

## Charter of the Board of Directors of SCB X Public Company Limited

### 1. Vision

The Board of Directors (“the Board”) of SCB X Public Company Limited which is the parent company of SCB X Financial Group (“SCBX Group”) sets the group’s vision to be “The Most Admired Regional Financial Technology Group”

### 2. Duties and Responsibilities

Key duties and responsibilities of the Board are to ensure business integrity and create long-term business value. Duties of the Board which include but are not limited to the following.

- (1) Define the vision, mission, policies, strategies and business targets of SCBX Group; allocate resources; and follow up on business execution to ensure alignment thereof with the established vision, mission, policies, strategies and business targets.
- (2) Oversee that SCBX Group’s business operations reflect the implementation of high ethical, environmental and social standards, are without any violation of the rights of stakeholders, and support innovation development that optimizes the business value and benefits of customers and all stakeholders.
- (3) Oversee that all directors and executives fulfil their fiduciary responsibilities, i.e., performing their duties with prudence (duty of care); acting with honesty and loyalty towards the organization (duty of loyalty); complying with laws, objectives and articles of association of the Company, and resolutions of the Board and meetings of shareholders (duty of obedience); and making accurate, complete, transparent and timely disclosure (duty of disclosure).
- (4) Oversee that the board composition has an appropriate balance of power with an emphasis on the proportion or number of independent directors as well as directors’ active roles in balancing power by regularly arranging exclusive meetings of non-executive directors.
- (5) Oversee that the performance of the Board and individual directors is evaluated by means of self-evaluation and/or cross-evaluation or third-party evaluation.
- (6) Oversee that qualified candidates are nominated for the position of Chief Executive Officer and that succession plans for the Chief Executive Officer and senior executives of the Company and key companies in the group are developed to achieve business continuity.
- (7) Oversee that the disclosures of material corporate governance information are made to the shareholders and the public in the Company’s annual reports and/or website.
- (8) Oversee that the minutes of the Board meetings are prepared, include complete details, and contain records of significant points made by each individual during discussions at the meetings.

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As the Company is the **parent company of SCBX Financial Group**, the Board is in charge of exercising oversight to ensure that the group operates its businesses with stability and in compliance with policies and criteria related to the supervision of SCBX Financial Group. The duties of the Board include the following functions:

- (1) Formulate policies and business strategies of SCBX Group and submit them to the Bank of Thailand annually and upon material change thereto.
- (2) Formulate the SCBX Group Risk Management Policy that addresses relevant risks, business continuity management of SCBX Group, control and monitoring systems based on the Bank of Thailand's guidelines for business continuity management, and business continuity planning.
- (3) Exercise control and oversight over companies in SCBX Group for their compliance with policies established by the parent company, regulations stipulated by the Bank of Thailand, and other relevant laws.
- (4) Provide financial support to companies in the group to work towards the group's strategy or to close the gaps between the group's capital positions and minimum requirements stipulated by the Bank of Thailand.
- (5) Oversee that SCBX Group implements proper and effective risk governance frameworks and risk culture.
- (6) Oversee that SCBX Group implements human resources management policies that are supportive of the development and growth of employees, induces the internalization of ethical and moral norms among employees, and adopts pay structures that are reflective of existing and emerging risk exposures.
- (7) Oversee that SCBX Group implements the Corporate Governance Policy with proper consideration for all stakeholders. Other policies that shall also be implemented include the Corporate Social and Environmental Responsibility Policy, the Conflict of Interest Policy, the Codes of Conduct for Directors, Executives and Employees, the Code of Business Conduct, the Market Conduct Policy, the Whistleblowing Policy and Procedure, and the Anti-Corruption Policy. The Board shall oversee compliance with the aforementioned policies.
- (8) Oversee that SCBX Group implements information technology security policies and measures as well as information technology resource allocation and management policies that address, among others, the allocation of adequate information technology resources for business processes and guidelines to be observed in the event of resource shortage. The Board shall also oversee that the Enterprise Risk Management Policy encompasses information technology risk management.
- (9) Oversee that SCBX Group implements effective control, oversight and audit mechanisms (three lines of defenses) and that companies in the group implement efficient internal control.
- (10) Appoint the Risk Oversight Committee, the Audit Committee, and the Nomination, Compensation and Corporate Governance Committee of SCBX Group and other Board committees as appropriate and necessary to support the Board.

### 3. Authority of the Board

The authority of the Board is as stipulated by applicable laws, objectives and articles of association of the Company, resolutions of the Board and the meetings of shareholders, and as expedient for carrying out instructions and orders given by supervisory authorities which include the following.

- 3.1 Approve the appointment of Board committees and their roles and duties, the changes to the Board committees, and the remuneration of the Board committees (within the aggregate limit approved by the shareholders).
- 3.2 Appoint the Company's Chief Executive Officer, senior executives, and advisors as well as determine their remuneration and employment conditions.
- 3.3 Consider and approve:
  - (1) Vision, mission, policies and business strategies of SCBX Group;
  - (2) Annual business and budget plans;
  - (3) Quarterly, semi-annual and annual financial statements;
  - (4) Interim dividend payments;
  - (5) Acquisition, establishment, disposal or discontinuation of any significant assets or businesses of the Company and its subsidiaries;
  - (6) Execution of connect transactions of which size is material to the Company and its subsidiaries;
  - (7) Issuance of financial instruments or any other securities of the Company;
  - (8) Key policies of SCBX Group such as the Corporate Governance Policy, the Risk Management Policy, the Human Resources Management Policy and Plan, and the Data Protection Policy;
  - (9) Statements to be released to the public regarding significant policies or strategies of SCBX Group;
  - (10) Changes to any powers and authority previously delegated by the Board to other persons; and
  - (11) Any significant changes within the organization.

This is unless the transaction is required by law or the Company's Articles of Association to be considered and approved by the shareholders' meeting of the Company.

- 3.4 Delegate certain powers and authority to the Board committees or the management (where appropriate) from time to time.

### 4. Composition

- 4.1 The Board consists of independent directors, non-executive directors, and executive directors according to the number of seats approved by the meeting of shareholders but shall not be less than five. At least three directors or one-third of the total directors (whichever is higher) shall be independent directors.
- 4.2 The Board must consist of a comprehensive and diverse mix of experience, skills, knowledge and abilities that are appropriate to the size, complexity, business model, and risk profile of the business, as well as strategies and long-term business operations and in line with the business directions of the group. There

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shall be at least one independent director with knowledge and experience adequate for the review of financial statements and at least one director with IT-related knowledge or experience. For the financial business group with a large number of subsidiaries undertaking technology-related business, the Board should then have more members with expertise in technology.

- 4.3 Directors concurrently holding directorship in both SCBX and SCB must constitute a minority of SCB Board of Directors as stipulated by the regulations governing complicated financial business groups.
- 4.4 The Board shall elect an independent director or a non-executive director to serve as the Chairman of the Board. In the regard, the Chairman of the Board must not concurrently be the Chairman of Board of Directors of any financial institutions as stipulated by the regulations governing complicated financial business groups
- 4.5 The Board may appoint a director or directors as vice chairman or vice chairmen of the Board with the authority and duties as assigned by the Chairman of the Board.

## **5. Term of Office**

One-third of the total directors shall retire at each annual general meeting of shareholders whereby the directors who have been in office for the longest period will retire. If the number of directors to retire from office is not divisible by three, the number nearest to one-third shall be applied. However, retired directors may be re-elected.

In addition, the cumulative tenure of independent directors and non-executive directors is up to 9 years, or their age does not exceed 72 years old, whichever comes first.

In this regard, the tenure of independent directors or non-executive directors shall also include that of the portfolio companies.

If a director lacks this qualification but is qualified to be in the position longer than the above limit, SCBX Board of Directors shall have the consideration authority, without violating relevant laws.

The principles are not applicable to representative directors of shareholders.

Directors who are executives of SCBX or the portfolio companies can serve as directors of SCBX or the portfolio companies as long as their executive term in respective company.

## **6. Nomination and Appointment of Directors**

Individuals nominated for directorship shall meet the qualification requirements stipulated by laws and possess knowledge and expertise in three aspects: 1) knowledge, expertise, or experience in macro-level management, 2) knowledge, expertise, or experience in specialized fields relevant to the Company's businesses such as technology (in the fields of, for example, cyber technology, financial technology, digital assets, and digital platforms), investment and new business development, offshore investment and business management, accounting, finance, economics, and business-specific laws, and 3) knowledge, expertise, or experience in other fields such as risk management, corporate governance, social responsibility, and sustainability (ESG). Furthermore, in nominating an individual as a

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director, the Board shall take into account the qualifications of such individual in terms of ability to contribute to the greater prudence of the Board, ability to make sound business judgment, strategic thinking ability, seasoned leadership, advanced level of professional expertise, integrity, including other desired personal attributes.

The Nomination, Compensation and Corporate Governance Committee is in charge of screening the qualified candidates for directorship based on the nominations submitted by shareholders and directors and with consideration to the directors' pool, and will subsequently propose the vetted nominations to the Board and/or shareholders (as applicable) for election.

## **7. Directorship Positions in Other Companies/Entities**

- 7.1 A director can serve as the chairman of the board and/or executive director of no more than three other business groups (apart from his/her position in SCBX Financial Group). If any company does not have a business group, that company, itself, will be considered as a business group.
- 7.2 A director can serve as a director of no more than five companies listed on the domestic and overseas stock exchanges. (including SCB X Public Company Limited).

However, Directors are required to report their incumbency in other companies or entities and each change thereto to the Nomination, Compensation and Corporate Governance Committee and the Board.

In addition, the execution director must apply for the approval in accordance with the policy of being a director or doing in personal capacity of employee (including executives) of portfolio companies in the SCBX Group before taking office.

## **8. Director Development**

Orientation sessions are arranged for all new directors to provide them with guidance and briefings that are useful for the fulfilment of their duties. The Chairman of the Board, directors and senior executives of the Company also join the orientation sessions to share information about the vision, strategies, key business targets, and performance highlights of SCBX Group as well as desired practices and conducts applicable to directors of the Company. Directors will be provided with continuous development opportunities to enhance their knowledge.

## **9. Board Meetings**

- 9.1 Board meetings shall be held at least six times each year and at least once every three months. If deemed appropriate by the Chairman of the Board or a person delegated by the Chairman of the Board, the Board meetings may be arranged via electronic media. The procedures of such e-meetings shall be in accordance with applicable regulations, laws and rules.
- 9.2 At each Board meeting, at least one-half of the total directors shall attend the meeting to constitute a quorum.
- 9.3 Directors shall attend at least 75 percent of the total Board meetings held each year unless there is any justifiable reason and necessity.

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- 9.4 A notice of Board meeting, meeting agenda, and supporting documents shall be sent to all directors at least five business days prior to the meeting date, unless an urgent meeting is required to protect the Company's rights or benefits, so that directors have sufficient time to study the information.
- 9.5 At Board meetings, at least two-thirds of all directors should be present during the voting procedure.
- 9.6 Decisions of the Board meetings shall be made by a majority of votes cast by directors present at such meetings unless applicable legal provisions concerning such voting stipulate otherwise. Each director shall have one vote. In case of an equality of votes, the chairman of the meeting shall exercise a casting vote.
- 9.7 Directors having direct and/or indirect vested interests in a given matter shall have no right to participate in the decision-making or voting on such matter and shall not take part or be involved in such matter. They are also required to declare the grounds for such conflict of interest to the Board meeting prior to the meeting commencement.

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**Definitions:**

- 1) **“Senior executive”** means a senior executive according to notification of the Bank of Thailand No. SorNorSor. 1/2566 Re: Corporate Governance of Financial Institutions and Financial Business Groups defined that financial institution's managers, deputy managers, assistant managers and advisors who perform any duties in the capacity of a manager, deputy manager or assistant manager but holding the position as an advisor, including those who perform the similar duties but holding any other positions.
- 2) **“Advisor to the Company”** means a person appointed as an advisor to the Company, or a person acting as a director, manager, deputy manager or assistant manager but holding the position as an advisor, including a person with similar characteristics but holding any other equivalent position called otherwise. Nevertheless, this excludes a person who is employed by the Company for his/her specialized technical expertise or specialized skills, such as accounting advisor, legal advisor, information technology advisor, tax advisor, language advisor, corporate communication advisor, insurance advisor, or advanced quantitative model advisor. This term shall have the same meaning as the definition of “advisor to a financial institution” in the Bank of Thailand's Notification No. SorNorSor. 1/2566 Re: Corporate Governance of Financial Institutions and Financial Group (including any amendment thereto to be made in the future).
- 3) **“Independent director”** shall have the same meaning as set forth in the Bank of Thailand's Notification No. SorNorSor. 1/2566 Re: Corporate Governance of Financial Institutions and Financial Group and the Capital Market Supervisory Board's Notification No. TorJor. 39/2559, Re: Application for and Approval of Offering for Sale of Newly Issued Shares, including any amendment thereto (if any).

4) **“Executive director”** means:

- (1) A director who performs management duties and assumes the position of Executive Vice President or higher or any other equivalent position called otherwise;
- (2) A director who has duties and responsibilities to perform or participate in any management duties similar to an executive, including a director appointed as a member of the Executive Committee;
- (3) A director who has signing authority to bind the Company, unless such binding signature is for matters previously approved by the Board on a case-by-case basis and is co-signed with other director(s).  
This term shall have the same meaning as set forth in the Bank of Thailand’s Notification No. SorNorSor. 1/2566 Re: Corporate Governance of Financial Institutions and Financial Group (including any amendment thereto to be made in the future).

5) **“Complicated financial business group”** means a financial business group with subsidiaries undertaking digital asset related business, or with subsidiaries that directly or indirectly invest a significant amount in digital asset related business. (This is when a company within a financial business group invests directly or indirectly in a digital asset related business in an amount exceeding 10% of the company’s total shares/fund’s total investment units sold, or of the total value of investments in a trust fund). A complicated financial business group is also a financial business group with subsidiaries undertaking, or, directly or indirectly invest a significant amount, in a new business that the group has never undertaken before and that business is as complicated as digital asset related business, as considered by the Bank of Thailand when the financial business group is forming or revising the group structure.

6) **“Financial Institute Business”** means the commercial banking business, capital business, and credit foncier business, and shall include the business operations specialized financial institute.