AIS Business Sustainability

Advanced Info Service Public Company Limited

AGENDA

Business Challenges & Direction
AIS CEO
Somchai Lertsutiwong

**How to address
the challenge of
climate-related issues**

Head of Investor Relations &
Compliance

**Creating positive
impacts on society
and the environment**

Head of Public Relations

Business Challenges & Direction

CHALLENGES IN THE EVOLVING DIGITAL ECONOMY

1. Changing Business Landscape

- Competitive pressure weighs on revenue growth of mobile business

- Digital economy drives demand for more connectivity and innovative digital solutions

- Greater connectivity comes with greater cybersecurity and data privacy challenges

2. Climate Agenda is at the Hype

- Climate-related policy and regulations are underway

- Sustainability moves up the agenda for network transformation

- Consumer awareness and behavior shift towards environmentally friendly products and services

- Growing expectations for climate disclosures and transparency

CREATE LONG-TERM VALUE WITH SUSTAINED COMPETITIVENESS

Driving win-win growth for all STAKEHOLDERS while caring for the society and environment

Putting CUSTOMERS first so we transform their interactions and create wonderful experiences

COGNITIVE **TECH-CO**
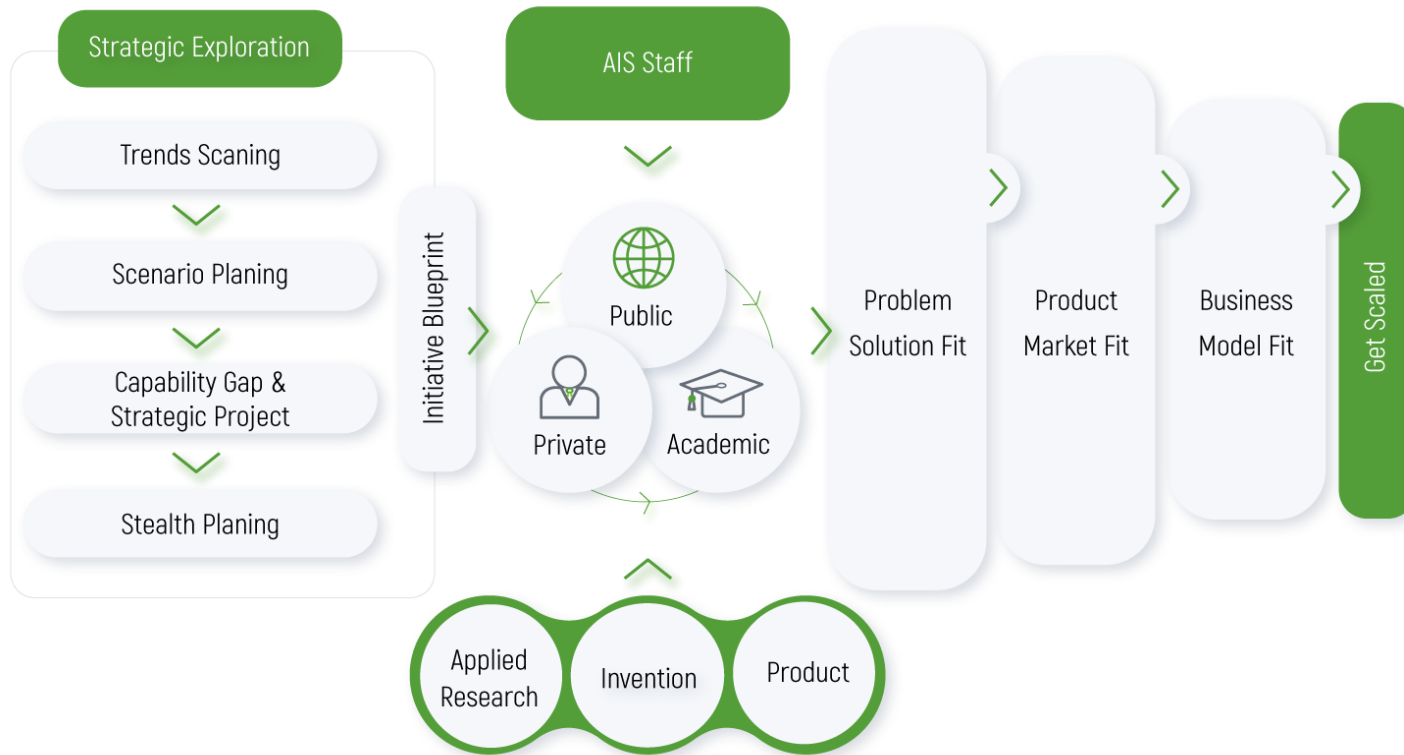
Enabling COLLEAGUES to make a difference through an uplifting culture of trust, care & empowerment

CULTIVATE AN INNOVATIVE ORGANIZATION

AIS Open Innovation Framework

Strategic Exploration
- Trends Scaning
- Scenario Planing
- Capability Gap & Strategic Project
- Stealth Planing

Initiative Blueprint

AIS Staff

Public
Private
Academic

Applied Research — Invention — Product

Problem Solution Fit → Product Market Fit → Business Model Fit → Get Scaled

Foundation for innovation

Establishment of a new business unit to innovate products and services

People and Culture Transformation

Innovation Ecosystem Development

Technology and Knowledge Development

ENHANCE RELIABLE SYSTEM FOR CYBERSECURITY AND DATA PROTECTION

Cybersecurity operation framework

System Recovery

Risk Identification

Response Measure Formulation

Protection Standard Determination

Threat Detection

Technology and process improvement

- Apply 365 Cybersecurity tool (external access)
- The 24x7 Cybersecurity Operation Center (CSOC)
- Apply AI and Machine Learning to proactively detect cyber threats
- Data classification & handling framework: by design & by default

Capabilities & awareness building

- 98% of employee passed compulsory test

Certifications and standards

- ISO27001: Security operations and CSOC as a service
- British Standards Institution (BSI): CSA-STAR
  Cloud Security Alliance's Security, Trust & Assurance Registry Program
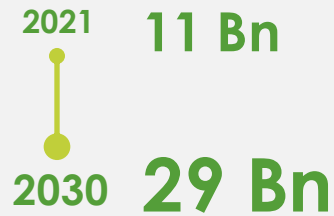- Payment Card Industry Data Security Standard (PCI-DSS)

How to address the challenge of climate-related issues

UNDERSTAND RISKS AND OPPORTUNITIES

Our impact on the environment

Nearly Triple Growth for IoT connected device

2021 — **11 Bn**

2030 — **29 Bn**

Acceleration of hyper-connected world creates upwards pressure on operators' energy usage

⌄

More emission from the electricity usage

⌄

Our responsibility to reduce the emissions

Risks

Physical risks

- Great flood 2011 affected **14%** of GDP
- In top **10** most flood-affected country

⌄

Network and Infrastructure disruption

Transition risks

- Regulatory change
- Stakeholders' Expectations

⌄

Financial impact for the transition
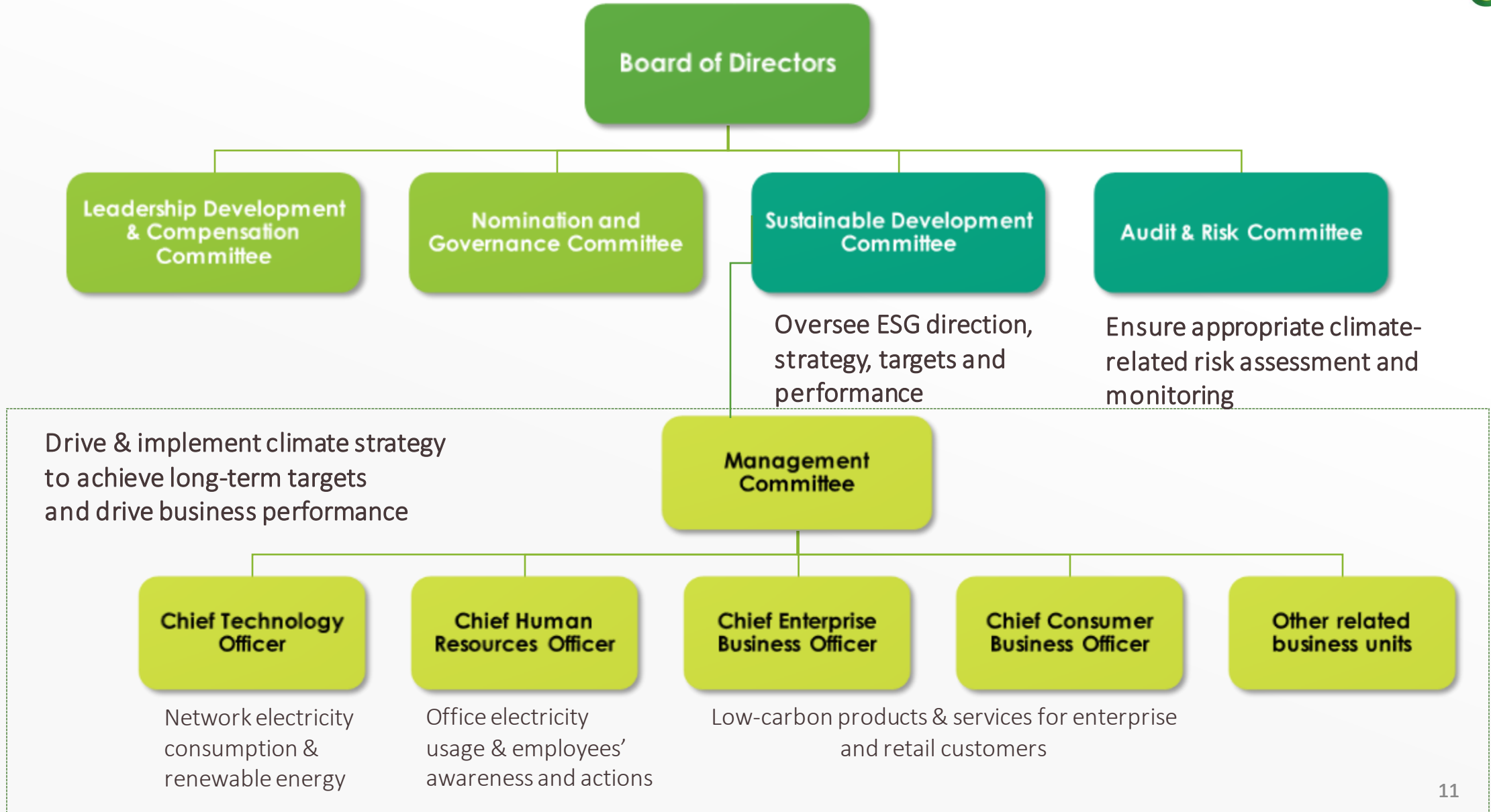
Opportunities

Mobile industry emissions

0.4%

of global emissions

>

Digitalization enables reduction in other sectors

CO_2

10 times larger

ESTABLISH STRONG GOVERNANCE

Board of Directors

- Leadership Development & Compensation Committee
- Nomination and Governance Committee
- Sustainable Development Committee
- Audit & Risk Committee

Oversee ESG direction, strategy, targets and performance

Ensure appropriate climate-related risk assessment and monitoring

Drive & implement climate strategy to achieve long-term targets and drive business performance

Management Committee

- Chief Technology Officer
- Chief Human Resources Officer
- Chief Enterprise Business Officer
- Chief Consumer Business Officer
- Other related business units

Network electricity consumption & renewable energy

Office electricity usage & employees' awareness and actions

Low-carbon products & services for enterprise and retail customers

11

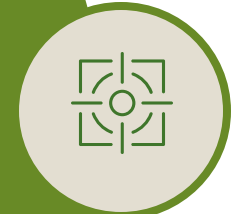# INTEGRATE CLIMATE-RELATED ISSUES IN COMPANY-WIDE STRATEGY

1 Materiality assessment

Conduct materiality assessment every 3 years to evaluate sustainability-related issues and broader emerging challenges

2 Risk and opportunity analysis

Assess the climate-related risks and opportunities, and potential financial impacts using climate models to perform scenario analysis

TCFD TASK FORCE ON CLIMATE−RELATED FINANCIAL DISCLOSURES

3 Set targets and plans

Define strategy and measurable targets, as well as adaptation and mitigation plans

SCIENCE BASED TARGETS

4 Implementation and monitoring

Related BUs execute proper adaptation and mitigation plans. SDC monitors the implementation to ensure the effectiveness

SHAPE A GREENER FUTURE OF LIFE FOR CONSUMERS AND SOCIETY

2023

1. Reduce GHG emission intensity (tCO$_2$e per terabit) by 90% compared to the baseline in 2015
2. Increase renewable energy to 5%

2030

40% emission reduction for Scope 1 & 2

2050

Net-zero emission

Our decarbonization strategy

Energy Efficiency

- Install multi-mode station equipment (3G, 4G, & 5G) and improve efficiency of the equipment.
- Use big data analysis to manage network channels and maximize power efficiency.

Renewable Energy

Install solar panels at base stations and data centers to increase the proportion of our renewable energy usage

Low-Carbon Products and Services

- Develop smart solution services to support enterprise customers to reduce their emissions through digitization
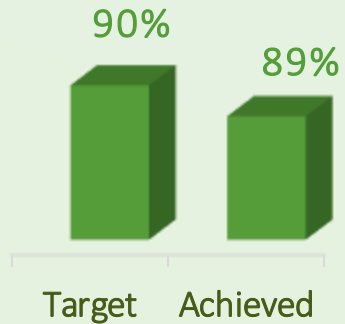- Encourage retail customers to adopt the Full-E concept to reduce paper usage

Machine Monitoring by IoT

Facility Monitoring by IoT sensors

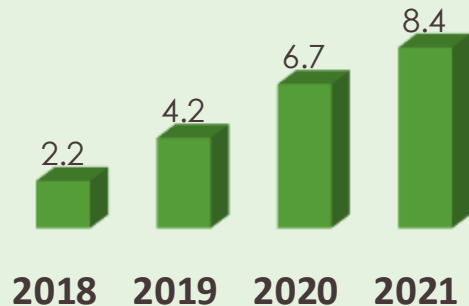# PERFORMANCE HIGHLIGHTS

Emission reduction

Emission intensity reduction

90% — Target
89% — Achieved

No. of base stations with solar cell

2012	2020	2021
17	2,747	5,768

E- bill subscriptions
(Million billing accounts)

2018	2019	2020	2021
2.2	4.2	6.7	8.4

▼ **27,543** tCO_2e — **Network energy efficiency programs**

▼ **8,139** tCO_2e — **Renewable energy**

▼ **10,459** tCO_2e — **Full-E concept**

Enhance climate-related disclosures

TCFD | TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES

- 2021: Adopt the framework of Taskforce on Climate-related Financial Disclosures
- 2022: Enhance scenario analysis by using well-accepted climate models to assess climate-related risks

CDP

- 2022: Disclose our climate targets and strategies through CDP

14

Creating positive impacts on society and the environment

DIGITAL FOR THAIS

Digital Health

Digital Wellness
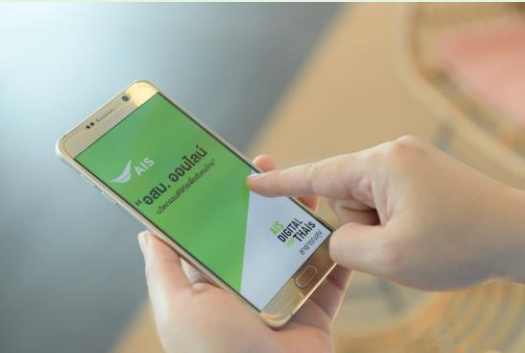
Environment

Aor Sor Mor Online Application

- 1185 AIS Spam Report Center
- Aunjai Cyber
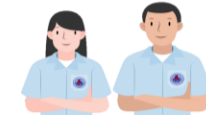
Thais Say No to E-Waste

DIGITAL HEALTH : AOR SOR MOR ONLINE APPLICATION

1M+ Downloads

7.2K Health Centers

525K VHV Active Users

COVID-19 Screening **1.21M** As of 30.04.2022

Mental Health Screening **1.15M** As of 30.04.2022

Mosquitoes league Survey **4.59M** Families As of 31.12.2021

Agricultural Chemical Use Screening **2.85M** Families As of 14.08.2020

Digital Wellness "อุ่นใจไซเบอร์"

Technology

- **AIS Secure Net**
- **Google Family Link**
- **1185 AIS Spam Report Center**

Family Link

AIS Secure Net

Wisdom

หลักสูตรอุ่นใจไซเบอร์

กลุ่มเป้าหมาย

เด็ก เยาวชน จำนวน 4.7 ล้านคน
ครู บุคลากรทางการศึกษา จำนวน 436,000 คน
ลูกค้าเอไอเอส มากกว่า 40 ล้านราย

ความร่วมมือ

+ + AIS + + KMUTT

เรียนรู้ฟรีไม่มีค่าใช้จ่าย

LearnDi
Digital Learning Platform

AIS อุ่นใจ CYBER
Download on the App Store
GET IT ON Google Play

บนออนไลน์แพลตฟอร์ม LearnDi for Thais
เว็บไซต์ https://learndiunjaicyber.ais.co.th และแอปพลิเคชัน AIS อุ่นใจ CYBER

DIGITAL WELLNESS : CYBER SECURITY

1185 AIS Spam Report Center

Collaborate with the Cyber Crime Investigation Bureau

DIGITAL WELLNESS : AUNJAI CYBER

PARTNERSHIP	AWARENESS	KNOWLEDGE

- MOE (กระทรวงศึกษาธิการ)
- DMH (กรมสุขภาพจิต)
- DLA (กรมส่งเสริมการปกครอง ส่วนท้องถิ่น)
- KMUTT (มจธ.)

- **Massive awareness campaign**
- **Stop Cyberbullying :** **Please Call Me by My Name**
- **AIS x Joylada**
- **VDO Content 2022**
- **Content**

- **2021- 2022**
  159,374 Users

Digital Citizenship

ตัวอย่างเกียรติบัตร

Cyber Wellness Index

INDEX   By AIS x

AIS อุ่นใจ CYBER

Stop Cyberbullying #PleaseCallMebyMyName

e-waste GREEN NETWORK

AIS 5G

PARTNERSHIP

139

Organizations

Government & Private Sectors
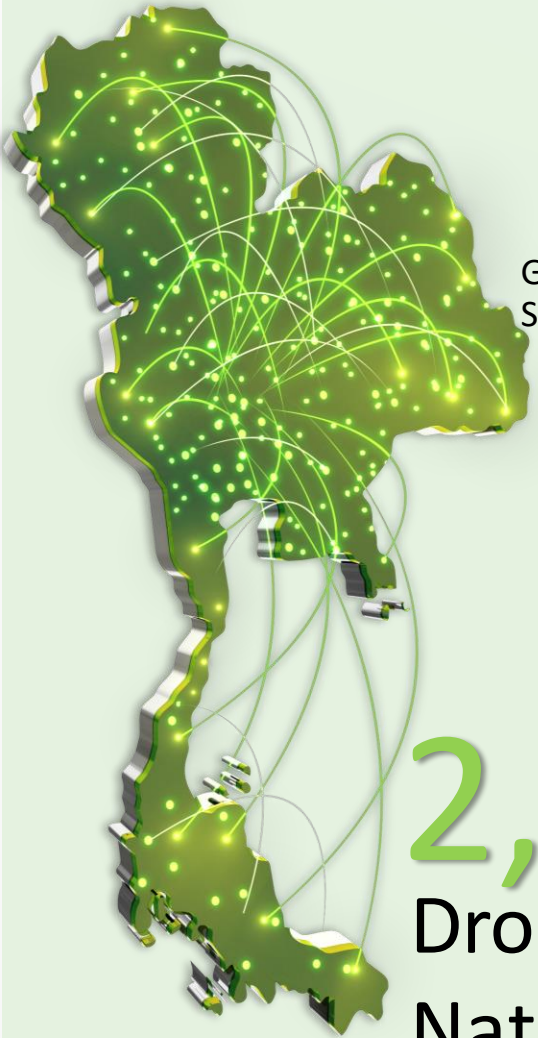
2,478
Drop Points
Nationwide

Mobile / Tablet

Power Bank

Small Talk

Battery

Power Cable

0%
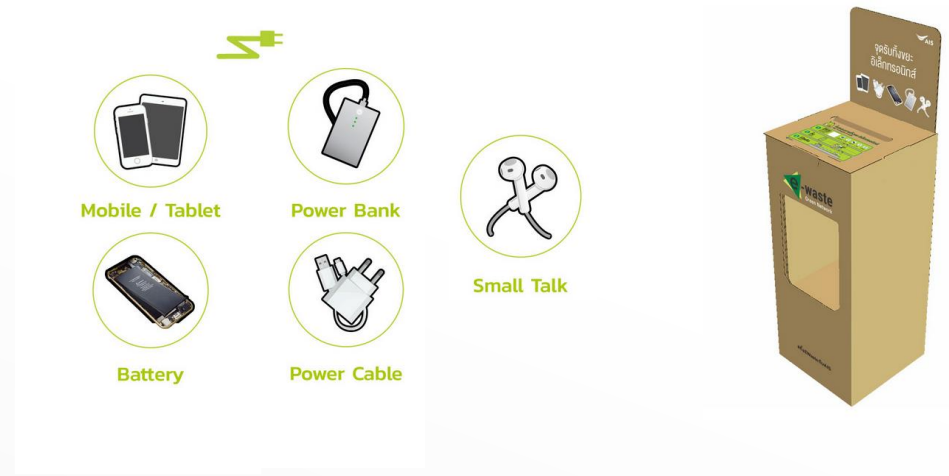
Zero e-waste to Landfill

Expand Channel
- Take My E-Waste Away
  : Thailand Post Office

VDO &Content
- Earth Day
- Environment Day
- International E-Waste Day

Rewards & Incentive
- AIS Point
- Lucky Draw
- Discount Code : LAZADA

GREEN THAI LEAGUE

Transform e-waste to touch & feel values

Historical Thai E-Waste Medal

Collaboration with Waste Management Siam (WMS) and Thai League
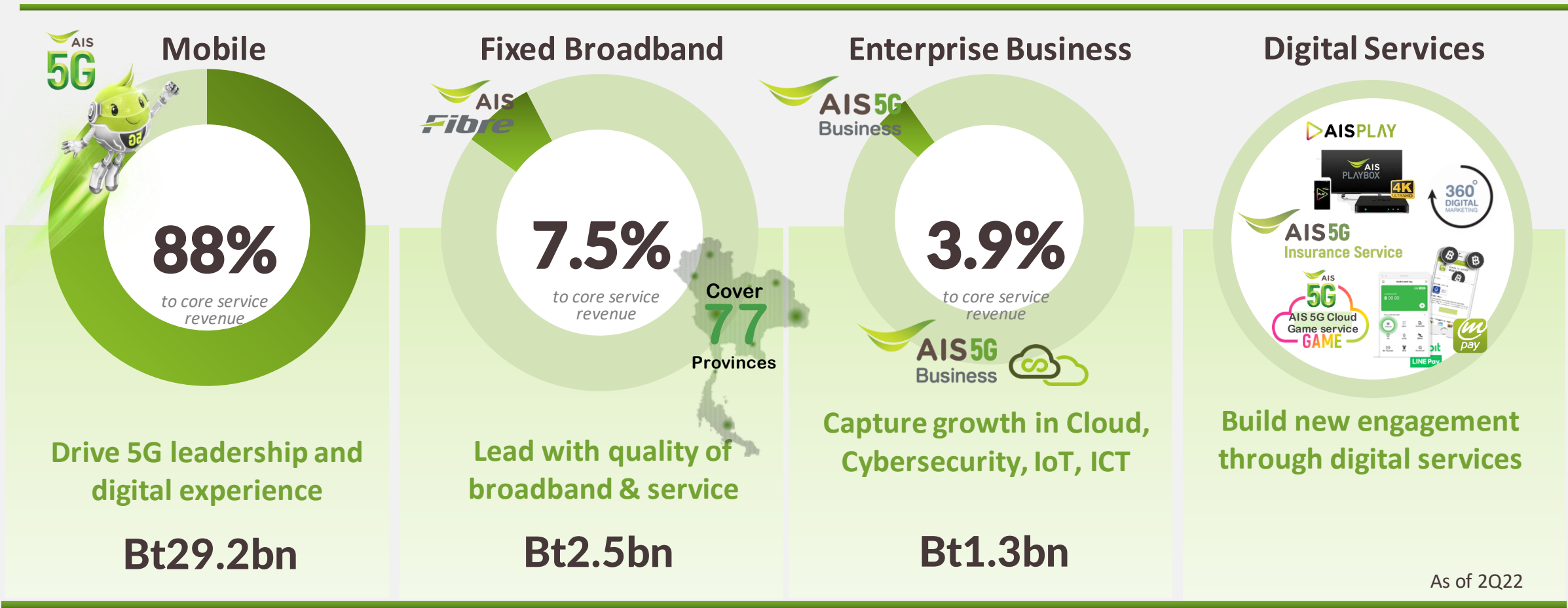
Engage with Football Players and Fanclub

Appendix

BUSINESS OVERVIEW

"Digital Life Service Provider" ➤ **"Cognitive Tech-Co"**

Mobile

88%
to core service revenue

Drive 5G leadership and digital experience

Bt29.2bn

Fixed Broadband

7.5%
to core service revenue

Cover **77** Provinces

Lead with quality of broadband & service

Bt2.5bn

Enterprise Business

3.9%
to core service revenue

Capture growth in Cloud, Cybersecurity, IoT, ICT

Bt1.3bn

Digital Services

Build new engagement through digital services

As of 2Q22

BUSINESS SUSTAINABLE DEVELOPMENT

"Drive with *PURPOSE* to *CREATE LONG TERM VALUE* with sustained *COMPETITIVENESS*"

Long-term value & competitiveness	Drive **long-term growth strategy** and invest in **sustainable business model** that **positively impact the world**
Resiliency	Understand **ESG-related risks & opportunities** and its impacts to the business and able to **adapt toward changing space and mitigate the risks**
Good corporate citizenship	Be responsible to **reduce negative impact** that the business causes to the society and **create positive impact toward well-being of society & community**

THRIVE IN A GREENER AND INCLUSIVE DIGITAL WORLD

Drive digital economy
Enable people and businesses to grow in the digital economy

- Expand 5G connectivity to support economic growth
- Drive digital services to both consumers & enterprise
- Maintain resiliency for data security and privacy

Promote digital inclusion
Build inclusive and responsible digital access in our products & services

- Provide inclusive digital access to promote social & economic wellbeing
- Support consumers to be digitally responsible and promote livelihood

Act on climate
Shape a greener future of life for consumers and society

- Manage our own network and operation to be light to the environment
- Support our customers and supply chain to reduce the environmental footprint

SUSTAINABLE DEVELOPMENT STRATEGY

Economy

1 Digital Innovation
Create products and services through digital innovation to improve the quality of life of Thai people and elevate the competency of the Thai business sector.

2 Cyber security and Customer Privacy Protection
Develop a reliable system for cybersecurity and customer privacy protection.

Society

3 Human Capital Development
Nurture and develop AIS human capital to support business growth particularly digital business.

4 Social Inclusion
Uplifting community well-being and decreasing social inequality through digital infrastructure and solutions.

5 Cyber wellness
Striving to establish a brand that promotes safe and appropriate use of the internet and social media

Environment

6 Climate Actions
Reducing GHG emissions through high efficient business operations and utilization of renewable energy

7 Waste
Reducing and recycling waste from operations and promoting proper e-waste disposal among Thai people

27