



ANTI-CORRUPTION POLICY

LAND AND HOUSES BANK PUBLIC COMPANY LIMITED

1. Preface and Objective

The bank is committed to running its business under the rules of laws, honesty and morality according to the good corporate governance guideline, code of conduct and business ethics specified in the core values of the organization (PRO-Active). On March 27, 2012, the bank has become a member of the Private Sector Collective Action Coalition against Corruption (CAC) to present the intention and determination to act against all forms of corruptions and also foster the transparent business operation.

The bank has the intention to conduct the business coupled with social responsibilities by sticking to the business ethics and good corporate governance. The bank's activities emphasize the employees' engagement in volunteer activities as to instill a sense of social responsibilities to all levels of employees in the organization continuously. The bank has determined the Anti-Corruption Policy as operational guideline and partnered with the Private Sector Collective Action Coalition against Corruption (CAC).

2. Definition

“Corruption” means abuse of power to solicit any undue benefits, give or take bribes in any forms by offering, making a promise, demanding or receiving money, properties or other benefits illegally to the government officers, government agencies, private sector or the persons who have the duty either directly or indirectly to induce them to perform or to abstain from their duties or obtain or maintain the business benefits which are illegal.

3. Scope of Enforcement

The Anti-Corruption Policy will be enforced to all units of the bank as operational guideline.

4. Role and Responsibility

- 4.1 The Board of Directors approves the Anti-Corruption Policy and is responsible for ensuring the bank's operation with honesty and conservatism for the benefits of organization as whole.
- 4.2 The Audit Committee provides the guidelines and internal control in the anti-corruption, monitor any risks arising from corruptions within the bank, communicates and provides trainings for all levels of employees to adhere to.
- 4.3 The Corporate Governance Committee oversees, promotes the Anti-Corruption Policy, provides operational guidelines and measures necessary for high risk scenerios and ensure communication to all employees and related parties.

- 4.4 Apart from being good models in operations, the president and executives have the duties and responsibilities to determine transparent and accountable working system, encourage the anti-corruption policy, communicate to employees and related parties, and review the appropriateness of working system and other measures to align with changing business, rules, regulations and rules of related laws.
- 4.5 The Control Group has the duties to audit and review the compliance with the policy, operational guidelines and related laws to ensure that the bank has appropriate and adequate internal control to corruption-prone risks and report such risks to the Audit Committee.
- 4.6 All levels of employees must adhere to the Anti-Corruption Policy, notifications, orders, rules and regulations, principles and laws relating to the code of conducts, business ethics, code of ethics for directors and code of ethics for employees.

5. Operational Guidelines

- 5.1 The bank determines that the directors, executives and all levels of employees shall act carefully against any forms of corruptions as follows:

5.1.1 Gift, present, reception and benefit

Do not give or receive gift, present, reception and other benefits to induce them to perform or refrain their duty illegally or may cause any flexibility in improper business agreement and shall comply with that specified in the code of conduct and business ethics, code of ethics for directors and code of ethics for employees.

5.1.2 Bribe and temptation

Do not give or receive bribes or temptation in any types and do not assign other persons to give or receive bribe or temptation instead of themselves.

5.1.3 Donation for charity and funding

Donation for charity and funding must be transparent and not contrary to law and morality.

5.1.4 Political activity and participation

The bank will not take funds or use the resources of the bank to support political candidates to compete as politician or any political party for political campaign or activity, except the support is allowed by law and stands up for overall democracy. It must be approved by the Board of Directors prior to implementation.

- 5.2 The directors and all levels of executives of the bank must show their honesty and act as the good models in operation according to the Anti-Corruption Policy, create understanding, encourage all levels of employees to adhere to the Anti-Corruption Policy consistently and also promote them as part of the organizational culture.
- 5.3 The directors, executives and all levels of employees do not neglect or ignore when they see any actions regarding the corruption connecting to the bank and they must report to his/her head or the responsible persons and also cooperate in any fact-finding process and provide a channel to receive complaints from outsiders according to the Whistleblower Policy.
- 5.4 The bank will protect and treat its employees who reject the corruption or report the corruption-related matters to their supervisors and the persons who inform the corruption information to the bank although the bank will miss the opportunities in business. No demotion, punishment, nor negative effects shall be made against but admire them.
- 5.5 The bank provides its business operation control of the bank under good internal control and conducts significant risk assessment systematically 1 time per year, separate duties appropriately with sufficient and reliable IT system and evaluate the internal control consistently.
- 5.6 The bank pays attention to human resource management and focuses on efficient and effective improvements of work, communication, knowledge sharing and providing regular trainings on the abuse of duties and related practical guidelines. By doing this, it will help related parties understand and operate accurately and materialistically.
- 5.7 The bank provides a channel to receive complaints and suggestions and report to the Board of Directors. Independent unit has been assigned to verify the adequacy and suitability of the fact-finding to ensure that the customer's complaints are processed with transparency and fairness. Moreover, a complainant or whistleblower are protected with justice.
- 5.8 The bank publicizes the Anti-Corruption Policy via both of internal and external media such as intranet, the bank's website and annual report. Such the policy complies with the anti-corruption law of Thailand.
- 5.9 Any actions according to the Anti-Corruption Policy shall follow the guidelines specified in the good corporate governance policy, the code of conduct and ethics, including related policies or rules of the bank and other guidelines that the bank will set up further.

5.10 In case the employees violate the bank's rules by committing corruptions, it shall be deemed as a disciplinary offence of the code of conduct and employee ethics. this is subject to disciplinary actions according to the bank's rules and regulations. And in case of illegal offence, they must be investigated and punished by law.

6. Penalty

If the executives or employees violate or fail to comply with the anti-corruption policy, it shall be deemed as a violation of the rules and regulations of the bank which is subject to disciplinary actions and punishment under related laws.

7. Review of the anti-corruption policy

This anti-corruption policy will be reviewed as necessary and appropriate at least once a year or when any significant changes are required.