

# SECOND-PARTY OPINION REPORT

## VISIONARY HERITAGE BERHAD

### External Review Parameters

---

Scope of review	Visionary Heritage Berhad's Secured Green Collateral Sukuk Framework
Instrument type(s)	Secured Green Collateral Sukuk
Relevant guideline(s)	<b>Securities Commission Malaysia (SC)</b> <ul style="list-style-type: none"><li>❖ Sustainable and Responsible Investment (SRI) Sukuk Framework</li></ul> <b>ASEAN Capital Market Forum (ACMF)</b> <ul style="list-style-type: none"><li>❖ ASEAN Green Bond Standards (GBS)</li></ul> <b>International Capital Market Association (ICMA)</b> <ul style="list-style-type: none"><li>❖ Green Bond Principles (GBP)</li></ul>
Validity	Valid as long as the cited Framework remains unchanged from the publication of this report

Sustainable Finance Rating



**Analysts**  
Raz Amira Razlan  
raz@ram.com.my

Amirah Jamil  
amirah@ram.com.my

**Principal Advisor**  
CIMB Investment Bank Berhad

**Date**  
23 April 2025

# EXECUTIVE SUMMARY

RAM Sustainability has assigned a *Silver* Sustainable Finance Rating to the Secured Green Collateral Sukuk Framework (the Framework) prepared by Visionary Heritage Berhad (VHB or the Issuer).

VHB's Framework is aligned with the transparency and disclosure requirements of the relevant guidelines indicated. The Framework comprehensively describes the four core components which lay down guidelines for all green issuances by the Issuer. The eligible project category – green building – is viewed to contribute to a range of possible positive net environmental impacts resulting from the likely range of green building certifications to be pursued by VHB for which we have assigned an Environmental Benefit (EB) tier ranking of *Tier-1 to Tier-3*. In terms of sustainability governance and practices, VHB and ISP Holding Sdn Bhd – the sponsor of the Secured Green Collateral Sukuk – are in the early stage of their Environmental, Social and Governance (ESG) journey.

VHB will issue Islamic medium-term notes (Sukuk Wakalah) under a multi-currency asset-backed Islamic medium term notes programme of RM2.0 billion or its equivalent in other currencies (the Sukuk Programme) in nominal value based on the Shariah principle of Wakalah Bi Al-Istithmar. The Issuer may issue Green Sukuk Wakalah (Green Sukuk) under the Sukuk Programme to purchase any new, existing and/or refurbished buildings that are green certified or to be certified green (Green Properties) through a formal tender process or other channels. The Green Sukuk will be classified as a Secured Green Collateral Sukuk as it will be securitised against the Green Properties.

VHB is a bankruptcy remote special-purpose vehicle established to undertake the securitisation exercise which involves acquiring, from time to time, the rights, title and interest in eligible commercial, residential, industrial warehouses, manufacturing and logistic properties and/or workers' and student accommodations (collectively Properties and each a Property), all of which shall be Shariah-compliant.

The first issuance of the Green Sukuk under the Sukuk Programme will be utilised for VHB to finance the acquisition of six blocks of industrial warehouses in Johor, Malaysia (collectively called the FMC Warehouse). The FMC Warehouse attained its Silver GreenRE green building certification on 15 April 2025. VHB intends to gain recertification whenever required to maintain the sustainability performance of its Green Properties and improve their GreenRE certification level to Gold.

Under the Sukuk Programme, ISP Holding Sdn Bhd (ISPH) serves as the promoter or sponsor while ISP Asset Management Sdn Bhd (ISPAM) serves as the servicer (collectively, the ISP Group) (refer to Figure 1). ISP Group focuses on the development and investment of industrial property such as logistics warehouses and manufacturing hubs (LWMH) and purpose-built workers' accommodations (PBWA). We note that related entities with a common shareholder as ISP Group is S L Ng Group of Companies (S L Ng Group), which is a trader and distributor of fast-moving consumer goods (FMCG) in Malaysia.

ISP Group's LWMH are strategically situated in industrial zones near ports and major highways to facilitate efficient transportation and distribution of goods. The PBWA offered are tailored for industrial businesses to provide their workforce with living facilities that comply with the Workers' Minimum Standards of Housing and Amenities (Amendment) Act 2019 (Act 446) and are certified by the Peninsular Malaysia Department of Labour, ensuring alignment with the Responsible Business Alliance standards. According to the Group, it targets a minimum of Bronze green building certification for all LWMH and PBWA.

# TABLE OF CONTENTS

<b>EXECUTIVE SUMMARY .....</b>	<b>2</b>
<b>METHODOLOGY .....</b>	<b>4</b>
Alignment to Relevant Guidelines .....	4
Environmental and Social Benefit Assessment .....	4
<b>SECOND-PARTY OPINION ON THE FRAMEWORK .....</b>	<b>5</b>
1. Corporate Profile .....	5
2. Alignment to Relevant Guidelines .....	6
2.1 Use of Proceeds.....	6
2.2 Project Evaluation and Selection Process .....	8
2.3 Management of Proceeds.....	9
2.4 Reporting Commitments .....	10
3. Sustainability Impact .....	11
3.1 Environmental Benefit Assessment.....	11
3.2 National-Level Drivers and High-Level Mapping to UNSDGs .....	12
4. Sustainability Assessment.....	13
<b>APPENDIX 1: SRI SUKUK FRAMEWORK CHECKLIST .....</b>	<b>16</b>
<b>APPENDIX 2: ASEAN GBS CHECKLIST .....</b>	<b>20</b>
<b>APPENDIX 3: ICMA EXTERNAL REVIEW FORM .....</b>	<b>23</b>
<b>ABOUT RAM SUSTAINABILITY .....</b>	<b>28</b>

## Disclaimer

In preparing this report, RAM Sustainability Sdn Bhd (RAM Sustainability) relied on information provided by the issuer and/or retrieved from the public domain. Therefore, RAM Sustainability does not warrant that the information contained herein is complete, accurate or up to date. The Second-Party Opinion Report is prepared for the consumption of readers and RAM Sustainability will not be liable for the use of the report and/or information contained in the report.

This Second-Party Opinion Report is not a recommendation to buy or sell securities. It is also not a credit assessment on the proposed Green, Social or Sustainability Bonds/Sukuk.

The report may not be reproduced, transmitted or published in any form or by any means without the prior written permission of RAM Sustainability. All rights are reserved by RAM Sustainability.

RAM Sustainability receives compensation for its opinion services which are normally paid by the issuers of the instrument. The receipt of this compensation has no influence on RAM Sustainability's analytical process, diligence and professional opinion. In all instances, RAM Sustainability is committed to preserving the objectivity, integrity and independence of its opinion.

RAM Sustainability is not aware of any conflict of interest relating to the opinion it provides in this report. RAM Sustainability will adequately disclose all relevant information in the report if there is any such instance.

## METHODOLOGY

RAM Sustainability's Second-Party Opinion independently assesses an issuer/borrower's Framework for bond, sukuk, loan or other relevant financial instruments against market best practices in adherence to regulations and guidelines, namely that of the SC, ACMF, ICMA and/or the Loan Market Association.

Our analytical process also examines the contribution of eligible projects to environmental and social benefits as well as climate change resilience and adaptation, and the issuer/borrower's sustainability governance. In most situations, we would also consider technological advancements, relevant peer comparisons, evolving best practices and, ultimately, the environmental and/or social impact created. As sustainable finance continues to evolve, RAM Sustainability will stay updated with new considerations and adapt accordingly to ensure that our approach stays current and consistent with prevailing best practices.

After considering the above, our opinion is consolidated into a Sustainable Finance Rating – **Bronze, Silver, Gold or Platinum**.

The Framework reviewed by RAM Sustainability may meet the market or regulatory requirements to label bond, sukuk, loan and other sustainability-related instruments as 'green', 'social', 'sustainability', 'sustainability-linked', 'blue', climate', or meet United Nations Sustainable Development Goals (SDGs).

RAM Sustainability's Second-Party Opinion Report will display opinion on the Framework's characteristics and the current/future impacts of eligible projects to the environment, social and/or SDG as follows:







### Alignment to Relevant Guidelines

RAM Sustainability classifies the transparency and disclosure strength of green, social or sustainability bond/sukuk frameworks in comparison to applicable guidelines or best practices.

Level	Framework Characteristics
<b>Weak</b>	Not observable in the framework.
<b>Aligned</b>	Observable in the framework, but is below best practice.
<b>Strong</b>	Observable in the framework and in line with best practice.
<b>Advanced</b>	Observable in the framework and is more stringent, comprehensive, and establishes a new benchmark and new best practice.

### Environmental and Social Benefit Assessment

RAM Sustainability provides qualitative and quantitative assessments on the net impact – both green and social dimensions – of eligible projects, assets and/or categories and their contribution to a low-carbon future or social solutions, respectively. EB and Social Benefit (SB) tiers are assigned to individual eligible projects and/or categories, indicating the potential environmental and/or social impact.

Tiering	Definition
 Environmental Benefit <b>Tier-1</b>	Proceeds toward eligible project, asset or category has significant contribution towards climate and environmental benefit(s).
 Environmental Benefit <b>Tier-2</b>	Proceeds toward eligible project, asset or category has some contribution towards climate and environmental benefit(s).
 Environmental Benefit <b>Tier-3</b>	Proceeds toward eligible project, asset or category has small contribution towards climate and environmental benefit(s).
 Social Benefit <b>Tier-1</b>	Proceeds toward eligible project, asset or category provides significant social benefit(s) by contributing to measurable societal solutions on a significant scale, depth and duration.
 Social Benefit <b>Tier-2</b>	Proceeds toward eligible project, asset or category has considerable social benefit(s) by contributing to measurable societal solutions on a sizeable scale, depth and duration.
 Social Benefit <b>Tier-3</b>	Proceeds toward eligible project, asset or category has demonstrable social benefit(s) by contributing to measurable societal solutions on a minor scale, depth and duration.
<b>Not Applicable</b>	Unclear purpose of proceeds that may cause significant harm to the environment or directly cause social harm will not be assigned an EB or SB rating, respectively.

## SECOND-PARTY OPINION ON THE FRAMEWORK

### 1. Corporate Profile

Incorporated in Malaysia on 20 June 2024, VHB is an independent bankruptcy-remote special-purpose vehicle that is wholly owned by a share trustee.

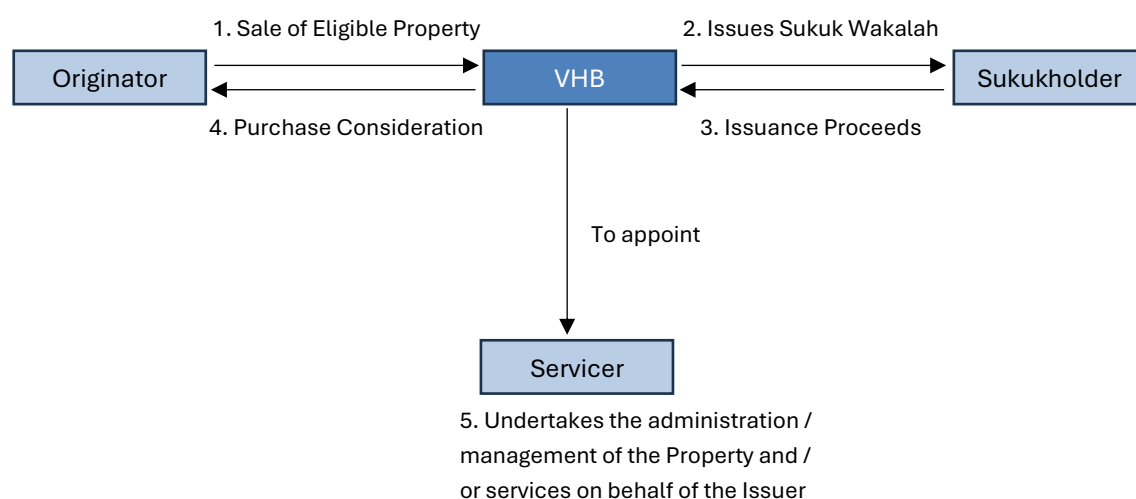
Established in 2022, ISP Group focuses on industrial property, specifically LWMH and PBWA. To date, the Group has four PBWAs, with two located in Johor and two in Selangor. Each of its LWMH is designed to have reliable power supply, water provisions, transportation networks and other essential facilities. From warehousing, factories, assembly lines, and production plants to research and development centers, the LWMH are designed to cater to all types of users and tenants to support the diverse needs of ISP Group's clients.

S L Ng Group was founded in 1996 and operates in the wholesale trading and distribution of FMCG within Malaysia, involving upstream, midstream and downstream services.

VHB's activities involve the purchase of the Properties from originators pursuant to sale and purchase agreements to be entered into by the Issuer as the purchaser and the originators as the vendor. The principal activity of the servicer, ISPAM, is property management, including but not limited to asset and portfolio management, real estate management and other management consultancy activities. Its role is to:

- i. administer the Properties;
- ii. provide asset management services to VHB, including but not limited to identifying and assisting in the acquisition of Properties and any disposal opportunities, recommending and assisting in securing the appropriate mix of financing for the acquisition of the Properties and refinancing of any maturing Sukuk Wakalah; and
- iii. monitor and track the Properties and the green initiatives of the Properties.

ISPAM may also appoint a Malaysian licensed property manager where necessary to carry out property management services.



Source: VHB

**Figure 1: Sukuk Programme Structure**

## 2. Alignment to Relevant Guidelines

Our review examines the four core components under the Framework in accordance with the relevant guidelines:

- (i) Use of Proceeds
- (ii) Project Evaluation and Selection Process
- (iii) Management of Proceeds
- (iv) Reporting Commitments

We find the Framework to have an *Aligned* level of disclosure. Table 1 shows the assessment of each component alignment to relevant guidelines. For a detailed review, please see Appendix 1 for the SRI Sukuk Framework Checklist, Appendix 2 for the ASEAN GBS Checklist, and Appendix 3 for the ICMA External Review Form.

**Table 1: RAM Sustainability's Assessment of VHB's Framework**

Components	GBP	ASEAN GBS	SRI Sukuk Framework
<b>Use of Proceeds (By Asset/Project Category):</b>	<b><i>Strong</i></b>	<b><i>Strong</i></b>	<b><i>Strong</i></b>
<b>i) Indicative Proceeds Allocation</b>	<b><i>Strong</i></b>	<b><i>Strong</i></b>	<b><i>Strong</i></b>
<b>ii) Exclusion List:</b>			
- Issue Transaction-level	<b><i>Strong</i></b>	<b><i>Strong</i></b>	<b><i>Strong</i></b>
- Group-level	<b>VHB is a special-purpose vehicle established to undertake a securitisation exercise. While there is no exclusion of type of business activity, ISP Group's principal activities are the development and investment sectors of green LWMH and PBWA.</b>		
<b>Project Evaluation &amp; Selection Process</b>	<b><i>Aligned</i></b>	<b><i>Aligned</i></b>	<b><i>Aligned</i></b>
<b>Management of Proceeds</b>	<b><i>Aligned</i></b>	<b><i>Aligned</i></b>	<b><i>Aligned</i></b>
<b>Reporting Commitments:</b>			
<b>i) Allocation reporting</b>	<b><i>Aligned</i></b>	<b><i>Aligned</i></b>	<b><i>Aligned</i></b>
<b>ii) Impact reporting</b>	<b><i>Aligned</i></b>	<b><i>Aligned</i></b>	<b><i>Aligned</i></b>

### 2.1 Use of Proceeds

Broadly defined, green projects refer to innovative, climate-friendly solutions that help deliver clear environmental benefits.

The eligible project category outlined in the Framework is an eligible activity as per the relevant guidelines. Under the Green Building eligible project category, proceeds from VHB's Green Sukuk will be used to:

- i. finance or refinance, in whole or in part, the Properties within the eligible project category;
- ii. refinance outstanding Sukuk Wakalah and/or Green Sukuk under the Sukuk Programme; and
- iii. pay all related fees, costs and expenses for the acquisition of Green Properties.

Proceeds from the maiden issuance of Green Sukuk are intended to be utilised for the acquisition of the FMC Warehouse for approx. RM110 million. This will make it the first property to be injected into this asset-

backed security programme. The transaction will be a true sale from the originator of the asset-backed securitisation programme, Goldcoin Starhill Sdn Bhd. The FMC Warehouse attained its Silver GreenRE certification on 15 April 2025. ISP Group has yet to identify any other assets to be financed by the Green Sukuk. For the avoidance of doubt, the Green Sukuk proceeds may not be utilised to finance any purchases of properties that do not comply with the eligibility criteria as outlined in the Framework.

## Ineligible Projects

The Framework incorporates a list of activities for which the use of Green Sukuk proceeds is prohibited, consistent with the relevant guidelines, which are as follows:

- i. Luxury sectors (precious metals/ precious minerals/ artworks and antiques wholesale or brokerage);
- ii. Child labour or forced labour;
- iii. Gambling;
- iv. Adult entertainment;
- v. Weapons and military contracting;
- vi. Alcohol;
- vii. Tobacco;
- viii. Nuclear;
- ix. Fossil fuel-related activities (including extraction, exploration, production, power generation and transport of fossil fuels);
- x. Production of or trade in any product or activity deemed illegal under international conventions and agreements, or subject to international bans; and
- xi. Large-scale hydro-power projects with a generating capacity of over 25 MW.

## 2.2 Project Evaluation and Selection Process

The Framework describes an evaluation and selection process where the management committee of ISPAM – the Servicer under the Sukuk Programme – will evaluate and select the asset/property through a systematic process. This is to ensure that the properties fall under the Green Building eligible project category. The ISPAM management committee includes the Group Executive Director/ Group Chief Executive Officer, Advisor and Chief Strategic Officer and Chief Investment Officer.

The step-by-step process for evaluation and selection of eligible properties to be sold to the Issuer is described in the Framework as follows:

### Step 1: Identification of Eligible Properties

- The Investment, Finance and Property Management teams of ISPAM will identify properties eligible to come under the Green Building project category.

### Step 2: Pre-Consultation with Green Building Consultant *(for property that is yet to be certified green)*

- A pre-consultation with a green building consultant will be conducted to ensure that environmental considerations are factored in early in the process. The consultant will evaluate the Property on its ability to meet the green certification criteria.

### Step 3: Approval by the Servicer

- Properties that are either green-certified or meet the green certification criteria and can be certified green, will then undergo Know Your Customer (KYC) procedures and subsequently attain approval from the Servicer.

### Step 4: Recommendation to the Issuer for Approval

- Upon receipt of internal approval from the Servicer, the Servicer is to recommend such Property to the Issuer for approval.

### Step 5: Issuance and Submission of EOI or LOI

- Following the Issuer's approval, the Issuer will issue and submit an expression of interest (EOI) or letter of intent (LOI) to purchase the Property through a tender process or other channels, where applicable.

### Step 6: Drafting, Negotiation, Execution and Completion of SPA

- If the EOI or LOI to purchase the Property is accepted, the Sale and Purchase Agreement (SPA) is to be drafted and negotiated. The Issuer will execute the SPA to formally initiate the transaction and complete it.

### Step 7: Appointment of Green Building Consultant *(for Property that is yet to be certified green)*

- A green building consultant is to be appointed to oversee the environmental aspects of the relevant Property. This is to ensure that the Property aligns with sustainability goals.

### Step 8: Commencement of Retrofitting

- ISPAM will collaborate with the green building consultant and contractors to ensure that all retrofitting aligns with the green building requirements, following the green building consultant's guidance and the Issuer's approval.

### Step 9: Receipt of Green Building Certification

- Receipt of Green Building Certification upon completion of the assessment confirming that the Property meets environmental requirements and standards.

Source: The Framework

**Figure 2: ISPAM's Process for Evaluating and Selecting Eligible Properties to be Purchased by the Issuer**

In our view, the processes implemented by VHB are in line with the requirements for the evaluation of eligible projects for green financing.



## 2.3 Management of Proceeds

VHB has defined the internal processes linked to the management of proceeds. The issuance proceeds will be transferred directly to the relevant payees and/or relevant Designated Accounts (DA) under the Sukuk Programme. The security trustee of the Sukuk Programme, who is an independent third party, is responsible for managing, controlling and monitoring the DA – save and except for the Operating Account, which shall be operated by the Servicer – prior to the declaration of a dissolution event or occurrence of a reinstatement event or a termination event. VHB shall open and maintain a separate set of DA for each series issuance under the Sukuk Programme to avoid commingling of proceeds.

VHB has set out permitted investments for unutilised funds in the DA. Upon maturity, the returns generated from such investments shall be remitted back to the relevant DA. The permitted investments are as follows:

- i. Islamic deposits (based on Mudharabah, Wadiah and other Shariah principles) with an Islamic financial institution;
- ii. Islamic banker acceptances, Islamic bills and Islamic money market instruments issued by a licensed financial institution with a minimum short-term rating of P1 or MARC-1 and minimum long-term rating of AA3 or AA- or their equivalent;
- iii. Islamic treasury bills, Islamic money market instruments and other Islamic instruments issued by Bank Negara Malaysia or the Government of Malaysia;
- iv. Sukuk issued by corporations and financial institutions or guaranteed by licensed financial institutions with a minimum short-term rating of P1 or MARC-1 and minimum long-term rating of AA3 or AA- or their equivalent;
- v. any other Islamic capital market instruments or Islamic investment products that are capital-protected by licensed takaful companies in Malaysia with short-term rating of MARC-1 and a minimum long-term rating of AA- or their equivalent; and/or
- vi. any Islamic fund that invests in any of the abovesaid instruments.

According to the Framework, under item iv., only investments in SRI sukuk or sukuk issued by entities that are not involved in activities under VHB's Exclusion Criteria List are permitted. Under item v., only investments in Islamic capital market instruments or Islamic investment products that are ESG-compliant are permitted. We view the process for management of proceeds described above to be sound.

## 2.4 Reporting Commitments

Issuers are required to establish a formal process to communicate the allocation of proceeds and the positive impact created. VHB is committed to publishing allocation and impact reports on an annual basis until proceeds are fully allocated on a timely basis. The reporting may include the following information.

**Table 2: VHB's Reporting Commitments**

<b>Allocation Reporting</b>	<ul style="list-style-type: none"> <li>• The total amount of proceeds allocated for eligible project categories;</li> <li>• The amount utilised for eligible project categories;</li> <li>• Brief description of eligible projects; and</li> <li>• The balance of any unallocated proceeds, if any, where such amount is placed or invested pending utilisation.</li> </ul>
<b>Impact Reporting</b>	<p>Where relevant and feasible, VHB via the Servicer will assess the impact or expected impact and report the selected impact indicator. VHB/ ISP Group may provide the following indicators in relation to the Green Properties:</p> <ul style="list-style-type: none"> <li>• Amount of energy use reduced/ avoided (measured in kWh or MWh);</li> <li>• Amount of renewable energy generated (measured in kWh or MWh);</li> <li>• Amount of greenhouse gas/ carbon emissions reduced/ avoided (measured in tons of CO<sub>2</sub> equivalent);</li> <li>• Amount of water reduced/ avoided (measured in cubic meters);</li> <li>• Amount of waste minimised, reused or recycled (measured in tons); and</li> <li>• Key underlying methodology or assumption used to determine such impact or expected impact.</li> </ul>

Source: The Framework


The Framework, this Second Opinion Report and the annual reports will be made publicly available on S L Ng Group's website (<https://www.slng.my/isp-group>). This Second Opinion Report will also be available on RAM Sustainability's website (<https://www.ram.com.my/sustainability>).

### 3. Sustainability Impact

#### 3.1 Environmental Benefit Assessment

RAM Sustainability has assigned an EB Tier Ranking to VHB's eligible project category.

**Table 3: RAM Sustainability's EB Assessment of VHB's Eligible Project Category**


Eligible Project Category under Relevant Guidelines	VHB's Eligible Project	RAM Sustainability EB Tier Ranking
Green Building	Green Building	 Environmental Benefit <b>Tier-1 to Tier-3</b>
<p><b>Rationale:</b></p> <p>VHB will utilise the sukuk proceeds to finance or refinance projects relating to green buildings which may be new, existing and/or refurbished buildings. These buildings may be commercial, residential, industrial warehouses, manufacturing and logistic properties and/or workers' and student accommodations to be acquired by the Issuer, that are already green certified or to be green certified. The Issuer has specified within the Framework that projects under this category will meet either of the following criteria:</p> <ul style="list-style-type: none"> <li>i. Leadership in Energy and Environmental Design (LEED) (Bronze or higher);</li> <li>ii. GreenRE (Bronze or higher);</li> <li>iii. Green Building Index (GBI) (Bronze or higher); and/or</li> <li>iv. Such other certifications of equivalent or higher rating to (i)-(iii) above.</li> </ul> <p>The first project to be financed under this eligible project category, FMC Warehouse, has obtained green building certification using the GreenRE Existing Industrial Facilities Tool v1.1. This standard is designed to assess and certify existing industrial facilities in Malaysia for their sustainability performance. Requirements under this standard include energy efficiency upgrades, water efficiency improvements, sustainable materials and construction, renewable energy integration and indoor environmental quality enhancements.</p> <p>Of the six blocks constituting FMC Warehouse, six tenanted blocks are occupied by tenants in the manufacturing sector. On 15 April 2025, the FMC Warehouse attained its Silver GreenRE green building certification. We understand from the Issuer that it plans to gain recertification whenever required to maintain its Green Properties' sustainability performance and targets improving their GreenRE certification level to Gold. We have assigned an EB tier ranking of <i>Tier-1 to Tier-3</i> to VHB's green building eligible project category to reflect the range of possible positive net environmental impacts resulting from the likely range of certifications to be pursued by the Issuer.</p> <p>According to the International Energy Agency, the operations of buildings consumed 30% of global final energy and contributed 26% of global energy-related emissions in 2022. A building's operational phase accounts for 80-90% of its total lifecycle emissions due to required energy use<sup>1</sup>. To meet the 2050 Net Zero Emissions target called for in the Paris Agreement, the energy intensity of the buildings sector must be around 35% less in 2030 than in 2022. That said, we note that ISP Group's aspiration to lead in green LWMH and green PBWA supports this climate change mitigation agenda.</p>		

<sup>1</sup> Common Carbon Metric for Measuring Energy Use & Reporting Greenhouse Gas Emissions from Building Operations (UNEP SBCI) [Source: <https://c2e2.unepccc.org/wp-content/uploads/sites/3/2016/09/unep-sbci-common-carbon-metric.pdf>]

### 3.2 National-Level Drivers and High-Level Mapping to UNSDGs

In our view, VHB's Green Sukuk will support the following national-level objectives, plans and relevant UNSDGs<sup>2</sup> related to areas defined in the eligible asset/project category.

**Table 4: National-Level Drivers and VHB's Green Project Category Mapping to UNSDGs based on ICMA's Green, Social and Sustainability Bonds: A High-Level Mapping to SDGs**

<b>Green Building</b>	
<p><u>Emphasis on green buildings</u></p> <p>Under the National Energy Policy 2022-2040, green buildings are included in the emphasis on low-carbon activities as part of Key Economic Growth Activities (KEGA) 12: Green Economy. The National Energy Efficiency Action Plan 2015 further identifies Energy Audits in Buildings and Industries and Energy-Efficient Building Design as key initiatives in the government's target to achieve an 8% reduction in energy demand from the baseline. The proposed Energy Efficiency Conservation Act will require office buildings exceeding 8,000 sqm to ensure their energy intensity performance complies with energy efficiency ratings prescribed by the Energy Commission, the failure of which would require an energy audit and energy improvement plan.</p> <p>VHB will utilise the Green Sukuk issuance proceeds to finance the acquisition of any new, existing and/or refurbished buildings that are certified or to be certified green.</p>	

<sup>2</sup> [Green, Social and Sustainability Bonds: High-Level Mapping to Sustainable Development Goals](#) (ICMA, 2023)

## 4. Sustainability Assessment

### Sustainability Governance

ISP Group is currently in the process of establishing a sustainability governance system. According to management representation, this is to align with its long-term objectives of fostering responsible growth and integrating ESG practices across its operations. Based on information shared, ISP Group has intentions to ensure the Group's ESG performance and compliance are in alignment with corporate objectives and global standards. The Group's senior management, meanwhile, will be responsible for implementing ESG policies and regularly reporting progress to the board on performance and risk management.

Despite being a non-listed and relatively new organisation established about 2.5 years ago, we believe ISP Group has the potential to realise its vision to establish a structured approach towards creating a positive environmental and social impact.

### Sustainability Strategies

ISP Group introduced its internal ESG Framework in 2024, designed to:

- i. Guide the development and management of its green LWMH and PBWA;
- ii. Ensure it minimises its environmental impact;
- iii. Enhance the wellbeing of its employees and local communities; and
- iv. Uphold the highest standards of ethical governance.

The framework generally discusses the importance of ESG in relation to real estate. It also details the objective of each ESG pillar, briefly describing the goal and potential measures of each key area under the pillar.

**Table 5: Key Information from ISP Group's ESG Framework**

Environmental Stewardship		
<b>Objective:</b> Minimise environmental impact and promote sustainable practices in our LWMH and PBWA operations and development.		
Key Areas	Goal	Potential Measures
Energy Efficiency	Achieve up to 20% reduction in energy consumption over five years	<ul style="list-style-type: none"><li>• Implement energy-saving technologies such as energy-efficient lighting and energy-efficient equipment/appliances, choose the right surface paint colour, use natural ventilation systems and naturally ventilated car parks.</li><li>• Utilise renewable energy sources, i.e., solar panels.</li><li>• Set targets for energy consumption reduction, regularly monitoring progress and implementing improvements.</li></ul>
Resource Management	Reduce water usage and material waste by up to 25% over five years	<ul style="list-style-type: none"><li>• Implement water-saving measures, i.e., rainwater harvesting.</li><li>• Establish comprehensive recycling programmes for all waste materials.</li><li>• Source sustainable building materials and prioritise suppliers with green certifications.</li></ul>

Pollution Reduction	Achieve compliance with all relevant environmental regulations and reduce greenhouse gas emissions by up to 15% over five years	<ul style="list-style-type: none"> <li>Obtain green building certifications such as GreenRE or similar standards.</li> <li>Install pollution control technologies and conduct regular emissions testing.</li> <li>Perform regular environmental impact assessments.</li> </ul>
Biodiversity and Land Use	Enhance biodiversity and create green spaces within our PBWA and LWMH	<ul style="list-style-type: none"> <li>Avoid developments on sensitive or protected areas and rehabilitate degraded lands where feasible.</li> <li>Foster community gardens and green zones to improve overall environment for workers and local communities.</li> </ul>

Social Responsibility		
<b>Objective:</b> Enhance the well-being of employees, local communities and other stakeholders.		
Key Areas	Goal	Potential Measures
Health and Safety	Achieve zero workplace and accommodation-related accidents and enhance employee well-being	<ul style="list-style-type: none"> <li>Adhere to stringent health and safety regulations and provide regular training.</li> <li>Implement comprehensive emergency preparedness plans.</li> <li>Offer health and wellness programmes, including mental health support.</li> </ul>
Community Engagement	Build strong relationships with local communities and support local development	<ul style="list-style-type: none"> <li>Engage with communities through regular meetings and feedback sessions.</li> <li>Support local initiatives such as education.</li> <li>Establish community feedback mechanisms.</li> </ul>
Diversity and Inclusion	Foster a diverse and inclusive workforce	<ul style="list-style-type: none"> <li>Implement equitable hiring practices and anti-discrimination policies.</li> <li>Offer career development and training opportunities for all employees.</li> <li>Promote employee participation in decision-making processes.</li> </ul>
Labour Practices	Ensure fair labour practices and support employee development	<ul style="list-style-type: none"> <li>Provide fair wages and benefits to all employees.</li> <li>Respect workers' right to unionise and collectively bargain.</li> <li>Offer skills development and career advancement opportunities</li> </ul>
PBWA	Provide safe, comfortable and environmentally friendly	<ul style="list-style-type: none"> <li>Construct accommodations with sustainable materials and energy-efficient designs.</li> <li>Ensure accommodations have access to clean water, sanitation and recreational facilities.</li> </ul>

	accommodation for workers	<ul style="list-style-type: none"> <li>Regularly assess and improve living conditions based on feedback from residents.</li> </ul>
--	---------------------------	--

Governance		
<b>Objective:</b> Establish robust governance structures to ensure transparency, accountability and ethical business practices.		
Key Areas	Goal	Potential Measures
Ethical Business Practices	Maintain high standards of ethics and integrity	<ul style="list-style-type: none"> <li>Implement a code of conduct and ethics policies.</li> <li>Establish mechanisms for reporting unethical behaviour, with whistleblower protection.</li> <li>Regularly review and update governance policies.</li> </ul>
Transparency and Reporting	Provide transparent ESG reporting to stakeholders	<ul style="list-style-type: none"> <li>Engage in third-party audits and certifications.</li> <li>Regularly communicate ESG performance to stakeholders.</li> </ul>
Risk Management	Integrate ESG risks into overall risk management framework	<ul style="list-style-type: none"> <li>Identify and assess ESG-related risks.</li> <li>Develop contingency plans for environmental, social or governance incidents.</li> <li>Monitor regulatory changes and adapt policies accordingly.</li> </ul>
Stakeholder Engagement	Foster strong relationships with all stakeholders	<ul style="list-style-type: none"> <li>Maintain open communication channels with investors, tenants, employees and community members.</li> <li>Incorporate stakeholder feedback into ESG strategies.</li> <li>Partner with industry groups, non-governmental organisations and government bodies.</li> </ul>

Source: ISP Group ESG Framework

## Controversy Scan

Our review of public records on VHB, ISP Group, ISP Group's ultimate shareholder and S L Ng Group up to 23 April 2025 did not find any controversy pertaining to ESG practices.

## APPENDIX 1: SRI SUKUK FRAMEWORK CHECKLIST

### Reference:

Guidelines on Unlisted Capital Market Products Under SC's Lodge and Launch Framework

Part 3: Corporate Bonds and Sukuk

Chapter 7: Sustainable and Responsible Investment (SRI) Sukuk

No.	Item	Requirement	Alignment	Comment
7.07 & 7.08	Eligible SRI Projects	<p>An Eligible SRI project refers to a project that seeks to achieve any one or a combination of the following objectives:</p> <ul style="list-style-type: none"> <li>(a) Preserving and protecting the environment and natural resources.</li> <li>(b) Conserving the use of energy.</li> <li>(c) Promoting the use of RE.</li> <li>(d) Reducing greenhouse gas emissions.</li> <li>(e) Addressing or mitigating a specific social issue or seeking to achieve positive social outcomes, especially but not exclusively for a target population.</li> <li>(f) Improving society's quality of life.</li> </ul> <p>Eligible SRI projects may include, but are not limited to, the following:</p> <ul style="list-style-type: none"> <li>(a) Green projects that relate to: <ul style="list-style-type: none"> <li>(i) Renewable energy.</li> <li>(ii) Energy efficiency.</li> <li>(iii) Pollution prevention and control.</li> <li>(iv) Environmentally sustainable management of living natural resources and land use.</li> <li>(v) Terrestrial and aquatic biodiversity conservation.</li> <li>(vi) Clean transportation.</li> <li>(vii) Sustainable water and wastewater management.</li> <li>(viii) Climate change adaptation.</li> <li>(ix) Eco-efficient and/or circular economy-adapted products, production technologies and processes.</li> <li>(x) Green buildings which meet regional, national or internationally recognised standards or certifications.</li> </ul> </li> </ul>	Yes	VHB's Green Sukuk proceeds may be allocated to finance or refinance green building projects.



No.	Item	Requirement	Alignment	Comment
		(b) Social projects that relate to: (i) Affordable basic infrastructure. (ii) Access to essential services. (iii) Affordable housing. (iv) Employment generation, including the potential effects of small-medium enterprise financing and microfinancing. (v) Food security. (vi) Socioeconomic advancement and empowerment. (c) Projects which are the combination of green and social projects, as described in (a) and (b) above. (d) <i>Waqf</i> projects that relate to the development of <i>waqf</i> properties or assets.		
7.10	Utilisation of Proceeds	An issuer must ensure that proceeds raised from the issuance of the SRI sukuk are utilised only for the purpose of funding any activities or transactions relating to the Eligible SRI projects, as described in paragraph 7.08 above.	Yes	As in 7.07 & 7.08 above.
7.11		In relation to activities or transactions that involve the acquisition of a company undertaking Eligible SRI projects, an issuer must ensure that the company to be acquired does not carry on any other business or project except the Eligible SRI projects.	Yes	Proceeds from VHB's Green Sukuk will only be used to finance, in whole or in part, properties that meet the eligibility criteria defined in the Framework.
7.12	Process for Project Evaluation and Selection	An issuer must establish internal processes for the evaluation and selection of the Eligible SRI projects, as identified in paragraph 7.08 above.	Yes	The Framework outlines the Issuer's evaluation and selection process for eligible green projects, ensuring that chosen activities meet eligibility criteria.  For more details, see section 2.2.
7.13	Management of Proceeds	An issuer must ensure that proceeds allocated to the Eligible SRI projects are deposited into a designated account or otherwise tracked in an appropriate manner.	Yes	VHB has established internal processes for managing the Green Sukuk proceeds which shall be allocated exclusively to the eligible projects and deposited directly into the designated accounts operated by the Security Trustee, save and except for the operating account which shall be operated by ISPAM.

No.	Item	Requirement	Alignment	Comment
				For more details, see section 2.3.
7.14	Reporting	<p>An issuer must provide the following information to the sukukholders, annually through a designated website:</p> <p>(a) The original amount allocated to the Eligible SRI projects.</p> <p>(b) The amount utilised for the Eligible SRI projects.</p> <p>(c) The unutilised amount and where such unutilised amount is placed or invested pending utilisation.</p> <p>(d) The list of Eligible SRI projects to which the SRI sukuk proceeds have been allocated, and a brief description of the said Eligible SRI projects and their impact or expected impact, including the key underlying methodology or assumptions used to determine the impact or expected impact.</p>	Yes	<p>VHB is committed to annual allocation and impact reporting on an annual basis until proceeds are fully allocated on a timely basis.</p> <p>The annual reports will be made publicly available on S L Ng Group's website <a href="https://www.slng.my/isp-group">website (https://www.slng.my/isp-group)</a>.</p> <p>For more details, see section 2.4.</p>
7.05 & 7.16	Disclosure Requirements	Information relating to the issuer and details of the issuer's SRI Sukuk Framework must be made publicly accessible via a designated website to be disclosed by the issuer. Such information on the designated website must be made available at the point of issuance and throughout the tenure of the SRI sukuk.	Yes	<p>The Framework will be made publicly available on S L Ng Group's website <a href="https://www.slng.my/isp-group">website (https://www.slng.my/isp-group)</a>.</p> <p>For more details, see section 2.4.</p>
		<p>For the purpose of disclosure of the details of the issuer and the SRI Sukuk Framework under paragraph 7.05 above, the following information must be included:</p> <p>(a) The overall SRI objectives that the issuer intends to achieve.</p> <p>(b) The utilisation of proceeds from the issuance of the SRI sukuk. Where all or part of the proceeds are used for refinancing, an issuer must indicate the amount of proceeds allocated to refinancing and which Eligible SRI projects will be refinanced.</p> <p>(c) The Eligible SRI projects to which the proceeds will be allocated.</p> <p>(d) The details of the Eligible SRI projects and, to the extent possible, the impact objectives of the Eligible SRI projects.</p>	Yes	<p>VHB is committed to publishing its Framework, which contains items (a) to (h), on S L Ng Group's website <a href="https://www.slng.my/isp-group">website (https://www.slng.my/isp-group)</a>.</p>

No.	Item	Requirement	Alignment	Comment
		<p>(e) The processes used by the issuer to evaluate and select the Eligible SRI projects.</p> <p>(f) The criteria used by the issuer to identify and manage material environmental or social risks associated with the Eligible SRI projects.</p> <p>(g) The processes used by the issuer to manage proceeds from the issuance of the SRI sukuk.</p> <p>(h) A statement that the issuer has complied with the relevant ESG standards or recognised best practices relating to the Eligible SRI projects.</p>		
7.17	External Review	If an external reviewer is appointed to assess and provide a report on the Eligible SRI projects or the issuer's compliance with the requirements under these guidelines, such external reviewer's report must be made available on the designated website.	Yes	<p>RAM Sustainability has been appointed to provide a second opinion on the Framework, assessing it against disclosure requirements of the relevant guidelines.</p> <p>RAM Sustainability's Second Opinion Report shall be publicly available on S L Ng Group's website (<a href="https://www.slng.my/isp-group">https://www.slng.my/isp-group</a>), and RAM Sustainability's website (<a href="https://www.ram.com.my/sustainability">https://www.ram.com.my/sustainability</a>).</p>

## APPENDIX 2: ASEAN GBS CHECKLIST

### Reference:

ASEAN Capital Markets Forum – ASEAN GBS

No.	Item	Requirement	Alignment	Comment
3.1	Eligible Issuers and Issuance	(i) Must be an ASEAN Issuer; or (ii) In the case of a Non-ASEAN Issuer, the eligible Green Projects must be located in an ASEAN country.	Yes	VHB was incorporated under the laws of Malaysia and is therefore an ASEAN Issuer.
3.2		ASEAN Green Bonds issuances must be originated from an ASEAN member country.	Yes	The Green Sukuk to be issued under the Framework will originate from Malaysia.
4.1.5	Eligible Green Projects	There are several broad categories of eligibility for Green Projects which contribute to environmental objectives such as climate change mitigation, climate change adaptation, natural resource conservation, biodiversity conservation, and pollution prevention and control. The categories include renewable energy and energy efficiency.	Yes	VHB's Green Sukuk proceeds may be allocated to finance or refinance green building projects.
4.1.6	Ineligible Projects	For clarification purposes, fossil fuel power generation projects are excluded from the ASEAN GBS.	Yes	VHB has stipulated in the Framework that fossil fuel-related activities, among others, are ineligible projects for funding.
4.2.1	Continuous Accessibility to Information and Reporting	The Issuer of ASEAN Green Bonds must clearly communicate to investors –  (i) The environmental sustainability objectives; (ii) The process by which the Issuer determines how the projects fit within the eligible Green Projects categories identified above; and (iii) The related eligibility criteria, including, if applicable, exclusion criteria or any other process applied to identify and manage potentially material environmental and social risks associated with the Green Projects.	Yes	VHB has communicated the environmental sustainability objectives of the green building projects in the Framework.  The process for the evaluation and selection of the eligible project is detailed in the Framework.  The eligibility criteria and exclusion criteria are detailed in the Framework. The Issuer will engage with the green building consultant to identify and manage the environmental and social risks associated with the green building projects.
4.2.5		The Issuer must make the following publicly available on a website		The Framework will be made publicly available on S L Ng

No.	Item	Requirement	Alignment	Comment
		<p>designated by the Issuer at the time of the issuance and throughout the tenure of ASEAN Green Bonds:</p> <p>(i) The process for project evaluation;  (ii) The use of proceeds; and  (iii) The external review report on the process (if any).</p>		<p>Group's website (<a href="https://www.slng.my/isp-group">https://www.slng.my/isp-group</a>). RAM Sustainability's Second Opinion Report shall be publicly available on S L Ng Group's website (<a href="https://www.slng.my/isp-group">https://www.slng.my/isp-group</a>) and RAM Sustainability's website (<a href="https://www.ram.com.my/sustainability">https://www.ram.com.my/sustainability</a>).</p> <p>For more details, see section 2.4.</p>
4.3.1		Prior to the issuance of the ASEAN Green Bonds, the Issuer must disclose to investors in the documentation for the issuance of the ASEAN Green Bonds the process for managing the net proceeds from the ASEAN Green Bonds.	Yes	<p>VHB has established internal processes for managing the Green Sukuk Proceeds which shall be allocated exclusively to the eligible projects and deposited directly into the designated accounts operated by the Security Trustee, save and except for the operating account which shall be operated by ISPAM.</p> <p>For more details, see section 2.3.</p>
4.3.4		The Issuer must disclose to investors in the documentation for the issuance of the ASEAN Green Bonds the intended types of temporary placement for the balance of unallocated proceeds.	Yes	<p>VHB will hold any unallocated proceeds in cash or cash equivalent Shariah-compliant instruments and/or invest in other Shariah-compliant marketable instruments.</p> <p>For more details, see section 2.3.</p>
4.4.5		The Issuer must provide to investors the annual reporting and the external review on the annual reporting, if any, through a website designated by the Issuer and/or annual reports throughout the tenure of the ASEAN Green Bonds.	Yes	<p>VHB is committed to annual allocation and impact reporting until proceeds are fully allocated on a timely basis.</p> <p>The annual reports will be made publicly available on S L Ng Group's website (<a href="https://www.slng.my/isp-group">https://www.slng.my/isp-group</a>).</p> <p>For more details, see section 2.4.</p>
4.4.1	Encourage More Frequent Reporting	Issuers must report to investors at least on an annual basis and are encouraged to make more frequent reporting on the use of proceeds until full allocation, and as necessary thereafter in the event of material developments. This should include a list of the projects to which the	Yes	<p>VHB is committed to annual allocation and impact reporting on an annual basis until fully allocated on a timely basis.</p> <p>The annual reports will be made publicly available on S L Ng</p>

No.	Item	Requirement	Alignment	Comment
		ASEAN Green Bonds proceeds have been allocated, as well as a brief description of the projects and amounts allocated and their expected impact.		Group's website ( <a href="https://www.slng.my/isp-group">https://www.slng.my/isp-group</a> ). For more details, see section 2.4.
5.1	External Review	It is recommended that issuers appoint external review providers for their ASEAN Green Bonds issuances.	Yes	RAM Sustainability has been appointed to provide a second opinion of the Issuer's Framework. The review covers an assessment of the Group's Framework against disclosure requirements of the ASEAN GBS, SRI Sukuk Framework and the GBP, as well as the Issuer's sustainability responsibilities.
4.2.4		It is recommended that the Issuer's process for project evaluation and selection be supported by an external review.	Yes	The second opinion report by RAM Sustainability covers project evaluation and selection.
4.3.5		It is recommended that the Issuer's management of proceeds be supplemented by the services of an auditor or other third party to verify the internal tracking method and allocation of the ASEAN Green Bonds proceeds.	-	This is a voluntary process. VHB may appoint an auditor or other third party to verify the internal tracking method and allocation of proceeds from the Green Sukuk issuances.
4.3.6		Where the Issuer appoints an auditor or other third party to verify the Issuer's management of proceeds, the Issuer must make the report produced by the auditor or other third party publicly available on a website designated by the Issuer at the time of issuance of the ASEAN Green Bonds.	-	This is a voluntary process. VHB may appoint an auditor or other third party to verify the internal tracking method and allocation of proceeds from the Green Bond issuances.
4.4.4		It is recommended that the Issuer's annual reporting on the use of proceeds be supplemented by the confirmation of such use of proceeds by an external reviewer along with any relevant updates of the external review.	-	This is a voluntary process. VHB has not stated any intention to appoint an external reviewer to confirm the accuracy of its annual reporting on the use of proceeds.

## APPENDIX 3: ICMA EXTERNAL REVIEW FORM



### Green, Social and Sustainability Bonds

#### External Review Form

*This form complements the Bond Information Template that should have been filled in by the issuer. It provides additional information on the role of the External Reviewer when assessing the issuer's sustainability framework. This form may be used or adapted, where appropriate, to summarise the scope of the review.*

#### Section 1. Basic Information

**Issuer name:** Visionary Heritage Berhad

**Bond ISIN<sup>3</sup>:** Not Available

**Independent External Review provider's name:** RAM Sustainability Sdn Bhd

**Completion date of this form:** 23 April 2025

**Date of the review:** 23 April 2025

#### Section 2. Overview

##### SCOPE OF REVIEW

The review:

- ☒ assessed the 4 core components of the Principles (**complete review**) and confirmed the alignment with the GBP.
- ☐ assessed only some of them (**partial review**) and confirmed the alignment with the GBP/SBP/SBG (*delete where appropriate*); please indicate which ones:
  - ☐ Use of Proceeds ☐ Process for Project Evaluation and Selection
  - ☐ Management of Proceeds ☐ Reporting
- ☒ assessed the alignment with other regulations or standards (CBI, EU GBS, ASEAN Green Bond Standard, ISO 14030, etc.); please indicate which ones: **ASEAN GBS, SRI SUKUK FRAMEWORK**

##### ROLE(S) OF INDEPENDENT REVIEW PROVIDER

- ☒ Second Party Opinion ☐ Certification
- ☐ Verification ☒ Scoring/Rating
- ☐ Other (*please specify*):

<sup>3</sup> The ISIN code is mandatory for publishing the form in the Sustainable Bond Issuers Database.

**Does the review include a sustainability quality score<sup>4</sup>?**

- |  |  |
|--|--|
| <input type="checkbox"/> Of the issuer               | <input checked="" type="checkbox"/> Of the project |
| <input checked="" type="checkbox"/> Of the framework | <input type="checkbox"/> Other (please specify):   |
| <input type="checkbox"/> No scoring                  |  |

**ASSESSMENT OF THE PROJECT(S)**

**Does the review include:**

- ☒ The environmental and/or social features of the type of project(s) intended for the Use of Proceeds?
- ☒ The environmental and/or social benefits and impact targeted by the eligible Green and/or Social Project(s) financed by the Green, Social or Sustainability Bond?
- ☒ The potentially material environmental and/or social risks associated with the project(s) (where relevant)?

**ISSUER'S OVERARCHING OBJECTIVES**

**Does the review include:**

- ☒ An assessment of the issuer's overarching sustainability objectives and strategy, and the policies and/or processes towards their delivery?
- ☒ An identification and assessment of ESG-related risks of adverse impact from the Issuer's [actions] and explanations on how they are managed and mitigated by the issuer?
- ☐ A reference to the issuer's relevant regulations, standards, or frameworks for sustainability-related disclosure and reporting?

**CLIMATE TRANSITION STRATEGY<sup>5</sup>**

**Does the review assess:**

- ☐ The issuer's climate transition strategy & governance?
- ☐ The alignment of both the long-term and short/medium-term targets with the relevant regional, sector, or international climate scenario?
- ☐ The credibility of the issuer's climate transition strategy to reach its targets?
- ☐ The level/type of independent governance and oversight of the issuer's climate transition strategy (e.g., by independent members of the board, dedicated board sub-committees with relevant expertise, or via the submission of an issuer's climate transition strategy for shareholders' approval).
- ☐ If appropriate, the materiality of the planned transition trajectory in the context of the issuers overall business (including the relevant historical datapoints)?
- ☐ The alignment of the issuer's proposed strategy and targets with appropriate science-based targets and

---

<sup>4</sup> The external review may indicate the provider's opinion of the overall sustainability quality of a bond or bond framework and assess whether it has a meaningful impact on advancing contribution to long-term sustainable development.

<sup>5</sup> Where issuers wish to finance projects towards implementing a net zero emissions strategy aligned with the goals of the Paris Agreement, guidance on issuer level disclosures and climate transition strategies may be sought from the [Climate Transition Finance Handbook](#).



transition pathways<sup>6</sup> that are deemed necessary to limit climate change to targeted levels?

☐ The comprehensiveness of the issuer's disclosure to help investors assess its performance holistically<sup>7</sup>?

**Overall comment on this section:**

*Not applicable*

## 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

**Does the review assess:**

- ☒ the environmental/social benefits of the project(s)?
- ☐ whether those benefits are quantifiable and meaningful?
- ☒ for social projects, whether the target population is properly identified?

**Does the review assess if the issuer provides clear information on:**

- ☒ the estimated proceeds allocation per project category (in case of multiple projects)?
- ☒ the estimated share of financing vs. re-financing (and the related lookback period)?

**Overall comment on this section:**

VHB's Green Sukuk will be used to finance/refinance projects in the green building project category. VHB's first issuance will finance the acquisition of the FMC Warehouse in Johor, Malaysia for RM110 million from Goldcoin Starhill Sdn Bhd.

For more details, see section 2.1.

---

<sup>6</sup> GHG emissions reduction targets that are in line with the scale of reductions required to keep the average global temperature increase to ideally 1.5°C, or at the very least to well below 2°C above pre-industrial temperatures. Science Based Targets Initiative (SBTi) is a branded verification body for science-based targets and SBTi verification is one way for issuers to validate the alignment of their emission reduction trajectories with science-based reference trajectories. In addition, ICMA has published a [Methodologies Registry](#) which includes a list of tools to specifically help issuers, investors or financial intermediaries validate their emission reduction trajectories..

<sup>7</sup> Including information such as the respective contribution (e.g., %) of the different measures to the overall reduction, the total expenses associated with the plan, or the issuer's climate policy engagement.

## 2. PROCESS FOR PROJECT EVALUATION AND SELECTION

### Does the review assess:

- ☐ whether the eligibility of the project(s) is aligned with official or market-based taxonomies or recognised international standards? Please specify which ones.<sup>8</sup>
- ☒ whether the eligible projects are aligned with the overall sustainability strategy of the issuer and/or if the eligible projects are aligned with material ESG-related objectives in the issuer's industry?
- ☒ the process and governance to set the eligibility criteria including, if applicable, exclusion criteria?
- ☒ the processes by which the issuer identifies and manages perceived social and environmental risks associated with the relevant project(s)?
- ☒ any process in place to identify mitigants to known material risks of negative social and/or environmental impacts from the relevant project(s)?

### Overall comment on this section:

Please see Section 2.2 Project Evaluation & Selection.

## 3. MANAGEMENT OF PROCEEDS

### Does the review assess:

- ☒ the issuer's policy for segregating or tracking the proceeds in an appropriate manner?
- ☒ the intended types of temporary investment instruments for unallocated proceeds?
- ☐ Whether an external auditor will verify the internal tracking of the proceeds and the allocation of the funds?

### Overall comment on this section:

Please see Section 2.3 Management of Proceeds.

## 4. REPORTING

### Does the review assess:

- ☒ the expected type of allocation and impact reporting (bond-by-bond or on a portfolio basis)?
- ☒ the frequency and the means of disclosure?
- ☐ the disclosure of the methodology of the expected or achieved impact of the financed project(s)?

### Overall comment on this section:

Please see Section 2.4 Reporting Commitments.

---

<sup>8</sup> EU Taxonomy, CBI Taxonomy, UK Taxonomy, China catalogue, etc.

## Section 4. Additional Information

**Useful links** (e.g., to the external review provider's methodology or credentials, to the full review, to issuer's documentation, etc.)

The Framework, this Second Opinion Report and the annual reports will be made publicly available on S L Ng Group's website (<https://www.slng.my/isp-group>). This Second Opinion Report will also be available on RAM Sustainability's website (<https://www.ram.com.my/sustainability>).

**Analysis of the contribution of the project(s) to the UN SDG:**

**Additional assessment in relation to the issuer/bond framework/eligible project(s):**

## ABOUT RAM SUSTAINABILITY

RAM Sustainability Sdn Bhd is a provider of sustainability services and ESG analytics. Incorporated on 31 May 2000, RAM Sustainability is a wholly owned subsidiary of RAM Holdings Berhad (RAM Group). RAM Sustainability is the first ASEAN-based provider of ESG ratings and second opinions and has the distinction of being the first Registered Observer of ICMA's Green Bond Principles, Social Bond Principles, Sustainability Bond Guidelines and Sustainability-Linked Bond Principles in ASEAN. On 12 August 2020, RAM Sustainability became an Approved Verifier for the certification of climate bonds under the Climate Bonds Standard & Certification Scheme after having been awarded the status by the Climate Bonds Standards Board. For further details, please refer to <https://www.ram.com.my/sustainability>.

### About RAM Group

The RAM Group, formerly known as Rating Agency Malaysia Berhad, is a leading provider of independent credit ratings, research, training, risk analysis and bond pricing. Established in November 1990 as Malaysia's first credit rating agency, RAM Group transferred its rating operations to RAM Rating Services Berhad (RAM Ratings) on 1 July 2007. RAM Ratings is a wholly owned subsidiary of the Group.

As the largest credit rating agency in Malaysia and ASEAN, RAM Ratings has assessed over USD480 billion in bonds from more than 750 entities. Its diverse portfolio includes corporates, sovereign nations, financial institutions, insurance companies, project finance and structured finance obligations. Renowned for rating Islamic securities (sukuk), RAM Ratings has won numerous awards in this arena, including the GIFA Power Award (Islamic Rating) at the Global Islamic Finance Awards (GIFA) in 2021, 2022, and 2023, and The Best Islamic Rating Agency (Malaysia) award at The Asset Triple A Islamic Finance Awards 2022. It recently received FocusEconomics Analyst Forecast Awards for first place in Interest Rate Forecasting and second in Inflation Rate Forecasting.

On 26 May 2016, RAM Ratings joined the United Nations-supported Principles for Responsible Investment's Statement on ESG in Credit Ratings, committing to a systematic incorporation of ESG into credit ratings. RAM Group became a member of the United Nations Global Compact on 9 April 2024, reinforcing its dedication to sustainability and corporate responsibility.

RAM Solutions Sdn Bhd, effective from 1 March 2023, integrated sustainability solutions into its credit opinion business, operating independently of external reviewers. Another subsidiary, Bond Pricing Agency Malaysia Sdn Bhd, is the sole provider of bond-pricing and valuation data on the Malaysian bond market.

Bursa Malaysia RAM Capital Sdn Bhd (BR Capital), incorporated on 27 December 2022 as a joint venture between Bursa Malaysia Berhad (51%) and RAM Holdings Berhad (49%), is a recognised market operator registered with the Securities Commission Malaysia. BR Capital operates a digital platform that allows eligible issuers to raise debt financing through the issuance of investment notes.

For further details, go to <https://www.ram.com.my>.



**RAM Sustainability Sdn Bhd**

Level 8, Mercu 2, KL Eco City,  
No.3, Jalan Bangsar,  
59200, Kuala Lumpur, Malaysia  
**T** +603 3385 2488 | **F** +603 3385 2582

**Website:** [www.ram.com.my/sustainability](http://www.ram.com.my/sustainability)