

股票代號：5876



The Shanghai Commercial & Savings Bank Ltd.
Investor Conference 2024Q3

2024.11.22

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Agenda

Global Economic Preview

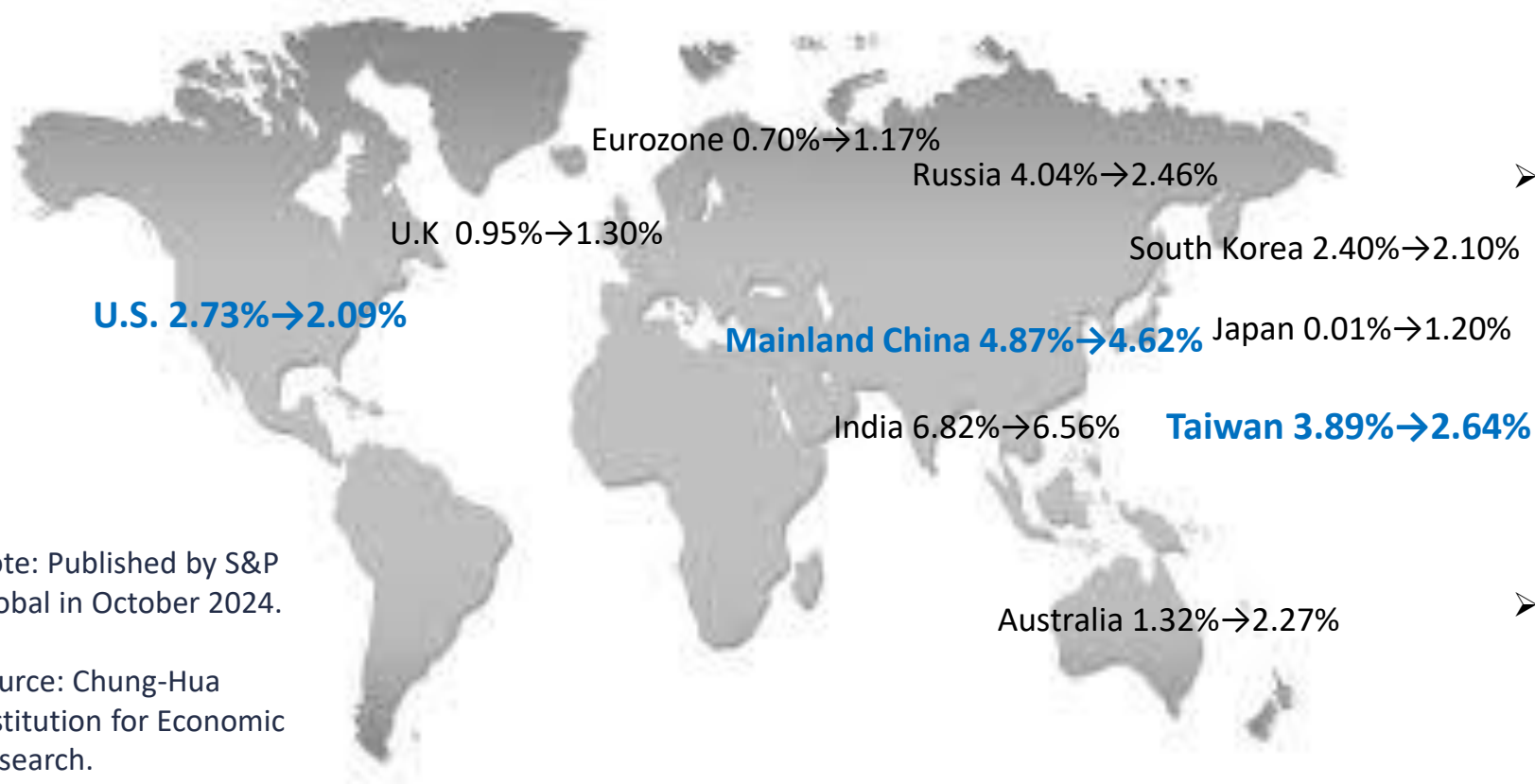
Operational Performance

Financial & Business Overview

Sustainable Development

Global Economic Preview

Estimated economic growth rates of major countries in 2024→2025



- The global economy showed resilience and steady growth in 2024Q3. According to S&P Global 's October forecast, the global economic growth rates for 2024 and 2025 are projected to be approximately 2.73% and 2.76%, respectively, with CPI at around 4.46% and 3.22% for the same years.
- As inflation gradually slows and returns to a normal range, central banks worldwide- except for Japan-such as the FED, are beginning a rate-cutting cycle. With the onset of rate cuts and an increasing expectation of a soft economic landing, the upward trend in the stock market is expanding from AI stocks to a wider range of other industries, invigorating global trade and economic momentum.
- Rising geopolitical risks and the resurgence of protectionism could lead to a tightening financial environment, imposing more restrictions on cross-border trade, capital, labor, and technology flows, thereby adding new variables to the global economy.

Note: Published by S&P Global in October 2024.

Source: Chung-Hua Institution for Economic Research.



Operational Performance

THE SHANGHAI COMMERCIAL & SAVINGS BANK, LTD.

Performance Highlights

Included as a constituent stock in the global sustainability performance indicators-the DJSI "World Index" and "Emerging Markets Index"

Honored to be selected in the S&P Global 2024 Sustainability Yearbook as one of the top 5.

Included as a constituent stock of "TWSE RA Taiwan Employment Creation 99 Index " for 5 consecutive years.

Included as a constituent stock of "TWSE RAFI® Taiwan High Compensation 100 Index" for 6 consecutive years.

MSCI ESG Ratings : AA

Received a "Stable" outlook rating from Fitch Ratings and Taiwan Ratings

Awarded first place "Best Wealth Management Image " by Business Today Magazine

Awarded "Best Brand Trust" and "Best Senior-Friendly" by Excellence Magazine

Awarded the "2024 Top 10 Foreign-Selected Taiwan Financial Institutions " by the Taiwan Institute of Directors

Passed the ISO 20400: 2017 Sustainable Procurement Guidelines Standard.

Awarded the "Insurance Finance Capital Amount Excellence Award" and the "Branch Insurance Application Excellence Award " by the Overseas Credit Guarantee Fund.

Achieved the goal of carbon neutrality for credit cards and debit cards, with verification completed by SGS-Taiwan in accordance with ISO 14064-3:2006

Sponsored Laonong elementary school students to participate in the "2024 World Choir Games" and won a silver medal.

Awarded the championship of iSports Enterprise Certification Calendar Points Competition in 2024.

Performance Overview

Unit: NTD		2024Q1-Q3	2023Q1-Q3	Rate of change
Profitability	Net income	10,551mn	14,681mn	-28.13%
	EPS	2.18	3.03	-28.05%
	Annualized Pretax ROA	1.04%	1.40%	-0.36%
	Annualized Pretax ROE	8.71%	12.41%	-3.70%
Safety	NPL ratio	0.34%	0.20%	+0.14%
	Coverage ratio	386.19%	715.22%	-329.03%
Liquidity	Liquidity reserve ratio	27.72%	31.66%	-3.94%
	Loan to deposit ratio	69.75%	68.59%	+1.16%
Capital Adequacy	CET 1 capital ratio	11.97%	11.42%	+0.55%
	Tier 1 capital ratio	12.78%	12.25%	+0.53%
	BIS capital adequacy ratio	15.24%	14.88%	+0.36%

Standalone



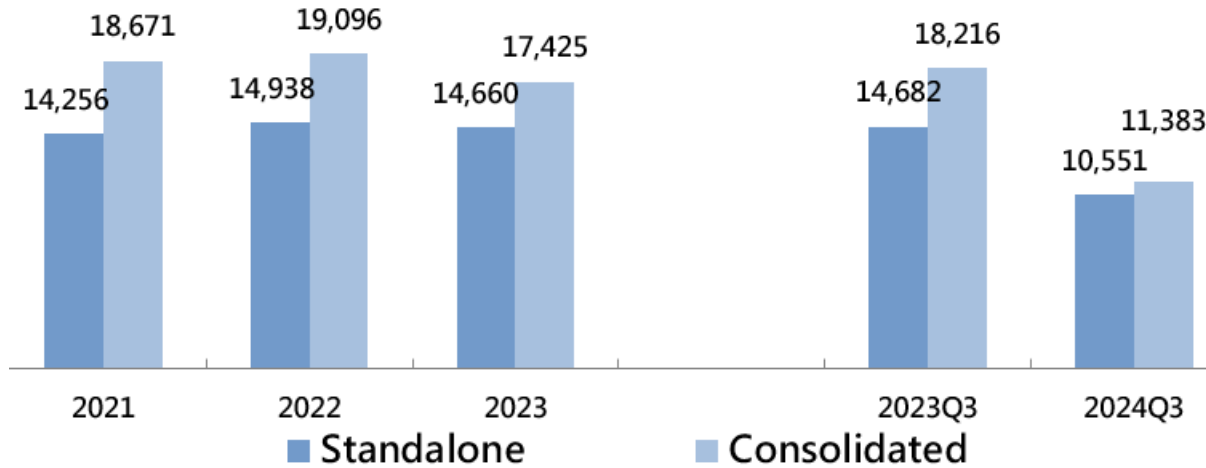
Financial & Business Overview

THE SHANGHAI COMMERCIAL & SAVINGS BANK, LTD.

Profitability

Annual Net Profit

Unit: NTD mn

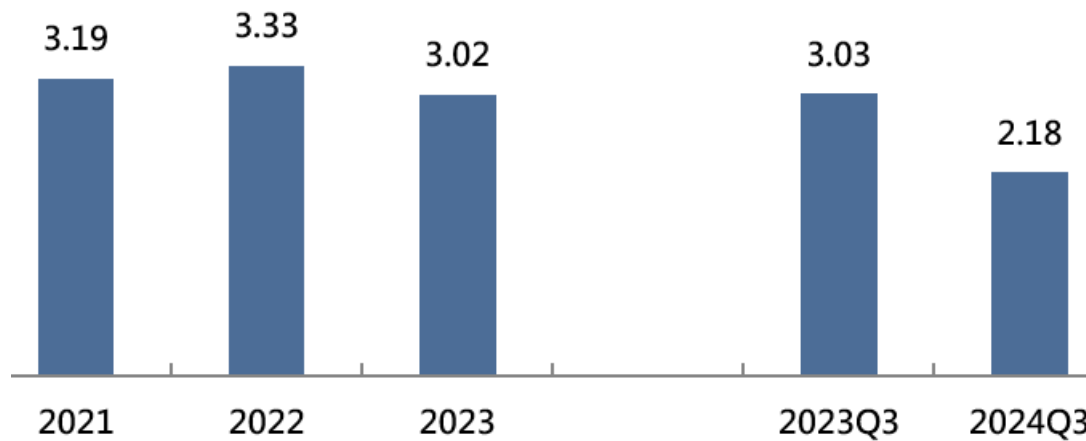


YoY comparison

	Amount	Growth rate
standalone	-4,130	-28.13%
consolidated	-6,832	-37.51%

Earning Per Share

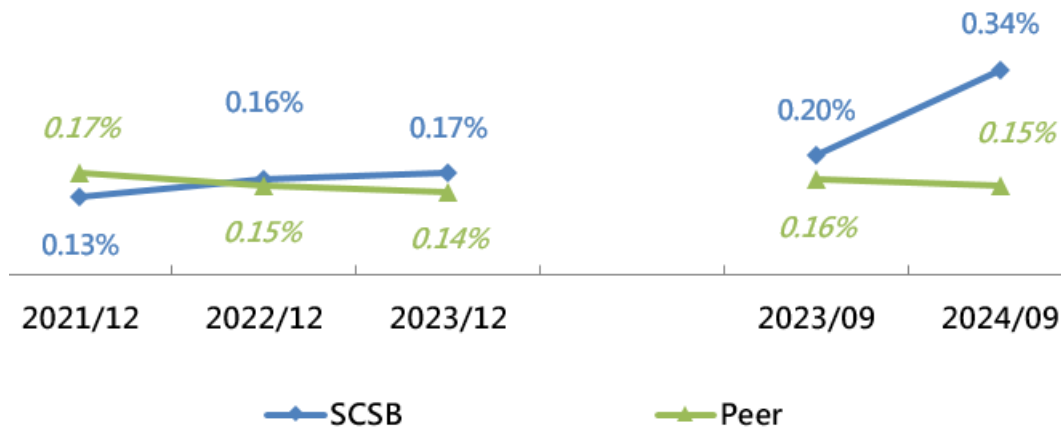
Unit: NTD



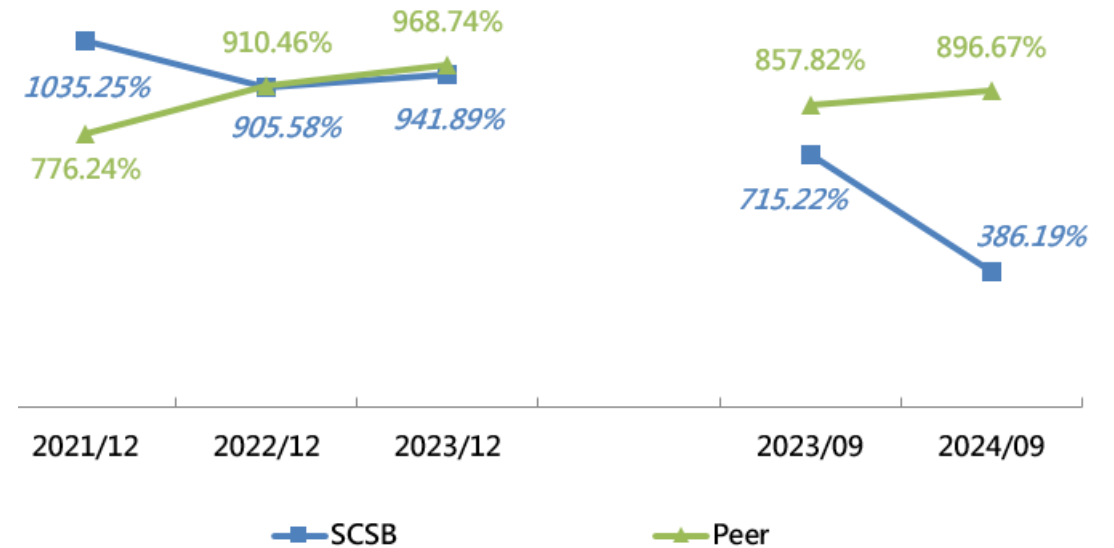
Consolidated

Asset Quality

Non-performing loan ratio



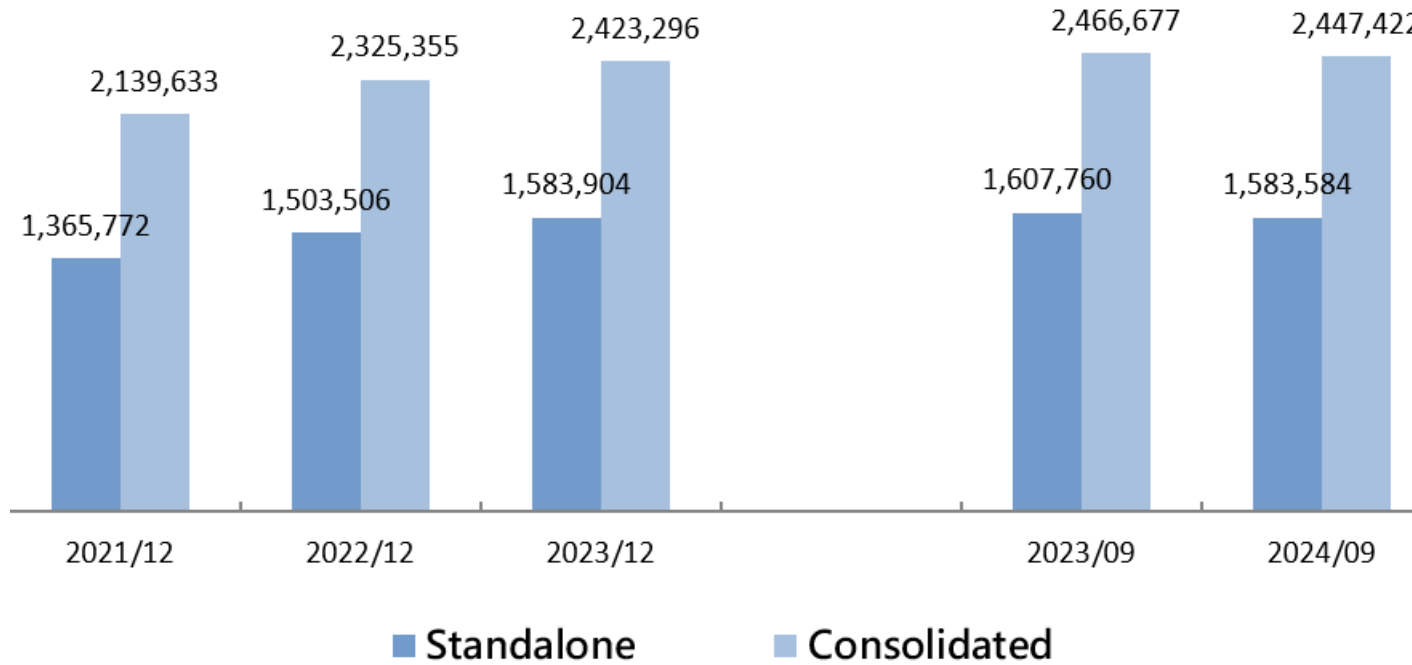
Coverage Ratio



Standalone

Asset

Unit: NTD mn

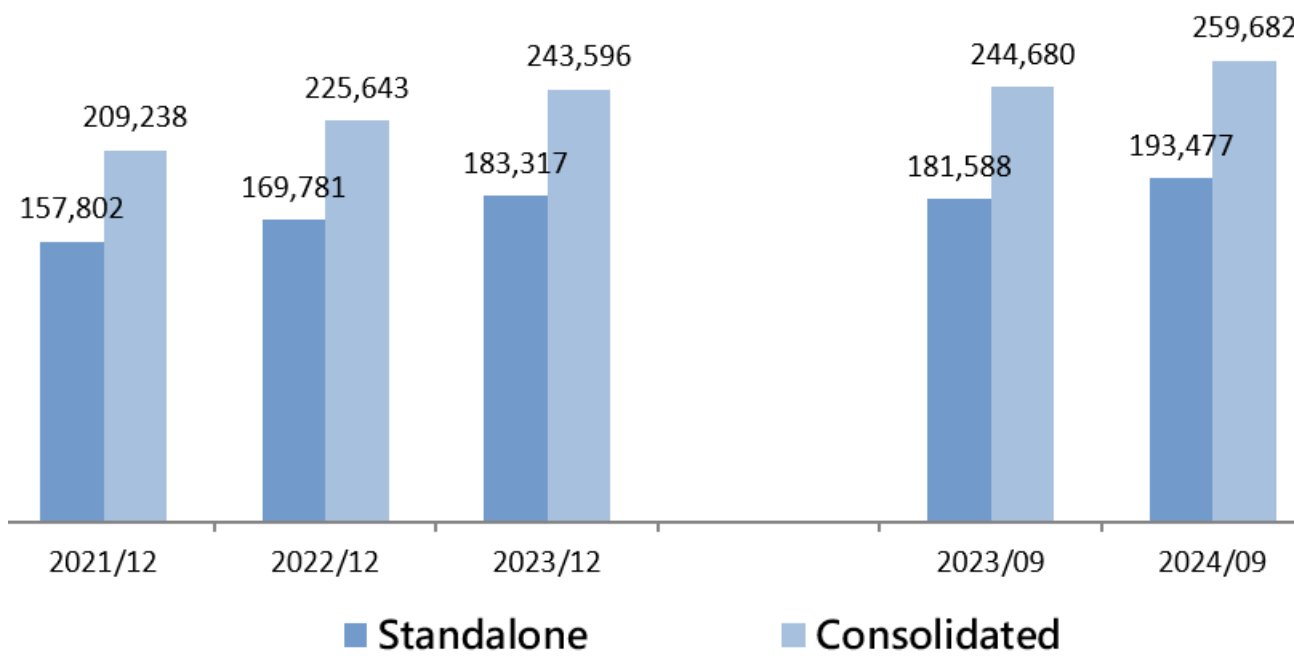


YoY comparison

	Amount	Growth rate
standalone	-24,176	-1.50%
consolidated	-19,255	-0.78%

Equity

Unit: NTD mn

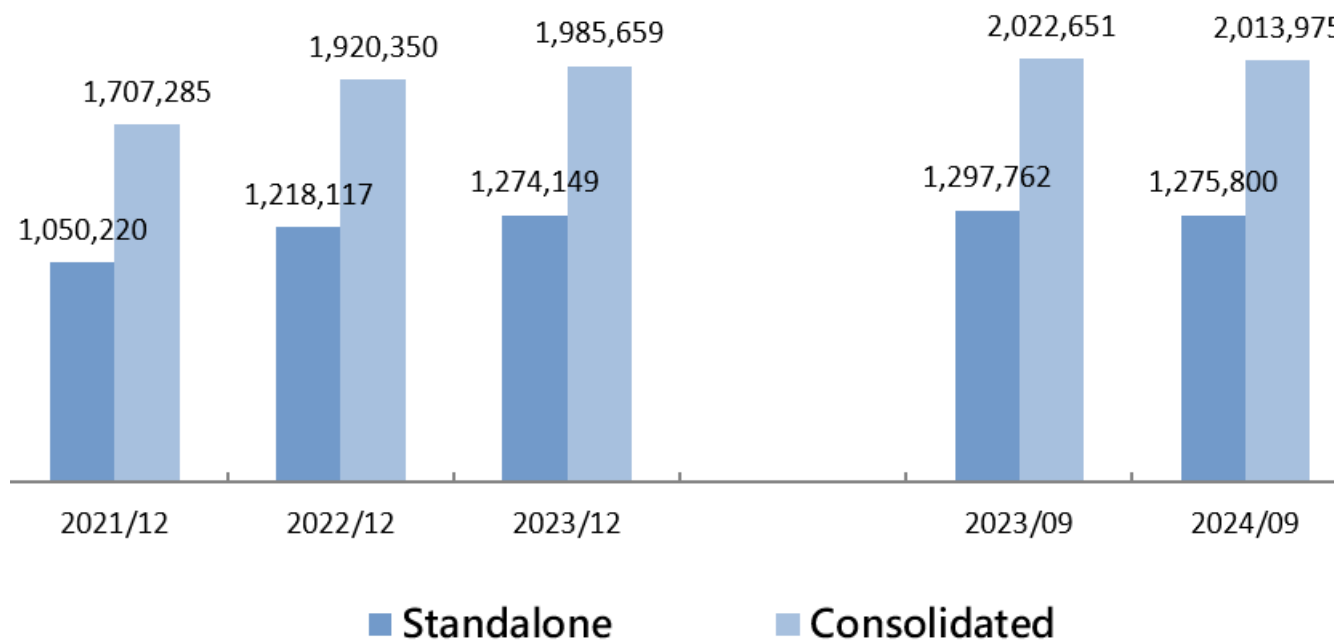


YoY comparison

	Amount	Growth rate
standalone	+11,889	+6.55%
consolidated	+15,002	+6.13%

Deposit

Unit: NTD mn

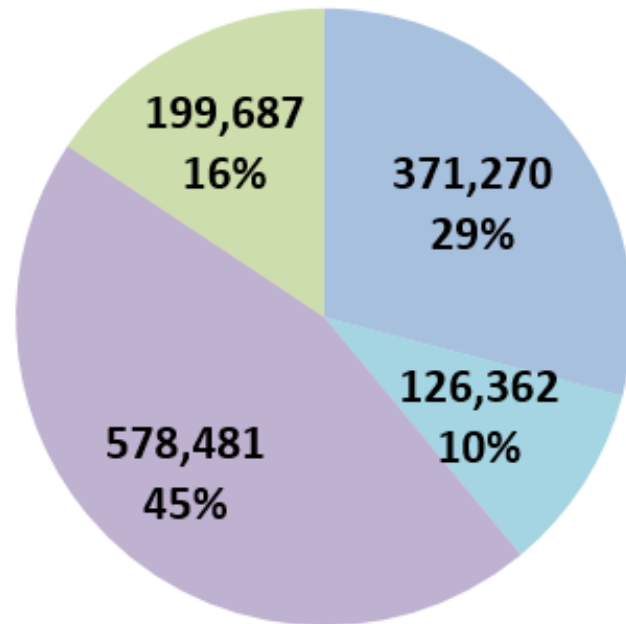


YoY comparison

	Amount	Growth rate
standalone	-21,962	-1.69%
consolidated	-8,676	-0.43%

Deposit breakdown

Unit: NTD mn



Total:1,275,800mn

- TWD Demand
- FCY Demand
- TWD Time
- FCY Time

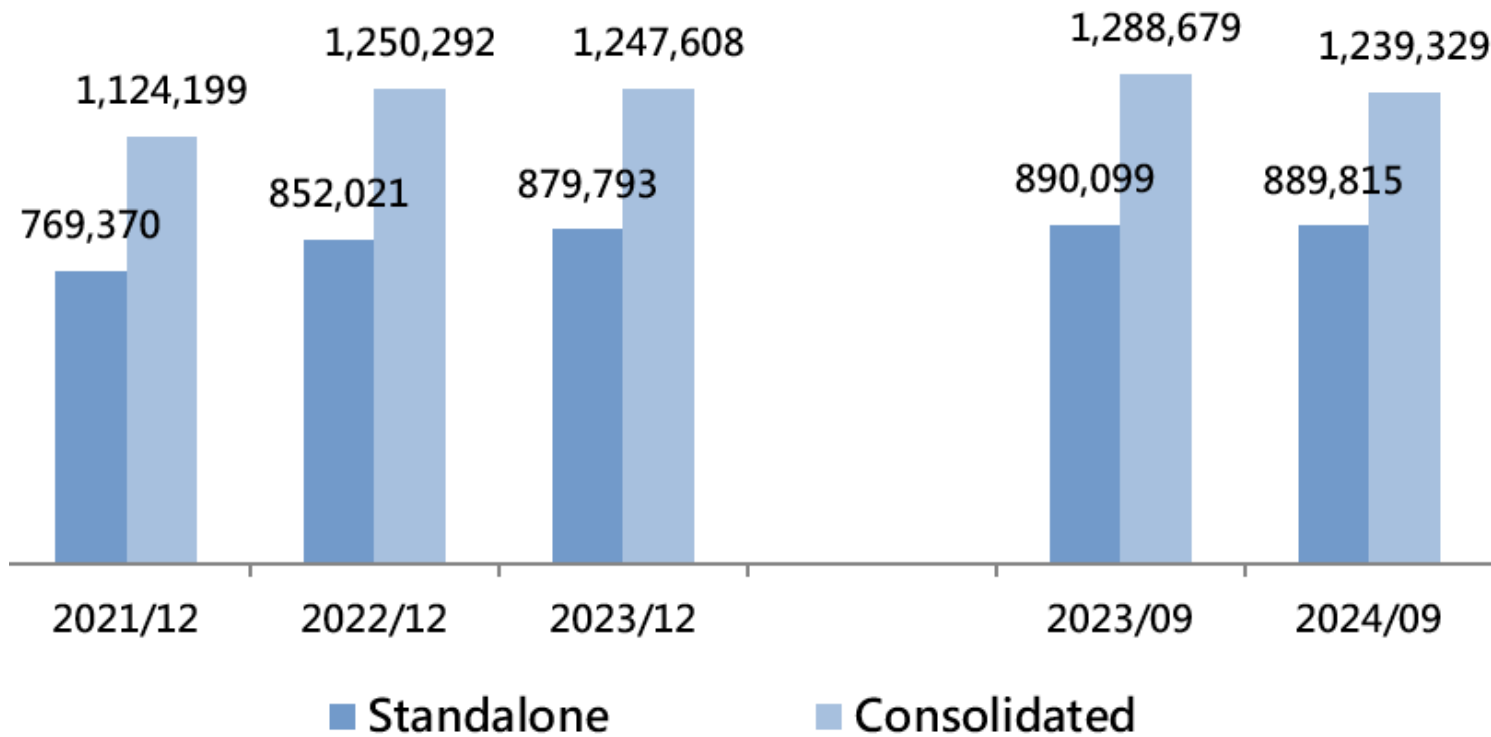
YoY comparison

	Amount	Growth rate
TWD Demand	+5,452	+1.49%
FCY Demand	-15,779	-11.10%
TWD Time	-24,368	-4.04%
FCY Time	+12,733	+6.81%
Total	-21,961	-1.69%

Standalone

Loan

Unit: NTD mn



YoY comparison

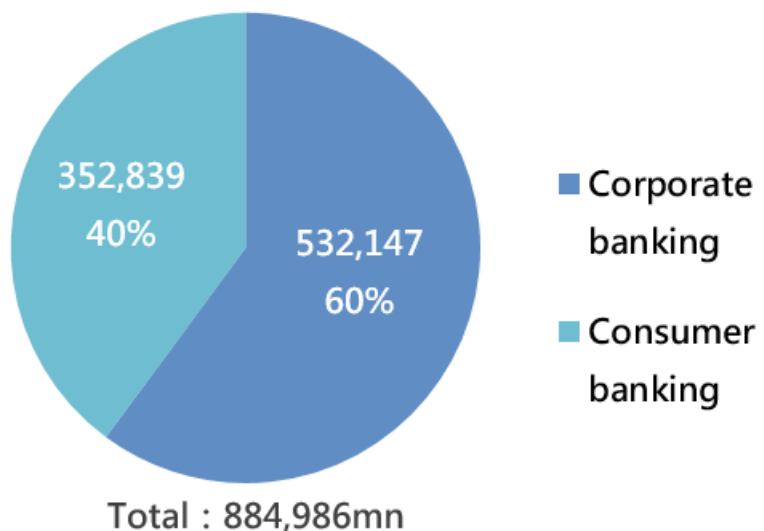
	Amount	Growth rate
standalone	-283	-0.03%
consolidated	-49,351	-3.83%

Inward/outward documentary bills and Non-performing loans are included.

Loan breakdown

Unit: NTD mn

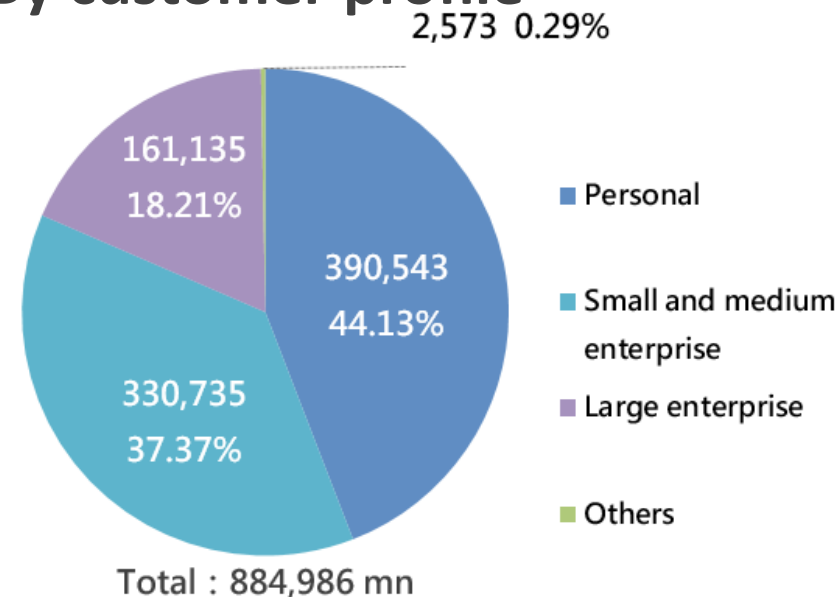
• By business



YoY comparison

	Amount	Growth rate
Corporate banking	-3,567	-0.67%
Consumer banking	+2,102	+0.60%
Total	-1,465	-0.17%

• By customer profile



YoY comparison

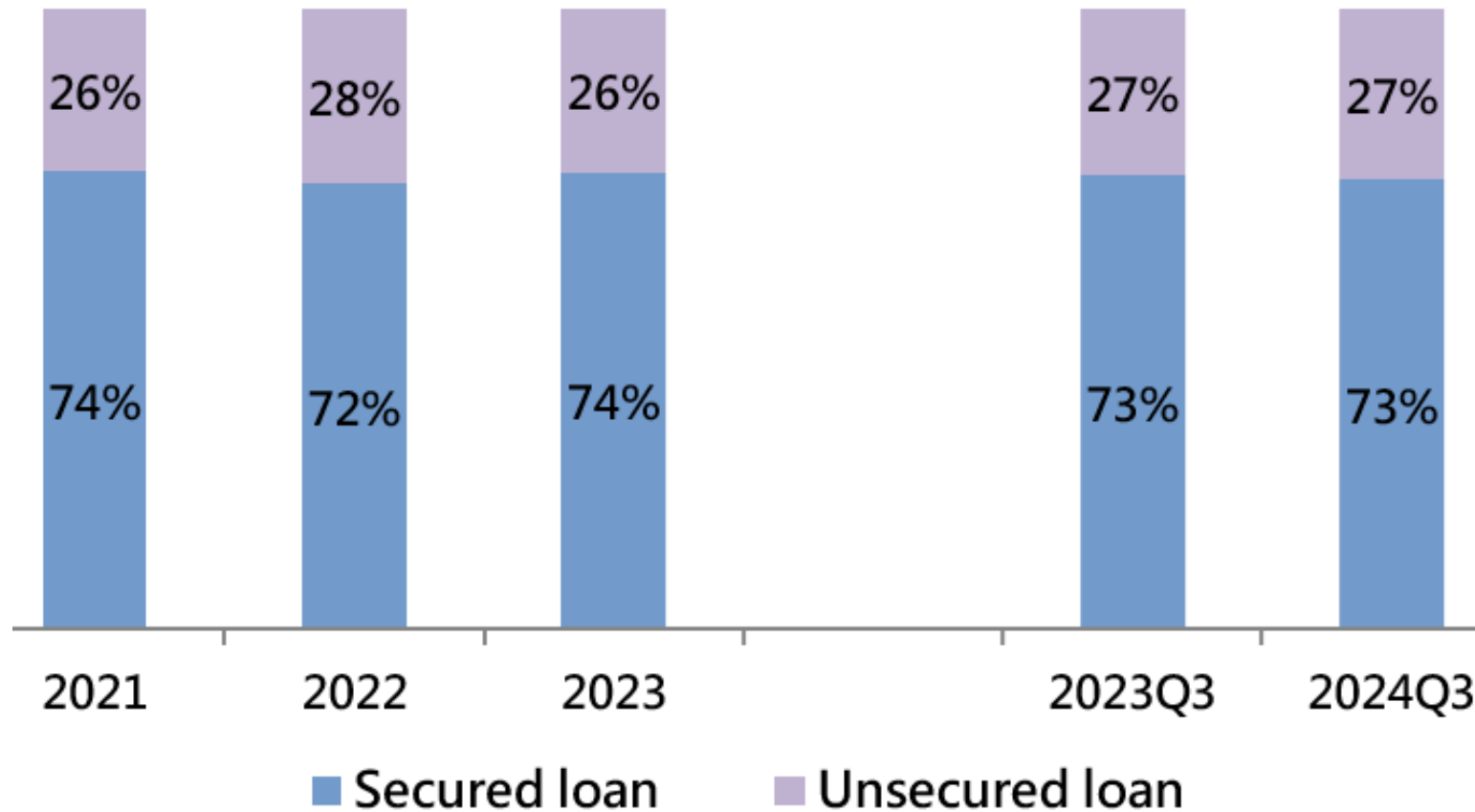
	Amount	Growth rate
Personal	+2,423	+0.62%
Small and medium enterprise	+4,073	+1.25%
Large enterprise	-8,172	-4.83%
Others	+211	+8.93%
Total	-1,465	-0.17%

(1)Standalone

(2)Inward/outward documentary bills and Non-performing loans are excluded.

Loan breakdown

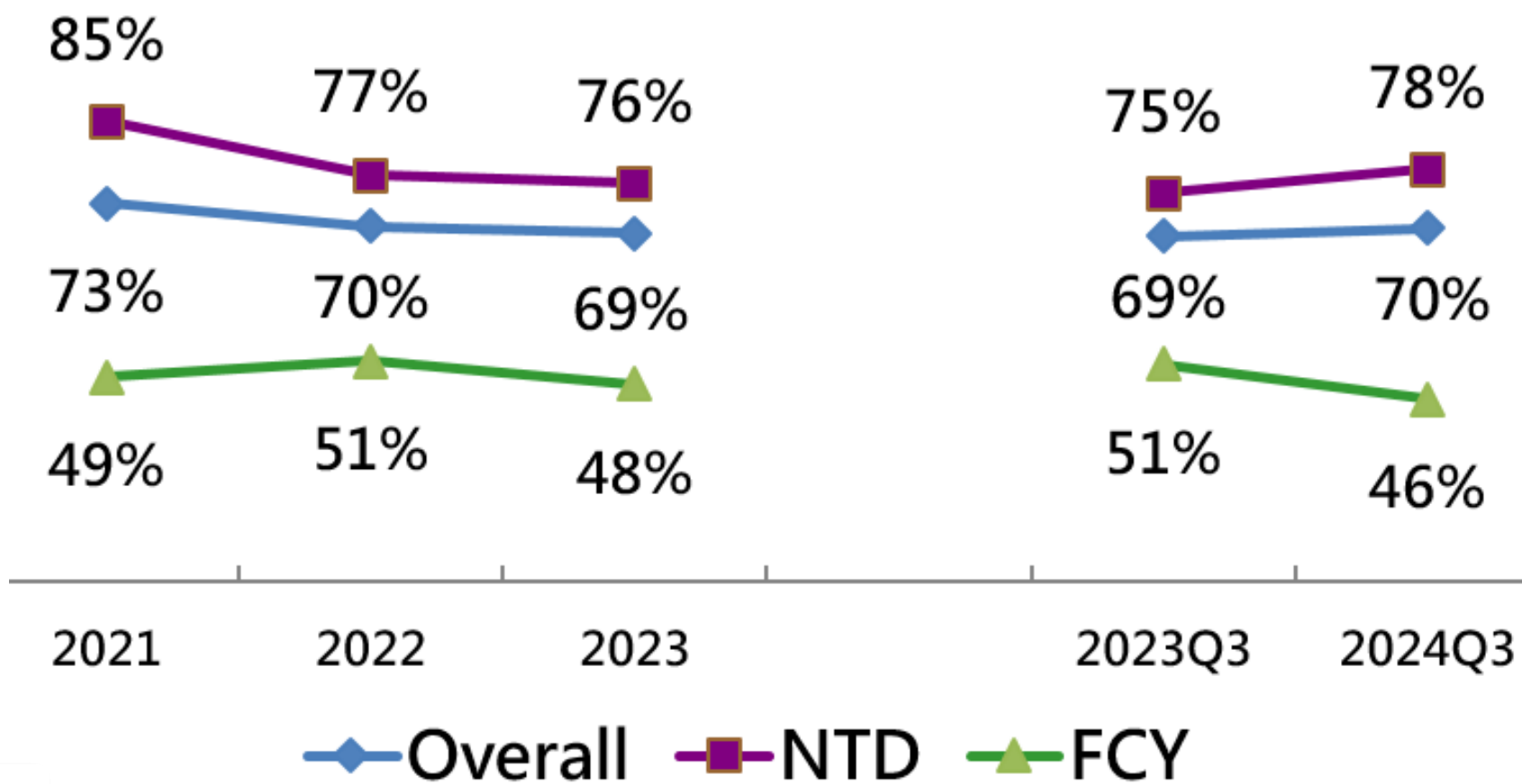
- Loan breakdown by type



(1)Standalone

(2)Inward/outward documentary bills and Non-performing loans are included.

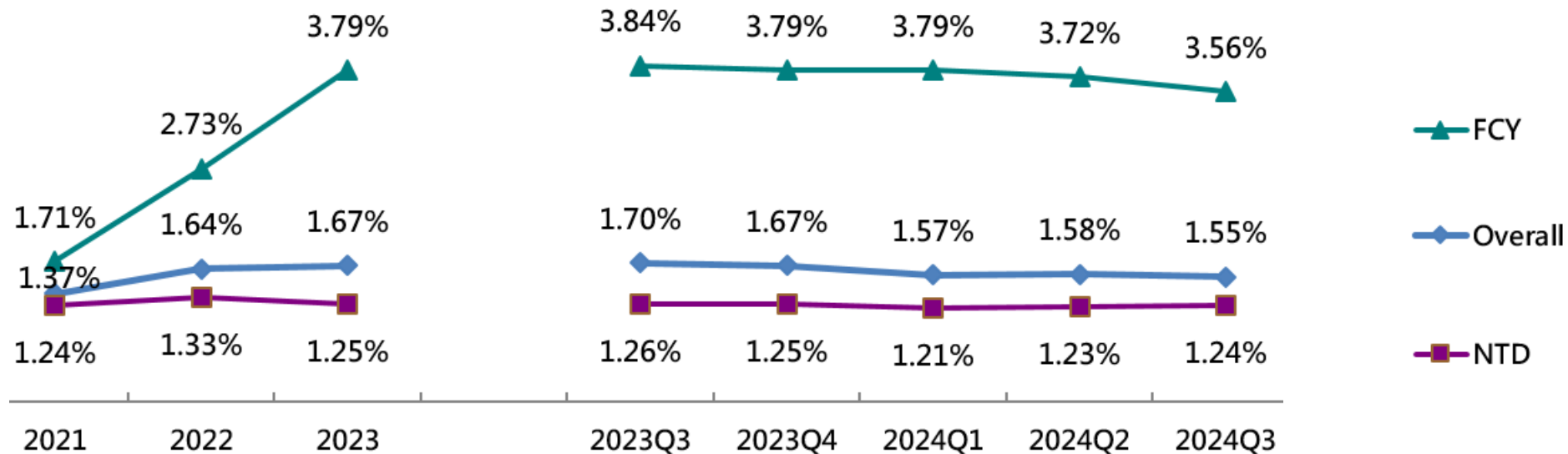
Loan to deposit ratio



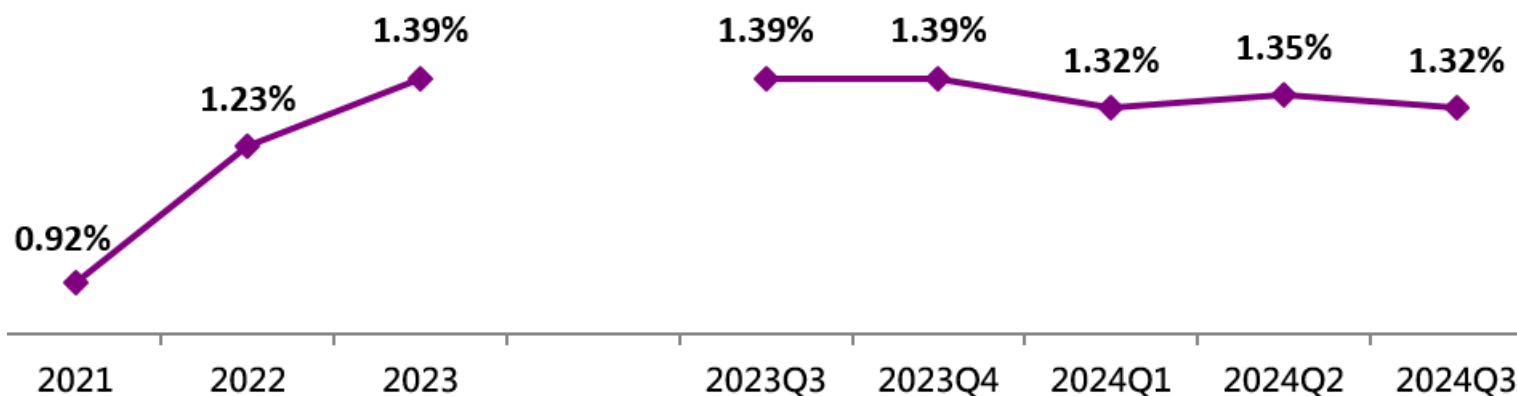
Standalone

Interest spread & Net interest margin

Interest spread



Net interest margin

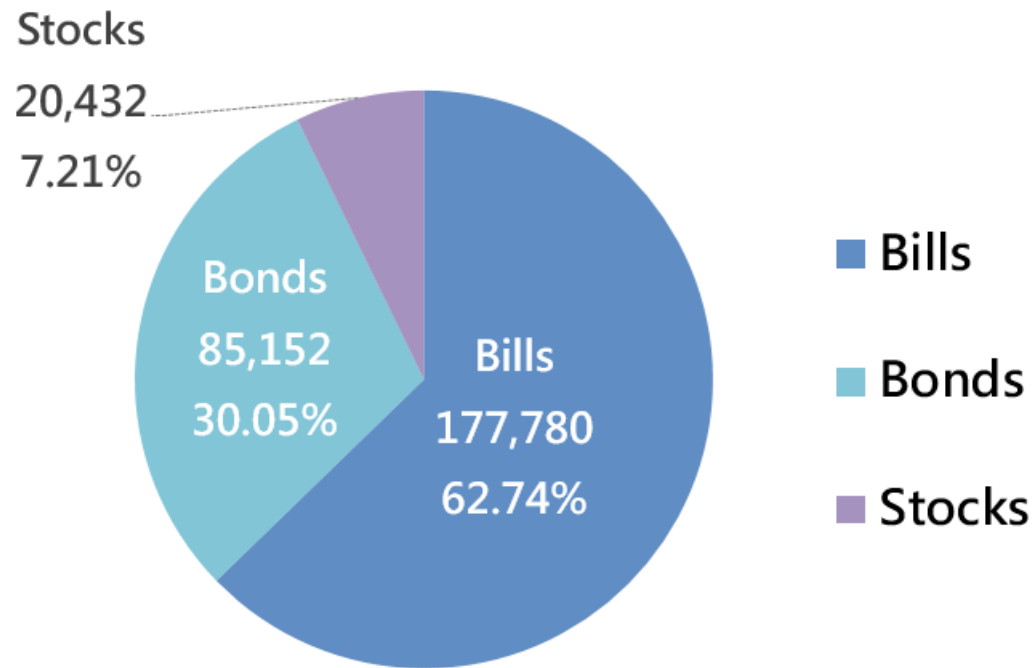


Standalone

Investment portfolio

Unit: NTD mn

- NTD investment



Note: Long-term equity investment NTD97,629mn excluded
Total:NTD283,364mn

YoY comparison

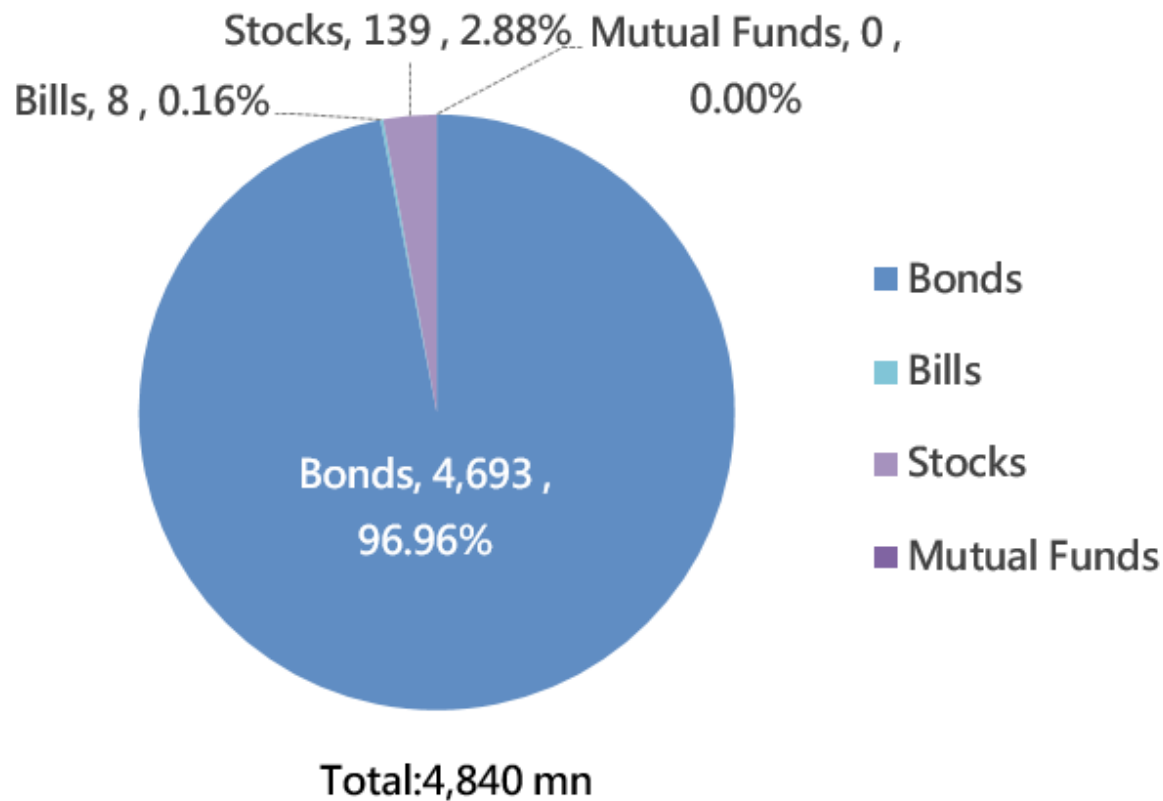
	Amount	Growth rate
Bills	-60,478	-25.38%
Bonds	-5,393	-5.96%
Stocks	+8,186	+66.85%
Total	-57,685	-16.91%

Standalone

Investment portfolio

Unit: USD mn

- FCY investment



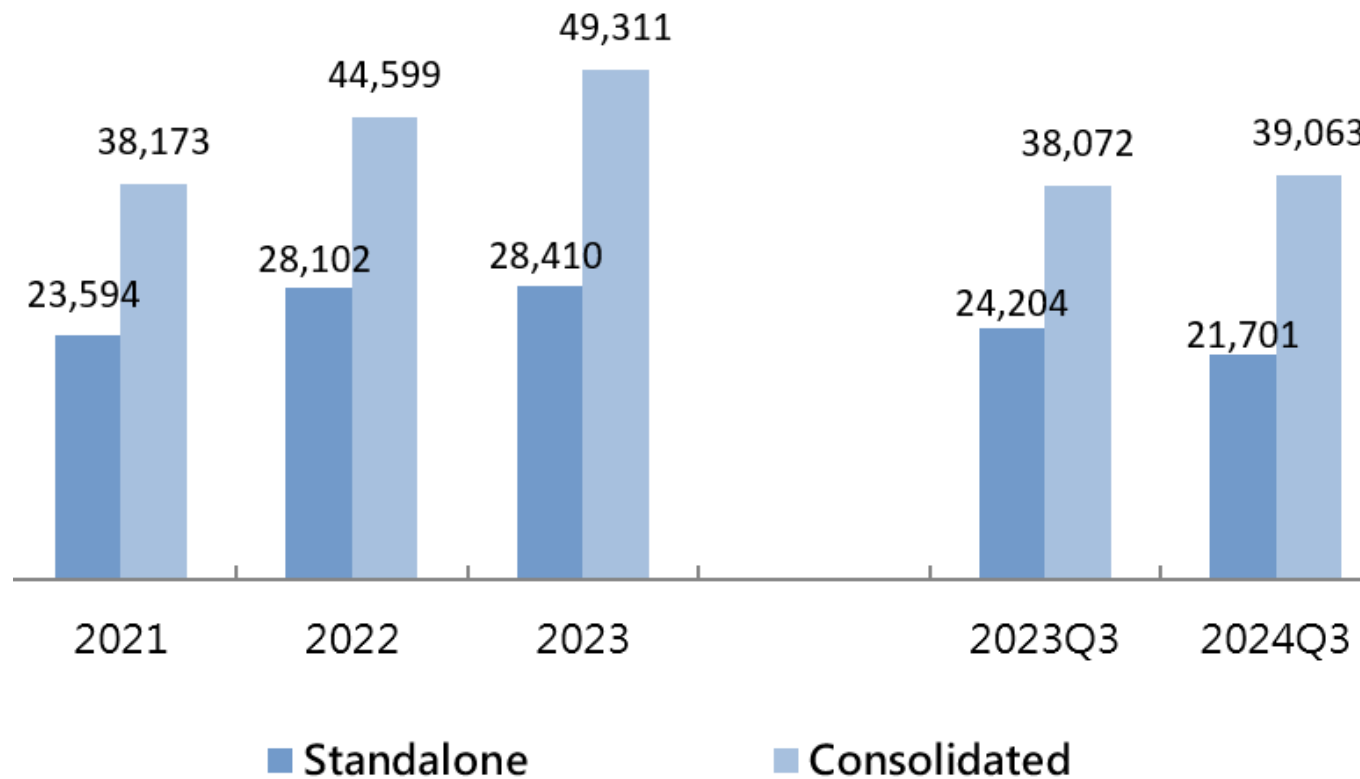
YoY comparison

	Amount	Growth rate
Bonds	+299.63	+6.82%
Bills	+0.53	+7.38%
Stocks	+48.89	+54.13%
Mutual Funds	+0.00	+0.00%
Total	+349.05	+7.77%

Standalone

Net revenue

Unit: NTD mn



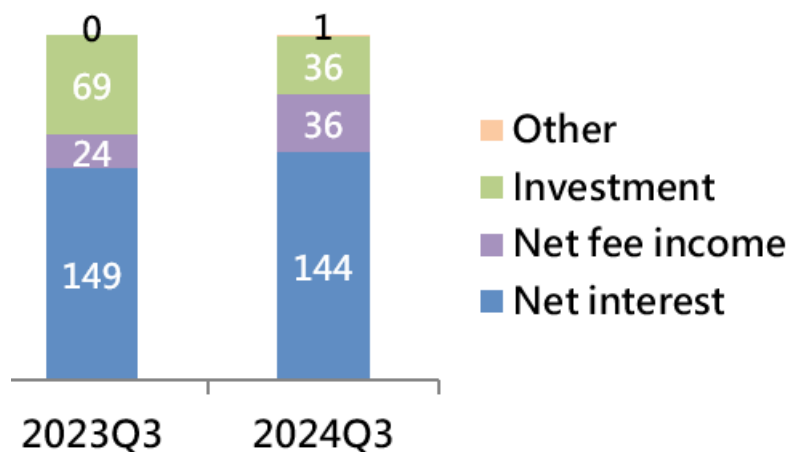
YoY comparison

	Amount	Growth rate
standalone	-2,503	-10.34%
consolidated	+990	+2.60%

Fee income growth

Unit: NTD mn

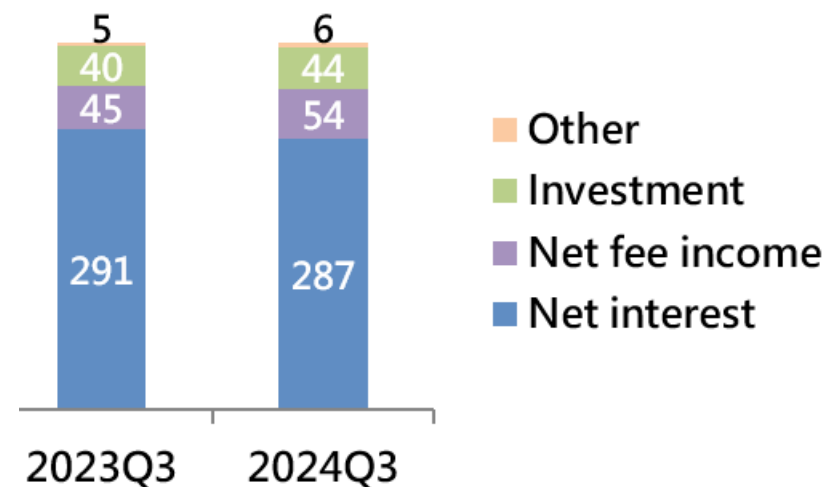
• Standalone



YoY comparison

	Amount	Growth rate
Net interest	-468	-3.15%
Net fee income	+1,112	+45.79%
Investment	-3,300	-47.55%
Other	+152	-452.34%
Total	-2,503	-10.34%

• Consolidated

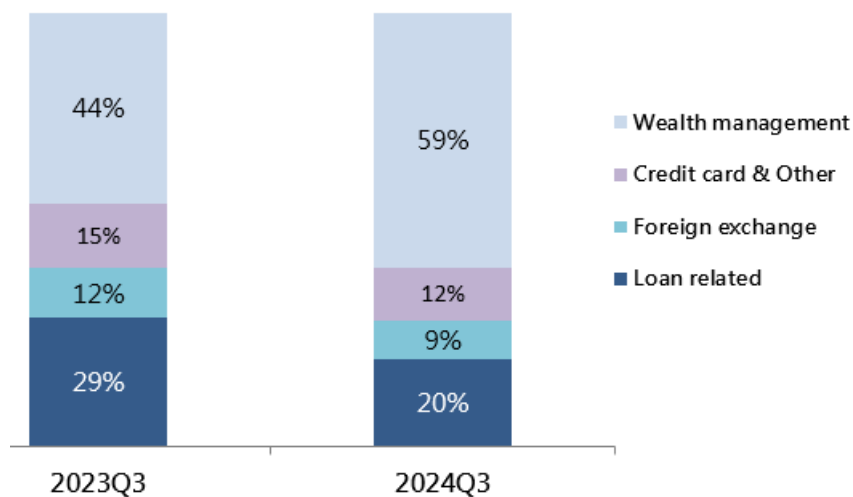
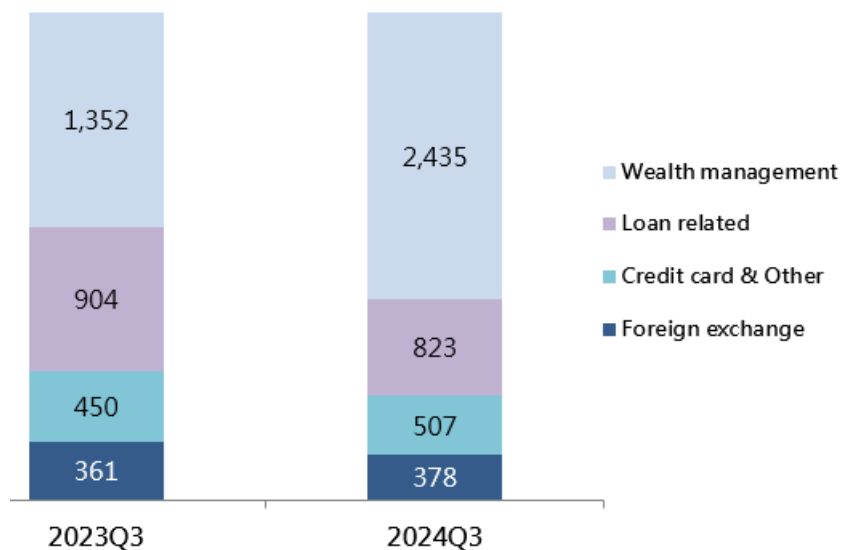


YoY comparison

	Amount	Growth rate
Net interest	-389	-1.34%
Net fee income	+925	+20.87%
Investment	+344	+8.54%
Other	+110	+23.38%
Total	+990	+2.60%

Fee income breakdown

Unit: NTD mn



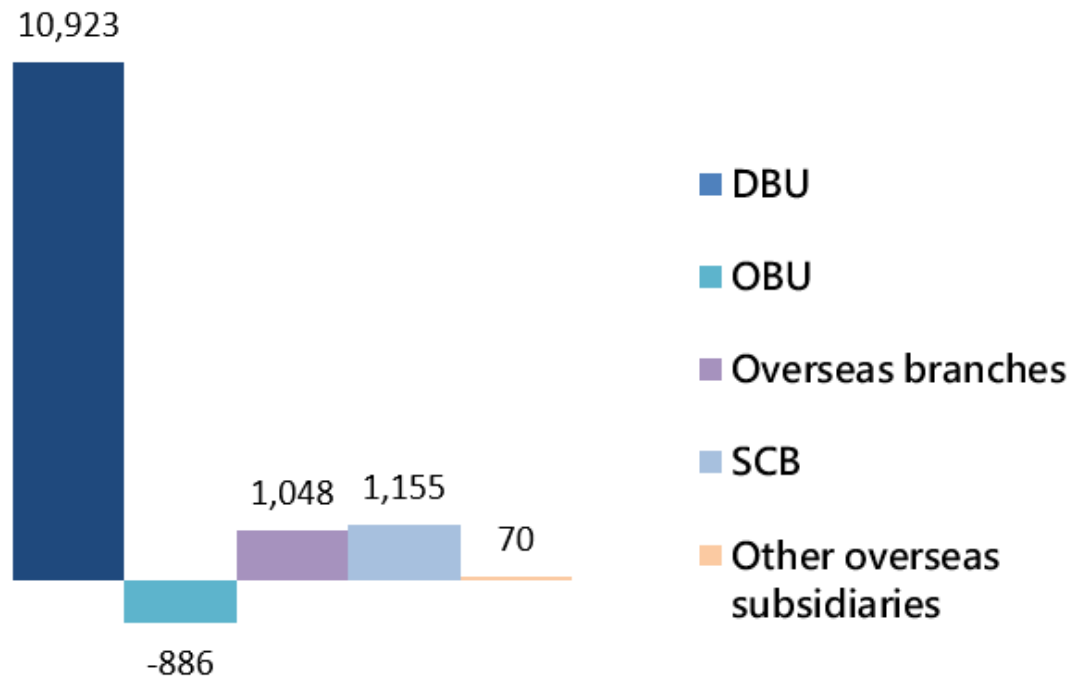
Standalone

YoY comparison

Business type	Amount	Growth rate
Loan related	-81	-8.96%
Foreign exchange	+17	+4.71%
Wealth management	+1,083	+80.10%
Credit card & Other	+57	+12.67%
Total	+1,076	+35.08%

Pretax profit breakdown by area

Unit: NTD mn



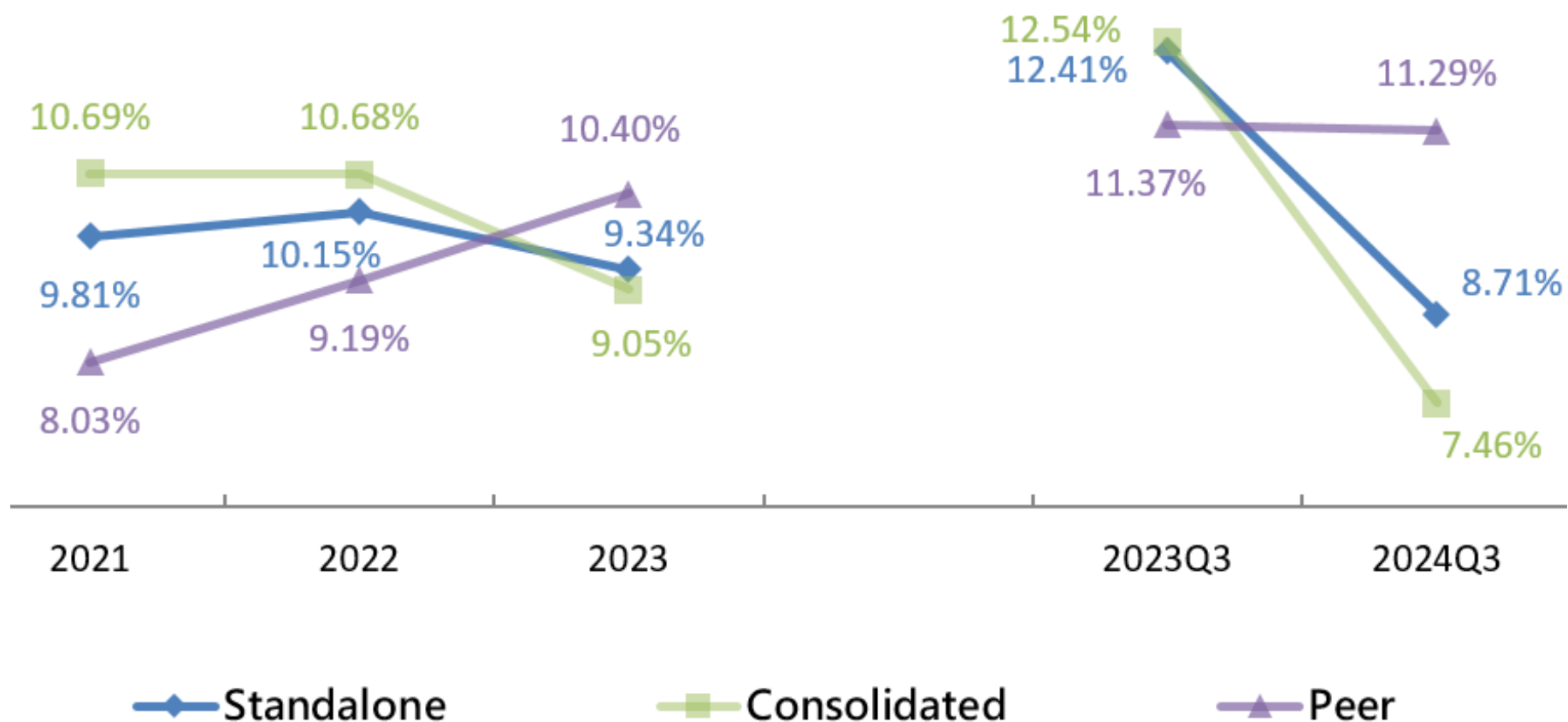
Total:12,310mn

YoY comparison

	Amount	Growth rate
DBU	+4,261	+63.98%
OBU	-3,933	-129.08%
Overseas branches	-641	-37.95%
SCB	-3,644	-75.93%
Other overseas subsidiaries	-89	-56.18%
合計	-4,045	-24.74%

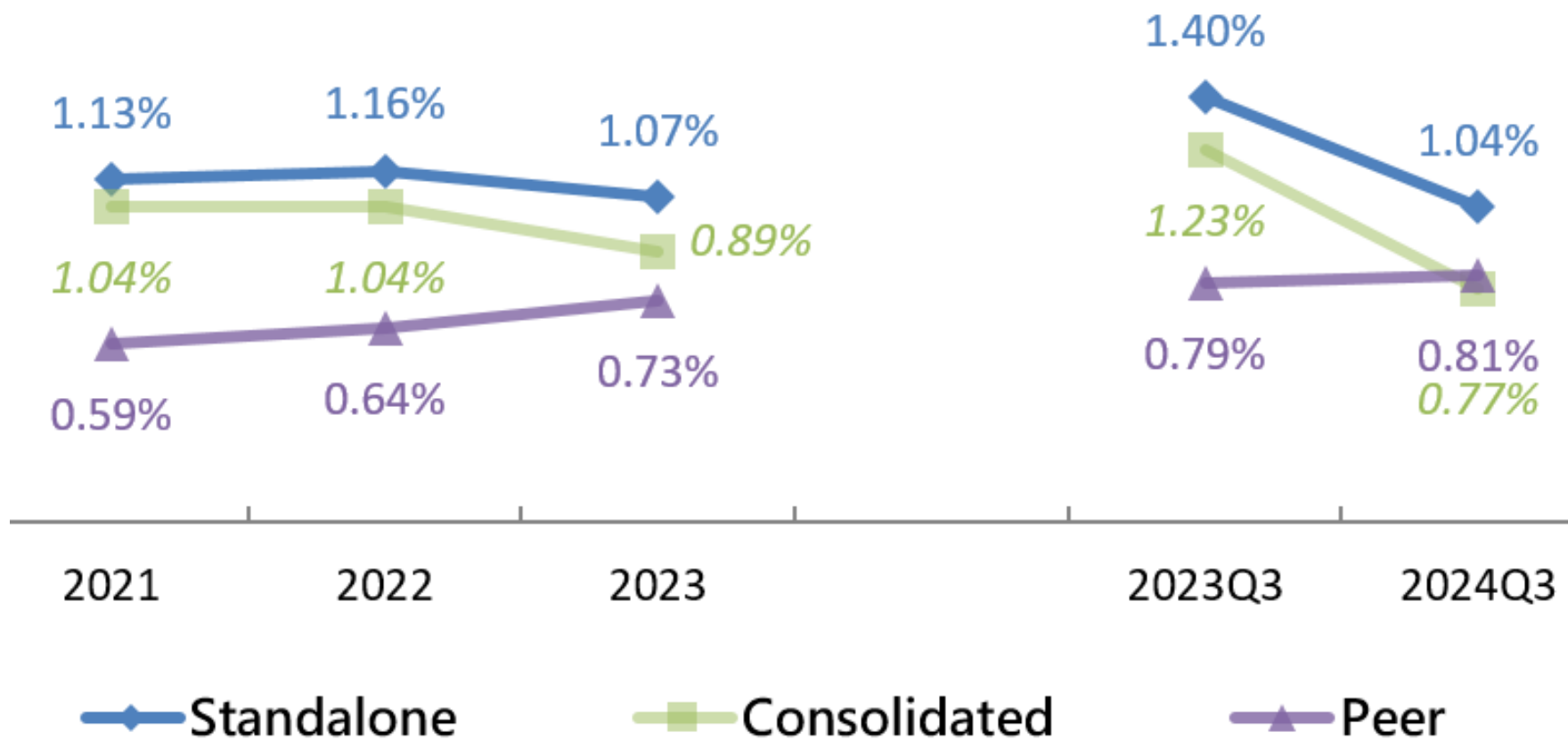
Standalone

Pretax ROE



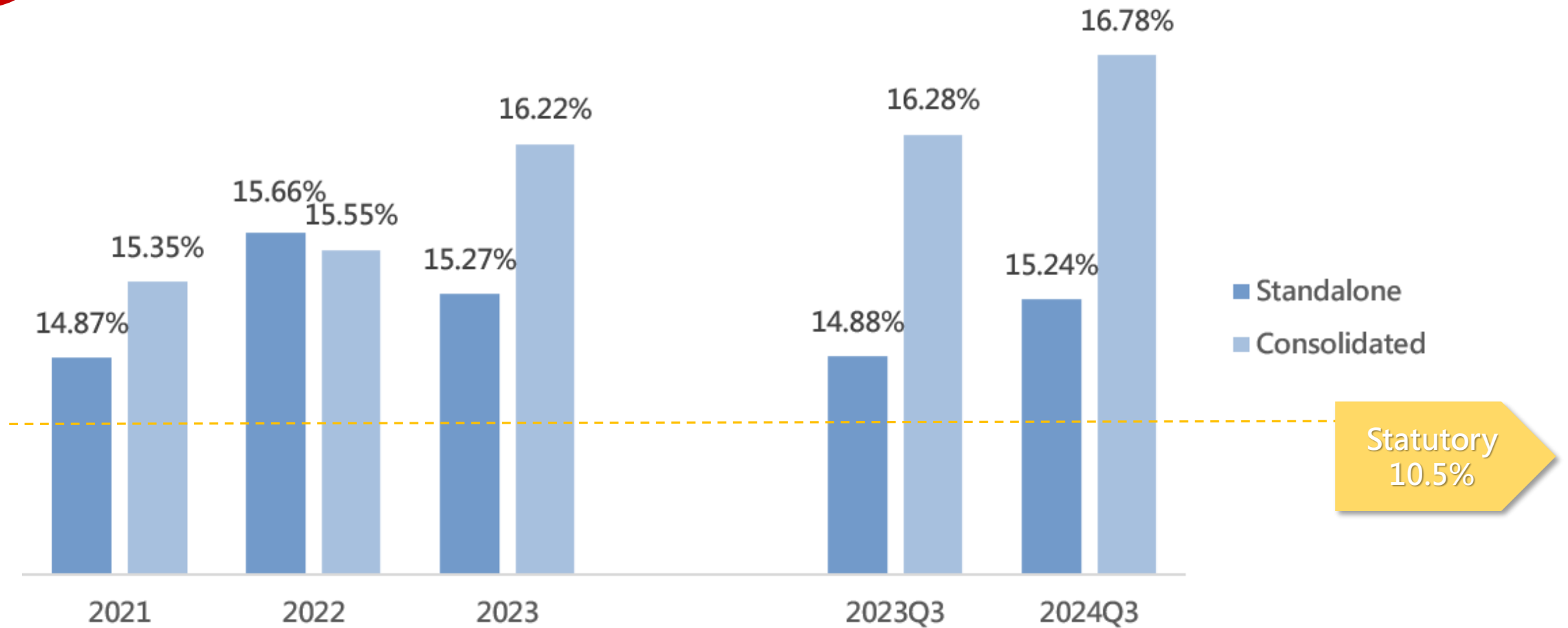
*2024Q3 vs. 2023Q3 has been annualized.

Pretax ROA



*2024Q3 vs. 2023Q3 has been annualized.

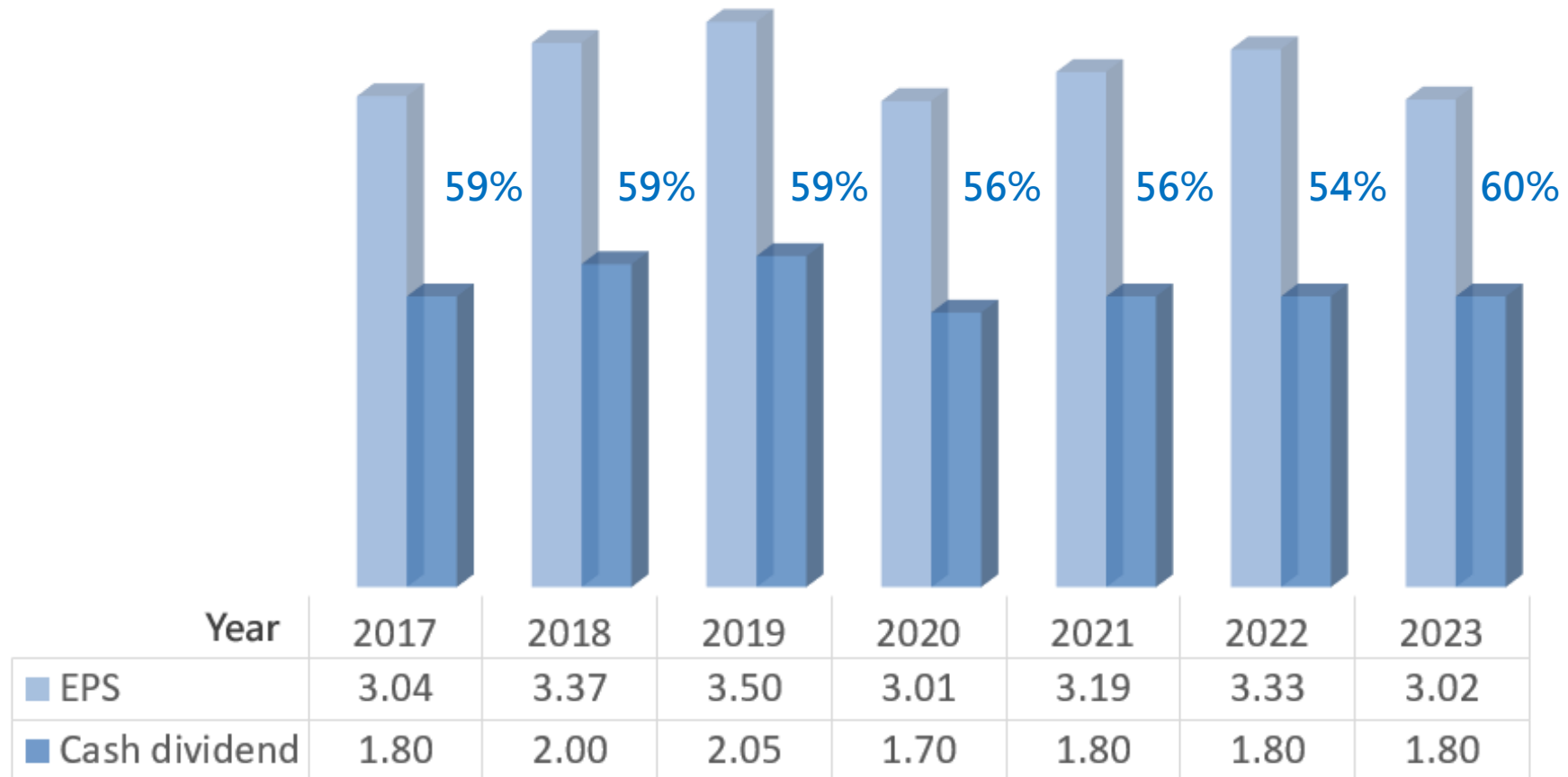
Capital Adequacy ratio



Dividend payout ratio

Unit: NTD

The dividend distribution rate is nearly 60%





Sustainable Development

THE SHANGHAI COMMERCIAL & SAVINGS BANK, LTD.

2023 Sustainability Achievements

Environmental Aspect

- Officially signed the "Science Based Targets initiative (SBTi)" commitment
- Approved 667 green building loan applications
- The loan balance provided to the six core strategic industries amounted to NT\$ 140.6 billion, among which NT\$49.1 billion was allocated to green energy and renewable energy
- Completed the introduction and external verification of ISO 46001:2019 Water Efficiency Management System
- Introduced the ISO 20400:2017 Sustainable Procurement-Guidance and obtained external verification in January 2024
- Continued to promote paperless services, reducing a total of about 2.16 tons CO2e emissions
- The amount of emission (scope 1 & scope 2) per NT\$ million in revenue decreased by 28.27% compared to last year
- Renewable energy consumption reached 865.5 thousand kWh and 842 renewable energy certificates were obtained

2023 Sustainability Achievements

Social Aspect









- Organized 11,280.5 hours of sustainable finance talent cultivation series courses
- Post-pandemic revitalization loans (Type 1 and 2) amounted to 3,933 applications with a total loan balance of NT\$19.9 billion
- Organized 14 ESG lectures and sustainable finance forums for 959 participants
- The balance of loans extended to small, medium, and micro enterprises (SMMEs) reached NT\$280.6 billion, accounting for 60% of the SCSB's corporate loans in Taiwan
- A total of 2,927 transactions of the project "Love Earth - Sustainable NT\$ Fixed Deposit Project for Wild Birds" were undertaken, with a total amount of NT\$7.293 billion

2023 Sustainability Achievements

Governance Aspect









- Listed in the DJSI World index and DJSI Emerging Markets index
- Ranked among the top 6%~20% in Corporate Governance Evaluation
- 100% attendance rate for the Functional Committees
- The number of education training hours for anti-money laundering and counterterrorism financing has reached 16,496.7 hours
- Passed ISO 10002:2018 Customer Satisfaction and Complaints Handling certification
- The average score of customer satisfaction reached 98.16%
- The number of active mobile banking users increased by 17.4% and digital account growth reached 50.2%

Continuous Promotion of Sustainable Development

2024 Goals	2024Q3 Execution Progress	 Achieved  In Progress
Completed the greenhouse gas inventory, verification, and disclosure as scheduled by the regulatory authorities	2023 scope 1 & scope 2 inventory Data: Domestic and international locations, along with subsidiaries and affiliates, completed internal verification in early March 2024. Domestic and international locations (excluding subsidiaries and affiliates) obtained the verification statement by June 16, 2024	
Following sustainable finance policies, product listings are evaluated based on ESG criteria, with at least 5 new ESG-compliant products added to the catalog	A total of 5 overseas bonds and 3 funds related to ESG were listed, achieving 160% of the target	
Green loans grew by 15% compared to 2023	Growth rate of 22.2%, with an annualized achievement rate of 148%	
Green investment amount grew by 15% compared to 2023	Growth rate of 41.66% · with an annualized achievement rate of 277.73%	
Automation of insurance reconciliation process(RPA)	The RPA “Insurance Electronic Reconciliation Statement Sampling Process ” was implemented starting from March 1, 2024	
Completed the submission of "Science Based Targets initiative (SBTi)"	Submission completed in September 2024	








Environmental Aspect

Continuous Promotion of Sustainable Development

2024 Goals	2024Q3 Execution Progress	 Achieved  In Progress
Continuously awarded the TCSA Sustainability Report Platinum Award	Registered for the TCSA Sustainability Report Award	
Continuously promoted 20 public welfare events related to sustainable finance linked to the bank's core business, aligned with SDGs, or related to net-zero transformation	16 public welfare events have been held	
Continuously selected as a constituent stock of the DJSI	The DJSI results have been announced, and our bank scoring 87 points, an increase of 3 points from last year. The list of constituent stocks is yet to be released	
Continuously ranked in the top 20% of the Sustainable Finance Evaluation	Application has been completed, and the evaluation results are expected to be announced by the end of year	
Customer complaint cases decreased by 10%	Decreased by 21% compared to the same period last year	
Public welfare activities in cooperation with regulatory authorities	Completed 20 financial knowledge outreach activities in schools and communities organized by the FSC	

Social Aspect

Continuous Promotion of Sustainable Development

2024 Goals	2024Q3 Execution Progress	 Achieved  In Progress
Continuing with ISO27001 cybersecurity certification to strengthen the bank's network and system environment security, ensuring the confidentiality, integrity, and availability of information operations	Achieved in the first half of the year. Passed the BSI 2024 first-half follow-up audit on April 26, and is scheduled to undergo the BSI 2024 second-half follow-up audit from 11/18~11/19	
Obtained ISO22301 business continuity certification to enhance operational resilience, enabling rapid response and recovery to minimize harm to the company, customers, and society	Passed the BSI on-site audit on 6/20 and obtained the ISO22301 certification	
Assisted directors in participating in competency courses	Each director's course participation hours reached 23.46 hours or more	
No incidents of operational risks leading to penalties from regulatory authorities or damage to the bank's reputation occurred throughout the year	There were no incidents of operational risks leading to penalties from regulatory authorities or damage to the bank's reputation	
Established the RCSA process review for departments and updated at least 120 existing processes to strengthen operational risk management	Completed 724 business process self-assessments and reported the evaluation results to the Asset and Liability Management Committee, achieving a 100% completion rate	

Governance Aspect



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Appendix

THE SHANGHAI COMMERCIAL & SAVINGS BANK, LTD.

Standalone balance sheet

Unit: NTD mn

	2024Q3	2023Q3	YoY comparison	
Cash, CD, interbank deposits and RS	128,047	115,682	+12,365.55	+10.69%
Financial assets	536,911	576,185	-39,274.56	-6.82%
Discounts and loans, net	878,136	877,815	+320.47	+0.04%
Properties, net	15,075	14,058	+1,016.80	+7.23%
Other assets	25,415	24,019	+1,395.87	+5.81%
Total assets	1,583,584	1,607,760	-24,175.87	-1.50%
Due to the central bank and banks	10,438	15,503	-5,065.22	-32.67%
Deposits and remittances	1,276,008	1,297,986	-21,977.87	-1.69%
Bank debentures and financial liabilities	63,029	67,088	-4,059.48	-6.05%
Other liabilities	40,632	45,595	-4,962.20	-10.88%
Total liabilities	1,390,107	1,426,171	-36,064.78	-2.53%
Shareholder' s equity	193,477	181,588	+11,888.91	+6.55%

Standalone income statement

Unit: NTD mn

	2024Q1-Q3	2023Q1-Q3	YoY comparison	
Net interest	14,401	14,869	-467.98	-3.15%
Net fee income	3,541	2,429	+1,112.33	+45.79%
Other income	3,759	6,907	-3,147.77	-45.57%
Net revenue	21,701	24,204	-2,503.41	-10.34%
Operating expense	7,391	6,947	+444.20	+6.39%
Profit before bad debt expense	14,310	17,258	-2,947.61	-17.08%
Bad debt expense	2,000	902	+1,098.02	+121.73%
Pretax profit	12,310	16,356	-4,045.63	-24.73%
Income tax	1,759	1,674	+84.85	+5.07%
Net income	10,551	14,682	-4,130.48	-28.13%
Earning per share (NTD)	2.18	3.03	-0.85	-28.05%

Consolidated balance sheet

Unit: NTD mn

	2024Q3	2023Q3	YoY comparison	
Cash, CD, interbank deposits and RS	474,546	443,697	+30,848.59	+6.95%
Financial assets	670,974	680,357	-9,382.62	-1.38%
Discounts and loans, net	1,222,118	1,271,877	-49,759.39	-3.91%
Properties, net	31,386	30,718	+668.18	+2.18%
Other assets	48,398	40,027	+8,370.48	+20.91%
Total assets	2,447,422	2,466,677	-19,254.76	-0.78%
Due to the central bank and banks	33,857	45,924	-12,066.87	-26.28%
Deposits and remittances	2,014,206	2,022,948	-8,741.86	-0.43%
Bank debentures and financial liabilities	76,711	92,687	-15,976.49	-17.24%
Other liabilities	62,966	60,438	+2,528.05	+4.18%
Total liabilities	2,187,740	2,221,997	-34,257.16	-1.54%
Shareholder' s equity	259,682	244,680	+15,002.40	+6.13%

Consolidated income statement

Unit: NTD mn

	2024Q1-Q3	2023Q1-Q3	YoY comparison	
Net interest	28,744	29,134	-389.79	-1.34%
Net fee income	5,359	4,434	+925.21	+20.87%
Other income	4,959	4,504	+455.07	+10.10%
Net revenue	39,063	38,072	+990.48	+2.60%
Operating expense	14,796	13,776	+1,020.48	+7.41%
Profit before bad debt expense	24,267	24,297	-30.00	-0.12%
Bad debt expense	10,196	2,183	+8,012.97	+367.06%
Pretax profit	14,071	22,114	-8,042.97	-36.37%
Income tax	2,688	3,898	-1,210.58	-31.04%
Net income	11,383	18,216	-6,832.39	-37.51%