

# Sustainable Development for Business

## Sustainability management policy and targets

In 2021, the COVID-19 pandemic was a major challenge faced by the global community. This has inevitably catalyzed greater reliance on digital technology in various dimensions, such as the moves toward a cashless society, remote offices, and online learning, and the development of medical advances that respond to ever-changing COVID-19 situations. Amidst rapid changes in technology and the consumer market, we have had to face many challenges as well as opportunities, such as competition from new businesses that threaten revenue from traditional telecommunications services, increased concern over cybersecurity and data privacy, digital literacy and even accelerating climate change, which has made us more acutely aware of our energy usage and waste disposal. These matters have only grown in importance due to concerns and mandates of government, business partners, consumers and our investors. Today, sustainable business is no longer a choice, but a necessary action for a major organization such as ourselves, that impacts the economy, society and environment.

AIS has outlined a clear path towards sustainable business to ensure effective action. Considering both risks and opportunities, we synthesized the "7 Strategies for Sustainable Development", accounting for the economy, society and environment. Our 7 strategies to business sustainability include Digital Innovation,

Data Privacy and Cyber Security, Human Capital Development, Social Inclusion, Cyber Wellness and Online Safety, Climate Actions and Waste.

The relentless commitment to conducting business with sustainability in all dimensions has resulted in AIS being listed on the domestic and international sustainability indexes of the Dow Jones' World Index and Emerging Market Index for 2021 in the telecommunications industry category for the third consecutive year, the FTSE4Good Emerging Index for the seventh consecutive year, the SET Thailand Sustainability Investment (THSI) list for the seventh consecutive year, and listed on ESG 100 as a registered company showing excellence in environmental, social, and governance work by the Thai Pat Institute for the seventh year.

The Sustainable Development Committee is responsible for defining policy, strategy, operating targets related to Sustainable business development, as well as ensuring that the implementation of sustainability development policy and strategy meets the target. The committee reports to the Board of Directors quarterly. (More details on One report page 141 The Scope of Authority and Duties of the Board of Directors and Board-committees)

AIS promises to continue to work toward business, social and environmental value in equal measure and in accordance with Good Governance and to support the United Nations Sustainable Development Goals to provide a foundation from which the nation can grow and all of Thai society can benefit, towards shared sustainable growth.

## The 7 strategies for sustainable development

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.

3



### Human Capital Development

Nurture and develop AIS human capital to support business growth particularly digital business.

6



### Climate Actions

Reducing GHG emissions through high efficient business operations and utilization of renewable energy.



### Economy



### Society



### Environment

2



### Cyber security and Customer Privacy Protection

Develop a reliable system for cybersecurity and customer privacy protection.

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.

7



### Waste

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

## Targets for Sustainable Development



### Economy

#### 1. Digital Innovation

- Generate 150 million baht in revenue from digital innovations by the year 2024

#### 2. Cyber security and Customer Privacy Protection

Target 2024

- Operate in adherence to applicable laws and regulations including the Cyber Security Act and Personal Data Protection Act
- Continually enhance cyber security capabilities both in terms of technology and personnel readiness to protect basic infrastructure, systems and new services.
- Enhance cyber security efficacy and capability and personal data protection using Machine Learning and Artificial Intelligence to augment monitoring, analysis and threat assessment, use Automation to speed up and streamline processes.
- Become a leading Cyber Security Operation Center (CSOC) for corporate clients. Enhance capabilities in providing the service and further develop consulting services for data protection.



### Society

#### 3. Human Capital Development

Target 2024

- Acquire enough staff with new abilities in digital technology to support business growth
- 85% of talent pool is retained
- 85% of Talent on Critical Role staff undergo new Ability training in digital technology

#### 4. Social Inclusion

- Improve the wellbeing of 700,000 people through our digital platform and collaboration by 2023

#### 5. Cyber Wellness

Target 2023

- Become Thailand's number one telecommunications brand, trusted for cyber wellness and online safety.
- Promote cyber wellness and online safety at 1,500 schools and protect 290,000 Thai users from cyber threats.



### Environment

#### 6. Climate Actions

Target 2023

- Reduce GHG emissions intensity as calculated from the ratio of direct and indirect emissions to data traffic by 90% compared to the baseline in 2015
- Increase renewable energy usage to 5% of total energy consumption

#### 7. Waste

Target 2023

- Collect 360,000 units of obsolete mobile and related electronic waste for proper recycling
- Reduce non-recyclable E-waste from AIS services and operations from 5% of total waste in 2018 to 3%
- To be Thailand's No. 1 telecommunication service brand that is also trusted for its environmental responsibility in terms of electronic waste, promoting awareness among the Thai people about proper recycling of E-Waste.

## Management of impact to stakeholders in the business value chain

### Business Value Chain

AIS is committed to cooperating with partners throughout its value chain and maintaining long-term relationships while considering sustainability and the creation of value for its products and services that meet the expectations of all its stakeholders. Towards this, the company engages in policies and strategies for procurement aimed at maintaining its competitiveness and standards for collaboration with business partners while also prioritizing economic, environmental, social, and governance matters. These policies direct all AIS operations, including those of new and existing business partners and are the basis for the following code of ethics:

- Fair Procurement** Ethical business practices, transparency, auditability, anti-corruption practices, and strict legal and regulatory compliance are emphasized as well as consideration towards social responsibilities, labor treatment, human rights, and sustainable partnerships.
- Green Procurement** Environmental requirements are used as criteria for auction and preferences for all product and service categories.
- Distribution Channel Quality Control Standards** Evaluation of the quality of distribution channels is undertaken with different standards applied in accordance to the capability of main partner channels as to control the quality and service standard of each channel. Evaluation includes:
  - Conditions for selecting large scale distributors
  - Code of Ethics declared for all business partners

- Guidelines for distributor operations
- Benchmarks for measuring sales and service quality
- Supply chain risk evaluation and risk management processes
- On-site inspections of crucial partners or partners presenting social and environmental risks material to AIS operations

### Partner Selection and Sustainability Risk Assessment

Determined to work with partners, AIS engages in an evaluation process of partners and risk assessments as appropriate throughout the lifecycle of its partnerships. Assessment begins with an overview of the partner's sustainability and an evaluation of their material business, social, and environmental operations.

#### 1. Preliminary Screening

Newly registered partners have their fundamental environmental, social, and governance information evaluated and are also assessed in terms of conflict of interest, corruption and fraud history and compliance with the AIS Code of Ethics.

#### 2. Pre-Procurement Screening

Prior to procurement from key partners, AIS thoroughly screens their governance, corruption and fraud history, labor and human rights practices, workplace safety and health, and environmental practices. AIS includes a Code of Ethics as standard in its partnership contracts along with requirements that pertain specifically to the partner.

#### 3. Annual Audit and Evaluation

Annual sustainability evaluations are undertaken for all partners using a survey, site visits, observations of key proceedings, and an independently carried out evaluation of the partner's understanding of the AIS Code of Ethics. Tier 1 partners are also asked to communicate sustainable business practices to Tier 2 partners.

#### 4. Remedial Action and Follow-Up

Following a ranking and scoring of partners based on risk evaluations, partners with high risk in the area of sustainability are required to compile an approved risk mitigation plan and timeline ensuring identified risks will be minimized to acceptable parameters. Regular follow-up and inspections are undertaken to ensure proper management of the sustainability risk.

Sourcing	Operations	Product and service development, and distribution channels	After sales service	Supporting activities
<ul style="list-style-type: none"> <li>Provision of network equipment and frequency spectrum for mobile and fixed broadband internet services</li> <li>Provision of standard quality and environmentally friendly network equipment by selecting vendors with advanced technology development, adherence to regulations, and consideration towards human rights, environmental and operational health &amp; safety</li> <li>Provision of safety tested communication equipment e.g. smart phones, tablets and routers of differing prices for wide customer accessibility</li> <li>Acquiring of licenses from the National Broadcasting and Telecommunications Commission (NBTC)</li> </ul>	<ul style="list-style-type: none"> <li>Telecommunication network, IT and operations systems management</li> <li>Locating base stations by evaluating community and environmental impacts, constructing base stations resilient to natural threats and climate change including flooding and storms for service continuity</li> <li>Expansion of network for nationwide coverage, maintaining quality and safety standards while limiting environmental impacts by focusing on energy efficiency and increasing proportion of alternative energy through installation of solar cells</li> <li>Focusing on cyber security and customer data protection under policies and frameworks that conforms to the ISO27001 standard for managing and safeguarding information security, 24x7 threat monitoring and response</li> <li>Management of e-waste from business operations by selecting partners authorized to properly dispose of electronic waste</li> </ul>	<ul style="list-style-type: none"> <li>R&amp;D of a diverse range of digital products and services to support business growth, economic development and the enhancement of society and quality of life</li> <li>Collaboration with partners in a variety of industries for the development of products and services responsive to life and business in the digital era</li> <li>Maintenance of standards and safety for fixed broadband internet installation by contractors</li> <li>Management of online and offline sales and distribution channels for customer accessibility extending to monitoring and quality control of distributors and maintaining a fair remuneration structure</li> <li>Marketing and provision of transparent and complete information on products and services, fair pricing</li> </ul>	<ul style="list-style-type: none"> <li>After sales service for customer satisfaction via varied channels, including AIS Shop, Call Center and social media</li> <li>Customer personal data protection using policies and procedures that regulate access and use of customer data, provision of a channel for reports and complaints</li> <li>Retaining of customer relations by customers segmentation according to usage and demands, providing privileges, to maintain loyalty</li> <li>Responsibility for products and services, promoting cyber wellness and proper electronic waste disposal</li> </ul>	<ul style="list-style-type: none"> <li>Fair and transparent human resource management with an emphasis on employee development in line with the company vision, appropriate remuneration and benefits, creation of a safe and hygienic work environment</li> <li>Trustworthy accounting that is accurate and transparent and that is aimed at creating financial stability conducive to business growth</li> <li>Good corporate governance and ethical business conduct</li> </ul>

## Analysis of Stakeholders in the Business Value Chain

Stakeholder group	Channel and frequency	Expectations	Our actions
Community and society	<ul style="list-style-type: none"> <li>Community relations agencies (Daily)</li> <li>Complaint centers (Daily)</li> </ul>	<ul style="list-style-type: none"> <li>Quality telecommunications services covering local communities, modern technology for the betterment of community life through E-Commerce, enhance agriculture, etc.</li> <li>Health safety from magnetic fields generated by signal from network towers</li> <li>General support and aid, natural disaster response, emergency aid etc.</li> </ul>	<ul style="list-style-type: none"> <li>A mobile network covering 98 percent of the population, a broadband network covering over 7 million households in more than 50 provinces and an array of packages at different price points</li> <li>Support for community quality of life, adding value to technological access via the Aor Sor Mor health volunteer program combating pandemics, support for digital intelligence and skills to enhance online marketing by community enterprises, promotion of online safety and appropriate usage</li> <li>Provision of knowledge and understanding to communities and their leaders on safety from magnetic fields generated by signal towers, a system for fielding complaints and demands and addressing concerns</li> <li>Support for communities during times of disaster i.e. floods, cold snaps and for occasions i.e. Children's Day, local holidays, etc.</li> </ul>
Customers	<ul style="list-style-type: none"> <li>AIS Call Center is the core channel for evaluating customer satisfaction and utilizes the IVR automated chatbot to field feedback, suggestions and complaints (Daily)</li> <li>Contact center at 08-0000-9263 (Daily)</li> </ul>	<ul style="list-style-type: none"> <li>Maximum personal data security</li> <li>Network and service quality, ease of contact and access to service via varied channels</li> <li>Personnel and service system are capable, able to provide accurate information and guidance, act on claims and follow up until completion of service within set period, keep customers updated on progress</li> </ul>	<ul style="list-style-type: none"> <li>Formation of a risk assessment and management committee that sets strategies and policies for cyber security and data privacy utilizing a cyber security committee and data protection division, training for personnel on data protection and regulation of access. Transparent safety protocols and punishments.</li> <li>Procedure for regular monitoring and measuring of signal strength, use of IVR: Interactive Voice Response to reduce customer wait times and facilitate voice commands, automated responses and product promotion, service available via Email and social networks</li> <li>Use of E-Learning for around the clock training of personnel</li> <li>Enhancement to work processes reducing processing time, allowing customers to view status of processes via automated system</li> </ul>

Stakeholder group	Channel and frequency	Expectations	Our actions
Corporate customers	<ul style="list-style-type: none"> <li>Evaluation of customer satisfaction via channels such as the corporate clients' sales department, AIS Call Center, ICT Service Desk (technical guidance) and online channels i.e. E-Business Portal (1 time per month)</li> <li>Channels for fielding complaints and suggestions i.e. AIS Call Center, AIS Business website (Daily)</li> </ul>	<ul style="list-style-type: none"> <li>Quality of products and services i.e. network coverage, stability and speed of data connections, varied business solutions, after sales service, efficient resolution of problems</li> <li>Varied services meeting different client demands, responsiveness to New Normal, ability to enhance business efficacy and facilitate adaptation to changing contexts</li> <li>Strict and standards meeting data privacy protection</li> </ul>	<ul style="list-style-type: none"> <li>Constant development of the 4G network, regular evaluation of signal integrity, introduction of 5G technology in 2020, development of fiber internet for high speed service</li> <li>Establishment of the 24x7 Cyber Security Operation Center (CSOC). Approval under the ISO27001 Information Security Management System (ISMS), Payment Card Industry Data Security Standard (PCI DSS) and more.</li> <li>Development of new cloud, ICT, cyber security and IoT services in response to demands for greater business flexibility and security</li> <li>Worthwhile promotions and applications, solutions and equipment for New Normal business operation, privileges for corporate clients including product and service discounts, free trials and cost reductions under the Biz Up program</li> <li>Development of digital channels supporting faster, more efficient sales and customer service including online product and service sales, billing, electronic receipts, payment and appointing AIS to carry out withholding tax deduction online</li> </ul>
Partners	<ul style="list-style-type: none"> <li>Trade Partner satisfaction evaluation (1 time per year)</li> <li>Representatives of personnel who contact customers (Daily)</li> <li>Distribution channel applications and websites (Daily)</li> <li>Annual meeting with trade partners (1-2 times per year)</li> <li>Interviews (1 time per year)</li> </ul>	<ul style="list-style-type: none"> <li>Expand alongside AIS to reach greater array of customers</li> <li>Fair business dealings by AIS</li> <li>Increased connection to society by AIS</li> </ul>	<ul style="list-style-type: none"> <li>Support for partners to enhance their ability to distribute products using broadband internet as to increase their revenue</li> <li>Creation of standards for effective cooperation, a fair and just remuneration structure</li> <li>Development of a platform for more efficient connection between AIS and its partners</li> </ul>
Shareholders and investors	<ul style="list-style-type: none"> <li>Shareholder meeting (1 time per year)</li> <li>Operational returns announcements such as analyst conferences, domestic and international road shows, SET opportunity day (5-6 times per quarter)</li> <li>Investor relations website, Email investor@ais.co.th, Line@contact phone number (Daily)</li> <li>Operation visits (1 time per year)</li> </ul>	<ul style="list-style-type: none"> <li>Sustainable business growth</li> <li>Consistent dividend payments</li> <li>Good corporate governance, transparency and trustworthiness</li> <li>Equal access to information</li> </ul>	<ul style="list-style-type: none"> <li>Maintaining of competitiveness in the mobile phone business, expansion into new services to spur growth such as digital cloud services, insurance, etc.</li> <li>Policy to payout 70 percent of dividends two times a year</li> <li>Thai Institute of Directors Corporate Governance Report score in the "Excellent" range</li> <li>Regular release of quarterly performance via all channels, timely and comprehensive disclosure of key data via appropriate channels to investors/shareholders</li> </ul>

## Economics aspect

### 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.**

In 2021, the COVID-19 pandemic was a major challenge faced by the global community. This has inevitably catalyzed greater reliance on digital technology in various dimensions. The recent development such as the need to satisfy varied consumer needs through personalized services, and socially and environmentally responsible consumption trends will continue to be both opportunities and challenges for smart digital life service providers, including AIS. To thrive, AIS needs to pioneer and put in place various types of digital technology to enable its customers to efficiently connect to the online world and innovate products, services, and digital businesses responsive to the ever-changing needs of the consumer in their personal and professional life.

AIS seeks to become a leader in innovations for sustainability by raising its adaptability in response to dynamic challenges and opportunities and building an ecosystem conducive to innovation in line with the AIS Open Innovation Framework. Aiming to achieve a flexible management structure that supports new business development and set out guidelines for driving and promoting innovation compatible with AIS's business goals and future direction. The pursuit of innovation in line with the AIS Open Innovation

Framework follows four operational strategies which include 1) Establishment of Business Units for developing innovation for Digital Life Products and Services, 2) People and Culture Transformation, 3) Innovation Ecosystem Development, and 4) Technologies and knowhow Development.

#### 2021 Progress

**1. Establishment of business units to innovate digital life products and services** In 2021, AIS has pressed ahead with the expansion into new markets other than mobile network and fixed internet service provision. AIS, in partnership with SCB, formed AISCB Company Limited to invest in the digital financial service business setting out on digital lending in order to play a prominent role in offering more convenient financial services to Thai people in line with the current modern world evolving toward a digital economy and warranting financial inclusion for underserved consumers.

**2. People and Culture Transformation** AIS has conducted several initiatives to transform the organization. For example, AIS partnered with the Stanford Thailand Research Consortium (STRC) to organize an entrepreneurial and innovation skill development training course entitled 'Jump Bootcamp'. AIS has also made progress on innovation projects which are in the last stage before entering commercial phase. Moreover, a wide variety of technologies and innovations such as process automation (RPA) are applied for process improvement, hence help us to work more effectively.

**3. Innovation Ecosystem Development** AIS has joined hands with various partners to develop technology and ecological systems for innovation. One of the major projects includes the trials of 5G services to enhance opportunities and capacity for the Thai industrial sector through Smart Manufacturing solution. The IoT Alliance Program also successfully extended from a collaboration to the launch of novel products and services onto the market, DEVIO Beacon, a solution enabling SME entrepreneurs to connect their businesses to customers.

**4. Technologies and knowhow Development** To ensure continuity and sustainability, AIS has prepared the ground for technology and body of knowledge development by laying down R&D guidelines and allocating funds for such a purpose. In 2021, AIS injected THB 100 million into R&D projects. Additionally, AIS joined the STRC, the most recent collaboration between the South-East Asia Center and leading private enterprises, to conduct research pertinent to Thailand.

See more details of 2021 progress from the sustainability report under the topic Digital Innovation

## Cyber Security and Customer Privacy Protection

### Develop a reliable system for cybersecurity and customer privacy protection.

AIS, as a digital service provider, manages massive amounts of data, both from its operations and from its customers, and is compelled to work in adherence to laws to protect against the leakage of personal data as well as to reduce risks to its finances and reputation. Moreover, AIS sees an opportunity in creating and developing complete cyber security services, which would address its operational requirements and enhance its capability to service clients. Thus, beyond carrying out its own cyber security and personal data protection, AIS is seeking to build a body of knowledge on the two matters and relevant new technologies such as the National Blockchain Hybrid Cloud, IOT and financial and insurance mechanisms.

AIS manages and implements policies, procedures and administrative systems for all offices corporate-wide to secure trust from its customers in the transparency of its information and customer privacy protection operations. Moreover, AIS has established committees to devise policies, strategies, and guidelines in order to enforce cybersecurity and personal data protection policies for all its offices, extending to related external organizations. The Company carries out regular systematic internal audits to ensure its management of data privacy and cyber security and related operations adhere to its policies, standards and frameworks.

To ensure business continuity during a crisis, AIS has appointed the Crisis Management Committee, comprising the Company's executive-level managers and heads of business units, which is charged with the responsibility to make decisions during a crisis, including crisis response, mitigation, and follow-up to ensure continuous business operation during the crisis.

#### Privacy Protection (GRI 103-3)

AIS maintains a Data Protection Office, which acts as a central hub for the protection and monitoring of the personal data of customers. The office provides guidelines and policies to maintain compliance with relevant laws and regulations for both AIS and group companies as well as advice on data storage and usage to other offices within the Company to enhance business operations, competitiveness and pave the way for new businesses. The actions undertaken range from formulation of measures for customer data privacy protection to Limiting access to sensitive information. AIS also incorporates the Privacy by Design and Privacy by Default principles into its services and products as necessary, setting specifications for the data flow process, as well as promoting awareness, knowledge and understanding on customer data protection to all personnel and partners.

AIS also sets a framework for systematic reviewing of personal data protection based on the principles and requirements from the Personal Data Protection Act, as well as accepted standards. For the data request management, the company provides customer data to government agencies in compliance with the law and fairness with consideration towards the human rights of data subjects within legal parameters.

### Cyber Security

AIS is committed to protecting its systems from cyber threats and regularly enhances its systems and infrastructure to meet data protection standards, performs security evaluations and tests ahead of launching systems and applications and has software developers perform self-evaluations during their processes. The Company uses automation to enhance the efficacy of its processes so that they are more capable and quick to respond to cyber threats and monitors against threats 24x7 using a central notification system that allows for timely response and the ability to lockdown equipment. The Security Information and Event Management (SIEM) system empowers these capabilities in real-time and works in conjunction with User Entity Behavior Analysis (UEBA), which enhances detection of irregular incidences and the evaluation of cyber threats. Cyber security policies and practices are regularly prescribed and improved to maintain alignment with international practices, relevant regulations, and new work environment which requires security for operation outside office and a hybrid cloud system.



Further information on  
1) AIS personal data protection policy  
2) cyber security policy  
Please see "Related policies" at  
<http://sustainabilityais.co.th/en/sustainability-priorities/data-privacy-cyber-security>

## 2021 Progress

AIS achieved its targets of elevating cyber security and personal data protection, with results in 2021 as follows:

**1. Compliance with laws and regulations.** AIS Reviews frameworks and policies for alignment with laws and regulations to ensure company operations and policies comply with the relevant law and regulations. We also promote public-private partnerships in cybersecurity and personal data protection.

**2. Personnel knowledge, skill and awareness development.** Relevant staff underwent different training courses and certificate programs to ensure proper and correct practices. In 2021, 98 percent of total personnel passed compulsory tests for cyber security and data classification knowledge. Moreover, **cyber drills** were undertaken to prepare personnel to handle cyber threats effectively.

### 3. Technology Development and Process Improvement

**o Process improvement.** We Applied the Microsoft Office 365 cybersecurity tool and Elevated the security of the information system from external access. Automation and Response solution in threat detection and combat processes are also applied for responding to new forms of cyberattacks. Furthermore, we improve the security operations to payment service providers and the security standards for the hybrid cloud system in accordance with internationally recognized practices.

**o Cybersecurity policy and framework amendment.** This is to ensure explicitness, the coverage of both partners and external parties, and compatibility with the digital evolution following the new normal era, such as mobile offices.

**o Cybersecurity and data protection reinforcement.** AIS has applied cutting-edge technology and upgraded the systems by applying AI and machine learning algorithms to proactively and accurately detect advanced persistent threats.

**o The 24 x 7 cyber security operation center (CSOC).** AIS in 2021 expanded the center's services to monitoring against threats to the systems and information technology of its corporate clients. Towards elevating its information protection management systems to meet international standards, the company expanded the boundaries of its ISO 27001 certification to encompass services by the CSOC.

**o Auditing** - In 2021, internal and independent auditors reviewed the Company's information system and customer data protections and did not discover any cyber threats or violations of personal data or loss of data resulting in civil suits or legal fines in 2021.

See more details of the 2021 progress from the sustainability report under the topic Cyber security and Customer Privacy Protection

## Social aspect

### Human Capital Development

**Nurture and develop AIS human capital to support business growth particularly digital business.**

Amid changes in digital technology, AIS needs to enhance its capabilities and prepare itself to rapidly changing business frontiers. Besides, due to the New Normal life amid the COVID-19, AIS has adopted more flexible work arrangements in response to the situation and taken varying measures to take care of employees in all areas to retain highly capable employees. Additionally, AIS revises its human capital management strategies to be more agile, enabling employees to adjust and enhance their digital skills from new work arrangements.

AIS devotes great importance to human capital management. Its Chief Executive Officer (CEO) oversees operational policies enacted under the supervision of the Chief Human Resource Officer (CHRO), who interprets such policies into strategies and work plans, making sure to comply with relevant laws and with consideration to human rights. AIS has provided good workplaces for all employees, details of the approach are as follow:

- 1. The Concept "FIT FUN FAIR"** Foster an organizational culture aligned to its business practices. Employees are encouraged to develop their skills in response to the digital challenges of the challenges of the business and the company's future directions and objectives. Moreover, AIS has adapted its work arrangements to create a happy workplace environment in line with the "Work Life Integration" concept.
- 2. The 6Rs Strategy.** AIS has adopted the HR management strategy to enhance organizational efficiency and drive employees to apply their full potential to increase the Company's competitiveness through the 6Rs strategy comprising: Right Organization, Right Resource, Right Process, Right Knowledge and Ability, Right Reward, and Right Place.
- 3. Non-discrimination Practice and Zero-tolerance Policy against Harassment.** AIS stresses the importance of respecting the human rights of every employee at all levels and of stakeholders regarding physical aspects and differences in views, perspectives, and ideas, which include but are not limited to, race, skin color complexion, religion, gender, nationality, disability, age, and others by adopting non-discrimination practice and zero-tolerance policies against harassment.
- 4. Occupational Health and Safety.** AIS' human capital management policy covers caring for physical and mental health of employees to benefit the employees and support efficient work, and promotes a good workplace environment.

## 2021 Progress

### 1. Talent Attraction, Retention, and Succession Plan

AIS' principles to attract and retain talents include fair employment, talent management, digital skills hiring, career development, employee retention by providing incentives both monetary and non-monetary, and succession plan for every position throughout its structure.

AIS has put in place a clear remuneration policy defining appropriate remuneration as stipulated by law and comparable to companies in the same industry with emphasis on equality. The appraisal criteria are based on the following framework:

- 1) Performance appraisal based on corporate KPIs
- 2) Leadership competency
- 3) Compliance with culture and business ethics

### 2. Employee Potential Development through Work Culture and Lifelong Learning

AIS adopts Ed Tech (Education Technology) to allow employees to learn via online and offline by using our learning digital platforms; LearnDi, which serves as a hub featuring a wealth of new knowledge and skills, both soft and hard skill, and Technical Knowledge Management (TKM), which provides technical courses such as Cloud Competing, 5G, Artificial Intelligence (AI) for employees looking to enhance core competencies to cater to AIS' emerging digital businesses and the future trends.

### 3. A Comprehensive Approach to Employee Well-being

**3.1. COVID-19 Prevention Measures.** Implementation of the flexible working hours and measures to assist employees were put in place. AIS supported employees to receive COVID-19 vaccines, providing COVID-19 insurance, and supporting employees to get access to immediate hospitalization if needed.

### 3.2. Promotion and Support for Employee Welfare Benefits to Take Care of Employees Comprehensively

AIS provides a range of benefits to its employees such as the implementation of flexible work arrangement, marriage support funding, educational funding for employees' children, assistance funds for accident victims, loyalty rewards, health check-ups and medical care, etc.

### 3.3. Employee Well-Being

During the COVID-19 pandemic, AIS rolled out the AIS Wellness program to promote employees' good health throughout 2021 such as a variety of online exercise activities to Promote Good Health, an E-Sports event, and Aunjai Station podcast to provide knowledge on health care.

### 4. Application of Technology by developing applications and web-based solution that accommodate employees' diverse needs and help enhance efficiency of human resources management.

See more details of the 2021 progress from the sustainability report under the topic Human Capital Development.

## Social Inclusion

### Uplifting community well-being and decreasing social inequality through digital infrastructure and solutions.

AIS is committed to being a part of bettering life for the Thai people, using its communication technology resources to support developments that keep the Thai people in pace with the digital era. Leveraging its business and human resources for social and community development through a range of policies and projects. In recognition of inequalities in quality of life and opportunities for people in remote areas, AIS set policies that mobilize its digital platforms and partnerships to achieve greater equality. Towards its intended achievement, AIS implemented the three following strategies:

1. Expansion of digital infrastructure for maximum coverage in support of efficient communication and alignment with national economic development
2. Supporting public access to affordable digital communication devices
3. Developing digital platforms that enhance economic and social structures along with quality of life

### Performance 2021

#### Development and Expansion of 5G Technology to Nationwide Coverage

At present, AIS operates a network that supports highspeed data transfers using 3G and 4G technology with coverage across 98% of the population, broadband home internet using fiber-optic technology across all 77 provinces of the country and WiFi networks. AIS is

currently rapidly expanding its 5G network and has reached 76% coverage across the country.

#### Public Health

- **Aor Sor Mor Online application** The Aor Sor Mor Online application was launched in 2015 to serve as a communication tool for Aor Sor Mor (Village Health Volunteers) coordinating with primary health care units to facilitate, speed up and proactively work by primary health care units. In 2021, AIS expanded cooperation with the government agencies and increased the beneficial usage of Aor Sor Mor Online application from basic health to covers the improvement of quality of life in other areas such as mosquito larvae survey, household chemical survey, mental health screening system, support of the health and health security rights knowledge of Village Health Volunteers and COVID-19 screening and monitoring system. It was a form of usage that responded to the COVID-19 outbreak in a timely manner and helped expanded the Aor Sor Mor Online application users.
- **AIS: Connecting to Help Thai People** Due to the COVID-19 pandemic situation, AIS, as a member of the Thai business sector, announced "AIS: Connecting to Help Thai People". The urgent mission of the project was to apply 5G technology and medical solutions to the crisis through three endeavors: 1) Installation of 5G Networks in Hospitals, Field Hospitals and Field Vaccination Sites, etc. for medical use at 86 locations, 2) Development of 5G Medical Innovations, a total 24 Robot for Care were delivered to 23 hospitals and 3) Communication devices, equipment, and Aunjai Volunteers, to support medical personnel and patients.

#### Education

- **AIS Academy** In 2021, AIS and LearnDi Co. Ltd. joined hands with partners in the EdTech space to unveil LearnDi, a digital platform for educational equality available for access at anytime from anywhere. Providing opportunities for Thai people to better themselves through the learning of new skills and disciplines, LearnDi was also designed as a platform for complete online education management. AIS developed the platform from its own its employee learning portal as part of its "Mission to drive digital society", delivering LearnDi to the Thai people as a sustainable digital learning platform. The project encompasses all groups within the education space: teachers, tutors, students and general public through various project: The Educators Thailand, The Tutors, Digital Library and Aunjai Asa Career Development..
- **AIS Good Kids Brave Hearts** AIS supported the education of youths in need with the aim of closing social inequality gaps and aiding young Thais to secure careers with which they could support their families in the future. Impoverished students from Primary 1 to Undergraduate level were selected based on their good behavior. Over 21 years of the project, AIS has supported over 960 youths from the primary levels to tertiary education levels.

#### Reduced Inequalities

- **Reducing Inequality and careers for the disability - AIS Call Center for People with Disabilities** AIS recognizes the need to support human rights efforts and provide equal access to employment, launching a project to create career opportunities for people with disabilities in 2007 focused on using digital

technology to augment the capabilities of disabled individuals and employing such individuals in its Call Center. Work environments and equipment were adapted to facilitate safety and convenience for disabled employees and they were provided with equal remuneration and benefits to their able-bodied counterparts.

### Digital Literacy Promotion

- SDG Lab by Thammasat University & AIS** AIS joined hands with Thammasat University to establish "SDG Lab by Thammasat & AIS" to serve as a space for learning and actualization. In 2021 utilized AIS 5G digital technology to develop an Autonomous EV Car. Utilizing the highspeed, low latency on AIS 5G network, the vehicle had stable driving and supported transportation within the area effectively.

See more details of the 2021 progress from the sustainability report under the topic Social Inclusion.

### Cyber Wellness and Online Safety

#### Striving to establish a brand that promotes safe and appropriate use of the internet and social media.

"Cyber Wellness and Online Safety" is a significant factor toward business sustainability of AIS. The efforts range from providing knowledge and promoting digital skills to internet users to selecting solutions or technologies as tools for cyber protection that respond to the demand for providing services to customers to ensure

the continued development and expansion of operations. AIS is determined to protect Thai people from cyber threats along with promoting online safety and building cyber resilience with the focus on the venerable groups of youths. The three strategies under the Aunjaï CYBER program are as follows:

- Promotion of digital literacy** through in-class teaching to children and youths as well as training via an online platform to the general public
- Cyber protection with digital tools** for internet users via mobile phone and home internet networks
- Promotion of awareness against the potential dangers and impacts of the internet and technology** through various activities to enhance skills in safe and constructive online use to the general public

#### 2021 Progress

AIS expanded upon its cyber wellness and online safety initiative under the Aunjaï CYBER program. This was accomplished by the promotion of digital literacy, building cyber resilience, and promotion of cyber security, details of which are as follows:

- Promotion of Digital Literacy:** AIS in collaboration with the Department of Mental Health, Ministry of Public Health, and the Faculty of Industrial Education and Technology of King Mongkut's University of Technology Thonburi devised the Aunjaï CYBER course consisting of online lessons and a test. Available on the LearnDi for Thais online platform, the course is designed to measure fundamental knowledge and promote digital literacy for people of all ages and genders free of charge at <https://learndiaunjaicyber.ais.co.th>. The course was accredited by the

Office of the Basic Education Commission (OBEC), and teachers can use the course results to fulfill part of the requirements for progression to a higher academic rank according to the criteria prescribed by OTEPC.

- Cyber Security:** AIS offers the network-based security solution AIS Secure Net, which allows AIS to reach customers at risk from cyber threats such as virus-infected websites, malware, fake URLs, and indecent websites more effectively as the service works instantly without the need for an application download. In 2021, there were over 131,195 users of the AIS Secure Net service. AIS expanded its AIS Secure Fibre Net service to cover high-speed home internet. The service was well-received, attracting over 10,800 AIS Fibre Secure Net users this year. Moreover, AIS partnered with Google to promote the use of Family Link application, aiding parents in monitoring and training their children on appropriate use of the internet.
- Promote of Awareness against the Potential Dangers and Impacts of the Internet and Technology:** AIS pledged to disseminate information via multiple social media platforms to build digital resilience for a sustainable lifestyle in the digital era. Chief among the efforts included a campaign to raise awareness about stopping cyberbullying. On the Stop Cyberbullying Day 2021, AIS provided an online forum where social media users shared their views and experiences on cyberbullying as well as how to handle cyberbullying.

See more details of the 2021 progress from the sustainability report under the topic Cyber Wellness.

## Environmental aspect

### Climate Actions

#### Reducing GHG emissions through high efficient business operations and utilization of renewable energy

In recent years, the global community encompassing international, state, private organizations as well as consumers have supported cooperation and attached more significance to the issues of climate change. In 2021, Thailand pledged to accelerate action to achieve net-zero emissions by 2065. As a digital life service provider, AIS is well aware of the challenges and risks arising from such issues on the Company's business operations. With a strong determination to be part of the global action to tackle climate change, AIS has studied science-based targets in formulating comprehensive plans to reduce GHG emissions. Added to this are preparation for climate change impacts and developing businesses that help support GHG emission reduction in different sectors. AIS believes that our actions will have positive effects on cost structure while reducing business risks and increasing AIS' profitability in the long term.

In achieving these commitments, AIS has assigned the head of its technology executives to implement environmental management across the organization, from its core business to its auxiliary endeavors. A report on environmental efforts is presented to the Sustainability Development Committee and Board of Directors at least once a year. AIS maintains an environmental policy approved by its Board of Directors with the objective to support environmental

sustainability. Read more on the Environmental Policy at <http://sustainability.ais.co.th/storage/sustainability-priorities/emissions/ais-environmental-policy-en.pdf>

#### 2021 Progress

- **Promoting Energy Efficiency** by adopting multiple energy-efficient technologies in the management of base stations nationwide which helped save energy and reduced indirect GHG emissions from electricity consumption by 18,743 tCO<sub>2</sub>e. Moreover, we also applied big data analysis to study customers' usage behavior as well as managed network channels and energy use in response to clients' phone usage, which reduced power consumption by 17,503 MWh/Year and GHG emissions by 8,749 tCO<sub>2</sub>e.
- **Alternative Energy Use** Despite the widespread COVID-19 pandemic in Thailand in 2021, AIS continued to expand installation of solar panels under plans that complied with the public health COVID-19 guidance, allowing for solar panel installation at 2,744 base stations and at another 4 data centers and switching centers. Since commencement of the program, AIS has installed and used alternative energy at a total of 5,553 base stations as well as 8 data centers and switching centers, generating 16,282 MWh/year and cutting 8,139 tCO<sub>2</sub>e in GHG emissions.
- **Environmental Management System (EMS) Development** – The AIS environmental management system received ISO14001:2015 approval. The system used independent evaluators at two AIS computer data centers and ISO14001 certified environmental experts at all others.

• **Paper Use Reduction** – AIS integrated digital technology into its internal operations, processes involving partners and in service of customers under the Full-E concept, which enhance operational efficiency and convenience for customers. By the end of 2021, myAIS usage reached 8.4 million users, increasing by 3.1%. And 8.38 million billing accounts switched from mailed bills to E-Bills and 109 million E-Receipts, all together cutting the need for sheets of paper, equivalent to 10,459 tCO<sub>2</sub>e in GHG emissions a year.

• **Smart Solution Development** – AIS strived to develop a smart solution service to enable corporate clients to meet needs in working in the new normal and to manage work processes to enhance energy efficiency as a means to reduce GHG emissions. For example, AIS Cloud Data Center was designed to be highly energy efficient, and 5G & IoT Solutions to enhance work efficiency.

Despite its energy usage increasing due to network expansion and growing demand for data, AIS has still been able to limit its GHG emission intensity relative to the amount of data it supplies, underlining the efficiency of its network's design and utilization. Promoting a higher proportion of renewable energy, AIS in 2021 was able to reduce GHG emissions intensity, a ratio of GHG emissions to data traffic, by 89 percent compared to the base year 2015. At the same time, AIS increased its proportion of renewable energy usage to 1.2 percent of total energy used, compared to 0.49 percent in 2020. The information on greenhouse gas emission was reviewed by LRQA (Thailand) Limited.

See more details of the 2021 progress from the sustainability report under the topic Climate action.

## Waste Management

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

AIS, as Thailand's largest telecommunications service and mobile phone related device retailer, is dedicated to the proper management of environmentally hazardous waste resulting from its operations. In particular, AIS is determined to develop processes that reduce waste and increase recycling and maintains an objective of promoting widespread understanding toward the danger of e-waste and proper e-waste disposal so that it may enter the recycling process. The framework for waste management at AIS comprises four areas:

**Green Procurement** AIS is dedicated to working with partners while considering the factors significant to sustainability and long-term relationship management. AIS policies and strategies for procurement aim to maintain the Company's competitiveness and operational standards while also devoting importance to economic, environmental, and social considerations and good governance throughout the administrative structure of new and existing partners, functioning as a moral clause that agencies that collaborate with AIS must follow as well as to create an effective mechanism for resource and energy usage that also reduces waste, pollution, and greenhouse gases. For further details, view <https://sustainability.ais.co.th/en/supply-chain-management>

**Operations Waste Management** encompassing network equipment, office electronics, and mobile phones. Obsolete equipment will be disassembled for reuse, refurbishment or recycle. In doing so, the used equipment will be auctioned off to operators with an efficient eco-friendly recycling process capable of recycling as much of the electronic waste as possible with the least non-recyclable residue directed to disposal.

**Office Waste Management** AIS supports maximum waste separation in AIS offices ahead of waste delivery into the recycling process and promoting awareness among personnel on the importance of waste separation and proper waste disposal, seeking environmentally-friendly changes in behavior.

**Promoting Proper E-Waste Disposal to Customers and the Public** The "Thais Say No to E-Waste" project provided receptacles for five types of electronic waste: 1. Mobile Phones and Tablets 2. Charging Cables 3. Earphones 4. Mobile Phone Batteries and 5. Power Banks, so that the waste could be entered into the proper disposal process. The project also sought to promote awareness toward the danger of electronic waste and an understanding as to the need for proper disposal and recycling.

### 2021 Progress

**Operations Waste Management** In 2021, AIS delivered e-waste into the recycling process by selecting the waste disposal operators with authorized disposal licenses according to the relevant regulations as well as clear processes and disposal locations. The Company's non-recyclable residue proportion this year was 0.002%.

**Office Waste Management** Over the past several years, AIS has enhanced its waste separation by clearly delineating different types of waste, improving the ease of delivering waste for recycling. At the same time, AIS Contact Center Development & Training Arena in Nakhon Ratchasima launched a project to install a food waste composter. From operations in 2021, 183 tons of waste were generated, 67% reduction from 2020. Non-hazardous waste made up 36% of the total waste, mostly comprising office and operations building refuse, and e-waste made up 64% of the total, comprising e-waste from network and offices.

### Promoting Proper E-Waste Disposal through "Thais Say No to E-waste"

In 2021, AIS expanded its network throughout the public and private sectors to strengthen implementation and enhance convenience for e-waste disposal. The project also focused on promoting awareness toward health risks of retaining expired e-waste in the home or improper disposal, at the same time, dispensing knowledge on recycling and proper e-waste disposal in the hope of fostering understanding toward the critical environmental issue posed by e-waste. Some examples of activities include 'Challenge' by The Green Paholyothin and other condominiums, AIS E-Waste Drop for Points campaign, and AIS E-Waste Bin and Win prize, etc.

See more details of the 2021 progress from the sustainability report under the topic Waste Management

## Human rights

AIS acknowledges the importance and respects human rights as fundamental to business operation and social cohesion. The company adopted a Human Rights Policy as part of its Code of Ethics to ensure its operations follow the United Nations Universal Declaration of Human Rights and principles outlined by the International Labor Organization. The company's Business Ethics committee is responsible for overseeing its human rights compliance and implementation of relevant policies, identifying human rights risks and affected groups so that remedies and protections may be prescribed for human rights violations that may occur across the company's business value chain. Policies are communicated to all employees, agents, business intermediaries, product and service providers, contractors, business partners, and alliances as well as any other relevant parties so that they may know, understand and participate in the company's fair and human rights upholding operations. The company also maintains a whistle blower policy that protects employees in the event they witness and report a human rights violation. The policy is included in the Human Rights Policy to provide assurance that no employee will ever be demoted, punished, or in any way impacted by reporting intimidation, discrimination, or harassment, that all employees will be treated with humanity and respect, and that the company will practice non-discrimination and measures against harassment. For details of the Human Rights Policy, please refer to the QR Code below:

Towards ensuring company operations do not result in any human rights violations across its supply chain, AIS maintains a human rights risk assessment process across its supply chain and undertakes inspections and evaluations of the human rights risks of its operations with business partners, encompassing operational plans and risk management processes:

- 1) Identification of human rights risks related to the company's value chain
- 2) Identification of affected groups
- 3) Evaluation of human rights risks across the company's value chain
- 4) Determination of risk management and relief measures
- 5) Regular re-evaluation of human rights risks

Human rights risks evaluations are carried out every three years and encompass all AIS operations, including the activities of relevant partners across its value chain, with an emphasis on Critical Tier 1 Suppliers. The company maintains measures and practices for mitigating all categories of human rights violation and remains ready to carry out additional evaluations in light of significant changes to its activities or legal regulations as to ensure accommodation to actual circumstances.



Human Rights Policy

Based on human rights risk assessments, AIS uncovered the following five issues:

Human Rights Issue	Directly Affected Group	Vulnerable Groups	Risk	Risk Management and Relief Measures
1) Work Environment	All employees	Sales agents and field engineers	Field personnel who travel regularly to sites and different locations are exposed to long-working hours and may not have appropriately safe vehicles	<ul style="list-style-type: none"> <li>- Emphasize safety standards by providing training courses on safety and only allowing only qualified personnel that have completed such courses to operate.</li> <li>- Provide a good work environment where employees are assured adequate health and safety.</li> <li>- For travel safety, the company conducts scheduled vehicle inspections and monitoring the lifespan of vehicles.</li> </ul>
2) IT systems and private customer data protection	Customers	Corporate clients, especially public agencies and state enterprises	Risks to private data breaches exist despite security and privacy measures	<ul style="list-style-type: none"> <li>- Operate a Data Protection Office (DPO), responsible for data privacy monitoring and maintenance.</li> <li>- Build awareness and understanding among all personnel.</li> <li>- Utilize a Data Protection Impact Assessment to identify and mitigate data privacy risks in new services</li> <li>- Limit access to sensitive information and apply a range of data protection techniques covering storage, utilization and transmission to safeguard against private data leaks. (Further details on data privacy management can be viewed in the 2021 Sustainable Development Report pages 38-39)</li> <li>- Set specifications for the data flow process and communicate with relevant agencies to ensure compliance therewith. Establish a complaint center accessible through various channels, including telephone, mail and E-Mail, to field and coordinate responses to complaints.</li> </ul>
3) Product and service safety	Customers and Contractors	Children, the disabled, the elderly, high-speed internet business contractors	Devices such as CPE (customer premises equipment) and mobile phones can face quality issues that, while having a low rate of occurrence, pose a high rate of severity.	<ul style="list-style-type: none"> <li>- Impose controls to create standards for all products, only selecting UL94-VO standard plastic products for installation at customer premises and requiring surge protection testing by the government sector.</li> <li>- House brand mobile phones and accessories are inspected and verified by Acceptable Quality Limit (AQL)</li> </ul>

Human Rights Issue	Directly Affected Group	Vulnerable Groups	Risk	Risk Management and Relief Measures
4) Supply chain work environments	Contractors	High-speed internet business contractors	Some contractors may not have appropriate work safety standards. For critical contractors, AIS maintains measures to ensure the meeting of work safety standards.	<ul style="list-style-type: none"> <li>- Set standard safety measures requirements for contractors/partners starting at the procurement process.</li> <li>- Contractors and subcontractors are required to impose their own safety standards and carry out necessary training.</li> <li>- Trained personnel must present certification of training before commencing work.</li> <li>- Operations Audit office must carry out risk assessment before any operation, whether internal or external work.</li> </ul>
5) Freedom of expression/opinion	Customers	Children and youths	AIS receives government requests to limit access to certain websites. This may incur risks of violating the human right to freedom of expression	<ul style="list-style-type: none"> <li>- Balance freedom of expression/opinion and disclose social and other policies that do not violate intellectual property.</li> <li>- Limit negative impacts by establishing efficient internal processes to control access to restricted information unless officially requested through legal processes.</li> <li>- Maintain a process for considering the disclosure of private data requested by state agencies or through legal requests.</li> </ul>

More details on the company's human rights operations can be viewed online at <https://sustainability.ais.co.th/en/respect-to-human-rights>