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AIS

Sustainable Financing Report 2024

Advanced Info Service Public Company Limited

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1. Executive Summary

Advanced Info Service Public Company Limited (“AIS”), a leading telecommunications service provider and digital infrastructure in Thailand, including mobile networks and broadband internet. AIS provides mobile communication service with 4G and 5G technologies, internet broadband, and digital services, as well as providing digital solutions for businesses, with a customer base of over 50 million.

AIS issued the first THB 25,000 million Sustainability Debentures on November 13th, 2024. The proceeds were used to invest in sustainability-related projects including energy efficiency initiatives, 5G network expansion to enhance access to digital infrastructure for the public or households in remote areas, under the AIS Sustainable Finance Framework. It is also the First Sustainability Bonds in the Thai Telecommunications Industry to General Investors.

In addition, Advanced Wireless Network Company Limited (“AWN”), part of the AIS group, reinforces its commitment to sustainable business practices by funding the THB 2,000 million green loan to support sustainable development through solar energy projects align with AIS Sustainable Finance Framework. This loan will be used to enhance the capabilities of the 5G infrastructure, transitioning it into a Green Network powered by clean energy.

These sustainability financings will strengthen and support the growth of AIS's sustainable business operations under the vision of becoming a cognitive tech company. These pioneering moves in Thailand's telecommunications industry are the significant parts of the sustainable nation initiatives aimed at fostering Thailand's sustainable growth.

Key Highlights:

- **Total Sustainability Debentures Issuance:** THB 25,000 million by AIS
- **Total Green Loan:** THB 2,000 million by AWN
- **Investment Categories:**
 - I. Sustainability Debentures:**
 - Network Modernization/Transformation: 73% (THB 19,316.38 million)
 - Access for All through an Affordable Basic Infrastructure: 27% (THB 7,306.68 million)
 - II. Green Loan:**
 - Renewable Energy: THB 2,000 million
- **Key Impact Areas:**
 - Energy-efficient network upgrades
 - Expansion of 5G network infrastructure
 - Increasing mobile connectivity in remote areas
 - Total energy savings (2021-2024):
 - a) Sustainability Debentures: 1,039,232 MWh
 - b) Green Loan: 101,026 MWh

- Total GHG emission reduction (2021-2024):
 - a) Sustainability Debentures: 519,512 tonCO₂e
 - b) Green Loan: 50,503 tonCO₂e
- **Awards**
 - ThaiBMA Best Bond Awards 2024: AIS received the Deal of the Year Award.
 - The Asset Triple A Sustainable Finance and Digital Finance Awards 2025: AIS received the Best Sustainability Bond- Telecom Award.
 - The Asset Triple A Sustainable Finance and Digital Finance Awards 2025: AWN received the Best Green Loan - Telecom Award.

This report outlines the fund allocation and impact assessment.

2. Sustainable Finance

At AIS, we are committed to driving positive change through our sustainable financing initiatives. By integrating Environmental, Social, and Governance (ESG) criteria into our financial strategies, we aim to support projects that not only foster economic growth but also contribute to environmental sustainability and social well-being. Our approach ensures that we are not only meeting the needs of today but also safeguarding the future for generations to come.

2.1 AIS Sustainable Finance Framework

Our commitment to sustainable finance is reflected in our adherence to globally recognized frameworks and principles. We align our operations with the Green Bond Principles (GBP), Social Bond Principles (SBP), and Sustainability Bond Guidelines (SBG) issued by the International Capital Market Association (ICMA). We follow the ASEAN Green Bond Standards (GBS), ASEAN Social Bond Standards (SBS) and ASEAN Sustainability Bond Standards (“SUS”) set forth by the ASEAN Capital Markets Forum (ACMF). Additionally, we follow the Green Loan Principles (“GLP”) and Social Loan Principles (“SLP”) issued by the Loan Market Association (LMA).

Link for AIS Sustainable Finance Framework:

[20240919-advanc-sustainable-finance-framework-sep-2024-en.pdf](#)

Link for Second Party Opinion Report:

[20240919-advanc-dvn-spo-en.jpg \(600×770\)](#)

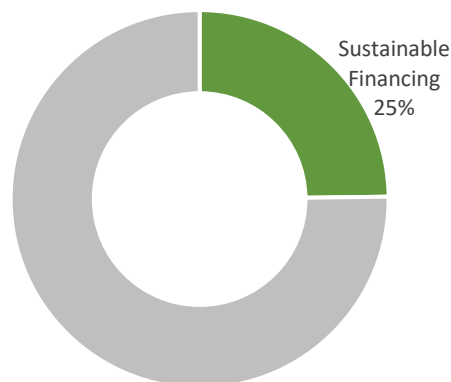
2.2 Sustainable Financing Portfolio

As of 31 December 2024, AIS group has the following sustainable financing portfolio:

Company	Financing Instruments	Issued Date	Term & Maturity	Amount (THB)	Uses of Proceeds
AIS	Sustainability Bond No.1/2024	13-Nov-2024	3-10 Years	25,000 Million	Invest in sustainability-related projects including energy efficiency initiatives, 5G network expansion to enhance access to digital infrastructure for the public or households in remote areas
AWN	Green Loan (2024)	7-Nov-2024	7-Year Term	2,000 Million	Enhance alternative energy using source by investing in solar panels installation at base stations, data centers and exchanges across country.

Sustainable Financing Portfolio to Total Debt outstanding

As of 31 December 2024



3. Allocation Report

3.1 Sustainability Debentures Allocation:

Investment Categories	Eligible Project	Fund Allocation (Million Baht)			% Allocation
		Y2021	Y2022	Total	
Network Modernization/Transformation	- Modernization of mobile broadband networks infrastructure to expand 5G wireless connectivity - Improve energy efficiency by installing multi-mode Remote Radio Units (RRUs)/Active Antenna Unit (AAU) - Network Optimization: upgrade power rectifiers and IPRAN	12,003.05	7,313.32	19,316.38	73%
Access for All through an Affordable Basic Infrastructure	Digital Inclusion: accelerating deployment of mobile network in areas at risk of digital exclusion	3,354.40	3,952.28	7,306.68	27%
Total Allocation		15,357.45	11,265.60	26,623.06	100%

The proceeds from the sustainability debentures issuance were used to reimburse the investments in fiscal years 2021 to 2022, totaling 26,623.06 million baht.

3.2 Green Loan Allocation:

Investment Categories	Eligible Project	Fund Allocation (Million Baht)					% Allocation
		2021	2022	2023	2024	Total	
Renewable Energy	• Commencement of an alternative energy program based on solar power by installing solar panels at base station	243.43	141.25	442.72	-	827.40	41.37%

As of 31 December 2024, AWN has allocated 41.37% of THB 2,000 million Green Loan to reimburse the investment of eligible green projects from fiscal years 2021 to 2024 and will continue fund allocation through 2027, focusing on solar panel installations at base stations. The remaining fund for 2025–2027 is accounted THB 1,173.60 million, which will be allocated upon project execution.

4. Impact Report

AIS measures the effectiveness of its sustainability debentures and green loan using key impact indicators across environmental and social initiatives.

4.1 Impact Indicators:

Eligible Projects	Impact Indicators
Energy Efficiency - Network Modernization/Transformation	- Estimated annual reduction in GHG emission (tonCO₂e per year) - Energy consumption per data traffic (MWh per equivalent unit) - Expected energy saved (MWh)
Digital Inclusion - Access for all through an affordable basic infrastructure	Estimated population with mobile network coverage in Remote areas. <i>(Remote areas is defined as the areas with a population density not exceeding 100 people per square kilometer)</i>
Renewable Energy - Solar panels installation at base stations	- Estimated annual Power output (MWh/year) - Estimated annual reduction in GHG emission (tonCO₂e per year)

4.2 Sustainable Financing Portfolio:

I. Sustainability Debentures:

The investments from fiscal years 2021 to 2022 will continue to reduce carbon emissions, improve energy efficiency, and increase access to vital information and communication services. The impact of the sustainability bond for period of 2021 to 2024 as shown below:

Energy Efficiency

Eligible Project	Indicator	Units	Impact			
			2021	2022	2023	2024
Network Modernization/Transformation	Electricity total consumption	MWh	1,234,315	1,293,692	1,345,324	1,289,867
		%YoY	-	5%	4%	-4%
	Network traffic	PB	8,105	10,551	12,560	13,730
		%YoY	-	30%	19%	9%
	Electricity consumption/network traffic	MWh/PB	152	123	107	94
		%YoY	-	-19%	-13%	-12%
	Electricity savings	MWh/year	217,464	273,923	273,923	273,923
	GHG emission reduction	tonCO2e/year	108,710	136,934	136,934	136,934

Remark: The energy savings for the years 2023 and 2024 have been impacted by the investment in network modernization/transformation projects during the fiscal years 2021 and 2022.

Digital Inclusion

Eligible Project	Indicator	Units	Impact		
			2021	2022	Total
Access for all through an affordable basic infrastructure	Estimated population with mobile network coverage in Remote areas.	No. person	4,508,033	4,632,652	9,140,685

II. Green Loan:

The solar energy investments from 2021 to 2024 will continue to reduce carbon emissions and improve energy efficiency, which the impact of the green loan from environmental perspective for period of 2021 to 2024 as shown below:

Eligible Project	Indicator	Units	Impact			
			2021	2022	2023	2024
Renewable Energy	Solar Power Site - Cumulative	Site	2,748	5,938	6,022	10,601
	Renewable energy generation	MWh/year	10,264	18,175	26,741	45,846
	GHG emissions reduction	tonCO2e/year	5,131	9,086	13,368	22,918

5. Contribution to Sustainable Development Goals (SDGs)

AIS's sustainable finance portfolio directly contribute to several United Nations Sustainable Development Goals (SDGs) as detailed:

Sustainable Financing Instruments	Eligible Projects	Alignment with UN SDGs	Description
I. Sustainability Debentures	Energy Efficiency - Network Modernization/Transformation	 	• SDG 9 (Industry, Innovation, and Infrastructure): Network modernization improves the infrastructure backbone of digital connectivity, enabling more resilient and high-performance telecom services with lower energy and maintenance costs. • SDG 13 (Climate Action): By reducing energy consumption and improving efficiency, the initiative directly contributes to reducing greenhouse gas (GHG) emissions, supporting climate mitigation efforts.
	Digital Inclusion - Access for all through an affordable basic infrastructure	 	• SDG 9 (Industry, Innovation, and Infrastructure): Expanding telecom network coverage is essential for developing inclusive and future-ready digital infrastructure. • SDG 10 (Reduced Inequalities): Providing affordable digital access to underserved communities helps reduce the urban-rural digital divide and promote social equity.
II. Green Loan	Renewable Energy - Solar panels installation at base stations	 	• SDG 7 (Affordable and Clean Energy): Promotes the use of clean, renewable solar energy to power base stations, reducing dependency on the grid or diesel generators. • SDG 13 (Climate Action): Directly reduces carbon emissions from telecom operations, supporting national and global climate mitigation targets.