

**SEP RESOURCES (M) SDN BHD**

A subsidiary of



**PESONA METRO HOLDINGS BERHAD**

**Pesona ASEAN Sustainability SRI Sukuk *Wakalah* Framework**

24 July 2024

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## 1.0 Introduction

SEP Resources (M) Sdn Bhd (“**SEP**”) was incorporated in Malaysia on 19 April 2013 as a private company limited under the Companies Act 2016. It is a 70% subsidiary of Pesona Metro Holdings Berhad (“**PMHB**”), a company listed under the construction sector on the Main Market of Bursa Malaysia Securities Berhad. The remaining 30% equity interest in SEP is held by Maszeallan Bin Mohamad and Mohamed Izran Bin Mohamed Al Amin.

The principal activity of SEP is investment holding and it acts as the investment holding company to its only subsidiary, Budaya Positif Sdn Bhd (“**BPSB**”). On 25 January 2013, BPSB was awarded a 22.5-years concession by Universiti Malaysia Perlis (“**UniMAP**”) and the Government of Malaysia via the Ministry of Higher Education, to undertake the designing, construction, development and the provision of asset management services for student hostels (“**Concession**”) which is located within the UniMAP Pauh Putra campus, in Arau, Perlis (referred to as the “**UniMAP Hostel Project**”).

SEP is proposing the issuance of Islamic Medium Term Notes (“**IMTN**”) of up to RM185,000,000.00 in nominal value under the Shariah principles of *Wakalah Bi Al-Istithmar* (“**ASEAN Sustainability SRI Sukuk Wakalah**”) to be utilised towards financing Eligible Projects that satisfy the eligibility criteria as described under section 2.1 below, which includes the UniMAP Hostel Project.

### 1.1 The Group’s Vision and Sustainability Commitment

The vision of PMHB and its group of companies (the “**Group**”) is to be the preferred construction company in Malaysia as well as a trusted and passionate partner that delivers sustainable value and builds enduring relationships with all stakeholders.


The Group, via its wholly-owned subsidiary, PMSB has obtained the following licenses and credentials in recognition of its construction standards:

- (i) Perakuan Pendaftaran Kontraktor Gred G7 from The Construction Industry Development Board (“**CIDB**”);
- (ii) Sijil Perolehan Kerja Kerajaan Gred G7 from CIDB;
- (iii) Registered Contractor with The Ministry of Finance Malaysia;
- (iv) Permit C1 (Sewerage) And Permit C1 (Water Supply) From Suruhanjaya Perkhidmatan Air Negara;
- (v) Registered Contractor for Tenaga Nasional Berhad;
- (vi) A Member of the Master Builders Association Malaysia;
- (vii) ISO 9001:2015 (Quality Management System) Certified by Winchester Quality Award Sdn Bhd (“**WQA**”);
- (viii) ISO 14001:2015 (Environmental Management System) Certified by WQA;
- (ix) ISO 45001:2018 (Occupational Health And Safety Management System) Certified By WQA;
- (x) SIRIM Green 5s; and
- (xi) CIDB Score – 3 Star Rating by CIDB.

The Group’s consistent effort in creating sustainable progress on the economic, environmental and social fronts is achieved through the implementation of responsible and sustainable management practices which enables the Group’s operational efficiencies to continually be enhanced, allowing for steady increase in business momentum across the Group.

In line with the 2030 Agenda for Sustainable Development, the Group seeks to contribute to the United Nations Sustainable Development Goals (“**UNSDG**”). The Group has identified and prioritised the following SDGs to which it deems to have the most contribution towards.

UNSDG	The Group’s Vision and Sustainability Commitment
 <p><b>1</b> NO POVERTY</p>	To promote equal access to basic essential services including but not limited to education and affordable housing.
 <p><b>5</b> GENDER EQUALITY</p>	As a progressive organisation, the Group focuses its efforts on further developing the demographic of its female employees in the construction industry where male-domination is evident.
 <p><b>6</b> CLEAN WATER AND SANITATION</p>	The Group advocates the importance of the conservation of water through the utilisation of rain-water harvesting methods. The recycled water will complement the supply of tap-water for the construction related usage at site.
 <p><b>8</b> DECENT WORK AND ECONOMIC GROWTH</p>	<p>The Group also has a role in supporting specific sectors of the domestic economy through providing jobs within its project sites, as well as prioritising local companies for the purchase of raw materials.</p> <p>The Group remains committed to treating all members of its workforce respectfully and equally, regardless of race, background, gender and age. It is also against the enslavement of individuals and child labour both as a practice in general and especially within its operations.</p> <p>The Group is also committed to upholding the highest occupational health and safety standards throughout its operations to create a healthier and safer working environment across the organisation.</p>
 <p><b>11</b> SUSTAINABLE CITIES AND COMMUNITIES</p>	The Group is focused on the delivery of high-quality products and services. The Group is engaged in implementing strategies to certify their products and services as part of its commitment to deliver long-term value to its stakeholders.
 <p><b>12</b> RESPONSIBLE CONSUMPTION AND PRODUCTION</p>	<p>In line with the Group’s ambition of cultivating a “greener” organisation, Pesona was one of the pioneer builders in Malaysia to subscribe to the 5S methodology, which enables its projects sites to remain organised, clean and green. The majority of the Group’s project sites have been audited by the SIRIM Green 5S team for their relevant Green 5S practices for the attainment of the SIRIM G5S certification.</p> <p>The Group also practices resource conservation and waste</p>

	<p>minimization, particularly in the area of construction materials and the consumption of utilities across its project sites. The consumption of essential utilities such as diesel, petrol, water and electricity at the Group's construction sites are closely monitored to further reduce its carbon footprint.</p> <p>The Group's initiatives to limit the generation of general waste falls under the ambit of a comprehensive waste management programme which covers the general scope of the operations, and comprises targets to minimise construction materials wastages such as concrete, steel reinforcement and timber by limiting the waste percentages up to the respective industry standards (concrete: 3%, steel: 5% and timber: 10%), minimise packaging waste, minimise rework, minimise materials damage due to negligence, and minimise the quantity of unused materials and wrongly-ordered materials.</p>
	<p>The Group aims to strategically manage its carbon footprint significantly through estimating the potential carbon output of every project prior to the commencement of each project. The Group's projects are developed in compliance with regulatory requirements known as the environmental management plan ("<b>EMP</b>") which covers the monthly monitoring system for water quality, air quality, noise levels and vibrations, ensuring that the activities carried out comply with Department of Environment Malaysia's requirements.</p>

In alignment with the above, the following completed projects are part of the Group's construction portfolio: -

**(a) Menara Technip**



Menara Technip is a 16-storey enbloc Green Building Index ("**GBI**") certified office building incorporating 3 elevated carpark levels along with a mezzanine level, 2 driveway levels,

and 3 basement car parks constructed on lot PT 152, HSD119604, Kuala Lumpur. It is strategically located in the intersection of Jalan Inai and Jalan Delima within Section 67 of Bandar Kuala Lumpur, which is an area located at the fringe of Golden Triangle of Kuala Lumpur, the city's main commercial precinct which accommodates prime office buildings, prime retail centres and prestigious international class hotels.

Menara Technip has achieved the GOLD GBI rating since 16 November 2016, which has been renewed and remains valid until 19 April 2026.

**(b) Conlay 301**



Conlay 301 is an integrated commercial building that consists of 1 block of 32-storey office and suites on top of a 8-storey podium and 1 floor of public amenities in the heart of Kuala Lumpur city centre. This building is strategically located at the Conlay Station of the proposed Mass Rapid Transit Sungai Buloh-Serdang-Putrajaya Line. This building is marked as another iconic building among other skyscrapers in Kuala Lumpur city centre.

Conlay 301 had achieved the Provisional GOLD GBI rating on 13 April 2018.

**(c) KPJ Bandar Dato' Onn Specialist Hospital**



The KPJ Bandar Dato' Onn Specialist Hospital is the 26th hospital under the flagship of KPJ Healthcare Berhad, the leading group of healthcare provider in Malaysia with more than 30 years' experience. Banking on the success of the group, cohesive network of hospitals and medical consultants, the hospital is well positioned to render highly comprehensive medical assistance and specialist care to all.

The KPJ Bandar Dato' Onn Specialist Hospital had achieved the Provisional Silver GBI rating on 6 July 2018.

**The Menara Technip, Conlay 301 and KPJ Bandar Dato' Onn Specialist Hospital projects have obtained their respective GBI ratings by complying with the following criteria:**

- (i) Energy efficiency;
- (ii) Indoor environment quality;
- (iii) Materials & resources;
- (iv) Water efficiency;
- (v) Sustainable site planning & management; and
- (vi) Innovation.

**(d) Residensi Aman Jalil**



Residensi Aman Jalil is an affordable housing project completed in September 2023, which falls under the Residensi Wilayah initiative introduced by the federal government to increase the supply of affordable housing priced not exceeding RM300,000.00 per unit within Federal Territories.

The Residensi Aman Jalil project is also in alignment with the Malaysian government's national development agendas, namely the Twelfth Malaysia Plan 2021-2025, a medium-term plan with the objective of "A Prosperous, Inclusive, Sustainable Malaysia", and the Shared Prosperity Vision 2030, which aims to provide a decent standard of living to all Malaysians by 2030.

The Group was the main contractor for the construction of the Residensi Aman Jalil as its first venture into affordable housing projects in support of medium-income earners, young couples and first-time home buyers in realising their aspiration of homeownership. Key features of this project are as follows:

- (i) Two 42-storey blocks which consists of 1,260 affordable housing units;
- (ii) Common facilities include a swimming pool, wading pool, children's playground, outdoor gyms, multipurpose hall and etc;
- (iii) 1,253 car parking lots and 378 motorcycle parking lots;
- (iv) Every unit is 900 square feet with 3 bedrooms and 2 bathrooms; and
- (v) Priced at the flat rate of RM300,000.00 per unit.

## 2.0 Pesona ASEAN Sustainability SRI Sukuk *Wakalah* Framework Overview

The Pesona ASEAN Sustainability SRI Sukuk *Wakalah* Framework (“**Framework**”) has been established by the Group to set out the guidelines for the issuance of the ASEAN Sustainability SRI Sukuk *Wakalah*.

This Framework adopts the following guidelines, standards, principles or frameworks (collectively referred to as “**Standards**”), as amended from time to time, and will/may also adopt such other Standards in relation to green bonds, social bonds or sustainability bonds as may be issued from time to time:






Issuing Body	Standards	Version Date
Securities Commission Malaysia (“ <b>SC</b> ”)	Sustainable and Responsible Investment (“ <b>SRI</b> ”) Sukuk Framework under the Guidelines on Unlisted Capital Market Products Under the Lodge and Launch Framework (“ <b>SRI Sukuk Framework</b> ”)	February 2024
ASEAN Capital Markets Forum	ASEAN Green Bond Standards (“ <b>ASEAN GBS</b> ”)	October 2018
	ASEAN Social Bond Standards (“ <b>ASEAN SBS</b> ”)	
	ASEAN Sustainability Bond Standards (“ <b>ASEAN SUS</b> ”)	
International Capital Market Association	ICMA Green Bond Principles (“ <b>ICMA GBP</b> ”)	June 2023
	ICMA Social Bond Principles (“ <b>ICMA SBP</b> ”)	
	ICMA Sustainability Bond Guidelines (“ <b>ICMA SBG</b> ”)	


This Framework covers the following four core components which are embedded in the abovementioned guidelines and standards:

- (i) Utilisation of proceeds;
- (ii) Process for project evaluation and selection;
- (iii) Management of proceeds; and
- (iv) Reporting commitments.

## 2.1 Utilisation of Proceeds

The proceeds from the ASEAN Sustainability SRI Sukuk *Wakalah*, to be issued by SEP, shall ultimately be utilised to finance/refinance eligible projects, in whole or in part, falling under the following eligibility criteria (“**Eligible Projects**”) defined below:

Eligible Social Project Category		
Eligibility Criteria	Description	UNSDG Mapping
Access to essential services	<p>Financing or refinancing the construction of projects that relate to affordable educational infrastructure linked to public educational institutions, to bolster the Group’s efforts in supporting access to affordable and quality education in Malaysia.</p> <p>The construction of such infrastructure is also expected to create new employment opportunities and training opportunities to employees of the Group.</p>	<p>SDG 4: Quality Education</p>  <p>SDG 8: Decent Work and Economic Growth</p> 
Affordable Housing	<p>Financing or refinancing the construction of affordable housing projects under any of the following schemes:</p> <ul style="list-style-type: none"> <li>(i) Skim Perumahan Rakyat1 Malaysia (PR1MA);</li> <li>(ii) Skim Perumahan Mampu Milik Swasta (MyHome);</li> <li>(iii) Perumahan Penjawat Awam 1Malaysia (PPA1M);</li> <li>(iv) Residensi Wilayah;</li> <li>(v) Rumah Selangorku; and</li> <li>(vi) Residensi Madani.</li> </ul> <p>Affordable housing projects aim to widen the availability of affordable basic infrastructure to the low and middle income households, and is expected to create new employment opportunities and training opportunities to employees of the Group.</p>	<p>SDG 1: No Poverty</p>  <p>SDG 11: Sustainable Cities and Communities</p>  <p>SDG 8: Decent Work and Economic Growth</p> 

Eligible Green Project Category		
Eligibility Criteria	Description	UNSDG Mapping
Green Building	<p>Financing or refinancing the construction and development costs of new residential or commercial buildings that meet widely accepted green building standards such as:</p> <ul style="list-style-type: none"> <li>(i) Leadership in Energy and Environmental Design (LEED) certification;</li> <li>(ii) Building Research Establishment Environmental Assessment Method (BREEAM) certification;</li> <li>(iii) GBI;</li> <li>(iv) GreenRE;</li> <li>(v) Such other standard/certification that is widely accepted and recognised locally and internationally.</li> </ul> <p>Such certifications validate that the building meets strict energy efficiency, water conservation and waste efficiency performance.</p>	<p>SDG 11: Sustainable Cities and Communities</p> 

The Group shall on best-effort basis strive to implement its sustainability commitment and UNSDGs alignment. Additionally, the Issuer and the Group ensures compliance with the relevant environmental, social and governance standards or recognised best practices relating to the Eligible Projects.

For avoidance of doubt, projects or activities related to alcohol, gambling, tobacco, weaponry and fossil fuel power generation are not eligible for the ASEAN Sustainability SRI Sukuk *Wakalah* proceeds' utilisation.

## 2.2 Process for Project Evaluation and Selection

The Group's sustainability reporting process is conducted and supervised in accordance with the highest governance standards. The following governance structure enables the Group to ensure the tenets of accuracy, accountability and transparency are evident at every stage of the reporting process:

Governance Body	Composition	Roles and Responsibilities
Board of Directors	Board of Directors chaired by the Chairman of Audit Committee	Guide and Support
Executive Committee	Chief Financial Officer (" <b>CFO</b> ") and Chief Operating Officer (" <b>COO</b> "), chaired by the Managing Director (" <b>MD</b> ")	Strategise and Standardise
Sustainability Working Committee	<ul style="list-style-type: none"> <li>• Health and Safety (Head of Health &amp; Safety)</li> <li>• Environment (Head of Environment)</li> <li>• Labour Practices (Head of Human Resources)</li> <li>• Profitability (MD)</li> </ul>	Plan and Execute

### Board of Directors

The Group's Board of Directors ("**Board**"), comprising of efficient and knowledgeable team of professionals with a broad and diverse range of experiences and expertise, is dedicated to implementing an agenda that upholds good and consistent economic, environmental and social ("**EES**") practices. The agenda also serves to promote long-term value creation for shareholders through ensuring the Group invests in measures that promote the sustainable growth of its businesses.

The Board is also tasked with overseeing, supporting and promoting the smooth implementation of EES efforts within the Group. The Board's mandate is to enhance the Group's business strategy through upholding corporate governance best practices and incorporating the relevant sustainable material matters in the evaluation processes. On top of this, the Board is responsible for implementing planning activities that serve to enhance transparency, integrity and accountability within all areas of the Group's operations and management activities.

### Executive Committee

PMHB's Executive Committee, comprising the CFO as well as the COO, has oversight for the processes related to studying, formulating and strategising the sustainability framework for the Group. The committee is led by the MD, whose role is to report the findings and progress of the Group's sustainability development efforts to the Board. The committee is also responsible for the development of the Sustainability Report and Policy which are strategically aligned to the abovementioned processes. These responsibilities include setting sustainability objectives and targets, identifying internal and external stakeholders, as well as prioritising all material matters in relation to the EES aspects of sustainability reporting.

## Sustainability Working Committee

The Group's Sustainability Working Committee ("**SWC**") is tasked with closely monitoring and ensuring that the efforts to achieve sustainability targets are aligned with PMHB's implementation of group-wide policies and best practices. The committee's members are strategically selected based on the relevance of their roles to the Group's sustainability material matters. The committee meets on a quarterly basis to review findings as well as to finetune any potential gaps between targets.

The Group continues to evaluate its sustainability governance structure as well as strengthen and restructure it where necessary to enhance the efficiency of PMHB's planning, implementation and reporting processes.

The Board will hold the ultimate responsibility for this Framework. Its responsibilities shall include:

- a) Reviewing and approving the Framework and any subsequent changes;
- b) Reviewing and approving the annual reporting as prescribed under this Framework; and
- c) Supporting the Executive Committee in identifying and reviewing the Eligible Projects under this Framework.

The process for evaluation and selection of the Eligible Projects is as follows:

- (i) Review and validate that the operations of the Eligible Projects are in accordance with this Framework;
- (ii) Evaluate the Eligible Projects against this Framework;
- (iii) Submit recommendation to the Executive Committee for approval on the selection of the Eligible Projects based on the proposal from the SWC;
- (iv) Monitor the Eligible Projects during the actual operations; and
- (v) Oversee the evaluation of social and environmental risks associated with the Eligible Projects during the project selection and construction phase, identified with the criteria below, if applicable:

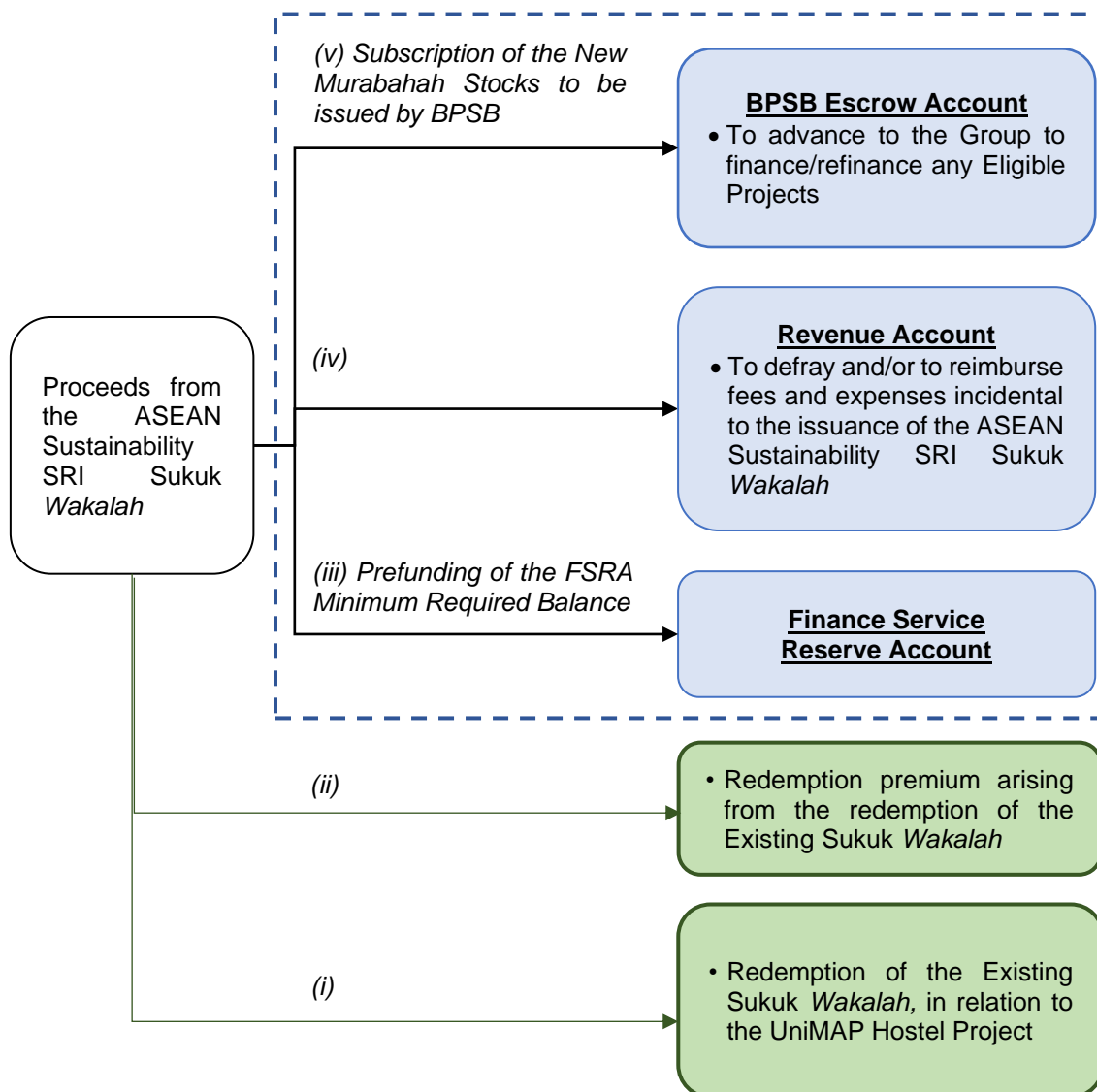
Risk	Criteria/ Aspects	Mitigation
Environmental	<ul style="list-style-type: none"> <li>Construction waste</li> <li>Pollution</li> <li>Carbon output</li> </ul>	<ul style="list-style-type: none"> <li>Adopting the ISO 14001 standard</li> <li>Education and awareness programmes</li> <li>SIRIM Green 5S practices</li> <li>Environmental talk</li> <li>Material, utilities and waste management programmes</li> <li>Compliance with regulatory requirements known as the EMP</li> <li>Environmental initiatives to be aligned with the International Standard for EMS</li> </ul>
Social	<ul style="list-style-type: none"> <li>Occupational Health and safety</li> <li>Labour practices</li> <li>Product responsibility</li> </ul>	<ul style="list-style-type: none"> <li>Adopting the ISO 45001:2018 standard</li> <li>Labour and decent workplace practices with fair and equal opportunity policy</li> </ul>

		<ul style="list-style-type: none"> <li>• Education and personal development</li> <li>• Employee reward and recognition practices</li> <li>• Employee welfare and benefits</li> <li>• Adopting the ISO 9001 standard</li> <li>• Assess projects via Quality Assessment System for Building Construction Works system</li> <li>• Assess customer satisfaction</li> <li>• Perform sub-contractor and supplier evaluation</li> </ul>
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## 2.3 Management of Proceeds

The ASEAN Sustainability SRI Sukuk *Wakalah* proceeds will be utilised towards the early redemption of all outstanding amount of the IMTN of RM150.0 million in nominal value under the Shariah principles of *Wakalah Bi Al-Istithmar* (“**Existing Sukuk Wakalah**”) in relation to the UniMAP Hostel Project as described under section 2.4 below, and the balance of the proceeds are to be deposited into the Shariah-compliant designated accounts (“**Designated Accounts**”) which shall be solely operated by the Security Trustee.

The diagram below illustrates the flow of the proceeds of the ASEAN Sustainability SRI Sukuk *Wakalah*:



The net proceeds from the ASEAN Sustainability SRI Sukuk *Wakalah* shall be utilised towards the subscription of the New *Murahahah* Stocks issued by BPSB which will be deposited into a Shariah-compliant bank account opened by BPSB (known as “**BPSB Escrow Account**”) and operated by the Security Trustee, whereby the proceeds will be allocated to finance or refinance the Eligible Projects identified per the project evaluation

and selection process outlined in this Framework.

The Executive Committee will track the utilisation of proceeds and monitor the allocation of the proceeds internally, which essentially will be utilised for the construction and work done and/or to be carried out for the Eligible Projects. The disbursement of the proceeds shall be subject to receipt of documentary evidence such as billing, claims or supporting documents approved and certified by the relevant architect/engineer, as the case may be, by the Security Trustee and the joint lead arrangers of the ASEAN Sustainability SRI Sukuk *Wakalah*.

Any unutilised proceeds standing in the Designated Accounts will be placed in the permitted investments which shall comprise Shariah-compliant products approved by the SC's Shariah Advisory Council ("**SAC**"), the Bank Negara Malaysia ("**BNM**")'s SAC and/or other recognised Shariah authorities:

- (i) Islamic treasury bills, Islamic money market instruments, and sukuk issued by BNM or the Government of Malaysia;
- (ii) Islamic money market instruments, such as deposits, overnight repos/deposits or its equivalent, certificate of deposits, bankers acceptances of depository institutions having, at the time of investment, a minimum short-term of P1 or MARC-1 and a minimum long-term rating of AA1 or AA+ or its equivalent; or
- (iii) Sukuk issued in Malaysia having, at the time of investment, a minimum short-term of P1 or MARC-1 and a minimum long-term rating of AA1 or AA+ or its equivalent.

For detailed information on the Designated Accounts related to the ASEAN Sustainability SRI Sukuk *Wakalah*, please refer to the Principal Terms and Conditions of ASEAN Sustainability SRI Sukuk *Wakalah* to be made publicly available on BNM's Fully Automated System for Issuing/Tendering after issuance of the ASEAN Sustainability SRI Sukuk *Wakalah*.

SEP and the Group will continue to monitor the allocation of proceeds to the Eligible Projects and ensure the any unutilised proceeds are allocated within 12 months of the first issuance date of the ASEAN Sustainability SRI Sukuk *Wakalah* in accordance with this Framework.

## 2.4 Allocation of proceeds from the ASEAN Sustainability SRI Sukuk *Wakalah*

### - Identified Eligible Project: the UniMAP Hostel Project

Up to approximately RM108.5 million or approximately 59% of the ASEAN Sustainability SRI Sukuk *Wakalah* proceeds will be utilised to early redeem the outstanding Existing Sukuk *Wakalah* and any cost arising from the early redemption, where proceeds of the Sukuk *Wakalah* were originally ultimately utilised towards financing the construction costs of the UniMAP Hostel Project.

The UniMAP Hostel Project is deemed as:

- (i) eligible sustainable and responsible investment project pursuant to paragraph 7.07(e) (addressing or mitigating a specific social issue or seeking to achieve positive social outcomes especially but not exclusively for a target population), 7.07(f) (improving the quality of life of the society) and paragraph 7.08(b)(ii) (access to essential services) and 7.08(b)(vi) (socioeconomic advancement and empowerment) of the SRI Sukuk Framework;

- (ii) eligible social project pursuant to paragraph 4.1.6(ii) (access to essential services) and 4.1.6(vi) (socioeconomic advancement and empowerment) under ASEAN SBS; and
- (iii) eligible social project pursuant to the outlined list of project categories of the ICMA SBP.

As the UniMAP Hostel Project presents an additional option for affordable, conducive and safe living environment for students to pursue tertiary education at UniMAP, it is deemed to be in contribution towards improving access to education, which is an essential service.

#### Background on the UniMAP Hostel Project



UniMAP was established on 25 July 2001 as Kolej Universiti Kejuruteraan Utara Malaysia, and was later upgraded to a full-fledged university under the current name in 2007. UniMAP is one of only four technical universities in Malaysia and is the first public university in Malaysia to have its own Technical and Vocational Training (“**TVET**”) centre, and the first technical university in the country to receive Malaysia’s Best for Professional TVET Certification in the 2023 Malaysia Education and TVET Awards (META 2023).

The student hostels, also known as Kolej Kediaman Tuanku Tengku Fauziah, is one of six hostels provided by UniMAP for its students and was constructed by BPSB. The student hostels recorded an average accommodation rate of 71% (2,857 spots occupied / 4,000 spots available) for the period of March 2023 – March 2024. The student hostel also provides short term accommodation for students’ family members, guests and visitors for attending seminars subject to availability.

Some key features of the UniMAP Hostel Project are as follows:

Item	Details
Construction cost	RM129,800,000.00
Architecture	<ul style="list-style-type: none"> <li>Total gross floor area of 675,549 square feet</li> <li>12 blocks of 5-storey student accommodations which designed for 4,000 in capacity</li> </ul>

	<ul style="list-style-type: none"> <li>• Common facilities include: <ul style="list-style-type: none"> <li>- Multipurpose hall that houses administrative offices</li> <li>- Cafeteria</li> <li>- Minimarts</li> <li>- Prayer hall</li> <li>- Student activity rooms</li> <li>- Meeting/ seminar rooms</li> <li>- Self-service washing area</li> <li>- Vending machine</li> <li>- Sport Courts</li> </ul> </li> <li>• Parking space within the hostel <ul style="list-style-type: none"> <li>- Car: 267 lots</li> <li>- Motorcycle: 857 lots</li> <li>- Bus: 2 lots</li> <li>- Handicapped accessible: 6 lots</li> </ul> </li> </ul>
Room configuration and facilities	<ul style="list-style-type: none"> <li>• The hostels are separated into male and female dormitories which comprises: <ul style="list-style-type: none"> <li>- Twin sharing (450 units)</li> <li>- Single sharing (100 units including disability and family units)</li> <li>- Warden room (4 units)</li> <li>- Utility room (6 units)</li> </ul> </li> <li>• Each unit is equipped with study table and chair, single bed, fan, internet access and wardrobe.</li> </ul>
Hostel Rental Rates	<ul style="list-style-type: none"> <li>• For undergraduates: <ul style="list-style-type: none"> <li>- RM450.00 per semester for local students</li> <li>- RM10.00 per day for international students</li> </ul> </li> <li>• For postgraduates: <ul style="list-style-type: none"> <li>- RM6.50 per day for local students</li> <li>- RM12.00 per day for international students</li> </ul> </li> </ul>
Location	<ul style="list-style-type: none"> <li>• Approximately 40-minute drive from Alor Setar Airport via the Changlun – Kuala Perlis Highway exit from the North South Expressway</li> <li>• Located at 1 km distance from the UniMAP Pauh Putra campus (main campus). Shuttle bus is provided within the campus and is connected via covered walkway to lecture hall which situated approximately 150m from the hostel</li> <li>• Located approximately 32 km from Kangar Town</li> </ul>

The construction of the UniMAP Hostel Project commenced on 22 October 2013 and was subsequently completed in June 2017. Backed by the stable Concession cashflows, SEP had on 27 December 2019 successfully the Existing Sukuk *Wakalah* to:

- repay amount owing of up to RM62.0 million to Pesona Metro Sdn Bhd (“**PMSB**”) in relation to construction costs pursuant to construction of the UniMAP Hostel Project; and
- redeem existing outstanding financing facilities of up to RM88.0 million granted by Maybank Islamic Bank (“**MIB Facility**”), which was granted to BPSB for the construction of the UniMAP Hostel Project.

The UniMAP Hostel Project is in alignment with the Malaysia Education Blueprint (Higher Education) 2015 – 2025 issued by the Ministry of Education Malaysia (the

“**Ministry**”) in 2015 (“**MEB (HE)**”), which aims to, amongst others, improve access to education, raise standards (quality), close achievement gaps (equity), promote unity amongst students, and maximise student efficiency.

According to the MEB (HE), the Ministry aspires to increase access to and enrolment in higher education by 2025. If Malaysia were to aspire to develop one of the most educated and skilled workforces in the region, its higher education enrolment rate would need to rise from 48% in 2012 to 70% by 2025, and similarly, its tertiary education enrolment rate from 36% in 2012 to 53% by 2025. This scenario would involve an additional 1,100,000 new places, and would bring Malaysia on par with top enrolment rates among ASEAN nations. By presenting an additional option for student residential, the UniMAP Hostel Project is deemed to be in contribution towards improving access to education.

Under the terms of the Concession, BPSB shall throughout the asset management services period perform asset management services including the replacement of assets, provide maintenance services of the UniMAP Hostel Project’s facility and infrastructure to optimise its functionality, availability, capacity and efficiency, and shall undertake not to cause any interference, obstruction or disruption to the operations of UniMAP.

Based on the foregoing, the UniMAP Hostel Project significantly supports Malaysia's educational objectives and has a profound impact on social and environmental sustainability. It enhances higher education accessibility, which is crucial for the nation's social and economic progress, and aids in developing a skilled workforce to meet regional and global standards. The UniMAP Hostel Project’s emphasis on asset management highlights a commitment to sustainable resource use, ensuring the facility's efficient and long-term operation. Additionally, it fosters a community spirit among students, promoting unity and cultural exchange, vital for cultivating socially responsible individuals. In essence, the UniMAP Hostel Project embodies a comprehensive approach to growth, integrating educational progress with social and environmental responsibility.

- **Other Eligible Projects to be identified**

Up to approximately RM69.2 million or approximately of 37% of the ASEAN Sustainability SRI Sukuk *Wakalah* proceeds will be utilised towards subscription of the New *Murabahah* Stocks issued by BPSB to make advances to the PMHB and its subsidiaries (“**PMHB Group**”) via Shariah-compliant intercompany advances for the purposes of financing/ refinancing of any other Eligible Projects to be identified which meet the criteria as set out in section 2.1 of this Framework.

For avoidance of doubt, such other Eligible Projects shall compromise of at least one Eligible Project falling under the Eligible Green Project Category.

The maximum look-back period for refinancing of Eligible Projects under this Framework is up to seven (7) years.

## 2.5 Reporting Commitments

SEP is committed to managing corporate sustainability and relevant reporting commitments of the Eligible Projects. To provide investors with information on the use of the proceeds until full allocation of the ASEAN Sustainability SRI Sukuk *Wakalah*, and the progress and impact of the Eligible Projects, SEP will make annual disclosure on PMHB's website at <https://www.pesona.com.my>, on the following:

### a. Allocation Reporting

The allocation reporting will include:

- The original amount earmarked for the Eligible Projects;
- The amount utilised for the Eligible Projects. SEP shall report the use of proceeds at least on an annual basis until full allocation, and on timely basis in the case of material developments;
- The unutilised amount and where such unutilised amount is placed or invested pending utilisation; and
- The description of the Eligible Projects which the proceeds from the ASEAN Sustainability SRI Sukuk *Wakalah* have been allocated to.

### b. Impact Reporting

The impact reporting may include, but is not limited to the key underlying methodology or assumptions, key performance indicators achieved in supporting the UNSDGs based on the metrics listed below:

Eligible Social Project Category	
Eligibility Criteria	Expected Impact Metrics
Access to essential services	(i) Estimated number of students benefiting from the infrastructure; (ii) Number of infrastructure built/ refurbished/ improved; (iii) Number of businesses/ services provided/ health facilities built/ refurbished/ improved; (iv) Total number of employees; a. Apprenticeship/internship; b. Permanent employees; c. Temporary employees; and/or (v) Hours of training of workforce.
Affordable Housing	(i) Estimated number of household/ individuals benefiting from the Eligible Projects; and/or (ii) Number of infrastructure built/ refurbished/ improved. (iii) Number of businesses/ services provided/ health facilities built/ refurbished/ improved; (iv) Total number of employees; a. Apprenticeship/internship; b. Permanent employees; c. Temporary employees; and/or (v) Hours of training of workforce.

Eligible Green Project Category	
Eligibility Criteria	Expected Impact Metrics
Green Building	(i) Type of green building certification and level, and where available, the performance indicators achieved pursuant to the relevant certification up to the handover of the project by the Group (as the contractor) to the respective project owner, where applicable.

In relation to the UniMAP Hostel Project, the impact reporting may also include the following:

- a. Customer service rating;
- b. Complaints on services;
- c. Effectiveness of helpdesk regarding work request/ complaint;
- d. Response to the corrective maintenance and rectification of work;
- e. Availability of critical services;
- f. Availability of heating, ventilation and air-conditioning/ Maintenance of acceptable temperature;
- g. Security patrolling;
- h. Energy management;
- i. Power factor;
- j. Water quality;
- k. Health, safety and statutory requirements;
- l. Zero incidents reported to authorities;
- m. Maintenance of technical library; and
- n. Computerised maintenance management system report.

### 3.0 External Review

SEP has appointed RAM Sustainability Sdn Bhd as an independent external reviewer to conduct independent second opinion assessment on this Framework and to provide a Second Opinion Report (“**SOR**”) to confirm the alignment of this Framework with the applicable guidelines and standards. The SOR will be published on a one-off basis prior to the issuance of the ASEAN Sustainability SRI Sukuk *Wakalah*.

The Framework and the SOR will be made publicly available on PMHB’s website <https://www.pesona.com.my> at the time of issuance and throughout the tenure of the ASEAN Sustainability SRI Sukuk *Wakalah* as SEP’s ongoing commitment to transparency and integrity. Where required, SEP shall continuously enhance the Framework and publish any supplemental content on PMHB’s website.