policy			
SO6	Total value of political contributions by country and recipient/beneficiary	-	NA
Anti-competitive Behavior			
SO7	Total number of legal actions for anti-competitive behavior, anti-trust, and monopoly practices and their outcomes	-	NR
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	-	NA
SO10	Significant actual and potential negative impacts on society in the supply chain and actions taken	-	NA
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	-	22-24
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	-	no incident
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	www.scb.co.th	20-24
PR4	total number of incidents of non-compliance with regulations and voluntary codes concerning product and service information and labeling, by type of outcomes	-	no incident

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Specific Standard Disclosures Overview		AR	SR
		Page number/reference	
PR5	Results of surveys measuring customer satisfaction	36	20
Marketing Communications			
PR6	Sale of banned or disputed products	29	20
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	-	20
Customer Privacy			
PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	no incident	20
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	20

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	-	17, 25
FS2	Procedures for assessing and screening environmental and social risks in business lines	45-51	-
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	45-51	-
FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	32	29
FS5	Interactions with clients/investees/business partners regarding environmental and social risks and opportunities	34-37	12-14
FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/ large) and by sector	34-37	-
FS7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	34-36	32-41
FS8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	-	23-24, 38-39
2. Audit			
FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures	-	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
FS11	Percentage of assets subject to positive and negative environmental or social screening	-	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
Specific Standard Disclosures Related to G4 Aspects			
1. Local Communities			
FS13	Access points in low-populated or economically disadvantaged areas by type	35	34
FS14	Initiatives to improve access to financial services for disadvantaged people	35	34
2. Product and Service Labeling			
FS15	Policies for the fair design and sale of financial products and services	29	17-20
FS16	Initiatives to enhance financial literacy by type of beneficiary	34-42	24-25

The Siam Commercial Bank
Public Company Limited
Company Registration
Number 0107536000102
9 Ratchadapisek Road, Jatujak,
Bangkok 10900, Thailand

TEL +66-2544-1111
FAX +66-2544-2658
SCB CALL CENTER +66-2777-7777
TELEX 82876 SIAMCOM TH / 20492
SIAMBNK TH SWIFT BIC SICOTHBK

www.scb.co.th
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