



ASSET WORLD
CORPORATION

Biodiversity Risk Assessment 2023


BUILDING
A BETTER FUTURE

Biodiversity Risks Assessment

AWC has conducted Biodiversity Exposure and Assessment to ensure that management plans cover all sites. In addition, AWC has established the AWC Afforestation Working team to provide oversight ensuring the business operations comply with national laws and regulations, and the business management is integrated with planning for biodiversity throughout AWC's value chain.

1.Scope - Scope the assessment: Consider business operations and aspects of nature that can reasonably be assessed given data availability



2. Locate - Use a location-grounded approach to establish the appropriate unit of analysis. This should be informed by the scoping phase of the assessment that helps determine where the organization interfaces with nature and which sectors and geographies define the organization.
(TNFD guidance: Locate guidance)



3. Evaluate 3.1 Identify nature-related dependencies and impacts. Dependencies and impacts act as drivers of exposure to nature-related risks.
3.2 Determine exposure to nature-related dependencies and impacts. Organization-specific financial exposure data and operational data are combined with nature-relevant physical, spatial, or qualitative data to determine exposure to nature-related dependencies and impacts.



4. Assess 4.1 Select scenarios and risk landscapes
4.2 Assess biodiversity-related risks and opportunities
4.3 Integrate into multi-disciplinary company-wide risk management processes



5. Prepare 5.1 Synthesize metrics. Producing metrics related to dependencies, impacts, risks, and opportunities.
5.2 Develop mitigating plan and management process for reducing dependencies, impacts of critical biodiversity related areas

Reference to TNFD (Guidance on LEAP: Methods for assessing nature-related risks), v. March 2023 <https://framework.tnfd.global/additional-guidance/risk-assessment-methods/>

Biodiversity Risks Assessment

AWC also uses **WWF BIODIVERSITY RISK FILTER** tools to identify and evaluate the most relevant biodiversity risk issues to the AWC's operation in all Thailand's provinces. The tools belong to WWF - World Wide Fund For Nature, to evaluate the impact of key physical & reputational risks.

Aim

- To assess biodiversity-related risks* response under location-specific company data.
- To provide quantitative biodiversity impact information for strategy creation and future management consideration.

Remark: * Including Dependency-related biodiversity risks considered in the risk assessment

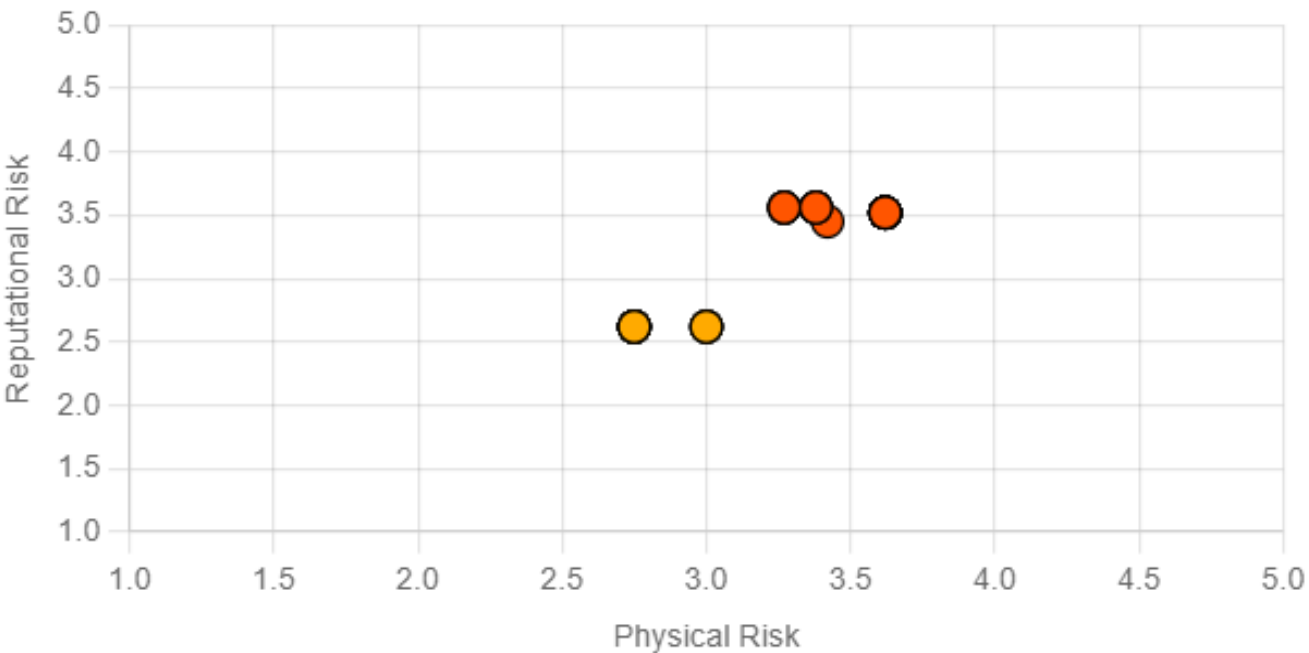
Scope of Analysis

- Own Operations (All operating properties)
- Adjacent areas (2 km around operating properties)
- Upstream activities (Supplier activities)
- Downstream activities (Customer attraction channel and transportation services)

Methodology

- Scenario analysis of biodiversity risk is conducted to evaluate the impact of key physical & reputational risks under selected scenarios using information specific to AWC operations.
- Coordination of AWC operational sites is used evaluation tool (WWF BIODIVERSITY RISK FILTER) based on details of the underlying methodology of the WWF BRF tool, including a description of the risk assessment framework, underlying structure, and data, and limitations.
- Identifying sites that are in proximity to critical biodiversity areas is conducted to assess specific biodiversity impacts and to develop monitoring management plans within the Environmental Impact Assessment (EIA) of each site. Additionally, this process includes mapping the location of operating assets and protected areas, encompassing Terrestrial and Inland Waters, Marine areas, and Other Effective Area-based Conservation Measures (as defined by UNEP-WCMC).

Biodiversity Risks Level (Own Operations&Adjacent Areas)



High

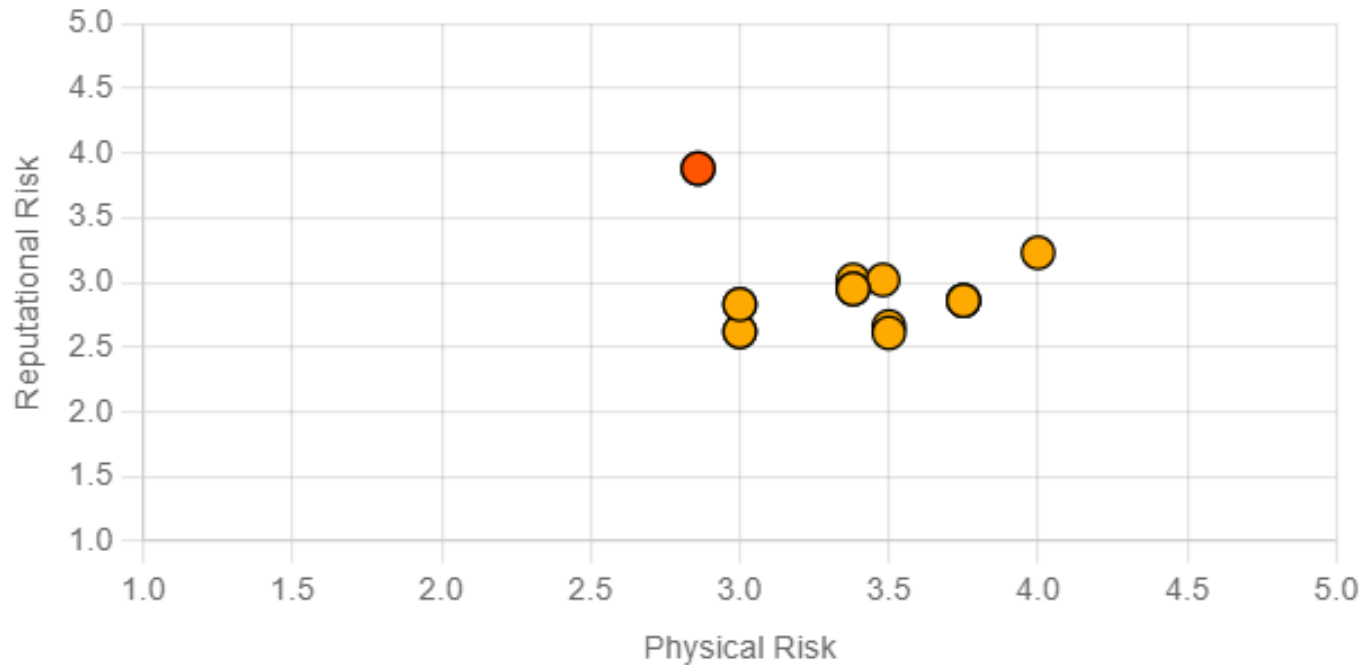
1. Bangkok Marriott Hotel The Surawongse
2. Le Meridien Bangkok
3. Bangkok Marriott Marquis Queen's Park
4. Chaingmai Marriott Hotel
5. Hilton Sukhumvit Bangkok
6. Double Tree by Hilton Sukhumvit Bangkok
7. Melia Chiang Mai
8. Holiday Inn Express Bangkok Sathorn
9. The Okura Prestige Bangkok
10. INNSiDE by Meliá Bangkok Sukhumvit
11. Intercontinental Mae Ping Chaingmai
12. The Athenee Hotel Bangkok
13. Hua Hin Marriott Resort and Spa
14. Banyan Tree Krabi
15. Courtyard by Marriott Phuket Town
16. Phuket Marriott Resort and Spa, Naiyang Beach
17. The Westin Siray Bay Resort and Spa, Phuket
18. Banyan Tree Samui
19. Melia Koh Samui Beach Resort
20. Sheraton Samui Resort
21. Vana Belle, Koh Samui

Medium

1. 208 Wireless Road Building
2. Athenee Tower
3. The Empire
4. Interlink Tower
5. AEC Trade Center - Pantip Wholesale Destination
6. Asiatique, the riverfront
7. Gateway - Bangsue
8. Gateway – Ekamai
9. Lasalle'S Avenue
10. Pantip Plaza – Chiangmai
11. Pantip Plaza - Ngamwongwan
12. Tawanna, Bangkokapi

Source: [WWF Biodiversity Risk Filter \(2023\)](#)

Biodiversity Risks Level (Upstream&Downstream)



Source: [WWF Biodiversity Risk Filter \(2023\)](#)

High

Downstream Activities

1. Raja Ferry
2. Seatran Ferry

Medium

Upstream Activities

1. Carrier Air Conditioning (Thailand) Co., Ltd.
2. Mai Chang Thong Furniture Co., Ltd
3. Thermedez Company Limited
4. TCM Corporation
5. Prakarn Kolkarn Shipyard Co., Ltd
6. A.K.&J. Textile Co., Ltd
7. TCC Technology Co., Ltd
8. Mitsubishi Elevator Co., Ltd
9. Siam Daikin Sales Co., Ltd
10. TK Elevator (Thailand) Co.,Ltd

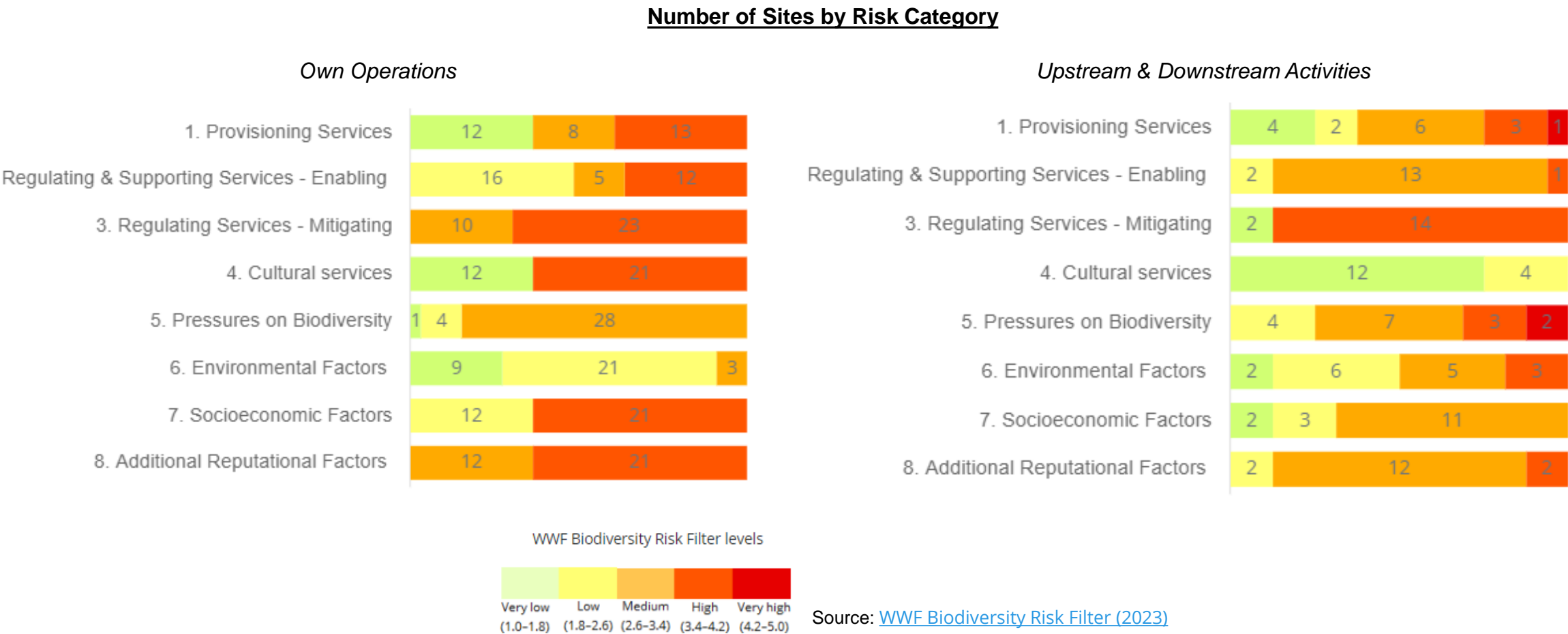
Downstream Activities

1. Chao Phraya Express Boat
2. Queen Sirikit National Convention Center
3. Bangkok Mass Transit System Public Company Limited
4. Bangkok Expressway and Metro Public Company Limited

Remarks: The area of upstream activities have classified by critical tier-1 suppliers who have mainly manufacturing and logistic activities or high purchasing their product/service, for downstream activities have classified by key partners who provide customer attraction channel or transportation services for our customer

Biodiversity Risks Map

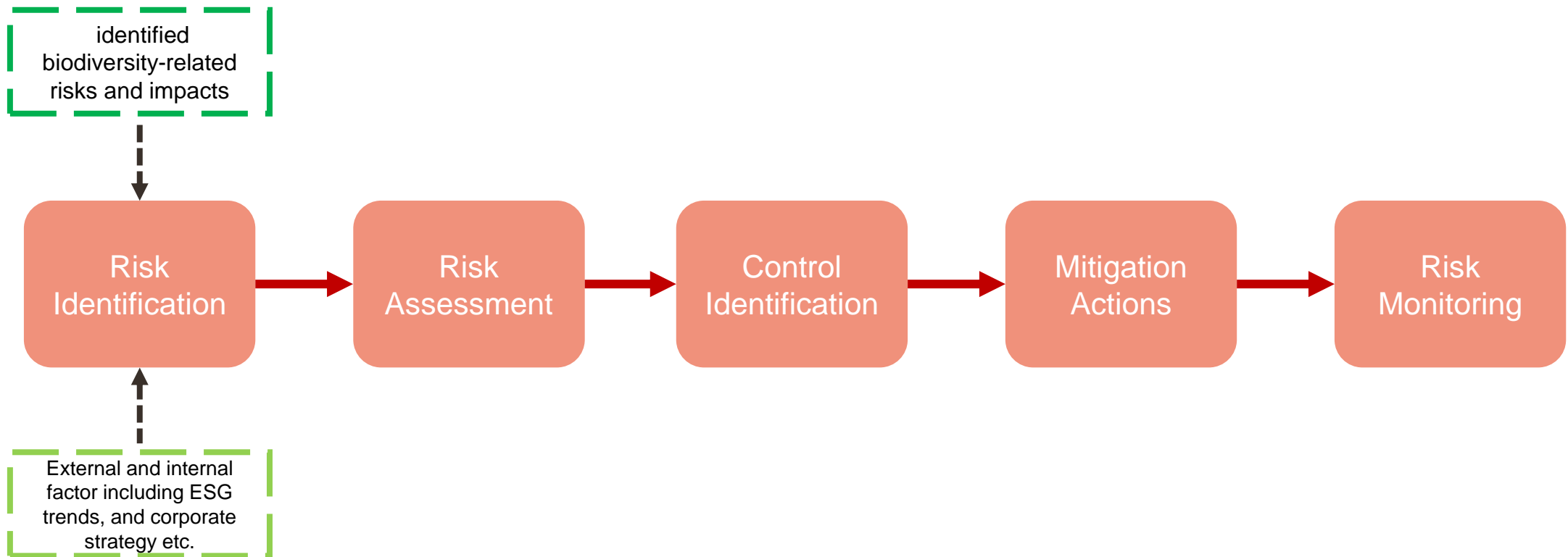
The 10 highest-ranking indicators within the properties of the Company from **Physical risk*** and **Reputational risk****.



Remark
*Physical risk is driven by the ways in which a company depends on nature and can be affected by both natural and human-induced changes to the condition of land- and seascapes.
**Reputational risk represents stakeholders' and local communities' perceptions of whether companies conduct business sustainably and responsibly with respect to biodiversity, and can ultimately affect brand value and market share, among other factors.

Integrating biodiversity risk into the corporate risk management

the Company emphasizes sustainable risk management at both organizational and operational levels. This is achieved through the establishment of an Enterprise Risk Management Framework. According to the biodiversity assessment process, the company has determined biodiversity related risks to integrate into the framework at the 1st step to ensure biodiversity all employee, and governance bodies including our partners and suppliers have oversighted the biodiversity related impacts and develop the mitigation plan for reducing dependencies and impacts and aligning operations with the organization's goals and strategies under the principles of Good Corporate Governance.



Biodiversity related risks

Corporate Risk type	Biodiversity related risks	Impact-related biodiversity risks
Strategic risks	Regulatory Compliance and Permitting Risks	Failure to comply with biodiversity regulations can lead to legal penalties, operational delays, and a damaged reputation as stakeholders perceive the company as irresponsible.
	Market Access and Consumer Awareness	Consumer sentiment increasingly favors environmentally responsible companies, impacting sales, market share, and brand loyalty that affect to loss of market share, diminished brand value, decreased customer loyalty, potential boycotts or protests.
Operational risks	Supply Chain Disruption Due to Ecosystem Changes	Dependence on natural resources or products linked to specific ecosystems vulnerable to biodiversity loss that will Increased costs of raw materials, interruptions in production, reduced product availability, supply chain inefficiencies.

Identifying sites that are in proximity to critical biodiversity area

Protected Area Categories	Risk assessment	Location	Lists of asset are in proximity to protected area	Management Plan
Terrestrial and Inland Waters Protected Area	Hotel or project site is located within or adjacent to important terrestrial or freshwater habitats. Consider impacts on ecosystems such as forests, wetlands, rivers, lakes, and wildlife corridors.	No have any assets are in proximity to Terrestrial and Inland Waters Protected Area		
Marine Protected Area	Hotel or project site has any structures extending into the sea, or is located within or adjacent to coastal shorelines, beaches, or intertidal zones	Phuket	<ol style="list-style-type: none"> 1. Phuket Marriott Resort and Spa, Naiyang Beach 2. The Westin Siray Bay Resort and Spa, Phuket 	<p>Since all eight sites have similar geographical characteristics and hotel activities, with no structures extending into the sea and only areas adjacent to the beach, the management plan applies uniformly across all sites including</p> <ol style="list-style-type: none"> 1. Implement waste management and treatment systems to prevent beach and marine pollution. 2. Regularly maintain infrastructure to avoid leaks and spills. 3. Conduct water quality tests and habitat surveys near the beach to assess impacts 4. Submit periodic compliance and monitoring reports to authorities 5. Regulate activities on the beach to minimize disturbance to marine habitats. 6. Clearly define operational zones to prevent impact on the beach area 7. Train staff on best practices for environmental protection and minimize disturbances.
		Surat Thani (Samui Island)	<ol style="list-style-type: none"> 1. Banyan Tree Samui 2. Sheraton Samui Resort 3. Vana Belle, Koh Samui 4. Melia Koh Samui Beach Resort 	
		Krabi	Banyan Tree Krabi	
		Prachuap Khiri Khan	Hua Hin Marriott Resort & Spa	
Other effective area-based conservation measures	Hotel or project site is located within or adjacent to areas designated as OECMs, which are areas that contribute to the conservation of biodiversity outside of formal protected areas. Evaluate potential impacts on biodiversity, ecological processes, and habitat connectivity	No have any assets are in proximity to Other effective area-based conservation measures		

Remarks; Courtyard by Marriott Phuket Town is not included as the hotel does not have any structures extending into the sea or any areas adjacent to the coastal shoreline, or beach.

Reference: UNEP-WCMC (2024). Protected Area Profile for Thailand from the World Database on Protected Areas, July 2024. Available at: www.protectedplanet.net

Summary of Biodiversity Exposure and Assessment

	Number of Sites	Area (Hectares)
Overall: total number of sites used for operational activities and developing areas	42	138.36
Assessment: biodiversity impact assessment for sites used for operational activities in the last 5 years	33	81
Exposure: number of sites that are in proximity to critical biodiversity area	8	42.47
Management Plans: number of sites that have a biodiversity management plan	8	42.47

Biodiversity Mitigating Actions - Avoid



Banyan Tree Krabi collaborates with Save Andaman Network to develop a pilot project, the Sustainable Community-Base Tourism. Through this network, there are key partners such as advisors to Koh Lanta Tourism Business Association and Community Based Tourism Association, the President of Ban Thung Yee Peung Community, and etc

The objectives of this project are to:

1. Raise awareness and increase knowledge on a bee farm, Kok Nong Na Model, and the small-scale fisheries and crab bank to visitors and travelers. This will help to protect the environment and natural resources.
2. To strengthen and enhance the bee farm and fisheries in alignment with Bio-Circular-Green Economy (BCG) and the ESG concept. It is to prolong the community's way of living.
3. To promote upcycle souvenirs produced by the local community. Banyan Tree Krabi believes that this is the beginning to foster Thailand as a global sustainable tourism destination.

Regarding the Biodiversity and No deforestation commitment, AWC upholds the principles to protect the biodiversity of areas around the Company's assets and where we operate. AWC has been shaping and restructuring its business plan by incorporating the principles of biodiversity protection and no deforestation. It includes the land sourcing and assets investment phase to avoid potential risks and impacts on the ecosystem. Therefore, AWC has assessed the operation location and the critical biodiversity areas to measure its' distances. According to Thailand's Environment Impact Assessment (EIA), AWC has implemented the prevention and mitigation measures of biodiversity impacts. It includes the continuous monitoring procedures which shall be reported to the Office of Natural Resource and Environmental Policy and Planning in order to ensure compliance with The Enhancement and Conservation of the National Environmental Quality Act, B.E. 2535 (1992).



Biodiversity Mitigating Actions - Reduce



“EVERYTHING OLD IS NEW AGAIN”

reConcept aims to build the most value in sustainability through repurposing, recycling, and reconnecting second-hand furniture in Thailand to create an ecologically sustainable world.

Developing Concept to Practice

To reduce the consumption of the world’s resources, we focus on reusing and restoring used furniture and household items to be usable again. reConcept’s goal is to build sustainability through creative and innovative product design. Here is an outline of how reConcept develops a project concept and turns it into reality:



Reconcept

Develop new designs from second-hand furniture and used items to add artistic value.



Recycle / Upcycle

Bring old materials and transform them into new, purposeful items to support the “zero waste” concept and help build an ecologically sustainable planet.



Reuse

Reimagine old items, furniture, and accessories to be useful again through creative repurposing.

Souvenirs from the sea

As part of our efforts to operate in a sustainable manner as well as to support the community in which we operate, our team connected with local artisans from Souvenirs from the Sea to create a bag for guests' use during their stay which has been made entirely from upcycled waste that washed up on beaches in the Krabi area.



Biodiversity Mitigating Actions - Regenerate

AWC Stay to Sustain

At AWC, we're committed to creating sustainable tourism experiences and enhancing net positive impact. Through our "AWC Stay to Sustain" project, hotel and resort guests have the opportunity to become active participants in conserving and restoring Thailand's community forests. With every night's stay at an AWC-affiliated property, guests contribute to the reforestation of these vital ecosystems. AWC aims to create sustainable tourism experiences for the hotel and resort guests by providing opportunities for the guests to participate in conserving and restoring community forests in Thailand through the 'For every 1-night stay at AWC-affiliated hotels, guests will participate in nurturing 1 tree, contributing to the reforestation of the community forest' initiative. For every one-night stay at AWC hotels and resorts, customers will participate in caring for one tree' initiative. The activity is part of a project in which AWC collaborates with the Mae Fah Luang Foundation to conserve and restore community forests in the long term. AWC has set a target to preserve and restore trees each year, with an approximate target of 500,000 trees in an area exceeding 5,000 rai within a 9-year the project's timeframe by 2030 (8 years) until 2030. This initiative is estimated to be able to sequester approximately 2,500 tons of carbon dioxide equivalent per year.



Biodiversity Mitigating Actions - Regenerate

Tree planting project

In 2023, AWC set a target to plant 600 trees within the project areas where operations are ongoing. To achieve this target, the Company expanded tree-planting activities within these project areas. New trees were planted in 13 project areas currently under operation, including:

Banyan Tree Krabi	Banyan Tree Samui
Meliá Chiang Mai	Lasalle's Avenue
Sheraton Samui Resort	Asiatique The Riverfront Destination
Bangkok Marriott Marquis Queen's Park	Gateway At Bangsue
Bangkok Marriott Hotel The Surawongse	The Pantip At Ngamwongwan
Vana Belle, A Luxury Collection Resort, Koh Samui	The Empire



AWC Afforestation

Since 2017, AWC has been implementing the 'AWC Afforestation Project'. This initiative aims to enhance landscapes, promote environmental diversity, and offset carbon emissions by expanding green spaces through planting and conserving trees with a diameter greater than 3 inches in public areas within each of the Company's project areas. The Company operates projects in three main formats: ongoing projects, projects in development, and participation in volunteer reforestation projects. In 2023, the Company planted an additional 738 trees, with the cumulative number of 8,831 trees.



Biodiversity Mitigating Actions – Restore



Sea Turtle lays eggs at Banyan Tree Samui beach

The Hotel and the Department of Marine and Coastal Resources (Chumporn Research Center) move the eggs (2 out of 5 nests) above tide level to increase these turtles' survival rate. They then built nursery zones to protect the eggs from predators. There were 269 successful hatchlings since May 2020. The hotel has restricted all construction projects along the beach to protect coral reefs and preserve the shoreline biodiversity. The resort continues to monitor for turtle nesting signs along the shore, hoping for more turtles to return for nesting.



Crab bank project at Sheraton Samui Resort

The resort has been collaborating with Koh Samui Crab Bank with an aim to restore and increase local blue crab populations at Koh Samui. This project support in fishery resources and ecosystems helps strengthen local food resources and the livelihoods of local fishermen and their families. Hence, the project promotes a deeper connection between AWC and the communities through engagement. Moreover, the project has been selected as one of the sustainable projects to showcase at the press conference (hybrid) - APEC press & media in 2022.



Collaboration between Banyan Tree Samui Hotel and the Department of Marine and Coastal Resources of Thailand:

The project focuses on restoring the coral reefs surrounding the resort by collecting coral fragments dislodged by storms along the coastline. These fragments are rehabilitated before being replanted onto the reefs, with subsequent monitoring conducted periodically. Additionally, proactive measures are undertaken to safeguard the marine ecosystem, aiming to increase the abundance of marine life along the coral reefs surrounding the resort.

Biodiversity Mitigating Actions – Transform

Our company addresses the fundamental drivers of nature loss by rejecting outdated practices and beliefs that contribute to biodiversity degradation. We integrate No Net Loss (NNL) and Net Positive Impact (NPI) principles into our operations, focusing on sustainable practices and resource efficiency. We invest in conservation projects within the landscapes and seascapes where we operate and build partnerships across supply chains and sectors to scale these efforts. As an active member of the UN Global Compact (UNGC) and Global Compact Network Thailand (GCNT), we advocate for stronger environmental policies and engage in policy dialogues to drive ambitious climate and conservation targets. Our approach not only protects nature and enhances human well-being but also improves the functioning of both real and financial economies, contributing to sustainable development.



Find more our commitment to integrate No Net Loss (NNL) and Net Positive Impact (NPI) and biodiversity contribution

<https://www.assetworldcorp-th.com/storage/document/cg-policies/environmental-and-climate-change-policy-en.pdf>



BUILDING A BETTER FUTURE