

Environmental and social due diligence summary

Issuer	Yoma Strategic Holdings Ltd. (YSH)
Use of CGIF guarantee	CGIF's guarantee will be used for the following Relevant Business Activities (RBAs): <ol style="list-style-type: none"> 1. Peninsula Yangon Project (PYP) 2. Volkswagen and Ducati (V&D) business 3. Kentucky Fried Chicken (KFC) business
Countries of operations	Myanmar
Categorisation	Specific purpose Corporate Bond - Low

Summary of environmental and social aspects	
Environment	<p>The Peninsula Yangon Project (PYP) is located within the wider Yoma Central Project (YCB) which is being co-financed by the Asian Development Bank (ADB) and the International Finance Corporation (IFC). YCB has been categorised as B for environment and YSH has subsequently prepared an environmental and social impact assessment (ESIA) and environmental management plan (EMP) in compliance with ADB's Safeguard Policy Statement (SPS), 2009. Both the ESIA and EMP are applicable to PYP. CGIF's due diligence confirmed the operation of the V&D business and KFC business are not likely to have adverse environmental impacts.</p>
Involuntary resettlement	<p>PYP is not expected to have involuntary resettlement impacts, and ADB's due diligence confirmed that no informal settlers were impacted by YCB (https://www.adb.org/sites/default/files/project-document/186120/47913-002-rrp.pdf).</p> <p>CGIF's due diligence of V&D and KFC confirmed that social impacts and risks relating to land acquisition have been appropriately monitored and managed through screening and a legal review of all land lease agreements.</p>
Indigenous Peoples	<p>PYP is not expected to have Indigenous Peoples impacts; ADB's due diligence confirmed that YCB and surroundings have no record of settlements of ethnic groups or Indigenous Peoples.</p> <p>Neither V&D nor KFC will impact Indigenous Peoples due to their locations and nature of business.</p>

<p>Environmental and social management system</p>	<p>All three RBAs have adopted YSH's ESMS which was drafted in compliance with ADB SPS. The ESMS includes environmental and social policies; safeguards screening, categorization, and review process; institutional arrangements; and monitoring and reporting procedures for subprojects (including the RBAs). CGIF's due diligence confirmed that YSH's ESMS is being appropriately adopted and implemented by each RBA to mitigate the environmental and social impacts and risks associated with their operations, relevant to the respective nature and scale of the activities.</p>
<p>Stakeholder Communication, Participation and Consultation</p>	<p>A stakeholder engagement plan is included in the YSH ESMS. Due diligence confirmed a grievance redress mechanism is in place to address internal and external complaints; no outstanding grievances have been received to date for any of the RBAs.</p>
<p>Institutional capacity, commitment and development</p>	<p>CGIF's due diligence confirmed that YSH manages environmental and social risks through the Risk Management and Assurance Team at the corporate level. A training program is being provided to all staff and contractors to build environmental and social capacity within each of the RBAs.</p>