

Environmental and Labor Issues: This is a category FI-2 project according to the IIC's Environmental and Social Sustainability Policy because the subprojects in the financial intermediary's current or future portfolio are considered medium risk. To enable the Borrower to better understand the IIC's requirements, Banco ABC shall be required to attend the IIC environmental training workshop for financial intermediaries. Each subproject will be subject to an environmental review and must comply with domestic environmental and labor laws, regulations, and standards, as well as IIC environmental guidelines. Banco ABC must also submit annual environmental reports to the IIC indicating the progress made and problems encountered in the implementation of these practices.