



บริษัท แอล เอช ไฟแนนซ์เชียล กรุ๊ป จำกัด (มหาชน)

รายงานการพัฒนาธุรกิจอย่างยั่งยืน ประจำปี 2565

BUSINESS SUSTAINABILITY REPORT 2022

3. Driving Business for Sustainability

3.1 Policies and Goals of Sustainability Management

The companies believes that sustainable growth results from conducting the business with accountability on economic, social and environmental dimensions based on the good corporate governance principles for the best interests of all stakeholders.

The company aims to run the business in conformity with good corporate governance principles along with social responsibility endeavors by adhering to the code of conduct and business ethics to satisfy stakeholders in all dimensions. The company realizes that the sustainable and stable growth requires the business operation with vision and competence in managing business to achieve the mission with morality and ethics which will add great value to the organization and shareholders and bolster confidence among shareholders.

Guidelines for Corporate Social Responsibility for Sustainable Business Development

The Board of Directors pays attention to social responsibility activities to ensure concrete implementation in all operation processes for sustainable growth by encouraging all employees to participate in social activities. The company also instills the awareness of social responsibility operations. The Chairman and President perform their duties as the representatives for driving the organization to sustainable development. The Corporate Governance Committee is responsible for supervising social responsibilities' operations, and reporting the results to the Board of Directors.

The Board of Directors has determined the social responsibility policy for sustainable development following the guidelines of the Corporate Social Responsibility Institute, the Securities and Exchange Commission, and the Stock Exchange of Thailand in order for all directors, executives and employees to adhere to the guidelines with annual review. Such policy covers all dimensions on economy, society and environment in order to meet the Sustainable Development Goals (SDGs) of the United Nations and to drive sustainable growth by taking into account the well-being of all stakeholders.

Corporate social responsibility means operating the business with the focus on the stakeholders, economy, society and environment with morals, ethics and corporate governance in order to make the activities feasible with honesty, transparency and fairness. There is the awareness of negative impacts on economy, society and environment with the readiness to solve the problems to mitigate such impacts. The philosophy of sufficiency economy is integrated and implemented as to push the operations to achievements and benefits, and enhance the competitiveness in all trade forums which will be really advantageous for the sustainability of the business, stakeholders, economy, society and environment.

CSR Logo



Business Operation Sustainability Strategy

The companies in Land and Houses financial business group operate the business in compliance with the corporate governance principles, accountability on economy, society and environment and risk management in all dimensions. In addition, the company pays close attention to operating the business according to the market conduct with the aim to give customers confidence in the following aspects:

1. Receiving sincere and fair services
2. Receiving clear and appropriate suggestions
3. Receiving fair pricing and conditions
4. Receiving convenient services and proper trouble handling
5. Receiving understanding of their own rights and duties

Corporate Social Responsibility Operations

The social responsibility is one of the principles considered to be very important. The company perceives the importance of “dependence”. As all businesses have people in the society as the target group in offering products and services, no matter what direction the development of organization is, people in the society will give some support one way or another. The determination of such policy and practical guideline will guide the personnel in the organization to follow.

The company has been running the corporate social responsibility specified in the CSR-in-Process and CSR-after-Process by encouraging the executives and employees to participate and volunteer for implanting a conscious mind for corporate social responsibility. In addition, it also creates a strong base for sustainable development for society and country as whole.

CSR-in-Process

CSR-in-Process means conducting a business with social responsibility by adopting the business practices from the policy of social responsibility 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 in social responsibility for all directors, executives, and employees to have the same attitude and commitment in the organization as to become the 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 to the societies and communities, both in public and private sectors leading to the solid foundation for sustainable development of society and country as well.

Sustainable Development Framework

The company places the importance on the Sustainable Development Goals (SDGs) of the United Nations as a framework to operate and drive the business. In order to achieve such goals, the company focusses on the development on 3 key dimensions, namely economy, society and environment based on the good corporate governance principles, ensuring sustainable business growth by conducting business responsibly and delivering value to all stakeholders.



Towards Sustainable Business

Economic Dimension
Fair and responsible lending

Social Dimension
Continued promotion and improvement of quality of life in various aspects

Environmental Dimension
Conduct eco-friendly business

Governance Dimension
Enhance corporate culture for compliance and risk management

Operational Structure for Sustainability

The company has concretely integrated the concept of sustainable development with the formulation of its operational structure based on the corporate governance principles covering the economic, social and environmental aspects that is in line with the UN's goals.

LHFG Awarded the Sustainability Disclosure Recognition

The company received the Sustainability Disclosure Recognition Award for the year 2022. Held by Thaipat Institute, this prestigious award is presented to the companies that publicly disclose their sustainability information covering Environmental, Social and Governance (ESG) for the benefits of stakeholders through business sustainability report. The recognition reflects LHFG’s determination to enhance its sustainability information reporting in accordance with the Sustainable Development Goal, SDG 12.6.



Certificate of Collective Action Coalition Against Corruption

The company has participated in the activities in Thailand’s Private Sector Collective Action Coalition Against Corruption project. In addition, the company has determined the anti-corruption policy and practical guidelines for the Board of Directors, executives and employees. On October 16, 2014, the company was certified the certificate of membership for the first time from Thailand’s Private Sector Collective Action Coalition Against Corruption by Institute of Directors. The company’s membership was renewed for the second and third time on June 7, 2018 and September 30, 2021, respectively.



Performance of Social Responsibility for Sustainable Development in Various Dimensions

Economic Dimension	Social Dimension	Environmental Dimension
<p>Level of satisfaction of customers who received services from branches in 2022 was 96.10 percent, increased by 0.30 percent when compared to 95.80 percent in 2021.</p>	<p>Number of complaints from employees regarding labor operations in 2022 was 0.00 percent which remained the same as in 2021.</p>	<p>Amount of credit outstanding granted to the energy companies in 2022 was about Baht 13,360 million.</p>
	<p>The rate of employees who got injured while working in 2022 was 0.00 percent which remained the same as in 2022.</p>	<p>Carbon Credits According to the assessment result of GHG emissions arising from various activities in 2021, the company has succeeded in offsetting corporate carbon footprint of 2,155 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 143,667 perennial trees.</p>
	<p>Support for the development of society, community and environment in 2022 valued at about Baht 2.5 million.</p>	<p>The proportion of greenhouse gas emissions (Scope 1-2) to operating income in 2021 was equal to 21 percent, decreased by 9 percent compared to 30 percent in 2020.</p> <p>Note: The company is in the process of preparing a report requesting for carbon footprint verification and certification from an external verifier. The result will be submitted for consideration for registration in the 2023 meeting of the Thailand Greenhouse Gas management Organization (Public Organization) which is the evaluation result for 2022.</p>

Economic Dimension	Social Dimension	Environmental Dimension
		<p>Reduction in greenhouse gas emissions with paper management</p> <p>In 2022, the company used 11,556 reams of paper, increasing by 11 percent from 10,441 reams in 2021 since the company added more varieties of financial products with more customers. Nevertheless, the company still set out the plan to reduce paper consumption by 5-10 percent of the total amount of paper consumed each year by applying technologies to provide more electronic service channels.</p> <p>Energy Management</p> <p>In 2022, total electricity of 1,668,272 kWh was consumed, an increase of 30 percent compared to 2021. The situation of COVID-19 pandemic returned to a normal state. The company reduced the number of working-from-home employees and renovation of office space to support the hybrid workplace. Therefore, the company increased the target for a demand on electricity consumption 30 percent from 2022 when the company rented more office space to support business expansion. In 2022, some employees working from home due to COVID-19 outbreak while the situation subsided in 2023. The employees therefore, returned to the office as usual.</p> <p><u>The proportion of electricity consumption to operating income in 2022</u> was 0.020 percent, an increase of 0.004 from 0.016 percent in 2021, but decreased by 0.005 percent compared to 0.025 percent in 2020.</p> <p>Waste Management</p> <p>The company campaigns for engagement in environmental conservation in everyday life, such as Reuse, Recycle and Reduce. As a result, the amount of waste from business operations was reduced from 77,962.80 kg in 2020 to 28,323 kg in 2021 or 64 percent and the amount of recycled waste increased from 5,402.80 kg in 2020 to 8,320 kg in 2021 or 54 percent.</p> <p><u>The proportion of business waste to revenue from operations in 2021</u> was 0.0003 percent, decreased by 0.0007 percent compared to 2020 at 0.0010 percent.</p> <p><u>The proportion of recycled waste to municipal waste in 2021</u> was 41.59 percent, an increase of 34.14 percent compared to 7.45 percent in 2020.</p> <p>Note: Waste management information for the year 2022, the company is in the process of preparing a report requesting for verification and certification from an external verifier.</p>

Corporate Social Responsibility for Sustainable Business Development Policy

The company is aware of operating business under the social responsibility leading the business sustainability by paying close attention to taking care of the stakeholders, economy, society and environment with morality, ethics, and conducting business operations with honesty, transparency and fairness. The negative impact on the economy, society and environment must be well aware. Consequently, the company regulates the policy on corporate social responsibility for sustainable business development so that directors, executives and employees can adhere to in 9 areas below:

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 Development of Community and Society

Society

8. Environmental Management
9. Innovation and Dissemination of Innovative Corporate Social Responsibilities

Corporate Social Responsibilities

The company publishes the details of Corporate Social Responsibility for Business Sustainability Policy on company's website (www.lhfg.co.th)

Objectives of Corporate Social Responsibility for Sustainable Business Development Policy

- To raise awareness and inculcate a sense of accountability on sustainable development guidelines
- To build up confidence that the company's efforts on the economic development is consistent with the best benefits of society, environment and all stakeholders
- To ensure the company's business goals is in line with the Sustainable Development Goals (SDGs) 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 company pays close attention to the sustainable business development reporting as part of the annual report for thorough communication with stakeholders to know 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, and the Stock Exchange of Thailand. The content of the report covers the company's performance by collecting data from responsible departments from 1 January to 31 December 2022.

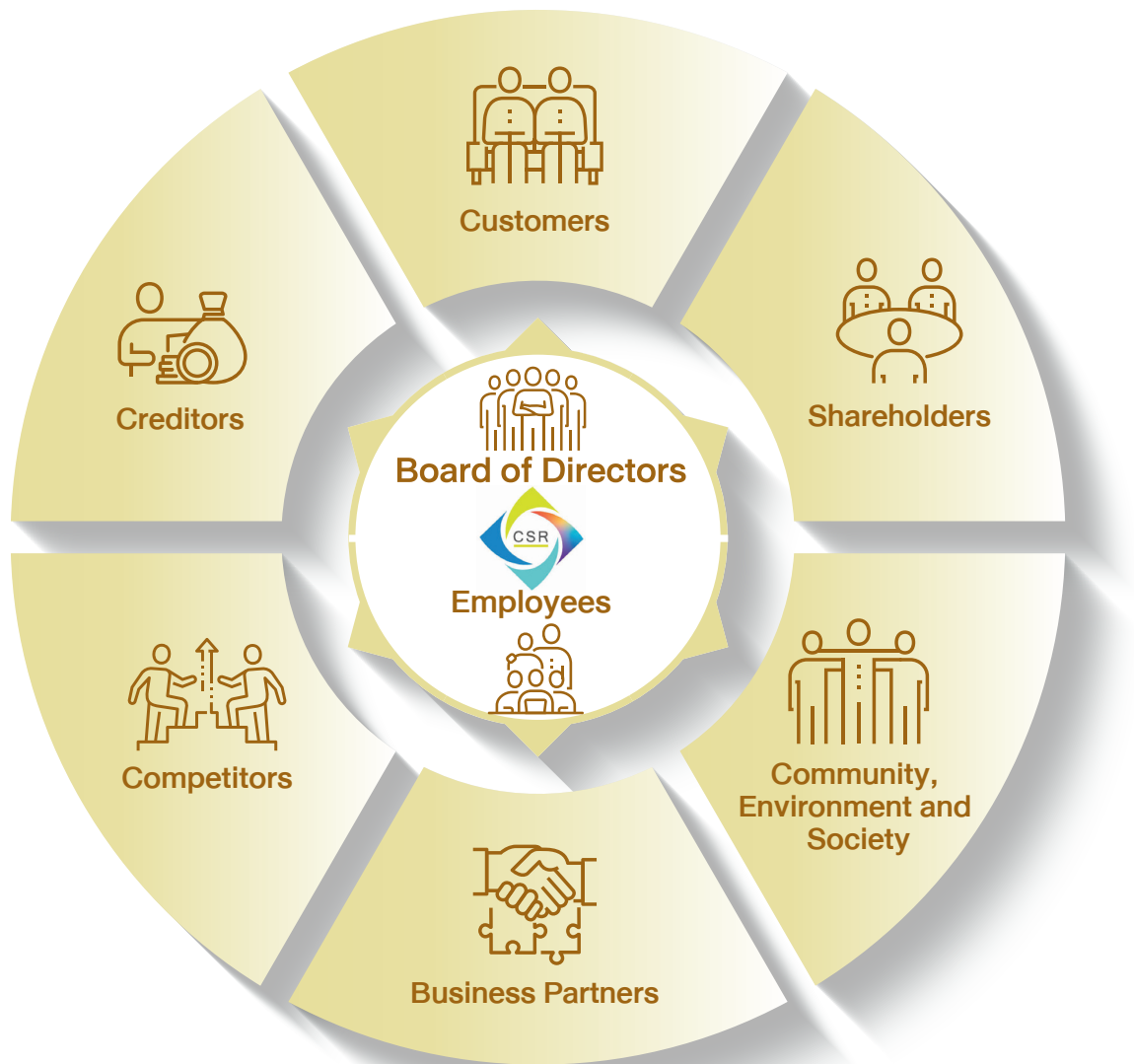
The company presented the content of the sustainable business development report with the analysis for the needs of both internal and external stakeholders. The result was then applied to determine material issues and impacts on business operations under the social responsibility for sustainable business development policy as follows:



1. Analysis of Stakeholders' Needs

The company pays attention to the rights of all stakeholders by providing the process and procedure to analyze the requirements of both internal and external stakeholders through various activities and many communication channels. The company also clearly determines the frequency of operations such as survey of employees' engagement towards the company so that

the company will make use of the information to determine the practical guidelines consistent with the good corporate governance policy and social responsibilities for sustainable business development policy. In addition, the company identifies and selects all stakeholders by considering the importance of all stakeholders and effects of business operations to stakeholders for appropriate practices.



Practical Guideline for Stakeholders

The company has determined the practical guideline for stakeholders in writing in the Code of Conduct and the Code of Ethics for employees. The company pays attention to the rights of all groups of stakeholders of which they can be divided into 2 groups so that their needs can be identified and addressed properly. Moreover, their participation is also encouraged.

Stakeholders group consists of:




1. Internal stakeholders, namely, directors, executives and employees
2. External stakeholders, namely shareholders, customers, community, society and environment, business partners, trade competitors and creditors

Analysis of Stakeholders' Needs

Stakeholders	Needs Analysis	Practical Guidelines Under Policies	Implementation
1. Shareholders 	<ul style="list-style-type: none"> • Appropriate compensation and sustainable growth • Good business performance, stable growth under appropriate risk • Work with transparency, fairness and accountability • Prudent risk management 	<ul style="list-style-type: none"> • Business operations under good corporate governance principles 	<ul style="list-style-type: none"> • Generate good performance under proper risk management • Organize the Annual General Meeting of Shareholders once a year • Hold press conference and analyst meeting twice • Disclose information through all channels with correctness, equality and transparency • Provide channels for inquiries via the company's website • Receive suggestions and complaints through channels provided • Facilitate minority shareholders to propose material issues useful for business management via the company's website, publish them via the Stock Exchange of Thailand for consideration and add them to the agenda of the Annual General Meeting of Shareholders with the following rights: <ol style="list-style-type: none"> 1. To propose the agenda for AGM 2. To nominate qualified candidates for directorship election 3. To propose questions in advance • Invite shareholders to attend AGM and share their opinions
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 • Evaluate the performance for work improvement 	<ul style="list-style-type: none"> • Business operations under good corporate governance principles 	<ul style="list-style-type: none"> • Organize the company's Board of Directors meeting every month • Establish sub-committees to consider and screen proposals before submitting to the board • Provide sufficient and complete information in a timely manner • Engage in good governance activities • Encourage, support and develop knowledge related to the duties of directors and business • Provide orientation program for new directors • Provide self-assessment for directors as to improve more efficient work as follows: <ol style="list-style-type: none"> 1. Self-assessment of the Board of Directors and sub-committees on a collective basis 2. Self-assessment of the Board of Directors and sub-committees on an individual basis 3. Cross-assessment of directors 4. Good corporate governance self-assessment

Stakeholders	Needs Analysis	Practical Guidelines Under Policies	Implementation
<p>3. Employees</p> 	<ul style="list-style-type: none"> ● 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 	<ul style="list-style-type: none"> ● No discriminations on employments regardless of ethnic, race, gender, status, religion, political views, or age ● Promote employment for vulnerable labors, such as provide opportunities to employ people with disabilities ● Develop human resources by providing skill trainings and capacity building for employees by creating opportunities for learning and promotions for career progress ● 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 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 ● Properly arrange working environment for work safety and dignity ● Protect and do not persecute or impose any disciplinary proceedings against an employee who reports any wrongdoings with integrity to executives or public agencies ● Prepare policy on safety and occupational health, as well as analyze and determine the measures for risk control on safety and occupational health at work 	<ul style="list-style-type: none"> ● Arrange welcome the newcomers ● Provide orientation for new employees ● Encourage employees to instill corporate values ● Develop employees' potential by arranging capacity building learning for all levels of employees and increase the learning channels via the company's intranet and PacD, enabling them to learn anywhere anytime without limitations on potential enhancement ● Prepare succession plans to replace executives and key positions ● Introduce activities to build teamwork ● Survey market rate of compensation on a regular basis as to improve to align with proper industrial standard or reasonable standard of living ● Provide channels to receive complaints, opinions and suggestions ● Protect and do not persecute or impose any disciplinary proceedings against an employee who reports any wrongdoings with integrity to executives or public agencies ● Establish the Safety, Health and Environment Committee for driving the policy and the plan for Occupational Safety, Health and Environment in a workplace ● Improve working environment to align with occupational safety guidelines ● Hire people with disabilities to pursue their career and live in the society with pride ● Provide learning and communication channels to support two-way communication

Stakeholders	Needs Analysis	Practical Guidelines Under Policies	Implementation
<p>4. Customers</p> 	<ul style="list-style-type: none"> ● Customers relationship management ● Market Conduct ● Satisfaction for 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' requirements, 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 	<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 feedbacks for improvements ● Innovate and create products and services that meet consumers' requirements ● 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 our 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
<p>5. Community, Environment and Society</p> 	<ul style="list-style-type: none"> ● Support communities' activities ● Promote and enhance learning and knowledge ● Promote and support government's policies ● Preserve environments ● Collect the voice of neighboring communities 	<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 ● Prepare emergency plan suitable for reducing losses ● Open a chance and facilitate all related parties to express their creative ideas which is the foundation for creating innovations leading to continuous creation of innovations ● Promote and cooperate with the stakeholders, such as business 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 	<ul style="list-style-type: none"> ● Listen to the opinions of nearby communities as to improve or support social activities ● Provide support for cultural, traditional and religious activities ● Provide appropriate emergency plan to prevent losses and damages against environment ● Organize the Green Office project to reduce electricity and paper use as well as shift to use environmentally-friendly office automations ● "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 youths in needs ● "Old Calendar We Need" for the school of the blind to be used for producing instructional media, braille book and notebook for the blind students ● "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

Stakeholders	Needs Analysis	Practical Guidelines Under Policies	Implementation
			<ul style="list-style-type: none"> • Financial and non-financial donations, debt restructuring by reducing installment, giving more loans for victims or customers impacted by natural disasters • Grant relief measure for customers affected by COVID-19 pandemic by relaxing payment conditions, extending loan tenor, providing loans for working capital.
<p>6. Business Partners</p> 	<ul style="list-style-type: none"> • Perform business with transparency and fairness • Facility and process sharing: refer customers in Land and Houses financial business group to partners • Information sharing: exchange business data • Network extension: extend networks together with partners 	<ul style="list-style-type: none"> • Comply with trade terms and conditions and agreements • Create partnerships with potential business partners • Fair business practices • No trade barriers 	<ul style="list-style-type: none"> • Meet with trade partners. • Conduct marketing campaign with business partners of Land and Houses financial business group • Create partnerships with customers so that they can refer other customers to use the bank's services • Collect suggestions or complaints • Set up the Purchasing Committee in order to manage procurement process appropriate and fair for business partners • Prompt payments for products and services • Transparent selection of service providers
<p>7. Competitors</p> 	<ul style="list-style-type: none"> • Perform business with transparency and fairness 	<ul style="list-style-type: none"> • Comply with the rules of fair competition and never use any dishonest method 	<ul style="list-style-type: none"> • Determine fair competition conditions
<p>8. Creditors</p> 	<ul style="list-style-type: none"> • Pay interest and payback when due 	<ul style="list-style-type: none"> • Comply with the agreements or terms and conditions in the agreements and duties 	<ul style="list-style-type: none"> • Comply with the contract or any conditions, agreements and duties • Collect suggestions or complaints

2. Determining Material Issues Affecting Business Operations

The company takes into account all critical issues, opinions, suggestions and expectations affecting business operations, derived from the analysis of internal and external stakeholders' demand which complies with a policy on corporate social responsibilities for sustainable business development in order to determine the important issues and impacts on business operations as follows:

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

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

As such, all stakeholders of the financial business group are equally important as all are affecting the company’s business operations. The company connects to the stakeholders as to build confidence to all stakeholders and act as a foundation for good corporate governance. As well as a good protection when the company faces obstacles as all stakeholders can be sure that the company can manage any obstacles.

3. Prioritizing Material Issues Affecting Business Operations

The company analyzes and considers data obtained from the interviews of both internal and external stakeholders in order to prioritize the material issues that can affect business operations. These issues can be divided into 3 levels: low, medium, high, 9 issues in total. The issues were then prioritized in materiality matrix chart. The vertical axis represents the key issues critical for stakeholders and the horizontal axis shows the issues critical for the company.

The company conducts its business according to the principle of being a company with sustainable growth and drives the business with strong determination covering 3 dimensions: economy, society and environment. Under good corporate governance along with corporate social responsibility, code of conduct and business ethics.

In 2022, the company targeted the sustainable development operations as follows:

Main Goal	Commitment	Target	Operating Result
Environment for sustainability	Environmental impact mitigation	In 2022, the company targeted for carbon offset to reach carbon neutral	In 2021, the company offset carbon credits of 2,155 tons of carbon dioxide equivalent from type 1 and 2 emission sources (Scope 1&2) and type 3 emission sources (Scope 3), equivalent to planting of 143,667 trees.

Materiality Matrix



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	<ul style="list-style-type: none"> Companies in the financial business group Directors, executives and employees 	<ul style="list-style-type: none"> Shareholders Customers Business Partners 	<ul style="list-style-type: none"> Good corporate governance 	
Market conduct	GRI 102-43 GRI 103-1 GRI 103-2 GRI 103-3 GRI 203-1	<ul style="list-style-type: none"> Companies in the financial business group Directors, executives and employees 	<ul style="list-style-type: none"> Customers 	<ul style="list-style-type: none"> Sustainable business operations Responsibilities towards customers 	   
Digital development	GRI 203-2	<ul style="list-style-type: none"> Companies in the financial business group 	<ul style="list-style-type: none"> Customers 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Companies in the financial business group Directors, executives and employees 	<ul style="list-style-type: none"> Shareholders Customers Business Partners 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Companies in the financial business group Directors, executives and employees 	<ul style="list-style-type: none"> Shareholders Customers Business Partners 	<ul style="list-style-type: none"> 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	<ul style="list-style-type: none"> Companies in the financial business group Directors and executives 	<ul style="list-style-type: none"> Business Partners 	<ul style="list-style-type: none"> 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 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	<ul style="list-style-type: none"> Companies in the financial business group 	<ul style="list-style-type: none"> Customers Communities, Societies and Environment 	<ul style="list-style-type: none"> Development of Communities and Societies 	
Environment for sustainability	GRI 305-1 GRI 305-2	<ul style="list-style-type: none"> Companies in the group 	<ul style="list-style-type: none"> Customers Communities, Societies and Environment 	<ul style="list-style-type: none"> Environmental Sustainability Management 	
Communities, Societies and Environment	GRI 201-1 GRI 203-1 GRI 203-2 GRI 413-1 GRI 419-1	<ul style="list-style-type: none"> Companies in the financial business group 	<ul style="list-style-type: none"> Customers Communities, Societies and Environment 	<ul style="list-style-type: none"> Development of Communities and Societies 	

4. Verifying Material Issues Affecting Business Operations

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

5. Reviewing Material Issues Affecting Business Operations

The company provides the information review process after this report has been published in order to collect opinions and suggestions for further improvement of the contents in the next report.

Checking Quality of Report

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

Persuading Business Partners to Join the Anti-Corruption Association

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

Credit Underwriting Following Environmental, Social and Corporate Governance Risks

For credit underwriting, we are aware of the importance of environment, society and good governance. However, credit approval has strict and discrete approval processes. The topics to be considered include the environmental, social and good governance risks. If the businesses of customers bring about negative side effects on economy, society and environment, the bank will not support any loan for them.

Customer Relationship Management

Land and Houses financial group is committed to upgrade the level of service quality by conducting a research on customers' satisfaction in order to deeply understand their requirements in order to improve the service quality to address their requirements and define the KPI for effective services. Besides, service standard is regularly revised to ensure effective delivery of services to customers and communication with staff is made, ensuring them to be aware of the importance of providing high-standard services with constant check on service quality.

Supply Chain Management

The company is aware of the importance of growing businesses that do not affect society and environment throughout the supply chain. The company also puts the emphasis on the collaboration with all business partners to develop the business operation process together with elevation of the standard on environmental and social operations according to the company's code of conduct.

The company has determined the practical guidelines for procurements and receiving services so that quality supplies and services can be obtained with appropriate price. The process for procurements 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 selection of the methods depends on the budget of operation for each time and it must be considered and approved by the Purchasing Committee. For fairness and equality, the selection of suppliers or vendors, the company has determined the selection criteria by choosing from business stability, product specification, service and price.

Selection of suppliers or vendors comprises the steps as follows:

1. Acquire the lists of suppliers and vendors to meet the needs of users
2. Select the suppliers and vendors who do not involve in bribe, fraud and corruption according to the selection criteria of business stability, product qualification, service and pricing which conform to the procurement guideline of the company. The company also procures quality products at appropriate price 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 save environment in order to create a supply chain for mutual business operations which will benefit employees, community, society and environment.

3. When received a shortlist of suppliers or vendors against the selection process, the next step is evaluation process to find suppliers or vendors who provide supplies with good quality at reasonable cost and price.

In the year 2022, the bank had 680 business partners, decreasing by 27.6 percent when compared to 939 in the year 2021 due to the current update. The business partners have acknowledged to follow the company's code of conduct and ethics. And the bank informed them of procurement rules for their understanding and compliance with the procurement procedures with accuracy and transparency.

Monitoring, Checking and Evaluating Process of Business Partners

The company has monitored and assessed the performance of partners in various ways, such as evaluating their satisfaction for services, having a channel to collect their suggestions and complaints. However, to ensure that the company has received the products and good services as required, the company has the procurement management team to inspect the products and services and provide suggestions to the partners to improve the quality of products. In case the partners cannot follow the required standard, the company will consider turning down their service.

Tax Management

The company is listed on the Stock Exchange of Thailand and the financial business group that operates the business with transparency and stability according to the good governance principles. The company is committed to operating its business in conformity with the rules and regulations of revenue code.

Tax Management Strategy

The company has planned for revenue tax for the maximum benefits of the company and the stakeholders as well as complied with the regulations of revenue code.

Tax Risk Management

The company has the revenue tax risk management and provided seminars and trainings for related employees to improve their knowledge by taking into consideration the risks, responsibilities and fair treatment of stakeholders and related parties.

Tax Incentives

The company exercises effective tax incentives according to laws 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 all of which are dependent on the tax policy of the country or local tax policy imposed on businesses with the natures under relevant requirements.

3.3 Sustainability Management in Environmental Dimensions

The company has awareness and intention to play part in solving the global warming and promote a goal of carbon-neutral organization. The company was invited to be a member of Thailand Carbon Neutral Network : TCNN and a member of the Climate Finance Sub-committee. They aim at promoting collaboration among government agencies, private sectors and local communities to enhance further reductions in greenhouse gas (GHG) emissions

as well as build sustainable growth for a climate-friendly society and achieve net-zero carbon emissions in line with global communities' intention reflected in the Paris Agreement on climate change and UNFCCC's Race To Zero campaign. In addition, Thailand is moving toward a low carbon economy with a goal of achieving carbon neutrality by 2050 and net zero GHG emission in 2065.



Carbon Footprint for Organization : CFO

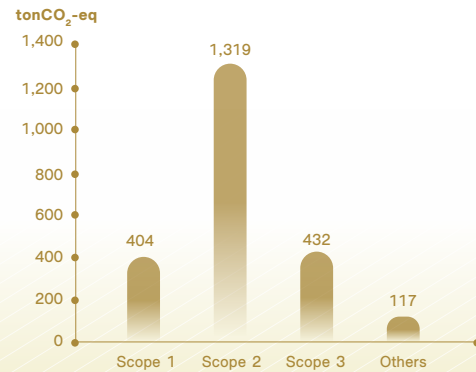
The impacts of global warming have prompted international communities, including Thailand, to become more alert and take urgent actions to curb GHG emissions with the concept of carbon footprint for Organization (CFO). It is recognized as an important tool in quantifying and reporting GHG emissions from an organization's activities demonstrated in terms of carbon dioxide equivalent, which can lead to explicit guidelines to effectively reduce the organization's GHG emissions.

With the intentions to tackle the global warming, the company has set targets of CFO and has done much preparation by sending its personnel to join various related activities, training courses and seminars. On March 8, 2021, LH Financial Group Public Company Limited financial business group, signed the memorandum of understanding with Thailand Carbon Offsetting Program (TCOP 8) to promote the voluntary national carbon markets for the 8th year, hosted by VRGREEN, Faculty of Environment, Kasetsart University, a pilot voluntary organization to quantify its GHG emissions and consider effective ways to alleviate GHG emission for sustainable development of organization and employees.

From the beginning of 2022, the company maintained the policy to generate the report on direct and indirect GHG emissions arising from its business activities throughout the supply chain in compliance with the Thailand Greenhouse Gas Management Organization (Public Organization) or TGO in calculating and reporting carbon footprint for organization. Such report included the company's scope of work and financial control while considering scope 1 and 2 emissions of greenhouse gases generated by the company's activities in 2021. Based on the TGO's verification guideline on the organizational carbon footprint, these reports were reviewed and verified for the data's accuracy and reliability by the independent verifier, Greenhouse Gas Management and Certification Unit, University of Phayao. The certification level submitted was a limited assurance with a materiality threshold at 5 percent. Consequently, the company was granted a certificate of Carbon Footprint for Organization from TGO on May 24, 2022.

Table: Assessment results on GHG emissions arising from various activities in 2021

Scope	Corporate GHG emissions (tCO ₂ e/yr)	Percentage of scope 1 & 2	Percentage of scope 1, 2 and 3
Scope 1	404	23.45	18.75
Scope 2	1,319	76.55	61.21
Scope 3	432		20.05
Total	117		
Total Scope 1 & 2	1,723	100.00	
Total Scope 1 & 2 & 3	2,155		100.00
Carbon intensity (Scope 1+2)		0.144962043	kgCO ₂ e/sq.m
Carbon intensity (Scope 1+2+3)		0.181307721	kgCO ₂ e/sq.m



In 2021, the percentage of GHG emission (Scope 1 & 2) per operating income was equal to 21 percent.

At present, the company is preparing the 2022 report on the assessment of GHG emissions arising from various business activities, which still contains its scope of work and financial control, by considering the scope 1, 2 and 3 emissions of greenhouse gases and employing the same verification criteria to the organizational carbon footprint provided by TGO as in 2021. The company filed a request for data verification and certification of carbon footprint for organization with an external verifier. The assessment result will then be proposed to the TGO meeting for carbon footprint registration for 2023.

Carbon Credits

TGO has initiated the Carbon Offsetting Program with an aim of encouraging all sectors to participate in carbon offsetting activities as an expression of social responsibility and to generate demand for carbon credits in the Clean Development Mechanism (CDM) and the Thailand Voluntary Emission Reduction Program (T-VER) which support and enhance the local voluntary carbon market, leading to a greater drive to reduce GHG emissions in the overall sectors.

The company recognized an importance of the mentioned mechanism and support to promote the Voluntary National Carbon Markets with a policy to create carbon neutrality. In 2021, the company offset corporate carbon footprint of 2,155 tons of carbon dioxide equivalent to the carbon dioxide levels emitted from scope 1, 2 and 3 sources equivalent to planting 143,667 perennial trees by choosing carbon credit from Naresuan Hydropower Project credit number TH-21-1777590-1779744-1-1-1. Moreover,

on May 24, 2022, the company was granted the Carbon Neutral Certificate and was authorized to use the Carbon Neutral logo by TGO. In 2022, the company targeted to continue its carbon neutrality.

Energy Management

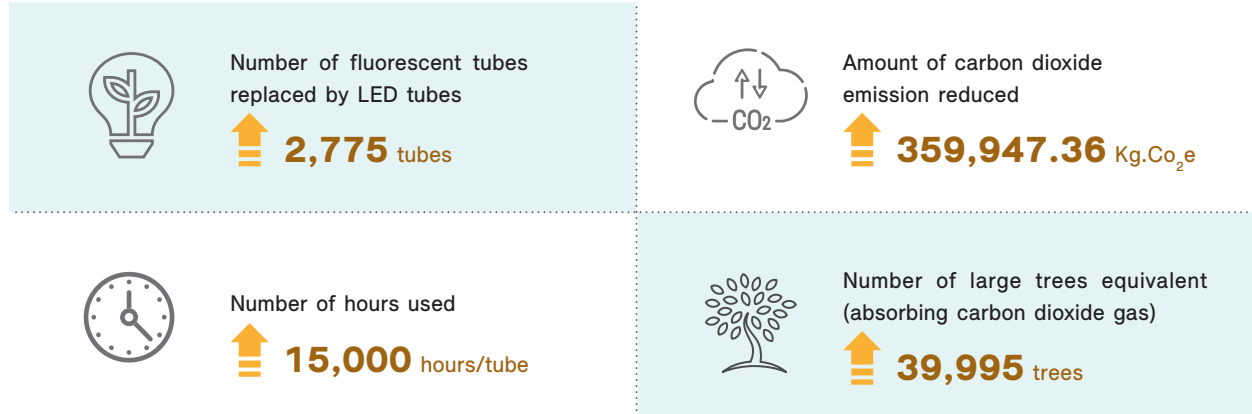
The company continues to manage electricity and tap water in order to achieve efficient and effective use, for example:

- The company has renovated the office building and maintained office equipment in an environmental-oriented manner to reduce pollution, save energy and costs.
- The company has reduced the number of single function office automations and replaced them with new energy-saving technologies with less pollution. The ongoing project helps reduce energy-related costs and other expenses such as paper cost, maintenance and procurement costs for office equipment. Moreover, it also saves the office space from office automation arrangements.
- The company has replaced the single-functioned printers with the multi-functioned printers and set them as a pool for which one printer is shared among different departments. This results in the lower consumption of electricity and space saving.
- The company has selected energy-efficient fluorescent tubes and LED tubes, with the wattage suitable for space, and proper size of cables. The office decoration also employed soft colors and natural light as much as possible and water-saving taps were installed.

- The company had replaced fluorescent tubes with LED tubes since 2016, totaling 2,775, consisting of 2,378 long LED tubes and 397 short LED tubes, helping save energy consumption by 618,360 kWh. or approximately 45 percent when compared with the use of fluorescent

tubes. As LED tubes produces less heat than traditional fluorescent lamps, they could reduce the carbon dioxide emissions by 359,947.36 Kg.Co₂e over its lifetime. That was equivalent to planting 39,995 large trees to absorb carbon dioxide (Co₂).

Replacement of Fluorescent Tubes with LED Tubes Project



- The company has measured wind velocity of air conditioners, adjusted the wind speed to meet the standard suitable for working environment, increased air conditioners' efficiency, and reduced the cost from energy loss.

GHG Emissions Reduction

The company takes into account the assessment report by using both information on direct and indirect GHG emissions from various activities throughout its supply chain in 2020 as a base year. It has been discussed with all relevant business units to map out improved guidelines on how to reduce GHG emissions more concretely.

In 2022, the company sent out its employees to attend the following trainings provided by various institutions, both public and private, so they gained knowledge and understanding on the above issues.

Training/Seminar	Organizer	Number of Participants
Climate Change Measurement & Management (Financial Sector)	The Stock Exchange of Thailand (SET)	5
Driving Organization with ESG data and Introduction to ESG Data Platform	The Stock Exchange of Thailand (SET)	5
SET E-Learning : CFO01-Business and GHG Emission Reduction	The Stock Exchange of Thailand (SET)	3
SET E-Learning : CFO02-Carbon Footprint for Organization	The Stock Exchange of Thailand (SET)	3
Regulatory Framework and Incentives for Low Carbon Future Society	Petroleum Institute of Thailand	5
Organization Waste Management to Reduce Carbon Footprint	GEPP Sa-Ard Company Limited	5
ISO 41001 Facility Management System	Bureau Veritas Thailand	1
ESG Management for Sustainable Financing	ERM-Siam Company Limited	5

Training/Seminar	Organizer	Number of Participants
Sustainable Bond : New Way of Fundraising for Good Environments and Society.	The Securities and Exchange Commission (SEC)	5
Expectation and Concerns in Investment	The Asian Development Bank	5
Green Bond Issuance and Certification	TRIS Rating	5
Climate Risk & Opportunity Assessment	The Creagy Company Limited	5
EV, Opportunities and challenges to reduce GHG	Electric Vehicle Association of Thailand (EVAT)	5
The Future of AI and Robotics for Climate Change in Agroforestry Sector	AI and Robotics Ventures Company Limited	5
Salesforce : Journey to Net Zero	Salesforce	5
Climate Action Partnership Towards Carbon Neutrality/Net Zero Emission	Thailand Carbon Neutral Network	5
Science-Based Targets : SBT	Thailand Greenhouse Gas Management Organization	5
Guideline and Success Factors in towards Net Zero Goals	Thailand Carbon Neutral Network	5
Thailand Carbon Neutral Network (TCNN) seminar No. 1: "Climate Change Policy Framework Prepare to Achieve the Goal of Carbon Neutrality – Net Zero"	Thailand Carbon Neutral Network	5
Thailand Carbon Neutral Network (TCNN) seminar No. 2 "Carbon Market: Business Opportunities to Reduce Global Warming Aiming Towards Carbon Neutrality"	Thailand Carbon Neutral Network	5
Thailand Carbon Neutral Network (TCNN) seminar No. 3: "Climate Finance : ESG and Green Bond Financing"	Thailand Carbon Neutral Network	5
Thailand Carbon Neutral Network (TCNN) seminar No. 4: "Innovative Climate Change Technology"	Thailand Carbon Neutral Network	5
Seminar and Workshop 4 & 5: Guidelines for Setting Carbon Price in Organization.	Thailand Greenhouse Gas Management Organization	5
Climate Finance Sub-committee 1/2022	Thailand Carbon Neutral Network	2
Climate Finance Sub-committee 2/2022	Thailand Carbon Neutral Network	2
TBCSD Climate Action "(Low Carbon and Sustainable Business" Season 2 : Financial Business Group, Petrochemicals and Chemicals	Thailand Environment Institute	2
Net-Zero Targets : Energizing Efforts for Action	Thai Listed Companies Association	2
Connecting Corporates and Investors Through Environmental Disclosure	The Securities and Exchange Commission (SEC)	5
Carbon Tax	Fiscal Policy Research Institute Foundation	2
Climate Change Preparation and GHG Emission Reduction Operation Guideline: Understanding Risk, Opportunity and Yourself	The Stock Exchange of Thailand (SET)	5

Training/Seminar	Organizer	Number of Participants
Climate Change Preparation and GHG Emission Reduction Operation Guideline : Reduce GHG with SBT	The Stock Exchange of Thailand (SET)	5
Climate Change Preparation and GHG Emission Reduction Operation Guideline : GHG Reduction Goal, Reports and Compensation	The Stock Exchange of Thailand (SET)	5
Turning Waste into Value - Waste and Recycling Business	Thai Listed Companies Association	2
Climate Related Disclosures and Implementation - Series 1 : Deep Dive into Climate Related Disclosures	The Securities and Exchange Commission (SEC)	5
Climate Related Disclosures and Implementation - Series 2 : Climate Risk Management and Climate Scenario Analysis	The Securities and Exchange Commission (SEC)	5

Waste Management

The waste issue in Thailand is exponentially growing, particularly accumulated garbage. According to the Pollution Control Department's report in 2020, there were 7.88 million tons of waste that wasn't disposed properly or 31 percent of total wastes in that year. This waste created various problems including a breeding ground for diseases, some floated into an open-sea or the accumulation of micro-plastic in seafoods. Thailand has, therefore, created a roadmap in waste management for the year 2018 - 2030 with the aim to reuse 100 percent of the plastic waste within 2027.

The company reduced the waste from its business activities from 77,962.80 kg in 2020 to 28,323 kg in 2021 or 64 percent and increased recycled waste from 5,402.80 in 2020 to 8,320 kg in 2021 or 54 percent.

In 2021, the percentage of waste per operating income was equivalent to 0.0003 percent.

In 2021, the percentage of recycled waste per community waste was equal to 41.59 percent.

The company defines the waste management goals by launching paperless campaign in various forms such as reuse, recycle and reduce with social accountability. The campaign was also made for employees to be part of environmental conservation effort in their daily life including reuse, recycle, and reduce.

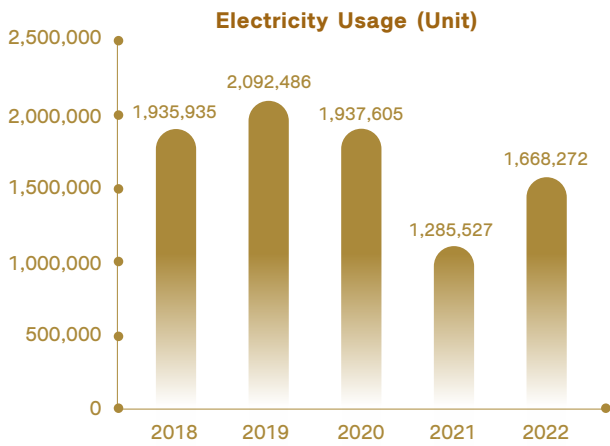
Waste Management Goal for 2023

In 2022, the company joint waste sorting project to reduce GHG emission of the Thai Listed Companies Association to sort out wastes in the office into separate categories: wet, general, recycled and dangerous. The campaign was also made for employees to sort wastes before discarding. In 2023, the company has a plan to sort out wastes into proper category with regular campaign for employees before disposing.

Electricity Management

The company has focused on environment, economy and society, management of cost reduction, especially energy cost. LH Financial Group Public Company Limited financial business group as a financial service provider, requires great amount of electrical energy including lighting system, air-conditioning system and computer system. The company, therefore, monitors environmental impacts and measures energy efficiency constantly with continuous improvement.

In 2022, the company had the total electricity consumption of 1,668,272 kWh, increased by 30 percent from 2021. As the COVID-19 situation is starting to subside and all operations are returning to normal, the company further reduces the number of employees working from home and renovated office spaces.



In 2022, the percentage of electricity usage per operating income was 0.020 percent.

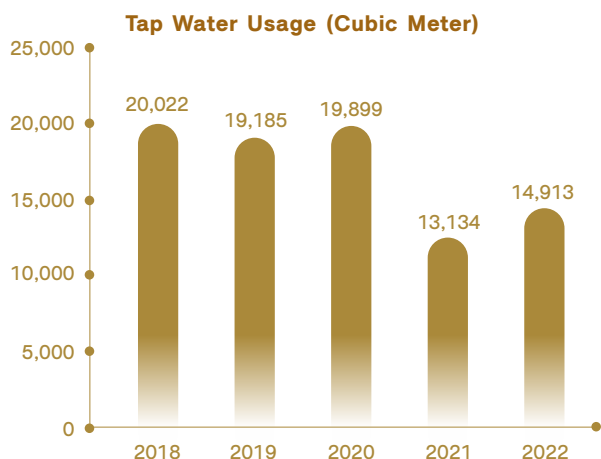
Electricity Management Goal for 2023

The company set the target to increase electricity usage by 30 percent from 2022 as the company rented additional space to support the business expansion. In 2022, employees were working from home due to the COVID-19 outbreak. In 2023, COVID-19 pandemic subsided, the employees are returning to work in the office as usual.

Water Management

The company has used water from the Metropolitan Waterworks Authority and Provincial Waterworks Authority for the whole business operation of which the most consumption is in an office, washing and tree watering. The company has a plan to use water efficiently so it regularly checks pipes, water meters and equipment and uses water-saving sanitary wares, taps and bidet showers. It also focuses on raising employees’ awareness of the need to conserve water.

In 2022, the tap water usage totaled 14,913 cubic meters, increased by 14 percent when compared with 2021. As COVID-19 situation is starting to subside and all operation is returning to normal. As a result, the company reduces the number of employees working from home.



Water Management Target of 2023

The company set the target to increase water usage by 30 percent from 2022 as the company rented additional space to support the business expansion. In 2022, employees were working from home due to the COVID-19 outbreak. In 2023, COVID-19 pandemic subsided, the employees are returning to work in the office as usual.

Paper Management

The company is well aware that paper is a main office consumable which is needed in different stages of operations such as printing reports, documents for customers, receipts and contracts. Producing the paper needs natural resources which are trees while there are massive rubbishes from used papers. Therefore, campaigns and activities are conducted to raise awareness among employees to use paper economically and effectively as follows:

Changing Paper Form of Invitation Letters to Various Meetings into Electronic-based Platform

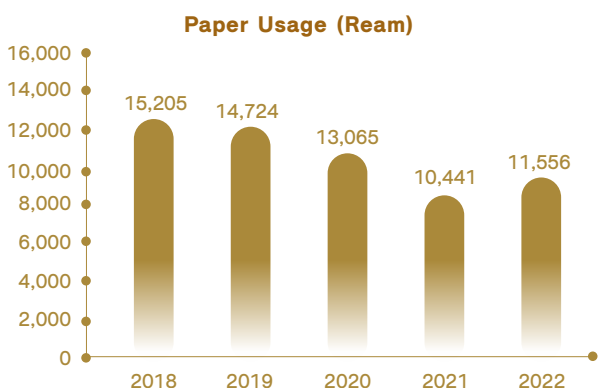
The company has changed the process of preparing the meeting materials for many committees from papers to e-documents. This process can help reduce paper consumption by approximately 20,000 pieces a month.

Transforming Financial Services to Be More Digital :

This enables financial transactions to be performed every day, anytime anywhere. Not only can it reduce the cost and the amount of paper used, it also helps reduce the use of ink, amount of wastes from paper usage and enhance work efficiency due to time saving in preparing documents, putting them into envelopes and posting them via postal service.

Paper Usage

In 2022, 11,556 reams of papers were used, increased by 11 percent when compared to 10,441 reams in 2021. That was because the company has issued new varieties of financial products and the increase in customers.



Paperless Guideline

The company provides the paperless guidelines with the aim to ensure that saving the papers and reducing the paper usage are systematic and concrete by adhering to the following practical guidelines:

1. Survey and planning
2. Application of technologies by increasing electronic channels
3. Efficient use of paper
4. Monitoring and evaluation
5. Behavioral change among employees

1. Survey and Planning

The company has surveyed the data of paper usage in each year by taking into account the number of employees, departments and work supports as well as developing a clear plan for paper usage by reducing paper usage 5-10 percent of the total number of papers used each year.

2. Application of Technologies by Increasing Electronic Channels

The company has supported and encouraged employees to adopt more information technologies in the operations such as:

- Meeting material packs for each committee have been changed from the paper pack of invitation letter to an electronic form.
- Trainings with a lot of training materials are suggested to send them by e-mail.
- Correspondence is made via email such as circulars.
- Storage of scanned correspondences and documents instead of photocopies

In addition, the company has recycled unused papers to save trees. The operation manual on document storage and disposal by recycling expired documents has been set as detailed in the table below:

	2022	2021	2020	2019
Number of documents due to be destroyed (Box)	5,804	1,217	1,868	2,115
Weight of documents (Kilogram)	61,313	15,620	27,280	30,250
Number of trees that can compensate the cut down trees to produce papers per 1 ton ¹ of used papers (Tree)	920	234	409	454

Note:¹ 1 ton of used papers can substitute up to 15 cut trees to produce papers.
Source: "Green Science Project," Paperless Manual, Faculty of Science, Srinakharinwirot University
Calculation formula: Tree cutting replacement = 15 trees / 1 ton X weight of used papers

3. Efficient Use of Papers

Effective use of papers can start from having one-sided papers separated before proceeding with the following steps:

- Set up common areas for everyone to use one-sided papers and encourage employees to reuse them.
- Inform all employees of where the common areas of one-sided papers are
- Reuse them as notes
- Use the reused papers to note the informal messages or internal messages or memos within the department

4. Monitoring and Evaluation

To make paperless process more effective and concrete, the paper usage data of each department is tracked and sent to each department to find ways to reduce paper usage. The information is also analyzed for planning efficient paperless operations.

5. Behavioral Change

The most important thing for the most effective paperless operations begins with behavioral change among employees in all departments to have responsible attitudes and collaborative practice as follows:

- Separate used papers and sort them into the 3R principles as follows:
 1. Reduce (amount / size)
 2. Reuse
 3. Recycle / disposal
- Use one-sided papers for review instead of using new papers and print them in economy mode
- Monitor and notify each department of their paper consumption to ensure that the paper usage is consistent with real operations

Paper Management Goal for 2023

The company sets the guideline to reduce paper usage by pushing the use of information technology in work such as using electronic documents instead of paper. The company plan to reduce paper usage by 5 percent of the total usage in 2022.

Measurement of Intensity of Light in Workplace

The company pays attention to the dangers of light that may impact employees. In case of insufficient/over illumination, it can cause negative effects to eyes and may cause simple accidents such as failure to manipulate tools or equipment which may pose some dangers including mental health, decreased performance and low motivation to work. The company has regularly measured the light intensity in all areas of the office to ensure the working area has a proper lighting level.

Lighting Measurement and Data Collection Process

1. Measure in the specific working area: focusing on the light intensity of particular areas where operators need to perform sight-specific work
2. Measure the average intensity of light in general areas: such as walkways and working spaces

The results of measurement of light intensity in the workplace:

After conducting the actual measurement of the light intensity in Lux unit, it was found that illumination in the office was sufficient and compliant with the standard of not less than 400-500 Lux.

7S Activity

The company has applied the 7S activity which consists of Sort (Seiri), Set in order (Seiton), Shine (Seiso), Standardize (Seiketsu), Sustain (Shitsuke), Scenic and Surrounding. The activity helps keep a workplace and environment neat and clean. Employees are mentally healthier and more disciplined. This, in turn, results in saving resources and costs. In addition, it contributes to high quality and efficient work performance. The 7S activity gains good cooperation from employees and the company has a continued implementing this activity.

7S Results

1. Results of **Sort**
 - Cutting down the consumption of resources
 - Having more spaces for other purposes
 - Having a more spacious, splendid and clean workplace resulting in a better mood of employees

2. Results of **Set in order**
 - Settling the common and troublesome searches
 - Increasing work efficiency
 - Creating good image for organization
3. Results of **Shine**
 - Having a pleasant working environment
 - Cutting down the consumption of resources
 - Increasing efficiency of tools and equipment while decreasing frequent breakdown of office automations
4. Results of **Standardize**
 - Having neat and tidy workplace
 - Employees are both physically and mentally healthy.
5. Results of **Sustain**
 - All employees have a good habit and attitude towards work.
 - Customers receive quality and fast services.
6. Results of **Scenic**
 - Create work-friendly environment.
 - Have safe environment at work
7. Results of **Surrounding**
 - Urge employees to change their behaviors for resource usage and consumption with value
 - Save energy and preserve environment

LH BANK ATM Stops Global Warming

The bank has played part in helping slow down global warming constantly by providing customers with an option of no printing transaction slips from ATM machine.

Environmental Awareness Campaign

The company focuses on creating environmental awareness among employees and encouraging them to protect the environment in their daily life by saving energy, using resources economically, preserving the ecosystem, reusing, recycling, and reducing. The company has shared the knowledge about environmental preservation to employees and reinforced the importance of their participation.

Implementation of Green Office Project

1. Use energy saving devices
2. Make the most of natural light energy
3. Design an office layout
4. Promote 7S activity
5. Check lighting standard values of office building
6. Check air conditioners and ventilators
7. Increase green spaces in office
8. Increase co-working spaces

Encouraging Employees to Engage in Efficient Use of Resources

1. Provide information and training on environment and promote energy saving via internal media such as Intranet
2. Support the reuse of materials such as reused papers
3. Promote a reduction in paper use and the number of printers, provide photocopier pool, and change employees' behaviors to always think twice before printing
4. Reduce/refrain from using paper materials for meetings by sharing the information through electronic channels
5. Ask for partners' cooperation to reduce the use of printed documents, switching to use electronic files
6. Turn off the building light when no one is in the room or meeting room for a long time and turn off the light in some areas during a lunch break
7. Turn off computer screens during a lunch break

Such practices are to raise awareness and inculcate a sense of environmental ethics among employees, prompting a behavioral change in their daily life.

Vehicle Service Management

The company has the policy to reduce carbon dioxide emission from the company's vehicles by employing the e-Car service system to support the effective vehicle management. The company has also chosen alternative energy, energy efficiency and effective transportation as follows:

1. Plan routes with appropriate schedule for carpooling service for all employees
2. Take good care of car engines
3. Switch to other alternative engines such as hybrid cars, electric vehicles, etc.
4. Use the grab car for business service to increase operational agility and reduce energy consumption from backhaul

Green Procurement

The company has a policy to conduct an environmentally-friendly business operation. Thus, the company has procured environmentally-friendly products or products that have a lesser impact to the environment than others as follows:

1. Environmentally-friendly paper that contained not less than 50 percent of recycled pulp. The paper was produced from the trees that grew on rice farm dikes that absorb carbon dioxide for 12.5 kilograms per ream. This helps with the global warming issue and creates renewable energy by using the wood leftover from production to produce electricity. The paper has received green label.

2. Choose a copy machine and ink that is environmentally friendly which was certified by the Pollution Control Department

To allow the purchasing operation to be aligned with the main policy with concrete operation, the company has set policy, rules and practical guidelines as follows:

1. Procure, use/circulate product/asset economically with maximum benefit
2. Procure according to the procedures and procurement methods that are fair and equal to all organizations

Promotion of Green Loan

The climate change issue has caused many countries to become more active, including Thailand with the aim for Thailand to move towards clean energy and reduce its GHG emission (Carbon Dioxide) to the net zero emission within 2065. The financial group played a crucial role in promoting the policy through financial mechanism. Therefore, LH Financial Group Public Company Limited financial business group has supported the adoption of sustainable banking practices by conducting its business with social and environmental responsibilities based on the good corporate governance principle. Land and Houses Bank's credit approval process has taken into consideration potential environmental impacts of businesses that may arise from its lending and possible effects on the bank's reputation. The bank values lending to environmentally friendly projects that does not have any adverse effects on communities such as loans for renewable energy, loans for clean energy, etc. This is just a beginning, also the bank is considered issuing green loan with an enticing interest rate for industrial sector to reduce the carbon emission and to support and speed up the change towards green economy. By 2022 Land and Houses Bank Public Company Limited supported green loans with total of Baht 13,360 million.

3.4 Social Sustainability Management Fair Business Operation

The company operates its business with good corporate governance principles which have been specified in writing as a guideline for directors, executives and all employees to adhere to. Consequently, it will result in fair business without seeking other interests, avoiding any operations which may cause conflicts of interest while taking into consideration the utmost interest of the company, customers and stakeholders.

The company is confident that fair business will bring about confidence which will, in turn, be positive for the business in the long term. The company operates its activities in accordance with market conduct for sustainable business development. In this regard, the company conducts activities in consistent with laws and fair competition and encourages its employees to realize the importance of compliance with laws, keeping trade secrets, refraining from obtaining information of trade partners and competitors with dishonesty and fostering competition under laws.



The company promotes fair treatments of stakeholders both in terms of costs and returns, for instance, procurement, appropriate delivery schedule, fair trade agreements and refrains from any activity which infringes property and intellectual property including prompt payments for products and services in a timely manner.

The company has determined the procurement method and receiving service procedure as to obtain quality products and services at an appropriate price by specifying various methods including; price method, quotation method, bidding method, continued method, special method and urgent method. The selected method depends on financial amounts of each transaction. In addition, the company has determined the criteria for the selection of suppliers and service providers in order to ensure fairness and equality by choosing from the stability of their businesses, specifications of products and services and prices considered by the Procurement Committee.

Respect for Human Rights

The company emphasizes the fair and equal treatments of all stakeholders such as employees, surrounding communities and societies with justice and equality; respect for human rights and dignity of all people, no forced labors and no child labor exploitation, building good relationship, no violations of basic rights, being cautious in any action that will affect public feelings, all of which are the foundation for human resource management and development.

The company pays attention to fair treatments of all employees to ensure they obtain appropriate returns and benefits; improves their potential for professional advancements; and encourages their engagement. The company also provides several channels for whistleblowing and lodging complaints and reports misconducts. As a result, employees can voice, report and whistleblow any matter regarding unfair acts through supervisors or other channels. In this regard, the company has determined the independent process for inspection and decision-making by taking into account the outcomes and remedies to be in accordance with the human right principles. The company also opens opportunities for employees to voice their opinions in the case where entity or employees commit any acts that may violate human rights and expedites the solution.



Respect for human rights is a basic practical guideline the company strictly adheres to and determines the practical guideline as follows:

- Arrange the number of leaves and holidays as required by law or beyond that required by law for some holidays so that employees can plan for their work-life balance
- Support the knowledge empowerment for improving employees' abilities
- Clearly determine the criteria for investigations and disciplinary actions for fair punishments under the same standard
- Support each department in the company to arrange team building activities as to promote good relationship, engagement and harmony.
- Hire staff regardless of gender, race and religion

The company has preventative measures for the human right violation, defined in the code of conduct for employees. In 2022, there were no cases regarding the human right violation or any complaints related to human right violation within business operations.

Fair Treatment of Labors

The company places the priority on human resource management by setting as its mission in developing and supporting the human resource management in terms of knowledge and benefits of employees. The company has established the Human Resources Development Committee to manage and develop the human resources effectively, efficiently and in consistent with the company's strategies. Besides, the Welfare Committee has been set up for employees to discuss with management regarding appropriate welfare arrangement, open an opportunity for employees to express their demands and listen to the management opinions whether the demands can be met or not. This is to promotes labor relations and reduce labor disputes and complaints.

Key Principles for Human Resource Management and Development

The company strives to improve human resource management as well as supporting proactive operation of all departments in order to achieve business goals. Moreover, the company always strives to provide employees with further trainings and promote quality of work life, by taking into account the fair treatment of employees and human rights.

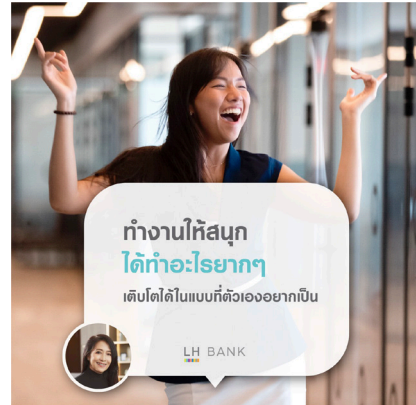
The company focuses on taking care of employees in various fields with the strong belief that the development of skills, abilities, motivations, positive work environments, good occupational health and good welfare will enable them to perform their duties with full potential which, in the end, results in positive impacts on customers, stakeholders and sustainable growth.

The company has applied the corporate value of "CDAA" in every work process to strengthen sustainable organization culture leading to the same goal.



Candidate Hunting

The company has created multiple channels where candidates can easily access according to lifestyles in the rapidly changing digital world such as Facebook, Instagram, LINE and including Friend Get Friends program for peer referrals.



Recruitment

For recruitment, apart from knowledge, abilities and qualifications, the company realizes the importance of selecting candidates who have faith and align with the organization’s values in order to obtain right persons suitable for the company.

Equality and Diversity

The company adheres to the practice that treats all employees with fairness, for instance, compliance with the labor law and human rights without discriminations of any kind, regardless of race, skin color, sex, religion, political views, revocation of citizenship, social background and any other form of discriminations related to both internal and external stakeholders. The company does not engage in illegal labor practice and child labor exploitation. These guidelines are applied to all employees. The company also offers work opportunities for persons with disabilities.

Hiring Persons with Disabilities

Promotion and Development of the Disabled’s Wellbeing

The company has offered job opportunities and generated income for persons with disabilities by joining the project arranged by the Thai Bankers’ Association that hired people with disabilities to work for the Thai Red Cross Society in many provinces. Similarly, the company has also hired persons with disabilities to work for the bank.

Table : Number of Persons with Disabilities Getting Hired

	Hired via Thai Red Cross Society	Hired directly
LH Financial Group Public Company Limited	2	-
Land and Houses Bank Public Company Limited	13	1
Land and Houses Securities Public Company	1	-
Land and Houses Fund Management Company	-	-

Remark : The company has less than 100 employees which do not meet the criteria for hiring persons with disabilities by law.

The company has contributed the required amount of money by law to the fund for empowerment of persons with disabilities.

Hiring Retired Employees

The company always realizes the importance of age-friendly business and has a management approach to support the elderly society by setting the criteria for hiring retired employees who have potential. Not only does it help the elderly earn income, it is also beneficial to the organization as it helps tackle labor shortage.

Table : Number of Retired Employees Getting Hired

	2022	2021	2019
Accumulative number of retired employees getting hired (Person)	3	0	1
Number of retired employees per year (Person)	3	7	6

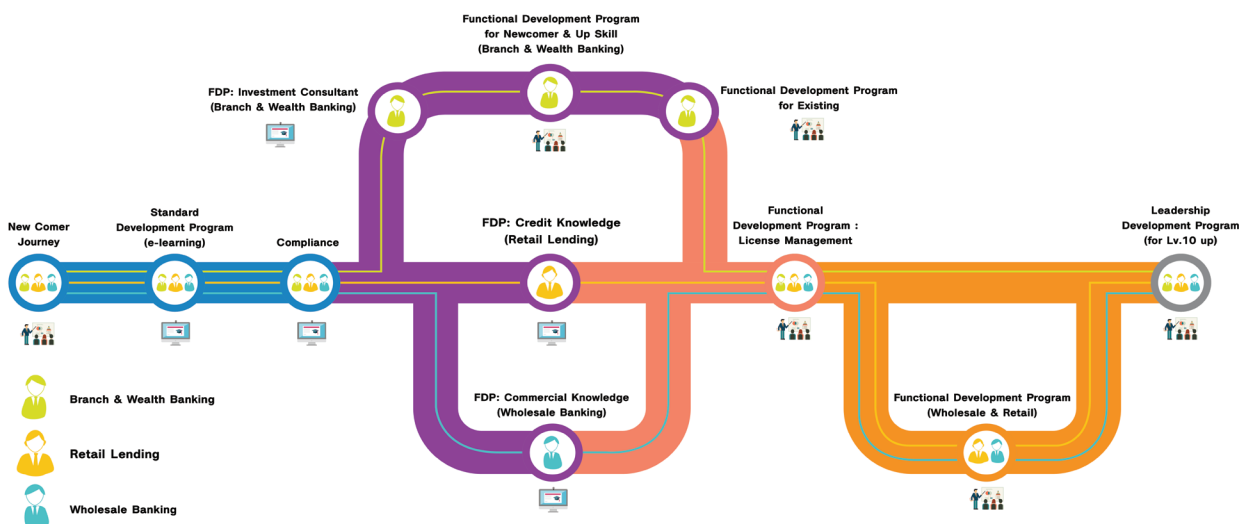
Sustainable Growth with Human Resources Development

The company has encouraged and instilled its employees with the same core values by implementing the master plan which includes creating perception and attitude through communication channels, practice, belief and individual mindset activities to build group habit norm and corporate values. The company has continuously instilled the value in both newcomers and existing employees.

Employees' Development

Employees are a significant factor driving the company to a success. Consequently, the company has employed potential development plan to enhance the employees' knowledge, abilities and skills so they can professionally fulfill their job functions. The company also offers opportunities for them to maximize their full potential, self-development and participation in various training courses provided.

In addition, the company has set a development journey as a guideline for employees' development in both soft skills and hard skills.



Welcome Newcomers

“Welcome Newcomers” on their very first day aims to create favorable impression on the newcomers, to introduce the company’s core values, and to give them some tips or advice on the work life with the organization such as introducing a newcomer to colleagues, canteens and nearby places so they are comfortable with new environments, aware and eventually adaptable to their work life.

In 2022, the company organized welcome newcomer event online that reflected the current circumstances.



In 2022, the company improved the work process to new age of agile working to enhance the working efficiency and strengthen the organization in technology, innovation and digital concepts, plan and extend digital skills development process for employees, create new necessary skills and improve upon existing skills.

Bringing in digital process is to improve the organization and grow the business sustainably with quality. The purpose for Digital Day : Connexing to the Future is to communicate and create an understanding of the importance of improving skills for the future and drive the organization towards the future by focusing on the learning and practicing to acquire new skill and increase efficiency.



Human Resources Development - Executives and Key Successors

The company highlights the importance of top executive development as successors for key positions. In this regard, the Nomination and Remuneration Committee considers the guidelines and succession plans as well as supports leader development systematically and continuously. The leadership program 2022, the company focuses on leader development by receiving the feedback from all parties related to executives, assessing the 360-degree feedback where the core & leadership capability is evaluated in order to know the strengths and weaknesses needing improvements and a plan for potential development and preparation for future leaders.

The company is committed to developing a group of high potential individuals from each department, to strengthen the competitiveness advantage and support the rapid changes in banking and finance business with the Learning Solution Design: L&D and Learning with Development Measurement in terms of changing work behavior and achieving business result according to ROI (Return on Investment) principle that is more than measuring satisfaction or asking for feedback to apply in work.



The development of high potential individuals (Talent) program was designed to complement knowledge of the participants, create collaborative processes by promoting them to dare to think, dare to try, listen actively, and ask questions for exchanging ideas to drive challenges and create innovations through working agility under LH Bank Hackathons.



Average training hours for employees and management of 2022 are as follows:

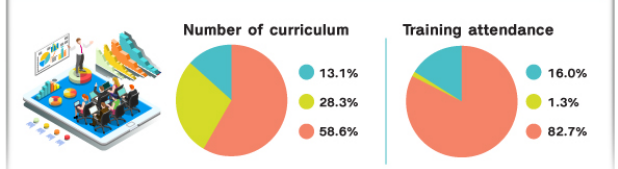
Training attendance categorized by levels

Level	Number of employees	Percentage %	Average period (hours)	Average period (days)
Executive (Level 18-24)	39	2.6%	21.5	3.6
Management (Level 15-17)	86	5.7%	19.4	3.2
Middle Management (Level 10-14)	405	26.8%	26.9	4.5
Supervisor (Level 6-9)	836	55.4%	24.0	4.0
Operation (Level 1-5)	144	9.5%	7.6	1.3
Total	1,510	100%	22.9	3.8



Training data in 2022

Curriculum	Number of Curriculum	Number of Training attendance
In-house learning	52	6,432
External learning	112	531
E-Learning	232	33,272
total	396	40,235



Annual Performance Appraisal

The company sees the annual performance appraisal as an essential part to enhance work efficiency and employee’s participation by getting them set their KPI and communicate KPI setting process to align with the goals of organization.

The factors used in the annual performance assessment consist of two main components; the expected behaviors of the organization (Potential) and the performance (KPI). The two factors have been determined in proper proportion for each level of employees and have been considered by the Human Resources Development Committee.

Determining and Managing Remunerations

The company places the importance on determining and managing remunerations to be fair and competitive. Therefore, the company has the policy on salary increase and bonus based on operating result and performance. Special salary adjustments are also made by referring to compensation surveys in the same or similar industry in order to retain qualified employees who can meet expectations of the company.

Compensation Ratio by Gender

The compensation ratio of male to female is 1:1.

Building Pride in the Organization

The value of employees is a critical factor in business operations. The company has a policy to give honorary pins to employees who have been working with the company for 10 years, with the aims at praising, creating good atmosphere and morale of employees for their dedication to the organization. In 2022, the company presented an honorary pin to 70 employees who have completed their 10 years of the company.

Table: Number of employees who have been working for 10 years.

2022	2021	2020	2019
70	59	44	16



Raising Awareness through Communication Channels

Communication is a crucial factor to drive the organization, unify employees and increase their engagement in establishing the sustainable organization and; the company, therefore, sets up various internal communication channels to facilitate easy access and ensure comprehensive communication. The internal communication channels consist of 2 modes as follows:

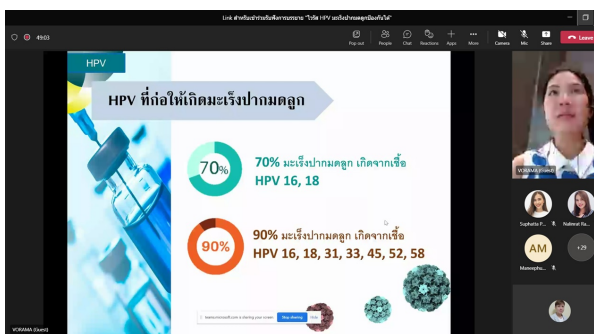
- 1. Online Media** consists of Website, LINE, Facebook, YouTube, LHFG People Connect Intranet and LHFG People Connect Application (PacD).
- 2. Offline Media and Events** such as printing press and on-site development activities

Internal Communication with Learning Process of Anytime, Anywhere and Employees Engagement

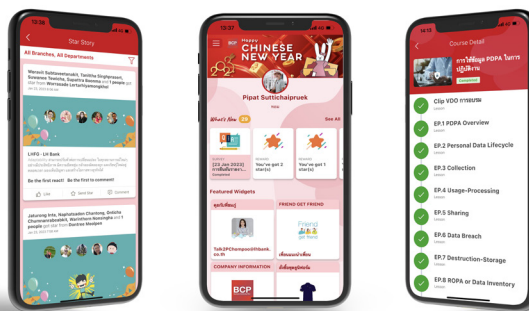
The company uses PacD application to communicate. The application can be accessed via every employees' mobile phone which can be used to communicate and learn anytime, anywhere as well as facilitate team building activities such as sending stars to colleagues or comments on things they do each day to help their colleagues or things that they've done that reflect organization values. This helps promote behaviors that reflect organization culture.

Welfare and Employee Participations

The company wishes all employees good health both physically and mentally and therefore provides comprehensive welfare with the review and update. Health promotion activities, annual health check, influenza vaccination, giving special discounts to families of employees who wish to have vaccinations or health checks including COVID-19 vaccination free of charge.



HPV virus and cervical cancer are preventable.



Welfare Arrangements

Good benefits are significant factors for boosting the employees' morale and spirit. The company has set an appropriate and fair system of remunerations and benefits so that they can have the good quality of life by providing various benefits as follows:

- Additional annual leaves
- Housing allowance for employees who have been transferred outside their domicile
- Financial assistance in the event of any employee suffered from natural disaster
- Provident fund
- Medical service, dental care and medical check-up
- Group life insurance and health insurance
- Housing loan and hire purchase with low interest rates
- Staff uniform

Employee Engagement

The company sees the importance of building bond between employees with the company and employees with other employees. In 2022, the company surveyed the employee engagement and after receiving the result, all departments were asked to set out a plan to develop and promote employee engagement in both short and long terms.

80 percent of total employees responded to the questionnaires about satisfaction or employee engagement towards the organization. The result found that 78.3 percent were satisfied or had engagement with the organization.

In 2022, the company organized activities to promote engagement between organization and employees in the form of team building. The total participant was 97 percent of total employees.



Building Relationship and Communication with Employees

The company organized the Town Hall Meeting 2022 to communicate and reaffirm the organization's vision with its employees to make sure that everyone was in the same direction under the concept of beyond expectation. This was to assure that the services were provided beyond customers' expectation in all aspects and truly addressed their needs.



Taking Care of Employees in Every Day Of Work

The newly designed uniforms are based on the feedback received from employees including clothing functions, textiles and maintenance. The concept is "SMART SNOOK STRIKING" to reflect the bank's reputation, utilizing the Land and Houses Bank Public Company Limited (LH Bank) color schemes that represent the wide variety of products and services that address all aspects of customers' needs under the customer centric concept that is uniquely LH Bank. Moreover, it comes in the striped pattern which broadens fun and liveliness and provides a professional, fun and vivid experience to the customers.



Good Environment and Workplace Safety

Creating good working environment and safety for the employees, the company, therefore, establishes the Safety Healthy Environment Committee (SHE) to be a mechanism to drive the policies and plans for occupational safety as detailed below:

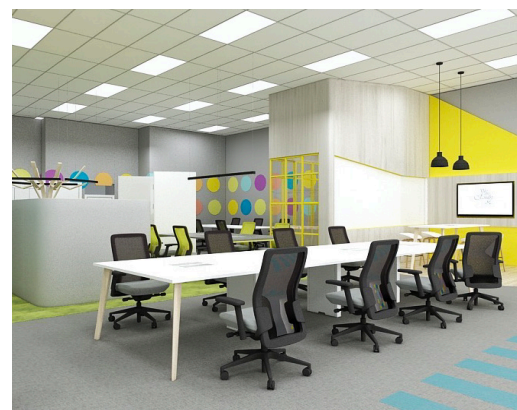
- Educate and create understanding about occupational safety in the workplace through various communication channels
- Annual fire drill
- Establish the SHE hotline to receive reports on unsafe incidents and coordinate with related agencies in order to provide immediate assistance. In 2022, no employees were injured while working.

Table : Number of employees injured while working

	2022	2021	2020	2019
Number of employees injured while working	0	0	0	0

Working Environments

The company have renovated the office areas to be co-working space corresponding to the “Fun and Grow Together” concept including the color, amenities and lightings so that employees can work together seamlessly and create a good collaboration in the organization.



Responsibilities towards Consumers

Financial business is related to the economic and financial conditions of the country; therefore, the business operation can likewise impact the national economic drive and investments in a wider range than any other business. Land and Houses financial business group, therefore, has been operating effectively coupled with social responsibility, especially towards consumers on which the company puts the first priority.

Land and Houses financial business group prioritizes the benefits and satisfaction of customers by offering the products and services with quality, responding to the demands of all customer segments. There are many areas of development to accommodate more convenience. The details of products and services are clearly and accurately presented to customers through various channels which can be easily accessed so that they have enough information regarding our products and services including sales promotions for making decisions. Moreover, the company emphasizes and operates its business under the market conduct.

Basic Rights of Consumers

The bank announces the basic rights of consumers in order to make them aware of their rights eligible from using services via the bank's website as follows:

Rights of Consumers	Products	Personnel or Processes
1. Right to receive correct information	<ul style="list-style-type: none"> Consumers shall receive clear explanation about the differences between the main products of bank and the securities and insurance products. Consumers shall receive the information of product details, risks, conditions, benefits such as in the form of APR (Annual Percentage Rate) or IRR (Internal Rate of Return) and related assumptions. Consumers shall receive the information of an advertisement or other marketing media in sales promotions correctly and appropriately. 	<ul style="list-style-type: none"> Consumers shall receive the fact sheet summarizing the main information when they are offered securities and insurance products. The fact sheet must indicate the unique features and risks of the products with concise and straightforward wording, and is in line with the form required by the Office of The Securities and Exchange Commission (SEC) and the Office of Insurance Commission (OIC), for making the decision to buy the products.
2. Right to choose the products and financial services freely		<ul style="list-style-type: none"> Consumers have the right to freely invest and can deny buying any securities and insurance products. Consumers have the right to deny buying any securities and insurance products which are bundled with the products of the bank. The bank shall give the right to the consumers in choosing to buy or not to buy such products. Consumers have right to give the consent or deny giving the consent to reveal the information as mentioned in the letter of consent given separately from the purchase agreement.
3. Right to claim for fairness		<ul style="list-style-type: none"> Consumers have the right to claim to all branches of the bank selling the products of securities and insurance (Point of Sale) with the evidence to prove that the bank has acknowledged the claims. Consumers shall be able to ask for more information for better understanding of the products from the call center of the bank.
4. Right to claim for compensation		<ul style="list-style-type: none"> Consumers have the right to receive appropriate compensation if it is proven that the bank fails to conform to the good product offer policy with intention or negligence causing any damage to the consumers.

Fair Treatment of Consumers

The bank has been conducting the social responsibility in CSR-in-Process by implementing the practical guideline in the corporate social responsibility for business sustainability policy and to create the business innovation until it is part of working processes, product development as well as service standards. The main objectives are to reduce the potential negative impacts on the stakeholders in all aspects and to create awareness and good attitude among directors, executives and employees.

The bank has developed a working process by imposing regulation, establishing standard operational guideline, creating organizational structure and segregating duties to each department properly (Three Lines of Defense) with clear operation process, quick and accurate system and effective control. The bank also designs the systems to create correct and mutual understanding among employees and related parties. The system is intended to reduce errors, and can be audited, monitored and evaluated efficiently for the highest benefits to customers including:

- For savings and current accounts without transaction movements for more than 1 year, the bank will notify the balance and condition of account maintenance fee deduction to customers 30 days in advance.

- For debt collection and debt management, collectors must introduce themselves to customers by telling their names and objective correctly and appropriately. In case of face-to-face communication, evidence on debt collecting permission certified by the bank must be shown to customers. The bank also specifies the time and frequency of debt collection which is proper and conforms to the law and practice of the Bank of Thailand and related regulators.

- The disclosure of full details of products and services is factual without distortion or misleading information, detailing the simplified terms and conditions of products and operating procedures which allow customers to accept the terms and conditions before making their decisions.

- The announcement of the interest rates and fees is made in advance before the effective date of any changes in order to keep customers informed before making decisions. The announcement will be done at the bank's branches and on the website at www.lhbank.co.th. It clearly specifies the rate against the credit line and type of customers, details and conditions of such product so that they can consider before making decisions.

The bank provides its employees with sound knowledge of products and services' information so that they can give the information correctly and quickly. This is to ensure customers' experience in using smooth services. The bank also has a Call Center to provide advisory service available 24 hours daily at 1327.

The bank pays attention to the confidentiality of customers' data by not revealing them unless the written consent is obtained.

Research and Customers' Satisfaction Measurement

The bank measures the customers' satisfaction in the services provided by staff at branches via random call and feedbacks from customers using services at branches. The collected information will then be used to develop and improve products and services at branches in order to increase their satisfaction.

Customer Satisfaction Improvement Plan

- Focus on providing a full range of services and create sustainable relationship with customers
- Improve work process and upgrade service quality to be speedy and convenient
- Follow up and evaluate the effectiveness of customer service
- Build customer relationship and continually provide up-to-date product information to customers

Quantitative Goals to Improve Customer Satisfaction

In 2023, the company sets a target for customer satisfaction level of at least 95 percent.

Customer Satisfaction Evaluation Results

Customer satisfaction stood at 96.10 percent, increased by 0.30 percent compared to the year 2021 at 95.80 percent.

Providing Savings Account for Basic Financial Service Access

The bank provides many financial products under the concept of promoting inclusive financial access to stimulate economic growth sustainably and thoroughly by supporting public including the elderly and the disabled to gain easy access to financial products and services with lower cost. This important mechanism serves as an initiative on supporting all individuals to learn basic financial planning, gain access to financial services, cultivate savings attitude and expand to other products.

บัญชีเงินฝากพื้นฐาน ♦ ใช้เพื่อรับเงินสวัสดิการต่างๆ จากภาครัฐ
โดยไม่มีค่าใช้จ่าย ♦ เข้าถึงบริการทางการเงินต่างๆ ได้สะดวกยิ่งขึ้น

บัญชีเพื่อคนไทย

ดียังไง?

- ✔ ฟรีค่าธรรมเนียม และค่าธรรมเนียมบัตรกดเงิน
- ✔ ฟรีค่าธรรมเนียมบัญชี
- ✔ ไม่กำหนดจำนวนเงินขั้นต่ำในการเปิดบัญชี

ใครมีสิทธิ์เปิดบัญชีพื้นฐาน?

- 1 คนไทยอายุตั้งแต่ 65 ปีขึ้นไป **หรือ**
- 2 ผู้ที่มีบัตรสวัสดิการแห่งรัฐ

เปิดบัญชีได้ส่วนนี้ที่ธนาคารที่ร่วมโครงการ
ผู้ที่มีบัตรสวัสดิการแห่งรัฐ กรุณานำบัตรมาแสดงประกอบการเปิดบัญชี

LH BANK

Criteria for Opening Basic Banking Account

are as follows:

- Savings account
- 1 person / 1 account
- Receive savings account's interest rate
- No minimum balance when opening an account (can start with zero balance)
 - No account maintenance fees
 - No fees for ATM / debit card used with the basic banking account

Resolution Process and Result Reporting to Complainants According to Service Level Agreement : SLA

The bank has determined the Service Level Agreement (SLA) to set the processing time for financial services for retail customers. The agreement, covering services in the field of credits, deposits, electronic cards and general services, is intended to upgrade the financial service standards and to set the standards for receiving and handling customer's complaints, and to eventually reduce the number of complaints. It is the bank's commitment to deliver more efficient, faster and more convenient services, to respond to the customers' needs well so that they can realize the bank's operations. Moreover, the Service Level Agreement ensures the correctness and completeness of facts and / or information, the cooperation of customers and force majeure, uncontrollable incidents and / or incidents where the bank shall comply with the business continuity plan.

The bank has disclosed the Service Level Agreement (SLA) on the bank's website at www.lhbank.co.th covering 5 areas of financial services as follows:

1. **Receiving and Handling Complaints** consist of
 - Verification of complaints through various channels
 - Notification of solutions or progress on actions to cope with complaints in all channels
2. **Loans for Retail Customers** consist of
 - Release of collateral
 - Ownership transfer of cars / motorcycles to borrowers once the loan has been paid off
 - Credit underwriting - the bank will keep customers informed of the result
 - Issuing a confirmation letter for debt settlement
 - Request for credit account statement

3. Deposits

consist of

- Cash deposit / withdrawal through ATM / CDM of the same bank or different banks with some errors occurred: no money received or incorrect balance (Excluding suspected fraud cases).

- Fund transfer or e-Wallet top up via ATM, CDM, internet, mobile banking but the system malfunctioned causing no money received, the bank will check the error, notify a customer, and adjust that transaction.

- Request to check the transfers to wrong account, internal transfers or interbank transfers or e-Wallet top up to wrong account (excluding suspected fraud cases), the bank will check the error and keep a customer informed.

4. Electronic Cards

consist of

- Freezing electronic cards such as ATM cards and debit cards

- Advising against the debit card holder's suspicious payment

- Checking the debit card's transactions at the point of sale locally and returning money to card holders

5. General Services

consist of

- Requesting for various information such as calculation of interests for credit / hire-purchase. For 12-month and 6-month statements, the bank will notify them in writing.

Market Conduct

All companies in the financial business group have been emphasizing and supporting operations according to the market conduct for sustainable operations. We expect our customers to gain confidence on:

1. Receiving sincere and fair services
2. Receiving appropriate and clear advice
3. Receiving fair prices and conditions
4. Receiving convenient services and proper solutions
5. Receiving understanding of their rights and duties

Cooperation in Development of Community and Society

Land and Houses Financial Business Group is engaged in being part of sustainable development in accordance with good governance principles coupled with social responsibility by supporting activities to promote and improve the quality of life in various fields as well as encouraging its employees to volunteer in various activities with the aim of maximizing benefits to society and communities sustainably. This also creates good ties among companies in the financial business group according to the sustainable development goals.



Land and Houses Bank Public Company Limited has been supporting and promoting the development of society and communities through supportive activities covering 3 areas as follows:

1. Youth Empowerment and Education
2. Society and Quality of Life Improvement
3. Arts and Culture Conservation

1. Youth Empowerment and Education

The bank has a policy to support sustainable educational activities as education is the foundation for all success stories. Thus, the bank always realizes the significance of educational support, knowledge development and quality of Thai juveniles such as.

- The bank provides the “scholarship project” with the purpose to support the youths who are good at study but unable to afford to pursue higher education.

- The ‘Library Renovation’ project creates a library with reading-friendly atmosphere and create a good reading habit which is the starting point of learning culture. The library was designed to be spacious and lovely so that the youth would come in and enjoy.

- The “Give Books to the Department of Corrections” project, the company encourages its employees and customers to donate books to promote knowledge of prisoners.

- The “Old Calendars We Need” project delivers the old calendars to the Bangkok School for the Blind, allowing them to turn them into instructional materials such as Braille books and notebooks for students with visual impairments.

● Scholarship Project

The bank realizes the importance of education and the development of youths who in the future, will be the main strength and powerful driver of the nation in the long run and sets up a scholarship project to support the youths who have high academic performance, talent and determination to pursue higher education in order to alleviate the household spending. This project also instills juveniles to realize the values and importance of education and increase quality human resource. Furthermore, the bank has donated sport and gym equipment that will allow the youth to grow and become the main driving force for the nation in future.

Main Objectives

- To bring the educational stability to the 7th grade needy students with high academic records to pursue their education until 12th grade

- To instill youths the values and importance of education

- To increase the number of potential and quality human resources to society

- To carry out activities that benefit and help society and country as a whole (Corporate Social Responsibilities)

Nature of Scholarship

- It is a scholarship for junior high school to high school students who have good academic records with the average GPA above 2.50 and good behaviors.

- It is offered for youths in a wider area across 6 regions where the bank’s branch networks are located.

- It is offered for the underprivileged due to poor family or lack of parents or being in the custody of other persons who are poor or are under the care of welfare institutions or foundations.

List of schools joining the 2022 scholarship project includes:

- Anurajaprasit School, Bangkok
- Thanyarat School, Pathum Thani
- Sankamphaeng School, Chiang Mai
- Chuen Chom Pittayakarn School, Maha Sarakham
- Hua Hin Wittayakom School, Prachuap Khiri Khan
- Phuket Wittayalai School, Phuket

Youth Empowerment and Education Outcome

- 88 continuing scholarships in 2022 for 6 schools from 7th grade to 11th grade, with the total amount of 704,000 Baht.
- Two follow-up surveys and assessments for the year 2022. Most of the students under the survey were relatively poor. Parents were divorced and they lived with relatives who were general labors with low incomes and education level were average to good.
- The youth were willing to study and striving to finish their high school.

Scholarship's Activity Snapshots



Thanyarat School, Pathum Thani



Phuket Wittayalai School, Phuket



Sankamphaeng School, Chiang Mai



Chuen Chom Pittayakarn School, Maha Sarakham

Expenses for CSR Activities

Activities	2022	2021	2020
Continuing Scholarship	750,000	606,000	462,000
Environmental, Social and Governance	1,150,000	1,200,000	1,168,000

• Used Computers Donation Project

The bank endeavors to fulfill educational gap for urban or up-country to have the same standard. The bank, therefore, arranges the used computers donation project, offering second-hand, ready-to-use computers and notebooks with good conditions to disadvantaged schools as an educational resource so that their students could fully search for knowledge and information in order to get ready for knowledge-based society.

Used Computers Donation Outcome

2022	2021	2020
30 computers	40 computers	40 computers



Donate Used Computers to Tungmahamek School



Donate Used Computers to Nonthaburi Deaf School in Nonthaburi



Donate Used Computers to Nakhon Pathom School for the Deaf in Nakhon Pathom



Donate Used Computers to Phradabos School in Samut Prakarn

• Old Calendar Donation Project

The bank has collected the unused desk calendars from executives and employees to donate to the Bangkok School for the Blind for the production of instructional materials, Braille books and notebooks for students with visual impairments.

Old Calendar Donation Outcome

2022	2021	2020
1,800 pieces	1,250 pieces	1,450 pieces



Old Calendar Donation Project at the Skill Development Centre for the Blind

Old Book Donation Outcome

2022	2021	2020
960 pieces	1,030 pieces	1,340 pieces



Donate Books to the Department of Corrections for Prisoners' Education and Self-improvement

2. Society and Quality of Life Improvement

The company has been supporting various projects which promote social and environmental development and drive positive changes in communities through a wide range of supports such as providing budgets, donating materials, providing aids in an emergency, voluntary activities of employees, internal activities for employees to donate money and materials to different public charities, and sharing knowledge and skills. The company joins forces with its alliances, network associates, customer groups and stakeholders nearby the bank. The group believes that delivering public activities cannot be achieved alone. It also needs concrete collaborations from related parties to help tackle problems and bring about constructive changes to society for sustainable growth, for instance, persuading employees and customers to donate money for disaster victims and participating in the anti-corruption activities to encourage Thai society to work together against all forms of corruption.

• Voluntary Activities for Social Development

Helping credit customers affected by the economic downturn, COVID-19 outbreak and flood, the bank has issued several relief measures for customers in all segments and retail customers who have been affected by the aforementioned situation in order to alleviate their sufferings as well as anxieties and get them ready to continue their business as follows:

- Supporting measures for corporate loan customers “Transformation Loans” for enterprises in transition to support customers who need a credit line to support their investment or to expand their business capacity in 3 areas as follows:

1. Digital Technology Trend
2. Green Business
3. Future Innovation

- Relief measures for housing loan and personal loan customers affected by the COVID-19 pandemic (For non-NPL debtors) are as follows:

1. Relief measures for personal loan debtors
Reduce installments by extending repayment periods and charge interest rate of not more than 22 percent per annum
2. Relief measures for housing loans and mortgage loans
Reduce installments by extending repayment periods



Donate 9,000 Water Bottles to Help the Flood Victims in Ubon Ratchathani

- Roots Incubation Program 2022 Powered by LH Bank is a program for new generations who want to improve their hometown with the objective to build a startup entrepreneur with the knowledge in business planning or 360-degree thinking. The startup that joined the program came from various background such as industrial, agricultural, production, tourism and handcraft backgrounds, 112 team in total.



LH BANK

สินเชื่อบริการปรับตัว

สนับสนุนลูกค้าที่ต้องการวงเงินเพื่อสนับสนุนการลงทุน หรือเพิ่มศักยภาพให้ธุรกิจ โดยลดอนุสมการเริ่มต้นที่ 3 จุดเด่น

- 1) กระแสดีถึงภาคโมโต
- 2) การดำเนินงานที่โปร่งใสถึงหมวดสื่อ
- 3) นวัตกรรมแห่งโลกอนาคต

คุณสมบัติสินเชื่อบริการปรับตัว

- มีวงเงินสินเชื่อเพื่อการประกอบธุรกิจกับขนาดไม่เกิน 500 ล้านบาท
- มีประสิทธิภาพการชำระหนี้กับธนาคาร
- ทำโรลเอาท์ 2 ใน 3 ปีล่าสุด และล่าสุดไม่ขาดทุน
- มีคุณสมบัติเชิงอื่นไม่เข้าข่ายการกำกับดูแล

วงเงินสินเชื่อสูงสุด

- สินเชื่อระยะยาวสูงสุด 150 ล้านบาท (ไม่รวม สินเชื่อเพื่อการปรับโครงสร้างหนี้และสินเชื่อ soft loan ที่อยู่ในธนาคาร)

อัตราดอกเบี้ย	ระยะเวลาการให้กู้
• หนี้ 1-2 : 2%	• สูงสุด 10 ปี ดังนี้
• หนี้ 3-5 : หนี้ต่ำ 5.25%	• กรณีที่มีการลงทุนในสินทรัพย์ประเภทอาคาร สิ่งปลูกสร้าง : สูงสุด 10 ปี
• หนี้ 6-10 : MLR + 1.0325%	• กรณีที่มีการลงทุนในสินทรัพย์ประเภทเครื่องจักร อุปกรณ์ รวม หรืออื่น ๆ : สูงสุด 5 ปี

ค่าธรรมเนียม

- ค่าดำเนินการประเมิน
- ค่าดำเนินการประเมิน, เงินฝาก
- ค่าประเมินหลักทรัพย์ในทางธุรกิจ
- ค่าบริการประกัน

ระยะเวลาโครงการ

8 กันยายน 2563

ถึง

9 เมษายน 2566

หมายเหตุ : เงื่อนไขอื่นๆ มีในแบบฟอร์มการกำกับดูแล

สอบถามเพิ่มเติม : ฝ่าย Credit Product & Process โทร. 0 2399 0000 ต่อ 3063, 3060 หรือ เจ้าหน้าที่ดูแลลูกค้า



Donate Dolls to Rajavithi Home for Children



LH Bank Blood Donation, "1 Giver 3 Receivers" with the Thai Red Cross Society,

● Youth Empowerment and Education

The "Library Renovation" project creates a library with reading-friendly atmosphere and a good reading habit. The library was designed to be spacious and lovely so that the youth would come in and enjoy looking for information using computers. This is one way to instill sustainable learning culture.



Project "Library Renovation" at Watchan (Pathsawai Prachauthit) in Nonthaburi

3. Arts and Culture Conservation

The bank recognizes the importance in joining many arts and cultural activities with local people living nearby, for example, supporting the Chinese New Year, Children's Day to strengthen and promote the traditions, arts and culture with communities around the bank's branches.



Offer Auspicious Oranges to Customers During the Chinese New Year Festival

Innovation and Dissemination of Innovative Corporate Social Responsibilities

The bank is committed to creating innovations for the benefits of business and society at the same time. Financial products and services have been being tailored as to facilitate and meet customers' needs and move to the new era of digital transformation and the government's policy to foster a digital economy. The bank is well aware of these significant trends and, therefore, enhances the innovations for financial products and services in the form of digital banking, helping customers save their time, reduce costs and receive more convenient services. Moreover, the bank has communicated with customers for their correct understanding and optimal benefits.



Financial services and investments through mobile banking application is one of the services that enables quick and convenient business transaction at any day, anywhere, anytime via mobile phone.

1. Profita, a new investment application - investment on the palm of your hand

- Open an account to trade mutual funds online anywhere, anytime
- Support buy-sell/switch fund orders with other leading fund management companies 24 hours.

Including the automatic management of investment portfolio, facilitate investors who have not much knowledge on investment or investors who do not have any advisor to be able to professionally plan and manage their portfolio.

2. LHB You Mobile Banking Application

- Add more channel for cardless withdrawal from Siam Commercial Bank (SCB) and Bank for Agriculture and Agricultural Cooperatives (BAAC) ATM machines.

Online Savings Account Opening is an online service to keep pace with the digital era, enabling customers to conveniently do financial transactions every day, anywhere, anytime.

Certification of IT Security Management System Standards (ISO/IEC 27001 : 2013)

Land and Houses Bank Public Company Limited received the certificate for the IT security management system standards (ISO/IEC 27001:2013) to enhance the management of IT security of payment infrastructure to international standard, consisting of BAHTNET and ICS system to prevent the cyber threats that may cause financial loss and reputational damage which may affect the people and economy in a wider scale.

Raising Awareness on IT Security

The bank has organized a training course on IT security awareness for directors and executives of the Land and Houses financial business group to keep up with the changes occurred to data protection system and information system (Cyber Security) locally and internationally. This is to raise the level of cautions in preventing the threats caused by the changing trends in the digital world so that the bank will be able to cope with and prevent risks immediately and efficiently as well as provide knowledge on the Cyber Security Act, B.E. 2562, Personal Data Protection Act, B.E. 2562 IT risks and updates of new IT threats for employees so they can apply knowledge to work effectively and are aware of the safer use of computers which enhances the IT safety awareness within the organization.

Results and Benefits of Innovations

The total users increased in mobile banking from 100,000 users in 2021 to 110,000 users in 2022 or 10 percent. The active users increased from 57 percent in 2021 to 59 percent in 2022. In 2022, the bank was able to provide services without significant disruptions, reflecting the bank's commitment towards facilitating customers transaction with convenient, fast and safe manner.