

A photograph of a blue bird, possibly a Blue-winged Teal, with a distinctive red forehead and beak. The bird is shown in profile, facing right, and is standing amidst tall, green grass. The background is a soft, out-of-focus natural setting.

GREEN FINANCE FRAMEWORK

SIME DARBY PROPERTY NEV (HOLDINGS) SDN. BHD.

13 May 2026

Photo taken by Izereen Mukri, Ecologist, Sime Darby Property Berhad.

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Glossary

ACMF	ASEAN Capital Markets Forum
APLMA	Asia Pacific Loan Market Association
ASRS	Automated Storage and Retrieval Systems
ATBL	Agreement to Build and Lease
Board	Board of Directors
BREEAM	Building Research Establishment Environmental Assessment Method
CAPEX	Capital Expenditures
CSP	Concentrating Solar Power
DC	Data Centre
EESG	Economic, Environmental, Social and Governance
ERT	Endangered, Rare, and Threatened
ESG	Environmental, Social and Governance
EUI	Energy Usage Intensity
GBI	Green Building Index
GBP	Green Bond Principles
GBS	ASEAN Green Bond Standards
GDV	Gross Development Value
GFTs	Green Finance Transactions
GHG	Greenhouse Gases
GLP	Green Loan Principles
GreenRE	Green Real Estate
ICMA	International Capital Market Association
LEED	Leadership in Energy and Environmental Design
LMA	Loan Market Association
LOLA	Lodge and Launch Framework
LSTA	Loan Syndications & Trading Association
NEV	New Economy Venture
OPEX	Operational Expenditures
PPAs	Power Purchase Agreements
PUE	Power Usage Effectiveness
PV	Photovoltaic
QHSSE	Quality, Health, Safety, Security and Environment
SC	Securities Commission Malaysia
SD Property	Sime Darby Property Berhad
SDGs	Sustainable Development Goals
SDP NEV	Sime Darby Property NEV (Holdings) Sdn. Bhd.
SPO	Second Party Opinion
SRI	Sustainable and Responsible Investment
SSR2030	Sustainability Strategy and Roadmap 2030
TTM	Trailing Twelve-month
UNSDGs	United Nations Sustainable Development Goals
WUE	Water Usage Effectiveness

1. Background¹

1.1. About Sime Darby Property Berhad²

Sime Darby Property Berhad (“**SD Property**” or “**the Group**”) is Malaysia’s leading property developer with approximately 11,000 acres of land bank size and gross development value (“**GDV**”) of over RM100.0 billion as of 31 December 2025. The Group has an excellent track record in developing residential, commercial and industrial properties with over 27 strategically located and active townships, integrated and niche developments built to date. These townships and developments are connected to major highways and transportation hubs within the key growth areas from the central region of Klang Valley, to Negeri Sembilan and Johor in the South.

SD Property also has global presence in the United Kingdom as part of a Malaysian consortium that redeveloped the iconic Battersea Power Station in Central London. The Group has also expanded its presence to Melbourne, Australia, with plans to develop a Mixed-Use development with an AUD1bn preliminary GDV estimate. Sime Darby Property’s investment portfolio includes a diverse range of assets in the retail, commercial/office, industrial and logistics space in Malaysia and the United Kingdom, with a net lettable area of over 7 million sq. ft.

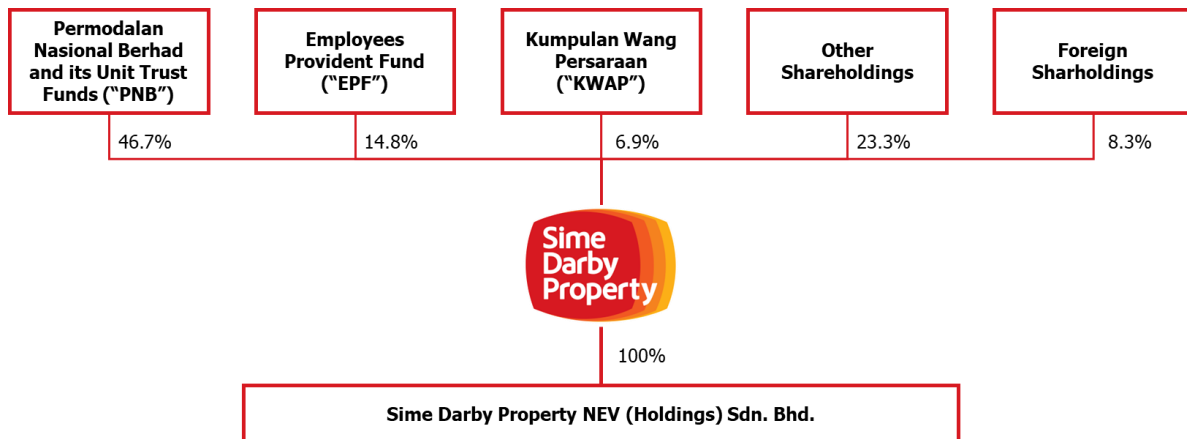
SD Property is currently a listed company on the Main Market of Bursa Malaysia with current market capitalisation and share price of RM10.2 billion and RM1.50 respectively as of 30 January 2026. In addition, SD Property has the size and resilience as one of the largest property players in the country by revenue, land bank size, and scale of operations that is driven by:

Purpose			
Driving Real Estate as a Value Multiplier for people, businesses, economies and the planet.			
Vision		Mission	
Advancing real estate as a force for collective progress, in harmony with the planet’s resources.		To develop, own and manage a thriving asset portfolio, creating value for all stakeholders.	
Core Values			
T	E	A	M
Together We Do What’s Right	We Lead With Excellence	We Embrace New Approaches	We Make Things Happen

¹ Information herein is accurate as at the date of this Framework and may change over time. For the latest information, please refer to SD Property’s website or its latest Annual/Sustainability Report.

² Reference: <https://www.simedarbyproperty.com/sites/default/files/2025-06/INTEGRATED-ANNUAL-REPORT-2024.pdf>

Corporate Structure³



As at 30 January 2026

Sustainability at SD Property⁴

Guided by our core purpose to drive real estate as a Value Multiplier for people, businesses, economies and the planet; the SD Property’s sustainability framework highlights efforts in line with our Net Zero carbon emissions by 2050 goal while creating climate resilience and socio-economic value throughout our business activities. The framework provides a common purpose and direction to efforts across the economic, environmental, social and governance (“**EESG**”) spectrum, highlighting key priorities essential to business and its impacts and positioning SD Property as a catalyst for positive change, delivering value to all stakeholders.

	Environment	Community	Governance
Ambition	<ul style="list-style-type: none"> Commitment to a 1.5° aligned company that respects and protects Nature 	<ul style="list-style-type: none"> Leave a net positive impact on the social and economic well-being of communities and employees 	<ul style="list-style-type: none"> Comply and lead in 100% disclosure as per regulatory guidelines
Imperative	<ul style="list-style-type: none"> Championing energy transition and low carbon in real estate Enhancing urban biodiversity 	<ul style="list-style-type: none"> Building climate adaptive communities Creating positive community experiences 	<ul style="list-style-type: none"> Establishing and maintaining policies and guidelines Ensuring consistent reporting and disclosure






	Economic	Environment	Social	Governance
Material Issues	<ul style="list-style-type: none"> Innovation Property Development Investment and Asset Management Land Bank Management 	<ul style="list-style-type: none"> Climate Adaptation Energy & Carbon Management Urban Biodiversity Water Management Circularity 	<ul style="list-style-type: none"> Community Experience Occupational Health and Safety Responsible Supply Chain Corporate Social Responsibility Talent Management and Training Development Diversity and Inclusion 	<ul style="list-style-type: none"> Corporate Governance and Compliance Data Privacy & Cybersecurity

³ Reference: <https://www.simedarbyproperty.com/who-we-are/about-us> as of 30 September 2025

⁴ Reference: <https://www.simedarbyproperty.com/sites/default/files/2025-05/SR2024.pdf>







Sustainability Performance to Date

Item	Description
 <p>FTSE4Good</p>	<ul style="list-style-type: none"> Constituent of FTSE4Good Bursa Malaysia Index and Shariah Index that highlights companies that demonstrate a leading approach to addressing ESG risks. SD Property has a rating of 3.50 out of 4.00.
 <p>DRIVING SUSTAINABLE ECONOMIES</p>	<ul style="list-style-type: none"> A participant of the Carbon Disclosure Project, a global non-profit organization that consolidates and benchmarks companies on their environmental impact. SD Property earned a 'B' rating in the CDP assessment, reflecting its progress in climate-related disclosures.
 <p>FIABCI INTERNATIONAL REAL ESTATE FEDERATION MALAYSIA</p>	<ul style="list-style-type: none"> FIABCI is a world-wide network for professionals involved in the property industry that celebrates outstanding developments. SD Property's Elmina Rainforest Knowledge Centre (ERKC) won a Silver award in the Environmental Category at the 2024 FIABCI World Prix d'Excellence Awards, while Elmina Lakeside Mall was recognised as the winner in the Retail Category for projects up to 500,000 sq ft at the Malaysia Property Award™ 2025.
 <p>TIME WORLD'S BEST COMPANIES statista 2025</p>	<ul style="list-style-type: none"> SD Property was recognized in TIME's World's Best Companies in Sustainable Growth that identifies companies leading their industries by demonstrating both outstanding financial and environmental performance. SD Property is ranked 75th in this category.
 <p>The Edge BEST MANAGED & SUSTAINABLE PROPERTY AWARDS 2025</p>	<ul style="list-style-type: none"> SD Property was awarded as The Edge Malaysia's Responsible Developer: Building Sustainable Development Award in 2025. SD Property's Bandar Bukit Raja Wetland won the Editor's Choice Award for Excellence in Blue-Green Infrastructure and Gold in Landscape Planning.
 <p>NCCGS NATIONAL CORPORATE GOVERNANCE & SUSTAINABILITY AWARDS 2025</p>	<ul style="list-style-type: none"> SD Property achieved recognition for its' sustainability efforts at the National Corporate Governance & Sustainability Awards 2025 that recognizes organisations efforts in environmental, social and governance principles. SD Property ranked Top 5 for Overall Excellence, making it the highest-ranked property developer.

Sustainability Strategy and Roadmap 2030 (SSR2030)

The Group launched its Sustainability Strategy and Roadmap for 2030 (“**SSR2030**”) in 2025 anchored in its purpose as a “Value Multiplier” for people, businesses, economies and the planet guided by **four strategic pillars** that shape its commitment to a better and more sustainable future as below.

			
Energy and Carbon	Urban Biodiversity	Climate Resilience	Community Experience
Reduce Scope 1 and 2 emissions by 40%.	Achieve net biodiversity positive status through avoidance, restoration, and conservation efforts	Establish climate adaptation and resilience plans for high-risk assets	Deliver positive community experiences through social value integration.

SD Property’s ESG Policies and Guidelines

Environmental sustainability underpins the Group’s operations, guiding the development of energy-efficient assets that integrate renewable energy and green spaces. This commitment extends to biodiversity conservation through the creation of ecological corridors and restoration of native vegetation, supporting harmonious coexistence with nature. The Group also promotes circular economy principles through responsible waste and water management, while proactively addressing climate-related risks through robust assessments and collaborative solutions.

Energy and Carbon Emissions Guideline

Provides a framework for reducing energy consumption and greenhouse gas emissions across key business divisions. This guideline supports the implementation of energy efficiency and carbon reduction initiatives, promotes the adoption of renewable energy sources, and establishes standards for measuring and reporting emissions, ensuring transparent and accountable sustainability practices.

Integrated Waste Management Guideline

Provides guidance on sustainable management of solid wastes covering all sources and all aspects, covering generation, segregation, transfer, sorting, treatment, recovery and disposal in an integrated manner, with an emphasis on maximising resource use efficiency. Updated in April 2024 to Integrated Waste Management and Carbon Avoidance Guideline Update enhanced information and methodologies to reduce Group’s total amount of waste in landfills through maximising 3Rs (reduce, reuse and recycle), and integrate waste management efforts to decrease carbon emissions.

Urban Biodiversity Framework and Guideline

Provides practical strategies to enhance urban biodiversity in our projects. It highlights the importance of supporting biodiversity, aligning with our goals of multiplying value for

people, the planet, and our business based on the ARC (Avoid, Regenerate and Conserve) biodiversity framework.

Sustainability Policy

Outlines SD Property's commitment to integrating sustainable practices across its operations, focusing on environmental stewardship, social responsibility, and economic growth

Quality, Health, Safety, Security and Environment ("QHSSE") Policy

Reflects SD Property's commitment to integrating quality, health, safety, security, and environmental considerations into all aspects of its operations. The policy aims for zero harm to people, environmental protection, and zero defects in end products, ensuring compliance with legal requirements and promoting a culture of continuous improvement

Stakeholder Engagement Policy

Underscores SD Property's commitment to transparent and proactive communication with all stakeholders, including shareholders, employees, customers, business partners, regulators, and local communities. This policy ensures that stakeholders are informed, involved, and engaged in the company's sustainability practices and performance, fostering trust and collaborative relationships.

Human Resource Policy

Establishes guidelines for recruitment, training, development, and performance management, ensuring fair and equitable treatment of all employees. It promotes a diverse and inclusive workplace, free from discrimination and harassment, aligning with SD Property's commitment to ethical labour practices.

Human Rights Policy

Reflects SD Property's commitment to upholding fundamental human rights as outlined in international conventions, including the Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights. This policy ensures that the company's operations and value chain respect human rights, prohibiting forced labour, child labour, discrimination, and harassment, while promoting fair employment practices and community rights.

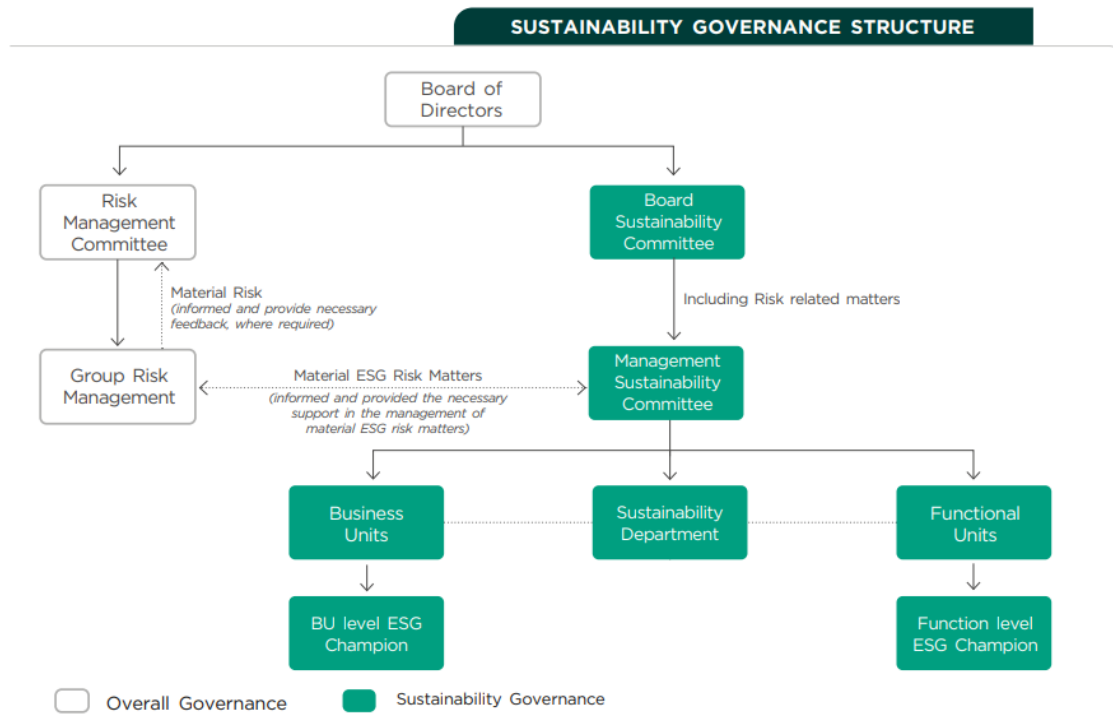
Contribution to the United Nations Sustainable Development Goals (“UNSDGs”)



SD Property contributes positively to 11 UN SDGs by integrating sustainability into its operations and driving positive impacts. Through initiatives like ensuring worker health and safety, promoting technical and vocational education, and advancing gender diversity with 36% female board representation, SD Property supports Good Health and Well-being (**Goal 3**), Quality Education (**Goal 4**), and Gender Equality (**Goal 5**). SD Property’s commitment to Clean Water and Sanitation (**Goal 6**) is driven by their initiative in reducing potable water usage by installing water-saving features in over 400 homes in 2024. The Group champion Affordable and Clean Energy (**Goal 7**) by implementing solar photovoltaic systems and reducing energy consumption while driving Industry, Innovation, and Infrastructure (**Goal 9**) with eco-certified, energy-efficient homes across 6 townships.

Furthermore, SD Property supports Decent Work and Economic Growth (**Goal 8**) by upholding labour rights across our operations and supply chain. The townships embody Sustainable Cities and Communities (**Goal 11**) by integrating green spaces and nature-based solutions that enhance biodiversity, promote climate resilience, and improve overall well-being for residents, aligning with the Group’s Climate Action (**Goal 13**) commitment to reach Net Zero by 2050. By advancing circular economy principles, SD Property diverted 50% of waste from landfills in 2024, contributing to Responsible Consumption and Production (**Goal 12**). As the first Malaysian real estate company to achieve ArbNet Arboretum Level II Certification, SD Property actively regenerate and conserve biodiversity, supporting Life on Land (**Goal 15**) by planting over 155,349 trees, including Endangered, Rare, and Threatened (“**ERT**”) species.

Sustainability Governance Structure



1.2. About Sime Darby Property NEV (Holdings) Sdn. Bhd.

Sime Darby Property NEV (Holdings) Sdn. Bhd. ("**SDP NEV**" or "**the Issuer**"), as a member company of SD Property, has been established to hold equity and partnership interests in assets ("Fund Assets") on behalf of the New Economy Venture ("**NEV**") Fund, a closed ended private equity real estate fund and will focus on developing built-to-suit to lease new economy assets such as data centres and industrial & logistics, across SD Property's key townships. As a subsidiary, the Issuer adheres to SD Property's ESG policies, guidelines, and broader sustainability strategies.

SDP NEV has overall responsibility for the management, control and strategic direction of the Fund Assets, including all investment, divestment and operational decisions, in accordance with the direction from its Board of Directors ("**Board**"), applicable regulatory requirements and relevant laws.

SDP NEV ensures effective governance, oversight and execution of its Board mandate, which focuses on build-to-suit Data Centre ("**DC**"), industrial, logistics and selected real estate assets within SD Property Group's established townships namely Elmina.

1.3. SDP NEV's Assets Overview

Hyperscale Data Centres – Elmina Business Park



Elmina Business Park is a strategically positioned 1,500-acre development by SD Property that is well-placed to emerge as the Digital Hub for the Greater Klang Valley. Within this development, SD Property is undertaking a built-to-suit project comprising two single-storey hyperscale DCs to be leased to a subsidiary of a multinational company, with SD Property contracted to design, construct and complete the facilities by the third quarter of 2027⁵. The asset benefits from a 20-year long-term lease with a globally renowned multinational technology company, underscoring its stability and institutional investment appeal. Driven by global digitalisation and advances in artificial intelligence, demand for hyperscale DC continues to grow, positioning the project as a defensive new-economy asset that offers exposure to the digital economy. Malaysia's reliable power supply, freehold land tenure, business-friendly policies and expanding role in the regional digital ecosystem further enhance the investment attractiveness of hyperscale developments within Elmina Business Park.

⁵ Reference: <https://www.simedarbyproperty.com/press-releases/sime-darby-property-develop-hyperscale-data-centre-elmina-business-park>

Automated Distribution Centre – Elmina East



The asset is a built-to-suit distribution warehouse equipped with an advanced Automated Storage and Retrieval Systems (**ASRS**), located within Elmina East of the City of Elmina, one of SD Property's premier industrial townships in the North Klang Valley. Strategically positioned approximately 5km from the North–South Expressway and supported by connectivity to multiple major highways, the facility is being developed on approximately 19.0 acres of freehold land with a built-up area of about 786,000 sq. ft. under SD Property's built to suit to lease model. The development is anchored by a 15-year long term lease with Mydin Mohamed Holdings Berhad, Malaysia's largest halal hypermarket operator, pursuant to an Agreement to Build and Lease ("**ATBL**"), with construction targeted for completion by the fourth quarter of 2027⁶. The integration of ASRS technology is expected to significantly enhance operational efficiency through materially higher throughput capacity, increased pallet storage density and reduced labour intensity, supporting scalable logistics operations while delivering energy and cost efficiencies aligned with long term supply chain optimisation and e-commerce driven demand.

⁶ Reference: <https://www.simedarbyproperty.com/press-releases/sime-darby-property-and-mydin-break-ground-automated-distribution-centre-city-elmina>

2. Green Finance Framework

In accordance with the Group's broader sustainability strategy, SDP NEV has established this Green Finance Framework ("**Framework**"), setting out guidelines for the issuance of green finance instruments ("**Green Finance Transactions**" or "**GFTs**") to finance and/or refinance SDP NEV's green initiatives. The Framework outlines SDP NEV's approach to financing the development of hyperscale DC and build-to-suit distribution centres.

This Framework has been established to demonstrate how SDP NEV intends to enter into GFTs to fund the green assets. For avoidance of doubt, the requirements of this Framework will be applied to any GFTs issued by SDP NEV ("**Issuer**") in any currency and for any tenor and may include other terms and conditions (including covenants) to reflect the financing strategy and plans of the Issuer, as well as the outcome of the commercial discussions between the Issuer/Borrower and Manager/Arranger/Lender. Where applicable, Issuer undertaking GFTs with reference to this Framework shall adopt, to the extent feasible, the necessary disclosures within the relevant GFT documentation. Under this Framework, SDP NEV will be able to undertake different types of GFTs as follows:

- **Use of Proceeds financing instruments** i.e., SRI Green Sukuk/Bonds and Green Loans/Islamic Financing to which proceeds will be allocated for an eligible asset or project, or a group of those, as defined in [Section 2.1](#).

SDP NEV's Framework adopts the following guidelines, principles and standards:

- a) Sustainable and Responsible Investment ("**SRI**") Sukuk Framework issued by the Securities Commission Malaysia ("**SC**") in November 2019 under the Guidelines on Unlisted Capital Market Products under the Lodge and Launch Framework (LOLA Guidelines)⁷;
- b) ASEAN Green Bond Standards ("**GBS**") issued by the ASEAN Capital Markets Forum ("**ACMF**") in October 2018⁸;
- c) Green Bond Principles ("**GBP**") issued by the International Capital Market Association ("**ICMA**") in June 2025⁹;
- d) Green Loan Principles ("**GLP**") issued by Loan Market Association ("**LMA**")/ Asia Pacific Loan Market Association ("**APLMA**")/ Loan Syndications & Trading Association ("**LSTA**") in March 2025¹⁰;

⁷ Reference: <https://www.sc.com.my/api/documentms/download.ashx?id=49df5207-f32f-4095-a0c6-1aab5f3c2038>

⁸ Reference: <https://www.theacmf.org/initiatives/sustainable-finance>

⁹ Reference: <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/>

¹⁰ Reference: https://www.lsta.org/content/?_industry_sector=guidelines-memos-primary-market&_asset_type=publication

This Framework is designed to ensure transparency and credibility, and to promote integrity in the development of the sustainable finance market by clarifying the approach for raising Green Finance.

SDP NEV's Framework for Use of Proceeds is based upon the four core principles of the above-mentioned market guidelines, principles and standards:

- i. Use of proceeds;
- ii. Process for project evaluation and selection;
- iii. Management of proceeds; and
- iv. Reporting.

For Sukuk transactions, the Issuer must ensure that the proceeds are utilised solely for Shariah-compliant purposes. For the avoidance of doubt, SDP NEV will comply with internationally recognised sustainability best practices on the use of proceeds, subject to the exclusion list.

The additional exclusion categories and/or ineligible projects shall be aligned with the ACMF's GBS (e.g. fossil fuel generations projects) and the SC's SRI Sukuk Framework (e.g., activities that pose a negative social impact related to alcohol, gambling, tobacco and weaponry).

2.1. Use of Proceeds

SDP NEV is committed that the net proceeds from each transaction will be used to finance and/or re-finance¹¹, in whole or in part, new or existing assets, businesses, projects and/or products that comply with the guiding principles of the SDP NEV's Framework (the "**Eligible Assets**") set out below. These include the operations of SDP NEV, being the issuer, and its subsidiaries or companies where it holds economic interests, provided they are in compliance with the SDP NEV's Framework. For the avoidance of doubt, any sukuk proceeds issued by SDP NEV can be used for capital expenditure, working capital requirements, operating expenses, and other expenses related to Eligible Assets.

In order to be earmarked as eligible, Eligible Assets must align with all of the following criteria:

i. Eligible Types of Investments

- Eligible Assets may include investments, capital expenditures ("**CAPEX**") and operational expenditures ("**OPEX**") meeting the eligibility criteria outlined in Table 1

ii. Lookback¹² Period for OPEX

- Any refinancing of OPEX in relation to the Eligible Assets, will be subject to a maximum look-back period of up to thirty-six (36) months from the time of GFT.





SDP NEV complies with the relevant environmental, social and governance ("**ESG**") standards and recognised best practices relating to the Eligible Assets., so long as the proceeds are not used to fund new or existing assets, businesses, projects and/or products falling outside the Eligible Assets identified.


The use of proceeds will be used to finance and/or re-finance the Eligible Assets that comply with any of the following eligible criteria as outlined in Table 1, subject to the Exclusion List as provided in the [Annexure](#):

¹¹ Where relevant, Issuer will specify the amount of proceeds being allocated for refinancing and for which Eligible Assets to be refinanced within the corresponding transaction documentations.

¹² "Look-back period" refers to a maximum period in the past that an Issuer will look back to identify assets/earlier disbursements to such Eligible Assets that will be included in the allocation and impact reporting.

Table 1: Eligible Assets

Green Asset Category	Eligibility Criteria	Sustainability Benefits/Alignment with UN SDGs
<p>Energy Efficiency</p>	<p>Expenditures related to design, construction and maintenance of data centers and commercial facilities that are designed or operated to achieve an annualized design or site average annual operating power usage effectiveness (“PUE”) of 1.35 or lower.</p> <p>Expenditures related to energy efficiency projects include equipment, systems, operational improvements and maintenance that improve energy efficiency in each project by 20% or more.</p>	<p>Climate change mitigation</p>  <p><i>SDP NEV’s energy efficiency initiatives contribute towards UN SDG target 7.a, 9.4 and 13.2 by:</i></p> <ol style="list-style-type: none"> <i>i. Promoting investment in energy efficient infrastructure and clean energy technology</i> <i>ii. Increasing resource-use efficiency and clean/ environmentally sound technologies</i> <i>iii. Integrating climate change measures</i>
<p>Sustainable Water and Wastewater Management</p>	<p>Expenditures related to water recycling and reuse projects that result in a 20% improvement in water efficiency or water management as measured by Water Usage Effectiveness (“WUE”).</p>	<p>Clean Water and Sanitation</p>  <p><i>SDP NEV’s sustainable water and wastewater management initiatives contribute towards UN SDG target 6.4 by:</i></p> <ol style="list-style-type: none"> <i>i. Increasing water-use efficiency and ensure sustainable withdrawals and supply of freshwater to address water scarcity.</i>
<p>Green Buildings</p>	<p>Expenditures related to design, construction and maintenance of buildings or warehouses that have recently or are expected to achieve widely accepted green certifications such as:</p> <ul style="list-style-type: none"> • Leadership in Energy and Environmental Design (“LEED”) (Gold or above) • Building Research Establishment Environmental Assessment Method (“BREEAM”) (Excellent or above) • Green Building Index (“GBI”) (Gold or above) • Green Real Estate (“GreenRE”) (Gold or above) • Any other green building certifications equivalent to the above standards <p>Expenditure related to refurbishment/retrofit of building to achieve up to 20-30% improvement in Energy Usage Intensity (“EUI”) and/or 20-30% reduction in energy efficiency and greenhouse gas (“GHG”) compared to the prerenovation levels.</p>	<p>Natural resource conservation; Climate change mitigation</p>  <p><i>SDP NEV’s green buildings initiatives contribute towards UN SDG target 7.b, 11.c and 13.2 by:</i></p> <ol style="list-style-type: none"> <i>i. Expanding infrastructure and upgrade technology for supplying modern and sustainable energy services</i> <i>ii. Promoting the building of sustainable and resilient buildings</i> <i>iii. Integrating climate change measures</i>
<p>Renewable Energy</p>	<p>Expenditures related to construction, development, installation, procurement and storage of renewable energy, including:</p>	<p>Climate change mitigation</p> 

	<ul style="list-style-type: none"> • Solar photovoltaic (“PV”) or Concentrating Solar Power (“CSP”); • Long-term (more than 5 years) Power Purchase Agreements (“PPAs”), Virtual Power Purchase Agreement and green tariffs that provide for the procurement of renewable energy 	<p><i>SDP NEV’s renewable energy initiatives contribute towards UN SDG target 7.2 and 13.2, by:</i></p> <ul style="list-style-type: none"> <i>i. Supporting an increase in share of renewable energy in the energy mix</i> <i>ii. Integrating climate change measures</i>
<p>Clean Transportation</p>	<p>Expenditures related to design, development, construction, operation and maintenance of electric vehicles and supporting infrastructure, such as electric charging stations</p>	<p>Climate change mitigation</p>  <p><i>SDP NEV’s clean transportation initiatives contribute towards UN SDG target 9.1 and 11.2 by:</i></p> <ul style="list-style-type: none"> <i>i. Developing quality, reliable, sustainable and resilient infrastructure</i> <i>ii. Enabling access to sustainable transport systems</i>

2.2. Process for Project Evaluation and Selection

The strategic direction for sustainability at SDP NEV is guided by the policies set by the Group for implementation of any sustainability exercise. The approval for the Eligible Assets to be funded or refinanced by the use of proceeds under the SDP NEV's Framework is to be guided by SDP NEV's Board.

The step-by-step process for evaluation and selection of Eligible Assets is as follows:

- a) review and validation of the proposed assets in accordance with the Group's ESG Policies and Guidelines for selection of Eligible Assets for the use of proceeds by the Project Team;
- b) the Project Team evaluate the proposed Eligible Assets against the SDP NEV's Framework;
- c) submit recommendation to SDP NEV's Board for approval on the selection of the Eligible Assets based on the proposal from the Project Team; and
- d) monitor the Eligible Assets portfolio during the life of the transaction, if applicable. SDP NEV can decide to replace an Eligible Assets if it no longer meets the eligibility criteria by going through steps (a) to (c) above.

The representatives of SDP NEV's Board and Project Team will meet at least once a year, or as and when required to perform the task above related to GFTs.

2.3. Management of Proceeds

The net proceeds from each GFTs shall be allocated to a portfolio of Eligible Assets ("**Portfolio**"), selected as per the evaluation and selection process set out above. Where necessary, additional Eligible Assets may be added to the Portfolio to ensure sufficient and timely allocation of the incremental net proceeds. SDP NEV's Project Team and SD Property's Finance will track and monitor the allocation of proceeds to the Portfolio internally. Where applicable, proceeds may be credited into designated accounts in accordance with the terms of the relevant GFTs.

During the life of SDP NEV's GFTs, if any of the Eligible Assets cease to comply with the SDP NEV's Framework, SDP NEV's Project Team will identify other assets that comply with the framework for approval by the SDP NEV's Board and upon approval, reallocate the proceeds to the newly identified Eligible Assets as soon as is practicable. Where the aggregate amount in the Portfolio is less than the total outstanding amount of SDP NEV's GFT issued, SDP NEV may hold the balance unallocated amount in cash, cash equivalents and/or invest in other liquid marketable instruments in accordance with the Permitted Investments definition in the Sukuk Trust Deed until the amount can be allocated to new Eligible Assets. Payment of principal and interest/profit on any GFTs may be made from general funds and will not be directly linked to the performance of any Eligible Assets. Issuer will aim to fully allocate the proceeds of any Use of Proceeds Financing instruments issuance within 36 months.

2.4. Reporting

Information relating to SDP NEV as the issuer of GFTs and this Framework will be made publicly available on the Group's website at the point of issuance and throughout the tenure of GFTs.

On an annual basis, at least until full allocation or in case of material changes, SDP NEV, will provide the following reporting on its GFTs to the extent feasible. The reports will be made available to the public on the website at www.simedarbyproperty.com and the reporting cycle will be in conjunction with the Group's Annual Report.

a) Allocation Report

The allocation report will include, among others:

- Details of the GFTs, including issuance date, tenor, amount and International Securities Identification Number (ISIN) (if applicable);
- Aggregate amount allocated and utilised for the various Eligible Assets, with summary on the assets allocated including the purpose, location and status of asset;
- Remaining balance of the unallocated proceeds at the end of the reporting period and where such unutilised amount is placed or invested pending utilisation;
- The amount and/or percentage of new and existing Eligible Assets (proportion of financing and refinancing); and
- Removal or substitution of Eligible Assets (if applicable).

b) Impact Report

The impact report will include the direct and indirect impacts or expected impacts of the proceeds, where possible, both qualitative and quantitative parameters, including the key underlying methodology or assumptions used to determine the impact or expected impact, where feasible, but are not limited to:

Table 2: Sample Impact Indicators

Green Category	Asset	Sample Impact Indicators
Energy Efficiency		<ul style="list-style-type: none">▪ Design or operating PUE▪ Trailing twelve-month ("TTM") PUE▪ Annual energy savings in MWh/GWh (electricity) or GJ/TJ (other energy savings)▪ Annual GHG emissions reduced/avoided in tonnes of CO2 equivalent
Sustainable Water		<ul style="list-style-type: none">▪ TTM Water Usage Effectiveness ("WUE")

and Wastewater Management	<ul style="list-style-type: none"> ▪ Water use savings (m3)
Green Buildings	<ul style="list-style-type: none"> ▪ Number of green building certification obtained
Renewable Energy	<ul style="list-style-type: none"> ▪ Renewable energy installed capacity (MW) ▪ Expected annual renewable energy generation/sourced (MWh)
Clean Transportation	<ul style="list-style-type: none"> ▪ Number of electric charging stations installed

The allocation and impact reporting will be aggregated at a portfolio level and disclosed annually, with the key underlying methodology or assumptions used to determine the reported impact or expected impacts of the above indicators will be made available to the public on the website at www.simedarbyproperty.com.

Any material developments, such as modification of the Framework, will also be reported in a timely manner on Issuer's website. Such information will be provided on an annual basis until all the net proceeds have been allocated, if any.

2.5. External Review

To allow investors to follow the information related to transactions, SDP NEV's GFTs are supported by external reviews, depending on the type of instruments.

2.5.1. Pre-Issuance Review

SDP NEV has engaged an external reviewer to provide independent Second Party Opinion ("SPO") from MARC Solutions Sdn Bhd on this Framework indicating alignment to the components of the guidelines, principles and standards mentioned in [Section 2](#). The SPO will be published on the Group's website at www.simedarbyproperty.com.

2.5.2. Post-Issuance Review

External verification of the tracking of the GFT proceeds may be provided by an independent third party appointed by Issuer. The verification will include an opinion on all allocation and impact reports produced in line with [Section 2.4](#), and management of proceeds to verify SDP NEV's internal tracking method. The review, if undertaken will be made available on the Group's website.

Potential Evolutions

This Framework may, from time to time, be updated to reflect changing market and regulatory developments as it evolves. SDP NEV will periodically review the market developments and its alignment to updated versions of the relevant principles as and when they are released, with the aim of adhering to best practices in the market, at which time a new SPO will be provided on the updated Framework.

Any future version of this Framework will either keep or improve the current level of transparency and reporting disclosures, including major updates in this framework, will be subject to review by an external independent SPO provider, and will be published on the Group's website at www.simedarbyproperty.com and will replace this Framework.

For the avoidance of doubt, any future change to the eligibility criteria may not necessarily apply to GFTs issued under this Framework.

Annexure

EXCLUSIONS LIST

Assets/Projects that are excluded from SDP NEV's Green Finance Framework:

1. Gambling
2. Weapons
3. Pork products sector
4. Alcohol
5. Fossil fuel
6. Nuclear energy and nuclear related assets
7. Destructive dams
8. Waste incineration resulting in pollution
9. Harmful biomass
10. Forestry projects resulting in removal of primary forests
11. Conventional financial institution (ribawi) - banking and insurance
12. Large scale hydropower plants (>30 MW capacity)
13. Gaming business and any prohibited trade

Notes: The above includes exclusions that are not currently relevant to the business; however they are included for clarity and compliance with standards and guidelines.