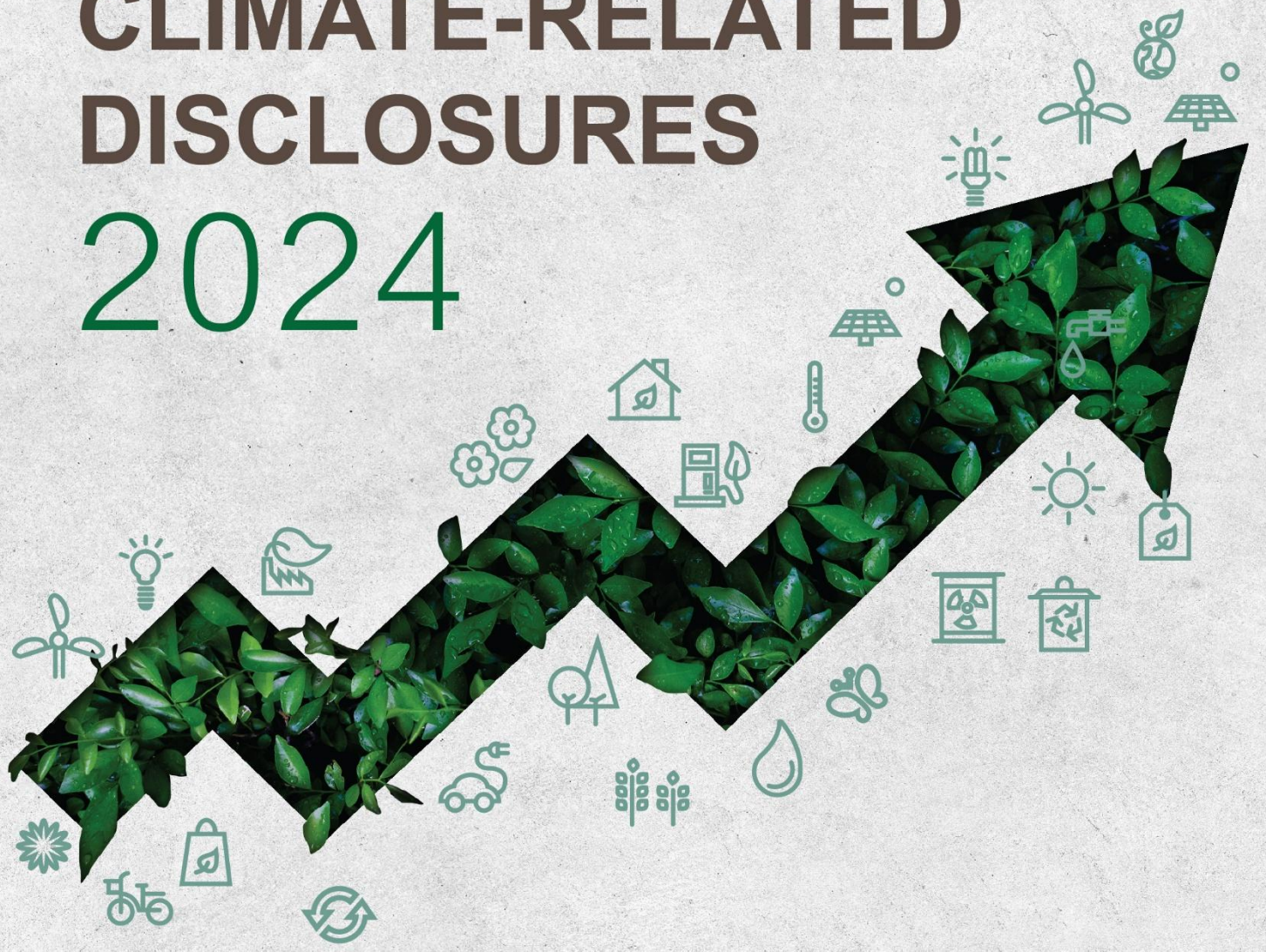
ASSET WORLD CORP PUBLIC COMPANY LIMITED

ASSET WORLD
CORPORATION

IFRS S2 CLIMATE-RELATED DISCLOSURES 2024



BUILDING
BETTER FUTURE

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List of Abbreviations

AWC	Asset World Corp Public Company Limited
BCP	Business Continuity Plan
BIPV	Building-Integrated Photovoltaics
BoD	Board of Directors
BREEAM	Building Research Establishment Environmental Assessment Method
CapEx	Capital Expenditure
CEO	Chief Executive Officer
CGSC	Corporate Governance and Sustainability Committee
CH_4	Methane
CO	Carbon Monoxide
CO_2	Carbon dioxide
COSO	Committee of Sponsoring Organizations of the Treadway Commission
CRRO	Climate-related Risks and Opportunities
EDGE	Excellence in Design for Greater Efficiencies (IFC)
EEP	Energy Efficiency Program
ERM	Enterprise Risk Management
ESG	Environmental, Social, and Governance
Fitwel	Fitwel Building Health Certification
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
HFCs	Hydrofluorocarbons
HVAC/HVACO	Heating, Ventilation, and Air Conditioning
IEA	International Energy Agency
IF-RE	SASB/ISSB industry code for Real Estate (Infrastructure sector)
IFRS	International Financial Reporting Standards
IPCC	Intergovernmental Panel on Climate Change
ISO	International Organization of Standardization
ISSB	International Sustainability Standards Board
KPIs	Key Performance Indicators
LED	Light-Emitting Diode
LEED	Leadership in Energy and Environmental Design
MACO	Management Committee
MRMC	Management Risk Management Committee
NABERS	National Australian Built Environment Rating System

NDC	Thailand's Nationally Determined Contributions
NZE2050	Net Zero Emissions by 2050 (IEA scenario)
OpEx	Operating Expenditure
PM&TS	Project Management & Technical Support
PPAs	Power Purchase Agreements
RECs	Renewable Energy Certificates
RMC	Risk Management Committee
SBTi	Science Based Targets initiative
SLL	Sustainability-Linked Loan
SLR	Sea Level Rise
SSPs	Shared Socioeconomic Pathways
STEPS	Stated Policies Scenario (IEA)
TCFD	Task Force on Climate-related Financial Disclosures
tCO2e	Metric tons of carbon-dioxide equivalent
TGO	Thailand Greenhouse Gas Management Organization
THB	Thai Baht
TREES	Thai’s Rating of Energy and Environmental Sustainability
UNEPFI	United Nations Environmental Program Finance Initiatives
VSDs	Variable Speed Drives
WBGT	Wet Bulb Globe Temperature
WELL	WELL Building Standard
WRI	World Resources Institute

Introduction

In June 2023, the International Sustainability Standards Board (ISSB) issued the IFRS Sustainability Disclosure Standards, comprising **IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information** and **IFRS S2 Climate-related Disclosures**. These standards mark an important milestone in creating a global baseline for sustainability-related financial reporting, responding to the growing demand from investors, regulators, and stakeholders for transparent, consistent, and comparable information on sustainability and climate-related risks and opportunities. Both standards became effective for annual reporting periods beginning on or after 1 January 2024, with provisions for early adoption and transition reliefs to facilitate implementation.

In Thailand, the Securities and Exchange Commission (SEC) has introduced an ISSB-aligned roadmap to gradually integrate these global standards into local disclosure requirements. Under this plan, SET50-listed companies will be required to begin ISSB-aligned reporting from the 2026 fiscal year (to be published in 2027), with transition reliefs allowing companies to initially prioritise climate-related disclosures under IFRS S2 before fully adopting IFRS S1.

For **Asset World Corp Public Company Limited (AWC)**, **this report represents our first voluntary disclosure aligned with IFRS S2**, covering relevant information for the fiscal year ending 31 December 2024. As an initial step, the report has been partially prepared in accordance with the IFRS Sustainability Disclosure Standards, applying transition reliefs such as exemptions from presenting comparative information and focusing exclusively on climate-related disclosures under IFRS S2.

AWC, a leading real estate and hospitality company in Thailand, recognizes climate change as a material sustainability issue with direct implications for business resilience and long-term value creation. We have set the ambition to achieve carbon neutrality across our operations, underscoring our commitment to mitigating climate change and safeguarding stakeholder value. This ambition is currently under review in collaboration with specialist advisers to ensure alignment with science-based pathways, leading international practices, and applicable regulatory requirements.

To address escalating climate risks, AWC has embedded climate considerations into our governance structure, strategic planning, and operational oversight. Key initiatives include a portfolio-wide **Energy Efficiency Program (EEP)**, proactive monitoring of **water stress risks**, and advancing circular economy practices through **sustainable packaging and zero waste to landfill commitments**. These programs aim to reduce greenhouse gas (GHG) emissions, optimize resource efficiency, and strengthen climate resilience across our portfolio.

In preparing this disclosure, AWC has, for the first time, undertaken a comprehensive assessment of climate-related risks and opportunities, evaluating potential impacts on our operations, supply chains, and financial performance. The assessment covers both **physical risks** (such as extreme weather events and water scarcity) and **transition risks** (such as regulatory changes, evolving customer expectations, and market dynamics), alongside opportunities to innovate and enhance competitiveness. These insights have been integrated into our governance and risk management frameworks to ensure that climate-related issues are systematically reviewed, embedded in decision-making, and disclosed transparently in alignment with IFRS S2 requirements.

1. Governance

1.1 Climate Governance Structure

Asset World Corp Public Company Limited (AWC) recognizes that strong governance, transparency in business conduct, and the integration of sustainability into all aspects of operations are fundamental to building a resilient and successful business. The Board of Directors (BoD) comprises members with diverse expertise and extensive experience, enabling effective leadership in advancing the Company's vision, mission, and strategic objectives.

AWC has established a clear governance structure to oversee climate-related risks and opportunities, ensuring they are addressed at the highest organizational level. Oversight resides with the **Corporate Governance and Sustainability Committee (CGSC)**, a Board sub-committee chaired by an **Independent Director**. The CGSC is responsible for:

- Reviewing climate-related risk and opportunity assessments prepared by management.
- Approving climate-related strategies, policies, and measurable targets.
- Monitoring performance against approved objectives.
- Ensuring transparency and accuracy of climate-related disclosures in accordance with IFRS S2 requirements.

The CGSC meets at least quarterly and reports directly to the Board of Directors.

The **Management Committee (MACO)**, comprising the Chief Executive Officer and all Chief Officers, supports the CGSC by integrating climate considerations into strategic and operational planning. MACO members are responsible for cascading strategic direction to their respective divisions and ensuring alignment with approved climate and sustainability objectives.

Operational execution is coordinated by the **Sustainability Working Team**[1], which brings together specialists from across the Company to deliver on climate-related initiatives in the areas of environmental operations, circular economy, human capital development, occupational health and safety, community and social integration, and corporate governance and economic value creation. The Working Team reports progress to MACO, which in turn reports to the CGSC.

This top-to-bottom structure ensures that climate-related issues flow from strategic Board oversight, through executive decision-making, to coordinated operational delivery, embedding climate action across the organization.

[1] Sustainability Working Team oversees Environmental Operations, Circular Economy Operations, Human Capital Development, Occupational Health and Safety, Community and Social Integration, and Corporate Governance and Economic Value Creation.

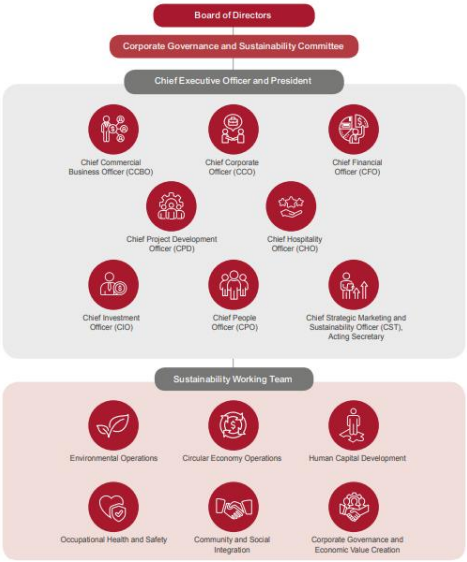


Figure 1 Climate Governance Structure

1.2 Board Level

1.2.1 Roles and Responsibility

AWC has clearly defined the charters, roles, and responsibilities of each governing body to ensure effective oversight of climate-related matters and alignment with the Company's sustainability and strategic objectives. This clarity supports transparent decision-making, accountability, and operational efficiency across all levels of the organization. The details of the specific duties and responsibilities assigned to each committee and executive role are presented in **Table 1**.

Table 1 Roles and Responsibilities of Oversight Bodies

Board Level	Roles and Responsibilities
Board of Directors[2]	The Board of Directors (BoD) has ultimate responsibility for overseeing climate-related matters across AWC and its subsidiaries. Key responsibilities include: • Approving AWC's strategic direction, including climate-related goals. • Ensuring climate-related risks and opportunities are embedded into strategic planning, enterprise risk management, and performance monitoring. • Reviewing and endorsing sustainability and climate-related targets and tracking progress against these targets through financial and non-financial metrics. • Supervising executive management to ensure effective execution of climate strategies and appropriate allocation of resources. • Establishing Board sub-committees to enhance governance oversight of risk management and sustainability. The Board receives updates on climate-related risks, opportunities, and performance from the Corporate Governance and Sustainability Committee (CGSC) **at least annually** and may receive additional reports as required in response to emerging risks or strategic developments. This enables timely decision-making to support climate resilience and the Company's long-term strategic objectives.
Corporate Governance and Sustainability Committee (CGSC)[3]	The CGSC, a sub-committee of the Board chaired by an Independent Director, provides specialized oversight of AWC's sustainability strategy, including climate-related matters. Responsibilities include:

[2] For more details on roles and responsibilities of the Board of Directors, please see Board of Directors Charter
[3] For more details on roles and responsibilities of Corporate Governance and Sustainability Committee, please see Corporate Governance and Sustainability Committee Charter

Board Level	Roles and Responsibilities
	• Establishing and reviewing climate-related policies, guidelines, and action plans. • Advising the Board on integrating sustainability and climate governance into corporate decision-making, in alignment with IFRS S2 and best international practices. • Monitoring implementation and performance of climate-related initiatives across the Company. • Ensuring transparent and accurate sustainability and climate-related disclosures. • Engaging independent experts when necessary to provide objective advice and assurance. The CGSC meets at least quarterly and reports directly to the Board, ensuring informed and active oversight.
Risk Management Committee (RMC)[4]	The RMC supports the integration of climate-related risks and opportunities into AWC's overall risk management framework. Responsibilities include: • Reviewing and approving risk management policies that address material climate-related risks. • Overseeing identification, assessment, and monitoring of climate-related risks across the Company. • Ensuring alignment of risk strategies with AWC's objectives and risk appetite. • Providing recommendations to the Board to strengthen climate risk governance. The RMC Chair reports key climate-related risk matters to the Board through formal reports and disclosures, ensuring transparency to shareholders and stakeholders.

1.2.2 Board Skills and Competencies

AWC conducts an annual review of the Board of Directors' Skills and Competencies Matrix alongside the results of the Board's performance evaluation. This process ensures that the Board's composition remains well-balanced and aligned with the Company's strategic priorities, including effective oversight of climate-related matters.

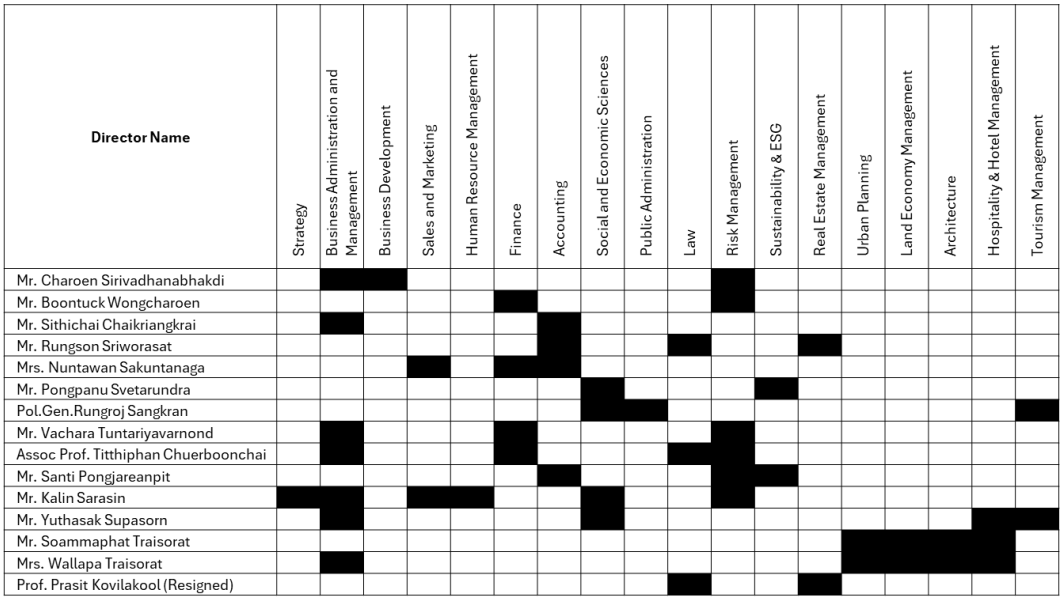
The Board comprises individuals with diverse expertise spanning real estate management, business administration, finance, law, architecture, economics, urban planning, social sciences, public administration, hospitality and tourism management, and risk management. This diversity enhances the Board's ability to address complex issues such as climate change, which requires cross-disciplinary perspectives and integrated decision-making.

Several Directors bring specific knowledge and experience in sustainability, environmental management, and ESG governance, enabling informed oversight of climate-related risks and opportunities. Where necessary, the Board engages external experts to supplement its understanding of emerging climate trends, regulations, and best practices.

To maintain and enhance relevant skills, AWC provides Directors with periodic briefings and training on climate-related topics, regulatory developments, and sector-specific decarbonization strategies. This continuous learning approach ensures that the Board remains equipped to oversee the Company's transition towards a low-carbon and climate-resilient business model.

The collective skill set of the Board, as illustrated in **Figure 2**, supports AWC's ability to integrate climate considerations into governance, strategic planning, and risk management.

[4] For more details on roles and responsibilities of Risk Management Committee, please see Risk Management Committee Charter



Director Name	Strategy	Business Administration and Management	Business Development	Sales and Marketing	Human Resource Management	Finance	Accounting	Social and Economic Sciences	Public Administration	Law	Risk Management	Sustainability & ESG	Real Estate Management	Urban Planning	Land Economy Management	Architecture	Hospitality & Hotel Management	Tourism Management
Mr. Charoen Sirivadhanabhakdi		■	■								■							
Mr. Boontuck Wongcharoen						■					■							
Mr. Sithichai Chaikriangkrai		■					■											
Mr. Rungson Sriworasat							■			■			■					
Mrs. Nuntawan Sakuntanaga				■		■	■											
Mr. Pongpanu Svetarundra								■				■						
Pol.Gen.Rungroj Sangkran								■	■									■
Mr. Vachara Tuntariyavarnond		■				■					■							
Assoc Prof. Titthiphan Chuerboonchai		■				■				■	■							
Mr. Santi Pongjareanpit							■				■	■						
Mr. Kalin Sarasin	■	■		■	■			■			■							
Mr. Yuthasak Supasorn		■						■									■	■
Mr. Soammaphat Traisorat														■	■	■	■	
Mrs. Wallapa Traisorat		■												■	■	■	■	
Prof. Prasit Kovilakool (Resigned)										■			■					

Figure 2 Board Skills and Competencies Matrix

1.3 Management Level

1.3.1 Roles and Responsibility

AWC assigns clear roles and responsibilities to management for the implementation of climate-related strategies, policies, and targets approved by the Board of Directors and the Corporate Governance and Sustainability Committee (CGSC). This ensures that climate-related matters are integrated into day-to-day operations and performance management across the organization. A summary of the specific responsibilities assigned to each management role is presented in **Table 2**.

Table 2 Roles and Responsibilities of Management Level

Management Level	Roles and Responsibilities
Management Committee (MACO)	The Management Committee, chaired by the Chief Executive Officer, comprises all Chief Officers and senior executives responsible for the Company's business divisions and corporate functions. Key responsibilities include: • Translating Board-approved climate-related strategies into actionable plans for each division. • Overseeing operational performance against climate and sustainability targets. • Allocating resources to support climate-related initiatives, including capital projects, training, and technology adoption. • Reviewing progress and challenges on a quarterly basis and reporting outcomes to the CGSC. • Ensuring climate-related considerations are embedded in investment decisions, asset management, and supply chain engagement.
Sustainability Working Team	The Sustainability Working Team consists of senior managers and technical specialists from relevant departments, including environmental operations, engineering, procurement, human resources, and corporate communications. The team's responsibilities include: • Coordinating the execution of climate-related projects and programs across AWC's portfolio. • Conducting data collection, monitoring, and verification for greenhouse gas (GHG) emissions, energy efficiency, water management, and waste reduction. • Identifying operational risks and opportunities linked to climate change and escalating significant issues to MACO. • Supporting internal capacity building and employee engagement on climate-related topics.

Management Level	Roles and Responsibilities
	• Preparing quarterly progress reports for MACO, which are subsequently consolidated for CGSC review. This management structure ensures that climate-related directives from the Board are cascaded through the executive level to operational teams, with regular feedback loops to maintain alignment and accountability.

1.4 Climate-related Performance in Incentive Schemes

To align organizational accountability with its sustainability and decarbonization objectives, AWC integrates climate-related performance measures into executive and employee incentive structures. Energy consumption and greenhouse gas (GHG) reduction targets are embedded within corporate KPIs and linked to annual performance evaluations at multiple organizational levels.

- **Executive level:** the CEO and members of the Management Committee with relevant roles and responsibility are assessed against both individual and executive team KPIs. These include achieving GHG reduction targets under Corporate KPI of sustainable value through incorporating energy initiatives such as implementation of Energy Efficiency Plan (EEP) and the application of LEED and/or WELL Criteria in flagship projects.
- **Management level:** Climate-related KPIs, including energy reduction and GHG emission reduction, are cascaded to the Head of Project Management & Technical Support (PM&TS). This role is responsible for developing energy efficiency solutions and leading clean energy transformation projects across the portfolio.
- **Sustainability Development Team:** Employees responsible for developing GHG reduction strategies and raising awareness about climate-related risks and opportunities have both individual and team KPIs tied to achieving GHG reduction targets.

By directly linking performance incentives to climate-related outcomes, AWC strengthens organizational accountability, drives operational efficiency, and fosters innovation in developing climate solutions aligned with its short-term targets and long-term transition towards a low-carbon, climate-resilient business model.

2. Strategy

As a leading national real estate developer with over 70 assets across Thailand, AWC recognizes climate change as a critical factor influencing long-term business resilience and competitiveness. The Company has set the ambition to become a carbon-neutral organization, aligning this goal with its broader corporate sustainability strategy under the oversight of the **Board of Directors**.

Climate-related considerations are embedded across the value chain, including investment, development, construction, asset management, and service operations, with the objective of minimizing environmental impact while enhancing asset value and operational efficiency.

2.1 Climate-related Risks and Opportunities (CRROs)

AWC has early adopted IFRS S2 *Climate-related Disclosure* for the year 2024. In compliance with IFRS S2, AWC conducted climate risk assessment covering both physical and transition risks with the scope of assessment as described in **Section 3.1.2 Scope of Assessment.**

AWC has identified three physicals risks extreme heat, riverine flooding, and coastal flooding as having a significant impact on its operations. In response to the increasing pressures associated with the transition to a low-carbon economy, the Company has also identified two material transition risks: (1) evolving regulatory requirements related to climate-related disclosures and reporting and (2) the rising costs associated with carbon reduction measures. Meanwhile, AWC is committed to managing climate-related risks while also actively pursuing opportunities arising from the transition to a low-carbon economy. AWC has identified three key climate-related opportunities that are expected to have a significant positive impact on its future business prospects: energy efficiency improvements, participation in green certificate programs, and access to green finance.

Physical risk assessments were based on geospatial modelling and asset-specific data, applying the inputs and parameters outlined in **Section 3.1.1 Inputs and Parameters Used.** Transition risk assessments were qualitative, informed by regulatory trend analysis and internal performance benchmarking.

Considering transition risks and opportunities, the greatest impacts are expected from 2030 onwards, given the absence of a baseline assessment for transition risk modelling. Detailed results of the physical baseline assessment are presented in **Table 3**.

Legend: Extremely High | High | Medium High | Medium Low | Low

Table 3 The results of physical baseline assessment

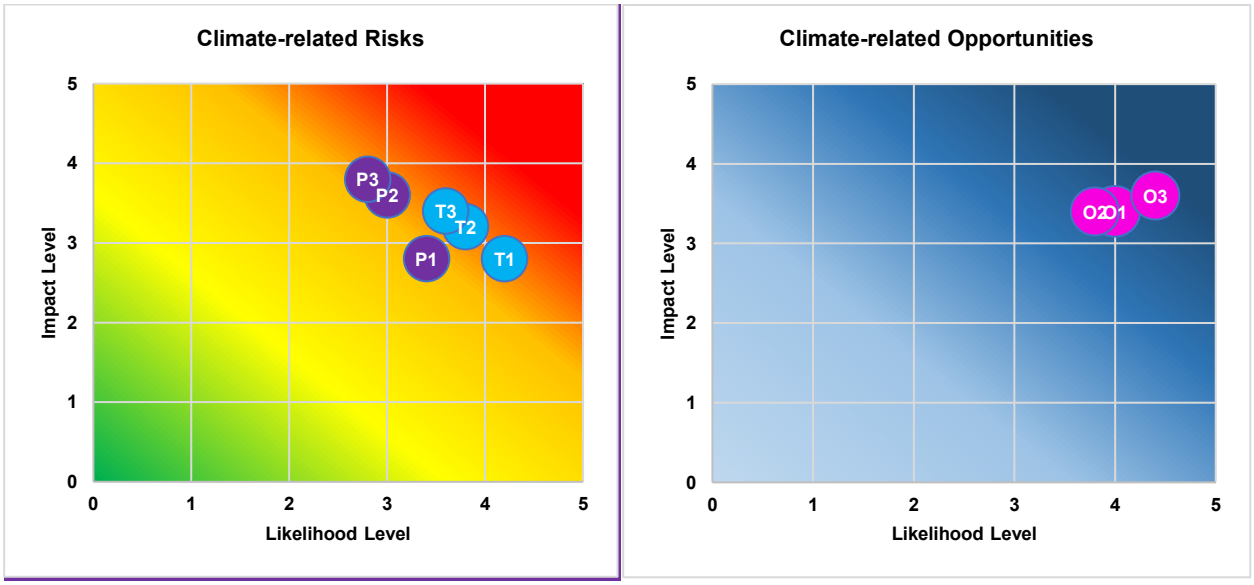
Geographical Locations	Number of Assets	Material Physical Risks		
		Extreme Heat	Riverine Flood	Coastal Flood
Domestic				
• Bangkok	42	High	Medium High	Medium High
• Chiang Mai	10	Medium High	High	N/A
• Chiang Rai	2	Medium High	Extremely High	N/A
• Chon Buri	11	Medium High	Medium Low	Medium Low
• Krabi	1	Medium High	Extremely High	High
• Nonthaburi	1	High	Medium High	Medium High
• Phuket	3	Medium High	Extremely High	High

Geographical Locations	Number of Assets	Material Physical Risks		
		Extreme Heat	Riverine Flood	Coastal Flood
• Prachuap Khiri Khan	2	Medium High	Extremely High	High
• Surat Thani	4	Medium High	High	High
Oversea				
• New York	1	Medium High	Low	Low

The physical baseline assessment, conducted in 2024, evaluated AWC's exposure to extreme heat, riverine flooding, and coastal flooding across domestic and overseas assets. Results for each location are summarized in **Table 3**, which reflects both the severity of each risk type and the number of affected assets.

The findings show that certain provinces, such as **Krabi, Prachuap Khiri Khan, Phuket, and Chiang Rai**, face **extremely high** riverine flood risks, while **Bangkok** and **Nonthaburi** have high exposure to all three risk categories. This assessment provides a quantitative basis for identifying locations with the highest climate risk exposure and informs AWC's prioritization of adaptation and mitigation measures.

These results feed into the Company's **Enterprise Risk Management (ERM)** process (refer to **Section 3.2**) to prioritize climate-related risks and opportunities, in line with IFRS S2 *Climate-related Disclosures*. The prioritized risks and opportunities derived from these findings, are presented in **Figure 3**.



Physical Risk	P1	Extreme Heat
	P2	Riverine Flood
	P3	Coastal Flood
Transition Risk	T1	Climate-related Regulation Enforcement
	T2	Climate-related Disclosure
	T3	Cost of Carbon Reduction

Transition Opportunities	O1	Energy Efficiency
	O2	Green Certificate
	O3	Green Finance

Figure 3 Climate-related risks and opportunities probability matrix

This prioritization supports the identification of key areas requiring immediate attention and facilitates the development of targeted mitigation and adaptation strategies. It ensures that climate-related risks and opportunities are addressed systematically and integrated into strategic planning, capital allocation, and operational decision-making, as further detailed in **Table 4**

Table 4 Summary of current mitigation and adaptation strategies implemented in response to CRROs

CRROs	Current mitigation and adaptation strategies	Current Financial Impact (Unit: Million THB)	
		CAPEX	OPEX
Physical Risks			
Extreme Heat	Mitigation measures include the installation of HVACO systems across properties to maintain optimal thermal comfort during extreme heat periods. These systems manage not only cooling capacity but also humidity control and indoor air quality by dynamically adjusting system loads based on external temperature conditions. Centralized monitoring and preventive maintenance ensure consistent performance, reduce energy consumption, extend equipment lifespan, and minimize service disruptions, thereby safeguarding guest comfort and satisfaction.	During Assessment	9.69
Riverine Flood	Measures include the installation of permanent and temporary water pumps, pre-positioning of sandbags and flood barriers at vulnerable sites, and coordination with government agencies for real-time flood alerts. Regular emergency drills are conducted to ensure staff readiness, while rapid deployment protocols are in place to protect assets and maintain business continuity during flood events. These measures are integrated into operational procedures to minimize disruption and protect stakeholder safety.	0.99[5]	0.24[6]
Coastal Flood	Preparedness measures include annual or more frequent evacuation drills covering scenarios such as tsunamis, in coordination with safety, engineering, and security teams as well as local authorities. Property-specific emergency response protocols are supported by regular hazard awareness training, backup power systems, and emergency generators to ensure continuity during extreme events. Structural and landscape adaptations, such as reinforced sea defenses and elevated infrastructure in high-risk areas, further strengthen resilience against future coastal flooding events.	0.50[7]	0.02[8]
Transition Risks			
Climate-related Regulation Enforcement	Enhancing ESG governance and increasing team awareness help prepare for emerging climate regulations. Frameworks for data management, risk assessment, and stakeholder engagement are developed in alignment with global standards. The AWC Stay to Sustain program demonstrates a commitment to sustainability and community engagement, while ongoing regulatory monitoring enables proactive compliance adaptation and ensures that operational practices and investment decisions remain aligned with evolving legal requirements.	6.21[9]	During Assessment
Climate-related Disclosure	Strengthening climate data accuracy includes securing external assurance for GRI indicators covering Scope 1, 2, and 3 emissions. Rigorous data collection and validation processes are coordinated across sustainability, finance, and operations teams to ensure reliable and transparent reporting in line with evolving disclosure standards. These measures facilitate adaptation to changing reporting requirements and maintain stakeholder trust through verifiable performance data.	During Assessment	0.36
Cost of Carbon Reduction	Rooftop solar installations across multiple properties reduce reliance on fossil fuels, lowers greenhouse gas emissions, and mitigate exposure to future carbon costs. Energy efficiency improvements and integration of advanced carbon management technologies support sustainable growth and ensure compliance with evolving regulations. Adaptation measures include embedding clean energy generation and efficiency improvements into asset lifecycle planning to prepare properties for a low-carbon economy.	During Assessment	6.64
Transition Opportunities			
Energy Efficiency	Implementation of the Energy Efficiency Plan (EEP) combines operational optimization, short-term retrofits, and long-term upgrades. Measures include minimizing operating time for key systems, adjusting temperature settings, replacing boilers with	21.70	During Assessment

[5] This amount includes the cost of purchasing water pumps and flood barriers.

[6] This amount includes the cost of purchasing sandbags and life-saving equipment.

[7] This amount includes the cost of purchasing rescue rubber boats and emergency floating dock.

[8] This amount refers to the cost of training on tsunami evacuation drills for employee.

[9] The mitigation regarding the Climate-Related Regulation Enforcement is currently recorded as capital expenditure (CAPEX).

CRROs	Current mitigation and adaptation strategies	Current Financial Impact (Unit: Million THB)	
		CAPEX	OPEX
	heat pumps, installing VSDs, upgrading to LED lighting, motion sensors, and demand-controlled systems, and replacing or installing high-efficiency air conditioning and cooling systems. These actions improve operational efficiency, lower energy intensity, and reduce GHG emissions, while adapting infrastructure to meet long-term sustainability targets.		
Green Certificate	Upgrades and retrofits in four commercial buildings are in progress to achieve LEED and Fitwel certifications, integrating high-efficiency systems and sustainable design features. These improvements enhance operational performance, reduce energy and water consumption, and improve occupant health and productivity. Certification also strengthens market positioning, attracts sustainability-minded tenants and investors, and ensures resilience against tightening environmental regulations, supporting both immediate performance gains and long-term adaptation to market and policy shifts.	71.38	During Assessment
Green Finance	Sustainability-Linked Loans (SLL) are utilized to fund projects aligned with defined sustainability targets, incentivizing improved ESG performance and operational efficiency. This approach reduces financing costs, supports low-carbon initiatives, and expands access to green capital markets. By securing favorable financing terms and linking investment to measurable outcomes, this strategy enhances long-term financial resilience and strengthens the ability to adapt to evolving market and investor expectations.	During Assessment	

Furthermore, AWC adopted a structured approach to climate risk assessment by categorizing risks and opportunities into short-, medium-, and long-term horizons. These timeframes were selected based on alignment with AWC's strategic planning cycles, investment timelines, asset lifespans, and national and global climate policy frameworks. They are applied to analyses aimed at comprehensively understanding the impacts of climate-related risks and opportunities over time, as outlined in **Table 5** below:

Table 5 Description of time horizons applied to analyses

Time horizons	Descriptions
Short-term (Up to 2030)	This period aligns with Thailand's near-term climate policy milestones and the company's commitment to achieving carbon neutrality by 2030. It is particularly relevant for addressing transition risks, such as the anticipated intensification of climate-related regulations and disclosure requirements, driven by increasing expectations from regulators, investors, and stakeholders for greater transparency and accountability. The cost of carbon reduction is expected to rise during this period, prompting investment in decarbonization strategies, energy-efficient technologies, and enhanced reporting systems. At the same time, significant opportunities in energy efficiency and green finance are expected to emerge, supported by immediate operational improvements and expanded access to sustainability-linked financial instruments.
Medium-term (2031-2040)	This period represents a strategic phase for adaptation and long-term planning, as physical climate impacts are projected to intensify and transition dynamics continue to evolve. Physical risks, particularly extreme heat, riverine flooding, and coastal flooding are expected to become more frequent and severe due to accelerating climate change. Climate-related regulations and carbon pricing mechanisms are also likely to become increasingly stringent and integrated into market systems, influencing corporate strategies and investment decisions. Opportunities such as green certificates and sustainability-linked financial products are anticipated to mature, offering competitive advantages to early adopters.
Long-term (2041-2050)	This horizon is critical for assessing the long-term resilience of assets and operations under more severe climate scenarios, in alignment with Thailand's and global net-zero targets for 2050. It focuses on managing chronic physical risks such as sustained coastal and riverine flooding, which could lead to asset devaluation, operational disruption, and increased infrastructure adaptation requirements. This period also offers opportunities to fully integrate low-carbon technologies, strengthen climate resilience, and participate in mature green financial ecosystems to support sustainable growth.

To comprehensively assess the impacts of climate-related risks and opportunities across different time horizons, AWC has outlined their effects on its future prospects and mapped these risks and opportunities along its value chain, as shown in **Table 6** below:

Table 6 Summary of climate-related risks and opportunities and their effects on AWC's prospects, business activities, and value chain over time

CRROs	Timeframe	Descriptions by timeframe	Impacts on Value Chain	Concentration of CRROs in Value Chain
Physical Risks				
Extreme Heat	Short-term (Up to 2030)	Elevated temperatures can lead to increased energy demand for cooling, rising operational expenses, and thermal stress on building systems. Assets located in urban centers may experience intensified heat due to the urban heat island effect, while tenant health and comfort may be negatively impacted, especially in older or inefficient buildings.	Rising temperatures are expected to increase cooling demand and energy costs across hotels, retail, office, and wholesale properties. Greater strain on HVAC systems will drive higher maintenance needs and potential downtime, affecting guest comfort, tenant satisfaction, and customer experience. Perishable goods may face heightened spoilage risks, reducing operational efficiency.	▪ **Upstream Activities** o Equipment and technology suppliers ▪ **Own Operations** o Building maintenance, HVAC operation ▪ **Downstream Activities** o Guest comfort, tenant satisfaction, tourism demand
	Medium-term (2031-2040)	Rising heat exposure can influence property valuations, occupancy rates, and insurance costs, while also triggering regulatory scrutiny around building resilience and energy efficiency. Locations previously considered low risk may become increasingly exposed, which may lead to higher rates of building system failure, reduced asset performance, and increased wear on materials and infrastructure.	Prolonged heat exposure will accelerate HVAC replacement cycles, requiring investment in advanced cooling technologies, reflective materials, shading systems, and automated controls. These upgrades, together with higher energy costs and insurance premiums, may influence occupancy, leasing terms, and tenant retention.	
	Long-term (2041-2050)	Certain regions may become less desirable or economically viable due to persistent high temperatures, leading to reduced demand, impaired asset values, and potential obsolescence of assets not suited to extreme climate conditions. Additionally, broader systemic pressures such as strained energy grids, water scarcity, and changing demographic patterns may further compound physical and market risks to real estate investments.	Sustained extreme heat may alter tourism patterns, reduce the appeal of certain locations, and impact asset valuations. Safeguarding long-term value will require climate-resilient design, renewable energy integration, and water-efficient systems to maintain operational continuity and competitiveness.	
Riverine Flood	Short-term (Up to 2030)	Increasing riverine flood events pose immediate risks to assets near waterways, including property damage, service disruptions, and access issues. Flooding of lower floors and mechanical systems can lead to higher repair costs and temporary uninhabitability.	Hotels and properties near major waterways face increased flood risk, leading to potential property damage, service disruption, and restricted access. Flooding of lower floors and mechanical systems can result in higher repair costs, temporary unavailability, and impacts on guest and tenant experience.	▪ **Upstream Activities** o Construction and repair services ▪ **Own Operations** o Property maintenance, flood response ▪ **Downstream Activities** o Accessibility, guest and tenant experience
	Medium-term (2031-2040)	Flood intensity and geographic spread are expected to increase due to changing precipitation and land use patterns. This may lead to structural degradation, reduced property values, and higher insurance costs for exposed assets.	Intensifying and expanding flood events may require modifications to building layouts and investment in flood-resilient infrastructure, such as elevated systems and improved drainage. These measures will be necessary to protect asset integrity, maintain insurance coverage, and reduce operational downtime.	

CRROs	Timeframe	Descriptions by timeframe	Impacts on Value Chain	Concentration of CRROs in Value Chain
	Long-term (2041-2050)	Chronic flood exposure may render certain areas economically unviable. Repeated inundation could result in asset devaluation, loss of insurability, and regional market decline, particularly where infrastructure and access are persistently disrupted.	Persistent flood exposure could render some locations economically unviable, reducing asset value, insurability, and market demand. Sustained disruption to infrastructure and accessibility may further drive regional market decline, necessitating strategic divestment or adaptive redevelopment.	
Coastal Flood	Short-term (Up to 2030)	Coastal flooding, driven by storm surges and high tides, poses acute risks to real estate in low-lying coastal zones. Properties may experience direct damage, loss of access, and increased maintenance and insurance costs, particularly during extreme weather events.	Low-lying coastal hotels and properties are vulnerable to storm surges and high tides, leading to property damage, access restrictions, and increased maintenance costs. Tourism and retail operations in affected zones may experience reduced foot traffic and operational interruptions.	▪ **Upstream Activities** o Coastal defense, infrastructure suppliers ▪ **Own Operations** o Property and facility management ▪ **Downstream Activities** o Tourism demand, retail traffic, property marketability
	Medium-term (2031-2040)	Rising sea levels and more frequent coastal storms may impose risks in structural degradation, higher capital expenditures, and reduced asset marketability are likely outcomes in at-risk coastal areas.	Rising sea levels and more frequent coastal storms may accelerate structural wear, requiring higher capital expenditure for protective infrastructure. These conditions may also reduce property desirability and market competitiveness in at-risk areas.	
	Long-term (2041-2050)	A persistent sea-level rise may lead to chronic inundation of coastal assets, impairing long-term usability and value. Certain regions may face retreat pressure, reduced insurability, and significant devaluation due to ongoing exposure and market withdrawal.	Chronic inundation and sea-level rise could significantly impair long-term usability, asset value, and marketability. Retreat or redesign may be required for the most exposed assets, alongside investments in coastal defense systems to preserve operational continuity and long-term market presence.	
Transition Risks				
Climate-related Regulation Enforcement	Short-term (Up to 2030)	Governments are beginning to enforce stricter climate-related regulations, including mandatory energy efficiency disclosures, emissions reporting, and minimum performance standards. Non-compliant buildings may face penalties, restricted leasing potential, and reputational risk, especially in urban and regulated markets.	Compliance systems for ESG and climate data collection, verification, and reporting must align with evolving standards such as TCFD and IFRS S2. This includes ensuring internal teams have the knowledge and capacity to meet requirements. Non-compliance risks include penalties, loss of leasing opportunities, and reputational harm in regulated markets.	▪ **Upstream Activities** o Retrofit contractors, ESG consultants, building service providers ▪ **Own Operations** o Compliance systems, internal reporting, team training ▪ **Downstream Activities** o Tenant leasing, investor confidence, asset marketability)
	Medium-term (2031-2040)	Climate regulation is expected to tighten further, with enforcement of mandatory retrofitting, zero-emissions building codes, and carbon pricing mechanisms. Owners of underperforming assets may face rising compliance costs, limited access to capital, and decreased asset competitiveness in increasingly regulated property markets.	Tightening regulations will require mandatory retrofits, zero-emissions building codes, and integration of carbon pricing. Underperforming assets may face higher compliance costs, reduced competitiveness, and limited financing options.	
	Long-term (2041-2050)	Widespread enforcement of net-zero and decarbonization mandates may lead to regulatory exclusion of inefficient properties. Assets that fail to comply with regulatory benchmarks may become stranded, face legal or financial liability, and experience material loss in value and marketability.	Failure to align with net-zero and decarbonization mandates may result in regulatory exclusion, stranded assets, and loss of market value, affecting AWC's long-term portfolio resilience.	
Climate-related Disclosure	Short-term (Up to 2030)	The introduction of mandatory climate-related disclosure frameworks is increasing pressure to provide transparent and consistent emissions,	Systems for accurate ESG and climate data management must be enhanced to meet disclosure frameworks. This includes deploying IT systems,	▪ **Upstream Activities**

CRROs	Timeframe	Descriptions by timeframe	Impacts on Value Chain	Concentration of CRROs in Value Chain
		energy, and climate risk data. Incomplete or inaccurate disclosures may lead to reputational damage, regulatory scrutiny, and loss of investor confidence.	training staff, and strengthening assurance or audit processes. Failure to provide accurate data may lead to investor mistrust, reputational risk, and market penalties.	○ IT system providers, ESG assurance/audit service providers ▪ **Own Operations** ○ Data management, reporting processes, staff training ▪ **Downstream Activities** ○ Investor trust, access to capital, asset valuation
	Medium-term (2031-2040)	Disclosure standards are expected to broaden in scope and depth, requiring more granular data on asset-level emissions, transition plans, and climate resilience. Failure to meet evolving expectations may impact credit ratings, financing terms, and access to capital, particularly as lenders and institutional investors align portfolios with climate targets.	Disclosure expectations will expand to cover asset-level emissions, transition plans, and resilience strategies. Gaps in reporting could limit access to capital and reduce investor confidence, impacting asset valuation and financing terms.	
	Long-term (2041-2050)	Comprehensive climate disclosures may become fully integrated into financial and regulatory reporting. Persistent gaps in disclosure or non-alignment with science-based targets may result in market exclusion, legal exposure, and impaired valuation if lag in climate transparency.	Climate-related disclosure will be fully embedded in financial and regulatory reporting. Inadequate alignment with science-based targets may result in market exclusion, legal liabilities, and impaired asset value.	
Cost of Carbon Reduction	Short-term (Up to 2030)	Rising pressure to decarbonize is leading to increased near-term costs for energy audits, emissions tracking, and limited retrofitting. Early-stage carbon reduction efforts may strain operating budgets, especially for portfolios with older or inefficient buildings.	Pressure to decarbonize will increase near-term costs for energy audits, emissions tracking, and early retrofits, particularly in older assets. Operational budgets may be impacted, with potential investment in carbon credits or renewable energy certificates to meet interim goals.	▪ **Upstream Activities** ○ Suppliers of low-carbon materials and clean energy technology, retrofit contractors ▪ **Own Operations** ○ Building electrification, retrofits, capital investment ▪ **Downstream Activities** ○ Rental pricing, asset competitiveness, tenant satisfaction
	Medium-term (2031-2040)	As regulations and investor expectations tighten, more extensive carbon reduction measures, including building electrification, deep retrofits, and low-carbon materials—are likely to drive significant capital expenditure. Cost recovery may be uncertain, particularly in rental markets with pricing constraints.	Deeper decarbonization measures such as building electrification, deep retrofits, and low-carbon material adoption will require significant capital investment, with cost recovery depending on market conditions and rental pricing.	
	Long-term (2041-2050)	Achieving net-zero alignment will likely require full asset decarbonization, potentially involving major structural upgrades or asset turnover. If AWC is unable to absorb or pass on these costs, profitability, asset value, and long-term viability may be at risk.	Full decarbonization will demand structural upgrades or asset turnover to achieve net-zero by design. If costs cannot be absorbed or passed through, profitability, asset value, and competitiveness may be affected.	
Transition Opportunities				
Energy Efficiency	Short-term (Up to 2030)	Improving building energy efficiency offers immediate cost-saving potential through reduced utility expenses and increased operational performance. Energy-efficient assets are becoming more attractive to tenants and investors, supporting higher occupancy rates and improved marketability.	Upgrading to high-efficiency systems and appliances in hotels, retail, offices, and wholesale spaces can lower operating costs, enhance guest and tenant comfort, and support market positioning as “green hotels” and sustainable destinations. Early implementation strengthens brand reputation and aligns with investor expectations on operational efficiency.	▪ **Upstream Activities** ○ Suppliers of high-efficiency systems and smart building technologies ▪ **Own Operations** ○ Installation, operation, and maintenance of energy-efficient systems

CRROs	Timeframe	Descriptions by timeframe	Impacts on Value Chain	Concentration of CRROs in Value Chain
	Medium-term (2031-2040)	Widespread adoption of advanced energy systems, smart building technologies, and low-energy design can enhance portfolio performance and regulatory alignment. Energy-efficient buildings may benefit from preferential financing terms, valuation premiums, and competitive positioning as sustainability standards evolve.	Integrating smart building technologies, automated energy management, and low-energy designs across the portfolio improves regulatory compliance and enhances competitiveness. These measures can also secure preferential financing, increase occupancy rates, and support progression toward carbon-neutral operations.	▪ **Downstream Activities** o Guest comfort, tenant satisfaction, operational cost savings, market positioning as green properties
	Long-term (2041-2050)	Over the long term, highly efficient and low-emission assets are expected to retain value and liquidity as the market increasingly rewards climate-aligned properties. Energy-efficient real estate may play a critical role in meeting net-zero targets, offering long-term resilience, tenant retention, and reputational advantage.	Highly efficient, low-emission properties will maintain strong market appeal, tenant retention, and premium valuations as sustainability-aligned assets become the market standard. Long-term operational resilience will reduce exposure to energy price volatility and regulatory risks.	
Green Certificate	Short-term (Up to 2030)	Green building certifications (e.g., LEED, BREEAM, NABERS) are increasingly influencing tenant and investor decisions. Certified properties often command rental and occupancy premiums, while also enhancing brand reputation and signaling alignment with sustainability expectations.	Securing recognized green building certifications such as LEED, BREEAM, or TREES for hotels, retail, and office assets can attract sustainability-conscious tenants and guests, increase rental and occupancy rates, and improve brand differentiation. Certification also supports premium pricing in competitive markets.	▪ **Upstream Activities** o Green building certification consultants, auditors ▪ **Own Operations** o Implementation of sustainable building standards, compliance with certification requirements ▪ **Downstream Activities** o Tenant attraction and retention, investor confidence, premium pricing, brand reputation
	Medium-term (2031-2040)	As climate-related regulations and disclosure standards mature, green-certified assets may gain regulatory advantages, improved financing terms, and eligibility for sustainability-linked incentives. Certification can also support differentiation in competitive markets and facilitate compliance with evolving environmental benchmarks.	Expanding the certified green portfolio enhances eligibility for sustainability-linked incentives, strengthens compliance with evolving regulations, and positions properties for inclusion in green investment funds. Competitive advantage is reinforced through demonstrated environmental performance.	
	Long-term (2041-2050)	Certified green buildings are expected to represent a core segment of climate-resilient and net-zero-aligned portfolios. These assets may sustain higher valuations, lower transition risk exposure, and long-term investor interest as market demand increasingly favors verified environmental performance.	A portfolio dominated by certified green buildings will benefit from lower transition risk, improved investor confidence, and sustained demand from tenants and operators seeking climate-resilient, net-zero-aligned properties.	
Green Finance	Short-term (Up to 2030)	Investing in low-carbon or energy-efficient assets may benefit AWC from preferential interest rates, improved liquidity, and growing investor demand for climate-aligned assets, as access to green financing instruments, such as green bonds, sustainability-linked loans, and tax incentives are expanding.	Leveraging sustainable finance instruments, including green bonds, sustainability-linked loans, and green project finance, can secure preferential interest rates, broaden the investor base, and support funding for ESG-aligned developments and retrofits.	▪ **Upstream Activities** o Financial service providers, green project financing consultants ▪ **Own Operations** o Capital planning, ESG-aligned project execution ▪ **Downstream Activities** o Access to preferential interest rates, investor engagement,
	Medium-term (2031-2040)	As financial markets increasingly integrate climate criteria, alignment with green finance frameworks is expected to influence credit ratings, capital allocation, and project viability.	Demonstrating measurable climate performance across the portfolio enhances credit ratings, strengthens access to institutional capital, and	

CRROs	Timeframe	Descriptions by timeframe	Impacts on Value Chain	Concentration of CRROs in Value Chain
		Portfolios demonstrating measurable climate performance may gain enhanced access to institutional capital and broader financing options.	enables participation in green or climate taxonomy-aligned investment opportunities.	long-term financial resilience and competitiveness
	Long-term (2041-2050)	Green finance is likely to be embedded in mainstream real estate investment and lending practices. Climate-aligned assets may command a lower cost of capital and sustained market preference, supporting long-term financial resilience and competitiveness.	Embedding green finance principles into long-term capital planning can reduce the cost of capital, strengthen financial resilience, and maintain competitive positioning as sustainability becomes a standard market requirement.	

2.2 Climate Resilience

AWC recognizes that assessing the impacts of climate-related risks and opportunities involves a significant degree of uncertainty and judgment. To illustrate its climate resilience, AWC conducted scenario analyses to evaluate the potential impacts of key climate-related risks and opportunities, as outlined in Section 2.1 *Climate-related Risks and Opportunities (CRROs)*, across selected time horizons and a range of plausible future scenarios.

The scenarios were carefully chosen based on established standards and frameworks, practices observed among industry peers in the real estate sector, and AWC's specific business context. Additionally, these scenarios are consistent with globally recognized pathways developed by reputable organizations, including the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA).

The summary of scenarios used for analysis across different time horizons, along with the results of the scenario analyses, is presented in **Table 7** and **Table 8** , respectively.

Table 7 Summary of Scenarios used for analysis

Developers	Scenarios		Definition	Time Horizons
The Intergovernmental Panel on Climate Change (IPCC)	Shared Socioeconomic Pathways (SSPs)	**SSP1-2.6** (Sustainability Pathway)	SSP1-2.6 represents a sustainable development pathway where global efforts prioritize inclusive economic growth, green technologies, and climate action. Greenhouse gas emissions peak soon and decline significantly, aiming to limit global warming to below 2°C, ideally 1.5°C, in line with the Paris Agreement. This scenario is used by AWC to assess resilience under a low-carbon transition and understand opportunities arising from climate-aligned growth.	**Short-term** (Up to 2030) **Medium-term** (2031-2040) **Long-term** (2041-2050)
		SSP5-8.5 (Fossil-fueled Development)	SSP5-8.5 outlines a future dominated by rapid economic growth fueled by intensive use of fossil energy, with limited climate mitigation measures in place. This scenario assumes weak international climate policy, high energy demand, and a continued reliance on coal, oil, and gas, leading to a sharp rise in greenhouse gas emissions. Global temperatures may exceed 4°C by 2100. AWC uses this scenario to evaluate exposure to chronic and acute physical climate risks, such as extreme heat, flooding, and infrastructure stress.	
The International Energy Agency (IEA)	IEA World Energy Outlook Scenarios	**Stated Policies** (STEPS)	STEPS reflects the likely evolution of the global energy system based on governments' current policies and announced commitments, without assuming future net zero pledges will be met in full. AWC uses STEPS to assess risks and opportunities under the status quo and to gauge the potential impacts of gradually tightening regulations.	
		Net Zero Emissions by 2050 (NZE2050)	NZE2050 sets out a clear pathway for achieving net zero CO_2 emissions globally by 2050, in alignment with the 1.5°C climate target. It assumes an immediate shift away from fossil fuels, rapid scaling of renewable energy, widespread electrification, and strong policy support for clean technologies and efficiency. This scenario helps AWC assess transition risks in a stringent regulatory and market environment, as well as opportunities from aligning its business strategy with global decarbonization goals.	

Table 8 The results of scenario analyses for material CRROs, their impact on AWC's operations, and anticipated mitigation and adaptation strategies

CRROs	Vulnerable areas	Scenarios	Timeframe	Impact Level	Scenario Interpretation	Potential Impacts on AWC's operations	Anticipated Mitigation and Adaptation Strategies	Anticipated Financial Impact (Unit: Million THB)	
								CAPEX	OPEX
Physical Risks									
Extreme Heat	All areas (except Phuket has relatively lower risk)	SSP1-2.6	Short	Extremely High	Moderate increase in hot days due to strong mitigation efforts, with adaptation measures reducing risks.	▪ **Property Value Fluctuations:** Higher temperatures can lower property values, especially in regions facing frequent extreme heat days, due to reduced desirability and increased cooling requirements. ▪ **Increased Operating Costs:** Rising temperatures drive higher energy consumption for cooling, significantly increasing operational expenses for property owners. ▪ **Property Damage:** Intense and prolonged heat can degrade building materials, roofing, and landscaping, resulting in higher maintenance and repair costs over time. ▪ **Insurance Premiums:** Greater heatwave frequency can lead insurers to increase premiums or adjust coverage terms for properties located in high-heat zones.	**Mitigation Strategies** ▪ Upgrade HVACO systems with smart controls and high-efficiency technologies that automatically adjust to external temperature changes, reducing cooling loads. ▪ Retrofit and design buildings with improved insulation, reflective roofing, high-performance glazing, and passive ventilation to lower heat gain. ▪ Integrate renewable energy sources, such as solar PV, to power cooling systems and reduce reliance on grid electricity during peak demand. ▪ Incorporate heat-resilient materials in refurbishments to extend asset life and reduce maintenance frequency. **Adaptation Strategies** ▪ Expand preventive maintenance programs for HVACO and cooling systems to ensure reliability during extreme heat events, particularly in high-risk zones. ▪ Establish operational protocols for heatwave conditions, including indoor climate monitoring, proactive adjustments to environmental controls, and contingency power supply measures. ▪ Implement staff training to recognize and address heat-related discomfort and health risks for guests, tenants, and employees. ▪ Introduce climate-resilient landscaping and shading around properties to reduce ambient temperatures and enhance outdoor usability. **Strategic Integration** ▪ Embed climate resilience criteria into capital planning, asset refurbishment cycles, and supplier requirements to ensure long-term value protection.	During Assessment	32.50[10]
			Medium	Extremely High					
			Long	Extremely High					
		SSP5-8.5	Short	Extremely High	Significant rise in extreme heat days, increasing risks to human health, productivity, and infrastructure.				
			Medium	Extremely High					
			Long	Extremely High					

[10] This amount is anticipated for the period of 2025 – 2030.

CRROs	Vulnerable areas	Scenarios	Timeframe	Impact Level	Scenario Interpretation	Potential Impacts on AWC's operations	Anticipated Mitigation and Adaptation Strategies	Anticipated Financial Impact (Unit: Million THB)	
								CAPEX	OPEX
							▪ Differentiate responses under various scenarios: under SSP1-2.6, focus on efficiency and optimization; under SSP5-8.5, prioritize redundancy, contingency capacity, and enhanced occupant safety systems. ▪ Align upgrades with brand positioning and green certification standards to preserve competitiveness, occupancy rates, and investor confidence across hotels, retail, offices, and wholesale spaces.		
Riverine Flood	Chon Buri Krabi New York	SSP1-2.6	Short	Medium High	Moderate increase in urban flooding, with better drainage and infrastructure adaptation.	▪ **Property Damage and Devaluation**: Flooding can cause severe structural damage to properties and infrastructure, leading to lower property values and reduced marketability in flood-prone areas. ▪ **Increased Insurance Costs:** Properties exposed to riverine flood risks typically face higher insurance premiums, impacting property affordability for owners, tenants, and investors. ▪ **Health and Safety Risks:** Flood-related issues such as mold growth, water contamination, and structural instability negatively affect property livability, tenant retention, and asset reputation. ▪ **Regulatory Compliance Costs:** Authorities often impose stricter building codes and flood mitigation requirements in high-risk areas, increasing development and renovation costs.	**Mitigation Strategies** ▪ Install permanent and semi-permanent flood barriers such as sluice gates, stop logs, and reinforced flood walls to protect critical assets in flood-prone areas. ▪ Retrofit drainage systems and landscape grading to enhance water runoff management and reduce pooling near buildings. ▪ Elevate electrical systems, backup generators, and key mechanical equipment above potential flood levels to safeguard operational continuity. ▪ Use water-resistant materials and finishes in flood-prone zones to reduce repair costs and recovery times after flooding events. **Adaptation Strategies** ▪ Maintain an inventory of emergency flood response equipment, including sandbags, portable pumps, and temporary barriers, with defined deployment protocols. ▪ Implement flood risk monitoring systems, integrating weather alerts, river level sensors, and predictive modelling for early warning and proactive action. ▪ Conduct regular flood response drills for staff, covering evacuation procedures, asset protection measures, and business continuity protocols. ▪ Establish supplier and contractor agreements for rapid mobilization during flood events to minimize	9.90	0.10[11]
			Medium	Medium High					
			Long	Medium Low					
		SSP5-8.5	Short	Medium Low	Extreme riverine flooding due to increased rainfall intensity and poor drainage capacity.				
			Medium	Medium Low					
			Long	Medium High					

[11] This amount is anticipated to invest in 2025

CRROs	Vulnerable areas	Scenarios	Timeframe	Impact Level	Scenario Interpretation	Potential Impacts on AWC's operations	Anticipated Mitigation and Adaptation Strategies	Anticipated Financial Impact (Unit: Million THB)	
								CAPEX	OPEX
							downtime and protect revenue streams. **Strategic Integration** ▪ Align flood resilience upgrades with capital expenditure planning, prioritizing high-risk assets and integrating measures into refurbishment schedules. ▪ Under SSP1-2.6, focus on preventive infrastructure upgrades and maintenance; under SSP5-8.5, prioritize redundancy, rapid response capability, and reinforced protections. ▪ Integrate compliance with evolving flood mitigation regulations into project design and development to avoid penalties, delays, and reputational risks.		
Coastal Flood	Bangkok Nonthaburi Phuket Surat Thani New York	SSP1-2.6	Short	High	Moderate sea level rise, with coastal protection measures in place.	▪ **Property Damage and Value Erosion:** Sea-level rise and coastal flooding pose serious threats to physical assets, leading to chronic damage and gradual devaluation of waterfront and low-lying properties. ▪ **Increased Capital and Maintenance Costs:** Businesses must invest more heavily in coastal defenses, waterproofing measures, and frequent repairs, raising the total cost of ownership. ▪ **Insurance Constraints:** Rising risks may cause insurance providers to increase premiums, impose exclusions, or even withdraw coverage for highly exposed coastal properties. ▪ **Regulatory and Zoning Risks:** Coastal areas may face new land-use restrictions, mandatory flood-proofing standards, or retreat policies, affecting redevelopment potential and increasing compliance costs.	**Mitigation Strategies** ▪ Construct and maintain coastal protection infrastructure such as seawalls, breakwaters, and reinforced embankments in high-risk locations. ▪ Implement site-level floodproofing measures including elevated foundations, waterproof barriers, and corrosion-resistant materials for coastal properties. ▪ Establish and preserve natural buffers (e.g., mangroves, dunes, wetlands) to absorb wave energy and reduce flood intensity, integrating nature-based solutions with built defenses. ▪ Collaborate with local authorities on zoning regulations and land-use planning to ensure developments meet coastal hazard resilience standards. **Adaptation Strategies** ▪ Conduct detailed climate and environmental impact assessments for all coastal projects to identify exposure to sea level rise and storm surge hazards. ▪ Develop and maintain evacuation and business continuity plans tailored to coastal flood scenarios, ensuring protection of guests, staff, and assets. ▪ Establish ongoing monitoring of shoreline changes, tidal patterns, and weather forecasts using	During Assessment	1.00[12]
			Medium	High					
			Long	High					
		SSP5-8.5	Short	High	Significant sea level rise, increasing coastal erosion, land submersion, and infrastructure damage.				
			Medium	High					
			Long	High					

[12] This amount is anticipated for 2025.

CRROs	Vulnerable areas	Scenarios	Timeframe	Impact Level	Scenario Interpretation	Potential Impacts on AWC's operations	Anticipated Mitigation and Adaptation Strategies	Anticipated Financial Impact (Unit: Million THB)	
								CAPEX	OPEX
							advanced sensors and predictive analytics. ▪ Train staff in emergency coastal flood response, including asset protection, guest communication, and rapid recovery procedures. **Strategic Integration** ▪ Integrate coastal resilience measures into AWC's capital planning cycles, prioritizing assets with high exposure and commercial significance. ▪ For SSP1-2.6 scenarios, focus on preventive design and coastal ecosystem restoration; for SSP5-8.5 scenarios, prioritize structural fortification and rapid response capability. ▪ Maintain compliance with evolving building codes and floodplain management regulations to protect market value, reduce insurance costs, and avoid operational disruptions.		
Transition Risks									
Climate-related Regulation Enforcement	AWC's Own Operation	STEPS	Short	Medium High	**STEPS** will cause AWC to face moderate transition risks from gradually increasing climate regulations and energy efficiency standards, with localized compliance costs and limited stranded asset risk, requiring incremental investments in retrofitting and ESG alignment to stay competitive in increasingly climate-aware markets.	▪ **Compliance Costs:** Stricter regulations lead to significant investments in meeting environmental standards, conducting audits, and implementing sustainable practices, resulting in higher operational expenses. ▪ **Operational Disruptions:** Developers may be required to upgrade project infrastructure and modify management processes to comply with stricter requirements. These changes can lead to delays in project timelines, increased operational costs, and a reduction in short-term competitiveness. ▪ **Reputation and Market Perception:** Failure to comply with these regulations, or the inability to do so, can severely damage the reputation of property developers, leading to a loss of trust and potential business opportunities.	**Mitigation Strategies** ▪ Integrate regulatory foresight into corporate strategy to anticipate upcoming climate-related laws, energy efficiency mandates, and carbon pricing mechanisms. ▪ Embed environmental compliance into asset lifecycle planning, ensuring that new developments meet or exceed emerging standards from the outset, reducing future retrofit costs. ▪ Maintain an internal compliance management system for ongoing monitoring, auditing, and documentation to demonstrate adherence to evolving climate regulations. ▪ Allocate dedicated CAPEX and OPEX budgets for sustainability-related retrofits, technology upgrades, and operational adjustments, prioritizing assets with higher exposure to regulatory change. **Adaptation Strategies** ▪ Develop adaptive operational protocols that can be quickly modified in response to new	During Assessment	132.82[13]
			Medium	High					
			Long	Extremely High					
		NZE2050	Short	Low	**NZE2050** presents lower transition risks in the long term due to the strict enforcement of net-zero building mandates, carbon pricing, and serious market expectations. These factors drive companies to				
			Medium	Low					
			Long	Low					

[13] This amount is anticipated for the implementation of climate-related regulation enforcement mitigation strategies; the implementation will be divided into 9 phases covering the period of 2025 – 2034.

CRROs	Vulnerable areas	Scenarios	Timeframe	Impact Level	Scenario Interpretation	Potential Impacts on AWC's operations	Anticipated Mitigation and Adaptation Strategies	Anticipated Financial Impact (Unit: Million THB)	
								CAPEX	OPEX
					implement decarbonization strategies and fully integrate ESG principles, helping to preserve asset value and improve access to capital in the future.		requirements, minimizing disruption to project timelines and operational performance. ▪ Establish cross-functional regulatory readiness teams, combining sustainability, legal, finance, and operations expertise to ensure a coordinated and timely response to policy shifts. ▪ Strengthen partnerships with industry associations and policymakers to stay informed on upcoming regulations, influence sector-wide standards, and align with best practices. ▪ Expand employee and contractor training programs on regulatory compliance, carbon accounting, and sustainable operations to ensure consistent implementation across all assets. **Strategic Integration** ▪ Position AWC as a proactive leader in climate regulation compliance by exceeding minimum requirements, securing green building certifications, and integrating ESG commitments into public disclosures. ▪ Leverage programs such as **AWC Stay to Sustain** to showcase tangible community engagement and environmental stewardship, enhancing stakeholder trust while mitigating reputational risk. ▪ Monitor global climate policy trends to identify potential competitive advantages from early adoption and to preserve market access in climate-conscious investment landscapes.		
Climate-related Disclosure	AWC's Own Operation	STEPS	Short Medium Long	Medium Low Medium High Medium High	Under **STEPS**, fragmented and region-specific disclosure requirements create complexity and regulatory burden for real estate firms operating across multiple jurisdictions. Companies may face reputational and market risks if their	▪ **Increased Compliance Costs:** Enhanced disclosure requirements will necessitate investment in data collection, reporting systems, third-party assurance, and skilled personnel. ▪ **Reputational Risk:** Insufficient, inaccurate, or non-transparent climate disclosures could lead to damage to brand reputation and loss of market share among	**Mitigation Strategies** ▪ Upgrade enterprise-wide data management systems to capture, consolidate, and analyze climate-related metrics in line with global frameworks such as ISSB, TCFD, and SBTi. ▪ Standardize internal reporting protocols to ensure comparability and consistency across all business units, reducing complexity when disclosing in multiple jurisdictions.	During Assessment	10.15[14]

[14] This amount is anticipated for the period of 2025 – 2030.

CRROs	Vulnerable areas	Scenarios	Timeframe	Impact Level	Scenario Interpretation	Potential Impacts on AWC's operations	Anticipated Mitigation and Adaptation Strategies	Anticipated Financial Impact (Unit: Million THB)	
								CAPEX	OPEX
					disclosures, though locally complaints, fall short of global expectations. Inconsistent standards also hinder benchmarking, reporting, and access to international investment.	environmentally conscious tenants and buyers. ▪ **Operational Strategy Alignment:** Climate-related risks (e.g., flooding, heat stress) must be incorporated into asset management and development plans and reported transparently. Real estate development and asset management strategies must reflect unified global climate commitments. ▪ **Capital Access and Investment Risk:** Real estate companies that fail to meet disclosure expectations may face restricted access to green finance, higher borrowing costs, and divestment by ESG-focused investors.	▪ Establish a centralized ESG disclosure governance structure that assigns clear roles and accountability for data accuracy, timeliness, and compliance. ▪ Engage accredited third-party assurance providers to validate disclosures, increasing stakeholder trust and credibility. **Adaptation Strategies** ▪ Build internal capabilities by investing in training for sustainability, finance, and operations teams on climate disclosure requirements and emerging standards. ▪ Integrate climate-related risk and opportunity analysis into investment decisions, asset development, and operational planning, ensuring disclosures reflect forward-looking resilience. ▪ Maintain proactive engagement with regulators, investors, and industry bodies to anticipate disclosure changes and align reporting practices ahead of enforcement timelines. ▪ Develop flexible disclosure tools and templates that can be adapted to changing regulatory requirements, minimizing operational disruption. **Strategic Integration** ▪ Use climate disclosure as a competitive differentiator by going beyond compliance to share progress on decarbonization, resilience, and community engagement. ▪ Leverage transparent and assured disclosures to attract green financing, strengthen investor relationships, and preserve access to ESG-focused capital. ▪ Position AWC as a disclosure leader in the hospitality and real estate sector, reinforcing brand value among environmentally and socially conscious stakeholders.		
		NZE2050	Short	Medium Low	**NZE2050** scenarios indicate strong international coordination towards net zero, and climate disclosure standards are harmonized across jurisdictions. Major markets adopt systems that align themselves with frameworks like ISSB and TCFD. This allows real estate firms to use standardized reporting templates, reducing compliance complexity and costs.				
			Medium	Medium High					
			Long	Medium High					
Cost of Carbon Reduction	AWC's Own Operation	STEPS	Short	Medium Low	**STEPS** reflects a lower cost risk for carbon reduction compared to	▪ **Increased Upfront Costs:** Real estate developers and owners will incur significant capital expenditures to reduce carbon emissions. This	**Mitigation Strategies** ▪ Accelerate the shift to clean energy by expanding deployment of rooftop solar, solar carports, and	14.39[15]	During Assessment
			Medium	Medium High					

[15] The cost of carbon reduction mitigation strategy is estimated to THB 14,389,130 per annum.

CRROs	Vulnerable areas	Scenarios	Timeframe	Impact Level	Scenario Interpretation	Potential Impacts on AWC's operations	Anticipated Mitigation and Adaptation Strategies	Anticipated Financial Impact (Unit: Million THB)	
								CAPEX	OPEX
			Long	Medium High	NZE2050. Under this pathway, companies can rely on a combination of gradual initiatives, available technologies, and carbon offset measures to meet their emission reduction targets more flexibly.	includes costs for retrofitting older buildings, installing renewable energy systems (e.g., solar panels), and implementing energy-efficient technologies (e.g., insulation, LED lighting, smart systems). ▪ **Cost of Compliance with Regulations:** As carbon reduction policies become stricter, real estate companies will face increased costs to meet compliance requirements. ▪ **Access to Green Financing:** Companies that make significant strides in reducing carbon emissions may find access to green bonds, sustainable loans, or low interest financing options, lowering the overall cost of carbon reduction.	Building-Integrated Photovoltaics (BIPV), prioritizing assets with the highest carbon intensity. ▪ Integrate Renewable Energy Certificates (RECs) and power purchase agreements (PPAs) to meet renewable energy targets while maintaining cost efficiency. ▪ Implement phased retrofitting of existing buildings with high-performance insulation, reflective roofing, LED lighting, and smart building management systems to maximize energy efficiency. ▪ Adopt low-carbon construction materials and methods for new developments, aligning with green building certification standards such as LEED, WELL, and TREES. **Adaptation Strategies** ▪ Develop a carbon reduction investment roadmap that prioritizes initiatives with the highest return on carbon abatement, balancing upfront capital expenditure with operational savings. ▪ Leverage green financing mechanisms such as green bonds, sustainability-linked loans, and concessional climate finance to offset capital costs and improve project viability. ▪ Maintain flexibility in technology adoption by continuously monitoring market-ready innovations, allowing for early integration of more efficient or cost-effective solutions. ▪ Establish ongoing performance monitoring and verification systems to track emissions reductions, ensuring alignment with both regulatory requirements and AWC's net-zero commitments. **Strategic Integration** ▪ Position carbon reduction efforts as a competitive advantage by transparently communicating progress towards net-zero, reinforcing investor confidence and brand value. ▪ Align carbon reduction strategies with broader climate resilience planning to enhance long-term operational efficiency, regulatory compliance, and stakeholder trust.		
		NZE2050	Short	High	Based on abatement costs from the IEA, **NZE2050** presents a high investment risk for carbon reduction initiatives. AWC will be required to implement a broad range of clean energy technologies without relying on carbon offsets.				
			Medium	Extremely High					
			Long	Extremely High					

CRROs	Vulnerable areas	Scenarios	Timeframe	Impact Level	Scenario Interpretation	Potential Impacts on AWC's operations	Anticipated Mitigation and Adaptation Strategies	Anticipated Financial Impact (Unit: Million THB)	
								CAPEX	OPEX
Transition Opportunities									
Energy Efficiency	AWC's Own Operation	STEPS	Short	Medium Low	**STEPS** anticipates moderate energy efficiency improvements driven by audits, standards, and incentives, though progress is slow due to uneven enforcement and ongoing reliance on fossil fuels. While renewable energy expands, emissions reductions remain limited, and developers focus on incremental improvements to meet regulations. This approach increases compliance costs and the risk of stranded assets. As sustainability gains priority, inefficient buildings become harder to lease or sell, further slowing the sector's transition to a low-carbon economy by 2050.	▪ **Higher Compliance Costs:** Adapting to new building codes and energy standards may increase upfront development and renovation expenses. Over time, however, these costs could be offset by savings on energy bills and operational efficiencies. ▪ **Reduced Market Demand:** Environmentally conscious tenants and investors are prioritizing sustainable, low-carbon properties, leading to weaker demand for inefficient assets. Tenants may seek spaces that reduce their own carbon footprint or offer lower utility costs, while investors may shift their portfolios to properties that align with global sustainability goals ▪ **Increased Operational Costs:** Inefficient buildings will likely experience higher energy consumption, leading to increased utility costs (e.g., electricity, heating, cooling), maintenance cost and carbon penalties over time. ▪ **Opportunity for Value Creation:** By reducing energy consumption, these properties can command higher rental yields, premiums on sale prices, and attract long-term, sustainability-focused tenants. Developers and owners who invest early in energy efficiency can achieve higher rental/sale premiums, attract sustainable investment capital, and strengthen long-term asset resilience.	**Mitigation Strategies** ▪ Implement the Energy Efficiency Plan (EEP) through a phased roadmap to systematically reduce energy consumption and associated emissions. ▪ Optimize building operations by adjusting HVAC and lighting schedules, upgrading to high-efficiency air conditioning and lighting systems, and deploying intelligent control technologies to enhance performance. ▪ Retrofit existing assets with energy-efficient measures, including double-glazed and low-emissivity glass, optimized building envelopes, and advanced ventilation and chiller systems. ▪ Integrate renewable energy technologies, such as solar water preheating, Building-Integrated Photovoltaics (BIPV), and solar carports, to directly offset grid energy use and support long-term carbon reduction targets. **Adaptation Strategies** ▪ Reduce exposure to energy cost volatility and regulatory changes by ensuring buildings meet or exceed evolving energy codes and global sustainability standards. ▪ Upgrade assets to improve resilience against market demand shifts, ensuring alignment with tenants and investor preferences for sustainable, low-carbon properties. ▪ Leverage emerging technologies to lower retrofit costs, enabling faster adaptation to stricter building codes and performance requirements. **Strategic Integration** ▪ Position AWC's portfolio as high-performance, low-carbon assets to command rental and sale premiums, strengthen long-term asset value, and secure green financing opportunities. ▪ Align with NZE2050 pathways to enhance market competitiveness, mitigate stranded asset risk, and reinforce AWC's brand as a sustainability leader.	80.00[16]	During Assessment
			Medium	Medium Low					
			Long	Medium Low					
		NZE2050	Short	Medium High	**NZE2050** was driven by a combination of stronger government policies, increased global regulatory pressure, and rising demand for sustainable investments. This includes stricter building codes, financial incentives for green developments, and a growing investor focus on ESG performance. Technological advancements lower retrofit costs, while increased public				
			Medium	High					
			Long	Extremely High					

[16] The capital expense for energy efficiency mitigation strategy amount THB 80,000,000, covering the implementation of EEP for period of 2025 - 2030

CRROs	Vulnerable areas	Scenarios	Timeframe	Impact Level	Scenario Interpretation	Potential Impacts on AWC's operations	Anticipated Mitigation and Adaptation Strategies	Anticipated Financial Impact (Unit: Million THB)	
								CAPEX	OPEX
					demand and access to green finance drive sustainable development. These factors together help the sector meet net-zero emissions targets by 2050.		▪ Use early adoption of advanced energy efficiency solutions and certifications to capture investor interest, attract sustainability-focused tenants, and differentiate AWC in an increasingly climate-conscious real estate market.		
Green Certificate	AWC's Own Operation	STEPS	Short	Medium Low	In this scenario, the adoption of green certifications progresses at a moderate pace. Regulatory pressure is moderate, and incentives to adopt sustainable practices are available, but enforcement of sustainability standards may be inconsistent. Market demand for green-certified buildings will grow steadily, but there will be challenges in widespread adoption due to the uneven pace of regulation and investment in sustainability. AWC will likely face moderate pressure to achieve green certifications, and while the transition is ongoing, it may not be as urgent or widespread across the portfolio.	▪ **Increased Property Value and Demand:** Green-certified buildings attract tenants and investors who prioritize sustainability, leading to higher rental yields, increased occupancy, and greater resale values, enhancing AWC's market position. ▪ **Long-Term Operational Cost Savings:** Green certifications improve energy efficiency and reduce utility bills, maintenance costs, and resource usage, delivering significant long-term savings and increasing profitability. ▪ **Attracting Sustainable Investment and Financing:** Green-certified properties unlock access to favorable financing, including green loans and sustainability-linked bonds, supporting further investment in sustainable projects. ▪ **Enhanced Reputation and Brand Loyalty:** Green certifications position AWC as a leader in sustainable real estate, boosting brand value and attracting environmentally conscious investors and tenants. ▪ **Regulatory Compliance and Futureproofing:** Certification ensures compliance with current and future regulations, reducing risks of fines and retrofitting costs while ensuring long-term resilience to stricter sustainability laws.	**Mitigation Strategies** ▪ Accelerate implementation of green building certification programmes across all business units, integrating recognised standards such as LEED, WELL, and Fitwel to improve environmental performance and reduce operational emissions. ▪ Incorporate best practices in energy efficiency, water conservation, waste management, and indoor environmental quality into asset design, renovation, and operations to meet certification criteria. ▪ Leverage green certifications to unlock access to green finance, sustainability-linked loans, and preferential investment terms, reducing long-term financing costs. **Adaptation Strategies** ▪ Ensure compliance with tightening sustainability regulations by embedding certification standards into development and asset management processes, thereby reducing regulatory and reputational risks. ▪ Strengthen asset resilience through certified operational practices that lower utility costs, improve resource efficiency, and enhance tenant comfort and wellbeing. ▪ Anticipate market shifts towards sustainability-driven tenants and investor demand by positioning certified assets as premium offerings with stronger long-term occupancy and rental prospects. **Strategic Integration** ▪ Position AWC as a leader in sustainable real estate by achieving and maintaining certification across the portfolio, reinforcing brand value and	71.38[17]	104.04[18]
			Medium	Medium Low					
			Long	Medium Low					
		NZE2050	Short	Medium High	For NZE2050 scenario, regulations around sustainability tighten significantly, and there is a strong push for rapid adoption of green certifications. Governments enforce stricter environmental standards, and the market rapidly shifts				
			Medium	High					
			Long	Extremely High					

[17] This amount is anticipated for the development of infrastructure to obtain the Certification in 2025.

[18] This amount is anticipated to cover the expense for maintaining the Certification during the period of 2026 – 2028.

CRROs	Vulnerable areas	Scenarios	Timeframe	Impact Level	Scenario Interpretation	Potential Impacts on AWC's operations	Anticipated Mitigation and Adaptation Strategies	Anticipated Financial Impact (Unit: Million THB)	
								CAPEX	OPEX
					towards sustainability-driven decision-making. Green certifications have become a key requirement for real estate companies to remain competitive and comply with emerging regulations. AWC will face heightened pressure to accelerate its efforts in obtaining green certifications across its properties, requiring swift action to adopt best practices in sustainability and meet regulatory demands. The push towards carbon neutrality and net-zero emissions by 2050 will drive accelerated investments in green building technologies and practices.		competitive advantage in the market. ▪ Use certification achievements as a differentiator in marketing and investor engagement, showcasing AWC's commitment to international sustainability benchmarks. ▪ Embed certification frameworks as part of AWC's long-term asset enhancement strategy, ensuring future proofing against stricter global climate and building performance standards.		
Green Finance	AWC's Own Operation	STEPS	Short Medium Long	Medium Low Medium High Medium High	In the **STEPS** scenario, Thailand is expected to follow current and announced policies without significant new climate commitments. This leads to slower progress toward net zero and a gradual development of green finance mechanisms. The Thailand Taxonomy is initially applied to a limited number of sectors, with the real estate sector still pending inclusion. Additionally, investor demand for green investments remains mixed, with some still placing higher priority on financial performance over environmental,	▪ **Cost Reduction and Operational Efficiency:** Green finance helps fund projects that improve energy efficiency, reduce waste, and lower utility costs, leading to long-term savings in operational expenses. ▪ **Enhanced Access to Capital:** Institutions that embrace green finance can tap into growing global investment flows aimed at sustainable projects, ensuring access to capital for innovation and expansion. ▪ **Improved Reputation and Trust:** Companies that engage in green financing and sustainability are seen as responsible and forward-thinking, improving their brand image and enhancing public trust. ▪ **Regulatory Compliance:** Green finance access allows developers to meet both national and international regulatory requirements regarding carbon emissions and environmental responsibility.	**Mitigation** ▪ Leverage green financial instruments such as Sustainability-Linked Loans (SLL), Green Bonds, Blue Loans, and other sustainable debt products to fund the development of low-carbon assets and retrofits across the portfolio. ▪ Direct financing towards projects that improve energy efficiency, reduce GHG emissions, and integrate renewable energy systems, accelerating the shift towards net zero. ▪ Align financing strategies with Thailand's evolving Green Taxonomy to ensure projects qualify for favorable terms and eligibility for climate-aligned funding. **Adaptation** ▪ Use green finance to enhance asset resilience through climate-adaptive design, energy-efficient retrofits, and sustainable infrastructure upgrades that reduce operational costs and regulatory risks.	During Assessment	During Assessment

CRROs	Vulnerable areas	Scenarios	Timeframe	Impact Level	Scenario Interpretation	Potential Impacts on AWC's operations	Anticipated Mitigation and Adaptation Strategies	Anticipated Financial Impact (Unit: Million THB)	
								CAPEX	OPEX
					social, and governance (ESG) alignment.	▪ **Competitive Advantage:** Real estate companies that successfully secure green finance are better positioned to invest in innovative, climate-resilient technologies, gaining a competitive edge in attracting both patients and investors who prioritize sustainability.	▪ Ensure compliance with both national and international sustainability standards by incorporating green finance into development and operational planning, avoiding potential penalties and protecting market value. ▪ Strengthening relationships with institutional investors prioritizing ESG performance, securing long-term funding stability and market credibility. **Strategic** ▪ Position AWC as a market leader in sustainable real estate financing, showcasing early adoption of climate-aligned financial mechanisms as a competitive differentiator. ▪ Build investor confidence and brand reputation by transparently reporting on the environmental and social outcomes of green-financed projects. ▪ Create a scalable financing model that supports continuous innovation in sustainability, enabling AWC to seize opportunities in emerging markets and policy-driven investment landscapes.		
		NZE2050	Short	High	the **NZE2050** scenario assumes that Thailand adopts more ambitious climate policies, accelerating the transition to a low-carbon economy and significantly advancing green finance frameworks. In this context, AWC would benefit from easier access to green capital, especially for projects involving green building development, energy-efficient renovations, and low-carbon operations across its property portfolio. Moreover, institutional investors increasingly favor companies aligned with net-zero pathways, providing AWC with opportunities to access lower-cost financing and attract a broader ESG-conscious investor base.				
			Medium	Extremely High					
			Long	Extremely High					

2.3 Climate Strategy

Based on the assessment of AWC's climate-related risks and opportunities, multiple influencing factors were identified. To effectively shape its climate strategy, AWC prioritized the most significant drivers to integrate them into the identified topics. In response to the potential impacts of climate change on its operations, AWC is committed to proactive adaptation by assessing climate-related risks and opportunities to mitigate potential effects on revenue, assets, and workforce. This commitment is supported by the identification and analysis of both physical and transition risks across various time horizons and along the carbon neutral pathway, which illustrates strategic implications for the organization. Ultimately, AWC has developed action plans to tackle these risks through different initiatives, including (1) Energy Management for Greenhouse Gas Reduction and (2) Carbon Offset Initiative Creating Environmental and Social Value. The detailed approaches are as follows:

2.3.1 Improving Energy Efficiency across Operations via Energy Efficiency Plan (EEP)

Most of AWC's greenhouse gas emissions originate from purchased electricity, categorized as Scope 2. In response, AWC is increasing its reliance on renewable energy sources as part of its broader climate strategy. A key component of this effort involves scaling up solar power usage to reduce dependence on fossil fuels, thereby lowering emissions and exposure to energy price volatility.

The Energy Efficiency Plan (EEP) is designed to cut energy consumption and boost operational efficiency through solar installations, system upgrades, smart building controls, and high-performance equipment. These measures also support the achievement of internationally recognized green building certifications (LEED, WELL, Fitwel), enhancing AWC's market positioning, attracting environmentally conscious guests and tenants, and enabling access to preferential financing such as green bonds, blue loans, and sustainability-linked loans. Together, these actions support both ongoing emission reductions and long-term business resilience.

2.3.2 Carbon Offset Initiative Creating Environmental and Social Value

As part of its approach to climate action, AWC has integrated carbon offsetting and biodiversity conservation into its long-term strategy. In 2024, AWC advanced the *AWC Stay to Sustain* initiative in partnership with hotel affiliates and the Mae Fah Luang Foundation under Royal Patronage. This initiative promotes community-led forest conservation and restoration, enhances biodiversity, and helps remove carbon dioxide while increasing oxygen levels.

For every guest night at AWC's hotels and resorts, a portion of the revenue supports local forest preservation. Beyond carbon benefits, this program strengthens sustainable tourism partnerships, reinforces AWC's brand as a responsible hospitality leader, and fosters long-term community resilience. These outcomes create environmental, social, and economic value, contributing to both risk mitigation and the capture of emerging climate-related opportunities.

2.4 Capacity to Adjust or Adapt Strategy and Business Model

AWC has assessed its capacity to adjust and adapt its strategy and business model under multiple climate scenarios and timeframes. Physical risk was assessed using the SSP2-4.5 baseline scenario. Transition risks and opportunities were evaluated using the STEPS scenario, which reflects Thailand's updated NDC 2.0 commitments.

Two strategic initiatives anchor the response to climate challenges:

1. **Energy Management for Greenhouse Gas Reduction**, covering renewable energy adoption, energy-efficiency improvements, and advanced building performance systems.
2. **Carbon Offset Initiative**, including the AWC Stay to Sustain program, which supports forest conservation, biodiversity enhancement, and community-led carbon reduction.

Each initiative has been reviewed for applicability across short, medium, and long-time horizons. This process ensures resilience, regulatory alignment, and the ability to adjust the business model as climate and market conditions evolve. The analysis is depicted in **Table 9.**

Table 9 Summary of AWC's capacity to adjust or adapt its overall strategy and business model to climate change

Climate-related Risks and Opportunities	Scenarios	Timeframe	Strategies to achieve carbon neutrality by 2030	Impact on AWC's strategy and business model
Physical risks				
Extreme Heat	SSP1-2.6 SSP2-4.5 SSP5-8.5	Up to 2030 (Short-term) 2031-2040 (Medium-term) 2041-2050 (Long-term)	***Energy Efficiency Plan (EEP):*** Actively transitioning to renewable energy and energy-efficient technologies, such as solar installations and high-performance systems—to reduce reliance on fossil fuels and achieve long-term emission reductions.	**Short-term:** Higher cooling demand raises operational costs and energy use, requiring efficient HVAC management and optimization to sustain guest comfort and meet efficiency targets. **Medium-term:** Warming trends necessitate investment in advanced, high-efficiency cooling technologies, smart controls, and retrofits to maintain performance and reduce emissions. **Long-term:** Under high-severity scenarios, asset design shifts to climate-resilient architecture incorporating passive cooling, reflective materials, and enhanced natural ventilation, integrated into all future developments.
Riverine Flood	SSP1-2.6 SSP2-4.5 SSP5-8.5	Up to 2030 (Short-term) 2031-2040 (Medium-term) 2041-2050 (Long-term)	Flood prevention systems are implemented alongside seasonal monitoring protocols during monsoon and flash flood periods. Early warning mechanisms are established to support timely response. A Business Continuity Plan (BCP) is developed to guide both operational response and crisis management, aiming to minimize disruption and reduce indirect carbon	**Short-term:** Increased flood risk to riverfront properties may cause operational disruption and asset damage, prompting implementation of business continuity plans, seasonal monitoring, and baseline flood defenses. **Medium-term:** Intensifying flood conditions drive investment in adaptive infrastructure, retrofitting of at-risk properties, and enhancement of flood barriers

Climate-related Risks and Opportunities	Scenarios	Timeframe	Strategies to achieve carbon neutrality by 2030	Impact on AWC's strategy and business model
			emissions from flood-related incidents.	to protect asset value and sustain operations. **Long-term:** Under severe scenarios, persistent flood risk may require relocation of high-risk assets, embedding resilience infrastructure in all developments, and revising site selection criteria to minimize climate exposure.
Coastal Flood	SSP1-2.6 SSP2-4.5 SSP5-8.5	Up to 2030 (Short-term) 2031-2040 (Medium-term) 2041-2050 (Long-term)	In tsunami-prone coastal areas, regular evacuation drills are conducted in collaboration with local authorities and include both employees and guests. Emergency preparedness training is provided to staff, focusing on disaster response, life-saving procedures, and guest assistance during crisis events. These practices enhance operational readiness and reduce safety-related risks associated with rising sea levels and extreme coastal events.	**Short-term:** Coastal properties face heightened risks from storm surges and erosion, requiring regular evacuation drills with local authorities, strengthened disaster-preparedness training, and protection measures to maintain safety and operational continuity. **Medium-term:** Collaboration with government and communities to enhance coastal defenses, integrate protective setbacks into development plans, and strengthen flood barriers becomes essential to safeguard assets. **Long-term:** Increased sea level rise may render some beachfront properties unviable, driving a shift toward climate-resilient coastal design, elevated structures, or strategic relocation and reallocation of investments inland.
Transition risks				
Climate-related Regulation Enforcement	STEPS NZE2050	Up to 2030 (Short-term) 2031-2040 (Medium-term) 2041-2050 (Long-term)	***Energy Efficiency Plan (EEP):*** Actively transitioning to renewable energy and energy-efficient technologies—such as solar installations and high-performance systems—to reduce reliance on fossil fuels and achieve long-term emission reductions. ***Carbon Offset Initiative:*** The "AWC Stay to Sustain" initiative supports community-led forest conservation to absorb emissions, restore biodiversity, and fund local preservation through guest night contributions.	**Short-term:** Establishment of ESG and climate-related data systems, requiring enhanced capabilities in environmental compliance, monitoring, and internal governance. **Medium-term:** Regulatory compliance becomes embedded in corporate risk management and governance processes, influencing supply chain evaluations, investment approvals, and operational planning. **Long-term:** Non-compliance risks lead to restricted market access, licensing limitations, and funding challenges, driving fundamental shifts in operational and reporting structures.

Climate-related Risks and Opportunities	Scenarios	Timeframe	Strategies to achieve carbon neutrality by 2030	Impact on AWC's strategy and business model
Climate-related Disclosure	STEPS NZE2050	Up to 2030 (Short-term) 2031-2040 (Medium-term) 2041-2050 (Long-term)	***Energy Efficiency Plan (EEP):*** Actively transitioning to renewable energy and energy-efficient technologies—such as solar installations and high-performance systems—to reduce reliance on fossil fuels and achieve long-term emission reductions. ***Carbon Offset Initiative:*** The "AWC Stay to Sustain" initiative supports community-led forest conservation to absorb emissions, restore biodiversity, and fund local preservation through guest night contributions.	**Short-term:** Increasing disclosure requirements drive investment in ESG data systems and internal capacity building. **Medium-term:** Gaps or outdated ESG data risk eroding investor confidence and market credibility, creating demand for assurance-ready and standardized reporting systems. **Long-term:** Transparent ESG reporting becomes a baseline expectation for market access, investor engagement, and global competitiveness.
Cost of Carbon Reduction	STEPS NZE2050 NZE2050	Up to 2030 (Short-term) 2031-2040 (Medium-term) 2041-2050 (Long-term)	***Energy Efficiency Plan (EEP):*** Actively transitioning to renewable energy and energy-efficient technologies—such as solar installations and high-performance systems—to reduce reliance on fossil fuels and achieve long-term emission reductions. ***Carbon Offset Initiative:*** The "AWC Stay to Sustain" initiative supports community-led forest conservation to absorb emissions, restore biodiversity, and fund local preservation through guest night contributions.	**Short-term:** Carbon costs, including credits and renewable energy certificates, are integrated into financial planning and budgeting. **Medium-term:** Capital allocation priorities low-carbon technologies, requiring alignment between sustainability targets and procurement practices. **Long-term:** Business models are redesigned for net-zero operations, embedding carbon management into all functions and investment decisions.
Transition Opportunities				
Energy Efficiency	STEPS NZE2050	Up to 2030 (Short-term) 2031-2040 (Medium-term) 2041-2050 (Long-term)	***Energy Efficiency Plan (EEP):*** Actively transitioning to renewable energy and energy-efficient technologies—such as solar installations and high-performance systems—to reduce reliance on fossil fuels and achieve long-term emission reductions.	**Short-term:** Deployment of energy-saving technologies reduces operating costs and strengthens brand positioning in sustainable hospitality. **Medium-term:** Integration of smart building systems and automated energy monitoring becomes a standard feature in property operations. **Long-term:** Energy efficiency underpins carbon-neutral business models, delivering both environmental benefits and long-term economic resilience.

Climate-related Risks and Opportunities	Scenarios	Timeframe	Strategies to achieve carbon neutrality by 2030	Impact on AWC's strategy and business model
Green Certificate	STEPS NZE2050	Up to 2030 (Short-term) 2031-2040 (Medium-term) 2041-2050 (Long-term)	***Energy Efficiency Plan (EEP):*** Actively transitioning to renewable energy and energy-efficient technologies—such as solar installations and high-performance systems—to reduce reliance on fossil fuels and achieve long-term emission reductions.	**Short-term:** Green certifications enhance brand reputation, support compliance, and attract environmentally conscious tenants, guests, and investors. **Medium-term:** Certified properties achieve higher occupancy and rental yields, with access to favorable financing such as green loans and sustainability-linked bonds. **Long-term:** A fully green-certified portfolio boosts asset valuation reduces operating costs through efficiency gains, and strengthens resilience to evolving environmental regulations.
Green Finance	STEPS NZE2050	Up to 2030 (Short-term) 2031-2040 (Medium-term) 2041-2050 (Long-term)	***Energy Efficiency Plan (EEP):*** Actively transitioning to renewable energy and energy-efficient technologies—such as solar installations and high-performance systems—to reduce reliance on fossil fuels and achieve long-term emission reductions.	**Short-term:** Access to preferential financing is enabled by linking capital to clear ESG performance targets. **Medium-term:** Financing models evolve to include Green Bonds and Sustainability-Linked Loans as part of corporate funding strategies. **Long-term:** Capital access depends on alignment with green and climate taxonomies, embedding sustainability into all financial decision making.

2.5 Effects on Financial Position, Financial Performance and Cash Flows

AWC recognizes that identified climate-related risks and opportunities may have material implications for its operations, cost structure, access to capital, and long-term business strategy. In accordance with IFRS S2, AWC has quantified the current and anticipated financial effects of these risks and opportunities on its financial position, financial performance, and cash flows. This enables investors and stakeholders to understand the financial magnitude of these risks and opportunities for effectively making decisions.

Furthermore, AWC has considered both direct and indirect impacts arising from climate-related risks and opportunities in quantifying financial effects. The following **Table 10** presents the financial effects of climate-related risks and opportunities for both current and anticipated impacts based on defined time horizons.

Table 10 The financial effects of climate-related risks and opportunities

CRROs	Impacted Transactions	Elements in Financial Statements	Financial Effects[19] (Unit: Million Baht)				
			Current[20]	Scenarios	Short-term[21]	Medium-term[22]	Long-term[23]
Physical Risks							
Extreme Heat	Increased in property, plant and equipment	Financial Position	6.25	SSP1-2.6	5.42	During Assessment	
				SSP5-8.5			
	Increased in operating expenses	Financial Performance	No Financial Impacts	SSP1-2.6	No Financial Impact	0.04	0.17
				SSP5-8.5	0.04	0.29	1.47
Riverine Flood	Increased in property, plant and equipment	Financial Position	0.99	SSP1-2.6	9.90[24]	During Assessment	
				SSP5-8.5			
	Increased in operating expenses	Financial Performance	0.24	SSP1-2.6	0.10[25]	During Assessment	
				SSP5-8.5			
	Expected Loss due to physical damage and revenue lost from flooding		No Financial Impacts	SSP1-2.6	14.73	23.88	27.10
				SSP5-8.5	No Financial Impact	2.90	5.86
Coastal Flood	Increased in property, plant and equipment	Financial Position	0.50	SSP1-2.6	During Assessment		
				SSP5-8.5			
	Increased in operating expenses	Financial Performance	0.02	SSP1-2.6	1.00	During Assessment	
				SSP5-8.5			
	Expected Loss due to physical damage from coastal flooding		No Financial Impacts	SSP1-2.6	4.62	12.31	20.66
				SSP5-8.5	4.85	13.14	22.25
Overall Physical Risks	Cash flow from operating	Cash Flows	(0.26)	SSP1-2.6	(20.45)	(36.23)	(47.93)
				SSP5-8.5	(5.99)	(16.33)	(29.58)
	Cash flow from investing	Cash Flows	(7.74)	SSP1-2.6	(15.31)	During Assessment	
				SSP5-8.5			
Transition Risks							
Climate-related Regulation Enforcement	Increased in property, plant and equipment	Financial Position	6.21	STEPS	During Assessment		
	Increased in prepayment		No Financial Impacts		13.28	13.28[26]	During Assessment

[19] The financial effects for climate-related risks and opportunities are disclosed in average per period.
[20] Current financial effects are quantified for the period as of 31 December 2024.
[21] Short-term financial effects are quantified for the year up to 2030.
[22] Medium-term financial effects are quantified for the period 2031-2040.
[23] Long-term financial effects are quantified for the period 2041-2050.
[24] This amount is anticipated for 2025.
[25] This amount is anticipated for 2025.
[26] The amount is anticipated until in 2034.

CRROs	Impacted Transactions	Elements in Financial Statements	Financial Effects[19] (Unit: Million Baht)				
			Current[20]	Scenarios	Short-term[21]	Medium-term[22]	Long-term[23]
Climate-related Disclosure	Increased in operating expenses	Financial Performance	0.36	STEPS	1.69	During Assessment	
Cost of Carbon Reduction	Increased in property, plant and equipment	Financial Position	6.64	STEPS	During Assessment		
	Decreased in operating expenses	Financial Performance	No Financial Impacts	STEPS	(14.39)	(14.39)[27]	During Assessment
Overall Transition Risks	Cash flow from operating	Cash Flows	(0.36)	STEPS	12.70	14.39	During Assessment
	Cash flow from investing		(12.85)	STEPS	(13.28)	(13.28)	During Assessment
Transition Opportunities							
Energy Efficiency	Increased in property, plant and equipment	Financial Position	21.70	STEPS	13.33	During Assessment	
Green Certificate	Increased in property, plant and equipment	Financial Position	71.38	STEPS	71.38[28]	No Financial Impacts	
	Increased in operating expenses	Financial Performance	No Financial Impacts	STEPS	34.68[29]	During Assessment	
Green Finance	Cash flow from financing	Cash Flows	65,781	STEPS	93,441[30]	During Assessment	
Transition Opportunities	Cash flow from operating		No Financial Impacts	STEPS	(34.68)	During Assessment	
	Cash flow from investing		(93.08)	STEPS	(84.71)	During Assessment	

[27] This amount is anticipated until 2038.
[28] This amount is anticipated for 2025.
[29] This amount is anticipated until 2028.
[30] This amount is anticipated for 2025.

3 Risk Management

AWC recognizes the importance of effective climate strategy management and the assessment of climate-related risks and opportunities from both internal and external drivers. Climate-related considerations are embedded into the corporate risk management process to identify and address potential risks and opportunities across all existing assets and development projects.

This approach supports the development and implementation of management and adaptation plans that safeguard operations, maintain service quality, and protect asset value. In the hospitality and retail development sectors, climate change can lead to increased operational costs from higher energy demand, physical damage from extreme weather, water scarcity impacting service delivery, and supply chains disruptions.

Changing consumer expectations, coupled with stricter environmental regulations, drive investment in green technologies and sustainable practices. AWC's proactive approach ensures that these risks are managed effectively, building resilience, maintaining market competitiveness, and meeting stakeholder expectations.

3.1 Key Assumptions Used in The Process

3.1.1 Input or Parameter Used

The assessment of climate-related risks and opportunities was carried out using specialized platform tools such as IPCC Report, climate model, and hazard maps to gather relevant data. These platforms integrate a wide range of resources, including scientific research, global trends, emerging regulations, and relevant news updates. The details of input and parameter used in this assessment are illustrated in **Table 11** and **Table 12** below.

Table 11 Inputs used for Physical Risk Assessment

Physical Risks	Assessment	Climate Drivers	Data Source	Descriptions
Extreme Heat	Baseline	• Wet Bulb Globe Temperature (WBGT)	ThinkHazard!	*ThinkHazard!* publishes WBGT is used to establish a baseline of heat-related risk across regions, supporting climate adaptation and disaster risk reduction by identifying areas with significant heat stress exposure under current climate conditions.
	Scenario	• Number of Hot Days (>35C)	WORLD BANK GROUP	*World Bank Group* Indicates the projected number of days per year with temperatures exceeding 35°C. Based on World Bank climate models, it highlights future heat risk under climate change.
Riverine Flood	Both Baseline and Scenario	• Precipitation	AQUEDUCT	*Aqueduct* provides average and projected precipitation levels that influence riverine flood risk. Derived from Aqueduct data, this indicator helps assess current and future flood hazards by tracking rainfall patterns

Physical Risks	Assessment	Climate Drivers	Data Source	Descriptions
				that can lead to river overflow and inundation.
Coastal Flood	Both Baseline and Scenario	• Sea Level Rise (SLR)	AQUEDUCT	*Aqueduct* Indicates current and projected sea level rise contributing to coastal flood risk. Based on Aqueduct data, it reflects long-term changes in sea levels that increase the likelihood of tidal flooding, storm surges, and permanent inundation in low-lying coastal areas.

Table 12 Inputs used for Transition Risks and Opportunities

Data Source	Descriptions
The International Energy Agency (IEA)	The analysis used scenarios like the Stated Policies Scenario (STEPS) and the Net Zero Emissions by 2050 (NZE2050) to estimate carbon pricing and evaluate the potential impacts on AWC's operations. Additionally, data from the IEA's World Energy Outlook 2024 were leveraged to identify key factors that could pose risks or create opportunities for AWC.
National Government Departments such as The Department of Climate Change and Environment	The governmental body tasked with developing and implementing Thailand's Climate Change Act plays a central role in establishing and managing climate change actions. AWC may face risks due to policy and regulatory pressures from the government, which may require the company to adjust and improve its environmental operations to comply with increasingly stringent government standards and regulations.
UNEPFI, WRI, others	The analysis used international organizations to provide guidance, frameworks, and data that support the identification and assessment of transition risks and opportunities. For example, UNEP FI's climate risk tools, WRI's policy analysis, and IEA's energy outlooks help AWC align its strategy with global climate goals and understand the potential financial implications of the low-carbon transition.

3.1.2 Scope of Assessment

The assessment analyzed over 33 of AWC's operating assets in Thailand. AWC operates across various businesses, and the analysis included AWC's position as of 31 December 2024 in the following entities:

Table 13 List of operating assets under AWC.

Type of Asset	Asset Name
Commercial Building	The Empire (Including AWC's Head Office)
	Athenee Tower
	208 Building Wireless Road
	Interlink Tower Bangna
Retail	Asiatique the Riverfront Destination
	Gateway Ekamai
	Gateway at Bangsue
	Lasalle's Avenue
	The Pantip Lifestyle Hub
	The Pantip at Ngamwongwan
	Tawanna Bangkapi
Wholesale	Phenix
Hospitality	Bangkok Marriott Hotel The Surawongse
	Bangkok Marriott Marquis Queen's Park

Type of Asset	Asset Name
	Banyan Tree Krabi
	Banyan Tree Samui
	Courtyard by Marriott Phuket Town
	DoubleTree by Hilton Sukhumvit Bangkok
	Hilton Sukhumvit Bangkok
	Holiday Inn Express Bangkok Sathorn
	Hua Hin Marriott Resort & Spa
	Le Méridien Bangkok
	Chiang Mai Marriott Hotel
	Meliá Chiang Mai
	Meliá Koh Samui, Thailand
	Phuket Marriott Resort and Spa Nai Yang Beach
	Sheraton Samui Resort
	The Athenee Hotel, a Luxury Collection Hotel, Bangkok
	The Okura Prestige Bangkok
	Vana Belle, a Luxury Collection Resort, Koh Samui
	The Westin Siray Bay Resort & Spa, Phuket
	INNSiDE by Meliá Bangkok Sukhumvit
	InterContinental Chiang Mai The Mae Ping

3.1.3 Scenarios and Timeframes

Climate-related risks were projected under two scenarios: a high-emission scenario, representing a "business as usual" pathway (above 2°C), and a low-carbon future scenario, aligned with global commitments (2°C or below). These risks and opportunities were analyzed under both physical and transition scenarios, in accordance with those published by the IPCC and IEA. Furthermore, physical and transition risks were identified within the framework of these scenarios to assess the potential impacts of climate change on the business across various time horizons, including 2030, 2040, and 2050.

Physical Scenarios	**Intergovernmental Panel on Climate Change (IPCC)** - **SSP1-2.6 (Low Emissions):** A future where the world shifts toward sustainability, using clean energy, reducing inequality, and cutting emissions. Global warming is kept below 2°C, with lower climate risks and more cooperation. - **SSP5-8.5 (High Emissions):** A future driven by fossil-fuel-based economic growth, with high energy use and few climate policies. Emissions rise sharply, leading to ~4°C or more of warming by 2100, with severe climate impacts.
Transition Scenarios	**The International Energy Agency (IEA)** - **Stated policy scenario (STEPS):** Projects the future based on current government policies. Emissions decline slowly, and global warming reaches about 2.5–2.7°C by 2100. - **Net Zero Emission Scenario (NZE2050):** A roadmap to limit global warming to 1.5°C, reaching net-zero CO_2 emissions by 2050. Requires immediate and deep cuts in emissions, with major changes in energy and transport.
Time Horizons	- **Short-term (Up to 2030)** - **Medium-term (2031-2040)** - **Long-term (2041-2050)**

3.1.4 Nature, Likelihood, and Magnitude

Risk Matrix used by AWC in prioritizing climate-related risks and opportunities outlines the probability and potential impact of various climate-related risks and opportunities. AWC evaluates both transition and physical climate risks through a combination of qualitative and quantitative scenario analyses.

In the qualitative assessment, each climate-related factor is examined to determine whether it poses a risk or presents an opportunity. This involves analyzing the nature of the climate driver and its potential implications. To assess the direction, likelihood, and scale of these impacts on AWC's operations, the company utilizes scenario data from reputable sources such as the International Energy Agency (IEA) and the Intergovernmental Panel on Climate Change (IPCC).

For climate drivers identified as having the most significant potential impact, AWC conducts a detailed quantitative analysis to estimate the financial implications. This helps the company better understand the severity of these risks and opportunities, enabling the development of targeted strategies and response measures to enhance resilience and capitalize on emerging opportunities.

3.2 Process for Climate-related Risks and Opportunities Assessment

AWC, for the first time, has undertaken a comprehensive assessment of climate-related risks and opportunities, evaluating their potential impacts on operations, supply chains and financial performance. The assessment also aligns with the COSO ERM 2017 Framework. This is the first reporting period under the current framework. As such, there are no prior disclosures or processes available for comparison. Future reports will provide comparative insights as the reporting process matures over time.

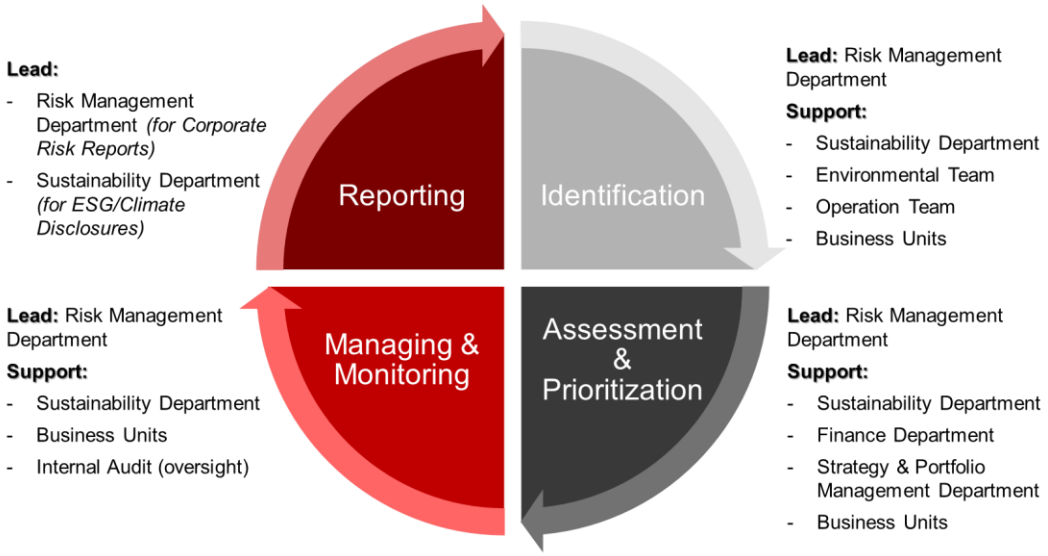


Figure 4 Overall Process of Climate-Related Risk and Opportunity Management

Remark: *Climate-related risks and opportunities are jointly identified by Sustainability, Environmental Operations, and subject matter experts. The Risk Management Department owns the ESG and climate-related risk category within the corporate risk framework. The Management Committee (MACO) reviews and endorses outcomes before integration into the Corporate Risk Register for ongoing monitoring and reporting.*

3.2.1 Identification Process

In consultation with external experts, AWC identifies climate-related risks and opportunities through a structured assessment of both physical and transition factors. This process combines publicly available climate data, scenario analysis, and AWC's geographical context to determine material risks with potential impacts on operations, assets, and long-term resilience.

For **physical risks**, hazards assessed include extreme heat, drought, water stress, water depletion, urban flooding, riverine flooding, coastal flooding, increased lightning density, and cyclones. Based on the baseline assessment, extreme heat, riverine flooding, and coastal flooding were identified as the most material due to their potential to disrupt operations, increase operational costs, and affect service quality.

For **transition risks**, AWC evaluates drivers influencing the shift to a low-carbon economy, including evolving policies and regulations, market dynamics, technological advancements, and reputational considerations. Material transition risks identified include climate-related disclosure requirements and the financial implications of carbon-reduction measures, both of which are expected to significantly influence AWC's strategic planning, compliance obligations, and long-term competitiveness.

3.2.2 Assessment & Prioritization Process

AWC assessed the identified climate-related risks using a structured evaluation of likelihood and impact. The Company applies the COSO ERM 2004 Risk Management Framework, which includes four objectives and eight components, and has further integrated the COSO ERM 2017 update to align risk management with strategic planning and performance.

Risks are rated using a five-level matrix for both likelihood and impact. Impact levels range from Insignificant (1) to Catastrophic (5), while likelihood levels range from Rare (1) to Almost Certain (5). A comprehensive risk matrix is illustrated in **Figure 5**.

The risk matrix, illustrated below, serves as a critical tool for AWC in prioritizing climate-related risks and opportunities. It enables the Company to systematically evaluate and prioritize these risks based on their likelihood of occurrence and potential impact, thereby informing the development of targeted mitigation measures and adaptation strategies.

The Risk Management Department leads this stage, with support from the Sustainability Department, Finance, Strategy, and relevant Business Units. Insights from internal subject matter experts ensure accuracy and relevance of prioritization outcomes. The prioritized risks are endorsed by the Management Committee (MACO) before moving to the Managing & Monitoring stage. The results of this process are visually represented in the heatmap provided in **Figure *5***, offering a clear overview of the relative significance of each identified risk.

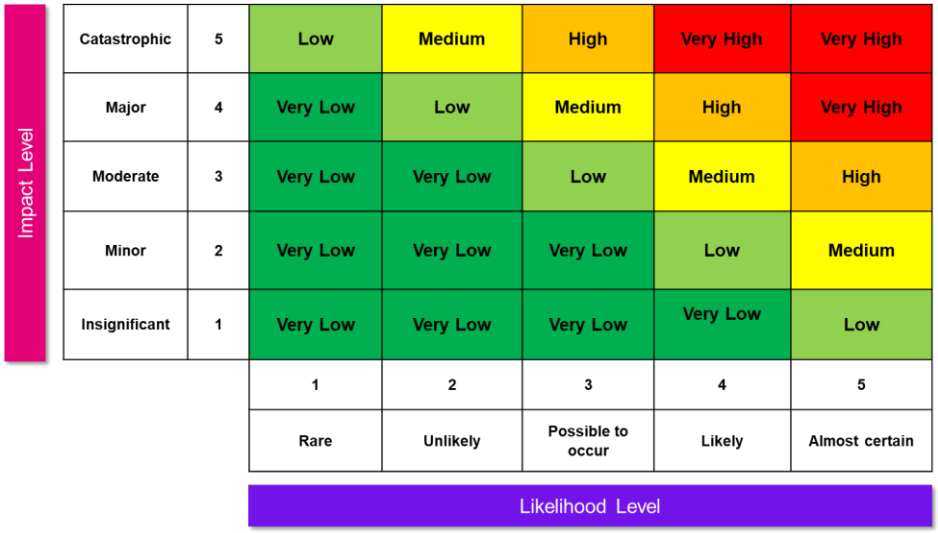


Figure 5 Risk Matrix used by AWC in prioritizing climate-related risks and opportunities

3.2.3 Managing and Monitoring Processes

Following the assessment and prioritization stage, AWC develops and implements targeted mitigation measures and adaptation strategies to manage identified climate-related risks and leverage potential opportunities. The Risk Management Department leads the process to ensure integration into the corporate risk framework, supported by Sustainability, Finance, Strategy, and relevant Business Units.

These measures are aligned with AWC's broader sustainability goals and corporate risk governance, ensuring both climate resilience and business continuity. Sustainability provides ongoing technical expertise and monitoring input, while Business Units oversee operational execution.

Risks, opportunities, and corresponding response actions are reported to executive leadership and the Management Committee (MACO) for endorsement before inclusion in the Corporate Risk Register. Effectiveness and adequacy of these measures are reviewed annually, or when material changes occur, to ensure relevance and continuous improvement.

3.2.4 Reporting Processes

AWC ensures that climate-related risks, opportunities, and corresponding response measures are reported through the Company's established governance channels to maintain transparency, accountability, and informed decision-making.

The Risk Management Department consolidates the prioritized risks and response plans, incorporating input from the Sustainability Department, Finance, Strategy, and relevant Business Units. These consolidated reports are presented to the Management Committee (MACO) for endorsement, ensuring alignment with AWC's corporate risk framework and strategic objectives.

Following endorsement, key outcomes are escalated to the Board of Directors through the Corporate Governance and Sustainability Committee, ensuring that climate-related risk oversight is embedded at the highest governance level.

Progress on mitigation measures, adaptation strategies, and opportunity realization is reported at least annually, or more frequently in response to material changes. This process ensures that climate-related risk and opportunity management remains current, integrated with AWC's enterprise risk register, and aligned with evolving stakeholder expectations and regulatory requirements.

3.3 Integration of Process for Identifying, Assessing, and Managing Climate-related Risks and Opportunities in Company-wide Risk Management Process

The Company's risk management framework is structured around the principles of the Three Lines of Defense, ensuring a clear delineation of roles and responsibilities across the organization. Under this model, risk owners and process owners within each operational unit are accountable for identifying, assessing, and managing risks within their respective areas. This decentralized approach promotes ownership and integration of risk management into daily operations.

To support these efforts, the Risk Management Department plays a central coordinating role by facilitating key activities such as enterprise-wide risk assessments, the development and implementation of control measures, and the promotion of risk awareness across all functions. This department ensures that risk management practices are consistently applied and aligned with the Company's strategic objectives.

Risk-related insights and updates are compiled into formal reports and presented to the Management Risk Management Committee (MRMC) and the Risk Management Committee (RMC) on at least a quarterly basis. These committees provide oversight and strategic guidance to ensure that emerging risks are addressed proactively and that mitigation strategies remain effective.

In addition, the Company has established the Internal Audit Office as an independent assurance function. This office is responsible for evaluating the efficiency and effectiveness of the Company's risk management processes, providing objective feedback, and ensuring compliance with internal policies and external standards.

A visual representation of the Company's Enterprise Risk Management structure is provided in **Figure 6** below, illustrating the integration of governance, oversight, and operational execution within the risk management ecosystem.

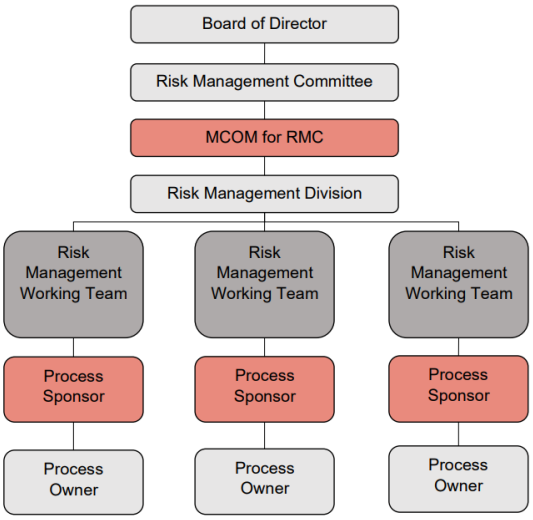


Figure 6 The Structure of Enterprise Risk Management

In relation to climate-related risks and opportunities, the Risk Management Division plays a critical role as subject matter experts in the prioritization process. Their expertise is instrumental in evaluating the significance of identified risks and opportunities, ensuring that assessments are grounded in robust risk management principles and aligned with the Company's strategic objectives.

Working in close collaboration with the Sustainability Working Team, the Risk Management Division supports the development of tailored mitigation measures and adaptation strategies. This cross-functional partnership ensures that climate-related responses are both technically sound and operationally feasible, integrating sustainability considerations into the broader enterprise risk management framework.

The outcomes of climate-related risk and opportunity assessment, including the prioritization results and the proposed mitigation and adaptation strategies—are formally reported to senior management and relevant governance bodies. This reporting structure, illustrated in **Figure 1**, ensures that climate-related risks are addressed at the highest levels of the organization, supporting informed decision-making and reinforcing the Company's commitment to proactive climate resilience.

4 Metrics and Targets

4.1 Climate-related Metrics

AWC recognizes that business operations may contribute to climate change. In response, we have established climate-related metrics and targets in line with IFRS S2, including both cross-industry metric categories and industry-based guidance. Our GHG emissions indicators are measured using internationally recognized standards to ensure accurate monitoring and high-quality reporting. The following standards and guidelines are applied in measuring AWC GHG emissions:

- IPCC Guidelines for National Greenhouse Gas Inventories, 2006
- Thailand Greenhouse Gas Management Organization: The National Guideline Carbon Footprint for organization
- The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

AWC source our emission factors from a variety of references, including the IPCC's Fifth Assessment Report (AR5), as well as national sources such as the Thailand Greenhouse Gas Management Organization (TGO) and the Ministry of Energy of Thailand.

4.1.1 Cross Industry Metrics

Cross-industry Metrics under IFRS S2 provide standardized indicators—such as greenhouse gas emissions that enable comparability across sectors. For the real estate sector, disclosing these metrics enhances transparency and allows stakeholders to assess environmental impacts and climate risks in a broader, more comparable context.

Cross-industry metrics encompass several key areas, including GHG-related metrics that cover Scope 1, Scope 2, and material Scope 3 emissions. They also include information on assets or business activities that are vulnerable to climate-related risks and opportunities, as well as the amount of capital expenditure, financing, or investment directed toward addressing those risks and opportunities. The following section outlines AWC's Cross-industry metrics.

4.1.1.1 GHG Emissions

Data performance period from 1st January to 31st December 2024, the total GHG emissions by scope within AWC organizational boundary are presented in **Table 14**

Table 14 GHG emissions by scope within AWC in tons CO2- equivalent

Emission Scopes (as defined within ISO 14064-1:2006)	**GHG Emissions** (tons CO_2 equivalent)		
	2022	**2023**	**2024**
Direct GHG Emissions (scope 1)	9,443.30	12,321.61	11,425.99
Market-based energy indirect (scope 2)	83,605.31	95,107.53	103,580.99
Location based energy indirect (scope 2)	83,617.18	97,032.96	105,829.40
Other relevant indirect GHG emission (scope 3)[31]	47,906.77	57,952.40	59,573.16

[31] * GHG scope 3 covers 5 categories, including Purchased Goods and Services, Fuel- and Energy-Related Activities, Waste Generated in Operations, Business Travel, and Downstream Leased Assets.

To disclose GHG emissions, AWC should provide GHG emissions data regarding scope 1, 2 and 3 in detail. Please **Table 15** and **Table 16** below.

Table 15 GHG Scope 1 and 2 Emission Performance

Data	Unit	2022	2023	2024
Total direct GHG emissions (Scope 1)	tCO_2e	9,443.30	12,321.61	11,425.99
i. CO_2	tCO_2e	3,138.99	2,737.23	2,645.66
ii. CH_4	tCO_2e	1.69	1.84	1.53
iii. N_2O	tCO_2e	2.25	3.25	2.59
iv. HFCs	tCO_2e	6,300.38	9,579.29	8,776.
Market-based energy indirect (scope 2)*	tCO_2e	83,605.31	95,107.53	103,580.99
Location based energy indirect (scope 2)*	tCO_2e	83,617.18	97,032.96	105,829.40

Table 16 GHG Scope 3 Emission Performance

Data	Unit	2022	2023	2024
Other indirect GHG emissions (Scope 3)	tCO_2e	47,906.77	57,952.40	59,573.16
i. Purchased goods and services	tCO_2e	1,916.35	1,957.85	1,954.66
iii. Fuel- and energy-related activities (not included in Scopes 1 or 2)	tCO_2e	17,351.19	19,505.02	21,205.12
v. Waste generated in operations	tCO_2e	8,007.56	7,288.54	5,734.53
vi. Business travel	tCO_2e	65.86	159.51	746.29
xiii. Downstream leased assets	tCO_2e	20,565.81	29,041.48	29,932.56
Total GHG emission Intensity	tCO_2e per Gloss Floor Area (m^2)	0.09	0.10	0.11

4.1.1.2 Assets Vulnerable to Climate-related Risks and Opportunities

The following tables present our assets most exposed to climate-related risks and opportunities during the assessment period. The scope of assessment includes 77 assets broken down into **Table 17** to present the number and percentage of assets vulnerable to climate-related physical

and transition risks and **Table 18** to show the number and percentage of assets aligned with climate-related opportunities.

Table 17 The number and percentage of assets vulnerable to climate-related physical and transition risks

Metrics	Number of Assets	Percentage
Total Assets	77	100.00%
Assets vulnerable to climate-related physical risks		
Extreme Heat	74	100.00%
Riverine Flood	22	28.57%
Coastal Flood	10	12.98%
Assets vulnerable to climate-related transition risks		
Transition Risks	33	42.85%

Table 18 The number and percentage of assets aligned with climate-related opportunities

Metrics	Number of Assets	Percentage
Total Assets	77	100.00%
Assets aligned with climate-related opportunities	33	42.85%

4.1.1.3 Capital Deployment

Table 19 presents the projects which AWC has invested in to address climate-related risks and capture opportunities. In 2024, AWC invested in the following initiatives as shown below:

Table 19 The amount of capital deployment

Detail of Capital Expenditure	Amount (Million THB)
Energy Efficiency Plan (EEP)	34.16
Improvement of Infrastructure to obtain Green Certificate	71.38I
Other initiatives to address climate-related risks	1.49

4.1.2 Industry-based Metrics

Disclosing Industry-based Metrics under IFRS S2 is crucial for the real estate sector, as it highlights key environmental impacts such as energy use and carbon emissions per floor area. These metrics provide stakeholders with clearer insights into climate-related risks and enable more effective assessment of business sustainability. Therefore, AWC – as key player in real estate sector – is required to disclose industry-based metrics as follows:

Table 20 Sustainability Disclosure Topics & Metrics

Code	Topic	Required Data	Category	Unit	BU	2022	2023	2024
IF-RE-130a.1	Energy Management	Energy consumption data coverage as a percentage of total floor area, by property sector	Quantitative	Percentage (%) by floor area		100%	100%	100%
IF-RE-130a.2		(1) Total energy consumed by portfolio area with data coverage	Quantitative	Gigajoules (GJ)		629,893.24	715,234.82	798,738.45
		(2) percentage grid electricity by property sector		Percentage (%)	Hotel	100.00%	99.59%	99.58%
					Commercial Building	100.00%	100.00%	100.00%
					Retail	100.00%	94.11%	93.79%
					Wholesale	100.00%	100.00%	100.00%
		(3) percentage renewable by property sector		Percentage (%)	Hotel	0.00%	0.41%	0.42%
					Commercial Building	0.00%	0.00%	0.00%
					Retail	0.00%	5.89%	6.21%
					Wholesale	0.00%	0.00%	0.00%
IF-RE-130a.3		Like-for-like percentage change in energy consumption for the portfolio area with data coverage, by property sector	Quantitative	Percentage (%)	Hotel	17%	26%	7%
					Commercial Building	6%	2%	4%

Code	Topic	Required Data	Category	Unit	BU	2022	2023	2024
					Retail	2%	26%	12%
					Wholesale	2%	25%	82%
IF-RE-130a.4		Percentage of eligible portfolio that (1) has an energy rating and (2) is certified to ENERGY STAR, by property sector	Quantitative	Percentage (%) by floor area		0%	0%	0%
IF-RE-130a.5		Description of how building energy management considerations are integrated into property investment analysis and operational strategy	Discussion and Analysis	n/a		AWC integrates building energy management considerations into its property investment analysis and operational strategy as part of its long-term commitment to sustainability and climate action. Recognizing that energy use in buildings is a key driver of environmental impact, AWC embeds energy-related considerations throughout the asset lifecycle—from design and development to ongoing operations and renovations. This includes the incorporation of energy efficiency planning, promotion of renewable energy adoption, and alignment with international green building standards. At the strategic level, energy efficiency is factored into project evaluation criteria and investment decision-making. AWC prioritizes developments that align with low-carbon goals and support the transition to a more sustainable built environment. The company also encourages investment in technologies that enable more efficient energy use and reduce dependency on fossil fuels. Operationally, AWC has established structured energy management practices through a company-wide Energy Efficiency Plan (EEP). This plan guides business units in implementing energy-saving measures tailored to their context, ranging from behavioral adjustments to system-level upgrades. Initiatives are categorized based on complexity and investment scale, allowing for flexible implementation and continual improvement. Furthermore, AWC promotes the use of renewable energy, such as solar power, across its real estate portfolio to reduce long-term operational		

Code	Topic	Required Data	Category	Unit	BU	2022	2023	2024
						impacts. The company also leverages international green building certification frameworks—such as LEED, EDGE, and WELL—to embed energy and resource efficiency into the design and renovation of its properties, thereby enhancing the value and resilience of its investments.		
IF-RE-140a.1	Water Management	Water withdrawal data coverage as a percentage of (1) total floor area and (2) floor area in regions with High or Extremely High Baseline Water Stress, by property sector	Quantitative	Percentage (%) by floor area	Hotel	0%	10%	44%
					Commercial Building	0%	0%	6%
					Retail	0%	11%	31%
					Wholesale	0%	0%	2%
IF-RE-140a.2		(1) Total water withdrawn by portfolio area with data coverage and (2) percentage in regions with High or Extremely High Baseline Water Stress, by property sector	Quantitative	Thousand cubic metres (m^3)	Hotel	1,512,191.80	1,716,899.83	1,401,183.45
					Commercial Building	382,975.00	406,529.00	436,449.00
					Retail	489,735.00	583,391.00	607,926.00
					Wholesale	26,211.00	25,331.00	50,760.00
IF-RE-140a.3		Like-for-like percentage change in water withdrawn for portfolio area with data coverage, by property sector	Quantitative	Percentage (%)	Hotel	24.41%	13.54%	-18.39%
					Commercial Building	-21.20%	6.15%	7.36%
					Retail	39.08%	19.12%	4.21%
					Wholesale	-11.52%	-3.36%	100.39%

Code	Topic	Required Data	Category	Unit	BU	2022	2023	2024
IF-RE-140a.4		Description of water management risks and discussion of strategies and practices to mitigate those risks	Discussion and Analysis	n/a		AWC recognizes that increasing water-related risks—driven by urban expansion, growing demand, climate variability, and stricter regulations—can affect business continuity, operational costs, and long-term resilience. Many of the company's properties are located in areas with moderate to high water risk, including Bangkok, Nonthaburi, and Chiang Mai, where water stress and supply uncertainty are expected to intensify by 2030, according to the Aqueduct Water Risk Atlas. To mitigate these risks, AWC implements a sustainable water management policy focused on reducing water consumption, improving efficiency, and promoting water reuse. The company conducts regular water risk assessments across its operations and supply chain, integrates water-saving technologies, and promotes behavioral change through employee training. AWC also engages with stakeholders to raise awareness and build shared responsibility, while aligning practices with international standards such as ISO 14001. These efforts help safeguard operational stability, reduce environmental impacts, and support water access and sustainability for the surrounding communities.		
IF-RE-410a.1	Management of Tenant	(1) Percentage of new leases that contain a cost recovery clause for resource efficiency-related capital improvements and (2) associated leased floor area, by property sector	Quantitative	Percentage (%) by floor area, Square metres (m²)		0%	0%	0%
IF-RE-410a.2	Sustainability	Percentage of tenants that are separately metered or submetered for (1) grid electricity consumption and (2)	Quantitative	Percentage (%) by floor area		Retail&Wholesale: 86% Commercial Buidling: 100%	Retail&Wholesale: 87% Commercial Buidling: 100%	Retail&Wholesale: 86% Commercial Buidling: 100%

Code	Topic	Required Data	Category	Unit	BU	2022	2023	2024
		water withdrawals, by property sector				Retail&Wholesale: 69% Commercial Buidling: 42%	Retail&Wholesale: 70% Commercial Buidling: 43%	Retail&Wholesale: 68% Commercial Buidling: 43%

4.1.2.1 Activity Metrics

To provide context for its sustainability performance and support year-over-year comparisons, AWC discloses relevant activity metrics in accordance with IFRS S2. These metrics include total number of assets, enhancing transparency in sustainability reporting. The activity metrics are presented in **Table 21**.

Table 21 Activity Metrics

Code	Topic	Required Data	Category	Unit	BU	2022	2023	2024
IF-RE-000.A	Activity Metrics	Number of assets, by property sector	Quantitative	Number	Hotel	18	21	21
					Commercial Building	4	4	4
					Retail	7	7	7
					Wholesale	1	1	1
IF-RE-000.B		Leasable floor area, by property sector	Quantitative	Square metres (m²)	Hotel	-	-	-
					Commercial Building	270,594.00	270,594.00	270,594.00
					Retail	159,073.00	162,864.00	165,119.00
					Wholesale	168,086.00	167,566.00	165,155.00
IF-RE-000.C		Percentage of indirectly managed assets, by property sector	Quantitative	Percentage (%) by floor area	Hotel	100	100	100
					Commercial Building	0	0	0
					Retail	0	0	0
					Wholesale	0	0	0
IF-RE-000.D		Average occupancy rate, by property sector	Quantitative	Percentage (%)	Hotel	49%	65%	72%
					Commercial Building	70%	68%	66%
					Retail	66%	65%	68%
					Wholesale	-	-	-

4.2 Climate-related Targets

“Achieve Carbon Neutrality by 2030”

AWC has established baseline GHG emissions in 2019, covering Scope 1 and 2. This includes direct fuel combustion activities, methane leakage, and the use of purchased electricity, accounting for 100% of the total GHG emissions. AWC has aligned GHG reduction targets with the Science Based Targets initiative (SBTi) and the Paris Agreement’s goal of limiting global warming to 1.5 degrees Celsius which aims to achieve Net-Zero Emissions by 2065, aligning with Thailand’s climate action goals. In addition to reducing GHG emissions, we aim to achieve carbon neutrality by 2030. To reach this goal, the company will also engage in offsetting projects that reduce or sequester CO2.

Table 22 GHG Emissions Performance against the defined target

Metrics	Unit	Base year 2019 Emission (tCO2e)	2022 Emission (tCO2e)	2023 Emission (tCO2e)	2024 Emission (tCO2e)	% Emission Reduction Target	
						Short-term: 2026	Long-term: 2030
GHG Emissions for scope 1	tCO2e	8,700.00	9,443.30	12,321.61	11,425.99	25.2%	42%
GHG Emissions for scope 2	tCO2e	90,466.00	83,605.31	95,107.53	103,580.99	29.4%	46.2%
GHG Emissions for scope 1 & 2	tCO2e	99,166.00	93,048.61	107,429.14	115,0065.98	29.10%	45.8%

Remark: *Scope 3 emissions were excluded from baseline calculation due to the current baseline methodology, which does not incorporate Scope 3, and the variability and inconsistency in available data. Furthermore, the predominance of Scope 2 emissions in the organization's GHG profile and the limited availability of reliable Scope 3 data further support this exclusion.*

IFRS S2 Index

IFRS S2 Requirements	Disclosure Location
Governance	
a) The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of climate-related risks and opportunities.	
how responsibilities for climate-related risks and opportunities are reflected in terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s);	1.2.1 Roles and Responsibility
how the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	1.2.2 Board Skills and Competencies
how and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	1.2.1 Roles and Responsibility
how the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; and	1.2.1 Roles and Responsibility
how the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities, and monitors progress towards those targets, including whether and how related performance metrics are included in remuneration policies.	1.2.1 Roles and Responsibility
b) Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.	
whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and	1.3.1 Role and Responsibility
whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	1.3.1 Role and Responsibility
Strategy	
Climate-related risks and opportunities	
a) Describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects.	2.1 Climate-related Risks and Opportunities (CRROs)
b) Explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk.	2.1 Climate-related Risks and Opportunities (CRROs)
c) Specify, for each climate-related risk and opportunity the entity has identified, over which time horizons (short, medium, or long term) the effects of each climate-related risk and opportunity could reasonably be expected to occur.	2.1 Climate-related Risks and Opportunities (CRROs)
d) Explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	2.1 Climate-related Risks and Opportunities (CRROs)
Business model and value chain	
a) Description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain.	2.1 Climate-related Risks and Opportunities (CRROs)
b) Description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated.	2.1 Climate-related Risks and Opportunities (CRROs)
Strategy and decision-making	
a) information about how the entity has responded to, and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about:	
current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive	2.2 Climate Resilience

IFRS S2 Requirements	Disclosure Location
operations; resource allocations resulting from demand or supply-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments);	
current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or equipment, relocation of facilities, workforce adjustments, and changes in product specifications);	2.2 Climate Resilience
current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains);	2.2 Climate Resilience
any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan, and dependencies on which the entity's transition plan relies; and	2.3 Climate Strategy
how the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets.	2.3 Climate Strategy
b) information about how the entity is resourcing, and plans to resource, the activities disclosed in accordance with paragraph.	2.3 Climate Strategy
Financial position, financial performance, and cash flows	
a) Effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects).	2.5 Effects on Financial Position, Financial Performance and Cash Flows
b) Anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate- related risks and opportunities are included in the entity's financial planning.	2.5 Effects on Financial Position, Financial Performance and Cash Flows
Climate resilience	
a) Entity's assessment of its climate resilience as at the reporting date:	
the implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis;	2.4 Capacity to adjust or adapt strategy and business model
the significant areas of uncertainty considered in the entity's assessment of its climate resilience;	
the entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including; (1) the availability of, and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including addressing climate-related risks and taking advantage of climate-related opportunities; (2) the entity's ability to redeploy, repurpose, upgrade or decommission existing assets; and (3) the effect of the entity's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience; and	2.4 Capacity to adjust or adapt strategy and business model
b) How and when the climate-related scenario analysis was carried out:	
information about the inputs the entity used, including: (1) which climate-related scenarios the entity used for the analysis and the sources of those scenarios; (2) whether the analysis included a diverse range of climate-related scenarios; (3) whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks; (4) whether the entity used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change; (5) why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties; (6) the time horizons the entity used in the analysis; and (7) what scope of operations the entity used in the analysis (for example, the operating locations and business units used in the analysis);	3.1 Key Assumptions Used in the Process
the key assumptions the entity made in the analysis, including assumptions about: (1) climate-related policies in the jurisdictions in which the entity operates; (2) macroeconomic trends; (3) national- or regional-level variables (for example, local weather patterns, demographics, land use,	3.1 Key Assumptions Used in the Process

IFRS S2 Requirements	Disclosure Location
(4) infrastructure and availability of natural resources); (5) energy usage and mix; and (6) developments in technology; and	
the reporting period in which the climate-related scenario analysis was carried out.	2.2 Climate Resilience
Risk Management	
a) the processes and related policies the entity uses to identify, assess, prioritize and monitor climate-related risks, including information about:	
the inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes);	3.1 Key Assumptions Used in the Process
whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks;	3.1.3 Scenarios and Timeframes
how the entity assesses nature, likelihood and magnitude of the effects of those risks	3.1.4 Nature, Likelihood, and Magnitude
whether and how the entity prioritizes climate-related risks relative to other types of risk;	3.2 Process for Climate-related Risks and Opportunities Assessment.
how the entity monitors climate-related risks; and	3.2.3 Managing and Monitoring Processes
whether and how the entity has changed the processes it uses compared with the previous reporting period;	3.2 Process for Climate-related Risks and Opportunities Assessment.
b) the processes the entity uses to identify, assess, prioritize and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities; and	3.2 Process for Climate-related Risks and Opportunities Assessment.
c) the extent to which, and how, the processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	3.3 Integration of Process for Identifying, Assessing, and Managing Climate-related Risks and Opportunities in Company-wide Risk Management Process
Metric and Targets	
Climate-related metrics	
a) greenhouse gases—the entity shall:	
disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO2 equivalent, classified as: (1) Scope 1 greenhouse gas emissions; (2) Scope 2 greenhouse gas emissions; and (3) Scope 3 greenhouse gas emissions;	4.1.1.1 GHG Emissions
measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless required by a jurisdictional authority or an exchange on which the entity is listed to use a different method for measuring its greenhouse gas emissions;	4.1.1.1 GHG Emissions
disclose the approach it uses to measure its greenhouse gas emissions including: (1) the measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions. (2) the reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and (3) any changes the entity made to the measurement approach, inputs and assumptions during the reporting period and the reasons for those changes;	4.1.1.1 GHG Emissions
for Scope 1 and Scope 2 greenhouse gas emissions disclosed (disclose its absolute gross greenhouse gas emissions) disaggregate emissions between:	4.1.1.1 GHG Emissions

IFRS S2 Requirements	Disclosure Location
(1) the consolidated accounting Company (for example, for an entity applying IFRS Accounting Standards, this Company would comprise the parent and its consolidated subsidiaries); and (2) other investees excluded, for an entity applying IFRS Accounting Standards, these investees would include associates, joint ventures and unconsolidated subsidiaries);	
for Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(2), disclose its location-based Scope 2 greenhouse gas emissions, and provide information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions; and	4.1.1.1 GHG Emissions
for Scope 3 greenhouse gas emissions disclosed (1) the categories included within the entity's measure of Scope 3 greenhouse gas emissions, in accordance with the Scope 3 categories described in the Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011); and (2) additional information about the entity's Category 15 greenhouse gas emissions or those associated with its investments (financed emissions), if the entity's activities include asset management, commercial banking or insurance;	4.1.1.1 GHG Emissions
b) climate-related transition risks—the amount and percentage of assets or business activities vulnerable to climate-related transition risks;	4.1.1.2 Assets vulnerable to climate-related risks and opportunities
c) climate-related physical risks—the amount and percentage of assets or business activities vulnerable to climate-related physical risks;	4.1.1.2 Assets vulnerable to climate-related risks and opportunities
d) climate-related opportunities—the amount and percentage of assets or business activities aligned with climate-related opportunities;	4.1.1.2 Assets vulnerable to climate-related risks and opportunities
e) capital deployment—the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities;	4.1.1.3 Capital Deployment
f) internal carbon prices—the entity shall disclose:	
an explanation of whether and how the entity is applying a carbon price in decision-making (for example, investment decisions, transfer pricing and scenario analysis); and	Additional guidance – no disclosure requirement
the price for each metric ton of greenhouse gas emissions the entity uses to assess the costs of its greenhouse gas emissions;	Additional guidance – no disclosure requirement
g) remuneration—the entity shall disclose:	
a description of whether and how climate-related considerations are factored into executive remuneration	1.4 Climate-related Performance in incentive schemes
Climate-related targets	
Quantitative and qualitative climate-related targets	
a) the metric used to set the target	4.2 Climate-related Targets
b) the objective of the target (for example, mitigation, adaptation or conformance with science-based initiatives);	4.2 Climate-related Targets
c) the part of the entity to which the target applies (for example, whether the target applies to the entity in its entirety or only a part of the entity, such as a specific business unit or specific geographical region);	4.2 Climate-related Targets
d) the period over which the target applies;	4.2 Climate-related Targets
e) the base period from which progress is measured;	4.2 Climate-related Targets
f) any milestones and interim targets;	4.2 Climate-related Targets
g) if the target is quantitative, whether it is an absolute target or an intensity target; and	4.2 Climate-related Targets
h) how the latest international agreement on climate change, including jurisdictional commitments that arise from that agreement, has informed the target.	4.2 Climate-related Targets
Approach to setting and reviewing each target, and monitoring progress against each target	
a) whether the target and the methodology for setting the target has been validated by a third party;	Additional guidance – no disclosure requirement

IFRS S2 Requirements	Disclosure Location
b) the entity's processes for reviewing the target;	Additional guidance – no disclosure requirement
c) the metrics used to monitor progress towards reaching the target; and	4.2 Climate-related Targets
d) any revisions to the target and an explanation for those revisions.	Additional guidance – no disclosure requirement
Performance against each climate-related target and an analysis of trends or changes in the entity's performance	
a) which greenhouse gases are covered by the target.	4.2 Climate-related Targets
b) whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.	4.2 Climate-related Targets
c) whether the target is a gross greenhouse gas emissions target or net greenhouse gas emissions target. If the entity discloses a net greenhouse gas emissions target, the entity is also required to separately disclose its associated gross greenhouse gas emissions target.	4.2 Climate-related Targets
d) whether the target was derived using a sectoral decarbonization approach.	Additional guidance – no disclosure requirement
e) the entity's planned use of carbon credits to offset greenhouse gas emissions to achieve any net greenhouse gas emissions target. In explaining its planned use of carbon credits.	
the extent to which, and how, achieving any net greenhouse gas emissions target relies on the use of carbon credits;	Additional guidance – no disclosure requirement
which third-party scheme(s) will verify or certify the carbon credits;	Additional guidance – no disclosure requirement
the type of carbon credit, including whether the underlying offset will be nature-based or based on technological carbon removals, and whether the underlying offset is achieved through carbon reduction or removal; and	Additional guidance – no disclosure requirement
any other factors necessary for users of general-purpose financial reports to understand the credibility and integrity of the carbon credits the entity plans to use (for example, assumptions regarding the permanence of the carbon offset).	Additional guidance – no disclosure requirement

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