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Sustainability Indices**  
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# True Corporation Sustainability-Linked Financing Framework

May 2025

**True Ranked No.1**  
Most Sustainable Telecom  
Company in the World,  
recognized by "**DJSI 2024**"  
for the 7<sup>th</sup> consecutive year.



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## About True Corporation

**True Corporation**, with Charoen Pokphand Group and Telenor Group as its major shareholders, is one of Thailand's leading integrated telecommunications and digital services providers and an enabler of digital convergence lifestyles. True Corporation operates in the businesses of mobile telecommunications services, broadband internet and solution provider, pay TV, digital TV and content provider, and portfolio of digital platform and services. The company's core businesses are categorized into four groups: TrueMove H, TrueOnline, TrueVisions and True Digital Group.

As Thailand's leading telecom-tech company, True Corporation dedicates to empower people and businesses with innovative connected solutions that advance society sustainably. The company aims to provide benefits to consumers by leveraging its potential to attract world-class talents and investing in infrastructure and startups. Moving forward, True Corporation aims to continue evolving beyond a "telecommunications service provider" to become a "builder of future infrastructure," driving advancements in Smart Networks, Data and Digital Platforms and Artificial Intelligence (AI) to enhance people's lives.

True Corporation has been focusing on three main sustainability goals: 1) Carbon Neutrality by 2030, Net Zero by 2050<sup>1</sup> validated by SBTi, 2) Zero e-waste to Landfill by 2030 and 3) Technology for Equality. True Corporation maintained the highest global sustainability standards and achieved World Class status in the Dow Jones Sustainability Indices (DJSI) for 2024, with the highest score in the global telecommunications sector as announced S&P Global. This marks the seventh consecutive year that True Corporation has been recognized.

In 2024, True Corporation became the first telecom-tech company in Thailand to secure a sustainability syndicated loan. The facility not only represents True Corporation's debut into the Japanese yen financing market, but also the largest Japanese yen loan and largest sustainability-linked loan (SLL) completed by a Thai corporation to date.

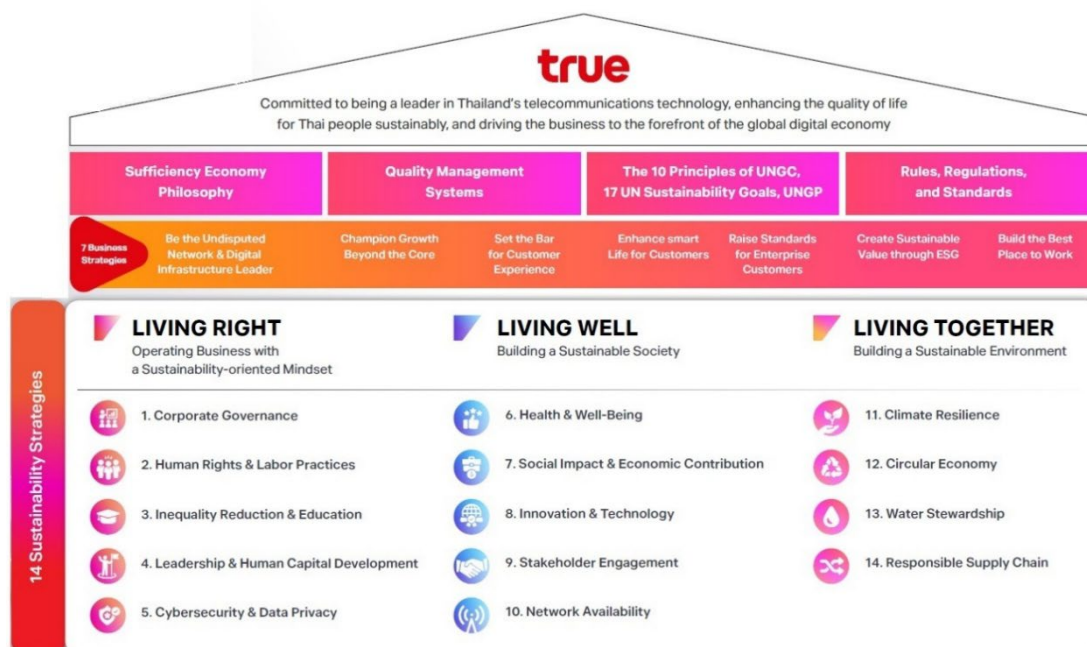
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<sup>1</sup> True Corporation targets for Carbon Neutrality (Scope 1 and 2) by 2030. In addition, True Corporation has SBTi-validated targets to reduce Scope 1 and 2 emissions by 42%, Scope 3 by 25% by 2030, and Net Zero by 2050 (compared to the base year 2020).

## True Corporation's Sustainability Strategy

True Corporation's sustainability strategy encompasses the core of governance and economy (**Living Right**), society (**Living Well**) and the environment (**Living Together**), which aims to elevate the quality of life for Thai people while driving the business to the forefront of the global digital economy.

- **Living Right:** Operating with integrity and good governance through efforts such as human rights assessments across the value chain and implementation of violation safeguards while fostering employee potential.
- **Living Well:** Creating social value through technology and innovation. The company's 5G network provides coverage for the population throughout the nation. True Corporation has also expanded a community of innovators, accumulated registered or pending patents and improved livelihoods of vulnerable individuals nationwide.
- **Living Together:** Advancing environmental sustainability practices through various efforts, including deployment of solar cells and improvement in energy efficiency. The company is also progressing towards zero e-waste to landfill, and enforcement of strict governance standards for suppliers.



## True Corporation's Sustainability Approach

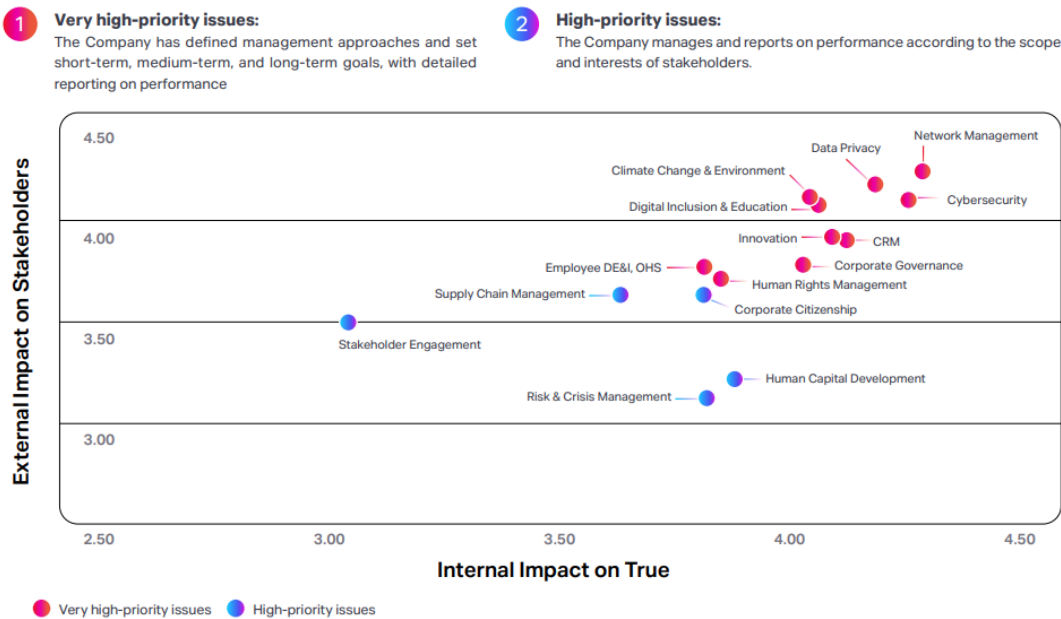
True Corporation adopts the Double Materiality process per international standards for its materiality assessment, assessing both external impact on society or the environment

and the internal impact on the organization’s value. The Materiality Analysis is done in accordance with international reporting standards, including the Global Reporting Initiative (GRI) Standard 2021 and the Stakeholder Engagement Standards: AA1000. Additionally, True Corporation also considers and compares domestic and international standards such as Sustainability Accounting Standards Board (SASB), UN Sustainable Development Goals (SDGs), DJSI, Climate Disclosure Project (CDP), Task Force on Climate-related Financial Disclosures (TCFD), and International Sustainability Standards Board (ISSB). Performance results on all material issues from the analysis are then reported and publicly disclosed in their annual Sustainability Report. True Corporation prioritizes sustainability and transparent governance to minimize impact and create long-term value for stakeholders.

True Corporation welcomes feedback and input from other stakeholders during their materiality analysis process that focuses on four key components: impact, material issues, due diligence, and stakeholders. True Corporation ensures continuous communication with employees and partners to align on its sustainability vision and actions.

True Corporation’s Sustainability Governance

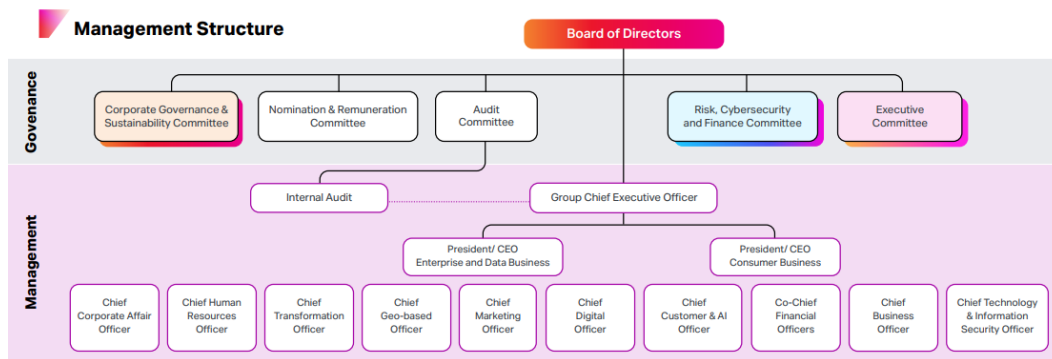
True Corporation emphasizes strong governance to steer climate change actions and create long-term stakeholder value. The company’s efforts to embed sustainability in all



business groups continue to receive dedicated support from the Board of Directors and senior management.



It has established a robust governance framework to shape climate change and sustainability strategies for driving related actions, addressing risks and opportunities, and ensuring accountability. This framework consists of a Board-level Corporate Governance and Sustainability Committee.



- The Board of Directors oversees climate-related risks and opportunities, ensuring alignment with strategic objectives.
- The Corporate Governance and Sustainability Committee ("CGSC") oversees sustainability activities across six key stakeholder groups: customers, employees, business partners and suppliers, shareholders, government agencies and communities/ society. This Board-level committee or CGSC, along with the Executive Committee, regularly reviews and approves sustainability material issues and reports to the Board of Directors each year.
- The Group Chief Executive Officer leads the Sustainability Division to set environmental strategies and drive sustainability initiatives to ensure and monitor progress against key performance indicators. The Sustainability Division reports to the Corporate Governance and Sustainability Committee.

True Corporation's Sustainability Policy is outlined as follows:

- **Scope:** It covers True Corporation's business operations and those of its suppliers, business partners and joint ventures.
- **Stakeholder Management:** It is conducted in accordance with international standards.
- **Sustainability Material Issues:** There is an approach to assess, identify, and prioritize key issues that impact both internal and external stakeholders.

### True Corporation's Sustainability Goals <sup>2</sup>

True Corporation has adopted several commitments that shape the trajectory of the company's climate action. The below initiatives demonstrate True Corporation's commitment to sustainability and its efforts to drive positive environmental impact across all aspects of its operations.

- **Decarbonization:** As Thailand's leading telecom-tech company, True Corporation acknowledges its responsibility in mitigating climate change and has committed to Net Zero by 2050. In the interim, the company aims to achieve Carbon Neutrality (Scope 1 and 2) by 2030. In parallel, the company has committed near-term science-based targets to reduce Scope 1 and 2 emissions by 42% and Scope 3 emissions by 25% by 2030 compared to the base year 2020.
- **Renewable Energy:** True Corporation aims to increase the proportion of clean energy usage, specifically a cumulative capacity of no less than 45 MWp by 2025 and 49 MWp by 2026. For the year 2024, 35,216 MWh/year of electricity has been generated, and 14,051 tCO<sub>2</sub>e/year emissions reduction has been achieved.
- **Circular Economy:** True Corporation is committed to zero electronic waste (e-waste) to landfill by 2030. These include e-waste from business operations and from consumers voluntarily joining campaigns. True Corporation's circular economy initiatives include both e-waste management, and general waste management. True Corporation actively engages in customer e-waste management projects that encourage customers to trade in old devices for new ones, increasing accessibility to drop off points for customers. Moving forward,

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<sup>2</sup> Sustainability goals reflect disclosures in the latest Sustainability Report published in FY2024 and may be updated over time to align with True Corporation's evolving development and priorities.

True Corporation will continue to collaborate with partners to expand initiatives and develop and utilize AI in waste management and sorting processes to enhance accuracy and efficiency in recycling or disposal processes.

- **Water Stewardship:** Despite not being a primary resource used in True Corporation's sector, True Corporation still recognizes the importance of water resources and risks associated with water scarcity. True Corporation has assessed water scarcity risks in operational locations with the AQUEDUCT tool from the World Resource Institute and has set targets to reduce water withdrawal per revenue by 42% by 2030 compared to the base year 2020. To achieve that, True Corporation has implemented a robust water management plan that includes setting water withdrawal targets, improving water efficiency and promoting water conservation efforts, which are carried out through an environmental management system based on the ISO 14001:2015 standard.
- **Biodiversity and Land Use:** True Corporation recognizes how its business operations throughout the value chain may impact natural ecosystems and biodiversity. To showcase its commitment, True Corporation has announced a 'Biodiversity and Zero Deforestation Policy' and set a goal to not cause any net loss in biodiversity value and to promote projects that have a net positive impact on biodiversity wherever possible. True Corporation will also aim to restore or plant trees to compensate for any tree losses resulting from current or future operations by 2030. In 2025, True Corporation plans to collaborate with stakeholders to plant additional trees in areas at risk for biodiversity, with an efficient tracking system to ensure success of these initiatives.
- **Supply Chain Management:** True Corporation aims to maintain 100% of ESG audits for significant tier-1 suppliers and shop operation partners. True Corporation's Supply Chain Management Strategy encourages sustainable sourcing and engages suppliers to promote the adoption of sustainable procurement practices.



## Sustainability-Linked Financing Framework

This Sustainability-Linked Financing Framework (the "**Framework**") has been developed in accordance with the relevant international principles and guidelines listed below (collectively, the "**Principles**"), to ensure that its sustainability-linked instruments meet international markets' best practices:

- Sustainability-Linked Bond Principles ("SLBP")<sup>3</sup>, published by the International Capital Markets Association ("ICMA") in June 2024.
- Sustainability-Linked Loan Principles ("SLLP")<sup>4</sup>, published by Loan Markets Association ("LMA") / Loan Syndications and Trading Association ("LSTA") / Asia Pacific Loan Markets Association ("APLMA") in March 2025.

True Corporation and its wholly owned subsidiaries may, under this Sustainability-Linked Financing Framework, issue instruments including bonds, loans, working capital solutions, related hedging instruments or any others whose financial characteristics are linked with sustainability performance targets.

The Framework has been formed in accordance with the following five pillars, in line with the SLBP, and SLLP, along with recommendations to obtain a Second Party Opinion ("SPO") report:

- Pillar 1: Selection of Key Performance Indicators (KPIs)
- Pillar 2: Calibration of Sustainability Performance Targets (SPTs)
- Pillar 3: Financial Characteristics
- Pillar 4: Reporting
- Pillar 5: Verification

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<sup>3</sup> <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/sustainability-linked-bond-principles-slbp/>

<sup>4</sup> [Sustainability Linked Loan Principles \(SLLP\) - LSTA](#)

## Pillar 1: Selection of Key Performance Indicators (KPIs)

Following True Corporation's Sustainability Goals, for this Framework, the company has selected the below KPI that represents key issues to its core business and sustainability strategy. The selected KPIs are aligned with the prioritized SDGs of True Corporation, namely SDG 7 and SDG 13.

KPI	Definition and Scope	Rationale for the selection
<b>KPI 1: Absolute Scope 1 and 2 greenhouse gas ("GHG") emissions, calculated as tons of CO<sub>2</sub> equivalent ("tCO<sub>2</sub>e")</b>	<p><b>Definition</b></p> <p>Scope 1: Direct GHG emissions from the consumption of fuels like diesel and the use of refrigerant gases.</p> <p>Scope 2: Indirect GHG emissions from consumption of purchased electricity used in operations. Scope 2 is calculated in line with the market-based method.</p> <p><b>Scope and Boundary</b></p> <p>True Corporation's GHG inventory and accounting practices follow the GHG Protocol Corporate Accounting and Reporting Standard. Emissions (tCO<sub>2</sub>e) are calculated by multiplying activity data with relevant emission factors, referencing sources such as the IPCC and Thailand's Energy Policy and Planning Office.</p> <p>The KPI boundary covers absolute emissions from True Corporation's consolidated operations, defined as entities in which the company holds over 50% ownership and exercises operational control.</p>	<p>The Information and Communication Technology (ICT) sector accounts for an estimated 2–3% of global GHG emissions (GeSI, 2023). As a result, climate change is a high-priority material issue for the company and its stakeholders. True Corporation is committed to GHG reduction and climate action, positioning itself as a leader in managing energy transition risks and opportunities.</p> <p>As per True Corporation's materiality analysis, stakeholders have consistently highlighted the need to address GHG emissions associated with powering communication and connectivity infrastructure, particularly considering rising energy consumption.</p> <p>In 2024, Scope 1 and 2 GHG emissions account for approximately 75% of True Corporation's current total emissions. Addressing emissions coming from these emissions is where the most material climate change mitigation impact can be achieved.</p>

		<p>The KPI seeks to address the following SDGs:</p> <div><p><b>Target 7.2:</b> By 2030, increase substantially the share of renewable energy in the global energy mix.</p></div> <div><p><b>Target 13.2:</b> Integrate climate change measures into national policies, strategies, and planning.</p></div>
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## Pillar 2: Calibration of Sustainability Performance Targets (SPTs)

### Alignment with True Corporation's Sustainability Strategy

True Corporation has set the following SPTs for its KPI: Absolute Scope 1 and 2 greenhouse gas ("GHG") emissions, calculated as tons of CO<sub>2</sub> equivalent ("tCO<sub>2</sub>e"), should be equal to or lower than 477,416 tCO<sub>2</sub>e by 31 Dec 2030, a reduction of 42% from a Dec. 2020 baseline.

#### Baseline: 2020

	Baseline	Historical Performance				SPTs					
KPI	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
Scope 1 and 2 GHG emissions (tCO <sub>2</sub> e)	823,131	799,681	723,039	718,322	670,770	650,273 (-21.0%)	615,702 (-25.2%)	581,130 (-29.4%)	546,559 (-33.6%)	511,987 (-37.8%)	477,416 (-42.0%)

True Corporation has set an overarching target to achieve 42% reduction in absolute Scope 1 and Scope 2 GHG emissions by 2030 from a 2020 baseline, which was validated by the Science Based Targets initiative (SBTi) in March 2024. As per SBTi, True Corporation's targets are consistent with the global effort to limit temperature rise below the 1.5°C threshold as agreed as part of the Paris Agreement.

### Strategy to Achieve the SPTs

True Corporation's strategies and initiatives to reducing Scope 1 and 2 emissions include:

- 1.1. **Electricity Consumption from Renewable Energy:** True Corporation continues to scale its clean energy efforts with a sharp focus on solar power. The company has and is continuing to install solar cell panels and entered into the power purchase agreement (PPA) with business partners at more base stations and Mobile Switching Center (MSC). For the year 2024, a total of 10,406 solar cells have been installed with a capacity of 46.15 MWp and 35,216 MWh/year generated, achieving GHG emissions reduction by 14,051 tCO<sub>2</sub>e/year. Additionally, solar cells have also been installed on the roofs of offices, generating approximately 507 MWh of clean energy per year, and reducing GHG emissions by 202 tCO<sub>2</sub>e/year. By expanding solar power across core infrastructure and office sites, True Corporation is actively replacing fossil fuel use with sustainable alternatives, advancing its emission reduction goals and reinforcing its climate commitment.

### 1.2. **Energy Efficiency Management:**

True Corporation implements targeted initiatives to reduce energy consumption across key high-usage areas, including network infrastructure and office buildings. These efforts are part of True Corporation's broader strategy to enhance operational sustainability and reduce emissions at scale. For instance:

- True Corporation combined signal towers to improve network efficiency through the Network Modernization project into a single grid.
- True Corporation analyzes energy usage details in each area combined with the use of Artificial Intelligence (AI) and Machine Learning (ML), optimizing energy consumption and as a result, achieving energy efficiency.
- Additionally, True Corporation has installed energy-saving equipment or changed equipment at base stations and exchange nodes to network equipment that save more energy. Examples include high-efficiency air conditioners and improved Radio Access Network (RAN) equipment. True Corporation continues to explore and apply smart technologies to reduce its own energy use. These technologies also create opportunities to support energy efficiency in other industries across the economy.

**1.3. Renewable Energy Certificates (RECs):** As a significant part of True Corporation's electricity is sourced from the grid, apart from installing solar panels at operating sites, True Corporation also supports the transition through clean energy by purchasing renewable energy certificates (RECs). In 2024 alone, True Corporation purchased RECs (market based) to offset 241,735.75 MWh of electricity consumption from Hydropower Plant under the International Renewable Energy Certificate (I-REC) standard, effectively reducing its carbon footprint by 96,453 tCO<sub>2</sub>e/year. True Corporation has also actively participated in the carbon credit market with the purchase of 1,000 tCO<sub>2</sub>e of carbon credit, reinforcing its commitment to environmental stewardship.

**1.4. Internal Carbon Pricing (ICP):** Internal carbon pricing is an effective tool to internalize the cost of carbon, and to factor the risk associated with emitting GHG. In 2024, True Corporation has implemented an internal carbon pricing mechanism with a defined shadow price of THB600 per tCO<sub>2</sub>e<sup>5</sup>. Carbon costs are factored into

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<sup>5</sup> Price may be updated over time.

project evaluations to support decision-making to select low-carbon projects at an initial phase, in line with the company's greenhouse gas reduction goals. This has helped in accelerating the adoption of low carbon technologies and levers.

## **Additional Information**

### **Barrier to the Achievement of SPTs:**

Potential barriers for the company to achieve its targets could include, but are not limited to the following factors:

1. Meeting Rapid Data Demand and 5G Expansion Mobile: Data traffic in Thailand is expected to grow at a CAGR of 20% from 2023 to 2030, driven by the adoption of 5G and IoT services (NBTC, 2024). 5G networks consume up to three times more energy per site compared to 4G during initial deployment (Ericsson, 2023), presenting a challenge for energy efficiency.
2. Reliance of Thailand's grid on fossil fuels: Thailand's electricity generation is heavily reliant on natural gas and coal (70%), limiting renewable alternatives (EPPO, 2023). While solar and wind capacity has grown significantly, renewables account for only 13% of total electricity generation (IEA, 2024). Thailand's Power Development Plan (PDP, 2018) aims to achieve 35% renewable energy in the electricity mix by 2037.
3. Potential uncertainty in the availability and pricing of renewable energy certificates.
4. Potential physical climate risks impacting infrastructure resilience.



### **Pillar 3: Financial Characteristics**

The proceeds of True Corporation's sustainability-linked instruments will be used for general corporate purposes and/or any other use as outlined in the relevant documentation of the respective sustainability-linked instrument. The debt instruments issued under this Framework have a sustainability-linked feature that links to True Corporation's performance regarding the stated SPT(s) to a step-up or step-down adjustment to the coupon and/or a margin, and/or a premium payment, and/or the purchase of RECs from nationally recognized organizations. The relevant KPIs, SPTs, their respective calculation methodologies, performance observation dates, margin amount or the premium payment amount, relevant covenants, as applicable, will be specified in the relevant documentation of the specific transaction.

True Corporation will notify the investors or its lenders whether the KPI/ SPT performance is achieved as soon as possible and, in any event, no later than May of the relevant reporting period. If for any reason, the KPI cannot be calculated, observed, or reported in a timely and satisfactory manner (as defined in the instrument's documentation), the defined bond or loan characteristic change will be triggered as if the SPT was not met.

For the avoidance of doubt, for sustainability-linked bonds (SLB), if the selected KPIs have achieved their respective SPTs, and reporting and verification for all the SPTs have been provided and made public in accordance with the reporting and verification sections of this Framework, the financial characteristics of any security issued by True Corporation under this Framework shall remain unchanged.

### **Fallback Mechanisms**

The KPI and SPTs set out in this Framework will remain applicable throughout the tenor of any instruments issued under this Framework, regardless of any changes to True Corporation's sustainability strategy, or any significant or structural changes. This includes any changes relating to the company's general sustainability targets and ambitions or changes in applicable benchmarks or industry standards.

The relevant documentation of any SLL or SLB may stipulate that the SPTs and/or the historic values of KPI may be subject to recalculation based on specific circumstances, such as changes in the calculation methodology or significant changes in True Corporation's corporate structure (e.g., acquisition, divestiture, mergers, insourcing or outsourcing).

Any recalculation or pro forma adjustments to be outlined in the transaction's specific documentation. Such recalculation or pro forma adjustments will have to be verified and approved by an independent External Reviewer as detailed in the relevant documentation.

#### **Pillar 4: Reporting**

True Corporation will communicate annually to lenders or investors on the audited performance of the relevant KPI and SPTs for the relevant target observation period and related financial impact or as specified in the relevant documentation of the specific transaction. This information will be available within the appropriate section in True Corporation's Sustainability Report (or other reports that may officially replace True Corporation's Sustainability Report in the probable future). Such report will be accessible and publicly available on True Corporation's website, and the information will at least, but not limited to, include:

- Up-to-date information on the performance of the selected KPI for relevant reporting period, including the baseline where relevant.
- A verification assurance report relative to the SPT outlining the performance level of each KPI; and
- Any other relevant information which may enable investors to monitor the progress of the selected KPI.

Information may also include when feasible and possible: a qualitative or quantitative explanation of the contribution of the main factors, e.g., including M&A activities, behind the evolution of the performance/ KPIs on an annual basis; illustration of the positive sustainability impacts of the performance improvement; and/or any re-assessments of KPIs and/or restatement of the SPTs and/or adjustments of baselines or KPI scope.

## **Pillar 5: Verification**

### **Pre-issuance verification**

True Corporation has appointed an independent sustainability advisory firm, DNV (Thailand) Co., Ltd. to review the Framework's alignment with the relevant Principles and provide a Second Party Opinion ("SPO") report accordingly. The SPO report will be made available on True Corporation's website.

### **Post-issuance verification**

True Corporation will seek independent external verification of the annual performance level for the applicable KPIs by in the form of a "Limited Assurance." The verification report of the performance of the applicable KPIs will be made publicly available on True Corporation's website.

### **Framework Review and/or Amendment**

True Corporation may review this Framework from time to time, due to (but not limited to):

- Any changes to the relevant Principles or industry standards, applicable laws and regulations relating to the business of True Corporation.
- Material changes in the perimeter, methodology, and in particular KPI and/or the SPT's calibration (including correction of errors and/or new or more accurate data sets).
- Material changes in True Corporation's perimeters (due to M&A, spin-off, or other restructuring activities).

Such review may result in this Framework being updated and amended. The updates may be subject to the approval of an SPO provider prior to the release. Any future updated version of this Framework that may exist will either keep or improve the current levels of transparency and reporting disclosures, including the corresponding review by an External Verifier. The updated Framework, if any, will be published on True Corporation's website and may replace this Framework.

For the avoidance of doubt, this updated and/or amended Framework shall not have an impact on those SLBs or SLLs or any other debt instruments whose financial characteristics are linked with sustainability performance targets, that were previously launched or issued prior to the update and/or amendments.