



บริษัท แอล เอส ไฟแนนซ์เซียล กรุ๊ป จำกัด (มหาชน)

รายงานการพัฒนาธุรกิจอย่างยั่งยืน ประจำปี 2567

BUSINESS SUSTAINABILITY REPORT 2024

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3. Driving Business for Sustainability

3.1 Policies and Goals for Sustainability Management

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

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

- Governance
- Strategy
- Risk management
- Disclosure

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

Guidelines for Corporate Social Responsibility for Sustainable development

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

overseeing social responsibility activities and reporting to the Board of Directors.

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



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

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

CSR Logo Represents Social Responsibility for Sustainable Growth



Sustainable Business Strategy

The companies in the Land and Houses financial business group operate under the corporate governance principles and 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 of giving customers confidence in the following aspects:

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

Corporate Social Responsibility Activities

Social responsibility is one of the principles considered to be very important since the company recognizes the importance of “dependence”. As all businesses have people in society as the target group to offer products

and services, no matter what direction the development of organization is, it requires support from people in society in one way or another. The determination of such policy and practical guidelines will guide the employees in the organization to abide by.

The company has been running the corporate social responsibility specified in the CSR-in-Process and CSR-after-Process by encouraging the executives and employees at all levels to participate and volunteer as to cultivate awareness for corporate social responsibility. In addition, it also forms a strong foundation for sustainable development and leads to the development of society and country towards substantial sustainability.

CSR-in-Process

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

CSR-after-Process

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

Sustainable Development Framework

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

Pillar 1 Organization Sustainability	Pillar 2 Sustainable Finance	Pillar 3 Responsible to Stakeholder
<ul style="list-style-type: none"> - Raise awareness and an environmental culture among executives and employees - Reduce greenhouse gas emissions from its own operations - Enhance financial capabilities for the sustainability of employees - Provide a carbon footprint platform to track greenhouse gas emissions from its own operations 	<ul style="list-style-type: none"> - Develop products, services, and financial innovations to support green transition or brown to less brown transition - Support and provide green loans and sustainability-linked loans (SLL) to help businesses transition to a low-carbon economy - Develop partnerships with ESG consultants to offer green advisory services to push entrepreneurs toward a low-carbon economy - Provide a carbon footprint platform service to provide services for the company's customers - Calculate greenhouse gas emissions associated with the organization's financial activities such as lending, investment, and other financial services under the Category 15 framework of PCAF (Partnership for Carbon Accounting Financials) - Define climate risk appetite - Establish policies and operational guidelines related to environmental risks and climate change - Improve financial criteria to align with the Thailand Taxonomy - Develop processes to prevent environmental purpose misrepresentation (Greenwashing Prevention) - Conduct scenario analysis and stress testing - Monitor environmental risks - Improve the system for storing and using customers' environmental data - Assess threats and opportunities from climate change 	<ul style="list-style-type: none"> - Oversee operations to drive sustainability policies in alignment with government sector - Ensure operations to comply with the regulations of regulators such as the Bank of Thailand, the Stock Exchange of Thailand, and the Securities and Exchange Commission - Ensure operations to comply with international standards - Create partnerships with ESG networks for communities and schools - Prepare data and reporting the impact of threats and opportunities from climate change on business based on the Task Force on Climate-related Financial Disclosures (TCFD) standards - Prepare data and reporting credit information grouped under Thailand Taxonomy, Phase 1

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

Move Forward to Sustainable Business

Economic Dimension

- Operate business with accountability (Responsible Finance)

Social Dimension

- Patronize social development (Community Investment) and use digital innovation to develop financial products and services (Innovative Digital Finance) that are easy to access, convenient and safe

Environmental Dimension

- Conduct eco-friendly business, reduce negative impacts on the environment caused by business activities

Governance Dimension

- Operate business to be in line with corporate governance principles by covering the sustainable governance mechanism and ESG risk management

Sustainable Development Goals and Strategies

The company has implemented guidelines and policies for sustainable operation in line with international sustainability principles to support the United Nations'

Sustainable Development Goals (SDGs) and the Paris Agreement. The sustainable development goals and strategies have been defined as follows:

Guidelines and Policies for Sustainable Operation	Economic	Environmental	Social	Governance
Goals	Support the transition to environmental sustainability (Green Transition) for the business sector with a target of providing Baht 1 billion in green transition loans by 2024 Note: The target for 2025 is currently in the process of being submitted for approval to the Board of Directors of the bank	<ul style="list-style-type: none"> - Commit to environmental conservation - Reduce greenhouse gas emissions from own operations by 25% within 2030* from the base year 2020 <p>* Scope 1 and 2 - Own Operations, Head Office</p>	Play part in creating a sustainable society	Conduct business with responsibility
Strategies and Commitments	Conduct business responsibly (Responsible Finance) through the support of green finance loans and providing green advisory services	Conduct business with environmental awareness to reduce the negative impacts from business activities and develop a plan to reduce greenhouse gas emissions from own operations	Develop society and communities by using digital innovations to calculate and track greenhouse gas emissions from operations and business processes	Conduct business in accordance with governance principles with mechanisms to oversee operations and manage sustainability risks and ESG risks, and prepare information for disclosure under the TCFD reporting framework

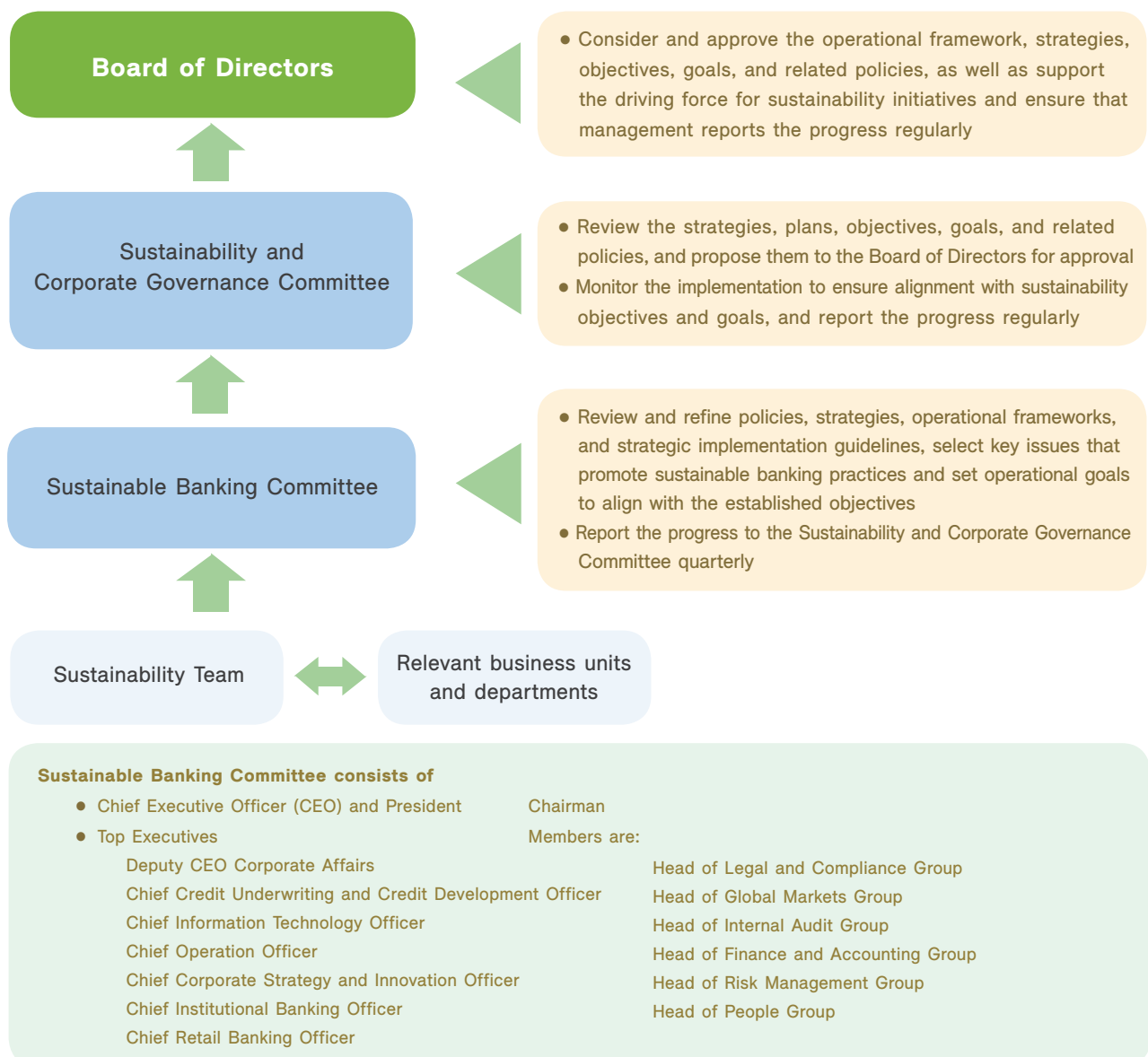
The company has established a sustainability management structure as a key mechanism to drive, coordinate, and communicate sustainable development goals into action, ensuring that all departments work in the same direction.

Sustainability Governance Structure

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

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

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



Strategies and Sustainable Development Performance

The company and Land and Houses Bank prioritize the 17 Sustainable Development Goals (SDGs) set by the United Nations and use them as a guideline to define policies, strategies, and operations. These serve as a framework for driving business across the 3 dimensions: social, economic, and environmental under good corporate governance, monitoring, and reporting results, engagement across all groups of stakeholders and continuous

improvement. The focus is on balancing economic growth, environmental care, and the creation of social value, aiming for sustainable growth and responsible business operations. Additionally, the company demonstrates its intention to drive the reduction of greenhouse gas emissions of the country.

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

Pillar 1

Organization Sustainability

(1) Ethical Governance

The Board of Directors has defined the mechanism, overseen the sustainability and assigned the Sustainable Banking Committee to report the results to the Sustainability and Governance Committee and the Board of Directors of the bank.

(2) Employee Empowerment

Aim to raise awareness and consciousness of climate change and ESG and to develop the potential of employees to drive the 3 main pillars to support the concrete reduction of greenhouse gas emissions in business and society.

(3) Green Organization

Develop, improve, and monitor the decarbonization plan to reduce greenhouse gas emissions from its own operations, support sustainable goals and minimize environmental impacts

Performance

- Established an ESG Governance Structure to oversee, manage, and promote operations related to environmental, social, and governance
- Provided ESG training programs for the Board of Directors, the Sustainability and Corporate Governance Committee, the Sustainable Banking Committee, and employees
- Approved the 2024 annual sustainability development plan to drive the implementation of the sustainability development policy
- Committed to achieving net zero greenhouse gas emissions by setting a target to reduce the net zero greenhouse gas emissions from its own operations (Scope 1 and 2) and meet the net zero greenhouse gas emissions in the bank's portfolio by 2050
- Followed up the 2024 sustainability performance according to the established targets
- Installed solar rooftop at some branches of the bank
- Developed a data collection system for greenhouse gas emissions by branch
- Procured a carbon platform service to manage greenhouse gas emissions from its own operations

Pillar 2
Sustainable Finance

(1) Responsible Finance

Develop financial products and services to support green businesses and those requiring transition from brown to less brown as to drive the shift towards low-carbon economy of the country and promote sustainability in economy and society in the long term

(2) ESG Risk Management

Integrate environmental factors and climate change into business opportunity assessments and risk management to enable the business to effectively respond to emerging risks

(3) ESG Innovative Digital Finance

Utilize innovation and digital technology to develop financial services that support environmental sustainability, financial inclusion, and customer data security, and enhance financial services to be more accessible and convenient

Performance

- Developed products to support business sector for green transition through green transition loans with the aim of enhancing the competitiveness for SMEs entrepreneurs by helping them shift from brown to less brown businesses. In 2024, the bank was collaborating with its partners to provide transition loans to those applying for loans
- Supported sustainable finance through green loans and Sustainability-linked Loans (SLL) to assist entrepreneurs in transitioning to a low-carbon economy. The objective is to encourage customers to operate their business towards sustainability performance targets (SPT), and reduce energy consumption and greenhouse gas emissions. In 2024, the bank provided sustainable finance loans totaling Baht 2.2 billion across 5 projects, consisting of Baht 1.3 billion in green loans and Baht 900 million in SLL
- Collaborated with 3 ESG consultants, including the Electrical and Electronics Institute (EEI), ABeam Consulting (Thailand), and the Management System Certification Institute (MASCI), as partners to advise businesses in their green transition from brown to less brown. The objective is to help customers achieve sustainable environmental goals and provide Green Advisory services to drive businesses towards a low-carbon economy
- Procured a carbon platform service to manage greenhouse gas emissions from the operations of customers
- Calculated the greenhouse gas emissions associated with financial activities such as lending, investing, and other financial services under the Category 15 framework of PCAF (Partnership for Carbon Accounting Financials)

	<ul style="list-style-type: none"> - Created knowledge of risk management by taking into account environmental, social and governance, especially environment and climate change to support and achieve the goal of transitioning to a low-carbon society and sustainable finance in compliance with standards and policies set by relevant regulators - Established a risk management policy that considered social, environmental, and governance with the primary objective of defining a framework for managing various risks to align with the risk appetite and guidelines set by regulators - Developed personnel to understand the objectives and importance of measuring and assessing financed emissions using the methods outlined by the Partnership for Carbon Accounting Financials (PCAF) standard. This will lead to the setting of indicators and goals related to opportunities and risk mitigations in environment and climate change - Conducted a stress testing based on scenarios, defined by the Bank of Thailand and additional internal scenarios. This will be used to assess environmental and climate change risks to align with the bank's loan portfolios, and to guide the development of appropriate risk management strategies
Pillar 3 Responsible to Stakeholder	<p>(1) Community Investment</p> <p>Allocate resources to support communities in five areas: charity, sports, anti-drug initiatives, education, arts and culture. The goal is to create a positive and sustainable impact on communities while fostering strong relationships between organization and stakeholders</p> <p>(2) Collaborative Stakeholder Engagement</p> <p>Develop partnerships with government agencies and private organizations that prioritize ESG to create a collaborative network that promotes sustainability across environmental, social, and economic dimensions</p> <p>(3) Transparency Disclosure</p> <p>Disclose important and relevant information clearly, completely and transparently in accordance with international standards such as GHG Protocol, TCFD Report and Thailand Taxonomy</p>
Performance	<ul style="list-style-type: none"> - Established a governance mechanism to ensure business operations align with good governance principles and regulatory requirements to support sustainable business growth within sustainability framework

- Set up a booth at the “60 Years of Excellence” event under the theme “Creating Great Leaders, Designing the Future,” organized by the Thailand Management Association (TMA), to present knowledge about green transformation of business sector, and showcase green transition advisory services and various categories of green finance to support business sector transition from brown to less brown or green businesses
- Set up a booth at the “Innovative Solutions for Sustainable Packaging” seminar, organized by Rieckermann Thailand to provide knowledge about green finance and SME financing and green transition loan

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

LHFG has been selected to include in the universe of ESG100 for companies with outstanding performance in terms of environmental, social and governance for the year 2024.

The company carries out its business in accordance with the good corporate governance principles together with sustainable banking by considering the environmental, social and governance which are part of the company’s operations. In particular, good corporate governance in all processes of operations require standards, integrity, and transparency. According to the operations with social responsibility, the company has been selected to be 1 of 100 listed companies with outstanding performance in terms of environmental, social and governance (ESG) or ESG100 universe by ThaiPat Institute.



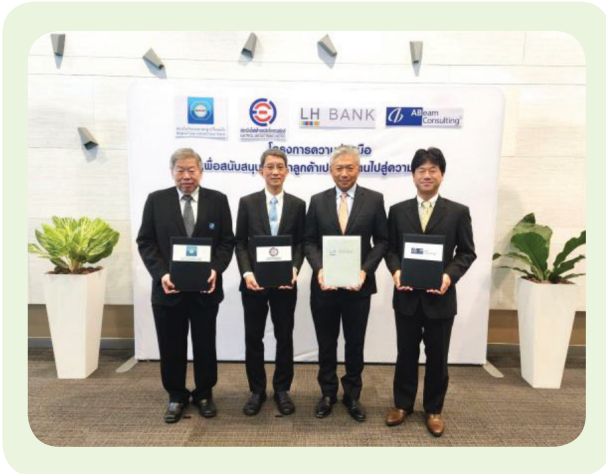
LHFG received the Sustainability Disclosure Recognition in 2024.

The company received the Sustainability Disclosure Recognition Award held by ThaiPat Institute. This prestigious award was presented to the companies that publicly disclose their sustainability information covering ESG for the benefits of stakeholders through business sustainability reports. The recognition reflects LHFG’s determination to enhance its sustainability information reporting in accordance with the Sustainable Development Goal, SDG 12.6.



Green Transition Loan

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



Green Advisory and Finance Engagement (LHB GAFE 2024)

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



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

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



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

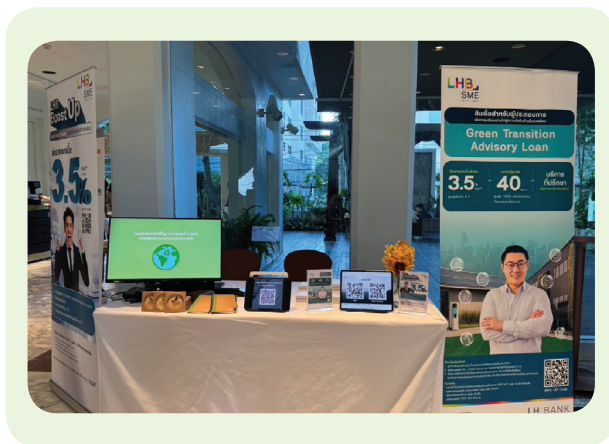


- **Green Loans to Frasers Property (Thailand) Public Company Limited** to be used for the Frasers Property Logistics Park (Wangnoi 2) in Phra Nakhon Si Ayutthaya Province for the development of industrial buildings according to international green building standards



Set up a Booth at Innovative Solutions for Sustainable Packaging Seminar

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



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

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



Certificate of Collective Action Against Corruption

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



Performance of Corporate Social Responsibility for Sustainable Development in Various Dimensions

Environmental Dimension	Social Dimension	Economic Dimension
<p>Bridge Transition Technology in Energy Loan was Baht 17,744 million in 2024.</p> <p>Renewable Energy Loan was Baht 2,069 million in 2024.</p> <p>Sustainable Finance Loan was approximately Baht 2,200 million in 2024.</p>	<p>The number of complaints from employees regarding labor operations in 2024 was 0.00 percent, which remained the same as in 2023.</p>	<p>The level of satisfaction of customers who received services from branches in 2024 was 97.10 percent, increased by 0.40 percent compared to 96.70 percent in 2023.</p>
<p>Carbon Credits</p> <p>According to the assessment result of GHG emissions arising from various activities in 2024, the company is under verification for offsetting corporate carbon footprint of 3,998 tons of carbon dioxide equivalent (tCO₂e), accounting for 100 percent of carbon dioxide levels emitted from Scope 1, 2 and 3 sources and equivalent to planting 266,534 perennial trees.</p> <p>Note: the company has been reviewed by the LRQA Thailand and is under process for verification of GHG emissions from various business activities of 2024. The company filed a request for CFO certification for carbon footprint registration during the consideration by TGO meeting No. 2/2025. To obtain certification of greenhouse gas emission assessment results in 2024</p> <p><u>Proportion of greenhouse gas emissions</u> (Scope 1-2) to operating income was equal to 37 percent in 2024, increased by 16 percent compared to 21 percent in 2023 because the company had a disclosure policy of the amount of greenhouse gas to cover activities under the scope of the organization's operations. In 2024, the company expanded the scope of collecting greenhouse gas emission data of the bank's branches.</p> <p>Reduction in greenhouse gas emissions with paper management</p> <p>In 2024, the company used 13.168 reams of paper, increased by 5 percent from 12,511 reams in 2023 because</p>	<p>The rate of employees who got injured while working in 2024 was 0.00 percent, which remained the same as in 2023.</p> <p>Investments for the development of society, community and environment valued at around Baht 2.5 million in 2024.</p>	

Performance of Corporate Social Responsibility for Sustainable Development in Various Dimensions (Cont.)

Environmental Dimension	Social Dimension	Economic Dimension
<p>in 2024, the company added more varieties of financial products with more transactions. Nevertheless, the company still set out the plan to reduce paper consumption by 5 percent of the total amount of paper consumed each year by applying technologies to provide more electronic service channels.</p> <p>Energy Management In 2024, total electricity of 1,959,474 kWh was consumed, a decrease of 1 percent compared to 2023. Due to the company's policy and campaign to save electricity and reduce energy consumption, <u>The proportion of electricity consumption to operating income in 2024</u> was 0.023 percent, an increase of 0.001 from 0.022 percent in 2023.</p> <p>Waste Management The company campaigns for engagement in environmental conservation in daily life, such as Reuse, Recycle and Reduce. As a result, the amount of waste from business operations. Amount of waste in 2024 was 53,893.91 kg, increasing by 14,348.91 kg or 36 percent compared to 2023, which was 39,545 kg.</p> <p><u>Amount of recycled waste</u> In 2024, the volume was 22,673.92 kg, increasing by 12,713.22 kg or 128 percent compared to 2023, which was 9,960.70 kg.</p> <p><u>Proportion of business waste to operating income</u> In 2024, it was 0.00066 percent, increased by 0.00021 percent compared to 0.00045 percent in 2023.</p> <p><u>Proportion of recycled waste to community waste</u> In 2024, it was 72.63 percent, an increase of 38.96 percent compared to 33.67 percent in 2023.</p>		

Corporate Social Responsibility for Sustainable Development Policy

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

1. Good Corporate Governance
2. Fair Business Operation
3. Anti-corruption
4. Respect for Human Rights
5. Fair Treatment of Labors
6. Responsibilities towards Consumers
7. Cooperation in the Development of Community

and Society

8. Environmental Management
9. Innovation and Dissemination of Innovative

Corporate Social Responsibilities

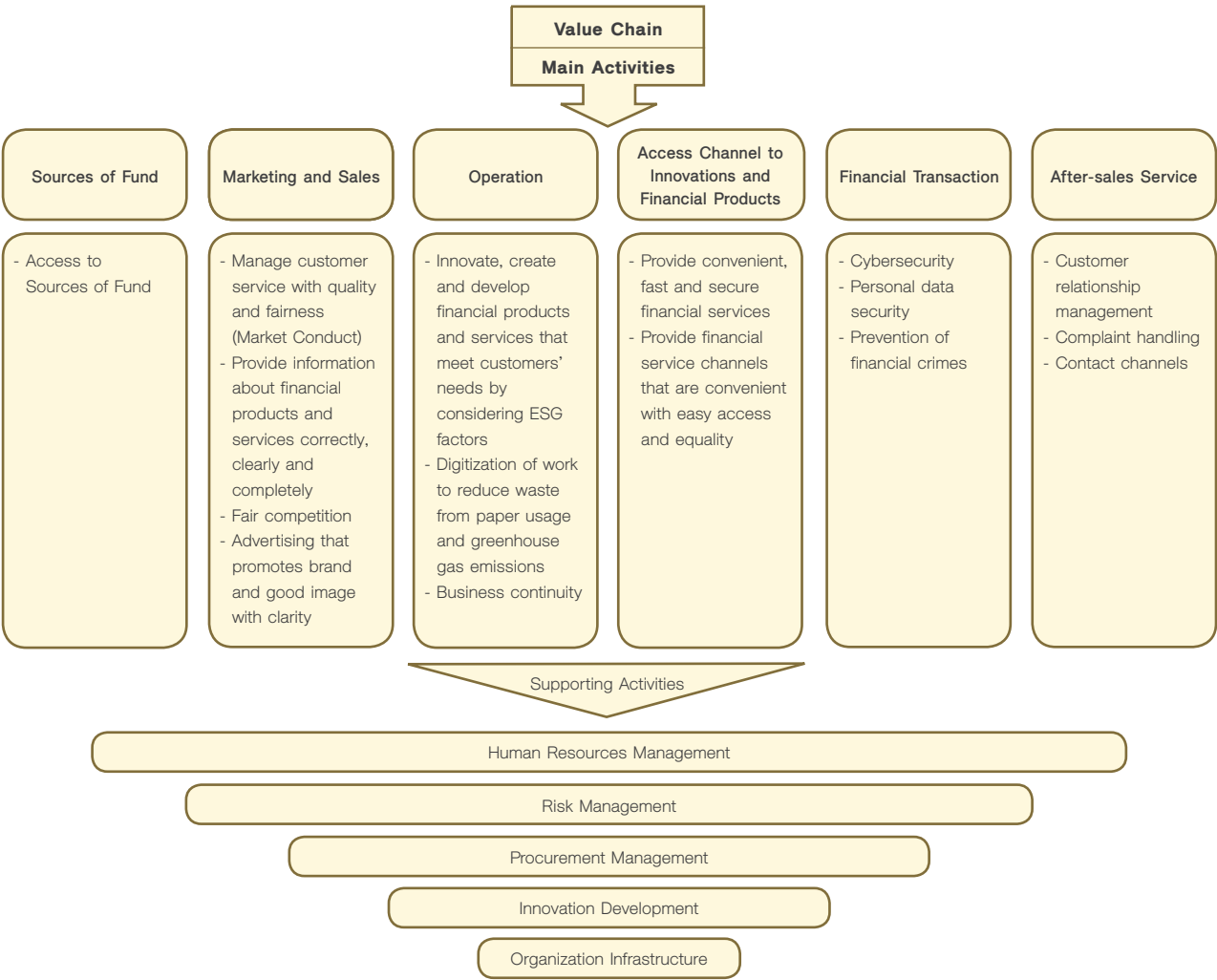
The company publishes the details of corporate social responsibility for business sustainability policy on the company's website (www.lhfg.co.th)

Objectives for Corporate Social Responsibility for Sustainable Development Policy

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

3.2 Value Chain Management

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

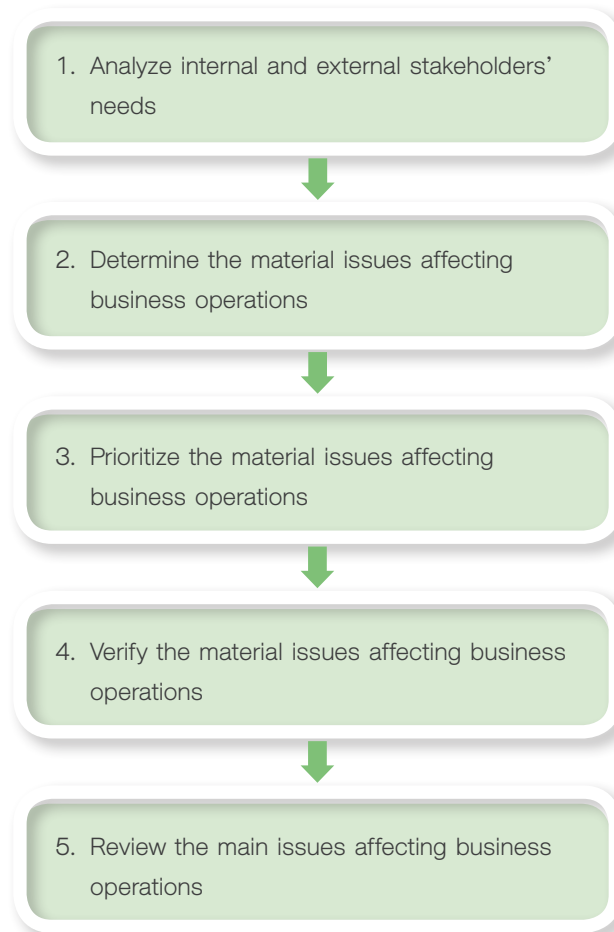


The company continues to pay attention to the sustainable development reporting as part of the annual report Form 56-1 One report to communicate with the stakeholders to get informed of the policy, management guidelines and the outcome of social and environmental responsibilities under the reporting

framework of the Corporate Social Responsibility Institute, the Securities and Exchange Commission, the Stock Exchange of Thailand and the Bank of Thailand. The content of the report covers the company’s operations by collecting data from 1 January to 31 December 2024.

The company presents the content of the sustainable development report with an analysis of the needs of both internal and external stakeholders. The result will then be applied to determining the material issues affecting

business operations according to the guideline of the corporate social responsibility for sustainable development policy with the following steps:



1. Analysis of Stakeholders' Needs

The company places great importance on the rights of all stakeholders by having the processes and steps to analyze the needs of both internal and external stakeholders. The company analyzes and prioritizes stakeholders based on various factors such as the context of relationships with stakeholders, their relevance to creating added value throughout the supply chain and expectations, impacts on operations in terms of social,

economic, environmental, and governance aspects, interdependence, code of conduct, and responsibility toward stakeholders. etc. The focus is on creating positive impacts for stakeholders within the value chain through various activities and communication channels, for example, employee engagement survey to gather data for defining practices that align with corporate governance policy and corporate social responsibility for sustainable development policy.



Engagement of Stakeholders

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

Group of Stakeholders consists of:

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

Stakeholder Engagement Process

Stakeholders	Interests and Expectations	Engagement and Communication Channels	Practice and Response
1. Shareholders	<ul style="list-style-type: none"> • Appropriate compensation and sustainable growth • Good business performance and stable growth under appropriate risk • Work with transparency, fairness and accountability • Prudent risk management • Operate business ethically and consider society, economy, environment and governance • Qualification and experience of directors and executives and proportion of independent directors • Disclose information with completeness, correctness, equality and transparency • Prevent violations right of shareholders and personal data of shareholders 	<ul style="list-style-type: none"> • Hold the Annual General Meeting of Shareholders once a year • Hold a press conference and analyst meeting twice a year • Publish annual report 56-1 One Report • Disclose information through SETLink of the Stock Exchange of Thailand, the company's website, internal and external print media • Provide a chance for minority shareholders to propose material issues for the Board of Directors to consider adding them into the agenda of AGM • Provide channels for inquiries via the company's website • Provide the channels for suggestions, whistleblowing and complaint through the channels provided by the company • Provide the independent directors as the proxy for Annual General Meeting 	<ul style="list-style-type: none"> • Business operations under good corporate governance principles • Anti-corruption • Shareholders' personal data protection • Respect for shareholders' right equally • Generate good performance under proper risk management • Disclose correct and complete information through various channels for equal acknowledgement and transparency • Provide a chance for minority shareholders to propose material issues useful for business operation via the company's website and the Stock Exchange of Thailand to consider adding them into 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 • Provide the channels for whistleblowing about fraud, corruption and complaint
2. Board of Directors	<ul style="list-style-type: none"> • Perform duties with transparency following the corporate governance principles for sustainable growth of the organization • Treat all stakeholders on the basis of fairness for the best interest of the company and shareholders by taking into account all groups of stakeholders • Oversee sustainable growth 	<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 them to the board • Conduct self-assessment for directors as follows: <ol style="list-style-type: none"> 1. Collective self-assessment of the Board of Directors and sub-committees 	<ul style="list-style-type: none"> • Business operations under good corporate governance principles • Management with efficiency, transparency according to corporate governance and sustainable development guidelines • Business operations by considering all groups of stakeholders • Provide sufficient and full information in a timely manner • Engage in good governance activities

Stakeholder Engagement Process (Cont.)

Stakeholders	Interests and Expectations	Engagement and Communication Channels	Practice and Response
		2. Individual self-assessment of the Board of Directors and sub-committees 3. Cross-assessment of directors 4. Good corporate governance self-assessment	<ul style="list-style-type: none"> Promote, support and develop knowledge related to the duties of directors and business Provide orientation program for new directors Use the results of self-assessment to improve work efficiency
3. Employees	<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"> Arrange Welcome Newcomers on the first day at work Provide orientation for new employees Arrange capacity-building learning for all levels of employees and increase the learning channels via the company's intranet and PacD, enabling them to learn anywhere anytime to enhance their capabilities Arrange activities to enhance teamwork Introduce activities to build employees' engagement and morale Provide channels to receive complaints, grievances, opinions and suggestions Hire people with disabilities to pursue their career and live in the society with pride Provide learning and communication channels to promote learning Prepare the occupational health and safety policy as well as analyzing and determining the measures for risk control on occupational health and safety at work Establish the Occupational Safety, Health and Environment Committee for driving the policy and the plan for occupational safety, health and environment in a workplace 	<ul style="list-style-type: none"> Encourage employees to instill corporate values Prepare succession plans for executives and key positions Survey market rate of compensation on a regular basis as to improve to align with proper industrial standard or reasonable standard of living Protect and do not persecute or impose any disciplinary proceedings against an employee who reports any wrongdoings with integrity to executives or public agencies Improve working environment to align with occupational health and safety guidelines No discrimination on employment regardless of race, nationality, color, gender, religion, political views or age Promote employment for vulnerable laborers, such as providing opportunities to employ people with disabilities Develop human resources by providing skill training and capacity building for employees by creating opportunities for learning and promotions for career progress Support and provide opportunities for employees with outstanding knowledge and abilities to be part of the talent program, aimed at developing and preparing them for higher positions

Stakeholder Engagement Process (Cont.)

Stakeholders	Interests and Expectations	Engagement and Communication Channels	Practice and Response
		<ul style="list-style-type: none"> ● Train and appoint executives as safety officers to drive compliance with laws and regulations related to occupational safety, health and working environment standards ● Support and provide opportunities for employees with exceptional knowledge and skills to become part of the talent program, aimed at developing and preparing them for higher positions 	<ul style="list-style-type: none"> ● 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
4. Customers	<ul style="list-style-type: none"> ● Customers relationship management ● Provide services for customers with quality and fairness (Market Conduct) ● Satisfaction with a wide variety of quality products and excellent services ● Promptness in hearing and responding to customers' requirements ● Maintain customer confidentiality ● Equal treatment of customers 	<ul style="list-style-type: none"> ● Conduct the customers' satisfaction survey for branch services ● Offer products that can satisfy customers' needs, improve employees' competency in making an offer to customers with well-integrated products and services as to meet all of their requirements as well as determine measures to protect customer data ● Publicize products and services completely and transparently ● Provide channels for customers to give recommendations, comments or complaints ● Conduct a customer satisfaction survey regularly 	<ul style="list-style-type: none"> ● Apply the survey results of customers' satisfaction to improve its services and products ● Study customers behaviors as to improve services and strengthen relationship ● Give product information accurately, clearly and easily-to-understand ● Collect suggestions or feedback for improvements ● Innovate and create products and services that meet consumers' needs ● Publicize full information of products and services through various channels easily accessible by consumers to support their decisions ● Provide assistance and answer customers' enquiries to promote good understanding on products and services

Stakeholder Engagement Process (Cont.)

Stakeholders	Interests and Expectations	Engagement and Communication Channels	Practice and Response
			<ul style="list-style-type: none"> ● Collect complaints and cope with them promptly ● Arrange activities to create good relationship with customers ● Have customers' data security measure in place
5. Community, Environment and Society	<ul style="list-style-type: none"> ● Support communities' activities ● Promote and enhance learning and knowledge ● Develop the quality of life and promote income generation to community through various CSR activities ● Promote and support government policies ● Preserve environments and effective use of resources ● Social and environmental impacts that might arise from the company's operations ● Collect the voice of neighboring communities 	<ul style="list-style-type: none"> ● Organize the Green Office project to reduce electricity and paper use as well as shift to use environmentally-friendly office automations by continuously raising awareness ● Host the Children's Day activities to pass on smile to kids ● "LH Bank Support Scholarship" project provides scholarships for students with good records and commitment to further their study until high school level ● Donate used computers project to promote learning among youth in needs ● "Old Calendar We Need" for the school of the blind to be used for producing instructional media, braille book and notebook for the blind students ● "Learning Library" project to instill reading habits in youth and create an environment conducive to learning along with giving books for skill enhancements and sports equipment to various schools ● "Give Books and Learning Materials to the Department of Corrections" to promote knowledge of prisoners 	<ul style="list-style-type: none"> ● Perform business with ethics in parallel with environmental and social responsibilities ● Support social activities and promote employees' engagement ● Support and promote education to improve educational quality and accessibility ● Promote cultural, traditional and religious activities ● Promote effective use of resources ● Listen to the opinions of nearby communities as to improve or support social activities ● Support the cultural, traditional and religious activities ● Provide appropriate emergency plan to prevent losses and damages on environment ● Open a chance and facilitate all related parties to express their creative ideas which are the foundation for creating innovations leading to continuous creation of innovations ● Promote and cooperate with the stakeholders, such as trade partners, to develop innovations ● Regularly review business procedure whether it causes any risk or adverse effects to society and environment or not. If any, it must be resolved promptly.

Stakeholder Engagement Process (Cont.)

Stakeholders	Interests and Expectations	Engagement and Communication Channels	Practice and Response
		<ul style="list-style-type: none"> ● Voluntary blood donation project, 1 Giver 3 Receivers, to help patients in hospitals from their illnesses nationwide ● “RUN for LIFE” project for employees to engage in social activities together by running an accumulated distance of 30 kilometers within 30 days, convert it into donations for underprivileged children of the Foundation for Slum Child Care ● The “Ecobricks” project encourages employees to participate in collecting plastic waste such as plastic wrappers, snack bags, straws, and candy wrappers, and stuffing them tightly into plastic bottles. These bottles are then used as building materials instead of traditional bricks to create furniture like tables or chairs. The finished products are donated to the “Little Bee Fighters” organization to help build environmental education centers and classrooms ● Financial and non-financial donations, debt restructuring by reducing installment, giving more loans for victims or customers impacted by natural disasters ● Prepare proper emergency plan to mitigate loss 	

Stakeholder Engagement Process (Cont.)

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

2. Determining Material Issues Affecting Business Operations

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

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

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

3. Prioritizing Material Issues Affecting Business Operations

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

Materiality Matrix

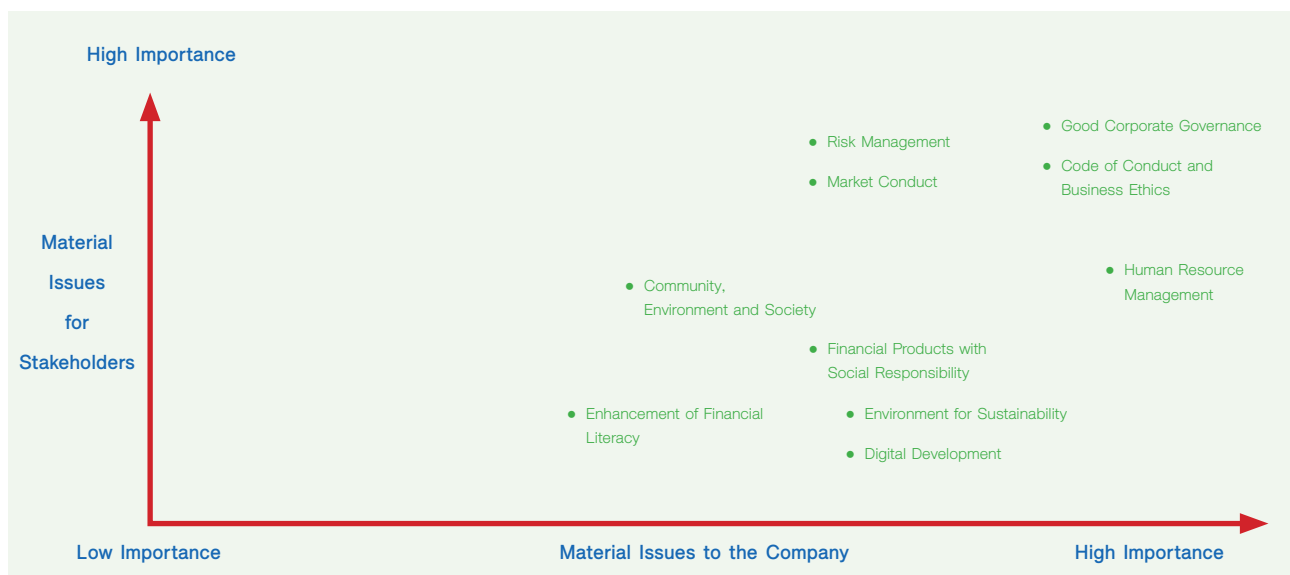


Table: Analysis of Material Issues Affecting Business Operations

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 	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 to 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 	 

Table: Analysis of Material Issues Affecting Business Operations (Cont.)

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)
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 	     
Financial Products with Social Responsibility	GRI 2-6 GRI 201-1 GRI 203-1 GRI 203-2 GRI 417-1	<ul style="list-style-type: none"> Companies in the financial business group Directors, executives and employees 	<ul style="list-style-type: none"> Customers Community, Environment and Society 	<ul style="list-style-type: none"> Accessibility to financial services 	     
Enhancement of Financial Literacy	GRI 103-1 GRI 103-2 GRI 103-3 GRI 201-1 GRI 203-1 GRI 203-2 GRI 413-1 GRI 419-1	<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 financial business group 	<ul style="list-style-type: none"> Customers Communities, Societies and Environment 	<ul style="list-style-type: none"> Environmental Sustainability Management 	   

Table: Analysis of Material Issues Affecting Business Operations (Cont.)

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)
Community, Environment and Society	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 significant issues and propose them to management and the Sustainability and Corporate Governance Committee for acknowledgement and operational guidelines. These material issues have also been disclosed in the business sustainability report and the company's website.

5. Reviewing Material Issues Affecting Business Operations

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

Report Quality Check

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

Persuading Business Partners to Join the Anti-Corruption Association

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

Responsible Lending and Investment

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

To prevent the companies in the financial business group from being used as a tool for money laundering by fraudsters or culprits in accordance with the AML law, the bank has provided the AML/CFT compliance program, anti-money laundering and countering terrorism and proliferation of weapon of mass destruction financing (AML/CTPF) policy which prohibits the bank from accepting customers or providing financial transactions to persons who are specially designated national (SDN) announced by the Anti-Money Laundering Office (AMLO) and those announced by other countries. The bank has implemented a filtering system to detect designated persons. Moreover, the bank has a customer acceptance process including Know Your Customer (KYC), Customer Due Diligence (CDD) according to AMLO's criteria and guidelines, screening customer lists on a daily basis and reviewing

customer information (Periodic KYC Review) throughout the period of being a bank customer according to the money-laundering risk rating to ensure that the bank's customers are not designated persons.

Credit Underwriting Following Social, Environmental and Corporate Governance Risks

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

Customer Relationship Management

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

Supply Chain Management

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

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

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

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

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

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

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

Support for Partners Operations

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

Following up, Checking and Evaluating the Process of Business Partners

The company has followed up and assessed the performance of partners in various ways, such as evaluating their satisfaction with services, and having a channel to collect their suggestions and complaints. However, to ensure that the company has received the products and good services as required, the company

has the procurement team to inspect the products and services and provide suggestions to the partners to improve the quality of products. In case the partners cannot meet the required standards, the company will consider turning down their service.

Management of Economic Risks Arising from Business Partners

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

Process of Assessing Risks from Business Partners

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

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

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

Tax Management Strategy

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

Tax Risk Management

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

Tax Incentives

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

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

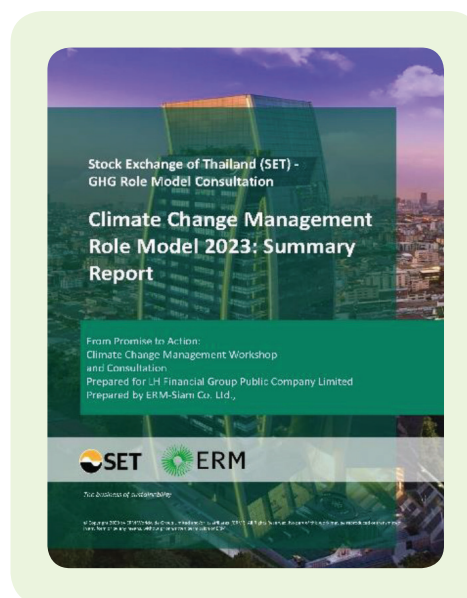
3.3 Sustainability Management in Environmental Dimensions

The company is aware and determined to play a part in dealing with global warming and promote a goal of carbon-neutral organization. In 2024, the company has been granted the certificate of Carbon Footprint for the organization heading for explicit guidelines to effectively reduce the organization's greenhouse gas emissions and has received the Carbon Neutral Certificate after it had succeeded in offsetting corporate carbon footprint of 2,512 tons of carbon dioxide equivalent (tCO₂e) by Thailand Greenhouse Gas Management Organization (Public Organization). Additionally, the company has received a plaque of honor for leading an organization in greenhouse gas management (Climate Action Leading Organization: CALO). This award reflected its determination to take part in management and drive the greenhouse gas emission in the organization substantially as to support Thailand to achieve the goal of net zero greenhouse gas emissions within 2065.



The Climate Change Management Role Model (FIN)

In 2023, the company has been chosen by the Stock Exchange of Thailand to be 1 of 9 companies to join the Climate Change Management Role Model (FIN) with the purposes to provide the listed companies with a foundation in environmental management and improve their operations as well as to be a role model for other companies. The Stock Exchange of Thailand and ERM-Siam Company Limited are consultants throughout the project period to push, advise, and encourage them to have potential in setting greenhouse gas management goals to cover all dimensions of ESG both short-term and long-term, identifying and evaluating financial impacts with threats and opportunities that relate with climate to be guidelines for sustainability reporting to align with the standards of the Task Force on Climate-related Financial Disclosures (TCFD).



Environmental Supervision

The Board of Directors of the bank has appointed the Sustainability and Corporate Governance Committee to oversee sustainability activities. And to drive the sustainability initiatives, the bank has established the Sustainable Banking Committee to drive the organization's business operations while considering environmental and climate change aspects. A dedicated unit has been set up to manage environmental operations related to internal activities and collect environmental data for reporting and improving the appropriate operations.

The bank has established a corporate social responsibility for business sustainability policy for environmental management, recognizing the importance of conducting business in a way that does not have negative impacts on the environment and promotes the efficient use of resources, and also set operational frameworks and sustainability goals to be the guidelines for both the bank and its employees in driving environmental initiatives.

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 calculated in terms of carbon dioxide equivalent, which can lead to explicit management guidelines to effectively reduce the organization's GHG emissions.

With the intention to address global warming, the company has set targets for CFO by sending their personnel to join various activities, trainings and seminars. On March 8, 2021, LH Financial Group Public Company Limited signed the memorandum of agreement with Thailand Carbon Offsetting Program (T-COP 8) to promote the voluntary national carbon markets for the 8th year,

hosted by VGREEN, Faculty of Environment, Kasetsart University, to be a pilot voluntary organization to quantify their GHG emissions and consider effective ways to alleviate GHG emission for sustainable development of organization and employees.

In 2024, the company prepared a report assessing the greenhouse gas emissions resulting from various activities as well as its supply chain, covering both direct and indirect emissions. This report aligns with the requirements for calculating and reporting the organization's carbon footprint as stipulated by the Thailand Greenhouse Gas Management Organization (Public Organization). The organizational boundary follows the Financial Control approach, considering the greenhouse gas emissions from activities at both the headquarters and branches. The report includes emissions from Scope 1 and 2 as well as Scope 3 emissions.

Table: Assessment Results on GHG Emissions Arising from Various Activities in the Company in 2024

Table: GHG Emission Results from Operational Boundaries of Scope 1-3.

Scope	Corporate GHG Emissions	Percentage of Scope 1 & 2	Percentage of Scope 1, 2 and 3
Scope 1	529.00	17.70	13.23
Scope 2	2,459.00	82.30	61.51
Scope 3	1,010.00	-	25.26
Other	69.00	-	-
Total Scope 1 & 2	2,988.00	100.00	-
Total Scope 1, 2 & 3	3,998.00	-	100.00

Carbon intensity (Scope 1+2)	0.249814604	tCO ₂ e/Sq.m
Carbon intensity (Scope 1+2+3)	0.334256622	tCO ₂ e/Sq.m

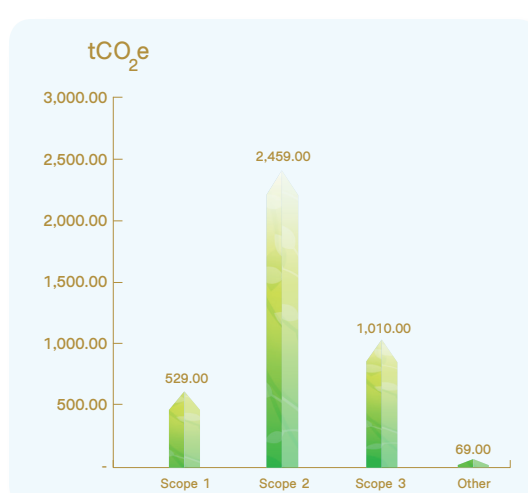


Table: Total Scope 1 of GHG Emission

Source of GHG Emission		Amount of GHG Emission (tCO ₂ e)								Total GHG (tCO ₂ e)
		CO ₂	Fossil CH ₄	CH ₄	N ₂ O	SF ₆	NF ₃	HFCs	PFCs	
1	Use of diesel for fire pump	0.24	0.00	-	0.00	-	-	-	-	0.24
2	Use of diesel for generator	0.99	0.00	-	0.00	-	-	-	-	0.99
3	Biodiesel consumption	-	-	0.00	0.00	-	-	-	-	0.00
4	Use of diesel: Fleet card	58.43	0.09	-	0.81	-	-	-	-	59.33
5	Use of gasoline: Fleet card	442.18	4.79	-	13.53	-	-	-	-	460.49
6	Use of diesel: Vehicle expense	1.31	0.00	-	0.02	-	-	-	-	1.33
7	Use of gasoline: Vehicle expense	5.73	0.06	-	0.18	-	-	-	-	5.97
8	Ethanol consumption	-	-	0.07	0.13	-	-	-	-	0.20
9	Biodiesel consumption	-	-	0.00	0.01	-	-	-	-	0.01
10	Fire extinguishing agent: FM200	-	-	-	-	-	-	-	-	-
11	Use of fire extinguishing agent: Carbon dioxide	-	-	-	-	-	-	-	-	-
12	Refrigerant: R410a in air conditioner	-	-	-	-	-	-	-	-	-
13	Refrigerant: R407c in air conditioner	-	-	-	-	-	-	-	-	-
14	Refrigerant: R134a in air conditioner	-	-	-	-	-	-	-	-	-
15	Refrigerant: R32 in air conditioner	-	-	-	-	-	-	-	-	-
Grand Total		508.88	4.94	0.07	14.67	-	-	-	-	528.57

Table: Total Scope 2 of GHG Emission

Source of GHG Emission	Amount of GHG Emission (tCO ₂ e)
Electricity consumption	2,458.14
Grand Total	2,458.14

Table: Total Scope 3 of GHG Emission

Source of GHG Emission	Amount of GHG Emission (tCO ₂ e)
1) Acquisition of A4 paper in organization	83.10
2) Use of tap water	16.87
3) Use of electricity	485.33
4) Acquisition of gasoline fuel	68.94
5) Acquisition of diesel fuel	7.19
6) Waste management in communities	281.37
7) Recycling waste management	0.74
8) Business trip by plane	56.62
9) Business stay	9.54
Grand Total	1,009.71

In 2024, the percentage of GHG emission (Scope 1 & 2) per operating income was equal to 37 percent.

Currently, the company has been reviewed by the LRQA and is under process for verification of GHG emissions from various business activities of 2024, which still contains its scope of work and financial control, by considering the Scope 1, 2 and 3 emissions and employing the same verification criteria to the organizational carbon footprint provided by Thailand Greenhouse Gas Management Organization (Public Organization) : TGO. The company filed a request for CFO certification for carbon footprint registration during the consideration by TGO meeting No. 2/2025.

Carbon Credits

TGO has initiated the Carbon Offsetting Program with an aim to 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 which support and enhance the local voluntary carbon market, leading to a greater drive to reduce overall GHG emissions.

The company recognizes the importance of the mentioned mechanism and supports the Voluntary National Carbon Markets with a policy to create carbon neutrality. In 2024, the company offset corporate carbon footprint of 3,998 tCO₂e to the carbon dioxide levels emitted from Scope 1, 2 and 3 sources equivalent to planting 266,534 perennial trees or equivalent to absorbing a significant amount of carbon dioxide in 7,955 rai of forest areas.

Energy Management

The company continues to manage electricity and tap water 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.

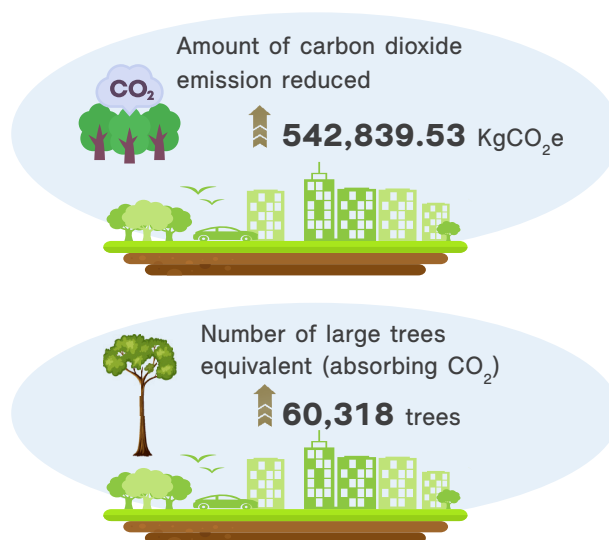
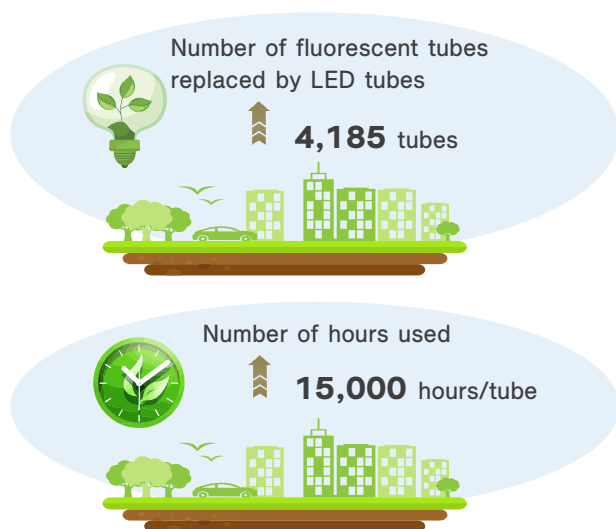
- The company has reduced the number of single function automations and replaced them with new energy-saving technologies with less pollution. The ongoing project helps reduce energy-related costs and other expenses such as paper cost, maintenance and saving the office spaces for office equipment arrangements.

- The company has replaced the single-function printers with the multi-function printers and set them as a pool for which one printer is shared among different departments. This results in lower consumption of electricity and space saving.

- The company has selected energy-efficient fluorescent tubes and LED tubes, with watts suitable for space, and the proper size of cables. The office decoration also employed soft colors and natural light. The company had replaced fluorescent tubes with LED

tubes since 2016, totaling 4,185 tubes, consisting of 3,654 long LED tubes and 531 short LED tubes, helping reduce energy consumption by 932,554 kWh, or approximately 45 percent when compared with the use of fluorescent tubes. As LED tubes produce less heat than traditional fluorescent lamps, they could reduce the carbon dioxide emissions by 542,839.53 kgCO₂e over its lifetime. That was equivalent to planting 60,318 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.

- The measurement of illumination (Lux Meter) within an office to ensure appropriate lighting levels according to standards.

GHG Emissions Reduction

The company considers 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 and has planned to reach net-zero emissions in 2065*.

* Scope 1 and 2 for the own operation head office

GHG Emissions Goal

The company targets to reduce GHG emissions from its own operations by 25 percent, compared to that of the base year 2020 within 2030*, equivalent to GHG emission per one employee at 2.31 tCO₂e.

* Scope 1 and 2 from the own operation head office

Before 2020, the base year, the company implemented various energy management measures, for example, gradually replacing fluorescent light bulbs with LED light bulbs, switching the working style from paper to electronic, and shifting from internal combustion vehicles to hybrid vehicles. Consequently, greenhouse gas emissions in the base year 2020 were 3,015 tCO₂e. The company has efficiently managed energy, resulting in a continuous decrease in greenhouse gas emissions from 2021 to 2024, to 2,155, 2,378, 2,512 and 3,998 tCO₂e, respectively. Due to business expansion of the financial

business group, the office space is insufficient, so the office space must be expanded to accommodate the growing employees from office space of 11,885.87 sq.m. in 2020 to 21,812.88 sq.m. in 2024. The company has also increased the scope of reporting greenhouse gas emissions from the operations of 72 branches of the bank. Therefore, the company's greenhouse gas emissions in 2024 increased by 32.60 percent compared to the emissions in the base year of 2020.

However, the company's greenhouse gas emissions per area have been constantly declining since 2021 - 2024, when compared to the base year of 2020. The company reduced greenhouse gas emissions from own operations by 28.52, 24.00, 20.97, and 27.74 percent, respectively, from the base year which exceeded the target set at 25 percent from the base year.

Table: Achievement of Greenhouse Gas Emission Reduction Goal

	Base Year 2020	2021	2022	2023	2024
Total GHG Emission (tCO ₂ e) SC1+SC2+SC3	3,015	2,155	2,378	2,512	3,998
Total GHG Emission (tCO ₂ e) SC1+SC2	2,355	1,723	1,835	1,879	2,988
GHG reduction from Base Year (tCO ₂ e)		-860	-637	-503	1,843
GHG reduction from Base Year (%)		-29%	-21%	-16.7%	32.60%
Total Rent Area (Sq.m.)	11,885.87	11,885.87	12,335.87	12,529.87	21,812.88
Emissions Intensity Scope 1,2,3 (tCO₂e/Sq.m.)	0.254	0.181	0.193	0.200	0.183
Emissions Intensity Scope 1,2 (tCO ₂ e/Sq.m.)	0.198	0.145	0.149	0.150	0.137
GHG reduction from Base Year/Sq.m. (%)		-28.52%	-24.00%	-20.97%	-27.74%

In 2024, the company sent out its employees to attend the following training provided by various public and private institutions.

Training/Seminar	Organizer	Number of Participants
GSPN Update EP. 20 "Net Zero Pathway for Sustainable Building"	Thailand Productivity Institute	2 persons
TREES NC	Thai Green Buildings Institute	1 person
"Carbon Footprint for Organization" Workshop	Thailand Greenhouse Gas Management Organization (Public Organization)	2 persons
Green Partnership Sustainable Waste Management Workshop	Central Pattana PCL	2 persons
Webinar on Latest Trends in Climate and Environmental and ESG Risk Management	Thai Bankers' Association	2 persons
GHG Emission's Reduction Science Based Target	Thailand Greenhouse Gas Management Organization (Public Organization)	3 persons

Training/Seminar	Organizer	Number of Participants
BOT Capacity Building TCFD Workshop	The Bank of Thailand	2 persons
Outcomes from COP28	Thailand Carbon Neutral Network	3 persons
Introduction to Carbon Footprint for Organization: CFO (ISO 14064-1:2018)	BSI GROUP	2 persons
NEXT STEP THAILAND 2024: Next Eco-System Tech & Sustain	Nation Group (Thailand) PCL	2 persons
TCNN network seminar: “Carbon Market: Climate Action Tool for Carbon Neutral-Net Zero Future”	Thailand Carbon Neutral Network	3 persons
A CALL TO ACTION GO GREEN 2024: The Ambition of Thailand	Bangkok Biz	3 persons
Life Cycle Assessment and Carbon Footprint for Organization for Built Environment	Thai BIM Association	2 persons
ESG 101 (SET e-Learning)	The Stock Exchange of Thailand	19 persons

Waste Management

The waste issue in Thailand is intensifying, particularly accumulated garbage. This waste created various problems including a breeding ground for diseases, leaking and floating into an open-sea or accumulating microplastic in seafoods. Thailand has 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 has been separating wet waste, general waste, recyclable waste, and hazardous waste within the office according to the waste separation program to reduce GHG emissions of the Thai Listed Companies Association. For the bank branches, 2024 will be the starting year for separating wet waste and general waste from recyclable waste, as well as campaigning to encourage employees to properly separate waste before disposal.

The company has the policy about environmentally friendly business operation and encourages the employees to participate in environmental activities such as the Charity DIY “Eco Bricks” activity involves compressing non-recyclable waste into plastic bottles to create eco-friendly bricks to be used for constructing classrooms, libraries, tables, chairs, etc., which are then donated to the “Little Bee Fighters” organization for building learning centers in remote areas. This initiative transforms waste into a resource to benefit our planet.

In 2024, the company had the waste generated from operations of 53,893.91 kg or increased by 36% compared to 2023 at 39,454 kg. The recycling waste was 22,673.92 kg or increased by 128% compared to 2023 at 9,960.7 kg. The non-hazardous waste was 76,550.93 kg, and the amount of hazardous waste was 16.90 kg.

In 2024, the non-hazardous waste was 76,550.93 kg and the hazardous waste was 16.90 kg.

In 2024, the ratio of waste generated from the business to operating income was 0.00066%.

In 2024, the percentage of recycled waste per community’s waste was equal to 72.63 percent.

Recycling Waste Management and Goals for 2025

The company practices waste separation at the source by sorting recyclable waste from general waste, such as plastic, paper, glass, and metal. Clearly labeled bins are used to make disposal easier. Recyclable waste is taken to buy-back points or recycling centers, and the company promotes awareness and community involvement in the process.

The recycling waste management goal for 2025 is to continue encouraging employees to reduce the use of resources that generate waste, promote the use of environmentally friendly materials, and support the use of recycled materials in manufacturing.

The amount of recyclable waste in 2024 increased by 128% compared to 2023, as the COVID-19 pandemic situation returned to normal. The company implemented a policy for employees to return to working at the office, and the post-COVID-19 crisis led to changes in employees' consumption behaviors, such as ordering products and food online. This shift contributed to the increase in waste volume.

Waste Management Goal for 2025

The company plans to separate waste by campaigning for employees to adjust their behaviors to help protect the environment, such as reducing waste to lower greenhouse gas emissions. This is done by following the 7R principles: Reduce, Reuse, Recycle, Replace, Refill, Repair, and Return, continuously.

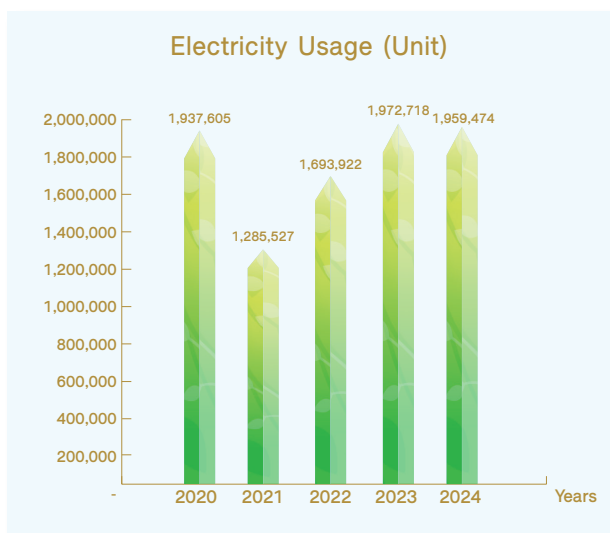
Non-hazardous Waste Reduction Target in 2025

The company campaigns to encourage participation in environmental conservation in daily life, in line with the principles of a circular economy, such as Reduce, Repair, and Return, to reduce the amount of non-hazardous waste generated from business operations. As a financial institution, most of the waste generated is non-hazardous, such as paper, food packaging, and so on.

Electricity Management

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

In 2024, the total electricity consumption was 1,959,474 kWh, a 1% decrease compared to 2023, due to the company's policy and campaign to promote electricity conservation and reduce energy consumption.



In 2024, the percentage of power usage per operating income was 0.023 percent.

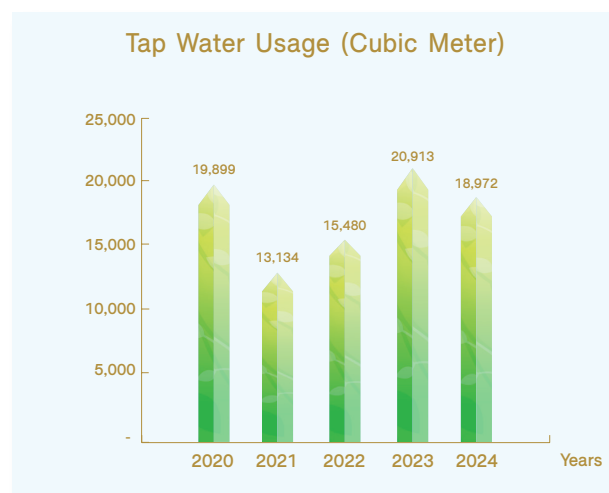
Electricity Management Goal for 2025

The company has set a target to reduce electricity consumption by 1% from 2024. This is due to the company's campaign encouraging employees to save electricity and reduce energy usage, such as turning off lights during lunch breaks, shutting down computer screens when not in use, and setting air conditioning temperatures to an optimal level.

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 for washing. The company has a plan to use water efficiently, so it regularly checks pipes, water meters and other 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 2024, the total water consumption was 18,972 cubic meters, a 9% decrease compared to 2023. The reduction was due to the company's policy promoting water conservation among employees, along with the relocation of office spaces, where some employees now use the building's shared restrooms.



Water Management Target of 2025

The company has set a target to reduce water consumption by 9% from 2024. This is due to the company's campaign encouraging employees to save water, such as regularly checking for leaks in the plumbing system and promoting awareness for employees to use water efficiently.

Paper Management

The company understands 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 is massive rubbish from used papers. The natural resources required to produce paper are trees. It also creates a large amount of used paper waste. Therefore, campaigns and activities are conducted to raise awareness among employees to use paper economically and effectively and sort paper waste according to the 3Rs principle.

- Reduce Reuse Recycle
- For printing documents for review or verification, use single-sided used paper instead of new paper, and reduce the ink quality (Economy Mode).
- Monitor and notify the number of papers used to control paper usage within the department to align with their operation

Other initiatives include:

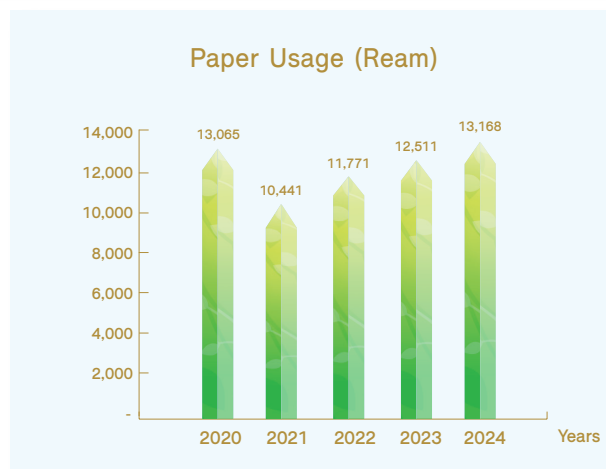
Changing Paper Form of Invitation Letters to Various Meetings into Electronic-based Platform

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, anywhere and anytime. Not only can it reduce the cost, and the amount of paper used, it also helps lower the use of ink, GHG emissions, amount of wastes from paper usage while enhancing work efficiency due to time saving in preparing documents, putting them into envelopes and posting them via postal service.

Paper Usage

In 2024, paper consumption was 13,168 reams, a 5% increase compared to 12,511 reams in 2023. That was because the company has issued new varieties of financial products and the increase in customers.



Paperless Guidelines

The company provides the following paperless guidelines with the aim of ensuring that saving the papers and reducing paper usage are systematic and concrete.

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 considering the number of employees, departments as well as developing a 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

Supporting and promoting the increased application of information technology in operations, such as:

- Meeting material packages for each committee have been changed from the paper pack of invitation letters to an electronic form.
- Training courses 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 copying documents
- Share file within the department instead of printing or copying the documents

3. Promoting Efficient Use of Papers

Effective use of papers can start with having one-sided papers without significant information 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
- Reuse them as notes
- Use the reused papers to note informal messages or internal messages or memos within the department or use them to print the verify or review documents and use economy mode.
- Set the printer print settings to reduce ink resolution
- Organize ongoing activities to reduce paper usage

4. Monitoring and Evaluation

To make the 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. Paper Usage's Behavioral Change

The most important thing for the most effective paperless operations begins with behavioral change among employees to have responsible attitudes and cooperate in carrying out the actions seriously.

The company has recycled unused paper to reduce trees cut down. The operation manual on document storage and disposal has been set by recycling expired documents as detailed in the table below:

	2024	2023	2023	2021
Number of documents due to be destroyed (Box)	1,194	2,467	5,804	1,217
Weight of documents (Kilogram)	21,448	22,690	61,313	15,620
Number of trees that can compensate the cut down trees to produce papers per 1 ton ^{/1} of used papers (Tree)	322	340	920	234

Note: ^{/1} 1 tons of used paper can substitute up to 15 cut trees to produce paper.

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

Paper Management Target for 2025

The company has set guidelines to reduce paper usage by supporting and promoting the use of information technology in operations. The implementation of RPA (Robotic Process Automation) is being used to efficiently reduce paper consumption, such as digital data storage and the automation of document workflows and forms to extract data from various systems for processing without the need for printing documents. The plan is to reduce paper usage by 5% of the total paper consumption in 2024.

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 the 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 regularly measures the light intensity in all areas of the office to ensure the working area has a proper lighting level.

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 implemented the 7S activity which consists of Sort, Set in order, Shine, Standardize, Sustain, Scenic and Surrounding. The activity helps keep the 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 continued implementing this activity.

7S Results

1. Results of **Sort**
 - Cutting down the consumption of resources
 - Create 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 equipmentwhile 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 good habits 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 the 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 of transaction slips from ATM machines.

Environmental Awareness Campaign

The company has fostered participation in environmental conservation in daily life, including energy conservation, efficient resource usage, environmental protection, and communication to educate employees and raise awareness about their involvement.

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 the standard lighting values of office building
6. Check air conditioners and ventilators
7. Increase green spaces in offices
8. Increase co-working spaces

Encouraging employees to engage in Efficient Use of Resources

1. Provide information and training on the environment and promote energy saving via internal media such as Intranet, PacD
 2. Support the reuse of materials such as reused paper
 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 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 a policy to reduce carbon dioxide emission from the company's vehicles by employing the e-Car service system to support 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 to hybrid cars
4. Use the Grab Car and Grab Express for business service to increase operational agility and reduce energy consumption from backhaul

Fuel Usage in 2024

Item	Volume	Percentage
Aircraft Fuel (Liter)	0.00	0.00
Diesel (Liter)	24,956.20	9.87
Gasoline (Liter)	227,993.84	90.13
Fuel Oils (Liter)	0.00	0.00
Crude Oil (Barrel)	0.00	0.00
Natural Gas (Cubic Foot)	0.00	0.00
Liquid Propane Gas (Kilogram)	0.00	0.00
Steam (Ton)	0.00	0.00
Coal (Ton)	0.00	0.00

Fuel Management Target

To reduce the fuel usage by 3 percent per year compared to the previous year.

Green Procurement

With the environmentally friendly business practices in mind, the company has chosen to deal with eco-conscious suppliers and green products as follows:

1. Use cleaning products that contain natural ingredients free of synthetic cleaning agents that are easily biodegradable and environmentally friendly
2. Choose to rent hybrid cars to reduce emissions, save fuel energy, and release less pollution, with a fuel consumption rate approximately 30% lower than combustion engine vehicles, resulting in less carbon dioxide emission. By 2025, the company aims to replace 20 combustion engine cars with hybrid vehicles.
3. 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 a green label.

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

5. Choose products from suppliers that meet industry standards or have environmental certifications such as ISO14001 and Green Label

6. The company has chosen to use Doi Tung coffee beans, which are carbon-neutral and certified by the Greenhouse Gas Management Organization. This certification allows the company to track the greenhouse gas emissions throughout the entire lifecycle of the coffee beans, from sourcing the raw materials, production processes, distribution, usage, to waste management after the product's expiration.

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
3. Procure in a accost-effective, transparent, efficient and verifiable manner

Promotion of Environmentally Sustainable Lending

At the 28th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP28), which focuses on setting guidelines to limit global temperature rise to no more than 1.5 degrees Celsius to address the “global warming” issue, Thailand proposed 4 key points for action, including:

1. Driving climate change policies at the global, national, provincial, and local levels.
2. The development and promotion of climate-friendly technologies.
3. Climate change financial mechanisms through enhancing the efficiency of environmental funds and managing carbon credits.
4. The involvement of all sectors at every level, along with the declaration of key goals for Thailand to achieve carbon neutrality by 2050 and net-zero greenhouse gas emissions by 2065.

In addition, the Bank of Thailand, as the financial regulator, has requested cooperation from various banks to design financial products and services that support environmental goal. This is to help businesses adapt and align with the objectives of reducing greenhouse gas emissions and using clean energy.

At the end of 2024, Thailand participated in the 29th Conference of the Parties to the United Nations Framework Convention on Climate Change (COP 29) in Baku, Azerbaijan. This provided an opportunity for the country to showcase its role and promote a positive image in addressing climate change and achieving its goals. Thailand is driving its national greenhouse gas reduction action plan to meet the NDC 2030 target, aiming to reduce greenhouse gas emissions by 43% from the target range of 30-40%, equivalent to 222 MtCO₂e. Additionally, the country is pushing forward the “Climate Change Act,” a crucial tool for achieving the net-zero greenhouse gas emissions goal, which is expected to be enforced in 2026. This law will guide both public and private sectors in developing policies, plans, and actions in the subsequent years.

The financial business group, LH Financial Group Public Company Limited has developed and designed financial products that support climate change through a governance structure with clearly defined roles and responsibilities. The company applies best international practices as criteria for considering loans, both for commercial loans and project financing (Corporate/Project Finance). The company aims to provide sustainable financial support (ESG Finance) amounting to 14 billion Baht by 2030, focusing on supporting environmentally friendly business activities (Green Activities) and the transition to a low-carbon society (Low-Carbon Transition) through loans and investments. Additionally, the business group has a plan that focuses on social and environmental efforts, reflecting its commitment to conducting business that supports financing for sustainability in line with sustainable development goals.

Lending for Sustainability Related Projects and Businesses and Green Loan

The bank has supported the renewable energy and bridge transition technology in energy loan, promoting the use of alternative energy. The bank is committed to supporting the country’s transition to a green economy by offering loan products and services to reduce greenhouse gas emissions in both the business and household sectors.

In 2024, the bank supported the bridge transition technology in energy loan, amounting to Baht 17.744 billion and loan for power generating from renewable energy business amounting to Baht 2,069 million. Additionally, the bank provided loans through sustainable finance, totaling 2.2 billion Baht across 5 projects. This includes 1.3 billion Baht in green loans and 900 million Baht in sustainability-linked loans (SLL).

Additionally, the bank has developed a new loan product in the form of a “Green Transition Loan” to support businesses in investing, promoting, adapting, and transitioning to environmentally sustainable practices. This loan is aimed at enhancing the competitiveness of SMEs, which plays a vital role in the country’s economy, contributing to one-third of the national GDP. The loan is designed to help SME entrepreneurs estimate investments and develop their business capabilities toward environmental sustainability. It is aligned with the country’s economic and social development strategies and can be integrated with the processes of partner organizations promoting the sustainable development of the business sector.

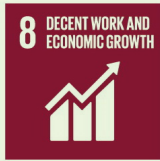
A loan to support SMEs in transitioning to environmental sustainability and promoting the reduction of greenhouse gas emissions in alignment with the country's Net Zero target.

The bank has signed a collaboration agreement with 3 partner organizations, including the Electrical and Electronics Institute (EEI), ABeam Consulting (Thailand), and the Measurement and Standard Certification Institute (MASCI). The purpose of this partnership is to support businesses in their transition from brown to green (Green Transition). The objective is to help organizations achieve sustainable environmental friendliness. EEI's role is to provide consultancy to businesses on topics related to the transition to green businesses, such as improving energy efficiency in production processes, reporting greenhouse gas emissions at both the organizational and product levels, and integrating smart electronic technologies to enhance production productivity. ABeam Consulting offers comprehensive carbon and greenhouse gas emission assessment services, while MASCI provides validation and verification services for the greenhouse gas emissions assessments of businesses, enabling them to apply for certification under the CFO or T-Ver standards.

This entire process is a joint policy initiative between the bank and its 3 partner organizations, focused on creating reports for the bank's clients. This aims to help businesses accurately estimate their investment needs and use this data to apply for loan approvals. Additionally, it supports organizations in achieving sustainable, effective, and environmentally friendly business transitions, enabling them to compete successfully in the global market.

3.4 Social Sustainability Management

Fair Business Operation



Risks	Opportunities
<p>The company does not adhere to the good corporate governance principles in operating its business, not consider the best interests of the company, customers, and stakeholders, which may create conflicts of interest, complaints from customers and business partners.</p> <p>If the company does not promote free trade competition, social responsibility in the value chain, respect for property rights and does not avoid actions that may cause conflicts of interest, including not raising an awareness of employees regarding the importance of complying with laws and fair competition, it could result in legal problems and cause reputational risk to the business.</p>	<p>The company adheres to the good corporate governance principles in operating its business by considering the best interests of the company, customers and stakeholders, having fair competition and promoting environmental and social responsibility; respects property rights and avoids taking any action that may cause conflicts of interest. Consequently, it creates a good image for the company. Customers and business partners have confidence that the company operates its business with honesty, integrity, transparency, and fairness.</p>

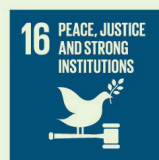
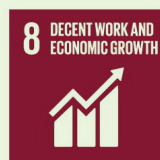
The company operates its business with good corporate governance principles which have been specified in writing as a guideline for directors, executives and all employees to adhere to and avoids. any operations which may cause conflicts of interest while taking into consideration the utmost interest of the company, customers and stakeholders.

The company is confident that fair business will bring about confidence which could be positive for the business in the long term. The company operates in accordance with market conduct for sustainable business development. In this regard, the company conducts all activities in consistent with regulations, 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 products and services delivery schedule, fair trade agreements and refraining from any activity which infringes intellectual property as well as making prompt payments for products and services in a timely manner.

The company has determined the procurement method and receiving service procedures 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 the financial amounts of each transaction. Regarding the selection of suppliers and service providers, to ensure fairness and equality, the company has determined the criteria for vendor selection including the stability of their business, specifications of products and services and prices which will be considered by the Procurement Committee.

Respect for Human Rights



Risks

The company does not respect human rights, violates basic rights, and does not respect life and human dignity. It will bring about a risk of whistleblowing and complaints regarding violations or unfair treatment.

Opportunities

The company treats all groups of stakeholders with fairness, equality, respect for human values, no violations of basic rights, respect for life, occupational health and safety, and human dignity. As a result, the company gains credibility and reputation, whistleblowing and complaints resulting from violations or unfair treatment will lessen.

The company emphasizes the treatments of all stakeholders such as employees, surrounding communities and societies with fairness and equality; respect for life, occupational health and safety and dignity of all people, no forced labors and no child labor exploitation, building good relationship, no violations of basic rights, no violation of legal rights, and being cautious in taking any action that will affect public sentiments.

The company values the fair treatment 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, filing complaints and reporting misconducts. That allows employees to voice, report and blow the whistle on any matter deemed unfair or wrongdoings through supervisors or other channels set by the company. In this regard, the company has determined the independent process for inspection and decision-making by considering the possible outcomes and remedies in accordance with the human right principles. The company also opens opportunities for employees to voice their opinions in the case entities or employees commit any acts that may violate human rights, the company will expedite a solution.

Respect for human rights is a fundamental practice the company strictly adheres to and sets 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 and increase employees' knowledge improve their 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 to promote good relationships, engagement and harmony
- Hire staff regardless of gender, race, nationality, religion, and culture

Human Right Risk Assessment Process

The company has a process to assess human right risks from business activities throughout the company's value chain. The process covers risk identification, assessment and risk management, which include comprehensive human rights due diligence as follows:

1. Study and thoroughly examine human rights as well as send relevant employees to attend a workshop on comprehensive human rights due diligence throughout the value chain to apply the knowledge comprehensively and effectively as to prevent potential risks
2. Identify and assess risk issues and create a human right risk control register by screening significant issues related to business activities with human rights risks and assessing potential impacts to determine preventive and mitigating measures, including a process for remediating and correcting in the event of human right violations

Salient Human Right Issues : The company has taken the following actions to mitigate the risks.

Activities	Key Human Right Issues	Risk Mitigations for Key Human Right Issues
Treatment of shareholders		
<ul style="list-style-type: none"> ● Dissemination of material and performance information in a full, correct and timely manner ● Equitable care for all shareholders ● Security of shareholders' personal information 	<ul style="list-style-type: none"> ● Failure to disclose material and performance information in a full, correct and timely manner ● Discrimination against shareholders ● Not keeping data privacy of shareholders 	<ul style="list-style-type: none"> ● Disclosing full, correct and timely information through various channels for equal and transparent information access ● Respect for the rights of all shareholders equally ● Preventing the violation of shareholders' personal rights ● Creating good performance under appropriate risk management ● Inviting shareholders to attend the Annual General Meeting of Shareholders and express their opinions at the meeting ● Providing channels for receiving general suggestions and complaints through channels specified by the company ● Providing channels for inquiring via the website ● Comply with the Personal Data Protection Act
Treatment of customers		
<ul style="list-style-type: none"> ● Providing complete, accurate and clear product and service information ● Providing financial service channels that are convenient, fast, safe, accessible and equal ● Maintaining personal data security ● Treating customers equally ● Managing customer relationships ● Receiving complaints and providing communication channels 	<ul style="list-style-type: none"> ● Dissemination of incomplete, exaggerated, distorted and insufficient for decision-making ● Misuse of customer personal information ● Disclosure of customer personal information ● Discrimination against customers 	<ul style="list-style-type: none"> ● Disseminating complete, clear, and easy-to-understand product and service information to support customer decision-making, and disseminating it through various channels that are easy to access ● Providing quality and fair customer management (Market Conduct) ● Building good relationships with customers ● Providing assistance and answering customer inquiries to help them understand products and services ● Having measures to protect customer data ● Caring for and treating every customer equally, without discrimination, and respecting individual equality ● Organizing activities to build good relationships with customers ● Receiving and handling complaints promptly

Salient Human Right Issues : The company has taken the following actions to mitigate the risks. (Cont.)

Activities	Key Human Right Issues	Risk Mitigations for Key Human Right Issues
Treatment of employees		
<ul style="list-style-type: none"> ● Recruitment process ● Hiring and promoting diversity ● Equal labor practices ● Taking care of employees' health and well-being 	<ul style="list-style-type: none"> ● Discrimination against employees based on race, nationality, gender, religion, and age ● Stereotypes about vulnerable/minority groups ● Unsafe working environment ● Excessive working hours ● Failure to protect employees' personal data 	<ul style="list-style-type: none"> ● Establishing a non-discriminatory employment policy regardless of race, nationality, color, gender, religion, political critics, or age as factors in considering, recruiting and promoting employment of vulnerable groups of workers, such as the disabled ● Supporting and respecting the protection of human rights by not supporting the use of forced labor ● Establishing criteria and processes to prevent harassment, or disciplinary punishment against employees who honestly report to the executives or government agencies about improper actions that occur within the bank ● No dismissal or termination of employees based on the decision of the executive representative alone or the decision is based on discrimination. ● Regularly reviewing market compensation in order to adjust it to align with industry standards or the living standards that should be ● Establishing a policy on occupational health and safety in the workplace, including analyzing and finding measures to control workplace safety and health risks ● Establishing an Occupational Health and Safety and Environment Committee to drive the occupational health and safety policy and plan to ensure employee safety while working ● Providing appropriate equipment to facilitate work ● Organizing activities to enhance understanding of the organization's values, build morale, and provide opportunities for employees to participate in activities to promote a good quality of life (well-being) ● Maintaining employee data security ● Continuously developing employees

Salient Human Right Issues : The company has taken the following actions to mitigate the risks. (Cont.)

Activities	Key Human Right Issues	Risk Mitigations for Key Human Right Issues
Treatment of business partners		
<ul style="list-style-type: none"> ● Treating business partners fairly and equally ● Selecting business partners fairly ● Maintaining transparency in procurement and fair compensation ● Being fair, not taking advantage of or discriminating against business partners ● Keeping business partners' data confidential 	<ul style="list-style-type: none"> ● Discrimination against business partners ● Disclosure of business partners' personal information 	<ul style="list-style-type: none"> ● Establishing the procurement process and practices to select service providers with transparency and fairness ● Complying with trade terms and conditions and contracts without taking advantage ● Establishing the Procurement Committee to oversee procurement to ensure appropriateness and fairness ● Paying for goods and services within a reasonable time frame ● Maintaining the security of business partner data

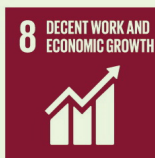
Preventive and remedial measures in case of violations of human rights, equality, and unfair treatment of employees

The company has preventative measures for the violation of human rights, equality and unfair treatment which are defined in the rules and regulations for employees and whistleblowing methods when employees feel they have not been treated fairly. The company has remedial guidelines, official letter of regret, monetary and non-monetary compensations as well as a guideline to take care of employees who could be affected in case of a change in employment policy, restructuring of the company or the business relocation to the extent that it affects the livelihood of employees and their families. The company

has considered paying compensation and allowance to employees fairly, including cases of illness or danger resulting from work, which the company will not consider them as sick leave and the company has also joined the Workmen's Compensation Fund and Social Security Fund and it is considered another employment security for employees.

In 2024, it was reported that the company had no violations of human rights, equality, and unfair treatment of employees, or not received any complaint regarding violations of human rights, equality, and unfair treatment of labors resulting in no compensations paid for such matter.

Fair Treatment of Employees



Risks

The company does not treat employees as agreed in the conditions of employment, fails to strictly comply with the Labor Protection Act and Personal Data Protection Policy accordingly, discriminates in employment, exploits the forced labor, does not consider health and safety in work environment, which may cause the risk of complaints from employees, decreasing in engagement of employees and increasing turnover rate, causing business discontinuity and higher resource management costs.

Opportunities

The company treats employees as agreed in the conditions of employment, Labor Protection Act and Personal Data Protection Policy seriously, creating good labor relationship between employees and the company. If employees are treated with fairness, equality, respect for life, occupational health and safety in the work environment, and human dignity, it will encourage employees to work with dedication for career development and efficiency. This will result in the company's stability and sustainable growth.

The company prioritizes human resource management by setting as mission in developing and supporting human resource management in terms of knowledge and benefits of employees. The employment conditions have been set for working days and working hours, holidays and leaves, working overtime and working on holidays, right to receive compensation, overtime pay and holiday pay according to the Labor Protection Act. The company has established the Human Resources Development Committee to manage and develop 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 and sufficient 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 promote 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 to achieve business goals. Moreover, the company always strives to provide employees with further training and promote quality of work life, by considering 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 recognizes the importance of the new generation workforce including new graduates as well as the 3rd and 4th-year students who are entering the labor market within the next 1-2 years. In 2024, the company implemented projects to promote and provide opportunities for new graduates and soon-to-be graduates students through various projects, for example:

- **The 2024 Internship Project** is a project that accepts students from various universities to be interns in various units of the company. Courses and activities have been designed for students to learn more and open up opportunities to learn perspectives on financial and banking industries through hands-on experiences.



- **Memorandum of Understanding (MOU) Signing Ceremony with Thammasat University** to be part of creating quality human resources for society



Recruitment

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

Equality and Diversity

The company adheres to the fair treatment of employees such as compliance with the labor law and human rights without discriminations of any kind, regardless of race, nationality, color, sex, religion, political critics, revocation of citizenship, social background and any other forms 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.

Employment

The company has clearly and strictly defined the standard guidelines and procedures for recruiting and hiring under the Labor Protection Act, rules and related policies by considering qualifications and suitability related to work without discrimination while valuing and placing importance on the differences and diversities such as race, nationality, gender, age, and religion. In addition, the company focuses on maintaining the privacy of employees and candidates by considering data security and privacy rights of employees and applicants.

Hiring Persons with Disabilities

Promotion and Development of the Disabled's Well-being

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. They are also hired to work for the company.

The company hired proper number of persons with disabilities required by laws as follows:

	Hired via Thai Red Cross Society	Directly Hired
LH Financial Group Public Company Limited	3 Persons	-
Land and Houses Bank Public Company Limited	12 Persons	1 Person
Land And Houses Securities Public Company	1 Person	-
Land and Houses Fund Management Company	1 Person	-

The company has contributed the amount of money required by law to the Empowerment for Persons with Disabilities Fund.

Hiring Retired Employees

The company always realizes the importance of age-friendly business by hiring retired employees advisors who have potential. Not only does it help the elderly earn an income, benefit the organization, but also address a labor shortage.

Table : Number of Retired Employees Getting Hired

	2024	2023	2022
Accumulative number of retired employees getting hired (Person)	3	4	3
Number of retired employees per year (Person)	15	8	3

Sustainable Growth with Human Resources Development

The company has encouraged and instilled the 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 value in both newcomers and existing employees.

Welcome Newcomers Activities

The company gives importance to employees at all levels from the first day of work by organizing a friendly and warm orientation and welcoming activities for new employees, focusing on communicating full information, such as organizational structure, regulations, corporate

values, and various benefits to help new employees adjust smoothly. There are also team collaboration activities to strengthen good relationships between new employees.

The company requires new employees to attend various courses as specified within 30 days from the date of employment to enable employees to perform their duties correctly according to the criteria, including compulsory program such as work rules and regulations, employee manuals, knowledge in IT, compliance, data security policy (PDPA, Clear Desk & Clear Screen Procedures, 2024 Whistleblowing Process), anti-money laundering (AML), and ESG, etc.



Orientation Newcomers 19/2567

1 October 2024

Sathorn 1, 20th Floor - Q House Sathorn



The company organizes training courses on sales and service standards for Branch and Wealth Network to enable employees to have knowledge and understanding of the bank's financial products, learn correct and rapid operating processes, and understand customer needs and provide services that truly meet customer needs in accordance with the customer centric principle, which is one of the organization's core values.



Strengthening and Reviewing Knowledge Related to Compliance with Key Regulations, Rules, Policies and Laws

The company focuses on and is committed to promoting employees to comply with the specified policies and practices. Since the financial business plays a pivotal role in the economic and social system, compliance with rules and regulations is a critical foundation that helps build the organization's credibility, confidence among customers and stakeholders, and enables employees to identify and solve problems promptly to reduce potential risks. The company communicates with employees regularly and continuously.

Courses	Proportion of employees getting trained in 2024
Anti-money Laundering and Counter Terrorism and Proliferation of Weapon of Mass Destruction Financing: (AML/CTPF)	90%
Exchange Control Act	90%
IT External Personnel Management	80%
BOT's policy on financial institution business operations that take into account the environment and climate	84%
Personal Data Protection Act	77%
Responsible Lending	90%
Data Governance	77%

In an era where digital technology plays a crucial role in business operations, many businesses including financial institutions are major targets of cyberattacks. Knowledge and awareness of cybersecurity are, therefore, necessary for employees at all levels, especially operational employees who are directly involved with important corporate and customer data. The company organizes training to provide knowledge for employees, executives, and the board of directors every year in the form of online, onsite, and e-learning. Developing this knowledge helps to comply with the guidelines and measures set by the company, such as setting secure passwords, using the network system appropriately, and reporting incident events. Awareness in this area not only reduces the risk of data leakage or cyberattacks but also helps to build confidence among customers and stakeholders.



Promoting Sustainability in Corporate Values

The company builds the corporate culture by instilling CDA values (Customer Centric, Dynamic, Accountability, Adaptability) with the aim of having employees at all levels demonstrate the CDA values and perform their duties with the same purpose. This is done by communicating the details of the values, including play role activities that allow employees to exchange ideas with their colleagues, and CDA is part of the annual performance evaluation.



Employees' Empowerment

The company focuses on improving the skills and performance of its employees by designing a development plan in line with the organization's strategies and goals, conducting a Training Needs Analysis with executives to ensure that such development plan meets their business unit's goals, and providing a learning management system to conduct competency assessment so that supervisors and employees can create the learning plan together and promote employee learning through various channels, such as in-house training, public training, and self e-learning.

The company creates an in-house training course to promote skills to create good results at work using the 70:20:10 learning model, combining classroom learning, brainstorming, doing activities, and continuous practice according to the 21-day habit theory to create behavioral change and self-development, and to build relationships and cooperation among one another to create cooperation in work and create growth for employees.

Communication and Collaboration Series

IDP in Practice
Workshop มุ่งเน้น IDP ที่มีประโยชน์
สำหรับงาน และเพิ่มขีดความสามารถ
ในการทำงาน
Target : Supervisor - Management

Power of Personality
ใช้ความเข้าใจในตัวเอง
และผู้อื่น เพื่อเพิ่มประสิทธิภาพ
ในการทำงาน
Target : Officer - Section Manager

Crucial Conversation for Maturing Dialogue
เรียนรู้การสื่อสารอย่างมีประสิทธิภาพ
ในการสนทนา 10 ขั้นตอน
ซึ่งสามารถนำมาใช้ในการสนทนา
Target : Officer - Section Manager

Empowering Problem Solvers
เพิ่มขีดความสามารถในการแก้ปัญหา
โดยใช้กระบวนการคิดวิเคราะห์
และใช้เครื่องมือการแก้ปัญหา
Target : Officer - Section Manager

Interpersonal Excellence for Growth
พัฒนาทักษะการสื่อสาร
และการทำงานร่วมกับผู้อื่น
Target : Officer - Section Manager

Unlock Your Listening
เรียนรู้การฟังอย่างมีประสิทธิภาพ
และเพิ่มขีดความสามารถ
ในการทำงาน
Target : Officer - Section Manager

Communication: Connect Through Conversations
เรียนรู้การสื่อสารอย่างมีประสิทธิภาพ
และเพิ่มขีดความสามารถ
ในการทำงาน
Target : Management

Team Collaboration for Success
Workshop ที่เน้นการทำงานเป็นทีม
และเพิ่มขีดความสามารถ
ในการทำงาน
Target : Officer - Section Manager

สอบถามรายละเอียดเพิ่มเติม
กรุณาส่ง email Tel. 2216
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LHBANK People Group

Skill Development for the Future

In 2024, the company realized the importance of digital transformation and new skills that increase work efficiency. Therefore, the company has improved the necessary skills of all levels of employees through blended learning, training and practical training in various forms, both online and onsite, and skills training through workshops as well as new adopting new technologies and tools in the organization and promoting a digital literacy culture, such as:

- Digital Literacy : Learning the basics of digital technology for all levels of employees via e-learning through 9 upskill courses on Microsoft 365 to enhance and increase confidence in using various digital tools in the program to enhance work efficiency and create a culture of digital literacy
- Data Analytics : In-depth training on data analysis, data presentation with modern tools and programs such as Power BI, Python for operations teams and data management teams in the form of public training and workshops



Human Resource Development to Support Succession Planning

The company focuses on developing executives to prepare for important positions in the organization. In 2024, the N-1 level succession planning process has been continuously developed from the “Define Key Position” step to the “Development & Monitor” and “Evaluate & Career Management Process”. Succession planning is an important strategy that helps create continuity in management and prepare human resources to support changes.

The company has selected successors based on their suitability for key positions and assigned current incumbents to act as coaches to help assess strengths and weaknesses of the successors and use them to create an Individual Development Plan (IDP) to close the gaps in necessary skills and knowledge to prepare the successors to assume their duties with confidence.

Human Resource Development for High-potential Individuals (Talent)

In 2024, the company improved the talent selection and development criteria to identify high-potential individuals and develop future leaders who can drive sustainable growth.

The key process used to support talent selection is the Developing Leadership Quality panel (DLQ), which assesses and analyzes key characteristics of personnel through comprehensive criteria, including Leadership Potential, Career Aspiration, Success Mindset, Attributes, and Engagements. Data from this process is the basis for designing a development plan that meets individual needs and aligns with the organization’s expectations.

After the DLQ process, the company developed an Individual Development Plan (IDP) to close the gap in skills and knowledge required for current and future leadership. This development plan covers 3 core competencies:

1. Driving Results: Developing the ability to achieve effective results that are consistent with the organization's goals
2. Change Management: Enhance change management skills so that the talent can adapt and lead the team through changes effectively
3. Lead Team and Team Management: Enhance the ability to lead and manage teams effectively

The company has applied the 70:20:10 Learning Model as a guideline in designing the talent development plan, providing learning covering 3 main channels as follows:

- 70% On-the-Job Learning: Learning from actual work through challenging assignments or projects to create in-depth experiences on how to apply them in real situations
- 20% Social Learning: Learning through coaching and mentoring from executives, including idea exchange within the team
- 10% Formal Learning: Learning from training courses both online and in the classroom to increase specialized knowledge

Photos of the Welcome and Congratulations to Talent 2024 Activities



Photos of the Developing Leadership Quality Panel (DLQ)



Human Resource Development : Leadership Development

The company has designed a comprehensive leadership development path at all levels to enhance the potential and readiness of leaders to cope with rapidly changing business challenges, team management, diversity management, and performance management as follows:

• Executive Development Program (EDP)

For N-1 level leaders, the company has organized a customized executive coaching program that focuses on developing skills in stakeholder management and building positive relationships that impact the organization as a whole.

Key Results

- Unlock Extraordinary Leadership: Enhance leadership potential that can create positive influence in the organization
- Maximize Your Potential: Find and develop hidden opportunities to enhance operational results
- Tackle Challenges with Self-Driven Solutions: Use coaching approaches to solve business problems and challenges

- **N-2 Leadership Development Program (LDP)**

For N-2 level leaders, the company uses the 360 Leadership Mirror Assessment process to gather feedback from their supervisors, peers, subordinates, and self-evaluations. The results of the assessment are used to design a Leadership Development Program to enhance leadership competency and prepare for key future positions.

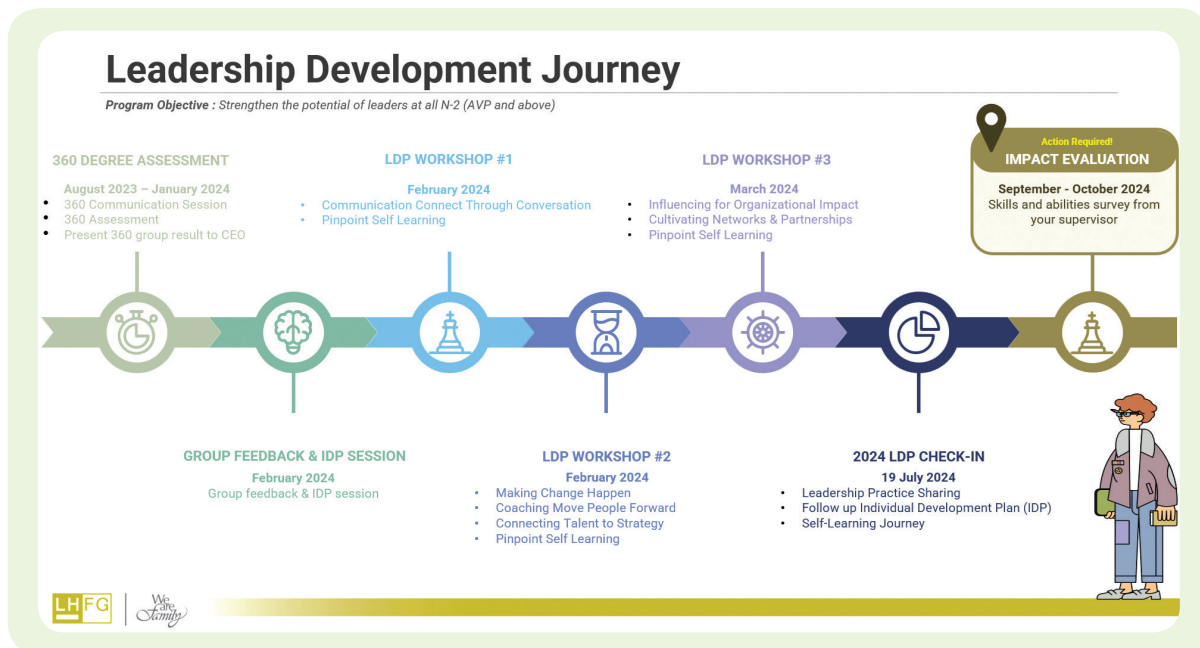
Development Model

- Learning through workshops in both offline, online, and self-learning formats

- Follow-up process to assess progress and enhance continuity of learning

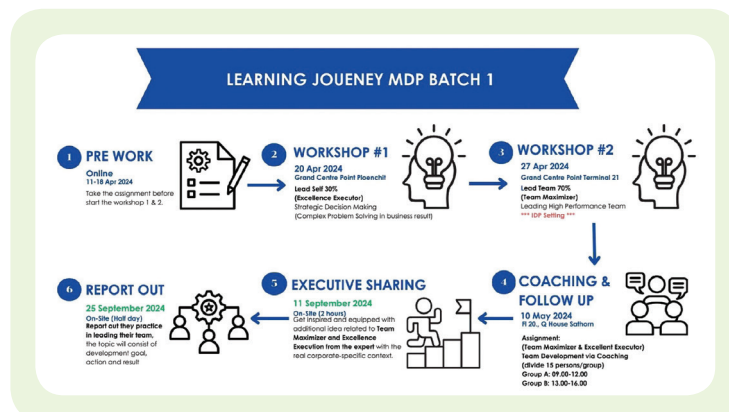
Key Outcomes

- 98 percent of program participants are more enthusiastic about leadership roles
- 88 percent of their supervisors agree that the Leadership Development Program (LDP) significantly helps improve the quality of leadership within the organization



- **Management Development Program : MDP and Supervisory Development Program : SDP**

The company develops middle and junior leaders to have management skills, enhance technology skills and change management, using a blended learning process that combines theory and practice, focusing on developing leadership competency and key skills such as coaching and mentoring, providing effective feedback, and creating an Individual Development Plan (IDP).



In addition, the learning process promotes the creation of a community of practice (COP) to exchange experiences and apply the acquired skills to team management and improve work efficiency.



Key Results

- Team Maximizer: Communication skills, motivation, team-level work efficiency improvement, driving strategies to produce tangible results, and the ability to make decisions and solve strategic problems efficiently
- Excellence Execution: Excellent management skills in strategic management, setting goals that are consistent with the company's vision, and ready to handle strategic challenges quickly and accurately

Development of Learning Management System

In 2024, the Individual Development Plan (IDP) setting feature was added for employees to plan their individual development, extending from the competency assessment that covers core competency, leadership competency, and functional competency, which differ in each type of work.

This feature allows employees to clearly see their own learning path. The system will analyze and recommend appropriate learning based on their strengths and areas for development. After learning, they can set self-development goals with their supervisors to create a clear path that is consistent with the needs of

the department. In addition, supervisors can track their subordinates progress and development results through the Learning Management System (LMS) to ensure that employees in the department receive comprehensive development that is consistent with the competencies required in their roles, as well as promoting the overall efficiency of the organization.

ESG Day Activities to Raise Employees' Awareness of Driving Corporate ESG

The company has continuously emphasized sustainable business operations in accordance with ESG principles. In 2024, the company designed a learning path, divided into 1. Basic level for all employees, 2. Intermediate level for employees whose duties are related to ESG operations, and 3. Advanced level for employees who need to understand ESG in depth to plan corporate strategies.

The company has joined the ESG DNA project developed by the Stock Exchange of Thailand, which aims to provide employees with a foundation to understand ESG working principles and instill sustainability DNA in employees. This project has 1,521 employees out of 1,765 participating and successfully completed according to the development plan, accounting for 86 percent of total employees.

ESG JOURNEY

ESG 101 (50 นาที)

- ทำใจ "ความยั่งยืน" คือมีความสำคัญต่อธุรกิจ
- ความยั่งยืนขององค์กรคืออะไร
- ทำอย่างไรจึงจะสามารถขับเคลื่อนธุรกิจไปสู่ความยั่งยืน

P O1 (1 ชั่วโมง 51 นาที)

- Introduction to Corporate Sustainability
- Sustainability Trends
- Corporate Sustainability Development
- Sustainability Disclosure
- Sustainability Role Models (Case Study)

เข้าเรียนรู้ได้แล้วตั้งแต่วันที่ - 30 มิถุนายน 2567

ผ่าน POC → ESG 101 Sustainable Banking หรือ SCAN QR CODE เพื่อเข้าสู่การเรียนรู้

หมายเหตุ: ภายใน 5 เดือนแรกหลังจาก SET e-learning platform เปิดตัว 30 มิถุนายน 2567 ผู้เรียนได้ 10 คะแนนเข้าเรียนและทดสอบผ่าน 1 หน่วยเรียน ภายใน 30 มิถุนายน 2567 Or >eq 10 คะแนนเข้าเรียนและทดสอบผ่าน 2 หน่วยเรียน ภายใน 30 มิถุนายน 2567

สอบถามข้อมูลเพิ่มเติม ติดต่อ คุณเบญจกัญญา (เบอร์ 095-396-9535)

People Group

people news LHFG LH BANK LH Fund LH Securities X SET ESG ACADEMY

เชิญชวนทุกคนเข้าเรียนบทเรียน ESG 101 และ P O1

บนระบบ SET e-Learning

จัดทำขึ้นโดยตลาดหลักทรัพย์แห่งประเทศไทย (SET) เนื้อเรียนจบและทำแบบทดสอบผ่าน สามารถรับประกาศนียบัตรได้ทุกหลักสูตร

เข้าเรียนรู้ได้แล้วตั้งแต่วันที่ - 30 มิถุนายน 2567

ESG to Sustainable Banking

พิเศษ รับดาว 3 ต่อ

ต่อที่ 1 รับเลข ดาว 5 ดวง เมื่อสมัครเข้า SET e-learning platform ภายใน 30 มีนาคม 2567

ต่อที่ 2 รับเพิ่มอีก 10 ดวง เมื่อเข้าเรียนและทดสอบผ่าน 1 บทเรียน ภายใน 30 เมษายน 2567

ต่อที่ 3 On top ไปอีก 10 ดวง เมื่อเข้าเรียนและทดสอบเสร็จ 2 บทเรียน ภายใน 30 เมษายน 2567

มาจบเป็นส่วนหนึ่งของทีมมาองค์กรไปสู่ความยั่งยืนกันเถอะ

LHFG LH BANK LH Fund LH Securities People Group



ธนาคารแห่งประเทศไทย UK Government

สปท. ร่วมกับ รัฐบาลสหราชอาณาจักร ภายใต้โครงการ ASEAN Low Carbon Energy Programme จัดการอบรม BOT Capacity Building TCFD Workshop

03 ESG Advance Journey
October - December 2024
Target : Risk Management (selected) Chapter 7-9
Corporate Strategy (selected) Chapter 7-10

02 ESG Intermediate Journey
October - December 2024
Target : Corporate Affairs (selected) Chapter 1,2,6
Risk Management (selected) Chapter 1,3,4,6
Corporate Strategy (selected) Chapter 1-6

01 ESG Basic Journey
February - October 2024
Target : All Staff
ESG 101 & P01
ESG Policy by BOT

สามารถเข้าเรียนรู้ TCFD ตามเส้นทางการเรียนรู้ของงานตั้งแต่วันที่ - 31 ธันวาคม 2567

ฝึกฝน รับดาว 10 ดวงสำหรับทุกคนเรียนที่เข้าเรียนรู้ ESG 101 และ P01 รับเพิ่มอีก 50 ดวง หากเข้าเรียนรู้ครบตามเส้นทางการเรียนรู้ภายในวันที่ 30 พฤศจิกายน 2567

LHFG LH BANK People Group

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ขอชื่นชมท่านที่เข้าเรียนรู้สำเนา BOT Capacity Building TCFD Workshop

K.CHITSANUCHA
RISK MANAGEMENT
CREDIT RISK MANAGEMENT

K.JIRAT
CORPORATE AFFAIRS
FACILITIES MANAGEMENT

K.CHANONT
CORPORATE AFFAIRS
FACILITIES MANAGEMENT

ยังเหลือเวลาเรียนดาวใบนี้ 50 ดวง ภายในวันที่ 30 พฤศจิกายน 2567

Corporate Strategy 0/3

Risk Management 1/2

Corporate Affairs 2/3

เรียนรู้ตั้งแต่วันที่ - 31 ธันวาคม 2567 ผ่าน PacD >> Learning

LHFG LH BANK People Group

people news ธนาคารแห่งประเทศไทย UK Government

ขอขอบคุณทุกท่านที่เข้าเรียนรู้ BOT Capacity Building TCFD Workshop 100% ภายในกำหนด

03 ESG Advance Journey
October - December 2024
Target : Risk Management (selected) Chapter 7-9
Corporate Strategy (selected) Chapter 7-10

02 ESG Intermediate Journey
October - December 2024
Target : Corporate Affairs (selected) Chapter 1,2,6
Risk Management (selected) Chapter 1,3,4,6
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01 ESG Basic Journey
February - October 2024
Target : All Staff
ESG 101 & P01
ESG Policy by BOT

LHFG LH BANK People Group

The company has applied the knowledge pack from the BOT Capacity Building TCFD Workshop organized by the Bank of Thailand in collaboration with the UK Government under the ASEAN Low Carbon Energy Program to mid-level and senior-level employees to learn with the aim of enhancing their potential, knowledge and deep understanding of ESG, especially the Task Force on Climate-related Financial Disclosures (TCFD) to align with the company's sustainability policy. The program requires 8 staff to participate and achieved 100% of the plan.

To make employees in the company aware, involved, and be part of reducing the impact of global warming to drive the company towards sustainable banking operations according to ESG principles and to respond to the organization's ESG policy, the company has organized the ESG Day activity, honored by representatives from

the Stock Exchange of Thailand, the Thailand Greenhouse Gas Management Organization and representatives from internal departments of the company to lecture and exchange knowledge on ESG and sustainable business operations in the organization.

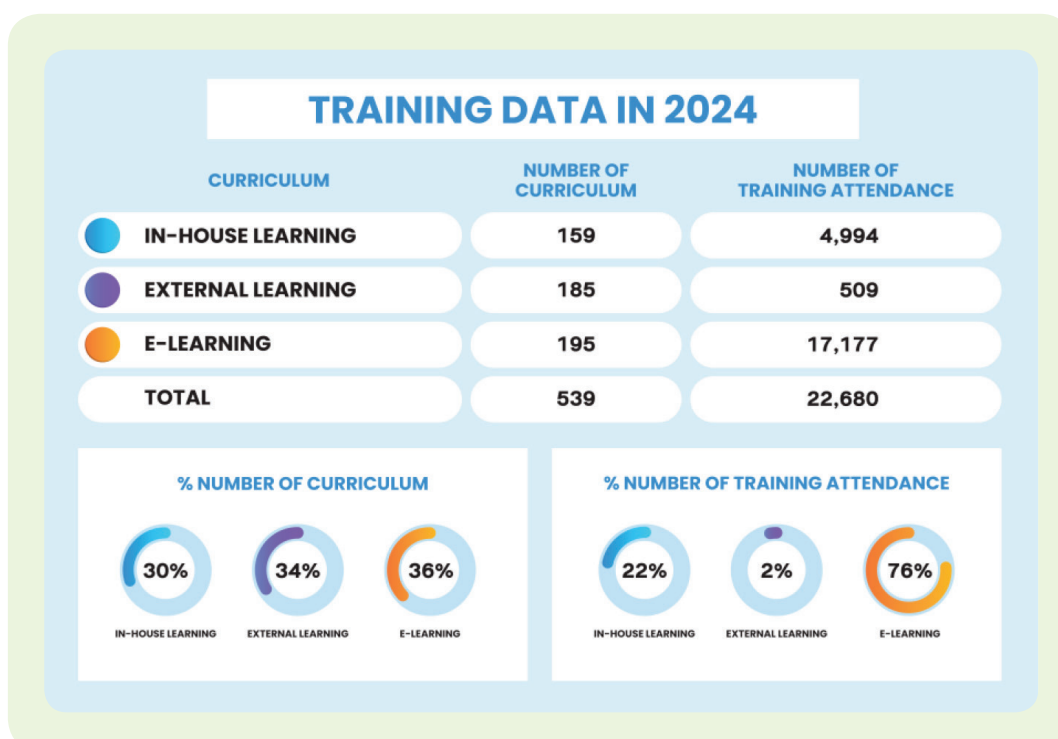
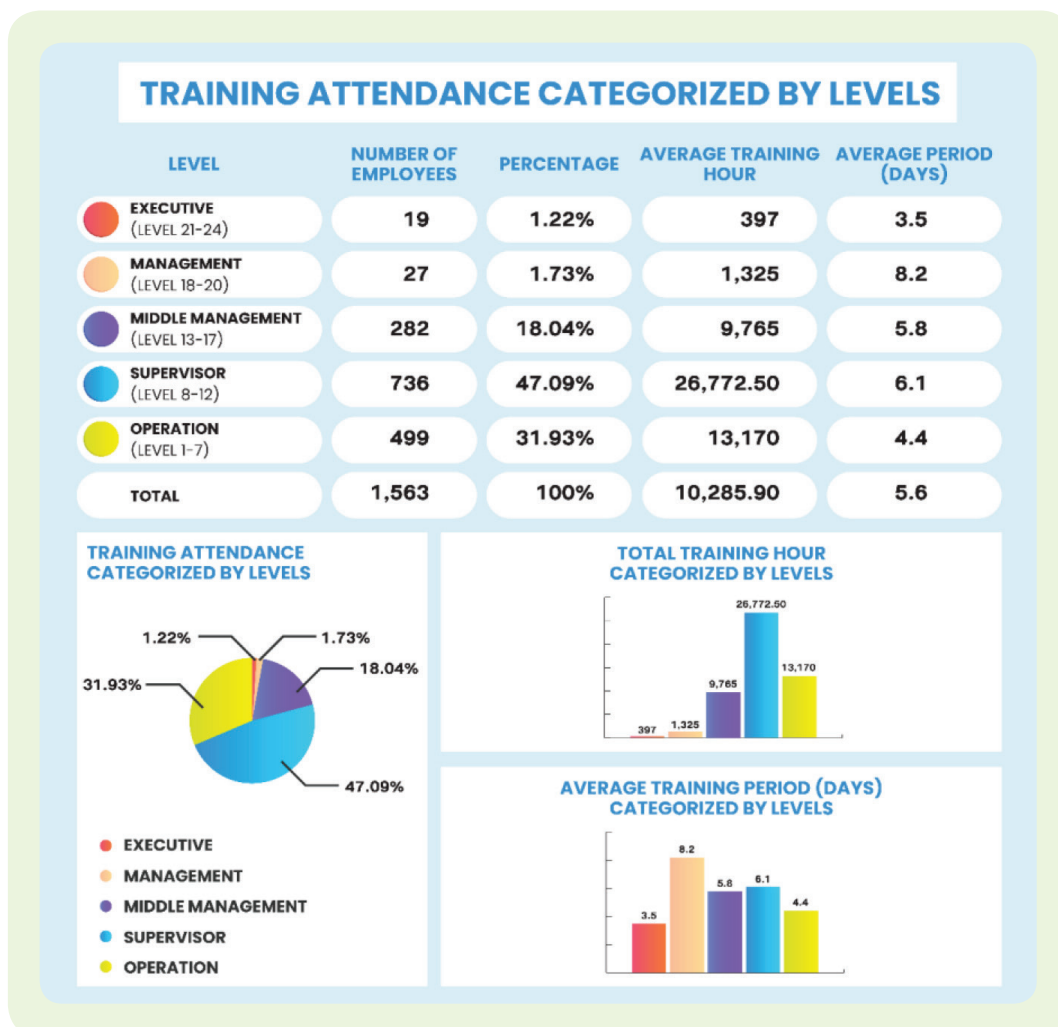


Promoting Financial Literacy through Financial Day Activities

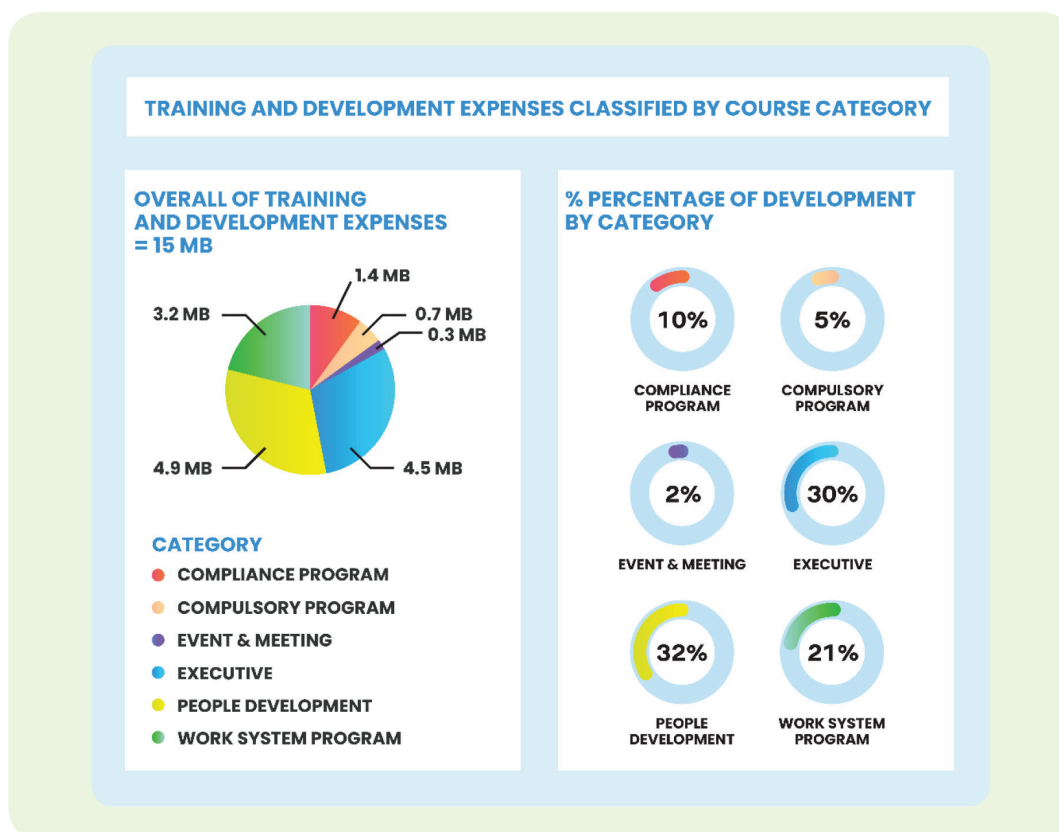
Promoting financial literacy to employees is an important foundation to create understanding of roles and the connection between employees' duties and the organization's goals. This knowledge helps increase decision-making and work efficiency, as well as promoting employees' awareness of the importance of personal financial management and planning, covering everything from knowing their own financial health, planning and managing money, setting savings and investment goals, and helping reduce the risk of employees' personal financial problems while increasing their long-term financial security, which has a positive effect on their quality of life and readiness to work. In addition, it promotes an organizational culture that supports stability and sustainability by expecting employees to have knowledge and understanding of the organization's finances and be able to manage their personal finances effectively, which will result in increased work efficiency and support the organization's success in the long term.



The average training hours for employees and executives of 2024 are as follows:



Employee training and development expenses for 2024 are as follows:



Annual Performance Appraisal

The company sees the annual performance appraisal as an essential part to enhance work efficiency. It encourages employees to coordinate with their supervisors to set KPIs and communicate this SMART KPIs 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 (competency) and 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.

The company has implemented a performance calibration process to create fairness and transparency in the performance appraisal process. The main purpose of this process is to ensure that executives use the same standards to evaluate employees. This process provides a platform for executives to discuss the performance of individual team members to create understanding and consensus.

The performance calibration process reduces the risk of unequal evaluations by allowing employees to be evaluated based on the clearly defined criteria, independent of their direct supervisors. This process helps employees to be confident that the evaluations are transparent, fair, and truly reflect their performance.

The company is committed to continuously developing and improving the performance appraisal process to ensure that employees are evaluated in line with the organization's strategic goals and to promote long-term mutual growth and success.

Managing Remunerations

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

Compensation Ratio by Gender

The basic 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 places importance on employees and recognizes their dedication to their work (Employee Recognition). Therefore, a ceremony was held to present gifts to employees with 10 years of service as a token of gratitude for their efforts, an important part of driving the organization forward. In 2024, the company presented gifts to 77 employees.

Table: Number of employees with 10 years of service

2024	2023	2022	2021
77 Persons	61 Persons	70 Persons	59 Persons

Communication with Employees and External Parties

The company is committed to providing employees with complete information about the organization. The company communicates through various channels for the convenience of employees, including communicating with external parties so that they can follow the news of the organization's activities. It is divided into 2 channels as follows:

1. Online media

- For employees, including E-mail (by categorizing content through E-mail subject, such as People News, IT Security, PR, CSR, etc.) PacD Application, Intranet and private Facebook group

- For employees and external parties, including LINE Official Account (@LHBANKCAREER) and LinkedIn (LH Bank), which are channels for building a brand (Employer Branding) and attracting applicants who are interested in working with the organization. Currently, there are approximately 7,000 followers on the page.

2. Offline media, including on-site activities

- Town Hall Meeting 2024 to communicate the organization's strategic plans and vision to ensure that operations are in the same direction in order to achieve the set goals



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:

- Housing loan, auto and motorcycle hire purchase with low interest rate
- Staff uniform

The company has established the Welfare Committee in the workplace, with representatives selected by employees as members of the committee to discuss with the company's representatives in providing welfare for employees. This is to promote employee participation, listen to the needs and opinions of employee representatives on various welfare provided by the company, and to develop and improve it. It also uses the meeting forum with the Welfare Committee in the workplace to consider various welfare as proposed by employees in order to promote good labor relations and reduce conflicts arising from employee demands that may occur.

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graph LR; A[The company surveys for employee welfare opinions (Voice of Employee) via E-mail.] --> B[Employees provide suggestions and comments on welfare.]; B --> C[The People Group considers the appropriateness of various welfare benefits as proposed by the employees.]; C --> D[The People Group reported the results to the meeting of the Welfare Committee in the workplace for acknowledgement.];
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The company surveys for employee welfare opinions (Voice of Employee) via E-mail.

Employees provide suggestions and comments on welfare.

The People Group considers the appropriateness of various welfare benefits as proposed by the employees.

The People Group reported the results to the meeting of the Welfare Committee in the workplace for acknowledgement.

The company is aware of the health of its employees and aims for all employees to have good physical and mental health. The company, therefore, provides activities to promote the health of its employees to ensure good health, such as annual health check-ups, flu vaccinations,

special discounts for employees' family members who wish to receive vaccinations or health check-ups and inviting physical therapists to share knowledge on preventing occupational diseases such as office syndrome.

[illegible]

Activities to promote employees' mental health have been organized so that they have a better mental state and are ready for work including health talk activities on various topics such as preventing health before disease occurs by inviting doctors to provide knowledge directly after health check-ups, eating nutritious food, taking various vitamins, exercising, and burnout or exhaustion at work.



Tax planning knowledge sharing activity has also been arranged for employees about to retire by inviting analysts and investment planners from Land and Houses Fund Management Company Limited, officers from the Social Security Office and the Revenue Department.



Employees Engagement and Voice of Employees

The company is determined to build relationships and deliver good employee experience through various activities, both online and onsite, to communicate and listen to employee feedback for further improvements.

In 2024, the company conducted a survey on employee engagement with the organization, with 94 percent of all employees responding to the questionnaire. 77 percent of employees were satisfied or engaged with the organization.

Employee Satisfaction Development Plan

The company uses the results of the employee engagement survey to develop both short-term and long-term improvement and development plans (action plan) to create better results by supporting a budget for organizing activities to promote organizational engagement in the form of team building by setting activity topics from the above results to attract, retain, and enhance employee engagement, with 80 percent of all employees participating in the activities.



Creating a Culture of Embracing Diversity in the Organization (Inclusive Workplace)

The company focuses on a culture that supports diversity, accepting the differences of employees in the organization, whether in terms of race, nationality, gender, culture, physical disabilities, etc., by communicating content or activities on important days through internal and external communication channels of the organization to create a society and environment that is conducive to organizational well-being, promoting all employees to feel safe and be themselves, which is an important factor that leads to efficient work and the creation of innovations, inventing new things, and attracting talented people to work with the organization.



Good Environment and Workplace Safety

Creating a good working environment aims for employees to work safely. The company has established the Safety Healthy Environment Committee (SHE) as a mechanism to drive compliance with relevant laws and regulations regarding occupational health and safety and the working environment as detailed below:

- Train and appoint executives and supervisors as occupational safety officers
- Educate and create understanding about occupational safety in the workplace through various communication channels
- Organize annual fire drill
- Provide channels to report various safety incidents and coordinate with relevant departments to provide assistance

In 2024, no employees were injured at work.

Table: Number of employees injured at work

	2024	2023	2022	2021
Number of employees injured at work (Person)	0	0	0	0

Target number of employees injured at work in 2024

The company has set a target zero of employees injured at work in 2024.

Creating Positive Work Environment

The company has renovated the office areas to be co-working space corresponding to the “Fun and Grow Together” concept including the color, design, amenities and lightings so that employees can work together seamlessly, helping promote a good tie and create a happier workplace.



Responsibilities towards Consumers



Risks

The company violates consumer rights, distorts information about products and services, exaggerates advertisement, provides inadequate information about products and services for making decisions, sets unreasonable prices for products and services, and fails to manage customer relationships both before and after sales. This will cause the risk of complaints of infringement or deprivation of consumer rights and potential reputational risk.

Opportunities

The company considers consumer rights, provides truthful and adequate information for consumers for their decision making to buy products and services, manages customer relationships both before and after sales, and improves products and services by taking into account the benefits for society and environment as well as market conduct. As a result, the company has good image and more customers with sustainable growth.

Financial business is related to the economy and treasury of the country, its business operation can impact the national economic drive and investments at 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 prioritizes 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 including sales promotions for decision-making. Moreover, the company emphasizes and operates its business under the market conduct.

Basic Rights of Consumers

Land and Houses Bank announces the basic rights of consumers to raise the awareness 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 the bank and the securities and insurance products. Consumers shall receive 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 correct and proper information advertisement or other marketing media in sales promotions. 	<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 freely choose the financial products and services		<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 the right to give 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 complain to all branches of the bank selling the products of securities and insurance (Point of Sale) with evidence to prove that the bank has acknowledged the complaint. 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 has been proven that the bank fails to conform to the good product offer policy with intention or negligence causing any damage to the consumers.

Treatment of Consumers

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

The bank has developed a working process in the forms of regulations, standard operation manuals designed organizational structure and segregated duties to each department properly (Three Lines of Defense) with clear operation process, risk management in all dimensions, quick and accurate system and effective operation control. The bank also designs systems to create correct and better understanding among employees, reduce errors and be transparent, monitored and evaluated efficiently for the best benefits to customers, including:

- For savings and current accounts without transaction movements for more than 1 year, the bank will notify the balance and conditions 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 the case of face-to-face communication, evidence of 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 announcement of the interest rates and fees was made in advance before the effective date of any changes in order to keep customers informed before making decisions to use the services. The announcement will be made 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 knowledge of products and services so that they can give the information correctly and quickly. This was to ensure satisfied 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 valued the confidentiality of customers' data by not revealing them unless written consent is obtained.

Customers' Satisfaction Measurement

The bank measures the customers' satisfaction with the services provided by staff at branches via random calls and feedback collection from customers using services at branches. The information collected will then be used to develop and improve services at branches to increase their satisfaction.

Customer Satisfaction Improvement Plan

- Enhance a full range of services and create sustainable relationships with customers
- Improve work process and upgrade service quality to be fast and convenient
- Supervise and evaluate the effectiveness of customer service
- Build customer relationships and provide up-to-date product information to customers consistently

Quantitative Goals to Improve Customer Satisfaction

In 2024, the company set a target for customer satisfaction level at a minimum of 95 percent.

Customer Satisfaction Evaluation Results

Customer satisfaction stood at 97.10 percent, increasing by 0.40 percent when compared to 96.70 percent in 2023.

The bank places importance on customer satisfaction through providing services based on customer centric principles by developing and offering products and services along with solutions that meet various needs of each customer segment. The bank plans to deliver a better financial life and design products that meet customer needs.

Providing Deposit Account for Basic Financial Service Accessibility

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 services with a 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.



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 (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 standards for receiving and handling customers' complaints, and to eventually reduce the number of complaints. It was 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 (SLA) ensures the correctness and completeness of facts and/or information, the cooperation of customers, 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

- Verification of complaints through various channels
- Notification of solutions or progress on actions to cope with complaints in all channels

2. Loans

- Return of collateral including registration documents or other evidence received as collateral for debt repayment for individual and juristic person customers using retail loan products and SME loan products
- Transfer of ownership to auto/motorcycle hire purchase customers. For individual retail customers, once the debt is paid off, the bank will proceed until it is ready to transfer ownership to the customer.
- Consideration of debt restructuring for individual retail loans. The bank will inform the customer of the initial consideration results from the date the bank receives all documents.
- Issuance of a letter confirming the completion of debt repayment for individual retail customers
- Request for checking the status of the individual retail customer's loan account, such as the remaining principal and installments due

3. Deposits

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

- Money transfer via electronic channels including ATM, internet, and mobile banking before 10:00 p.m. but there is a system error, the recipient does not receive the money. The bank will check and adjust the transaction to be correct (if any).

- e-Wallet top up via ATM, CDM, internet, and mobile banking but the system malfunctioned causing no money debited, the bank will check the error, notify a customer, and adjust that transaction to be correct (if any).

- Request to check the transfers to wrong account, 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

- Freezing debit cards
- Objecting debit cardholders' payment (only for payments made for goods and services in Thailand and abroad and cash withdrawals from ATMs abroad)

- Checking the debit card's transactions at the point of sale locally and returning money to cardholders in cases where customers use debit cards to pay for goods or services domestically using Electronic Data Capture (EDC), but during the transaction at the point of sale, the Electronic Data Capture (EDC) or the bank's network system malfunctions, resulting in money being deducted from the customer's account, but the merchant does not receive confirmation of successful transaction. The bank will verify and refund the customer.

5. General Services

- Requesting for various information for individual retail customers such as historical data on the calculation of interests for credit/hire purchase not exceeding 12 months and bank statement not exceeding 6 months, the bank will notify the customer in writing from the date the bank received the request from the customer.

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 in:

1. Receiving fair service with sincerity
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

Enhancing Accessibility of Financial Services



Risks

People do not have access to financial products and services or have access with inefficiency. It may cause financial inequality and a risk of inequality in financial service accessibility, leading to loan sharks and household debt issues, increased risk to asset quality of the company and may affect the wider range of economic system.

Opportunities

Creating channels to access financial services for all groups and all levels of customers to reduce inequality in financial service accessibility is part of improving the quality of life, adding savings opportunities, obtaining funds, and increasing opportunities to start or expand the business. The bank has developed various channels for the public to access financial services in several forms such as digital banking through LHB You application of Land and Houses Bank, which allows access to financial services every day, anytime, anywhere to help provide customers with equal financial opportunity and be part of the country's economic development.

The bank has continuously focused on developing its digital platform and digital products and services because digital channels are channels that allow customers to easily and conveniently access various products and services of the bank. The bank has developed an application

for accessing loan products, which is part of reducing inequality in access to financial resources for people who live in remote areas and are unable to travel to a bank branch to complete transactions and apply for loans by themselves.

Products and Services to Create Financial Accessibility

Products/Services	Details of Access Channels to Products and Services	Performance
Personal loan application service on LHB You	The bank has added channels for customers to access personal loan products more easily and conveniently through LHB You application. Customers can apply for personal loans by themselves and receive the results and drawdown of the approved limit. This is a financial transaction that they can do by themselves every day, anywhere anytime without the need to go to a branch.	<ul style="list-style-type: none"> Personal loan application service on LHB You application In 2024, there were 173 customers applying for personal loans and getting approved on LHB You application, with the loan limit of Baht 16.5 million in total.

Cooperation in Development of Community and Society



Risks

Nowadays, CSR activities are expected to create benefits, develop, and strengthen communities, society and environment as well as yield the benefits for the company. If the company does not give importance to the implementation of social responsibility and neglects supporting, helping, promoting and developing the quality of life of society in various aspects, it may affect the image and credibility of the company and shareholders.

Opportunities

The company's participation in community and social development under the readiness and available resources with clear goals and guidelines for implementation will play part in raising the quality of society and strengthening the community to have good immunity. This will lead to a good image and credibility for the company, bring in opportunities to expand new customer base in the future and result in the company to have good economic and social environments as well.

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 continuously 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, society, and community according to the Sustainable Development Goals (SDGs) of the United Nations.

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. Culture and Environment 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:

- "Scholarship" project is to support youth across the country who study well, possess talents and determine to study at a higher education but lacking funds to have an opportunity to continue studying.

- "Library Renovation" project is to create a pleasant library atmosphere to study and promote good reading habit, which is the starting point for cultivating a learning culture. This library is designed to be open and cute to make young people want to visit and learn more.

- "Book Donation to the Department of Corrections for Prisoners" project is where employees and customers join in donating books to promote education for prisoners.

- "Old Calendar Donation Project" is to give old calendar to the Bangkok School for the Blind for using in media production, teaching braille books and notepads for visually impaired students.

● Scholarship Project

The bank realizes the importance of education as it is the future of youth and the nation and the development of youths, who will be the 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 encourages juveniles to realize the values and importance of education and increase quality human resources. Furthermore, the bank has donated sports and gym equipment that will allow the youths 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 2024 scholarship project includes:

- Anurajprasit School, Bangkok
- Ratniyom School, Nonthaburi
- Thanyarat School, Pathum Thani
- San Kamphaeng School, Chiang Mai
- Chuenchom Pittayakarn School, Maha Sarakham
- Hua Hin Witthayakhom School, Prachuap Khiri Khan
- Phuket Wittayalai School, Phuket

Youth Empowerment and Education Outcome

- 107 continuing scholarships for 7 schools from 7th to 12th grade, with the total amount of Baht 897,000
- Follow up and assessments showed the students' academic record was average to good level.
- The youths were willing to study and striving to finish their high school.

Scholarship's Activity Snapshots



San Kamphaeng School, Chiang Mai



Chuenchom Pittayakarn School, Maha Sarakham

Expenses for CSR Activities

Activities	2024	2023	2022
Continuing Scholarship	908,000	908,000	750,000
Environmental, Social and Governance	1,285,933	1,092,000	1,150,000

Used Computers Donation Project

The bank endeavors to fulfill the educational gap. 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 can fully search for knowledge and information.

Used Computers Donation Outcome

In 2024, the bank delivered 118 items of used devices to Phra Dabos School, Samut Prakan.



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 to produce instructional materials, braille books and notebooks for students with visual impairments.

Old Calendar Donation for the Bangkok School for the Blind

2024	2023	2022
1,900 pieces	1,820 pieces	1,800 pieces



Old Calendar Donation Project
at Educational Technology for the Blind Center

Old Book Donation for the Department of Corrections

2024	2023	2022
1,148 pieces	1,100 pieces	960 pieces



Donated Books to the Department of Corrections for
Prisoners' Learning Media and Self-improvement

2. Society and Quality of Life Improvement

The company has been supporting various projects which promote society and environment 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 also participates in the anti-corruption activities to encourage Thai society to work together against all forms of corruption. We are Family... RUN for LIFE project was organized to allow employees to participate in social activities and to promote good health, which is a combined force to "run" to convert mileage into donations. There were 533 employees participating in the activity, with a total of Baht 300,000 donated to the Foundation for Slum Child Care under the patronage of HRH Princess Galyani Vadhana Krom Luang Naradhiwas Rajanagarindra. The company donated 1,887 sets of face shields and 20 sets of acrylic partitions to the Bangkok Health Department for use by medical personnel at public health centers, drinking water to the Bangkok Health Department for use in the mobile medical and public health units under the "Bangkok Cares for Health" project, provided drinking water to send encouragement and concern to help flood victims in the North, and supported the sale of jasmine bouquets under the "United Hearts for Mom" project to the National Council on Social Welfare of Thailand under Royal Patronage.

• Voluntary Activities for Social Development



LH Bank blood donation activity under the "Blood Donation" project for the Thai Red Cross Society in collaboration with Thammasat University Commerce and Accountancy Alumni (T.C.A.A.) to campaign for public to realize the importance of blood donation, including providing blood reserve to help patients nationwide



International Anti-corruption Day activities (Thailand) under the concept of “Zero Tolerance, Thai people do not tolerate corruption”, join force in expressing the intention to fight against all forms of corruption and promote transparent business operations under good governance principles



Donated Face Shields and Acrylic Partitions to the Bangkok Health Department



Supported Drinking Water for the Bangkok Health Department



Provided Drinking Water for Flood Victims in the North: Chiang Rai, Chiang Mai, Nan, and Sukhothai Provinces



We are Family... RUN for LIFE project: Run to accumulate mileage and convert it into donations for the Foundation for Slum Child Care

● Youth Empowerment and Education

The “Library Renovation” project creates a library with reading-friendly atmosphere and a good reading habit which is the starting point for cultivating a learning culture. 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.

List of schools in the project “Learning Library” as follows:

1. Ban Nong Bon (Naiyana Non Anuson) School, Bangkok
2. Thewa Khlong Trong School, Samut Prakan
3. Wat Ko Kaeo School, Samut Prakan
4. Klong Kra Chaeng Toei School, Samut Prakan
5. Wat Songploo School, Nonthaburi
6. Chumchonwadbangkrainai School, Nonthaburi
7. Watprangoen School, Nonthaburi
8. Bangcheuknang School, Bangkok
9. Wat Bua Phan School, Bangkok
10. Klongrak School, Bangkok



“Learning Library” Project

3. Culture and Environment Conservation

Financial institutions that play an important role in economic and social development do not only focus on providing financial services but also realize the importance of preserving culture and environment to create positive impacts on communities and society in the long run. The bank has participated in various traditional activities with communities and people in the areas where the bank provides services, such as supporting activities for the Chinese New Year Festival and supporting Children’s Day activities to strengthen and promote customs, traditions, arts and cultures together with communities surrounding the bank’s branches. In terms of the environment, the bank is aware of creating a balance for the future and is committed to being a bank that cares for the environment. The bank focuses on creating cooperation and participation of employees in the organization to drive sustainable changes through activities that benefit society and the world. One of the projects that the bank has implemented is the Eco Bricks project, which promotes the management of plastic waste to create benefits and reduce the impact on the environment.

● Culture Conservation Activities



National Children’s Day Activities at Suanlumpini School, Bangkok



National Children’s Day Activities at Bon Kai Recreation Center

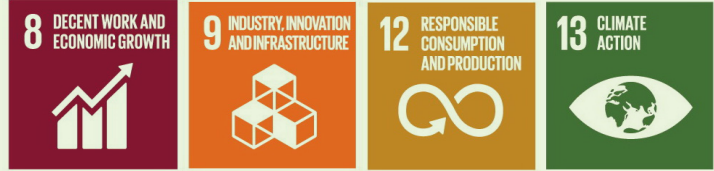
- **Environment Conservation Activities**

The Eco Bricks activity involves packing non-recyclable plastic waste such as plastic bags and snack and candy wrappers tightly into plastic bottles to become “plastic bottle bricks” that are strong and can be used for construction materials such as chairs, tables, or other structures. This activity not only helps reduce the amount of plastic waste thrown into the environment but also adds value to materials that are considered worthless.



Donated 200 bottles of Eco Bricks to the
Little Bee Hero Organization

Innovation and Dissemination of Innovative Corporate Social Responsibilities



Risks	Opportunities
<p>Today's consumer behaviors and technological developments are changing rapidly. In addition, consumer behaviors have changed more towards digital. If the company is unable to create or invent new innovations or not adjusting strategies to be in line with consumer needs, it may cause the number of customers or service users to decrease and have a financial impact on the company.</p>	<p>The bank develops and creates financial innovations that meet customer needs, positive creativity, and social responsibility which brings business opportunities, adds value to the business and develops the economy, society and environment at the same time.</p>

The bank is committed to creating innovations for the benefits of business and society at the same time and support the new era that drives towards digital transformation and the government's policy to move forward to digital economy. The bank is well aware of these significant trends; therefore, it 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 through mobile banking application is one of the services that enables quick and convenient business transaction at any day, anywhere, anytime via mobile phone. The details are as follows:

1. Profita, a new investment application - investments 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 portfolios

2. LHB You Mobile Banking Application

- 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.
- Loan application
- Withdraw cash without a card from ATM machines of Siam Commercial Bank (SCB), Kasikorn Bank (KBANK), Bangkok Bank (BBL), and Bank for Agriculture and Agricultural Cooperatives (BAAC)

Results and Benefits of Innovations

The total number of users in mobile banking surged from 190,000 users in 2023 to 254,000 users in 2024, accounting for 34 percent growth. In 2024, the bank developed new functions and services, including enhancing security to help customers complete financial transactions conveniently, quickly, and safely, resulting in a continuous increase in the number of users of the application and the number of transactions.

Certification of IT Security Management System Standards (ISO/IEC 27001 : 2022)

Land and Houses Bank Public Company Limited received the certificate for the IT security management system standards (ISO/IEC 27001 : 2022) to enhance the management of IT security of operation, infrastructure, and services directly connected to BAHTNET, ICS and

SWIFT system, including the operation of the bank's computer center to meet international standards to prevent the cyber risks 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 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 Risks 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 risks for employees so they are aware of more secure use of computers.

Information Technology Operations and Data Security

1. The board has roles and duties to oversee IT security, approve strategies and policies, supervise and monitor cyber security. For supervision and monitoring, the board may assign other committees to act on its behalf by clearly defining the roles and duties in writing. The board has assigned other committees to supervise and follow up on IT security functions as follows:

- Risk Oversight Committee has the duties and responsibilities as follows:

(1) Supervise the preparation of risk management policies in various areas, such as credit risk, market risk, liquidity risk, operational risk and reputational risks and define IT risk management policy that is sufficient, comprehensive and consistent with international standards

(2) Supervise IT risk management and risk management process covering IT risk and cyber risk assessment and readiness to deal with cyber risks (Cyber Security), supervise and report key IT risk and cyber risk to the board for acknowledgement

- Information Technology Steering Committee has the duties and responsibilities to set policies, strategies and master plan for the IT group in line with the bank's business plan, IT changes, risk management and regulatory requirements.

2. Establish an IT security policy that covers cyber security and aligns with international standards: ISO/IEC 27001:2022 as to be a guideline for ensuring security and safety in processing transactions and able to determine the expected information system security response in a systematic and efficient manner. Moreover, it can ensure communication between departments, maintain security in various aspects and systems with regular maintenance, clear action plan to ensure maximum safety, leading to a mitigation of damage to operations and personnel as well as higher levels of security in various business units. It will be arranged for a regular review of the IT security policy at least once a year when there are significant changes to keep the policy consistent with environment, events, and legislative changes.

Performance of Information Technology and Data Security in 2024

1. The bank has reviewed its IT security policy which has been approved by Executive Committee No. 25/2024 on 12 December 2024.

2. The bank has communicated IT security policy to executives and employees via the bank's intranet, with 100 percent of executives and employees receiving the communication.

3. The bank has organized various training courses for directors, executives, and employees to share knowledge and build awareness of cyber security on a regular basis both in the form of providing knowledge and organizing activities that promote cyber security so that personnel understand and can act correctly. 100% of directors and 80% of executives and employees attended these courses.

4. The bank has implemented IT security policy by controlling, monitoring, reporting operations, including preparing reports, watching out for risks and studying cyber risks trend that may occur and affect the bank and continuously reporting to the assigned committee and relevant senior executives. Thus, the bank has had no cyber risks that significantly disrupted the bank's operational systems from providing services. As a result, the bank's IT system is highly secure and supports business operations well.

Corrective Measures in the Event of a Cyber Threat Incident

The bank has established a process for monitoring incident events on the information system to be a guideline for resolving incident events a timely manner and has collected information about security incidents in order to plan and prevent them from recurring.

The bank has prepared a cyber threat response plan in abnormal cyber events (Cyber Incident Response Plan) by creating a plan, investigating and analyzing causes and assessing the impact so that it can be used as a reference in dealing with risks, responding to events and retrieving systems and data quickly in a timely manner. The bank also has a Security Operation Center (SOC) to monitor when a cyber threat occurs. The cyber incident response plan has been designed to be in line with the IT Disaster Recovery Plan (IT DRP) and Business Continuity Plan (BCP) that covers incidents, cyber risks and there is a sequence of system restoration by taking into account the priorities of each system and the plan is subject to testing annually.

Implementation of Security and Protection of Customer Data

The company is aware of the importance of personal data protection and compliance with the Personal Data Protection Act 2019 and related laws or regulations by setting the personal data protection policy to promote personal data protection and to be a guideline for protecting personal data of data subjects collected, stored, used or disclosed. The policies cover the following areas:

1. Accuracy: To ensure that personal information collected, used or disclosed on behalf of the company is accurate and complete. This is especially the case where personal data is likely to be used to make decisions concerning the owner either by the company or by the company's personal data processors.

2. Storage and Retention Period: The company keeps records and determines the retention period for personal information according to the relevant laws or regulations or appropriate retention period that is necessary considering for legal purposes.

3. Confidentiality and Integrity: The company has prepared appropriate security measures, including organizational measures and technical measures to prevent message counterfeiting and unauthorized collection, use, access or alteration. The company has established handling procedures for incidents of personal data breaches and will notify data subject in accordance with legal requirements.

4. Personal Data Breach Notification: The company has a process to support reporting of personal data leaks, including remedial measures and reporting to Thai Personal Data Protection Committee and data subject in accordance with legal requirements.

In addition, the company has internal control measures regarding the security system of information technology and personal information such as the information security policy, data classification standard and guidelines for protecting personally identifiable information, data security and privacy guidelines and operating procedures regarding the collection, use and/or disclosure of personal information of the company's customers, etc.

Performance of Security and Customer Data Protection in 2024

1. The company has reviewed the personal data protection policy which was approved by the Sustainability and Corporate Governance Committee No. 11/2024 on November 6, 2024.

2. The company has fully communicated the personal data protection policy to executives and employees via the bank's intranet (100 percent), including dispersing knowledge about Personal Data Protection Act and related internal operating procedures through all channels of the company on a monthly basis.

3. The company provides knowledge about Personal Data Protection Act and related internal operating procedures to directors, executives, and employees.

In 2024, the bank received a complaint of 1 incident about customer personal information. The bank contacted the customer to explain the cause and met with the customer and offered remedy. The bank has a measure to prevent future incidents by having relevant agencies have a process to thoroughly review information or impacts before taking any action to cover all relevant official rules and laws.

Corrective Measures in the Event of a Personal Data Leak or Misuse of Customers' Data

The company has established the operating procedures in the event of a leak or breach of personal information within the organization. It is required that those who know the incident must report it to the personal data protection officer as soon as possible to investigate and find the cause of breaches and take corrective action, considering remedial measures, and report incidents of violations to Thai Personal Data Protection Committee and data subjects for acknowledgement in accordance with legal requirements.

Promoting the Development of Innovations

The bank has applied Robotic Process Automation (RPA) technology to improve work processes to be more flexible, reduce errors and redundancies, increase work efficiency, reduce paper usage, help reduce greenhouse gas emissions, support ESG goals in the environmental aspect, including using data analytics to analyze in-depth data in real time to support strategic decision making.

Carbon Emission Platform

The bank has acquired the carbon platform services for internal use and to customers, which supports the management and reduction of greenhouse gas emissions at both the corporate and investment or loan portfolio levels, with the aim of creating environmental sustainability and supporting the transition to a low-carbon economy.

The carbon platform is a digital system that helps organizations and financial institutions manage and reduce greenhouse gas emissions, covering the tracking and calculation of carbon emissions from scope 1, scope 2 and scope 3, along with analysis and reporting results according to international standards such as the GHG protocol and PCAF, as well as creating real-time reports and dashboards to support compliance with reporting frameworks such as the GHG protocol or the greenhouse gas emission report for business sustainability of the Thailand Greenhouse Gas Management Organization (TGO - Public Organization), to help organizations effectively achieve their environmental goals.

The bank has introduced the carbon platform to track and manage carbon emissions in investment and loan portfolios to adjust lending support strategies to align with sustainability, helping to accurately report the organization's greenhouse gas emissions data according to standards such as TCFD, PCAF or GHG protocol, and to reduce financial risks, especially regulatory and reputational risks related to carbon emissions. In addition, the use of the carbon platform demonstrates a commitment to sustainability and builds confidence among investors and customers. This includes supporting ESG (Environmental, Social, Governance) goals, helping to develop the organization's brand as a leader in sustainable finance, and playing an important role in supporting a low-carbon economy by helping businesses and organizations to transform their processes into environmentally friendly operations and effectively reduce carbon emissions.

In 2024, the carbon platform service was under preparation stage and system testing and will go live within the organization and for the bank's customers in early 2025.