

APPLICABLE E&S REQUIREMENTS TO FI'S CLIENTS (EXAMPLES)

Example of E&S requirements applicable to FI's clients mainly driven by transaction characteristics:

Type of transaction	Total project cost/ Loan size	Tenor	E&S risk/impact category	Minimum requirements for Sub-borrowers
Project finance / Project-related corporate loans	Facility size ≥ [USD <u>ADD AMOUNT</u> ¹] OR Total Project cost ≥ [USD 10 m ²]	≥ 36 months	High Medium [Low]	IFC Performance Standards National Law Exclusion List
	All other transactions		Any	National Law ILO Fundamental Conventions Exclusion List
Non-project-related corporate loans (e.g. working capital / revolving facilities)	Facility size ≥ [USD <u>ADD AMOUNT</u> ¹]	≥ 36 months	High Medium [Low]	IFC Performance Standards (PS1 and PS2) National Law Exclusion List
	All other transactions		Any	National Law ILO Fundamental Conventions Exclusion List
Trade Finance	Any amount	Any tenor	Any	National Law Exclusion List

In cases where the FI's leverage is limited (e.g., capital market transactions or syndicated loans where the FI's participation is below 25% of the total loan value), the FI will be required to screen such transactions against key objectives of the Performance Standards based on publicly available information and information available to deal participants and make a go or no go decision based on the results of this screening.

¹ Some DFIs require FIs to use USD 5 million as an indicative threshold of when international standards shall apply to transactions but this may vary depending on the contextual risks, FI portfolio composition and other factors.

² Amount taken from the Equator Principles as this is a widely-used threshold to determine the application of international standards to project finance transactions.