



WHA Utilities and Power Public Company Limited

Green Bond Framework



“Your Ultimate Solution Partner in Utilities & Power with **Environmental Care.”**

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Table of Contents

Section 1: WHAUP – Introduction

- 1.1) Company Overview
- 1.2) Sustainable Development Goals

Section 2: WHAUP Green Bond Framework

- 2.1) Use of Proceeds
- 2.2) Process of Project Evaluation and Selection
- 2.3) Management of Proceeds
- 2.4) Reporting
 - 2.4.1) Allocation Report
 - 2.4.2) Impact Report

Section 3: External Reviewer

Section 4: Amendments to this Framework

Section 1: WHAUP – Introduction

1.1) Company Overview

WHA Utilities and Power Public Company Limited (the “Company” or “WHAUP”) was established on June 30, 2008. It is a subsidiary company of WHA Corporations Public Company Limited (“WHA Group”) that develops world-class utilities and power solutions for both industrial and non-industrial customers and partners. The Company’s core business relates to the: (i) utility business, i.e., procurement and distribution of raw water, production and distribution of industrial water, including other specific industrial water, such as demineralized water, and providing wastewater treatment services to operators in industrial estates and industrial lands; and, (ii) power business operated by itself and through investment in power generation business, both domestically and abroad.

To pursue WHAUP’s business ambition of becoming “**Your Ultimate Solution Partner in Utilities & Power with Environmental Care**”; the Company continuously improves and expands both its utility and power businesses, to ensure that it excels in the competitive market and with environmental care. The Company strictly abides by the regional regulations prescribed under the Ministry of Industry, Ministry of Labour, Industrial Estate Authority of Thailand (“IEAT”), Stock Exchange of Thailand, Ministry of Natural Resources and Environment as well as internal standards such as the UN SDGs. In 2017, WHAUP was listed on the Stock Exchange of Thailand (“SET”).

1.2) Vision, Mission, Goal & Strategies

Vision

To be Asia's leader in utilities and power businesses providing total solutions to partners with good corporate governance as well as environmentally and socially friendly operations.

Mission

1. To develop world class utilities and power solutions fitting customers' needs.
2. To vertically integrate solutions in utilities and power businesses and expand other market segment to increase products and services in Thailand and other Southeast Asian Countries, particularly Cambodia, Lao, Myanmar and Vietnam (CLMV Countries).
3. To continuously develop human resources competencies to build talent and experience to enhance organizational core competency including encouraging workplace environment for employees' wellbeing.
4. To nurture an innovative culture in the organization.
5. To add value to communities and the environment with good corporate governance and sustainable development strategies.

Goal

The Company aims to be a leader in integrated utility and power businesses and to operate in compliance with the principles of good corporate governance with responsibility for the community, society and the environment. It also plans to expand its customer base in the segments of utilities and power services, both domestically and in the Southeast Asia countries, particularly CLMV countries and expand to related businesses in order to widen its range of products and services.

Strategies

- Developing utilities and power businesses that have predictable growing revenue and superior profit opportunities in order to optimize shareholders' value.
- Leveraging complementary management expertise, customer relationship, infrastructure and environmental competence to expand opportunities in utilities and power businesses.
- Utilizing sound human and financial resources selectively for competing investment opportunities.
- Contributing positively to neighbours, society and stakeholders with sustainable programs in education, community and environment.

1.3) Sustainability Strategy & SDGs

Since 2020, WHAUP has adopted WHA Group’s sustainability strategy and corporate long-term targets that contribute and provide support in driving WHA Group to achieve its business ambition to stay ahead and becoming “Your Ultimate Solution Partner”. The sustainability strategy is built on the foundation of good corporate governance and human capital as strategic enabler and key driving forces including digitization and natural resources. The strategy supports the United Nations Sustainable Development (“UN SDGs”), and takes into consideration the risks and opportunities analysed from global existing and emerging trends.



WHAUP commits to realising all of 17 UN SDGs, its core business operations have so far been able to integrate the following 9 UN SDGs:

- **SGD 6: “Clean Water and Sanitation”** – Ensure availability and sustainable management of water and sanitation for all
- **SGD 7: “Affordable and Clean Energy”** – Ensure access to affordable, reliable, sustainable and modern energy for all
- **SGD 8: “Decent Work and Economic Growth”** – Promote inclusive and sustainable economic growth, full and productive employment and decent work for all
- **SGD 9: “Industry, Innovation and Infrastructure”** – Promote inclusive and sustainable economic growth, full and productive employment and decent work for all
- **SGD 12: “Responsible Consumption and Production”** – Ensure sustainable consumption and production patterns
- **SGD 16: “Peace, Justice and Strong Institutions”** – Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Section 2: WHAUP Green Bond Framework

In order to finance WHAUP’s activities which are directly supporting positive environmental impacts, WHAUP has prepared this Green Bond Framework (the “**Framework**”), with an intention of issuing Green Bonds under this Framework. WHAUP aspires to fully comply with the ASEAN Green Bond Standards (“**ASEAN GBS**”)¹ from the ASEAN Capital Markets Forum (“**ACMF**”) in terms of internal governance and eligible green project selection as applicable. The Framework was also designed to be in line with the Green Bond Principles (“**GBP**”) June 2021² from the International Capital Market Association (“**ICMA**”), with the following four core components:

- 1) Use of Proceeds
- 2) Process for Project Evaluation and Selection
- 3) Management of Proceeds
- 4) Reporting

2.1) Use of Proceeds

The net proceeds from each tranche of WHAUP’s Green Bond issued under this Framework will be used exclusively to finance and/or re-finance, in part or wholly, for the exploration, development, construction, rehabilitation, expansion or acquisition of new or existing eligible projects as described below (“**Eligible Green Projects**”) in the eligible categories including renewable energy.

Eligible Green Projects Categories:

Category	Criteria	Eligible Projects Description
Renewable Energy 	<ul style="list-style-type: none"> - Investments in or expenditures for the acquisition, conception, construction, development and installation as well of re-powering of renewable energy production - Manufacture of components wholly dedicated to renewable energy technology 	<ul style="list-style-type: none"> - Solar Power Projects - Wind Power Projects

Projects that are involved in the following operations will not be Eligible Green Projects (Overall Exclusions List):

- Any activity or technology associated with the extraction, production, refining, transmission, and distribution of fossil fuels
- Nuclear power generation
- Child labour
- Forced labour

Brief Description of Eligible Projects:

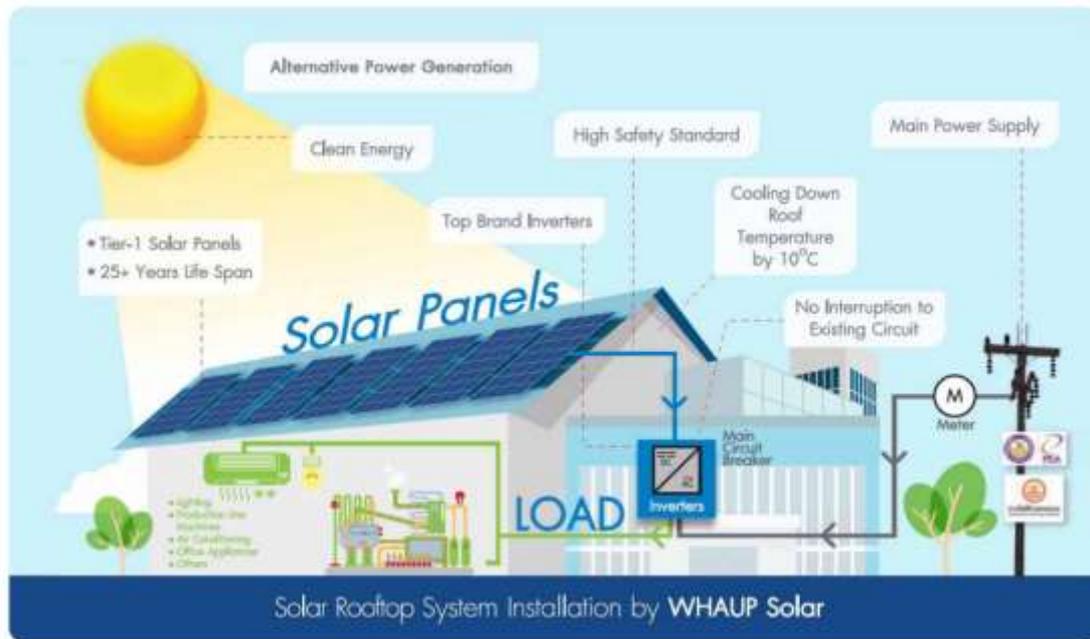
¹ <https://www.theacmf.org/initiatives/sustainable-finance/asean-green-bond-standards>

² <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/green-bond-principles-gbp/>

Solar Rooftop Energy

WHAUP has installed and operated solar power systems not only on rooftops of WHA Group's warehouses and factories but also on rooftops of others; the Company has been moving forward on this environmentally friendly platform to all industrial customers. With the Company's extensive experience, WHAUP offers an 820 kWp Solar Rooftop with a 550 kWh Battery Energy Storage System (BESS) to supply electricity to utilities in the Eastern Seaboard Industrial Estate (Rayong) helping to reduce carbon dioxide levels in the atmosphere. This project started commercial operation date (COD) in November 2021 and has contributed to energy cost savings of roughly 4 million Baht per year and CO2 offset emissions reductions of 10,500 tons.

WHAUP Solar Rooftop



2.2) Process for Project Evaluation and Selection

Project evaluation and selection is a key process in ensuring that the projects financed by the Green Bond meets the criteria in the Framework. WHAUP will conduct a thorough assessment of the nature of the projects and the funding requirement of the projects that will be financed with the proceeds raised from a Green Bonds issuance. The evaluation and selection process will comprise of two main steps:

2.2.1) Evaluation

WHAUP's internal team will review each proposed project together with potential project owners as per the criteria listed in the section "Use of Proceeds" above. The criteria may include Climate Bonds Standard Sector Criteria as required.

2.2.2) Approval

Any matters for approval on eligible green projects relating to the Framework shall first be discussed and approved in principle by Chief Financial Officer, and acknowledged by the Management Committee, which is composed of senior executives of WHAUP and chaired by the President and Chief Executive Officer.

2.3) Management of Proceeds

The net proceeds from the issuance of WHAUP's Green Bonds will initially be deposited by WHAUP into the Company's general saving account, which will be managed by WHAUP's internal team. The relevant information regarding the net proceeds will be tracked, monitored and documented using WHAUP's internal reporting system. Proceeds drawn will be fully allocated and used within 24 months after the Green Bond issuance. For the unallocated portion, the proceeds will be held either in:

- cash, cash equivalents; or
- temporary liquid investment e.g. fixed deposits which are not inconsistent with the delivery of a low carbon and climate resilient economy; or
- applied to temporarily reduce indebtedness of a revolving nature, where the original loan of which is not inconsistent with the delivery of a low carbon and climate resilient economy, before being redrawn for allocation to Eligible Green Projects.

2.4) Reporting

Following the first anniversary of each Green Bond issuance and every year thereafter until the maturity of the Green Bond, WHAUP will make information available to the public on the use of proceeds on a project-by-project basis and keep it up-to-date. The report will be readily available at the WHAUP's website. (<https://www.wha-up.com>)

The annual report will include both allocation aspects as well as benefit impact from Green Bonds issuance.

2.4.1) Allocation Reporting

WHAUP will update Allocation Reporting until the earlier of the maturity of the Green Bond or the proceeds are fully allocated. The report will include a summary of the projects to which the Green Bond proceeds has been allocated. The report may include the followings:

- o Brief description and summary of projects financed by the Green Bond
- o Summary of the allocation of proceeds raised via the Green Bond issuance to finance and/or refinance selected green projects
- o Summary of unallocated proceeds

2.4.2) Impact Reporting

WHAUP will report a qualitative summary of benefits arising from selected green projects funded by Green Bond issuance. When available, WHAUP will report quantitative performance measures for the Green Bond. The report may include below impact indicators as follows:

Examples of Indicators and Metrics:

Category	Eligible Projects	Examples of impact indicators
Renewable Energy	<ul style="list-style-type: none"> • Solar Power • Wind Power 	<ul style="list-style-type: none"> • Reduced and/or avoided Greenhouse Gas (GHG) emissions (in tCO₂e /year) • Expected annual renewable energy generation (in MWh/y)

Section 3: External Reviewer

WHAUP will engage an independent party to issue a second party opinion on this Green Bond Framework for the issuance of any WHAUP's Green Bonds which entails an assessment of the alignment with the Green Bond Principles. The selected independent party will be engaged to provide pre-issuance verification. It should be noted that the Company is not required to and may not engage in ongoing periodic external review.

Section 4: Amendments to this Framework

The WHAUP's internal team will review this Framework on a regular basis, including its alignment to updated versions of the Principles as and when they are released, with the aim of adhering to best practices in the market. Such review may result in this Framework being updated and amended. The updates, if not minor in nature, will be subject to the prior internal approval of WHAUP. 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 Reviewer.

The updated Framework, if any, will be published on WHAUP's website (<https://www.wha-up.com>) and will replace this Framework.