

# Green, Social and Sustainability Bond Framework



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## 1. Introduction

CRDB Bank Plc is the largest integrated financial services provider in Tanzania, aspiring to transform the lives of Africans through the financial services sector. The Bank is contributing to sustainable growth, including financial inclusion, by offering a comprehensive range of corporate, retail, business, treasury, premier, and bancassurance services through a network of 254 branches, 558 ATMs, 21 mobile branches, 6,098 point-of-sale (POS) terminals, and with over 20,000 agents spread across the country (Tanzania mainland and Zanzibar Island). The Bank operates a subsidiary in Burundi and is finalizing its preparations to open doors in the Democratic Republic of the Congo (DRC).

CRDB's history can be traced back to 1947, when it was established as the Land Bank of Tanganyika and subsequently restructured into the Tanzania Rural Development Bank, then the Cooperative and Rural Development Bank (CRDB). CRDB Bank was privatized in 1996 and listed on the Dar es Salaam Stock Exchange (DSE) in 2009. The Bank extends short, medium, and long-term loans, working capital, and guarantee facilities to various sectors. It sets aside 1% of its net profit for corporate social investment, which is invested in education, health, youth, and environmental initiatives. We were the first in Tanzania to establish an innovative mobile banking solution - Simbanking - which has continued to transform the way our customers interact with financial services.

In 2019, the bank became accredited by the Green Climate Fund (GCF) as Tanzania's sole Direct Access Accredited Entity (DAE). It has a crucial role to play in advancing Tanzania's sustainable financing, including the development of low-carbon and climate-resilient projects. Accreditation to the GCF will enable the Bank to mobilize finance for multiple large-scale projects with high impact to the social and economic development of Tanzania. In 2023, CRDB Bank embarked on a revised five-year business strategy (2023 - 2027) centered around cementing our presence in the market and sustainably expanding our business.

Our renewed strategic aspiration positions the bank to continue achieving financial milestones while creating a lasting positive impact for people and the planet. Over the next five years, we will evolve from our legacy business model to an impact- and value-based model by achieving socio-economic prosperity and improving livelihoods in the markets we operate.

## 2. CRDB Bank's commitments to sustainable financing initiatives

CRDB Bank is committed to promoting sustainable development in the full range of its financial products and general operations. Environmental and social sustainability have been identified as fundamental aspects of achieving desired outcomes and consistency with the bank's long-term growth strategy.

Managing social and environmental resources responsibly is indicated as a key requirement for the financing of projects and businesses by the Bank, supported through the application of international best practices (including the IFC Performance Standards) as well as adherence to international treaties and conventions ratified by the respective governments in the markets that the Bank operates.

Prior to the accreditation to GCF, CRDB Bank already had an Environmental and Social Management System (ESMS) in place, meaning that the bank developed a set of policies, procedures, tools, and internal capacity and competence to identify and manage a financial institution's exposure to the environmental and social risks of its clients and investors.

Subsequent to accreditation to the GCF, the Bank further established an independent Sustainable Finance Unit (SFU) to specifically oversee the ESMS, Environmental, Social and Governance (ESG) and Climate Financing business functions to ensure the Bank strengthens its environmental and social management, climate change-related risks and opportunities, and sustainability practices.

In 2021, CRDB Bank became the first commercial Bank in Africa approved by GCF, with a total funding value of US\$200 million (GCF US\$100 million and CRDB Bank US\$100 million). Using these concessional resources, CRDB Bank will launch three new financial products to support local agribusiness: a dedicated credit line for climate adaptation technologies and practices; a credit guarantee facility to expand access to new borrowers; and a weather-indexed insurance product to help protect against losses from climate-related events. This program aims to reach more than 6.1 million direct and indirect beneficiaries through the transformation of the country's climate financing processes to better address affordable climate adaptation technologies in the agriculture sector. This will ultimately lead to boosting food security and enhancing the resilience of the agricultural sector, including smallholder farmers, thereby improving the livelihoods and quality of life of our citizens.

## 2.1 Our Sustainability Approach in Lending

CRDB Bank has robust Environmental and Social Management Systems (ESMS). The bank has developed a set of policies, procedures, tools, and a dedicated unit equipped with knowledge for the implementation of the ESMS and experience of applying local and national environmental and social laws and regulations as well as international standards. The unit is also in charge of innovating and formulating transformative ideas that will lead to the implementation of green and sustainability projects based on the bank’s credit policies, environmental and social policies and procedures, as well as adhering to international treaties and standards. Our environmental and social policies and procedures are guided by the Tanzania Environmental Management Act (2004) and its specific regulations and guidelines, as amended and issued from time to time, and the best international practices, including the Performance Standards issued by the International Finance Corporation (IFC) Performance Standards.

The bank’s Environmental and Social Impact Assessment (ESIA) and monitoring process for the projects being financed by the bank forms part of the Bank’s Environmental and Social Management (ESM) procedure while also adhering to the Environmental and Social (E&S) policy, the Credit Operating Manual, and the Credit Policy. The bank has an internally developed Environmental and Social Due Diligence (ESDD) template and tool that is used in the assessment of environmental and social risks of projects.

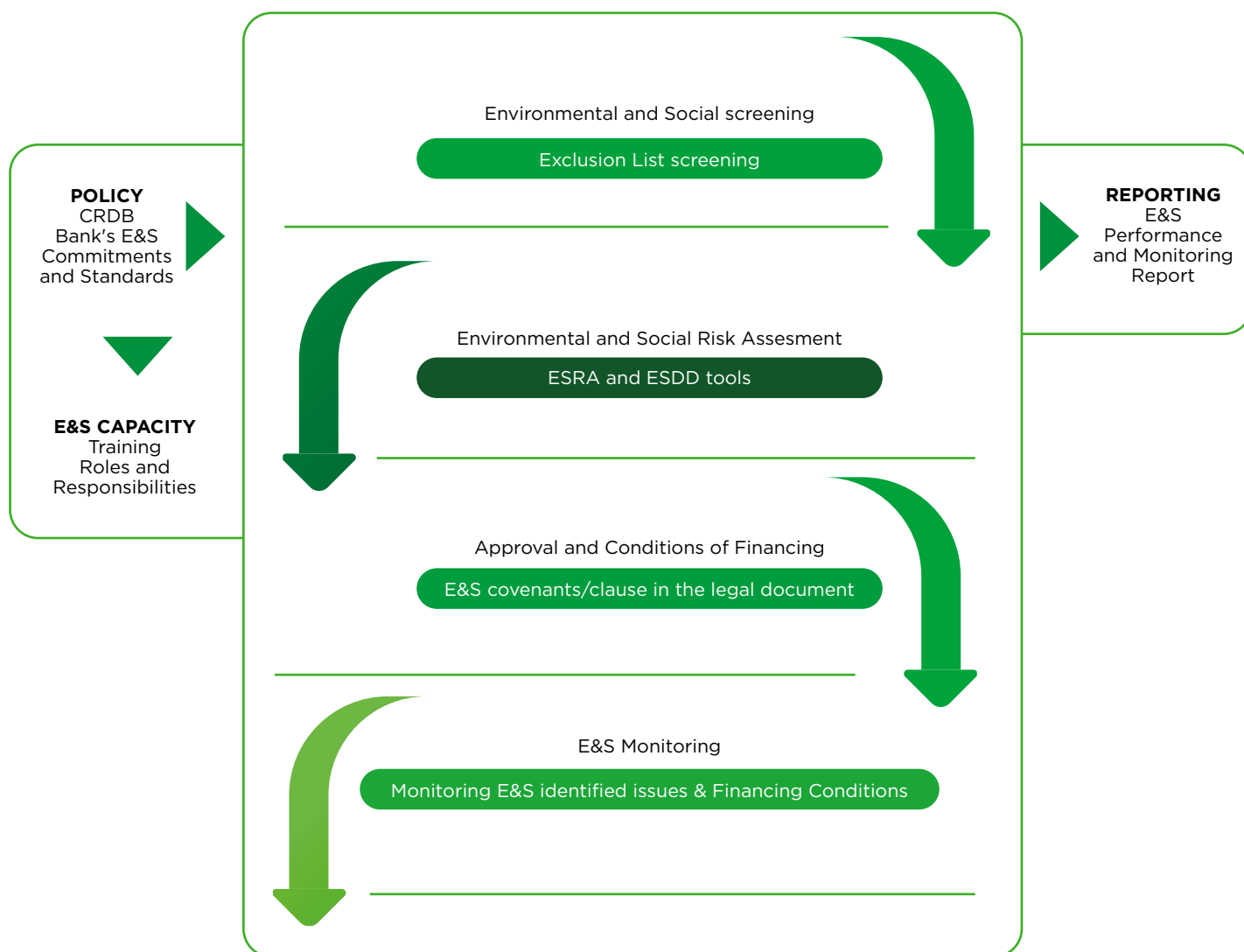


Figure 1: CRDB Bank’s Environmental and Social Management System (ESMS)

## 2.2 Our Sustainability Agenda

CRDB Bank is playing a leading role in climate action by investing in environmentally and socially responsible practices. One of its key strategic objectives in its revised 5-year business strategy (2023–2027) is to build a resilient and responsible organization by creating an environment that guarantees business sustainability, good governance, and a positive impact on the environment and community.


To achieve this objective, the bank has identified thematic areas that inform its strategic sustainability initiatives:

Elevate governance, risk management and sustainability through operationalizing a mature and integrated Sustainability and Environmental, Social and Governance (ESG) framework

Institute climate friendly business operations by rolling out environmental and climate friendly practices in the Bank’s daily business operations.

## 2.3 Our Prioritized Sustainable Development Goals (SDGs) and other SDGs

The United Nations (UN) 17 Sustainable Development Goals (SDGs) and associated targets, adopted by all UN member states in 2015, collectively create an agenda to transform the world by overcoming barriers to economic, social, and environmental progress by 2030. At CRDB Bank, we have identified six priority goals that align directly with our business and community priorities, and toward which we can make the greatest contribution. We have deliberately made the decision to focus on a few but more critical SDGs for our business environment. Below is an overview of how our framework is aligned with priority goals and where our specific focus is:

Priority Goals	Related SDG’s
 <p>We support green and climate finance initiatives, deploying environmental best practices that we incorporate into our investment and credit processes through a comprehensive Environmental and Social Management System (ESMS). The bank collaborates with different climate practitioners to mobilize financial resources and develop climate change mitigation and adaptation projects with the aim of meeting climate ambition targets.</p>	    
 <p>CRDB Bank supports customers and small businesses with essential products and services. We make significant contributions to economic growth through various innovative financial products, including personal and business loans, working capital provisions, guarantees, financial advice, periodic trainings, awareness-raising, and capacity-building on financial literacy for small and medium-sized entrepreneurs. These initiatives aim to eliminate poverty while also creating long-term employment and infrastructure.</p> <p>We provide various banking products to different economic sectors to promote sustained economic growth. In this endeavor, we comply with local laws and other labor conventions.</p>	 



The bank contributes to ensuring sustainability in the community’s access to quality health care and well-being for all, at all ages, by supporting both private sector and public health investments to promote balanced lives and invest in communities to promote long-term mental and physical health and well-being. The bank has a corporate and social investment policy with four components; health and well-being are two of the imperative pillars.



The Bank is keen to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. The bank is committed to creating good and attractive infrastructure and a conducive study environment for both private and public institutions at all levels, including primary schools, high schools, medium colleges, and higher learning institutions across our operating region communities.



Internally, CRDB Bank has a well-dedicated division for learning and development certified to ISO 9001: Quality Management Systems to ensure our staff and close service providers have relevant skills and the ability to deliver sustained service for strategic goals. The Bank has subscribed to the International Learning Platform with cross-cutting skills, descriptions, courses, and curriculum in banking and beyond banking skills, including sustainability awareness across the staff and stakeholders.



We endeavor to support the advancement of women in business and the economy by identifying and removing gender barriers. In assisting our customers in empowering women and girls, CRDB Bank has established unique financial products for business and women’s financial inclusion, including a special account called the Malkia Account, where women can set up a savings plan and access loans from their savings at a very special and concessional rate. The bank has adopted IFC’s performance standards in environmental and social risk assessment and project categorization, where gender assessment is the key component to assess.





CRDB Bank collaborates with different stakeholders and partners in the fulfillment of its various investment ambition targets, including SDGs. By working together to achieve the goals, the strategic setup in sustainable finance has been accelerated through environmental and social management systems, sustainable finance initiatives, and strategic partnerships.

In 2019, the Bank became the first commercial bank in East and Central Africa to be accredited by the Green Climate Fund (GCF), which strengthened its access to partner with other local and international entities to mobilize resources for green and climate finance projects. We are working closely with the Tanzania National Designated Authority (NDA) and in line with our country's priorities as per the National Determined Contributions (NDCs).

### 3. The Green, Social and Sustainability Bond Framework

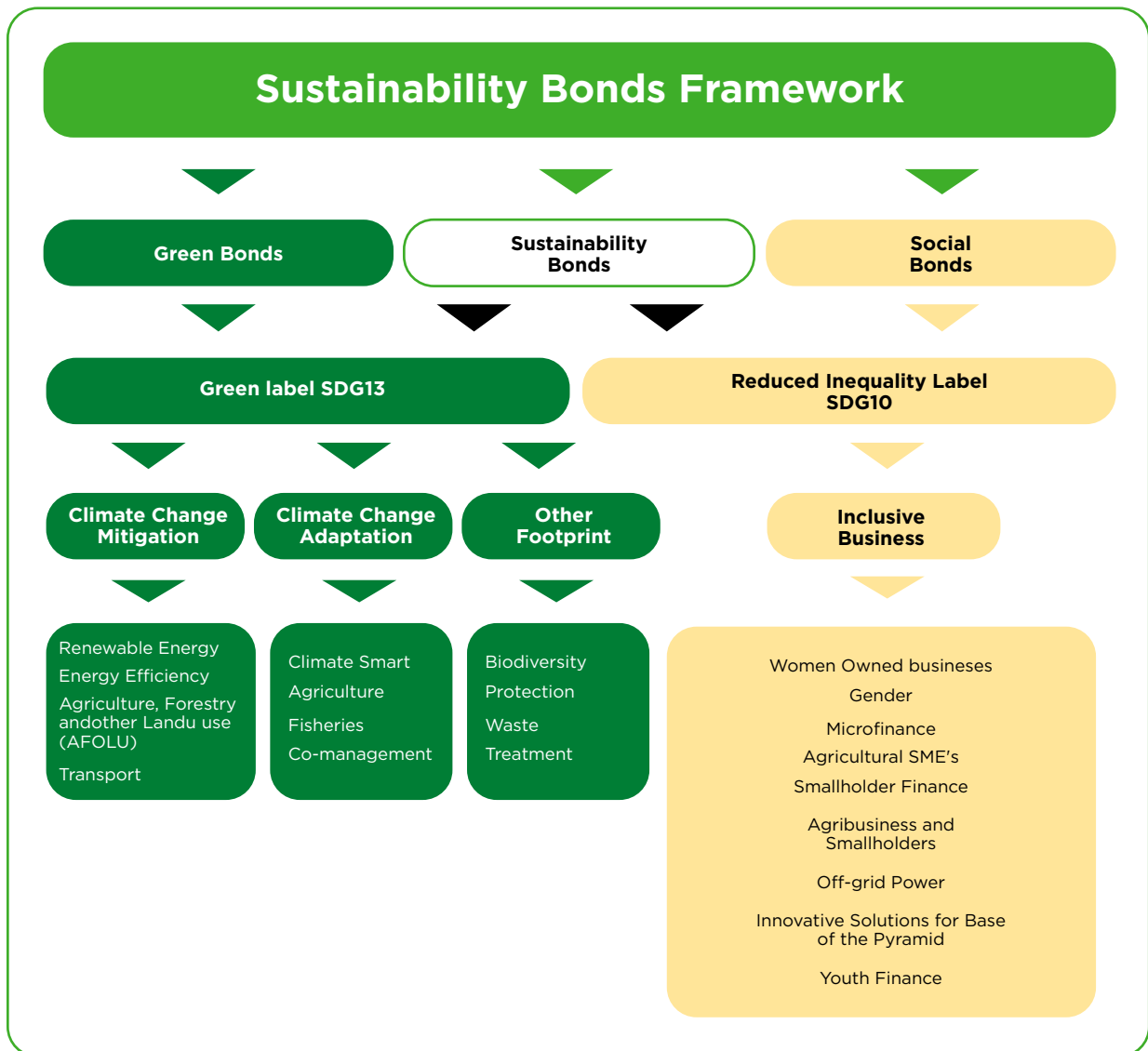


Figure 2: CRDB Bank Sustainability Bond Framework Structure

**This Green, Social and Sustainability Bond Framework ('Framework')** has been established by CRDB Bank to allow for the issuance of Green, Social and Sustainability Bonds to finance and/or refinance "Green Loans" and/or "Social Loans" and/or "Sustainability Loans" on CRDB's balance sheet. In addition, should there be sufficient volume of Eligible Gender Loans on CRDB's balance sheets to warrant the issuance of Gender Bonds on a stand-alone basis, the framework also makes provisions for this.

As explained in the previous sections, it is central to CRDB's business strategy to be a responsible corporate citizen. CRDB believes that green, social, and sustainability bond financing offers a way to create transparency around funds targeted to sustainable development, including climate resilience. The eligible categories have been chosen based on CRDB's strategic focus areas and key areas of impact in relation to creating a sustainable society and addressing climate change.

Additionally, projects eligible for financing under a "green," "social," or "sustainability" bond instrument under this framework must comply with ICMA as well as development finance institutions' environmental and social standards (such as IFC's performance standards), as relevant. Similarly, any bond under this framework that is to be certified in line with the Climate Bonds Initiative's Climate Bonds Standard and Certification Scheme will be certified by a CBI-approved verifier.

In accordance with the recommendation of the ICMA Principles, the Framework is presented in the following sections:

- Use of Proceeds;
- Process for project evaluation and selection;
- Management of Proceeds;
- Reporting; and
- External Review.

### 3.1 Use of proceeds

CRDB, at its discretion but in accordance with the ICMA Green, Social, and Sustainability Bond Principles, intends to allocate an amount equal to the net proceeds of the Green, Social, and Sustainability Bonds to eligible new and existing Green and Social Loans (the "Eligible Loans").

Eligible Loans are loans to projects with environmental and/or social benefits and will be selected based on the use of proceeds criteria ('Eligibility Criteria') defined below for each eligible category and according to the qualification process as part of the responsible lending due diligence assessment normally conducted by CRDB.

The proceeds from the green, social and/or sustainability instruments will be used to finance new loans/assets and refinance existing loans/assets that meet the Eligibility Criteria of the CRDB's Green, Social and Sustainability Bond Framework as defined under the Green and Social Categories. In addition, an Eligible Loan/Asset will not be a loan to refinance third parties, not be related to a provisioned amount of non-performing loans and not to be an uncommitted transaction. New loans are defined as those where origination and commitment were made up to 18 months prior to the issue of the bond and at any time from the date of the issuance. Existing loans are defined as those which have reached financial close but have not passed the break-even point up to 18 months prior to the issuance or where the assets are not yet fully operational, and the additional long-term funds committed to through new eligible loans/ are replacing short-term funds or strengthening the financial terms of the climate-related assets.

#### 3.1.1 Green Bond Eligibility Criteria

A full list of eligible green and climate mitigation and adaptation activities, including the associated impact and Key Performance Indicators (KPIs), is described below. In summary, they are aligned with the ICMA indicative list of green category projects and include:

- Environmentally sustainable management of living natural resources and land use (including environmentally sustainable **agriculture**; climate smart **farm inputs** such as biological crop protection or drip-irrigation; environmentally sustainable **fishery and aquaculture**; environmentally sustainable forestry, including afforestation or reforestation, and preservation or restoration of natural landscapes);
- **Energy efficiency** in **industrial equipment/machinery, buildings etc.**
- **Renewable Energy** (including production, transmission, appliances, and products)
- Pollution prevention and control (including reduction of air emissions, greenhouse gas control, soil remediation, waste prevention, waste reduction, waste recycling and energy/ emission-efficient waste to energy)
- **Clean transportation** (such as electric, hybrid, public, rail, non-motorized, multi-modal transportation, infrastructure



for clean energy vehicles and reduction of harmful emissions);

- **Sustainable water** and **wastewater management** (including sustainable infrastructure for clean and/or drinking water, wastewater treatment, sustainable urban drainage systems and river training and other forms of flooding mitigation);
- **Climate change adaptation** (including efforts to make infrastructure more resilient to the impacts of climate change, as well as information support systems, such as climate observation and early warning systems);
- **Circular economy** adapted products, production technologies and processes (such as the design and introduction of reusable, recyclable and refurbished materials, components, and products; circular tools and services); and/or certified eco-efficient products.
- **Green buildings** that meet regional, national, or internationally recognized standards or certifications for environmental performance.

In determining what specific green technologies and standards are optimal for environmentally sustainable benefits, CRDB will refer to current international and national initiatives such as the Climate Bonds Initiative (CBI), including CBI's adaptation and resilience principles, the European Union (EU) taxonomies, and other relevant best-practice nomenclatures like Development Finance Institutions' guidelines.

Detailed criteria and KPIs are available for the green loans that are expected to form the bulk of the use of proceeds and are captured in the tables below.



ICMA Eligibility Category	Sustainable Management of Living Natural Resources – Agriculture
Type of projects	Sustainable agriculture, including Agriculture Resilience and Adaptation (ARA) lending operations and supporting a guaranteed credit-enhancement facility and insurance products and services, to ease financing for smallholder farmers pursuing adaptation investments.
Eligibility Criteria	<p>Eligible assets for the acquisition, maintenance, and management of sustainable agriculture, which consists of sustainable and organic farming and farming that reduces carbon emissions.</p> <p>Eligible assets to support smallholder farmers for Agriculture Resilience and Adaptation (ARA) technology and practices include rainwater harvesting, solar pumps, land restoration, net shading, poly houses, which belong to “crop productivity and soil/water management,” and organic farming practices.</p> <p>Financing of ARA technology and practices will be based on the vulnerability assessment and adaptation plan that are deemed to have positive environmental impact; hence, certification will not be required for ARA, whereas for those companies that produce organic for export, certification will be required by applicable certifications, including EU Organic, USDA Organic, or Japanese Agricultural Standards (JAS) certification<sup>1</sup>.</p> <p>Eligible technologies and practices may include:</p> <ul style="list-style-type: none"> <li>• Greening farming Infrastructures: Shading house, Storage facilities for crop protection (including post-harvest to reduce waste) and Water storage facilities.</li> <li>• Crop Productivity and soil/water management: Crop shifting, nature-based methods of harvesting (such as zai or half-moon), protected cultivation solutions (net shade or poly houses), precision fertilization, rainwater harvesting, solar pumps, land restoration precision irrigation, and low-cost hydroponics solutions.</li> <li>• Post-harvest waste solutions: Transformation of agricultural products using energy efficient and renewable solutions. Post-harvest waste solutions may include the transformation of agricultural products using energy efficient and renewable solutions, the use of renewable energy and efficient energy sources for storing and post-harvest processing units (such as solar-powered conditioning, processing unit equipment, steam and hot water, dryers, cold rooms, etc.), sustainable storage solutions and the production of organic pesticides from agricultural waste using anaerobic digestion.</li> <li>• Reduction in energy use in traction (e.g., efficient tillage), irrigation, and other agriculture processes.</li> <li>• Rehabilitation of degraded lands (including reforestation/afforestation, agroforestry).</li> <li>• Projects or companies that lead to expanded sustainable/green output for export to be certified by UTZ Certified, Roundtable on Sustainable Biomaterials (RSB), The Intercultural Federation of Organic Agriculture Movements (IFOAM), Proterra, Soil Association or Bonsucro.</li> </ul>
Social / Environmental benefits / KPIs	<ul style="list-style-type: none"> <li>• GHG emissions avoided (CO2 tons equivalent)</li> <li>• GHG emissions sequestered</li> <li>• Number of most vulnerable people and communities positively impacted</li> <li>• Measurable indicator for health and well-being, and food and water security</li> <li>• Increased lending to the agricultural sector; Investments in adaptation and resilience measures to address climate risks in the agriculture sector (cropping sector) in the face of current climate variability.</li> <li>• Increased yields or yield stability, or reduced costs to produce net gains in product or revenue.</li> <li>• Diversified production; enhancing savings and value of assets; increasing efficiency of water, energy, fertilizer and other</li> <li>• Inputs; improving product storage capacities; using the agronomic practice best suited to changing climatic</li> <li>• Conditions: reducing the percentage of area planted to vulnerable crops; increasing the percentage of production under controlled environment agriculture.</li> </ul>

<sup>1</sup> The Bank will update other reputable and applicable certifications as they are verified by the Second Part Opinion.



**Sustainable Management  
of Living Natural Resources  
(Forestry and Aquaculture)**

ICMA Eligibility Category	Sustainable Management of Living Natural Resources – Forestry and Aquaculture
Type of projects	Sustainable forestry and fisheries
Eligibility Criteria	<p>Eligible assets for the acquisition, maintenance, and management of the following:</p> <ul style="list-style-type: none"> <li>• Nature conservation projects, which include the use, ownership, or development of property for landscape or nature and wildlife preservation purposes.</li> <li>• Commercial forests that are either i) certified with FSC or PEFC or ii) in the case of smallholder farmers, the forestry projects will be accompanied by a sustainable forest management plan, enabling family producers to comply with requirements that would have otherwise been met through FSC or PEFC certification.</li> <li>• Sustainably Managed Forestry that increases carbon stocks or reduces the impact of forestry activities certified with FSC, PEFC or SFI.</li> <li>• Biosphere conservation projects (including payments for ecosystem services) targeting reducing emissions from the deforestation or degradation of ecosystems.</li> <li>• Financed activity is either contributing to conserving/increasing biodiversity, or the core business/aim of the project is to conserve or increase biodiversity.</li> <li>• Sustainable aquaculture comprised of operation, construction, maintenance and development of land-based fish farming. facilities with wastewater treatment including wastewater from the land-based aquaculture activities except treatment of wastewater from fossil fuel operations. Third party standards and certifications for aquaculture and fishery activities will be considered and the most appropriate will be applied based on their suitability for the given operation: <ul style="list-style-type: none"> <li>- <b>Global G.A.P for Aquaculture</b></li> <li>- <b>Aquaculture Stewardship Council (ASC)</b></li> <li>- <b>Best Aquaculture Practices (BAP) (2 stars or above)</b></li> <li>- <b>Marine Stewardship Council (MSC) - Fisheries Standard</b></li> <li>- <b>Debio</b></li> </ul> </li> </ul>
Social / Environmental benefits / KPIs	<ul style="list-style-type: none"> <li>• CO2 emissions sequestered: Sequestered emissions of Forestry projects are calculated by using data in the AFOLU USAID Carbon Calculator on emissions per hectares of different species and stages of forestry development including harvesting, thinning, and fertilizer usage.</li> <li>• For Nature Development projects the sequestered emissions are calculated by taking a sample mix of species found in cooler temperate climates.</li> <li>• Biodiversity monitoring (number of individual species identified)</li> <li>• Increase in endangered species (number of number of end. Species)</li> <li>• Protected or restored habitats (Hectares)</li> <li>• Forest / native vegetation restoration</li> </ul>

<b>ICMA Eligibility Category</b>	<b>Renewable Energy</b>
<b>Type of projects</b>	Renewable energy generation and efficiency projects.
<b>Eligibility Criteria</b>	<p>Eligible assets for the acquisition, conception, construction, operation, development, and installation of renewable energy generation source and facilities with associated transmission and grid infrastructure including:</p> <ul style="list-style-type: none"> <li>• Wind projects, including onshore and offshore wind energy projects</li> <li>• Solar photovoltaic and Concentrated Solar Power</li> <li>• Hydropower facilities/hydroelectric projects<sup>2</sup></li> </ul>
<b>Social / Environmental benefits / KPIs</b>	<ul style="list-style-type: none"> <li>• GHG avoided emissions (tons CO2 equivalent)</li> <li>• CRDB follows the PCAF GHG methodology<sup>4</sup>. Under this methodology, electricity generation (MWh) is based on actual production reported by project promoters or, when not available, the estimated annual production based on P50/P90 assessments.</li> <li>• Avoided emissions attributable to CRDB are estimated using the IFI Operating Margin (OM) emission factors. The OM is based on emission factors from the power plants with the highest variable operating costs. These are the power plants that will be replaced first when utilizing new renewable power sources.</li> <li>• CRDB will be using the latest available IFI emission factor (tCO2/MWh) for each country in which the eligible assets are located.</li> </ul>

<b>ICMA Eligibility Category</b>	<b>Energy efficiency (in industrial equipment/machinery, buildings etc.) and Pollution prevention and control (including reduction of air emissions, greenhouse gas control, soil remediation, waste prevention, waste reduction, waste recycling and energy/ emission-efficient waste to energy.</b>
<b>Type of projects</b>	Financing clean and efficient manufacturing and other industrial processes.
<b>Eligibility Criteria</b>	<p>Eligible Assets to support customers involved in the development, manufacture, repair, maintenance or installation of energy efficiency technologies, products, and systems including:</p> <ul style="list-style-type: none"> <li>• Bio-based products that are certified by the Roundtable on Sustainable Biomaterials (RSB)</li> <li>• Industrial energy-efficiency improvements through the installation of more efficient equipment, changes in processes, reduction of heat losses and/or increased waste heat recovery<sup>3</sup>. Installation of co-generation plants that generate electricity in addition to providing heating/cooling (excluding for fossil fuel operations)</li> <li>• More efficient facility replacement of an older facility (old facility retired)<sup>4</sup>) to including sensors, automatic switches, and the use of energy-star certified lights and utilities.</li> <li>• Improvement in utility scale energy efficiency through efficient energy use, and loss reduction<sup>5</sup>.</li> <li>• Waste-to-energy projects/facilities that follows the waste hierarchy to ensure that as much of the waste as possible is reused and recycled before being converted to energy.</li> <li>• Where hazardous waste, plastics, and recyclable material (including organic waste where relevant) are separated prior to incineration.</li> <li>• Waste management projects to reduce methane emissions and generate energy (e.g., incineration of waste and landfill gas capture).</li> <li>• Waste-recycling projects that recover or reuse materials and waste as inputs into new products or as a resource<sup>6</sup>.</li> <li>• Provision of waste collection infrastructure and recovery or reuse of materials and waste as inputs into new products or as a resource, with recyclable segregated from source.</li> <li>• The waste collection vehicles with the following: <ul style="list-style-type: none"> <li>(i) zero direct emission vehicles</li> <li>(ii) hybrid light weight commercial vehicles with direct emissions below 75 gCO<sub>2</sub>e/km, based on lab test NEDC procedure; or heavy trucks with direct emissions below 25 gCO<sub>2</sub>/tkm.</li> </ul> </li> </ul>
<b>Environmental benefits / KPI</b>	<ul style="list-style-type: none"> <li>• GHG avoided emissions: Reduction in GHG emissions resulting from industrial process improvements and cleaner production (e.g., gypsum, cement, chemical) demonstrated by &gt;20% GHG efficiency or resource efficiency improvement (excluding investments in fossil fuel technology).</li> <li>• Reduced waste to landfill (tonnes/year)</li> <li>• GHG emission reductions from waste related methane emission management</li> </ul>

<sup>2</sup>Hydropower facilities/hydroelectric projects regardless the size meeting the following criteria: for facilities that became or will become operational after the end of 2019: (i) Run-of-river without artificial reservoir or low storage capacity; or (ii) Life-cycle carbon intensity below 50 gCO<sub>2</sub>e/kWh; or (iii) power density greater than 10 W/m<sup>2</sup>. For facilities that became operational before the end of 2019 and are being refinanced: (i) Run-of-river without artificial reservoir or low storage capacity; or (ii) Life-cycle carbon intensity below 100 gCO<sub>2</sub>e/kWh; or (iii) power density greater than 5 W/m<sup>2</sup>. Facilities operating at life cycle emissions lower than 100gCO<sub>2</sub>e/kWh, declining to 0gCO<sub>2</sub>e/kWh by 2050 and with maximum size of 20-25MW.

<sup>3</sup>Investments in fossil fuel technology and "hard-to-abate industries" such as steel, cement, and aluminum) excluded under this category.

<sup>4</sup>The investments in fossil fuel technology is excluded under this category.

<b>ICMA Eligibility Category</b>	<b>Green buildings</b>
<b>Type of projects</b>	Financing the construction, acquisition or retrofitting of green buildings.
<b>Eligibility Criteria</b>	<p>Eligible assets for the construction, acquisition or retrofitting of green buildings which meet the regional, national, or internationally recognized standards or certifications as per below:</p> <ul style="list-style-type: none"> <li>• Green Buildings with certification from EDGE Certified, EDGE Advanced, EDGE Zero Carbon, LEED Gold.</li> </ul>
<b>Environmental benefits / KPI</b>	<ul style="list-style-type: none"> <li>• GHG emissions avoided (tonnes of CO2 equivalent)</li> <li>• Energy saved - materials</li> <li>• Water saved</li> </ul>

<sup>5</sup> The investments in fossil fuel technology is excluded under this category.

<sup>6</sup> This applicable only if net emission reductions can be demonstrated, For the Eligible plastics recycling processes will exclude chemical recycling of plastics and for any e-waste management projects, this must be accompanied by robust waste management processes.



**Sustainable water and  
wastewater management**



<b>ICMA Eligibility Category</b>	<b>Sustainable water and wastewater management.</b>
<b>Type of projects</b>	<p>Financing sustainable infrastructure for clean and/or drinking water, wastewater treatment, sustainable urban drainage systems and river training and other forms of flooding mitigation.</p> <p>Treatment of wastewater if not a compliance requirement as part of an industrial process</p>
<b>Eligibility Criteria</b>	<p>Eligible Assets to support the construction, extension, renewal, upgrade or operation of sustainable water and wastewater facilities, including:</p> <ul style="list-style-type: none"> <li>• Sustainable infrastructure for clean and/or drinking water, wastewater treatment, sustainable urban drainage systems and river training and other forms of flooding mitigation)</li> <li>• Treatment of industrial wastewater if not a compliance requirement as part of an industrial process (only if net emission reductions can be demonstrated). Eligibility excludes wastewater treatment from fossil fuel operations.</li> </ul>
<b>Environmental benefits / KPI</b>	<ul style="list-style-type: none"> <li>• Water saved (m3)</li> <li>• Waste and water treated (m3)</li> <li>• Access to clean water and sanitation (number of people)</li> </ul>
<b>ICMA Eligibility Category</b>	<b>Clean Transportation</b>
<b>Type of projects</b>	<p>Eligible Assets supporting the transition low carbon transportation of people and materials including for the development, sale, operation, and upgrade of infrastructure projects including for:</p> <ul style="list-style-type: none"> <li>• Loans for electric power trains and vehicles</li> <li>• A Boost for Electric Vehicles and Related Facilities</li> <li>• Financing for sustainable transportation solutions including walking, cycling, mass transit, carpooling, car sharing, and green vehicles.</li> <li>• Green transport modes rely on renewable energy sources such as wind and solar energy, hydroelectricity, and biomass.</li> <li>• Waterborne transport with sustainable clean energy efficiency</li> </ul>
<b>Eligibility Criteria</b>	<ul style="list-style-type: none"> <li>• Projects that provide:</li> <li>• Substantial contribution to Climate Change mitigation</li> <li>• Increasing clean or climate-neutral mobility</li> <li>• Provide access to safe, affordable, accessible, and sustainable transport systems for all.</li> </ul>
<b>Environmental benefits / KPI</b>	<ul style="list-style-type: none"> <li>• GHG avoided emissions (tons CO2 equivalent)</li> <li>• Reduction of pollutant emissions (non-GHG)</li> </ul>

### 3.1.2 Social Bond Eligibility Criteria

A full list of eligible social activities including the associated Impact and Key Performance Indicators (KPIs) are described below. In summary they are aligned with the ICMA indicative list of social category projects, and include:

- Access to essential services (e.g., health, education and vocational training, healthcare, financing and financial services)
- Affordable housing
- Employment generation, and programs designed to prevent and/or alleviate unemployment stemming from socioeconomic crises, including through the potential effect of SME financing and microfinance
- Food security and sustainable food systems (e.g. physical, social, and economic access to safe, nutritious, and sufficient food that meets dietary needs and requirements; resilient agricultural practices; reduction of food loss and waste; and improved productivity of small-scale producers)
- Socioeconomic advancement and empowerment (e.g. equitable access to and control over assets, services, resources, and opportunities; equitable participation and integration into the market and society, including reduction of income inequality).

Examples of target populations include, but are not limited to, those that are: Living below the poverty line; Excluded and/or marginalized populations and/or communities; People with disabilities; Migrants and/or displaced persons; Undereducated; Underserved, owing to a lack of quality access to essential goods and services; Unemployed; Women; Aging populations and vulnerable youth; Other vulnerable groups, including as a result of natural disasters.

ICMA Eligibility Category	Gender equality
<b>Type of projects</b>	Financing earmarked for women MSME/SMEs <sup>7</sup> . By taking a deliberate, proactive, and positive approach towards gender equality and women empowerment, the bank will identify opportunities for active participation by women, through the network of micro finance partners and mobile banks facilities.
<b>Eligibility Criteria</b>	<p>Eligible Assets to support women-owned MSME/SMEs with the following ownership criteria:</p> <ul style="list-style-type: none"> <li>• A women-owned MSME/SMEs is an enterprise which is: (a) at least for 51% owned by a woman or by women, or (b) (i) at least for 20% owned by a woman or by women, (ii). with a woman as CEO, COO, President, or Vice President and (iii) if such enterprise has a board of directors, with at least 30% of such board of directors comprised of women</li> </ul> <p>Eligible expenditures include:</p> <ul style="list-style-type: none"> <li>• Credit facilities and preferential interest rate loans to MSME/SMEs controlled by women,</li> <li>• Long-term working capital and credit to balance cash flow and support unforeseen expenses for MSME/SMEs controlled by women,</li> <li>• Financing of MSME/SMEs that offer products and services that specifically or disproportionately benefit women, and</li> <li>• Credit facilities to MSME/SMEs that have 30-50% women as workforce.</li> </ul>
<b>Social benefits / KPI</b>	<ul style="list-style-type: none"> <li>• Number of women in national and corporate leadership and decision-making positions.</li> <li>• Number of women-owned and women-led MSME/SMEs with access to finance</li> <li>• Number of women MSME/SMEs trained in entrepreneurship and productive improvement and who receive mentoring and early-stage investment support (at least 50% are women).</li> <li>• Number of women with access to credit from a formal source by end of Programme.</li> </ul>

<sup>7</sup>As per CRDB Bank, MSMEs means micro, small, and medium enterprises with investment or loan exposure that have been defined in the bank's credit operating manual aligned to the prevailing economic environment. Currently, MSMEs are enterprises with exposure not exceeding Tzs 50Mn (less than US\$ 20,000 equivalent), while to include SME, it extends to those enterprises with exposure above Tzs 50Mn, up to Tzs 5 billion (greater than US\$ 20,000 and up to US\$ 2 million equivalent).



## Health and Education



<b>ICMA Eligibility Category</b>	<b>Health and Education</b>
<b>Type of projects</b>	<p>Financing eligible assets supporting health and education systems development, including healthcare services and prevention equipment; and education facilities for the following:</p> <ul style="list-style-type: none"> <li>(i) Financing building and construction, operation, maintenance, retrofitting and acquiring public education, hospitals, and other public education and healthcare organizations.</li> <li>(ii) Financing the building and construction, operation, maintenance, retrofitting, acquisition, and purchase of equipment for private schools and hospitals and other private healthcare institutions that provide free or subsidized service access to vulnerable communities<sup>8</sup>.</li> </ul>
<b>Eligibility Criteria</b>	<p>Eligible projects include projects that:</p> <ul style="list-style-type: none"> <li>• Improve the quality of the existing education and health facilities.</li> <li>• Provide preventive and curative services.</li> <li>• Ensure better educational conditions for socially disadvantaged students.</li> <li>• Increase the quality of and access to education, healthcare, and social inclusion to vulnerable groups.</li> <li>• Promote equitable access to essential services without discrimination based on gender, ethnicity, religion, and socioeconomic class.</li> <li>• Promote science and innovation.</li> <li>• Improve public health.</li> </ul>
<b>Social benefits / KPI</b>	<p>Education:</p> <ul style="list-style-type: none"> <li>• Number of people benefiting from better access to education</li> <li>• Number of students benefiting from educational and vocational services</li> <li>• Number of pupils/young adults enrolled at Community Hubs attending basic literacy and numeracy (BLN) classes</li> <li>• Number of teachers and other educational staff recruited/trained</li> <li>• Number of students enrolled/educated</li> </ul> <p>Health:</p> <ul style="list-style-type: none"> <li>• percentage of people with access to better health services</li> <li>• Number of health centers equipped</li> <li>• Easy access to health training and education sessions</li> <li>• Number of children fed with nutritious meal</li> <li>• Number of people treated with trauma issues</li> <li>• Number of people with access to vaccines, vision, and hearing interventions</li> <li>• Improved access to water and sanitation in rural areas</li> <li>• Provision of boreholes and wells in rural communities.</li> <li>• Provision of drinking water transmission and distribution pipes constructed across communities</li> <li>• Number of workers trained in the maintenance of water facilities.</li> </ul>
<b>ICMA Eligibility Category</b>	<b>Financing MSME/SMEs</b>
<b>Type of projects</b>	<ul style="list-style-type: none"> <li>• Financing for MSME/SMEs to bring essential goods, services and livelihood opportunities<sup>9</sup>.</li> </ul>
<b>Eligibility Criteria</b>	<p>Eligible Assets to support:</p> <ul style="list-style-type: none"> <li>• Projects that promote employment generation and retention.</li> <li>• Projects that aim to increase the access to financial services, including affordable credit, payment and saving to micro, small and medium enterprises.</li> <li>• Projects that promote the formalization and growth of micro, small and medium enterprises.</li> <li>• Projects where at least 30% of the revenue of the business comes (or is expected to come) from business activity directed at the micro, small and medium enterprises.</li> <li>• Eligibility excludes activities on the Exclusion List of this Framework.</li> </ul>
<b>Social benefits / KPI</b>	<ul style="list-style-type: none"> <li>• Number of jobs created</li> <li>• Number of people with decent wages/incomes</li> <li>• Percentage of the pay gap between women's and men's wages/salaries</li> </ul>

<sup>8</sup>People living below the poverty line (e.g., household income below TZS 10,000, (US\$ 4.27) per month, excluded and marginalized populations, people with disabilities, and unemployed, elderly, sick, and underserved individuals. CRDB Bank aligns with the World Bank's definition of poverty line and defines low-income population as those with income of less than USD 1.90 per day (in Purchasing Power Parity terms).

<sup>9</sup>As per CRDB Bank, MSMEs means micro, small, and medium enterprises with investment or loan exposure that have been defined in the bank's credit operating manual aligned to the prevailing economic environment. Currently, MSMEs are enterprises with exposure not exceeding TZs 20Mn (less than US\$ 20,000 equivalent), while to include SME, it extends to those enterprises with exposure above TZs 20Mn, up to TZs 2 billion (greater than US\$ 20,000 and up to US\$ 2 million equivalent).



## **Food security and sustainable food systems**



<b>ICMA Eligibility Category</b>	<b>Food security and sustainable food systems</b>
<b>Type of projects</b>	Financing the provision of infrastructure, facilities, and equipment in the agricultural and aquaculture sectors for smallholder farmers.
<b>Eligibility Criteria</b>	<ul style="list-style-type: none"> <li>• Eligible Assets to support:</li> <li>• Projects that improve access to safe, affordable, and nutritious food to the vulnerable.</li> <li>• Projects that reduce food loss and waste.</li> <li>• Projects that provide access to safe, nutritious, and sufficient food that meets dietary needs and requirements.</li> </ul>
<b>Social benefits / KPI</b>	<ul style="list-style-type: none"> <li>• Number of people with access to nutritious food</li> <li>• Identified crops to address food security</li> <li>• Availability of opportunities in the use of improved farming technology and other agricultural projects</li> <li>• Number of Vulnerable households empowered with income generating activities for enhanced livelihoods</li> <li>• Percentage of beneficiary farmer cooperatives who receive agricultural extension services</li> <li>• Existence of Unified social registry developed for states to promote targeting of social safety net establishment of various agri-businesses</li> <li>• Number of smallholder farmers engaged</li> <li>• Opportunities created for linkage to markets across the value chain</li> <li>• Establishment of credit facilities that give easy access to finance for farmers</li> </ul>

Note that the above categories are not exclusive, so multiple categories might apply. As an example, an investment in a microfinance institution with mostly female clients would fall under "microfinance" and "gender".

### 3.1.3 Sustainability Bond Eligibility Criteria

Sustainability Bonds are a type of bond instrument where the proceeds or an equivalent amount will be exclusively applied to finance or refinance a combination of both green and social projects. Sustainability Bonds are aligned with the four core components of both the GBP and SBP, with the former being especially relevant to underlying green projects and the latter to underlying social projects.

The eligibility criteria for the Sustainability Bond will be referred to as GBP and SBP criteria at sections 3.1.1 and 3.1.2, respectively, as the Sustainability Guidelines apply when green projects and social projects are combined, which means the green projects have social co-benefits or the social projects have green co-benefits.

### 3.1.4 Exclusion criteria

Any project associated with the following activities, which are believed to cause irreversible social harm to society and our communities, will be excluded from the eligible expenditures:

- Generation of nuclear energy
- Industries for alcohol, arms, tobacco, or gambling
- The production or trade of any product or activity that is considered illegal according to national laws or regulations or international agreements and conventions
- Deforestation or forest degradation, land use change
- Activities in protected areas or activities that violate indigenous peoples' rights
- Coal mining and coal power generation related projects, as well as peat extraction and electricity generation using peat
- Production or trade in any product or activity deemed illegal under host country laws and France or regulations or international conventions and agreements.
- Production or activities involving forced labour or child labour
- Trade in wildlife
- Drift net fishing in the marine environment using nets in excess of 2.5 km in length.
- Destruction of Critical Habitat and any forest project under which no sustainable development and managing plan is carried out.
- Production or use of or trade in hazardous materials such as asbestos fibers and products containing PCBs.
- Production, use of or trade in pharmaceuticals, pesticides/herbicides, chemicals, ozone depleting substances and

other hazardous substances subject to international phase-outs or bans.

- Production or trade in weapons and ammunitions
- Tobacco
- hard liquor for human consumption.
- Gambling, casinos, and equivalent enterprises

### 3.2 Process for project evaluation and selection

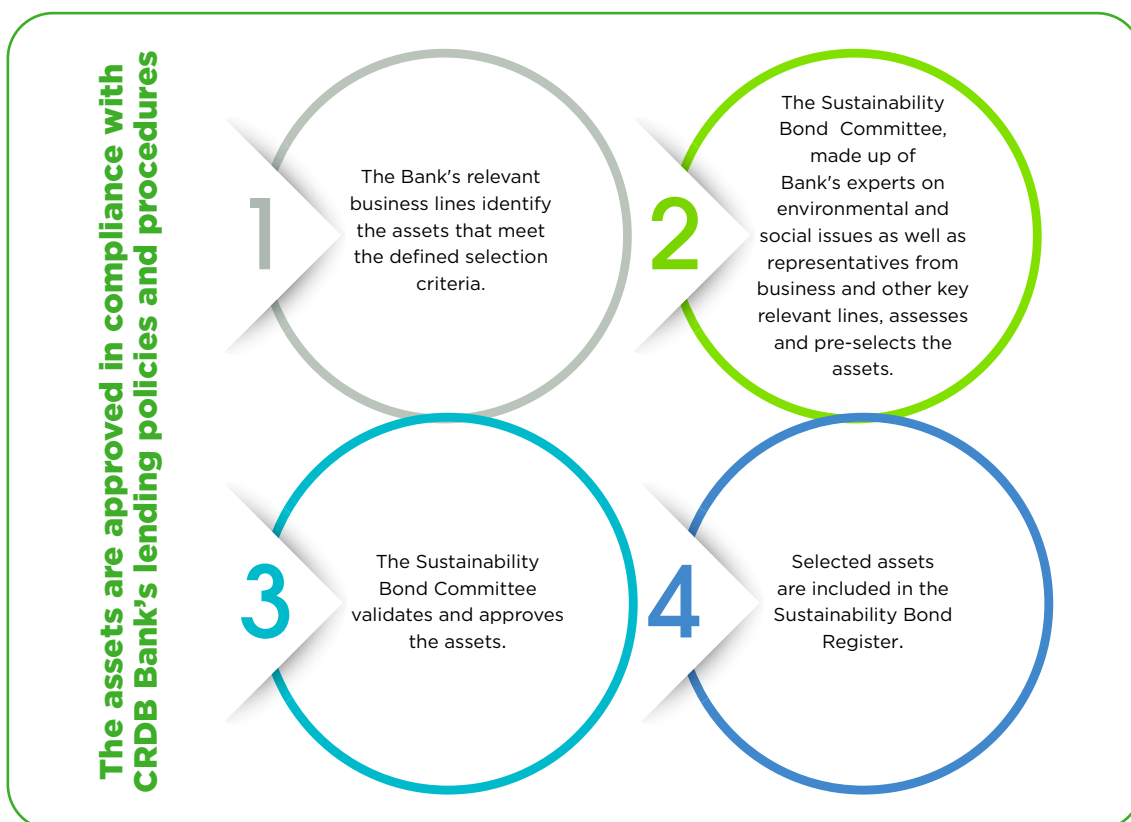
In addition to CRDB’s standard process in line with its Environmental and Social Management System (ESMS) for identifying and addressing E&S risks associated with eligible loans, CRDB will complete the process illustrated below when selecting and evaluating financing within the Sustainability Bond Asset Categories that qualify as assets to be included in the Sustainable Bond Asset Portfolio. A confirmation process is thereafter undertaken by a Sustainable Bond Committee within CRDB with respect to the assessments made by other staff in relation to the green and/or social bond asset categories. The Sustainable Bond Committee will also review the Green and Social Bond Asset Portfolio on a quarterly basis.

#### 3.2.1 CRDB evaluation and selection process of Eligible Projects/Loans in line with CRDB’s standard Credit Assessment Process

The Sustainable Finance Unit and Business Units (Credit, Retail, Corporate, and Treasury) will oversee the implementation of the Framework. The bank will form a Sustainable Bond Panel (SBP), which will be composed of the Sustainable Finance Department and other business units (finance, treasury, lending, risk management, sustainability, investor relations, and other relevant functions). The SBP will ensure an adequate representation of global functions as well as of local issuing entities. With support and advice from the Sustainable Finance Unit, the SBP will be responsible for:

- Ensuring that the Eligible Categories and related specific criteria defined in the Framework are duly applied to any project or loan selected and to any local issuing entity
- Reviewing and updating the Framework periodically to keep it aligned with best market practices and requirements
- Supervising the reporting activity of the outstanding bonds issued under this Framework
- Validating the project or loans pre-selected for allocation on each issuance by the supporting sustainability Bond Framework Working Groups (described below)

Maintaining and updating the Sustainability Bond Register (the "Register") and periodically updating the list of projects or loans included in any specific bond of the local issuing entity.



### 3.2.2 Sustainability Bond Committee representatives

- Relevant unit within the CRDB's sustainability functions
- Relevant Treasury functions
- Relevant business units within corporate banking, institutional banking, and retail business banking
- Relevant function within the credit department
- Relevant unit within the Investor Relations function
- Relevant unit within the Risk and Compliance function
- Relevant unit within the bank's legal functions

### 3.3 Management of Proceeds

CRDB intends to allocate an amount equal to the net proceeds from the issue of Green, Social and Sustainability Bonds to Eligible Green and Social Loans (for the underlying green and/or social projects or assets), selected in accordance with the Eligibility Criteria set out in Use of Proceeds and the Process for project evaluation and selection above. CRDB will strive to achieve a level of allocation for the Eligible Green and Social Loans which matches the balance of net proceeds from each of its outstanding Green, Social and Sustainability Bonds within twenty-four months after issuance of the Bond.

CRDB has established a Sustainable Bond Register in relation to Green, Social and Sustainability Bonds issued by CRDB for the purpose of recording the Green and Social Loan Portfolio and the intended allocation of the net proceeds from the Green, Social and Sustainability Bonds to Green and Social Loans. The amount equal to the net proceeds of the Green, Social and Sustainability Bonds issued by CRDB will be deposited in the general funding accounts but can be identified in the Sustainable Bond Register (meaning ear marking method). It is the intention of the CRDB to allocate, directly or indirectly, an amount equal to the net proceeds in accordance with the principles set out in this Green, Social and Sustainability Bond Framework. The composition and amount of Green and Social Loans will be reviewed quarterly by the Financial Reporting and Control unit within Group Finance to account for any repayments and bonds drawn and compare those records with the allocations detailed in the Sustainable Bond Register.

During the life of each of the Green, Social and Sustainability Bonds, if a Green or Social Loan ceases to fulfil the Eligibility Criteria or matures, CRDB will remove the Loan from the Eligible Green and Social Loan list and replace it with a new Eligible Green or Social Loan, on a best effort basis. Therefore, in case required, additional Eligible Green and Social Loans will be added to the Sustainable Bond Register, to ensure that an amount equal to the net proceeds from outstanding Green, Social and Sustainability Bonds will be allocated to Eligible Green or Social Loans.

Pending allocation of an amount equal to the net proceeds of any tranche of Green, Social, and Sustainability Bonds to eligible Green or Social Loans, CRDB will hold and/or invest, at its discretion, in its

treasury liquidity portfolio, in cash or other short-term and liquid instruments, the balance of net proceeds not yet allocated to eligible Green or Social Loans. Unallocated proceeds will, on a best effort basis, be invested in eligible Green, Social, or Sustainability Bonds that do not include any activity listed on the exclusion list or greenhouse gas-intensive projects that are inconsistent with the delivery of a low-carbon and climate-resilient economy.

Group Finance will oversee the management of proceeds and track the allocation using the relevant bond register. The Financial Auditor will review the allocation as part of standards reporting on the soundness of the annual financial reports.



### 3.4 Reporting

The Green, Social and Sustainability Bond Principles and Guidelines require Bond issuers to provide information on the allocation of proceeds. In addition to information relating to the assets to which an amount equal to the net proceeds from the issue of Green, Social and Sustainability Bonds have been allocated, the Sustainability Bond Principles recommend communicating on the impacts of the Eligible Loans. CRDB intends to report on both the Allocation of the Green, Social and Sustainability Bond's net proceeds and their related impacts on an annual basis via a Green, Social and Sustainability Bond Report, until maturity of each of the Green, Social and Sustainability Bonds issued under this Framework (information could still be provided in one annual aggregated report). The Green, Social and Sustainability Bond Report(s) will be made available to investors and the general public at CRDB's website.

#### i) Allocation Report

The Allocation Report section of the Report(s) will contain at least the following details:

- The total amount of net proceeds allocated to Eligible Green and Social Loans
- The number of Eligible Green and Social Loans
- The remaining balance of unallocated proceeds if any
- The amount and percentage of new financing and refinancing
- An indication of the age of the loans that have been refinanced. This information around percentages and amounts of assets financed/refinanced via green bond issuances will also be presented pre-issuance to investors via marketing materials

#### ii) Impact Report

Via the Impact Report section of the Bond Report(s), CRDB intends to report on the environmental and social impact of the Eligible Green and Social Loans. This section of the report, may include the following information:

- A brief description of relevant Eligible Green and Social Loans
- The breakdown of the Eligible Green and Social Loan Portfolio by nature of what is being financed
- Metrics regarding Eligible Green and Social Loans' environmental and social impacts as described in the Eligibility Criteria (KPI section) and as summarized in section 3.

### 3.5 External Review

Pre-issuance verification: Second Party Opinion: CRDB has obtained an independent verification assessment by Sustainalytics to confirm the alignment of the Framework with the ICMA's Sustainability Bond Principles. The Second Party Opinion document has been made available on CRDB's website [https://crdbbank.co.tz/en/page/page\\_sus](https://crdbbank.co.tz/en/page/page_sus) together with this Framework.

Post-issuance verification: CRDB will make public a limited assurance on the allocation report provided by its external reviewers or any other appointed independent third party. For each report, the auditors will verify:

- The allocated and unallocated net proceeds
- The compliance of the Eligible Activities with the defined eligibility criteria of the relevant categories
- If feasible, the review of the impact reporting

**ANNEX 1: Definition of Key Terms**

**As defined by the International Capital Market Association (ICMA), Green, Social and Sustainability (GSS) Bonds** are any type of bond instrument where the proceeds will be exclusively applied to eligible environmental and social projects or a combination of both.

**Green Bonds** are any type of bond instrument where the proceeds will be exclusively applied to finance or re-finance projects with clear environmental benefits, and which are aligned with the four core components of the ICMA Green Bond Principles (GBP). Eligible green projects include renewable energy, energy efficiency, pollution prevention and control, environmentally sustainable management of living natural resources and land use; terrestrial and aquatic biodiversity conservation, clean transportation; sustainable water and wastewater management; climate change adaptation; circular economy adapted products, production technologies and processes and/or certified eco-efficient products; and green buildings. For environmental marine, coastal and waterways-related projects (sometimes also categorized as “blue economy projects”), CRDB may also elect to issue these labelled as “Blue Bonds” and in line with the four core components of the GBP.

**Social Bonds** are aligned with the four core components of the ICMA Social Bond Principles (SBP) and finance projects that directly aim to address or mitigate a specific social issue and/or seek to achieve positive social outcomes, especially but not exclusively for a target population(s). Social Project categories include providing and/or promoting affordable basic infrastructure, access to essential services, affordable housing, employment generation, food security and sustainable food systems, and socioeconomic advancement and empowerment.

**Gender Bonds** are a sub-set of the Social Bonds. They are broadly defined as bonds that support women empowerment and gender equality. Gender bonds can support women’s empowerment and gender equality by financing activities that enable these objectives. The capital is either allocated based on the impacts of specific projects or activities on women, or on the internal policies and practices of the borrower in terms of gender equality. CRDB may issue Gender Bonds as a tranche of the Social Bond issuances.

**Sustainability Bonds** are any type of bond instrument where the proceeds will be exclusively applied to finance or re-finance a combination of green and social projects and which are aligned with the four core components of the GBP and/or SBP and aligned with the Sustainability Bond Guidelines (SBGs), all as per the latest versions, June 2021.

**Annex 2: Exclusion Lists**

1. Production or activities involving forced labour <sup>10</sup> or harmful child labour <sup>11</sup>
2. Production or trade in any product or activity deemed illegal under host country laws or regulations or international conventions and agreements
3. Any business relating to pornography or prostitution
4. Trade in wildlife or wildlife products regulated under CITIES <sup>12</sup>
5. Production or use of or trade in hazardous materials such as radioactive materials, unbounded asbestos fibres and production containing PCBs <sup>13</sup>
6. Cross-border trade in waste and waste products unless compliant to the Basel Convention and the underlying regulations.
7. Drift net fishing in the marine environment using nets in excess of 2.5 km in length
8. Production, use of or trade in pharmaceuticals, pesticides/herbicides, chemicals, ozone depleting substances and other hazardous substances <sup>14</sup> subject to international phase-outs or bans
9. Destruction <sup>15</sup> of Critical Habitat <sup>16</sup>
10. Racist and/or anti-democratic media
11. Loans to finance political events
12. Loans for production or trade in tobacco except for exposure not exceeding 5% of total loan portfolio
13. Loans for gambling, casinos and equivalent enterprises
14. Loans to finance firearms/ammunitions
15. Coal mining and coal power generation related projects, as well as peat extraction and electricity generation using peat

<sup>10</sup> Forced labour means all work or service, not voluntarily performed, that is extracted from an individual under threat of force or penalty as defined by ILO conventions

<sup>11</sup> The term "harmful child labour" is often defined as work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development. However, not all work done by children should be classified as child labour, activities such as helping their parents around the home, assisting in a family business during school holidays and any work that does not affect their health and personal development or interfere with their schooling, is generally regarded as being something positive. Employees may only be taken if they are at least 14 years old, as defined in the ILO Fundamental Human

Rights Conventions (Minimum Age Convention C138, Art. 2), unless local legislation specifies compulsory school attendance or the minimum age for working in such cases the higher age shall apply.

<sup>12</sup> CITIES: Convention on International Trade in Endangered Species or Wild Fauna and Flora 4. This does not apply to the purchase of medical equipment, quality control (measurement) equipment and any other equipment where EFP considers the radioactive source to be trivial and or adequately shielded

<sup>13</sup> PCBs: Polychlorinated biphenyls, a group of highly toxic chemicals. PCBs are likely to be found in oil-filled electrical transformers, capacitors and switchgear dating from 1950 - 1985

<sup>14</sup> Ozone Depleting Substances: Chemical compounds, which react with and delete stratospheric ozone, resulting in 'holes in the ozone layer' The Montreal Protocol lists ODS and their target reduction and phase-out dates

<sup>15</sup> Destruction means the (1) elimination or severe diminution of the integrity of a habitat caused by a major, long-term change in land or water or (2) modification of a habitat in such a way that the habitat's ability to maintain its role

<sup>16</sup> Critical habitat is a subset of both natural and modified habitat that deserves particular attention. Critical habitat includes areas with high biodiversity value that meet the criteria of the World Conservation Union (IUCN) classification, including habitat required for the survival of critical endangered or endangered species as defined by the IUCN Red List of Threatened Species or as defined in any national legislation; areas having special significance for endemic or restricted-range species; sites that are critical for the survival of migratory species; areas supporting globally significant concentrations or numbers of individuals of congregatory species; areas with unique assemblages of species or which are associated with key evolutionary processes or

provide key ecosystem services; and areas having biodiversity of significant social, economic or cultural importance to local communities. Primary Forest or forests of High Conservation Value shall be considered Critical Habitats

