

A person wearing a VR headset is shown in the foreground, looking towards a vibrant, futuristic cityscape. The city features tall buildings with glowing windows, neon signs, and a large, colorful, geometric dome structure in the background. The scene is illuminated with a mix of blue, purple, and pink lights, creating a high-tech, digital atmosphere. The person is wearing a dark VR headset and a light-colored shirt. The cityscape is filled with various elements like cars, a bus, and people, all rendered in a stylized, digital aesthetic.

twimbit

Company Insights

# Siam Commercial Bank(SCB): Fuelling growth beyond banking

2023 outlook

# twimbit Purpose Score

Customer Experience



Employee Experience



Supplier Satisfaction



Shareholder Value



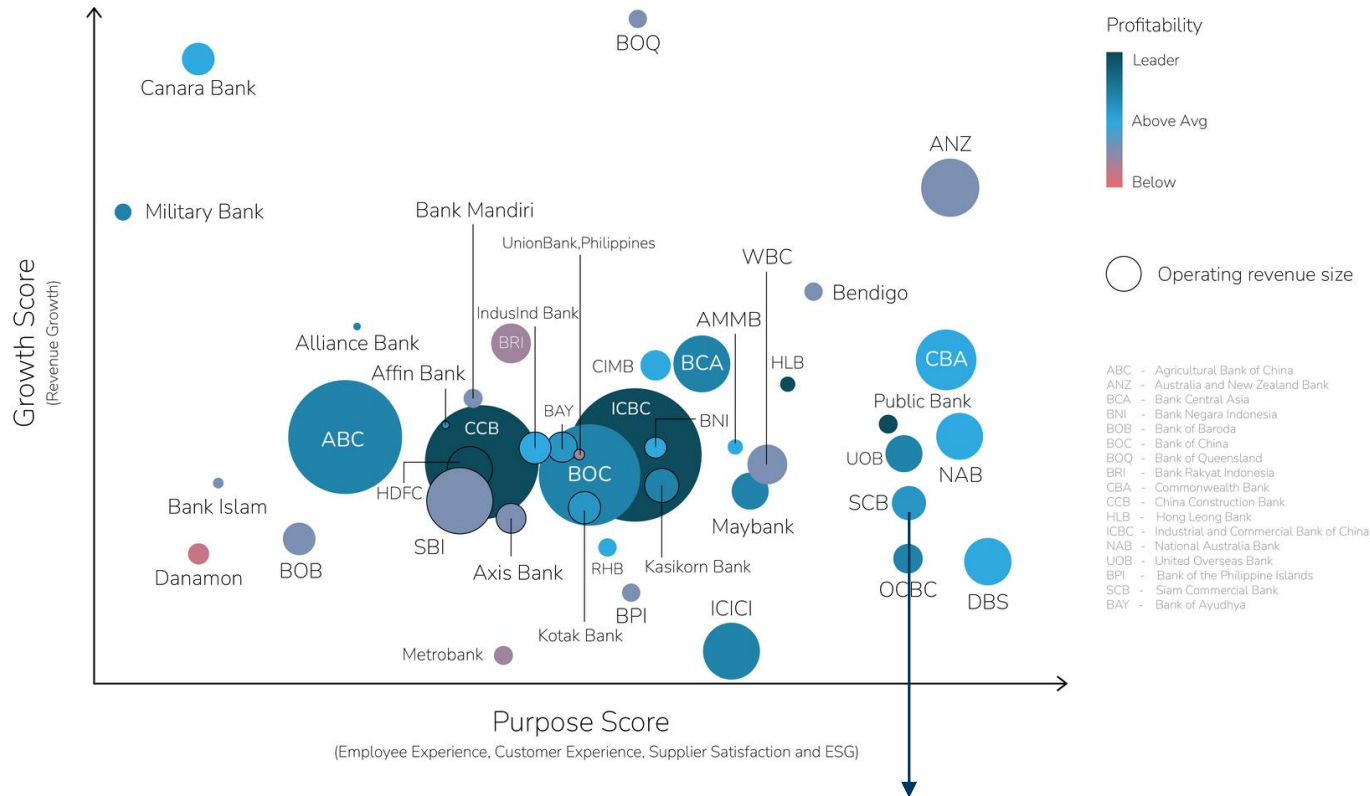
Society/Planet Impact



Aggregate score




# Benchmarking SCB on twimbit purpose index



SCB lies here on the twimbit purpose index

- 1 Holds a growth score of 2.24 out of 5, ranking 2nd among the banks evaluated in Thailand
- 2 A purpose score of 79.89% indicates SCB's effort towards creating a comprehensive stakeholder experience
- 3 The bank's operating revenue stands at USD 4.8 billion, highest among the banks evaluated in Thailand
- 4 The colour of the bubble indicates an above average profitability with an EBITDA margin at 54%

# Executive summary - SCB

Company Name	:	Siam Commercial Bank Public Company Ltd
Headquarters	:	Chatuchak, Bangkok, Thailand
Employees	:	26,944
Countries	:	8
Branches	:	724
Revenue	:	THB 150.3 bn
Common Equity Tier 1 Ratio	:	17.6%
YoY Revenue Growth (%)	:	 +3.7%
Annual Technology Spend	:	THB 12 bn

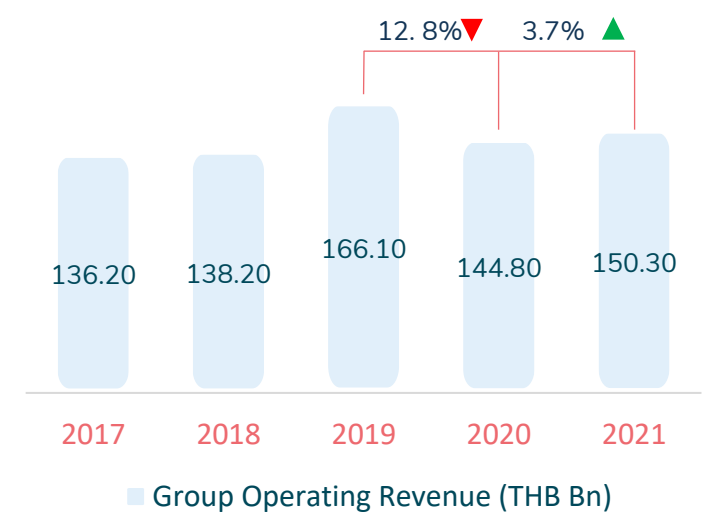
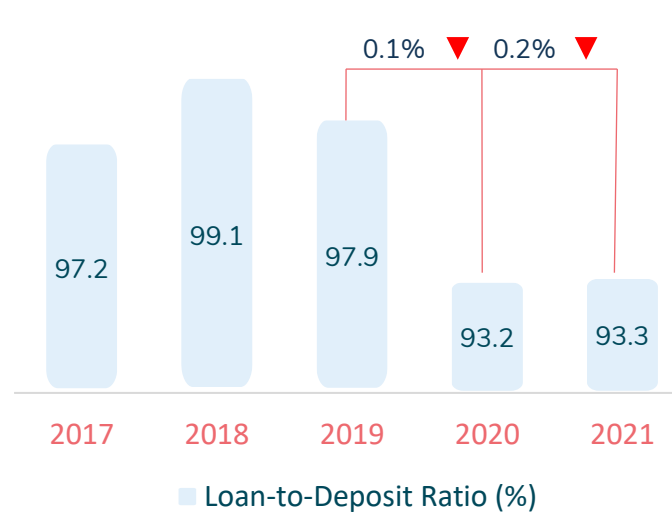
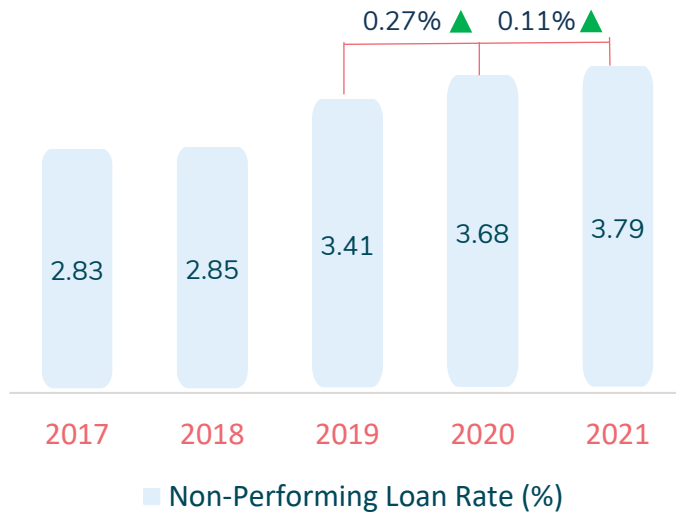
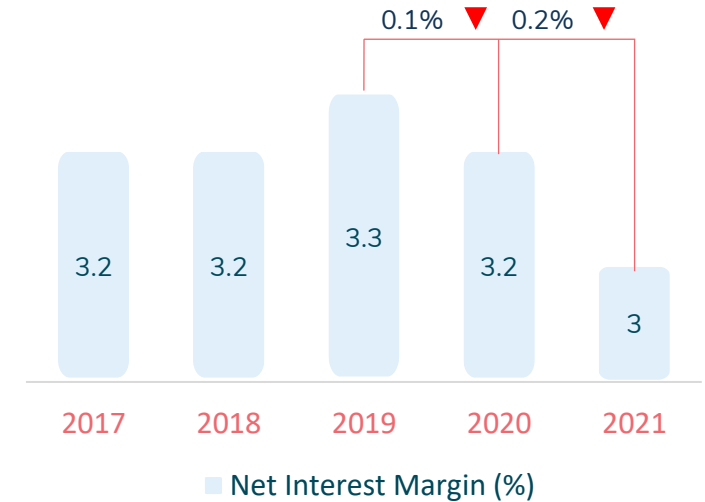
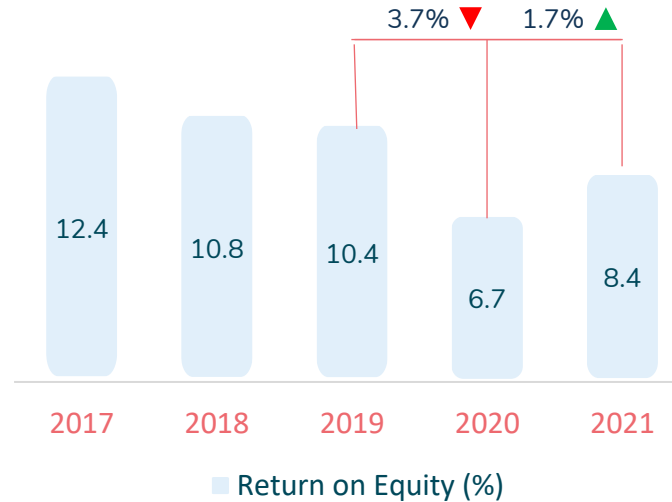
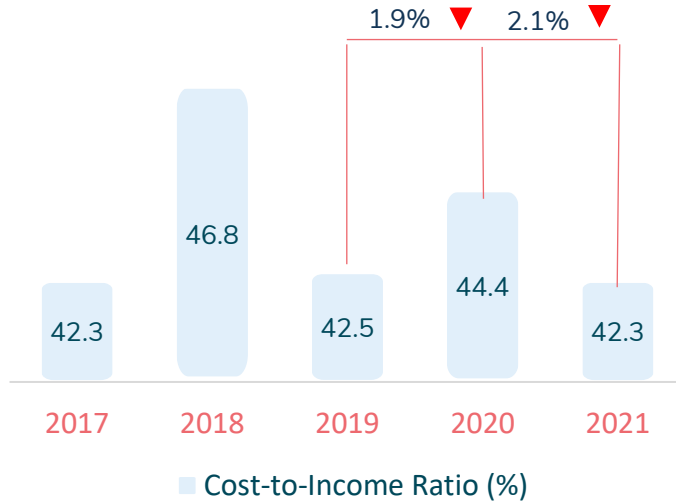
## Strategic focus areas

- ① Becoming a worldwide financial tech company
- ② Digitalisation to modernise traditional channels
- ③ Sustainability & ESG integration

## Awards

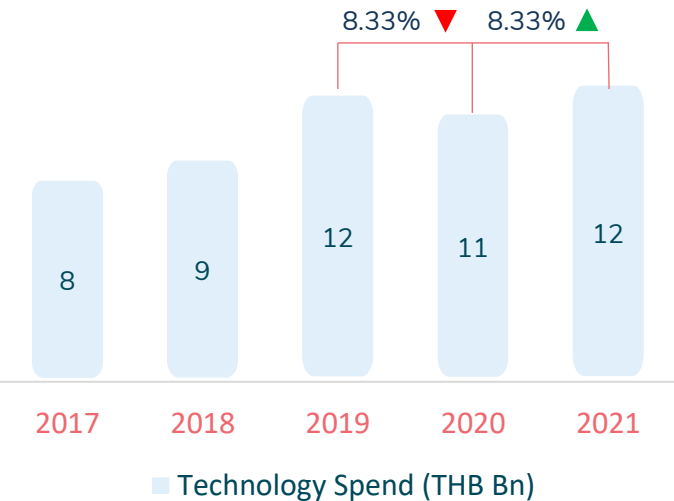
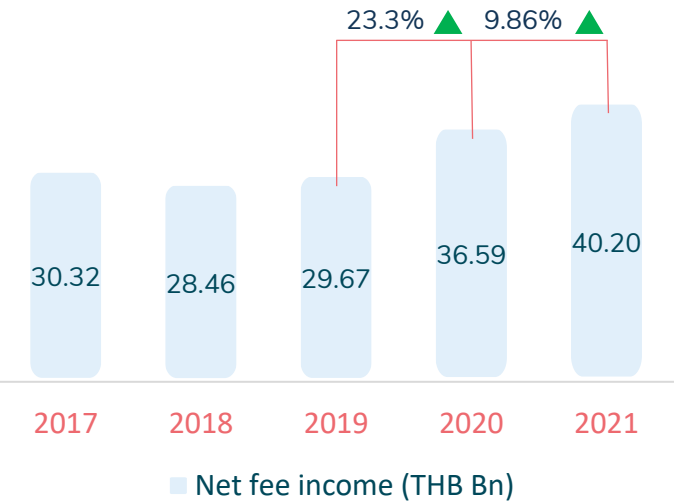
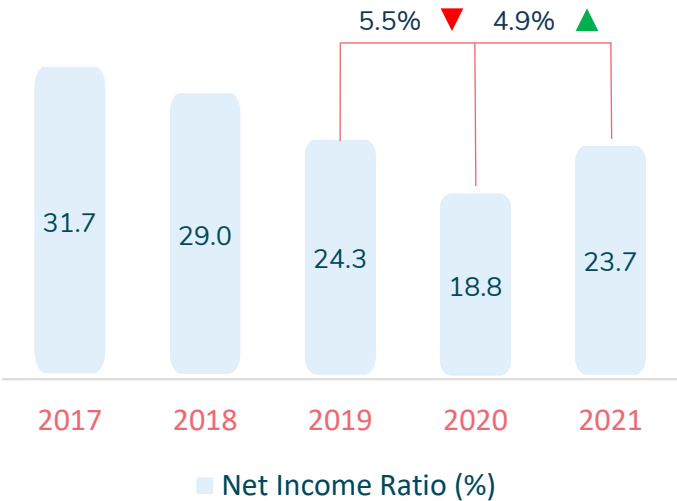
- ✓ Best bank in Thailand by Euromoney
- ✓ Best bank in Thailand by The Asset
- ✓ Outstanding Digital CX-Payment by The Digital Banker
- ✓ Best Retail Bank in Thailand by Retail Banker International

# Financial highlights (1/2)



Note: Figures for operating revenue shown in local currency(THB) as USD figures indicated a decrease due to currency fluctuations, which cause it to appear inaccurate.

# Financial highlights (2/2)



Note: Figures for technology spend are estimated based on our assumption that it ranges from 5-8% of revenue starting from 2017 to 2021. Net fee income and technology spending are both shown in its local currency (THB), as USD figures appear inaccurate due to currency fluctuations

# Measures of success

**USD 1.08 bn**

Net Profit of the Group ( ▲ 30.8% YoY)

**79.4%**

CASA ratio for the Group ( ▲ 2.9% YoY)

**3<sup>rd</sup> place**

Ranking on World Index and the Emerging Markets Index of the Dow Jones Sustainability Indices (DJSI)

**21.4 million**

Digital customers for SCB easy app

**49.78%**

Total shareholder return for the bank for 2021

**USD 45.5 million**

Digital revenue for the bank

Note: Figures are for FY 2021-22

Source: SCB annual report 2021, investor presentations

# Top 3 strategic focus areas

#1



Becoming a  
worldwide financial  
tech company

#2



Digital measures of  
success

#3



Sustainability &  
ESG integration



# #1 Becoming a worldwide financial tech company

Key ventures and partnerships

SCB  TechX



**SCB Tech X Co., Ltd.**, is a joint venture between SCBX and Publicis sapient. The company collaborates with various innovative technology partners to provide their customers with sophisticated digital solutions. The company specializes in providing:

- Technology consulting: Providing technology solutions to accelerate business growth and reduce costs
- Product building: Creating innovation in products through digitalisation
- Infrastructure and platforms: Developing intelligent platforms and infrastructure to increase productivity and new operating models

**SCB 10X** is a holding company under SCBX that was founded in January 2020. Its purpose is to create long-term value through exponential technologies, innovations, and investment via Venture Capital and Venture Building.

- Venture Builder: Supports talented individuals or business entrepreneurs through funding and the “Venture Building Platform”
- Venture Capital: Invests in early-to-growth stage startups in promising technology areas globally, to generate both strategic and financial returns for SCBX. The investment focus is primarily in the areas of
  - Blockchain
  - Digital Asset
  - Metaverse
  - Web 3.0

SCB 

# #1 Becoming a worldwide financial tech company

Key ventures and partnerships



**SCB Abacus** is a company under SCBX with the goal to provide lending services to 10% of the borrowers in Thailand. Specifically, borrowers who have limited access to formal loans, which equate to about 2.5 million people within 2024.

It is a digital lending platform to process the approval by using Alternative Data. This process enables SCBX to release funds for people who have limited access to loans, such as freelancers, fresh graduates, merchants or people with low income. It can also reduce default risk.

The company uses Artificial Intelligence (AI) to process the loan approval within 15 minutes, allowing them to reach a wider audience while lowering the service costs.



**Token X Co., Ltd.** is a subsidiary of SCB 10X

The company offers total solutions to companies interested in issuing digital tokens. These solutions range from tokenization consulting to business planning and the development of blockchain and other related technologies.

The company has an Initial Coin Offering (ICO) portal, of an electronic system for facilitating the offering of newly issued digital tokens. The ICO portal's duties include:

- Pre-engagement and issuer screening
- Due diligence process
- SEC case submission and approval
- Offering process

# #2 Digital measures of success

Summary

Matrix	Measurement	Indicative benchmarks	SCB's success
<b>Value of digital transactions</b>			
Total products on digital	% of new products purchased through digital channels	60%-90%	79% growth in digital loans
Products per customer	products consumed per customer through digital channels	3-10	suite of 10+ apps
Total transactions	digital as % of total banking transactions per customer year-over-year (YoY)	85%-90%	85% digital transactions
Digital payment penetration	% of customers using digital payments against total customers	70%-90%	109% growth in digital payments
<b>Value of digital interactions</b>			
Active digital customers	active monthly digital customers	70%-90%	82% monthly active users
Digital appointments penetration	% of digital appointments against total appointments	40%-70%	75 NPS, Chatbots

Source: SCB annual report 2021, investor presentations

# #2 Digital measures of success

Value of digital transactions

Total products on digital

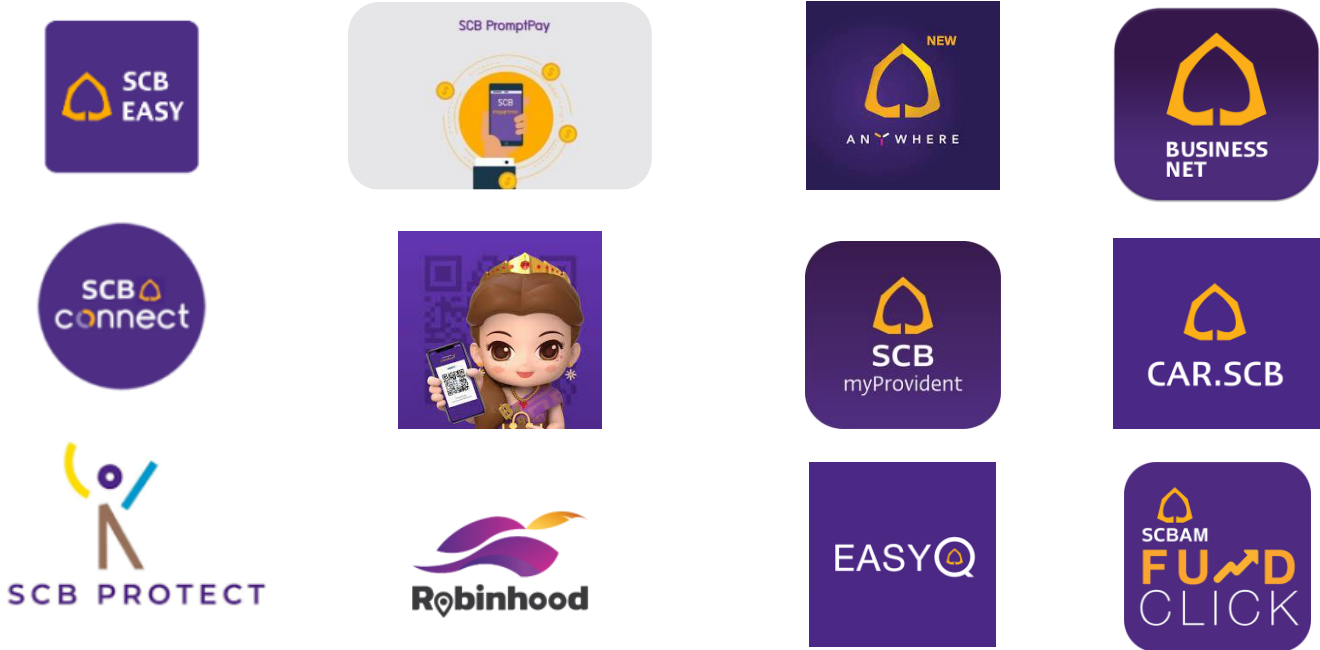
Products	Digital sales (increase in monthly average) 4Q20 to 4Q21
Insurance	+1583%
Credit cards	+6%
Speedy cash	+31%
Dee Jung	+20%
Speedy loans	+147%

- The benchmark for products purchased on digital channels is 60-90%.
- The bank's digital banking app, SCB Easy, facilitated the growth of digital loans by 79% YoY.
- There was a surge of 51% YoY in digital revenue which accounted for 4.4% of total income in 2021.
- These figures indicate that there was a phenomenal growth of digital sales among customers, thus making it a successful digital measure.

# #2 Digital measures of success

Value of digital transactions

Products per customer on digital



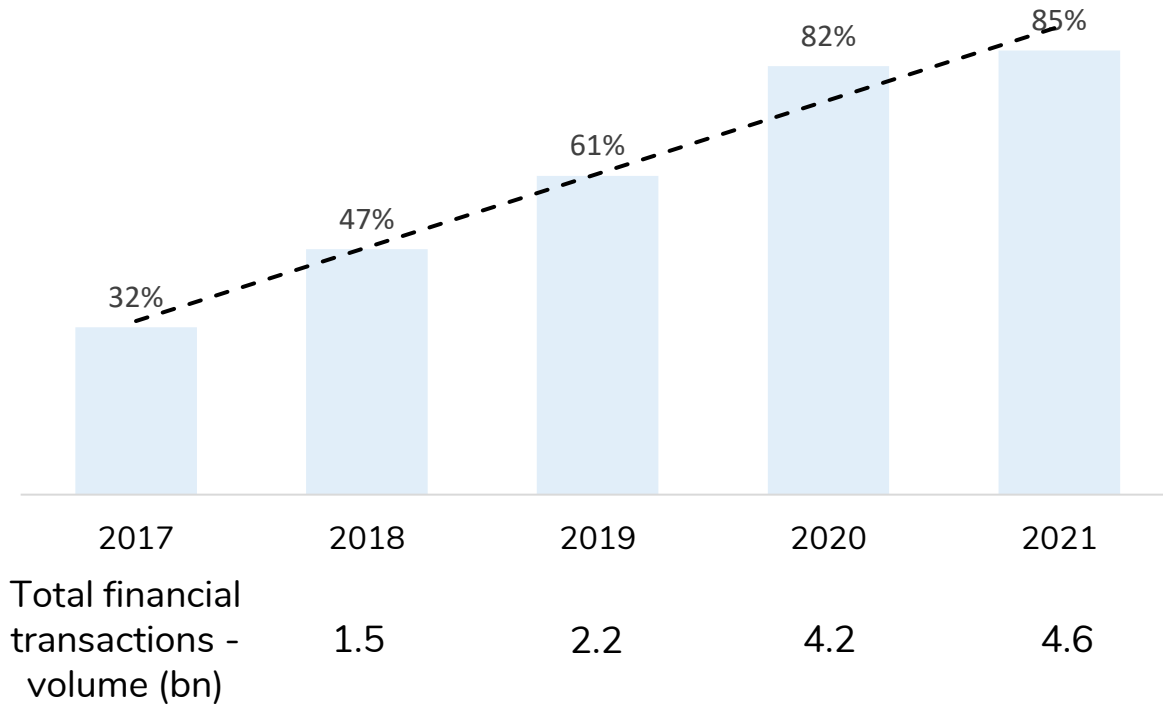
- The benchmark for number of products on digital channels is 3-10.
- SCB has a suite of more than 10 digital applications with good product stacks across various categories.

# #2 Digital measures of success

Value of digital transactions

Total transactions on digital

Digital financial transactions on SCB apps



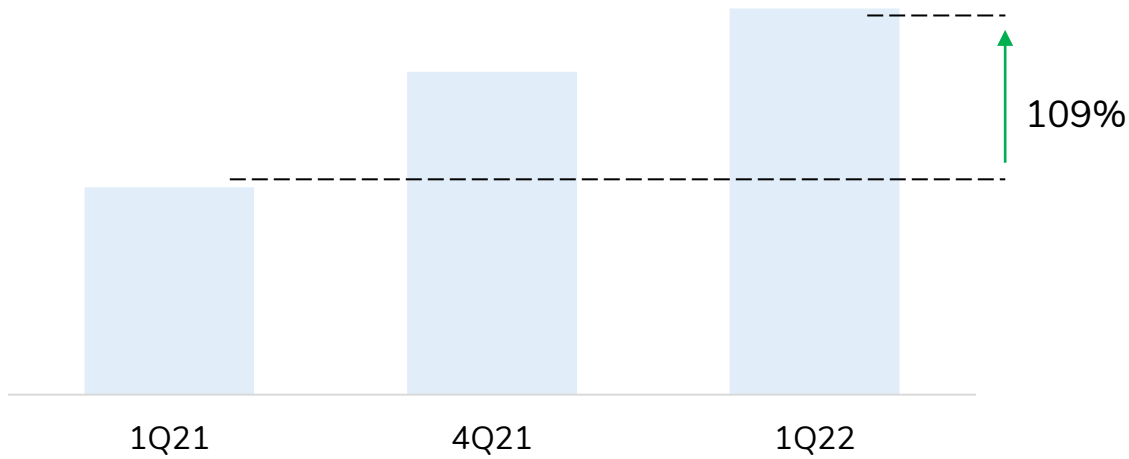
- SCB successfully achieved the indicative benchmark for digital transactions, which was between 85% - 90%.
- It had about 3.91 billion digital transactions out of 4.6 billion total banking transactions.
- Digital transactions grew by more than 50% from 2017 to 2021.

# #2 Digital measures of success

Value of digital transactions

Digital payments penetration

No. of payment transactions through SCB Easy



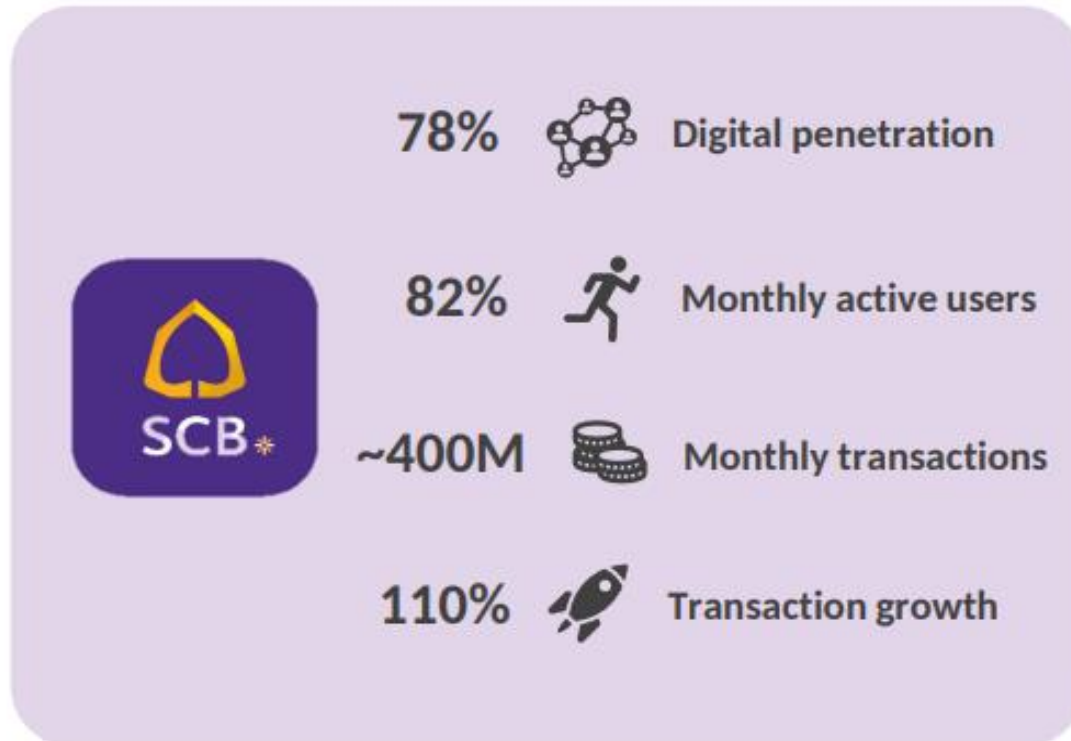
Note: Payment transactions include bill payment, QR payment and e-wallet.

- The bank's payment penetration saw a growth of 109% during 1Q22.
- SCB has successfully exceeded the benchmark of 70-90% thus indicating excellent digital payment penetration among the customers.

## #2 Digital measures of success

Value of digital interactions

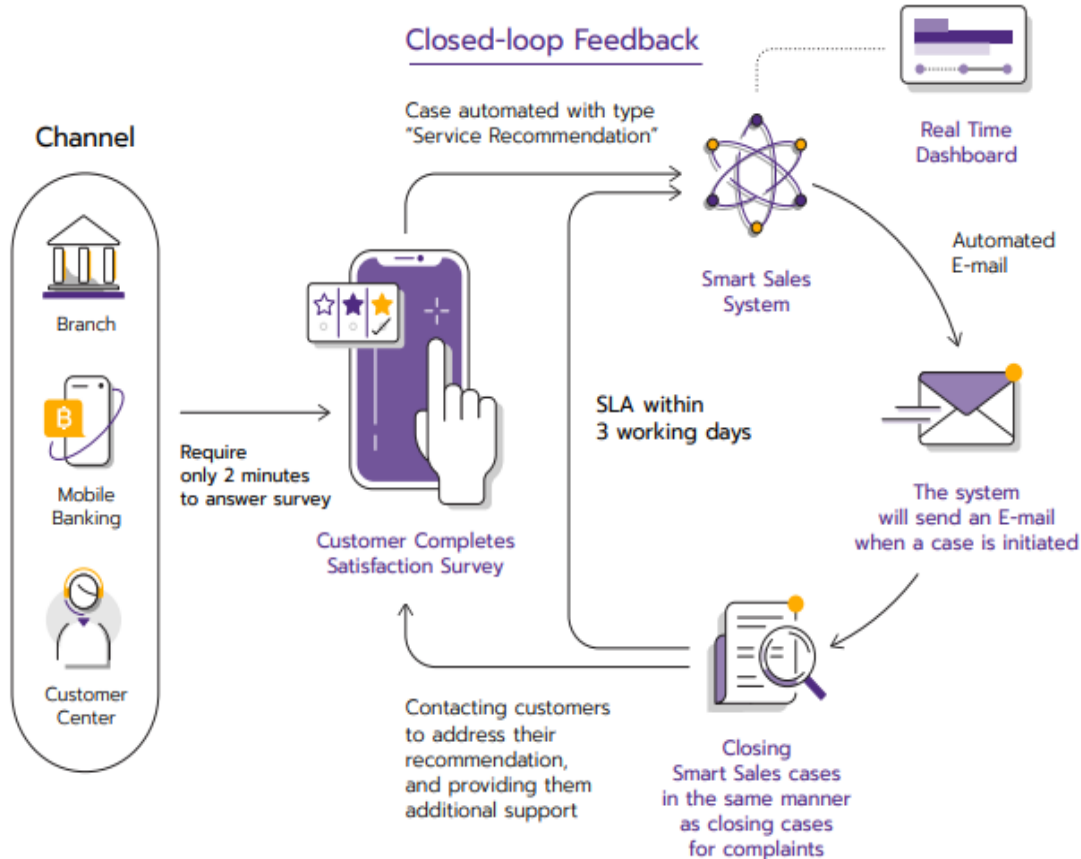
Active digital customers



- The bank's monthly active users for its digital banking app stands at 82%, resting in the upper end of its benchmark that is in between 70% - 90%.
- 400 million digital transactions per month also indicate that customers have begun to embrace digital penetration at a higher rate (78%).

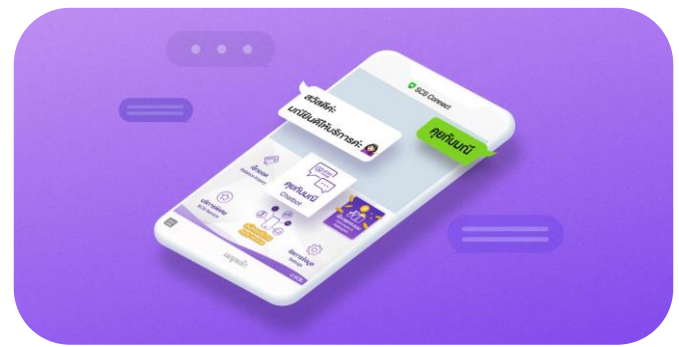


# #2 Digital measures of success



Value of digital interactions

Digital appointments penetration



- The industry benchmark for this indicator is 40-70%.
- The bank has not reported any figures to capture this success measure. We have noted that the bank uses chatbots and other automation for enhanced customer experience.
- The NPS is at 75% for 2021 which bodes well for the bank.

# #3 Sustainability & ESG integration

ESG initiatives



SCB ACADEMY

## Sustainable finance

- Developed FINNIX app, a nano-finance service to increase liquidity for freelancers, low-income customers and small entrepreneurs. It provides them with 24/7 digital loan services with approval in only 5 minutes.
- SCB SME Academy has served for community development and sharing business know-how, aiming to holistically help uplift the capabilities of SMEs to thrive in the digital era.
- Other notable initiatives include SCB Global Clean Energy fund and other ESG linked green products.



## Social impact

- Created Robinhood, a food delivery mobile application under a social enterprise model by eliminating the gross profit fee imposed by other platforms. This helps small restaurants expand their online sales opportunities and create job and wage gains for delivery personnel. The platform also allows shop owners easier and quicker access to loans.
- Other notable initiatives include digital learning platforms for all, youth scholarships, blood drives, etc.



## Environmental impact

- The 'SCB climate risk assessment taskforce' studies and assesses climate change risks across the bank's portfolio.
- Reduced greenhouse gas emission of over 960,000 million tons (20%) of carbon dioxide equivalent per annum while the energy and water consumption went down by 19% and 33%, respectively.

# Technology partnerships

#1



## Huawei Cloud

- Huawei Cloud provided cloud native technologies to help SCB quickly roll out its digital loan service.
- Loan approval and issuance, which used to take one month of work, can now be fully automated and completed in under 5 minutes.
- This resulted in helping SCB attract 45,000 digital users and a credit limit worth THB 204 million within a quarter.

#2

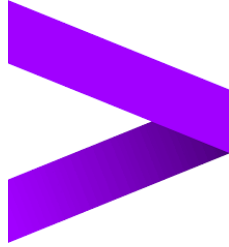


## Data management with Oracle Exadata Cloud@Customer

- The bank consolidated the Oracle Financial Services Analytical Applications databases running on different platforms, including Sparc Solaris and Intel/Linux onto Exadata Cloud@Customer.
- The migration of business-critical workloads to Exadata Cloud@Customer improved the efficiency of database management.
- The bank is now able to provide on-demand, timely, accurate, and data-driven insights to senior management for accelerated decision-making.

# Technology partnerships

#3



## Accenture

- Accenture provided the data lake, which assisted in the migration of the bank's foundational data repository to Microsoft Azure Cloud.
- Deployed Microsoft Power BI to create interactive dashboards for several business areas.
- Automated underwriting risk tools to reduce time to process loan applications.

#4



## AISCB

- Established a joint venture with AIS with a registered capital of THB300 million under the name 'AISCB' to offer digital financial services.
- The joint venture combines AIS's strengths:
  - Digital technology
  - Extensive network coverage
  - Service excellence with SCB's long-standing experience and expertise in the banking and financial industry
- AISCB expects to launch its digital financial services penetrating AIS's customer base, which comprises of 44 million subscribers.

# Technology partnerships

#5



## IBM

- Partnered with IBM for IBM zSystems to support the massive customer data and transactions on their digital apps.
- Adopted IBM z/OS Connect to enable RESTful APIs in its core banking applications on IBM zSystems.
- This modernisation decreases development and deployment time, simplifying the integration of the bank's core IT infrastructure.
- Allows the bank to access customer information directly queried from privacy-protected and regulatory-compliant data on IBM zSystems.

# Top 4 growth opportunities

#1



SCB Easy- The  
Superapp

#2



The Metaverse

#3



Embedded  
finance

#4



Business  
expansion into  
healthcare

# #1 SCB Easy

Observations

## SCB Easy strategy

- SCB has enhanced their digital experience by providing a plethora of services through SCB Easy:
  - investments,
  - insurance,
  - checks,
  - card services and other financial services ranging from transfers to bill payments

## Artificial Intelligence (AI)

- SCB utilizes AI to provide chatbot services to the customers which will help them with:
  - Managing quick queries
  - Monitoring account status
  - Improving rewards system

## Data management strategy

- SCB integrated a single source of truth capability into the app that gathers customer data to help them manage their budgets and finances.



SCB EASY

## SCB EASY App

แอปพลิเคชันที่ให้บริการธนาคารออนไลน์

ใช้งานบนมือถือ

ทำธุรกรรมได้ตลอด 24 ชั่วโมง

ใช้งานได้ ทุกพื้นที่ ทั่วโลก

ผ่านสัญญาณอินเทอร์เน็ต 3G/4G/EDGE หรือ WiFi

# #1 SCB Easy – The Superapp

Analyst View

## How positioning it as a Superapp will help advance SCB Easy

Steps	Potential outcomes
1. Consolidate all consumer services into one platform, instead of running it on multiple applications (Connect, Protect, Robinhood) to create an ecosystem of banking facilities.	→ Allow customers to shop for all their financial and non-financial needs under one unified platform.
2. Gather the data generated from all the departments to create a set of big data.	→ Create a large, accurate and meaningful data base that comprises of spending habits, creditworthiness, risk tolerance and other crucial indicators.
3. Analyse the big data set to create an accurate personal profile of each customer.	→ A personal profile can potentially increase the consumption of services.
4. Use the personal profile to serve the customer with tailored services or continue using the enhanced AI Insights card in the app to serve the customer.	→ Potentially unlock new journey-based services from buying a home to furnishing a home and even planning a holiday.



# #2 Banking in the metaverse

Observations

1. SCB 10X, the investment arm of SCB has set up a virtual headquarters - SCB 10X HQ in The Sandbox
2. It has become the second major financial institution to do so following JP Morgan's foray into the virtual medium
3. As part of the launch, SCB hosted its "Open House In The Metaverse" on March 11 to showcase its virtual headquarters where it held workshops and discussions regarding the applicability of the metaverse
4. SCB 10X features 3 zones:
  - Virtual Hub - A space for events and knowledge sharing through immersive experiences
  - Virtual Land - A space for business partners to collaborate on future activities and project development
  - A hub to support and promote local artists in the global market through a NFT marketplace, NFT gallery, virtual concerts and more.



# #2 Banking in the metaverse

Analyst View

The Metaverse market growth will accelerate at a CAGR (2021 – 2030) of

**43.7%**

## Immediate wins: A roadmap for a differentiated omni-channel CX

- SCB should establish a dedicated virtual bank, for users to spend, save or invest their virtual currency within the Metaverse
- SCB can help other businesses establish their presence in the Metaverse like the Indian fintech, Kiyai.ai. The fintech has launched Kiyaverse which allows banks and non-banking finance institutions to enable virtual interactions among each other and with their customers

## Future wins: The virtual bank of the future

- SCB should install virtual branches and ATMs (like Transak ATMs) in popular regions within the Metaverse to provide virtual users the same level of convenience that physical users have in accessibility.
- SCB can also create loyalty programs for its customers with NFTs within the Metaverse.
- SCB can also partner with content and intellectual property franchises, and co-design for economic and financial interoperability between one or more metaverses and the physical world
- SCB can create a virtual reality training program for its employees like Bank of America did in their financial centres. This will help the employees practice a range of tasks and simulate client interactions through the Metaverse

Source: [Prescient & Strategic Intelligence](#)

# #3 Embedded finance

Observations

- SCB became Thailand's first bank to launch an open API (application programming interface) in 2019
- It has a developer portal which enables third parties to build apps connected to SCB services and products through APIs
- The portal also acts as a sandbox environment for the developers, allowing them to conduct tests covering all scenarios instantly under an open and pre-meditative setting.
- The portal has APIs for the following:
  - Mae Manee merchant
  - SCB payment gateway direct debit
  - SCB Easy app payment
  - Customer information
  - Authentication
  - QR code payments
  - Slip verification
- SCB has also invested USD 100 million in Akulaku, a leading BNPL solution provider in Indonesia, hoping to create future growth opportunities together for SCB's own BNPL offering.



# #3 Embedded finance

Analyst View

## Expand the API suite

The bank should enhance its API suite by including:

- Core banking APIs to create savings accounts, and perform cash deposits
- Lending APIs
- Card Issuance APIs
- KYC APIs

## Establish marketplaces

- SCB can analyse transactional data from its large customer data pool to;
  - identify costs
  - offer tailored products and discounts through their own marketplaces
- For example, the bank has plans to expand the scope of services for Robinhood to provide all-in-one travel services such as bookings for airlines, hotels, activities, car rentals and travel insurance in one platform.
- SCB can replicate this model with products, such as insurance and home loans, to establish the insurance marketplace and property marketplace.
- SCB can also expand into the property marketplace by partnering with home retail stores, such as Homepro and other utility providers, to satisfy the end-to-end utility needs of customers.

# #4 Business expansion into healthcare

Observations

- SCB has partnered with Mahidol University and Good Doctor Technology to enter the health-tech market in Thailand.
- They have combined technological capabilities with sports and nutritional science to create health experiences for their customers through the “SPRING UP” mobile app.
- SPRING UP integrates three important features:
  - Food: Nutrition facts and alerts for users recommended by Mahidol University experts. .
  - Fitness: Personalized exercise plans recommended by Mahidol University experts to enable users to achieve their exercise goals
  - Telemedicine: Chats with doctors and home-delivery of medications through Good Doctor Technology
- Users can now achieve their health goals with:
  - nutrition and personalised exercise plans
  - access to an online healthcare consulting service



# #4 Business expansion into healthcare

Analyst View

## Enhance SPRING UP

SCB can further enhance the application through:

- Video consultation with healthcare professionals
- Bookings for in-person consultations
- Provision and renewal of health insurance
- Detailing the medical history of users along with insurance data

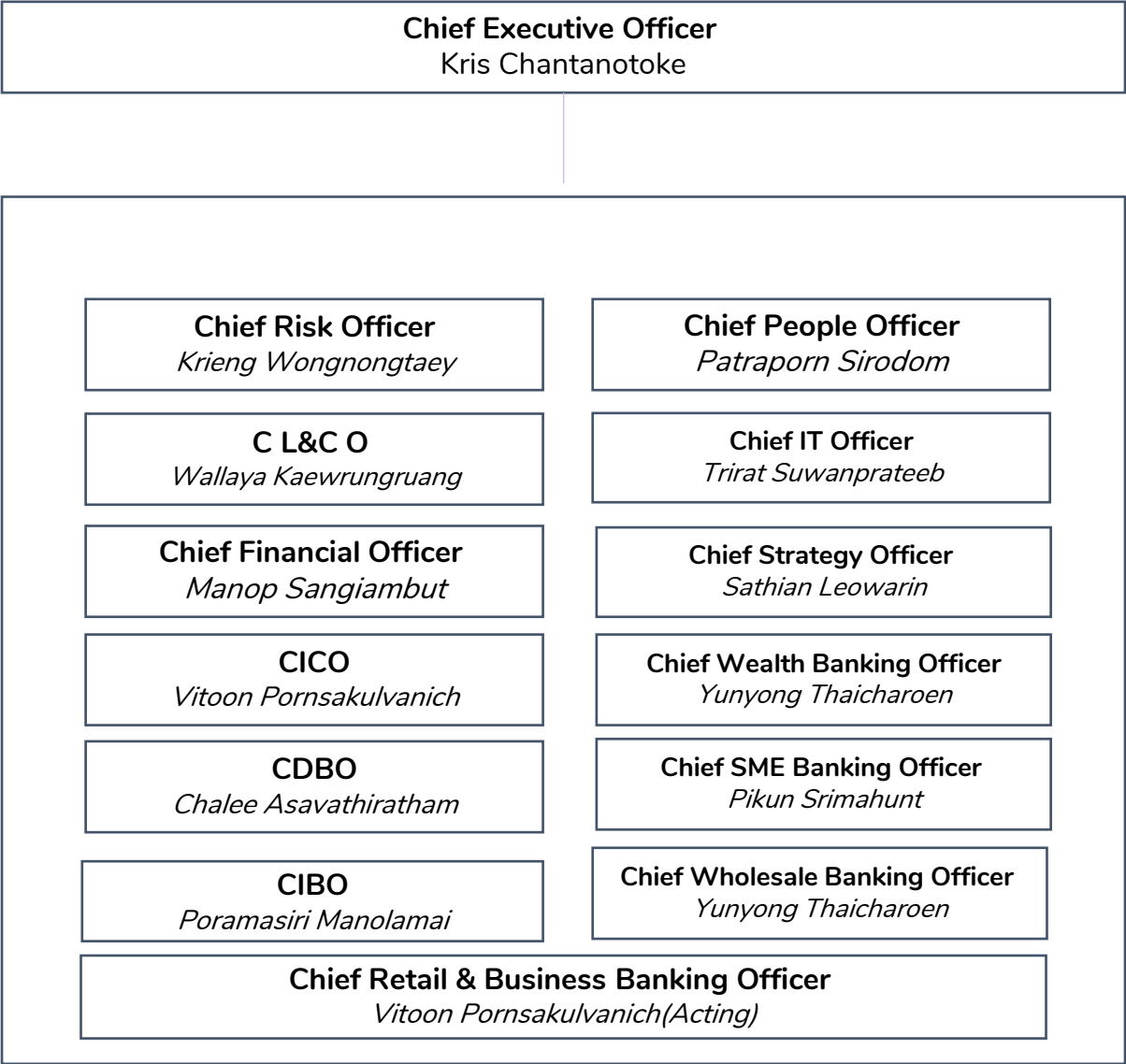
## Partnership with BDMS

Bangkok Dusit Medical Services (BDMS) is the largest private healthcare provider in Thailand, with 73% of revenue generated from middle and high-income patients in the country.

- The company has expansion plans to establish smart hospitals with end-to-end patient healthcare management. This is a good avenue for SCB to explore and further expand into the healthcare sector.
- The company is also moving towards integrating real estate with healthcare to launch wellness and lifestyle focused centres with inbound clinics, plazas and services apartments. SCB can use this opportunity to expand its wellness services in the SPRING UP app.

# Appendix

# Key decision-makers



- Chief Legal and Control Officer    C L&C O
- Chief Integrated Channels Officer    CICO
- Chief Digital Banking Officer    CDBO
- Chief Insurance Business Officer    CIBO



# Arthid Nanthawithaya



## SCB<sup>x</sup> CEO

- Stepped down as the CEO of SCB in August 2022
- Will remain the CEO for SCB<sup>x</sup>-the mothership

### SCB growth strategy:

“

SCB aims to drive business growth by expanding wealth management and bancassurance businesses. We also focus on building ecosystems to grow the customer base, while leveraging data and technology to be better and faster at meeting customer expectations.

”

### Advancing responsibly:

“

SCB greatly prioritises maintaining financial strength by implementing strategies to create sustainable value in the ever-changing, technology-driven business environment.

”

\*Direct quotes derived from the 2021 SCB Annual Report

# Kris Chantanotoke



## SCB CEO

- Appointed as the new CEO for SCB in August 2022

### SCB Easy app and financial inclusion:

“ We are trying to refine the SCB Easy app to serve as a financial literacy tool for younger generations and people who are marginalized or who don't know how to plan their finances. So that one day, they will consider SCB as their main bank.

”

### Digital banking:

“ We want to be a digital bank with the human touch. And if we could do it right with the right costs, we would be able to have a better relationship with our clients. We don't want our relationships to be solely on its price but based on longer term engagement, leading to a greater trust in us through their life cycles.

”

\*Quotes derived from the banker awards 2022 interview

twimbit

be more



Insights



Immersions



Challenges

How can we help?

[reachus@twimbit.com](mailto:reachus@twimbit.com)