LOAN NUMBER 4717-PAK (COL)

PROGRAM AGREEMENT

(Punjab Nursing and Health Workforce Reform Program)

between

ASIAN DEVELOPMENT BANK

and

PROVINCE OF PUNJAB

DATED 12th December 2025

PROGRAM AGREEMENT

PROGRAM AGREEMENT dated 12-12-2025 between ASIAN DEVELOPMENT BANK ("ADB") and PROVINCE OF PUNJAB ("Punjab").

WHEREAS

(A) by a loan agreement between the Islamic Republic of Pakistan ("Borrower") and ADB ("Loan Agreement"), ADB has agreed to make a concessional loan to the Borrower from ADB's ordinary capital resources in the amount of one hundred fifty million Dollars ($150,000,000) ("Loan") on the terms and conditions set forth in the Loan Agreement, but only on the condition that the proceeds of the Loan be made available to Punjab and that Punjab agrees to undertake certain obligations towards ADB set forth herein; and

(B) Punjab, in consideration of ADB entering into the Loan Agreement with the Borrower, has agreed to undertake the obligations set forth herein;

NOW THEREFORE the parties hereto agree as follows:

ARTICLE I

Definitions

Section 1.01. Wherever used in this Program Agreement, unless the context otherwise requires, the several terms defined in the Loan Agreement and in the Loan Regulations (as so defined) have the respective meanings therein set forth.

ARTICLE II

Particular Covenants

Section 2.01. (a) Punjab, through SHC&MED, shall carry out the Program with due diligence and efficiency, and in conformity with sound applicable technical, financial, business, and development practices.

(b) In the carrying out of the Program and operation of the Program facilities, Punjab, through SHC&MED, shall perform all obligations set forth in the Loan Agreement to the extent that they are applicable to the Program Executing Agency, and all obligations set forth in this Program Agreement.

Section 2.02. Punjab shall make available, promptly as needed, and on terms and conditions acceptable to ADB, the funds, facilities, services, land and other resources as required, in addition to the proceeds of the Loan, for the carrying out of the Program.

Section 2.03. (a) ADB and Punjab shall cooperate fully to ensure that the purposes of the Loan will be accomplished.

(b) Punjab, through SHC&MED, shall promptly inform ADB of any condition which interferes with, or threatens to interfere with, the progress of the Program, the performance of its obligations under this Program Agreement, or the accomplishment of the purposes of the Loan.

(c) ADB and Punjab shall from time to time, at the request of either party, exchange views through their representatives with regard to any matters relating to the Broader Government Program, the Program, Punjab, SHC&MED and the Loan.

Section 2.04. Punjab shall furnish to ADB all such reports and information as ADB shall reasonably request concerning the Loan, the implementation of the Program, including the accomplishment of the DLIs and implementation of the actions specified in the Program Action Plan and PID, and any other matters relating to the purposes of the Loan.

Section 2.05. (a) Punjab shall (i) maintain separate accounts and records for the Program; (ii) prepare annual financial statements for the Program in accordance with financial reporting standards acceptable to ADB; (iii) have such financial statements audited annually by independent auditors whose qualifications, experience and terms of reference are acceptable to ADB, in accordance with auditing standards acceptable to ADB; (iv) as part of each such audit, have the auditors prepare a report, which includes the auditors' opinion(s) on the financial statements, and a management letter (which sets out the deficiencies in the internal control of the Program that were identified in the course of the audit, if any); and (v) furnish to ADB, no later than 6 months after the close of the fiscal year to which they relate, copies of such audited financial statements, audit report and management letter, all in the English language, and such other information concerning these documents and the audit thereof as ADB shall from time to time reasonably request.

(b) ADB shall disclose the annual audited financial statements for the Program and the opinion of the auditors on the financial statements within 14 days of the date of ADB's confirmation of their acceptability by posting them on ADB's website.

(c) Punjab shall enable ADB, upon ADB's request, to discuss the financial statements for the Program and the financial affairs of Punjab and SHC&MED where they relate to the Program with the auditors appointed pursuant to subsection (a)(iii) hereinabove, and shall authorize and require any representative of such auditors to participate in any such discussions requested by ADB. This is provided that such discussions shall be conducted only in the presence of an authorized officer of Punjab, unless Punjab shall otherwise agree.

Section 2.06. Punjab shall enable ADB's representatives to inspect the Program and any relevant records and documents.

Section 2.07. (a) Punjab shall, promptly as required, take all action within its powers to maintain its corporate existence, to carry on its operations, and to acquire, maintain and renew all rights, properties, powers, privileges and franchises which are necessary in the carrying out of the Program or in the conduct of its operations.

(b) Punjab shall at all times conduct its operations in accordance with sound applicable technical, financial, business, development and operational practices, and under the supervision of competent and experienced management and personnel.

(c) Punjab shall at all times operate and maintain its equipment and other property, and from time to time, promptly as needed, make all necessary repairs and renewals thereof, all in accordance with sound applicable technical, financial, business, development, operational and maintenance practices.

Section 2.08. Except as ADB may otherwise agree, Punjab shall not sell, lease or otherwise dispose of any of its assets which shall be required for the efficient carrying on of its operations or the disposal of which may prejudice its ability to perform satisfactorily any of its obligations under this Program Agreement.

Section 2.09. Except as ADB may otherwise agree, Punjab shall apply the proceeds of the Loan to the financing of expenditures on the Program in accordance with the provisions of the Loan Agreement and this Program Agreement.

Section 2.10. Punjab shall promptly notify ADB of any proposal to amend, suspend or repeal any provision of its constitutional documents, which, if implemented, could adversely affect the carrying out of the Program. Punjab shall afford ADB an adequate opportunity to comment on such proposal prior to taking any affirmative action thereon.

ARTICLE III

Effective Date; Termination

Section 3.01. This Program Agreement shall come into force and effect on the date on which the Loan Agreement comes into force and effect. ADB shall promptly notify Punjab of such date.

Section 3.02. This Program Agreement and all obligations of the parties hereunder shall terminate on the date on which the Loan Agreement shall terminate in accordance with its terms.

Section 3.03. All the provisions of this Program Agreement shall continue in full force and effect notwithstanding any cancellation or suspension under the Loan Agreement.

ARTICLE IV

Miscellaneous

Section 4.01. Any notice or request required or permitted to be given or made under this Program Agreement and any agreement between the parties contemplated by this Program Agreement shall be in writing. Such notice or request shall be deemed to have been

duly given or made when it shall be delivered by hand, mail or facsimile to the party to which it is required or permitted to be given or made at its address hereinafter specified, or at such other address as such party shall have designated by notice to the party giving such notice or making such request. The addresses so specified are:

For ADB

Asian Development Bank
6 ADB Avenue
Mandaluyong City
1550 Metro Manila
Philippines

Facsimile Number:

(632) 8636-2444

For Punjab

Specialized Healthcare & Medical Education Department,
11A Lawrence Road, Commercial Area Mozang Chungi,
Lahore,
54000, Pakistan

Facsimile Number:

(92-42) 99206263.

Section 4.02. (a) Any action required or permitted to be taken, and any documents required or permitted to be executed, under this Program Agreement by or on behalf of Punjab may be taken or executed by its Secretary, Specialized Healthcare & Medical Education Department, or by such other person or persons as he or she shall so designate in writing notified to ADB.

(b) Punjab shall furnish to ADB sufficient evidence of the authority of each person who will act under subsection (a) hereinabove, together with the authenticated specimen signature of each such person.

Section 4.03. No delay in exercising, or omission to exercise, any right, power or remedy accruing to either party under this Program Agreement upon any default shall impair any such right, power or remedy or be construed to be a waiver thereof or an acquiescence in such default; nor shall the action of such party in respect of any default, or any acquiescence in any default, affect or impair any right, power or remedy of such party in respect of any other or subsequent default.

IN WITNESS WHEREOF the parties hereto, acting through their representatives thereunto duly authorized, have caused this Program Agreement to be signed in their respective names as of the day and year first above written, and to be delivered at the principal office of ADB.

ASIAN DEVELOPMENT BANK

By _____
XIAOQIN FAN
Country Director
Pakistan Resident Mission

PROVINCE OF PUNJAB

By _____
AZMAT MAHMUD
Secretary
Specialized Healthcare and Medical
Education Department