



Second-Party Opinion

AirTrunk Green Financing Framework

Evaluation Summary

Sustainalytics is of the opinion that the AirTrunk Green Financing Framework is credible and impactful and aligns with the four core components of the Green Loan Principles 2021. This assessment is based on the following:



USE OF PROCEEDS The eligible categories for the use of proceeds – Green Data Centre, Renewable Energy and Water Efficiency – are aligned with those recognized by the Green Loan Principles. Sustainalytics considers that investments in the eligible categories are expected to improve the sustainability of AirTrunk’s operations by reducing energy use and associated GHG emissions and advance the UN Sustainable Development Goals, specifically SDGs 6, 7, 9 and 12.



PROJECT EVALUATION / SELECTION AirTrunk’s Sustainability Committee, chaired by the Head of Risk and Sustainability, is responsible for evaluating and selecting eligible projects in line with the Framework’s eligibility criteria. AirTrunk has a dedicated environmental and social risk assessment and mitigation process which is applicable to all allocation decisions made under the Framework. Sustainalytics considers this risk assessment and mitigation process to be strong and to be aligned with market practices.



MANAGEMENT OF PROCEEDS AirTrunk’s Sustainability Committee will monitor the management and allocation of proceeds. The Company intends to allocate all proceeds to eligible projects within 12 months of issuance. The loan will be a capex term loan, which will be drawn down upon submission of actual expenses verified by an independent third party. The unallocated proceeds will be held in accordance with internal liquidity measures. This is in line with market practice.



REPORTING AirTrunk intends to report on the allocation of proceeds until full allocation in a separate certificate or report and will be available to respective lenders only. Allocation reporting will include a total net allocation to eligible green projects, percentage of financing versus refinancing, the projects being financed and the balance of unallocated proceeds. AirTrunk is also committed to reporting on relevant impact metrics, such as annual GHG emissions. Sustainalytics views AirTrunk’s allocation and impact reporting as aligned with market practice.

Evaluation date August 30, 2022

Company Location Sydney, Australia

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Introduction

AirTrunk (or the “Company”) is a hyperscale data centre company that engages in designing, building and operating data centres across Asia-Pacific region. AirTrunk was founded in 2015, with headquarters in Sydney, Australia and regional headquarters in Singapore and Tokyo, Japan.

AirTrunk has developed the AirTrunk Green Financing Framework (the “Framework”) under which it intends to issue green loans and use the proceeds to finance and refinance, in whole or in part, existing and/or future projects that are expected to improve the sustainability of AirTrunk’s operations by reducing energy use and associated GHG emissions. The Framework defines eligibility criteria in three areas:

1. Green Data Centre
2. Renewable Energy
3. Water Efficiency

AirTrunk engaged Sustainalytics to review the AirTrunk Green Financing Framework, dated July 2022, and provide a Second-Party Opinion on the Framework’s environmental credentials and its alignment with the Green Loan Principles 2021 (GLP).¹ This Framework has been published in a separate document.²

Scope of work and limitations of Sustainalytics’ Second-Party Opinion

Sustainalytics’ Second-Party Opinion reflects Sustainalytics’ independent³ opinion on the alignment of the reviewed Framework with the current market standards and the extent to which the eligible project categories are credible and impactful.

As part of the Second-Party Opinion, Sustainalytics assessed the following:

- The Framework’s alignment with the Green Loan Principles 2021, as administered by LMA, APLMA and LSTA;
- The credibility and anticipated positive impacts of the use of proceeds; and
- The alignment of the Company’s sustainability strategy and performance and sustainability risk management in relation to the use of proceeds.

For the use of proceeds assessment, Sustainalytics relied on its internal taxonomy, version 1.11.4, which is informed by market practice and Sustainalytics’ expertise as an ESG research provider.

As part of this engagement, Sustainalytics held conversations with various members of AirTrunk’s management team to understand the sustainability impact of their business processes and planned use of proceeds, as well as management of proceeds and reporting aspects of the Framework. AirTrunk representatives have confirmed (1) they understand it is the sole responsibility of AirTrunk to ensure that the information provided is complete, accurate or up to date; (2) that they have provided Sustainalytics with all relevant information and (3) that any provided material information has been duly disclosed in a timely manner. Sustainalytics also reviewed relevant public documents and non-public information.

This document contains Sustainalytics’ opinion of the Framework and should be read in conjunction with that Framework.

Any update of the present Second-Party Opinion will be conducted according to the agreed engagement conditions between Sustainalytics and AirTrunk.

Sustainalytics’ Second-Party Opinion, while reflecting on the alignment of the Framework with market standards, is no guarantee of alignment nor warrants any alignment with future versions of relevant market

¹ The Green Loan Principles are administered by the Loan Market Association, Asia Pacific Loan Market Association and Loan Syndications & Trading Association and are available at <https://www.lsta.org/content/green-loan-principles/>

² The AirTrunk Green Financing Framework is available on AirTrunk’s website at: <https://airtrunk.com/>.

³ When operating multiple lines of business that serve a variety of client types, objective research is a cornerstone of Sustainalytics and ensuring analyst independence is paramount to producing objective, actionable research. Sustainalytics has therefore put in place a robust conflict management framework that specifically addresses the need for analyst independence, consistency of process, structural separation of commercial and research (and engagement) teams, data protection and systems separation. Last but not the least, analyst compensation is not directly tied to specific commercial outcomes. One of Sustainalytics’ hallmarks is integrity, another is transparency.

standards. Furthermore, Sustainalytics' Second-Party Opinion addresses the anticipated impacts of eligible projects expected to be financed with loan proceeds but does not measure the actual impact. The measurement and reporting of the impact achieved through projects financed under the Framework is the responsibility of the Framework owner. Upon twenty-four (24) months following the evaluation date set stated herein, AirTrunk is encouraged to update the Framework, if necessary, and seek an update to the Second-Party Opinion to ensure ongoing alignment of the Framework with market standards and expectations.

In addition, the Second-Party Opinion opines on the potential allocation of proceeds but does not guarantee the realised allocation of the loan proceeds towards eligible activities.

No information provided by Sustainalytics under the present Second-Party Opinion shall be considered as being a statement, representation, warrant or argument, either in favour or against, the truthfulness, reliability or completeness of any facts or statements and related surrounding circumstances that AirTrunk has made available to Sustainalytics for the purpose of this Second-Party Opinion.

Sustainalytics' Opinion

Section 1: Sustainalytics' Opinion on the AirTrunk Green Financing Framework

Sustainalytics is of the opinion that the AirTrunk Green Financing Framework is credible and impactful and aligns with the four core components of the GLP. Sustainalytics highlights the following elements of Air Trunk's Green Loan Framework:

- Use of Proceeds:
 - The eligible categories - Green Data Centre, Renewable Energy, Water Efficiency - are aligned with those recognized by the GLP. Sustainalytics notes that the activities financed under the Framework are expected to improve the sustainability of AirTrunk's operations by reducing energy use and associated GHG emissions.
 - AirTrunk has defined a two-year look-back period for refinancing activities, which Sustainalytics considers to be aligned with market practice.
 - Under the Green Data Centre category, AirTrunk intends to finance and refinance the design, construction, operations, and maintenance of data centres with an average annual operating Power Usage Effectiveness ("PUE") below 1.50 at 25% utilisation. The Company intends to use water-based cooling technologies in the data centres, which lead to further enhancing the PUE and reducing energy consumption. AirTrunk also intends to hire specialized consultants for reviewing the due diligence process during the design and development of the data centre. AirTrunk's average annual operating PUE is correlated with the percentage utilisation of the data centre, and at 75% utilisation AirTrunk can achieve an annual operating PUE in the range of 1.14 to 1.33.. Sustainalytics notes that market practice for data centre operating PUE is <1.5 and, as such, positively highlights AirTrunk's ability to achieve a higher level of efficiency at a higher utilization rate which demonstrates the Company's commitment to ensuring positive sustainability outcomes for financed assets and considers the expenditures to be aligned with market practice.
 - Under the Renewable Energy category, the Company may finance expenditures related to the construction, development, acquisition, and maintenance of solar photovoltaic power. Sustainalytics considers this to be in line with market practice.
 - Under the Water Efficiency category, AirTrunk intends to finance and refinance the upgrade, installation, retrofitting, replacement, maintenance, and operation of infrastructures and systems aimed at enhancing water efficiency in data centres such as water meters and water-efficient cooling systems powered by electricity. The Company also intends to hire specialised consultants for reviewing the due diligence process during the design and development phase for these projects only. Additionally, AirTrunk also intends to invest in creating on-site water storage tanks fed by rainwater runoff and rainwater capture systems. Sustainalytics positively views the projects financed under this category to support energy efficiency and subsequently reduction of GHG emission. Hence, considers the investments to be in line with market practice.
- Project Evaluation and Selection:

- AirTrunk's Sustainability committee (the "Committee") will be responsible for the selection and final approval of eligible green loans. The Committee consists of leaders from AirTrunk's Development, Legal, Treasury, Energy and Sustainability, and Risk Function departments, and is chaired by the Head of Risk and Sustainability. Sustainalytics considers this to be aligned with market practice.
- AirTrunk has confirmed within the Framework that it undertakes environmental and social risk assessments for all allocation decisions made under the Framework. Environmental and social assessments are carried out to identify potential impacts on air quality, surface and groundwater impacts, design changes to reduce GHG emissions and identify and document Aboriginal cultural heritage. Additionally, AirTrunk maintains a risk register with existing mitigating strategies and monitors environmental and social risks in its operations and value chain, which apply to all allocation decisions made under the Framework.
- Sustainalytics considers these environmental and social risk management systems to be strong and aligned with market best practices. For additional detail, see Section 2.
- Management of Proceeds:
 - The Committee will be responsible for the management and allocation of proceeds based on a portfolio approach and will track the proceeds through existing internal tracking systems.
 - The loans will be capex term loans which will be draw-down upon submission of actual expenses verified by an independent third party. AirTrunk will draw proceeds based on the financing requirements of the eligible projects, which will lead to immediate allocation of proceeds. The Company will maintain separate bank accounts for designated projects for robustness and transparency. The Company intends to allocate all proceeds to eligible assets within 12 months of the issuance. Pending allocation, an amount equivalent to net green proceeds may be temporarily held following the Company's internal liquidity measures.
 - Based on the timeline for full allocation and internal tracking systems Sustainalytics considers this process to be in line with market practice.
- Reporting:
 - AirTrunk intends to report on the allocation of proceeds as a separate allocation assurance report provided directly to the relevant financiers of the Green Loan, until full allocation. Sustainalytics considers this to be in line with market best practices.
 - The allocation report will include the total amount allocated to eligible assets, the proportion of financing and refinancing, the projects being financed as well as the details of any unallocated proceeds.
 - In addition, the Company is committed to reporting on relevant impact metrics which may include the annual GHG emissions reduced/avoided (in mtCO₂e), the annual average operating PUE and the annual water savings (m³)
 - Based on AirTrunk's commitment to allocation and impact reporting, Sustainalytics considers this process to be in line with market practice.

Alignment with Green Loan Principles 2021

Sustainalytics has determined that the AirTrunk Green Financing Framework aligns with the four core components of the GLP.

Section 2: Sustainability Strategy of AirTrunk

Contribution of the Framework to AirTrunk's sustainability performance

AirTrunk adopted a sustainability approach in 2018 that focuses on the planet, people and progress. AirTrunk conducted a materiality assessment in 2020 and identified key priorities which include energy efficiency, carbon reduction, water efficiency, environment, health and safety, community engagement, customer data protection and cyber security.⁴ This materiality is reviewed and updated annually to identify issues that are the most material to AirTrunk and its stakeholders to allocate resources towards those issues. AirTrunk also

⁴ AirTrunk, "Sustainability Report", (2021), at: <https://airtrunk.com/about-airtrunk/sustainability/sustainability-report/>

converted its USD 1.5 billion corporate facility into a Sustainability-Linked Loan in 2021 to use operating PUE as a sustainability KPI for data centres in the APAC region.⁵

In 2021, AirTrunk achieved carbon neutrality for 100% of its scope 1 direct emissions⁶ from operations at its Sydney and Melbourne data centres. In alignment with this AirTrunk has offset 100% of its estimated scope 1 emissions since 2017, by using verified and assessed Australian Carbon Credit Units. The Company also achieved an average annual operating PUE of 1.37 for its Sydney and Melbourne data centres, in 2021. By 2025 AirTrunk aims to reach an annual average operating PUE range of 1.23-1.28 across its stabilised portfolio, with some locations aiming to achieve a PUE of 1.14. From a waste management perspective, the company launched pilot programs and completed its pre-assessment intending to achieve Zero Waste to Landfill certification in at least one of the markets it operates in (Singapore, Australia, or Hong Kong).⁷

Since 2020, AirTrunk has been disclosing its carbon management activities to its stakeholder on an annual basis, as per the requirements of the CDP Climate Change Assessment. In 2021, AirTrunk developed a two-year roadmap to adopt the Task Force on Climate-Related Financial Disclosures ("TCFD") Framework and is currently working towards releasing a public TCFD report in 2022. AirTrunk also participated in theGRESB⁸ in 2021 for its Infrastructure Asset Benchmarking Rating.⁹

Sustainalytics is of the opinion that the AirTrunk Green Financing Framework is aligned with the company's overall sustainability strategy and initiatives and will further the Company's action on its key environmental priorities.

Approach to managing environmental and social risks associated with the projects

Sustainalytics recognizes that the net proceeds from the loans issued under the Framework will be directed towards eligible projects that are expected to have positive environmental impacts. However, Sustainalytics is aware that such eligible projects could also lead to negative environmental and social outcomes. Some key environmental and social risks associated with the eligible projects could include land use and biodiversity issues associated with large-scale infrastructure development, emissions and waste generation, occupational health and safety, supply chain risks, information leakage and the invasion of data privacy.

Sustainalytics is of the opinion that AirTrunk can manage and mitigate potential risks through the implementation of the following:

- As part of the site selection process, AirTrunk has communicated that it undertakes comprehensive risk assessment exercises, including environmental and social due diligence by an independent qualified expert. To address any identified risks including those related to biodiversity, AirTrunk may engage in further due diligence and implement appropriate risk mitigation strategies.
- To manage the waste generated during the construction and operation of data centres, AirTrunk has implemented initiatives such as tracking and reducing waste generation, and reusing waste. The Company is also collaborating with recycling and composting partners to achieve a Zero Waste to Landfill certification in at least one of the markets in which it operates (Singapore, Australia and Hong Kong).
- To manage issues related to health and safety, AirTrunk has an environmental, health and safety (EHS)¹⁰ policy aligned with the requirements of ISO 45001:2018.¹¹ For the mitigation and identification of risks, the Company conducts risk-specific inspections, internal and external audits, high-risk activity planning workshops and control verifications, leadership engagement walks, virtual safety walks, hazard reporting and recording the learnings from incident investigations.¹² AirTrunk also conducts safety surveys, provides relevant training to employees and contractors, and has a dedicated safety team to provide support for ensuring work safety.¹³

⁵ DataCentre, "AirTrunk releases data centre sustainability linked loan", (Sept 2021), at: <https://datacentremagazine.com/data-centres/airtrunk-releases-data-centre-sustainability-linked-loan>

⁶ As communicated by AirTrunk, Scope 1 emissions include combustion of diesel fuel for backup generators, any fugitive emissions from refrigerants used in cooling equipment, as well as specialty gases present in transformers and substations.

⁷ AirTrunk, "Sustainability Report", (2021), at: <https://airtrunk.com/about-airtrunk/sustainability/sustainability-report/>

⁸ Global Real Estate Sustainability Benchmark Rating, at: <https://www.gresb.com/nl-en/>

⁹ AirTrunk, "AirTrunk takes action on ESG with new sustainability report and Net Zero roadmap", (Oct 2021), at: <https://airtrunk.com/airtrunk-takes-action-on-esg-with-new-sustainability-report-and-net-zero-roadmap/>

¹⁰ AirTrunk, "Environmental, Health and Safety Policy Statement", (2022), at: <https://airtrunk.com/policies-reports/environmental-health-and-safety-policy-statement/>

¹¹ ISO, "ISO 45001: Occupational Health and safety", at: <https://www.iso.org/iso-45001-occupational-health-and-safety.html>

¹² AirTrunk sustainability report, (2021), at: https://airtrunk.com/wp-content/uploads/AirTrunk_SustainabilityReport_Final.pdf

¹³ AirTrunk, "Environmental, Health and Safety Policy Statement", (2022), at: <https://airtrunk.com/policies-reports/environmental-health-and-safety-policy-statement/>

- AirTrunk's Supplier Code of Conduct requires its suppliers to comply with all applicable laws and regulations of the location in which it operates.¹⁴ The Company also applies its standards and principles of ethics, anti-bribery and anti-corruption, intellectual property, privacy and confidentiality, diversity and inclusion, health and safety, labour, human rights and modern slavery to all its suppliers.¹⁵ AirTrunk also conducts audits for its key suppliers to assess compliance.¹⁶ Additionally, AirTrunk is also a participant in the United Nations Global Compact (UNGC), and aims to align with the sustainability requirements.
- AirTrunk is committed to the responsible use and protection of data and complies with Australia's Privacy Act 1988 to collect, manage and disclose personal information.¹⁷ The CIO, supported by the COO and the CEO, manages customer data protection and cyber security and is responsible for enforcing the Cyber Security Strategy at AirTrunk. The Company also regularly trains employees on data handling, mitigating potential data loss and confidentiality requirements.¹⁸

Based on these policies, standards and assessments, Sustainalytics is of the opinion that AirTrunk has implemented adequate measures and is well positioned to manage and mitigate environmental and social risks commonly associated with the eligible categories.

Section 3: Impact of Use of Proceeds

All three use of proceeds categories are aligned with those recognized by the GLP. Sustainalytics has focused on one below where the impact is specifically relevant in the local context.

Importance of Green Data Centre in the Asia-Pacific Region

Electricity demand from global data centres was approximately 200-250 TWh or an estimated 1% of global electricity in 2020.¹⁹ The demand for ICT services is expected to continue growing, driven by technologies such as artificial intelligence, virtual reality, 5G, media streaming and blockchain.²⁰ Global annual internet traffic in 2022 is projected at 4.2 zettabytes, compared to 1.1 zettabytes in 2017 and 54 exabytes in 2007.²¹ Given that data centres are some of the most energy- and water-intensive buildings, the data centre industry has a significant potential for decarbonization.²²

The International Telecommunication Union released a new pathway in 2020 in line with the Paris Agreement, compelling the ICT sector to reduce its GHG emissions by 45% by 2030 from a 2020 baseline.²³ The continued implementation of energy efficiency plans, switching to renewable or low-carbon energy supply and encouraging carbon consciousness among end-users are key strategies for decarbonizing the sector and supporting data centre operators in reducing their emissions by 53% between 2020 and 2030, which is needed to align with 1.5°C trajectories for the ICT sector.²⁴ Across the Asia-Pacific region, data centres are emerging as attractive real estate investments given high data storage demand, fast speeds and power requirements.²⁵ Asia-Pacific direct data centre investment turnover reached USD 1.8 billion in the first six months of 2021, equivalent to 80% of the 2020 turnover.²⁶ The Asia Pacific Green Data Center Market is expected to grow at a compound annual growth rate of 20.6% during the 2021-26 period.²⁷ According to the IEA, cloud and

¹⁴ AirTrunk, "Supplier Code of Conduct", at: <https://airtrunk.com/policies-reports/supplier-code-of-conduct/>

¹⁵ AirTrunk, "Modern Slavery Policy", at: <https://airtrunk.com/policies-reports/modern-slavery-policy/>

¹⁶ AirTrunk, "Sustainability Report FY21", (2021), at: https://airtrunk.com/wp-content/uploads/AirTrunk_SustainabilityReport_Final.pdf

¹⁷ AirTrunk, "Privacy Policy", at: <https://airtrunk.com/policies-reports/privacy-policy/>

¹⁸ AirTrunk "Sustainability Report FY21", (2021), at: https://airtrunk.com/wp-content/uploads/AirTrunk_SustainabilityReport_Final.pdf

¹⁹ IEA, "Data centres and networks", (2022), at: <https://www.iea.org/fuels-and-technologies/data-centres-networks>

²⁰ Ibid.

²¹ IEA, "Digitalisation and energy", (2017), at: <https://www.iea.org/reports/digitalisation-and-energy>

²² EERE, "Data Centers and Servers", at: <https://www.energy.gov/eere/buildings/data-centers-and-servers>

²³ ITU, "ICT industry to reduce greenhouse gas emissions by 45 per cent by 2030", (2020), at: <https://www.itu.int/en/mediacentre/Pages/PR04-2020-ICT-industry-to-reduce-greenhouse-gas-emissions-by-45-percent-by-2030.aspx#:~:text=Geneva%2C%2027%20February%202020&text=A%20new%20ITU%20standard%20highlights,cent%20from%202020%20to%202030.>

²⁴ Science Based Targets initiative, "Guidance for ICT Companies Setting Science Based Targets", (2020), at:

https://sciencebasedtargets.org/resources/legacy/2020/04/GSMA_IP_SBT-report_WEB-SINGLE.pdf

²⁵ CBRE, "Asia Pacific Data Centers Market at a glance", at: <https://apacresearch.cbre.com/en/research-and-reports/apac-data-center-industry-news-and-trends>

²⁶ CBRE, "Asia Pacific Data Centre Investment Set For Record Year In 2021", (2021), at: <https://indonesia.cbre.com/en/about/asian-region/media-centre/asia-pacific-data-centre-investment-set-for-record-year-in-2021>

²⁷ Mordor Intelligence, "Asia Pacific green data center market - growth, trends, COVID-19 impact, and forecasts (2022 - 2027)", (2021), at: <https://www.mordorintelligence.com/industry-reports/asia-pacific-green-data-center-market-industry>

hyperscale data centres have very low PUE as they run at high capacity owing in part to virtualization software that enables data centre operators to deliver greater work output with fewer servers.²⁸

Sustainalytics is of the opinion that AirTrunk's financing towards optimizing average annual operating PUE in data centres has the potential to reduce the environmental footprint associated with its operations, thereby facilitating the sector's decarbonization in the markets where the Company operates.

Alignment with/contribution to SDGs

The Sustainable Development Goals (SDGs), set in September 2015 by the United Nations General Assembly, form part of an agenda for achieving sustainable development by 2030. The loans issued under the AirTrunk Green Financing Framework advance the following SDGs and targets:

Use of Proceeds Category	SDG	SDG target
Green Data Centre	9. Industry, Innovation, and Infrastructure	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
Renewable Energy	7. Affordable and Clean Energy	7.2 By 2030, increase substantially the share of renewable energy in the global energy mix
Water Efficiency	6. Clean Water and Sanitation	6.3 By 2030, improve water quality by reducing pollution, eliminating dumping, and minimizing release of hazardous chemicals and materials, halving the proportion of untreated wastewater, and substantially increasing recycling and safe reuse globally
	12. Responsible Consumption and Production	12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment

Conclusion

AirTrunk has developed the AirTrunk Green Financing Framework, under which it may issue green loans and use the proceeds to finance Green Data Centre, Renewable Energy and Water Efficiency projects. Sustainalytics considers that the projects funded by the proceeds are expected to improve the sustainability of AirTrunk's operations by reducing energy usage and the associated GHG emissions.

The Airtrunk Green Financing Framework outlines a process by which proceeds will be tracked, allocated and managed, and commitments have been made for reporting on the allocation and impact of the use of proceeds. Furthermore, Sustainalytics believes that the Airtrunk Green Financing Framework is aligned with the overall sustainability strategy of the Company and that the green use of proceeds categories are expected to contribute to the advancement of the UN Sustainable Development Goals 6, 7, 9 and 12. Additionally, Sustainalytics is of the opinion that AirTrunk has strong measures to identify, manage and mitigate environmental and social risks commonly associated with the eligible projects funded by the proceeds.

²⁸ IEA, "Data Centres and Data Transmission Networks", (2021), at: <https://www.iea.org/reports/data-centres-and-data-transmission-networks>

Based on the above, Sustainalytics is confident that Airtrunk is well positioned to issue green loans and that the AirTrunk Green Financing Framework is robust, transparent and in alignment with the four core components of the Green Loan Principles 2021.

Appendix

Appendix 1: Green Bond / Green Bond Programme - External Review Form

Section 1. Basic Information

Issuer name:	Airtrunk
Green Bond ISIN or Issuer Green Bond Framework Name, if applicable:	Airtrunk Green Financing Framework
Review provider's name:	Sustainalytics
Completion date of this form:	August 30, 2022
Publication date of review publication:	

Section 2. Review overview

SCOPE OF REVIEW

The following may be used or adapted, where appropriate, to summarise the scope of the review.

The review assessed the following elements and confirmed their alignment with the GBP:

- | | |
|------------------------------------------------------------|----------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Use of Proceeds | <input checked="" type="checkbox"/> Process for Project Evaluation and Selection |
| <input checked="" type="checkbox"/> Management of Proceeds | <input checked="" type="checkbox"/> Reporting |

ROLE(S) OF REVIEW PROVIDER

- | | |
|---------------------------------------------------------------------------------|----------------------------------------|
| <input checked="" type="checkbox"/> Consultancy (incl. 2 nd opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

Note: In case of multiple reviews / different providers, please provide separate forms for each review.

EXECUTIVE SUMMARY OF REVIEW and/or LINK TO FULL REVIEW (*if applicable*)

Please refer to Evaluation Summary above.

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

Overall comment on section *(if applicable)*:

The eligible categories for the use of proceeds - Green Data Centre, Renewable Energy, Water Efficiency - are aligned with those recognized by the Green Loan Principles. Sustainalytics considers that investments in the eligible categories are expected to improve the sustainability of AirTrunk's operations by reducing energy use and associated GHG emissions and advance the UN Sustainable Development Goals, specifically SDG 6, 7, 9 and 12.

Use of proceeds categories as per GBP:

- | | |
|---------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Renewable energy | <input type="checkbox"/> Energy efficiency |
| <input type="checkbox"/> Pollution prevention and control | <input type="checkbox"/> Environmentally sustainable management of living natural resources and land use |
| <input type="checkbox"/> Terrestrial and aquatic biodiversity conservation | <input type="checkbox"/> Clean transportation |
| <input type="checkbox"/> Sustainable water and wastewater management | <input type="checkbox"/> Climate change adaptation |
| <input type="checkbox"/> Eco-efficient and/or circular economy adapted products, production technologies and processes | <input type="checkbox"/> Green buildings |
| <input type="checkbox"/> Unknown at issuance but currently expected to conform with GBP categories, or other eligible areas not yet stated in GBP | <input checked="" type="checkbox"/> Other <i>(please specify)</i> :
Green Data Centre
Water Efficiency |

If applicable please specify the environmental taxonomy, if other than GBP:

2. PROCESS FOR PROJECT EVALUATION AND SELECTION

Overall comment on section *(if applicable)*:

AirTrunk's Sustainability committee chaired by the Head of Risk and Sustainability, is responsible for evaluating and selecting eligible projects in line with the Framework's eligibility criteria. AirTrunk has a dedicated environmental and social risk assessment and mitigation process which are applicable to all allocation decisions made under the framework. Sustainalytics considers this risk assessment and mitigation process to be strong and to be aligned with market best practices.

Evaluation and selection

- | | |
|---------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Credentials on the issuer's environmental sustainability objectives | <input checked="" type="checkbox"/> Documented process to determine that projects fit within defined categories |
|---------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|

- | | |
|--------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Defined and transparent criteria for projects eligible for Green Bond proceeds | <input checked="" type="checkbox"/> Documented process to identify and manage potential ESG risks associated with the project |
| <input checked="" type="checkbox"/> Summary criteria for project evaluation and selection publicly available | <input type="checkbox"/> Other (<i>please specify</i>): |

Information on Responsibilities and Accountability

- | | |
|----------------------------------------------------------------------------------------------------------------|----------------------------------------------|
| <input checked="" type="checkbox"/> Evaluation / Selection criteria subject to external advice or verification | <input type="checkbox"/> In-house assessment |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

3. MANAGEMENT OF PROCEEDS

Overall comment on section (*if applicable*):

AirTrunk's Sustainability committee will be responsible for monitoring the management and allocation of proceeds. The Company intends to allocate all proceeds to eligible projects within 12 months of the issuance. The loan will be a capex term loan which will be drawn-down upon submission of actual expenses verified by an independent third party. The unallocated proceeds held in accordance with the internal liquidity measures. This is in line with market practice.

Tracking of proceeds:

- | |
|-------------------------------------------------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Green Bond proceeds segregated or tracked by the issuer in an appropriate manner |
| <input checked="" type="checkbox"/> Disclosure of intended types of temporary investment instruments for unallocated proceeds |
| <input type="checkbox"/> Other (<i>please specify</i>): |

Additional disclosure:

- | | |
|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|
| <input type="checkbox"/> Allocations to future investments only | <input checked="" type="checkbox"/> Allocations to both existing and future investments |
| <input type="checkbox"/> Allocation to individual disbursements | <input checked="" type="checkbox"/> Allocation to a portfolio of disbursements |
| <input checked="" type="checkbox"/> Disclosure of portfolio balance of unallocated proceeds | <input type="checkbox"/> Other (<i>please specify</i>): |

4. REPORTING

Overall comment on section (*if applicable*):

AirTrunk intends to report on the allocation of proceeds until full allocation in a separate certificate/report and will be available to respective lenders only. Allocation reporting will include a total net allocation to eligible green projects, percentage of financing versus refinancing, the projects being financed, and the balance of unallocated proceeds. In addition, AirTrunk is committed to reporting on relevant impact metrics such as

annual GHG emissions. Sustainalytics views AirTrunk’s allocation and impact reporting as aligned with market practice.

Use of proceeds reporting:

- Project-by-project
- On a project portfolio basis
- Linkage to individual bond(s)
- Other (*please specify*):

Information reported:

- Allocated amounts
- Green Bond financed share of total investment
- Other (*please specify*):

Frequency:

- Annual
- Semi-annual
- Other (*please specify*):

Impact reporting:

- Project-by-project
- On a project portfolio basis
- Linkage to individual bond(s)
- Other (*please specify*):

Information reported (expected or ex-post):

- GHG Emissions / Savings
- Energy Savings
- Decrease in water use
- Other ESG indicators (*please specify*):

Frequency

- Annual
- Semi-annual
- Other (*please specify*):

Means of Disclosure

- Information published in financial report
- Information published in sustainability report
- Information published in ad hoc documents
- Other (*please specify*):
- Reporting reviewed (if yes, please specify which parts of the reporting are subject to external review):

Where appropriate, please specify name and date of publication in the useful links section.

USEFUL LINKS (e.g. to review provider methodology or credentials, to issuer’s documentation, etc.)

SPECIFY OTHER EXTERNAL REVIEWS AVAILABLE, IF APPROPRIATE

Type(s) of Review provided:

- | | |
|----------------------------------------------------------------------|----------------------------------------|
| <input type="checkbox"/> Consultancy (incl. 2 nd opinion) | <input type="checkbox"/> Certification |
| <input type="checkbox"/> Verification / Audit | <input type="checkbox"/> Rating |
| <input type="checkbox"/> Other (<i>please specify</i>): | |

Review provider(s):

Date of publication:

ABOUT ROLE(S) OF INDEPENDENT REVIEW PROVIDERS AS DEFINED BY THE GBP

- i. Second-Party Opinion: An institution with environmental expertise, that is independent from the issuer may issue a Second-Party Opinion. The institution should be independent from the issuer's adviser for its Green Bond framework, or appropriate procedures, such as information barriers, will have been implemented within the institution to ensure the independence of the Second-Party Opinion. It normally entails an assessment of the alignment with the Green Bond Principles. In particular, it can include an assessment of the issuer's overarching objectives, strategy, policy and/or processes relating to environmental sustainability, and an evaluation of the environmental features of the type of projects intended for the Use of Proceeds.
- ii. Verification: An issuer can obtain independent verification against a designated set of criteria, typically pertaining to business processes and/or environmental criteria. Verification may focus on alignment with internal or external standards or claims made by the issuer. Also, evaluation of the environmentally sustainable features of underlying assets may be termed verification and may reference external criteria. Assurance or attestation regarding an issuer's internal tracking method for use of proceeds, allocation of funds from Green Bond proceeds, statement of environmental impact or alignment of reporting with the GBP, may also be termed verification.
- iii. Certification: An issuer can have its Green Bond or associated Green Bond framework or Use of Proceeds certified against a recognised external green standard or label. A standard or label defines specific criteria, and alignment with such criteria is normally tested by qualified, accredited third parties, which may verify consistency with the certification criteria.
- iv. Green Bond Scoring/Rating: An issuer can have its Green Bond, associated Green Bond framework or a key feature such as Use of Proceeds evaluated or assessed by qualified third parties, such as specialised research providers or rating agencies, according to an established scoring/rating methodology. The output may include a focus on environmental performance data, the process relative to the GBP, or another benchmark, such as a 2-degree climate change scenario. Such scoring/rating is distinct from credit ratings, which may nonetheless reflect material environmental risks.

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