

3rd October, 2024

India International Exchange (IFSC) Limited

1st Floor, Unit No. 101, The Signature,
The Signature, Building no. 13B, Road 1C, Zone 1, GIFT SEZ,
GIFT City, Gandhinagar, Gujarat – 382355

Sub.: Intimation under the Circular on Listing of Debt Securities on Global Securities Market

In terms of the Circular on Listing of Debt Securities on Global Securities Market and in relation to the Euro Medium Term Note Programme (“**EMTN Programme**”) established by the Company on India International Exchange (IFSC) Limited (India INX) and the proposed issuance of a subsequent series of notes under Tranche 2 of the USD denominated senior secured fixed rate sustainability notes under the EMTN Programme, please find enclosed a copy of the updated investor presentation for your records.

The same will also be made available on the website of the Company at <https://www.piramalfinance.com/stakeholders/announcements>.

You are requested to take the same on record.

Thanking you.

Yours faithfully,
For **Piramal Capital & Housing Finance Limited**

Bipin Singh
Company Secretary

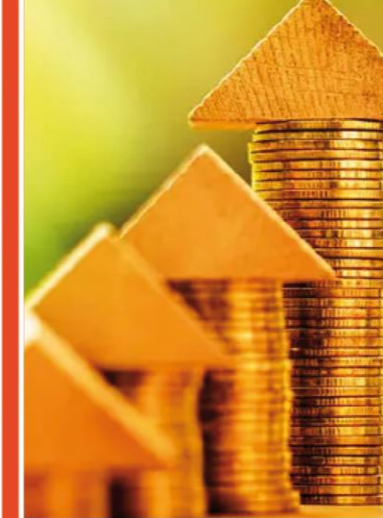
Encl. As Above.

Piramal Capital & Housing Finance Limited

Registered office: 601, 6th Floor, Amity Building, Agastya Corporate Park, Kamani Junction, Opp. Fire Station,
LBS Marg, Kurla (West), Mumbai - 400 070 | CIN: U65910MH1984PLC032639

Secretarial Department: 2nd Floor, B Block, Agastya Corporate Park, Opp. Fire Brigade, Kamani Junction,
LBS Marg, Kurla (West), Mumbai - 400070, Maharashtra, India

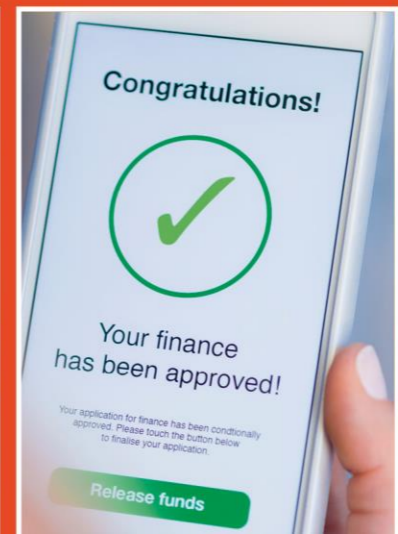
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Roadshow Presentation

Piramal Capital & Housing Finance Limited

October 2024 | Confidential



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These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements.

These risks and uncertainties include but are not limited to Piramal Enterprise Limited's ability to successfully implement its strategy, the Company's growth and expansion plans, obtain regulatory approvals, provisioning policies, technological changes, investment and business income, cash flow projections, exposure to market risks as well as other risks.

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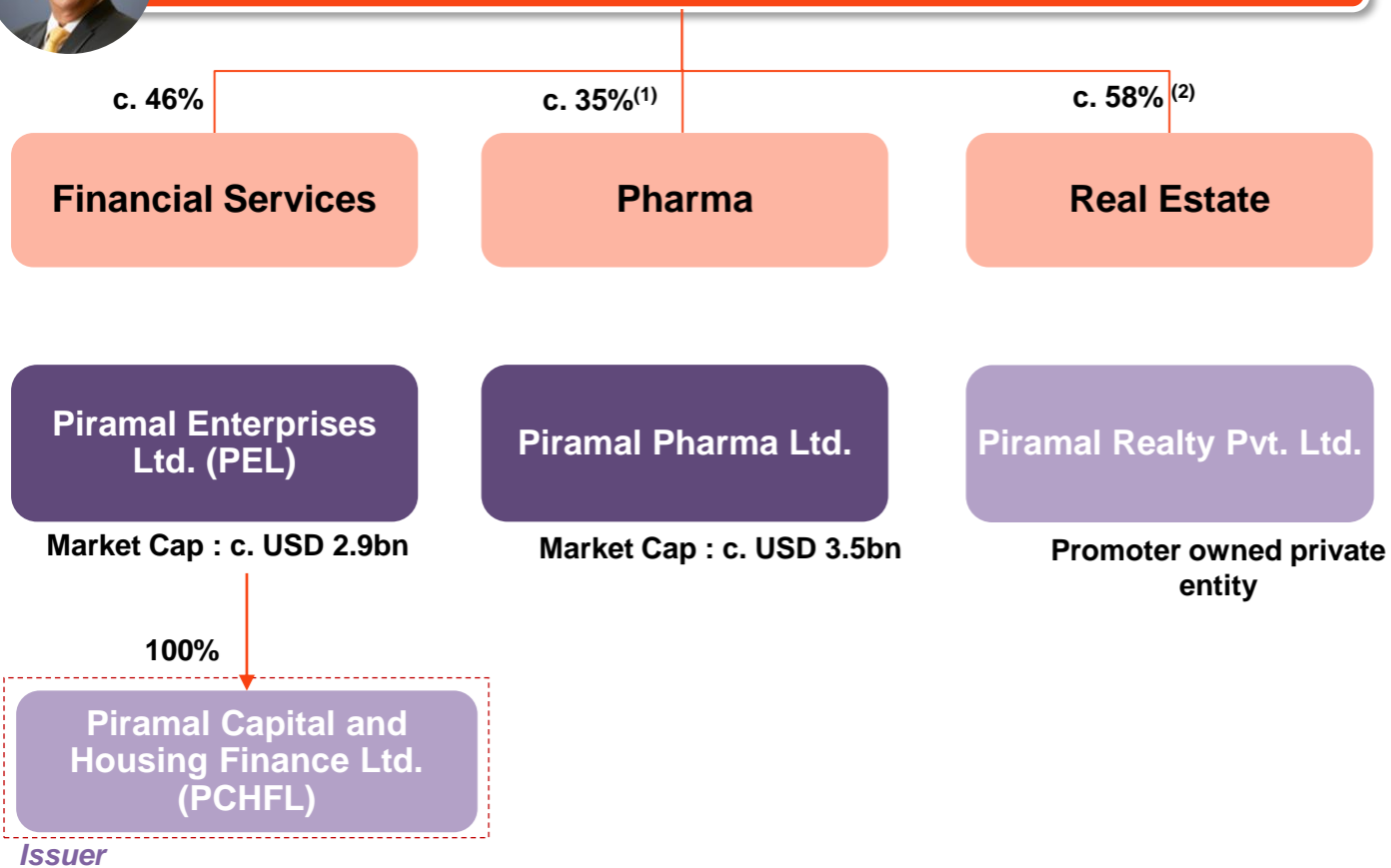
- 1 Corporate Overview
- 2 Business Overview
 - A Growth Business: Retail
 - B Growth Business: Wholesale 2.0
 - C Legacy Business
- 3 Key Investment Highlights
- 4 Solid Balance Sheet: Primed for Growth
- 5 Financial Summary
- 6 Appendix



Corporate Overview



Ajay Piramal Group



Successfully raised c. USD 2.2bn in equity during NBFC crisis

Rights Issue
USD 440mn
(Jan'20)

Sale of DRG
USD 837mn
(Feb'20)

Pharma Fund Raise
USD 424mn
(Oct'20)

Preferential Allotment
USD 211mn
(Dec'19)

Shriram Stake Sale⁽³⁾
USD 277mn
(Jun'19)

Ability to raise debt via access to large pool of lenders

of Lenders
30+

Long Term Rating
BB- (S&P);
Ba3 (Moody's)

Short Term Rating (Domestic)
A1+

Strategic partnerships with marquee global sponsors



*Established 40+ year legacy in India
All businesses operating independently with no cross holdings or intercompany transactions*

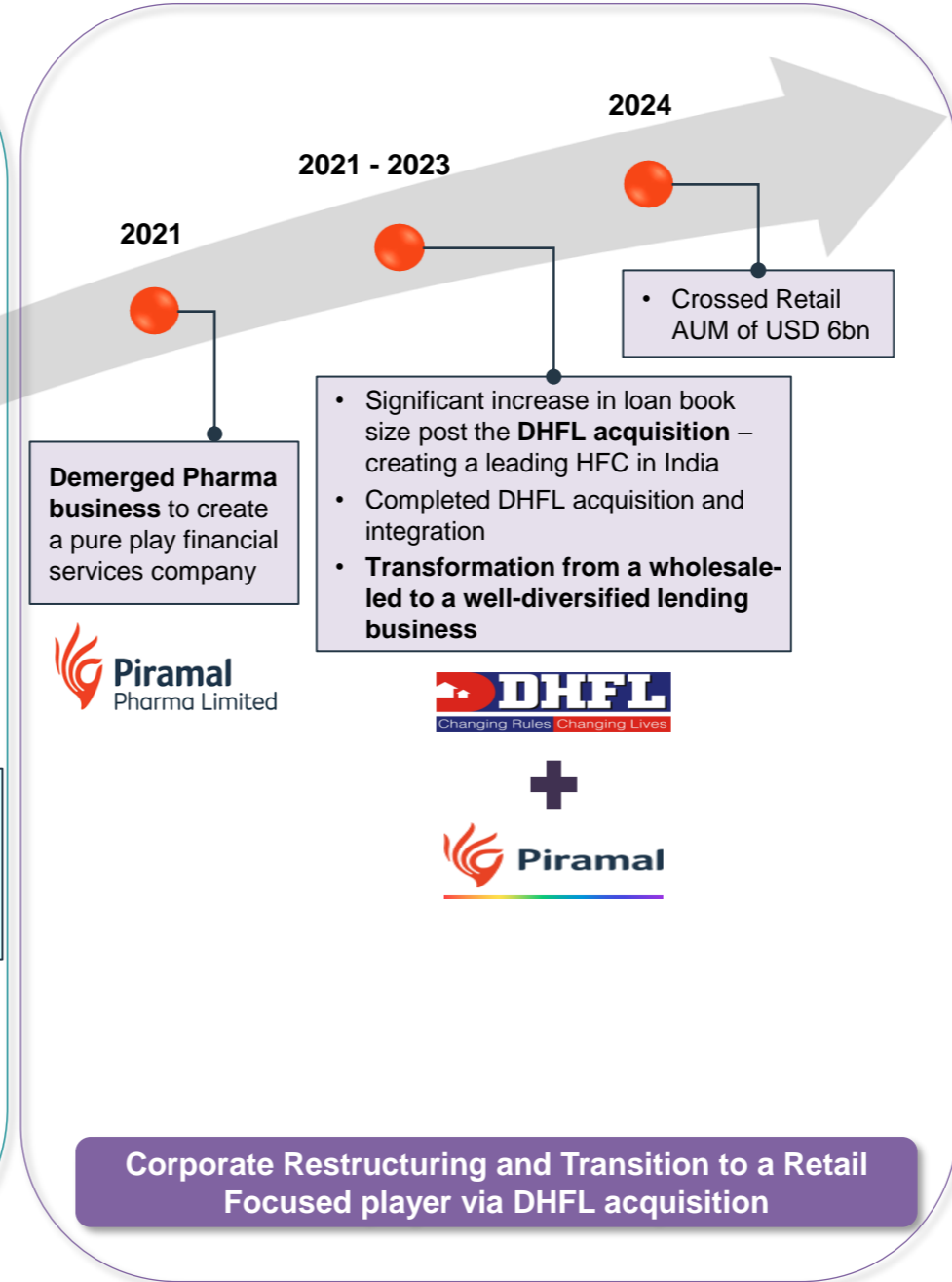
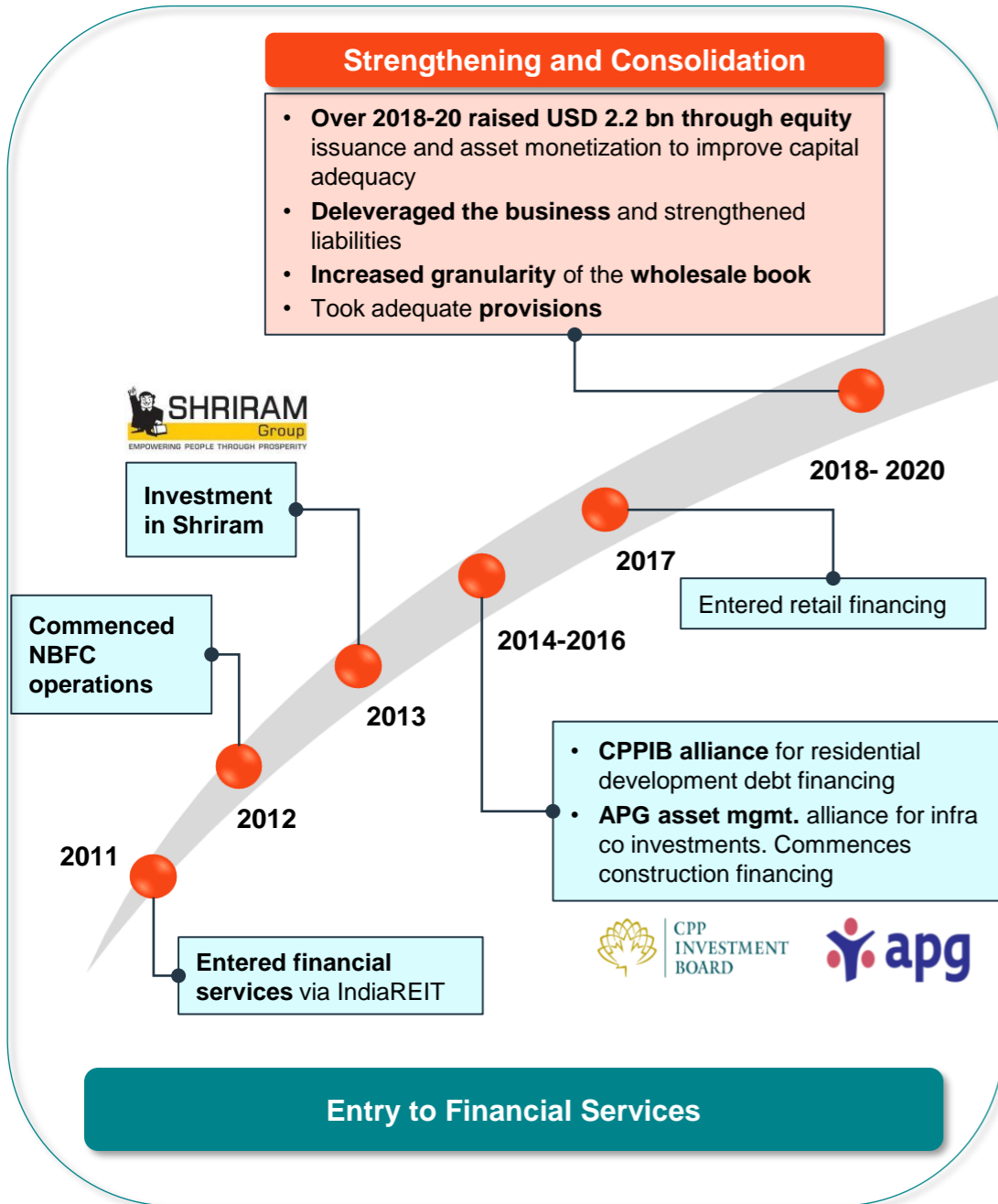
Listed Companies

Privately Held Companies

Notes: (1) Carlyle holds 18% stake; (2) Balance held by Goldman Sachs and Warburg Pincus; (3) Refers to PEL's stake sale in Shriram Transport Finance Corporation. Additionally, in FY24 PEL has sold its entire stake in Shriram Finance Ltd. and Shriram Investment Holdings for USD 581mn and USD 173mn respectively

Market Cap as of 20 September 2024
Conversion Rate = 1 USD = 83 INR throughout the presentation, unless mentioned otherwise

Journey to being full-fledged financial services company



Present and Going Forward

Sustainable growth and profitability

- Scale-up the overall loan book
- Leverage DHFL's platform to cross-sell
- Significantly increased retail loans share to 70%, with target to take it to 75%
- Diversified the retail product offering

Balanced trade-offs between 3 key vectors of lending

Major Highlights

Led to the creation of one of the largest pan-India housing finance companies, a platform to address the diverse financing needs of the under-served 'Bharat' market

- ❑ **Milestone Transaction** – 1st financial services company to be resolved through the IBC route
- ❑ **January 2021 – 94% of the Committee of Creditors** voted in favor of Piramal's resolution plan
- ❑ **February to September 2021** – Key necessary regulatory approvals received for transaction closure.
- ❑ **Consideration Paid by PCHFL** – PCHFL acquired a loan book with gross value of USD 5.4bn (excl. fraudulent assets) for a consideration of USD 2.4bn (net off existing cash at DHFL), thereby **acquiring the book at c. 44% of gross value**
- ❑ **PCHFL funded the consideration** via fixed rate bonds to the tune of USD 2.3bn **and balance USD 0.1bn was funded through internal accruals.**

Key Strategic Rationale

- 1 **Diversification** : Transformed Piramal into a well-diversified lender, focused on retail lending
- 2 **Growth**: Created one of the leading housing finance companies in India with significant increase in loan book size
- 3 **Scale**: PCHFL gained pan-India distribution network with access to ~1 million customers at time of acquisition
- 4 **Customer Segment**: Ability to cater to the under-served 'Bharat' market in affordable segment via DHFL network
- 5 **Strengthens Liabilities**: Reduced borrowing cost post-acquisition and further improved ALM profile via long term fund raise

Creation of Pan India platform post acquisition with continued expansion

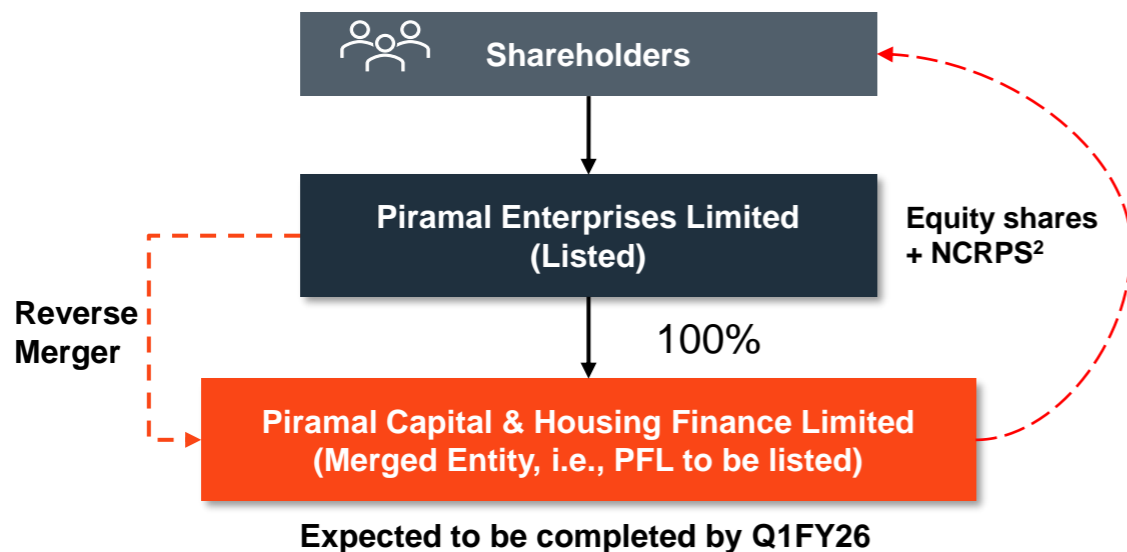
Metric	Pre-DHFL	Post-DHFL	Current (Jun'24)
Footprint in # States / Union Territories	10	24	26
Presence in # of Cities / Towns	40	236	415
# of Branches	14	301	501
# of Customers	23,286	c. 1.0 mn	c. 4.0 mn

Acquisition enabled PCHFL to acquire an established retail lending platform which acted as a catalyst for future growth






PEL Merger with PCHFL – Consolidation of Financial Services Businesses


In May 2024, PEL announced that it will get reverse merged into PCHFL, and entity will be renamed to Piramal Finance Ltd. (“PFL”)


Transaction Mechanics¹




PCHFL was natural choice as surviving entity

-  Interest income ~3.4x of PEL Standalone
-  AUM at PCHFL = ~4x of PEL Standalone AUM
-  99% of the total footprint with PCHFL
-  + 95% of lending business employees are housed in PCHFL
-  Help achieves listing requirements on PCHFL due to classification as an ‘upper layer’ NBFC

 PCHFL has disproportionately higher scale, geographic footprint and salesforce relative to PEL

 PCHFL originates almost the entire credit portfolio for both entities

 PCHFL as the surviving entity minimizes operational inconvenience related to transfer of infrastructure, assets, etc.

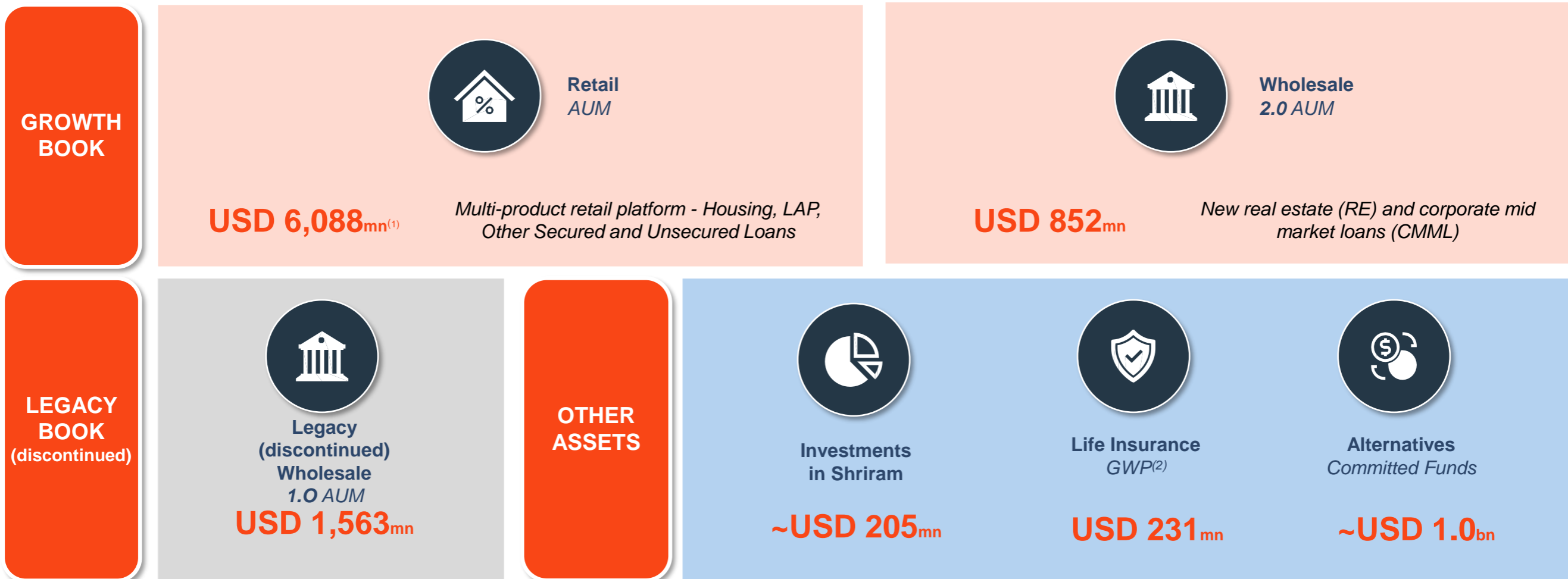
Piramal Finance Limited to be an NBFC-ICC with enhanced scale and larger target addressable market

(1) Group structure chart is not exhaustive
 (2) PCHFL will issue NCRPS for part of the consideration subject to RBI approval



Business Overview:
Well-diversified NBFC, led by
Retail lending

Financial Services Business – A Snapshot



Strong capitalization levels and low leverage provide firepower to sustained AUM growth.

Total AUM USD 8,503mn

Net Worth USD 3,237mn

Capital Adequacy 24.4%

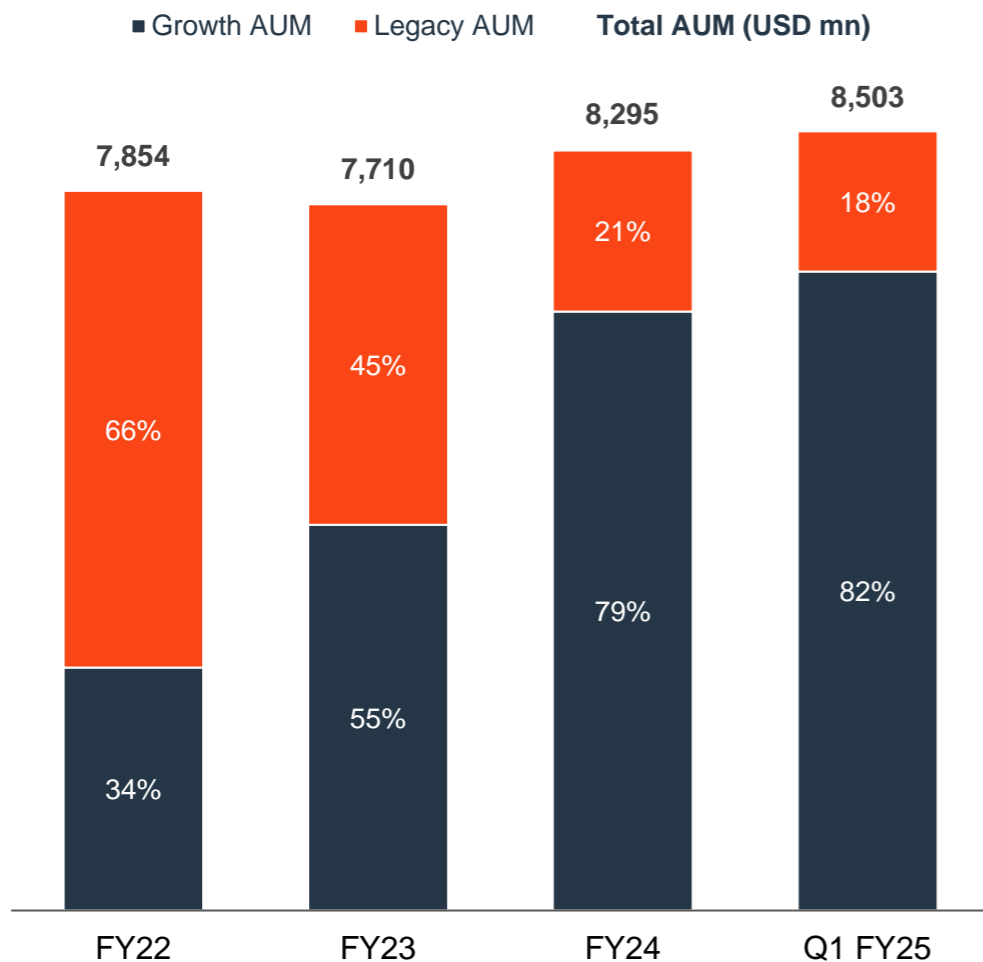
Debt / Equity 2.0x

GNPA 2.7% / NNPA 1.1%

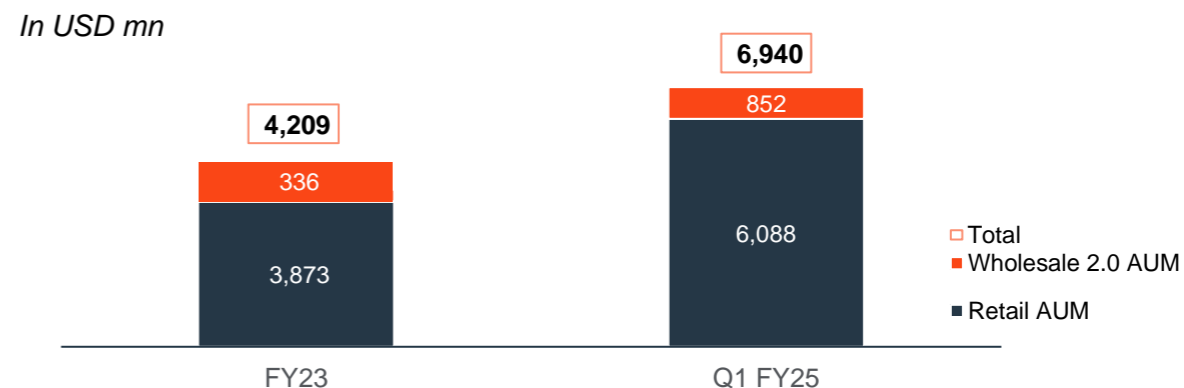
(1) Book Value as on the balance sheet
 (2) FY24 Gross Written Premium

Successfully transitioned to a diversified multi-product NBFC led by Retail lending

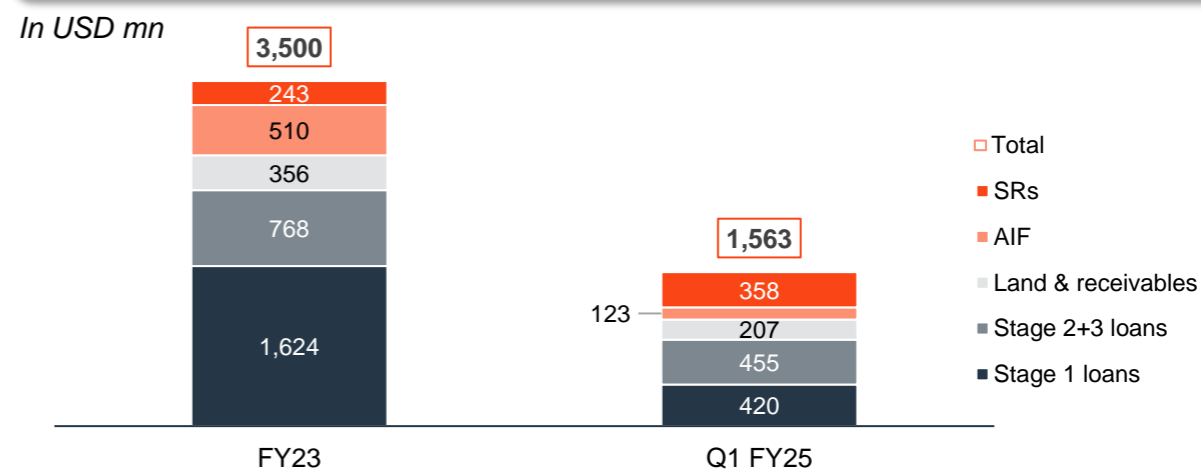
Growth business now dominates the AUM mix (82% of total AUM)



Growth Book AUM (up 55% YoY)



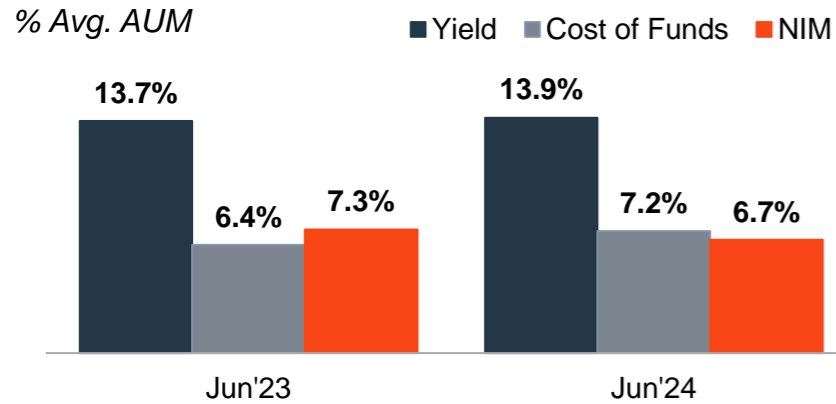
Accelerated run down of Legacy AUM (down 50% YoY)



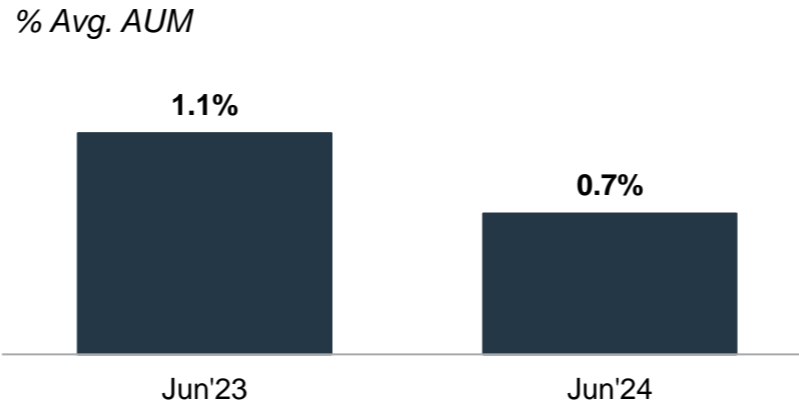
Piramal has been successful in meeting its target mix with c. 72% Retail AUM as of June 2024

Growth Business on path of steady profitability

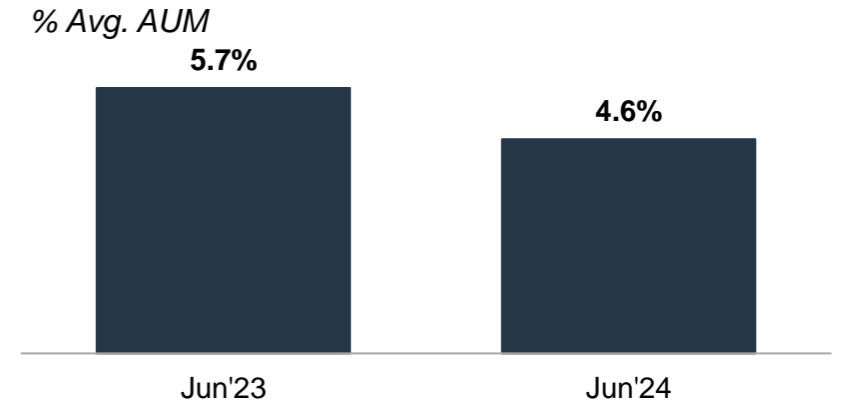
Yield and NIM ¹



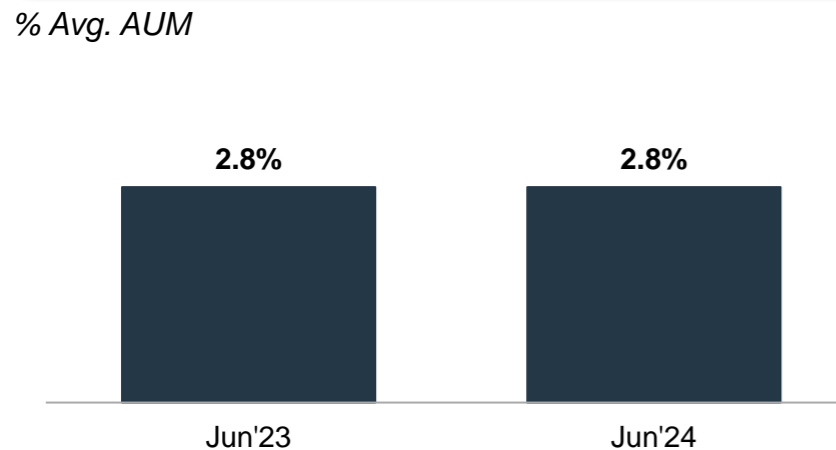
Fee Income



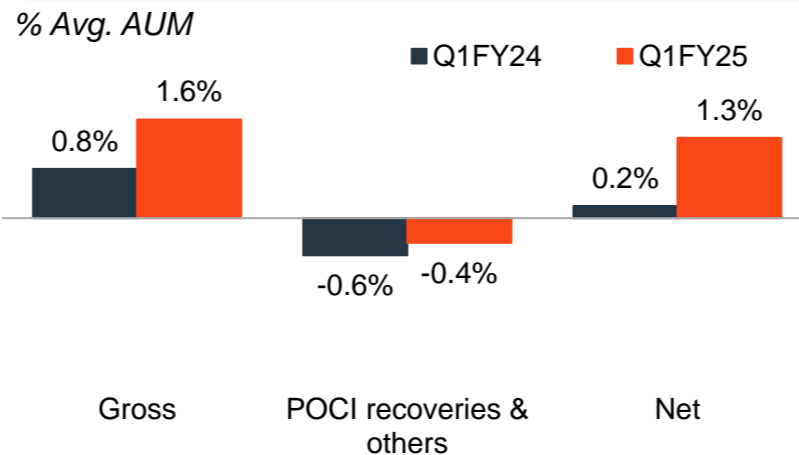
Opex



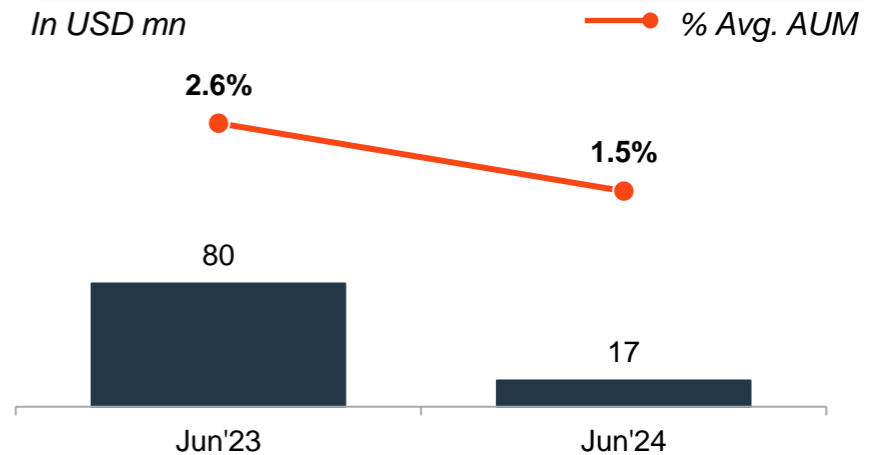
PPOP



Credit Cost ²



PBT



Growth business has demonstrated healthy profitability with further room for improvement via significant operating leverage

Notes: All ratios as % of average AUM of growth business

(1) Net interest margin = net interest income / average AUM; (2) Gross credit cost = aggregate of stage-wise credit cost for stage 1/2/3 loans; (3) Purchased or originated credit impaired (POCI); (4) Net credit cost = Gross credit cost less recoveries from POCI book and other gains; (5) Credit cost is mainly from retail business. Gross/ Net Credit costs for Q1FY24 excludes 1.3% of one-time ECL provision write back



Jairam Sridharan

CEO, Retail

*Former CFO at Axis bank
IIT Delhi, IIM Calcutta*



Rupen Jhaveri

Group President

*Former MD at KKR India
NYU Stern School of Business*



Yesh Nadkarni

CEO, Wholesale

*Former MD & CEO at KKR – RE Lending business
London Business School*



Kalpesh Kikani

CEO, Piramal Alternatives

*Former MD at AION Capital (JV of Apollo & ICICI) Bombay
University and Member of CFA Institute*



Pankaj Gupta

CEO, Pramerica Life

*Former Group Head – Distribution at HDFC Life
IIT Kanpur, IIM Lucknow*



Upma Goel

CFO

*Former CFO and KMP at Ujjivan Small Finance
Chartered Accountant*

Strong panel of Independent Directors having deep expertise in Financial Services and Technology sector



Shikha Sharma
Non-Executive Director
Former MD & CEO,
Axis bank



Anjali Bansal
Independent Director
Founder,
Avaana Capital, Climate
and Sustainability Fund



Kunal Bahl
Independent Director
CEO & Co-Founder,
Snapdeal



Rajiv Mehrishi
Independent Director
Former Finance Secy.,
GoI⁽¹⁾



Anita George
Independent Director
Former Sr. Director,
WBG⁽²⁾



**Guided by
Expert Counsel**

Nitin Nohria
Senior Advisor
Former Dean,
Harvard Business School



Puneet Dalmia
Independent Director
MD & CEO
Dalmia Bharat Limited



Gautam Doshi
Independent Director
Former Chairman,
WIRC of ICAI



Vijay Shah
Non-Executive Director
Former MD,
Piramal Glass



Suhail Nathani
Independent Director
Managing Partner,
ELP⁽³⁾



Asheet Mehta
Independent Director
Senior Partner
Mckinsey & Co.

(1) Government of India
(2) World Bank Group
(3) Economic Law Practice

Growth Business Vision & Outline Retail Business





Diversified retail business with housing as the foundation



Target segment is the budget customer of Bharat



Core differentiation: Execution rigour on a “High tech + High touch” strategy



Business gaining traction in all chosen segments



Maintain strong control on asset quality and credit costs

Experienced and strong leadership team drives retail business



Jairam Sridharan
CEO, Retail



Jagdeep Mallareddy
Chief Business Officer
25+ years



Sunit Madan
Chief Operating Officer
25+ years



Saurabh Mittal
Chief Technology Officer
20+ years



Markandey Upadhyay
Chief Data & Analytics
Officer
20+ years



Vipul Agarwal
Business
Head – Partnerships
20+ years



Arvind Iyer
Head – Marketing
15+ years



High pedigree management with relevant domain expertise, and track record of building successful businesses

A lender that goes beyond PAPERS and sees the INTENT of the person

Who are we?



High Touch



High Tech



Who are our customers?

Budget customers of Bharat, residing in Tier 2 and Tier 3 geographies of India

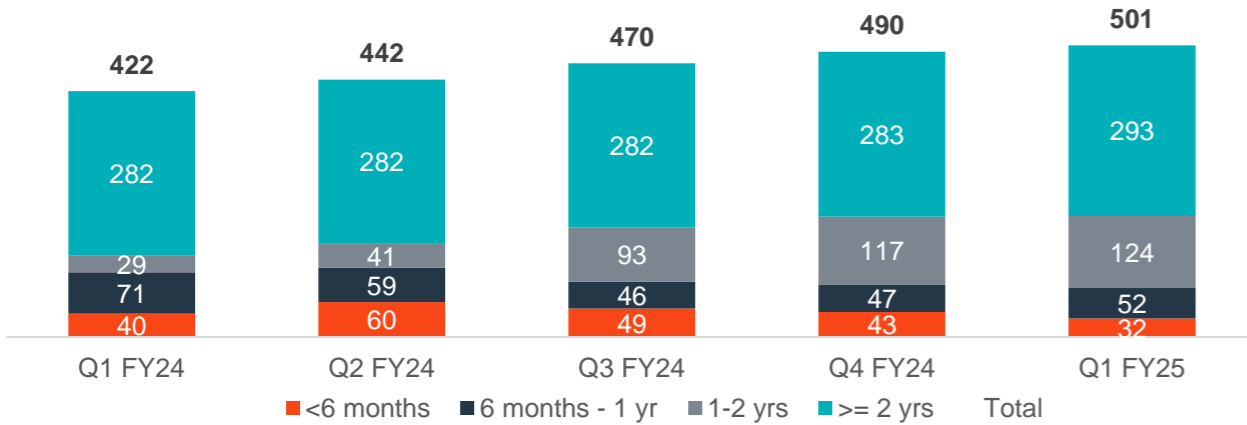
What we do for them?

Provide credit to the “UNDERSERVED” to achieve their goals and aspirations

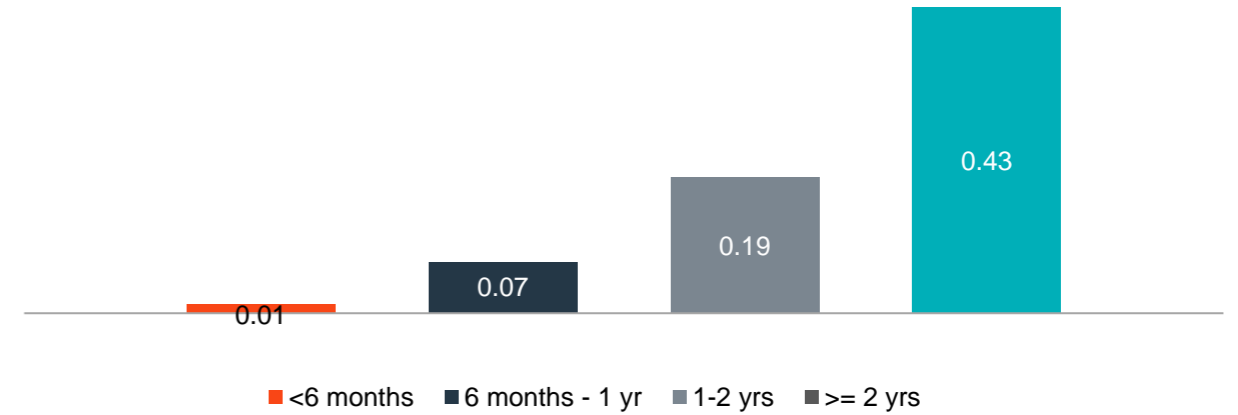
Execution strategy driven by strong branch expansion and productivity



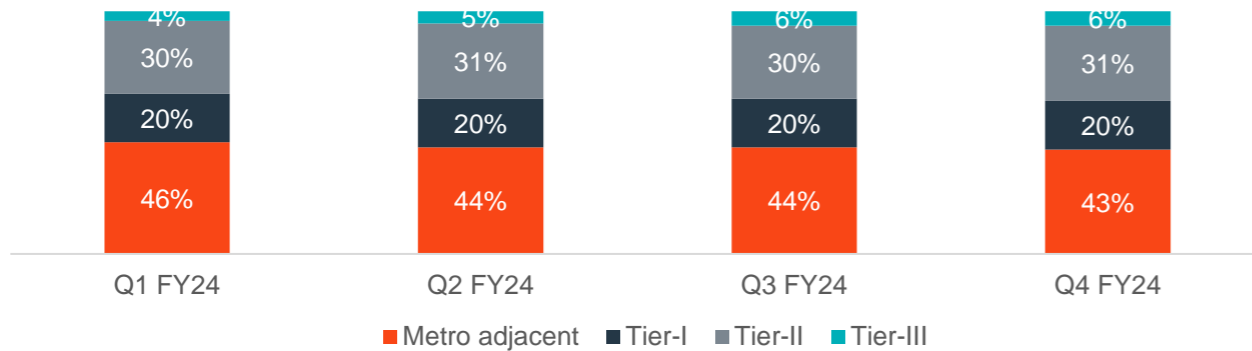
Branch mix by vintage



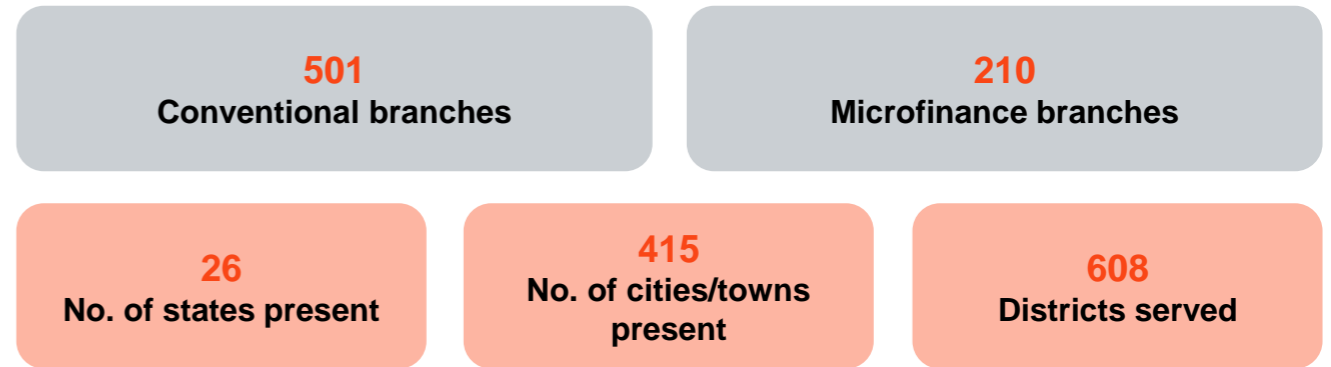
Benchmark monthly disbursement per branch (USD mn)



Retail AUM by geographic exposure

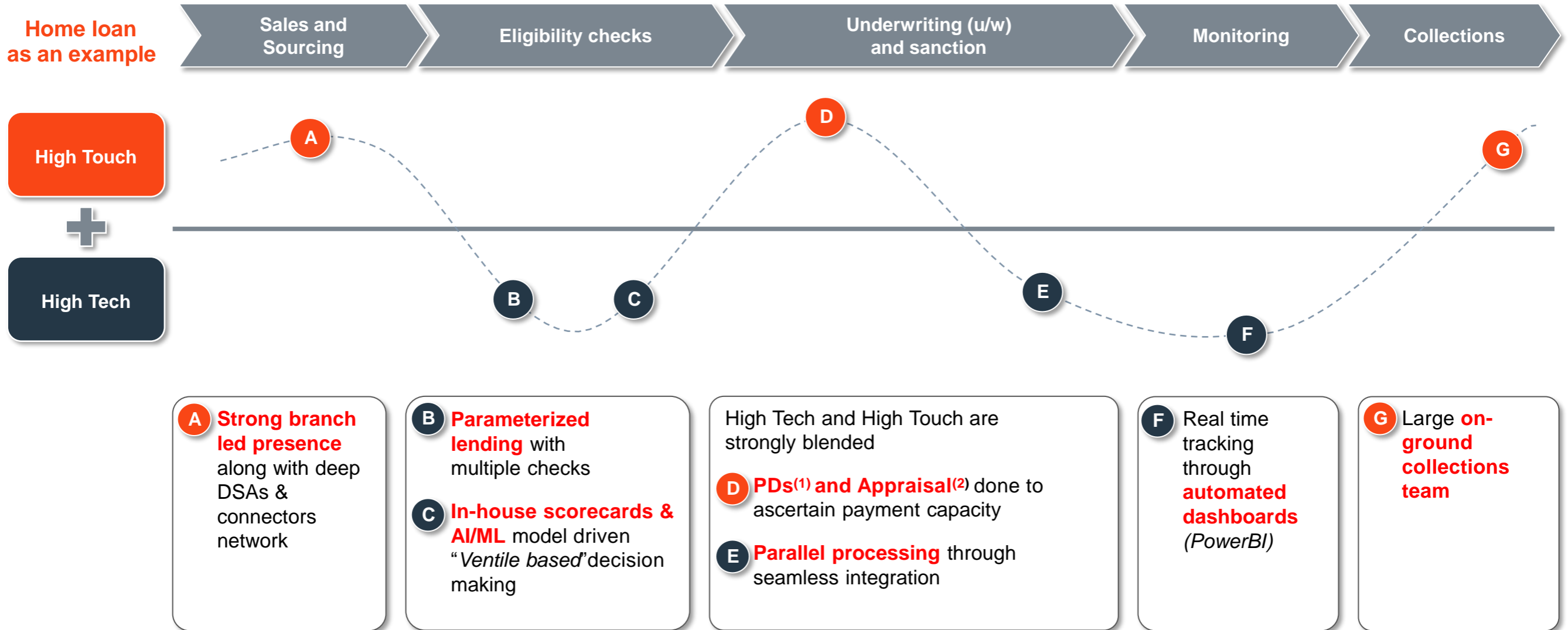


One of the few NBFCs with a PAN India Presence



Incurred significant investments over last 2 years to bolster and grow the branch network to drive long term growth

Robust infrastructure and processes backed by on-ground team

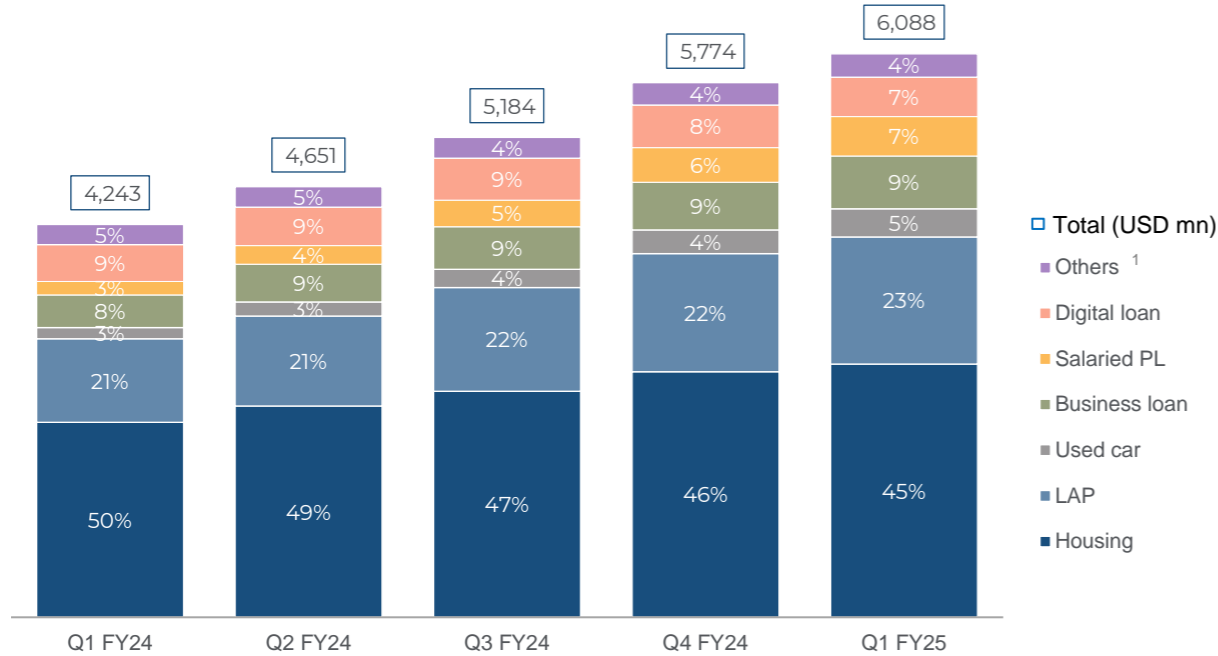


Focused on building a sustainable lending franchise through use of technology and personal touch across customer journey

(1) Personal discussions

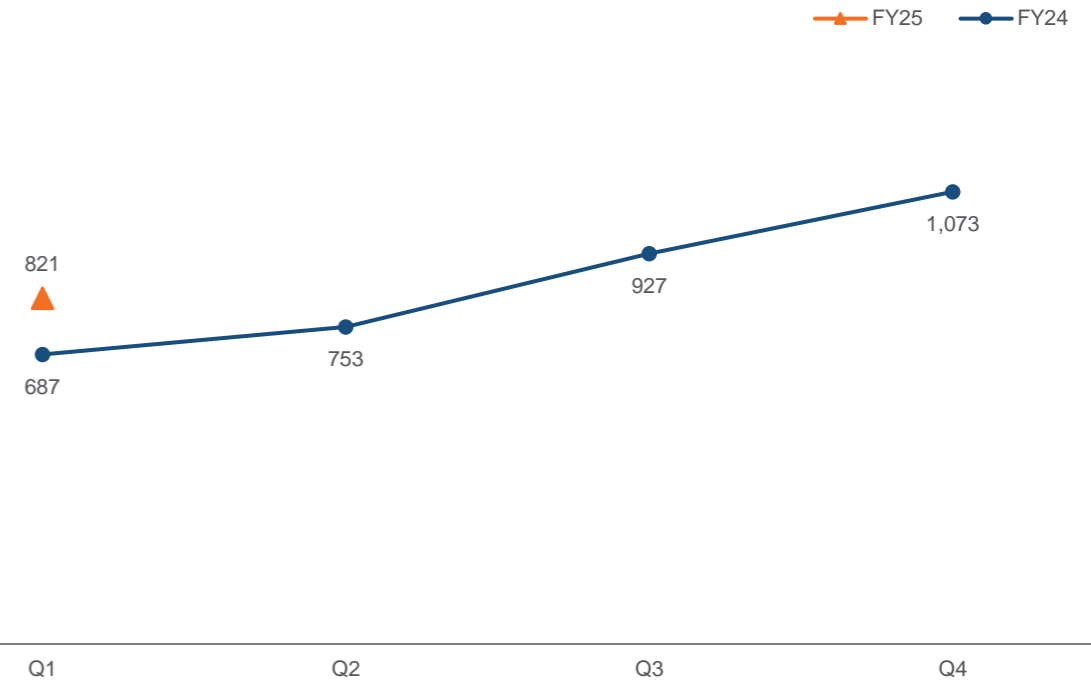
(2) Involves process of valuing and appraising the property on-site

Q1FY25 Retail AUM up 43% YoY



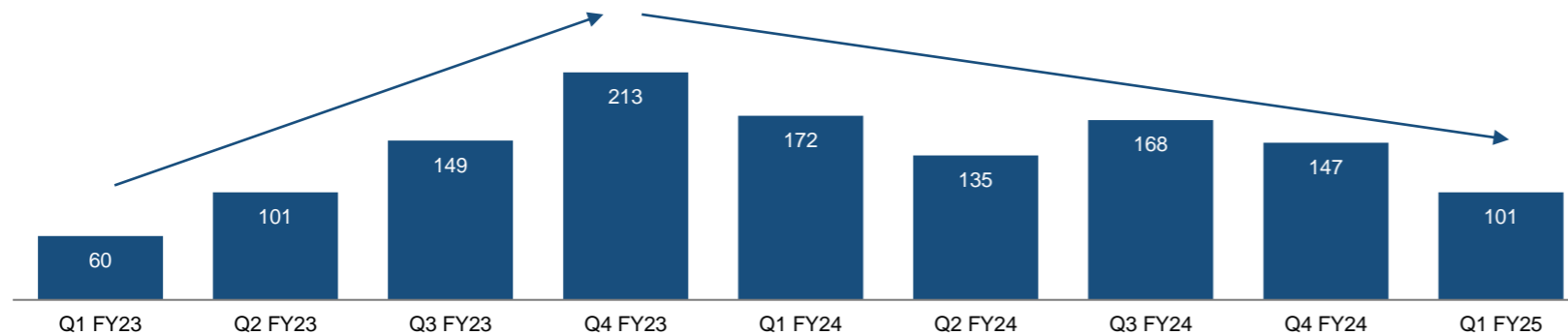
Q1FY25 disbursements up 19% YoY

In USD mn







Digital Loans disbursements reduced by >50% from peak 5 quarters ago

In USD mn



- 75% of digital loan disbursement is **credit protected** primarily through FLDG
- **Securitization** picking up, with total 17 DA and 1 co-lending live programs

Diversified product spectrum catering to the target customer segment

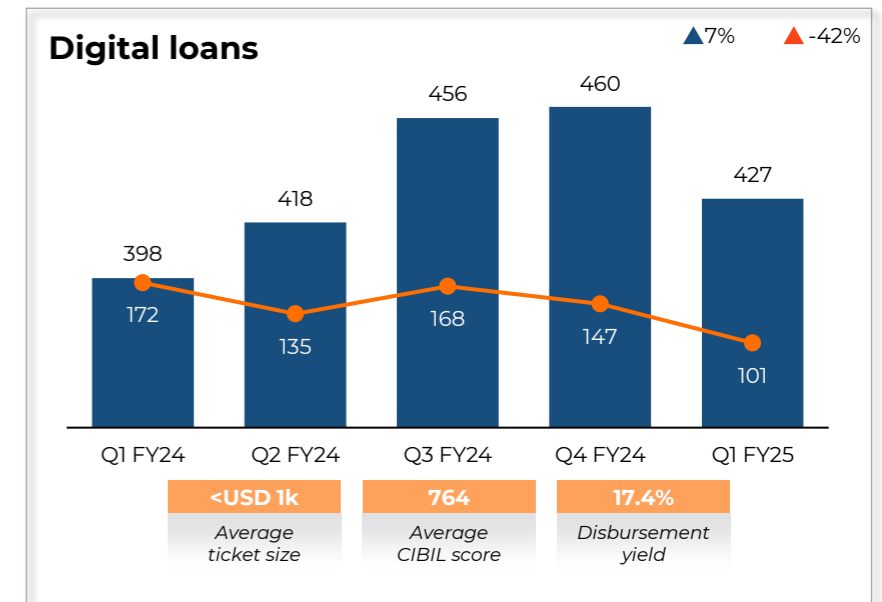
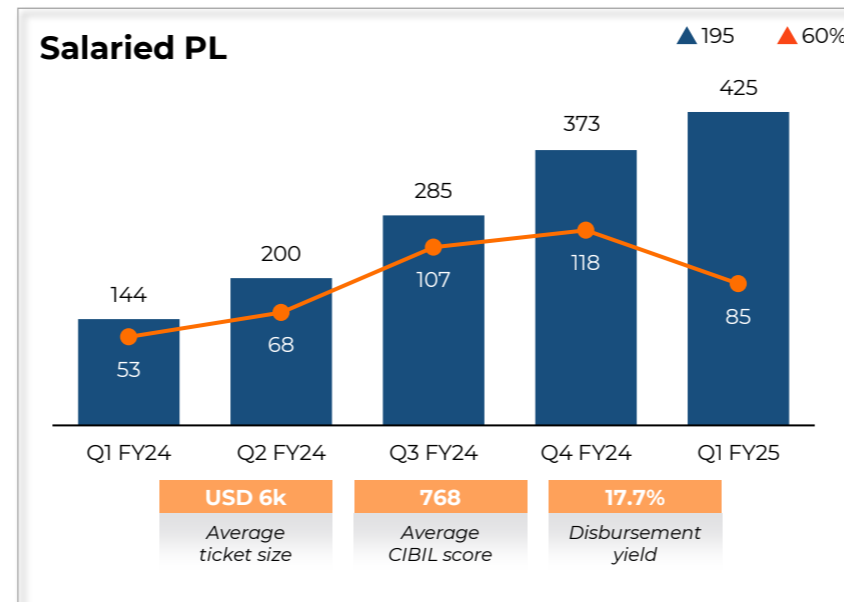
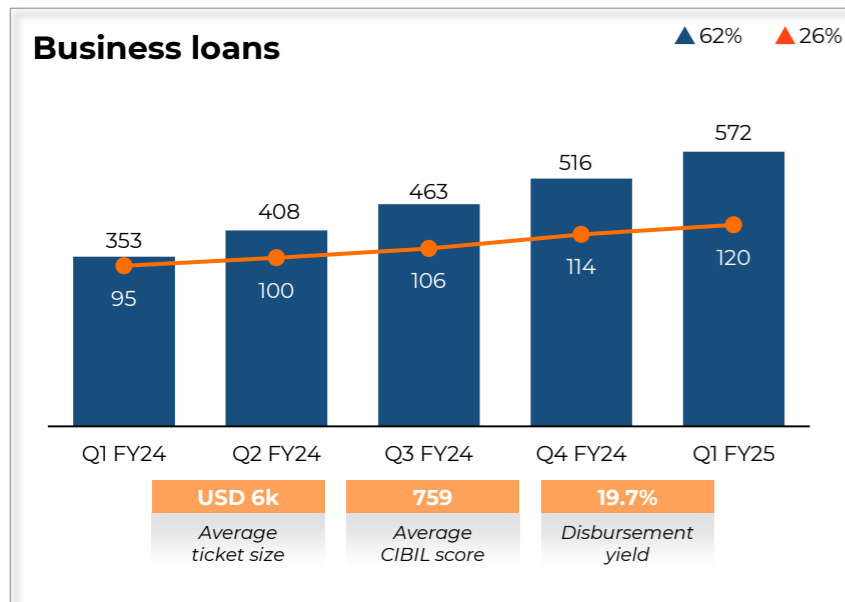
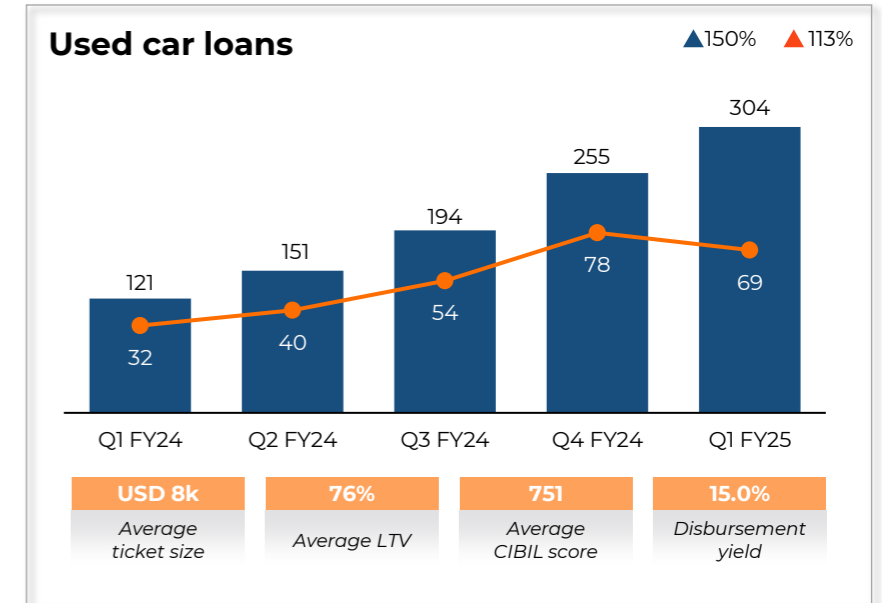
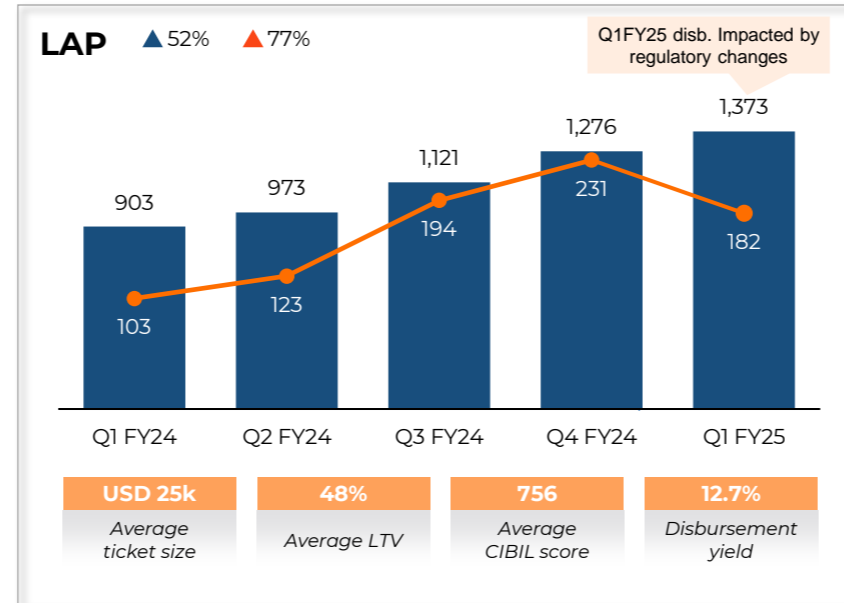
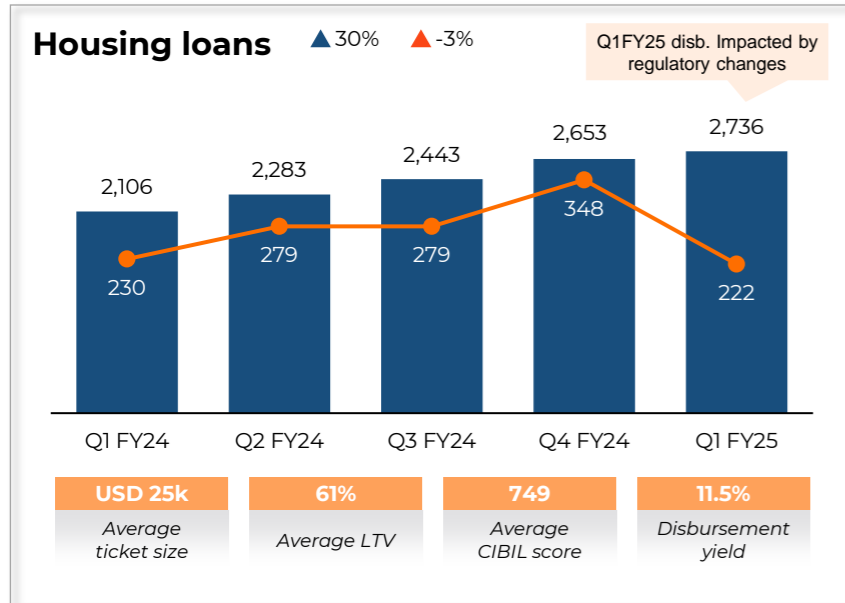
1Product Segments		Products	Average disbursement ticket size (USD'000)	Disbursement yield (%)	Share in disbursements (%)	AUM yield ² (%)	Share in AUM ³ (%)
1  Housing	Affordable housing	25.2	11.5%	27.1%	11.5%	44.9%	
	Mass affluent housing						
	Budget housing						
2  Secured MSME (LAP)	Secured business loan	25.9	12.7%	22.1%	12.8%	22.6%	
	Loan against property (LAP)						
	LAP plus						
3  Other secured	Pre-owned car loans	8.1	15.0%	8.4%	15.0%	5.0%	
4  Unsecured	Salaried personal loans	4.9	17.7%	10.4%	17.6%	7.0%	
	Microfinance loans	0.7	18.9%	6.7%	18.4%	2.7%	
	Unsecured business loans	9.9	20.3%	7.9%	20.0%	6.7%	
	Merchant BNPL						
	Digital purchase finance	0.6	17.4%	12.3%	18.0%	7.0%	
	Digital personal loans						
Total / weighted average		15.4	14.2%		13.5%		

Notes:(1) Data for the period Q1FY25; (2) Weightage average yield excludes POCl and pertains to all customers outstanding as of 30th June 2024 (3) The balance 4.1% (to make the total 100%) consists of LAMF (c. USD 41mn as of Q1FY25), SRs (c. USD 193mn as of Q1 FY25) & pass-through certificates (PTC) (c. USD17mn as of Q1 FY25)
Source: Company Information

Strong growth momentum across products with robust asset quality



■ AUM (USD mn) ● Disbursements (USD mn) ▲ YoY AUM growth ▲ YoY disbursement growth

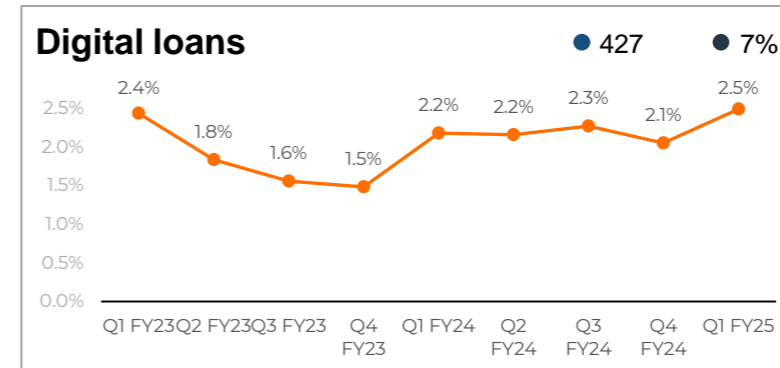
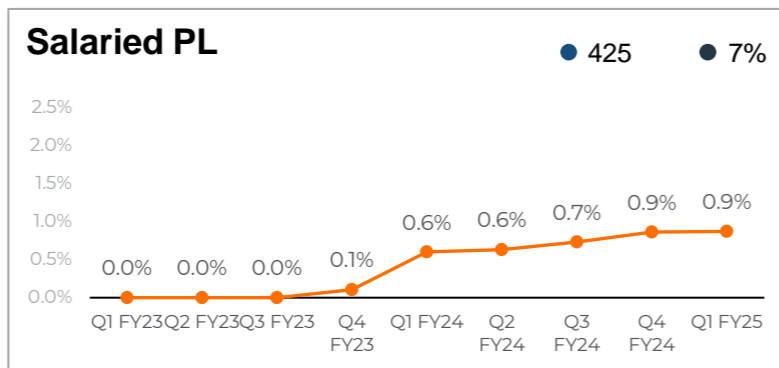
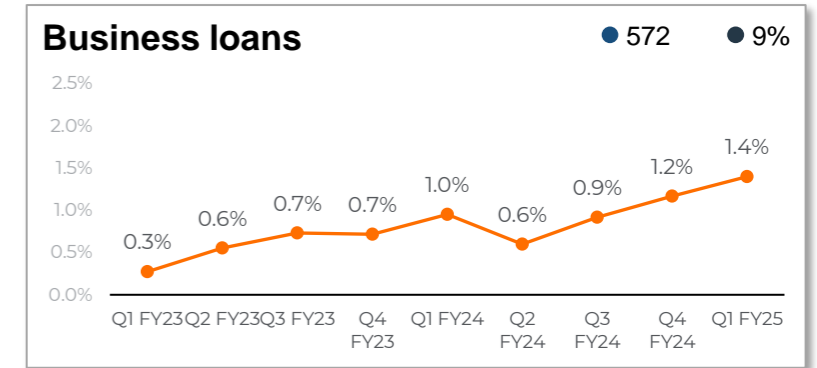
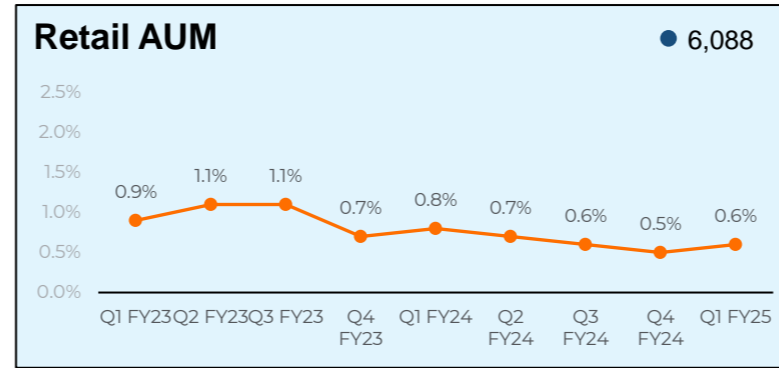
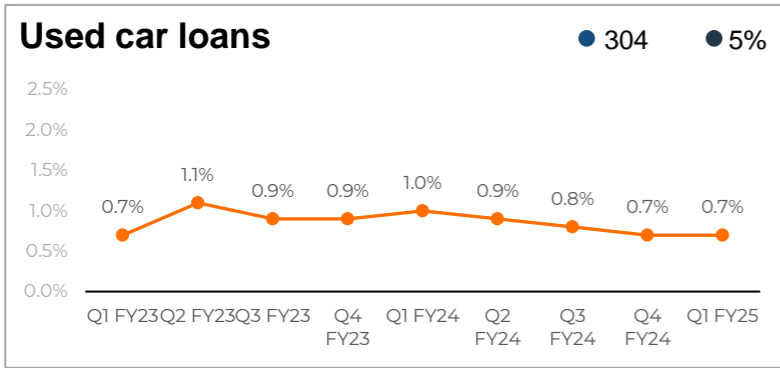
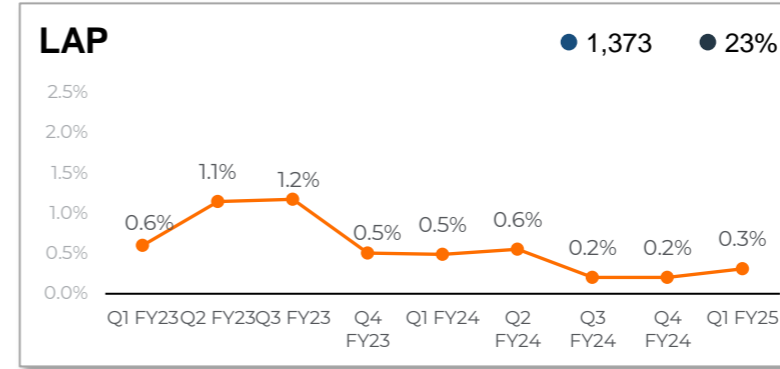
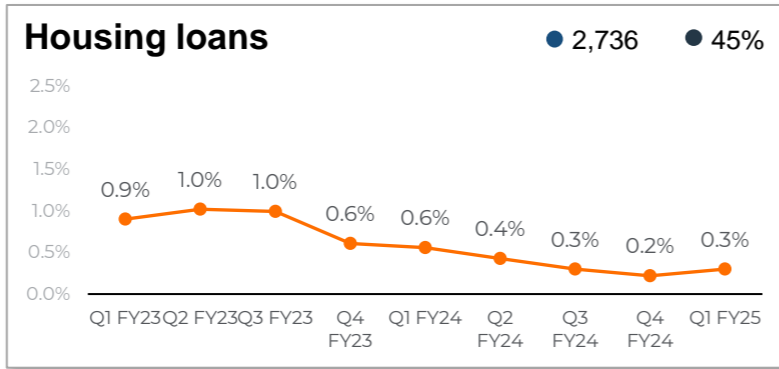


Notes:(1) In Q1 FY25, concluded DA sale transactions of USD 82 mn in LAP, USD 37 mn in Business Loans and co-lending transaction of USD 1 mn in Housing Loans, USD 4 mn in LAP, USD 9 mn in Business Loans

Retail risk – Overall stable 90+ DPD¹ reflecting diversified AUM mix



- AUM as of Q1 FY25 (USD mn)
- % of retail AUM as of Q1 FY25



Note: (1) 90+ DPD delinquency = 90 to 179 days DPD

Growth Business Vision & Outline

Wholesale 2.0



Wholesale 2.0 – Tapping Opportunity in Underpenetrated Real Estate and Corporate Mid-Market Lending

Why Real Estate Financing Market?



OPPORTUNE TIMING

Beginning of growth cycle as affordability at all time high



DEVELOPER CONSOLIDATION

Resulting in better quality ecosystem



GAP IN HFC / NBFC SPACE

Sector getting vacated resulting in major market gap



TIER 2/3 MARKETS

Underpenetrated and less competition

Creation of developer ecosystem to provide end to end solution through Retail and Wholesale partnership; Building a specialized team within wholesale to cater to this segment

Corporate Mid-market Lending: A Large Untapped Market in India



Predominantly
OpCo loans



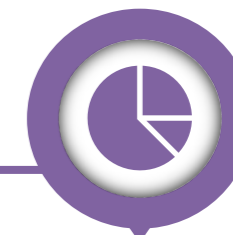
Backed by
cashflow / assets



Mid-sized companies with
revenues of up to USD
300mn



Investment grade and
above (externally rated
A to BBB-)



Diversified sectors
manufacturing,
services & NBFC

What is New

Wholesale 1.0

Large and Chunky Exposures

High residential real estate exposure concentration

Single Investment team carrying out the origination and credit functions

Paper and Physical processes

Wholesale 2.0

Building a granular book with clear single name and project exposure limits

Clear diversification targets between Real estate and Corporate Mid-market lending

Well-distinguished origination, credit and approval chain

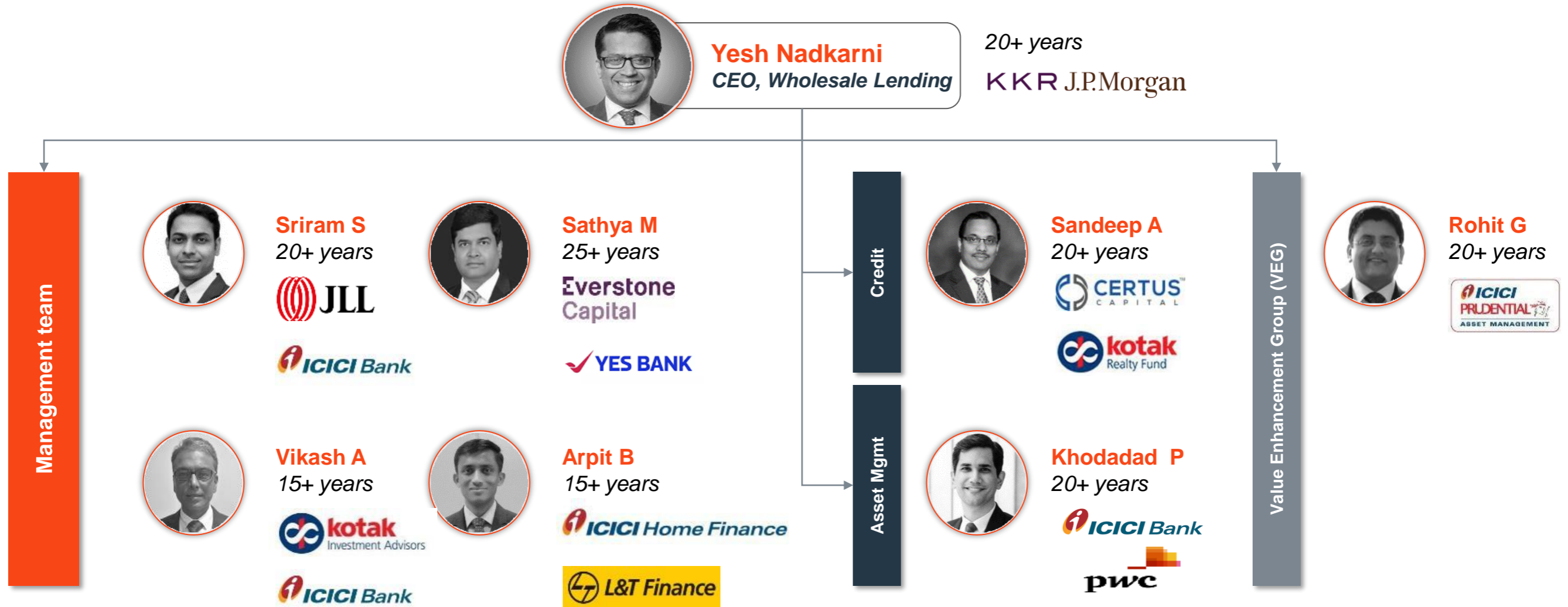
Technology Enabled processes

What do we Carry Forward

Strong client relationships across categories and regions

Strong understanding and market intelligence

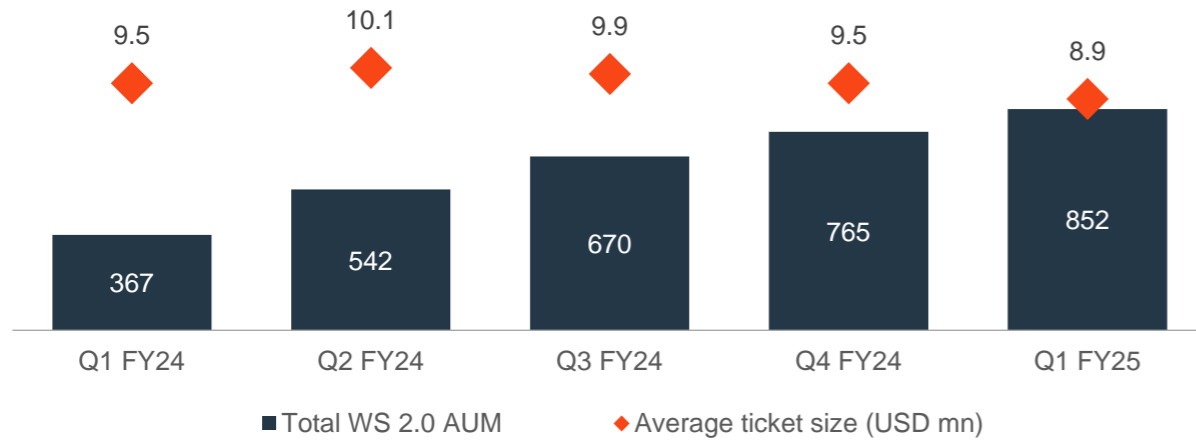
Experienced and professional management team



Led by Yesh Nadkarni, the wholesale team boasts of individuals with strong domain expertise in respective functional areas

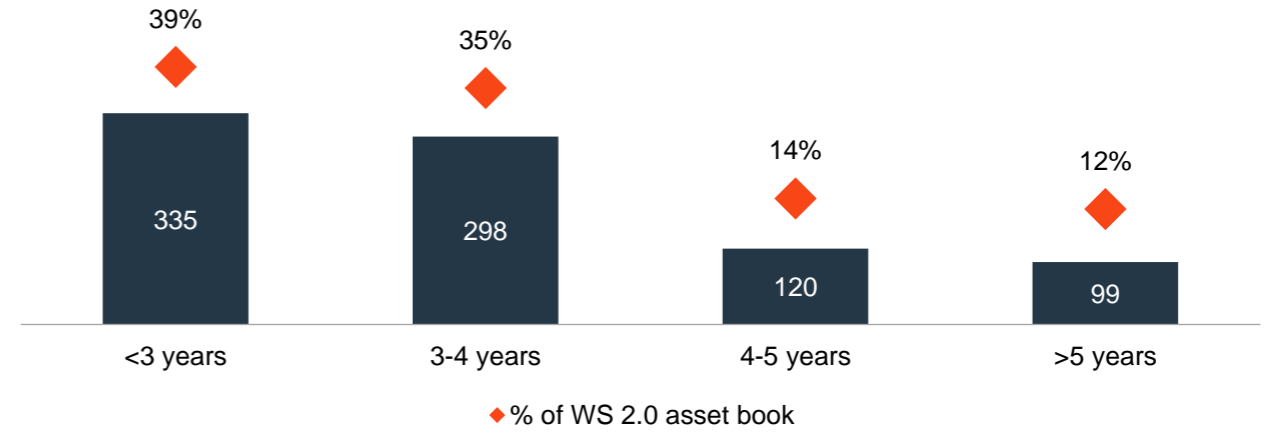
WS 2.0 AUM: A Granular Build-out

In USD mn



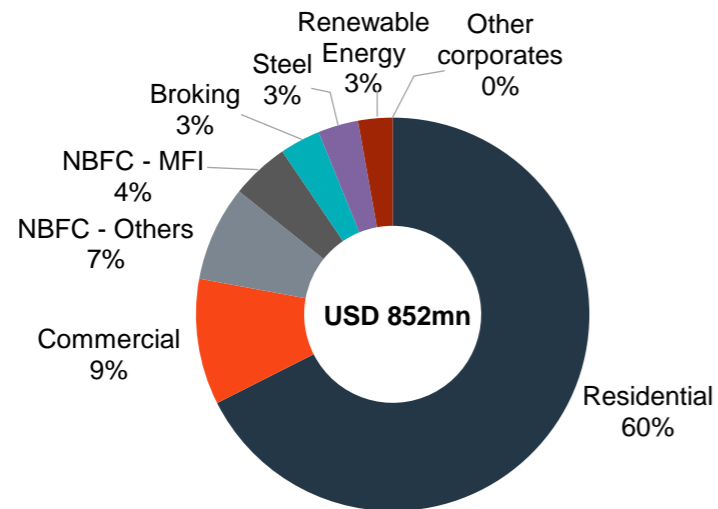
Well Balanced Asset Duration

In USD mn



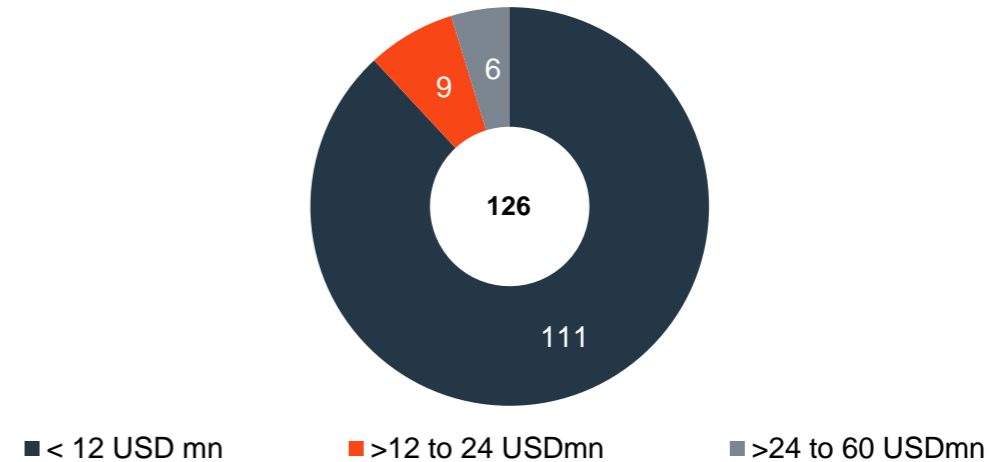
Overall WS 2.0 Asset Diversity

as of June 2024



Average Ticket Size Break up

Number of deals

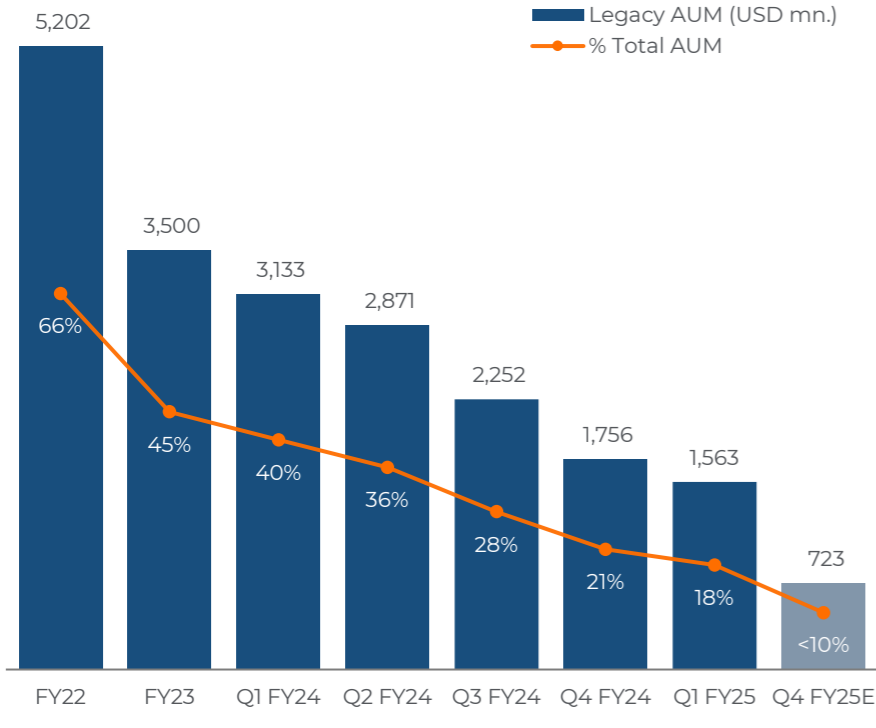


Legacy Business: Demonstrated Accelerated Rundown

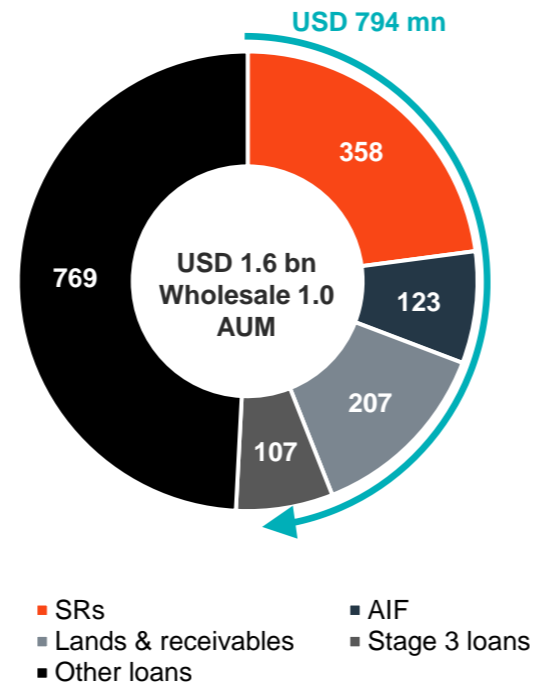


Legacy Business rundown accelerated in last two years

Legacy AUM



Q1 FY25



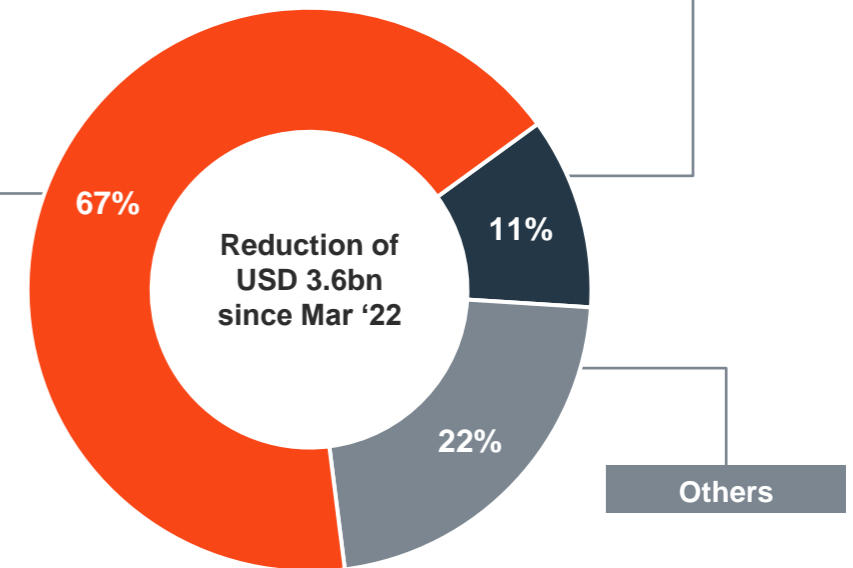
Successful run down of WS 1.0 portfolio

Organic Reduction

From project cashflows / promoter infusion and refinance in FY23

Sale of assets

Reduction through sale of large holding company load to another counterparty

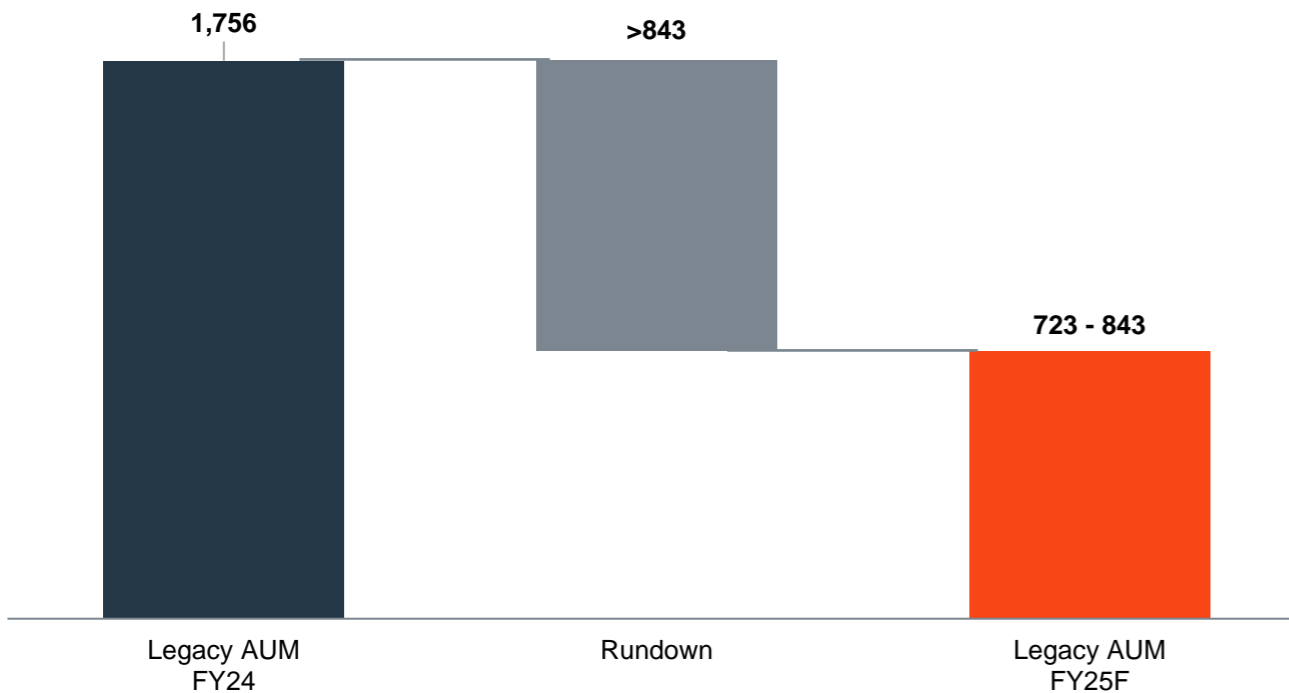


Eliminated large single exposure borrowers (i.e. >5% of net worth) from 23 in Mar'19 to NIL as of June 2024

Successfully run-down legacy wholesale book over the last two years from 66% of AUM to c. 18% of AUM

Taking legacy AUM to <10% of total AUM in FY25; and <5% in FY26

In USD mn



Potential P&L items to consider for the legacy business

1

Provisions carried

USD 303mn existing provisions made against existing legacy book

2

Reversal of AIF Provisions

Provisions made in FY24 related to Reserve Bank of India's AIF circular expected to be reversed to the tune of ~USD 145mn in FY25 and ~USD 60mn in FY26

3

Gains on divestment of residual stake in Shriram companies

Gains upon future divestment of residual stake in Shriram insurance entities (current book value of ~USD 205mn)

4

Accessed carry forward losses from DHFL acquisition

Basis tax assessments carried out, Piramal will have benefit of up to USD 1,286mn available from FY25 onwards against future income

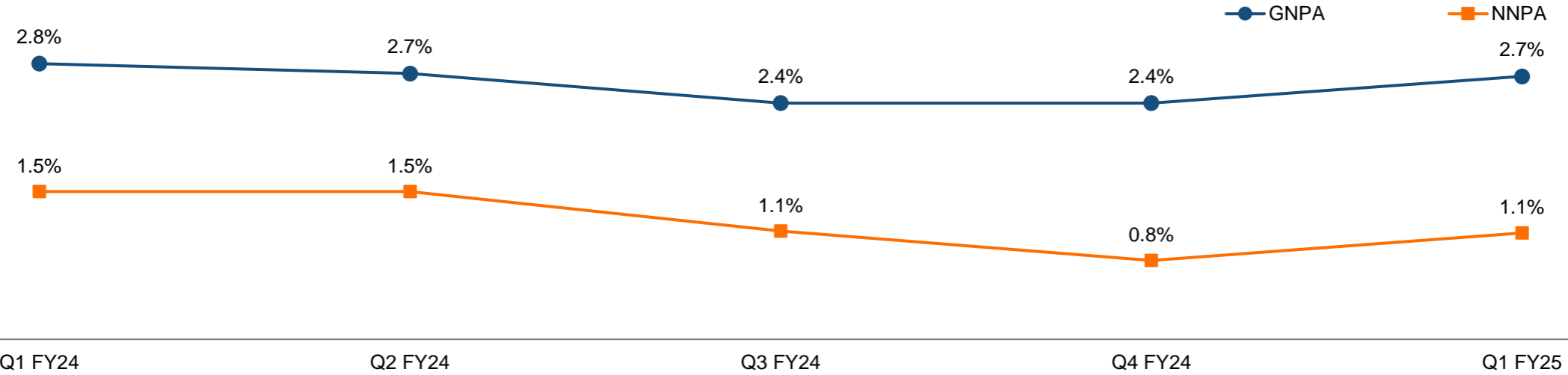
Target to bring Legacy AUM down to <5% of total AUM by FY26 with current provisions and, potential gains from AIFs and divestments providing cushion against any future impairment



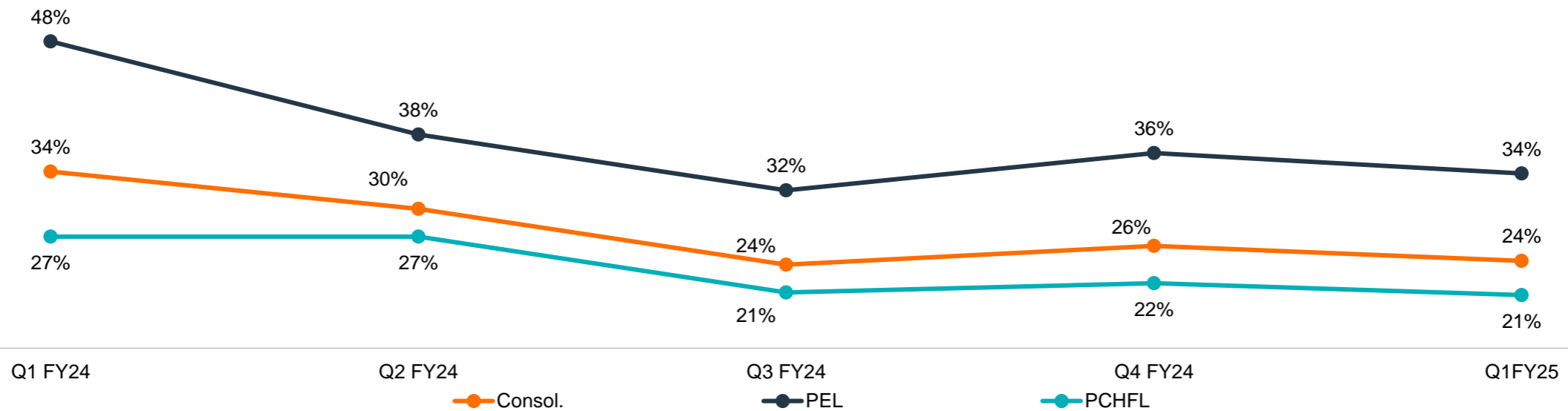
**Strong Balance Sheet:
Primed For Growth**

Well capitalized balance sheet supported by robust asset quality

Healthy asset quality with metrics now in line with pre-stress periods

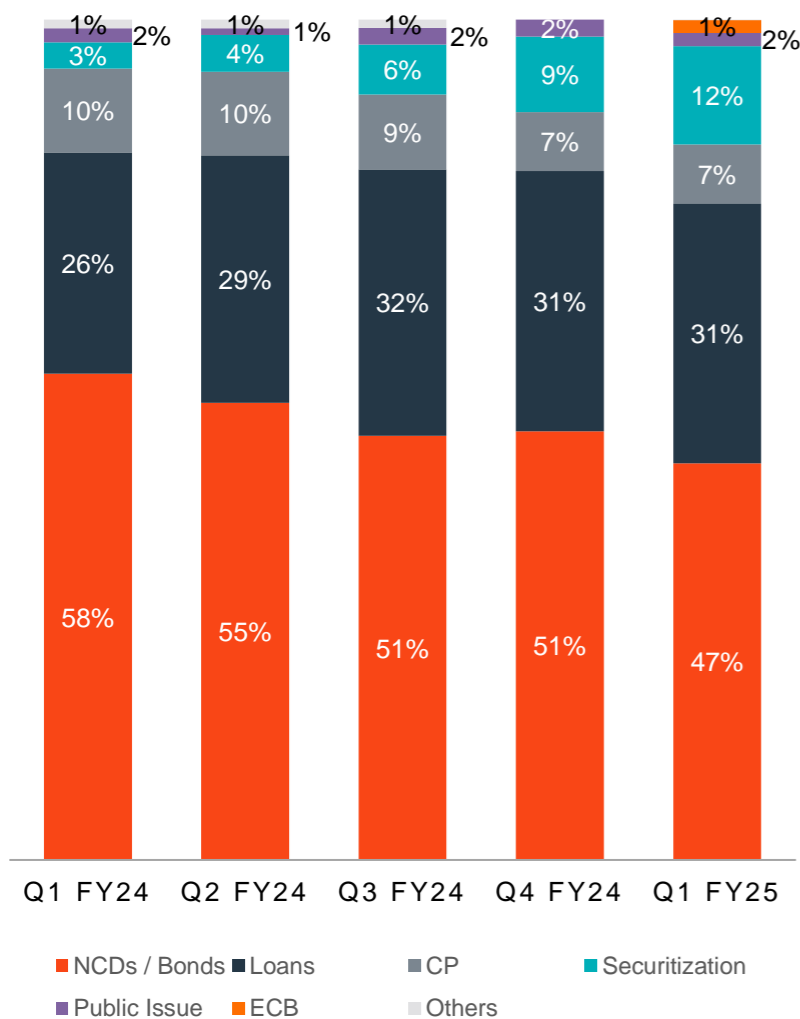


Capital adequacy remains much higher than regulatory requirement



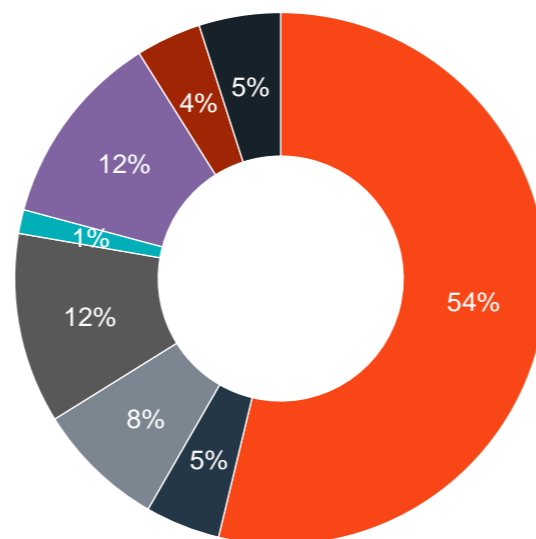
Ability to access financing through a wide range of lenders across instruments

Rising role of securitization



Borrowing mix by type of lender

As of Jun'24



- Banks
- MFs
- Insurance
- Securitization
- ECB
- Individuals / HUFs / Corporates
- Employee Benefit Funds
- Others¹

~30 banking relationships across PSU and private banks

Public Sector Banks

Foreign Banks

Private Banks

DFIs

Note: Borrowings Include direct assignment (DA) of USD 290mn as of Q1 FY25, USD 193mn as of Q4 FY24, USD 105mn as of Q3 FY24, USD 74mn as of Q2 FY24 and USD 40mn as of Q1 FY24

(1) Includes NHB, & other financial institutions which contribute 3% and 2% respectively to overall borrowings; Source: Company Information

Well matched ALM profile and high surplus cash reserves

Tenor with asset-liability position ⁽¹⁾

Cumulative GAP⁽²⁾ (%) (As of June 30, 2024¹)

+652%

+224%

+85%

+28%

+22%

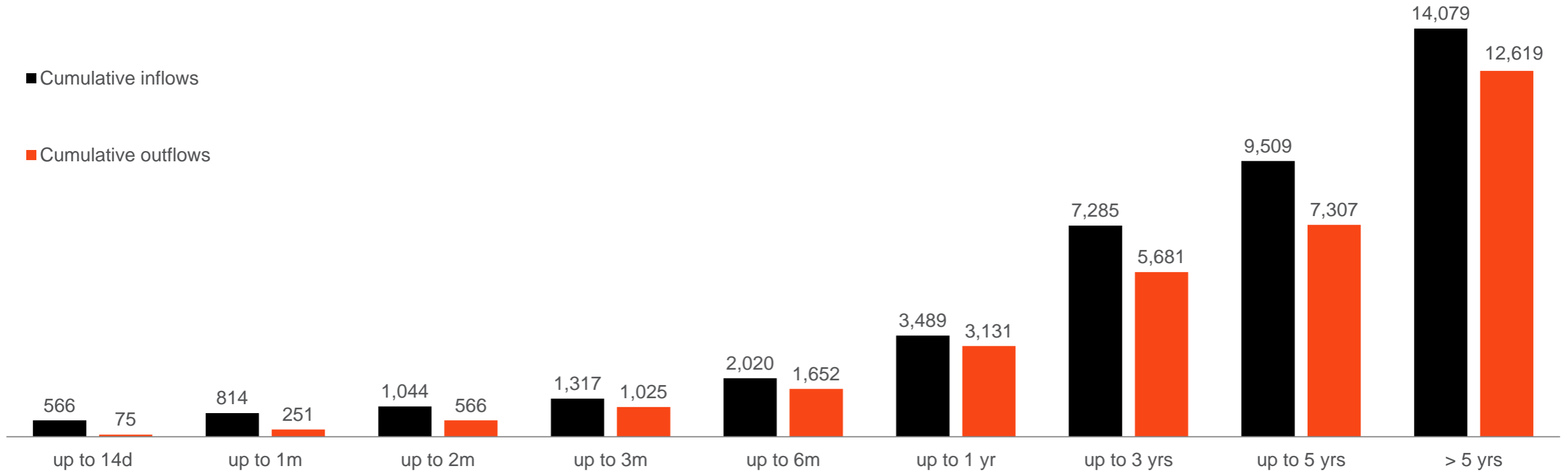
+11%

+28%

+30%

+12%

In USD mn



(1) Based on contractual ALM for wholesale and behavioral ALM for the retail portfolio

(2) Cumulative GAP (%) = net flows (i.e., cumulative inflows – cumulative outflows) as a% of cumulative outflows



Key Investment Highlights

A growing diversified lending business being built by an excellent management team and backed by solid promoter group



1

Strong promoter group with demonstrated ability to raise equity and debt across market cycles



2

Management team with track record brought on board to scale the platform across businesses verticals



3

Successfully transitioned to a retail led business growing with High Tech + High Touch approach



4

Building a granular & diversified Wholesale 2.0 book



5

Significant de-risking by accelerated run down of Legacy Book (Wholesale 1.0) with target to bring it to <5% of AUM by FY26



6

Well capitalized, and liquid balance sheet primed for future growth





Appendix



Financial Summary

Summarised P&L Statement

Consolidated income statement (USD mn)	Q1 FY25	Q1 FY24
Interest income	242	208
Less: Interest expense	145	126
Net interest income (A)	97	82
Fee & commission	13	11
Dividend	-	9
Others ¹	7	5
Other income (B)	20	25
Total income (A+B)	117	107
Less: Operating expenses (Opex)	85	76
Pre-provision operating profit (PPOP)	33	32
Less: Loan loss provisions & FV loss / (gain)	16	22
Less: Shriram FV loss / (gain) ¹	-	-103
Less: Goodwill write-off	-	33
Profit before tax	17	80
Add: Exceptional gain / (loss) ²	13	-
Less: Current & deferred tax	8	21
Add: Associate income	1	3
Reported net profit / loss after tax	22	61

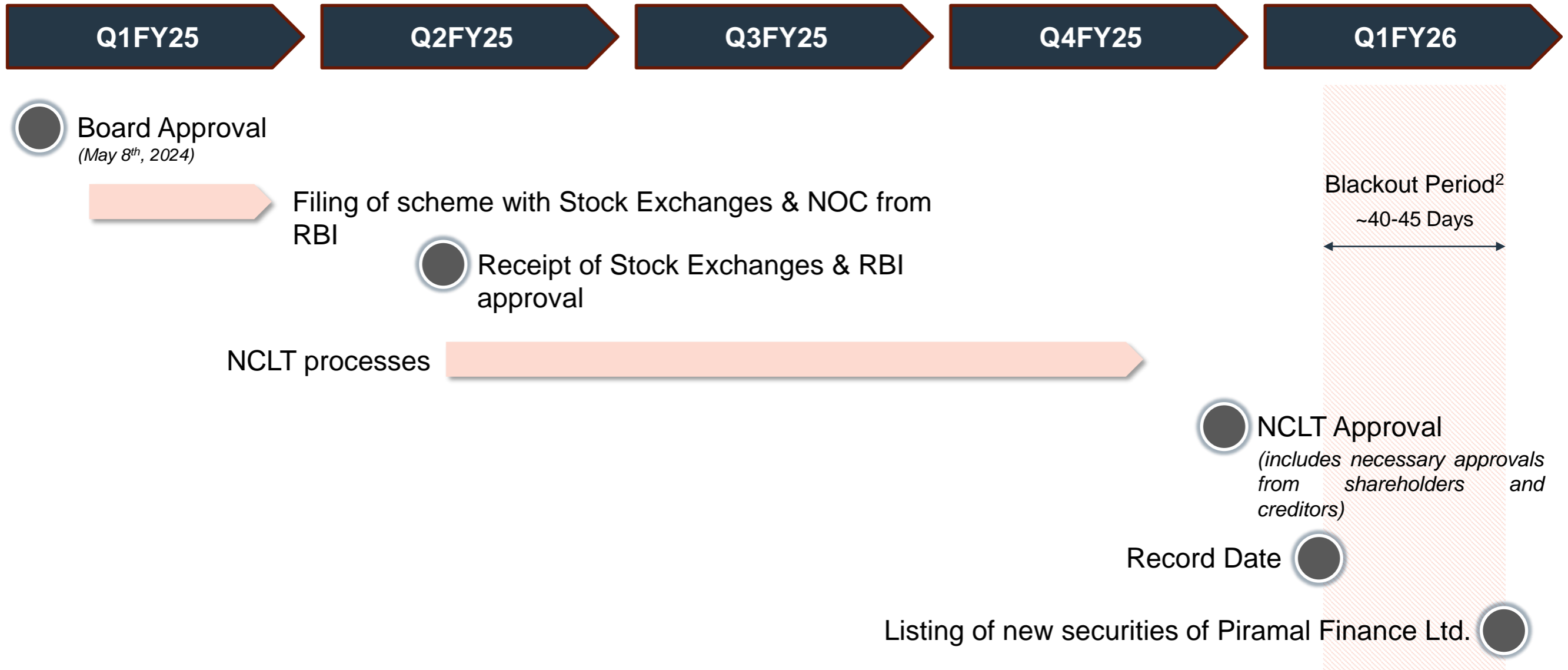
Note: (1) Other income in Q4 FY24 related to Shriram Brand Sale income of USD 105 mn moved to Shriram FV gain item

(2) Exceptional gain includes gross AIF recovery in USD 13 mn in Q1 FY25

Summarised Balance Sheet

Consolidated balance sheet (USD mn)			
Particulars	Q1 FY25	Q4 FY24	Q1 FY24
Assets			
Cash & liquid investments	699	753	1,158
Gross asset under management	8,199	8,099	7,703
ECL provision	361	413	341
Net assets under management	7,838	7,686	7,363
Investments in Shriram group	206	206	274
Investments in alternatives and others	378	306	271
Fixed assets	331	329	203
Net assets / (liability)	389	355	118
Total assets	9,842	9,634	9,388
Liabilities			
Net worth	3,237	3,200	3,716
Gross debt	6,605	6,434	5,672
Total liabilities	9,842	9,634	9,388
Leverage ratios			
Gross debt to equity (x)	2.0	2.0	1.5
Net debt to equity (x)	1.8	1.8	1.2

Merger | Key Indicative Events and Tentative Timelines¹



The implementation process is on track – proposed merger shall be completed within expected timelines

Notes: (1) Subject to regulatory and relevant statutory approvals
(2) Blackout period pertains to all listed securities of PEL



Sustainable Finance Framework

About the Framework:

The Companies' Sustainable Finance Framework is structured based on the following core components:

- Use of proceeds
- Process for Project Evaluation and Selection
- Management of Proceeds
- Reporting
- External Review

Use of Proceeds:

The funds will be exclusively utilized for financing or refinancing projects that align with internationally recognized standards. The eligible projects encompass retail home loans, MSME loans, SME loans, Priority Sector Loans (in addition to the minimum allocation prescribed by the Reserve Bank of India), Microfinance, Green Finance, and digital lending. Eligible Projects may include new projects or projects already financed by PEL during the 36 months prior to the issuance of a particular instrument under this framework. The Framework aligns with the 2030 Agenda for Sustainable Development and its Sustainable Development Goals (SDGs), contributing to specific SDG goals and targets as outlined by the Companies.

Eligible Green Assets	Objective	SDGs
Green Buildings	To construct and maintain green buildings, supporting sustainable urban and rural development and reducing emissions	
Renewable Energy	To promote and develop clean and efficient energy for all	
Energy Efficiency	To develop and promote access to affordable, reliable and modern energy products and services	
Clean Transportation	To develop and promote quality, reliable, sustainable and resilient infrastructure, including regional and transborder infrastructure to support economic development and human well-being	 

Eligible Social Assets	Objective	SDGs
Affordable Housing	To cater to the housing needs and enhance the living conditions benefiting individuals or families requiring shelter and those with a low income through facilitating access to secure, quality and affordable housing alternatives	
Access to Financial Services	To enable access to responsible and inclusive financing and financial services for underserved and / or socially/ financially excluded individual customers	  
Access to Healthcare	To ensure availability and reliability of quality medical care and supplies, thereby helping in reducing social health inequalities and improving overall population health	
Access to Education and Vocational Training	To enable access to responsible and inclusive financing and financial services for underserved and / or socially/ financially excluded individual customers	 

Source: Company Information

Project Evaluation and Selection

- The Companies will manage a pool of eligible projects within a Sustainable Finance Projects Portfolio.
- To facilitate the project evaluation and selection process, a Sustainable Finance Working Group (SFWG) will be established.
- The SFWG consisting of key representatives from Treasury, Compliance, Risk, ESG and Retail and Wholesale business functions, will play a crucial role in this process.
- The Board-level Sustainability and Risk Management Committee will oversee the operations of the SFWG.

Management of Proceeds

- The utilization of proceeds generated through Sustainable Finance Instruments will be overseen by the Treasury team.
- With a commitment to allocating the net proceeds to Eligible projects, this endeavor will be executed within a stipulated maximum period of 36 months from the issuance of the financial instrument.
- In cases where proceeds remain unallocated, they will be temporarily deployed or invested in cash and cash equivalent instruments, in accordance with PEL's treasury investment policy, with due consideration given to any exclusions specified in the Exclusionary list

Monitoring and Reporting

- Within 1 year from the issuance of said financial instruments, the Companies will diligently publish a detailed report on the allocation and impact of net proceeds through Sustainable Finance Instruments in the Annual Report and/ or through a distinct Sustainable Finance Reporting document, both of which will be made accessible on the Company's website.
- They aim to provide stakeholders with a clear and comprehensive understanding of the deployment and impact of funds through its Sustainable Finance initiatives.
- The reporting is primarily bifurcated into two parts:
 - Allocation Reporting
 - Impact Reporting

External Review

- **Pre-Issuance Review (Second Party Opinion)** – S&P Global Ratings, an independent provider of sustainability research analysis, and services for investors and financial institutions worldwide, has issued a second party opinion on this framework. The opinion aims to evaluate the alignment of the Companies' Sustainable Finance Framework with the transparency and reporting standards.
- **Post Issuance Verification** – The Companies will enlist the services of an external independent assurance provider to generate a limited assurance report commencing 1 year after the issuance and continuing until full allocation. This report will focus on verifying and providing assurance on the allocation and impact of the use of proceeds from the Eligible Sustainable Projects.



Thank You