Climate-Related Report 2025

Advanced Info Service Public Company Limited

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Introduction

This report presents AIS's climate-related governance, strategy, risk management, and metrics and targets, including Greenhouse Gas (GHG) emissions measured in accordance with the GHG Protocol. Prepared on a voluntary basis in advance of mandatory requirements, the report aims to provide investors and stakeholders with transparent, consistent, and decision-useful information on how AIS identifies, manages, and responds to climate-related risks and opportunities while creating long-term sustainable value.

Building on the Company's previous climate disclosures aligned with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD), this report represents the next phase of AIS's reporting journey toward **alignment with IFRS S2, Climate-related Disclosures issued by the International Sustainability Standards Board (ISSB)**. In Thailand, the Securities and Exchange Commission (SEC) has announced the phased adoption of IFRS S1 and IFRS S2, with SET50 companies expected to lead the transition through IFRS S2 reporting in 2028 using 2027 data. Through this publication, AIS seeks to establish a robust foundation for IFRS S2-aligned disclosures, strengthen comparability with global peers, and enhance readiness for evolving regulatory and investor expectations.

In this publication, AIS has also enhanced its climate risk assessment approach by expanding the scope and depth of analysis across multiple climate hazards relevant to Thailand. The assessment covers the entire value chain and key business operations, including mobile, broadband, enterprise solutions, and digital services, enabling a more comprehensive understanding of the physical and transition risks that may affect the Company's assets, operations, customers, and long-term business resilience.

As Thailand's leading Digital Infrastructure and Technology Service Provider, AIS recognizes that its operations and value chain both contribute to and are affected by climate change. Leveraging its nationwide digital infrastructure and service, the Company seeks to manage emissions and climate-related risks while enabling digital solutions that can support resource efficiency and emissions reduction opportunities across the broader economy. Through transparent disclosure of its progress, performance, and actions, AIS aims to strengthen accountability, support informed stakeholder engagement, and enhance long-term business resilience.

1 Governance

1.1 Climate-Related Risks and Opportunities Oversight

AIS's broader sustainability governance framework incorporates **dedicated climate governance arrangements** to ensure that climate-related risks and opportunities are effectively identified, assessed, and managed across the organization. The framework defines roles and responsibilities across the Board of Directors, executive leadership, and operational teams, enabling coordinated oversight and execution of climate-related actions throughout the organization. By embedding climate considerations into the its strategic planning, risk management, and decision-making processes, AIS ensures that material climate-related matters are addressed consistently and aligned with the Company's long-term strategy, commitments, and emissions reduction targets. AIS's climate governance structure comprises three interconnected levels: Board-level, management-level, and operation-level governance.

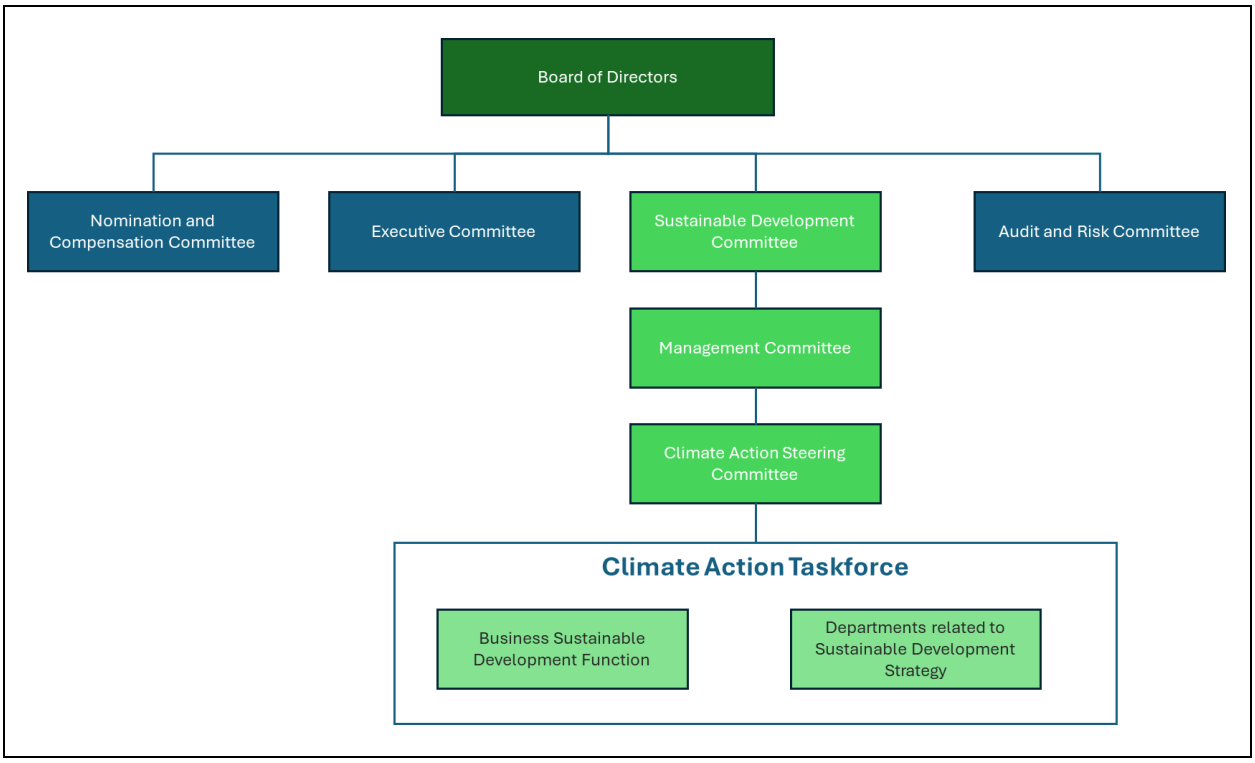


Figure 1 Climate-Related Governance Structure

1.1.1 Board Oversight

Board-level Function	Roles and Responsibilities	Meeting Frequency
Board of Directors	The Board of Directors holds **ultimate accountability for the governance of AIS's climate-related risks and opportunities** as part of its responsibility for defining strategic direction and safeguarding long-term value creation. The Board exercises its oversight is exercised through the Sustainable Development Committee (SDC), a dedicated Board-level body to which climate-related responsibilities have been delegated, while retaining responsibility for reviewing and overseeing significant climate-related matters. Through this governance structure, the Board ensures that climate considerations are appropriately embedded into the Company's long-term strategy, risk management, and business planning processes and remains informed of the Company's progress on climate-related targets, risk assessments, and strategic responses at least annually, with additional updates provided when significant matters arise.	Once a year, and when significant matters arise
Audit and Risk Management Committee	The Audit and Risk Committee provides **high-level oversight of the Enterprise Risk Management (ERM) framework**, including the review of the Company's climate risk appetite and overall risk governance approach. This Board-level committee also oversees the alignment of climate-related risks and opportunities and the ERM framework and reviews financial information relevant to climate-related risks and opportunities to ensure that material climate considerations are appropriately reflected in the Company's risk management and reporting processes.	Quarterly, and when significant matters arise
Sustainable Development Committee (SDC)	Under delegated authority from the Board, the SDC serves as the principal Board-level body responsible for **overseeing climate governance and ensuring robust management of climate-related risks and opportunities**. The SDC responsibilities include: • Overseeing the development and review of climate-related policies, strategies, and targets. • Reviewing climate-related risks and opportunities, including both physical and transition risks, and their implications for business strategy, resilience across the value chain, and long-term value creation. • Providing strategic oversight of management's implementation of climate strategies and initiatives to support the achievement of climate goals. • Ensuring strategic alignment between climate action plans and AIS's long-term business direction and sustainable value creation objectives. • Monitoring evolving stakeholder expectations, including emerging regulatory development, investors priorities, and sustainability trends, to ensure timely and informed Board-level responses. • Receiving updates from executive management on climate-related matters at least twice a year and when significant matters arise. This includes progress against climate targets, climate risk assessments, and the effectiveness of climate strategies and initiatives.	At least twice a year, and when significant matters arise

To strengthen climate governance, AIS provided the Sustainable Development Committee (SDC) with **climate-related capacity building** on Trends of Climate Change and Relevant Regulations in 2025. This engagement was designed to enhance the SDC's understanding of key climate-related issues, including updated global climate trends and decarbonization efforts, national climate targets, and emerging domestic and international climate-related regulations. This enables SDC to provide informed oversight of climate governance and effectively consider climate-related risks and opportunities in strategic decision-making. In addition, AIS periodically reviews the collective competencies of the Board of Directors through its formal **Board Skill Matrix**. The matrix assesses the breadth of expertise and experience across key areas relevant to the Company's long-term strategy and governance responsibilities, including sustainability and climate-related matters. This process supports the Board's ability to effectively oversee climate-related risks and opportunities and informs Board composition and succession planning over time.

1.1.2 Management Oversight

Management-level Function	Responsibility	Meeting Frequency
Management Committee (MC)	The Management Committee (MC), comprising the CEO and other C-level executives, provides the executive leadership and direction of AIS's climate agenda. The MC is instrumental in **operationalizing AIS climate ambitions into actionable strategies** by reviewing and endorsing climate policies, strategies, and action plans developed by management. It directs the identification, assessment, and management of climate-related risks and opportunities across the business, and steers the implementation of climate initiatives across the organization, ensuring that decarbonization initiatives and climate-related actions remain aligned with the Company's strategic priorities, business objectives, and long-term resilience.	Quarterly, and ad-hoc when significant matters arise

1.1.3 Operational Oversight

Operation-level Function	Responsibility	Meeting Frequency
Climate Action Steering Committee	To strengthen climate governance and execution, AIS has established the Climate Action Steering Committee comprising heads of business units responsible for assets and activities that contribute to the Company's GHG emissions, together with key support functions. This Committee **drives the implementation of climate strategies and decarbonization plans within in their business units** and is accountable for identifying, assessing, and monitoring climate-related risks and opportunities relevant to their businesses and functions. The Committee monitors progress against climate targets, develops and implements appropriate management responses and initiatives, and provides business insights and recommendations to support the refinement of AIS's transition pathways and climate resilience strategies	Quarterly, and when significant matters arise

Operation-level Function	Responsibility	Meeting Frequency
Climate Action Taskforce	The Climate Action Taskforce, led by the Business Sustainable Development function, supports the Climate Action Steering Committee in **coordinating climate-related activities across the organization**. This taskforce facilitates climate-related risk and opportunity assessments, coordinates the development and implementation of decarbonization initiatives and action plans, and tracks the progress and effectiveness of climate-related actions. It also supports the collection, analysis, and reporting of climate-related information to enable informed decision-making and climate-related disclosures.	Quarterly, and when significant matters arise

1.2 Climate Performance Management and Incentives

AIS reinforces accountability for climate performance through an integrated performance management framework that balances short-term business outcomes with long-term sustainability objectives. While AIS does not currently maintain explicit climate-related KPIs at the corporate level, **climate considerations are embedded within business unit and operational performance management processes**, where decarbonization initiatives contribute to financial performance through energy efficiency improvements and cost savings.

This approach reflects the nature of the Company's emissions profile and operating environment. More than 95% of AIS's GHG emissions are associated with purchased electricity from the national grid, where decarbonization outcomes are influenced by factors that extend beyond the Company's direct operational control, including the pace of power sector transition and the availability of renewable energy procurement mechanisms. Accordingly, AIS focuses its performance management framework on initiatives and operational levers that are within its influence and can deliver measurable emissions reductions beyond business-as-usual practices.

The Company's performance framework incorporates Financial, Strategic, and Operational dimensions. Business units and operational functions are responsible for implementing climate-related initiatives and monitoring their contribution to relevant performance metrics, particularly cost efficiency and cost savings that ultimately support the Company's overall financial performance achievement. Performance against these metrics is considered in remuneration outcomes, thereby reinforcing accountability for delivering operational improvements and supporting AIS's broader climate strategy and sustainability commitments.

2 Strategy

As a leading Digital Infrastructure and Technology Service Provider, AIS plays an important role in enabling productivity, connectivity, and digital transformation across the economy through mobile networks, broadband services, cloud infrastructure, and digital solutions. While the telecommunications sector generally has a relatively low direct emissions profile, it is highly dependent on reliable and increasingly sustainable energy supply to support its extensive and energy-intensive infrastructure. As highlighted in GSMA's The Mobile Economy 2025 report, improving energy efficiency and advancing decarbonization have become strategic priorities for the sector to address rising energy costs, strengthen business resilience, and support the transition toward a low-carbon economy.

AIS recognizes that climate change presents both material risks and strategic opportunities that are relevant to the Company's long-term value creation. Increasingly frequent and severe weather events may affect the resilience of network infrastructure and service continuity, while the evolving policy and energy landscape may influence operating costs, investment priorities, and future growth opportunities. These developments reinforce the importance of adopting a forward-looking climate strategy that strengthens business resilience, enhances operational efficiency, and enables AIS to respond proactively to evolving climate-related risks and opportunities while supporting long-term sustainable value creation.

2.1 Climate Strategy

To address material climate-related risks and opportunities, AIS has established a **climate strategy comprising two pillars: climate adaptation and climate mitigation**, covering both the Company's own operational footprint and broader business value chain. This is essential to strengthen business resilience, secure long-term operational continuity, and pursue feasible decarbonization opportunities to support low-carbon transition.

2.1.1 Climate Adaptation to Address Physical Risks

AIS's climate adaptation strategy focuses on **strengthening the resilience of network infrastructure and business operations** against increasingly frequent and severe climate-related events. The strategy emphasizes infrastructure hardening, operational preparedness, and value chain resilience to support business continuity, service reliability, and long-term operational resilience.

Short-term Actions (2025-2030)

Infrastructure and Operational Resilience

- **Safety and Continuity Planning**: Developing a Business Continuity Plan (BCP) coupled with an early warning system for extreme weather events and incident response protocols for key infrastructures, including base stations, main switching centers, and data centers.
- **Physical Hardening and Elevation**: Installing flood barriers at main switching centers and data centers while elevating vulnerable equipment at base station, approximately 1.2-5 meters based on three considerations, including the main road level, average sea level (for coastal assets) and historical flood levels in areas with recorded flooding events.

- **Power Reliability**: Deploying robust power backup systems, such as backup power generators and mobile base stations, and redundant backup nodes to maintain service continuity in case of flooding or power outages. Regular monitoring of power systems is conducted to minimize the risk of power shortages.
- **Energy Efficiency & Heat Management**: Expanding the use of passive cooling and energy-efficient technologies at high-temperature sites to reduce heat stress and maintain operational integrity.

Upstream and Downstream Value Chain Readiness

- **Supply Chain Resilience**: Collaborating with key suppliers to identify alternative warehousing and distribution routes for critical telecommunications equipment, ensuring timely deployment and continuity during high-risk flood periods.
- **Partner Continuity via Digitalization**: Leveraging digital platforms and online tools to maintain uninterrupted operational connectivity and support with dealers and retail partners, thereby ensuring sustained service availability even in flood-affected regions.
- **Customer Self-Service Enablement**: Promoting and enhancing self-service channels via mobile applications (e.g., myAIS), ensuring customers retain access to essential services and support when physical service locations are impacted by climate events.

Medium- to Long-term Strategies (2031-2050)

Climate-Resilient Infrastructure Planning

- **Strategic Asset Planning**: Monitoring long-term climate trends (e.g., temperature, precipitation, sea level) to guide future asset planning, location selection, and life cycle management.
- **Investment in Resilient Designs**: Prioritizing and funding the development and implementation of design standards that enhance the durability and survivability of new and existing assets against projected climate impacts.

Strategic Investment and CAPEX Allocation

- **Climate-Resilient Investment Planning:** Incorporating climate resilience considerations into long-term capital expenditure planning and asset upgrades/renewal decisions to strengthen the durability and reliability of critical infrastructure.
- **Prudent Low-Carbon Investments:** Pursuing low-carbon technologies and energy solutions where they are operationally feasible and economically justified to support long-term resilience and cost efficiency.

2.1.2 Climate Mitigation to Address Transition Risks

AIS has established a climate mitigation strategy to **manage transition risks associated with evolving climate policies, energy regulations, and changes in the broader operating environment**. The strategy focuses on reducing Scope 1 and 2 emissions through energy efficiency initiatives and the deployment of renewable energy where operationally and financially feasible. AIS also seeks to address material Scope 3 emissions through engagement with business partners and by providing digital products and services that enable both consumer and enterprise customers to improve resource efficiency and pursue their own decarbonization initiatives.

A) Decarbonization Roadmap

Recognizing the evolving climate policies and energy landscape, AIS has developed a **Decarbonization Roadmap** to guide emissions reduction efforts across its operations and value chain. The roadmap, developed with consideration of Thailand's policy direction towards Carbon Neutrality and Net Zero Emissions, identifies practical initiatives to reduce GHG emissions while taking into consideration operational requirements, technology readiness, and financial viability.

- **Greener Products & Services** – Minimizing emissions from the development and operation of core services, including network infrastructure, data centers, and retail locations.
- **Greener Corporation** – Reducing emissions from supporting corporate functions such as office buildings, fleet operations, and emergency power systems.
- **Greener Supply Chain** – Addressing indirect emissions from procured goods and services, business travel, and end-of-life treatment of equipment.
- **Greener Business Growth** – Ensuring that new business expansion integrates emissions management from the outset, enabling sustainable revenue growth.

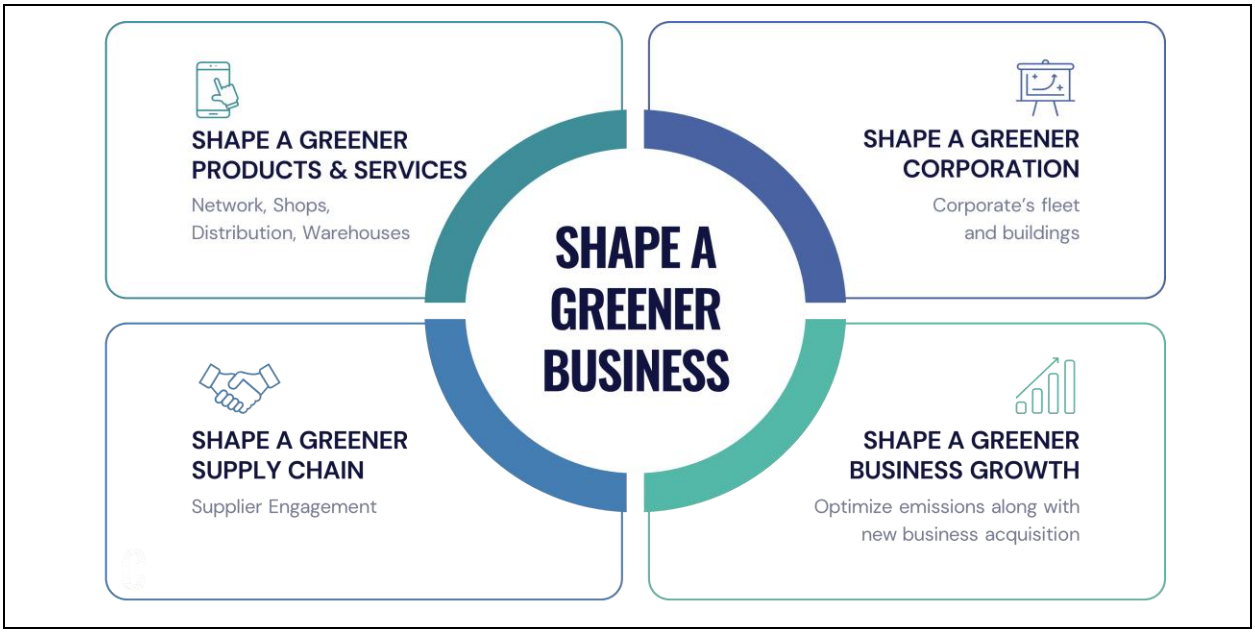


Figure 2 Decarbonization Strategy

The Decarbonization Roadmap supports the Company's **2030 target of reducing Scope 1 and 2 emission intensity by 25% compared with the 2024 baseline**. The roadmap currently focuses on three principal areas: 1) Energy Efficiency Improvement, 2) Transition of company vehicles from internal combustion engine (ICE) to hybrid or electric vehicles, and 3) Deployment of renewable energy systems.

Potential decarbonization initiatives are identified through periodic reviews of emission sources to determine feasible short- and medium-term opportunities. Initiatives are evaluated based on legal, technical, operational, and financial considerations, including infrastructure constraints, contractual arrangements, payback periods, and expected returns on investment. Selected initiatives are incorporated into the roadmap and considered as part of business planning and investment processes. The roadmap currently extends to 2030 and is intended to be periodically reviewed and refined in response to changes in the operating environment, technology developments, and business priorities.

B) Decarbonization Across the Value Chain

Beyond its internal Decarbonization Roadmap, AIS actively addresses **Scope 3 emissions** by collaborating with customers and business partners across the value chain. This strategy includes several key initiatives:

- **Business Partner Engagement:** Engaging with significant suppliers to raise awareness of climate change and decarbonization, communicating the Company's GHG emissions reduction targets to foster collaborative action.
- **Customer Engagement:** Engaging customers through the Full-E Program via the myAIS application to facilitate digital transactions. This reduces their reliance on paper and physical travel to AIS Shops, directly lowering their service-related emissions.
- **Enabling Emissions Reduction Opportunities Through Digital Solutions:** Providing digital solutions and smart infrastructure that enhance connectivity, optimize operations, and improve energy efficiency, enabling customers to reduce greenhouse gas emissions and transition toward low-carbon business models.

*Details on performances of related mitigation initiatives is presented in the **Metrics & Targets** section.*

2.1.3 Climate Transition Planning and Capital Allocation

AIS incorporates climate considerations into its existing business planning and investment processes when evaluating projects that are expected to contribute to GHG emissions and initiatives that support the Company's decarbonization plans. As part of this process, AIS evaluates lower-emission alternatives by considering financial feasibility, technical and operational applicability, total cost of ownership, associated operating expenditures, and potential changes to operating procedures. The assessment also considers trade-offs between near-term costs and longer-term decarbonization benefits to support informed decision-making.

AIS's decarbonization approach focuses on identifying initiatives that can deliver emissions reductions beyond business-as-usual practices while remaining aligned with business strategies and long-term value creation objectives. Based on this approach, AIS develops its decarbonization roadmap, assesses potential investment requirements, and incorporates relevant initiatives into the annual business planning and budgeting process.

Capital deployment for decarbonization initiatives is undertaken in a measured manner, taking into account technology maturity, cost competitiveness, and the pace of technological developments. This approach enables AIS to progress its transition plans while maintaining flexibility in investment decisions and managing long-term capital efficiency. The planning and allocation of investments relating to the Company's decarbonization roadmap are subject to governance and oversight by the Board, supported by management and operational-level processes.

2.2 Material Climate Risks and Opportunities

In 2025, AIS conducted a **climate risk assessment**, covering both physical and transition risks. Through this process, the Company identified material climate-related risks and opportunities that may affect its operations and value chain. These risks and opportunities were subsequently evaluated through climate scenario analysis *(Section 2.3)* to assess their potential implications across different time horizons and scenarios.

Table 1 Material Climate-Related Risks Identified Through Climate Risk Assessment

Physical Risks and Opportunities	Transition Risks and Opportunities
Climate-related risks and opportunities • **Acute Risks**: Extreme weather events that may affect the Company's assets and operations, including **storm-induced flood, storm winds, landslides, and flooding.** • **Chronic Risks**: Long-term changes in climate and weather patterns, including **extreme heat and sea level rise.**	**Climate-related risks and opportunities** • **Policy and Reputation:** Evolving climate-related regulations in Thailand, including carbon pricing mechanism, emissions trading requirements, and the implementation of Power Development Plan (PDP) 2024, may increase carbon-related costs and influence Renewable Energy Certificate (REC) procurement considerations. • **Technology and market:** Developments in renewable energy technologies, changing cost trajectories, and evolving market and customer expectations may influence decarbonization investment decisions, operating costs, and demand for low-carbon products and services.
Scenario & Time horizons	**Scenario & Time horizons**
Scenario used in the assessment (IPCC AR6): **SSP1–2.6 Low emissions / sustainability pathway (~1.6–1.8°C of warming by 2100)** Represents a future with strong climate action, global cooperation, and reduced emissions, resulting in lower levels of climate change impact. **SSP2-4.5 Intermediate pathway (~2.2–2.7°C of warming by 2100)** Reflects a "middle-of-the-road" future where policies and emissions follow current trends with moderate climate mitigation efforts. **SSP5-8.5 High emissions pathway (~3.3–4.5°C of warming by 2100)** Assumes continued heavy reliance on fossil fuels and limited mitigation, leading to higher warming and more severe climate impacts.	**Scenario used in the assessment (IEA):** **STEPS – Stated Policies Scenario (~2.5–2.7°C of warming by 2100)** Represents currently implemented and announced government policies, without assuming additional measures beyond those already committed. **APS – Announced Pledges Scenario (~1.7–1.8°C of warming by 2100)** Reflects a future where countries fully achieve their announced climate pledges and targets, including Nationally Determined Contributions (NDCs) and longer-term net-zero commitments. **NZE – Net Zero Emissions Scenario (~1.5°C or below by 2050–2100)** Assumes an accelerated global transition to reach net-zero CO_2 emissions by 2050, implying rapid decarbonization and significant systemic changes across energy and industrial sectors.
Time horizons*: Short term (2025-2030) Medium term (2031-2040) Long term (2041-2050) **Rationale of each time horizons is presented in the Risk Management section*	**Time horizons*:** Short term (2025-2030) Medium term (2031-2040) Long term (2041-2050) **Rationale of each time horizons is presented in the Risk Management section*

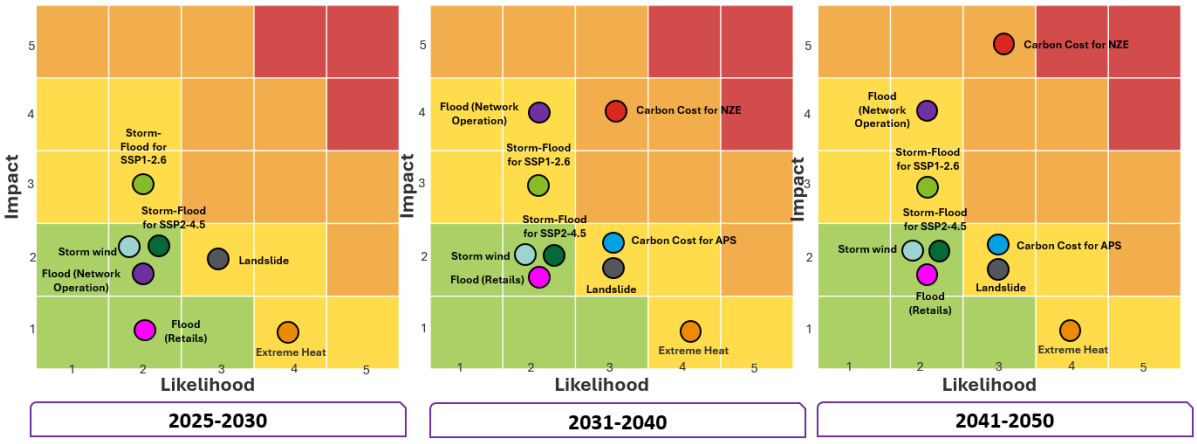
Table 1 Material Climate-Related Risks Identified Through Climate Risk Assessment (continued)

Key Business Impact from Physical Risks	Key Business Impacts from Transition Risks
• **Asset Damage & Repair:** Acute events, including storm-induced flood, storm winds, and flooding, may result in damage to network infrastructure and equipment, leading to repair and replacement expenditures. • **Service Disruption:** Acute and chronic physical risks may affect network availability, disrupt power supply, limit access to operational sites, and result in localized or temporary service degradation or outages, which may affect revenue generation. • **Insurance & Resilience:** Increasing exposure to physical risks may lead to rising insurance premiums and additional investment in network resilience, adaptation measures, and asset maintenance.	• **Higher Operating Costs:** Evolving climate-related regulations, including the Climate Change Act and emissions trading requirements, may increase costs associated with electricity consumption, compliance with carbon accounting regulations, renewable energy procurement and GHG emissions management. • **Reputational and Competitive Pressure:** Increasing stakeholder expectation regarding climate performance and decarbonization progress may influence brand perception, investor sentiment, and competitive positioning. • **Accelerated Investment:** More stringent climate-related regulations and evolving market expectations may require additional investments in low-carbon technologies, energy efficiency improvements, and renewable energy initiatives.
Financial Impact from Physical Risks	**Financial Impact from Transition Risks**
As of the reporting date, the Company has not experienced material financial impacts from climate-related physical risks. However, scenario analysis indicates that increased frequency and severity of extreme climate events may result in future financial impacts associated with damage to network equipment and increased operating costs. The anticipated financial implications may affect the following financial items: • **Operating expenditure (OPEX):** Higher emergency response and repair costs, increased electricity expenses, and rising insurance premiums. • **Capital expenditure (CAPEX):** Additional investments in infrastructure reinforcement, adaptation measures, and climate-resilient asset upgrades. Further details, including quantified impacts and assumptions under different climate scenarios, are provided in the **Physical Risk Scenario Analysis section.**	The current financial effects in 2025 associated with transition risks primarily relates to the implementation of the Company's 2030 Decarbonization Plan. These effects include: • **Capital expenditure (CAPEX)**: Approximately THB 461 million invested in decarbonization initiatives, including Solar PV Installation, Nearly Zero Building initiatives, Smart Cooling technologies, and the transition of vehicles from internal combustion engine (ICE) technology to hybrid or electric vehicles (EVs)**.** • **Operating expenditure (OPEX):** Approximately THB 7 million associated with decarbonization initiatives, including Nearly Zero Building improvements and renewable electricity procurement. • **OPEX savings:** Approximately THB 35.2 million generated from the adoption of decarbonization initiatives (see ***Table 10*** *for further details*). Looking ahead, anticipated financial impacts may arise from factors such as carbon pricing mechanisms, adoption of low-carbon technologies, and increased procurement of renewable energy.

Table 1 Material Climate-Related Risks Identified Through Climate Risk Assessment (continued)

Financial Impact from Physical Risks	Financial Impact from Transition Risks
(continued)	These impacts may affect the following financial items: • **Operating expenditure (OPEX):** Increased costs related to maintenance, management, and technology upgrades. • **Capital expenditure (CAPEX):** Investment in energy-efficient infrastructure and renewable energy systems. Further details on quantified impacts and underlying assumptions are provided in the **Transition Riks Scenario Analysis** section.
Key Strategy Climate Adaptation	**Key Strategy Climate Mitigation**
AIS develops climate adaptation measures tailored to the characteristics and potential impacts of each physical risk affecting its operations and value chain.	AIS has developed a 2030 Decarbonization Plan to manage transition risks and reduce GHG emissions through initiatives such as energy efficiency, transitioning vehicles from internal combustion engines (ICE) to hybrid or electric vehicles (EVs), and renewable energy deployment.

Based on the climate scenario analysis, the identified climate-related risks and opportunities have been integrated into the Company's Enterprise Risk Management (ERM) framework. Overall, the material climate-related risks span low to high risk ratings within the Company's risk matrix, reflecting varying levels of likelihood and financial impact across scenarios and time horizons as shown below.



Remark: *The carbon cost for APS and NZE depends on the price set by government policy, which is assumed to take effect after 2030.

- Storm wind and Strom-induced flood: under scenario SSP1-2.6 and SSP2- 4.5
- Flood: under scenario SSP1-2.6, SSP2- 4.5 and SSP5- 8.5
- Extreme Heat: under scenario SSP1-2.6, SSP2- 4.5 and SSP5- 8.5
- Carbon Cost: under scenario STEP, APS and NZE
- Carbon Cost under the STEPS Scenario: Current climate-related regulations do not impose explicit emissions limits, carbon pricing mechanisms, or associated penalties and taxes. Accordingly, no material carbon costs were assumed for the purpose of this assessment.
- Technology Cost has been excluded from risk matrix due to its consideration as opportunity

Figure 3 Overview of the Result of Risk Matrix

In the **short term (2025–2030)**, physical risks are assessed at low to medium levels, while transition risks are not expected to have a material financial implications. In the **medium term (2031–2040)**, certain physical risks, particularly flood risks affecting network operations, are projected to increase from low to medium levels. Meanwhile, transition risks may become more prominent, with carbon costs under the APS scenario assessed at a medium level, and under the NZE scenario at a high level. In the **long term (2041-2050)**, both physical and transition risks remain at similar risk levels. However, the carbon costs under the NZE scenario are projected to result in higher financial implications despite similar likelihood levels.

AIS has incorporated the result of climate scenario analysis into the Company's strategic planning process to support informed decision-making, risk prioritization, and the development of appropriate mitigation and adaptation measures.

In addition, climate-related risks identified across AIS's operations are mapped to the Company's value chain to illustrate the distribution and concentration of climate-related risks across the value chain, as shown below.

Table 2 Climate Related Risks and Opportunities (CRROs) Concentration in the Value Chain

Physical Risks	Sourcing	Operations	Product and Service Development, and Distribution Channels	Supporting Activities	After Sales Services
(1) Storm-Induced Flood	N/A • Office Building • IT Infrastructure • Warehouse	• **Mobile Base Station**	• **Retail Shop**	N/A • Office Building • IT Infrastructure	N/A • Office Building • IT Infrastructure
(2) Storm Winds		• **Mobile Base Station**	N/A • Office Building • IT Infrastructure • Warehouse		
(3) Flooding		• **Mobile Base Station**	• **Retail Shop**		
(4) Extreme Heat		• **Data Center** • **Main Switching Center** • **Main Junction**	N/A		
(5) Sea Level Rise*		N/A • Mobile Transmission Section • FBB Core & Access Node • FBB Transmission Section			
(6) Landslide**					

Remark:

- *N/A: Indicates that the assets were assessed as not exposed and/or not materially sensitive to the relevant climate-related physical risks under the assessed scenarios and time horizons.*
- *Assets: These assets may be exposed and/or sensitive to climate-related physical risks under the assessed scenarios.*
- ** Sea level rise, no key assets have been identified as exposed within the assessed timeframe.*
- ***Landslide risk assessment is currently limited to province-level analysis due to constraints in asset-level exposure data.*

AIS will continue to monitor climate-related risks and develop appropriate response measures to manage potential impacts arising from climate-related hazards that may affect the Company's operations. The results of climate risk assessment and scenario analysis are also integrated into AIS's Enterprise Risk Management Framework, with climate-related risks categorized under Emerging Risks.

Based on the analysis performed, the Company has not identified climate-related risks that are expected to result in a material adjustment to the carrying amounts of assets and liabilities reported in the current financial statements within the next annual reporting period.

The following analysis summarizes the potential evolution of these risks across different time horizons and scenarios and their associated business and financial implications. The analysis supports strategic decision-making, risk prioritization, and the development of appropriate response measures.

2.3 Climate Scenario Analysis

AIS conducted a **climate scenario analysis** in 2025 to evaluate the potential implications of climate-related risks and opportunities under different scenarios and time horizons. The analysis provides insights into how these risks and opportunities may affect the business model and value chain, and informs the development of appropriate strategies and management responses to enhance long-term business resilience against climate change impacts. Physical and transition risks are assessed through a different set of scenarios, and across three time horizons: 2030, 2040, and 2050.

2.3.1 Physical Risk

Climate change may affect network availability, infrastructure integrity, operational continuity, and operating costs across AIS's operations. Based on recognized climate datasets, AIS identified priority physical risks comprising both acute and chronic climate hazards. **Acute risks include storm-induced flood, storm winds, flooding, and landslides**, which may result in service disruption, damage to network asset, and emergency response and restoration costs. **Chronic risks include extreme heat and sea-level rise**, which may affect equipment performance, increase cooling-related electricity demand, and require additional investment in infrastructure resilience and adaptation measures.

These **risks have been assessed across AIS's critical operational assets**, including mobile base stations, retail shops, main switching centers, main junctions, and data centers, considering projected changes under different climate scenarios and time horizons. Based on the Climate Risk Assessment, warehouses and fixed broadband (FBB) assets were not considered as materially vulnerable to physical climate risks. This is primarily due to their relatively lower exposure to high-risk hazard zones, while the existing protective measures, infrastructure design, and asset characteristics existed to reduce susceptibility to climate impacts. AIS continues to evaluate physical risk exposure and vulnerability across its asset base and integrates appropriate adaptation and resilience measures into network planning and asset management processes.

A) Coverage of Physical Risk Analysis

AIS identified key physical risks, relevant time horizons, and exposure across provinces and key assets. The analysis incorporates multiple climate indicators and data sources to assess hazard characteristics, including frequency, intensity, and probability of occurrence.

The assessment focuses on assets with the highest operational and financial relevance, including mobile base stations, retail shops, data centers, main switching centers, and mobile main junction. The table below summarizes the key physical risks assessed, associated indicators, and the extent of asset exposure across AIS's operations.

Table 3 Physical Risk Exposure by Asset

Physical Risk	Exposure across Asset and Province	Key Indicators	Timeframe
(1) Storm-Induced Flood	**77 provinces** • Mobile base stations • Retail shops	• Forecast of storm frequency and intensity • Storm frequency, paths, and intensity • Probability of climate impact per year	2035–2064
(2) Storm Winds	**18 provinces** • Mobile base stations		
(3) Flooding	**77 provinces** • Mobile base stations • Retail shops	• Precipitation by CIMP6 in Thailand • Sea level rise by CIMP6 in Thailand • Flood Frequency Increment • Probability of climate impact per year	2025–2050
(4) Extreme Heat	**77 provinces** • Data Centers • Main Switching Centers • Main Junctions	• Number of hot days more than 35°C • Planning of electricity price in Thailand • Mean Temperature Sensitivity	
(5) Sea Level Rise	**23 provinces** *No key assets exposed to sea level rises	• Sea level rise by CIMP6 in Thailand	
(6) Landslide*	**23 provinces** *Due to limitations in exposure data, asset-level screening could not be conducted	• Susceptibility index - Risk Level of Landslide	2025

Remark: ** The assessment is based on scenario projections and available climate datasets (e.g., World Bank, CMIP6, TMD, ThinkHazard). Results are subject to uncertainties in climate modeling and limitations in asset-level data for certain hazards (e.g., landslide).*

The assessment indicates that **exposure to physical risks is primarily concentrated in widely distributed operational assets, particularly mobile base stations and shop locations across all provinces.** Flood-related risks, including storm-induced flooding and changes in precipitation patterns, represent the broadest physical hazard exposure due to the extensive geographic distribution of the Company's operational assets. Storm wind risks are more geographically concentrated, affecting specific high-risk areas, while extreme heat represents a key chronic risk for critical infrastructure such as data centers and main switching centers, which may result in increased cooling demand and electricity costs. No material exposure to sea level rise has been identified for key assets within the assessed timeframe. For landslide risk, the assessment is currently limited to province-level analysis due to data constraints, and further refinement at the asset level may be considered in future assessment.

B) Physical Risk Scenario Analysis

<table>
<tr><th colspan="2">(1) Physical Risk: Storm-Induced Flood (Acute)</th></tr>
<tr><td colspan="2">Description:
Storm-induced flood is arising from intense cyclonic systems that generate heavy rainfall, storm surge, and rapid surface runoff. These events can trigger flash floods and pluvial floods, resulting in temporary inundation in both urban and rural areas. For AIS, this hazard is relevant because rapid-onset flooding may damage network infrastructure, disrupt power supply, and restrict physical access to sites, particularly mobile base stations, main switching centers and fiber routes located in low-lying or exposed areas. Managing this risk is important to maintain service continuity and protect critical network assets during severe weather events.

Remark: Due to limitations in climate projection data for storm-induced flood across 2030, 2040, 2050, the financial impact estimates are based on the available projection from 2035–2064.</td></tr>
<tr><td colspan="2">Exposed Part of the Value Chain:
1. Operations
2. Product and Service Development and Distribution Channels</td></tr>
<tr><td>Key Exposed Assets:
• Mobile Base Stations
• Retail Shops</td><td>Key Financial Exposed Areas:
7 provinces across the Southern and Northeastern regions</td></tr>
<tr><td colspan="2">Analysis Findings:
The total number of storms entering Thailand in the future is not projected to change significantly relative to historical patterns. However, spatial exposure assessment of storm categories, including tropical storms and Category 1–5 storms, indicates that Southern provinces are more frequently exposed to higher-category storms. Current projection data remain limited, with detailed projections available only under SSP2–4.5 scenario for 2035–2064. Consequently, assessments under SSP1–2.6 use historical storm statistics (1951–2014) as the baseline.

The Northeastern and Northern regions exhibit a relatively high probability of storm tracks passing through. However, storm intensity is generally reduced after landfall over neighboring countries, suggesting that the principal hazard arises from intense rainfall and surface-water flooding rather than extreme winds.

The analysis identified 7 provinces across the Southern and Northeastern regions as having the highest exposure to storm-induced flooding due to a combination of storm pathways, catchment conditions and low-lying topography.</td></tr>
<tr><td colspan="2">Potential Business Impacts:
Storm-induced flooding may result in damage to network infrastructure and equipment, particularly mobile base station towers, radio and transmission equipment and on-site cabinets. Intense rainfall and flash flooding may result in water ingress, short circuits, corrosion and equipment malfunction, leading to localized service degradation or power outages. Flood conditions may also delay access for inspection and repair activities, extending service restoration time in affected areas.</td></tr>
</table>

(1) Physical Risk: Storm-Induced Flood (Acute)

Financial impacts may include repair and replacement expenditures associated with emergency response, network restoration, and replacement of communication equipment. Certain losses relating to mobile base stations and retail shops are covered under existing insurance policies. However, increasing physical risk exposure may contribute to higher insurance premiums or changes in policy terms over time. The quantification of these potential insurance-related impacts is outside the scope of the current assessment.

Beyond direct asset damage, storm-induced flooding may result in **revenue disruption**. This risk primarily arises when severe weather conditions lead to precautionary power shutdowns by electricity providers, resulting in temporary operational downtime at retail shops and localized network outages affecting customers. The quantification of potential revenue impacts remains subject to significant uncertainty, as it depends on factors including flood duration, the geographic extent of power outages, and customer concentration within affected areas.

Estimated Financial Impacts:

Based on the analysis of storm-induced flood risk under **SSP1–2.6 and SSP2–4.5** scenarios, the **estimated financial impacts across the 30-year period (2035–2064)** are approximately **THB 863-1,028 million.**

Financial Impact from Storm-Induced Flood Hazard Unit: Million THB

Scenarios	Across a 30-year period (2035–2064)
SSP1 – 2.6	1,028
SSP2 – 4.5	863

These estimates represent scenario-based indicative loss primarily associated with asset damage and related repair and replacement costs affecting key exposed areas in 7 provinces across the Southern and Northeastern regions. **The estimates are not intended to represent precise forecasts of future losses** and remain subject to uncertainties inherent in climate projections and modelling assumptions. Rather, they are used to support resilience planning, adaptation prioritization, and capital allocation decisions relating to storm-induced flooding.

(2) Physical Risk: Storm Winds (Acute)

Description:

Storm wind events associated with tropical storms and typhoons that generate intense winds capable of damaging above-ground electrical and communication infrastructure. Severe wind may result in **treefall, damage to aerial electrical and communication cables, and structural stress on towers and tower-mounted equipment**. Sites lacking sufficient backup power or energy storage may experience operational disruption when electricity supply is interrupted. Increasing frequency of high-wind events may also lead to physical damage to network equipment, including cable detachment and damage to exposed structure.

***Remark**: Due to limitations in climate projection data for storm wind across 2030, 2040, 2050, the financial impact estimates are based on the available projection from 2035–2064.*

Exposed Part of the Value Chain:

1. Operations

Key Exposed Assets:	**Key Financial Exposed Areas**:
• Mobile Base Stations	5 provinces across the Southern and Northeastern regions

(2) Physical Risk: Storm Winds (Acute)

Analysis Findings:

Exposure to storm winds varies by geography and storm category. Coastal peninsula provinces are more frequently affected by Category 2–5 storms, while provinces along the Gulf of Thailand are more exposed to Category 3–5 storms. Certain inland provinces may occasionally be impacted by weakened Category 4–5 storms following landfall.

The Northeast region, including Nong Khai, Udon Thani, and Loei, exhibits a relatively high probability of storm passage. However, wind intensity is generally reduced due to dissipation over landmass outside Thailand. **Provinces located along coastal peninsulas and coastal-bay boundaries are therefore more vulnerable to high-intensity wind events than inland provinces.**

Under both SSP1–2.6 and SSP2–4.5 future climate scenarios, the assessment identified 5 provinces across the Southern and Northeastern regions as having the highest exposure to intense storm winds, reflecting a combination of projected wind conditions, terrain characteristics, and asset concentration.

Remark: *Coastal peninsula refers to the southern part of Thailand located on the Peninsula, which is surrounded by Andaman Sea and Gulf of Thailand. Provinces along the Gulf of Thailand are those connected to the central and eastern coastal economic corridor.*

Potential Business Impacts:

Storm winds may damage communication network infrastructure, particularly towers, antenna units, baseband units, power supply systems, connecting cables, and other exposed equipment. Intense wind gusts may result in structural stress, antenna misalignment, and cable detachment, **leading to localized network degradation or service interruptions**.

Potential financial impacts include repair and replacement expenditures associated with emergency network restoration, replacement of equipment components, reinstallation and recalibration of antenna systems, and additional site maintenance following severe storm events. Certain losses relating to mobile base stations are covered under existing insurance arrangements. However, increasing physical risk exposure may contribute to higher insurance premiums or changes in policy terms over time. The quantification of these potential insurance-related impacts is outside the scope of the current assessment.

Storm-related service disruptions may also result in **temporary revenue loss**, particularly in areas with high customer density or significant enterprise service concentration where connectivity interruptions affects service availability and customer usage..

Estimated Financial Impacts:

Based on scenario analysis under **SSP1–2.6 and SSP2–4.5**, the estimated financial impacts from storm wind damage are approximately **THB 6–8 million** over the 30-year projection period of **2035-2064**. These estimates represent scenario-based indicative losses primarily associated with asset replacement and related recovery costs arising from severe storm wind events.

Financial Impact for Storm Winds Unit: Million THB

Scenarios	Across a 30-year period (2035-2064)
SSP1 – 2.6	6
SSP2 – 4.5	8

Financial exposure is highly concentrated in 5 provinces across the Southern and Northeastern regions, which collectively account for approximately 90% of total modelled storm-wind-related losses under both scenarios. These values represent indicative scenario-informed estimates intended to support AIS's asset risk planning, network resilience strategy, and maintenance prioritization.

(3) Physical Risk: Flooding (Acute)

Description:
Flooding arises from a combination of heavy precipitation, river overflow, and coastal/tidal influences linked to sea level rise. These factors may contribute to changes in the frequency and severity of flood events across the modeled time horizons. For AIS, flooding may affect **ground-level network equipment and retail outlets located in densely populated urban and coastal areas**. Although the Company's infrastructure incorporates redundancy and protective design features, prolonged inundation may impair operations, damage assets, and disrupt service availability.

Exposed Part of the Value Chain:
1. Operations
2. Product and Service Development and Distribution Channels

Key Exposed Assets:	**Key Financial Exposed Areas**:
• Retail Shops • Mobile Base Stations	8 provinces across the Northern, Northeastern, and Southern regions

Analysis Findings:

Mobile Base Stations

For mobile base stations, the assessment indicates an increasing flood hazard trend over time across all scenarios. Average flood hazard indicators increase from approximately 27% in 2030 to 61% by 2050 under SSP1–2.6, SSP2–4.5, and SSP5–8.5, with an overall average of about 46% across all scenarios and time horizons. These results indicate increasing exposure to flood-related disruptions over the longer term, particularly for ground-level and low-lying sites.

The scenario result of the average of flooding factors to mobile base stations

Scenarios	Across a 6-year period (2025-2030)	Across a 10-year period (2031-2040)	Across a 10-year period (2041-2050)
SSP1 – 2.6	27.06%	42.55%	60.93%
SSP2 – 4.5	27.28%	42.12%	61.10%
SSP5 – 8.5	27.43%	42.44%	61.00%

Retail Shops

For retail shops, the same indicator shows **higher flood hazard levels compared to base stations**, reflecting their location in commercial and densely built-up low-lying areas. Average values rise from about 31% in 2030 to approximately 73% by 2050 across all scenarios. This indicates that **retail shops face a relatively higher and increasing exposure to flooding over time**, with greater potential for water ingress, interior damage, and temporary closure during and following flood events.

The scenario result of the average of flooding factors to retail shops

Scenarios	Across a 6-year period (2025-2030)	Across a 10-year period (2031-2040)	Across a 10-year period (2041-2050)
SSP1 – 2.6	31.11%	49.94%	72.69%
SSP2 – 4.5	31.40%	49.42%	73.14%
SSP5 – 8.5	31.47%	50.07%	72.61%

Total financial impact (mobile based station and retail shops)

The flood hazard shows a **rising trend over time across all scenarios**. Average values increase from around **30% in 2030** to approximately **70% by 2050** under SSP1–2.6, SSP2–4.5, and SSP5–8.5.

(3) Physical Risk: Flooding (Acute)

The scenario result of the average of flooding factors to mobile based station and retail shops

Scenarios	Across a 6-year period (2025-2030)	Across a 10-year period (2031-2040)	Across a 10-year period (2041-2050)
SSP1 – 2.6	30.36%	48.57%	70.52%
SSP2 – 4.5	30.64%	48.07%	70.91%
SSP5 – 8.5	30.72%	48.66%	70.47%

Remark: *The average of flooding factors refers to the percentage of probability with forecast weighing driver. The source of probability is ThinkHazard and the weighting driver is from anomaly rate of precipitation.*

Potential Business Impacts:

Mobile Base Stations

Flooding may affect base stations located at or near ground level, resulting in **damage to electrical and telecommunications equipment, disruption of power supply, and localized service outages or degraded network performance**. Flood conditions may also restrict site access and delay inspection and repair activities. Potential financial impacts include **repair and replacement costs**, particularly for communication and power equipment that have high replacement value and specialized installation requirements.

Retail Shops

Flooding may damage **retail shop's interiors, including flooring, fixtures, wiring, and customer service areas**, requiring cleanup and restoration. Prolonged inundation may result in **temporary store closures** and associated service disruption. Financial impacts may include repair and restoration expenditures, particularly where flooring, furniture, fixtures, and electrical systems require replacement.

Estimated Financial Impacts:

Mobile Base Stations

Modelled flood-related damage costs approximately increase from **THB 576 million in 2030 to THB 2,252 million by 2050**, reflecting higher level of flood exposure and associated repair and replacement costs for network equipment over time.

Unit: Million THB

Scenarios	Across a 6-year period (2025-2030)	Across a 10-year period (2031-2040)	Across a 10-year period (2041-2050)
SSP1 – 2.6	576	1,542	2,239
SSP2 – 4.5	581	1,525	2,252
SSP5 – 8.5	582	1,543	2,241

Retail Shops

Estimated damage costs may increase from approximately **THB 126 million in 2030 to THB 478 million by 2050**, reflects the costs associated with repairing and replacing store interiors, electrical systems, and physical renovation requirements.

Unit: Million THB

Scenarios	Across a 6-year period (2025-2030)	Across a 10-year period (2031-2040)	Across a 10-year period (2041-2050)
SSP1 – 2.6	126	331	476
SSP2 – 4.5	128	328	478
SSP5 – 8.5	128	332	476

(3) Physical Risk: Flooding (Acute)

Total financial impact (mobile based station and retail shops)

When considering both mobile base stations and retail locations, the total estimated flood-related financial impact increases from approximately **THB 702-710 million in 2030**, to around **THB 1,852-1,874 million by 2040**, and approximately **THB2,715–2,730 million by 2050** across the assessed climate scenarios. These estimates provide a high-level indication of potential financial exposure, reflecting the projected increase in likelihood and severity of flood events over time.

Unit: Million THB

Scenarios	Across a 6-year period (2025-2030)	Across a 10-year period (2031-2040)	Across a 10-year period (2041-2050)
SSP1 – 2.6	702	1,873	2,715
SSP2 – 4.5	709	1,852	2,730
SSP5 – 8.5	710	1,874	2,717

Certain losses relating to mobile base stations and retail shops are covered under existing insurance arrangements. However, increasing exposure to physical climate risks may contribute to higher insurance premiums or changes in policy terms over time. The quantification of these potential insurance-related impacts is outside the scope of the current assessment.

(4) Physical Risk: Extreme Heat (Chronic)

Description:

Rising average temperatures and more frequent hot days may increase cooling demand for network equipment rooms, data centers, main switching centers, and main junction facilities. Prolonged periods of extreme heat may result in **higher electricity consumption for cooling systems, reduced equipment efficiency, and an increased risk of temporary overheating** in high-density operational sites, particularly in urban and coastal regions of Thailand.

Exposed Part of the Value Chain:

1. Operations

Key Exposed Assets:

- Data center
- Main Switching Center
- Main Junction

Key Financial Exposed Areas:

5 provinces across the Central and Northeastern regions

Analysis Findings:

Climate projections based on data from the World Bank Group indicate an **increase in the number of average hot days (days with temperatures exceeding 35°C)** across all assessed scenarios and time horizons, although the magnitude of change varies by scenario. The projected increase in hot days implies higher cooling demand and increased electricity consumption across critical operational assets.

Number of average hot days

Unit: Days

Scenarios	Across a 6-year period (2025-2030)	Across a 10-year period (2031-2040)	Across a 10-year period (2041-2050)
SSP1 – 2.6	17	24	30
SSP2 – 4.5	16	21	29
SSP5 – 8.5	19	27	46

(4) Physical Risk: Extreme Heat (Chronic)

To assess the potential implications of extreme heat, AIS modelled the incremental electricity demand associated with three key asset categories: data centers, main junctions, and main switching centers. The assessment estimates the additional electricity required under different climate scenarios and time horizons relative to current energy consumption levels. The projected changes in annual energy consumption are presented in the tables below.

Average energy consumption Unit: kWh/year

Scenarios	Across a 6-year period (2025-2030)	Across a 10-year period (2031-2040)	Across a 10-year period (2041-2050)
SSP1 – 2.6	7,076	9,230	11,310
SSP2 – 4.5	6,778	8,323	11,108
SSP5 – 8.5	7,580	10,286	16,438

Increased energy consumption rate

Scenarios	Across a 6-year period (2025-2030)	Across a 10-year period (2031-2040)	Across a 10-year period (2041-2050)
SSP1 – 2.6	1%	1.31%	1.6%
SSP2 – 4.5	0.96%	1.18%	1.57%
SSP5 – 8.5	1.07%	1.46%	2.33%

Potential Business Impacts:

- **Increased Cooling Demand and Operating Costs:** Higher temperatures may increase electricity demand for cooling systems in data centers, main junctions, and main switching centers, resulting in higher operating costs and additional requirements for cooling system optimization and energy management.

Estimated Financial Impacts:

The **projected increase in cooling-related electricity demand** may result in higher operating costs over time. The magnitude of these financial impacts is influenced by both climate conditions and future electricity pricing assumptions, including those associated with Thailand's Power Development Plan (PDP) 2018 and PDP 2024.

The assessment therefore models accumulated electricity costs over the period 2025–2050 under three electricity price assumptions:

Forecast of accumulated energy costs **Unit: Million THB**

Scenarios	Across a 6-year period (2025-2030)	Across a 10-year period (2031-2040)	Across a 10-year period (2041-2050)
SSP1 – 2.6			
- **Average Price**	16.05	34.90	42.78
- **PDP 2018**	16.34	36.37	44.79
- **PDP 2024**	15.90	36.09	44.56
SSP2 – 4.5			
- **Average Price**	15.39	31.49	42.00
- **PDP 2018**	15.63	32.80	43.99
- **PDP 2024**	15.22	32.55	43.77
SSP5 – 8.5			
- **Average Price**	17.22	38.91	62.16

(4) Physical Risk: Extreme Heat (Chronic)

-	**PDP 2018**	17.46	40.54	65.10
-	**PDP 2024**	16.99	40.23	64.77

Remark: **Average Price is the average electricity costs calculated from AIS's historical energy consumption and expense.*

The scenario analysis indicates that the SSP5-8.5 scenario presents the highest potential financial impact on the Company's operations. This outcome is primarily driven by the highest projected frequency of average hot days, resulting in increased electricity demand for cooling and higher associated electricity costs.

(5) Physical Risk: Sea Level Rise (Chronic)

Description:
Sea level rise may gradually exacerbate coastal and delta flooding, especially when combined with high tides and storm surges. While direct impacts on AIS's core operations are currently assessed as limited, **rising sea levels may reduce drainage capacity in low-lying areas and prolong inundation** during flood events.

Exposed Part of the Value Chain:
1. Operations
2. Product and Service Development and Distribution Channels

Key Exposed Assets:
- Retail Shop
- Mobile Base station

Key Exposed Areas:
5 provinces across the Central region

Analysis Findings:
Climate scenario analysis indicates that **sea levels increase relative to the 2005 baseline under all scenarios**, with higher-emission pathways resulting in greater sea-level rise:

Average Sea Level Rise relative to the 2005 base year Unit: Meters

Scenarios	Across a 10-year period (2011-2020)	Across a 10-year period (2021-2030)	Across a 10-year period (2031-2040)	Across a 10-year period (2041-2050)
SSP1 – 2.6	0.223	0.383	0.544	0.719
SSP2 – 4.5	0.226	0.386	0.552	0.732
SSP5 – 8.5	0.224	0.392	0.569	0.759

The **Chao Phraya and Tha Chin River delta basin** is identified as the most exposed region, where the effects of sea-level rise may be **compounded by ongoing land subsidence**. Within AIS's operational footprint, **key exposed areas include 5 provinces across the Central region**, where certain retail shops and mobile base stations are situated in low-lying zones that are already prone to flooding.

Potential Business Impacts:
Although sea-level rise alone currently poses **limited direct risk to AIS's operations,** it may gradually increase flood exposure over time by:
- Increasing the likelihood and extent of **coastal and tidal flooding** affecting low-lying sites.
- **Reducing drainage efficiency and prolonging inundation** around ground-level retail shops and base stations.
- **Extending service disruptions** and increasing maintenance and adaptation requirement when combined with heavy rainfall or riverine flooding.

Accordingly, sea-level rise is currently considered a contributing factor that may exacerbate future flooding conditions rather than a standalone material physical risk.

Estimated Financial Impacts:
Not applicable (N/A): Direct financial impacts attributable solely to sea-level rise cannot be reasonably quantified at this stage due to its currently limited direct effects on the Company's operations and the inability to distinguish its incremental financial impacts separately from broader flooding-related impacts.

(6) Physical Risk: Landslide (Acute)	
Description: Heavy rainfall and changes in soil stability in hilly regions may create conditions conducive to slope failure, resulting in localized landslides that can affect infrastructure located on or near slopes, such as mountaintop towers and slope-aligned fiber routes. Although typically affecting individual sites rather than the broader network, these events may cause temporary service disruptions and restrict access for inspection and restoration activities.	
Exposed Part of the Value Chain: 1. Operations	
Key Exposed Assets: • All asset types	**Key Exposed Areas**: 8 provinces across the Eastern and Southern regions
Analysis Findings: Landslides may damage network infrastructure, disrupt services, and create safety risks for personnel accessing affected sites. Although landslides are influenced by multiple factors such as terrain conditions and heavy or prolonged rainfall, rather than a single climate driver, the landslide may result in **sudden site outages, extended restoration periods where site access becomes restricted.** The assessment focused on mobile base stations and identified high-susceptibility areas in 8 provinces across the Eastern and Southern regions. These sites are generally located in or near hilly terrain, where access may become restricted during or following a landslide event. Although **the exposure is localized rather than system-wide**, landslides in these areas may delay inspection and repair activities, resulting in longer restoration times compared with sites in low-risk locations. AIS applies established safety and access protocols for field personnel and contractors. Accordingly, site access and restoration activities are undertaken only when conditions are assessed as safe, which may further affect recovery timelines.	
Potential Business Impacts: • **Localized Service disruption:** Temporary service outages or degradation may occur if network equipment, power supply systems, or access routes to affected base stations is damaged. • **Longer restoration times:** Restricted or unsafe access to landslide-prone sites may delay inspection, repair, and maintenance activities. • **Personnel Safety Risks:** Restoration activities may be postponed where site conditions are assessed as unsafe, in accordance with established safety protocols.	
Estimated Financial Impacts: Not applicable (N/A): Financial impacts cannot be reasonably quantified at this stage due to the limited historical occurrence of cost events and the inability to isolate the financial effects of landslide risk from other operational factors. Certain losses relating to mobile base stations and retail shops are covered under existing insurance arrangements. However, increasing exposure to physical climate risks may contribute to higher insurance premiums or changes in policy terms over time. The quantification of these potential insurance-related impacts is outside the scope of the current assessment.	

C) Physical Risk Responses

To manage the adverse impacts of climate-related physical risks, AIS has developed and implemented risk response measures that are tailored to the characteristics of each identified hazard. These measures focus on reducing potential impacts on network infrastructure, operations, and service continuity across the Company's value chain and support the Company's operational resilience and adaptive capacity. The key responses to physical risks are described below.

Table 4 Physical Risk Response and Resilience Measures

Key Physical Risk Response	(1) Storm-Induced Flood	(2) Storm Winds	(3) Flooding	(4) Extreme Heat	(5) Sea Level Rise	(6) Landslide
Flood barrier installation	✓	-	✓	-	-	-
Elevated infrastructures by 1.2 to 5 meters based on three considerations, including the main road level, average sea level (for coastal assets), and historical flood levels in areas with recorded flooding events	✓	-	✓	-	✓	-
Preparing backup generators in case of power shortages	✓	✓	✓	-	-	✓
Decentralized power sources through additional solar panels to reduce reliance on grid electricity during extreme weather events	✓	✓	✓	✓	✓	✓
Localized flood warning systems in historically affected areas	✓	-	✓	-	-	-
Collaboration with key suppliers to identify alternative warehousing and distribution routes for telecommunication equipment during high-risk flood periods	✓	-	✓	-	-	-
Leveraging digital platforms and online tools to maintain uninterrupted service with dealers and retail partners	✓	✓	✓	✓	✓	✓
Providing customers with self-service functions through mobile applications to maintain access and minimizing needs for physical travel	✓	✓	✓	✓	✓	✓

Remark: *"–" indicates that no specific risk response has been identified for the respective hazard.*

2.3.2 Transition Risk

AIS may be exposed to transition-related climate risks arising from changes in regulatory frameworks, market expectations, technological shifts, and evolving energy system dynamics. **Policy-related risks include Thailand's forthcoming Climate Change Act, potential carbon pricing and emissions trading mechanisms, tightening national climate commitments (NDC), and developments under the Power Development Plan (PDP) 2024**, which may affect carbon-related costs renewable electricity procurement, and stakeholder expectations. **Technology- and market-related risks include changes in renewable energy technology cost**, the marginal abatement cost associated with the Company's decarbonization initiatives, and evolving energy transition pathways, all of which may influence AIS's investment planning and decarbonization pathway.

These transition risks were assessed using multiple policy and energy transition scenarios, including the IEA Stated Policies Scenario (STEPS), Announced Pledges Scenario (APS) and IEA Net Zero Emissions (NZE) pathways, to evaluate how varying levels of climate ambition and global decarbonization trends may affect the Company's operating costs, compliance obligations, energy procurement decisions, and stakeholder expectations. AIS continues **to monitor these developments and incorporates transition risk considerations into its corporate strategy,** including renewable electricity sourcing and the implementation of its 2030 Decarbonization Plan. The scenarios for transition risk analysis are illustrated as below.

A) Coverage of Transition Risk Analysis

AIS conducted **a transition risk analysis** across the Company's operations and asset categories to assess the financial and operational implications of climate-related transition risks and opportunities. The assessment considers key transition drivers, including regulatory and policy developments, technology advancements, and evolving market dynamics.

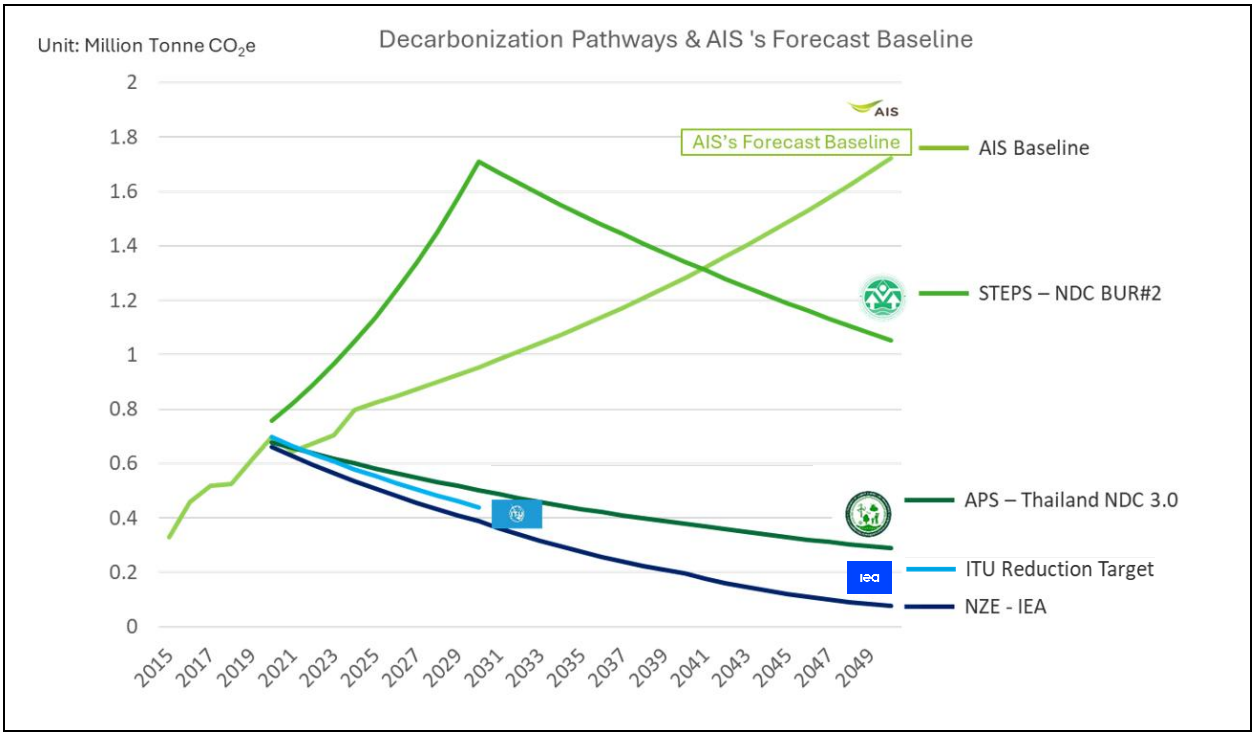


Figure 4 Decarbonization pathway and AIS's Forecast Baseline

The assessment utilized multiple transition pathways and reference scenarios, including:

- **Stated Policies Scenario (STEPS)** reflects a Business-as-Usual (BAU) trajectory of greenhouse gas (GHG) emissions, aligned with the country's current Nationally Determined Contribution (NDC), Biennial Update Report (BUR) 2 which aims to reduce 30% of greenhouse gas emissions from BAU Scenario by 2030 (BAU scenario was determined from the base year 2005) and achieve carbon neutrality by 2050 and net-zero greenhouse gas emissions by 2065.
- **Announced Pledges Scenario (APS)** reflects Thailand's NDC 3.0 commitments, which are expected to be achieved through Thailand's Draft Climate Act, which aims to reduce 47% of greenhouse gas emissions from the base year 2019 by 2035 and achieve net zero by 2050.
- **International Telecommunication Union (ITU) Emissions pathway** provides an ICT sector-specific decarbonization reference pathway, targeting a 45% reduction in GHG emissions by 2030 compared with the 2020 baseline..
- **Net Zero Emissions by 2050 Scenario (NZE 2050)** represents a highly ambitious pathway aligned with global net-zero commitments (1.5°C Paris Agreement), reflecting a future where aggressive climate policies and technological advancements drive rapid decarbonization across all sectors.

Based on these transition pathways and the Company's projected emissions profile, the Company identified two key transition risk drivers, including (i) carbon costs, arising from evolving climate policies and regulations and associated stakeholder expectations; and (ii) technology costs driven by the evolving economics of low-carbon technologies and energy systems across markets.

Table 5 Key Transition Risk Drivers Across Climate Scenarios

Scenario	(1) Carbon cost (AIS Forecast Baseline Emission VS Target)	(2) Technology cost (AIS Forecast Baseline Emission VS AIS Potential Reduction)
The Stated Policies Scenario (STEPS)	• National Commitment from NDC BUR#2 • Grid Emission Factors, power demand forecast, and share energy sources from PDP2018 • Thailand carbon credit price statistic	• AIS Marginal Abatement Cost (MAC) from 2030 Decarbonization Plan
The Announced Pledges Scenario (APS)	• National Commitment from NDC 3.0 • Grid Emission Factors, power demand forecast, and share energy sources from PDP2024 • Carbon cost in Emerging market and developing economies with net zero emissions pledges under APS Scenario from IEA	• Research on Marginal Abatement Cost (MAC) in Thailand "The Pathway to NDC and Carbon Neutrality: Roles of Optimum Degree between Marginal Abatement Cost and Social Cost of Carbon in the Thai Power and Industrial Sector"
Net Zero Emissions by 2050 Scenario (NZE)	• Global Commitment from IEA • Carbon cost in Emerging market and developing economies with net zero emissions pledges under NZE Scenario from IEA	• IEA benchmarks on renewable energy deployment cost referenced to China price • Forecasted electricity price under Thailand's Power Development Plan (PDP2024).

B) Transition Risk Scenario Analysis

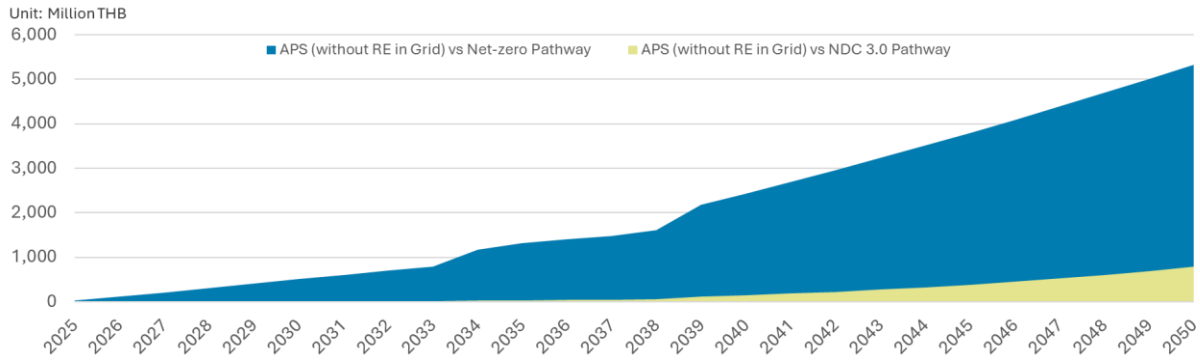
(1) Transition Risk: Policy and Reputation (Carbon Cost)
Description: AIS is exposed to **climate policy-driven risks arising from evolving regulatory frameworks** supporting Thailand's transition to a low-carbon economy. Developments such as the forthcoming Climate Change Act, Thailand's NDC 3.0 commitments, potential carbon pricing and emissions trading mechanisms, and changes under the Power Development Plan (PDP) 2024 may introduce **explicit or implicit carbon-related costs**. These developments may affect electricity procurement decisions, renewable electricity sourcing, regulatory compliance obligations, and stakeholder expectations regarding the Company's climate performance and transition progress. The timing and magnitude of these potential carbon-related costs remain uncertain and will depend on the pace, scope, and stringency of policy implementation under different transition pathways.
Exposed Part of the Value Chain: All stages of the value chain, reflecting the Company's reliance on electricity-intensive operations and the potential implications of transition-related costs across business activities.
Analysis Findings: Carbon-related costs were assessed based on current and emerging climate policy pathways, including Thailand's existing climate commitments and potential future policy developments, together with the IEA Net Zero Emissions pathway. These assumptions were translated into the STEPS, APS, and NZE scenarios to evaluate potential financial implications under different levels of climate ambition.    ***Remark:*** *This figure adopts the APS scenario as the baseline and reflects projected electricity costs under Thailand's Power Development Plan 2024 (PDP 2024). However, as PDP 2024 alone is not expected to be sufficient to achieve national or global decarbonization ambitions by 2050, additional emissions reduction efforts beyond those delivered by the power sector may be required across other sectors of the economy, including businesses.*

Figure 5 Forecast of carbon cost from 2025-2050

(1) Transition Risk: Policy and Reputation (Carbon Cost)
Under the **STEPS scenario**, which reflects currently implemented and announced policies - **Thailand's current Nationally Determined Contribution (NDC) and Biennial Update Report (BUR) 2**, no direct carbon-related regulatory costs are assumed for the Company at this stage. Although Thailand's long-term ambitions of achieving carbon neutrality by 2050 and net-zero greenhouse gas emissions by 2065 may influence market expectations, there are currently **no explicit carbon pricing mechanisms or enforcement requirements** that would result in direct financial impacts on the Company. The **APS scenario** represents a more accelerated transition pathway reflecting Thailand's strengthened climate commitments and potential implementation of additional policy measures. This scenario assumes the progressive implementation of Thailand's forthcoming Nationally Determined Contribution (NDC 3.0), which aims to reduce greenhouse gas emissions by 47% from the 2019 base year by 2035 and achieve net-zero greenhouse gas emissions by 2050, potentially supported by the Draft Climate Change Act and related policy mechanisms. Under this scenario, carbon prices are assumed to increase at a moderate pace, reflecting the gradual introduction and strengthening of carbon pricing mechanisms and emissions trading requirements. Consequently, AIS may be exposed to increasing costs after 2030, primarily through higher carbon-related compliance costs and electricity-related expenses. In addition, the Company may require incremental investments in energy efficiency improvements, renewable electricity procurement, and other decarbonization initiatives to mitigate future carbon-related costs. The continued expansion of energy-intensive infrastructure, including data centers and increasing network capacity requirements, may further increase electricity demand and contribute to higher transition-related cost exposure over time. Under the **NZE scenario,** representing the most ambitious transition pathway to net-zero emissions, **carbon prices are assumed to increase significantly through 2050**. Under this scenario, the Company may experience materially higher operating costs associated with electricity consumption and climate-related compliance requirements. Overall, the scenario analysis indicates that **the Company's transition-related financial exposure is limited in the near term but may increase over the medium to long term under more ambitious policy pathways**, primarily driven by carbon pricing and compliance costs. This assessment represents the Company's current view of climate-related transition risks based on available information and remains subject to significant uncertainties regarding the timing, scope, and implementation of future climate-related regulations. The estimated financial impacts are based on assumptions relating to carbon pricing, policy design, and market responses, all of which may differ materially from actual outcomes. The Company will continue to monitor regulatory developments and refine its assessment as greater clarity becomes available.
Potential Business Impacts: • **Higher Operating Costs:** More stringent climate-related regulations and potential carbon pricing mechanisms may increase costs associated with electricity consumption, climate-related compliance obligations, and renewable electricity procurement. • **Increasing Stakeholder Expectations:** Evolving national, industry, and investor expectations regarding decarbonization progress may increase pressure on the Company to accelerate emissions reduction efforts and strengthen climate-related performance and disclosures. • **Additional Investment Requirements:** More ambitious transition pathways may require additional investments in energy efficiency improvements, renewable electricity procurement, and other decarbonization initiatives to mitigate future carbon-related costs and support compliance with evolving regulatory requirements.

(1) Transition Risk: Policy and Reputation (Carbon Cost)

Estimated Financial Impacts:
Scenario analysis indicates that **policy-driven transition risks related to carbon pricing may result in increasing operating and compliance costs** over the medium to long term. Estimated **cumulative carbon-related costs are approximately THB 0-1,587 million by 2030, THB 499–13,677 million by 2040, and THB 4,443–39,683 million by 2050**, depending on the assumed carbon price trajectories and the design and implementation of future regulatory mechanisms.

Estimated financial impacts of carbon cost Unit: Million THB

Scenarios	Across a 6-year period (2025-2030)	Across a 10-year period (2031-2040)	Across a 10-year period (2041-2050)
STEPS	0	0	0
APS	0	499	4,443
NZE	1,587	13,677	39,683

Under the **NZE scenario**, transition-related costs are highest due to the rapid escalation of assumed carbon price and more stringent emissions reduction requirements. The **APS scenario** reflects a more gradual increase in carbon prices aligned with Thailand's strengthened climate commitments and potential implementation of additional policy measures, resulting in moderate cumulative financial impacts. Under the **STEPS scenario**, no material carbon-related costs are identified within the assessed time horizons, reflecting the absence of explicit pricing or enforcement mechanisms.

The analysis indicates that **transition-related carbon costs are not expected to be material in the near term, but may become increasingly significant over the medium to long term under more ambitious transition pathways.** The analysis supports the Company's strategic planning and highlights the importance of timely decarbonization actions in managing potential exposure to future carbon-related costs.

(2) Transition Risk: Technology and Market Risks (Technology Cost)

Description:
AIS is exposed to transition risk related to **the cost, availability, and evolution of low-carbon technologies and renewable electricity procurement options**. As the energy system transitions toward a higher share of renewables, the Company may face changes in the availability, maturity, and pricing of renewable electricity procurement options and related technologies. In addition, the deployment of technologies such as on-site solar photovoltaic (PV) systems, battery storage, and smart energy management solutions may influence future operating costs, capital allocation decisions, and the implementation of the Company's decarbonization roadmap.

Exposed Part of the Value Chain:
All stages of the value chain.

Analysis Findings:
The assessment of technology-related transition risks focus on the net financial implications of investments in renewable energy and other low-carbon technologies under different transition pathways. Technology-related impacts were evaluated using marginal abatement cost (MAC) assumptions under each scenario, reflecting differences in technology costs, market development, and transition ambition.

For the purpose of this assessment, technology-related impacts are presented on a net basis, taking into account both investment costs and the potential operating cost savings generated over the useful lives of technologies. This approach enables an assessment of the extent to which renewable energy investments may mitigate future electricity and carbon-related costs under different transition pathways.

(2) Transition Risk: Technology and Market Risks (Technology Cost)

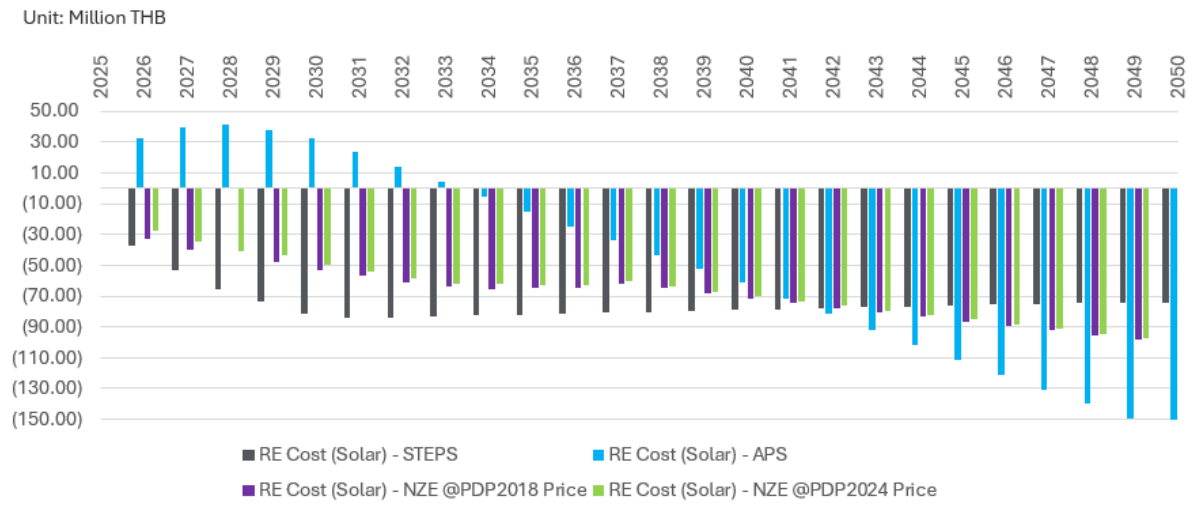


Figure 6 Forecast of Renewable Energy Marginal Abatement Cost

Under the **STEPS scenario**, the analysis is based on AIS's existing renewable energy initiatives, particularly solar projects, using internal estimates of emissions reduction potential and marginal abatement costs. **In the absence of explicit carbon pricing mechanisms, renewable energy investments estimated to generate net cost savings over time through reduced electricity expenses**. Assumptions regarding the useful lives of solar assets and periodic reinvestment maintain the productive performance of the assets throughout the assessment period, resulting in continued cost savings over the assessed time horizons.

Under the **APS scenario**, technology cost assumptions are informed by research on marginal abatement costs in Thailand, including *"The Pathway to NDC and Carbon Neutrality: Roles of Optimum Degree between Marginal Abatement Cost and Social Cost of Carbon in the Thai Power and Industrial Sector"*. This research incorporates the potential introduction of regulatory measures, such as carbon pricing over time. During the initial period, AIS may incur **higher net costs associated with renewable energy deployment**, due to upfront investment requirements. However, as carbon-related compliance costs increase **after 2034, renewable energy investments may generate increasing economic benefits** through avoided compliance costs and reduced electricity expenditure, resulting in improving marginal abatement economics over the medium to long term.

Under the **NZE scenario**, the analysis is informed by IEA benchmarks for renewable energy deployment cost, referenced against cost assumptions observed in mature renewable energy markets and compared with projected electricity prices under Thailand's Power Development Plan (PDP 2024). Under this accelerated transition pathway, **renewable energy and low-carbon technology costs are assumed to decline more rapidly** as technologies mature and deployment scales increase. Consequently, AIS may benefit from earlier and greater cost savings from renewable energy deployment, supported by improved access to more cost-competitive low-carbon technologies over time.

(2) Transition Risk: Technology and Market Risks (Technology Cost)

Overall, the analysis indicates that technology-related transition impacts may result in net cost savings over the medium to long term across all scenarios, although the timing and magnitude of savings vary. Near-term impacts may include higher upfront investment costs under more ambitious transition pathways, while longer-term impacts are expected to reflect increasing cost efficiencies as renewable technologies mature and scale. These findings support the Company's transition strategy and indicate that timely investment in low-carbon technologies may help manage future operating costs and mitigate exposure to transition risks.

Potential Business Impacts:

Investments in renewable energy and low-carbon technologies may affect **the Company's cost structure and capital allocation over the medium to long term**. In the near term, accelerated deployment of renewable technologies under more ambitious transition pathways may increase capital expenditure and require reprioritization of investment plans. Over time, as technologies mature and scale efficiencies improve, these investments may **reduce energy-related operating costs and partially offset transition-related compliance costs**, including potential carbon pricing exposure.

The timing and magnitude of financial impacts will depend on the pace of regulatory implementation, technology cost trajectories, and the effectiveness the Company's renewable energy strategy and implementation. Timely investment in low-carbon technologies may enhance cost predictability, improve energy resilience, and manage exposure to future transition risks over the longer term.

Estimated Financial Impacts:

Based on scenario analysis, technology-related transition impacts associated with investments in renewable energy and low-carbon technologies may result in a combination of upfront investment costs and longer-term operating cost savings. The estimated financial impacts reflect the net effects of renewable energy deployment, including capital investments, asset useful lives, reinvestment cycles, and reductions in electricity costs over time. **Negative values represent net cost savings.**

Estimated financial impacts (savings) of technology cost Unit: Million THB

Scenarios	Across a 6-year period (2025-2030)	Across a 10-year period (2031-2040)	Across a 10-year period (2041-2050)
STEPS	(310)	(817)	(760)
APS	183	(194)	(1,157)
NZE	(218)	(642)	(879)

Under the **STEPS scenario**, technology-related impacts indicate net cost savings across all assessed time horizons, reflecting cost reductions from existing renewable energy projects in the absence of explicit carbon pricing mechanisms.

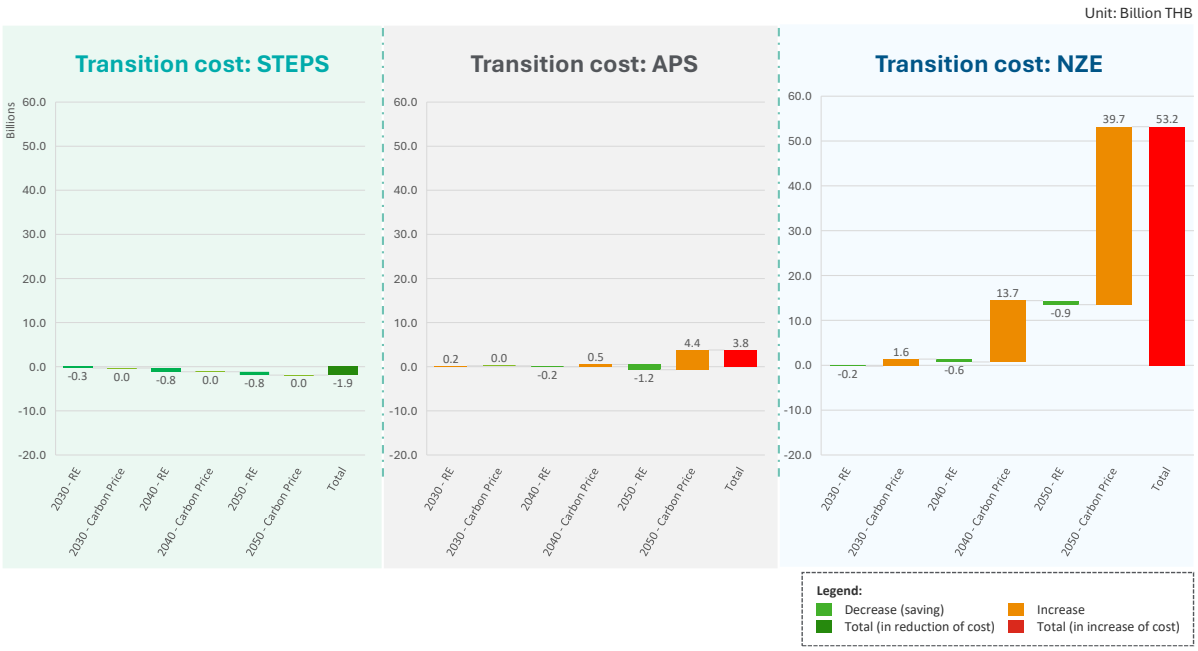
Under the **APS scenario**, the analysis indicates potential net costs in the near term, reflecting higher upfront investment requirements associated with renewable energy deployment during the early phase of the transition. Over the medium to long term, these investments may generate increasing cost savings as technologies mature operational efficiencies improve, and avoided carbon-related costs become more significant.

Under the **NZE scenario**, technology-related impacts indicate net cost savings across the assessed time horizons, supported by more rapid declines in renewable energy costs and improved access to cost-competitive low-carbon technologies under an accelerated transition pathway.

(2) Transition Risk: Technology and Market Risks (Technology Cost)
Overall, the analysis indicates that although technology-related transition impacts may **involve higher upfront investment under certain scenarios**, they may generate net cost savings over the medium to long term. These outcomes support the Company's transition strategy and demonstrate the potential for technology investments to mitigate longer-term transition risks and enhance cost efficiency.

Combined Transition-Related Financial Impacts

When carbon-related costs and technology-related impacts are considered together, the scenario analysis indicates materially different transition-related financial outcomes across the assessed pathways.



Remark: *RE refers to Renewable Energy.*

Figure 7 Forecast of Transition Cost

Under the **STEPS scenario,** the Company is estimated to **realize net cost savings of approximately THB 1.9 billion** across the assessed time horizons. This outcome primarily reflects savings from renewable energy investments in the absence of explicit carbon pricing mechanisms or climate-related compliance costs.

Under the **APS scenario**, the analysis indicates **increasing transition-related costs over the medium to long term**, reflecting the potential introduction of carbon pricing mechanisms and regulatory measures in Thailand. While technology investments partially offset carbon-related costs, the Company may incur additional carbon costs of approximately **THB 0.5 billion by 2040 and THB 4.4 billion by 2050, representing a cumulative increase in transition-related expenditure over the assessed periods, approximately THB 3.8 billion.**

Under the **NZE scenario**, which assumes an accelerated transition and more stringent carbon pricing assumptions, **transition-related financial impacts are substantially higher**. The Company may incur additional carbon costs of approximately **THB 1.6 billion by 2030, THB 13.7 billion by 2040, and THB 39.7 billion by 2050,** resulting in a cumulative transition-related cost of **approximately THB 53.2 billion by 2050.** These impacts are driven primarily by escalating carbon costs, which are only partially offset by technology-related cost savings.

Table 6 Estimated Financial Impacts of Transition Cost

Unit: Billion THB

Scenarios	Across a 6-year period (2025-2030)	Across a 10-year period (2031-2040)	Across a 10-year period (2031-2040)
STEPS (Cumulative transition-related cost)		**-1.9**	
- *Technology Cost (RE)*	*-0.3*	*-0.8*	*-0.8*
- *Carbon Cost*	*0*	*0*	*0*
APS (Cumulative transition-related cost)		**3.8**	
- *Technology Cost (RE)*	0.2	-0.2	-1.2
- *Carbon Cost*	0	0.5	4.4
NZE (Cumulative transition-related cost)		**53.2**	
- *Technology Cost (RE)*	-0.2	-0.6	-0.9
- *Carbon Cost*	1.6	13.7	39.7

Overall, the analysis indicates that **while technology investments may mitigate a portion of transition-related costs, carbon pricing could become a significant source of financial exposure under more ambitious transition pathways.** These findings support the importance of early and sustained decarbonization actions and monitoring evolving policy and market developments to manage long-term transition risks.

Achieving Net Zero Emissions (NZE) is expected to require **significant capital investment**, driven by both the rapid escalation of carbon pricing under more stringent regulatory pathways and the need for **technological transformation and energy system optimization** to reduce greenhouse gas (GHG) emissions.

However, the Company's ability to accelerate emissions reductions remains influenced by structural factors within the national context. Key challenges include limitations in electricity infrastructure, the availability and accessibility of renewable energy, and evolving regulatory frameworks governing clean energy procurement. These constraints are broadly consistent with those faced by many developing economies and may affect the pace and extent of decarbonization.

Within this context, AIS continues to implement emissions reduction initiatives across its operational boundaries while considering operational, technological, and financial feasibility. The Company develops its decarbonization plans with reference to national transition pathways, including the Announced Pledges Scenario (APS), which reflects announced climate commitments and policy developments under current conditions.

AIS will continue to monitor regulatory developments, technological advancements, and enabling mechanisms that may influence its transition pathway and decarbonization opportunities. The Company will periodically review and refine its strategy, targets, and implementation plans as assumptions, technologies, and policy frameworks evolve.

C) Transition Risk Responses

To manage climate-related transition risks, AIS has developed response strategies that consider regulatory developments, market dynamics, and technological shifts linked to the transition to a low-carbon economy. These responses are supported by **AIS's 2030 Decarbonization Roadmap**, which outlines initiatives focused on renewable electricity procurement, energy efficiency improvements, and operational optimization These initiatives are intended to support GHG emissions reductions, improve operational efficiency, and enhance preparedness for evolving climate-related regulations and market conditions, while taking into consideration the Company's operational, technological, and financial circumstances. The key responses to transition risk are described below.

Table 7 Transition Risk Response Measures

Key Transition Risk Response	(1) Carbon Cost	(2) Technology Cost
Purchase REC	✓	-
Strengthening internal climate governance and data systems to comply with future disclosure mandates	✓	-
Invest in renewable energy, such as solar cell	-	✓
Integrating climate criteria into procurement, network expansion, and infrastructure upgrades	✓	✓
Enhancing partnerships with electricity providers, regulators, and technology vendors to explore scalable clean energy solutions	✓	✓
Conduct research and feasibility studies on potential green technology alternatives	✓	✓
Implement pilot projects to evaluate the practical application and identify real-world challenges	✓	✓
Monitor technological developments and innovation trends to stay informed	✓	✓
Build partnerships with technology providers to co-develop tailored low-carbon solutions	✓	✓

Remark: *"–" indicates that no specific risk response has been identified for the respective risks.*

2.4 Climate Resilience

AIS assesses its **resilience** to climate-related risks through climate scenario analysis, evaluating the potential implications of physical and transition risks on its business model, network infrastructure, operations, and service continuity across different time horizons and scenarios. The Company's strong **financial position** and the strategic allocation of capital towards network upgrades, climate adaptation measures, and operational efficiencies are central to building AIS's **adaptive capacity** against the potentially increasing impacts of climate change, ensuring continuous service and safeguarding enterprise value.

From a **strategic perspective**, AIS incorporates climate considerations into long-term planning, including decarbonization pathways, capital allocation, and the assessment of evolving climate-related regulations and market developments. This approach supports the management of transition risks while enabling the Company to identify opportunities to improve operational efficiency and adapt to changing business conditions.

From an **operational perspective**, AIS enhances resilience through ongoing investment in network upgrades, infrastructure protection, and operational improvement. These measures support service continuity, reduce vulnerability to physical hazards, and improve the Company’s capability to respond to and recover from disruptions.

AIS also **maintains the flexibility to adjust investment priorities and operational responses** as climate-related conditions, technologies, and regulatory environments evolve. While the timing and magnitude of climate-related impacts remain uncertain, the Company believes that its existing adaptation measures, decarbonization initiatives, and governance processes provide a foundation for managing climate-related risks and supporting long-term business resilience under a range of climate scenarios.

3 Risk Management

3.1 Climate Risk Assessment and Management

AIS has established a Climate Risk Management Process to identify, assess, prioritize, manage, and monitor climate-related risks and opportunities that may affect the Company's business model, operations, assets, and long-term value creation. The process supports strategic decision-making and enables climate considerations to be integrated into business planning and enterprise risk management.

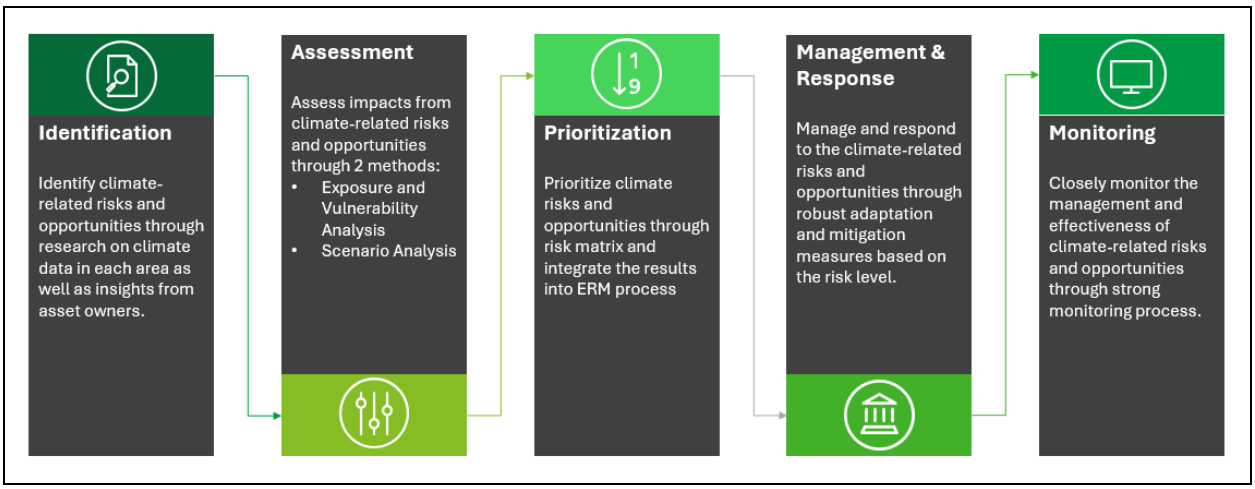


Figure 8 Climate Risk Management Process

1) Identification

Climate-related risks and opportunities are identified using multiple sources of information, including **asset-level site assessments** and **historical data on operational disruptions** associated with weather events obtained through engagements with asset and site representatives. The identification process also incorporates analysis of **local climatic and environmental conditions** using publicly available climate science and climate hazard data, combined with geospatial mapping of asset locations and asset types, as well as ongoing monitoring of **market trends and regulatory developments**. This process supports the identification of material physical and transition risks and opportunities across both short-term (event-driven) and long-term (gradual change) time horizons for subsequent assessment. AIS has identified 8 key climate-related risks for further assessments, comprising 6 physical risks and 2 transition risks.

*Further information on AIS's climate physical and transition risks is presented in the **Strategy** section.*

2) Assessment

To understand potential climate-related impacts under various future climate trajectories, identified risks and opportunities are assessed using both **exposure and vulnerability analysis** and **climate scenario analysis**. Exposure and vulnerability analysis includes geospatial mapping of infrastructure located in areas exposed to climate hazards and assessments of asset susceptibility to specific hazards to determine the potential severity of impacts on assets and operations. Climate scenario analysis is then applied to assess how climate-related drivers and associated impacts may evolve across different scenarios and time horizons.

Physical risk assessment, including both acute and chronic risks, utilize climate projections informed by the **IPCC Sixth Assessment Report (AR6)** scenarios, providing location-specific projections relevant to the Company's operational sites and supply chain exposure. Transition Risk are assessed using scenarios developed by the **International Energy Agency (IEA)**, including the Net Zero Emissions by 2050 (NZE 2050), Stated Policies (STEPS), and Announced Pledges (APS). These scenarios provide future sight of the world's situation on climate change from different paths and perspectives, informing multiple transition pathways, from a current policy baseline to an orderly, net-zero transition.

2.1) Exposure and Vulnerability Analysis

Following risk identification, AIS performs exposure and vulnerability analysis to assess the extent to which assets and operations may be affected by climate-related hazards. This analysis combines **Geospatial Analysis** to map asset locations against projected climate hazards, and **Asset Susceptibility Assessment** to evaluate the physical vulnerability of specific infrastructure in each exposed area. This supports the evaluation of the **impacts on assets as well as the subsequent financial risk** across the Company's operational footprint.

2.2) Scenario Analysis

AIS uses **climate scenario analysis** to support the assessment of identified climate-related risks and opportunities under different physical and transition pathways. The analysis considers a range of plausible climate and policy outcomes and provides inputs for strategic planning, risk management, and resilience assessments. To support the analysis, AIS uses the following inputs that have been updated from the 2024 inputs:

Table 8 Approach and Assumptions for Climate Scenario Analysis

Category	Description
Scope of the Analysis	• The assessment covers **AIS's own operations** and includes assets across all business units and geographic areas in Thailand.

Inputs	• **Physical risk scenario analysis** uses climate scenarios and historical data from reliable sources such as:
	  ○ World Bank Group's Climate Change Knowledge Portal
	  ○ Disaster probability from Global Facility for Disaster Reduction and Recovery's ThinkHazard
	  ○ Thai Meteorological Department's Thailand weather statistics
	  ○ Department of Disaster Prevention and Mitigation's disaster statistics events
	• **Transition risk scenario analysis** uses current and forecast data of carbon and energy situation, relevant regulations or financial factors derived from sources such as
	  ○ IEA's Net-zero by 2050 analysis
	  ○ Thailand's 2nd biennial update report
	  ○ Thailand's Second Nationally Determined Contribution (NDC 3.0)
	• **Insights from AIS's internal functions** such as asset owners from all business units, which provides inputs such as asset data value, historical and estimated damage fraction, average energy consumption and past downtime.

Table 8 Approach and Assumptions for Climate Scenario Analysis (continued)

Category	Description
Physical Scenarios	• **SSP1-2.6 (Low-Emission Scenario)**: This scenario reflects best-case scenario, which aligns closely with the goals of the Paris Agreement. • **SSP2-4.5 (Intermediate Scenario)**: This scenario reflects current practices or a "Business-As-Usual" approach. • **SSP5-8.5 (High-Emission Scenario)**: This scenario reflects the worst-case future if climate action is insufficient.
Transition Scenarios	• **Stated Policies (STEPS)**: This scenario reflects current or existing implementation of global policies, considered as BAU (Business-As-Usual) of energy systems. • **Announced Pledges (APS)**: This scenario was developed based on climate commitments, including Nationally Determined Contributions (NDCs) and longer-term net-zero targets announced by governments worldwide to the climate convention. • **IEA NZE 2050**: This scenario provides a clear view of the future scenario with strong global commitment on climate effort by stringent policy and rapid market shifts toward net-zero target (aligned with 1.5°C).
Time Horizons	AIS has developed climate time horizons that are approved by the Climate Action Steering Committee to be used as timeframes for climate scenario analysis. These horizons also align with AIS commitment and strategy as follows: • **Short Term (2025-2030)**: Aligned with AIS's 2030 Decarbonization Plan • **Medium Term (2031-2040)**: Aligned with NDC announcement, reflecting the expected progression of Thailand's climate transition and policy developments. • **Long Term (2041-2050)**: Aligned with NDC announcement, reflecting longer-term climate scenarios and Thailand's net-zero ambition.

For each risk and opportunity identified, both **qualitative and quantitative assessments** are performed within the context of the modeled scenarios. The outputs provide insights into the expected trajectory of these exposures across different time horizons and support the development of adaptation and mitigation responses, and broader business resilience planning.

Climate scenario analysis is inherently subject to uncertainty arising from evolving climate science, technological developments, policy pathways, and regulatory implementation. These uncertainties may influence the magnitude and timing of projected financial and operational impacts. AIS therefore periodically reviews climate-related assumptions, emerging regulations, and updated climate data and will reassess its analyses where significant developments could materially affect previous conclusions.

*Further information on the **Climate Scenario Analysis Results** is presented in the **Strategy** section.*

3) Prioritization

Climate-related risks and opportunities are prioritized based on **the severity of potential impacts and the likelihood of occurrence**. Prioritized climate-related risks are subsequently **integrated into the Enterprise Risk Management (ERM) framework** and evaluated alongside other enterprise risks, taking into consideration factors such as AIS's risk appetite, regulatory sensitivity, and strategic relevance.

Risks are assessed using AIS's Impact and Likelihood matrix, with each criterion scored on a scale from 1 (lowest) to 5 (highest). Impact assessments consider multiple dimensions, including financial implications, reputation and brand, regulatory and legal considerations, people, and business interruption. For physical risks, likelihood assessments also consider confidence levels associated with climate science and scenario assumptions.

4) Management & Response

Risk owners across the business are accountable for defining appropriate response measures and establishing relevant **Key Risk Indicators (KRIs)** and **Key Performance Indicators (KPIs)** to support adaptation and mitigation efforts and the management of climate opportunities. These management and response plans are incorporated into existing governance processes, including the medium-term (3-5 year) planning, the annual business planning, and all relevant investment approval processes, supporting the integration of climate consideration into business planning and resource allocation.

5) Monitoring

Climate-related risks and opportunities are subject to ongoing monitoring through KRIs, KPIs, and relevant external market and climate indicators. Information is periodically reported through management dashboards, reviewed during executive meetings, and supported by regular scenario updates. Monitoring outcomes may trigger reassessment of risk ratings, mitigation plans, and strategic priorities where material changes in risk exposures are identified.

In 2025, AIS updated its climate risk reassessment to reflect developments in climate science, an expanded assessment of climate hazards, broader coverage of the Company's operational footprint and business activities, and the evolving regulatory environment. Key enhancements included the adoption of revised time horizons (2030, 2040, and 2050) aligned with the Company's planning horizons and the application of scenario assumptions with greater granularity to support the assessment of potential future impacts.

3.2 Integration of Climate-related Risks and Opportunities into the Enterprise Risk Management Framework

Climate-related risks and opportunities are integrated into AIS's existing **Enterprise Risk Management (ERM) framework**, which is aligned with the internationally recognized **COSO ERM 2017 framework**. This integration enables climate-related risks to be assessed, prioritized, monitored, and managed consistently alongside other enterprise risks and supports the incorporation of climate considerations into strategic and operational decision-making.

The ERM process provides the foundational governance for climate action. This process includes clearly defined steps: setting objectives aligned with AIS's strategy and risk appetite; identifying both internal and external risk factors; evaluating risks using robust qualitative and quantitative assessments; prioritizing based on potential impact and likelihood; developing appropriate mitigation and response strategies; implementing control measures; and regularly monitoring and reporting risks. This systematic, integrated approach enables AIS to manage climate-related risks proactively and adapt its strategy effectively.

The Board of Directors, through the Audit and Risk Committee, provides high-level oversight of the ERM framework, reviewing factors like risk appetite, capacity, and policy adequacy. **Climate-specific risk oversight** is delegated to the Sustainable Development Committee. The SDC ensures climate risks and corresponding strategies are effectively governed and aligned with the company's long-term strategy and sustainability objectives.

At the executive level, the Management Committee is responsible for monitoring the integration of climate-related risks directly into core business planning and investment decisions (CAPEX/OPEX) under the oversight of Board-level functions. Separately, the Risk Management Function coordinates cross-functional assessments of climate risk and ensures that material climate-related risks are appropriately reflected in the company risk register together with corresponding response plan. The function also facilitates escalation of material climate-related risks to senior management and the Board when necessary.

To ensure strategic adaptation, AIS conducts regular **reviews of climate risks** to reflect changes in regulations, stakeholder expectations, climate science, and operational experience, including lessons learned from past weather-related disruptions. Key Risk Indicators (KRIs), such as infrastructure vulnerability, energy consumption volatility metrics, and new regulatory mandates are used to provide early warning signals and support timely adjustments to risk responses and capital allocation decisions.

4 Metrics & Targets

AIS maintains a **Greenhouse Gas (GHG) inventory** to support to support the measurement, management, and monitoring of climate-related performance and emissions reduction initiatives. The Company collects **Scope 1, Scope 2, and material Scope 3 emissions data using the operational control approach**, covering GHG emissions from AIS and its consolidated subsidiaries.

The current GHG inventory covers AIS's consolidated accounting group and does not include emissions data from its investees (Associates, Joint Ventures, and unconsolidated subsidiaries). To progressively broaden its organizational boundary, AIS plans to begin collecting initial emissions data from key investees in 2026 and aims to achieve full coverage by 2030. Emissions from investees will be disclosed separately to maintain transparency and comparability with the current reporting boundary.

AIS has established a climate-related target to provide a measurable framework for managing GHG emissions and tracking progress against its decarbonization plan. The target also supports decision-making and resource allocation by providing a common reference point for business units and stakeholders.

Reduce Scope 1 and Scope 2 GHG emissions intensity, measured as total direct (Scope 1) and indirect (Scope 2) emissions **per unit of data traffic, by 25% by 2030** compared with the 2024 baseline

(1) This target is a gross GHG emissions intensity target
(2) Greenhouse gases covered in this target are CO2, CH4, N2O, and HFCs
(3) The target was most recently reviewed and updated in 2024 following the acquisition of TTTBB

The 2030 climate targets reflect the Company's decarbonization plan, developed based on measures considered feasible under current operational, technological, and financial conditions. The Company also continues to assess the development of short- and long-term targets with consideration of Thailand's Net Zero 2050 ambition and science-based target principles.

The Company's ability to accelerate GHG emissions reductions remains influenced by several structural factors. More than 95% of total emissions are associated with purchased electricity from the national power grid, which currently has a limited share of renewable energy and is undergoing transition under Thailand's Power Development Plan. In addition, the telecommunications sector's highly distributed and electricity-intensive infrastructure constrains the large-scale deployment and direct procurement of clean energy. Limitations in existing renewable energy mechanisms, including the Utility Green Tariff (UGT), restricted access to high-quality Renewable Energy Certificates (RECs) and the absence of Virtual Power Purchase Agreement (PPA) mechanisms, create additional uncertainty regarding future renewable energy sourcing. Collectively, these factors may influence the pace and extent of GHG emissions reductions across the short, medium, and long term.

AIS's current 2030 target is based on operational control approach and covers AIS and its consolidated subsidiaries, consistent with the current GHG inventory boundary. As emissions data from investees becomes progressively available, the Company will evaluate the appropriate approach for expanding the target boundary in future reporting periods. AIS also plans to seek third-party validation of its near-term climate target, while continuing to assess the feasibility of long-term climate ambitions.

Climate-related targets and any subsequent revisions are reviewed by the Management Committee and the Sustainable Development Committee (SDC) and are subject to approval by the Board of Directors. The Management Committee and the SDC also oversee the monitoring of progress against climate-related targets and associated performance indicators.

4.1 2025 Progress and Performance

In 2025, AIS reduced its GHG emissions intensity by approximately 9% compared with the baseline, declining from 0.018 to 0.016 tCO_2e per TB, despite continued growth in data traffic and operational demand. This improvement was primarily attributed to energy efficiency initiatives and increased utilization of renewable electricity procurement mechanism, which together contributed to annual energy savings and avoided electricity consumption of approximately 107,000 MWh, equivalent to an estimated reduction of around 53,000 tCO_2e per year. These initiatives also generated estimated operational cost savings of approximately THB 486 million, reflecting the contribution of decarbonization initiatives to both emissions reduction and operational efficiency.

AIS also recoded a reduction in Scope 3 GHG emissions across key categories, with total Scope 3 emissions decreasing by approximately 68,500 tCO_2e (around 4%) compared with 2024. This reduction was primarily attributable to lower emissions from Scope 3 Category 2 (Capital Goods) following the completion of a major network investment project in 2024. As a result, total GHG emissions decreased from 1.53 million tCO_2e in FY2024 to 1.46 million tCO_2e in FY2025.

Table 9 GHG Emissions Reduction Performance

Target	Baseline	Unit	Performance against the target	
			2024	2025
Reduce GHG emissions intensity as calculated from the ratio of direct (GHG scope 1) and indirect emissions (GHG scope 2) to data traffic, by 25% by 2030 compared to the 2024 baseline	0.018	tCO_2e / Terabyte	0.018	0.016
		% Compared to target baseline	Baseline	9% decrease

The key direct and indirect decarbonization initiatives are summarized below.

4.1.1 Direct Decarbonization Initiatives

AIS implements direct decarbonization initiatives across its operations through a combination of energy efficiency measures, technology upgrades, renewable energy deployment, and low-carbon technologies. These initiatives support the Company's 2030 decarbonization plan and target by reducing Scope 1 and Scope 2 GHG emissions while improving operational efficiency. As Scope 2 emissions remain the predominant source of the Company's GHG emissions, decarbonization efforts continue to focus primarily on reducing electricity consumption and increasing the utilization of renewable energy, alongside initiatives to reduce direct emissions from Scope 1 sources.

The current financial effects in 2025 associated with the implementation of AIS's 2030 Decarbonization Plan primarily comprised capital investments and operating expenditures relating to energy efficiency improvements, low-carbon technologies, and renewable energy initiatives. Key financial effects during the reporting period included:

- Capital expenditure (CAPEX) of approximately THB 461 million invested in climate mitigation measures, including Solar PV Installation, Nearly Zero Building initiatives, Smart Cooling technologies (Temperature Control Sensors), and the transition of vehicles from internal combustion engine (ICE) technology to hybrid and electric vehicles (EVs).

- Operating expenditure (OPEX) of approximately THB 7 million associated with climate mitigation measures, including Nearly Zero Building improvements (such as LED replacement) and renewable electricity procurement mechanisms.
- Estimated operating cost savings of approximately THB 35.2 million resulting from improved energy efficiency and reduced energy consumption across operations (see ***Table 10*** for further details)

In 2025, these initiatives collectively contributed to a total reduction of **approximately 5,136 tCO_2e** in Scope 1 and Scope 2 GHG emissions, and generated **estimated operating cost savings of approximately THB 35.2 million**. Key initiatives and their associated environmental and financial benefits are summarized below.

Table 10 Direct Decarbonization Initiatives and Performance in 2025

Decarbonization Project	Details	Scope 1&2 GHG Reduced in 2025 (tCO2e)	Estimated Cost saving in 2025 (Million THB)
Nearly Zero Building	AIS is implementing energy efficiency improvements at high-energy sites through thermal efficiency enhancement, on-site renewable energy generation, and energy-efficient lighting upgrades. Key measures include the installation of structural partitioning, inverter air-conditioning systems, rooftop solar panels, and the replacement of conventional lighting with high-efficiency LED lighting. The program covers 86 sites, of which 66 sites has been completed by the end of 2025, resulting in lower electricity consumption and improved energy efficiency.	3,387	27.1
Smart Cooling (Temperature Control Sensor)	AIS is deploying automated temperature control sensors technical sites to optimize cooling system operations, and reduce unnecessary electricity consumption from air-conditioning systems. The initiatives cover 14 sites, with installations completed at 4 sites in 2025.	681	5.6
Power Purchase Agreement (PPA)	AIS entered into a Power Purchase Agreement (PPA) to support the installation of solar panels at 5 locations. The project is expected to generate approximately 2,130 MWh of electricity annually, contributing to renewable electricity generation and operational cost savings.	1,065	2.5

Table 10 Direct Decarbonization Initiatives and Performance in 2025 (continued)

Decarbonization Project	Details	Scope 1&2 GHG Reduced in 2025 (tCO2e)	Estimated Cost saving in 2025 (Million THB)
Vehicle Transformation from ICE to Hybrid or EV	AIS targets the replacement of selected internal combustion engine (ICE) equipment with electric alternatives. In 2025, the Company deployed 3 electric forklifts across regional warehouses in the Central, South, and East regions, resulting in an estimated GHG emissions reduction of approximately 1.44 tCO_2e. AIS also leased 4 electric forklifts in the Central and Northeast regions, contributing an additional emissions reduction of approximately 1.92 tCO_2e.	3.36	0.03
Total GHG Scope 1 & 2 reduction (tCO2e) & Cost saving (THB)		**5,136.36**	**35.2**

Remark: *AIS incurred approximately THB 455 million in CAPEX for the Solar PV initiative in 2025. As the project remained in the procurement phase, with installation scheduled for 2026, no GHG emissions reductions or related cost savings were recognized in 2025.*

Building on the progress achieved in 2025, AIS will continue to advance its decarbonization initiatives focused on energy efficiency and renewable energy deployment. In 2026, the Company plans to enhance cooling efficiency by replacing conventional air-conditioning units with inverter-type systems, which consume less electricity while maintaining equivalent cooling performance. In addition, AIS plans to install on-site solar photovoltaic (PV) systems at approximately 7,000 sites, with expected electricity generation of around 26,600 MWh per year, in line with its 2030 decarbonization roadmap.

To support progress toward 2030 target, AIS has developed a portfolio of ongoing and planned initiatives covering energy efficiency improvements, low-carbon technologies, and renewable energy deployment (see details in the Strategy section). Based on current assumptions, these initiatives are expected to reduce Scope 1 and Scope 2 GHG emissions by approximately 152,000 tCO_2e by 2030. Decarbonization initiatives and associated investments are periodically reviewed and incorporated into business planning and capital allocation processes to support their implementation through 2030.

4.1.2 Indirect Decarbonization Initiatives (Scope 3)

Besides Scope 1 and 2 GHG emissions reduction through direct decarbonization initiatives, AIS continues to pursue opportunities to reduce material Scope 3 GHG emissions across its value chain. As an initial step, AIS identified the Scope 3 categories most relevant to its business using peer benchmarking and sector-specific ICT guidance. Based on this assessment, the Company's most material Scope 3 categories are: Category 1 Purchased Goods and Services, Category 2 Capital Goods, Category 3 Fuel- and Energy-Related Activities not included in Scope 1 and 2, and Category 11 Use of Sold Products.

To support emissions reduction beyond its direct operational boundary, AIS engages with business partners and suppliers as part of its Scope 3 decarbonization efforts. The Company has established a supplier engagement program focusing on significant and strategic suppliers, including communication of AIS's climate targets and expectations, knowledge sharing on climate-related topics, and guidance on GHG emissions data collection and calculation in accordance with internationally recognized standards.

Through these engagement activities, AIS seeks to strengthen alignment on climate-related objectives and improve the availability and quality of emissions information across the value chain. Continuing the program initiated in 2024, AIS engaged with 57 significant suppliers in 2025. In parallel, AIS has begun implementing targeted initiatives to address material Scope 3 categories as part of its broader value chain decarbonization efforts.

Table 11 Indirect Decarbonization Initiatives and Performance in 2025

Projects	Details
Customer Engagement	AIS has implemented the Full-E program through myAIS app to facilitate digital transactions and enable customers to conveniently manage multiple services independently, including checking balances, paying bills online, managing packages, and receiving e-Bill and e-Receipt without visiting AIS Shop. In 2025, AIS continued to enhance myAIS by improving functionality and user experience in response to evolving customer needs. As a result transactions conducted through myAIS increased by 21% compared with the previous year, while adoption of e-Bill and e-Receipt reached a total of 298 million transactions, supporting reduced paper consumption and customer travel.
Enabling the Business Sector's Decarbonization Efforts Through Digital Solutions	AIS provides digital solutions to help its enterprise customers improve operational efficiency, optimize resource utilization, and reduce GHG emissions. These digital solution services are categorized into 2 groups: **1. Cloud, Data Center & Mobility**: This group offers comprehensive digital solutions including cloud, data center, and hybrid workspace solutions (e.g., online conferencing, contact centers, and business management tools) supported by 4G, 5G, and fiber networks. These solutions can help customers improve resource and energy efficiency across their operations. **2. 5G & IOT Solutions**: AIS provides 5G and IoT solutions integrated with data analytics and AI to support data-driven operations and improve business process efficiency. Examples include: • **Smart Property & Building** – solutions that monitor energy usage and equipment operation in buildings and industrial facilities through data analytics and usage forecasting. • **Smart Transportation & Logistics** –digital platform that integrate IoT devices, AI, and data analytics to support fleet and transportation management, including route optimization and operational monitoring.

AIS will continue to address material Scope 3 emissions across the value chain through supplier engagement, consideration of low-carbon solutions in procurement and asset investment decisions, and the provision of digital products and services that support customers' resource efficiency and decarbonization efforts.

4.2 Internal Carbon Price

AIS recognizes the potential role of an Internal Carbon Price (ICP) as a tool to support the consideration of future carbon-related costs in business decision-making. However, the Company does not currently apply an Internal Carbon Price (ICP) in its business planning or investment decision-making processes. The Company continues to monitor the development of Thailand's Climate Change Act and the subsequent roadmap for carbon pricing mechanisms, including potential carbon tax and emissions trading system (ETS) frameworks.

As the domestic regulatory framework continues to evolve, AIS will assess the potential implications of future carbon pricing mechanisms on its operations, financial planning, and decarbonization strategy. The Company will continue to review developments in climate-related regulations and market mechanisms and will consider appropriate management responses as greater clarity on the regulatory framework emerges.

4.3 Planned Use of Carbon Credit

AIS's current **2030 target** is a **gross GHG reduction target** with **no reliance on carbon credits or offsets**. As the Company continues to assess the development of longer-term climate targets and transition pathways, AIS may evaluate the potential role of high-quality carbon credits and offset mechanisms as part of its longer-term climate considerations.

Any future use of carbon credits or offsets will be subject to further assessment of their strategic relevance, environmental integrity, and applicable governance requirements. AIS will establish an appropriate policy and governance framework should the use of carbon credits or offsets be considered in support of future long-term climate targets.

4.4 Metric and Performance

The following tables present AIS’s climate-related metrics and performance, including GHG emissions reduction performance and industry-based metrics for the Telecommunications Services sector.

Table 12 GHG Emissions and Intensity Performance

Metrics	Unit	2024 (Baseline)	2025
Total Gross GHG Emissions (Scope 1 and 2)	tCO_2e	798,881	820,916
Gross Scope 1 – Direct GHG emissions[1] There are no sources in the current document	tCO_2e	30,349	28,787
Gross Scope 2 – Indirect GHG emission[2]			
• Location-based	tCO_2e	768,532	792,129
• Market-based[3]	tCO_2e	768,532	793,194
Gross Scope 3 – Indirect GHG emissions[4]	tCO_2e	729,107	638,547
• Category 1: Purchased goods and services	tCO_2e	191,612	211,642
• Category 2: Capital goods	tCO_2e	128,932	50,795
• Category 3: Fuel- and Energy Related Activities not included in Scope 1 or Scope 2	tCO_2e	154,494	147,483
• Category 4: Upstream transportation and distribution	tCO_2e	9,399	10,555
• Category 5: Waste generated in operations	tCO_2e	460	705
• Category 6: Business travel	tCO_2e	930	1,043
• Category 7: Employee commuting	tCO_2e	48,079	13,754
• Category 8: Upstream leased assets	tCO_2e	82	89
• Category 11: Use of sold products	tCO_2e	186,832	192,765
• Category 12: End of life treatment of sold products	tCO_2e	256	848
• Category 13: Downstream leased assets	tCO_2e	8,031	8,868
GHG Intensity (Scope 1 and 2)[5]	tCO_2e / Terabyte	0.018	0.016

Table 13 Climate-Related Risks and Opportunities Metrics

Metrics	Unit	2024	2025
Climate-Related Risks			
Assets or business activities vulnerable to climate-related physical risks			
(1) Storm-Induced Flood			
○ Retail Shop	Number of provinces exposed	N/A	77
	Number of assets exposed	N/A	288 (36% of all retail shops)
○ Mobile Base Station ** Only on-ground mobile base stations are exposed to flooding risks.*	Number of provinces exposed	N/A	77
	Number of assets exposed	N/A	36,932 (83% of all mobile base stations)
(2) Storm Winds			
○ Mobile Base Station	Number of provinces exposed	N/A	18
	Number of assets exposed	N/A	10,544 (24% of all mobile base stations)

Table 13 Climate-Related Risks and Opportunities Metrics (continued)

Metrics	Unit	2024	2025
Climate-Related Risks			
(3) Flooding			
○ Retail Shop	Number of provinces exposed	N/A	77
	Number of assets exposed	N/A	288 (36% of all retail shops)
○ Mobile Base Station ** Only on-ground mobile base stations are exposed to flooding risks.*	Number of provinces exposed	N/A	77
	Number of assets exposed	N/A	36,932 (83% of all mobile base stations)
(4) Extreme Heat			
○ Data Center	Number of provinces exposed	N/A	7
	Number of assets exposed	N/A	11 (100% of all data centers)
○ Main Switching Center	Number of provinces exposed	N/A	9
	Number of assets exposed	N/A	12 (100% of all main switching centers)
○ Mobile Main Junction	Number of provinces exposed	N/A	77
	Number of assets exposed	N/A	828 (100% of all mobile main junctions)
Assets or business activities vulnerable to climate-related transition risks	Number of assets or business activities	N/A	All Assets
	Percentage	N/A	100%
Capital expenditure, financing, or investment deployed towards climate-related risks (climate adaptation)	Million THB	N/A	13.4

Note: ***(5) Sea Level Rise Risk*** *- A screening assessment was conducted on all assets, and none were identified as vulnerable or exposed to this risk due to very minimal direct effects on AIS assets and the inability to distinguish the specific financial impact of sea level rise separately from broader flooding-related costs.*
(6) Landslide Risk*- Landslide exposure could not be assessed in specific location; only number of provinces exposed to landslide is considered (see* ***Table 3*** *for further details).*

Table 13 Climate-Related Risks and Opportunities Metrics (continued)

Metrics	Unit	2024	2025
Climate-Related Opportunities			
Assets or business activities aligned with climate-related opportunities	Number of assets	N/A	74
	Percentage	N/A	4
Capital expenditure, financing, or investment deployed towards climate-related opportunities (climate mitigation)	Million THB	N/A	6.05
Energy			
Total Energy Consumption	MWh	1,694,283	1,750,565
	Terajoule	6,099	6,302
1) Total non-renewable energy consumption	MWh	1,642,366	1,690,459
	Terajoule	5,913	6,086
• Direct energy consumption: Fuel and other[6]	MWh	104,994	105,884
	Terajoule	378	381
• Indirect energy consumption: Electricity[7]	MWh	1,537,372	1,584,575
	Terajoule	5,535	5,704
2) Total renewable energy consumption[8]	MWh	51,917	60,106
	Terajoule	187	216
• % Energy from renewable sources	Percentage	3.06	3.79
Power Usage Effectiveness (PUE) at Data Centers[9]	Unit	1.58	1.55
Energy Consumption in Dater Centers	MWh	117,214	121,984
• % Energy from renewable sources in data centers	Percentage	1.30	1.19
Energy cost	Million THB	7,628	7,505

Table 14 Industry-based Metrics: Telecommunication Services Sector - Activity Metrics

Activity Metrics				
Activity Metric	**Code**	**Unit**	**2024**	**2025**
Number of wireless subscribers	TC-TL-000.A	Number of subscribers (Million)	45.76	46.8
Number of wirelines subscribers[10]	TC-TL-000.B	Number	N/A	N/A
Number of broadband subscribers	TC-TL-000.C	Number of subscribers (Million)	5.0	5.2
Network traffic	TC-TL-000.D	Petabytes	45,555	51,546

Table 15 Industry-based Metrics: Telecommunication Services Sector - Sustainability Disclosure Topics & Accounting Metrics

Sustainability Disclosure Topics & Accounting Metrics					
Topic	**Activity Metric**	**Code**	**Unit**	**2024**	**2025**
Environmental Footprint of Operations	(1) Total energy consumed	TC-TL-130a.1	Gigajoules (GJ)	6,099,420	6,302,035
	(2) Percentage grid Electricity		Percentage	91	91
	(3) Percentage renewable		Percentage	3.06	3.79
Data Privacy	Description of policies and practices related to behavioral advertising and customer privacy	TC-TL-220a.1	N/A	Refer to Sustainability Report 2024	Refer to Sustainability Report 2025
	Number of customers whose information is used for secondary purpose	TC-TL-220a.2	Number	Refer to Sustainability Report 2024	Refer to Sustainability Report 2025
	Total amount of monetary losses as a result of legal proceedings associated with customer privacy	TC-TL-220a.3	THB	None	None
	(1) Number of law enforcement requests for customer information	TC-TL-220a.4	Number	19,854	24,653
	(2) Number of customers whose information was requested		Number	N/A (only number of cases were recorded)	N/A (only number of cases were recorded)
	(3) Percentage resulting in disclosure		Percentage	93	96
Data Security	(1) Number of data breaches	TC-TL-230a.1	Number	0	0
	(2) Percentage that are personal data breaches		Percentage	0	0
	(3) Number of customers affected		Person	0	0
	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	TC-TL-230a.2	N/A	Refer to Sustainability Report 2024	Refer to Sustainability Report 2025

Table 15 Industry-based Metrics: Telecommunication Services Sector - Sustainability Disclosure Topics & Accounting Metrics (continued)

Sustainability Disclosure Topics & Accounting Metrics					
Topic	**Activity Metric**	**Code**	**Unit**	**2024**	**2025**
Product End-of-life Management	(1) Materials recovered through take-back program	TC-TL-440a.1	Pieces/ Tons	171,811 pieces of e-waste were collected, equivalent to approximately 20.6 tons	241,184 pieces of e-waste were collected, equivalent to approximately 30.9 tons
	(2) Percentage of recovered materials that were reused		Percentage	0	0
	(3) Percentage of recovered materials that were recycled		Percentage	100	100
	(4) Percentage of recovered materials that were landfilled		Percentage	0	0
Competitive Behavior & Open Internet	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behavior regulations	TC-TL-520a.1	THB	None	None
	Average actual sustained download speed of: (1) owned and commercially associated content (2) non-associated content[11]	TC-TL-520a.2	Megabits per second (Mbps)	N/A	N/A
	Description of risks and opportunities associated with net neutrality, paid peering, zero rating, and related practices[12]	TC-TL-520a.3	N/A	N/A	N/A

Table 15 Industry-based Metrics: Telecommunication Services Sector - Sustainability Disclosure Topics & Accounting Metrics (continued)

Sustainability Disclosure Topics & Accounting Metrics					
Topic	**Activity Metric**	**Code**	**Unit**	**2024**	**2025**
Managing Systemic Risks from Technology Disruptions	(1) System average interruption duration[13]	TC-TL-550a.1	Minutes	N/A	44
	(2) System average interruption frequency[13]		Numbers	N/A	0.007
	(3) customer average interruption duration[13]		Minutes	N/A	6,631
	Discussion of systems to provide unimpeded service during service interruptions	TC-TL-550a.2	N/A	Refer to Annual Report 2024	Refer to Annual Report 2025

Remarks:

1. GHG emissions resulted from the burning of fuels, vehicles, power generators, coolant leakage and carbon dioxide type fire extinguishers. In the reporting year 2025, AIS has formally adopted the Greenhouse Gas (GHG) Protocol: A Corporate Accounting and Reporting Standard (2004) as the authoritative reference framework for GHG consolidation and external assurance. While the Company's prior inventories in the past years used the Thailand Greenhouse Gas Management Organization (TGO) method (which applies IPCC AR5 Global Warming Potentials), the underlying calculation and operational control consolidation approach remain unchanged. Consequently, this formal shift to the international GHG Protocol does not have a material impact on reported emissions. Due to the consistency of the final figures, comparative information from prior years has not been restated.
2. The source of Indirect GHG emissions (Scope 2) comes from the national grid and self-generated electricity through the Power Purchase Agreements (PPA) with Gulf Energy Development.
3. AIS's market-based Scope 2 GHG emissions only occur from a PPA initiative (long-term PPAs with Gulf Energy Development) with no other sources. This initiative creates a difference in the reported numbers of location-based and market-based Scope 2 GHG emissions.
4. Significant improvements were made to the Scope 3 assessment in 2023, employing GHG protocol methodologies and gathering data at a more granular level, resulting in substantial variations between the 2022 and 2023 data sets. These changes in data coverage account for the observed differences. In 2024, the Company reported Scope 3 emissions across 11 categories as the numbers reported on the above table. These reported emissions have been independently verified by a third-party auditor, ensuring accuracy and reflecting the expanded reporting scope for more comprehensive coverage.
5. GHG Intensity is the ratio of GHG per data traffic generated throughout the year. It is specific for telecommunication industry which shows efficiency of the emission by stating how much GHG is emitted for every terabit of generated traffic. In 2024, the unit was changed from tCO2 e per terabit to tCO2 e per terabyte, along with the data traffic scope expanded to cover both mobile and fixed broadband businesses. Previously reported numbers have been adjusted accordingly to ensure consistency with these changes.
6. Direct energy consumption results from fuel for operation vehicles and backup generators. The monthly collected data in liters are derived to obtain energy by a conversion factor provided by Department of Alternative Energy Development and Efficiency (DEDE).
7. Indirect energy consumption is from electricity used in business including network operations. Data is compiled to total MWh of usage through either Metropolitan or Provincial Electricity Authority billing, which is recorded in the system.
8. As of 2025, AIS has installed solar panels under Power Purchase Agreements (PPAs) with Gulf Energy Development across a total of 5 AIS sites. Through this initiative, renewable energy consumption in 2025 significantly increased, as AIS was able to generate more renewable electricity from the expanded deployment of solar panels.
9. Power Usage Effectiveness (PUE) is a metric to measure efficiency of data centers. PUE is defined as total energy used in a data center divided by the usage of the IT equipment load that such data center serves. The increase in PUE in 2024 is attributed to the expanded data collection scope, which now encompasses all data centers currently operated by the company and its subsidiaries.
10. AIS does not have wireline services.

11. AIS does not have these specified metrics. The company complies with service quality requirements established by the National Broadcasting and Telecommunications Commission (NBTC) and reports download speed in accordance with the reporting standard specified by the NBTC.
12. AIS provides internet access services based on equal and non-discriminatory treatment and comply with related regulations on customers' rights.
13. In 2025, the average network downtime was primarily attributable to due to prolonged flooding and widespread inundation across multiple areas. These events led to extended power outages, resulting in disruptions to the telecommunications network's power supply and longer-than-usual system recovery times.