**CREDIT COMMITTEE ENVIRONMENTAL AND SOCIAL (E&S) SECTION / MEMO**

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| The purpose of this template is to provide FI’s with guidance on the key E&S topics and / or considerations to be presented to, and deliberated, by decision makers (i.e. ‘Credit Committee’, for the purposes of this document) at the due diligence stage of the transaction cycle. Please note that this is not an exhaustive template and that this is intended to be tailored for different FI’s. An FI should incorporate these E&S considerations into their existing transaction committee information pack, to supplement other technical and financial information gathered as part of the application process to inform improved decision making. |

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| **E&S Template for [Credit Committee]** | | | | | | |  |
| **Transaction Details** | | | | | | | |
| **Client/ Project Name:** | | *Insert client/project name and/or client/project application/file number (as per the FI’s internal system)* | | | | | |
| **Summary** | | *Summarise the E&S due diligence conclusions* | | | | | |
| **E&S Risk Categorisation:** | | *Denote the E&S risk categorisation (e.g. Category High (A), Medium (B) or Low (C)) assigned to the client/project, including a high-level summary of the rationale and justification for the chosen category. Important to note whether the categorisation may have been amended since the screening stage.* | | | | | |
| **[Strategy / strategic implications]** | | *Provide any remarks related to the FIs E&S strategy / objectives / commitments (e.g. the transaction may contribute to achieve certain climate change commitment adopted by the FI)* | | | | | |
| **E&S Due Diligence Summary** | | | | | | | |
| **E&S DD Assessor(s)** | | *Indicate who performed the E&S DD for the transaction (i.e., internally by deal team and / or E&S officer or name of external service provider appointed, etc)* | | | | | |
| **Applicable E&S Standards** | | *Outline the applicable IFC Performance Standards, local and national legislations, ILO Fundamental Conventions etc., used to assess the client/project against during the E&S DD* | | | | | |
| **E&S DD Methodology** | | *Provide a high-level description of the E&S DD methodology undertaken. For example:*   * *E&S desktop review (i.e., types of information sources e.g., environmental, and social impact assessments (ESIA), E&S permits, client/project E&S policies and management procedures, public domain information, etc);* * *Interviews conducted with client/project (list of client personnel interviewed, job titles, roles and responsibilities, E&S experience, etc) and other regulatory or government officials; and* * *Site visits conducted (i.e., list of sites visited, location, description of operations, etc).* | | | | | |
| **Key E&S Risks & Opportunities Identified** | | | | | | | |
| **Ref No.** | **Description of E&S risks (and opportunities) identified and summary of key mitigants (if any)** | | | | **Does the client/project have adequate E&S control measures in place to sufficiently manage the risks identified?** | | |
| 1 | *Describe key E&S risks, impacts and opportunities summarised according to the topics covered by the applicable IFC PS and other applicable standards* | | | | * Yes | * No, refer to ESAP | |
| 2 |  | | | | * Yes | * No, refer to ESAP | |
| 3 |  | | | | * Yes | * No, refer to ESAP | |
| 4 |  | | | | * Yes | * No, refer to ESAP | |
| 5 |  | | | | * Yes | * No, refer to ESAP | |
| 6 |  | | | | * Yes | * No, refer to ESAP | |
| 7 |  | | | | * Yes | * No, refer to ESAP | |
| **Recommendations for the Transaction** | | | | | | | |
| **[FI Environmental and Social Officer – If input is required]** | | | | | | | |
| * Confirm proceed with the transaction | | | | *Comments / remarks / conditions to be met in order to proceed with the transaction* | | | |
| **Supplementary E&S Documentation** | | | | | | | |
| *Attach documentation to the transaction committee info pack, as appropriate (tick if attached):* | | | Comments / Remarks | | | | |
| □ Completed E&S Screening Checklist? | | |  | | | | |
| □ Due Diligence Report? | | |  | | | | |
| □ Site Visit Report? | | |  | | | | |
| □ E&S Action Plan (ESAP)? | | |  | | | | |
| □ E&S Standard Clauses? | | |  | | | | |
| □ Modification of the E&S Standard Clauses? | | |  | | | | |
| **Signature:**  **Date:**  **Comments:** | | | | | | | |