



BUSINESS SUSTAINABILITY REPORT 2024

LAND AND HOUSES BANK PUBLIC COMPANY LIMITED

3. Driving Business for Sustainability

3.1 Policies and Goals for Sustainability Management

The bank believes that sustainable growth is a result of conducting the business with accountability in social, economic and environmental dimensions under the good corporate governance principles for the best interests of all stakeholders.

The bank aims to run the business in conformity with good corporate governance principles along with social responsibility by adhering to the code of conduct and business ethics to satisfy stakeholders in every dimension. The bank realizes that sustainable and stable growth requires business operation with vision and business acumen to achieve the mission with morality and ethics which will add great value to the organization and shareholders and bolster confidence among the shareholders. In addition, the bank takes into account environmental dimensions and climate change, which support the economic transition towards environmental sustainability, in order to enhance the operations of the bank to align with international sustainability standards in 4 areas, including:

- Governance
- Strategy
- Risk management
- Disclosure

The bank has established the environmental, social, and governance (ESG) risk management policy that aligns with the Bank of Thailand's policy guidelines and international standards, as a framework for managing related risks.

Guidelines for Corporate Social Responsibility for Sustainable development

The Board of Directors values social responsibility activities to ensure the concrete implementation in all operation processes for sustainable growth by encouraging employees to participate and instilling the awareness of social responsibility operations. The chairman and president act as the representatives to drive the organization towards the sustainable development while the Sustainability and Corporate Governance Committee is responsible for overseeing social responsibility activities and reporting to the Board of Directors.

The Board of Directors has determined the corporate social responsibility for sustainable development policy following the guidelines of the Corporate Social Responsibility Institute, the Securities and Exchange Commission, and the Stock Exchange of Thailand for all directors, executives and employees at all levels to adhere to the guidelines with annual review. Such policy covers social, economic and environmental dimensions to respond to the Sustainable Development Goals (SDGs) of the United Nations. Moreover, the bank has managed sustainability in accordance with the policy to contribute to the country's concrete greenhouse gas reduction goals, in line with the Bank of Thailand's policy guidelines. This also addresses the support for alleviating climate and environmental issues and sustainable growth that takes into consideration the well-being of all stakeholders.



The bank has established the Sustainable Banking Committee to drive the organization's business operations, considering environmental dimensions and climate change. This promotes the transition to a green economy in the business sector and backs up the country's environmental efforts to achieve its goals. The Sustainable Banking Committee is responsible for overseeing the implementation of the sustainability framework and goals, and reports to the Sustainability and Governance Committee, and Board of Directors.

Corporate social responsibility means operating the business with the focus on the stakeholders, economy, society and environment with morals, ethics, code of conduct and corporate governance to make the activities feasible with honesty, transparency, fairness, awareness of negative impacts on economy, society and environment with the readiness to fix the problems to mitigate such impacts and to integrate the philosophy of sufficiency economy as to push the operations towards success and to enhance the competitiveness in all trade forums which will be truly beneficial for the business' sustainability, stakeholders, economy, society and environment.

CSR Logo Represents Social Responsibility for Sustainable Growth



Sustainable Business Strategy

The bank operates under the corporate governance principles and accountability on economy, society and environment and risk management in all dimensions. In addition, the bank pays close attention to operating the business according to the market conduct with the aim of giving customers confidence in the following aspects:

1. Receiving a sincere and fair services
2. Receiving a clear and appropriate advice
3. Receiving fair pricing and conditions
4. Receiving convenient services and proper issues handling
5. Understanding their rights and duties

Corporate Social Responsibility Activities

Social responsibility is one of the principles considered to be very important since the bank recognizes the importance of “dependence”. As all businesses have people in society as the target group to offer products and services, no matter what direction the development of organization is, it requires support from people in society in one way or another. The determination of such policy and practical guidelines will guide the employees in the organization to abide by.

The bank has been running the corporate social responsibility specified in the CSR-in-Process and CSR-after-Process by encouraging the executives and employees at all levels to participate and volunteer as to cultivate awareness for corporate social responsibility. In addition, it also forms a strong foundation for

sustainable development and leads to the development of society and country towards substantial sustainability.

CSR-in-Process

CSR-in-Process means conducting a business with social responsibility by adopting the business practices from social responsibility policy that aligns with both national and international standards for creating the business innovations which will become various activities in working process, product developments and various service standards with the main objective to reduce the potential negative impacts on stakeholders during the work process. It also creates the awareness of social responsibility for all directors, executives, and employees to share the same attitude and commitment in the organization as to become a strong financial institution with corporate social responsibility.

CSR-after-Process

CSR-after-Process means the activities operated apart from normal business operations by playing the role in promoting the social activities in certain time and occasion. This is for the benefits of societies and communities, both in public and private sectors leading to building solid foundation for sustainable development of society and country as a whole.

Sustainable Development Framework

The Board of Directors has established an action plan to drive the organization according to the sustainability framework. In 2024, the bank carried out its mission based on the sustainability action plan, consisting of 3 main pillars as follows:

Pillar 1 Organization Sustainability	Pillar 2 Sustainable Finance	Pillar 3 Responsible to Stakeholder
<ul style="list-style-type: none"> - Raise awareness and an environmental culture among executives and employees - Reduce greenhouse gas emissions from its own operations - Enhance financial capabilities for the sustainability of employees - Provide a carbon footprint platform to track greenhouse gas emissions from its own operations 	<ul style="list-style-type: none"> - Develop products, services, and financial innovations to support green transition or brown to less brown transition - Support and provide green loans and sustainability-linked loans (SLL) to help businesses transition to a low-carbon economy - Develop partnerships with ESG consultants to offer green advisory services to push entrepreneurs toward a low-carbon economy - Provide a carbon footprint platform service to provide services for the bank's customers - Calculate greenhouse gas emissions associated with the organization's financial activities such as lending, investment, and other financial services under the Category 15 framework of PCAF 	<ul style="list-style-type: none"> - Oversee operations to drive sustainability policies in alignment with government sector - Ensure operations to comply with the regulations of regulators such as the Bank of Thailand, the Stock Exchange of Thailand, and the Securities and Exchange Commission - Ensure operations to comply with international standards - Create partnerships with ESG networks for communities and schools - Prepare data and report the impact of threats and opportunities from climate change on business based on

Pillar 1 Organization Sustainability	Pillar 2 Sustainable Finance	Pillar 3 Responsible to Stakeholder
	(Partnership for Carbon Accounting Financials) - Define climate risk appetite - Establish policies and operational guidelines related to environmental risks and climate change - Improve financial criteria to align with the Thailand Taxonomy - Develop processes to prevent environmental purpose misrepresentation (Greenwashing Prevention) - Conduct scenario analysis and stress testing - Monitor environmental risks - Improve the system for storing and using customers' environmental data - Assess threats and opportunities from climate change	the Task Force on Climate-related Financial Disclosures (TCFD) standards - Prepare data and reporting credit information grouped under Thailand Taxonomy, Phase 1

The Sustainable Banking Committee will regularly monitor the implementation of the operational plan, evaluate the performance according to the sustainability framework and report to the Sustainability and Corporate Governance Committee and the Board of Directors.

Move Forward to Sustainable Business

Economic Dimension Operate business with accountability (Responsible Finance)	Social Dimension Patronize social development (Community Investment) and use digital innovation to develop financial products and services (Innovative Digital Finance) that are easy to access, convenient and safe	Environmental Dimension Conduct eco-friendly business, reduce negative impacts on the environment caused by business activities	Governance Dimension Operate business to be in line with corporate governance principles by covering the sustainable governance mechanism and ESG risk management
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Sustainable Development Goals and Strategies

The bank has implemented guidelines and policies for sustainable operation in line with international sustainability principles to support the United Nations' Sustainable Development Goals (SDGs) and the Paris Agreement. The sustainable development goals and strategies have been defined as follows:

Guidelines and Policies for Sustainable Operation	Economic	Environmental	Social	Governance
Goals	Support the transition to environmental sustainability (Green Transition) for the business sector with a target of providing Baht 1 billion in green transition loans by 2024 Note: The target for 2025 is currently in the process of being submitted for approval to the Board of Directors of the bank.	- Commit to environmental conservation - Reduce greenhouse gas emissions from own operations by 25% within 2030* from the base year 2020 * Scope 1 and 2 - Own Operations, Head Office	Play part in creating a sustainable society	Conduct business with responsibility
Strategies and Commitments	Conduct business responsibly (Responsible Finance) through the support of green finance loans and providing green advisory services	Conduct business with environmental awareness to reduce the negative impacts from business activities and develop a plan to reduce greenhouse gas emissions from own operations	Develop society and communities by using digital innovations to calculate and track greenhouse gas emissions from operations and business processes	Conduct business in accordance with governance principles with mechanisms to oversee operations and manage sustainability risks and ESG risks, and prepare information for disclosure under the TCFD reporting framework

The bank has established a sustainability management structure as a key mechanism to drive, coordinate, and communicate sustainable development goals into action, ensuring that all departments work in the same direction.

Sustainability Governance Structure

The Land and Houses Bank has developed a sustainability governance structure to manage and oversee activities related to sustainability. The goal is to integrate environmental, social, and governance (ESG) aspects into the organization's operational strategy in a concrete manner. The Board of Directors has assigned the Sustainability and Corporate Governance Committee to oversee and monitor sustainability efforts. Additionally, the Board has assigned the Sustainable Banking Committee, chaired by the Chief Executive Officer and President, to drive, monitor, and evaluate the implementation of sustainability frameworks and goals.

The bank has a dedicated sustainability team responsible for implementing the action plan, promoting, supporting, and coordinating with various internal departments to collaboratively carry out sustainable development initiatives as outlined by the Sustainable Banking Committee. This aims to achieve the set goals and respond to the needs of all stakeholders. Additionally, the team has the duty to coordinate with customers and external partners to support and drive the transition of customers' businesses towards the country's green transition goals.

The bank has clear policies and practices, backed by the Board of Directors and senior management with dedicated working group, monitoring and involvement from all departments to ensure that sustainability operations align with the organization's goals and create positive impacts in the long run.



Strategies and Sustainable Development Performance

Land and Houses Bank prioritizes the 17 Sustainable Development Goals (SDGs) set by the United Nations and uses them as a guideline to define policies, strategies, and operations. These serve as a framework for driving business across the 3 dimensions: social, economic, and environmental under good corporate governance, monitoring, and reporting results, engagement across all groups of stakeholders and continuous improvement. The focus is on balancing economic growth, environmental care, and the creation of social value, aiming for sustainable growth and responsible business operations. Additionally, the bank demonstrates its intention to drive the reduction of greenhouse gas emissions of the country.

The Board of Directors has approved the sustainable development framework for the year 2024, outlining the ESG business strategy into 3 main pillars as follows:

<p>Pillar 1 Organization Sustainability</p>	<p>(1) Ethical Governance The Board of Directors has defined the mechanism, overseen the sustainability and assigned the Sustainable Banking Committee to report the results to the Sustainability and Governance Committee and the Board of Directors of the bank.</p> <p>(2) Employee Empowerment Aim to raise awareness and consciousness of climate change and ESG and to develop the potential of employees to drive the 3 main pillars to support the concrete reduction of greenhouse gas emissions in business and society</p> <p>(3) Green Organization Develop, improve, and monitor the decarbonization plan to reduce greenhouse gas emissions from its own operations, support sustainable goals and minimize environmental impacts</p>
<p>Performance</p>	<ul style="list-style-type: none"> - Established an ESG Governance Structure to oversee, manage, and promote operations related to environmental, social, and governance - Provided ESG training programs for the Board of Directors, the Sustainability and Corporate Governance Committee, the Sustainable Banking Committee, and employees - Approved the 2024 annual sustainability development plan to drive the implementation of the sustainability development policy - Committed to achieving net zero greenhouse gas emissions by setting a target to reduce the net zero greenhouse gas emissions from its own operations (Scope 1 and 2) and meet the net zero greenhouse gas emissions in the bank's portfolio by 2050 - Followed up the 2024 sustainability performance according to the established targets - Installed solar rooftop at some branches of the bank - Developed a data collection system for greenhouse gas emissions by branch - Procured a carbon platform service to manage greenhouse gas emissions from its own operations

<p>Pillar 2</p> <p>Sustainable Finance</p>	<p>(1) Responsible Finance</p> <p>Develop financial products and services to support green businesses and those requiring transition from brown to less brown as to drive the shift towards low-carbon economy of the country and promote sustainability in economy and society in the long term</p> <p>(2) ESG Risk Management</p> <p>Integrate environmental factors and climate change into business opportunity assessments and risk management to enable the business to effectively respond to emerging risks</p> <p>(3) ESG Innovative Digital Finance</p> <p>Utilize innovation and digital technology to develop financial services that support environmental sustainability, financial inclusion, and customer data security, and enhance financial services to be more accessible and convenient</p>
<p>Performance</p>	<ul style="list-style-type: none"> - Developed products to support business sector for green transition through green transition loans with the aim of enhancing the competitiveness for SMEs entrepreneurs by helping them shift from brown to less brown businesses. In 2024, the bank was collaborating with its partners to provide transition loans to those applying for loans. - Supported sustainable finance through green loans and Sustainability-linked Loans (SLL) to assist entrepreneurs in transitioning to a low-carbon economy. The objective is to encourage customers to operate their business towards sustainability performance targets (SPT), and reduce energy consumption and greenhouse gas emissions. In 2024, the bank provided sustainable finance loans totaling Baht 2.2 billion across 5 projects, consisting of Baht 1.3 billion in green loans and Baht 900 million in SLL. - Collaborated with 3 ESG consultants, including the Electrical and Electronics Institute (EEI), ABeam Consulting (Thailand), and the Management System Certification Institute (MASCI), as partners to advise businesses in their green transition from brown to less brown. The objective is to help customers achieve sustainable environmental goals and provide Green Advisory services to drive businesses towards a low-carbon economy. - Procured a carbon platform service to manage greenhouse gas emissions from the operations of customers. - Calculated the greenhouse gas emissions associated with financial activities such as lending, investing, and other financial services under the Category 15 framework of PCAF (Partnership for Carbon Accounting Financials) - Created knowledge of risk management by taking into account environmental, social and governance, especially environment and climate change to support and achieve the goal of transitioning to a low-carbon society and sustainable finance in compliance with standards and policies set by relevant regulators - Established a risk management policy that considered social, environmental, and governance with the primary objective of defining a framework for managing various risks to align with the risk appetite and guidelines set by regulators

	<ul style="list-style-type: none"> - Developed personnel to understand the objectives and importance of measuring and assessing financed emissions using the methods outlined by the Partnership for Carbon Accounting Financials (PCAF) standard. This will lead to the setting of indicators and goals related to opportunities and risk mitigations in environment and climate change. - Conducted a stress testing based on scenarios, defined by the Bank of Thailand and additional internal scenarios. This will be used to assess environmental and climate change risks to align with the bank's loan portfolios, and to guide the development of appropriate risk management strategies.
Pillar 3 Responsible to Stakeholder	<p>(1) Community Investment</p> <p>Allocate resources to support communities in five areas: charity, sports, anti-drug initiatives, education, arts and culture. The goal is to create a positive and sustainable impact on communities while fostering strong relationships between organization and stakeholders.</p> <p>(2) Collaborative Stakeholder Engagement</p> <p>Develop partnerships with government agencies and private organizations that prioritize ESG to create a collaborative network that promotes sustainability across environmental, social, and economic dimensions</p> <p>(3) Transparency Disclosure</p> <p>Disclose important and relevant information clearly, completely and transparently in accordance with international standards such as GHG Protocol, TCFD Report and Thailand Taxonomy</p>
Performance	<ul style="list-style-type: none"> - Established a governance mechanism to ensure business operations align with good governance principles and regulatory requirements to support sustainable business growth within sustainability framework - Set up a booth at the "60 Years of Excellence" event under the theme "Creating Great Leaders, Designing the Future," organized by the Thailand Management Association (TMA), to present knowledge about green transformation of business sector, and showcase green transition advisory services and various categories of green finance to support business sector transition from brown to less brown or green businesses - Set up a booth at the "Innovative Solutions for Sustainable Packaging" seminar, organized by Rieckermann Thailand to provide knowledge about green finance and SME financing and green transition loan

The Sustainable Banking Committee has continuously monitored the implementation of the action plan and evaluated the performance of sustainability initiatives. The performances are then presented and reported to the Sustainability and Corporate Governance Committee and the Board of Directors.

Green Transition Loan



Land and Houses Bank has signed a cooperation agreement for the Green Transition Loan project in collaboration with three leading institutions consisting of Electrical and Electronics Institute (EEL), Management System Certification Institute (MASCI) and Abeam Consulting (Thailand) Company Limited to support the comprehensive green loan from project design to loan application with special interest rates. The goal is to address the SMEs' needs and drive the transition of customers towards sustainability.

Green Advisory and Finance Engagement (LHB GAFE 2024)

The "Promoting Entrepreneurs Towards Sustainability Seminar" was held, focusing on the topic "Why Businesses should Transition to Green... Opportunities or Challenges Awaiting You." And financial products and services were offered to support customers in achieving their sustainability goals. The partners with expertise in technical advisory services also attended this seminar to provide investment advice and share knowledge on growing businesses with environmental sustainability, tax benefits, how to use carbon platforms to help transition to low-carbon operators, carbon credit certification, and knowledge sharing on green transition advisory.



Green Finance through Green Loan and Sustainability-linked Loan (SLL) to Assist Business Operators in Transitioning Towards Low-carbon Economy

❖ Provided the sustainability-linked loan and green loan to Don Muang Tollway Public Company Limited in the amount of Baht 500 million, divided into sustainability-linked loans (SLL) and green loans to invest in the company's green projects such as the development and expansion of the M Flow lane, and projects under the company's strategic plan to achieve sustainable goals, for instance, reducing energy consumption and lowering greenhouse gas emissions.



❖ Sustainability-linked Loans to Reduce Greenhouse Gas Emissions for SC Asset Corporation Public Company Limited to support the purchase of environmentally friendly construction materials to be used in their design and development of residential projects



❖ Green Loans to Frasers Property (Thailand) Public Company Limited to be used for the Frasers Property Logistics Park (Wangnoi 2) in Phra Nakhon Si Ayutthaya Province for the development of industrial buildings according to international green building standards



Set up a Booth at Innovative Solutions for Sustainable Packaging Seminar



The objective is to address the demand for advanced solutions to enhance production efficiency in the packaging industry of Rieckermann, and to provide SME loan and green transition loan.

Set up a Booth at the '60 Years of Excellence': Creating Great Leaders to Drive the Nation Forward

The objective is to elevate the business with the 'Green Logistics' concept, taking into consideration environmental impacts coupled with unlimited growth. 'Building a Competitive Nation' aims to enhance the country's potential and get prepared for global competitiveness. 'The Future of Sustainable Growth' emphasizes the growth that considers sustainability in terms of economy, society and environment.



Certificate of Collective Action Against Corruption

The bank has signed up to be a member of Thai Private Sector Collective Action Against Corruption (CAC) and established the anti-corruption policy and anti-corruption measures as a fundamental framework for conducting various activities so that directors, executives, and employees at all levels strictly and properly adhere to. The bank received a certificate of recognition from the Thai Institute of Directors on December 19, 2013, with the first renewal in 2018, the second time in 2021, and the third time in 2024.



Performance of Corporate Social Responsibility for Sustainable Development in Various Dimensions

Environmental Dimension	Social Dimension	Economic Dimension
<p>Bridge Transition Technology in Energy Loan was Baht 17,744 million in 2024.</p> <p>Renewable Energy Loan was Baht 2,069 million in 2024.</p> <p>Sustainable Finance Loan was approximately Baht 2,200 million in 2024.</p>	<p>The number of complaints from employees regarding labor operations in 2024 was 0.00 percent, which remained the same as in 2023.</p>	<p>The level of satisfaction of customers who received services from branches in 2024 was 97.10 percent, increased by 0.40 percent compared to 96.70 percent in 2023.</p>
<p>Carbon Credits</p> <p>According to the assessment result of GHG emissions arising from various activities in 2024, the company is under verification for offsetting corporate carbon footprint of 3,998 tons of carbon dioxide equivalent (tCO₂e), accounting for 100 percent of carbon dioxide levels emitted from Scope 1, 2 and 3 sources and equivalent to planting 266,534 perennial trees.</p> <p>Note: the company has been reviewed by the LRQA Thailand and is under process for verification of GHG emissions from various</p>	<p>The rate of employees who got injured while working in 2024 was 0.00 percent, which remained the same as in 2023.</p> <p>Investments for the development of society, community and environment valued at around Baht 2.5 million in 2024.</p>	

Environmental Dimension	Social Dimension	Economic Dimension
<p>business activities of 2024. The company filed a request for CFO certification for carbon footprint registration during the consideration by TGO meeting No. 2/2025. To obtain certification of greenhouse gas emission assessment results in 2024</p> <p><u>Proportion of greenhouse gas emissions</u> (Scope 1-2) to operating income was equal to 37 percent in 2024, increased by 16 percent compared to 21 percent in 2023 because the company had a disclosure policy of the amount of greenhouse gas to cover activities under the scope of the organization's operations. In 2024, the company expanded the scope of collecting greenhouse gas emission data of the bank's branches.</p> <p>Reduction in greenhouse gas emissions with paper management In 2024, the company used 13,168 reams of paper, increased by 5 percent from 12,511 reams in 2023 because in 2024, the company added more varieties of financial products with more transactions. Nevertheless, the company still set out the plan to reduce paper consumption by 5 percent of the total amount of paper consumed each year by applying technologies to provide more electronic service channels.</p> <p>Energy Management In 2024, total electricity of 1,959,474 kWh was consumed, a decrease of 1 percent compared to 2023. Due to the company's policy and campaign to save electricity and reduce energy consumption, <u>The proportion of electricity consumption to operating income in 2024</u> was 0.023 percent, an increase of 0.001 from 0.022 percent in 2023.</p> <p>Waste Management The company campaigns for engagement in environmental conservation in daily life, such as Reuse, Recycle and Reduce. As a result, the amount of waste from business operations. Amount of waste in 2024 was 53,893.91 kg, increasing by 14,348.91 kg or 36 percent compared to 2023, which was</p>		

Environmental Dimension	Social Dimension	Economic Dimension
<p>39,545 kg.</p> <p><u>Amount of recycled waste</u></p> <p>In 2024, the volume was 22,673.92 kg, increasing by 12,713.22 kg or 128 percent compared to 2023, which was 9,960.70 kg.</p> <p><u>Proportion of business waste to operating income</u></p> <p>In 2024, it was 0.00066 percent, increased by 0.00021 percent compared to 0.00045 percent in 2023.</p> <p><u>Proportion of recycled waste to community waste</u></p> <p>In 2024, it was 72.63 percent, an increase of 38.96 percent compared to 33.67 percent in 2023.</p>		

Corporate Social Responsibility for Sustainable Development Policy

The bank was aware of operating its business under social responsibility which could lead to business sustainability by paying close attention to stakeholders, economy, society and environment with morality, ethics, code of conduct and business operations with honesty, transparency, fairness and awareness of impact on economy, society and environment. Consequently, the bank has defined corporate social responsibility for sustainable business policy so that directors, executives and employees can adhere to the 9 areas as follows:

1. Good Corporate Governance
2. Fair Business Operation
3. Anti-corruption
4. Respect for Human Rights
5. Fair Treatment of Labors
6. Responsibilities towards Consumers
7. Cooperation in the Development of Community and Society
8. Environmental Management
9. Innovation and Dissemination of Innovative Corporate Social Responsibilities

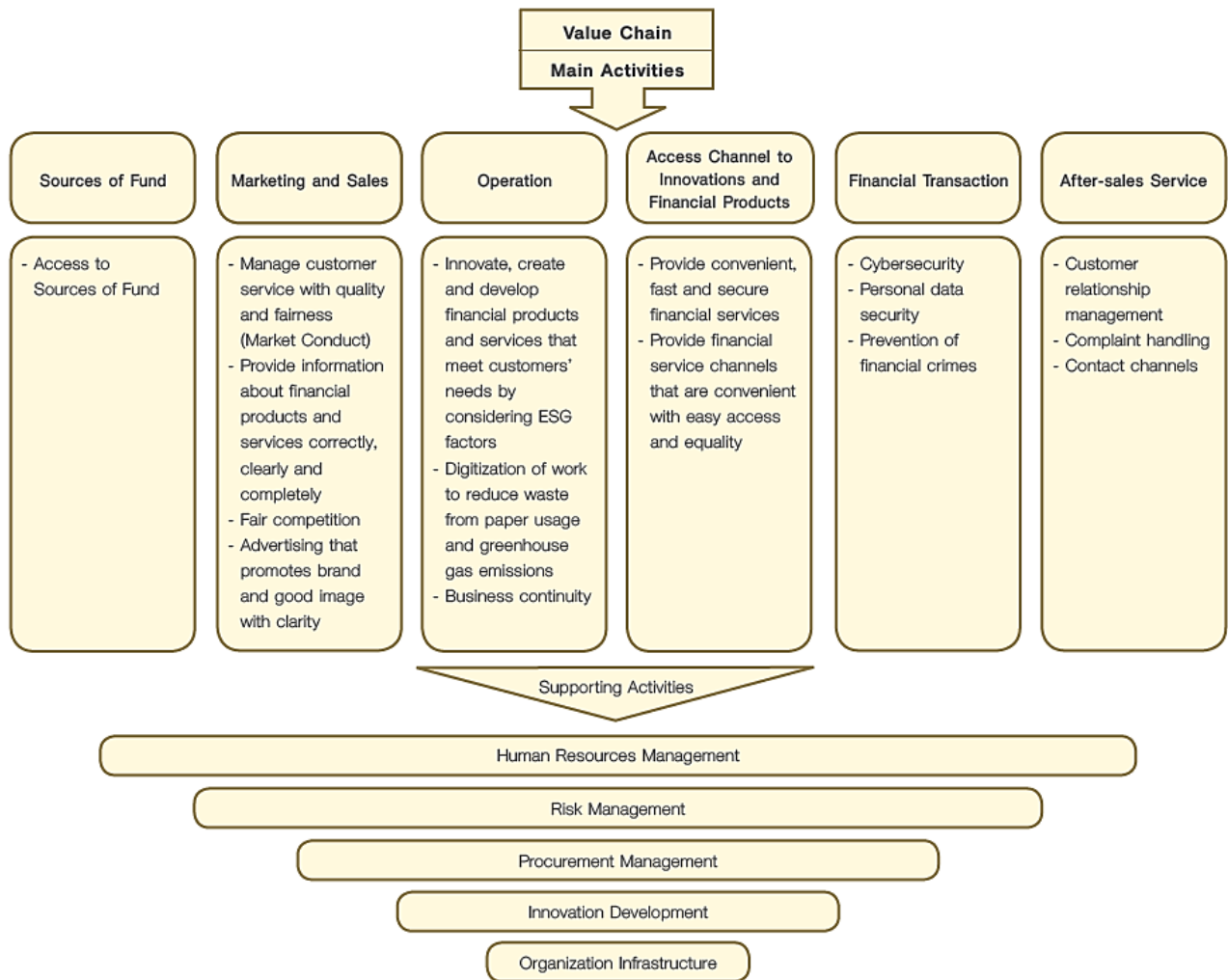
The bank publishes the details of corporate social responsibility for business sustainability policy on the bank's website (www.lhbank.co.th)

Objectives for Corporate Social Responsibility for Sustainable Development Policy

- To raise awareness and accountability on sustainable development initiatives
- To build up confidence that the bank's efforts on economic development are consistent with the best benefits of society, environment and all stakeholders
- To ensure the bank's business goals are in line with the Sustainable Development Goals of the United Nations to drive sustainable growth by conducting responsible business that can create value for all stakeholders

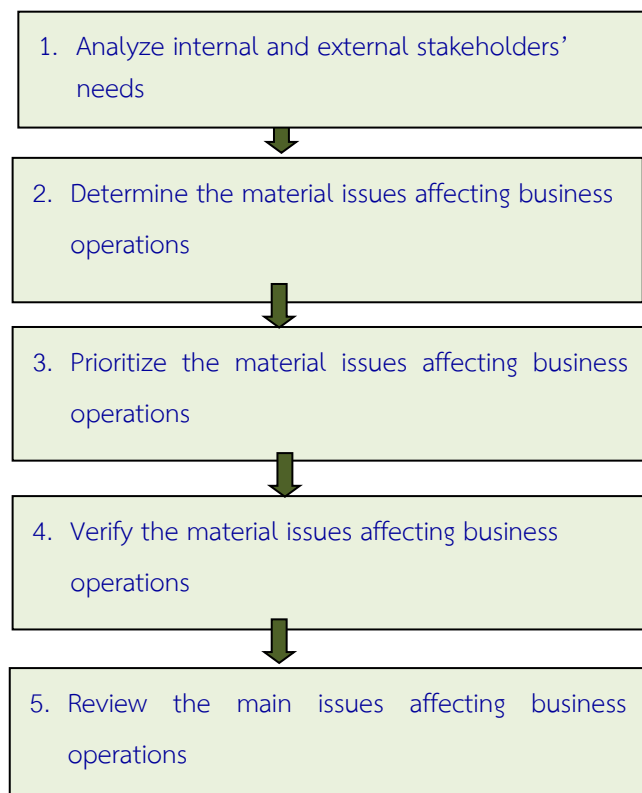
3.2 Value Chain Management

The bank was aware of the importance of stakeholders in the business value chain from upstream to downstream, focusing on sustainable business operations without impacts on society and environment throughout the value chain coupled with analyzing the needs of both internal and external stakeholders to respond to their expectations and reflect social and environmental responsibility for sustainable development



The bank continues to pay attention to the sustainable development reporting as part of the annual report to communicate with the stakeholders to get informed of the policy, management guidelines and the outcome of social and environmental responsibilities under the reporting framework of the Corporate Social Responsibility Institute, the Securities and Exchange Commission, the Stock Exchange of Thailand and the Bank of Thailand. The content of the report covers the bank's operations by collecting data from 1 January to 31 December 2024.

The bank presents the content of the sustainable development report with an analysis of the needs of both internal and external stakeholders. The result will then be applied to determining the material issues affecting business operations according to the guideline of the corporate social responsibility for sustainable development policy with the following steps:



1. Analysis of Stakeholders' Needs

The bank places great importance on the rights of all stakeholders by having the processes and steps to analyze the needs of both internal and external stakeholders. The bank analyzes and prioritizes stakeholders based on various factors such as the context of relationships with stakeholders, their relevance to creating added value throughout the supply chain and expectations, impacts on operations in terms of social, economic, environmental, and governance aspects, interdependence, code of conduct, and responsibility toward stakeholders. etc. The focus is on creating positive impacts for stakeholders within the value chain through various activities and communication channels, for example, employee engagement survey to gather data for defining practices that align with corporate governance policy and corporate social responsibility for sustainable development policy.



Engagement of Stakeholders

The bank pays attention to both internal and external stakeholders with equality and fairness. The bank is aware that engaging with stakeholders is a foundation of good corporate governance. Therefore, the bank has determined the practical guideline for stakeholders in writing in the code of conduct and the code of ethics for employees and properly built engagement with stakeholders by considering the issues that stakeholders had expectations and perspectives on the bank's business operations, and impacts from business operations throughout supply chain to determine the stakeholder best practices appropriately and efficiently. These processes enable the bank to minimize negative effects while enlarging positive effects constantly and efficiently. As a result, the organization can develop towards sustainable growth.

Group of Stakeholders consists of:

1. Internal stakeholders include directors, executives and employees.
2. External stakeholders are shareholders, customers, communities, societies and environments, trade partners, competitors and creditors.

Stakeholder Engagement Process

Stakeholders	Interests and Expectations	Engagement and Communication Channels	Practice and Response
1. Shareholders	<ul style="list-style-type: none"> - Appropriate compensation and sustainable growth - Good business performance and stable growth under appropriate risk - Work with transparency, fairness and accountability - Prudent risk management - Operate business ethically and consider society, economy, environment and governance - Qualification and experience of directors and executives and proportion of independent directors - Disclose information with completeness, correctness, equality and transparency - Prevent violations right of shareholders and personal data of shareholders 	<ul style="list-style-type: none"> - Hold the Annual General Meeting of Shareholders once a year - Hold a press conference twice a year - Publish annual report - Provide channels for inquiries via the bank's website - Provide the channels for suggestions, whistleblowing and complaint through the channels provided by the bank - Provide the independent directors as the proxy for Annual General Meeting 	<ul style="list-style-type: none"> - Business operations under good corporate governance principles - Anti-corruption - Shareholders' personal data protection - Respect for shareholders' right equally - Generate good performance under proper risk management - Disclose correct and complete information through various channels for equal acknowledgement and transparency - Invite shareholders to attend AGM and share their opinions - Provide the channels for whistleblowing about fraud, corruption and complaint
2. Board of Directors	<ul style="list-style-type: none"> - Perform duties with transparency following the corporate governance principles for sustainable growth of the organization - Treat all stakeholders on the basis of fairness for the best interest of the bank and shareholders by taking into account all groups 	<ul style="list-style-type: none"> - Organize the bank's Board of Directors meeting every month - Establish sub-committees to consider and screen proposals before submitting them to the board - Conduct self-assessment for directors as follows: <ol style="list-style-type: none"> 1. Collective self-assessment of the Board of Directors and sub-committees 2. Individual self-assessment of 	<ul style="list-style-type: none"> - Business operations under good corporate governance principles - Management with efficiency, transparency according to corporate governance and sustainable development guidelines - Business operations by considering all groups of stakeholders - Provide sufficient and full information in a timely manner - Engage in good governance activities - Promote, support and develop

Stakeholders	Interests and Expectations	Engagement and Communication Channels	Practice and Response
	of stakeholders - Oversee sustainable growth	the Board of Directors and sub-committees 3. Cross-assessment of directors 4. Good corporate governance self-assessment	knowledge related to the duties of directors and business - Provide orientation program for new directors - Use the results of self-assessment to improve work efficiency
3. Employees	- Arrange trainings and seminars for knowledge and potential development - Improve knowledge and skills in daily life - Always keep a workplace hygienic, clean and safe - Provide appropriate tools and equipment at work - Provide suitable remunerations, right positions with proper benefits - Allow enough time for work-life balance of employees	- Arrange Welcome Newcomers on the first day at work - Provide orientation for new employees - Arrange capacity-building learning for all levels of employees and increase the learning channels via the bank's intranet and PacD, enabling them to learn anywhere anytime to enhance their capabilities - Arrange activities to enhance teamwork - Introduce activities to build employees' engagement and morale - Provide channels to receive complaints, grievances, opinions and suggestions - Hire people with disabilities to pursue their career and live in the society with pride - Provide learning and communication channels to promote learning - Prepare the occupational health and safety policy as well as analyzing and determining the measures for risk control on occupational health and safety at work - Establish the Occupational Safety, Health and Environment Committee for driving the policy and the plan for occupational safety, health and environment in a workplace - Train and appoint executives as safety officers to drive compliance with laws and regulations related to occupational safety, health and working environment standards	- Encourage employees to instill corporate values - Prepare succession plans for executives and key positions - Survey market rate of compensation on a regular basis as to improve to align with proper industrial standard or reasonable standard of living - Protect and do not persecute or impose any disciplinary proceedings against an employee who reports any wrongdoings with integrity to executives or public agencies - Improve working environment to align with occupational health and safety guidelines - No discrimination on employment regardless of race, nationality, color, gender, religion, political views or age - Promote employment for vulnerable laborers, such as providing opportunities to employ people with disabilities - Develop human resources by providing skill training and capacity building for employees by creating opportunities for learning and promotions for career progress - Support and provide opportunities for employees with outstanding knowledge and abilities to be part of the talent program, aimed at developing and preparing them for higher positions - Do not lay off or terminate any employee which is solely based on the management's decision or discrimination - Promote and respect human right protection by not supporting labor coercion - Respect for the rights to freely express opinions of employees and comments without interventions and provide channels for the voice of employees - Provide fair employment conditions

Stakeholders	Interests and Expectations	Engagement and Communication Channels	Practice and Response
		<ul style="list-style-type: none"> - Support and provide opportunities for employees with exceptional knowledge and skills to become part of the talent program, aimed at developing and preparing them for higher positions 	<p>which allow employees to receive proper compensations based on their competency or agreement made between the employer and each employee in accordance with proper industrial standard or reasonable standard of living</p>
4. Customers	<ul style="list-style-type: none"> - Customers relationship management - Provide services for customers with quality and fairness (Market Conduct) - Satisfaction with a wide variety of quality products and excellent services - Promptness in hearing and responding to customers' requirements - Maintain customer confidentiality - Equal treatment of customers 	<ul style="list-style-type: none"> - Conduct the customers' satisfaction survey for branch services - Offer products that can satisfy customers' needs, improve employees' competency in making an offer to customers with well-integrated products and services as to meet all of their requirements as well as determine measures to protect customer data - Publicize products and services completely and transparently - Provide channels for customers to give recommendations, comments or complaints - Conduct a customer satisfaction survey regularly 	<ul style="list-style-type: none"> - Apply the survey results of customers' satisfaction to improve its services and products - Study customers behaviors as to improve services and strengthen relationship - Give product information accurately, clearly and easily-to-understand - Collect suggestions or feedback for improvements - Innovate and create products and services that meet consumers' needs - Publicize full information of products and services through various channels easily accessible by consumers to support their decisions - Provide assistance and answer customers' enquiries to promote good understanding on products and services - Collect complaints and cope with them promptly - Arrange activities to create good relationship with customers - Have customers' data security measure in place
5. Community, Environment and Society	<ul style="list-style-type: none"> - Support communities' activities - Promote and enhance learning and knowledge - Develop the quality of life and promote income generation to community through various CSR activities - Promote and support government policies - Preserve environments and effective use of resources - Social and environmental impacts that might arise from 	<ul style="list-style-type: none"> - Organize the Green Office project to reduce electricity and paper use as well as shift to use environmentally-friendly office automations by continuously raising awareness - Host the Children's Day activities to pass on smile to kids - "LH Bank Support Scholarship" project provides scholarships for students with good records and commitment to further their study until high school level - Donate used computers project to promote learning among youth in needs - "Old Calendar We Need" for the school of the blind to be used 	<ul style="list-style-type: none"> - Perform business with ethics in parallel with environmental and social responsibilities - Support social activities and promote employees' engagement - Support and promote education to improve educational quality and accessibility - Promote cultural, traditional and religious activities - Promote effective use of resources - Listen to the opinions of nearby communities as to improve or support social activities - Support the cultural, traditional and religious activities - Provide appropriate emergency plan to prevent losses and damages on

Stakeholders	Interests and Expectations	Engagement and Communication Channels	Practice and Response
	<p>the bank's operations</p> <ul style="list-style-type: none"> - Collect the voice of neighboring communities 	<p>for producing instructional media, braille book and notebook for the blind students</p> <ul style="list-style-type: none"> - "Learning Library" project to instill reading habits in youth and create an environment conducive to learning along with giving books for skill enhancements and sports equipment to various schools - "Give Books and Learning Materials to the Department of Corrections" to promote knowledge of prisoners - Voluntary blood donation project, 1 Giver 3 Receivers, to help patients in hospitals from their illnesses nationwide - "RUN for LIFE" project for employees to engage in social activities together by running an accumulated distance of 30 kilometers within 30 days, convert it into donations for underprivileged children of the Foundation for Slum Child Care - The "Ecobricks" project encourages employees to participate in collecting plastic waste such as plastic wrappers, snack bags, straws, and candy wrappers, and stuffing them tightly into plastic bottles. These bottles are then used as building materials instead of traditional bricks to create furniture like tables or chairs. The finished products are donated to the "Little Bee Fighters" organization to help build environmental education centers and classrooms - Financial and non-financial donations, debt restructuring by reducing installment, giving more loans for victims or customers impacted by natural disasters - Prepare proper emergency plan to mitigate loss 	<p>environment</p> <ul style="list-style-type: none"> - Open a chance and facilitate all related parties to express their creative ideas which are the foundation for creating innovations leading to continuous creation of innovations - Promote and cooperate with the stakeholders, such as trade partners, to develop innovations - Regularly review business procedure whether it causes any risk or adverse effects to society and environment or not. If any, it must be resolved promptly.

Stakeholders	Interests and Expectations	Engagement and Communication Channels	Practice and Response
6. Business Partners	<ul style="list-style-type: none"> - Conduct the business with transparency and fairness - Treat all business partners with fairness and equality - Receive accurate, sufficient and equal information - Fair selection of business partners - Transparent procurement process with fair compensation - Network extension: extend networks together with partners - Keep customers' information confidential 	<ul style="list-style-type: none"> - Meet with trade partners. - Conduct marketing campaign with business partners - Collect suggestions or complaints - Establish the Procurement Committee to manage the procurement process appropriate and fair for business partners - Communicate about anti-corruption with the Thai Private Sector's Collective Action Against Corruption via various channels of the bank - Post the No Gift Policy through various channels of the bank 	<ul style="list-style-type: none"> - Create partnerships with potential business partners so that they can refer other customers to use our services - Make payment for products and service in a timely fashion - Transparent selection of service providers - Comply with trade terms and conditions and agreements - Fair business practices and no trade barriers - Customer data security - Maintain transparency in selecting business partners to provide services to the bank
7. Competitors	<ul style="list-style-type: none"> - Perform business with transparency and fairness and comply with the rules of honest and fair competition 	<ul style="list-style-type: none"> - Comply with the rules of fair competition without dishonest method 	<ul style="list-style-type: none"> - Fair competition - No monopoly agreements with competitors - No agreements with competitors which reduce competition in the market - No seeking for competitors' confidential information through dishonest means
8. Creditors	<ul style="list-style-type: none"> - Pay interest and payback when due 	<ul style="list-style-type: none"> - Comply with the contract or terms and conditions in the agreements and duties 	<ul style="list-style-type: none"> - Comply with the contract or any conditions in the agreements and duties - Collect suggestions or complaints

2. Determining Material Issues Affecting Business Operations

The bank takes into account all issues, opinions, suggestions and expectations affecting business operations, derived from the analysis of internal and external stakeholders' demand and determines the important issues and impacts on business operations as follows:

- **Internal stakeholders** consist of directors, executives and employees. The bank has brainstorming forums such as small group discussions and meetings to identify the sustainable issues that the stakeholders deem necessary.

- **External stakeholders** consist of shareholders, customers, community, society and environment, business partners, competitors and creditors. The bank has gathered issues and suggestions via discussions and meetings to identify the sustainable issue that the stakeholders deem necessary.

3. Prioritizing Material Issues Affecting Business Operations

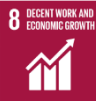

The bank analyzes and considers data obtained from the interviews of both internal and external stakeholders to prioritize the main issues that can affect business operations. These issues can be divided into 3 levels: low, medium, high, 10 issues in total. The issues have then been prioritized in materiality matrix chart. The vertical axis represents the key issues critical for stakeholders while the horizontal axis shows the issues critical for the bank.

Materiality



Table: Analysis of Material Issues Affecting Business Operations

Material Issues Affecting Business Operations	Sustainable Issues according to GRI (Global Reporting Initiative)	Internal stakeholders	External Stakeholders	Topics to Include in Annual Report	Sustainable Development Goals (SDGs)
Good Corporate Governance	GRI 102-18 GRI 102-19	- Bank - Directors, executives and employees	- Shareholders - Customers - Business Partners	Good corporate governance	
Market Conduct	GRI 102-43 GRI 103-1 GRI 103-2 GRI 103-3 GRI 203-1	- Bank - Directors, executives and employees	- Customers	- Sustainable business operations - Responsibilities to customers	

Material Issues Affecting Business Operations	Sustainable Issues according to GRI (Global Reporting Initiative)	Internal stakeholders	External Stakeholders	Topics to Include in Annual Report	Sustainable Development Goals (SDGs)
Digital Development	GRI 203-2	- Bank	- Customers	- Innovations and Dissemination of innovative social responsibilities	   
Code of Conduct and Business Ethics	GRI 102-16 GRI 102-17 GRI 102-25 GRI 103-1 GRI 103-2 GRI 103-3 GRI 205 GRI 205-2 GRI 205-3 GRI 206-1	- Bank - Directors, executives and employees	- Shareholders - Customers - Business Partners	- Code of conduct and business ethics - Anti-corruption	
Risk Management	GRI 102-11 GRI 102-15 GRI 102-30 GRI 103-1 GRI 103-2 GRI 103-3 GRI 201-2	- Bank - Directors, executives and employees	- Shareholders - Customers - Business Partners	- Risk factors - Internal control and risk management - Good corporate governance	 
Human Resource Management	GRI 102-8 GRI 102-41 GRI 103-1 GRI 103-2 GRI 103-3 GRI 401-1 GRI 401-2 GRI 401-3 GRI 403 GRI 404 GRI 412	- Bank - Directors, executives and employees	- Business Partners	- Fair treatment of labors - Respect for human rights	     

Material Issues Affecting Business Operations	Sustainable Issues according to GRI (Global Reporting Initiative)	Internal stakeholders	External Stakeholders	Topics to Include in Annual Report	Sustainable Development Goals (SDGs)
Financial Products with Social Responsibility	GRI 2-6 GRI 201-1 GRI 203-1 GRI 203-2 GRI 417-1	- Bank - Directors, executives and employees	- Customers - Community, Environment and Society	- Accessibility to financial services	     
Enhancement of Financial Literacy	GRI 103-1 GRI 103-2 GRI 103-3 GRI 201-1 GRI 203-1 GRI 203-2 GRI 413-1 GRI 419-1	- Bank	- Customers - Communities, Societies and Environment	- Development of Communities and Societies	    
Environment for Sustainability	GRI 305-1 GRI 305-2	- Bank	- Customers - Communities, Societies and Environment	- Environmental Sustainability Management	   
Community, Environment and Society	GRI 201-1 GRI 203-1 GRI 203-2 GRI 413-1 GRI 419-1	- Bank	- Customers - Communities, Societies and Environment	- Development of Communities and Societies	     

4. Verifying Material Issues Affecting Business Operations

The bank will compile significant issues and propose them to management and the Sustainability and Corporate Governance Committee for acknowledgement and operational guidelines. These material issues have also been disclosed in the business sustainability report and the bank's website.

5. Reviewing Material Issues Affecting Business Operations

The bank conducted an information review process after this report was published in order to collect opinions and suggestions for further improvement.

Report Quality Check

The contents presented in the business sustainability report and the bank's website have been checked and reviewed to assure accuracy, completeness and compliance with the practical guidelines for corporate social responsibilities for sustainable development policy.

Persuading Business Partners to Join the Anti-Corruption Association

The bank encourages partners to be aware of the importance of building a corruption-free community. The bank encouraged them to join the anti-corruption alliance to help prevent fraud, bribery and corruption by asking customers and sponsors for cooperation to refrain from giving gifts, rewards, other benefits or receptions to employees.

Responsible Lending and Investment

The bank has determined the Responsible Lending guidelines and focused on providing quality loans and treating customers fairly by offering responsible and equitable lending throughout the entire loan cycle, risk management tailored to the risk levels of each customer group and to be aware of credit offering that might lead to risk and impacts on the environment, social, and governance (ESG Risk) especially environmental risks and climate change, which are expected to become more severe. If they are not managed properly, it may have both direct and indirect effects on reputation and performance as well as the quality of life, community economies and country.

To prevent the companies in the financial business group from being used as a tool for money laundering by fraudsters or culprits in accordance with the AML law, the bank has provided the AML/CFT compliance program, anti-money laundering and countering terrorism and proliferation of weapon of mass destruction financing (AML/CTPF) policy which prohibits the bank from accepting customers or providing financial transactions to persons who are specially designated national (SDN) announced by the Anti-Money Laundering Office (AMLO) and those announced by other countries. The bank has implemented a filtering system to detect designated persons. Moreover, the bank has a customer acceptance process including Know Your Customer (KYC), Customer Due Diligence (CDD) according to AMLO's criteria and guidelines, screening customer lists on a daily basis and reviewing customer information (Periodic KYC Review) throughout the period of being a bank customer according to the money-laundering risk rating to ensure that the bank's customers are not designated persons.

Credit Underwriting Following Social, Environmental and Corporate Governance Risks

For credit underwriting, we are aware of the importance of the society, environment and good governance. The credit approval lies upon the strict and prudent approval processes combined with the analysis and assessment of environmental, social, and governance risks in order to understand both direct and indirect impacts on customers and the bank. If the customers' business causes negative side effects on the economy, society and environment, the bank might choose not to grant them a loan.

Customer Relationship Management

The bank was committed to upgrading the level of service quality by conducting a customer satisfaction survey in order to improve the service quality. Besides, the service standard is regularly revised to ensure effective and timely delivery of services to customers and communicate it to employees to be aware of the importance of providing high-standard services with constant quality check of services.

Supply Chain Management

The bank was aware of the importance of growing businesses that do not affect society and the environment throughout the supply chain. The bank also emphasizes collaboration with all business partners to develop the business operation process together with elevation of the standard on environmental and social operations. The bank selects business partners with potential to conduct business with ethics, promptly adapts to changes that affect sustainability under the risk management plan and develop partners to be able to conduct sustainable business and grow together in the long term.

The bank has set practical guidelines for procurement and receiving services so that quality supplies and services can be obtained at an appropriate price. The process for procurement and receiving services consists of 6 methods as follows:

1. Pricing method
2. Pricing examination method
3. Bidding method
4. Continuous method
5. Special method
6. Emergency method

The procurement and service delivery processes depend on the budget, and it must be approved by the Purchasing Committee. For fairness and equality of suppliers or vendors selection, the bank has created the selection criteria by choosing from business stability, product specification, service and price.

Selection of suppliers or vendors, the steps are as follows:

1. Acquire the lists of suppliers and vendors that match the needs of users
2. Select the suppliers and vendors who are not involved in bribery, fraud and corruption according to the selection criteria of business stability, product qualification, service and pricing which conform to the bank's procurement guidelines. The bank also procures quality products at appropriate prices with sellers who have no records of corruptions, or operate illegal businesses, no illegal labor policy, treat the business partners with transparency, fairness, take care of occupational safety in the workplace, and conserve the environment to create a supply chain for mutual business operations which will benefit employees, community, society and environment.
3. After receiving a shortlist of suppliers or vendors that passed the selection process, it will enter the selection process. When selected, the partners will be informed about the

procurement procedures so that they can understand and comply with the procurement procedures correctly.

In the year 2024, the bank had 460 business partners, decreased by 15.8 percent compared to 546 in 2023 since the review of the partner list, partners who have not engaged in any transactions with the bank for over a year have been removed.

Support for Partners Operations

The bank emphasizes treating partners according to the terms and conditions of commercial agreements and contracts by establishing payment terms for partners based on the agreed-upon timelines and conditions. The average payment period for goods or services is approximately 2 weeks from the date of receiving complete and accurate documents.

Following up, Checking and Evaluating the Process of Business Partners

The bank has followed up and assessed the performance of partners in various ways, such as evaluating their satisfaction with services, and having a channel to collect their suggestions and complaints. However, to ensure that the bank has received the products and good services as required, the bank has the procurement team to inspect the products and services and provide suggestions to the partners to improve the quality of products. In case the partners cannot meet the required standards, the bank will consider turning down their service.

Management of Economic Risks Arising from Business Partners

Economic Risks Arising from Business Partners	Solutions
Concentration risks from relying on a limited number of external services or just one provider	<ol style="list-style-type: none"> 1. The contract termination conditions are specified, with mutual agreement from both parties. Written notice must be provided at least 30 days in advance. The potential impacts of termination or changes in service providers must be considered, and a management plan should be established for the transition period. 2. Consider sourcing additional service providers. 3. All service providers regularly review and test their BCP (Business Continuity Plan), such as having backup operation centers and data backup systems, etc. 4. The service-using department is able to manage the process independently.
Risks from receiving services that do not meet quality standards	<ol style="list-style-type: none"> 1. The service-using department conducts a risk assessment before using the service. 2. The service-using department conducts an annual evaluation of service quality.

Process of Assessing Risks from Business Partners

1. Assess risks from using services according to the details outlined in the operational procedures for utilizing services from business partners and establish mitigation measures in case of significant risk issues
2. Collect, prepare, and assess the risks of using business partner services according to the details outlined in the operational procedures before using the services
3. Submit the assessment to the risk management department for review. Consider the results and the risk mitigation measures if significant risk issues are identified, provide feedback, observations, and recommendations.

In 2024, the bank has no risks from business partners.

The bank is a financial business group that operates under the transparent supervision according to the good governance principles. The bank was committed to operating its business in conformity with the rules and regulations of the revenue code.

Tax Management Strategy

The bank has planned for a revenue tax for the maximum benefit of the bank and the stakeholders and complied with the regulations of the revenue code.

Tax Risk Management

The bank has revenue tax risk management and provides seminars and training for related employees to improve their knowledge by considering the risks and responsibilities and complying with tax laws and regulations.

Tax Incentives

The bank legally exercises tax incentives and makes use of tax structure in the right manner. As a result, tax avoidance has not occurred.

Tax incentives cover periodic tax exemption measures or other privileges depending on the tax policy of the country or local tax policy imposed on businesses with the nature under relevant requirements.

Corporate Governance Policy

The bank adheres to good corporate governance principles as guidelines for business operation along with the sustainably social and environmental development. The bank focuses on creating the culture of corporate governance in the organization by establishing the Sustainability and Corporate Governance Committee to determine, review the corporate governance policy, and act as a representative of the bank in communicating and operating corporate governance activities to ensure the same standard throughout the organization. Having business ethics creates competitiveness and trust among shareholders, investors, stakeholders and all relevant parties; and is fundamental to business operations with efficiency, transparency and credibility. The Sustainability and Corporate Governance Committee also supports the enhancement of management with integrity, value addition in business and stability and sustainable growth; places the importance on equitable treatment among shareholders and stakeholders; supervises and ensures that any transactions with conflicts of interest are in an appropriate level and in line with regulatory requirements, and adequate information disclosure within the timeframe specified.

The Board of Directors has appointed the sub-committees to supervise a wide range of efficient operations as follows:

- Executive Committee
- Audit Committee
- Sustainability and Corporate Governance Committee
- Nomination and Remuneration Committee
- Risk Oversight Committee

Each of the sub-committees supervises the business operations following the vision, mission, operation plan and good corporate governance principles. The roles and responsibilities have been indicated clearly in writing. The good corporate governance of the bank consists of 4 main principles to which the Board of Directors, executives and employees shall adhere as follows:

1. Transparency : Transparency in operations and information disclosure to related parties
2. Integrity : Honesty
3. Accountability : Responsibility for the performance
4. Competitiveness: Ability to compete with rivals

Good Corporate Governance Policy and Practice

The bank has defined the good corporate governance policy in writing by referring to the Corporate Governance Code (CG Code) of the Securities and Exchange Commission. It consists of principles and practices on good corporate governance for the Board of Directors to follow as business guidelines as well as executives and employees to adhere to for their operations. This is to ensure that the bank performs the business operations with responsibility, transparency and equitable treatment of stakeholders; while promoting its management with integrity, efficiency and effectiveness.

The Board of Directors is aware of its roles and responsibilities in promoting good corporate governance to ensure sustainable business growth and efficient, transparent and fair management. The good corporate governance policy is classified into 8 principles as follows:

Principle 1 Recognize the roles and responsibilities of the board of directors as a leader of the organization that creates sustainable value for the business

Principle 2 Define objectives and goals of business for sustainability

Principle 3 Strengthen board effectiveness

Principle 4 Nominate and improve high-level executives and people management

Principle 5 Nurture innovation and responsible business

Principle 6 Strengthen effective risk management and internal control

Principle 7 Ensure disclosure and financial integrity

Principle 8 Ensure engagement and communication with shareholders

The details of the Good Corporate Governance Policy are published on the bank's website (www.lhbank.co.th).

The bank has not yet fulfilled the principle as follows:

CG Code	Reason
Chairman should be independent director.	Chairman is non-executive director but has not been appointed the independent director.

Principle 1 : Recognize the roles and responsibilities of the board of directors as a leader of the organization that creates sustainable value for the business

- The Board of Directors is considered as the heart of good corporate governance. Their members consist of experts in various fields with experiences, leadership, vision, independence of decision making and dedication. They perform their duties responsibly, prudently and honestly for the maximum benefit of the bank and shareholders. Moreover, they shall supervise the bank to have effective management in the following aspects:
 - Establish objectives and goals and manage resources to achieve the target
 - Formulate business strategies with the sustainable banking concept including environment, social and governance
 - Monitor, assess and supervise the operational reporting
- The Board of Directors supervises and ensures the bank achieve the governance outcomes in the following aspects:
 - Being competitive with good performance by considering long-term impacts
 - Conducting business operations with ethics, respect for rights and accountability for shareholders and stakeholders
 - Being beneficial to society and developing or reducing environmental impacts
 - Being adaptable under risk factors
- The Board of Directors supervises directors and executives to perform their duties with responsibility, duty of care, integrity and compliance with laws, regulations and resolutions of shareholders meeting and Board of Directors as well as corporate governance disclosure; clearly determines the scope of duties and responsibilities and assignments for the CEO and president; and monitors the performance as assigned
- Board of Directors Meeting
 - The meetings of the Board of Directors are arranged on a regular basis. The bank has determined the meeting schedules in advance for the whole year. In case of necessity and

urgency, an extraordinary meeting may be called on as deemed necessary. The bank has informed all directors in advance so that they can allocate time and attend the meeting. Meeting agenda are set clearly. The important agenda items include the consideration of quarterly and annual financial statements and the monitoring of the bank's operation.

- The directors shall attend the meetings at least 75% of the total Board of Directors meetings held each year except having appropriate reasons and necessities. In addition, the chairman has the duties to promote the culture of open session for sharing ideas during meeting and directors can discuss, argue and exchange ideas in a creative and straightforward manner.
 - The Board of Directors meeting requires no less than half of all directors to constitute a quorum in accordance with the Articles of Association, and a resolution of the meeting shall be passed by majority vote. In case of a tie vote, the chairman shall have a casting vote. In case of agenda requiring the Board's decisions, a quorum of at least two-thirds is required at the time of voting.
 - The chairman and high-level executives have duties to jointly consider and determine the matters to be included in the agenda of the Board of Directors meetings.
 - The company secretary has duties to submit an invitation letter of the meeting to all directors not less than 7 days before the meeting date, together with supporting documents at least 5 business days before the meeting date so that directors have adequate time to study the materials. The company secretary is also required to arrange the minutes of the meetings in writing and keep the minutes adopted by the Board of Directors for audit purposes.
5. The Board of Directors may ask for opinions from independent consultants or external professionals if necessary; it deems to be the bank's expense.
 6. Non-executive directors can organize meetings among themselves without the presence of the CEO and President in order to discuss management-related issues or problems of their interests and to find ways to improve or provide useful suggestions to the management. A summary of their opinions and resolutions shall be reported to the CEO and President for acknowledgement.
 7. The annual performance evaluation of the CEO and President will be conducted by assigning the Nomination and Remuneration Committee to consider the evaluation method as well as the remuneration and bonus for annual performance.

Principle 2 : Define objectives and goals of business for sustainability

1. The Board of Directors shall define the bank's objectives and goals for sustainability in compliance with the value creation to the bank, customers, stakeholders and society as a whole.
2. The Board of Directors shall ensure that the objectives, goals and strategies in each period are consistent with the key objectives and goals.

Principle 3 : Strengthen board effectiveness

The Board of Directors is considered the heart of good corporate governance. Their members consist of experts in various fields with experiences, leadership, vision, independence of decision making and dedication. Moreover, they perform their duties responsibly, prudently and honestly for the maximum benefit of the bank and shareholders.

1. Structure, Composition and Qualifications of the Board of Directors

- The Board of Directors is appropriate, sufficient and fair for business operations, consisting of at least 5 members and in line with the Articles of Association. For the sake of maintaining the independence of the chairman and division of powers, the chairman of the Board of Directors shall not be the same person as the

Chief Executive Officer and President. The explicit division of powers does not allow any of them to have unlimited power as to maintain checks and balances, and to review their performance.

- The Board of Directors must have at least 3 independent directors or one-thirds of total directors, whichever is higher.

- All directors of the bank and independent directors shall have the qualifications in conformity to related laws, regulations of regulators, and the Articles of Association with regards to directors and good corporate governance principles, and possess intensive knowledge, experience, skills, expertise and integrity which are beneficial to the bank including independence for expressing their opinion, understanding of banking and no gender discriminations. Moreover, they shall pass the consideration by the Nomination and Remuneration Committee.

- The structure of the Board of Directors is proportionate and fair. For the sake of maintaining the independence of the chairman, clear separation of powers between the duties to determine corporate governance policy and regular management, the chairman of the Board of Directors and the chairman of the Audit Committee shall not be the same person as the President. The explicit division of powers does not allow any of them to have unlimited power as to maintain checks and balances, and to review their performance.

- The Board of Directors has defined the qualifications of independent directors in line with the good corporate governance guideline, the notifications of the Capital Market Supervisory Board and the Bank of Thailand. The Board of Directors consists of at least 3 independent directors or at least one-thirds of the total number of the directors, whichever is higher. The independent directors must not be employees or staff who receive salary from the bank. They shall also be independent from the majority shareholders of the bank and be able to protect the minority shareholders' interests.

The bank reveals the details of the independent directors' qualifications under the topic of Management Structure on Independent Directors Qualifications.

- All directors including independent directors have been nominated by the Nomination and Remuneration Committee because their qualifications conform to related laws, regulations of regulators, and the Articles of Association regarding the directors and good corporate governance principles. Their knowledge, experience, skill, a wide range of expertise, honesty, specific competences useful for the bank as well as abilities to provide independent opinions and profound understanding of the financial business group, have been taken into account without gender bias.

2. Nomination of Directors

The Board of Directors has set the term of the director position in accordance with the Public Company Limited Act, and the Articles of Association with transparency and clarity to nominate any person or to propose existing directors to be reappointed as directors, their profiles and sufficient details including criteria and method of nomination shall be readily available for shareholders' voting.

- The appointment of directors shall be conducted transparently and clearly according to the specified agenda. Nominating any persons or existing directors to be reappointed as directors, their profiles and sufficient details including criteria and method of nomination shall be readily available for shareholders' voting.

In addition, the Nomination and Remuneration Committee shall nominate qualified persons to the Board of Directors for consent and propose the list to the shareholders meeting and the Bank of Thailand for approval.

3. Number of Directorship in Other Banks

The Board of Directors has established a clear guideline on the number of other banks in which a director can hold positions in accordance with the good corporate governance principles. The Board of Directors shall carefully consider the performance of directors who hold positions in other banks, ensuring that their sufficient time will be devoted to performing the bank's duties as follows:

- Director, Chief Executive Officer and President and authorized management persons are allowed to hold the position of either chairman, executive director or authorized director in other companies of not more than 3 business groups and not more than 5 listed companies on the Stock Exchange of Thailand or abroad. The Board of Directors shall carefully consider the performance of directors who hold positions in other companies, ensuring that their sufficient time will be devoted to performing the bank's duties

The bank reveals the details of directorship in other banks in the topic of the Board of Directors' positions in the listed banks on the Stock Exchange of Thailand and holding the positions in non-listed banks on the Stock Exchange of Thailand.

4. Independent Directors' Term of Office

The office term of directors conforms to the Public Limited Companies Act and the Articles of Association. Independent directors can hold their position with a maximum of 9 consecutive years.

5. Number of Directors to Retire by Rotation

Directors who have held office for the longest term or one-thirds of the Board of Directors must retire by rotation at every Annual General Meeting of Shareholders. Directors retiring by rotation may be re-elected to continue their office.

6. Sub-committees

The bank's management structure consists of the Board of Directors who has delegated their management power for the sake of effectiveness and transparency. The Board of Directors has appointed sub-committees to help study details and screen tasks so as to ease the burden of the Board of Directors. Consequently, the bank has different sub-committees for specific matters. Such committees shall report their performances to the Board of Directors. These sub-committees are as follows:

- Executive Committee
- Audit Committee
- Sustainability and Corporate Governance Committee
- Nomination and Remuneration Committee
- Risk Oversight Committee

However, the chairman of the Audit Committee, chairman of the Sustainability and Corporate Governance Committee, chairman of the Nomination and Remuneration Committee and chairman of the Risk Oversight Committee are independent directors for the sake of transparency and independence in performing duties.

The bank reveals the details of sub-committees and scope of authority and duties of each sub-committee in the topic of the Management Structure.

The bank reveals the details of the members of the Audit Committee who have knowledge and experiences in the audit of the financial statements in the topic of the Management Structure, No. 2 The Audit Committee.

7. Company Secretary

- The Board of Directors has appointed Ms. Chayawan Budsayalap Thaidech, Vice President of Company Secretary and Translator Division, as the company secretary since April 24, 2023. Her duties involve providing some advice pertaining to laws and regulations that the Board of Directors should acknowledge, and taking responsibilities for matters connected the Board of Directors. In addition, the company secretary shall cooperate with related parties to ensure that the resolutions of the Board of Directors and that of the shareholders meeting have been followed. The scope of company secretary's duties and responsibilities according to the laws require her to act with responsibility, duty of care and honesty.

- The Board of Directors has encouraged and supported the company secretary to continuously receive trainings in order to develop necessary skills, and expand knowledge of law and accounting areas, or corporate secretarial duties.

The bank has disclosed the profile of the company secretary in the topic of the Management Structure, No. 8 The Company Secretary.

8. Remuneration of Directors and Executives

The policy, method and criteria on remunerations of directors and the President has been defined reasonably and transparently in conformity to their duties and responsibility, the bank's performance, and their individual performance, aligned with the industry and sufficient to retain qualified directors. Directors' remuneration shall be proposed to the shareholders meeting for approval.

9. Self-assessment of the Board of Directors

The Board of Directors provides the self-assessment for the Board of Directors and sub-committees in the form of collective assessment, individual assessment and cross-assessment at least once a year to review their performance and challenges in the previous year. The self-assessment fosters the awareness of their roles and responsibilities, which consequently helps enhance work efficiency. It is also an essential tool to assess the appropriateness of the Board of Directors' composition and its performance. The assessment results and recommendations from directors shall be applied to improve the duties of the committees and individual director. Self-assessment forms of the Stock Exchange of Thailand and the Thai Institute of Directors have been applied and adjusted in order to cover the committees' duties and the bank's business nature and environment. The self- assessment includes:

- Self-assessment of the Board of Directors and sub-committees on a collective basis
- Self-assessment of the Board of Directors and sub- committees on an individual basis
- Cross-assessment of directors
- Good Corporate Governance Self-assessment

- **Self-assessment of the Board of Directors and Sub-committees on a Collective Basis**

Self-assessment form is divided into 6 areas as follows:

1. Structure and qualifications
2. Roles, duties and responsibilities
3. Committees meeting
4. Duties of directors
5. Relationship with management
6. Directors' self-improvement and management training

Scoring : The assessment forms contain scores so that directors can compare the result of each topic year over year. Here is the definition of scoring system.

- 0 = Strongly disagreed or never conducted
- 1 = Disagreed or seldom conducted
- 2 = Fairly agreed or moderately conducted
- 3 = Agreed or well conducted
- 4 = Strongly agreed or excellently conducted

Evaluation Method : At the meetings of the Board of Directors and sub-committees, the directors thereof jointly conducted an evaluation by marking a score for each assessment item.

Assessment result of self-assessment of Board of Directors and Sub-committees of the year 2024, most items were marked in 4.

- **Self-assessment of the Board of Directors and Sub-committees on an individual Basis**

The assessment form is divided into 3 areas as follows:

1. Structure and qualifications of directors
2. Board of Directors meeting and sub-committees' meeting
3. Roles, duties and responsibilities of directors

Scoring : The assessment form contains scores so that directors can compare the results of each topic year over year. Here is the definition of scoring system.

- 0 = Strongly disagreed or never conducted
- 1 = Disagreed or seldom conducted
- 2 = Fairly agreed or moderately conducted
- 3 = Agreed or well conducted
- 4 = Strongly agreed or excellently conducted

Evaluation Method : The company secretary and the secretaries of sub-committees shall send individual directors' self-assessment forms to each committee in which they hold an office. The completed forms will then be returned to the secretary of each committee.

Assessment result of self-assessment of the Board of Directors and sub-committees on an individual basis for the year 2024, most items were marked in 4.

- **Cross-assessment of Directors**

The **assessment form** is to evaluate the responsibilities, roles and duties of the chairman and directors.

Scoring : The assessment form contains scores so that directors can compare the result of each topic year over year. Here is the definition of scoring system.

- 0 = Strongly disagreed or never conducted
- 1 = Disagreed or seldom conducted
- 2 = Fairly agreed or moderately conducted
- 3 = Agreed or well conducted
- 4 = Strongly agreed or excellently conducted

Evaluation Method : The company secretary shall submit the cross-assessment of directors to the chairman to evaluate directors individually and in turn the individual directors evaluate the chairman. The completed forms will then be returned to the company secretary to report the result to the board.

Assessment result of cross-assessment for the year 2024, most items were marked in 4.

- **Good Corporate Governance Self-assessment**

The Board of Directors arranges the self-assessment in line with the good corporate governance principles as a tool for the Board of Directors and management to evaluate themselves on issues the company has done or has not, for adequate disclosure of the company. The Board of Directors analyzes the evaluation results, recommendations and observations and applies the results to suit the business environment as follows:

The **assessment form** is divided into 4 areas as follows:

1. Rights of Shareholders and Equitable Treatment of Shareholders
2. Roles of Stakeholders
3. Information Disclosures and Transparency
4. Responsibilities of the Board of Directors

Scoring : No scoring, the assessment form provides a check list for each topic “complied or not” as follows:

- If complied, please check (√) in the "Yes" box.
- If not yet complied or incomplete, please check (√) in the "No" box.

Evaluation Method : The Sustainability and Corporate Governance Committee collectively conducted the evaluation and proposed the results to the Board of Directors for consent.

Assessment Results of good corporate governance, most items were marked in “Yes”.

Principle 4 : Nominate and improve high-level executives and people management

The Board of Directors has appointed the Nomination and Remuneration Committee to clearly and transparently nominate directors, Chief Executive Officer and President, and define their remunerations which are commensurate with their roles and responsibilities. The remunerations of directors must be approved by the shareholders meeting and disclosed in the annual report.

1. Knowledge Development for Directors, Executives and Employees

The bank values the efficiency improvements of directors, executives, employees, team of secretary, compliance, internal audit and corporate governance; therefore, it has the policies to encourage them to attend external trainings and in-house seminars to sharpen their skills, and expand their knowledge and

competencies to accommodate both short-term and long-term business growth. These include several training courses run by the Institute of Directors, the Securities and Exchange Commission, the Stock Exchange of Thailand, and the Thai Listed Companies Association. The company secretary acts as the center to communicate news and encourage them to attend the training courses that particularly benefit their duties. The bank will notify seminar programs to directors in advance.

Table : Trainings and Seminars for Directors in 2024

Name of Directors	Training and Seminar Program
1. Mr. Lee, Yu-Chou Chairman	<ul style="list-style-type: none"> ● IT Security Awareness Organized by ACIS Professional Center Co., Ltd. Date: June 17, 2024 and December 19, 2024 ● Money Laundering Risk Organized by Anti-Money Laundering Office (AMLO) Date: May 13, 2024 ● Sustainable Finance Organized by Thai Bankers' Association Date: September 23, 2024
2. Dr. Supriya Kuandachakup Vice Chairman Independent Director	<ul style="list-style-type: none"> ● IT Security Awareness Organized by ACIS Professional Center Co., Ltd. Date: June 17, 2024 and December 19, 2024 ● Money Laundering Risk Organized by Anti-Money Laundering Office (AMLO) Date: May 13, 2024 ● Sustainable Finance Organized by Thai Bankers' Association Date: September 23, 2024 ● Enhancing Governance, Standards, and Financial Insights 4/2024 Organized by Thai Institute of Directors (IOD) Date: October 30, 2024
3. Mr. Pradit Sawattananond Independent Director	<ul style="list-style-type: none"> ● IT Security Awareness Organized by ACIS Professional Center Co., Ltd. Date: June 17, 2024 and December 19, 2024 ● Money Laundering Risk Organized by Anti-Money Laundering Office (AMLO) Date: May 13, 2024 ● Sustainable Finance Organized by Thai Bankers' Association Date: September 23, 2024 ● Enhancing Governance, Standards, and Financial Insights 4/2024 Organized by Thai Institute of Directors (IOD) Date: October 30, 2024

<p>4. Prof. Piphob Veraphong Independent Director</p>	<ul style="list-style-type: none"> ● IT Security Awareness Organized by ACIS Professional Center Co., Ltd. Date: June 17, 2024 and December 19, 2024 ● Money Laundering Risk Organized by Anti-Money Laundering Office (AMLO) Date: May 13, 2024 ● Sustainable Finance Organized by Thai Bankers' Association Date: September 23, 2024 ● Enhancing Governance, Standards, and Financial Insights 2/2024 Organized by Thai Institute of Directors (IOD) Date: August 28, 2024
<p>5. Mr. Pichai Dusdeekulchai Independent Director</p>	<ul style="list-style-type: none"> ● IT Security Awareness Organized by ACIS Professional Center Co., Ltd. Date: June 17, 2024 and December 19, 2024 ● Money Laundering Risk Organized by Anti-Money Laundering Office (AMLO) Date: May 13, 2024 ● Sustainable Finance Organized by Thai Bankers' Association Date: September 23, 2024
<p>6. Mr. Sirichai Sombutsiri Chief Executive Officer</p>	<ul style="list-style-type: none"> ● IT Security Awareness Organized by ACIS Professional Center Co., Ltd. Date: June 17, 2024 and December 19, 2024 ● Money Laundering Risk Organized by Anti-Money Laundering Office (AMLO) Date: May 13, 2024 ● Sustainable Finance Organized by Thai Bankers' Association Date: September 23, 2024
<p>7. Mr. Naporn Sunthornchitcharoen Director</p>	<ul style="list-style-type: none"> ● IT Security Awareness Organized by ACIS Professional Center Co., Ltd. Date: June 17, 2024 and December 19, 2024 ● Money Laundering Risk Organized by Anti-Money Laundering Office (AMLO) Date: May 13, 2024 ● Sustainable Finance Organized by Thai Bankers' Association Date: September 23, 2024

<p>8. Mr. Shih, Jiing-Fuh Director</p>	<ul style="list-style-type: none"> ● IT Security Awareness Organized by ACIS Professional Center Co., Ltd. Date: June 17, 2024 and December 19, 2024 ● Money Laundering Risk Organized by Anti-Money Laundering Office (AMLO) Date: May 13, 2024 ● Sustainable Finance Organized by Thai Bankers' Association Date: September 23, 2024
<p>9. Mr. Vichian Amornpoonchai Director</p>	<ul style="list-style-type: none"> ● IT Security Awareness Organized by ACIS Professional Center Co., Ltd. Date: June 17, 2024 and December 19, 2024 ● Money Laundering Risk Organized by Anti-Money Laundering Office (AMLO) Date: May 13, 2024 ● Sustainable Finance Organized by Thai Bankers' Association Date: September 23, 2024 ● Successful Formulation & Execution of Strategy (SEF 45/2024) Organized by Thai Institute of Directors (IOD) Date: June 24-25, 2024 ● Enhancing Governance, Standards, and Financial Insights 2/2024 Organized by Thai Institute of Directors (IOD) Date: October 30, 2024
<p>10. Ms. Chiu, Ya-Ling Director</p>	<ul style="list-style-type: none"> ● IT Security Awareness Organized by ACIS Professional Center Co., Ltd. Date: June 17, 2024 and December 19, 2024 ● Money Laundering Risk Organized by Anti-Money Laundering Office (AMLO) Date: May 13, 2024 ● Sustainable Finance Organized by Thai Bankers' Association Date: September 23, 2024
<p>11. Mr. Liao, Jen-Wen Director</p>	<ul style="list-style-type: none"> ● IT Security Awareness Organized by ACIS Professional Center Co., Ltd. Date: June 17, 2024 and December 19, 2024 ● Money Laundering Risk Organized by Anti-Money Laundering Office (AMLO) Date: May 13, 2024 ● Sustainable Finance Organized by Thai Bankers' Association Date: September 23, 2024

2. Remuneration and Employee Welfare

The bank sets the appropriate remuneration and welfare for its employees to align with both short-term and long-term performance to ensure a good standard of living by emphasizing fairness and competitiveness. Therefore, the bank has a policy to increase annual salary and bonus payment based on their annual performance. A special round of salary increase is also made by utilizing the survey results of employee remuneration in the same industry for consideration with an aim at retaining skilled employees whose performances met expectations with the bank.

3. Provident Fund

The bank established a provident fund as a welfare benefit for employees. It is an important factor to encourage and motivate them to perform their tasks and to nourish their good standard of living. They can contribute between 3-15% of their salary to the fund, to which the bank contributes 3-7% depending on the number of years of employment. The Fund Committee which comprises of representatives elected by fund members and representatives appointed by the employer, has main duties and responsibilities on supervising the management of the fund and formulating investment policies on behalf of fund members. In addition, a multi-investment fund or the “Master Fund” has been offered to employees as an alternative investment policy option, allowing them to choose what suits their needs.

The total number of employees having the provident in 2024

	Total Employee (Person)	Total Employee Having Provident Fund (Person)	(%)
Land and Houses Bank Public Company Limited	1,305	1,222	94

4. Orientation Program for New Directors

The bank arranges an orientation session for newly appointed directors. The Chief Executive Officer and President and top executives will give them thorough briefings, from the bank’s vision, mission, performance, strategies and business targets to key operations and business nature. Relevant documents including roles and responsibilities of directors, laws and regulations related to the business, annual report and other information of the bank are also provided.

5. Succession Plan for High-Level Executives

The Board of Directors puts an emphasis on the development of successors to maintain continuous and smooth business operations and to ensure that appropriate personnel are ready for the key positions crucial to the bank and determine the appropriate qualifications to be successors. Then, the plan has been set as to get them trained for preparedness such as Core and Leadership Competency and Coaching by the supervisor, and external experts such as Motivation & Purpose Discussion, Collect Development Progress Evidence, Networking Plan, Delegated Work Scope and Development Opportunities. In this regard, the succession plan, criteria and list of potential successors will be reviewed on an annual basis, and reported to the Board of Directors.

Personnel Development Guidelines for Succession to the Positions of President and Top Executives

1. Define Scope: Set the scope and timeframe for preparing the succession plan
2. Define Key & Critical Position: Define the key positions of the organization (N and N-1X positions) and determine the urgency of recruiting a successor. The urgency is divided into 3 phases:
 - Most urgent (Wave 1) means those currently holding the position aged 57 years of age or older

- Moderately urgent (Wave 2) means those currently holding the position aged between 55 - 57 years

- Less urgent (Wave 3) means those currently holding the position aged less than 55 years old

3. Identify Successor: Consider assigning a successor through the taking stock analysis assessment process, which evaluates the competencies required in the position (Leadership and Functional Competency)

4. Competency Gap Analysis: Conduct a 360-degree assessment to analyze strengths and weaknesses for development

5. Development & Monitor: Set development plans through a workshop process along with coaching by supervisors to transfer knowledge and create important connections necessary for taking over the position

6. Evaluate & Career Management Process: Evaluate the successor's readiness and assign him to act/succeed in the position

Nomination of Directors and Top Executives

The qualified candidates with sound knowledge, experience in various areas and thorough understanding of banking, finance, economy, laws and related fields, will be carefully screened to ensure the complete composition of the board as required. The Nomination and Remuneration Committee will propose the Board of Directors to consider appointing directors and/or independent directors. In the case where the position of director is vacant for reasons other than retirement at the end of the term or propose the shareholders meeting to select directors and/or independent directors when a director vacates a position upon completion of term or appoint additional new directors based on the board skill matrix in order to find qualified directors with extensive experience suitable for the bank's nature of business, strategies and directions.

Board Skill Matrix

- Business Administration/Management	- Economics/Commerce/Finance/Accounting
- Strategic Planning/Business Strategies	- Internal Control
- Risk Management	- Marketing
- Fiscal Economics	- Human Resource Management
- Sustainable Development	- Information Technology
- Tax Law and Other Laws	

The criteria for nomination and appointment of independent directors indicate that each eligible candidate must meet the qualifications of independent directors as required by the bank and be in accordance with the notification of the Capital Market Supervisory Board and good corporate governance principles. Also for recruiting and appointing individuals to serve as non-executive directors, they must have work experience related to the bank's business.

In addition, in 2023, the Nomination and Remuneration Committee selected qualified director with appropriate qualifications in line with the business strategy to hold the position of director in place of the resigned directors by nominating Ms. Chiu, Ya-Ling and Mr. Liao, Jen-Wen who possess sound knowledge, ability and experience related to the business and will be a great help to determine the direction and business plan of the bank. This has been approved by the Board of Directors and become effective on March 8, 2024 and March 19, 2024, respectively.

The details of criteria for the nomination of independent directors and qualifications of independent directors are disclosed in the topic of the Management Structure, Remuneration for Directors and Executives.

According to the recruitment criteria for the bank's top executives, the Nomination and Remuneration Committee will screen and select talented persons with proper qualifications, ethics, morality and honesty. The basic factors for consideration include qualifications, knowledge and experiences. The Nomination and Remuneration Committee will nominate the qualified person to the Board of Directors for appointment and propose to the Bank of Thailand for approval.

Remuneration of Directors and Executives

- The Nomination and Remuneration Committee chaired by an independent director shall lay down policies, methods and criteria for remuneration of directors and president with fairness, reasonableness and transparency in relation to the bank's operating results and his/her performances. The remuneration must be on a par with industry's standards and competitive enough to retain desired directors and executives.

- Remuneration of directors is determined by the shareholders meeting both in pecuniary and other forms considered and proposed by the Nomination and Remuneration Committee. The remuneration will be considered on the basis of industry's general practices by considering work experience, knowledge and competencies, coupled with duties and responsibilities and contributions to the bank. The remuneration shall also be on par with those at other SET listed banks in similar industries and the average figures at listed banks according to the survey report on remuneration rates for listed banks' directors by the Thai Institute of Directors. The rates of monetary remuneration and other compensations for the directors approved by the 2023 Annual General Meeting of Shareholders are disclosed in the annual report.

The details of directors' compensations approved by the shareholders meeting are disclosed in the topic of the Management Structure, Remuneration for Directors and Executives.

Principle 5 : Nurture innovation and responsible business

1. Taking into account the rights of stakeholders

The bank gives priority to and takes into account the rights of stakeholders based on related laws; does not commit any act that violates their rights; and is committed to fulfilling its responsibilities towards all groups of stakeholders.

2. Determining the policy on the treatment of stakeholders

- Instill strong work ethics with strict adherence as guidelines to carry out duties honestly and fairly for the bank, stakeholders, public and society
- Disclose the bank's information to shareholders, investors, and public accurately, comprehensively, in a timely manner, and in line with related laws and regulations; and cooperate with regulators in providing accurate and comprehensive reports in a timely manner
- Establish the bank's code of conduct and ethics in writing as guidelines on the treatment of all stakeholders from internal stakeholders, namely, employees and executives, to external stakeholders, namely, all shareholders, customers, business partners, competitors, government sectors and other agencies. Ensure

transparent operations and encourage active cooperation between the bank and stakeholders for mutual benefits; and ensure that stakeholders will receive protection and good treatment

- Establish ethics for directors and employees and promote their participation so that they uphold ethical principles and practices with honesty, morality and carefulness; and prevent any act that violates rules and regulations and tarnishes the bank's reputation

- The bank has determined a whistleblower policy to ensure the effectiveness of whistleblowing. The bank provides channels of receiving and handling complaints or other significant matters for both internal and external complaint, for example, whistleblowing via independent directors and bank's website. Moreover, the whistleblower shall be protected from any impact or damage.

- The bank has established a policy on corporate social responsibility for sustainable business development by integrating CSR into the main process of business operations (CSR-in-Process) and outside the main process of business operations (CSR-after-Process). It also reinforces executives and employees at all levels to engage in and instill a volunteer spirit to build their awareness of social responsibility. Also, it lays a strong foundation for sustainable development which leads to true sustainability of social and national development.

The bank has published the good corporate governance policy, code of conduct and code of business ethics, and code of ethics for directors and employees through the bank's intranet and website; and included them in the training curriculum for employees as follows:

Section 1 Intention

The objective of the bank's code of conduct and code of ethics for directors and employees is to provide all levels of employees including directors with good practical guidelines as a working standard. Recognized as a trusted financial institution and a national source of funding, the bank strives to operate its business with honesty and well balance between business performance and impacts on shareholders and customers. It also adheres to the principles of business sustainability by taking into account society, environment and humanitarian principles.

Based on the corporate governance principles, the bank intends to operate its business with honor and trust while bringing benefits to customers and maintaining the well balance between the bank and stakeholders. The bank's code of conduct and code of ethics can be categorized into 4 sections as follows:

Section 1: Intention

Section 2: Code of Conduct

Section 3: Code of Ethics for Directors

Section 4: Code of Ethics for Employees

Definitions

"Code of Conduct" refers to rules of practices that the commercial bank has defined to maintain and improve a good reputation and status of the commercial bank's employees.

"Ethics" refers to the basic practices for controlling physical and verbal behaviors that employees shall adhere to regularly at work.

"Bank" refers to Land and House Bank Public Company Limited.

"Director" refers to the bank's directors.

"Employee" refers to all types of the bank's employees: trainees, permanent employees and employees with special contracts.

Section 2 Code of Conduct

2. Code of conduct can be divided into 10 areas as follows:

2.1 Code of Business Ethics

The bank shall ensure that employees comply with the code of business ethics as follows:

- 2.1.1 Perform duties with honesty, morality and responsibility to strictly conform to related laws, regulations and rules as well as the anti-corruption policy and anti-money laundering and combating the financing of terrorism policy
- 2.1.2 Prevent and avoid any actions that may lead to the conflicts of interest
- 2.1.3 Perform duties as a professional who has sound knowledge, abilities, skills and prudence
- 2.1.4 Keep confidentiality and shall not use internal information or confidential information to seek unlawful benefits for oneself or others

2.2 Roles of Directors and Executives

The bank's directors and executives shall be aware of their duties and responsibilities under the moral and ethical framework in order to promote good governance at all levels in the bank as follows:

- 2.2.1 Directors and executives shall carefully perform their duties and oversee operations with honesty, fairness, morality, responsibility and ethics for the maximum benefit of the bank and stakeholders under the framework and guidelines on the business judgment rule. They shall also protect the bank's benefits by paying attention to the incidents occurred to the bank or its operations.
- 2.2.2 Directors and executives shall play an important role in instilling good corporate governance in the bank, which will boost up the confidence among shareholders, customers, regulators and all stakeholders for the maximum benefits of the bank, industry and nation. For this reason, the good corporate governance policy and ethics have been set clearly in writing and communicated to employees and executives to follow effectively.
- 2.2.3 Directors shall follow the good corporate governance principles and shall act as the intermediary between shareholders and management, with the main duties of determining policies relating to business operations and directions. They also set good corporate governance and supervise executives and management to efficiently and effectively perform their duties in accordance with the defined policies.
- 2.2.4 The bank is required to operate its business under the laws, regulations, standards and practices of regulators, directors as the representatives of shareholders shall set policies while executives as the representatives of management shall carry forward policies to be implemented properly and efficiently. The bank shall also provide an effective internal control to ensure the bank carries out its business strictly in accordance with laws, rules and regulations.
- 2.2.5 Directors shall make sure that the bank has policies and efficient risk management system to cushion any significant risks. They shall supervise the Risk

Management Committee to perform its duties properly and professionally and not to be dominated by any business units. In addition, executives shall be aware of potential risks, protect the bank's benefits while limiting any possible damages to be under risk appetite and effective risk management.

- 2.2.6 Any transactions by directors and executives with the bank shall be taken at an appropriate level or shall be considered as normal business transactions as those of with general persons who are not particularly related to the bank. This is to avoid any conflicts of interest that may arise or be expected. In the event that any conflicts of interest occur, they must be settled fairly and immediately.

2.3 Service Standards

The bank shall build confidence for customers and stakeholders by providing service standards as follows:

- 2.3.1 Manage its business effectively, enabling customers and stakeholders to receive the good services
- 2.3.2 Set a good corporate governance to deliver services that comply with related regulations
- 2.3.3 Set a prudent management system and internal control to prevent service errors
- 2.3.4 Set a risk management system that aligns with the business, ensuring the bank is able to manage and properly handle potential risks

2.4 Employees and Work Environment

In order to support employees to work effectively, the bank shall provide them the following facilities:

- 2.4.1 Provide a good and safe working environment; therefore, employees are ready to service customers
- 2.4.2 Place an emphasis on treating all employees with justice and honor
- 2.4.3 Encourage and support employees to improve themselves by attending trainings regularly
- 2.4.4 Provide fair compensations for employees based on fair performance evaluation
- 2.4.5 Keep employees' personal information confidential and do not take their information to seek other benefits
- 2.4.6 In case of any investigation on employees' operations, the bank shall support employees for the cooperation with both compliance, internal and external audit units to ensure fairness
- 2.4.7 Do not discriminate the differences of gender, race, age, religion or disability
- 2.4.8 Prevent any verbal and physical threats that may affect the honor or human dignity of others in the workplace
- 2.4.9 Provide appropriate communication channels for complaints and whistleblowing

2.5 Customer Accountability

The bank shall place an emphasis on customers and treats them with accountabilities as follows:

- 2.5.1 Offer products and services that meet customers' needs and suitable for customers' purchasing power

- 2.5.2 Disclose the information about the bank's products and services covering their relevant terms and conditions, risks, service fees and interest rates in a timely manner so that customers can gain deeper understanding and adequate information for making decisions. Moreover, the advertising and public relations must be conducted transparently with clear messages to prevent misleading
- 2.5.3 Protect the confidentiality of customers' information, unless customers' consent is obtained or the bank has to abide by laws
- 2.5.4 Provide whistleblowing channels for customers and handle their complaints clearly and properly
- 2.5.5 Keep a sustainable relationship with customers and do not take bribes and/or benefits, gifts, assets and any forms of entertainment that imply an intention to wrongfully benefit customers

2.6 Conflicts of Interest

The bank provides measures to manage conflicts of interest in business operation as follows:

- 2.6.1 Protection of insider information usage
 - 1. Provide measures to control securities trading and disclose securities trading account of directors, executives, employees and related parties who may have access to internal information, to prevent abuse of duty for their personal interests or others unlawfully
 - 2. Provide physical separation of working area to prevent information leakage between business units that may have conflicts of interest
- 2.6.2 Transactions with connected persons and related person transactions
 - 1. Transactions the bank does with directors, executives, major shareholders or connected persons shall not lead to a transfer of benefits of the bank.
 - 2. Persons who have any interests with or involve in any transaction shall not participate in decision-making process of that transaction to ensure the maximum benefits of the bank.
 - 3. Carefully define regulations and process for connected transactions to ensure benefits of the bank and its shareholders
- 2.6.3 Receiving and giving gifts, receptions and other benefits
 - 1. Receiving or giving gifts and other benefits is to foster business relationships shall be operated with caution, reasonability and value suitable for occasions and tradition.
 - 2. Do not offer a bribe, reward, provide or claim for any other inappropriate benefits either directly or indirectly to/from customers, government agencies, private organizations, or any third parties, which influence their neutral judgment or influence others on their duties as to gain improper benefits.

2.7 Information Management

The bank has guidelines to appropriately manage its information and communication as follows:

2.7.1 Information Management

1. Appropriately protect, store and maintain customers' and bank's information, not to disclose it as prescribed by laws. Customers' personal information shall be collected, stored and used properly.
2. Not disclose customers' and bank's information, except when customers' consent is obtained or when the bank has to abide by related laws

2.7.2 Communication

Communications, statements or any information related to the bank, its business and customers provided to mass media or any media shall be conducted properly and correctly, and only by authorized persons acting on behalf of the bank.

2.8 Overall Supervision

The bank shall operate its business in accordance with related laws, bank's regulations and policies, and good governance principles as follows:

- 2.8.1 Provide employees with knowledge and understanding of laws and regulations and potential risks of non-compliance that may affect the bank's operations, image and reputation, and encourage them to be aware of their responsibilities
- 2.8.2 Establish a unit responsible for compliance with laws and regulations. This unit shall perform its duties independently from the bank's management, and be equipped with appropriate staff and other resources
- 2.8.3 Ensure regular review of the compliance with laws, regulations of regulators, policies and regulations of the bank; and provide solutions and preventive measures under the framework of laws, good governance principles, policies and regulations of the bank
- 2.8.4 Appropriately enforce a disciplinary actions against those who do not comply with laws and regulations by considering the effect and nature of offenses; and ensure fairness to all parties without discriminations
- 2.8.5 Provide channels for whistleblowing or to report any suspicious acts against honesty or any acts that does not comply with related laws and regulations

2.9 Trade Competition and Dispute Resolution

To ensure that the bank's operation has been performed efficiently and sustainably, the bank shall proceed as follows:

- 2.9.1 The bank shall operate its business freely and compete fairly without making agreements with other companies to determine purchase price, selling price, or terms of service that are unfair to customers.
- 2.9.2 The bank shall offer products and services that are beneficial and cost-effective to customers, allowing them to choose products and services freely; and not obstruct them when they opt for other bank's services.
- 2.9.3 The bank shall not attack its competitors or take any action that is a monopoly, reduces or limits competition in the market.
- 2.9.4 In case of dispute, the bank shall provide appropriate process to settle or mediate a dispute.

2.10 Society and Environment

The bank is committed to operating its business with responsibility towards society and environment, carefully dealing with any matter that may affect public feelings, and promoting employees' environmental accountability.

Section 3 Code of Ethics for Directors

The Board of Directors plays a vital role in leading the bank to success by determining policies and guiding the employees' behaviors to the right directions. Consequently, the board shall comply with the following Code of Conduct and Ethics in serving as a good role model for executives and all levels of employees.

3. Code of Ethics for Directors consists of 3 areas as follows:**3.1 Business Management**

- 3.1.1 Supervise the business operations without potential risks to the security of the bank
- 3.1.2 Perform the duties with integrity, transparency, morality and justice to ensure that the maximum benefits of the bank has been taken into consideration when making any decision or taking any action without discriminations or abstentions by upholding the principle of equality
- 3.1.3 Perform duties in a professional manner with knowledge, skills, determination and caution; and apply existing knowledge and skills to manage the bank to the fullest
- 3.1.4 Refrain from seeking personal interests and related persons' interests by disclosing or exploiting non-public information or confidential data to a third party that may constitute conflicts of interest both intentionally and unintentionally. Information gained from positions shall not be used for personal financial gains and others
- 3.1.5 Oversee the bank's operations to be in compliance with related laws, regulations and ensure that no facts are concealed and the information is reported accurately, completely, timely and regularly
- 3.1.6 Comply with the laws and regulations relating to the business operations

3.2 Relationship with Shareholders, Customers, Creditors, Business Partners and Employees

- 3.2.1 Directors have responsibilities towards shareholders for information disclosure, accounting practices, insider information and conflicts of interest.
- 3.2.2 Always protect customers' interests, pay attention to and take responsibility towards them by providing good quality products as well as keeping products' standards
- 3.2.3 Behave within the rules of good competition by refraining from destroying the reputation of competitors or dishonest or fraudulent acts to seek for competitors' information
- 3.2.4 Ensure equal employment opportunities and equal employee-related principles; and build confidence that employees have knowledge and skills necessary for their job functions

3.3 Social and Environmental Responsibilities

- 3.3.1 Operate business with social and environmental accountabilities
- 3.3.2 Take precautions and pay attention to any operations that may affect the public
- 3.3.3 Promote environmental accountability among employees

Section 4 Code of Ethics for Employees

4. Code of Ethics for Employees consists of 4 areas as follows:

4.1 Integrity

Integrity is a fundamental qualification of executives and employees at all levels who can possibly provide gains or incur damages to customers, colleagues, shareholders, financial system and society as whole. As a result, in order to win trust and credibility among customers, shareholders and regulators, executives and employees must perform their duties with justice, honesty, mental strength and ethical strength. They may not succumb to bribery or personal gains and have to act in the best interests and satisfactions of customers and public as whole.

A. Code of Conducts for Supervisors and Executives

1. Understand the importance of code of ethics for financial professionals that they have to adhere to honesty as their first priority
2. Be a coordinator who conveys the policies of regulators and shareholders to related parties to understand and put them into practices
3. Be a good leadership role model
4. Encourage and support employees to realize the importance and virtue of performing their duties with honesty and fairness by providing them knowledge, praising and/or rewarding executives and employees who work with honesty, sincerity and morality
5. Build up trust, reliability and satisfaction for customers by pointing out disadvantages, inaccuracy and impact arising from giving bribes, rewards or other undue benefits to employees and executives

B. Code of Conducts for Employees

1. Honesty is the foundation for building trust and confidence among customers, which ultimately leads to business success and higher ethics.
2. Perform duties with honesty and protect the bank's benefits as it is your own business
3. Provide services to customers with a purpose in maximizing their benefits based on honesty and legitimacy
4. Shall not place an importance on their own personal interests over accountability to the bank and shall not seek benefits or embezzle assets likely to belong to the bank or its customers
5. Shall not disclose the information of customers' projects to other persons or shall not run a business to compete with customers
6. Shall be honest with customers and shall not exploit customers' trust to seek personal benefits
7. Avoid receiving anything of value or gifts from customers, if possible, employees shall receive them on behalf of the bank as a service provider and not obtain them for personal benefits
8. Shall not exploit his/her position for personal benefits and shall not allow other persons to seek benefits from his/her own name or position
9. Shall not solicit for any other assets from customers, except expenses and fees charged by the bank

10. Shall not give hope or pledge to customers of any particular subject that he/she has no authority to do so
11. Prompt to resolve customers' problems and be ready to assist as much as possible if the case is not contrary to the bank's benefits or causes any damage to the bank
12. When receiving money from customers to pay to the bank, he/she shall deliver receipt to the customer promptly

4.2 Confidentiality

In the bank's business, keeping confidentiality means securing all major types of information of the bank and customers. The critical information includes:

- Financial information, account, name and address of customers
- Information about the bank's assets
- Information about the internal management of the bank, including statistical figures and various reports
- Information about the bank's former and existing employees
- Information about the bank's business partners
- Information about business communications with government or its agencies

Keeping confidential information of the bank and its customers is very important for any financial and banking business. To some extent, by the nature of business, the employees are privy to the confidential information of customers, which, if disclosed, can cause damages to customers or other parties. Therefore, a guideline has been laid down to protect the reputation and avoid any damage to the bank and its customers.

A. Code of Conducts for Supervisors and Executives

1. Receive guidelines and regulations from coordination unit and apply to the bank's guidelines and policies by setting as the bank's practices
2. The supervisor shall create the bank's environment that supports the protection of confidential information.
3. Set up a department responsible for controlling employees' operations to be in accordance with the regulations of confidential information protection
4. When all employees acknowledge and realize such practices, supervisors and executives are responsible to advise them in case of any interruption as well as paying attention to their opinions and suggestions, and consequently, applying their feedbacks to the bank's practices and operations.

B. Code of Conducts for Employees

1. Keeping the confidentiality of the bank and its customers is a fundamental principle of business. Employees shall maintain customer confidentiality and shall not disclose the bank's information that has not yet been publicly disclosed, except when getting permission from customers or top executives, or complying with the laws.
2. Employees shall not exploit the information obtained or prepared by their assigned duties to seek personal benefits or other persons' benefits.
3. Employees shall be aware of the defined procedures. In case of any obstacles or having opinions and suggestions, employees shall consult with their supervisors and executives to adjust the procedures to suit the bank's operations.

4. Employees shall keep the confidentiality of the customers' information strictly and shall not exploit customers' information for their own benefits.
5. In some cases, employees shall not disclose customers' information to other employees or to other departments because it may lead to conflicts of interest.
6. Employees who are privy to personal information of other employees such as salary and benefits are able to disclose the information to internal and external parties only when necessary with carefulness and strictness.
7. Employees shall not criticize personal matters or information of customers and colleagues in a negative way.

C. Exceptions

In some cases, the bank may disclose confidential information when:

- Required by laws such as court writ
- Required by social responsibility and obligation
- Specially requested by any occasion; however, a written consent from customer is required.

4.3 Professional Ethics

Building awareness among executives and employees to behave in accordance with proper framework of procedures by considering the principles of morality, ethics and justice will result in a positive image of the bank.

A. Code of Conducts for Supervisors and Executives

1. Set guidelines or work manuals comprehensively and clearly as standards for business operation which is grounded in morality, ethics and justice
2. Supervise the operations of employees under supervision and/or in departments related to their duties to ensure compliance with the bank's prescribed guidelines
3. Executives shall behave themselves and act as role models for employees at all levels.
4. Executives shall develop employees to have deeper knowledge and expertise in products and services for the maximum benefits of customers.
5. Shall not induce customers to use the bank's products or services through fraudulent propaganda or exaggerated information that can mislead customers

B. Code of Conducts for Employees

1. Have a positive attitude and loyalty to the bank
2. Efficiently perform duties with knowledge and abilities required by professional standards with carefulness and responsibility
3. Provide important information to customers in regard to their benefits, terms and conditions truthfully, completely and clearly
4. Avoid inappropriate behaviors relating to temptation, drug, all types of gambling, insolvency and immorality, which damage the image of themselves and the bank
5. Always treat customers with equality, honesty and friendliness
6. Cooperate and promote activities that will generate mutual understanding among employees at all levels
7. Follow laws, regulations and standards related to the bank's business strictly

8. Provide customers' information adequately for using in performing duties and servicing them efficiently
9. Design efficient management to maintain healthy financial stability and status to prevent any damage to customers and the general public
10. Compete with peers or other banks under the defined rules and regulations without blaming and defaming others
11. Behave properly as a representative of the bank

4.4 Service to Community

The bank's business operations is not limited only to related associates and customers, as an individual and a juristic person in the society of the country, a financial professional shall realize and be aware of altruism both in business and personal aspects.

A. Code of Conducts for Supervisors and Executives

1. Receive guidelines and regulations from coordinating departments to apply to the bank's guidelines and policies and to set up the bank's practice accordingly
2. Executives shall behave as a good role model and shall encourage members of the bank to realize the importance of social activities.
3. Specify the purposes of the business to benefit society and not cause any damages to society
4. Support and follow the government policies, and take part in government's activities

B. Code of Conducts for Employees

1. Strictly comply with policies or regulations regarding the scope of social practices defined by the bank
2. Participate in and support social and community activities as appropriate
3. Preserve the nation's arts and culture
4. Shall not cooperate or support any activity which negatively impacts environment and society
5. Shall not cooperate or support any activity which could be detrimental to morality or promote temptation

Whistleblower Policy

The bank has determined a whistleblowing policy to ensure the effectiveness of whistleblowing. The procedure and channels of receiving and handling complaints or other significant matters are therefore provided. Moreover, the bank protects whistleblowers from any threat or damages. The practical guidelines are as follows:

1. Whistleblowing / complaints of fraud and corruption

- Employees shall not ignore or neglect when they have found or acknowledged any activity that is contrary to the regulations and orders of bank or any suspicious act of corruption which is related to the bank. Employees shall inform such attempt through channels provided by the bank.
- Employees shall actively collaborate with any investigation process and provide facts of acts that fall under the category of fraud and corruption they have witnessed.

2. Issues for whistleblowing/complaints about fraud and corruption

- Misuse of authority to seek any alleged benefits for individual, family, friend and acquaintance such as giving or taking bribes or benefits, conflicts of interests, deception, violation of the bank's regulations and policies
- Destruction of documents, distortion or concealment of information in order to support corruption
- Suspicious act of corruption or situation/ information that may be within the scope of such act
- Negative impacts from giving corruption clues, providing information, collaborating in investigation process, or refusing to involve in corruption such as being bullied at work, downgraded, penalized, dismissed from work or other impacts that harm whistleblower.
- However, complaints related to problems and/or disputes between individuals or anonymous complaints are not counted as whistleblowing/complaints about fraud and corruptions.

3. Channels for whistleblowing/complaints of fraud and corruption

Witnesses of suspected corruptions or victims of threats from refusing to engage in corruptions can raise any concerns/ lodge any complaints either anonymously or otherwise with clear facts or sufficient evidence to believe that fraud and corruption exist through the following channels.

- | | |
|------------------------------------|--|
| 1) Mr. Pradit Sawattananond | Chairman of Sustainability and Corporate Governance Committee |
| Email: Whistleblowing@lhbank.co.th | |
| 2) Mr. Jumpon Suwannawong | Secretary of Sustainability and Corporate Governance Committee |
| Email: Whistleblowing@lhbank.co.th | |
| 3) The bank's website | www.lhbank.co.th |
| 4) Letter to | Chairman of Sustainability and Corporate Governance Committee |
| | 1 Q.House Lumpini Building, South Sathon Rd. |
| | Thungmahamek, Sathon, Bangkok 10120 |
| 5) Intranet for internal use | |

4. Procedure for handling whistleblowing reports or complaints

The Whistleblowing Handling Working Group was assigned by the Sustainability and Corporate Governance Committee which consists of head of People Group, Internal Audit Group, Legal and Compliance Group and related departments, as the case may be, in charge of scrutinizing internal facts from whistleblowing reports about wrongdoing or corruption, including reporting and following up on consequences and presenting to the CEO and president and the Sustainability and Corporate Governance Committee.

5. Protection for whistleblowers and those who refuse to engage in corrupt practices

The bank has set a protective mechanism for persons who collaborate with the bank for any acts against fraud and corruption which include whistleblowing, providing information and refusing to engage in fraud and corruption, to ensure such acts hold no harm to informants. The mechanism is as follows:

1. The bank will protect the persons who collaborate with the bank for whistleblowing or refusing to engage in fraud and corruption from any trouble, danger or unfair treatment arising from the collaboration of anti-corruption.
2. The bank will not demote, impose penalties, or pose any negative impact on staff or executives who reject fraud and corruption even such acts might cause the loss of business opportunity to the bank.
3. In case the whistleblowers/complainants found to be at risk, they can request for appropriate protective measures from the bank.

4. To protect the rights of complainants supplying information in good faith, the bank will keep their personal information confidential by limitedly revealing the information only among investigation team. If such information is found to be misused and disclosed improperly, it will be considered as a violation and subject to disciplinary actions.

5. In case, employees or executives are found guilty of unfair treatment or causing damages to others with a motive for being reported / complained or refused to involve in corruption, such acts are subject to disciplinary actions.

Receiving general complaints

The bank provides various channels for both internal and external stakeholders to lodge their complaints and sets up the work group to verify the fact to ensure fairness, transparent and accountability.

Channels for complaints

The bank provides channels for shareholders, investors, customers, employees and public to lodge their complaints via 4 independent directors as follows:

Independent directors

Mr. Pradit Sawattananond Chairman of the Audit Committee
Email: pradits@lhbank.co.th

Dr. Supriya Kuandechakupt Member of the Audit Committee
Email: supriyak@lhbank.co.th

Prof. Piphob Veraphong Member of the Audit Committee
Email: piphobv@lhbank.co.th

Mr. Pichai Dusdeekulchai Member of the Audit Committee
Email: pichaid@lhbank.co.th

Bank's website : www.lhbank.co.th

E-mail : presidentoffice@lhbank.co.th

Call Center : 1327

In 2024, the bank did not receive any whistleblowing cases or complaints regarding fraud or corruption.

The bank carried out the whistleblowing process, which can be summarized as follows:

1. The bank reported the complaints made through regulators to the Sustainability and Corporate Governance Committee on a monthly basis.

2. The bank reported whistleblowing cases and complaints to the Sustainability and Corporate Governance Committee on a quarterly basis.

3. The bank has communicated the whistleblowing policy to executives and employees through the company's PacD application.



Preventive Measures for Whistleblowing

The bank adopted the guidelines for risk management and good internal control based on the 3 lines of defense guidelines to its supervision as follows:

First Line of Defense includes executives and employees by campaigning for strict compliance with the code of conduct, rules, regulations, and related policies, communicating with them to emphasize the whistleblowing policy on an annual basis so that they are aware of the guidelines, nature of misconducts, whistleblowing channels and punishments.

Second Line of Defense conducts the risk management by evaluating the efficiency of the bank's risk management system and supervision of legal compliance and related regulations.

Third Line of Defense is the inspection and review of operations to ensure that the bank has sound internal control.

3. Disclosure of policy compliance and reporting for sustainable business development

The bank has established a policy on corporate social responsibility for sustainable business development by integrating CSR into the main process of business operations (CSR-in-Process) and outside the main process of business operations (CSR-after-Process). It also reinforces executives and employees at all levels to engage in and instill a volunteer spirit to build their awareness of social responsibility. Also, it lays a strong foundation for sustainable development which leads to true sustainability of social and national development.

- Disclose the implementation of the social responsibility policy for sustainable business development in various activities of the bank as well as promote employee participation in compliance with the policy and instill awareness of social responsibility among employees of the organization continuously

- Prepare the report on sustainable business development for social responsibilities

Social Responsibility for Sustainable Business Development Policy

The bank is aware of operating business with social responsibility for sustainable growth by focusing on taking care of stakeholders, economy, society and environment with morality and ethics as well as corporate

governance. The business operations must be conducted with honesty, transparency and fairness with the awareness of negative impact on the economy, society and environment. Thus, the bank develops the policy of social responsibilities for sustainable business development in writing following the guideline of Corporate Social Responsibility Institute, the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. The bank realizes the importance of “dependence” as people in the society are target consumers of all business’ products and services. Therefore, no matter what direction a business organization is developing towards, people in the society inevitably contribute some support. The policy and practical guideline help direct members of the organization to operate CSR-in-process and CSR-after-process by encouraging executives and employees at all levels to instill voluntary spirit and CSR awareness.

The policy on social responsibilities for sustainable business development consists of principles and practical guidelines for directors, executives and employees at all levels to adhere to 9 areas as follows:

1. Good Corporate Governance
2. Fair Business Operation
3. Anti-Corruption
4. Respect for Human Rights
5. Fair Treatment of Labor
6. Responsibilities towards Consumers
7. Cooperation in Development of Community and Society
8. Environmental Management
9. Innovation and Dissemination of Innovative Corporate Social Responsibilities

- **Disclosure of the Policy Compliance and Reporting for Social Responsibility**

The bank discloses its compliance of social responsibility policy in the annual report and the bank’s website, including employees’ participation in conformity with the policy to instill a sense of social responsibility.

4. No violations of human rights and care for public sentiments

The bank recognizes the importance of stakeholders, employees, communities and surrounding societies that should be treated with fairness, equality, respect and dignity. The bank aims to build good relationships, not violate basic rights, and operate its business with great care of public sentiments. This endeavor is fundamental to human resource management and development.

The bank is aware of fair treatments for employees at all levels, ensuring that they will receive appropriate remunerations and benefits while developing their potential for professional advancement and supporting employees participation as well as providing them with several channels to receive complaints and to report any inappropriate acts. Staff members are able to voice their opinions, report or lodge complaints or concerned issues which are considered unfair, corruptive or misconducted through supervisors or other channels. The bank has established independent procedure for receiving complaints with the committee to scrutinize them to ensure fairness and transparency. Verifications and decisions are made by taking into account the results and remedies in accordance with the principles of human rights and with the aim to encourage staff to share their opinions when there are any actions, committed by the bank or employees, that might violate human rights. Such practice ultimately helps reflect problems and solutions.

In addition, the bank supports and respects any protection of human dignity by not engaging in forced labor and child labor exploitation, which affect the confidence of external stakeholders.

Occupational Health and Safety Policy

The bank is committed to complying with laws and regulations regarding safety, occupational health, and the working environment to prevent and reduce accidents, hazards, and work-related illnesses among employees. The bank has established the Occupational Health and Safety Committee and appointed executives and supervisors who have undergone trainings as safety officers to drive the policy and ensure its successful implementation.

5. Reinforcing Fair Treatments of Stakeholders

Fair Treatments of Employees

The bank reinforces the fair treatment of employees based on human right principles and considers their needs to aim for a good relationship between employees and the company by strictly adhering to work regulations and employment laws, promoting skill development, continuously enhancing potential, stability and career advancement. The bank evaluates the performance and manages the compensation and benefits that are commensurate with the duties, responsibilities, and abilities of employees. A provident fund has been established to provide employees with a good quality of life for retirement, including life insurance and health insurance for employees to provide security for their families and provides channels for employees to submit complaints, with the Grievance Review Committee responsible for consideration.

Fair Treatments of Business Partners, Competitors and Creditors

The bank has encouraged fair treatment towards business partners, competitors and creditors in terms of costs and returns. For example, the bank manages its procurements by determining adequate delivery period, and fair trade agreements; does not involve in any activities that violate property or infringe intellectual property; and arranges payments for services or acquisition of properties in a fairly and timely manner. The bank does not seek confidential information of competitors through inappropriate methods or dishonest means, such as bribing competitors' employees, and will not destroy the reputation of business competitors by making malicious accusations. In 2024, there were no disputes and lawsuits among the bank and its partners, competitors, and creditors.

Principle 6 : Strengthen effective risk management and internal control

1. Internal Control and Internal Audit

The Board of Directors supports and places an importance on internal control activities in 5 areas to ensure that the bank has adequate and appropriate internal control to achieve the established objectives of business operations under the good compliance and internal control as follows:

- Environment
- Internal control
- Risk assessment
- Information technology system control and communication
- Monitoring and evaluation

2. Risk Management

The Board of Directors places an emphasis on risk management across the organization and monitors the financial business group to have risk governance framework and risk culture. The Board of Directors has established the risk management policy and risk management procedures which consist of risk identification, risk assessment, risk monitoring and controls, and risk reporting; and regularly reviewed the adequacy and effectiveness of risk management.

3. Compliance with Regulations

The Board of Directors, executives and employees of the companies in the financial business group have complied with related laws, regulations and rules to ensure that all companies have operated their businesses with responsibilities, transparency, equitable treatment of stakeholders and management with honesty. The bank also ensures its operations have complied with supervisory regulations, provides the procedure for related party transactions with performance report, data storage and booking according to financial reporting standards.

In 2024, the bank has not committed any offenses or violations of the law until criminal proceedings have been taken or civil sanctions or administrative action.

Head of Compliance Division

Name	Mr. Jumpon Suwannawong
Position	Head of Legal and Compliance Group and Acting Head of Compliance
Age (Years)	58
Education	- Bachelor of Laws, Thammasat University
Trainings	- Anti-Money Laundering and Counter Terrorism and Proliferation of Weapons of Mass Destruction Financing (AML/CTPF) for Executives - Fundamental of Operational and IT Risk Management Course for Executives - Data Governance Framework Introduction (Data Governance) for Executives - Information Technology Security Awareness Training 2024 : LH Bank

Work experiences in the past 5 years

❖ Current Position in Listed Companies on the Stock Exchange of Thailand - None -

❖ Current Position in 1 Non-listed Company on the Stock Exchange of Thailand

Period	Position	Organization/Company
May 2022 - Present	Head of Legal and Compliance Group	Land and Houses Bank PLC
2020 - 2022	First Senior Vice President Legal Consultant and Data Protection	
2019 - 2020	First Senior Vice President Corporate Affairs and Legal	

Duties and Responsibilities:

Wholesale Banking Compliance Department

- To be a center of rules, regulations and regulatory requirements regarding commercial banking business
- To oversee, monitor and control the bank's operations in compliance with the Financial Institutions Business Act, B.E. 2551, Securities and Exchange Act, B.E. 2535, their amendments as well as relevant regulatory requirements
- To analyze the notifications and regulatory requirements, formulate an operational plan for business units such as preparation of policies, regulations, operating manuals to comply with regulations, and monitor the results of operations according to the operational plans relating to wholesales banking business
- To evaluate appropriateness of processes and practices on compliance and to launch new products/services or new businesses relating to wholesales banking business

- To provide advice and recommendation on regulations of the Bank of Thailand and other regulatory requirements relating to wholesales banking business
- To be a center for the preparation of permission/approval letters, request for waivers and consultations, and report to the Bank of Thailand, relating to wholesales banking business
- To provide the compliance actions and annual plans regarding wholesales banking business as required or requested by regulators

Retail Banking Compliance Department

- To be center of retail product regulations
- To oversee the bank's operations in accordance with the Financial Institutions Business Act B.E. 2551 and its amendment as well as related regulations
- To analyze announcements and regulations, and determine operational plans in accordance with business units, such as the formulation of policies, regulations, operational manuals on retail banking products
- To evaluate the effectiveness of the process or new product launching guidelines relating to retail banking products
- To provide advice on regulations of the Bank of Thailand and other government regulations relating to retail banking products
- To be the center for the preparation of permission letters, request for waivers and advice, and report to the Bank of Thailand and other government regulations relating to retail banking business
- To provide plans, ensure the implementation to be in line with the business plans and supervise the regulatory compliance on matters relating to retail banking products
- To prepare an annual report concerning retail banking business for submission to the Bank of Thailand, the Securities and Exchange Commission and the Office of Insurance Commission
- To regularly organize trainings for employees at all levels on relevant laws and regulations
- To oversee, monitor and review information related to customer complaints and handle such complaints effectively

Information Technology Compliance Department

- To be a data center for information technology regulatory requirements by setting up supervisory guidelines or work regulations in compliance with international standards, rules and regulations, randomly reviewing operations to comply with regulations, monitoring identified defects and proposing solutions
- To request for permission, waiver, consultation and acknowledgement of IT matters from regulators
- To oversee IT operations to comply with laws, policies, rules and regulations
- To oversee the use of IT outsourcing services by supervising and reviewing the draft contract of IT outsourcing services as required by the Bank of Thailand
- To renew the license of smart card reader software
- To compile data set reports used for IT risk oversight and other reports as required by the Bank of Thailand, the Office of Securities and Exchange Commission and the Stock Exchange of Thailand or other regulators
- To report significant events of IT system to the Bank of Thailand and the Office of Securities and Exchange Commission

- To compile the statistical records of IT system failures from 4 channels: mobile banking, internet banking, ATM/CDM and branches, and disclose such statistical records of IT failures affecting critical services
- To prepare the annual report for submission to the Bank of Thailand and the Office of Securities and Exchange Commission

AML/CFT Compliance Department

- To oversee the compliance with international FATF standards in terms of the Anti-Money Laundering and Counter Terrorism and Proliferation of Weapon of Mass Destruction Financing (AML/CTPF) and Foreign Account Tax Compliance Act (FATCA) to align with relevant laws, policies and regulations, to be a center of official data for the said standards and to assess the compliance with relevant laws, policies and regulations
- To randomly review the AML/CFT operations against regulations and monitor identified defects and propose solutions
- To prepare a 1-01, 1-02, 1-03 and 1-05-9 report according to guideline and duration set by the Anti-money Laundering Office
- To inspect financial transactions according to regulatory letters
- To verify information according to orders of regulators such as designated person information and persons with high risk for money laundering from the Anti-money Laundering Office
- To regularly provide trainings on the compliance with the Anti-money Laundering Act, B.E. 2542, the Counter-Terrorism Financing Act, B.E. 2556 and the Guideline on Customer Due Diligence for Financial Institutions, Banking and their amendments as well as relevant regulatory rules and regulations
- To prepare the annual report for submission to the Bank of Thailand
- To conduct a risk assessment of internal anti-money laundering compliance

Governance Compliance and Planning

- To prepare strategic plans as the guideline for operations to comply with policies
- To provide the annual compliance report to the Bank of Thailand, the Office of Securities and Exchange Commission and other regulators as required

Number of Personnel in the Compliance Division as of December 31, 2024

There were 27 staffs in the Compliance Division in total consisting of 3 in Wholesale Banking Compliance, 5 in the Retail Banking Compliance, 5 in the Information Technology Compliance, 12 in the AML/CFT Compliance and 2 in the Governance Compliance and Planning.

4. Prevention of Conflicts of Interest

The Board of Directors takes heed of transactions with potential conflicts of interest, inappropriate connected transactions and connected transactions whose pricing and conditions should be determined similarly to those of external parties. In addition, the disclosure of information shall conform to rules, regulations and laws.

Conflicts of Interest Prevention Policy

To run the business, the Board of Directors places importance on building creditability and trust and considering the best interests of the bank's shareholders and all related parties while preventing any loss and damage to the bank's reputation and image. The bank then determines the conflicts of interest policy to be adhered to as the operational guideline. Its principle and practical guideline are as follows:

Conflicts of Interest Principle

1. The bank's transactions shall be conducted by eliminating conflicts of interest with prudence and rationale within a good ethical framework for the best interests of the bank, shareholders and all groups of stakeholders. Therefore, directors and executives who may have benefits related to the bank's transactions shall be prohibited from perusal process or approval process.

2. Transactions between the bank and companies in the financial business group shall be conducted at arm's length with those of other individuals who possess a similar risk level, as required by policies, regulations and laws.

3. Any related-party transaction connected transaction and information disclosure shall comply with rules, regulations and related laws.

4. Directors and executives shall strictly follow the insider trading policy.

5. Directors and executives shall disclose the information about transactions with companies in the financial business group accurately and adequately for the purpose of making decisions, consideration and approval of the said transactions of the bank or companies in the same financial business group.

6. Securities trading shall comply with the rules and regulations on securities trading of regulators.

Practical Guidelines for Conflicts of Interest

The bank emphasizes the prevention of conflicts of interest by laying down the following guidelines.

1. To determine the measures to prevent misuse of information

2. To determine the operational regulations to prevent any action that may cause conflicts of interest, connected transactions or improper related party transactions

3. To determine the measures to monitor, control and audit the implementation of measures

The bank has disclosed the details of transactions with potential conflicts of interest or connected transactions as regulated by the Securities and Exchange Commission and Capital Market Supervisory Board in the annual report. The disclosure of related party transactions has also been made to the Stock Exchange of Thailand and connected transactions have also been revealed in the notes to the financial statements.

Directors shall immediately inform the bank when having conflicts of interest both directly and indirectly in any contracts of the bank or in case of any doubts over conflicts of interest.

At the Board of Directors' meetings or shareholders meetings, the bank's directors, executives, or shareholders who hold stakes in any agenda items shall promptly inform their stake information and related persons' stake information to the meeting for acknowledgment. They shall have no rights to vote in such agenda so that the meeting can consider and make decisions for the benefits of the bank.

Any directors or persons who may have stakes or conflicts of interest in any agenda items shall not participate in the consideration and have no authority to approve the operations or cast votes for such agenda items as required by the Securities and Exchange Commission and/or the Stock Exchange of Thailand. The details of stakes and conflicts of interest shall be recorded in the resolution of that agenda in the meeting minutes.

Directors are responsible for reporting their securities trading and changes in their securities holding in the bank to the Board of Directors.

The Board of Directors is aware of transactions with potential conflicts of interest, inappropriate related party transactions or connected transactions whose pricing and conditions shall be set at arm's length with external parties. In addition, the disclosure of information shall conform to laws and regulations.

In 2024, the bank posted the conflicts of interest policy through the bank's intranet with 100% acknowledgement by executives and employees.

Anti-corruption Policy

The bank is determined to operate its business in line with laws, honesty, moral, code of conduct and business ethics, as defined in organizational values. The bank also aims to perform business together with social responsibility and good corporate governance. The bank then formulates the anti-corruption policy to be used as the operational guideline and joined the Thailand's Private Sector Collective Action Against Corruption (CAC). Key executions are as follows:

1. The bank places an emphasis on the anti-corruption as follows:

1.1 Gifts, Hospitality and Benefits

Do not give or accept any gifts or presents including other benefits that motivate employees to perform or neglect their duties unlawfully or may cause any inappropriate relaxation in business agreement. It is required to follow the requirements stipulated in the code of conduct and business ethics, the code of ethics for directors and for employees.

1.2 Bribes and Incentives

Do not give or accept all forms of bribes and incentives, and do not assign others to give or take any forms of bribes and incentives on one's behalf

1.3 Charitable Donations and Sponsorship

Charitable donations and sponsorship must be transparent and not contrary to laws and morals.

1.4 Political Activities and Participation

1. The bank shall not take the bank's capital or other resources to support any candidates, political parties, or political campaigns or movements, unless the sponsorship is permitted by law for democracy promotion. Such support needs approval from the Board of Directors before proceeding.

2. A director shall show honesty, be good role models for the compliance with the anti-corruption policy, create understanding and encourage employees in the financial business group to consistently and seriously adhere to the anti-corruption policy while embedding such policy into organizational culture.

3. A director shall not ignore or neglect when seeing any actions that are related to corruption in the bank. It must be reported to the responsible persons or units and they must collaborate with the investigation process.

4. The bank shall provide proper supervision for the operations of the companies in the financial business group with standard internal control mechanisms; significant risk assessment; efficient control activities; and delegate duties and responsibilities appropriately. Besides, reliable and sufficient information system is required to regularly monitor and evaluate internal control.

5. The bank requires companies in the financial business group to publicize its anti-corruption policy via both internal and external channels such as intranet, bank's website and annual report. Such policy is the practice under Thailand's law regarding anti-corruption.

6. Any actions in accordance with the anti-corruption policy are required to follow the guidelines as given in the "good corporate governance policy", "the code of conduct manual", the related bank's policies and regulations, and other guidelines that the bank will subsequently set up.

7. In case employees violate the rules and regulations by performing corruptive actions, which are considered as an offense against the bank, they are subject to disciplinary actions specified by the bank's regulations. If the actions break the laws, they must be investigated and face penalties.

The bank has expressed its intention to become a driving force for fighting against all forms of corruption by participating in various activities held by public and private organizations, including the Office of

the National Anti-Corruption Commission, the Office of Public Sector Anti-Corruption Commission and the Anti-Corruption Organization of Thailand.

In 2024, the bank took actions to prevent anti-corruption which can be summarized as follows:

1. The bank reviewed its anti-corruption policy, which was approved by the Board of Directors Meeting No. 4/2024, held on April 22, 2024.
2. The bank has communicated its anti-corruption policy and guidelines for interfacing with government agencies and public officials to employees through E-learning via the PacD application. A total of 1,394 employees have acknowledged, representing 98.9% of the workforce.
3. The bank communicated the anti-corruption policy to executives and employees via the bank's intranet, with 100 percent acknowledgement by executives and employees.
4. The bank communicated its anti-corruption policy to the public through the bank's website.
5. The bank arranged trainings for all new employees in the form of E-learning through the PacD application on the topic of code of conduct and code of ethics for employee. This involves measures for managing conflicts of interest, preventing insider trading, related parties' transactions, including accepting and offering gifts, entertainments and other benefits.
6. The bank has communicated the guidelines regarding No Gift Policy to executives and employees through the PacD application and the bank's website and join activities with CAC to No Gift Policy campaign during the New Year festival (No Gift Policy) on behalf of Land and Houses Financial Business Group via Thai CAC Facebook.



7. Executives and employees attended the International Anti-Corruption Day (Thailand) under the concept of "Fight Against Corruption" to show their intention to oppose all forms of corruptions and promote transparent business operations under the corporate governance principles on December 9, 2024.



8. The bank has no lawsuits and/or investigations from government agencies or regulators and/or news related to corruption.

Principle 7: Ensure Disclosure and Financial Integrity

The Board of Directors oversees and assures complete, timely and transparent disclosure of its financial and non-financial information via easily accessible, equal and reliable channels.

1. Disclosure of Financial Information and Non-financial Information

The bank has disclosed its material information to shareholders, investors and public with transparency, accuracy, completeness, timeliness and accountability in compliance with related laws and regulations in both Thai and English version via various channels which are easily accessible, equal and regularly updated as follows:

1. The bank's website (www.lhbank.co.th) where information is available in 2 languages: Thai and English
2. IR / PR news of the bank
3. Press conferences and PR news distribution
4. Postal delivery to shareholders
5. Announcement in newspapers

The Board of Directors places an emphasis on the quality of financial statements and adequate disclosure of financial information. Disclosures are in line with the Bank of Thailand, the Stock Exchange of Thailand, the Office of the Securities and Exchange Commission and Financial Reporting Standards. The financial statements are reviewed / audited by certified public accountants and endorsed by the Audit Committee and the Board of Directors before disclosure.

In addition, the bank has disclosed financial statements on a quarterly, half-year and yearly basis, coupled with significant information in notes to financial statements, management discussion and analysis (MD&A) and capital requirement disclosure (Pillar III Report) of the financial business group, allowing investors to know the information and understand changes in the bank's financial position and operating result which will be beneficial to shareholders, investors and public.

The Board of Directors provides the report on its responsibilities towards the bank's financial statements and financial information. The report is submitted together with auditor's report in the annual report. The bank's financial statements must be made in accordance with the financial reporting standards by utilizing proper accounting policies with regular practice.

The bank published the 2023 annual report within 120 days from the end of the fiscal year through the bank's website on March 12, 2024.

The bank's communication channels and contact:

Address	:	1 Q.House Lumpini Building, 5 th Floor, South Sathon Rd., Thungmahamek, Sathon, Bangkok 10120
Telephone	:	0 2359 0000 Ext. 2021, 2024
Fax	:	0 2677 7223
Email	:	presidentoffice@lhbank.co.th
Website	:	www.lhbank.co.th

The bank has disclosed the shareholding structure and shareholding information of directors and executives together with direct and indirect shareholding of their spouses and minor children in the annual report.

The bank has assigned a department to be responsible for disclosing information, receiving requests and providing information as well as building good relationships with shareholders, investors, analysts and other related organizations.

The bank prepared several reports to be disclosed to the public on a fair and straightforward basis with clear explanations of its performance including significant events occurred throughout the year for shareholders' acknowledgement.

The Board of Directors has assigned the Audit Committee to review the financial reports of the bank to ensure their compliance with financial reporting standards with adequate information disclosure.

The bank has disclosed the reports of sub-committees, Board of Directors and lists of directors and their authority, total number of meetings; attendance of individual director, remuneration of directors, profiles of directors and executives, the bank's information, and reports of certified public accountants in the annual report and the bank's website.

The bank notifies the details and supporting documents of the shareholders meetings in Thai and English to investors in advance through the bank's website. This way, shareholders can have enough time to study the supporting documents beforehand. Besides, the bank advertises the notices of shareholders meetings in the newspaper for 3 consecutive days at least 3 days prior to the meeting date. Each item on the agenda is clearly stated whether it is matters for acknowledgement, matters for approval or matters for consideration, together with the Board of Directors' opinions on each item.

2. Investor Relations Function

The bank has assigned the company secretary to be responsible for investor relations to publicize the bank's financial and general information to shareholders, investors, analysts and related regulators through the following channels: the Stock Exchange of Thailand, the Securities and Exchange Commission and the bank's website under the topic of "Investor Relations", enabling interested persons to study the information with ease.

In 2024, the bank released a number of news to mass media, investors, securities analysts. It is another channel to effectively communicate with all stakeholders about the bank's information.

3. Appointment of Auditors and Audit Fee

The Audit Committee considered the qualifications and performance of auditor, proposed to the Board of Directors for consent and the board will propose it to the shareholders meeting for approval. The list of prospects to be appointed as the bank's auditor shall be consented by the Bank of Thailand and disclosed in the annual report.

According to the bank's policy, all companies under the LH Financial Group public Company Limited financial business group shall have the same external auditor which currently is KPMG Phoomchai Audit Limited.

The remuneration that was paid to **KPMG Phoomchai Audit Limited** was as follows:

1. Audit Fee

Table: Audit Fee of 2024 and 2023

Audit Fees (Baht)		Change Increase (Decrease)	
2024*	2023**	Amount (Baht)	%
5,800,000	5,800,000	-	-

Note: * Audit fee for KPMG Phoomchai Audit Limited

** Audit fee for EY Audit Limited

2. Non-audit Fee

- None

Principle 8: Ensure engagement and communication with shareholders**1. Rights of Shareholders**

Never conduct any acts of infringements or deprivations of shareholders' rights and all shareholders are encouraged to exercise their fundamental rights as stipulated by law.

2. Protection of Shareholders Rights and Equitable Treatment of Shareholders

In recognition of the significance of shareholders' basic rights, the bank is committed to ensuring equitable treatment of all shareholders and urging individual and institutional shareholders to exercise their basic rights as stipulated by law. Such basic rights include the right to buy, sell or transfer securities they own, the right to receive a share of the bank's profits, the right to receive dividends, the right to appoint a proxy to attend the meetings and cast their vote, the right to participate in the meetings of shareholders and vote for the appointment or removal of directors, the right to determine directors' remuneration, the right to appoint auditors and determine audit fees, the right to express their opinions and ask questions at the shareholders meetings and the right to obtain adequate information via easily accessible communication channels.

The Board of Directors places an emphasis on the rights of all stakeholders, whether they are internal stakeholders: directors, executives and employees of the bank or external stakeholders: all shareholders, competitors, government sector and other related agencies. The bank has a policy of transparency in conducting its business operations and encourages active collaboration between the bank and its stakeholders for mutual benefits, while ensuring all stakeholders are well protected and treated.

The Board of Directors recognizes the importance of accurate, complete, timely and transparent disclosure through the bank's website, www.lhbank.co.th, in both Thai and English to ensure that stakeholders have easy access to the bank's information and news.

The bank encourages shareholders to fully exercise their rights by providing them with convenient access to participate in shareholders meetings and cast their vote. The bank shall refrain from any action that may limit shareholders' opportunities of attending the meeting and voting. The voting is required to be conducted with simple procedures, for instance, providing relevant information via the bank's website, assigning the company secretary to directly communicate with shareholders, and facilitating the attendance of shareholders meetings, etc.

3. Shareholders Meeting

Before the Annual General Meeting of Shareholders, with the aim of encouraging and supporting all groups of shareholders, including institutional shareholders to pay attention to the meeting attendance, the bank provides the invitation letter to inform shareholders of the meeting schedule, agenda and supporting documents in both Thai and English, which clearly specifies whether the matters are for acknowledgement, approval or consideration including directors' opinions, facts and reasons of each agenda sufficient for making decisions. Such information and materials are disclosed to the public on the bank's website at www.lhbank.co.th 7 days prior to the meeting date, enabling the shareholders to have sufficient time to study the information. In addition, the bank will disseminate the notice together with supporting documents to the shareholders not less than 7 days before the date of the shareholders meeting as specified by the law. The bank will also advertise the notice of shareholders meeting in the newspaper for 3 consecutive days at least 3 days prior to the meeting date. The invitation letter sent to shareholders are as follows:

1. Invitation letter including the explanation and reasons for each agenda items and the Board of Directors' opinions
2. Annual report
3. Biographies of proposed directors for shareholders to elect

4. Details of the shareholders' registration and identification documents before the meeting, proxy appointment, voting and method of vote counting
5. Articles of Association of the bank, concerning the shareholders meeting
6. Proxy form A, form B and form C
7. Biographies of independent directors for shareholders' proxy appointment to attend the meeting
8. Definition of independent directors
9. Map of the meeting venue
10. Request from for a print copy of annual report

The Annual General Meeting of shareholders is required to be held within 4 months after the end of accounting period, the Board of Directors may summon the Extraordinary General Meeting on the date, time and place determined by the Board of Directors. Besides, a shareholder or many shareholders who hold shares in aggregate not less than 10 percent of the total paid-up share capital may jointly submit a letter to the Board of Directors requesting an Extraordinary General Meeting at any time. Matters and reasons for calling the meeting are required to be specified in the letter. In this case, the Board of Directors must hold an Extraordinary General Meeting within 45 days from the date of receiving the notice.

The bank encourages and promotes all groups of shareholders including institutional shareholders to attend the shareholders meeting as the shareholders have the right to own the bank by appointing a director to act on their behalf and have the right to make decisions on the significant changes of the bank.

At the Meeting Date

- The bank carefully conducts the shareholders meeting in order to make it fast and accurate, starting from the preparation for participants' information, attendance registration, processing of voting results on each agenda and summary report.
- On the date of the shareholders meeting, the shareholders can register 2 hours before the meeting starts. The bank provides convenience for the shareholders prior to the meeting such as preparing place and staff in order to run the registration smoothly and fast.

Attending the Shareholders Meeting

- During the meeting, the shareholders can register to attend the meeting to exercise their voting rights on any agenda that have not yet been voted.
- At the 2024 Annual General Meeting of Shareholders, the bank nominated 2 independent directors: the chairman of the Audit Committee and a member of the Audit Committee to act as shareholders' proxies. The bank has sent the notice of AGM with Proxy Form B and Proxy Form C to the shareholders, enabling them to determine the direction of voting. In addition, the shareholders can download other types of proxy forms from the bank's website in both Thai and English.
- At the 2024 Annual General Meeting of Shareholders, all 11 directors attended the meeting in person.

4. Open Session for Shareholders' Queries and Comments

- At the shareholders meeting, the chairman of the meeting shall allocate appropriate time and encourage equal opportunity for shareholders to express their opinions and queries.

Conducting the Meeting and Voting

- **Before the meeting starts**, the chairman welcomes and opens the meeting by presenting the number and proportion of shareholders and proxies attending the meeting as well as clarifying rules, voting rights required for each agenda item, voting procedures and vote counting.
- **Conducting the Meeting**
 - The bank accommodates the shareholder's meeting by keeping the process correct following the related law, regulations and the good corporate governance principles.
 - The bank allows shareholders sufficient time to consider the meeting agenda in the order specified the invitation letter, unless shareholders holding total number of shares not less than two-thirds of the total number of shareholders attending the meeting resolve to change the order of the agenda. In addition, the shareholders holding a total number of shares not less than one-thirds of the total number of paid-up shares may request the meeting to consider other matters in addition to those specified in the invitation letter.
 - The 2024 Annual General Meeting of Shareholders was conducted according to the Articles of Association and arranged in the order as identified in the invitation letter. There was no addition or switch of agenda items as well as changes in material information without prior notice to shareholders.
- **Voting Process**
 - For each agenda, a shareholder who attended the meeting present in person or being represented by proxy carries one vote per share. Regarding the agenda of the appointment of directors, the voting shall be done on an individual basis. The bank shall utilize voting forms for all agenda. After the vote count is completed, voting results of each agenda will be announced to the meeting, by specifying the vote results as "Approved", "Disapproved", "Abstained" and "Voided Ballot".

5. Minutes Preparation and Resolution Disclosure

- **After the Shareholders Meeting**
 - The bank carefully prepared the minutes of shareholders meeting both in Thai and English, containing the comprehensive important information such as the list of directors attending and absent from the meeting, executives attending the meeting, resolutions of the meeting, voting results for each agenda item divided into "Approved", "Disapproved", "Abstained" and "Voided Ballot", queries and answers as well as opinions of the meeting.
 - The bank submitted the annual report with the copy of balance sheet, profit and loss account, and the copy of the 2024 minutes of Annual General Meeting of Shareholders with authority signed for correctness to the registrar of Department of Business Development, Ministry of Commerce within the duration of 1 month from the date of shareholders' meeting and published the minutes of shareholders meeting on the bank's website.

6. Equitable Treatment of Shareholders

The bank is fully aware of its duty to ensure that every shareholder will be treated and protected equally and fairly based on their fundamental rights, by providing measures to prevent conflicts of interest or the misuse of insider information for benefits of their own or others.

7. Protection of Rights of Minority Shareholders

- The Board of Directors realizes the rights and equality of individual shareholders and treats all of them, whether they are majority or minority, individual or institution, foreign or Thai, fairly and equally. All shareholders shall receive important and accurate information at the same time to protect their basic rights.

8. Protection of Insider Information

- **Insider Trading Policy**

The Board of Directors realizes to keep and protect the use of internal information, the bank has set up the policy in writing to oversee the use of inside information as a guideline for maintaining confidentiality of the bank, to ensure equal information disclosure and to prevent the misuse of internal information for benefits of directors, executives and employees, including their spouses and minor children so that they can perform duties with honesty, fairness, compliance with laws and regulations and do not give priority to their own interests over the responsibilities towards the bank. Moreover, employees are not allowed to use internal data for personal gain in order to enhance good corporate governance as follows:

1. To prohibit directors, executives, employees, and their spouses, minor children, who are aware of material information and financial statements of the bank that is yet to be disclosed to the public both internal and external, especially insider information. This includes information between business units to prevent pre-mature non-public information disclosure, except the business units that required to know by nature and assigned as custodian same as the information owner.

This does not include providing information to regulatory authorities such as the Bank of Thailand and Securities and Exchange Commission.

2. To prohibit directors, executives, employees, and their spouses, minor children, who are aware of material information and financial statements of the bank from trading or transferring LH Financial Group Public Company Limited's securities within 30 days before financial statements disclosed to the public.

The first 4 directors and executives, according to the definition in the announcement of the Capital Market Supervisory Board, have a duty to report any changes in shares holding within 3 business days from the date of the transaction (In the case where the total value of the transaction is equal to or greater than Baht 3 million, or when the accumulated value reaches Baht 3 million.) and report any changes in securities holding within 3 business days or within 6 months from the date of the first transaction (In the case where the total value of the transaction is less than Baht 3 million), whichever comes first, and report the securities holding and any changes in securities holdings to the Board of Directors on a monthly basis.

The company secretary will send the written notifications via e-mail of blackout period to all related parties in advance to prevent the risk of illegal insider trading.

In 2024, the bank took actions to prevent insider trading which can be summarized as follows:

1. The bank has reviewed the insider trading policy, approved by the Board of Directors Meeting No. 12/2024 on December 19, 2024.
2. The bank has communicated the insider trading policy through the bank's intranet system, with 100% acknowledgement by executives and employees.
3. The bank did not have any wrongdoings regarding the insider trading.