



ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED ("AIS") SUSTAINABLE FINANCE FRAMEWORK

SECOND PARTY OPINION

Document Title: Second Party Opinion on AIS Sustainable Finance Framework

Prepared By: DNV (Thailand) Co., Ltd.

Location: Bangkok, Thailand

Date: 19 September 2024

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This statement is valid until the Framework provided in September 2024 remains unchanged.

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Disclaimer

Our assessment relies on the premise that the data and information provided by the client to us as part of our review procedures have been provided in good faith. Because of the selected nature (sampling) and other inherent limitation of both procedures and systems of internal control, there remains the unavoidable risk that errors or irregularities, possibly significant, may not have been detected. Limited depth of evidence gathering including inquiry and analytical procedures and limited sampling at lower levels in the organization were applied as per scope of work. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Statement.

Statement of Competence and Independence

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO IEC 17029:2019 - Conformity Assessment - General principles and requirements for validation and verification bodies, and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We have complied with the DNV Code of Conduct¹ during the assessment and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV was not involved in the preparation of statements or data included in the Framework except for this Statement. DNV maintains complete impartiality toward stakeholders interviewed during the assessment process.

¹ DNV Code of Conduct is available from DNV website (www.dnv.com)

DNV'S INDEPENDENT ASSESSMENT

Scope and Objectives

Advanced Info Service Public Company Limited ("AIS") has been a telecommunications leader in Thailand for over 33 years. It started in 1990 under a Built-Transfer-Operate (BTO) agreement and shifted to a licensing scheme in 2012 with the establishment of the National Broadcast and Telecommunications Commission (NBTC), promoting fair competition and technological advancement. AIS's vision is to become Thailand's most admired cognitive tech-co, focusing on a digital ecosystem economy. AIS provides 4 core services: mobile communication (with 4G and 5G technology), fixed broadband (under "AIS Fibre3" and "3BB Fibre3"), enterprise digital solutions (cloud, data centres, ICT), and digital services designed to create new revenue streams.

AIS has developed a Sustainable Finance Framework ("Framework") with the aim to raise Sustainable Finance Instruments ("SFIs") to finance or refinance new and existing projects as part of its sustainable business strategies and commitment to environmental well-being, as described in the Framework. The Framework is in alignment with the stated Standards and Principles (collectively the "Principles & Standards"):

- Green Bond Principles ("GBP") issued by the International Capital Market Association (ICMA) in June 2021
- Social Bond Principles ("SBP") issued by ICMA in June 2023
- Sustainability Bond Guidelines ("SBG") issued by ICMA in June 2021
- ASEAN Green Bond Standards ("AGBS") issued by the ASEAN Capital Markets Forum (ACMF) in October 2018
- ASEAN Social Bond Standards ("ASBS") issued by ACMF in October 2018
- ASEAN Sustainability Bond Standards ("ASUS") issued by ACMF in October 2018
- Green Loan Principles ("GLP") issued by the Loan Market Association (LMA) in February 2023
- Social Loan Principles ("SLP") issued by the Loan Market Association (LMA) in February 2023

DNV (Thailand) Co., Ltd. ("DNV") has been commissioned by AIS to review its Framework and provide a Second Party Opinion on the Framework, based on the Principles & Standards.

Our methodology to achieve this is described under 'Work Undertaken' below. We were not commissioned to provide independent assurance or other audit activities.

No assurance is provided regarding the financial performance of instruments issued via the Customer's Framework, the value of any investments, or the long-term environmental benefits of the transaction. Our objective has been to provide an assessment that the Framework has met the criteria established on the basis set out below.

Responsibilities of the Management of the Customer and DNV

The management of AIS has provided the information and data used by DNV during the delivery of this review. Our statement represents an independent opinion and is intended to inform AIS management and

other interested stakeholders in the SFIs as to whether the SFIs are aligned with the Principles & Standards. In our work we have relied on the information and the facts presented to us by AIS. DNV is not responsible for any aspect of the nominated assets referred to in this opinion and cannot be held liable if estimates, findings, opinions, or conclusions are incorrect. Thus, DNV shall not be held liable if any of the information or data provided by AIS's management and used as a basis for this assessment were not correct or complete.

Basis of DNV's Opinion

We have adapted our assessment methodology to create the AIS-specific Eligibility Assessment Protocol (henceforth referred to as "Protocol"). Our Protocol includes a set of suitable criteria that can be used to underpin DNV's opinion.

As per our Protocol, the criteria against which the Framework has been reviewed are grouped under the four core components:

1. Use of Proceeds

The Use of Proceeds criteria are guided by the requirement that an issuer/a borrower must use the funds raised to finance or refinance or to repay equity of eligible activities. The eligible activities should produce clear environmental and social benefits.

2. Process for Project Evaluation and Selection

The Project Evaluation and Selection criteria are guided by the requirements that an issuer/a borrower should outline the process it follows when determining eligibility of an investment using SFIs proceeds and outline any impact objectives it will consider.

3. Management of Proceeds

The Management of Proceeds criteria are guided by the requirements that SFIs should be tracked within the organization, that separate portfolios should be created when necessary and that a declaration of how unallocated funds will be handled.

4. Reporting

The Reporting criteria are guided by the recommendation that at least annual reporting should be made of the use of proceeds and that quantitative and/or qualitative performance indicators should be used, where feasible.

No assurance is provided regarding the financial performance of instruments issued via the Framework, the value of any investments, or the long-term environmental benefits of the transaction. Our objective has been to provide an assessment that the Framework has met the criteria established on the basis set out below.

Work Undertaken

Our work constituted a high-level review of the available information, based on the understanding that this information was provided to us by AIS in good faith. We have not performed an audit or other tests to check the veracity of the information provided to us. The work undertaken to form our opinion included:

- Creation of a Protocol, adapted to the purpose of the bond, as described above and in Schedule 3 to this Assessment;
- Assessment of documentary evidence provided by AIS on the SFIs and supplemented by a high-level desktop research. These checks refer to current assessment best practices and standards methodology;
- Review of published materials by AIS and on relevant website:
 - AIS Sustainable Finance Framework
 - AIS Sustainability Reports [Sustainability Report | Advanced Info Service Public Company Limited \(ais.co.th\)](https://www.ais.co.th/sustainability-report)
 - AIS Climate Actions [Climate Actions | Advanced Info Service Public Company Limited \(ais.co.th\)](https://www.ais.co.th/climate-actions)
 - AIS Waste Management [Waste Management | Advanced Info Service Public Company Limited \(ais.co.th\)](https://www.ais.co.th/waste-management)

- AIS Task Force on Climate-related Financial Disclosures 2023 [ais-tcf-2023-v02](#)
- Discussions with AIS's management, and review of relevant documentation and evidence related to the criteria of the Protocol; and
- Documentation of findings against each element of the criteria.

Our opinion as detailed below is a summary of these findings.

Findings and DNV's Opinion

DNV's findings on the alignment with Principles & Standards are listed below:

1. Use of Proceeds

AIS intends to use the net proceeds of the SFIs to finance and/or refinance and/or to repay equity of new and/or existing eligible projects.

The Framework defines the following eligible project categories:

- Green Projects:
 - Energy Efficiency (Network Modernization/Transformation, Network Optimization, and Data centre)
 - Renewable Energy
 - Clean Transportation
 - Green Buildings

- Social Projects:
 - Access for all through an affordable basic infrastructure (Digital inclusion)
 - Access to essential services (Education)

DNV undertook an analysis of the associated project type to determine the eligibility as Green/ Social and in line with the Principles & Standards. DNV concludes that the eligible categories outlined in the Framework are consistent with the categories outlined in the Principles & Standards.

2. Process for Project Evaluation and Selection

AIS has set up a Sustainable Finance Working Group to oversee the selection and evaluation of eligible projects. The responsibilities of the Sustainable Finance Working Group include reviewing and validating projects eligibility, monitoring the eligible projects portfolio, and updating the Framework.

DNV concludes that AIS's Framework appropriately describes the process for Project Evaluation and Selection.

3. Management of Proceeds

The proceeds will be deposited in AIS's general account. This account will be monitored and tracked annually. The balance will be adjusted to ensure that the proceeds are allocated to eligible projects. Any unallocated proceeds will be kept in the form of cash and/or invest in short-term liquid instruments.

DNV has reviewed the evidence presented and concludes that the Framework appropriately describes the process for Management of Proceeds.

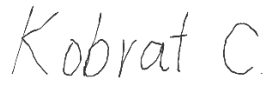
4. Reporting

AIS is committed to publishing annual allocation report and impact report on AIS's website until full allocation and as necessary in the event of any material changes. Example of information that would be illustrated in the allocation report are amount of proceeds allocated and/or unallocated proceeds per eligible project, and the proportion of financing and/or refinancing. Example of impact indicators are estimated annual reduction of GHG emission (tCO₂e/year), energy consumption per data traffic (MWh/unit), and Power Usage Effectiveness (PUE).

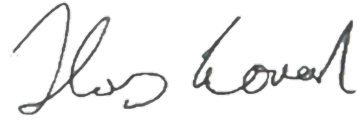
On the basis of the information provided by AIS and the work undertaken, it is DNV's opinion that the Framework meets the criteria established in the Protocol and that it is aligned with the stated definition of Sustainable Financing Instruments within the Principles & Standards.

For DNV (Thailand) Co., Ltd.

Bangkok, Thailand / 19 September 2024



Kobrat Chotruangprasert
Lead Verifier



Thomas Leonard
Technical Reviewer

Schedule 1. Description of Categories to be financed or refinanced through the Customer's Sustainable Financing Instruments

Eligible Green / Social Project Categories	Sample of Eligible Criteria and Description	DNV Findings
Energy Efficiency	<p>Network Modernisation/Transformation</p> <ul style="list-style-type: none"> • Modernisation of fixed broadband networks including fibre-based extensions. • Modernisation of mobile broadband networks from old network technology to newer one including deployment of network infrastructure to expand 5G wireless connectivity. • Installing multi-mode Remote Radio Units (RRUs) / Active Antenna Unit (AAU) that cover all networks to improve energy efficiency. • Improvement of supporting infrastructure to increase efficiency (Including but not limited to cooling systems, utilization and procure high energy-efficient equipment and Artificial Intelligence applications). 	<p>The International Energy Agency (IEA) reports 240-340 TWh of global energy consumption for data centres, and 260-360 TWh for data networks. They account for 2-3 % of global electricity consumption². Adoption of high energy efficiency network and data centre is a crucial factor to address the industry's growing demand.</p> <p>Along with expansion of the network to remote area, AIS is working on promoting safe and appropriate use of the internet. By 2027 AIS aims to improve the socio-economic condition of 5 million Thai people through the promotion of online health care platform, and online education platform, and to provide digital solutions and tools for 3 million Thai people.</p> <p>DNV refers to BCA-IMDA Green Mark Scheme for New Data Centres³ and can confirm that PUE threshold of 1.5 at 50% IT load is</p>
Energy Efficiency	<p>Network Optimization</p> <ul style="list-style-type: none"> • Upgrade of power rectifiers at base station / switching centre to improve energy efficiency by reducing power loss during transition. • Invest in single last mile for sharing of last mile fibre with other operators which reduces emission occurred from installation and MA work. 	
Energy Efficiency	<p>Data centre</p> <ul style="list-style-type: none"> • acquisition, design, construction and maintenance of data centres with a design average Power Usage Effectiveness (PUE) of below <1.5. 	
Renewable Energy	<p>Commencement of an alternative energy program based on solar power and installation of solar panels.</p>	
Clean transport	<ul style="list-style-type: none"> • Invest in EV fleet to replace the existing ICE fleet • Installation of EV charging stations. 	
Green Buildings	<p>Expenditures related to the design, construction and maintenance of buildings—data centres and commercial facilities—that have recently or are expected to achieve a LEED Gold or higher or other equivalent local and regional certifications.</p>	
Access for all through an affordable basic infrastructure	<p>Digital Inclusion</p> <ul style="list-style-type: none"> • Accelerating deployment of optic fibre network in areas at risk of digital exclusion. • Accelerating deployment of mobile network in areas at risk of digital exclusion. 	
Access to essential services	<p>Education</p> <ul style="list-style-type: none"> • Creating opportunities for access to education by supporting exposure to knowledge and utilization 	

² [Data centres & networks - IEA](#)

³ [green-mark-new-data-centres-2019.pdf \(bca.gov.sg\)](#)

	of communication technology to enhance the capacities and quality of life of Thai people.	equivalent to GoldPlus rating. DNV finds that the criteria and project types are eligible projects according to the Standards & Principles.
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AIS's SFIs proceeds shall not be utilized towards the projects that negatively impact the environment or society.

Schedule 2. Contributions to UN SDGs

Eligible Project Categories	UN SDGs	DNV Findings
Energy Efficiency	<p>SDG 7.3: By 2030, double the global rate of improvement in energy efficiency.</p> <p>SDG 8.6: By 2020, substantially reduce the proportion of youth not in employment, education or training.</p> <p>SDG 9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.</p>	DNV is of the opinion that the eligible category outlined in the Framework contributes to the achievement of the UN SDGs.
Renewable Energy	<p>SDG 7.2: By 2030, increase substantially the share of renewable energy in the global energy mix.</p> <p>SDG 13.2: Integrate climate change measures into national policies, strategies and planning.</p>	
Clean Transportation	<p>SDG 11.2: By 2030, provide access to safe, affordable, accessible and sustainable transport systems for all, improving road safety, notably by expanding public transport, with special attention to the needs of those in vulnerable situations, women, children, persons with disabilities and older persons</p> <p>SDG 13.2: Integrate climate change measures into national policies, strategies and planning</p>	
Green Buildings	<p>SDG 7.3: By 2030, double the global rate of improvement in energy efficiency</p> <p>SDG 9.4: By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities</p>	
Access for all through an affordable basic infrastructure	<p>SDG 9.c: Significantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries by 2020</p>	
Access to essential services	<p>SDG 3.8: Achieve universal health coverage, including financial risk protection, access to quality essential health-care services and access to safe, effective, quality and affordable essential medicines and vaccines for all</p>	

Schedule 3. Eligibility Assessment Protocol

1. Use of Proceeds

Ref.	Criteria	Requirements	DNV Findings
1a	Type of Bond /Loan	<p>The Bond/Loan must fall in one of the following categories, as defined by the Principles & Standards:</p> <ul style="list-style-type: none"> • Green/Social Use of Proceeds Bond/Loan • Green/Social Use of Proceeds Revenue Bond/Loan • Green/Social Project Bond/Loan • Green/Social Securitized Bond/Loan • Loan instrument made available for Green/Social project (Green/Social use of proceeds loan) 	<p>The Framework clearly describes SFIs as Green/Social Use of Proceeds Bond/Loan.</p>
1b	Green/Social Project Categories	<p>The cornerstones of Green/Social Bonds and Loans are the utilization of the proceeds of the bonds or the loans which should be appropriately described in the legal documentation for the security.</p>	<p>Eligible project category presented by AIS are as follows:</p> <p>Green Projects:</p> <ul style="list-style-type: none"> • Energy Efficiency (Network Modernization/Transformation, Network Optimization, and Data Centre) • Renewable Energy • Clean Transportation • Green Buildings <p>Social Projects:</p> <ul style="list-style-type: none"> • Access for all through an affordable basic infrastructure (Digital inclusion) • Access to essential services (Education) <p>The above-mentioned project category meets the Eligible Green Project Categories in the Principles. DNV confirms this to be well aligned with the Principles & Standards.</p>
1c	Environmental/ Social Benefits	<p>All designated Green/Social Project categories should provide clear environmentally/socially sustainable benefits, which, where feasible, will be quantified or assessed by the Issuer.</p>	<p>Environmental benefits are noted to include:</p> <ul style="list-style-type: none"> • Increased capacity of renewable energy generation • Energy savings (MWh) • GHG Emissions Reduction (tCO₂e) <p>Social benefits are noted to include:</p>

			<ul style="list-style-type: none"> • Increased mobile network coverage in remote areas • Increased access to broadband networks in unconnected areas • Increased access to education digital <p>DNV confirms that the proposed use of proceeds will reasonably be expected to deliver meaningful environmental benefits.</p>
1d	Refinancing Share	In the event that a proportion of the proceeds may be used for refinancing, it is recommended that issuers provide an estimate of the share of financing vs. re-financing, and where appropriate, also clarify which investments or project portfolios may be refinanced.	<p>The Framework states that proceeds will be used for financing of new or refinancing projects/expenditures that meet the criteria. AIS aims to allocate proceeds to eligible projects within 36 months, or as soon as feasible.</p> <p>The proposed management of net proceeds from the SFIs is confirmed by DNV to reasonably be expected to meet the criteria under the Principles & Standards.</p>

2. Process for Project Selection and Evaluation

Ref.	Criteria	Requirements	DNV Findings
2a	Investment-Decision Process	<p>The Issuer of a Green /Social Bond and Loan should outline the decision-making process it follows to determine the eligibility of projects using Green/Social Bond and Loan proceeds. This includes, without limitation:</p> <ul style="list-style-type: none"> • The environmental/social objectives of the eligible Green/Social Projects; • The process by which the issuer determines how the projects fit within the eligible Green/Social Projects categories; and • Complementary information on processes by which the issuer identifies and manages perceived environmental and social risks associated with the relevant project(s). 	<p>The Framework describes governance structure for selecting projects for investment.</p> <p>AIS has established a Sustainable Finance Working Group comprising of representatives from Sustainable Development Department, Engineering Department, Finance Department, and Accounting Department. The responsibilities of the Sustainable Finance Working Group includes reviewing and validating the selection of eligible projects referring to the criteria indicated in the Framework.</p> <p>DNV confirms this process for project selection and evaluation to be well aligned with the Principles & Standards.</p>
2b	Issuer/Borrower's Environmental, Social and Governance Framework	<p>Issuers are also encouraged to:</p> <ul style="list-style-type: none"> • Position the relevant information within the context of the issuer's overarching objectives, strategy, policy and/or processes relating to environmental sustainability. • Provide information, if relevant, on the alignment of projects with official or market-based 	<p>AIS is guided by an investment strategy that prioritises sustainability through the finance of projects that contribute to achieving the temperature goals of the Paris Agreement and by supporting a transition to a net zero emissions economy by 2050. AIS's sustainability strategy encompasses promotion of social inclusion and digital wellness</p>

		<p>taxonomies, related eligibility criteria</p> <ul style="list-style-type: none"> • Have a process in place to identify mitigants to known material risks of negative environmental and/or social impacts from the relevant project(s). 	<p>which aims to expand its 5G network to improve the socio-economic condition of 5 million, and to promote safe and appropriate use of internet and social media. From AIS's 2023 TCFD report, DNV notes that AIS has implemented a governance structure on assessing, monitoring, reporting and mitigating environmental and/or social risks impacted from their activities. Sustainable Development Committee focuses on the long-term climate-related risks while the Board of Directors has oversight on the risk management.</p> <p>DNV confirms that AIS's environmental, social, and governance (ESG) strategies and grouping of projects with eligibility criteria, are well aligned with the Principles & Standards.</p>
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3. Management of Proceeds

Ref.	Criteria	Requirements	DNV Findings
3a	Tracking Procedure	<ul style="list-style-type: none"> • The net proceeds of SFIs should be credited to a sub-account, moved to a sub-portfolio or otherwise tracked by the Issuer in an appropriate manner and attested to by a formal internal process that will be linked to the Issuer's lending and investment operations for Green/Social Projects. 	<p>The Framework states that AIS will monitor the use of proceeds of the loans through AIS's Treasury accounting team. SFIs proceeds will be monitored and tracked annually.</p> <p>DNV confirms that the Framework outlines processes to track proceeds and allocations to the nominated projects, that are well aligned with the Principles & Standards.</p>
3b	Tracking Procedure	So long as the SFIs are outstanding, the balance of the tracked proceeds should be periodically reduced by amounts matching eligible green investments or loan disbursements made during that period.	<p>During the life of the SFIs, AIS commits to adjusting the balance periodically to match allocations to eligible projects/assets. AIS will use its best efforts to substitute the projects which for any reason become ineligible as soon as the eligible project/asset for substitution is approved by the Sustainable Finance Working Group.</p> <p>DNV confirms that the Framework outlines processes to track proceeds and allocations to the nominated projects, that are aligned with the Principles & Standards.</p>
3c	Temporary Holdings	Pending such investments or disbursements to	AIS will hold unallocated proceeds in cash and/or invest in other short-term liquid instruments. Excess cash will be placed in a high-yield savings account or money

		eligible Green/Social Projects, the Issuer should make known to investors the intended types of temporary investment instruments for the balance of unallocated proceeds.	market account. AIS commits to avoid investing in projects associated to negative environmental or social impacts. DNV confirms that the Framework outlines instruments to which unallocated proceeds will be invested, that are well aligned with the Principles & Standards.
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4. Reporting

Ref.	Criteria	Requirements	DNV Findings
4a	Periodical Reporting	<ul style="list-style-type: none"> Issuers should make, and keep, readily available up to date information on the use of proceeds to be renewed annually until full allocation, and on a timely basis in case of material developments. The annual report should include a list of the projects to which SFIs proceeds have been allocated, as well as a brief description of the projects, the amounts allocated, and their expected impact. Where confidentiality agreements, competitive considerations, or a large number of underlying projects limit the amount of detail that can be made available, the GBP recommend that information is presented in generic terms or on an aggregated portfolio basis (e.g. percentage allocated to certain project categories). 	<p>AIS have committed to publishing annual allocation report and impact report on AIS's website until full allocation and as necessary in the event of any material changes. Example of information that would be illustrated in the allocation report are amount of proceeds allocated and/or unallocated proceeds per eligible project, and the proportion of financing and/or refinancing. Example of impact indicators are:</p> <ul style="list-style-type: none"> estimated annual reduction of GHG emission (tCO2e/year); energy consumption per data traffic (MWh/unit); Power Usage Effectiveness (PUE); Estimated annual output of renewable energy generated (MWh/year); Estimated number of population/household with mobile network coverage in remote or areas; and Number of users using digital education tools. <p>DNV confirms that the proposed reporting is consistent with the criteria set out in the Principles & Standards.</p>

Schedule 4. Green, Social and Sustainability Financing Instruments External Review Form

Section 1. Basic Information

Issuer name: Advanced Info Service Public Company Limited (“AIS”)

Bond ISIN⁴: N/A

Independent External Review provider’s name for pre-issuance review: DNV (Thailand) Co., Ltd.

Completion date of this form: 19 September 2024

Section 2. Overview

SCOPE OF REVIEW

The review:

- assessed the 4 core components of the Principles (**complete review**) and confirmed the alignment with the GBP/SBP/SBG (*delete where appropriate*).
- assessed only some of them (**partial review**) and confirmed the alignment with the GBP/SBP/SBG (*delete where appropriate*); please indicate which ones:
 - Use of Proceeds
 - Management of Proceeds
 - Process for Project Evaluation and Selection
 - Reporting
- assessed the alignment with other regulations or standards (CBI, EU GBS, ASEAN Green Bond Standard, ISO 14030, etc.); please indicate which ones:

ROLE(S) OF INDEPENDENT REVIEW PROVIDER

- Second Party Opinion
- Verification
- Other (*please specify*):
- Certification
- Scoring/Rating

Does the review include a sustainability quality score⁵?

- Of the issuer
- Of the project
- Of the framework
- Other (please specify):
- No scoring

ASSESSMENT OF THE PROJECT(S)

Does the review include:

⁴ The ISIN code is mandatory for publishing the form in the Sustainable Bond Issuers Database.

⁵ The external review may indicate the provider’s opinion of the overall sustainability quality of a bond or bond framework and assess whether it has a meaningful impact on advancing contribution to long-term sustainable development.

- The environmental and/or social features of the type of project(s) intended for the Use of Proceeds?
- The environmental and/or social benefits and impact targeted by the eligible Green and/or Social Project(s) financed by the Green, Social or Sustainability Bond?
- The potentially material environmental and/or social risks associated with the project(s) (where relevant)?

ISSUER'S OVERARCHING OBJECTIVES

Does the review include:

- An assessment of the issuer's overarching sustainability objectives and strategy, and the policies and/or processes towards their delivery?
- An identification and assessment of environmental, social and governance related risks of adverse impact through the Issuer's [actions] and explanations on how they are managed and mitigated by the issuer?
- A reference to the issuer's relevant regulations, standards, or frameworks for sustainability-related disclosure and reporting?

CLIMATE TRANSITION STRATEGY⁶

Does the review assess:

- The issuer's climate transition strategy & governance?
- The alignment of both the long-term and short/medium-term targets with the relevant regional, sector, or international climate scenario?
- The credibility of the issuer's climate transition strategy to reach its targets?
- The level/type of independent governance and oversight of the issuer's climate transition strategy (e.g. by independent members of the board, dedicated board sub-committees with relevant expertise, or via the submission of an issuer's climate transition strategy to shareholders' approval).
- If appropriate, the materiality of the planned transition trajectory in the context of the issuer's overall business (including the relevant historical datapoints)?
- The alignment of the issuer's proposed strategy and targets with appropriate science-based targets and transition pathways⁷ that are deemed necessary to limit climate change to targeted levels?
- The comprehensiveness of the issuer's disclosure to help investors assess its performance holistically⁸?

Overall comment on this section:

AIS is guided by an investment strategy that prioritises sustainability through the finance of projects that contribute to achieving the temperature goals of the Paris Agreement and by supporting a transition to a net zero emissions economy by 2050. AIS's sustainability strategy encompasses promotion of social inclusion and digital wellness which aims to expand its 5G network to improve the socio-economic condition of 5 million, and to promote safe and appropriate use of internet and social media.

⁶ Where issuers wish to finance projects towards implementing a net zero emissions strategy aligned with the goals of the Paris Agreement, guidance on issuer level disclosures and climate transition strategies may be sought from the [Climate Transition Finance Handbook](#).

⁷ GHG emissions reduction targets that are in line with the scale of reductions required to keep the average global temperature increase to ideally 1.5°C, or at the very least to well below 2°C above pre-industrial temperatures. Science Based Targets Initiative (SBTi) is a branded verification body for science-based targets and SBTi verification is one way for issuers to validate the alignment of their emission reduction trajectories with science-based reference trajectories. In addition, ICMA has published a [Methodologies Registry](#) which includes a list of tools to specifically help issuers, investors, or financial intermediaries validate their emission reduction trajectories.

⁸ Including information such as the respective contribution (e.g. %) of the different measures to the overall reduction, the total expenses associated with the plan, or the issuer's climate policy engagement.

Section 3. Detailed Review

Reviewers are encouraged to provide the information below to the extent possible and use the comment section to explain the scope of their review.

1. USE OF PROCEEDS

Does the review assess:

- the environmental/social benefits of the project(s)?
- whether those benefits are quantifiable and meaningful?
- for social projects, whether the target population is properly identified?

Does the review assess if the issuer provides clear information on:

- the estimated proceeds allocation per project category (in case of multiple projects)?
- the estimated share of financing vs. re-financing (and the related lookback period)?

Overall comment on this section:

AIS intends to use the net proceeds of the SFIs to finance and/or refinance and/or to repay equity of new and/or existing eligible projects.

The Framework defines the following eligible project categories.

Green Projects:

- Energy Efficiency (Network Modernization/Transformation, Network Optimization, and Data Centre)
- Renewable Energy
- Clean Transportation
- Green Buildings

Social Projects:

- Access for all through an affordable basic infrastructure (Digital inclusion)
- Access to essential services (Education)

DNV undertook an analysis of the associated project type to determine the eligibility as Green/ Social and in line with the Principles & Standards. DNV concludes that the eligible categories outlined in the Framework are consistent with the categories outlined in the Principles & Standards.

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Does the review assess:

- whether the eligibility of the project(s) is aligned with official or market-based taxonomies or recognised international standards? Please specify which ones.⁹
- whether the eligible projects are aligned with the overall sustainability strategy of the issuer and/or if the eligible projects are aligned with material ESG-related objectives in the issuer's industry?
- the process and governance to set the eligibility criteria including, if applicable, exclusion criteria?

⁹ The EU Taxonomy, CBI Taxonomy, UK Taxonomy, China catalogue, etc.

the processes by which the issuer identifies and manages perceived social and environmental risks associated with the relevant project(s)?

any process in place to identify mitigants to known material risks of negative social and/or environmental impacts from the relevant project(s)?

Overall comment on this section:

AIS has set up a Sustainable Finance Working Group to oversee the selection and evaluation of eligible projects. The responsibilities of the Sustainable Finance Working Group include reviewing and validating projects eligibility, monitoring the eligible projects portfolio, and updating the Framework. DNV concludes that AIS's Framework appropriately describes the process for Project Evaluation and Selection.

3. MANAGEMENT OF PROCEEDS

Does the review assess:

the issuer's policy for segregating or tracking the proceeds in an appropriate manner?

the intended types of temporary investment instruments for unallocated proceeds?

Whether an external auditor will verify the internal tracking of the proceeds and the allocation of the funds?

Overall comment on this section:

The proceeds will be deposited in AIS's general account. This account will be monitored and tracked annually. The balance will be adjusted to ensure that the proceeds are allocated to eligible projects. Any unallocated proceeds will be kept in the form of cash and/or invest in short-term liquid instruments. DNV has reviewed the evidence presented and concludes that the Framework appropriately describes the process for Management of Proceeds.

4. REPORTING

Does the review assess:

the expected type of allocation and impact reporting (bond-by-bond or on a portfolio basis)?

the frequency and the means of disclosure?

the disclosure of the methodology of the expected or achieved impact of the financed project(s)?

Overall comment on this section:

AIS is committed to publishing annual allocation report and impact report on AIS's website until full allocation and as necessary in the event of any material changes. Example of information that would be illustrated in the allocation report are amount of proceeds allocated and/or unallocated proceeds per eligible project, and the proportion of financing and/or refinancing. Example of impact indicators are estimated annual reduction of GHG emission (tCO2e/year), energy consumption per data traffic (MWh/unit), and Power Usage Effectiveness (PUE).

Section 4. Additional Information

Useful links (e.g. to the external review provider's methodology or credentials, to the full review, to issuer's documentation, etc.)

Analysis of the contribution of the project(s) to the UN Sustainable Development Goals:

The eligible projects will contribute to UN SDGs 3, 7, 8, 9, 11, and 13.

Additional assessment in relation to the issuer/bond framework/eligible project(s):



About DNV

Driven by our purpose of safeguarding life, property and the environment, DNV enables organisations to advance the safety and sustainability of their business. Combining leading technical and operational expertise, risk methodology and in-depth industry knowledge, we empower our customers' decisions and actions with trust and confidence. We continuously invest in research and collaborative innovation to provide customers and society with operational and technological foresight. With our origins stretching back to 1864, our reach today is global. Operating in more than 100 countries, our 16,000 professionals are dedicated to helping customers make the world safer, smarter and greener.

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