

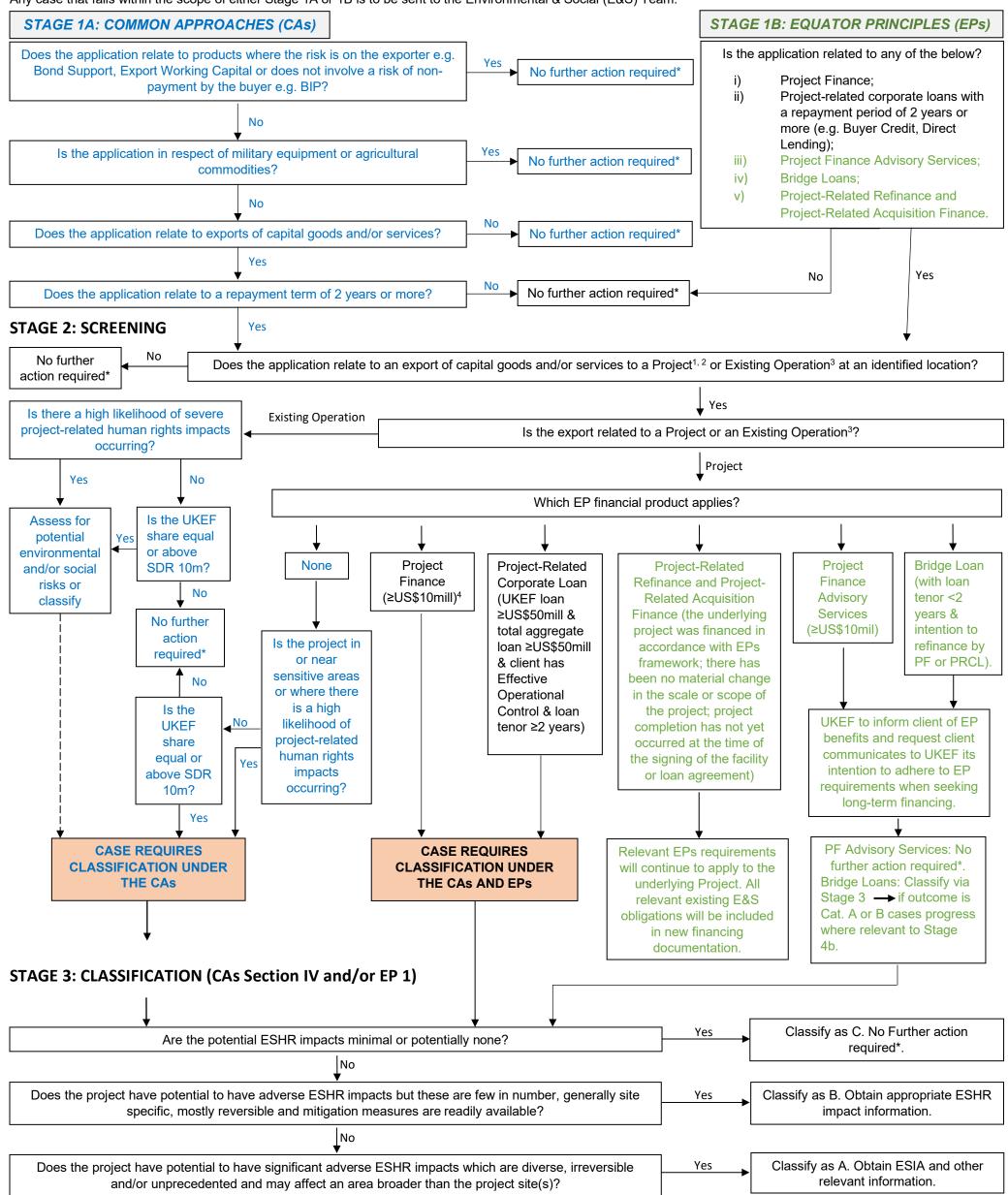
2012 REVISED (2016) OECD COMMON APPROACHES & 2020 EQUATOR PRINCIPLES 4

Process reflecting environmental, health, safety, social and human rights (ESHR) impacts pursuant to the Common Approaches and Equator Principles. UK Export In respect of projects for which UKEF support is sought, UKEF considers the relevant Common Approaches, Equator Principles or any other relevant factors on a case-by-case basis, and as such this chart is for illustrative purposes only.

Disclaimer: UKEF adopted the fourth version of the Equator Principles on 1 July 2020. Requirements exclusive to Common Approaches and Equator Principles 4 are coloured Blue or Green respectively. All others are common requirements and coloured black.

STAGE 1: SCOPING

Any case that falls within the scope of either Stage 1A or 1B is to be sent to the Environmental & Social (E&S) Team.



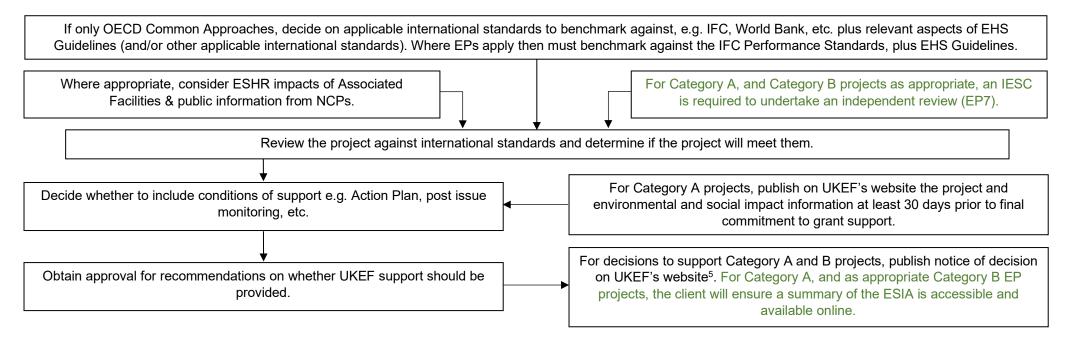
¹ The Equator Principles defines a project as "a development in any sector at an identified location. It includes an expansion or upgrade of an existing operation that results in a material change in output or function." Therefore, military equipment and agricultural commodities are not within scope due to their lack of identified location.

² Under the Common Approaches, "Projects refer to applications relating to exports of capital goods and/or services to an identified location of: i) any new commercial, industrial or infrastructure undertaking, or ii) any existing undertaking that is undergoing material change in output or function, which may result in change to the operation's environmental and/or social impacts."

³ Under the Common Approaches, "Existing Operations" refer to applications relating to exports of goods and/or capital services to an identified location where there is an existing undertaking that is undergoing no material change in output or function.

⁴ For Project Finance cases where UKEF support is greater than US \$10 million, but less than SDR10 million, EPs apply whilst CAs do not. Therefore, follow all subsequent instructions in black and green and exclude those in blue.

STAGE 4a: ESHR REVIEW OF APPLICATIONS CATEGORISED AS A & B (CAs Sections V, VI, VII and/or EPs 2-8)



STAGE 4b: BRIDGE LOAN APPLICATIONS CATEGORISED AS A & B (EPs Approach)

Project in feasibility phase & no impacts anticipated during loan tenor: UKEF will confirm that client will undertake an Environmental and Social		Project development anticipated during loan tenor AND Environmental and Social Assessment Documentation has been prepared: UKEF to work with
Assessment.		client to identify, where appropriate, an IESC to undertake a review (EP7).

STAGE 5: MONITORING (CAs Section VIII and/or EPs 9 & 10).

Regular ex post monitoring reports required from the Project Sponsor on how the project is addressing ESHR impact	Regular <i>ex post</i> monitorir	ig reports required from	the Project Sponsor on I	how the project is add	ressing ESHR impacts
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• Encourage Project Sponsors to make ex post monitoring reports and relevant information on ESHR impacts publicly available.

Appropriate procedures in place for monitoring the alignment with international ESHR standards and any ESHR conditions of official support determined from the outcomes of ESHR due diligence – Independent environmental and social consultant (IESC) required where a cat A or relevant cat B (EP 9) EP project. IESC monitoring typically involves 2 or 4 site visits per year during construction and 1 visit per year during operation following receipt of self-monitoring reports. Reports of all IESC visits to lender group.

- UKEF will consider accompanying the IESC in undertaking independent monitoring visits and will require or undertake additional post issue monitoring in the event of significant ESHR incident(s).
- The client will publicly report GHG emission levels (combined Scope 1 and Scope 2 emissions) during the operational phase for projects emitting ≥100,000 tonnes of CO₂ equivalent.

Category B projects		 Regular <i>ex post</i> monitoring reports required from the Project Sponsor on how the project is addressing ESHR impacts. Appropriate procedures in place for monitoring the alignment with international ESHR standards and any ESHR conditions of official support determined from the outcomes of ESHR due diligence. <i>Ex</i> post monitoring to be undertaken by UKEF or locally engaged ESHR consultant or IESC (only for higher risk cat B cases). UKEF will undertake or require an IESC to undertake additional post issue monitoring in the event of significant ESHR incident(s). The client will publicly report GHG emission levels (combined Scope 1 and Scope 2 emissions) during the operational phase for projects emitting ≥100,000 tonnes of CO₂ equivalent.
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All Category

A projects

* Indicates no requirements for action under the relevant Common Approaches and/or Equator Principles. UKEF will consider any further actions required pursuant to any other relevant factors relating to the project.

⁵ This is not a requirement of the OECD Common Approaches but UKEF is committed to publishing such notices.