



บริษัท แอล เอช ไฟแนนซ์เชียล กรุ๊ป จำกัด (มหาชน)

รายงานการพัฒนาธุรกิจอย่างยั่งยืน ประจำปี 2568

BUSINESS SUSTAINABILITY REPORT 2025

# 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 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 equally 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 toward 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 handling 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 toward 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 toward 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 social and national development toward 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 CSR financial institution.

**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 the establishment of a strong and sustainable foundation for society and the nation.

### 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<br>Organization Sustainability  | Pillar 2<br>Sustainable Finance  | Pillar 3<br>Responsible to Stakeholder  |
|--|--|---|
| <ul style="list-style-type: none"> <li>- To raise awareness on environment among executives and employees</li> <li>- To develop ESG knowledge and competencies to align with FTSE Russell criteria, so that the operation aligns with international standards</li> <li>- To enhance ESG understanding among employees at all levels and foster a culture of ESG risk management, ensuring that decision-making and operational practices are effectively aligned with ESG risk management principles.</li> <li>- Collaborate with Climate Action Leading Organization (CALO) to advance toward becoming a low-carbon organization.</li> <li>- Reduce greenhouse gas emissions from own operations and deploy a carbon footprint platform across the organization to monitor and manage greenhouse gas emissions from operations.</li> <li>- Integrate environmental and climate-related risks into the organization's core policies</li> </ul> | <ul style="list-style-type: none"> <li>- Develop sustainable finance products and services to support the effective transition of the business sector toward a low-carbon economy</li> <li>- Develop a transition plan for the oil and gas industry group to create a framework that supports and enables customers to adapt to a low-carbon economy, ready for the transition to clean energy, and long-term sustainability</li> <li>- Announce the Environmental and Climate (E&amp;C) Risk Management Policy to support the transition toward a low-carbon society by setting risk appetite and key risk indicators (KRIs)</li> <li>- Develop green deposit products under the Sustainable Finance Framework in compliance with international standards, verified by an external party</li> </ul> | <ul style="list-style-type: none"> <li>- Promote community growth through capacity-building initiatives, such as personal finance and financial discipline training, etc.</li> <li>- Organize seminars to share knowledge and support entrepreneurs at all levels to invest in renewable energy, enhance energy efficiency, and adopt environmentally-friendly production technologies</li> <li>- Organize impact-driven CSR activities by considering the needs of community</li> <li>- Raise ESG awareness among customers, business partners, and the public through lectures, trainings, seminars, booths</li> <li>- Prepare a TCFD report to disclose climate-related risks and opportunities</li> </ul> |

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 secure

### 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 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 covering 4 key dimensions: economic, environmental, social, and governance. The sustainable development goals and strategies have been defined as follows:

| Guidelines and Policies for Sustainable Operation | Economic   | Environmental  | Social  | Governance   |
|---|--|--|---|--|
| <b>Goals</b>                                      | <ul style="list-style-type: none"> <li>- Develop products and services that responsibly meet customer needs, and promote sustainable finance</li> <li>- Increase the revenue contribution from products and services that support sustainable development, the target for sustainable finance lending is Baht 3,000 million in 2025</li> <li>- Support SMEs and industrial sectors that play a key role in the country's economic growth.</li> <li>- Leverage innovation, technology, and digital solutions to enhance efficiency</li> </ul> | <ul style="list-style-type: none"> <li>- Reduce environmental impacts across value chains and support the transition toward a low-carbon economy</li> <li>- Promote environmental awareness within the organization</li> <li>- Manage energy, water, resources, and waste efficiently</li> <li>- Set a target to reduce greenhouse gas emission intensity from own operations by 30% by 2030, compared with the 2020 baseline</li> </ul> <p>* Scope 1, 2 from Own Operation at Head Office</p> | <ul style="list-style-type: none"> <li>- Create a safe working environment and enhance employee engagement</li> <li>- Develop programs to enhance financial, digital, and ESG knowledge for community</li> <li>- Promote workforce and social development activities through regular public-oriented initiatives</li> </ul> | <ul style="list-style-type: none"> <li>- Achieve standards in governance, risk oversight, and responsible business</li> <li>- Prevent fraud and promote an organizational culture with ethical conduct</li> <li>- Enhance ESG disclosure to be transparent and reliable</li> </ul> |

| Guidelines and Policies for Sustainable Operation | Economic   | Environmental   | Social   | Governance  |
|---|--|---|--|---|
| <b>Strategies and Commitments</b>                 | <ul style="list-style-type: none"> <li>- Offer comprehensive sustainable finance products</li> <li>- Enhance services through digital solutions</li> <li>- Strengthen the capabilities of customers, business partners, and supply chains</li> </ul> | <ul style="list-style-type: none"> <li>- Implement greenhouse gas reduction plans based on international standards and utilize systems/platforms to calculate and monitor emissions from both the organization and its customers</li> <li>- Enhance the management of energy, water, and waste</li> <li>- Establish collaborations with partners in environmental initiatives and clean technology</li> </ul> | <ul style="list-style-type: none"> <li>- Enhance personnel skills and improve employee welfare.</li> <li>- Expand sustainable community support programs.</li> <li>- Promote workplace equality and safety.</li> </ul> | <ul style="list-style-type: none"> <li>- Conduct business under governance principles</li> <li>- Integrate environmental, social, and corporate governance risks</li> <li>- Develop systems to monitor, verify, and disclose information in line with TCFD reporting standards</li> </ul> |

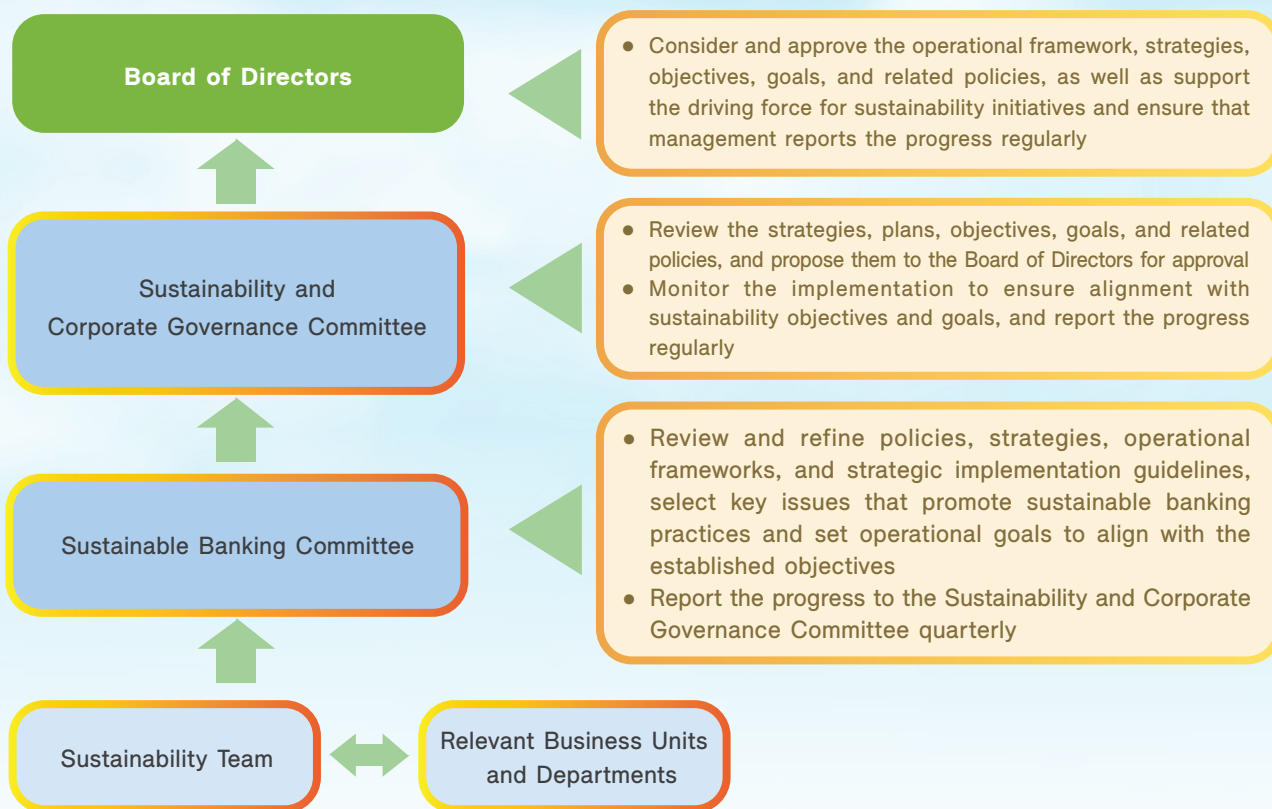
The company has determined a sustainability management structure as a key mechanism to drive, coordinate, and translate sustainable development goals into actions, ensuring that all departments work in the same direction.

#### **Sustainability Governance Structure**

The company and Land and Houses Bank have developed a sustainability governance structure to manage and oversee sustainability-related activities. 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 goals and respond to the needs of all stakeholders. Furthermore, the team has the duty to coordinate with customers and external partners to support and drive the transition of customers' businesses toward 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.



#### Sustainable Banking Committee consists of

- Chief Executive Officer (CEO) and President **Chairman**
- Top Executives **Members are:**
  - Deputy CEO Corporate Affairs
  - Chief Credit Underwriting and Credit Development Officer
  - Chief Information Technology Officer
  - Chief Operation Officer
  - Chief Corporate Strategy and Innovation Officer
  - Chief Institutional Banking Officer
  - Chief Retail Banking Officer
  - Head of Legal and Compliance Group
  - Head of Global Markets Group
  - Head of Internal Audit Group
  - Head of Finance and Accounting Group
  - Head of Risk Management Group
  - Head of People Group

## Strategies and Sustainable Development Performance

The company and Land and Houses Bank prioritize the 17 Sustainable Development Goals (SDGs) initiated 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, 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. Moreover, 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 2025, outlining the ESG business strategy into 3 main pillars as follows:

|   |  |
|---|--|
| <p><b>Pillar 1</b><br/><b>Organization Sustainability</b></p> | <p><b>(1) Ethical Governance</b><br/>The Board of Directors has defined the mechanism, overseen the sustainability mechanism, and assigned the Sustainable Banking Committee to report the results to the Sustainability and Governance Committee and the Board of Directors.</p> <p><b>(2) Employee Empowerment</b><br/>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 substantial reduction of greenhouse gas emissions in business and society.</p> <p><b>(3) Green Organization</b><br/>Develop, improve, and monitor the decarbonization plan to reduce greenhouse gas emissions from its own operations, support sustainable goals and minimize environmental impacts.</p>  |
| <p><b>Performance</b></p>                                     | <ul style="list-style-type: none"> <li>- Approved the 2025 annual sustainability development plan to drive the implementation of the sustainability development policy.</li> <li>- Provided ESG training programs for the Board of Directors, the Sustainability and Corporate Governance Committee, the Sustainable Banking Committee, and employees.</li> <li>- Organize activities to promote ESG risk culture, prepare and publish research reports on the ESG impacts of project and corporate financing.</li> </ul> <p><i>(See more information at <a href="https://www.lhbank.co.th/en/sme/advisory/lhb-gafe/">https://www.lhbank.co.th/en/sme/advisory/lhb-gafe/</a>).</i></p> <ul style="list-style-type: none"> <li>- Develop and enhance initiatives to close gaps identified in the assessment of FTSE Russell ESG Scores, focusing on improving public disclosure and strengthening governance at the policy level in a tangible manner.</li> <li>- Committed to achieving the Net Zero Commitment 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.</li> </ul> |

|   |   |
|---|---|
|   | <ul style="list-style-type: none"> <li>- Utilize a platform to record the organization’s greenhouse gas emissions data and conduct hands-on workshops for the bank’s clients, enabling verification, assessment, and management of emissions from organizational operations, with a real-time dashboard for monitoring purposes.</li> </ul>   |
| <p><b>Pillar 2</b><br/><b>Sustainable Finance</b></p> | <p><b>(1) Responsible Finance</b><br/>Develop diverse sustainable finance products to deliver measurable environmental outcomes, support clients in enhancing their ESG standards through transition-driven lending structures coupled with reducing environmental and social impacts across the customers’ value chains.</p> <p><b>(2) ESG Risk Management</b><br/>Enhance the ESG and climate risk management framework to align with the guidelines of the Bank of Thailand and TCFD (Task Force on Climate-related Financial Disclosures) by integrating environmental, social, and climate data into the credit risk management process, enabling comprehensive long-term risk assessment.</p> <p><b>(3) ESG Innovative Digital Finance</b><br/>Leverage innovation and digital technologies to develop financial services that support environmental sustainability, provide convenient and accessible financial services, and ensure the security of customer data, while collaborating with partners specializing in technology and clean energy solutions to support clients’ investments in carbon-reducing and energy-efficient innovations.</p>                                   |
| <p><b>Performance</b></p>                             | <ul style="list-style-type: none"> <li>- Design and develop sustainable financial products that address the diverse needs of business sector. In 2025, the bank provided support through sustainable finance loans totaling THB 4,545.2 million.</li> <li>- Collaborate with partners to support the bank’s clients in achieving a tangible Net Zero Transition through the provision of transition loans that promote environmental sustainability.</li> <li>- Develop a transition plan for the oil and gas industry to create a framework that supports clients in adapting to a low-carbon economy, preparing for clean energy, and achieving long-term sustainability.</li> <li>- Announce the Environmental and Climate Risk (E&amp;C) Management Policy to support the transition toward a low-carbon society, by defining the risk appetite and Key Risk Indicators (KRIs) based on total outstanding balance of business loans sensitive to E&amp;C risks, for instance, drilling or mining (stone/coal), power plant, petroleum and its related businesses. In addition, the bank clearly defines the types of businesses and activities that the bank will not support.</li> </ul> |

|  |  |
|--|--|
|  | <ul style="list-style-type: none"> <li>- Develop green deposit products under the Sustainable Finance Framework that comply with international standards and have been verified by the external party.</li> <li>- Calculate greenhouse gas emissions associated with the organization's financial activities, such as lending, investments, and other financial services under Category 15 of PCAF (Partnership for Carbon Accounting Financials) framework. This includes providing training, knowledge sharing, and platform services to manage clients' carbon emissions. The bank will support and advise its clients on reducing greenhouse gas emissions.</li> </ul>   |
| <p><b>Pillar 3</b><br/><b>Responsible to Stakeholder</b></p> | <p><b>(1) Community Investment</b><br/>Promote community growth through continuous and impact-driven CSR initiatives, focusing on the needs of the community. Examples include providing training on personal financial literacy and fostering financial discipline.</p> <p><b>(2) Collaborative Stakeholder Engagement</b><br/>Raise awareness and disseminate knowledge on ESG and Green Finance through various activities, such as lectures, seminars, booths, and collaborations with the aim of supporting businesses, particularly SMEs, in adapting and putting it into practice, as well as communicating with stakeholders to create understanding in a wider range.</p> <p><b>(3) Transparency Disclosure</b><br/>Disclose information according to the corporate governance policy and prepare relevant reports to align with international standards, particularly environmental and climate risks (E&amp;C Risks), which are disclosed in accordance with the TCFD principles.</p> |
| <p><b>Performance</b></p>                                    | <ul style="list-style-type: none"> <li>- The bank, in collaboration with the National Institute of Development Administration (NIDA), organizes seminars to promote personal financial literacy for university students and employees of clients in the EEC area. The program aims to raise financial awareness and understanding, encourage financial planning, and foster appropriate financial behaviors that support a better quality of life.</li> <li>- Organized the LHB GAFÉ 2025 seminar: "Transforming Industry Toward a Sustainable Future" for the bank's existing clients and new entrepreneurs. The event provides participants with opportunities to exchange knowledge and receive consultation from the bank's advisory partners, which will help them plan and transform their businesses toward sustainability.</li> </ul>  |

- Collaborate with key strategic partners, including EEI, ABeam Consulting, MASCI, THAIPAT, ONNEX by SCG, BANPU NEXT, SGS Thailand, and CARBONWIZE. These partners provide advisory services, assurance/verification, develop renewable energy solutions, and enhance client capabilities to ensure a reliability of transition to a low-carbon economy and alignment with international standards.
- Prepare and disclose climate-related risks and opportunities transparently in the TCFD report to build confidence among stakeholders having a clear understanding of the impacts and the organization's approaches to coping with climate risks and making climate-related opportunities for organization. This underpins investors' decision-making and aligns with international standards.

The Sustainable Banking Committee has continuously monitored the implementation of action plans and evaluated the performance of sustainability framework, then, presented and reported to the Sustainability and Corporate Governance Committee and the Board of Directors of the bank.

### Corporate Social Responsibility Performance for Sustainable Business Development

#### LHFG received the SET ESG Ratings.

The company received a rating in the 2025 SET ESG Ratings at 'AA' from the Stock Exchange of Thailand (SET) and has been ranked in sustainable stocks for the 5<sup>th</sup> consecutive year, reflecting the integration of sustainability principles into the company's business operations by taking into account risk management to get ready for emerging risks, adaptability to social and environmental changes, long-term solid growth, and paying attention to all groups of stakeholder. The assessment was conducted by the Stock Exchange of Thailand.

#### LHFG has been selected to include in the universe of ESG100 for companies with outstanding performance in terms of environmental, social and governance and ESG100 Decade Award for the year 2025.

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 regarded as part of the company's operations. Particularly, good corporate governance in all processes of operations and all functions require standards, integrity, and transparency. As a result, 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.



In addition, the company received the ESG100 Decade Award for its consistent outstanding ESG performance and was selected for inclusion in the ESG100 Universe for 10 years.



**LHFG Received the Sustainability Disclosure Recognition in 2025.**

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.



**LHFG Received a Certificate of Recognition from the “ESG DNA: Sustainability Knowledge Program”**

The company received a Certificate of Recognition from the Stock Exchange of Thailand for its participation in the “ESG DNA: Sustainability Knowledge Program”, which aims to enhance employees’ understanding of ESG (Environmental, Social, and Governance) and integrate ESG principles into work processes and corporate culture.



**Green Loan for Entrepreneurs toward Sustainability**

Land and Houses Bank Public Company Limited (LH Bank) has partnered with SCG Living & Housing Solutions Co., Ltd. and BANPU NEXT Co., Ltd. to develop green loans that support entrepreneurs in investing in environmental initiatives and clean energy by setting guidelines and criteria suitable for their potential. This partnership encompasses advisory services and investment in energy management and greenhouse gas reduction as well as related technologies and services, for instance, solar cell systems, electric vehicle (EV) charging stations, energy efficiency solutions, and building renovations to enhance environmental and energy efficiency. The initiative also supports entrepreneurs in achieving Net Zero targets and obtaining relevant certifications.

**LHB GAFÉ 2025 Seminar Project: Transforming Industry Toward a Sustainable Future**

The bank organized the LHB GAFÉ 2025: Transforming Industry Toward a Sustainable Future seminar to empower entrepreneurs to gain knowledge and understanding on doing business in the era of climate tech and AI, covering critical ESG regulation trends. It also features experience sharing from real-world entrepreneurs on their journeys to low carbon industry, titled "Zero to Hero," and offers specialized consulting services from the bank’s strategic partners. The seminar aims to inspire the transformation of traditional business models toward environmentally friendly models.



## Sustainable Finance

The bank supports sustainable finance that addresses the needs of business in various dimensions including:

- Green Finance Loans: to support investments in environmentally friendly projects, such as renewable energy utilization, waste management, Sustainability-linked Loans (SLL)

- Loans linked to customers' sustainable key performance indicators (KPIs)

- Green Transition Loans: to support the transition to a low-carbon economy, such as the use of renewable energy, energy-efficient machinery, or technology upgrades to meet future international standards

In 2025, the bank provided various types of environment-related loans including Green Loan, Sustainability-linked Loan, and Green Transition Loan facilities over Baht 4,545 million.

❖ LH Bank has provided a green loan of Baht 650 million to Thai AirAsia to enhance operational efficiency in energy savings, reduce fuel costs and carbon dioxide emissions. This green loan enables Thai AirAsia to upgrade its fleet to Airbus A320neo and A321 neo aircrafts, which feature environmentally-friendly technology that boasts fuel efficiency by 15-20% per flight compared to previous models, and reduces carbon dioxide emissions by approximately 5,000 tons per aircraft per year.



❖ LH Bank has granted the Sustainability-linked Loan (SLL) of Baht 800 million to Buriram Sugar PLC to promote the fresh cane manufacturing as to reduce PM 2.5 emissions from harvesting process and shipping cane to a factory by cooperating with the Cane Farmers Association to launch a campaign to lower cane burning while supporting the acquisition of harvesting equipment for fresh cane and handling the most efficient cane transportation. This is to upgrade the sustainability of sugar industry as well as improve Thai agro-industrial sector and drive sugar production sector toward sustainable environment standards.



❖ LH Bank approved a green transition loan of Baht 32.2 million to Palasap Company Limited for upgrading its wastewater treatment system and enhancing production efficiency, and to Green Power 1 Company Limited to invest in machinery technology, specifically an RDF machine for waste separation to generate biomass electricity."



### 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 program as a fundamental framework for conducting various activities so that directors, executives, and employees at all levels strictly adhere to.



### Performance of CSR Sustainable Development in Various Dimensions

| Environmental  | Social   | Economic  |
|--|--|---|
| <p><b>Green Loan</b> approved in 2025 was Baht 1,914 million.</p> <p><b>Sustainability-Linked Loan</b> approved in 2025 was Baht 2,600 million.</p> <p><b>Green Transition Loan</b> approved in 2025 was Baht 31.2 million.</p>  | <p><b>The number of complaints from employees regarding labor operations</b> in 2025 was 0.00 percent, which remained the same as in 2024.</p>   | <p><b>The level of satisfaction of customers who received services from branches</b> in 2025 was 98.80 percent, increasing by 1.75 percent compared to 97.10 percent in 2024.</p> |
| <p><b>Carbon Credits Offset</b></p> <p>According to the assessment result of GHG emissions arising from various activities in 2025, the company is under the process of getting verification for offsetting corporate carbon footprint of 3,418 tons of carbon dioxide equivalent (tCO<sub>2</sub>eq), accounting for 100 percent of carbon dioxide levels emitted from Scope 1, 2 and 3 sources and equivalent to planting 227,868 perennial trees or equivalent to absorbing carbon dioxide from the forests with area of 6,801 rai.</p> <p>The company has offset its greenhouse gas emissions from its operations by acquiring a total of 3,418 tCO<sub>2</sub>eq to achieve carbon neutrality in its operations.</p> <p>Note: The company has been reviewed by the VEKIN (Thailand) Co., Ltd. and is under process for verification of GHG emissions from various business activities of 2025. The company filed a request for CFO certification for carbon footprint registration during the consideration of TGO meeting No. 2/2026. To obtain certification of greenhouse gas emission assessment results in 2025.</p> | <p><b>The rate of employees who got injured while working in 2025</b> was 0.00 percent, which remained the same as in 2024.</p> <p><b>Investments for the development of society, community and environment</b> valued at around Baht 2.6 million in 2025.</p> |   |

Performance of CSR Sustainable Development in Various Dimensions (Cont.)

| Environmental  | Social | Economic |
|--|--------|----------|
| <p><b><u>Proportion of greenhouse gas emissions</u></b><br/>                     (Scope 1-2) The contribution to operating income in 2025 was 30%, a decrease of 7% compared to 37% in 2024.</p> <p><b><u>Reduction of greenhouse gas emissions from paper management</u></b><br/>                     In 2025, the company used 25,182 reams of paper, increasing by 91 percent from 13,168 reams in 2024. As the company has consolidated paper consumption across all branches nationwide for organization-wide reporting, together with the expansion of its financial products and customer base, overall paper usage has increased. However, excluding branches, paper usage would have increased by only 8% compared to 2024. Nevertheless, the company continues to implement measures to reduce unnecessary paper consumption through technological development to expand more electronic channels and has set a target to reduce paper usage by 5% annually based on the volume consumed each year.</p> <p><b>Energy Management</b><br/>                     In 2025, the total electricity of 2,936,168 kWh was consumed, increasing by 49 percent compared to 2024. As the company has consolidated electricity consumption data from all branches nationwide for organization-wide reporting. However, excluding branches, the consumption will decrease by 24 percent compared to 2024. The electricity usage per operating revenue in 2025 was 0.032%, an increase from 0.023% in 2024.</p> |        |          |

Performance of CSR Sustainable Development in Various Dimensions (Cont.)

| Environmental   | Social | Economic |
|---|--------|----------|
| <p><b>Waste Management</b></p> <p>The company launched a campaign to promote environmental awareness and encourages employee engagement in daily environmental conservation in line with the circular economic approach to reduce environmental and health impacts. The company emphasizes the 5R principles: Refuse unnecessary items, Reduce consumption, Reuse materials, Repurpose for new uses, and Recycle into new raw materials. The initiative begins with source waste reduction through planning before buying and refusal of consumables, followed by clear waste segregation to enable reuse, conversion, and recycling, thereby reducing non-hazardous waste generated from business operations.</p> <p>In 2025, the waste was 75,619.51 kg, increasing by 40 percent compared to 2024, which was 53,893.91 kg.</p> <p><u>Amount of recycled waste</u></p> <p>In 2025, the waste was 31,361.64 kg, increasing by 40 percent compared to 2024, which was 22,673.92 kg.</p> <p><u>Proportion of business waste to operating income</u></p> <p>In 2025, it was 0.00083 percent, increasing by 0.00017 percent compared to 0.00066 percent in 2024.</p> <p><u>Proportion of recycled waste to community waste</u></p> <p>In 2025, it was 70.86 percent, decreasing by 1.77 percent compared to 72.63 percent in 2024.</p> |        |          |

## Corporate Social Responsibility for Sustainable Development Policy

The company is aware of operating its business under social responsibility which will 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 toward Consumers
7. Cooperation in the Development of Community and Society
8. Environmental Management
9. Innovation and Dissemination of Innovative Corporate Social Responsibilities

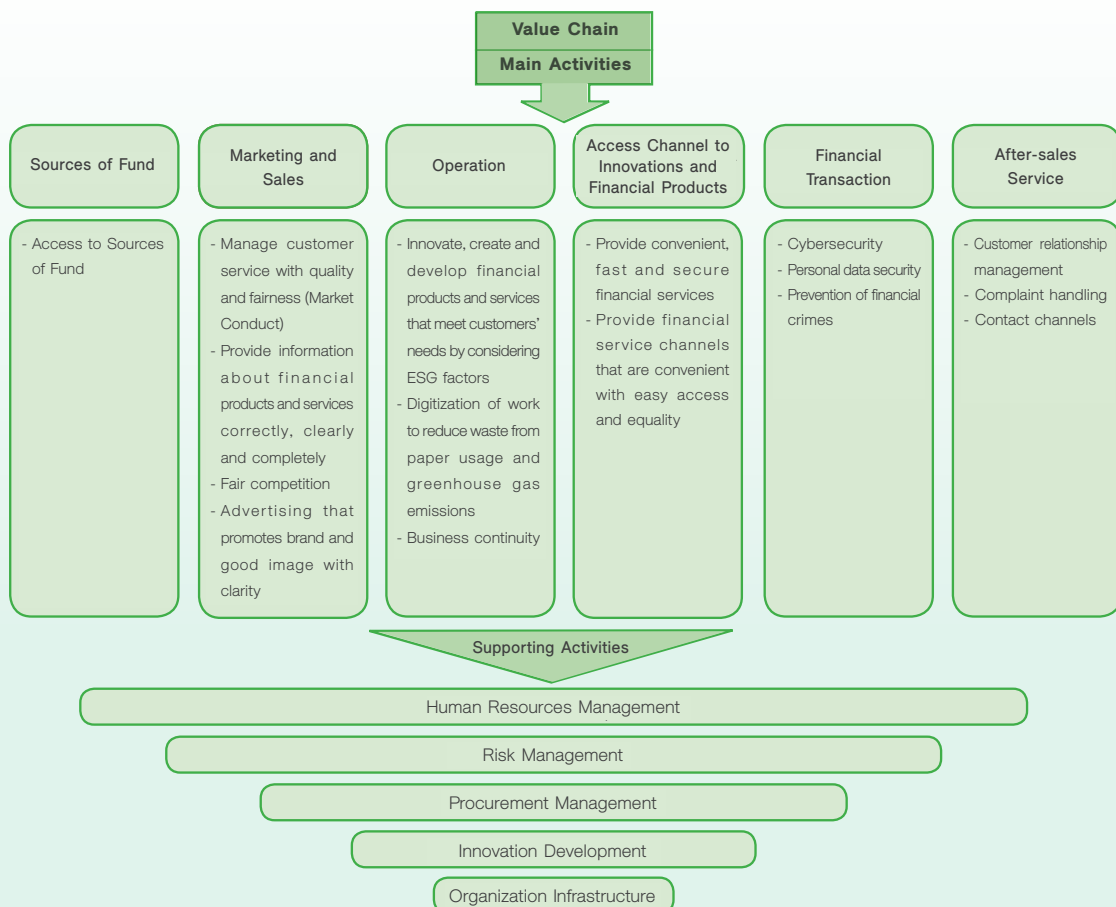
*The company publishes the details of corporate social responsibility for business sustainability policy on the company's website ([www.lhfg.co.th](http://www.lhfg.co.th))*

## Objectives of 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 groups of 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 groups of stakeholders

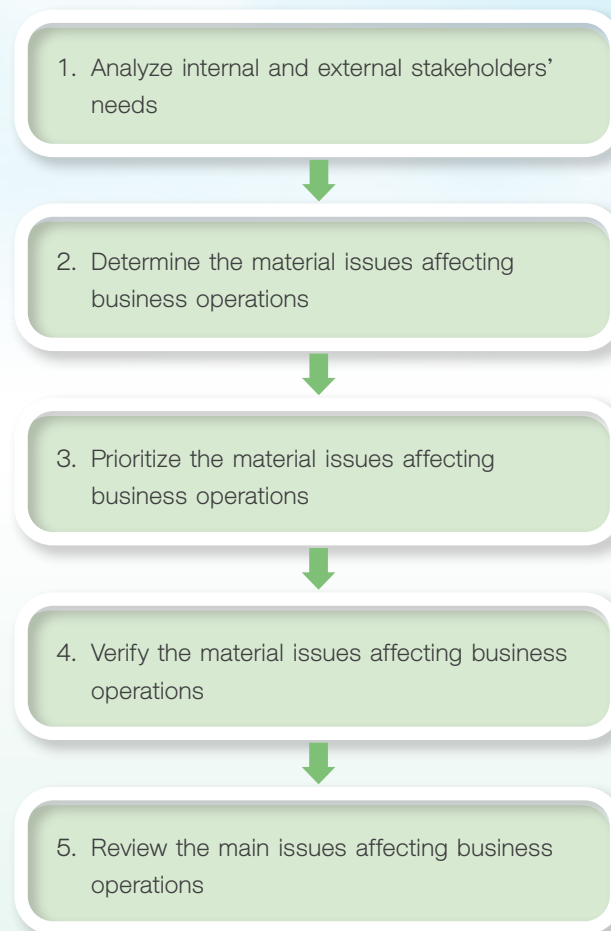
## 3.2 Value Chain Management

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 all groups of 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 including the international standards such as Global Reporting Initiative (GRI). The content of the report covers the company's operations by collecting data from 1 January to 31 December 2025.

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 guidelines of the corporate social responsibility for sustainable development policy with the following steps:



### 1. Analysis of Stakeholders' Needs

The company places 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 surveys to gather data for defining practices that align with corporate governance policy and corporate social responsibility for sustainable development policy and so on.



## Engagement of Stakeholders

The company pays attention to both internal and external stakeholders. 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's best practices appropriately. These processes enable the company to minimize negative effects while enlarging positive effects constantly. As a result, the organization experiences 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   |
|------------------------------|--|---|---|
| <b>1. Shareholders</b>       | <ul style="list-style-type: none"> <li>- Appropriate compensation and sustainable growth</li> <li>- Good business performance and stable growth under appropriate risk</li> <li>- Work with transparency, fairness and accountability</li> <li>- Prudent risk management</li> <li>- Operate business ethically and consider society, economy, environment and governance</li> <li>- Qualification and experience of directors and executives and proportion of independent directors</li> <li>- Disclose information with completeness, correctness, equality, transparency and verifiable</li> <li>- Prevent any violations, right of shareholders and personal data of shareholders</li> </ul> | <ul style="list-style-type: none"> <li>- Hold the Annual General Meeting of Shareholders once a year</li> <li>- Hold a press conference and analyst meeting twice a year</li> <li>- Publish annual report 56-1 One Report</li> <li>- Disclose information through SETLink of the Stock Exchange of Thailand, the company's website, internal and external print media</li> <li>- Provide a chance for minority shareholders to propose material issues for the Board of Directors to consider adding them into the agenda of AGM</li> <li>- Open a chance for investors and analysts to request company visits</li> <li>- Provide channels for inquiries via the company's website</li> <li>- Provide the channels for suggestions, whistleblowing and complaint through the channels provided by the company</li> <li>- Provide the independent directors as the proxy for Annual General Meeting of Shareholders</li> </ul> | <ul style="list-style-type: none"> <li>- Business operations under good corporate governance principles</li> <li>- Anti-corruption</li> <li>- Shareholders' personal data protection</li> <li>- Respect for shareholders' right equally</li> <li>- Generate good performance under proper risk management</li> <li>- Disclose correct and complete information through various channels for equal acknowledgement and transparency</li> <li>- Open 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"> <li>1. To propose the agenda for AGM</li> <li>2. To nominate qualified candidates for directorship election</li> <li>3. To propose questions in advance                   <ul style="list-style-type: none"> <li>- Invite shareholders to attend AGM and share their opinions</li> <li>- Provide the channels for whistleblowing about fraud, corruption and complaint</li> </ul> </li> </ol> </li> </ul> |
| <b>2. Board of Directors</b> | <ul style="list-style-type: none"> <li>- Perform duties with transparency and honesty following the corporate governance principles for sustainable growth of the organization</li> </ul>  | <ul style="list-style-type: none"> <li>- Organize the company's Board of Directors meeting every month</li> <li>- Establish sub-committees to consider and screen proposals before submitting them to the board</li> </ul>  | <ul style="list-style-type: none"> <li>- Business operations under good corporate governance principles</li> <li>- Management with efficiency, transparency and verifiable according to corporate governance and sustainable development guidelines</li> <li>- Business operations by considering all groups of stakeholders</li> </ul>   |

Stakeholder Engagement Process (Cont.)

| Stakeholders               | Interests and Expectations   | Engagement and Communication Channels   | Practice and Response   |
|----------------------------|--|---|---|
|                            | <ul style="list-style-type: none"> <li>- Treat all stakeholders on the basis of fairness and equality for the best interest of the company and shareholders by taking into account all groups of stakeholders</li> <li>- Oversee sustainable growth of organizational performance</li> <li>- Promote gender diversity on the board to support effective governance and a well-rounded perspective</li> </ul> | <ul style="list-style-type: none"> <li>- Conduct self-assessment for directors as follows:                             <ol style="list-style-type: none"> <li>1. Collective self-assessment of the Board of Directors and sub-committees</li> <li>2. Individual self-assessment of the Board of Directors and sub-committees</li> <li>3. Cross-assessment of directors</li> <li>4. Good corporate governance self-assessment                                     <ul style="list-style-type: none"> <li>- Disclosure of the structure of the Board of</li> </ul> </li> </ol> </li> </ul>  | <ul style="list-style-type: none"> <li>- Provide sufficient and full information in a timely manner</li> <li>- Engage in good governance activities</li> <li>- Promote, support and develop knowledge related to the duties of directors and business</li> <li>- Provide orientation for new directors</li> <li>- Use the results of self-assessment to improve work efficiency</li> <li>- The company has 1 female director, and 5 female directors within the financial business group. The company's board structure takes gender diversity into consideration.</li> </ul>   |
| <p><b>3. Employees</b></p> | <ul style="list-style-type: none"> <li>- Have a chance to improve knowledge, skill and potential</li> <li>- Keep a workplace hygienic, clean and safe</li> <li>- Provide appropriate tools and equipment at work</li> <li>- Provide suitable compensation and benefits with proper career growth</li> <li>- Flexible working arrangements and work-life balance</li> </ul>                                   | <ul style="list-style-type: none"> <li>- Arrange the Welcome Newcomers and orientation activities</li> <li>- Arrange capacity-building learning for all levels of employees and use PacD application for communication online learning anywhere anytime</li> <li>- Arrange activities to build engagement and enhance teamwork</li> <li>- Provide channels to receive complaints, grievances, opinions and suggestions</li> <li>- Hire people with disabilities to give them career opportunities</li> <li>- Provide internal communication channels and learning platform</li> <li>- Prepare the occupational health and safety policy as well as assess risks at work</li> <li>- Establish the Occupational Safety, Health and Environment Committee</li> <li>- Train and appoint executives as occupational safety officers</li> </ul> | <ul style="list-style-type: none"> <li>- Encourage all levels of employees to instill corporate values</li> <li>- Prepare succession plans for executives and key positions</li> <li>- Survey the rate of compensation on a regular basis as to benchmark with industrial standards and make it fair and competitive</li> <li>- Protect and do not persecute or impose any disciplinary proceedings against an employee who reports any wrongdoings or ethical issues (Whistleblower Protection)</li> <li>- Improve working environment to align with occupational health and safety guidelines</li> <li>- No discrimination on employment or termination regardless of race, nationality, color, gender, sexual orientation, religion, political views or age</li> <li>- Promote employment for vulnerable group, including people with disabilities</li> <li>- Develop human resources consistently by providing skill training and talent program</li> </ul> |

## Stakeholder Engagement Process (Cont.)

| Stakeholders        | Interests and Expectations  | Engagement and Communication Channels  | Practice and Response  |
|---------------------|---|--|--|
|                     |   | <ul style="list-style-type: none"> <li>- Select and develop employees to become part of the talent program</li> </ul>  | <ul style="list-style-type: none"> <li>- Do not lay off any employee without reasonable ground or discrimination</li> <li>- Respect human rights by not supporting labor coercion</li> <li>- Provide open and safe communication channels for the voice of employees</li> <li>- Provide fair employment conditions with proper compensations based on abilities and industrial standards</li> </ul>  |
| <b>4. Customers</b> | <ul style="list-style-type: none"> <li>- Customers relationship management</li> <li>- Provide services for customers with quality and fairness (Market Conduct)</li> <li>- Satisfaction with a wide variety of quality products and excellent services</li> <li>- Promptness in hearing and responding to customers' requirements</li> <li>- Maintain customer confidentiality</li> <li>- Equal treatment of customers</li> </ul> | <ul style="list-style-type: none"> <li>- Conduct the customers' satisfaction survey for branch services</li> <li>- Offer products that can satisfy customers' needs, improve employees' competency in making an offer to customers with products and services that meet their needs and protect customer data</li> <li>- Publicize products and services completely and transparently</li> <li>- Provide channels for customers to give recommendations, comments or complaints</li> <li>- Conduct a customer satisfaction survey regularly</li> </ul> | <ul style="list-style-type: none"> <li>- Apply the survey results of customers' satisfaction to improve its services</li> <li>- Study customer behaviors as to improve services and strengthen relationship</li> <li>- Give product information accurately, clearly and easily-to-understand</li> <li>- Collect suggestions or feedbacks for improvements</li> <li>- Innovate and create products and services that meet consumers' needs</li> <li>- Publicize full information of products and services through various channels easily accessible by consumers to support their decisions</li> <li>- Provide assistance and answer customers' enquiries to promote good understanding of products and services</li> <li>- Collect complaints and cope with them promptly</li> <li>- Arrange activities to create good relationship with customers</li> <li>- Have customers' data security measure in place</li> </ul> |

## Stakeholder Engagement Process (Cont.)

| Stakeholders                                 | Interests and Expectations  | Engagement and Communication Channels  | Practice and Response   |
|--|---|--|---|
| <b>5. Community, Environment and Society</b> | <ul style="list-style-type: none"> <li>- Support communities' activities</li> <li>- Promote and enhance learning</li> <li>- Develop the quality of life and promote income generation to community through various CSR activities</li> <li>- Promote and support government policies</li> <li>- Preserve environments and effective use of resources</li> <li>- Handle social and environmental impacts that might arise from the company's operations</li> <li>- Collect the voice of neighboring communities</li> </ul> | <ul style="list-style-type: none"> <li>- Organize the Green Office project to reduce electricity and paper use as well as shift to use environmentally-friendly office automations with continuous awareness building</li> <li>- Host the Children's Day activities to pass on smile to kids</li> <li>- Provides scholarships for students in the Commercial and Accounting of Thammasat University to strengthen and improve new generations to thrive and become a critical force of society and the nation</li> <li>- Donate used computers project to promote learning among youth in needs and use as pedagogical media for students' repairing drills and use in their future career</li> <li>- "Old Calendar We Need" for the school of the blind to be used for producing instructional media, braille book and notebook for the students with visual disability</li> <li>- "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</li> <li>- "Give Books and Learning Materials to the Department of Corrections" to promote knowledge of prisoners nationwide</li> </ul> | <ul style="list-style-type: none"> <li>- Perform business with ethics in parallel with environmental and social responsibilities</li> <li>- Support social activities and promote employees' engagement</li> <li>- Support and promote education to improve educational quality and accessibility</li> <li>- Promote cultural, traditional and religious activities</li> <li>- Promote effective use of resources</li> <li>- Listen to public opinions from communities nearby and consider improving or providing support</li> <li>- Provide appropriate emergency plan to prevent losses and damages on environment</li> <li>- 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</li> <li>- Promote and cooperate with the stakeholders, such as trade partners, to develop innovations</li> <li>- Regularly review business procedure whether it poses any risks or adverse effects to society and environment or not. If any, it must be resolved promptly.</li> </ul> |

## Stakeholder Engagement Process (Cont.)

| Stakeholders | Interests and Expectations | Engagement and Communication Channels   | Practice and Response |
|--------------|----------------------------|---|-----------------------|
|              |                            | <ul style="list-style-type: none"> <li>- “Promote Personal Financial Discipline” or Financial Literacy project for students at Rajamangala University of Technology Bangkok, in collaboration with the National Institute of Development Administration (NIDA), developed a curriculum to enhance knowledge, understanding, and skills in personal financial planning for university students. The aim is to instill the concepts of saving, spending wisely, and investing with purpose since a teenager.</li> <li>- Blood donation project, “Volunteer Blood Donation with a Heart: One Donor, Three Recipients”, where donated blood is used to help patients nationwide in various hospitals, saving their lives.</li> <li>- “RUN for LIFE” project for employees to engage in social activities together by running an accumulated distance of 30 kilometers within 30 days, and convert it into donations for underprivileged children of the Foundation for Slum Child Care</li> <li>- Financial and non-financial donations</li> <li>- Debt restructuring by reducing installments, giving more loans for victims or customers impacted by various incidents like natural disasters, epidemics, etc.</li> <li>- Prepare proper emergency plan to mitigate loss</li> </ul> |                       |

## Stakeholder Engagement Process (Cont.)

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

## 2. Determining Material Issues Affecting Business Operations

The company takes into account all significant issues, opinions, suggestions and expectations in sustainable activities 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 enquiries to identify the sustainable issues 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 can be divided into 3 levels: low, medium, high, 10 issues in total. The issues have then been prioritized in materiality matrix. The vertical axis represents the key issues critical for stakeholders while the horizontal axis shows the issues critical for the company.

### Materiality Matrix

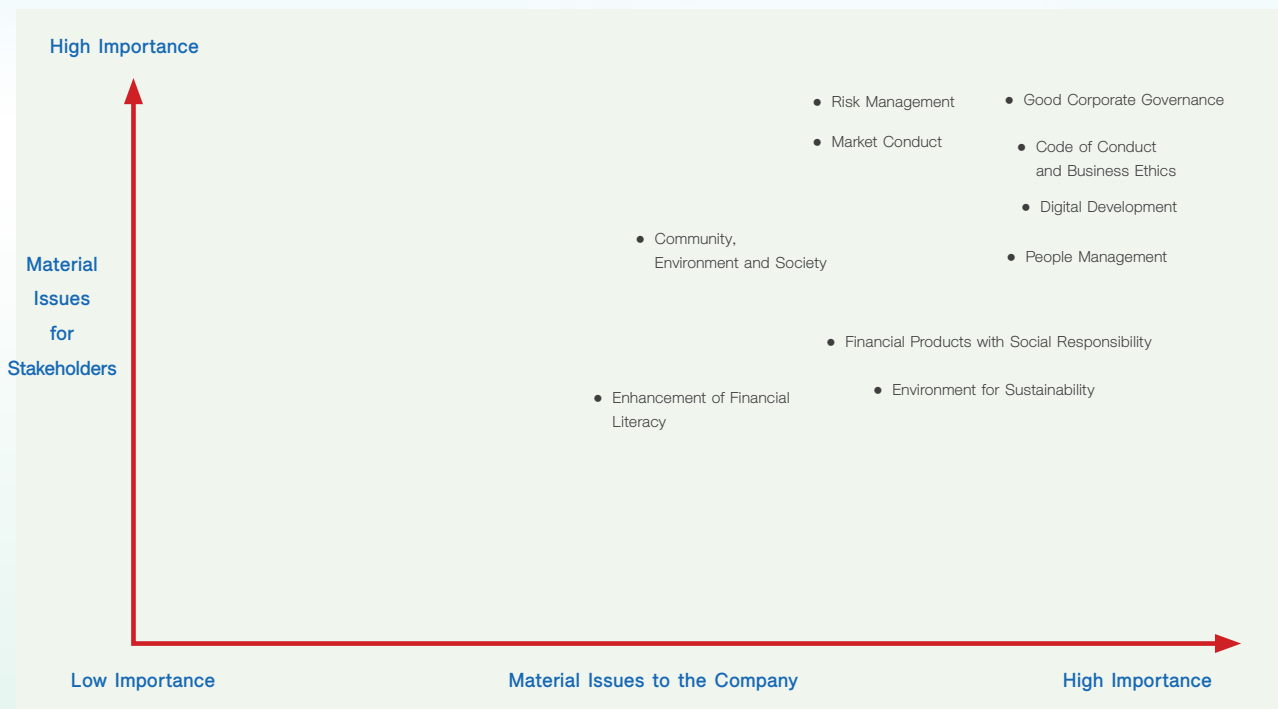


Table: Analysis of Material Issues Affecting Business Operations

| 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)   |
|---|---|--|--|---|--|
| <b>Good Corporate Governance</b>              | GRI 102-18<br>GRI 102-19  | - Companies in the financial business group<br>- Directors, executives and employees | - Shareholders<br>- Customers<br>- Business Partners | Good corporate governance   |   |
| <b>Market Conduct</b>                         | GRI 102-43<br>GRI 103-1<br>GRI 103-2<br>GRI 103-3<br>GRI 203-1  | - Companies in the financial business group<br>- Directors, executives and employees | - Customers  | - Sustainable business operations<br>- Responsibilities to customers                    |  <br>        |
| <b>Digital Development</b>                    | GRI 203-2   | - Companies in the financial business group  | - Customers  | - Innovations and dissemination of innovative social responsibilities                   |  <br>  |
| <b>Code of Conduct and Business Ethics</b>    | GRI 102-16<br>GRI 102-17<br>GRI 102-25<br>GRI 103-1<br>GRI 103-2<br>GRI 103-3<br>GRI 205<br>GRI 205-2<br>GRI 205-3<br>GRI 206-1 | - Companies in the financial business group<br>- Directors, executives and employees | - Shareholders<br>- Customers<br>- Business Partners | - Code of conduct and business ethics<br>- Anti-corruption                              |   |
| <b>Risk Management</b>                        | GRI 102-11<br>GRI 102-15<br>GRI 102-30<br>GRI 103-1<br>GRI 103-2<br>GRI 103-3<br>GRI 201-2                                      | - Companies in the financial business group<br>- Directors, executives and employees | - Shareholders<br>- Customers<br>- Business Partners | - Risk factors<br>- Internal control and risk management<br>- 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)  |
|--|--|--|--|--|---|
| <b>Human Resource Management</b>                     | GRI 102-8<br>GRI 102-41<br>GRI 103-1<br>GRI 103-2<br>GRI 103-3<br>GRI 401-1<br>GRI 401-2<br>GRI 401-3<br>GRI 403<br>GRI 404<br>GRI 412 | - Companies in the financial business group<br>- Directors and executives            | - Business Partners                                      | - Fair treatment of labors<br>- Respect for human rights |                 |
| <b>Financial Products with Social Responsibility</b> | GRI 2-6<br>GRI 201-1<br>GRI 203-1<br>GRI 203-2<br>GRI 417-1  | - Companies in the financial business group<br>- Directors, executives and employees | - Customers<br>- Community, Environment and Society      | - Accessibility to financial services                    |       |
| <b>Enhancement of Financial Literacy</b>             | GRI 103-1<br>GRI 103-2<br>GRI 103-3<br>GRI 201-1<br>GRI 203-1<br>GRI 203-2<br>GRI 413-1<br>GRI 419-1                                   | - Companies in the financial business group  | - Customers<br>- Communities, Societies and Environment  | - Development of Communities and Societies               |        |
| <b>Environment for Sustainability</b>                | GRI 305-1<br>GRI 305-2   | - Companies in the financial business group  | - Customers<br>- Communities, Societies and Environments | - 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<br>GRI 203-1<br>GRI 203-2<br>GRI 413-1<br>GRI 419-1     | - Companies in the financial business group | - Customers<br>- Communities, Societies and Environments | - 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 conducts an information review process after this report has been 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 ensure accuracy, completeness and compliance with the practical guidelines for corporate social responsibilities for sustainable development policy.

**Persuading Business Partners to Join the Anti-Corruption Alliance**

The company encourages partners to be aware of the importance of building a corruption-free community by encouraging them to join the anti-corruption alliance to help prevent fraud, bribery and corruption by asking customers and patrons 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 segment and to be aware of credit granting 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 handled properly, it may have both direct and indirect effects on reputation and performance as well as quality of life, economies of community 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, the bank is aware of the importance of society, environment and 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 is committed to upgrading the level of service quality by conducting a customer satisfaction survey in order to uphold the service quality to truly address the customers' needs and know their feedbacks so that the service can be improved. Besides, the service standard is regularly revised to ensure effective and timely delivery of services to customers and communicate it to employees to realize the importance of providing high-standard services with constant quality check of services.

### **Supply Chain Management**

The company is aware of the importance of growing businesses that do not affect society and environment throughout the supply chain. The company also emphasizes collaboration with trade partners to develop the business operation process together with elevation of the standard on environmental and social activities. The company has selected trade 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 procurement process and receiving services consist 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 process and receiving services 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** involves the following steps:

1. Acquire the lists of suppliers and vendors that match the needs of buyers or end 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. 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 and fairness, take care of occupational safety and 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.

**Supplier Classification**

By considering the significance of business partners based on a variety of risk factors covering economic, social, and environmental aspects as follows:

- Critical Vendors refer to business partners that are essential to business operations, typically consisting of a single or a limited number of suppliers. The absence of these vendors could result in immediate disruption to business.

- Significant Vendors refer to business partners involved in specialized products and/or services with complex operational characteristics. While alternative vendors may be available, sourcing replacements may require some time and could potentially impact business operations.

- General Vendors refer to general business partners for which alternative suppliers are readily available and whose absence would not have a significant impact on business activities.

In 2025, the bank had 506 vendors, representing a 10% increase compared to 460 vendors in 2024, driven by business growth and the expansion of new entrepreneurs, as follows:

| Type of Vendors    | Number of Vendors | Percentage of Vendors |
|--------------------|-------------------|-----------------------|
| Critical Vendor    | 11                | 2                     |
| Significant Vendor | 6                 | 1                     |
| General Vendor     | 489               | 97                    |
| <b>Total</b>       | <b>506</b>        | <b>100</b>            |

**Management of Risks Arising from Business Partners**

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

## Management of Risks Arising from Business Partners (Cont.)

### Fraud risk arising from business partners

1. Pre-engagement screening and assessment, such as due diligence and risk assessment
2. Contractual arrangements with defined control measures, including the right to audit and data protection
3. Ongoing monitoring and oversight
4. Incident management includes the preparation of a fraud response plan and procedure to suspend access to the company's systems and data

### Process of Assessing Risks from Business Partners

1. Assess risks from using services according to the details outlined in the operating procedures for utilizing services from business alliances and establish mitigation plans in case of having significant risk issues

2. Collect, prepare, and assess the risks of using services from business partners as outlined in the operating procedures before using their services

3. Submit the assessment to the risk management department for review, and risk mitigation plans if significant risk issues are identified, giving feedback, observations, and recommendations.

In 2025, all business partners managed their risks appropriately with regular annual review and evaluation, reflecting the company's commitment to sustainable supply chain development.

#### Operational support for business partners

The company emphasizes the treatment of business partners in accordance with trade agreements and contracts by specifying payment terms as agreed periods and conditions. On average, payments for goods or services are made within approximately 2 weeks upon receipt of complete and accurate documents.

#### Business partner monitoring, review, and evaluation process

The company monitors and evaluates business partners' performance through various methods, including service satisfaction assessments and feedback or complaint channels, to ensure that goods and services meet its requirements. A dedicated procurement team oversees procurement activities, inspects goods and services, and provides guidance to partners on quality improvement. Engagements may be discontinued if partners fail to meet the established standards.

### Tax Management

The company is listed on the Stock Exchange of Thailand and operates as a financial business group under transparent oversight, with a strong commitment to governance principles. The company is dedicated to compliance with applicable tax laws and regulations.

#### Tax Management Strategy

The company has planned for a revenue tax for the best interest of the company and stakeholders and complied with the revenue code.

#### Tax Risk Management

The company has income tax risk management and provides seminars and training for related employees by considering the risks and responsibilities and compliance with tax laws and regulations.

#### Tax Incentives

The company legally and fully exercises tax incentives and makes use of tax structure in the right manner without any tax avoidance.

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

### 3.3 Sustainability Management in Environmental Dimension

The company is committed to playing part in dealing with global warming and promoting a goal to carbon neutrality at the organizational level. In 2025, the company received various certificates of recognition from the Thailand Greenhouse Gas Management Organization (Public Organization). These awards reflect its determination to take part in management and drive the substantial greenhouse gas emission within organization as to support Thailand to achieve the goal of net zero greenhouse gas emissions within 2050 including.

The certificate of carbon footprint for the organization heading for explicit guidelines to effectively reduce the organization's greenhouse gas emissions.

The carbon neutral certificate indicates the offset of corporate carbon footprint of 3,998 tons of carbon dioxide equivalent (tCO<sub>2</sub>eq).

The certificate of recognition as a leading organization in the program "Climate Action Leading Organization (CALO) to Achieve the Net-zero Greenhouse Gas Emissions".



#### Climate-Aligned Governance Alliance (CAG Alliance)

The company has joined the Climate-Aligned Governance Alliance (CAG Alliance), for which Thaipat Institute has established the Climate-Aligned Governance Center with the aim of enhancing the capacity of businesses to gather air pollution data within Scope 3, leading to air pollution management throughout the value chain and ultimately achieving net-zero greenhouse gas emissions.

#### LHFG has received a Plaque for "Ting To Trash" project

The company has received a plaque for its "Ting To Trash" project, which aims to promote understanding of proper waste separation methods and create an organizational culture that initiates greenhouse gas reduction efforts, as well as disclose environmental reports on waste separation. The award was presented by the Thai Listed Companies Association and the Securities and Exchange Commission.



## Environmental Supervision

The Board of Directors has appointed the Sustainability and Corporate Governance Committee to oversee sustainability activities and 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 as well as collect environmental data for reporting and effective management.

The bank has established a corporate social responsibility for business sustainability policy for environmental handling, recognizing business activities that do not bring about negative impacts on environment and promoting the efficient use of resources, and setting operational frameworks and sustainability goals to be a framework and guideline for both the company 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 a method in quantifying GHG emissions from all activities of organization, 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, training sessions and seminars to enhance their preparedness and management skills. On March 8, 2021, LH Financial Group Public Company Limited signed the memorandum of agreement to expand carbon offsetting initiatives to promote the voluntary national carbon markets, 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.

In 2025, the company prepared a report on assessment of greenhouse gas emissions resulting from various activities as well as its supply chains, 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), having the scope of work as financial control model, by considering the greenhouse gas emissions from activities at both headquarters and branches of all companies under the Land and Houses financial business group. The report includes emissions from Scope 1, 2 and 3.

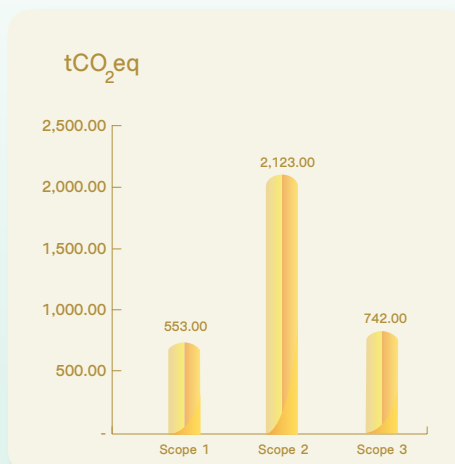
**Table: Assessment Results on GHG Emissions Arising from Various Activities of the Company in 2025**

**Table: GHG Emission Results from Scope 1-3**

| Scope                 | Corporate GHG Emissions | Percentage of Scope 1 & 2 | Percentage of Scope 1, 2 and 3 |
|-----------------------|-------------------------|---------------------------|--------------------------------|
| Scope 1               | 553.00                  | 20.67                     | 16.68                          |
| Scope 2               | 2,123.00                | 79.33                     | 62.11                          |
| Scope 3               | 742.00                  | -                         | 21.71                          |
| Total Scope 1 & 2     | 2,676                   | 100.00                    | -                              |
| Total Scope 1 & 2 & 3 | 3,418                   | -                         | 100.00                         |

|                                |             |                           |
|--------------------------------|-------------|---------------------------|
| Carbon intensity (Scope 1+2)   | 0.210346559 | tCO <sub>2</sub> eq/Sq.m. |
| Carbon intensity (Scope 1+2+3) | 0.268671352 | tCO <sub>2</sub> eq/Sq.m. |



**Table: Scope 1 of GHG Emissions**

| Source of GHG Emission                            | Amount of GHG Emission (tCO <sub>2</sub> eq) |                        |                 |                  |                 |                 |          |          | Total GHG (tCO <sub>2</sub> eq) |
|---|--|------------------------|-----------------|------------------|-----------------|-----------------|----------|----------|---------------------------------|
|   | CO <sub>2</sub>                              | Fossil CH <sub>4</sub> | CH <sub>4</sub> | N <sub>2</sub> O | SF <sub>6</sub> | NF <sub>3</sub> | HFCs     | PFCs     |                                 |
| 1 Use of diesel for fire pump                     | 0.26   | -                      | 0.00            | 0.00             | -               | -               | -        | -        | 0.26                            |
| 2 Use of diesel for generator                     | 2.13   | -                      | 0.00            | 0.00             | -               | -               | -        | -        | 2.14                            |
| 3 Use of diesel: Fleet card                       | 66.75  | -                      | 0.10            | 0.98             | -               | -               | -        | -        | 67.83                           |
| 4 Use of gasoline: Fleet card                     | 440.99                                       | -                      | 1.01            | 9.61             | -               | -               | -        | -        | 451.61                          |
| 5 Use of diesel: Bill                             | 0.02   | -                      | 0.00            | 0.00             | -               | -               | -        | -        | 0.02                            |
| 6 Use of gasoline: Bill                           | 1.55   | -                      | 0.00            | 0.03             | -               | -               | -        | -        | 1.59                            |
| 7 Use of diesel: Motorcycle                       | 28.21  | -                      | 0.06            | 0.61             | -               | -               | -        | -        | 28.88                           |
| 8 Fire extinguishing agent: FM200                 | -  | -                      | -               | -                | -               | -               | -        | -        | -                               |
| 9 Use of fire extinguishing agent: Carbon dioxide | -  | -                      | -               | -                | -               | -               | -        | -        | -                               |
| 10 Refrigerant: R410a in air conditioner          | -  | -                      | -               | -                | -               | -               | -        | -        | -                               |
| 11 Refrigerant: R407c in air conditioner          | -  | -                      | -               | -                | -               | -               | -        | -        | -                               |
| 12 Refrigerant: R404a in air conditioner          | -  | -                      | -               | -                | -               | -               | -        | -        | -                               |
| 13 Refrigerant: R134a in air conditioner          | -  | -                      | -               | -                | -               | -               | -        | -        | -                               |
| 14 Refrigerant: R32 in air conditioner            | -  | -                      | -               | -                | -               | -               | -        | -        | -                               |
| <b>Grand Total</b>                                | <b>539.91</b>                                | <b>-</b>               | <b>1.18</b>     | <b>11.24</b>     | <b>-</b>        | <b>-</b>        | <b>-</b> | <b>-</b> | <b>552.33</b>                   |

**Table: Scope 2 of GHG Emission**

| Source of GHG Emission  | Amount of GHG Emission (tCO <sub>2</sub> eq) |
|-------------------------|--|
| Electricity consumption | 2,122.89                                     |
| <b>Grand Total</b>      | <b>2,122.89</b>                              |

**Table: Scope 3 of GHG Emission**

| Source of GHG Emission                     | Amount of GHG Emission (tCO <sub>2</sub> eq) |
|--|--|
| Purchased goods and services               |  |
| 1) Acquisition of A4 paper in organization | 145.30                                       |
| 2) Use of tap water                        | 13.85  |
| Fuel-and energy-related activities         |  |
| 3) Use of electricity                      | 362.90                                       |
| 4) Acquisition of gasoline fuel            | 73.51  |
| 5) Acquisition of diesel fuel              | 8.44   |
| Waste generated in operations              |  |
| 6) Waste management in communities         | 59.99  |
| 7) Recycling waste management              | 0.84   |
| 8) Business trip by plane                  | 75.52  |
| 9) Business stay                           | 1.07   |
| <b>Grand Total</b>                         | <b>741.42</b>                                |

In 2025, the percentage of GHG emission (Scope 1 & 2) per operating income was equal to 30 percent.

The assessment result from various business activities of organization in 2025 has been reviewed by the VEKIN THAILAND and is under process for verification of GHG emissions, which still contains its scope of work as financial control model, by considering the Scope 1, 2 and 3 emissions and employing the verification criteria to the organizational carbon footprint provided by Thailand Greenhouse Gas Management Organization (Public Organization) : TGO. The company also filed a request for CFO certification for carbon footprint registration considered by TGO meeting No. 2/2026.

### Carbon Credits

TGO has initiated the carbon offsetting program with an aim to encourage all sectors to participate in carbon offsetting activities as an expression of social responsibility and to generate demand for carbon credits under the Clean Development Mechanism (CDM) and the Thailand Voluntary Emission Reduction Program which will support and enhance the local voluntary carbon markets, leading to a greater drive to reduce overall GHG emissions. The company recognizes the importance of the mentioned mechanism and helps drive the voluntary national carbon markets in Thailand with a carbon offsetting policy to become carbon neutral. In 2025, the company had GHG emissions of 3,418 tCO<sub>2</sub>eq from Scope 1, 2 and 3, equivalent to planting 227,868 perennial trees or equivalent to absorbing carbon dioxide from the forests with area of 6,801 rai. The company has offset its greenhouse gas emissions from its operations by acquiring a total of 3,418 tCO<sub>2</sub>eq to achieve carbon neutrality in its operations.

### Energy Management

The company continues to manage electricity and tap water consumption to be efficient and effective, for example:

- Renovated the office building, maintained office equipment in an environmental-oriented manner, glass lamination to lower heat and other activities to reduce pollution and save energy.

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

- Changed the printer type by replacing the single-function printers with the multi-function ones, arranged as a pool for shared use to lower power consumption and save space.

- Used LED tubes, with watts suitable for space, and the proper size of cables. The office decoration also employed soft colors and maximized natural light. The company had replaced fluorescent tubes with LED tubes since 2016, totaling 5,069 tubes, consisting of 4,420 long LED tubes and 649 short LED tubes, helping reduce energy consumption by 1,129,535 kWh or approximately 45 percent when compared to the use of fluorescent tubes. As LED tubes produce less heat than traditional fluorescent lamps, carbon dioxide emissions can be reduced by 564,655 kgCO<sub>2</sub>eq over its lifetime, equivalent to planting 62,739 large trees to absorb carbon dioxide (CO<sub>2</sub>) or equivalent to carbon absorption from forests covering the area of 1,872 rai.

| Replacement of Fluorescent Tubes with LED Tubes Project       |                              |
|---|------------------------------|
| Number of fluorescent tubes replaced by LED tubes             | 5,069 tubes                  |
| Number of hours used  | 15,000 hours/tube            |
| Amount of carbon dioxide emission reduced                     | 564,655 kgCO <sub>2</sub> eq |
| Number of large trees equivalent (absorbing CO <sub>2</sub> ) | 62,739 trees                 |

- Adjusted the wind speed of air conditioners suitable for working environment
- Controlled office temperature in the range of 23-25°C
- Measured illumination (Lux Meter) of electrical appliances within an office to be in the range of 400 - 500 Lux every year in line with the standard criteria of the Labor Protection and Welfare Department
- Encouraged public to participate in EARTH HOUR, switch off lights for one hour simultaneously in 190 countries worldwide to combat global warming, taking place on March 22, 2025, from 8:30 pm. to 9:30 pm.

### Workplace Light Intensity Measurement Project

The company recognizes the dangers of lighting that affect employees. Both insufficient and excessive lighting can harm eyesight. Therefore, the company regularly monitors the lighting intensity of its head office and branches annually to ensure that workplaces have appropriate and standard lighting.

#### Measurement and Data Collection Procedures:

1. On-site measurement: This involves measuring the intensity of light in work areas that require focused vision or continuous visual focus.
2. Average area measurement: This involves measuring the intensity of light in general areas such as hallways and work areas.

#### Results of the Workplace Light Intensity Measurement Project

In 2025, the company hired experts to measure light intensity based on actual conditions. The findings showed that the light intensity in all work areas was appropriate and met the standards of the Labor Protection and Welfare Department. That is, the standard for office areas was no less than 400-500 Lux.

#### GHG Emissions Reduction

The company has utilized the assessment report of direct and indirect GHG emissions from various activities throughout its supply chain in 2020 as a base year. It has been reviewed with all relevant business units to map out improved guidelines on how to reduce GHG emissions more concretely.

\* Scope 1 and 2 from own operation, head office

#### GHG Emissions Goal

The company sets the target to reduce GHG emissions from its own operations from 25 percent to 30 percent, compared to that of the base year 2020 within 2030\*, or equivalent to GHG emission per one employee at not over 2.10 tCO<sub>2</sub>eq.

\* Scope 1 and 2 from 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 formats, and shifting from internal combustion vehicles to hybrid ones. Consequently, greenhouse gas emissions in the base year 2020 stood at 3,015 tCO<sub>2</sub>eq. The company has efficiently managed energy, resulting in a continuous decrease in greenhouse gas emissions from 2021 to 2025, down to 2,155, 2,378, 2,512, 3,998, and 3,418 tCO<sub>2</sub>eq, respectively. Due to business expansion of the financial business group, the office space is insufficient, so it is deemed necessary to expand the office space to accommodate the growing employees from office space of 11,885.87 sq.m. in 2020 to 21,923.42 sq.m. in 2025. The company has the necessity to expand the scope of reporting greenhouse gas emissions from the operations of 71 branches of the bank. Therefore, the company's greenhouse gas emissions in 2025 increased by 11.8 percent compared to the emissions in the base year 2020.

However, when considering greenhouse gas emissions per area compared to the base year 2020, the emissions have been constantly declining since 2021-2025. The company reduced greenhouse gas emissions from its own operations by 28.52, 24.00, 20.97, 27.74 and 38.54 percent, respectively, from the base year which exceeded the target set at 25 percent from the base year. In 2025, the company has revised its GHG emission reduction target down to 30% from the base year, reflecting its intention and commitment to reduce greenhouse gas emissions.

**Table: Achievement of GHG Emission Reduction Target**

|   | Base Year 2020 | 2021      | 2022      | 2023      | 2024      | 2025      |
|---|----------------|-----------|-----------|-----------|-----------|-----------|
| Total GHG Emission (tCO <sub>2</sub> eq) SC1+SC2+SC3        | 3,015          | 2,155     | 2,378     | 2,512     | 3,998     | 3,418     |
| Scope 1 (tCO <sub>2</sub> eq)                               | 701            | 404       | 349       | 220       | 529       | 553       |
| Scope 2 (tCO <sub>2</sub> eq)                               | 1,654          | 1,319     | 1,486     | 1,659     | 2,459     | 2,123     |
| Scope 3 (tCO <sub>2</sub> eq)                               | 660            | 432       | 543       | 633       | 1,010     | 742       |
| GHG Reduction from Base Year (tCO <sub>2</sub> eq)          |                | -860      | -637      | -503      | 983       | 403       |
| GHG Reduction from Base Year (%)                            |                | -29       | -21       | -16.7     | 32.60     | 13.37     |
| Total Rent Area (Sq.m.)                                     | 11,885.87      | 11,885.87 | 12,335.87 | 12,529.87 | 21,812.88 | 21,923.40 |
| Emissions Intensity Scope 1,2,3 (tCO <sub>2</sub> eq/Sq.m.) | 0.254          | 0.181     | 0.193     | 0.200     | 0.183     | 0.156     |
| GHG Reduction from Base Year/Sq.m. (%)                      |                | -28.52    | -24.00    | -20.97    | -27.74    | -38.54    |

In 2025, the company sent out its employees to attend the following training provided by various public and private sectors as follows:

| Training/ Seminar   | Organizer   | Number of Participants |
|---|---|------------------------|
| Outcomes from COP29 and Direction of Business Sector Toward Trade and Investment  | Thailand Greenhouse Gas Management Organization (Public Organization) | 2 persons              |
| First-year Webinar with FTSE Russell ESG Scores: Advancing Toward Sustainability with International Standards   | The Stock Exchange of Thailand  | 4 persons              |
| Thailand Voluntary Emission Reduction Program (T-VER), Forestry and Agriculture Sectors   | Thailand Greenhouse Gas Management Organization (Public Organization) | 2 persons              |
| Environmental Performance Assessment and Sustainable Management   | Thailand Greenhouse Gas Management Organization (Public Organization) | 3 persons              |
| Net Zero by Green Procurement   | Thailand Business Council for Sustainable Development                 | 5 persons              |
| Business for Biodiversity: Building a Sustainable Business Network for Biodiversity and Press Conference on Signing Ceremony of the Memorandum of Understanding (MOU)                 | Thailand Business Council for Sustainable Development                 | 4 persons              |
| Collaboration to Drive Thailand's Circular Economy Ecosystem in Waste and Plastic Waste Management  | Thailand Business Council for Sustainable Development                 | 4 persons              |
| Guidelines for Developing Greenhouse Gas Reduction Plans Based on the Science-based Target (SBT) Approach and Certification Guidelines for Climate Action Leading Organization (CALO) | Thailand Greenhouse Gas Management Organization (Public Organization) | 3 persons              |

| Training/ Seminar   | Organizer   | Number of Participants |
|---|---|------------------------|
| Climate Action Leading Organization (CALO)  | Thailand Greenhouse Gas Management Organization (Public Organization) | 3 persons              |
| SET Sustainability Forum 2/2025, "Claims, Consequences, and Credibility: Capital Market for Climate Action"   | The Stock Exchange of Thailand  | 2 persons              |
| Pathway to Net Zero: Learning from Experienced Organizations in Science-Based Target Setting                  | Thailand Greenhouse Gas Management Organization (Public Organization) | 2 persons              |
| GHG SET Carbon Scope 3 Project  | The Stock Exchange of Thailand  | 2 persons              |
| ESG: Opportunities and Risks  | The Stock Exchange of Thailand  | 4 persons              |
| Promoting Responsible Business Conduct for Human Rights, Climate Change, and Biodiversity                     | The Stock Exchange of Thailand  | 2 persons              |
| Knowledge Sharing: "Good Ideas to Action for Greenhouse Gas Reduction with the Climate Care Platform"         | The Stock Exchange of Thailand  | 4 persons              |
| Revolutionizing Internal Controls with AI: Building a Shield for Your Business                                | The Stock Exchange of Thailand  | 8 persons              |
| GHG for Procurement Workshop  | ECEE Company Limited  | 2 persons              |
| SET ESG Experts Pool: Sharing IFRS S1, S2 Decoding, Transforming Report into Truly Sustainable Business Drive | The Stock Exchange of Thailand  | 2 persons              |
| ESG for Sustainable Development   | Mahidol University  | 2 persons              |

## Waste Management

Waste in Thailand remains a worrying problem that requires urgent attention, as the amount of waste increases every year. Even with proper recycling and disposal, a large amount of residual waste persists, causing significant environmental pollution. This pollution has numerous consequences, including: the breeding of diseases; leachate contamination of surface and groundwater; fires at landfill sites; air pollution from incinerators without treatment systems; and marine debris, impacting marine animals (death from ingestion/entanglement), ecosystems (coral damage, mangrove death, reduced oxygen), and humans (toxins entering the food chain).

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. The company also ran a campaign to encourage employees to properly sort out waste before disposal in order to create good waste disposal habits both at work and at home since current consumption patterns, including the increased ordering of goods and food online, are factors that contribute to the increase in waste.

The company launched a campaign to raise awareness on environment among employees by encouraging their participation in environmental activities, such as the "Mangrove Reforestation" project, which aims to restore the green coastal areas and unite efforts to reforest nature by planting mangroves and collecting trash at the Royal Thai Army Nature Education Center (Bang Pu).

In 2025, the company had the waste from operations of 75,619.51 kg or increased by 40 percent compared to 2024 at 53,893.91 kg. The recycling waste was 31,361.64 kg or increased by 38 percent compared to 2024 at 22,673.92 kg.

In 2025, the non-hazardous waste was 106,978.85 kg and the hazardous waste was 2.30 kg.

In 2025, the ratio of waste from the business to operating income was 0.00083 percent.

In 2025, the percentage of recycled waste per community's waste was equal to 70.86 percent.

**Recycling Waste Management and Goals for 2026**

The company carries out 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. Waste is weighed for data recording, and recyclable waste is taken to buy-back points or recycling centers with reliable recycling partners, and the company promotes community involvement.

The recycling waste management in 2025 significantly increased by 38 percent compared to 2024 because in 2025 the waste separation was extended to branches nationwide.

**Waste Management Goal for 2026**

For the waste management goal for 2026, the company continues doing waste separation by following the 7R principles: Reduce, Reuse, Recycle, Replace, Refill, Repair, and Return. The goal is to maximize resource utilization, reduce daily waste, and efficiently manage leftovers as part of a circular economy.

The company urges its employees to use digital documents or e-Form, double-sided printing, purchasing environmentally friendly paper, and campaigning against single-use plastics such as plastic cups, thin food containers, lids, and food wrap by encouraging employees to use their own reusable cups or water bottles as well as supporting the use of recycled materials in product manufacturing.

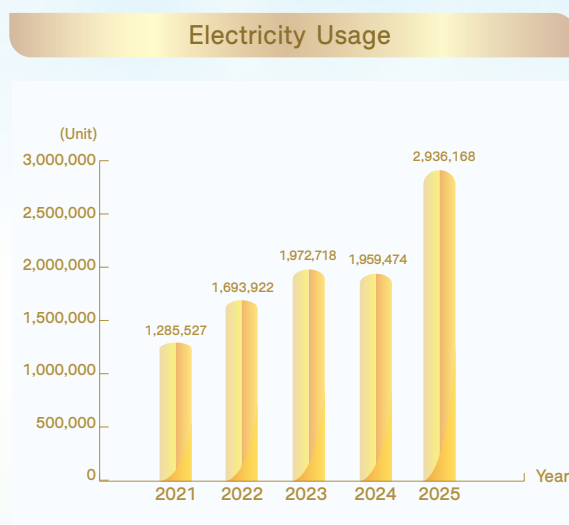
**Non-hazardous Waste Reduction Target in 2026**

The company campaigns to encourage participation in environmental conservation in daily life, in line with the principles of a circular economy to reduce environmental and health impacts. It emphasizes the 5R principles: Refuse (reject unnecessary items), Reduce (reduce consumption), Reuse (reuse items), Repurpose (modify for new uses), and Recycle (recycle into new materials). This begins with reducing waste at the source by planning before purchasing and rejecting disposable items. Then, waste is clearly separated for reuse, transformation, and recycling, reducing the amount of non-hazardous waste generated from business operations. As a financial institution, most of the waste generated is non-hazardous type, such as papers, 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 and computer system. The company, therefore, monitors environmental impacts and measures energy efficiency constantly with continuous improvements.

In 2025, the total electricity consumption was 2,936,168 kWh, a 49 percent increase compared to 2024 because the company has combined electricity usage data from both its headquarters and branches to report overall consumption of the organization. Excluding branches, the electricity consumption will decrease by 24 percent compared to 2024.



In 2025, the percentage of power usage per operating income was 0.032 percent.

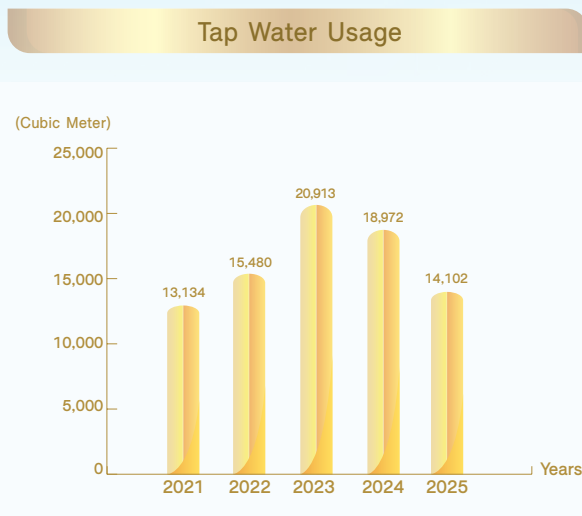
**Electricity Management Goal for 2026**

The company has set a target to reduce electricity consumption by 5% from 2025 with the aims to enhance energy efficiency by maintaining electricity usage at an optimal level through process improvements, the adoption of energy-saving technologies, and the promotion of employee engagement.

## Water Management

The company uses tap 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 purposes. 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 to conserve water.

In 2025, the total water consumption was 14,102 cubic meters, a 25 percent decrease compared to 2024. Water consumption is likely to decline, even though the company has included water usage data at all branches to report overall consumption of the organization. However, excluding branches, the consumption will decrease by 38 percent compared to 2024.



### Water Management Target of 2026

The company has set a target to reduce water consumption by 25% from 2025. This is due to the company's campaign and initiatives focused on efficient water management and raising awareness among employees to support sustainable water conservation.

## Paper Management

The company understands that paper is the main office consumable which is essential in 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. Therefore, the company promotes and raises awareness among employees to use paper economically and effectively and sort paper waste according to the 3Rs principle as follows:

- Reduce (reduce consumption), Reuse (reuse items), Recycle (recycle/sell)
- 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 report the number of papers used to control paper usage to align with their operation

**Other initiatives** include:

### Changing Paper Form of Invitation Letters to Various Meetings into Electronic Forms

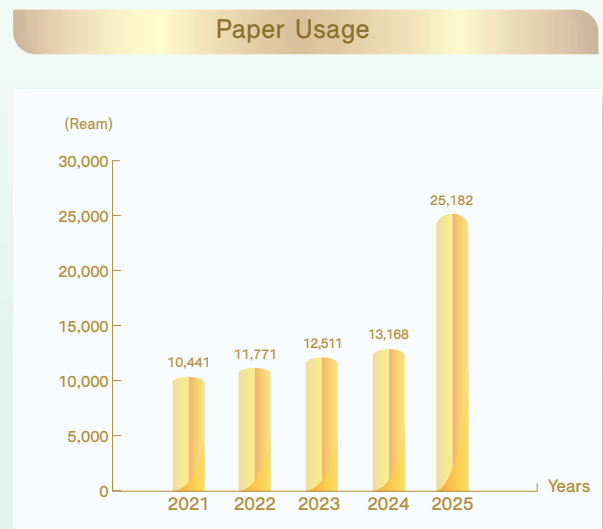
The company has changed the process of preparing the meeting materials for many committees from printing meeting invitations and supporting documents in paper format to recording information electronically. This process can help reduce paper consumption by approximately 30,000 pieces a month.

### 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 2025, paper consumption was 25,182 reams, a 91% increase compared to 13,168 reams in 2024. This increase is due to the company incorporating branch paper usage to report overall consumption of the organization, coupled with an expansion into financial products and an increase in customers. Excluding branches, paper usage will increase by only 8% compared to 2024.



## Paperless Guidelines

To reduce paper usage systematically and concretely, the company provides the following guidelines as follows:

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

### 1. Survey and Planning

The company has surveyed the paper consumption data each year by considering the number of employees, departments as well as developing a plan to reduce paper usage by 5 percent of the total paper used each year.

### 2. More Application of Technologies via Electronic Channels

Supporting and pushing the increased application of information technology in operations, for example:

- Meeting arrangements involve changing the format of meeting material packages for various committee meetings to submission via an electronic form.
- Training courses with a lot of training materials are suggested to send them by e-mail.
- Correspondence is made via e-mail such as circulars.
- Storage of scanned correspondences instead of copying documents
- Share file within the departments instead of printing or making a photocopy of documents

### 3. Promoting Efficient Use of Papers

Effective paper conservation starts simply with sorting out one-sided papers and papers without significant information before proceeding with the following steps:

- Establish and designate collection points for single-sided used papers in common areas and encourage employees to reuse the collected paper on the double-sided side.

- Inform all employees of where the common areas of used one-sided papers
- Reuse them as notes
- Reuse single-sided papers to note informal messages or memos within the department or organization, or print documents for review and verification, and use economy mode.
- Default 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 foster 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:

|   | 2025   | 2024   | 2023   | 2022   |
|---|--------|--------|--------|--------|
| Number of documents due to be destroyed (Box)   | 2,368  | 1,194  | 2,467  | 5,804  |
| Weight of documents (Kilogram)  | 21,110 | 21,448 | 22,690 | 61,313 |
| Number of trees that can compensate the cut down trees to produce papers per 1 ton <sup>1</sup> of used papers (Tree) | 317    | 322    | 340    | 920    |

Note: <sup>1</sup> 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 2026

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) efficiently helps reduce paper consumption, for instance, digital data storage, the automation of document workflows and forms to extract data from various systems for processing without the need for printing documents, the use of QR codes for online data transmission, and the selection of recycled paper to lower the consumption of natural resources. The plan is to lessen paper usage by 5% of the total paper consumption in 2025.

### 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 clean. Employees are physically and mentally healthy. This, in turn, results in saving resources and costs to increase productivity. 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
  - Providing more usable space
  - Having a more spacious, splendid and clean workplace results in a better mood of employees
2. Results of **Set in order**
  - Minimizing the frequent search for items
  - Increasing work efficiency
  - Creating good image for organization
3. Results of **Shine**
  - Having a pleasant and productive working environment
  - Cutting down the consumption of resources
  - Increasing efficiency of tools and equipment while decreasing frequent operational issues and breakdowns of office equipment
4. Results of **Standardize**
  - Having neat, tidy and productive workplace
  - Employees are both physically and mentally healthy
5. Results of **Sustain**
  - All employees have good attitude towards work
  - Customers receive quality, convenient and fast services

#### 6. Results of **Scenic**

- Creating a positive and healthy workplace environment

- Maintaining safety in workplace

#### 7. Results of **Surrounding**

- Promote behavioral change among employees toward the efficient and responsible use of resources

- Saving energy and preserving the environment

### LH BANK ATM Stops Global Warming

The bank has played part in reducing global warming 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. Measurement of air conditioner airflow
7. Increase green spaces in offices
8. Increase co-working spaces

#### Encouraging employees to engage in the Efficient Use of Resources

1. Educate employees about environment and promote energy saving via internal media such as Intranet and PacD Application
2. Encourage employees to reuse materials such as using both sides of papers
3. Promote a reduction in paper use and the number of printers, provide photocopier pool, and change employees' behaviors to always think twice before printing
4. Reduce/refrain from using paper materials for meetings by sharing the information through electronic channels
5. Ask for partners' cooperation to reduce the use of printed documents, switching to electronic files
6. Turn off the building light when no one is in the room or meeting room for 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 instill values and raise awareness for employees to become personal habits that can be carried over into everyday life.

**Vehicle Service Management**

The company has a policy to reduce carbon dioxide emission from the company’s vehicles fuel combustion 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 from fuel-powered vehicles to other alternative engines such as hybrid cars
4. Use the Grab Car and Grab Express to increase agility and reduce energy consumption from backhaul

**Fuel Usage in 2025**

| Item                          | Volume     | Percentage |
|-------------------------------|------------|------------|
| Aircraft Fuel (Liter)         | 0.00       | 0.00       |
| Diesel (Liter)                | 27,556.58  | 9.98       |
| Gasoline (Liter)              | 248,655.79 | 90.02      |
| 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**

The company has set the target to reduce fuel consumption by 3 percent from 2025

**Green Procurement**

The company prioritizes environmentally-friendly business practices by selecting eco-friendly partners and products as follows:

1. Use cleaning products that contain natural ingredients and are 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 2026, the company aims to replace 10 combustion engine cars with hybrid vehicles.

3. Use 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 ISO 14001 or other green labels

6. The company has chosen to use Doi Tung coffee beans, which are carbon-neutral and certified by Thailand Greenhouse Gas Management Organization. The company can 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 a procurement 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 cost-effective, transparent, efficient and verifiable manner

#### **Supporting Sustainable Finance**

The financial business group, LH Financial Group Public Company Limited, recognizes the importance of climate change, which directly impacts the economy, businesses, customers, and the stability of the overall financial system. Therefore, it has established a “Risk & Opportunity” policy to manage climate risk and leverage it into green business opportunities, in line with the Bank of Thailand’s supervisions and international sustainability guidelines. Furthermore, the bank sees an opportunity to support businesses in transitioning to a low-carbon economy and has designed and developed sustainable finance products that meet the diverse needs of the business sector, including:

1. Green Loan: To support investments in environmentally friendly projects, such as renewable energy, waste management, energy efficiency improvement, and greenhouse gas emission reduction projects.
2. Sustainability-linked Loan (SLL): A loan facility that is linked to the customers’ sustainability key performance indicators (KPIs), incentivizes businesses to enhance their environmental, social, and governance (ESG) performance, with a focus on driving tangible and continuous improvements.
3. Green Transition Loan: A loan facility designed to support the transition from conventional production processes to more efficient, low-carbon systems, such as the adoption of renewable energy, energy-efficient machinery, or technological upgrades to ensure readiness for future international standards.
4. Green Energy Saving Loan: A financial product designed to enhance the capabilities of businesses seeking to reduce energy costs through investments in solar rooftop systems, energy-efficient solutions, and technologies that improve resource efficiency.

In 2025, the bank provided environmental lending support totaling Baht 4,545.2 million, comprising Baht 1,914 million in Green Loan, Baht 2,600 million in Sustainability-linked Loans, and Baht 31.20 million in Green Transition Loan.

#### **Strengthening Sustainability Ecosystem Partnership**

To enhance its capabilities in climate risk management, sustainability governance, and the promotion of environmental lending, the bank has established a “Sustainability Ecosystem” through collaboration with strategic partners including the Electrical and Electronics Institute, ABeam Consulting (Thailand) Company Limited, Management System Certification Institute (Thailand), Thaipat Institute, SCG Living and Housing Solution Company Limited, Banpu NEXT Company Limited, SGS (Thailand) Limited, and Carbonwise Company Limited to provide advisory service, assessment, certification, and develop renewable energy solutions that are reliable and in line with international standards. These strategic partners play a key role across 4 main areas as follows:

1. Sustainability & Climate Advisory Partners: Provide advisory service on ESG, climate strategy, carbon accounting, and transition plan.
2. Verification Partners: Support the assessment of environmental data, including carbon footprint calculations, measurement of greenhouse gas reductions, and the certification of green products and projects.
3. Technology & Investment Partners: Collaborate in the development of renewable energy innovations, energy efficiency, and carbon management solutions to help customers can invest and transition their production processes in a cost-effective manner.
4. Capacity Building & Knowledge Partners: Support the enhancement of knowledge for entrepreneurs such as training in ESG, carbon management, and green loan essentials.

#### **GHG Emissions from Lending and Investment (Financed Emissions)**

Land and Houses Bank Public Company Limited prioritizes the disclosure of greenhouse gas emissions associated with its financial activities, for example, lending, investments, and other financial services, under the Category 15 framework of the Partnership of Carbon Accounting Financials (PCAF). The bank has conducted verifications of GHG emission calculations from customers’ activities within loan portfolio of the bank to ensure data accuracy and consistency.

## TCFD Report

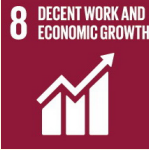
Land and Houses Bank Public Company Limited places strong importance on the disclosure of financial information regarding climate-related risks and opportunities. The bank has prepared a progress report on adjusting its operational guidelines to align operations with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), as well as the supervisory guidance of the Bank of Thailand.

The bank recognizes the urgency of advancing toward its net zero targets across both internal operations and investment portfolios. This includes the management of climate-related risks in both physical and transition dimensions, alongside the pursuit of new opportunities to promote green finance with the aim to reduce reliance on fossil fuels, drive inclusive and sustainable transition, and enhance stakeholder confidence in understanding the climate impacts, risk management approaches and opportunity development, thereby supporting investor decision-making and aligning with international standards.



### 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 guidelines for directors, executives and all employees to adhere to and avoid any operations which may cause conflicts of interest while taking into consideration the utmost interest of the company, customers and stakeholders.

The company is confident that fair business will bring about confidence which will 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 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   | Opportunities   |
|---|---|
| <p>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.</p> | <p>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, and whistleblowing and complaints arising from violations or unfair treatment will lessen.</p> |

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 and open feedback.

Respect for human rights is a fundamental practice embedded in people management process, for example:

- Employment regardless of gender, sexual orientation, race, nationality, religion, and culture
- Define the number of leaves and holidays as required by law or beyond that required by law support work-life balance
- Promote learning and improve employees' capabilities constantly
- Clearly determine the criteria for investigations and disciplinary actions for fair punishments under the same standard
- Promote activities that promote good relationships, engagement and harmony in the organization

### Human Rights Risk Assessment Process

The company has a process to assess human rights risks from business activities throughout the company's value chain according to human rights due diligence. The process covers identification, assessment and management of risk. This is to prevent and mitigate potential impacts on human rights from business operations.

#### 1. Human Rights Due Diligence

The company reviews and assesses human rights issues related to business activities throughout the value chain based on the frameworks for internationally accepted human rights best practices and integrates these practices into its operating procedures and risk management of the organization to ensure prudent, transparent operations and the prevention of potential risks.

#### 2. Identify, Assess and Manage Human Rights Risk

The company has screened and identified significant risk issues relating to human rights issues related to business activities and assessed potential impacts to determine preventive and mitigating measures as well as monitoring, remediating and correcting processes in the event of having human rights violations.

The company prioritizes human rights as an integral part of good corporate governance and sustainable business conduct with ongoing reviews and improvements of human rights risk control to align with the context of business operation and stakeholder expectations.

**Salient Human Rights Issues:** The company has taken the following actions to mitigate the risks

| Activities  | Key Human Rights Issues  | Risk Mitigation Measures for Key Human Rights Issues  |
|---|--|---|
| <b>Treatment of shareholders</b>  |  |   |
| <ul style="list-style-type: none"> <li>● Dissemination of material information and performance in a full, correct and timely manner</li> <li>● Equitable care for all shareholders</li> <li>● Security of shareholders' personal information</li> </ul>   | <ul style="list-style-type: none"> <li>● Failure to disclose material information and performance in a full, correct and timely manner</li> <li>● Discrimination against shareholders</li> <li>● Not keeping data privacy of shareholders</li> </ul>   | <ul style="list-style-type: none"> <li>● Disclosing full, correct, understandable and timely information through various channels for equal and transparent access</li> <li>● Respect for the rights of all shareholders equally</li> <li>● Preventing any violation of shareholders' personal rights</li> <li>● Creating good performance under appropriate risk management</li> <li>● Inviting shareholders to attend the Annual General Meeting of Shareholders and express their opinions at the meeting</li> <li>● Providing channels for receiving general suggestions and complaints through channels specified by the company</li> <li>● Providing inquiry channels via the website</li> <li>● Complying with the Personal Data Protection Act</li> </ul>   |
| <b>Treatment of customers</b>   |  |   |
| <ul style="list-style-type: none"> <li>● Providing complete, accurate and clear product and service information</li> <li>● Providing financial service channels that are convenient, fast, safe, comprehensive and equal</li> <li>● Maintaining personal data security</li> <li>● Treating customers equally</li> <li>● Managing customer relationships</li> <li>● Receiving complaints and providing communication channels</li> </ul> | <ul style="list-style-type: none"> <li>● Disseminating of incomplete, exaggerated, distorted and insufficient information for decision-making</li> <li>● Misuse of customer personal information</li> <li>● Disclosure of customer personal information</li> <li>● Discrimination against customers</li> </ul> | <ul style="list-style-type: none"> <li>● 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</li> <li>● Providing quality and fair customer management (Market Conduct)</li> <li>● Building good relationships with customers</li> <li>● Providing assistance and answering customer inquiries to help them understand products and services</li> <li>● Having measures to protect customer data</li> <li>● Caring for and treating every customer equally without discrimination, and respecting individual equality</li> <li>● Organizing activities to build good relationships with customers</li> <li>● Receiving and handling complaints promptly</li> </ul> |
| <b>Treatment of employees</b>   |  |   |
| <ul style="list-style-type: none"> <li>● Recruitment process</li> <li>● Hiring and promoting diversity</li> <li>● Equal labor practices</li> <li>● Taking care of employees' health and well-being</li> </ul>   | <ul style="list-style-type: none"> <li>● Discrimination against employees based on race, nationality, gender, sexual orientation, religion, and age</li> </ul>   | <ul style="list-style-type: none"> <li>● Establishing a non-discriminatory employment policy regardless of race, nationality, color, gender, sexual orientation, religion, political critics, or age as factors in considering, making a decision for hiring and promoting employment of vulnerable groups of workers, such as the disabled</li> </ul>  |

| Activities  | Key Human Rights Issues  | Risk Mitigation Measures for Key Human Rights Issues  |
|---|--|---|
|   | <ul style="list-style-type: none"> <li>● Image creation about vulnerable/ minority groups</li> <li>● Unsafe working environment for health and safety</li> <li>● Continuous working for excessive long hours impacts health and quality of life.</li> <li>● Risk from employees' personal data protection</li> </ul> | <ul style="list-style-type: none"> <li>● Supporting and respecting the protection of human rights by not supporting the use of forced labor</li> <li>● Establishing criteria and processes to prevent harassment, or disciplinary punishment against employees who honestly report to the executives or government agencies about improper actions</li> <li>● Fair and transparent process for termination or change of employment without any discrimination</li> <li>● Conducting a survey and reviewing compensation structure by benchmarking market standards and cost of living to ensure that employees receive proper and fair compensation</li> <li>● Establishing a policy on occupational health and safety in the workplace, analyzing and finding measures to control workplace safety and health risks</li> <li>● Establishing an Occupational Health and Safety and Environment Committee to drive a safety policy and plan</li> <li>● Providing appropriate equipment and appropriate environments to facilitate work, boost efficient and safe work</li> <li>● Organizing activities to enhance understanding of the organization's values, build morale, and provide opportunities for employees to participate in activities to promote quality of life and well-being</li> <li>● Ensuring personal data protection to align with relevant laws</li> <li>● Continuous empowerment of employees for their career path and security</li> </ul> |
| <b>Treatment of business partners</b>   |  |   |
| <ul style="list-style-type: none"> <li>● Treating business partners fairly and equally</li> <li>● Selecting business partners fairly</li> <li>● Maintaining transparency in procurement and fair compensation</li> <li>● Being fair, not taking advantage of or discriminating against business partners</li> <li>● Keeping business partners' data confidential</li> </ul> | <ul style="list-style-type: none"> <li>● Discrimination against business partners</li> <li>● Disclosure of business partners' personal information</li> </ul>  | <ul style="list-style-type: none"> <li>● Establishing the procurement process and practices to select service providers with transparency and fairness</li> <li>● Complying with trade terms and conditions and contracts without taking advantage</li> <li>● Establishing the Procurement Committee to oversee procurement to ensure appropriateness and fairness</li> <li>● Paying for goods and services within a reasonable time frame</li> <li>● Maintaining the security of business partner data</li> </ul>  |

**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 of employees which are defined in the code of conduct, rules and regulations and people management process 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 compensation as well as a guideline to take care of employees who could be affected in case of a change in employment policy, the company restructuring 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 in case of illness or danger resulting from work, which the company will not consider as sick leave. Moreover, the company has also joined the Compensation Fund and Social Security Fund as another security for employees.

In 2025, the company had no incidents or complaints concerning the violations of human rights, equality, and unfair treatment of employees. As a result, no compensation has been paid for such matter.

**Fair Treatment of Employees**



| Risks   | Opportunities  |
|---|--|
| <p>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.</p> | <p>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.</p> |

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, overtime work 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 consistently with the company's strategies. Besides, the Welfare Committee has been set up for employees to receive feedback and

suggestions regarding appropriate and sufficient welfare arrangements. The company will consider whether the proposed welfare can be arranged or not. This is to promote labor relations and reduce labor disputes and complaints.

The company has established labor standards guidelines within its code of conduct to ensure that employees adhere to them, recognize their rights and duties, and has communicated them thoroughly to employees through internal communication channels such as the PacD application and e-mail. In addition, training sessions have been organized to enhance employees' understanding and awareness.

In 2025, the company reported no incidents of non-compliance with labor standards.

The company has established a whistleblowing channel to accommodate complaints and reports of inappropriate conduct, bullying, or harassment in the workplace. Employees may submit information or complaints through designated channels such as the chairman of the Audit Committee, head of Legal and Compliance Group, supervisors, the company's internal intranet system, or via the company's website. The company will protect whistleblowers and will not take any bullying, punitive, or adverse actions against them, for example, accusations, salary reductions, demotions, or any form of discrimination. Whistleblower's information will be kept confidential.

#### **Key Principles for Human Resource Management and Development**

The company strives to strengthen the capabilities of its employees while simultaneously caring for their quality of life, engagement, and a supportive work environment. This ensures that employees can reach their full potential and contribute to creating value for the organization, customers, and stakeholders.

#### **Candidate Hunting**

The company recognizes the importance of the new generation workforce including new graduates as well as the 3<sup>rd</sup> and 4<sup>th</sup>-year students who are entering the labor market within the next 1-2 years. The company launches some projects to promote and open opportunities for new graduates and soon-to-be graduates through various projects, for example:

- **The 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.

#### **Recruitment**

The selection process for employees will consider knowledge and skills, criteria provided, and individuals who share the company's beliefs and values, in order to find the right personnel 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, gender, sexual orientation, 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 opportunities for people with disabilities to work with the company.

#### **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 such as race, nationality, gender, sexual orientation, age, and religion. In addition, the company will maintain the privacy of employees and candidates by considering data security and privacy rights of employees and applicants.

#### **Hiring People with Disabilities**

##### **Empowerment Project for People with Disabilities' Well-being**

The company has offered job opportunities and generated income for people with disabilities by joining the empowerment project for people with disabilities 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.

In 2025, the company hired proper number of people with disabilities required by laws, and contributed the fund in full required by law to the Empowerment for Persons with Disabilities Fund 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 Limited | 1 Person                         | -              |
| Land and Houses Fund Management Company Limited   | 1 Person                         | -              |

### Hiring Retired Employees

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

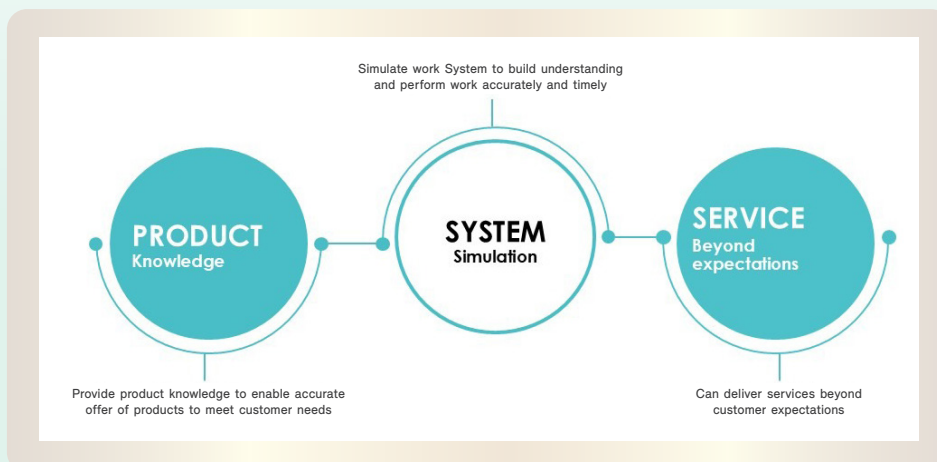
**Table : Number of Retired Employees Getting Hired**

|   | 2025 | 2024 | 2023 |
|---|------|------|------|
| Accumulative number of retired employees getting hired (Person) | 7    | 3    | 4    |
| Number of retired employees per year (Person)                   | 15   | 15   | 8    |

### Welcome Newcomers Activity

The company has enhanced its orientation program by integrating the “Mission to the Moon” activity to communicate organizational goals, strategies, and expectations toward employees from the very beginning of their employment. This initiative aims to ensure that employees understand their roles in driving the organization, recognize the value of their work, and align their growth trajectory with the organization’s long-term objectives. The activity also fosters inspiration and a sense of belonging from the first day.

The company requires onboarding employees to complete the prescribed courses within 30 days of their first day at work. These courses are designed to cover essential knowledge and mandatory requirements for work performance. It includes compulsory programs such as work regulations and employee handbook, information technology and cybersecurity awareness, corporate governance principles, personal data protection and data security policies (PDPA, Clear Desk & Clear Screen Procedures, Whistleblowing Process), anti-money laundering and counter-terrorism financing (AML/CTF), as well as ESG knowledge, to ensure employees perform their duties correctly.



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

The company places importance on continuously strengthening and reviewing knowledge related to compliance with regulations, rules, policies, and laws, to ensure that employees have good understanding and can apply it correctly, while fostering a culture of compliance.

In 2025, the company organized training and refreshment courses covering compliance with regulations, rules, policies, and laws, as follows:

| Courses  | Percentage of employees getting trained in 2025 |
|--|---|
| Cybersecurity Awareness  | 92%   |
| Operational Risk Management  | 87%   |
| Responsible Lending  | 92%   |
| Foreign Exchange Control Act B.E. 2568   | 94%   |
| Anti-Money Laundering and Counter - Terrorism and Proliferation of Weapon of Mass Destruction Financing - Review | 92%   |
| Risk Governance Approach Related to Sanctions  | 86%   |
| AML/CTPF (Non-related) - Review  | 100%  |
| NPA Disposal Criteria  | 92%   |

### Knowledge Enhancement and IT Security Awareness

The company places importance on knowledge enhancement, understanding, and awareness of information security among personnel at all levels, aimed to support secure business operations in alignment with good corporate governance principles and requirements for customer and stakeholder's data protection. Continuous training and knowledge development activities on IT security are provided, covering all employees and members of the Board of Directors. Learning formats are diverse, including onsite classroom training, online training, and self-learning through the company's e-learning platform, ensuring broad accessibility to knowledge.

The company has also organized awareness building activities on cybersecurity threats, including testing and training on e-mail phishing prevention, enabling employees to recognize various scam techniques and avoid falling victims that could lead to data leakage or organizational damage. These initiatives help reduce IT security risks, strengthen a culture of IT security awareness, and build confidence among customers, partners, and stakeholders.

### Employee Competency Development

The company places strong emphasis on continuous improvement of employee capabilities to enhance readiness in performing tasks in line with roles and responsibilities as well as customer expectations. In this regard, the company has designed and implemented employee development programs focusing on both soft skills and hard skills as well as mindset, to support effective performance and deliver impressive customer experiences.

The company also prioritizes team collaboration by strengthening effective teamwork skills in communication, coordination, and cooperation, fostering strong teams that drive organizational goals in a unified direction. In addition, employees are encouraged to develop analytical thinking, systematic problem-solving, and rational decision-making skills. Such development initiatives elevate workforce capabilities, build high-performing teams, and support the company's sustainable and stable growth.

## Future Skills Development

Continuous personnel development is a key driver for enabling organizations to adapt and grow amid technological shifts. The company places great importance on enhancing employees' digital skills in alignment with the direction of digital transformation, thereby strengthening competitiveness.

Building on the success in 2024, the company laid down a strong foundation in digital literacy for employees through various training programs to equip personnel with knowledge, understanding, and readiness to apply digital tools in their work in a tangible way.

In 2025, the focus shifts toward intensifying the learning process, with an emphasis on generating measurable outcomes and enhancing work efficiency so that employees can practically apply their knowledge, create value in their work. The skill development matrix is structured into 3 levels, namely:

- **Beginner Level:** Establishing a robust foundation in digital literacy, focusing on essential digital skills for employees to enhance efficiency in daily tasks using frequently utilized tools.
- **Intermediate Level:** Building on in-depth data analysis, encourage real usage of knowledge through "Showcase" activities where employees present their data analysis work. This serves as a key platform for knowledge sharing and inspiring.
- **Advanced Level:** Building comprehension, readiness, and strategic alignment to advance the organization's direction.



## Human Resource Development to Support Succession Planning

The company always pays attention to executives' development to get them for key positions by implementing systematic succession planning that covers identifying key positions, development and follow-up, and readiness assessment and management of career paths, in order to ensure leadership continuity, lower risks from position transitions, and prepare a workforce to align with the company's business direction.

## Human Resource Development for Talent

The company prioritizes the management and development of talented employees to cultivate new gen leaders who can propel the business in the future by applying systematic approach, spanning selection, in-depth assessment, and personalized development to maintain a continuous leadership pipeline compatible with strategic direction. Talents have been evaluated through the Developing Leadership Quality Panel (DLQ), by analyzing potential and readiness across critical dimensions: leadership capability, growth commitment, achievement mindset, behavioral characteristics, and organizational engagement. The evaluation results will be used as the core database for designing Individual Development Plans (IDPs) to ensure targeted development.

## Learning Management System Development

Building on the success in 2024 with the launch of the Individual Development Plan (IDP) features a significant milestone and becomes the foundation for operations in 2025 that will elevate employees' learning experiences. The company put the focus on enhancing Learning Management System (LMS) into a strategic tool that meets organizational needs sustainably. For example, features such as Training Recording and Reporting and Employee Learning Transcript are added to consolidate training histories and learning records within a single system, providing data for workforce development planning.

The company also supports the creation of Learning Community by developing the LMS as a venue for employees to exchange knowledge, share experiences, and translate learning into practice, thereby promoting and embedding a culture of learning.

## ESG Day Activity to Inspire Employees' Awareness in Driving Corporate ESG Initiatives

In 2024, the company joined the ESG DNA program developed by the Stock Exchange of Thailand, with the objective of providing employees with fundamental knowledge of conducting business according to ESG principles (Environmental, Social and Governance) and embedding sustainability mindsets and culture into both work life and daily life. In 2025, the company expanded its ESG efforts by encouraging employees to apply the knowledge gained from the ESG DNA program to their actual work within the context of each function, in order to deepen understanding and integrate sustainability concepts into work processes.

From its commitment to upgrading knowledge and fostering a tangible ESG culture, the company received a certificate of recognition for its participation and the successful implementation of this project in 2025. This achievement reflects the organization's dedication to enhancing employee capabilities and driving business operations under ESG framework.



## Promoting Financial Literacy through Financial Day Activities

The company recognizes that financial stability is one of key factors contributing to employees' quality of life and well-being. To this end, the company has organized the Financial Day activity to promote financial knowledge and understanding alongside holistic well-being support. This initiative aims to strengthen employees' personal financial management skills, enabling them to assess their financial status, plan spending, saving, and investing appropriately, reduce concerns arising from financial issues, and build long-term financial security.

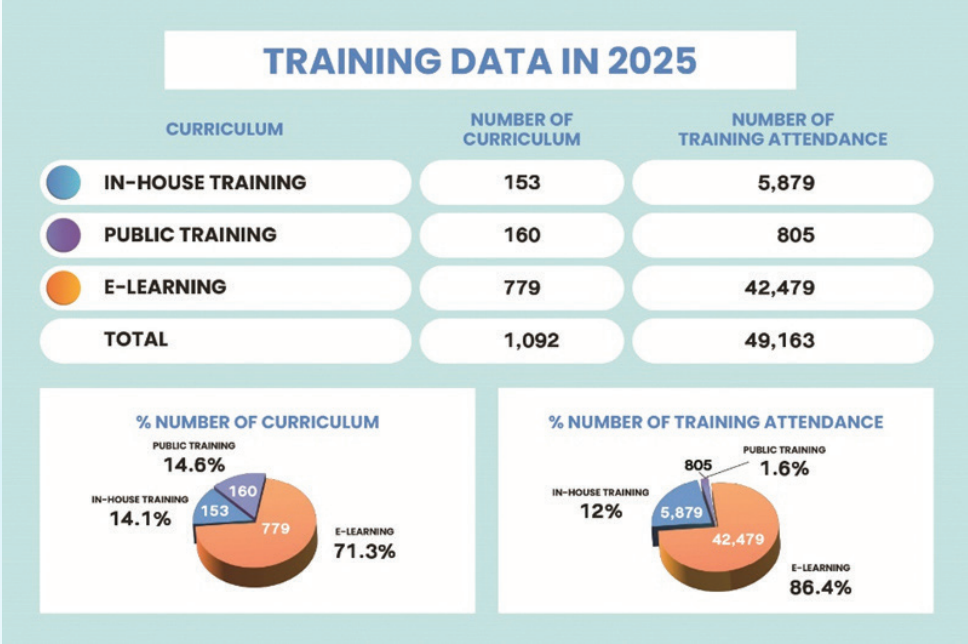
The company has designed the Financial Day program by dividing the learning sessions into 2 rooms to align with various levels of experience and needs of employees.

The first classroom focuses on building a foundation in financial planning, suitable for employees who are beginning to manage their personal finances. It aims at developing an understanding of financial health, budgeting, saving, and setting appropriate financial goals.

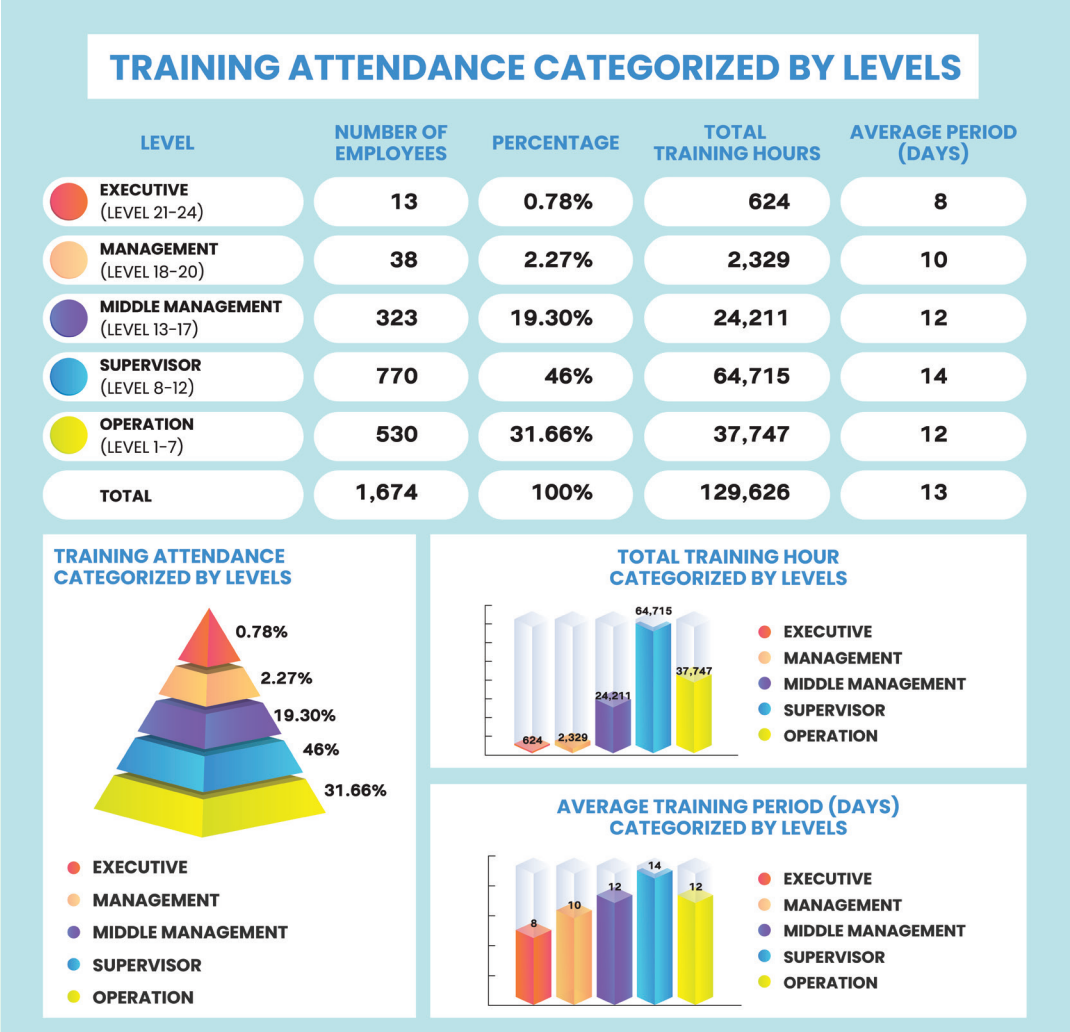
The second classroom is designed for employees with investment experience, focusing on deepening knowledge in investment planning, portfolio management, and risk assessment. It aims to support prudent financial decision-making that aligns with long-term financial goals.



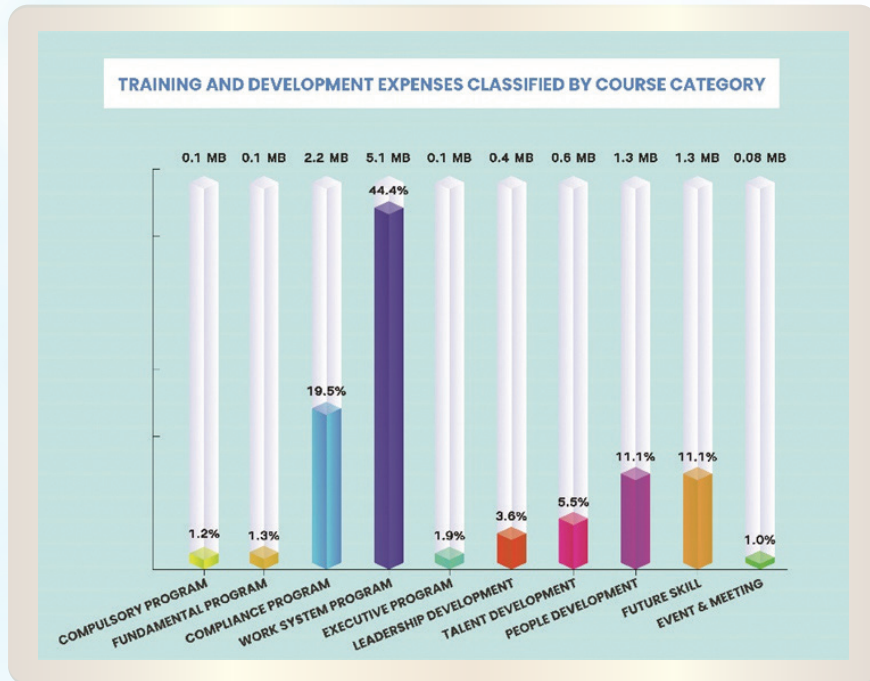
Average training hours of employees and executives for the year 2025 are as follows:



In 2025, the company organized learning activities and training in a variety of formats covering employees at all levels, totaling 129,626 hours, an average of 77 hours, or about 13 days per person per year, reflecting the organization’s commitment to investing in human resource development.



The expenses for employee training and development for the year 2025 are as follows:



### Annual Performance Appraisal

The company sees the annual performance appraisal as an essential mechanism to enhance work efficiency and support the achievement of the organization's strategic goals. It encourages employees to coordinate with their supervisors to set KPIs and communicate this SMART KPIs setting process to ensure clarity, measurability, and alignment with the goals of organization.

### Managing Remunerations

The company places importance on managing remunerations to be fair and competitive. Therefore, the company has a policy on merit increase and annual bonus based on operating result and performance. Special payroll adjustments are also made by benchmarking compensation surveys in the same or similar industry for consideration 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 company recognizes that employees are a key factor in driving and building sustainable business success. The company constantly places importance on promoting and recognizing the value and their dedication to their work (Employee Recognition). Therefore, a ceremony

was held to present commemorative gifts to 40 employees with 10 years and 20 years of service, expressing gratitude and appreciation for their dedication over the years. In addition, the company has produced and distributed commemorative jackets to all employees for the 20<sup>th</sup> anniversary as a symbol of pride and gratitude for their contribution to the organization's growth and development.

### 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, PacD application, Intranet and private Facebook group

- For external parties, including LINE Official Account (@LHBANKCAREER) and LinkedIn (LH Bank), which are channels for branding (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

- Town Hall Meeting 2025 aims 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



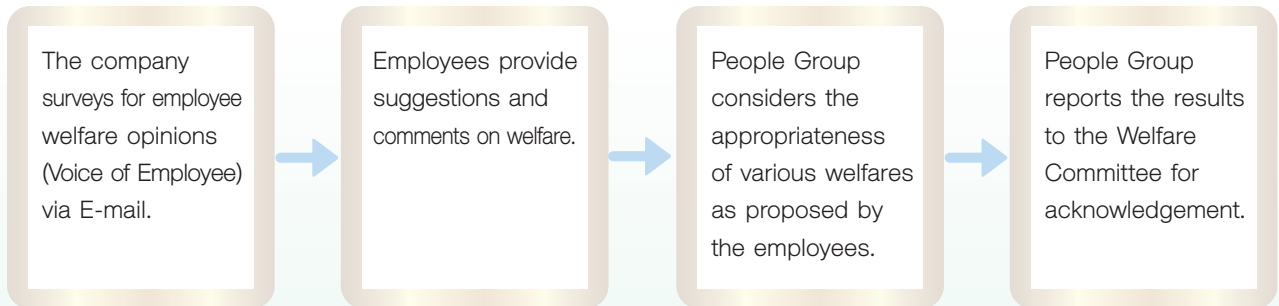
## Employees' Welfare

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 good quality of life by providing various benefits as follows:

- Annual leave
- Housing allowance for employees who have been transferred outside their domicile
- Financial assistance in the case of natural disasters such as floods, storms, and fires
- Provident fund
- Group life insurance and health insurance
- Housing loan, auto and motorcycle hire purchase and personal loan 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 about 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 improve it.

### Welfare Proposal Process by Employees



## Welfare and Employee Participations

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, 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 speakers who are physicians to share health knowledge.

Tax planning knowledge sharing activity has also been arranged for employees nearing retirement 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

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. The company did not conduct the employee engagement survey in 2025 as it has a plan to do so every 2-3 years.

## Employee Satisfaction Development Plan

The company uses the results of the Voice of Employee survey in 2024 as key information in conducting development plans to enhance the work experience and quality of life for employees. The company prioritizes input from leaders, who play a vital role in shaping the work environment, communication, and employee engagement within the organization.

The company has developed its leadership capabilities by focusing on strengthening leadership skills that foster positive work experience, engagement, and performance-driven growth. The company has diversified and made its insurance benefits more flexible, allowing employees to choose benefits that best suit their needs. Furthermore, it prioritizes employee engagement and long-term retention by continuously funding team-building activities with participation rates exceeding 80% of all employees by 2025.



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

The company prioritizes a work environment where all employees feel valued, respected for their differences, and can confidently express themselves. This is achieved by fostering an open and inclusive corporate culture that embraces diversity in all aspects, while creating a work environment conducive to well-being, psychological safety, and a sense of belonging, key factors in promoting employee engagement and effective collaboration.

## Good Environment and Workplace Safety

The company places importance on creating work environment that fosters efficiency, safety, mutual respect, and a high quality of life for employees. We believe that a suitable work environment is a key factor in developing employee potential, strengthening organizational commitment, and creating a supportive and trusting atmosphere.

In physical aspect, the company provides safe, hygienic, and suitable workspaces for each department and regularly checks workplace lighting according to legal requirements. Workspaces are improved with eco-friendly office materials to conserve resources and reduce greenhouse gas emissions. The examples include using 100% recycled carpets, environmentally friendly and standardized furniture and decorative materials, low volatile organic compound (VOC) paints, replacing fluorescent light bulbs with LED bulbs, which reduce energy consumption by more than 40%, and increasing the air conditioning temperature by 1 degree Celsius in the office to reduce electricity consumption by 10%.

For mental and social dimension, the company prioritizes creating a work environment free from harassment, discrimination, and violence of all forms, while promoting diversity, equity, and inclusion to ensure all employees receive fair opportunities and treatment. Examples include providing breastfeeding rooms within the workplace to facilitate and support employees who are breast feeders. The purpose of these rooms is to allow employees to conveniently, safely, and privately breastfeed, reducing anxiety about returning to work after maternity leave and encouraging employees to continue breastfeeding, thereby supporting the long-term health of both mother and baby.

The company has established the Safety Healthy Environment Committee (SHE) as a mechanism to drive compliance with relevant laws and regulations regarding safety, occupational health, and environment. The company manages this systematically as follows:

- Train and appoint executives and supervisors as occupational safety officers

In 2025, training was provided to 25 safety officers at the supervisory level and 40 safety officers at the management level to enhance their safety competencies and comply with legal requirements.

- Educate and create understanding about occupational safety in the workplace through various communication channels

- Annual Fire Evacuation Drill

In 2025, one fire evacuation training session was conducted, and 41 Fire Marshals were appointed.

- Provide channels to report various safety incidents and coordinate with relevant departments to provide assistance

The company systematically manages occupational health, safety, and environment in a workplace in accordance with labor laws, relevant standards, and international best practices. Clear policies, procedures, and responsibilities have been established to prevent accidents, injuries, and health risks to employees.

The company is committed to creating a work culture of mutual respect, free from harassment, discrimination, and violence of all forms, by promoting a physically and mentally safe working environment so that employees can work with confidence, dignity, and be treated fairly.

In 2025, no employees were injured at work.

**Table: Number of employees injured at work**

|  | 2025 | 2024 | 2023 | 2022 |
|--|------|------|------|------|
| Number of employees injured at work (Person) | 0    | 0    | 0    | 0    |

**Target number of employees injured at work in 2026**

The company has set zero injuries at work in 2026.

**Responsibilities towards Consumers**



| Risks   | Opportunities  |
|---|--|
| <p>The company violates consumer rights, distorts information about products and services, exaggerates advertising, 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.</p> | <p>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.</p> |

Financial business relies on economy and treasury of the country, and its business operation can impact the 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 products and services of quality, responding to the demands of all customer segments. There are many areas of development to accommodate more convenience for customers to utilize services. The details of products and services are clearly and accurately presented to customers through various channels which can be easily accessed so that they access information regarding our products including sales promotions to study 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"> <li>● Consumers shall receive clear explanation about the differences between the main products of the bank and the securities and insurance products.</li> <li>● 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.</li> <li>● Consumers shall receive correct and proper information advertisement or other marketing media in sales promotions.</li> </ul> | <ul style="list-style-type: none"> <li>● Consumers shall receive the fact sheet of 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.</li> </ul>  |
| 2. Right to freely choose the financial products and services |  | <ul style="list-style-type: none"> <li>● Consumers have the right to freely invest and can deny buying any securities and insurance products.</li> <li>● 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.</li> <li>● 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.</li> </ul> |
| 3. Right to claim for fairness                                |  | <ul style="list-style-type: none"> <li>● 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.</li> <li>● Consumers shall be able to ask for more information for better understanding of the products from the call center of the bank.</li> </ul>   |
| 4. Right to claim for compensation in the event of damage     |  | <ul style="list-style-type: none"> <li>● 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.</li> </ul>   |

## **Treatment of Consumers**

The bank has been constantly conducting social responsibility in CSR-in-Process by adhering to 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 throughout the organization, from Board of Directors, executives to 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 understanding among employees, reduce errors and be transparent, monitored, tracked 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 has been made in advance before the effective date of any changes in order to keep customers informed before making decisions to use the services by posting a notice and posting it on the website at [www.lhbank.co.th](http://www.lhbank.co.th). The notice 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 and minimize service disruptions to ensure customer satisfaction by providing a call center to provide advisory service available 24 hours daily at 1327.

Land and Houses Bank Public Company Limited provides a special channel for customers to report online incidents and get urgent assistance in cases of money transfer scams, suspicious transactions, or hackings. Customers can contact the LH Bank Call Center at 1327, or call 0 2359 0000 (press 8), or any branch of the bank, or report via e-mail at [callcenter@lhbank.co.th](mailto:callcenter@lhbank.co.th), 24 hours a day.

The bank values 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 by having customers complete a survey via QR code after using services at the branch. 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 focus on building 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 2025, the company set a target for customer satisfaction level at a minimum of 95 percent.

## **Customer Satisfaction Evaluation Results**

Customer satisfaction stood at 98.80 percent, increasing by 1.75 percent when compared to 97.10 percent in 2024.

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, the disabled, etc., 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 management, 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 bank 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 understand 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](http://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 termination 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 and sincere service
2. Receiving appropriate, clear, complete, and accurate advice
3. Receiving transparent and fair service in terms of both price and conditions
4. Receiving convenient services and proper solutions
5. Receiving understanding of their rights and duties

Enhancing Accessibility of Financial Services



| Risks  | Opportunities   |
|--|---|
| <p>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.</p> | <p>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.</p> |

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   |
|--|--|---|
| <p><b>Personal loan application service on LHB You</b></p> | <p>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.</p> | <ul style="list-style-type: none"> <li>● Personal loan application service on LHB You application</li> <li>● In 2025, there were 107 customers applying for personal loans and getting approved on LHB You application, with the loan limit of Baht 21 million in total.</li> </ul> |

Cooperation in Development  
of Community and Society



| Risks  | Opportunities  |
|--|--|
| <p>Nowadays, CSR activities are expected to create benefits, develop, and strengthen community, 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.</p> | <p>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 having good economic and social environments as well.</p> |

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**

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 youths across the country who study well, possess talents and are determined to study at a higher education but lack 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 attract juveniles 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 calendars to the Bangkok School for the Blind to be used for 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 youths 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

### Main Objectives

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

List of schools joining the 2025 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

- 108 students received continuing scholarships from 7<sup>th</sup> to 12<sup>th</sup> grade, with the total amount of Baht 905,000
- The students' academic record showed fair to good level.
- The youths were willing to study and striving to finish their high school.

### Scholarship Activity Snapshots



San Kamphaeng School, Chiang Mai



Chuenchom Pittayakarn School, Maha Sarakham

### Expenses for CSR Activities

| Activities                           | 2025      | 2024      | 2023      |
|--------------------------------------|-----------|-----------|-----------|
| Continuing Scholarship               | 908,000   | 908,000   | 908,000   |
| Environmental, Social and Governance | 1,714,954 | 1,285,933 | 1,092,000 |

### 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 tablets with good conditions to needy schools as a source of learning and information search.

In 2025, the bank delivered 532 items of used devices to Phra Dabos School, Samut Prakan, as well as 10 sets of tablets to Wat Prasat School (Prasat Pittaya), Nonthaburi.



### Old Calendar Donation Project

The bank has collected the unused desk calendars 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**

| 2025         | 2024         | 2023         |
|--------------|--------------|--------------|
| 1,919 pieces | 1,900 pieces | 1,820 pieces |



Old Calendar Donation Project at Educational Technology Center for the Blind

**Old Book Donation for the Department of Corrections**

| 2025        | 2024        | 2023        |
|-------------|-------------|-------------|
| 1,180 books | 1,148 books | 1,100 books |



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 867 employees participating in the activity, with a total of Baht 320,000 donated to the Foundation for Slum Child Care under the patronage of HRH Princess Galyani Vadhana Krom Luang Naradhiwas Rajanagarindra.

The company delivered 65,000 bottles of drinking water to carry spirit and care to help flood victims in Chiang Rai, Chiang Mai, Nan and Songkhla province. In addition, the company provided drinking water, electrolyte drinks, bread, dried food, first-aid kits, and face masks to disaster relief units and rescue workers assisting those trapped in the collapsed building in Chatuchak district. The company also 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**



Blood donation activity under the “Give Blood for Children” project for the Thai Red Cross Society



Blood donation activity with the Thai Red Cross Society



International Anti-corruption Day activities (Thailand) under the concept of “Zero Tolerance, Thais 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.



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



Donated drinking water to help flood victims in Chiang Rai, Chiang Mai, Nan province

● **Youth Empowerment and Education**

The “Library Renovation” project creates a library with reading-friendly atmosphere and good reading habits which are 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. Prachanukool School, Bangkok
2. Soi Annex School, Bangkok
3. Wat Cherngkrabue School, Nonthaburi
4. Fuangfha Wittaya School, Pathum Thani
5. Wat Krajabpinit School, Bangkok
6. Wat Suwankeeree School, Bangkok
7. Wat Chom Nimit School, Samut Prakan
8. Samakee Bamrung School, Bangkok
9. Wat Mai Phadung Khet School, Nonthaburi
10. Wat Prasat School (Prasat Pittaya), Nonthaburi



“Learning Library” Project

Furthermore, a project called “Financial Literacy” is implemented for students of Rajamangala University of Technology Krungthep in collaboration with the National Institute of Development Administration (NIDA). This involves developing a curriculum to enhance knowledge and skills in personal financial planning. Financial discipline and sound financial management are crucial foundations for life’s security. This also includes knowledge sharing with students from the Finance and Financial Innovations program at Rajamangala University of Technology Krungthep visiting the bank and attending a special lecture on “The Use of AI in Financial Risk Management.” This aims to help students understand the significant role of AI technology in the banking and financial sector,



“Financial Literacy” project for students of Rajamangala University of Technology Krungthep



Professors and students from the Finance and Financial Innovations program at Rajamangala University of Technology Krungthep visiting the bank and attending a special lecture on “The Use of AI in Financial Risk Management”

### 3. Culture and Environment Conservation

Financial institutions that play a key role in economic and social development do not only focus on providing financial services but also realize the importance of preserving culture and environment as 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 Children’s Day activities to strengthen and promote customs, traditions, arts and cultures together with communities surrounding the bank’s branches.

For environment, the bank recognizes the importance of nature conservation and strengthening sustainable ecosystems by focusing on creating cooperation and employees’ engagement in the organization to drive sustainable changes through activities that benefit society and the planet. One of the projects that the bank has implemented is the “CSR Mangrove Forests Planting” activity, which aims to restore natural areas and enhance ecosystem integrity.

● Culture Conservation Activities



National Children’s Day Activities at Wat Prasat School (Prasat Pittaya), Nonthaburi



National Children’s Day Activities at Bon Kai Recreation Center, Bangkok

● Environment Conservation Activities

The “CSR Mangrove Forests Planting” activity, celebrating the 20<sup>th</sup> anniversary of Land and Houses Bank, involves planting 2,000 mangrove trees, increasing mangrove forest area by 1,600 square meters or 1 rai. This area can absorb up to 20 tons of carbon dioxide per year. The event includes a coastal cleanup to restore the coastal ecosystem. Furthermore, this activity also supports local schools and youths who cultivate the mangrove saplings, generating income for the local community.



The “CSR Mangrove Forests Planting” activity strengthens sustainable ecosystem.

Innovation and Dissemination of Innovative Corporate Social Responsibilities



**Risks**

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.

**Opportunities**

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.

The bank is committed to creating innovations that can benefit 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 aware of these significant trends; therefore, it enhances the innovations for financial products and services in the form of digital banking, helping customers save travel time, reduce costs and get more convenient services. Moreover, the bank has communicated with customers to receive accurate information for their best interest, such as mobile banking services that allow for comprehensive and fast financial transactions at any day, anywhere anytime.

#### **Results and Benefits of Innovations**

The total number of users in mobile banking surged from 254,000 users to 290,000 users in 2025, accounting for 15 percent growth from 2024. In 2025, 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 infrastructure, operation, 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 system threats 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 constantly, maintaining security and readiness to deal with cyber risks (Cyber Security), supervise and report key IT risk and cyber risk to the Board of Directors 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 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 at least once a year and when there are significant changes to keep the policy consistent with environment, events, and legislative changes.

### **Performance of Information Technology and Data Security in 2025**

1. Review IT security policy which has been approved by Executive Committee No. 22/2025 on 12 December 2025.

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

3. Organize 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 83.00% of executives and employees attended these courses.

4. Implement IT security policy by controlling, monitoring, reporting operations, including preparing reports, watching out for threats and studying cyber threats 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 threats 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 in 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 threats, and restoring 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 cyber threat incidents 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 by setting the personal data protection policy to promote and support 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 of personal information either by the company or by the company's personal data processors.

2. Storage and Retention Period: The company keeps records and determines the storage and retention period for personal information according to the relevant laws or regulations or appropriate storage and 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 2025**

1. Review the personal data protection policy which was approved by the Sustainability and Corporate Governance Committee No. 8/2025 on August 21, 2025

2. Communicate the personal data protection policy to executives and employees via the bank's intranet, with 100% of executives and employees attending, including dispersing knowledge about Personal Data Protection Act and related internal operating procedures through all channels of the company on a monthly basis

3. Provide knowledge about Personal Data Protection Act and related internal operating procedures to executives and employees

In 2025, there are no complaints regarding breaches of customer personal data.

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

The company has established 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**

##### **- RPA (Robotic Process Automation)**

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 and 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.

The bank organizes a workshop on Corporate Carbon Footprint (CFO) calculation through the carbon platform for its existing customers. This program aims to support customers in recording and collecting their organizational data, covering the monitoring and calculation of carbon emissions under Scope 1 and Scope 2 as well as generating real-time reports and dashboards.

##### **- Data Mart**

The bank has developed Data Mart to upgrade the use of the bank's data and AI capabilities by enabling users to perform data analytics themselves and integrate data from many departments into a real-time connection. Developed a centralized data platform that supports advanced analytics and large-scale processing, while designing a user-friendly data mart and maintaining strict data security in line with financial industry standards.

##### **- AI Assistant (Chatbot) "LISA"**

The bank has developed "LISA", an AI assistant (chatbot) for internal use within the organization to enhance employees' efficiency in fast and accurate access to complex data through the development of a Large Language Model (LLM) that responds naturally to employee inquiries with a secure, flexible, and highly stable infrastructure.